



ORDINARY COUNCIL MEETING

AGENDA

Date	:	30 March 2023
Time	:	10:00
Venue	:	Council Chambers (Jeffreys Bay)

KOUGA MUNICIPALITY (EC108) <u>NOTICE CONVENING A MEETING</u> NOTICE IS HEREBY GIVEN that in terms of Section 19 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) that an Ordinary Council Meeting will be held in the Council Chambers(Jeffreys Bay) on <u>DATE:</u> 30 March 2023 <u>TIME:</u> 10:00  <u>B. WILLIAMS</u> SPEAKER	UMASIPALA I-KOUGA (EC108) <u>ISAZISO NGENTLANGANISO</u> OKU KUKWAZISA sikhutshiwe ukuba ngokweCandelo-19 uMthetho weenKqubo zikaMasipala, (uMthetho 32 ka-2000), ukuba kubanjwe intlanganiso ebonakalayo yesigqeba Ye khansile eyakuba-kwikhansile yase (Jeffreys Bay) <u>UMHLA:</u> 30 EyoKwindla 2023 <u>IXESHA:</u> 10:00  <u>B. WILLIAMS</u> USOMLOMO	MUNISIPALITEIT KOUGA (OK108) <u>KENNISGEWING VAN VERGADERING</u> KENNIS GESKIED HIERMEE dat ingevolge Artikel 19 van die Wet op Munisipale Stelsels, 2000 (Wet No.32 of 2000), dat 'n raadsvergadering gehou sal word in die Raadsaal(Jeffreys Baai) op <u>DATUM:</u> 30 Maart 2023 <u>TYD:</u> 10:00  <u>B. WILLIAMS</u> SPEAKER
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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.

A G E N D A

1. **NOTICE OF MEETING**
2. **OPENING AND WELCOME**
3. **ABSENT WITH LEAVE**
4. **ABSENT WITHOUT LEAVE**
5. **PRESENTATIONS**
None
6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**
7. **STATEMENTS OR COMMUNICATIONS BY THE SPEAKER**

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

9. **DISCLOSURE OF INTEREST**

10. **STATUTORY MATTERS**

11. **MINUTES OF PREVIOUS MAYORAL COMMITTEE MEETING FOR INFORMATION**

Minutes of Mayoral Committee Meeting held on 25 November 2022

Pages: 8 - 20

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

12.1 Minutes of the Ordinary Council Meeting held on 28 February 2023

Pages: 22 - 36

13. **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).

14. **REPORTS OF COMMITTEES OF COUNCIL**

14.1 **REPORT BACK: SARAH BAARTMAN DISTRICT MUNICIPALITY REPRESENTATIVE**

None

14.2 **INTERGOVERNMENTAL RELATIONS**

23/03/IGR1 Minutes of the Inter-governmental Relations Committee

Pages: 39 - 69

14.3 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

23/03/KAC1 Minutes of the Kouga Audit Committee

Pages: 71 - 84

14.3 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

23/03/MPAC1 Minutes of the Municipal Public Accounts Committee

Pages: 86 - 108

15. **REPORT BACK: MUNIMEC**

None

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

- | | |
|------------------|---|
| 23/03/MM1 | Council Resolutions as at 28 February 2023

Pages: 110 - 133 |
| 23/03/MM2 | Annual Report (2021/2022)

Pages: 134 - 592 |
| 23/03/MM3 | 2021/22 Annual Report: Municipal Public Accounts Committee: Oversight Report

Pages: 593 - 669 |
| 23/03/MM4 | Kouga Mayoral Cup 02 March 2023 – 28 April 2023

Pages: 670 - 675 |
| 23/03/MM5 | Easter Festival 07- 08 April 2023

Pages: 676 - 678 |
| 23/03/MM6 | 2022/23 Service Delivery and Budget Implementation Plan: amendment following the Mid-Year Performance Assessment Adjustments Budget

Pages: 679 - 733 |
| 23/03/MM7 | Amendments to the 2022/23 Budget: Leak Detection Programme

Pages: 734 - 735 |

17. **REPORTS BY THE EXECUTIVE MAYOR**

17.1 **REPORTS BY THE PORTFOLIO CHAIRPERSON: FINANCE**

- | | |
|-----------------|--|
| 23/03/F1 | Re: List of Obsolete Equipment (Assets) that were Identified for Auction

Pages: 737- 761 |
| 23/03/F2 | Draft Medium-Term Revenue and Expenditure Framework (MTREF) - Budget for 2023/24 to 2025/26 Financial Years

Pages: 762 - 1118 |

17.2 **REPORTS BY THE PORTFOLIO CHAIRPERSON: PLANNING, DEVELOPMENT & TOURISM**

23/03/PDT1 Tabling Of The Draft Reviewed 2023/2024 Integrated Development Plan (IDP)

Pages: 1120 - 1529

23/03/PDT2 Progress Report on the Implementation of the Process Plan of the Integrated Development Plan (IDP) of 2023/2024

Pages: 1530 - 1540

23/03/PDT3 Draft By-Law Relating to Land Invasion, Management and Control of Informal Settlements

Pages: 1541 - 1557

23/03/PDT4 Request for Council Authorisation to Advertise and in-Principle Approval To Develop A Shelter For The Homeless On Erf 5972, Jeffreys Bay

Pages: 1558 - 1562

17.3 **REPORTS BY THE PORTFOLIO CHAIRPERSON: INFRASTRUCTURE & ENGINEERING**

23/03/I&E1 Roads to be Upgraded under the Gravel Roads Phase 2 Contract

Pages: 1564 - 1568

23/03/I&E2 Expanded Public Works Programme (EPWP) Policy No 4 Adoption, Implementation and Expression within Kouga Local Municipality

Pages: 1569 - 1571

23/03/I&E3 Report on the Registering of New Projects on MIG

Pages: 1572 - 1573

23/03/I&E4 Approval of the Final Project Implementation Plan (PIP) for the 23/24 FY MIG Allocated Grant Funding

Pages: 1574 – 1575

17.4 **REPORTS BY THE PORTFOLIO CHAIRPERSON: CORPORATE & DIGITAL SERVICES**

23/03/CDS4 Acting Appointment: Director Corporate & Digital Services and
Director: Planning, Development & Tourism

Pages: 1577 – 1578

23/03/CDS5 Approval of Terms of Reference for the Municipal By-Laws & Policies
Committee

Pages: 1579 - 1586

18. **CLOSURE**

Distribution list:

Executive Mayor

Speaker

All Councillors

Municipal Manager

All Directors

Relevant Managers

Committee Services

MAYORAL COMMITTEE MINUTES FOR NOTING

**MINUTES OF A MAYORAL COMMITTEE MEETING OF THE KOUGA MUNICIPALITY HELD
IN THE COUNCIL CHAMBERS, JEFFREYS BAY ON FRIDAY, 25 NOVEMBER AT 12:41**
Present:
Councillors

Ald H Hendricks	(Executive Mayor)
H Bornman	(Executive Deputy Mayor)
L Maree	
S Ruth	
T Jantjes	
W Gertenbach	
Ald D Benson	

**Councillors
as Observers**

Ald B Williams
B Dhludhlu
W van der Linde
W Gertenbach

Officials

C Du Plessis	(Municipal Manager)
D de Jager	(Deputy Municipal Manager)
F Mabusela	(Director: PDT)
M Rossouw	(Acting Director : Corporate & Digital Services)
C Venter	(Acting Director: Community Services)
R Lorgat	(Chief Financial Officer)
T Madatt	(Acting Director: Infrastructure & Eng)
L Opperman	(Manager: Legal Services)
R Prinsloo	(Chief Safety & Security)
M Goduka	(Manager: ICT)
B Faulkner	(Acting Manager: HR)
M Basson	(Acting Media: Specialist)
M Julius	(Senior Admin Officer: Committees)

1. NOTICE OF MEETING

The Executive Mayor read the notice convening the meeting in terms of Section 19 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) that a Mayoral Committee Meeting will be held.

2. OPENING AND WELCOME

The Executive Mayor welcomed those present and Cllr Benson opened with a prayer.

3. **ABSENT WITH LEAVE**

N Machelesi (Director: Community Services)

4. **ABSENT WITHOUT LEAVE**

None

5. **PRESENTATIONS**

Joint Information Systems presented by Syntell

Mr D Ramparsad presented on Joint Information Systems that Syntell offered which was an early warning system for public safety.

Questions were raised on the cost of the systems, collaboration with SAPS and procurement. The Executive Mayor stated that the matter would have to be discussed further.

Presentation on Long Term Financial Plan by INCA

Mr Tiaan Raubenheimer presented on Long Term Financial Plan for the Municipality.

There was discussion on the Financial Plan and how it was structured, where data was sourced as well as the financial position of the Municipality. INCA welcomed more questions.

The Executive Mayor gave thanks for presentations and stated that the plan had to be workshopped with Councillors and Council. There had to be a focus on revenue strategy and not only on revenue collection. Economic activity had to be increased. If the Municipality was to recover economically, it had to be easier for investment and reduce red tape.

The Executive Mayor stated that the Financial Plan had to be tabled to Council and workshopped with Councillors. He would not allow extremely lengthy presentations in future as this disrupted the order of business.

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

The Executive Mayor acknowledged the CFO for his Summer School attendance as part of the top 20 CFOs in the country. He asked that CFO comment on the Municipality's Audit outcomes.

The CFO stated that the Municipality was unqualified but there was a challenge regarding infrastructure. The main issue was that there were infrastructure projects indicated as complete according to the infrastructure department but from an asset perspective it was still a work in progress. The Auditor General had assisted the Municipality. The main challenge was a historical lack of communication from the Infrastructure & Engineering department with Asset Management.

The status on irregular expenditure was R380 000 which was due to Immex deviations. There were seven findings, two were in performance and five in finance and only one finding was material.

The Executive Mayor stated that the Municipality was moving in the correct direction.

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

The Executive Mayor thanked the officials and Councillors for being resilient in the face of challenges. The Municipality had been mitigating the drought and was suffering at the hands of the Metro. There had to be consistent water supply before the holiday season began. He hoped that there would be another drought meeting.

The Municipal Manager confirmed that the next JOC would be on the 7th of December 2022.

8. **DISCLOSURE OF INTEREST**

9. **STATUTORY MATTERS**

10. **CONFIRMATION OF MINUTES OF PREVIOUS MAYORAL COMMITTEE MEETING**

10.1 **MINUTES OF THE MAYORAL COMMITTEE HELD ON 17 AUGUST 2022**

The Executive Mayor tabled the minutes for minor corrections and clarifications.

He stated that he would allow observers to ask questions of clarification.

Resolved (25 November 2022)

1. That the minutes of the Mayoral Committee meeting held on 17 August 2022 be accepted.

Proposed: T Jantjes

Seconded: H Bornman

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

22/11/MM1 MAYORAL RESOLUTIONS AS AT 17 AUGUST 2022

There were requests that the Action Sheets be updated correctly and it was referred to the next Kouga Collective meeting for discussion.

Resolved (25 November 2022)

1. That the updated Action Sheets reflecting resolutions of the Mayoral Committee meeting as 17 November 2022, be noted.
2. That the report be tabled at the next Kouga Collective meeting.

22/11/MM2 KOUGA SUMMER FESTIVAL 2022: 9 DECEMBER 2022 – 1 JANUARY 2023

Resolved (25 November 2022)

1. That the 2022 Kouga Summer Festival be noted.
2. That the funding available be paid over to Mentorskraal and a fully audited statement and report be submitted.
3. That the Mayoral Committee approves the funding amount of R450000.00 (four hundred and fifty thousand rand) excluding VAT.
4. That the Mayoral Committee authorizes the Accounting Officer to conclude a Sponsorship Agreement/SLA with Mentorskraal in respect of the sponsorship stated in the above.
5. That the report be submitted to the next Council meeting.

22/11/MM3 MEDIA AND COMMUNICATION REPORT: FIRST QUARTER 2022/2023

The Speaker welcomed the report but indicated that media monitoring tool was required as media needed to be tracked externally and internally,

The Deputy Municipal Manager agreed but indicated that the budget was no longer available. The Municipality would go on tender for it in future but needed funding.

On internal screens, he stated that there was no handover and there were some issues but there would be a report.

Resolved (25 November 2022)

1. That the media report for the first quarter of the 2022/2023 financial year be noted.

22/11/MM4 PUBLIC PARTICIPATION REPORT: FIRST QUARTER 2022/2023

The Executive Mayor stated that public participation unit had to be supported.

Resolved (25 November 2022)

1. That the public participation report for July-October 2022 year be noted.
2. That proposed plans and activities in support of institutionalizing Public Participation be supported by all Directorates.

3. That the report be submitted to the next Council meeting.

22/11/MM5 SPU REPORT: FIRST QUARTER 2022/2023

The Executive Mayor appreciated the work done.

Resolved (25 November 2022)

1. That the SPU report for the fourth quarter of the 2021/2022 financial year be noted.

22/11/MM6 CALL CENTRE REPORT FOR JULY 2022 TO SEPTEMBER 2022 REPORTING PERIOD

The Acting Director Corporate & Digital Services stated there was a request to create a comparative call centre report but was unable to gather the data for the report as there were issues with the service provider.

The Executive Mayor stated that leaks had to be addressed. The report be tabled to the Ward Councillors Forum.

Resolved (25 November 2022)

1. That the Committee notes the report.
2. That in the next report the following information be included: how many teams working per functional unit, how many trucks and where they are based, productivity and available resources.

11. REPORTS BY THE PORTFOLIO COMMITTEE CHAIRPERSONS

11.1 REPORTS BY THE CHAIRPERSON: CORPORATE & DIGITAL SERVICES

22/11/CDS2 HR REPORT FOR QUARTER 1 - JULY, AUGUST TO SEPTEMBER 2022

The Deputy Mayor stated that staff costs had be discussed with Top Management and HR. The figures for expenditure versus size of department were required.

On the style of the reporting, Cllr Ruth requested that she wanted to know which departments had to actively reduce expenditure but would require data on expenditure relevant to size.

The CFO responded that it could be added to the current report and he would include salary per department over time as well.

Resolved (25 November 2022)

1. That the monthly HR report be noted.

2. The HR Dashboard be utilized for efficient decision-making.
3. Overtime expenses be kept on the radar and monitor by service delivery departments.
4. That staff costs be discussed at the next Kouga Collective meeting.

22/11/CDS5

DIGITAL SERVICES REPORT FOR THE QUARTER 1 OF THE 2022/2023 FY

Cllr Jantjes stated that ISP tender was of concern.

Resolved (25 November 2022)

1. That the ICT report for the period July to September 2022 be noted.
2. That the impact of loadshedding on data correctness especially on the finance system be noted with concern.
3. That the Committee be kept abreast on progress with the ISP Tender.

22/11/CDS6

CORPORATE & DIGITAL SERVICES SDBIP REPORT AS AT SEPTEMBER 2022

Resolved (25 November 2022)

1. That progress on the SDBIP as at 31 September 2022 be noted.

11.2 REPORTS BY THE CHAIRPERSON: FINANCE

22/11/F13

SUPPLY CHAIN MANAGEMENT: QUARTERLY REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2022

Resolved (25 November 2022)

1. That the report be submitted to Council for approval as per the reporting Requirements, this being the report for the first quarter (July to September 2022).

22/11/F24

REPORT ON THE PERFORMANCE (SDBIP) FOR FINANCE

Resolved (25 November 2022)

1. That progress on the Operational and Capital SDBIP as at 30 September 2022 be noted.

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

22/11/I&E4 PROJECTS PRESENTED AT PRE DAC (DISTRICT ADJUDICATION COMMITTEE) MEETING FOR MIG REGISTRATION ON 28 SEPTEMBER 2022

The Executive Mayor stated that there had to be a discussion on the improved usage of the Informal Settlement Upgrade Grant.

Resolved (25 November 2022)

1. That it be recommended that Council approve the item.
2. That the report be submitted to the next Council meeting.

22/11/I&E5 STATUS OF THE KWANOMZAMO SPORTSFIELD

The Executive Mayor was concerned about vandalism at the site and stated that there be security at the site, which was extremely important.

Cllr Maree indicated that site security was included as part of the specifications for new tenders.

The Executive Mayor requested that all future projects had to cater to risk.

Resolved (25 November 2022)

1. That the facility be immediately secured to mitigate further vandalism and Potential injuries to surrounding communities.
2. That additional funding be sourced to complete the project.

22/11/I&E6 STATUS OF THE UMZAMOWHETHU SANITATION SYSTEM

Resolved (25 November 2022)

1. That it be recommended that Council support the registration of the Umzamawhethu sewer reticulation on the MIG project list for future.
2. That the 6 affected households be serviced with new conservancy tanks.
3. That a submission of business plans be made to Kouga Windfarms for funding.
4. That the report be submitted to the next Council meeting.

22/11/I&E10 TRANSFER OF FUNDS FOR SUCTION TANKERS, WATER CARTING AND CHEMICAL TOILETS

The item was withdrawn as the CFO had indicated that the request could be considered for the Adjustments Budget.

Resolved (25 November 2022)

1. That the item be withdrawn.

22/11/I&E12 STATUS ON THE HANKEY MINI FRESH FOOD MARKET

After discussion it was determined that the legal implications of the item be included as point 8.3 of the recommendations.

Resolved (25 November 2022)

1. That the Mayoral Committee commit to completing the project and hand it over to the community.
2. That the Mayoral Committee approve this item.
3. The appointed contractor is considered to be in breach of contract and further legal action should be instituted in respect of any and all damage suffered by the Municipality as a result of said alleged breach of contract.

22/11/I&E13 REPORT ON THE PERFORMANCE CAPITAL (SDBIP) AND OPERATIONAL PERFORMANCE REPORTINGS FOR INFRASTRUCTURE & ENGINEERING AS AT 30 SEPTEMBER 2022**Resolved (25 November 2022)**

1. That the SDBIP, for quarter ended 30 September 2022, be noted.

12.4 REPORTS BY THE CHAIRPERSON: COMMUNITY SERVICES**22/11/CS1 REPORT ON ADOPTION AND IMPLEMENTATION OF THE FINAL DISTRICT FIRE SERVICES BY-LAW 2021****Resolved (25 November 2022)**

1. That the District Fire Services By-Law 2021 be adopted and implemented in the Kouga municipal area.
2. That the tariffs be determined accordingly to enforce the By-Law in Kouga Jurisdiction.
3. That Kouga Municipality publish the By-Law tariffs annually.
4. That the District Fire Services By-Law 2021 be placed on Kouga municipality's website.
5. That Councillors be workshopped on the District Fire Services By-Law 2021.
6. That the report be submitted to the next Council meeting.

22/11/CS3 PROHIBITION PERIOD OF CONTROLLED FIRES**Resolved (25 November 2022)**

1. That the report on the prohibition period of controlled fires in Kouga jurisdiction be noted.
2. That the notice be advertised on Council's web page and in all local newspapers.

22/11/CS16 CLOSE-OUT REPORT ON THE ST FRANCIS BAY SPIT, ROCK REVETMENTS

The Municipal Manager stated that the project was a major achievement.

Resolved (25 November 2022)

1. That the St Francis Bay Spit Rock Revetment Close-Out report be noted and supported.
2. That the breakwater and revetment are temporary structures that would likely require future maintenance, unless a long-term solution is constructed in the next couple of years.
3. That the report be submitted to the next Council meeting.

22/11/CS20 CLIMATE CHANGE STRATEGY: APPROVAL AND ADOPTION

The Executive Mayor stated that the Strategy had to be workshopped with all Councillors before the next Council meeting.

Resolved (25 November 2022)

1. That the Mayoral Committee recommends the Kouga Municipality Climate Change Strategy for approval and adoption.
2. That the Climate Change Strategy be workshopped with Councillors before the next Council meeting.
3. That the report be submitted to the next Council meeting.

22/11/CS19 PROGRESS REPORT ON THE IMPLEMENTATION OF THE SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) AS AT 30 SEPTEMBER 2022**Resolved (25 November 2022)**

1. That the progress report on the progress with regards to the on the implementation of the SDBIP as at 30 September 2022 be noted.

11.5 **REPORTS BY THE CHAIRPERSON: PLANNING, DEVELOPMENT & TOURISM**

22/11/PDT4 FINAL APPROVAL FOR ALIENATION OF UNREGISTERED ERF 4593, KRUISFONTEIN: JABES CHURCH

Resolved (25 November 2022)

1. That it be recommended that Council grants final approval for the alienation of unregistered Erf 4593, Kruisfontein to Jabes Church, at a purchase price of R37500 (thirty thousand and five hundred rands only) calculated as 25% of the fair market value (R150 000,00).
2. That 1. subject to the registration of the subdivided portion of Erf 2 (now erf 4593), Kruisfontein. be in line with the Council approved policy.
3. That it be recommended that Council confirms that the land is not needed to provide the minimum level of basic municipal services.
4. That rezoning and subdivision processes be finalised for the property contemplated herein.
5. That it be recommended that Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.
6. That the report be submitted to the next Council Meeting.

22/11/PDT5 KOUGA SUMMER FESTIVAL BEACHFRONT EVENTS AND TOWNSHIP FESTIVE ROADSHOW

Questions were raised on why there were separate reports on the Summer Festival from both the Office of the Municipal Manager and the Planning, Development and Tourism department. The Municipal Manager detailed that for performance reporting it was better that the event was reported on separately.

Resolved (25 November 2022)

1. That the 2022 Kouga Summer Festival – Beachfront Events and Township Festive Roadshow programme be noted.
2. The Events Co-ordinator submit a financial expenditure report after the festival is concluded.
3. That the report be submitted to the next Council Meeting.

22/11/PDT6 REQUEST FOR KOGA TO HOST THE NATIONAL BUILDING CONTROL OFFICERS CONVENTION 2022

Resolved (25 November 2022)

1. That the Mayoral Committee note the request for Kouga Municipality to host the 2-day National Building Control Officers convention in November 2022.

22/11/PDT7 ALIENATION OF ERF 1787, HANKEY (HENRY MASETI)

Resolved (25 November 2022)

1. That it be recommended that Council grant final approval for the out-of-hand alienation of Erf 1787, Hankey.
2. That it be recommended that Council confirms that the land is not needed to provide the minimum level of basic municipal services.
3. That transfer of the immovable property be effected on confirmation of payment of the full purchase price.
4. That based on the information from the transferring conveyancers, the purchaser settles any outstanding balance, if any, before the transfer of the property.
5. That it be recommended that Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.
6. That the report be submitted to the next Council Meeting.

22/11/PDT10 TOWN PLANNING PROGRESS REPORT: PREPARATION OF ST FRANCIS BAY CBD & HANKEY CBD PRECINCT PLAN: 1 JULY 2022 TO 30 SEPTEMBER 2022

Resolved (25 November 2022)

1. That the content in the Town Planning progress report on the preparation of St Francis Bay CBD & Hankey CBD Precinct plan be noted.
2. That it be recommended that Council supports that the Service Provider embark on a Public/Stakeholder engagement Process as outlined in the Project Implementation Plan (Phase 2).
2. That the report be submitted to the next Council Meeting

22/11/PDT12 SPONSORSHIP REQUEST OF R150 000 TO SUPPORT TOWNSHIP TOURISM EVENT -2022 JBAY 1ST ANNUAL PICNIC

Resolved (25 November 2022)

1. That it be recommended that Council approves the funding amount of R150 000.00 (Hundred and Fifty Thousand rand) including VAT, towards the 2022 1st Jbay Annual Picnic hosted in the Kouga Local Municipality area.
2. That it be recommended that Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Bhejula Investment in respect of sponsorship stated in (1.) above and that the Municipality is at liberty to request any further and/or additional information in respect of the expenditure report and company to comply with all reporting, financial management and auditing requirements as stipulated in this Agreement.
3. That the report be submitted to the next Council Meeting.

22/11/PDT14 REQUEST FOR COUNCIL AUTHORISATION FOR CONSOLIDATION, REZONING, SUBDIVISION AND IN-PRINCIPLE APPROVAL TO DEVELOP A SHELTER FOR THE HOMELESS ON ERVEN 5972 & PORTION OF 6633, JEFFREYS BAY

It was determined that the item had to be referred to the next Collective for further discussion.

Resolved (25 November 2022)

1. That the item be referred to the next Collective for further discussion.

22/11/PDT15 GRANT IN AID

Resolved (25 November 2022)

1. That it be recommended that Council **approves** the recommendations of the Grant- in-aid Committee to allocate funds as follows:

<u>ORGANISATION</u>	<u>GRANT ALLOCATION</u>	<u>DIRECTORATE</u>
Humansdorp Museum Association	R200 000.00	Planning, Development & Tourism
Sakhe Singamadoda Youth Programs	R33 750.00	Planning, Development & Tourism
Salvation South Africa Kouga Kruisfontein Future Farmers	R100 000.00	Planning, Development & Tourism
On Eagles Wings Multi-Purpose Centre	R50 000.00	Planning, Development & Tourism
Lifesaving Nelson Mandela Bay	R75 000.00	Community Services

2. That the report be submitted to the next Council Meeting.

22/11/PDT13 INSTITUTIONAL PERFORMANCE REPORT: 2021/2022 FINANCIAL YEAR: 1ST QUARTER PERIOD 1 JULY TO 30 SEPTEMBER 2022

Resolved (25 November 2022)

1. That the content of the Quarter 1 Institutional Performance Report on the implementation of the 2022/23 Service Delivery and Budget Implementation Plan for the period 1 July and 30 September 2022 be noted.

12. **CLOSURE**

The meeting adjourned at 16.34.



H HENDRICKS
EXECUTIVE MAYOR

DATE

CONFIRMATION OF PREVIOUS COUNCIL MINUTES

**MINUTES OF AN ORDINARY COUNCIL MEETING OF KOUGA MUNICIPALITY
HELD IN THE COUNCIL CHAMBERS, JEFFREYS BAY, ON TUESDAY, 28
FEBRUARY 2023 AT 10:00**

PRESENT: Councillors

Ald B Williams	(Speaker)
Ald H Hendricks	(Executive Mayor)
H Bornman	(Deputy Executive Mayor)
Ald D Benson	
B Dhludhlu	
T Jantjes	
W Gertenbach	
H Murray	
R Foley	
F Heystek	
C August	
M Biko	
M van Niekerk	
J Alexander	
L Maree	
S Ruth	
P Oliphant	
M Dayimani	
M Yali	
V Gunuza	
K Ndzaleni	
N Ntshota	
B Human	
E Mbuqu	
M Valgee	
W van der Linde	
L Nkilishane	
V Zana	

**Officials &
Municipal Manager**

C du Plessis	(Municipal Manager)
D de Jager	(Deputy Municipal Manager)
M Rossouw	(Acting Director: Corporate & Digital Services)
N Machelesi	(Director: Community Services)
C de Kock	(Director: I&E)
R Lorgat	(CFO)
L Opperman	(Manager: Legal Services)
E Felix	(Acting Chief of Staff: Office of the Executive Mayor)
N Zode	(Scribe)
M Basson	(Media Specialist)
M Julius	(Senior Admin Officer: Committees)

Stakeholder

C Welch	(Office of Auditor General)
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1. **NOTICE OF MEETING**

The Speaker read the notice convening the meeting in terms of Section 19 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) that an Ordinary Council Meeting will be held in the Council Chambers.

2. **OPENING AND WELCOME**

The Speaker requested Cllr Ndzaleni to open the meeting with prayer. He then welcomed everyone to the meeting

3. **ABSENT WITH LEAVE**

Cllr L Nkilishane

N Machelesi

4. **ABSENT WITHOUT LEAVE**

M Valgee

5. **PRESENTATIONS**

Fire Services By-Law – Mr. H. van Rooyen

QUESTIONS/COMMENTS/INPUTS

Cllr Gertenbach enquired on the safety standards that should be adhered to while using generators in households.

Cllr Oliphant requested that the By-law be tabled in a Policy Workshop for Councillors' engagement.

The Speaker requested Acting Director Corporate & Digital Services to table the By-law at the next Policy Workshop.

Mr van Rooyen stated that the standards are indicated in the By-law and the SANS standards. There are numerous complaints received regarding generators.

Cllr Mbuqu enquired about the distance as other places such as Patensie and Thornhill are far from the fire department thus making it difficult to meet the response time indicated.

Mr van Rooyen responded that the response time and distance is more operational and is indicated in the SANS 109 standards and requirements.

Mr Barnard stated that the Kouga area is vast and the current response time according to performance is about 15 minutes from receiving the call.

Cllr Mbandana stated that there needs to be an effort in addressing the issue for far areas like Thornhill and Patensie as 15 minutes is impossible for such areas from the fire station.

The Speaker requested Mr van Rooyen and Mr Barnard to take note of the issues raised regarding distance and address them, he then thanked the presenter and excused him from the meeting.

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Cllr August mentioned that two lives were lost in Hankey Secondary School in an accident while travelling for matric farewell fittings.

Cllr Yali congratulated Councillors graduating on the MFMP Programme. He further congratulated the Executive Mayor on the election for Provincial Leadership.

Cllr Benson mentioned the bereavement of Councillor Nkilishane's mother-in-law. He then congratulated Councillors who celebrated their birthdays in February.

Cllr Bornman acknowledged ex-Councillor, Mrs M Ungerer, who had served in Kouga for years.

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

I would like to welcome Honourable Mayor, Councillors, Officials and Members of the Public to this meeting of Council and I look forward to a productive meeting.

While I am sure the Mayor will speak more broadly to the ongoing drought crises, we need to all accept that water load shedding is coming as the Metro has reduced our supply from the dams and should there be insufficient rain over the next few months, we are going to be reliant on bore holes which will see a drop in supply compared to demand.

Thanks to the Municipal Manager and the officials who assisted with MPAC's roadshow last week where the committee presented the annual report to the communities across Kouga.

This is part of the public participation process where we engage with our communities and keep them updated as to what Council achieved over the previous financial year. Over the past weekend, we hosted the Eastern Cape Surf Lifesaving Championships on Main Beach and I am pleased to advise that the event was a huge success.

Nearly 400 competitors from all over the Eastern Cape descended on Jeffreys Bay for the event. The feedback from officials, spectators and the competitors were extremely positive with the general feeling that Main Beach is the best beach in the province when it comes to security and cleanliness.

The excellent state of the public bathrooms also received positive comments and Kouga is now in a strong position to host the Champs for another three years, discussions have begun to host the South Africa Kouga is already established as the Surfing and Open Water Swimming Capital of South Africa and there is no reason why we cannot extend this title to Surf Lifesaving as well.

Well done to the Community Services team who all played their part in ensuring we hosted a successful event, thanks to the I and E team who dealt promptly with any infrastructure problems that arose over the weekend.

Councillors, we will in all probability have a Special Council meeting to debate a Motion of No Confidence. Once the item has been prepared, the agenda will be distributed, due to the nature of the item to be debated, the meeting will be physical. As Council, we will be going to the communities across Kouga to further engage with our IDP during April and May and before that the Executive Mayor will be holding Imbizo's across the Municipality to further engage our residents.

We have started distributing items funded through the Ward Development Fund and have visited several wards throughout Kouga.

I would like to express my appreciation to Ward Councillors who have identified the needs in their communities, and it is heart-warming to see how much the stoves, fridges, sports equipment and tools for the Neighbourhood Watch has meant to the recipients.

The roll out of Ward Development Fund purchases will continue and I am hoping that all procurement will still take place in this financial year after a very slow start.

The Office of the Speaker has engaged with the Department of Health regarding the state of clinics, particularly in Jeffreys Bay where the Pellsrus Clinic is hopelessly understaffed and under resourced. Unfortunately, this seems not to be unique to the Pellsrus Clinic and it's an issue we need to drive to ensure our residents have adequate access to health care across Kouga. Thank you

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

Good morning all, would like to welcome Honourable Speaker, Members of the Mayoral Committee, Councillors, Officials, Members of the Public and Media to this meeting. He then dedicated a special welcome to Mrs Mercia Ungerer. He further acknowledged the passing of Cllr Nkilishane's mother in-law. He congratulated the graduates of the MFMP programme and further requested the knowledge and skills gained from there to be utilised as it has assisted him on doing his oversight.

I thank everyone that was involved in the life saving competition and all administration on a very successful flagship event of our tourism sector.

I would like to make use of this opportunity to boast about two major infrastructure projects that are set to commence within the next two weeks. These projects will benefit thousands of residents, as well as visitors to our beautiful area.

Nine informal settlements across the Kouga region will be upgraded, while we will also continue to upgrade our road network.

Upgrade of Roads

Kouga Municipality will spend over R17 million over the next two years to upgrade roads across the region.

The work to be carried out will mainly comprise of pothole and road surface repair, resealing of roads, auxiliary roadworks, and construction of speed humps.

During the first phase of the project – to be completed by end June 2023 – a total of approximately 6km of road at a cost of R10 million will be resealed.

Areas identified are Jeffreys Bay, Humansdorp, St Francis Bay, Cape St Francis, Oyster Bay, Loerie, Hankey, and Patensie.

Maintaining and upgrading the region's roads are important to all residents.

Not only does it form the backbone of our transportation infrastructure, but it is also important for economic development and growth.

Informal Settlements

Just as important, is basic service delivery to all residents.

Therefore, nine informal settlements across the Kouga region will be upgraded at a combined cost of more than R22 million over the next 12 months.

Funded by the Eastern Cape Department of Human Settlements (ECDHS), as part of their National Upgrading Support Programme (NUSP) to aid municipalities to upgrade informal settlements, the project will commence within the next two weeks.

The infrastructure upgrade includes the provision of 47 communal standpipes and supply piping, the construction of 560 low flush communal toilets, the construction of marine steel toilets, and the refurbishment of the current communal ablution facilities.

This will help to address the ongoing dependence of informal areas on the bucket system. More than 4 000 Kouga households still rely on buckets. This is unacceptable and must be eradicated as soon as possible.

Roads and stormwater drainage will also be upgraded.

The informal settlements to be upgraded are Donkerhoek, Ocean View, Lower Golf Course, Upper Golf Course, Thornhill, No R10, Shukushukuma, Polar Park, and Bungalow.

It is all about restoring the dignity of our residents that we care for deeply.

Housing Projects – Stalled

I must also mention, that despite this much-welcomed progress, two of our housing projects came to a temporary halt. The Hankey 990 project, as well as the housing project in Ocean View.

This, however, is only a temporary setback. We are doing all we can to get the projects back on track as soon as possible.

I thank you.

9. **DISCLOSURE OF INTEREST**

None

10. **STATUTORY MATTERS**

11. **MINUTES OF PREVIOUS MAYORAL COMMITTEE MEETING FOR INFORMATION**

None

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

Cllr Bornman indicated that the last caucus session before the meeting was adjourned was not indicated in the minutes.

12.1 Minutes of the Special Council Meeting held on 18 January 2023.

Proposed: L Maree

Seconded: R Foley

12.2 Minutes of the Ordinary Council Meeting held on 31 January 2023.

Proposed: W Van Niekerk

Seconded: W Gertenbach

13. **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).

14. **REPORTS OF COMMITTEES OF COUNCIL**

14.1 **REPORT BACK: SARAH BAARTMAN DISTRICT MUNICIPALITY REPRESENTATIVE**

None

14.2 **INTERGOVERNMENTAL RELATIONS**

None

14.3 **KOUGA AUDIT COMMITTEE**

None

14.4 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

None

15. **REPORT BACK: MUNIMEC**

None

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

23/02/MM7 COUNCIL RESOLUTIONS AS AT 18 & 31 JANUARY 2023

The status of the Autism Centre was queried. The outstanding action on the Rules and Ethics items for Cllr Oliphant and Cllr Dayimani and the lack of response from the MEC also was raised as a concern. The list of roads that had to be updated was queried.

The Speaker stated that he will try getting correspondence for the last time this month, if there is no response then Council will consider removing the resolutions from the action sheets.

The Municipal Manager stated that the list of roads will be updated and forwarded to the Speaker's office for distribution.

The Deputy Municipal Manager informed that the matter has been long outstanding but he would be able to give feedback at the next Council meeting.

Resolved (28 February 2023)

1. That the updated Action Sheets reflecting resolutions of previous Council meetings, be noted.
2. That the action sheet be tabled at Top Management for discussion and actioning.

23/02/MM8 SUBMISSION OF PERFORMANCE AGREEMENTS: SECTION 56 AND SECTION 57 EMPLOYEES: 2022/23 FINANCIAL YEAR: DIRECTOR INFRASTRUCTURE AND ENGINEERING

Cllr Foley enquired if funding was availed for the Master Plan reflected under KPA 1. He was informed by the Municipal Manager that funding was being sourced.

Resolved (28 February 2023)

1. That the Performance Agreement and supporting Performance Plan for the 2022/23 financial year in respect of the Director Infrastructure and Engineering be noted.
2. That in terms of the provisions of Section 53(3)(b) of the Local Government Performance Agreements of the Director Infrastructure and Engineering for the 2022/23 financial year be submitted to the MEC for Local Government.

23/02/MM9 HUMANSDORP FESTIVAL 31 MARCH – 01 APRIL 2023

The Speaker stated that the Rules of Order will have to be updated to accommodate language and the Municipal Manager will have to arrange for translators.

The item was supported. A query was raised on whether all sponsorship items have the condition of submission of audited statements.

It was further proposed that such an event be held annually and that more events be created. There was a request for the use of local artists.

The Deputy Municipal Manager stated that all sponsorship agreements in terms of the MFMA have the condition regarding the submission of audited statements. There is a commitment to have the event in all towns. The organizer had requested the Community to indicate which local artist they wish to see in the event.

Resolved (28 February 2023)

1. That Council notes the report.
2. That Council approves the funding amount of R100 000.00 (hundred thousand rand) excluding VAT.
3. That the funding available be paid over to Khoi Kulcha and a fully audited statement and report be submitted.
4. That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement/SLA with Khoi Kulcha in respect of sponsorship stated in the above.

Proposed by: B Dhludhlu

Seconded by: M Yali

17. REPORTS BY THE EXECUTIVE MAYOR

17.1 REPORTS BY THE CHAIRPERSON: FINANCE

23/02/F17 SUPPLY CHAIN MANAGEMENT: S36 DEVIATIONS FOR THE MONTH ENDING 31 OCTOBER 2022

There were concerns raised on infrastructure maintenance and about the procurement of vehicles. Deviations from infrastructure indicated low infrastructure maintenance. The institution is supposed to be on 6% in terms of maintenance but currently its at 2%. Maintenance programmes should be intensified. A proposal to table all the deviations for the quarter to MPAC was made by Cllr Dayimani.

Cllr Zana seconded the proposal and further raised his concern on the expenditure of deviations on drought. He enquired whether there is a plan in place for drought spending. He queried why there were deviations for reoccurring expenses such as water testing.

Cllr van Linde enquired on the status of the 22 boreholes and the percentage of water delivered by these boreholes.

The Municipal Manager explained that a disaster requires emergency spending. The funding had to be spent by speeding up procurement via deviations in order to not lose the funding. There are adhoc funds which are used to hire vehicles for service delivery.

The CFO explained that the Municipality went out on a tender for procurement of fleet but there was a R50 million limit on the tender. There would be a second round in terms of the tender which will accommodate the rest of the vehicles required. Operational costs are converted to capital costs and after three years therefore the institution will not be paying hire charges for fleet.

On maintenance, Auditor General requires budget of 8% for maintenance, a maintenance plan is required for implementation. The Director I&E is currently working on the issue. The funding was only received towards the end of October, in drought regulations when there is a state of emergency the institution is allowed to deviate due to urgency.

There is an internal process which ensures that the deviation criteria is met in terms of Supply Chain Regulations, the checks and balances are in place. In the Auditor General report, there is a deviation indicated which is regarded as irregular expenditure which will be tabled to MPAC for investigation of Irregular, Fruitless and Wasteful expenditure.

Resolved (28 February 2023)

1. That the report be approved as per the reporting requirements for 31 October 2022.

23/02/F18 SUPPLY CHAIN MANAGEMENT: S36 DEVIATIONS FOR THE MONTH ENDING 30 NOVEMBER 2022

Cllr Oliphant indicated that there is a trend observed in procurement where a particular company appears more than once in the deviations.

There was a request for a report on the cyber investigation deviation.

The Speaker stated the item falls under Corporate and Digital Services and would have to be tabled by the Directorate.

Resolved (28 February 2023)

1. That the report be approved as per the reporting requirements for 30 November 2022.

23/02/F19 SUPPLY CHAIN MANAGEMENT: S36 DEVIATIONS FOR THE MONTH ENDING 31 DECEMBER 2022

Cllr Mbandana raised an issue on staff employed in Supply Chain section.

The CFO responded that the staff component in the section is mostly made up of interns which are hired from the internship programme.

The Speaker requested the Councillor to submit the issue in writing to his office and he will liaise with the CFO.

The Municipal Manager stated that the institution implemented exploration digging and some boreholes do not have quality water and some have sufficient water which can be utilised and purified accordingly for consumption.

The Speaker requested a full report to be tabled at the Portfolio level on the progress of boreholes. He further stated that there is a proposal on the table from Cllr Dayimani which has been seconded by Cllr Zana to refer the items to MPAC.

Cllr Oliphant raised a point of order and stated that he did not like the CFO's response.

The Speaker stated that the point raised by Cllr Oliphant is not recognised as a point of order. Cllr Oliphant interjected and indicated that it should be recognised as a point of emphasis. The Speaker fined Cllr Oliphant as per the Rules of Order as he was out of line.

Cllr Benson requested a caucus.

The Speaker granted the caucus.

Cllr Bornman stated that items should be approved as is, due to the fact that the normal procedure is that deviations serve at MPAC after Council.

Cllr Dhludhlu seconded the proposal.

The Speaker stated that there are two proposals on the table, the first proposal is to approve the items as is. The second proposal is to refer the items to MPAC.

Cllr Dayimani agreed with Cllr Bornman.

All Councillors agreed on the item as is.

Resolved (28 February 2023)

1. That the report be approved as per the reporting requirements for 31 December 2022.

Proposed by: H Bornman

Seconded by: B Dhludhlu

17.2 REPORTS BY THE PORTFOLIO CHAIPERSON: PLANNING, DEVELOPMENT & TOURISM

23/02/PDT11 ALIENATION OF UNREGISTERED ERF 3085, SEA VISTA: ST FRANCIS BOWLING CLUB

Cllr Ruth tabled the item.

The Speaker warned Councillors on talking over a Councillor, and requested Chief Whips to maintain discipline.

Councillors enquired why the items did not serve at Portfolio level. Cllr Human proposed that the item be tabled at a Special Portfolio meeting. Cllr van der Linde seconded the proposal.

Cllr Maree proposed that the bowling club facility be availed to the Ward 12 Community as a Community Hall.

The Speaker requested all Councillors who are in support of the proposal by Cllr Maree to raise their hands for vote.

In favour: 16
Not in favour: 12

The Speaker requested all Councillors who are in support of the proposal by Cllr Human to raise their hands for vote.

In favour: 12
Not in favour: 16

The Speaker fined Councillor Human R350 for continuing to talk during the meeting as per the Rules of Order.

Cllr Oliphant raised a point of concern.

The Speaker informed Cllr Oliphant that he is not recognized as there is no such point in the Rules of Order, he then warned the Councillor for speaking over him while not being recognized.

Cllr Oliphant interjected the Speaker and stated that Speaker has an attitude towards him.

The Speaker warned Cllr Oliphant for speaking while not recognized.

Resolved (28 February 2023)

1. That the Council grant **final** approval for alienation of Erf 3085, Sea Vista to St Francis Bowling Club, at the confirmed fair market related value of 25% of R750 000,00 (**R187 500,00**) as a Social Care User.

Subject to the following conditions:

- The registration of the subdivided portion of Erf 554 (now Erf 3085), Sea Vista be finalized.
- The land shall be solely used for the purposes of conducting thereon a bowling club and related purposes.
- In the event of the property not being used for the purpose for which it was sold or no longer required for such purpose, it shall revert back to the Council without payment of

compensation for any improvements effected to or on the property.

2. Council confirms that the land is not needed to provide the minimum level of basic municipal services in terms of section 14 of the MFMA.
3. That rezoning and registration of subdivision be finalised for the property contemplated herein.
4. That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.
5. That the bowling club facility be availed to the Ward 12 Community as a Community Hall.

Proposed by: L Maree

Seconded by: H Bornman

23/02/PDT12 SPONSORSHIP AGREEMENT BETWEEN KOUGA LOCAL MUNICIPALITY AND THE SOUTHERN AFRICA PGA TOUR NPC FOR THE 2023 SDC CHAMPIONSHIP

The Speaker suspended the Rules of Order for the item to allow for more debate.

The Speaker fined Cllr Yali R350 for speaking out of turn as per the Rules of Order rule 36.2.

Cllr Yali stated that he did not shout or speak out of turn.

The Speaker let him off on the fine. He then indicated that any Councillor who talks without being recognized will be fined.

Cllr Oliphant was fined by the Speaker for speaking over another Councillor.

Cllr Oliphant stated that he does not like how the Speaker is suppressing him in the meeting.

The Speaker adjourned the meeting for 10 minutes in order for Chief Whips to maintain discipline.

The Speaker welcomed everyone back from the 10 minute adjournment. He then appreciated the Chief Whips for maintaining discipline, he further urged that the meeting be continued in a dignified manner.

Cllr Benson stated that the Chief Whips did not reach a consensus, there was a request that the item be presented highlighting its benefits for Kouga. The Speaker will have to make a ruling on the way forward.

Cllr Zana stated that as the ANC they are unhappy with the behaviour of the Executive Mayor on his utterances at the foyer. He further stated that they will pursue the matter further. A written submission would be made to the Speaker's Office. There was a concern raised on the inconsistency in dealing with members of the opposition, some of the members are being victimized and handed fines while other Councillors do not face any consequences. He requested the Speaker to treat all Councillors fairly.

The Speaker took note of the comments.

Cllr Ruth presented the item and highlighted the background and benefits for Kouga.

The Speaker handed over to the Executive Mayor.

Cllr Oliphant raised a point of order under rule 38 and stated that Council cannot be addressed by the Executive Mayor.

The Speaker ruled that there is no point of order raised by the Councillor.

Cllr Oliphant interjected the Speaker.

The Speaker referred Councillor Oliphant to the Rules and Ethics Committee in terms of rule 36.2 of the rules of order.

The Executive Mayor stated that the event is world famous. For Kouga Municipality to secure such a prestigious event where international players and national players will be visiting the shores of Kouga is unprecedented. He further indicated that there will be tourism spin-offs for Kouga. The Sponsors and organizers of the event are committed to the golfing academy.

The Speaker advised Council that he had been alerted to the urgency of the items by Administration. The request for tabling items at Portfolio level first has been noted. Due to the urgency of these items he then requested Council to finalise the items.

Cllr Dhludhlu proposed for the item's approval and was seconded by Cllr Heystek.

The Executive Mayor urged Council to not restrict the administration on tabling urgent items directly to Council as that might hinder service delivery and funding items in future.

The Speaker noted the Mayor's comments and indicated that the matter will be discussed further with the Chief Whips.

Resolved (28 February 2023)

1. That Council approves the sponsorship towards the SDC Championship hosted in St Francis Bay for R1,500,000.00 (One Point Five Million Rand) all-inclusive for 2022/2023 FY only.
2. That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Southern Africa PGA Tour NPC in respect of sponsorship stated in (1) above.

23/02/PDT13 SPONSORSHIP AGREEMENT FROM BS SPORT GROUP NPC REQUESTING FUNDING SUPPORT FOR THE 2023 ST FRANCIS AMANZI CHALLENGE

Resolved (28 February 2023)

1. That Council approves funding towards the St Francis Amanzi Challenge hosted in St Francis Bay & surrounding areas for R300,000.00 (Three Hundred Thousand Rand) all-inclusive for 2022/2023 FY only.
2. That Council authorizes the Accounting Officer to conclude a Funding Agreement / SLA with BS Sport Group NPC in respect of sponsorship stated in (1) above.

18. **CLOSURE**

The meeting closed at 13:35

B WILLIAMS
SPEAKER

DATE

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

REPORTS BY INTER- GOVERNMENTAL RELATIONS (IGR)

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE EXECUTIVE MAYOR

DATE: 30 MARCH 2023

ITEM NO: 23/03/IGR1

MINUTES OF THE MAYORAL INTER-GOVERNMENTAL RELATIONS MEETING HELD 20 OCTOBER 2022

1. Introduction

The purpose of this item is to inform Council of the minutes of the Mayoral Inter-Governmental Relations meeting.

2. Background

The Council is advised that the Mayoral Inter-Governmental Relations meeting occurred on the 20th of October 2022, and the said minutes was confirmed in the Mayoral Inter-Governmental Relations meeting on the 3rd of March 2023. The Minutes of the meeting are attached hereto for ease of reference.

3. Comments

3.1 Deputy Municipal Manager

That the minutes be noted.

3.2 Municipal Manager

Minutes noted.

3.3 Director: Community Services

Item noted

3.4 Acting Director: Corporate and Digital Services

Item noted

3.5 CFO

Report noted

3.6 Director: Infrastructure and Engineering

Item noted

3.7 Acting Director: Planning, Development and Tourism

Item noted

4. Financial Implications

None

5. Legal Implications

None

6. Other Implications

None

7. Recommendation

- 7.1 That Council notes the minutes of the Mayoral Inter- Governmental Relations Meeting.

Item prepared by: Acting Chief of Staff: Elvina Felix



Item approved by: Deputy Municipal Manager:



Item endorsed by: Municipal Manager:



Item noted by: The Executive Mayor :



MINUTES OF THE INTER GOVERNMENTAL RELATIONS COMMITTEE MEETING HELD ON, 20 OCTOBER 2022 AT 09:00 AT MENTORS VENUE

PRESENT: COUNCILLORS

Ald H Hendricks	(Chairperson)
Cllr H Bornman	
Ald B Williams	
Cllr B Dhludhlu	
Cllr W Gertenbach	
Cllr T Jantjes	
Cllr L Maree	
Ald D Benson	

OFFICIALS

Mr D de Jager	(Deputy Municipal Manager)
Mr R Lorgat	(CFO)
Ms N Machelesi	(Director – Community Services)
Ms K Moodley	(Director – Corporate Services)
Mr E Olivier	(Manager – Strategic Projects)
Ms L. Opperman	(Manager – Legal Services)
Ms A Jonck	(Manager – Office of the Mayor)
Mr E Goliath	(Public Participation Co-ordinator)
Ms A Tebekana	(IDP Co-ordinator)
Ms M Basson	(Acting Communications Specialist)
Ms P Setlai	(Committee Clerk)

STAKEHOLDERS

(Please see attached attendance register)

1. OPENING AND WELCOME

The Executive Mayor read the notice convening the meeting and requested Cllr Benson to open the proceedings with prayer. The Executive Mayor welcomed everyone present to the meeting and requested everyone to introduce themselves.

2. APOLOGIES

Ms K Moodley	(Director: Corporate & Digital Services)
Cllr J Alexander	(MPAC Chairperson)
Mr J Dyabaza	(Eskom)
Ms S Mutangadura	(MISA)

3. STATEMENT BY THE MAYOR

The Executive Mayor stated that the Municipality is completing its first year of governance in November and importance is needed in relating with sector departments and stakeholders. It is important for the Municipality to begin working operationally with stakeholders. The Provincial Commissioner of SAPS visited the Municipality to address the issues of crime in Kruisfontein and Arcadia and the engagement was productive with operational decisions being made.

To show commitment, the Municipality has trained Peace Officers of Neighborhood Watch Groups, there is a roll out of public safety cameras and operationalized Ops Centre, and these are different departments working together operationally to achieve a certain goal. The operational matters are handled on an ad hoc basis, however, there should be pre-planning is required for quarterly meetings. All stakeholders have a role to play in terms of operation and to take care of citizens to have better quality of citizens. There needs to be joint ventures and interventions that need to be pre-planned, and the IGR Forum is a platform for planning of these ventures and interventions. There is an important role that needs to be played by all stakeholders.

4. **MATTERS FOR DISCUSSION**

Gender Based Violence Rapid Response Team: Ms Elvina Felix

Ms Felix stated that Gender Based Violence is a well-known topic, however, not one that is supported. She further explained that on the 11th of March 2020, the Cabinet approved a National Strategic Plan on Gender Based Violence with the purpose of collectively response to the crisis of Gender Based Violence and femicide.



On 11 March, 2020, Cabinet approved the National Strategic Plan on Gender-based Violence and Femicide (NSP on GBVF). The purpose of the NSP on GBVF is to provide a multi-sectoral, coherent strategic policy and programming framework to ensure a coordinated national response to the crisis of GBVF by government and the country as a whole. The focus of the NSP on GBVF is to collectively respond to the chronic crisis of GBVF in a multi-sectoral manner in order to optimally harness the roles, responsibilities, resources and commitment of all stakeholders.

The NSP on GBVF requires that this multi sectoral and coherent coordination of efforts to fights against GBVF be implemented from the National, Provincial and Local Levels. The three levels are expected to work together in support of ending GBVF that occurs at the local levels, in homes, streets and societal institutions. Local stakeholders that are key in the fight against GBVF are expected to organise and work together, harness each other's mandates through coordinated planning, learn from each other's experiences and hold each other accountable, towards eradicating GBVF.





It is against this background that the NSP on GBVF advocates for the establishment of District, Local and Ward level Gender Based Violence Rapid Response Teams (GBV RRTs). The DWYPD has the responsibility to ensuring the institutionalisation of the NSP on GBVF to government departments,



Municipalities, other State Entities, Civil Society Organisations, other stakeholders that are key in the fight against GBVF, from National up to the Local levels. It has the responsibility of ensuring that the multi stakeholder structures that have the responsibility of coordinating the efforts against GBVF are established, are fully functional and they fulfil their mandate of effectively fighting GBVF. It is against this background that the DWYPD had developed the draft guideline on the establishment of GBVF RRTs.



Ms Felix explained that the Rapid Response Team will compromise of all local Stakeholders and the Team will be responsible for curbing Gender based Violence within the communities.

Ms Felix referred to the statistics provided by the SAPS outlined the areas with the highest GBV cases within the Kouga Municipality area.

GENDER BASE VIOLENCE KOGAMUNICIPALITY AREA

STATION GENDER BASE VIOLENCE WOMAN	%	DECREASE/INCREASE
HUMANSDORP	65,62%	Increase
JEFFREYS BAY	25,7%	Increase
ST FRANCIS BAY	6,89%	Increase
HANKEY	10,63%	Increase
PATENSIE	8,00%	Increase
THORNHILL	81,81%	Increase



**GENDER BASE VIOLENCE
KOUGA MUNICIPALITY AREA**

STATION GENDER BASE VIOLENCE CHILDREN	%	DECREASE/INCREASE
HUMANSDORP	17,64%	Increase
JEFFREYS BAY	31,25%	Increase
ST FRANCIS BAY	75,00%	Increase
HANKEY	30,00%	Increase
PATENSIE	11,11%	Increase
THORNHILL	100,00%	Increase



She referred to the Gender Based Violence statistics for children in the Thornhill area, with the highest cases of GBV for children. She posed a question to the Stakeholders and asked what the Stakeholders will do to curb and decrease the statistics of GBVF.

Ms Felix pleaded with local Stakeholders to join Kouga Municipality in the active fight against GBV.

The Executive Mayor stated that the intention is for Kouga Municipality to enter 365 Days of Activism, starting with the 16 Days of Activism in an effort to pay attention to GBVF. He further thanked the SAPS for providing the statistics and added that local government should be data driven. Furthermore, the data provided will inform the Municipality on how to deploy capacity.

The Executive Mayor made an example and referred to the province of the Western Cape and how it used data obtained from the Department of Health to know where GBV cases have occurred, in order to develop a Community Safety Plan which will assist the SAPS and Department of Health to have an effective response.

Ms Lutho Kota enquired whether the SPU Unit has engaged with the Department of Education. She added that there are two Directorates within the Department of Education that deal with the Special Programmes of GBV and its aim to engage learners on the issues of GBV. She requested that the statistics be shared with the Department of Education and the statistics will serve as reference for Special Units Office within the Department of Education. She added that at District level, the Department of Education will connect the Municipality's SPU to the two offices within the Department of Education.

IDP Presentation: Mr Elvis Olivier

Mr Olivier referred to the first slide and explained that it refers to what the Municipality is offering and what it has been experienced over the year.



- Drought
- Woodlands LED
- Port St Francis – Fishing
- Property potential & growth in Jeffreys Bay
- Wind Farm
- Blue Flag Beaches – Dolphin Beach in Jeffreys Bay & St Francis Bay

Mr Olivier stated that each of these items mentioned form the outline of the presentation.

Defining Intergovernmental Relations:

Mr Olivier emphasised that IGR is the most important session for Local Municipalities in South Africa and urged Stakeholders to redefine their role, which is the first step to develop formal and informal mechanisms necessary to ensure co-operation between different levels of government.

Defining Intergovernmental Relations

- To refers to the formal and informal mechanisms necessary to ensure coordination and co-operation between different levels of government
- The IGRF Act requires that there are provincial and district intergovernmental forums to promote and facilitate IGR between

I	Initiating	Lay the groundwork for a successful improvement effort
D	Diagnosing	Determine where you are relative to where you want to be
E	Establishing	Plan the specifics of how you will reach your destination
A	Acting	Do the work according to plan
L	Learning	Learn from the experience and improve your ability to adopt new improvement and your ability to adopt new improvements in the future



Good governance through service excellence

Objectives of IDP of 2020/2021:

Mr Olivier stated that there are two strategic documents within a Municipality namely Integrated Development Plan and the Budget, which are interdependent to be able to achieve objectives for a particular forecasting financial year. He added that the reason for the recap of the IDP of the previous year, is because the current IDP ends on the 30th of June 2023. He outlined the objectives of the 2021/22 IDP and explained the challenges that still remain.

Objectives of IDP of 2020/2021

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

Create S.M.A.R.T. Goals



Good governance through service excellence

Challenges of Service Delivery in Local Government:

Challenges of Service Delivery in LG ?

Poor service delivery in municipalities is caused by numerous factors like municipalities are not all financially self-sufficient and lack the lack of the necessary infrastructure and resources to carry out their duties to the community.



Good governance through service excellence

Mr Olivier referred to the slide above and stated that it deals with Africa in particular. He referred to the dark state of Africa on the slide and stated that it is a result of loadshedding in South Africa, which is a challenge experienced by all. He added that he hopes the government of the day will be able to address the challenge of loadshedding.

Situational Analysis – 1-3:

Mr Olivier stated that the Situational Analysis was retrieved from the 2020/2021 IDP and it deals with several issues such as the elderly directly linked to the Department of Social Development and its various challenges.

Mr Olivier stated that the template for the following year will deal with the social grants for 2020/2021 and will cater for care dependency, Child Support, Foster Care, grant in Aid, Old Age, and disability. He referred to the total of beneficiaries of the social grants. He mentioned an Old Age Home in Hankey which needs intervention from the relevant department and stated that it was funded by the Department of Social Development and stated that it requires refurbishment. With regards to the Social Grant, the biggest issue is the roll out programme and the relevant department was approached, and a system needs to be developed within the Wards, to capture the needy.

Situational Analysis-1

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 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.

People living disabilities

- The municipality efforts to partner with Ecdsd to develop programs and database with KLM equity targets
- Database to include skill and competency levels

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)



Good governance through service excellence

Situation Analysis on Nat -KPA's & Basic Services -2

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
- 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.

- ❑ The following roads are in the Kouga Municipality area of jurisdiction



Voortrekker rd - Hmdp

- > N2 National (SANRAL) - 68.97km (r)
- > R102 Provincial - 915.31km (b)
- > R391 Provincial - 402.5km

Total km of Road in Kouga- 1386.78km



Good governance through service excellence

Situational Analysis-3

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)	14 875	26 121	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	26 561	27 043	138 712 820

Source: Sassa Social Grants

Social Grant amounts and increases for 2022/23			
Grant Type	October 2021	April 2022	October 2022
Old Age Grant (Below 75 years)	R1 890	R1 980	R1 990
Old Age Grant (Above 75 years)	R1 910	R2 000	R2 010
War Veteran's Grant	R1 890	R1 980	R1 990
Disability Grant	R1 890	R1 980	R1 990
Care Dependency Grant	R1 890	R1 980	R1 990
Foster Care Grant	R1 050	R1 070	No increment
Child Support Grant	R460	R480	No increment
Grant In Aid	R460	R480	No increment



Good governance through service excellence

Situational Analysis – 4:

Mr Olivier explained the Matric comparative results of 2016-2020. He stated some of the statistics for the some of the high schools are not available as the statistics could not be obtained. He further requested feedback from the relevant department in attendance, regarding the FET College opportunity for Kouga Municipality for the purpose of the 2023/2024 IDP for report back.

Situational Analysis-4

MATRIC COMPARATIVE RESULTS 2016 -2020					
Name of school	2016 % Pass	2017 % Pass	2018 % Pass	2019 % Pass	2020 % Pass
Global Leadership Academy	100	100	100	100	100
Hankey Sen. Secondary	68.8	57.4	42.4	48.8	46.3
Humansdorp Secondary	87.6	81.1	80.5	76.6	59.2
Jeffreys Bay Academy	Not available	Not available	Not available	83.3	89.7
Jeffreys Bay Comprehensive	Not available	Not available	59.1	66.3	55.2
Lungiso Secondary	75	72.4	71.6	41.3	42.6
Nico Malan	98.9	98.6	98.7	95.8	98
Patensie Secondary	43.8	68.8	29.4	52.9	52.6

Status

- Kouga Youth Form establish
- 8 High Schools and 1 Agricultural School
- Schools requires urgent maintenance and facility upgrading
- Shortage of educators
- Career pathing guidance
- Environment to be created for **Skills (IT, Finance & Engineering)** to be sourced locally
- Need for youth Development Centre
- What happened to **FET** Expectation for Kouga in Jeffreys Bay

Source: Department of Education



Good governance through service excellence

Basic Services – 5: Health:

Mr Olivier emphasized that this is an important matter. He further explained that there is quite a few clinics and mobile clinics in the different areas of Kouga. He referred to the number of cases of adults and children and stated that these cases are important to note. He further referred to the activity of the communities in community-based programmes ran by the Department of Health and explained the different programmes. There is a lack of clinics in the Jeffreys Bay area and enquired whether is there enough justice being done for the community.

Basic Services - 5

Health

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

Table 48: Health Care facilities

(Source: Eastern Cape Depart of Health)

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 Commserx	35+6 Commserx
Number of Professional Nurses at Hospital	42	41	41	48	61

Table 49: Health Caregivers

(Source: Eastern Cape Dept. of Health)

Total cases for adults	66158
Total cases for child<15yrs	2711
Community based programs supported by Health	Kwanomzamo Home Based Care Group St Francis Hospice Mom and Bay Clinic Ward Based Outreach Teams (ward 2,6 & 9)
Community based programs supported by Social Dev.	Sakhe Singamadoda On Eagles Wings Ethembeni Home Based Care Group
New Clinics	Ward 2 (Extension - serve ward 2,3,8,11 & 14) Ward 4 - serve ward 4,5 &15) Ward 9 - serve ward 7,9 &10)



Good governance through service excellence

Basic Services – 6: Sanitation:

Mr Olivier referred to the total of the buckets in Kouga and emphasized the importance of the numbers displayed in the slide. He further explained the Remedial Plans for bucket eradication. He mentioned that there was a previous National Programme for eradication of buckets and ended in 2015.

Basic Services - 6

Sanitation

Ward 1	Buckets	VIP	CHEMICAL
Ward 1	117		7
Ward 2 & 14	787		26
Ward 4,5,6 & 15	1112		36
Ward 12	540		18
Ward 7,9,10 & 13	1279	420	42
Total	3885	420	129

Table 41 : Sanitation

(Source: Community Survey 2016)



Remedial Plans

- An inclusive sewer master plan in process to be drafted
- 8 WWTW to be augmented to support future developments
- NUSP will assist IFSA significantly
- Challenge is additional sewer pumps, wastewater works and internal reticulation in old townships
- Engagement with Minister to re open funding model for bucket eradication



Good governance through service excellence

Ald Williams referred to the question Mr Olivier posed to the stakeholders, where he asked whether justice is being done with regards to the clinics. He stated that that justice is not being done and there is Municipal land available to build a second clinic in the Ocean View area. He added that through IDP meetings, residents have highlighted the need for another clinic and there is a petition in the process of being circulated to be presented to the Speaker of the Province.

Ald Williams referred to the matric results statistics and stated it is matriculant pass rate is concerning, which speaks to the level of gangsterism within the youth and the Department will have to assist the Municipality in this regard.

Ms Lutho Kota referred to the issues regarding the FET College and stated that the matter is under Higher Education and will try and assist with finding the individual dealing with FET.

District Development Model (DDM) Presentation:

Mr Damane stated that the presentation will be on the overview of DDM. The pandemic outbreak delayed the implementation of DDM by the Provincial level. He further added that the DDM has National instructions from COGTA such as the circulars that which outline what DDM is. Furthermore, the DDM was introduced to enhance IDP.

Mr Damane stated that in 2019, the DDM was introduced and had three cardinal points which were Division, Planning, and Institutionalisation.

The Planning involves the core government plan. He further outlined and explained the legislative Framework of DDM and stated it is Chapter 3 of the Constitution, Chapter 7 which is Co-operative governance. The IDP process, IGR Forum and DDM are cooperative initiatives of Local Government and the implementation of DDM in the Districts and Metros is dependent on the IGR.

Furthermore, if these structures are non-functional, there will be no departmental structures and Private Sector. The DDM is a long-term approach which spans from one to thirty years and requires Districts to develop One Plans of their visions, which is a plan of National government in the space of a District. DDM has a structure which investigates the economic development opportunities, the assessment of municipal governance, administration and institutional capacity which are also contained in the One Plan.

DDM Technical Structures:

In terms of Circular No. 10 issued by COGTA, Institutionalisation in terms of the DDM, Nationally the President has elected the District Political Champions and provincially MEC's were elected to be political champions. The evaluation of the One Plan has been completed by the elected champions within the District. This entails Institutionalisation.

Implementation Protocols:

Mr Damane stated that Implementation Protocols seek to address government programmes that require a cross-departmental involvement and programmes with common-purpose across spheres of government. The Constitutional requirements are through Chapter 3 which is Co-operative Governance and Chapter 7 which is the Local Government. Decisions made at the IGR meetings should be implemented and to ensure the implementation, a Memorandum of Understanding is required. The Implementation Protocols will assist in the formation of the Memorandum of Understanding and must contain a conglomerate of different parties.

Background

What is an Implementation Protocol?

- **IP Agreement is designed** for government programmes that **require a cross-departmental involvement** and programmes with *common-purpose across spheres of government*.
- **IP is a Formal Agreement** to achieve a **government priorities** and programmes with common objective.
- The IP Agreement represents the code of conduct for the parties in the Protocol (IGRF Act, Chapter 3, Section 35).
- **An implementation protocol is sometimes also referred to as a Memorandum of Understanding (MoU).**

Background

- As far back as 2017, COGTA initiated **IP to promote** Joint Programming in different platforms .
- **The recommendation of IPs is underpinned by 3 justifications :**
 - **A NEED FOR GOVERNMENT TO LEVERAGE ON IGR SYSTEM,**
 - **WORKING TOWARDS IMPROVING LOCAL GOVERNMENT PERFORMANCE ,&**
 - **PROVINCIAL GOVERNMENT SUPPORT TO MUNICIPALITIES .**
- **IP is introduced to promote collaborations,** working together in a **Coordinated, Integrated & Aligned** manner for **Efficient and Effective Service Delivery.**
- It is introduced **to better shape and manage the common purpose of government across spheres** vertically & horizontally .
- **Uncoordinated, disintegrated and unstructured government support to municipalities translates to poor services and outcomes.**

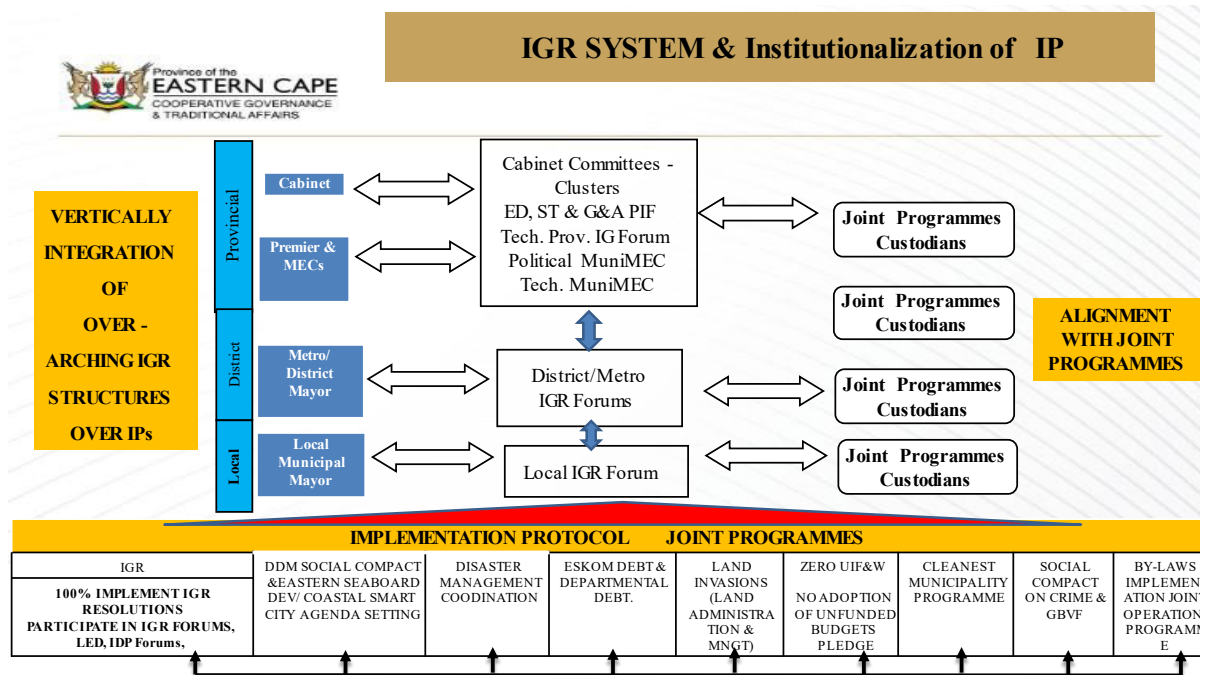
Legal Framework of the IP

- IP Agreements are provided in SA law and the Constitutionalization of IP is enshrined in Chapter 3 Section 41 (1) (h) that expects the organs of state to “co-operate with one another in mutual trust and good faith, and
- IP is also underpinned by Section 154 of the Constitution (1996) requires national and provincial governments to support municipalities .
- Section 35 (1) & (2) calls for IP to be considered when Roles of Organs of State Overlaps, when Implementing a Policy, a Programme, a Service or a Statutory Power that depends on the participation of other organs.
- The Implementation Protocol is a reasonable effort to avoid litigations, court actions or disputes.
- The Guide on Implementation Protocol recommends the “Joint Programme” for any programme with common objectives and carries provincial, national and local development priority.

Objectives of Rollingout IP, Pledges & Social Compact

The objectives of the IP, the Pledge, and Social Compact are:

- To jointly bind the parties to implement joint programmes in a coordinated approach.
- To bind parties to fully participate and implement IGR Forum Resolutions
- To jointly bind parties to enhance the disaster management coordination Coastal Smart City/Eastern Seaboard, DDM, local government, pledge to address and reduce ballooning UIF&W expenditure; not adopt unfunded budgets, unfunded mandates, land disputes, cleanest municipality programme, crime and GBVF, Agreements with ESKOM, Departmental Debt to Municipalities, etc.
- To manage time-schedules, compliance with cooperative governance and reporting on joint government programmes.



Managing Implementation Protocols:

The technical IGR Forums pertain joint protocol committees. Circular 10 from National COGTA instructs the One Plan to be assessed by the Districts and Metros. The requirement, in terms of the Circular, is once the Plans are reviewed, they are submitted to COGTA which then submits to MUNIMEC. The team reviewing the plans within the municipality, will table at Mayoral Structures which then refer it to the Council structure for endorsement. The Plans are further submitted to the Provincial Technical Structures and further to the Provincial Cabinet for endorsement and further to the MUNIMEC. The Provincial Plan instructs the convening of District Technical Structures represented by National, Provincial, District, Local Municipality which included the Private Sector.

Managing Implementation Protocols

Recognising government delivers services through a complex value-chain.

- Government programmes and priorities with more and multiple role players will agree to enter into **Joint Programme with a Work Plans** .
- **Political IGR Forums “Joint Partnering Protocol”** in the case, will assume the responsibility of Support, Oversight, performance monitoring of Work Plans and Pledges .
- Political IGR Forums, Cabinet Committees and EXCO shall be direct accountability oversight playing a support, mediation, conciliation and dispute settlement on IP.
- **All Joint Programmes Agreements & Work Plans will be adopted in the IGR Forums** .
- Current **amendment of the IGR Act is anticipated** to make implementation protocols binding to parties.

SERVING OUR COMMUNITIES BETTER



Managing Implementation Protocols

- Technical **IGR Forums in the provincialecosystem shall serve as “Joint ProtocolCommittees”** to support **the joint programme partnering agreements** promote **deliveryof targets in the work plans** and **compliancewiththe Joint PartneringAgreements**
- **Chairs** of the IGR Forums within the IGR system shall escalate IP reports in the upper and lower IGR Forums apprising each other about progress on the IP Workplans.
- **Reportingon** IPs is expected on quarterly basis.

SERVING OUR COMMUNITIES BETTER





Managing Implementation Protocols

Format for developing a IP Blueprint

Implementation Protocol for Joint Programme ☐ Managing the Joint Programme Protocol

- ☐ Preamble
- ☐ Purpose of the Protocol Agreement
- ☐ Objectives
- ☐ Priorities of the Protocol
- ☐ Roles & Responsibilities
- ☐ Resources Required and Contribution
- ☐ Undertakings by Parties
- ☐ Budgeting for Joint Programmes
- ☐ Duration & Execution
- ☐ Certification of Pledge & Signature of Parties
- ☐ Work Plan

Objective	Measurable Indicator	Outcome/Output	Responsibility	Timelines	Budget	Progress
Applicable Common Objective	Indicator to measure the objective	Outcomes to measure progress	Who is responsible	timeframes	Budget and Resources	

SERVING OUR COMMUNITIES BETTER



Managing Implementation Protocols

Format for a blueprint IP

Certificate of Commitment and Pledge

Desiring for the maximum participation of members, cooperation, appropriate representation levels and implementation of the IGR Forum Resolutions. This Pledge commits National Sectors, Provincial Sectors, Local Government, State-Owned Enterprises and Agencies to participate with appropriate representation in all forums; and work towards realization of a coordinated and integrated service delivery in the Eastern Cape Province. The members pledge to **implement resolutions** of IGR Forums, **commit their involvement, participation** and **reduction of UIF&W**.

Signing by All Municipal Managers and Mayors & Executive Mayors

HODs & MECs

Heads of SOEs

SERVING OUR COMMUNITIES BETTER



Recommendations



- Kouga IGR Forum notes the EXCO approved IP and endorse the roll-out of IP implementation phase.
- Kouga IGR Forum notes the need to enter into a Pledge on reduction levels of Unauthorised, Irregular, Fruitless & Wasteful Expenditure in local government,
- Kouga IGR Forum notes the proposed IP for all IGR Forums in the province.
- Endorse IP as a tool for other support joint programmes such as:
 - DDM, Land Invasion Agreements, By-Laws Joint Support, Eskom Debt Agreements, Crime, GBVF, Unfunded Mandates IPs, Cleanest Towns and Municipality & Waste Management Partnering Joint Programme,
- Thus improving IGR System, coordination, improving government efficiencies

SERVING OUR COMMUNITIES BETTER



Recommendations



- Kouga IGR Forum notes that **COGTA, PT and OTP Provincial IGR Core Teams will consult Local, Metro & District IGR Forums and other Joint Programmes to facilitate formulation of IPs and Work Plans.**
- COGTA, PT and OTP Provincial IGR Teams **will assist in scoping other Joint Programmes that warrants Implementation Joint Programming**
- **Through IPs, the province is taking collaboration seriously as a tool to intersect the government programmes that share common agenda, common purpose and common objectives for effective delivery of services and address the pondering syndrome of operating in silos**

SERVING OUR COMMUNITIES BETTER



Cllr Bornman enquired whether how the DDM Model differentiated from the objectives of the IGR Legislative Framework Act and requested elaboration. He further enquired whether what happens when there is a conflict in what the District sees and who determines what takes priority in terms of budgetary provision within the different spheres of government. He further added the concerns regarding the District's Economic Development Plan which the Municipality has not received feedback on.

Ald Hendricks enquired whether the DDM Officials are functioning as a quorum or a legislative structure. He enquired when it comes to doing project in the DDM Model, who approves the projects.

Mr Damane stated that the DDM enhances the IDP Planning System, and it is not to replace the IDP Planning System. He further stated that National COGTA has submitted a review process and the framework is under review. There was request that the province makes a submission to the National COGTA, and the submission is the need to make the IGR Framework Act an auditable document. One of the tools to sustain the IGR Framework is through the implementation Protocols to ensure sectors and government are held accountable.

Mr Damane referred to the issue of the PCC and stated that the PCC does not approve projects. The Municipality will submit what the different departments are doing in the different departments within the Municipality through the technical DDM structure. the instructions from National COGTA is that the IDP Projects be separated from the DDM Catalytic projects which have a longer range in terms of implementation. Communication was sent out to Municipal Managers to appoint officials to be part of the DDM Task Team with the view that the officials will provide feedback to the Municipality about DDM. He referred to the issue of disputes and stated that there is provision for dispute resolution within the Framework.

Ald Hendricks stated that further engagement is needed with COGTA regarding the issues discussed.

KOUGA HOUSING PROJECT: MR LEKELA NKONKI



Province of the
EASTERN CAPE
HUMAN SETTLEMENTS

INTRODUCTION

1

- Kouga Municipality is one of the seven (7) Municipalities in the Sarah Baartman District Municipal area of jurisdiction.
- It is one of the developing local municipalities within the Sarah Baartman District Municipality and is located approximately 80 kilometres from Port Elizabeth.
- There are projects that were identified by the municipality as per the IDP and approved by the Dept of Human Settlements for pre planning activities. Due to nonavailability of bulk infrastructure the projects could not be commenced as planned.

INTRODUCTION

2



- Human settlements development within the area of jurisdiction of Kouga Municipality is implemented by the DoHS and Kouga in areas with available bulk infrastructure and identified available beneficiaries.



PROJECTS OVERVIEW

5



- In Jeffrey's Bay Oceanview 1500 (1183 sites) contractor for 200 houses is on site.
- Procurement for Ph-2 (468 units) Professional Service Provider (for house designs) will commence soon.
- In Humansdorp- Arcadia 139 and Kruisfontein 400 Ph2 on pre-planning stage (PSP's to be appointed by Kouga).
- Hankey - Hankey 990 (919) internal services is under construction
- Hankey Weston 196 (Mud / Informal Structures) on pre-planning stage (PSP's to be appointed by Kouga).
- Patensie– Patensie 278 on preplanning stage (PSP's already appointed by Kouga)

STATUS OF THE PROJECTS

Mr Nkonki referred to the status of the projects within the Kouga Region and gave an overview of the sites that were serviced by the Human Settlements Department. Mr Nkonki gave a status update on the projects in the areas of Oceanview, Pellsrus, Kruisfontein, Hankey, Hankey Weston, Patensie and Arcadia.

 Province of the EASTERN CAPE HUMAN SETTLEMENTS STATUS OF THE PROJECTS 6						
Project Name	Units/ Sites	Est. Budget	Status	Outstanding Matter / Challenge	Time- frame	Responsible person
Jeffrey's Bay- Oceanview 1500	1500 (1183 sites)	R51,2	1. The installation of 1183 internal services is complete.	1. The project was reduced, due to informal structures occupied the development area.		Kouga
Oceanview 200	200	+R28,5	2. The contractor is on site	2. The department to commence with procurement service provider		Kouga
Oceanview 468	468	R 65,52	3. Commencing with PSP procurement			
Pellsrus 220	220	R 40,7	1. 218 houses are complete,	1. 5x houses could not be built due the pump station challenges		Kouga
Kruisfontein 2500 (391)	391	R66,6	1. 391 houses are complete	1. Damaged road section due to blocked storm- water lines.		Kouga



STATUS OF THE PROJECTS

Project Name	Units	Est. Budget	Status	Outstanding Matter / Challenge	Timeframes	Responsible person
Kruisfontein 2500 (400 ph2)	2109 (400-p2)	R74,0	1. The project is in design stage. EIA approval is in progress	1 Some pre-planning activities, eg EIA not yet concluded,. 2. The beneficiary administration has not commenced.	On going	Kouga Municipality
Hankey 990 (919)	919	R32,0 + R128,66	1. The installation of internal services is in progress. 2. The beneficiary administration has commenced.	1. The contractor performance is a challenge. 2. Project Steering Committee not yet established by Kouga. 3. Pump station still to be constructed by the municipality	On going	Kouga Municipality
Hankey Weston 196 (Mud Structures)	196	R36,26	1. Municipality is finalising pre-planning processes. 2. The beneficiary administration has commenced.	1. The Municipality to decide on whether to use conservancy tank or water-borne system. (WWTW) 2. The finalisation of the	On Going	Kouga Municipality



STATUS OF THE PROJECTS

Project Name	Units	Est. Budget	Status	Outstanding Matter / Challenge	Timeframes	Responsible person
Patensie 278	278	R51,43	1. Municipality is finalising pre-planning processes. 2. The beneficiary administration has commenced.	1. The finalisation of the GP and Engineering designs. 2. WWT PLANT is still under the Dept of LG ,in process.	On Going	Kouga Municipality
Arcadia 139	139	R25,7	1. Municipality is finalising pre-planning processes. 2. The beneficiary administration has commenced.	1. The finalisation of the GP and Engineering designs. 2. Upgrading of WWTW	On going	Kouga Municipality

Mr Nkonki referred to bulk infrastructure and stated that the department of Human Settlement does not fund bulk infrastructure, however, there is a percentage from HSDS funding that is provisioned for bulk infrastructure. He further referred to the USDG funding that was raised and stated that the Local Municipalities could tackle the USDG funding and the DDM could be used as a request channel nationally. He referred to the projects in Sea Vista, Kwanomzamo, Thornhill, Oyster Bay and Jeffreys Bay and stated that these projects require bulk infrastructure and there are challenges with the land as some of the land is agricultural and challenges development.

 BLOCKED PROJECTS / DESTITUTE / RECTIFICATION 9						
Project Name	Units	Est. Budget	Status	Outstanding Matter / Challenge	Timeframes	Responsible person
SEA VISTA 2000, KWANOMAZO 400 and THORNHILL 390	2790	-	1. The mentioned three (3) projects are affected by land and insufficient bulk infrastructure services.	1. Municipality to fast-track plans to address the bulks services challenges for all these projects.	On going	Kouga
DESTITUTE 25 - Hankey1 - Oyster Bay 1 - Jeffreys Bay 23	25	R3,50	1. There are 25 destitute beneficiaries that were identified and approved by the Dept.	Due to unavailability of serviced sites these beneficiaries should be integrated to the project in the area.	On Going	Kouga
Oyster Bay	-	-	No Project identified.	Due to unavailability of serviced sites the municipality should design other types of services. (New Technologies)	-	Kouga
PROJECT 2022-2027		+ 444,07 MIL.	Six Projects almost ready for implementation	WORK HARD TO ACHIEVE OUR GOALS		ECDHS KOUGA

Mr Nkonki stated that there are informal settlement upgrading projects which Human Settlement will present throughout the Municipality. The areas are Shukushukuma, Donkerhoek, Ocean View, Phola Park, Phola Park 553, Thornhill 160 and Cyril Ramaphosa. The EHDA is commencing with procurement for the permanent services required by the Municipality.

Cllr Dhludhlu commended the department of Human Settlement for the projects initiated within the Municipality. He enquired whether the funds remaining from the various projects, could not be used to pave roads, in Pellsrus 220.

Mr Nkonki stated that the issue with Pellsrus 220 is the economy was off scale and the project required large amounts of money to complete. He further stated that the money the Department has is grant funding and in future, discussions to see whether the remaining funds could be used for paving of roads.

The Director of Human Settlements emphasised the importance of planning for the Human Settlement projects. She further stated that without the proper planning being done by the Municipalities and sector departments regarding the development of projects, the department will not be able to continue with the development within the Municipality.

She added that the first step is the identification of land by the Municipality, secondly the allocation of beneficiaries by the Municipality, thirdly the funding that must be requested from the department of Human Settlements and the plans of the townships. She added the department is faced with these challenges with regards to the infrastructure and sector departments need to ensure sponsorship of each step of the development.

Cllr Bornman stated that the biggest challenge for the Municipality is bulk infrastructure, and it hinders the continuation of the planned projects. There is a serious need in getting assistance with bulk infrastructure.

DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENTAL AFFAIRS AND & TOURISM: MR LEON ELS

Mr Els stated that there two Chief Directorates within the department, namely Economic Development and Environmental Affairs. He outlined the programmes for the third quarter within the directorates.

ECONOMIC DEVELOPMENT

Mr Els stated that on the 1st to the 3rd of November 2022, the Department's Enterprise Development Section will be conducting Co-operative Training in Hankey. Furthermore, there will be a Consumer Protection Workshop on the 4th of November 2022 to be held in Sea Vista. He added that the Consumer Protection officials deal with the Consumer Protection Act and assist consumers with complaints they might have with unscrupulous businesses.

ECONOMIC DEVELOPMENT

- Local and Regional Economic Development
 - The LRED Fund is now permanently open for applicants and thus no longer has a closing date
 - Regional Office officials are assisting and guiding businesses with the application process
 - Assist with LRED Strategy reviews as part of the District Support Team
- Enterprise Development
 - Facilitating the registration of and access to finance by Co-operatives and SMME's. This is done through referral to Eastern Cape Development Corporation (Imvaba Fund and Business Loans) and the Small Enterprise Development Agency (Business Plans, Product and Market Development)
 - Assisting with CIPC related processes – This is a FREE service provided by the Department (also remotely)
 - Monitoring and Evaluation of Co-operatives previously funded
- Consumer Affairs
 - Regulatory functions to Consumer Protection Act, 2011
 - Sarah Baartman Regional Office deals with the majority of consumer complaints in the Province
 - Consumer Awareness workshops and campaigns, e.g. 'Spend Wisely'



Mr Els referred the challenges that should be addressed and stated the DEDEAT & Kouga Municipality Bi-lateral should be resuscitated as there are environmental issues that need to be addressed.

CHALLENGES THAT SHOULD BE ADDRESSED

- The LRED Fund application intake is very slow and DEDEAT is conducting a vigorous joint awareness drive in all municipalities within the district
- Although processes have been actioned to timeously secure Environmental Authorisations (ROD's) there is room for improvement (see **NB** below)
- The presence of (serviceable) bulk infrastructure is a non-negotiable requirement for environmental authorisation, be it a municipal housing project or a private development. Especially insufficient capacity at waste water treatment works is a primary developmental constraint
- When challenges are experienced, consultation with DEDEAT is of critical importance
- **NB:** Resuscitation of the DEDEAT/Kouga Municipality Bi-lateral is an imperative



6. DATE OF NEXT MEETING

Date of next meeting: To be communicated timeously with all stakeholders.

CLOSURE

The Executive Mayor thanked all sector departments for their attendance and input. He further requested that regular meetings apart from the IGR meetings be held. The Executive Mayor wished everyone a safe journey traveling home.

The meeting adjourned at 12:24



CLLR H. HENDRICKS
CHAIRPERSON

DATE



KOUGA MUNICIPALITY MAYORAL IGR

20 OCTOBER 2022

MENTORSKRAAL | JEFFREYS BAY

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KOUGA MUNICIPALITY MAYORAL IGR

20 OCTOBER 2022

MENTORSKRAAL | JEFFREYS BAY

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KOUGA MUNICIPALITY MAYORAL IGR

20 OCTOBER 2022

MENTORSKRAAL | JEFFREYS BAY

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**REPORTS BY KOUGA
AUDIT COMMITTEE
(KAC)**

KOUGA MUNICIPALITY (EC 108)**ORDINARY COUNCIL MEETING****KOUGA AUDIT COMMITTEE****DATE: 30 MARCH 2023****ITEM NO: 23/03/KAC1****MINUTES OF THE KOUGA AUDIT COMMITTEE****1. Introduction**

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

2. Background

Council is advised that the Kouga Audit Committee had a meeting on 13 October 2022, the Minutes of the respective meeting is attached for ease of reference.

3. Recommendation

3.1 That the minutes of the Kouga Audit Committee be noted.

Item prepared by the Kouga Audit Committee Chairperson

MINUTES OF A VIRTUAL KOUGA AUDIT COMMITTEE MEETING HELD ON THURSDAY, 13 OCTOBER 2022 AT 14:00

PRESENT	Mr G. Billson	(Chairperson)
	Mr R. Coetzer	(Member)
	Mr R. Moodaley	(Member)
COUNCILLORS	Ald B. Williams	(Speaker)
	Cllr W. Gertenbach	(Portfolio Chairperson: Finance)
OFFICIALS	Mr C. du Plessis	(Municipal Manager)
	Mr D. De Jager	(Deputy Municipal Manager)
	Ms K. Moodley	(Director: Corporate & Digital Services)
	Ms F. Mabusela	(Director: Planning, Development & Tourism)
	Mr I. Fakir	(Acting Manager: Risk & Internal Audit)
	Mr S. Abrahams	(Manager: Budget & Treasury)
	Ms M. Basson	(Acting Communications Specialist)
	Ms L. Opperman	(Manager: Legal Services)
	Ms M. Julius	(Senior Admin Officer: Committees)
	Ms N. Mazibuko	(Scribe)
STAKEHOLDERS	Mr L. Sibokoza	(Auditor-General South Africa)
	Mr C. Welch	(Auditor-General South Africa)
	Mr N. Bobo	(Eastern Cape Provincial Treasury)
	Mr M. Ngwadla	(COGTA-Eastern Cape)
	Ms N. Maliza	(COGTA-Eastern Cape)
	Ms T. Hoshe	(COGTA-Eastern Cape)
	Mr M. Athenkosi	(Eastern Cape Provincial Treasury)

1. OPENING AND WELCOME

The Chairperson welcomed everyone present and read the notice convening the meeting.

2. APOLOGIES

Mr R. Lorgat	(CFO)
Mr T. Madatt	(Acting Director: Infrastructure & Engineering)
Mr B. Vanda	(COGTA- Eastern Cape)

3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

3.1 MINUTES OF THE KOUGA AUDIT COMMITTEE MEETING HELD ON 27 MAY 2022

Resolved: (13 October 2022)

1. That the Minutes of the Kouga Audit Committee Meeting held on 27 May 2022 be approved.

Proposed: Mr I. Fakir

Seconded: Mr R. Coetzer

3.2 MINUTES OF THE KOUGA AUDIT COMMITTEE MEETING HELD ON 26 AUGUST 2022

The Speaker referred to page 23 and enquired on whether the scores were investigated further, as requested by the Chairperson.

The Chairperson confirmed that feedback was not received on the request and requested that feedback be submitted.

Resolved: (13 October 2022)

1. That the Minutes of the Kouga Audit Committee Meeting held on 26 August 2022 be approved.

Proposed: Mr I. Fakir

Seconded: Mr R. Coetzer

4. DECLARATION OF INTEREST

None of the members of the committee had anything to declare.

5. PRESENTATION

Audit Strategy Presentation – Auditor-General South Africa (AGSA)

The Chairperson enquired on whether a combined assurance model is used by the AGSA.

Mr Welch confirmed that a combined assurance model is being used.

The Speaker enquired on the possibility of negotiating the audit fee.

Mr Welch responded that there are efforts to ensure that the audit fee is not exceeded in order to guarantee some savings. However, for the past 3 years there have been savings on the audit fee.

6. MATTERS FOR DISCUSSION

22/10/KAC1 MATTERS ARISING SCHEDULE AS AT 28 SEPTEMBER 2022

The Chairperson enquired on the status of the actual percentage for progress.

The Acting Manager: Risk & Internal Audit stated that Internal Audit is in the process of developing standard weightings based on the phases of the audit, so a suitable approach is being determined in relation to assigning percentages to the audit process to ensure a mutual understanding of what the reporting means.

The Chairperson stated that normally the percentage bands of 25/50/75 are used to inform the Audit Committee on Internal Audit's progress as well as to highlight the expected completion dates.

The Acting Manager: Risk & Internal Audit stated that the chairperson's proposal will be considered.

The Chairperson enquired on the status of the Contingency Liability Register and whether it has been prepared.

The Acting Manager: Risk & Internal Audit responded that the register will be included in the next Audit Committee meeting.

The Chairperson proposed that the 'action taken' column should indicate a date, to determine the number of times an item/action is rolled over. He further enquired on the status of the Irregular, Fruitless, Wasteful and Unauthorised Expenditure Register.

The Acting Manager: Risk & Internal Audit responded that the register will be submitted at the next Audit Committee meeting.

The Chairperson enquired on the status of the Internal Audit Assessment.

The Acting Manager: Risk & Internal Audit responded that the Internal Audit Assessments were completed and still need to be finalised.

The Chairperson noted that the Performance Management Reports have not been submitted. On the Municipal Policies and Changes Register, he clarified that the register should include all policies as well as the last date when the policies were approved, when they are due for reassessment and any potential changes.

The Acting Manager: Risk & Internal Audit responded that the information will be forwarded to the Manager: Auxiliary & Administration to ensure that the item is actioned.

Resolved to recommend: (13 October 2022)

1. That the report be noted.

22/10/KAC2 INDIGENT SUPPORT POLICY COMPLIANCE REPORT

The Acting Manager: Risk & Internal Audit presented the report to the committee.

The Chairperson requested clarity on the drafting of the procedures manual.

The Acting Manager: Risk & Internal Audit responded that during the review of the procedures manual, the policy gave an impression that a procedures manual exists, however, during the consultation process it was discovered that there is no SOP. As a result, a recommendation was made for an SOP to be drafted.

The Chairperson highlighted that the indigent policy and the approval of applications is a common issue in municipalities. He enquired on the number of applicants/households that are applying in relation to the indigent qualification criteria and the total financial implication from a materiality perspective.

He further questioned whether applicants are required to apply annually to prove their eligibility of the indigent allowance.

The Acting Manager: Risk & Internal Audit responded that there was no analysis conducted on the financial aspect of the indigent application, however, it was a compliance matter.

On the validity of indigent applicants, audits are conducted annually to confirm the eligibility of indigent applicants.

The Chairperson highlighted that the financial impact is important in outlining the total ward value which would determine whether the ratings are significant if there is a high error rate.

The Acting Manager: Risk & Internal Audit confirmed that the financial impact will be analysed and feedback will be provided.

The Acting Manager: Risk & Internal Audit stated that the findings will be addressed through the updating of the Indigent Support Policy, which states that there needs to be a system generated recommendation.

At the time of the review, there was no system generated recommendation but the policy has since been amended to disallow the system generated recommendation prior to the approval of a beneficiary to the Indigent Support programme.

A new process has been established by management where the Chief Accountant makes a recommendation and the Manager: Revenue will review and approve the recommendation.

The Chairperson expressed his interests on the quantum of the number of approvals and stated that if the approval process operates as outlined by the Manager: Internal Audit, thereafter, there would be time to assess and approve applications.

The Acting Manager: Risk & Internal Audit suggested that an analytical analysis be included, as part of the Adhoc reviews, on the Indigent Support that is being provided and the feedback be presented to the Audit Committee.

The Chairperson enquired on the reapplication and reapproval process because other municipalities do not have a reapplication process so once an individual has been approved, the approval would roll-over annually.

He further raised concerns that the roll-over approvals may not be vetted to determine the validity of the applicants or approvals.

Cllr Gertenbach clarified that the indigent list per ward is normally forwarded to the relevant ward councillor on a monthly basis and it becomes the ward councillor's responsibility to identify whether the beneficiaries still qualify for the Indigent Support Programme as well as to make recommendations on potential beneficiaries.

Mr Coetzer requested clarity on the target dates being indicated as 'immediately', which implies that the matter has been resolved.

The Acting Manager: Risk & Internal Audit clarified that the provided timeframe does not indicate the significance of the finding but rather what can be done and when, in relation to the management action plan. The target dates also guide the Internal Audit department in the follow-up process.

Mr Coetzer enquired on whether the 'immediately' target dates will be included in the 'in-progress' list tracker.

The Acting Manager: Risk & Internal Audit confirmed that the reports would be included in the Internal Audit tracker where testing can be conducted to further determine whether the reports remain or are removed from the tracker.

Resolved to recommend: (13 October 2022)

1. That the report be noted.

22/10/KAC3 DEBIT ORDER APPROVAL PROCESS REPORT

The Chairperson referred to page 46 and noted the two SLA's that were not sent to the Budget & Treasury Office. He enquired on whether the debit orders were rejected by the Budget & Treasury Office since there were no SLA's in place, if not, why were the debit orders not rejected.

The Manager: Budget & Treasury responded that the debit orders were not reversed because the awarding of the contracts was legitimate. Invoices are sent monthly to the Project Manager to sign-off as proof of receipt and services rendered before a debit order can be reversed or rejected.

The Chairperson highlighted that the management action plan on 'the attempts' is not an action plan and enquired on how the issue can be prevented in future.

The Acting Manager: Risk & Internal Audit responded that the Budget & Treasury Office will include the process of ensuring that SLA's are received in the new SOP. Internal Audit recommended that the process be drafted where a copy of the agreements, with the amount

and contract period, for goods and services that will be paid via debit order.

He stated that the process will be incorporated into the SOP and the Budget & Treasury Office will receive a copy of the SLA's.

The Chairperson referred to page 47 on the debit order reversals that were not reported within 40 days and enquired on the reasons for the reversals and whether the reversals were legitimate expenses of the municipality.

The Manager: Budget & Treasury confirmed that the reversals were not legitimate and that investigations were done internally. Feedback was forwarded to the banks for reversals to be done, however, the dates that reflected on the reversal form were incorrect. Therefore, the specific amounts could not be determined.

He stated that the SOP will require that the accounting officer conduct a follow up after 2 days with the bank to determine whether the funds have been reversed.

The Chairperson enquired on the nature of the transactions.

The Manager: Budget & Treasury confirmed that the transactions were erroneous.

The Chairperson enquired on the reasons for the bank debiting the Municipality's account if there no authorization was given.

The Manager: Budget & Treasury explained that there are instances where a municipal rates account is submitted as proof of address by account payers to the bank and the payment details would be captured as the Municipality's banking details.

The Chairperson enquired on the frequency of similar instances.

The Acting Manager: Risk & Internal Audit stated that the sample size was 40 debit orders.

The Chairperson further enquired on whether the reversals were highlighted by the bank or by the Municipality.

The Manager: Budget & Treasury responded that the findings were identified prior to Internal Audit highlighting them and that no debit orders were identified from the sample during the audit.

The Chairperson raised concerns on the 10% error rate on the sample size and that the error is recurring.

Resolved to recommend: (13 October 2022)

1. That the report be noted.

22/10/KAC4 HR (RECRUITMENT, SELECTION AND APPOINTMENT) REPORT

The Chairperson referred to page 58 and noted that background documentation checks were not conducted for the Manager: Parks & Community Amenities.

On page 59, he noted that certified copies of qualifications were not received.

Mr Coetzer highlighted that the errors in the report are basic administration errors and questioned whether a guideline was used when appointments were made.

The Acting Manager: Risk & Internal Audit stated that no form of documentation served as a guideline for appointments, however, the use of a checklist and index will strengthen controls.

The Director: Corporate & Digital Services confirmed that checklists for files are in place that contain ID documents, certified copies of qualifications, banking details and the Curriculum Vitae. The data in the report could have been retrieved from older files as checklists were not in place.

On the Manager: Parks and Community Amenities background check, she explained that a background check was not done because a recommendation was made for the appointment.

The Chairperson requested clarity on whether a sample was taken from any staff member within the Municipality or employees that were appointed in the last 2 years as it would explain why old files with no checklists were used.

The Acting Manager: Risk & Internal Audit stated that the matter will be included in the Internal Audit tracker to monitor whether the checklists and indexes are in place.

Resolved to recommend: (13 October 2022)

1. That the report be noted.

22/10/KAC5 OVERTIME REPORT

The Chairperson requested clarity on the value reflected for overtime hours considering that normal working hours are 8 hours.

The Acting Manager: Risk & Internal Audit explained that weekend overtime hours are included in the overtime hours worked as well as from the attendance registers and overtime application forms.

Resolved to recommend: (13 October 2022)

1. That the report be noted.

22/10/KAC6 STRATEGIC RISK REGISTER AS AT 23 SEPTEMBER 2022

The Chairperson highlighted that there is missing mitigation action for 'Water Security' and that leak detection, reporting and repairing are not included for 'Water losses'

On the housing backlog, he enquired on whether a revolving credit facility is used by the Municipality to build houses where money is claimed back from National Treasury after construction.

The Director: Planning, Development & Tourism confirmed that there is no revolving credit facility in place.

The Chairperson noted that ICT is not outlined as a risk in the report in relation to off-site and cloud backup and enquired on whether it is being considered.

The Acting Manager: Risk & Internal Audit confirmed that it is being considered and that ICT is included in the risk register but as a low risk that is continually assessed and updated. The risks are not reflected in the report because they have been categorised as 'low'.

He stated that there is a separate risk register which relates specifically to the ICT function and highlighted that the risks are monitored and updated so that new risks may be identified.

On the missing information for mitigating actions, he stated that the 'water security' mitigating action should be reflected as 'no further action'.

The Chairperson requested that the complete risk register be circulated to the Committee.

Mr Moodaley enquired on whether the identified risks have risk/action owners.

The Acting Manager: Risk & Internal Audit confirmed that risk owners have been identified and that Internal Audit plans to engage with the Directorates bi-quarterly to obtain updates on the actioning of risks.

On the financial sustainability risk, he highlighted that a meeting will be scheduled with the CFO to finalise the assessment of the risk and to identify action owners as well as target dates.

Resolved to recommend: (13 October 2022)

1. That the report be noted.

22/10/KAC7 INTERNAL AUDIT FINDINGS TRACKER AS AT 27 SEPTEMBER 2022

The Chairperson requested that the tracker be updated to include new target completion dates to ensure that findings that have been addressed can be removed from the tracker.

The Acting Manager: Risk & Internal Audit confirmed that the tracker will be updated.

The Chairperson proposed that the 'immediately' be replaced with actual start-to-finish dates.

The Acting Manager: Risk & Internal Audit explained that the term 'immediately' implies that the relevant Directorate planned on addressing the matter so that it is not recurring. Internal Audit also conducts tests on the issues to determine which ones have been addressed.

Resolved to recommend: (13 October 2022)

1. That the report be noted.

22/10/KAC8 AUDITOR GENERAL FINDINGS TRACKER AS AT 27 SEPTEMBER 2022

The Chairperson proposed that the close-out dates for the findings be outlined in the report.

The Acting Manager: Risk & Internal Audit stated that Internal Audit will engage with the Budget and Treasury Office in order to identify the close-out dates and that some of the findings can be addressed during the year, however, some can only be addressed at year end as they are dependent on the finalization of the financial statement reports.

Resolved to recommend: (13 October 2022)

1. That the report be noted.

22/10/KAC9 ACTUAL VS PROGRESS INTERNAL AUDIT PLAN SEPTEMBER 2022

The Chairperson noted that 4 risk items have been rolled over and enquired on the hours required by Internal Audit to complete the reviews.

The Acting Manager: Risk & Internal Audit responded that the rolled over items are reflected in the draft Internal Audit plan as well as the hours required for the completion of reviews, however, the completion

of the quarter 3 and 4 performance reviews was audited by the Auditor General, therefore, it would be a futile exercise.

On the SCM review, he stated that a review was conducted in quarter 1 and 2 where it was determined that 2 SCM reviews would be conducted, one mid-year and the other at the end of the year.

The Chairperson enquired on the staff capacity of Internal Audit.

The Acting Manager: Risk & Internal Audit responded that there are currently 2 staff members.

Resolved to recommend: (13 October 2022)

1. That the report be noted.

22/10/KAC10 DRAFT INTERNAL AUDIT PLAN 2022/2023

The Chairperson highlighted that the report does not have target dates.

The Acting Manager: Risk & Internal Audit responded that the target dates can be provided.

The Chairperson enquired on where the completion percentage column would be included.

The Acting Manager: Risk & Internal Audit responded that the column will be included next to the hours column.

The Chairperson referred to page 101 and questioned the calculation of 5 500 hours considering that there are only 2 staff heads in Internal Audit.

The Acting Manager: Risk & Internal Audit stated that there are vacancies within the department.

The Chairperson enquired on the number of vacancies that need to be filled.

The Acting Manager: Risk & Internal Audit responded that the vacant posts include Manager: Risk & Internal Audit, Senior Internal Auditor and Internal Auditor.

The Chairperson enquired on the status of appointing a Chief Audit Executive and whether the post is funded.

The Acting Manager: Risk & Internal Audit confirmed that the Chief Audit Executive post is funded, was advertised and has closed.

The Chairperson enquired on the advertisement of the other Internal Audit vacant posts.

The Acting Manager: Risk & Internal Audit stated that the other posts have not been advertised, however, an enquiry was made to the Human Resources department for the process to be fast-tracked.

The Chairperson stated that the vacant posts need to be prioritized to ensure that the Audit Plan is not jeopardized.

The Director: Corporate & Digital Services stated that the Manager: Risk & Internal Audit posts was advertised, has closed, preliminary shortlisting has been done and interviews are underway.

She highlighted that the Internal Auditor post is not funded.

The Speaker raised concerns that the Audit Plan notes little emphasis on ICT especially since the Office of the Auditor-General has highlighted that ICT will be prioritised in the next financial year. He questioned whether the Municipality should prepare for the ICT audits that will be conducted by the Office of the Auditor-General.

The Chairperson enquired on whether an additional item relating to ICT can be prepared by Internal Audit.

The Acting Manager: Risk & Internal Audit suggested that the Risk Workshop be conducted first so that controls can be identified because Internal Audit would only be liable for testing the identified controls as well as those that IT has in place.

He highlighted that ICT features under the follow-up's done by the Office of the Auditor-General, where issues on ICT were raised and Internal Audit followed up on the issues raised to ensure assurance.

Mr Welch stated that the matter is linked to combined assurance, where Internal Audit can conduct an IT audit thereafter handover the audit report to the Office of the Auditor General. The Office of the Auditor-General would then ensure compliance and for a mitigation system to be established.

The Director: Corporate & Digital Services highlighted that the ICT audit requires specialised ICT skills which Internal Audit may not possess, therefore, the skills may have to be outsourced.

The Chairperson agreed that the ICT audit is a highly skilled function that may require a consultant to be contracted.

The Acting Manager: Risk & Internal Audit confirmed that Internal Audit does not have the necessary skills to undertake an IT audit, alternatively, a risk assessment can be done to determine the skills that have to be outsourced/ contracted.

Mr Welch highlighted that 90% of the time, expertise will be contracted to assist Internal Audit in conducting the full audit since most Internal Audit divisions in municipalities do not have the skill in-house to conduct IT audits.

The Chairperson stated that the audit plan is approved subject to the target dates of the audits being outlined in the reports.

The Committee seconded the approval of the audit plan.

Resolved to recommend: (13 October 2022)

1. That the Draft Internal Audit Plan 2022/2023 be approved.

6. ADDITIONAL MATTERS FOR DISCUSSION

The Chairperson enquired on the status of the annual year-end reviews for 2022/23.

The Municipal Manager stated that the one-on-one financial meetings on the review are being finalized as scoring and checks are being done to ensure that the portfolio of evidence is correct and ready for a formal evaluation.

He highlighted that there are Directors that still have to complete their final documents.

The Chairperson enquired on the target dates for the 2021/22 annual review.

The Municipal Manager responded that the reviews will be finalized once the financial statements have been completed for submission. Currently, the process is at a stage of ensuring that the reported key performance indicators (KPI) are correct so that scoring can be allocated.

There are corrections that also need to be made by the relevant Directors.

The Chairperson enquired on the status of the fraud hotline.

The Acting Manager: Risk & Internal Audit stated that engagements will be held with the District Municipality on the management of the fraud hotline.

The Chairperson highlighted that the Whistle Blowing Policy was tabled at Council in June 2022 and requested an update on whether the Policy was approved.

The Acting Manager: Risk & Internal Audit responded that Internal Audit would be responsible for evaluating and assessing the operational mechanisms of the Policy, however, the current mechanisms are not operational.

He highlighted that a Disciplinary Board was established where matters can be escalated.

The Chairperson stated that the status of the Policy needs to be known.

The Committee requested that the following items be included in the prospective KAC Agendas:

1. The attendance register.
2. The confirmation of the agenda.
3. A report by the Municipal Manager of an overview of pertinent Municipal issues.
4. A register on irregular, fruitless and wasteful expenditure.
5. The performance management report.
6. A list of all the Municipality's policies, their last sign-off dates and reassessment dates.
7. Report on vacancies on the organogram.
8. An ICT framework progress plan.
9. A disaster recovery plan.

7. DATE OF NEXT MEETING

24 February 2023.

8. CLOSURE

The Chairperson thanked everyone present and for their valuable inputs. He then declared the meeting closed.

The meeting adjourned at 16:25



MR. G. BILLSON
CHAIRPERSON

17 March 2023

DATE

REPORTS BY
MUNICIPAL PUBLIC
ACCOUNTS COMMITTEE
(MPAC)

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

DATE: 30 MARCH 2023

ITEM NO: 23/03/MPAC1

MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

1. Introduction

The purpose of this item is to refer to Council the minutes of the Municipal Public Accounts Committee.

2. Background

Council is advised that the Municipal Public Accounts Committee had a meetings on 20 October 2022, 24 November 2022, 8 December 2022 and 26 January 2023 and the minutes of the meetings are attached for ease of reference.

3. Recommendation

3.1 That the minutes of the Municipal Public Accounts Committee be noted.

Item prepared by the MPAC Chairperson:



MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON THURSDAY, 20 OCTOBER 2022 AT 10:00 IN THE COUNCIL CHAMBERS
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Present: Committee Members

Cllr J. Alexander (Chairperson)
 Cllr C. August
 Cllr F. Heystek
 Cllr R. Foley
 Cllr B. Human
 Cllr H. Murray
 Cllr M. Biko
 Cllr M. Mbandana
 Cllr C. August
 Cllr L. Nklishane
 Cllr W. van der Linde
 Cllr P. Oliphant

Officials

Mr C. du Plessis	(Municipal Manager)
Mr N. Swarts	(Representing CFO)
Ms L. Opperman	(Manager: Legal Services)
Mr I. Fakir	(Acting Manager: Risk & Internal Audit)
Mr. A. Koegelenberg	(Manager: PMS)
Ms N. Zode	(Scribe)

Stakeholders

Adv A. Klopper	(Public Representative)
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1. OPENING AND WELCOME

The Chairperson read the notice convening the meeting and requested Cllr Foley to open the meeting with prayer. The Municipal Manager stated that the CFO sent Mr. N. Swarts to represent him. He further indicated that Mrs. K. Moodley was no longer in the employment of Kouga Municipality.

The Chairperson urged the Municipal Manager to request the Directors to attend the meeting and when they are unable to attend they need to send representatives as MPAC dates were approved in Council and are indicated in the Council calendar.

2. APPLICATION FOR LEAVE OF ABSENCE / ABSENT WITH APOLOGY/ ABSENT WITHOUT APOLOGY**2.1 ABSENT WITH APOLOGY**

Ms N. Machelesi	(Director: Community Services)
Ms F. Mabusela	(Director: Planning, Development & Tourism)
Mr D. De Jager	(Deputy Municipal Manager)
Ms M. Rossouw	(Manager: Administration & Auxiliary)
Mr T. Madatt	(Acting Director: I&E)
Mr R. Lorgat	(CFO) – Represented by Mr. N. Swarts
Ms L. Mostert	(Public Representative)

2.2 **ABSENT WITHOUT APOLOGY**

None

3. **PRESENTATIONS**

None

4. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

Resolved to Recommend (20 October 2022)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 22 September 2022 be accepted.

Proposed By: Cllr B. Human

Seconded By: Cllr F. Heystek

5. **MATTERS FOR DISCUSSION**

22/10/MPACC1 MPAC RESOLUTIONS – 22 SEPTEMBER 2022

Cllr Oliphant enquired on the action sheets of 19 May 2022, where a follow up meeting is indicated with specific officials and Councillors. He then urged the Chairperson to refrain from having sessions outside MPAC on issues which are tabled at MPAC as information might be distorted and compromise the credibility of MPAC. The officials and the executive form part of the scope which MPAC needs to play oversight on. Should there be any issue that needs to be clarified, the officials or Councillors should be invited to a formal MPAC meeting to give clarities required.

The Chairperson stated that the meeting never took place, the action taken needs to be revised as there are no meetings held outside MPAC. The action needs to indicate that the matter is still being investigated by MPAC. The responsible person will be MPAC Chairperson.

Cllr van der Linde clarified that they tried to get a political resolution on the issue but the meeting never occurred, it was a decision taken by MPAC that some members of MPAC should have a session with the Executive Mayor, Speaker and the officials but the meeting never took place.

The Chairperson stated that there needs to be a date of when the action sheet was updated because it would have reflected the reference of when the action was updated, he then thanked Cllr van der Linde for the clarity provided.

Resolved to Recommend (20 October 2022)

1. That the updated Action Sheets reflecting resolutions of the MPAC meeting held on 22 September 2022 be noted.

22/10/MPACC2

MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2022 TO AUGUST 2022 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 AUGUST 2022 (2022/23 FINANCIAL YEAR)

The Municipal Manager presented the item.

Cllr Oliphant enquired whether there are any areas of concern that MPAC should take cognisance on.

The Municipal Manager highlighted the fuel costs going up due to loadshedding, as the generators need to be kept running for water pumps and sewerage and further indicated that a budget needs to be secured in the adjustment budget. The security around plants need to be prioritised as they get vandalised on a regular basis. The repairs and maintenance expenditure needs to get to at least 8% minimum which is currently a challenge for many municipalities.

Cllr van der Linde stated that his concern is the Eskom account going higher yet there is load shedding. He further indicated that in St. Francis Bay there was an issue with rates and there was a memo written by the Deputy Municipal Manager stating that there was a mistake on their account which will be rectified. There is a resolution taken by Council, how is that a mistake? Shouldn't Council be referring back the resolution for rescindment if it was a mistake?

The Municipal Manager stated that there was a problem which was picked up on one of the formulars that were used where the coma was indicated incorrectly, certain tariffs were too high and the issue was corrected. He further indicated that with Eskom its really difficult to say as he currently does not have figures in front of him, his understanding is that loadshedding does create a problem. The calculation of what is charged depends on the maximum demand per month. When there is loadshedding which is scheduled, after the power comes back the demand for power goes up and not all areas are switched on at once. The big demand impacts the Eskom account.

Cllr Foley enquired on the contracted services, why is the Municipality contracting services for leak detection when the Municipality has a leak detection vehicle? And there was also funding received for the employees operating in the leak detection vehicle?

Mr Swarts indicated that he will enquire with the CFO and get back to the Committee on the issue.

Resolved to Recommend (20 October 2022)

1. That the Executive Mayor notes Municipal Manager's report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.
2. That the monthly budget statements accordingly be submitted to Provincial Treasury as stipulated in Section 71(1) of the MFMA.
3. That the Section 71(1) report for July 2022 be noted by the Committee.

22/10/MPACC3

KOUGA MUNICIPALITY: 1st DRAFT ANNUAL REPORT (2021/2022)

Cllr Mbandana enquired on the trade receivables in terms of water and electricity, there is always a statement that there is 94% collection. However the Auditor General did raise the issue of loss in the annual report, how does the Municipality balance the losses on water and electricity. Is the Municipality up to date with roads and transport in terms of collection and payment?

The Municipal Manger stated that the losses on electricity should be around 8% on the system, the Municipality is trying to reduce the losses on electricity. There are also non revenue losses incurred on streetlights at 7.3%. water losses is indicated at 54% on non revenue and there are many issues which have an impact on the losses. The CFO is currently trying to replace meters in order to get accurate analysis. There are over two thousand households without meters, the Municipality is currently dealing with the challenge. There will be a physical verification on which places still require meters. Now that the Municipality is utilising boreholes there is a reduction on water.

The Chairperson stated that he had concerns on the water losses however the Municipal Manager addressed that there are measures in place to address the challenge. Is budget in place for the replacement of meters?

The Municipal Manager indicated that the Municipality applied for funding and the smart meters will be covered from the allocation.

Cllr Mbandana requested the Municipality to improve on the losses in order to balance the statement of financial position. However there is a disjuncture in terms of the policy on how to deal with the issue.

Cllr Heystek stated that there are other means of technology which can be used to monitor sites when there are no physical guards, and the service provider is supposed to have insurance when they are unable to guard a site, he indicated that he will liaise with the Municipal Manager.

Cllr Oliphant stated that there is a disconnect on the issue of actual budget on water and electricity, there are currently water restriction in Kouga which should have an impact on less water consumption, Community members indicated that there is no difference on their accounts in spite of water restrictions. He further stated that there are households which have meters that are hidden, but the meter readers would make up readings for such households and the Municipality issues out accounts to the public based on such readings.

The implementation of replacement of meters should be accompanied with amnesty for the households which have been receiving accounts from made up readings, where their meters are not visible for accurate reading. He further inquired whether Council took a resolution on sending traffic fines to the western cape for people to be blocked unless they pay their fines, the eastern cape province has no law on blocking people until they pay fines. Why use a western cape service provider to block eastern cape road users?

The Chairperson requested the Councillor to provide evidence to himself and the Municipal Manager on the issue for investigation.

Cllr van der Linde inquired whether there are monthly reports received on the leak detection, he indicated that there was a leak reported in front of his house and the leak detection team could not resolve it, the leak detection team struggled to get the system working. He then requested the Municipal Manager to organise training for the team. The team dug up in front of his house and they left the hole open.

The Municipal Manager stated that there are leak reports tabled at Portfolio Committee level. New technology takes time to be mastered, the equipment is of high quality and the Municipal infrastructure is not in similar quality which becomes challenging. All the meter readers report meters that they are unable to read and they take photos and give details of where the meter is, I&E has a team that follows up on the issues in terms of cleaning or fixing the meters.

Cllr Murray raised a point of two hundred and twenty houses without water meters.

The Municipal Manager stated that the human settlements project ran out of funds and could not fund the installation of

water meters. Those are indigent households and calculations of water usage would have been covered by the indigent grant, the Municipality is currently doing estimations for those houses. He further indicated that the Municipality is looking at possibly increasing the allocation of free basic water from 12kl to 18kl, the Municipality is not getting the revenue anyway, if its increased the Municipality would be able to claim from indigent grant from government.

The Chairperson stated that MPAC should visit Oyster bay to check the meters which are no longer visible and identify issues and report back to the Municipality for actioning. He further proposed that the list of households that have restrictors installed should be availed to Councillors in order to be able to advise and assist the public when they query certain issues.

Cllr Oliphant proposed that the annual report be noted and all queries be submitted to the MPAC Chairperson.

Cllr Mbandana seconded the proposal.

The Municipal Manger stated that the Municipality pays the department of roads every month all obligations, he further stated that the was not aware about the issue of blocking road users for unpaid fines and will take the matter further.

Mr Koegelenberg stated that the annual report is tabled to MPAC for the purpose of preparing an oversight report which is due to be submitted in March 2023. In the past MPAC would invite Directors to give clarification on the issues raised, he then indicated that he looked at the MPAC schedule of meetings and some dates conflict with the period which the oversight report should be finalised. Legislation requires that the draft annual report be tabled to Council in January, immediately after that it must be made public for comments, there was an issue in the past where MPAC public participation process was not done within a reasonable period. The financial information is submitted after the AG report has been received around November. When the annual report has been finalised it must go back to MPAC. The MPAC meeting scheduled for 23 February 2023 will be challenging as the closing date for items will not be met, as the document will be advertised for a period of 21 days after Council in January 2023. He further stated that he will send the Chairperson an email explaining all the dates that should be revised in order to have everything submitted in time.

Cllr Oliphant stated that the institutional calendar and MPAC dates should be re-aligned, the annual report has been interrogated and the Municipal Manager has clarified some of the issues. If there are aspects that require clarification by certain

Directorates they will be submitted in writing to the relevant departments for response.

The Chairperson thanked Councillor Oliphant and indicated that he will have a discussion with the Manager: PMS on the dates and will provide feedback to the Committee.

Resolved to Recommend (20 October 2022)

1. That the Municipal Public Accounts Committee in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003 prepare an Oversight Report on the 2021/22 Annual Report for Kouga Municipality.

5. **DATE OF NEXT MEETING**

24 November 2022

6. **CLOSURE**

The Chairperson thanked the Committee and all officials present for their valuable input and for attending the meeting.

The meeting adjourned at 11:50.



**CLLR J. ALEXANDER
CHAIRPERSON**

DATE

**MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON
THURSDAY, 24 NOVEMBER 2022 AT 10:00 IN THE COUNCIL CHAMBERS**

Present: Committee Members	Cllr J. Alexander	(Chairperson)
	Cllr C. August	
	Cllr R. Foley	
	Cllr F. Heystek	
	Cllr B. Human	
	Cllr H. Murray	
	Cllr P. Oliphant	
	Cllr W. van der Linde	
Officials	Mr C. du Plessis	(Municipal Manager)
	Mr D. de Jager	(Deputy Municipal Manager)
	Mr R. Lorgat	(CFO)
	Mr I. Fakir	(Acting Manager: Risk & Internal Audit)
	Ms N. Machelesi	(Director: Community Services)
	Ms L. Opperman	(Manager: Legal Services)
	Mr A. Koegelenberg	(Manager: PMS)
	Ms N. Mazibuko	(Committee Clerk/Scribe)
Stakeholders	Ms L. Mostert	(Public Representative)
	Adv A. Kloppe	(Public Representative)

3. **OPENING AND WELCOME**

The Chairperson read the notice convening the meeting and requested Cllr Murray to open the meeting in prayer.

4. **DECLARATION OF INTEREST**

None of the members had anything to declare.

5. **APPLICATION FOR LEAVE OF ABSENCE / ABSENT WITH APOLOGY/ ABSENT WITHOUT APOLOGY**

3.1 **ABSENT WITH APOLOGY**

Cllr L. Nklishane	
Ms F. Mabusela	(Director: Planning, Development & Tourism)
Ms M. Rossouw	(Acting Director: Corporate & Digital Services)

3.2 **ABSENT WITHOUT APOLOGY**

Cllr M. Biko
Cllr M. Mbandana

4. **PRESENTATIONS**

None.

5. **CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

The Chairperson referred to page 7 and requested feedback on the enquiry raised by Cllr Foley.

The CFO responded that the matter will be looked into and feedback will be provided.

The Chairperson referred to page 9 on the question raised by Cllr Oliphant on traffic fines and requested feedback on the enquiry.

The Municipal Manager responded that a follow-up was done and the provincial system does not allow for individuals to be blacklisted in the Eastern Cape.

Cllr Oliphant proposed that the matter on traffic fines be developed as an item instead of a stand-alone matter, to ensure that a resolution is taken by the committee.

The Chairperson referred to page 10 and highlighted that officials were supposed to forward their queries on the meters in Oyster Bay. He requested feedback on the query.

Cllr Oliphant stated that there has been no visible progress on the matter and proposed that an item be included in the Mayoral Committee agenda in relation to the sanitation in Umzamoewethu. He emphasized on the importance of the oversight visit in Oyster Bay to ensure that there is accountability.

The Chairperson stated that the matter on meters in Oyster Bay will be discussed further and proposed that a date be set to discuss areas of concern in order for MPAC to conduct oversight.

- 5.1 Confirmation of a Municipal Public Accounts Committee meeting held on 20 October 2022.

Resolved to Recommend (24 November 2022)

2. That the minutes of the Municipal Public Accounts Committee meeting held on 20 October 2022 be accepted.

Proposed by: Cllr P. Oliphant

Seconded by: Cllr C. August

6. **MATTERS FOR DISCUSSION**

22/11/MPACC1

MPAC RESOLUTIONS AS AT 20 OCTOBER 2022

Cllr Human requested clarity on the difference between an 'ongoing' action and 'in-progress' action.

The Municipal Manager explained that actioning some of the Council resolutions takes time so they will be noted as 'in-progress' until they are finalized.

Cllr Oliphant enquired on whether a meeting can be scheduled with the Executive Mayor to discuss the Terms of Reference for the Municipal Public Accounts Committee.

The Chairperson highlighted that the matter was raised in the previous meeting, the item should be removed from the action sheet because no meetings were held.

On the investigation, he stated that there were challenges with the transcript of the report, the draft will be submitted in the following week for approval by the committee before it is submitted to Council in 2023.

Resolved to Recommend (24 November 2022)

1. That the updated Action Sheets reflecting outstanding resolutions of MPAC as at 20 October 2022 be noted.

22/11/MPACC2

MONTHLY BUDGET STATEMENTS FOR THE PERIOD OF JULY 2022 TO SEPTEMBER 2022 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 30 SEPTEMBER 2022 (2022/23 FINANCIAL YEAR)

The Municipal Manager presented the report to the committee.

Cllr Oliphant referred to page 22 on the employee costs and enquired whether the costs are inclusive of overtime, if so, the claims for overtime need to be carefully monitored to ensure that there is no abuse of overtime.

The CFO confirmed that the employee costs are inclusive of overtime and that overtime has reduced significantly by 50% in the past 2 years.

The Deputy Municipal Manager stated that the Overtime policy was amended and was submitted to Council for approval. There are stringent controls in place when it comes to claiming overtime and reducing the expenditure of overtime.

Monthly overtime reports are also forwarded to the different directorates indicating the top 20 overtime claims in the

respective Department in order for Directorates to monitor the overtime usage accordingly.

Cllr Foley referred to page 26 on the Roads Maintenance adjusted budget of R11,018,775 and enquired on whether the amount is inclusive of the R10 million that was allocated for the tar roads, if so, what will the excess amount be spent on.

The CFO responded that there was an item that served at Council to redirect the amount until funding was received from the relevant Department, however, funding has been secured so the money is available. A tender has been advertised and will be awarded soon, the budget will be spent.

Adv. Klopper referred to pages 24 and 25 and requested that a summary of the agency and administration fees of the work that the Municipality has done on behalf of the provincial government be drafted and submitted.

He further enquired on whether the municipality's riparian levies are charged annually seeing that they are in excess of 70% and whether any changes to the property rates tariffs are anticipated for 2023.

He requested the progress on the general valuation which applies to the Property Rates policy and the recovery figures of property rates on page 21.

The Municipal Manager responded that the agency and administration fees is an ongoing concern because functions are given to municipalities without any financial resources. The funding shortfall is taken from the property rates budget which impacts the capital expenditure because some municipal services have to be subsidized.

The CFO stated that Section 84 (1)(j) of the Municipal Systems Act 32 of 2000, defines the functions of a local municipality and district municipality and distinguishing the functions can be challenging. The municipality is compensated R1.6 million for performing functions on behalf of the district municipality.

A system was developed and will be initiated to try and bridge the gap. On the riparian levies, he responded that the levy is based on the licensing and an admin fee is received by the municipality for administering the process.

On the general valuations, he stated that the full process is underway to finalise the valuations with the service provider and is on track.

On the anticipated changes to the property rates tariffs, he stated that there should be major changes but the Treasury regulations restrict the increase of tariffs to a certain limit.

Cllr Human requested clarity on overtime in a situation where employees are not compensated for exceeding a certain amount of overtime.

The Deputy Municipal Manager stated that the Basic Conditions of Employment Act outlines that any employee that earns more than R220 000 annually does not have to get paid overtime, however, the municipality's policy indicates that employees earning above R220 000 or task grade 12, which are emergency services, can claim overtime.

It must be considered that the BCEA states that an employee is not allowed to work more than 10 hours a week, otherwise it would be a contravention to the BCEA which will result in an audit query.

He stated that employees who have overtime queries can escalate their queries to the Municipal Manager or Deputy Municipal Manager for further evaluation to ensure the overtime claim is aligned to the BCEA.

The Chairperson referred to page 21 on the 'other revenue' amount and requested clarity on the statement 'which are not yet recognised'.

The CFO responded that the revenue is expected for the year under review and is not yet recognised because it has not become a transaction.

The Chairperson referred to page 25 and requested clarity on what the percentages represent.

The CFO stated that a high percentage does not mean that the budget will be doubled but will reflect how expenditure is incurred every year.

The Chairperson enquired on what riparian levies are.

The CFO explained that riparian levies are levies that are paid by the municipality to a company that manages the canals/riverbanks on behalf of the municipality.

Ms Mostert enquired on the -13% for bank charges.

The CFO highlighted that there was an error which will be corrected.

The Chairperson questioned where the money for the riparian levies is sourced.

The CFO responded that the money for the levies is sourced from the tariffs that are approved by Council for the licensing of the boats and docks.

Cllr Oliphant enquired on the status quo of the individual that was responsible for issuing the licenses for the boats and docks.

The Deputy Municipal Manager responded that the individuals did not have contracts so the service was terminated.

Resolved to Recommend (24 November 2022)

1. That the Committee notes Municipal Manager's report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.

22/11/MPACC3

KOUGA MUNICIPALITY: DRAFT ANNUAL REPORT (2021/2022)

The Manager: PMS highlighted that the office of the Auditor-General must issue the final audit report, whereafter, the Finance department will be approached because there are financial sections that are dependent on the Auditor-General's findings.

Thereafter, the annual report will be updated accordingly as some of the contents of the annual report may change, so the annual report will be submitted to Council at the end of January 2023.

The final updated annual report will be submitted to MPAC after it is finalised at the end of March 2023.

Cllr Oliphant appreciated the feedback on the annual report. He referred to page 94 and enquired on the vacant Director: Infrastructure & Engineering post.

He further enquired on the inclusion of the Director: Corporate & Digital Services' image.

The Deputy Municipal Manager responded that the annual report is for June 2022 when the Director: Corporate & Digital Services still had a contract with the municipality and that the Director: Infrastructure & Engineering position was still vacant. The report will be updated accordingly for the next meeting.

Cllr Oliphant highlighted that a resolution was taken by Council in September 2022 for the vacant Director: Infrastructure &

Engineering post to be filled, however, an appointment will be made in the following year.

He proposed that an item be prepared that will address the vacant Director: Infrastructure & Engineering position.

The Municipal Manager responded that an appointment has been made for the Director: Infrastructure & Engineering, Mr Charles De Kock, however he is still completing a critical construction programme for the department of Education and has to give at least 2 months' notice.

Cllr Oliphant contended with the response given by the Municipal Manager considering that the position will only be filled physically in the fourth month after an appointment was made.

The Municipal Manager responded that Mr Charles De Kock is very active in the projects of the municipality to ensure that he is up to date with the challenges and projects of the municipality and to implement solution driven initiatives.

Cllr Oliphant highlighted that the Director: Infrastructure & Engineering post is critical, if Mr De Kock has signed a contract with the municipality then he is technically an employee of the municipality regardless of the ongoing construction programme that he is currently part of.

Resolved to Recommend (24 November 2022)

1. That the Municipal Public Accounts Committee in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003 prepare an Oversight Report on the 2021/22 Annual Report for Kouga Municipality.

7. **DATE OF NEXT MEETING**

8 December 2022

8. **CLOSURE**

The Chairperson thanked the Committee and all officials present for their valuable input and for attending the meeting.

The meeting adjourned at 11:24.



CLLR J. ALEXANDER
CHAIRPERSON

DATE

**MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON
THURSDAY, 8 DECEMBER 2022 AT 10:00 IN THE COUNCIL CHAMBERS**

Present: Committee Members	Cllr J Alexander	(Chairperson)
	Cllr C August	
	Cllr F Heystek	
	Cllr B Human	
	Cllr H Murray	
	Cllr M Biko	
	Cllr M Mbandana	
	Cllr L Nkilishane	
	Cllr W van der Linde	
	Cllr P Oliphant	
Officials	Mr C du Plessis	(Municipal Manager)
	Mr R Lorgat	(CFO)
	Ms F Mabusela	(Director: PDT)
	Ms M Rossouw	(Acting Director: Corporate & Digital Services)
	Mr I Fakir	(Acting Manager: Risk & Internal Audit)
	Mr A Koegelenberg	(Manager: PMS)
	Ms N Zode	(Scribe)
Stakeholders	Adv A Kloppe	(Public Representative)
	Ms L Mostert	(Public Representative)

1. **OPENING AND WELCOME**

The Chairperson read the notice convening the meeting and requested Cllr Biko to open the meeting with prayer. The Chairperson indicated that the agenda has standard items, the importance of this meeting is to finalize the item which was referred by Council to MPAC for investigation.

He further conveyed well wishes for the festive season to those who will be going on leave, he thanked the Municipal Manager and officials for their support and contributions throughout the year. He indicated that he looks forward to a prosperous new year.

2. **APPLICATION FOR LEAVE OF ABSENCE / ABSENT WITH APOLOGY/ ABSENT**

2.1 **WITHOUT APOLOGY**

None

2.2 **ABSENT WITH APOLOGY**

Cllr R Foley
Ms N Machelesi (Director: Community Services)
Mr D de Jager (Deputy Municipal Manager)
Mr T Madatt (Acting Director: I&E)
Ms L Opperman (Manager: Legal Services)

3. **PRESENTATIONS**

None

4. **MATTERS FOR DISCUSSION**

22/12/MPACC1 KOUGA MUNICIPALITY: 1st DRAFT ANNUAL REPORT (2021/2022)

The Municipal Manager gave recognition to Mr. Koegelenberg for compiling the Annual Report, the effort, focus and meticulous concentration on the document and all the long hours put in.

He then requested Mr Koegelenberg to explain the process to be followed for the preparation of the oversight report by MPAC.

Mr Koegelenberg stated that the Annual Report was submitted to the Auditor General by August 2022, the financial information has been excluded from the annual report because the Municipality was awaiting the AG's report.

The report has been issued by AG and the CFO has provided the financial information and will be tabled to Council in January 2023, immediately thereafter he will advertise for public participation.

MPAC is supposed to prepare an Oversight report on the Annual Report and the Oversight report must be submitted to Council not later than the end of March 2023.

The Annual Report has been submitted numerous times to MPAC for scrutinizing aspects in the annual report and to raise issues if there is any to be clarified and corrected. Full interrogation of the Annual Report must start immediately after the January 2023 Council meeting, he further indicated that he raised the issue of MPAC dates with the Chairperson and proposed that he and the Chairperson should meet and resolve the issue of dates.

The Annual Report will be open for public opinion for a period of 21 days, after which it will be submitted to MPAC. MPAC needs to speed up the process of interrogating the Annual Report in preparation for the Oversight report.

The Municipal Manager advised that MPAC should invite all Directors and Senior Managers when interrogating the annual report, in order to get all clarities and corrections.

The Chairperson thanked the Municipal Manager and Manager PMS and the rest of the team involved in compiling the annual report, and further indicated that he will discuss with the

committee and finalize the invites for Directors and Managers. He also enquired on when will the public inputs be compiled and submitted to the report.

Mr Koegelenberg stated that the public advert will be out for 21 days to allow public to submit inputs, however, that does not hinder MPAC in interrogating the report and making inputs.

The Oversight report needs to be tabled to Council by the end of March.

Cllr van der Linde supported the proposal to invite Directors and get clarities as required.

Cllr Oliphant proposed that the processes to be followed as indicated by Mr Koegelenberg regarding the timelines should be captured on the recommendations.

Cllr Human seconded the proposal.

The Chairperson requested Mr Koegelenberg to repeat the process and timeframes to be captured as recommendations. Mr Koegelenberg indicated that the Annual Report will be submitted to Council by 31 January 2023, then advertised for 21 days for public comments. MPAC can commence with the Oversight report as it needs to be submitted to Council not later than 31 March 2023.

Proposed by: P Oliphant

Seconded by: B Human

Resolved to Recommend (8 December 2022)

1. That the Municipal Public Accounts Committee in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003 prepare an Oversight Report on the 2021/22 Annual Report for Kouga Municipality.
2. That the annual report will be submitted to Council by 31 January 2023 and advertised for 21 days for public inputs. MPAC can commence with the Oversight report as it must be tabled to Council no later than 31 March 2023.

22/12/MPACC2

OUTCOME: INVESTIGATION INTO THE WAIVING OF PENALTY FEES WAIVING OF BUILDING CONTROL PENALTY FEES FOR ERF 875 JEFFREYS BAY RESIDENTIAL DEVELOPMENT.

The Chairperson thanked all officials for attending and requested them to recuse themselves for the next item.

He further explained that item is highly confidential and thus has been circulated only to MPAC members, it is an item that was referred to MPAC for investigation by Council. He then requested the discussions to be held "in committee" in order to finalise the item and make recommendations to Council.

Resolved to Recommend (8 December 2022)

1. That the penalty fees raised against the applicant to the amount of R139 368 be waived.
2. That the process to determine any misconduct of officials relating to the matter and determine the existence and efficacy of procedures and policy within the department be initiated.

5. **DATE OF NEXT MEETING**

26 January 2023

6. **CLOSURE**

The Chairperson thanked the Committee, and all officials present for their valuable input and for attending the meeting.

The meeting adjourned at 13:20.



**CLLR J. ALEXANDER
CHAIRPERSON**

DATE

MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON THURSDAY, 26 JANUARY 2023 AT 10:00 IN THE COUNCIL CHAMBERS
--

Present: Committee Members	Cllr J. Alexander (Chairperson)	
	Cllr C. August	
	Cllr F. Heystek	
	Cllr B. Human	
	Cllr M. Biko	
	Cllr M. Mbandana	
	Cllr W. van der Linde	
	Cllr P. Oliphant	
	Cllr R. Foley	
Officials	Mr C. du Plessis	(Municipal Manager)
	Mr R. Lorgat	(CFO)
	Ms M. Rossouw	(Acting Director: Corporate & Digital Services)
	Mr I. Fakir	(Acting Manager: Risk & Internal Audit)
	Mr A. Koegelenberg	(Manager: PMS)
	Ms L. Opperman	(Manager: Legal Services)
	Ms N. Mazibuko	(Scribe)
Stakeholders	Adv A. Klopper	(Public Representative)
	Ms L. Mostert	(Public Representative)

1. **OPENING AND WELCOME**

The Chairperson read the notice convening the meeting and requested Cllr Heystek to open the meeting with prayer. He further stated that he liaised with the Speaker's office to arrange a meeting with him regarding standard MPAC items which should serve regularly on MPAC.

He indicated that he was not happy with having a physical meeting for one item.

2. **APPLICATION FOR LEAVE OF ABSENCE / ABSENT WITH APOLOGY/ ABSENT WITHOUT APOLOGY**

2.1 **ABSENT WITH APOLOGY**

Mr. C. De Kock (Director : I&E)
Mr. D. De Jager (Deputy Municipal Manager)
Ms. F. Mabusela (Director : PDT)
Cllr L. Nkilishane

2.2 **ABSENT WITHOUT APOLOGY**

None

3. **PRESENTATIONS**

None

4. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

Resolved to Recommend (26 January 2023)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 24 November 2022 be accepted.

Proposed By: Cllr P. Oliphant

Seconded By: Cllr B. Human

5. **MATTERS FOR DISCUSSION**

23/01/MPACC1 KOUGA MUNICIPALITY: 1st DRAFT ANNUAL REPORT (2021/2022)

Cllr Oliphant concurred with the Chairperson and stated that the item had been dealt with by MPAC and the item be forwarded to Council, he then enquired when will the Auditor General report be tabled to MPAC?

Cllr Human seconded Cllr Oliphant's proposal, and further proposed that the Committee should revise their calendar in line with what is required by legislation and have meetings on a quarterly basis rather than every month.

The Chairperson agreed with Cllr Human's proposal.
Cllr Foley requested Administration to indicate why the Annual Report is tabled numerous times to the Committee.

The Municipal Manager stated that the financial audit report is also included in the updated report, the Committee is supposed to interrogate the report. Schedule sessions with the different directorates for clarities, inputs and complete an Oversight report to be tabled to Council.

Mr Koegelenberg stated that the legal requirement was that the first draft Annual Report be tabled before Council within 7 months, thereafter be tabled to MPAC for preparation of the Oversight report.

In the past the Annual Report was tabled numerous times to MPAC for interrogation and scrutinizing the information with the different Directorates until the Oversight report was finalised by MPAC for submission to Council.

The legal requirement is that the Oversight report be tabled to Council by 31 March each year. The Directorates are supposed to be invited for sessions to clarify certain issues raised by the Committee in the Annual Report.

The Annual Report which will be tabled to the January Council meeting contains the Annual Financial Statements, Audit Report and the Audit Corrective Plan. In the past the Chairperson requested hard copy versions of the Annual Report in order for the Committee to scrutinize page by page.

Ms Mostert enquired whether Mr Koegelenberg received all updated information from Directors, as there was information which needed to be updated.

Mr Koegelenberg stated that he will double check on the report if there is any outstanding information from Directorates but he has updated most of the information received from Directorates.

The Municipal Manager advised the Committee to decide on dates for scrutinizing the Annual Report with the different Directorates, maybe schedule 2 hours each in preparation for the Oversight report.

The CFO indicated that the mid-year report and the section 72 report will be tabled at the next MPAC meeting.

The Committee resolved to note the item.

The Chairperson indicated that the waiving of penalties item still needs to serve at MPAC for adoption and be referred to Council.

Proposed by: P Oliphant

Seconded by: B Human

Resolved to Recommend (26 January 2023)

1. That the Municipal Public Accounts Committee in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003 prepare an Oversight Report on the 2021/22 Annual Report for Kouga Municipality.

6. **DATE OF NEXT MEETING**

23 February 2023

7. **CLOSURE**

The Chairperson thanked the Committee and all officials present for their valuable input and for attending the meeting.

The meeting adjourned at 10:45.

A handwritten signature in black ink, appearing to read "J. Alexander". The signature is stylized with a large, circular initial "J" and a horizontal line under the name.

CLLR J. ALEXANDER
CHAIRPERSON

DATE

REPORTS BY
THE
OFFICE OF THE
MUNICIPAL
MANAGER

KOUGA MUNICIPALITY (EC108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER

DATE: 30 MARCH 2023

ITEM NO: 23/03/MM1

COUNCIL RESOLUTIONS AS AT 28 FEBRUARY 2023

1. Introduction

The purpose of this item is to provide a report back on progress of Council Resolutions.

2. Background

The Action Sheets reflect outstanding Council resolutions for all Directorates.

3. Comments by Directorates:

3.1 Acting Director: Corporate & Digital Services

Item noted

3.2 Director: Community Services:

Item noted

3.3 Director: I & E:

Item noted

3.4 Chief Financial Officer:

Report noted

3.5 Deputy Municipal Manager

Item noted

3.6 Municipal Manager

Noted.

3.7 Acting Director PDT:

Item noted

4. Financial implications:

None

5. Legal implications:

None

6. Recommendation

6.1 That the updated Action Sheets reflecting resolutions of previous Council meetings, be noted.

6.2 That the action sheet be tabled at Top Management for discussion and actioning.

Item prepared by: Acting Director: Corporate & Digital Services



Item endorsed by: The Chief Financial Officer



Item endorsed by: Acting Director Planning, Development & Tourism



Item endorsed by: The Director: Infrastructure & Engineering



Item endorsed by: The Director: Community Services



Item endorsed by: The Deputy Municipal Manager



Item approved by: The Municipal Manager



COMMUNITY SERVICES: ACTION SHEET - COUNCIL							
MEETING DATE	ITEM NO	ITEM DESCRIPTION	RESOLUTION	ACTION TAKEN	PROGRESS	RESPONSIBLE OFFICIAL	CURRENT STATUS COMPLETED NOT COMPLETE IN PROGRESS ON GOING NO ACTION REQUIRED
09-Dec-22	22/12/CS1	REPORT ON ADOPTION AND IMPLEMENTATION OF THE FINAL DISTRICT FIRE SERVICES BY-LAW 2021	That Councillors be workshopped on the District Fire Services By-Law 2021.	Introduction of the by-law done at Council meeting on 28 February 2023	Workshopd request by Councillors will take place on 22 March 2023	Director: Community Services	

INFRASTRUCTURE & ENGINEERING: ACTION SHEET - COUNCIL

MEETING DATE	ITEM NO	ITEM DESCRIPTION	RESOLUTION	ACTION TAKEN	PROGRESS	RESPONSIBLE OFFICIAL	CURRENT STATUS COMPLETED NOT COMPLETE IN PROGRESS ON GOING NO ACTION REQUIRED
31-Mar-22	22/03/I&E2	STATUS OF THE WESTON WASTE WATER TREATMENT WORKS	That I&E present an updated report with a clear way forward at the next Portfolio Committee meeting .	project approved for MIG Registration at the DAC held on 16 November 2022,	Tender will be prepared to appoint PSP. Project to start in 23/24 FY	Manager: PMU	
29-Apr-22	22/04/I&E3	WATER QUALITY REPORT	Hankey: Due to the Manganese and Iron levels exceeding the SANS limits, a treatment plant is under construction on the WTW site . The plant should be completed by mid December 2022. The existing boreholes must be rehabilitated and set in operation . Target is to get the plant in operation by mid December 2022.	This water quality in Hankey will be addressed with the funding committed by the DWS, a activated oxidation processing package plant to treat the water is part of the application. Business plans have been signed approved. MOU between DWS and Kouga signed.			
	22/04/I&E9	REPORT: ELECTRICAL MAINTENANCE REPORT JULY 2021 TO FEBRUARY 2022	That Law Enforcement actively police the theft of copper cables and illegal electrical connections.	Electricians are spending ample time opening cases on copper theft, this time could have been utilised more effectively to do electrical maintenance on infrastructure. Law enforcement to assist the electrical department arranging disconnections with SAPS. on going had a successful operation in ocean view.	Security meetings between I&E and Law enforcement security cluster is taking place every Tuesday at 08:00am. The issues are being addressed not just for electrical but the entire I&E Department.	Manager; Electricity	
			That Eskom be engaged on the maintenance and repair of street lights in the Gamtoos Valley.	Eskom indicated telephonically that it will hand over streetlight maintenance in the Gamtoos area to Kouga. No official notification thereof was received, Eskom still considering how it will be handing the infrastructure over to Kouga, Eskom is also considering the amount of months Kouga paid for maintenance not provided.	Eskom is currently conducting site assesment to prepare for the handover to Kouga. This will become an added burden on the severely understaffed electrical department. We will need a dedicated team for the GV alone.	Manager; Electricity	
	22/04/I&E10	REQUEST FOR APPROVAL FOR THE DEVIATION FROM KOUGA MUNICIPALITY AUGMENTATION POLICY	That the time period for the payment of the augmentation levies be set to 18 months and that the agreement be amended accordingly.	Before occupation Certificate is issued, augmentation to be paid,			

31-Aug-22	22/08/I&E8	STATUS OF THE WESTON WASTE WATER TREATMENT WORKS	That Council secure funding in order to safeguard the area as Kouga is not in compliance with the law in terms of safety.	Tender for Fencing is being prepared by PMU.	Tender still to be finalized. Specs to be finalized.	PMU Manager / Nmanager Technical Services	
28-Oct-22	22/10/I&E1	REQUEST TO AMEND THE CROSSWAYS SLA WITH AN ADDENDUM PROVIDING EXEMPTION FROM PAYING ADDITIONAL AUGMENTATION FEES FOR FURTHER PHASED CONSTRUCTION OF THE ORIGINAL CROSSWAYS DEVELOPMENT	That an amendment be included in the SLA that the water supply not be disconnected from the supply network. This is necessary in case they require a water connection in future, the connection will still be available to the development, also that availability fees be levied against the development as per council approved tariffs.	According to the Legal Department, Crossways SLA Lapsed. Addendum not enforceable. New SLA's are currently being draft.			
			That 1. and 2. above be approved subject to the validity of the Service Level Agreement entered into between Crossways and Kouga Local Municipality.				
	22/10/I&E2	APPLICATION OF FRACTIONS OF EQUIVALENT ERVEN (EE) FOR THE CALCULATION OF PAYMENT OF AUGMENTATION FEES	That Council approve that the fractions of an Equivalent Erf (ee) be used for the calculation of augmentation fees payable.	Accoding to Legal Department, only applicable to Erf 5563 Jeffreys Bay. Not all erven applications. Policy workshop to be heldd to discuss the issue, council resolution taken on this.			
			That the Augmentation Policy be reviewed.	Legal Dept Action required,.		Legal	
	22/10/I&E3	SERVICE LEVEL AGREEMENT FOR PORTION 26 OF THE FARM KLAAREFONTEIN No. 449 DIVISION OF UITENHAGE, PROVINCE OF THE EASTERN CAPE	That the Kouga Municipality enter into an SLA with the owner of Portion 26 of the Farm Klaarefontein No.449, Uitenhage District.	Legal Dept busy with drawing up SLA		Legal	
			That the finalized SLA be approved by the Municipal Manager as the delegated official.	SLA are being draft		Legal	
	22/10/I&E4	2022/23 ADJUSTMENTS BUDGET FOR THE APPROPRIATION OF ADDITIONAL FUNDS RECEIVED	That Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Finance Management Act, Act No 56 of 2003, approves the adjustments budget by the appropriation of an amount of R57 400 000 and for the projects as set out below.	I&E need an additional R 15m to service historical dept and to maintain its current operations.	Done	Dir I&E	
	22/10/I&E5	RE: ADJUSTMENTS BUDGET IN RESPECT OF MIG FUNDS WITHIN INFRASTRUCTURE AND ENGINEERING DIRECTORATE	That Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Finance Management Act, Act 56 of 2003, approves the following proposed adjustments to the 2022/2023 and 2023/2024 Capital Budget	I&E need an additional R 15m to service historical dept and to maintain its current operations.	Done	Dir I&E	

09-Dec-22	22/12/I&E1	PROJECTS PRESENTED AT PRE DAC (DISTRICT ADJUDICATION COMMITTEE) MEETING FOR MIG REGISTRATION ON 28 SEPTEMBER 2022	That a sewer master plan be prioritized.																
	22/12/I&E2	STATUS OF THE UMZAMOWETHU SANITATION SYSTEM	That the 6 affected households be serviced with new conservancy tanks.	The Windfarm to be approached to replace the 6 conservancy tanks.	MM to request Gert Voster to take the issue up with the windfarm .	Director													
			That a submission of business plans be made to Kouga Windfarms for funding.																
	22/12/I&E4	2022/23 ADJUSTMENTS BUDGET FOR THE ADDITIONAL TRANSFER	That Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Finance Management Act, Act No 56 of 2003, approves the following adjustments budget.		Done														
			<table><tr><th>PROJECT</th><th>U-KEY</th><th>CURRENT A V A I L A B L E B U D G E T</th></tr><tr><td>66kV line</td><td>20210710000777</td><td>R 584 000.51</td></tr><tr><td>Saffery substation</td><td>20200711023285</td><td>R 133 178.10</td></tr></table> <table><tr><th>PROJECT</th><th>CURRENT A V A I L A B L E B U D G E T</th><th>SHORTFALL</th></tr><tr><td>Saffery substation</td><td>R 133 178.10</td><td>R 550 000.00</td></tr></table>	PROJECT	U-KEY	CURRENT A V A I L A B L E B U D G E T	66kV line	20210710000777	R 584 000.51	Saffery substation	20200711023285	R 133 178.10	PROJECT	CURRENT A V A I L A B L E B U D G E T	SHORTFALL	Saffery substation	R 133 178.10	R 550 000.00	Item rectified in Council
PROJECT	U-KEY	CURRENT A V A I L A B L E B U D G E T																	
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CORPORATE SERVICES: ACTION SHEET COUNCIL																																			
MEETING DATE	ITEM NO	ITEM DESCRIPTION	RESOLUTION	ACTION TAKEN	PROGRESS	RESPONSIBLE OFFICIAL	CURRENT STATUS COMPLETED NOT COMPLETE IN PROGRESS ON GOING NO ACTION REQUIRED																												
29-Jul-22	22/07/CORP1	USE OF MUNICIPAL HOUSE AS A GUESTHOUSE – 2 DIANA CRESCENT, ST FRANCIS	That the necessary Consent Use Application process commence to formally obtain planning approval for the house to be used as a guesthouse.	Update as at 20 Sept 2022 - A requisition for appointment of an architect to prepare the required plans and documents for the consent use applications. Awaiting order. Update as at Nov 2022 , order received and plans submitted to Building Control. Update as at 16 January 2023 , awaiting approval from Town Planning	As at March 2023, plans rejected due to poor quality of scan, to resubmit	Director: Corporate Services																													
31-Aug-22	22/08/CORP14	CONNECTIVITY AND NETWORK ASSESSMENT REPORT	That funding as shown below be urgently made available to resolve the high priority connectivity issues that have plagued the Municipality for a long time. <table><tr><th>ITEM</th><th>COST</th><th>CAPITAL BUDGET</th><th>OPERATIONAL BUDGET</th></tr><tr><td>Improved Network Connectivity</td><td>R243 480</td><td></td><td>R 243 480</td></tr><tr><td>Top Up – Monthly Connectivity Costs</td><td>R1 000 000</td><td></td><td>R1 000 000</td></tr><tr><td>New Routers</td><td>R129 480</td><td>R129 480</td><td></td></tr><tr><td>Local Server Space</td><td>R10 000</td><td>R10 000</td><td></td></tr><tr><td>Inverters(10 of 45)</td><td>R180 000</td><td></td><td>R180 000</td></tr><tr><td>TOTAL LESS NETWORK MONITORING TOOL</td><td>R1 562 960</td><td>R139 480</td><td>R1 423 480</td></tr></table>	ITEM	COST	CAPITAL BUDGET	OPERATIONAL BUDGET	Improved Network Connectivity	R243 480		R 243 480	Top Up – Monthly Connectivity Costs	R1 000 000		R1 000 000	New Routers	R129 480	R129 480		Local Server Space	R10 000	R10 000		Inverters(10 of 45)	R180 000		R180 000	TOTAL LESS NETWORK MONITORING TOOL	R1 562 960	R139 480	R1 423 480	Update as at 20 Sept 2022 - A meeting will take place between Digital Services & the CFO on 22 Sept 2022, to consider funding from other departments to rectify the Network challenges. Feedback will be provided at the meeting Update as per 25 November 2022 – Point 1 – Improved Network Connectivity – This is once off cost and has been included in Adjustments Budget. ISP Tender is still in BEC stage. Point 2 – Top up – Monthly connectivity costs – Included in Adjustments Budget – Part of ISP tender. Point 3 – New Routers – Included in Adjustments Budget – Part of ISP tender. Point 4 – Local Server Space – Included in Adjustments Budget Point 5 – Inverters - CFO confirmed that Inverters may be purchased on operational budget available and that a journal will be completed by Assets to convert to Capital. During adjustments budget the funds used to purchase inverters will be topped up/replaced. Currently – Inverter Tender approved 24 November 2022, in order to purchase around 10 inverters. Update as at 16 January 2023 , both ISP and Inverter Tender cancelled - Non-responsive bidders received for ISP and no bidders received for inverter tender. To re-advertise tender. In the interim, purchased x1 inverter for the Server Room.	As at March 2023 - New specs of ISP Tender and Inverter tender to be submitted in the month of March 2023	Director: Corporate & Digital Services	
ITEM	COST	CAPITAL BUDGET	OPERATIONAL BUDGET																																
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11-Nov-22	22/11/CDS8	ESTABLISHMENT OF A SECTION 79 COMMITTEE	That the Terms of Reference for the Monitoring and Evaluation Committee be drafted and referred to a future Council meeting for approval	Email sent to Chairperson to confirm availability of members for first meeting to take place in Jan 2023	As at March 2023. Awaiting feedback on finalisation of TOR	Acting Director: Corporate & Digital Services																													
09-Dec-22	22/12/CDS2	APPROVAL TO COMMENCE WITH RECRUITMENT AND SELECTION PROCESS TO FILL THE VACANT DIRECTOR: CORPORATE & DIGITAL SERVICES POSITION	the Municipal Manager, who will be the chairperson;			Acting Director: Corporate & Digital Services																													
			a member of the mayoral committee or councillor who is the portfolio head of the relevant portfolio and		As at March 2023 - Completed	Acting Director: Corporate & Digital Services																													
			at least one other person, who is not a councillor or a staff member of the municipality, and who has expertise or experience in the area of the advertised post.		As at March 2023 - Completed	Acting Director: Corporate & Digital Services																													
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FINANCE - ACTION SHEET - COUNCIL							
MEETING DATE	ITEM NO	ITEM DESCRIPTION	RESOLUTION	ACTION TAKEN	PROGRESS	RESPONSIBLE OFFICIAL	CURRENT STATUS
							COMPLETED NOT COMPLETE IN PROGRESS ON GOING NO ACTION REQUIRED
26-Feb-21	21/02/F5	WRITE-OFF IN RESPECT OF IRRECOVERABLE ARREAR DEBTS – EQUITABLE SHARE	That future reports indicate the area well as the Ward for the Equitable Share-write-offs.	A report of this nature will need to be written within the Financial System. These requirements are being assessed.		CFO	
31-Mar-21	21/03/F1	Draft Medium-Term Revenue and Expenditure Framework (MTREF) - Budget for 2021/22 to 2023/24 Financial Years	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.	Implementation Strategy being developed.		Acting Director: I&E	
			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.	Implementation Strategy being developed.		Acting Director: I&E	
			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.	Implementation Strategy being developed.		Director: Community Services	
31-Jan-22	22/01/F3	SUPPLY CHAIN MANAGEMENT: QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 2021	That a full report on sewerage issues within the Municipality be tabled at the next Infrastructure & Engineering Portfolio Committee meeting.	Report will be submitted to next portfolio committee meeting		I&E	
			That site visits be conducted with the relevant departments.	Report will be submitted to next portfolio committee meeting		I&E	

29-Jun-22	22/06/F25	ELECTRICITY TARIFF INCREASES: 2022/23 FINANCIAL YEAR	That the I&E directorate embark on cost of supply study for electricity be done in the 2022/23 financial year	The COS Study has been initiated.		Acting Director: I&E	
31-Aug-22	22/08/F2	SUPPLY CHAIN MANAGEMENT: S40 DISPOSAL MANAGEMENT (DISPOSAL OF SLOW-MOVING STOCK, REDUNDANT STOCK AND DAMAGED STOCK ITEMS)	That the recommended disposal strategy by SCM section for these stock items be a public auction, and after approval by Council these items will be removed from the shelves at stores. Thereafter be kept safe for consideration by Manager Assets until the next public auction.	The items will be disposed off through a public auction once the Council resolves on disposal of assets (PPE) after the audit process.	Report on disposal of assets included in the Agenda. Upon approval by Council, the auction will be arranged	CFO	
09-Dec-22	22/12/F2	DEVELOPMENT OF A LONG-TERM FINANCIAL PLAN FOR KOUGA MUNICIPALITY	That the recommendations in the Long-Term Financial Plan be incorporated into the relevant Budget-related policies, IDP, Budget and SDBIP going forward.	To be done during the IDP / Budget process and finalised when the Draft IDP / Budget / Policies are approved at end of March 2023	Budget-related Policies has been updated accordingly and form part of the Budget approval process.	CFO	
31-Jan-23	23/01/F1	MID-YEAR FINANCIAL REPORT FOR THE PERIOD OF JULY 2022 TO DECEMBER 2022 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 DECEMBER 2022 (2022/23 FINANCIAL YEAR)	That an Adjustments Budget, based on the realistically anticipated revenues, in line with section 18 of the MFMA, be tabled by the Executive Mayor to the Council.	Adjustment Budget tabled and approved by Council	Completed	CFO	
			That the Mid-year report accordingly be submitted to National Treasury and Provincial Treasury, in line with Section 72(1) (b) of the MFMA.	Mid-year report submitted to National Treasury and Provincial Treasury	Completed	CFO	
	23/01/F2	2022/23 ADJUSTMENTS BUDGET	That the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approves the 2022/23 Adjustments Budget as set-out in the following tables:	Adjustment Budget effected on financial system	Completed	CFO	
			That the list of gravel roads to be upgraded be circulated to all Councillors.			Director: I&E	
	23/01/F3	BUDGET AND TREASURY: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 31 DECEMBER 2022	That the report accordingly be submitted to the Provincial treasury and Auditor-General as determined by section 11(4) (b) of the MFMA.	Report submitted to the Provincial treasury and Auditor-General	Completed	CFO	
	23/01/F4	SUPPLY CHAIN MANAGEMENT: QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 2022	That the report be submitted to Council for approval as per the reporting Requirements, this being the report for the second quarter (1 October 2022 to 31 December 2022)	None required	n/a	CFO	
	23/01/F5	TABLING OF A LIST OF ALL EXEMPTIONS, REBATES AND REDUCTIONS AS REQUIRED BY SUBSECTION 15(3) OF THE MUNICIPAL PROPERTY RATES ACT	That Council notes the list of exemptions, rebates and reductions granted by the municipality during the 2021/2022 financial year	None required	n/a	CFO	

28-Feb-23	23/02/F17	SUPPLY CHAIN MANAGEMENT: S36 DEVIATIONS FOR THE MONTH ENDING 31 OCTOBER 2022	That the report be approved as per the reporting requirements for 31 October 2022.	None required	n/a	CFO	
	23/02/F18	SUPPLY CHAIN MANAGEMENT: S36 DEVIATIONS FOR THE MONTH ENDING 30 NOVEMBER 2022	That the report be approved as per the reporting requirements for 30 November 2022.	None required	n/a	CFO	
	23/02/F19	SUPPLY CHAIN MANAGEMENT: S36 DEVIATIONS FOR THE MONTH ENDING 31 DECEMBER 2022	That the report be approved as per the reporting requirements for 31 December 2022.	None required	n/a	CFO	

PLANNING & DEVELOPMENT: ACTION SHEET - COUNCIL							
MEETING DATE	ITEM NO	ITEM DESCRIPTION	RESOLUTION	ACTION TAKEN	PROGRESS	RESPONSIBLE OFFICIAL	CURRENT STATUS COMPLETED NOT COMPLETE IN PROGRESS ON GOING NO ACTION REQUIRED
30-May-19	19/05/PD6	PUBLIC WORKS PROPERTIES TO BE TRANSFERRED TO KOUGA MUNICIPALITY	That Council accepts the following erven from Public Works and that they are added to the asset register of Kouga Municipality: Farm 448 portion 15 — Uitenhage RD. Pellrus: 677; 678; 733; 751 ; 753; 794;812 826; 854; 862 Humansdorp: 1 968 Thornhill: 221 ; 237 333; 334; 342;362;376;751v; 762; 763; 775; 776; 777; 778; 779; 780; 781 ; 782; 783; 784; 785; 788; 789; 790; 791 ; 792; 805; 845; 846; 849; 850; 852; 855; 857; 859; 860; 861 ; 862; 863; 865; 866; 868; 870; 874; 875; 883; 884; 885; 886; 887; 888; 889; 891; 892; 894; 895; 897; 898; 896 That Kouga Human Settlement Department proceed with the transfers of these erven to the owners of the properties as soon as registration to Kouga has been completed	The finalisation of the transfer of Public Work properties to Kouga Municipality in progress Awaiting Transfer of properties by Public Works.		Manager: Legal Services	In Progress
30-Oct-19	19/10/PD3	SELLING OF 98 HIGH WATER TABLE HUMAN SETTLEMENT ERVEN – KRUISFONTEIN	That all proceeds from the sale of the 98 high water table erven be ringfenced for projects namely the upgrading of gravel roads to paved roads	The council resolution to sell 98 wet erven to be rescinded. There is a possibility that the properties will now be donated to the people currently occupying the properties, hence it is anticipated that there will be no proceeds.	To date all Offer to Purchase has been completed. We are discussing the alternative method of disposal that will be proposed to rescind the current resolution of Council.	CFO/ Dir: PDT	In Progress
29-May-20	20/05/PD2	REPORT ON THE PROGRESS AND STATUS OF THE SOCIAL HOUSING PARTNETSHIP FOR THE DEVELOPMENT OF A SOCIAL AND (FLISP) HOUSING PROJECT ON Erf 335, JEFFERYS BAY	That the plans scrutiny and approval fees be dealt with on the same basis as BNG/RDP housing projects. That charges be levied for all appropriate utility charges.	The resolution will be implemented upon submission of Building plans for the development. Ongoing, project is still on planning phase.Resolution will be actioned during project commencement At project implementation phase.Resolution will be actioned during project commencement		Dir: PDT / Manager P&D Dir: PDT / CFO	In Progress In Progress
	20/05/PD3	DONATION AND TRANSFER OF KOUGA MUNICIPAL PROPERTIES FROM KOUGA MUNICIPALITY TO PUBLIC WORKS	That Erf 560 be rezoned in terms of SPLUMA from Residential 1 to Institutional in accordance to existing land use.	Town Planning indicated that the Department is currently under pressure and will not be able to do rezoning in-house.	The Department has requested service providers to submit quotations for rezoning and is awaiting submission thereof.	Manager :L&PA	In Progress
	20/05/PDT5	APPROVAL FOR THE COMMENCEMENT TO ESTABLISH "AESTHETICS AND HERITAGE BUILDING COMMITTEE" FOR THE ST FRANCIS BAY VILLAGE AND CANALS, SANTAREME, HARBOUR PRECINCT, CAPE ST FRANCIS, OYSTER BAY, SEA VISTA TOWN, ST FRANCIS BAY LIGHT INDUSTRIAL AREA IN THE KOUGA LOCAL MUNICIPALITY AREA	That Aesthetic Committees be established in all Wards, if required, to maintain uniform architecture design for specific areas be included in the Terms of Reference.	Draft "by-law" with legal section to finalised all legal requirements. Meeting with C W Malan to be held.Legal services has set up a date for finalisation of draft by-law . Last meeting was postpone due covid cases at C W Malan office. See last comments - with Legal Dept. Report to be submitted.	The item has served before Council to establish a "Aesthetics Committee" for SFBay area , but was put on hold due to the "guidelines" is not legally enforceable and a way was seek to have it enacted in a "by-law" or within the town planning scheme. This action to amend the town planning scheme has been budgeted for the next finacial year - which can include "Aesthetic Guidelines " for all towns.	Dir: PDT / Manager P&D	In Progress

26-Jun-20	20/06/PD4	DEVELOPMENT PROPOSAL: PRECINCT PLAN FOR Erf 8783: OCEAN VIEW, JEFFREYS BAY	That the precinct plan and development proposal of Erf 8783 Ocean be subject to public participation.	Public Meeting to be held where the development proposal will be presented to community. The Public Participation Office will be assisting.	No Date will be confirmed during the week of 19 February 2023 with the Director PDT and Ward Councillor for public meeting.	Dir: PDT	In Progress
			That the registration of Erf 8783, Ocean View to Kouga Municipality be continued and concluded.	Transfer in progress	this erf was subdivided from erf 335 portion 125 Humansdorp RD as part of the Ocean View low-cost housing development. The erf is currently zoned as "Authority Zone"	Manager: Legal Services	In Progress
11-Dec-20	20/12/PD5	APPROVAL OF GRANT FUNDING FOR THE UPGRADING OF INFORMAL SETTLEMENTS	That a report on the joint planning between Infrastructure and Human Settlements serve at the next Portfolio Committee.	Delays with the appointment of contractor to install interim and permanent services. Award letters will be sent to appointed contractor by end July 2022 .Tenders for interim/temporary services is being evaluated by the HDA. Finalisation of permanent engineering designs for each informal settlement.	Contractor was appointed in November 2022. Site development is complete, CLO's are appointed. Contractor is finalising appointment of SMME's	Dir: PDT/ Manager: Human Settlements	In progress
	20/12/PD8	APPROVAL FOR THE COMMENCEMENT TO DRAFT "AESTHETICAL AND HERITAGE BUILDING BY-LAW" FOR THE ST FRANCIS BAY VILLAGE AND CANALS, SANTAREME, HARBOUR PRECINCT, CAPE ST FRANCIS, OYSTER BAY, SEA VISTA TOWN, ST FRANCIS BAY LIGHT INDUSTRIAL AREA IN THE KOUGA LOCAL MUNICIPALITY AREA IN TERMS OF SECTION 13 OF THE MSA,2000: OBJECTIONS RECEIVED	That the Department: Planning & Development facilitate the process to address the "Objectors Objections" by convening a virtual meeting with the objectors as well as other Interested and affected parties. That a date and venue be determined as to when such meeting will take place for a virtual hearing and that it be published in the local newspaper and on the website. That all the objectors be notified timeously of the date and venue for the virtual hearing.	Draft completed.Legal to check it .Published document for comments in March . See previous comments for 20/05/PDT5. Draft By-Law with attorneys.Had discussion with Attorneys to find an alternative way to promulgate said regulations. Attorneys to confirm way forward.Manager Legal to appoint a SP to assist with draft.Advised that the by-law route would cumbersome and that the matter can be addressed under the Land Use Scheme - overlay	 The item has served before Council to establish a "Aesthetics Committee" for SFBay area , but was put on hold due to the "guidelines" is not legally enforceable and a way was seek to have it enacted in a "by-law" or within the town planning scheme. This action to amend the town planning scheme has been budgeted for the next finacial year - which can include "Aesthetic Guidelines " for all towns.	Acting Manager: planning/ Building Control	In progress

26-Feb-21	21/02/PD14	ESTABLISHMENT OF AN AUTISM CENTRE - APPLICATION FOR RIGHT TO USE/MANAGE MUNICIPAL LAND: Erf 5812 JEFFREYS BAY	That the approval of the right to use, control, manage the be subject to the said property being closed as a public place and rezoned to an appropriate zoning.	The closure of public place has been completed. Town Planning indicated that the Department is currently under pressure and will not be able to do rezoning in-house. A meeting was also held with the applicant on 6 March to discuss the application and way forward. It was agreed that the applicant proceed and submit designs and site development plan whilst Council finalise the rezoning.	The Department has request service providers to submit quotations for rezoning. All three quotations were obtained and requisition will be submitted to SCM on 15 March in order to appoint a service provider.	Dir: PDT/ Manager L&P/Manager: P&D	In Progress
31-Mar-21	21/03/PD1	TRANSFER OF RESIDENTIAL SITE: HISTORIC CONDITION OF SALE: ERF 1331 PELLSRUS: PIENAAR FAMILY	That Council grant approval for the closure of a public open space with regard to the subdivided erf contemplated in (a) and that transfer herein be dependent on the formal closure of the public open space.	Gazetting of erf 1331 has been finalised. Rezoning to residential purposes will now commence.	Subdivision and gazetting completed. A request has been sent out to service providers to submit quotations for rezoning expect submission thereof during the week of 20 March	Director: PDT/ Acting Manager: LPA	In Progress
	21/03/PD3	Application to Purchase a Portion of Erf 552 Sea Vista (Mr. M. Johansens)	That the applicant be responsible and carry the cost for the closure of public open space and subdivision of erf 552.	Power of Attorney was granted to the applicant to enable him to bring land use application.	POA was provided to applicant. Awaiting application from applicant.	Manager: Legal Services / Acting Manager L&P	In Progress
			That the newly created erf be transferred only once the formal closure has been concluded, and the conveyance cost be carried by the applicant.	Will be incorporated in the deed of sale	Will form part of the transfer process.	Manager: Legal Services / Acting Manager L&P	In Progress
31-May-21	21/05/PD1	PROGRESS REPORT: ALIENATION OF 98 WET ERVEN: KRUISFONTEIN	That Council grant authorization to the Accounting Officer to the conclude Option to Purchase agreements as the Grantor on behalf of the Municipality.	Instruction was received to place the process to sell sites in-abeyance and to rescind the previous council resolution. An item will be drafted to rescind current council resolution.	To date all Offer to Purchase has been completed. We are discussing the alternative method of disposal that will be proposed to rescind the current resolution of Council.	Director:PDT/ Manager L&P	In Progress
	21/05/PD11	LAND SWAP: A PORTION OF ERF 6650 IN FAVOUR OF ERF 6649, JEFFREYS BAY: MR. S. STANLEY	That the Municipality be liable for all Transfer, subdivision and consolidation costs linked to this transaction.	Transfer of new erf (11163) in progress. All land related processes completed.	Transfer attorney has been appointed and busy with transfer	Director:PDT/ Manager L&P	In Progress
	21/05/PD15	APPLICATION TO PURCHASE: A PORTION OF PORTION 4 OF THE FARM ZWARTENBOSCH NO. 347: TEEN CHALLENGE SA	That Council rescinds the resolution pertaining to the lease of a portion of portion 4 of the Farm Zwartbosch No. 347 to Teen Challenge which reads as follows: - 13/05/FAME26 APPLICATION FOR LAND – PORTION OF FARM 347 PORTION 4 (ZWARTENBOSCH) Resolved: (30 May 2013) i) That Teen Challenge SA-Western Cape be allowed to utilize the Portion of Farm 347, Portion 4 of the Farm Zwartbosch for community projects for a period of nine (9) years and 11 (eleven) months, subject to the following conditions: a) That a formal Lease Agreement be entered into between Teen Challenge SA –Western Cape and the Council. b) That Teen Challenge SA – Western Cape be responsible for all cost (that may escalate) in respect of services and services connections fees as determined by the Council. c)That it be recorded that in terms of Section 14 of the Municipal Finance Management Act, the portion of Farm 347, Portion 4 of the Farm Zwartbosch is not required for basic level of municipal service. d)That all legislative requirements and advertisement procedures be adhered to. e)That any comments and objections from the public be taken into careful consideration.	Comments was received from Provincial Treasury during November 2023 who requested for more information in respect of the application to dispose a portion of erf 347 portion 4 to Teen Challenge.	We have been in discussion with Provincial Treasury to address the comments received and finalise the application.	Director:PDT/ Manager L&P	In Progress
			That the subdivision and rezoning of the land be attended to and concluded.	Will be attended to should final approval be granted by Council.	To commence once council's final approval has been obtained.	Director:PDT/ Manager L&P	In progress
			That Council consider the fair market related value of R770 000.00 that was obtained from a professional valuer for the portion of portion 4 of the Zwartbosch No 347.	Will be considered in the sale agreement.	To commence once council's final approval has been obtained.	Director:PDT/ Manager L&P	In progress
			That Council consider disposing the immovable property contemplated herein to Teen Challenge as a social care user at 25% of the fair market value.	Will be considered in the sale agreement.	To commence once council's final approval has been obtained.	Director:PDT/ Manager L&P	In progress
			That if the land was to be sold by the applicant, it only be sold back to Council.	Will be considered in the sale agreement.	To commence once council's final approval has been obtained.	Director:PDT/ Manager L&P	In progress

30-Jul-21	21/07/PD9	APPOINTMENT OF KOUGA MUNICIPALITY AS AN IMPLEMENTING AGENT FOR THE CONSTRUCTION OF INTERNAL SERVICES FOR THE HANKEY 990 HOUSING PROJECT	That the CFO places the received grant funding in a dedicated interest-bearing account.	In progress. construction of 990 services is in progress.No advance payments received from ECDHS	Contractor is still on site	Dir:PDT/ Manager:HS/ Manager:	ongoing
			That the interest accumulated from the grant funding be ringfenced for future Human Settlements projects.	To be confirmed		CFO	In progress
			That monthly, quarterly and annual expenditure reports with supporting documentation be reported to Council and ECDHS; and	Project is progressing well	Progress reports is discussed at PD&T Portfolio	Manager HS	ongoing
31-Aug-21	21/08/PD11	ESTABLISHMENT OF AN AUTISM CENTRE - APPLICATION FOR RIGHT TO USE/MANAGE MUNICIPAL LAND: ERF 5812 JEFFREYS BAY	That all the legislative processes contemplated herein commence and be concluded in line with Council resolution 21/02/PD14.	The closure of public place has been completed. Town Planning indicated that the Department is currently under pressure and will not be able to do rezoning in-house. A meeting was also held with the applicant on 6 March to discuss the application and way forward. It was agreed that the applicant proceed and submit designs and site development plan whilst Council finalises the rezoning.	The Department has request service providers to submit quotations for rezoning. All three quotations were obtained and requisition will be submitted to SCM on 15 March in order to appoint a service provider.	Director:PDT/ Manager L&P	On-going
	21/08/PD12	DISPOSAL OF ERF 1382, SEA VISTA (ST FRANCIS BAY) THROUGH SALE TO EDG3 PROJECTS	That Council grant authorization the Accounting Officer to enter into a sale agreement with Edg3 Projects, for the sale of the municipal property contemplated herein, for the amount of R180 000.00.	Rezoning has been approved. Disposal and transfer now in progress.	Transfer in progress	Director:PDT/ Manager L&P	In progress
06-Sep-21	21/09/PD1	APPLICATION TO PURCHASE ERF 2896 - SEA VISTA – INDUSTRIAL AREA (NEXUS YACHTS)	That the relevant department rezones and closes the public open space prior to disposal of erf 2896, Jeffery's Bay through an open tender process.	Subdivision completed (new erf number 3935). Quotations has been requested from service providers for the rezoning process.	Subdivision completed.It is anticipated that the service provider to do the rezoning will be appointed before 30 March.	Director:PDT/ Manager L&P	In Progress
			That the newly created erf be transferred only once the formal closure, consolidation and rezoning has been concluded, and the conveyance cost be carried by the applicant.	Legal department has commenced disposal and transfer of the property.	Transfer in progress	Director:PDT/ Manager L&P	In Progress
30-Sep-21	21/09/PD10	RELOCATION OF THE UNLAWFUL DWELLERS OF THE ASTON BAY CARAVAN PARK	That the Municipal Manager be allowed to negotiate with the Department of Public Works on the relocation costs.			MM	In Progress
	21/09/PD11	APPLICATION FOR RIGHT TO USE: VARIOUS MUNICIPAL PROPERTIES FOR UPGRADES AND NEW BUILDINGS: BOPHELO IMPILO DEVELOPMENT CENTRE	That Council grant authorization to the Accounting Officer to enter into Right-to-Use Lease agreements with Bophelo Impilo Development Centre in respect of the properties contemplated herein for the specific use as follows: portion of Erf 353, Humansdorp (public pool area as per area FA and EF in Annexure c) portion of portion 72 of the Erf No. 746 Sea Vista (Taxi Rank, Multi-purpose Centre and Recycling) portion of erf 1269, Humansdorp (Multi-purpose Court for Tennis, Netball and Basketball) portion of erf 2, Kruisfontein (Multi-purpose Centre)	Applicant has indicated that the wind farm has pulled out as funder, hence the applicant will not proceed with the development projects.	Project will not proceed and to be taken off the action sheet	Director:PDT/ Manager L&P	Completed
	21/09/PD12	APPOINTMENT OF HOUSING DEVELOPMENT AGENCY(HDA) VIA AN IMPLEMENTATION PROTOCOL/AGREEMENT BETWEEN KOUGA MUNICIPALITY AND THE HAD	That approval be granted by Council in terms of Section 110 of the Municipal Finance Management Act No. 56 of 2003 for appointment of the Housing Development Agency (HDA) via an Implementation Protocol to plan and implement integrated human settlements in the Kouga municipal area.	Meeting to finalise IP was on 08/3/22		Director:PDT / Manager Human Settlements	In Progress
			That all planned human settlements pipeline projects be included in the Implementation Protocol between the Kouga Municipality and the HDA.	Discussions on the revised Implementation Protocol are ongoing		Director:PDT / Manager Human Settlements	In Progress
			That the Municipal Manager be granted Power of Attorney to sign the Implementing Protocol on behalf of the Municipality.			Director:PDT / Manager Human Settlements	In Progress
	21/09/PD16	IN PRINCIPLE APPROVAL: DISPOSAL & ALIENATION OF ERVEN 887, 1259 & 2496 SEA VISTA	That Council authorizes the Planning & Development Department to embark on a process to close and rezone the above public open spaces to Residential.	Gazetting of properties in progress. Rezoning of the properties will commence once gazetting completed.	Submitted to Office of the Surveyor-General	Director:PDT/ Manager L&P	In Progress
			That a fair market value be obtained for Council to consider in line with Section 14(2) of the Municipal Finance Management Act.	Market valuations will be determined once rezoning has been completed.	Will commence once rezoning is completed	Director:PDT/ Manager L&P	In Progress
			That the revenue generated from the sale be ringfenced for waterborne sewerage systems.	This will done during the sale of properties.	Will commence once the properties has been disposed.	Director:PDT/ Manager L&P	In Progress

14-Oct-21	21/10/PD1	ERF 4587 & 4588 (KRUISFONTEIN) ERF 190 (PELLSRUS) ERF 8813 (OCEAN VIEW): VICTORY 4 ALL	That the Finance department expedite the bad debt review process on the outstanding debt and advise the client by 30 October 2021.	Indication was given that a report for write-off was to be tabled to Council.		Finance	In Progress
	21/10/PD3	SALE OF 98 WET ERVEN	That the proceeds from the Sale of 98 Wet erven be ring-fenced for roads upgrades and social infrastructure in the 98 wet erven area.	The proceeds will be ring-fenced as per Council resolution.	To date all Offer to Purchase has been completed. However, we are discussing the alternative method of disposal that will be proposed to rescind the current resolution of Council.	Director:PDT/ Manager L&P	In Progress
28-Oct-21	21/10/PD5	DISPOSAL AND TRANSFER OF PRE-94 MUNICIPAL HOUSES IN SEA VISTA	That the Accounting Officer be authorised to enter into an Offer to Purchase Agreement with the occupants and appoint conveyancers to effect transfers.	Confirmation has been requested from the Provincial Department of Human Settlements to give confirmation on the appointed service provider.	Awaiting confirmation from Provincial on the appointment of service provider who will take charge of the transfers.	Director:PDT / Manager Human Settlements	In Progress
31-Mar-22	22/03/PDT6	AUTHORISATION FOR A 3-YEAR SPONSORSHIP AGREEMENT FOR EVENTS SUPPORT FOR THE ALOE CUP RUGBY AND NETBALL TOURNAMENT	That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Jeffreys Bay Primary School in respect of sponsorship stated in (1.) above.	Post-event report completed and will be submitted for submission to Portfolio, MAYCO and Council	TO be submitted to Portfolio	Dir PDT / Events Officer	In Progress
	22/03/PDT7	DEVOLUTION (OFFER) OF LAND PARCELS OWNED BY THE FORMER NATIONAL HOUSING BOARD TO KOGUA LOCAL MUNICIPALITY	That Council grants authorization to the Accounting Officer to enter into relevant agreement with the Provincial Department of Human Settlement for transfer of the property to KLM.	Council resolution has been taken to accept the land the Department of Human Settlements wants to devolve to Kouga Municipality.	A meeting has been scheduled for 24 March with the IGR Land Forum to discuss land matters as well as the devolution of land to Kouga Municipality and the uncertainties surrounding the Papiestfontein properties.	Dir. PD&T	In Progress
	22/03/PDT8	KOGUA MUNICIPALITY: WESTERN CAPE GIS BENCHMARKING VISIT	That Council establish a GIS/ICT Steering Committee to develop an enterprise GIS Strategy and Policy for council adoption.	A GIS Working Group which is a sub-committee of the ICT Committee has been established in October 2022.	GIS Working Group has been established	PDT	On-going
			That Council moves from the current Ovvio System to a GIS based environment.	The transition in progress. Enterprise GIS proposal with costing has been received and are being considered by the GIS/ICT Committee that are involved with the transition from Ovvio to a GIS based environment. The current proposal is for the Enterprise GIS platform as well as four AFLA modules, Town Planning, Building Control, Property and Lease Management as well as Cemetery Management.	Tender specifications has been prepared and has been submitted to SCM for inclusion on the Bid Specification Meeting agenda.	MM / PDT	In Progress
			That Council engage in Change management and Intensive 1 month testing of the implementation before implementation.	The testing before implementation of new system	Change management process plan has been drafted	MM / PDT	In Progress

29-Apr-22	22/04/PDT4	ALLOCATION PROCESS OF 200 HOUSES IN OCEANVIEW 1500 PROJECT	That Housing Committees be resuscitated as a matter of urgency.	Meeting with housing committees scheduled for June 2022	List of beneficiaries was approved by Council	Manager Human Settlements	Completed
	22/04/PDT7	SPONSORSHIP AGREEMENT FROM TASTE EXPERIENCES T/A CONCOURS SUR MESURE REQUEST EVENT SUPPORT FOR THE CONCOURS SUR MESURE FESTIVAL FROM 27 – 30 OCTOBER 2022	That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Taste Experiences T/A Concours Sur Mesure in respect of sponsorship stated in (1.) above.	Post-event report completed and will be submitted for submission to Portfolio, MAYCO and Council	Closeout report to be submitted to Portfolio.	Dir PDT / Events Officer	Completed
	22/04/PDT8	SPONSORSHIP AGREEMENT FROM SURFING SOUTH AFRICA REQUESTING EVENT SUPPORT FOR THE SOUTH AFRICA LONGBOARD CHAMPIONSHIPS IN AUGUST 2022	That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Surfing South Africa in respect of sponsorship stated in (1.) above.	Post-event report completed and will be submitted for submission to Portfolio, MAYCO and Council	Closeout report to be submitted to Portfolio.	Dir PDT / Events Officer	Completed
	22/04/PDT4	ALLOCATION PROCESS OF 200 HOUSES IN OCEANVIEW 1500 PROJECT	That Housing Committees be resuscitated as a matter of urgency.	Meeting with housing committees scheduled for June 2022	List of beneficiaries was approved by Council	Manager Human Settlements	Completed
	22/04/PDT7	SPONSORSHIP AGREEMENT FROM TASTE EXPERIENCES T/A CONCOURS SUR MESURE REQUEST EVENT SUPPORT FOR THE CONCOURS SUR MESURE FESTIVAL FROM 27 – 30 OCTOBER 2022	That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Taste Experiences T/A Concours Sur Mesure in respect of sponsorship stated in (1.) above.	Post-event report completed and will be submitted for submission to Portfolio, MAYCO and Council	To be submitted to Portfolio.	Dir PDT / Events Officer	Completed
	22/04/PDT8	SPONSORSHIP AGREEMENT FROM SURFING SOUTH AFRICA REQUESTING EVENT SUPPORT FOR THE SOUTH AFRICA LONGBOARD CHAMPIONSHIPS IN AUGUST 2022	That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Surfing South Africa in respect of sponsorship stated in (1.) above.	Post-event report completed and will be submitted for submission to Portfolio, MAYCO and Council	To be submitted to Portfolio.	Dir PDT / Events Officer	Completed
	22/04/PDT12	SPONSORSHIP AGREEMENT FROM KINETIC EVENTS REQUEST EVENT SUPPORT FOR THE 2023 ADVENTURE RACING WORLD CHAMPIONSHIPS PRE-LAUNCH AND MARKETING IN 2021/2022 AND 2022/2023	That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Kinetic Events respect of sponsorship stated in (1.) above.	Post-event report completed and submitted for submission to Portfolio, MAYCO and Council	Submitted to Council	Dir PDT / Events Officer	Completed
	22/04/PDT13	3-YEAR SPONSORSHIP PROPOSAL FROM THE WORLD SURF LEAGUE (WSL) TO REQUEST EVENT SUPPORT TO HOST THE J-BAY OPEN SURF FROM 2022 – 2024 IN JEFFREYS BAY	That Council authorizes the Accounting Officer to conclude a 3-year Sponsorship Agreement / SLA with World Surf League (WSL) in respect of sponsorship stated in (1.) above.	SLA signed and payment processed. Awaiting Closeout Report from the organisers. Requests for submission was done.	Done	Dir PDT / Events Officer	Completed
	22/04/PDT14	ESTABLISHMENT AND RECOGNITION OF THE KOUGA SMME FORUM	That the item be deferred to the next Council meeting.	TOR's to be drafted with Legal Service	Meeting set-up with legal to draft the TOR's	Dir PDT / LED Officer (SMME Developem t)	In progress
	22/04/PDT18	COUNCIL DISPOSAL OF ERF 353, HUMANSDORP (OLD CARAVAN PARK) FOR A SOCIAL HOUSING PROJECT	That the Planning Development and Tourism Directorate prepare a Request for Proposals document for advertising/publication.	Tender specifications were approved, advertisement will commence soon. Development proposals close on 26/9/2022	Council only received one bidder that was none compliant and the bid was cancelled.	Manager Human Settlements	Completed

31-May-22	22/05/PDT1	RE: SUBDIVISION, CONSOLIDATION AND REZONING OF PORTION 8 & 13 OF THE FARM DIEPRIVIER 689, HUMANSDORP	That a full proposal for the envisaged plot & plan allocation, including the proposed Housing plan prototypes be submitted for Council approval prior to implementation.	As per Council Resolution		CBCO/ Manager:HS	Completed
	22/05/PDT2	IMPOSING OF MANDATORY INSTALLATION OF RAINWATER HARVESTING TANKS FOR NEW BUILDINGS IN KOUGA MUNICIPALITY IN RESPONSE TO DROUGHT	That the Planning, Development and Tourism Directorate engage in public awareness programmes, including engagement with Kouga Architectural designers' Forums to ensure compliance with the mandatory requirement for the provision of rainwater tanks for all new buildings plans to be submitted.	Building Control to facilitate (July 2022) engagement for comment with Kouga Architectural Designer's Forum (KDF) on implementation of implementation of Resolution - 22/05/PDT2		CBCO	In progress
			That a study be conducted to track the financial implications of the requirement on water usage and the Municipality's water bill.				Ongoing
29-Jun-22	22/06/PDT7	RE: PLANNING AND IMPLEMENTATION OF KOUGA TOURISM INDABA	That Council approves R500 000.00 (Five Hundred Thousand rand) to appoint a service provider that will plan and facilitate the Kouga Tourism indaba launch in St Francis in 2022/23 FY and hosting the main Kouga tourism indaba 2023 exhibition planned for the 2023/2024 financial year.	Bid Spec approved, in a process of advertising	Tourism Indaba Launch already done in November 2023 at Thornhill. BID spec approved tender for SP for hosting the Indaba, in a process of advertising.	Dir PDT / Tourism Officer	In Progress
	22/06/PDT14	REQUEST FOR COUNCIL'S FINAL APPROVAL: APPLICATION TO PURCHASE ERF 2896 - SEA VISTA – INDUSTRIAL AREA (NEXUS YACHTS)	That the Council grant authorisation to the Accounting Officer to finalize the sale and transfer of the property contemplated herein.	Legal department has commenced disposal and transfer of the property.	Transfer in progress	PDT/MM/Legal	In progress
	22/06/PDT17	REZONING OF A PORTION 1 OF THE FARM HUMANSDORP NO. 499, FROM "AGRICULTURAL ZONE 1" TO "SPECIAL ZONE" FOR THE PURPOSE OF A MIXED USE FOR INDUSTRIAL PURPOSES AND ANXULLARY USE (INTEGRATED INDUSTRIAL DEVELOPMENT ZONE)	That Council grants in-principle approval principle for the rezoning of a portion of Portion 1 of the Farm Humansdorp No.499, as described in the item.	Act Manager :Planning in process of preparing the rezoning application		ActMPD	In Progress
			That Council authorizes the Department Planning & Development to proceed with the rezoning of a portion of Portion 1 of the Farm Humansdorp No.499 from "Agricultural Zone 1" to "Special Zone" to accommodate the intended uses for an "Integrated Industrial Development Zone" as previously described.			ActMPD	In Progress
			That Council authorizes the Municipal Manager to sign a "Power of Attorney" on behalf of Council and any other applicable documentation in support of the application.	Act Manager :Planning in process of preparing the application for rezoning.	Tender to be drafted for appointment of EIA specialist(Febuary 2023) the scope of work has change to include "solar farm " and the current Erf 499 development. In terms of SPLUMA -Sec 42(2) , no application can be approved without environmental authorisation .	ActMPD	In progress
	22/06/PDT18	DISPOSAL AND ALIENATION OF COUNCIL PROPERTIES LEASED TO EARLY CHILDHOOD DEVELOPMENT CENTRES (CRECHES) TO REGISTERED SOCIAL CARE USERS	That Council grant in-principle approval for the alienation/transfer of property to the Registered Organizations (Social Care Organizations) currently operating on the property by way of a Deed of Donation with restrictive conditions in respect of the land usage for the sole purposes of social care uses.	In-principle Council approval was received on 29 June 2022. Public participation has been completed and no objections was received against the intention of Council to donate. A number of letters in support of the donation was received during the public participation process.	Item to request for final approval will serve on the next council meeting.	Director:PDT/ Manager L&P	In progress

29-Jul-22	22/07/PDT2	DRAFT BYLAW RELATING TO LAND INVASION, MANAGEMENT AND CONTROL OF INFORMAL SETTLEMENTS	That in terms of section 12 (3) of the Municipal Systems Act, the Council approves the Draft By-law for public participation process relating to land invasion, management and control of informal settlements.	It was advertised in September for Public Comments	Bylaw will serve at the council meeting scheduled for 30/3/2023	Manager Human Settlements	Completed
	22/07/PDT3	DISPOSAL OF LONG STREET, BOKMAKIERIE STREET, PORTION OF BLOUBOK STREET AND PORTION OF HERON STREET – PUBLIC ROADS IN THE INDUSTRIAL AREA HUMANSDORP	That Council grants authorization to the Accounting Officer to transfer the slivers located on erven 3771, 3772 and 3776 Humansdorp to Woodlands Dairy as non-viable land which is of no practical use to any other person.	Instruction was given to Legal Department to proceed with the finalisation of the transfer of the slivers to Woodlands Dairy as per council resolution taken on 31 July 2022.	Disposal and transfer has been completed	Director:PDT/ Manager L&P	Completed
	22/07/PDT4	EXPANDED DEFINITION OF BUILDING DEPOSITS FEES AND CHARGES FOR THE 2022-23 FINANCIAL YEAR	That Council approve the extended definitions of "Sub-economic" and "Other" as they relate to building deposit charges and fees for the Planning, Development and Tourism Directorate for the 2022/23 financial year, as reflected in Annexure "A" as amended, with effect from 29 July 2022.			CBCO	In progress
			That Council authorize the Accounting Officer/CFO to update the building deposit charges and fees for Planning, Development and Tourism Directorate for 2022/23 financial year to reflect.			CFO	In progress
31-Aug-22	22/08/PDT3	IN PRINCIPLE APPROVAL FOR LONG TERM LEASE OF A PORTION ERF 499, HUMANSDORP TO CD FREIGHT LOGISTICS FOR INDUSTRIAL PURPOSE	That Council grant in-principle approval for the lease of a portion of Erf 499, Humansdorp for 9 years and 11 months.	Council granted in-principle approval on 31 August.	Final approval dependent on successful implementation of conditions in respect of the resolution	Director:PDT/ Manager L&P	In progress
			That a land surveyor be appointed to attend and conclude the subdivision, etc. as well as all other administrative costs for the cost of the applicant.	Town Planning in the process to procure services of a Service Provider to conduct EIA, subdivision and rezoning.	The Town Planning Department busy with the procurement process to appoint service provider.	Director:PDT/ Manager L&P	In progress
			That all applicable SPLUMA By-Law and ILUS requirements are met prior operations	Application will done in line with SPLUMA legislation	Awaiting appointment of service provider	Director:PDT/ Manager L&P	In progress
			That all bulk services that are required, needs to be provided by the developer with no financial implications to Council.	Developer responsible for costs	Applicant to liaise with I&E on bulk service requirements	Director:PDT/ Manager L&P	In progress
	22/08/PDT8	EXTENSION OF LEASE OF LAND FOR A CELLULAR BASE STATION (VODACOM PROPRIETARY LIMITED) – A PORTION OF ERF 406, PARADISE BEACH (PARADISE BEACH WATER RESERVOIR)	That Council grant in-principle approval for the extension of the lease of a portion of Erf 406, Paradise Beach (Paradise Beach Water Towers) for a Cellular Base Station to Vodacom Proprietary Limited for 9 years and 11 months.	Council granted in-principle approval on 31 August.	Item for final approval will be submitted to Council once new rental amount is determined.	Manager Land & Properties	In progress
			That Council consider the market related valuation of the immovable property.	Order received from SCM and Service provider was instructed to finalise the valuation.	Service provider has been appointed and it is anticipated that the new market related rental valuation	Manager Land & Properties	In progress
			That all other administrative costs (valuation, advertisement, etc.) be for the cost of the applicant.	Applicant responsible for costs	Cost recovery will now commence	Applicant	In progress
	22/08/PDT9	EXTENSION OF LEASE OF LAND FOR A CELLULAR BASE STATION (VODACOM PROPRIETARY LIMITED) – A PORTION OF ERF 873, JEFFREYS BAY	That Council grant in-principle approval for the extension of the lease of a portion of Erf 873, Jeffreys Bay for a Cellular Base Station to Vodacom Proprietary Limited for 9 years and 11 months.	Council granted in-principle approval on 31 August.	Item for final approval will be submitted to Council once new rental amount is determined.	Manager Land & Properties	In progress
			That Council consider the market related valuation of the immovable property.	Order received from SCM and Service provider was instructed to finalise the valuation.	Service provider has been appointed and it is anticipated that the new market related rental valuation be provided to the Municipality before week ending 17 March.	Manager Land & Properties	In progress
			That all other administrative costs (valuation, advertisement, etc.) be for the cost of the applicant.	Applicant responsible for costs	Cost recovery will now commence	Applicant	In progress
			That only upgrades be allowed on the municipal property but no new infrastructure.	Will be implemented in accordance with resolution	This will be a condition in the agreement	Manager Land & Properties	In progress
	22/08/PDT10	EXTENSION OF LEASE OF LAND FOR A CELLULAR BASE STATION (VODACOM PROPRIETARY LIMITED) – A PORTION OF FARM 746, PORTION 72, HUMANSDORP RD (SEA VISTA WATER RESEVOIR)	That Council grant in-principle approval for the extension of the lease of a portion of Farm 746, portion 72, Humansdorp RD (Sea Vista Water Towers) for a Cellular Base Station to Vodacom Proprietary Limited for 9 years and 11 months.	Council granted in-principle approval on 31 August.	Item for final approval will be submitted to Council once new rental amount is determined.	Manager Land & Properties	In progress
			That Council consider the market related valuation of the immovable property.	Order received from SCM and Service provider was instructed to finalise the valuation.	Service provider has been appointed and it is anticipated that the new market related rental valuation	Manager Land & Properties	In progress
			That all other administrative costs (valuation, advertisement, etc.) be for the cost of the applicant.	All cost for the applicant	Cost recovery will now commence	Applicant	In progress
			That only upgrades be allowed on the municipal property but no new infrastructure.	Will be implemented in accordance with resolution	This will be a condition in the agreement	Manager Land & Properties	In progress
	22/08/PDT11	ACQUISITION OF IMMOVABLE ASSET: TRANSFER OF PROVINCIAL ROADS: DA GAMA ROAD, ST. FRANCIS DRIVE & WOLTEMADE STREET TO KOUGA MUNICIPALITY	That Council grant in-principle approval for the transfer of Da Gama Road, St Francis Drive, Main Road-Humansdorp and Woltemade Street to Kouga Municipality in order to manage and maintain the roads contemplated herein.	Council granted in-principle approval on 31 August.	Item for final approval will be submitted to Council once the mandatory public participation has been conducted by the Provincial Roads Department.	Manager Land & Properties	In progress
			That the Council grant authorisation to the Accounting Officer to enter into a transfer agreement with the Provincial Department of Transport in respect of Da Gama Road, St Francis Drive, Main Road-Humansdorp and Woltemade Street.	Accounting Officer and Legal responsible	The deed of sale will be addressed once final approval is obtained	MM/Legal	In progress
			That Council make budgetary provision for the management and maintenance of the roads contemplated in point 2.	I&E responsible		I&E	In progress

28-Oct-22	22/10/PDT1	REQUEST FOR COUNCIL AUTHORISATION TO ADVERTISE AND IN-PRINCIPLE APPROVAL FOR ALIENATION OF ERF 2599, SEA VISTA - APPLICATION FROM ROTARY CLUB OF ST FRANCIS FOR THE EXTENSION AND UPGRADE OF ST FRANCIS BAY CLINIC	That Council authorises the applicant to proceed with consolidation of erf 2599 with Erf 2600, Sea Vista (St Francis Bay Clinic) for the intended development.	Council granted in-principle approval on 28 October 2022.	Item will be prepared for Council's final approval and its anticipated by end of April.	Manager: Land & Property Admin	In Progress
			That Council grant authorization to the Accounting Officer to advertise Council's intention to alienate immovable property by way of Deed of Donation to the Department of Public Works for public participation	The advertisement will be done after our consultation with Legal Department	It is anticipated that the advert will be placed during the week of 20 March.	Manager: Land & Property Admin	In Progress
			That the Department of Public Works be liable for all cost derived from the transfer.	The applicant will be informed	This will be implemented after final approval from Council	Department of PW	In Progress
	22/10/PDT2	SPONSORSHIP AGREEMENT FROM NELSON MANDELA BAY AQUATICS REQUESTING FUNDING SUPPORT FOR THE SOUTH AFRICAN NATIONAL OPEN WATER CHAMPIONSHIP	That Council approves funding towards the SA National Open Water Championship hosted in the Kouga Local Municipality area for R130 000.00 (One Hundred and Thirty Thousand Rand) all-inclusive for the 2022/2023 FY only.	Awaiting SLA from Legal. Payment will be processed once SLA is signed	SLA to be finalized and signed before end February 2023	Dir PDT / Events Officer	In Progress
			That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Nelson Mandela Bay Aquatics in respect of sponsorship stated in (1.) above.				
			That a feedback report be tabled to Council after the event.				
11-Nov-22	22/11/PDT17	AUTHORISATION FOR SPONSORSHIP TO THE NON-PROFIT ORGANISATION: KOUGA BUSINESS FORUM	That Council approves sponsorship for the 2022/23 financial year for R100 000 (One Hundred Thousand Rands Only) all-inclusive, to the non-profit organization: Kouga Business Forum.	No action required			Completed
			That the Municipal Manager, as the Accounting Officer of the Municipality, be authorized to enter into a Service Level and Sponsorship Agreement in respect of sponsorship stated in (1.) above.	Request submitted to legal to draft SLA	Required information requested from LED to give effect to a final draft	LED / Legal	In Progress
	22/11/PDT18	COUNCIL AUTHORISATION FOR SPONSORSHIP TO THE NON-PROFIT ORGANIZATION: J-BAY ANIMAL RESCUE	That Council approves sponsorship for the 2022/23 financial year for R85 000-00 (Eighty-Five Thousand Rands Only) all-inclusive, to the non-profit organization: J-Bay Animal Rescue.	No action required			Completed
			That the Municipal Manager, as the Accounting Officer of the Municipality, be authorized to enter into a Service Level and Sponsorship Agreement in respect of sponsorship stated in (1.) above.	Request submitted to legal to draft SLA	Required information requested from LED to give effect to a final draft	LED / Legal	In Progress
	22/11/PDT19	COUNCIL AUTHORISATION FOR SPONSORSHIP TO THE NON-PROFIT ORGANISATION: ST FRANCIS ANIMAL RESCUE	That Council approves sponsorship for the 2022/23 financial year for R85 000-00 (Eighty-Five Thousand Rands Only) all-inclusive, to the non-profit organization: St Francis Animal Rescue.	No action required			Completed
			That the Municipal Manager, as the Accounting Officer of the Municipality, be authorized to enter into a Service Level and Sponsorship Agreement in respect of sponsorship stated in (1.) above.	The SLAs are being drafted and almost completed	Required information requested from LED to give effect to a final draft	LED / Legal	In Progress
	22/11/PDT20	COUNCIL AUTHORISATION FOR SPONSORSHIP TO THE NON-PROFIT ORGANISATION: SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS (SPCA)	That Council approves sponsorship for the 2022/23 financial year for R250 000-00 (Two Hundred and Fifty Thousand Rands Only) all-inclusive, to the non-profit organization: Society for the Prevention of Cruelty to Animals (SPCA).	No action required			Completed
			That the Municipal Manager, as the Accounting Officer of the Municipality, be authorized to enter into a Service Level and Sponsorship Agreement in respect of sponsorship stated in (1.) above.	Request submitted to legal to draft SLA	required information requested from LED to give effect to a final draft	LED / Legal	In Progress
	22/11/PDT21	COUNCIL AUTHORISATION FOR SPONSORSHIP TO THE NON-PROFIT ORGANISATION: NATIONAL SEA RESCUE INSTITUTE (NSRI)	That Council approves sponsorship for the 2022/23 financial year for R250 000-00 (Two Hundred and Fifty Thousand Rands Only) all-inclusive, to the non-profit organization: National Sea Rescue Institute (NSRI).	No action required		LED / Legal	Completed
			That the Municipal Manager, as the Accounting Officer of the Municipality, be authorized to enter into a Service Level and Sponsorship Agreement in respect of sponsorship stated in (1.) above.	Request submitted to legal to draft SLA	Required information requested from LED to give effect to a final draft	LED / Legal	In Progress

	22/12/PDT1	FINAL APPROVAL FOR ALIENATION OF UNREGISTERED ERF 4593, KRUISFONTEIN: JABES CHURCH	That 1. subject to the registration of the subdivided portion of Erf 2 (now erf 4593), Kruisfontein. be in line with the Council approved policy.	Will be done in line with legislation	Communicated with land surveyor and it was confirmed the subdivision can be revived by means of a consent letter from Kouga Municipality to the Surveyor-General.	Manager Land & Properties	In progress
			That rezoning and subdivision processes be finalised for the property contemplated herein.	Will proceed to appoint consultant to submit subdivision and rezoning of erf	A consent letter will be forwarded to Land Surveyor before 17 March. Awaiting quotations for rezoning from service providers.	Manager Land & Properties	In progress
			That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.	Legal has been instructed to proceed with the disposal and transfer of the property	Transfer of property in progress	Manager Land & Properties	In progress
	22/12/PDT3	ALIENATION OF ERF 1787, HANKEY (HENRY MASETI)	That transfer of the immovable property be effected on confirmation of payment of the full purchase price.	Will be done in line with council resolution	Applicant has been requested to provide proof of payment	Manager Land & Properties	In progress
			That based on the information from the transferring conveyancers, the purchaser settles any outstang balance if any, before the transfer of the property.	Will be done in line with council resolution	Proof of full payment will be provided to Legal Department	Manager Land & Properties	In progress
			That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.	Legal has been instructed to proceed with the disposal and transfer of the property	Legal Department attending to this point	Manager Land & Properties	In progress
	22/12/PDT4	TOWN PLANNING PROGRESS REPORT: PREPARATION OF ST FRANCIS BAY CBD & HANKEY CBD PRECINCT PLAN: 1 JULY 2022 TO 30 SEPTEMBER 2022	That Council supports that the Service Provider to embark on a Public / Stakeholder engagement Process as outlined in the Project Implementation Plan (Phase 2).	First public meeting were conducted in St Francis Bay and Hankey.(Dec) Hankey no representation of public - meeting to be rescheduled.	Consultative meeting to be conducted on the 16 & 17 February with I & A parties in St Francis Bay & Hankey. I& A parties for Both Hankey and St Francis were engaged on 16 & 17 February 2023	CTP - P Molele	In Progress
	22/12/PDT6	GRANT IN AID	That Organizations be workshopped on the application process for Grant in aid	A workshop will be arranged	To follow for the new financial year and re-look at the current policy.	LED Office	In progress
			That the Salvation South Africa Kouga Kruisfontein Future Farmers be withdrawn and referred to the next Council Meeting.	As per Resolution, the Council to decide in next Council		Council	In progress

31-Jan-23	23/01/PDT1	AUTHORISATION TO TAKE TO PUBLIC PARTICIPATION THE INTENTION OF COUNCIL TO ALIENATE CERTAIN PORTIONS OF ERF 873, ERF 5478, 5479, 5480, 5481 AND 8825 JEFFREYS BAY	That in terms of Reg 6(a) and (b) of the MATR and Policy on disposal of immovable assets, Council grant authorization to the Accounting Officer to advertise and commence public participation, on Council's intention to alienate the immovable properties erven 873, 5478, 5479, 5480, 5481 and 8825, Jeffreys Bay.	Council's in-principle approval obtained	Currently busy implementing the conditions of resolution, eg. Public participation	Manager Land & Properties	Completed
			That a 60 day process of advertisement, consultation and invitation for public commentary be implemented.	Advert has been placed in regional and local newspapers on 26 January and the process will run for a period of two months.	Public participation advert has been placed and will be in public domain until 26 March.	Manager Land & Properties	In progress
			That the Department of Land & Property Administration finalizes the s14 process confirming that the land is not needed to provide the minimum level of basic municipal services before final approval is granted in terms of section 14 of the MFMA.	The application has been placed on the LEC Meeting scheduled for 16 March for section 14 comments	Placed on LEC Agenda for discussion	Manager Land & Properties	In progress
			That the market related value for the immovable properties contemplated in 1. be confirmed through independent or second latest valuation.	Quotations has been requested from service providers	Awaiting quotations from service providers	Manager Land & Properties	In progress
			That the lead department tables the independent valuation report and the section 14 process to Council after completion of the processes stated in 2,3, and 4 above prior engaging the Auctioneers.	Will be tabled after public participation, valuation and section 14 has been completed.	Progress dependent on finalisation of other processes.	Manager Land & Properties	In progress

28-Feb-23	23/02/PDT11	ALIENATION OF UNREGISTERED ERF 3085, SEA VISTA: ST FRANCIS BOWLING CLUB	That the Council grant final approval for alienation of Erf 3085, Sea Vista to St Francis Bowling Club, at the confirmed fair market related value of 25% of R750 000,00 (R187 500,00) as a Social Care User.	Final approval received from Council	Completed	Manager Land & Properties	Completed
			The registration of the subdivided portion of Erf 554 (now Erf 3085), Sea Vista be finalized.	Will consult with the land surveyor who initially subdivided erf 554 on the process to follow to revive the subdivision in the Office of Surveyor-General.	The land surveyor will be contacted before the week ending on 17 March.	Manager Land & Properties	In progress
			The land shall be solely used for the purposes of conducting thereon a bowling club and related purposes.	This will be included as a condition in deed of sale	Instruction will be given to Legal Department before the week ending 17 March.	Manager Land & Properties	In progress
			In the event of the property not being used for the purpose for which it was sold or no longer required for such purpose, it shall revert back to the Council without payment of compensation for any improvements effected to or on the property.	This will be included as a condition in deed of sale	Instruction will be given to Legal Department before the week ending 17 March.	Manager Land & Properties	In progress
			Council confirms that the land is not needed to provide the minimum level of basic municipal services in terms of section 14 of the MFMA.	Section 14 comments was received	Completed	Manager Land & Properties	Completed
			That rezoning and registration of subdivision be finalised for the property contemplated herein.	Quotations will be requested from service providers during week ending 17 March.	Awaiting quotations from service providers	Manager Land & Properties	In progress
			That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.	Instruction will be given to Legal Department to commence with disposal and transfer before week ending 17 March	Memo of council with resolution was received on 14 March and leading department will now commence with implementation thereof	Manager Land & Properties/MM/Legal	In progress
			That the bowling club facility be availed to the Ward 12 Community as a Community Hall.	This will be included as a condition in deed of sale	Instruction will be given to Legal Department before the week ending 17 March.	Manager Land & Properties	In progress
			That Council approves the sponsorship towards the SDC Championship hosted in St Francis Bay for R1,500,000.00 (One Point Five Million Rand) all-inclusive for 2022/2023 FY only.	That Council approves the sponsorship towards the SDC Championship hosted in St Francis Bay for R1,500,000.00 (One Point Five Million Rand) all-inclusive for 2022/2023 FY only.	Completed	PDT/Mayor's Office	Completed
			That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Southern Africa PGA Tour NPC in respect of sponsorship stated in (1) above.	That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Southern Africa PGA Tour NPC in respect of sponsorship stated in (1) above.	Completed	PDT/Mayor's Office	Completed
	23/02/PDT13	SPONSORSHIP AGREEMENT FROM BS SPORT GROUP NPC REQUESTING FUNDING SUPPORT FOR THE 2023 ST FRANCIS AMANZI CHALLENGE	That Council approves funding towards the St Francis Amanzi Challenge hosted in St Francis Bay & surrounding areas for R300,000.00 (Three Hundred Thousand Rand) all-inclusive for 2022/2023 FY only.	That Council approves funding towards the St Francis Amanzi Challenge hosted in St Francis Bay & surrounding areas for R300,000.00 (Three Hundred Thousand Rand) all-inclusive for 2022/2023 FY only.		PDT: Events	Completed
			That Council authorizes the Accounting Officer to conclude a Funding Agreement / SLA with BS Sport Group NPC in respect of sponsorship stated in (1) above.	That Council authorizes the Accounting Officer to conclude a Funding Agreement / SLA with BS Sport Group NPC in respect of sponsorship stated in (1) above.	SLA currently with legal for finalization	PDT: Events & Legal	Completed

OFFICE OF THE MM: ACTION SHEET - COUNCIL							
MEETING DATE	ITEM NO	ITEM DESCRIPTION	RESOLUTION	ACTION TAKEN	PROGRESS	RESPONSIBLE OFFICIAL	CURRENT STATUS COMPLETED NOT COMPLETE IN PROGRESS ON GOING NO ACTION REQUIRED
30-Jul-19	19/07/MM4	RESCISSION OF A COUNCIL RESOLUTION – 17/8/F23 OF A COUNCIL MEETING HELD ON 31 AUGUST 2017	That Erf 873, Jeffreys Bay, in extent of 82.908ha be subdivided and rezoned for sporting facilities and that the remainder of Portion Erf 873, Jeffreys Bay, be rezoned for future development.	Due to budget constraints the service provider could not be appointed - sufficient provision has been made on the adjustment budget and the process will now commence. Feed back at next meeting	Sub division not completed due to budget constraints - proposal now on the table will negate the need for sub-division as the whole erf is proposed to be sold and the Bowling Club will be cut off from the mother erf. New Developer to carry the cost	Planning & Development	
30-Jan-20	20/01/MM1	COUNCIL RESOLUTIONS FOR 12 DECEMBER 2019	That the management/custodianship initiatives of all Kouga Sports fields in respective Wards be considered with public participation process to be followed (refer to item 19/10/CS13 – Custodianship: Kruisfontein Sports Field).	Draft Agreement submitted to Manager Parks & Community Amenities in December 2019.		Director: Community Services	
			That the relevant Directorate submit a status report on the development proposal on portion of erf 499: Humansdorp (19/12/PD6) be submitted to the next Council meeting.	Council subsequently approved the development of the Biomass Harvesting and Processing on Erf 499 - 20/07/CS7. Item is at BD SPEC		Director: PD&T and Director: Community Services	
31-May-21	21/05/MM9	2019/20 ANNUAL REPORT: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OVERSIGHT REPORT	That it be noted with concern that no attention was given to the Council priority of the conversion of bucket sanitation to more acceptable sanitation system and that an action plan for such conversions be submitted to Council without further delay.		KLM is currently planning together with HDA to deal with the eradication of buckets in the upgrading of informal settlements programme	Director: I&E	
			That a report on community acceptance of the containerized sanitation for informal settlements be submitted.			Director: PDT	
			That measures be implemented to ensure that all consumers are billed for service received from Kouga Municipality.		the data cleansing programme is in full swing and should address this issue	CFO	
			That measures be implemented to reduce water losses to more acceptable levels.	drought mitigation task team established to implement water loss strategy	Eugene to comment	Director: I&E	
			That measures be implemented to reduce electricity losses to more acceptable levels.	Revenue manager & Electricity Manager monitor losses	Department actively intervening by installing new meters and acting on illegal connections to reduce electricity losses as progress shown in 2021/22 annual report	Director: I&E	

17-Nov-21	21/11/MM2	DECLARATION OF INTEREST OF COUNCILLORS	That all Councillors submit the duly completed Declaration of Interest form to the office of the Municipal Manager before 17 January 2022.	Matter in progress	paspeaker	Office of the Speaker	
13-Dec-21	21/12/MM2	REPORT ON DELEGATIONS REGISTER	That the Municipal Manager be instructed to submit a report to the Mayoral Committee with recommendations on any changes to the Delegation Register mentioned in 1 above;	to form part of the agenda for the next Mayoral Committee - The internal review has not been completed yet	Workshop was held, mayor to decide which powers to be delegated to the different portfolio MMC's	Legal Manager	
			That the Mayoral Committee submit recommendations thereon to the Municipal Council for resolution.	to form part of the Council Agenda following the next Mayoral Committee - to follow after internal review completed	See above	Legal Manager	
31-Mar-22	22/03/MM2	2020/21 ANNUAL REPORT: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT	That the IT Strategy is reviewed and improved on that a skills plan for IT staff is developed and implemented and that the system access controls are significantly improved on.	IT Strategy has different elements/chapters, and the following has been done in response to MM Action Sheet 1.Organogram and the Job Description have been reviewed, changed, and signed off as part of the strategic intention. 2.Skills requirements to support the municipality has been identified and aligned to the future developments of the municipality (i.e. Cloud Services, Microsoft Technology Stack) 3.ICT Skills Audit is done and relevant courses are being identified. 4.Relevant training has not been done due to funding challenges and the limited capacity/staff within ICT unit. 5.Access Control procedures have been reviewed and updated to improve access control and security. 6.A comprehensive ICT Strategy is under review with SALGA assistance and targeted to complete June 2023			
			That the bulk water service agreement with the Nelson Mandela Metro be finalized.	In process. As part of the settlement agreement with NM Metro, our legal team is facilitating the new water service agreement.	No progress could be made on this front due to instability at the Metro		
			That the relocation of residents after removal from informal settlements and the removal of old shacks be guided by a Relocation Plan.	It will be the strategy followed by our Housing Section.	Housing Section will be working with the Dept: Human Settlements to make sure that the re-settlement of residents are done orderly and on a planned basis		
			To negotiate with the Provincial Roads Department to take over the ownership of the roads that run through Kouga towns.	Formal negotiations need to take place / Formal Council resolution needed	Meeting was held with the department and the public participation process will be coordinated with provincial Roads Section.		
			That a marketing plan for Kouga Municipal Caravan Parks be drawn up.	New Manager Parks have been appointed and tasked to develop marketing plan for caravan park	This will be done in the 203/24 financial year		
			That measures be implemented to ensure that all consumers are billed for services received from Kouga Municipality.	The CFO is busy with a data clearing exercise to ensure accurate billing for services.	the data cleansing programme of the CFO is addressing this issue		
			That measures be implemented to reduce water losses to more acceptable levels.	Department I&E have installed zonal and other meters to be able to assess water losses and where they occur	the I&E department is currently working with the billing department to install meters where no meters are available. This is an ongoing project		

31-May-22	22/05/MM1	COUNCIL RESOLUTIONS AS AT 29 APRIL 2022	That the SPU unit establish a sports committee and that an item be tabled to Council.	Meeting is set for the 21st of July 2022 with DSRAC and SBDM Sports Council, way forward will be establish before item goes to Kouga Council.	No consensus reached, will reconvene all Sporting codes to draft a motion of no confidence in the current Sport Council by end of April 2023	SPU	
29-Jun-22	22/06/MM6	COUNCIL RESOLUTIONS AS AT 31 MAY 2022	That Directorate complete the Action sheets comprehensively, indicating the official responsible for actioning the recommendation, the due date, status of completion and tasks performed.		The latest Action Sheets were updated by Directors and the format of reporting ammended to give bigger picture		
31-Aug-22	22/08/MM2	MEDIA REPORT: FOURTH QUARTER 2021/2022	That the Media and Communications Policy be workshopped at the next Policy Workshop, together with the Draft Communications Strategy-for noting.	Submitted	Awaiting Policy workshop	DMM	
	22/08/MM7	KOUGA MUNICIPALITY: FIRST DRAFT: ANNUAL REPORT (2021/2022)	That the First Draft Annual Report(2021/2022) be workshopped with Councillors.	Date of workshop to be finalised	Completed	MM	
			That corrections be submitted in writing to the Office of the Municipal Manager.				
09-Dec-22	22/12/MM1	COUNCIL RESOLUTIONS AS AT 28 OCTOBER AND 11 NOVEMBER 2022	That the Grant in aid policy and rules of order by-law be reviewed in 2023.	Policy submitted	To be submitted to the next Policy Workshop	PDT Tourism	
	22/12/MM6	REQUEST FOR COUNCIL TO INVESTIGATE AN ALLEGED BREACH OF CODE OF CONDUCT	That Council authorizes the Rules and Ethics Committee to investigate and make a finding on the alleged breach of the Code of Conduct for Councillors by Clir Dayimani.	Matter is sub judice	Matter is sub judice	Legal/Office of the Speaker	
	22/12/MM7	REQUEST FOR COUNCIL TO INVESTIGATE AN ALLEGED BREACH OF CODE OF CONDUCT	That Council authorizes the Rules and Ethics Committee to investigate and make a finding on the alleged breach of the Code of Conduct for Councillors by Clir Oliphant.	Matter is sub judice	Matter is sub judice	Legal/Office of the Speaker	
31-Jan-23	23/01/MM1	COUNCIL RESOLUTIONS AS AT 9 DECEMBER 2022	That a list of gravel roads to be upgraded be circulated to all Councillors.				
	23/01/MM2	KOUGA MUNICIPALITY: DRAFT: ANNUAL REPORT (2021/2022)	That the Annual Report with the Auditor General's report be workshopped with all Councillors.	Workshop arranged	Completed	PMS Manager	
			That the comments and questions of Council be referred to MPAC with the Draft Annual Report.	Completed	Completed	PMS Manager	
	23/01/MM4	MID-YEAR INSTITUTIONAL PERFORMANCE REPORT: 2022/23	That the report be referred to the section 79 Monitoring and Evaluation Committee.	Awaiting for sitting of Committee	Awaiting for sitting of Committee	PMS Manager	
28-Feb-23	23/02/MM9	HUMANSDORP FESTIVAL 31 MARCH – 01 APRIL 2023	That Council approves the funding amount of R100 000.00 (hundred thousand rand) excluding VAT.	Approval actioned	Completed	SPU	
			That the funding available be paid over to Khoi Kulcha and a fully audited statement and report be submitted.	Funding paid over	Completed	SPU	
			That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement(SLA with Khoi Kulcha in respect of sponsorship stated in the above.	Completed	Completed	SPU	

KOUGA MUNICIPALITY (EC 108)

ORDINARY COUNCIL MEETING

OFFICE OF THE MUNICIPAL MANAGER

DATE: 30 MARCH 2023

ITEM NO: 23/03/MM2

ANNUAL REPORT (2021/2022)

1. Introduction

The purpose of this item is to table the 2021/22 Annual Report to Council.

2. Legislative provisions

Section 46 of the Local Government Municipal Systems Act provides as follows:

- "46. (1) A municipality must prepare for each financial year an annual report consisting of—
- (a) a performance report reflecting—
 - (i) the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
 - (ii) the development and service delivery priorities and the performance targets set by the municipality for the following financial year; and
 - (iii) measures that were or are to be taken to improve performance.
 - (b) the financial statements for that financial year prepared in accordance with the standards of generally recognised accounting practise referred to in section 89 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
 - (c) an audit report on the financial statements and the report on the audit performed in terms of section 45(b); and
 - (d) any other reporting requirements in terms of other applicable legislation.
- (2) A municipality must table its annual report within one month of receiving the audit report referred to in subsection (1)(c).
- (3) (a) The municipal manager must—

- (i) *by prior notice in the media, inform the local community of the meeting or meetings of the council at which the municipality's annual report is tabled or discussed, which meetings must be open to the public.*
 - (ii) *give written notice of such meetings to the Auditor-General and the MEC for local government in the province.*
 - (iii) *submit copies of the minutes of those meetings to the Auditor-General and the MEC for local government in the province.*
- (b) *Representatives of the Auditor-General and the MEC for local government in the province are entitled to attend and to speak at such meetings, and the municipal manager must be available to respond to questions related to the annual report.*
- (4) *The municipality must adopt its annual report, and within 14 days—*
 - (a) *make copies of the report accessible to the public, interested organisations and the media, free of charge or at a reasonable price; and*
 - (b) *submit a copy of the report to*
 - (i) *the MEC for local government in the province.*
 - (ii) *the Auditor-General; and*
 - (iii) *such other institutions as may be prescribed by regulation."*

Section 127 of the Local Government Municipal Finance Management Act provides as follows:

- "127. (1) *The accounting officer of a municipal entity must, within six months after the end of a financial year, or on such earlier date as may be agreed between the entity and its parent municipality, submit the entity's annual report for that financial year to the municipal manager of the entity's parent municipality.*
- (2) *The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.*
- (3) *If the mayor, for whatever reason, is unable to table in the council the annual report of the municipality, or the annual report of any municipal entity under the municipality's sole or shared control, within seven months after the end of the financial year to which the report relates, the mayor must—*

- (a) promptly submit to the council a written explanation referred to in section 133(1)(a) setting out the reasons for the delay, together with any components of the annual report listed in section 121(3) or (4) that are ready; and
 - (b) submit to the council the outstanding annual report or the outstanding components of the annual report as soon as may be possible.
- (4) The Auditor-General may submit the financial statements and audit report—
 - (a) of a municipality directly to the municipal council, the National Treasury, the relevant provincial treasury, the MEC responsible for local government in the province and any prescribed organ of state, if the mayor fails to comply with subsection (2) or (3); or
 - (b) of a municipal entity directly to the parent municipality, the National Treasury, the relevant provincial treasury, the MEC responsible for local government in the province and any prescribed organ of state, if the accounting officer of the entity fails to comply with subsection (1).
- (5) Immediately after an annual report is tabled in the council in terms of subsection (2), the accounting officer of the municipality must—
 - (a) in accordance with section 21A of the Municipal Systems Act—
 - (i) make public the annual report; and
 - (ii) invite the local community to submit representations in connection with the annual report; and
 - (b) submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.
- (6) Subsection (5), with the necessary modifications as the context may require, is also applicable if only components of the annual report are tabled in terms of subsection (3)."

Section 129 of the Municipal Finance Management Act provides as follows:

- "129. (1) The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council—

- (a) has approved the annual report with or without reservations;
 - (b) has rejected the annual report; or
 - (c) has referred the annual report back for revision of those components that can be revised.
- (2) The accounting officer must—
 - (a) attend council and council committee meetings where the annual report is discussed, for the purpose of responding to questions concerning the report; and
 - (b) submit copies of the minutes of those meetings to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.
- (3) The accounting officer must in accordance with section 21A of the Municipal Systems Act make public an oversight report referred to in subsection (1) within seven days of its adoption.
- (4) The National Treasury may issue guidelines on—
 - (a) the manner in which municipal councils should consider annual reports and conduct public hearings; and
 - (b) the functioning and composition of any public accounts or oversight committees established by the council to assist it to consider an annual report.
- (5) No guidelines issued in terms of subsection (4) are binding on a municipal council unless adopted by the council.
- (6) This section, with the necessary modifications as the context may require, is also applicable if only components of the annual report were tabled in terms of section 127(3)."

Section 130 of the Municipal Finance Management Act provides as follows:

- "130. (1) The meetings of a municipal council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, must be open to the public and any organs of state, and a reasonable time must be allowed—
- (a) for the discussion of any written submissions received from the local community or organs of state on the annual report; and
 - (b) for members of the local community or any organs of state to address the council.
- (2) Representatives of the Auditor-General are entitled to attend, and to speak at, any council meeting referred to in subsection (1).
- (3) This section, with the necessary modifications as the context may require, is also applicable if only components of the annual report were tabled in terms of section 127(3)."

Section 131 of the Municipal Finance Management Act provides as follows:

- "132. (1) The following documents must be submitted to the provincial legislature:*
- (a) The annual report of each municipality and each municipal entity in the province, or if only components of an annual report were tabled in terms of section 127(3), those components; and*
 - (b) all oversight reports on those annual reports adopted in terms of section 129(1).*
- (2) The accounting officer of a municipality must submit the documents referred to in subsection (1)(a) and (b) to the provincial legislature within seven days after the municipal council has adopted the relevant oversight report in terms of section 129(1).*
 - (3) The MEC for local government in a province must monitor whether municipalities in the province comply with subsection (2).*
 - (4) A provincial legislature may deal with the documents referred to it in terms of subsection (1) in accordance with its constitutional powers.*
 - (5) The National Treasury may issue guidelines on the manner in which provincial legislatures should consider the annual reports of municipalities. No guidelines issued in terms of this subsection are binding on a provincial legislature unless adopted by the legislature"*

3. Comment

The Draft 2021/22 Annual Report was submitted to Council on 31 January 2023.

The Draft 2021/22 Annual Report was published for public comment on 9 February 2023 with the closing date for such comments set at 2 March 2023.

To facilitate ease of access for members of the public was the Draft 2021/22 Annual Report available at all Ward Offices, all libraries and the Municipal Offices in Hankey, Humansdorp, Jeffreys Bay, St Francis Bay and Patensie. The Draft 2021/22 Annual Report was also published on the Municipal Website. No comments were received.

The Draft 2021/22 Annual Report were further submitted to the Auditor General, Provincial Treasury and COGTA and comments by the Auditor General has been addressed.

The 2021/22 Annual Report was considered by MPAC and the MPAC Oversight Report on the 2021/22 Annual Report is submitted undercover of a separate report.

4. Comments by Directorates:

4.1 Municipal Manager

Item noted.

4.2 Chief Financial Officer

Report noted

4.3 Director: Community Services

Item noted

4.4 Acting Director: Corporate & Digital Services

Item noted

4.5 Acting Director Planning Development and Tourism

Item noted

4.6 Director: Infrastructure and Engineering

Item noted

5. Financial Implications

None

6. Legal Implications

None

7. Recommendation

7.1 That the 2021/22 Annual Report be approved without reservations in terms of the provisions of Section 129(1) of the Municipal Finance Management Act

7.2 That the Accounting Officer make the approved 2021/22 Annual Report public and submit copies of the 2021/22 Annual report to:

- The Auditor-General.
- The Provincial Treasury.
- The Provincial Department for Local Government.

Item Prepared by: A Koegelenberg

A handwritten signature in black ink, appearing to read "A Koegelenberg".

Item Approved for Submission by the Municipal Manager

A handwritten signature in black ink, appearing to read "Edie Plummer".



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CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY
COMPONENT A: MAYOR'S FOREWORD

EXECUTIVE MAYOR: ALDERMAN HORATIO HENDRICKS



It is my greatest privilege on behalf of Kouga Municipality and in my capacity as Executive Mayor of Kouga Municipality to present the Annual Report of the municipality for the 2021/ 2022 financial year.

The difficulty that besieged us the past year, pales in comparison to what our people can accomplish when we stand as one.

Our focus, as we move firmly into the new financial year, will be to achieve even more. But if we want more, we must become more, first. And we are more when we unite against the deterioration and destruction of our physical, cultural, structural, and moral foundations.

The past financial year, our continued attention remained on the development and expansion of our six organizational goals. These are:

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

Highlights included the adoption of the new five-year Integrated Development Plan (IDP). For the first time, digital platforms – amongst other practical methods – were used to communicate and receive input. This resulted in over 1 000 inputs received – a new record for the municipality.

We continue in our efforts to bring more boreholes online, as our access to Churchill Dam water diminishes. We are developing more infrastructure to reticulate current sources of water into the treatment works, as well as implementing new technology and systems to treat this water. We will endeavor to ensure that all water you receive through your taps is drinkable and safe.

Good progress was also made in providing residents with electricity. Power was switched on to 200 houses at Ebumnyameni Informal Settlement in Jeffreys Bay and Hopeville Informal Settlement in Humansdorp respectively. Some 30 emergency houses at

Kruisfontein in Humansdorp were connected to the electricity network, while 69 informal houses at Golf Course in Humansdorp were electrified. The Ocean View substation was, furthermore, upgraded.

More than 4 600m of gravel road was tarred in the 2021/ 2022 financial year, while a total of 4 669 potholes were repaired in the same period.

Not stopping there, a total of 46 new vehicles costing close to R58 million were procured since January 2022 – over 110 new vehicles since August 2016.

To keep Kouga Clean, we initiated a second Operation Coca-Maak Skoon initiative, while the Paradise Beach Drop-Off Zone and Recycling Station reopened and the drop-off zone in St Francis Bay was upgraded. A total of 79 799 tonnes of waste were collected from July 2021 to June 2022 of which 251 tonnes of waste were recycled.

If we are to keep Kouga clean, it is of utmost importance that we reduce the amount of waste that goes to our landfill sites. The municipality is considering a waste-to-power project to divert waste from landfill sites by recycling and using it to generate electricity.

Over the next three years, the municipality will launch a series of mayoral intervention programs to reach into the furthest corners of our municipality, to make clean environments a reality for everyone and not just for some.

Kouga Municipality is taking steps to becoming the greenest municipality in the Eastern Cape. We are looking forward to the construction of South Africa's first Bio-Economy Zone that is set to take shape in Humansdorp soon.

Three additional wind farms will also be constructed, as well as a hybrid energy factory through foreign development. In line with this programme, Kouga Municipality intends to unlock about 30 000 jobs over the next 5 years while combating the effects of climate change and positioning ourselves to becoming the renewable energy hub of SA.

In our ongoing effort to prevent and combat crime through a collective approach, communication and technology are at the forefront of providing the means for success.

Some 38 CCTV cameras were installed across the region in the past financial year, while the URSafe Kouga app was launched.

To keep Kouga growing, 668 houses will be constructed for underprivileged residents in Ocean View, Jeffreys Bay at a cost of more than R78 million over the next two years. The

Hankey 990 project is progressing, while 139 RDP houses are set to be constructed in Arcadia in the future.

The Annual Report for 2021/2022 provides details on various bulk infrastructure projects facilitating the region's growth. These projects were only possible through strategic partnerships with other spheres of government, the private sector, and the community of Kouga as we cannot meet the challenges that we face on our own.

I would like to acknowledge the efforts of the executive and administration for their diligence and relentless commitment towards building this municipality and ensuring our residents are proud to call Kouga their home.

A handwritten signature in black ink, appearing to be 'H. Hendricks', enclosed within a hand-drawn oval border.

H. HENDRICKS
EXECUTIVE MAYOR

COMPONENT B:**EXECUTIVE SUMMARY****1.1****MUNICIPAL MANAGER'S OVERVIEW****MUNICIPAL MANAGER: CHARL DU PLESSIS**

The 2021/22 Annual Report is against the background of the 2nd year where Covid-19 has again impacted negatively on the performance of Kouga Municipality. It was the last year of the 5-year term of the previous Council and the previous 5-year IDP and the start of a new Council that took office for a new 4-year term. A very successful consultative IDP process was undertaken to complete a new 5-year Integrated Development Plan that will inform Council priorities and expenditure over the next 5 years.

Reflecting on the 2021/2022 financial year, Kouga Municipality managed to achieve a 94% payment rate of its accounts in an economic climate where consumers were under considerable financial pressure and challenges.

Service delivery in Kouga Municipality has been sustained to all towns in Kouga Municipality. The ability of Kouga Municipality to improve on the quality-of-service delivery has been significantly enhanced with the completion of our fleet renewal program during the financial year.

The human resources of Kouga Municipality are a major asset for the Municipality, and I must commend the workforce of Kouga Municipality for the way they have adapted and responded to the way the Covid-19 Pandemic has impacted on their way of work. Kouga Municipality has managed to successfully implement its Capital Program during the financial year despite the disruptions caused by Covid-19 infections.

Amongst the highlights for the year was the resealing of 2.527 km of streets in Kouga Municipality as well as the tarring of 4.63 km of gravel streets during the financial year.

The 2021/22 financial year was the second year the electronic submission of building plans on an OVVO portal. Kouga Municipality has been feeling the effect of the large migration from inland areas to the coastal areas since the start of the Covid-19 pandemic. 1883 building plan applications were received in the 2021/22 financial year which represents a 4.4% year on year increase. Of these, 1265 were approved.

I would like to express my appreciation to my senior management team and staff for their continuous hard work and commitment to improve the service deliveries to our communities. I also want to thank the Executive Mayor Cllr Horatio Hendricks and his Mayoral Committee for their support during the Financial Year.

A handwritten signature in black ink, appearing to read 'du Plessis', written in a cursive style.

CHARL DU PLESSIS : MUNICIPAL MANAGER

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

VISION *Good Governance through Service Excellence*

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

The Values underpinning our Vision and Mission are:

- Honesty
- Integrity
- Professionalism
- Transparency
- Consistency
- People-centred
- Accountability
- Accessibility
- Equality
- Batho Pele

FUNCTIONS

In terms of Circular 8/2009: Adjustment of Powers and Functions between District and Local Municipalities, the Kouga Municipality has the following powers and functions to fulfil.

POWERS AND FUNCTIONS	
Abattoirs	Air Pollution
Beaches and Amusement Facilities	Billboards and the Display of Advertisements in Public Places
Building Regulation	Cemeteries, Funeral Parlours and Crematoriums
Child Care Facilities	Control of Selling Liquor
Control of the Public Nuisances	Electricity Reticulation
Facilities for the Accommodation, Care and Burial of Animals	Fire Fighting
Health and Environmental Health Services	Licensing and Control of Food Sold to the Public
Local Amenities	Local Tourism and Economic

POWERS AND FUNCTIONS	
	Development
Local Sports Facilities	Markets
Municipal Airports	Municipal Planning
Public Transport	Sanitation
Storm Water	Trading Regulations
Water (Potable)	

POPULATION Despite it being the second smallest region in the Sarah Baartman District, covering only 4,1% of the district's land area, Kouga is the most populous region in the district with a population of 112 941 (Community Survey 2016), representing approximately 22% of the total population of the district.

Kouga also has the fastest annual growth rate in the district. Since 1996, the population has increased at an average of 2, 4% per annum compared to the annual growth rate of 1,1% in the district and 0,3% in the province.

Kouga is 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 areas place additional pressure on the existing infrastructure of these high-density areas.

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

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

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

TOPOGRAPHY AND CLIMATE Kouga is largely an urban area, with three main topographical regions. The coastal region stretches from the Van Staden's 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 characterized 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 characterized by moderate slopes in the south, with steeper slopes towards the north and northwest.

The four main rivers in the area – the Kromme, Seekoei, Kabeljauws and Gamtoos – are tidal rivers. Dams constructed above the tidal zone in 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 utilized in the agricultural sector for irrigation.

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

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

ECONOMY Kouga's total output / Gross Value Added (GVA), which is used to measure the value of production in a region, has shown erratic growth since 1996. "Regional Income and Production Data" for 1995 to 2010 (Stats SA) indicates that the economic sector of Kouga is dominated by secondary and tertiary activity.

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

The contribution of the main primary sector – agriculture, forestry, and fishing (AFF) – has also decreased from 11,8% in 1995 to 3,5% in 2010. However, manufacturing proportion saw an increase of 4,8% over the same period. Whilst the primary sector dominated employment up until 2005, the tertiary sector has since taken over this role.

According to the 2011 Census, Kouga Municipality is currently the fastest growing economy in the country. With the onset of several megaprojects in the area, there is phenomenal growth and influx of people into the area, and this has a big impact on the economy. It also impacts on the services of the area as well. This has the positive effect of job creation and added business opportunities for Kouga. It is said that there is 3,22% growth rate in the population and Kouga is ranked 114th by population size in the country.

1.3 SERVICE DELIVERY OVERVIEW

Community Services

- Procured 12 outdoor benches and 19 bins.
- Procured 2 play parks.
- Procured 30 community hall tables.
- Procured 3 pole pruners.
- Procured 5 brush cutters.
- Procured 5 trailers.
- Clubhouses upgraded (Kruisfontein Sport Field and Tokyo Sport Field).
- Community halls upgraded (Weston Hall, Sea Vista Hall, and Aston Bay Hall).
- Ablution facilities upgraded (Kabeljous, Cape St Francis).
- Caravan parks upgraded (Jeffreys Bay Caravan Park and Pellsrus Caravan Park).
- Completed fencing at Loerie Hall, Sea Vista Hall, Kruisfontein sport field clubhouse, Kruisfontein sport field caretaker's house, Hankey public toilet and Oyster Bay Hall.
- Weekly and monthly roadblocks/joint operations with Role-players planned and executed.
- Two Senior Traffic officers were appointed 01 June 2022.
- A total number of 27 roadblocks (warrants and drunk driving) were conducted.
- A total number of 108 joint operations (driver and vehicle fitness) were conducted by traffic and law enforcement and other stakeholders.
- The service provider for speed cameras for advanced traffic law enforcement was appointed on 24 May 2022 and is operational.
- A generator was installed to serve the Humansdorp Traffic Department during load shedding.
- 4 Filing clerks permanently appointed on 01 July 2022.
- 12 Licence Plate Recognition (LPR) cameras were installed.
- 12 Monitored cameras at LPR sites have been installed.
- 6 Cameras were installed on Dolphin Road, Jeffreys Bay.
- A Pan, Tilt, Zoom (PTZ) camera were installed on NSRI tower, Jeffreys Bay.
- 4 Cameras installed at Kruisfontein sports field.
- 4 Cameras installed outside Humansdorp Secondary School.
- Computerised learners licence testing equipment was installed at Humansdorp and Hankey driving licence testing centres.

- The procurement of 2 Round Collected Refuse trucks, 1 Landfill dozer, 10 LDV's, 1 recycling truck and a TLB.
- Public open spaces were cleared and beautified in partnership with "Dorp van Drome", Patensie Pronk, Woodlands, JBAY Surfers, and other community groups and schools during the 2020/21 financial year.
- Mandela Day 18 July 2021 – clean ups in Humansdorp, Pellsrus and Main Beach Jeffreys Bay.
- The Waste Management section procured 6 skip bins for designated areas for waste and litter disposal and several recycling bins.
- Environmental Education School Programme.
- Completion of construction of revetment - St Francis Spit.
- A tree planting drive was initiated as a commitment to combating climate change - over a thousand trees were planted.
- "Patensie Pronk" was launched, and it is following in the footsteps of "Dorp van Drome" to beautify Patensie.
- Supertubes Park was turned into a green belt and access controlled to protect the fauna and flora.
- The Cape St Francis dune management plan was submitted for approval.
- By-laws for Waste Management completed for public comments and will be promulgated in 2022/2023.
- Completion of fencing at Humansdorp Fire Station(continued).
- Procured a firefighting vehicle (Mini Pumper).
- Working on Fire has joined forces with Kouga Municipality to address the issues faced by the municipality with public open spaces (ongoing).
- Achieved a response time within 15 minutes from leaving the station to the scene.
- Activation of disaster volunteers to assist during the COVID-19 period.
- Appointment of one (1) disaster specialist and two (2) firefighters.
- Updated, complete and finalise Disaster Management Plan.
- Issuing of blankets, mattresses as well as food parcels to fire and flooding to affected families.
- Training of 7 lifeguards.
- Lifesaving containers: A new satellite sea rescue and lifesaving station was opened at the Aston Bay Beach in a joint venture by Kouga Municipality and the National Sea Rescue Institute (NSRI).
- A total of 8 Lifesaving Awareness Campaigns were conducted at wards.
- Signage: Twenty-five (25) beach warning signs were installed in all areas that were identified as high risk for swimming from Kabeljous to Oyster Bay.

Corporate Services

Administration

- The Service Delivery Call Centre continues to play a pivotal role in the institution serving as the link between the community and service delivery departments. As of 30 June 2022, the Call Centre recorded 37 153 calls for the 21/22 Financial Year.
- Committee services is the engine room of Corporate Services, being the interface between the political leadership and administration. The standard of services rendered by Committee services continues to improve thus enabling the politicians to exercise greater oversight over the administration. The Committee Services Team for the FY 21/22 uploaded 664 documents. These documents include previous Council Agenda's and minutes, Mayoral Agenda's and minutes and Portfolio Agenda's and minutes.
- A schedule of Meetings/Annual Calendar of the Mayoral Committee, Portfolio and Council meetings has been implemented live on Outlook as of 30 June 2022, including an SOP for the procedures for Agenda Compilation for Council and Committee Meetings. With this being implemented, reflecting closure dates for items and distribution on the live calendar and procedures to be followed as per the SOP, authors of items are being assisted with compliance and ensuring attendance is adhered to by relevant officials and Councillors.
- Reports on printing usage, telephone usage, advertising, scanning, building maintenance costs and Call Centre activities was created to allow Council to exercise greater oversight.
- Several Ward Cllr offices were renovated. 94% of the allocated budget was spent.
- Various office renovations were undertaken thus improving the working environment in compliance with the Occupational Health and Safety Act. 98% of the allocated budget was spent.
- Telkom landline total costs from FY 2018/19 to FY 2021/22 decreased significantly by 99%.
- The EDRMS system allows the storage and safekeeping of all files and documents for the organization and for files to be made available electronically. As of 30 June 2022, 4 355 098 documents have been scanned and stored to date.
- New visitor chairs, Councillor chairs and microphones were procured for the Council Chamber, to improve seating arrangements and sound.
- The renovation and building of a Corporate Clothing shop, allowed the showcasing of Corporate Clothing and allowed employees to fit clothing.

Human resources

- Achieved a 5th straight clean audit in HR with no queries being raised for 2020/2021 Financial year.
- Received a 5th concurrent Letter of Good Standing from the Department of Labour, for the 2021/ 2022 financial year.

- Submitted a credible Employment Equity report to the Department of Labour on the 14th of January 2022.
- Submitted a credible Workplace Skills Plan to LGSETA on the 29th of April 2022.
- Implemented a Comprehensive Organizational Work-study and Change Management Implementation Plan.
- Implemented a successful Organizational structure change management transition process.
- Spent 98% of the Skills budget on human capital development.
- Developed a credible Employment Equity Plan.

Infrastructure and Engineering

- Resealing of 2,527km of roads.
- Upgrading of existing gravel roads to tarred finish with stormwater and signage (4,63km).
- Installed water tanks in strategic positions in the to ensure water supply to the various communities in the greater Kouga area.
- Installation of various traffic calming measures (speed humps) throughout Kouga.
- Completed phase 1 refurbishment at KwaNomzamo Wastewater Treatment Work (WSIG).
- Appointment of Professional service providers to undertake pre planning activities up to design stage for the upgrading and refurbishment of aging infrastructure on various capital projects:
 - I. Replacement of water main Mimosa Str Jeffreys Bay
 - II. Replacement of water reticulation network St Francis Bay
 - III. Upgrade sewer rising main from La Mer sewer pump station Jeffreys Bay
 - IV. Refurbishment of concrete water tower Paradise Beach
 - V. New sewer bypass rising main Jeffreys Bay
 - VI. Installation of waterborne sewer reticulation St Francis Bay
 - VII. Repair/Upgrade main water line suspension bridge to St Francis Bay over Sout River
 - VIII. Upgrade Loerie sewer pump station.
- Saffery Substation upgrade in Humansdorp (Electrical).
- 66kV overhead line between Melkhout and Jeffreys Bay main substation (Electrical).
- Supply and installation of high mast lights (Electrical).
- Electrification programmes in Humansdorp in informal settlements (Electricity) .
- Festive lights (Electricity).
- Workers PPE (Electricity).

Planning, Development and Tourism

Human Settlements

- Appointment of Service Provider for the Construction of 200 houses (Ocean View 1500).
- Appointment of Service Provider for the installation of services in the Hankey 990 Housing Project.
- Relocation and electrification of 200 Temporary Informal Structures in Hopeville Informal Settlement in Kruisfontein.
- Electrification of Weston 71 and Loerieheuvel 154 Informal Settlements.

Local Economic Development and Tourism

- 690 Jobs were created for the period of 21/22 FY.
- Fully functioning LED Forum.
- Successfully implemented Grant in Aid and events policies.
 - Kouga Local Tourism Organisation: R320 000.00
 - Humansdorp Museum Association: R 150 000.00
 - Jeffreys Bay Recycling Project: R50 000.00
 - On Eagles Wings Multi-Purpose Centre: R8000.00
 - SPCA ASSISI: R270 000.00
 - Jeffreys Bay Animal Rescue: R90 000.00
 - St Francis Bay Animal Rescue: R90 000.00
 - National Sea Rescue Institute: R250 000.00
- Promotion of Kouga as "Events Capital".
 - PGA Golf Tournament – R275 000.00
 - Corona J-Bay Open – R1.5 million
 - J-Bay Surf Festival – R200 000.00
 - Adventure Race World Championship – R490 000.00
 - Aloe Cup Rugby & Netball Tournament – R70 000.00
 - St Francis Amanzi Challenge – R255 000.00
 - South African Open Swim Championship – R130 000.00
- Building Inclusive Green Municipalities is still one of the approaches adopted by Kouga municipality and is being implemented.
- Adoption of LED Strategy and review process need to be undertaken.
- Local SMME Structure need to be part of the LED Forum so that they can be part of developmental engagements and represent their structures.
- Disbursement of District Municipality grant funding to local SMME's:
- Booyaka Records = R50 000.00 Established and maintained a strategic partnership with Kouga Business, KLTO and the museums.
- Capital Budget expenditure of 100% for the LED Section.
- Implementation of SMME Training Programmes.

CHAPTER 2: GOVERNANCE

Governance is the processes and culture that guides the activities of the municipality beyond its basic legal obligations. Good governance ensures the proper utilization of all state resources for its citizens thus ensuring sustainable development. Political leaders and the heads of administration have a responsibility to the communities they serve to ensure good governance. Good governance in local government is when elected political leaders:

- Act with the highest ethical standards.
- Understand their role and the role of others.
- Foster trusting and respectful relationships.
- Show a commitment to risk management.
- Engage in effective strategic planning.
- Follow a transparent and accountable decision-making process.
- Make good decisions that promote the interests of the community they serve.
- Understand and abide by the law.
- Commit to continuous improvement.
- Have sound judgement.

Good governance is essential because it supports Council to make decisions and to act in the best interests of the community.



Good Governance is Accountability. Accountability is a fundamental requirement of good governance. Local government has an obligation to report, to explain and to be answerable for the decisions it has made on behalf of the community it represents and serves.

Good Governance is Transparency. People should be able to follow and understand the decision-making process. This means that they can clearly see how and why a decision was made – what information, advice, and consultation a Council considered, and which legislative requirements a Council followed.

Good Governance is being Law-Abiding. Decisions must be consistent with relevant legislation and be within the powers of local government.

Good Governance is Responsive. Local government should always try to represent and serve the needs of the entire community while balancing competing interests in a timely, appropriate, and responsive manner.

Good Governance is being Equitable. A community's wellbeing depends on all its members feeling that their interests have been considered by their municipality in the decision-making process. All groups, particularly the most vulnerable, should have opportunities to participate in the decision-making process.

Good Governance is being Participatory and Inclusive. Anyone affected by, or interested in, a decision should have the opportunity to participate in the decision-making process. Participation can happen in several ways – community members may be provided with information or asked for their opinion via a public participation process.

Good Governance is being Effective and Efficient. Local government should implement decisions and follow processes that make the best use of the available people, resources, and time, to ensure the best possible results for their community.

Good Governance is Consensus Oriented. Wherever possible, good governance involves considering the different views and interests in a municipality to reach a majority position on what is in the best interests of the whole community, and how it can be achieved.

COMPONENT A:	POLITICAL AND ADMINISTRATIVE GOVERNANCE
2.1	POLITICAL GOVERNANCE

Kouga is a Category C Local Municipality with an Executive Mayoral System where powers are vested in the Executive Mayor elected by the Council. The Executive Mayor has appointed a Mayoral Committee to which he delegated certain responsibilities.

LEADERSHIP: EXECUTIVE MAYOR, SPEAKER AND MAYORAL COMMITTEE (JULY 2021 – OCTOBER 2021)



EXECUTIVE MAYOR
Cllr Horatio Hendricks



SPEAKER
Cllr Hattingh Bornman



Cllr Timothy Jantjes
Corporate Services



Ald. Cllr Ben Rheeder
**Planning, Development
& Tourism**



Cllr Brenton Williams
Finance



Cllr Willem Gertenbach
Infrastructure & Engineering



Cllr Daniel Benson
Community Services



Cllr Francis Baxter
**Local Economic
Development & Tourism**

WARD COUNCILLORS (JULY 2021 – OCTOBER 2021)



Ward 1
Cllr Zolani Mayoni



Ward 2
Cllr Robert Dennis



Ward 3
Cllr Willem Gertenbach



Ward 4
Cllr Freddy Campher



Ward 5
Cllr Wilma Coenraad



Ward 6
Cllr Velile Vumazonke



Ward 7
Cllr Chico February



Ward 8
Cllr Ludwig Vorster



Ward 9
Cllr Sibongile Jujwana



Ward 10
Cllr Amos Mabukane



Ward 11
Cllr Hattingh Bornman
(Speaker)



Ward 12
Ald. Cllr Ben Rheeder



Ward 13
Cllr Margaret Peters



Ward 14
Cllr Sindiswa Makas



Ward 15
Cllr Horatio Hendricks
(Executive Mayor)

PR COUNCILLORS (JULY 2021 – OCTOBER 2021)



Cllr Cynthia August



Cllr Francis Baxter



Cllr Daniel Benson



Cllr Jaques Alexander



Cllr Malibongwe
Dayimani



Cllr Bryan Dhludhlu



Cllr Timothy Jantjes



Cllr Robin Jantjies



Cllr Marthina
van Niekerk



Cllr Melanie Biko



Cllr Phumza
Nkwalase



Cllr Phumzile
Oliphant



Cllr Brenton
Williams



Cllr Cynthia
Matroos

HEAD OF COUNCIL				
1	Horatio Mario	Hendricks	DA	Executive Mayor
2	Chris Hattingh	Bornman	DA	Speaker
MAYORAL COMMITTEE				
1	Willem	Gertenbach	DA	Portfolio Council: Infrastructure & Engineering
2	Timothy	Jantjes	DA	Portfolio Council: Corporate Services
3	Daniel	Benson	DA	Portfolio Council: Community Services
4	Brenton John	Williams	DA	Portfolio Council: Finance
5	Frances	Baxter	DA	Portfolio Council: Local Economic Development & Tourism
6	Benjamin Fredeman	Rheeder	DA	Portfolio Council: Planning & Development
PR COUNCILLORS				
1	Frances	Baxter	DA	PR Cllr
2	Brenton John	Williams	DA	PR Cllr
3	Daniel	Benson	DA	PR Cllr
4	Jacques	Alexander	DA	PR Cllr
5	Robin	Jantjes	DA	PR Cllr
6	Marthina	Van Niekerk	DA	PR Cllr
7	Timothy	Jantjes	DA	PR Cllr
8	Cynthia	August	DA	PR Cllr
9	Melanie	Biko	DA	PR Cllr
10	Bryan	Dhludhlu	DA	PR Cllr
11	Malibongwe Emmanuel	Dayimani	ANC	PR Cllr
12	Phumzile Joseph	Oliphant	ANC	PR Cllr
13	Cynthia Nomathamsanga	Matroos	ANC	PR Cllr
14	Phumza	Nkwalase	ANC	PR Cllr
WARD COUNCILLORS				
1	Julius Zolani	Mayoni	ANC	Ward 1
2	Robert Hitzeroth	Dennis	ANC	Ward 2
3	Willem Petrus Dormehl	Gertenbach	DA	Ward 3
4	Frederick Jacobus	Campher	DA	Ward 4
5	Wilma	Coenraad	DA	Ward 5
6	Velile Solomon	Vumazonke	ANC	Ward 6
7	Eldridge Reginald	Februarie	ANC	Ward 7

8	Ludwig	Vorster	DA	Ward 8
9	Sibongile	Jujwana	ANC	Ward 9
10	Amos	Mabukane	ANC	Ward 10
11	Chris Hattingh	Bornman	DA	Ward 11
12	Benjamin Fredeman	Rheeder	DA	Ward 12
13	Margreth	Peters	ANC	Ward 13
14	Cynthia Sindiswa	Mandeka (Makasi)	ANC	Ward 14
15	Horatio Mario	Hendricks	DA	Ward 15

LEADERSHIP: EXECUTIVE MAYOR, SPEAKER AND MAYORAL COMMITTEE (NOVEMBER 2021 TO DATE)



EXECUTIVE MAYOR

Ald. Cllr Horatio
Hendricks



SPEAKER

Cllr Ald. Brenton Williams



EXECUTIVE DEPUTY MAYOR

Cllr Hattingh Bornman



Cllr Timothy Jantjes
Corporate Services



Cllr Hattingh Bornman
Planning, Development & Tourism



Cllr Willem Gertenbach
Finance



Cllr Lorraine Maree
Infrastructure & Engineering



Ald. Cllr Daniel Benson
Community Services



Cllr Shena Ruth
Monitoring & Evaluation

PR COUNCILLORS (NOVEMBER 2021 TO DATE)



Ald. Cllr Horatio Hendricks



Cllr Margaret Valgee



Ald. Cllr Daniel Benson



Cllr Luvuyo Nkilishane



Cllr Malibongwe
Dayimani



Cllr Bryan Dhludhlu



Cllr Marthina van Niekerk



Cllr Vuyokazi Gunuza



Cllr Shena Ruth



Cllr Bazil Human
(Feb 2022 – to date)



Cllr Frans Pietersen
(Nov 2021–Febr 2022)



Cllr Wilhelmus
van der Linde

HEAD OF COUNCIL (NOVEMBER 2021 TO DATE)				
1	Horatio Mario	Hendricks	DA	Executive Mayor
2	Brenton	Williams	DA	Speaker
3	Chris Hattingh	Bornman	DA	Deputy Executive Mayor
MAYORAL COMMITTEE				
1	Lorraine	Maree	DA	Portfolio Council: Infrastructure & Engineering
2	Timothy	Jantjes	DA	Portfolio Council: Corporate Services
3	Daniel	Benson	DA	Portfolio Council: Community Services
4	Willem	Gertenbach	DA	Portfolio Council: Finance
5	Shena	Ruth	DA	Portfolio Council: Monitoring & Evaluation
6	Chris Hattingh	Bornman	DA	Portfolio Council: Planning, Development & Tourism
PR AND WARD COUNCILLORS				
1	Horatio Mario	Hendricks	DA	PR Cllr (Executive Mayor)
2	Chris Hattingh	Bornman	DA	PR Cllr (Deputy Executive Mayor)
3	Brenton John	Williams	DA	PR Cllr (Speaker)
4	Daniel	Benson	DA	PR Cllr
5	Marthina	Van Niekerk	DA	PR Cllr
6	Bryan	Dhludhlu	DA	PR Cllr
7	Shena	Ruth	DA	PR Cllr
8	Margaret	Valgee	ANC	PR Cllr
9	Nomalungelo	Ntengwane	ANC	PR Cllr
10	Malibongwe Emmanuel	Dayimani	ANC	PR Cllr
11	Phumzile Joseph	Oliphant	ANC	PR Cllr
12	Vuyokazi	Gunuza	ANC	PR Cllr
13	Luvuyo	Nkilishane	EFF	PR Cllr
14	Bazil Frans	Human Pietersen	PA	PR Cllr (February 2022 to date) PR Cllr (November 2021 to February 2022)
15	Wilhelmus	van der Linde	FFP	PR Cllr
1	Nozuko	Ntshota	ANC	Ward 1
2	Henry	Murray	DA	Ward 2
3	Willem	Gertenbach	DA	Ward 3
4	Eldred Jacques	Alexander	DA	Ward 4

5	Melanie	Biko	DA	Ward 5
6	Kholisile James	Ndzelani	ANC	Ward 6
7	Eric	Mbuqu	ANC	Ward 7
8	Reinhardt	Foley	DA	Ward 8
9	Cynthia	August	DA	Ward 9
10	Msingathi Gerald	Mbandana	ANC	Ward 10
11	Fanie	Heystek	DA	Ward 11
12	Lorraine	Maree	DA	Ward 12
13	Vuyani	Zana	ANC	Ward 13
14	Mzwandile	Yali	ANC	Ward 14
15	Timothy	Jantjes	DA	Ward 15

The Council for FY 2021/22 (July 2021 to October 2021) consisted of 29 Councillors made up as follows:

- 17 Democratic Alliance Councillors (5 Female, 7 Ward, 10 PR)
- 12 African National Congress Councillors (4 Female, 8 Ward, 4 PR)

The Council for FY 2021/22 (November 2021 to date) consists of 30 Councillors made up as follows:

- 16 Democratic Alliance Councillors (11 Males, 5 Females, 9 Wards, 7 PR)
- 11 African National Congress Councillors (7 Males, 4 Females, 6 Wards, 5 PR)
- 1 FFP Councillor (1 Male PR Cllr)
- 1 EFF Councillor (1 Male PR Cllr)
- 1 PA Councillor (1 Male PR Cllr)

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

Section 80 Committees

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

- a) Community Services Portfolio Committee
- b) Infrastructure and Engineering Portfolio Committee
- c) Finance Portfolio Committee
- d) Corporate Services Portfolio Committee
- e) Planning, Development & Tourism Portfolio
- f) Monitoring and Evaluation Portfolio Committee (November 2021 to date)
- g) Local Economic and Development (July 2021 – October 2021).

Each of the Support Committees deliberates on matters that fall within its specific terms of reference and makes recommendations to the Mayoral Committee for final approval by full Council where necessary.

The Mayoral Committee has wide ranging delegations except for the powers provided to Council in terms of Section 160 (2) of the Constitution of the Republic of South Africa, 1996.

The following functions may not be delegated by a Municipal Council:

- The passing of by-laws
- The approval of budgets
- The imposition of rates and other taxes, levies, and duties
- The raising of loans.

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

Section 79 Committees

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

a) **Municipal Public Accounts Committee**

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

b) **Rules and Ethics Committee**

The Rules and Ethics Committee is a Disciplinary Committee established in terms of Schedule 7, Section 14(1)(b) of the Code of Conduct for Councillors, which states that a Municipal Council may: "(b) establish a special committee- (i) to investigate and make a finding on any alleged breach of this Code; and (ii) to make appropriate recommendations to the council."

c) **Municipal By-Laws and Policy Committee**

The Municipal By-Laws and Policy Committee ensures the review of Municipal by-laws and policies, and the development of new by-laws and policies.

Statutory Committees

Administrative Committees

Council has also established administrative committees as follows:

a) **Audit/Performance Audit Committee**

- b) Bid Specification Committee
- c) Bid Evaluation Committee
- d) Bid Adjudication Committee.

The Audit Committee is established in terms of Section 166 of the Municipal Finance Management Act. It is an independent external committee, which provides an oversight, compliance, and advisory function.

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

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

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

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

2.2 ADMINISTRATIVE GOVERNANCE



MUNICIPAL MANAGER
Charl du Plessis



DEPUTY MUNICIPAL MANAGER
Dawie de Jager



Director Community Services
Nomvula Machelesi



Director Corporate Services
Krishen Moodley



Chief Financial Officer
Riaaz Lorgat



Vacant: **Acting Director
Infrastructure & Engineering**



**Director Planning, Development
and Tourism**
Fezeka Mabusela

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

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

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

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

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

DIRECTORATE	FUNCTION
Community Services	Basic Service Delivery
Corporate Services	Good Governance and Public Participation Institutional Development and Transformation
Planning, Development & Tourism	Town Planning, Spatial Development, Local Economic Development and Tourism
Infrastructure & Engineering	Infrastructure and Basic Service Delivery
Financial Services	Financial Viability and Management

COMPONENT B: INTERGOVERNMENTAL RELATIONS
2.3 INTERGOVERNMENTAL RELATIONS

With the advent of COVID-19 and lockdown regulations, intergovernmental relations were limited to Joint Operations Committee Meetings where various sectors of Government discussed various relevant matters.

Joint Operations Committee Meetings were held as follows:

Kouga JOC Meetings		
Quarter 1		
5 July 2021	2 August 2021	3 September 2021
12 July 2021	19 August 2021	23 September 2021
19 July 2021	26 August 2021	
Quarter 3		
5 January 2022	2 February 2022	2 March 2022
12 January 2022	16 February 2022	16 March 2022
19 January 2022		
26 January 2022		
Quarter 4		
6 April 2022	18 May 2022	1 June 2022
20 April 2022		8 June 2022
		15 June 2022
		20 June 2022
Quarter 2		
17 October 2021	25 November 2021	15 December 2021
		20 December 2021

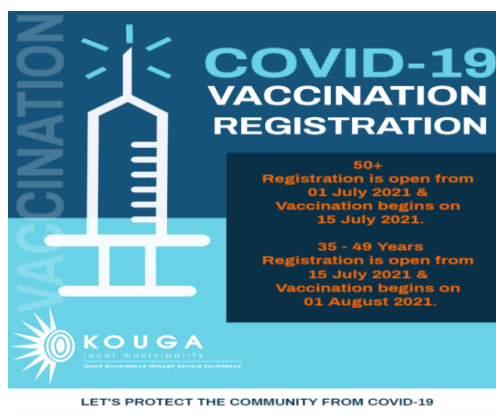
COMPONENT C: PUBLIC PARTICIPATION
2.4 PUBLIC MEETINGS

Kouga engaged with communities at commemorative events, public hearings, workshops, project launches and meetings during the 2021/22 period as reflected hereunder.

DATE	PROGRAMME	VENUE
1 – 31 August 2021	Women's Wellness Campaign	Different Venues
September 2021	District Speaker's Forum	Sarah Baartman DM
29 February 2022		Virtual Meeting SBDM
19 May 2022		Sarah Baartman DM

DATE	PROGRAMME	VENUE
22 October 2021	Cancer Awareness Campaign (Month)	Kruisfontein Clinic
06 May 2021	Social Housing Stakeholders Meeting	Council Chambers (HIS Coordinating Meeting)
08 August 2021		Offices of HDA- Port Elizabeth
19 January 2022		Hankey Municipal Offices – Hankey Site Meeting
24 January 2022		Room 30 Woltemade Street – Jeffreys Bay
26 January 2022		Council Chamber – Introductory Meeting PRT (Informal Settlement Upgrading
23 February 2022		Ocean View – Community Engagement
14 June 2021	COVID-19 Vaccination Outreach ECD&E & KLM	Jeffreys Bay
21 July 2021	Employee Health Services Wellness Outreach	Hankey
10 January 2022	COVID-19 Vaccination Drive	Hankey
12 November 2021	Vaccination Drive	Dan Sandi
28 – 29 June 2022	COVID-19 Vaccination Outreach ECD&E & KLM	Hankey & Thornhill
11 February 2022	COVID-19 Vaccination Dialogue	KwaNomzamo
05/11/2022	COVID-19 Vaccination Drive	Dan Sandi
130 July 2021	Youth Policy Consultation Forum	Virtual
22 April 2022	Sarah Baartman District Municipality IDP Roadshow	Kruisfontein Civic
10 June 2022	Consultative Forum for Traditional Health Practitioners	Mentorskraal
18 July 2021	Mandela Day- Handing Out Bottles with ingredients for Soup	Various Venues
18 July 2022	Mandela Day- Revamped house of elderly resident, handover of wheelchair, Coding4Mandela Day, One Village Garden & Soup Kitchen, Donation of birthday cake to a 3-year-old.	Various Venues

DATE	PROGRAMME	VENUE
4 August 2021	Local Drug Action Committee	Virtual



SOCIAL HOUSING STAKEHOLDER MEETINGS



Public Meetings: 2021/22						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Ward Committees Meetings	Jul '21 – June '22	19	19	145	Yes	Action Sheet; Portfolio Report Aug'21 – June'22
Ward Committee Elections	Jan-Feb '22	23	15	1125	Public Participation Framework	Local Government Municipal Structures Act, 1998 (i) Chapter Four (Part 4)
Draft IDP & Budget Public Meetings	Mar-May '22	23	42	1475	Public Participation Framework	Local Government Municipal Systems Act, 2000 Section 16
Mayoral IGR	22 June '21	9	7	18	Yes	30 June 2021
Mayoral IGR	29 March '22	12	5	23	Yes	16 April 2022
Moral Regeneration Movement	April, & Jun'22	11	7	25	Restoration of Morality in Society	Launch & Establishment of MRM Forum
Quarterly Report-Back	Apr-Jun	23	21	721	Yes	Local Government Municipal Structures Act, 1998 (i) Chapter Two (Section 19) & Section 17(2)



IDP MEETINGS 2022/2023



WARD COMMITTEE MEETINGS



MORAL REGENERATION MOVEMENT



2.5 COMMUNICATION

2.5.1 WEBSITE

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

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

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

The following documents must appear on the website after approval:

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

Municipal Website: Content and Currency of Material			
Documents published on the Municipal Website		Yes/No	Publishing date
1	Annual Budget 2022/23	YES	08 June 2022
2	Final IDP 2022/27	YES	08 June 2022
3	All budget policies	YES	Various dates
4	All service delivery agreements	NO	N/A
5	All long-term borrowing contracts	YES	Various dates
6	All SCM contracts above R100 000 per quarter	YES	Various dates
7	Public-private partnership agreements	N/A	N/A

Municipal Website: Content and Currency of Material			
8	Service Delivery and Budget Implementation Plan: 2021/22	YES	05 July 2021
9	Performance Agreements 2021/22: Senior Managers	YES	31 August 2021
10	2020/2021 Annual Report	YES	08 April 2022
11	2021 Employment Equity Plan	YES	22 February 2022
12	Performance Plans 2021/2022	YES	31 August 2021

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

2.5.2 INTERNAL COMMUNICATIONS

Internal Communications is about promoting effective communications among people within the municipality. It involves producing and delivering messages and campaigns on behalf of management and council. It further assists to facilitate a dialogue with employees. Internal Communications can vary from announcing a new policy or informing people of an upcoming event, to conducting a municipal wide engagement.

The Internal Communications Section was officially launched in October 2020 and has since played an instrumental role in the municipality. It has kept employees abreast of upcoming events, policy changes and engagement initiatives. It has further assisted in redefining and moulding the organizational culture to uplift employee morale. It has also allowed them to engage on relevant matters which have facilitated a bottom-up approach of communications.

Internal Communications has kept employees informed in times of crisis, be it COVID-19 related information or the way forward during the strike action that took place in the municipality. It has initiated the production of the Kouga Municipality Corporate Identity Manual, which guides the application of the corporate identity applications. It has further introduced Corporate Wear for the purpose of identification and creation of organization culture.

It has supported initiatives that are close to the hearts of employees and residents such as the introduction of the Autism Care Centre in Kouga, the first Virtual Comrades Marathon held in Kouga, commemoration of Women's Day/Month, Breast Cancer Awareness as well as various COVID-19 activations internally and externally.

More exciting initiatives are still in the pipelines which are going to build upon the successes of the internal communications function.

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Virtual Comrades Marathon



Long Service Awards initiated by Internal Communications.



Internal Communication in association with Human Settlements promoting upcoming projects.



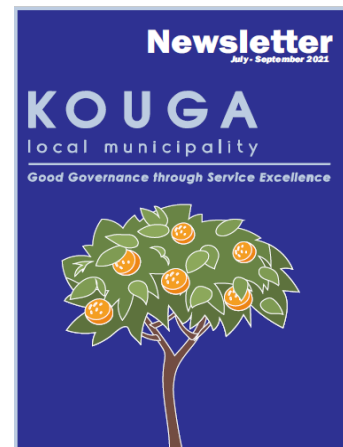
Introduction of branded Corporate Wear.



Cancer Awareness for internal staff and visitors.



Branding tender approved in the year 2021 for a period of one year. Various items are available on the tender.



Internal Communication sent out to the employees on a daily, weekly and/or quarterly basis.

2.5.3 EXTERNAL COMMUNICATIONS

Kouga Local Municipality is committed to two-way communication, building relationships with its internal and external stakeholders, and forming partnerships with the public and private sector.

The Media and Communication Unit, located in the Office of the Municipal Manager, is responsible for coordinating communication activities in the municipality – providing information to its internal and external stakeholders about municipal programmes and services in an accurate, timeous, relevant, and understandable manner.

In this regard, the Media and Communication Unit develop and implement communication plans and produce publications for information dissemination.

Responsibilities include the following:

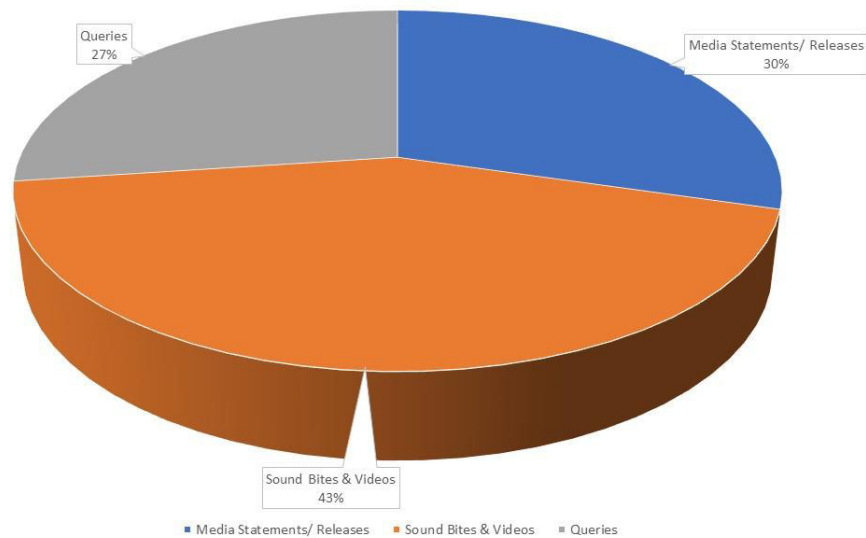
- Media
- Publicity
- Speechwriting
- Providing communication support to campaigns and events
- Designing and printing communication materials
- Social Media
- Advertising
- Branding and corporate identity

Social Media. For the 2021/2022 financial year, the bulk of communication was done through Kouga Municipality's official Facebook Page, with the number of page likes increasing by 5 771, from 17 143 to 22 914, from July 2021 to June 2022.

A municipal Instagram page was also created in July 2020. The number of followers at the end of June 2022 stood at 990.

External Media. The municipality issued 267 media statements/ releases from July 2021 to June 2022, as well as 391 sound bites and videos. Some 245 media queries were received and attended to.

MEDIA STATEMENTS



GRAPH 1: Media Statements

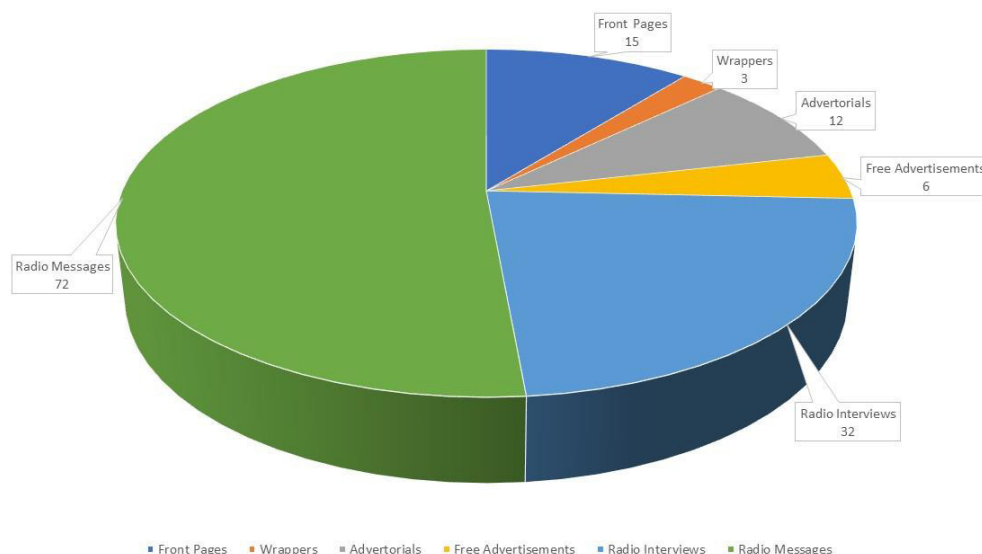
The municipality secured 15 front pages in the Kouga Express for the same period, the community newspaper with the widest reach in the region, as well as nationally through News24 and Netwerk24.

There were also three wrappers and 12 advertorials in the Kouga Express from July 2021 to June 2022, as well as six free advertisements.

Some 32 interviews were conducted on Oasis FM from July 2021 to June 2022. The interviews were aired on the radio station and streamed live on Facebook.

A total of 72 Save Water messages were aired on Algoa FM for the same period.

FRONT PAGES & ADVERTISEMENTS



GRAPH 1: Front Pages and Advertisements

Awareness Campaigns

The following awareness campaigns took place during the 2021/ 2022 financial year.

- Drought
- COVID-19
- Integrated Development Plan
- Easter Festival
- 16 Days of Activism
- Women's Month
- Tourism/ Heritage Month
- State of the Municipality Address



DAY ZERO: MID-JUNE 2022

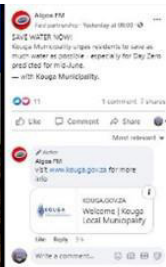


Save Water Yonga Amanzi Spaar Water

LIMIT YOUR WATER USAGE TO 25L PER PERSON PER DAY

SAVE WATER NOW!

Report water leaks at 042 200 2200



WARNING

ATTENTION: Aston Bay, Pellsrus, C-Place and Ocean View residents

Residents are using too much water on a daily basis and our dams are running dry.

WATER USAGE TO BE CUT BACK IMMEDIATELY. IF NOT, THERE WILL BE NO WATER LEFT IN THE TAPS!

REPORT WATER LEAKS AT 042 200 2200 OR WHATSAPP US ON 081 760 9183

Melanie Biko

APRIL 7
18:00 Ward 5
@ Kruisfontein Civic Centre

Areas:
Arcadia, Be-Rok, G-971 'South Side', Vardam & Johnsons Ridge

IDP & BUDGET
Community Consultation Meetings

Mzwandile Yali

APRIL 26
18:00 Ward 14
@ Tokyo Sexwale Sports Field

Areas:
Tokyo Sexwale and Ocean View

IDP & BUDGET
Community Consultation Meetings

Nozuko Ntshola

APRIL 7
18:00 Ward 1
@ Oyster Bay Community Hall

Areas:
Sea Vista, Oyster Bay, Unamweni Hills, Lesatlas & surrounding farms

IDP & BUDGET
Community Consultation Meetings

KOUGA EASTER FESTIVAL 2022

15-18 APRIL
HOSTED BY KOUGA MUNICIPALITY

15 APRIL
10:00 AM - 12:00 PM: Easter Egg Hunt at the Kouga Municipality Office.
12:00 PM - 1:00 PM: Easter Egg Hunt at the Kouga Municipality Office.
1:00 PM - 2:00 PM: Easter Egg Hunt at the Kouga Municipality Office.

16 APRIL
10:00 AM - 12:00 PM: Easter Egg Hunt at the Kouga Municipality Office.
12:00 PM - 1:00 PM: Easter Egg Hunt at the Kouga Municipality Office.
1:00 PM - 2:00 PM: Easter Egg Hunt at the Kouga Municipality Office.

17 APRIL
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1:00 PM - 2:00 PM: Easter Egg Hunt at the Kouga Municipality Office.

Celebrate heritage and tourism during September

FROM THE DESK OF KOUGA EXECUTIVE MAYOR, CLYDE HENDRICKS

Visit Sea Point Lighthouse in Cape St. Francis

Threat yourself to a round of golf... or two

Go mountain biking in the Langmans Forest

Apply to host events and holiday activities

CELEBRATING TOURISM AND HERITAGE MONTH

Tuk-tuk your way through Jeffreys Bay

Upcoming events

Sea treasures in Shell Museum

Visit wildlife sanctuary

Jeffreys Bay home to superb coffee

Can you spot Queen Victoria?

CELEBRATING TOURISM AND HERITAGE MONTH

Let the hiking adventures begin

Enjoy a bird's view of Gansbaai

Surf Village: the place to be

Can you spot Queen Victoria?

CELEBRATING TOURISM AND HERITAGE MONTH

Let the hiking adventures begin

Enjoy a bird's view of Gansbaai

Surf Village: the place to be

Can you spot Queen Victoria?

CELEBRATING TOURISM AND HERITAGE MONTH



2.6 PUBLIC SATISFACTION

The customer satisfaction survey is conducted towards the end of each financial year i.e., around May/June.

Through an integrated strategy to improve on previous year participation and responses, the customer satisfaction survey was conducted through various platforms (i.e., printed forms, Facebook-, WhatsApp- and Internet links) to ensure that a more users of municipal services participate.

With the Public Satisfaction survey conducted as reported in the 2021/22 Annual Report, 397 surveys were completed and submitted by the different wards. It was evident that the approach where notices were published, and survey forms being made available at all municipal offices did not achieve the desired result, especially in the Gamtoos Valley areas. It is worth noting that the new initiative to make use of other forms of communication, e.g., social media platforms yielded a 90% increase (from 39 to 397) in customer responses to the survey as opposed to the previous surveys.

The Satisfaction Survey shows that the respondents were satisfied with the overall service delivery experience by Kouga Local Municipality and the way the municipality is governed.

Satisfaction Surveys Undertaken during: Year 2019 and Year 2022				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%) *
Overall satisfaction with:	Forms, Social Media Platforms & Internet Links	01 Jun – 15 Jul '22	397	81%
(a) Municipality				73%
(b) Municipal Service Delivery				85%
(c) Mayor				85%
Satisfaction with:				
(a) Refuse Collection				85%
(b) Road Maintenance				85%
(c) Electricity Supply				85%
(d) Water Supply				85%
(e) Information supplied by municipality to the public				51%
(f) Opportunities for consultation on municipal affairs				44%

Kouga Municipality Customer Satisfaction Survey

397

Responses

09:10

Average time to complete

Closed

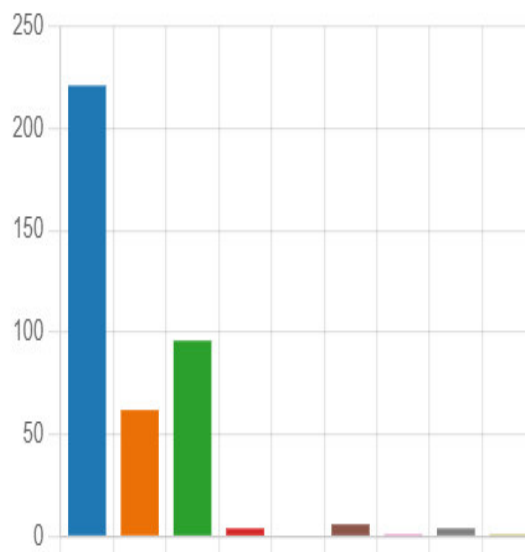
Status

[View results](#)
 Open in Excel ...

1. Please indicate the area in which you reside?

[More Details](#)

	Jeffreys Bay	221
	Humansdorp	62
	St Francis Bay/ Cape St Francis	96
	Oyster Bay	4
	Gamtoos Mouth	0
	Hankey	6
	Loerie	1
	Patensie	4
	Thornhill	1



Extract from online responses

2.7 IDP PARTICIPATION AND ALIGNMENT

A 5-year Integrated Development Plan for the period 2017-2022 was adopted by Council.

The IDP was reviewed in consultation with community stakeholders, and the provincial and national governments. The IDP should guide how the provincial and national sector departments allocate resources at local government level. Simultaneously, municipalities must consider the sector departments' policies and programmes when developing own policies and strategies.

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 municipality's IDP Process Plan was adopted by Council on 31 August 2021, Council Resolution 21/08/MM1 and amended on 7 February 2022, Council Resolution 22 February 2022 due to COVID-19.

KEY DELIVERABLES IN DEVELOPING THE 2021/22IDP

- Tabled the IDP Process Plan for the 2020/21 IDP Review on 31 August 2021, Council Resolution 21/08/MM1 and amended on 7 February 2022, Council Resolution due to COVID-19.
- 9 September 2021 Provincial Government IDP Assessment of 2020/21 IDP Review.
- No Ward Committee meetings could be arranged to conduct new situational analysis for 2021/2022.
- No Public Consultation meetings were held to give feedback on the 2021/2022 IDP priorities.
- No Ward Committee could finalise their reviewed priorities due to the 2021 Municipal Elections and the late establishment of the New Ward Committees for the next 5-year term.
- 17 November 2021 Mayoral directional speech on strategic direction for 2020/21 IDP Review.

- A municipal strategic workshop was held from 26 September to 1 October 2021 to determine the strategic direction for the 2021/22 IDP Review.
- On 31 March 2022 the Draft IDP Review 202/21, Draft 2020/21 MTREF Budget and Draft top layer SDBIP 2020/21 were tabled in Council.
- The Final amended IDP was tabled in Council on 31 May 2022.

ANNUAL IDP ASSESSMENT FOR THE REVIEW PERIOD 2021/22

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 Department has embarked on a District Cluster Approach where municipalities were assessed per district area.

The overall findings on the Final IDP 2021/22 of the Kouga Local Municipality can be summarized as follows:

- The municipality has tabled, adopted, and submitted its 2021/22 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 table below illustrates the comparative ratings of the review periods 2018/1,2019/20, 2020/21 and 2021/22.

KPA	RATINGS 2018/19 IDP REVIEW EDITION	RATINGS 2019/20 IDP REVIEW EDITION	RATING 2020/21 IDP REVIEW EDITION	RATING 2021/22 IDP REVIEW EDITION
Basic Service Delivery	Medium	High	High	High
Financial Planning and budgets	High	High	High	High
Local Economic Development	High	High	High	High
Good Governance & Public Participation	High	High	High	High
Municipal Institutional Arrangements	Medium	High	High	High

The municipality received an overall **HIGH** rating from the Office of the MEC which places the municipality in a benchmarking category. All six (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.

COMPONENT D: CORPORATE GOVERNANCE
DIRECTORATE: CORPORATE SERVICES

OVERVIEW OF CORPORATE GOVERNANCE

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

The following four ethical values underpin good corporate governance:

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

2.8 TARGETS AND ACHIEVEMENTS

DEPT. ANNUAL TARGETS	ACHIEVEMENT 2021/22	PRIOR ACHIEVEMENT 2020/21	PRIOR YEAR ACHIEVEMENT 2019/20	PRIOR YEAR ACHIEVEMENT 2018-19	COMMENT
Imaging and storage of Records	To date 4,355,098 documents scanned and imaged. Planned scanning of Agenda's, I&E documents, etc in FY 2022_23 will increase the number of scanned documents	To date 4,252,088 documents scanned and imaged.	Service Provider appointed	Appoint a Service provider	The tender for document imaging and storage was awarded on 31 August 2019. Since then, the appointed service provider has been actively scanning documents and images into Datastore ie the EDMRS System.
Reduction of	During FY 2020/21 to	The Telkom	The Telkom	The Telkom	The total Telkom landline costs

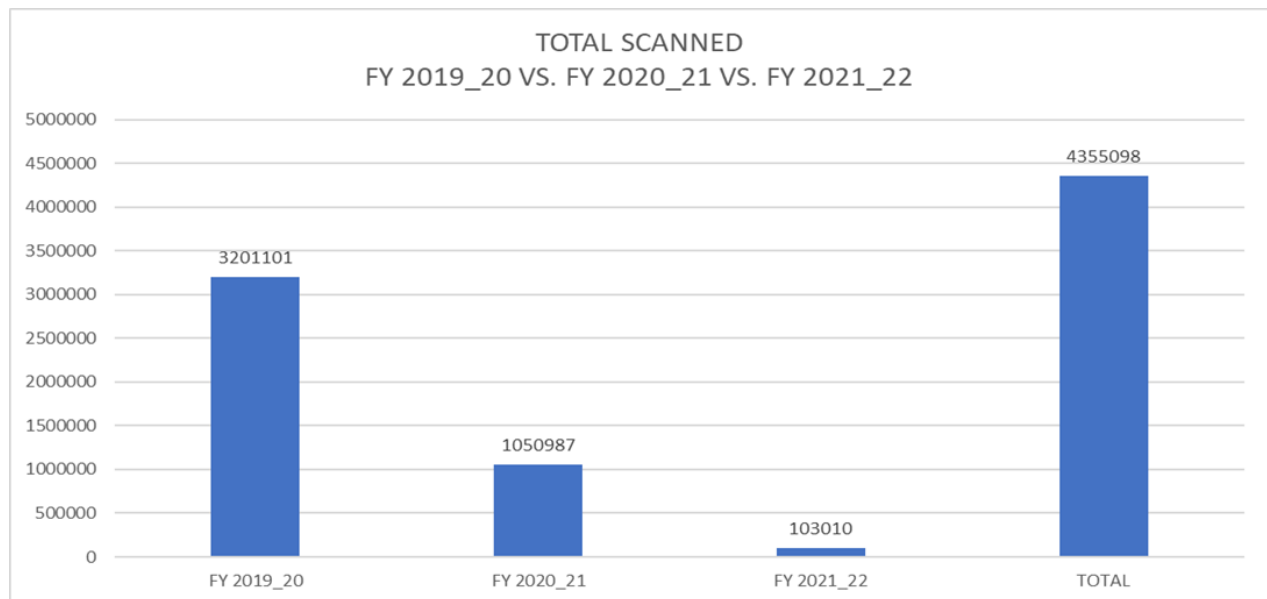
DEPT. ANNUAL TARGETS	ACHIEVEMENT 2021/22	PRIOR ACHIEVEMENT 2020/21	PRIOR YEAR ACHIEVEMENT 2019/20	PRIOR YEAR ACHIEVEMENT 2018-19	COMMENT
Telkom phone bill by R60 000 per month	FY 2021/22 the Telkom bill increased with R3891,46. This was due to Telkom not billing Kouga Municipality. Since FY 2018/19 to FY 21/22 the Telkom bill has decreased tremendously from R728 162,08 to R6082,51, the difference being R734 244,59	phone bill was reduced further by 93% from FY 2019.20 to FY 2020.21	phone bill was reduced by -95% from FY 2018.19 to FY 2019.20	phone bill was reduced by an average of R107 000 per month	between FY 18/19 vs 19/20 decreased significantly by 95% and has further decreased by 93% between FY 19/20 vs 20/21. The difference in cost between FY 18/19 to 21/22 is a staggering R 734 244,59.
Acquire New copier/printers and related equipment	During FY 2020/21 to FY 2021/22 the cost of printing has increased by 19% due to high volume printing by certain departments. The new printing tender will be advertised, and a billing system will be implemented to bill for personal printing and to monitor wasteful printing.	To date - 41% decrease in costs	Equipment has been installed and is in use.	A Tender was awarded for the supply and installation of copier/printers and related equipment for the organization	The total cost of printing in FY 18/19 vs 19/20 decreased significantly by 42%. The total cost of printing in FY 19/20 vs 20/21 increased 4%. Since FY 18/19 up to FY 20/21, costs decreased by 41%. The cost of leasing printers decreased from FY 2018/19 to FY 2020/21 from R1 263 000.00 to R780 000.00. This represents a 38% decrease in leasing printers.
Acquire new Cell phones	Current contract still in use.	New Specifications sent to BSC and Tender for new cell Phone contract was awarded.	All cell phones acquired are in use. Contract Ends Oct 2020. Specifications to be submitted to BSC for new Cell Phone Tender	Telkom was appointed as the Cellular services provider for the Municipality	Cell phone contract ends October 2020. In the year in question the Telkom contract was in its second year of the contract. The acquisition of the smart cell phones has had a benefit to the institution and has assisted enormously with service delivery.
Call Centre (Service Delivery)	For FY 2021/22 Reported service delivery requests decreased by 32% as FY 2020/21 recorded the highest number, with 54 539 service delivery requests reported.	FY 2020/21 Reported service delivery requests has increased by 69%	Call Centre Operator's compliment is at X10, including X1 Call Centre Supervisor	A Call Centre was established in October 2017. As of April 2019, the Call Centre handles service delivery account queries	The Call Centre Team is responsible for the receiving, logging, and dispatching of all service delivery requests. As a result of high call volumes received for account balances by the Revenue section, the necessary software has been installed for the Call Centre staff to issue out account balances to the public.
Buildings	On-going repairs and maintenance to Ward Cllr Offices and Administrative Buildings. As at 21/22 FY R1 883 193,08 has been spent on building maintenance.	Spending on repairs and maintenance increased by 57%. As at 20/21 FY R1 934 485.19 had been spent compared to R835 768.44 in the 19/20 FY.	Administrative Buildings and Ward offices repaired / renovated	0	On-going repairs and maintenance to Ward Cllr Offices and Administrative Buildings.

DEPT. ANNUAL TARGETS	ACHIEVEMENT 2021/22	PRIOR ACHIEVEMENT 2020/21	PRIOR YEAR ACHIEVEMENT 2019/20	PRIOR YEAR ACHIEVEMENT 2018-19	COMMENT
EDMS	EDMS System commissioned and live	EDMS System commissioned and live	0	0	At 31 January 2020 - EDMS system was acquired via a sec 36 Deviation. Preparations for roll out was due to start in March 2020. Roll out could not commence due to COVID-19 Lockdown. However, the funds allocated for this had to be re-written to the budget FY 2020/21.
Biometric System	Biometric installed and commissioned at various sections of the Municipality. Ongoing roll out to other sections	Biometric installed and commissioned at various sections of the Municipality. Ongoing roll out to other sections.	0	0	Tender was advertised and awarded. Roll out could not commence due to COVID-19 lockdown. Budget of FY 2019/20 rolled over FY 2020/21.

Below graphs indicates targets met during FY 2021/22 and indicates a comparison on previous Financial Years

DOCUMENT, IMAGING AND STORING – FY 2019/20 VS. FY 2020/21 VS. FY 2021/22

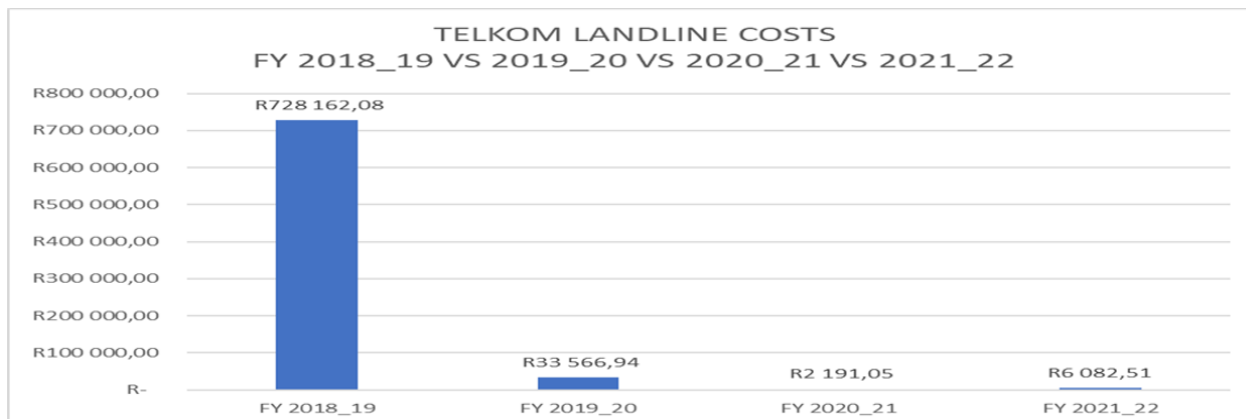
GRAPH 1:



Since the appointment of Metrofile, documents have been consistently scanned into the Datastore programme. The total number of documents scanned to date is 4,355,098.

TELKOM LANDLINE COST

GRAPH 1:

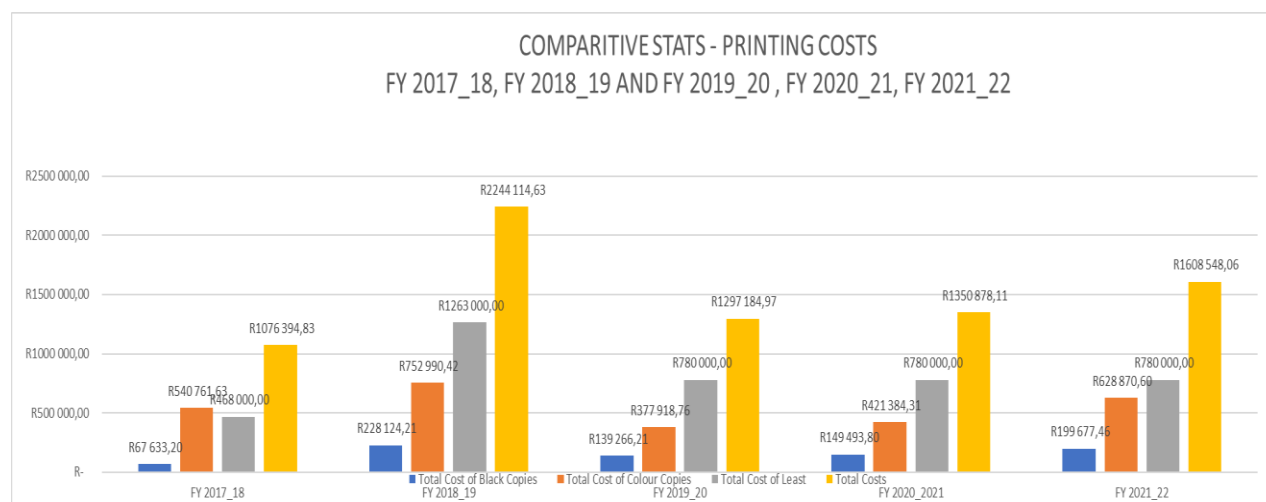


The total Telkom landline costs between 18/19 vs 19/20 decreased significantly by 95% and has further decreased by 93% between 19/20 vs 20/21. Since FY 2018/19 to FY 21/22 the Telkom bill has decreased tremendously and the difference in cost is R722 079,57.

YEAR ON YEAR COMPARATIVE PRINTING STATS - FY 2017/18 to 2021/2022

GRAPH 1:

	FY 2017_18	FY 2018_19	FY 2019_20	FY 2020_21	FY 2021_22
Total Cost of Black Copies	R 67 633,20	R 228 124,21	R 139 266,21	R 149 493,80	R 199 677,46
Total Cost of Colour Copies	R 540 761,63	R 752 990,42	R 377 918,76	R 421 384,31	R 628 870,60
Total Cost of Lease	R 468 000,00	R 1 263 000,00	R 780 000,00	R 780 000,00	R 780 000,00
Total Costs	R 1 076 394,83	R 2 244 114,63	R 1 297 184,97	R 1 350 878,11	R 1 608 548,06

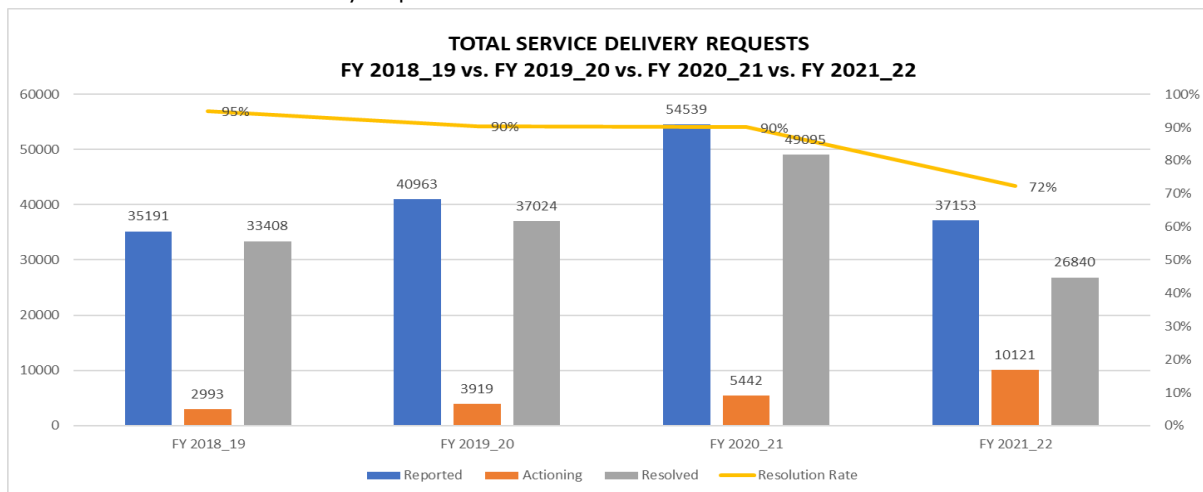


During FY 2020/21 to FY 2021/22 the cost of printing has increased with 19%. The new printing tender will be advertised, and a billing system will be implemented to bill for personal printing and to monitor wasteful printing.

COMPARATIVE ACTIVITIES AT THE CALL CENTRE FOR FY 2018/19 VS. 2019/20 VS. 2020/21 VS. 2021/22

	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Reported	35191	40963	54539	37153
Actioning	2993	3919	5442	10121
Resolved	33408	37024	49095	26840
Resolution Rate	95%	90%	90%	72%

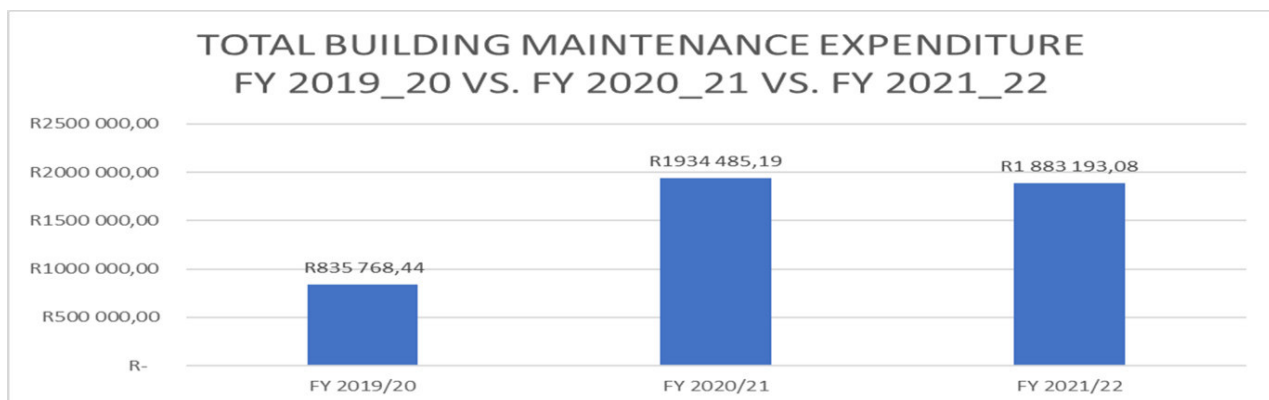
System shortcomings resulted therein that the resolution of reported service requests could not accurately be reported on. A new system has since been installed which would more accurately report on resolution rates.



FY 2020/21 recorded the highest number, with **54 539** service delivery requests reported. The resolution rate reached its lowest point in 21/22 at 72%.

BUILDING MAINTENANCE EXPENDITURE – FY 2019/2020 VS FY 2020/21 VS FY 2021/22

GRAPH 1:



For the 2021/22 financial year R1 883 193,08 had been spent on Corporate Administrative and buildings and Ward Office maintenance.

2.9 HUMAN RESOURCES

INTRODUCTION TO HUMAN RESOURCE SERVICES

“Without the right succession planning put to play in human resources, we build for the future without a future.”

The Human Resources Section handles a range of different functions within the municipality. The Section is responsible for the hiring and disciplining of employees, training staff, maintaining interpersonal relationships, occupational health and safety and interpreting employment/labour law. The section works diligently behind the scenes to ensure the municipality runs efficiently. The HR section's main responsibilities are:

- Employee Benefits
- Occupational Health and Safety
- Labour Relations
- Skills Development
- Organisational Development.

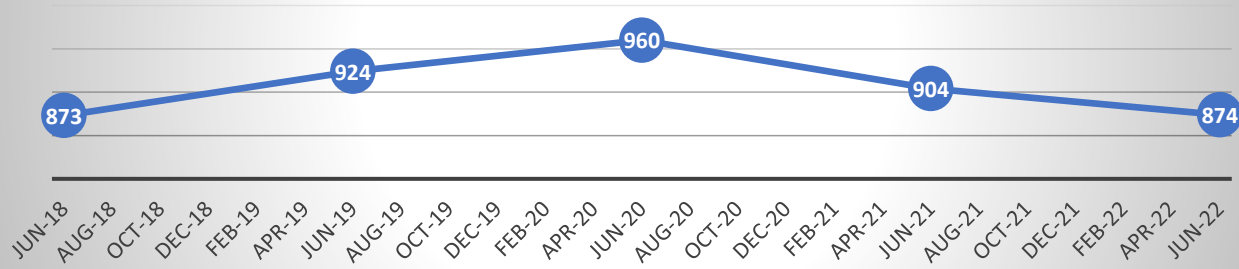
2.9.1 HEADCOUNT STATISTICS

The table below is a representation of the number of permanent employees since 2016, as well as temporary employees.

In June 2016 the total workforce was 860 and in June 2022 that increased to 874, thus an increase of 1.6% in the total permanent workforce. As of June 2020, the total staff compliment stood at its highest at 960. This is due to the number of projects that management embarked on that saw the increase in the number of temporary employees. The trend that we see is indicative of the municipality's commitment to employment creation and service delivery.

Number of Employees							
Year ending	June 2016	June 2017	June 2018	June 2019	June 2020	June 2021	June 2022
Permanent Employees (Including Section 56 & 57 employees)	860	830	873	924	960	904	874
Temporary contract employees	266	195	21	4	101	263	58

TOTAL HEADCOUNT PERMANENT JUNE 2016 TO JUNE 2022



HEADCOUNT STATISTICS: HUMAN RESOURCES

Job Level	Employees	Vacancies (fulltime equivalents)
	No.	No.
0 - 3		
4 - 6	1	1
7 - 9	5	1
10 - 12	4	
13 - 15	3	
16 - 18		1
19 - 20		
Total	13	3

HEADCOUNT STATISTICS PER SECTION

Employees		
Description	2021/22	
	Employees No.	Vacancies No.
Municipal Manager	40	
Water	95	1
Wastewater (Sanitation)	83	3
Electricity	35	
Waste Management	87	
Housing	10	1
Wastewater (Stormwater Drainage)	52	3
Roads	44	
Transport		
Planning	9	
Local Economic Development	3	2
Planning (Strategic & Regulatory)		
Local Economic Development		
Community & Social Services	105	6
Environmental Protection		
Finance	87	10
Health	10	
Security and Safety	124	
Sport and Recreation	15	
Corporate Policy Offices and Other	75	2
Totals	874	28

VACANCY RATE

Departments	Vacancy Rate
	No.
Municipal Manager	0%
Community Services	1.4%
Infrastructure and Engineering	2.4%
Corporate Services	3.5%
Planning, Development & Tourism	12.9%
Finance	11.4%
Overall Total	3.2%

STAFF TURNOVER

Turn-over Rate			
Details	Total Staff Compliment as of 1 June 2021 No.	Terminations during the Financial Year (all categories) No.	Turn-over Rate*
Year 2021/22	906	74	13.24%

2.9.2 SERVICE STATISTICS

Comparative Pension/Provident Fund membership on 30 June 2022 is as follows:

FUND	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022
Consolidated retirement fund	413	453	472	462	455
Consolidated Retirement Fund (No CC)	4	4	3	2	4
National Fund for Municipal Workers	6	7	5	5	4
SA Local Authorities Pension Fund	8	8	5	4	4
Municipal Workers Retirement Fund	195	181	170	138	150
Momentum Provident Fund	205	198	191	170	157
Municipal Councillors Pension Fund	3	3	2	3	1
Consolidated Retirement Fund Cllrs	6	6	6	6	5
LA Retirement Fund	2	1	1	1	1
Total	842	861	855	791	781

Comparative Medical Aid membership on 30 June 2022 is as follows:

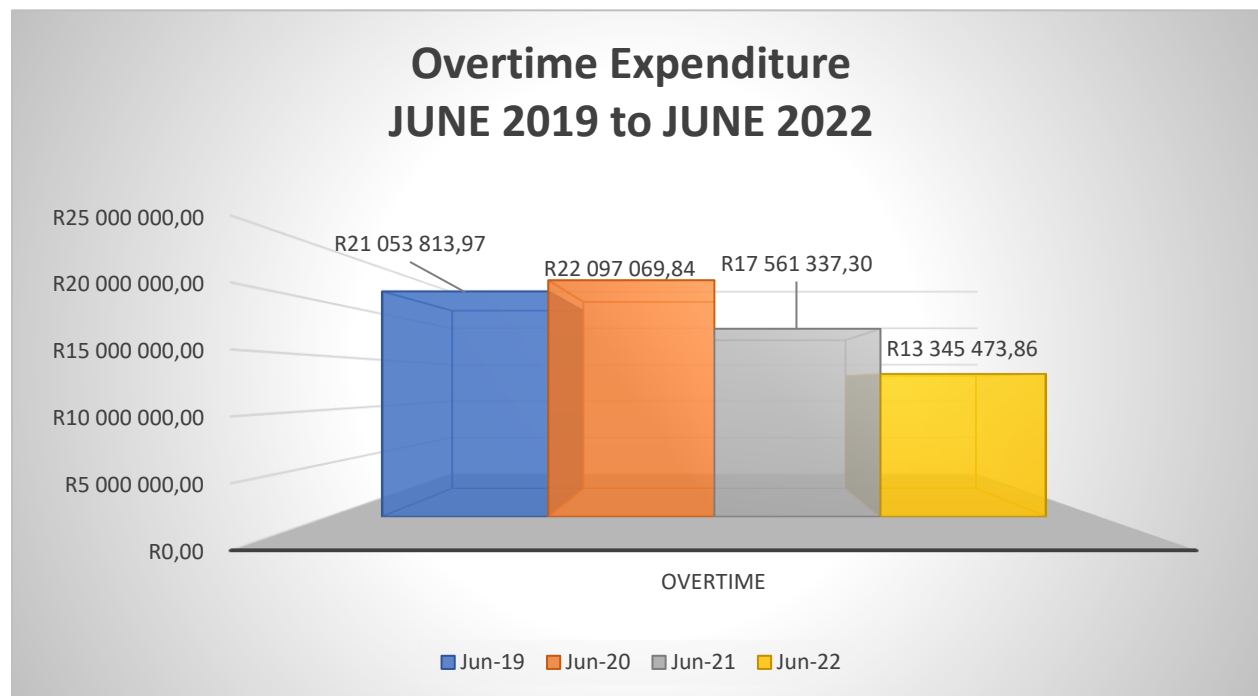
MEDICAL AID	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022
Bonitas	165	177	182	174	169
Key Health	19	17	17	17	15
Hosmed	79	69	55	64	48
LA Health	154	156	184	191	216
SAMWU Med	68	68	62	72	59
Total	485	487	500	518	507

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

Comparative Trade Union membership on 30 June 2022 is as follows:

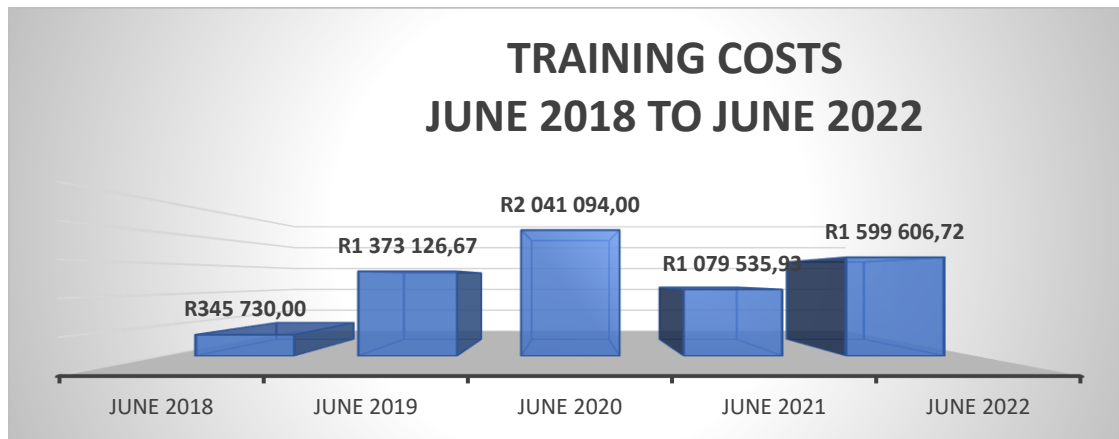
TRADE UNION	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022
SAMWU	501	617	703	583	534
IMATU	315	236	219	224	238

It must be noted that there has been a reduction in overtime from June 2021 to June 2022.



This reduction in overtime can be attributed to more efficient internal controls such as Overtime Policy, and new overtime forms requiring pre-approval of overtime and submission of proper evidence supporting overtime claims.

2.9.3 WORKPLACE CAPACITY DEVELOPMENT



From the graph above, Kouga Local Municipality's investment in human capital spending/capacity building increased drastically since June 2018. For the 2021/22 Financial year the Municipality's expenditure on staff development was R1 599 606,72. It must be noted for the 2021/2022 financial year and due the budget cut for COVID-19 and drought mitigation, however, the Municipality still spent 98% which is a major achievement taking into consideration the challenges we were and are faced with.

The training expenditure trend is indicative of the Municipality's commitment to enhancing the skills, talent, development, and expertise of its most important asset.

The MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient, and accountable way. Kouga Municipality established a Skills Development Section which was intended to address the skills development needs of the Institution.

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

TRAINING COSTS	Actual July 2021	Actual Aug 2021	Actual Sept 2021	Actual Oct 2021	Actual Nov 2021	Actual Dec 2021	Actual Jan 2022	Actual Feb 2022	Actual March 2022	Actual April 2022	Actual May 2022	Actual June 2022
Training Cost	R14,996.00	R451,398.00	R69,454.54	R11,385.00	R4,695.58	R726,570.00	R0.00	R29,920	R231,117.10	R22,500	R0.00	R48,955.50
Associated costs	R0.00	R1,084.85	R485.20	R0.00	R826	R0.00	R0.00	0	R805.20	R0.00	R0.00	R0.00
Categories of Beneficiaries												
Legislators	0	0	0	0	0	0	0	16	1	0	0	0
Managers	0	0	4	0	0	2	0	0	0	0	0	0
Professionals	0	18	22	0	0	32	0	0	0	0	0	0
Technicians and Associate Professionals	1	30	3	2	0	3	0	0	0	4	0	3
Clerical Support Workers	0	4	6	0	0	8	0	0	0	3	0	12
Service & Sales Workers	0	0	0	0	0	0	0	0	14	5	0	0
Skilled Agricultural, Fishery and Related Trade Workers	0	0	0	0	0	0	0	0	0	0	0	0
Plant & Machine Operators and Assemblers	0	30	0	6	2	0	0	0	0	6	0	0
Elementary Occupations	0	68	0	7	0	0	0	0	15	12	0	0
Total Number of beneficiaries	1	150	35	15	2	45	0	16	30	30	0	15

As per the table above Kouga embarked on extensive training for its employees in the 2021/2022 financial year.

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.

Position	Highest Education Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit Standards	Requirements Met	Compliant (consider Budget)
Accounting Officer	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Chief Financial Officer - Municipality	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓

Position	Highest Education Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit Standards	Requirements Met	Compliant (consider Budget)
Supply Chain Management Manager	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓

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 ensured that the training of our finance and non-finance staff runs according to plan.

37 officials were earmarked to attend the training, to ensure they comply with the said regulations.

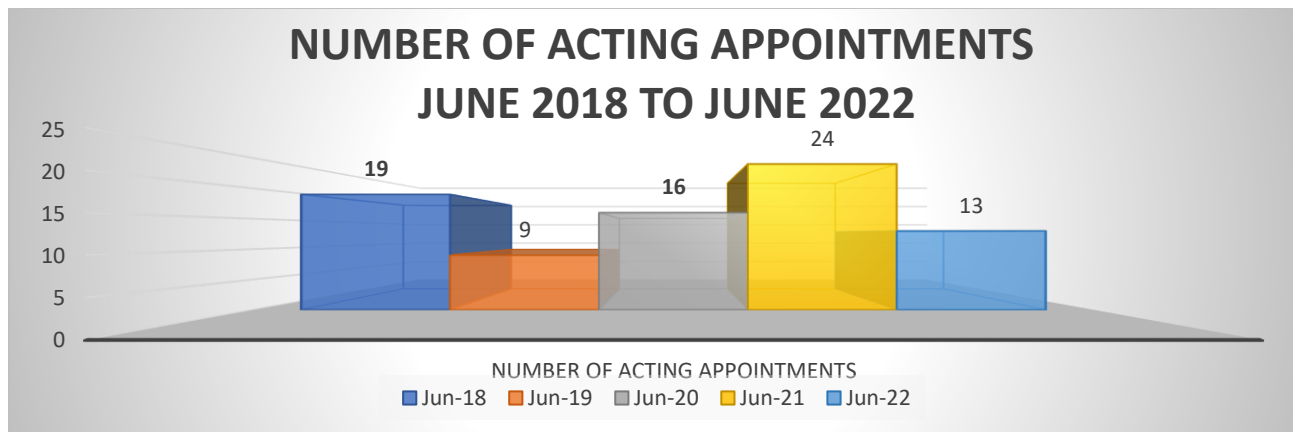
Above table is indicative of the progress the Municipality made in ensuring compliance in terms of the 2007 Minimum Competency Regulations for officials responsible for financial and supply chain management.

2.9.4 ACTING APPOINTMENTS

The number of employees appointed in acting positions decreased, from a high of 24 in June 2021, to just 13 as at June 2022. This represents a 54% decrease. There is also a link between the reduction in acting appointments and promotions.

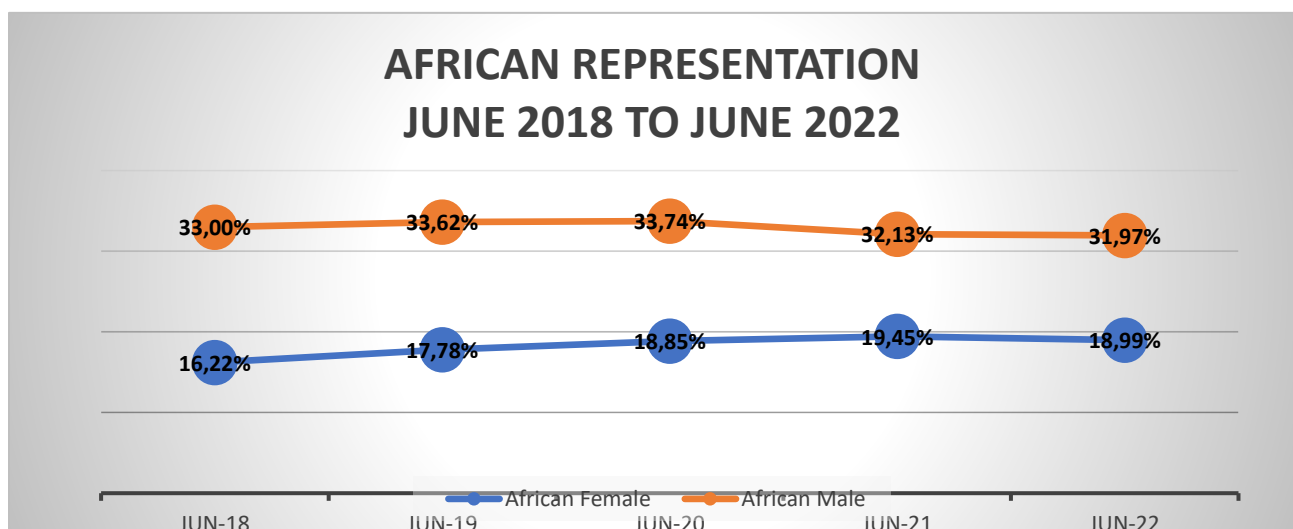
Prolonged periods of acting appointments can also lead to unnecessary disputes. Therefore, it is advisable to keep acting appointments to a minimum.

The graph below, shows the trend with acting.



2.9.5 EMPLOYMENT EQUITY

The table and graph below, illustrates the trend in the number African Females as well as African Males from June 2017 to June 2021. the Municipality has made a concerted effort to employ people from previously disadvantaged groups, especially from African demographics.



The Table below indicates the progress that the Municipality has made in terms of its numerical targets as set out in the Employment Equity Plan. The table depicts the status of the workforce profile at end of March 2018, the numerical targets that are set out in the new Employment Equity Plan, and the current profile as of 30 June 2022.

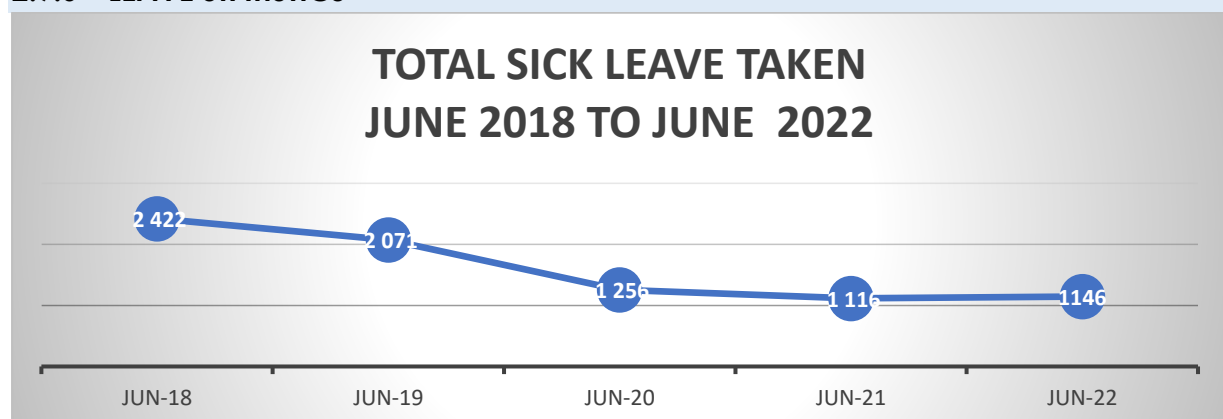
		Male Race				Female Race				Foreign Nationals		
		A	C	I	W	A	C	I	W	Male	Female	
	Top management											
MARCH 2018		0	0	0	1	0	0	0	0	0	0	1
SEPTEMBER 2023 TARGET		0	0	0	1	0	0	0	0	0	0	1
JUNE 2022		0	0	0	1	0	0	0	0	0	0	1
	Senior management											
MARCH 2018		0	1	0	1	2	0	1	0	0	0	5
SEPTEMBER 2023 TARGET		1	0	1	0	2	0	1	0	0	0	5
JUNE 2022		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 2023 TARGET		7	11	1	10	5	6	0	6	0	0	46
JUNE 2022		8	12	1	9	3	7	0	5	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 2023 TARGET		44	48	1	15	38	28	0	13	0	0	187
JUNE 2022		39	61	2	15	37	27	0	12	0	0	193

	Semi-skilled and discretionary decision making											
MARCH 2018		134	125	0	7	33	35	0	3	0	0	337
SEPTEMBER 2023 TARGET		169	139	0	7	63	42	0	5	0	0	425
JUNE 2022		166	146	0	10	61	52	0	7	0	0	442
	Unskilled and defined decision making											
MARCH 2018		103	83	0	0	61	47	0	1	0	0	293
SEPTEMBER 2023 TARGET		75	40	0	2	68	32	0	4	0	0	221
JUNE 2022		66	32	0	1	58	29	0	2	0	0	188

It is very pleasing to note from the above figures, that the Municipality is edging towards the achievement of its targets.

With regards to staff with disabilities, 16 staff have been identified. The Municipality continues to encourage employees to voluntarily disclose their disability.

2.9.6 LEAVE STATISTICS

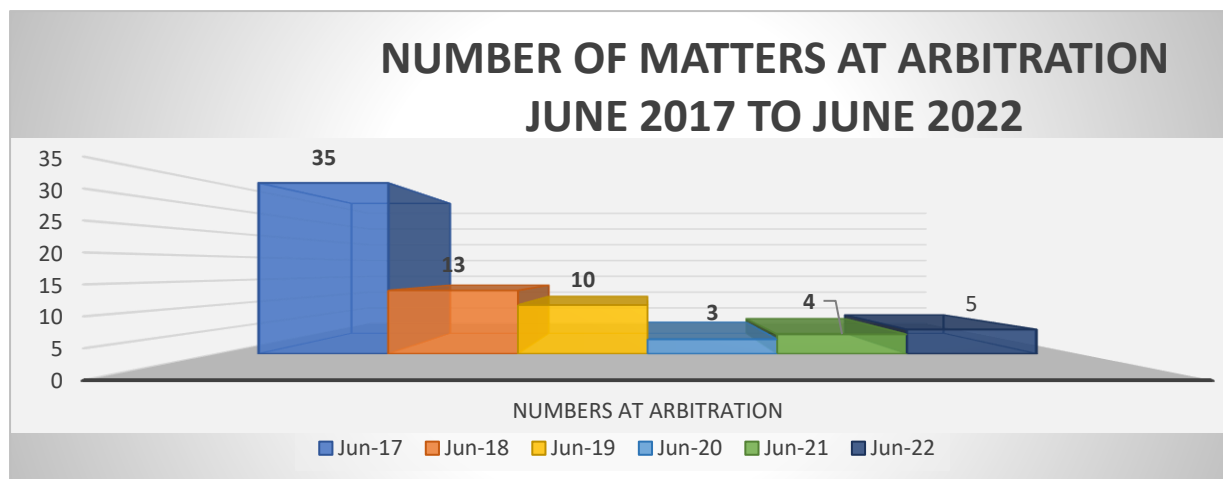


In the graph above the total sick leave drastically decreased from 2422 days in June 2018, to 1146 in June 2022, representing a 47% decrease.

The improved statistics can be attributed to positive morale, work ethic, and more efficient supervision and oversight. In addition, ongoing medical surveillance has enabled the municipality to identify employees with chronic medical conditions and address such issues either through incapacity processes or correct treatment.

2.9.7 DISCIPLINARY MATTERS

The graph below is a year-on-year comparison of matters referred to Arbitration. Matters at Arbitration decreased drastically from 35 in June 2017 to 5 in June 2022. This drastic 88% decrease is attributed to the Human Resource Section dealing with the substantive and procedural fairness of cases, and the management thereof.



2.10 OCCUPATIONAL HEALTH AND SAFETY

Compensation Commissioner Compliance						
May 2016	May 2017	May 2018	May 2019	May 2020	June 2021	June 2022
None.	None	Submitted. Letter of good standing received.	Submitted. Letter of good standing received.	Submitted. Letter of good standing received.	Submitted. Letter of good standing received.	Submitted. Letter of good standing received.

The Kouga Local Municipality has received five consecutive letters of Good Standing from the Department of Labour for 2018, 2019, 2020, 2021 and 2022.

On 11 March 2020, the World Health Organisation ("the WHO") officially declared that the spread of Coronavirus had reached the level of a pandemic. The virus is crossing international boundaries and affecting many people worldwide. In respect of the workplace immediate steps were taken to attempt to diminish its impact.

Employers are subject to both a common law and a statutory duty in terms of the Occupational Health and Safety Act as well as the Disaster Management Act & Regulations and the -Directives set out by the Minister of Employment and Labour for COVID-19 Occupational Health & Safety measures in Workplaces for COVID-19 (C19 OH, to provide a safe and healthy working environment for their employees.

The OHS section implemented COVID-19 response measures during the Lockdown period. This was to ensure that the Municipal employees work in a Healthy and Safe environment, and that the Municipality adhered to the Lockdown regulations and safety directives as issued by Government.

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	

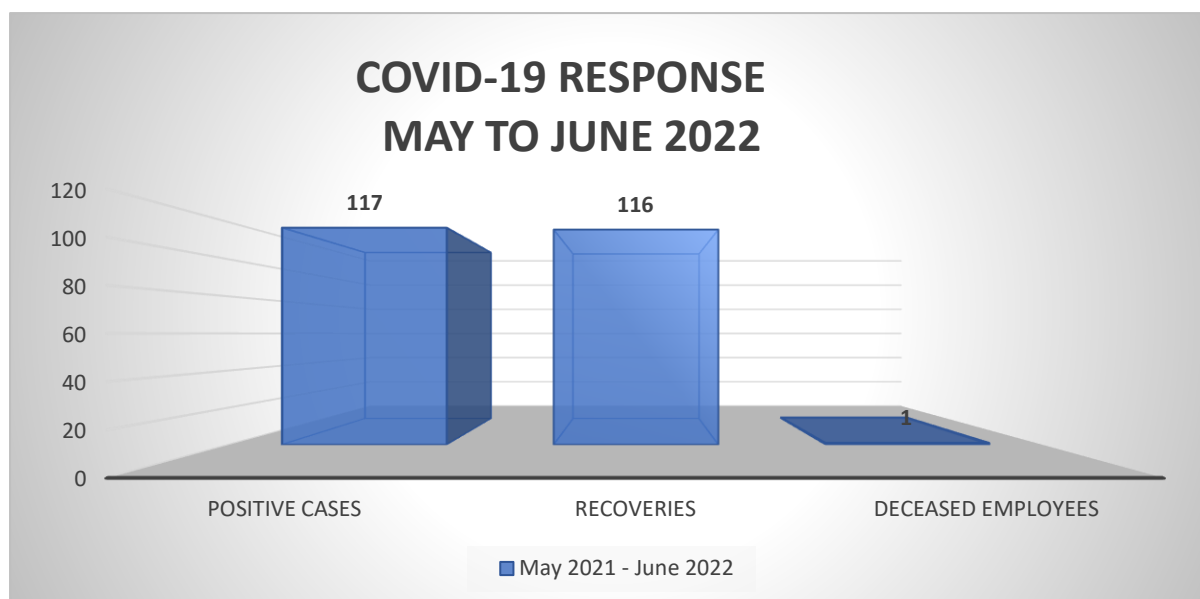
The municipality still maintains vigilance in its fight against COVID-19 and continues to take all necessary precautions to protect its employees and members of the public who utilize our facilities.

In the graph below the following statistics are illustrated:

We had 117 positive cases for the 2020/ 2021 financial year.

As of 30 June 2022, 116 employees including Councillors recovered from COVID-19.

1 Councillor and 1 Employee passed away.



2.11 HUMAN RESOURCE POLICIES

The following HR related policies and staff documents have been developed and has been approved by Council.

KEY NO	POLICY
1	Acting Policy
2	Health and Safety Policy
3	Overtime Policy
4	Recruitment and Selection Policy
5	Leave Policy
6	Absenteeism and Reporting Absence from work Policy
7	Sexual Harassment Policy
8	Scarce Skills
9	Vehicle allowance Policy
10	Essential user Policy
11	Code of Conduct
12	Training Policy
13	S&T Policy
14	Acting Policy for Section 57 Managers
15	COVID-19 Policy
16	Prevention and Elimination of Harassment in the Workplace

SALARY EXPENDITURE

Years	Total number of staff	Actual Operational Expenditure	Personnel expenditure (salary and salary related)	Percentage of expenditure
2015/2016	860	R 619,357,681	R 228,746,553	36,93%
2016/17	824	R 672,685,052	R 224,583,364	33.39%
2017/18	873	R 740,044,276	R 245,776,991	32.21%
2018/2019	924	R820 968 796	R274,158,400.02	33.39%
2019/2020	960	R902 792 776	R293,708,032.70	32.53%
2020/2021	904	R980 060 968	R335,334,005.39	34.21%
2021/2022	874	R1 042 562 741	R331 397 764	31.78%%

2.12 LEGAL SERVICES

The role of the legal services function is to render continuous effective and efficient legal support and advise to Council, Committees of Council, the Executive Mayor, the Speaker, Municipal Manager, Directorates and Managers and ensure legal compliance considering applicable legislation, relevant case law and emerging legal trends. It is the role of the legal services department to provide legal opinions, submissions or input on Policies, Contracts, Agreements, Legislation, By-laws, Authorities, and items referred to Council or Committees of Council, all with the aim of avoiding litigation and safeguarding the municipality's interests.

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Highlights

Highlight	Description
Functional Legal Services Department	There were no successful appeals against the municipality regarding the award of tenders and quotations.
	The municipality managed to finalise historical litigious matters which weighed on the municipality's contingent liability.
	Thanks to an ongoing strong HR component, Labour matters

Highlight	Description
	are dealt with speedily, within the confines of the law and with success to the Employer.
	The municipality continues to experience an increase in the provision of legal updates, legal advice and general legal assistance to Council and the respective user departments.
	The Legal Services functions continues to provide Council with a detailed Report on Legal Matters, allowing Council to effectively implement its oversight function.
	By-laws and Policies has been reviewed and/or approved in the 2021/22 financial year, and we look forward to additional reviews of outdated by-laws and policies in the coming financial year, this is an ongoing exercise with the intention of updated the Municipal Code in line with the changing legislation, local government environment and precedent setting court judgements.
Panel of Legal Services Providers	The Panel of Legal Services Providers continues to render external legal services in respect of the different areas of law applicable to the municipality is functioning well.
	Irregular expenditure identified in previous years in relation to legal services resulting from deviations have been eliminated, except for one service provider who is attending to a matter which has been referred to it prior to the establishment of the Panel of Legal Services Providers.

REGISTER OF LEGAL SERVICE PROVIDERS 2021/22

SERVICE PROVIDER	CONTACT PERSON	CONTACT NUMBER	EMAIL	POSTAL & PHYSICAL ADDRESS
SIYATEMBA SOKUTU ATTORNEYS INC	MR. SOKUTU	043 735 1312 / 082 608 1093	apri@solutuattorneys.co.za	P O BOX 8151, NAHOON, EAST LONDON, 5210 / UNIT 1 KENNINGTON RD, NAHOON
KUBAN CHETTY INC	MR. KUBAN CHETTY	041 373 1706 / 082 780 1173	kuban@kubanchettyinc.com	163 CAPE ROAD, MILL PARK, GQEERHA, 6001
LULAMA PRINCE INC	MRS. PRINCE	041 484 1004 / 061 416 4214	lulama@lulamaprince.co.za	P O BOX 27696, GREENACRES, 6050 / 184 CAPE RD, MILL PARK, GQEERHA 6001
FREDERICKS INC	MRS. FREDERICKS	041 363 8506 / 082 612 1657	tasneem@fredericksinc.co.za	43 PARLIAMENT STREET, CENTRAL, GQEERHA, 6000
McWILLIAMS & ELLIOT INC	MR. ED MURRAY	TEL: 041 582 1250 / FAX : 041 585 1274, 041 585 3615 / CELL; 082 330 1177, 083 274 5959	imraan@mcwilliams.co.za ; andy@mcwilliams.co.za	P O BOX 45, GQEERHA, 6000 / 152 CAPE ROAD, MILL PARK, 6001
C W MALAN JEFFREYS BAY INC	MR. RENCKE DE SWARDT	TEL:042 293 1053 / FAX: 042 293 2693	comalan@intekom.co.za ; rencke@comalan.co.za ; amanda@comalan.co.za	P O BOX 273, JEFFREYS BAY, 6330 / 15 OOSTERLAND STREET, JEFFREYS BAY , 6330
BONQWANA BURNS INC	MR. SHANE DE BEER	041 364 2039 / 065 932 0568	shayne@bonqwanaburns.com	BOQWANA HOUSE, 84 6TH AVENUE, NEWTON PARK, GQEERHA
KARSANS INC	MANOJ KARSAN	041 991 1320 / 082 881 0965	mkarsan@karsans.co.za	235 CELEDON STREET, CENTRAL, KARIEGA
LABUSCHAGNE VAN DER WALT INC	MR. TEWIS LABUSCHAGNE	TEL: 041 582 2069/ FAX: 086 669 1511/ CELL: 083 304 4590/ 084 441 7289	info@lvdw.co.za	P O BOX 70541. THE BRIDGE, GQEERHA, 6032 / 6 CUYLER STREET, CENTRAL, GQEERHA, 6000
GOLDBERG DE VILLIERS INC	MS. TRACEY-LEE MOUTON	041 501 9800 / FAX: 041 585 1076	traceym@goldlaw.co.za	13 BIRD STREET, CENTRAL, GQEERHA, 6001
BILLET GOUWS ATTORNEYS	MR. JOHN BILLET	TEL: 042 293 0191 CELL: 081 049 5198, 082 874 0096	john@billetgouws.co.za ; elizna@billetgouws.co.za ; info@billetgouws.co.za	P O BOX 1651, JEFFREYS BAY, 6330 / GLOBAL STAR HOUSE, UNIT 1, TOP FLOOR, 79 DA GAMA ROAD, JEFFREYS BAY 6330
BLC ATTORNEYS	MS. DELIA CHAMBERLAIN	041 506 3700 / 082 745 4596	stifloen@blclaw.co.za	4 CAPE ROAD, CENTRAL, GQEERHA, 6001
BATE, CHUBB & DICKSON	ASHLEY KRETZMANN	043 701 4500 / FAX: 043 726 3777/ 082 655 7145	ashley@batechubb.co.za	34 WESTERN AVENUE, VINCENT, EAST LONDON, 5217
C W MALAN INC.	MR. EDDIE ALBERTYN	422,951,056	eddie@cwmalan.co.za	37 CHURCH STREET, HUMANSDORP, 6300
SPANGENBERG ATTORNEYS	MR.HEIN SPANGENBERG	TEL: 042 291 1144, CELL: 082 820 7007	hein@hisproc.co.za	P O BOX 501, HUMANSDORP, 6300 CORNER OF DU PLESSIS & KEMP STREET, HUMANSDORP, 6300

NOTE: LINE ITEM 20 IS NOT PART OF PANEL BUT HAS ONE MATTER STILL ONGOING

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

DIRECTORATE INFRASTRUTURE AND ENGINEERING

COMPONENT A: BASIC SERVICES

3.1 PROVISION OF WATER

The Constitution of South Africa assigns the responsibility of ensuring access to water services to Local Government. Furthermore, the Water Services Act entrusts the local municipality with provision of affordable, efficient, effective on-going water services which is sustainable. The Directorate Infrastructure and Engineering envisages an area that is supported by an efficient and well-maintained service infrastructure network, which allows all citizens and stakeholders access to a growing base of innovative, safe, reliable, and affordable services. Service delivery requires the provision of new services as well as the maintenance of existing services.

The Present Consumer Water Quantities are:

TOWN	RESIDENTIAL ERVEN 2020/21	INSTITUTIONAL /COMMERCIAL/ INDUSTRIAL NUMBER OF ERVEN 2020/21	TOTAL No OF ERVEN 2020/21	RESIDENTIAL ERVEN 2021/22	INSTITUTIONAL /COMMERCIAL/ INDUSTRIAL NUMBER OF ERVEN 2021/22	TOTAL No OF ERVEN 2021/22
Humansdorp	7127	373	7 500	7 201	378	7 579
Jeffreys Bay (incl Aston Bay and Paradise Beach)	12 924	1 419	14 343	13 194	1 426	14 620
St Francis Bay	3 456	48	3 504	3 484	50	3 534
Cape St Francis	810	3	813	819	3	822
Oyster Bay	555	13	568	559	13	572
Hankey	2 674	84	2 758	2 674	84	2758
Patensie	784	67	851	784	67	851
Loerie	471	13	484	471	13	484
Thornhill	491	13	504	491	13	507
TOTAL			31 325			31 727

Note: Humansdorp Kruisfontein 200 new erven serviced Housing development.

Key Stakeholders

The towns of Hankey and Patensie obtain raw water from the Kouga Dam via the canal system which is operated by the Gamtoos Irrigation Board on behalf of the Department of Water and Sanitation. Raw water is treated at the Patensie and Hankey water treatment works to potable standard before distribution. A new borehole supplying Hankey with water has been equipped and piped to the Hankey water treatment works to supplement supply from the Kouga dam.

The towns of Loerie, Thornhill, Jeffreys Bay, Humansdorp and St Francis Bay obtain potable water from the Nelson Mandela Metro. The water supply of Jeffreys Bay and Humansdorp are augmented by underground water. The town of Oyster Bay is solely dependent on ground water obtained from boreholes and springs.

Level and Standard in Water Services

All the consumers within the Kouga Municipality receive water services at or above RDP standards (access to communal water standpipe in informal areas within 200m distance) Based on the Service Level Policy of Kouga to provide higher level of service, first order of assessment indicates that Kouga requires R82 million to service and provide house connections to all residents in informal settlements once formalized (excluding Bulk). Our Regional Bulk Infrastructure Programme for water services requirement is estimated to be R 652 million.

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

Due to the prolonged drought conditions and low rainfall that persisted during 2021/2022 resulted in that the major storage dams serving the area have reached critical low levels. The current drought conditions are having disastrous and far-reaching negative implications for the entire western region of the Eastern Cape Province and the Kouga area.

Reduced water quotas were imposed on abstraction from the Algoa System and stricter water restrictions were implemented during 2021/2022 throughout the Kouga area.

Water Scheme Area	Schedule of Restrictions
Gamtoos Irrigation Board: Patensie/Hankey	30% of quota
Loerie/Summit pipeline: Loerie and Thornhill	Water supplied by Nelson Mandela Metro 50% restriction imposed on quota by Metro
Churchill/Impofu: Humansdorp, St Francis Bay, Jeffreys Bay	Water supplied by Nelson Mandela Metro 50% restriction imposed on quota by Metro

It was required to continue with Water shedding in the towns of Patensie and Hankey since 2017, to ensure usage remain within the allowable quota. The water is provided to residents via the reticulation system for 3 hours in the morning and 3 hours in the afternoon only.

Water collection station is in place (JoJo tanks) and water is distributed by means of water trucks to the communities daily.

Water is also distributed to communities of Loerie and Thornhill by means of water tanker due to erratic water supply from the Metro Summit pipeline.

3.2 SANITATION PROVISION

The policy of Kouga LM, adopted during 2015, provides that the minimum acceptable standard for sanitation services will be a waterborne system in all areas. Due to the limited own capital funding for projects, bulk infrastructure upgrading/ rehabilitation is mostly funded by grant funds. The backlog that presently exists at all Kouga Wastewater Treatment Plants in terms of over capacitation and ageing Infrastructure, is 10,5 Ml/Day.

Levels and Standards in Sanitation Services

Four (4) levels of sanitation services are provided:

- buckets and chemical toilets only for the informal housing areas,
- full waterborne to 66% of households,
- septic tanks/conservancy tanks to 32.6% of households, and
- digesters and/or VIP's (Ventilated Improved Pit) to 1.4% of households.

The following table depict the number of consumers per type of sanitation services: (Note: Buckets and Chemical toilets serve informal settlements)

TOWN	TYPE							
	Bucket	Conservancy tank	Chemical toilets	Pit	Septic tank	Small bore	VIP	Water borne
Cape St Francis/ St Francis Bay/ Sea Vista	640	3 532	13	-	-	-	-	815
Hankey	439	837	45	-	-	-	420	1 503
Humansdorp	1 585	939	93	-	-	-	-	6 013
Jeffreys Bay	0	3 203	183	-	539	-	-	10 423

TOWN	TYPE							
	Bucket	Conservancy tank	Chemical toilets	Pit	Septic tank	Small bore	VIP	Water borne
Loerie	275	12	10	-		150	-	334
Oyster Bay	117	0	8	-	468	-	-	4
Patensie	470	229	29	-	49	-	-	573
Thornhill	160	0	12	-	-	-	-	504
Total	2857	8 852	393	-	1 056	150	420	20 169

Annual Performance as per Key Performance Indicators in Sanitation

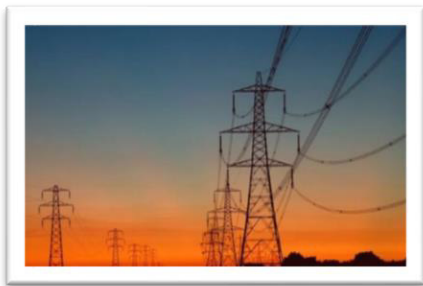
The goal of the Municipality is to provide all consumer units with a full flush form of sanitation. As can be seen from the above table, 19 927 of the consumer units are already serviced with full waterborne/small bore sanitation, and 9 908 being served by septic/conservancy tanks.

	Indicator name	Total number of household/ customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to sanitation services	100%	Nil%	100%	100%	100%
2	Percentage of indigent households with access to free basic sanitation services	100%	Nil	100%	100%	100%
3	Percentage of clinics with access to sanitation services	100%	Nil	100%	100%	100%
4	Percentage of schools with access to sanitation services	100%	Nil	100%	100%	100%

Figures reflected above refer to formal registered cadastral erven.

C: SANITATION SERVICES

	Indicator Name	Total Number of households/customers expected to benefit	Estimated backlogs (actual Numbers)	Target set for the year under review 2021/22 (Actual numbers)	Number of households reached during the financial year	Achievement percentage during the year
1.	% of households with access to sanitation services	30405	0	810	810	100%
2.	% of indigent households with access to free basic sanitation services	7138	0	7138	7138	100%
3.	% of schools with access to sanitation services	No schools planned for year	0	0	No schools planned for year	100%
4.	% of Clinics with access to sanitation services	No clinics planned for year	0	0	No clinics planned for year	100%

3.3 ELECTRICITY

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

The Municipality's role is to construct, operate, and maintain the distribution network for electricity service delivery to residential, commercial, and industrial consumers in each town, which includes street lighting and supplying pump stations, etc. with electricity. Hankey, Patensie and Loerie are supplied with electricity by Eskom, while Thornhill is supplied with electricity by the Nelson Mandela Municipality.

The present consumer quantities for electricity are:

Town	New Residential Consumers 2020/2021	New Institutional Commercial Industrial 2020/21	Total 2020/21	New Residential Consumers 2021/22	New Institutional Commercial Industrial 2021/22	Total 2021/22
Humansdorp	394	4	398	346	2	348
Jeffreys Bay	754	5	759	314	5	319
St Francis Bay	28	3	30	28	2	30
Cape St Francis	7	0	7	9	0	9
Oyster Bay	1	0	1	4	0	4
Total	1184	12	23091	1 314	9	23 410

Note: Total excludes vacant erven.

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

Level and Standards in Electricity Services

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

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

This includes applications to the Department of Energy (DoE) to obtain the necessary funding for both electricity and infrastructure upgrade.

During 2021/22 the Department of Energy allocated Kouga Municipality funding to the amount of R7,8 million for the upgrade of bulk infrastructure and the electrification of houses in Kruisfontein, Humansdorp. A total of 200 erven were electrified during 2021/22. Kruisfontein Sub Station was equipped with a 22kV switch gear and was commissioned.

75 Houses were electrified in Golf Course Informal Settlement in Humansdorp using own funding to the amount of R100 000,00.

The cable network to strengthen the supply to Saffery substation from the main substation was replaced with bigger cables to accommodate more load to flow through to the main substation and to ring feed other substations. The cost of this project was R1 million.

The 66kV over headline phase 2, feeding from Melkhout (Eskom substation) to Jeffreys Bay was further extended with mono pole dual-circuit steel structures at the cost of R1.2 million, to replace the old double pole structures. Some 600m from a total of 18km has been completed.

The Ocean View Substation was moved from its current location to a new location to secure the substation and curb electrical power failures, it is also constructed to make provision for more load available for future developments in the area. This relocation was done at R3 million. Another transformer was procured at the cost of R1.4 million to avail more capacity at Appiesdraai Substation to accommodate the development in the Aston Bay and Paradise Beach areas.

LED lights were installed in Humansdorp (70) and Jeffreys Bay (30), at a cost of R200 000,00.

A total of 200 houses were electrified at the cost of R1.4 million at Ocean View Ebunyameni Phase 2.

Funding was received from DMRE through Eskom for electrification in the Gamtoos Valley area whereby 233 units were electrified at a cost of approximately R4.2 million.

Annual Performance as per Key Performance Indicator in Electricity Services

	Indicator name	Total number of household/ customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage achievement during the year
1	Households with access to electricity services	23 410	200	200	1314	100%

	Indicator name	Total number of household/ customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage achievement during the year
2	Indigent households with access to basic electricity services	7 138	2 551	200	200	100%
3	Indigent households with access to free energy sources	0	0	0	0	0%

Major Challenges in Electricity Services and Remedial Actions

The upgrade of infrastructure (primary network) to meet future demand and finding the necessary funds through grants etc.

Improve quality of supply and general service delivery.

The prevention of tampering and illegal connection. Own funding used to irradiate illegal connections over the next year as government doesn't fund electrification of informal areas.

Remedial Actions

Master planning and stringent programmes to implement measures, resources to fund further programmes to be supported by Council.

Annual Review of augmentation levy (contribution by new developments and existing consumers requiring upgrading of their supplies to augment the primary network) and consumption tariffs to meet capital programme to upgrade infrastructure is undertaken.

Appoint additional staff to monitor quality supply and level of services and enforce methods to rectify any deficiencies in the electrical supply.

The appointment of a service provider to investigate and prevent tampering, this will support the project to re-programme all prepaid meters before November 2024.

B: ELECTRICITY

	Indicator Name	Total Number of household/ customers expected to benefit	Estimated backlogs (actual Numbers)	Prior year achievement 2019/20	Target set for the year under review 2020/21 (Actual numbers)	Number of households reached during the financial year	Achievement percentage during the year
1.	% Households with access to electricity services (Serviced by Kouga)	23 410	200	23091	200	1314	100%
2.	% Indigent households with access to basic electricity services (Serviced by Kouga)	7 138	0	6 793	200	200	100%
3.	% Indigent households with access to free alternative energy	None	None	None	0	0	0%

	Indicator Name	Total Number of household/ customers expected to benefit	Estimated backlogs (actual Numbers)	Prior year achievement 2019/20	Target set for the year under review 2020/21 (Actual numbers)	Number of households reached during the financial year	Achievement percentage during the year
	Sources						

3.4 ROADS AND STORMWATER

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

Road Authority	Length (km)
SANRAL (N2)	68,97 km
Eastern Cape Department of Roads	915,31 km
Kouga Municipality	415.77 km
Total	1 400,05 km

Levels and Standard in Roads Maintenance Services

The condition of roads in the Greater Kouga Municipal area deteriorated rapidly over the past few years due to ageing infrastructure, increase traffic volumes, insufficient funding for maintenance and the impact of flooding over the past few years.

The standard of roads maintenance in all areas in the Kouga is the same whether it's 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 road maintenance services are done through a complaint's register kept at each Administrative Unit.

High level maintenance and repairs are determined through community participation at budget meetings.

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

Road network under jurisdiction of Kouga Municipality

Road Type	2019/2020 Length (km)	2020/2021 Length (km)	2021/22 Length (km)
Tar	315.8km	316.5 km	321.13
Concrete	0,2 km	0,2 km	0.2km
Block paving	7,5 km	10,51 km	10.51km
Gravel (exist)	88.9 km	88,2 km	83.57km
Gravel (new)			0.36 km
Total	402,5 km	415,41 km	415.77km

Cost of Construction/Maintenance		
R' 000		
Year	New	Gravel - Tar
2019/20	R0.00	R0.00
2020/21	R0.00	R1,999,917.40
2021/22	R0.00	R16,687,134.19

During the 2021/2022 financial year R12,100,000.00 including VAT was allocated for road resealing on the operating budget.

The following summary of highlights that was undertaken and completed under the project:

- Length of roads resealed = 7.4 km
- Potholes repaired = 600m²
- Surface failures repaired = 800m²

On the 2021/2022 Operational budget an amount of R12,100,000.00 excluding VAT from own funding was provided for the following:

- Resealing of Roads in the Kouga area.

On the 2021/2022 Operational Budget an amount of R107,000.00 excluding VAT from own funding was provided for the following:

- Preplanning studies undertaken by an appointment Professional Services Provider for the extension of Duine Road in Jeffreys Bay.

Further to the above Capital Municipal Infrastructure Grant (MIG) funding to the

amount of R16,687,134.19 including VAT was allocated for the consulting fees and construction of the upgrading of various gravel roads to surfaced roads in Kouga area.

Annual Performance Service as per Key Performances Indicators regarding Roads

Indicator name	Total number of household/ customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (Actual numbers)	Number of Households/ customers reached during the FY	% of achievement during the year
Percentage of households without access to gravel or graded roads	Nil	Nil	Nil	Nil	Nil
Percentage of road infrastructure requiring upgrade	20.1%	83.57km	Nil	Nil	Nil
Percentage of planned new road infrastructure actually constructed	Nil	83.57 km	km	Nil	100%
Percentage of capital budget reserved for road upgrading and maintenance effectively used	Nil	*R 389.3 million	Nil	Nil	Nil

- Estimated amount to address backlog adjusted to compensate for inflation

Major challenges in Road Maintenance and Remedial Action

Like most local authorities throughout our country, road repair and maintenance remain a challenge due to budgetary constraints, terrain, aging road and storm water infrastructure, poor sub-surface conditions, and ever-increasing traffic volumes.

Significant progress has been made during the 21/22 financial years where funding amounting to R12,100,000.00 was made available for the maintenance and resurfacing of roads. R107,000.00 was spent on pre-planning studies on the Duineweg Road Extension project on the capital budget.

The Kouga Municipality utilizes own funds for the maintenance and repair of Provincial roads located within our town boundaries. The following are Provincial roads located within town boundaries:



Provincial Road MR00381 runs from Humansdorp, between St Francis Bay and the St Francis Links Development to Cape St Francis where it runs the full length of St Francis Way into Seal Point Boulevard to the end of Seal Point Boulevard.



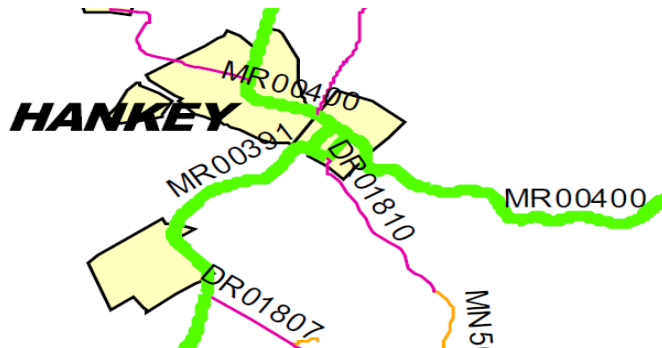
Provincial Road MR00389 runs the length of Da Gama Road up to Woltemade Street, then Woltemade Street up to St Francis Street and up the length of St Francis Street where it turns towards Humansdorp at the Fountains Mall.

Provincial Road DR 0177 links the Fountain Mall to Provincial Road MR00389 at Kabeljous Provincial road MR 00392 links the Fountains Mall to the N2.



Provincial Road MR00389 enters Humansdorp from the east and runs the length of Voortrekker Road where MR00389 ends at the intersection with Main Road. From the Main Road Voortrekker Road Intersection TR04403 continues in westerly direction as Voortrekker Road. MR00391 from

Hankey enters Humansdorp and runs for the full length of Main Road up to Park Street intersection. MR 00381 from St Francis Bay enters Humansdorp and runs the full length of Park Street up to where it intersects with Voortrekker Road (TR0443).



Provincial Road MR00391 from Humansdorp enters Hankey and forms Main Street up to the intersection with Metlerkamp Street. MR0040 runs the full length of Metlerkamp Street and continues to Patensie.



Provincial Road MR0040 runs the full length of Fred Street. MN50261 runs from the Fred Street turn off to Cyril Ramaphosa as Tier Street to the point where it becomes Stuurman Street up to the intersection with Kloofnek Street.

Backlogs

The construction and surfacing of gravel roads (backlog) is approximately 83,57 km. It is anticipated that an estimated amount of R380 million will be required for the elimination of this backlog.

Infrastructure and Engineering: Overall Service Delivery Backlogs: Formal residential Areas

Basic service delivery area	30 June 2021			30 June 2022		
Water						
Water backlogs (6Kl/month)	Required	Budget ed	Actual	Required	Budgeted	Actual

Basic service delivery area	30 June 2021			30 June 2022		
Backlogs to be eliminated (no. households not receiving the minimum standard service)	NIL	NIL	NIL	NIL	NIL	NIL
Backlogs to be eliminated (%: total household identified as backlog/total number of households in the municipality)	NIL	NIL	NIL	NIL	NIL	NIL
Spending on new infrastructure to eliminate backlogs	R 59 532	NIL	NIL	R 59 532	NIL	NIL
Spending on renewal of existing infrastructure to eliminate backlog	R 189632	R1.35	R1.35	R 189632	NIL	NIL
Total spending to eliminate backlogs	R249164	R1.35	R1.35	R249164	NIL	NIL
Spending on maintenance to ensure no new backlogs	R15 344	R5 014	R 5 014	R15 344		
Sanitation backlogs						
Backlogs to be eliminated (number of households not receiving the minimum standard service)	NIL	NIL	NIL	NIL	NIL	NIL
Backlogs to be eliminated (%: total households identified as backlog/total number of households in the municipality)	NIL	NIL	NIL	NIL	NIL	NIL
Spending on new infrastructure to eliminate backlogs	R299441	NIL	NIL	R299441	R17.233	
Spending on renewal of existing infrastructure to eliminate backlog	R167028	R25.7	R25.7	R167003	NIL	NIL
Total spending to eliminate backlogs	R466469	R25.7	R25.7	R46652	R17.2	R17.2
Spending on maintenance to ensure no new backlogs	R10 087	R6 084	R 6 084	R10 087	R7.5	R7.5

Basic service delivery area	30 June 2021			30 June 2022		
Road maintenance backlogs						
Backlogs to be eliminated number of households not receiving the minimum standard service)	NIL	NIL	NIL	NIL	NIL	NIL
Backlogs to be eliminated (%: total households identified as backlog/total number of households in the municipality	NIL	NIL	NIL	NIL	NIL	NIL
Spending on new infra-structure to eliminate backlogs	R549063	NIL	NIL	R549063	NIL	NIL
Spending on renewal of existing infrastructure to eliminate backlog	R409628	R2.2	R2.2			
Total spending to eliminate backlogs	R958691	R2.2	R2.2	R958689	NIL	NIL
Spending on maintenance to ensure no new backlogs	R17690	R30 500 000	R30 500 000	R17690	R12.1	R12.1

	Indicator Name	Total Number of households/ customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the year under review 2021/22 (actual numbers)	Number of households reached during the financial year	Achievement percentage during the year
1.	% Households without access to gravel or graded roads	0	83.57km	0	0	0

	Indicator Name	Total Number of households/ customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the year under review 2021/22 (actual numbers)	Number of households reached during the financial year	Achievement percentage during the year
2.	% of road infrastructure requiring upgrade	0	83.57km	0	83.57km	0
3.	% of planned new road infrastructure actually constructed	0	83.57km	0	0	
4.	% of capital budget reserved for road upgrading and maintenance effectively used	0	R380 000 000	0	0	

3.5 MUNICIPAL INFRASTRUCTURE GRANT IMPLEMENTATION

This report outline how Kouga Municipality effectively and efficiently managed the PMU, specifically in alignment with the principles and objectives underpinning the design of the programme as contained in the MIG Policy Framework.

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

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

Background

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

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

	2020/21	2021/22	2022/23
Approved Budget Amount	R 31 578 000.00	R 33 413 000.00	R 35 891 000.00
Adjusted Budget Amount	R 0.00	R 0.00	R 0.00
Spent Budget Amount	R 25 227 084.87	R 33 413 000.00	R 0.00
Difference	R 5 962 915.13	R 0.00	R 0.00

Part 1: Progress to date

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

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

- PMU Manager (Vacant)
- PMU Technician (Part-Time)
- PMU Administrator (Vacant)
- Account (Part-Time)
- Secretary (Vacant)
- Data Capturer (Full-Time)

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

Part 2: Monitoring

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

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

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

Part 3: What are the results and who benefited?

Project Description	Project Status	Beneficiaries (h/h)	Job Creation	Informal Training	SMME's Utilized
2021/22 Projects					
Upgrading of the Sanitation System in Old Hankey	95 % complete	3300	55	5	10
Upgrading of Gravel Roads in Kouga	95 % complete	225003	32	4	
Upgrading/Improvement of Sport Facilities within Kouga region – Loerie	On Design and tender stage	22 5003	0	0	0
2020/21 Rollover Projects					
Upgrading/Improvement of Sport Facilities within Kouga region – Sea Vista	95% Complete	22 5003	11	3	2
Upgrading of the Sanitation System in Old Hankey	95 % complete	3300	55	5	10
Mini Fresh Food Market in Hankey	65% Complete	3300	5	4	5

The above table illustrates the projects implemented and still under construction for the 2021/2022 financial year. The figures reflected above are at the time of the report and will increase as the project progress. Some of the Projects are multi-year Projects. Objectives as set out in the business plans were mostly achieved when projects were implemented.

Conclusion

The MIG programme is aimed at the following:

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

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

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

3.6 EXTENDED PUBLIC WORKS PROGRAMME

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

The total grant received by Kouga Local Municipality in the 2021/ 2022 financial year was R1,423,000.00 which been spend on 9 Incentive Grant Projects, as submitted in the 2021/22 Business Plan.

In total, Kouga Local Municipality managed to create the following number of work opportunities in the 1st, 2nd, 3rd, and 4th quarters of the 2021/2022 financial year.

Quarters	No of projects reported	FTE	No of work opportunities created
1 (July – September 2021)	13	16	45
2 (October – December 2021)	13	55	128
3 (January – March 2022)	13	75	157
4 (April – June 2022)	13	3	22

Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
2019/20	9	368
2020/21	9	398
2021/22	9	301

The total amount transferred to Kouga Municipality amounts to R1,423,000.00, and was distributed in 3 tranches as follows:

- August: R 356 000.00
- November: R 640 000.00

- February: R 427 000.00

Spending Schedule

The Extended Public Works Programme Incentive Grant Funds received for the 2021/22 financial year were spent as follows:

MONTH	AMOUNT
July 2021	R0.00
August 2021	R 34 882.00
September 2021	R 172 634.00
October 2021	R 144 355.00
November 2021	R 164 901.00
December 2021	R 206 718.00
January 2022	R 104 872.00
February 2022	R 141 876.00
March 2022	R 147 033.00
April 2022	R 145 494.00
May 2022	R 123 511.00
June 2022	R 36 722.00

Total Amount spend from Incentive Grant - R 1,423,000. The current expenditure rate is at 100%.

3.7 MUNICIPAL WORKSHOP



WINNING TEAM THAT CARES FOR THE FLEET OF KOGUA MUNICIPALITY

Vision

Our vision is to see to it that the fleet of Kouga Municipality is upgraded and maintained to always be in a proper running condition, and to ensure that each person in the Kouga Municipal district is getting a high standard of service delivery from the Municipality. The only way the Municipality can achieve its goal of Service Excellence towards the community is if its fleet is in a proper safe running condition. It is the Fleet departments vision to expand the current fleet of the Municipality to such an extent that not only the basic service needs are met, but that all other challenges can be dealt with efficiently and effectively to take Kouga Municipality to a higher level.

Mission

As a support section it is the Fleet department's mission to see to it, that all the vehicles are properly maintained and that the fleet policy will be enforced to prevent damage and misuse of valuable resources. It is also our mission to expand the current fleet of Kouga

Municipality to such an extent that all departments can achieve their goals of rendering an excellent service towards all inhabitants of the Kouga region.

Prevention

The Kouga Fleet section aims to reduce incidents, severity of emergencies and accidents with Council vehicles and by proper maintenance, regular services of vehicles and fault repairs on all vehicles so that a high standard of service delivery towards the community can be achieved. Annual inspections are done by sending vehicles for Certificate of Fitness (COF).

According to SANS 10090: 2003 the Fleet department is a support section and understands the fact that if the fleet section can't achieve its goal to keep all vehicles in a proper running condition it will have a devastating effect on service delivery.

Main functions of the fleet section are as follows.

- It is the Fleet department's responsibility to see to it that financial and management controls are operating effectively.
- All hiring of vehicles for sections and oversee all purchasing of new vehicles.
- To enforce the fleet management policy.
- Access to fleet vehicles is properly authorized and not operated by unauthorised 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 regular 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.
- To give adequate reports regarding all cost of maintaining vehicles.

Preparedness

The seventeen (17) employees, of which five (5) are office bound, strive to do their utmost best towards the service and up keeping of Kouga Municipality's fleet and plant. Our day-to-day service helps to keep the two hundred and thirty (230) vehicles in a proper running condition so that in the event of an emergency, there will always be enough vehicles in a roadworthy condition. This may include conducting risk assessments (likelihood and severity), planning for the continued availability of essential services, and identifying ways to mitigate the potential impacts of an emergency.

Fleet department is proud to state that during the lockdown period the normal operations of fleet were only lightly affected. Fleet could see to it that during the 2021-2022 financial year between 94% and 95% of all municipal vehicles had been in operational condition continuously. All challenges that were encountered by the fleet department during the lock down could be successfully accomplished.

Legal requirements

The fleet department of Kouga Municipality has the responsibility to ensure the roadworthiness of all municipal vehicles are in order, to comply with the requirements of the national Road Traffic Act 93 of 96 and occupational health and safety regulations.

Daily operations.

During 2021/2022 this service handled a total of 4 866 incidents, this comes to an average of 405 job cards opened and completed per month, which includes servicing and repairing of vehicles, repairing COF faults, and doing preventative maintenance as well as fitment of tyres and tyre repairs.

BELOW IS A TABLE OF JOB CARDS, REQUISITIONS AND MONEY SPENT FOR 01 JULY 2021 TO 30 JUNE 2022

ITEM	JUL/AUG/SEPT & OCT 2021	NOV/DEC 2021	JAN/FEB 2022	MARCH/APRIL 2022	MAY/JUNE 2022	TOTAL
Workshop Job Cards	715	325	334	367	288	2029
Service Provider Job Cards	324	138	136	141	124	863
Tyre Job Cards (Procured)	124	68	129	70	42	433
Tyre Job Cards (Repaired)	256	134	128	129	67	714
Tyres procured	248	120	129	99	74	670
2 nd Hand tyres used for various purposes (Spare wheel etc.)	40	31	19	17	46	153
Tubes Procured	0	1	1	1	1	4
TOTAL JOB CARDS						4 866
Tubes amount procured	0	R226.88	R226.88	R226.88	R195.85	R876.49
Tyres amount procured	R596 923.22	R301 111.97	R317 555.26	R 176 672.72	R186 542.65	R1 578 805.82
Tyres repaired	239	132	141	117	142	771
Tubes repaired	9	0	0	0	1	10
Vehicle license amount paid	R 340 539.34	R 66 214.00	R82 289.50	R 35 620.90	R130 043.42 No vehicles licensed June 2022	R654 707.16
COF amount paid	R57 554.70	R 44 890.00	R5 500.00	R550.00	No vehicle sent for COF May and June 22	R108 494.70
Hired vehicle amount paid	R114 394.99	R303 359.00	R238 194.00	R125 661.64	R1 500.00	R783 109.63
Requisitions to SCM	906	235	227	258	4	1630
Orders received	903	229	227	257	3	1619
Order amount paid to service provider inclusive of vehicle hire	R6, 300 389.42	R1 548 939.95	R1 565 340.48	R1 361 171.56	R53 520.60	R10,829 362.01
Fuel usage vehicles and small plan 01 July 2021 TO 30 June 2022	R3 301 643.63	R2 031 334.69	R 2 045 534.44	R 2 531 382.64	R 1 606 497.33	R11 516 392.73

Refurbishment and upgrading of the Kouga Fleet

Some of the Municipal vehicles were in a bad state due to worn engines and badly rusted bodies, and either it had to be replaced or refurbished. The fleet section took it upon themselves to start refurbishing the badly rusted bodies of the vehicles to a fraction of the cost to purchase new vehicles.

Newly purchased vehicles for 2021/2022

QUANTITY	TYPE & MAKE OF VEHICLE	VALUE
2	BULL BACKHOE LOADERS	2 206 320.00
5	MAHINDRA 6075 4WD TRACTORS	1 750 000.00
4	BUSH SLASHERS	200 000.00
1	LAND FILL COMPACTOR	6 110 930.00
1	GRADER SEM 919	3 135 000.00
1	BOMAG ROLLER SINGLE DRUM	2 180 000.00
1	SANTUI BULLDOZER	3 950 000.00
10	ISUZU D-MAX 250 S/CAB 1 TON LDV	3 800 000.00
1	KRUZER CAGE TRUCK	637 650.00
1	KRUZER FLAT DECK	600 000.00
4	REFUSE COMPACTOR 21M³	11 173 072.00
4	SUCTION TANK 6000L	5 022 444.00
4	TIPPER TRUCK 10M³	7 541 880.00
1	WATER TANKER 16000L	1 487 290.00
1	CRANE TRUCK	1 621 311.00
1	COMBINATION JET VAC	4 066 069.00
1	NISSAN NAVARA 4X4	510 000.00
1	NISSAN NAVARA 1 TONNER	400 000.00
2	ISUZU DOUBLE CAB	900 000.00
TOTAL (inclusive of VAT)		54 471 966.00

TRAINING AND DEVELOPMENT

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

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

DIRECTORATE COMMUNITY SERVICES

3.8 ENVIRONMENTAL MANAGEMENT: WASTE MANAGEMENT

The Department Waste and Environmental Management includes all activities relating to integrated waste management, management of two operational landfills, illegal dumping eradication, environmental health, waste minimization, coastal and environmental related management programmes.

3.8.1 WASTE MANAGEMENT

The strategic objective of the Waste and Environmental Management section is that all the communities of Kouga Municipality live in a clean and healthy environment that is maintained and managed in a sustainable manner.

Kouga Municipality's Waste and Environmental Management department's approach to changing course is informed by the Integrated Development Plan (IDP) paradigm and Service Delivery and Budget Implementation Plan (SDBIP), which responds to the global, national, and regional challenges of climate change, resource constraints, the triple challenge of poverty, unemployment, and inequality, as well as improving the overall governance and compliance environment in the municipality. This changing course requires increased focus on activities that will lead to waste minimisation and waste diverted away from landfill sites. It focuses on improved modes of collection, infrastructure, recycling, and production partnerships and aims to change behaviour and create awareness.

To align with IDP, SDBIP and the Polokwane Declaration of zero waste to landfill sites, Kouga Municipality's Waste and Environmental Management department is changing its approach to waste management. A paradigm shift is needed to understand that waste is not "rubbish", but a resource or a raw material. This requires a 'full cycle' approach to waste management, with waste products becoming input materials to other value chains.

Kouga Municipality's Waste and Environmental Management department will take leadership in changing course, however, the public's participation in waste minimisation initiatives is key to the programme's success. Kouga Municipality's Waste and Environmental Management department will commit to implementing separation at source projects across Kouga Municipality area, however, communities will also need to be mobilised to sort waste at a household level to reduce waste. Kouga Municipality's Environmental Management department are in the process of developing the following tactical points to commence the changing course programme:

- Do away with the culture of abundance - change the way we do things within the constraints of limited resources.

- Increase productivity – doing more with less and managing our resources effectively, including landfill airspace, human capital, budget, and others.
- Develop measurable output indicators, which address the desired outcomes in the IDP.
- Utilise an integrated approach to ensure co-ordination of programmes and to work towards greater impact, working with all departments within Kouga Municipality with various responsibilities.
- Develop ward by ward, based remodelling programme, to align with the changing course.

Key issues for 2021/22

The waste management section identified several challenges that is impacting on service delivery:

- Rapidly growing population
- Growing per capita waste disposal from rising income and consumption levels
- Pervasive throw away culture of disposal and illegal dumping.
- Aged fleet with high reliance on 3rd party vehicle hiring.
- Broader development imperatives with financial implications.
- Aged workforce and vacant posts.
- COVID-19 challenges regarding absenteeism, compliance.
- Vandalism of infrastructure.
- Lack of security at landfills with number of waste pickers growing.

Households play a key role in waste management as waste generators. Unemployment rate, role and working conditions of waste pickers on landfills and streets, legislation on waste disposal and landfill management are all signals for a need to change the current waste management system. Household's perceptions are key to the realisation of an integrated waste management system. A system where waste pickers can play a major role of recycling effectively and efficiently within the formal waste management system. An integrated waste management system could create employment and support entrepreneurial initiatives. Household's role in an integrated waste management system will not only be limited to waste generation but will extend to waste management.

Achievements 2021/22

The department participated in the following events:

- Mandela Day 18 July 2021 – clean ups in Humansdorp, Pellsrus and main Beach Jeffreys.
- International Coastal Clean Up - 21 September 2021.
- The Waste Management section procured new fleet that includes 2 Refuse Compactors, 1 recycling truck, 5 LDV's, 6 skip bins for designated areas for litter and waste disposal.

The “**Dorp van Drome**” continues to play a major role in beautification of the Jeffreys Bay area and has partnered with the Poplar and Cedar street residents to beautify the Poplar Park as well as beautification of Zoetelief Park. Activities takes place every Thursday.

Ratepayers from Paradise Beach got together to beautify the entrance to Paradise Beach and will continue with projects to clean and green the area.

JBay Surfers focussed their beautification programme at the main surfing areas at the Point, Spertubes and Albatros.

3.8.1.1 REFUSE COLLECTION

Overview

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

Strategic objectives

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

Description of activities

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

- Waste Avoidance
- Waste Stream Composition
- Waste Characterisation Results
- Domestic and Commercial Refuse Removal

The table below indicates areas serviced once a week, by Kouga Municipality.

Table: Areas serviced for round collected refuse

Jeffreys Bay	Humansdorp	Oyster Bay
Aston Bay	Kwanomzamo	Hankey
Pellsrus	Vaal dam	Patensie
Paradise Beach	Arcadia	Pola Park
St Francis Bay	Loerie	Shukushukuma
Cape St Francis	Thornhill	

Residential areas, both formal and informal in the larger towns (Humansdorp) are serviced twice weekly and the other towns (Jeffreys Bay, Hankey, Patensie, St Francis, Cape St Francis, Oyster Bay, Loerie, Thornhill) are serviced once a week.

CONSUMERS SERVICED	2016/17	2017/18	2018/2019	2019/2020	2020/2021	2021/2022
Total Number of Businesses	1 106	1 106	1 246	1 296	1238	1244
Total Number of formal households	22 130	29 641	30 032	30 032	30 120	32 128
Total Number of informal settlement households	3 990	7 939	9 779	9 779	9 779	10105
Total Number of backyard dwellers	3 977	3 977	4 122	4 344	4 544	4 544
Total Number of Flats	223	223	242	242	242	242

Refuse Collection is done 3 times a week at all commercial businesses.

Equipment for Round Collected Refuse (RCR), skip bins and illegal dumping Collection

AREA SERVICED	2021/2022 EQUIPMENT
Jeffreys Bay	2 x Compactor Trucks (1 scrapped, 1 hired), 2 new 1 x 3 Ton Truck/ 1 X Skip Trucks/1 TLB/Tipper hired
Humansdorp	2 x Compactor Trucks (1 hired) 1 TLB/Tipper hired/1 Skip truck
Gamtoos Valley	1 x Hired Compactor Truck 1 TLB/Tipper hired
St Francis Bay	1 x Compactor Truck

Weekly Refuse Removal Programme
St Francis Bay

DAY	VEHICLE REGISTRATION	DESCRIPTION OF WORK CARRIED OUT
MONDAY	FMJ 516 EC	Phillipa Place to Otters Landing, St Francis Bay and Cape St Francis (Business + Domestic)
TUESDAY	FMJ 516 EC	Shore Rd to Diana Crescent, Assissi Drive to Lyme Rd (Domestic refuse)
WEDNESDAY	FMJ 516 EC	Cape St Francis, St Francis Bay and Cape St Francis (Business + Domestic)
THURSDAY	FMJ 516 EC	Oyster Bay (Domestic, shops and Industrial area)
FRIDAY	FMJ 516 EC	Sea Vista domestic, businesses and Shops

Gamtoos Valley

DAY	VEHICLE REGISTRATION	DESCRIPTION OF WORK CARRIED OUT
MONDAY	CTW 361 EC	Patensie, Hankey, Weston (Business)
TUESDAY	CTW 361 EC	Gamtoos mouth, Thornhill, Crossways, Nulaid, Lorie (Business + Domestic).
WEDNESDAY	CTW 361 EC	Old Hankey, Phillipsville Ext 4, Rosedale, Plakkerskamp Domestic/Business
THURSDAY	CTW 361 EC	Patensie town, (Business + farms).
FRIDAY	CTW 361 EC	Ramaphosa village, Centerton

Jeffreys Bay

DAY	VEHICLE REGISTRATION	DESCRIPTION OF WORK CARRIED OUT
MONDAY	JBG 856 EC JBD 519 EC DWV 246 EC JBG 916 EC	Beaufort Flats, Jeffreysrus, Paradise (Business + Domestic). Businesses. Caravan Parks + Businesses. All Parks along the beach, entrances, town and townships. Litter Picking bags.
TUESDAY	JBG 856 EC JBD 519 EC DWV 246 EC	Wavecrest East, Old Town Domestic, C/Place, Central town domestic, Wavecrest East, Ferreira Town

	JBG 916 EC	All Parks along the beach, entrances, town and townships. Litter Picking bags.
WEDNESDAY	JBG 856 EC JBD 519 EC DWV 246 EC JBG 916 EC	Jeffreysrus, Ocean View (part) Domestic Business, Oceanview (part) Domestic Business, Caravan park, Island Vibe, Supertubes All Parks along the beach, entrances, town and townships. Litter Picking bags.
THURSDAY	JBG 856 EC JBD 519 EC DWV 246 EC JBG 916 EC	Wavecrest (part) Domestic, Wavecrest (part) Domestic Wavecrest (part), Kabeljous Domestic, All Parks along the beach, entrances, town and townships. Litter Picking bags.
FRIDAY	JBG 856 EC JBD 519 EC DWV 246 EC JBG 916 EC	Pellsrus (part), Tokyo Sexwale domestic, Business, Mandela bay domestic, Business, Caravan park, Pellsrus (part) All Parks along the beach, entrances, town and townships. Litter Picking bags.

Humansdorp

DAY	VEHICLE REGISTRATION	DESCRIPTION OF WORK CARRIED OUT
MONDAY	FMX 511 EC BCX 587 EC	West side of Town, Melt Melville Business in Voortrekker weg, Panorama, Main Street, Kynoch, Koelkor, Midas, Jet, Saverite, Motolek, Midas, Spar, 95 on Main, Kouga Kitchen, Madida House, Hospital, Country Club, Nico Malan and Arcardia Shopping Centre
TUESDAY	FMX 511 EC BCX 587 EC	East side of town, Boskloof, Ambulance Boblok, Graslaagte, St Patrics School, PeP Stores, Mr Price, Mzingisi School, Lungiso, Trade Value, P.Z. Meyer Hospital, All Shops and Taverns in Kwnaomzamo and Moeras Rivier formal houses
WEDNESDAY	FMX 511 EC BCX 587 EC	Kwanomzamo, Main Street, Kekkel and Kraai, Old Mutual Building, Engine, Spar, Kruisfontein School and Kruisfontein and Vaaldam household refuse
THURSDAY	FMX 511 EC BCX 587 EC	Maak n Laas, 7 de Laan, Drankenhoek, Gill Marcus, Johnson Ridge, Arcadia- Graslaagte School, ClinicKoelkor, Midas, Jet, Saverite, Motolek, Midas, Spar, 95 on Main, Kouga Kitchen, Madida House, Hospital, Country Club, Nico Malan, Kooperasie, All Shops and Taverns in

		Kwnaomzamo and Arcardia Shopping Centre. Pola Park, Golf Course and Old Arcardia household refuse.
FRIDAY	FMX 511 EC BCX 587 EC	West Side of Town, Mat Melville, Engine, Main Street, Kynoch, East of town and Spar, P. Z. Meyer Hospital and Arcardia Shopping Centre.

Business, Commercial and Other Waste Collection

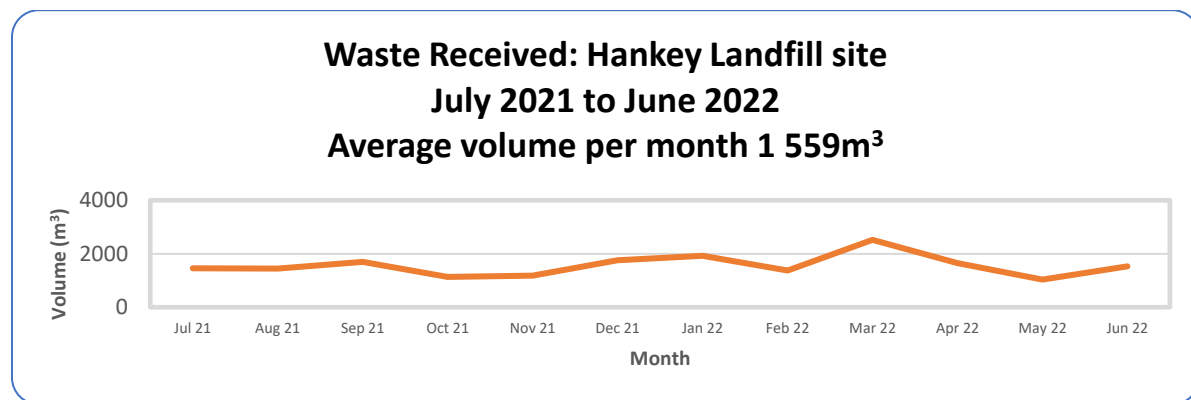
Waste is collected from businesses weekly in all towns in Kouga Municipal area. Some of the main commercial centres in Humansdorp are serviced twice a week, because many of the businesses in these areas have limited space for waste storage. Other commercial businesses in Jeffreys Bay receives a collection three times a week.

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

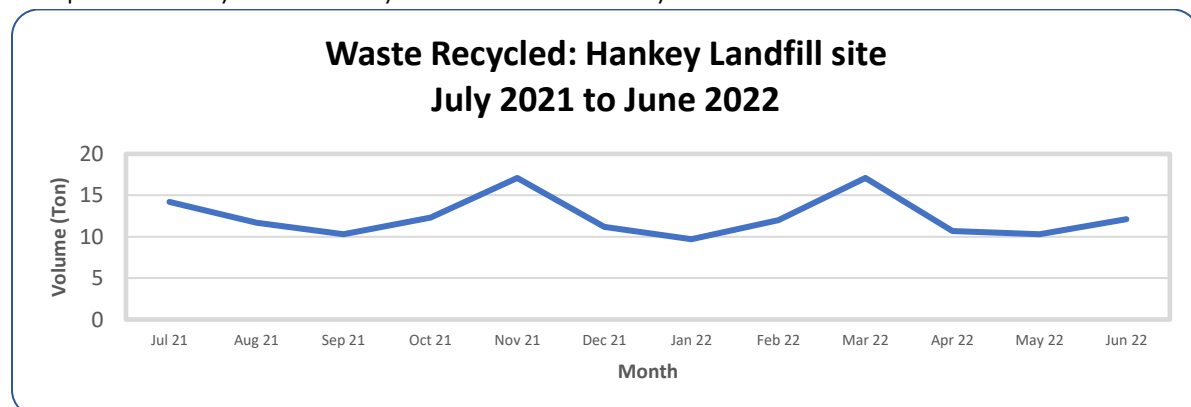
Illegal dumping spots have been identified and a programme is in place to eradicate and beautify these spots.

LANDFILL MANAGEMENT

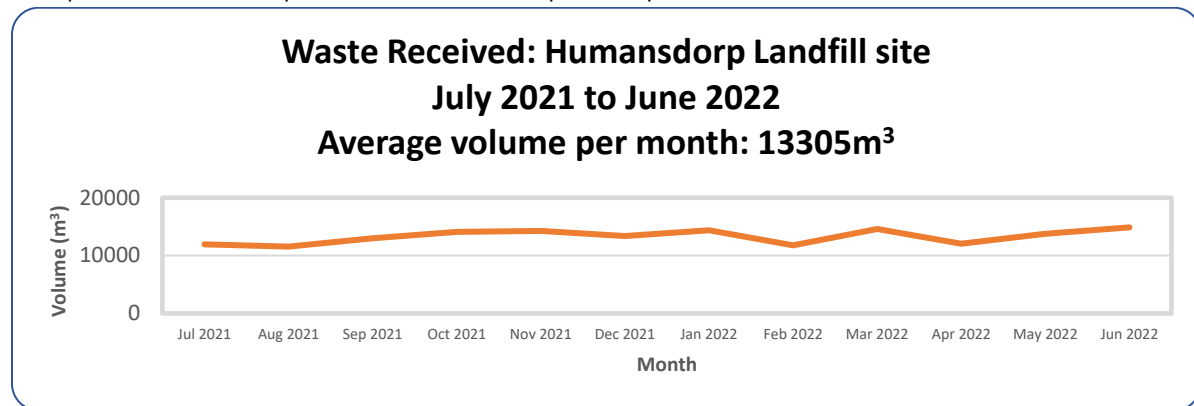
Graph: Hankey Landfill waste disposed per month



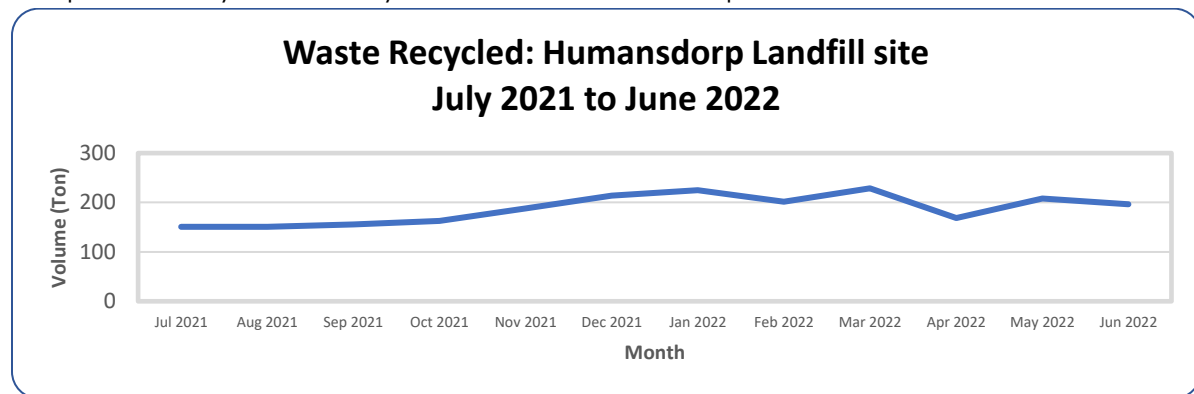
Graph: Monthly waste recycled at the Hankey Landfill



Graph: Humansdorp Landfill waste disposed per month



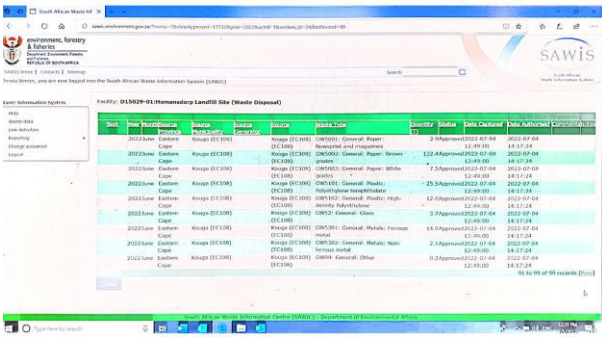
Graph: Monthly waste recycled at the Humansdorp Landfill



The Table below represents the actions carried out at the Humansdorp and Hankey landfill during July 2020 – June 2021.

Landfill action report

Item	Action	Remarks	
1.	Installation of new flood light at Humansdorp landfill site.	Provide lighting for landfill office area for security purposes.	
2.	New Bulldozer received 1 April 2022		

3.	Wall constructed and signs in 3 local languages (Afrikaans, English and Xhosa) attached at Hankey landfill site.	Permit Requirement:	
4.	Brush cutter acquired.	Cutting of grass around office area.	
5.	New baler installed at Humansdorp recycling centre	Bailing capacity increased to 250-ton box per month	
6.	Data capturing on SA Waste Information System	Updated until End June 2022.	
5.	Dumpy level acquired	Ensure correct levels are maintained at the landfill sites.	

COMPONENT D:	COMMUNITY AND SOCIAL SERVICES
3.9	LIBRARIES, MUSEUMS AND COMMUNITY FACILITIES
3.9.1	LIBRARIES

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

Strategic objective

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

LIBRARY INFORMATION SERVICES STATUS QUO

Library name	Internet	Computers for staff	Computers for public	Telephone Line
Hankey South Library	NO	1-NOT WORKING	5-NOT WORKING	NOT WORKING
Hankey North Library	NO	1	3-NOT WORKING	NOT WORKING
N. B Mathodlana	NO	1-NOT WORKING	3	NOT WORKING
7de Laan Library	YES	1	2-NOT WORKING	NOT WORKING
Humansdorp Library	YES	2	3 4-NOT WORKING	YES
Kruisfontein Library	YES	1	6-NOT WORKING	YES
Ukhanyiso Library	YES	1	6-NOT WORKING	NOT WORKING
Jeffreys Bay Library		2	26 – NOT WORKING	NOT WORKING
Tokyo Sexwale	WIFI	1	3-NOT WORKING	DON'T HAVE
Loerie Library	NO	1	4	NOT WORKING
Mbuyiseli Nkosinkulu Library	NO	1	6-NOT WORKING	NOT WORKING
Patensie Library	YES	1	3	NOT WORKING
Thornhill Library	NO	1-NOT WORKING	2-NOT WORKING	DON'T HAVE
Sea Vista Library	WIFI	2	16	WIFI PHONE

Helpdesk Computers, Network and Telephones

Out of fourteen libraries of Kouga Local Municipality, the computers and network connections of twelve are fully operational. Thornhill and Ukhanyiso Libraries both have working computers but no network connection. Seven Libraries have working telephones. Hankey North & South, Patensie, Mbuyiseli Nkosinkulu, N.B. Mathodlana, Tokyo Sexwale, Ukhanyiso and Thornhill Libraries that have no telephones.

Gamtoos Valley Telephone lines and internet in most Municipal Offices not working due to connectivity problems in the entire GV Areas. The connectivity problem in the area is being attended to.

		Reference	Data Element	Q1	Q2	Q3	Q4	Sources
HS3.6	Average number of library visits per library	HS3.6(1)	(1) Total number of library visits	6377	8 205	10 063	9522	Community Services
		HS3.6(2)	(2) Count of municipal libraries	14 LIBRARIES	14	14	14	Community Services

Jeffreys Bay Library Renovation and Extensions Project

Jeffreys Bay Library is being renovated and extended; the project is funded by DSRAC at the estimated cost of **R12 949 842.15**. It is a 12-month project, and the implement agent is DPWI and it is estimated that it will be handed over to the municipality mid-August 2022

Circulation Services

Due to COVID-19 Alert level 4 libraries were closed to the public from 27 June to 25 July 2021.

- Circulation of books from 26 July 2021 – 30 June 2022 = 64 891.
- Total number of Walk in Patrons that used the library = 32 060.
- Total number of Registered members of the library that used the library = 161 498.

Financial Performance: Libraries; Archives; Museums; Galleries; Community Facilities; Other				
Details	2020/21	2021/22		
	Actual	Original Budget	Adjustment Budget	Actual
Total Operational Revenue				
Expenditure:				
Employees	6 131 882	5 865 152	6 258 369	6 446 517.52
Repairs and Maintenance	73 974	55 895	60 000	49 706.35
Other	615 408	448 799	571 123	330 217.49
Total Operational Expenditure	6 821 264	6 369 846	6 889 762	6 826 441.36

3.9.2 PARKS AND OPEN SPACES

Overview

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

Strategic objective

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

Description of activities

- Mowing of Grass (Verges, Picnic Areas, Public Open Spaces, Play Parks, Municipal installations, and offices)
- Alien Vegetation/ Bush Clearing.
- Removal of debris.
- Beautification of open spaces, gardens, and entrances.
- Development of new play parks.
- Planting, Trimming, and felling of trees.

Reference	Performance Indicator	2021/22	Source
C53.	Square meters of maintained public outdoor recreation space	185859,6sq meters	Community Services
C54.	Number of municipality-owned community halls	13	Community Services

Achievements

- Procurement of 5 x brush cutter.
- Procurement of 3 x pole pruners.
- Installation of Play Park – Supertubes.
- Upgrading of the Spekboom Park, Kabeljous Park which included the installation of benches, installation of waste containers, installation and painting of poles, landscaping, erection of braai stands.
- Procurement of 12 x Outdoor benches and 19 x bins for parks along the beach.

PARTNERSHIPS:

Kouga participated in activities initiated by different partners ("Dorp van Drome, Patensie Pronk, J-Bay Surfers and Woodlands Dairy to keep Kouga clean and green.

3.9.3**CEMETERIES****Overview**

The identification of land, planning and co-ordination of all cemetery management activities throughout the Kouga (15 cemeteries).

Strategic objective

Communities to have access to affordable and adequate cemetery services.

Description of activities

- Identification and applications for the establishment of new cemeteries.
- Maintenance of existing cemeteries.
- Digging, trimming, and closing of graves.
- Cleaning and beautification of cemeteries.
- Cleansing of public amenities at cemeteries.
- Administration and maintenance of The Wall of Remembrance.

Challenges

- Most cemeteries have reached full capacity.
- There is no dedicated team to provide the maintenance service at all the cemeteries.
- Fencing of new and old Cemeteries.

Solutions

- Apply for Environmental authorization for more new Cemeteries.
- Budget provisions for Fencing of Cemeteries.

Status Quo of Cemeteries

AREA	WARD	BURIALS PER YEAR 2020/21	BURIALS PER YEAR 2021/22	AVAILABLE SPACE
HUMANSDORP				
Town	15	192	274	Yes
Kwanomzamo	6	77	106	Yes
Graslaagte	15	None	None	Full
Jeugkamp	4	None	None	Full
JEFFREYS BAY				
C-Place	11	191	205	Yes
Dr BB Keet	8	None	5	Full
Pellsrus Duine Weg	2	None	None	Full
Pellsrus Roman street	2	None	None	Full
GAMTOOS VALLEY				

AREA	WARD	BURIALS PER YEAR 2020/21	BURIALS PER YEAR 2021/22	AVAILABLE SPACE
Centerton	9	2	5	Full New Hankey Cemetery approved through EIA process
Hankey Town	9	81	110	Full, reserved plots available
Milton	9	111	24	Full. Congregational Church cemetery used
Weston	13	4		Almost full. Congregational Church cemetery used
Ramaphosa	10	None	None	Full
Patensie Town	10	75	99	Almost Full New Patensie Cemetery approved through EIA process
Thornhill Private Land	7	9	8	New Thornhill Cemetery approved through EIA process
Loerieheuvel	7	22	19	Almost full Explore new Cemetery

Financial Performance: Cemeteries and Crematoriums R'000				
Details	2020/21	2021/22		
	Actual	Original Budget	Adjustment Budget	Actual
Total Operational Revenue				
Expenditure:				
Employees	403 964	684 700	594 700	448 610
Repairs and Maintenance	300 000	160 000	130 000	127 963
Other	401 752	487 426	287 426	275 634
Total Operational Expenditure	1 105 716	1 332 126	1 012 126	852 207
Net Operational Expenditure				

COMPONENT E:	ENVIRONMENTAL PROTECTION
3.11	ENVIRONMENTAL MANAGEMENT

Overview

Environmental resource management is the management of the interaction and impact of human societies on the environment. It is not, as the phrase might suggest, the management of the environment itself. Environmental resources management aims to ensure that ecosystem services are protected and maintained for future human generations, and also maintain ecosystem integrity through considering ethical, economic, and scientific (ecological) variables. Environmental resource management tries to identify factors affected by conflicts that rise between meeting needs and protecting resources. It is thus linked to environmental protection, sustainability and integrated landscape management. Kouga Municipality strives to have zero impact on the environment throughout its operations.

The long-term vision is to manage, protect and sustainably use the natural assets of all Kouga areas, in partnership with the relevant communities, to preserve and ensure the continued existence of our rich biodiversity and its associated ecological processes and services of our environment.

HIGHLIGHTS: ENVIRONMENTAL MANAGEMENT SERVICES

Keep Kouga Green

The Keep Kouga Green campaign was launched on 7 February 2020 at Nico Malan High School, Humansdorp and has continued during 2021/22. The purpose of Keeping Kouga Green is to offset Greenhouse gases emitted by human activities that can range from complex industrial production processes to simply driving a car. The projects include awareness campaigns regarding green communities to planting trees and beautifying the environment. The trees planted will absorb carbon dioxide from the atmosphere and provide health benefits, as well as environmental benefits, such as water and air quality preservation, and biodiversity protection. The KKG campaign is to mitigate and adapt to Climate Change.

The campaign seeks to establish a way to raise awareness about climate change and how to respond to global warming. It focuses on communities by promoting positive environmental behaviour and facilitating the sustainable growth within communities.

The Objective of Keep Kouga Green is to:

- Improve climate change adaptation through minimization of biodiversity loss and planting of indigenous trees,
- Encourage use of greener technologies to mitigate against environmental degradation, protection and enhancement of ecosystems,
- Restoration, enhancing, protecting and rehabilitation of open spaces,

- Maximize measures towards pollution mitigation,
- Recycling initiatives.

Community Services established a food garden at the St Francis drop off site and has reopened the nursery in Humansdorp. The food gardens assist the food nutrition programme at schools and food kitchens in the areas.

TREE PLANTING

Kouga Municipality has initiated a tree planting drive as a commitment to combating climate change. Trees do not only create the oxygen we breathe and need to survive, but they also remove harmful greenhouse gases from the air and plays a major role in cooling down the planet. During the financial year 2021/2022 Kouga Municipality planted over 1 000 trees around Kouga. As part of Nature Conservation legislation Kouga Municipality needs to develop a Management Plan for all the relevant nature reserves and coastal areas.

TREES IN CITIES CHALLENGE – UNECE



Kouga Local Municipality was welcomed into the Trees in Cities Community Challenge in February 2022 as per letter in Annexure B. With the inclusion of KM into the project, KM is allowed to use the below logo on all documentation.

Keep Kouga Clean

Kouga Municipality embark on Operation Coca – Maak Skoon for the residents of Kouga as part of the Keep Kouga Clean programme. The programme started on Monday 17 January until 28 January 2022. The residents were allowed to place unwanted goods on the pavement for collection by the Municipality. The Municipality also identified central areas where skip bins were placed for Garden refuse and builders' rubble. Part of the programme was Painting of Streets, Compliance and Enforcement inspections by the Environmental Health Practitioners and Law Enforcement.

Education and awareness were conducted on the following items:

- General knowledge on COVID-19.
- Hand hygiene and handwashing as a primary prevention measure.
- General Environmental Hygiene including sanitizing of premises and surfaces.
- Social Distancing.
- Donning of masks as a measure of curbing the spread of the virus.
- General food safety and hygiene requirements in terms of Regulation R638.
- General hygiene requirements for food premises.

A total of 129 food premises were reached with the programme and the owners were also issued with an inspection report detailing the reason for the visits & different dates

which areas will be serviced with the Coca-Maak Skoon campaign. A total of R 115 000 was issued in fines for non-compliance of Spaza Shops and formal shops.

Grass Cutting, Bush Clearing and Removal of unwated goods in all areas was conducted. Traffic services conducted road marking and painted a total 47 roads during the operation and covered all the areas.

St Francis Spit:

Kouga Municipality has constructed a 3.5 m wide access road from Aldabara Run to the St Francis Spit. An aggregate road surface was constructed, with a 135 mm thick G5 wearing course and 150 mm thick G7 subbase layer. The access road is there to provide access for construction & emergency vehicles to minimise the risk of the Spit.

Maintenance of the revetment will be required every 3 to 5 years to avoid massive repairs to the revetment in future.

PLOT CLEARING

Overgrown plots have been a challenge in all Kouga areas and creates a health and fire risks. The department started with a private plot clearing programme to reduce the risk.

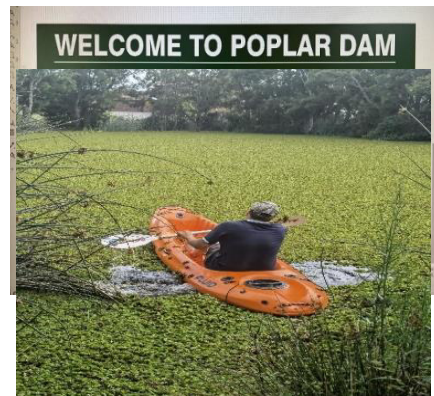
ART PROJECT WITH UNIVERSITÄT DUISBURG-ESSEN

A Collaborative Tape Art Project of German Art Students, Local Artist Group "The Village of Dreams" & Kouga Municipality took place on 26 March 2022. A group of German art students from the University of Duisburg-Essen and the local artist group with Zuanda Badenhorst presented a tape art project on a public wall at 22 Diaz Road, Supertubes. The project was greatly supported by the Kouga Municipality which made the collaboration possible. The project touched upon the topic of water shortage. Water shortage is an issue which does not only affect communities in South Africa but becomes more and more relevant for the rest of the world due to climate change. Through art, the artists want to address the global struggles about water issues but also the specific themes that are significant for the community. The art project is understood as a collaboration in which the artists wanted to bring their different perspectives together to address collective problems related to climate change. The used media were different colored tapes which were applied onto a public wall. In terms of content, the artwork depicted an abstract form of cartography, referencing flowing rivers and the ocean, as well as different motifs that are related to water issues. The artists' worked on the project from the 25th to the 26th and the process was open to visit. The vernissage was on 26th of March at 22 Diaz Road.



POPLAR DAM

Poplar dam is suffocating under the current infestation of the salvinia weed. *Salvinia molesta*, also known as Kariba weed or giant salvinia, is a free-floating aquatic fern that originates from South America. The aquatic fern is sterile (does not produce seeds) and populations grow rapidly through vegetative growth and fragmentation. In optimal conditions, the plant can double its biomass in less than six days. This rapid growth leads to the formation of dense mats of *S. molesta*, up to 30 cm thick, that can cover the entire surface of a water body, reducing water quality (e.g. dissolved oxygen concentration) and native biodiversity, resulting in severe socioeconomic impacts. Rhodes University has released insects to try and reduce the impact. A follow up meeting was held onsite with Rhodes University. The insects are going to work slow due to the cold weather and will function better in Summer. The University will assist Kouga Municipality to rear the insects in Kouga. A resident volunteered his property for the rearing of the insects. Rhodes University will organise the rearing license. Kouga Municipality to supply greenhouse and supporting structures.



ANIMAL RESCUE RABIES VACCINATIONS AND DIPPING

In February 2022, KM were informed by the State Veterinarian that there is an outbreak of Rabies in the Nelson Mandela area and that it could spread to Kouga. An emergency meeting with all Private Veterinarians & Animal Welfare Organisations were organised. Pamphlets and short clip audio visual material were shared on social media sites as well as the publication of vaccination programmes in a local newspaper. Regular vaccinations are done by the SPCA, Jeffreys Bay animal welfare and St Francis Animal Care.

Rabies is transmitted to people by a dog bite or even contact with saliva from a rapid dog. Treatment is possible if a person suspects they have had contact with a rabid dog, but they must be treated early. Rabies is spread when a rabid dog bites another animal.

Vaccination protects dogs from getting the disease, so the more dogs that are vaccinated, the smaller the chance that the disease will spread further.

The Municipality and the Vet from Humansdorp, JBay Animal Rescue, St Francis Bay Animal Rescue and the SPCA immediately took action to prevent the spread by offering rabies vaccinations.

3.11.1 ENVIRONMENTAL PROTECTION

Environmental protection is a practice of protecting the natural environment on an individual, organization and government level, for the benefit of both the environment and humans.

Due to the pressure of overconsumption, population and technology, the biophysical environment is being degraded, sometimes permanently. This has been recognised, and government has started placing restraints on activities that cause environmental degradation.

Kouga Municipality landfill sites are licensed through the National Environmental Management: Waste Act of 2008 and Environmental Conservation Act of 1989 that set out the conditions which we must comply with to ensure that the environment is protected against any degradation or pollution. To comply with the set conditions and to ensure that there is minimal damage to the environment, legal compliance audits are conducted quarterly and annually by an independent auditor and on an ad-hoc basis by the licensing authorities. In addition, inspections are conducted monthly at waste drop off sites and landfill sites to monitor the level of compliance with the various statutory licenses and best environmental practices.

The department's strategy is premised on waste minimisation to remedy and minimise the negative environmental impact caused by its operations to the environment and has appointed a recycling service provider. The recycling programme is aimed at socio-economic upliftment of communities as they are based on partnerships with the community. The implementation of the programme recovers recyclable material from drop off centres, commercial businesses, and events.

The section is increasing its focus on partnerships and stakeholder involvement to change behaviour and create awareness. During the year various successful events were held in collaboration with various partners including the "Keep Kouga Clean" campaigns in collaboration with the Mayor in some instances and special day events such as Mandela Day.

COMMUNITY WORKS PROGRAMME

The Community Work Programme (CWP) was launched in 2009 as an outcome of the Second Economic Strategy process that was commissioned by the Presidency in 2007 to review why government strategies targeting poor and economically marginalised groups were not delivering the impacts intended and, following such, to develop strategies to accentuate the impact of government's economic development strategies targeting poor and marginalised communities across South Africa.

Since its establishment in 2007, the CWP has undergone several changes in institutional and implementing arrangements. Considering the current economic context, government (led by the Presidency and the Department of Cooperative Governance) has recommitted itself to the CWP as one of the instruments to address structural unemployment and poverty in South Africa.

This commitment requires the establishment of the CWP on a firmer footing, including the development of a clear Policy Framework and revised implementation arrangements that consider the lessons from the last decade, support the effective scaling of the programme, and enable opportunities for innovation.

3.11.2 POLLUTION CONTROL

Sarah Baartman District Municipality has embarked on development of a District Wide Environmental Pollution Control plan and other environmental management strategies.

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

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

Environmental Management and Environmental Health share this mandate due to the nature of contaminants that affect people and the environment. Pollution cases that have been reported were pertaining to sewage spills and illegal dumping have been referred to the relevant department.

The department is also running environmental awareness campaign to address illegal dumping.

Beaches are cleaned constantly and further provides protection services to ensure discipline, but there is currently not enough capacity to do this on a fulltime basis. Visits are seasonal and weather permitting.

3.11.3 BIODIVERSITY PROTECTION

The functions of biodiversity reside with Department of Economic Development and Environmental Affairs as the municipality does not have capacity. The municipality supports the mission to conserve the rich biodiversity and promotes initiatives to proclaim protected areas in terms of NEM: Protected Areas Act while enhancing ecotourism through our nature reserves.

Our mission is to conserve the rich biodiversity, diverse natural ecosystems, and cultural heritage characteristics of our environment through the implementation of management programmes that have clearly defined management goals and objective for the enlightenment, enjoyment, and benefit of present and future generations.

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.

Reference	Performance Indicator	Reference	Data Element	2020/21 Baseline	2021/22 Annual	Source
ENV4.11	Percentage of biodiversity priority area within the municipality	ENV4.11(1)	(1) Total land area in hectares classified as "biodiversity priority areas"	Not available (To be determined)	198ha	Community Services
		ENV4.11(2)	(2) Total municipal area in hectares		241800ha	Community Services/ IDP
ENV4.21	Percentage of biodiversity priority areas protected	ENV4.21(1)	(1) Area of priority biodiversity area in hectares which is protected	Not available (To be determined)	127ha	Community Services/ IDP
		ENV4.21(2)	(2) Total area identified as a priority biodiversity area in hectares	Not available (To be determined)	75ha	Community Services

3.11.4 COASTAL MANAGEMENT

The District Municipality developed a Coastal Management Plan with a section for Kouga Municipality which will be adopted and implemented as the local coastal management plan during the year 2019/2020.

Coastal Management is currently a new concept within the municipality and Kouga municipality has adopted a Coastal Management Plan in terms of the Integrated Coastal Management Act. Coastal Management will have an impact on various functions within the Municipality such as Planning & Development as well as Infrastructure and Engineering.

Oyster Bay – Dune Rehabilitation

In February 2019 the department commenced with the removal of sand which were encroaching on Brander Street and adjacent properties in Oyster Bay.

A total of 85 000m³ sand was moved during the operation, while opening of Brander Street and adjacent properties have been proclaimed. Approximately 80% of the dunes overrunning Brander Street have been pushed back, except for one dune where the Black Oyster birds were nesting. The photos below show work completed. The residents of Oyster Bay were pleased with the work that had been carried out. The maintenance of dunes will be priority in new financial year.

Seekoei Estuary Management

The artificial breaching of the estuary mouth commenced on March 2022 after NEMA Section 30A application was approved by the East Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT).

The opening of the estuary mouth was clearly successful with respect to objectives set.

Prior to the operation, Seekoei Estuary had reached a stage when large-scale mortality of different biotic groups had occurred.

St Francis Bay – Rock Revetment

Kouga Municipality constructed 202 meters emergency rock revetment after unusual storm surges that caused the spit to breach.

Boat Launching

Kouga Municipality has applied to reopen the Paradise Beach and the Kromme River Boat launching sites in terms of the Integrated Coastal Management Act from the Department of Economic Development, Environmental Affairs and Tourism.

Kouga Municipality in partnership with the Paradise Neighborhood Watch, Kromme Joint Trust has increased security in these areas with surveillance cameras and appointment of

Peace Officers. Kouga Municipality was also invited to present these boat launching sites at the Provincial Coastal Technical Committee in Port Elizabeth. Kouga Municipality is currently awaiting the Gazetting of the Boat Launching site by DEDEAT.

3.12 ENVIRONMENTAL HEALTH

SERVICE DELIVERY STRATEGY

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

FUNCTIONS OF ENVIRONMENTAL HEALTH SERVICES

The functions of Environmental / Municipal Health Services for the Municipality are as follows:

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

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

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN ENVIRONMENTAL HEALTH SERVICES

Description of the Activity and Analysis of the Function	Environmental Health	2020/21 No. of Facilities	2020/21 No. of Visits	2021/22 No. of Facilities	2021/22 No. of Visits
Surveillance of premises	Inspection and evaluation of food premises, milk farms and other facilities to ensure compliance to all Health Regulations and to ensure that products sold to the public is fit for consumption	823	3192	827	2399
Water Quality Monitoring	Water Quality Monitoring: Sampling of water for bacteriological and chemical analysis to ensure compliance with SANS 241 and to ensure that the water is fit for human consumption.	35 Sampling Points 12 x 35 Bacteriological 4 x 35 Chemical Extra for COVID-19: 253 Bacteriological Samplesq	813	35 Sampling Points 12 X 35 Bacteriological Samples 4 X 35 Chemical Samples Extra for Covid19: 156 bacteriological samples Failure resamples: 90 samples	806
Waste Management	Waste Management: identification of illegal dumping sites to ensure a clean and healthy environment.	18 Illegal dumping sites	22	15 Illegal dumping sites	25

Description of the Activity and Analysis of the Function	Environmental Health	2020/21 No. of Facilities	2020/21 No. of Visits	2021/22 No. of Facilities	2021/22 No. of Visits
Health Surveillance of Premises	Health Surveillance of Premises: Assessment of factors including ventilation, lighting, moisture, and approval of building plans to ensure safety.	105 Building Plans	105	235 Building Plans & Land Use Applications	235
Surveillance & Prevention of communicable diseases	Surveillance & Prevention of communicable diseases: Health and hygiene promotion to prevent communicable diseases and disease outbreaks.	Ongoing as per visit to facilities	Ongoing as per visit to facilities	Ongoing as per visit to facilities	Ongoing as per visit to facilities
Vector Control	Vector Control: Vector control of public health interest including the control of anthropoids, rodents, and other alternative hosts of diseases.	15 Facilities (Municipal Buildings)	9	15 Facilities (Municipal Buildings)	10
Environmental Pollution Control	Environmental Pollution Control: Identification of polluting agents and their sources to ensure hygienic working living and recreational environment, e.g., management of overgrown plots.	1140 Notices for Plot Clearing	299 Cleared	319 notices issued	Cleared by owners: 17
Disposal of the Dead	Disposal of the Dead: Manage, control and monitoring exhumations and reburial or disposal of human remains	15 Applications	15 Approved	16 Application	16 Approved

Description of the Activity and Analysis of the Function	Environmental Health	2020/21 No. of Facilities	2020/21 No. of Visits	2021/22 No. of Facilities	2021/22 No. of Visits
Business Registration & Hawkers Programme	Business Registration & Hawkers Programme: Registration of all new businesses in terms of the Business Act, including hawkers.	52 Applications	52 Approved	67 Applications	67 Approved

KEY ISSUES FOR 2021/22:

JOINT OPERATION FOR COVID-19, HYGIENE & FOOD SAFETY COMPLIANCE: SIT – DOWN RESTAURANTS

The Joint COVID-19 and Hygiene Compliance Operation between Kouga Environmental Health and Law Enforcement took place during different dates within July 2021, at several sit – down restaurants within the Kouga Municipal Area, namely Jeffreys Bay & St Francis Bay. The purpose for inspecting restaurants, was after the President announced on Sunday, 11 July 2021, that the country moved to adjusted alert level 4, and restaurants being allowed to have patrons for sit down.

The main purpose for conducting the joint operation was to check on these shops' compliance to:

- COVID-19 regulations and guidelines (adjusted alert level 4), and
- Compliance with the general health and hygiene requirements.

The operation was also aimed at providing ongoing education and awareness relating to COVID-19, the necessary precautionary measures that needs to be in place and are critical in curbing the spread of the virus and health / hygiene and food safety.

The following totals of restaurants were reached during the joint operation:

DATE:	WARD:	AREA:	PREMISES:
Thursday 15 July 2021	11	Jeffreys Bay	• Magic Wok • KFC • Nina's Real Food • Tasty Table • Catch of the Day • Jbay 60's Diner • Die Vismandjie & Kospot • Gisters • Kitchen Windows • Tampa Bay Spur • Die Viswif • The Greek Restaurant

DATE:	WARD:	AREA:	PREMISES:
Thursday 29 July 2021	12	St Francis Bay Cape St Francis	• Coastal Collective • Full Stop Café • Joe Fish Restaurant • St Francis Ski Boat & Yacht Club • Nevermind • Fresh Oysters • Rambling RosePizza@167 • Bean Tree Coffee • Denude Kitchen • Scuro Café • The Big Time Taverna • St Francis Links • Quayside • Café Bijoux • Mr. Gavin's Sushi • Legends Sports Entertainment Bar & Restaurant • Ganesha

A total number of 30 restaurants were identified and visited for inspections during the operation and the programme is ongoing.

JOINT OPERATION FOR COVID-19, HYGIENE & FOOD SAFETY COMPLIANCE: PUBS, RESTAURANTS & SHEBEENS

The Joint COVID-19 and Hygiene Compliance Operation between Kouga Environmental Health, Law Enforcement and the South African Police Services took place during different dates within December 2021, at several sit – down restaurants, Pubs and Shebeens within the Kouga Municipal Area, namely Jeffreys Bay, St Francis Bay and Humansdorp.

The main purpose for conducting the joint operation was to check on these facilities' compliance to:

- COVID-19 regulations and guidelines and
- Compliance with the general health and hygiene requirements.

The operation was also aimed at providing ongoing education and awareness relating to COVID-19, the necessary precautionary measures that needs to be in place and are critical in curbing the spread of the virus and health / hygiene and food safety.

The following totals of facilities were reached during the joint operations:

Type of operation	Date & Time	Area/Ward	Number of premises reached
1. Joint Operation with Law Enforcement, SAPS and Liquor Board: ILLEGAL SHEBEENS	03 December 2021 10:00 – 12:00	Ward 14: Jeffreys Bay	Total: 2 Premises 1. Madcophotlo Shebeen 2. Jacob Notesi Shebeen
2. Joint Operation with Law Enforcement and SAPS: RESTAURANTS, PUBS & GRUBS	15 December 2021 18:00 – 20:00	Ward 8 and 11: Jeffreys Bay	Total: 8 Premises 1. Nina's Real Food 2. Je Vista Social Cafe 3. Sovereign & 2 Floors up 4. Anchor Down 5. Savoy Hotel 6. The Mexican 7. Brewhaha 8. Jolly Dolphin
3. Joint Operation with Law Enforcement and SAPS: RESTAURANTS, PUBS & GRUBS	17 December 2021 18:00 – 20:00	Ward 15, 6 and 12: Humansdorp and Kwanomzamo	Total: 9 Premises 1. Hen Den 2. Mr. Dee's 3. La Dee Das 4. Twisters 5. Humansdorp Hotel 6. 4 Rand 7. Diamond Lounge 8. Zali's Tavern 9. Container Tavern
4. Joint Operation with Law Enforcement and SAPS: RESTAURANTS, PUBS & GRUBS	18 December 2021 15:00 – 17:00	Ward 12: St Francis Bay	Total: 9 Premises 1. Legends 2. St Francis Brewing Co 3. The Quays Restaurant 4. Gavin's Sushi 5. St Francis Brew Co 6. Mauro's Restaurant 7. The Yacht Club 9. Port View Diner/ 6312

A total number of 28 facilities were identified and visited for inspections during the operation and the programme is ongoing.

JOINT INITIATIVE: FOOD PREMISES' COVID – 19 COMPLIANCE & OPERATION: COCA MAAK SKOON

The above COVID-19 and Health & Hygiene programme was conducted during January 2022 and focused on food premises as one of the business sectors that is frequented by the public residing in and around the Kouga municipal area.

The main purpose for conducting the COVID-19 related programme was to provide ongoing education and awareness relating to COVID-19 and the necessary precautionary measures that needs to be in place that are critical in curbing the spread of the virus.

The main purpose for focusing on health & hygiene was therefore to create awareness on the importance of cleanliness, safety, and hygiene measures with the aim of preventing communicable diseases. The programme was also conducted to ensure compliance with Regulation 638 which governs the general hygiene requirements of food premises.

Education and awareness were conducted on the following items:

- General knowledge on COVID-19
- Hand hygiene and handwashing as a primary prevention measure
- General Environmental Hygiene including sanitizing of premises and surfaces
- Social Distancing
- Donning of masks as a measure of curbing the spread of the virus
- General food safety and hygiene requirements in terms of Regulation R638 and
- General hygiene requirements for food premises

A total of 129 food premises were reached with the programme and the owners were also issued with an inspection report detailing the reason for the visits & different dates which areas will be serviced with the Coca-Maak Skoon campaign.

ENVIRONMENTAL HEALTH EVALUATION OF SCHOOLS FOR COVID-19 READINESS FEBRUARY 2022

The schools were visited during the first month of reopening and receiving learners back for the 2022 school year. The visits were conducted in collaboration with the Department of Education and the focus of the visits was to check compliance with the general guidelines relating to COVID-19 as well the general hygiene and safety requirements for learners and these included:

- Guidelines for receiving learners at school
- Sanitizing facilities for learners, teachers, premises, and surfaces are in place
- Learners and teachers PPE
- Measures for monitoring of symptoms for both learners and teachers
- Monitoring by school staff to ensure compliance

A total number of 23 school were visited and evaluated during the above period (please see table below)

The programme was however suspended because of the Safety Recall Notice that was issued by the National Department of Health through the Directorate: Food Control. The Environmental Health Section had to focus on this safety recall due to its urgency.

The programme school readiness programme will therefore commence on completion of the safety recall programme.

Jeffreys Bay Unit	Humansdorp Unit	St Francis Unit	Gamtoos Unit
- Jeffreys Bay Comprehensive High School	- Humansdorp Senior Secondary	- Seavista Primary	- Vukani Primary School
- Pharos School	- Graslaagte Primary School		- Laerskool Hankey
- Jeffreys Bay Primary School	- St Patricks Primary School		- Hankey Primary School
- Jbay Academy Primary School	- Kruisfontein Primary School		- Loerie Heuwel Primary School
- Jbay Academy High School	- Lungiso High School		- Pumile Primary School
- Pellsrus Primary School	- Mzingisi Primary School		- Thornhill Combined School
- Makhukanye Primary School			
- Oakridge Primary School			
- Global Leadership Academy			
- Kings College			

FOOD SAFETY RECALL OF SIMILAC ALIMENTUM POWDERED BABY FORMULA REPORT: FEBRUARY 2022

Abbott, the company manufacturing and distributing Similac Alimentum Powdered Infant Formula, informed the National Department of Health in terms of Section 10 (18) of Regulation R638 of a voluntary recall of the above product with details as follows:

- Product/s: Similac Alimentum
- Description: Powdered Infant Formulae

- Packaging: Can/Tin
- Size: 400g
- Batch/Identification Code/s: 27938Z26 & 29284Z26
- Use By Date: 01 April 2023 & 1 June 2023

The stated reason for the recall was due to Potential Contamination with Cronobacter Sakazaki & Salmonella Newport. The Company advised that no products distributed have tested positive for the implicated microorganisms, however, given the nature of microbiological contamination, the recall action was deemed extremely critical due to the serious risk to human health.

Although the company did a Recall with communication in the media & to the Retailers it has distributed to, there remained a possibility that some products may have reached the consequential potential bulk buyers in particular the informal sector such as spaza shops, as well as rural settings. For this reason, the National Department of Health requested Environmental Health Practitioners in Municipalities to ascertain the success of such recall by visiting these facilities.

Consumers were also advised to return the product to the place of purchase for a refund. If infants presented with Diarrhea and/or vomiting or if consumers were concerned about their children's health, they were advised to seek medical consultation/advice. The Environmental Health Section of Kouga Municipality also conducted the recall process by putting the following measures in place:

- A signed recall notice was placed on the Kouga Municipality's social media Page (Facebook) alerting retailers and residents of the recall
- Physical visits to facilities especially Spaza shops were done to ascertain that no products remained on the shelves

A total number of 144 shops were visited during the recall process as per the following table:

Ward	Area	Number of Premises visited
Ward 2	Jeffreys Bay	• 23
Ward 14	Jeffreys Bay	• 18
Ward 7	Thornhill & Loerie	• 11
Ward 10	Patensie	• 11
Ward 6	Kwa – Nomzamo	• 18
Ward 15	Golf Course	• 5
Ward 1	Sea vista	• 11
Ward 9 & 13	Hankey	• 24
Ward 4	Humansdorp	• 20
Ward 5	Humansdorp	• 3

JOINT OPERATION FOR COVID-19, HYGIENE & FOOD SAFETY COMPLIANCE & WASTE MANAGEMENT: SPAZA SHOPS

The Joint COVID-19 and Hygiene Compliance Operation between Kouga Environmental Health and Law Enforcement took place during different dates, within the month of May and June 2022 at several spaza shops within the Kouga Municipal Area.

The main purpose for conducting the joint operation was to check on these shops for COVID-19 compliance, waste management, compliance with the health and hygiene requirements and food safety compliance in terms of the sale of food products past the shelf life. The operation was also aimed at providing ongoing education and awareness relating to COVID-19, waste management and the necessary measures that needs to be in place for health / hygiene and food safety.

The operation was conducted at spaza shops within Ward 1, 2, 4, 5, 6, 7, 9, 10, 11, 13, 14 & 15 during the month of May and June 2022 with the purpose of checking on compliance with health and hygiene regulations as well compliance to other applicable legislation at these facilities.

A total number of 106 businesses were identified and visited for inspections during the operation and the programme is ongoing.

COMPONENT F: SAFETY AND SECURITY

3.13 FIRE AND RESCUE SERVICE

FIRE SERVICES AND DISASTER MANAGEMENT

The Kouga Fire and Disaster Services had a busy year, dealing with drought and Covid-19 simultaneously. Our hard-working fire fighters responded to over 505 incidents for the financial year. This equates to an emergency request for services daily.

The Kouga Fire Department continually strides to meet this growth and increased demand. Kouga Fire Department procured a new fire fighting vehicle with anticipated completion and delivery by the end of July 2022. This vehicle will replace older vehicles to ensure reliable equipment to serve our residents in their time of need.

Expanding our service abilities is also a priority. This year, fire fighters completed firefighting, hazmat training as well as specialized training in fire prevention and vehicle rescue and extrication. To keep fire fighter trained forms part of our mandate to protect and serve our community through risk reduction and prompt emergency response by professionals.

Fire Services is responsible for the following functions:

- 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.
- Fire communications facilities for the particular service.

The Disaster Management Act 57 of 2002 provides for an integrated & coordinated disaster management plan that focuses on:

- Preventing or reducing the risk of disasters (Prevention).
- Mitigating the severity of disasters (Mitigation).
- Emergency preparedness.
- Rapid & effective response to disasters.
- Post-disaster recovery and rehabilitation.

Our fifty-one (51) permanent employees and fifty (50) seasonal employees help safeguard the Kouga residents, workers, and visitors along with assets and infrastructure worth millions of Rands. Our day-to-day service covers an area of over 2670 square kilometres. Our significant resources can also be called on to support emergency management anywhere in Kouga.

Our operational unit responded to a total number of emergencies responded to is five hundred and five (505), which include fire suppression, emergency medicals, motor vehicle accidents, hazardous materials response and all other emergency related incidents.

The Fire Service response time to incidents less or within 15minutes is 75% for the year.

Firefighting incidents (Structural)

Reference	Performance Indicator	Reference	Data Element	2020/21 Baseline	2021/22				Source
					Q1	Q2	Q3	Q4	
FD1.11	Percentage of compliance with the required attendance time for structural firefighting incidents	FD1.11(1)	(1) Number of structural fire incidents where the attendance time was less than 15 minutes		37 Structural fires in July and August 2021	25 Structural fires in October and November 2021	23 Structural fires	34 Structural fires	Fire
		FD1.11(2)	(2) Total number of distress calls for structural fire incidents		37 distress calls for structural fires in July and August	25 distress calls for structural fires in October and November	23 distress calls for structural fires	34 distress calls for structural fires	Fire

Reference	Performance Indicator	Reference	Data Element	2020/21 Baseline	2021/22				Source
					Q1	Q2	Q3	Q4	
			received		2021.	r 2021			

Reference	Performance Indicator	2021/22				Source
		Q1	Q2	Q3	Q4	
C18.	Number of approved demonstrations in the municipal area (Fire)	10	7	10	7	Community Services
C69.	Number of 'displaced persons' to whom the municipality delivered assistance (Fire)	71	28	12	+473	Community Services
C73.	Number of structural fires occurring in informal settlements	13	9	12	30	Fire
C74.	Number of dwellings in informal settlements affected by structural fires (estimate)	49	37	9	30	Fire

Fire fighters are responsible for the protection of life and properties. This is accomplished through suppression of fires, rescuing persons from danger, mitigation of hazards. Work is usually performed under adverse conditions and requires the use of sound judgment and the ability to make rational decisions under stressful and emergency circumstances.

The Fire Prevention unit is charged with upholding all fire prevention regulations for life safety and property preservation.

Plans reviewed - 610
 Inspections - 145
 Controlled fire permits issued - 30
 Flammable liquid certificates - 49

The main duties of firefighters are to help protect the public in emergency situations. They respond to a wide variety of calls, such as car crashes, chemical spills, flooding, water rescue, and general rescue as well as fires.

Fire kills. Preventing fires saves lives and reduces injuries.

Statistics of Kouga in its analysis of the cause of death is mainly informal structure fires and motor vehicle accidents.

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

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

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

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

Kouga Fire Service aims to eliminate or reduce the incidence or severity of emergencies. Prevention activities include both physical and legal measures, such as compliance inspections, approval of building plans, controlled burn, public awareness, and educational campaigns. The Fire Service works with the community, other emergency management agencies, government, and the private sector to ensure the knowledge, behaviours and regulatory and legislative frameworks exist to protect life and minimize injury and damage to assets.

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

Functional strategies:

- Improve firefighting and rescue capabilities
- Improve personal safety of all staff
- Improve public knowledge of fire safety as well as risk management measures
- Improve training levels of all staff

Staff Compliment

We are a professional service (originally referred to as a Fire Brigade). We currently consist of 4 fire stations in the municipal area, namely, Humansdorp, St Francis Bay, Jeffreys Bay and Hankey.

This service responds to and deals with all types of fires and emergencies, ranging from structural, informal settlement, mountain and veld fires to small vessel and motor vehicle fires. The service extends its work to medical emergencies and rescues including urban

search and rescue, diving, motor vehicle extrications and high angle incidents, as well as hazardous material emergencies.

The department strives to provide a safer environment for the residents and visitors, by creating awareness of the dangers associated with fire in the communities.

Number of Staff Trained	Firefighter 1 & Awareness Training	Firefighter 2 & Operational HAZMAT Training	Other Training
Manager: Fire & Disaster	1	1	1
Deputy Chief	2	2	2
Divisional Officer	1	1	1
Senior Fire Fighter	8	8	8
Fire Fighters	33	30	32
Admin officer	0	0	1
Total	45	41	45

Vehicles

The section works over a vast and wide area within the municipal boundaries, covering the entire municipal area. Reaching emergencies in outlying areas has in the past been challenging, but with the procurement of new fleet within the section, such challenges will be met. The procurement of the additional vehicles for the section will also help to improve the response time to emergencies.

Type of vehicle	Model	Stationed in	Operational	Need replacement Yes/No
Ford LDV - Rescue	2007	Humansdorp	Yes	No
Toyota Land Cruiser – Bush fire fighting	2007	Humansdorp	Yes	No
Toyota Hino – structural fire fighting	2005	Humansdorp	Yes	No
Dennis – Structural fire fighting	1985	Humansdorp	Yes	Yes
Iveco – bush and structural fire fighting	2018	Jeffreys Bay	Yes	No
Nissan Tanker – structural fire fighting	1989	Jeffreys Bay	Yes	No
Nissan Patrol 4x4 – Bush fire fighting	2007	St Francis Bay	Yes	No

Type of vehicle	Model	Stationed in	Operational	Need replacement Yes/No
Toyota Tanker – structural fire fighting	1989	St Francis Bay	Yes	No
GMC – structural fire fighting	1987	St Francis Bay	Yes	Yes
Toyota Land Cruiser – Bush fire fighting	2007	Hankey	Yes	No
Dennis – Structural fire fighting	1984	St Francis Bay	No	Yes
Iveco -Pumper	2018	Jeffreys Bay	Yes	No
Iveco -Pumper	2020	Hankey	Yes	No
Iveco -Tanker	2020	Humansdorp	Yes	No
Ford Ranger - Disaster Management	2020	Humansdorp	Yes	No
Ford Ranger - Lifesaving	2020	Humansdorp	Yes	No
Isuzu LDV- Disaster Management	2006	St. Francis	Yes	Yes
Toyota LDV -Rescue2	2021	Humansdorp	Yes	No

Training and Development

The Kouga Municipality, like all other local authorities, must submit a Workplace Skills Plan to LGSETA in terms of the Skills Development Act, (Act 97 of 1998) and related legislation. No specialized firefighting training is currently provided to fire fighters and this department relies on the Sarah Baartman District Municipality for such training.

Awareness and Training	1st Quarter July - Sep 2021	2nd Quarter Oct - Dec 2021	3rd Quarter Jan - March 2022	4th Quarter April - June 2022	Grand Total 2021/2022
Number of civilians reached	165	154	36	89	444
Type of institutions visited (e.g. Old age home/Hospital / Clinic / Factory / Govt. buildings / Library etc.)	Awareness and training were conducted at various institutions and community members. Taverns, Spaza Shops, Restaurants, Humansdorp & Isivivana Hospital, Woodlands Diary, Old Age Homes, Townhouse complexes				
Number of children and teachers reached	89	212	100	1003	1404

Awareness and Training	1st Quarter July - Sep 2021	2nd Quarter Oct - Dec 2021	3rd Quarter Jan - March 2022	4th Quarter April - June 2022	Grand Total 2021/2022
Number of schools covered	3	5	4	7	19

Achievements

- Appointment of two (2) firefighters
- Completion of Fencing at Humansdorp Fire Station
- The fencing at Humansdorp Fire station continued during this financial year and is totally completed to safeguard all municipal property.
- Procurement of 1 x 2.5 Ton firefighting vehicle (Mini Pumper). This vehicle will be stationed in St Francis Bay and will be an added advantage to the current fleet. It will be delivered by end of July.
- Working on Fire has joined forces with Kouga Municipality to address the issues faced by the municipality with public open spaces (ongoing).
- The contract with Working on Fire has been extended to 31 December 2022 and a new base was also opened in Humansdorp with twelve (12) firefighters.
- This section received one (1) woodchipper from Working on Fire
- Achieved a response time within 15 minutes from leaving the station to the scene
- A response time within 15 minutes from leaving the station to the scene achieved an average 75,27% for the year.
- Fire Awareness Campaigns at Schools and Wards:
 - A total of 19 Fire Awareness Campaigns were conducted at schools for during this financial year.
 - A total of 25 Fire Awareness Campaigns were conducted at wards during this financial year.

Legal requirements

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

- Planning, co-ordination and regulation of fire services.
- Specialized firefighting services such as mountain, veld and chemical fire services.
- Coordination of the standardization of infrastructure, vehicles, equipment and procedures.
- Training of fire officers.

Kouga Municipality entered into a service level agreement with the Sarah Baartman District to perform the services on behalf of the district.

The Fire Brigade Service Act 99 of 1987, SANS 10090, Community Protection against fire, National Veld & Forest Act 101 of 1998, National Building Regulations Act 103 of 1977, and Occupational Health and Safety Act 85 of 1993.

3.14 **DISASTER RISK MANAGEMENT**



Overview

The purpose of Disaster Management is to promote integrated, coordinated, and multi-disciplinary disaster management for the community of Kouga. Kouga Municipality faces increasing levels of disaster risk. It is exposed to a wide range of weather hazards, including drought, severe storms, and diseases that can trigger widespread hardship and devastation as well as fires. Climate change is altering the face of disaster risk, not only through increased weather-related risks and sea-level and temperature rises, but also through increases in societal vulnerabilities. Kouga Municipality also dealt with the devastating effects of the COVID-19 pandemic.

Legislative mandate

The Disaster Management Act, 2002 (Act 57 of 2002) provides:

- An integrated and coordinated disaster management focused on rapid and effective response.
- Recovery from disasters as well as the reduction of disaster risk.
- The establishment municipal disaster management centres.
- A framework under which the municipal disaster management centre operates and liaises with all spheres of government and relevant stakeholders on disaster-related matters.

The focus of Disaster Management is to establish the necessary institutional arrangements for implementation of a Disaster Risk Management Plan within Kouga Municipality. It also emphasizes the involvement of all stakeholders in strengthening the capabilities of the Municipality to reduce the likelihood and severity of disasters.

Staff Compliment

A coordinated local response during an emergency is expected, and it is important that the municipality meets this expectation. Fulfilling these expectations, however, takes many partners, and it is important to have a clear idea of who is involved in emergency preparedness and the response of each partner's role. The Disaster Management section currently has no staff, following the resignation of the previous employee.

Position	Number of Positions	Number of positions filled
Disaster Management Specialist	1	1
Disaster Management Coordinator	1	0
Disaster Management Practitioner	2	0
Control Room Supervisor	1	0
Control Room Officer	4	4
Total	9	5

The section works over a vast and wide area within the municipal boundaries, covering the entire municipal area. Reaching emergencies in outlying areas has in the past been challenging, but with the procurement of the new fleet within the section, such challenges will be met. The section operates with 2 x LDV's one Ford Ranger procured during the previous financial year and a 2009 Isuzu Double Cab for the section and will also help to improve the response time to emergencies.

Joint Operations Command Meetings

During the COVID-19 pandemic the Joint Operation meetings had to be chaired by a practitioner but in absence, the Manager Fire & Disaster has taken up the role.

Kouga JOC Meetings		
Quarter 1		
July 2021	August 2021	September 2021
5 July 2021	2 August 2021	3 September 2021
12 July 2021	19 August 2021	
19 July 2021	26 August 2021	
	2 August 2021	
	19 August 2021	
Quarter 2		
October 2020	November 2021	December 2021
none	25 November 2021	15 December 2021
		20 December 2021
Quarter 3		

January 2022	February 2022	March 2022
5 January 2022	2 February 2022	2 March 2022
12 January 2022	16 February 2022	16 March 2022
19 January 2022	-	-
26 January 2022	-	-
Quarter 4		
April 2021	May 2021	June 2022
6 April 2022	18 May 2022	1 June 2022
20 April 2022	-	8 June 2022
-	-	15 June 2022
-	-	20 June 2022
-	-	22 June 2022

Risk within the different areas in Kouga

COVID-19 continued during the past year and the activities of the disaster volunteers assisted greatly to combat and contain the virus. The activation of the disaster volunteers was funded by a grant received from Germany.

Drought JOC Meetings and Task team meetings were held from April to May 2022, since the declaration of Kouga as a state of disaster due to the ongoing drought.

AREA	HIGH	LOW	Challenges
Humansdorp	Floods Domestic Fire		Storm Water System Maintenance. Informal Settlement Areas. Social factors
St Francis Bay	Domestic Fire Structure Fire Flooding	Sea level	Domestic fires are high in the formal and informal areas due to social challenges. Structure fires are a high-risk due to electrical and social factors. Sea Risen due to Climate Change and Global Warming factors. Formal and informal areas get flooded due to lack of storm water system and maintenance.
Oyster Bay	Flooding Domestic Fire	Sea	Formal and informal areas get flooded due to lack of storm water system and maintenance. Domestic fires are high in the formal and informal areas due to social challenges.

AREA	HIGH	LOW	Challenges
		level	Sea Risen due to Climate Change and Global Warming factors.
Jeffreys Bay	Domestic Fire Flooding	Sea level	Domestic fires are high in the formal and informal areas due to social challenges Formal and informal areas get flooded due to lack of storm water system and maintenance. Sea risen due to Climate Change and Global Warming factors.
Thornhill	Flooding Domestic Fire	Veld Fire (Bush Plant)	Formal and informal areas get flooded due to lack of storm water system and maintenance. Domestic fires are high in the formal and informal areas due to social challenges. Bush fires and Plantation forestry.
Hankey	Domestic Fire Flooding		Domestic fires are high in the formal and informal areas due to social challenges. Informal Settlements.
Patensie	Domestic Fire Flooding		Domestic fires are high in the formal and informal areas due to social challenges. Flooding is more in the low line farm areas.
Hankey	Xenophobic attacks		Foreigners from Lesotho were attacked and chased from the area by some locals. They were assisted by the Municipality and community until the buses from Lesotho arrived to take them home.

Achievements

- Appointment of one Disaster Specialist
- Disaster Management Plan

Kouga Municipality is committed to build a safer environment for its community. The Disaster Management Plan of Kouga Municipality which has been compiled in terms of Section 53(1)(a) of the Disaster Management Act, 2002 (Act 57 of 2002).

The Disaster Management Act states that "Disaster Management is a continuous and integrated multi-sectorial and multi-disciplinary process of planning and implementation

of measures aimed at disaster prevention, mitigation, preparedness, response, recovery, and rehabilitation".

1. Emergency Disaster Relief

Kouga Local Municipality offers emergency disaster relief following incidents within the area. The Disaster Management section responds promptly to the affected victims by issuing of blankets, mattresses as well as food parcels to fire and flooding affected victims.

2. Disaster Management Volunteers

The disaster management volunteers were appointed as a contingency measure to address the spike in Covid-19 cases within the Kouga municipal area. They perform this function with the cooperation of Law Enforcement and the South African Police Services.

The objective was to flatten the curve with the introduction of control and monitoring measures within the community. They monitor and control the high congested areas with social distancing, wearing of masks and sanitizing the public's hands. They worked actively at funerals and were roaming the streets of Kouga to execute this function. Kouga Municipality received a donation from Germany for Covid-19 related activities, especially for the activation of the disaster volunteers.

Compliance with the Implementation of Covid-19 Risk Departmental Workplan

The departmental COVID-19 Risk Operational Plan was adhered to throughout the year. All positive employees were isolated correctly, as per the plan and received the necessary personal protective equipment. The entrances were manned by security to take temperatures and ensure compliance with sanitization of all entrées. The stations were regularly sanitized as per schedule. The staff has been trained with regards to COVID-19. Daily sanitizing was conducted at all premises of all the frequently touched areas. All premises were fogged with decontaminating liquid after a positive test has been received. The department thus was in 100% compliance with the Implementation of COVID-19 Risk Departmental Workplan.

3.14.1 LIFESAVING SERVICES

Overview

The main duties of lifeguards are to maintain constant surveillance of patrons within the aquatic environment, to prevent any incidents, injuries and drownings in and around the aquatic environment. They act immediately and appropriately to secure safety of patrons in the event of emergency. Provides emergency care and treatment as required until the

arrival of emergency medical services. They also enforce rules and regulations within the aquatic environment.

Prevention

The Lifesaving Service section focuses on creating awareness through water safety programmes towards schools and the community, providing training for locals, preventing or reducing the risk of drownings, mitigating the severity of emergencies, emergency preparedness, rapid and effective response to emergency situations and post-emergency assistance.

Lifesaving is an essential life skill.

Preparedness

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

Functional strategies:

- Improve lifesaving capabilities.
- Improve personal safety of all staff.
- Improve public knowledge of water safety as well as risk management measures.
- Improve training levels of all staff.
- Improve staff interaction with the public.

Staff Compliment

The Lifesaving section consists of 2 permanent Senior Lifeguards, 50 contractual Lifeguards, and 2 contractual Shark Spotters for the summer festive season annually. The lifeguards ensure that all swimming beaches within Kouga Local Municipality are safe for patrons during the summer festive season. The contractual staff are monitored and coordinated by the permanent staff during this time.

Position	Number of Positions	Staff trained in Lifeguard Awards, PWC (Jet Ski) Skippers, Lifeguard Instructors, Maritime Emergency Care First Aid, Quad (ATV), Navigation, Coxswain Qualification, Radio Operations, Shark Spotter
Permanent Staff		
Senior Lifeguard	2 (filled)	2 Senior Lifeguards are trained in: • Lifeguard Awards,

		• Personal Watercraft (Jet Ski) Skippers, • Lifeguard Instructors, • Maritime Emergency Care First Aid, • Quad (ATV), • Navigation, • Coxswain Qualification, • Radio Operations • Shark Spotters Training
Contractual Staff		
Blue Flag Lifeguards	12	12 Lifeguards are trained in: • Lifeguard Awards
Shark Spotters	2	2 Shark Spotters are trained in: • Shark Spotters Training
Lifeguards	38	38 Lifeguards are trained in: • Lifeguard Awards
Total	54	54

The lifeguards work over a vast and wide area within the municipal boundaries, covering the coastline from Oyster Bay to the Gamtoos Mouth.

The safety of Kouga's beaches is a big drawing card for tourists and the municipality continues in its efforts to strengthen the lifeguard section year on year.

The lifesaving section operates with the following vehicles:

1x quad bike

1x 4x4 Single Cab

1x jet ski

This is to ensure that lifeguards respond speedily and efficiently to emergencies be it on land, surf or shore. The vehicle is also used to ensure that all seasonal staff arrive and commence duty at their allocated beaches.

Kouga Municipal Grant-In-Aid Recipient National Sea Rescue Institute (NSRI – Station 37)

Kouga Municipality supports organizations and bodies who qualify for financial assistance in terms of the criteria and prescriptions contained in the Grant-In-Aid Policy and Section 67 of the MFMA 2003. The NSRI work in conjunction with the Kouga Local Municipality to provide training to the Kouga community to create lifeguard jobs on local beaches. The partnership between the municipality and the NSRI has been strong, and the programme has created some excellent lifeguards.

The focus of Sea Rescue Lifeguards is prevention. The teams are chosen from residents who are trained to understand their area of operation intimately. The skills that are taught emphasize anticipating dangers and educating visitors about these dangers, thus

reducing the need for rescues. Sea Rescue lifeguarding protocols are designed to reduce the dangers that visitors face. This includes a mobile app that gives the local and national managers real-time information on exactly what is happening in the area, including weather conditions and incidents. The very best equipment available is used, including 4x4 vehicles, quad bikes and custom-designed jet skis. This allows lifeguards to respond to incidents faster and in a wider area than just between the flags, as statistics show that most drownings happen outside of the flags. The Sea Rescue Lifeguard unit uses its own training curriculum for volunteers, the Surf Rescue Swimmer qualification. This allows them to bridge that gap between lifeguards and sea rescue crew and brings their skill level closer together. Sea Rescue Lifeguards are on standby 24 hours a day to respond to emergencies.

The NSRI – Station 37, successfully applied for the Grant-In-Aid for the 2020/21 financial year and these are the achievements for the year.

Achievements

Lifeguard Training

Lifeguard training was conducted by the NSRI during this financial year, where volunteers from all areas within Kouga could join. The training was catered for individuals with swimming backgrounds as well as those who have no swimming experience.

Lifesaving Containers

A new satellite sea rescue and lifesaving station was opened at the Aston Bay Beach in a joint venture by Kouga Municipality and the National Sea Rescue Institute (NSRI). A container, fitted with rescue equipment such as a radio, oxygen cylinders, automated external defibrillators (AED), and a patient bed was placed in the area to help improve lifesaving operations. The container has been modified to have a lifeguard tower on top and will also be equipped with a quad bike, a jetski and other medical supplies to help with emergency cases.

Lifesaving Awareness Campaigns and Meetings

A total of 8 Lifesaving Awareness Campaigns were conducted at wards for this financial year. The annual target was 8 Lifesaving Awareness Campaigns for the year.

Meetings with NSRI

A total of 3 meetings were held with the NSRI, Lifesaving Eastern Cape and Kouga Municipality

Signage

Twenty-five (25) beach warning signs were installed in all areas that were identified as high risk for swimming from Kabeljous to Oyster Bay.

Challenges and Solutions

Description	Challenge	Solutions
Vehicles and Equipment	Training during the COVID-19 pandemic was a challenge, as the candidates became demotivated and some even resigned from the programme. The beaches have closed several times with the new lockdown regulations.	To stress the importance and change the mindset of the community, through education and awareness programme on importance of compliance with COVID-19 measures.
Awareness and training	Lack of water knowledge and swimming ability within the communities. The public does not adhere to the regulations and are swimming at high risk and non-designated areas.	Increase of water awareness programmes and introducing lifesaving skills through training. Media and social awareness initiative to be introduced to defer public that does not adhere to regulations and swim at high risk and non-designated areas. Twenty-five (25) beach warning signs were installed at high-risk areas for swimming.

3.15 SAFETY AND SECURITY

This Department includes Traffic, By- Law enforcement and Security services.

The aim of Council is to ensure that all residents and visitors live in a safe and harmonious environment within Kouga municipal area, through high visibility and presence of law enforcement agencies.

Currently municipal law enforcement officers work closely with the South African Police Services (SAPS) to combat crime. Traffic law enforcement focus on keeping the local roads and streets in the municipal area safer and minimize road fatalities. Integrated operations are held to prevent crime increase in this municipal area through proper planning. The section works closely with other enforcement agencies within Kouga municipal area to fight crime in all forms.

3.16.1 TRAFFIC LAW ENFORCEMENT

Overview

Traffic and Licensing Services aims to provide a professional service to all road users and the community of Kouga Municipality by promoting road safety and creating a safe road environment through effective management, education, engineering, and enforcement. The goals and functions are to educate road users to comply with the rules and regulations of the road and to enforce it. Traffic Law enforcement is guided by the National Road Traffic Act 93/1996, National Land Transportation Act 5/2009 and supported by the Criminal Procedure Act 51/1977.

Functions:

Traffic Safety is the mandate of the Department of Transport and has been delegated to Provincial and local authorities, guided by the National Road Traffic Act, 93 of 1996, The Criminal Procedure Act 51 of 1977 and the National Land Transportation Act 5 of 2009.

Our operational activities include roadblocks at strategic areas, high visibility in identified hotspots zones.

High visible traffic policing is essential daily to ensure safer road environment. The Traffic Law enforcement section works closely with other relevant law enforcement stakeholders for example the South African Police Service (SAPS) and the Department of Justice to enforce the law and bring perpetrators to book.

Patrols are performed on various National, Provincial and Local roads/ streets in the Kouga area. Roadblocks are held to check driver driving behaviour and vehicle fitness. Speed checking by camera and manual operation is conducted on daily basis. There are nine (9) schools that are participating in the scholar patrol programme. They receive regular training and are supplied with the necessary equipment.

SCHOOL	WARD	AREA
Graslaagte primary school	5	Acadia
St. Patrick's primary school	15	Graslaagte
Stulting primary school	15	Humansdorp
Mzingisi primary school	6	Kwa Nomzamo
Hankey primary school	9	Phillipsville
Makhukanye primary school	2	Tokyo Sexwale
Sea-Vista primary school	1	Sea vista
Jeffreys Bay Primary school	11	Central J-Bay
Kings College	14	Ocean view

Traffic Control Activities

Description	2017/18	2018/19	2019/20	2020/21	2021/22
	Total	Total	Total	Total	Total
Handwritten fines	4238	3523	2602	4296	6146
Paid fines	26 000	7868	682	875	1142
Disable Parking discs	160	162	166	107	117
Warrant of Arrests	1201	333	161	114	554
Notices/Fines		Description		Issued	Rate
		Handwritten fines		6862	100%
Successful		Admission of guilt paid		1616	24%
		Warrants paid		714	10%
Unsuccessful		Notice withdrawn by court		1781	26%
Outstanding		Unfinalized		153	2%
		Warrants of arrest		2598	38

Challenge

- Payment rate is low due to current social economic environment and covid 19
- No municipal court to deal with traffic related and bylaw cases only.
- No approval by DoT to perform eNatis blocking.
- During Loadshedding internet networking is slow or not available, whereby the eNatis system is not functioning properly although a generator was installed.

Achievements

The Safety and Security Section went out on tender for Speed camera enforcement equipment, a service provider was appointed on the 24 May 2022 and Speed Camera operations are operational.

Weekly and monthly Roadblocks/Joint operations with Roleplayers are being planned and executed.

Two Senior Traffic officers were appointed 01 June 2022.

A total number of 27 roadblocks (warrants and drunk and driving) were conducted

A total number of 108 joint operations (driver and vehicle fitness) were conducted by traffic and law enforcement and other stakeholders.

3.16.2 REGISTRATION AND LICENSING/ DRIVERS LICENSE/ VEHICLE TESTING

OVERVIEW: Registration and Licensing

Municipalities act as Agents for the Department of Transport to register and license vehicles and conducting driver/ learners' licenses. The municipality receives a 19% agency fee for rendering this service.

Function

- The registration and licensing as well as Deregistration of Motor vehicles within the jurisdiction of the Kouga Area.
- The capturing of data onto the e-Natis system is done daily.
- The forwarding of complicated vehicle registration transactions to the Provincial Department of Transport helpdesk for support and advice.
- Motor Vehicle Disbursement Reports are compiled on a weekly basis for direct payment to the Provincial Department of Transport. Audits are being performed by the Provincial Department of Transport once a year to determine compliance of the National Road Traffic Act.

REGISTRATION & FILING CUBICLES

FILING

Filing of documentation is done daily according to Motor Vehicle Register Numbers to ensure correct classification during Audit Inspections.

ACHIEVEMENTS IN THE REGISTRATION & LICENSING SECTION:

- 4 Filing Clerks have been appointed on a Permanent basis.
- The registration clerk cubicles were changed to all be front facing.
- Burglar bars were installed at the outside windows and new blinds were fitted.
- Filing is conducted daily for better control measures.

Description	2017/18 Total	2018/19 Total	2019/20 Total	2020/21 Total	2021/22 Total
HUMANSDORP					
Duplicate Certificates	230	399	171	273	207
Special Permits	95	44	23	13	19
Temporary Permits	41	117	14	22	39
Search Fees		1	-	-	

Hankey					
Duplicate Certificates	0	17	12	16	11
Special Permits	0	13	1	3	6

REGISTRATION & LICENCING TRANSACTIONS

DRIVERS LICENCE SECTION(DLTC)

Overview: Driving Licence Testing Centre and Vehicle Testing Station

The driving license testing centre (DLTC) makes provision to test learners' licences, light and heavy motor vehicles licences, as well as renewal of driver licenses and professional driving permits for the community of Kouga municipality and neighbouring municipalities. Humansdorp centre operates 5 days a week.

Computerised learners licence testing equipment was installed at Humansdorp and Hankey driving licence testing centres.

Hankey driving license testing centre is fully operational and does renewal of driving licences and professional driving permits.

The Vehicle Testing Station (VTS) in Humansdorp is operational. A play detector was installed in September 2021.

Driving License testing centre (DLTC) statistics: Humansdorp and Hankey

Description	2017/18 Total	2018/19 Total	2019/20 Total	2020/2021 Total	2021/22 Total
Learners License Applications	3815	4357	2679	3280	2744
Applicants passed	2354	2785	1959	2394	1690
Driving License Renewals	5357	5594	3908	4160	5512
Driving License tests light m/v	1631	1966	1128	1266	1231
Driving License tests heavy m/v	3140	3469	2260	2010	766
Applicants passed	2625	3155	2508	2374	1038
Roadworthy tests conducted	0	283	243	71	57

Challenges

- Poor response in communication from the Department of Transport.

Achievements

- Two posts for examiner of driving licences are to be advertised.
- A generator was installed to service the Humansdorp Traffic department during loadshedding.
- A container has been rented for additional filing space.

3.17 SECURITY AND LAW ENFORCEMENT

3.17.1 SECURITY

Overview

Performing access control, monitoring and visible patrolling on a 24/7 basis. To ensure Municipal key points e.g., water treatments plants, sewerage & plants are guarded 24/7. A current staff compliment of 29 permanently employed guards ensuring safety in 20 municipal sites. During the festive season, the municipality employs guards on fixed term contracts.

Functions

- Performing access control.
- Adhering to National guidelines of Covid-19 Protocol.
- Monitoring and response to incidents.
- Visible patrolling on a 24/7 basis on sites.
- Investigation and reporting of theft and vandalism to SAPS.
- This section strives to ensure that municipal assets/property is protected against theft, burglary, and vandalism. Its mandate is also to ensure the human capital is safeguarded when on duty.
- Temporarily guards are contracted as and when needed. Private security is being procured to guard high risk areas, e.g., water treatment plants etc.

Challenges

- Budget was reallocated.
- Service provider for alarm monitoring and response cancelled the contract before the term expired (GAP Management).

Solutions

- CCTV cameras are being put up at Municipal Buildings.
- Upgrade the entire security system with digital security equipment is in an on-going process.
- Additional nineteen (19) contractual security officers were appointed to assist with guarding of municipal assets.

- Renovation was conducted to accommodate the CCTV operations room at the Humansdorp Fire department.
- 12 Licence Plate Recognition (LPR) cameras were installed.
- 12 Monitored cameras at LPR sites have been installed.
- 6 Cameras were installed on Dolphin Road, Jeffreys Bay.
- A Pan, Tilt, Zoom (PTZ) camera were installed on NSRI tower, Jeffreys Bay.
- We are also currently monitoring an additional two PTZ cameras in the Jeffreys Bay area.
- 4 Cameras installed at Kruisfontein Sports field.
- 4 Cameras installed outside Humansdorp Secondary School.
- Numerous KLM buildings and assets have been supplied with CCTV cameras.
- KLM has linked to National Vehicle Information Cloud (NAVIC) throughout the Eastern Cape consisting of approximately 400 cameras.
- We have been instrumental in the launch of a Public Safety Application (URsave) that is being co-monitored by KLM Operations Room.
- Cameras are instrumental in crime reduction and has assisted SAPS in tracking suspects as well serve as evidence court evidence.

3.17.2 LAW ENFORCEMENT

Overview

The Law Enforcement Section is responsible for Law Enforcement through Municipal Law Enforcement which is mandated by Government Gazette 23868 of 26 September 2002, to address short falls and hardships experienced by Municipalities in South Africa relating by-law empowerment. To ensure all municipal bylaws are adhered too, and that the law and order in respect to the regulations of Kouga Municipality legislation are adhered to by the residents and visitors.

Functions: Daily duties entail patrol duties on the main beaches, CBD areas and other high priority areas. High visibility in residential areas is important.

Operations in co-operation with other law enforcement agencies are done on a regular basis.

High visibility and patrols are carried out by-law enforcement officers during events hosted in Kouga Municipality.

The Impoundment of stray animals is part of the monthly programmes;

- The removal of illegal signage erected.
- Assistance of other department and relevant law enforcement agencies.

Description	2018/19 Total	2019/20 Total	2020/21 Total	2021/22 Total
Impoundment of animals, (cattle, goats, and pigs)	133	185	148	57
Complaints investigated	412	472	620	670
Arrests	27	13	9	12
Fine issued	749	934	709	702
Operations in Humansdorp Joint Hankey, Patensie, St Francis Bay and Thornhill, Loerie	13	21	57	60
Illegal Signage	279	313	309	219
Funerals monitored: COVID-19 (July 2021 – June 2022)	-	231	636	258

Challenges

Roaming and Stray animals remain a concern as municipal boundaries are not properly fenced.

Achievement

Kouga Municipality entered into an agreement with a private landowner to operate an animal pound on its behalf. Multi Law Enforcement Stakeholder relationships with private Security forces and Neighbourhood watches was established to strengthen visibility and curb crime in Jeffreys Bay.

A WhatsApp group was established to distribute information which is very effective. Weekly meetings are being held to plan and strategize effective execution of crime combat.

Training (Peace Officer) has been given to 6 Law Enforcement via Nelson Mandela University.

Additional eight (8) contractual law enforcement officers were appointed to assist with bylaw enforcement.

A quadbike was acquired for law enforcement to do beach patrols in November 2021.

COMPONENT H: SPORTS AND RECREATION

3.18 CARAVAN PARKS AND CAMPING

Strategic objective

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

Description of activities

- The maintenance of all Council Caravan Parks and Resorts
- To identify needs and respond to customer complaints to ensure customer satisfaction.
- Reconciliations of bookings and invoices.
- Reservations and bookings

Challenges

No marketing plan for the parks.

Vandalism at Gamtoos mouth Caravan Park and Yellowwoods

Solutions:

Plans are in progress to develop a marketing strategy in conjunction with Tourism sector.

Security Cameras were installed at some facilities

Achievements

- Upgrading of 2 x Caravan Parks (Pellsrus Caravan Park and Jeffreys Bay Caravan Park.

3.19 SPORTS AND RECREATION

Strategic Objective

Communities have access to affordable sporting and community recreation facilities that are well maintained and managed.

Description of the Activity:

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

- Control of all existing sport facilities
- Control of all existing community recreation facilities
- Maintenance programs for both sport & recreation facilities
- Marking of pitches
- Preparation for special events at all facilities.
- Identification and application for new facilities as the need arises
- Handling of reservations
- Reconciliations

- Procurement of required amenity equipment.

Challenges

- Vandalism of Community halls and Sport fields is still a challenge
- Insufficient budget for establishment of new sports fields and maintenance thereof.
- No proper Indoor or Multi-Purpose Centre for Kouga Region.

Solutions:

- Installing Security Cameras to all hotspot facilities
- Council is in a process of entering into a custodianship with sport clubs for the upkeep and maintenance of the existing sport facilities.
- Business plans were submitted to the Department of Sport, Recreation Arts and Culture for the upgrading of Sport facilities as well as the development of new sport facilities.

Achievements

- Upgrading of Sea Vista Sport field through MIG Funding
- Completion of designs for Loerie Sport field through MIG Funding
- Clubhouse upgraded (Tokyo Sport field & Kruisfontein Sport field)
- Upgrading of Community halls (Weston Hall, Sea Vista Hall and Aston Bay Hall)
- Completed fencing at Loerie Hall, Sea Vista Hall, Kruisfontein Sport field clubhouse, Kruisfontein Sport field Caretakers house, and Oyster Bay hall

UPGRADING OF COMMUNITY HALLS

Sea Vista Hall: Painting (roof, inside and outside), installation of hand basins and toilet cisterns, tiling and painting of the toilets, installation of a sign boards and fencing

Weston Hall: Works included Painting (roof, inside and outside), installation of hand basins and toilet cisterns, tiling and painting of the toilets, installation of a sign boards

Aston Hall Upgraded, works included: Electrical Wiring, painting in and out, plumbing, tiling, installation of windows and burglar doors

SPORT FIELDS

Two Clubhouse upgraded (Tokyo Sport field & Kruisfontein Sport field).

Kruisfontein Sportfield Caretakers house upgraded, works included Electrical Wiring, plumbing, tiling, painting in and outside, fencing the house and fencing the Kruisfontein Sportfield Club house, and installation of the crowd control fence.

3.20 BEACHES AND ABLUTION FACILITIES

Strategic Objective

Communities have access to clean beaches with clean facilities that are well maintained.

Description of the Activity:

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

Challenges

Vandalism of facilities especially after hours.

Solution

- Installing Security Cameras to all hotspot facilities

Achievements:

- Upgrading of public ablution facilities (Kabeljouws, Pellsrus, Cape St Francis)
- Major repairs were implemented to all the ablution facilities

The following facilities in these units were upgraded (Jeffreys Bay, STF Bay, Gamtoos Valley)

St Francis Bay: Shore Road 1, Aldabara, Shearwater drive, granny's toilet, main beach, Seal point, CSF main beach.

Granny's Pool: Land scaping at Grannys Pool Toilet, Installation of Umbrellas, Repairing of braai stands

Jeffreys Bay Unit:

Kabeljouws 1 & 2, Tacoma, Pagoda, Checkers, Super tubes, Main beach, Friendly, Pellsrus, Aston Bay, Paradise Lagoon, Dawn View, Botha Street

DIRECTORATE PLANNING, DEVELOPMENT AND TOURISM

COMPONENT G: PLANNING AND DEVELOPMENT

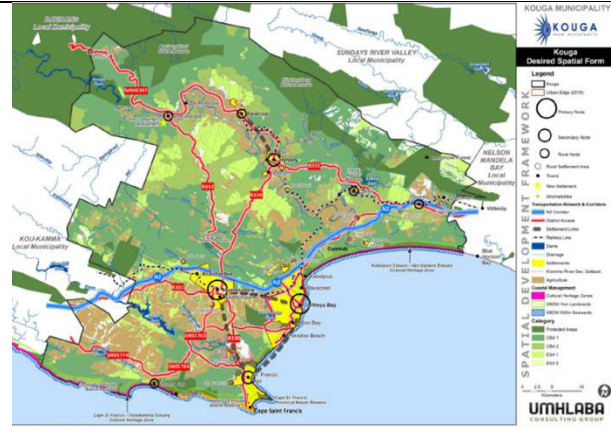
3.21 SPATIAL PLANNING AND LAND USE MANAGEMENT

SPATIAL PLANNING

The municipality has a credible SDF that meets the required standards as set by the Eastern Cape Provincial Government through the implementation of the Comprehensive SDF Guidelines developed by Department of Rural Development & Land Reform, 2014.

The Reviewed Spatial Development Framework document has been adopted with amendments, after the public participation process has lapsed. Council Resolution No. 21/02/PD11, dated 26 February 2021.

In terms of the SPLUM Act (Act No. 16 of 2013) the SDF must be Gazette to comply with the Act and was Gazetted in the Provincial Gazette on the 18 March 2021.

	The Status Quo Analysis for KLM is based on 3 themes, i.e. Biophysical, Socio Economic and the Built Environment (refer to Chapter4). In support of the KLM vision, the following outlines the key issues and objectives based on the 3 SDF themes. 1. Built Environment 2. Biophysical 3. Socio Economic (Pg. 50; Chapter 6.1 SDF 2021)
• 1. Built Environment: • Lack of Municipal owned land for expansion of lower income and indigent populations • Inadequate land for provision of basic social facilities, i.e., churches, community halls, sports facilities, etc. • Lack of land for expansion and development of commonages and promotion of urban agriculture • Re-assessment of existing urban edges and urban structure • Strategic land portions include Thyspunt, Gamkab area, Kromme River, Critical Biodiversity Areas, the coastline, and estuaries • Ensure well-defined and structured urban areas including urban edge, identification of growth nodes and strengthening of accessibility and transportation corridors • Residential integration and the promotion of mixed-use development to support sustainability to be encouraged • Ensure and maintain an adequate land use management system to ensure the implementation of the Spatial Development Framework	• 2. Biophysical Environment: • Low levels of investment in the rural area and limited opportunities for development, job creation and tourism development • Identify areas for future rural livelihood prioritisation • Support and expansion of the smaller rural nodes to provide services and function to the surrounding area, with emphasis on the Oyster Bay / Gamtoos River and Loerie / Thornhill areas • Impact of Climate Change: • 2.06 decrease in Mean annual precipitation • 3.2% increase in mean annual evaporation • 10.17% decrease in mean Annual runoff • Increase in average temperature of less than 2.5 C • Inadequate environmental management and environmental support strategic plans • Lack of environmental by-laws and environmental management strategies

• Lack of capacity to deal with SPLUMA requirements and SPLUMA readiness • Defragmented land use schemes and the need for an Integrated Land Use Scheme for the entire Kouga area • Inadequate land for future expansion of human settlements with emphasis on subsidy dependent beneficiaries • Subsidised future residential developments to be based on sustainability principles, integration and acceptable densities • Slow housing delivery process and unavailability of pre-planned and surveyed land • Lack of acceptable service levels and service maintenance • Lack of land for bulk service provision and service integration • Lack of land for 'commonage' purposes. • There is a need develop a food gardens plan to enhance food security for the urban poor.	• 3. Socio-Economic Environment: • SDF should promote economic development and proactive planning to ensure economic growth • Expansion of CBD areas and opportunities for industrial development • Support tourism industry based on environmental sustainability principles • Environmentally sensitive areas to be identified and protected through the Spatial Development Framework
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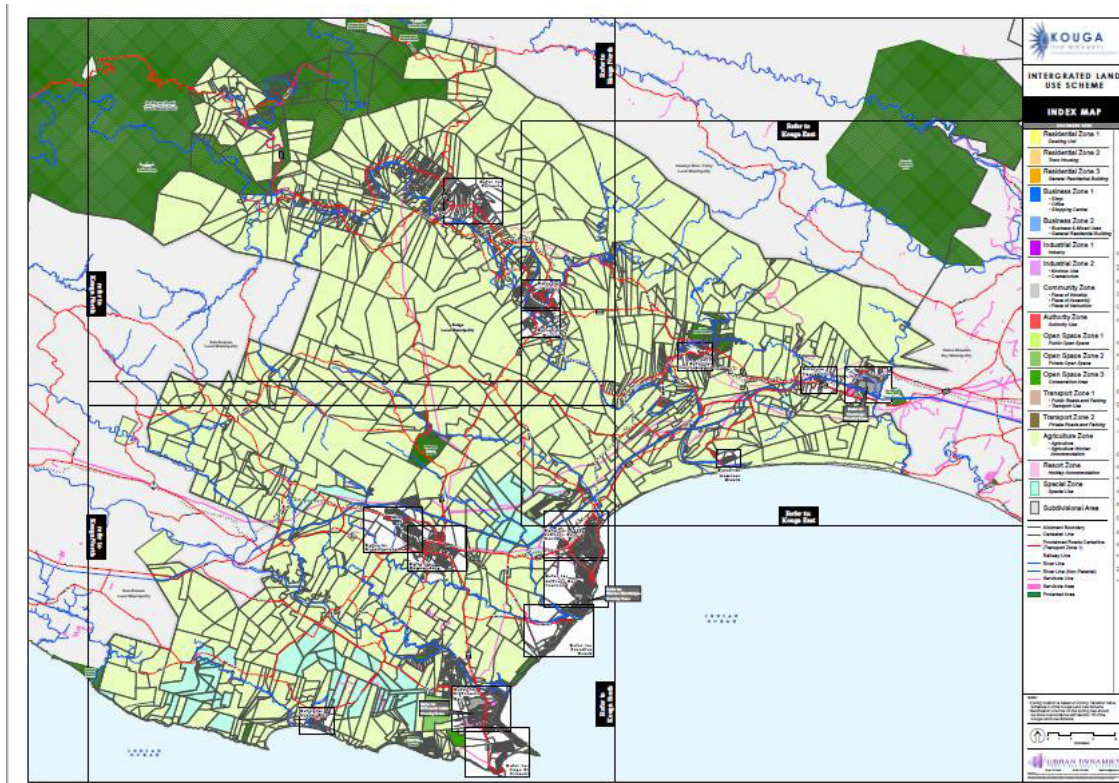
INTEGRATED LAND USE SCHEME (ILUS)

The Draft Integrated Land Use Scheme (ILUS) was finalised in the 2020/2021 financial year and tabled to Council for adoption on the 26 February 2021.

On the 19th of March 2021 the Kouga Integrated Land Use Scheme was promulgated in the Provincial Gazette (No.EC 4245).

The main objective is to create an Integrated Land Use Scheme that will replace the old Section 8 Scheme, Act 4 Regulations and the Jeffreys Bay Town Planning Scheme which exist for the towns in the Kouga Municipal area. The Kouga ILUS complies with the current legislative framework, and with the provisions of the Spatial Planning and Land Use Management Act, (Act 16 of 2013) as well as the Kouga Spatial Planning and Land Use Management By-law, 2016. It must also fit within the policy parameters established by the Provincial Government in the Eastern Cape, the Eastern Cape Spatial Development Framework, and the Kouga Spatial Development Framework.

In terms of the Spatial Planning and Land Use Management Act, 2013, all municipalities must adopt a wall-to-wall land use management scheme before the end of 2020.



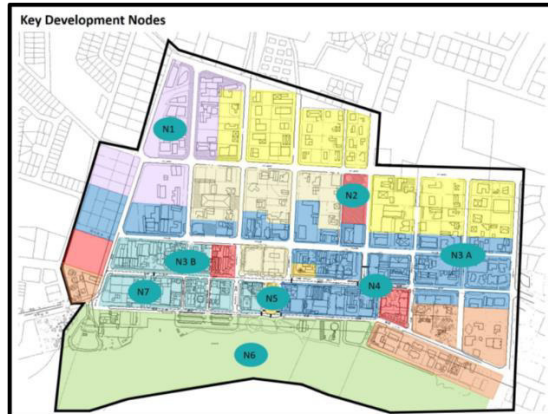
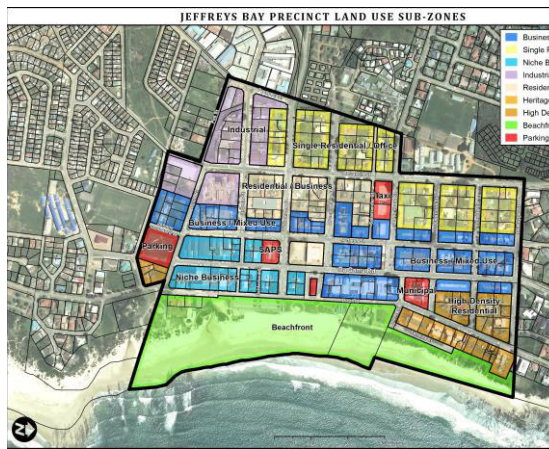
LOCAL DEVELOPMENT FRAMEWORK: PRECINCT PLANS:

JEFFREYS BAY PRECINCT PLAN:

The municipality developed the Jeffreys Bay Precinct Plan on 03 June 2020. The draft document was Published for comments from 29 April 2021 until 27 June 2021. After receipt of the updated document, the PSC resolved that an extension be granted until 30 July for comments. It is the intention of the department to submit the updated 3rd draft to the next Council meeting for adoption.

PROJECT OBJECTIVES

- To develop a spatial vision for the Jeffreys Bay CBD.
- To leverage private and community/ public investment within Jeffreys Bay.
- To enhance the collateral value of properties within the CBD.
- To create conditions for broadening of capital formation and business development.
- To achieve efficiency in the movement of goods and people by restructuring the spatial form of the CBD by introducing proper land use zones and supporting the introduction of activity nodes and movement corridors.
- To create vibrant public and economic spaces.
- To build institutional and development capacity that will contribute to social and economic cohesion.

KEY DEVELOPMENT NODES:**PUBLIC PARTICIPATION****KEY DEVELOPMENT ZONES****Built Environment**

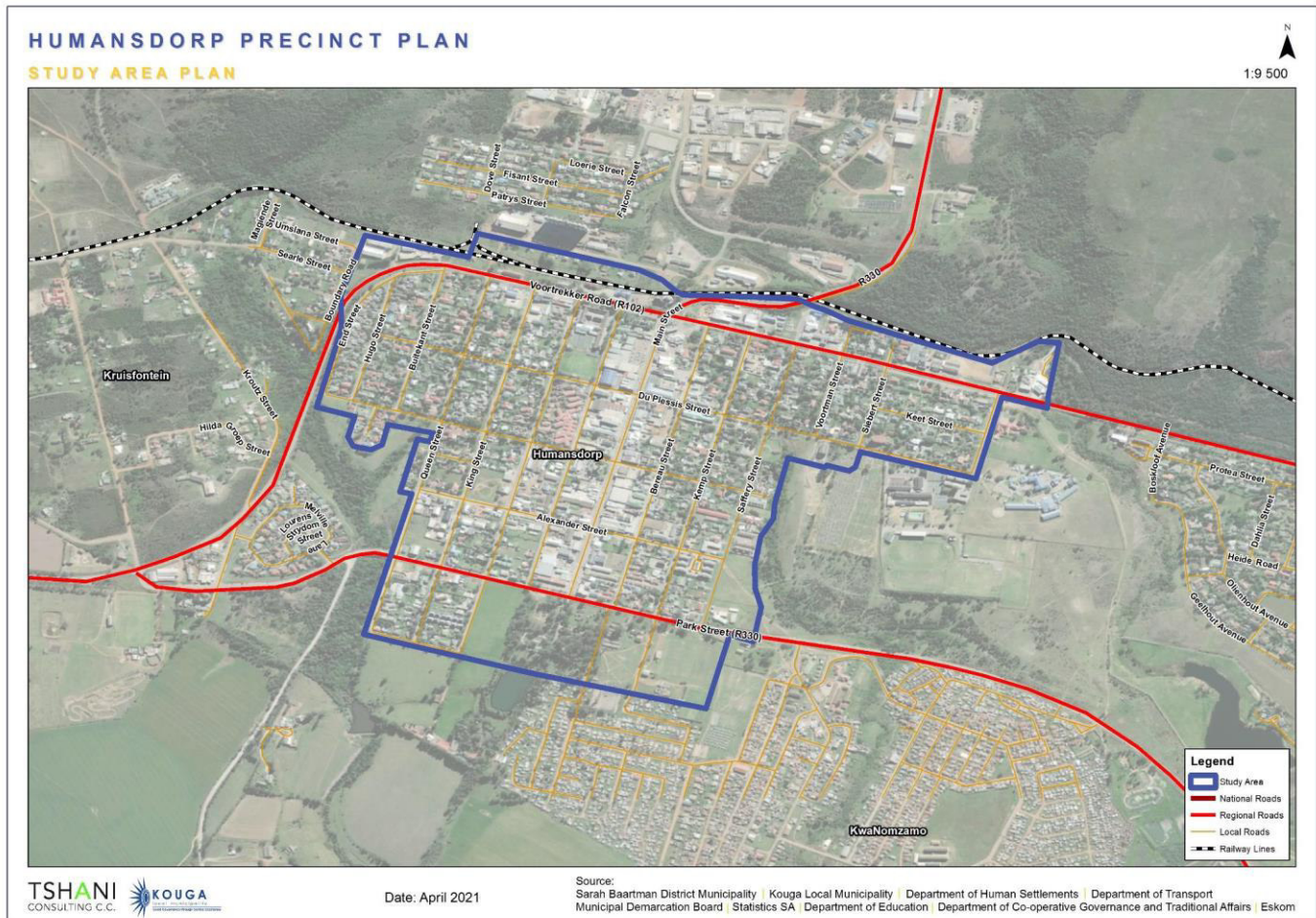
Built Environment Summary
Edges and Gateways

**HUMANSDORP CBD PRECINCT PLAN**

In February 2021, the municipality initiated a process to develop a precinct plan for the Humansdorp CBD. The inception report spells out the milestones that needs to be achieved by the service provider.

A Status Quo report was draft for discussion by the various stakeholders, through workshops and virtual platforms. Workshops were conducted with stakeholders for their inputs and comments.

The Draft Precinct Plan document was completed and was advertised for final public comments, and thereafter the document was tabled before Council for adoption. The approved precinct Plan has been uploaded on the website of the municipality.



LYNCH ANALYSIS HAS BEEN DEVELOPED FOR THE HUMANSDORP CBD.

A Lynch analyses two qualities of the built environment: *legibility*, 'the ease with which its parts can be recognised and can be organised into a coherent pattern' and *imageability*, 'that quality in an object which gives it a high probability of evoking a strong image in' the observer'.

The Lynch Analysis encompasses the following **five (5) STRUCTURING ELEMENTS**:

Paths - the streets, sidewalks, trails, and other channels in which people travel.

Nodes - intersections where paths cross. These focal points and intersections become the hub of everyday street-life.

Edges - the walls that define and contain streets, nodes and all other public space.

Districts - deal with the precinct size and character. A nice size for a precinct is an environment that fits into a 400m radius. This is easily walkable in 5 minutes.

Landmarks - physical markers that marks position in the environment. Normally tall in nature it quickly announces the way to the user.

The following was noted when developing the lynch analysis for our study area.

Five (5) districts were identified

- CBD District
- Mixed-use District
- Residential District
- Industrial
- Open Space District

CBD District – This district can be found on the Main Road of Humansdorp CBD, all the properties located on this Main Road are being currently used for business purposes. These businesses vary, they are either supermarket, clothing store, butchery, etc.

Mixed-Use District – In this district, we can find urban development, urban planning that blends residential, commercial, cultural, institutional, or entertainment uses into one space, where those functions are to some degree physically and functionally integrated. In this District we can find, shops, offices, schools, churches, and many other different uses.

Residential District – In this district, there is only development for residential purposes.

Industrial District - In this district, there is only development for industrial purposes.

Open Space District- In this district, we find active & passive open spaces for purposes such as parks.

Five (5) landmarks were identified, but there are more

- Taxi Rank
- Spar
- Humansdorp Museum
- NG Kerk (building with the long pointy structure)
- Home Affairs

Three (3) pathways were identified

- N2 (which leads to Kruisfontein, the N2, Jeffery's Bay and into the Humansdorp CBD through the Main Road)
- Park Street which can be seen as Minor Pathway
- Pedestrian pathways coming from the Kwa Nomzamo Area

Two (2) nodes were identified

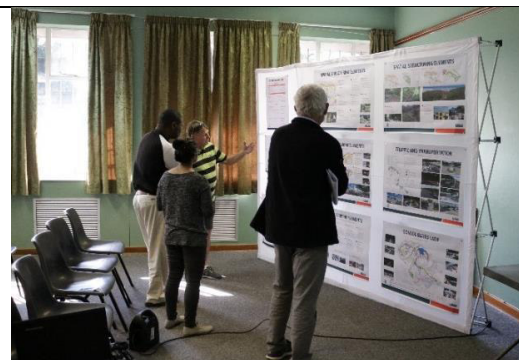
- Primary Node- this is where there is a perceived area of continuous activity surrounded by a building density that supports it.
 - Secondary Node – this is where activity and density are anticipated to increase over time.



Public Participation

A detailed close-out report will be prepared which will identify challenges, opportunities, lessons learnt short- and long-term benefits as well as the actual budget used, etc. so that the Local Municipality can relate to these highlights for future projects.

The final consolidated report will include: -



Prioritising Projects and Interventions

- Development scenarios or opportunities will be assessed and evaluated in terms of a decision matrix, and selected criteria. Potential criteria include:
- Sustainable job creation
- Linkages with other sectors to create multiplier/leverage-effects.

• Final Report with maps, tables, and figures (hard and soft copies), • A0 Plan • Executive Summary • All maps in electronic format (Jpeg format), and • All shape files	Implementation time frame of the projects • Capital gearing ratio of the project • Environment friendliness of project • Potential of project to enable communities to benefit from integrated development • Financial feasibility of the project • Economic sustainability of the project.
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LAND USE MANAGEMENT AND ADMINISTRATION

All Land Use Management is done in accordance with legislation requirements e.g., Zoning Scheme Regulations, Kouga Spatial Planning and Land Use Management By-law, 2016, and other applicable legislation.

The land use management application process has also been converted to an online submission via the OVVIO portal. All planning applications are captured on the land use application portal. The Town Planning section can now monitor all the necessary processes that have to be followed for an application to be finalized and approved.

The following **Land Use Management applications for 2021/2022** have been dealt with in terms of said legislation: The table underneath depict the number of applications received during the financial year.

	0 Site Development Plan Submission	0_2 Occupational Practice - Other Rights	0_4 Zoning Certificate	57 Not in Use - Other Applications	57(n) Site Development Plan Amendment	59 Sub-division application (Into 2 Erven)	59_1 Sub-division application (Into 3 - 250 Erven)	59-1-c Combined Application - Rezoning, Sub-Division, Departure (Into 3 - 250 Erven)	59-c Combined Application - Rezoning, Sub-Division, Departure (Into 2 Erven)	64 Extension of the validity period of an approval - fee to be determined
Amaninzi					1					
Aston Bay	2				1	1				
Crossways	1							2	1	
Hankey										
Humansdorp	2									
Humansdorp RD	3						3	1		1
Jeffreys Bay	12	2	1	1	5	2			3	
Kaap St Francis	1									
Oesterbaai	2									
Paradysstrand										
Patensie	1				2	1				
Pellsrus										
Sea Vista	1		2		4	2			2	
St Francis Links										
Uitenhage RD								1		
Loerieheuvel		1								
Grand Total	25	3	3	1	13	6	3	4	6	1

	65 Amendment of Subdivision Plan - Sec 57 SPLUM by-law	66 Application for exemption from Municipal Approval (Sec 66 SPLUM by-law)	68 Rezoning application	69 Removal of restrictive title deed conditions	69_com Combined Application - Removal of restrictive title deed conditions and Departure	71 Consolidation	74 Consent use application	76 Departure application (Permanent/Temporary)	76_1 Permanent departure (Building Line)	76_2 Permanent departure (Building Line) RDP	76a Not in Use - Temporary departure	Grand Total
Amaninzi												1
Aston Bay		1			3		3	6	8			25
Crossways						1		2				7
Hankey									2			2

Humansdorp		1	3				1	1	2			10
Humansdorp RD		1	3			1	3	1			2	19
Jeffreys Bay			9	10	3		23	19	11	1		102
Kaap St Francis			1	1	2		3	2	1			11
Oesterbaai				3	4			1				10
Paradysstrand			1	2				4	1	1		9
Patensie				1				1	1			7
Pellrus							1			1		2
Sea Vista	1		5	3	4	1	3	7	2		1	38
St Francis Links									1			1
Uitenhage RD		1	1				1					4
Loerieheuwel												1
Grand Total	1	4	23	20	16	3	38	44	29	3	3	249

A total of 249 land-use applications was recorded for abovementioned period.

OFFICIAL RESOLUTION REGISTER: 1 July 2021 – 30 June 2022

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 1: 1 July 2021 – 30 September 2021					
	Item	Property description	Date submitted	Application type	Decision
1.	01/06/2021-AO	ERF: 2304, Sea Vista	29/06/2020	Application for Subdivision	Approved
2.	14/06/2021- AO	Erf: 5807, Jeffreys Bay	25/02/2020	Application for Consent Use for Town Housing & Departure from Zoning Scheme Provisions to Relax Common Open Space Requirement	Approved
3.	02/09/2021-AO	Erf 6018, Jeffreys Bay	25/01/2021	Application for Subdivision	Approved

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 2 : 1 October 2021 – 31 December 2021					
	Item	Property description	Date submitted	Application type	Decision and Date
4.	01/12/2021-AO	ERF: 404, Sea Vista	10/06/2021	Application for Subdivision	14/12/2021 Approved
5.	05/10/2021-AO	Erf: 903, Jeffreys Bay	05/10/2021	Application for Consent Use for Medical Practice	22/10/2021 Approved
6.	11/10/2021-AO	Erf 1656, Aston Bay	27/05/2021	Application for permanent Departure	22/10/2021 Approved
7.	15/10/2021-AO	Erf 3781, Humansdorp	18/01/2021	Application for Subdivision	21/10/2021 Approved
8.	19/11/2021-AO	PTN 63 of the Farm Estate Klein Zeekoe River No.335.	26/09/2018	Application for Subdivision	14/12/2021 Approved

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 3 : 1 January 2022 – 31 March 2022					
	Item	Property description	Date submitted	Application type	Decision and Date
9.	24/01/2022-AO	ERF: 237, Jeffreys Bay	10/06/2021	Application for Departure to Relax Building Lines	31/03/2022 Approved
10.	24/01/2022-AO	Erf: 472, Jeffreys Bay	28/06/2021	Application to Relax Building Lines	28/02/2022 Approved
11.	24/01/2022-AO	Erf 1734, Sea Vista	25/03/2021	Application for Departure	07/02/2022 Approved

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 4 : 1 April 2022 – 30 June 2022					
	Item	Property description	Date submitted	Application type	Decision and Date
12.	23/05/2022-AO	ERF: 1656, Aston Bay	10/06/2021	Application for SDP Approval	23/05/2022 Approved
13.	23/05/2022-AO	ERF 2177 Jeffreys Bay	14/04/2021	Application For Departure to Relax Building Lines:	23/05/2022 Approved
14.	23/05/2022-AO	Erf 5858, Jeffreys Bay	06/04/2021	Application For Departure to Relax Building Lines	23/05/2022 Approved
15.	23/05/2022-AO	ERF 6212, JEFFREYS BAY	06/10/2021	Application For Departure to Relax Building Lines	23/05/2022 Approved
16.	27/06/2022-AO	ERF: 118, PELLSRUS, JEFFREYS BAY	17/05/2020	Departure For Telecommunication Mast & Relaxation of Height Restriction	27/06/2022 Refused
17.	27/06/2022-AO	ERF: 386, HUMANSDORP	08/07/2021	Departure For Telecommunication Mast & Relaxation of Height Restriction	27/06/2022 Approved
18.	27/06/2022-AO	ERF: 811 HUMANSDORP	26/10/2022	Departure For Telecommunication	27/06/2022 Approved
19.	27/06/2022 – AO	ERF: 1084, HUMANSDORP	09/12/2022	Departure for Telecommunication Mast & Relaxation of Height Restriction	27/06/2022 Approved
20.	27/06/2022- AO	ERF: 2265, JEFFREYS BAY	27/01/2021	Departure To Allow Telecommunication Facility	27/06/2022 Approved
21.	27/06/2022-AO	ERF: 7294, OCEAN VIEW, JEFFREYS BAY	08/04/2020	Departure For Telecommunication Mast & Relaxation of Height Restriction	27/06/2022

MUNICIPAL PLANNING TRIBUNAL MEETING: 10 AUGUST 2021					
	Item	Property description	Date submitted	Application type	Decision
1.	10/08/2021 – MPT 1	Erf: 124, Cape St Francis	10/11/2020	Application for Removal of Title Deed Restriction and Departure	Approved
2.	10/08/2021 – MP T2	Erf: 500, Cape St Francis	29/09/2020	Application for Removal of Title Deed Condition & Departure	Approved
3.	10/08/2021 – MPT 3	Erf: 1246, Jeffreys Bay	02/02/2010	Application for Removal of Restrictive Title Deed Conditions	Approved
4.	10/08/2021 – MPT 4	Erf: 45, Sea Vista	14/08 2020	Application for Removal of Restrictive Title Deed Conditions Departure From The Zoning Scheme Provisions	Approved
5.	10/08/2021 – MPT 5	Erf: 368 & 369 Kruisfontein	07/07/2020	Application for Subdivision and Consolidation	Approved
6.	10/08/2021 – MPT 6	Erf: 393, Sea Vista	21/10/2020	Removal of Restrictive Title Deed Conditions & Departure.	Approved
7.	10/08/2021 – MP T 7	Erf: Ptn 1 Of The Farm Estate Klein Zeekoe River No. 335	29/06/2020	Application for Subdivision	Approved
8.	10/08/2021 – MPT 8	Erf: 9945, Jeffreys Bay	26/10/2020	Application for Removal of Title Deed Condition & Rezoning	Approved
9.	10/08/2021 – MPT 9	Erf: 521, Cape St Francis	24/09/2020	Application for Removal of Title Deed Restriction & Departure	Approved
10.	10/08/2021 – MPT 10	Erf: 578, St Francis Links	23/03/2020	Application for Departure for a Lamppost Mast	Approved

MUNICIPAL PLANNING TRIBUNAL MEETINGS: 1 JULY 2021 – 30 JUNE 2022

SPECIAL MUNICIPAL PLANNING TRIBUNAL MEETING: 31 AUGUST 2021					
	Item	Property description	Date submitted	Application type	Decision
11.	31/08/2021 – MPT 1	Erf: Remainder of Portion 1 of Farm Estate Klein Zeekoe River No. 335, Humansdorp Rd	08/06/2017	Application For Subdivision And Rezoning	Approved
12.	31/08/2021 – MPT 2	Erf: 798 Sea Vista	24/07/2020	Application For Removal of Title Deed Restriction And Departure	Approved
13.	31/08/2021 – MPT 3	Erf: 1239, Sea Vista	14/08/2020	Application For Removal of Title Deed Restriction And Departure	Approved
14.	31/08/2021 – MPT 4	Erf: Remainder Portion 180, Farm 745, Humansdorp Rd	11/02/2020	Application For Departure For Telecommunication Tower	Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: 20 SEPTEMBER 2021					
	Item	Property description	Date submitted	Application type	Decision
15.	20/09/2021 – MPT 1	Erf: 105, Jeffreys Bay	09/09/2020	Application for Removal of Restrictive Title Deed Conditions, Rezoning and Departure from Zoning Scheme Provisions	Removal of Restrictive Title is Approved Rezoning is refused Departure is deemed not necessary
16.	20/09/2021 – MPT 2	Erf: 161, Oyster Bay	21/01/2021	Application for Departure from Zoning Scheme Provisions	Approved
17.	20/09/2021 – MPT 3	Erf: 925, Sea Vista	24/11/2020	Application for Removal of Restrictive Title Deed Conditions and Departure From the Zoning Scheme Provisions	Approved
18.	20/09/2021 – MPT 4	Erf: 330, Kruisfontein	07/12/2020	Application for Departure For Cellular Tower	Approved
19.	20/09/2021 – MPT 5	Erf: Ptn 1 Of The Farm Estate Klein Zeekoe River No. 335	17/03/2021	Application for Rezoning, Subdivision and Consolidation	

SPECIAL MUNICIPAL PLANNING TRIBUNAL MEETING: 10 OCTOBER 2021					
	Item	Property description	Date submitted	Application type	Decision
20.	10/10/2021 – MPT 1	Erf: Remainder Erf 459, Kruisfontein	26 February 2021	Application for Rezoning	Approved
21.	10/10/2021 – MPT 2	Erf: A Portion of Portion 3 of Farm Zwartbosch No.	24 January 2019	Application for Rezoning, Consent Use and Departure	Approved

		347, Humansdorp Rd			
22.	10/10/2021 – MPT 3	Erf: 5563, Jeffreys Bay	31 October 2019	Application for Rezoning and Removal of Restrictive Title Deed Conditions	Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: 28 OCTOBER 2021					
	Item	Property description	Date submitted	Application type	Decision
23.	28/10/2021 – MPT 1	Erf: 100, Oyster Bay	30 March 2021	Removal of Restrictive Title Deed Conditions	Approved
24.	28/10/2021 – MPT 2	Erf: 562, Jeffreys Bay	27 May 2021	Removal of Restrictive Title Deed Conditions	Approved
25.	28/10/2021 – MPT 3	Erven: 122,123,124,125 & 126 Hankey	25 April 2021	Application For Rezoning, Consolidation, Consent Use & Departure	Approved
26.	28/10/2021 – MPT 4	Erf: 6292 (Kabeljauws) Jeffreys Bay	05 November 2020	Removal of Restrictive Title Deed Conditions & Departure	Approved
27.	28/10/2021 – MPT 5	Erf: 754, Sea Vista	29 March 2021	Removal of Restrictive Title Deed Conditions & Departure from Zoning Scheme Provisions	Approved
28.	28/10/2021 – MPT 6	Erf: 2304, Sea Vista	10 November 2020	Application for Removal of Title Deed Restriction	Approved
29.	28/10/2021 – MPT 7	ERF: 2398, Jeffreys Bay	22 May 2020	Application for Rezoning & Departure from The Zoning Scheme Provisions	Departure is deemed not applicable Rezoning is Approved

30.	28/10/2021 – MPT 8	ERF 706, Pellsrus, Jeffreys Bay	15 December 2020	Removal of Restrictive Title Deed Conditions	Approved
31.	28/10/2021 – MPT 9	Erf: 858, Sea Vista (St Francis Bay)	16 April 2021	Application for Removal of Title Deed Restriction & Departure	Approved
32.	28/10/2021 – MPT 10	Erf: ERF 3249 Sea Vista (St Francis Bay)	12 August 2019	Application for Rezoning & Subdivision	Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: 15 DECEMBER 2021					
	Item	Property description	Date submitted	Application type	Decision
33.	15/12/2021 – MPT 1	Erf: 399, Sea Vista	7 May 2021	Application for Rezoning, Consent Use & Removal of Restrictive Title Deed Conditions	Approved
34.	15/12/2021 – MPT 2	Erf 2093, Jeffreys Bay	14 March 2021	Application for Consent Use to Operate a Guest House	Approved
35.	15/12/2021 – MPT 3	Erf 45, Aston Bay	05 November 2020	Application for Removal of Restrictive Title Deed Conditions & Departure	Approved
36.	15/12/2021 – MPT 4	Erf: 101, Cape St. Francis	26 November 2018	Application for Removal of Restrictive Title Deed Conditions & Departure from the Zoning Scheme Provisions	Approved
37.	15/12/2021 – MPT 5	Erf: 728, Cape St. Francis	7 July 2021	Application for Departure from Zoning Scheme Provision for Relaxation of Coverage	Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: 11 FEBRUARY 2022					
	Item	Property description	Date submitted	Application type	Decision

38.	11/02/202 – MPT 1	Erf: 556, Paradise Beach	25 June 2021	Removal of Restrictive Title Deed Conditions & Departure From the Zoning Scheme Provisions	Deferred: pending a trust resolution to be submitted with the application.
39.	11/02/2022 – MPT 2	Erf: 125, Paradise Beach	25 June 2021	Removal of Restrictive Title Deed Conditions & Departure From the Zoning Scheme Provisions	Deferred: to obtain the correct power attorney and to determine validity of the company resolution
40.	11/02/2022 – MPT 3	Erf: Portion Of Erf 1 & Erf 8, Cross Ways	11 November 2020	Departure: Airfield, Amendment of a Subdivision Plan & Amendment of Conditions of Approval	Approved
41.	11/02/2022 - MPT 4	Erf 10, Cross Ways	11 November 2020	Application For Subdivision, Rezoning, Consent Use & Departure	Approved
42	11/02/2022 – MPT 5	Erf: 168, Sea Vista	20 May 2021	Removal Of Restrictive Title Deed Conditions & Departure from The Zoning Scheme Provisions	Approved
43.	11/02/2022 – MPT 6	ERF: 305, ASTON BAY	2 June 2021	Removal Of Restrictive Title Deed Conditions & Departure from the Zoning Scheme Provisions	Deferred: to obtain the correct power attorney and to determine validity of the company resolution
44.	11/02/2022 – MPT 7	ERF: 3804, SEA VISTA	August 2021	Rezoning	Deferred: for investigation with the consideration of the

					Kouga S DF. Valid Power of Attorney to be submitted. A "DRAFT" letter of comments from the applicant on the objections is not acceptable.
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MUNICIPAL PLANNING TRIBUNAL MEETING: 16 MARCH 2022

	Item	Property description	Date submitted	Application type	Decision
45.	16/03/2022 – MPT 1	Erf: 125, Paradise Beach	19 June 2021	Removal Of Restrictive Title Deed Conditions & Departure from the Zoning Scheme Provisions	Approved
46.	16/03/2022 – MPT 2	Erf: 153, Aston Bay	29 June 2021	Removal of Restrictive Title Deed Conditions & Departure from the Zoning Scheme Provisions	Approved
47.	16/03/2022 – MPT 3	Erf: 305, Aston Bay	2 June 2021	Removal of Restrictive Title Deed Conditions & Departure from The Zoning Scheme Provisions	Approved
48.	16/03/2022 – MPT 4	Erf: 556, Paradise Beach	25 June 2021	Removal of Restrictive Title Deed Conditions & Departure from the Zoning Scheme Provisions	Approved
49.	16/03/2022 – MPT 5	ERF: 7991, JEFFREYS BAY	August 2020	Rezoning, Consent Uses & Departure	Approved
50.	16/03/2022 – MPT 6	ERF: 2900, SEA VISTA	23 July 2021	Amendment of A Subdivisional Plan	Approved
51.	16/03/200 – MPT 7	ERF: 2095, JEFFREYS BAY	8 October 2021	Subdivision & Rezoning & Removal Of Restrictive Condition	Approved

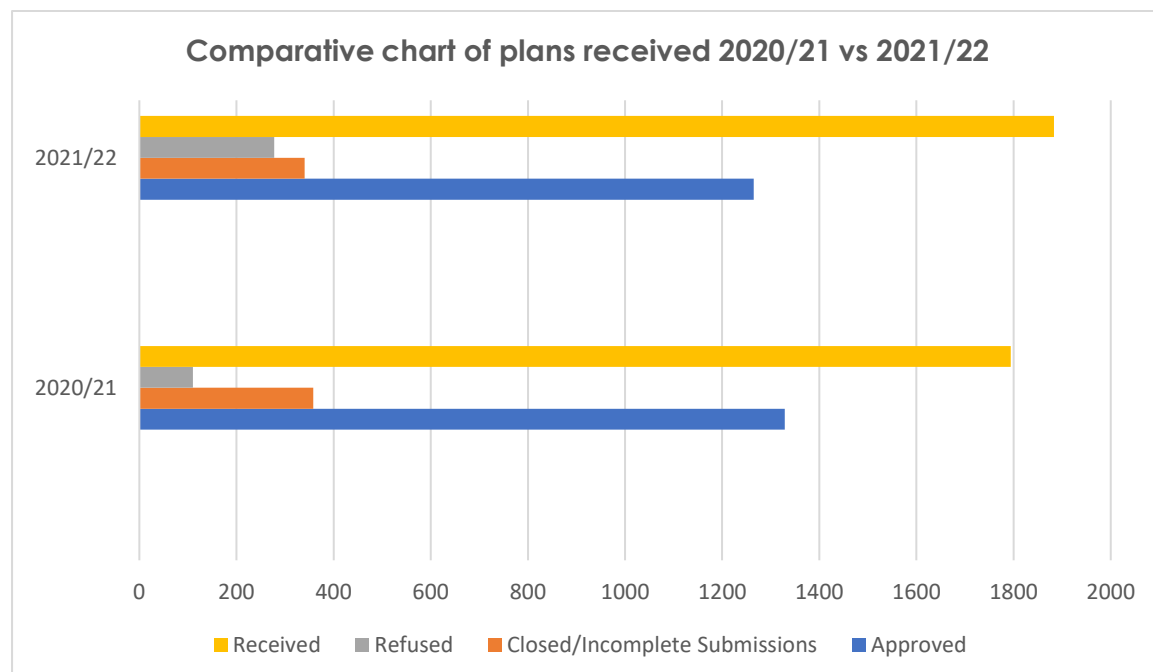
MUNICIPAL PLANNING TRIBUNAL MEETING: 30 MAY 2022					
	Item	Property description	Date submitted	Application type	Decision
60.	30/05/2022 – MPT 1	ERF: 67, PATENSIE	15 March 2020	Removal of Restrictive Title Deed Conditions & Consent Use Application	Deferred: To obtain legal opinion concerning the transitional arrangements, To obtain a correct POA
61.	30/05/2022 – MPT 2	PTN. 4 of THE FARM ROOIHOEK NO.342 HD	31 October 2016	Subdivision	Deferred: To obtain legal opinion concerning the transitional arrangements
62.	30/05/2022 – MPT 3	ERF: 5518, JEFFREYS BAY	18 March 2020	Removal of Restrictive Title Deed Conditions & Permanent Departure from Zoning Scheme Provisions	Partially Approved
63.	30/05/2022 – MPT 4	ERF: 553, JEFFREYS BAY	27 July 2021	Removal of Restrictive Title Deed Conditions, Permanent Departure from Zoning Scheme Provisions & Consent Use for additional dwelling Unit	Approved
64.	30/05/2022 – MPT 5	ERF: 107, OYSTER BAY	29 July 2021	Removal Of Restrictive Title Deed Conditions	Approved
65.	30/05/2022 – MPT 6	ERF: 106, OYSTER BAY	29 July 2021	Removal Of Restrictive Title Deed Conditions	Approved
66.	30/05/2022 – MPT 7	ERF: PORTION OF ERF 1 & ERF 8, CROSS WAYS	11 Nov 2020	Departure: Airfield, Amendment of a Subdivision Plan & Amendment of Conditions of Approval	Approved

3.21.1 BUILDING CONTROL

The 2022/23 financial year was the second of the implementation of the electronic plan submission using the Ovvio portal. This enables Registered Professionals (RPs) of the South African Council for the Architectural Profession (SACAP) from anywhere in South Africa, and the world, to submit building plans in a fully electronic and paperless channel to Kouga Municipality.

Primary data from the 2021/21 financial year shows the following key trends:

- 1883 building plan applications were received in the 2021/22 financial year. This represents a 4% year on year increase compared to plans received for the 2021/22 financial year (See "**Comparative chart of plans received 2020/21 vs 2021/22**"), **Table 1** shows the detailed breakdown of areas where building plan submissions occurred in the 2021/22 financial year.
- Of the 1883 plans received, a total of 1265 plans were approved (-4.9%), 278 were refused (60.4%) which is reflective of the removal of the "deferment" of plans that were not complaint to align with the legislative requirement of the National Building Regulations and Building Standards Act (107 of 1977 as amended) for a local authority to give decision in the stipulated time periods (30 days for building plan applications with 500m² or less and 60 days for building plan applications greater for work greater than 500m²).



The following tables are a detailed overview of building plans received, approved and refused in the 2021/22 financial year.

Building Applications between 1 Jul 2021 and 30 Jun 2022													
AREA	Boundary Wall	Exempt Building Work	Garden Walls & Fixed Fences - (RDP & Sub economic area)	General Building Work	Industrial Rural	Minor Building Work	Minor Work - Internal Changes	RDP + Informal Housing	Revised Plan / Alterations: Other	Revised Plan / Alterations: RDP Informal	Pools	Test Work Type	Total
Not Defined	0	0	0	22	0	0	0	0	0	0	0	0	22
Aston Bay	2	2	0	69	0	10	1	0	15	0	2	0	101
Crossways	0	0	0	22	0	0	0	0	7	0	0	0	29
Gamtoos Mouth	0	0	0	47	0	8	0	0	6	0	0	0	61
Hankey	0	0	0	1	0	0	0	0	0	0	0	0	1
Humansdorp	0	0	0	15	2	5	1	0	5	0	0	0	28
Humansdorp RD	0	0	0	30	0	5	1	0	8	0	0	0	44
Jeffreys Bay	20	8	0	579	0	75	12	19	163	1	4	3	884
Cape St Francis	1	0	0	68	0	9	4	0	17	0	0	0	101
Kruisfontein	1	0	1	12	0	0	0	2	0	0	0	0	16
Oyster Bay	0	0	0	19	0	1	0	0	1	0	0	0	21
Paradise Beach	4	0	0	80	2	9	0	0	16	0	1	0	112
Patensie	0	0	0	6	1	0	0	0	10	0	0	0	17
Pellrus	0	0	0	1	0	1	0	5	1	0	0	0	8
Sea Vista	2	0	0	221	1	36	1	0	35	0	6	0	302
St Francis Links	0	0	0	96	0	8	1	0	8	0	6	0	119
Twin Valley	0	0	0	1	0	0	0	0	0	0	0	0	1
Uitenhage RD	0	0	0	10	0	5	0	0	1	0	0	0	16
GRAND TOTAL	30	10	1	1299	6	172	21	26	293	1	21	3	1883

Table 1: Building Plan Applications - 2021/22 Financial Year

Building Application Evaluations – Complaint plans Supported and Approved applications 1 Jul 2021 and 30 Jun 2022			
AREA	Floor Area (square metres)	Estimated Cost	Number
Aston Bay	9439,39	R70 273 150,00	74
Crossways	4339,50	R32 453 350,00	25
Gamtoos Mouth	6046,88	R39 723 500,00	51
Hankey	210,00	R1 573 950,00	1
Humansdorp	855,60	R4 272 150,00	11
Humansdorp RD	4685,00	R34 926 700,00	23
Jeffreys Bay	56719,56	R415 277 580,00	581
Cape St Francis	9262,28	R66 825 450,00	82
Kruisfontein	514,00	R2 923 050,00	7
Oyster Bay	855,00	R6 520 650,00	8
Paradise Beach	10526,99	R76 494 000,00	78
Patensie	1768,30	R7 045 300,00	15
Pellsrus	215,09	R1 124 250,00	2
Sea Vista	26750,82	R192 846 500,00	208
St Francis Links	21491,87	R161 217 600,00	87
Uitenhage RD	1313,80	R9 968 350,00	12
Total	154994,08	R1 123 465 530,00	1265

Table 2: Number of Compliant Building Plan Applications supported and approved in 2021/22 Financial Year

Building Application Evaluations Refused 1 Jul 2021 and 30 Jun 2022			
AREA	Floor Area (square metres)	Estimated Cost	Number
Aston Bay	3218,86	R22 410 050,00	16
Crossways	1640,70	R12 291 800,00	6
Gamtoos Mouth	625,05	R4 571 950,00	9
Hankey	114,00	R824 450,00	1
Humansdorp	2323,00	R9 443 700,00	10
Humansdorp RD	635,19	R4 796 800,00	5
Jeffreys Bay	10996,19	R73 900 700,00	131
Cape St Francis	1951,08	R14 615 250,00	13
Kruisfontein	495,50	R3 747 500,00	6
Oyster Bay	571,00	R4 272 150,00	5
Paradise beach	2652,73	R18 437 700,00	17
Patensie	1318,00	R9 893 400,00	3
Pellsrus	96,27	R0,00	1
Sea Vista	8615,85	R64 681 850,00	36
St Francis Links	4640,00	R34 551 950,00	17
Uitenhage RD	127,60	R974 350,00	2
Total	40021,02	R279 413 600,00	278

Table 3: Number of Compliant Building Plan Applications supported and Refused in 2021/22 Financial Year

Building plan applications and

approvals and occupation certificate issuance should be viewed as major barometers for economic activity. The estimated costs of building plans approved provides a leading indicator in the kind of economic activity, job creation and downstream Local Economic Development (LED) for what is likely to be generated over the subsequent financial year.

Additionally, Tracking the issuance of occupation provides an even clearer picture of the actual economic activity over a financial year (lagging indicator).

In the 2020/21 financial year the economic data revealed that:

- A total proposed new and additional building area of 1 55 010 m² at an estimated value of R1,1 billion was approved for construction by Kouga Municipality in the 2021/22 financial year (See **Table 4**). This represents an 51.7% growth (in rand value) in proposed building work compared to the R725 million in estimated value reported in the 2020/21 financial year.
- A total amount of **R4 816 176,95** in building plan application fees was received for the 2021/22 financial year. This was a 34.3% increase in revenue from application fees as compared to 2020/21.

Building Application Evaluations Approvals (Estimated Value and New Floor Area) 1 Jul 2021 and 30 Jun 2022 Decision is Approved		
AREA	Floor Area (square metres)	Estimated Cost
Aston Bay	9439,39	R70 273 150,00
Crossways	4339,5	R32 453 350,00
Gamtoos Mouth	6046,88	R39 723 500,00
Hankey	210	R1 573 950,00
Humansdorp	855,6	R4 272 150,00
Humansdorp RD	4685	R34 926 700,00
Jeffreys Bay	56719,56	R415 277 580,00
Cape St Francis	9276,88	R66 900 400,00
Kruisfontein	514	R2 923 050,00
Oyster Bay	855	R6 520 650,00
Paradise Beach	10526,99	R76 494 000,00
Patensie	1768,3	R7 045 300,00
Pellsrus	215,09	R1 124 250,00
Sea Vista	26751,82	R192 846 500,00
St Francis Links	21491,87	R161 217 600,00
Uitenhage RD	1313,8	R9 968 350,00
Total	155009,68	R1 123 540 480,00

Table 4: Total floor area (square metres) and estimated cost of building activity approved in 2021/22 Financial Year

BUILDING PLAN AMNESTY APPLICATIONS

Council had approved a waiver of penalty fees for homeowners who had constructed structures and buildings without approved building plans. This amnesty period commenced in the 2019/20 financial year and after an extension it has now come to an end on 30 June 2022.

BUILDING INSPECTIONS AND OCCUPATION CERTIFICATES ISSUED

The National Building Regulations and Building Standards Act (107 of 1977 as amended) gives local authorities the responsibility to regulate all construction that takes place within its area of jurisdiction. Building inspections, conducted according to the prescripts of the Act with the technical guidance of South African National Standards 10400 (SANS 10400) are an integral part in ensuring that building work takes place according to legislation.

Successful building inspections terminate with the issuance of an Occupation Certificate (OC) which signifies compliance of a building with the Act. Occupation Certificates issued are important data informing the municipality of the actual economic spending and activity that took place in the financial year 2021/22. The findings are:

- A total of 624 OCs were issued in 2021/22 against 468 in 2020/21 (a 33.3% increase) where an estimated R383 million in 2021/22 was spent by built environment stakeholders against R289 million spent in 2020/21 (a 32.5% increase). A total of 57 364 m² of building area was added in 2021/2022 against 45 115 m² in 2020/21 (a 27% increase). This new built area is equivalent to 8 football fields of new building work added in Kouga Municipality.

Occupation Certificates issued between 1 Jul 2021 and 30 Jun 2022			
AREA	Floor Area (squares metres)	Estimated Cost	Number
Aston Bay	4723,01	R33 961 300,00	46
Crossways	1204	R9 068 950,00	12
Gamtoos Mouth	2360,23	R13 206 500,00	27
Humansdorp	30	R195 000,00	5
Humansdorp RD	1409,6	R10 284 700,00	11
Jeffreys Bay	25291,07	R175 992 160,00	316
Cape St Francis	3085,42	R19 765 800,00	34
Kruisfontein	71	R455 000,00	1
Oyster Bay	4	R74 950,00	1
Paradise Beach	3688,97	R25 744 950,00	37
Patensie	2002,8	R3 749 700,00	8
Pellsrus	321	R2 080 000,00	3
Sea Vista	6965,24	R43 791 710,00	87
St Francis Links	5969,75	R42 865 150,00	33
Uitenhage RD	237,6	R1 798 800,00	3
Total	57 363,69	R383 034 670,00	624

Table 5: Occupancy Certificates issued in the 2021/22 Financial Year

- A total of 2094 stage inspections were conducted in the 2021/22 Financial year with the following breakdown:
 - 786 Foundation inspections
 - 36 Re-inspections of foundations
 - 544 Drainage inspections
 - 7 Re-inspections of drainage
 - 714 Final inspections
 - 7 Final re-inspections
- An additional 1246 general and routine inspections were conducted to respond to resident complaints and tip-offs of unauthorised or suspected illegal building work, with an average 103 general and routine inspections conducted per month.

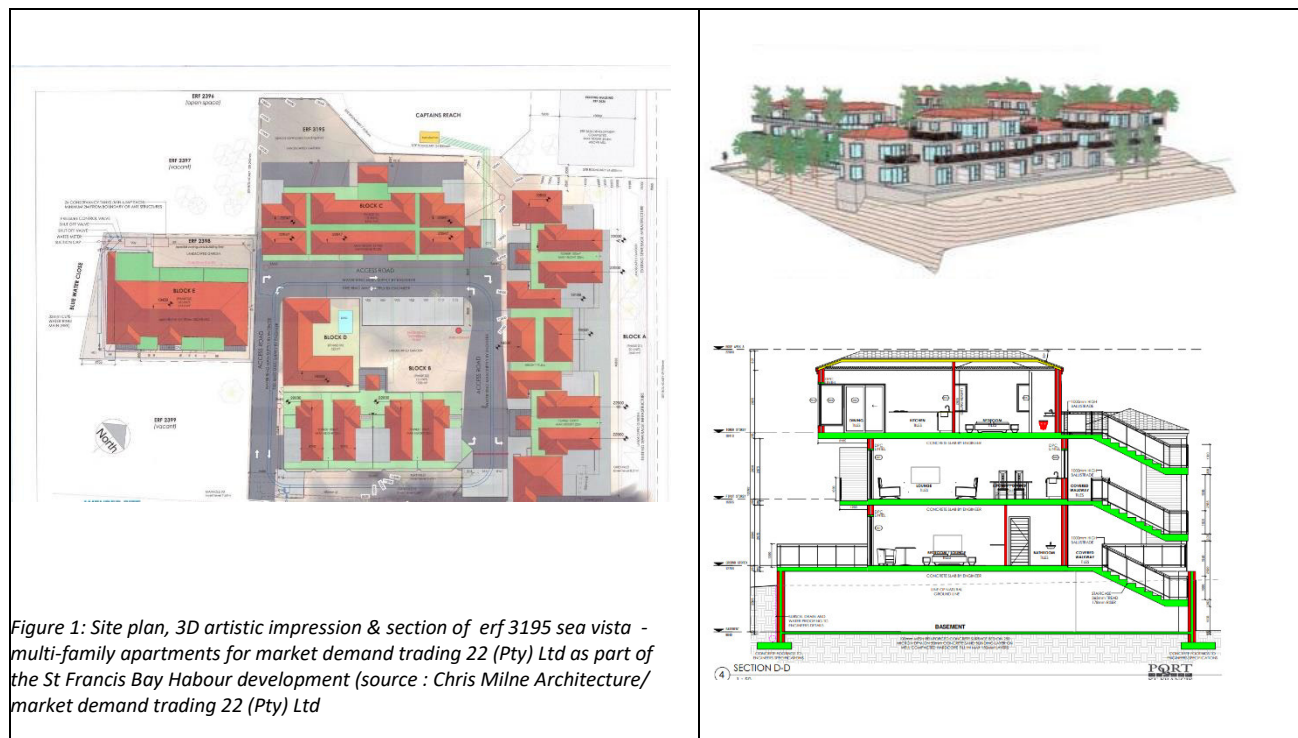
DEVELOPMENT FACILITATION COMMITTEE – FAST TRACKING OF APPROVAL HIGH VALUE DEVELOPMENT PROJECTS IN 2021/22 FY

The Planning, Development and Tourism Directorate (PDT), led by the Portfolio Councillor H. Bornman as chairperson and Director PTD F.F Mabusela as deputy chair, established the Development Facilitation Committee (DFC) in Q3 of the 2021/22 . The committee was established as a multi-directorate committee to fast tract development with a minimum value of R10 million and above. This is in line with the *Keep Kouga Growing* strategic pillar by creating operational incentives to attract and accelerate development in Kouga Municipality.

The following selected DFC and high value projects were approved in the 2021/22 FY.

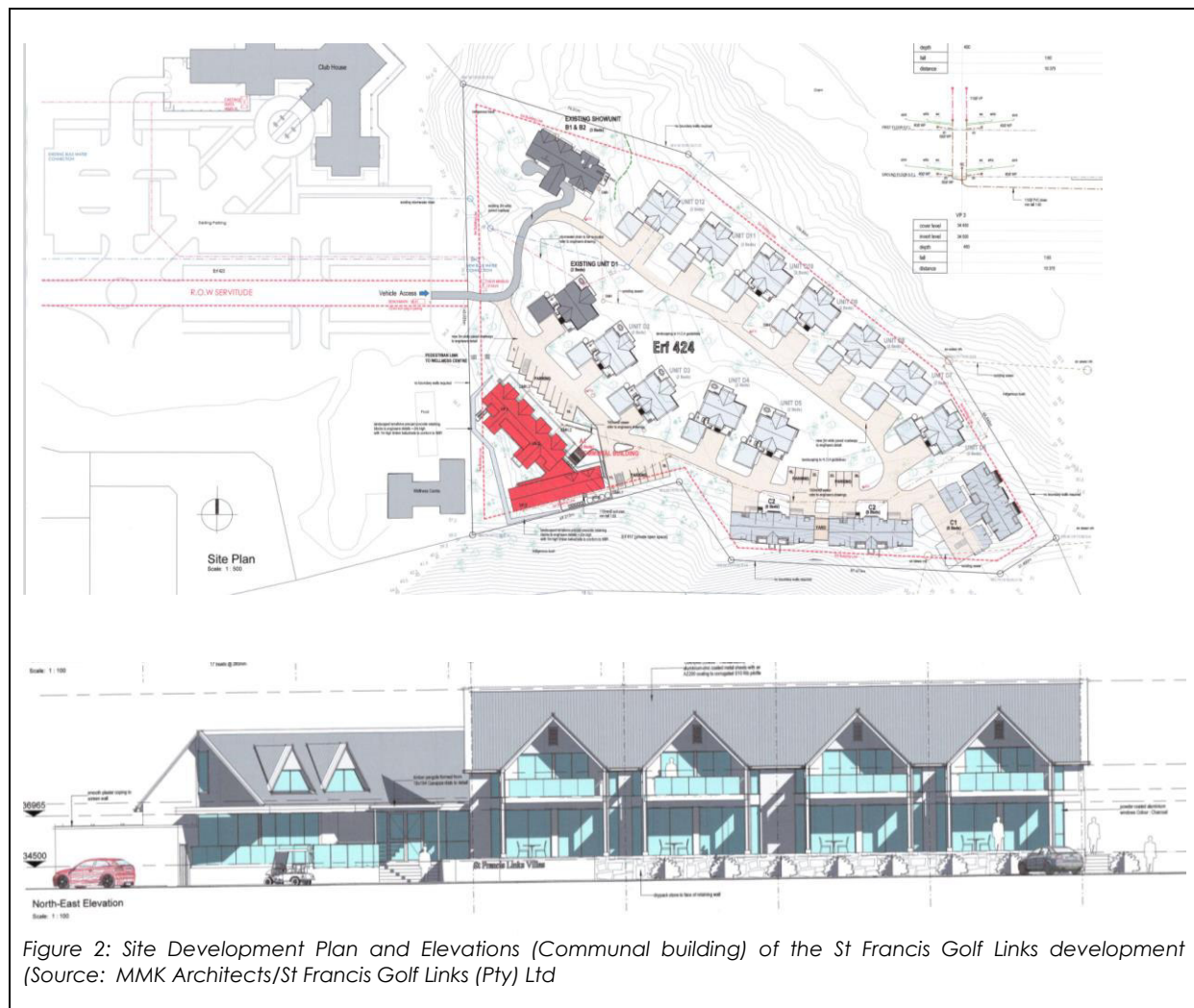
1. ERF 3195 SEA VISTA - MULTI-FAMILY APARTMENTS FPR MARKET DEMAND TRADING 22 (PTY) LTD AS PART OF THE PORT ST FRANCIS DEVELOPMENT

The development is a multi-phase apartment development with the initial building plans for apartments with a 1316 m² area and a value of over R10 million approved in the 2021/22 FY. A 2 656 m² block worth an estimated building value of R20 million is due to be approved in Q1 of 2022/23 having been submitted in Q4 of 2021/22 FY(June 2022, see 3D artistic impression below)



2. ERF 424 ST FRANCIS GOLF LINKS (PTY) LTD – MIXED USED RESIDENTIAL DEVELOPEMENT

Over 6000 m² with over R45 million in building value was approved in the St Francis Golf Links development, which is part of an approximately R200 million development.



3. ERF 8624 – NEW SHELL FUEL SERVICE STATION

A new contemporary full service Shell petrol filling station with a Spar express convenience store and Beantree express coffee shop and eatery was approved for construction on the corner of Outinque and St Francis Street near the in Jeffrey's Bay Mall. Construction has commenced and should be completed in Q2 of 2022/23 FY.



The efficiencies with regard to transversal/multi-departmental coordination which were successfully piloted in the DFC will continue to be a key strategy to fast-track plan approval and attract development to Kouga Municipality in the 2022/23 FY.

3.22 LOCAL ECONOMIC DEVELOPMENT

National Youth Development Agency Training

This was a collaboration effort between Kouga Municipality and the National Youth Development Agency and was held on the 8 -12 November 2021, and its aim was to equip young and upcoming entrepreneurs on how to start and manage their businesses. The programme was aimed to create a conducive environment for young entrepreneurs to access relevant entrepreneurship skills, knowledge, values, and attitudes for their businesses. About 18 young people participated in the training which included the following aspects.

- | | |
|----------------------------------|-----------------------------|
| ▪ Generating your business idea, | Business Plan |
| ▪ Start your business, | Marketing Plan |
| ▪ Improve your business, | Organization and Management |
| ▪ Business Plan, | Financial Plan and Costing |
| ▪ Marketing Plan | Organization and Management |

National Lotteries Commission Workshop

- The purpose of the workshop is to present funding opportunities offered by the National Commission and to educate entities regarding the funding process.

Kouga BIGM closing conference

On the 22 June 2021, Kouga Municipality in partnership with SALGA successfully hosted the BIGM closing conference in Mentorskraal. The purpose of the closing conference was to highlight BIGM results, showcase the progress made within BIGM thematic areas and results provide policy guidance in the integration of all dimensions of Asset Management, Climate Change, and local economic development.

Kouga SMME Roadshow

This was a partnership event between Kouga Municipality, Sarah Baartman District Municipality, Department of Economic Development, Environmental Affairs and Tourism and the Eastern Cape Development Corporation. The was held on the 20th of October 2021 and the purpose of the road shop was to introduce various programmes and offerings which the various Department have in support of Small Micro Medium Enterprise. The municipality played a major role in mobilizing local SMME's to attend the roadshow.

SMME COVID-19 Personal Protective Equipment Hand-Over (BIGM)

Through the Building Inclusive Green Municipalities programme (BIGM) in partnership with SALGA, the Local Economic Development and Tourism Office handed over PPE to local SMME's. This initiative was aimed at assisting mainly Women Owned SMME's to remain COVID-19 compliant in their business. Since the outbreak has increased overheads /expenses of small business as they had extra costs of ensuring covid -19 compliance in terms of their daily operation, the municipality assisted the with PPE.

Ocean View Business Support Centre

The LED & Tourism Department has renovated what was the Ocean View bakery into a business support centre located in Ocean View. The purpose of centre will be to provide expert business training, advice, and facilitate linkages to



the

emerging entrepreneurs with a desire to succeed in business.

Main Role Players

Political Role Players

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

Staff Role Players

The staff component comprises of the current staff:

Filled

- Director Planning, Development and Tourism
- PA to Director Planning, Development and Tourism
- LED Officer x 1
- Tourism, Marketing and Information officer x1
- LED Agriculture Officer x1
- Events officer x1

Vacant

- Manager LED
- LED Officer x 1
- Admin assistant x1

Other Role Players

As part of inter-governmental relations, the LED/Tourism department works in collaboration with many partners to facilitate the functioning of the department. These include amongst others: Building Inclusive Green Municipalities Programme facilitated by South African Local Government Association (SALGA) and Federation of Canadian Municipalities, Dept. of Rural Development and Land Reform (DRDLR), Dept. of Rural Development and Agrarian Reform (DRDAR), Dept. of Economic Development, Environmental Affairs and Tourism (DEDEAT), Dept. of Trade and Industry (DTI), Dept. of Social Development, Coega Development Corporation (CDC), National Youth Development Agency(NYDA), Small Enterprise Development Agency(SED), Gamtoos Irrigation Board (GIB), Dept. Water and Sanitation, Fishing and Forestry (DAFF), Cooperative Governance and Traditional Affairs (COGTA), Sarah Baartman District Municipality (SBDM), Kouga Business Forum (KBF) and Kouga Wind Farms, Eastern Cape Parks and Tourism Agency (ECPTA), South African Tourism (SAT).

Community Role Players

These include the Kouga Local Economic Development Forum, Kouga Business Chamber, Kouga Business and Rural Chamber, Kouga Emerging Farmers Forum, Kouga Cooperatives Forum, Kouga SMME Forum, Kouga Local Tourism Organization (KLTO), and various events organizers that are responsible for staging and organizing events in the Kouga area members of the public who visit the LED offices daily.

The LED department also collaborates with the Wind farms to bring about career opportunities for the youth as well as creating an ambling platform for job opportunities for SMME's.

Annual Performance as per Key Performance Indicators in Local Economic Development, including Tourism	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement during the 2020/21 year	Achievement during the 2021/22
1	Existence of LED Unit	Fully functional LED unit	Functionality of the unit has improved since the appointment of 3 LED personnel in 2020/2021 financial year, however full functionality can be obtained by filling of vacant budgeted positions.	80%	100%
2	Percentage of LED Budget spent on LED related	90%	Full Budget was spent	60%	100%

Annual Performance as per Key Performance Indicators in Local Economic Development, including Tourism	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement during the 2020/21 year	Achievement during the 2021/22
	Activities				
3	Number of LED Stakeholder Forum Meetings held	4	LED Forums are successful held quarterly	100% (4 Meetings held)	4 meetings held
4	Number of SMME's that have benefited from an SMME Support Programme	550 SMME's	Local SMME's are being exposed and supported through Trainings, Outreaches collaborating with other sector departments	736	169
5	Number of job opportunities created through PPP: (LED and Tourism).	100	The LED Department promotes an enabling environment for job creation.	431	690

TOURISM

The priorities of this section are Local Economic Development, Tourism development, destination marketing and, museums development as well as promoting and managing events in Kouga area.

This section's annual implementation strategy was derived from the IDP and approved budget of the financial year. From the Service Delivery, Budget and Implementation Plan

(SDBIP), work plans were created to determine the detailed implementation plans for the year. This was monitored continuously and reported to the Portfolio Committee at least once per quarter.

The municipality continues to have strategic private partnerships with the private sector that serves and project implementing agents for tourism, heritage, and events.

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

Tourism Development and Marketing

KOUGA DESTINATION AWARENESS

Concept document was developed for the project and approved by management. Invitations sent to ECPTA and the district municipality. Engagement with the petrol stations, Storms River, Mentors kraal, Wind farm and Nanaga petrol station and farmstall. Some of the petrol stations added to the goodie bags, three offered advertising space, for brochures, wall advertising and screen advertising. The project was received well, and the LED office had an agreement with the petrol stations for an annual campaign. The campaign purpose was to increase the number of visitors to Kouga and advertising and marketing purposes.

Programme started on the 25 November 2021 to the 28 November 2021, handing out of branded cooler bags, sunscreen, keyrings, and marketing material that included all the municipal towns and attractions.

Budget spent **R67 685.34** Taken from operational budget under destination marketing.

KOUGA ATTENDED WORLD TRAVEL MARKET (WTM)

Kouga Municipality attended the WTM Cape town under the SDM stand. In the stand we had Kouga representative from the KLTO for marketing the municipality. The municipality was able to set up meeting with tour operators for leisure travel, conferencing, Agri-tourism and marketing companies this was done with KLT.

SDM paid for exhibition stand, marketing materials, and tags. Kouga catered for travelling accommodation, Covid test at total of R36 926.41

From the trade show Kouga networked with Travel Africa Network, a company that deals with marketing and Kouga is in a process of sourcing Virtual reality product and TV content production that will be aired across the globe.

TOURISM STAKEHOLDER ENGAGEMENT

The tourism office hosted a stakeholder engagement to share Kouga tourism plans and create working relationships with the private sector, Eastern Cape Parks and Tourism Agency (ECPTA) and Sarah Baartman District municipality shared their planned programmes for the financial year.

Communication was sent to all three tourism offices and advertised on the Kouga express, catering for the stakeholders was prepared at a total cost of R4570.00

Council resolved that the fisherman's grave be refurbished to for maintenance and ownership by the community. The project was allocated R150 000.00 for fencing, due to the budget allocation being limited fencing was replaced with other projects.

A total number of 155 crosses were installed on site as to commemorate the fishermen that are buried on the site. In addition to a pathway was created for viewing purposes that will allow members of the community and tourist to be at proximity.

The project manager submitted a heritage declaration application for the site to be recognized a heritage site, this there will allow the municipality to fully utilize the site as historical tourism site and generate income.

PROCUREMENT OF PROMOTIONAL MATERIAL AND BRANDING

The LED and tourism office has procured promotional material in preparation of our tourism events at a total cost of 15 511.90.

The tourism and LED office has procured branding that highlights Tourism Events and LED. These will be used at all the sponsored events, training, project handover and any other event for the LED and Tourism section. The total cost R 2408.00.

MR PELL's grave Mr Pell's grave refurbishment was addition to the fisherman's grave. Project implementation was painting of steel fence, installation of an interpretative board and cutting of grass. Total committed funds for both projects R125 980.00.

Planning and implementation of Kouga Tourism Indaba

That Council approves R500 000.00 (Five Hundred Thousand rand) to appoint a service provider that will plan and facilitate the Kouga Tourism indaba launch in St Francis in 2022/23 FY and hosting the main Kouga tourism indaba 2023 exhibition planned for the 2023/2024 financial year. **22/06/PDT7**

A concept document was developed and submitted to council for approval of host a Kouga tourism indaba for Kouga tourism and Agri-tourism products.

A council resolution for Kouga tourism indaba to be implemented during the 2022/23-23/24 financial year at a budget of R500 000.00, for an appointment of an event company. A media launch to be hosted during the Calamari festival in St Frances in September 2022 and the main event in September 2023 which is tourism month.

Kouga Entrepreneurship Academy Portal Launch

That Council authorizes the Accounting Officer to conclude a partnership agreement with Start-up tribe for the setting up of the Kouga -Entrepreneurship Academy web-based platform. 22/03/PDT2

A council resolution was given for partnership with the start Up Tribe that offers youth development, The Startup Tribe is a global initiative led by York Zucchi to provide organisations tools to tackle youth unemployment and support small businesses. They do this by giving a free custom branded entrepreneurship academy which the organisation can deploy in their communities. This academy offers free online courses to people who are wanting to start or grow their businesses.

An MOU has been submitted to the municipality by the organisation, after signing of the MOU the LED and tourism office will formally launch the academy.

EVENT SUPPORT

21/09/LED&T3

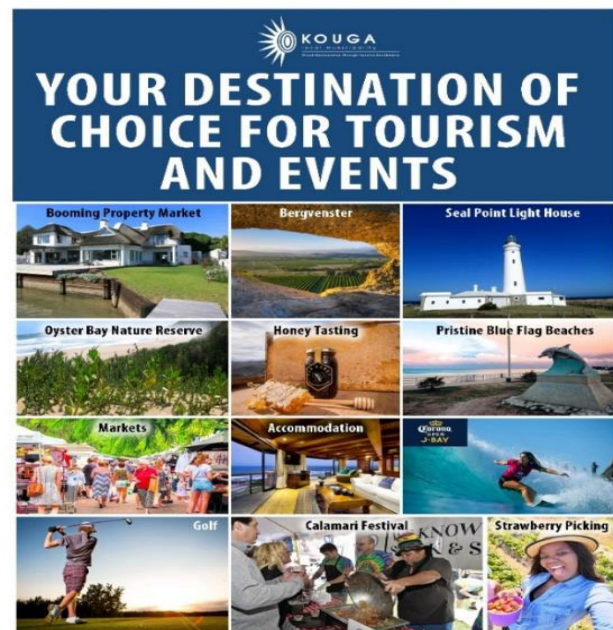
Funding Amount - R275 000.00 (excl. vat) each year for each year.

Sponsorship request: 3-Year Term – Professional Golfers Association (PGA) Tournament in Kouga, Links Golfing Estate

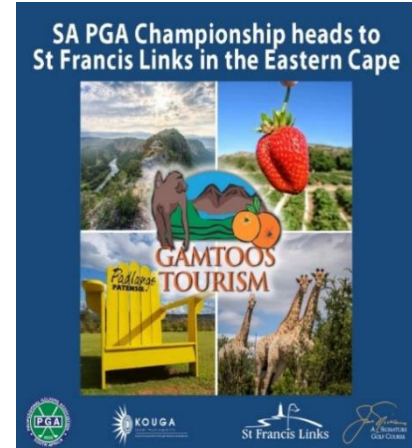
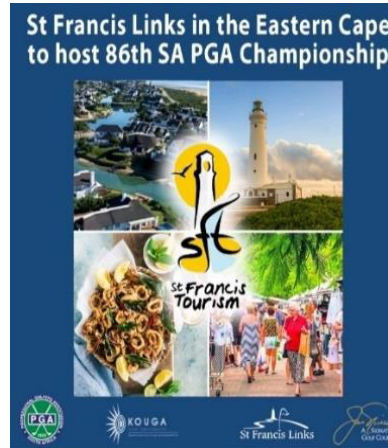
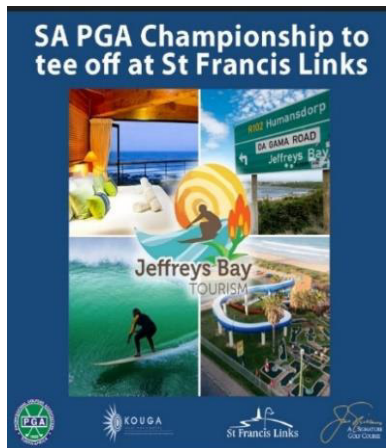
Background:

In June 2021 Kouga Local Municipality received a sponsorship/partnership proposal from the PGA organizers for government funding/support, to stage the PGA golf tournament at St Francis Links for 2021- 2023. The tourism exposure that this event offered Kouga was immense as the event was hosted virtually as well.

Kouga Local Municipality in partnership with Kouga Local Tourism Organization successfully co-hosted 4 waterholes at the tournament's PRO-AM corporate golf day on the 2nd of November 2021. During the



tournament, Kouga Municipality successfully marketed and promoted Kouga as the choice destination for tourism on the global broadcasting of the PGA on Supersport, billboards at all international airports in South Africa and all the social media accounts of the PGA South Africa and Sunshine Tour.



21/09/LED&T3

Funding Amount: R51500 2021/2022

Summer of Lights – Social Media Campaign #MyKougaSummer

Considering the cancellation of the Festive Season programme hosted annually by KLM the Kouga Local Tourism Office submitted a proposal to run a social media campaign to promote Kouga on Facebook and Instagram as the destination of choice for vacations, staycations, breakaways, day visits and events. In return, the campaign supported local tourism businesses and gave back to residents, and the summer holiday visitors.

The campaign was a series of giveaways on Facebook and Instagram, offering the massive potential to increase the followers of Kouga Local Tourism Organisation, Kouga Local Municipality and all 3 the Kouga Tourism Offices: St Francis Bay Tourism, Gamtoos Tourism and Jeffreys Bay Tourism.

To optimize traction and engagement, the campaign was driven from the Kouga Tourism Routes social media pages, tagging all 3 tourism offices and Kouga Local Municipality on each post.

The LED & Tourism Department worked closely with the E-Specialist appointed by Kouga Local Tourism Organisation, creating content, and approving all posts before publication on the social media pages.

The competition ran as follows.

Giveaway Dates: 17, 20, 22, 24, 27, 29 and 31 December 2021.

Entries Closing Dates: at 12:00 PM on 20, 22, 24, 27, 29 and 31 December 2021.

Winners Announcement Dates: 21, 23, 25, 28, 30 December 2021, 1 and 3 January 2022.



EASTERN CAPE - SOUTH AFRICA

JEFFREYS BAY, ST FRANCIS BAY, HUMANSDORP, THORNHILL, LOERIE, HANKEY, PATENSIE, BAVIAANSKLOOF

15 December 2020

Kouga Local Municipality
LED and Tourism Department
Woltemade Building
Jeffreys Bay

Re: 2021 Summer of Lights Social Media Campaign

Attached please find our partnership proposal with Kouga Municipality for the 2021 Summer of Lights Social Media Campaign.

Due to the cancelation of the planned events over the holiday season with the increase in positive Covid cases we propose a series of giveaways over social media from 17 December 2021 to 3 January 2022.

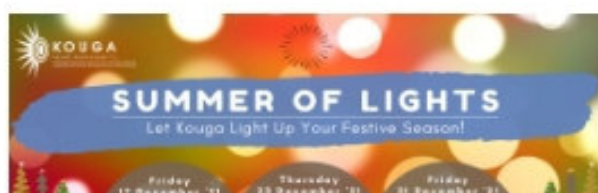
This campaign will give back to our local tourism establishments and our visitors over the festive period.

Please do not hesitate to contact us if you have any questions.

Kind regards

Hantie van der Westhuizen
Secretary

Kouga Municipality Summer of Lights - Giveaway campaign 2021/2022
Administered by The Kouga Local Tourism Organisation



Summary:

The first competition announcement post was published on December 16th. A total of **7** competition rounds took place on the KLTO's "Kouga Tourism Routes" Facebook (facebook.com/KougaTourismRoutes) and Instagram pages. Participants were encouraged to "like" the posts, tag 3 friends and use the hashtag #MyKougaSummer.

Between the 16th of December 2021 and the 3rd of January 2022 - a total of **19** posts were compiled and published in order to promote and raise awareness of the draws and to announce the lucky winners. A total of **34** winners were picked at random.

Method/Audit:

1. Following the closing date & time for each new draw, the names of the persons in the comments section was entered onto a spreadsheet and checked for entry requirements.
2. The list of names was sorted alphabetically in order to identify and remove duplicate entries.
3. Each name was manually entered into an app called "Spin the Wheel" which is designed to pick a random name from those entered. A photo was taken of each winner shown together with the prize on offer.

The original posts and comments/entries remain on the Kouga Tourism page. The spreadsheets containing the names of entrants, along with winning photo and videos of each draw have been saved and are available at request.

22/02/PDT5

Funding Amount: R255 000.00 2021/2022

Sponsorship/Partnership Agreement from BS Sport (PTY) Ltd T/A Amanzi Challenge requested to co-host the St Francis Amanzi Challenge with Kouga Local Municipality from 18 – 20 MARCH

The St Francis Amanzi Challenge was possible with the alignment of other tourism bodies in the Eastern Cape, like Sunshine Coast and the knowledge that the St Francis Bay and Cape St Francis area is very suitable for beach and water sports events. This year the event offered 5 sporting codes with 2 being national events.

The National Inflatable Boat Racing association hosted their first calendar event for the first time with a total of 40 boats entering the 2-day race. All the teams and their supporters were from outside Kouga and that meant at least 200 people staying over for the duration of the event, and spending money in the area.

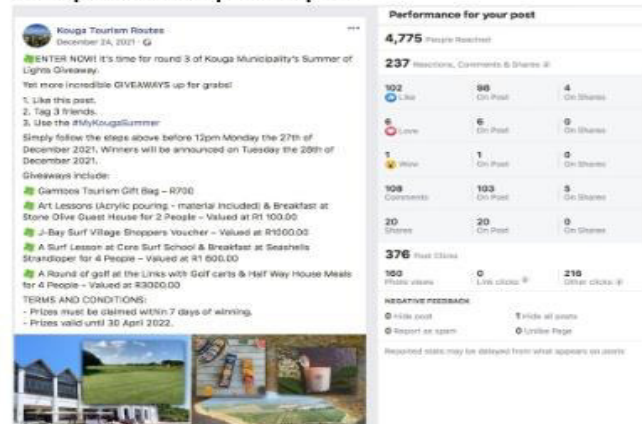
Another national event was the National Body Boarding with 45 entrants, all from outside of Kouga. The organisers plan to host the SA Champs during the 2023 Amanzi Challenge in Cape St Francis.

St Francis hosted its first time ever Open water night swim with 34 swimmers braving the dark waters for a 1.5km swim.

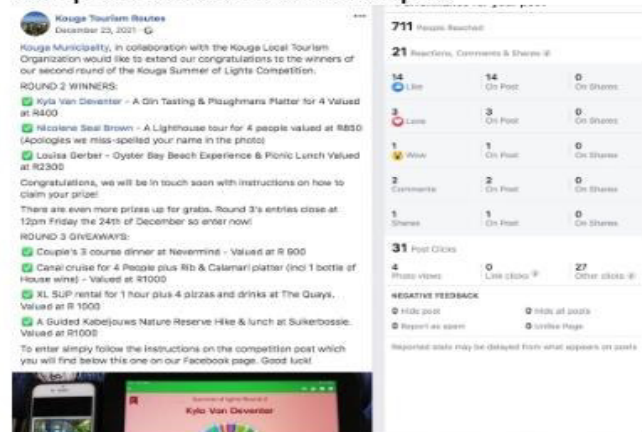
The Thula Moya Trail run had 146 entries with about 20% of entrants from outside Kouga.

The Paddling challenge hosted 49 participants, including paddlers from as far as KZN and the Western Cape. 9 youngsters from Sea Vista were sponsored for the paddling challenge which included their entry fee and a meal after the race.

Example of a competition post:



Example of winner announcement post:



A total of 38 jobs were created over the duration of this event – this only includes the jobs at the actual events.

4 – 6 March 2022

Funding Amount: R130 000.00 2021/2022

South African National Open Water Swim Championships, hosted by the Nelson Mandela Bay Aquatics

SA Open Water Swim event has become one of the key annual events in Kouga and was hosted by KLM in 2018 and 2019. In 2022 R130 000.00 was funded in support of the national event hosted at the Marina Martinique.

22/03/PDT6

Funding Amount: R70 000.00

3-Year sponsorship agreement for event support for hosting the Aloe Cup Rugby and Netball Tournament.

Jeffreys Bay Primary School is the proud host of the annual Aloe Cup rugby and netball tournament. The tournament draws top sporting schools from all over South Africa. These schools include the likes of Eikestad Primary School (Stellenbosch), Gene Louw (Durbanville), Outeniqua Primary School (George), Stellenbosch Primary School, Grey College (Bloemfontein) Handhaaf Primary (Uitenhage), Knysna Primary School (Knysna) and Hartenbos Primary School.

Past surveys suggested that 78% of parent's travel with their u/11 boys, as it is their first school tour. They tournament participants and their families enjoy the beautiful beaches of Jeffreys Bay and with many families staying on after the event, making holiday of the event. Many parents stay on after the event. These families support local accommodation, restaurants, and clothing shops.

Due to the loss of their major sponsor, the school submitted a 3-year sponsorship proposal to council requesting the financial support of R70 000 (excl. vat,) for each year from 2022 to 2024.

2022/04/PDT12

Funding Amount: R490 000.00 for 2021/2022

Funding Amount: R1 million in 2023/2024

Sponsorship for the Adventure Racing World Championships

Kinetic Events is licensed to host the Adventure Racing World Championships in South Africa in October 2023.

After an extraordinarily successful event in the Kouga region in 2017 they believe the Kouga will be the ideal location to host the championships. The event will cover approximately 700km and will traverse through a vast area of the Kouga region. Cape St Francis has been selected to be the host town and the Press conference, Prologue Race and Flag parade will take place in Jeffreys Bay.

TV coverage, social media coverage and press coverage of the Kouga area will receive continuous exposure over a 16-month period – from the announcement of event to the publishing of promotional video to the actual event - and it will ensure a long-term focus on the area and the offerings of Kouga to the public.

The event organisers offered Kouga Local Municipality the naming rights to the support of R490 000.00 for pre-marketing and launch of the event and R1 million to host the event in 2023.

2022/04/PDT13

Funding Amount: R1.5 million for 2021/2022

3-Year Sponsorship Agreement for the Corona J-Bay Open Surf Competition from 12 – 21 July 2022

Each year since 1976, the World Surf League presents the World Title trophy to the undisputed best male and female surfers in the world. Every year in July, the WSL stage the renowned J-Bay Open at the legendary Supertubes. The last event was hosted in 2019 coming to an unforeseen halt due to Covid-19 in 2020. The WSL planned to host the event from 12 – 21 July 2022 however due to the swell of the waves, the surf competition was only for 3 days from the 13 – 15 July 2022.

This is one of 10 events on the worldwide Championship Tour 24 men and 12 women elite surfers from all over the globe. The line-up includes top SA surfers like Jordy Smith. These elite surfers compete for approximately R14 million in prize money, making this one of the richest sport events in Africa.

The event has a live broadcast of 26 hours streamed throughout the world to an audience of over 3 million. It is estimated that the event will draw over 20,000 visitors to Kouga with a huge economic injection of millions of rands.

A detailed budget for the funding amount for each year is requested from the WSL to ensure budget expenditure is transparent. The funds requested are R1,5 million in 2022, R1,6 million in 2023 and R1,7 million in 2024.

The event organisers requested funding support for 3 years from 2022 – 2024. The WSL requested a renewal due to their longstanding relationship with Kouga Local Municipality

to continue using the event platform to showcase Kouga as the destination of choice and positioning Kouga as the events capital of South Africa.

2022/06/PDT14

Funding Amount: R200 000.00 for 2021/2022

Sponsorship for the World Surf League requesting event support to host the 2022 J-Bay Surf Festival in Jeffreys Bay

In addition to the R1.5 million the WSL requested R200 000.00 towards hosting the J-Bay Surf Festival, staging various events in support of the Corona J-Bay Open Surf Competition like the J-Bay Surf Music Festival, Skins Fishing Competition, J-Bay Surf Festival Beach Touchies & Netball, the Funduro and the J-Bay Surf Festival Paddle Board Competition. The support events were staged from 12 – 17 July 2022.

Events Planning Committee

July 2021 – June 2022

In terms of the Kouga Municipal events policy, Kouga Municipality is responsible to ensure that all events hosted in the Kouga Municipal area are done so legally and as well as to ensure that the prevention of injury, suffering or death that may occur because of poor planning or preventable misadventure at public events is avoided. The Kouga Municipality is responsible for guiding those that run events, it can run safely and thereby creating a conducive environment for Kouga to be promoted as a prime destination for tourism and events. Over the last 12 months, the following event applications were received and approved by the Kouga Municipality Event Planning Committee.

27 August 2021

Event	Location	Date
2021 FOUNTAINS MALL RALLY	Fountains Mall Jeffreys Bay and Longmore Forest	02 October 2021
THE PEOPLES TRIATHLON	Quayside, St Francis Bay	06 March 2022
MARINA MILE	Marina Martinique, Jeffreys Bay	30 December 2021
SWIM SERIES	Marina Martinique, Jeffreys Bay	10 & 24 October 2021, 7 November 2021, 9 January 2022
NMB AQUATICS CHAMPIONSHIPS	Marina Martinique, Jeffreys Bay	22 & 23 January 2022
SA NATIONAL OPEN WATER SWIMMING CHAMPIONSHIPS	Marina Martinique, Jeffreys Bay	4-6 March 2022
EXODUS MCC THORNHILL HOTEL	Thornhill Hotel	11 September 2021

Event	Location	Date
LUKHANYO MEMORIAL SOCCER TOURNAMENT	Thornhill Sports Field	26 – 28 November 2021
JBAY DECEMBER MARKET	Corner of St Francis and Nautilus Street, Jeffreys Bay	10 December 2021 – 11 January 2022
SA JUNIOR SURFING CHAMPIONSHIPS	Lower Point, Jeffreys Bay	1-5 October 2021
EXPEDITION AFRICA 120 KM ADVENTURE	Cape St Francis Resort and Area	18 September 2021
HERITAGE CUP TOURNAMENT	Humansdorp Stadium & Kruisfontein	24 – 26 September 2021
SA KNEEBOARDING CHAMPIONSHIPS	Magna Tubes, Jeffreys Bay	21 – 24 October 2021

27 September 2021

Event	Location	Date
Helicopter Rides	Jeffreys Bay	20 December 2021 – 02 January 2022
USN Jbay Beach Touchies	Dolphin Beach, Jeffreys Bay	26 December 2021
AFM DEO DOXA Celebration Service	Main Beach Amphitheatre Jeffreys Bay	19 December 2021
Aqua Spirit Challenge	Marina Martinique, Jeffreys Bay	15 November 2021 – 15 January 2022
Dutch Reform Church Bazaar	Humansdorp	02 October 2021
October Fest	Humansdorp Hotel	30 October 2021
PGA Championship	St Francis Links	11 September 2021
South African Longboarders Championship	Lowerpoint, Jeffreys Bay	23 – 28 August 2022
ST FRANCIS MARKET	St Francis Bay	October 2021 - September 2022
VOLLEYBALL FUNDRAISER	Jeffreys Bay	30 October 2021

22 October 2021

Event	Location	Date
Fun4u Amusement Rides - Dolphin Beach	Jeffreys Bay	1 December 2021 - 31 January 2022
Billie's Beach	St Francis Bay	26 -31 December 2021 and 1 - 2 January 2022

Event	Location	Date
St Francis Sport Summer Series 2021	St Francis Bay	19 – 31 December 2021
The 6312 Amazing Race	St Francis Bay	20 November 2021
2 Week Revival	Jeffreys Bay	08 – 20 November 2021
FunZone – Gypsy Events	Jeffreys Bay	15 - December 2021 – 16 January 2022

19 November 2021

Event	Location	Date
“Summer of Lights” Kouga Municipality Festive Season Programme	Jeffreys Bay	16, 17, 23 and 31 December 2021
The Coastal Social	Cape St Francis	26 November 2021
All for One Worship Event	Jeffreys Bay	31 December 2021
St Francis Amanzi Challenge	St Francis Bay and Cape St Francis	19 – 21 March 2022
Edge Fitness and Smhart Security – Festive Season Programme	Jeffreys Bay	20 – 30 December 2021
Jeffreys Bay Boardriders Summer Event	Jeffreys Bay	08 – 20 November 2021
Seekoei River Wine Festival	Paradise Beach	18 December 2021
St Francis Summer Paddling Series	St Francis Bay and Cape St Francis	23 Dec 28 Dec 2021 & 1 Jan 2022
Oasis FM Broadcasting at Dolphin Beach – Festive Season	Jeffreys Bay	14 - December 2021 – 2 January 2022
Jbay Skins Fishing Competition	Jeffreys Bay	20 December 2021
PE PLETT	Jeffreys Bay and Thornhill	4 – 7 February 2022

28 January 2022

Event	Location	Date
Corona J-Bay Open	Jeffreys Bay	9 - 18 July 2022
Unity in Christ Ministries – One Month Revival	Jeffreys Bay	14 February - 11 March 2022
The Coastal Social	Cape St Francis	25 February 2022 25 March 2022 29 April 2022
The St Francis Bay Concours Sur Mesure	Jeffreys Bay	27 - 30 October 2022
McLaren Circus	Jeffreys Bay	14 - 16 February 2022
Hier Gaan Dit Lekker Feeste	Jeffreys Bay	25 March – 18 April 2022
Slake Funduro	Humansdorp	12 February 2022
7 Summit Enduro	Humansdorp	8 - 9 October 2022
Mighty Men Conference – Eastern Cape	Jeffreys Bay	18 – 20 March 2022
Hier Gaan Dit Lekker Feeste	Jeffreys Bay	25 March – 18 April 2022
Slake Funduro	Humansdorp	12 February 2022

25 March 2022

Event	Location	Date
Kouga Easter Festival	Jeffreys Bay	15 – 18 April 2022
Easter Festival Fun Run & Swim	Jeffreys Bay	16 - 17 April 2022
Easter Soccer Tournament	Jeffreys Bay, Tokyo Sexwale & Pellsrus Sport	15 – 18 April 2022
Je Vista Easter Touchies	Jeffreys Bay	16 April 2022
King of the Kromme Paddling Event	St Francis Bay	16 April 2022
Billy's Beach	St Francis Bay	25 March – 18 April 2022

28 April 2022

Event	Location	Date
Aloe Cup Rugby & Netball Tournament	Jeffreys Bay	23 – 25 June 2022
Kromme River Descent	St Francis Bay	6 - 7 May 2022
J-Bay Music Festival	Jeffreys Bay	12 – 21 July 2022
Trans Eland MTB Marathon	Thornhill	4 June 2022

- No meeting in February 2022 due to no application received

2 June 2022 (May Meeting had to be moved to a later date)

Event	Location	Date
Algoa National Rally	Jeffreys Bay & Longmore Forest	15 – 16 July 2022
Celebrate the Youth	Jeffreys Bay	16 June 2022
Coastal Collective	Cape St Francis	25 June, 29 July, 27 August and 23 September 2022

24 June 2022

Event	Location	Date
J-Bay Animal Welfare Charity Day	Thornhill Hotel	30 July 2022
Exodus Rally	Thornhill Hotel	9 – 11 September 2022
BRC Carnival	Humansdorp	15 – 17 July 2022
Calamari Festival	St Francis Bay	23 – 24 September 2022
St Francis Market	St Francis Bay	29 Oct '22 to 30 Sept '23 (Dates listed on the application)
Lukhanyo Memorial Soccer Tournament	Thornhill Sports Field	25 November 2022
Melkfees	The Ferry Hotel	23 – 24 September 2022
Nautical Half Marathon	St Francis Bay	25 September 2022
Pam Golding Canal Winter Challenge	St Francis Canals	25 September 2022
Rip Curl Grom Search Surf Contest	Cape St Francis	22 – 24 July 2022
7 Bay Skins Fishing Competition	Jeffreys Bay	9 July 2022
J Bay Surf Fest – Paddle Board Classic	Jeffreys Bay	17 July 2022
Beach Market (Cancelled)	Aston Bay	1 – 31 December 2022
USN Jbay Touchies	Jeffreys Bay	26 December 2022
J-Bay Surf Festival Touchies	Jeffreys Bay	16 – 17 July 2022

FESTIVALS/EVENTS	BUDGET
PGA Golf Tournament	R275 000.00
Corona J-Bay Open	R1.5 million
J-Bay Surf Festival	R200 000.00
Adventure Race World Championship	R490 000.00
Aloe Cup Rugby & Netball Tournament	R70 000.00
St Francis Amanzi Challenge	R255 000.00
South African Open Swim Championship	R130 000.00

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

Organization:

Background

The Kouga Tourism Organization consists of member representatives of our three geographic Tourism Information Centres in Jeffreys Bay, St Francis Bay and Gamtoos. Their grant-in-aid from the Kouga Municipality was R 320 000.00 for the 2021/22 financial year which included the support to the smaller tourism offices, general administration, office operations and eMarketing. The Kouga Local Tourism Office then submits quarterly reports to Kouga Municipality throughout the year on performance and expenditure and regular meetings held for monitoring and evaluation purposes.

Grant-in-aid Budget and expenditure report:

NAME OF APPLICANT	BUDGET ALLOCATED
Kouga Local Tourism Organisation:	R320 000.00
Humansdorp Museum Association:	R150 000.00
Jeffreys Bay Recycling Project:	R50 000.00
On Eagles Wings Multi-Purpose Centre:	R8000.00
SPCA ASSISI:	R270 000.00
Jeffreys Bay Animal Rescue:	R90 000.00
St Francis Bay Animal Rescue:	R90 000.00
National Sea Rescue Institute:	R250 000.00

Tourism Trainings

- Kouga Tourism & Heritage Month Ambassador Programme
- Service Excellence and Complaints Management Training; organised by ECPTA and facilitated by South African Tourism (SAT) attendee Kouga tourism offices and member and Kouga tourism officer.
- Trade Engagement Sessions being conducted by South African Tourism.

28 – 30 September 2021

Budget Used: R 1645.05

Tourism and Heritage Month – Ambassador Programme

The programme was adopted from the Canadian Partnership formed from the BIGM Initiative. 9 Young Adults were selected to partake in the programme. The 4-day programme was part training and part experiential. The programme was a collaborative project between Kouga Local Municipality and Kouga Local Tourism Organization. The programme was funded out of the 2019 Grant in Aid funding received by Kouga Local Tourism Organization from Kouga Local Municipality.

FICE and Destination Marketing workshops were done on the 28th of September 2021 prior to the 2-day and 1-night experiential tour on the 29th and 30th of September 2021. The Ambassadors toured Jeffreys Bay, Gamtoos, St Francis Bay and Cape St Francis. FICE surveys were completed by the Ambassadors on each of the places visited. R 1645.05 was used for promotional goods for the goodie bags. The rest of the programme was funded through the KLTO budget.

MUSEUMS

Background:

We have two museums in the Kouga Municipal area, namely the Humansdorp Museum and the Shell Museum in Jeffreys Bay. Both buildings housing the museums belong to the Kouga Municipality.

The artefacts in the Humansdorp Museum belong to the Humansdorp Museum Association, whereas the artefacts in the Shell Museum belongs to the Kouga Municipality. Both Shell Museum and Humansdorp Museum are managed by the Humansdorp Museum Association, a private partner of the Kouga Municipality, registered as a non-profit organization.

During the 2021/22 financial year Kouga municipality through its grant in aid funded the Humansdorp Museum Association with an amount of R 150 000.00 for general administration, events and repairs and maintenance.

The Museum Association submits quarterly reports on progress, and the Kouga Municipality has meetings and monitors and manages their performance. The Museum Association submitted 4 quarterly reports to indicate how they spent their grant-in-aid.

The refurbishment of the fisherman's grave was done through the Museum, an appointment of a service provider to install grave crosses at a total cost of R8 8100.00.

Museum priorities:

To develop and promote heritage in the Kouga area.

To build a positive image and manage museums as sought-after heritage and tourism destinations.

Maintain museums and preserve heritage assets linked to the museums.

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

Improvements, Repairs, and maintenance to Heritage assets:

Humansdorp Museum

- Plumbing for water supply at the bathroom
- Replacement of four signs
- Locks for shell Booths
- Building of bookshelves
- Furniture
- Frames

Shell Museum

- Electrical appliances
- Paint
- Shelves
- Plumbing
- Keys

Inter-governmental Relations

- ECPTA Tourism Monitors Programme
- BIGM Programme with Kouga Municipality and Prince Edward County
- PGA Golf Tournament
- Corona J-Bay Open Surf
- St Francis Amanzi Challenge
- Adventure Race World Championship

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

JOBS CREATED DURING YEAR BY LED INITIATIVES (Excluding EPWP Projects)				
Reporting Period	429	No info	No info	No info

TRAINING

LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives (i)	Outline Service Targets (ii)	Year 2016/17		Year 2017/2018		
		Target	Actual	Target		Actual
		Previous Year (iii)	(iv)	Previous Year (v)	Current Year (vi)	(vii)
	People trained through LED & Tourism	No info	645	550	347	347

EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT SERVICES

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

	Adjustment Budget 2016/17	Actual Expenditure 2016/17	Variance 2016/17	Adjustment Budget 2017/18	Actual Expenditure 2017/18	Variance 2017/18
Total Operational Revenue	8,658,434	7,445,600	.86	445,000	0	445,000
Expenditure:						
Employment	4,654,538	4,121,766	.88	2,530,781	2,504,034	26,747
Repairs & Maintenance	50,000	46,212	.08	50,000		50,000
Other	3,953,896	3,277,622	.83	3,969,635	2,618,632	1,351,003
Total Operational	8,658,434	7,429,398	.86	6,550,416	5,122,666	1,427,750

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

COMMENT ON LOCAL ECONOMIC DEVELOPMENT CAPITAL PERFORMANCE OVERALL:

Mini Fresh Food and Crafts Market for Hankey & Jeffreys Bay

Quarter 1: Target not met pending designs approval.

Quarter 2: Item returned to lead department from BSC for further amendments.

Quarter 3: The project and allocated was moved to Project Management Unit in I&E Directorate in line with Adjustments budget.

Mbhashe Municipality Benchmarking Exercise

The Mbhashe Municipality's Mayor, Cllr. S Janda and his delegation visited KLM from 9-10 June 2022 for a benchmarking exercise in LED & Tourism, Town Planning, Building Control, Land & Properties, Human Settlements and Coastal Management. Interactive sessions hosted by each of the KLM Departments and project site visits like Sakhe Singamadoda in Kwanomzamo, Fishermen's Gravesite in Pellsrus, and the KLM Building Control Department at the Woltemade Building in Jeffreys Bay.

3.23 LAND AND PROPERTY ADMINISTRATION

The Land and Properties Administration Department has recorded the following activities and progress during the 2021/22 financial year:

The accumulative amount of municipal land disposed during the 2021/22 financial year amounts to R13,800,000.00.

Some of the most significant including high value municipal land disposal includes the following:

Disposal of erven 2078, 2079, 2081, 2082, 3296, 3297 – Woodlands Dairy

The disposal of erven a number of municipal erven to Woodlands Dairy was concluded in August 2021. The erven include erf number 2078, 2079, 2081, 2082, 3296 and 3297 in Humansdorp Industrial Area. The municipal erven were secured by Woodlands Dairy for future expansion of the current dairy plant in the Humansdorp Industrial Area.

Woodlands Dairy plays a major role from socio-economic perspective being one of the biggest employers of local labour in the Kouga municipal area. Securing the land means that there is a good chance that more job opportunities will arise in the future which is a positive sign for the Humansdorp area and surrounding towns from an employment point of view.



Disposal of erf 1382 Sea Vista – Grand Comores Retirement Estate

Erf 1382, Sea Vista is a totally landlocked municipal property, enclosed by Portion 32 of the Farm Goedgeloof No 745, adjacent St. Francis Drive and Spray Avenue. The property is 5000m² in extent.

The erf was originally set out for depositing spoil when dredging the canals when the Marina was developed in 1983. However, the erf was never utilized this purpose as initially intended and has ever since been vacant and unused.

Application was received from Edge Projects who expressed their interest in purchasing erf 1382 from the municipality to make the development possible. Edge Projects has purchased a portion of Portion 32 of the Farm Goedgeloof No. 745 from Sea Glades Holding (Pty) Ltd for retirement housing development. Erf 1382 falls in the middle of the proposed development, hence the incorporation of erf 1382 into the development is essential to make the development feasible. Council granted final approval for disposal of erf 1382 Sea Vista. The disposal process and transfer are almost completed.

The envisaged capital investment for this development is estimated to be in the vicinity of R350 million. This will be Retirement development and will generate a much-needed financial injection into the Kouga Region by creating 250 direct jobs to all sectors of the community. On completion it will the development will ensure an increased source of revenue to the municipality in the form of rates, taxes and services.



Disposal of erf 2896 Sea Vista – Nexus Yachts

An application was received from Nexus Yachts to purchase a portion of erf 2896 to rebuild the existing factory which was destroyed in the fire on 9 July 2021. The company intends to expand the factory therefore the application to purchase the adjacent public open space for such purposes.

Nexus Yachts currently employs ± 100 people from Jeffreys Bay, Humansdorp and Sea Vista and has a training programme in place for employees for the upliftment of specific skills. In purchasing the said erf will increase floor area of the factory which will result in more employment and improved skills development of the local communities.

In line with legislative provisions for disposal of municipal immovable assets the property was disposed by virtue of an onsite auction on 31 May 2022. The property was initially valued for R1,500 000.00 but received such interest that it was ultimately sold for R2,400 000.00. Council granted final approval on 29 June 2022 and resolved that the land be sold for the abovementioned amount.

The construction of the new factory is due to commence as soon as the rezoning and building plans are finalised and approved.

Donation of 16 Municipal Houses to municipal employees who have been renting

Kouga Municipality donated 16 houses, built pre-94, to qualifying Sea Vista residents on Thursday, October 28 – forming part of 27 municipal owned houses in the St Francis Bay area.

All recipients were first time homeowners and have not benefited from any government housing scheme before.

The Municipality has approached the Provincial Department of Human Settlements to seek assistance in the form of grant funding to cover the cost of transfers to the beneficiaries. The request was favourably received by the Human Settlements Department, and it was agreed that transfer cost will be covered through the Extended Enhancement Benefit Scheme which deals with the transfer of pre-1994 housing to beneficiaries.

A legal firm has been appointed and the transfer documents will be lodged during the first quarter of the 2022/23 financial year.

Sea Vista resident, Amelia Juries (middle), received her house from Kouga Community Services Director, Daniel Benson (left), and Kouga Executive Mayor, Horatio Hendricks (right).



Land availability – erf 353 Humansdorp for development of Social Housing development

The CBD of these areas experiences urban decay and has limited formal and affordable rental housing opportunities accessible to the low to moderate incomes.

This erf is ideally located for a Social Housing Development project and by availing this municipal erf to Department of Human Settlement was considered favourably as the department is strategically positioned to execute such a development similarly to the Jeffreys Bay Social Housing Development which will commence later in this financial year.



Land Acquisition

The Department also acquired erf 449 portion 77 which is in Thornhill. The property was bought at a cost of R139 000.00 in May 2022.

The land was procured from a private owner to secure the elevated water tank that has been built previously on a portion of the private property. The water tank is of high importance to the municipality as it provides water to the local residents and relocating the tank was confirmed not feasible.

It was important for the Municipality to purchase the land to secure the municipal infrastructure and for possible future expansion of bulk services for the local community.



Successful award of the tender no 137/2021

Appointment of a Panel of Estate Agents who will be responsible for the selling of municipal residential properties.

The Department has started to implement Tender No. 137/2021 which was awarded in November 2021, and which dealt with the appointment of a panel of estate agents for the selling of municipal residential properties. A total of four different estate agencies were appointed.

An advert was placed in the local newspaper and municipal website during June 2022 to invite prospective buyers to submit offers for vacant municipal residential properties. Several offers have been received so far from the estate agent and which offers will be dealt with in accordance with the stipulated legislative processes.

Appointment of A Professional Service Provider to Investigate & Address Anomalies in the Cadastre Register of Kouga Municipality

Tender No. 93/2022 seeks to appoint a service provider who needs to address the anomalies that was found in the municipal cadastre register. The tender was advertised on 6 June 2022 to invite prospective service providers and has closed on 6 July 2022.

The Municipality has noted that there exist several anomalies in approximately 10 000 land parcels in the current cadastre register. This required for urgent intervention as this has a negative impact on strategic planning, decision making and revenue collection ability. This is particularly important about unregistered land that belongs to the municipality, and which needs to be transferred, and same with state- and privately-owned land.

The purpose of this is to ensure land ownership completeness, by addressing those properties with anomalies. The anomalies which have been found in the cadastre register inter alia includes properties that are not registered at the deed's office, properties not registered with the surveyor-general, properties with no ownership, property discrepancies in the valuation roll and billing system.

New Leases and On-going (Month-to-Month) Leases for the 2021/22 financial year

LEASING ENTITY	TYPE	PROPERTY DESCRIPTION	COMMENCEMENT DATE	TERMINATION DATE	CONTRACT	MONTHLY RENTAL AMOUNT
LERIZO INTERNATIONAL INVESTMENT CC	COMMERCIAL	ERF 32, LOERIEHEUWEL	8 JUNE 2021	7 JUNE 2024	Y	270.00
LERIZO INTERNATIONAL INVESTMENT CC	COMMERCIAL	ERF 259, PATENSIE	8 JUNE 2021	7 JUNE 2024	Y	320.00
LERIZO INTERNATIONAL INVESTMENT CC	COMMERCIAL	ERF 7294, JEFFREYS BAY	1 SEPTEMBER 2021	30 AUGUST 2024	Y	960.00
LERIZO INTERNATIONAL INVESTMENT CC	COMMERCIAL	ERF 1826, HANKEY	8 JUNE 2021	13 MAY 2024	Y	280.00
JEFFREYS BAY GOLF CLUB	RECREATIONAL	ERF 873, JEFFREYS BAY	2021/06/22	2031/05/22	Y	7,460.00
J. ACKERMAN	COMMERCIAL	ERF 13, ASTON BAY	28 JULY 2021	27 JULY 2024	Y	100.00
LITTLE URCHINS MONTESSORI	PRIVATE PRE-SCHOOL	ERF 3087, SEA VISTA	1 JANUARY 2022	31 DECEMBER 2022	Y	2,800.00
TOTAL						12,190.00

LEASING ENTITY	TYPE	PROPERTY DESCRIPTION	COMMENCEMENT DATE	TERMINATION DATE	CONTRACT	ANNUAL RENTAL AMOUNT
JEFFREYS BAY EDUCARE	CRECHE	ERF 33 Pellsrus	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
BIMBO CRECHE	CRECHE	ERF 85 Kruisfontein	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
ELDRID GROEP CRECHE	CRECHE	ERF 1568 Pellsrus	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
TOKYO SEXWALE CRECHE	CRECHE	ERF 492 Pellsrus	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00

LEASING ENTITY	TYPE	PROPERTY DESCRIPTION	COMMENCEMENT DATE	TERMINATION DATE	CONTRACT	ANNUAL RENTAL AMOUNT
MKHUSELI KOLITI CRECHE	CRECHE	ERF 74 Thornhill	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
UMZAMOMHLE CRECHE	CRECHE	ERF 2236 Hankey	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
PHILLIPSVILLE CRECHE	CRECHE	ERF 15 Hankey	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
LOERIEHEUWEL CRECHE	CRECHE	ERF 47 Loerie	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
KABOUTER HESS & FREE CRECHE	CRECHE	ERF 1057 Patensie	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
NOXOLO CRECHE	CRECHE	ERF 570 Patensie	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
NOAH'S ARCH CRECHE	CRECHE	ERF 190 Pellsrus	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
HAASBEKKIES	CRECHE	ERF 5060 Kruisfontein	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
KOKKEWIET SPEELSKOOL	CRECHE	ERF 500 Oyster Bay	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
DINKY DOT CRECHE	CRECHE	ERF 1853 Kruisfontein	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
NKQUBELA CRECHE	CRECHE	ERF 2739 Humansdorp	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
ETHEMBENI DAY CARE	CRECHE	ERF 2014 Hankey	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
MASIKHULE CRECHE / PRE SCHOOL	CRECHE	ERF 1301 Humansdorp	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
SIEMBAMBA CRECHE	CRECHE	ERF 2 Kruisfontein	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
MADIBA BAY CRECHE	CRECHE	ERF 1244 Pellsrus	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
DISNEY CRECHE	CRECHE	ERVEN 2596, 2597, 2598 Sea Vista	1 SEPTEMBER 2018	MONTH-TO-MONTH	Y	10.00
TOTAL						200.00

LEASING ENTITY	TYPE	PROPERTY DESCRIPTION	COMMENCEMENT DATE	TERMINATION DATE	CONTRACT	MONTHLY RENTAL AMOUNT
NM MVIMBELI	MUNICIPAL HOUSES	ERF 6175 Jeffreys Bay	1 NOVEMBER 2014	MONTH TO MONTH	Y	1,446.44
F WINDVOGEL	MUNICIPAL HOUSES	ERF 187 Pellsrus	1 JULY 2013	MONTH TO MONTH	Y	1,114.35
WB BOSCH	MUNICIPAL HOUSES	ERF 1044 Sea Vista	WHEN APPOINTED	MONTH TO MONTH	Y	2,877.17

NA MALGAS-GOEDA	MUNICIPAL HOUSES	ERF 2293 Sea Vista	1 JULY 2015	MONTH TO MONTH	Y	1,877.49
VACANT	MUNICIPAL HOUSES	ERF 2291 Sea Vista	N/A	N/A	N/A	N/A
VACANT	MUNICIPAL HOUSES	ERF 1053 Sea Vista	N/A	N/A	N/A	N/A
LR VAALTYN	MUNICIPAL HOUSES	ERF 437 Humansdorp	2 MARCH 2010	MONTH TO MONTH	Y	943.92
N MTYALI	MUNICIPAL HOUSES	ERF 440 Humansdorp	3 MARCH 2010	MONTH TO MONTH	Y	1,254.56
GE NDADAMBI	MUNICIPAL HOUSES	ERF 440 Humansdorp	3 MARCH 2010	MONTH TO MONTH	Y	677.29
B JAFTA	MUNICIPAL HOUSES	ERF 13 Patensie	1 JUNE 2017	MONTH TO MONTH	Y	1,254.56
DF SWEPU	MUNICIPAL HOUSES	ERF 1324 Humansdorp	3 JULY 2015	MONTH TO MONTH	Y	1,254.56
VACANT	MUNICIPAL HOUSES	ERF 543 Hankey	N/A	N/A	N/A	N/A
MM VAN DER MERSCHT	MUNICIPAL HOUSES	ERF 543 Hankey	23 FEBRUARY 2018	MONTH TO MONTH	Y	499.22
TOTAL						13,199.56

LEASING ENTITY	TYPE	PROPERTY DESCRIPTION	COMMENCEMENT DATE	TERMINATION DATE	CONTRACT	MONTHLY RENTAL AMOUNT
M & J ENTERPRISES	STORAGE	ERF 2094, HUMANSDORP	15 DECEMBER 2021	15 NOVEMBER 2030	Y	4,400.00
BET-EL REVIVAL CENTRE	CHURCH	ERF 6199, KRUISFONTEIN	7 APRIL 2022	6 APRIL 2025	Y	560.00
TOTAL						4,960.00

CONSENT USES (R0,0 RENTAL)

LEASING ENTITY	TYPE	PROPERTY DESCRIPTION	COMMENCEMENT DATE	TERMINATION DATE	CONTRACT	MONTHLY RENTAL AMOUNT
GAM-INQUA KHOISAN TRIBAL HOUSE	TRIBAL HOUSE	PTN 2 OF FARM 781	JUNE 2021	MAY 2024	Y	0.00
GAM-INQUA KHOISAN TRIBAL HOUSE	TRIBAL HOUSE	PTN OF ERF 2	JUNE 2021	MAY 2024	Y	0.00
SUPERTUBES SURFING FOUNDATION	NURSERY	ERF 2716, JEFFREYS BAY	2 SEPTEMBER 2021	1 SEPTEMBER 2024	Y	0.00
JBSD T/A HYDRO RUBBER	MAINTAINING PROPERTY	ERF 445, JEFFREYS BAY	3 AUGUST 2021	2 AUGUST 2024	Y	0.00
TOTAL						0.00

3.24**HOUSING****APPOINTMENT OF SERVICE PROVIDER FOR THE CONSTRUCTION OF 200 TOP STRUCTURE IN OCEAN VIEW 1500 HOUSING PROJECT**

The Provincial Department of Human Settlements appointed Kontinental Engineering on 29 April 2022 for the construction of 200 Top Structures as phase one in Ocean View 1500 Housing Project. The Official site hand-over was on the 14th of June 2022 and was attended by all stakeholders.

The first phase of this project will cater for the most vulnerable beneficiaries approved in this project, namely your elderly and disabled beneficiaries. Currently there are 16 disabled beneficiaries and 186 elderly beneficiaries listed in this project. Several housing meetings were held with the project beneficiaries, and SMME's so as to get buy in and ownership of the project.

APPOINTMENT OF SERVICE PROVIDER FOR THE INSTALLATION OF SERVICES IN HANKEY 990 HOUSING PROJECT

The Municipality was appointed as implementing agent by the Eastern Cape Department of Human Settlements. The Municipality after being appointed as the Implementing Agent, started with the procurement process to identify a suitable Service Provider for the installation of services. Thusega Maps JV was appointed on 29 November 2021. The anticipated date for completion of this project is in December 2022.

**HANDOVER CEREMONY OF PPC LAND IN HANKEY**

The official handover of the PPC land in Hankey was done on Thursday 21 April 2022. The donation of the 1.9 hectares of land by PPC will ensure that there is enough land available for the construction of the 990 services and the provision of 990 top-structures planned. The municipality has already started with planning on this piece of land, which includes the provisional layout plan and the submission of the application for Environmental Approval.

RELOCATION AND ELECTRIFICATION OF 200 TEMPORARY INFORMAL STRUCTURES IN HOPEVILLE INFORMAL SETTLEMENT IN KRUISFONTEIN

The Human Settlements Department with the assistance from the Infrastructure and Engineering Department embarked on process to relocate more than 200 beneficiaries

from the Vaaldam Informal area to newly established Hopeville Informal Settlement with the primary goal to provide these beneficiaries with a formalized erf as well as electricity. The official switch on of electricity to these beneficiaries was on 22 April 2022. The total value of this project was R 7.8 million, which included a substation.

ELECTRIFICATION OF WESTON 71 AND LOERIEHEUWEL 154 INFORMAL SETTLEMENTS

Eskom appointed Likhanye Consulting Engineers for the provision of electricity supply to 215 informal houses in Weston (62) and Loerieheuwel (153) in December 2021. The official site handover was on 10 December 2021. The project commenced in February 2022 and was completed on 18 July 2022



LAUNCH OF SOCIAL HOUSING AND FLISP DEVELOPMENT

Finance Linked Individual Subsidy Programme is an instrument that assists qualifying households by providing a once off down payment to those households who have secured mortgage finance to acquire a residential property for the first time.

Depending on their income level, a qualifying beneficiary will qualify for a subsidy of between R 27 000 – R 121 626.

Social Housing programme provides for grant funding to establish, capacitate and capitalise social housing institutions which may develop, hold and administer affordable rental units within identified restructuring zones.

The FLISP and affordable Social Housing rental opportunities will be constructed at the corner of Koraal Street and Dolphin Street in Oceanview. Launched in February 2021, the project will open housing opportunities for residents that do not qualify for Breaking New Ground Houses opportunities (RDP). The appointed Service Provider for this pilot project is Own Haven Housing Association. They submitted the layout plans to the PD&T portfolio meeting and plans were approved on 29 June 2022.

This programme targets moderate income households, earning between R 1,850 -R 22 000,00 per month with quality and affordable rental housing opportunities in well located areas. Construction will commence in the 2023/24 financial year. Planning and environmental issues are being finalized.

APPROVAL OF NATIONAL UPGRADING SUPPORT PROGRAMMES (NUSP)

A funding application for the upgrading of informal settlements was submitted to the ECDHS. Funding approval of **R 18 055 384.92** for the upgrading of nine informal settlements was approved and announced by the MEC for Human Settlements on 31 July 2020.

Funding approval is for the provision of basic services like water, sewer, electricity, access roads, refuse points and removal.

The following informal settlements were approved for upgrading under the NUSP Programme;

The municipality submitted a claim of R 14 000 000.00 to the HDA for interim services rendered by the municipality for the Informal Settlements below.

1. Donkerhoek 363
2. Oceanview 730
3. Cyril Ramaphosa 278
4. Polar Park 350
5. Shukushukuma 250
6. Thornhill 160
7. Bungalows 103
8. Golf Course 153
9. No. R10 190

The upgrading of the remaining 12 informal settlements will be approved in the 2022/23 financial year.

Funding agreement for the approved upgrading plans was entered between ECDHS and HDA who will act as an Implementing Agent.

ECDHS and the HDA appointed a District Professional Resource Team (PRT) to assist the Municipality with the implementation of upgrading plans. Interim and permanent engineering designs are being finalised.

Levels and Standards in Housing Services

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

Annual Performance as per Key Performance Indicators in Human Settlements Services

	Indicator name	Total number of households/customers expected to benefit	Estimated backlogs (Actual numbers)	Target set for the FY under review	Number of households/customers reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	100%	12218	200	200	100%
2	Percentage of informal settlements that have been provided with basic services	100%	9473	5450	5450	100%
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	100%	8997	220	220	100%

CHAPTER 4: FINANCIAL PERFORMANCE

4.1 FINANCIAL HEALTH OVERVIEW

In order to provide an overview of the financial outcomes for the 2021/22 financial year, it is necessary to compare the 2021/22 Adjustments Budget, the actual financial results, the actual cash inflows and outflows, and the actual expenditure and revenue trends for the period, 1 July 2021 to 30 June 2022.

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

4.1.1. STATEMENT OF FINANCIAL PERFORMANCE (refer to AFS page 8)

Actual operating revenue (excluding capital grants) amounted to R 951,136 million, whilst actual operating expenditure amounted to R 1,043 billion, resulting in an actual operating deficit of R 91,427 million. The 2021/22 Adjustments Budget for operating revenue (excluding capital grants) amounted to R 973,163 million, whilst operating expenditure amounted to R 1,112 billion, resulting in a budgeted deficit of R 138,346 million. It should be noted that the 2021/22 actual operating revenue of R 1,012 billion, includes an amount of R 60,630 million, which relates to capital grants.

The following, however, needs to be noted:

Property Rates (refer to AFS page 8)

The actual property rates revenue raised amounted to R 224,326 million (100.11%), compared to the Adjustments budgeted amount of R 224,085 million.

Service charges – Electricity Revenue (refer to AFS page 81, note 23)

The actual electricity revenue raised, amounted to R 327,234 million (95.59%), compared to the Adjustments budgeted amount of R 342,329 million.

Service charges – Water Revenue (refer to AFS page 81, note 23)

The actual water revenue raised, amounted to R 83,125 million (101.81%), compared to the Adjustments budgeted amount of R 81,646 million.

Service charges – Sanitation Revenue (refer to AFS page 81, note 23)

The actual sanitation revenue raised, amounted to R 56,405 million (97.67%), compared to the Adjustments budgeted amount of R 57,754 million.

Service charges – Refuse Revenue (refer to AFS page 81, note 23)

The actual refuse revenue raised, amounted to R 54,526 million (94.32%), compared to the Adjustments budgeted amount of R 57,811 million.

Property Rates and Services Revenue: (refer to AFS page 8, 81, note 23)

Description	2021/22 Financial Year		
	Adjusted Budget (Including Indigent Subsidies)	Actuals as at 30 June 2022 (Including Indigent Subsidies)	Variance
R thousands			
<u>Revenue By Source</u>			

Property rates	224,084,646	224,326,476	(241,830)
Service charges revenue	539,540,248	521,290,057	18,250,191
Service charges - electricity revenue	342,329,023	327,234,203	15,094,820
Service charges - water revenue	81,646,345	83,125,109	(1,478,764)
Service charges - sanitation revenue	57,753,510	56,405,147	1,348,363
Service charges - refuse revenue	57,811,370	54,525,598	3,285,772
Total	763,624,894	745,616,533	18,008,361

Fines, Penalties and Forfeits: (refer to AFS page 8)

The actual revenue amounted to R 5,881 million, compared to the adjustments budgeted amount of R 0,794 million. Fines, penalties and forfeits mostly relate to traffic and building fines. The traffic fines revenue is significantly higher than initially budgeted for, due to the appointment of a service provider for speeding camera fines.

Rental from Fixed Assets: (refer to AFS page 8)

The actual revenue amounted to R 3,094 million (110.50%), compared to the adjustments budgeted amount of R 2,800 million. This relates to the rental of municipal buildings, community halls and other municipal facilities. The revenue is influenced by the extent of rental agreements.

Transfers and Subsidies: (refer to AFS page 8)

The actual revenue amounted to R 214,511 million (100.21%), compared to the Adjustments budget amount of R 214,061 million.

Licences and Permits: (refer to AFS page 8)

The actual licences and permits revenue amounted to R 9,593 million (74.52%), compared to the adjustments budgeted amount of R 12,873 million.

Licences and permits mostly relate to motor vehicle, drivers, and learners' licences. The licences and permits revenue are largely influenced by lower than anticipated revenue on operators and public drivers permits.

Interest Earned – External Investments: (refer to AFS page 8 and note 27)

The actual interest earned – external investments amounted to R 3,225 million (114.72%), compared to the adjustments budgeted amount of R 2,811 million. This is largely influenced by the extent of municipal investment portfolio.

Interest Earned – Outstanding Debtors: (refer to AFS page 8 and note 27)

The actual interest earned – outstanding debtors amounted to R 13,878 million (108.26%), compared to the adjustments budgeted amount of R 12,820 million.

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

Sales of Goods and Rendering of Services: (refer to AFS page 8)

The actual sales of goods and rendering of services revenue amounted to R 9,603 million (113.64%), compared to the Adjustments budgeted amount of R 8,450 million.

Operational Revenue: (refer to AFS page 8)

The actual operational revenue amounted to R 3,805 million (26.11%), compared to the Adjustments budgeted amount of R 14,571 million. The revenue was negatively influenced by the unrealised land sale for an amount of R 10,525 million and budgeted insurance refunds amounting to R 3,000 million.

Employee Related Costs: (refer to AFS page 8)

Employee related costs amounted to R 331,398 million (87.82%), compared to the adjustments budgeted amount of R 377,340 million.

Remuneration of Councilors: (refer to AFS page 8)

The remuneration of councilors amounted to R 13,395 million (98.12%), compared to the adjustments budgeted amount of R 13,651 million.

Depreciation and Amortization: (refer to AFS page 8)

The Depreciation and Amortization amounted to R 91,119 million (99.23%), compared to the adjustments budgeted amount of R 91,830 million.

Impairment losses: (refer to AFS page 8)

Bad debts are written off upon Council's approval. Debt impairment amounted to R 38,639 million (84.33%), compared to the adjustments budgeted amount of R 45,818 million.

Bulk Purchases - Electricity: (refer to AFS page 8)

The Bulk purchases electricity amounted to R 295,222 million (98.41%), compared to the Adjustments budgeted amount of R 300,000 million.

Inventory Consumed: (refer to AFS page 8)

The inventory consumed amounted to R 93,046 million (136.29%), compared to the Adjustments budgeted amount of R 68,271 million.

Inventory consumed comprises of consumables, materials and supplies used in daily operations of the municipality and include the bulk water consumption. The inventory consumed is largely influenced by the bulk water account received from the Nelson Mandela Bay Municipality amounting to R 14,943 million, based on the correction of previous months billings. There was no budget provision made for the adjusted bulk water account.

Interest: (refer to AFS page 8)

The interest costs amounted to R 4,662 million (651.19%), compared to the Adjustments budgeted amount of R 0,716 million.

Interest, Dividend and Rent on Land mostly relate to finance cost paid on Development Bank of South Africa (DBSA) loan, which was fully paid during the 2021/22 financial year.

Interest, Dividend and Rent on Land expenditure amount is largely influenced by the landfill site interest provision raised.

Contracted Services: (refer to AFS page 8)

The contracted services amounted to R 75,039 million (90.24%), compared to the Adjustments budgeted amount of R 83,152 million.

Contracted services are broken down as follows:

Item Description	Adjusted Budget 2021/22	Audited Actuals as at 30 June 2022	%
Animal Care	476,575	473,780	99.41%
Burial Services	180,000	161,456	89.70%
Call Centre	185,000	182,100	98.43%
Catering Services	590,852	480,321	81.29%
Clearing and Grass Cutting Services	1,703,790	1,642,067	96.38%
Consultants and Professional Services	10,132,834	7,090,358	69.97%
Drivers Licence Cards	520,000	512,947	98.64%
Dune Stabilisation	3,578,000	3,456,490	96.60%
Employee Wellness	440,000	222,713	50.62%
Event Promoters	961,174	754,185	78.47%
Internal Auditors	325,000	324,950	99.98%
Laboratory Services:Water	551,000	375,686	68.18%
Leak Detection Project	75,000	62,984	83.98%
LED Strategic Plan	50,304	63,804	126.84%
Legal Advice and Litigation	4,150,000	4,168,892	100.46%
Legal Cost:Collection	1,000,000	687,858	68.79%
Litter Picking and Street Cleaning	1,250,000	1,089,370	87.15%
Maintenance of Buildings and Facilities	6,348,832	5,945,357	93.64%
Maintenance of Electrical Infrastructure	2,211,839	1,102,395	49.84%
Maintenance of Equipment	453,950	440,276	96.99%
Maintenance of Sanitation Infrastructure	1,565,000	1,450,152	92.66%
Maintenance of Vehicles	7,312,973	7,608,784	104.05%
Maintenance of Water Infrastructure	1,420,000	1,081,001	76.13%
Medical Health Services & Support	1,150,000	1,009,809	87.81%
Occupational Health and Safety	21,000	-	0.00%
Other Contracted Services	1,712,800	1,595,192	93.13%
Personnel and Labour	7,689,772	7,948,762	103.37%
Professional Staff	437,000	419,571	96.01%
Qualification Verification	1,028,000	872,674	84.89%
Restricted Water Flow	800,000	709,635	88.70%
Roads Maintenance	10,000,000	9,850,312	98.50%
Security Services	4,650,000	4,910,721	105.61%
Special Rating Area	7,500,000	7,735,921	103.15%
Transport Services	189,100	131,147	69.35%
Valuer	2,280,102	265,823	11.66%
Water Saving Initiatives	212,000	211,561	99.79%
Total	83,151,897	75,039,055	90.24%

Operating Leases: (refer to AFS page 8)

The operating leases amounted to R 5,789 million (80.70%), compared to the Adjustments budgeted amount of R 7,174 million. The operating leases relate to the rental of photocopy machines, IT related network equipment and other assets. The operating leases paid is lower than anticipated.

Operational Costs: (refer to AFS page 8)

The operational costs amounted to R 83,522 million (67.90%), compared to the Adjustments budgeted amount of R 123,007 million.

Operational Costs are broken down as follows:

(Refer to AFS page 8)

Item Description	Adjusted Budget 2021/22	Actuals as at 30 June 2022	%
Accommodation	946,174	631,764	66.77%
Achievements and Awards	1,470,553	1,105,116	75.15%
Advertising, Publicity and Marketing	2,176,590	1,909,585	87.73%
Air Transport	228,966	89,242	38.98%
Bank Charges	900,000	984,769	109.42%
Bargaining Council	3,200,000	3,422,255	106.95%
Cellular Contract (Subscription and Calls)	2,855,364	2,391,099	83.74%
Claims paid to Third Parties	250,000	246,290	98.52%
External Audit Fees	4,500,000	4,394,028	97.65%
External Computer Service:Internet Charge	4,264,541	4,254,288	99.76%
Gifts and Promotional Items	153,300	138,864	90.58%
Hire Charges	28,872,430	26,852,364	93.00%
Insurance Claims	316,460	235,325	74.36%
Insurance Underwriting:Premiums	3,087,456	2,796,389	90.57%
Motor Vehicle Licence and Registrations	1,046,294	621,543	59.40%
Municipal Services	31,562,951	0	0.00%
Non-employees	645,196	563,805	87.39%
Other	1,411,553	967,616	68.55%
Own Transport	753,960	287,167	38.09%
Postage/Stamps/Frinking Machines	1,912,500	1,672,566	87.45%
Printing, Publications and Books	1,343,625	1,075,737	80.06%
Registration Fees:Professional and Regulatory Bodies	319,140	220,343	69.04%
Registration Fees:Seminars, Conferences, Workshops	1,958,260	1,718,630	87.76%
Remuneration to Ward Committees	2,137,200	2,640,793	123.56%
Riparian Levies	5,933,700	5,719,854	96.40%
Signage	401,739	342,913	85.36%
Skills Development Fund Levy	3,861,813	3,290,416	85.20%
Software Licences	3,615,779	3,205,280	88.65%
Storage of Files (Archiving)	450,000	267,317	59.40%
Tenders	700,000	630,194	90.03%
Third Party Vendors	5,600,000	5,243,275	93.63%
Uniform and Protective Clothing	3,840,902	3,079,626	80.18%
Vehicle Tracking	625,715	728,644	116.45%
Workmen's Compensation Fund	1,664,930	1,794,647	107.79%
Total	123,007,091	83,521,743	67.90%

Conclusion:

The Municipality recorded an actual operating deficit of R 91,427 million, compared to the adjustments budgeted deficit of R138,346 million.

4.1.2 STATEMENT OF FINANCIAL POSITION (refer to AFS page 7)

Net Assets: (refer to AFS page 7)

Net Assets decreased from R 2,141 billion (2020/21) to R 2,110 billion (2021/22) due to the following:

Non-current Liabilities: (refer to AFS page 7)

- Long-term liabilities increased from R Nil million in 2020/21 to R 22,813 million in 2021/22, due to the new vehicles finance lease taken up during the 2021/22 financial year.
- The Employee Benefit Liabilities increased during the 2021/22 financial year, based on an actuarial valuation.
The liabilities consequently increased from R 101,797 million in 2020/21 to R 105,496 million in 2021/22. The Employee Benefit Liabilities consist of Post-Retirement Health Care Benefits and Ex-Gratia Pensions.
- Non-current Provisions increased from R 89,160 million in 2020/21 to R106,420 million in 2021/22, due to the increase in Long Service Awards and the Rehabilitation of Landfill Sites provisions.

The net result is that the increase in non-current liabilities, accounted for a movement of R 43,773 million in the net assets of the municipality.

Current liabilities:

Consumer Deposits (refer to AFS page 7)

Consumer deposits increased from R 20,774 million in 2020/21 to R 23,673 million in 2021/22, mainly due to an increase in applications for new water and electricity connections.

Provisions (refer to AFS page 7)

The current provisions increased from R 27,574 million in 2020/21 to R 31,986 million in 2021/22, mainly due to the leave provision and long service awards, being increased in the 2021/22 financial year.

Unspent conditional grants and receipts (refer to AFS page 7)

It is to be noted that unspent conditional grants decreased from R 6,199 million in the 2020/21 financial year to R Nil million in the 2021/22 financial year.

Lease payables (refer to AFS page 7)

Lease payables increased by R 6,845 million from R 0,619 million in 2020/21 to R 7,464 million in 2021/22. This is attributed to the new vehicles finance lease.

Payables – Exchange Transactions (refer to AFS page 7)

Payables have increased by R 17,938 million from R 87,641 million in 2020/21 to R 105,579 million in 2021/22.

Payables from Non-exchange Transactions (refer to AFS page 7)

Payables from non-exchange transactions decreased from R 0,751 million in 2020/21 to R Nil million in 2021/22.

Current Portion of Long-Term Liabilities (refer to AFS page 7)

The current portion decreased from R 6,128 million in 2020/21 to R Nil million in 2021/22.

Employee benefit liabilities (refer AFS page 7)

The employee benefit liabilities decreased by R 0,429 million from R 7,873 in 2020/21 to R 7,444 million in 2021/22.

The net result is that the increase in Current liabilities, accounted for a movement of R 18,586 million in the Net Assets of the Municipality.

Non-current Assets: (refer to AFS page 7)

- Property, Plant and Equipment increased from R 2,057 billion in 2020/21 to R 2,065 billion in 2021/22.
- Intangible Assets decreased from R 1,295 million in 2020/21 to R 0,870 million in 2021/22.
- Investment Property decreased from R 262,625 million in 2020/21 to R 262,608 million in 2021/22.

The net result is that the increase in non-current assets accounted for a movement of R 8,001 million in the Net Assets of the Municipality.

Current Assets:**Inventories** (refer to AFS page 7)

Inventories increased by R 4,480 million from R 12,570 million in 2020/21 to R 17,050 million in 2021/22.

Receivables from exchange transactions (refer to AFS page 7 and 44 note 2)

The increase in receivables amounted to R 31,217 million, or 69%, when compared to the previous financial year.

Year	Gross Balances R	Impairment Allowance R	Carrying Amount R
2020/21	235 786 736	190 683 500	45 103 236
2021/22	293 945 098	217 624 472	76 320 626
Increase	58 158 362	26 940 972	31 217 390

Statutory receivables from non-exchange transactions (refer to AFS page 7)

The Receivables from non-exchange transactions increased by R 10,670 million from R 9,951 million in 2020/21 to R 20,621 million in 2021/22.

Cash and Cash Equivalents (refer to AFS page 7)

Cash and cash equivalents decreased by R 25,543 million from R 53,394 million in 2020/21 to R 27,851 million in 2021/22.

VAT Receivable (refer to AFS page 7)

VAT Receivable increased by R 2,693 million from R 47,750 million in 2020/21 to R 50,443 million in 2021/22.

Lease Receivables (refer to AFS page 7)

Lease Receivables increased from R 0,108 million in 2020/21 to R 0,153 million in 2021/22.

The net result is that the increase in Current assets accounted for a movement of R 23,561 million in the Net Assets of the Municipality.

Conclusion:

The Municipality's financial position has been influenced by the following factors:

- Cash and cash equivalents decreased by R 25,543 million (48%) from R 53,394 million in 2020/21 to R 27,851 million in 2021/22.
- Current Liabilities increased by R 18,586 million (12%) from R 157,560 million in 2020/21 to R 176,145 million in 2021/22.
- Current assets increased by R 23,561 million (14%) from R 168,877 million in 2020/21 to R 192,438 million in 2021/22.

4.1.3 FINANCIAL INDICATORS (refer to AFS pages 7 - 10)

The following ratios reflect the municipality's relative financial viability and sustainability:

Borrowing Management		Actuals as at 30 June 2017	Actuals as at 30 June 2018	Actuals as at 30 June 2019	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	2.51%	1.78%	1.21%	1.22%	1.13%	0.67%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	0%	0%

Borrowing Management		Actuals as at 30 June 2017	Actuals as at 30 June 2018	Actuals as at 30 June 2019	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.03	0.02	0.01	0.01	0.01	0.01
Current Ratio	Current assets / current liabilities	0.97	1.58	1.44	1.26	1.07	1.09
Liquidity Ratio	Monetary assets / current liabilities	0.47	0.75	0.87	0.61	0.34	0.16
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	95.81%	90.73%	97.62%	95.42%	94.41%	94.32%

Other indicators		Actuals as at 30 June 2017	Actuals as at 30 June 2018	Actuals as at 30 June 2019	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022
Cost coverage	(Cash and cash equivalents - Unspent Conditional Grants - Overdraft) + Short term investment)/monthly fixed operational expenditure excluding (depreciation, amortisation, provision for bad debts, impairment and loss on disposal of assets)	1.62 Months	1.73 Months	1.90 Months	1.79 Months	0.65 Months	0.37 Months
Employee Costs	Employee Costs / Total Operating Expenditure	33.39%	33.21%	31.15%	32.53%	34.22%	31.79%
Capital Expenditure	Capital Expenditure / Capital Budget	72.92%	72.98%	44.59%	75.33%	71.67%	122.54%
Repairs and Maintenance	Repairs and Maintenance / Total Operating Expenditure	4.94%	3.82%	4.99%	6.68%	6.99%	4.48%

Other indicators		Actuals as at 30 June 2017	Actuals as at 30 June 2018	Actuals as at 30 June 2019	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022
ce as % of Total Operating Expenditure							
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	1.65%	1.41%	2.18%	2.90%	3.33%	2.26%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	78.69%	80.22%	75.36%	71.88%	77.14%	78.80%

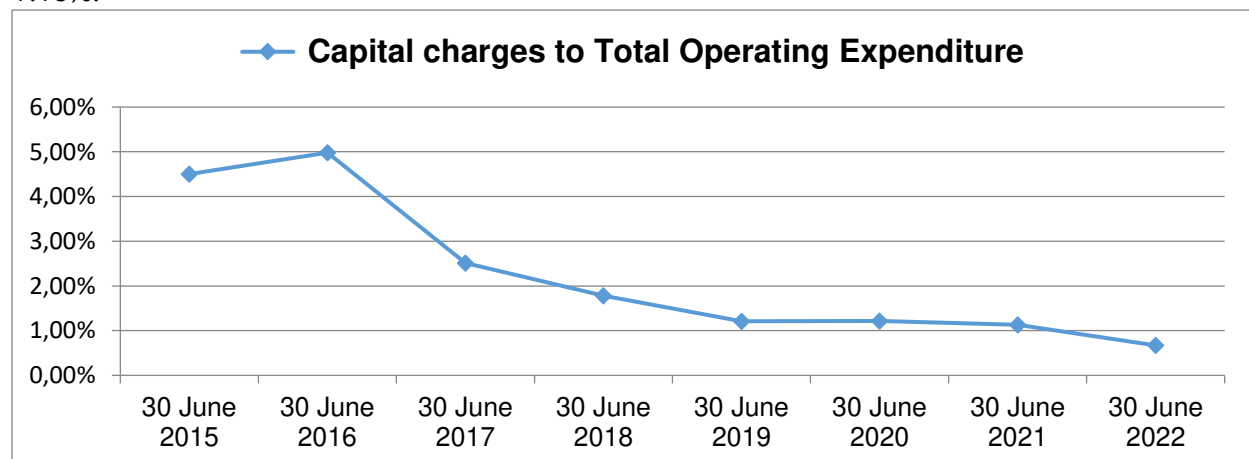
The above table is discussed in detail below.

4.1.3.1 CAPITAL CHARGES TO OPERATING EXPENDITURE

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as percentage of Total Operating Expenditure.

Capital charges/Total Operating Expenditure to date

The ratio indicates that 0.67% of the Total Operating Expenditure was utilised for capital charges as at 30 June 2022, whilst the Municipality's audited ratio as at 30 June 2021 was 1.13%.



4.1.3.2 BORROWED FUNDING OF CAPITAL EXPENDITURE

This ratio indicates the proportion of borrowed funding to actual capital expenditure to date (excluding transfers and grants). The ratio also indicates the extent of capital expenditure being financed from borrowed funding compared to own and other funding sources, excluding transfers and grant funded expenditure.

The ratio is determined as follows:

Capital expenditure funded from Borrowings/Total Capital Expenditure to date (excluding transfers and grants)

As at 30 June 2022, the was 0% as no capital expenditure was funded from borrowings, whilst the Municipality's audited ratio as at 30 June 2021 was also 0%.

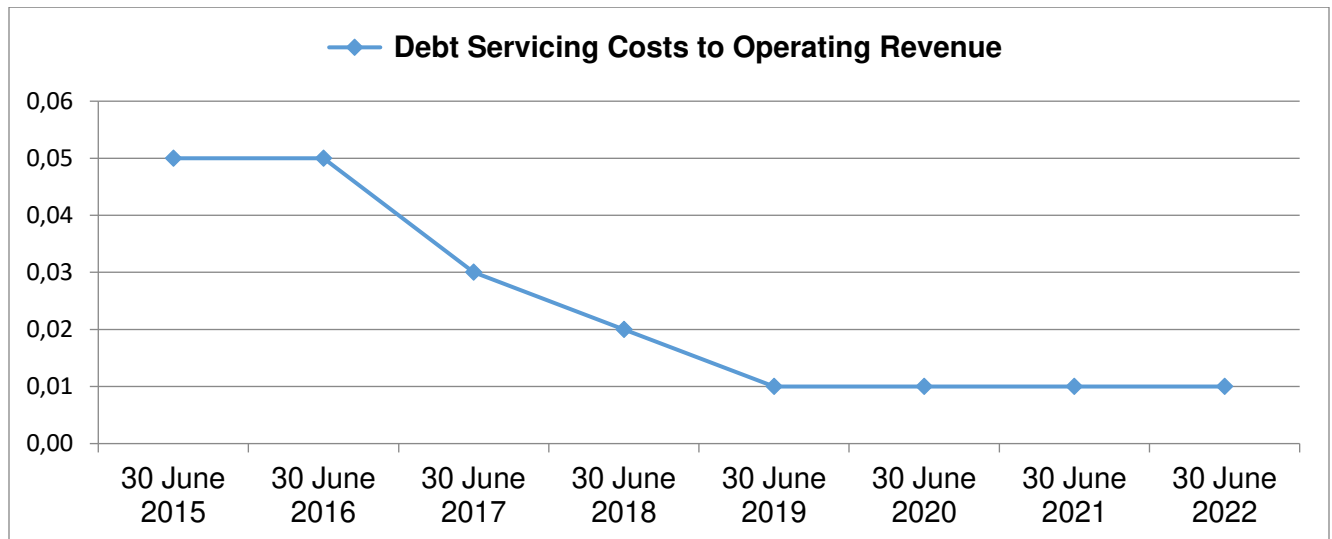
4.1.3.3 DEBT SERVICING COST TO OPERATING REVENUE RATIO

This ratio indicates the proportion of debt servicing costs (interest and principal paid on borrowing) to actual operating revenue to date.

The ratio is determined as follows:

Debt Servicing Costs/Operating Revenue

As at 30 June 2022 the ratio was 0.01:1, compared to the audited ratio of 0.01:1 as at 30 June 2021.



4.1.3.4 CURRENT RATIO

The Ratio assesses the Municipality's ability to meet its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables etc.).

The ratio is determined as follows:

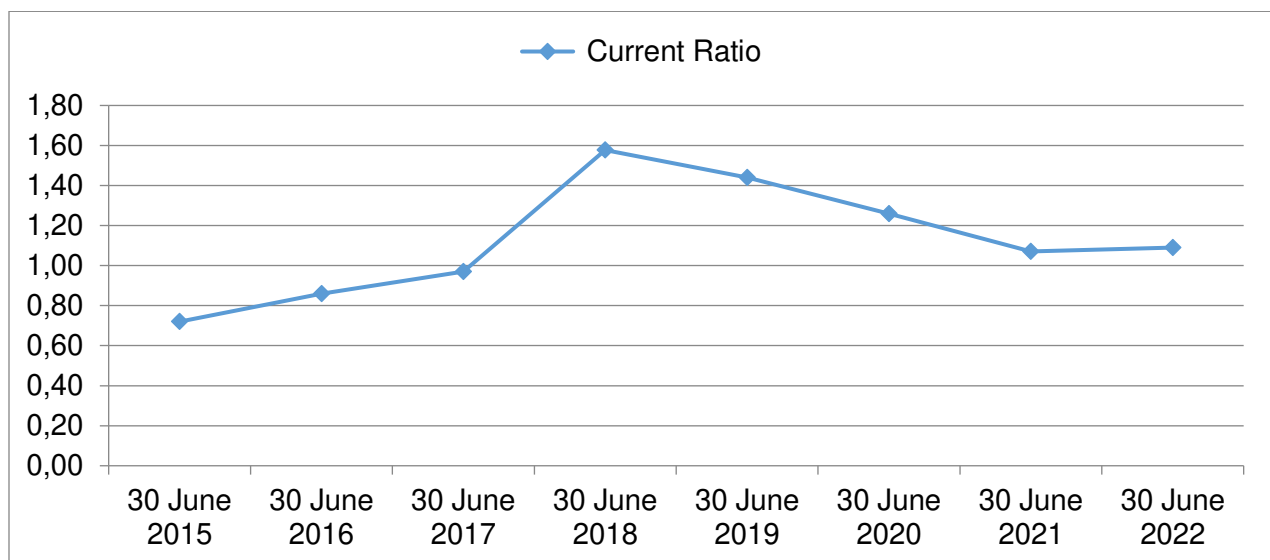
Current assets/Current liabilities

As at 30 June 2022, the Ratio was 1.09:1, whilst the Municipality's audited ratio as at 30 June 2021 was 1.07:1

In terms of the MFMA Circular No. 71, the norm is 1.5:1 to 2:1

The higher the current Ratio, the stronger the Municipality's financial capacity to meet its current obligations.

A ratio of below 1:1 would suggest that the Municipality would be unable to meet all its current obligations as and when they fall due.



4.1.3.5 LIQUIDITY RATIO

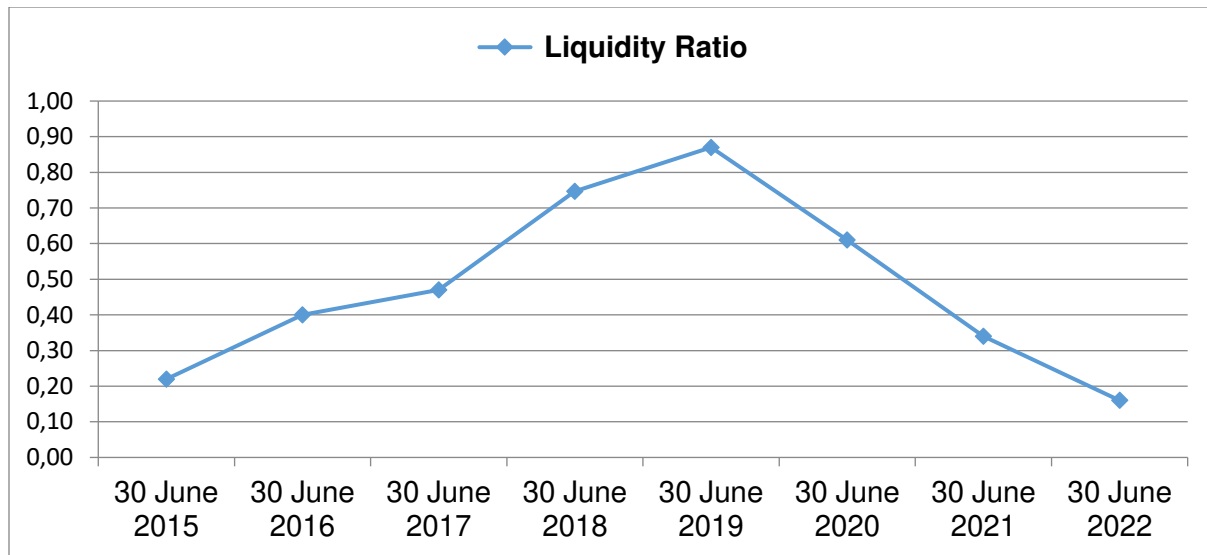
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 30 June 2022 was 0.16:1, whilst the Municipality's audited ratio as at 30 June 2021 was 0.34:1.

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



4.1.3.6 ANNUAL DEBTORS' COLLECTION RATE

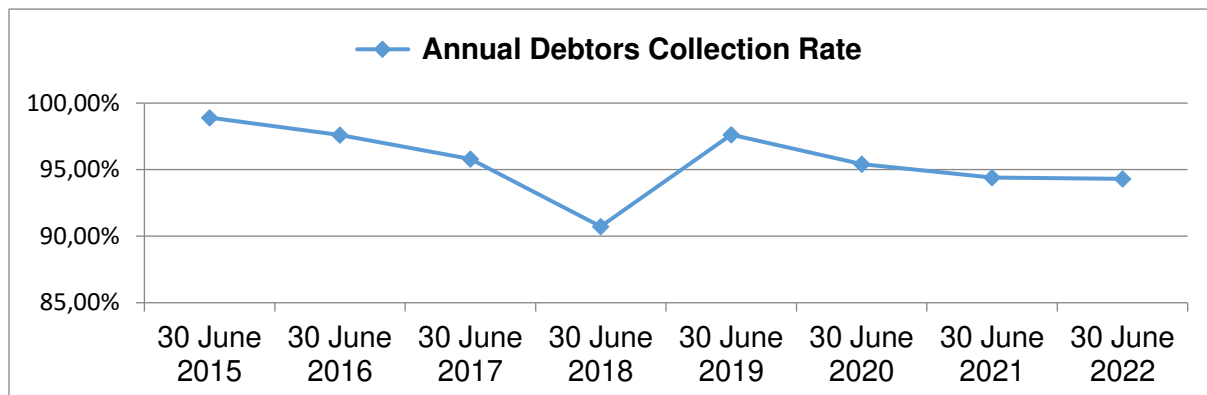
This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

The ratio to determine the percentage collection rate is as follows:

Total Payments Received in Current month/Total Value of Accounts Rendered in the Previous Month X 100

Note: the reason for using the previous month's billing is due to the accounts only being payable the following month (i.e. accountholders are given one calendar month to pay their current accounts).

The average collection rate as at 30 June 2022 was 94.32%, compared to the average collection rate of 94.41% for the 2020/21 financial year. These percentages are calculated based on revenue receipted, compared to revenue billed on a month-to-month basis.



4.1.3.7 COST COVERAGE

The Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue, during that month.

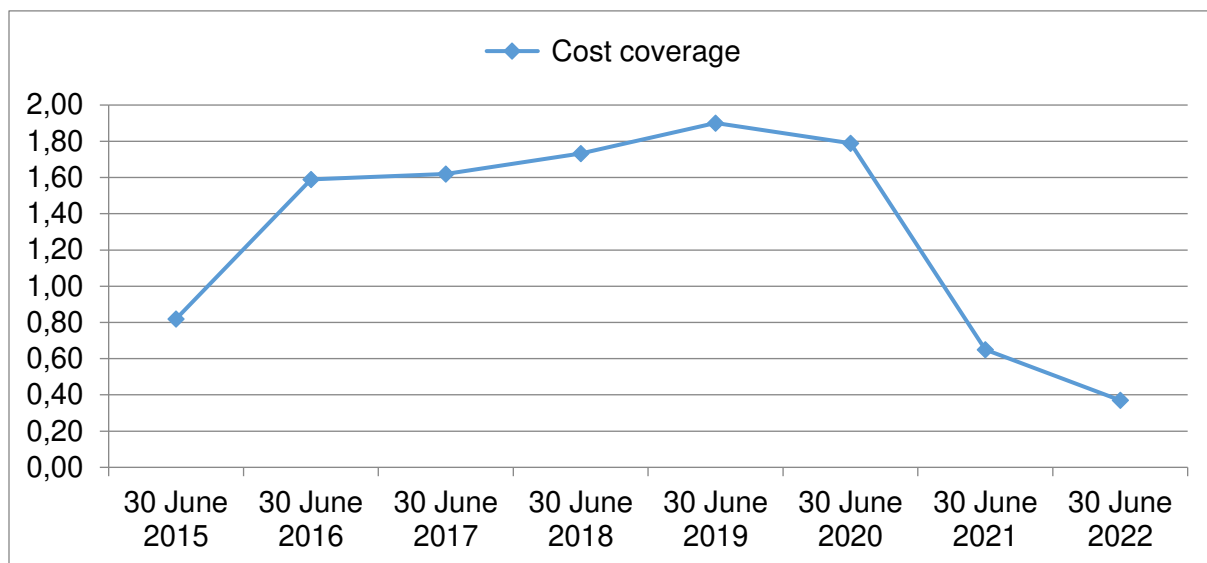
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

The ratio is determined as follows:

Cash and cash equivalents – unspent conditional grants – overdraft + short-term investments/ monthly fixed operational expenditure excluding (depreciation, amortisation, provisions for bad debts, impairment and loss on the disposal of assets)

As at 30 June 2022, the Ratio was 0.37 months, whilst the Municipality's audited ratio as at 30 June 2021 was 0.65 months.

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



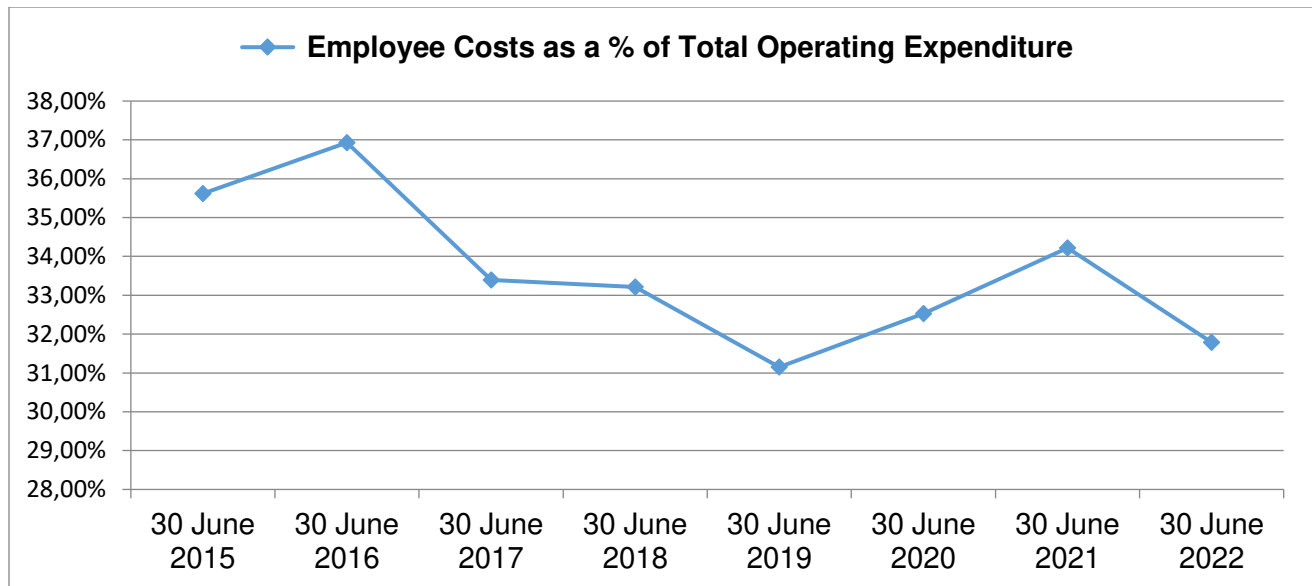
4.1.3.8 EMPLOYEE COSTS AS A % OF TOTAL OPERATING EXPENDITURE

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the employment of human resources.

The ratio is determined as follows:

Employee Costs to date/Total Operating Expenditure to Date

As at 30 June 2022, Employee Related Costs constituted 31.79% of the Total Operating Expenditure, whilst the Municipality's audited ratio as at 30 June 2021 was 34.22%.



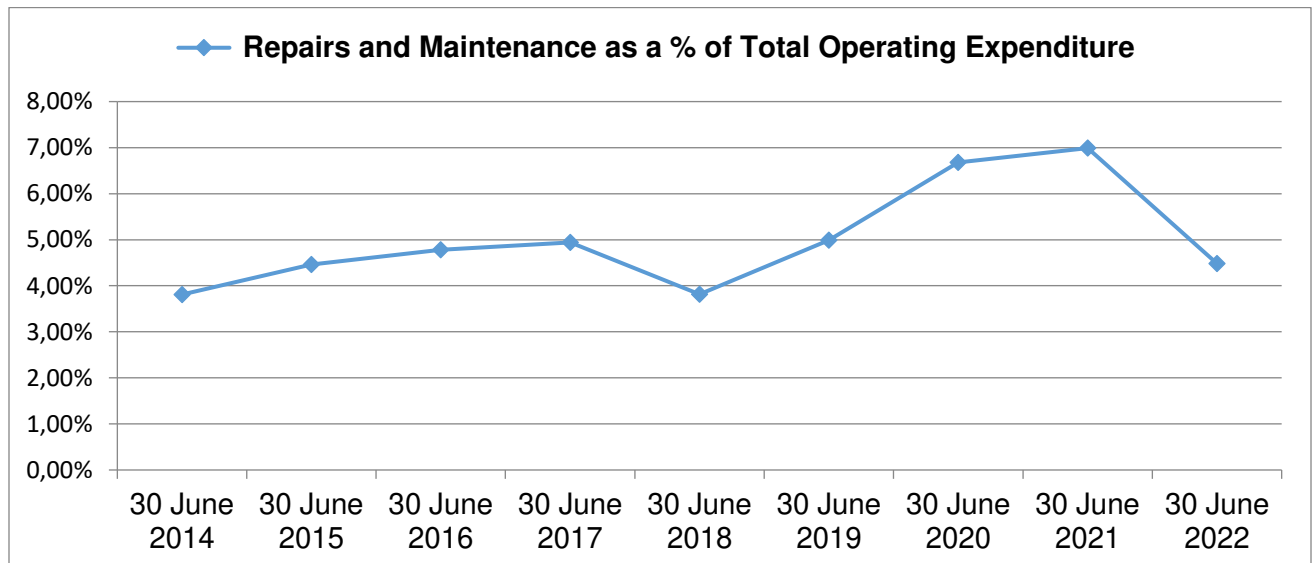
4.1.3.9 REPAIRS AND MAINTENANCE AS A % OF TOTAL OPERATING EXPENDITURE

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the repairs and maintenance of its assets.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Total Operating Expenditure to date

As at 30 June 2022, the Ratio was 4.48%, compared to the Municipality's audited ratio of 6.99% as at 30 June 2021.



4.1.3.10 REPAIRS AND MAINTENANCE AS A % OF THE BOOK VALUE OF PROPERTY, PLANT AND EQUIPMENT (PPE)

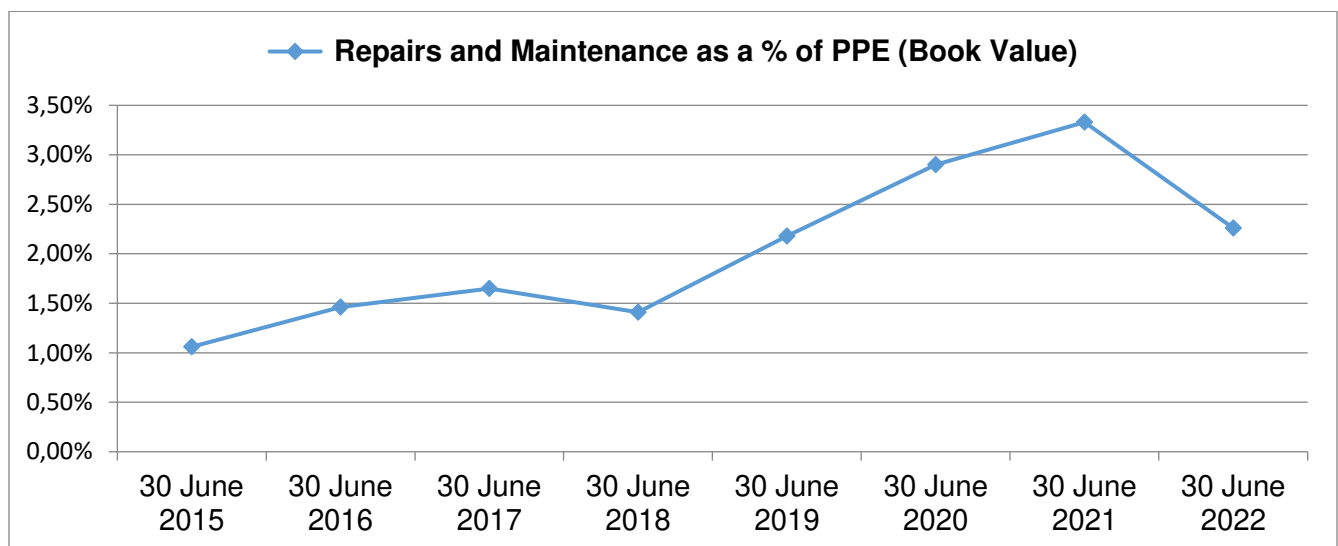
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

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

As at 30 June 2022, repairs and maintenance expenditure constituted 2.26% of the book value of PPE. The Municipality's audited ratio as at 30 June 2021 was 3.33%.

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



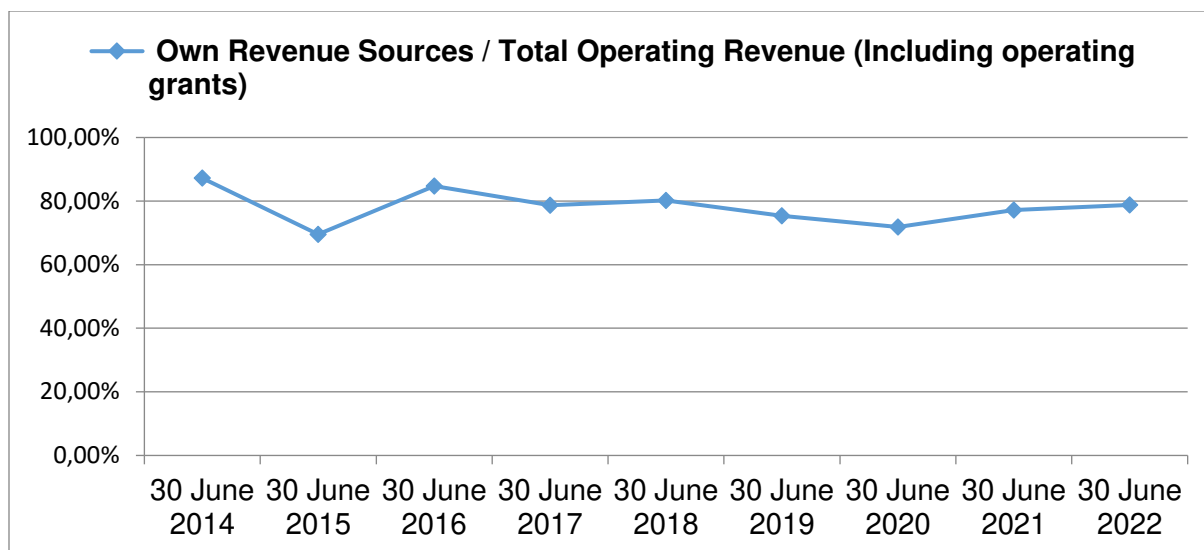
4.1.3.11 OWN REVENUE GENERATION

This ratio measures the extent to which the Municipality has control over its revenue sources, i.e. what percentage of its revenue is generated locally. The higher the ratio, the less reliant a Municipality is on Provincial and National Government to support its operations.

The ratio is determined as follows:

Own Revenue Sources / Total Operating Income (includes operating grants)

As at 30 June 2022, the Municipality's own revenue sources constituted 78.80% of its total Operating Income. The Municipality's audited ratio as at 30 June 2021 was 77.14%.



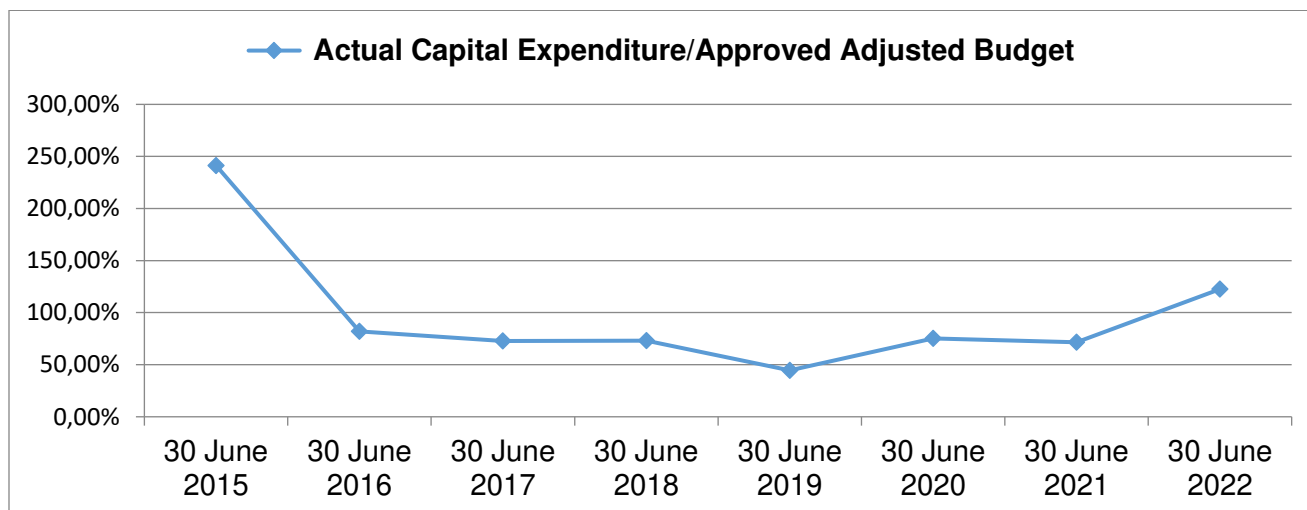
4.1.3.12 CAPITAL BUDGET SPENDING

This ratio assesses the level of actual capital spending, compared to the budgeted capital expenditure.

The ratio is determined as follows:

Actual Capital spending / Approved Capital Budget

The actual spending as at the end of June 2022 amounted to 122.54%, compared to the 2021/22 Capital Adjustments Budget. The Municipality's audited ratio as at 30 June 2021 was 71.67%.



4.1.3.13 FINANCIAL VIABILITY AND MANAGEMENT

	Indicator Name			
1.	Status of Audit Outcome (2021/22)	Unqualified		
2.	Submission of AFS after the end of the financial year	Draft AFS submitted by 31 August 2022		
	Indicator Name	Target set for the year	Achievement level for the year (Absolute expenditure figure R (000) against capital budget R(000))	Percentage spent on capital budget during the year vs actual revenue (2021/22)
3.	Percentage of expenditure of Capital Budget	95%	122.54%	11.27%
	Indicator Name	Operational Budget for the 2021/22 year	Amount spent on employee related cost & Councilor remuneration (Expenditure on salaries budget) against operational budget.	Achievement Percentage during the year
4.	Percentage of salary budget as of total operational budget	1,111,508,246	35.18%	33.07%
	Indicator Name	Target set for the year (Own revenue) R (000)	Achievement level Trade Creditors during the year R(000)	Achievement Percentage during the year.
5.	Total municipal trade creditors	101,573,140	60,363,161	59.43%
	Indicator Name	Target set (actual total budget) in the year under review	Achievement level (Own revenue in the year under review)	Achievement percentage during the year.
6.	Total municipal own revenue as a percentage of the total actual budget	1,204,527,899	797,255,630	66.19%
	Indicator Name	Indicate previous financial year's municipal debtors	Indicate municipal debtors for the year under review	Achievement percentage (Reduction rate)
7.	Rate of municipal consumers debtor's reduction	283,212,788	344,313,347	21.57%
	Indicator Name	Indicate MIG budget for the year under review	Indicate actual expenditure on MIG budget	Achievement Percentage
8.	Percentage of MIG budget appropriately spent	39,375,915	39,375,915	100%
	Indicator Name	The information should reflect the status quo (Summary report on the functionality of the Audit Committee)		
9.	Municipalities with a functional Audit Committee			

4.1.3.14 ARREARS IN PROPERTY RATES AND SERVICE CHARGES

(Refer to pages 44 to 52 of the Annual Financial Statements)

COMPONENT B:	OTHER FINANCIAL MATTERS
4.2	SUPPLY CHAIN MANAGEMENT

Introduction

In terms of paragraph 6 of the Supply Chain Management Policy, the Council must maintain oversight over the implementation of this policy to ensure that the Accounting Officer implements all Supply Chain Management activities in accordance therewith.

Monthly and Quarterly reports

Monthly deviations reports are submitted in terms of the SCM policy for the procurement of goods and service (See paragraphs 5 below).

Quarterly reports are required to be submitted to Provincial and National Treasury in respect of procurement of goods and services. These reports were submitted in accordance with paragraph 6 of the Supply Chain Management Policy.

Regular reports are submitted to the Finance Portfolio Committee meetings

Bid Committees

The below mentioned committees are established and functioning in accordance with the SCM Policy:

- Bid Specification Committee (BSC)
- Bid Evaluation Committee (BEC)
- Bid Adjudication Committee (BAC)

The committees are responsible to ensure that the required procurement processes are followed in respect of formal tenders.

Training- Supply Chain/ Stores Section

The following SCM Officials is doing the Municipal Finance Management Programme:

- Nerina Malgas
- Elvin Felix
- Althian Alexander
- Sibusiso Khuzwayo

Delays in Tender processes resulting from Constitutional Court Order on Preferential Procurement Regulations 2017

The Supreme Court of Appeal made a finding that, exercising of power by Minister of Finance under section 5 of the Preferential Procurement Policy Framework Act 5 of 2000 to make Preferential Procurement Regulations 2017, that Minister exceeded his powers, that the regulations are declared invalid and are set aside. That the order of declaration of invalidity is suspended for 12 months.

The Minister filed an application for leave to appeal against the judgment and order of the Supreme Court of Appeal. The Supreme Court of Appeal held that the Preferential Procurement Regulations 2017, promulgated by Minister of Finance, were inconsistent with the Preferential Procurement Policy Framework Act 5 of 2000 and were thus invalid. The leave to appeal application was granted by the Constitutional Court and the matter was set down for hearing on 25 May 2021. At the end of the arguments the judgment was handed down on 16 February 2022, it dismissed the appeal with costs, including the costs of two Counsel.

National Treasury have communicated that they will be seeking confirmation from the Constitutional Court that the invalidity of the Procurement Regulations has been and continues to be suspended. It contended that confirmation will be sort by way of declaration, variation and/or clarification. What National Treasury is going to be seeking is to whether the Procurement Regulations remain invalid until 15 March 2023, unless repealed sooner. The National Treasury advise that, whilst awaiting the outcome of the above guidance from the Con-Court- Organs of state are advised that:

- Tenders advertised before 16 February 2022 be finalised in terms of the Procurement regulations of 2017.
- Tenders advertised on or after 16 February 2022 be held in abeyance and
- No new tenders be advertised (available on National Treasury website)

The following tenders were advertised after the 16 February and were evaluated:

Notice No.	Tender Description
14/2022	Appointment of Internet Service Provider for the provision of Internet Service for a period of 36 months to Kouga Local Municipality
15/2022	Renovation of the Oceanview business Support Centre
18/2022	The Compilation of the Valuation Roll and Supplementary Valuation Rolls and Maintenance thereof for the financial years starting 1 July 2022 to 30 June 2025 for Kouga Local Municipality
19/2022	Collecting revenue on overdue accounts, for a period 1 July 2022 ending 30 June 2025, on a commission basis, "no success no fee"
20/2022	The Provision of Services for the Disconnection & Re-connection of Municipal Services for the financial years starting 1 July 2022 to 30 June 2025
22/2022	The Design and Implementation of the construction of a New Multi-Storey Municipal Office Building on erven 5803 and 5804 in Jeffreys Bay

Notice No.	Tender Description
23/2022	Supply and Delivery of new One Ton Ldv's
26/2022	Provision of an Advanced Road Safety Law Enforcement Solution to Kouga Local Municipality for a period of three (3) years

For the period starting 25 February 2022 till 30 May 2022 no new tenders were advertised and advertisement of tenders started again on the 03 June 2022.

Seven Day Notices Awarded:

A Total of Twenty-Two (22) Seven Day Notices was awarded for the period 1 July 2021 to 30 June 2022, as detailed below:

Contract Description	Service Provider	Date of Award	Amount
Notice 142/2021 Supply and Delivery of Digital Screens for Brand Visibility, Advertising and Marketing	Innovo Networks	18 Aug 21	R95 530,50
Notice 168/2021 Supply, Delivery and Offloading of 50 Kva 2200/ 420v 3 Phase Transformer	Maboneng Electrical Distributors (Pty) Ltd	31 Aug 21	R190 194,03
Notice 177/2021 Supply, Delivery and Installation of New Hydraulic Play Detector Plates at Vehicle Roadworthy Testing Station	Cinogen Trading Cc T/A Fulcrum Technologies	07 Sep 21	R178 250,00
Notice 15/2021 Supply And Delivery Of Filter Sand At The Hankey Water Treatment Works	Dudumashe Trading	07 Oct 21	R192 000,00
Notice 160/2021 Subdivision, Rezoning Of Portion 8 & 13 Of The Farm Dieprivier 689, Humansdorp	Ilizwe Planners	10 Dec 21	R199 705,00
Notice 197/2021 Supply, Delivery And Offloading Of 3m X1.8m Single Axle Trailers To Kouga Local Municipality	Phakamisa Fleet Services	14 Oct 21	R194 912,98

Contract Description	Service Provider	Date of Award	Amount
Notice 198/2021 Supply, Delivery And Offloading Of 6 Cubic Meter Skip Bins To Kouga Municipality	Daniels Engineering and Manufacturing (Pty) Ltd	17 Dec 21	R199 548,00
Notice 199/2021 Supply, Delivery and Offloading Of a 22kv Pole Mounted Load Break Switch Unit; 2-Way, 3 Position (On-Off-Earth) Manually Operated Sf6	Memotek Trading Cc	13 Oct 21	R 141 673,86
Notice 200/2021 Supply, Delivery and Offloading of Lifesaving Equipment To Kouga Local Municipality	Daniels Engineering and Manufacturing (Pty) Ltd Etrostax (Pty) Ltd Maluyo General Trading (Pty) Ltd	10 Nov 21	R123 102,44
Notice 201/2021 Supply And Delivery Of Lifeguard And Shark Spotter Uniform	Black Fama House	19 Oct 21	R151 548,00
Notice 202/2021 Supply, Delivery And Installation Of 3 Phase Standby Generator To Traffic Department	Tyzach Projects (Pty) Ltd	18 Nov 21	R199 978,00
Notice 206/2021 Supply, Delivery And Offloading Of 315 Kva 1100/ 420v 3 Phase Transformer	Actom Electrical Products A.D.O Actom (Pty) Ltd	17 Nov 21	R146 672,15
Notice 216/2021 Supply And Delivery Of One (1) New 4x4 Atv Quadbike For Safety & Security Section	Mesrazest (Pty) Ltd	07 Oct 21	R109 937,50
Notice 217/2021 Cleaning And Clearing Of Waste Around Skips And Education Of Community In Jeffreys Bay And Humansdorp For An Estimated Period Of One Month	Mesrazest (Pty) Ltd Martinash Trading (Pty) Ltd	02 Dec 21	R152 569,00
Notice 247/2021 Supply And Delivery of Festive Lights	Candilite Cables Cc	23 Nov 21	R102 011,04
Notice 257/2021 Supply, Delivery and Installation of Cctv Camera Equipment and Infrastructure	Gap Management	10 Dec 21	R144 451,75

Contract Description	Service Provider	Date of Award	Amount
Notice 270/2021 Supply And Collection of 6 Cubic Meter Skip Bins for The Festive Season aor Jeffreys Bay, St Francis Bay And Paradise Beach	Nu-Plant Projects Cc	22 Dec 21	R126 500,00
Notice 246/2021 Supply, Delivery and Offloading Electrical Material for Electrification of Informal Settlement in Oceanview	Aberdare Cables Maboka Contractors t/a UFA Electrical Artivolt (Pty) Ltd	18 Jan 2022	R197 697,5
Notice 251/2021 Supply And Delivery of Wifi Access Points	Innovo Networks Omni Technologies (Pty) Ltd	10 Feb 2022	R 55 200.00
Notice 271/2021 Refurbishment of Backhoe	Phakamisa Fleet Services	01 Feb 2022	R195 363.03
Notice 272/2021 Supply, Delivery, and Offloading of a 66kv Double Side Break Line Isolator/Disconnecter, including Earth Switch	Artivolt (Pty) Ltd	13 Jan 2022	R132 195.50
Notice 21/202 Supply, Delivery and Offloading of Tables	Heico Project Management (Pty) Ltd	07 Jun 2022	R89 999.70

Competitive Bids awarded for the period:

A total of 48 bids were advertised. A total of 10 bids were cancelled and 38 was successfully awarded for the period from 1 July 2021 to 30 June 2022.

Description	Service Provider	Date of Award	AMOUNT
Notice 01/2021 Anti-Fraud and Corruption Hotline - To be advertised 20 Jan 2021	Cancelled	22 Sept 2021	Cancelled
Notice 24/2021 Supply and Delivery of One (1) New 2.5 Ton 4x4 Chassis Complete	TFM Industries (Pty) Ltd	08 September 2021	R 2 489 645,95
Notice S16/2021 Supply, Delivery and	Aberdare Cables Actom Electrical Products	25 Aug 2021	Various rates

Description	Service Provider	Date of Award	AMOUNT
Offloading of Electrical Cables	Malesela Taihan Electric Cable (Pty) Ltd t/a M-Tec		
Notice 85/2021 Electrification of 200 Sub Economic Houses	VE Reticulation (Pty) Ltd	23 Jun 2021	R 7 167 863,75
Notice 88/2021 Upgrading of Gravel Roads in Kouga Local Municipality -Phase 1	Scribante Construction	11 Aug 2021	R32 353 959,88
Notice 96/2021 Supply and Delivery of Laptop Devices for a period of Two Years	Cancelled	25 Aug 2021	Cancelled
Notice 102/2021 Supply and Delivery of Server and Screen	SMS ICT Choice	23 Jun 2021	Various rates
Notice 109/2021 Supply and Delivery of Promotional and Marketing Material for a period of twelve (12) months	Cassim ZM t/a Cassim's VIP Promotions (Pty) Ltd Relationship Reliability & Response Infinity Printing and Technology CC Kathabo Trading CC SKV Construction JK Tech Promo (Pty) Ltd Kasomzi Trading CC DPD Nocawe Lodge and Sales Distributors	25 Aug 2021	Various rates
Notice 117/2021 Hankey Bulk Water Supply Scheme - Phase 3	Fez Building Construction CC and Iphuphu Investments JV	08 Sept 2021	R2 673 944,35
Notice 155/2021 Humansdorp Groundwater Supply	Ikhono Techni (Pty) LTD	08 Sept 2021	R11 824 969,57
Notice 144/2021 Disinfection Fogging Services of Buildings/Facilities for a period of one (1) year to Kouga Municipality	Kouga Funerals	08 Sept 2021	Various rates
Notice 127/2021 Provision of Cash in Transit Services for a	Fidelity Cash Solutions	25 Aug 2021	Various rates

Description	Service Provider	Date of Award	AMOUNT
period of three years			
Notice S14/2021 Supply delivery and offloading of stationery- Part 2 for a period of three years	Vanmark Resources (Pty) Ltd Omni Technologies (Pty) Ltd Feni Z Trading Enterprise Circular Office Supplies &Printers T/A Valmac Office National Anderson & Viwe Properties (Pty) Ltd Cassim ZM t/a Cassim's Ikamvalethu Services Hulee Enterprises (Pty) Ltd	20 Oct 2021	Various Rates
Notice S15/2021 Supply delivery and offloading of paper and pre-printed paper for a period of three years	Vanmark Resources (Pty) Ltd Premier Attraction 528 Cc T/A ZJS Distributors Cassim ZM t/a Cassim's Feni Z Trading Enterprise	20 Oct 2021	Various Rates
Notice S17/2021 Supply and Delivery of STS Prepaid Electrical Meters	Landis and Gyr (Pty) Ltd Actom Electrical Products a Division of Actom (Pty) Ltd	10 Dec 2021	Various Rates
Notice 76/2021 Hankey Sanitation Upgrade (Phase 3) construction of new and upgrading of existing sewer pump stations in Hankey and Centerton	Cancelled	13 Oct 2021	Cancelled
Notice 48/2021 Supply and Delivery and Offloading of Electrical Requirements for a Period of Three (3) Years	Cancelled	10 Dec 2021	Cancelled
Notice 111/2021 Supply and Delivery of New Plant and Vehicles on a Operating Lease for a period of 36 months and or 60months (closing Date extended from 28 June	MDZ Fleet Solutions (Pty) Ltd ABSA Vehicle Management Sky Metro Equipment Fleet Africa (Pty) Ltd	27 Oct 2021	Various Rates

Description	Service Provider	Date of Award	AMOUNT
2021)			
Notice 138/2021 Facilitation of Municipal Finance Management Programme	Fachs Business Consulting and Training	15 Sept 2021	Various Rates
Notice 139/2021 Supply and Delivery of Corporate Wear for aperiod of 1 year	Premier Attraction 528 CC t/a ZJS Distributors Sunday Kit Uniforms CC	13 Oct 2021	Various Rates
Notice 143/2021 Supply and Delivery of Hardware materials for a period of 1 year	Take 5 Construction and Projects CC Tuligyn t/a Build It Lupha Enterprise (Pty)Ltd	15 Sept 2021	Various Rates
Notice 151/2021 Hankey Housing Development	Thusega Building Construction and Mapitsi Civil works Joint Venture / Thusego Maps JV	12 Nov 2021	R30 766 569,42
Notice 116/2021 Supply, Delivery and Installation of street pole advertising structures	Daniels Engineering and Manufacturing	22 Sept 2021	Various Rates
Notice 137/2021 Appointment of a panel of Estate Agents for the selling of residential immovable properties for Kouga Local Municipality for a period of three (3) years	Hancke Realtors Ardene Properties t/a Pam Golding Properties Jada Properties t/a Pam Golding Minou Estates (Pty) Ltd T/A Fine and Country	22 Sept 2021	Various percentages
Notice 161/2021 Phase 3 of new Municipal 66kV Double Circuit overhead line between Melkhout substation Humansdorp and the Main intake substation in Jeffreys Bay	VE Reticulation (Pty) Ltd	15 Sept 2021	R1 445 386,70
Notice 157/2021 Supply, delivery, and installation of fixed LED	Integrating Skills Training and Consulting CC t/a Visual Advertising	20 Oct 2021	R258 416,50

Description	Service Provider	Date of Award	AMOUNT
display screens.			
Notice 175/2021 Consumer Account Printing and Mailing	Mailtronic Direct Marketing CC	27 Oct 2021	Various rates
Notice 207/2021 Facilitation of Customer Care Training to Kouga Local Municipality for a period of three (3) years	Cancelled	10 Dec 2021	Cancelled
Notice 208/2021 Facilitation of Peace Officer Training to Kouga Local Municipality for a period of three (3) years	Cancelled	10 Dec 2021	Cancelled
Notice 215/2021 Supply and Delivery of Laptop Devices for a period of Two Years	Sirah Group (Pty) Ltd Metro Computer Services	27 Oct 2021	Various Rates
Notice 55/2021 Contract S13/2021 Supply, Delivery and Offloading of 2Piece Royal Blue Conti suit Overall for a period of three (3) years	Maluyo General Trading (Pty) Ltd Bamb iAfrika Trading CC	10 Dec 2021	Various Rates
Notice 235/2021 Appointment of PSP for the Design and Implementation of the Upgrading of Loerie Sports Facility	Bosch Projects (Pty) Ltd	16 Feb 2022	R1 057 793.00
Notice 233/2021 Contract I&E 1 of 2021 Supply, Delivery and Offloading of Concrete Poles and Street Name Plates within KLM for a period of three (3) years	Memotek Trading	16 Feb 2022	Item 1: R515.11 Item 2: R433.48
Notice 233/2021 Contract I&E 2 of 2021 Supply, Delivery and Offloading of	Memotek Trading Jbay Plant hire	19 Jan 2022	Various Rates

Description	Service Provider	Date of Award	AMOUNT
Engineering Aggregate within KLM for a period of three (3) years			
Notice 233/2021 Contract I&E 3 of 2021 Supply, Delivery and Offloading of Pre-Cast Kerbs, Various Pre-Cast Concrete Units and Pavers within KLM for a period of three (3) years	Daniels Engineering and Manufacturing (Pty) Ltd	16 Feb 2022	Various Rates
Notice 237/2021 Supply and Delivery of Branded Headwear for a period of one year	Cancelled	30 Mar 2022	Cancelled
Notice 158/2021 Appointment of a Service Provider for the Development of Hankey CBD Precinct Plan	Urban Dynamics	16 Feb 2022	R391 000.00
Notice 159/2021 Appointment of a Service Provider for the Development of St Francis Bay CBD Precinct Plan	Urban Dynamics	16 Feb 2022	R391 000.00
Notice 253/2021 Supply and Delivery of Specialized PPE for Electrical Department	Premier Attraction 528 CC t/a ZJS Distributors Etrostax Pty Ltd t/a Etros Civils	16 Feb 2022	Various Rates
Notice 13/2022 Completion of Sea Vista Sports Facility Upgrade	Vitsha Trading	15 Sept 2021	R3 098 449.00
Notice 252/2021 Supply, Delivery and Offloading of Engineering Aggregate within KLM for a period of three (3) years	KFC Engineering & Industrial Supplies Veena Kandhai T/A VK Distributors	22 Apr 2022	Various Rates
Notice 55/2020 Contract I&E3/2020 High Pressure Jetting	Pelepele Investments (Pty) Ltd	17 May 2022	Various Rates

Description	Service Provider	Date of Award	AMOUNT
and Vacuum Cleaning of Sewer and Storm Water Pipelines to Kouga Local Municipality for a period of three (3) years			
Notice 55/2020 Contract I&E4/2020 Hire of Suction Tankers to Kouga Local Municipality for a period of three (3) years	Pelepele Investments (Pty) Ltd	17 May 2022	Various
Notice 26/2022 Appointment of Service Provider for the Provision of Advanced Road Safety Law Enforcement Solution to Kouga Local Municipality for a period of three (3) years	TMT Services and Supplies	6 May 2022	R143.75 (per finalized Infringement)
Notice 22/2022 The Design and Implementation of the construction of a New Multi-Storey Municipal Office Building on erven 5803 and 5804 in Jeffreys Bay - Closing date extended from the 22 March 2022	Cancelled	17 Jun 2022	n/a
Notice 15/2022 Renovation of the Oceanview business Support Centre	Cancelled	17 Jun 2022	n/a
Notice 14/2022 Appointment of Internet Service Provider for the provision of Internet Service for a period of 36 months to Kouga Local Municipality	Cancelled	17 Jun 2022	n/a

Section 36 Deviations in terms of Supply Chain Management Policy

The section 36 deviations for the period amounted to R 37 861 284.69, below table details the breakdown per section and directorate:

Department	Tenderer	Reason	Amount
Finance	Various (22)	"Various reason like impracticality/emergency/ single provider /urgency"	R1 890 696,76
Infrastructure & Engineering	Various (72)	"Various reason like impracticality/emergency/ single provider /urgency"	R27 164 980,58
Corporate Services	Various (13)	"Various reason like impracticality/emergency/ single provider /urgency"	R797 194,43
Office of MM	Various (17)	"Various reason like impracticality/emergency/ single provider /urgency"	R912 931,71
Community Services	Various (20)	"Various reason like impracticality/emergency/ single provider /urgency"	R6 640 990,03
Planning, Development & Tourism	Various (7)	"Various reason like impracticality/emergency/ single provider /urgency"	R454 491,18

Annual Stock Take

Annual Stocktake was done on the 30 June 2022. The stock on hand as at 30 June 2022 amounts to R 17 049 849.00

	2022	2021
	R	R
INVENTORIES		
Materials and Supplies	16 251 171	11 805 644
Water - At Cost	798 678	764 722
Total Inventories	17 049 849	12 570 366

Supply Chain Management Staff Component

The section consists of 9 permanent staff members, 3 contract workers and 1 finance intern.

Below details the staff members:

Mr. L. Landu (Manager)

Supply Chain Management	Stores
Mrs. C. Groenewald (Permanent)	Mr. E. Felix (Permanent)
Mrs. N. Malgas (Permanent)	Mr. A. Alexander (Permanent)
Ms. A. Smith (Permanent)	Mr. D. Volontiya (Permanent)
Ms. A. Gorden (Permanent)	Mr. F. Msolo (Permanent)
Mr. S. Khuzwayo (Contract worker)	Mr. C. Didloft (Contract worker)
Ms. N. Mandeka (Finance Intern)	Mr. T.J. Konza (Contract worker)

4.3 RISK MANAGEMENT

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

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

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

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

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

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

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

	Risk	Root Causes
1	Water Security and Load Shedding	1. Drought 2. Increase in demand for water 3. Increase in population 4. Limited allocations from Water supply sources 5. Eskom loadshedding during winter
2	Increase in capacity of bulk infrastructure (Elec, water, sewerage) Too many residents- too small treatment capacity (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) 7. Lack of housing bulk housing plan - I&E not being involved in process, shared with the plan
3	Water losses	1. Linking of meters with Erven not completed 2. Tampering 3. Incorrect billing data and information 4. Old water meters running slower
4	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
5	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)

	Risk	Root Causes
		4. Budgets need to be readjusted/realigned for COVID-19 Priorities

4.4 FRAUD AND ANTI-CORRUPTION

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

The Anti-corruption strategy and fraud prevention strategy were both approved on the 1 August 2017. There were no corrupt practices reported and therefore the employees seem to be aware of the section 3 contained in the Prevention and Combating of Corruption.

4.5 DIGITAL SERVICES

Kouga Local Municipality has identified improved connectivity as one of the critical strategic element for the municipality. A revised connectivity is in place and characterised by SD WAN Software Defined Wide Area Network features (i.e. efficiency, cost effectiveness, security, redundancy features and Disaster Recover features). GV Areas has had several connectivity challenges which are caused largely by socio-economic challenges of the area (illegal electricity connections). The strategy intended is aiming at separating the municipal operation from the current ailing problems. That will establish a different model and a point of KLM office connectivity.



Loadshedding also affected the performance of KLM data Centre / Servers negatively, since the functionality of the data centre depends on the availability

of the connectivity. Since the mentioned Data Centre challenges, Digital Services unit resolved go transform the organisation towards the total Cloud Service strategy. The combination of the above two strategies (SD WAN and Cloud Data Centre Strategies will complement each other and put KLM to the next level in terms of the services availability for both Internal and External digital service stakeholders.

The average performance for both services during the 2021/22 financial year was at 98,24, for the period of 12 months. The downtimes experience were during weekends and off business hours of the municipality, it is understandably those downtimes were for maintenance of the connectivity infrastructure and off business hours loadshedding.

4.5.2 ICT Corporate Governance

The following governance processes are in place:

1. ICT governance framework policy
2. ICT Charter
3. Risk Register and AG action plans are updated regularly (quarterly)

The following drafts policies are in place and prioritised for approval during 2022/23 financial year

1. User Access Management policy
2. Network Maintenance Policy

ICT Steering Committee was held three (3) times during the financial year 2021/22. The situation will be improved in the 2022/23 financial year to at least 4 times a year, as it is stated in the corporate governance policy to ensure regular monitoring, positioning and alignment of the ICT activities.

4.5.3 Other ICT Related Projects

1. The municipality has resolve to solve the shortage of computing equipment, budgeted figures and the procurement process were confirmed for the 2022/23 implementation;
2. Deployed VEEM licenses for the Data Centre backup processes; and
3. Improvement of Wireless connectivity in selected KLM offices

The following is the summary of the Operational activities -

ICT Operational systems overview

<u>AREA</u>	<u>Indicator</u>	<u>TARGET</u>	<u>ACTUAL AVG</u>
IT System Operational	Security of Hardware	Strict Security Measures	Access Controlled
	Security of Data	Only Authorized	100%

<u>AREA</u>	<u>Indicator</u>	<u>TARGET</u>	<u>ACTUAL AVG</u>
		Access	
	Uptime of Network	95 %	98,24 %
	Uptime of Hardware	99 %	99 %
	Licensing of Software	100 %	99%
Web Site	Internet - Up to Date and functional, though requires upgrading	100%	100%
	Web Site Statistics		2021/22 Average / month 11,704 - Users 9,217 - Visits 18,792 – Sessions

Software Platforms

No	Software Name	Description	SLA Status	Integration capabilities
1	Ovvio	Geographical Information System	Active	Limited
2	Samras	Financial System	Active	Limited
3	Veeam	ICT Infrastructure Backup Software	Active	Fully functional
4	ESET Endpoint Security	Anti-virus Software	Active	Fully functional
5	User Device OS	Windows 7-10 professional (MVLA)	OEM	Fully functional
6	Server Device OS	Linux, Win Server R2 2008 – R2 2012, Windows Server 2016, Win Server 2019	OEM	Fully functional
7	Hyper V	Imbedded – Microsoft Software	OEM	Fully functional
8	Leave System	Manual – Book	None	None
9	Requisition System	Manual – Book	None	None

CHAPTER 5: PERFORMANCE MANAGEMENT
COMPONENT A: INSTITUTIONAL PERFORMANCE

KEY PERFORMANCE A7.REA	
KPA 1	Infrastructure and Basic Service Delivery
KPA 2	Institutional Development and Transformation
KPA 3	Local Economic Development
KPA 4	Municipal Financial Viability and Management
KPA 5	Good Governance and Public Participation
	Target achieved
	Target not achieved

7.3.1 OFFICE OF THE MUNICIPAL MANAGER										
SOD 1.1		EXECUTIVE SUPPORT: To provide office management service to the Municipal Manager								
IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD 1.1	SOD 1.1	5	Institutional Performance	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	Performance Reporting	4	Number of Institutional performance reports submitted to Council	4	Target achieved	4
SOD 1.2		RISK MANAGEMENT AND INTERNAL AUDIT: To assess municipal risks and provide and independent appraisal of the adequacy and effectiveness of financial controls in the municipality								
SOD 1.2	SOD 1.2	4	Risk Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	Risk Management Meetings	4	Number of Risk Management Meetings Held	4	Target achieved	4
					Audit Committee	4	Number of Audit Committee Meetings held	4	Target achieved	4
					Risk Assessment	1	Number of Institutional Risk Assessment Reviews	1	Target Achieved	1

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
							completed by 30 June 2022			
SOD:1.3		INTEGRATED DEVELOPMENT PLANNING: To develop and coordinate a credible Integrated Development Plan that will address the developmental needs of the community.								
SOD 1.3	SOD 1.3	5	Integrated Development Planning	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	IDP Process Plan	1	Number of IDP Process Plans submitted to Council by 31 August 2021	1	Target achieved	1
					IDP Preparation	1	Number of draft IDP’s submitted to Council by 31 March 2022	1	Target achieved	1
					IDP Preparation	1	Number of Final IDP’s submitted to Council by 31 May 2022	1	Target achieved	1
					Public Participation	15	Number of Ward Public meetings held to determine Ward Priorities	23	Target exceeded	15
					Public Participation	2	Number of IDP Representative Forum Meetings held	2	Target achieved	3
					Public Participation	1	Number of Ward based planning sessions held with Ward Committees.	2	Target exceeded	1
					Strategic Planning	1	Number of Strategic Planning Sessions held to review IDP objectives	1	Target achieved	1
					IDP Communication	1	Number of approved IDP’s uploaded to Web Site by 15 June 2022	1	Target achieved uploaded 2 June 2022	1
SOD:1.4		PERFORMANCE MANAGEMENT: To develop, maintain and monitor the institutional performance management system/SDBIP in the municipality.								
SOD 1.3	SOD 1.3	5	Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service	Performance Planning	1	Number of SDBIP’s submitted to the Mayor for approval within 14 days of adoption of the Annual Budget	1	Target achieved	1

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
				excellence	Performance Planning	1	Number of approved SDBIP's submitted to Council by 31 July 2021	1	Target achieved	1
					Performance Communication	1	Number of SDBIP's uploaded to web within 10 days of adoption by Council	1	Target achieved	1
					Performance Agreements	5	Number of signed performance agreements submitted to Council by 31 August 2021	5	Target achieved	6
						5	Number of Performance Agreements uploaded to Web Site within 10 days of approval	5	Target achieved	6
SOD:1.5		MEDIA AND COMMUNICATION: To provide comprehensive communications and intergovernmental relation services.								
SOD 1.5	SOD 1.5	5	Communication	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	Kouga News	1	Number of Kouga News publications prepared and circulated per annum	6	Target exceeded	1
					Communication and Policy	1	Number of Communications Policy and Strategy approved by 30 June 2022	0	Communication Policy and Strategy developed, in draft format awaiting Policy Workshop for consultation purposes prior to submission to Council.	New
					Municipal Web Site	30 June 2023	Due date compliance with the Overhaul the functionality of the website to include payment portals for various functions like traffic fines	0	Web Site continuously updated but does as yet not include payment portals, included as Departmental SDBIP Target for the 2022/23 year	New

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD:1.6		To provide professional, effective and efficient legal support To Council and Administration, to protect the municipality's interests and mitigate legal risks								
SOD 1.6	SOD 1.6	5	Legal Compliance	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	Legal Reports	4	Number of reports on legal risks submitted to Council	4	Target Achieved	4
					Delegation Framework	1	Number of Delegation Frameworks reviewed by 30 June 2022	1	Review of Delegation Framework completed, await approval by Council	1
					Municipal Code	1	Audit and review By-Laws by 30 June 2022	1	A number of By-Laws have been audited and where required reviewed	
					Municipal Court	1	Number of Municipal Courts Established by 30 June 2022	0	Council approval 31 March 2022, application submitted to Dept Law and Justice await outcome.	New
SOD:5.2		HUMAN RESOURCE MANAGEMENT: To render human resources management and support services to the municipality that will sustain the optimal utilization of the municipality's human capital.								
SOD 5.2	SOD 5.2	2	HR Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	Organogram	2.7%	Vacancy rate for approved budgeted posts	3.2%		
					Staff Costs	25%	% Staff costs compared to operational budget	31.78%	Target achieved	
					Employment Equity	3 AM 2 AF	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 the end of June	3 AM 2 AF (Tactical Skill Level)		2 AM 2 AF
SOD:6.5		SUPPLY CHAIN MANAGEMENT (SCM): To manage supply chain management service to ensure proper systems, policies and procedures and control for demand, acquisition, logistics, assets and disposal management								
SOD 6.5	SOD 6.5	4	Capital Budget Expenditure		Capital budget expenditure	95%	% Capital budget expenditure	122.54%	Target exceeded	90%

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
					Capital Budget expenditure	6	Number of meetings held on the implementation of the procurement plan	10	Target exceeded	New
SOD:3.2		DEVELOPMENT (LED) AND TOURISM: To plan and develop a coherent and integrated framework for local economic development and tourism								
SOD 3.2	SOD 3.2	3	Local Economic Development	To provide planning services that encourage economic upliftment and Development I the Municipal Area.	Local Economic Development	4	Number of LED Forum Meetings Held in support of local economic development objectives	4	Target Achieved	4
						90%	% Expenditure of the budgeted allocation for LED programs and projects	96%	Target exceeded	90%
						20	Number of jobs created through PPP	690	Target Exceeded	New
						4	Number of LED training opportunities provided by Kouga Municipality to SMME's	5		4
-	-	4	Capital Budget Expenditure	To manage and develop financial services to ensure financial viability, compliance & reporting.	Procurement implementation	100%	% Compliance with the implementation of the Procurement Plan (Based on date of appointment	44.26%	Target not achieved, performance indicator for implementation of procurement plan report shall be included in the 2022/23 Departmental SDBIP for Finance to ensure improved oversight.	New

	DIRECTORATE COMMUNITY SERVICE									
KPA	INFRASTRUCTURE AND BASIC SERVICE DELIVERY									
Strategic Objective	SDO4: Directorate Community Services									
Directorate	Community Services									
Division	Solid Waste Management									
Function	Waste Management									
SOD:4.1	SOLID WASTE MANAGEMENT: To coordinate all functions/powers regarding solid waste management assigned to the municipality									
IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD 4.1	SOD 4.1	1	Infrastructure Master Plans	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Solid Waste Management Plan	1	Number of Solid Waste Management Plans reviewed by 30 June 2022	2	Target Achieved Plan approved 29 April 2022	New
SOD 4.2	SOD 4.2	1	Environmental Health	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Water sampling	420 (Bact) 140 (Chem)	Number of water samples submitted for bacteriological and chemical analysis	639 Bact 187 Chem	Target exceeded	420 (Bact) 140 (Chem)
					Environmental Health Surveillance	2 100	Number of food premises subjected to Environmental Health inspections	2 399	Target exceeded	740
SOD 4.2	SOD 4.2	1	Safety and Security	To manage and ensure the provision of basic municipal services and	Safety and Security	20	Number of roadblocks conducted to keep Kouga safe	27	Target exceeded	20

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
				the reduction of infrastructure backlogs.		24	Number of Joint Operations conducted to keep Kouga Safe	108	Target exceeded	24
						3 500	Number of fines issued	6 866	Target exceeded	3 500
SOD 4.4	SOD 4.4	1	Fire and Disaster Management	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Fire and Disaster Management Advisory Forum	4	Number of Disaster Advisory Forum Meetings held	6	Target exceeded	New
SOD 4	SOD 4	1	Environmental Management	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Environmental Protection	1	Number of CSF Dune Management and Maintenance Plans completed by 30 June 2022	1	Dune Management plan has been completed and submitted to DEDEAT who has requested for an independent review of the report. DEDEAT requested a meeting with DEN which was held on 23 June 2022, in the meeting DEDEAT requested that the Plan undergoes an external review. Prof. Fred Ellery a Coastal specialist from Rhodes university was appointed on 24 June 2022 to review the plan. The plan has been amended with recommendations from Prof. Fred Ellery. Interested and Affected Parties have been given 30 days since 27 June 2022 to comment on the amended plan.	New

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
					Environmental Awareness	4	Number of Environmental Awareness Campaigns conducted	7	Target exceeded	4
					Environmental Management	4	Number of Environmental Management Forum meetings held	6	Target exceeded	5
					Environmental Management	1	Number of Climate Change Strategies completed by 30 June 2022	0	No funding was made available for the development of a climate change strategy and the matter was removed from the SDBIP following the mid-year budget adjustment	N/a
KPA		FINANCIAL VIABILITY AND MANAGEMENT								
Strategic Objective		SDO6: Directorate Finance								
Directorate		Directorate Community Services								
Division		Supply Chain Management								
Function		Supply Chain Management								
SOD:6.5		SUPPLY CHAIN MANAGEMENT (SCM): To manage supply chain management service to ensure proper systems, policies and procedures and control for demand, acquisition, logistics, assets and disposal management								
IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD 6.5	SOD 6.5	1	Capital Budget Expenditure	To manage and develop financial services to ensure financial viability, compliance & reporting.	Capital Budget Expenditure	95%	% Capital budget expenditure	126%	Target exceeded	90%
SOD 6.1	SOD 6.1	4	Financial Viability	To manage and develop financial services to	Overtime reduction	5%	% Reduction in staff overtime compared to	+14%	Target not achieved	10%

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
				ensure financial viability, compliance & reporting.			previous year			
					Creditor Payments	100%	% 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	94.06%	Quarter 1: 75 Invoices received + Quarter 2: 135 invoices + Quarter 3: 161 invoices + Quarter 4: 235 invoices = 606 Invoices received 570 invoices showing between 2 to 3 days turnaround time (94,06%) 36 invoices are for the Service providers who first render the services before an order is generated	100%
					Financial Planning	28/2/22	Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations	23/2/22	Submitted before due date	28/2/21
					Financial Planning	28/2/22	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	23/2/22	Submitted before due date	28/2/21
Procurement Planning										
SOD 6.5	SOD 6.5	4	Financial Planning	To manage and develop financial services to ensure financial viability, compliance & reporting.	Procurement Planning	100%	% Compliance with the implementation of the Procurement Plan (Based on date of appointment	77%	Target not achieved, performance indicator for implementation of procurement plan report shall be included in the 2022/23 Departmental SDBIP for Finance to ensure improved	New

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
									oversight.	

6.3 DIRECTORATE CORPORATE SERVICES

SOD:5.1 **HUMAN RESOURCES:** To render human resources management and support services to the municipality that will sustain the optimum utilization of the municipality's human capital

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD 5.1	SOD 5.1	5	Human Resource Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	Organogram	1	Number of Organograms reviewed by 30 June 2022	2	Target exceeded Organogram reviewed 31 July 2021, further review approved 30 June 2022	1
					Employment Equity	1	Number of Employment Equity Reports submitted to Dept Labour by 15 January 2022	1	Target exceeded Employment Equity Report submitted 10 January 2022	1
					Skills Development	95%	% Expenditure of budget allocation for skills development spent on skills development	98%		
					Skills Development	1	Number of Workplace Skills Plans submitted to LGSETA by 30 April 2022	1	Submitted 29 April 2022	1
					Workman's Compensation	1	Number of Workman's Compensation returns submitted by 31 May 2022	1	Submitted 5 May 2022	1
					Occupational Health and Safety	4	Number of OHS meetings held	7	Target exceeded	4

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD:6.1		BUDGET AND REPORTING: To manage and control the implementation of budget policies and procedures, statements and reporting processes to ensure legislative compliance.								
SOD 6.1	SOD 6.1	4	Financial Viability	To manage and develop financial services to ensure financial viability, compliance & reporting.	Overtime reduction	5%	% Reduction in staff overtime compared to previous year	9%	Target achieved	10%
SOD 6.1	SOD 6.1	4	Financial Planning	To manage and develop financial services to ensure financial viability, compliance & reporting.		100%	% 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	100%	Target exceeded average turnaround time less than 3 days	100%
						28/2/22	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	25/2/22	Target exceeded submitted 25 February 2022	New

7.3.4 DIRECTORATE FINANCE										
SOD:6.1		BUDGET AND REPORTING: To manage and control the implementation of budget policies and procedures, statements and reporting processes to ensure legislative compliance.								
IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD 6.1	SOD 6.1	4	Financial Management	To manage and develop financial services to ensure financial viability, compliance & reporting.	Financial Reporting	100%	% Compliance with financial reporting as per national treasury reporting calendar	100%	Target achieved	
					Financial Reporting	1	Number of Financial Statements submitted to the Auditor General	1	Target achieved	1

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
							by 31 August 2021			
					Financial Planning	1	Number of draft budgets submitted to Council by 31 March 2022	1	Target achieved	1
					Financial Planning	1	Number of final budgets submitted to Council by 31 May 2022	1	Target achieved	
					Financial Planning	1	Number of adjustments budgets submitted to Council by 28 February 2022	1		
					Financial Planning	1	Number of Tariff Review proposals for the Directorate submitted by 15 March 2022	1	Target achieved	1
SOD 6.1	SOD 6.1	4	Financial Management	To manage and develop financial services to ensure financial viability, compliance & reporting.	Financial Planning	1	Number of business plans for projects relevant to the Directorate submitted by 28 February 2022 for budget considerations	1	Target achieved	1
					Financial Viability	0.2:1	Liquidity Ratio	0.24:1	Target achieved	
					Financial Viability	0.9:1	Current Ratio	0.12:1	Target achieved	
					Financial Compliance	1	Number of unqualified Audits from AG	1	1 Unqualified Audit Opinion by the AG issued on 31 March 2022	1
					Financial Viability	5%	% Reduction in staff overtime compared to previous year	183%	Target exceeded	
SOD:6.3		REVENUE: To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance								
SOD 6.3	SOD 6.3	4	Revenue Collection	To manage and develop financial services to ensure financial viability, compliance	Revenue Collection	94%	% revenue collection rate between revenue raised and revenue	94.32%	Target met	92%

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
				& reporting.			collected			
					Revenue Collection	1	Number of Phases of the Revenue Optimization Plan implemented by 30 June 2022	0	Target not achieved 1 phase was partially implemented	New
					Revenue Collection	4	Number of Bad Debt Committee meetings held in support of improved revenue collection	1	Target not achieved New Committee had to be established after the new Council was inaugurated. The Bad Debt Committee was established on 31 May 2022. The Committee will be fully functional in the new financial year.	New
					Indigent Support	100%	% of indigent residents as per the indigent register provided with access to free basic services	100%	Target achieved	100%
					Indigent Support	1	Number of Indigent Support Registration Drives conducted in support of service provision to the poor by 30 June 2022	0	Target not achieved A data cleansing exercise is planned for the new financial year which will assist in identifying household that qualify for the subsidy. A targeted approach will then occur to support any additional registrations of indigents.	1
SOD:6.4		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								

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD 6.4	SOD 6.4	4	ICT	To manage and develop financial services to ensure financial viability, compliance & reporting.	ICT	4	ICT steering com 1 meeting per quarter	3	Target not achieved The ICT Section will be moved to the Corporate Section Department where the required focus and attention on ICT matters can be provided.	4
					ICT Policy	1	Number of ICT Policies reviewed by 30 June 2022	1	Target achieved The Corporate Governance of ICT Policy was approved by Council	1
SOD:6.5		SUPPLY CHAIN MANAGEMENT (SCM): To manage supply chain management service to ensure proper systems, policies and procedures and control for demand, acquisition, logistics, assets and disposal management								
SOD 6.5	SOD 6.5	4		To manage and develop financial services to ensure financial viability, compliance & reporting.		100%	% of Creditors paid within 30 Days of invoice	99%	Target not met A KPI requiring all Directorates to return all verified invoices to the Expenditure Section within 5 days was included in all Directors' Performance Plans. This will ensure that the 30 day payment requirement is met.	100%
SOD:6.6		DISPOSAL MANAGEMENT: To manage supply chain management service to ensure proper systems, policies and procedures and control for demand, acquisition, logistics, assets and disposal management								
SOD 6.6	SOD 6.6	4	Asset Management	To manage and develop financial services to ensure financial viability, compliance & reporting.	Asset Management	1	Number of Asset registers completed by 20 August 2021	1	Fixed Asset Register completed and balanced to ledger for AFS preparation. Afs was submitted on 31 August 2021	1
					Annual Auction	1	Number of Annual Auctions held by 30 April 2022	0	Target Not Achieved Auction was postponed as Council resolved to offer the assets to	New

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
									NPO first and only the assets left will continue to be auctioned. The auction was thus planned for 26 July 2022.	
SOD:6.1		BUDGET AND REPORTING: To manage and control the implementation of budget policies and procedures, statements and reporting processes to ensure legislative compliance.								
SOD 6.1	SOD 6.1	4	Financial Management	To manage and develop financial services to ensure financial viability, compliance & reporting.	Financial Planning	100%	% 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	-	Target not achieved A process to monitor the turnaround time was not implemented and thus a % achieved cannot be presented. The KPI to pay creditors within 30 days was used and reported on. A process has been developed to monitor the 5 day turnaround and will be reported on in the new financial year.	100%

6.5 DIRECTORATE INFRASTRUCTURE AND ENGINEERING										
SOD:2.1		WATER AND SANITATION SERVICES: To manage the rendering of water services and to provide bulk and potable water and sanitation services to the community								
IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD 2.1	SOD 2.1	1	Water	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Water Losses	47%	% Reduction in water losses (Reduce losses to %)	54%	1. A focus group is established to concentrate on water meters currently not been read and good progress are being made on this project, 90% of the meters labels as unreadable is not the case, finance should look into the conduct of meter readers and explain their importance within the organisation. 2. The Gamtoos, have bulk consumers, we are paying the Metro for water usage but the meters are not registered on our finance system and these consumers never received accounts, this information has been forwarded to finance for	49%

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
									actioning. 3. We are in the process of installing bulk meters where required to determine more accurate water consumption. 4. We are compiling a technical maintenance tender document as a supplementary of all job tasks to safeguard in the event of a strike or when we are unable to perform certain tasks and need additional resources. Replacement and installing of water meters will be part of this project, this will assist in installing water meters to residential units where no meters are installed. 5. We also have the	

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
									leak detection team who assist in detecting water leaks to curb wastage. 6. Trucking of water and distribution thereof doesn't seem to have been measured and no record could be found and tanks filled with water, we have put measures in place to measure that water as well.	
SOD:2.2		ELECTRICAL SERVICES: To manage the provision and maintenance of electrical services								
SOD 2.2	SOD 2.2	1	Electricity	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Electricity Losses	12%	% electricity losses (Reduce losses to %)	7.30%	Service provider will be appointed to assist electrical team to inspect each house within Kouga and also clean the data.	18%
					Electricity installations	95%	% Capital Budget Expenditure on electrical projects (DOE)	100%	Target exceeded	95%
SOD:2.3		ROADS AND STORM WATER SERVICES: To manage the construction, repair and maintenance of roads and storm water systems								
SOD 2.3	SOD 2.3	1	Roads and storm water	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Road Construction	95%	% Capital expenditure for the construction of roads (MIG)	100%		New
SOD:2.4		PROJECT MANAGEMENT: To manage the coordination and implementation of project management processes with regard to engineering projects (MIG, EPWP and other grant funded projects)								

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD 2.4	SOD 2.4	1	MIG Project implementation	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	MIG Project implementation	95%	% MIG expenditure	100%	Target exceeded	95%
SOD 2		Fleet Management								
SOD 2	SOD 2	1	Fleet Management	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Fleet Management	95%	% Fleet operational (95%)	95%	Target achieved	95%
SOD:6.5		SUPPLY CHAIN MANAGEMENT (SCM): To manage supply chain management service to ensure proper systems, policies and procedures and control for demand, acquisition, logistics, assets and disposal management								
SOD 6.5	SOD 6.5	4	Capital Budget expenditure	To manage and develop financial services to ensure financial viability, compliance & reporting.	Capital Budget Expenditure	95%	% Capital budget expenditure	88.80%	the tenders awarded to MJM consulting for designs and tender documentation to be drawn up was incomplete. The consultant is liquidated and sold the company. I&E will be formulating a rollover application and might need to restart to process.	90%
SOD:6.1		BUDGET AND REPORTING: To manage and control the implementation of budget policies and procedures, statements and reporting processes to ensure legislative compliance.								
SOD 6.1	SOD 6.1	4	Financial Viability	To manage and develop financial services to ensure financial viability, compliance & reporting.	Overtime reduction	5%	% Reduction in staff overtime compared to previous year	15%	Target exceeded	
					Financial Planning	100%	% 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	65%	SP send invoices directly to finance, this is a challenge as a lot of work is not completed, I&E will then not sign and send an email to finance as to why payment cannot be	

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
									made. The invoice should come from the department for actioning at finance.	
					Financial Planning	28/2/22	Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations	28/2/22	Target achieved	
					Financial Planning	28/2/22	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/22	Target achieved	

6.6 DIRECTORATE PLANNING, DEVELOPMENT AND TOURISM										
SOD:3.1		TOWN PLANNING AND BUILDING CONTROL: To manage the rendering of spatial and land use planning, surveying, valuations and building control services								
IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
SOD 3.1	SOD 3.1	3	Local Economic Development	To provide planning services that encourage economic upliftment and Development in the Municipal Area.	Land Use	100%	% of land use applications finalized within 90 days for of a compliant submission	39%	119 compliant applications with 38 finalized within 90 days. Note as per legislative provisions period for finalization is set at 12 Months. Directorate has no control over publication of notices as it is done by applicant and there were some delays in this regard. Staff shortages impacts on the ability to meet the 90-day target set.	100%
					Building Control	30	Average Number of days for the approval of compliant building plans for structures less than 500M2	24.99 days	Target exceeded	30
					Building Control	60	Average Number of days for the approval of compliant building plans for structures bigger than 500M2	27.2 days	Target exceeded	60
					Spatial Development	30/6/22	Humansdorp Precinct Plan completed by 30 June 2022	30 June 2022	Approved by Council 29 June 2022(22/06/PDT4)	-
SOD:3.2		HUMAN SETTLEMENTS: To manage the funding administration of housing projects and administration of housing processes of housing applications provisioning to ensure proper service delivery								

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
to the community										
SOD 3.2	SOD 3.2	3	Housing	To provide planning services that encourage economic upliftment and Development in the Municipal Area.	2	Formalization of informal settlements	2 informal settlements formalized by 30 June 2022	5	Target exceeded	New
					200	Formalization of informal settlements	Number of beneficiaries on site (Vaaldam extension 200 informal household project) by 31 March 2022	200	Target achieved	New
					1	Formalization of informal settlements	Number of informal settlement Audits completed by 30 June 2022	1	Kruisfontein 200 Audit completed	New
					1	Human Settlement Planning	Number of Human Settlements Plan by 30 June 2022	0	Draft Human Settlements Plan developed and workshopped with Political Leadership, further inputs were requested. The Process Plan will be revised for the finalization of the Human Settlements Plan during the 2022/23 year.	New
SOD 3.2	SOD 3.2	3	Land Administration	To provide planning services that encourage economic upliftment and Development in the Municipal Area.	Land Admin	80%	% Outstanding Resolutions on Land executed	11.5%	Target not achieved. From the total of 96 Outstanding Council resolutions a total of 12 council resolutions was completed to date, whilst 2 council resolutions were completed in Q4 bringing the total percentage completions to 11.5%. The	New

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
									completed resolutions include Disposal of erf 2896 Sea Vista and Donation of 16 Municipal Houses, Sea Vista.	
					Asset Disposal	100%	Average % Completion of the disposal of erven 2078, 2079, 2081 ,2081, 3296 and 3297 HUMANSDORP	100%	Target exceeded completed in quarter 1	New
					Asset Disposal	100%	% Completion of the alienation of Erf 353 Humansdorp	0%	Target not achieved. The land has been availed to the Human Settlements Department in order to do a Social Housing Development. The specification has been prepared and submitted to SCM. Awaiting the approval of said specification whereafter the tender will be advertised.	New
					Asset Disposal	9	Number of municipal owned residential properties disposed of by 30 June 2022	0	Target not achieved. Service level agreements signed by Estate Agents and advert were placed in local newspaper directing prospective buyers to appointed Estate Agents to submit offers.	New

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
					Land Admin	1	Number of Land Audits completed by 30June 2022	1	Target achieved	New
SOD:3.1		DEVELOPMENT (LED) AND TOURISM: To plan and develop a coherent and integrated framework for local economic development and tourism								
SOD 3.1	SOD 3.1	3	Local Economic Development	To provide planning services that encourage economic upliftment and Development in the Municipal Area.	LED	4	Number of LED Forum meetings held	4	Target achieved	4
					LED	90%	% Budget expenditure for LED programs and projects	96%	Target exceeded	90%
					Job Creation	20	Number of jobs created through PPP	690	Target exceeded	-
					Job Creation	4	Number of LED training opportunities provided to SMME’s and entrepreneurs	5	Target achieved	4
SOD:6.1		BUDGET AND REPORTING: To manage and control the implementation of budget policies and procedures, statements and reporting processes to ensure legislative compliance.								
SOD 6.1	SOD 6.1	4	Financial Viability	To manage and develop financial services to ensure financial viability, compliance & reporting.	Overtime reduction	5%	% Reduction in staff overtime compared to previous year	212%	Target exceeded	
					Financial Planning	100%	% 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	98%	98%.. This excludes Housing project invoices as funding is claimed from ECDHS after the work has been done.	
					Financial Planning	28/2/22	Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations	1	Target achieved	New
					Financial Planning	28/2/22	Due date compliance with the submission of business plans for projects relevant to the Directorate to be	1	Target achieved	New

IDP	PROJECT CODE	KPA	PRIORITY	OBJECTIVE	PROJECT	ANNUAL TARGET	KPI	ACTUAL ACHIEVEMENT	COMMENT/ CORRECTIVE ACTIONS	PRIOR YEAR ACHIEVEMENT
							considered for inclusion in the budget			

COMPONENT B: INSTITUTIONAL PERFORMANCE AS PER COGTA INDICATORS
KPA 1: ORGANIZATIONAL DEVELOPMENT AND INSTITUTIONAL TRANSFORMATION

	Indicator Name	Total number of people planned for the year	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1.	Vacancy rate for all approved budgeted posts	3%	3%	3.2%	
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	5	83%	The filling of the post of Director I&E has been a challenge with the municipality embarking on the third round of recruitment to fill the post
3.	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skills development training course within the FY	2	2	100%	
4.	Percentage of Managers in Technical Services with a professional qualification	3	3	100%	
5.	Level of PMS effectiveness in the DM (DM to	To be reported by the Sarah Baartman District Municipality			

	Indicator Name	Total number of people planned for the year	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
	report)				
6.	Level of effectiveness of PMS in the LM (LM to report	Performance Management currently only rolled out to the Municipal Manager and Section 57 Managers			
7.	Percentage of staff that have undergone a skills audit (Including competency profiles) within the current 5-year term	874	874	100%	
8.	Percentage of Councillors who attended a skills development training within the current 5-year term	29	29	100%	
9.	Percentage of staff complement with a disability	1,5%	1,5%	1,5%	
10.	Percentage of female employees	35%	35%	35%	
11.	Percentage of employees that are aged 35 or younger	25%	25%	25%	
12.	Adoption and implementation of a HRD including a	Yes	yes	Completed	

	Indicator Name	Total number of people planned for the year	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
	Workplace Skills Plan				

KPA 2: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

A: WATER

	Indicator Name	Total Number of household/ customers expected to benefit	Estimated backlogs (actual Numbers)	Prior year achievement 2019/20	Target set for the year under review 2021/22	Number of households reached during the financial year	Achievement percentage during the year
1.	% Households with access to potable water	31 726	165	31 726	810	810	100%
2.	% Indigent households with access to free basic potable water	7138 (100%)	0	4 092	7138	7138	100%
3.	% of Clinics with access to potable water	No additional Clinics planned	0	100% of clinics	No additional Clinics planned	0	100% of clinics
4.	% of schools with access to potable water	No additional Schools planned	100%	100% of schools	No additional Schools planned	0	100% of schools

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

	Indicator Name	Target set for the year	Achievement level for the year (Absolute figure)	Achievement percentage during the year
1.	% of Ward Committees established	100%	100% (15 ward committees)	100%
2.	% of Ward Committees that are functional	100%	100% (15 ward committees)	100%
3.	Existence of an effective system to monitor CDW's	The CDW's are administered through the Office of the Speaker and the Public Participation Officer meet monthly with CDW's to track progress and receive submissions by CDW's.		
4.	Existence of an effective IGR Strategy	No adopted IGR Strategy		
5.	Effective IGR structural meetings	All Muni-Mec meetings are attended, all District IGR Meetings are attended, No IGR meetings held from Lockdown other than Covid-19 related meetings.		
6.	Existence of an effective communication strategy	Communication Strategy in place and communication is effective.		
7.	Number of Mayoral Imbizo's conducted	1 Mayoral Imbizo conducted		
8.	Existence of a fraud prevention mechanism	Anti-Corruption and Fraud Prevention Policy approved by Council 1 August 2017		

COMPONENT C: INDIVIDUAL PERFORMANCE

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

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

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

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

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

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

Participation in the performance management system for employees below the level of senior management is mandatory as from 1 July 2022 as per the provisions of the Local Government Municipal Staff Regulations promulgated on 21 September 2021.

CHAPTER 6: AUDITOR GENERAL OPINION ON FINANCIAL STATEMENTS

6.1 AUDITOR GENERAL REPORT

Report of the auditor-general to the Eastern Cape Provincial Legislature and the council on the Kouga Local Municipality

Report on the audit of the financial statements

OPINION

1. I have audited the financial statements of the Kouga Local Municipality set out in pages 327 to 452 of the Annual Report, which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Kouga Local Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (Dora).

BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

EMPHASIS OF MATTERS

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

MATERIAL IMPAIRMENTS

7. As disclosed in notes 2 and 3 to the financial statements, receivables from exchange transactions and receivables from non-exchange transactions had a provision for impairment of R217,6 million (2020-21: R190 million) and R65,9 million (2020/21: R69,7 million) respectively.

MATERIAL LOSSES

8. As disclosed in note 46.1.8 to the financial statements, the municipality incurred material losses relating to water and electricity of R42 million (2020-21: R34,2 million) and R21,1 million (2020-21: R20,1 million) respectively.

RESTATEMENT OF CORRESPONDING FIGURES

9. As disclosed in notes 41 and 42 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors and reclassification of accounts in the financial statements of the municipality at, and for the year ended, 30 June 2022.

OTHER MATTER

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

UNAUDITED DISCLOSURE NOTES

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

RESPONSIBILITIES OF THE ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

AUDITOR-GENERAL'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the annual performance report
Introduction and scope

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
17. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of

achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priority presented in the municipality's annual performance report for the year ended 30 June 2022:

Development priority	Pages in annual performance report
KPA 1 – infrastructure and basic service delivery	273 - 277

19. I performed procedures to determine whether the reported performance information consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
20. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected development priority.

OTHER MATTERS

21. I draw attention to the matters below.

ACHIEVEMENT OF PLANNED TARGETS

22. Refer to the annual performance report on pages 258 to 282 for information on the achievement of planned targets for the year.

ADJUSTMENT OF MATERIAL MISSTATEMENTS

23. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of KPA 1 – infrastructure and basic service delivery. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on compliance with legislation

24. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
25. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

ANNUAL FINANCIAL STATEMENTS

26. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets and non-current liabilities identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

27. The performance management system and related controls over the performance planning, monitoring, review, reporting and improvement processes were established; however, those controls were not adequately implemented, as required by municipal planning and performance management regulation 7(1).

Other information

28. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported in this auditor's report.
29. My opinion on the financial statements and report on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the material indicators in the scoped-in programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

31. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.
33. Leadership was slow in responding to previous audit recommendations and did not implement adequate review processes over performance reporting.
34. The municipality did not adequately implement the controls over the processes for collection, collation, verification and capturing of performance information to ensure valid, accurate and complete reporting against planned objectives. Misstatements were identified on the performance information reported which were subsequently corrected.
35. The review processes over the preparation of the annual financial statements were not implemented adequately, resulting in material misstatements in the financial statements submitted for audit which were subsequently corrected.

Auditor General

East London

30 November 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs and the AGSA audit methodology, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected performance indicators and on the municipality's compliance with selected requirements in key legislation.

FINANCIAL STATEMENTS

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Kouga Local Municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

6.2 AUDIT CORRECTIVE ACTION PLAN							
FINANCIAL YEAR	PARA	RATING	SECTION	SUB - SECTION	DETAILS OF THE FINDING	ACTION	RESPONSIBLE PERSON
2021/2022	7	Matter Affecting The Auditors Report	Emphasis Of Matter	Material Impairments	As disclosed in note 2 and 3 to the financial statements, receivables from exchange transactions and receivables from non-exchange transactions had a provision for impairment of R217,6 million (2020-21:R190 million) and R 65,9 million (2020/21: R69,7 million) respectively.	A plan to reduce Receivables must be developed	CFO
2021/2022	8	Matter Affecting The Auditors Report	Emphasis Of Matter	Material Losses	As disclosed in note 46.1.8 to the financial statements, the municipality incurred material losses to water and electricity of R42 million (2021: R34,2 million) and R21,1 million (2021: R20,1 million), respectively.	A plan to reduce electricity and water losses must be developed.	I&E
2021/2022	9	Matter Affecting The Auditors Report	Emphasis Of Matter	Restatement Of Corresponding Figures	As disclosed in note 41 and 42 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors and reclassification of accounts in the financial statements of the municipality at, and for the year ended,30 June 2022.	No further action required.	-
2021/2022	11	Matter Affecting The Auditors Report	Other Matter	Unaudited Disclosure Notes	In terms of section 125(2) of the MFMA, the municipality is required to disclose the particulars of non - compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.	No further action required.	-

6.2 AUDIT CORRECTIVE ACTION PLAN							
FINANCIAL YEAR	PARA	RATING	SECTION	SUB - SECTION	DETAILS OF THE FINDING	ACTION	RESPONSIBLE PERSON
2021/2022	12	Matter Affecting The Auditors Report	Other Matter	Responsibility Of The Accounting Officer For The Financial Statements On Preparation	The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the MFMA and DORA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.	No further action required.	-
2021/2022	13	Matter Affecting The Auditors Report	Other Matter	Responsibility Of The Accounting Officer For The Financial Statements On Going Concern	In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, the matter relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.	A financial analyses should be done to determine whether the financial position of the municipality in addition to the budget. A financial plan should be done to ensure the municipality is able to pay debt when its due.	CFO

6.2 AUDIT CORRECTIVE ACTION PLAN							
FINANCIAL YEAR	PARA	RATING	SECTION	SUB - SECTION	DETAILS OF THE FINDING	ACTION	RESPONSIBLE PERSON
2021/2022	17	Matter Affecting The Auditors Report	Report On The Annual Performance Report	Performance Management	The AG's address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. The AG has not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. The AG's procedures do not examine whether the actions taken by the municipality enabled service delivery. The AG's procedures do not extend to any disclosure or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly my findings do not extend to these matters.	The points on paragraph 17 of the audit report should be considered. A plan should be put in place on how the AG's points are considered.	PMS
2021/2022	23	Matter Affecting The Auditors Report	Report On The Annual Performance Report	Performance Management	The AG identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of KPA 1 - infrastructure and basic service delivery. As management subsequently corrected the misstatements, I did not raise any material findings on the	No further action required.	-

6.2 AUDIT CORRECTIVE ACTION PLAN							
FINANCIAL YEAR	PARA	RATING	SECTION	SUB - SECTION	DETAILS OF THE FINDING	ACTION	RESPONSIBLE PERSON
					usefulness and reliability of the reported performance information.		
2021/2022	26	Matter Affecting The Auditors Report	Report On Compliance With Legislation	Annual Financial Statements	The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of s122(1) of the MFMA. Material misstatements of non - current assets and non - current liabilities identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the ficial statements receiving an unqualified audit opinion.	No further action required.	CFO
2021/2022	27	Matter Affecting The Auditors Report	Report On Compliance With Legislation	Strategic Planning And Performance Management	The performance management system and related controls over the performance planning, monitoring, review, reporting and improvement processes were established; however, those controls were not adequately implemented, as required by municipal planning and performance management regulation 7(1).	Implementation and monitoring over the controls should be actioned.	PMS

6.2 AUDIT CORRECTIVE ACTION PLAN							
FINANCIAL YEAR	PARA	RATING	SECTION	SUB - SECTION	DETAILS OF THE FINDING	ACTION	RESPONSIBLE PERSON
2021/2022	33	Matter Affecting The Auditors Report	Internal Control Deficiencies	Audit Recommendations	Leadership was slow in responding to previous audit recommendations and did not implement adequate review processes over performance reporting.	Implementation and monitoring over the controls should be actioned.	MM/PMS
2021/2022	34	Matter Affecting The Auditors Report	Internal Control Deficiencies	Performance Management	The municipality did not adequately implement the controls over the processes for collection, collation, verification and capturing of performance information to ensure valid, accurate and complete reporting against planned objectives. Misstatements were identified on the performance information reported which were subsequently corrected.	Implementation and monitoring over the controls should be actioned.	MM/PMS
2021/2022	35	Matter Affecting The Auditors Report	Internal Control Deficiencies	Annual Financial Statements	The review processes over the preparation of the annual financial statements were not implemented adequately, resulting in material misstatements in the financial statements submitted for audit which were subsequently corrected.	Adherence to the timeframes of the AFS Plan by officials is critical to ensure sufficient time for review before submission to Internal audit, Audit Committee and AG.	MM/CFO

APPENDICES

APPENDIX A: COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCIL MEETING ATTENDANCE

NAME OF COUNCILLOR	PORTFOLIO COMMITTEES ALLOCATED	WARD	PARTY	PERCENTAGE OF ORDINARY COUNCIL & SPECIAL COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER	ABSENT WITHOUT APOLOGY
H. Bornman	LED&T/ FIN	PR	DA	100%	0	0
H. Hendricks	PD/I&E	PR	DA	100%	0	0
B. Williams	I&E/COMM SERV/FIN	PR	DA	100%	0	0
F. Campher	I&E/COMM SERV	Ward 4	DA	31%	0	0
D. Benson	COMM SERV/	PR	DA	100%	0	0
B. Rheeder	PD/I&E	Ward 12	DA	31%	0	0
F. Baxter	LED&T/I&E	PR	DA	31%	0	0
B. Dhludhlu	CORP	PR	DA	100%	0	0
L. Vorster	LED&T/I&E	Ward 8	DA	31%	0	0
R. Jantjies		PR	DA	31%	0	0
T. Jantjes	CORP/	Ward 15	DA	100%	0	0
W. Gertenbach	I&E/FIN	Ward 3	DA	100%	0	0
C. August	PDT	Ward 9	DA	100%	0	0
M. Biko	I&E	Ward 5	DA	100%	0	0
M. van Niekerk	CORP SERV/COMM SERV/PDT	PR	DA	100%	0	0
W. Coenraad	CORP SERV/	Ward 5	DA	31%	0	0

NAME OF COUNCILLOR	PORTFOLIO COMMITTEES ALLOCATED	WARD	PARTY	PERCENTAGE OF ORDINARY COUNCIL & SPECIAL COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER	ABSENT WITHOUT APOLOGY
J. Alexander	I&E/	Ward 4	DA	100%	0	0
S. Jujwana	FINANCE/I&E	Ward 9	ANC	15%	0	2
S. Makasi	COMM SERV/CORP SERV	Ward 14	ANC	31%	0	0
M. Peters	LED&T	Ward 13	ANC	23%	1	0
P. Oliphant	I&E	PR	ANC	85%	1	1
Z. Mayoni	I&E/FINANCE/COMM SERV	Ward 1	ANC	23%	0	1
P. Nkwalase	CORP SERV/LED&T/FIN	PR	ANC	31%	0	0
C. Matroos	CORP SERV	PR	ANC	31%	0	0
R. Dennis	FIN/I&E	Ward 2	ANC	31%	0	0
A. Mabukane	CORP SERV	Ward 10	ANC	15%	0	2
V. Vumazonke	CORP SERV/COMM SERV/I&E	Ward 6	ANC	15%	0	2
M. Dayimani	I&E/FIN	PR	ANC	62%	1	2
H. Murray	COMM SERV/CORP SERV	Ward 2	DA	69%	0	0
R. Foley	PDT/I&E	Ward 8	DA	69%	0	0
F. Heystek	COMM SERV/PDT	Ward 11	DA	69%	0	0
S. Ruth	FIN/CORP SERV	PR	DA	69%	0	0
L. Maree	I&E/FIN	Ward 12	DA	69%	0	0
M. Yali	CORP SERV	Ward 14	ANC	69%	0	0

NAME OF COUNCILLOR	PORTFOLIO COMMITTEES ALLOCATED	WARD	PARTY	PERCENTAGE OF ORDINARY COUNCIL & SPECIAL COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER	ABSENT WITHOUT APOLOGY
V. Gunuza	FIN	PR	ANC	62%	1	0
K. Ndzaleni	M&E	Ward 6	ANC	69%	0	0
N. Ntshota	PDT	Ward 1	ANC	69%	0	0
M. Mbandana	COMM SERV	Ward 10	ANC	54%	0	2
B. Human	COMM SERV/CORP SERV/I&E/FIN/PDT/M&E	PR	PA	31%	0	0
F. Pietersen	COMM SERV/CORP SERV/I&E/FIN/PDT/M&E	PR	PA	23%	0	0
	CORP SERV	PR	ANC	69%	0	0
M Valgee	COMM SERV	PR	ANC	69%	0	0
V. Zana	PDT	Ward 13	ANC	54%	1	1
E. Mbuqu	M&E	Ward 7	ANC	54%	2	0
L. Nkilishane	M&E/FIN/COMM SERV/ PDT/CORP SERV/I&E	PR	EFF	54%	2	0
L. Van der Linde	M&E/FIN/COMM SERV/ PDT/CORP SERV/I&E	PR	VF/FFP	62%	1	0

**APPENDIX B : COMMITTEE AND COMMITTEE PURPOSE
(JULY 2021 – OCTOBER 2021)**

Corporate Portfolio	Services	Committee Members	Alternate Members	Functions
		Timothy Jantjes		- Administration - Human Resources - Strategic Institutional Projects
		Marthina van Niekerk	Danny Benson	
		Melanie Biko	Robin Jantjes	
		Wilma Coenraad		
		Sibongile Jujwana	Amos Mabukane	
		Margaret Peters		
Ex-Officio		Horatio Hendricks		
Planning & Development		Committee Members	Alternate Members	Functions
		Ben Rheeder		- Human Settlements - Town & Regional Planning - MPT
		Cynthia August	Ludwig Vorster	
		Wilma Coenraad	Brenton Williams	
		Robin Jantjes		
		Cynthia Matroos	Phumza Nkwalase	
		Zolani Mayoni		
Ex-officio		Horatio Hendricks		
LED & Tourism Portfolio		Committee Members	Alternate Members	Functions
		Frances Baxter		- Tourism - Creative Industries - Crèches - Events Committee
		Brenton Williams	Ben Rheeder	
		Cynthia August	Robin Jantjes	
		Freddy Campher		
		Marthina van Niekerk		
		Velile Vumazonke	Phumza Nkwalase	
		Margaret Peters		
Ex-officio		Horatio Hendricks		
Community Services Portfolio		Committee Members	Alternate Members	Functions
		Daniel Benson		- Environmental Management - Community Amenities & Environmental Health - Protection Services - Beaches
		Willem Gertenbach	Wilma Coenraad	
		Timothy Jantjes	Bryan Dhludhlu	
		Cynthia August		
		Robert Dennis	Eldridge Februarie	
		Amos Mabukane		
Ex-officio		Horatio Hendricks		
Infrastructure and Engineering Portfolio		Committee Members	Alternate Members	Functions
		Willem Gertenbach		- Infrastructure - Civil services - PMU - Electrical Services Fleet
		Ben Rheeder	Jacques Alexander	
		Bryan Dhludhlu	Frances Baxter	
		Timothy Jantjes		

	Robert Dennis	Zolani Mayoni	Management
	Malibongwe Dayimani		
Ex-officio	Horatio Hendricks		
Finance Portfolio	Committee Members	Alternate Members	Functions
	Brenton Williams		- Budget & treasury - Revenue - Expenditure - Assets Management - Supply Chain Management - Information, Communication & Technology MSCOA
	Jacques Alexander	Marthina van Niekerk	
	Willem Gertenbach	Freddy Campher	
	Ludwig Vorster		
	Malibongwe Dayimani	Robert Dennis	
	Phumzile Oliphant		
Ex-officio	Horatio Hendricks		

(NOVEMBER 2021 TO DATE)

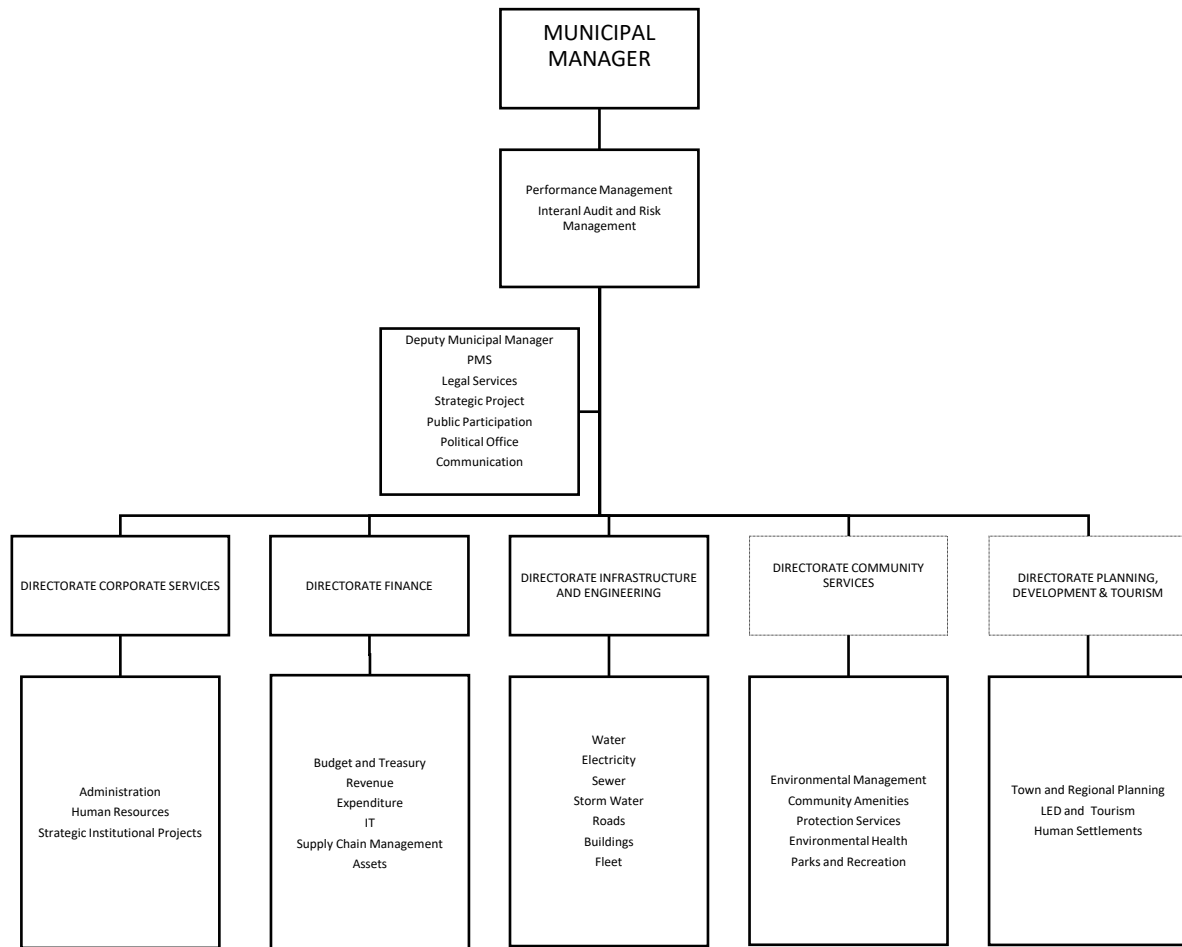
Corporate Services Portfolio	Committee Members	Alternate Members	Functions
	Cllr T Jantjes		- Administration / Auxiliary Services - Human Resources - Internal Communication
	Cllr H Murray		
	Cllr S Ruth		
	Cllr B Dhludhlu	Cllr D Benson	
	Cllr M van Niekerk	Cllr M Biko	
	Cllr M Yali		
	Cllr N Ntengwane	Cllr K Ndzaleni	
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor Horatio Hendricks		
Ex-officio	Executive Deputy Mayor H Bornman (pending approval of the Eastern Cape MEC for COGTA)		
Planning, Development & Tourism Portfolio	Committee Members	Alternate Members	Functions
	Cllr H Bornman		- Human Settlements - Town & Regional Planning - MPT - Tourism - Local Economic Development
	Cllr R Foley		
	Cllr C August		
	Cllr F Heystek	Cllr W Gertenbach	
	Cllr M van Niekerk	Cllr D Benson	
	Cllr V Zana		
	Cllr N Ntshota	Cllr M Valgee	

	Cllr L Nklishane		• Creative Industries • Crèches • Events Committee
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor Horatio Hendricks		
Ex-officio	Executive Deputy Mayor H Bornman (pending approval of the Eastern Cape MEC for COGTA)		
Monitoring & Evaluation Portfolio	Committee Members	Alternate Members	Functions
Chairperson 	Cllr S Ruth		• Media, PR, External Communication • Public Participation • IDP • PMS • Legal • Internal Audit • Strategic Projects • Office of EM & Speaker
	Cllr M Biko		
	Cllr C August		
	Cllr L Maree	Cllr J Alexander	
	Cllr D Benson	Cllr T Jantjes	
	Cllr K Ndzaleni		
	Cllr E Mbuqu	Cllr V Zana	
	Cllr L Nklishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor Horatio Hendricks		
Ex-officio	Executive Deputy Mayor H Bornman (pending approval of the Eastern Cape MEC for COGTA)		

Community Services Portfolio	Committee Members	Alternate Members	Functions
Chairperson 	Cllr D Benson		• Environmental Management • Community Amenities & Environmental Health • Protection Services • Beaches • Mayoral Special programmes
	Cllr H Murray		
	Cllr F Heystek		
	Cllr T Jantjes	Cllr R Foley	
	Cllr M van Niekerk	Cllr S Ruth	
	Cllr M Mbandana		
	Cllr M Valgee	Cllr P Oliphant	
	Cllr L Nklishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor Horatio Hendricks		
Ex-officio	Executive Deputy Mayor H Bornman (pending approval of the Eastern Cape MEC for		

	COGTA)		
Infrastructure and Engineering Portfolio	Committee Members	Alternate Members	Functions
	Cllr L Maree		• Infrastructure • Civil services • PMU • Electrical Services • Fleet Management
	Cllr W Gertenbach		
	Cllr J Alexander		
	Cllr M Biko	Cllr F Heystek	
	Cllr R Foley	Cllr M van Niekerk	
	Cllr P Oliphant		
	Cllr M Dayimani	Cllr V Gunuza	
	Cllr L Nklishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor Horatio Hendricks		
Ex-officio	Executive Deputy Mayor H Bornman (pending approval of the Eastern Cape MEC for COGTA)		
Finance Portfolio	Committee Members	Alternate Members	Functions
	Cllr W Gertenbach		• Budget & treasury • Revenue • Expenditure • Assets Management • Supply Chain Management • Information, Communication & Technology MSCOA
	Cllr J Alexander		
	Cllr L Maree		
	Cllr T Jantjes	Cllr H Murray	
	Cllr S Ruth	Cllr B Dhludhlu	
	Cllr M Dayimani		
	Cllr V Gunuza	Cllr E Mbuqu	
	Cllr L Nklishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor Horatio Hendricks		
Ex-officio	Executive Deputy Mayor H Bornman (pending approval of the Eastern Cape MEC for COGTA)		

APPENDIX C : ADMINISTRATIVE STRUCTURE



APPENDIX D: FUNCTIONS OF THE MUNICIPALITY

FUNCTIONS - In terms of Circular 8/2009: Adjustment of Powers and Functions between District and Local Municipalities, the Kouga Municipality has the following powers and functions to fulfil:

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

APPENDIX E : WARD REPORTING

WARD COUNCILLOR	WARD	WARD COMMITTEE ATTENDED	JULY 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2021	FEB 2021	MAR 2021	APR 2021	MAY 2021	JUNE 2021
Cllr Z Mayoni	1	10	01	05	08	04	NB: The term of office for Councillor ended on 31 October 2021 therefore no Ward Committee Meetings were held during Nov'21 – Feb'22							
Cllr R Dennis	2	10	01	05	09	05								
Cllr W Gertenbach	3	10	05	04	07	06								
Cllr F Campher	4	10	07	03	07	07								
Cllr W Coenraad	5	10	07	05	08	06								
Cllr V Vumazonke	6	10	06	04	09	05								
Cllr E Februarie	7	10	06	09	07	04								
Cllr L Vorster	8	10	07	05	02	06								
Cllr S Jujwana	9	10	08	10	01	07								
Cllr A Mabukane	10	10	05	09	09	11								
Cllr H Bornman	8	10	06	11	07	04								
Cllr B Rheeder	12	10	08	10	08									
Cllr M Peters	13	10	08	02	07	12								
Cllr S Mandeka	14	10	01	03	09	05								
Cllr H Hendricks	15	10	01	03	07	05								

**Ward Committee Meetings suspended during Covid-19 Lockdown*

WARD COUNCILLOR	WARD	WARD COMMITTEE ATTENDED	JULY 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2021	FEB 2021	MAR 2021	APR 2021	MAY 2021	JUNE 2021
Cllr N Ntshota	1	10	NB: The new Council term started on 17 Nov'21 and Ward Committees were elected between Jan-Feb'22.								07	04	3	1
Cllr H Murray	2	10									01	04	4	1
Cllr W Gertenbach	3	10									09	6	3	1
Cllr J Alexander	4	10									07	4	12	7
Cllr M Biko	5	10									07	5	5	7
Cllr K Ndzelani	6	10									08	6	9	7
Cllr T Mbuqu	7	10									07	4	3	1
Cllr R Foley	8	10									08	4	10	7
Cllr C August	9	10									09	5	9	9
Cllr M Mbadana	10	10									8	13	5	9
Cllr F Heystek	11	10									8	6	10	7
Cllr L Maree	12	10									9	5	5	2
Cllr V Zana	13	10									10	7	4	9
Cllr M Yali	14	10									8	7	12	14
Cllr T Jantjes	15	10									9	5	5	17

APPENDIX G: RECOMMENDATIONS BY THE MUNICIPAL AUDIT COMMITTEE

ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2022 KOUGA LOCAL MUNICIPALITY

OBJECTIVE

The purpose of this report is to present the Audit Committee's annual report in carrying out its oversight responsibilities for the financial year ended 30 June 2022.

TERMS OF REFERENCE

The mandate of the Audit Committee is legislated in terms of section 166 of the Municipal Finance Management Act, 2003 (MFMA) which requires the Audit Committee to advise the Accounting Officer and Council on matters relating to:

- Internal financial control and internal audits
- Risk management and Compliance
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting and information
- Performance management and evaluation
- Effective governance
- Compliance with the Municipal Finance Management Act 56 of 2003, the annual Division of Revenue Act and any other applicable legislation and
- Any issues referred to it by the municipality.

The Audit and Risk Committee is also required to fulfil the functions of a Performance Management Committee constituted in terms of sections 38 and 41 of the Municipal Systems Act No 32 of 2000 and Regulation 14(2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001: Review and advise in terms of the provisions of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006.

The MFMA also requires the Audit Committee to review the Annual Financial Statements, respond to Council on matters raised by the Auditor General of South Africa (AGSA) and carry out investigations into the financial affairs of the municipality.

The Audit Committee assists Council in fulfilling its oversight responsibilities in helping to ensure high- quality financial and performance management reporting as well as effective internal control.

COMPOSITION OF THE AUDIT AND RISK COMMITTEE AND ATTENDANCE

The Audit Committee comprises three independent members. The Committee is required to meet at least four times per annum as per its approved terms of reference. The following persons also have standing invitations to all committee meetings:

The Executive Mayor, the Municipal Manager, the Chief Financial Officer, the Director: Administration, Monitoring & Evaluation, the Director: Infrastructure, Planning & Development, the Director: LED, Tourism & Creative Industries, the Director: Social Services, the Manager: Performance Management, the Manager: Risk and Internal Audit, the Auditor General and representatives from National Treasury and COGTA

Both the Internal and External Auditors have unrestricted access to the Audit Committee.

DURING THE 2021/2022 FINANCIAL YEAR, THE AUDIT COMMITTEE HELD MEETINGS AS SET OUT BELOW:

Name of Members	Appointed	Total number of meetings 2021 – 2022	Number of meeting attended 2021 – 2022
Mr Gregory Billson (Chairperson from)	16 March 2022	5	3
Mr Yimile Zote	Existing	5	3
Mr Rodney Coetzer	Existing	5	5

DATES OF MEETINGS ARE AS FOLLOWS:

25 August 2021	Quarter four (4): Audit Committee meeting and Annual Financial Statement review
25 January 2022	Quarter one (1): Audit Committee meeting (Virtual). Meeting of 24 November 2021 postponed to January 2022
24 February 2022	Quarter two (2): Audit Committee meeting (Virtual)
27 May 2022	Quarter three (3): Audit Committee meeting (Virtual)

ADDITIONAL MEETING DATES WITH MANAGEMENT:

6 January 2022	Newly appointed Chairperson and CAE to review Audit Committee reviews for the year to date.
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AUDIT COMMITTEE RESPONSIBILITIES

The Committee confirms that it has complied with its responsibilities set out in the Audit and Risk Committee Charter and details of these responsibilities are detailed below:

1. INTERNAL FINANCIAL CONTROL AND INTERNAL AUDIT

1.1. Internal Financial Control

The Audit Committee have reviewed the expertise, resources and experience of Kouga Local Municipalities finance department. The CFO is competent in respect of his expertise and experience, with the Finance Department functioning adequately and within its mandate.

1.2. Internal Audit

The Internal Audit function is independent of management. Internal audit designed and implemented the relevant internal controls. The Audit Committee is satisfied that the Internal Audit team possess the required qualifications and are competent to carry out their role. Internal Audit have limited resources where executing a comprehensive Internal Audit Plan may be a challenge. Due to capacity constraints, Internal Audit may not be in a position to provide the Municipality with a high level of assurance that the majority of inherent institutional risks have been identified. The Audit Committee have noted that no restrictions or limitations were placed on the Internal Audit team in the execution of their mandate.

The Chief Audit Executive also has reasonable access to the Chairperson of the Audit Committee. The Audit Committee Chairperson met once with the Chief Audit Executive, without management being present, to discuss matters arising from the internal audits carried out together with being apprised of Internal Audit findings and reviews from 1 July 2021.

Internal Audit has prepared a three-year rolling strategic internal audit plan and an annual internal audit plan and budget. The plan addresses the high-risk areas identified in consultation with management and indicates the scope of each audit.

The following internal audit projects constituted the internal audit plan for the year:

- Development/ update of risk based internal audit plan for 2021/22–2023/24
 - Completed
- Facilitation of strategic risk assessment workshop/ development of risk management policy & strategy
 - Completed
- Finalise fraud prevention plan
 - Not completed
- Review of annual financial statements for the year ended 30 June 2021
 - Completed
- Financial discipline review – controls over debit order approval process
 - Draft report completed
- Occupational Health Management Review
 - Completed
- Overtime Management Control Review
 - Not completed –under review
- Credit Control Review
 - Not completed
- ATTP Policy Compliance
 - Not completed - under review
- Supply Chain Management Review
 - Q1& Q2 completed
- IT Risk Workshop
 - Completed
- Follow up on IT related matters raised by Auditor General
 - Not completed
- Water Management Review
 - Not completed
- Quarterly review over the implementation of Auditor General Findings

- Not completed
- Review over controls in place over the recruitment, selection and appointment process
 - Not completed
- Follow up reviews over
 - Feet management – completed
 - Disaster management – not completed
 - Caravan parks / cemeteries – not completed

The Audit Committee received the Internal Audit reports and scrutinised them for significant internal control and compliance deficiencies. The Audit and Risk Committee has had constructive engagements with management on the findings reported by Internal Audit as well as management responses provided.

The Audit Committee reviewed the Internal Audit Charter and the Audit Committee Charter. The Internal Audit Charter was approved in March 2019, and the Audit Committee Charter approved in April 2021. Both of these charters are required to be reviewed and approved.

2. RISK MANAGEMENT AND COMPLIANCE

The Kouga Local Municipality does not have a functioning risk management committee in place. This is not ideal, where this function is currently being carried out by Internal Audit. Management have indicated that a risk management committee will be established. The establishment of a Risk Management Committee is necessary to assist the municipality in assessing and identifying risk within the municipal institution. The risk management committee will be responsible for the establishment of the risk management policy, risk management framework together with the risk management strategy and the preparation of the risk register. The following action will be required to be undertaken:

- Identification of root causes associated with the identified risks
- Consequences of the risk ensuring that they are aligned to the root cause
- Identification of actual controls currently in place that mitigates the identified risk
- An assessment of the perceived control effectiveness
- Assess mitigating action plans to further address the residual risk exposure and
- Review the logic of the risk register

3. FINANCIAL REPORTING

The Audit and Risk Committee have reviewed the expertise, resources and experience of the municipalities finance department which is functioning adequately and within its mandate. The Audit and Risk Committee is satisfied with the expertise and experience of the Chief Financial Officer.

The Audit Committee reviewed and discussed the unaudited annual financial statements for the 2021/22 financial year with management. An external service provider, Altimax, were appointed to provide an independent technical review of the financial statements at 30 June 2021. This process included consideration of the adequacy, reliability and accuracy of financial reporting and information, ensuring it is consistent with applicable standards and is compliant with the legal framework. The accounting policies and disclosures made by management were also reviewed during this process. The Audit Committee recommended certain amendments before submission to the AGSA for audit purposes.

4. PERFORMANCE MANAGEMENT AND EVALUATION

The Service Delivery and Budget Implementation Plan (SDBIP) report is used by the municipality as the monitoring tool to compare actual performance to targeted performance.

This report is subject to Internal Audit scrutiny during their quarterly audits and is a standing item on the Audit and Risk Committee's agenda.

Internal Audit was mostly satisfied with the functioning of this area during the year under review.

THE FOLLOWING ANNUAL PERFORMANCE EVALUATIONS WERE CONDUCTED DURING THE REPORTING PERIOD:

Director	Review Period	Review Period
Corporate Services	2019/20	2020/21
Finance	2019/20	2020/21
Planning Development and Tourism	2019/20	2020/21
Community Services	2019/20	2020/21
Municipal Manager	2019/20	2020/21

The delay in conducting the 2019/20 annual performance evaluations was resultant from the COVID-19 pandemic. It is recommended that annual performance evaluations are conducted as soon as possible, after the finalisation of the Auditor General's annual report, to allow management to identify non-performance and areas of improvement. Corrective action may then be taken to mitigate the risk of continued non-performance or to address identified areas of improvement as is necessary.

5. EFFECTIVE GOVERNANCE

Attendance of the Audit Committee quarterly meetings by senior management is good. Provincial Treasury, COGTA, the Auditor General and Chairperson of MPAC should be encouraged to attend the Audit Committee meetings.

An Anti-Corruption and Fraud Prevention Committee is not in place. There is not an active whistle blowing mechanism or active functional fraud hotline in place. The Municipality does not have a fraud prevention plan. We were thus unable to assess, monitor and influence the tone at management level and reinforce a zero-tolerance policy for fraud. We were also not able to provide other insight into and guidance on implementing or strengthening fraud prevention and detection measures. It should be noted that the Audit Committee have been advised that there are no forensic matters under review or specific noted or reported instances of fraud having taken place.

A Disciplinary Committee as required in terms of the MFMA has not been established.

APPRECIATION

On behalf of the Audit Committee, I would like to extend our sincere appreciation to the Council, Management and the Auditor-General South Africa for their assistance and support during the financial year under review.



G Billson

Audit Committee Chairperson

09 February 2023

APPENDIX J: DISCLOSURE OF FINANCIAL INTEREST

The following Senior Managers completed the prescribed declaration of interest for the 2020/21 year:

NAME	POSITION
C du Plessis	Municipal Manager
R Lorgat	Chief Financial Officer (Director Finance)
N Machelesi	Director: Community Services
K Moodley	Director: Corporate Services
E Delport	Acting Director: Infrastructure and Engineering
F Mabusela	Director: Planning, Development and Tourism

APPENDIX K: REVENUE COLLECTION PERFORMANCE
APPENDIX K(i): REVENUE BY VOTE

Revenue by Vote	Actuals	
	2022	2021
Vote Description	R	R
Executive and Council	354,406	867,407
Finance	326,694,627	328,986,317
Corporate Services	1,825,217	1,987,919
Planning, Development and Tourism	6,860,196	4,586,416
Infrastructure and Engineering	570,883,257	502,305,490
Community Services	105,148,841	96,379,398
Total Revenue by Vote	1,011,766,542	935,112,945

APPENDIX K(ii) REVENUE BY SOURCE

	Actual	
Item Description	2022	2021
	R	R
Revenue by Source		
Property Rates	224 326 475	210 204 641
Fines, Penalties and Forfeits	5 881 345	3 308 088
Licences and Permits	9 593 213	10 227 056
Transfers and Subsidies	214 510 912	213 768 325
Interest, Dividends and Rent on Land Earned – Non-Exchange	1 774 617	1 700 447
Service Charges	521 290 057	470 461 950
Sales of Goods and Rendering of Services	9 602 709	8 159 245
	2 559 892	1 411 573

Rental from Fixed Assets	3 094 059	2 346 673
Interest, Dividends and Rent on Land Earned – Exchange	15 328 365	12 473 289
Operational Revenue	3 804 898	1 051 658
Total Revenue by Source	1 011 766 542	935 112 945

APPENDIX L: CONDITIONAL GRANT EXPENDITURE (EXCL MIG)

Name of Grant	Amount Received	Amount Spent
	R	R
Finance Management Grant	1 720 000	1 720 000
Integrated National Electrification Grant	7 800 000	7 800 000
Municipal Disaster Relief Grant	12 500 000	12 500 000
Expanded Public Works Programme Incentive Grant	1 423 000	1 423 000
Total	23 443 000	23 443 000

APPENDIX M: CAPITAL BUDGET EXPENDITURE

Project Name	Actual Expenditure As at 30 June 2022	Funding Source
Upgrade Sanitation System Old Hankey	17,228,953	MIG
Upgrading of Gravel Roads in Humansdorp	16,687,134	MIG
Upgrading of Sports Facilities	2,951,119	MIG
Mini Fresh Food and Craft Markets in Jbay & Hankey	838,063	MIG
MIG Admin	1,670,646	MIG
	39 375 915	

Description	Actual	
	2022	2021
	R	R
CAPITAL EXPENDITURE BY VOTE		
Executive & Council	2,727,101	273,558
Financial Services	4,141,925	872,226
Corporate Services	1,136,724	3,247,435
Planning, Development and Tourism	893,589	1,025,822
Infrastructure & Engineering	95,223,443	47,239,029
Community Services	9,858,988	7,701,040
Total Capital Expenditure	113,981,770	60,359,110

APPENDIX N: CAPITAL PROGRAMME BY PROJECT

DIRECTORATES	DEPARTMENT	FUNDING	PROJECTS	PROJECT NR	Adjusted Budget 2021/22	Actuals as at 30 June 2022
COMMUNITY SERVICES	Beach	Internal	Upgrading of Pellsrus, Kabeljous, Cape St Francis	PC_A001	100,000	58,840
COMMUNITY SERVICES	CEMETERIES	Internal	Ablution Facilities New	1011104	150,000	-
COMMUNITY SERVICES	ENVIRONMENTAL MANAGEMENT	Internal	Machinery and Equipment	PC_1002	33,698	26,805
COMMUNITY SERVICES	ENVIRONMENTAL MANAGEMENT	Internal	Computer Equipment	CP_4	66,297	58,701
COMMUNITY SERVICES	ENVIRONMENTAL MANAGEMENT	Internal	Transport assets		-	3,434,783
COMMUNITY SERVICES	ENVIRONMENTAL MANAGEMENT	Internal	Transport assets		-	105,627
COMMUNITY SERVICES	ENVIRONMENTAL MANAGEMENT	Internal	Machinery and Equipment		-	24,694
COMMUNITY SERVICES	Envornmental Management Fee	Internal	Kouga Skip Bins	CP4_EMF	199,998	196,372
COMMUNITY SERVICES	FIRE SERVICES	Distr	Fire Vehicle	FT911	1,638,000	1,600,000
COMMUNITY SERVICES	Fire Services	Internal	Fencing Humansdorp Fire Station	CP1_FS	600,000	0
COMMUNITY SERVICES	Fire Services	Internal	Vehicle	CP_23	564,999	564,910
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Machinery and Equipment (Generator)	1011113	230,000	199,978
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Machinery and Equipment (Radio communication) -	1011115	99,999	41,730
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Playdetactor (Machinery and Equipment)	1011111	155,000	155,000
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Machinery and Equipment (Quardbike)	1011114	95,598	-
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Furniture and Equipment - Operations room	1011112	17,197	17,197
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	1011116	23,400	23,400
COMMUNITY SERVICES	LIBRARY SERVICES	Internal	Security Gates (Humansdorp 7de Laan)		-	71,038
COMMUNITY SERVICES	Parks & Open Space	Internal	Machinery and Equipment	PC_1003	80,000	291,355
COMMUNITY SERVICES	PARKS AND OPEN SPACES	Internal	5X Trailles	101782	199,999	189,410
COMMUNITY SERVICES	PARKS AND OPEN SPACES	Internal	Transport assets		-	2,208,696
COMMUNITY SERVICES	Protection Services	Internal	Machinery and Equipment (Security Cameras System)	PC_1004	300,000	157,784
COMMUNITY SERVICES	Sport & Recreation	Internal	Furniture and Equipment	CP_9	100,000	86,332
COMMUNITY SERVICES	SPORT & RECREATION	Internal	Machinery and Equipment		-	346,337
COMMUNITY SERVICES	SPORT & RECREATION	Internal	Fencing Sport and Recreational Facilities	1011118	1,500,000	0
					6,154,185	9,858,988
CORPORATE SERVICES	ADMINISTRATION SERVICES	Internal	Bio-metric System	CP_CPS1	600,000	579,221
CORPORATE SERVICES	ADMINISTRATION SERVICES	Internal	Communications _ LED Screen	CORP02	300,000	224,710
CORPORATE SERVICES	ADMINISTRATION SERVICES	Internal	Communications _ Digital Screen	CORP01	99,998	83,070
CORPORATE SERVICES	Corporate Services	Internal	Computer Software and Applications	CP_60	287,000	-
CORPORATE SERVICES	Corporate Services	Internal	Fencing of municipal building	PC_1023	629,206	71,038
CORPORATE SERVICES	Corporate Services	Internal	Furniture and Equipment	CP_9	150,000	168,396
CORPORATE SERVICES	Corporate Services	Internal	Computer Equipment	CP_4	141,843	130,865
CORPORATE SERVICES	Skills Development	Internal	Computer Equipment	CP_4	21,501	21,501
					2,229,548	1,136,724

DIRECTORATES	DEPARTMENT	FUNDING	PROJECTS	PROJECT NR	Adjusted Budget 2021/22	Actuals as at 30 June 2022
EXECUTIVE & COUNCIL	Council	Internal	Furniture and Equipment	CP_9	100,000	99,364
EXECUTIVE & COUNCIL	MAYOR	Internal	Furniture and Equipment - Municipal Court	0803217	100,000	-
EXECUTIVE & COUNCIL	MAYOR	Internal	Electronic and Computer Equipment	1011120	200,000	188,747
EXECUTIVE & COUNCIL	MAYOR	Internal	Vehicle	CP_23	1,199,999	973,900
EXECUTIVE & COUNCIL	MAYOR	Internal	PA system/Data projector/Screens/Sound	1011102	69,999	47,362
EXECUTIVE & COUNCIL	MAYOR	Internal	Transport assets		-	443,478
EXECUTIVE & COUNCIL	MAYORAL COMMITTEE	Internal	Furniture and Equipment - Ward Councillors Offices	1011101	150,000	141,468
EXECUTIVE & COUNCIL	MUNICIPAL MANAGER	Internal	Computer Equipment	CP_4	150,000	139,957
EXECUTIVE & COUNCIL	Risk and Internal Audit Unit	Internal	Computer Equipment	CP_4	20,000	-
EXECUTIVE & COUNCIL	Risk and Internal Audit Unit	Internal	Furniture and Equipment	CP_54	25,000	-
EXECUTIVE & COUNCIL	WARD COUNCILLORS	Internal	Ward councillors Capital project	PC_65	300,000	207,106
EXECUTIVE & COUNCIL	WARD COUNCILLORS	Internal	Computer Equipment	CP_4	705,000	485,718
					3,019,998	2,727,101
FINANCE	ASSET MANAGEMENT	Internal	Single Cap Bakkie for stock verification	101773	349,999	347,478
FINANCE	ASSET MANAGEMENT	Internal	Office Equipment	101771	5,998	5,998
FINANCE	ASSET MANAGEMENT	Internal	Office Equipment	101772	12,000	11,957
FINANCE	ASSET MANAGEMENT	Internal	Replacement of Electrical Transformer _ Humansdorp	AM001	863,538	769,461
FINANCE	ASSET MANAGEMENT	Internal	Transport assets			347,826
FINANCE	Finance: IT	Internal	Furniture and Equipment	CP_9	69,007	69,007
FINANCE	Finance: IT	Internal	Cibex Software	CP_075	600,000	-
FINANCE	Finance: IT	Internal	Computer Equipment	CP_4	914,244	533,031
FINANCE	Finance: IT	Internal	WIFI Solution	PC_017	100,000	46,608
FINANCE	Finance: IT	Internal	Network Upgrade	CP_2241	250,000	72,000
FINANCE	Finance: IT	Internal	Furniture and Equipment	CP_4	86,954	85,583
FINANCE	REVENUE	Internal	2 Single Cab Bakkie	0803219	451,997	451,382
FINANCE	SCM	Internal	Machinery and Equipment	PC_1003	12,700	12,700
FINANCE	SCM: DEMAND MANAGEMENT, RISK, PERFORM	Internal	Machinery and Equipment			1,388,894
					3,716,437	4,141,925

DIRECTORATES	DEPARTMENT	FUNDING	PROJECTS	PROJECT NR	Adjusted Budget 2021/22	Actuals as at 30 June 2022
INFRASTRUCTURE & ENGINEERING	Electricity	Internal	Saffery Substation	CP7_ELC	999,998	883,238
INFRASTRUCTURE & ENGINEERING	Electricity	Internal	Electrical supply of tri-switches St Francis Bay		-	199,660
INFRASTRUCTURE & ENGINEERING	FLEET AND WORKSHOP	Internal	Transport assets		-	660,870
INFRASTRUCTURE & ENGINEERING	METERING & REVENUE	INEP	Ocean View Electrification	ELEC711	6,782,608	5,702,096
INFRASTRUCTURE & ENGINEERING	METERING & REVENUE	Internal	Bulk 66kv Overhead lines	CP66KV	2,147,319	5,093,466
INFRASTRUCTURE & ENGINEERING	METERING & REVENUE	Internal	Transport assets		-	1,409,836
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga		400,000	3,454,808
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	MIG	Mini Fresh Food and Craft Markets in Jbay & Hankey		728,750	539,276
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	MIG	Upgrading/Improvement of Sport Facilities within Kouga Region (Loerie)	MIG01	224,144	224,104
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	MIG	Upgrading/Improvement of Sport Facilities within Kouga Region (Sea Vista)	MIG02	2,342,087	2,342,087
INFRASTRUCTURE & ENGINEERING	Public Works	MIG	Upgrading of Gravel Roads in Humansdorp	PC_075	14,511,073	41,450,472
INFRASTRUCTURE & ENGINEERING	ROADS AND STORMWATER	Internal	Dune-weg extension project		123,407	107,311
INFRASTRUCTURE & ENGINEERING	ROADS AND STORMWATER	Internal	Transport assets		-	4,452,565
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	New bypass Sewer Rising Main and Pump Stations Jbay	CP5_SW	591,472	91,472
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Upgrade Sewer Rising Mains Jbay (La Mer-4A-4B) Pre	CP4_SW	326,000	138,441
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Piped Reticulation - St Francis Bay	CP7_SEW	295,000	104,848
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Upgrade Loerie sewer pump station	CP_2SW	146,999	26,964
INFRASTRUCTURE & ENGINEERING	Sewerage	MIG	Upgrade Sanitation System Old Hankey	PC_012	14,981,698	14,981,698
INFRASTRUCTURE & ENGINEERING	SEWERAGE	Internal	Transport assets		-	2,183,671
INFRASTRUCTURE & ENGINEERING	WASTE SERVICES	Internal	Transport assets		-	16,160,715
INFRASTRUCTURE & ENGINEERING	WATER	DRG	Connect 4 x drilled boreholes to treatment works	I&E002	8,498,394	8,498,394
INFRASTRUCTURE & ENGINEERING	WATER	DRG	Connecting Kruisfontein borehole to Humansdorp Water Treatment Works		2,371,171	2,371,171
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace 250mm Water Main Canal Road St Francis Bay	CP7_WAT	163,000	51,536
INFRASTRUCTURE & ENGINEERING	Water	Internal	Repair Leaking Concrete Water Tower Paradise Beach	CP_4WAT	310,000	-
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace Main Waterline Sout Rivier Bridge Crossing	CP5_WAT	295,000	123,777
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace 250mm Water Main Mimosa Street Jbay	CP6_WAT	104,000	99,907
INFRASTRUCTURE & ENGINEERING	Water	Internal	Machinery & Equipment	CP_10SW	12,792	22,236
INFRASTRUCTURE & ENGINEERING	WATER	Internal	WATER TANKS - JEFFREYS BAY	W9801	840,000	446,850
INFRASTRUCTURE & ENGINEERING	WATER	Internal	Connecting Kruisfontein borehole to Humansdorp Water Treatment Works	WAT004	7,964,522	4,374,004
INFRASTRUCTURE & ENGINEERING	WATER	Internal	Connect 4 x drilled boreholes to treatment works	I&E002	3,186,605	2,371,171
INFRASTRUCTURE & ENGINEERING	WATER	Internal	Water treatment works		5,098,000	4,998,000
INFRASTRUCTURE & ENGINEERING	WATER	Internal	Connect 4 x drilled boreholes to treatment works		-	71,269,553
INFRASTRUCTURE & ENGINEERING	WATER	Internal	WATER TANKS - HUMANSDORP	W9802	2,550,000	786,060
					75,994,039	95,223,443
PLANNING, DEVELOPMENT & TOURISM	Economic Development: Tourism	Internal	Restoration of Fisherman Grave Site	CP2_EDT	150,000	-
PLANNING, DEVELOPMENT & TOURISM	LAND & PROPERTY ADMINISTRATION	Internal	Furniture and equipment	CP_54	451,528	378,201
PLANNING, DEVELOPMENT & TOURISM	LAND & PROPERTY ADMINISTRATION	Internal	Computer Equipment	CP_4	100,000	124,833
PLANNING, DEVELOPMENT & TOURISM	LOCAL ECONOMIC DEVELOPMENT	Internal	Computer Equipment	CP_4	83,898	138,521
PLANNING, DEVELOPMENT & TOURISM	LOCAL ECONOMIC DEVELOPMENT	Internal	Kouga Business Support Centre	CP1_EDB	599,999	-
PLANNING, DEVELOPMENT & TOURISM	Planning & Development	Internal	Computer Software and Applications	CP_60	220,000	-
PLANNING, DEVELOPMENT & TOURISM	Planning & Development	Internal	Furniture and equipment	CP_54	299,999	252,034
					1,905,424	893,589
				Total	93,019,631	113,981,770

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APPENDIX O: CAPITAL PROJECT BY WARD

DEPARTMENT	PROJECTS	WARD NR	Adjusted Budget 2021/22	Actuals as at 30 June 2022
Beach	Upgrading of Pellsrus, Kabeljous, Cape St Francis		100,000	58,840
CEMETERIES	Ablution Facilities New		150,000	-
Envornmental Management Fee	Kouga Skip Bins		199,998	196,372
FIRE SERVICES	Fire Vehicle		1,638,000	1,600,000
Fire Services	Fencing Humansdorp Fire Station		600,000	- 0
Fire Services	Vehicle		564,999	564,910
LAW ENFORCEMENT	Machinery and Equipment (Generator)		230,000	199,978
LAW ENFORCEMENT	Machinery and Equipment (Radio communication) -		99,999	41,730
PARKS AND OPEN SPACES	5X Trailers		199,999	189,410
Protection Services	Machinery and Equipment (Security Cameras System)		300,000	157,784
SPORT & RECREATION	Fencing Sport and Recreational Facilities		1,500,000	- 0
Corporate Services	Fencing of municipal building		629,206	- 71,038
MAYOR	Electronic and Computer Equipment		200,000	188,747
MAYOR	Vehicle		1,199,999	973,900
WARD COUNCILLORS	Ward councilors Capital project		300,000	207,106
ASSET MANAGEMENT	Single Cap Bakkie for stock verification		349,999	347,478
ASSET MANAGEMENT	Replacement of Electrical Transformer _ Humansdorp		863,538	769,461
REVENUE	2 Single Cab Bakkie		451,997	451,382
Electricity	Saffery Substation		999,998	883,238
METERING & REVENUE	Ocean View Electrification		6,782,608	5,702,096
METERING & REVENUE	Bulk 66kv Overhead lines		2,147,319	- 5,093,466
PROJECT MANAGEMENT UNIT (PMU)	Upgrading/Improvement of Sport Facilities within Kouga		400,000	- 3,454,808
PROJECT MANAGEMENT UNIT (PMU)	Mini Fresh Food and Craft Markets in Jbay & Hankey		728,750	539,276
PROJECT MANAGEMENT UNIT (PMU)	Upgrading/Improvement of Sport Facilities within Kouga Region (Loerie)		224,144	224,104
PROJECT MANAGEMENT UNIT (PMU)	Upgrading/Improvement of Sport Facilities within Kouga Region (Sea Vista)		2,342,087	2,342,087
Public Works	Upgrading of Gravel Roads in Humansdorp		14,511,073	- 41,450,472
ROADS AND STORMWATER	Dune-weg extension project		123,407	107,311
Sewerage	New bypass Sewer Rising Main and Pump Stations Jbay		591,472	91,472
Sewerage	Upgrade Sewer Rising Mains Jbay (La Mer-4A-4B) Pre		326,000	138,441
Sewerage	Piped Reticulation - St Francis Bay		295,000	104,848
Sewerage	Upgrade Loerie sewer pump station		146,999	26,964
Sewerage	Upgrade Sanitation System Old Hankey		14,981,698	14,981,698
WATER	Connect 4 x drilled boreholes to treatment works		8,498,394	8,498,394
WATER	Connecting Kruisfontein borehole to Humansdorp Water Tretment Works		2,371,171	2,371,171
Water	Replace 250mm Water Main Canal Road St Francis Bay		163,000	51,536
Water	Replace Main Waterline Sout Rivier Bridge Crossing		295,000	123,777
Water	Replace 250mm Water Main Mimosa Street Jbay		104,000	99,907
WATER	WATER TANKS - JEFFREYS BAY		840,000	446,850
WATER	Connecting Kruisfontein borehole to Humansdorp Water Tretment Works		7,964,522	4,374,004
WATER	Connect 4 x drilled boreholes to treatment works		3,186,605	2,371,171
WATER	Water treatment works		5,098,000	4,998,000
WATER	WATER TANKS - HUMANSDORP		2,550,000	786,060

APPENDIX P: SERVICE DELIVERY BACKLOG AT SCHOOLS AND CLINICS

DEPARTMENT	PROJECT DESCRIPTION
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 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

APPENDIX Q: SERVICE DELIVERY BACKLOGS WHERE OTHER SPHERES OF GOVERNMENT IS RESPONSIBLE FOR SERVICE DELIVERY

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	PROJECT DESCRIPTION
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 1,2,4,5,6,7,9,13,14 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

APPENDIX R: DECLARATION OF GRANTS AND LOANS

Declaration of Loans and Grants made by the municipality: Year 2021/22			
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project (Conditions for Grant Funding captured in Service Level Agreements(	Year: 2021/22	Future Commitment
Kouga Local Tourism Organisation:	Tourism	R320 000.00	Grant-No future commitment
Humansdorp Museum Association:	Heritage	R150 000.00	Grant-No future commitment
Jeffreys Bay Recycling Project:	Waste Minimization	R50 000.00	Grant-No future commitment
On Eagles Wings Multi-Purpose Centre:		R8000.00	Grant-No future commitment
SPCA ASSISI:	Animal Welfare	R270 000.00	Grant-No future commitment
Jeffreys Bay Animal Rescue:	Animal Welfare	R90 000.00	Grant-No future commitment
St Francis Bay Animal Rescue:	Animal Welfare	R90 000.00	Grant-No future commitment
National Sea Rescue Institute:	Sea Rescue	R250 000.00	Grant-No future commitment

APPENDIX S: DECLARATIONS OF SECTION 71 MFMA RETURNS NOT MADE

All Section 71 declarations were made

APPENDIX T: NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

NATIONAL DEVELOPMENT PILLARS	NATIONAL AND PROVINCIAL PRIORITIES	MUNICIPAL PRIORITIES
PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT	Priority 3: Education, Skills and Health Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services Priority 6: Social Cohesion and Safer Communities	1. Improve Service Delivery 2. Socio-Economic upliftment

PILLAR 2: ECONOMIC POSITIONING	Priority 2: Economic Transformation and Job Creation	1. Job creation 2. Local Economic Development
PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY	Priority 5: Spatial Integration, Human Settlements and Local Government	1. Spatial Integration
PILLAR 4: INFRASTRUCTURE ENGINEERING	Priority 2: Economic Transformation and Job Creation Priority 5: Spatial Integration, Human Settlements and Local Government	1. Basic Service Delivery and Infrastructure
PILLAR 5: INTEGRATED SERVICE PROVISIONING	Priority 4: Consolidating the Social Wage through reliable and Quality Basic Services	1. Basic Service Delivery and Infrastructure
PILLAR 6: GOVERNANCE AND FINANCE	Priority 1: A Capable, Ethical and Developmental State Priority 7: A Better Africa and World	1. Build Institutional Capacity and Financial Viability 2. Governance and Public Participation 3. Municipal Transformation and Organizational Development

APPENDIX U: ANNUAL FINANCIAL STATEMENTS

APPENDIX U



AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

KOUGA LOCAL MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Index

The reports and statements set out below comprise the Annual Financial Statements presented to the council:

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KOUGA LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

General Information

MEMBERS OF THE EXECUTIVE MAYORAL COMMITTEE AS AT 30 JUNE 2022

H Hendricks	Executive Mayor
C Borman	Executive Deputy Mayor, Local Economic Development and Tourism
B Williams	Speaker
T Jantjies	Corporate Service
W Gertenbach	Finance
L Maree	Infrastructure & Engineering
D Benson	Community Services
S Ruth	Monitoring, Evaluation and Performance

AUDITOR-GENERAL

69 Frere Road, Vincent, East London, 5247
 Eastern Cape

BANKERS

First National Bank
 Private Bag X5
 Jeffreys Bay, 6330

REGISTERED OFFICE

33 Da Gama Road
 Jeffreys Bay

P O Box 21
 Jeffreys Bay
 6330

Tel: (042) 200 2200
 Fax: (042) 293 4204

Webpage: www.kouga.gov.za
 E-mail: registry@ec108.org.za

MUNICIPAL MANAGER

Mr. C. du Plessis

CHIEF FINANCIAL OFFICER

Mr. R Lorgat

KOUGA LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

General Information (Continued)

LEGAL FORM

Category B Municipality which operates in accordance with Chapter 7 of the Constitution of South Africa.

The Objects of Local Government are:

to provide democratic and accountable government for local communities;
to ensure the provision of services to communities in a sustainable manner;
to promote social and economic development;
to promote a safe and healthy environment; and
to encourage the involvement of communities and community organisations in the matters of local government above.

JURISDICTION

Greater Kouga area which includes:

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

KOUGA LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Approval of Annual Financial Statements

MEMBERS OF THE KOUGA LOCAL MUNICIPALITY

WARD	COUNCILLOR	
1	Ntshota	N
2	Murray	H
3	Gertenbach	W
4	Alexander	J
5	Biko	M
6	Ndzelani	K
7	Mbuqu	E
8	Foley	R
9	August	C
10	Mbandana	M
11	Haystek	F
12	Maree	L
13	Zana	V
14	Yali	M
15	Jantjes	T
Proportional	Hendricks	H
Proportional	Bornman	H
Proportional	Williams	B
Proportional	van Niekerk	M
Proportional	Benson	D
Proportional	Ruth	S
Proportional	Dhludhlu	B
Proportional	Dayimani	M
Proportional	Gunuza	V
Proportional	Ntengwane	N
Proportional	Valgee	M
Proportional	Oliphant	P
Proportional	Nkilishane	L
Proportional	Human	B
Proportional	van der Linde	W

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements, in accordance with Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act and the Minister for Cooperative Governance and Traditional Affairs' determination in accordance with this Act.



Mr. C du Plessis
Municipal Manager

31 August 2022

Date

KOUGA LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Report of the Auditor General

- Insert Audit Report -

KOUGA LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2022

		Actual	
	Note	2022	2021
		R	Restated R
ASSETS			
Current Assets		192 437 864	168 876 900
Inventories	1.	17 049 849	12 570 366
Receivables from Exchange Transactions	2.	76 320 626	45 103 236
Statutory Receivables from Non-Exchange Transactions	3.	20 620 893	9 951 048
VAT Receivable	4.	50 443 224	47 750 213
Cash and Cash Equivalents	5.	27 850 559	53 394 447
Lease Receivables	9.	152 713	107 590
Non-Current Assets		2 328 629 135	2 320 627 821
Property, Plant and Equipment	6.	2 065 150 911	2 056 687 414
Intangible Assets	7.	869 780	1 294 963
Investment Property	8.	262 608 444	262 645 444
Total Assets		2 521 066 999	2 489 504 721
LIABILITIES			
Current Liabilities		176 145 472	157 559 597
Consumer Deposits	10.	23 672 925	20 774 255
Payables from Exchange Transactions	11.	105 579 188	87 641 406
Payables from Non-exchange Transactions	12.	-	751 430
Unspent Conditional Grants and Receipts	13.	-	6 198 656
Lease Payables	14.	7 463 613	618 501
Borrowings	15.	-	6 128 308
Employee Benefit Liabilities	16.	7 443 566	7 872 752
Provisions	17.	31 986 180	27 574 289
Non-Current Liabilities		234 729 722	190 957 115
Lease Payables	14.	22 813 236	-
Employee Benefit Liabilities	16.	105 496 394	101 796 699
Provisions	17.	106 420 092	89 160 416
Total Liabilities		410 875 194	348 516 712
Total Assets and Liabilities		2 110 191 805	2 140 988 009
NET ASSETS		2 110 191 805	2 140 988 009
Accumulated Surplus / (Deficit)	18.	2 110 191 805	2 140 988 009
Total Net Assets		2 110 191 805	2 140 988 009

KOUGA LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

		Actual	
	Note	2022	2021
		R	Restated R
REVENUE			
Revenue from Non-exchange Transactions		456 086 562	439 208 557
Property Rates	19.	224 326 475	210 204 641
Fines, Penalties and Forfeits	20.	5 881 345	3 308 088
Licences and Permits	21.	9 593 213	10 227 056
Transfers and Subsidies	22.	214 510 912	213 768 325
Interest, Dividends and Rent on Land Earned	27.	1 774 617	1 700 447
Revenue from Exchange Transactions		555 679 980	495 904 388
Service Charges	23.	521 290 057	470 461 950
Sales of Goods and Rendering of Services	24.	9 602 709	8 159 245
Income from Agency Services	25.	2 559 892	1 411 573
Rental from Fixed Assets	26.	3 094 059	2 346 673
Interest, Dividends and Rent on Land Earned	27.	15 328 365	12 473 289
Operational Revenue	28.	3 804 898	1 051 658
Total Revenue		1 011 766 542	935 112 945
EXPENDITURE		1 042 562 741	980 060 968
Employee Related Costs	29.	331 397 764	335 334 008
Remuneration of Councillors	30.	13 394 816	12 780 365
Depreciation and Amortisation	31.	91 119 431	80 942 416
Impairment Losses	32.	38 639 218	32 294 830
Interest, Dividends and Rent on Land	33.	4 662 497	3 422 272
Bulk Purchases	34.	295 222 161	254 057 835
Contracted Services	35.	75 039 055	95 785 474
Inventory Consumed	36.	93 045 884	71 674 857
Transfers and Subsidies Paid	37.	458 000	761 000
Operating Leases	38.	5 789 222	6 550 963
Operational Costs	39.	83 521 647	84 467 481
Loss on Disposal of Property, Plant and Equipment	40.	10 273 046	1 989 467
Total Expenditure		1 042 562 741	980 060 968
SURPLUS / (DEFICIT) FOR THE YEAR		(30 796 199)	(44 948 023)

KOUGA LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022

	Accumulated Surplus/ (Deficit)	Total Net Assets
	R	R
2021		
Balance at 30 June 2020	2 235 831 838	2 235 831 838
Correction of Error (Note 42)	(49 895 808)	(49 895 808)
Restated Balance	2 185 936 030	2 185 936 030
Surplus / (Deficit) for the year	(44 948 023)	(44 948 023)
<i>Surplus / (Deficit) as per prior 2020/21 AFS</i>	<i>(44 973 159)</i>	<i>(44 973 159)</i>
<i>Revenue & Expenditure Correction of Error (Note 42.)</i>	<i>25 136</i>	<i>25 136</i>
Rounding Variances	2	2
Balance at 30 June 2021	2 140 988 009	2 140 988 009
2022		
Correction of Error (Note 42)	-	-
Restated Balance	2 140 988 009	2 140 988 009
Surplus / (Deficit) for the year	(30 796 199)	(30 796 199)
Rounding Variances	(5)	(5)
Balance at 30 June 2022	2 110 191 805	2 110 191 805

KOUGA LOCAL MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

	Note	Actual 2022 R	2021 Restated R
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Property Rates	19.	222 910 709	208 762 881
Transfers and Subsidies	22.	208 312 256	193 039 803
Service Charges	23.	481 764 673	439 078 877
External Interest and Dividends Received	27.	3 224 544	4 192 018
Other Receipts	28.	30 632 442	26 690 557
Payments			
Employee Related Costs	29.	(332 334 550)	(319 231 506)
Remuneration of Councillors	30.	(13 394 816)	(12 780 365)
External Interest and Dividends Paid	33.	(865 483)	(1 425 285)
Suppliers Paid	36.	(453 500 746)	(481 388 261)
Other Payments	39.	(92 228 814)	(70 573 460)
VAT Paid	4.	(2 693 011)	(3 589 221)
NET CASH FLOWS FROM OPERATING ACTIVITIES	44.	51 827 204	(17 223 962)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment	6.	(114 495 250)	(60 644 473)
Purchase of Intangible Assets	7.	-	(976 994)
Proceeds / (Payments) on Disposal of Property, Plant and Equipment	6.	13 557 118	57 425
Decrease / (Increase) in Long-term Receivables	10.	-	13 000
NET CASH FLOWS FROM INVESTING ACTIVITIES		(100 901 132)	(61 551 042)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in Finance Leases (Leases Paid)	14.	29 658 348	(645 618)
Decrease in Borrowings (Loans Repaid)	15.	(6 128 308)	(8 961 981)
NET CASH FLOWS FROM FINANCING ACTIVITIES		23 530 040	(9 607 599)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(25 543 888)	(88 382 603)
Cash and Cash Equivalents at Beginning of Period	5.	53 394 447	141 777 050
Cash and Cash Equivalents at End of Period	5.	27 850 559	53 394 447

KOUGA LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

30 June 2022

Description	Original Budget	Budget Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	R	R	R	R	R	R	R
FINANCIAL POSITION							
Current Assets							
Inventories	8 798 443	3 771 923	12 570 366	17 049 849	4 479 483	135.64	193.78
Receivables from Exchange Transactions	115 913 074	52 474 605	63 438 469	76 320 626	12 882 157	120.31	65.84
Receivables from Non-exchange Transactions	-	-	-	-	-	0.00	0.00
Statutory Receivables from Non-Exchange Transactions	-	22 617 129	22 617 129	20 620 893	(1 996 236)	91.17	0.00
VAT Receivable	-	46 924 204	46 924 204	50 443 224	3 519 020	107.50	0.00
Cash and Cash Equivalents	45 339 220	41 234 264	4 104 956	27 850 559	23 745 603	678.46	61.43
Operating Lease Receivables	-	107 590	107 590	152 713	45 123	141.94	0.00
Current Portion of Long-term Receivables	-	-	-	-	-	0.00	0.00
Non-Current Assets							
Property, Plant and Equipment	2 042 418 637	10 687 002	2 053 105 639	2 065 150 911	12 045 272	100.59	101.11
Intangible Assets	2 933 580	531 616	2 401 964	869 780	(1 532 184)	36.21	29.65
Investment Property	242 551 944	20 093 500	262 645 444	262 608 444	(37 000)	99.99	108.27
Long-term Receivables	13 000	13 000	-	-	-	0.00	0.00
Total Assets	2 457 967 898	9 947 863	2 467 915 761	2 521 066 999	53 151 238	102.15	102.57
Current Liabilities							
Consumer Deposits	17 378 122	3 396 133	20 774 255	23 672 925	2 898 670	113.95	136.22
Provisions	-	38 274 789	38 274 789	39 429 746	1 154 957	103.02	0.00
Payables from Exchange Transactions	-	101 573 140	101 573 140	105 579 188	4 006 048	103.94	0.00
Payables from Non-exchange Transactions	-	-	-	-	-	0.00	0.00
Unspent Conditional Grants and Receipts	-	-	-	-	-	0.00	0.00
Lease Payables	-	-	-	7 463 613	7 463 613	0.00	0.00
Non-Current Liabilities							
Lease Payables	-	-	-	22 813 236	22 813 236	0.00	0.00
Employee Benefit Liabilities	-	99 163 499	99 163 499	105 496 394	6 332 895	106.39	0.00
Non-current Provisions	-	92 212 000	92 212 000	106 420 092	14 208 092	115.41	0.00
Total Liabilities	17 378 122	334 619 561	351 997 683	410 875 194	58 877 511	116.73	2 364.32
Total Assets and Liabilities	2 440 589 776	(324 671 698)	2 115 918 078	2 110 191 805	(5 726 273)	99.73	86.46
Net Assets (Equity)							
Accumulated Surplus / (Deficit)	2 112 198 863	3 719 218	2 115 918 081	2 110 191 805	(5 726 276)	99.73	99.90
Total Net Assets	2 112 198 863	3 719 218	2 115 918 081	2 110 191 805	(5 726 276)	99.73	99.90

KOUGA LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

Financial Position: Explanation of Variances between Approved Budget and Actual

Reasons for Variances greater than 10% between Approved Budget and Actual Amount on the various items disclosed in the Statement of Financial Position are explained below

Inventories

Inventory mostly relate to materials and supplies used in service delivery implementation. The materials and supplies include water and sewerage pipes, electrical equipment used for planned and unanticipated maintenance of municipal infrastructure assets

Receivables from Exchange Transactions:

The receivables from exchange transactions are largely influenced by the higher than anticipated water billing, compared to the budgeted amount. The water revenue collection is also lower than anticipated in the 2021/22 approved adjusted budget

Cash and Cash Equivalents:

The cash and cash equivalent variances are largely influenced by the overall budget spending during the 2021/22 financial year and the outstanding creditors at year-end.

Operating Lease Receivables

Operating lease variance is due to new operating lease recognised during the 2021/22 financial year, but not budgeted for.

Intangible Assets:

The intangible assets variance is due to the computer software and applications acquisition, which were not materialised.

Consumer Deposits:

Consumer deposits variance is due to unanticipated additional deposits received in respect of the building plans and electricity.

Lease Payables:

Current and non-current lease payables relate to the rental of vehicles initially recognised as operating lease and subsequently recognised as finance lease in line with the Standards of Generally Recognised Accounting Practice (GRAP) requirements. The budget provision was made under the operating budget.

KOUGA LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

30 June 2022

Description	Original Budget	Budget Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	R	R	R	R	R	R	R
FINANCIAL PERFORMANCE							
Revenue from Non-exchange Transactions							
Property Rates	218 710 931	5 373 716	224 084 647	224 326 475	241 828	100.11	102.57
Fines, Penalties and Forfeits	2 237 701	- 1 443 384	794 317	5 881 345	5 087 028	740.43	262.83
Licences and Permits	25 745 678	- 12 872 840	12 872 838	9 593 213	- 3 279 625	74.52	37.26
Transfers and Subsidies	192 857 985	21 203 352	214 061 337	214 510 912	449 575	100.21	111.23
Surcharges and Taxes	- 1	1	-	-	-	0.00	0.00
Interest, Dividends and Rent on Land Earned	1 404 011	238 798	1 642 809	1 774 617	131 808	108.02	126.40
Revenue from Exchange Transactions							
Service Charges	538 133 132	1 407 114	539 540 246	521 290 057	- 18 250 189	96.62	96.87
Sales of Goods and Rendering of Services	6 060 815	2 389 422	8 450 237	9 602 709	1 152 472	113.64	158.44
Income from Agency Services	-	1	1	2 559 892	2 559 891	#####	0.00
Rental from Fixed Assets	1 168 521	1 631 649	2 800 170	3 094 059	293 889	110.50	264.78
Interest, Dividends and Rent on Land Earned	15 049 529	- 1 061 640	13 987 889	15 328 365	1 340 476	109.58	101.85
Operational Revenue	4 287 510	10 283 809	14 571 319	3 804 898	- 10 766 421	26.11	88.74
Total Revenue	1 005 655 812	27 149 998	1 032 805 810	1 011 766 542	- 21 039 268	97.96	100.61
Expenditure							
Employee Related Costs	378 677 428	- 1 337 528	377 339 900	331 397 764	- 45 942 136	87.82	87.51
Remuneration of Councillors	13 650 824	-	13 650 824	13 394 816	- 256 008	98.12	98.12
Depreciation and Amortisation	91 830 149	-	91 830 149	91 119 431	- 710 718	99.23	99.23
Impairment Losses	53 726 248	- 7 908 749	45 817 499	38 639 218	- 7 178 281	84.33	71.92
Interest, Dividends and Rent on Land	715 994	1	715 995	4 662 497	3 946 502	651.19	651.19
Bulk Purchases	290 000 000	10 000 000	300 000 000	295 222 161	- 4 777 839	98.41	101.80
Contracted Services	78 598 308	4 553 590	83 151 898	75 039 055	- 8 112 843	90.24	95.47
Inventory Consumed	66 260 658	2 010 497	68 271 155	93 045 884	24 774 729	136.29	140.42
Transfers and Subsidies Paid	650 000	- 100 000	550 000	458 000	- 92 000	83.27	70.46
Operating Leases	7 623 732	- 450 000	7 173 732	5 789 222	- 1 384 510	80.70	75.94
Operational Costs	92 715 736	30 291 356	123 007 092	83 521 647	- 39 485 445	67.90	90.08
Loss on Disposal of Property, Plant and Equipment	-	-	-	10 273 046	10 273 046	0.00	0.00
Total Expenditure	1 074 449 077	37 059 167	1 111 508 244	1 042 562 741	- 68 945 503	93.80	97.03
Surplus/(Deficit for the Year)	(68 793 265)	(9 909 169)	(78 702 434)	(30 796 199)	47 906 235	-	-

KOUGA LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

Financial Performance: Explanation of Variances between Approved Budget and Actual
explained below:

Fines, Penalties and Forfeits:

Fines, penalties and forfeits mostly relate to traffic and building fines. The traffic fines revenue is significantly higher than initially budgeted for, due to the appointment of a service provider for speeding camera fines.

Licences and Permits Non-exchange:

Licences and permits mostly relate to motor vehicle, drivers, and learners' licences. The licences and permits revenue are largely influenced by lower than anticipated revenue on operators and public drivers permits

Sales of Goods and Rendering of Services:

Sales of Goods and Rendering of Services mostly relate to land usage, building plan, camping and legal fees. The revenue is slightly higher than anticipated to due to building and valuation services fees

Operational Revenue:

Operating revenue mostly relate to various other revenues such as skills development levy refunds, insurance refunds, staff recoveries and sale of municipal property. The revenue is largely influenced by the land sale budget of R 10,524 million, which was subsequently recognised as a loss.

Impairment Losses:

Impairment losses mostly relate to bad debt provision raised against property rates and services charges (water, sanitation, refuse and electricity) debtors. The impairment losses are largely influenced by higher than anticipated bad debt provision raised for sanitation, refuse and water debtors.

Interest, Dividends and Rent on Land:

Interest, Dividend and Rent on Land mostly relate to finance cost paid on Development Bank of South Africa (DBSA) loan, which was fully paid during the 2021/22 financial year. Interest, Dividend and Rent on Land expenditure amount is largely influenced by the landfill site interest provision raised.

Inventory consumed:

Inventory consumed comprises of consumables, materials and supplies used in daily operations of the municipality and include the bulk water consumption. The inventory consumed is largely influenced by the bulk water account received from the Nelson Mandela Bay Municipality amounting to R 14,943 million, based on the correction of previous months billings. There was no budget provision made for the adjusted bulk water account.

Operating Leases

The operating leases relate to the rental of photocopy machines, IT related network equipment and other assets. The operating leases paid is lower than anticipated.

Operational Costs

Operational costs comprise of various line items relating to the daily operations of the municipality. The operational costs are largely influenced by the municipal services charges (municipal service charges relate to own consumption), which were transferred to service charges revenue and recognised as revenue forgone. The operational costs include a budget provision for the municipal services amounting to R 31,563 million.

Loss on Disposal of Property, Plant and Equipment:

The loss on disposal of property, plant and equipment relate to the land sale transaction and the loss was not anticipated, hence no budget provision was made.

Employee related costs

The employee related costs are slightly lower than anticipated and largely influenced by budgeted vacancies not yet filled.

Transfers and subsidies paid

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. The transfers and subsidies paid is influenced by the number of applications received and approved in line with the requirements of grant-in-aid policy.

KOUGA LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

30 June 2022

Description	Original Budget	Budget Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	R	R	R	R	R	R	R
CAPITAL EXPENDITURE PER VOTE							
Corporate Services	1 923 000	306 550	2 229 550	1 198 688	(1 030 862)	53.76	62.33
Executive and Council	2 740 000	280 000	3 020 000	2 283 622	(736 378)	75.62	83.34
Financial Services	2 460 000	1 256 440	3 716 440	3 781 739	65 299	101.76	153.73
Infrastructure and Engineering	45 230 000	30 764 045	75 994 045	65 983 153	(10 010 892)	86.83	145.88
Planning, Development and Tourism	1 170 000	735 425	1 905 425	855 269	(1 050 156)	44.89	53.84
Community Services	7 490 000	- 1 335 807	6 154 193	41 170 172	35 015 979	668.98	549.67
Total Capital Expenditure	61 013 000	32 006 653	93 019 653	115 272 643	22 252 990	1 031.83	1 048.80

Capital Expenditure per Vote: Explanation of Variances between Approved Budget and Actual

Reasons for Variances greater than 10% between Approved Budget and Actual Amount on the various items for Capital Expenditure per Vote are explained below:

Corporate Services:

The Corporate services capital expenditure was slower than anticipated, compared to the approved budget. The municipality realised savings on some projects, compared to the budgeted amounts.

Executive and Council:

The Executive and Council capital expenditure is slightly slower than anticipated, compared to the approved budget. The municipality realised savings on some projects, compared to the budgeted amounts.

Infrastructure and Engineering:

The Infrastructure and Engineering capital expenditure is slower than anticipated, compared to the approved budget. The projects relate to connecting boreholes to water treatment works, connecting Kruisfontein boreholes to Humansdorp water treatment work and water tanks for Jeffreys Bay drought project, with the budget rollover to 2022/23 financial year for implementation of the projects. The budget rollover amounts to R 4,468 million, will be approved by Council on 31 August 2022.

Planning, Development and Tourism:

The Planning, Development and Tourism capital expenditure is lower than anticipated, compared to the approved budget. Some capital expenditure projects were recognised as operational costs rather than capital expenditure due to the Standards of Generally Recognised Accounting Practice (GRAP) requirements. Project relates to Kouga Business Support Centre, with the budget rollover to 2022/23 financial year for implementation of the project. The budget rollover amounts to R0,336 million, will be approved by Council on 31 August 2022.

Community Services:

The Community Services capital expenditure budget is overspent due to the rental of vehicles initially recorded as operating lease and subsequently recognised as finance lease in line with the Standards of Generally Recognised Accounting Practice (GRAP) requirements.

KOUGA LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

30 June 2022

Description	Original Budget	Budget Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	R	R	R	R	R	R	R
CASH FLOW							
Cash Flows from/(used in) Operating Activities							
Receipts							
Property Rates	203 401 166	8 782 641	212 183 807	222 910 709	10 726 902	105.06	109.59
Transfers and Subsidies	192 857 985	15 240 435	208 098 420	208 312 256	213 836	100.10	108.01
Service Charges	500 463 813	211 008 968	711 472 781	481 764 673	(229 708 108)	67.71	96.26
External Interest and Dividends Received	15 706 376	12 895 587	2 810 789	3 224 544	413 755	114.72	20.53
Other Receipts	39 500 224	7 588 737	47 088 961	30 632 442	(16 456 519)	65.05	77.55
VAT Receivable / Payable	-	-	-	-	-	0.00	0.00
Payments							
Employee Related Costs	(378 677 428)	26 185 005	(352 492 423)	(332 334 550)	20 157 873	0.00	0.00
Remuneration of Councillors	(13 650 824)	-	(13 650 824)	(13 394 816)	256 008	0.00	0.00
External Interest and Dividends Paid	(715 994)	-	(715 994)	(865 483)	(149 489)	0.00	0.00
Suppliers Paid	(535 198 433)	241 323 535	(776 521 968)	(453 500 746)	323 021 222	0.00	0.00
Other Payments	(650 000)	650 000	-	(92 228 814)	(92 228 814)	0.00	0.00
VAT Receivable / Payable	-	-	-	(2 693 011)	(2 693 011)	0.00	0.00
Cash Flows from/(used in) Investing Activities							
Purchase of Property, Plant and Equipment	(61 012 540)	30 328 451	(91 340 991)	(114 495 250)	(23 154 259)	0.00	0.00
Purchase of Intangible Assets	-	-	-	-	-	0.00	0.00
Purchase of Investment Property	-	-	-	-	-	0.00	0.00
Proceeds on Disposal of Property, Plant and Equipment	-	10 524 761	10 524 761	13 557 118	3 032 357	128.81	0.00
Decrease / (Increase) in Long-term Receivables	-	-	-	-	-	0.00	0.00
Cash Flows from/(used in) Financing Activities							
Increase in Long-term Loans (Loans Taken-on)	(6 747 000)	191	(6 746 809)	(6 128 308)	618 501	0.00	0.00
Decrease in Short-term Loans (Loans Repaid)	-	-	-	-	-	0.00	0.00
Cash and Cash Equivalents at Beginning of the Year	90 061 687		53 394 447	53 394 447	(5 912 746)	100.00	59.29
Cash and Cash Equivalents at End of the Year	45 339 032		4 104 957	27 850 559			

KOUGA LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

Cash Flow Statement: Explanation of Variances between Approved Budget and Actual

Reasons for Variances greater than 10% between Approved Budget and Actual Amount on the various items disclosed in the Cash Flow Statement are explained below:

Service Charges

The service charges collections are largely influenced by the lower average collection for waste management, waste water management and water, compared to the service charges billing. The municipality has achieved an average collection rate of 94.32%, compared to the 94% average collection rate budgeted for.

External Interest and Dividends Received

The external interest and dividends received are slightly higher than anticipated. Interest earned on external investments is largely influenced by the municipality's investment portfolio.

Other Receipts

Other receipts comprise of various revenue sources relating to the daily operations of the municipality, such as receipts from municipal rental of facilities, fines, penalties, licences and permits and other operating revenue. The other receipts are largely influenced by demands from the communities.

External Interest and Dividends Paid

External interest and dividend paid mostly relate to finance cost paid on the Development Bank of South Africa (DBSA) loan, which was fully paid during the 2021/22 financial year. the external interest and dividend paid is slightly lower than anticipated

Suppliers Paid

Suppliers paid will include other payments and VAT payable in terms of National Treasury budget schedules, therefore the expenditure is 68%, compared to the budget. Suppliers paid is largely influenced by the overall budget spending and the outstanding creditors at year-end.

Purchase of Property, Plant and Equipment

The purchasing of property, plant and equipment budget is overspent due to the rental of vehicles initially recognised as operating lease and subsequently recognised as finance lease in line with the Standards of Generally Recognised Accounting Practice (GRAP) requirements.

Purchase of Intangible Assets

The budget provision for the purchasing of intangible assets was included in the purchasing of property, plant and equipment budget.

Proceeds on Disposal of Property, Plant and Equipment

The proceeds on disposal of property, plant and equipment is slightly lower than anticipated.

Increase in long-term loans

The increase in long-term loans comprise of various vehicle finance lease entered by the municipality. The finance lease was initially recognised as operating lease and subsequently changed to finance lease in line with the Standards of Generally Recognised Accounting Practice (GRAP) requirements.

KOUGA LOCAL MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1. BASIS OF PRESENTATION

The Annual Financial Statements have been prepared in accordance with Standards of Generally Recognised Accounting Practices (GRAP), as approved by the Minister of Finance, including any interpretations, guidelines and directives issued by the Accounting Standards Board and in accordance with the requirements of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

The Annual Financial Statements have been prepared in accordance with the historical cost convention, except where indicated otherwise.

The Statement of Financial Performance has been prepared to classify expenses by nature, whilst revenue is classified in a manner appropriate to the municipality's operations. The Cash Flow Statement has been prepared using the Direct Method.

1.1 Presentation Currency

The Annual Financial Statements are presented in South African Rand, rounded off to the nearest Rand which is the municipality's functional currency.

1.2 Critical Judgements, Estimations and Assumptions

In the application of the municipality's Accounting Policies, which are described below, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that management have made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in Annual Financial Statements:

KOUGA LOCAL MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1.2.1 Revenue Recognition

In making their judgement, the management considered the detailed criteria for the recognition of revenue as set out in GRAP 9 (Revenue from Exchange Transactions) and GRAP 23 (Revenue from Non-exchange Transactions). As far as Revenue from Non-exchange Transactions is concerned (see Basis of Preparation above), and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services is rendered, whether the service has been rendered. Also of importance is the estimation process involved in initially measuring revenue at the fair value thereof. Management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

- **Estimation of unused Prepaid Metered Services:**
Estimates of unused consumption of prepaid metered services, based on the consumption history, are made at year-end. Sales for prepaid metered services are recognised as revenue upon receipt of payment for these services, except at year-end when estimates for unused consumption up to reporting date are reversed from revenue and accrued as payment for services received in advance. These accruals are reversed in the new financial year to revenue again, deemed to be consumed after 30 June. In respect of estimates of consumption between the last date of purchase and the reporting date, an accrual for payments received in advance is made based on the average monthly consumption of consumers the reporting date, an accrual is made based on the average monthly consumption of consumers.

1.2.2 Water Inventory

The estimation of the Water Inventory in reservoirs is based on the measurement of water via electronic level sensors, which determines the depth of water in the reservoirs, which is then converted into volumes based on the total capacity of the reservoir. Furthermore, the length and width of all pipes are also taken into account in determining the volume of water on hand at year-end. Refer to Accounting Policy 3

1.2.3 Impairment of Financial Assets

Accounting Policy 4.4 on Impairment of Financial Assets describes the process followed to determine the value at which Financial Assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment and used its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of the reporting period. The management of the municipality is satisfied that impairment of Financial Assets recorded during the year is appropriate.

- **Impairment of Trade Receivables:**
The calculation in respect of the impairment of Debtors is based on an assessment of the extent to which Debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This is performed per service-identifiable categories across all classes of debtors.
- **Impairment of Traffic Fines:**
Assessing and recognising impairment of Receivables for Traffic Fines is an event that takes place subsequent to the initial recognition of revenue charged. The municipality assesses the probability of collecting revenue when accounts fall into arrears. Such an assessment is not to be made at the time of initial recognition.

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1.2.4 Impairment of Statutory Receivables

Accounting Policy 5.3 on Impairment of Statutory Receivables describes the process followed to determine the value at which Statutory Receivables should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment and used its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of the reporting period. The management of the municipality is satisfied that impairment of Statutory Receivables recorded during the year is appropriate.

1.2.5 Capitalisation of Capital Assets

Judgement by management is required to distinguish between expenses incurred to maintain and repair capital assets and expenses incurred that will increase the remaining useful life of capital assets and needs to be capitalised to capital assets.

1.2.6 Useful lives of Property, Plant and Equipment, Intangible Assets and Investment Property

As described in Accounting Policies 6.3, 7.2 and 8.2, the municipality depreciates its Property, Plant & Equipment and Investment Property, and amortises its Intangible Assets, over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives, which is determined when the assets are available for use.

The estimation of residual values of assets is based on management's judgement as to whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

1.2.7 Impairment: Write-down of Property, Plant & Equipment, Intangible Assets, and Inventories

Accounting Policy 6 on Impairment of Assets, Accounting Policy 7 on Intangible Assets – Subsequent Measurement, Amortisation and Impairment and Accounting Policy 3 on Inventory – Subsequent Measurement describe the conditions under which non-financial assets are tested for potential impairment losses by the management of the municipality. Significant estimates and judgements are made relating to impairment testing of Property, Plant and Equipment, impairment testing of Intangible Assets and write-down of Inventories to the lowest of Cost and Net Realisable Value or Current Replacement Cost.

In making the above-mentioned estimates and judgement, management considered the subsequent measurement criteria and indicators of potential impairment losses. In particular, the calculation of the recoverable service amount for PPE and Intangible Assets and the Net Realisable Value for Inventories involves significant judgment by management.

1.2.8 Defined Benefit Plan Liabilities

As described in Accounting Policy 14.2, Employee Benefits – Post-employment Benefits, the municipality obtains actuarial valuations of its Defined Benefit Plan Liabilities. The defined benefit obligations of the municipality that were identified are Post-retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in the relevant Notes to the Annual Financial Statements.

1.2.9 Provisions and Contingent Liabilities

Management judgement is required when recognising and measuring Provisions and when measuring Contingent Liabilities. Provisions are discounted where the effect of discounting is material using actuarial valuations.

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1.2.10 Principals and Agent Arrangements

The municipality assesses whether it is a party to any principal-agent arrangements by considering the principles contained in GRAP 109.

The municipality is assessed to be the agent and only accounts for the amounts which the agent are entitled to in terms of the principal-agent arrangement. In order to assess that the municipality is the agent, the following factors were considered in applying its judgement:

- The municipality acts as an agent for Department of Transport for issuing licenses and permits and collects monies on their behalf.

Management has assessed all arrangements in place and concluded that there are no principal-agent arrangements to which it was a party during this accounting period.

1.2.11 Housing Arrangements

The municipality is not accredited to deliver housing under the national housing programme. However it assesses its roles and responsibilities it undertakes for each project undertaken in terms of the national housing programme by assessing the terms and conditions agreed with the relevant Provincial Department of Human Settlements.

The municipality is assessed to be the project manager and relevant transactions are accounted for per the requirements of the relevant Standards of GRAP and the required disclosures are made in the relevant Notes to the Financial Statements. In order to assess that the municipality is the project manager, the following factors were considered in applying its judgement:

- The municipality acts on behalf of the Department of Human Settlement and acts on their behalf. The municipality acts as project manager whereby they co-ordinate representatives from Department of Human Settlement and contractors.

1.2.12 Budget Information

Deviations between budget and actual amounts are regarded as material differences when a 10% deviation exists. All material differences are explained in the relevant Notes to the Annual Financial Statements.

1.2.13 Segment Reporting

The municipality is assessed to have reportable segments as per the requirements of GRAP 18. In order to assess that the segments could be aggregated, the following factors were considered in applying its judgement:

- For management purposes the municipality is broadly organised into business units based on the nature of operations and the services they provide.
- No individually material operating segments have been aggregated to form the above reportable operating segments.
- The municipality does not monitor segments geographically.

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1.2.14 Covid-19 Exposure Risk

Management needs to estimate the effect of COVID-19 on its future cash flow and discount rates to ensure that the municipality will remain a going concern.

Judgement needs to be made on the effect of COVID-19 on credit risk, liquidity risk and going concern.

1.3 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.4 Going Concern Assumption

The Annual Financial Statements have been prepared on a Going Concern Assumption.

The recent COVID-19 pandemic and its effect on the municipality's current and expected performance has been considered by management in the Going Concern Assumption.

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1.5 Standards, Amendments to Standards and Interpretations issued but not yet Effective

The following GRAP Standards have been issued but are not yet effective and have not been early adopted by the municipality:

Standard of GRAP / Nature of Impending Changes / Expected Impact		Effective Date	Expected Impact
• Guideline	Accounting for Landfill Sites	Not yet determined	Unlikely there will be a material impact
• GRAP 25 Revised	Employee Benefits	Not yet determined	Unlikely there will be a material impact
• iGRAP 7 Revised	Limit on defined benefit asset, minimum funding requirements and their interaction.	Not yet determined	Unlikely there will be a material impact
• GRAP 104 Revised	Financial Instruments	01 April 2025	Unlikely there will be a material impact
• iGRAP 21	The Effect of Past Decisions on Materiality	01 April 2023	Unlikely there will be a material impact
• GRAP 2020	Improvements to the standards of GRAP 2020	01 April 2023	Unlikely there will be a material impact
• GRAP 1 (amended)	Presentation of Financial Statements	01 April 2023	Unlikely there will be a material impact
• Guideline	The Application of Materiality to Financial Statements No changes expected	Not yet determined	Not yet determined

The municipality has no operations and / or interests in the above-mentioned Standards where the impact is indicated "None, Standard not applicable to Municipality" and therefore it is regarded that no disclosures on these Standards will be necessary.

KOUGA LOCAL MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2. BUDGET INFORMATION

The annual budget figures have been prepared in accordance with the GRAP standard and are consistent with the Accounting Policies adopted by the Council for the preparation of these Annual Financial Statements. The amounts are scheduled as a separate additional financial statement, called the Statement of Comparison of Budget and Actual amounts. Explanatory comment is provided in the statement giving reasons for overall growth or decline in the budget and motivations for over- or under spending on line items. The annual budget figures included in the Annual Financial Statements are for the municipality and do not include budget information relating to subsidiaries or associates. These figures are those approved by the Council at the beginning and during the year following a period of consultation with the public as part of the Integrated Development Plan. The budget is approved on an accrual basis by nature classification.

The approved budget covers the period from 1 July 2021 to 30 June 2022.

3. INVENTORIES

3.1 Recognition and Initial Measurement

Inventories comprise current assets held-for-sale, current assets for consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the Inventories to their current location and condition.

Where Inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

Direct costs relating to properties that will be sold as Inventory are accumulated for each separately identifiable development.

3.2 Subsequent Measurement

3.2.1 Consumable Stores

Subsequently, Inventories sold are valued at the lower of cost and net realisable value. The cost is determined using the Weighted Average Method.

Consumable stores distributed at no charge or for a nominal charge and finished goods are valued at the lower of cost and current replacement cost. The cost is determined using the Weighted Average Method.

3.2.2 Water Inventory

Water is regarded as Inventory when the municipality purchases water in bulk with the intention to resell it to the consumers or to use it internally, or where the municipality has incurred purification costs on water obtained from natural resources (rain, rivers, springs, boreholes, etc). However, water in dams, that are filled by natural resources and that has not yet been treated, that is under the control of the municipality but cannot be measured reliably as there is no cost attached to the water, is therefore not recognised in the Statement of Financial Position.

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The basis of determining the cost of water purchased and not yet sold at reporting date comprises all costs of purchase, cost of conversion and other costs incurred in bringing the Inventory to its present location and condition, net of trade discounts and rebates.

Water and purified effluent are valued by using the FIFO Method, at the lowest of purified cost and net realisable value, insofar as it is stored and controlled in reservoirs at year-end.

3.2.3 Other Arrangements

Redundant and slow-moving Inventories identified are written down from cost to current replacement cost, if applicable.

Differences arising on the measurement of such Inventory at the lower of cost to current replacement cost or net realisable value, are recognised in Surplus or Deficit in the year in which they arise. The amount of any reversal of any write-down of Inventories arising from an increase in current replacement cost or net realisable value is recognised as a reduction in the amount of Inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of Inventories is recognised as an expense in the period that the Inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

4. FINANCIAL INSTRUMENTS

The municipality has various types of Financial Instruments and these can be broadly categorised as Financial Assets, Financial Liabilities or Residual Interests in accordance with the substance of the contractual agreement.

Initial Recognition

Financial Assets and Financial Liabilities are recognised when it becomes party to the contractual provisions of the instrument.

The municipality does not offset a Financial Asset and a Financial Liability unless a legally enforceable right to set off the recognised amounts currently exist and the municipality intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.1 Financial Assets – Classification

The municipality has the following types of Financial Assets:

Type of Financial Asset	Classification in terms of GRAP 104
Long-term Receivables	Financial Assets at Amortised Cost
Receivables from Exchange Transactions	Financial Assets at Amortised Cost
Bank, Cash and Cash Equivalents – Fixed Deposits	Financial Assets at Amortised Cost
Bank, Cash and Cash Equivalents – Bank	Financial Assets at Amortised Cost
Bank, Cash and Cash Equivalents – Cash	Financial Assets at Amortised Cost

Receivables from Exchange Transactions exclude Value Added Taxation, Prepayments and Operating Lease Receivables are classified as Financial Assets at Amortised Cost.

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Cash includes cash-on-hand (including petty cash) and cash with banks (including call deposits). For the purposes of the Cash Flow Statement, Cash and Cash Equivalents comprise cash-on-hand and deposits held on call with banks, net of bank overdrafts.

4.2 Financial Liabilities – Classification

The municipality has the following types of Financial Liabilities:

Type of Financial Liability	Classification in terms of GRAP 104
Borrowings	Financial Liabilities at Amortised Cost
Payables from Exchange Transactions	Financial Liabilities at Amortised Cost
Payables from Non-exchange Transactions	Financial Liabilities at Amortised Cost
Unspent Conditional Grants	Financial Liabilities at Amortised Cost

4.3 Initial and Subsequent Measurement

4.3.1 Financial Assets:

Financial Assets measured at Amortised Cost

Financial Assets at Amortised Cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the Financial Asset. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with interest recognised on an Effective Yield Basis.

4.3.2 Financial Liabilities:

Financial Liabilities held at Amortised Cost

Any other Financial Liabilities are classified as Other Financial Liabilities (All Payables, Loans and Borrowings are classified as Other Liabilities) and are initially measured at fair value, net of transaction costs. Trade and Other Payables, Interest-bearing Debt including Finance Lease Liabilities, Non-interest-bearing Debt and Bank Borrowings are subsequently measured at amortised cost using the Effective Interest Rate Method. Interest expense is recognised in Surplus or Deficit by applying the effective interest rate.

4.4 Impairment of Financial Assets

Financial Assets are assessed for indicators of impairment at the end of each reporting period. Financial Assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised through the use of an allowance account.

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4.4.1 Financial Assets at Amortised Cost

Government accounts are not provided for as such accounts are regarded as receivable for the following reasons:

- It is management's judgement that the accounts are not "lost events" in terms of GRAP 104.58.
- This is based on management's expert opinion and generally accepted practice within the industry.
- Interest is charged on all outstanding balances at a rate of the banker's prime rate plus 1%.
- There is an urge from National Treasury that State Departments and Entities should start paying their outstanding debt.

The carrying amount of the Financial Asset is reduced by the impairment loss directly for all Financial Assets carried at Amortised Cost with the exception of Consumer Debtors, where the carrying amount is reduced through the use of an allowance account. When a Consumer Debtor is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against revenue. Changes in the carrying amount of the allowance account are recognised in Surplus or Deficit.

4.5 Derecognition of Financial Assets

The municipality derecognises Financial Assets only when the contractual rights to the cash flows from the asset expires or it transfers the Financial Asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non-recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred Financial Asset, the municipality continues to recognise the Financial Asset and also recognises a collateralised borrowing for the proceeds received.

4.6 Derecognition of Financial Liabilities

The municipality derecognises Financial Liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

The municipality recognises the difference between the carrying amount of the Financial Liability (or part of a Financial Liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, in Surplus or Deficit.

5. STATUTORY RECEIVABLES

Statutory Receivables are receivables that arise from legislation, supporting regulations, or similar means and require settlement by another entity in cash or another financial asset.

The municipality has the following Statutory Receivables from Non-exchange Transactions:

- Assessment Rates
- Fines
- Local Government Seta Subsidies

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5.1 Recognition and Initial Measurement

Statutory Receivables are recognised if the transaction is an exchange transaction per GRAP 9 or a non-exchange transaction per GRAP 23 or, if the transaction is not within the scope of GRAP 9 or GRAP 23, or another Standard of GRAP, and the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be reliably measured.

The municipality recognises Statutory Receivables when they arise.

Statutory Receivables are initially measured at their transaction amount. The transaction amount would be the amount that is determined on initial measurement in accordance with the relevant Standard of GRAP.

The transaction amounts of the Statutory Receivables of the municipality are determined as follows:

- Assessment Rates are levied in terms of the stipulations contained in the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) at rates determined each year by Council.

5.2 Subsequent Measurement

Statutory Receivables are measured after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- Interest or other charges that may have accrued on the receivable, where applicable;
- Impairment losses; and
- Amounts derecognised.

5.3 Impairment

Statutory Receivables are assessed for indicators of impairment at the end of each reporting period. Statutory Receivables are impaired where there is any indication of impairment of Statutory Receivables, such as the probability of insolvency or significant financial difficulties of the debtor.

In assessing whether Statutory Receivables are impaired, the municipality assesses whether there are any indications that individually significant receivables are impaired; and/or groups of similar, individually insignificant, receivables are impaired.

The municipality groups together and assesses collectively for impairment those receivables that exhibit similar characteristics which provide information about the possible collectability of the amounts owing to the municipality. The municipality uses the following groupings:

- Assessment Rates
- Fines
- LG Seta Subsidies

If there is such evidence the carrying amount is reduced to the estimated future cash flows, an impairment loss is recognised, directly or indirectly, through the use of an allowance account, with the amount of the impairment loss being recognised in Surplus or Deficit.

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ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

5.4 Derecognition

The municipality derecognises Statutory Receivables only when the rights to the cash flows from the receivable expires or it transfers the Statutory Receivable and substantially all the risks and rewards of ownership of the receivable to another municipality, except when council approves the write-off of the receivable due to non-recoverability.

6. PROPERTY, PLANT AND EQUIPMENT

6.1 Initial Recognition and Measurement

Property, Plant and Equipment are initially recognised at cost.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Repairs and Maintenance are expenses incurred through servicing equipment or repairing of existing assets. These expenses are not recognised in the carrying value of the asset, but directly recognised in Surplus or Deficit and measured at cost against the attributing segments of the Municipal Standard Chart of Accounts (mSCOA).

6.2 Subsequent Measurement

Subsequently all Property Plant and Equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

6.3 Depreciation

Depreciation on assets other than land is calculated on cost, using the Straight-line Method, to allocate their cost amounts to their residual values over the estimated useful lives of the assets. Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation rates are based on the following estimated useful lives:

	Asset Class	Years		Asset Class	Years
	Buildings			Community	
	Improvements	5 - 50		Community Facilities	5 - 50
				Recreational Facilities	10 - 40
	Infrastructure			Other	
	Electricity	10 - 80		Computer Equipment	3 - 10
	Railways	30		Emergency Equipment	5 - 10
	Roads and Paving	5 - 80		Furniture and Fittings	5 - 15
	Sanitation	5 - 80		Transport Assets	7 - 15
	Sewerage / Solid Waste	5 - 80		Office Equipment	3 - 15
	Water	5 - 80		Plant and Equipment	2 - 20
	Landfill Sites	30 - 50		Other Assets	5 - 15

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6.4 Land

Land is stated at historical cost and is not depreciated as it is deemed to have an indefinite useful life.

6.5 Incomplete Construction Work

Incomplete Construction Work is stated at historical cost. Depreciation only commences when the asset is available for use.

6.6 Infrastructure Assets

Infrastructure Assets are any assets that are part of a network of similar assets. Infrastructure assets are shown at cost less accumulated depreciation and accumulated impairment. Infrastructure assets are treated similarly to all other assets of the municipality in terms of the asset management policy.

6.7 Finance Leases

Assets capitalised under finance leases are depreciated over their expected useful lives on the same basis as Property, Plant and Equipment controlled by the municipality or, where shorter, the term of the relevant lease if there is no reasonable certainty that the municipality will obtain ownership by the end of the lease term.

6.8 Derecognition

The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is included in Surplus or Deficit when the item is derecognised. Gains are not classified as Revenue.

7. INTANGIBLE ASSETS

7.1 Initial Recognition and Measurement

Identifiable non-monetary assets without physical substance are classified and recognised as Intangible Assets.

Intangible Assets are initially recognised at cost.

Where an Intangible Asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

The cost of an Intangible Asset acquired in exchange for non-monetary assets or monetary assets, or a combination of monetary and non-monetary assets, is measured at the fair value of the asset given up, unless the fair value of the asset received is more clearly evident.

Repairs and Maintenance are expenses incurred through servicing equipment or repairing of existing assets. These expenses are not recognised in the carrying value of the asset, but directly recognised in Surplus or Deficit and measured at cost against the attributing segments of the Municipal Standard Chart of Accounts (mSCOA).

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7.2 Subsequent Measurement, Amortisation and Impairment

After initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is charged on a Straight-line Method over the Intangible Assets' useful lives. The residual value of Intangible Assets with finite useful lives is zero, unless an active market exists.

The amortisation rates are based on the following estimated useful lives:

	Asset Class	Years		Asset Class	Years
	Computer Software Purchased	3 - 5			

7.3 Derecognition

The gain or loss arising from the derecognition of an item of Intangible Asset is included in Surplus or Deficit when the item is derecognised. Gains are not classified as Revenue.

8. INVESTMENT PROPERTY

8.1 Initial Recognition and Measurement

At initial recognition, the municipality measures Investment Property at cost. However, where an Investment Property was acquired through a non-exchange transaction (i.e. where it acquired the Investment Property for no or a nominal value), its cost is its fair value as at the date of acquisition.

Repairs and Maintenance are expenses incurred through servicing equipment or repairing of existing assets. These expenses are not recognised in the carrying value of the asset, but directly recognised in Surplus or Deficit and measured at cost against the attributing segments of the Municipal Standard Chart of Accounts (mSCOA).

8.2 Subsequent Measurement

Investment Property is measured using the Cost Model and is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on cost, using the Straight-line Method over the useful life of the property, which is estimated at 5 - 50 years. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately.

The gain or loss arising on the disposal of an Investment Property is recognised in Surplus or Deficit.

8.3 Derecognition

The gain or loss arising from the derecognition of an item of Investment Property is included in Surplus or Deficit when the item is derecognised. Gains are not classified as Revenue.

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9. IMPAIRMENT OF ASSETS

The municipality classifies all assets held with the primary objective of generating a commercial return as Cash Generating Assets. All other assets are classified as Non-cash Generating Assets.

9.1 Impairment of Cash Generating Assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

An impairment loss is recognised for cash generating units if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

9.2 Impairment of Non-cash Generating Assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the non-cash generating unit to which the asset belongs is determined.

The recoverable service amount of a non-cash generating asset is the higher of its fair value less costs to sell and its value in use.

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If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

An impairment loss is recognised for non-cash generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

10. CONSUMER DEPOSITS

Consumer deposits are a partial security for a future payment of an account. All consumers are therefore required to pay a deposit equal to two months consumption of electricity and water services. Deposits are considered a liability as the deposit is only refunded once the service is terminated. No interest is paid on deposits.

11. PROVISIONS

The best estimate of the expenditure required to settle the present obligation is the amount that the municipality would rationally pay to settle the obligation at the reporting date or to transfer it to a third party at that time and are determined by the judgment of the management of the municipality, supplemented by experience of similar transactions and, in some cases, reports from independent experts. The evidence considered includes any additional evidence provided by events after the reporting date. Uncertainties surrounding the amount to be recognised as a provision are dealt with by various means according to the circumstances. Where the provision being measured involves a large population of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities.

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Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it – this unavoidable cost resulting from the contract is the amount of the provision to be recognised.

Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows using discount rates that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in Surplus or Deficit as a finance cost as it occurs.

11.1 Provision for Environmental Rehabilitation

Estimated long-term environmental provisions, comprising rehabilitation and landfill site closure, are based on the municipality's policy, taking into account current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises. To the extent that the obligations relate to the asset, they are capitalised as part of the cost of those assets. Any subsequent changes to an obligation that did not relate to the initial related asset are charged to Surplus or Deficit.

12. LEASES

12.1 The Municipality as Lessee

12.1.1 Finance Leases

Property, plant and equipment subject to finance lease agreements are capitalised at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Corresponding liabilities are recognised at equal amounts. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments to the fair value of the asset, plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant and equipment or intangible assets. The lease liability is reduced by the lease payments, which are allocated between the finance cost and the capital repayment using the Effective Interest Rate Method. Finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

12.1.2 Operating Leases

The municipality recognises operating lease rentals as an expense in Surplus or Deficit on a Straight-line Basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. Any lease incentives are included as part of the net consideration agreed.

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12.2 The Municipality as Lessor

Amounts due from lessees under **Finance Leases** or instalment sale agreements are recorded as receivables at the amount of the municipality's net investment in the leases. Finance lease or instalment sale revenue is allocated to accounting periods so as to reflect a constant periodic rate of return on the municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Rental revenue from **Operating Leases** is recognised on a Straight-line Basis over the term of the relevant lease.

13. BORROWING COSTS

All borrowing costs are treated as an expense in the period in which they are incurred.

14. EMPLOYEE BENEFIT LIABILITIES

14.1 Short-term Employee Benefits

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at year end and is shown as a creditor in the Statement of Financial Position. The municipality recognises the expected cost of performance bonuses only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

14.1.1 Provision for Staff Leave

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at year-end and also on the total remuneration package of the employee.

Accumulating leave is carried forward and can be used in future periods if the current period's entitlement is not used in full. All unused leave will be paid out to the specific employee at the end of that employee's employment term.

Accumulated leave is vesting.

14.1.2 Staff Bonuses Accrued

Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year end is based on bonus accrued at year-end for each employee.

14.1.3 Provision for Performance Bonuses

A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is recognised as it accrue to Section 57 employees. Municipalities' performance bonus provisions are based on the employment contract stipulations as well as previous performance bonus payment trends.

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14.2 Post-employment Benefits

The municipality provides retirement benefits for its employees and councillors, and has both defined benefit and defined contribution post-employment plans.

14.2.1 Defined Contribution Plans

The municipality's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions are recognised in Surplus or Deficit in the period in which the service is rendered by the relevant employees. The municipality has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

14.2.2 Defined Benefit Plans

Post-retirement Health Care Benefits

The municipality has an obligation to provide Post-retirement Health Care Benefits to certain of its retirees. According to the rules of the Medical Aid Funds with which the municipality is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund, in which case the municipality is liable for a certain portion of the medical aid membership fee. Not all Medical Aid Funds with which the municipality is associated, provide for continued membership.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past service costs. The plan is unfunded. The present value of the defined benefit obligation is calculated using the Projected Unit Credit Method, incorporating actuarial assumptions and a discount rate based on the government bond rate. Valuations of these obligations are carried out annually by independent qualified actuaries.

Actuarial gains or losses are recognised immediately in Surplus or Deficit.

Past-service costs are recognised immediately in Surplus or Deficit.

Long-service Allowance

The municipality has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 10, 15, 20, 25 and 30 years of continued service. The municipality's liability is based on an actuarial valuation. The Projected Unit Credit Method is used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through Surplus or Deficit.

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Provincially-administered Defined Benefit Plans

The municipality contributes to various National- and Provincial-administered Defined Benefit Plans on behalf of its qualifying employees. These funds are multi-employer funds. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. These defined benefit funds are actuarially valued triennially on the Projected Unit Credit Method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities.

Defined Benefit Pension Plans

The municipality has an obligation to provide Post-retirement Pension Benefits to certain of its retirees. Pension contributions in respect of employees who were not members of a pension fund are recognised as an expense when incurred. Staff provident funds are maintained to accommodate personnel who, due to age, cannot join or be part of the various pension funds. The municipality contributes monthly to the funds.

The liability recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains or losses are recognised immediately in Surplus or Deficit.

Past-service costs are recognised immediately in Surplus or Deficit.

15. NET ASSETS

Included in the Net Assets of the municipality are the following items that are maintained in terms of specific requirements:

15.1 Reserves

15.2 Accumulated Surplus

Included in the Accumulated Surplus of the municipality are the following Reserves that are maintained in terms of specific requirements.

16. REVENUE RECOGNITION

16.1 General

Revenue is derived from a variety of sources which include rates levied, grants from other tiers of government and revenue from trading activities and other services provided.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the municipality's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

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16.2 Revenue from Non-exchange Transactions

16.2.1 Rates and Taxes

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a Time-proportionate Basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

16.2.2 Fines

Fines constitute both spot fines and summonses

Revenue for fines is recognised when the fine is issued at the full amount of the receivable. The municipality uses estimates to determine the amount of revenue that the municipality is entitled to collect that is subject to further legal proceedings.

16.2.3 Government Grants and Receipts

Equitable share allocations are recognised in revenue at the start of the financial year if no time-based restrictions exist.

Conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs, are recognised in Surplus or Deficit in the period in which they become receivable.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest, it is recognised as interest earned in Surplus or Deficit.

16.2.4 Public Contributions

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment are brought into

16.2.5 Other Donations and Contributions

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are available for use.

16.2.6 Interest Earned

Interest earned on investments is recognised in Surplus or Deficit on the Time-proportionate Basis that takes into account the effective yield on the investment.

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16.2.7 Rentals Received

Revenue from the rental of facilities and equipment is recognised on a Straight-line Basis over the term of the lease agreement.

16.2.8 Tariff Charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

16.2.9 Revenue from Recovery of Unauthorised, Irregular, Fruitless and Wasteful Expenditure

The recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No 56 of 2003) and is recognised as revenue when the recovery thereof from the responsible councillors or officials became virtually certain in a financial period subsequent to the period when the actual unauthorised, irregular, fruitless and wasteful expenditure was incurred.

16.3 Revenue from Exchange Transactions

16.3.1 Service Charges

Service Charges are levied in terms of approved tariffs.

Service Charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without it being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to all properties that have been developed. Tariffs are determined per category of property usage, and are levied based on the extent of each property.

Service charges relating to sewerage and sanitation are recognised on a monthly basis in arrears by applying the approved tariff to all properties. Tariffs are determined per category of property usage, and are levied based on the extent of each property.

In circumstances where services cannot readily be measured and quantified, a flat rate service charge is levied monthly on such properties.

16.3.2 Prepaid Electricity

Revenue from the sale of electricity prepaid meter cards are recognised at the point of sale. Revenue from the sale of electricity prepaid meter cards are recognised based on an estimate of the prepaid electricity consumed as at the reporting date.

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16.3.3 Income from Agency Services

Revenue for agency services is recognised on a monthly basis once the revenue collected on behalf of agents has been quantified. The revenue recognised is in terms of the agency agreement.

Interest on outstanding customer receivables is calculated when the receivable is more than 30 days at prime rate plus 1%, and recognised in surplus or deficit on the time-proportionate basis.

16.3.4 Sale of Goods (including Houses)

Revenue from the sale of goods is recognised when all the following conditions have been met:

- (a) The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably;
- (d) It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

17. GRANTS-IN-AID

The municipality transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the municipality does not:

- (a) Receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- (b) Expect to be repaid in future; or
- (c) Expect a financial return, as would be expected from an investment.

These transfers are recognised in Surplus or Deficit as expenses in the period that the events giving rise to the transfer occurred.

18. MATERIAL LOSSES

The MFMA requires the disclosure of material losses incurred during the year under review. The disclosure is provided in order to comply to the legislative requirements governing Municipalities and Municipal Entities.

Due to their significance, the complete calculation of water and electricity losses is provided, including the opening balance, purchases, sales and closing balance where applicable. The unit rate is the rate per the last purchase as inventory is measured based on the First-In-First-Out Method as defined by GRAP 12 (Inventories).

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19. UNAUTHORISED EXPENDITURE

Unauthorised Expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state, and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No 56 of 2003).

All expenditure relating to Unauthorised Expenditure is accounted for as an expense in Surplus or Deficit in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in Surplus or Deficit.

20. IRREGULAR EXPENDITURE

Irregular Expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No 56 of 2003), the Municipal Systems Act (Act No 32 of 2000), the Public Office Bearers Act (Act No 20 of 1998), or is in contravention of the Municipality's or Municipal Entities' Supply Chain Management Policies. Irregular Expenditure excludes Unauthorised Expenditure.

Irregular Expenditure is accounted for as an expense in Surplus or Deficit in the period it occurred and where recovered, it is subsequently accounted for as revenue in Surplus or Deficit.

21. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and Wasteful Expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to Fruitless and wasteful expenditure is accounted for as expenditure in Surplus or Deficit in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in Surplus or Deficit.

22. COMMITMENTS

Commitments are disclosed for:

- Approved and contracted commitments, where the expenditure has been approved and the contract has been awarded at the reporting date, where disclosure is required by a specific standard of GRAP;
- Approved but not yet contracted commitments, where the expenditure has been approved and the contract has yet to be awarded or is awaiting finalisation at the reporting date;
- Items are classified as commitments where the Municipality commits itself to future transactions that will normally result in the outflow of resources;
- Contracts that are entered into before the reporting date, but goods and services have not yet been received are disclosed in the disclosure Notes to the Annual Financial Statements; and
- Other commitments for contracts that are non-cancellable or only cancellable at significant cost, should relate to something other than the business of the municipality.

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23. RELATED PARTIES

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Management is regarded as a related party and comprises the Councillors, Mayor, Executive Committee Members, Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

24. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent Assets and Contingent Liabilities are not recognised. Contingencies are disclosed in Notes to the Annual Financial Statements.

25. EVENTS AFTER THE REPORTING DATE

Events after the reporting date that are classified as adjusting events have been accounted for in the Annual Financial Statements.

The events after the reporting date that are classified as Non-adjusting Events after the Reporting Date have been disclosed in Notes to the Annual Financial Statements.

26. SEGMENT REPORTING

The mandate of the municipality is to provide basic services to the community over which it governs. In order to properly execute its mandate and achieve its strategic goals, internal management reporting is based on each service objective and also considered separately for each of the towns within the municipal jurisdiction. The components described below have been identified as individually significant segments for purposes of reporting in terms of GRAP 18 (Segment Reporting).

The following services are considered significant to the municipality and is accordingly managed separately:

- Municipal governance and administration.
- Community and public safety.
- Housing.
- Health.
- Energy, waste, waste water and water.
- Other.

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All other sources of income and expenditure is aggregated through means of the administrative function as these services are not significant to the other services of the municipality as a whole.

The municipality only operates in a single geographical location and accordingly does not report separately on each location within its jurisdiction.

Intersegmental transfers are per the municipality's approved tariff policy. The reconciliation clearly describes the effects of all internal transfers between segments.

The accounting policies for segmental reporting in the management accounts are aligned to the requirements of GRAP as described in these accounting policies.

No changes from were made from prior periods measurement methods used to determine reported segment surplus or deficit.

27. VALUE ADDED TAX

The municipality accounts for Value Added Tax on the Payments Basis in accordance with section 15(2)(a) of the Value-Added Tax Act (Act No 89 of 1991).

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 R	2021 R
1. INVENTORIES		
Materials and Supplies	16 251 171	11 805 644
Water - At Cost	798 678	764 722
Total Inventories	17 049 849	12 570 366
1.1 Allocation for Cash Flow		
Suppliers Paid:-		
Inventory - Opening Balance	12 570 366	9 681 236
Inventory - Closing Balance	(17 049 849)	(12 570 366)
Adjustment for Non-cash Transactions: Realisable Value Adjustment	97 142	39 808
Total Inventory allocated to Suppliers Paid	(4 382 341)	(2 849 322)
Total Inventory allocated to Cash Flow	(4 382 341)	(2 849 322)

Materials and Supplies are held for own use and measured at the lower of Cost and Net Realisable Value. Inventory was adjusted to Net realisable Value.

Water is held for distribution and measured at the lower of Cost and Net Realisable Value. Inventory to Net Realisable Value was required.

2. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2022			
Service Debtors:	285 223 420	217 602 472	67 620 948
Electricity	52 792 349	17 549 139	35 243 210
Refuse	71 667 244	67 479 223	4 188 021
Sewerage	45 727 374	39 749 642	5 977 732
Other Service Charges	6 605 573	6 201 637	403 936
Water	108 430 880	86 622 831	21 808 049
Other Debtors	3 514 062	-	3 514 062
Prepayments and Advances	3 744 768	22 000	3 722 768
Control, Clearing and Interface Accounts	569 305	-	569 305
Deposits for Land	893 543	-	893 543
Total Receivables from Exchange Transactions	293 945 098	217 624 472	76 320 626

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2021			
Service Debtors:	230 078 798	190 661 500	39 417 298
Electricity	47 499 064	26 040 224	21 458 840
Refuse	58 520 385	55 089 330	3 431 055
Sewerage	35 842 740	32 730 990	3 111 750
Other Service Charges	6 812 323	5 868 622	943 701
Water	81 404 286	70 932 334	10 471 952
Other Debtors	724 062	-	724 062
Prepayments and Advances	3 613 699	22 000	3 591 699
Control, Clearing and Interface Accounts	476 634		476 634
Deposits for Land	893 543	-	893 543
Total Receivables from Exchange Transactions	235 786 736	190 683 500	45 103 236
2.1 Allocation for Cash Flow		2022 R	2021 R
Service Charges:-			
Service Debtors - Opening Balance		39 417 298	39 596 690
Service Debtors - Closing Balance		(67 620 948)	(39 417 298)
Service Debtors: Provision for Impairment - Opening Balance		190 661 500	152 168 392
Service Debtors: Provision for Impairment - Closing Balance		(217 602 472)	(190 661 500)
Other Receivables - Opening Balance		724 062	724 062
Other Receivables - Closing Balance		(724 062)	(724 062)
Total Receivables from Exchange Transactions allocated to Service Charges		(55 144 622)	(38 313 716)
Other Receipts:-			
Receivables from Exchange Transactions: Gross - Opening Balance		235 786 736	197 001 892
Receivables from Exchange Transactions: Gross - Closing Balance		(293 945 098)	(235 786 736)
Less Cash Flow for:-			
Service Charges		55 144 622	38 313 716
Suppliers Paid		131 069	474 511
Profit on Sale of Land		2 790 000	-
Total Receivables from Exchange Transactions allocated to Other Receipts		(92 671)	3 383
Suppliers Paid:-			
Prepayments and Advances - Opening Balance		3 591 699	3 117 188
Prepayments and Advances - Closing Balance		(3 722 768)	(3 591 699)
Prepayments and Advances: Provision for Impairment - Opening Balance		22 000	22 000
Prepayments and Advances: Provision for Impairment - Closing Balance		(22 000)	(22 000)
Deposit for Land - Opening Balance		893 543	893 543
Deposit for Land - Closing Balance		(893 543)	(893 543)
Total Receivables from Exchange Transactions allocated to Suppliers Paid		(131 069)	(474 511)
Total Receivables from Exchange Transactions allocated to Profit on Sale of Land (Other Receipts)		(2 790 000)	-
Total Receivables from Exchange Transactions allocated to Cash Flow		(58 158 362)	(38 784 844)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2.2 Ageing of Receivables from Exchange Transactions

As at 30 June 2022

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
Electricity:					
Gross Balances	30 958 262	2 301 065	1 400 854	18 132 168	52 792 349
Less: Provision for Impairment	169 473	1 023 265	566 366	15 790 035	17 549 139
Net Balances	30 788 789	1 277 800	834 488	2 342 133	35 243 210
Refuse:					
Gross Balances	1 971 414	1 950 787	1 604 444	66 140 599	71 667 244
Less: Provision for Impairment	1 862 667	954 161	786 256	63 876 139	67 479 223
Net Balances	108 747	996 626	818 188	2 264 460	4 188 021
Sewerage:					
Gross Balances	4 453 833	1 551 323	1 208 262	38 513 956	45 727 374
Less: Provision for Impairment	195 905	848 311	626 539	38 078 887	39 749 642
Net Balances	4 257 928	703 012	581 723	435 069	5 977 732
Other Service Charges:					
Gross Balances	465 785	105 736	24 781	6 009 271	6 605 573
Less: Provision for Impairment	87 121	92 562	12 683	6 009 271	6 201 637
Net Balances	378 664	13 174	12 098	-	403 936
Water:					
Gross Balances	19 344 040	3 160 664	2 263 621	83 662 555	108 430 880
Less: Provision for Impairment	587 887	1 767 101	1 238 111	83 029 732	86 622 831
Net Balances	18 756 153	1 393 563	1 025 510	632 823	21 808 049
Other Debtors:					
Gross Balances	3 514 062	-	-	-	3 514 062
Net Balances	3 514 062	-	-	-	3 514 062
Prepayments and Advances:					
Gross Balances	3 744 768	-	-	-	3 744 768
Less: Provision for Impairment	22 000	-	-	-	22 000
Net Balances	3 722 768	-	-	-	3 722 768
Control, Clearing and Interface Accounts:					
Gross Balances	569 305	-	-	-	569 305
Net Balances	569 305	-	-	-	569 305

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Deposits for Land

Gross Balances	893 543	-	-	-	893 543
Net Balances	893 543	-	-	-	893 543

As at 30 June Receivables of R13 330 667 were past due but not impaired. The age analysis of these Receivables are as follows:

	Past Due			Total
	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:				
Gross Balances	9 069 575	6 501 962	212 458 549	228 030 086
Less: Provision for Impairment	4 685 400	3 229 955	206 784 064	214 699 419
Net Balances	4 384 175	3 272 007	5 674 485	13 330 667

As at 30 June 2021

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
Electricity:					
Gross Balances	10 529 434	15 276 527	2 726 861	18 966 242	47 499 064
Less: Provision for Impairment	-	7 526 596	1 236 665	17 276 963	26 040 224
Net Balances	10 529 434	7 749 931	1 490 196	1 689 279	21 458 840

Refuse:

Gross Balances	15 959	4 198 872	1 847 848	52 457 706	58 520 385
Less: Provision for Impairment	(1)	2 072 565	900 416	52 116 350	55 089 330
Net Balances	15 960	2 126 307	947 432	341 356	3 431 055

Sewerage:

Gross Balances	9 887	3 974 169	1 534 200	30 324 484	35 842 740
Less: Provision for Impairment	-	1 998 908	797 635	29 934 447	32 730 990
Net Balances	9 887	1 975 261	736 565	390 037	3 111 750

Other Service Charges:

Gross Balances	471 632	1 777 317	162 506	4 400 868	6 812 323
Less: Provision for Impairment	-	1 323 552	144 202	4 400 868	5 868 622
Net Balances	471 632	453 765	18 304	-	943 701

Water:

Gross Balances	5 916 939	8 476 633	2 174 744	64 835 970	81 404 286
Less: Provision for Impairment	2 850 595	1 528 291	2 122 816	64 430 632	70 932 334
Net Balances	3 066 344	6 948 342	51 928	405 338	10 471 952

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Other Debtors:

Gross Balances	724 062	-	-	-	724 062
Net Balances	724 062	-	-	-	724 062

Prepayments and Advances:

Gross Balances	3 613 699	-	-	-	3 613 699
Less: Provision for Impairment	22 000	-	-	-	22 000
Net Balances	3 591 699	-	-	-	3 591 699

Control, Clearing and Interface Accounts:

Gross Balances	476 634	-	-	-	476 634
Net Balances	476 634	-	-	-	476 634

Deposits for Land

Gross Balances	893 543	-	-	-	893 543
Net Balances	893 543	-	-	-	893 543

As at 30 June Receivables of R25 324 041 were past due but not impaired. The age analysis of these Receivables are as follows:

	Past Due			Total
	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:				
Gross Balances	33 703 518	8 446 159	170 985 270	213 134 947
Less: Provision for Impairment	14 449 912	5 201 734	168 159 260	187 810 906
Net Balances	19 253 606	3 244 425	2 826 010	25 324 041

2022
R

2021
R

2.3 Reconciliation of the Provision for Impairment

Balance at beginning of year	190 683 499	152 190 392
Impairment Losses recognised	31 776 730	42 800 181
Amounts written off as uncollectable	(4 835 758)	(4 307 073)
Balance at end of year	217 624 471	190 683 500

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2.3.1 Allocation for Cash Flow

Provision for Impairment at Beginning of Year	190 683 499	152 190 392
Movement in Non-cash Transactions:-		
Impairment Recognised	197 280 460	38 341 739
Impairment Reversed	(165 503 730)	4 458 442
Total Receivables from Exchange Transactions Impairment allocated to Non-cash Transactions	<u>31 776 730</u>	<u>42 800 181</u>
Movement in Service Charges:-		
Amounts Written-off	(4 835 758)	(4 307 073)
Total Receivables from Exchange Transactions Impairment allocated to Service Charges	<u>(4 835 758)</u>	<u>(4 307 073)</u>
Provision for Impairment at End of Year	<u>217 624 471</u>	<u>190 683 500</u>

In determining the recoverability of Receivables, the municipality has placed strong emphasis on verifying the indigent status of consumers. Provision for impairment of Receivables has been made for all consumer balances outstanding based on the payment ratio over 12 months per service type. No further credit provision is required in excess of the Provision for Impairment.

Prepayments and Advances include an amount of R169,443 for Recoveries from Staff. A historic portion of R22,000 has been deemed to be irrecoverable.

No provision has been made in respect of government debt as these amounts are considered to be fully recoverable. The municipality holds collateral over these balances in the form of Consumer Deposits / Guarantees, which are not covering the total outstanding debt and vacant property respectively. Furthermore, it is management's expert opinion and generally accepted practice within the industry not to impair government debt between different government entities, and National Treasury could be approached to engage in the matters if required.

3. STATUTORY RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2022			
Property Rates	50 368 249	33 892 658	16 475 591
Fines	32 589 670	32 052 115	537 555
Accrued Income	3 607 747	-	3 607 747
Total Statutory Receivables from Non-Exchange Transactions	<u>86 565 666</u>	<u>65 944 773</u>	<u>20 620 893</u>

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2021			
Property Rates	47 426 052	38 948 504	8 477 548
Fines	32 227 658	30 754 158	1 473 500
Accrued Income	-	-	-
Total Statutory Receivables from Non-Exchange Transactions	79 653 710	69 702 662	9 951 048
		2022 R	2021 R

3.1 Allocation for Cash Flow

Property Rates:-

Property Rates Debtors - Opening Balance	8 477 548	7 435 616
Property Rates Debtors - Closing Balance	(16 475 591)	(8 477 548)
Property Rates Debtors: Provision for Impairment - Opening Balance	38 948 504	37 415 978
Property Rates Debtors: Provision for Impairment - Closing Balance	(33 892 658)	(38 948 504)
Total Statutory Receivables from Non-exchange Transactions allocated to Property Rates	(2 942 197)	(2 574 458)

Other Receipts:

Fines Debtors - Opening Balance	1 473 500	7 094 823
Fines Debtors - Closing Balance	(537 555)	(1 473 500)
Fines Debtors: Provision for Impairment - Opening Balance	30 754 158	22 869 973
Fines Debtors: Provision for Impairment - Closing Balance	(32 052 115)	(30 754 158)
Accrued Income - Opening Balance	-	-
Accrued Income - Closing Balance	(3 607 747)	1
Total Statutory Receivables from Non-Exchange Transactions allocated to Other Receipts	(3 969 759)	(2 262 861)
Total Statutory Receivables from Non-Exchange Transactions allocated to Cash Flow	(6 911 956)	(4 837 319)

3.2 Ageing of Statutory Receivables from Non-Exchange Transactions

As at 30 June 2022

	Current 0 - 30 days	Past Due			Total
		31 - 60 Days	61 - 90 Days	+ 90 Days	
Property Rates (Including Services Debtors):					
Gross Balances	10 724 650	2 815 463	857 492	35 970 644	50 368 249
Less: Provision for Impairment	-	1 182 966	548 749	32 160 943	33 892 658
Net Balances	10 724 650	1 632 497	308 743	3 809 701	16 475 591
Fines:					
Gross Balances	32 589 670	-	-	-	32 589 670
Less: Provision for Impairment	32 052 115	-	-	-	32 052 115
Net Balances	537 555	-	-	-	537 555

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

As at 30 June Receivables of R5 750 941 were past due but not impaired. The age analysis of these Receivables are as follows:

	Past Due			Total
	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:				
Gross Balances	2 815 463	857 492	35 970 644	39 643 599
Less: Provision for Impairment	1 182 966	548 749	32 160 943	33 892 658
Net Balances	1 632 497	308 743	3 809 701	5 750 941

As at 30 June 2021

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
Property Rates (Including Services Debtors):					
Gross Balances	11 026	10 981 751	1 170 645	35 262 630	47 426 052
Less: Provision for Impairment	14 046 804	5 767 460	614 806	18 519 433	38 948 504
Net Balances	(14 035 778)	5 214 291	555 839	16 743 197	8 477 548
Fines:					
Gross Balances	32 227 658	-	-	-	32 227 658
Less: Provision for Impairment	30 754 158	-	-	-	30 754 158
Net Balances	1 473 500	-	-	-	1 473 500

As at 30 June Receivables of R22 513 326 were past due but not impaired. The age analysis of these Receivables are as follows:

	Past Due			Total
	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:				
Gross Balances	10 981 751	1 170 645	35 262 630	47 415 026
Less: Provision for Impairment	5 767 460	614 806	18 519 433	24 901 700
Net Balances	5 214 291	555 839	16 743 197	22 513 326

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 R	2021 R
3.3 Reconciliation of Provision for Impairment		
Balance at Beginning of year	69 702 662	60 285 952
Impairment Losses Recognised	21 244 286	9 984 460
Impairment Losses Reversed	(24 753 987)	-
Amounts Written-off as uncollectable	(248 188)	(567 750)
Balance at end of year	65 944 773	69 702 662
3.3.1 Allocation for Cash Flow		
Provision for Impairment at Beginning of Year	69 702 662	60 285 952
Movement in Non-cash Transactions:-		
Impairment Recognised	21 244 286	9 984 460
Impairment Reversed	(24 753 987)	-
Total Non-exchange Transactions Impairment allocated to Non-cash Transactions	<u>(3 509 701)</u>	<u>9 984 460</u>
Movement in Property Rates:-		
Amounts Written-off	(248 187)	(567 750)
Total Receivables from Non-exchange Transactions Impairment allocated to Property Rates	<u>(248 187)</u>	<u>(567 750)</u>
Movement in Other Receipts:-		
Amounts Written-off	(1)	-
Total Receivables from Non-exchange Transactions Impairment allocated to Other Receipts	<u>(1)</u>	<u>-</u>
Provision for Impairment at End of Year	65 944 773	69 702 662

The Provision for Impairment on Receivables exists predominantly due to the possibility that these debts will not be recovered. The Provision for Impairment was calculated after grouping all the financial assets of similar nature and risk ratings and assessing the recoverability.

No Provision for Impairment has been made in respect of government debt as these amounts are considered to be fully recoverable. The municipality holds collateral over these balances in the form of Rates Assessment Deposits / Guarantees, which are not covering the total outstanding debt and vacant property respectively.

No assets were subject to any restrictions.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

4. VAT RECEIVABLE

Vat Receivable	<u>50 443 224</u>	<u>47 750 213</u>
4.1 Allocation for Cash Flow		
VAT Received	-	-
VAT Paid	(2 693 011)	(3 589 221)
Total VAT allocated to Cash Flow	<u>(2 693 011)</u>	<u>(3 589 221)</u>

VAT is payable on the receipts basis. The municipality however uses accrual accounting, and only once payment is received from debtors, VAT is paid over to SARS.

Furthermore, VAT is claimable on the payment basis.

No interest is payable to SARS if the VAT is paid over timeously, but interest for late payments is charged according to SARS policies. The municipality has financial risk policies in place to ensure that payments are affected before the due date.

5. CASH AND CASH EQUIVALENTS

Current Investments	9 802 827	40 489 896
Bank Accounts	18 047 311	12 904 130
Cash on Hand	421	421
Total Bank, Cash and Cash Equivalents	<u>27 850 559</u>	<u>53 394 447</u>
5.1 Allocation for Cash Flow:		
Increase / (Decrease) in Cash Equivalents:-		
Cash and Cash Equivalents - Opening Balance	53 394 447	141 777 050
Cash and Cash Equivalents - Closing Balance	(27 850 559)	(53 394 447)
Total Cash and Cash Equivalents allocated to Increase / (Decrease) in Cash Equivalents	<u>25 543 888</u>	<u>88 382 603</u>
Total Cash and Cash Equivalents allocated to Cash Flow	<u>25 543 888</u>	<u>88 382 603</u>

For the purposes of the Statement of Financial Position and the Cash Flow Statement, Cash and Cash Equivalents include Cash-on-Hand, Cash in Banks and Investments in Money Market Instruments, net of outstanding Bank Overdrafts.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

5.2 Current Investment Deposits

Call Deposits	9 802 827	40 489 896
Total Current Investment Deposits	9 802 827	40 489 896

Call Deposits are investments with a maturity period of less than 3 months and earn interest rates varying from 3.00 % to 8.00% (2021: 3.00 % to 8.00 %) per annum.

5.3 Bank Accounts

Cash in Bank	18 047 311	12 904 130
Total Bank Accounts	18 047 311	12 904 130

The Municipality has the following operational bank accounts:

Primary Bank Account

Cash book balance at beginning of year	12 904 130	19 481 806
Cash book balance at end of year	18 047 311	12 904 130

First National Bank - Jeffreys bay Branch-Cheque Account Number: 52540020791

Bank statement balance at beginning of year	7 082 227	11 782 906
Bank statement balance at end of year	4 850 118	7 082 227

First National Bank - Jeffreys bay Branch-Cheque Account Number: 52540033504

Bank statement balance at beginning of year	5 795 584	6 954 464
Bank statement balance at end of year	13 197 193	5 795 584

First National Bank - Jeffreys bay Branch-Cheque Account Number: 62682103591

Bank statement balance at beginning of year	26 319	27 768
Bank statement balance at end of year	-	26 319

The municipality does not have any overdrawn current account facilities with its banker and therefore does not incur interest on overdrawn current accounts. Interest is earned at different rates per annum on favourable balances.

5.4 Cash and Cash Equivalents

Cash Floats and Advances	421	421
Total Cash on hand in Cash Floats, Advances and Equivalents	421	421

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6. PROPERTY, PLANT AND EQUIPMENT

30 June 2022

Reconciliation of Carrying Value

Description	Land	Buildings	Infra-structure	Landfill Sites	Community	Other	Transport Assets	Leased Assets	Work in Progress	Total
	R	R	R	R	R	R	R	R	R	R
Carrying values at 01 July 2021	235 425 377	53 964 802	1 616 310 640	13 793 295	28 207 922	15 164 206	25 578 517	1 510 013	66 732 642	2 056 687 414
Cost	235 425 377	56 310 190	2 336 186 890	45 437 958	29 893 305	45 679 537	57 225 835	5 069 147	66 732 642	2 877 960 881
- Completed Assets	235 425 377	56 310 190	2 336 186 890	45 437 958	29 893 305	45 679 537	57 225 835	5 069 147	-	2 811 228 239
- Under Construction	-	-	-	-	-	-	-	-	66 732 642	66 732 642
Accumulated Impairment Losses	-	(966 808)	(68 413)	-	(1 587 000)	(417 124)	(163 273)	-	-	(3 202 618)
Accumulated Depreciation	-	(1 378 580)	(719 807 837)	(31 644 663)	(98 383)	(30 098 207)	(31 484 045)	(3 559 134)	-	(818 070 849)
Acquisition of Assets										
- Cost	-	-	(1)	-	-	5 533 378	36 132 735	-	-	41 666 112
- Capital Under Construction	-	-	-	-	-	-	-	-	72 315 658	72 315 658
Decommissioning and other Liabilities	-	-	-	17 773 157	-	-	-	-	-	17 773 157
Depreciation	-	(632 212)	(74 832 484)	(5 399 905)	(174 713)	(4 523 517)	(4 679 415)	(260 907)	-	(90 503 153)
Carrying value of Disposals:	(22 748 000)	(472 500)	-	-	-	(601 882)	(7 781)	-	-	(23 830 163)
- Cost	(22 748 000)	(472 500)	-	-	-	(3 090 052)	(114 976)	-	-	(26 425 528)
- Accumulated Impairment Losses	-	-	-	-	-	588 368	-	-	-	588 368
- Accumulated Depreciation	-	-	-	-	-	1 899 802	107 195	-	-	2 006 997
Impairment (losses)/reversals	-	(6 450 000)	(2 508 114)	-	-	-	-	-	-	(8 958 114)
Capital under Construction - Completed	-	-	-	-	-	-	-	-	(16 354 634)	(16 354 634)
Transfer to Cost - Completed	-	970 860	8 216 169	-	7 167 605	-	-	-	-	16 354 634
Carrying values at 30 June 2022	212 677 377	47 380 950	1 547 186 210	26 166 547	35 200 814	15 572 185	57 024 056	1 249 106	122 693 666	2 065 150 911
Cost	212 677 377	56 808 550	2 344 403 058	63 211 115	37 060 910	48 122 863	93 243 594	5 069 147	122 693 666	2 983 290 280
- Completed Assets	212 677 377	56 808 550	2 344 403 058	63 211 115	37 060 910	48 122 863	93 243 594	5 069 147	-	2 860 596 614
- Under Construction	-	-	-	-	-	-	-	-	122 693 666	122 693 666
Accumulated Impairment Losses	-	(7 416 808)	(2 576 527)	-	(1 587 000)	171 244	(163 273)	-	-	(11 572 364)
Accumulated Depreciation	-	(2 010 792)	(794 640 321)	(37 044 568)	(273 096)	(32 721 922)	(36 056 265)	(3 820 041)	-	(906 567 005)

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

30 June 2021

Reconciliation of Carrying Value

Description	Land	Buildings	Infra-structure	Landfill Sites	Community	Other	Transport Assets	Leased Assets	Work in Progress	Total
	R	R			R	R	R	R	R	R
Carrying values at 01 July 2020	235 084 817	52 097 043	1 545 351 430	15 960 150	24 121 041	15 307 581	25 533 458	1 953 748	163 353 801	2 078 763 069
Cost	235 084 817	53 605 907	2 197 183 883	45 512 598	25 731 956	43 684 192	56 542 200	5 167 861	163 353 801	2 825 867 215
- Completed Assets	235 084 817	53 605 907	2 197 183 883	45 512 598	25 731 956	43 684 192	56 542 200	5 167 861	-	2 662 513 414
- Under Construction	-	-	-	-	-	-	-	-	163 353 801	163 353 801
Accumulated Impairment Losses	-	(879 000)	-	-	(1 587 000)	(441 442)	(454 957)	-	-	(3 362 399)
Accumulated Depreciation	-	(629 864)	(651 832 453)	(29 552 448)	(23 915)	(27 935 169)	(30 553 785)	(3 214 113)	-	(743 741 747)
Acquisition of Assets										
- Cost	340 560	1 377 612	-	-	-	4 406 097	5 775 708	1	-	11 899 978
- Capital Under Construction	-	-	-	-	-	-	-	-	48 819 134	48 819 134
Decommissioning and other Liabilities	-	-	0	(74 640)	-	-	-	-	-	(74 640)
Depreciation	-	(768 968)	(68 569 522)	(2 092 215)	(74 468)	(4 368 759)	(4 183 428)	(433 284)	-	(80 490 644)
Carrying value of Disposals:	-	(99 748)	(235 129)	-	-	(154 341)	(1 547 221)	(10 452)	-	(2 046 891)
- Cost	-	(120 000)	(829 267)	-	-	(2 410 752)	(5 092 073)	(98 715)	-	(8 550 807)
- Accumulated Impairment Losses	-	-	-	-	-	50 690	291 684	-	-	342 374
- Accumulated Depreciation	-	20 252	594 138	-	-	2 205 721	3 253 168	88 263	-	6 161 542
Impairment (losses)/reversals	-	(87 808)	(68 413)	-	-	(26 372)	-	-	-	(182 593)
Capital under Construction - Completed	-	-	-	-	-	-	-	-	(145 440 293)	(145 440 293)
Transfer to Cost - Completed	-	1 446 671	139 832 274	-	4 161 349	-	-	-	-	145 440 294
Carrying values at 30 June 2021	235 425 377	53 964 802	1 616 310 640	13 793 295	28 207 922	15 164 206	25 578 517	1 510 013	66 732 642	2 056 687 414
Cost	235 425 377	56 310 190	2 336 186 890	45 437 958	29 893 305	45 679 537	57 225 835	5 069 147	66 732 642	2 877 960 881
- Completed Assets	235 425 377	56 310 190	2 336 186 890	45 437 958	29 893 305	45 679 537	57 225 835	5 069 147	-	2 811 228 239
- Under Construction	-	-	-	-	-	-	-	-	66 732 642	66 732 642
Accumulated Impairment Losses	-	(966 808)	(68 413)	-	(1 587 000)	(417 124)	(163 273)	-	-	(3 202 618)
Accumulated Depreciation	-	(1 378 580)	(719 807 837)	(31 644 663)	(98 383)	(30 098 207)	(31 484 045)	(3 559 134)	-	(818 070 849)

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 R	2021 R
6. PROPERTY, PLANT AND EQUIPMENT (Continued)		
6.1 Allocation for Cash Flow		
Property, Plant and Equipment at Beginning of Year	2 056 687 413	2 078 763 069
Property, Plant and Equipment	1 989 954 772	1 915 409 268
Construction Work-in-Progress	66 732 641	163 353 801
Movement in Non-cash Transactions:-		
Depreciation for the Year	(90 503 152)	(80 490 644)
Impairment for the Year	(8 958 114)	(182 593)
Decommissioning, Restoration and Other Liabilities	17 773 157	-
Donated Assets	-	-
Revaluation	-	-
Total Property, Plant and Equipment allocated to Non-cash Transactions	<u>(81 688 109)</u>	<u>(80 673 237)</u>
Purchase of Property, Plant and Equipment:-		
Acquisition of Property, Plant and Equipment	42 179 592	11 825 339
Acquisitions	41 666 111	11 899 979
Correction of Error	-	-
Decommissioning, Restoration and Other Liabilities	513 481	(74 640)
Acquisition of Construction Work-in-Progress	72 315 658	48 819 134
Total Property, Plant and Equipment allocated to Purchase of Property, Plant and Equipment	<u>114 495 250</u>	<u>60 644 473</u>
Disposal of Property, Plant and Equipment:-		
Carrying Value of Disposals	(23 830 164)	(2 046 892)
Total Property, Plant and Equipment allocated to Proceeds on Disposal of Property, Plant and Equipment	<u>(23 830 164)</u>	<u>(2 046 892)</u>
Transfer of Property, Plant and Equipment:-		
Work in Progress Completed: Transferred In	16 354 634	145 440 293
Work in Progress Completed: Transferred Out	(16 354 634)	(145 440 293)
Total Property, Plant and Equipment allocated to Suppliers Paid	<u>-</u>	<u>-</u>
Property, Plant and Equipment at End of Year	<u>2 065 664 390</u>	<u>2 056 687 413</u>
Proceeds on Disposal of Property, Plant and Equipment:-		
Disposals as per Reconciliation of Property, Plant and Equipme Note 6.1	23 830 164	2 046 892
Gains / Losses on Disposal of Property, Plant and Equipment Note 40.	(10 273 046)	(1 989 467)
Total Proceeds on Disposal of Property, Plant and Equipment allocated to Cash Flow	<u>13 557 118</u>	<u>57 425</u>
6.2 Assets pledged as security		
No assets have been pledged as security.		
6.3 Property, Plant and Equipment rented out		
For certain Property Plant and Equipment a portion is being rented out. Due to the insignificance of this portion relative to the whole, judgement has been made that this does not fit the recognition criteria as Investment Property.		

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6.4 Impairment of Property, Plant and Equipment

Impairment Losses on Property, Plant and Equipment to the amount of R8 958 114 (2021: R182 593) has been recognised in operating surplus and are included in Impairment Losses in the Statement of Financial Performance as indicated in Note 32..

Buildings	6 450 000	87 808
Infrastructure	2 508 114	68 413
Other Assets	-	26 372
Total Impairment of Property, Plant and Equipment	8 958 114	182 593

6.5 Delayed Projects

No Projects have been delayed.

6.6 Compensation received for Losses

Compensation, included in Operating Surplus, was received from the municipality's insurers and other third parties for Property, Plant and Equipment lost during the year:

	Carrying Value of Lost Assets R	Surplus / Deficit on Compensation R
30 June 2022		
Land	22 748 000	(22 748 000)
Buildings	472 500	(472 500)
Other Assets	601 882	(601 882)
Transport Assets	7 781	(7 781)
Totals for Lost Property, Plant and Equipment	23 830 163	(23 830 163)

	Carrying Value of Lost Assets R	Surplus / Deficit on Compensation R
30 June 2021		
Buildings	99 748	(99 748)
Infrastructure	235 129	(235 129)
Leased Assets	10 452	(10 452)
Other Assets	154 341	(154 341)
Transport Assets	1 547 221	(1 547 221)
Totals for Lost Property, Plant and Equipment	2 046 891	(2 046 891)

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 R	2021 R
6.7 Expenditure incurred for Repairs and Maintenance		
The following specific costs included in the amount of repairs and maintenance were incurred by municipality during the reporting period:		
Electrical Infrastructure	5 906 174	8 824 440
- Contracted Services	1 102 395	5 591 155
- Inventory Consumed	4 729 428	3 196 953
- Other Operational Costs	74 351	36 332
Information and Communication Infrastructure	164 163	45 677
- Contracted Services	164 163	-
- Other Operational Costs	-	45 677
Rail Infrastructure	695 607	193 534
- Contracted Services	695 607	193 534
Roads Infrastructure	11 131 682	32 759 937
- Contracted Services	9 850 312	32 095 143
- Inventory Consumed	1 281 370	664 794
Sanitation Infrastructure	2 518 326	2 567 395
- Contracted Services	1 450 152	1 112 115
- Inventory Consumed	843 071	918 014
- Other Operational Costs	225 103	537 266
Solid Waste Disposal	-	65 120
- Contracted Services	-	65 120
Storm Water Infrastructure	1 115 536	1 058 489
- Contracted Services	137 228	67 015
- Inventory Consumed	544 264	467 450
- Other Operational Costs	434 044	524 024
Water Supply Infrastructure	9 189 071	8 766 492
- Contracted Services	943 773	588 155
- Inventory Consumed	3 085 412	1 923 183
- Other Operational Costs	5 159 886	6 255 154
Community Assets	3 139 741	3 348 767
- Contracted Services	2 501 807	2 669 277
- Inventory Consumed	637 934	679 490
Machinery and Equipment	665 913	390 737
- Contracted Services	537 176	307 455
- Inventory Consumed	128 737	83 282
Other Assets - Buildings	3 063 141	2 546 505
- Contracted Services	2 653 232	2 095 775
- Inventory Consumed	409 909	445 596
- Other Operational Costs	-	5 134
Transport Assets	9 161 435	7 945 875
- Contracted Services	7 638 441	6 680 305
- Inventory Consumed	1 476 204	1 161 570
- Other Operational Costs	46 790	104 000
Total Expenditure related to Repairs and Maintenance Projects	46 750 789	68 512 968

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

7. INTANGIBLE ASSETS

At Cost less Accumulated Amortisation and Accumulated Impairment Losses	869 780	1 294 963
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The movement in Intangible Assets is reconciled as follows:

Software Purchased:

Carrying values at 01 July	1 294 963	679 540
Cost	2 153 378	1 176 384
Accumulated Amortisation	(858 415)	(496 844)
Acquisitions:	-	976 994
Purchased	-	976 994
Amortisation:	(425 183)	(361 571)
Purchased	(425 183)	(361 571)
Disposals:	-	-
Carrying values at 30 June	869 780	1 294 963
Cost	2 153 378	2 153 378
Accumulated Amortisation	(1 283 598)	(858 415)

7.1 Allocation for Cash Flow

Intangible Assets at Beginning of Year	1 294 963	679 541
Movement in Non-cash Transactions:-		
Amortisation for the Year	(425 184)	(361 571)
Total Intangible Assets allocated to Non-cash Transactions	(425 184)	(361 571)
Purchase of Intangible Assets:-		
Acquisition of Intangible Assets	-	976 994
Total Intangible Assets allocated to Purchase of Intangible Assets	-	976 994
Intangible Assets at End of Year	869 779	1 294 964

The amortisation expense has been included in the line item "Depreciation and Amortisation" in the Statement of Financial Performance (see Note 31.).

All of the municipality's Intangible Assets are held under freehold interests and no Intangible Assets had been pledged as security for any liabilities of the municipality.

7.2 Significant Intangible Assets

Significant Intangible Assets, that did not meet the recognition criteria for Intangible Assets as stipulated in GRAP 102 and SIC 32, are the following:

- (i) Website Costs incurred during the last two financial years, if applicable, have been expensed and not recognised as Intangible Assets. The municipality cannot demonstrate how its website will generate probable future economic benefits.

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

8. INVESTMENT PROPERTY

At Cost less Accumulated Depreciation	262 608 444	262 645 444
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The movement in Investment Property is reconciled as follows:

Carrying values at 1 July	262 645 444	262 645 444
Cost	262 645 444	262 645 444
Acquisitions during the Year	-	-
Cost	-	-
Carrying values at 30 June	262 608 444	262 645 444
Cost	262 608 444	262 645 444

8.1 Allocation for Cash Flow

Investment Property at Beginning of Year	262 645 444	262 645 444
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Movement in Non-cash Transactions:-

Depreciation for the Year	-	-
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Total Investment Property allocated to Non-cash Transactions	-	-
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Purchase of Investment Property:-

Acquisition of Investment Property	-	-
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Total Investment Property allocated to Purchase of Investment Property	-	-
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Investment Property at End of Year	262 608 444	262 645 444
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Revenue and Expenditure disclosed in the Statement of Financial Performance include the following:

Rental Revenue earned from Investment Property	2 263 717	925 404
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All of the municipality's Investment Property is held under freehold interests and no Investment Property had been pledged as security for any liabilities of the municipality.

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 R	2021 R
9. LEASE RECEIVABLES		
Current Lease Receivables	152 713	107 590
Non-current Lease Receivables	-	-
Total Lease Receivables	152 713	107 590
9.1 Operating Lease Receivables		
Operating Leases are recognised on the straight-line basis as per the requirement of GRAP 13. In respect of Non-cancellable Operating Leases the following assets have been recognised:		
Balance at beginning of year	107 590	171 287
Operating Lease - Straight lining	-	-
Operating Lease Revenue effected	45 123	(63 697)
Total Operating Lease Receivables	152 713	107 590
9.1.1 Allocation for Cash Flow		
Other Receipts:-		
Operating Lease Receivables - Opening Balance	107 590	171 287
Operating Lease Receivables - Closing Balance	(152 713)	(107 590)
Total Operating Lease Receivables allocated to Other Receipts	(45 123)	63 697
Total Operating Lease Receivables allocated to Cash Flow	(45 123)	63 697
9.1.2 Leasing Arrangements		
The Municipality as Lessor:		
Operating Leases relate to Property owned by the municipality with lease terms of between 1 to 99 years, with an option to extend.		
All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.		
9.1.3 Amounts receivable under Operating Leases		
At the Reporting Date the following minimum lease payments were receivable under Non-cancellable Operating Leases for Property, Plant and Equipment, which are receivable as follows:		
Up to 1 year	360 075	360 075
2 to 5 years	1 311 975	1 311 975
More than 5 years	-	-
Total Operating Lease Arrangements	1 672 050	1 672 050

The impact of charging the escalations in Operating Leases on a straight-line basis over the term of the lease has been a decrease of R-45 123 (2021: decrease of R63 697) in current year income.

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 R	2021 R
10. CONSUMER DEPOSITS		
Electricity	12 906 149	11 881 426
Water	2 219 214	2 024 497
Other Deposits:-	8 547 562	6 868 332
- Land Sales	8 371 633	6 794 262
- Rental Properties	79 929	42 070
- Wayleave	96 000	32 000
Total Consumer Deposits	23 672 925	20 774 255
10.1 Allocation for Cash Flow		
Service Charges:-		
Consumer Deposits: Trading Services - Opening Balance	(13 905 923)	(12 657 356)
Electricity	(11 881 426)	(10 835 939)
Water	(2 024 497)	(1 821 417)
Consumer Deposits: Trading Services - Closing Balance	15 125 363	13 905 923
Electricity	12 906 149	11 881 426
Water	2 219 214	2 024 497
Total Consumer Deposits allocated to Service Charges	1 219 440	1 248 567
Other Receipts:-		
Consumer Deposits: Other Services - Opening Balance	(6 868 332)	(5 418 508)
Consumer Deposits: Other Services - Closing Balance	8 547 563	6 868 332
Total Consumer Deposits allocated to Other Receipts	1 679 231	1 449 824
Total Consumer Deposits allocated to Cash Flow	2 898 671	2 698 391
Consumer Deposits - Electricity and Water		
Consumer Deposits are paid by consumers on application for new water and electricity connections. The deposits are repaid when the water and electricity connections are terminated. In cases where consumers default on their accounts, the municipality can utilise the deposit as payment for the outstanding account.		
No interest is paid on Consumer Deposits held.		
11. PAYABLES FROM EXCHANGE TRANSACTIONS		
Other Payables	16 913 522	10 491 432
Retentions	3 382 568	3 697 847
Salary Related Payables	1 059 452	834 091
Trade Creditors	60 363 161	54 817 337
Advance Payments	23 860 485	17 800 699
Total Payables from Exchange Transactions	105 579 188	87 641 406

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11.1 Allocation for Cash Flow

Service Charges:-

Advance Payments	6 059 786	1 707 878
Control, Clearing and Interface Accounts: Prepaid Electricity	1 071 949	-

Total Payables from Exchange Transactions allocated to Service Charges	7 131 735	1 707 878
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Other Receipts:-

Control, Clearing and Interface Accounts: Licensing and Registration	48 466	-
Unallocated Deposits	1 266 182	929 217

Total Payables from Exchange Transactions allocated to Other Receipts	1 314 648	929 217
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Employee Related Costs:-

Control, Clearing and Interface Accounts: Salary Clearing and Control	-	(1 144 921)
Long Service Award	143 768	118 046
PAYE Deductions	81 593	(100 031)

Total Payables from Exchange Transactions allocated to Employee Related Costs	225 361	(1 126 906)
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Suppliers Paid:-

Auditor-General of South Africa	6 772	-
Bulk Water	(947 686)	(777 517)
Control, Clearing and Interface Accounts: Goods Received / Invoices Received	4 041 694	-
Electricity Bulk Purchase	5 024 165	2 355 827
Payables and Accruals	1 462 573	(58 963 764)
Retentions	(315 279)	348 711

Total Payables from Exchange Transactions allocated to Suppliers Paid	9 272 239	(57 036 743)
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Other Payments:-

Control, Clearing and Interface Accounts: Cash and Bank	(6 200)	60 627
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Total Payables from Exchange Transactions allocated to Other Payments	(6 200)	60 627
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Total Payables from Exchange Transactions allocated to Cash Flow	17 937 783	(55 465 927)
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12. PAYABLES FROM NON-EXCHANGE TRANSACTIONS

Transfers and Subsidies	-	751 430
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Total Payables from Non-exchange Transactions	-	751 430
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12.1 Allocation for Cash Flow

Other Payments:-

Payables from Non-exchange Transactions - Opening Balance	-	751 430	-	235 741
Payables from Non-exchange Transactions - Closing Balance	-	-	-	751 430

Total Payables from Non-exchange Transactions allocated to Other Payments	(751 430)	515 689
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Total Payables from Non-exchange Transactions allocated to Cash Flow	(751 430)	515 689
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No credit period exists for Payables from Non-exchange Transactions, neither has any credit period been arranged. No interest is charged on outstanding amounts.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

13. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

National Government	-	5 962 915
Provincial Government	-	235 741

Total Unspent Conditional Grants and Receipts	-	6 198 656
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13.1 Allocation for Cash Flow

Transfers and Subsidies:-

Unspent Conditional Grants and Receipts - Opening Balance	(6 198 656)	(26 927 177)
Unspent Conditional Grants and Receipts - Closing Balance	-	6 198 656

Total Unspent Conditional Grants and Receipts allocated to Transfers and Subsidies	(6 198 656)	(20 728 521)
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Total Unspent Conditional Grants and Receipts allocated to Cash Flow	(6 198 656)	(20 728 521)
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The Unspent Conditional Grants and Receipts are invested in investment accounts until utilised.

See Note 22 for the reconciliation of Grants from Government and other sources. The municipality complied with the conditions attached to all grants received to the extent of revenue recognised. No grants were withheld.

14. LEASE PAYABLES

Current Lease Payables	7 463 613	618 501
Non-current Lease Payables	22 813 236	-

Total Lease Payables	30 276 849	618 501
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14.1 Finance Lease Payables

Finance Lease Liability	30 276 849	618 501
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Total Non-current Lease Payables	30 276 849	618 501
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Less: Current Portion transferred to Current Lease Payables:-	(7 463 613)	(618 501)
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Non-Current Portion of Finance Lease Payables	22 813 236	-
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14.1.1 Allocation for Cash Flow

14.1.1.1 Current Portion:-

Movement in Current Portion of Finance Lease Payables:-

Opening Balance	(618 501)	(645 622)
Closing Balance	7 463 613	618 501

Total Movement in Current Portion of Finance Lease Payables	6 845 112	(27 121)
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Adjustment for Non-cash Transactions:	422 045	696 860
- Transfer from Non-current Finance Lease Payables	422 045	696 860
- Other Non-cash Transactions	-	-

Total Current Portion allocated to Repayment of Borrowings	7 267 157	669 739
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KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

14.1.1.2 Non-current Portion:-

Movement in Non-current Finance Lease Payables:-

Non-current Finance Lease Payables - Opening Balance	-	(618 497)
Non-current Finance Lease Payables - Closing Balance	22 813 236	-
Total Movement in Non-current Finance Lease Payables	22 813 236	(618 497)
Adjustment for Non-cash Transactions:	(422 045)	(696 860)
- Transfer to Current Portion of Finance Lease Payables	(422 045)	(696 860)
- Other Non-cash Transactions	-	-

Proceeds from Borrowings	-	-
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Total Non-current Long-term Liabilities allocated to Repayment of Borrowings	22 391 191	(1 315 357)
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Total Long-term Liabilities allocated to Cash Flow	29 658 348	(645 618)
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14.1.2 Summary of Arrangements

The Municipality as Lessee:

Finance Leases relate to Property, Plant and Equipment with lease terms not more than 5 years (2021: 5 years). The effective interest rate on Finance Leases is between 14.73% and 21.53% (2021: 13.21% and 48.13%).

The municipality has options to purchase the Property, Plant and Equipment for a nominal amount at the conclusion of the lease agreements. The municipality's obligations under Finance Leases are secured by the lessors' title to the leased assets.

The obligations under Finance Leases are as follows:

	Minimum Lease Payments		Present Value of Minimum Lease Payments	
	2022 R	2021 R	2022 R	2021 R
Amounts payable under borrowings:				
Within one year	9 951 190	662 796	7 463 614	618 501
In the second to fifth years, inclusive	25 347 055	-	22 813 237	-
Over five years	-	-	-	-
	35 298 245	662 796	30 276 851	618 501
Less: Future Finance Obligations	5 021 394	44 303		
Present Value of Minimum Lease Obligations	30 276 851	618 493	30 276 851	618 501
Less: Amounts due for settlement within 12 months (Current Portion)			(7 463 614)	(618 501)
Borrowings due for settlement after 12 months (Non-current Portion)			22 813 237	-

The municipality has finance lease agreements for the following significant classes of assets:

- Office Equipment
- Vehicles

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Included in these classes are the following significant leases:

(i) Various Vehicles, New Plant and Office Equipment	R 30 276 851	R 1 264 119
- Instalments are payable monthly in arrears		
- Average period outstanding	32 months	12 months
- Average effective interest rate, based on prime	13,5%	15.33%
- Average monthly instalment	R 946 152	R 52 860

15. BORROWINGS

Long-Term Borrowings

Development Bank of South Africa

-	6 128 308
-	6 128 308

Less: Current Portion transferred to Current Borrowings:-

Development Bank of South Africa

-	(6 128 308)
-	(6 128 308)

Non-Current Portion of Borrowings

-	-
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16. EMPLOYEE BENEFIT LIABILITIES

Employee Benefit Liabilities

Post-retirement Health Care Benefits Liability

Post-retirement Pension Benefits Liability

Long Service Awards Liability

Performance Bonus

112 939 960	109 669 451
92 123 834	89 626 999
52 695	150 949
18 958 334	17 157 000
1 805 097	2 734 503

Less: Current Portion of Employee Benefit Liabilities

Post-retirement Health Care Benefits Liability

Post-retirement Pension Benefits Liability

Long Service Awards Liability

Performance Bonus

7 443 566	7 872 752
3 253 911	3 144 000
9 414	21 249
2 375 144	1 973 000
1 805 097	2 734 503

Non-Current Portion of Employee Benefit Liabilities

105 496 394	101 796 699
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16.1 Allocation for Cash Flow

16.1.1 Current Portion

Provisions at Beginning of Year

7 872 752	8 316 102
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Movement in Non-cash Transactions:-

Defined Benefit Obligations

Post Retirement Pension

Long Service Awards Liability

Performance Bonus

3 253 911	3 144 000
(11 835)	(21 249)
402 144	(750 765)
(929 406)	339 438

Total Provisions allocated to Non-cash Transactions

2 714 814	2 711 424
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Movement in Employee Related Costs:-

Actual Benefit Payments

Reductions (Outflow of Economic Benefits)

(3 144 000)	(3 154 774)
-	-

Total Provisions allocated to Employee Related Costs

(3 144 000)	(3 154 774)
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Provisions at End of Year

7 443 566	7 872 752
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KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

16.1.2 Non-current Portion

Employee Benefit Liabilities at Beginning of Year	101 796 699	86 255 839
Movement in Non-cash Transactions:-		
Long-service Awards	3 194 000	4 141 266
Post Retirement Health Care	5 631 870	14 123 455
Post Retirement Pension	(56 654)	49 904
Total Employee Benefit Liabilities allocated to Non-cash Transactions	<u>8 769 216</u>	<u>18 314 625</u>
Movement in Employee Related Costs:-		
Long-service Awards: Reductions (Outflow of Economic Benefits)	(1 794 810)	(2 723 765)
Post Retirement Health Care: Actual Employer Benefit Payments	(3 274 711)	-
Post Retirement Pension Payment	-	(50 000)
Total Employee Benefit Liabilities allocated to Employee Related Costs	<u>(5 069 521)</u>	<u>(2 773 765)</u>
Employee Benefit Liabilities at End of Year	<u>105 496 394</u>	<u>101 796 699</u>

16.2 Current Portion of Employee Benefit Liabilities

The movement in Current Portion of Employee Benefit Liabilities is reconciled as follows:

	Performance Bonus R	Medical Aid R	Pension Fund R	Long-term Service R
30 June 2022				
Opening Balance	2 734 503	3 144 000	21 249	1 973 000
Current service cost	(929 406)	3 253 911	8 965	2 375 144
Actual employer benefit payments	-	(3 144 000)	(20 800)	-
Reversals	-	-	-	(1 973 000)
Balance at end of year	<u>1 805 097</u>	<u>3 253 911</u>	<u>9 414</u>	<u>2 375 144</u>
	Performance Bonus R	Medical Aid R	Pension Fund R	Long-term Service R
30 June 2021				
Opening Balance	2 395 065	3 176 023	-	2 723 765
Current service cost	339 438	3 144 000	-	-
Actual employer benefit payments	-	(3 176 023)	21 249	-
Reversals	-	-	-	(750 765)
Balance at end of year	<u>2 734 503</u>	<u>3 144 000</u>	<u>21 249</u>	<u>1 973 000</u>

Performance Bonuses accrue to senior managers on an annual basis, subject to certain conditions. The provision is an estimate of the amount due at the reporting date.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

16.3 Post-retirement Health Care Benefits Liability

Opening Balance	89 626 999	75 535 567
Interest Cost	9 038 000	10 123 421
Current Service Cost	6 757 911	3 369 081
Actual Employer Benefit Payments	(6 397 911)	(3 176 023)
Actuarial Loss/ (Gain) recognised in the year	(6 901 165)	3 774 953
Balance at end of Year	92 123 834	89 626 999
Transfer to Current Provisions	3 253 911	3 144 000
Total Post-retirement Health Care Benefits Liability	88 869 923	86 482 999

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2022 by One Pangaea Expertise & Solutions. The present value of the defined benefit obligations, and the related current service costs and past service costs, were measured using the Projected Unit Credit Method.

The members of the Post-employment Health Care Benefit Plan are made up as follows:

In-service Members (Employees)	424	423
Continuation Members (Retirees, widowers and orphans)	78	76
Total Members	502	499

The liability in respect of past service has been estimated as follows:

In-service Members	51 568 834	49 071 999
Continuation Members	40 555 000	40 555 000
Total Liability	92 123 834	89 626 999

The municipality makes monthly contributions for health care arrangements to the following Medical Aid Schemes:

- Bonitas
- Keyhealth
- LA Health
- Hosmed
- Samwumed

The Current-service Cost for the year ending 30 June 2022 is estimated to be R3 504 000, whereas the cost for the ensuing year is estimated to be R3 253 911 (30 June 2021: R3 369 081 and R3 504 000 respectively)."

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate	12.80%	10.26%
Health Care Cost Inflation Rate	9.31%	6.86%
Net Effective Discount Rate	3.18%	3.18%
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Movements in the present value of the Defined Benefit Obligation were as follows:

Opening Balance	89 626 999	75 535 567
Interest Cost	9 038 000	10 123 421
Current Service Cost	3 504 000	3 369 081
Benefits Paid	(3 144 000)	(3 176 023)
Actuarial Losses / (Gains)	(6 901 165)	3 774 953

Total Recognised Benefit Liability

92 123 834	89 626 999
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The amounts recognised in the Statement of Financial Position are as follows:

Present Value of Fund Obligations	92 123 834	89 626 999
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Total Benefit Liability

92 123 834	89 626 999
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The amounts recognised in the Statement of Financial Performance are as follows:

Current service cost	6 757 911	10 123 421
Interest cost	9 038 000	3 369 081
Actuarial losses / (gains)	(6 901 165)	3 774 953

Total Post-retirement Benefit included in Employee Related Costs (Note 29.)

8 894 746	17 267 455
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The history of fair values are as follows:

	2022 R	2021 R	2020 R	2019 R	2018 R
Present Value of Defined Benefit Obligation	92 123 834	89 626 999	83 222 393	86 379 999	86 379 999
Deficit	92 123 834	89 626 999	83 222 393	86 379 999	86 379 999
Experienced adjustments on Plan Liabilities	(9 109 000)	(1 919 000)	2 356 040	41 820	6 739 754

**2022
R**

**2021
R**

The effect of a 1% movement in the assumed rate of health care cost inflation is as follows:

Increase:

Effect on the aggregate of the current service cost and the interest cost	18 027 552	14 896 000
Effect on the defined benefit obligation	106 203 313	15 565 243

Decrease:

Effect on the aggregate of the current service cost and the interest cost	13 254 634	10 670 000
Effect on the defined benefit obligation	80 533 893	11 755 460

The municipality expects to make a contribution of R3,273,000 (2021: R3,144,000) to the Defined Benefit Plans during the next financial year.

Refer to Note 49., "Multi-employer Retirement Benefit Information", to the Annual Financial Statements for more information regarding the municipality's other retirement funds that is Provincially and Nationally administered.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

16.4 Post-retirement Pension Benefits Liability

Opening Balance	130 149	129 796
Interest Cost	8 800	10 405
Current Service Cost	-	20 800
Actual Employer Benefit Payments	(20 800)	(28 751)
Actuarial Loss/ (Gain) recognised in the year	(65 454)	18 699
Balance at end of Year	52 695	150 949
Transfer to Current Provisions	9 414	21 249
Total Post-retirement Pension Benefits Liability	43 281	129 700

The municipality provides certain post - retirement pension benefits to certain retired employees of the municipality. According to the rules of the pension fund, with which the municipality is associated, a member (which is on the current Conditions of Service) on retirement, is entitled to certain pension benefits in which case the municipality is liable for pension payments to retired members for the

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2022 One Pangaea Expertise & solutions. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate	9.26%	7.36%
Health Care Cost Inflation Rate	0.00%	4.09%
Net Effective Discount Rate	9.26%	7.36%
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

Movements in the present value of the Defined Benefit Obligation were as follows:

Opening Balance	157 862	179 207
Interest Cost	8 800	10 405
Current Service Cost	-	(29 200)
Actual Employer Benefit Payments	(20 800)	(21 249)
Actuarial Loss/ (Gain) recognised in the year	(102 581)	18 699
Total Recognised Benefit Liability	43 281	157 862

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	43 281	157 862
Total Benefit Liability	43 281	157 862

The amounts recognised in the Statement of Financial Performance are as follows:

Interest cost	8 800	10 405
Actuarial losses / (gains)	(65 454)	(20 135)
Total Post-retirement Benefit included in Employee Related Costs (Note)	(56 654)	(9 730)

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The history of experienced adjustments is as follows:

	2022 R	2021 R	2020 R	2019 R	2018 R
Obligation	43 281	157 862	179 207	715 000	742 000
Deficit	43 281	157 862	179 207	715 000	742 000
Experienced adjustments on Plan Liabilities	7 899	(1 189)	622 911	Unknown	2 356 040
				2022 R	2021 R

The effect of a 1% movement in the assumed rate of health care cost inflation is as follows:

Increase:

Effect on the aggregate of the current service cost and the interest cost	4 667	11 186
Effect on the defined benefit obligation	49 952	124 000

Decrease:

Effect on the aggregate of the current service cost and the interest cost	4 156	9 528
Effect on the defined benefit obligation	54 774	159 265

16.5 Long Service Awards Liability

Opening Balance	17 157 000	16 490 264
Current Service Cost and Interest Cost	5 569 144	3 140 278
Payments Made	(1 794 810)	(2 723 765)
Other Reductions	-	-
Actuarial Gain/(Loss)	(1 973 000)	250 223
Balance at end of Year	18 958 334	17 157 000
Transfer to Current Provisions	2 375 144	1 973 000
Total Long Service Awards Liability	16 583 190	15 184 000

The municipality operates an unfunded defined benefit plan for all its employees. Under the plan, a Long-service Award is payable after 10 years of continuous service, and every 5 years of continuous service thereafter to 45 years, to employees. The provision is an estimate of the long-service based on historical staff turnover. No other long-service benefits are provided to employees.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2022 by One Pangaea Expertise & Solutions. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

At year end, 781 (2021: 798) employees were eligible for Long-service Awards.

The Current-service Cost and Interest Cost for the year ending 30 June 2022 is estimated to be R5 569 144, whereas the cost for the ensuing year is estimated to be R (30 June 2022: R3 140 278 and R5 569 144 respectively).

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate	10.02%	9.73%
Cost Inflation Rate	6.65%	5.57%
Net Effective Discount Rate	2.20%	3.94%
Expected Rate of Salary Increase	7.65%	4.00%
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

Movements in the present value of the Defined Benefit Obligation were as follows:

Opening Balance	17 157 000	16 490 264
Interest Cost	-	-
Current Service Cost	(1 973 000)	250 223
Actuarial Loss/ (Gain) recognised in the year	5 569 144	3 140 278
Benefits Paid	(1 794 810)	(2 723 765)

Total Recognised Benefit Liability

18 958 334	17 157 000
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The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	18 958 334	17 157 000
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Total Benefit Liability

18 958 334	17 157 000
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The amounts recognised in the Statement of Financial Performance are as follows:

Current service cost	5 569 144	3 140 278
Interest cost	-	-

Total Post-retirement Benefit included in Employee Related Costs (Note 29.)

5 569 144	3 140 278
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The history of experienced adjustments is as follows:

	2022 R	2021 R	2020 R	2019 R
Present Value of Defined Benefit Obligation	18 958 334	17 157 000	16 490 264	16 937 509
Deficit	18 958 334	17 157 000	16 490 264	16 937 509
Experienced adjustments on Plan Liabilities	(632 777)	-	179 135	-

2022 R	2021 R
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The effect of a 1% movement in the assumed rate of long service cost inflation is as follows:

Increase:

Effect on the aggregate of the current service cost and the interest cost	3 648 131	3 117 863
Effect on the defined benefit obligation	18 003 663	15 692 185

Decrease:

Effect on the aggregate of the current service cost and the interest cost	3 720 419	3 164 217
Effect on the defined benefit obligation	20 014 386	17 371 225

The municipality expects to make a contribution of R2 723 765 (2021: R5 569 144) to the defined benefit plans during the next financial year.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

17. PROVISIONS

Current Provisions	31 986 180	27 574 289
Non-current Provisions	106 420 092	89 160 416
Total Provisions	138 406 272	116 734 705

17.1 Current Provisions

Current Portion of Non-Current Provisions:	31 986 179	27 574 289
Decommissioning, Restoration and Similar Liabilities: Landfill Sites	8 196 051	3 624 276
Environmental Cleanup	1 925 750	1 450 000
Leave	21 864 378	22 500 013
Total Provisions	31 986 179	27 574 289

17.1.1 Allocation for Cash Flow

Provisions at Beginning of Year	27 574 289	24 778 556
Movement in Non-cash Transactions:-		
Provisions	4 411 890	2 795 732
Total Provisions allocated to Non-cash Transactions	4 411 890	2 795 732
Provisions at End of Year	31 986 179	27 574 288

The movement in Current Provisions is reconciled as follows:

Current Portion of Non-Current Provisions:

Staff Benefit Provisions:

Leave Provision

Opening Balance	22 500 013	20 194 765
Increases / Decreases	(635 635)	2 305 248
Balance at end of year	21 864 378	22 500 013

Other Operational Provisions:

	Environmental Cleanup	Decommissioning of Landfill Sites
	R	R
30 June 2022		
Opening Balance	1 450 000	3 624 276
Increases	475 750	4 571 775
Reversals	-	-
Balance at end of year	1 925 750	8 196 051

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Environmental Cleanup	Decommissioning of Landfill Sites
	R	R
30 June 2021		
Opening Balance	1 036 522	3 547 270
Increases	413 478	77 006
Reversals	-	-
Balance at end of year	1 450 000	3 624 276

Environmental Clean-up Illegal dumping of builders and other rubble is taken place throughout the Kouga area to the municipality's property. Contrary to S19A of Environmental Conservation Act, 73 (No 73 of 19 89), the municipality has not cleared the illegal dumping and other rubble. The municipality has accounted for a provision for the cost of clearing of builders and other rubble as required by GRAP 19.

Leave Provision Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave. All leave has to be taken within a timeframe of 18 months subsequent to earning it. There is no possibility of reimbursement.

Long Service Award Long service awards are provided to employees who achieve certain pre-determined milestones of service within the Municipality. The Municipality's obligation under these plans is valued by independent qualified actuaries annually and the corresponding liability is raised.

17.2 Non-current Provisions

Decommissioning, Restoration and Similar Liabilities: Landfill Sites	106 420 092	89 160 416
Decommissioning, Restoration and Similar Liabilities: Non-specific	-	-
Total Non-current Provisions	106 420 092	89 160 416

17.2.1 Allocation for Cash Flow

Non-current Provisions at Beginning of Year	89 160 416	87 224 875
Movement in Non-cash Transactions:-		
Decommissioning, Restoration and Similar Liabilities	17 259 676	1 935 541
Total Non-current Provisions allocated to Non-cash Transactions	17 259 676	1 935 541
Decommissioning, Restoration and Similar Liabilities: Non-specific	-	-
Total Non-current Provisions allocated to Suppliers Paid	-	-
Non-current Provisions at End of Year	106 420 092	89 160 416

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The movement in Non-current Provisions are reconciled as follows:

	Decommissioning of Landfill Sites
	R
30 June 2022	
Opening Balance	89 160 416
Finance Charges	17 259 677
Payments Made	-
Increases (Passage of Time/Discounted I	-
Balance at end of year	106 420 093

	Decommissioning of Landfill Sites
	R
30 June 2021	
Opening Balance	87 224 874
Finance Charges	1 935 541
Other Reductions	-
Balance at end of year	89 160 415

17.3 Rehabilitation of Land-fill Sites

The municipality has an obligation to rehabilitate its land-fill sites in terms of its licence stipulations. The net present value of the rehabilitation cost of land-fill sites has been determined as at 30 June 2022 in - house by Mr T Rudolph from Kouga Municipality, (National Diploma: Analytical Chemistry, Mine Residue Disposal Course). The provision is the best estimate of the net present value of future rehabilitation costs of the land-fill sites to restore the sites at the end of their useful lives. The payment dates of the total closure and rehabilitation are uncertain, but are currently expected to be between 2022 and 2038.

Major assumptions concerning future events

The cost estimate for construction works to be performed for the closure and rehabilitation of an existing disposal site include the following assumptions made by the technical specialist:

- (a) The consolidation of "old" waste in the cell and filling of voids with builders rubble or other waste permissible for disposal at the site.
- (b) Doming the entire site in such a way to prevent the formation of pools due to rain, to ensure free surface runoff of rain water.
- (c) Capping the site in accordance with the capping design requirements as stipulated in the Minimum Requirements for Closure for the various classes of disposal sites; and
- (d) Rehabilitating the site in accordance with the end-use plan e.g. grassing, sport field etc.

LANDFILL SITES - USEFUL LIFE	Humansdorp	Hankey	Oyster Bay	JBAY (Open)	St. Francis (Open)
	Landfill Site	Landfill Site	Transfer Station	Transfer Station	Transfer Station
Remaining Useful Life 30 June 2022	6	6	6	28	28

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The following Landfill sites have closed:

St Francis - Site

Paradise Beach - Site

Patensie - Site

Papiesfontein - Site

	Humansdorp	Hankey	Oyster Bay	JBAY (Open)	St. Francis (Open)
Closing Provision as at 30 June 2020	51 520 032	9 260 032	588 396	588 396	588 396
Interest cost at 2019 weighted average - unwinding of interest	1 133 441	203 721	12 945	12 945	12 945
Change in PV in the future cash flows due to change in the discount rate	10 185	(17 995)	(1 228)	(1 228)	(1 228)
Closing Provision as at 30 June 2021	52 663 658	9 445 758	600 113	600 113	600 113
Interest cost at 2020 weighted average - unwinding of interest	2 580 519	462 842	29 406	29 406	29 406
Change in PV in the future cash flows due to change in the discount rate	14 351 910	(793 713)	(119 919)	(119 919)	(374 719)
Closing Provision as at 30 June 2022	69 596 087	9 114 887	509 600	509 600	254 800
	Paradise Beach (JBAY)	Papiesfontein (Closed)	St. Francis (Closed)	Paradise Beach (JBAY)	Patensie
Closing Provision as at 30 June 2020	-	14 908 234	12 456 432	588 396	273 830
Interest cost at 2019 weighted average - unwinding of interest	-	327 981	274 042	12 945	6 024
Change in PV in the future cash flows due to change in the discount rate	-	90 200	(60 616)	(1 228)	(1 304)
Closing Provision as at 30 June 2021	-	15 326 415	12 669 858	600 113	278 550
Interest cost at 2020 weighted average - unwinding of interest	-	750 994	620 823	29 406	13 649
Change in PV in the future cash flows due to change in the discount rate	254 800	15 411	819 693	(629 519)	3 880 975
Closing Provision as at 30 June 2022	254 800	16 092 821	14 110 374	-	4 173 174

18. ACCUMULATED SURPLUS

Accumulated Surplus / (Deficit) due to the results of Operations	2 110 191 805	2 140 988 009
Total Accumulated Surplus	2 110 191 805	2 140 988 009

Refer to Statement of Changes in Net Assets for more detail and the movement on Accumulated Surplus.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

		2022 R	2021 R
19. PROPERTY RATES			
		Actual Levies	
Property Rates Levies		224 326 475	210 204 641
Total Property Rates		224 326 475	210 204 641
19.1 Allocation for Cash Flow:			
Total Property Rates		224 326 476	210 204 642
Adjustment for Non-cash Transactions:-		-	-
Total Property Rates allocated to Cash Flow		224 326 476	210 204 642
19.2 Calculation of Cash Flow:			
Property Rates Income	Note 19.1	224 326 476	210 204 642
Non-exchange Interest Earned	Note 27.1	1 774 617	1 700 447
Cash Flow from Non-exchange Receivables	Note 5.1	(2 942 197)	(2 574 458)
Amounts Written-off as Uncollectable	Note 3.3.1	(248 187)	(567 750)
Total Receipts for Property Rates		222 910 709	208 762 881
Property Rates are levied on the value of land and improvements, which valuation is performed every four years. The last valuation came into effect on 1 July 2018.			
Interim valuations are processed on a continuous basis to take into account changes in individual property values due to alterations and subdivisions.			
An general rate is applied as follows to property valuations to determine property rates:			
Residential Properties: 0,009202 c/R (2020/21: 0,008743 c/R)			
Business Properties: 0,009570 c/R (2020/21: 0,009093 c/R)			
Agricultural Properties: 0,002301 c/R (2020/21: 0,002186 c/R)			
A Rebate of R15,000 is received on all residential properties, private towns receives an additional 20% on property valuation and equitable share recipients and Pensioners earning R15 000 and less per month, receives an additional R85,000 rebate on property value.			
20. FINES, PENALTIES AND FORFEITS			
Traffic Fines:		5 696 291	3 063 146
Municipal		5 696 291	3 063 146
Service Provider		-	-
Other Fines:		185 054	244 942
Building		185 036	195 624
Overdue Books Fine		18	318
Pound Fees		-	49 000
Total Fines, Penalties and Forfeits		5 881 345	3 308 088

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

20.1 Allocation for Cash Flow:

Total Fines, Penalties and Forfeits	5 881 345	3 308 089
Adjustment for Non-cash Transactions:-	-	-
Total Fines, Penalties and Forfeits allocated to Other Receipts	5 881 345	3 308 089

21. LICENCES AND PERMITS

Boat	6 164 580	5 773 009
Health Certificates	6 272	(57 968)
Road and Transport:	3 337 680	4 436 939
Activities on Public Roads	12 321	-
Drivers Licence Application/Duplicate Drivers Licences	1 050 814	2 673 110
Drivers Licence Certificate	1 373 103	-
Learner Licence Application	597 999	-
Learners Certificate	118 611	839 891
Motor Vehicle Licence	79 099	-
Operators and Public Drivers Permits	105 733	923 938
Trading	84 681	75 076
Total Licences and Permits	9 593 213	10 227 056

21.1 Allocation for Cash Flow:

Total Licences and Permits	9 593 214	10 227 056
Adjustment for Non-cash Transactions:-	-	-
Total Licences and Permits allocated to Other Receipts	9 593 214	10 227 056

22. TRANSFERS AND SUBSIDIES RECEIVED

Capital Grants	60 630 436	46 786 514
Monetary Allocations	60 630 436	46 786 514
Operational Grants	153 880 476	166 981 811
Monetary Allocations	153 880 476	166 981 811
Total Transfers and Subsidies Received	214 510 912	213 768 325

22.1 Allocation for Cash Flow:

Total Transfers and Subsidies Received	214 510 912	213 768 324
Adjustment for Non-cash Transactions:	-	-
Total Transfers and Subsidies Received allocated to Cash Flow	214 510 912	213 768 324

22.2 Calculation of Cash Flow:

Government Grants and Subsidies Income	Note 22.1	214 510 912	213 768 324
Cash Flow from Unspent Government Grants	Note 13.1	(6 198 656)	(20 728 521)
Total Receipts for Government Grants and Subsidies		208 312 256	193 039 803

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

22.3 Summary of Grants:

22.3.1 Capital Grants

	Monetary Allocations	
	2022	2021
District Municipalities	1 638 000	1 516 655
National Governments	58 005 265	45 269 859
Total Capital Grants Received	60 630 436	46 786 514

22.3.2 Operational Grants

	Monetary Allocations	
	2022	2021
District Municipalities	2 888 420	2 845 500
Foreign Government and International Organisations	354 406	867 207
National Governments	4 813 650	4 172 903
National Revenue Fund	143 774 000	157 046 000
Provincial Government	2 050 000	2 050 000
Total Operational Grants Received	153 880 476	166 981 810

22.4 Detailed Summaries

22.4.1 Equitable Share

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	143 774 000	157 046 000
Transferred to Revenue	(143 774 000)	(157 046 000)
Unspent Balance at the End of the Year	-	-

In terms of the Constitution, the grant is used to subsidise the provision of basic services to indigent community members. This grant is unconditional.

22.4.2 National: EPWP Grant

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	1 423 000	1 054 000
Conditions Met - Transferred to Revenue	(1 423 000)	(1 054 000)
Unspent Balance at the End of the Year	-	-

The Expanded Public Works Programme Grant was allocated to the municipality for environmental projects. No funds have been withheld.

22.4.3 National: FMG Grant

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	1 720 000	1 500 000
Transferred to Revenue	(1 720 000)	(1 500 000)
Unspent Balance at the End of the Year	-	-

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial management reforms required by the Municipal Finance Management Act (MFMA), 2003.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

22.4.4 National: MIG Funds

Unspent Balance at the Beginning of the Year	5 962 915	12 505 994
Current Year Receipts	33 413 000	31 190 000
Conditions Met - Transferred to Revenue	(39 375 915)	(37 733 079)
Unspent Balance at the End of the Year	-	5 962 915

The Municipal Infrastructure Grant (MIG) was allocated for the construction of roads, basic sewerage and water infrastructure as part of the upgrading of poor households, micro enterprises and social institutions; to provide for new, rehabilitation and upgrading of municipal infrastructure. The roll over application for the 2020/2021 financial year to the amount of R 5 962 915 was approved.

22.4.5 National: WSIG Funds

Unspent Balance at the Beginning of the Year	-	14 315 680
Current Year Receipts	-	-
Conditions Met - Transferred to Revenue	-	(14 315 680)
Unspent Balance at the End of the Year	-	-

The Water Services Infrastructure Grant is allocated to municipalities to assist in drought relief.

22.4.6 National: Municipal Disaster Relief Grant for drought

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	12 500 000	-
Transferred to Revenue	(12 500 000)	-
Unspent Balance at the End of the Year	-	-

The Municipal Disaster Relief Grant for drought is allocated to assist in drought relief.

22.4.7 Integrated National Electrification Grant

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	7 800 000	5 200 000
Conditions Met - Transferred to Revenue	(7 800 000)	(5 200 000)
Unspent Balance at the End of the Year	-	-

Expenses were incurred to promote rural development and upgrade electricity infrastructure. No funds have been withheld.

22.4.8 Provincial: Department Human Settlement (Houses)

Balance unspent at the beginning of the year	-	-
Current year receipts	13 512 151	-
Funds spent on behalf of the Department of Human Settlement	(13 512 151)	-
Balance at the End of the Year	-	-

This grant is for the building of low cost housing within the KOUGA area. The municipality is only the agent of the department of Human Settlement for the construction of low cost houses and do not form part of the revenue and expenditure of the municipality.

23. SERVICE CHARGES

Sale of Electricity	327 234 203	283 159 658
Sale of Water	83 125 109	80 982 787
Refuse Removal	54 525 598	53 973 636
Sewerage and Sanitation Charges	56 405 147	52 345 869
Total Services Charges	521 290 057	470 461 950

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

23.1 Allocation for Cash Flow:

Total Service Charges	521 290 057	470 461 950
Adjustment for Non-cash Transactions:-	-	-
Total Service Charges allocated to Cash Flow	521 290 057	470 461 950

23.2 Calculation of Cash Flow:

Service Charges Income	Note 23.1	521 290 057	470 461 950
Exchange Interest Earned	Note 27.1	12 103 821	8 281 271
Cash Flow from Exchange Receivables	Note 2.1	(55 144 622)	(38 313 716)
Cash Flow from Consumer Deposits	Note 10.1	1 219 440	1 248 567
Cash Flow from Exchange Payables	Note 11.1	7 131 735	1 707 878
Exchange Receivables: Amounts written-off as uncollectable	Note 2.3.1	(4 835 758)	(4 307 073)
Bad Debt Written-off	Note 32.1	-	-
Total Receipts for Service Charges		481 764 673	439 078 877

The amounts disclosed above for revenue from Service Charges are in respect of services rendered which are billed to the consumers on a monthly basis according to approved tariffs.

24. SALES OF GOODS AND RENDERING OF SERVICES

Application Fees for Land Usage	300 062	436 398
Building Plan Approval	5 214 545	3 328 419
Camping Fees	55 781	267 897
Cemetery and Burial	416 510	376 649
Cleaning and Removal	283 115	108 383
Development Charges	20 251	-
Encroachment Fees	8 591	81 762
Fire Services	16 182	12 822
Legal Fees	2 471 687	2 664 616
Photocopies and Faxes	44 958	57 166
Removal of Restrictions	166 331	545 830
Sale of Goods	145 736	-
Scrap, Waste & Other Goods	313	913
Valuation Services	458 647	278 390
Total Sales of Goods and Rendering of Services	9 602 709	8 159 245

24.1 Allocation for Cash Flow:

Total Sales of Goods and Rendering of Services	9 602 709	8 159 247
Adjustment for Non-cash Transactions:-	-	-
Total Sales of Goods and Rendering of Services allocated to Other Receipts	9 602 709	8 159 247

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

25. INCOME FROM AGENCY SERVICES

Commission on Vehicle Registration	2 559 892	1 411 573
Total Income from Agency Services	2 559 892	1 411 573

25.1 Allocation for Cash Flow:

Total Income from Agency Services	2 559 892	1 411 573
Adjustment for Non-cash Transactions:-	-	-
Total Income from Agency Services allocated to Other Receipts	2 559 892	1 411 573

The municipality is party to a principal / agent agreement.

The municipality is an agent on behalf of the Eastern Cape Provincial Department of Transport in collecting motor vehicle licences at an agency fee of 19%, VAT inclusive.

There were no significant changes in the agreement which occurred during the reporting period.

No material risks were identified on the agreement for the municipality.

The municipality does not incur any expenses on behalf of the principal.

Revenue due to the Principal, and not paid over at year end included in Payables from Exchange Transac	140 056	114 582
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Amount of revenue received on behalf of the principle during the reporting period

Motor vehicle licence fees	11 347 567	10 565 290
Revenue Retained, Income from Agency Services	(2 559 892)	(1 411 573)
Revenue due to the Principal	8 787 675	9 153 717

26. RENTAL FROM FIXED ASSETS

Straight-lined Operating Lease Revenue

Investment Property	2 263 717	925 404
Other Fixed Assets:	830 342	1 421 269
Property Plant and Equipment	830 342	1 421 269

Total Rental of Facilities and Equipment	3 094 059	2 346 673
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26.1 Allocation for Cash Flow:

Total Rental of Facilities and Equipment	3 094 059	2 346 673
Adjustment for Non-cash Transactions:-	-	-
Total Rental of Facilities and Equipment allocated to Other Receipts	3 094 059	2 346 673

Rental income generated are at market related premiums. All rental income recognised is therefore market related.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

27. INTEREST, DIVIDENDS AND RENT ON LAND EARNED

Non-exchange Receivables:

Outstanding Billing Debtors	1 774 617	1 700 447
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Total Non-exchange Interest, Dividends and Rent on Land Earned

1 774 617	1 700 447
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External Investments:

Bank Account	1 043 183	613 189
Investments	2 181 361	3 578 829

3 224 544	4 192 018
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Outstanding Exchange Receivables:

Outstanding Billing Debtors	12 103 821	8 281 271
Electricity	1 150 533	980 770
Service Charges	252 484	66 538
Waste Management	3 737 054	2 579 261
Waste Water Management	2 229 667	1 514 488
Water	4 734 083	3 140 214

12 103 821	8 281 271
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Total Exchange Interest, Dividends and Rent on Land Earned

15 328 365	12 473 289
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Total Interest, Dividends and Rent on Land Earned

17 102 982	14 173 736
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27.1 Allocation for Cash Flow:

Property Rates:-

Interest on Outstanding Non-exchange Receivables	1 774 617	1 700 447
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Total Interest, Dividends and Rent on Land Earned allocated to Property Rates

1 774 617	1 700 447
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Service Charges:-

Interest on Outstanding Exchange Receivables	12 103 821	8 281 271
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Total Interest, Dividends and Rent on Land Earned allocated to Service Charges

12 103 821	8 281 271
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External Interest and Dividends Received:-

Interest on External Investments	3 224 544	4 192 018
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Total Interest, Dividends and Rent on Land Earned allocated to External Interest and Dividends Received

3 224 544	4 192 018
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Total External Interest and Dividends Received allocated to Cash Flow

17 102 982	14 173 736
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27.2 Calculation of Cash Flow:

External Interest and Dividends Income	3 224 544	4 192 018
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Total Receipts for Interest and Dividends Received

3 224 544	4 192 018
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KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

28. OPERATIONAL REVENUE

Commission	415 138	471 938
Insurance Refund	2 541 783	14 917
Sale of Property	-	114
Skills Development Levy Refund	653 650	506 038
Staff Recoveries	194 327	58 651

Total Operational Revenue	3 804 898	1 051 658
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28.1 Allocation for Cash Flow:

Total Operational Revenue	3 804 898	1 051 658
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Adjustment for Non-cash Transactions:-	-	-
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Total Operational Revenue allocated to Other Receipts	3 804 898	1 051 658
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28.2 Calculation of Cash Flow:

Income from Operational Revenue	Note 28.1	3 804 898	1 051 658
Income from Rental from Fixed Assets	Note 26.1	3 094 059	2 346 673
Income from Agency Services	Note 25.1	2 559 892	1 411 573
Income from Sales of Goods and Rendering of Services	Note 24.1	9 602 709	8 159 247
Income from Licences and Permits	Note 21.1	9 593 214	10 227 056
Income from Fines, Penalties and Forfeits	Note 20.1	5 881 345	3 308 089
Cash Flow from Exchange Receivables	Note 2.1	(2 882 671)	3 383
Cash Flow from Statutory Non-exchange Receivables	Note 3.1	(3 969 759)	(2 262 861)
Cash Flow from Operating Lease Receivables	Note 9.1	(45 123)	63 697
Cash Flow from Current Portion of Long-term Receivables	Note 10.1	-	3 000
Cash Flow from Consumer Deposits	Note 10.1	1 679 231	1 449 824
Cash Flow from Exchange Payables	Note 11.1	1 314 648	929 217

Total Receipts for Other Revenue	30 632 442	26 690 557
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The amounts disclosed above for Other Revenue are in respect of services, other than described in Notes 19 to 27, rendered which are billed to or paid for by the users as the services are required according to approved tariffs.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 R	2021 R
29. EMPLOYEE RELATED COSTS		
Salaries and Wages:		
Basic	206 449 976	195 286 681
Long Service Awards	953 230	1 286 800
Bonusses	178 167	611 711
Leave Payments	5 631 168	4 252 056
Overtime	17 265 899	23 381 337
Allowances:		
Acting and Post Related Allowances	5 949 602	2 601 788
Bonus Allowance	14 465 934	14 980 178
Cellular and Telephone	101 653	9 588
Housing Benefits	782 294	899 547
Standby Allowance	7 725 438	7 198 775
Travel or Motor Vehicle	10 762 198	10 342 750
Social Contributions:		
Bargaining Council	166 786	1 724 006
Group Life Insurance	8 499 241	6 801 069
Medical	16 688 454	16 850 481
Pension	30 455 049	30 459 117
Unemployment Insurance	1 758 394	1 584 804
Post-retirement Benefits:		
Current Service Cost	3 504 000	-
Interest Cost	9 005 200	10 133 826
Actuarial Gains and Losses	(9 464 831)	3 793 652
Past Service Cost	-	3 369 081
Defined Contribution Fund Expenses	-	(3 205 223)
Leave Gratuity	(635 634)	2 305 248
Long Term Service Awards	1 155 546	666 736
Total Employee Related Costs	331 397 764	335 334 008
29.1 Allocation for Cash Flow:		
Employee Related Costs	331 397 766	335 334 005
Adjustment for Non-cash Transactions:	(7 051 376)	(23 157 944)
Total Employee Related Costs allocated to Cash Flow	324 346 390	312 176 061

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

29.2 Calculation of Cash Flow:

Employee Related Costs Expenditure	Note 29.1	324 346 390	312 176 061
Cash Flow from Exchange Payables	Note 11.1	(225 361)	1 126 906
Cash Flow from Employee Benefit Liabilities	Note 16.1	8 213 521	5 928 539

Total Payments for Employee Related Costs		332 334 550	319 231 506
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29.3 Remuneration of Section 57 Employees:

Remuneration of the Municipal Manager: C Du Plessis

Annual Remuneration	1 602 573	1 555 880
Car and Other Allowances	660 700	235 528
Company Contributions to UIF, Medical and Pension Funds	28 396	20 744
Total	2 291 669	1 812 152

Remuneration of the Chief Financial Officer: R Lorgat

Annual Remuneration	1 307 459	1 260 911
Car and Other Allowances	238 532	129 588
Company Contributions to UIF, Medical and Pension Funds	21 151	18 267
Total	1 567 142	1 408 766

Remuneration of the Director: Community Services - N Machalesi

Annual Remuneration	1 247 459	1 200 911
Car and Other Allowances	428 140	312 821
Company Contributions to UIF, Medical and Pension Funds	21 916	18 591
Total	1 697 514	1 532 323

Remuneration of Director: Infrastructure and Engineering - V Felton

Annual Remuneration	-	763 513
Car and Other Allowances	-	1 599 964
Company Contributions to UIF, Medical and Pension Funds	-	10 175
Total	-	2 373 652

Remuneration of Director: Infrastructure and Engineering - J. E. Delport (August 2021 - November 2021)

Annual Remuneration	494 775	-
Car and Other Allowances	157 922	-
Company Contributions to UIF, Medical and Pension Funds	9 178	-
Total	661 875	-

Remuneration of Director: Infrastructure and Engineering - A Liberty (April 2022 - May 2022)

Annual Remuneration	176 467	-
Car and Other Allowances	45 483	-
Company Contributions to UIF, Medical and Pension Funds	4 171	-
Total	226 122	-

Remuneration of Director: Infrastructure and Engineering - T. Madatt (1 May 2022 - 30 June 2022)

Annual Remuneration	-	-
Car and Other Allowances	20 286	-
Company Contributions to UIF, Medical and Pension Funds	-	-
Total	20 286	-

Remuneration of Director: Corporate Services - K Moodley

Annual Remuneration	1 331 459	1 284 911
Car and Other Allowances	346 736	245 285
Company Contributions to UIF, Medical and Pension Funds	22 554	18 582
Total	1 700 749	1 548 778

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Remuneration of Director: Planning, Development and Tourism - F Mabusela

Annual Remuneration	1 247 459	1 200 911
Car and Other Allowances	377 538	270 404
Company Contributions to UIF, Medical and Pension Funds	21 644	17 973
Total	1 646 641	1 489 288

Summary of Remuneration of Section 57 Employees:

All Managers	7 336 573	8 756 193
Total Remuneration of Section 57 Employees	7 336 573	8 756 193

30. REMUNERATION OF COUNCILLORS

Executive Mayor	679 359	893 853
Deputy Mayor	544 449	-
Speaker	532 267	715 079
Executive Committee Members	2 182 262	4 022 282
Total for All Other Councillors	9 456 478	7 149 152
Total Councillors' Remuneration	13 394 816	12 780 365

30.1 Allocation for Cash Flow:

Total Councillors' Remuneration	13 394 816	12 780 365
Adjustment for Non-cash Transactions:-	-	-
Total Councillors' Remuneration allocated to Cash Flow	13 394 816	12 780 365

30.2 Calculation of Cash Flow:

Remuneration of Councillors Expenditure	Note 30.1	13 394 816	12 780 365
Total Payments for Employee Related Costs		13 394 816	12 780 365

Remuneration of Councillors:

In-kind Benefits

The Executive Mayor, Speaker and all the Mayoral committee members are full-time. The Mayor is provided with secretarial support and an office at the cost of the municipality.

31. DEPRECIATION AND AMORTISATION

Depreciation: Property, Plant and Equipment	91 119 431	80 942 416
Amortisation: Intangible Assets	-	-
Total Depreciation and Amortisation	91 119 431	80 942 416

32. IMPAIRMENT LOSSES

Impairment Losses on Fixed Assets	8 958 114	182 593
Impairment Losses on Financial Assets	29 778 246	32 152 045
Fair Value Adjustment	(97 142)	(39 808)
Total Impairment Losses	38 639 218	32 294 830

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

32.1 Allocation for Cash Flow:

Total Impairment Losses		38 639 218	32 294 830
Adjustment for Non-cash Transactions:		(38 639 218)	(32 294 830)
Impairment Losses on Fixed Assets	Note 32.2	(8 958 114)	(182 593)
Impairment Losses on Financial Assets	Note 32.3	(29 778 246)	(32 152 045)
Realisable Value Adjustment - Inventories		97 142	39 808
Total Impairment Losses allocated to Service Charges		-	-

32.2 Impairment Losses on Fixed Assets

Impairment Losses		8 958 114	182 593
Property, Plant and Equipment		8 958 114	182 593
		8 958 114	182 593

32.3 Impairment Losses on Financial Assets

Impairment Losses		192 897 186	27 277 221
Other Receivables from Non-exchange Revenue		23 982 474	(386 913)
Trade and Other Receivables from Exchange Transactions		168 914 712	27 664 134
Bad Debts Written Off		8 552 538	4 874 824
Reversal of Impairment Losses		(171 671 478)	-
Other Receivables from Non-exchange Revenue		(24 907 490)	-
Trade and Other Receivables from Exchange Transactions		(146 763 988)	-
		29 778 246	32 152 045

32.4 Fair Value Adjustment

Inventory		(97 142)	(39 808)
		(97 142)	(39 808)

33. INTEREST, DIVIDENDS AND RENT ON LAND PAID

Interest Paid:		4 662 497	3 422 272
Borrowings		247 384	1 238 024
Finance Leases		577 095	149 733
Interest costs non-current Provisions		3 797 013	1 996 987
Overdue Accounts		41 005	37 528
Total Interest Expense		4 662 497	3 422 272
Total Interest, Dividends and Rent on Land Paid		4 662 497	3 422 272

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

33.1 Allocation for Cash Flow:

Non-cash Transactions:-

Interest Paid	3 797 013	1 996 987
Total Interest, Dividends and Rent on Land Paid allocated to Non-cash Transactions	<u>3 797 013</u>	<u>1 996 987</u>

External Interest and Dividends Paid:-

Interest Paid	865 483	1 425 285
Total Interest, Dividends and Rent on Land Paid allocated to External Interest and Dividends Paid	<u>865 483</u>	<u>1 425 285</u>
Total External Interest and Dividends Paid allocated to Cash Flow	<u>4 662 496</u>	<u>3 422 272</u>

33.2 Calculation of Cash Flow:

Interest, Dividends and Rent on Land Paid Expenditure	Note 33.1	865 483	1 425 285
Total Payments for External Interest and Dividends Paid		<u>865 483</u>	<u>1 425 285</u>

34. BULK PURCHASES

Electricity	295 222 161	254 057 835
Total Bulk Purchases	<u>295 222 161</u>	<u>254 057 835</u>

34.1 Allocation for Cash Flow:

Total Bulk Purchases	295 222 161	254 057 835
Adjustment for Non-cash Transactions:-	-	-
Total Bulk Purchases allocated to Suppliers Paid	<u>295 222 161</u>	<u>254 057 835</u>

35. CONTRACTED SERVICES

Outsourced Services	33 798 187	28 832 017
Consultants and Professional Services	9 385 276	8 533 561
Contractors	31 855 592	58 419 896
Total Contracted Services	<u>75 039 055</u>	<u>95 785 474</u>

35.1 Allocation for Cash Flow:

Total Contracted Services	75 039 055	95 785 476
Adjustment for Non-cash Transactions:-	(5 047 525)	(490 484)
Total Contracted Services allocated to Suppliers Paid	<u>69 991 530</u>	<u>95 294 992</u>

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

35.2 Outsourced Services

Animal Care	473 780	400 000
Burial Services	161 456	179 285
Business and Advisory	12 577 301	9 871 486
Call Centre	182 100	-
Catering Services	478 548	137 352
Cleaning Services	438 163	349 791
Clearing and Grass Cutting Services	1 642 067	2 667 492
Connection/Dis-connection	709 635	-
Drivers Licence Cards	512 947	514 922
Fire Services	456 780	97 526
Illegal Dumping	177 446	2 131 689
Internal Auditors	324 950	25 300
Litter Picking and Street Cleaning	1 089 370	-
Medical Services [Medical Health Services & Support]	1 009 809	1 099 804
Personnel and Labour	8 011 746	6 196 304
Professional Staff	419 571	157 600
Refuse Removal	81 630	-
Security Services	4 910 721	4 914 140
Traffic Fines Management	9 020	68 437
Transport Services	131 147	20 889
	33 798 187	28 832 017

35.3 Consultants and Professional Services

Business and Advisory	2 654 256	2 039 195
Infrastructure and Planning	1 498 584	2 566 790
Laboratory Services	375 686	342 700
Legal Cost	4 856 750	3 584 876
	9 385 276	8 533 561

35.4 Contractors

Artists and Performers	31 172	-
Building	47 833	-
Catering Services	1 773	2 058
Employee Wellness	222 713	174 707
Event Promoters	264 185	-
Interior Decorator	381	-
Maintenance of Buildings and Facilities	5 897 524	5 639 907
Maintenance of Equipment	432 344	446 568
Maintenance of Infrastructure	24 954 443	52 155 338
Pest Control and Fumigation	3 224	1 318
	31 855 592	58 419 896

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

36. INVENTORY CONSUMED

Consumables	14 646 376	8 544 370
Materials and Supplies	19 188 859	18 785 953
Water	59 210 649	44 344 534

Total Inventory Consumed	93 045 884	71 674 857
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36.1 Allocation for Cash Flow:

Total Inventory Consumed	93 045 884	71 674 858
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Adjustment for Non-cash Transactions:-	-	-
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Total Inventory Consumed allocated to Suppliers Paid	93 045 884	71 674 858
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36.2 Calculation of Cash Flow:

Expenditure for Inventory Consumed	Note 36.1	93 045 884	71 674 858
Expenditure for Contracted Services	Note 35.1	69 991 530	95 294 992
Expenditure for Bulk Purchases	Note 34.1	295 222 161	254 057 835
Cash Flow from Inventories	Note 1.1	4 382 341	2 849 322
Cash Flow from Exchange Receivables	Note 2.1	131 069	474 511
Cash Flow from Exchange Payables	Note 11.1	(9 272 239)	57 036 743

Total for Suppliers Paid	453 500 746	481 388 261
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37. TRANSFERS AND SUBSIDIES PAID

Operational Grants	458 000	761 000
Monetary Allocations	458 000	761 000

Total Transfers and Subsidies Paid	458 000	761 000
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37.1 Allocation for Cash Flow:

Total Transfers and Subsidies Paid	458 000	761 000
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Adjustment for Non-cash Transactions:-	-	-
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Total Transfers and Subsidies Paid allocated to Other Payments	458 000	761 000
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KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

38. OPERATING LEASES

Furniture and Office Equipment	2 196 632	1 979 168
Machinery and Equipment	-	15 132
Other Assets	3 592 590	4 556 663

Total Operating Leases	5 789 222	6 550 963
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38.1 Allocation for Cash Flow:

Total Operating Leases	5 789 222	6 550 963
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Adjustment for Non-cash Transactions:-	-	-
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Total Operating Leases allocated to Other Payments	5 789 222	6 550 963
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38.2 Leasing Arrangements

The Municipality as Lessee:

Operating leases relate to Property, Plant and Equipment with lease terms not longer than 5 years.

38.3 Amounts Payable under Operating Leases

At the Reporting Date the municipality had outstanding commitments under Non-cancellable Operating Leases for Property, Plant and Equipment, which fall due as follows:

Other Equipment:

Up to 1 year	6 510 115	6 699 738
2 to 5 years	-	-
More than 5 years	-	-

Total Operating Lease Arrangements	6 510 115	6 699 738
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The following payments have been recognised as an expense in the Statement of Financial Performance:

Minimum lease payments	6 510 115	6 699 738
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Total Operating Lease Expenses	6 510 115	6 699 738
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KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

39. OPERATIONAL COSTS

Included in General Expenses are the following:

Achievements and Awards	1 105 116	1 084 110
Advertising, Publicity and Marketing	2 678 642	1 544 894
Bank Charges, Facility and Card Fees	984 769	707 900
Bargaining Council	3 422 255	2 947 746
Commission	5 243 275	5 533 247
Communication	4 063 664	2 227 272
Contribution to Provisions	475 750	413 478
Courier and Delivery Services	-	2 599
Deeds	-	13 438
External Audit Fees	4 394 028	4 320 105
External Computer Service	7 502 717	6 952 116
Hire Charges	26 852 270	33 487 369
Insurance Underwriting	3 278 004	4 834 029
Licences	621 543	727 041
Management Fee	5 719 854	5 407 345
Printing, Publications and Books	1 075 737	941 801
Professional Bodies, Membership and Subscription	7 260	14 930
Registration Fees	1 938 972	1 695 092
Remuneration to Ward Committees	2 640 793	3 407 166
Resettlement Cost	143 629	59 775
Search Fees	113 982	85 350
Signage	342 913	301 050
Skills Development Fund Levy	3 290 416	1 685 716
Storage of Files (Archiving)	267 317	542 246
Supplier Development Programme	-	41 509
Travel and Subsistence	1 755 824	580 009
Uniform and Protective Clothing	3 079 626	3 174 022
Vehicle Tracking	728 644	656 135
Workmen's Compensation Fund	1 794 647	1 079 991
Total Operational Costs	83 521 647	84 467 481

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

39.1 Allocation for Cash Flow:

Total Operational Costs	83 521 650	84 467 479
Adjustment for Non-cash Transactions:-	-	-
Total Operational Costs allocated to Other Payments	83 521 650	84 467 479

39.2 Calculation of Cash Flow:

Expenditure for Operational Costs	Note 39.1	83 521 650	84 467 479
Expenditure for Operating Leases	Note 38.1	5 789 222	6 550 963
Expenditure for Transfers and Subsidies Paid	Note 37.1	458 000	761 000
Cash Flow from Exchange Payables	Note 11.1	6 200	(60 627)
Cash Flow from Non-exchange Payables	Note 12.1	751 430	(515 689)
Variance on Impairment (Provision for VAT on Receivables)		1 511 217	(20 632 596)
Other Non-cash Transactions		-	(87 270)
Total for Other Payments		92 228 814	70 573 461

39.3 Travel and Subsistence

Domestic

	1 080 440	423 815
Accommodation	610 044	110 989
Food and Beverage (Served)	87 789	78 949
Transport without Operator	293 365	229 529
Transport with Operator	89 242	4 348

Foreign

	111 579	-
Accommodation	-	-
Daily Allowance	111 579	-

Non-employees

	563 805	156 194
	1 755 824	580 009

No other extra-ordinary expenses were incurred.

40. GAINS / LOSSES ON DISPOSAL OF CAPITAL ASSETS

Property, Plant and Equipment	(10 273 046)	(1 989 467)
Total Gains on Disposal of Capital Assets	-	-
Total Losses on Disposal of Capital Assets	10 273 046	1 989 467

40.1 Allocation for Cash Flow:

Disposal of Property, Plant and Equipment:

Gains on Disposal of Capital Assets	Note 6.1	-	-
Losses on Disposal of Capital Assets	Note 6.1	(10 273 046)	(1 989 467)
Total Gains on Disposal of Capital Assets allocated to Property, Plant and Equipment		(10 273 046)	(1 989 467)
Total Gains / (Losses) on Disposal of Capital Assets allocated to Cash Flow		(10 273 046)	(1 989 467)

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 R	2021 R
41. RECLASSIFICATION OF ANNUAL FINANCIAL STATEMENTS		
41.1 Reclassification of Accumulated Surplus		
The prior year figures of Accumulated Surplus has been restated to correctly disclose the monies held by the municipality in terms of the disclosure notes indicated below.		
The effect of the changes are as follows:		
		Accumulated Surplus
Balance published as at 30 June 2020		2 235 831 838
Correction of Error:-		
Adjustment for Provision for Rehabilitation of Landfill Site	(14 908 234)	
Adjustment for Acc. Depreciation of Landfill Site Asset	1 260 175	
Correction of Error 2021 AFS	(21 642)	
Provision for Impairment of Debt - Exchange	(23 117 596)	
Provision for Impairment of Debt - Non-Exchange	(13 473 958)	
Restatement of Land previously not recognised	365 440	
Rounding Variances	7	
Total for Correction of Error	-	(49 895 808)
Restated Balance as at 30 June 2020		2 185 936 030
Transactions incurred for the Year 2020/21		(44 973 152)
Correction of Error:-		
Correction of Error 2021 AFS	-	
Provision for Impairment of Debt - Exchange	(232 956)	
Provision for Impairment of Debt - Non-Exchange	(567 056)	
Unwinding of interest on the provision - Papiesfontein Landfill Site	(327 981)	
Capitalising of change in estimate - Papiesfontein Landfill Site	(90 200)	
Correction of Land Purchased	360 000	
Correction of Receivables for Land Purchased	(360 000)	
Restatement of Prepaid Electricity	1 243 327	
Rounding Variances	(3)	
Total for Correction of Error	-	25 131
Restated Balances as at 30 June 2021		2 140 988 009

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

41.2 Reclassification of Revenue

The prior year figures of Revenue Classes have been restated to correctly classify the nature of Revenue of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2020/21 Audited	Change in Accounting Policy	Correction of Error	Restated Amount 2020/21
Property Rates	210 204 641	-	-	210 204 641
Fines, Penalties and Forfeits	3 308 088	-	-	3 308 088
Licences and Permits - Non-exchange	10 227 056	-	-	10 227 056
Transfers and Subsidies	213 768 325	-	-	213 768 325
Interest, Dividends & Rent on Land Non-Exchange	1 700 447	-	-	1 700 447
Service Charges	469 218 623	-	1 243 327	470 461 950
Sales of Goods and Rendering of Services	8 159 245	-	-	8 159 245
Income from Agency Services	1 411 573	-	-	1 411 573
Rental from Fixed Assets	2 346 673	-	-	2 346 673
Interest, Dividends & Rent on Land Exchange	12 473 289	-	-	12 473 289
Operational Revenue	1 051 658	-	-	1 051 658
	933 869 618	-	1 243 327	935 112 945

41.3 Reclassification of Expenditure

The prior year figures of Expenditure Classes have been restated to correctly classify the nature of Expenditure of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2020/21 Audited	Change in Accounting Policy	Correction of Error	Restated Amount 2020/21
Employee Related Costs	335 334 008	-	-	335 334 008
Remuneration of Councillors	12 780 365	-	-	12 780 365
Depreciation and Amortisation	80 852 216	-	90 200	80 942 416
Impairment Losses	31 494 818	-	800 012	32 294 830
Interest, Dividends and Rent on Land	3 094 292	-	327 980	3 422 272
Bulk Purchases	254 057 835	-	-	254 057 835
Contracted Services	95 785 475	-	-	95 785 474
Inventory Consumed	71 674 857	-	-	71 674 857
Transfers and Subsidies Paid	761 000	-	-	761 000
Operating Leases	6 550 963	-	-	6 550 963
Operational Costs	84 467 481	-	-	84 467 481
Loss on Disposal of PPE	1 989 467	-	-	1 989 467
	978 842 777	-	1 218 192	980 060 968

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

41.4 Reclassification of Statement of Financial Position

The prior year figures of Classes in the Statement of Financial Position have been restated to correctly classify the nature of Assets, Liabilities and Net Assets of the municipality.

The effect of the Correction of Error is as follows:

	Prior year 2020/21 Audited	Change in Accounting Policy	Correction of Error	Restated Amount 2020/21
Current Assets				
Inventories	12 570 366	-	-	12 570 366
Receivables from Exchange Transactions	68 813 789	-	(23 710 553)	45 103 236
Receivables from Non-exchange Transactions	-	-	-	-
Statutory Receivables from Non-exchange Transactions	23 992 061	-	(14 041 013)	9 951 048
VAT Receivable	47 750 213	-	-	47 750 213
Cash and Cash Equivalents	53 394 447	-	-	53 394 447
Lease Receivables	107 590	-	-	107 590
Long-term Receivables	-	-	-	-
Non-Current Assets				
Property, Plant and Equipment	2 054 701 795	-	1 985 619	2 056 687 414
Intangible Assets	1 294 963	-	-	1 294 963
Investment Property	262 645 444	-	-	262 645 444
Long-term Receivables	-	-	-	-
Current Liabilities				
Consumer Deposits	(20 774 255)	-	-	(20 774 255)
Payables from Exchange Transactions	(88 884 733)	-	1 243 327	(87 641 406)
Payables from Non-exchange Transactions	(751 430)	-	-	(751 430)
Unspent Conditional Grants and Receipts	(6 198 656)	-	-	(6 198 656)
Lease Payables	(618 501)	-	-	(618 501)
Borrowings	(6 128 308)	-	-	(6 128 308)
Employee Benefit Liabilities	(7 872 752)	-	-	(7 872 752)
Provisions	(27 574 289)	-	-	(27 574 289)
Non-Current Liabilities				
Lease Payables	-	-	-	-
Employee Benefit Liabilities	(101 796 699)	-	-	(101 796 699)
Provisions	(73 834 000)	-	(15 326 416)	(89 160 416)
Net Assets				
Accumulated Surplus / (Deficit)	(2 190 837 045)	-	49 849 036	(2 140 988 009)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

41.5 Reclassification of Cash Flow Statement

The prior year figures of the Cash Flow Statement have been restated to correctly classify the nature of cash receipts and expenditures of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2020/21 Audited	Change in Accounting Policy	Correction of Error	Restated Amount 2020/21
Receipts				
Property Rates	208 762 881	-	-	208 762 881
Transfers and Subsidies	193 039 803	-	-	193 039 803
Service Charges	437 835 548	-	1 243 329	439 078 877
External Interest and Dividends Received	4 192 018	-	-	4 192 018
Other Receipts	26 690 556	-	1	26 690 557
Payments				
Employee Related Costs	(317 988 179)	-	(1 243 327)	(319 231 506)
Remuneration of Councillors	(12 780 365)	-	-	(12 780 365)
External Interest and Dividends Paid	(1 425 286)	-	1	(1 425 285)
Suppliers Paid	(481 748 261)	-	360 000	(481 388 261)
Other Payments	(70 573 459)	-	(1)	(70 573 460)
VAT Paid	(3 589 221)	-	-	(3 589 221)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(17 583 965)	-	360 003	(17 223 962)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment	(60 284 470)	-	(360 003)	(60 644 473)
Purchase of Intangible Assets	(976 994)	-	-	(976 994)
Proceeds on Disposal of Property, Plant and Equipment	57 425	-	-	57 425
Decrease / (Increase) in Long-term Receivables	13 000	-	-	13 000
NET CASH FLOWS FROM INVESTING ACTIVITIES	(61 191 039)	-	(360 003)	(61 551 042)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in Finance Leases (Leases Taken-on)	-	-	-	-
Decrease in Finance Leases (Leases Redeemed)	(645 618)	-	-	(645 618)
Increase in Borrowings (Loans Taken-on)	-	-	-	-
Decrease in Borrowings (Loans Redeemed)	(8 961 981)	-	-	(8 961 981)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(9 607 599)	-	-	(9 607 599)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(88 382 603)	-	-	(88 382 603)
Cash and Cash Equivalents at Beginning of Period	141 777 050	-	-	141 777 050
Cash and Cash Equivalents at End of Period	53 394 447	-	-	53 394 447

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

42. CORRECTION OF ERROR

Corrections were made on disclosures of the previous financial year. These disclosures are limited to re-classification of line items within the different categories of the financial statements. Details of the corrections are described below:

42.1 Reclassification of Revenue

Prior year amounts of items in **Revenue** included in the Statement of Financial Performance have been restated as indicated below:

	Service Charges
Balance previously reported	469 218 623
Correction of Errors:-	
Restatement of Prepaid Electricity	1 243 327
Restated Balance now reported	470 461 950

Service Charges:

The **prior year amounts** for Service Charges have been restated for the correction of unused Prepaid Electricity at year-end.

42.2 Reclassification of Expenditure

Prior year amounts of items in **Expenditure** included in the Statement of Financial Performance have been restated as indicated below:

	Depreciation and Amortisation	Impairment Losses	Interest, Dividends and Rent on Land
Balance previously reported	80 852 216	31 494 818	3 094 292
Correction of Errors:-			
Depreciation due to Recognition of Papiesfontein Landfill Site	90 200	-	-
Interest due to Recognition of Papiesfontein Landfill Site	-	-	327 980
Correction of Provision for Impairment of Bad Debt	-	800 012	-
Restated Balance now reported	80 942 416	32 294 830	3 422 272

Depreciation and Amortisation:

The **prior year amounts** for Depreciation & Amortisation and Property, Plant & Equipment have been restated to correctly disclose depreciation for Papiesfontein Landfill Site which was not previously recognised.

Impairment Losses:

The **prior year amounts** for Impairment Losses has been restated due to the implementation of a revised methodology to calculate the provision for bad debt, and to improve on the accuracy of the bad debt calculation.

Interest, Dividends and Rent on Land:

The **prior year amounts** for Interest, Dividends and Rent on Land have been restated to correctly disclose Interest on the Provision for

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

42.3 Reclassification of Statement of Financial Position

Opening Balances and **Prior Year Amounts** of items in the Statement of Financial Position have been restated as indicated below:

	Receivables from Exchange Transactions	Statutory Receivables from Non-exchange Transactions	Payables from Exchange Transactions
Balances previously published per AFS as at 30 June 2020	67 929 097	28 004 397	143 107 331
Correction of Errors:-			
Correction of Provision for Impairment of Bad Debt	(23 117 596)	(13 473 958)	-
Balances now published per AFS as at 30 June 2020	44 811 501	14 530 439	143 107 331
Transactions incurred for the Year 2020/21	884 692	(4 012 335)	(54 222 598)
Correction of Errors:-			
Correction of Provision for Impairment of Bad Debt	(232 956)	(567 055)	-
Correction of Land Purchased	(360 000)	-	-
Restatement of Prepaid Electricity	-	-	(1 243 327)
Balances now published per AFS as at 30 June 2021	45 103 237	9 951 049	87 641 406

Receivables from Exchange Transactions:

The **prior year amounts** for Receivables from Exchange Transactions has been restated due to the implementation of a revised methodology to

Statutory Receivables from Non-Exchange Transactions:

The **prior year amounts** for Statutory Receivables from Non-Exchange Transactions has been restated due to the implementation of a revised

Payables from Exchange Transactions:

The **prior year amounts** for Payables from Exchange Transactions have been restated for the correction of unused Prepaid Electricity at year-end.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Property, Plant and Equipment	Provisions	Accumulated Surplus / (Deficit)
Balances previously published per AFS as at 30 June 2020	2 077 137 455	72 316 640	2 235 831 837
Correction of Errors:-			
Correction of Landfill Site Depreciation, previously double counted	1 260 177	-	1 260 177
Recognitions of Rehabilitation Provision for Papiesfontein Landfill Site	-	14 908 235	(14 908 235)
Provision for Impairment of Debt - Exchange	-	-	(23 117 596)
Provision for Impairment of Debt - Non-Exchange	-	-	(13 473 958)
Land Recognised	365 440	-	365 440
Rounding Errors	(3)	-	(2)
Balances now published per AFS as at 30 June 2020	2 078 763 069	87 224 875	2 185 957 663
Transactions incurred for the Year 2020/21	(22 435 659)	1 517 360	(44 994 792)
Correction of Errors:-			
Change in Estimate for newly recognised Papiesfontein Landfill Site	-	418 181	(418 181)
Correction of Provision for Impairment of Bad Debt	-	-	(800 011)
Correction of Error 2021 AFS	-	-	-
Capitalisation from WIP to Completed Assets	(86 091 995)		
Capitalisation from to Completed Assets from WIP	86 091 995		
Correction of Land Purchased	360 000	-	-
Restatement of Prepaid Electricity	-	-	1 243 327
Rounding Errors	4	-	3
Balances now published per AFS as at 30 June 2021	2 056 687 414	89 160 416	2 140 988 009

Property, Plant and Equipment:

Property, Plant and Equipment was restated due to Accumulated Depreciation on Landfill Sites that was previously double counted, and has now been corrected.

Furthermore, Property, Plant and Equipment has also been restated to correctly recognise Land that was purchased and not capitalised.

Property, Plant and Equipment has also been restated for Land owned by the municipality, not previously recognised.

Non-Current Provisions

The Provision for Rehabilitation of Landfill Sites have been restated due to the recognition of Papiesfontein Landfill Site.

Accumulated Surplus:

Accumulated Surplus has been restated to correctly show the effect of all other corrections in prior years, as per the detail indicated above.

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

42.4 Restatement of Disclosures

42.4.1 Related Parties

The disclosure note for Related Parties has been amended to correctly disclose the full impact of Related Party Transactions, as follows:

Description	Prior Year 2020/21 Audited	Restated Amount 2020/21	Correction of Error
Purchases from Related parties	3 511 058	2 961 562	(549 496)
			<u>(549 496)</u>

The detail is as follows. There were no related party at the time of disclosure.

COMPANY NAME	VALUE OF WORK	EMPLOYEE NAME	DEPARTMENT	NATURE OF RELATIONSHIP
Martinash Trading (Pty) Ltd	R 445,995.80	J. Savage	Finance- Income	Director was employed at Income KLM from 01/09/1994 until 27/08/2010
Arviclox	R 13,800.00	K. Papa	Community Services	Director was employed at KLM until 30 January 2020
Sys Smart (Pty) Ltd	R 29,900.00	D. Van Vuuren	HR-OHS	Son in law of director
Sheljesh Trading	R 59,800.00	S. Harmse	Community Services	Director was employed at KLM until 09 September 2019

2022
R

2021
R

43. CHANGE IN ACCOUNTING ESTIMATES

43.1 Landfill Site estimate:

The value of the Papiesfontein Landfill site, and subsequently the calculation of the Rehabilitation of the Landfill Site has be recalculated. The impact of the revised estimates are as follows:

Increase in Provision for Rehabilitation of Landfill Site	-	418 181
Increase in Cost of Assets	-	90 200
(Increase) in Accumulated Depreciation	-	(90 200)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

44. CASH GENERATED BY OPERATIONS

Surplus / (Deficit) for the Year		(30 796 199)	(44 948 023)
Adjustment for Non-cash Transactions included in Surplus / (Deficit):			
Employee Related Costs	Refer Note 29.1	7 051 376	23 157 944
Depreciation and Amortisation	Refer Note 48.2	91 119 432	80 942 416
Impairment Losses	Refer Note 32.1	38 639 218	32 294 830
Interest, Dividends and Rent on Land	Refer Note 33.1	3 797 013	1 996 987
Contracted Services	Refer Note 35.1	5 047 525	490 484
Adjustment for Cash Transactions not included in Surplus / (Deficit):			
Exchange Receivables: Bad Debts Written-off	Refer Note 2.3.1	(4 835 758)	(4 307 073)
Statutory Exchange Receivables: Bad Debts Written-off	Refer Note 3.3.1	(248 188)	(567 750)
Transfer of Property, Plant and Equipment	Refer Note 6.1	-	-
Expenditure from Current Employee Benefit Liabilities	Refer Note 16.1.1	(3 144 000)	(3 154 774)
Expenditure from Non-current Employee Benefit Liabilities	Refer Note 16.1.2	(5 069 521)	(2 773 765)
Expenditure from Non-current Provisions	Refer Note 17.2	-	-
Adjustment for Non-cash Transactions included in Working Capital:			
Inventories	Refer Note 1.1	97 142	39 808
Decrease/(Increase) in Impairment of Exchange Receivables	Refer Note 2.3	(26 940 971)	(38 493 108)
Decrease/(Increase) in Impairment of Statutory Non-exchange Receivables	Refer Note 3.3	3 757 889	(9 416 710)
Adjustment for Transactions included in Surplus / (Deficit) directly recognised in Cash Flow:			
Gains / (Losses) on Disposal of Capital Assets	Refer Note 40.1	10 273 046	1 989 467
Variance on Impairment (Provision for VAT on Receivables)		(1 511 217)	20 632 596
Minor Variance on Depreciation		(191 095)	(90 200)
Minor Variance on Other Non-cash Transactions		-	90 275
Minor Rounding Errors		(2)	1
Operating Surplus before Working Capital Changes		87 045 690	57 883 405
Decrease/(Increase) in Inventories		(4 479 483)	(2 889 130)
Decrease/(Increase) in Receivables from Exchange Transactions		(31 217 390)	(291 736)
Decrease/(Increase) in Receivables from Non-exchange Transactions		-	-
Decrease/(Increase) in Statutory Receivables from Non-exchange Transactions		(10 669 845)	4 579 391
Decrease/(Increase) in VAT Receivable		(2 693 011)	(3 589 221)
Decrease/(Increase) in Operating Lease Receivables		(45 123)	63 697
Increase/(Decrease) in Consumer Deposits		2 898 670	2 698 391
Increase/(Decrease) in Payables from Exchange Transactions		17 937 782	(55 465 927)
Increase/(Decrease) in Payables from Non-exchange Transactions		(751 430)	515 689
Increase/(Decrease) in Unspent Conditional Grants and Receipts		(6 198 656)	(20 728 521)
Cash Generated by / (Utilised in) Operations		51 827 204	(17 223 962)

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

45. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

45.1 Unauthorised Expenditure

To management's best of knowledge no Unauthorised Expenditure was incurred during the year under review, or the prior year.

45.2 Fruitless and Wasteful Expenditure

Reconciliation of Fruitless and Wasteful Expenditure:

Opening Balance	37 528	27 485
Fruitless and Wasteful Expenditure Current Year	41 005	37 528
Expenditure investigated and approved by Council	(37 528)	(27 485)
Fruitless and Wasteful Expenditure awaiting condonement	41 005	37 528

Incident	Disciplinary Steps / Criminal Proceedings
Interest and penalties on late payment of trade creditors. - R37 528 (2021: R27 485)	Currently None - subject to possible future investigation

45.3 Irregular Expenditure

	2022 R	2021 R
Reconciliation of Irregular Expenditure:		
Opening Balance:	1 340 531	4 809 197
Irregular Expenditure Current Year:	382 748	261 222
Condoned/Written-off by Council:	(1 340 531)	(3 729 888)
Irregular Expenditure awaiting condonation	382 748	1 340 531

Current Year:

Incident	Deviation
Incorrect calculation of order - R2 000 (2021: R0)	Still to be investigated.
Invalid Deviation. - R0 (2021: R261 222)	Still to be investigated.
Tax Non Compliance - R380 748 (2021: R0)	Still to be investigated.

2022
R

2021
R

46. ADDITIONAL DISCLOSURES IN TERMS OF APPLICABLE LEGISLATION

46.1 MUNICIPAL FINANCE MANAGEMENT ACT

46.1.1 Contributions to Organised Local Government - SALGA

Opening Balance	-	-
Council Subscriptions	3 553 325	3 422 255
Amount Paid - current year	(3 553 325)	(3 422 255)

Balance Unpaid (included in Creditors)

-	-
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46.1.2 Pension and Medical Aid Deductions

Opening Balance	-	-
Current Year Contributions	73 235 595	73 272 224
Amount Paid - current year	(73 235 595)	(73 272 224)

Balance Unpaid (included in Creditors)

-	-
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KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

46.1.3 Audit Fees

Opening Balance	20 511	3 774
Current year Audit Fees	5 053 132	4 322 780
Amount Paid - current year	(5 073 643)	(4 306 043)

Balance Unpaid (included in Creditors)

-	20 511
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46.1.4 PAYE, Skills Development Levy and UIF

Opening Balance	-	-
Current year Payroll Deductions	51 817 634	47 968 445
Amount Paid - current year	(51 817 634)	(47 968 445)

Balance Unpaid (included in Creditors)

-	-
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46.1.5 VAT

The net of VAT input receivables and VAT output payables are shown in Note 5. All VAT returns have been submitted by the due date throughout the year.

50 443 224	47 750 213
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46.1.6 Councillor's arrear Consumer Accounts

During the financial year under review three Councillors (present or past) were in arrears with the settlement of his municipal accounts.

The following Councillors had arrear accounts outstanding for more than 90 days as at 30 June 2021:

30 June 2022	Total	Outstanding up to 90 days	Outstanding more than 90 days
Councillor Diyamani M	25 444	1 751	23 694
Councillor Valgee	3 052	616	2 436
Councillor August H	11 047	-	11 047
Total Councillor Arrear Consumer Accounts	39 543	2 367	37 177

30 June 2021	Total	Outstanding up to 90 days	Outstanding more than 90 days
Councillor Februarie ER	21 060	21 060	-
Total Councillor Arrear Consumer Accounts	21 060	21 060	-

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

46.1.7 Deviation from, and ratification of minor breaches of, the Procurement Processes

In terms of section 36(1) of the Municipal Supply Chain Management Policy approved by the Council, any deviation from the Supply Chain Management Policy needs to be approved / condoned by the Municipal Manager, noted by Council and bids where the formal procurement processes could not be followed must be noted in the Annual Financial Statements.

The following deviations from the tender stipulations in terms of the municipality's Supply Chain Management Policy were ratified by the Municipal Manager and reported to Council:

30 June 2022

Department	Tenderer	Reason	Amount
Finance	Various (22)	"Various reason like impracticality/emergency/ single provider /urgency"	1 890 697
Infrastructure & Engineering	Various (72)	"Various reason like impracticality/emergency/ single provider /urgency"	27 164 981
Corporate Services	Various (13)	"Various reason like impracticality/emergency/ single provider /urgency"	797 194
Office of MM	Various (17)	"Various reason like impracticality/emergency/ single provider /urgency"	912 932
Community Services	Various (20)	"Various reason like impracticality/emergency/ single provider /urgency"	6 640 990
Planning, Development & Tourism	Various (67)	"Various reason like impracticality/emergency/ single provider /urgency"	454 491
Total:			37 861 285

30 June 2021

Department	Tenderer	Reason	Amount
Finance	Various (9)	Various reasons like impracticality/ urgency/ Continuity and alignment	5 329 657
Infrastructure & Engineering	Various (154)	Various reasons like impracticality/ urgency/ Preferred supplier	6 786 342
Corporate Services	Various (17)	Various reasons like impracticality/ urgency/ Sole Supplier	1 266 685
Office of MM	Various (46)	Various reasons like Sole Supplier impracticality/ urgency/ Preferred supplier	151 027
Community Services	Various (17)	Various reasons like Sole Supplier impracticality/ urgency/ Preferred supplier	12 741 681
Planning, Development & Tourism	Various (14)	Impracticality	1 153 872
Total:			27 429 263

46.1.8)(d)(i) of the MFMA

Material Electricity and Water Losses were as follows and are not recoverable:

Electricity:

		Lost Units	Tariff	Value
30 June 2022	Unaccounted Electricity Losses	<u>14 903 131</u>	<u>1.4146</u>	<u>21 081 969</u>
30 June 2021	Unaccounted Electricity Losses	<u>14 656 036</u>	<u>1.3717</u>	<u>20 103 685</u>

Electricity Losses occur due to inter alia, technical and non-technical losses (Technical losses - inherent resistance of conductors, transformers and other electrical equipment; Non-technical losses - the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal electricity connections). The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters. Faulty meters are replaced as soon as they are reported.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
Volumes in kWh/year:		
System Input Volume	204 055 009	208 493 305
Billed Consumption	176 908 577	177 157 805
Unaccounted	27 146 432	31 335 500
Normal distribution losses - 8% of electricity purchases	12 243 301	16 679 464
	14 903 131	14 656 036
Percentage Distribution Loss	7.30%	7.03%

Water:

	Lost Units	Tariff	Value
30 June 2022			
Unaccounted Water Losses	4 116 740	10.2100	42 031 915
30 June 2021			
Unaccounted Water Losses	3 556 208	9.6300	34 246 283

Water Losses occur due to inter alia, leakages, the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal water connections. The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters. Faulty meters and leakages are replaced/repared as soon as they are reported.

	2022	2021
Volumes in Kl/year:		
System Input Volume	7 634 866	7 243 049
Billed Consumption	3 518 126	3 686 841
Distribution Loss	4 116 740	3 556 208
Percentage Distribution Loss	53.92%	49.10%

46.2 BROAD-BASED BLACK ECONOMIC EMPOWERMENT ACT

Information on compliance with the B-BBEE Act is included in the Annual Report under the section titled B-BBEE Compliance Performance Information.

47. COMMITMENTS FOR EXPENDITURE

47.1 Capital Commitments

- Approved and Contracted for:-

	102 860 583	85 178 961
Infrastructure	72 807 293	76 618 933
Community	-	2 800 000
Other	30 053 290	5 760 028

Total Capital Commitments

This expenditure will be financed from:
Internal and Grant funding

	102 860 583	85 178 961
	102 860 583	85 178 961
	102 860 583	85 178 961

The Capital Commitments are VAT inclusive.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

48. FINANCIAL INSTRUMENTS

48.1 Classification

FINANCIAL ASSETS:

In accordance with GRAP 104.13 the Financial Assets of the municipality are classified as follows:

Financial Assets at Amortised Cost:

Non-current Long-term Receivables	Staff Related Long Term Receivables	-	-
Receivables from Exchange Transactions	Electricity	35 243 210	21 458 840
Receivables from Exchange Transactions	Refuse	4 188 021	3 431 055
Receivables from Exchange Transactions	Sewerage	5 977 732	3 111 750
Receivables from Exchange Transactions	Other Service Charges	403 936	943 701
Receivables from Exchange Transactions	Water	21 808 049	10 471 952
Receivables from Exchange Transactions	Other Debtors	3 514 062	724 062
Receivables from Exchange Transactions	Prepayments and Advances	3 722 768	3 591 699
Receivables from Exchange Transactions	Control, Clearing and Interface Accounts	569 305	476 634
Receivables from Exchange Transactions	Deposits for Land	893 543	893 543
Cash and Cash Equivalents	Call Deposits	9 802 827	40 489 896
Cash and Cash Equivalents	Bank Balances	18 047 311	12 904 130
Cash and Cash Equivalents	Cash Floats and Advances	421	421
Total Financial Assets		104 171 185	98 497 683

FINANCIAL LIABILITIES:

In accordance with GRAP 104.13 the Financial Liabilities of the municipality are classified as follows:

Financial Liabilities at Amortised Cost:

Non-current Finance Lease Obligations	Non-current Finance Lease Obligations	30 276 849	618 501
Payables from Exchange Transactions	Other Payables	16 913 522	10 491 432
Payables from Exchange Transactions	Retentions	3 382 568	3 697 847
Payables from Exchange Transactions	Salary Related Payables	1 059 452	834 091
Payables from Exchange Transactions	Trade Creditors	60 363 161	54 817 337
Payables from Non-exchange Transactions	Transfers and subsidies	-	751 430
Unspent Conditional Grants and Receipts	National Government	-	5 962 915
Unspent Conditional Grants and Receipts	Provincial Government	-	235 741
Current Finance Lease Obligations	Current Finance Lease Obligations	7 463 613	618 501
Current Borrowings	Development Bank of South Africa	-	6 128 308
Total Financial Liabilities		119 459 165	84 156 103

No Financial Instruments of the municipality have been reclassified during the year.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

48.2 Capital Risk Management

The capital structure of the municipality consists of debt, which includes Cash and Cash Equivalents and Equity, comprising Funds, Reserves and Accumulated Surplus as disclosed in Note 18. and the Statement of Changes in Net Assets.

Gearing Ratio

	2022 R	2021 R
The gearing ratio at the year-end was as follows:		
Debt	37 740 462	7 365 310
Cash and Cash Equivalents	(9 803 248)	(40 490 317)
Net Debt	<u>27 937 214</u>	<u>(33 125 007)</u>
Equity	<u>2 110 191 805</u>	<u>2 140 988 009</u>
Net debt to equity ratio	<u>1.32%</u>	<u>-1.55%</u>

Debt is defined as Long-term Liabilities, together with its Short-term Portion.

Equity includes all Funds and Reserves of the municipality, disclosed as Net Assets in the Statement of Financial Performance and Net Debt as described above.

48.3 Financial Risk Management Objectives

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Department Financial Services monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

Further quantitative disclosures are included throughout these Annual Financial Statements.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

48.4 Significant Risks

It is the policy of the municipality to disclose information that enables the user of its Annual Financial Statements to evaluate the nature and extent of risks arising from Financial Instruments to which the municipality is exposed on the reporting date.

The municipality has exposure to the following risks from its operations in Financial Instruments:

- Credit Risk;
- Liquidity Risk; and
- Market Risk.

Risks and exposures are disclosed as follows:

Market Risk

Market Risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the municipality's income or the value of its holdings in Financial Instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Credit Risk

Credit Risk is the risk of financial loss to the municipality if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations and arises principally from the municipality's receivables from customers and investment securities.

Liquidity Risk

Liquidity Risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation.

Liquidity Risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timeous basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

A maturity analysis for Financial Liabilities (where applicable) that shows the remaining undiscounted contractual maturities is disclosed in Note 48.8 to the Annual Financial Statements.

48.5 Market Risk

The municipality's activities expose it primarily to the financial risks of changes in interest rates (see Note 48.7 below). No formal policy exists to hedge volatilities in the interest rate market.

There has been no change to the municipality's exposure to market risks or the manner in which it manages and measures the risk.

48.5.1 Foreign Currency Risk Management

The municipality's activities do not expose it to the financial risks of foreign currency and therefore has no formal policy to hedge volatilities in the interest rate market.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

48.5.2 Interest Rate Risk Management

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with Absa Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to credit interest rate risk as the municipality has no borrowings.

The municipality's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

Interest Rate Sensitivity Analysis

The sensitivity analysis has been determined based on the exposure to interest rates at the Statement of Financial Position date. The analysis is prepared by averaging the amount of the investment at the beginning of the financial year and the amount of the investment at the end of the financial year. A 25 basis point increase or decrease was used, which represents management's assessment of the reasonably possible change in interest rates. The short and long-term financial instruments at year-end with variable interest rates are set out in Note 48.8 below:

Cash and Cash Equivalents:

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the municipality's:

- Surplus for the year ended 30 June 2022 would have increased / decreased by R101 555 (30 June 2021: R243 963). This is mainly attributable to the municipality's exposure to interest rates on its variable rate investments.

48.6 Credit Risk Management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The municipality uses its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored regularly.

Potential concentrations of credit rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

Investments/Bank, Cash and Cash Equivalents

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with Absa Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Trade and Other Receivables

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The municipality's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained. The municipality has no significant concentration of credit risk, with exposure spread over a large number of consumers, and is not concentrated in any particular sector or geographical area.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of trade and other receivables.

Long-term Receivables and Other Debtors are individually evaluated annually at reporting date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The municipality defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

The table below shows the balance of the 5 major counterparties at the balance sheet date. Management is of the opinion that, although these parties are the 5 counterparties with highest outstanding balances, no significant credit risk exposure exists based on the payment history of the parties, except for Northern Province Academy of Sport and Department of Water and Forestry Affairs for which there is uncertainty about the collectivity. They have been included in the Provision for Impairment of Consumer Debtors.

	2022 R	2021 R
The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follows:		
Receivables from Exchange Transactions	293 945 098	235 786 736
Bank, Cash and Cash Equivalents	27 850 559	53 394 447
Maximum Credit and Interest Risk Exposure	321 795 657	289 181 183

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The major concentrations of credit risk that arise from the municipality's receivables in relation to customer classification are as follows:

	%	%
Exchange Debtors:		
- Service Debtors	97.03%	97.58%
- Other Debtors	1.20%	0.31%
- Prepayments and Advances	1.27%	1.53%
- Other Minor Classes	0.50%	0.58%
Total Credit Risk	100.00%	100.00%

Bank and Cash Balances

Current Investments	9 802 827	40 489 896
Bank Accounts	18 047 311	12 904 130
Cash on Hand	421	421
Total Bank and Cash Balances	27 850 559	53 394 447

Credit quality of Financial Assets:

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Receivables from Exchange Transactions

Counterparties without external credit rating:-

High	50 165 203	15 752 151
Medium	12 824 756	4 027 044
Low	-	-

Total Receivables from Exchange Transactions

62 989 959	19 779 195
-------------------	-------------------

Credit quality Groupings:

High - High certainty of timely payment. Liquidity factors are strong and the risk of non-payment is small.

Medium - Reasonable certainty of timely payment. Liquidity factors are sound, although ongoing funding needs may enlarge financing requirement. The risk of non-payment is small.

Low - Satisfactory liquidity factors and other factors which qualify the entity as investment grade. However, the risk factors of non-payment are larger.

None of the financial assets that are fully performing, have been renegotiated in the last year.

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

48. FINANCIAL INSTRUMENTS (Continued)

48.7 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Council, which has built an appropriate liquidity risk management framework for the management of the municipality's short, medium and long-term funding and liquidity management requirements. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and Interest Risk Tables

The municipality ensures that it has sufficient cash on demand or access to facilities to meet expected operational expenses through the use of cash flow forecasts.

The following tables detail the municipality's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the municipality can be required to pay.

Description	Note ref in AFS	Average effective Interest Rate	Total	6 Months or less	6 - 12 Months	1 - 2 Years	2 - 5 Years	More than 5 Years
	#	%	R	R	R	R		R
30 June 2022								
Non-interest Bearing		0.00%	81 718 703	81 718 703	-	-	-	-
Fixed Interest Rate Instruments			37 740 462	37 740 462	-	-	-	-
			119 459 165	119 459 165	-	-	-	-
30 June 2021								
Non-interest Bearing		0.00%	76 790 793	76 790 793	-	-	-	-
Fixed Interest Rate Instruments			7 365 310	7 365 310	-	-	-	-
			84 156 103	84 156 103	-	-	-	-

The following table details the municipality's expected maturity for its non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the municipality anticipates that the cash flow will occur in a

Description	Note ref in AFS	Average effective Interest Rate	Total	6 Months or less	6 - 12 Months	1 - 2 Years	2 - 5 Years	More than 5 Years
	#	%	R	R	R	R		R
30 June 2022								
Non-interest Bearing		0.00%	76 321 047	76 314 047	3 000	3 000	1 000	-
Variable Interest Rate Instruments		7.94%	27 850 138	27 850 138	-	-	-	-
			104 171 185	104 164 185	3 000	3 000	1 000	-
30 June 2021								
Non-interest Bearing		0.00%	45 103 657	45 093 657	3 000	3 000	4 000	-
Variable Interest Rate Instruments		4.30%	53 394 026	53 394 026	-	-	-	-
			98 497 683	98 487 683	3 000	3 000	4 000	-

The municipality does not have any financing facilities and expects to meet its obligations from operating cash flows and proceeds of maturing financial assets and to maintain current debt to equity ratio.

48.8 Other Price Risks

The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2022	2021
R	R

49. MULTI-EMPLOYER RETIREMENT BENEFIT INFORMATION

The municipality makes provision for post-retirement benefits to eligible councillors and employees, who belong to different pension schemes. All councillors belong to the Pension Fund for Municipal Councillors, whilst employees belong to a variety of approved Pension and Provident Funds as described below.

Council contribute to the Municipal Council Pension Fund, SALA Pension Fund and SAMWU National Provident Fund which are defined contribution funds. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.

These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution schemes.

All of these afore-mentioned funds are multi-employer plans and are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

Sufficient information is not available to use defined benefit accounting for the pension and retirement funds, due to the following reasons:-

- (i) The assets of each fund are held in one portfolio and are not notionally allocated to each of the participating employers.
- (ii) One set of financial statements are compiled for each fund and financial statements are not drafted for each participating employer.
- (iii) The same rate of contribution applies to all participating employers and no regard is paid to differences in the membership distribution of the participating employers.

It is therefore seen that each fund operates as a single entity and is not divided into sub-funds for each participating employer.

The only obligation of the municipality with respect to the retirement benefit plans is to make the specified contributions. Where councillors / employees leave the plans prior to full vesting of the contributions, the contributions payable by the municipality are reduced by the amount of forfeited contributions.

The total expense recognised in the Statement of Financial Performance of R30 455 049 (2021: R30 459 117) represents contributions payable to these plans by the municipality at rates specified in the rules of the plans. These contributions have been expensed.

The Retirement Funds have been valued by making use of the Discounted Cash Flow method of valuation.

49.1 DEFINED BENEFIT SCHEMES

Cape Joint Pension Fund (Defined Benefit Scheme):

The scheme is subject to an annual actuarial valuation which is not the responsibility of the Municipality. The last statutory valuation was performed as at 30 June 2012.

The contribution rate payable is under the defined benefit section is 27%, 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2012 disclosed an actuarial valuation amounting to R3 014 878 (2011: R2 971 150) million, with a net accumulated deficit of R18 287 (2011: R58 935) million, with a funding level of 99.4% (2011: 104.1%).

Government Employees Pension Fund (GEPF):

The scheme is subject to an tri-annual actuarial valuation. The last statutory valuation was performed as at 30 June 2006.

The statutory valuation performed as at 30 June 2006 revealed that the fund had a surplus of R0,0 (30 June 2004: deficit of R12,8) million, with a funding level of 100,0% (30 June 2004: 96,5%). The contribution rate paid by the members (7,00%) and the municipalities (13,00%) is sufficient to fund the benefits accruing from the fund in the future.

Municipal Employees Pension Fund:

The scheme is subject to a tri-annual actuarial valuation. The last statutory valuation was performed as at 28 February 2014.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The net assets available for benefits were R5 715 557 193.

The statutory valuation performed as at 28 February 2014 revealed that the net assets of the fund were R0,0 (28 February 2011: R552,8) million, with a funding level of 100,0% (28 February 2011: 107,9%). The contribution rate paid by the members (7,50%) and Council (15,00%, 18,00% and 22,00%) is not sufficient to fund the benefits accruing from the fund in the future and there is a shortfall in the future employer contribution rate of 12,80% (28 February 2011: 8,10%).

The fund is closed for membership and no new members are allowed to join the fund.

No further information could be obtained.

National Fund for Municipal Workers - Pension Fund:

The fund operates as a defined contribution fund and in terms of the rules of the fund category A and category C members contribute at a rate as agreed upon by the Local Authority and the member, subject to an absolute minimum contribution of 2% and 5% of their remuneration respectively. Category C-Members, appointed after 1 July 2012, who are not part of the Schedule shall make monthly contributions to the Fund equal to 7.5% of their Remuneration.

The Local Authority must contribute in respect of category A and category C members such an amount as agreed between the Local Authority and the fund, subject to a minimum contribution rate of 2% and 5% of their remuneration respectively. Category B members are members who belong to both category A and C and the Local Authority must, on behalf of such members, not contribute less than 7% of their remuneration. The contribution rates stipulated above include the amount payable towards the insured risk benefits policy.

The last statutory valuation performed as at 30 June 2015 revealed that the assets of the fund amounted to R10,050,029,000 (30 June 2014 : R9,031,759,000), with funding levels of 100.42% (30 June 2014: 100.10%). The actuary certified that the assets of the fund are sufficient to cover 100.42% of the members' liabilities, also that it can be expected that the funding level of a fund of this nature will fluctuate around 100%, for example due to timing differences in investment and receipt of monies, slight mismatching of assets and liabilities and processing errors.

Joint Municipal Pension Fund (previously Transvaal Municipal Pension Fund):

The scheme is subject to a bi-annual actuarial valuation. The last statutory valuation was performed as at 30 September 2007.

The statutory valuation performed as at 30 September 2007 revealed that the fund had a surplus of R82,1 (31 December 2005: shortfall of R44,2) million, with a funding level of 123,7% (31 December 2005: unknown). The contribution rate paid by the members (9,00%) and municipalities (22,00%) has a shortfall of 0,90%, but can be covered by the available margin in the fund.

The last valuation performed for the period ended 31 March 2006 revealed that the fund had a shortfall of R205 million, with a funding level of 83%. This will be taken into account in determining future surcharges, to be met by increased employer contributions. These surcharges are as follows:

- From 1 July 2006 14%
- From 1 July 2007 17%

The above-mentioned surcharge is payable until 1 July 2010. This position will be monitored on an annual basis.

The fund is closed for membership and no new members are allowed to join the fund.

No information could be obtained.

49.2 DEFINED CONTRIBUTION SCHEMES

Cape Joint Pension Fund (Defined Contribution Scheme):

The scheme is subject to an annual actuarial valuation which is not the responsibility of the Municipality. The last statutory valuation was performed as at 30 June 2012.

The actuarial valuation report at 30 June 2012 indicated that the defined contribution scheme of the fund is in a sound financial position, with a assets amounting to R 421 900 (2011: R386 570) million, net investment reserve of R21 231 (2011: R15 285) million and a funding level of 105.3% (2011: 104.1%).

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Cape Joint Retirement Fund:

The scheme is subject to an annual actuarial valuation which is not the responsibility of the Municipality. The last statutory valuation was performed as at 30 June 2012.

The statutory valuation performed as at 30 June 2012 revealed that the assets of the fund amounted to R10 775 599 and R546 059 (30 June 2011: R9 930,837 in total) million, with funding levels of 99.9% and 108% (2011: 100,3% and 116,9%) for the Share Account and the Pensions Account respectively. The contribution rate paid by the members (7,50%) and the municipalities (19,50%) is sufficient to fund the benefits accruing from the fund in the future.

Municipal Councillors Pension Fund:

The Municipal Councillors Pension Fund operates as a defined contribution scheme. The statutory valuation performed as at 30 June 2015 revealed that the assets of the fund amounted to R2,551,861,000 (30 June 2014 : R2,229,410,000), with funding levels of 101.08% (30 June 2014: 98.83%). The contribution rate paid by the members (13,75 %) and council (15 %) is sufficient to fund the benefits accruing from the fund in the future. The Actuary certified that the Fund was in a sound financial condition as at 30 June 2015, in that the assets of the fund were sufficient to cover the accrued service liabilities including the recommended contingency reserves in full.

The appointment of a Curator in terms of section 5(1) of the Financial Institutions (protection of funds) Act 2001 for the whole of the business of the Municipal Councillors Pension Fund was done in December 2017. Due to the provisional curatorship, a short monatorium has been placed on the payment of benefits to members/beneficiaries. In terms of the curatorship order, the Court ordered as follows: 1. The provisional Curatorship order of the 19th December 2017 is made a final; 2. The Curator shall furnish the Registrar of the Pension Fund with progress report; 3. The Curator must deliver a further progress report to the Court by no later than 31st October 2018 which report deals with the status of curatorship as at the 30th September 2018; on the curatorship once every two months;

National Fund for Municipal Workers - Provident Fund:

The Municipal Workers Retirement Fund is a defined contribution scheme. Members contribute at a rate of not less than 7.5% of salaries, as required by the Rules. The employers contribute at a total rate of not less than 18%. From 1 July 2017, members and employers that fall under other bargaining councils or forums are not bound by the above minimum contribution rates. The statutory valuation performed as at 30 June 2017 revealed that the assets of the fund amounted to R7,720,948.000 (30 June 2011 : R6,574,75.00), with funding levels of 102.0% (30 June 2014: 111.70%).

As a percentage of members' Fund Credits, the investment smoothing reserve has decreased from 5.6% to 4.9% over the valuation period. As a percentage of the market value of assets, it has decreased marginally from 4.6% to 4.4%. The Fund's assets are sufficient to cover the members' Fund Credits, the targeted levels of the risk benefits reserve and the data and processing error reserve, and an investment smoothing reserve of 4.9% of members' Fund Credits as at 30 June 2017. In addition, there is brought-forward surplus of some R152.8 million which has been allocated to former members and is awaiting payment. The Fund is therefore in a sound financial position.

None of the above mentioned plans are State Plans.

50. RELATED PARTY TRANSACTIONS

All Related Party Transactions are conducted at arm's length, unless stated otherwise.

50.1 Compensation of Related Parties

Compensation of Close Family Members of Councillors and/or Key Management:

Name of Related Person	Designation	Description of Related Party	2022	2021
N Hendricks	Official	Daughter of councillor H Hendricks	45 389	
B Moos	Official	Daughter of councillor D Benson	108 502	
N Moos	Official	Son in law: Councillor D Benson	211 299	
M Moodley	Official	Husband of Director: Corporate & Digital Services K Moodley	31 827	
D Rossouw	Official	Husband Manager: Administration & Auxiliary Services M Rossouw	108 523	

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

50.2 Purchases from Related Parties

The municipality bought goods from the following companies, which are considered to be Related

Company Name	Related Person	Municipal Capacity	Nature of relationship	Purchases for the Year	Purchases for the Year
Central Bridge Trading 436 CC	Z. Tshume	Official	Wife of the director		132 608
2326 Random Solutions	T. Madatt	Official	Uncle of directors	35 400	77 300
Amahle Waste Recycling	NI Dela (Emp 1959)	Ward Committee Member	NI Dela is the director/owner of the company	-	76 950
Unomtha Catering	Z Gxuluwe	Official	Daughter of the director	25 780	-
Mesrazest	J Hammond	Official	Brother in Law of Director	2 340 594	1 713 646
Infraforce Africa (Pty) Ltd	E. Sekula	Official	Owner was employed at KLM	-	154 560
Mgqandu & Coco Trading	C. Mgqandu	Official	Husband of Director	11 880	55 400
Premier Attraction 528 CC t/a ZIS Distrib	R. Lorgat	Official	Cousin of the director	750 346	550 057
GGs Engineering	J. Nhlangulela	Official	Director was employed at KLM	-	126 341
Malubongwe General Trading (Pty) Ltd	H. U. Geleba	Official	Director	-	26 400
RE Le Grange t/a RL Trading	J Hammond	Official	Brother in law of sole prop	20 000	19 300
Izwe Lethu General Trading	X Badi	Official	Director's spouse	-	29 000
Sys Smart (Pty) Ltd	D van Vuuren	Official	Director's son in law	77 530	
Zemog Projects	S. Khuzwayo	Official	Cousin of Director	85 138	
Liefies Bakes	R. Koela	Official	Spouse of Director	66 555	
BD Human Enterprises	B. Human	Official	Councillor : PR	3 295	
Magnus Ventus General Dealer	W van der Linde	Official	Spouse of director	132 577	
Total Purchases				3 549 095	2 961 562

The transactions were concluded in full compliance with the municipality's Supply Chain Management Policy and the transactions are considered to be at arm's length.

Remuneration of Directors, Municipal Manager and Councillors are disclosed within notes 29 and 30 respectively.

KOUGA LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

51. CONTINGENT LIABILITIES

51.1 Court Proceedings:

52 971 346

51 356 057

Court Proceedings arose due to various claims brought against the Municipality. The attorneys suggested that the matters will be defended, due to the circumstances of each.

The likelihood of successfully defending the claims, as well as the timing and possible costs thereof, cannot be determined at this time.

(i) EA Plaatjies / Kouga Local Municipality:
Finalized

-

3 600 000

(ii) Peter John France & Gerald Jack Friedman Trustees of The Rental Company Trust:
Claim defended on behalf of Kouga. Currently preparing for trial.

4 000 000

4 000 000

(iii) Nelson Mandela Bay Metropolitan Municipality alleged claim in respect of Water Consumption. NMBM instituted action against Kouga Municipality in respect of an alleged claim of approximately R41 million in respect of water consumption.

41 000 000

41 000 000

(iv) Various claims arising from alleged negligence by the Municipality due to damages sustained by the f

-

47 711

(v) Tshepega Civil Engineers (Pty) Ltd / KOUGA Local Municipality
Claims for monies owed for professional services rendered

1 950 346

1 950 346

(vi) Various claims due to municipal administrative matters under dispute or investigation:

-

508 000

(vii) Alleged Damages Incurred: H Goeda

250 000

250 000

51.2 Unlawful and wrongful assault and arrest & detention

(viii) Labour matter - Claim for non payment of travelling allowance

11 000

-

5 760 000

-

(ix) Labour matter - claim for Automatic Unfair Dismissal

52. CONTINGENT ASSETS

52.1 Insurance Claims:

180 967

1 764 237

(i) Lost / Damaged Assets:

180 967

1 764 237

The municipality has claims outstanding against its Insurers for lost and/or damaged assets. The management believe that it is probable that the claims will be successful and that compensation of R180 967 (2021: R1 764 237) will be recovered.

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

53. EVENTS AFTER THE REPORTING DATE

53.1 Vandalisation of sports field, Kwanomzamo:

It has come to the attention of management that sports field located in Hlonyane Street, Kwanomzamo has been vandalized during the month of September 2022.

After investigating the matter vandalism and theft are evident to the following infrastructure:

- Plumbing
- Roofs
- Ceilings
- Broken doors and windows
- Security Gates
- Electrical infrastructure

Due to an all-round price increase on construction materials because of fuel prices, repairs due to vandalism can be anticipated to be around R500 000 to R700 000.

53.2 Vandalisation of sports field, Hankey:

It has come to the attention of management that sports field located in Weston , Hankey has been vandalised and one of its sidewalls collapsed.

Management is not sure what the reason was for the collapsed wall and will investigate the matter.

Management does not have any estimate on how much it will cost to repair the building.

54. COMPARATIVE FIGURES

The comparative figures were restated as a result of the effect of Prior Period Errors (Note 42).

55. GOING CONCERN ASSESSMENT

Management also considered the following matters in relation to the Going Concern position of Kouga Local Municipality:

- (i) On 30 May 2022 the Council adopted the 2022/2023 to 2024/25 Budget. This three-year Medium Term Revenue and Expenditure Framework (MTREF) to support the ongoing delivery of municipal services to residents reflected that the Budget was cash-backed over the three-year period.
- (ii) The municipality's Budget is subjected to a very rigorous independent assessment process to assess its cash-backing status before it is ultimately approved by Council.
- (iii) Strict daily cash management processes are embedded in the municipality's operations to manage and monitor all actual cash inflows and cash outflows in terms of the cash-flow forecast supporting the Budget. The cash management processes is complemented by monthly reporting, highlighting the actual cash position, including the associated risks and remedial actions to be instituted.
- (iv) As the municipality has the power to levy fees, tariffs and charges, this will result in an on-going inflow of revenue to support the on-going delivery of municipal services. Certain key financial ratios, such as liquidity, cost coverage, debtors' collection rates and creditors' payment terms are closely monitored and the necessary corrective actions instituted.

Taking the aforementioned into account, management has prepared the Annual Financial Statements on the Going Concern Basis.

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

56. SEGMENT REPORTING

For management purposes the municipality is broadly organised into business units based on the nature of operations and the services they provide. The municipality has seven primary reportable segments:

- **The segment for Municipal Governance and Administration Services:-**
This segment consists of services such as executive services, support services to the executive and finance & administration services.
- **The segment for Community and Public Safety Services:-**
This segment consists of all services for community & social development, public safety and sport & recreation.
- **The segment for Housing Services:-**
This segment consists of all services for the providing of housing to the community.
- **The segment for Health Services:-**
This segment consists of all services for the providing of health to the community.
- **The segment for Economic and Environmental Services:-**
This segment consists of environmental services such as planning & development, environmental protection and roads & storm water.
- **The segment for Trading Services:-**
This segment consists of the following infrastructure services delivered to the community.
 - - Energy Sources:-
This segment consists of all services for energy supply to the community.
 - - Waste Management:-
This segment consists of all services for the management of solid waste in the municipal area.
 - - Waste Water Management:-
This segment consists of all services for the management of waste water, including sewage, in the municipal area.
 - - Water Management:-
This segment consists of all services for water supply to the community.
- **The segment for Other Services:-**
This segment consists of minor services rendered in the municipal jurisdiction area.

No individually material operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on non-financial metrics and the segment's operating surplus or deficit, measured consistently with the accounting policies applied in the Annual Financial Statements. However, the municipality's financing (including finance costs and finance income) and revenue from taxes are managed on a group basis and are not allocated to operating segments.

Inter-business unit services are not valued and are deemed to have been supplied for no consideration, and are therefore not eliminated. However, the quality of services provided internally is monitored as part of the non-financial service performance information.

The municipality operates within the following geographical areas:

WARD	AREA
Ward 1	- Oyster Bay, Sea Vista and surrounding farms
Ward 2	- Pellsrus, Tokyo Sexwale, Lootspark
Ward 3	- Lower Wavecrest
Ward 4	- Kruisfontein, Gill Marcus, Die Berg and surrounding farms
Ward 5	- Arcadia, Graslaagte, Johnson's Ridge and surrounds
Ward 6	- Kwanomzamo
Ward 7	- Loerie, Thornhill, Longmore, Mondplaas and surrounds
Ward 8	- Upper Wavecrest, Kabeljous and surrounds
Ward 9	- Hankey Town, Centerton, Phillipsville, Kleinfontein and Ext 4
Ward 10	- Ramaphosa Village, Andrieskraal, Cambria and surrounds
Ward 11	- Jeffreys Bay Central, C-Place
Ward 12	- St Francis Bay, Cape St Francis, Paradise Beach and lower Humansdorp Golf Course
Ward 13	- Hankey, Weston, Rosedale, ex Nathi Farm and Patensie Town
Ward 14	- Aston Bay, Marina Martinique, Mandela Bay, and Ocean View
Ward 15	- Humansdorp Town, Boskloof, Panorama, Upper Humansdorp Golf Course

The municipality does however not monitor operating results for these geographical segments, and operational results are only monitored within the business units as previously disclosed.

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

56.1 Segmental Analysis of Financial Performance

Year Ended 30 June 2022

Description	Executive and Council	Finance and Administration	Internal Audit	Community and Social Services	Public Safety	Sport and Recreation	Housing	Health	Environmental Protection	Planning and Development	Road Transport	Energy Sources	Waste Management	Waste Water Management	Water Management	Other	Total for Municipality
REVENUE	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Revenue from Non-exchange Transactions																	
Property Rates	-	224 326 476	-	-	-	-	-	-	-	-	-	-	-	-	-	-	224 326 476
Fines, Penalties and Forfeits	-	5 696 291	-	18	-	-	-	-	-	185 036	-	-	-	-	-	-	5 881 345
License and Permits	-	-	-	-	-	4 799 763	-	90 953	1 364 816	-	3 337 681	-	-	-	-	-	9 593 213
Transfers and Subsidies	354 406	91 185 938	-	2 050 000	1 638 000	-	987 171	2 888 420	-	1 670 650	1 423 000	14 073 743	19 423 026	47 422 062	31 394 496	-	214 510 912
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest, Dividends and Rent on Land Earned	-	1 774 617	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 774 617
Revenue from Exchange Transactions																	
Service Charges	-	-	-	-	-	-	-	-	-	-	-	327 234 203	54 525 598	56 405 147	83 125 109	-	521 290 057
Sales of Goods and Rendering of Services	144 936	2 973 646	-	418 534	16 182	18 718	-	-	37 063	5 690 263	20 251	-	283 115	-	-	-	9 602 708
Income from Agency Services	-	-	-	-	-	-	-	-	-	-	2 559 892	-	-	-	-	-	2 559 892
Rental from Fixed Assets	-	-	-	-	-	2 263 717	-	-	-	830 342	-	-	-	-	-	-	3 094 059
Interest, Dividends and Rent on Land Earned	-	3 477 029	-	-	-	-	-	-	-	-	-	1 150 533	3 737 054	2 229 667	4 734 083	-	15 328 366
Operational Revenue	9 261	3 795 637	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 804 898
Gains on Other Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on Disposal of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	508 603	333 229 634	-	2 468 552	1 654 182	7 082 198	987 171	2 979 373	1 401 879	8 376 291	7 340 824	342 458 479	77 968 793	106 056 876	119 253 688	-	1 011 766 543
EXPENDITURE																	
Employee Related Costs	18 608 734	93 901 490	-	7 639 333	22 139 404	33 981 631	4 608 060	4 761 550	729 706	21 311 700	30 340 612	13 561 496	33 628 619	25 631 904	20 344 606	208 921	331 397 766
Remuneration of Councillors	13 394 816	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13 394 816
Depreciation and Amortisation	-	4 704 633	-	-	-	-	-	-	-	11 984 836	29 941 471	7 633 121	-	22 852 130	14 003 240	-	91 119 431
Impairment Losses	-	(134 043 752)	-	-	-	-	-	-	-	-	-	7 215 798	57 661 389	35 502 983	72 302 801	-	38 639 219
Interest, Dividends and Rent on Land	-	618 099	-	-	-	247 384	-	-	-	-	-	-	3 797 013	-	-	-	4 662 496
Bulk Purchases	-	-	-	-	-	-	-	-	-	-	-	295 222 161	-	-	-	-	295 222 161
Contracted Services	2 380 403	24 666 645	-	553 607	1 072 649	5 581 282	227 546	809 980	679 101	1 694 381	17 285 668	2 049 837	8 102 680	3 397 332	3 389 180	3 148 764	75 039 055
Inventory Consumed	643 228	2 721 799	-	578 346	518 209	3 180 730	74 071	191 305	998 645	656 272	2 892 020	5 997 092	4 127 108	4 363 494	66 089 823	13 743	93 045 885
Transfers and Subsidies Paid	-	-	-	-	-	250 000	-	-	-	-	-	-	-	-	-	208 000	458 000
Operating Leases	403 983	4 714 166	-	142 330	46 525	42 255	64 208	18 408	-	336 201	-	21 145	-	-	-	-	5 789 221
Operational Costs	14 042 614	22 702 390	19 603	747 445	1 401 106	7 261 802	175 239	114 493	160 992	896 694	1 486 827	10 528 495	13 350 539	9 715 763	772 567	145 081	83 521 650
Loss on Disposal of Property, Plant and Equipment	-	10 258 376	-	-	-	-	-	-	-	-	-	-	-	-	14 670	-	10 273 046
Total Expenditure	49 473 778	30 243 846	19 603	9 661 061	25 177 893	50 545 084	5 149 124	5 895 736	2 568 444	36 880 084	81 946 598	342 229 145	120 667 348	101 463 606	176 916 887	3 724 509	1 042 562 746
Surplus/(Deficit) for the Year	(48 965 175)	302 985 788	(19 603)	(7 192 509)	(23 523 711)	(43 462 886)	(4 161 953)	(2 916 363)	(1 166 565)	(28 503 793)	(74 605 774)	229 334	(42 698 555)	4 593 270	(57 663 199)	(3 724 509)	(30 796 203)

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Year Ended 30 June 2021

Description	Executive and Council	Finance and Administration	Internal Audit	Community and Social Services	Public Safety	Sport and Recreation	Housing	Health	Environmental Protection	Planning and Development	Road Transport	Energy Sources	Waste Management	Waste Water Management	Water Management	Other	Total for Municipality
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
REVENUE																	
Revenue from Non-exchange Transactions																	
Property Rates	-	210 204 642	-	-	-	-	-	-	-	-	-	-	-	-	-	-	210 204 642
Fines, Penalties and Forfeits	-	3 063 146	-	318	-	-	-	-	-	195 624	49 000	-	-	-	-	-	3 308 088
Licences and Permits	-	-	-	-	-	4 694 089	-	17 108	1 078 920	-	4 436 938	-	-	-	-	-	10 227 055
Transfers and Subsidies	867 407	109 339 310	-	2 050 000	1 516 655	-	-	2 845 500	-	1 578 900	1 054 000	10 810 279	16 968 661	42 377 931	24 359 681	-	213 768 324
Interest, Dividends and Rent on Land Earned	-	1 700 447	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 700 447
Revenue from Exchange Transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service Charges	-	(16 979 139)	-	-	-	-	-	-	(419 472)	-	-	300 138 797	54 393 108	52 345 869	80 982 787	-	470 461 950
Sales of Goods and Rendering of Services	-	2 999 384	-	377 094	12 822	180 239	-	87 659	4 393 666	-	-	-	108 383	-	-	-	8 159 247
Income from Agency Services	-	-	-	-	-	-	-	-	-	-	1 411 573	-	-	-	-	-	1 411 573
Rental from Fixed Assets	-	-	-	-	-	925 404	-	-	-	1 421 269	-	-	-	-	-	-	2 346 673
Interest, Dividends and Rent on Land Earned	-	4 258 556	-	-	-	-	-	-	-	-	-	980 770	2 579 261	1 514 488	3 140 214	-	12 473 289
Operational Revenue	58 651	993 007	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 051 658
Gains on Other Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	926 058	315 579 353	-	2 427 412	1 529 477	5 799 732	-	2 862 608	747 107	7 589 459	6 951 511	311 929 846	74 049 413	96 238 288	108 482 682	-	935 112 946
EXPENDITURE																	
Employee Related Costs	18 368 577	105 931 358	-	7 466 942	21 303 385	32 607 652	4 562 162	4 745 408	2 087 705	23 007 052	32 764 275	14 077 543	27 627 448	22 084 352	18 676 878	23 268	335 334 005
Remuneration of Councillors	12 780 365	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12 780 365
Depreciation and Amortisation	-	4 348 234	-	-	-	-	-	-	-	8 001 969	30 106 668	5 908 220	-	21 870 504	10 706 821	-	80 942 416
Impairment Losses	-	36 683 141	-	-	-	-	-	-	(474 143)	-	-	424 334	(15 634 865)	4 216 129	7 080 234	-	32 294 830
Interest, Dividends and Rent on Land	-	187 261	-	-	-	1 238 024	-	-	-	-	-	-	1 996 987	-	-	-	3 422 272
Bulk Purchases	-	-	-	-	-	-	-	-	-	-	-	254 057 835	-	-	-	-	254 057 835
Contracted Services	1 931 381	24 212 992	-	532 657	686 681	6 342 472	55 830	587 000	639 729	1 553 052	37 015 323	6 824 595	9 440 323	2 616 326	2 468 002	879 110	95 785 473
Inventory Consumed	179 238	2 079 357	-	661 100	734 814	2 595 178	1 566 268	179 140	617 746	613 502	2 232 483	4 466 411	3 096 428	3 263 962	49 389 143	88	71 674 858
Transfers and Subsidies Paid	300 000	-	-	-	-	261 000	-	-	-	-	-	-	-	-	-	200 000	761 000
Operating Leases	896 272	5 350 059	-	31 278	2 280	(1 178)	5 548	(487)	-	267 431	-	(239)	-	-	-	-	6 550 964
Operational Costs	15 550 924	18 770 167	2 300	398 242	837 434	6 399 213	48 520	116 783	524 164	697 491	1 416 001	5 638 908	10 930 162	16 324 696	6 789 642	22 832	84 467 479
Loss on Disposal of Property, Plant and Equipment	-	2 046 618	-	-	-	-	-	-	-	-	-	-	-	-	(57 151)	-	1 989 467
Total Expenditure	50 006 757	199 609 187	2 300	9 090 219	23 564 594	49 442 361	6 238 328	5 627 844	3 395 201	34 140 497	103 534 750	291 397 607	37 456 483	70 375 969	95 053 569	1 125 298	980 060 964
Surplus/(Deficit) for the Year	(49 080 699)	115 970 166	(2 300)	(6 662 807)	(22 035 117)	(43 642 629)	(6 238 328)	(2 765 236)	(2 648 094)	(26 551 038)	(96 583 239)	20 532 239	36 592 930	25 862 319	13 429 113	(1 125 298)	(44 948 018)

KOUGA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

56.2 Segmental Analysis of Capital Expenditure

Description	Original Budget	Budget Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget
	R	R	R	R	R	R
CAPITAL EXPENDITURE PER VOTE						
Corporate Services	1 923 000	306 550	2 229 550	1 198 688	(1 030 862)	53.76
Executive and Council	2 740 000	280 000	3 020 000	2 283 622	(736 378)	75.62
Financial Services	2 460 000	1 256 440	3 716 440	3 781 739	65 299	101.76
Infrastructure and Engineering	45 230 000	30 764 045	75 994 045	65 983 153	(10 010 892)	86.83
Planning, Development and Tourism	1 170 000	735 425	1 905 425	855 269	(1 050 156)	44.89
Community Services	7 490 000	- 1 335 807	6 154 193	41 170 172	35 015 979	668.98
Total Capital Expenditure	61 013 000	32 006 653	93 019 653	115 272 643	22 252 990	1 031.83

56.3 Segmental Analysis of Financial Position

The main components of the Financial Position that is currently considered, and managed, within the defined municipal segments have been determined as follows:

56.3.1 Receivables from Exchange and Non-Exchange Transactions

Description	Finance and Administration	Energy Sources	Waste Management	Waste Water Management	Water Management
Receivables from Exchange Transactions					
Electricity	-	35 243 210	-	-	-
Refuse	-	-	4 188 021	-	-
Sewerage	-	-	-	5 977 732	-
Water	-	-	-	-	21 808 049
Statutory Receivables from Non-Exchange Transactions					
Property Rates	16 475 591	-	-	-	-

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER

DATE: 30 MARCH 2023

ITEM NO: 23/03/MM3

2021/22 ANNUAL REPORT: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT

1. Introduction

The Municipal Public Accounts Committee in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003 prepared an Oversight Report on the 2021/22 Annual Report.

The Oversight Report is attached hereto.

2. Legislative Provisions

The Municipal Public Accounts Committee was established by Council in terms of the provisions of Section 79 (1)(a) of the Local Government Municipal Structures Act, 117 of 1998 to amongst others consider the Annual Reports of Kouga Municipality and prepare and submit oversight reports on such annual report to Council as required in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003.

Section 129 of the MFMA provides as follows:

129. (1) *The council of a municipality must consider the annual report of the*

municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council—

- (a) has approved the annual report with or without reservations.*
- (b) has rejected the annual report; or*
- (c) has referred the annual report back for revision of those components that can be revised.*

(2) The accounting officer must—

- (a) attend council and council committee meetings where the annual report is discussed, for the purpose of responding to questions concerning the report; and*

- (b) *submit copies of the minutes of those meetings to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.*
- (3) *The accounting officer must in accordance with section 21A of the Municipal Systems Act make public an oversight report referred to in subsection (1) within seven days of its adoption.*
- (4) *The National Treasury may issue guidelines on—*
 - (a) *the manner in which municipal councils should consider annual reports and conduct public hearings; and*
 - (b) *the functioning and composition of any public accounts or oversight committees established by the council to assist it to consider an annual report.*
- (5) *No guidelines issued in terms of subsection (4) are binding on a municipal council unless adopted by the council.*
- (6) *This section, with the necessary modifications as the context may require, is also applicable if only components of the annual report were tabled in terms of section 127(3).*

3. Comment

The content of the MPAC Oversight Report on the 2021/22 Annual Report is self-explanatory and is not duplicated or summarized in this report.

The Municipal Public Accounts Committee passed the following resolution on 13 March 2023:

4. Recommendation

Council resolves that:

After having fully considered the 2021/22 Annual Report of the Kouga Municipality and representations thereon, adopts the Annual Report without any reservations:

- 4.1 That measures be put in place to turn around the decline in the financial health of the municipality.
- 4.2 That Quarterly Departmental Operational Reports be submitted to MPAC to allow timeous oversight towards the final future Annual Reports.
- 4.3 That measures be put in place to ensure that reported performance, inclusive of information contained in the annual report is verified prior to it being reported.
- 4.4 That the performance of IT Internet Service Providers be monitored and that quarterly reports in this regard be submitted to MPAC.

- 4.5 That MPAC be furnished with progress reports on the implementation of the audit corrective plan on a quarterly basis.
- 4.6 That a report be submitted to MPAC on computerised systems currently utilised by the Municipality containing the initial date implemented, term of contract and license fee.
- 4.7 That MPAC be furnished with quarterly progress reports on the implementation of procurement plan.
- 4.8 That a report be submitted to MPAC on turnaround times on land use and building applications and town planning applications.
- 4.9 That an Action Plan to curb water losses be prepared and be submitted to the next meeting of the Municipal Public Accounts Committee.
- 4.10 That quarterly reports on compliance with the water loss reduction plan be submitted to MPAC.
- 4.11 That the formalization of informal settlements be prioritized in order to provide acceptable services to such settlements and to reduce illegal connections to the electrical network.
- 4.12 That a detailed report on the acquisition and utilization of containerized toilets be submitted at the next meeting of MPAC.
- 4.13 That the relocation of residents after removal from informal settlements and the removal of old shacks be guided by a Relocation Plan
- 4.14 That a detailed report on available space in cemeteries inclusive of an action plan to ensure future availability cemetery space be submitted to the next meeting of MPAC.
- 4.15 That it be noted with concern that policy workshops are more often than not, not held on scheduled dates which results in delays in the review of policies.
- 4.16 That a detailed report on the utilisation of Environmental Management Fee be submitted to MPAC.
- 4.17 That a detailed report on contractual and temporary employees for the 2021/22 and 22/23 year be submitted to the next MPAC Meeting.
- 4.18 That the replacement of the bucket to a more acceptable sanitation service, be prioritized
- 4.19 That it be noted with concern that leave management is not done in electronic format and that consideration be given to implement an electronic leave management system.

- 4.20 That consideration be given to implement an electronic booking system for caravan parks.
- 4.21 That the development of Roads Master Plan be prioritised.
- 4.22 That a Master Plan on clearing Open Spaces, Side walks, municipal properties be developed.
- 4.23 That a strategy be developed for private plot clearing.
- 4.24 That measures be implemented to ensure that all consumers are billed for services received from Kouga Municipality.
- 4.25 That the rates for services between informal settlements and formalised areas be looked into by the relevant department.
- 4.26 That the Municipal Manager submit a report at the October 2023 meeting of MPAC on progress in the implementation of the above recommendations.
- 4.27 That a report on the legislative provisions on public participation on the Annual Report be submitted to the next meeting of MPAC to enable MPAC to reconsider the MPAC community consultative sessions on the Annual Report.

ITEM NOTED BY THE CHAIRPERSON:





FIRST DRAFT

OVERSIGHT REPORT

PREPARED BY THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)
ON THE **2021/22** ANNUAL REPORT

KOUGA LOCAL MUNICIPALITY

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OVERSIGHT REPORT TO BE PRESENTED TO COUNCIL

ON 30 MARCH 2023

FOREWORD BY CHAIRPERSON OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Introduction

In a Constitutional democracy, one of the fundamental premises is the doctrine of separation of powers. The authority of the government is divided into three interdependent entities, the Executive, the Legislature, and the Judiciary. Local government, and in particular, its municipal Council, has both legislative and executive powers. It therefore requires that to reinforce the doctrine of separation of powers in Council, the Municipal Public Accounts Committee is created to exercise oversight.

In its simplest definition, oversight means making sure something is done correctly. In this context, MPAC is not a watchdog, nor does it police the Municipality. It should however not be underestimated or underappreciated. It serves to, inter alia, identify weaknesses, inaccuracies, and ambiguity, laud achievements, and report these directly to Council. This provides additional credibility and confidence to Council and the community of the exercise of executive and administrative functions, and to assist in achieving and maintaining good governance in the municipality.

It also enforces accountability by making recommendations to remedy anomalies and improve the Municipality to the benefit of the community it serves. Of equal importance is the recognition of the higher common objective of working with the administration to achieve the best value for the community it serves.

An Annual Report is one of the key instruments reflecting transparent governance and accountability, or the lack thereof. It is a post financial year document which provides an overview of the process of financial and non-financial performance in respect of the previous financial year – in this case the 2021/2022 financial year.

The format of the 2021/2022 Annual Report was derived from the MFMA Circular 63. In the instance of Kouga Municipality, the Annual Report is arranged per Directorate to allow an easier oversight process.

This is the second year of this MPAC Committee's term. Most of the challenges experienced during the previous term relevant to the Annual Reporting and Institutional Performance were resolved, but some of them remain despite several attempts to rectify it.

It should be appreciated that the compiling of the Draft Annual Report is a team effort, where all the different entities of the Municipality had to make a definite contribution. To coordinate all the contributions MPAC needs to convene several meetings to ensure that the contents of the Annual Report is acceptable and correct.

The following difficulties were experienced by MPAC:

- Not all information in the Annual Report could be verified,
- Outstanding information for updating the report in time was not adhered to by Directorates
- MPAC is concerned by the lack of response by Directorates on information requested in the annual report.

Every Director, and eventually the Municipal Manager and Council, should take responsibility for, and pride in presenting their submission for inclusion in the Annual Report. The Municipal Managers and Directors reacted on this call in that the quality of the Annual Report improved dramatically this year and MPAC had the joy to scrutinise such a proudly presented Annual Report in compiling our Oversight Report.

The Annual Report is not only a document to satisfy the prescriptions of the MFMA, but it is also the document where the proud achievements of the Municipality should be highlighted.

Council has appointed me Cllr Jacques Alexander as Chairperson of the Kouga Municipal Public Accounts Committee at a council meeting held 13 December 2021.

The matters mentioned in the Auditor-General's Management Report and the reports of the Kouga Audit Committee, were summarized in the Annual Report.

Sincere thanks to the councillors who worked with me for their valuable inputs and support

Councillor J. Alexander (Chairperson)
 Councillor C. August
 Councillor H. Murray
 Councillor R. Foley
 Councillor F. Heystek
 Councillor M. Biko
 Councillor P. Oliphant
 Councillor M. Mbandana
 Councillor L. Nkilishane
 Councillor W. van der Linde
 Councillor B. Human

Ms Leonie Mostert
 Advocate Klopper



Cllr J. Alexander
MPAC Chairperson

30 March 2023

Date

THE ANNUAL REPORT 2021/2022

The MFMA (Circular 32, Attached as **Annexure A**) directs that the Annual Report must be arranged according to predetermined draft reports and time schedules. The different draft Annual Reports must also be subjected to Public Participation. During oversight MPAC should determine if these draft reports and time schedules were adhered to and that Public Participation was allowed.

1. SUBMISSION OF THE DRAFT ANNUAL REPORT

According to the provision of the MFMA (Circular 32, Attached as **Annexure A**), the different drafts of the Annual Report should be considered by MPAC, and tabled and resolved at meetings of the Municipal Council on or before specified dates, after which it should be advertised for public comments.

In terms of the provisions of MFMA Circular 104 (Attached as **Annexure B**)

The draft of this 2021/2022 Annual Report was duly and adopted per Resolution 22/08/MM7 at the meeting of the Municipal Council held on 31 August 2022.

MPAC is satisfied that the correct procedures and timelines were followed during the preparation and submission of the 2021/2022 Annual Report.

2. MEETINGS AND WORK SESSIONS

Once the different drafts of the Annual Report were resolved by Council, it was up to MPAC to scrutinize the consecutive Reports and propose corrections and ask for outstanding information. These corrections and outstanding information were then evaluated and processed at the next meeting.

2.1 Meetings/work sessions of MPAC, in collaboration with the different Directorates, were held on:

- Wednesday, 8 March 2023
- Thursday, 9 March 2023

MPAC is satisfied that the correct procedures and timelines were followed during the scrutinization of the 2021/2022 Annual Report.

The Process Plan and the Minutes of the MPAC meetings during the evaluation of the Annual Report are attached (**Annexure C and D**)

2.2 **PUBLIC PARTICIPATION**

The final draft of the 2021/2022 Annual Report was made available to the Public after it is approved by Council. Hard copies of the Report were made available to the public at the Municipal Office, Public Libraries, Ward Councillors Offices and the Report was also available on the Municipal Website.

The notice calling public comment and inputs was published on 9 February 2023 in the Kouga Express and was also published on the Municipal Website and Notice Boards. The closing date for comments and/or inputs was set at 12:00 on 2 March 2023. No submissions were received.

Public Meeting were held on the following dates

- 20 February 2023 Dan Sandi Hall
- 21 February 2023 Loerie Hall
- 22 February 2023 Kwanomzamo Hall
- 23 February 2023 Pellsrus Hall

3. **ORGANISATIONAL PERFORMANCE**

Oversight is the process where the overall performance of an organization is evaluated to make recommendations as to how the performance can be improved. So often, however, oversight involve concentrating on **unsatisfactory** negative issues and tend to ignore the, sometimes important, **highlights** and commendable achievements. It is also a fact that only a small percentage of Kouga Residents go into the trouble to read the Annual Report which makes it necessary to allude to the highlights of the previous year.

These highlights will be acknowledged in the Oversight Report and recommendations will be made to Council to improve unsatisfactory performance.

A lot of emphasize is also placed on unsatisfactory financial issues (Audit Report), not that it is not important, but there are other components of service delivery that also needs to be highlighted. For this reason, the organizational performance oversight will deal with both these issues separately. The municipality must be commended in curbing the overtime.

3.1 **2021/2022 PERFORMANCE OF THE MUNICIPALITY**

3.1.1 **Financial Health**

It is noted, as reported in the Auditor General's Report, that the overall financial position of the municipality has deteriorated due to a net deficit, negative cash flows and trade payables exceeded the cash and cash equivalents.

The deterioration of the financial status poses a major risk for the sustainability of the municipality necessitating the need for a financial turnaround strategy and plan.

3.1.2 Audit Outcome

The Municipality achieved an unqualified audit outcome with findings, the same outcome since the 2018/19 financial year. The financial statements of the Municipality were unqualified, the performance report had material misstatements that were corrected, and there were findings for non-compliance with legislation.

It should concern Council that the municipality has again failed to achieve a clean audit outcome and that the findings in the Auditor General's Report, are repetitive.

3.1.3 Level of Assurance

Areas of Improvement

It is noted that improvement was observed by the Auditor General in the functioning of the Audit Committee and MPAC and Council should acknowledge this.

Areas of Concern

- Senior management did not improve on performance reporting.
- The Municipal Manager failed to capacitate the performance management unit and did not ensure full compliance with laws and regulations.
- The Mayor failed to ensure that the municipality addresses all the issues raised in the Auditor-General Report. The number of repeat findings indicates inadequacy.

3.1.4 Risk Areas

3.1.4.1 Areas of Reduced Risk

MPAC takes note of the reduced risk in supply chain management processes and management should be congratulated on this positive outcome.

3.1.4.2 Areas of Increased Risk (Significant Risks)

Significant Risk Area 1:

Financial Health Dealt with under financial status.

Significant Risk Area 2: Quality of Financial Statements

It is disappointing to note that there has been a deterioration in the quality of submitted financial statements. Misstatements may lead to Council taking incorrect decisions.

Of concern is that the misstatements were not prevented or detected by the municipal system of internal control which is a serious risk that must be addressed.

3.1.4.5 Areas of Major Risk

Major Risk Area 1: The verification of information submitted.
Verifying information submitted to the annual report by Directorates.

Major Risk Area 2: Information Technology

3.1.4.5 Corrective Actions

MPAC will call for a report on what the root causes are for responding slowly to external audit recommendations, inadequate processes for the compilation and review of performance information and inadequate financial statement review processes

3.2 Internal Controls

The Auditor General identified shortcomings in the internal controls of IT Governance, IT Systems Controls that require management interventions.

The following unsatisfactory performance areas were identified, and recommendations were made to Council to improve such performance:

- (a) The financial viability of the municipality has deteriorated and has been raised by the Auditor-General as a concern.
- (b) The Municipality achieved an unqualified audit outcome with findings, the same outcome since the 2018/19 financial year.
- (c) Several financial indicators have deteriorated and fall outside the guidelines of the MFMA Circular 71.
- (d) The Auditor General identified:
 - Six areas of improvement;
 - Two major risks; and
 - Five areas that require interventions.
- (e) Past audit findings relating to performance management has not been addressed. The municipality does not have sufficient capacity to plan, manage and report on its performance information as the performance management unit is understaffed.
- (f) Management failed to monitor the plan to address audit findings.
- (g) The municipality failed to spend its capital budget.
- (h) There was irregular spending reported.
- (i) The municipality has a severe backlog of financial officials not achieving the minimum competency levels.

4. MPAC RECOMMENDATIONS REGARDING THE ANNUAL REPORT

Council resolves that:

After having fully considered the 2021/22 Annual Report of the Kouga Municipality and representations thereon, adopts the Annual Report without any reservations:

- 4.1 That measures be put in place to turn around the decline in the financial health of the municipality.
- 4.2 That Quarterly Departmental Operational Reports be submitted to MPAC to allow timeous oversight towards the final future Annual Reports.
- 4.3 That measures be put in place to ensure that reported performance, inclusive of information contained in the annual report is verified prior to it being reported.
- 4.4 That the performance of IT Internet Service Providers be monitored and that quarterly reports in this regard be submitted to MPAC.
- 4.5 That MPAC be furnished with progress reports on the implementation of the audit corrective plan on a quarterly basis.
- 4.6 That a report be submitted to MPAC on computerised systems currently utilised by the Municipality containing the initial date implemented, term of contract and license fee.
- 4.7 That MPAC be furnished with quarterly progress reports on the implementation of procurement plan.
- 4.8 That a report be submitted to MPAC on turnaround times on land use and building applications and town planning applications.
- 4.9 That an Action Plan to curb water losses be prepared and be submitted to the next meeting of the Municipal Public Accounts Committee.
- 4.10 That quarterly reports on compliance with the water loss reduction plan be submitted to MPAC.
- 4.11 That the formalization of informal settlements be prioritized in order to provide acceptable services to such settlements and to reduce illegal connections to the electrical network.
- 4.12 That a detailed report on the acquisition and utilization of containerized toilets be submitted at the next meeting of MPAC.

- 4.13 That the relocation of residents after removal from informal settlements and the removal of old shacks be guided by a Relocation Plan
- 4.14 That a detailed report on available space in cemeteries inclusive of an action plan to ensure future availability cemetery space be submitted to the next meeting of MPAC.
- 4.15 That it be noted with concern that policy workshops are more often than not, not held on scheduled dates which results in delays in the review of policies.
- 4.16 That a detailed report on the utilisation of Environmental Management Fee be submitted to MPAC.
- 4.17 That a detailed report on contractual and temporary employees for the 2021/22 and 22/23 year be submitted to the next MPAC Meeting.
- 4.18 That the replacement of the bucket to a more acceptable sanitation service, be prioritized
- 4.19 That it be noted with concern that leave management is not done in electronic format and that consideration be given to implement an electronic leave management system.
- 4.20 That consideration be given to implement an electronic booking system for caravan parks.
- 4.21 That the development of Roads Master Plan be prioritised.
- 4.22 That a Master Plan on clearing Open Spaces, Side walks, municipal properties be developed.
- 4.23 That a strategy be developed for private plot clearing.
- 4.24 That measures be implemented to ensure that all consumers are billed for services received from Kouga Municipality.
- 4.25 That the rates for services between informal settlements and formalised areas be looked into by the relevant department.
- 4.26 That the Municipal Manager submit a report at the October 2023 meeting of MPAC on progress in the implementation of the above recommendations.
- 4.27 That a report on the legislative provisions on public participation on the Annual Report be submitted to the next meeting of MPAC to enable MPAC to reconsider the MPAC community consultative sessions on the Annual Report.

ANNEXURE A



NATIONAL TREASURY

MFMA Circular No 32

Municipal Finance Management Act No. 56 of 2003

The Oversight Report

Introduction

This circular aims to provide councillors with practical guidance in financial governance and to assist in maintaining oversight within the broader governance context.

It focuses on the oversight process that councils must follow when considering the annual report and how to deal with the *Oversight Report* by encouraging continuous improvement and promoting accountability to stakeholders.

Please read this circular in conjunction with the following circulars:

- MFMA Circular 11 - Annual Reporting Guidelines - 14 January 2005
- MFMA Circular 18 - New Accounting Standards - 23 June 2005
- MFMA Circular 28 - Budget Content and Format - 12 December 2005

Background

Council is vested with the responsibility to oversee the performance of their respective municipality, as required by the Constitution, the Municipal Finance Management Act (MFMA) and Municipal Systems Act (MSA). This oversight responsibility of council is particularly important for the process of considering annual reports.

The MFMA and MSA recognise that council has a critical role to play to ensure better performance by municipal departments and entities. There now exists an explicit linkage between the strategic goals, set by council through the IDP, which are translated into the budget, and the delivery of those goals, which is reported in the Annual Report. It is important for council to ensure that the budget gives effect or expression to priorities contained in the IDP. A good budget will lay a basis for better oversight and cement the contracts between the executive/council, the administration and the public.

The MFMA gives effect to financial management reforms that place greater service delivery responsibilities on managers and makes them more accountable for performance. Whilst, in the first instance it is left to the mayor or the Executive Committee to resolve any performance failures, ultimately the council is vested with the power and responsibility to oversee both the executive and administration. Oversight occurs at various levels in a municipality and is explained in the following table:

Financial governance framework applicable to local government

	Responsible for	Oversight over	Accountable to
--	-----------------	----------------	----------------

Council	Approving policy and budget	Executive Mayor or Committee	Community
Executive Mayor or Committee	Policy, budgets, outcomes, management of/oversight over municipal manager	Municipal Manager	Council
Municipal Manager	Outputs and implementation	The Administration	Executive Mayor or Committee
Chief Financial Officer and Senior Managers	Outputs and implementation	Financial Management and Operational Functions	Municipal Manager

Separation of roles

The separation of roles between the council and administration is intended to strengthen the oversight function of councillors. Good governance and effective oversight and accountability are predicated on there being this separation of functions. It is fundamental for the achievement of the objects for local government in the Constitution relating to a democratic and accountable system of local government. Council oversees the performance of the administration through council and committee meetings. The mayor provides the link between the council and administration and is responsible for regular monitoring and for tabling reports before the council. Therefore, the administration is responsible for the day-to-day operations. This separation avoids conflict of interest and a “referee/player” situation arising and is similar to the role played by Parliament.

The MFMA further assumes a separation between councillors serving on the executive (i.e. mayor or executive committee) and non-executive councillors. This separation is vital to ensure council maintains oversight for the performance of specific responsibilities and delegated powers to the mayor or executive committee.

The MFMA gives council a number of financial management tasks to fulfil its oversight role. The adoption of an “Oversight Report” is one such task. The diagramme on the following page illustrates the various oversight intervention points from the adoption of the Integrated Development plan (IDP), Budget, Annual Report and Oversight Report.

What is in an annual report?

Each municipality and each municipal entity must prepare an annual report for each financial year in accordance with the MFMA and MSA. The purpose of the annual report is:

- to provide a record of the activities of the municipality or entity;
- to provide a report on performance in service delivery and against the budget; • to provide information that supports the revenue and expenditure decisions made; and
- to promote accountability to the local community for decisions made.

Annual reports are the key reporting instruments for municipalities to report against the performance targets and budgets outlined in their strategic plans. Annual reports are therefore required to contain information on service delivery and outcomes, in addition to financial statements. It is meant to be a backward-looking document, focusing on performance in the financial year that has just ended. It must demonstrate how the budget was implemented and the results of service delivery operations for that financial year.

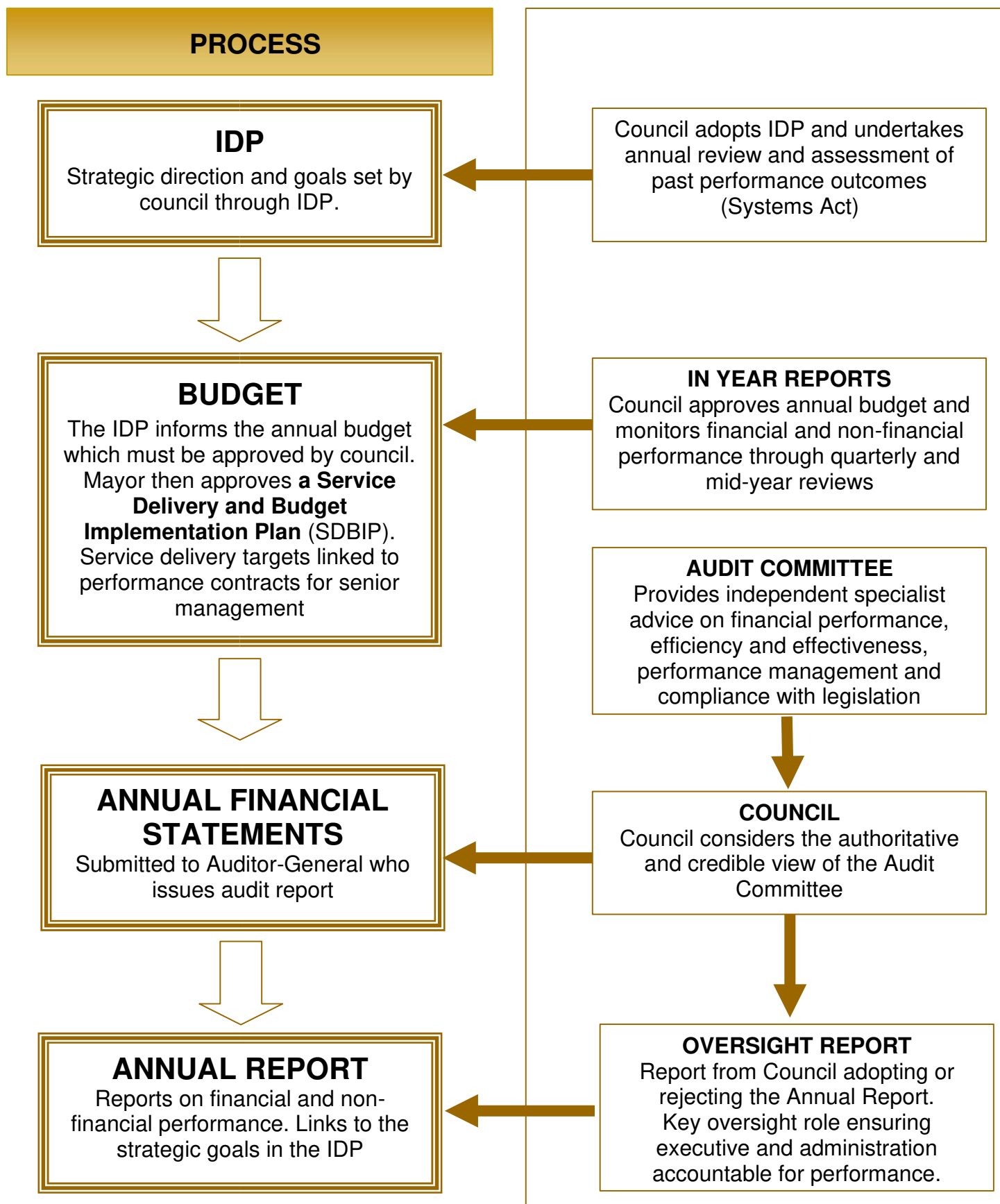
When tabled, the annual report should include four main components, each of which has an important function in promoting governance and accountability. The main components are:

- The annual performance report as required by section 46 of the MSA.
- Annual Financial Statements submitted to the Auditor-General;
- The Auditor-General's audit report on the financial statements in terms of section 126(3) of the MFMA; and
- The Auditor-General's audit report on performance in terms of section 45(b) of the MSA.

Other components required to be included in the annual report are set out in the MFMA section 121 and the MFMA Circular No 11 issued 14 January 2005.

Annexure C contains guidance on the matters that should be considered and lists the components of the annual report with a checklist of questions that might be asked by councillors when considering these components and the overall report.

Financial Governance in Practice – COUNCIL OVERSIGHT



What is the oversight report?

The oversight report is the final major step in the annual reporting process of a municipality. Section 129 of the MFMA requires the council to consider the annual reports of its municipality and municipal entities and to adopt an “oversight report” containing the council’s comments on each annual report.

The oversight report must include a statement whether the council:

- has approved the annual report, with or without reservations;
- has rejected the annual report; or
- has referred the annual report back for revision of those components that can be revised.

The oversight report is thus clearly distinguished from the annual report. The annual report is submitted to the council by the accounting officer and the mayor and is part of the process for discharging accountability by the executive and administration for their performance in achieving the goals set by council. **The oversight report is a report of the municipal council** and follows consideration and consultation on the annual report by the council itself. Thus the full accountability cycle is completed and the separation of powers is preserved to promote effective governance and accountability.

Annexure A sets out a recommended structure for an oversight report and draft resolutions to adopt the report.

Managing the process and forming committees

The processes for council oversight of the IDP, budget, annual report and preparing an oversight report may be complex for many councils, in particular where resources to support the functioning of the council are limited. For example, reviewing an annual report within full council meetings may not be practicable and may restrict the effectiveness of the analysis and discussions. Thus councils need to establish appropriate mechanisms to enable all councillors and the public to fully digest and discuss the annual report contents.

Once the annual report is tabled the council effectively has two months in which to consider the report, invite public submissions and to finalise its oversight report. Given there are a number of steps and many stakeholders the review can be made more manageable if a committee process is established breaking it down into more easily managed parts.

It is recommended that councils consider the establishment of an **oversight committee** under sections 33 and 79 of the Municipal Structures Act 1998. This committee and, if needed, subcommittees could be responsible for the detailed analysis and review of the *annual report* and then drafting an *oversight report* that may be taken to full council for discussion. Such a committee may receive and review representations made by the public and also seek inputs from other councillors and council portfolio committees.

The oversight committee should be made up of only non-executive councillors and representatives of the community and can be formed each year to deal with the annual report. Municipal officials cannot be members of an oversight committee as this would pose a conflict of interest. Assistance from the municipality’s Audit Committee in the review process is also recommended as a major source of independent specialist advice.

All meetings of Council and the oversight committee at which an annual report is considered must be open to the public and a reasonable time must be allowed for discussion of any written submissions received and for members of the community and organs of state to address the meetings. Representatives of the Auditor-General are entitled to attend and to speak at any meetings held to discuss the annual report. Timely notice of meetings should be given to enable representations to be

made. Making representations to the oversight committee should not necessarily preclude representations by the same individuals to the full council as this promotes transparency in the process.

At the same time that the committee is analysing the report in detail, other councillors should also be conducting their own review of the report. This can include discussions with constituents, ward committees and ward representatives to encourage inputs and comments and to prepare for the full council meeting that considers the annual report and oversight report.

Questions raised with the administration by council or the committee may be taken on notice by the accounting officer and responses subsequently provided to the committee process. Ideally however, questions should be responded to immediately during the committee meetings to avoid delays. The top management team may assist the accounting officer if needed. If the executive or the accounting officer and administration are unable to respond immediately to questions raised at committee or council meetings, then the committee or council may rightfully conclude that the executive and administration have not performed satisfactorily and may not understand the report that they have tabled.

When enquiring on matters in the annual reports from municipal entities, issues of commercial confidence may arise. In such cases the council should make a judgement as to whether the information is essential to determine a conclusion on the annual report and whether it may be necessary to meet in private. Such a step must be taken with caution in order not to weaken the democratic and transparency objectives of the annual reporting process.

Municipalities should take into account all costs of the various mechanisms (oversight committee and other meetings) for reviewing the annual report and preparing an oversight report. The cost needs to be balanced against the need for transparency, good governance practice and accountability, the capacity of the municipality and the need for an effective process within the time allowed.

Timing considerations

Annexure B provides the key steps in the annual reporting process as required by the MFMA. Note that no later than two months from the date of tabling, council must consider the annual report and adopt an oversight report. Also the annual report must be made public immediately after it is tabled and the public invited to submit representations. To assist with this process a municipal finance management "calendar" will be published in the near future.

Councils are encouraged to effectively use the time permitted under the MFMA (two months from when report tabled) for consideration in order to achieve a quality and acceptable annual report and strive for approval of a report that meets the provisions of the MFMA and MSA. Municipalities are encouraged to review the report immediately upon it being tabled so that steps to obtain additional information and amendments can be taken to facilitate completion of the oversight report within the timetable provided. The process for consideration may involve an initial review and analysis that seeks inputs from the community, Audit Committee and the administration, to be followed by a further review of the report, additional information and representations received. When any additional information is required the administration should promptly provide this.

The MFMA provides that if all the components of the annual report are not completed on time, then those components that are available must be tabled and considered and a written explanation be submitted to council as to why components are delayed and when they will be tabled. In such cases an oversight report may be completed and the report approved, but this should be with reservations or referred back for completion when the missing components are tabled, no more than two months later. In any case the components that have been tabled must be published and open for public

representations and, where required, the oversight report amended when the remaining components are tabled.

Understanding the annual report and determining conclusions

A mechanism that facilitates better understanding of the annual report by **all** councillors is essential, as the MFMA requires that **Council, and not the executive or administration**, comment on the annual report and arrive at a decision.

To facilitate consideration of the annual report in its entirety the council should obtain the views of the Audit Committee, which is charged with providing council with, among other matters as prescribed, an authoritative and credible view of the financial position of the municipality or entity, its efficiency and effectiveness, performance management and the level of compliance with the MFMA, Division of Revenue Act (DORA) and other relevant legislation.

In order to approve the annual report without reservations, Council should be able to agree that the information contained in the report is a fair and reasonable record of the performance of the municipality and properly accounts for the actions of the municipality in the financial year reported upon. Approval means that the executive and administration have discharged in full, their accountability for decisions and actions and that their performance meets the criteria set by performance objectives and measures and is also acceptable to the community.

Should the Council have reservations on any matter in the report then these reservations should be outlined in the oversight report and the executive and administration should address these as determined by council.

A conclusion that the report is approved without reservations is the preferred outcome from the process. However, this conclusion should not be an outcome of only cursory examination of the report but should be as a result of a rigorous analysis by councillors with inputs from the public and other stakeholders.

Although the accounting officer is required to attend all meetings where the report is discussed to respond to questions, it is incumbent on **all councillors** to fully understand the report in order to identify matters that may require further information from the accounting officer.

Staff performance bonuses

To promote continuous improvement in the performance of the municipality and entities, it is strongly recommended that council reward performance in a manner that is commensurate with achievement of policy outcomes. Therefore, the payment of performance bonuses should be measurable with the extent of outcomes achieved. In some instances, performance bonuses were paid even though performance could not be measured. If the level of acceptance cannot be achieved then it follows that the performance of the administration has not met the objectives approved in the IDP, Budget and Service Delivery and Budget Implementation Plans. Where reservations exist, the seriousness of such should be taken into account before considering any part-payment of bonuses.

Municipal Entities

Where municipalities have one or more municipal entities, separate annual reports from the municipality and each of the entities will be tabled in council. Only the annual financial statements will be consolidated in the municipality report. Although each of the annual reports is to be considered by council it would be impractical to complete multiple oversight reports. It is recommended that council

adopt one oversight report that provides comments on each of the annual reports. In this way council is able to reinforce the important linkages between the municipality and its entities, their close interrelationship in the provision of services and that performance of the municipality is an outcome of performance by the municipal administration and all the entities.

Conclusion

Municipalities and municipal entities are required to table in council by 31 January an annual report for the previous financial year. Councils must consider the reports and adopt an oversight report by 31 March. This circular outlines the importance of the annual report in ensuring effective democratic and accountable local government and provides guidance on the manner in which the reports should be considered.

The MFMA provides that the National Treasury may issue guidelines on the manner of consideration of annual reports and the functioning and composition of any public accounts or oversight committee. Until such guidelines are issued, councils and boards of entities are encouraged to consider and implement this circular.

The challenge facing councillors is to utilise their strategic plans, budget documents and annual reports to improve oversight and to hold municipal departments and entities and the executive to account for their performance.

Further enquiries on this circular may be directed to the MFMA helpline email address below.

Abbreviations

AFS	Annual Financial Statements
MFMA	Municipal Finance Management Act, No. 56, 2003
MSA	Municipal Systems Act, No. 32, 2000
SDBIP	Service Delivery and Budget Implementation Plans (s 53 MFMA)
DORA	Division of Revenue Act for the relevant budget year.
IDP	Integrated Development Plan

Other information relating to annual reporting for municipalities may be found in:

- MFMA Circulars 11 and 18.
- Performance Management Guide for Municipalities, DPLG, 2001. www.dplg.gov.za - go to "documents" then "general publications"
- Introductory Guide to MFMA, Updated Edition – August 2004.
- On SDBIP, refer to MFMA Circulars 13 and 19.

Contact



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T. Pillay
Chief Director: Local Government
15 March 2006

ANNEXURE A

Structure and Contents of the Oversight Report –

The Oversight Report should contain:

1. Title and reference to the year under review.
2. Resolutions and statement required by MFMA s129(1) (see recommended resolutions below).
3. Summaries of comments and conclusions on the annual report of the **municipality** referred to in the resolutions, including one or more of the following:
 - (i) Summary of reservations, if approved with reservations and actions to be taken by the executive and administration to resolve reservations.
 - (ii) Summary of components required to be revised, if referred back for revision and actions to be taken by the executive and administration to provide revisions and the date for these to be submitted.
 - (iii) Summary of reasons for rejection of the report, if report is rejected and what other action should be taken by the executive and administration.
 - (iv) In cases where only components of the annual report are submitted by the mayor detail those components and restrict comments to this effect. Include a statement listing the outstanding components and estimated timeframe for these to be tabled and considered by council.
4. Summaries of comments and conclusions on the annual reports of **each municipal entity** referred to in the resolutions, including one or more of the following:
 - (i) Summary of reservations, if approved with reservations and actions to be taken by the executive and administration or the entity to resolve reservations.
 - (ii) Summary of components required to be revised, if referred back for revision and actions to be taken by the executive and administration or the entity to provide revisions and the date for these to be submitted.
 - (iii) Summary of reasons for rejection of the report, if report is rejected and what other action should be taken by the executive, administration and the entity.
 - (v) In cases where only components of the annual report are submitted by the chairman detail those components and restrict comments to this effect. Include a statement listing the outstanding components and estimated timeframe for these to be tabled and considered by the board of directors.
5. Annexures to the report should provide the following –
 - (i) Summary of the process followed in the review, including:

- Copies of minutes of meetings of committee.
 - Summary of written representations submitted by the public, auditor-general and other spheres of government.
 - Responses to questions provided by the accounting officer.
- (ii) Other information as may be needed to support the conclusions in the resolutions, for example, outcomes of large infrastructure / capital projects and programmes.

Resolutions and Statement

The statement required in the oversight report by section 129(1) of MFMA, should be in the form of a council resolution to record both the adoption of the oversight report and the comments of council on the report.

The resolutions should, as a minimum, state:

Council resolves that:

1. The Council having fully considered the annual report of the municipality and representations thereon, adopts the oversight report; and
2. *(insert one of the following as appropriate)*
 - Council approves the annual report without reservations; or
 - Council approves the annual report with reservations as included in the comments in the oversight report pages xx to xx; or
 - Council refers the annual report back for revisions of the components listed on pages xx to xx of the oversight report; or
 - Council rejects the annual report of the municipality for the reasons summarised in pages xx to xx of the oversight report.
3. *(Where further action or revisions are required in the resolutions):* Council requests the Mayor (Executive Mayor) to report to Council on the actions required as a result of these resolutions by <date to return to Council>.

Where the annual reports of municipal entities are also considered additional resolutions should be adopted to refer to the municipal entities –

Council resolves that :

1. The Council having fully considered the annual report of the municipal entity <name> and representations thereon, adopts the oversight report; and
2. *(insert one of the following as appropriate)*
 - Council approves the annual report without reservations; or
 - Council approves the annual report with reservations as included in the comments in the oversight report pages xx to xx; or
 - Council refers the annual report back for revisions of the components listed on pages xx to xx of the oversight report; or
 - Council rejects the annual report of the municipal entity <name> for the reasons summarised in pages xx to xx of the oversight report.
3. *(Where further action or revisions are required in the resolutions):* Council requests the municipal entity to report to Council on the actions required as a result of these resolutions by <date to return to Council>.

ANNEXURE B

Steps in the Annual Reporting processes

The following outlines the major steps in the annual reporting process indicating responsibilities and dates prescribed in the MFMA and MSA.

Prescribed Dates	Actions	MFMA (MSA)	Responsibility of
31 August	Submit municipality's AFS to Auditor-General	S126(1)(a)	Municipal Manager
31 August	Submit municipal entity AFS to parent municipality and to Auditor-General	S126(2)	Municipal Entity Accounting Officer
30 September	Submit consolidated AFS to Auditor-General (municipalities and entities)	S126(1)(b)	Municipal Manager
31 October and quarterly thereafter	Auditor-General submits to Parliament and the provincial legislature names of any municipalities, which have failed or continue to fail to submit AFS.	S133(2)	Auditor-General
Within three months of receiving AFS (30 November or 31 December)	Audit report returned to Municipal Manager	S126(3)	Auditor-General
On receipt of audit report	Municipality must address any issues raised by the Auditor-General and prepare action plans to address issues and include these in annual report. Provide copy of report to Audit Committee.	S131(1)	Municipal Manager. Mayor must ensure compliance by municipality
31 December	Entity submits annual report to Municipal Manager	S127(1)	Municipal Entity Accounting Officer
31 January	Annual Reports of municipality and entities tabled in Council	S127(2)	Mayor
Immediately after annual report is tabled	Annual report made public and local community invited to submit representations	S127(5)(a) (MSA) - S21A and B	Municipal Manager
Immediately after annual report is tabled	Annual report submitted to Auditor-General, relevant provincial treasury and provincial department responsible for local government in the province.	S127(5)(b)	Municipal Manager
When meetings held to discuss the annual report	Attend meetings to respond to questions concerning the report	S129(2)(a)	Accounting Officer of municipality and entity
Following meetings to discuss the annual report	Submit copies of minutes of the meetings to the Auditor-General, provincial treasury and provincial department responsible for local government	S129(2)(b)	Accounting Officer of municipality and entity
Within two months of report being tabled (31 March)	Council to have considered the annual report and adopted an oversight report	S129(1)	Council
Within seven days of adoption of oversight report	Make public the oversight report	S129(3) S21A-MSA	Accounting Officer
Within seven days of adoption of oversight report	Submit to the provincial legislature, the annual report of municipality and entities and the oversight reports on those annual reports.	S132(1) & (2)	Accounting Officer
As necessary	Monitor compliance with submission of reports to provincial legislature	S132(3)	MEC for local government in the province

Within 60 days of receiving annual reports	Report to provincial legislature any omissions by municipalities in addressing issues raised by the Auditor-General.	S131(2)	MEC for local government in the province
Annually	Report to Parliament on actions taken by MEC's for local government to address issues raised by Auditor-General on municipal and entity AFS	S134	Cabinet member responsible for local government
Notes: - MFMA section 133 provides for consequences of non-compliance with provisions relating to the submission of AFS and tabling of annual reports. - All dates shown are the latest permissible in terms of the applicable legislation, earlier compliance is preferable.			

ANNEXURE C

Checklist for considering the annual report

The MFMA provides that the purpose of the annual report of a municipality or a municipal entity for each financial year is:

- to provide a record of activities;
- to provide a report on performance against the budget; and
- to promote accountability to the local community for decisions made throughout the year.

The MSA provides that an annual *performance report* must be prepared for each financial year to report on the performance of the municipality and each external service provider, compared with targets set for performance.

The annual report requirements are provided in Chapter 12 of the MFMA, sections 45 and 46 of the MSA and the annual Division of Revenue Act.

The following checklist summarises what must be included in the annual report and is designed to support and guide councillors and officials. It should be noted however, that this list is not exhaustive and from time to time other information requirements may be prescribed. Consideration must also be given to specific circumstances and conditions in which other questions may be appropriate. Councillors and officials are encouraged to make suggestions to enhance this checklist and send these to the National Treasury.

Council should verify that the required information is contained in the annual report and then consider the relevance and accuracy of information accordingly. The checklist provides guidance on how matters could be considered.

The oversight committee and the full council may use this checklist as a means to organise the report and to manage requests for additional information. The questions suggested may be used by all councillors to gain clarification on contents of reports and also to verify compliance with the MFMA and MSA. Responses to many of these questions should be provided by the accounting officer of the municipality and/or municipal entities.

Note that the views of the Audit Committee and the findings of the Auditor-General are primary sources of information to assist council in determining a decision on the annual report.

Information required to be included in annual reports	Council Considerations and Questions
Financial Matters	Financial reporting matters to be considered
The annual financial statements (AFS) for the municipality and, if applicable, consolidated statements (with all entities) as submitted to the Auditor-General	Where the municipality has sole or effective control of a municipal entity, consolidated financial statements are required. The AFS are to be in the form as required by the applicable accounting standards. MFMA Circular 18 with annexures, 23 June 2005, provides guidelines on the new accounting standards for municipalities. <i>Have the required standards been met – refer audit report and report of audit committee for views on this?</i>
	The above applies also to the AFS of municipal entities.
The Auditor-General's reports on the financial statements of the municipality and the entities	<i>Is the audit report included in the annual report as tabled? If not, when will the audit report be tabled? What are causes of the delays? What actions are being taken to expedite the report?</i>
	The above applies also to the AFS of municipal entities.
Any explanations that may be necessary to clarify issues in connection with the financial statements	The accounting standards require that notes accompany the statements to provide explanations of issues and matters reported. Refer also points below on information in notes to AFS. <i>Taking into consideration the audit report and the audit committee comments, is sufficient explanation of financial issues contained in the notes to the statements?</i>
	The above applies also to the AFS of municipal entities.
An assessment by the accounting officer on any arrears on municipal taxes and service charges, including municipal entities	<i>Has an adequate assessment been included? Is there sufficient explanation of the causes of the arrears and of actions to be taken to remedy the situation? Is any other action required to be taken?</i>
	The above applies also to the AFS of municipal entities.

Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports	The conclusions of the annual audit may be either – ▪ an unqualified audit opinion with or without management issues, which means that the financial statements are acceptable; ▪ a qualified audit opinion setting out reasons for qualification, which means that certain issues need to be addressed before an unqualified opinion can be achieved; or ▪ the auditor will disclaim the statements and not offer an opinion. In this case there may be serious financial issues to be addressed. The objective of the municipality should be to achieve an unqualified audit opinion. <i>Taking into account the audit report, audit opinion and the views of the audit committee, council should consider:</i> ▪ <i>To what extent does the report indicate serious or minor financial issues?</i> ▪ <i>To what extent are the same issues repeated from previous audits?</i> ▪ <i>Is the action proposed considered to be adequate to effectively address the issues raised in the audit report?</i> ▪ <i>Has a schedule of action to be taken been included in the annual report, with appropriate due dates?</i> Note that actions taken on audit issues are to be reported to the provincial legislature, the MECs for local government and finance to report on any omissions by municipalities in addressing issues. Council should confirm that the audit report has been forwarded to the MECs.
	The above applies also to the AFS of municipal entities.
An assessment by the municipality's accounting officer of the municipality's performance against measurable performance objectives for revenue collection from each revenue source and for each vote in the approved budget	The budget of the municipality must contain measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the IDP (MFMA s17(3)(b)). The accounting officer must include these objectives in the annual report and report on performance accordingly. <i>Has the performance met the expectations of council and the community?</i> <i>Have the objectives been met?</i> <i>What explanations have been provided for any non-achievement? What was the impact on the service delivery and expenditure objectives in the budget?</i> Council should comment and draw conclusions on performance and explanations provided.
An assessment by the municipal entity's accounting officer of the entity's performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and the municipality	Agreements between the municipality and its entities for service delivery are to include measurable performance objectives. This will include measures of services delivered to the community, financial targets, expenditure targets etc. The entity's annual report must include an assessment by the accounting officer, of performance against these objectives. In order to show the linkage between the entity and the municipality, the report of the municipality should also include the performance of entities. <i>Has the performance met the expectations of council and the community?</i> <i>Have the performance objectives been met?</i> <i>What explanations have been provided for any non-achievement? What was the impact on the service delivery and expenditure objectives in the budget?</i> Council should comment and draw conclusions on performance and explanations provided.
Any information as determined by the municipality, the entity or its parent municipality	Review any other information that has been included in regard to the AFS.

	The above applies also to the AFS of municipal entities.
Recommendations of the audit committee in relation to the AFS and audit reports of the municipality and its entities	<i>Have the recommendations of the audit committee in regard to the AFS been adequately addressed by the municipality and/or the entity? What actions need to be taken in terms of these recommendations? Conclusions on these recommendations and the actions required should be incorporated in the oversight report.</i>

<i>Allocations received and made</i>	<i>Considerations</i>
Allocations received by <u>and</u> made to the municipality	The report should disclose: ▪ Details of allocations received from another organ of state in the national or provincial sphere. ▪ Details of allocations received from a municipal, entity or another municipality. ▪ Details of allocations made to any other organ of state, another municipality or a municipal entity. ▪ Any other allocation made to the municipality under Section 214(1)(c) of the Constitution. <i>Have these allocations been received and made?</i> <i>Does the audit report confirm the correctness of the allocations received in terms of DORA and provincial budgets?</i> <i>Does the audit report or the audit committee recommend any action?</i> Council should comment and draw conclusions on information and explanations provided.

Allocations received by <u>and</u> made to the municipal entity	The report should disclose: ▪ Details of allocations received from any municipality or other organ of state. ▪ Details of any allocations made to a municipality or other organ of state. ▪ Other information as may be prescribed. <i>Have these allocations been received and made?</i> <i>Does the audit report confirm the correctness of the allocations received in terms of DORA and provincial budgets?</i> <i>Does the audit report or the audit committee recommend any action?</i> Council should comment and draw conclusions on information and explanations provided.
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Information in relation to the use of allocations received	Section 123 of the MFMA and MFMA guidance circular 11, require that the municipality provide information per allocation received per vote and include: ▪ The current year and details of spending on all previous conditional grants, for the previous two financial years. Information is to be provided per vote. (For example, municipalities must report on all transfers received from provincial housing departments for housing subsidy grants for three financial years, and indicate how such funds were spent, and for what projects. ▪ Information stating whether the municipality has complied with the conditions of the grants, allocations in terms of section 214(1)(c) of the Constitution and allocations received from other than another organ of state. Where there is non-compliance, details of the reasons for non-compliance are to be provided. ▪ Information on whether allocations under the DORA were delayed or withheld and the reasons advanced for this. This information is required on all allocations excluding the municipality's portion of the equitable share and where prescribed otherwise by the nature of the allocation. The Auditor-General will ensure that the audit process includes a proper assessment (and reconciliation) on all national grants received by a municipality. Council should consider this aspect of the audit report and comments by the audit committee on the use of allocations received. <i>Council should be satisfied that –</i> ▪ <i>the information has been properly disclosed;</i> ▪ <i>conditions of allocations have been met; and</i> ▪ <i>that any explanations provided are acceptable.</i> The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.
Information in relation to outstanding debtors and creditors of the municipality and entities	Municipalities and entities are reminded of the requirement to include, in their annual financial statements, amounts owed to them and persistently delayed beyond 30 days, by national or provincial departments and public entities. It is also a requirement to report on whether the municipality or entity has met its statutory commitments, including the payment of taxes, audit fees, and contributions for pension and medical aid funds. <i>Council should be satisfied that –</i> ▪ <i>the information has been properly disclosed;</i> ▪ <i>conditions of allocations have been met; and</i> ▪ <i>also that any explanations provided are acceptable.</i> The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.
Disclosures in notes to AFS	Considerations relating to section 124

Information relating to benefits paid by municipality and entity to councillors, directors and officials	Information on the following items is to be included in the notes to the annual report and AFS: • salaries, allowances and benefits of political office bearers, councillors and boards of directors, whether financial or in kind; • any arrears owed by individual councillors to the municipality or entity for rates and services, which at any time were outstanding for more than 90 days, including the names of councillors; • salaries allowances and benefits of the municipal manager, CEO of a municipal entity, CFO and every senior manager; • contributions for pensions and medical aid; • travel, motor car, accommodation, subsistence and other allowances; • housing benefits and allowances; • overtime payments; • loans and advances, and; • any other type of benefit or allowance related to staff. <i>Council should be satisfied that –</i> • <i>the information has been properly disclosed;</i> • <i>conditions of allocations have been met; and</i> • <i>that any explanations provided are acceptable.</i> The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.
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Municipal Performance	Considerations
The annual performance reports of the municipality and entities	Section 46, MSA requires municipalities to submit a performance report reflecting the performance of the municipality and each service provider, a comparison of the performance with targets set for the previous year and measures taken to improve performance. The report must form part of the annual report. Questions that may be considered are – <i>Has the performance report been included in the annual report? Have all the performance targets set in the budgets, SDBIP, service agreements etc, been included in the report?</i> <i>Does the performance evaluation in the annual report compare actual performance with targets expressed in the budgets and SDBIP approved for the financial year?</i> <i>In terms of key functions or services, how has each performed? Eg. have backlogs for water, sanitation and electricity been reduced? What are the refuse collection volumes, library usage statistics etc?</i> <i>To what extent has performance achieved targets set by council? Is the council satisfied with the performance levels achieved? Is the community satisfied with performance? Has a customer satisfaction survey been undertaken and, if so, how do the results align with the annual report contents? What were the outcomes of public consultation and public hearings?</i> <i>What actions have been taken and planned to improve performance? Is the council satisfied with actions to improve performance?</i> <i>Did the targets set in the budgets, SDBIP agree with the targets set in the performance contracts of the municipal manager and each senior manager?</i> <i>Does the report evaluate the efficiency of mechanisms applied to deliver the performance outcomes?</i> <i>Taking into account the audit report and opinion and the views of the audit committee, is performance considered to be efficient and effective? To what extent have actions planned for the previous year been carried over to the financial year reported upon?</i> <i>Have any actions planned in the reported year been carried over to the current or future years? If so are any explanations been provided by the municipal manager and are these satisfactory?</i>

	Council should comment and draw conclusions on information and explanations provided.
Audit reports on performance	Section 45, MSA requires that the Auditor-General must audit the results of performance measurements, as part of the internal auditing processes and annually. <i>Have the recommendations of internal audit been acted on during the financial year?</i> <i>Have recommendations by internal audit and/or the auditor-general been included in action plans to improve performance in the following year?</i>
Performance of municipal entities and municipal service providers	The annual report of the municipality should provide an assessment of the performance of the municipal entities and all contracted service providers. This is in addition to the separate annual reports of the entities. The report should evaluate the effectiveness of these services and whether alternative mechanisms should be considered. <i>Is the council satisfied with the evaluation and conclusions of the municipality?</i> <i>What other actions are considered necessary to be taken by the accounting officers?</i>
For municipal entities – an assessment of the entity's performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and municipality	This is the separate report of the municipal entity and should contain details of service delivery agreements with the municipality and the performance measures therein. Council should consider similar issues to that outlined above for municipal performance to determine a view on the performance of municipal entities. <i>To what extent were the objectives and performance measures of the entity aligned to the overall strategic objectives of the municipality and its IDP?</i> <i>Is the report of the municipal entity consistent with the conclusions on performance evaluation by the municipality?</i> <i>What specific actions should be taken by the entity and the municipality to improve performance?</i>

General information	<i>The following general information is required to be disclosed in the annual report.</i>
Relevant information on municipal entities	The municipality should disclose all information relating to the municipal entities under the sole or effective control of the municipality. Information to be disclosed includes names and types of entities, members of the board, addresses and contact details for entities, the purpose of the entity, the functions and services provided, the type and term of service level agreements with the entities.
The use of any donor funding support	<i>What donor funding has the municipality received?</i> <i>Have the purposes and the management agreements for the funding been properly agreed upon?</i> <i>Have the funds been used in accordance with agreements?</i> <i>Have the objectives been achieved?</i> <i>Has the use of funds been effective in improving services to the community?</i> <i>What actions need to be taken to improve utilisation of the funds?</i>
Agreements, contracts and projects under Private-Public-Partnerships	Information similar to the details of municipal entities should be provided. Council should ensure that all details have been supplied.

Service delivery performance on key services provided	This may be a high level summary, in addition to detailed information on performance, which sets out overall performance under the strategic objectives of the municipality. Overall results on the strategic functions and services should be summarised. This should cover all services whether provided by the municipality, entities or external mechanisms. Council may draw conclusions on the overall performance of the municipality. This information may be found in an executive summary section of the annual report and or in statistical tables.
Information on long-term contracts	Details of all long-term contracts including levels of liability to the municipality should be included. Council should ensure all information is correctly supplied.
Information technology and systems purchases and the effectiveness of these systems in the delivery of services and for ensuring compliance with statutory obligations	Details of significant IT activities should be outlined indicating the effectiveness of the IT projects and the quality of IT services. Council should consider how effectively the IT services support and facilitate performance of the municipality and whether value for money has been obtained. Details of any future IT proposals should be summarised. Council should comment and draw conclusions on the information provided.
Three year capital plan for addressing infrastructure backlogs in terms of the Municipal Infrastructure Grant (MIG) framework	A summary of the long-term capital plans and how these address the backlogs of services in the municipality should be provided. This should include details of types and scale of backlogs, projected cost implications, strategies to address the backlogs and plans proposed and/or approved. The summary here should cross reference to the performance reports in the annual report and also will be highlighted in the coming budgets. Council should consider whether the plans appropriately address the backlogs and are consistent with the strategic policy directions of council and needs of the community.

<i>Other considerations recommended</i>	
Timing of reports	<i>Was the report tabled in the time prescribed?</i> <i>Has a schedule for consideration of the report been adopted?</i>
Oversight committee or other mechanism	<i>What mechanisms have been put in place to prepare the oversight report?</i> <i>Has a schedule for its completion and tabling been adopted?</i>

Payment of performance bonuses to municipal officials	Refer to Section 57 MSA as amended. Bonuses based on performance may be awarded to a municipal manager or a manager directly accountable to the municipal manager after the end of the financial year and only after an evaluation of performance and approval of such evaluation by the municipal council. Preferably such evaluation should be considered along with the annual report. The basis upon which performance is evaluated for payment of bonuses should be reconciled with the municipal performance reported in the annual report. <i>Have bonuses been paid based on achievements of agreed outputs and after consideration of the annual report by council? If so has a proper evaluation of performance been undertaken? Was the evaluation approved by council? Does the performance evaluation align and reconcile with the performance reported in the annual report? If not, what reasons have been given for non-reporting of the basis of evaluation in the annual report? Are the payments justified in terms of performance reported in the annual report?</i> Conclusions and comments on the evaluation and payment of performance bonuses of council should be included in the oversight report.
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ANNEXURE B



NATIONAL TREASURY

MFMA Circular No 104

Municipal Finance Management Act No. 56 of 2003

EXTENSION TO TIMELINES FOR SUBMISSION OF ANNUAL FINANCIAL STATEMENTS, ANNUAL REPORTS, AUDITS AND RELATED MATTERS IN TERMS OF THE MFMA

1. PURPOSE

- 1.1 The purpose of this Circular is to provide information to municipalities, municipal entities, auditors and other stakeholders, on the Ministerial Exemption issued in terms of section 171(1)(b) of the MFMA, “*Gazette*” published on 05 August 2020. This Circular and the Exemption Notice are available and can be accessed on the MFMA webpage, using the following link <http://mfma.treasury.gov.za/Pages/Default.aspx>.

2. BACKGROUND

- 2.1 The Minister of Finance exempted municipalities and municipal entities from submitting key reports. The notice allows for a two-months delay in the submission of Annual Financial Statements, Annual Reports, Audit Opinions, Oversight reports and associated processes.
- 2.2 The context of this exemption flows from the Minister of Cooperative Governance and Traditional Affairs’ announcement of the national state of disaster in terms of the Disaster Management Act to enable government and the country at large to manage the spread of the Covid-19 virus. Following the initial announcements of the national state of disaster, subsequent extensions and different levels were communicated.
- 2.3 Whilst the lockdown and restrictions have been eased over time, they are still in force and in effect with direct implications for municipalities, municipal entities, audit processes, amongst others. The lockdown impacts on the ability by municipalities and municipal entities to prepare and submit quality annual financial statements that meet the uniform norms and standards, related reports and processes to discharge their accountability towards the public and report on

the utilisation of public funds.

2.4 The timing of the phased lockdown also had a knock-on effect on availability of municipal staff, which impacted on operations and added to the delays in ability to prepare AFS, undertake procedures such as the physical verification of assets, meter reading, revenue management, valuations, finalising supporting documentation and concluding reconciliations. There are similar impacts on the quality assurance processes, annual report, performance report and oversight report procedures and processes. The audit process and timelines by the Office of the Auditor-General to perform its audits, is also extended accordingly.

3. LEGISLATIVE REQUIREMENTS

3.1 The specific sections in the MFMA In terms of the MFMA, the accounting officer of a municipality must prepare the annual financial statements of the municipality or municipal entity and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing. Similarly, the accounting officer of a municipal entity must prepare the annual financial statements of the entity and within two months after the end of the financial year to which those statements relate, submit the statements to the parent municipality and the Auditor-General. This means that the 2019/20 annual financial statements must be submitted by 31 August 2020 to the Auditor-General for auditing.

3.2 In terms of section 126(1)(b) of the MFMA, all municipalities with sole or effective control of a municipal entity, must prepare consolidated annual financial statements and submit the statements to the Auditor-General for auditing, within three months after the end of the financial year to which those statements relate. This means the 2019/20 consolidated annual financial statements must be prepared and submitted by 30 September 2020.

3.3 Other provisions effected by the Ministerial Exemption include sections 127, 129 and 133 of the MFMA.

4. MINISTERIAL EXEMPTION

- 4.1 The effects of this Ministerial exemption are to mitigate anticipated widespread non-compliance with sections 126, 127, 129 and 133 of the MFMA due to the national state of disaster and lockdown restrictions. This provides a further twomonth period to municipalities and municipal entities to comply with the MFMA to submit the AFS, annual reports, performance report and its oversight report. It also extends the period for the Office of the Auditor-General to conduct their audits and submission of the audit opinion to auditees, thereafter. This will be followed by Council Committees engagements and concluding their oversight processes.
- 4.2 The extension will therefore enable municipalities and municipal entities to undertake all the necessary actions, checks and reviews, to ensure that the annual financial statements fairly presents the state of affairs of the municipality or entity, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year.
- 4.3 In terms of the Ministerial Exemption, municipalities and municipal entities are exempted from complying with the deadlines provided in sections 126(1) and (2), 127(1) and (2) and 129(1) and 133(2) of the MFMA for a period of 2 months, as reflected in the table below. It is advised that all performance reports, required as per Section 46 of the Municipal Systems Act, be equally aligned.

No.	Action	Section	New Outer Deadline
1	The accounting officer of a municipality must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Section 126(1)(a) of the MFMA	31 October 2020

2	The accounting officer of a municipality must in the case of a municipality referred to in section 122(2), prepare consolidated annual financial statements in terms of that section and, within three months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Section 126(1)(b) of the MFMA	30 November 2020
3	The accounting officer of a municipal entity must prepare the annual financial statements of the entity and, within two months after the end of the financial year to which those	Section 126(2) of the MFMA	31 October 2020

	statements relate, submit the statements to— a) the parent municipality of the entity; and b) the Auditor-General, for auditing.		
4	The accounting officer of a municipal entity must, within six months after the end of a financial year, or on such earlier date as may be agreed between the entity and its parent municipality, submit the entity's annual report for that financial year to the municipal manager of the entity's parent municipality.	Section 127(1) of the MFMA	28 February 2021
5	The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.	Section 127(2) of the MFMA	31 March 2021

6	The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council - a) has approved the annual report with or without reservations; b) has rejected the annual report; or c) has referred the annual report back for revision of those components that can be revised.	Section 129(1) of the MFMA	31 May 2021
7	The Auditor-General must submit to Parliament and the provincial legislatures—	Section 133(2) of the MFMA	31 December 2020
	a) by no later than 31 October of each year, the names of any municipalities or municipal entities which have failed to submit their financial statements to the Auditor-General in terms of section 126; and b) at quarterly intervals thereafter, the names of any municipalities or municipal entities whose financial statements are still outstanding at the end of each interval.		

5. CONCLUSION

5.1 Municipalities and municipal entities must ensure that processes and procedures are aligned to the extended deadlines as outlined in the above table. All the necessary actions must be undertaken to ensure that quality annual financial statements and performance reports are submitted for audits by the outer due

dates provided above. All municipalities and municipal entities are encouraged to submit these reports before the due dates, where possible.

6. CONTACT

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TV PILLAY

CHIEF DIRECTOR: MFMA IMPLEMENTATION

Date: 07 August 2020



MPAC ANNUAL WORKPLAN

SCHEDULE OF MEETINGS: 2022/23

DATES	ACTIONS
21 July 2022	MPAC Monthly Meeting
18 August 2022	MPAC Monthly Meeting (Annual Report)
22 September 2022	MPAC Monthly Meeting (Annual Report)
20 October 2022	MPAC Monthly Meeting (Annual Report)
24 November 2022	MPAC Monthly Meeting (Annual Report)
8 December 2022	MPAC Monthly Meeting (Annual Report)
26 January 2023	MPAC Monthly Meeting (Annual Report)
23 February 2023	MPAC Monthly Meeting (Annual Report)
23 March 2023	MPAC Monthly Meeting
20 April 2023	MPAC Monthly Meeting
25 May 2023	MPAC Monthly Meeting
29 June 2023	MPAC Monthly Meeting

ANNEXURE D

**MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON
THURSDAY, 22 SEPTEMBER 2022 AT 10:00 IN THE COUNCIL CHAMBERS**
Present: Committee Members

Cllr J. Alexander (Chairperson)
 Cllr C. August
 Cllr F. Heystek
 Cllr R. Foley
 Cllr B. Human
 Cllr H. Murray
 Cllr M. Biko
 Cllr C. August
 Cllr L. Nklishane
 Cllr W. van der Linde
 Cllr P. Oliphant

Officials

Mr C. du Plessis	(Municipal Manager)
Mr E. Goliath	(Acting Deputy MM)
Mr R. Lorgat	(CFO)
Ms K. Moodley	(Director: Corporate & Digital Services)
Mr P. Molele	(Representing Director: PD&T)
Ms L. Opperman	(Manager: Legal Services)
Mr I. Fakir	(Acting Manager: Risk & Internal Audit)
Ms M. Rossouw	(Manager: Administration and Auxiliary Services)
Ms N. Zode	(Scribe)

Stakeholders

Adv A. Klopper (Public Representative)

1. OPENING AND WELCOME

The Chairperson read the notice convening the meeting and requested Cllr van der Linde to open the meeting with prayer. The Chairperson welcomed everyone present. He then indicated that Mr. E. Goliath is acting Deputy Municipal Manager and Mr. P. Molele is representing Director: PDT.

2. APPLICATION FOR LEAVE OF ABSENCE / ABSENT WITH APOLOGY/ ABSENT WITHOUT APOLOGY**2.1 ABSENT WITH APOLOGY**

Ms N. Machelesi	(Director: Community Services)
Ms F. Mabusela	(Director: Planning, Development & Tourism)

Mr D. De Jager
Ms L. Mostert

(Deputy Municipal Manager)
(Public Representative)

2.2 **ABSENT WITHOUT APOLOGY**

None

3. **PRESENTATIONS**

None

4. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

Resolved to Recommend (22 September 2022)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 18 August 2022 be accepted.

Proposed By: Cllr P. Oliphant

Seconded By: Cllr B. Human

2. That the minutes of the Special Municipal Public Accounts Committee meeting held on 1 September 2022 be accepted.

Proposed By: Cllr P. Oliphant

Seconded By: Cllr R. Foley

5. **MATTERS FOR DISCUSSION**

Cllr Oliphant raised a point of order on the issue of the cameras installed in the Council Chambers, and the monitoring systems in the Speakers and Mayors' Offices. His main concern is with regards to the confidential issues discussed at MPAC. He stated that the Council Chambers is a legislature room and decisions such as installing cameras should have a Council resolution. He indicated that MPAC is a confidential committee and should not be held in a venue where other people can watch the proceedings.

Cllr van der Linde enquired whether there is audio or is it just recording pictures only.

The Chairperson requested the Manager Legal verify whether the cameras have audio.

Manager Legal indicated that the camera system does not have audio.

Cllr Oliphant stated that no one would install cameras without audio, and with or without audio the installation should not have been done in the Council Chambers. MPAC should investigate who took the decision to install the cameras in the Council Chamber. Legal guidance must be provided and

the person who authorised the installation should be held responsible, and the cameras should be removed.

The Chairperson noted the comments of the Councillor and advised that due processes should be followed and the matter should be reported to the office of the Speaker and Council.

Cllr Oliphant stated that the Speaker's Office is implicated by the fact that the monitor is in his office, he enquired whether MPAC will prepare an item to Council. He further stated that he believes that the cameras have audio and recording.

Cllr Nkilishane concurred with Councillor Oliphant and proposed changing the venue for MPAC, as he has also seen the cameras and believes that the cameras are recording, and MPAC investigations could be compromised.

Adv Klopper stated that he would need to research the rationale behind the installation. Was there a Council resolution or is it just a matter of security?

The CFO stated that MPAC is open to the public and has public representatives, there is nothing confidential about MPAC.

Cllr Oliphant stated that MPAC is open to the public on non-confidential issues, when it comes to investigation issues it becomes confidential and is not open to the public which is his main concern.

The Municipal Manager stated that the cameras were installed for security matters, there were instances in the past where in the Council Chambers threats were made to Councillors and officials. He then proposed that the issue be tabled to the Speaker in order for him to advise on the matter.

The Chairperson stated that the matter will be tabled to the Speaker for his input, and after the feedback an investigation on the matter may continue.

Cllr Oliphant stated that when it comes to security matters there must be a security assessment done on the matter and the report must be tabled in Council for a resolution. The Council Chambers is a legislature and the Speaker is the presiding officer of Council. The Executive Mayor is not a presiding officer. There is an anomaly in the applying of the decision of installation in the Speaker and the Mayor's office. MPAC plays a role of oversight on the Executive.

The Chairperson stated that a notification will be sent to the Speaker's office for his input and MPAC will start an enquiry on what led to the installation of the cameras in the Council Chambers.

22/09/MPACC1**MPAC RESOLUTIONS – 18 AUGUST 2022**

The CFO stated that the action related to the rates which is indicated in the action sheet should be removed as it has been finalised.

The Chairperson indicated that the waiving of penalties item which was referred from Council to MPAC will be investigated and finalised soon in order to serve at Council.

Cllr Oliphant enquired on the time frames for the investigation.

The Chairperson stated that he requested inputs from members of the Committee regarding the item and it will discuss time frames and way forward for the investigation after the meeting.

Resolved to Recommend (22 September 2022)

1. That the updated Action Sheets reflecting resolutions of the MPAC meeting held on 18 August 2022 be noted.

22/09/MPACC2**MONTHLY BUDGET STATEMENTS FOR THE PERIOD OF JULY 2022 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 JULY 2022 (2022/23 FINANCIAL YEAR)**

The CFO stated the two issues will be picked up on the statements, first one being the high amount of cash back in the first month because of the equitable share. The other issue is the rates which are charged in the first month, and payments are done the following month. On the expenditure point the first month will not reflect much expenditure as award of tenders and planning occurs during the first month of the financial year once budget has been approved.

Resolved to Recommend (22 September 2022)

1. That the Executive Mayor notes Municipal Manager's report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.
2. That the monthly budget statements accordingly be submitted to Provincial Treasury as stipulated in Section 71(1) of the MFMA.
3. That the Section 71(1) report for July 2022 be noted by the committee

22/09/MPACC3**KOUGA MUNICIPALITY: DRAFT ANNUAL REPORT (2020/2021)**

The Chairperson enquired whether MPAC is 3 months behind schedule on handling the Annual Report since it was tabled in August 2022 to Council.

The CFO stated that the Draft Annual Report was tabled early in Council. As per legislation, the Draft Annual Report should have been tabled in January 2023, which gives MPAC time to prepare the Oversight Report and table it to Council in March 2023.

Cllr Oliphant stated that MPAC must do a comparison on what is captured in the Annual Report to what has been implemented on service delivery projects and whether they were part of the approved IDP, which is MPAC's role as the Oversight Committee.

Cllr Mbandana agreed with the previous speaker and requested timelines for the assessment of the Annual Report as there are SDBIPs and EQS and grants that must be assessed by MPAC.

Cllr Oliphant stated that each department in the directorate must be assessed, he made an example of the condition of the cemeteries around Kouga and stated that they are in the state of disaster. Physical site visits should be conducted to verify the information indicated in the Annual Report.

The Chairperson noted the comments and stated that MPAC Oversight will start shortly and the comparisons and site visits will be planned accordingly for oversight purposes.

Resolved to Recommend (22 September 2022)

1. That the Municipal Public Accounts Committee in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003 prepare an Oversight Report on the 2020/21 Annual Report for Kouga Municipality.

22/09/MPACC4**INSTITUTIONAL PERFORMANCE REPORT: DRAFT ANNUAL PERFORMANCE REPORT: INSTITUTIONAL SDBIP - IMPLEMENTATION SCORECARD: 2021/22 YEAR**

The Municipal Manager stated that there Institutional SDBIP is tabled together with the Annual Report, there are updates which were done on the report and were submitted to Auditor General.

Cllr Mbandana stated that there is a long outstanding item on shortage of land in Patensie in terms of extension of the township, there was nothing done on the item but on the score card local economic development is indicated. In Kwanomzamo there is raw sewer and community animals drink in that sewer, there is no land for commonage yet animals get impounded.

Cllr Oliphant stated that a big sewer plant was built in Arcadia to ease the pressure on the Kwanomzamo, the state of that sewer plant is not in good working condition. Pounding animals is not the solution as the owners might not have money to pay for their animals.

The Chairperson stated that he had a meeting with the Kruisfontein emerging farmers, there are challenges in getting the emerging farmers to work together to get land availed to them.

Cllr van der Linde stated that time frames are very important in order to start with oversight.

The Municipal Manager stated that the Kwanomzamo Water Waste Treatment Works was supposed to be upgraded by the Department of Water Affairs. The project was registered with the Municipality, funding was received for the first phase as a multi year project. The plant was vandalised by the community, the Department of Water Affairs then failed to give more funding for the project. The Municipality resolved to register the plant under MIG and has also been allocated on the loan of the municipality as it will unlock building of houses.

The Chairperson stated that the Committee will also start an investigation on the facilities that are vandalised by community members, yet there are cameras on site and there is security personnel, cases are not reported to the police.

Cllr Heystek stated that he and Cllr Foley did an oversight on the control room and there are some needs identified, he then enquired on page 403 protection services budget and proposed that oversight must be done the security and protection services.

Cllr Foley enquired on page 433 whether provision had been made on the organizational structure for land use staff shortage. The Municipal Manager stated that the problem is insufficient funding for the staff, and escalating the staff expenditure is another challenge and the municipality must keep the staff

expenditure below 35%. There are two departments in need of staff namely Infrastructure and Engineering and the other one is Building Control. The Municipality is currently utilising the current staff component.

Cllr Oliphant enquired whether National Government did not have provision for assisting Municipalities with interns.

The Municipal Manager stated that the Municipality does get assisted with interns from SETA and other departments but there are certain skills required in certain positions. There are huge backlogs and the Municipality needs to start automating certain processes and training must be done for public and staff.

Resolved to Recommend (22 September 2022)

1. That the content of the Draft Annual Performance Report on the implementation of the 2021/22 Service Delivery and Budget Implementation Plan be considered as part of the oversight process on the 2021/22 Annual Report.

5. **DATE OF NEXT MEETING**

20 October 2022

6. **CLOSURE**

The Chairperson thanked the Committee and all officials present for their valuable input and for attending the meeting.

The meeting adjourned at 11:15.



CLLR J. ALEXANDER
CHAIRPERSON

DATE

**MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON
THURSDAY, 20 OCTOBER 2022 AT 10:00 IN THE COUNCIL CHAMBERS**
Present: Committee Members

Cllr J. Alexander (Chairperson)
 Cllr C. August
 Cllr F. Heystek
 Cllr R. Foley
 Cllr B. Human
 Cllr H. Murray
 Cllr M. Biko
 Cllr M. Mbandana
 Cllr C. August
 Cllr L. Nkilishane
 Cllr W. van der Linde
 Cllr P. Oliphant

Officials

Mr C. du Plessis	(Municipal Manager)
Mr N. Swarts	(Representing CFO)
Ms L. Opperman	(Manager: Legal Services)
Mr I. Fakir	(Acting Manager: Risk & Internal Audit)
Mr. A. Koegelenberg	(Manager: PMS)
Ms N. Zode	(Scribe)

Stakeholders

Adv A. Kloppe (Public Representative)

1. OPENING AND WELCOME

The Chairperson read the notice convening the meeting and requested Cllr Foley to open the meeting with prayer. The Municipal Manager stated that the CFO sent Mr. N. Swarts to represent him. He further indicated that Mrs. K. Moodley was no longer in the employment of Kouga Municipality.

The Chairperson urged the Municipal Manager to request the Directors to attend the meeting and when they are unable to attend they need to send representatives as MPAC dates were approved in Council and are indicated in the Council calendar.

2. APPLICATION FOR LEAVE OF ABSENCE / ABSENT WITH APOLOGY/ ABSENT WITHOUT APOLOGY
2.1 ABSENT WITH APOLOGY

Ms N. Machelesi	(Director: Community Services)
Ms F. Mabusela	(Director: Planning, Development & Tourism)
Mr D. De Jager	(Deputy Municipal Manager)
Ms M. Rossouw	(Manager: Administration & Auxiliary)

Mr T. Madatt	(Acting Director: I&E)
Mr R. Lorgat	(CFO) – Represented by Mr. N. Swarts
Ms L. Mostert	(Public Representative)

2.2 **ABSENT WITHOUT APOLOGY**

None

3. **PRESENTATIONS**

None

4. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

Resolved to Recommend (20 October 2022)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 22 September 2022 be accepted.

Proposed By: Cllr B. Human

Seconded By: Cllr F. Heystek

5. **MATTERS FOR DISCUSSION**

22/10/MPACC1 MPAC RESOLUTIONS – 22 SEPTEMBER 2022

Cllr Oliphant enquired on the action sheets of 19 May 2022, where a follow up meeting is indicated with specific officials and Councillors. He then urged the Chairperson to refrain from having sessions outside MPAC on issues which are tabled at MPAC as information might be distorted and compromise the credibility of MPAC. The officials and the executive form part of the scope which MPAC needs to play oversight on. Should there be any issue that needs to be clarified, the officials or Councillors should be invited to a formal MPAC meeting to give clarities required.

The Chairperson stated that the meeting never took place, the action taken needs to be revised as there are no meetings held outside MPAC. The action needs to indicate that the matter is still being investigated by MPAC. The responsible person will be MPAC Chairperson.

Cllr van der Linde clarified that they tried to get a political resolution on the issue but the meeting never occurred, it was a decision taken by MPAC that some members of MPAC should have a session with the Executive Mayor, Speaker and the officials but the meeting never took place.

The Chairperson stated that there needs to be a date of when the action sheet was updated because it would have reflected

the reference of when the action was updated, he then thanked Cllr van der Linde for the clarity provided.

Resolved to Recommend (20 October 2022)

1. That the updated Action Sheets reflecting resolutions of the MPAC meeting held on 22 September 2022 be noted.

22/10/MPACC2

MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2022 TO AUGUST 2022 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 AUGUST 2022 (2022/23 FINANCIAL YEAR)

The Municipal Manager presented the item.

Cllr Oliphant enquired whether there are any areas of concern that MPAC should take cognisance on.

The Municipal Manager highlighted the fuel costs going up due to loadshedding, as the generators need to be kept running for water pumps and sewerage and further indicated that a budget needs to be secured in the adjustment budget. The security around plants need to be prioritised as they get vandalised on a regular basis. The repairs and maintenance expenditure needs to get to at least 8% minimum which is currently a challenge for many municipalities.

Cllr van der Linde stated that his concern is the Eskom account going higher yet there is load shedding. He further indicated that in St. Francis Bay there was an issue with rates and there was a memo written by the Deputy Municipal Manager stating that there was a mistake on their account which will be rectified. There is a resolution taken by Council, how is that a mistake? Shouldn't Council be referring back the resolution for rescindment if it was a mistake?

The Municipal Manager stated that there was a problem which was picked up on one of the formulars that were used where the coma was indicated incorrectly, certain tariffs were too high and the issue was corrected. He further indicated that with Eskom its really difficult to say as he currently does not have figures in front of him, his understanding is that loadshedding does create a problem. The calculation of what is charged depends on the maximum demand per month. When there is loadshedding which is scheduled, after the power comes back the demand for power goes up and not all areas are switched on at once. The big demand impacts the Eskom account.

Cllr Foley enquired on the contracted services, why is the Municipality contracting services for leak detection when the

Municipality has a leak detection vehicle? And there was also funding received for the employees operating in the leak detection vehicle?

Mr Swarts indicated that he will enquire with the CFO and get back to the Committee on the issue.

Resolved to Recommend (20 October 2022)

1. That the Executive Mayor notes Municipal Manager's report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.
2. That the monthly budget statements accordingly be submitted to Provincial Treasury as stipulated in Section 71(1) of the MFMA.
3. That the Section 71(1) report for July 2022 be noted by the Committee.

22/10/MPACC3

KOUGA MUNICIPALITY: 1st DRAFT ANNUAL REPORT (2021/2022)

Cllr Mbandana enquired on the trade receivables in terms of water and electricity, there is always a statement that there is 94% collection. However the Auditor General did raise the issue of loss in the annual report, how does the Municipality balance the losses on water and electricity. Is the Municipality up to date with roads and transport in terms of collection and payment?

The Municipal Manger stated that the losses on electricity should be around 8% on the system, the Municipality is trying to reduce the losses on electricity. There are also non revenue losses incurred on streetlights at 7.3%. water losses is indicated at 54% on non revenue and there are many issues which have an impact on the losses. The CFO is currently trying to replace meters in order to get accurate analysis. There are over two thousand households without meters, the Municipality is currently dealing with the challenge. There will be a physical verification on which places still require meters. Now that the Municipality is utilising boreholes there is a reduction on water.

The Chairperson stated that he had concerns on the water losses however the Municipal Manager addressed that there are measures in place to address the challenge. Is budget in place for the replacement of meters?

The Municipal Manager indicated that the Municipality applied for funding and the smart meters will be covered from the allocation.

Cllr Mbandana requested the Municipality to improve on the losses in order to balance the statement of financial position. However there is a disjuncture in terms of the policy on how to deal with the issue.

Cllr Heystek stated that there are other means of technology which can be used to monitor sites when there are no physical guards, and the service provider is supposed to have insurance when they are unable to guard a site, he indicated that he will liaise with the Municipal Manager.

Cllr Oliphant stated that there is a disconnect on the issue of actual budget on water and electricity, there are currently water restriction in Kouga which should have an impact on less water consumption, Community members indicated that there is no difference on their accounts in spite of water restrictions. He further stated that there are households which have meters that are hidden, but the meter readers would make up readings for such households and the Municipality issues out accounts to the public based on such readings.

The implementation of replacement of meters should be accompanied with amnesty for the households which have been receiving accounts from made up readings, where their meters are not visible for accurate reading. He further inquired whether Council took a resolution on sending traffic fines to the western cape for people to be blocked unless they pay their fines, the eastern cape province has no law on blocking people until they pay fines. Why use a western cape service provider to block eastern cape road users?

The Chairperson requested the Councillor to provide evidence to himself and the Municipal Manager on the issue for investigation.

Cllr van der Linde inquired whether there are monthly reports received on the leak detection, he indicated that there was a leak reported in front of his house and the leak detection team could not resolve it, the leak detection team struggled to get the system working. He then requested the Municipal Manager to organise training for the team. The team dug up in front of his house and they left the hole open.

The Municipal Manager stated that there are leak reports tabled at Portfolio Committee level. New technology takes time to be mastered, the equipment is of high quality and the Municipal infrastructure is not in similar quality which becomes challenging. All the meter readers report meters that they are unable to read and they take photos and give details of where the meter is, I&E

has a team that follows up on the issues in terms of cleaning or fixing the meters.

Cllr Murray raised a point of two hundred and twenty houses without water meters.

The Municipal Manager stated that the human settlements project ran out of funds and could not fund the installation of water meters. Those are indigent households and calculations of water usage would have been covered by the indigent grant, the Municipality is currently doing estimations for those houses. He further indicated that the Municipality is looking at possibly increasing the allocation of free basic water from 12kl to 18kl, the Municipality is not getting the revenue anyway, if its increased the Municipality would be able to claim from indigent grant from government.

The Chairperson stated that MPAC should visit Oyster bay to check the meters which are no longer visible and identify issues and report back to the Municipality for actioning. He further proposed that the list of households that have restrictors installed should be availed to Councillors in order to be able to advise and assist the public when they query certain issues.

Cllr Oliphant proposed that the annual report be noted and all queries be submitted to the MPAC Chairperson.

Cllr Mbandana seconded the proposal.

The Municipal Manger stated that the Municipality pays the department of roads every month all obligations, he further stated that the was not aware about the issue of blocking road users for unpaid fines and will take the matter further.

Mr Koegelenberg stated that the annual report is tabled to MPAC for the purpose of preparing an oversight report which is due to be submitted in March 2023. In the past MPAC would invite Directors to give clarification on the issues raised, he then indicated that he looked at the MPAC schedule of meetings and some dates conflict with the period which the oversight report should be finalised. Legislation requires that the draft annual report be tabled to Council in January, immediately after that it must be made public for comments, there was an issue in the past where MPAC public participation process was not done within a reasonable period. The financial information is submitted after the AG report has been received around November. When the annual report has been finalised it must go back to MPAC. The MPAC meeting scheduled for 23 February 2023 will be challenging as the closing date for items will not be met, as the

document will be advertised for a period of 21 days after Council in January 2023. He further stated that he will send the Chairperson an email explaining all the dates that should be revised in order to have everything submitted in time.

Cllr Oliphant stated that the institutional calendar and MPAC dates should be re-aligned, the annual report has been interrogated and the Municipal Manager has clarified some of the issues. If there are aspects that require clarification by certain Directorates they will be submitted in writing to the relevant departments for response.

The Chairperson thanked Councillor Oliphant and indicated that he will have a discussion with the Manager: PMS on the dates and will provide feedback to the Committee.

Resolved to Recommend (20 October 2022)

1. That the Municipal Public Accounts Committee in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003 prepare an Oversight Report on the 2021/22 Annual Report for Kouga Municipality.

5. **DATE OF NEXT MEETING**

24 November 2022

6. **CLOSURE**

The Chairperson thanked the Committee and all officials present for their valuable input and for attending the meeting.

The meeting adjourned at 11:50.



**CLLR J. ALEXANDER
CHAIRPERSON**

DATE

**MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON
THURSDAY, 24 NOVEMBER 2022 AT 10:00 IN THE COUNCIL CHAMBERS**
Present: Committee Members

Cllr J. Alexander (Chairperson)
Cllr C. August
Cllr R. Foley
Cllr F. Heystek
Cllr B. Human
Cllr H. Murray
Cllr P. Oliphant
Cllr W. van der Linde

Officials

Mr C. du Plessis (Municipal Manager)
Mr D. de Jager (Deputy Municipal Manager)
Mr R. Lorgat (CFO)
Mr I. Fakir (Acting Manager: Risk & Internal Audit)
Ms N. Machelesi (Director: Community Services)
Ms L. Opperman (Manager: Legal Services)
Mr A. Koegelenberg (Manager: PMS)
Ms N. Mazibuko (Committee Clerk/Scribe)

Stakeholders

Ms L. Mostert (Public Representative)
Adv A. Kloppe (Public Representative)

1. OPENING AND WELCOME

The Chairperson read the notice convening the meeting and requested Cllr Murray to open the meeting in prayer.

2. DECLARATION OF INTEREST

None of the members had anything to declare.

3. APPLICATION FOR LEAVE OF ABSENCE / ABSENT WITH APOLOGY/ ABSENT WITHOUT APOLOGY
3.1 ABSENT WITH APOLOGY

Cllr L. Nklishane
Ms F. Mabusela (Director: Planning, Development & Tourism)
Ms M. Rossouw (Acting Director: Corporate & Digital Services)

3.2 ABSENT WITHOUT APOLOGY

Cllr M. Biko
Cllr M. Mbandana

4. **PRESENTATIONS**

None.

5. **CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

The Chairperson referred to page 7 and requested feedback on the enquiry raised by Cllr Foley.

The CFO responded that the matter will be looked into and feedback will be provided.

The Chairperson referred to page 9 on the question raised by Cllr Oliphant on traffic fines and requested feedback on the enquiry.

The Municipal Manager responded that a follow-up was done and the provincial system does not allow for individuals to be blacklisted in the Eastern Cape.

Cllr Oliphant proposed that the matter on traffic fines be developed as an item instead of a stand-alone matter, to ensure that a resolution is taken by the committee.

The Chairperson referred to page 10 and highlighted that officials were supposed to forward their queries on the meters in Oyster Bay. He requested feedback on the query.

Cllr Oliphant stated that there has been no visible progress on the matter and proposed that an item be included in the Mayoral Committee agenda in relation to the sanitation in Umzamowethu. He emphasized on the importance of the oversight visit in Oyster Bay to ensure that there is accountability.

The Chairperson stated that the matter on meters in Oyster Bay will be discussed further and proposed that a date be set to discuss areas of concern in order for MPAC to conduct oversight.

5.1 Confirmation of a Municipal Public Accounts Committee meeting held on 20 October 2022.

Resolved to Recommend (24 November 2022)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 20 October 2022 be accepted.

Proposed by: Cllr P. Oliphant

Seconded by: Cllr C. August

6. **MATTERS FOR DISCUSSION**

22/11/MPACC1 MPAC RESOLUTIONS AS AT 20 OCTOBER 2022

Cllr Human requested clarity on the difference between an 'ongoing' action and 'in-progress' action.

The Municipal Manager explained that actioning some of the Council resolutions takes time so they will be noted as 'in-progress' until they are finalized.

Cllr Oliphant enquired on whether a meeting can be scheduled with the Executive Mayor to discuss the Terms of Reference for the Municipal Public Accounts Committee.

The Chairperson highlighted that the matter was raised in the previous meeting, the item should be removed from the action sheet because no meetings were held.

On the investigation, he stated that there were challenges with the transcript of the report, the draft will be submitted in the following week for approval by the committee before it is submitted to Council in 2023.

Resolved to Recommend (24 November 2022)

1. That the updated Action Sheets reflecting outstanding resolutions of MPAC as at 20 October 2022 be noted.

22/11/MPACC2 MONTHLY BUDGET STATEMENTS FOR THE PERIOD OF JULY 2022 TO SEPTEMBER 2022 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 30 SEPTEMBER 2022 (2022/23 FINANCIAL YEAR)

The Municipal Manager presented the report to the committee.

Cllr Oliphant referred to page 22 on the employee costs and enquired whether the costs are inclusive of overtime, if so, the claims for overtime need to be carefully monitored to ensure that there is no abuse of overtime.

The CFO confirmed that the employee costs are inclusive of overtime and that overtime has reduced significantly by 50% in the past 2 years.

The Deputy Municipal Manager stated that the Overtime policy was amended and was submitted to Council for approval. There are stringent controls in place when it comes to claiming overtime and reducing the expenditure of overtime. Monthly overtime reports are also forwarded to the different

directorates indicating the top 20 overtime claims in the respective Department in order for Directorates to monitor the overtime usage accordingly.

Cllr Foley referred to page 26 on the Roads Maintenance adjusted budget of R11,018,775 and enquired on whether the amount is inclusive of the R10 million that was allocated for the tar roads, if so, what will the excess amount be spent on.

The CFO responded that there was an item that served at Council to redirect the amount until funding was received from the relevant Department, however, funding has been secured so the money is available. A tender has been advertised and will be awarded soon, the budget will be spent.

Adv. Klopper referred to pages 24 and 25 and requested that a summary of the agency and administration fees of the work that the Municipality has done on behalf of the provincial government be drafted and submitted.

He further enquired on whether the municipality's riparian levies are charged annually seeing that they are in excess of 70% and whether any changes to the property rates tariffs are anticipated for 2023.

He requested the progress on the general valuation which applies to the Property Rates policy and the recovery figures of property rates on page 21.

The Municipal Manager responded that the agency and administration fees is an ongoing concern because functions are given to municipalities without any financial resources. The funding shortfall is taken from the property rates budget which impacts the capital expenditure because some municipal services have to be subsidized.

The CFO stated that Section 84 (1)(j) of the Municipal Systems Act 32 of 2000, defines the functions of a local municipality and district municipality and distinguishing the functions can be challenging. The municipality is compensated R1.6 million for performing functions on behalf of the district municipality.

A system was developed and will be initiated to try and bridge the gap. On the riparian levies, he responded that the levy is based on the licensing and an admin fee is received by the municipality for administering the process.

On the general valuations, he stated that the full process is underway to finalise the valuations with the service provider and is on track.

On the anticipated changes to the property rates tariffs, he stated that there should be major changes but the Treasury regulations restrict the increase of tariffs to a certain limit.

Cllr Human requested clarity on overtime in a situation where employees are not compensated for exceeding a certain amount of overtime.

The Deputy Municipal Manager stated that the Basic Conditions of Employment Act outlines that any employee that earns more than R220 000 annually does not have to get paid overtime, however, the municipality's policy indicates that employees earning above R220 000 or task grade 12, which are emergency services, can claim overtime.

It must be considered that the BCEA states that an employee is not allowed to work more than 10 hours a week, otherwise it would be a contravention to the BCEA which will result in an audit query.

He stated that employees who have overtime queries can escalate their queries to the Municipal Manager or Deputy Municipal Manager for further evaluation to ensure the overtime claim is aligned to the BCEA.

The Chairperson referred to page 21 on the 'other revenue' amount and requested clarity on the statement 'which are not yet recognised'.

The CFO responded that the revenue is expected for the year under review and is not yet recognised because it has not become a transaction.

The Chairperson referred to page 25 and requested clarity on what the percentages represent.

The CFO stated that a high percentage does not mean that the budget will be doubled but will reflect how expenditure is incurred every year.

The Chairperson enquired on what riparian levies are.

The CFO explained that riparian levies are levies that are paid by the municipality to a company that manages the canals/riverbanks on behalf of the municipality.

Ms Mostert enquired on the -13% for bank charges.

The CFO highlighted that there was an error which will be corrected.

The Chairperson questioned where the money for the riparian levies is sourced.

The CFO responded that the money for the levies is sourced from the tariffs that are approved by Council for the licensing of the boats and docks.

Cllr Oliphant enquired on the status quo of the individual that was responsible for issuing the licenses for the boats and docks.

The Deputy Municipal Manager responded that the individuals did not have contracts so the service was terminated.

Resolved to Recommend (24 November 2022)

1. That the Committee notes Municipal Manager's report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.

22/11/MPACC3

KOUGA MUNICIPALITY: DRAFT ANNUAL REPORT (2021/2022)

The Manager: PMS highlighted that the office of the Auditor-General must issue the final audit report, whereafter, the Finance department will be approached because there are financial sections that are dependent on the Auditor-General's findings.

Thereafter, the annual report will be updated accordingly as some of the contents of the annual report may change, so the annual report will be submitted to Council at the end of January 2023.

The final updated annual report will be submitted to MPAC after it is finalised at the end of March 2023.

Cllr Oliphant appreciated the feedback on the annual report. He referred to page 94 and enquired on the vacant Director: Infrastructure & Engineering post.

He further enquired on the inclusion of the Director: Corporate & Digital Services' image.

The Deputy Municipal Manager responded that the annual

report is for June 2022 when the Director: Corporate & Digital Services still had a contract with the municipality and that the Director: Infrastructure & Engineering position was still vacant. The report will be updated accordingly for the next meeting.

Cllr Oliphant highlighted that a resolution was taken by Council in September 2022 for the vacant Director: Infrastructure & Engineering post to be filled, however, an appointment will be made in the following year.

He proposed that an item be prepared that will address the vacant Director: Infrastructure & Engineering position.

The Municipal Manager responded that an appointment has been made for the Director: Infrastructure & Engineering, Mr Charles De Kock, however he is still completing a critical construction programme for the department of Education and has to give at least 2 months' notice.

Cllr Oliphant contended with the response given by the Municipal Manager considering that the position will only be filled physically in the fourth month after an appointment was made.

The Municipal Manager responded that Mr Charles De Kock is very active in the projects of the municipality to ensure that he is up to date with the challenges and projects of the municipality and to implement solution driven initiatives.

Cllr Oliphant highlighted that the Director: Infrastructure & Engineering post is critical, if Mr De Kock has signed a contract with the municipality then he is technically an employee of the municipality regardless of the ongoing construction programme that he is currently part of.

Resolved to Recommend (24 November 2022)

1. That the Municipal Public Accounts Committee in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003 prepare an Oversight Report on the 2021/22 Annual Report for Kouga Municipality.

7. DATE OF NEXT MEETING

8 December 2022

8. **CLOSURE**

The Chairperson thanked the Committee and all officials present for their valuable input and for attending the meeting.

The meeting adjourned at 11:24.



CLLR J. ALEXANDER
CHAIRPERSON

DATE

**MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON
THURSDAY, 8 DECEMBER 2022 AT 10:00 IN THE COUNCIL CHAMBERS**
Present: Committee Members

Cllr J. Alexander (Chairperson)
 Cllr C. August
 Cllr F. Heystek
 Cllr B. Human
 Cllr H. Murray
 Cllr M. Biko
 Cllr M. Mbandana
 Cllr L. Nkilishane
 Cllr W. van der Linde
 Cllr P. Oliphant

Officials

Mr C. du Plessis	(Municipal Manager)
Mr R. Lorgat	(CFO)
Ms F. Mabusela	(Director: PDT)
Ms M. Rossouw	(Acting Director: Corporate & Digital Services)
Mr I. Fakir	(Acting Manager: Risk & Internal Audit)
Mr. A. Koegelenberg	(Manager: PMS)
Ms N. Zode	(Scribe)

Stakeholders

Adv A. Klopper	(Public Representative)
Ms L. Mostert	(Public Representative)

1. OPENING AND WELCOME

The Chairperson read the notice convening the meeting and requested Cllr Biko to open the meeting with prayer. The Chairperson indicated that the agenda has standard items, the importance of this meeting is to finalize the item which was referred by Council to MPAC for investigation. He further conveyed well wishes for the festive season to those who will be going on leave, he thanked the Municipal Manager and officials for their support and contributions throughout the year. He indicated that he looks forward to a prosperous new year.

2. APPLICATION FOR LEAVE OF ABSENCE / ABSENT WITH APOLOGY/ ABSENT WITHOUT APOLOGY
2.1 ABSENT WITH APOLOGY

Cllr R. Foley	
Ms N. Machelesi	(Director: Community Services)
Mr D. De Jager	(Deputy Municipal Manager)
Mr T. Madatt	(Acting Director: I&E)
Ms L. Opperman	(Manager: Legal Services)

2.2 **ABSENT WITHOUT APOLOGY**

None

3. **PRESENTATIONS**

None

4. **MATTERS FOR DISCUSSION**

22/12/MPACC1 KOUGA MUNICIPALITY: 1st DRAFT ANNUAL REPORT (2021/2022)

Municipal Manager gave recognition to Mr. Koegelenberg for compiling the annual report, the effort, focus and meticulous concentration on the document and all the long hours put in. He then requested Mr Koegelenberg to explain the process to be followed regarding the preparation of the oversight report by MPAC.

Mr. Koegelenberg stated that the annual report was submitted to the Auditor General by August 2022, the financial information has been excluded from the annual report because the Municipality was awaiting the AG's report. The report has been issued by AG and the CFO has provided the financial information and will be tabled to Council in January 2023, immediately thereafter he will advertise for public participation. MPAC is supposed to prepare an Oversight report on the annual report and the Oversight report must be submitted to Council not later than the end of March 2023. The annual report has been submitted numerous times to MPAC for scrutinizing aspects in the annual report and to raise issues if there is any to be clarified and corrected. Full interrogation of the annual report must start immediately after the January 2023 Council meeting, he further indicated that he raised the issue of MPAC dates with the Chairperson and proposed that he and the Chairperson should meet and resolve the issue of dates. The annual report will be open for public opinion for a period of 21 days, after which it will be submitted to MPAC. MPAC needs to speed up the process of interrogating the annual report in preparation for the Oversight report.

The Municipal Manager advised that MPAC should invite all Directors and Senior Managers when interrogating the annual report, in order to get all clarities and corrections.

The Chairperson thanked the Municipal Manager and Manager PMS and the rest of the team involved in compiling the annual report, and further indicated that he will discuss with the

committee and finalize the invites for Directors and Managers. He also enquired on when will the public inputs be compiled and submitted to the report.

Mr Koegelenberg stated that the public advert will be out for 21 days to allow public to submit inputs, however that does not hinder MPAC in interrogating the report and making inputs. The Oversight report needs to be tabled to Council by the end of March.

Cllr Van der Linde supported the proposal to invite Directors and get clarities as required.

Cllr Oliphant proposed that the processes to be followed as indicated by Mr. Koegelenberg regarding the timelines should be captured on the recommendations.

Cllr Human seconded the proposal.

Chairperson requested Mr Koegelenberg to repeat the process and timeframes to be captured as recommendations.

Mr. Koegelenberg indicated that the annual report will be submitted to Council by 31 January 2023, then advertised for 21 days for public comments. MPAC can commence with the Oversight report as it needs to be submitted to Council not later than 31 March 2023.

Proposed by: P Oliphant

Seconded by: B Human

Resolved to Recommend (8 December 2022)

1. That the Municipal Public Accounts Committee in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003 prepare an Oversight Report on the 2021/22 Annual Report for Kouga Municipality.
2. That the annual report will be submitted to Council by 31 January 2023 and advertised for 21 days for public inputs. MPAC can commence with the Oversight report as it must be tabled to Council no later than 31 March 2023.

22/12/MPACC2

**OUTCOME: INVESTIGATION INTO THE WAIVING OF PENALTY FEES-
WAIVING OF BUILDING CONTROL PENALTY FEES FOR ERF 875
JEFFREYS BAY RESIDENTIAL DEVELOPMENT.**

The Chairperson thanked all officials for attending and requested them to recuse themselves for the next item.

He further explained that item is highly confidential and thus has been circulated only to MPAC members, it is an item that was referred to MPAC for investigation by Council. He then requested the Committee to comment in order to finalise the item and make recommendations to Council.

Cllr Oliphant stated that the report is far from completion as there were interviews conducted by the Committee, the interviewees made a commitment to furnish the Committee with additional information requested by the Committee. None of the information had been forwarded to the Committee, hence the report cannot be complete. MPAC needs to follow up on the officials which were required to submit information, and hold them accountable for failure to submit information as requested.

He further indicated that he is not in support of waiving the penalty, procedurally there were flaws committed by individuals in the process. However it seems that the report is exonerating everyone from wrong doing. The report needs to be revised and hold someone accountable for commitments contrary to legislation as MPAC plays an oversight role.

The Chairperson confirmed that the requested information had been submitted to him, he then apologised for not sharing the information submitted to him by the officials, while summarising the report for MPAC. Cllr Human had requested the additional information and the Chairperson circulated the information to the Councillor. He further indicated that he requested the Committee to submit inputs, issues or questions to be clarified on the draft report in order to finalise the draft. No inputs were received.

Cllr Oliphant stated that there was no need for the members of the Committee to request information from the Chairperson, the information was requested by MPAC. The Chairperson had a responsibility to circulate the information with the report amongst all the members of the Committee, not on request but as a matter of procedure. He then indicated that he accepts the apology from the Chairperson.

Cllr Human concurred with Cllr Oliphant and stated that the information is dated 12 October 2022, the Chairperson was in

possession of the information for two months. The Committee needs to go through the preliminary report and attachments in order to finalize the report and make recommendations to Council. He further indicated that he was not happy with the information received as there are still documents not submitted. There was a section 76 which was supposed to be submitted. He further explained that Ms Siboto was a very reliable witness in terms of her testimony. The Director sent a communication Mr Marais stating that as per the standing directive section 76 approvals are in moratorium and will only be considered once discussed by the Director on the narrative. This indicates that a clear instruction given by the Director was not followed, on that basis the penalties cannot be totally waived, someone needs to take responsibility for the actions taken on behalf of the Municipality. Disciplinary actions should be taken against Mr Marais.

Cllr Van der linde stated that the mandate given by Council to MPAC on this item was to indicate whether the penalty should be waived or not, further investigation can be taken after waiving has been concluded.

The Chairperson stated that the report presented before the Committee is a draft, the Committee needs to indicate their inputs in order to finalise the report.

Cllr Oliphant stated that MPAC terms of reference guides the Committee on actions to be taken by the Committee, there is no need for another mandate from Council in terms of the item. The report is highly appreciated.

Cllr Van der linde proposed adding a resolution that further investigation against administration personnel be effected.

The Chairperson requested that members of the Committee should give all inputs before recommendations can be finalized.

Adv Klopper stated that the focus of the report was to determine whether or not the fees should have been charged and whether or not those fees should be waived. Ms. Siboto's testimony was clear and precise. Mr Cakata's testimony collaborated Ms. Siboto's version of events, hence the view was that there was a valid raising of penalties. Recommending that the penalties be waived is based on the fact that the penalties were raised against the developer, those penalties cannot be imputed against the officials in terms of liability. There were failures by certain officials who should be held accountable. Penalties are not a loss of revenue, they are regarded as a punitive measure. Should the Committee expand the scope, waiving the fees should be

finalised then another report on investigation and enquiring needs to adhere to as the initial investigation focused on the penalties. The draft was prepared focusing on the penalties.

Ms Mostert thanked the advocate for a great job on the report and agrees with the advocate as the focus of the investigation was on the penalties, as indicated previously a lot of scope is required in terms of establishing standard operating procedures in the section. The process needs to be understood by the officials and the public.

Cllr Human indicated that the item needs to be discussed as there are questions which need to be answered, there needs to be more investigation on the issues and failures raised.

Cllr Oliphant proposed that an investigation program should be developed indicating times and dates and officials to be invited as a continuation of the report. He further thanked the advocate for all his hard work. He further stated that clear findings and recommendations should be established and finalised by the Committee on the item. He then cautioned the members of the Committee in soliciting comments and discussing MPAC items with their political parties is a contravention of the MPAC terms of reference and legislation.

Cllr Van der linde proposed that the Committee should finalise the penalties report and investigate further the failure of officials during the process.

The Chairperson requested the Committee to indicate whether the draft report will be accepted as is, or there are additional recommendations and inputs to be captured in the report which should be indicated clearly.

The Committee unanimously resolved to waive the penalty fees for the developer, the internal processes should be instituted in order to hold municipal officials accountable for the failures committed.

The Chairperson enquired how the next phase should be approached?

Cllr Heystek stated that the Committee has finalised waiving of the penalties, in the testimonies given there was a contradiction on whether Mr Marais had authority to give a section 76 or not.

Cllr Oliphant stated that the Committee has resolved to waive the penalties against the developer. And further proposed that

processes to hold accountable officials of Council should commence based on the testimonies given during investigation.

The Chairperson also mentioned that the Committee needs to conclude the recommendations for Council.

Adv Klopper proposed removing the second sentence on page 9 which reads as follows; "not to be included in the final report unless authorised to do so by the Committee". He further requested that due to the intention of the Committee to continue with its enquiry, the report should remain confidential. He then read the recommendations indicated in the report as follows;

- That the penalty fees raised against the applicant to the amount of R139 368 be waived.
- Initiating a process to determine any misconduct of officials relating to the matter and determine the existence and efficacy of procedures and policy within the department.

All the information discovered in the initial phase falls within those parameters, the Committee is dealing with a misconduct not trying to recover the money. Part of the misconduct is influenced by the existence of internal procedures and policies in the section.

The Committee unanimously agreed with the report and recommendations.

The Chairperson enquired whether the Committee will table the item to Council then commence with the second investigation after the item is tabled to Council.

Adv Klopper advised that the Committee should commence with further enquiry after the item has served before Council.

Ms Mostert proposed requesting the standard operating procedures and working document of the department which indicates who is responsible for what and accountability, the Committee needs an action plan on the second enquiry.

The Committee agreed that the item will serve in January 2023 as Council will be going to recess soon. The possibility of the MPAC coordinator/ investigator should also be revived with the Municipal Manager in order to coordinate MPAC work.

The Chairperson stated that there was an issue raised on employing someone on a full time basis for MPAC, that they will not have something to do on a regular basis. It was proposed that external service providers can be sourced as and when required by MPAC. The vacancy of the MPAC coordinator has also been prioritised, he further indicated that he requested the advert to be placed external.

Cllr August thanked the public representatives and fellow Committee members and scribe for their inputs and dedication to the Committee.

The Chairperson re-iterated that the Committee needs to be more involved and work together and inputs should be submitted as requested timeously. He then wished everyone an awesome festive season.

Resolved to Recommend (8 December 2022)

1. That the penalty fees raised against the applicant to the amount of R139 368 be waived.
2. That the process to determine any misconduct of officials relating to the matter and determine the existence and efficacy of procedures and policy within the department be initiated.

5. **DATE OF NEXT MEETING**

26 January 2023

6. **CLOSURE**

The Chairperson thanked the Committee and all officials present for their valuable input and for attending the meeting.

The meeting adjourned at 13:20.



**CLLR J. ALEXANDER
CHAIRPERSON**

DATE

KOUGA MUNICIPALITY (EC108)**NOTICE NUMBER: 27/2023****DRAFT 2021/22 ANNUAL REPORT: INVITATION FOR PUBLIC COMMENT AND****MUNICIPAL PUBLIC ACCOUNTS COMMITTEE PUBLIC MEETINGS**

Notice is herewith given in terms of Section 127 of the Municipal Finance Management Act, 56 of 2003 that the Council of Kouga Local Municipality at its meeting held on 31 January 2023, adopted the 2021/22 Draft Annual Report.

The report will be available for public scrutiny and comments on the following platforms: • Kouga Municipal Offices, Libraries (Jeffreys Bay, Humansdorp, St Francis Bay, Hankey and Patensie) and Ward Offices during normal office hours from Thursday 9 February 2023 as well as the Municipal Website: www.kouga.gov.za.

Members of the public and interested parties are invited to submit written comments on the 2021/22 Draft Annual Report, comments to reach the Office of the Municipal Manager by no later than 12:00 pm on Thursday 2 March 2023.

Written comments may also be submitted per e-mail to pms@kouga.gov.za on or before 12:00 pm on Thursday 2 March 2023.

In terms of the provisions of Section 21 of the Municipal Systems Act, 32 of 2000, community members who are not able to read or write and have inputs and comments may request assistance at their respective Ward Councillor's office which will enable them to make such submissions.

All comments submitted must be clearly marked:

COMMENTS ON THE 2021/2022 DRAFT ANNUAL REPORT

Members of the public and interested parties are herewith invited to attend the Municipal Public Accounts public meetings on the 2021/22 Draft Annual Report as set out hereunder:

Area	Date	Venue	Time
Gamtoos – Patensie	20 Feb 2023	Dan Sandi Hall	18h00 – 20h00
Gamtoos – Loerie	21 Feb 2023	Loerie Community Hall	18h00 – 20h00
Humansdorp	22 Feb 2023	Kwanomzamo Hall	18h00 – 20h00
Jeffreys Bay	23 Feb 2023	Pellsrus Hall	18h00 – 20h00



C. DU PLESSIS
MUNICIPAL MANAGER

P.O. Box 21
JEFFREYS BAY
6330

For Placement

Municipal Website and Notice Boards

Kouga Express

9 February 2023

Kouga Audit Committee Annual Report: 2021/2022

ANNEXURE F

ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2022 KOUGA LOCAL MUNICIPALITY

OBJECTIVE

The purpose of this report is to present the Audit Committee's annual report in carrying out its oversight responsibilities for the financial year ended 30 June 2022.

TERMS OF REFERENCE

The mandate of the Audit Committee is legislated in terms of section 166 of the Municipal Finance Management Act, 2003 (MFMA) which requires the Audit Committee to advise the Accounting Officer and Council on matters relating to:

- Internal financial control and internal audits
- Risk management and Compliance
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting and information
- Performance management and evaluation
- Effective governance
- Compliance with the Municipal Finance Management Act 56 of 2003, the annual Division of Revenue Act and any other applicable legislation and
- Any issues referred to it by the municipality.

The Audit and Risk Committee is also required to fulfil the functions of a Performance Management Committee constituted in terms of sections 38 and 41 of the Municipal Systems Act No 32 of 2000 and Regulation 14(2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001: Review and advise in terms of the provisions of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006.

The MFMA also requires the Audit Committee to review the Annual Financial Statements, respond to Council on matters raised by the Auditor General of South Africa (AGSA) and carry out investigations into the financial affairs of the municipality.

The Audit Committee assists Council in fulfilling its oversight responsibilities in helping to ensure high-quality financial and performance management reporting as well as effective internal control.

COMPOSITION OF THE AUDIT AND RISK COMMITTEE AND ATTENDANCE

The Audit Committee comprises three independent members. The Committee is required to meet at least four times per annum as per its approved terms of reference. The following persons also have standing invitations to all committee meetings:

The Executive Mayor, the Municipal Manager, the Chief Financial Officer, the Director: Administration, Monitoring & Evaluation, the Director: Infrastructure, Planning & Development, the Director: LED, Tourism & Creative Industries, the Director : Social Services, the Manager : Performance Management, the Manager: Risk and Internal Audit, the Auditor General and representatives from National Treasury and COGTA

Both the Internal and External Auditors have unrestricted access to the Audit Committee.



Kouga Audit Committee Annual Report: 2021/2022

During the 2021/2022 financial year, the Audit Committee held meetings as set out below:

Name of members	Appointed	Total number of meetings 2021 - 2022	Number of meetings attended 2021 - 2022
Mr Gregory Billson (Chairperson from)	16 March 2022	5	3
Mr Yimile Zote	Existing	5	3
Mr Rodney Coetzer	Existing	5	5

Dates of meeting are as follows:

25 August 2021	Quarter four (4) : Audit Committee meeting and Annual Financial Statement review
25 January 2022	Quarter one (1) : Audit Committee meeting (Virtual). Meeting of 24 November 2021 postponed to January 2022
24 February 2022	Quarter two (2) : Audit Committee meeting (Virtual)
27 May 2022	Quarter three (3) : Audit Committee meeting (Virtual)

Additional meeting dates with management:

6 January 2022	Newly appointed Chairperson and CAE to review Audit Committee reviews for the year to date.
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AUDIT COMMITTEE RESPONSIBILITIES

The Committee confirms that it has complied with its responsibilities set out in the Audit and Risk Committee Charter and details of these responsibilities are detailed below:

Kouga Audit Committee Annual Report: 2021/2022

1. INTERNAL FINANCIAL CONTROL AND INTERNAL AUDIT

1.1 Internal Financial Control

The Audit Committee have reviewed the expertise, resources and experience of Kouga Local Municipalities finance department. The CFO is competent in respect of his expertise and experience, with the Finance Department functioning adequately and within its mandate.

1.2 Internal Audit

The Internal Audit function is independent of management. Internal audit designed and implemented the relevant internal controls. The Audit Committee is satisfied that the Internal Audit team possess the required qualifications and are competent to carry out their role. Internal Audit have limited resources where executing a comprehensive Internal Audit Plan may be a challenge. Due to capacity constraints, Internal Audit may not be in a position to provide the Municipality with a high level of assurance that the majority of inherent institutional risks have been identified. The Audit Committee have noted that no restrictions or limitations were placed on the Internal Audit team in the execution of their mandate.

The Chief Audit Executive also has reasonable access to the Chairperson of the Audit Committee. The Audit Committee Chairperson met once with the Chief Audit Executive, without management being present, to discuss matters arising from the internal audits carried out together with being appraised of Internal Audit findings and reviews from 1 July 2021.

Internal Audit has prepared a three-year rolling strategic internal audit plan and an annual internal audit plan and budget. The plan addresses the high-risk areas identified in consultation with management and indicates the scope of each audit.

The following internal audit projects constituted the internal audit plan for the year:

- Development / update of risk based internal audit plan for 2021/22 – 2023/24
 - Completed
- Facilitation of strategic risk assessment workshop / development of risk management policy & strategy
 - Completed
- Finalise fraud prevention plan
 - Not completed
- Review of annual financial statements for the year ended 30 June 2021
 - Completed
- Financial discipline review – controls over debit order approval process
 - Draft report completed
- Occupational Health Management Review
 - Completed
- Overtime Management Control Review
 - Not completed – under review
- Credit Control Review
 - Not completed
- ATTP Policy Compliance
 - Not completed – under review
- Supply Chain Management Review
 - Q1 & Q2 completed
- IT Risk Workshop
 - Completed
- Follow up on IT related matters raised by Auditor General



Kouga Audit Committee Annual Report: 2021/2022

- Not completed
- Water Management Review
 - Not completed
- Quarterly review over the implementation of Auditor General Findings
 - Not completed
- Review over controls in place over the recruitment, selection and appointment process
 - Not completed
- Follow up reviews over
 - Feet management – completed
 - Disaster management – not completed
 - Caravan parks / cemeteries – not completed

The Audit Committee received the Internal Audit reports and scrutinised them for significant internal control and compliance deficiencies. The Audit and Risk Committee has had constructive engagements with management on the findings reported by Internal Audit as well as management responses provided.

The Audit Committee reviewed the Internal Audit Charter and the Audit Committee Charter. The Internal Audit Charter was approved in March 2019, and the Audit Committee Charter approved in April 2021. Both of these charters are required to be reviewed and approved.

2. RISK MANAGEMENT AND COMPLIANCE

The Kouga Local Municipality does not have a functioning risk management committee in place. This is not ideal, where this function is currently being carried out by Internal Audit. Management have indicated that a risk management committee will be established. The establishment of a Risk Management Committee is necessary to assist the municipality in assessing and identifying risk within the municipal institution. The risk management committee will be responsible for the establishment of the risk management policy, risk management framework together with the risk management strategy and the preparation of the risk register. The following action will be required to be undertaken:

- Identification of root causes associated with the identified risks
- Consequences of the risk ensuring that they are aligned to the root cause
- Identification of actual controls currently in place that mitigates the identified risk
- An assessment of the perceived control effectiveness
- Assess mitigating action plans to further address the residual risk exposure and
- Review the logic of the risk register

3. FINANCIAL REPORTING

The Audit and Risk Committee have reviewed the expertise, resources and experience of the municipalities finance department which is functioning adequately and within its mandate. The Audit and Risk Committee is satisfied with the expertise and experience of the Chief Financial Officer.

The Audit Committee reviewed and discussed the unaudited annual financial statements for the 2021/22 financial year with management. An external service provider, Altimax, were appointed to provide an independent technical review of the financial statements at 30 June 2021. This process included consideration of the adequacy, reliability and accuracy of financial reporting and information, ensuring it is consistent with applicable standards and is compliant with the legal framework. The accounting policies and disclosures made by management were also reviewed during this process. The Audit Committee recommended certain amendments before submission to the AGSA for audit purposes.

4. PERFORMANCE MANAGEMENT AND EVALUATION



Kouga Audit Committee Annual Report: 2021/2022

The Service Delivery and Budget Implementation Plan (SDBIP) report is used by the municipality as the monitoring tool to compare actual performance to targeted performance. This report is subject to Internal Audit scrutiny during their quarterly audits and is a standing item on the Audit and Risk Committee's agenda. Internal Audit was mostly satisfied with the functioning of this area during the year under review.

The following annual performance evaluations were conducted during the reporting period:

Director	Review Period	Review Period
Corporate Services	2019/20	2020/21
Finance	2019/20	2020/21
Planning Development and Tourism	2019/20	2020/21
Community Services	2019/20	2020/21
Municipal Manager	2019/20	2020/21

The delay in conducting the 2019/20 annual performance evaluations was resultant from the COVID-19 pandemic. It is recommended that annual performance evaluations are conducted as soon as possible, after the finalization of the Auditor General's annual report, to allow management to identify non-performance and areas of improvement. Corrective action may then be taken to mitigate the risk of continued non-performance or to address identified areas of improvement as is necessary.

5. EFFECTIVE GOVERNANCE

Attendance of the Audit Committee quarterly meetings by senior management is good. Provincial Treasury, COGTA, the Auditor General and Chairperson of MPAC should be encouraged to attend the Audit Committee meetings.

An Anti-Corruption and Fraud Prevention Committee is not in place. There is not an active whistle blowing mechanism or active functional fraud hotline in place. The Municipality does not have a fraud prevention plan. We were thus unable to assess, monitor and influence the tone at management level and reinforce a zero-tolerance policy for fraud. We were also not able to provide other insight into and guidance on implementing or strengthening fraud prevention and detection measures. It should be noted that the Audit Committee have been advised that there are no forensic matters under review or specific noted or reported instances of fraud having taken place.

A Disciplinary Committee as required in terms of the MFMA has not been established.

APPRECIATION

On behalf of the Audit Committee, I would like to extend our sincere appreciation to the Council, Management and the Auditor-General South Africa for their assistance and support during the financial year under review.



G Billson
Audit Committee Chairperson

09 February 2023

KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****OFFICE OF THE MUNICIPAL MANAGER****DATE: 30 MARCH 2023****ITEM NO: 23/03/MM4****KOUGA MAYORAL CUP 02 MARCH 2023 – 28 APRIL 2023****1. Introduction**

The purpose of this report is to inform the Council on the upcoming Mayoral Cup.

2. Background

The theme for this year's 2022/2023 Mayoral Cup is "Breaking Barriers". With that we want to say that the future of Sport in the Kouga Region will be a priority to us as we will be focusing on the development of a strong and firm sporting culture in the Kouga region. The Mayoral Cup will not only be fun to participate in but will also provide the opportunity to develop skills and relationships.

With 24 Sporting Codes register the aim of this year's Mayoral Cup is to ensure that we set a standard as to where and how we see this prestigious event in the Kouga region grow. The aim of the tournament is to ensure that the people of Kouga from all walks of life engage in different sporting activities in a competitive manner in order to raise the pride and social cohesion of the people in the region.

The following Organizations has indicated that they are interested to partner or give some kind of sponsorship in this year's Mayoral Cup.

- Eco Rubber – R150 000.00
- Kouga Windfarm – R150 000.00
- Crossways – R50 000.00
- Mr. Pellshouse – R10 000.00
- Oasis FM – Media Sponsor to the value of R100 000.00

2.1 Mayoral Cup Launch and Prize Giving Ceremony

The Mayoral Cup will be launched on the 2nd of March 2023 and the Prize Giving will be done on the 28th of April 2023.

2.2 Sporting Codes

The following sporting codes are already register and will be participating in the Kouga Mayoral Cup 2023.

1. Netball – Team Sport
2. Rugby – Team Sport
3. Soccer – Team Sport

4. Fishing – Single Sport
5. Touch rugby – Team Sport
6. Gymnastics – Single Sport
7. Bowls – Single Sport
8. Tennis – Single Sport
9. Running – Single Sport
10. Darts – Teams Sport
11. Cricket – Teams Sport
12. Boxing – Single Sport
13. Chess – Single Sport
14. Surfing – Single Sport
15. Skateboard – Single Sport
16. Pool – Single Sport
17. Volleyball – Team Sport
18. Gaming/Coding/Drone soccer – Team Sport
19. Games/sport for the disabled – Team/Single Sport
20. Peddle Boarding – Single Sport
21. Swimming – Single Sport
22. Golf – Single Sport
23. Dominoes/Kaarte LOC – Team/Single Sport

2.3 **Media**

The Media Team has developed a media plan for this years Mayoral Cup and Oasis FM will be our media Sponsor for this year's Mayoral Cup.

MEDIA AND COMMUNICATION: KOGUA MAYOR'S CUP (2023)

JANUARY 2023 TO MARCH 2023

DATE	PLANNED ACTION	PLATFORM OF COMMUNICATION	DATE AND FREQUENCY	DEPARTMENT RESPONSIBLE
25/01/2023	Kouga Mayor's Cup Invite (Sporting Codes)	Social Media and WhatsApp	Once	Office of the Deputy Municipal Manager
26/01/2023	Kouga Mayor's Cup Invite - Article (Sporting Codes)	Print Media and Social Media	Once	Office of the Deputy Municipal Manager
27/01/2023	Kouga Mayor's Cup Invite - Reminder (Sporting Codes)	Social Media	Once	Office of the Deputy Municipal Manager
06/02/2023	Invite to launch of Kouga Mayor's Cup (03 March 2023)	Email	Once	Office of the Deputy Municipal Manager
03/03/2023	Launch of Kouga Mayor's Cup (Branding, video of previous event, etc)	Event	Once	Office of the Deputy Municipal Manager and Office of the Mayor
04/03/2023	Photos and short write-up about launch	Social Media	Once	Office of the Deputy Municipal Manger
09/03/2023	Photos and write-up about launch	Print Media, Website and Social Media	Once	Office of the Deputy Municipal Manger
09/03/2023	Call to enter Mayor's Cup Golf Day	Print Media, Website and Social Media	Once	Office of the Deputy Municipal Manger

13/03/2023 to 21/04/2023	Various articles/ photos leading up to the final event	Print Media, Radio, Website, WhatsApp and Social Media	Ongoing	Office of the Deputy Municipal Manger
30/03/2023	Mayor's Cup Golf Day	Event	Once	Office of the Deputy Municipal Manager and Office of the Mayor
03/04/2023	Pamphlets/ Posters	Various businesses/ establishments	Once	Office of the Deputy Municipal Manger
20/04/2023	Radio Interview	Oasis FM	Once	Office of the Deputy Municipal Manager and Office of the Mayor
22/04/2023	Kouga Mayor's Cup (final event)	Event	Once	Office of the Deputy Municipal Manager and Office of the Mayor
23/04/2023	Photos and write-up of event	Social Media	Once	Office of the Deputy Municipal Manager
27/04/2023	Photos and write-up of event	Social Media	Once	Office of the Deputy Municipal Manager
28/04/2023	Prize-giving	Event	Once	Office of the Deputy Municipal Manager and Office of the Mayor
30/04/2023	Photos of prize-giving	Social Media and Website	Once	Office of the Deputy Municipal Manager

2.4 Safety and Security Plan

Events Application will be submitted to the Events Committee to present on the 16th of February 2023. Each Sporting Code are required to submit a Safety Plan stipulating all their play offs.

The South African Police Services (SAPS) and the Kouga Municipality Law Enforcement section will be responsible for the safety and security during games.

2.5 Emergency Services

Emergency services will be present during the duration of the tournament.

2.6 Sports Fields

Kouga Municipality will ensure the state of the readiness of all Community Sport Fields and Halls where the different sporting codes and events will take place.

2.7 Prize Money

There will be a difference in prize money for the 2022/2023 Mayoral Cup.

We will allocate a different amount to team sport as to single sport.

Prize	Team Sport	Single Sport
1 st Prize	R10 000.00	R3 500.00

2 nd Prize	R5 000.00	R1 500.00
3 rd Prize	R3 000.00	R1 000.00

These winners will also receive a roaming trophy as well as medals.

2.8 Drought Mitigation

Strict drought mitigation measures will be implemented at all events, and the use of recycled, grey water and or borehole water will receive preference at all events.

3. Comments by Directorates:

3.1 Deputy Municipal Manager

That the report be noted with appreciation.

3.2 Municipal Manager

Report noted.

3.3 Director: Community Services

Item noted.

3.4 Acting Director: Corporate and Digital Services

Item noted.

3.5 Director: Finance

Report noted.

3.6 Director: Infrastructure and Engineering

Report noted

3.7 Financial Implications

The total budget that will be utilized for the Mayoral Cup will be R580 000.00. The budget is available and funded.

See below breakdown:

Subject	Total	Description
Launch	R60 000.00	Announcement of Mayoral Cup, dates/teams/fixtures
Finals	R100 000.00	End of Mayor Cup and prize giving10
Prize Money		Prize money for winning
Team Sport	R180 000.00	teams/individuals
Single Sport	R78 000.00	
Referee/Umpire Costs	R25 000.00	Games Played
Emergency services	R10 000.00	Ambulance services
Medals	R20 000.00	Prize
Trophy's	R10 000.00	Prize
Hiring Equipment	R50 000.00	Chess/Pool/Skateboard
Hiring of Golf Course	R50 000.00	Golf tournament
	R580 000.00	Total

4. Legal Implications

Sponsorship Agreements

5. Other Implications

None

6. Recommendation

6.1 That the Council notes the report.

Item prepared by: Special Programmes Coordinator



Item approved by: Deputy Municipal Manager



Item noted by: Executive Mayor



KOUGA MUNICIPALITY (EC 108)**ORDINARY COUNCIL MEETING****OFFICE OF THE EXECUTIVE MAYOR****DATE: 30 MARCH 2023****ITEM NO: 23/03/MM5****EASTER FESTIVAL 07-08 APRIL 2023**1. Introduction

The purpose of this report is to inform Council on the upcoming Easter Festival 2023.

2. Background

Setting our focus on becoming the Events Capital of South Africa we need to create and develop a platform where local talent can compete against the rest of the world.

Entering Easter with a theme that is relevant to our diversity "Local is Lekker" we recognize the enormous talent within our own region. With this background we want to showcase our local talent by giving them the platform.

Jeffreys Bay has always been home away from home for South Africans and most national and international visitors comes to Kouga especially for our beautiful beaches. With this in mind we want to change the Jeffreys bay beachfront to a relax, enjoyable, fun for all location through the Easter weekend.

The focus of the festival will be on our local talent not only on stage, but we will create a space for our local market to function and for our local service providers to join in the festival. For the first time ever Kouga will have a Bunny Chow Competition which we anticipate will become our signature event for the years to come.

Easter Program 2023

The following activities will be available during the Easter Weekend:

Beach Sports
 Marina Mile Swimming
 Lifesaving games
 Easter Market
 Kiddies Entertainment
 Live stage entertainment with local artist
 Easter egg hunt

2.1 Drought Mitigation

Strict drought mitigation measures will be implemented at the festival.

3. Comments

3.1 Deputy Municipal Manager

That the easter festival be supported by all stakeholders.

3.2 Municipal Manager

Item noted.

3.3 Director: Community Services

Item noted

3.4 Director: I&E

Item noted

3.5 CFO

Report noted

3.6 Acting Director: Corporate Services

Item noted

3.7 Acting Director: PDT

Item noted

4. Financial Implications

The amount of R250 000 from ukey – 20210710001940 will be utilized for this specific event.

See below breakdown:

Subject	Total	Description
Tent & Equipment	R69 500.00	Hiring of tent for live stage entertainment
Sound & Stage	R40 000.00	Hiring and setup of sound and stage
Local Artists	R30 000.00	Performance

Kiddies Entertainment	R11 000.00	Rides/Mascots/Clowns/fun fair games for kiddies
Easter eggs	R8 000.00	Easter egg hunt
MC	R11 000.00	MC for the weekend
Catering	R20 500 .00	Catering for VIP's/artist
Marina Mile	R20 000.00	Prize Money/medals/trophy
Beach Sport	R30 000.00	Netball/Soccer/Touch Rugby
Lifesaving games	R10 000.00	Prizes/equipment
	R250 000.00	Total

5. Legal Implications

The municipality is obliged to act in a manner that gives effect to its legal framework, failing which, the action or omission may be subject to scrutiny by the courts and interested and affected parties.

The expected expenditure must be incurred in line with the approved annual budget, as well as the Adjustment Budget. Further to the above the intended event must be conducted and implemented in compliance with the applicable Events Policy of the Municipal Council.

6. Other Implications

The festival may have implications on the rights of stakeholders, local communities, municipal officials, and visitors of the initiative, which may include but is not limited to, adherence to by-laws, law enforcement officer or traffic officer directives, notices and informative public communications. Additional internal resources will likely be required during the initiative.

7. Recommendation

7.1 That Council notes the report.

Item prepared by: Acting Chief of Staff



Item approved by: Deputy Municipal Manager



Item endorsed by: Municipal Manager



Item noted by: Executive Mayor



KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER

DATE: 30 MARCH 2023

ITEM NO: 23/03/MM6

2022/23 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: AMENDMENT
FOLLOWING THE MID-YEAR PERFORMANCE ASSESSMENT ADJUSTMENTS BUDGET

1. Introduction

It is the purpose of this report to submit to Council proposals for the amendment of the 2022/23 Service Delivery and Budget Implementation Plan (SDBIP) resulting from the Mid-Year Performance Assessment and Adjustments Budget.

The proposed Amendment to the 2022/23 SDBIP is attached hereto.

2. Legislative provisions

Section 54(1)(c) of the MFMA provides as follows regarding 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;"*

Municipal Finance Management Act, Circular 13 dated 31 January 2005 provides as follows regarding the adjustment of the Service Delivery and Budget Implementation Plan:

"However, the top-layer of the SDBIP and its targets cannot be revised without notifying the council, and if there is to be changes in service delivery targets and performance indicators, this must be with the approval of the council, following approval of an adjustments budget (section 54(1)(c) of MFMA). This council approval is necessary to ensure that the mayor or municipal manager do not revise service delivery targets

downwards in the event where there is poor performance"

3. SDBIP review

In line with the requirements of the Auditor General are reasons for changes to the SDBIP indicated on the proposed amendment to the 2022/23 SDBIP.

All changed targets are indicated by save for additions made to targets/indicators as per the recommendations of the Internal Audit Unit on the relevance/appropriateness of targets and indicators. All proposed changes are highlighted in orange.

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 and/or where circumstances has changed to the extent that targets need to be adjusted.

The financial information included in the SDBIP has been updated following the adjustments budget, inclusive of financial forecasting in line with the prior year baselines and trends. The updated financial information applicable as from 1 March 2023 (quarter 3) is highlighted shown in the column "Adjusted Budget".

Adjustments to the SDBIP for the 2022/23 year shall have a result that the individual performance plans of the Municipal Manager and other Senior Managers be adjusted accordingly through an addendum to performance agreements.

The adjustment of performance plans shall be affected on approval of the amended 2022/23 SDBIP and shall be applicable as from date of approval by Council.

It must be noted that the 2022/23 SDBIP amendment shall determine the annual performance targets for Senior Management.

4. Comments

4.1 Deputy Municipal Manager

Item noted

4.2 Municipal Manager

Item noted.

4.3 Director: Community Services

Item noted

4.4 Director: I&E

Item noted

4.5 CFO

Report noted

4.6 Acting Director: Corporate & Digital Services

Item noted

4.7 Acting Director: PDT

Item noted

5. Recommendations

- 5.1 That in terms of the provisions of Section 54(1)(c) of the Municipal Finance Management Act of 2003, the proposed amendments to the institutional and operational targets of the 2022/23 Service Delivery and Budget Implementation Plan be approved for implementation with effect of date of approval by Council.
- 5.2 That the Municipal Manager affects the required changes to the performance plans of Senior Managers to ensure that the performance plans are aligned to amended 2022/23 Service Delivery and Budget Implementation Plan targets for implementation with effect 1 March 2023.
- 5.3 That addendums to the Performance Agreements of Senior Managers following the amendment of the 2022/23 Service Delivery and Budget Implementation Plan, be submitted to Council.

Item prepared by A Koegelenberg.



Item approved for submission by C du Plessis.





Service Delivery & Budget Implementation Plan

Year: 2022/2023

AMMENDMENT FOLLOWING 31 JANUARY 2023
ADJUSTMENTS BUDGET

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1. INTRODUCTION

This amendment to the 2022/23 Service Delivery Budget Implementation plan is necessitated following the adjustment of the 2022/23 Annual Budget as approved by Council on 31 January 2023.

For completeness the introductory information as per the original approved 2022/23 Service Delivery is included.

The Service Delivery and Budget Implementation Plan (SDBIP) gives effect to the IDP and the budget of the municipality. It is an expression of the objectives of the Municipality in quantifiable outcomes that will be implemented by the administration for the financial period from 1 July 2022 to 30 June 2023 (the Municipal financial year).

This amendment to the SDBIP follows the adjustments budget approved by Council.

It includes the service delivery targets and performance indicators for each quarter which is linked to the performance agreements of senior management. It therefore facilitates oversight over financial and non-financial performance of the municipality and allows the Municipal Manager to monitor the performance of the Directors, the Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality as a whole.

In terms of Section 53(1)(c)(ii) of the Local Government: Municipal Finance Management Act (MFMA), the SDBIP is defined as a detailed plan approved by the mayor of a municipality for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate the following –

- (a) projections for each month of –
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote
- (b) service delivery targets and performance indicators for each quarter, and
- (c) other matters prescribed

The primary objective of the Service Delivery and Budget implementation Plan thus to detail the implementation of the IDP and budget of Kouga Municipality by setting in year quarterly targets for each of the annual targets as set out in the Integrated Development Plan.

The secondary objective is to reduce to writing the objectives of the organization and in doing so, clarifying the required performance levels, and allocating accountability to officials which in turn allows oversight of overall institutional performance.

The layers of this document will see the objectives reported by the following listed components as well as the comparisons to the Organizational Performance and in turn linked to the individual Directors and their activities within their votes.

The major components of the SDBIP are:

- Quarterly projections of budgeted income and actual income per vote and per activity
- Quarterly projections of budgeted expenditure, both operating and capital, against actual per vote and per activity.
- Quarterly projections of the service levels (KPA) achieved against budget spending and comment.
- Quarterly projections of service levels in non-financial targets.

2. IMPLEMENTATION

The Service Delivery and Budget Implementation Plan (SDBIP) gives effect to the implementation of the IDP and the budget and as such it calls for stringent oversight to ensure that the objectives of Council for the year is achieved and corrective actions can be implemented in good time where required.

2.1 Reporting and Oversight

In order to enable and facilitate oversight over the performance of the Institution and the Directorates, the following reporting requirements shall be adhered to:

- Monthly progress reports on the implementation of the SDBIP shall be submitted as follows:
 - The Municipal Manager to the Executive Mayoral Committee in so far as it relates to those Key Performance Indicators where the Municipal Manager is listed as the project Driver.
 - Directors to the relevant Portfolio Committee in so far as it relates to those Key Performance Indicators assigned to the Director as Program Driver, provided that where any Portfolio Committee does not meet monthly, reports shall be submitted on a bi-monthly basis.
 - Submissions on monthly performance progress reports shall also be submitted to the Office of the Municipal Manager by the Directors within five (5) working days of the end of each month.
- The Portfolio Councillor shall after the submission of the Departmental SDBIP Implementation Performance Report to the Portfolio Committee make a submission to the Executive Mayor on the performance of the Directorate on the implementation of the SDBIP.
- Quarterly progress reports on the overall implementation of the SDBIP shall be submitted to Council and the Performance Audit Committee.
- Quarterly progress reports on the overall implementation of the SDBIP shall be published on the Municipal Web Site to ensure the communities can scrutinize and is made aware of institutional performance.
- The quarterly Institutional SDBIP Implementation Reports must be submitted by Ward Councillors at Ward Committee level for discussion on a quarterly basis.

3. Financial Targets

3.1. Revenue by Source

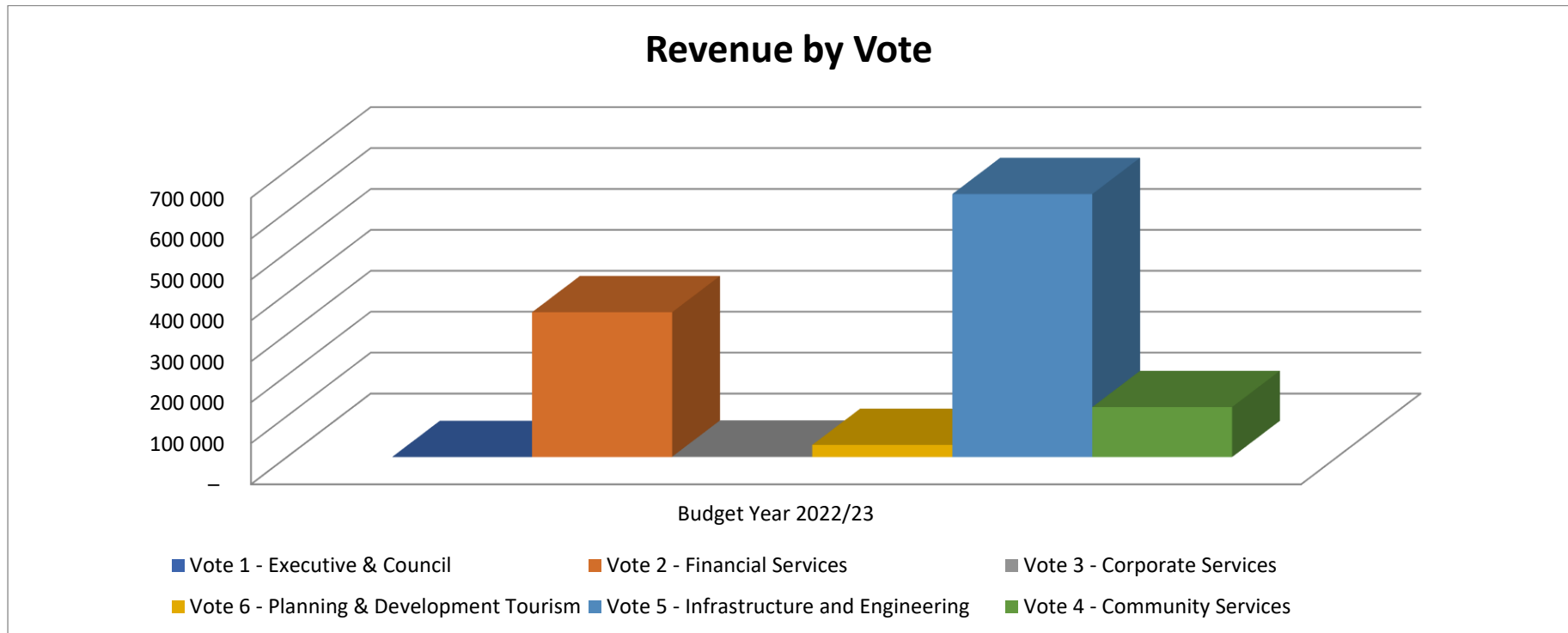
Description	Budget 2022/23			Quarter 1		Quarter 2		Quarter 3		Quarter 4		% of Budget
	Budget Year	YearTD actual	Adjusted Budget	Budget	YearTD actual	Budget	YearTD actual	Adjusted Budget	YearTD actual	Adjusted Budget	YearTD actual	
R thousands												
<u>Revenue By Source</u>												
Property rates	240,849	160,741	236,747	60,212	113,322	120,424	160,741	177,560		236,747		
Service charges - electricity revenue	371,804	182,700	350,201	92,951	82,020	185,902	182,700	262,651		350,201		
Service charges - water revenue	89,362	41,726	88,580	22,340	17,271	44,681	41,726	66,435		88,580		
Service charges - sanitation revenue	62,796	29,794	59,450	15,699	15,651	31,398	29,794	44,588		59,450		
Service charges - refuse revenue	62,858	31,782	62,269	15,715	16,658	31,429	31,782	46,702		62,269		
Rental of facilities and equipment	2,968	1,215	2,865	742	397	1,484	1,215	2,149		2,865		
Interest earned - external investments	2,811	1,523	3,057	703	643	1,405	1,523	2,293		3,057		
Interest earned - outstanding debtors	13,706	11,081	20,106	3,426	4,940	5,988	11,081	15,079		20,106		
Fines, penalties and forfeits	1,842	4,525	6,484	460	1,011	921	4,525	4,863		6,484		
Licences and permits	8,397	5,675	8,397	2,099	3,604	4,198	5,675	6,297		8,397		
Agency services	5,352	672	5,352	1,338	672	2,676	672	4,014		5,352		

Transfers and Subsidies - Operational	177,920	120,293	177,920	44,480	64,968	88,960	120,293	133,440		177,920		
Other revenue	12,298	5,306	34,880	3,075	2,324	6,149	5,306	26,160		34,880		
Total Revenue (excluding capital transfers and contributions)	1,052,961	597,034	1,056,307	263,240	323,480	526,481	597,034	792,230		1,056,307		

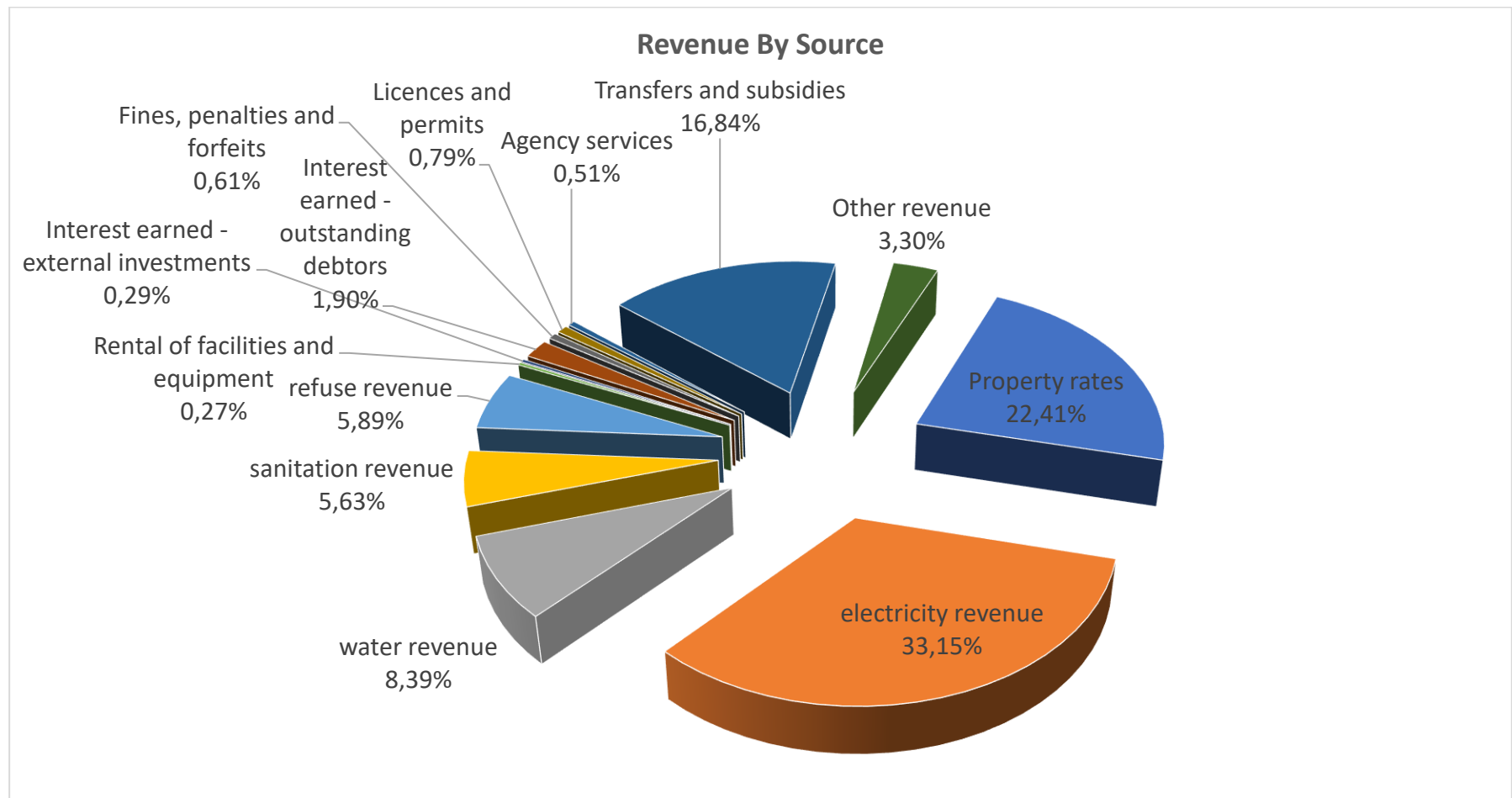
3.2. Revenue by Vote

Vote Description	Budget 2022/23			Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Budget Year	YearTD actual	Adjusted Budget	Budget	YearTD actual	Budget	YearTD actual	Adjusted Budget	YearTD actual	Adjusted Budget	YearTD actual	% of Budget
R thousands												
<u>Revenue by Vote</u>												
Vote 1 - EXECUTIVE COUNCIL												
Vote 2 - FINANCIAL SERVICES	358,424	283,942	353,977	89,606	179,509	179,212	283,942	265,483		353,977		
Vote 3 - CORPORATE SERVICES	1,1722	604	947	430	137	861	604	710		947		
Vote 4 - COMMUNITY SERVICES	117,205	48,055	122,144	29,301	24,200	58,602	48,055	91,608		122,144		
Vote 5 - INFRASTRUCTURE AND ENGINEERING	663,786	288,822	642,716	165,946	127,524	331,893	288,822	482,037		642,716		
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	4,960	3,087	29,657	1,240	1,306	2,480	3,087	22,243		29,657		
Total Revenue by Vote	1,146,096	624,510	1,149,441	286,524	332,676	573,048	624,510	862,081		1,149,441		

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	Budget 2022/23			Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Budget Year	YearTD actual	Adjusted Budget	Budget	YearTD actual	Budget	YearTD actual	Adjusted Budget	YearTD actual	Adjusted Budget	YearTD actual	% of Budget
R thousands												
<u>Expenditure by Vote</u>												
Vote 1 - EXECUTIVE COUNCIL	58,894	28,357	64,388	15,440	12,547	30,005	28,357	48,291		64,388		
Vote 2 - FINANCIAL SERVICES	98,012	39,033	106,750	25,696	17,481	49,935	39,033	80,063		106,750		
Vote 3 - CORPORATE SERVICES	43,088	18,815	60,740	11,297	8,398	21,952	18,815	45,555		60,740		
Vote 4 - COMMUNITY SERVICES	230,145	104,625	231,928	60,338	46,156	117,254	104,625	173,946		231,928		
Vote 5 - INFRASTRUCTURE AND ENGINEERING	696,069	301,301	676,920	182,490	163,185	354,631	301,301	507,690		676,920		
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	37,702	14,095	37,338	9,884	6,005	19,208	14,095	28,003		37,338		
Total Expenditure by Vote	1,163,909	506,225	1,178,064	305,145	253.773	592,986	506,225	883,548		1,178,064		

EC108 Kouga - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	Ref	Budget Year 2022/23							Medium Term Revenue and Expenditure Framework							
R thousand		July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote	-															
Vote 1 - EXECUTIVE COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		147 057	15 925	16 527	16 291	14 953	71 599	11 957	16 582	53 200	15 171	15 081	15 215	358 424	381 710	406 995
Vote 3 - CORPORATE SERVICES		43	53	41	213	86	56	4	(71)	8	85	75	102	975	1 018	1 064
Vote 4 - COMMUNITY SERVICES		9 354	6 919	7 927	9 084	7 574	9 989	8 900	5 719	7 510	8 284	7 443	7 761	117 205	117 410	124 047
Vote 5 - INFRASTRUCTURE AND ENGINEERING		48 602	30 874	48 048	44 515	44 417	44 922	49 050	44 650	56 630	44 416	44 409	44 429	607 132	660 153	711 400
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		348	600	358	1 085	437	284	31	(359)	41	432	381	517	4 960	5 178	5 411
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		205 404	54 372	72 901	71 188	67 468	126 851	70 341	66 521	117 841	68 388	67 388	68 024	1 088 696	1 165 470	1 248 916
<u>Expenditure by Vote to be appropriated</u>	-															
Vote 1 - EXECUTIVE COUNCIL		4 093	3 779	4 675	4 757	5 462	4 764	4 851	4 800	4 851	5 333	4 921	4 914	58 894	55 800	58 066
Vote 2 - FINANCIAL SERVICES		5 439	3 795	8 247	7 689	10 718	7 589	7 731	7 723	7 841	7 718	7 398	8 871	98 012	100 545	104 491
Vote 3 - CORPORATE SERVICES		2 687	3 078	2 633	3 456	4 879	3 037	3 341	3 063	3 481	3 288	3 494	4 225	43 088	43 530	44 312
Vote 4 - COMMUNITY SERVICES		13 171	15 053	17 932	18 987	24 336	19 579	17 731	17 091	17 831	17 964	17 377	21 829	230 145	234 876	245 141
Vote 5 - INFRASTRUCTURE AND ENGINEERING		144 820	50 475	67 890	46 970	49 682	54 215	50 241	49 597	50 921	46 965	47 631	50 292	695 979	737 705	788 397
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		1761	2 050	2 195	2 571	3 597	4 071	3 701	2 462	2 451	3 502	2 636	4 308	37 702	33 566	35 035
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

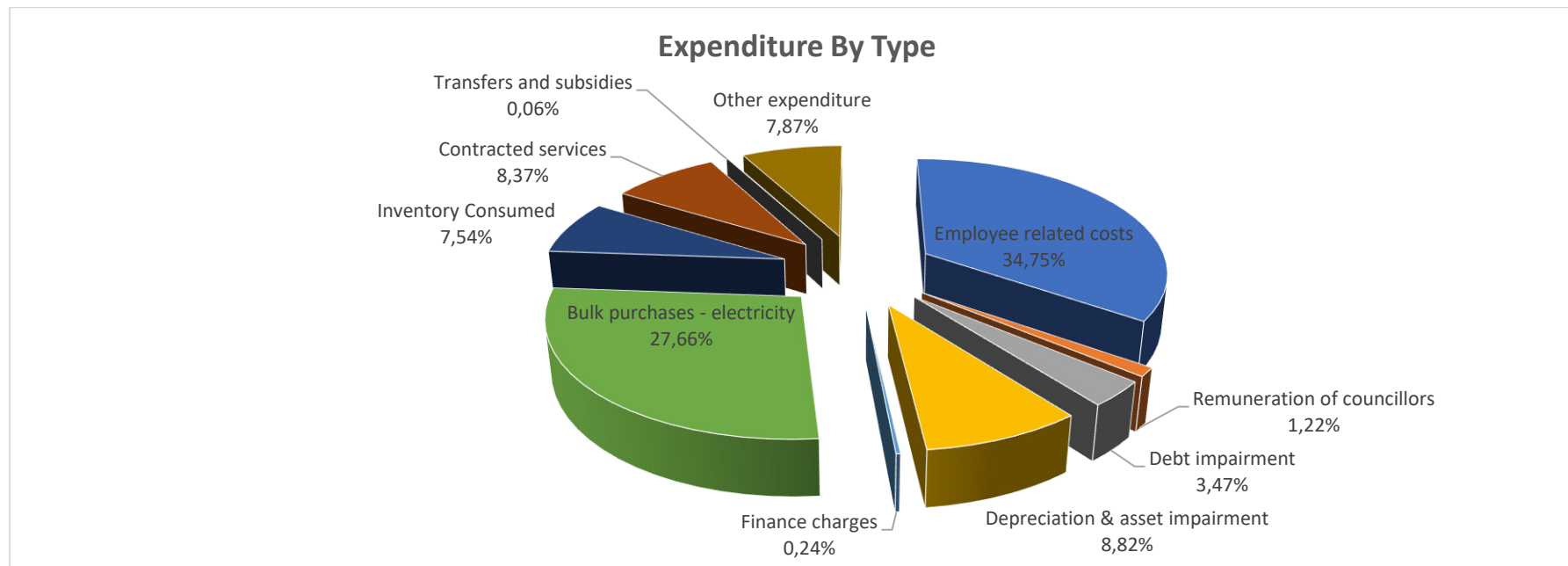
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		71 971	78 229	103 573	84 429	98 675	93 254	87 611	84 736	87 451	84 771	83 456	94 438	1 163 819	1 206 023	1 275 442
Surplus/(Deficit) before assoc.		133 433	(23 858)	(30 671)	(13 241)	(31 207)	33 597	(17 351)	(18 215)	30 391	(16 383)	(16 068)	(26 414)	(75 124)	(40 553)	(26 526)
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	133 433	(23 858)	(30 671)	(13 241)	(31 207)	33 597	(17 351)	(18 215)	30 391	(16 383)	(16 068)	(26 414)	(75 124)	(40 553)	(26 526)

4.2. Operating Expenditure by Type

Description	Budget 2022/23			Quarter 1		Quarter 2		Quarter 3		Quarter 4		% of Budget
	Budget Year	YearTD actual	Adjusted Budget	Budget	YearTD actual	Budget	YearTD actual	Adjusted Budget	YearTD actual	Adjusted Budget	YearTD actual	
R thousands												
<u>Expenditure By Type</u>												
Employee related costs	391,318	177,293	409,379	93,300	81,290	205,601	177,293	307,034		409,379		
Remuneration of councillors	14,364	7,311	14,364	3,591	3,879	7,182	7,311	10,773		14,364		
Debt impairment	42,069	5,463	40,868	10,517	3,482	21,034	5,463	30,651		40,868		
Depreciation & asset impairment	103,850	43,206	103,850	25,963	25,963	51,925	43,206	77,888		103,850		

Finance charges	-	1,128	2,875	-	518	-	1,128	2,156		2,875		
Bulk purchases - electricity	325,900	157,351	325,900	96,259	93,086	166,457	157,351	244,425		325,900		
Inventory consumed	74,648	47,269	88,822	17,961	17,656	33,248	47,269	66,616		88,822		
Contracted services	93,375	30,966	98,616	27,958	9,182	48,347	30,966	73,962		98,616		
Transfers and subsidies	400	-	725	100	-	200		544		725		
Other expenditure	117,984	36,239	92,665	29,496	10,755	58,992	36,239	69,499		92,665		
Total Expenditure	1,163,909	506,225	1,178,064	305,145	253,773	592,986	506,225	883,548		1,178,064		

4.3 Budgeted Expenditure Graph (illustrative)



5. CAPITAL EXPENDITURE																
EC108 Kouga - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	Ref	Budget Year 2022/23								Medium Term Revenue and Expenditure Framework						
R thousand		July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote	-															
Vote 1 - EXECUTIVE COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		147 057	15 925	16 527	16 291	14 953	71 599	11 9	16 582	53 20	15 171	15 081	15 215	358 424	381 710	406 993
Vote 3 - CORPORATE SERVICES		43	53	41	213	86	56		(71)	8	85	75	102	975	1 018	1 064
Vote 4 - COMMUNITY SERVICES		9 354	6 919	7 927	9 084	7 574	9 989	8 90	5 719	7 51	8 284	7 443	7 761	117 205	117 410	124 047
Vote 5 - INFRASTRUCTURE AND ENGINEERING		48 602	30 874	48 048	44 515	44 417	44 922	49 05	44 650	56 63	44 416	44 409	44 429	607 132	660 153	711 400
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		348	600	358	1 085	437	284	32	(359)	41	432	381	517	4 960	5 178	5 411
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		205 404	54 372	72 901	71 188	67 468	126 851	70 300	66 521	117 840	68 388	67 388	68 024	1 088 696	1 165 470	1 248 910	
<u>Expenditure by Vote to be appropriated</u>		-															
Vote 1 - EXECUTIVE COUNCIL		4 093	3 779	4 675	4 757	5 462	4 764	4 890	4 800	4 890	5 333	4 921	4 914	58 894	55 800	58 060	
Vote 2 - FINANCIAL SERVICES		5 439	3 795	8 247	7 689	10 718	7 589	7 770	7 723	7 840	7 718	7 398	8 871	98 012	100 545	104 491	
Vote 3 - CORPORATE SERVICES		2 687	3 078	2 633	3 456	4 879	3 037	3 340	3 063	3 480	3 288	3 494	4 225	43 088	43 530	44 311	
Vote 4 - COMMUNITY SERVICES		13 171	15 053	17 932	18 987	24 336	19 579	17 770	17 091	17 830	17 964	17 377	21 829	230 145	234 876	245 141	
Vote 5 - INFRASTRUCTURE AND ENGINEERING		44 820	50 475	67 890	46 970	49 682	54 215	50 260	49 597	50 920	46 965	47 631	50 292	695 979	737 705	788 391	
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		1 761	2 050	2 195	2 571	3 597	4 071	3 760	2 462	2 450	3 502	2 636	4 308	37 702	33 566	35 035	
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Total Expenditure by Vote		71 971	78 229	103 573	84 429	98 675	93 254	87 600	84 736	87 450	84 771	83 456	94 438	1 163 819	1 206 023	1 275 447
Surplus/(Deficit) before assoc.		133 433	(23 858)	(30 671)	(13 241)	(31 207)	33 597	(17 350)	(18 215)	30 390	(16 383)	(16 068)	(26 414)	(75 124)	(40 553)	(26 526)
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	133 433	(23 858)	(30 671)	(13 241)	(31 207)	33 597	(17 350)	(18 215)	30 390	(16 383)	(16 068)	(26 414)	(75 124)	(40 553)	(26 526)

5.1 CAPITAL PROGRAMME: 2022/23

DIRECTORATES	DEPARTMENT	FUNDING	PROJECTS	PROJECT NR	Approved Adjusted Budget 2022/23	Actuals as at 31 December 2022
COMMUNITY SERVICES	FIRE SERVICES	DISTRICT	Fire Vehicle	FT911	1,638,000	-
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Machinery & Equipment - Radio Communication		58,270	19,621
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Transport Assets - Quadbike		95,598	82,698
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Computer Equipment		387,811	-
					2,179,679	102,319
EXECUTIVE & COUNCIL	WARD COUNCILLORS	Internal	Ward councilors Capital project	PC_65	750,000	-
EXECUTIVE & COUNCIL	MAYORAL COMMITTEE	Internal	Furniture and Equipment - Ward Councillors Offices		-	1,892
EXECUTIVE & COUNCIL	MAYOR	Internal	Municipal Court - Office equipment		100,000	-
EXECUTIVE & COUNCIL	Risk and Internal Audit Unit	Internal	Furniture and equipment		22,819	15,739
					872,819	13,848
FINANCE	EXPENDITURE	Internal	Furniture and equipment	PC048	30,000	23,991
FINANCE	ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	PC22601	650,000	-
FINANCE	ASSET MANAGEMENT	Internal	Furniture and equipment	PC048	30,000	9,635
FINANCE	Finance: IT	Internal	Computer Equipment	CP_4	1,020,000	854,353
FINANCE	BUDGET AND FINANCIAL REPORTING	Internal	Furniture and Equipment		-	-
					1,730,000	887,979
INFRASTRUCTURE & ENGINEERING	Electricity	Internal	Saffery Substation	CP7_ELC	1,023,347	879,656
INFRASTRUCTURE & ENGINEERING	Water	Internal	Repair Leaking Concrete Water Tower Paradise Beach	CP_4WAT	501,966	-
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace 250mm Water Main Mimosa Street Jbay	CP6_WAT	405,488	-
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	New bypass Sewer Rising Main and Pump Stations Jba	CP5_SW	1,195,528	-
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Upgrade Sewer Rising Mains Jbay (La Mer-4A-4B) Pre	CP4_SW	902,858	-
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Piped Reticulation - St Francis Bay	CP7_SEW	355,829	-
INFRASTRUCTURE & ENGINEERING	METERING & REVENUE	Internal	Bulk 66kv Overhead lines	CP66KV	715,068	170,091
INFRASTRUCTURE & ENGINEERING	Sewerage	MIG	Upgrade Sanitation System Old Hankey	PC_012	15,308,229	5,247,725
INFRASTRUCTURE & ENGINEERING	SEWERAGE	Internal	Upgrade Loerie sewer pump station	CP_3SW	418,318	-
INFRASTRUCTURE & ENGINEERING	ROADS AND STORMWATER	MIG	Upgrading of Gravel Roads in Humansdorp	PC_075	9,819,118	9,637,432
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	MIG	Upgrading of Sports Facilities	CP_74	4,521,739	17,556
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga		180,555	180,312
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace Main Waterline South Rivier Bridge Crossing		171,223	-
INFRASTRUCTURE & ENGINEERING	WATER	Internal	Connect 4 x drilled boreholes to treatment works		819,941	359,396
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace 250mm Water Main Canal Road St Francis Bay		111,464	-
INFRASTRUCTURE & ENGINEERING	WATER	Internal	WATER TANKS JEFFREYS BAY - DROUGHT PROJECT		393,150	385,834
INFRASTRUCTURE & ENGINEERING	WATER	Internal	Connecting Kruisfontein Boreholes to Humansdorp Water		3,255,369	3,040,728
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	Internal	Mini Fresh Food and Craft Markets in Jbay & Hankey	CP_369	400,000	-
INFRASTRUCTURE & ENGINEERING	Electricity	Internal	Humansdorp, Kruisfontein and Osean View Electrification		-	-
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HUMANSDORP BOREHOLE 7		3,043,478	-
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	ST FRANCIS BAY: BOREHOLES		3,565,217	-
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	THORNHILL: GROUNDWATER DEVELOPMENT		2,869,565	-
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HANKEY: BOREHOLES		3,304,348	-
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	LOERIE: GROUNDWATER DEVELOPMENT		2,956,522	663,249
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HUMANSDORP: KRUISFONTEIN: BOREHOLES		12,260,870	1,863,484
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	ST FRANCIS BAY: WATER TREATMENT WORKS		5,130,435	-
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HUMANSDORP :WATER TREATMENT WORKS		7,130,435	-
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HANKEY: WATER TREATMENT WORKS		3,217,391	-
INFRASTRUCTURE & ENGINEERING	METERING & REVENUE	Internal	High Mast Lights		-	254,801
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	JEFFREYS BAY: NEW OXIDATION WATER TREATMENT PLANT		6,434,783	4,786,200
					90,412,234	26,976,863
PLANNING, DEVELOPMENT & TOURISM	Planning & Development	Internal	Computer Software and Applications		-	1,103
PLANNING, DEVELOPMENT & TOURISM	LOCAL ECONOMIC DEVELOPMENT	Internal	Kouga Business Support Centre		336,499	364,985
					336,499	363,883
				Total	95,531,231	28,344,891

6. INSTITUTIONAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

6.1 OFFICE OF THE MUNICIPAL MANAGER: 2022/23 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Audit Outcomes	To manage and Develop financial services to ensure financial viability, compliance & reporting.	100% Implementation of corrective actions to address AG findings <u>relevant to the 2021/22 year</u>	% Implementation of corrective actions to address AG findings <u>relevant to the 2021/22 year</u>	New	100%	0 of 100%	N/a	25 of 100%	0/25%	100 of 100%			
		Comment/corrective actions and/or reason for change													
		AG Report only issued end November 2022 and the Audit Corrective Action Plan could only be prepared after receipt of the Audit Report, thus limited progress on implementation of the corrective actions could be achieved. Target and KPI changed on recommendation of the Internal Audit Unit													
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Capital Budget Expenditure	To manage and develop financial services to ensure financial viability, compliance & reporting.	100% Completion of internally funded capital projects	% Completion of internally funded capital projects	New	100%	5 of 100%	0/100%	45 of 100%	30/100 %	75 of 100%		100 of 100%	
		Comment/corrective actions and/or reason for change													
		Capital Budget as per adjustments budget is R95 531 231 against capital budget expenditure as at 31 December of 28 344 891 which equates to 29.67% capital budget expenditure. Achievement as at 31 December 2023 is thus approximately 30% completion. It must be noted that tender award dates impact expenditure on progress with projects during the initial stages and expenditure and progress with projects generally increase in the final 2 quarters of the year. Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 5: Good Governance and Public Participation	Good Governance	Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence.	Improve overall Institutional SDBIP implementation performance by 5% compared to previous year.	% improvement increase in overall institutional SDBIP implementation performance compared to previous year	86.75%	91.75%	0 of 5%	0/5%	0 of 5%	0/5%	0 of 5%		5 of 5%	
		Comment/corrective actions and/or reason for change													
		Can only be measured at year end. Target remains unchanged . KPI changed on recommendation of the Internal Audit Unit.													
		Cascade Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence.	100% of staff members below the Senior Management at line manager and first line supervisor Level participates in the performance management system have signed <u>performance agreements and is subjected to performance reviews</u>	% of staff below senior management at line manager and first line supervisor level that participates in the performance management system have signed <u>performance agreements and is subjected to performance reviews</u>	New	100%	5 of 100%	0/100%	25 of 100%	0/100%	50 of 100%		100 of 100%	
		Comment/corrective actions and/or reason for change													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
		Finalization of the Departmental SDBIP's has delayed the implementation of performance agreements for Line Managers and first line supervisors. Deadline for completion of performance agreements at this level has been set for 31 January 2023. All other staff to participate in performance management as from 1 July 2023. Target and KPI changed on recommendation of the Internal Audit Unit.													
KPA 5: Good Governance and Public Participation	Good Governance	Cascade Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence.	1 Service Charter (Which includes service standards for all Departments) developed by 31 March 2023	Number of Service Charters Developed by 31 March 2023	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		0	
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													

6.1 OFFICE OF THE DEPUTY MUNICIPAL MANAGER

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target 2022/23	KPI	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 5. Good Governance and Public Participation	Keep Kouga Growing	Cascading Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	100% of Line Managers and Staff reporting directly to the Deputy Municipal Manager subjected to six monthly performance reviews	% of Line Managers and Staff reporting directly to the Deputy Municipal Manager subjected to quarterly performance reviews	-	N/a	100%	0/100%	-		100%	
Comment/corrective actions and/or reason for change													
Not yet applicable performance reviews only due in the quarter following the performance period. Target remains unchanged													
KPA 5. Good Governance and Public Participation	Good Governance	Customer Satisfaction	1 Customer satisfaction survey completed by 31 October 2022	Number of Customer satisfaction surveys completed by 31 October 2022	0 of 1	1 of 1	1 of 1	1 of 1	1 of 1	-		-	
Comment/corrective actions and/or reason for change													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target 2022/23	KPI	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
Customer satisfaction completed by 31 July 2022 Target remains unchanged													
KPA 5. Good Governance and Public Participation	Good Governance	Communication	1 Media and Communication Policy adopted by Council by 30 April 2023	Number of Media and Communication Policies adopted by Council by 30 April 2023	0 of 1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		-	
Comment/corrective actions and/or reason for change													
Media policy submitted to Policy workshop- Awaiting approval as at 30 December 2022. Target remains unchanged													
PA 5. Good Governance and Public Participation	Good Governance	Operational Procedures	4 Standard Operational Procedures completed by 31 March 2023	Number of Standard Operational Procedures completed by 31 March 2023	0 of 4	5 of 4	2 of 4	6 of 4	4 of 4			-	
Comment/corrective actions and/or reason for change													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target 2022/23	KPI	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
6 SOP'S (Suction tanker, incident reporting, water meters, communications and institutional pp, PMS) developed as at 31 December 2022 Target remains unchanged													
PA 5. Good Governance and Public Participation	Keep Kouga Serviced	Job card/call centre integration	100% Integration of job cards with call centre service requests by 30 June 2023	% Integration of job cards with call centre service requests by 30 June 2023	0 of 100%	100/100%	0 of 100%	100/100%	25 of 100%		100 of 100%		
Comment/corrective actions and/or reason for change													
100% integration as 30 September 2022 (Job cards(service requests issued to all applicable staff when incident is reported) Target remains unchanged													
KPA 5. Good Governance and Public Participation	Keep Kouga Serviced	Municipal Court	1 Municipal Court established by 31 March 2023	Number of Municipal Courts established by 31 March 2023	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		-		

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target 2022/23	KPI	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
Comment/corrective actions and/or reason for change													
Application submitted National department of Justice. Still awaiting approval for DOJ as at 30 September 2022. Department of Justice advised that investigations into municipal courts will be conducted prior to any approvals being considered, no time frames given. Achievement of target not within the control of Kouga Municipality. Target removed.													
PA 4: Municipal Financial Viability and Management	Keep Kouga Serviced	Creditor Payments	100%		% 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	100%	99%	100%	98%	100%		100%	
Comment/corrective actions and/or reason for change													
98 compliance. 2 invoices not submitted within the 5 day turnaround. Remedial action taken. Target remains unchanged													

6.3. DIRECTORATE COMMUNITY SERVICE

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA1: Basic Services & Infrastructure	Keep Kouga Green	Climate Change Management	Building energy efficiency	1 Climate Change Strategy developed by 31 December 2022	Number of Climate Change Strategies developed by 31 December 2022	New	1	0 of 1	0 of 1	1 of 1	1 of 1	-			
		Comment/corrective actions and/or reason for change													
		Climate Change Strategy was workshopped to all Councillors on the 7 December 2022. It was then approved at Council meeting on the 9 December 2022 Target remains unchanged													
		Cemetery Management	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 Cemetery Management System implemented by 31 March 2023	Number of Cemetery Management Systems implemented by 31 March 2023	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		-	
		Comment/corrective actions and/or reason for change													
		Quarter 3 target however, A GIS workshop was held on 19 October 2022, at Mentors kraal, where presentations was presented covering the ESRI GIS solutions in Local Municipality and Data Management. Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Waste Reduction	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	2 000 - tonnes waste recycled at Humansdorp Landfill Site (20 000kg = 2 000tonnes)	Tonnes of waste recycled at the Humansdorp Landfill Site	1 5 00	2 000	600 of 2 000	798 of 2000	800 of 2 000	1591 of 2000	1350 of 2 000		2 000 of 2 000	
		Comment/corrective actions and/or reason for change													
		Total – 802 + 789 = 1591 tons Target remains unchanged													
KPA 5: Good Governance and Public Participation	Good Governance	Service Charter	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence.	1 Service Charter for all Sections in the Directorate developed by 31 March 2023	Number of Service Charters for all Sections within the Directorate Developed by 31 March 2023	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		0	
		Comment/corrective actions and/or reason for change													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
		Target remains unchanged													

6.4 DIRECTORATE CORPORATE SERVICES

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
	Keep Kouga Growing	Employment Equity Compliance	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	1 AM (Senior Management) and 5 AM, 3 AF (Professionally qualified) appointed in compliance with the employment equity plan (3 highest levels of employment)	Number of Snr Management and Professionally qualified appointments made in compliance with the employment equity plan (3 highest levels of employment)	2 AM 2 AF	1 AM (Snr) 5 AM 3 AF (Prof)	-	1 AM, 1 AM, 1 AF, 1CF, 1CM	-	1AM, 1AM, 4AF, 1CF, 1CM	-		1 AM (Snr) 5 AM 3 AF (Prof)	
		Comment/corrective actions and/or reason for change													
		As at October 2022 – 1 AF – Professionally qualified													
		As at November 2022 – 1 AF professionally qualified, 1 CM professionally qualified, 1 CF professionally qualified													
KPA 2: Municipal Institutional Development and Transformation	Keep Kouga Growing	Staff Skills Development	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	98% Expenditure of LGSETA funding received for staff development	% Expenditure of LGSETA funding received for staff development	98%	98%	5 of 98%	36/98%	20 of 98%	42/98%	75 of 98%		98 of 98%	
		Comment/corrective actions and/or reason for change													
		To date 42% (R419 637) of R 1 000 000 has been spent Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
		Staff Skills Development	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	30 frontline Staff members given Batho Pele Training by 30 June 2023	Number of frontline staff members that went on Batho Pele Training	New	30	0 of 30	0 of 30	30 of 30	0 of 30	-		30 of 30	
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													
KPA 2: Municipal Institutional Development and Transformation	Keep Kouga Growing	Staff appointment	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	Vacancy rate of <u>equal or</u> less than 3% over a 3-month period against approved Organogram	% Vacancy rate over a 3-month period against approved Organogram	3%	3%	3%	2.4%	2.9%	2.1%	2.8%		2.8%	
		Comment/corrective actions and/or reason for change													
		2.1% as at end of December 2022 Target wording changed on recommendation of the Internal Audit Unit.													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Staff Costs	To manage and develop financial services to ensure financial viability, compliance & reporting.	34.8% of total operational expenditure attributable to staff costs	% Of total operational expenditure attributable to staff costs	34.26%	35%	35%	-	35%	-	35%		35%	
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Capital Budget Expenditure	To manage and develop financial services to ensure financial viability, compliance & reporting.	100% Completion of internally funded capital projects	% Completion of internally funded capital projects	New	100%	5 of 100%	84/100%	45 of 100%	84/100%	75 of 100%		100 of 100%	
		Comment/corrective actions and/or reason for change													
		To date 84% (R854 353 of R 1 020 000 has been spent Target remains unchanged													
KPA 5: Good Governance and Public Participation	Good Governance	Cascade Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence.	1 Service Charter (Which includes service standards for all Departments) developed by 31 March 2023 (Dept target 31 January 2023)	Number of Service Charters Developed by 31 March 2023(Dept target 31 January 2023)	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		0	

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													
KPA 5: Good Governance and Public Participation	Good Governance	Cascade Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence.	98% up time of ICT <u>Server</u> System	% Up time of ICT <u>Server</u> System	New	98%	98%	79.16%	98%	92.48%	98%		98%	
		Comment/corrective actions and/or reason for change													
		As of end of December 92,48% connectivity: Down time attributed to loadshedding and down time is limited to weekends i.e. outside normal working hours Target and KPI changed on recommendation of the Internal Audit Unit													

6.5 DIRECTORATE FINANCE

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Revenue Collection	To manage and Develop financial services to ensure financial viability, compliance & reporting.	95% Revenue collected against revenue raised	% Revenue collected against revenue raised	94.41%	95%	95%	78%	95%	86%	95%		95%	
		Comment/corrective actions and/or reason for change													
		86% - The collection rate is increasing. A new formulae (as required by Treasury) for calculating the collection rate is being used. The new formulae appears to be best applied at the end of the year as an annual collection rate as it takes into account the opening debtors balance and closing debtors balances, together with the movements. The collection rate should therefore increase in the outer 2 Quarters. Target remains unchanged													
		Creditor Payments	To manage and Develop financial services to ensure financial viability, compliance & reporting.	100% of creditors paid within 30 days of invoice	% of creditors paid within 30 days from date of invoice	100%	100%	100%	95%	100%	100%	100%		100%	
		Comment/corrective actions and/or reason for change													
		100% was achieved for Quarter 2 Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Viability	To manage and Develop financial services to ensure financial viability, compliance & reporting.	Current Ratio of higher than 0.9:1	Current Ratio	0.58:1	0.91:1	0.9:1	1.44:1	0.9:1	1.61:1	0.9:1		0.9:1	
		Comment/corrective actions and/or reason for change													
		1.61:1 was achieved at the end of the quarter Target was changed on recommendation of the Internal Audit Unit													
		Financial Viability	To manage and Develop financial services to ensure financial viability, compliance & reporting.	Liquidity ratio of higher than 0.01:1	Liquidity ratio	1.32:1	0.01:1	0.01:1	0.68:1	0.01:1	0.84:1	0.01:1		0.01:1	
		Comment/corrective actions and/or reason for change													
		0.84:1 was achieved at the end of this quarter Target changed on recommendation of the Internal Audit Unit													
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Indigent Support	To manage and develop financial services to ensure financial viability, compliance & reporting.	100% of indigent residents as per Indigent Register with access to free basic services	% of indigent residents as per indigent register with access to free basic services	100%	100%	100%	100%	100%	100%	100%		100%	
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
		Procurement Planning	To manage and develop financial services to ensure financial viability, compliance & reporting.	1 Electronic purchasing system implemented by 31 March 2023	Number of Electronic purchasing systems implemented by 1 March 2023	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		-	
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Planning	To manage and develop financial services to ensure financial viability, compliance & reporting.	1 Long Term Financial Plan completed by 30 June 2023	Number of Long-Term Financial Plans completed by 30 June 2023	New	1	0 of 1	0 of 1	0 of 1	1 of 1	0 of 1		1 of 1	
		Comment/corrective actions and/or reason for change													
		The Long-term Financial Plan was presented and approved by Council on 9 December 2022 Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 5: Good Governance and Public Participation	Good Governance	Cascade Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence.	1 Service Charter (Which includes service standards for all Departments) developed by 31 March 2023 (Dept target 31 January 2023)	Number of Service Charters Developed by 31 March 2023(Dept target 31 January 2023)	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		0	
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													

6.6 DIRECTOR INFRASTRUCTURE AND ENGINEERING

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Infrastruc ture Master Plans	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 Water Master Plan developed by 30 June 2023,	Number of Water Master Plans developed by 30 June 2023.	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		0 of 1	
		Comment/corrective actions and/or reason for change													
		No budget provision for this item Target removed													
		Infrastruc ture Master Plans	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 Sewer Master Plan developed by 30 June 2023, (To include bucket eradication plan).	Number of Sewer Master Plans developed by 30 June 2023.	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		0 of 1	
		Comment/corrective actions and/or reason for change													
		No budget provision was made on this item, an application will be submitted to DBSA, this was endorsed by council in the meeting held on 21 July 2022 to assist Kouga with drafting the sewer master plan through their non-lending support program to local municipalities. No budget provision for this Master Plan Target removed													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
		Water loss reduction	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Reduce water losses to 35% between water purchased/ produced and water sold/ accounted for	% Reduction in water losses between water purchased/ produced and water sold/ accounted for	49.1%	35%	35%	-	35%	-	35%		35%	
		Comment/corrective actions and/or reason for change													
		All bulk meters paid to the metro for usage by private individuals, developments, farms or factories will be handed to the finance department in August to be billed. Municipal building will be audited for water leaks and billing meter details to be given to finance department. Target remains unchanged													
		Water Quality	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	100% Compliance with SANS standards for drinking water	% Compliance with SANS standards for drinking water	New	100%	100%	-	100%	-	100%		100%	
		Comment/corrective actions and/or reason for change													
		A tender document compiled between I&E and Community service are being drafted to be advertised in August 2022 for a accredited lab to perform our tests, chemical as well as Biological for the municipality to increase performance, waiting period and contribute to a more positive blue drop report. The tender was advertised and closed on 18 October 2022. The tender has been approved at BAC. It is currently in its Cool Down phase followed by the compilation of an SLA as the proposed service provider resides in East London. Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced Keep Kouga Safe	Water Quality	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	60% Blue Drop compliance score	% Blue drop compliance score	39.9%	60%	35 of 60%	-	45 of 60%	-	50 of 60%		60 of 60%	
		Comment/corrective actions and/or reason for change													
		Willem Hofmeyr will replace Sinawu in the short term as to chair the task team to drive the project, the manager technical will be the permanent chair of the committee. Training has been done through DWS with all relevant staff and further training for Process controllers will be ongoing. The committee include members from I&E and community service, the selection was done to ensure proper procedures and reporting is done. Different tests will be conducted as prescribed by SANS 241 in compliance with license conditions. A tender was advertised for laboratory services which closed on 18 October 2022. The tender for laboratory services is currently at BEC. Appointment should be made by 28 February 2023. The scope includes process auditing at the Water Treatment works WWTW (monthly) as well as Blue & Green Drop reporting. Interview for appointment of Manger Technical imminent. Calibration of test equipment in process for testing of water to sans 241 standards. Target remains unchanged													
		Drought Mitigation/ Water Security	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 Drought Mitigation/ Water Security Plan implemented by 30 September 2022	Number of Drought Mitigation/ Water Security Plans implemented by 30 September 2022	New	1	1 of 1	-	-	-	-		-	
		Comment/corrective actions and/or reason for change													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
		Plan to be actioned through August 2022. The DWS assisted Kouga with grant funding to augment our water supply in the Kouga region. The implementation phase has started with Humansdorp completed. R57.4m grant funding was allocated by DWS to Kouga as WSIG Funding. Package plants to be erected in St Francis Bay, Hankey and Jeffreys Bay. Additional Bore holes will be drilled in Hankey, St Francis Bay, Kruisfontein and Thornhill. These are all expletory Bore holes Implementation of iron & manganese removal Package plants in process which will assist Kouga Local Municipality in improving the water source availability, however the shortage of potable water will not be completely eradicated. .Package plants at Humansdorp & Jeffreys Bay has been completed. Hankey Package plant under construction and St Francis Bay to start soon. Exploratory Boreholes has been drilled in Kruisfontein, Loerie and Thornhill. The package plants will ensure Kouga municipality of sustainable source of water should the Churchill dam runs dry. The package plants will, as far as water is available from the various sources (fountains, boreholes and Churchill) ensure Kouga municipality of portable water water. Further boreholes are being drilled into various aquifers positions to explore all possible supplement water Target remains unchanged													
KPA1: Basic Services & Infrastructure	Keep Kouga Green	Effluent treatment	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	98% Compliance with SANS standards wastewater treated meeting discharge standards	% Compliance with SANS standards wastewater treated meeting discharge standards	New	98%	98%	-	98%	-	98%		98%	
		Comment/corrective actions and/or reason for change													
		Consultants Roster for various required service providers to be compiled and advertised. Evaluation should be completed by April 2023, and appointment to be done in June 2023. Target remains unchanged													
		Effluent treatment	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	31% Green Drop Score	% Green Drop Score	19%	31%	20 of 31%	-	25 of 31%	-	30 of 31%		31 of 31%	
		Comment/corrective actions and/or reason for change													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
		Kwanomzamo & Weston WWTW registered on MIG to address capacity challenges. The projects were presented at the pre BAC Meeting with MIG in Nov 2022 for the registration. Kwanomzamo & Weston both approved at BAC Meeting Target remains unchanged													
KPA1: Basic Services & Infrastructure	Keep Kouga Green	Renewable Energy	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 Internal workshop for a strategy for renewable energy held by 1 December 2022.	Number of workshops for a Strategy for renewable energy held by 1 December 2022.	New	1	0 of 1	0 of 1	1 of 1	0 of 1	-			
		Comment/corrective actions and/or reason for change													
		Funding to undertake a feasibility study to be secured, this will activate the steps to start the procurement process to appoint service providers at the best rate to supply Kouga will reliable cheaper energy. Service Provider appointed to conduct feasibility study 20MW Plant. The feasibility study is envisaged to be completed by 30 June 2023. During the process tender documents will be compiled to be ready by the time the feasibility has been completed Target remains unchanged													
		Electricity loss reduction	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Reduce non-distribution electricity losses to 10% between electricity purchased and electricity sold/ accounted for	% Reduction in electricity losses between electricity purchased and electricity sold/ accounted for	12.33%	5.3%	12%	5.3%	12%	-	11%		10%	
		Comment/corrective actions and/or reason for change													
			Tender will be awarded to a service provider during August 2022 to assist Kouga inspecting all prepaid meters within its license jurisdiction. Non-revenue losses already 5.3%. Tender awarded to Ontek for the vending service. TID rolled over is part of the service offered to Kouga free of charge whereby all meters found to be tampered with to be reported and action to be taken against the account holder. Target remains unchanged												

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	MIG Expenditure	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	100% of MIG Grant funding spent	% Expenditure of MIG Grant Funding <u>spent</u>	41.85%	100%	5 of 100%	-	45 of 100%	-	75 of 100%		100 of 100%	
		Comment/corrective actions and/or reason for change													
		Hankey Sanitation phase 3 Contractor appointed (RUDCO). LRC was also appointed for the upgrading of the Loerie Sports field. The roads resealed tender was awarded to Invula Roads & Civils Target remains unchanged. KPI Changed as per recommendations of the Internal Audit Unit													
KPA1: Basic Services & Infrastructure	Keep Kouga Green	Climate Change Management	Building energy efficiency	100% of municipal buildings have an energy efficiency improvement plan 30 June 2023	% of municipal buildings with an energy efficiency improvement plan	New	100%	0 of 100%	0 of 100%	0 of 100%	0 of 100%	0 of 100%		100 of 100%	
		Comment/corrective actions and/or reason for change													
		The municipality has embarked on a 1.3 MW initiative whereby critical infrastructure will be provided with several Photo Voltic panels and sbattery storage of between 4 to 6 hours. These type infrastructure include the municipality head office, Jeffreys Bay WWTW and WTW. Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Capital Budget Expenditure	To manage and develop financial services to ensure financial viability, compliance & reporting.	100% Completion of internally funded capital projects	% Completion of internally funded capital projects	New	100%	5 of 100%	-	45 of 100%	-	50 of 100%		50 of 100%	
		Comment/corrective actions and/or reason for change													
		Capital projects are ongoing Target remains unchanged													
KPA 5: Good Governance and Public Participation	Good Governance	Cascade Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence.	1 Service Charter (Which includes service standards for all Departments) developed by 31 March 2023 (Dept target 31 January 2023)	Number of Service Charters Developed by 31 March 2023 (Dept target 31 January 2023)	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		0	
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													

6.7 DIRECTORATE PLANNING AND DEVELOPMENT

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 3: Local Economic Development	Keep Kouga Growing	Job Creation	To provide planning services that encourage economic upliftment and Development in the Municipal Area.	110 FTE Jobs created through LED initiatives and capital programs	Number of FTE jobs created through LED initiatives and capital programs	New	110	50 of 110	166 of 110	80 of 110	455 of 110	100 of 110		110 of 110	
		Comment/corrective actions and/or reason for change													
			Total jobs up to end Q2 = 455 Target remains unchanged												

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 3: Local Economic Development	Keep Kouga Growing	Land Use and Building Plan Approval	To provide planning services that encourage economic upliftment and Development I the Municipal Area.	1 Online Customer tracking system for land use and building plan applications implemented by 31 March 2023	Number of Online customer tracking systems for land use and building plan applications implemented by 31 March 2023	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		-	
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													
		External Investments	To provide planning services that encourage economic upliftment and Development I the Municipal Area.	Complete 1 feasibility study for the establishment of a LED Special Purpose Vehicle by 30 June 2023	Number of feasibility studies completed for the establishment of a LED Special Purpose Vehicle completed by 30 June 2023	New	1	0 of 1	0 of 1	0 of 1	0 of 1	0 of 1		1 of 1	
		Comment and corrective actions													
		A Consultant appointed in respect of this project. Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 3: Local Economic Development	Keep Kouga Growing	Corporate Social Responsibility	To provide planning services that encourage economic upliftment and Development I the Municipal Area.	1 Corporate Social Responsibility Policy developed by 30 June 2023 <u>31 December 2022</u>	Number of Corporate Social Responsibility Policy developed by 31 December 2023 <u>31 December 2022</u>	New	1	0 of 1	0 of 1	1 of 1	0 of 1	-		-	
		Comment/corrective actions and/or reason for change													
		Typing error in target corrected													
KPA 3: Local Economic Development	Keep Kouga Smart	Smart City	To provide planning services that encourage economic upliftment and Development I the Municipal Area.	1 Strategic Session held by 1 December 2022 towards the development of a Strategy for the implementation of the Smart City concept	Number of Strategic Sessions held by 1 December 2022 for the development of a Strategy for the implementation of the Smart City concept	New	1	0 of 1	0 of 1	1 of 1	0 of 1	-		-	
		Comment/corrective actions and/or reason for change													
		Institutionalisation of GIS Workshop on 19 October 2022 as a pillar of a SMART City concept. Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Capital Budget Expenditure	To manage and develop financial services to ensure financial viability, compliance & .reporting.	100% Completion of internally funded capital projects	% Completion of internally funded capital projects	New	100%	5 of 100%	100 of 100%	45 of 100%	100 of 100%	75 of 100%		100 of 100%	
		Comment/corrective actions and/or reason for change													
		100% of Capital Funded projects completed Target remains unchanged													

KEY PERFORMANCE AREA	MUNICIPAL SFA	PROJECT NAME	IDP Objective	SDBIP Target (Annual IDP Target 2022/23)	KPI	Baseline	Annual Target	Quarter 1 Target	Actual	Quarter 2 Target	Actual	Quarter 3 Target	Actual	Quarter 4 Target	Actual
KPA 5: Good Governance and Public Participation	Good Governance	Cascade Performance Management	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence.	1 Service Charter (Which includes service standards for all Departments) developed by 31 March 2023 (Dept target 31 January 2023)	Number of Service Charters Developed by 31 March 2023(Dept target 31 January 2023)	New	1	0 of 1	0 of 1	0 of 1	0 of 1	1 of 1		0	
		Comment/corrective actions and/or reason for change													
		Target remains unchanged													

7. DOCUMENTARY EVIDENCE

KPI	DOCUMENTARY EVIDENCE
% Implementation of corrective actions to address AG findings <u>relevant to the 2021/22 year</u>	Audit Corrective Action plan and proof of implementation
% Completion of internally funded capital projects	Completion Certificates/Capital Budget for internally funded Capital Projects
% <u>increase</u> in overall institutional SDBIP implementation performance compared to previous year	Institutional Performance Report for prior and current year
% of staff at line manager and first line supervisor level that <u>have signed performance agreements and is subjected to performance reviews</u>	Signed Performance Agreements
Number of Service Charters Developed by 31 March 2023	Council Resolution approving the Service Charter
% of Line Managers and Staff reporting directly to the Deputy Municipal Manager subjected to quarterly performance reviews	Proof of performance reviews
Number of Media and Communication Policies adopted by Council by 30 April 2023	Council resolution adopting policy
Number of Customer satisfaction surveys completed by 31 October 2022	Customer Satisfaction results
% Integration of job cards with call centre service requests by 30 June 2023	Proof of integration
% 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	Financial records of invoice submissions and certification received
Number of Climate Change Strategies developed by 31 December 2022	Council resolution adopting the climate change strategy

KPI	DOCUMENTARY EVIDENCE
Number of Cemetery Management Systems implemented by 31 March 2023	Service Level agreement with service provider
Tonnes of waste recycled at the Humansdorp Landfill Site	Proof of waste recycled (recycling records)
Number of Snr Management and Professionally qualified appointments made in compliance with the employment equity plan (3 highest levels of employment)	Employment Equity Reports
% Expenditure of LGSETA funding received for staff development	Financial Reports on expenditure of LGSETA grant funding on staff training
Number of frontline staff members that went on Batho Pele Training	Attendance registers for Batho Pele Training
% Vacancy rate over a 3-month period against approved Organogram	Proof of terminations/appointment/funded positions
% Of total operational expenditure attributable to staff costs	Operational expenditure budget/staff costs
% Up time of ICT <u>Server</u> System	Up-time reports on server up time
% Revenue collected against revenue raised	Financial reports on revenue collected against revenue raised
% Creditors paid within 30 days of invoice	Creditors payment Register
Current Ratio	Financial Reports
Liquidity ratio	Financial Reports

KPI	DOCUMENTARY EVIDENCE
% of indigent residents as per indigent register with access to free basic services	Indigent Register
Number of Long-Term Financial Plans completed by 30 June 2023	Council resolution adopting the financial plan
% Reduction in water losses between water purchased/ produced and water sold/ accounted for	Records of water purchased/produced/ records of water sold/accounted for
% Compliance with SANS standards for drinking water	Laboratory reports on drinking water compliance with SANS standards
% Blue drop compliance score	Blue Drop Score card
Number of Drought Mitigation/ Water Security Plans implemented by 30 September 2022	Reports submitted to Council on the implementation of drought mitigation plans
% Compliance with SANS standards wastewater treated meeting discharge standards	Laboratory reports on compliance with SANS standards for treated waste water
Number of workshops for a Strategy for renewable energy held by 1 December 2022.	Attendance register for the workshop
% Reduction in electricity losses between electricity purchased and electricity sold/ accounted for	Electricity purchases/electricity sales/accounted for
% of MIG Grant Funding <u>spent</u>	Payment certificates for MIG related expenditure
% of municipal buildings with an energy efficiency improvement plan	Energy efficiency improvement plan
Number of FTE jobs created through LED initiatives and capital programs	Records of jobs created

KPI	DOCUMENTARY EVIDENCE
Number of Online customer tracking systems for land use and building plan applications implemented by 31 March 2023	Service level agreement with service provider
Number of feasibility studies completed for the establishment of a LED Special Purpose Vehicle completed by 30 June 2023	Council resolution on the feasibility study for the LED Special Purpose Vehicle
Number of Corporate Social Responsibility Policy developed by 31 December <u>2022</u>	Council resolution adopting the Social Responsibility Policy
Number of Strategic Sessions held by 1 December 2022 for the development of a Strategy for the implementation of the Smart City concept	Attendance register for strategic sessions on the Smart City Concept

KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****OFFICE OF THE MUNICIPAL MANAGER****DATE: 30 MARCH 2023****ITEM NO: 23/03/MM7****AMENDMENTS TO THE 2022/23 BUDGET: LEAK DETECTION PROGRAMME**1. Introduction

The purpose of this item is to seek approval for the amendment on the 2022/23 approved budget for conditional grant funding in line with the provisions of Section 28(2)(b) of the Local Government: Municipal Finance Management Act (MFMA).

2. Background

The Kouga Municipality received conditional grant funding from the German Government for the leak detection programme in the water supply network.

The conditional expenditure of the grant includes staff related costs, maintenance of vehicles as well as sufficient insurance cover for the leak detective vehicle procured. The payment of the full grant fund is paid over to the municipality in tranche payments.

In February 2023 a tranche payment was effected in the amount of R316 140.42 and receipt by the Municipality. In order to comply to the legislative requirements stipulated in the Local Government: Municipal Finance Management Act (MFMA) the Municipality is required to have the funds received included in the municipal budget prior to incurring any expenditure herein.

3. Financial Implication

To give effect to the abovementioned the 2022/23 budgeted revenue must be increased by an amount of R316 140.42, and the expenditure be increased by the same amount in terms of Conditions entered into with the German Government.

4. Comments by Directorates:4.1 Deputy Municipal Manager

That the item be supported.

4.2 Municipal Manager

Item noted.

4.3 Acting Director Corporate Services

Item noted

4.4 Director Community Services

Item noted

4.5 Acting Director PDT

Item noted

4.6 Director I&E

Item noted

4.7 CFO

Report noted

5. Financial implications

Grant funding received - R316 140-42

6. Legal implications

Should the funding received not be spent in line with the provisions of the MFMA, such expenditure will be considered as unauthorized expenditure.

7. Other implications

None.

8. Recommendations

8.1 That Council approves the additional grant funding revenue as revenue on the 2022/23 Adjustment Budget.

8.2 That the revenue budget be increased by an amount of R316 140.42 under the leak detective and management project and the expenditure budget be increased by an amount of R316 140.42.

8.3 That the Executive Mayor must report to Ilfeld Municipality Germany, being the funder, and in line with the Co-operation Agreement.

Item prepared by: Acting Chief of Staff



Item approved by: Deputy Municipal Manager



Item endorsed by: Municipal Manager



REPORTS BY
THE
PORTFOLIO
CHAIRPERSON:
FINANCE

KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****FINANCE****DATE: 30 MARCH 2023****ITEM NO: 23/03/F1****RE: LIST OF OBSOLETE EQUIPMENT (ASSETS) THAT WERE IDENTIFIED FOR AUCTION****1. Introduction**

The purpose of this report is to obtain Council approval for disposal of all obsolete and redundant equipment identified by the different departments through a public auction.

2. Background

The yearly asset count was performed in the 2021/22 financial year and various pieces of Property Plant and Equipment (PPE) were identified that were broken/condemned and not financially viable to repair.

The fixed assets register, which indicated these assets as obsolete / condemned, was audited by the Auditor-General. The report for disposal is thus presented to Council annually upon the completion of the audit.

3. List of obsolete equipment:

Asset No	Asset Type	Facility	Description	Years Utilised	Condition	Carrying Value (21/22)
'06975	FURNITURE & FITTINGS	Diaz Street - Shell Museum	CHAIR	5	Condemn	23.11
'06971	FURNITURE & FITTINGS	Diaz Street - Shell Museum	CHAIR	3	Condemn	27.74
'07835	FURNITURE & FITTINGS	St Croix St – Yard	CHAIR	7	Condemn	1.00
'07483	FURNITURE & FITTINGS	Du Plessis St/Main St - Admin Building (Erf197)	CHAIR	5	Condemn	22.83
'09488	FURNITURE & FITTINGS	Du Plessis St/Main St - Admin Building (Erf197)	CHAIR	7	Condemn	-
'07815	FURNITURE & FITTINGS	St Croix St - Mechanical Workshop	CHAIR	7	Condemn	1.00

'06618	FURNITURE & FITTINGS	St Croix St - Mechanical Workshop	HIGH BACK CHAIR	7	Condemn	1.00
'06847	FURNITURE & FITTINGS	St Croix St - Fire Station	SINGLE BED	7	Condemn	1.00
'01006	FURNITURE & FITTINGS	St Croix St - Yard	CHAIR VISITORS	5	Condemn	10.96
'01014	FURNITURE & FITTINGS	DaGama 33 - Admin Building	CHAIR SWIVEL HIGH BACK	7	Condemn	-
'01120	FURNITURE & FITTINGS	DaGama 33 - Admin Building	TABLE/DESK OFFICE	7	Condemn	-
'01281	FURNITURE & FITTINGS	St Croix St - Yard	CHAIR VISITORS	3	Condemn	28.51
'01382	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR VISITORS	7	Condemn	-
'01680	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR VISITORS	7	Condemn	1.00
'01686	FURNITURE & FITTINGS	DaGama 33 - Admin Building	CHAIR TYPIST	7	Condemn	-
'01694	FURNITURE & FITTINGS	Tornyn Street - Pellsrus Community Hall	CABINET FILING	7	Condemn	1.00
'01816	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CABINET- 4 DRAWER	7	Condemn	1.00
'01833	FURNITURE & FITTINGS	St Croix St - IPD Building	CHAIR VISITORS	7	Condemn	1.00
'01844	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR VISITORS	5	Condemn	6.09
'01860	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	TABLE/DESK OFFICE	7	Condemn	1.00
'01953	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR VISITORS	7	Condemn	1.00
'01995	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR SWIVEL HIGH BACK	7	Condemn	-
'02039	FURNITURE & FITTINGS	St Croix St - IPD Building	TABLE - OTHER	7	Condemn	1.00
'02119	FURNITURE & FITTINGS	DaGama 33 - Human Resources Building	CHAIR VISITORS	7	Condemn	-
'02123	FURNITURE & FITTINGS	Diaz Street - Library	CHAIR VISITORS	7	Condemn	-

'02145	FURNITURE & FITTINGS	Diaz Street – Library	CHAIR VISITORS	7	Condemn	-
'02146	FURNITURE & FITTINGS	Diaz Street – Library	CHAIR VISITORS	7	Condemn	1.00
'02215	FURNITURE & FITTINGS	Diaz Street – Library	CHAIR TYPIST	7	Condemn	-
'02241	FURNITURE & FITTINGS	Diaz Street – Library	TABLE - OTHER	7	Condemn	1.00
'02270	FURNITURE & FITTINGS	Diaz Street – Library	CHAIR TYPIST	7	Condemn	-
'02339	FURNITURE & FITTINGS	Heugh Street 42 - Die Huis	CHAIR SWIVEL HIGH BACK	7	Condemn	1.00
'02342	FURNITURE & FITTINGS	Heugh Street 42 - Traffic & Technical Offices	CHAIR TYPIST	5	Condemn	10.69
'02651	FURNITURE & FITTINGS	St Croix St - SCM & Stores	SCALE	7	Condemn	1.00
'02693	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR TYPIST	7	Condemn	1.00
'03066	FURNITURE & FITTINGS	Duine Weg - Pellsrus Caravan Park	COUCH	7	Condemn	1.00
'03077	FURNITURE & FITTINGS	Duine Weg - Pellsrus Caravan Park	COUCH	7	Condemn	1.00
'03078	FURNITURE & FITTINGS	Duine Weg - Pellsrus Caravan Park	COUCH	7	Condemn	1.00
'03196	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR VISITORS	7	Condemn	-
'03273	FURNITURE & FITTINGS	Du Plessis St/Main St - Admin Building (Erf197)	CHAIR SWIVEL HIGH BACK	7	Condemn	1.00
'03511	FURNITURE & FITTINGS	R102 Rd - Fire Brigade & Testing Station	WATER DISPENSER	7	Condemn	1.00
'03529	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	TABLE/DESK OFFICE	7	Condemn	1.00
'03532	FURNITURE & FITTINGS	R102 Rd - Fire Brigade & Testing Station	CHAIR SWIVEL HIGH BACK	7	Condemn	1.00
'03614	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	TABLE/DESK OFFICE	7	Condemn	1.00
'03628	FURNITURE & FITTINGS	Du Plessis St/Main St -	CHAIR VISITORS	7	Condemn	-

		Admin Building (Erf197)				
'03682	FURNITURE & FITTINGS	Bureau Street - Library (Erf 653)	STAND	5	Condemn	18.37
'03685	FURNITURE & FITTINGS	Bureau Street - Library (Erf 653)	TABLE/DESK OFFICE	7	Condemn	1.00
'03726	FURNITURE & FITTINGS	Bureau Street - Library (Erf 653)	STONE BENCH	7	Condemn	-
'03740	FURNITURE & FITTINGS	Bureau Street - Library (Erf 653)	03685TROLLEY	5	Condemn	2.25
'03823	FURNITURE & FITTINGS	Douglas Street/Hankey - Stores & Workshops	BOOK SHELF	7	Condemn	-
'03841	FURNITURE & FITTINGS	Heugh Street 42 - Die Huis	CHAIR VISITORS	7	Condemn	1.00
'03925	FURNITURE & FITTINGS	St Croix St – Yard	CHAIR TYPIST	7	Condemn	1.00
'04021	FURNITURE & FITTINGS	Heugh Street 42 - Die Huis	CHAIR VISITORS	7	Condemn	1.00
'04025	FURNITURE & FITTINGS	Stores & Workshops	CHAIR SWIVEL HIGH BACK	7	Condemn	1.00
'04098	FURNITURE & FITTINGS	St Croix St – Yard	CHAIR TYPIST	5	Condemn	10.69
'04242	FURNITURE & FITTINGS	Heugh Street 42 - Die Huis	CHAIR STACKABLE	7	Condemn	1.00
'04245	FURNITURE & FITTINGS	Heugh Street 42 - Die Huis	CHAIR STACKABLE	7	Condemn	1.00
'04317	FURNITURE & FITTINGS	Bureau Street - Library (Erf 653)	CHAIR STACKABLE	7	Condemn	-
'04372	FURNITURE & FITTINGS	R102 Rd - Fire Brigade & Testing Station	CHAIR VISITORS	7	Condemn	1.00
'04760	FURNITURE & FITTINGS	Assisi Drive - Admin Building	PUNCHER	3	Condemn	46.08
'04792	FURNITURE & FITTINGS	Assisi Drive - Admin Building	CABINET BOOKS	5	Condemn	30.16
'04834	FURNITURE & FITTINGS	Assisi Drive - Admin Building	TABLE-BUILT IN	3	Condemn	29.63
'05012	FURNITURE & FITTINGS	St Francis Drive - Stores & Workshops	CHAIR VISITORS	7	Condemn	-
'05109	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	CHAIR SWIVEL HIGH BACK	5	Condemn	5.02
'05127	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	SHELVES	7	Condemn	-
'05325	FURNITURE & FITTINGS	Main Street/Hankey - Admin Building	TABLE	5	Condemn	1.97

'05489	FURNITURE & FITTINGS	Paul Ferreira Street - Admin Building	CHAIR VISITORS	5	Condemn	5.08
'06143	FURNITURE & FITTINGS	Paul Ferreira Street - Admin Building	PORTABLE FAN	5	Condemn	9.22
'00929	FURNITURE & FITTINGS	Bureau Street - Library (Erf 653)	CHAIR TYPIST	5	Condemn	5.94
'01200	FURNITURE & FITTINGS	DaGama 33 - Human Resources Building	CHAIR VISITORS	7	Condemn	-
'01717	FURNITURE & FITTINGS	St Croix St - Workshop Middle	CHAIR SWIVEL HIGH BACK	7	Condemn	-
'01763	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR VISITORS	7	Condemn	-
'01890	FURNITURE & FITTINGS	Heugh Street 42 - Die Huis	CHAIR TYPIST	7	Condemn	1.00
'03484	FURNITURE & FITTINGS	St Croix St - Yard	FILE SUPPORT RACKS	3	Condemn	19.74
'06351	FURNITURE & FITTINGS	Tiger Street - Councillors Office : Ward 10	TABLE/DESK OFFICE	7	Condemn	1.00
'06360	FURNITURE & FITTINGS	Main Street/Hankey - Admin Building	CHAIR VISITORS	5	Condemn	23.76
'06368	FURNITURE & FITTINGS	Suikerkan Street - Councillors Office : Ward 4	CHAIR VISITORS	7	Condemn	-
'06654	FURNITURE & FITTINGS	St Croix St - SCM & Stores	TABLE BOARD ROOM	7	Condemn	-
'06762	FURNITURE & FITTINGS	Heugh Street 42 - Die Huis	CHAIR SWIVEL HIGH BACK	7	Condemn	-
'07252	FURNITURE & FITTINGS	R102 Rd - Fire Brigade & Testing Station	CHAIR VISITORS	7	Condemn	1.00
'07322	FURNITURE & FITTINGS	Heugh Street 42 - Traffic & Technical Offices	CHAIR VISITORS	7	Condemn	-
'07390	FURNITURE & FITTINGS	St Croix St - IPD Building	CHAIR SWIVEL HIGH BACK	7	Condemn	-
'07538	FURNITURE & FITTINGS	St Croix St - Workshop Middle	CHAIR SWIVEL HIGH BACK	7	Condemn	-
'07594	FURNITURE & FITTINGS	St Croix St - SCM & Stores	CHAIR TYPIST	7	Condemn	-

'07691	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR SWIVEL HIGH BACK	7	Condemn	-
'07697	FURNITURE & FITTINGS	DaGama 33 - Human Resources Building	CHAIR SWIVEL HIGH BACK	7	Condemn	-
'07742	OFFICE EQUIPMENT	Woltemade Street - IDP Offices	SHREDDER	7	Condemn	-
'07891	FURNITURE & FITTINGS	DaGama 33 - Admin Building	DISPENSER WATER	7	Condemn	1.00
'07990	FURNITURE & FITTINGS	Rooikloof Street - Ramaphosa Library	CHAIR TYPIST	7	Condemn	1.00
'07991	FURNITURE & FITTINGS	Rooikloof Street - Ramaphosa Library	TABLE/DESK OFFICE	7	Condemn	1.00
'08188	FURNITURE & FITTINGS	Duine Weg - Pellsrus Caravan Park	STEP LADDER	7	Condemn	1.00
'08205	FURNITURE & FITTINGS	Woltemade Street - IDP Offices	DISPENSER WATER	7	Condemn	1.00
'08332	FURNITURE & FITTINGS	Diaz Street - Library	CHAIR VISITORS	7	Condemn	-
'08408	FURNITURE & FITTINGS	St Croix St - SCM & Stores	CHAIR TYPIST	7	Condemn	-
'08587	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR SWIVEL HIGH BACK	7	Condemn	1.00
'08640	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR VISITORS	7	Condemn	1.00
'09065	FURNITURE & FITTINGS	St Croix St - SCM & Stores	CHAIR STACKABLE	7	Condemn	-
'09075	FURNITURE & FITTINGS	St Croix St - SCM & Stores	TABLE BOARD ROOM	7	Condemn	-
'09112	FURNITURE & FITTINGS	St Francis Drive - Stores & Workshops	KITCHEN CUPBOARD	7	Condemn	1.00
'09208	FURNITURE & FITTINGS	Heugh Street 42 - Traffic & Technical Offices	STAND	3	Condemn	9.89
'09252	FURNITURE & FITTINGS	Bureau Street - Library (Erf 653)	TABLE/DESK OFFICE	5	Condemn	21.95
'09308	FURNITURE & FITTINGS	R102 Rd - Fire Brigade & Testing Station	NOTICE BOARD	3	Condemn	9.89

'09377	FURNITURE & FITTINGS	R102 Rd - Fire Brigade & Testing Station	NOTICE BOARD	3	Condemn	9.89
'09610	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	CHAIR VISITORS	5	Condemn	10.96
'09667	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	CHAIR VISITORS	5	Condemn	13.21
'09670	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	CHAIR VISITORS	5	Condemn	10.96
'10119	FURNITURE & FITTINGS	Weston Community Hall	KITCHEN CUPBOARD	5	Condemn	16.45
'10127	FURNITURE & FITTINGS	Weston Community Hall	KITCHEN CUPBOARD	5	Condemn	16.45
'10145	FURNITURE & FITTINGS	Weston Library	DESK RECEPTION	5	Condemn	178.29
'09907	OFFICE EQUIPMENT	Duine Weg - Pellsrus Caravan Park	MICROWAVE DEFY 20L	7	Condemn	-
'10533	OFFICE EQUIPMENT	Duine Weg - Pellsrus Caravan Park	HISENSE FRIDGE 345L	7	Condemn	1.00
'10611	FURNITURE & FITTINGS	DaGama 33 - Human Resources Building	MANHATTAN TYPIST CHAIR	7	Condemn	-
'10795	FURNITURE & FITTINGS	Voortrekker Rd - Technical Services	CUPBOARDS	7	Condemn	-
'10878	FURNITURE & FITTINGS	St Croix St - Yard	CHAIR HIGHBACK	5	Condemn	237.91
'11436	FURNITURE & FITTINGS	Library Ukhanyiso	TYPIST CHAIR-HIGHBACK	7	Condemn	1.00
'11759	FURNITURE & FITTINGS	St Croix St - Yard	CHAIR HIGHBACK LEATHER	5	Condemn	213.70
'11743	OFFICE EQUIPMENT	Duine Weg - Pellsrus Caravan Park	MICROWAVE OVEN	7	Condemn	1.00
'11034	FURNITURE & FITTINGS	Rooikloof Street - Ramaphosa Library	HIGHBACK CHAIR	7	Condemn	1.00
'11861	FURNITURE & FITTINGS	St Croix St - Yard	TYPIST CHAIR - BLUE	5	Condemn	134.37
'10749	FURNITURE & FITTINGS	Weston Library	VISITORS CHAIR - MAROON	5	Condemn	137.81
'11078	FURNITURE & FITTINGS	Rooikloof Street - Ramaphosa Library	VISITORS CHAIR - MAROON	7	Condemn	1.00
'11080	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	VISITORS CHAIR - MAROON	5	Condemn	137.81

'11056	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	VISITORS CHAIR - MAROON	5	Condemn	137.81
'11099	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	VISITORS CHAIR - MAROON	5	Condemn	76.55
'11055	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	VISITORS CHAIR - MAROON	5	Condemn	137.81
'13944	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	VISITORS CHAIR - MAROON	5	Condemn	137.81
'11093	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	VISITORS CHAIR - MAROON	5	Condemn	137.81
'12287	FURNITURE & FITTINGS	St Croix St - Workshop Public Works	CHAIR VISITORS	7	Condemn	1.00
'11890	FURNITURE & FITTINGS	Bureau Street - Library (Erf 653)	STACKABLE CHAIRS	7	Condemn	-
'11027	FURNITURE & FITTINGS	Rooikloof Street - Ramaphosa Library	TROLLEY	7	Condemn	1.00
'06586	FURNITURE & FITTINGS	Councillors Office : Ward 9	PEDESTAL	7	Condemn	-
'10692	FURNITURE & FITTINGS	Tornyn Street - Pellsrus Community Hall	TABLE/DESK OFFICE	7	Condemn	1.00
'T00055	OFFICE EQUIPMENT	Bureau Street - Library (Erf 653)	VACUUM CLEANER	7	Condemn	1.00
'08210	IT EQUIPMENT	DaGama 33 - Admin Building	LAPTOP	5	Condemn	-
'08180	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	TELBOS	7	Condemn	-
'08345	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	-
'08330	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	TELEPHONE	7	Condemn	-
'08325	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	-
'09815	OFFICE EQUIPMENT	Woltemade Street - IDP Offices	TELEPHONE	7	Condemn	1.00
'09822	OFFICE EQUIPMENT	Councillors Office : Ward 7	COMPUTER CPU	5	Condemn	63.70
'06168	IT EQUIPMENT	DaGama 33 - Admin Building	COMPUTER CPU	5	Condemn	1.00
'01854	OFFICE EQUIPMENT	DaGama 33 - Admin Building	SHREDDER PAPER	7	Condemn	-
'07609	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	1.00

'06898	OFFICE EQUIPMENT	St Croix St - Yard	PRINTER	5	Condemn	1.00
'06193	OFFICE EQUIPMENT	St Croix St - SCM & Stores	PRINTER	5	Condemn	1.00
'03238	OFFICE EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	PAPER CUTTER	5	Condemn	4.57
'03257	OFFICE EQUIPMENT	DaGama 33 - Admin Building	CALCULATOR	7	Condemn	-
'03235	OFFICE EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	HEAVY DUTY PUNCHER	5	Condemn	1.83
'07179	OFFICE EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	CALCULATOR	3	Condemn	9.89
'09235	OFFICE EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	PRINTER COMPUTER	5	Condemn	-
'08132	IT EQUIPMENT	St Croix St - Yard	LAPTOP	5	Condemn	1.00
'09598	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	MICROWAVE	7	Condemn	1.00
'06803	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	PRINTER - CANON	5	Condemn	1.00
'06544	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	PRINTER VENDOR	7	Condemn	-
'01250	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'07216	OFFICE EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	AIR CONDITIONER	5	Condemn	-
'01403	IT EQUIPMENT	Woltemade Street - IDP Offices	MONITOR COMPUTER	5	Condemn	-
'01071	IT EQUIPMENT	DaGama 33 - Admin Building	SCANNER COMPUTER	5	Condemn	-
'05957	OFFICE EQUIPMENT	DaGama 33 - Admin Building	PRINTER COMPUTER	5	Condemn	-
'08359	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TYPING MACHINE	7	Condemn	-

'08556	IT EQUIPMENT	St Croix St - Yard	PRINT SERVER	5	Condemn	-
'08600	OFFICE EQUIPMENT	DaGama 33 - Admin Building	HEATER	5	Condemn	-
'01460	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01489	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01689	OFFICE EQUIPMENT	Tornyn Street - Pellsrus Community Hall	PRINTER COMPUTER	5	Condemn	-
'01698	OFFICE EQUIPMENT	Tornyn Street - Pellsrus Community Hall	HEATER	5	Condemn	-
'01604	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'02292	IT EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	MONITOR COMPUTER	3	Condemn	5.12
'01936	IT EQUIPMENT	Woltemade Street - IDP Offices	COMPUTER CPU	5	Condemn	1.00
'01978	OFFICE EQUIPMENT	Diaz Street - Library	STOVE ELECTRIC	5	Condemn	-
'01985	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	SHREDDER PAPER	7	Condemn	-
'02213	IT EQUIPMENT	Diaz Street - Library	COMPUTER CPU	5	Condemn	1.00
'02245	OFFICE EQUIPMENT	Diaz Street - Library	TELEVISION	10	Condemn	-
'06271	OFFICE EQUIPMENT	DaGama 33 - Admin Building	DVD WRITER	7	Condemn	-
'06792	IT EQUIPMENT	DaGama 33 - Admin Building	MONITOR COMPUTER	5	Condemn	1.00
'02418	OFFICE EQUIPMENT	St Croix St - IPD Building	AIR CONDITIONER	5	Condemn	1.00
'02458	OFFICE EQUIPMENT	St Croix St - IPD Building	AIR CONDITIONER	5	Condemn	-
'02478	OFFICE EQUIPMENT	St Croix St - IPD Building	AIR CONDITIONER	5	Condemn	1.00
'02610	OFFICE EQUIPMENT	St Croix St - SCM & Stores	AIR CONDITIONER	5	Condemn	-
'02625	OFFICE EQUIPMENT	St Croix St - SCM & Stores	AIR CONDITIONER	5	Condemn	1.00
'02637	OFFICE EQUIPMENT	St Croix St - SCM & Stores	AIR CONDITIONER	5	Condemn	-

'02679	OFFICE EQUIPMENT	St Croix St - SCM & Stores	AIR CONDITIONER	5	Condemn	-
'13857	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	PRINTER COMPUTER	5	Condemn	-
'02703	OFFICE EQUIPMENT	St Croix St - SCM & Stores	AIR CONDITIONER	5	Condemn	-
'03100	OFFICE EQUIPMENT	Duine Weg - Pellsrus Caravan Park	WASHING MACHINE	5	Condemn	1.00
'03475	OFFICE EQUIPMENT	St Croix St - Yard	MICROPHONE	8	Condemn	18.07
'03859	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	AIR CONDITIONER	3	Condemn	31.61
'04069	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	PRINTER FAX COMBO	3	Condemn	13.43
'04080	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	AIR CONDITIONER	5	Condemn	1.00
'04109	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	AIR CONDITIONER	3	Condemn	35.55
'04181	IT EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	MONITOR COMPUTER	5	Condemn	-
'04197	IT EQUIPMENT	St Croix St - Technical Services	MONITOR COMPUTER	5	Condemn	-
'04212	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	AIR CONDITIONER	5	Condemn	1.00
'04382	OFFICE EQUIPMENT	Heugh Street 42 - Die Huis	SHREDER	5	Condemn	1.00
'04434	OFFICE EQUIPMENT	Woltemade Street - IDP Offices	TELEPHONE	7	Condemn	1.00
'04704	OFFICE EQUIPMENT	Cupido Street - Kruisfontein Library & Hall	STOVE ELECTRIC	5	Condemn	-
'04706	OFFICE EQUIPMENT	Cupido Street - Kruisfontein Library & Hall	REFRIGIRATOR	5	Condemn	-

'01606	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'08622	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	-
'07451	IT EQUIPMENT	DaGama 33 - Admin Building	SWITCH	5	Condemn	-
'08505	IT EQUIPMENT	DaGama 33 - Admin Building	LAPTOP	5	Condemn	-
'01831	OFFICE EQUIPMENT	DaGama 33 - Admin Building	PRINTER COMPUTER	5	Condemn	-
'01964	OFFICE EQUIPMENT	DaGama 33 - Admin Building	PRINTER COMPUTER	5	Condemn	1.00
'01496	OFFICE EQUIPMENT	DaGama 33 - Admin Building	CALCULATOR	7	Condemn	-
'01897	OFFICE EQUIPMENT	Paul Ferreira Street - Admin Building	HEATER	5	Condemn	-
'02072	IT EQUIPMENT	DaGama 33 - Admin Building	MONITOR COMPUTER	5	Condemn	-
'05016	OFFICE EQUIPMENT	St Francis Drive - Stores & Workshops	AIR CONDITIONER	5	Condemn	-
'05085	IT EQUIPMENT	St Francis Drive - Stores & Workshops	MONITOR COMPUTER	5	Condemn	-
'05191	OFFICE EQUIPMENT	Main Street/Hankey - Phillipsville Library	PRINTER COMPUTER	3	Condemn	21.33
'05327	OFFICE EQUIPMENT	Main Street/Hankey - Admin Building	AIR CONDITIONER	5	Condemn	-
'05359	OFFICE EQUIPMENT	Main Street/Hankey - Admin Building	TELEVISION - DVD COMBO	10	Condemn	-
'05584	OFFICE EQUIPMENT	Rooikloof Street - Ramaphosa Library	TELEPHONE	7	Condemn	-
'05846	OFFICE EQUIPMENT	Tornyn Street - Pellsrus Community Hall	STANDING FAN	5	Condemn	1.00
'05852	OFFICE EQUIPMENT	Tornyn Street - Pellsrus Community Hall	FAN - SALTON	5	Condemn	-
'06031	OFFICE EQUIPMENT	Diaz Street - Shell Museum	AIR CONDITIONER	5	Condemn	-
'07014	OFFICE EQUIPMENT	DaGama 33 - Admin Building	PROJECTOR	7	Condemn	-

'06060	OFFICE EQUIPMENT	Woltemade Street - IDP Offices	PRINTER COMPUTER	5	Condemn	-
'06090	IT EQUIPMENT	Woltemade Street - IDP Offices	COMPUTER CPU	5	Condemn	1.00
'06091	IT EQUIPMENT	Woltemade Street - IDP Offices	COMPUTER CPU	5	Condemn	1.00
'06138	OFFICE EQUIPMENT	Rooikloof Street - Ramaphosa Library	OVEN MICROWAVE	2	Condemn	80.00
'01681	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01682	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	1.00
'08481	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	-
'06087	IT EQUIPMENT	St Croix St - Yard	LAPTOP	5	Condemn	1.00
'06471	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	PRINTER COMPUTER	5	Condemn	-
'00962	IT EQUIPMENT	St Croix St - Yard	MONITOR COMPUTER	5	Condemn	1.00
'00963	OFFICE EQUIPMENT	Bureau Street - Library (Erf 653)	HEATER	5	Condemn	-
'05324	OFFICE EQUIPMENT	DaGama 33 - Admin Building	CALCULATOR	7	Condemn	-
'05735	OFFICE EQUIPMENT	Park Street - Country Club	STOVE ELECTRIC	5	Condemn	-
'05740	OFFICE EQUIPMENT	Park Street - Country Club	BAY MIRY	5	Condemn	-
'05741	OFFICE EQUIPMENT	Park Street - Country Club	STOVE ELECTRIC	5	Condemn	-
'05809	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	PRINTER COMPUTER	5	Condemn	1.00
'05837	IT EQUIPMENT	DaGama 33 - Human Resources Building	MONITOR COMPUTER	5	Condemn	-
'05734	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	1.00
'07588	OFFICE EQUIPMENT	DaGama 33 - Admin Building	CALCULATOR	7	Condemn	-
'06251	IT EQUIPMENT	St Croix St - Yard	LAPTOP	5	Condemn	-

'06255	IT EQUIPMENT	DaGama 33 - Admin Building	LAPTOP	5	Condemn	-
'06868	IT EQUIPMENT	DaGama 33 - Human Resources Building	COMPUTER CPU	5	Condemn	-
'06391	IT EQUIPMENT	Paul Ferreira Street - Admin Building	MONITOR COMPUTER	2	Condemn	5.76
'01814	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01242	OFFICE EQUIPMENT	DaGama 33 - Admin Building	PRINTER COMPUTER	5	Condemn	-
'06700	IT EQUIPMENT	Heugh Street 42 - Die Huis	MONITOR COMPUTER	5	Condemn	1.00
'06745	OFFICE EQUIPMENT	Heugh Street 42 - Die Huis	PRINTER COMPUTER	5	Condemn	-
'06789	IT EQUIPMENT	Councillors Office : Ward 7	MONITOR COMPUTER	1	Condemn	3.84
'01654	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01857	OFFICE EQUIPMENT	DaGama 33 - Admin Building	CALCULATOR	7	Condemn	-
'04749	OFFICE EQUIPMENT	DaGama 33 - Admin Building	CALCULATOR	7	Condemn	-
'01527	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	1.00
'01660	IT EQUIPMENT	Paul Ferreira Street - Admin Building	MONITOR COMPUTER	5	Condemn	-
'07254	OFFICE EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	SHREDDER PAPER	7	Condemn	1.00
'07262	IT EQUIPMENT	St Croix St - Yard	MONITOR COMPUTER	3	Condemn	5.12
'07285	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	AIR CONDITIONER	5	Condemn	1.00
'07316	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	AIR CONDITIONER	5	Condemn	1.00
'06610	IT EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	COMPUTER CPU	3	Condemn	192.00
'02334	IT EQUIPMENT	St Croix St - Technical Services	COMPUTER UPS	2	Condemn	8.64

'05761	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	TELEPHONE	7	Condemn	-
'07702	OFFICE EQUIPMENT	St Croix St - IPD Building	PRINTER COMPUTER	5	Condemn	1.00
'01375	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01670	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'06072	IT EQUIPMENT	Woltemade Street - IDP Offices	MONITOR COMPUTER	5	Condemn	-
'07877	OFFICE EQUIPMENT	St Croix St - SCM & Stores	VACUUM CLEANER	5	Condemn	-
'08461	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	TELEPHONE	7	Condemn	-
'07982	OFFICE EQUIPMENT	Tiger Street - Councillors Office : Ward 10	TELEPHONE	7	Condemn	1.00
'07997	IT EQUIPMENT	Rooikloof Street - Ramaphosa Library	COMPUTER CPU	5	Condemn	1.00
'07998	IT EQUIPMENT	Rooikloof Street - Ramaphosa Library	MONITOR COMPUTER	5	Condemn	1.00
'07999	IT EQUIPMENT	Rooikloof Street - Ramaphosa Library	COMPUTER CPU	5	Condemn	1.00
'08000	IT EQUIPMENT	Rooikloof Street - Ramaphosa Library	COMPUTER CPU	5	Condemn	1.00
'08485	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	1.00
'08177	OFFICE EQUIPMENT	Woltemade Street - IDP Offices	TELEPHONE	7	Condemn	1.00
'08182	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	-
'08194	OFFICE EQUIPMENT	Diaz Street - Shell Museum	TELEPHONE	7	Condemn	1.00
'08206	OFFICE EQUIPMENT	Woltemade Street - IDP Offices	HEATER	5	Condemn	-
'03251	OFFICE EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	AIR CONDITIONER	5	Condemn	-

'06097	IT EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	COMPUTER CPU	3	Condemn	470.19
'09528	IT EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	COMPUTER UPS	5	Condemn	-
'07237	OFFICE EQUIPMENT	Du Plessis St/Main St - Admin Building (Erf197)	PRINTER	5	Condemn	1.00
'07371	OFFICE EQUIPMENT	Assisi Drive - Admin Building	PRINTER	2	Condemn	22.52
'09156	OFFICE EQUIPMENT	St Croix St - SCM & Stores	TELEPHONE	7	Condemn	1.00
'04772	OFFICE EQUIPMENT	Assisi Drive - Admin Building	PAPER PUNCH	3	Condemn	11.52
'04887	OFFICE EQUIPMENT	Assisi Drive - Admin Building	GUILLOTINE	5	Condemn	3.39
'04891	OFFICE EQUIPMENT	Assisi Drive - Admin Building	SHREDDER PAPER	7	Condemn	-
'04892	OFFICE EQUIPMENT	Assisi Drive - Admin Building	PRINTER LARGE - PLANS	5	Condemn	-
'04895	OFFICE EQUIPMENT	Assisi Drive - Admin Building	VACUUM CLEANER	5	Condemn	-
'01493	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	-
'01542	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01548	IT EQUIPMENT	DaGama 33 - Admin Building	COMPUTER UPS	5	Condemn	-
'03935	IT EQUIPMENT	DaGama 33 - Human Resources Building	LAPTOP	5	Condemn	-
'05929	IT EQUIPMENT	DaGama 33 - Admin Building	LAPTOP	5	Condemn	-
'06041	IT EQUIPMENT	DaGama 33 - Human Resources Building	LAPTOP	5	Condemn	-
'05940	IT EQUIPMENT	DaGama 33 - Human Resources Building	LAPTOP	5	Condemn	-
'08511	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	TELEPHONE	7	Condemn	-

'08520	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	TELEPHONE	7	Condemn	-
'03623	OFFICE EQUIPMENT	St Croix St - Yard	AMPLIFIER AUDIO	10	Condemn	1.00
'03647	OFFICE EQUIPMENT	St Croix St - Yard	AMPLIFIER AUDIO	10	Condemn	1.00
'01629	OFFICE EQUIPMENT	DaGama 33 - Admin Building	CALCULATOR	7	Condemn	-
'01385	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01910	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01922	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'08732	IT EQUIPMENT	DaGama 33 - Admin Building	LAPTOP	5	Condemn	-
'02681	IT EQUIPMENT	DaGama 33 - Admin Building	COMPUTER UPS	5	Condemn	-
'02702	OFFICE EQUIPMENT	DaGama 33 - Admin Building	HEAVY DUTY PUNCHER	7	Condemn	-
'08805	OFFICE EQUIPMENT	St Croix St - IPD Building	VACUUM CLEANER	5	Condemn	1.00
'08843	OFFICE EQUIPMENT	DaGama 33 - Human Resources Building	TELEPHONE	7	Condemn	-
'08884	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	TELEPHONE	7	Condemn	-
'09060	IT EQUIPMENT	St Croix St - SCM & Stores	MONITOR COMPUTER	5	Condemn	1.00
'09072	OFFICE EQUIPMENT	St Croix St - SCM & Stores	TELEPHONE	7	Condemn	-
'08554	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	1.00
'08563	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	1.00
'08588	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	1.00
'04819	OFFICE EQUIPMENT	Assisi Drive - Admin Building	AIR CONDITIONER	2	Condemn	58.37
'01615	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'06225	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'09172	OFFICE EQUIPMENT	Heugh Street 42 - Traffic &	AIR CONDITIONER	5	Condemn	1.00

		Technical Offices				
'09214	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	TELEPHONE	3	Condemn	3.30
'09293	OFFICE EQUIPMENT	Heugh Street 42 - Die Huis	AIR CONDITIONER	5	Condemn	1.00
'09295	OFFICE EQUIPMENT	Heugh Street 42 - Traffic & Technical Offices	PRINTER COMPUTER	5	Condemn	1.00
'09151	OFFICE EQUIPMENT	Assisi Drive - Admin Building	TELEPHONE	3	Condemn	7.14
'09645	IT EQUIPMENT	Main Street/Hankey - Admin Building	COMPUTER UPS	3	Condemn	6.40
'09661	OFFICE EQUIPMENT	Suikerkan Street - Councillors Office : Ward 4	TELEPHONE	7	Condemn	-
'09663	OFFICE EQUIPMENT	Suikerkan Street - Councillors Office : Ward 4	PRINTER COMPUTER	5	Condemn	-
'07497	OFFICE EQUIPMENT	DaGama 33 - Admin Building	PRINTER	5	Condemn	-
'10042	OFFICE EQUIPMENT	Stores & Workshops	TELEPHONE	7	Condemn	1.00
'06844	OFFICE EQUIPMENT	DaGama 33 - Admin Building	PUNCH	7	Condemn	-
'10106	OFFICE EQUIPMENT	St Croix St - Workshop Public Works	REFRIGIRATOR	5	Condemn	-
'10162	OFFICE EQUIPMENT	Park Street - Country Club	STOVE ELECTRIC	5	Condemn	-
'10364	OFFICE EQUIPMENT	St Croix St - Workshop Public Works	REFRIGIRATOR	5	Condemn	1.00
'10373	OFFICE EQUIPMENT	Councillors Office : Ward 7	TELEPHONE	3	Condemn	21.41
'09993	OFFICE EQUIPMENT	Bureau Street - Library (Erf 653)	DVD PLAYER	10	Condemn	1.00
'10570	IT EQUIPMENT	St Croix St - Yard	LAPTOP	5	Condemn	-
'10540	IT EQUIPMENT	DaGama 33 - Admin Building	LAPTOP	5	Condemn	-
'10984	IT EQUIPMENT	DaGama 33 - Human Resources Building	COMPUTER LAPTOP	5	Condemn	-

'11316	OFFICE EQUIPMENT	St Croix St - SCM & Stores	VOICE RECORDER	7	Condemn	-
'10909	OFFICE EQUIPMENT	St Croix St - IPD Building	VACUUM CLEANER	5	Condemn	-
'10902	OFFICE EQUIPMENT	St Croix St - IPD Building	VACUUM CLEANER	5	Condemn	-
'11993	OFFICE EQUIPMENT	Suikerkan Street - Councillors Office : Ward 4	TELEPHONE ETEL	7	Condemn	-
'07689	OFFICE EQUIPMENT	Main Street/Hankey - Phillipsville Library	TELEPHONE	7	Condemn	-
'15986	OFFICE EQUIPMENT	Assisi Drive - Admin Building	TELEPHONE	3	Condemn	18.29
'10776	OFFICE EQUIPMENT	Main Street/Hankey - Admin Building	TELEPHONE-ETEL	3	Condemn	18.29
'11030	OFFICE EQUIPMENT	Paul Ferreira Street - Admin Building	TELEPHONE - ETEL	7	Condemn	-
'11379	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	-
'12596	OFFICE EQUIPMENT	DaGama 33 - Admin Building	TELEPHONE	7	Condemn	1.00
'12967	OFFICE EQUIPMENT	Duine Weg - Pellsrus Caravan Park	TELEPHONE	7	Condemn	-
'12279	OFFICE EQUIPMENT	St Croix St - Workshop Public Works	TELEPHONE	7	Condemn	1.00
'11862	OFFICE EQUIPMENT	St Francis Drive - Stores & Workshops	TELEPHONE	7	Condemn	1.00
'06910	OFFICE EQUIPMENT	Hankey South Library	AIRCONDITIONER - LG	2	Condemn	116.41
'01639	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01269	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	-
'01813	OFFICE EQUIPMENT	DaGama 33 - Admin Building	AIR CONDITIONER	5	Condemn	1.00
'11442	OFFICE EQUIPMENT	Library Ukhanyiso	AIR CONDITIONER	2	Condemn	116.41
'07920	IT EQUIPMENT	Hankey South Library	COMPUTER MONITOR ; ACER	2	Condemn	41.87
'07926	IT EQUIPMENT	Hankey South Library	COMPUTER MONITOR ; ACER	2	Condemn	41.87
'07919	IT EQUIPMENT	Hankey South Library	COMPUTER CPU ; ACER	2	Condemn	352.57

'07941	IT EQUIPMENT	Hankey South Library	COMPUTER CPU ; PROLINE	5	Condemn	-
'07943	IT EQUIPMENT	Hankey South Library	COMPUTER MONITOR ; LG	5	Condemn	-
'10817	IT EQUIPMENT	Rooikloof Street - Ramaphosa Library	COMPUTER MONITOR - MECER	5	Condemn	1.00
'07439	IT EQUIPMENT	Voortrekker Rd - Technical Services	COMPUTER CPU	5	Condemn	-
'12294	OFFICE EQUIPMENT	DaGama 33 - Admin Building	GBC BINDING MACHINE	5	Condemn	-
'12008	IT EQUIPMENT	St Croix St - Yard	INSPIRON 3543 LAPTOP	5	Condemn	1.00
'03195	PLANT & EQUIPMENT	St Croix St - Workshop Public Works	BATTERY CHARGER	4	Condemn	-
'06850	PLANT & EQUIPMENT	DaGama 33 - Admin Building	AIRCON	10	Condemn	-
'02501	PLANT & EQUIPMENT	St Croix St - Mechanical Workshop	GRINDER BENCH	5	Condemn	1.00
'03127	PLANT & EQUIPMENT	St Croix St - Technical Services	CHAINSAW	5	Condemn	-
'03480	PLANT & EQUIPMENT	St Croix St - Yard	TWO WAY RADIO AND CHARGER	2	Condemn	11.56
'03481	PLANT & EQUIPMENT	St Croix St - Yard	TWO WAY RADIO AND CHARGER	2	Condemn	11.56
'05067	PLANT & EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	LAWN MOWER	4	Condemn	-
'05114	PLANT & EQUIPMENT	St Croix St - Workshop Public Works	LAWN MOWER	4	Condemn	-
'05412	PLANT & EQUIPMENT	St Croix St - Workshop Public Works	WATER PUMP	5	Condemn	-
'05858	PLANT & EQUIPMENT	St Croix St - Yard	EXCAVATOR	15	Condemn	-
'06493	PLANT & EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	TWO WAY RADIO AND CHARGER	5	Condemn	-
'06680	PLANT & EQUIPMENT	St Croix St - Workshop Public Works	WEED EATER	4	Condemn	-
'07121	PLANT & EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	LOADER FKR689EC	15	Condemn	-

'07260	PLANT & EQUIPMENT	St Croix St - Yard	TWO WAY RADIO AND CHARGER	2	Condemn	33.60
'08620	PLANT & EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	TWO WAY RADIO AND CHARGER	5	Condemn	1.00
'08649	PLANT & EQUIPMENT	St Croix St - Mechanical Workshop	TWO WAY RADIO	5	Condemn	-
'08695	PLANT & EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	TWO WAY RADIO AND CHARGER	5	Condemn	-
'08770	PLANT & EQUIPMENT	St Croix St - Technical Services	CABLE LOCATOR	5	Condemn	1.00
'09329	PLANT & EQUIPMENT	St Croix St - Mechanical Workshop	JACK TROLLEY	7	Condemn	-
'09107	PLANT & EQUIPMENT	St Croix St - Technical Services	GRINDER	5	Condemn	-
'09578	PLANT & EQUIPMENT	St Francis Drive - Stores & Workshops	MACHINE DRILL	5	Condemn	-
'09700	PLANT & EQUIPMENT	St Croix St - Mechanical Workshop	COMPRESSOR	7	Condemn	-
'09730	PLANT & EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	LAWN MOWER	4	Condemn	-
'10149	PLANT & EQUIPMENT	St Croix St - Workshop Public Works	COMPACTOR	5	Condemn	-
'04978	PLANT & EQUIPMENT	St Francis Drive - Stores & Workshops	POWER SAW & BLADES	5	Condemn	1.00
'10669	PLANT & EQUIPMENT	Stores & Workshops	WATER & SEWER PUMP	5	Condemn	1.00
'10638	PLANT & EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	DRILL	5	Condemn	1.00
'11579	PLANT & EQUIPMENT	St Croix St - Workshop Public Works	GENERATOR RYOBI	7	Condemn	-
'12398	PLANT & EQUIPMENT	Stores & Workshops	STAMPER	5	Condemn	1.00
'12094	PLANT & EQUIPMENT	DaGama 33 - Admin Building	150 WATT GLUEGUN	3	Condemn	-
'08903	EMERGENCY EQUIPMENT	St Croix St - Yard	EXTINGUISHER FIRE	3	Condemn	9.89
'09164	EMERGENCY EQUIPMENT	St Croix St - Yard	EXTINGUISHER FIRE	3	Condemn	9.89

'09639	EMERGENCY EQUIPMENT	St Croix St - Yard	EXTINGUISHER FIRE	3	Condemn	9.89
'11683	EMERGENCY EQUIPMENT	St Croix St - Yard	EXTINGUISHER 9KG DCP	4	Condemn	54.86
'12173	EMERGENCY EQUIPMENT	St Croix St - Yard	EXTINGUISHER 9KG DCP	3	Condemn	57.29
'12651	EMERGENCY EQUIPMENT	St Croix St - Yard	EXTINGUISHER FIRE	3	Condemn	57.29
'12419	OFFICE EQUIPMENT	Woltemade Street - IDP Offices	PAPER SHREDDER	1	Condemn	152.36
'01847	OFFICE EQUIPMENT	DaGama 33 - Admin Building	STAPLER	3	Condemn	1.00
'12277	FURNITURE & FITTINGS	DaGama 33 - Admin Building	CHAIR SWIVEL HIGH BACK	7	Condemn	-
'12779	FURNITURE & FITTINGS	Goedehoop Street - Newton Hall	DESK OFFICE	7	Condemn	1.00
'T02037	OFFICE EQUIPMENT	St Croix St - SCM & Stores	BARREL PUMP	3	Condemn	1.00
'T02038	OFFICE EQUIPMENT	St Croix St - SCM & Stores	BARREL PUMP	3	Condemn	1.00
'T00049	OFFICE EQUIPMENT	Duine Weg - Pellsrus Caravan Park	FRIDGE	3	Condemn	1.00
'12717	FURNITURE & FITTINGS	Woltemade Street - IDP Offices	DESK - L SHAPED	7	Condemn	1.00
'08863	OFFICE EQUIPMENT	Diaz Street - Shell Museum	TELEPHONE	0	Condemn	6.40
'T02047	FURNITURE & FITTINGS	Heugh Street 42 - Traffic & Technical Offices	CHAIR VISITORS	5	Condemn	5.79
'16446	PLANT & EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	HIGH PRESSURE WASHER	2	Condemn	42.02
'10528	FURNITURE & FITTINGS	R102 Rd - Fire Brigade & Testing Station	LAWNMOWER	7	Condemn	1.00
'T04027	PLANT & EQUIPMENT	R102 Rd - Fire Brigade & Testing Station	TWO WAY RADIO AND CHARGER	5	Condemn	19.25
'T00066	FURNITURE & FITTINGS	Suikerkan Street - Councillors Office : Ward 4	VISITORS CHAIR - BROWN FABRIC	7	Condemn	1.00
'11430	IT EQUIPMENT	Library Ukhanyiso	MONITOR	1	Condemn	35.18
'11477	IT EQUIPMENT	Library Ukhanyiso	COMPUTER CPU	1	Condemn	147.01

'11404	IT EQUIPMENT	Library Ukhanyiso	MONITOR	1	Condemn	35.17
'11413	IT EQUIPMENT	Library Ukhanyiso	COMPUTER CPU	1	Condemn	147.01
'11476	IT EQUIPMENT	Library Ukhanyiso	COMPUTER CPU	0	Condemn	147.02
'11461	IT EQUIPMENT	Library Ukhanyiso	COMPUTER CPU	1	Condemn	147.01
'11431	IT EQUIPMENT	Library Ukhanyiso	COMPUTER CPU	0	Condemn	147.02
'11482	IT EQUIPMENT	Library Ukhanyiso	MONITOR	0	Condemn	38.40
'11441	IT EQUIPMENT	Library Ukhanyiso	COMPUTER CPU	0	Condemn	147.02
'14791	MECHANICAL ASSETS	Stores : Water Works	CHLORINE SCALE	5	Condemn	1.00
'07921	IT EQUIPMENT	Hankey South Library	COMPUTER CPU	0	Condemn	144.00
'01478	OFFICE EQUIPMENT	Woltemade Street - IDP Offices	ROOM DIVIDER MAROON	0	Condemn	19.20
'11043	FURNITURE & FITTINGS	Woltemade Street - IDP Offices	TROLLEY BOOKS WOODEN	4	Condemn	10.97
'11012	FURNITURE & FITTINGS	Woltemade Street - IDP Offices	CHAIR VISITORS	4	Condemn	21.95
'11086	FURNITURE & FITTINGS	Woltemade Street - IDP Offices	CHAIR	4	Condemn	21.95
'11014	FURNITURE & FITTINGS	Woltemade Street - IDP Offices	CHAIR	5	Condemn	19.51
'11013	FURNITURE & FITTINGS	Woltemade Street - IDP Offices	CHAIR	4	Condemn	21.95
'11019	FURNITURE & FITTINGS	Woltemade Street - IDP Offices	CHAIR	4	Condemn	21.95
'11039	FURNITURE & FITTINGS	Woltemade Street - IDP Offices	CHAIR	4	Condemn	21.95
'11064	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	VISITORS CHAIR - MAROON FABRIC	5	Condemn	16.25
'11082	FURNITURE & FITTINGS	Hazel Street - Loerie Hall	CHAIR VISITORS	5	Condemn	16.25
'12477	PLANT & EQUIPMENT	St Francis Drive - Stores & Workshops	COMPRESSOR	5	Condemn	1.00

'13018	IT EQUIPMENT	St Croix St - Yard	LAPTOP	3	Condemn	1.00
'15545	OFFICE EQUIPMENT	Diaz Street - Shell Museum	SHREDDER	0	Condemn	373.51
'13517	IT EQUIPMENT	Community Hall	COMPUTER CPU	1	Condemn	3,993.48
'13516	IT EQUIPMENT	Community Hall	COMPUTER MONITOR	1	Condemn	532.21
'04417	MOTOR VEHICLES	St Croix St - Yard	OPEL OMEGA (CTC 613EC)	18	Condemn	740.57
'05089	MOTOR VEHICLES	R102 Rd - Fire Brigade & Testing Station	Fire Engine (CFL662EC)	36	Condemn	3,537.00

3.1 Other

Miscellaneous scrap metal items from Technical services

4. Comments by the Directorates:

4.1 Municipal Manager

Noted.

4.2 Chief Financial Officer

These assets require Council approval to dispose of. The Auction preparation can commence thereafter.

4.3 Director: Community Services

Item noted

4.4 Acting Director: Corporate Services & Digital Services

Item noted

4.5 Acting Director: Planning Development and Tourism

Item noted

4.6 Director: Infrastructure and Engineering

Item noted

5. Legal Implications

This process is regulated by section 40 – Disposal Management, of the Supply Chain Management Policy, and which provisions must be adhered to in the implementation of the intended disposals / donation.

6. Financial Implications

None.

7. Recommendations

- 7.1 That the disposal of the condemned/redundant assets listed above be approved.
- 7.2 That the condemned/redundant assets listed above be removed from the Asset Register.
- 7.3 That the condemned/redundant assets listed above be disposed of in terms of the Supply Chain Management Policy through a public auction / donation.

Item prepared by the Manager: Assets

:  _____

Item approved by the CFO:

:  _____

Item endorsed by The Municipal Manager

:  _____

Item Noted by the Portfolio Councillor

:  _____

KOUGA LOCAL MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****FINANCE****DATE: 30 MARCH 2023****ITEM NO: 23/03/F2****DRAFT MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) - BUDGET FOR 2023/24 TO 2025/26 FINANCIAL YEARS****1. Introduction**

The purpose of the report is to table the Draft Medium-Term Revenue and Expenditure Framework (MTREF) – Budget for the 2023/24 – 2025/26 financial years to the Council.

2. Comments by Directorates:**2.1 Chief Financial Officer**

Recommendations are supported.

2.2 Acting Director: Corporate and Digital Services

Item noted

2.3 Deputy Municipal Manager

Item noted

2.4 Director: Community Services

Item noted

2.5 Director: Infrastructure and Engineering

Item noted

2.6 Acting Director: Planning, Development & Tourism

Item noted

2.7 Municipal Manager

Item noted.

3. Recommendations

3.1 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 2023/24 – 2025/26 Draft Annual Budget, as set out in the Draft Annual Budget Report supported by **Annexure H** 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]

3.2 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]

3.3 That the tariffs be increased as follows, with effect from 1 July 2023:

Property rates (decrease in cents in the Rand)	-23.8%
Water	7.25%
Sanitation	6.5%
Refuse	6.5%
Electricity (average increase in electricity income)	15%
Environmental Management Fee	7%

a) Indicative tariffs for 2022/23 and 2023/24 will be increased as follows:

	<u>2024/25</u>	<u>2025/26</u>
Property rates	4.9%	4.7%
Water	7.25%	7.25%
Sanitation	6.5%	6.5%
Refuse	6.5%	6.5%
Electricity (average increase in electricity income)	9.6%	12.58%
Environmental Management Fee	7%	7%

3.4 That the Council, approves the draft tariffs, as reflected in **Annexure 'B'**, for public participation.

3.5 That the 2023/24 Procurement plan be approved **“Annexure D”**

3.6 That the mSCOA road map be approved. **“Annexure E”**

Drafted by Manager Budget & Treasury



Approved by CFO:



Endorsed by Municipal Manager:



Noted by Portfolio Councillor:



KOUGA LOCAL MUNICIPALITY



2023/24 – 2025/26

DRAFT

ANNUAL BUDGET

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PART 1 – ANNUAL BUDGET

1.1 EXECUTIVE MAYOR’S REPORT

It is my greatest privilege on behalf of Kouga Municipality and in my capacity as Executive Mayor of Kouga Municipality to present to you the municipality’s Integrated Development Plan (IDP) for the cycle 2022 to 2027.

The IDP provides the framework for a municipality to fulfil its mandate and apply its budget.

It is a five-year document that is drawn up in partnership with communities and other spheres of government. Reviewed annually, it enables a municipality to do short, medium, and long-term planning to meet communities’ needs, with due consideration of those projects being implemented by district, provincial, and national governments.

The IDP and Budget will be externally focused, driven by community needs and geared towards meeting community aspirations gleaned from stakeholder consultations and engagements throughout the past months. It will, furthermore, continue to be guided by narratives that provide strategic focus areas. These are:

- ☐ Keep Kouga Serviced
- ☐ Keep Kouga Clean
- ☐ Keep Kouga Green
- ☐ Keep Kouga Safe
- ☐ Keep Kouga Smart and
- ☐ Keep Kouga Growing

Key challenges in basic service delivery include old and insufficient bulk infrastructure, the quest for water security for all our communities, the deteriorating condition of our road network, illegal electricity, and the cleanliness of our towns.

The municipality has, over the past year, made visible progress in addressing each one of these challenges, but we need to step up our game even more if we are to deal with all backlogs decisively and achieve service excellence for all communities.

Our plans to keep Kouga serviced include strongly facing down the current drought and achieving water security in our region.

We continue in our efforts to bring more boreholes online, as our access to Churchill Dam water diminishes. We are developing more infrastructure to reticulate current sources of water into the treatment works, as well as implementing new technology and systems to treat this water. We will endeavor to ensure that all water you receive through your taps is drinkable and safe.

Water security does not rest on additional water into the system alone. Securing our water comes at a great cost, but I want to give our residents the assurance that the provision of water is a second-to-none priority. It includes taking hands with every single person in Kouga and committing to water conservation, treating every single drop with care.

If we are to keep Kouga clean, it is of utmost importance that we reduce the amount of waste that goes to our landfill sites. The municipality is considering a waste-to-power project to divert waste from landfill sites by recycling and using it to generate electricity.

Over the next three years, the municipality will launch a series of mayoral intervention programs to reach into the furthest corners of our municipality, to make clean environments a reality for everyone and not just for some.

Kouga Municipality is taking steps to becoming the greenest municipality in the Eastern Cape.

We are looking forward to the construction of South Africa's first Bio-Economy Zone that is set to take shape in Humansdorp soon.

Three additional wind farms will also be constructed, as well as a hybrid energy factory through foreign development. In line with this programme, Kouga Municipality intends to unlock about 30 000 jobs over the next 5 years while combating the effects of climate change and positioning ourselves to becoming the renewable energy hub of SA.

In our ongoing effort to prevent and combat crime through a collective approach, communication and technology are at the forefront of providing the means for success.

The economic growth of our region, coupled to job creation, will also remain a priority.

Through tourism, which has the potential to be a game-changer, we can create millions in revenue injection into our local community and provide impetus to our drive to create one job in every home in Kouga. Events, that will attract tens of thousands of patrons, will grow our local businesses, and create employment and sustainable opportunities.

I trust that this IDP will stimulate the municipality's partnership with communities, the private sector, and other spheres of government in order for us to achieve our goals.

During the worst of the Covid pandemic and lockdown, this municipality proved that partnering across all levels of and sectors in the community, contributes to resilience and survival during extremely difficult times.

Together we are more, when we unite against the deterioration and destruction of our physical, cultural, structural, and moral assets, and can seize the potential we hold to be the best Municipality in South Africa.

The Council would like to thank all residents, ward committees, sector departments and stakeholder groups who actively participated in the compilation of Kouga's new IDP.

I would also like to thank our ward councillors for facilitating the meetings in their wards and the municipal administration who prepared the new document in accordance with legislation and the Council's new mandate.

We look forward to building on our relationship with all stakeholders and continually improving on the municipality's planning processes so that, together, we can achieve our vision of Good Governance through Service Excellence.

Let us all collaborate on our shared future, because if we want more, we need to become more.



.....
EXECUTIVE MAYOR
Hon. Alderman H Hendricks

1.2 **COUNCIL RESOLUTIONS**

(a) The Executive Mayor recommends that the Council resolves that:

1. The draft annual budget of the Kouga Municipality for the financial year 2023/24 and the indicative allocations for the projected outer years 2024/25 and 2025/26; and the multi-year and single year capital appropriations be approved for the purpose of complying with section 16 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, as set-out in out in the Draft Annual Budget Report supported by **Annexure H** 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 29]

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 31]
- 2.2 Budgeted Cash Flows; [Page 33]
- 2.3 Cash backed reserves and accumulated surplus reconciliation; [Page 34]
- 2.4 Asset management; [Page 35]
- 2.5 Basic service delivery measurement. [Page 38]

3. The tariffs be increased as follows, with effect from 1 July 2023:

Property rates (decrease in cents in the Rand)	-23.8%
Water	7.25%
Sanitation	6.5%
Refuse	6.5%
Electricity (average increase in electricity income subject to NERSA approval)	15%
Environmental Management Fee	7%

4. The indicative tariffs for 2024/25 and 2025/26 be increased as follows:

	<u>2024/25</u>	<u>2025/26</u>
Property rates	4.9%	4.7%
Water	7.25%	7.25%
Sanitation	6.5%	6.5%
Refuse	6.5%	6.5%
Electricity (average increase in electricity income)	9.6%	12.58%
Environmental Management Fee	7%	7%

5. That the Council, approves the draft tariffs, as reflected in **Annexure 'B'**, for public participation.

6. That the Council approves the draft Policies as reflected in the **Annexure “C”** for consultation.

- Customer Care, Credit Control and Debt Collection Policy **“Annexure C1”**
- KLM SCM Policy **“Annexure C2”**
- Property Rates Policy **“Annexure C3”**
- Funding and Reserves Policy **“Annexure C4”**
- Cost Containment Policy **“Annexure C5”**
- Cash Management and Investment Policy **“Annexure C6”**
- Borrowing Policy **“Annexure C7”**
- Virement Policy **“Annexure C8”**
- Budget Implementation and Management Policy **“Annexure C9”**
- Indigent Support Policy **“Annexure C10”**
- Unallocated Revenue and Building Deposit Policy **“Annexure C11”**
- Policy on Provision for Doubtful Debt and Write-off of Irrecoverable Debt **“Annexure C12”**
- Tariff Policy **“Annexure C13”**
- Asset Management Policy **“Annexure C14”**
- Preferential Procurement Policy Framework **“Annexure C15”**

7. That the 2023/24 Procurement plan be approved **“Annexure D”**

8. That the mSCOA road map be approved. **“Annexure E”**

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, 107,108, 112, 115, 116, 122 and 123 (refer to Annexures “A and B”) was used to guide the compilation of the 2023/24 Medium Term Revenue and Expenditure Framework (MTREF).

The Municipality faced the following significant challenges during the compilation of the 2023/24 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 2023/24 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 2023/24 Medium-term Revenue and Expenditure Framework:

Table 1 (Overview of the 2023/24 MTREF)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework					
Rand	Adjusted Budget	Budget Year 2023/24	% Increase/ (decrease)	Budget Year 2024/25	% Increase/ (decrease)	Budget Year 2025/26	% Increase/ (decrease)
Revenue							
Total Revenue (excluding capital transfers and contributions)	1,056,306,728	1,168,034,215	10.58%	1,255,234,098	7.47%	1,361,781,148	8.49%
Total Operating Expenditure	1,178,063,718	1,301,060,849	10.44%	1,372,455,046	5.49%	1,470,281,064	7.13%
Surplus/(Deficit)	(121,756,990)	(133,026,634)	9.26%	(117,220,948)	-11.88%	(108,499,916)	-7.44%
Capital Expenditure	107,983,359	66,592,839	-38.33%	58,825,746	-11.66%	51,375,306	-12.67%

Total operating revenue has increased by 10.58% or R 111,727 million for the 2023/24 financial year, compared to the 2022/23 Approved Adjustments Budget.

For the two outer years, operational revenue increases by 7.47% and 8.49% respectively, resulting in a total revenue growth of R 305,474 million over the MTREF, when compared to the 2022/23 financial year.

Total operating expenditure for the 2023/24 financial year amounts to R 1,301,060 billion, resulting in a budgeted deficit of R 133,027 million. Compared to the 2022/23 Adjustments Budget, operational expenditure increased by 10.44% in the 2023/24 Budget.

For the two outer years, operational expenditure increases by 5.49% and 7.13% respectively. The 2024/25 and 2025/26 budgets reflect operating deficits of R 117,221 million and R 108,500 million respectively.

The major operating expenditure items for 2023/24 are employee related costs (35.23%), bulk electricity purchases (28.11%), depreciation (8.43%), contracted services (8.36%), inventory consumed (7.66%) and operational costs (7.46%).

Funding for the 2023/24 Operating Budget is obtained from various sources, the major sources being service charges such as electricity, water, sanitation, environmental management fees and refuse collection (54.02%), property rates (24.10%), grants and subsidies received from National and Provincial Governments (16.34%).

In order to fund the 2023/24 Operating Budget, the following increases in property rates and service charges have been proposed, with effect from 1 July 2023:

Property rates (decrease in cents in the Rand)	- -23.8%
Water	- 7.25%
Sanitation	- 6.5%
Refuse	- 6.5%
Electricity (average increase in income)	- 15%
Environmental Management Fee	- 7%

The capital budget of R 66,593 million for 2023/24 is R 41,391 million or 38.33% less than the 2022/23 Approved Adjustments Budget.

The Capital Budget over the MTREF will be mainly funded from government grants and subsidies, as the municipality has limited internal funding 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 94% annual collection rate for property rates and service charges.

The following table is a summary of the 2023/24 MTREF (classified by main revenue source):

Table 2 (Summary of main revenue sources)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Revenue				
Exchange Revenue				
Service charges – Electricity	350,201,215	402,731,398	441,393,614	496,920,932
Service charges – Water	88,580,032	98,502,084	105,643,486	113,302,638
Service charges - Waste Water Management	59,450,218	63,314,484	67,429,923	71,812,868
Service charges - Waste Management	62,269,272	66,396,182	70,796,899	75,489,610
Sale of Goods and Rendering of Services	9,405,338	7,790,039	8,168,791	8,549,884
Agency services	5,351,604	1,000,000	1,049,000	1,098,303
Interest earned from Receivables	17,441,715	18,594,723	19,902,694	21,350,936
Interest earned from Current and Non Current Assets	3,057,323	4,598,161	4,823,471	5,050,174
Rental from Fixed Assets	2,864,935	3,294,553	3,455,985	3,618,417
Licence and permits	2,775,920	3,021,423	3,169,473	3,318,438
Operational Revenue	25,474,447	2,173,637	2,231,145	2,289,009
Non-Exchange Revenue				
Property rates	236,746,531	281,487,795	295,280,635	309,158,826
Fines, penalties and forfeits	6,483,782	10,333,755	10,840,109	11,349,595
Licences or permits	5,620,589	10,668,385	11,191,091	11,717,524
Transfer and subsidies – Operational	177,919,970	190,883,480	206,454,705	223,190,972
Interest	2,663,837	3,244,116	3,403,077	3,563,022
Total Revenue (excluding capital transfers and contributions)	1,056,306,728	1,168,034,215	1,255,234,098	1,361,781,148

The following table illustrates the mix of main revenue sources, supporting the 2023/24 MTREF:

Table 3 (Mix of main revenue sources)

Description	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework					
Rand	Adjusted Budget	%	Budget Year 2023/24	%	Budget Year 2024/25	%	Budget Year 2025/26	%
Revenue								
Exchange Revenue								
Service charges - Electricity	350,201,215	33.15%	402,731,398	34.48%	441,393,614	35.16%	496,920,932	36.49%
Service charges - Water	88,580,032	8.39%	98,502,084	8.43%	105,643,486	8.42%	113,302,638	8.32%
Service charges - Waste Water Management	59,450,218	5.63%	63,314,484	5.42%	67,429,923	5.37%	71,812,868	5.27%
Service charges - Waste Management	62,269,272	5.89%	66,396,182	5.68%	70,796,899	5.64%	75,489,610	5.54%
Sale of Goods and Rendering of Services	9,405,338	0.89%	7,790,039	0.67%	8,168,791	0.65%	8,549,884	0.63%
Agency services	5,351,604	0.51%	1,000,000	0.09%	1,049,000	0.08%	1,098,303	0.08%
Interest earned from Receivables	17,441,715	1.65%	18,594,723	1.59%	19,902,694	1.59%	21,350,936	1.57%
Interest earned from Current and Non Current Assets	3,057,323	0.29%	4,598,161	0.39%	4,823,471	0.38%	5,050,174	0.37%
Rental from Fixed Assets	2,864,935	0.27%	3,294,553	0.28%	3,455,985	0.28%	3,618,417	0.27%
Licence and permits	2,775,920	0.26%	3,021,423	0.26%	3,169,473	0.25%	3,318,438	0.24%
Operational Revenue	25,474,447	2.41%	2,173,637	0.19%	2,231,145	0.18%	2,289,009	0.17%
Non-Exchange Revenue								
Property rates	236,746,531	22.41%	281,487,795	24.10%	295,280,635	23.52%	309,158,826	22.70%
Fines, penalties and forfeits	6,483,782	0.61%	10,333,755	0.88%	10,840,109	0.86%	11,349,595	0.83%
Licences or permits	5,620,589	0.53%	10,668,385	0.91%	11,191,091	0.89%	11,717,524	0.86%
Transfer and subsidies - Operational	177,919,970	16.84%	190,883,480	16.34%	206,454,705	16.45%	223,190,972	16.39%
Interest	2,663,837	0.25%	3,244,116	0.28%	3,403,077	0.27%	3,563,022	0.26%
Total Revenue (excluding capital transfers and contributions)	1,056,306,728	100.00%	1,168,034,215	100.00%	1,255,234,098	100.00%	1,361,781,148	100.00%
Total Revenue from Property Rates and Services Charges	797,247,268	75.47%	912,431,943	78.12%	980,544,557	78.12%	1,066,684,874	78.33%

In the 2022/23 financial year, rates and service charges amounted to R 797,247 million. This increases to R 912,432 million, R 980,545 million and R 1,066,684 billion in the 2023/24, 2024/25 and 2025/26 financial years, respectively.

The major operating revenue sources for 2023/24 are electricity (34.48%), property rates (24.10%), operating grants & subsidies (16.34%), water (8.43%), waste management (5.68%) and waste water management (5.42%).

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 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Rand				
RECEIPTS				
Operating				
National Government				
Equitable Share	163,292,000	180,506,000	198,345,000	214,749,000
Expanded Public Works Programme Integrated Grant	1,175,000	2,458,000		
Local Government Financial Management Grant	1,720,000	1,720,000	1,720,000	1,858,000
Municipal Infrastructure Grant	1,794,550	1,868,350	1,946,800	2,028,600
Total Operating/National Government	167,981,550	186,552,350	202,011,800	218,635,600
Provincial Government				
Capacity Building and Other	7,050,000	2,050,000	2,050,000	2,050,000
Total Operating/Provincial Government	7,050,000	2,050,000	2,050,000	2,050,000
District Municipalities				
Environmental Health Subsidy	2,888,420	2,281,130	2,392,905	2,505,372
Total Operating/District Municipalities	2,888,420	2,281,130	2,392,905	2,505,372
Total Operating	177,919,970	190,883,480	206,454,705	223,190,972
Capital				
National Government				
Energy Efficiency and Demand Side Management Grant		4,000,000	5,000,000	
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		4,700,000	13,200,000	11,000,000
Municipal Infrastructure Grant	34,096,450	35,498,650	36,989,200	38,543,400
Water Services Infrastructure Grant	57,400,000	30,000,000	10,000,000	7,000,000
Total Capital/National Government	91,496,450	74,198,650	65,189,200	56,543,400
District Municipalities				
Fire Services Subsidy	1,638,000	1,362,277	1,429,028	1,496,193
Total Capital/District Municipalities	1,638,000	1,362,277	1,429,028	1,496,193
Total Capital	93,134,450	75,560,927	66,618,228	58,039,593
TOTAL	271,054,420	266,444,407	273,072,933	281,230,565

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.
- Residential properties with a market value up of R400 000 including the impermissible rate of R15 000.
- R 200 000 on one residential property, including the impermissible rate of R15 000, for Rate Payer 60 years and older with a gross household income not more than R15 000.00

A property rates decreases of 23.8% in cents in the rand is proposed as from 1 July 2023.

The proposed property rates increase is mainly influenced by the following:

- Employee related costs increased by 7.1%.
- 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 2023/24 MTREF.

A tariff increases of 7.25% is proposed as from 1 July 2023. The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 7.1%.
- The cost of bulk water purchases increased by 6%.
- 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, a 18.65% increase in bulk costs for electricity was approved by Nersa. The Municipality is proposing a 15% increase on average consumer tariffs to offset the additional electricity bulk purchases costs, as from 1 July 2023. The proposed tariffs increase of 15% is subjected to the approval by Nersa.

The proposed tariff increases are mainly influenced by the following:

- Employee related costs increased by 7.1%.
- The cost of bulk electricity purchases increased by 18.65%.
- 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 2023/24 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 increases of 6.5% is proposed as from 1 July 2023. The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 7.1%.
- 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 2023/24 MTREF.

A tariff increases of 6.5% is proposed for refuse collection, as from 1 July 2023.

The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 7.1%.
- Providing for debt impairment

1.4.6 Environmental Management Fees and Impact of Tariff increases

A tariff increases of 7% is proposed for the environmental management fee, as from 1 July 2023.

1.5 OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2023/24 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 2023/24 budget and MTREF (classified per main type of operating expenditure):

Table 5 (Summary of operating expenditure by standard classification item)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Expenditure				
Employee related costs	409,378,942	458,412,470	459,539,695	480,708,358
Remuneration of councillors	14,364,406	15,384,270	16,091,945	16,832,172
Bulk purchases - electricity	325,900,000	365,780,321	412,234,422	476,872,779
Inventory consumed	88,821,600	99,701,256	105,960,178	111,643,286
Debt impairment	32,315,103	35,857,818	38,714,428	42,408,225
Depreciation and amortisation	103,850,144	109,662,969	124,088,773	124,088,773
Interest	2,875,189	2,089,744	1,062,053	15,161
Contracted services	98,615,516	108,714,590	105,735,480	108,798,866
Transfers and subsidies	725,000	1,040,275	1,083,527	1,128,769
Irrecoverable debts written off	8,552,538	7,305,492	7,663,458	8,023,643
Operational costs	92,665,280	97,111,644	100,281,087	99,761,032
Total Expenditure	1,178,063,718	1,301,060,849	1,372,455,046	1,470,281,064

The total operating expenditure increased by R 122,997 million (10.44%) from R 1,178,064 billion in 2022/23 to R 1,301,061 billion in 2023/24.

Below is a discussion of the main expenditure components.

Employee related costs

The 2023/24 budget provides for a general increase of 7.1%, based on the salary and wage collective agreement for the period 01 July 2021 to 30 June 2024.

The total budget provision of R 458,412 million represents an increase of 11.98% over the 2023/24 budget. Employee related costs in the 2023/24 Budget, represent 35.23% 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 and irrecoverable debts written off was determined based on a targeted annual collection rate of 94% for property rates and services charges. For the 2023/24 financial year this amounted to R 35,858 million and R 7,305 million, respectively. 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 109,663 million for the 2023/24 financial and equates to 8.43% of the total operating expenditure.

Bulk Electricity Purchases

The bulk purchases of increased by 12.24% or R 39,880 million, compared to the 2022/23 approved adjustments budget. Bulk electricity purchases constitute 28.11% of total operating expenditure for 2023/24.

Inventory Consumed

Inventory consumed relates 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 2023/24 amounts to R 99,701 million and equates to 7.66% of the total operating expenditure.

Contracted Services

In the 2023/24 financial year, the budget provision amounts to R 108,715 million and equates to 8.36% 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 2023/24 financial year, the budget provision amounts to R 1,040 million and equates to 0.08% of the total operating expenditure.

Operational Costs

Operational costs comprise of various line items relating to the daily operations of the municipality. In the 2023/24 financial year, the budget provision amounts to R 97,112 million and equates to 7.46% of the total operating expenditure.

The graph below reflects the expenditure components of the budgeted statement of financial performance.

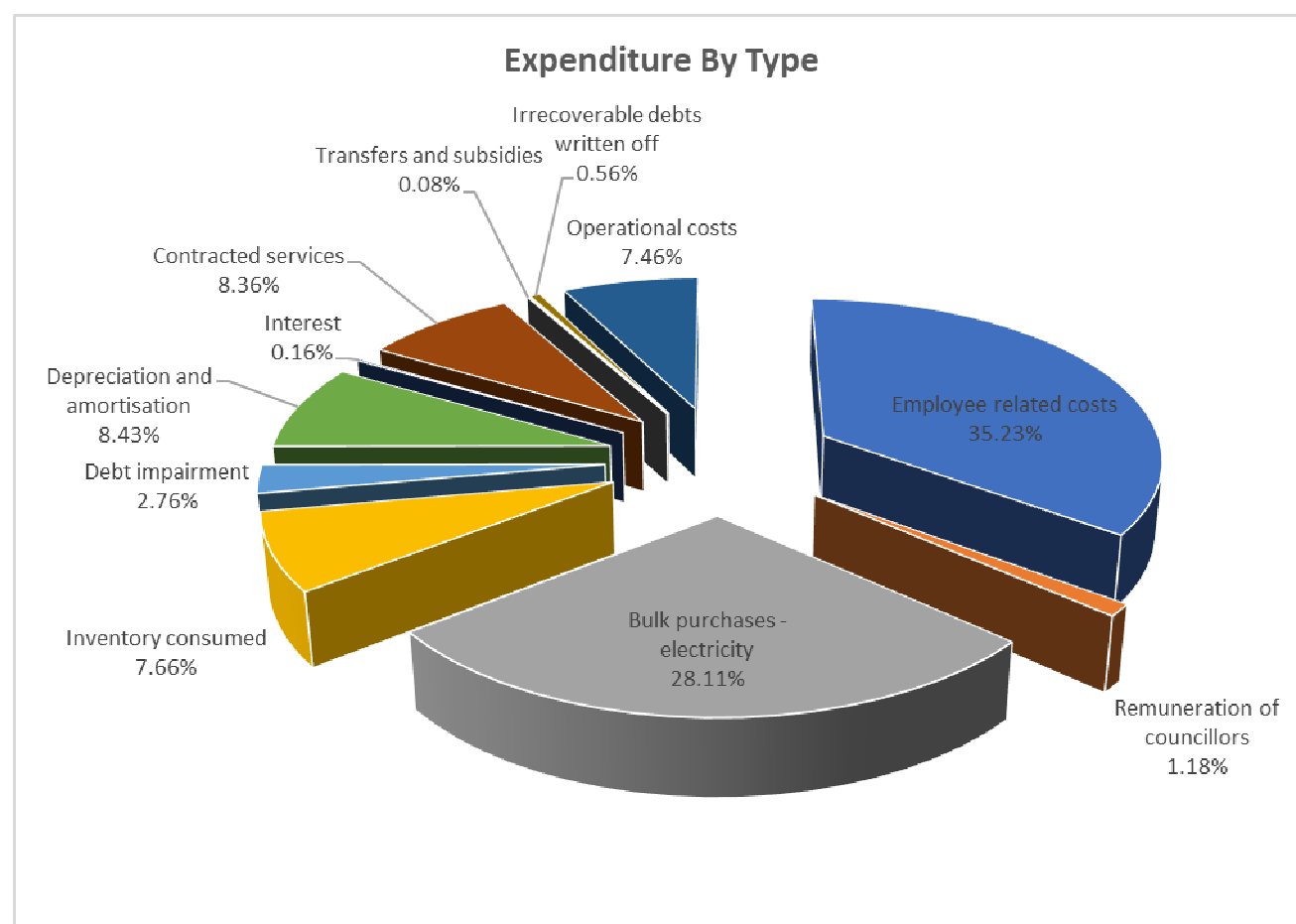


Figure 1 Main operational expenditure categories for the 2023/24 financial year

1.5.1 Priority relating to repairs and maintenance.

The repairs and maintenance expenditure in the 2023/24 financial year, increased by R 9,712 million or 18.78% compared to the 2022/23 Approved Adjustments Budget.

It is to be noted that repairs and maintenance, constitutes 4.72%, 4.83% and 4.69% of the total operating expenditure, for the 2023/24, 2024/25 and 2025/26 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 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Repairs and Maintenance by Asset Class	51,720,860	61,432,409	66,290,839	69,029,303
<i>Roads Infrastructure</i>	14,204,448	14,206,398	14,395,686	14,593,492
<i>Storm water Infrastructure</i>	1,028,327	1,074,604	1,122,958	1,173,463
<i>Electrical Infrastructure</i>	7,950,000	10,827,250	11,314,478	11,823,629
<i>Water Supply Infrastructure</i>	7,121,210	7,441,665	7,776,533	8,126,481
<i>Sanitation Infrastructure</i>	4,365,256	8,968,561	11,957,145	12,949,717
Infrastructure	34,669,241	42,518,478	46,566,800	48,666,782
Community Facilities	1,792,760	1,924,669	2,013,198	2,105,803
Sport and Recreation Facilities	1,490,000	1,413,450	1,478,468	1,546,477
Community Assets	3,282,760	3,338,119	3,491,666	3,652,280
Operational Buildings	3,869,600	3,767,555	3,868,132	3,942,874
Other Assets	3,869,600	3,767,555	3,868,132	3,942,874
Machinery and Equipment	735,100	952,237	995,715	1,035,967
Transport Assets	9,164,159	10,856,020	11,368,526	11,731,400
TOTAL EXPENDITURE OTHER ITEMS	51,720,860	61,432,409	66,290,839	69,029,303

For the 2023/24 financial year an amount of R 42,518 million (69.21%) 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 (2023/24 Medium-term capital budget per vote)

Vote Description	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework					
R	Adjusted Budget	%	Budget Year 2023/24	%	Budget Year 2024/25	%	Budget Year 2025/26	%
Capital expenditure - Vote								
Multi-year expenditure to be appropriated								
Vote 1 - EXECUTIVE COUNCIL	1,222,819	1.13%	10,000	0.02%	10,460	0.02%	10,941	0.02%
Vote 2 - FINANCIAL SERVICES	980,000	0.91%	-	0.00%	-	0.00%	-	0.00%
Vote 3 - CORPORATE SERVICES	1,740,000	1.61%	-	0.00%	-	0.00%	-	0.00%
Vote 4 - COMMUNITY SERVICES	12,444,085	11.52%	1,362,277	2.05%	1,429,028	2.43%	1,496,193	2.91%
Vote 5 - INFRASTRUCTURE AND ENGINEERING	89,179,470	82.59%	64,520,562	96.89%	56,686,258	96.36%	49,168,172	95.70%
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	2,416,985	2.24%	700,000	1.05%	700,000	1.19%	700,000	1.36%
Total Capital Expenditure - Vote	107,983,359	100.00%	66,592,839	100.00%	58,825,746	100.00%	51,375,306	100.00%

Infrastructure and Engineering receives the highest allocation of R 64,521 million in 2023/24, which equates to 96.89%, followed by Community Services at R 1,362 million (2.05%) and Planning, Development and Tourism at R 0,700 million (1.05%).

Annexure “A” 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.

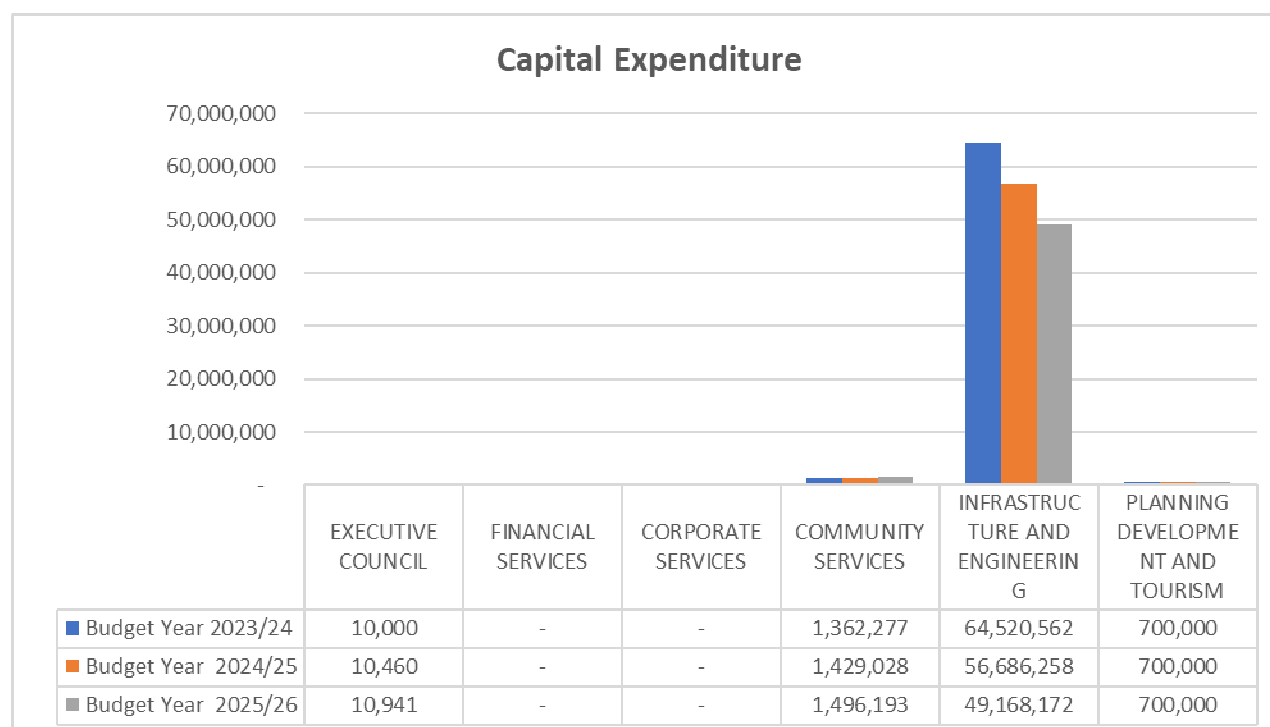


Figure 2 Capital Expenditure

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 2023/24 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 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Financial Performance				
Property rates	236,746,531	281,487,795	295,280,635	309,158,826
Service charges	560,500,737	630,944,148	685,263,922	757,526,048
Investment revenue	3,057,323	4,598,161	4,823,471	5,050,174
Transfer and subsidies - Operational	177,919,970	190,883,480	206,454,705	223,190,972
Other own revenue	78,082,167	60,120,631	63,411,365	66,855,128
Total Revenue (excluding capital transfers and contributions)	1,056,306,728	1,168,034,215	1,255,234,098	1,361,781,148
Employee costs	409,378,942	458,412,470	459,539,695	480,708,358
Remuneration of councillors	14,364,406	15,384,270	16,091,945	16,832,172
Depreciation and amortisation	103,850,144	109,662,969	124,088,773	124,088,773
Finance charges	2,875,189	2,089,744	1,062,053	15,161
Inventory consumed and bulk purchases	414,721,600	465,481,577	518,194,600	588,516,065
Transfers and subsidies	725,000	1,040,275	1,083,527	1,128,769
Other expenditure	232,148,437	248,989,544	252,394,453	258,991,766
Total Expenditure	1,178,063,718	1,301,060,849	1,372,455,046	1,470,281,064
Surplus/(Deficit)	(121,756,990)	(133,026,634)	(117,220,948)	(108,499,916)
Transfers and subsidies - capital (monetary allocations)	93,134,450	75,560,927	66,618,228	58,039,593
Transfers and subsidies - capital (in-kind)	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(28,622,540)	(57,465,707)	(50,602,720)	(50,460,323)
Share of Surplus/Deficit attributable to Associate	-	-	-	-
Surplus/(Deficit) for the year	(28,622,540)	(57,465,707)	(50,602,720)	(50,460,323)
Capital expenditure & funds sources				
Capital expenditure	107,983,359	66,592,839	58,825,746	51,375,306
Transfers recognised - capital	81,200,130	65,882,839	58,115,286	50,664,365
Borrowing	10,104,406	-	-	-
Internally generated funds	16,678,823	710,000	710,460	710,941
Total sources of capital funds	107,983,359	66,592,839	58,825,746	51,375,306

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Financial position				
Total current assets	146,929,099	153,703,575	170,083,443	194,156,373
Total non current assets	2,332,762,345	2,289,692,215	2,224,429,188	2,151,715,721
Total current liabilities	154,763,346	164,257,258	166,540,720	168,360,508
Total non current liabilities	243,358,837	255,034,978	246,397,541	246,397,541
Community wealth/Equity	2,081,569,261	2,024,103,554	1,981,574,367	1,931,114,042
Cash flows				
Net cash from (used) operating	90,739,691	70,564,884	70,836,836	60,949,448
Net cash from (used) investing	(97,878,953)	(66,592,839)	(58,825,746)	(51,375,306)
Net cash from (used) financing	(12,169,020)	(10,090,505)	(9,484,294)	(563,900)
Cash/cash equivalents at the year end	8,542,313	2,423,853	4,950,649	13,960,891
Cash backing/surplus reconciliation	-	-	-	-
Cash and investments available	8,542,313	2,423,853	4,950,649	13,960,891
Application of cash and investments	(739,976)	(1,454,270)	(4,103,484)	(16,783,795)
Balance - surplus (shortfall)	9,282,289	3,878,123	9,054,133	30,744,686
Asset management				
Asset register summary (WDV)	2,210,088,122	2,167,017,992	2,144,825,095	2,137,374,655
Depreciation	103,850,144	109,662,969	124,088,773	124,088,773
Renewal and Upgrading of Existing Assets	33,639,709	53,224,912	26,602,454	9,901,385
Repairs and Maintenance	51,720,860	61,432,409	66,290,839	69,029,303
Free services				
Cost of Free Basic Services provided	-	-	-	-
Revenue cost of free services provided	-	-	-	-
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))

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Revenue - Functional				
<i>Municipal governance and administration</i>	361,779,029	422,638,791	449,040,714	474,742,908
Executive and council	108,781	105,929	111,119	116,342
Finance and administration	361,670,248	422,532,862	448,929,595	474,626,566
Internal audit				
<i>Community and public safety</i>	39,035,335	16,716,325	17,434,930	18,158,473
Community and social services	2,475,717	2,437,083	2,456,051	2,475,134
Sport and recreation	8,638,983	10,337,816	10,844,369	11,354,055
Public safety	1,648,026	1,378,277	1,445,812	1,513,766
Housing	23,085,196			
Health	3,187,413	2,563,149	2,688,698	2,815,518
<i>Economic and environmental services</i>	40,281,710	37,432,280	37,197,702	39,485,139
Planning and development	8,366,650	8,083,148	8,466,104	8,854,292
Road transport	6,544,104	6,909,633	4,669,763	4,889,243
Environmental protection	25,370,956	22,439,499	24,061,835	25,741,604
<i>Trading services</i>	708,345,104	766,807,746	818,178,980	887,434,221
Energy sources	358,563,916	420,372,429	469,414,164	518,622,224
Water management	173,180,622	158,376,686	148,266,880	155,539,475
Waste water management	107,154,932	113,711,410	120,670,937	127,885,945
Waste management	69,445,634	74,347,221	79,826,999	85,386,577
<i>Other</i>				
Total Revenue - Functional	1,149,441,178	1,243,595,142	1,321,852,326	1,419,820,741
Expenditure - Functional				
<i>Municipal governance and administration</i>	285,570,764	318,816,358	311,414,582	317,990,915
Executive and council	58,656,733	67,329,008	70,222,074	72,949,323
Finance and administration	226,521,031	251,236,470	240,924,473	244,778,387
Internal audit	393,000	250,880	268,035	263,205

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Expenditure - Functional				
<i>Community and public safety</i>	114,690,997	123,790,346	129,424,301	135,222,364
Community and social services	12,296,968	13,122,936	13,771,138	14,381,203
Sport and recreation	59,339,496	64,896,225	68,014,941	71,067,830
Public safety	28,837,942	30,734,829	32,175,310	33,615,307
Housing	6,794,423	7,069,939	7,125,312	7,436,437
Health	7,422,168	7,966,417	8,337,600	8,721,587
<i>Economic and environmental services</i>	154,329,012	163,328,155	171,751,090	176,970,158
Planning and development	28,916,283	33,335,539	34,877,600	36,469,949
Road transport	110,584,428	120,377,979	126,795,395	129,958,956
Environmental protection	14,828,301	9,614,637	10,078,095	10,541,253
<i>Trading services</i>	617,435,896	687,127,750	755,601,983	836,310,562
Energy sources	382,968,861	429,289,936	477,368,898	546,074,593
Water management	105,113,666	107,727,826	115,972,328	122,568,805
Waste water management	73,259,597	86,195,281	95,087,845	98,492,716
Waste management	56,093,772	63,914,707	67,172,912	69,174,448
<i>Other</i>	6,037,049	7,998,240	4,263,090	3,787,065
Total Expenditure - Functional	1,178,063,718	1,301,060,849	1,372,455,046	1,470,281,064
Surplus/(Deficit)	(28,622,540)	(57,465,707)	(50,602,720)	(50,460,323)

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 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Revenue by Vote				
Vote 1 - EXECUTIVE COUNCIL	0	–	–	–
Vote 2 - FINANCIAL SERVICES	353,977	410,736	436,555	461,670
Vote 3 - CORPORATE SERVICES	947	1,194	1,253	1,312
Vote 4 - COMMUNITY SERVICES	122,144	127,808	136,329	144,998
Vote 5 - INFRASTRUCTURE AND ENGINEERING	642,716	697,642	741,196	805,016
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	29,657	6,215	6,519	6,826
Total Revenue by Vote	1,149,441	1,243,595	1,321,852	1,419,821
Expenditure by Vote to be appropriated				
Vote 1 - EXECUTIVE COUNCIL	64,922	73,810	77,004	79,983
Vote 2 - FINANCIAL SERVICES	106,750	120,507	124,523	128,333
Vote 3 - CORPORATE SERVICES	60,740	67,199	49,627	47,203
Vote 4 - COMMUNITY SERVICES	231,928	246,820	258,819	269,407
Vote 5 - INFRASTRUCTURE AND ENGINEERING	676,920	751,069	823,280	905,358
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	36,803	41,656	39,201	39,997
Total Expenditure by Vote	1,178,064	1,301,061	1,372,455	1,470,281
Surplus/(Deficit) for the year	(28,623)	(57,466)	(50,603)	(50,460)

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- 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 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Revenue				
Exchange Revenue				
Service charges - Electricity	350,201,215	402,731,398	441,393,614	496,920,932
Service charges - Water	88,580,032	98,502,084	105,643,486	113,302,638
Service charges - Waste Water Management	59,450,218	63,314,484	67,429,923	71,812,868
Service charges - Waste Management	62,269,272	66,396,182	70,796,899	75,489,610
Sale of Goods and Rendering of Services	9,405,338	7,790,039	8,168,791	8,549,884
Agency services	5,351,604	1,000,000	1,049,000	1,098,303
Interest earned from Receivables	17,441,715	18,594,723	19,902,694	21,350,936
Interest earned from Current and Non Current Assets	3,057,323	4,598,161	4,823,471	5,050,174
Rental from Fixed Assets	2,864,935	3,294,553	3,455,985	3,618,417
Licence and permits	2,775,920	3,021,423	3,169,473	3,318,438
Operational Revenue	25,474,447	2,173,637	2,231,145	2,289,009
Non-Exchange Revenue				
Property rates	236,746,531	281,487,795	295,280,635	309,158,826
Fines, penalties and forfeits	6,483,782	10,333,755	10,840,109	11,349,595
Licences or permits	5,620,589	10,668,385	11,191,091	11,717,524
Transfer and subsidies - Operational	177,919,970	190,883,480	206,454,705	223,190,972
Interest	2,663,837	3,244,116	3,403,077	3,563,022
Total Revenue (excluding capital transfers and contributions)	1,056,306,728	1,168,034,215	1,255,234,098	1,361,781,148
Expenditure				
Employee related costs	409,378,942	458,412,470	459,539,695	480,708,358
Remuneration of councillors	14,364,406	15,384,270	16,091,945	16,832,172
Bulk purchases - electricity	325,900,000	365,780,321	412,234,422	476,872,779
Inventory consumed	88,821,600	99,701,256	105,960,178	111,643,286
Debt impairment	32,315,103	35,857,818	38,714,428	42,408,225
Depreciation and amortisation	103,850,144	109,662,969	124,088,773	124,088,773
Interest	2,875,189	2,089,744	1,062,053	15,161
Contracted services	98,615,516	108,714,590	105,735,480	108,798,866
Transfers and subsidies	725,000	1,040,275	1,083,527	1,128,769
Irrecoverable debts written off	8,552,538	7,305,492	7,663,458	8,023,643
Operational costs	92,665,280	97,111,644	100,281,087	99,761,032
Total Expenditure	1,178,063,718	1,301,060,849	1,372,455,046	1,470,281,064
Surplus/(Deficit)	(121,756,990)	(133,026,634)	(117,220,948)	(108,499,916)
Transfers and subsidies - capital (monetary allocations)	93,134,450	75,560,927	66,618,228	58,039,593
Transfers and subsidies - capital (in-kind)	-	-	-	-
Surplus/(Deficit) after capital transfers and contributions	(28,622,540)	(57,465,707)	(50,602,720)	(50,460,323)
Income Tax	-	-	-	-
Surplus/(Deficit) after income tax	(28,622,540)	(57,465,707)	(50,602,720)	(50,460,323)
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-
Surplus/(Deficit) attributable to municipality	(28,622,540)	(57,465,707)	(50,602,720)	(50,460,323)
Share of Surplus/Deficit attributable to Associate	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-
Surplus/(Deficit) for the year	(28,622,540)	(57,465,707)	(50,602,720)	(50,460,323)

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 1,168,034 billion in 2023/24 and increases to R 1,361,781 billion in 2025/26. This represents a year-on-year increase of 10.58% for the 2023/24 financial year and decreases of 7.47% for the 2024/25 financial year and increases of 8.49% for the 2025/26 financial year, respectively.
3. Revenue from property rates amounts to R 281,488 million in the 2023/24 financial year and increases to R 309,159 million in 2025/26, which amounts to 24.10% 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 630,944 million for the 2023/24 financial year and increasing to R 757,526 million in 2025/26. For the 2023/24 financial year services charges amount to 54.02% 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 increased by 7.29% for 2023/24, increases by 8.16% for 2024/25 and increased by 8.11% for 2025/26, compared to previous financial years.

Below a breakdown of property rates and service charges for 2023/24:

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework	
	Adjusted Budget	Budget Year 2023/24	%Increase
Rand			
Revenue By Source			
Property rates	236,746,531	281,487,783	18.90%
Service charges - electricity revenue	350,201,215	402,731,397	15.00%
Service charges - water revenue	88,580,032	98,502,084	11.20%
Service charges – waste water management	59,450,218	63,314,482	6.50%
Service charges – waste management	62,269,272	66,396,182	6.63%

Table 12 (Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<u>Capital Expenditure - Functional</u>				
<i>Municipal governance and administration</i>	4,484,498	10,000	10,460	10,941
Executive and council	1,200,000	10,000	10,460	10,941
Finance and administration	3,261,679			
Internal audit	22,819			
<i>Community and public safety</i>	2,878,555	1,362,277	1,429,028	1,496,193
Community and social services				
Sport and recreation	1,240,555			
Public safety	1,638,000	1,362,277	1,429,028	1,496,193
Housing				
Health				
<i>Economic and environmental services</i>	19,016,194	6,496,604	13,500,143	23,714,614
Planning and development	7,338,724	3,157,474	100,000	100,000
Road transport	11,677,470	3,339,130	13,400,143	23,614,614
Environmental protection				
<i>Trading services</i>	81,604,112	58,123,958	43,286,115	25,553,558
Energy sources	1,863,415	7,652,173	16,300,129	9,565,217
Water management	54,836,414	26,086,956	8,695,652	6,086,956
Waste water management	14,799,877	24,384,829	18,290,334	9,901,385
Waste management	10,104,406			
<i>Other</i>		600,000	600,000	600,000
Total Capital Expenditure - Functional	107,983,359	66,592,839	58,825,746	51,375,306
<u>Funded by</u>				
National Government	79,562,130	64,520,562	56,686,258	49,168,172
Provincial Government				
District Municipality	1,638,000	1,362,277	1,429,028	1,496,193
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)				
Transfers recognised - capital	81,200,130	65,882,839	58,115,286	50,664,365
Borrowing	10,104,406			
Internally generated funds	16,678,823	710,000	710,460	710,941
Total Capital Funding	107,983,359	66,592,839	58,825,746	51,375,306

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 2023/24, capital transfers totals R 65,883 million (98.93%) and amounts to R 50,664 million for 2025/26 (98.62%). Internally generated funding amounts to R 0,710 million in the 2023/24 financial year. 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 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
ASSETS				
Current assets				
Cash and cash equivalents	8,542,313	2,423,853	4,950,649	13,960,891
Trade and other receivables from exchange transactions	48,597,294	56,836,872	66,568,177	77,316,683
Receivables from non-exchange transactions	20,620,858	25,274,221	29,395,995	33,711,494
Current portion of non-current receivables	-	-	-	-
Inventory	17,109,849	17,109,850	17,109,850	17,108,541
VAT	50,443,224	50,443,218	50,443,211	50,443,203
Other current assets	1,615,561	1,615,561	1,615,561	1,615,561
Total current assets	146,929,099	153,703,575	170,083,443	194,156,373
Non current assets				
Investments	-	-	-	-
Investment property	262,608,444	262,608,444	262,608,444	262,608,444
Property, plant and equipment	2,069,744,237	2,026,674,107	1,961,411,080	1,888,697,613
Biological assets	-	-	-	-
Living and non-living resources	-	-	-	-
Heritage assets	-	-	-	-
Intangible assets	409,664	409,664	409,664	409,664
Trade and other receivables from exchange transactions	-	-	-	-
Non-current receivables from non-exchange transactions	-	-	-	-
Other non-current assets	-	-	-	-
Total non current assets	2,332,762,345	2,289,692,215	2,224,429,188	2,151,715,721
TOTAL ASSETS	2,479,691,444	2,443,395,790	2,394,512,631	2,345,872,094
LIABILITIES				
Current liabilities				
Bank overdraft	-	-	-	-
Financial liabilities	12,169,021	9,484,294	563,900	-
Consumer deposits	23,672,925	23,672,925	23,672,925	23,672,925
Trade and other payables from exchange transactions	77,410,815	87,410,815	96,335,815	96,335,817
Trade and other payables from non-exchange transactions	-	-	-	-
Provision	38,247,260	40,425,900	42,704,757	45,088,442
VAT	-	(1)	(2)	(1)
Other current liabilities	3,263,325	3,263,325	3,263,325	3,263,325
Total current liabilities	154,763,346	164,257,258	166,540,720	168,360,508
Non current liabilities				
Financial liabilities	16,043,215	8,637,437	-	-
Provision	123,003,282	126,686,065	126,686,065	126,686,065
Long term portion of trade payables	-	-	-	-
Other non-current liabilities	104,312,340	119,711,476	119,711,476	119,711,476
Total non current liabilities	243,358,837	255,034,978	246,397,541	246,397,541
TOTAL LIABILITIES	398,122,183	419,292,236	412,938,261	414,758,049
NET ASSETS	2,081,569,261	2,024,103,554	1,981,574,370	1,931,114,045
COMMUNITY WEALTH/EQUITY				
Accumulated surplus/(deficit)	2,081,569,261	2,024,103,554	1,981,574,367	1,931,114,042
Reserves and funds	-	-	-	-
Other	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2,081,569,261	2,024,103,554	1,981,574,367	1,931,114,042

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 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	227,439,850	267,647,995	280,762,748	293,958,597
Service charges	628,916,684	699,529,660	759,478,827	838,955,535
Other revenue	101,036,116	67,073,189	68,563,892	70,196,518
Transfers and Subsidies - Operational	177,919,970	190,883,480	206,454,705	223,190,972
Transfers and Subsidies - Capital	93,134,450	75,560,927	66,618,228	58,039,593
Interest	3,057,323	4,598,161	4,823,471	5,050,174
Dividends	-	-	-	-
Payments				
Suppliers and employees	(1,140,764,702)	(1,234,728,528)	(1,315,865,035)	(1,428,441,941)
Finance charges	-	-	-	-
Transfers and Subsidies	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	90,739,691	70,564,884	70,836,836	60,949,448
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	-	-	-
Decrease (Increase) in non-current debtors (not used)	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-
Payments				
Capital assets	(97,878,953)	(66,592,839)	(58,825,746)	(51,375,306)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(97,878,953)	(66,592,839)	(58,825,746)	(51,375,306)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-	-	-
Borrowing long term/refinancing	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-
Payments				
Repayment of borrowing	(12,169,020)	(10,090,505)	(9,484,294)	(563,900)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(12,169,020)	(10,090,505)	(9,484,294)	(563,900)
NET INCREASE/ (DECREASE) IN CASH HELD	(19,308,282)	(6,118,460)	2,526,796	9,010,242
Cash/cash equivalents at the year begin:	27,850,595	8,542,313	2,423,853	4,950,649
Cash/cash equivalents at the year end:	8,542,313	2,423,853	4,950,649	13,960,891

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 2023/24 to 2025/26 period, from R 2,424 million to R 13,961 million.
4. Cash and cash equivalents amount to R 2,424 million as at the end of the 2023/24 financial year and increases to R 13,961 million in 2025/26.

Table 15 (Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Cash and investments available				
Cash/cash equivalents at the year end	8,542,313	2,423,853	4,950,649	13,960,891
Other current investments > 90 days	-	-	-	-
Non current assets - Investments	-	-	-	-
Cash and investments available:	8,542,313	2,423,853	4,950,649	13,960,891
Application of cash and investments				
Unspent conditional transfers	-	-	-	-
Unspent borrowing	-	-	-	-
Statutory requirements	(50,443,224)	(50,443,217)	(50,443,209)	(50,443,202)
Other working capital requirements	8,192,663	5,299,722	371,643	(14,692,360)
Other provisions	41,510,585	43,689,225	45,968,082	48,351,767
Long term investments committed	-	-	-	-
Reserves to be backed by cash/investments	-	-	-	-
Total Application of cash and investments:	(739,976)	(1,454,270)	(4,103,484)	(16,783,795)
Surplus(shortfall)	9,282,289	3,878,123	9,054,133	30,744,686

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 2023/24 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 3,878 million in 2023/24 to a funding surplus of R 30,745 million in 2025/26.

Table 16 (Table A9 - Asset Management)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
CAPITAL EXPENDITURE				
<u>Total New Assets</u>	74,343,650	13,367,927	32,223,292	41,473,921
<i>Roads Infrastructure</i>		3,339,130	13,400,143	23,614,614
<i>Electrical Infrastructure</i>	1,573,347	7,652,173	16,300,129	9,565,217
<i>Water Supply Infrastructure</i>	54,376,414		37,880	6,086,956
<i>Sanitation Infrastructure</i>	560,000	304,347	345,652	
<i>Solid Waste Infrastructure</i>	380,000			
Infrastructure	56,889,761	11,295,650	30,083,804	39,266,787
Community Facilities	1,514,985			
Community Assets	1,514,985	-	-	-
Licences and Rights	52,000			
Intangible Assets	52,000	-	-	-
Computer Equipment	2,077,811			
Furniture and Office Equipment	1,212,819	610,000	610,460	610,941
Machinery and Equipment	758,270	100,000	100,000	100,000
Transport Assets	11,838,004	1,362,277	1,429,028	1,496,193
<u>Total Renewal of Existing Assets</u>	335,000	-	-	-
<i>Water Supply Infrastructure</i>	335,000			
Infrastructure	335,000	-	-	-
<u>Total Upgrading of Existing Assets</u>	33,304,709	53,224,912	26,602,454	9,901,385
<i>Roads Infrastructure</i>	13,552,470			
<i>Electrical Infrastructure</i>	165,068			
<i>Water Supply Infrastructure</i>		26,086,956	8,657,772	
<i>Sanitation Infrastructure</i>	13,734,877	24,080,482	17,944,682	9,901,385
Infrastructure	27,452,415	50,167,438	26,602,454	9,901,385
Sport and Recreation Facilities	5,602,294	3,057,474		
Community Assets	5,602,294	3,057,474	-	-
Operational Buildings	250,000			
Other Assets	250,000	-	-	-
<u>Total Capital Expenditure</u>	107,983,359	66,592,839	58,825,746	51,375,306
<i>Roads Infrastructure</i>	13,552,470	3,339,130	13,400,143	23,614,614
<i>Electrical Infrastructure</i>	1,738,415	7,652,173	16,300,129	9,565,217
<i>Water Supply Infrastructure</i>	54,711,414	26,086,956	8,695,652	6,086,956
<i>Sanitation Infrastructure</i>	14,294,877	24,384,829	18,290,334	9,901,385
<i>Solid Waste Infrastructure</i>	380,000			
Infrastructure	84,677,176	61,463,088	56,686,258	49,168,172
Community Facilities	1,514,985			
Sport and Recreation Facilities	5,602,294	3,057,474		
Community Assets	7,117,279	3,057,474	-	-
Operational Buildings	250,000			
Other Assets	250,000	-	-	-
Licences and Rights	52,000			
Intangible Assets	52,000	-	-	-
Computer Equipment	2,077,811			
Furniture and Office Equipment	1,212,819	610,000	610,460	610,941
Machinery and Equipment	758,270	100,000	100,000	100,000
Transport Assets	11,838,004	1,362,277	1,429,028	1,496,193
TOTAL CAPITAL EXPENDITURE - Asset Class	107,983,359	66,592,839	58,825,746	51,375,306

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Rand				
ASSET REGISTER SUMMARY - PPE (WDV)	2,210,088,122	2,167,017,992	2,144,825,095	2,137,374,655
<i>Roads Infrastructure</i>	553,415,822	556,675,837	566,726,403	576,940,874
<i>Storm water Infrastructure</i>	11,520,089	8,913,815	8,570,988	8,570,988
<i>Electrical Infrastructure</i>	191,234,923	192,211,737	199,980,824	193,245,912
<i>Water Supply Infrastructure</i>	348,529,786	359,615,735	340,251,198	337,642,502
<i>Sanitation Infrastructure</i>	493,705,603	517,807,453	511,675,738	503,286,789
<i>Solid Waste Infrastructure</i>	(11,066,507)	(51,865,203)	(57,231,867)	(57,231,867)
<i>Information and Communication Infrastructure</i>	72,000	72,000	72,000	72,000
Infrastructure	1,587,411,716	1,583,431,374	1,570,045,284	1,562,527,198
	48,426,286	51,343,058	48,267,078	48,267,078
Community Assets	48,426,286	51,343,058	48,267,078	48,267,078
Heritage Assets				
	262,608,444	262,608,444	262,608,444	262,608,444
Investment properties	262,608,444	262,608,444	262,608,444	262,608,444
	27,557,117	20,443,504	19,428,023	19,428,504
Other Assets	27,557,117	20,443,504	19,428,023	19,428,504
Biological or Cultivated Assets				
	409,664	409,664	409,664	409,664
Intangible Assets	409,664	409,664	409,664	409,664
Computer Equipment	3,481,831	2,941,044	2,869,916	2,869,916
Furniture and Office Equipment	10,272,962	6,594,260	6,110,409	6,110,409
Machinery and Equipment	3,693,875	3,058,040	2,961,259	2,961,259
Transport Assets	38,621,175	8,583,552	4,519,966	4,587,131
Land	227,605,052	227,605,052	227,605,052	227,605,052
Zoo's, Marine and Non-biological Animals				
Living Resources				
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	2,210,088,122	2,167,017,992	2,144,825,095	2,137,374,655

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
EXPENDITURE OTHER ITEMS				
<u>Depreciation</u>	103,850,144	109,662,969	124,088,773	124,088,773
<u>Repairs and Maintenance by Asset Class</u>	51,720,860	61,432,409	66,290,839	69,029,303
<i>Roads Infrastructure</i>	14,204,448	14,206,398	14,395,686	14,593,492
<i>Storm water Infrastructure</i>	1,028,327	1,074,604	1,122,958	1,173,463
<i>Electrical Infrastructure</i>	7,950,000	10,827,250	11,314,478	11,823,629
<i>Water Supply Infrastructure</i>	7,121,210	7,441,665	7,776,533	8,126,481
<i>Sanitation Infrastructure</i>	4,365,256	8,968,561	11,957,145	12,949,717
Infrastructure	34,669,241	42,518,478	46,566,800	48,666,782
Community Facilities	1,792,760	1,924,669	2,013,198	2,105,803
Sport and Recreation Facilities	1,490,000	1,413,450	1,478,468	1,546,477
Community Assets	3,282,760	3,338,119	3,491,666	3,652,280
Operational Buildings	3,869,600	3,767,555	3,868,132	3,942,874
Other Assets	3,869,600	3,767,555	3,868,132	3,942,874
Machinery and Equipment	735,100	952,237	995,715	1,035,967
Transport Assets	9,164,159	10,856,020	11,368,526	11,731,400
TOTAL EXPENDITURE OTHER ITEMS	155,571,004	171,095,378	190,379,612	193,118,076
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	31.2%	79.9%	45.2%	19.3%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>	32.4%	48.5%	21.4%	8.0%
<i>R&M as a % of PPE</i>	2.0%	3.0%	3.0%	3.0%
<i>Renewal and upgrading and R&M as a % of PPE</i>	4.0%	5.0%	4.0%	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 79.9% of the capital budget, whilst repairs and maintenance constitute 3.0% of PPE.

Table 17 (Table A10 - Basic Service Delivery Measurement)

Description	Current Year 2022/23	2022/23 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Household service targets				
<u>Water:</u>				
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)	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	–	–	–	–
Using public tap (< min.service level)	–	–	–	–
Other water supply (< min.service level)	–	–	–	–
No water supply	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–
Total number of households	–	–	–	–
<u>Sanitation/sewerage:</u>				
Flush toilet (connected to sewerage)	–	–	–	–
Flush toilet (with septic tank)	–	–	–	–
Chemical toilet	–	–	–	–
Pit toilet (ventilated)	–	–	–	–
Other toilet provisions (> min.service level)	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	–	–	–	–
Bucket toilet	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–
No toilet provisions	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–
Total number of households	–	–	–	–
<u>Energy:</u>				
Electricity (at least min.service level)	–	–	–	–
Electricity - prepaid (min.service level)	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	–	–	–	–
Electricity (< min.service level)	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–
Other energy sources	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–
Total number of households	–	–	–	–

Description	Current Year 2022/23	2022/23 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Refuse:				
Removed at least once a week	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-
Removed less frequently than once a week	-	-	-	-
Using communal refuse dump	-	-	-	-
Using own refuse dump	-	-	-	-
Other rubbish disposal	-	-	-	-
No rubbish disposal	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-
Total number of households	-	-	-	-
Households receiving Free Basic Service				
Water (6 kilolitres per household per month)	18,180,458	19,498,541	20,912,185	22,428,319
Sanitation (free minimum level service)	11,863,970	12,635,128	13,456,411	14,331,078
Electricity/other energy (50kwh per household per month)	4,308,895	4,955,229	5,430,931	6,114,142
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)	18,180	19,499	20,912	22,428
Sanitation (free sanitation service to indigent households)	11,864	12,635	13,456	14,331
Electricity/other energy (50kwh per indigent household per month)	4,309	4,955	5,431	6,114
Refuse (removed once a week for indigent households)				
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	34,353	37,089	39,800	42,874
Total cost of FBS provided				
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) (impermissible values per section 17 of MPRA)	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	24,513	29,261	30,698	32,144
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	24,513	29,261	30,698	32,144

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 2022 after the approval of a timetable to guide the preparation of the 2023/24 to 2025/26 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 2023. The main aim of the timetable is to ensure that an IDP and a balanced Budget are tabled in March 2023. The Draft Budget and IDP will be tabled by the Executive Mayor at a Council meeting scheduled for 31 March 2023. After this meeting, it will be submitted to National and Provincial Treasury.

The budget consultation will take the form of series of public meetings in the various wards under the direction and leadership of the Executive Mayor and his Mayoral Committee. 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 to be held on 31 May 2023.

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 2023/24 to 2025/26

The preparation of the 2023/24 to 2025/26 IDP and Budget were guided by the following schedule of key deadlines as approved by Council on 31 August 2022.

Activity	Date
IDP/Budget Schedule approved by Council	31 August 2022
Tabling of Draft IDP and Budget in Council	31 March 2023
Public Participation	During April and May 2023
Final adoption of IDP and Budget by Council	31 May 2023
Approval of SDBIP by Executive Mayor	26 June 2023

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 2023/24 to 2025/26 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 a series of meetings to be held throughout the municipal area with the elected public representatives, employees of the Municipality, Civil Society, business, labour, 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 2022/23 Adjusted Budget	2023/24 Medium Term Revenue & Expenditure Framework			
			Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26	
Borrowing Management						
Credit Rating						
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure					
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.3%	0.9%	0.8%	0.0%	
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	1.7%	1.3%	1.0%	0.1%	
		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	0.95	0.94	1.02	1.15	
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.95	0.94	1.02	1.15	
Liquidity Ratio	Monetary Assets/Current Liabilities	0.06	0.01	0.03	0.08	
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	95.0%	94.0%	94.0%	94.0%	
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		150.3%	151.4%	150.0%	147.9%	
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	3.6%	3.6%	3.7%	3.7%	
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		902.1%	3606.3%	1945.9%	690.0%	

Description of financial indicator	Basis of calculation	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
		Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Other Indicators					
Electricity Distribution Losses (2)	Total Volume Losses (kW)				
	Total Volume Losses (kW) non technical				
	Total Cost of Losses (Rand '000)				
	% Volume (units purchased and generated less units sold)/units purchased and generated				
Water Volumes :System input	Bulk Purchase				
	Water treatment works				
	Natural sources				
Water Distribution Losses (2)	Total Volume Losses (kℓ)				
	Total Cost of Losses (Rand '000)				
	% Volume (units purchased and generated less units sold)/units purchased and generated				
Employee costs	Employee costs/(Total Revenue - capital revenue)	38.8%	39.2%	36.6%	35.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	40.1%	40.6%	37.9%	36.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.9%	5.3%	5.3%	5.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.8%	9.4%	9.9%	9.1%
IDP regulation financial viability indicators					
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year				
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	53.3	62.0	171.0	187.5
iii. Cost coverage	(Available cash + investments)/monthly fixed operational expenditure	6.6%	6.6%	6.7%	6.6%
		0.10	0.02	0.05	0.12

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 2023/24 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 0.9% of total operating expenditure over the 2023/24 MTREF.

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2.3.1.2 Liquidity

- The *current ratio* is a measure of the current assets divided by the current liabilities. The Municipality has set a benchmark limit of 1. For the 2023/24 MTREF, the current ratio is 0.01 in the 2023/24, 0.03 in the 2024/25 and 0.08 in the 2025/26 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 2023/24 MTREF, the liquidity ratio is at 0.01:1. 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. A number of policies have been reviewed and proposed changes to these policies are documented below. All related policies are attached hereto as “ **Annexure C**”

2.4.2 **Review of Customer Care, Credit Control and Debt Collection Policy “Annexure C1”**

The Customer Care, Credit Control and Debt Collection Policy was approved by Council on 30 October 2018.

The 2023/24 MTREF has been prepared on the basis of achieving an average revenue collection rate of 94% of current billings for property rate and service charges.

The following changes are proposed:

- Page 6, Definitions – **Delete:**
 “Implementing Authority” *Means the Municipal Manager or his or her nominee, acting in terms of section 100 of the Systems Act.*
- Page 7, Definitions – **Delete:**
 “Unreliable customer” - Includes an account holder, who according to his or her payment record fails to settle his or her municipal account by the due date or who is in arrears with payments due to the municipality or who tampers or interferes with metering equipment, seals or the supply of Municipal services.
- Page 11, Paragraph 5 – **Add:**
 5. CUSTOMER CARE POLICY

5.1 OBJECTIVES

The objectives of the Customer Care Policy are:

- to focus on the needs of the consumer in an accountable and pro-active manner, to improve the payment of service fees and
- to establish a positive and cooperative relationship between the persons responsible for payment for services and the municipality and, where applicable, the service provider.
- Page 13, Paragraph 5.3.2 – **Delete** “alleged”
- Page 13, Paragraph 5.4 – **Add** heading “Consumer Deposits”
 Add the following paragraph:
 Building Deposits
- 5.4.4 Building deposits made by a customer is refundable, free of interest, on the award of an occupation certificate from the municipality, provided that no damage has been made to any of Council's property or infrastructure.

- 5.4.5 Deposits shall be forfeited to the Council if not claimed by the Customer within 3 years of the occupation certificate issued to the customer.
- 5.4.6. The customer must notify the office of the Chief Financial Officer of any change of address in order to facilitate the refund of the deposit and submit proof of bank account in order for the refund to be effected.
- 5.4.7 All building deposits should be recorded in a suitable register to facilitate future claims against the amount and followed up, should the customer claim for a building deposit after the 3 year period of forfeiture, the claim will be paid on condition that sufficient proof can be provided

- Page 14, Paragraph 5.5.4- **Add** "The applicable fee might be waived exceptional circumstances."

Page 14, Paragraph 5.5.10 – **Add**: "from the date the dispute was registered."

Page 14, Paragraph 5.5.11 – **Delete** "the twelve preceding months (1 year)". **Add**: "preceding three (3) years"

- Page 16, Paragraph 5.6.4 – **Add**: "in cycles of approximately 30 days"
Add after consumption, "for a maximum of four (4) successive months."

- 5.6.6 Page 16, Paragraph 5.5.6 – **Add after Voluntary**, /Self readings will be permitted provided that:

5.6.6.1 the readings are submitted monthly to the dedicated e-mail or municipal application, if available address accompanied by a clear picture of the meter number and reading.

5.6.6.2 the convenience of submitting voluntary/self readings will be cancelled automatically without notice if the customer fails to submit the readings as per 5.6.6.1 above for two consecutive months.

Delete:

- 5.6.5.3 These will be permitted provided the municipality obtains any final reading, should the customer move to another supply address.

5.6.5.4 Customers may be liable for a fee to cover the costs of obtaining a reading if no prior warning is given and special arrangements are required to obtain a reading.

- 5.6.5.5 The Municipality is entitled to make suitable adjustments to the readings should the debtor fail to ensure that a final reading is obtained.

5.6.5.6 An audit reading during the normal reading cycles must be obtained once every six months. If a special audit reading becomes necessary, this will be done at the cost of the consumer.

5.6.5.7 The customer may elect to supply voluntary readings subject to compliance with the rules. The Chief Financial Officer may, however, cancel the voluntary reading convenience if the customer fails to ensure the audit reading is obtained or should the customer fail to render readings on two consecutive occasions.

- Page 17, Paragraph 5.8.1- **Delete:** " Excess"

Add after the "account of a domestic consumer", **Delete** after be recalculated in terms of the "Water charge on water usage and sewerage Leak" tariff, **Add** : "reduced by 90% of the excess (above average consumption) in respect of water and sewerage"

Delete after Excess will be calculated, Adjustments will be

Delete after months, "after the leakage took place or alternatively on the consumption 6 months"

Add: "Relief on a water leak will only be considered once within a 12 month Cycle."

- Page 18, Paragraph 5.8.2 – **Delete:** rating, **Add:** approved Property Rates
- Page 18, Paragraph 5.9.1 – **Delete:** 31st of August, **Add:** 30th of September
- Page 19, Paragraph 5.10 – **Add:** as per the approved Indigent Support Policy

Delete:

to be declared indigent provided that the following conditions are compiled with:

- That the gross household income does not exceed the poverty threshold value as determined by the Council's Indigent Policy.
 - That the Municipality may inspect the property occupied by the applicant, in respect of which municipal services are rendered to assess the merits of the application.
 - Any aggrieved person who was not successful in the application to be regarded as indigent may lodge an appeal with the Chief Financial Officer, within a period of ten (10) days from the date on which the aforesaid decision has been communicated to him/her.
- Page 19, Paragraph 5.12.1- **Delete:** The municipality will at its own cost make the Customer Care, Credit Control and Debt Collection policy brochure available to the community.
Add: The approved Customer Care, Credit Control and Debt Collection policy will be available to the community at all revenue enquiry offices, the municipal website and offices of the ward councillors.
Add: 5.12.2. Other platforms such as social media may also be utilized.

5.12.3 It is the responsibility of the consumer to ensure that his/her postal address and other contact details are correct.

- Page 19, Paragraph 5.13.1 – **Add**: The decision to open or closing of any office must be reported to the ward councillors
- Page 20, Paragraph 5.14 – **Add** "AND DISPUTES" to heading.

Add:

5.14.5 As a last resort an accountholder may lodge a dispute, in writing, on the formal

Section 102 Dispute Form available at the municipal offices upon request.

- No dispute will be registered verbally whether in person or over the telephone;
- The debtor must furnish full personal particulars including all their account numbers held with the Municipality, direct contact telephone numbers, fax numbers, postal and e-mail addresses and any other relevant particulars required by the Municipality;
- The full nature of the dispute must be described in the correspondence referred to above;
- A written acknowledgement of receipt of the dispute must be provided to the debtor.
- All disputes must be concluded by the Chief Financial Officer;
- The Chief Financial Officer's decision is final and will result in the immediate implementation of any debt collection and credit control measures after the debtor is provided with the outcome of the dispute; and the same debt will not be regarded as a matter of dispute.
- The outcome of the dispute must be communicated to the ward councillor.

5.14.6 A consumer may appeal against the finding of the municipality or its legal agent in terms of sub-paragraph 5.14.5.

5.14.7 An appeal and request in terms of sub-paragraph 5.14.6 must within twenty one (21) days after notification of the findings mentioned in sub-paragraph

5.14.5 be addressed to and submitted to the office of the municipal manager

and must:

- (a) set out the grounds for the appeal; and
- (b) be accompanied of any security determined for the testing of the metering device, if applicable.

5.14.8 The appeal must be finalized within 14 working days of receipt of an appeal.

- Page 22, **Add** Paragraph 5.16

5.16 BUILDING PLANS

5.16.1 Building plan applications will be rejected if municipal accounts are in arrears, this includes arrears on payment arrangements.

5.16.2 No arrangements to settle the debt will be accepted after an application

was declined.

- Page 22, **Add** Paragraph 6.3.2
6.3.2 Pending indigents will not be subjected to credit control measures as per 6.3.1 above. Outstanding debt prior approval will be collected via auxiliary payments through pre-paid purchases on a 50:50 ratio.
- Page 23, Paragraph 6.3.3- **Replace** seven (7) day with fourteen (14) day
- Page 23, Paragraph 6.3.4 – **Delete:** “or restrict” , **Add:** “the restrict the sale”
- Page 23. Paragraph 6.3.5 – **Add after arrangements** “and the disconnection/blocking and reconnection/unblocking fee”
- Page 24, Paragraph 6.5.4- **Delete:** The new owner may be held liable for any debt not recovered from the previous owner or accountholder, as municipal debt is a charge upon the property in terms of Section 118(3) of the Municipal Systems Act.
Add: No undertakings will be accepted in respect of payments prior issuing of clearance.
- Page 24, Paragraph 6.5.5-**Delete:** “and services and 2 (two) months' water and electricity usage”
- Page 25, **Add** Paragraph 6.5.6 : Extension of clearances will not be allowed.
- Page 25, Paragraph 6.5.7- **Add:** upon application of services or termination of services by the seller.
- Page 25, Paragraph 6.6.1- **Add after costs**, “from the date of application”
- Page 25, Paragraph 6.7.2 – **Delete:** Only cash will be accepted for the sale of prepaid electricity at all the Municipal offices;
- Page 26, Paragraph 6.10
Add:
6.10.2 Interest on overdue accounts will be charged at prime rate plus 1 percent.
- 6.10.3 Interest charged on overdue accounts will be equivalent to a full Month from the billing date each month, or part thereof that the account is overdue.
- Page 28-29, Paragraph 7.3.1 – **Delete:**“ including interest”, **Add:** No interest will be levied on handed over accounts.
- Page 29, Paragraph 7.5- **Add:**
7.5.1 If a consumer cannot pay his/her municipal account, the municipality can enter into an extended payment term whereby the consumer must:
 - 7.5.1.1 sign an acknowledgement of debt agreement
 - 7.5.1.2 sign permission to take judgment;
 - 7.5.1.3 sign to be included on the municipal debit order run if employed
 - 7.5.1.4 provide the latest proof of household income if employed alternatively provide a three months bank statement if not employed or self-employed.
 - 7.5.1.5 sign an admission that should the agreement not be adhered to, no further arrangements will be possible and that the disconnection of water and electricity, as well as legal proceedings, will immediately be implemented without notice;

7.5.1.6 accept liability for all costs; and

7.5.1.7 provide annually on 31 May new proof of income, which return, shall serve at the same time for purposes of indigent assistance.

7.5.2 When an account holder defaults on an arrangement the arrangement may be reinstated provided that all unpaid instalments as well as current amounts are paid in full.

7.5.3 No person will be allowed to enter into a new agreement if an agreement was dishonoured or any other reason.

7.5.4 No interest will be levied on accounts with valid payment arrangements.

- Page 30, **Add** Paragraph 7.5.8
All arrangements must be reported to the Portfolio committee monthly.
- Page 30, Paragraph 7.6 – Changes as per the below

7.6.1 Domestic Account Holders for first time defaulters:

Total gross household income per month	Initial down- payment	Minimum payment per month
R0 to R2500 amount equal to two state pensions (Indigents)	Minimum of R100	Current account in excess of the indigent subsidy, and a minimum of R100 48 60 equal monthly instalments-plus current account
R2501 to R4000	Minimum of R1000	Current account plus a minimum of R500
R4001 amount from two state pensions to R6000 R8 000	Minimum of R1500	Current account plus a minimum of R500 36 48 equal monthly instalments plus current account
R6001 R8 001 to R12000	Minimum of R2000	Current account plus a minimum of R500 24 36 equal monthly instalments plus current account

R12000 and above	Minimum of R2500	Current account plus a minimum of R500 12 24 equal monthly instalments plus current account
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The minimum amount is subject to the outstanding balance. Arrangements will not be granted on outstanding debt less than the minimum down payment.

- Page 32, Paragraph 7.6.3.2- **Replace:** 20% with R2 500.00
- Page 32, Paragraph 7.6.3.3 – **Delete:** "The current account plus a minimum determined according to the outstanding balance"
Add: Arrears to be paid in 24 equal instalments.
- Page 32, Paragraph 7.6.4- **Add:**
7.6.4 State Departments

No arrangements.

Delete:

- 7.6.4.1 When an account holder defaults on an arrangement for the first time only, the arrangement may be reinstated subject to the approval of the CFO or the delegated person and only on the following condition:

All unpaid instalments as well as current amounts must be paid in full and only in cash or by electronic transfer.

- 7.6.4.2 No person will be allowed to enter into a second agreement if the first agreements were dishonoured, except in special merit cases;

- Page 33, **Add** Paragraph 8

REPORTING AND PERFORMANCE MANAGEMENT

The council must institute the necessary mechanisms to set and measure performance against targets with regard to debt collection, customer care and administrative performance and take corrective steps in order to promote credit control and debt collection.

8.1 Income Collection Targets

The council must set targets that include the following:

- The council wants to collect all monies owed to the municipality.
- The collection rate per annum.

8.2 Customer Care Targets

The council must set targets that include the following:

- response times with regard to enquiries by clients;
- the date on which the first account must be rendered to customers;
- the time frame for the reconnection of services; and
- The meter reading cycle.

8.3 Administrative Performance

The council must set targets that include the following:

- cost effectiveness of debt collection;
- enquiry and appeal procedures; and
- Implementation mechanism relationships.

- Page 34, Paragraph 10- **Add:**

10.2 Deviation from this policy can only be approved in terms of council's system of delegations; and

10.3 Deviations must be reported to council.

2.4.3 Supply Chain Management Policy – “Annexure C2”

The SCM Policy has been amended to take all Preferential Procurement Regulation Amendments into account and to Incorporate the Infrastructure Procurement requirements as well. There are a number of changes – refer to Annexure F2”

2.4.4 Property Rates Policy – “Annexure C3”

A revised Property Rates Policy was adopted by Council in February 2018.

The following changes is proposed as follow:

- Pg6. **Delete** definition of Privately owned townships serviced by the owner
- Pg11 part of paragraph 5 – **Delete** sub-category “State”
- Pg 11 paragraph 7 - **Delete the following:**
 - For the purpose as described in sections 3.2 and 3.3 of this policy
 - a) Those owners who qualify and who are registered as indigent in terms of the adopted indigent policy of the Municipality;
 - b) Owners of properties situated within an area affected by:
 - (i) a disaster within the meaning of the Disaster Management Act, 2002 (Act No 57 of 2002); or
 - (ii) any serious adverse social or economic conditions.
 - Owners of properties situated in “privately owned townships” serviced by the owner;
 - Owners of agricultural properties;

- Owners of farm properties and small holdings that are used for residential purposes;
- Owners of farm properties or small holdings that are used for industrial, commercial and business purposes; and
- Owners of developed properties not yet sold and transferred.

Add the following:

- a) indigent status of the owner of a property
 - b) sources of income or/and monthly household income of the owner of a property
 - c) owners of property situated within an area affected by-
 - i) a disaster within the meaning of the Disaster Management Act, 20002 (Act no 57 of 2002 ; or
 - ii) any other serious adverse social or economic conditions;
 - d) owners of residential properties with a market value below a determined threshold; or
 - e) owners of agricultural properties who are bona fide farmers.
- Page 12, Paragraph 8 – **Correction** of ratios for the following categories as per page 13:
 Business Vacant Land from 1:5 to 1:1.5
 Industrial Vacant Land from 1:5 to 1:1.5
 - Page 13, Paragraph 9 (a) – **Delete** “which are not used by the trading services”
 - Page 14, **Add** point 9 (d) – **“Private Open Space/Place**
 Properties categorized as Private Open Space/Place will be 100% exempted from paying property rates.”
 - a)** Page 14, Paragraph 10 – **Add 10 (c)** - on the first R15 000 of the market value of all residential properties contemplated in terms of section 17(1)(h) of the Act. Vacant land does not qualify for this rebate.
 - Page 18, Paragraph 12 – **Delete** “Council”, **Add** “Municipal Manager or his nominee. Replacement noted in whole paragraph.
 - Add** – “Applications must reach the municipality before the end of October preceding the start of the new municipal financial year for which relief is sought.”

2.4.5 Funding and Reserves Policy – “Annexure C4”

The Funding and Reserves Policy was adopted by Council in May 2016.

The Funding and Reserves Policy was reviewed and the following changes are recommended:

A Capital Replacement Reserve was included in this section to guide the institution on what categories of funding should be transferred to the Capital replacement reserve under section 4.3.

Cash balances section under 4.4 was created to clarify how the unincumbered cash will be calculated to avoid the spending or commitments against cash and cash equivalents.

2.4.6 Cost Containment Policy – “Annexure C5”

The Cost Containment Policy was reviewed, updated and submitted to a Policy workshop in 2022 and recommended for adoption in the 2023/24 Annual draft Budget.

2.4.7 Cash Management and Investment Policy –“Annexure C6”

The following changes are proposed in the Cash Management and Investment Policy regarding the Petty Cash:

17. PETTY CASH

17.1 Process to request Petty Cash.

- Departments request petty cash through written request with supporting documentation such as , Memo explaining request, quotation , budget verification
- Request must be signed by both Manager and the relevant Director;
- Request shall be sent to Manger Expenditure for approval
- Departments have a limit of R2000.00 per month.
- Invoices must be signed by the relevant manager or Director ;
- No petty cash will be issued if there is outstanding receipts form the relevant Department.

Certain types of Expenditure may be excluded from Petty Cash when considered necessary;

Petty Cash not permitted for the following items,

- S&T Advances;
- Transport and Subsistence claims.
- Repairs to Labour saving Devices.
- Airtime or Data/ Cellular phone Accounts
- Entertainment as Defined in terms of SCOA, i.e Food / lunch beverages nor any re-imbursements of such.
- Registration Fees.
- Items available on tender or at SCM Stores except if item is not available and its an emergency.
- Any Low valued Items, eg Coffee, tea, Milk etc for any boardroom meetings / office use as such items can be quantified and bought through normal SCM Process.
- No splitting of Invoices. i.e buy same items more than once to slip invoice value.

2.4.8 Borrowing Policy - “Annexure C7”

The Borrowing Policy was adopted by Council in May 2016.

The Policy was reviewed, and no changes are recommended.

2.4.9 Budget virement Policy – “Annexure C8”

The Budget virement policy was reviewed, updated and submitted to a Policy workshop in 2022 and recommended for adoption in the 2023/24 Annual draft Budget.

2.4.10 Budget Implementation and Management Policy – “Annexure C9”

The Budget implementation policy is a new policy proposed to be approved with the Draft Annual Budget. The objectives of the policy are as follows:

- a) The principles which the municipality will follow in preparing each medium-term revenue and expenditure framework budget;
- b) The responsibilities of the executive mayor, the accounting officer, the chief financial officer and the directors in compiling the budget; and
- c) To establish and maintain procedures to ensure adherence to Kouga Municipality's Integrated Development Plan (IDP) review and budget processes

2.4.11 Indigent Policy – “Annexure C10”

Proposed changes to policy is as follow:

- Page 8, Paragraph 4
Add: 4.4 The combined bank balances of all occupants or dependents in a single household which receives services from the municipality may not exceed the amount equivalent to six (6) state pensions upon date of application or verification date.
- Page 10, Paragraph 5.5
Replace “shall” with “may”

2.4.12 Unallocated Revenue and Building Deposit Policy –“Annexure C11”

- The policy is regarded as a Standard Operating Procedure and should be disregarded.
- The following paragraph in respect of unallocated deposits will be moved to the Budget Policy:
After a period of 3 (three years) when no claims are made or the origin of the payment is still unknown / unidentified, the unknown receipt as posted in the Unallocated Revenue Account will be journalised to the Sundries Revenue Account in the current period.
- The following paragraph in respect of Building Deposits will be moved to the Customer Care, Credit Control and Debt Collection Policy:

REFUND OR FORFEITURE OF BUILDING DEPOSIT

- *Building Deposits made by a customer is refundable, free of interest, on the award of an occupation certificate from the municipality, provided that no damage has been made to any of council's property or infrastructure.*
- *Deposits shall be forfeited to the council if not claimed by the customer within 3 years of the occupation certificate.*
- *The customer must notify the office of the Chief Financial Officer of any change of address in order to facilitate the refund of the deposit and submit proof of bank account in order for the refund to be effected.*
- *All building deposits should be recorded in a suitable register to facilitate future claims against the amount and followed up, should the customer claim for a building deposit after the 3 year period of forfeiture, the claim will be paid on condition that sufficient proof can be provided.*

2.4.13 Policy on Provision for Doubtful Debt and Write Off of Irrecoverable Debt – “Annexure F12”

The following changes are proposed:

- Page 11, Paragraph 9.1 – **Delete:** within 120 days

2.4.14 Tariff Policy – “Annexure C13”

- **Inserted** Cover Page and Preamble, **Removed** Heading of Policy

2.4.15 Asset Management Policy – “Annexure C14”

Summary of all changes to the policy

Definitions

Component

means a specific part of a complex item that has independent physical or functional identity and specific attributes such as different life expectancy, maintenance and renewal requirements and regimes, risk or criticality.

Investment property

is property (land or a building – or part of a building – or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

- (a) use in the production or supply of goods or services or for administrative purposes;
- or
- (b) sale in the ordinary course of operations

Heritage assets

are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations .

Examples are works of art, historical buildings and statutes

Aim of document

The aim of this policy is to ensure the effective and efficient control of the municipality's capital assets through:

- a) Proper recording of capital assets from authorisation to acquisition and to subsequent disposal;
- b) Providing for safeguarding procedures;
- c) Setting proper guidelines as to authorised utilisation; and
- d) Prescribing for proper maintenance.

To assist officials in understanding their legal and managerial responsibilities regarding capital asset.

Background

The asset management policy deals with the municipal rules required to ensure the enforcement of appropriate stewardship of capital assets.

Stewardship has three components being the:

- a) Management, utilisation and control by the Municipal Officials;
- b) Financial administration by the Chief Financial Officer; and
- c) Physical administration by the Senior Managers

Responsibilities And Accountabilities

The **Accounting Officer** is responsible for the management of the capital assets of the municipality, including the safeguarding and the maintenance of these capital assets.

The **Chief Financial Officer** is responsible to the Accounting Officer to ensure that the financial investment in the municipalities' capital assets is properly recorded.

The **Senior Managers** must take all reasonable steps to ensure that appropriate systems of physical management and controls are established and carried out for capital assets in their areas of responsibility.

Purchase of an asset

Before a capital project is included in the budget for approval, the Senior Manager must demonstrate, and the Council must consider:

- The projected cost over all the financial years until the project is operational;
- The future operational costs and revenue of the project, including tax and tariff implications;
- The financial sustainability of the project over its life including revenue generation and subsidisation requirements;
- The physical and financial stewardship of that capital asset through all stages in its life including acquisition, installation, maintenance, operations, disposal and rehabilitation;
- The inclusion of this capital project in the integrated development plan and future budgets; and
- Alternatives to this capital purchase.

Deleted

Purchase of an Asset

- All Assets acquired for a Financial Year must be included in the Kouga Municipality's Integrated Development Plan as per the annual capital budget.
- The Kouga Municipality Council must approve any asset that did not form part of the original annual capital budget.
- Any increase in price for an asset budgeted for in the annual capital budget that does not exceed 10% of the original cost price must be approved by the Head of the Department as well as the CFO before the asset is purchased. A Price increase of more than 10% must be approved by the Municipal Manager as well as the CFO before the asset can be purchased.
- Tender and quotations must be obtained as prescribed by the Kouga Municipality's Procurement Policy and all other work procedures must be followed when an asset is acquired.
- Capital items not purchased in the financial year as approved on the IDP and capital budget of the Municipality may only be transferred to the next financial year if it is approved by the Municipalities Executive Committee and Council. These approved transfers must be included as carry-over amounts in the capital budget for the new financial year.

Repairs and maintenance

Maintenance is further required to be classified between **Preventative Maintenance** and **Corrective Maintenance**, as directed in terms of an anticipated maintenance plan.

Preventative maintenance is planned or carried out on opportunity.

Corrective maintenance can be planned or unplanned.

Disposal of assets

Assets are replaced as soon as the asset has no economic value / service potential to the municipality. Senior managers should annually identify possible replacement needs and inform the CFO by no later than 31 January of the estimated costs to be placed on the capital budget for approval.

Capital asset maintenance plan

On an annual basis the asset department will provide the managers with a list of assets within their departments indicating the condition and the remaining useful life. Senior Managers need to develop a capital asset management plan for immovable capital assets that meets the definition of the undermentioned capital asset categories:

- a) Infrastructure Assets;
- b) Community Assets;
- c) Investment Property; and
- d) Any other Immoveable assets

Condition assessment
table

Rating	Description	Detail description	Indicative of RUL
1	Very good	Sound structure well maintained. Only normal maintenance required.	71-100% EUL
2	Good	Services needs but minor deterioration (< 5%). Minor maintenance required.	46-70% EUL
3	Fair	Marginal, clear deterioration (10-20%). Significant maintenance required.	26-45% EUL
4	Poor	Significant deterioration of structure and/or appearance Significant impairment of functionality (20-40%)	11-25% EUL
5	Very poor	Significant renewal/upgrade required. Unsound, failed needs ,reconstruction/replacement (> 50% needs replacement)	0-10% EUL
Rating Description			
EUL' is Expected Useful Life			
'RUL' is Remaining Useful Life			

2.4.16 Preferential Procurement Policy Framework – Annexure C15

Changes are proposed in the application of the BBBEE points and Specific Goals has been incorporated into the Policy emanating from the changes in the Preferential Procurement Regulations."

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 2023/24 – 2025/26 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:

	2023/24	2024/25	2025/26
Income	%	%	%
Tariff Increases for water	7.25	7.25	7.25
Tariff Increases for sanitation	6.5	6.5	6.5
Tariff Increases for refuse	6.5	6.5	6.5
Property rates increase (decrease in cents in the rand for 2023/24)	-23.8	4.9	4.7
Electricity tariff increase (on average)	15	9.6	12.58
Environmental Management Fee increase	7	7	7
Revenue collection rates (Property Rates and Service Charges)	94	94	94
Expenditure increases allowed	5.3	4.9	4.7
Salary increase	7.1	4.6	4.6
Increase in bulk purchase of electricity costs	18.65	12.7	15.68
Increase in bulk purchase of water costs	6	9	9

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 2023/24 financial year.

Description	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2023/24	%	Budget Year 2024/25	%	Budget Year 2025/26	%
Revenue								
Property rates	236,746,531	22.41%	281,487,795	24.10%	295,280,635	23.52%	309,158,826	22.70%
Service charges	560,500,737	53.06%	630,944,148	54.02%	685,263,922	54.59%	757,526,048	55.63%
Transfer and subsidies - Operational	177,919,970	16.84%	190,883,480	16.34%	206,454,705	16.45%	223,190,972	16.39%
Other revenue	81,139,490	7.68%	64,718,792	5.54%	68,234,836	5.44%	71,905,302	5.28%
Total Revenue (excluding capital transfers and contributions)	1,056,306,728	100.00%	1,168,034,215	100.00%	1,255,234,098	100.00%	1,361,781,148	100.00%

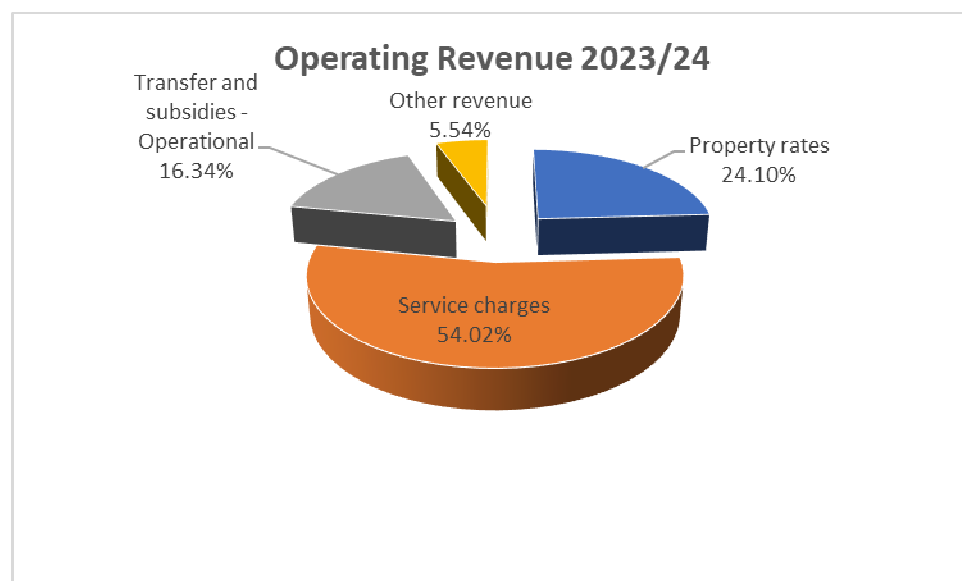


Figure 3 Breakdown of operating revenue over the 2023/24 MTRE

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 94% 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 281,488 million in the 2023/24 financial year and increases to R 309,159 million in 2025/26, representing 24.10% of the total operating revenue for the 2023/24 budget.

Services charges relating to electricity, water, sanitation, environmental management and refuse collection constitute the largest component of the revenue base, amounting to R 630,944 million in the 2023/24 financial year and increasing to R 757,526 million in 2025/26. For the 2023/24 financial year, services charges amount to 54.02% of the total revenue base.

Operational grants and subsidies amount to R 190,883 million, R 206,455 million and R 223,191 million for each of the respective financial years of the MTREF, or 16.34% of total operating revenue for 2023/24.

The table below provides investment particulars by type.

Table 19 (SA15 – Detail Investment Information)

Investment type	Current Year 2022/23	2022/23 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
R thousand				
Parent municipality				
Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank	8,542,313	2,423,853	4,950,649	13,960,891
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				
	8,542,313	2,423,853	4,950,649	13,960,891
Municipality sub-total				
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:	8,542,313	2,423,853	4,950,649	13,960,891

Investments are anticipated to increase from R 8,542 million in 2023/24 to R 13,961 million in 2025/26.

2.6.2 Medium-term outlook: capital revenue

The following table provides a breakdown of the funding components of the 2023/24 medium-term capital programme:

Table 20 (Sources of capital revenue over the MTREF)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Rand				
Funded by				
National Government	79,562,130	64,520,562	56,686,258	49,168,172
Provincial Government				
District Municipality	1,638,000	1,362,277	1,429,028	1,496,193
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)				
Transfers recognised - capital	81,200,130	65,882,839	58,115,286	50,664,365
Borrowing	10,104,406			
Internally generated funds	16,678,823	710,000	710,460	710,941
Total Capital Funding	107,983,359	66,592,839	58,825,746	51,375,306

The above table is graphically represented as follows for the 2023/24 financial year.

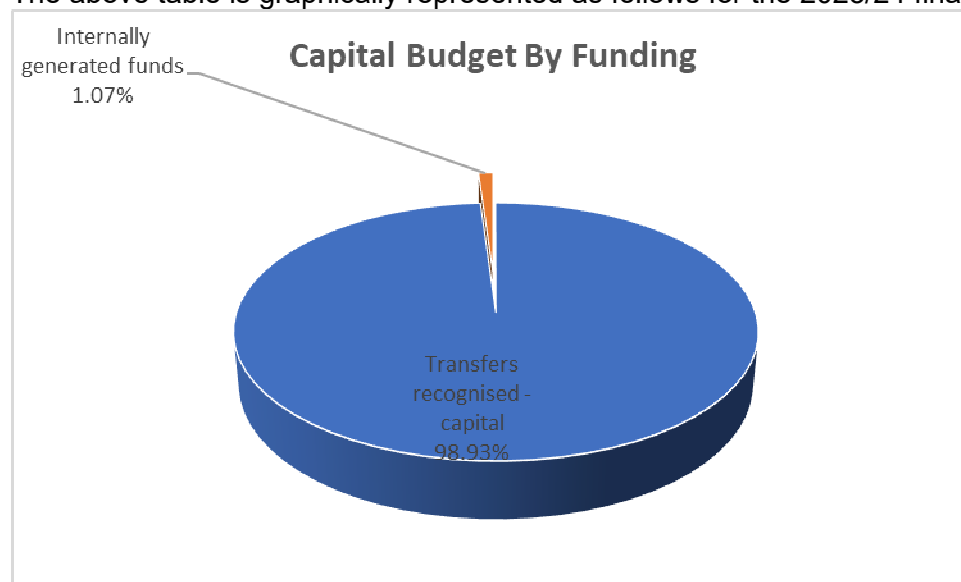


Figure 4 Sources of Capital Revenue for the 2023/24 financial year

Capital Grants constitute 98.93% of the total funding sources, amounting to R 65,883 million for the 2023/24 financial year and amounting to R 50,664 million or 98.62% in the 2025/26 financial year. It is to be noted that no borrowing is planned for the 2023/24 MTREF, in view of financial affordability considerations.

The following table indicates the capital transfers and grant receipts:

Table 21 (Table SA 18 - Transfers and grant receipts)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Rand				
RECEIPTS				
Operating				
National Government				
Equitable Share	163,292,000	180,506,000	198,345,000	214,749,000
Expanded Public Works Programme Integrated Grant	1,175,000	2,458,000		
Local Government Financial Management Grant	1,720,000	1,720,000	1,720,000	1,858,000
Municipal Infrastructure Grant	1,794,550	1,868,350	1,946,800	2,028,600
Total Operating/National Government	167,981,550	186,552,350	202,011,800	218,635,600
Provincial Government				
Capacity Building and Other	7,050,000	2,050,000	2,050,000	2,050,000
Total Operating/Provincial Government	7,050,000	2,050,000	2,050,000	2,050,000
District Municipalities				
Environmental Health Subsidy	2,888,420	2,281,130	2,392,905	2,505,372
Total Operating/District Municipalities	2,888,420	2,281,130	2,392,905	2,505,372
Total Operating	177,919,970	190,883,480	206,454,705	223,190,972
Capital				
National Government				
Energy Efficiency and Demand Side Management Grant		4,000,000	5,000,000	
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		4,700,000	13,200,000	11,000,000
Municipal Infrastructure Grant	34,096,450	35,498,650	36,989,200	38,543,400
Water Services Infrastructure Grant	57,400,000	30,000,000	10,000,000	7,000,000
Total Capital/National Government	91,496,450	74,198,650	65,189,200	56,543,400
District Municipalities				
Fire Services Subsidy	1,638,000	1,362,277	1,429,028	1,496,193
Total Capital/District Municipalities	1,638,000	1,362,277	1,429,028	1,496,193
Total Capital	93,134,450	75,560,927	66,618,228	58,039,593
TOTAL	271,054,420	266,444,407	273,072,933	281,230,565

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 22 (Table A7 - Budgeted cash flow statement)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	227,439,850	267,647,995	280,762,748	293,958,597
Service charges	628,916,684	699,529,660	759,478,827	838,955,535
Other revenue	101,036,116	67,073,189	68,563,892	70,196,518
Transfers and Subsidies - Operational	177,919,970	190,883,480	206,454,705	223,190,972
Transfers and Subsidies - Capital	93,134,450	75,560,927	66,618,228	58,039,593
Interest	3,057,323	4,598,161	4,823,471	5,050,174
Dividends	-	-	-	-
Payments				
Suppliers and employees	(1,140,764,702)	(1,234,728,528)	(1,315,865,035)	(1,428,441,941)
Finance charges	-	-	-	-
Transfers and Subsidies	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	90,739,691	70,564,884	70,836,836	60,949,448
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	-	-	-
Decrease (Increase) in non-current debtors (not used)	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-
Payments				
Capital assets	(97,878,953)	(66,592,839)	(58,825,746)	(51,375,306)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(97,878,953)	(66,592,839)	(58,825,746)	(51,375,306)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-	-	-
Borrowing long term/refinancing	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-
Payments				
Repayment of borrowing	(12,169,020)	(10,090,505)	(9,484,294)	(563,900)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(12,169,020)	(10,090,505)	(9,484,294)	(563,900)
NET INCREASE/ (DECREASE) IN CASH HELD	(19,308,282)	(6,118,460)	2,526,796	9,010,242
Cash/cash equivalents at the year begin:	27,850,595	8,542,313	2,423,853	4,950,649
Cash/cash equivalents at the year end:	8,542,313	2,423,853	4,950,649	13,960,891

For the 2023/24 MTREF, the cash and cash equivalents over the medium-term is anticipated to increase from R 2,424 million in 2023/24 million to R 13,961 million in 2025/26.

Table 23 (Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation)

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Cash and investments available				
Cash/cash equivalents at the year end	8,542,313	2,423,853	4,950,649	13,960,891
Other current investments > 90 days	-	-	-	-
Non current assets - Investments	-	-	-	-
Cash and investments available:	8,542,313	2,423,853	4,950,649	13,960,891
Application of cash and investments				
Unspent conditional transfers	-	-	-	-
Unspent borrowing	-	-	-	-
Statutory requirements	(50,443,224)	(50,443,217)	(50,443,209)	(50,443,202)
Other working capital requirements	8,192,663	5,299,722	371,643	(14,692,360)
Other provisions	41,510,585	43,689,225	45,968,082	48,351,767
Long term investments committed	-	-	-	-
Reserves to be backed by cash/investments	-	-	-	-
Total Application of cash and investments:	(739,976)	(1,454,270)	(4,103,484)	(16,783,795)
Surplus(shortfall)	9,282,289	3,878,123	9,054,133	30,744,686

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 2,424 million in the 2023/24 financial year and increases to R 13,961 million in 2025/26. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) – no unspent grant funding is anticipated over the 2023/24 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 3,878 million, R 9,054 million and R 30,745 million for the 2023/24, 2024/25 and 2025/26 financial years, respectively.

It is to be noted that the 2023/24 MTREF is funded, when considering the funding requirements of section 18 and 19 of the MFMA. The cost coverage ratio is, however, 0.03 months, 0.05 months and 0.13 months for the 2023/24, 2024/25 and 2025/26 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	Ref	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
			Adjusted Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Funding measures						
Cash/cash equivalents at the year end - R'000	18(1)b	1	8,542	2,424	4,951	13,961
Cash + investments at the yr end less applications - R'000	18(1)b	2	9,282	3,878	9,054	30,745
Cash year end/monthly employee/supplier payments	18(1)b	3	0.10	0.02	0.05	0.12
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	–	–	–	–
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	(9.7%)	8.4%	1.5%	2.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	45.6%	41.5%	42.0%	42.9%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	11.2%	10.9%	10.8%	10.5%
Capital payments % of capital expenditure	18(1)c;19	8	90.6%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10		100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	2.9%	12.3%	9.7%	9.3%
Long term receivables % change - incr(decr)	18(1)a	12	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	2.2%	2.7%	3.0%	3.2%
Asset renewal % of capital budget	20(1)(vi)	14	0.3%	0.0%	0.0%	0.0%

Below is a discussion of the different measures.

2.6.5.1 Cash/cash equivalent position

The forecasted cash and cash equivalents for the 2023/24 MTREF amounts to R 2,424 million, R 4,951 million and R 13,961 million for the respective financial years.

2.6.5.2 Cash plus investments less application of funds

For the 2023/24, 2024/25 and 2025/26 budgets, the available cash and investments exceed the application of funds by an amount of R 3,878 million, R 9,054 million and R 30,745 million, respectively.

2.6.5.3 Monthly average payments covered by cash or cash equivalents.

As part of the 2023/24 MTREF, the projected cash position causes the ratio to increase from 0.02 months to 0.12 months.

2.6.5.4 Surplus/deficit excluding depreciation offsets.

For the 2023/24 MTREF the indicative outcome is a deficit of R 57,466 million, R 50,603 million and R 50,460 million, respectively. This is made up as follows:

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Revenue				
Surplus/(Deficit)	(121,756,990)	(133,026,634)	(117,220,948)	(108,499,916)
Transfers and subsidies - capital (monetary allocations)	93,134,450	75,560,927	66,618,228	58,039,593
Total	(28,622,540)	(57,465,707)	(50,602,720)	(50,460,323)

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 5.3%), so as to determine the real increase in revenue. The percentage growth totals 8.4%, 1.5% and 2.8% for the respective financial years of the 2023/24 MTREF.

2.6.5.6 Cash receipts as a percentage of ratepayer and other revenue

The outcome is approximately 94.0% for the 2023/24 and 94.0% for the 2024/25 and 94.0% for the 2025/26 financial years.

2.6.5.7 Debt impairment expense as a percentage of billable revenue

The provision has been set at 6% for property rates and services, for the 2023/24 and 6% for the 2024/25 and 6% for the 2025/26 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 2023/24 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 2.7%, 3% and 3.2% of Property, Plant and Equipment respectively, over the 2023/24 MTREF, whilst National Treasury has suggested an 8% level.

2.7 EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

GRANTS RECEIVED

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Rand				
RECEIPTS				
Operating				
National Government				
Equitable Share	163,292,000	180,506,000	198,345,000	214,749,000
Expanded Public Works Programme Integrated Grant	1,175,000	2,458,000		
Local Government Financial Management Grant	1,720,000	1,720,000	1,720,000	1,858,000
Municipal Infrastructure Grant	1,794,550	1,868,350	1,946,800	2,028,600
Total Operating/National Government	167,981,550	186,552,350	202,011,800	218,635,600
Provincial Government				
Capacity Building and Other	7,050,000	2,050,000	2,050,000	2,050,000
Total Operating/Provincial Government	7,050,000	2,050,000	2,050,000	2,050,000
District Municipalities				
Environmental Health Subsidy	2,888,420	2,281,130	2,392,905	2,505,372
Total Operating/District Municipalities	2,888,420	2,281,130	2,392,905	2,505,372
Total Operating	177,919,970	190,883,480	206,454,705	223,190,972
Capital				
National Government				
Energy Efficiency and Demand Side Management Grant		4,000,000	5,000,000	
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		4,700,000	13,200,000	11,000,000
Municipal Infrastructure Grant	34,096,450	35,498,650	36,989,200	38,543,400
Water Services Infrastructure Grant	57,400,000	30,000,000	10,000,000	7,000,000
Total Capital/National Government	91,496,450	74,198,650	65,189,200	56,543,400
District Municipalities				
Fire Services Subsidy	1,638,000	1,362,277	1,429,028	1,496,193
Total Capital/District Municipalities	1,638,000	1,362,277	1,429,028	1,496,193
Total Capital	93,134,450	75,560,927	66,618,228	58,039,593
TOTAL	271,054,420	266,444,407	273,072,933	281,230,565

GRANTS EXPENDITURE

GRANTS RECONCILIATION

Description	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Rand				
EXPENDITURE				
Operating				
National Government				
Equitable Share	163,292,000	180,506,000	198,345,000	214,749,000
Expanded Public Works Programme Integrated Grant	1,175,000	2,458,000		
Local Government Financial Management Grant	1,720,000	1,720,000	1,720,000	1,858,000
Municipal Infrastructure Grant	1,794,550	1,868,350	1,946,800	2,028,600
Total Operating/National Government	167,981,550	186,552,350	202,011,800	218,635,600
Provincial Government				
Capacity Building and Other	7,050,000	2,050,000	2,050,000	2,050,000
Total Operating/Provincial Government	7,050,000	2,050,000	2,050,000	2,050,000
District Municipalities				
Environmental Health Subsidy	2,888,420	2,281,130	2,392,905	2,505,372
Total Operating/District Municipalities	2,888,420	2,281,130	2,392,905	2,505,372
Total Operating	177,919,970	190,883,480	206,454,705	223,190,972
Capital				
National Government				
Energy Efficiency and Demand Side Management Grant		4,000,000	5,000,000	
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		4,700,000	13,200,000	11,000,000
Municipal Infrastructure Grant	34,096,450	35,498,650	36,989,200	38,543,400
Water Services Infrastructure Grant	57,400,000	30,000,000	10,000,000	7,000,000
Total Capital/National Government	91,496,450	74,198,650	65,189,200	56,543,400
District Municipalities				
Fire Services Subsidy	1,638,000	1,362,277	1,429,028	1,496,193
Total Capital/District Municipalities	1,638,000	1,362,277	1,429,028	1,496,193
Total Capital	93,134,450	75,560,927	66,618,228	58,039,593
TOTAL	271,054,420	266,444,407	273,072,933	281,230,565

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 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
R thousand				
<u>Cash Transfers to Entities/Other External Mechanisms</u>				
<i>Various Organisations</i>	725,000	1,040,275	1,083,527	1,128,769
Total Cash Transfers To Entities/Ems'	725,000	1,040,275	1,083,527	1,128,769
TOTAL CASH TRANSFERS AND GRANTS	725,000	1,040,275	1,083,527	1,128,769
TOTAL TRANSFERS AND GRANTS	725,000	1,040,275	1,083,527	1,128,769

2.9 COUNCILLORS AND EMPLOYEE BENEFITS

DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS

Summary of Employee and Councillor remuneration	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
Rand	Adjusted Budget	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<u>Councillors (Political Office Bearers plus Other)</u>				
Basic Salaries and Wages	9,583,955	10,264,413	10,736,576	11,230,459
Pension and UIF Contributions	-	-	-	-
Medical Aid Contributions	-	-	-	-
Motor Vehicle Allowance	3,232,251	3,461,739	3,620,978	3,787,541
Cellphone Allowance	1,548,199	1,658,118	1,734,391	1,814,172
Housing Allowances	-	-	-	-
Other benefits and allowances	-	-	-	-
Sub Total - Councillors	14,364,405	15,384,270	16,091,945	16,832,172
<u>Senior Managers of the Municipality</u>				
Basic Salaries and Wages	6,741,584	7,798,573	8,157,308	8,532,545
Pension and UIF Contributions	110,764	118,628	124,085	129,791
Medical Aid Contributions	49,716	53,245	55,695	58,257
Overtime	-	-	-	-
Performance Bonus	1,436,283	1,528,805	1,599,128	1,672,691
Motor Vehicle Allowance	1,842,400	2,104,942	2,201,768	2,303,049
Cellphone Allowance	9,588	10,268	10,741	11,235
Housing Allowances	-	-	-	-
Other benefits and allowances	4,489	4,808	5,029	5,260
Payments in lieu of leave	4,500,000	4,819,500	5,041,192	5,273,078
Long service awards	-	-	-	-
Post-retirement benefit obligations	-	-	-	-
Sub Total - Senior Managers of Municipality	14,694,824	16,438,769	17,194,946	17,985,906
<u>Other Municipal Staff</u>				
Basic Salaries and Wages	257,138,048	291,829,275	305,253,418	319,295,072
Pension and UIF Contributions	34,901,061	37,531,436	39,257,865	41,063,951
Medical Aid Contributions	17,470,828	18,887,964	19,756,811	20,695,256
Overtime	19,421,999	20,281,999	21,214,961	22,190,846
Performance Bonus	17,318,987	18,577,550	19,432,113	20,325,991
Motor Vehicle Allowance	10,554,476	11,539,453	12,070,265	12,625,498
Cellphone Allowance	53,038	56,801	59,413	62,145
Housing Allowances	1,050,975	1,254,108	1,311,787	1,372,127
Other benefits and allowances	16,774,815	18,047,185	18,877,348	19,745,701
Payments in lieu of leave	1,600,000	1,713,600	1,792,424	1,874,880
Long service awards	1,276,352	5,049,744	1,429,843	1,495,613
Post-retirement benefit obligations	17,123,539	17,204,586	1,888,501	1,975,372
Sub Total - Other Municipal Staff	394,684,118	441,973,701	442,344,749	462,722,452
Total Parent Municipality	423,743,347	473,796,740	475,631,640	497,540,530
TOTAL SALARY, ALLOWANCES & BENEFITS	423,743,347	473,796,740	475,631,640	497,540,530
TOTAL MANAGERS AND STAFF	409,378,942	458,412,470	459,539,695	480,708,358

2.10 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

Description	2023/24												2023/24 Medium Term Revenue & Expenditure Framework
	M01 July	M02 Aug	M03 Sept	M04 Oct	M05 Nov	M06 Dec	M07 Jan	M08 Feb	M09 Mar	M10 Apr	M11 May	M12 June	
R thousand													
Cash Receipts By Source													
Property rates	24,252	55,134	25,082	25,541	25,516	15,712	12,416	19,098	15,807	15,770	15,785	17,535	267,648
Service charges - electricity revenue	43,186	33,440	34,794	35,543	35,503	35,823	30,445	41,348	35,978	35,917	35,942	38,797	436,717
Service charges - water revenue	40,509	6,069	6,422	6,617	6,607	6,690	5,287	8,132	6,731	6,715	6,721	7,467	113,968
Service charges - sanitation revenue	25,501	3,820	4,043	4,166	4,159	4,212	3,328	5,119	4,237	4,227	4,231	4,700	71,745
Service charges - refuse revenue	27,405	4,105	4,345	4,477	4,470	4,526	3,577	5,502	4,553	4,543	4,547	5,051	77,100
Rental of facilities and equipment	1,347	202	213	220	220	222	176	270	224	223	223	248	3,789
Interest earned - external investments	1,634	245	259	267	267	270	213	328	272	271	271	301	4,598
Fines, penalties and forfeits	4,224	633	670	690	689	698	551	848	702	700	701	779	11,884
Licences and permits	10,399	1,558	1,649	1,699	1,696	1,718	1,357	2,088	1,728	1,724	1,725	1,917	29,258
Agency services	355	53	56	58	58	59	46	71	59	59	59	66	1,000
Transfers and Subsidies - Operational	71,742	2,335		1,297	2,050	61,898		736	50,826				190,883
Other revenue	7,515	1,126	1,191	1,228	1,226	1,241	981	1,509	1,249	1,246	1,247	1,385	21,143
Cash Receipts by Source	258,070	108,720	78,724	81,802	82,460	133,069	58,378	85,051	122,365	71,394	71,453	78,246	1,229,732
Other Cash Flows by Source													
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	13,681		500	18,785	13,040	19,759			9,797				75,561
Total Cash Receipts by Source	271,751	108,720	79,224	100,587	95,500	152,827	58,378	85,051	132,162	71,394	71,453	78,246	1,305,293

Description	2023/24												2023/24 Medium Term Revenue & Expenditure Framework
	M01 July	M02 Aug	M03 Sept	M04 Oct	M05 Nov	M06 Dec	M07 Jan	M08 Feb	M09 Mar	M10 Apr	M11 May	M12 June	Budget Year 2023/24
R thousand													
Cash Payments by Type													
Employee related costs	(34,627)	(34,627)	(34,627)	(34,627)	(56,627)	(34,627)	(34,627)	(34,627)	(34,627)	(34,627)	(34,627)	(34,627)	(437,525)
Remuneration of councillors	(1,282)	(1,282)	(1,282)	(1,282)	(1,282)	(1,282)	(1,282)	(1,282)	(1,282)	(1,282)	(1,282)	(1,282)	(15,384)
Finance charges													-
Bulk purchases - Electricity	(40,948)	(40,852)	(34,151)	(26,576)	(26,304)	(26,300)	(27,983)	(26,036)	(23,971)	(26,170)	(25,180)	(41,310)	(365,780)
Acquisition inventory - water and other inventory	(25,619)	(3,838)	(4,061)	(4,185)	(4,178)	(4,231)	(3,344)	(5,143)	(4,257)	(4,247)	(4,251)	(4,722)	(72,075)
Contracted services	(38,642)	(5,789)	(6,126)	(6,312)	(6,302)	(6,382)	(5,043)	(7,757)	(6,421)	(6,405)	(6,412)	(7,122)	(108,715)
Transfers and subsidies - other municipalities													-
Transfers and subsidies - other													-
Other expenditure	(83,618)	(12,527)	(13,256)	(13,660)	(13,638)	(13,810)	(10,913)	(16,787)	(13,894)	(13,861)	(13,874)	(15,412)	(235,249)
Cash Payments by Type	(224,736)	(98,915)	(93,504)	(86,642)	(108,332)	(86,632)	(83,192)	(91,632)	(84,451)	(86,591)	(85,626)	(104,476)	(1,234,729)
Other Cash Flows/Payments by Type													
Capital assets	(23,670)	(3,546)	(3,752)	(3,867)	(3,861)	(3,909)	(3,089)	(4,752)	(3,933)	(3,924)	(3,927)	(4,363)	(66,593)
Repayment of borrowing	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(10,091)
Other Cash Flows/Payments													-
Total Cash Payments by Type	(249,247)	(103,302)	(98,097)	(91,349)	(113,033)	(91,383)	(87,122)	(97,224)	(89,225)	(91,356)	(90,394)	(109,680)	(1,311,412)
NET INCREASE/(DECREASE) IN CASH HELD	22,504	5,419	(18,873)	9,238	(17,533)	61,445	(28,744)	(12,174)	42,937	(19,962)	(18,941)	(31,434)	(6,118)
Cash/cash equivalents at the month/year begin:	712	23,216	28,635	9,762	19,000	1,467	62,911	34,167	21,993	64,930	44,968	26,027	8,542
Cash/cash equivalents at the month/year end:	23,216	28,635	9,762	19,000	1,467	62,911	34,167	21,993	64,930	44,968	26,027	(5,407)	2,424

Description	2023/24 Medium Term Revenue & Expenditure Framework		
	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Rand			
Cash Receipts By Source			
Property rates	267,647,995	280,762,748	293,958,597
Service charges - electricity revenue	436,716,685	478,641,487	538,854,587
Service charges - water revenue	113,968,203	122,225,811	131,081,392
Service charges - sanitation revenue	71,744,876	76,408,292	81,374,831
Service charges - refuse revenue	77,099,896	82,203,237	87,644,725
Rental of facilities and equipment	3,788,735	3,974,382	4,161,179
Interest earned - external investments	4,598,161	4,823,471	5,050,174
Fines, penalties and forfeits	11,883,818	12,466,125	13,052,034
Licences and permits	29,257,522	30,691,095	32,134,028
Agency services	1,000,000	1,049,000	1,098,303
Transfers and Subsidies - Operational	190,883,480	206,454,705	223,190,972
Other revenue	21,143,114	20,383,290	19,750,974
Cash Receipts by Source	1,229,732,485	1,320,083,643	1,431,351,796
Other Cash Flows by Source			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	75,560,927	66,618,228	58,039,593
Total Cash Receipts by Source	1,305,293,412	1,386,701,871	1,489,391,389

Description		2023/24 Medium Term Revenue & Expenditure Framework		
Rand		Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Cash Payments by Type				
Employee related costs		(437,525,101)	(457,651,194)	(478,732,986)
Remuneration of councillors		(15,384,270)	(16,091,945)	(16,832,172)
Finance charges		-	-	-
Bulk purchases - Electricity		(365,780,321)	(412,234,422)	(476,872,779)
Acquisition inventory - water and other inventory		(72,074,928)	(77,035,409)	(81,386,673)
Contracted services		(108,714,590)	(105,735,480)	(108,798,866)
Transfers and subsidies - other municipalities		-	-	-
Transfers and subsidies - other		-	-	-
Other expenditure		(235,249,318)	(247,116,585)	(265,818,465)
Cash Payments by Type		(1,234,728,528)	(1,315,865,035)	(1,428,441,941)
Other Cash Flows/Payments by Type				
Capital assets		(66,592,839)	(58,825,746)	(51,375,306)
Repayment of borrowing		(10,090,505)	(9,484,294)	(563,900)
Other Cash Flows/Payments		-	-	-
Total Cash Payments by Type		(1,311,411,872)	(1,384,175,075)	(1,480,381,147)
NET INCREASE/(DECREASE) IN CASH HELD		(6,118,460)	2,526,796	9,010,242
Cash/cash equivalents at the month/year begin:		8,542,313	2,423,853	4,950,649
Cash/cash equivalents at the month/year end:		2,423,853	4,950,649	13,960,891

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 2023/24 financial year will be approved by the Executive Mayor during July 2023, 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 2023/24 IDP has been developed, which will be considered at a Council meeting to be held on 31 March 2023. The IDP includes specific deliverables that forms the basis for the Budget and SDBIP. The final version of the revised 2023/24 IDP will be considered at a Council meeting scheduled for 31 May 2023.

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 2021/22 Annual Report will be considered at a Council meeting scheduled for 31 March 2023.

Oversight Report

The Municipal Public Accounts Committee has considered the 2021/22 Annual report. Its Oversight Report will be considered at a Council meeting scheduled for 31 March 2023.

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 Deputy Municipal Manager and is operating in accordance with an audit plan.

In relation to the 2023/24 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 “A”**.

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:.....

ANNEXURE "A"

PROJECT DESCRIPTION	PROJECT NR.	FUNDING	DRAFT ANNUAL BUDGET 2023/24	DRAFT ANNUAL BUDGET 2024/25	DRAFT ANNUAL BUDGET 2025/26
EXECUTIVE & COUNCIL					
Furniture and equipment	CP_9	Internal	10 000	10 460	10 941
			10 000	10 460	10 941
PLANNING, DEVELOPMENT & TOURISM					
Furniture and Office Equipment	CP_9	Internal	600 000	600 000	600 000
Township Economy Support (Agriculture)	CP17001	Internal	100 000	100 000	100 000
			700 000	700 000	700 000
COMMUNITY SERVICE					
Fire vehicle		Distr.	1 362 277	1 429 028	1 496 193
			1 362 277	1 429 028	1 496 193
INFRASTRUCTURE & ENGINEERING					
Energy Efficiency Projects	CP19003	EEDSM	3 478 260	4 347 826	-
OceanView 1250 Electrification	CP19004	INEP	4 086 956	11 478 260	9 565 217
Design of new High Mast Lights- Planning	CP19005	MIG	86 957	474 043	-
Design for the refurbishment of the Weston Wastewater Treatment works and new sewer outfall and reticulation.	CP78005	MIG	430 645	565 217	-
Upgrading of KwanoMzamo WWTW	CP78002	MIG	10 632 672	17 031 639	9 170 951
Upgrading of the sewage infrastructure in Hankey.	CP78001	MIG	12 808 470	-	-
La Mer New Sewer Rising Main - Planning	CP78003	MIG	208 695	347 826	730 434
Jeffreys Bay Sewer Pipe Upgrade in Oceanview Planning stage	CP78004	MIG	304 347	345 652	-
Upgrading/Improvement of Sport facilities within Kouga region: Loerie Sports Facility	CP56001	MIG	3 057 474	-	-
Upgrading of gravel roads in Kouga Phase 2	CP72002	MIG	3 339 130	13 400 143	23 614 614
Mimosa Street Pipeline Replacement	CP98012	WSIG	16 314 317	8 657 772	6 086 956
Paradise Beach Water Tower	CP9813	WSIG	9 772 639	37 880	-
			64 520 562	56 686 258	49 168 172
			66 592 839	58 825 746	51 375 306
Transfers recognised - Capital			65 882 839	58 115 286	50 664 365
Internally generated funds			710 000	710 460	710 941
			66 592 839	58 825 746	51 375 306

Annexure B

PDF FOR WEB SITE
PRINT FOR TARIFF LISTING - REVENUE
PRINT FOR UPDATING TABLES - ICT
ANNEXURES

SERVICE DESCRIPTION		2023/24	2023/24	2022/23	%
		VAT Inclusive	15% Exclusive	15% Exclusive	Increase
		R	R	R	
ASSESSMENT RATES	030	Ratio			
Residential		1:1	0,007380	0,009685	-0,238016
Vacant Land		1:1.5	0,011070	0,014528	-0,237997
Private Open Place/Space		1:1	0,007380	0,009685	-0,237997
Business / Commercial Properties		1:1.25	0,009225	0,012106	-0,237997
Business: Vacant Land		1:5	0,011070	0,014528	-0,237997
Industrial Property		1:1.25	0,009225	0,012106	-0,237997
Industrial: Vacant Land		1:5	0,011070	0,014528	-0,237997
Properties Owned By Organ of State and Used For Public Service Benefit		1:1.67	0,012325	0,016174	-0,237997
Agricultural		1:0.25	0,001845	0,002421	-0,237997
Other					
Public Benefit Organisation		1:0.25	0,001845	0,002421	-0,237997
Public Service Infrastructure (P.S.I.)		1:0.25	0,001845	0,002421	-0,237997
Mining Properties		1:1.67	0,012325	0,012106	0,018036
<u>Exemptions/Reductions/Rebates</u>			Rebates		
<u>Exemptions, Reductions and rebates in respect of owners of categories of properties</u>					

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Public Benefit Organisations: Applications for Public Benefit organizations must reach the municipality before end October of the municipal financial year in which relief is sought. A tax exemption certificate issued by the South African Revenue Services(SARS) as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act ,1962 No				
Public Open Spaces/Private Open Place will be exempted from paying property rates.				
<u>Exemptions, Reductions and rebates in respect of categories of owners of properties</u>				
R 100 000, including the impermissible rate of R15 000, for Owners who qualify for Equitable Share.		100 000		
Residential properties with a market value up of R400 000 including the impermissible rate of R15 000.		R2 952(max)		
R 200 000 on one residential property, including the impermissible rate of R15 000, for Rate Payer 60 years and older with a gross household income not more than R15 000.00		200 000		
<u>Other</u>				
Interim Valuation Request	511,75	445,00	105,22	3,23
Valuation certificates	133,00	110,48	105,22	5,00
Reasons for Valuation		cost +10%	135,65	10,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
BUILDINGS & PROPERTIES 070				
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		1 216,48	1 158,55	5,00
Church Gathering (per 2 hr)	239,00	208,12	198,21	5,00
Concert (Non-Drinking Function)	744,00	646,99	616,19	5,00
Concert Practice	157,00	136,86	130,35	5,00
Conferences (per day)	937,00	814,40	775,62	5,00
Dance and Disco (Drinking Functions)	1 645,00	1 430,27	1 300,24	10,00
Fetes / Bazaars	405,00	351,78	335,03	5,00
Funeral (per 2 hr)	239,00	208,12	198,21	5,00
Kitchen Rental	540,00	469,42	447,07	5,00
Meetings (Non-Political)	540,00	469,42	447,07	5,00
Meetings (Political)	1 050,00	912,80	869,34	5,00
School Functions	405,00	351,78	335,03	5,00
Service Organisations : Social Clubs / Presentations	182,00	158,36	150,82	5,00
Special Events (Decorations)	403,00	350,65	333,95	5,00
Special Events : Anniversaries / Birthdays / Gala				
Evenings / Kitchen Parties/Weddings	959,00	833,63	793,93	5,00
Sport and Recreation (per day)	660,00	574,30	546,96	5,00
Welfare organisation per year	739,00	642,78	612,17	5,00
MEDIUM HALLS 50%				
Andrieskraal Hall				

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Weston Hall Kwanomzamo Hall Aston Bay Hall Pellsrus Hall Loerie Hall Sea Vista Hall Tokyo Sexwale Sportsfield Hall Pellsrus Caravan Park Hall Patensie Sportsfield Hall Thornhill Clubhouse				
<u>Deposit</u>				
Damages		1 216,48	1 158,55	5,00
Church Gathering (per 2 hr)	167,00	144,78	137,89	5,00
Concert (Non-Drinking Function)	464,00	402,68	383,50	5,00
Concert Practice	106,00	91,62	87,25	5,00
Conferences (per day)	626,00	544,07	518,16	5,00
Dance and Disco (Drinking Functions)	998,00	867,41	788,55	10,00
Fetes / Bazaars	266,00	230,75	219,76	5,00
Funeral (per 2 hr)	167,00	144,78	137,89	5,00
Kitchen Rental	480,00	417,38	397,50	5,00
Meetings (Non-Political)	356,00	308,79	294,09	5,00
Meetings (Political)	540,00	469,42	447,07	5,00
School Functions	167,00	144,78	137,89	5,00
Service Organisations : Social Clubs / Presentations	99,00	85,97	81,88	5,00
Special Events (Decorations)	266,00	230,75	219,76	5,00
Special Events : Anniversaries / Birthdays / Gala				
Evenings / Kitchen Parties/Weddings	480,00	417,38	397,50	5,00
Welfare organisation per year	370,00	321,39	306,09	5,00
Sport and Recreation (per day)	331,00	287,15	273,48	5,00
<u>Other</u>				
Encroachment Fees	Plus VAT	Sundry Amounts	Sundry Amounts	
Rental : Commonage	Plus VAT	Sundry Amounts	Sundry Amounts	

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Rental : Municipal Houses	Plus VAT	Sundry Amounts	Sundry Amounts	
Rental : Quarry	Plus VAT	Sundry Amounts	Sundry Amounts	
Rental : Sundry	Plus VAT	Sundry Amounts	Sundry Amounts	

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
CARAVAN PARKS & CAMPING SITES 100				
<i>This tariff is applicable for all Caravan Parks/Camping Sites within the Kouga Jurisdictional Area</i>				
IN SEASON				
<i>In Season includes December/January and March/April School Holidays.</i>				
<i>All Tariffs are per day and include 4 persons per site, and 1 Vehicle.</i>				
<i>Additional Costs are payable per person for more than 4 persons, and per vehicle for more than 1 vehicle</i>				
CARAVAN PARKS/CAMPING				
Stand with Electricity	700,00	608,55	486,84	25,00
Fee per Additional Vehicle	98,00	85,57	68,45	25,00
Fee per Additional Person	98,00	85,57	68,45	25,00
Caravan Clubs (10% Discount on Normal Tariffs) 90%				
<i>More than 10 Caravans, Maximum of 40</i>				
<i>More than 40 Caravans only May - November</i>				
Stand with Electricity	630,00	547,83	438,26	LINK (90%)
Fee per Additional Car	88,20	76,70	61,83	LINK (90%)
Fee per Additional Person	88,20	76,70	61,83	LINK (90%)
CHALETs				
Damage				
Deposit	1 392,00	1 392,00	928,00	50,00
Chalets				
1 Bedroom	615,00	534,46	509,01	5,00
2 Bedroom	956,00	831,38	791,79	5,00
OTHER				
Day Visitors Entrance Fee				
Per Person (Kids under 12 years get free entrance)	41,00	36,07	68,70	LINK
OUT OF SEASON (50% of In-Season Tariffs) 50%				
<i>All Tariffs are per day and include 4 persons per site, and 1 Vehicle.</i>				
<i>Additional Costs are payable per person for more than 4 persons, and per vehicle for more than 1 vehicle</i>				
<i>Discount of 30% will be allowed to pensioners out of season.</i>				
CARAVAN PARKS				
Stand with Electricity	350,00	304,35	243,48	LINK (50%)

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Fee per Additional Vehicle	49,00	42,61	34,35	LINK (50%)
Fee per Additional Person	49,00	42,61	34,35	LINK (50%)
Caravan Clubs (30% Discount on Normal Tariffs) More than 10 Caravans, Maximum of 40 More than 40 Caravans only May - November				
Stand with Electricity	315,00	273,91	219,13	LINK (50%)
Fee per Additional Vehicle	44,10	38,35	30,91	LINK (50%)
Fee per Additional Person	44,10	38,35	30,91	LINK (50%)
RONDAWELS / CHALETS				
Damage				
Deposit	1 392,00	1 392,00	928,00	50,00
Chalets				
1 Bedroom	307,50	267,39	254,35	LINK (50%)
2 Bedroom	478,00	415,65	396,09	LINK (50%)
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 30 Days				

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>Chalets</u>				
1 Bedroom only 3 people per chalet and 1 vehicle	3 649,00	3 173,43	3 022,32	5,00
2 Bedroom only 5 people per chalet and 1 vehicle	4 258,00	3 702,34	3 526,04	5,00
OTHER				
Day Visitors Entrance Fee				
Per Vehicle	41,00	36,07	34,35	5,00
Per Person	41,00	36,07	34,35	LINK (50%)
<u>Monthly Tariff</u>				
<i>Not Applicable In Season (Normal Tariffs Apply)</i>				
<i>Tariff includes 4 persons per site, and 1 Vehicle.</i>				
<i>Additional Persons pay full tariff per day</i>				
<i>Additional Vehicles pay full tariff per day</i>				
Up to 30 Days	4 465,00	3 882,55	3 106,04	25,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
CEMETERIES 110				
<i>This tariff is applicable for all Cemeteries within the Kouga Jurisdictional Area</i>				
Adult graves				
Grave Plot	524,00	455,72	434,02	5,00
Dig Grave	931,00	809,76	771,20	5,00
Dig & Fill Grave	1 107,00	962,58	916,74	5,00
Reinter & Fill Grave	1 046,00	909,41	866,11	5,00
Extra Depth	241,00	209,26	199,29	5,00
Children graves				
Grave Plot	349,00	303,70	289,24	5,00
Dig & Fill Grave	718,00	624,48	594,75	5,00
Dig Grave	683,00	593,69	565,42	5,00
Reinter & Fill Grave	676,00	588,20	560,19	5,00
Other				
Niche	151,00	131,57	125,31	5,00
Tombstone Application	295,00	256,51	244,29	5,00
Kerbing				
Roll Over Stones per metre	300,00	260,93	248,51	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>ELECTRICITY</u> 190	This will besubmitted once the submission and approval is received from Nersa			

SERVICE DESCRIPTION		2023/24	2023/24	2022/23	%
		VAT Inclusive	15% Exclusive	15% Exclusive	Increase
		R	R	R	
ENVIRONMENTAL HEALTH	210				
APPLICATION FEES					
Business Licence		96,00	82,98	79,03	5,00
Traditional Slaughtering		161,00	139,46	132,82	5,00
Exhumations		2 501,00	2 173,99	2 070,46	5,00
CERTIFICATES					
Certificate of Acceptability/Competence		203,00	175,80	167,42	5,00
Condemnation Certificate		203,00	175,80	167,42	5,00
Health Certificate		203,00	175,79	167,42	5,00
HAWKERS STANDS PER MONTH					
Arts & Crafts (including wood)		122,00	105,48	100,46	5,00
Fruit & Vegetables		182,00	158,22	150,69	5,00
Clothing Jewellery		414,00	359,80	342,66	5,00
2nd Hand goods		182,00	158,22	150,69	5,00
Food stalls		288,00	250,00		

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
SEASONAL HAWKERS STAND PER DAY				
Arts & Crafts	103,00	89,07	84,83	LINK
Fruit & Vegetables	173,00	150,01	142,87	5,00
Clothing Jewellery, etc	103,00	89,07	84,83	5,00
2nd Hand goods	103,00	89,07	84,83	5,00
Food stalls	304,00	263,51	250,97	5,00
Movable trading (push trolleys) per trolley	-	-	43,48	-100,00
Beach equipment and accessories	304,00	263,51		New

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
ENVIRONMENTAL MANAGEMENT FEE 731				
Undeveloped erven - per annum	628,00	545,44	509,75	7,00
Domestic				
Households	53,00	45,46	42,49	7,00
Free Basic Services to Registered Indigent Consumers	-53,00	-45,46	-42,49	LINK
Multi Dwelling Units (per Unit)	53,00	45,45	42,48	7,00
Skips	-	-	204,57	-100,00
Commercial				
Small	461,00	400,71	374,49	7,00
Medium	608,00	528,69	494,10	7,00
(3 Removals per week, monthly tariff)	775,00	673,42	629,37	7,00
(6 Removals per week, monthly tariff)	985,00	856,43	800,40	7,00
Skips	-	-	800,40	-100,00
FINANCE : REVENUE SECTION 223				
Cheques refer to drawer	-	-	-	-
Foreign Exchange Charges	Plus VAT	Sundry Amounts	Sundry Amounts	
<u>Photo copies</u>				
Black				
A3	20,40	17,70	16,89	LINK
A4	6,80	5,90	5,63	LINK
Colour				
A3	40,00	34,80	33,18	LINK
A4	13,30	11,60	11,06	LINK
<u>Property lists</u>				
Per Page	3,00	2,57	2,44	5,00
Supplementary list (Per page)	3,00	2,57	2,44	LINK
Address Labels (Per page)	6,00	5,13	4,89	LINK (200%)
<u>Search fees</u>				
Search for info not on register	141,00	122,48	116,65	5,00
Search for info on register	129,00	111,98	106,64	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Search for info on deeds & documents	152,00	131,80	125,53	5,00
Search for info on outstanding acc.	141,00	122,48	116,65	5,00
Search for info not covered above	200,00	173,80	165,52	5,00
Administration Fee - Clearance certificate	129,00	112,36	107,01	5,00
Penalty charge for recurring request for Clearance Certificate	396,00	344,31	327,91	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
FIRE FIGHTING SERVICES 230				
<u>Fires</u>				
<u>Major Spillages road or rail</u>				
<u>Vegetation fires</u>				
Tariffs per hour or part thereof				
Major appliance (inclusive of manpower)				
Aerial Support	46 000,00	40 000,00	40 000,00	-
Rescue pumps	2 270,00	1 973,81	1 879,82	5,00
Auxiliary appliance (Inclusive of manpower)				
Off-Road, light/heavy rescue, hazmat units	1 029,00	895,01	852,39	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Service vehicles (Inclusive of manpower) LDV's and transporters	594,00	516,72	492,11	5,00
Trailers & units (inclusive of manpower) Fuel/hydrant trailer, BA trailer and command unit	301,00	261,36	248,91	5,00
Personnel charges (cost if additional personnel required) Senior Officer	594,00	516,72	492,11	5,00
Officers	301,00	261,36	248,91	5,00
Fire Fighters	154,00	133,67	127,30	5,00
Humanitarian calls Motor vehicle accidents	No charge	No charge	No charge	
Rescues	No charge	No charge	No charge	
<u>Service rendered outside area of jurisdiction</u>				
<u>Tariffs per hour or part thereof</u>				
Major appliance (inclusive of manpower) Rescue pumps/Aerial appliance	4 540,00	3 947,62	3 759,64	LINK (200%)
Auxiliary appliance (Inclusive of manpower) Off-Road, light/heavy rescue, hazmat units	2 058,00	1 790,03	1 704,79	LINK (200%)
Service vehicles (Inclusive of manpower) LDV's and transporters	1 188,00	1 033,43	984,22	LINK (200%)
Trailers & units (inclusive of manpower) Fuel/hydrant trailer, BA trailer and command unit	602,00	522,71	497,82	LINK (200%)
Personnel charges (cost if additional personnel required) Senior Officer	1 188,00	1 033,43	984,22	LINK (200%)
Officers	602,00	522,71	497,82	LINK (200%)
Fire Fighters	308,00	267,33	254,60	LINK (200%)
<u>Standby duties</u>				
Water jets (65mm hose)	478,00	415,29	395,51	5,00
<u>Monitoring of incidents</u>				
<u>Tariffs per hour or part thereof</u>				
Major appliance (inclusive of manpower) Rescue pumps/Aerial appliance	1 135,00	986,91	939,91	LINK (50%)
Auxiliary appliance (Inclusive of manpower) Off-Road, light/heavy rescue, hazmat units	514,50	447,50	426,20	LINK (50%)
Service vehicles (Inclusive of manpower) LDV's and transporters	297,00	258,36	246,06	LINK (50%)
Trailers & units (inclusive of manpower) Fuel/hydrant trailer, BA trailer and command unit	150,50	130,68	124,46	LINK (50%)

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Personnel charges (cost if additional personnel required)				
Senior Officer	297,00	258,36	246,06	LINK (50%)
Officers	150,50	130,68	124,46	LINK (50%)
Fire Fighters	77,00	66,83	63,65	LINK (50%)
<u>Service rendered outside area of jurisdiction</u>				
Tariffs per hour or part thereof				
Major appliance (inclusive of manpower)				
Rescue pumps/Aerial appliance	2 270,00	1 973,81	1 879,82	LINK
Auxiliary appliance (Inclusive of manpower)				
Off-Road, light/heavy rescue, hazmat units	1 029,00	895,01	852,39	LINK
Service vehicles (Inclusive of manpower)				
LDV's and transporters	594,00	516,72	492,11	LINK
Trailers & units (inclusive of manpower)				
Fuel/hydrant trailer, BA trailer and command unit	301,00	261,36	234,82	LINK
Personnel charges (cost if additional personnel required)				
Senior Officer	594,00	516,72	492,11	LINK
Officers	301,00	261,36	248,91	LINK

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Fire Fighters	154,00	133,67	127,30	LINK
Other				
Certified copy of incident report	181,00	157,52	150,02	5,00
Population certificate	318,00	276,77	263,59	5,00
Training				
Attendance of training courses held under the auspices of the Fire and Emergency Services				
Per person per day	578,00	502,40	478,48	5,00
Per person per half day or part thereof	301,00	261,36	248,91	5,00
Re-issue Certificates	154,00	133,67	127,30	5,00
Fire prevention tariff per hour or part thereof				
Renewal of licence to store petroleum/liquified petroleum gas	390,00	338,91	322,77	5,00
Approval of LPG installation plans	390,00	338,91	322,77	5,00
Approval of petroleum storage plans	390,00	338,91	322,77	5,00
Approval of bulk storage hazardous installation	1 110,00	965,42	919,45	5,00
Inspections	1 110,00	965,42	919,45	5,00
Survey	1 110,00	965,42	919,45	5,00
Certification of premises	390,00	338,91	322,77	5,00
Issuing of control burning permits	390,00	338,91	322,77	5,00
Investigation	1 110,00	965,42	919,45	5,00
Lectures/evacuation drills	1 110,00	965,42	919,45	5,00
Issuing of certificate of competency	1 110,00	965,42	919,45	5,00
Public education	No charge	No charge	No charge	
Approval of rational designs	390,00	338,91	322,77	5,00
Approval of major hazardous installation reports	390,00	338,91	322,77	5,00
LIBRARY 500				
<i>This tariff is applicable for all Libraries within the Kouga Jurisdictional Area</i>				
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	0,41	0,36	0,34	5,00
3 Months or Longer	164,00	142,66	135,87	5,00

SERVICE DESCRIPTION	2023/24	2023/24		2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R		
<u>Photo copies</u>					
Black					
A3	2,00	1,48	1,48		-
A4	1,00	0,98	0,98		-
Colour					
A3	3,00	2,55	16,59		-84,63
A4	1,00	0,93	5,54		-83,30

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Other				
Visitors Administration Fee	25,00	22,06	21,01	5,00
Duplicate Membership Cards	25,00	22,06	21,01	5,00
Third replacement of cards	48,00	42,00	40,00	5,00
More than 3 replacement of Cards	72,00	63,00	60,00	5,00
Deposit				
Per Book (Visitors)	120,00	120,00	114,00	5,00
NATIONAL TRAFFIC (NATIS) 590				
Drivers Licence : Application : Light Vehicle	No VAT	308,70	294,00	5,00
Drivers Licence : Application : Heavy Vehicle	No VAT	362,25	345,00	5,00
Drivers Licence : Temporary	No VAT	100,80	96,00	5,00
Drivers Licence: Issue renewal	No VAT	226,80	216,00	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Duplicate : Learners Licence	No VAT	189,00	180,00	5,00
Duplicate : Registration Certificate	No VAT	674,10	642,00	5,00
Learners Licence : Application	No VAT	223,65	213,00	5,00
Learners Licence : Certificate	No VAT	72,45	69,00	5,00
Instructor Certificate : Application	No VAT	362,25	345,00	5,00
Public Driving Permit : Application	No VAT	113,40	108,00	5,00
Roadworthy Certificate	No VAT	72,45	69,00	5,00
Roadworthy Certificate : Application : Motor Cycles	No VAT	110,25	105,00	5,00
Roadworthy Certificate : Application : Other Vehicle	No VAT	192,15	183,00	5,00
Roadworthy Certificate : Application : Goods Vehicle	No VAT	223,65	213,00	5,00
Roadworthy Certificate : Application : Busses	No VAT	236,25	225,00	5,00
Vehicle Licences (81%)	No VAT	Sundry Amounts	Sundry Amounts	
Vehicle Licences (19%)	No VAT	Sundry Amounts	Sundry Amounts	
Vehicle Registration	No VAT	138,60	132,00	5,00
Vehicle Registration Penalties	No VAT	Sundry Amounts	Sundry Amounts	
Vehicle De-Registration	No VAT	Sundry Amounts	Sundry Amounts	
Temporary Permit	No VAT	110,25	105,00	5,00
Special Permit	No VAT	85,05	81,00	5,00
Disabled Parking Disc	No VAT	116,55	111,00	5,00
RTMC (Transaction Fees)	No VAT	75,60	72,00	5,00
Disabled Parking Issuing/Renewal	134,00	116,55	111,00	5,00
Disabled Parking Application	242,00	210,00	200,00	5,00
<u>IMPOUNDMENT OF VEHICLES</u>				
First time offenders	2 807,00	2 440,79	2 324,56	5,00
Second time offenders	4 491,00	3 905,27	3 719,31	5,00
Third time offenders	8 982,00	7 810,53	7 438,60	5,00
<u>NATURE CONSERVATION</u>				
<u>GAMTOOS RIVER MOUTH NATURE RESERVE</u>				
Camping/Caravan Sites				
Max 6 persons p/day	125,00	108,86	103,68	5,00
Extra per person per day	33,00	28,89	27,51	5,00
Once off entrance fee	78,00	67,77	64,54	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>Entrance Fees</u>				
Entrance fee	78,00	67,77	64,54	5,00
Gamtoos Mouth Home-Owners Annual Entrance Fee	340,00	295,50	281,43	5,00
Pedestrians per person or more than 6 persons per vehicle (per person)	33,00	28,89	27,51	5,00
<u>LOERIEDAM NATURE RESERVE</u>				
Day Visitors	33,00	28,89	27,51	5,00
<u>Rentals</u>				
Field study centre : per person per night	152,00	132,26	125,96	5,00
Robinson's camp : per person per day	43,00	37,03	35,27	5,00
Robinson's camp : per person per night	97,00	84,65	80,62	5,00
<u>Education courses</u>				
per person per course (exclude first two teachers)	74,00	64,54	61,47	5,00
per pupil per weekend	97,00	84,65	80,62	5,00
<u>BOAT REGISTRATION FEES (River Licenses)</u>				
<u>Pleasure boats</u>				
<u>Per annum</u>				
Multi River (Kromme, Gamtoos)	655,00	569,57	534,78	6,50
Single river	395,00	343,48	321,74	6,76
<u>Renewable on 1 January each year</u>	-			
Multi River (Kromme, Gamtoos)	465,00	404,35	378,26	6,90
Single river	300,00	260,87	243,48	7,14
<u>Launch site Boat Permit Fee</u>				
Per 7 days or less	200,00	173,91	160,87	8,11

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
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				
<u>Recreational Vessels (per annum)</u>				
Up to 15hp	510,00	443,48	413,04	7,37
16 - 120hp	810,00	704,35	660,87	6,58
Greater than 120hp	1 240,00	1 078,26	1 013,04	6,44
Greater than 250hp	2 100,00	1 826,09	new	
<u>Commercial Vessels (per annum)</u>				
Up to 15hp	640,00	556,52	517,39	7,56
16 - 120hp	1 240,00	1 078,26	1 013,04	6,44
Greater than 120hp	2 055,00	1 786,96	1 678,26	6,48
Greater than 250hp	3 465,00	3 013,04	new	
PARKS AND OPEN SPACES 680				
Cleaning of plots : Grass only (per m ²)	2,00	2,10	4,20	-50,00
: Lightly overgrown (per m ²)	5,00	4,22	8,43	-50,00
: Medium overgrown (per m ²)	8,00	7,37	14,74	-50,00
: Heavily overgrown (per m ²)	15,00	12,64	25,28	-50,00
Removal of rubble per load not greater than 9 cubic metre	1 380,00	1 200,00	2 195,78	-45,35
Removal of green waste (more than 2 bags, up to 5 bags)	315,00	273,91	260,87	5,00
Removal of branches only (truck load)	525,00	456,52	434,78	5
PLANNING AND DEVELOPMENT 700				
Hoarding fees	776,46	675,18	643,03	5,00
Penalty fee	1 816,16	1 579,27	1 504,06	5,00
Building plan fees	-			
Minor building applications (< 10m ²)	791,18	687,98	655,22	5,00
Garden Walls and Fixed Fences	613,09	533,12	507,73	5,00
Garden Walls and Fixed Fences - (RDP & Sub economic area)	306,54	266,56	253,87	LINK (-50%)
Swimming Pools	1 811,25	1 575,00	1 500,00	5,00
RDP Housing /Sub-economic area				
0 - 50 m ²	613,09	533,12	507,73	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
51 - 100 m²	755,83	657,25	625,95	5,00
101 - 150 m²	-	-	-	redundant - take out
151 - 200 m²	-	-	-	redundant - take out
<u>Other areas</u>				
0- 20 m²	1 311,83	1 140,72	1 086,40	5,00
for each additional 10 m² or part thereof up to 3000 m²	216,14	187,95	179,00	5,00
greater than 3001 m² per 500 m² or part thereof	651,16	566,23	539,27	5,00
Fees are applicable to a once-off submission and no phase or separate submissions will be considered.				
<u>Wind Turbines</u>				
Per Turbine	11 240,76	9 774,57	9 309,12	5,00
Any structure additional to turbine				
0 - 20 m²	1 443,44	1 255,17	1 195,40	5,00
for each additional 10 m² or part thereof up to 3000 m²	237,52	206,54	196,70	5,00
greater than 3001 m² per 500 m² or part thereof	716,22	622,80	593,14	5,00
<u>Industrial rural (Agricultural)</u>				
0 - 20 m²	1 443,44	1 255,17	1 195,40	LINK (+10%)
for each additional 10 m² or part thereof up to 3000 m²	237,52	206,54	196,70	LINK (+10%)
greater than 3001 m² per 500 m² or part thereof	716,22	622,80	593,14	LINK (+10%)
<u>Churches</u>				
0 - 1000 m²	1 798,50	1 563,92	1 489,44	5,00
greater than 1000 m² - for each additional 10m²	307,23	267,16	254,44	5,00
Deviation plan (With no change in area from previous approved plan)	1 086,75	945,00	900,00	5,00
RDP Housing/Sub-economic	602,10	523,56	498,63	5,00
Change of Use (e.g Change of Garage to habitable room with no change of area)	1 147,13	997,50	950,00	5,00
RDP Housing/Sub-economic	602,10	523,56	498,63	5,00
<u>Revised plan</u>				
RDP Housing/Sub-economic				
Residential/Commercial (no area change) *where area change has been done then the penalty will be applicable.			655,22	
<u>Re-Inspection Fees</u>				
RDP Housing/Sub-economic	468,99	407,82	388,40	5,00
Other	937,99	815,64	776,80	5,00
Penalty inspection fees	1 016,84	884,21	842,10	5,00
Search fees per hour or any part thereof	182,15	158,40	150,85	5,00
Deed Search and Copy of Title Deed	239,26	208,05	198,15	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Erf dimensions or zoning information per A4	49,43	42,98	40,93	5,00
<u>Photo copies</u>				
Black				
A0	66,60	57,90	55,16	5,00
A1	34,00	29,60	28,15	5,00
A2	17,70	15,40	14,63	5,00
A3	20,40	17,70	16,89	5,00
A4	6,80	5,90	5,63	5,00
Colour				
A0	133,50	116,10	110,61	5,00
A1	69,00	60,00	57,15	5,00
A2	35,70	31,00	29,50	5,00
A3	40,00	34,80	33,18	5,00
A4	13,30	11,60	11,06	5,00
<u>Maps</u>				
Town map B&W	307,23	267,16	254,44	5,00
Zoning map Colour	683,79	594,60	566,28	5,00
<u>Building Deposits</u>				
Where possible, building deposits are placed on on a debtor's account relevant to				
Sub-economic	2 415,00	2 100,00	2 000,00	5,00
Other	18 112,50	15 750,00	15 000,00	5,00
<u>Penalties</u>				
<u>Building without approval</u>				
Whenever a building or structure is erected without the prescribed building plans a	Plus VAT	Sundry Amounts	Sundry Amounts	
<u>Inspection Fees</u>				
No inspection called for - all zonings (per inspection)	959,70	834,52	794,78	5,00
<u>Town planning & Erf Information</u>				
Zoning Certificates	316,00	275,00	118,96	131,18
Extension of Validity Period of Approval	200,00	173,97	165,69	5,00
Reason for Decision of Municipal Tribunal, Land Development Officer or Appeal Auth	200,00	173,97	165,69	5,00
Scheme regulations document : Kouga Municipality	591,00	514,11	489,62	5,00
SDF Colour Maps - Document	#VALUE!		748,77	5,00
SDF Colour Maps - CD	417,00	362,43	345,17	5,00
<u>Land use application (All advertising and registered mail costs excluded)</u>				
Rezoning application : Other	5 373,00	4 672,07	4 449,59	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Rezoning application : RDP, Low cost housing/erven smaller than 250m²	1 811,00	1 575,00	1 500,00	5,00
Departure application : Other	5 373,00	4 672,07	4 449,59	5,00
Departure application : RDP, Low cost housing/erven smaller than 250m²	1 811,00	1 575,00	1 500,00	5,00
Sub-division application : Other (Into 2 Erven)	5 373,00	4 672,07	4 449,59	5,00
Sub-division application : Other (Into 3 - 250 Erven)	10 746,00	9 344,15	8 899,19	5,00
Sub-division application : Other (Into 251 - 1000 Erven)	16 119,00	14 016,22	13 348,78	5,00
Sub-division application : Other (Into > 1000 Erven)	-	-	22 248,27	-100,00
Sub-division application : RDP, Low cost housing/erven smaller than 250m²	1 811,00	1 575,00	1 500,00	5,00
Combined Application : Rezoning, Sub-Division, Departure (Into 2 Erven)	8 979,00	7 807,41	7 435,63	5,00
Combined Application : Rezoning, Sub-Division, Departure (Into 3 - 250 Erven)	14 528,00	12 632,80	12 031,24	5,00
Combined Application : Rezoning, Sub-Division, Departure (Into 251 - 1000 Erven)	21 792,00	18 949,21	18 046,86	5,00
Combined Application : Rezoning, Sub-Division, Departure (Into > 1000 Erven)	36 319,00	31 582,02	30 078,12	5,00
All State/Municipal Projects/Applications are exempt from application fees	No charge	No charge	No charge	
Removal of restrictive title deed conditions	8 001,00	6 957,64	6 626,32	5,00
Removal of restrictive title deed conditions and Departure	9 144,00	7 950,97	7 572,35	5,00
Consent use application : Other	3 622,00	3 150,00	3 000,00	5,00
Consent use application : RDP, Low cost housing/erven smaller than 250m²	1 811,00	1 575,00	1 500,00	5,00
Site Development Plan Submission	1 799,00	1 564,37	1 489,88	5,00
Application for exemption from Municipal Approval (Sec 66 SPLUM by-law)	1 601,00	1 391,75	1 325,48	5,00
Occupational Practice - Other Rights	377,00	327,86	312,25	5,00
Application for Appeal	1 600,00	1 391,24	1 325,00	5,00
Amendment, deletion or addition of conditions i.r.o. existing approval	1 799,00	1 563,95	1 489,48	5,00
Approval/ amendment of constitution of an 'owners' association	1 600,00	1 391,24	1 325,00	5,00
Determination of Zoning - Sec 181 of Splum by-law	7 264,00	6 316,91	6 016,11	5,00
Amendment of Subdivision Plan - Sec 57 Splum by-law	1 799,00	1 564,37	1 489,88	5,00
Consolidation	5 540,00	4 817,59	4 588,18	5,00
Intervenor status Section 99				
Augmentation Contributions				
Council will consider entering into a service agreement for developments bigger				
Augmentation Fees (New Developments) per equivalent erf				
Electricity (per equivalent residential unit)	10 195,00	8 864,70	8 864,70	LINK
Roads and Storm Water	5 737,00	4 988,60	4 751,04	LINK
Refuse	2 794,00	2 429,39	2 313,71	LINK
Sewerage	28 425,00	24 717,52	23 208,94	LINK
Water	27 488,00	23 902,88	22 287,06	LINK
Subdivisions/Rezoning/Departures				
Kouga Area				

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
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	-	-	-	-100,00
Additional Residential Dwelling or Granny Flat Less than 60 m² (on one erf)	Nil	Nil	Nil	
Additional Residential Dwelling or Granny Flat Greater than 60 m² but less than 120 m²	14 753,00	12 829,08	12 829,08	-
Additional Residential Dwelling or Granny Flat Greater than 120 m² up to limits (on one erf)	29 507,00	25 658,16	25 658,16	-
Guest Houses (Accom. Establishment) per m² of total erf	56,00	48,66	46,74	4,10
Advertising Tariffs				
Annual rent tourism boards	380,00	330,44	314,70	5,00
Tourism boards : Application	976,79	849,38	808,94	5,00
Advertising boards confiscated per board <1m²	232,67	202,33	192,69	5,00
Advertising boards confiscated per board >1m²	1 121,79	975,47	487,74	100,00
Business advertising application < 1m²	241,58	210,07	200,07	5,00
Business advertising application between 1m² and 5 m²	450,52	391,76	373,10	5,00
Business advertising application > 5m²	1 473,01	1 280,88	1 219,89	5,00
Municipal roads reserve advertising costs per month > 1m²	305,31	265,49	252,84	5,00
Business advertising cost between 1m² and 5 m² - monthly	610,62	530,97	505,69	5,00
Election Posters Deposit (Per Party / Per Candidate / Per Ward) - refundable 7 days after elections if posters are	4 025,00	3 500,00	-	5,00
Election Posters (Per Party / Per Candidate / Per Ward)	1 395,41	1 213,40	808,94	50,00
Advertising Trailers (Per Month or part thereof)	432,24	375,86	357,96	5,00
Illuminated street signs	5 317,50	4 623,91	4 403,73	5,00
Poster advertising (Max 100 posters)	1 181,81	1 027,66	978,73	5,00
Building Control Contraventions				
OFFENCES AND PENALTIES IN RELATION TO NATIONAL BUILDING ACT 103 OF 1977 AND SANS 10400 REGULATIONS				
OFFENCE				
Building without approved plans(including regulation A25(10)	2 875,00	2 500,00		NEW
Continuing in contravention of a notice to a erect a building (per day)	1 725,00	1 500,00		NEW
	-			
Failure to demolish, alter, secure a building or a land F3(2)	5 750,00	5 000,00		NEW
Failure to submit engineers completion certificate A2(1)(f)	1 150,00	1 000,00		NEW
submission of false certificate's	2 300,00	2 000,00		NEW
Occupation or use of a building without certification of occupancy	5 750,00	5 000,00		NEW
Prohibition on the use of certain methods or materials	2 300,00	2 000,00		NEW

SERVICE DESCRIPTION	2023/24 VAT Inclusive	2023/24 15% Exclusive	2022/23 15% Exclusive	% Increase
	R	R	R	
	-			
Failure to submit engineers drawings and engineers completion certificates	-			NEW
	1 150,00	1 000,00		
Failure to Provide approved plans and particulars on site	2 300,00	2 000,00		NEW
False or misleading information	1 150,00	1 000,00		NEW
Boundary beacons not pointed out	1 150,00	1 000,00		NEW
Installations, maintenance and operations	1 725,00	1 500,00		NEW
Illegal certificate of identity	1 150,00	1 000,00		NEW
Control of plumbing work	2 875,00	2 500,00		NEW
Failure to notify for commencing demolition	1 725,00	1 500,00		NEW
Use of a building for the purpose other than that indicated on the approved plan	2 300,00	2 000,00		NEW
	-			
Deviating from approved plan (foundations, walls freestanding and retaining	-			NEW
	2 300,00	2 000,00		
Failure to comply with the provisions of a notice in terms of regulation A25	-			NEW
	5 750,00	5 000,00		
Failure to comply with provisions concerning demolitions condition	-			NEW
	1 725,00	1 500,00		
Protection of the public site operations	5 750,00	5 000,00		NEW
Failure to secure unstable soil or land	3 450,00	3 000,00		NEW
Failure to Control of dust and noise	2 300,00	2 000,00		NEW
Cutting into, laying open and demolishing certain building work	2 300,00	2 000,00		NEW
	-			
Failure to safeguard any persons from falling from such balcony bridge, flat roof or similar place	-			NEW
	5 750,00	5 000,00		
Failure to safe guard a swimming pool	-			NEW
	2 300,00	2 000,00		
Accumulation of waste material on site	5 750,00	5 000,00		NEW
Failure to construct and locate the builders shed to the satisfaction of the local authority	1 725,00	1 500,00		NEW
	-			
Failure to move, reconstruct, repair or improve the condition of the builders shed and unpermitted use thereof within a specified time in such notice	-			NEW
	-			
	2 875,00	2 500,00		
Accommodating security personnel in a builders shed, not complying with council's requirements and conditions for the safeguarding of public health and the health of such a way that a nuisance or inconvenience is caused to persons in	-			NEW
	-			
	-			
	2 300,00	2 000,00		

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
the vicinity of the premises	-			
Failure to provide adequate approved sanity facilities for staff in an approved location before erection or demolition of the premises	-	2 000,00		NEW
	2 300,00			
	-			
Failure, while excavating, to take adequate precautionary measures to ensure the safety and stability of a property or services is maintained	-	5 000,00		NEW
	-			
	5 750,00			
	-			
Laying of sewer installation not within the premises	1 725,00	1 500,00		NEW
Prohibition on discharge storm water to enter any drainage installation on any site	-	5 000,00		NEW
	5 750,00			
Prohibition on discharge of any storm water from a swimming pool, fountains or reservoirs onto any public space or neighbouring property	-	5 000,00		NEW
	-			
	5 750,00			
Unauthorised drainage work	2 300,00	2 000,00		NEW
Putting a sewer installation into use without an inspection	1 725,00	1 500,00		NEW
Failure to provide storm water disposal requirements	2 875,00	2 500,00		NEW
	-			
Failure to provide sufficient protection of occupants or users in any building	-	5 000,00		NEW
	5 750,00			
Failure to provide sufficient fire extinguishers or failure to ensure that such extinguishers are installed, maintained, and serviced		5 000,00		NEW
	-			
	5 750,00			
	-			
Problem Buildings (Dilapidated etc)	5 750,00	5 000,00		NEW
Failure to maintain boundary wall/party walls	1 150,00	1 000,00		NEW
Structural integrity of building	2 875,00	2 500,00		NEW
Failure to dispose of building rubble	2 300,00	2 000,00		NEW
Illegal temporary structure	2 300,00	2 000,00		NEW
Hindering/preventing Building Control Officer/ Building Inspector from entering premises or doing their job	2 300,00	2 000,00		NEW
	2 875,00	2 500,00		NEW
Illegal carports and awnings	2 875,00	2 500,00		NEW
Control of storm water relay	3 450,00	3 000,00		NEW

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
POUND 710				
Sustenance Fees -per day Horses, Cattle & Pigs	186,00	161,42	161,42	-
Sheep & Goats	88,00	76,87	76,87	-
Delivery Fee/km	40,00	34,86	34,86	-
Trespass - per day Horses, cattle, pigs (minimum)	379,00	329,47	329,47	-
Sheep, goats (minimum)	379,00	329,47	329,47	-
Pound fees per day				
Horses, cattle, ostriches & pigs per head	113,00	98,40	98,40	-
Goats and sheep per head	32,00	27,64	27,64	-

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
PROTECTION SERVICES 710				
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)	51,00	44,53	42,41	5,00
Storage fees per day - exceeding 30 days	119,00	103,40	98,48	5,00
Enquiries vehicle accident	189,00	164,08	156,27	5,00
Selling of Vehicles on a site approved by Council (Per Day)	101,00	87,90	83,71	5,00
Traffic Assistance				
Events (Per Hour)	403,00	350,42	333,73	5,00
Funerals (Flat Rate)	706,00	614,11	584,87	5,00
Fines : Traffic	Plus VAT	Sundry Amounts	Sundry Amounts	
Fines : Video Camera	Plus VAT	Sundry Amounts	Sundry Amounts	
PUBLIC WORKS 720				
Augmentation Fees				
Roads and Storm Water	5 737,00	4 988,60	4 751,04	5,00
WASTE REMOVAL 730				
Domestic				
Households 50%	255,00	222,08	208,53	6,50
Additional houshold bin	127,50			
Free Basic Services to Registered Indigent Consumers	-255,00	-222,08	-208,53	LINK
Multi Dwelling Units (per Unit)	192,00	167,34	157,13	6,50
Skips	3 301,00	2 884,35	2 695,65	6,50
Skips at Retirement Villages (per month)	2 217,00	1 927,83	1 927,83	

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>Commercial</u>				
Small	255,00	222,08	208,53	6,50
Medium	509,00	442,59	415,58	6,50
(3 Removals per week, monthly tariff)	1 273,00	1 107,28	1 039,70	6,50
(6 Removals per week, monthly tariff)	2 749,00	2 390,78	2 244,86	6,50
Large	-	-	2 077,92	-100,00
Skips	-	-	1 927,83	-100,00
<u>SUNDRY CHARGES / REMOVALS</u>				
240 Litre Wheely-bin	750,00	651,95	532,64	22,40
Condemnation - removal and disposal of food, animals, etc	-	-	1 876,70	-100,00
<u>Augmentation Fees</u>				
Refuse	2 794,00	2 429,39	2 313,71	5,00
<u>SANITATION</u> 750				
<u>CHARGE (MONTHLY)</u>				
Buckets	202,00	175,25	164,55	6,50
Free Basic Services to Registered Indigent Consumers	-202,00	-175,25	-153,79	LINK
<u>SEWERAGE</u> 780				
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.				
<u>Fixed Charge</u>				

SERVICE DESCRIPTION	2023/24		2022/23		% Increase
	VAT Inclusive	15% Exclusive	15% Exclusive		
	R	R	R		
The <u>Fixed Charge</u> 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.					

SERVICE DESCRIPTION	2023/24 VAT Inclusive	2023/24 15% Exclusive	2022/23 15% Exclusive	% Increase
	R	R	R	
The tariff will uniformly apply to all categories of consumers (Sewerage Service) throughout the municipality. Sewerage 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>				

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
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.				

SERVICE DESCRIPTION		2023/24	2023/24	2022/23	%
		VAT Inclusive	15% Exclusive	15% Exclusive	Increase
		R	R	R	
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.					
<u>Sewerage Tariff Categories and Discharge Factors</u>					

SERVICE DESCRIPTION		2023/24 VAT Inclusive	2023/24 15% Exclusive	2022/23 15% Exclusive	% Increase
		R	R	R	
	<u>Discharge Factor (K) (T04)</u>	<u>Minimum Volume (kl/month) (T05)</u>	<u>Maximum Volume (kl/month) (T06)</u>	<u>Maximum Volume (kl/month) (T06)</u>	
Offices (Com1)	98%	10	No Max.	No Max.	
Offices					
Restricted Business A (Com2)	98%	15	No Max.	No Max.	
Funeral Parlours					
Licensed Bottle Stores / Pubs / Taverns					
Offices					
Supermarkets					
Shops					
Restricted Business B (Com3)	95%	15	No Max.	No Max.	
Day-Care Centres					
Medical Uses					
Places of Entertainment					
Service Stations					
Motor Showrooms					

SERVICE DESCRIPTION		2023/24	2023/24	2022/23	%
		VAT Inclusive	15% Exclusive	15% Exclusive	Increase
		R	R	R	
Places of Instruction Special Businesses (Com4)	95%	15	No Max.	No Max.	
Licensed Hotels Licensed Restaurants Special Businesses Warehouses Workshops					
Resorts (Com5)	60%	15	No Max.	No Max.	
Caravan Parks Camping Sites Holiday Housing Holiday Accommodation Tourist Facilities Nurseries					
General Industrial (Ind1)	95%	15	No Max.	No Max.	
General Dry Industries Public Garages Service Stations Warehouses					
Noxious Industrial (Ind2)	98%	15	No Max.	No Max.	
Noxious Use Industries Special Businesses					
Noxious Industrial (Ind2) (T09)	80%	15	No Max.	No Max.	
Agreement - Woodlands Dairy					
Educational (Ins1)	95%	15	-	-	
Places of Instruction					
Institutional (Ins2)	98%	15	No Max.	No Max.	
Clinics Institutions for medical care or treatment Hospitals Institutions Public and Government facilities Sanatoriums					
Single Residential B (Res1)	70%	10	50	50	
Dwelling Houses Day-Care Centres					

SERVICE DESCRIPTION		2023/24	2023/24	2022/23	%
		VAT Inclusive	15% Exclusive	15% Exclusive	Increase
		R	R	R	
Creches					
Guest Houses					
Home Enterprises					
Places of Worship					
Single Residential A (Res2)	80%	12	50	50	
Informal Shelters					
Permanent Low Cost Dwellings					
Group Housing (Res3)	80%	10	50	50	
Retirement Villages					
Town Housing					
General Residential (Res4)	95%	6	50	50	
Flats					
General (Gen1)	95%	10	No Max.	No Max.	
Undetermined					
Bulk / Private Developments (Bulk)	70%	No Min.	No Max.	No Max.	
Unmetered Potable Water Supply (Unmetered)	80%		Unmetered	Unmetered	
<i>On all property, pending valuation, upon which a structure as defined herunder has</i>					
Formal Structure with Waterborne Sewerage					
Informal Structure with Waterborne Sewerage					

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>AVAILABILITY CHARGE (PER ANNUM)</u>				
Charges applicable to erven that are not connected to the sewerage network, but				
Residential (per annum)	1 984,01	1 725,22	1 619,93	6,50
Commercial (per annum)	3 599,53	3 130,03	2 938,99	6,50
<u>FIXED CHARGE (MONTHLY)</u>				
<u>COMMERCIAL</u>				
Commercial 1 - Offices	515,52	448,27	420,91	6,50
Commercial 2 - Restricted Business A	611,72	531,93	499,47	6,50
Commercial 3 - Restricted Business B	602,64	524,04	492,06	6,50
Commercial 4 - Special Business	602,64	524,04	492,06	6,50
Commercial 5 - Resorts	497,36	432,49	406,09	6,50
<u>INDUSTRIAL</u>				
Industrial 1 - General Industrial	602,64	524,04	492,06	6,50
Industrial 2 - Noxious Industrial	611,72	531,93	499,47	6,50
Industrial 2 - Noxious Industrial - Agreement - Woodlands Dairy (45% Discount)	333,52	292,56	274,70	LINK (55%)
<u>INSTITUTIONAL</u>				
Institutional 1 - Educational (Schools)	918,49	798,69	749,94	6,50
Institutional 1 - Educational (Hostels)	918,49	798,69	749,94	6,50
Institutional 2 - Institutions	611,72	531,93	499,47	6,50
<u>DOMESTIC/RESIDENTIAL</u>				
Residential 1 - Freehold Title	315,84	274,65	257,88	6,50
Free Basic Services to Registered Indigent Consumers	-315,84	-274,65	-257,88	LINK
St Francis Bay (Previously Annual Payers of SEWER LEVY) - No Variable Charge	315,84	274,65	257,88	LINK
Free Basic Services to Registered Indigent Consumers	-315,84	-274,65	-257,88	LINK
Residential 2 - Low Cost Housing	212,38	184,68	173,40	6,50

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Free Basic Services to Registered Indigent Consumers	-212,38	-184,68	-173,40	LINK
<u>MULTIPLE DWELLINGS (Multiply Charge by number of Units)</u>				
Residential 3 - Group Housing	335,81	292,01	274,19	6,50
Residential 4 - General Residential	292,25	254,13	238,62	6,50
<u>GENERAL</u>				
Undetermined	413,86	359,88	337,92	6,50
<u>BULK</u>				
<i>NO Fixed Charge is levied. 10% Rebate on Hydraulic Charge</i>				
Private Developments	Plus VAT	-10%	-10%	
<u>UNMETERED</u>				
Potable Water Supply	176,07	153,10	143,76	6,50
Free Basic Services to Registered Indigent Consumers	-176,07	-153,10	143,76	LINK
<u>VARIABLE CHARGE (HYDRAULIC CHARGE)</u>				
All Users	20,09	17,47	16,40	6,50

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>TRADE EFFLUENT SURCHARGE</u> The Trade Effluent Surcharge shall be paid in addition to the normal hydraulic and fixed charges which apply for each property. #REF! (a) The monthly charge payable by the owner or occupier of any trade premises in #REF! The Council shall base its monthly charge on the highest COD of one or more samples collected from the trade effluent samples point. #REF! (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. #REF! (c) The charge payable in terms of paragraph (a) and (b) above shall be assessed according to the formula : $R = V \times [CA + B] + C \times S \times 10^{-3}$ 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 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				

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>SUCTION TANKER SERVICE</u>				
<u>SUCTION TANKER SERVICE</u>				
Applicable to improved properties not served by waterborne sewerage irrespective if service is utilised. Guarantees 1 free load or part thereof per month. <u>Basic (Minimum) Charge</u> Domestic : 1 Load or part thereof to a maximum of 6000 litres	318,44	276,90	260,00	6,50
Business : 1 Load or part thereof to a maximum of 6000 litres	448,26	389,79	366,00	6,50
<u>Tanker Removals</u> Applicable to improved properties not served by waterborne sewerage additional to the guaranteed free load per month. Domestic : 1 Load or part thereof to a maximum of 6000 litres	448,26	389,79	366,00	6,50
Business : 1 Load or part thereof to a maximum of 6000 litres	632,04	549,60	516,06	6,50
<u>Rural Areas</u> Per Load	1 254,30	1 090,69	1 024,13	6,50
Plus per km	61,72	53,67	50,39	6,50
<u>DISPOSAL VIA ROAD HAULAGE (R per KL)</u>				
Tanker Disposal of Sewerage (NOT Exceeding Domestic Strength)	499,60	434,43	407,92	6,50
Tanker Disposal of Sewerage (Exceeding Domestic Strength)	Plus VAT	Cost	Cost	

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Tanker Disposal of Potable Toilet Sewerage (NOT Exceeding Domestic Strength)	108,25	94,13	88,39	6,50
Tanker Disposal of Potable Toilet Sewerage (Exceeding Domestic Strength)	Plus VAT	Cost	Cost	
Application for Disposal Permit (Per Year)	832,66	724,06	679,86	6,50
<u>SUNDRIES</u>				
Connection fees				
Econ Short	2 521,26	2 192,40	2 058,59	6,50
Econ Long	4 176,67	3 631,89	3 410,23	6,50
Households	4 176,67	3 631,89	3 410,23	LINK
Blockage fees				
During Office Hours	743,43	646,46	607,00	6,50
After Hours & Weekends	1 208,29	1 050,69	986,56	6,50
Augmentation Fees				
Sewerage	28 425,00	24 717,52	23 208,94	6,50
<u>SPORTS AND RECREATION</u> 800				
Sportsfield Rental per day : Music Concerts				
Sport Tournaments	2 713,00	2 358,83	4 717,66	-50,00
Profitable Functions(Festivals,Concerts etc)	5 697,00	4 953,54	4 717,66	5,00
School Sports Tournaments	1 000,00	869,62	1 439,30	-39,58
Non-Profitable Functions : NGO's, Churches, PO's	1 000,00	869,60	1 715,52	-49,31
Sports Affiliation per year	518,00	450,32	428,88	5,00
Welfare organisations per year	695,00	604,32	575,54	5,00
Deposit				
Damages		1 050,00	1 000,00	5,00

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
WATER 980				
<u>AVAILABILITY CHARGE (PER ANNUM)</u>				
Undeveloped erven	2 957,00	2 571,08	2 397,27	7,25
<u>CONNECTION FEES</u>				
Up to 20 mm	3 959,00	3 442,79	3 210,06	7,25
32 mm	4 619,00	4 016,53	3 745,02	7,25
50 mm	15 111,00	13 139,73	12 251,50	7,25
75 mm	20 073,00	17 454,61	16 274,70	7,25
100 mm	23 887,00	20 771,11	19 367,00	7,25
Greater than 100mm	Plus VAT	COST +20%	COST +20%	
Pre-paid (25mm)	Plus VAT	COST +20%	COST +20%	
<u>Augmentation Fees</u>				
Water	27 488,00	23 902,88	22 287,06	7,25
<u>CONSUMER DEPOSITS</u>				
<u>Domestic</u>				
Owners		414,00	414,00	-
Tenants & High Density Housing		826,00	826,00	-
Sub-Economic		282,00	282,00	-
<u>Commercial</u>		2 757,00	2 757,00	-

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
or equal to one month's account as rendered or as determined by the CFO				
<u>BASIC/MINIMUM MONTHLY CHARGE</u>				
<u>Domestic</u>				
Kouga	171,79	149,38	139,29	7,25
Free Basic Services to Registered Indigent Consumers	-171,79	-149,38	-139,29	LINK
Kouga > 25 mm Connection	299,68	260,59	242,98	7,25
Free Basic Services to Registered Indigent Consumers	-299,68	-260,59	-242,98	LINK
<u>Sectional Title Developments comprising of ONLY domestic units</u>				
Kouga	171,79	149,38	139,29	7,25
<u>Commercial</u>				
Kouga	171,79	149,38	139,29	7,25
Kouga > 25 mm Connection	299,67	260,59	242,97	7,25
<u>Old Age Homes</u>				
Ons Tuiste (Humansdorp) (Includes 1st 400KI)	171,79	149,38	139,29	7,25
<u>Commercial (High Density)</u>				
<u>Sectional Title Developments comprising of ONLY commercial units</u>				
Kouga	171,79	149,38	139,29	7,25
<u>Sectional Title Developments comprising of BOTH commercial and domestic units</u>				
Kouga	171,79	149,38	139,29	7,25
<u>Treated Sewerage Water</u>				
Kouga	263,41	229,06	213,57	7,25
<u>Industrial</u>				
Kouga	299,68	260,59	242,98	7,25
<u>Rural (Farm Worker's Houses)</u>				
(Tariff for rural consumers includes a surcharge of 25%).				
Kouga				
1 house	202,33	175,94	164,05	7,25
2 - 5 houses	494,38	429,90	400,84	7,25
6 - 10 houses	1 315,17	1 143,62	1 066,31	7,25
11 - 25 houses	2 884,20	2 508,00	2 338,46	7,25
<u>Rural (NMBMM Tariff)</u>				
Kouga	202,33	175,94	164,05	7,25
<u>Schools</u>				
Kouga	171,79	149,38	139,29	7,25
<u>Sportsfields</u>				
Kouga	171,79	149,38	139,29	7,25

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
CONSUMPTION (Units/kl) Free Units per month For indigent consumers officially registered at the Kouga Municipality the first 12kl of 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	16,16	14,05	13,10	7,25
13 - 25	16,98	14,77	13,77	7,25
26 - 45	20,55	17,87	16,66	7,25
46 - 65	33,44	29,08	27,11	7,25
66 - 85	46,10	40,09	37,38	7,25
86+	56,63	49,25	45,92	7,25

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>SCALE B - High Density Consumers</u> Flats, Town Houses and other Sectional Title Developments on stands with more (kl per unit multiply number of units per 30 days' period)				
0 - 12	16,16	14,05	13,10	7,25
13 - 25	16,98	14,77	13,77	7,25
26 - 45	20,55	17,87	16,66	7,25
46 - 65	33,44	29,08	27,11	7,25
66 - 85	46,10	40,09	37,38	7,25
86+	56,63	49,25	45,92	7,25
<u>SCALE C - Bulk Consumers, Closed Developments, Agricultural Holdings and Making use of Municipal Infrastructure</u> Bulk Consumer : A consumer who on average over a 30 day period, consumes no (A quantity charge for water consumed since the previous meter reading as follows)				
0 - 1250	16,16	14,05	13,10	7,25
1251 - 5000	16,16	14,05	13,10	7,25
5001 - 7500	20,19	17,55	16,37	7,25
7501+	41,71	36,27	33,82	7,25
<u>SCALE D - Bulk Consumers, Developments used for Residential Purposes (Part of Allocated Quota to Kouga Municipality from NMBMM)</u> Metro Bulk Tariff per kilolitre Plus 15% Surcharge (T11)	11,17	9,72	9,06	7,25
<u>SCALE E - All consumers who do not fall under Scale A,B,C and D</u>				
Industrial	24,24	21,08	19,66	7,25
Commercial	16,16	14,05	13,10	7,25
Treated Sewerage water	9,32	8,11	7,56	7,25
Rural (Farm Worker's Houses)	20,22	17,58	16,39	7,25
Rural (NMBMM Tariff)	11,17	9,72	9,06	7,25
Schools	16,16	14,05	13,10	7,25
Sportsfields	16,16	14,05	13,10	7,25
PART B - Applicable during times of water shortage when the situation is critical but not an emergency				
<u>SCALE A - Domestic</u> Single Dwelling Houses - Metered seperately				

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
0 - 12	16,16	14,05	13,10	7,25
13 - 18	23,43	20,37	18,99	7,25
19 - 30	37,27	32,40	30,21	7,25
31+	46,26	40,23	37,51	7,25
SCALE B - High Density Consumers Flats, Town Houses and other Sectional Title Developments on stands with more (kl per unit multiply number of units per 30 days' period)				
0 - 12	16,16	14,05	13,10	7,25
13 - 18	23,43	20,37	18,99	7,25
19 - 30	37,27	32,40	30,21	7,25
31+	46,26	40,23	37,51	7,25

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>SCALE C - Bulk Consumers, Closed Developments, Agricultural Holdings and Making use of Municipal Infrastructure</u>				
Bulk Consumer : A consumer who on average over a 30 day period, consumes no (A quantity charge for water consumed since the previous meter reading as follows)				
0 - 1250	22,64	19,69	18,36	7,25
1251 - 5000	22,64	19,69	18,36	7,25
5001 - 7500	31,67	27,54	25,68	7,25
7501+	45,94	39,94	37,24	7,25
<u>SCALE D - Bulk Consumers, Developments used for Residential Purposes (Part of Allocated Quota to Kouga Municipality from NMBM)</u>				
Metro Bulk Tariff per kilolitre Plus 15% Surcharge (T11)	11,17	9,72	9,06	LINK
<u>SCALE E - All consumers who do not fall under Scale A,B,C and D</u>				
Industrial	32,44	28,21	26,30	7,25
Commercial	21,76	18,92	17,64	7,25
Treated Sewerage water	11,17	9,72	9,06	7,25
Rural (Farm Worker's Houses)	26,57	23,10	21,54	7,25
Rural (NMBMM Tariff)	11,17	9,72	9,06	7,25
Schools	21,00	18,27	17,03	7,25
Sportsfields	21,00	18,27	17,03	7,25
<u>PART C - Applicable during times of water shortage emergency</u>				
<u>SCALE A - Domestic</u>				
Single Dwelling Houses - Metered seperately				
0 - 12	-	-	17,19	
13+	-	-	43,37	
Step 1 (>0 ≤ 9KL)	19,77	17,19	New	
Step 2 (>9 ≤ 15KL)	31,43	27,33	New	
Step 3 (>15 ≤ 24KL)	89,57	77,89	New	
Step 4 (>24 ≤ 30KL)	134,37	116,84	New	
Step 5 (>30 ≤ 48KL)	447,44	389,08	New	
Step 6 (>48KL)	894,90	778,17	New	

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
SCALE B - High Density Consumers				
Flats, Town Houses and other Sectional Title Developments on stands with more (kl per unit multiply number of units per 30 days' period)				
0 - 12	-	-	17,19	
13+	-	-	43,37	
Step 1 (>0 ≤ 9KL)	19,77	17,19	New	
Step 2 (>9 ≤ 15KL)	31,43	27,33	New	
Step 3 (>15 ≤ 24KL)	89,57	77,89	New	
Step 4 (>24 ≤ 30KL)	134,37	116,84	New	
Step 5 (>30 ≤ 48KL)	447,44	389,08	New	
Step 6 (>48KL)	894,90	778,17	New	
SCALE C - Bulk Consumers, Closed Developments, Agricultural Holdings and Making use of Municipal Infrastructure				
Bulk Consumer : A consumer who on average over a 30 day period, consumes no (A quantity charge for water consumed since the previous meter reading as follows)				
0 - 1250	33,99	29,56	27,56	7,25
1251 - 5000	33,99	29,56	27,56	7,25
5001 - 7500	42,43	36,90	34,41	7,25
7501+	58,20	50,61	47,19	7,25

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
<u>SCALE D - Bulk Consumers, Developments used for Residential Purposes (Part of Allocated Quota to Kouga Municipality from NMBM)</u>				
Metro Bulk Tariff per kilolitre Plus 25% Surcharge (T11)	13,88	12,07	11,26	7,25
<u>SCALE E - All consumers who do not fall under Scale A,B,C and D</u>				
Industrial	32,73	28,46	26,54	7,25
Commercial	22,14	19,25	17,95	7,25
Treated Sewerage water	11,21	9,75	9,09	7,25
Rural (Farm Worker's Houses)	26,57	23,10	21,54	7,25
Rural (NMBMM Tariff)	13,88	12,07	11,26	7,25
Schools	21,00	18,27	17,03	7,25
Sportsfields	21,00	18,27	17,03	7,25
PART D - Applicable during times of water shortage drought disaster				
(a) Within the Municipal boundary (per kl)				
(i) Treated water for residential premises:				
Step 1 (>0 ≤ 9KL)	28,76	25,01	23,32	7,25
Step 2 (>9 ≤ 15KL)	45,76	39,79	37,10	7,25
Step 3 (>15 ≤ 24KL)	130,74	113,69	106,00	7,25
Step 4 (>24 ≤ 30KL)	196,11	170,53	159,00	7,25
Step 5 (>30 ≤ 48KL)	653,69	568,43	530,00	7,25
Step 6 (>48KL)	1 307,38	1 136,85	1 060,00	7,25
(ii) Treated water for residential premises:ATTP Consumers (per kl)	28,76	25,01	23,32	7,25
(iii) Treated water for institutional premises, including municipal and government departments (per kl)	39,22	34,11	31,80	7,25
(iv) Treated water for commercial and industrial premises (per kl)	45,76	39,79	37,10	7,25

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
(v) Treated water for multiple dwelling units, per dwelling unit:				
Step 1 (>0 ≤ 9KL)	28,76	25,01	23,32	7,25
Step 2 (>9 ≤ 15KL)	45,76	39,79	37,10	7,25
Step 3 (>15 ≤ 24KL)	130,74	113,69	106,00	7,25
Step 4 (>24 ≤ 30KL)	196,11	170,53	159,00	7,25
Step 5 (>30 ≤ 48KL)	653,69	568,43	530,00	7,25
Step 6 (>48KL)	1 307,38	1 136,85	1 060,00	7,25
(vi) Treated water for irrigation of sportsgrounds (per kl)	1 307,38	1 136,85	1 060,00	7,25
(vii) Treated water drawn through standpipes (per kl)	78,44	68,21	63,60	7,25
(viii) Raw water for residential premises:				
Step 1 (>0 ≤ 9KL)	26,15	22,74	21,20	7,25
Step 2 (>9 ≤ 15KL)	45,76	39,79	37,10	7,25
Step 3 (>15 ≤ 24KL)	78,44	68,21	63,60	7,25
Step 4 (>24 ≤ 30KL)	130,74	113,69	106,00	7,25
Step 5 (>30 ≤ 48KL)	522,95	454,74	424,00	7,25
Step 6 (>48KL)	1 307,38	1 136,85	1 060,00	7,25
(ix) Raw water for commercial premises: (per kl)	45,76	39,79	37,10	7,25
(x) Raw water for industrial premises: (per kl)	45,76	39,79	37,10	7,25
(xi) Reclaimed water treated to comply with the requirements of the General Standard (Government Gazette Notice No. 991, 18 May 1994)				
(1) annual charge per Megalitre of notified maximum demand payable on a monthly basis in equal instalments	2 614,76	2 273,70	2 120,00	7,25
(2) additional charge per kilolitre of metered consumption	6,54	5,68	5,30	7,25
(ix) Reclaimed water treated to comply with the requirements of the General Standard (Government Gazette Notice No. 991, 18 May 1984) which has received additional treatment. (per kl)	6,54	5,68	5,30	7,25

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
(b) Outside the Municipal boundary (per kl)				
(i) Treated water for residential premises:				
Step 1 (>0 ≤ 9KL)	28,76	25,01	23,32	7,25
Step 2 (>9 ≤ 15KL)	45,76	39,79	37,10	7,25
Step 3 (>15 ≤ 24KL)	130,74	113,69	106,00	7,25
Step 4 (>24 ≤ 30KL)	196,11	170,53	159,00	7,25
Step 5 (>30 ≤ 48KL)	653,69	568,43	530,00	7,25
Step 6 (>48KL)	1 307,38	1 136,85	1 060,00	7,25
(ii) Treated water for residential premises:ATTP Consumers (per kl)	28,76	25,01	23,32	7,25
(iii) Treated water for institutional premises, including municipal and government departments (per kl)	39,22	34,11	31,80	7,25
(iv) Treated water for commercial and industrial premises (per kl)	45,76	39,79	37,10	7,25
(v) Treated water for multiple dwelling units, per dwelling unit:				
Step 1 (>0 ≤ 9KL)	28,76	25,01	23,32	7,25
Step 2 (>9 ≤ 15KL)	45,76	39,79	37,10	7,25
Step 3 (>15 ≤ 24KL)	130,74	113,69	106,00	7,25
Step 4 (>24 ≤ 30KL)	196,11	170,53	159,00	7,25
Step 5 (>30 ≤ 48KL)	653,69	568,43	530,00	7,25
Step 6 (>48KL)	1 307,38	1 136,85	1 060,00	7,25
(vi) Raw water for residential premises:				
Step 1 (>0 ≤ 9KL)	26,15	22,74	21,20	7,25
Step 2 (>9 ≤ 15KL)	45,76	39,79	37,10	7,25
Step 3 (>15 ≤ 24KL)	104,59	90,95	84,80	7,25
Step 4 (>24 ≤ 30KL)	130,74	113,69	106,00	7,25
Step 5 (>30 ≤ 48KL)	522,95	454,74	424,00	7,25
Step 6 (>48KL)	1 307,38	1 136,85	1 060,00	7,25

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
(vii) Raw water for institutional premises, including municipal and government departments (per kl)	45,76	39,79	37,10	7,25
(viii) Raw water for commercial and industrial premises (per kl)	45,76	39,79	37,10	7,25
(c) Water delivered by road tanker (per kl)				
(i) Charge for water supplied	98,05	85,26	79,50	7,25
(ii) Delivery charge	At Cost	At Cost	At Cost	
(iii) Minimum prepayment	3 922,13	3 410,55	3 180,00	7,25
(d) Water supplied in bulk to other local authorities (per kl)	19,61	17,05	15,90	7,25
<u>MISCELLANEOUS FEES AND CHARGES</u>				
Water Loss owing to damage to the Municipal Water-Pipe System and/or Installations				
Pipes with a diameter of 50mm or less	2 380,28	2 069,81	1 929,89	7,25
Pipes with a diameter larger than 50mm up to and including 100mm	5 401,91	4 697,32	4 379,78	7,25
Pipes with a diameter larger than 100mm up to and including 250mm	24 291,44	21 122,99	19 695,09	7,25
Pipes with a diameter larger than 250mm up to and including 400mm	59 365,71	51 622,35	48 132,73	7,25
Pipes with a diameter larger than 400mm	100 922,27	87 758,50	81 826,11	7,25
Repair Charges of damage to the Municipal Water-Pipe System and/or Installation by other people				
Pipes with a diameter of 50mm or less	4 970,53	4 322,20	4 030,02	7,25
Pipes with a diameter larger than 50mm up to and including 100mm	7 095,02	6 169,59	5 752,53	7,25
Pipes with a diameter larger than 100mm up to and including 250mm	10 727,48	9 328,24	8 697,66	7,25

SERVICE DESCRIPTION	2023/24	2023/24	2022/23	%
	VAT Inclusive	15% Exclusive	15% Exclusive	Increase
	R	R	R	
Pipes with a diameter larger than 250mm up to and including 400mm	20 135,97	17 509,54	16 325,91	7,25
Pipes with a diameter larger than 400mm	25 079,77	21 808,50	20 334,26	7,25
Water used for Fire-Fighting Quantity charge per kilolitre	38,18	33,20	30,95	7,25
Reconnection fee	902,86	785,10	732,03	7,25
Special meter readings	597,46	519,53	484,41	7,25
Service Calls				
During office hours	666,17	579,28	540,12	7,25
After office hours	1 328,53	1 155,24	1 077,15	7,25
Testing of meters (deposit 3% error on either side)	1 826,73	1 588,46	1 481,08	7,25
To relocate or lower a connection with a maximum nominal diameter of 25 mm				
Maximum distance of 5 m	2 019,51	1 756,10	1 637,39	7,25
Further than 5 m	3 096,08	2 692,24	2 510,25	7,25
To relocate or lower a connection with a nominal diameter larger than 25 mm				
Deposit		8 159,00	7 607,00	7,25
Cost	Plus VAT	Cost	Cost	
To relocate a fire hydrant in the road reserve Less than 2 m from original position	6 297,14	5 475,78	5 105,62	7,25
2 m or more from original position	14 682,52	12 767,41	11 904,34	7,25
To install a new fire hydrant in the road reserve				
Deposit		17 923,00	16 711,00	7,25
Cost	Plus VAT	Cost	Cost	
Discontinuation or restriction of the Water Services owing to the Failure of Payment				
Disconnection/restriction to a dwelling-house	1 722,06	1 497,45	1 396,22	7,25
Disconnection/restriction for other water connections , excluding dwelling-houses	5 885,84	5 118,13	4 772,14	7,25
Service Cost				
Supervision Labour Cost per hour	707,07	614,85	573,28	7,25
Assistant per hour	356,43	309,94	288,98	7,25
TLB per hour (Including travel time)	1 177,17	1 023,63	954,43	7,25
LDV per kilometre	46,24	40,21	37,49	7,25
Truck per kilometre	65,51	56,96	53,11	7,25

SERVICE DESCRIPTION		2023/24	2023/24	2022/23	%
		VAT Inclusive	15% Exclusive	15% Exclusive	Increase
		R	R	R	
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)					
WATERWAYS	990				
Licence Fees per Annum					
Non Riparian Levy Owners		2 265,00	1 969,38	1 875,60	5,00
(Riparian Levy Owners first boat free)					
Riparian Levy Owners (for boats in addition to first free boat)		1 891,76	1 645,01	1 581,74	4,00
Commercial Operators per passager registered on COF		2 100,00	1 826,09	1 739,13	5,00
Riparian Commercial Operators per passager registered on COF		1 679,99	1 460,87	1 391,30	5,00
Moorings					
Permanent Moorings					
Annually		8 350,00	7 259,95	6 914,24	5,00
Bi-Annually		6 268,00	5 450,87	5 191,30	5,00
Non Permanent Moorings					
Monthly (per calendar month)		3 573,00	3 107,09	2 959,13	5,00
Riparian Levy					
Per Annum		5 248,00	4 563,34	4 387,83	4,00
(Riparian Levy Owners first boat licence free)		-2 265,00	-1 969,38	-1 719,96	LINK (-)
Sundry Income		Plus VAT	Sundry Amounts	Sundry Amounts	
Temporary Permits					
One Day		225,00	195,41	184,35	6,00
Two to Seven Days		1 447,00	1 258,17	1 198,26	5,00

PAIA FEES IN RESPECT OF PUBLIC BODIES			
The request fee payable by every requester		115,00	100,00
Photocopy of A4-size page	Per page or part thereof	1,73	1,50
Printed copy of A4-size page	Per page or part thereof	1,73	1,50
For a copy in a computer-readable form on:			
(i) Flash drive (to be provided by requestor)		46,00	40,00

SERVICE DESCRIPTION		2023/24 VAT Inclusive	2023/24 15% Exclusive	2022/23 15% Exclusive	% Increase
		R	R	R	
(ii) Compact disc if provided by requestor		46,00	40,00	New	
(ii) Compact disc if provided to requestor		69,00	60,00		
For a transcription of visual images per A4-size page	Service to be outsourced.				
	Will	-			
	depend on quotation from	-			
Copy of visual images	Service Provider				
Transcription of an audio record, per A4-size page		27,60	24,00		
Copy of an audio record on:					
Flash drive (to be provided by requestor)		46,00	40,00		
Compact disc if provided to requestor		69,00	60,00		
To search for and prepare the record for disclosure for each	Such search and preparation	115,00	100,00		
Deposit: If search exceeds 6 hours	One third of amount per request				
	calculated in terms of item	-			
	1.2 to 1.8	-			
Postage, e-mail or any other electronic transfer	Actual expense incurred.				

DRAFT INSTITUTIONAL PROCUREMENT PLAN IN RESPECT OF ADVERTISED COMPETITIVE BIDS AND FORMAL WRITTEN PRICE QUOTATIONS (GOODS, PROJECTS OR SERVICES, INCLUDING ALL APPLICABLE TAXES) FOR THE 2023/2024 FINANCIAL YEAR													
PROJ ECT NO	DESCRIPTION OF GOODS / SERVICES / PROJECT	END DATE: CURRE NT CONTR ACT	AMOU NT BUDGE TED	PROJECT STATUS	ENVISA GED DATE OF OF BSC ITEM SUBMI TTED TO SCM	ENVISA GED DATE OF BSC	ENVISAGE D DATE OF ADVERTISE MENT IN THE WEBSITE, NEWSPAP ERS OR OTHER MEDIA	ENVISA GED CLOSIN G DATE OF BID	ESTIMA TED TIMEFR AME FOR CHECKLI ST- SCM REPORT S-END USER/ CONSUL TANT REQUIR ED	ENVISA GED DATE OF BEC	ENVISA GED DATE OF BAC	ENVISA GED DATE OF AWAR D	RESPON SIBLE OFFICE/ SCM OFFICIA L/
FINANCE: R. LORGAT													
	Banking Services	No Contra ct/ SLA- FNB	Operati onal	Pre- Planning	15-Sep- 23	29-Sep- 23	10-Oct-23	12- Dec-23	26-Dec- 23	23-Jan- 24	07-Feb- 24	23-Feb- 24	S. Abraha ms
	Call for Proposals for the Recovery and	June 2022	Operati onal	Pre- Planning	20-Aug- 23	25- Aug-23	05-Sep-23	05-Oct- 23	19-Oct- 23	09- Nov-23	22- Nov-23	08- Dec-23	S. Abraha ms

[illegible]

[illegible]

	Supply, Delivery and Off-loading of Black Refuse Bags for a period of 2 years	26-Oct-26	Operational	Pre-planning	10-May-23	24-May-23	02-Jun-23	04-Jul-23	18-Jul-23	15-Aug-23	29-Aug-23	14-Sep-23	E. Felix
	Supply, Delivery and Off-loading of PPE for a 2 year period	25-Oct-23	Operational	Pre-planning	15-Jun-23	29-Jun-23	10-Jul-23	09-Aug-23	23-Aug-23	20-Sep-23	04-Oct-23	20-Oct-23	E. Felix
	Supply, Delivery and Prepaid Electrical Meters for a 2 year period	06-Jan-24	Operational	Pre-planning	07-Aug-23	21-Aug-23	30-Aug-23	29-Sep-23	13-Oct-23	10-Nov-23	24-Nov-23	12-Dec-23	E. Felix
	Supply, Delivery and Off-loading of Consumables for a period of 2 years	31-Dec-23	Operational	Pre-planning	15-Jun-23	29-Jun-23	10-Jul-23	09-Aug-23	23-Aug-23	20-Sep-23	04-Oct-23	20-Oct-23	E. Felix
	Supply, Delivery and Off-loading of Oil and Grease for a	28-Feb-24	Operational	Pre-planning	01-Oct-23	13-Oct-23	24-Oct-23	23-Nov-23	07-Dec-23	04-Jan-24	18-Jan-24	05-Feb-24	E. Felix

	period of 2 years												
<u>OFFICE OF MM/ MAYOR</u>													
	Appointment of legal Panel	31-Aug-23	Operational	Implementation Phase	28-Apr-23	09-May-23	18-May-23	19-Jun-23	03-Jul-23	24-Jul-23	03-Aug-23	18-Aug-23	L. Opperman
	Municipal Court - Furniture and Equipment (Audio & Recording System- subject to approval and budget)	No Contract	R 100 000,00	Pre-planning	15-Apr-24	24-Apr-24	03-May-24	23-May-24	30-May-24	06-Jun-24	10-Jun-24	25-Jun-24	L. Opperman
	Municipal Court - Furniture and Equipment (other- subject to approval and budget))	No Contract	R 100 000,00	Pre-planning	15-Apr-24	24-Apr-24	03-May-24	23-May-24	30-May-24	06-Jun-24	10-Jun-24	25-Jun-24	L. Opperman
	Supply and Delivery of Corporate	No Contract	Operational	Pre-planning	28-Apr-23	12-May-23	23-May-23	22-Jun-23	06-Jul-23	02-Aug-23	16-Aug-23	31-Aug-23	M. Basson

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20/21 PP	Supply and Delivery of 2 trailers with mobile mounted screens	No contract	Capital	Pre-Planning	06-Jun-23	20-Jun-23	29-Jun-23	31-Jul-23	14-Aug-23	04-Sep-23	11-Sep-23	26-Sep-23	C. van Niekerk
OP_1	Review of Annual Financial Statements- 23-24 FIN YR	No Contract	R 100 000,00	Pre-Planning-possible quotation process dependant on exp in 22/23 FIN YR	01-Jun-24	07-Jun-24	18-Jun-24	02-Jul-24	09-Jul-24	12-Jul-24	16-Jul-24	31-Jul-24	I. Fakir
COMMUNITY SERVICES: DIRECTOR-N. MACHELESI													
FT911	Fire Fighting Vehicle: Funded by District (District Funded Project (Amount may be reduced-also suggested a shorter	No Contract	R 1 638 000,00	Pre planning	24-Mar-24	02-Apr-24	11-Apr-24	13-May-24	27-May-24	10-Jun-24	21-Jun-24	09-Jul-24	D. Barnard

	advert period to be requested))												
	RFQ: Supply and Delivery of Uniform and Protective Clothing-Lifesaving	No Contract	200 000,00	Pre planning	07-Aug-23	21-Aug-23	30-Aug-23	08-Sep-23	15-Sep-23	22-Sep-23	29-Sep-23	16-Oct-23	D Barnard
	Procurement of a jetski	No contract	450 000,00	Pre planning	15-Jul-23	28-Jul-23	08-Aug-23	07-Sep-23	21-Sep-23	13-Oct-23	25-Oct-23	10-Nov-23	D Barnard
	Supply and Delivery of Procurement of a jet boat	No contract	R 500 000,00	Pre planning	20-Jan-24	02-Feb-24	13-Feb-24	14-Mar-24	28-Mar-24	24-Apr-24	08-May-24	24-May-24	D Barnard
	Supply and Delivery of Fire Fighting Uniforms and PPE-	28-Feb-24	R 500 000,00	Pre planning	25-Sep-23	04-Oct-23	13-Oct-23	14-Nov-23	28-Nov-23	19-Dec-23	17-Jan-24	02-Feb-24	D Barnard
	Extension of incident command centre	No contract	750 000,00	Pre planning	01-Feb-24	12-Feb-24	21-Feb-24	22-Mar-24	05-Apr-24	26-Apr-24	08-May-24	24-May-24	D. Barnard

	Incident Command Centre (Possible discussion with I&E or LED)												
	Dune Management Plan:	No Contract	R 200 000,00	Pre planning	10-Aug-23	24-Aug-23	04-Sep-23	22-Sep-23	29-Sep-23	06-Oct-23	13-Oct-23	31-Oct-23	C. Venter
	Review of Dune Management Plan:	No Contract	R 200 000,00	Pre planning	15-Aug-23	29-Aug-23	07-Sep-23	27-Sep-23	04-Oct-23	11-Oct-23	18-Oct-23	03-Nov-23	C. Venter
	RFQ: Review of Estuary Management Plan: Seekoei	No Contract	R 200 000,00	Pre planning	20-Aug-23	01-Sep-23	12-Sep-23	02-Oct-23	09-Oct-23	16-Oct-23	23-Oct-23	08-Nov-23	C. Venter
	Procurement of Skip Bins for period of 3 years	No Contract	1 800 000,00	Pre planning	26-May-23	09-Jun-23	20-Jun-23	20-Jul-23	03-Aug-23	30-Aug-23	13-Sep-23	29-Sep-23	C. Venter
	Supply and Delivery of Wheelie bins	No contract	R 3 000 000,00	Pre planning	19-May-23	02-Jun-23	13-Jun-23	13-Jul-23	27-Jul-23	23-Aug-23	06-Sep-23	22-Sep-23	C Venter

	for period of 3 years												
	Establishment of Organic waste composting facility	No Contract	R 500 000,00	Pre planning	20-Sep-23	04-Oct-23	13-Oct-23	14-Nov-23	28-Nov-23	12-Dec-23	17-Jan-24	02-Feb-24	C. Venter
	Air quality Management Plan	No Contract	350 000,00	Pre planning	31-May-23	14-Jun-23	23-Jun-23	25-Jul-23	08-Aug-23	05-Sep-23	20-Sep-23	06-Oct-23	C. Venter
	Environmental Management Framework	No Contract	300 000,00	Pre planning	12-Jun-23	26-Jun-23	05-Jul-23	04-Aug-23	18-Aug-23	13-Sep-23	27-Sep-23	13-Oct-23	C. Venter
	Litter Picking and Street Cleaning-Services	No Contract	500 000,00	Pre planning	15-Jun-23	29-Jun-23	10-Jul-23	09-Aug-23	23-Aug-23	20-Sep-23	04-Oct-23	20-Oct-23	C Venter
	Illegal Dumping-Removing of Waste	No Contract	300 000,00	Pre planning	15-Jun-23	29-Jun-23	10-Jul-23	09-Aug-23	23-Aug-23	20-Sep-23	04-Oct-23	20-Oct-23	C Venter
	Hardware and Building Material	No Contract	300 000,00	Pre planning	05-Jul-23	14-Jul-23	25-Jul-23	24-Aug-23	07-Sep-23	02-Oct-23	11-Oct-23	26-Oct-23	C Venter

	Procurement of Bush Clearing Services - ad hoc	No Contract	R 900 000,00	Pre planning	15-Jul-23	28-Jul-23	08-Aug-23	07-Sep-23	21-Sep-23	19-Oct-23	01-Nov-23	17-Nov-23	C. Venter
	Procurement of a Quadbike	No contract	350 000,00	Pre planning	01-Aug-23	10-Aug-23	21-Aug-23	20-Sep-23	04-Oct-23	20-Oct-23	03-Nov-23	21-Nov-23	R Prinsloo
	Procurement of Scramblers (Off- Road Motorcycles)	No contract	300 000,00	Pre planning	20-Jul-23	03-Aug-23	14-Aug-23	13-Sep-23	27-Sep-23	19-Oct-23	02-Nov-23	20-Nov-23	R Prinsloo
	Supply and Delivery of Traffic Uniforms and Protective Clothing for a period of three(3) years	18-Jul-24	Operational	Pre planning	20-Feb-24	05-Mar-24	14-Mar-24	15-Apr-24	29-Apr-24	24-May-24	07-Jun-24	25-Jun-24	R. Prinsloo
	Supply and Delivery of Traffic Signs and Traffic Uniforms and Protective Clothing for a	22-Jul-24	Operational	Pre planning	20-Feb-24	05-Mar-24	14-Mar-24	15-Apr-24	29-Apr-24	24-May-24	07-Jun-24	25-Jun-24	R. Prinsloo

	period of three(3) years												
	RFQ: Procurement of round tables (6 facilities)	No contract	150 000,00	Pre planning	01-Aug-23	15-Aug-23	24-Aug-23	04-Sep-23	11-Sep-23	18-Sep-23	20-Sep-23	06-Oct-23	R Ludick
	RFQ: Procurement of chairs	No contract	100 000,00	Pre planning	01-Aug-23	15-Aug-23	24-Aug-23	04-Sep-23	11-Sep-23	18-Sep-23	20-Sep-23	06-Oct-23	R Ludick
	RFQ: Supply and Installation of automatic sliding security doors	No contract	200 000,00	Pre planning	20-Jul-23	03-Aug-23	14-Aug-23	01-Sep-23	08-Sep-23	15-Sep-23	19-Sep-23	05-Oct-23	R Ludick
	Supply and Installation of the heavy duty steel doors for Clubhouses	No contract	200 000,00	Pre planning	15-Jul-23	28-Jul-23	08-Aug-23	28-Aug-23	04-Sep-23	11-Sep-23	13-Sep-23	29-Sep-23	R Ludick
	RFQ: Supply and Delivery of Flood lights	No Contract	R 200 000,00	Pre planning	25-Jul-23	08-Aug-23	17-Aug-23	28-Aug-23	04-Sep-23	11-Sep-23	13-Sep-23	29-Sep-23	R Ludick

	for Sports fields												
	Fencing-Phillipsville Sportfield, Kruisfontein	I&E Contract	3 500 000,00	Pre planning	20-Apr-23	04-May-23	15-May-23	14-Jun-23	28-Jun-23	26-Jul-23	16-Aug-23	01-Sep-23	R Ludick/J du Toit
	Fencing Thornhill	I&E Contract	1 500 000,00	Pre planning	20-Apr-23	04-May-23	15-May-23	14-Jun-23	28-Jun-23	26-Jul-23	16-Aug-23	01-Sep-23	R Ludick/J du Toit
INFRASTRUCTURE & ENGINEERING: DIRECTOR: C. DE KOCK													
	Energy Efficiency/ Demand Side Management (23/24) DORA	No Contract	R 4 000 000,00	Pre-Planning	24-Apr-23	05-May-23	16-May-23	15-Jun-23	29-Jun-23	27-Jul-23	10-Aug-23	28-Aug-23	T. Madatt
	Electrical Consulting Tender-3 year tender	31-May-23	Operational	Pre-Planning	14-Apr-23	25-Apr-23	04-May-23	05-Jun-23	19-Jun-23	17-Jul-23	26-Jul-23	11-Aug-23	T. Madatt
	Electrical Contractors Tender-3 year tender	31-May-23	Operational	Pre-Planning	14-Apr-23	25-Apr-23	04-May-23	05-Jun-23	19-Jun-23	17-Jul-23	26-Jul-23	11-Aug-23	T. Madatt

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	Chemicals for a period ending Oct 2023 (PP21/23)	no Contract	Operational	Pre-Planning	10-Apr-23	18-Apr-23	27-Apr-23	29-May-23	12-Jun-23	22-Jun-23	05-Jul-23	21-Jul-23	A. Botha
	Water Treatment Chemicals for a 3 period	01-Oct-23	Operational	Pre-Planning	01-Jun-23	15-Jun-23	26-Jun-23	26-Jul-23	09-Aug-23	06-Sep-23	20-Sep-23	06-Oct-23	J Du Toit/ A Botha
	Supply and Delivery of Various Bitumens, Cold Asphalt Road Patches- 3 year period	30-Sep-23	Operational	Pre-Planning	01-Jun-23	15-Jun-23	26-Jun-23	26-Jul-23	09-Aug-23	06-Sep-23	20-Sep-23	06-Oct-23	J Du Toit/ A Botha
	Appointment of Contractor: Maintenance Services for a 24 month period	No Contract	Operational	Pre-Planning	15-Jul-23	21-Jul-23	01-Aug-23	31-Aug-23	14-Sep-23	12-Oct-23	25-Oct-23	10-Nov-23	A. Botha
	Fencing	No Contract	Capital	Pre-Planning	20-Apr-23	04-May-23	15-May-23	14-Jun-23	28-Jun-23	26-Jul-23	16-Aug-23	01-Sep-23	J Du Toit
	Upgrade Gravel Roads	No Contract	R 37 038 000,00	Pre-Planning	01-Jun-23	15-Jun-23	26-Jun-23	26-Jul-23	09-Aug-23	06-Sep-23	20-Sep-23	06-Oct-23	J Du Toit

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	Upgrade of Storeroom-Workshop	No Contract	R 200 000,00	Pre-Planning	25-Jul-23	08-Aug-23	17-Aug-23	06-Sep-23	13-Sep-23	20-Sep-23	25-Sep-23	11-Oct-23	N. Gouws
	Vehicle Repairs - Panel	No Contract	R 800 000,00	Pre-Planning	15-Jan-24	29-Jan-24	07-Feb-24	08-Mar-24	22-Mar-24	19-Apr-24	03-May-24	21-May-24	N. Gouws
PLANNING, DEVELOPMENT & TOURISM: ACTING DIRECTOR: D DE JAGER													
	The implementation of a fully integrated GIS System	No Contract	R 150 000,00	Pre-Planning	23-Mar-23	06-Apr-23	17-Apr-23	17-May-23	31-May-23	28-Jun-23	17-Jul-23	02-Aug-23	S. Gootboom
	Revised Specs for Panel of Professionals - HS	No Contract	Operational	Pre-Planning	03-May-23	17-May-23	26-May-23	27-Jun-23	11-Jul-23	08-Aug-23	23-Aug-23	08-Sep-23	M. Penxa
	Patensie rectification-Construction	No Contract	R 1,153 141.40	Pre-Planning	03-Jul-23	17-Jul-23	26-Jul-23	25-Aug-23	08-Sep-23	06-Oct-23	19-Oct-23	06-Nov-23	M. Penxa
	Project Manager: Patensie Rectification Project	No Contract	R 100 000,00	Pre-Planning	11-Apr-23	20-Apr-23	01-May-23	19-May-23	26-May-23	02-Jun-23	07-Jun-23	23-Jun-23	M. Penxa

	Review of SDF	No contract	Operational-R 200 000	pre-planning	25-May-23	08-Jun-23	19-Jun-23	07-Jul-23	14-Jul-23	21-Jul-23	28-Jul-23	14-Aug-23	J. Marais
	Review of Kouga LUS	No contract	Operational - R200 000	pre-planning	25-May-23	08-Jun-23	19-Jun-23	07-Jul-23	14-Jul-23	21-Jul-23	28-Jul-23	14-Aug-23	J. Marais
	Erf 499 Planning & EIA	No Contract	R1,400,000	Pre Planning	14-Jun-23	28-Jun-23	07-Jul-23	08-Aug-23	22-Aug-23	19-Sep-23	06-Oct-23	24-Oct-23	J. Marais
CORPORATE SERVICES: ACTING: M ROSSOUW													
	Appointment Service Provider for facilitation of Training Programmes-various	No contract	R 500 000,00	no contract	20-Jul-23	31-Jul-23	09-Aug-23	08-Sep-23	22-Sep-23	20-Oct-23	08-Nov-23	24-Nov-23	Z. Gxuluwe
	Appointment of Service Provider to Facilitate the Change	09-Sep-23	Operational	Pre - Planning	05-May-23	19-May-23	30-May-23	29-Jun-23	13-Jul-23	10-Aug-23	23-Aug-23	08-Sep-23	B. Faulkner

	Appointment of an ICT Consultant: Security/ General Services	No Contract	R 600 000,00	Pre-Planning	01-Aug-23	15-Aug-23	24-Aug-23	25-Sep-23	09-Oct-23	06-Nov-23	20-Nov-23	06-Dec-23	M. Goduka

ANNEXURE E

Business process	Modules	Status	Comment
Corporate Governance	IDP	completed	
Municipal Budgeting , Planning and Financial Modeling	Budgeting	completed	
Financial Accounting	General Ledger	completed	
Costing and Reporting	Costing and Reports	Partial	
Project Accounting	Projects	completed	
Treasury and Cash Management	Bank Recon ad Petty Cash	Partial	Bank completed, Petty cash in progress
Procurement Cycle - SCM	SCM	in progress	
Grant management	Grant Register	not completed	01-Jan-24
Assets	Assets	not completed	30-Jun-24
Real Estate and Resource Management			
Human Resources and Payroll	HR and Payroll	completed	
Land use and Building Control			
Valuation Roll	Valuations	not completed	01-Jul-23
Revenue Cycle	Billing Module	not completed	02-Jul-24
Customer Care , Credit and Debt Management	Debt Management	not completed	03-Jul-24



NATIONAL TREASURY

MFMA Circular No. 122

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2023/24 MTREF

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Introduction

This budget circular provides guidance to municipalities with their compilation of the 2023/24 Medium Term Revenue and Expenditure Framework (MTREF). It is linked to the Municipal Budget and Reporting Regulations (MBRR) and the Municipal Standard Chart of Accounts (mSCOA), 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 management 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, mSCOA 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 in areas of the budget preparation that is not covered in this circular.

1. The South African economy and inflation targets

The National Treasury forecasts real economic growth of 1.9 per cent in 2022, compared with 2.1 per cent projected in the 2022 Budget Review, in response to global and domestic shocks. Growth is projected to average 1.6 per cent from 2023 to 2025. Implementing structural reforms, especially in the energy sector, remains crucial to improve the economy's productive capacity and competitiveness.

The recovery in economic activity that began in 2021 was driven by a strong rebound in global economic activity, high commodity prices and easing COVID-19 restrictions. The scarring impact of the pandemic on employment and investment decisions will likely weigh on the recovery over the medium term. Investment remains well below pre-pandemic levels.

The economy grew by 1.4 per cent in the first half of 2022 compared with the first half of 2021. Real GDP grew more than expected in the first quarter of 2022, with output returning to pre-pandemic levels. However, a deteriorating global environment, flooding in KwaZulu-Natal and the Eastern Cape, industrial action in the electricity and mining sectors, and prolonged and intense power cuts resulted in a broad-based contraction across most sectors during the second quarter. The third quarter was marked by frequent and prolonged power cuts, which significantly disrupted economic activity.

The following macro-economic forecasts must be considered when preparing the 2023/24 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2021 - 2026

Fiscal year	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Estimate	Forecast		
CPI Inflation	5.2%	6.8%	4.7%	4.6%	4.6%

Source: Medium Term Budget Policy Statement 2022.

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.

It is noted that variations in regional specifics are possible, however, any variation of assumptions must be explicitly set out and well explained in the budget narratives, in the absence of which the Treasuries will refer the budget back to council for alignment to the macroeconomic performance projections.

2. Key focus areas for the 2023/24 budget process

2.1 Local government conditional grants allocations

Over the 2023 MTEF period, conditional grant allocations to municipalities will grow below inflation. This is due to a higher 2022/23 baseline (R3.8 billion) added to local government conditional grants in the 2022 Division of Revenue Amendment Act. Over the next three years, total local government resources, including the equitable share and indirect conditional grants increase at an annual average rate of 6 per cent.

The local government equitable share increases at an annual average rate of 7.8 per cent and municipal conditional grants increase by 3.6 per cent over the 2023 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 2023 MTEF period.

The annual Division of Revenue Bill will be published in February 2023 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 2022 Division of Revenue Act to compile their 2023/24 MTREF. In terms of the outer year allocations (2025/26 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2022 Division of Revenue Act for 2022/23. The DoRA is available at:

<http://www.treasury.gov.za/documents/national%20budget/2022/default.aspx>

2.2 Re-enforcing the 2023 Division of Revenue Bill, (DoRB) to facilitate improved intergovernmental relations

Towards enforcing a system of good intergovernmental relations as envisaged in the Chapter 3 of the Constitution and subsequent related legislation, the National Treasury would like to remind municipalities of Section 31 of DoRA that articulates the facilitation of personal liability for unnecessary litigation. Going forward, a municipality may therefore only institute litigation against any organ of state, state-owned enterprise, public-and/ or municipal entity after exhausting all dispute resolution mechanisms required and/ or available to the municipality in terms of existing intergovernmental relations processes, policy and/ or any related contract with the municipality, including in terms of the Municipal Finance Management Act, 2003, the Intergovernmental Relations Framework Act, 2005, and/ or the Electricity Regulation Act, 2006 (dispute processes administered by NERSA).

The 2023 DoRB will facilitate the personal liability of and refund of any expenditure related to such litigation to the national revenue fund (NRF) by any person responsible for the institution of litigation by a municipality without having exhausted all the available dispute resolution mechanisms. This will be done through the equitable share off-setting processes. Municipalities, parallel to instituting any litigation against any organ of state, must report such litigation to the Auditor-General, the National Treasury and to the relevant provincial treasury. The report must provide the details of all the dispute resolution processes that were attempted, supported by information explaining the failure of these attempts.

Division of Revenue Amendment Bill, 2022 (DoRAB)

Disaster response funding

Conversion of disaster response grants – To allow for adequate response to the April 2022 floods, funding was shifted between the disaster relief grants in August 2022. R145 million

was shifted from the Provincial Disaster Response Grant to the Municipal Disaster Response Grant and R120 million was shifted from the Municipal Emergency Housing Grant to the Provincial Emergency Housing Grant.

Additional funding for disaster response grants – In response to disasters that have occurred, most of the disaster funding for 2022/23 had been depleted by the time of the tabling of the DoRAB. To enable for response should a disaster(s) occur in the remaining months of the current financial year, R248 million is added to the Municipal Disaster Response Grant to enable immediate response by municipalities.

Additional funding for disaster reconstruction and rehabilitation¹ – For the reconstruction and rehabilitation of municipal infrastructure damaged by flash floods in the Western Cape (Overberg District Municipality, Cape Winelands District Municipality and Garden Route District Municipality) in December 2021 and the April 2022 floods in the Eastern Cape (Winnie Madikizela-Mandela Local Municipality) and KwaZulu-Natal (eThekweni Metropolitan Municipality, uMhlathuze Local Municipality, uThukela District Municipality, uMgungundlovu District Municipality and iLembe District Municipality), R3.3 billion is added to the Municipal Disaster Recovery Grant.

Purchasing of land for relocation of flood victims – R92 million is added to the Informal Settlements Upgrading Partnership Grant: Municipalities for eThekweni Metropolitan Municipality for the purchase of land identified for the relocation of displaced flood victims.

Changes to local government allocations

Roll-over of funds in the Integrated National Electrification Programme (municipal) Grant – R1 million is rolled over in the Integrated National Electrification Programme (municipal) Grant to fund 50 electrification connections in Swellendam in Dikgatlong Local Municipality.

Roll-over of funds in the indirect Regional Bulk Infrastructure Grant – R15 million is rolled over in the indirect Regional Bulk Infrastructure Grant to fund operational payments for the Vaal River pollution remediation project in Emfuleni Local Municipality.

Reprioritisation in the Neighbourhood Development Partnership Grant – R100 million of the Neighbourhood Development Partnership Grant is shifted from Schedule 5, Part B (direct) to Schedule 6, Part B (indirect) to fund project preparation, planning and implementation for municipalities that are having administrative and financial challenges that are affecting project implementation. These funds will be used for projects they were allocated for in the direct component. Affected municipalities are Mogale City Local Municipality, KwaDukuza Local Municipality and Emfuleni Local Municipality.

Changes to gazetted frameworks and allocations

Municipal Disaster Response Grant – The grant framework for the Municipal Disaster Response Grant is amended to allow for spending to respond to the disasters that occurred in December 2021 and April 2022.

Informal Settlements Upgrading Partnership Grant: Municipalities – The grant framework for the Informal Settlements Upgrading Partnership Grant is amended to ring-fence funds for

¹ There was an oversight in the allocations to Western Cape and KwaZulu-Natal, wherein the allocations or parts thereof allocated to the district municipalities in the DoRAB ought to have been allocated to the respective local municipalities in these districts. This is explained in detail in the section "Correction of errors in the Municipal Disaster Recovery Grant framework and allocations to municipalities" below.

the purchase of identified land for the relocation of flood victims who were previously residing in informal settlements that were washed away by April 2022 floods in eThekweni Metropolitan Municipality.

Municipal annexures – Changes to previously gazetted municipal allocations include a change of the name of a municipality. The name of Engcobo Local Municipality in the Eastern Cape is updated to Dr A.B. Xuma Local Municipality as per the Gazette published in terms of section 12 of the Local Government: Municipal Structures Act, on 30 May 2022.

Correction of errors in the Municipal Disaster Recovery Grant framework and allocations to municipalities

The National Disaster Management Centre (NDMC) has requested changes to the in-year allocations for the Municipal Disaster Recovery Grant in the DoRAB tabled in Parliament. Part of the funding allocated to uThukela and iLembe district municipalities in KwaZulu Natal (page 36 of the DoRAB), should have been allocated to Alfred Duma and KwaDukuza local municipalities, respectively. The allocations made to the Cape Winelands, Overberg, and Garden Route district municipalities in the Western Cape (page 39 of the DoRAB), should have been made to Breede Valley; Theewaterskloof and Swellendam; and Oudtshoorn and George local municipalities, respectively. These corrections also affect the ring-fencing in the grant framework (page 28 of the DoRAB).

Parliament has approved that the National Treasury correct the allocations and effect the required changes to the MDRG framework, as part of section 15(1) of the 2022 DoRA to ensure that MDRG allocations are correctly allocated to the municipalities assigned for the functions.

3. Pension fund defaults

There has been a growing trend where municipalities are deducting pension from the employees but are not paying it over to their pension fund. This in our view is inconsistent with the intent and spirit of the MFMA and constitute an act of financial misconduct in terms of section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings and potentially also a criminal offence in terms of section 173 of the MFMA read with other applicable legislation. Municipal Councils should refer these actions to the Disciplinary Boards for further investigation and should also consider laying criminal charges against the accounting officer and other responsible officials that has failed to perform the responsibility outlined in terms of section 65(2)(f) of the MFMA which states that “the accounting officer of a municipality must take all reasonable steps to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees and other statutory commitments”. Municipal Councils should also consider further measures and actions in terms of the Pension Funds Administration Act, as may be applicable.

4. Municipal Standard Chart of Accounts (mSCOA)

4.1 Release of Version 6.7 of the Chart

On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.7 is released with this circular.

Version 6.7 of the chart will be effective from 2023/24 and must be used to compile the 2023/24 MTREF and will be available from 20 December on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

Kindly note that, in accordance with section 8(2)(j) of the Municipal Property Rates Act (MPRA) as amended in 2014, municipalities may apply for categories other than the categories in 8(2)(a) to (i). Towards this end the Minister of Cooperative Governance and Traditional Affairs approved the following categories:

- Sports Clubs and Fields for Bitou Municipality and
- Residential sectional title garages for Drakenstein Municipality.

These categories were only approved for use by municipalities indicated above. System vendors must therefore block the use of these categories for all other municipalities. The Project Summary Document (PSD) on the National Treasury webpage will be aligned to the chart changes in version 6.7 where applicable. The PSD is also available on the above link.

For the National Treasury to consider a new chart change in version 6.8 of the chart, the issue must be logged with all relevant background and details on the *mSCOA* FAQ portal by 31 August 2023. The *mSCOA* FAQ portal can be accessed by all registered GoMuni users on the following link. https://lq.treasury.gov.za/ibi_apps/signin

4.2 Amendments to the regulated A1 schedules

The following tables of the A1 Schedule that was regulated in terms of the Municipal Budget and Reporting Regulations (MBRR), have been aligned to the *mSCOA* and Generally Recognised Accounting Standards (GRAP):

- A4: Statement of Financial Performance; and
- A6: Statement of Financial Position

In addition, tables A8 and A10 have been linked to the *mSCOA* data strings and will be included in the 2023/24 budget reports available on the GoMuni portal from 01 July 2023.

The amended and protected version of the A1 schedule will be available from 20 December on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

System vendors and municipalities that are managing their own in-house systems must programme the amended schedules on their financial systems. Input fields for supporting tables that are not part of the non-financial data string must be created to ensure that a complete A schedule is generated from the core municipal financial system.

The *mSCOA* Regulations require that municipalities budget, transact and report on legislated *mSCOA* segments and directly on the core financial system and submit the required data strings directly from this system to the GoMuni Upload portal. To ensure that the data strings submitted are credible, municipalities must:

- Lock the budget adopted by Council on the core municipal financial system before submitting the budget (ORGB) data string to the GoMuni Upload portal;
- Close the core financial system at month-end as required in terms of the MFMA before submitting the monthly data string to the GoMuni Upload portal; and
- Generate the regulated MBRR Schedules (A, B and C) directly from the core municipal financial system.

The preparation of budgets on excel spreadsheets that is captured in the system at a later stage and manual correction of data strings by municipal officials or system providers are not allowed in terms of the *mSCOA* Regulations. Where a municipality makes use of a stand-alone 3rd party sub-system or a system provider has entered into an agreement or consortium for the provision of certain functionality with a 3rd party sub-system provider, such a 3rd party sub-system should host the relevant part of the *mSCOA* chart to seamlessly integrate with the core financial system without manual intervention.

4.3 Credibility of *mSCOA* data strings

The credibility and accuracy of the data strings must be verified by municipalities before submission as the data strings submitted will be used as the single source for all analysis and publications in the 2023/24 municipal financial year.

Municipalities have been given access to the GoMuni portal in April 2022 and should use the reports on GoMuni to verify the credibility of their submissions. It should be emphasized that errors in the data can only be corrected in the next open period. e.g., errors in the tabled budget (TABB) data string can only be corrected in the adopted budget data string (ORGB). Municipalities are not allowed to open closed periods to make corrections.

Municipalities are reminded that incorrect or incomplete data string submissions is considered as non-submission.

The credibility of the *mSCOA* data strings remains a concern in the following areas:

The inclusion of opening balances in data strings

Municipalities and system vendors must ensure that opening balances are included in the budget and in-year data strings. The opening balances at year end (month 12 – M12) of the previous financial year must be rolled over to the first month (M01) and updated with pre-audited (PAUD) and audit (AUDA) adjustments in the current financial year in the *applicable open period*. In other words, if the audit is completed on 31 October, then the changes in the opening balances must be reflected in the in-year submission for November 2022 (M05 submission). If opening balances and changes thereto are not included in the budget and in-year data strings, the C schedules will not populate correctly. This means that the movement of the balance sheet items will not have a starting point and the Statement of Financial Position (balance sheet) will be incorrect.

Accounting for Water Inventory

As per the guidance in MFMA Budget Circular No.115 (dated 04 March 2022), municipalities must budget and account for bulk water purchases as **inventory** under current assets in the Statement of Financial Position as per GRAP 12 (paragraph. 07).

In terms of GRAP 12:

Inventories are assets:

- a. *In the form of materials or supplies to be consumed in the production process;*
- b. *In the form of materials or supplies to be consumed or distributed in the rendering of services; and*
- c. *Held for sale or distribution in the ordinary course of operations, or*
- d. *In the process of production for sale or distribution.*

Inventory acquired through non-exchange transactions should be recorded at its fair value as at the date it is acquired. The cost of inventory, except for non-purified water, will be determined or recognised in accordance with paragraph 25 and 26, which is the primary and secondary costs in getting the water either to the treatment works or to the users of the water.

It is important to note that water cannot be issued if it was not purchased or brought into the inventory through system input transactions. Therefore, the total input volume of water related to water purified and water from natural sources should include both primary and secondary cost components. The allocation of secondary cost to the input volume of water will necessitate the utilisation of the Costing Segment in the *mSCOA*. This is crucial in determining cost reflective tariffs for water.

The fair value of water from natural resources such as boreholes, springs and fountains may be determined by the primary and secondary cost components. Secondary costs include:

- Labour
- Extraction cost
- Distribution cost
- Chemicals/ Treatment
- Maintenance
- Infrastructure
- Depreciation charges

The municipality must account for water from natural resources as follows:

Debit: System Input Volume: Natural Resources

Credit: Gains and Losses: Water at fair value

Water inventory must be budgeted to be acquired and recorded in the Current Assets: Inventory: Water as indicated below. The movement accounts in the *mSCOA* structure makes provision for the different methods of acquiring and the consumption/ issuing of Water inventory.

Current assets:

- Inventory: Water Opening balance: Non-Funding Transactions
- Inventory: Water: System Input volume: Bulk Purchases: Water Treatment/Natural Resources
- Water Authorised Consumption:
 - a) Billed Unmetered Consumption
 - b) Un-Billed Authorised Consumption
 - c) Billed Metered Consumption
- Inventory: Water Losses (Apparent and Real Losses)

Water that is issued to Consumers must be issued from the inventory and expensed in the **Expenditure:** Inventory: Consumed -Water.

Water losses will reduce the Water inventory in current assets and the corresponding amounts should be captured in **Gains and Losses:** Inventory: Water: Fair value

It is important to note that the change in accounting for water through the inventory purchased process and the change of using a methodology to report the balance of water as at year-end may impact on the Annual Financial Statements (AFS). Municipalities must ensure that they update their accounting policy, document this process, and provide comparative figures when assessing and reporting their water balance to ensure that the GRAP guidelines of changes in reporting and materiality is applied correctly.

The Local Government Municipal Property Rates (MPRA) Amendment Act, 2014

Municipalities are reminded that section 8 of the MPRA on the determination of categories of rateable properties has been revised through the Local Government Municipal Property Rates Amendment Act, 2014 ("the Amendment Act").

Municipalities were required to implement the new property categorisation framework by not later than 01 July 2021. The *mSCOA* chart Version 6.7 will only make provision for the new framework. The old framework has been retired and municipalities must prepare their 2023/24 MTREF Budgets accordingly.

Fixed Asset Register

Municipal financials systems must comply with the minimum business processes and system requirements on fixed asset registers as articulated for the asset management module in MFMA Circular No 80. The asset management module should be embedded in the core financial system or seamlessly integrate from a third-party sub-system to the core financial system. This will enable the regular and seamless updating of the fixed asset register. The register must contain the following information as a minimum requirement:

- Description of the asset
- Date of acquisition or brought into use
- Purchase cost
- Location of the asset
- Function responsible for the asset
- Current value
- Depreciation and method utilised
- Remaining life of the asset
- Maintenance information
- Insurance Coverage

Municipalities will be required to upload their updated fixed asset register in a PDF format on the GoMuni Upload portal as part of their 2023/24 MTREF tabled and adopted budget submission and thereafter on a quarterly basis as part of their in-year reporting.

Recording of Schedule 6B Grants in *mSCOA*

Grants allocated in terms of Schedule 6B of DoRA should be recorded in terms of *mSCOA* as an allocation-in-kind. This means that the municipality will only record the transaction once they received a completed asset.

Importantly, a Schedule 6B grant may not be transferred to the end-user of the asset to construct the asset as this is in contravention with the conditional grant framework. If a transferring officer of a Schedule 6B grant consider the municipality capable of constructing its own asset, the grant should be re-gazetted and reclassified as a Schedule 5B grant. The grant will then be transferred directly to the municipality to construct the asset and the receipt and expenditure of the grant must be in accordance with GRAP 17. An adjustments budget in terms of Section 28(2)(b) of the MFMA and Regulation 23(3) of the MBRR must be adopted to include the grant funding and project in the MTREF budget.

In the case where a municipality is constructing an asset for a national department but will not be the end-user of the asset being constructed, the accounting must be done in terms of GRAP 11. There will be VAT implications as the municipality will be a contractor and act as an agent. It is important to ensure that the contract between the municipality and the department outlines the responsibilities of all parties.

Municipalities must ensure that they are making provision for VAT in accordance with the VAT Act, 1991 (Act No. 89 of 1991) and the VAT 419 guide issued by SARS. The National Treasury issued *mSCOA* Circular No.12 (dated 01 October 2021) that provides guidance on the recording of VAT in the *mSCOA*.

Impact of Balance Sheet Budgeting and Movement Accounting on Cash Flow Tables

From the analysis of the *mSCOA* data strings it is evident that the cash flow tables (A7, B7 and C7) are still not populating correctly or completely. This can be contributed to the fact that a number of municipalities still do not use balance sheet budgeting and movement accounting. Guidance on the use of balance sheet budgeting and movement accounting to populate tables A7, B7 and C7 correctly was provided in MFMA Budget Circular No. 107 (dated 04 December 2020) and *mSCOA* Circular No. 11 (dated 04 December 2020).

4.4 Regulation of Minimum Business Processes and System Specifications

National Treasury will review and regulate minimum business processes and system specifications for *mSCOA* by the end of 2024/25. In preparation for the regulation of the minimum requirements, municipalities should ensure that they comply fully with the current minimum business processes and system specifications articulated in MFMA Circular No. 80 (dated 08 March 2016).

Where a municipality is not fully compliant with the *mSCOA* requirements, a *mSCOA* Road Map must be in place to drive and fast track the *mSCOA* implementation in the municipality. The *mSCOA* Steering Committee, chaired by the Accounting Officer or his/ her delegate, must use the *mSCOA* Road Map to track progress and take correction actions where required.

Road Maps must be reviewed and updated annually as part of the budget process is updated and submitted to Council for approval together with their 2023/24 MTREF budget. Municipalities will be required to upload their updated *mSCOA* Road Maps in a PDF format on the GoMuni Upload portal as part of their 2023/24 MTREF tabled and adopted budget submission and thereafter on a quarterly basis as part of their in-year reporting.

Municipalities should ensure that they budget sufficiently to become and remain *mSCOA* compliant.

Guidance on the content of the *mSCOA* Road Map was provided in MFMA Budget Circular No. 115 (dated 04 March 2022).

4.5 *mSCOA* Training Initiatives

Training to municipalities and municipal system vendors

The National Treasury, in conjunction with CIGFARO, will conduct monthly training sessions aimed at municipalities, municipal system vendors and other relevant role-players. The training will focus on technical aspects of budgeting, transacting and reporting in the *mSCOA* and is aimed at improving the quality of *mSCOA* data strings. The draft programme is attached as **Annexure A**.

***mSCOA* eLearning Course**

The National School of Government is hosting the *mSCOA* eLearning Course that was developed by the National Treasury. The *mSCOA* eLearning Course provides government officials with the basic knowledge on the reform and how to record transactions using the *mSCOA*.

Government institutions can enrol their employees for this course by sending a request for training to the NSG at contactcentre@thensg.gov.za. If your institution has not attended any training with the NSG previously, then you will also be required to register on the NSG database. The mSCOA eLearning Course will be offered as no cost until 31 March 2022. Thereafter, delegates will have to pay to attend the course.

Any queries in this regard must be directed to the NSG at contactcentre@thensg.gov.za or tel number: 086 100 8326.

5. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. The weak economic growth has put pressure 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.

Municipalities must ensure that they render basic services, maintain their assets and clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to improve the municipality's reputation. This will assist in attracting investment in the local economy which may result in reduced unemployment. Some municipalities are experiencing serious liquidity challenges. Therefore, the new leadership is advised to:

- Decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection; and
- Address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

5.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circulars 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 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates.

The purpose of the above mentioned MFMA Circulars is to ensure that the municipalities are using their entire revenue base as the basis for the revenue budget. It is essential that municipalities reconcile their most recent consolidated valuation roll data to that of the current billing system data to ensure that revenue anticipated from property rates is realistic. The municipalities should implement a data management strategy and develop internal capacity to perform these reconciliations and investigations to improve completeness of billing.

One of the aims of the reconciliation process is to identify exceptions, i.e. records on the roll and not on the billing system and records on the billing system and not on the roll. In addition, the reconciliation must identify duplicated records, missing data, and data errors. These exceptions should then be investigated, and remedial action strategies developed for data cleansing and other corrective actions. The Debtors Ageing data should also form part of the reconciliation process so that "debtors" can be tracked and assessed at a property record level and prioritised for verification of rates liability measured against a MPRA property and owner.

To facilitate reconciliation of the separate databases (Roll and Billing), a unique property identifier (common primary unique link code) must be created and populated for each rateable property on the roll system and on the rates billing system. This property identifier must be unique, without duplicates, and remain constant for the life of the property. The standards adopted by the South African Council for the Property Valuers Profession (SACPVP), namely South African Standard: Municipal Valuations for Property Rating, specifies that the Surveyor General Code SG 21-digit Code, derived, and created from the property description, be applied for all registered full title property defined in terms of part (a) of the definition of property.

For all other MPRA defined property, Part (a) Sectional Title, Part (b) Registered Rights, Part (c) Land Tenure Rights and Part (d) PSI, and apportioned multiple use property in terms of sections 8(2)(i) and 9(2), an added suffixed 5 digits to the SG 21-digit code must be assigned by the designated municipal valuer, thereby creating a unique 26-digit code. The municipality must ensure that the SG21 digit code and 26-digit coding system is applied in their valuation roll management system and billing system and engage with their designated municipal valuer and systems service providers to implement the unique property identifier.

Further it is important that municipalities who are performing a general valuation (GV) to implement a new valuation roll on 1 July 2023, must also as best practice compare the current consolidated roll to the new valuation roll. This can identify any anomalies and errors of category of property and market values for review and investigation and the option of lodging an objection by the municipality, where applicable. This process should also identify outliers and shifts in market values by category and area so that tariffs on the new roll can be modelled and determined in an equitable manner to avoid rates shocks.

Municipalities should undertake this exercise as a routine practice during the budget process so that supplementary adjustments to the valuation roll are kept up to date. In order to ensure that the most updated information is used for the reconciliations, municipalities are reminded to adhere and comply with s23(1)(2) of the MPRA and therefore use the Part A register as the basis for performing the reconciliations going forward.

Furthermore, municipalities are also advised and expected to comply with s8(1) of the MPRA in terms of the billing methodology that needs to be specified within their policies to ensure that the correct categories (based on the selection made by the municipality) are used in the reconciliation process.

The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates or whether the municipality is overstating its revenue budget.

A further test would be to reconcile this information with the Deeds Office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their reconciliation of the Valuation roll/Part A register to the billing system to the National Treasury on a quarterly basis by no later than the 10th working day. A detailed action plan must accompany the reconciliation where variances are noted.

The above information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: https://lg.treasury.gov.za/ibi_apps/signin. If the municipality experience any challenge uploading the information, a request for an alternative arrangement may be emailed to linda.kruger@treasury.gov.za.

No operation can be sustainable if it does not collect its revenue. A municipality is no different. There is a misconception that a municipality may not interrupt or restrict the supply of water services of a defaulting consumer. The National Treasury confirms that neither the

Water Services Act, 1997 (Act No. 108 of 1997) or any other legislation prevents a municipality from cutting the supply of water to a defaulting consumer unless the consumer is an indigent in which case the water services to that household must be restricted to the national free basic water limit of 6 kilolitre water monthly (or 50 kilowatt hours in the case of free basic electricity monthly). This was confirmed by the Constitutional Court in the matter of Mazibuko and Others v City of Johannesburg and Others (CCT 39/09) [2009] ZACC 28; 2010 (3) BCLR 239 (CC); 2010 (4) SA 1 (CC) (8 October 2009).

Municipalities are urged to use the restriction/ interruption of supply of both water and electricity services as a collection tool. Effective from the tabling and adoption of the 2023/24 MTREF, municipalities' By-laws and policies must facilitate this and clearly stipulate the order in which any partial payment of the consolidated municipal bill (including property rates) will be applied as well as the process before the supply of water and electricity services will be cut. The National Treasury recommended that any partial payment firstly be applied to property rates, wastewater, waste management, water and lastly to electricity. When interrupting or restricting the supply of water it is important that such is undertaken together with the municipal engineer(s) to ensure a continued minimum supply of waste water.

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 (Financial and Fiscal Commission (FFC), 2011). Credible budgets are critical for local government to fulfil its mandate and ensure financial sustainability.

A credible expenditure budget reflects the costs necessary to provide a service efficiently and effectively, namely:

- A budget adequate to deliver a service of the necessary quality on a sustainable basis; and
- A budget that delivers services at the lowest possible cost.

The National Treasury issued a tariff setting tool and guide as part of MFMA Budget Circular No. 98 (refer item 4.2) on 6 December 2019 and since 2019, encouraged municipalities to utilise the tool. **With effect, the 2023/24 MTREF, all municipalities (except metropolitan cities and district municipalities that do not provide any services) as part of both the tabled and adopted MTREF submissions must submit the completed National Treasury tariff tool (in excel format)** illustrating that the revenue component of the budget is credible and funded and that the municipality's tariffs are cost reflective. If the municipality's initial calculation results in high increases to facilitate cost-reflectiveness, it is recommended that such are phased in over 3 to 5 years. The municipality's strategy in this regard should be included as part of the budget narratives.

This tool will assist in setting tariffs that are cost-reflective and enable a municipality to recover costs to fulfil its mandate. Going forward it is also imperative that every municipality fully embrace the Municipal Standard Chart of Accounts (*mSCOA*): costing component. Considering, *mSCOA* implementation is entering its sixth year of implementation, all municipalities must fully embrace and report also utilising the costing segment correctly. The National Treasury Municipal Costing Guide is 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 Tariffs – achieving a balance between cost-reflectiveness and affordability

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other consumers while ensuring the financial sustainability of the municipality.

When setting tariffs, it is therefore critical to understand the economic environment specific to the municipality and consideration should include at least –

- *The socio-economic profile undertaken for the municipality* available on the National Treasury GoMuni portal – municipalities are encouraged to annually update their own socio-economic profile using the template model available on GoMuni;
- *The most recent average monthly household income in the municipality* as per Statistics South Africa (Stats SA) available on [Statistics South Africa | Improving Lives Through Data Ecosystems \(statssa.gov.za\)](http://Statistics South Africa | Improving Lives Through Data Ecosystems (statssa.gov.za));
- *The average property value in the municipality* per its most recent approved general valuation roll and/ or supplementary general valuation roll;
- *The number of indigent households in the municipality*, including any variation in the number of indigent households included in the Equitable Share: free basic services component for the municipality vs the municipality's own indigency level discretion; and
- *The economic drivers and activities specific to the municipal area²; etc.*

The municipality's tariff-setting or other committee tasked with this role must understand and deliberately reflect on this context during the tariff-setting process. Considering the average monthly household income, the median affordable municipal bill would ideally not exceed proportionally the average monthly household income. This median affordable bill, in combination with the median average property value should inform the basis to determine any rebates to households with income below the median.

It is also important when setting particularly water and electricity tariffs that municipalities consider setting two-tier tariffs, that include a basic availability charge to recover the fixed (direct and indirect) cost associated with the service in conjunction with consumption-based tariff bands. For example, in a drought, such tariffs will facilitate the ability to pay for infrastructure and maintenance, treating chemicals and salaries, etc. while parallel facilitating water restriction based on inclining tariffs as consumption increase. Furthermore, it is important to link the municipality's water tariffs to dam levels, also approved as part of the budget process. For example, if the dam levels drop to 60 per cent the first tier of restriction tariffs should become applicable in terms of the municipality's approved tariff policy.

It is also noted that NERSA approves seasonal tariffs for Eskom but not necessarily for the municipality. It is important that the municipality clearly factor this in its tariff application to NERSA, illustrating the cashflow crunch if the municipality is not similarly allowed a seasonal tariff to recover the higher Eskom bulk cost during winter months.

Lastly, municipalities are cautioned against setting tariffs that include operating inefficiencies. This could lead to tariffs falling into the unaffordable range.

The Consumer Price Index (CPI) inflation is forecasted to be within the 3 to 6 per cent target band; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2023/24** in their budget narratives and pay careful attention to

² The spatialised tax data is now available through National Treasury for all municipalities that provides an up to date information on economic activity within a municipal boundary.

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.

5.4 Bulk Account Payments and Concessions

During 2018/19, intense work was 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 agreed to provide relieve in certain areas. Municipalities are reminded of the following concessions that remain in place:

- The interest rate charged on overdue municipal bulk accounts were reduced from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms were extended from 15 days to 30 days for municipal bulk accounts; and
- Eskom allocation of municipality payments to capital first and then to interest.

These concessions align to the MFMA and are meant to curb municipal growing debt levels by allowing a more conducive payment regime than what was previously employed. In addition, municipalities are urged to budget for and ring-fence their payment of bulk services. Bulk current account payments must be honoured religiously to avoid stringent application of the bulk suppliers' credit control policy.

Municipalities are also urged to enforce a culture of payment for services through their normal credit control processes. In this regard it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. As such, a municipality's allocation of free basic services to all of the municipality's consumers is not funded in the equitable share. Every municipality, during the budget process, must consider the affordability to the municipality when allocating free basic services above the national norm and to consumers other than indigent consumers. **If a municipality has any arrears on any of its bulk supplier's accounts, it must limit its provision of free basic services to registered indigent consumers only.**

5.5 Critical Notice Affecting STS Meters

As highlighted in previous MFMA Circular No. 115 (dated 06 December 2022) municipalities are once again alerted that there is still a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens.

The remedy is to visit each meter and enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government. In this respect the development of the transversal contract for smart prepaid meters as per NRS 049 (per latest approved version) is at an advanced stage and should be issued shortly by National Treasury.

If your municipality or municipality entity is currently in the process of procuring for a solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal contract for the provision of inter alia auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters Terms of Reference (ToR); and

- That, with immediate effect, you must obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for this purpose or any related solution or similar. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any related solution or similar or component thereof, must be directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) Sadesh.Ramjathan@treasury.gov.za.

In this regard, municipalities will have two options to choose from:

- Firstly, to pursue the route of auditing, re-calibrating and re-configuring services for standard transfer specification compliant prepayment meters; and/ or
- Secondly, to replace the old meter with a new smart prepaid meter.

For both options, the municipality will have to budget accordingly as no additional funding will be available through the national fiscus.

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

5.6 Completeness and credibility of revenue related information in the Budget

The MBRR regulates the minimum level of information required from municipalities when compiling, implementing, monitoring, and evaluating the municipality's financial management situation. Failure to include the minimum required information hampers the municipal council, the public and stakeholders' ability to make informed decisions and engage on the matter. It also limits research, studies, and benchmarking undertaken for local, provincial, and national purposes.

The National Treasury would like to take this opportunity to caution municipalities that the MBRR prescribe the minimum level of information municipalities must include as part of their legal reporting obligations.

Going forward the Treasuries will place increased attention and focus on the adequacy of municipalities' submissions. The National Treasury regards this non-compliance to include the minimum level of information as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution. In this context, National Treasury will particularly focus on the completeness of asset management related information as well as the statistical information required in the A, B and C schedules during the 2023/24 MTREF.

5.7 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In the municipal financial year 2022/23, bulk electricity costs increased moderately at 9.61 per cent, compared to 17.8 per cent in the 2021/22 municipal financial year. Due to Eskom's funding needs, they are seeking higher tariff increases and have applied to NERSA for a 32 per cent hike from 1 April 2023/24. NERSA will make a final decision on the tariff application by 24 December.

In addition, a High Court hearing is still pending on the Multi-Year Price Determination (MYPD 5) application. The urgent High Court review requires NERSA to urgently process the Eskom revenue application for at least one year, as required by law. The timeframes for the review allow for a decision to be made in time for implementation by 1 April 2023.

5.8 Updated Municipal Borrowing Policy Framework

Cabinet approved the Update to the Policy Framework for Municipal Borrowing and Financial Emergencies on the 17th of August, 2022. The purpose of the Update is to re-examine the original Policy Framework, along with the legislation (i.e. Municipal Finance Management Act – MFMA) that was adopted to implement it, considering the experience with municipal borrowing that has accumulated since 2000.

The following key reforms have been introduced through the Update to the Policy Framework for Municipal Borrowing:

- The Policy Framework for Municipal Borrowing has been updated to introduce the necessary reforms that will expand the scope of responsible municipal borrowing and create an environment that attracts more players (e.g. insurers, pension funds, institutional investors and fund managers, and international Development Finance Institutions) in the municipal debt market space. The original core principles underlying municipal borrowing are maintained (i.e. creditworthy municipalities should borrow prudently to finance capital investment, and that there will be no bail-outs by the provincial or national government);
- The updated policy framework clarifies the role of Development Finance Institutions (DFIs), as it was not clearly articulated in the original policy. DFIs are required to pursue clear and agreed developmental goals, as outlined in the policy. The objective of this approach is to ensure that a DFI lending does not crowd out the private sector. Public-sector lenders, both domestic and foreign, should be guided by a social and developmental investment approach in which demonstrable social outcomes are considered alongside potential financial returns;
- The updated policy framework permits and clarifies innovative infrastructure financing mechanisms (such as pooled financing mechanisms, project finance, tax increment financing, revenue bonds, and pledging of conditional grants) that municipalities can use to leverage municipal borrowing. Municipalities are encouraged to explore these alternatives, and innovative infrastructure financing mechanisms permitted subject to the requirements contained in the Municipal Finance Management Act (MFMA) and
- The participation of both private and public sector market participants in the development of a liquid secondary market for municipal debt securities is also encouraged. The policy proposes options that can be explored to support the development and growth of an efficient and liquid market for municipal debt obligations.

The Updated Municipal Borrowing Policy Framework can be accessed at the MFMA website at the following link <http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx>.

5.9 Tariff Policies

Municipalities must comply with the provisions of Section 74 of the Municipal Systems Act (MSA) which requires that a municipal council must adopt and implement tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of this Act and with any other applicable legislation. Municipalities should also ensure that the tariff policies adhere to all the principles outlined in section 74(2) of the MSA. A municipality's tariff policies must also take into consideration variable factors such as water shortages and electricity feedback excess into the municipal system from new generation capacity. Municipalities must adopt by-laws to give effect to the implementation and enforcement of their tariff policies.

5.10 Non-Revenue Electricity and Non-Revenue Water/ Revenue Losses:

Water Service Authority municipalities and electricity licensed municipalities are urged to align both their non-revenue water and non-revenue electricity indicators and their set targets in the 2023/24 SDBIPs with identifiable infrastructure or operational projects and/ or programmes. Municipalities should improve on the baseline information included in the SDBIPs by indicating the volume of water losses (i.e., kilolitres/ mega-litres) and the amount of electricity losses (KwH or MWs) for the previous year. This approach will help to determine the progress of municipalities in curbing losses, which impact on municipal revenues, in both non-revenue water and non-revenue electricity.

6. Burial of Councillors

Salaries, allowances and benefits for political office-bearers and members is managed through Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils notice issued by the Minister of Cooperative Governance and Traditional Affairs.

Section 167 of the MFMA provides that a municipality may remunerate its Councillors within the framework of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998), setting the upper limits of the salaries, allowances and benefits for those political office-bearers and members. Any benefit which is not included in the above-mentioned notice will be deemed irregular expenditure and recovery thereof from the Councillor concerned is mandatory.

Municipalities may also refer to relevant Councillor Pension Scheme or personal funeral policies in existence for any funeral benefits relating to such Councillor

7. Funding choices and management issues

Municipalities are under pressure to generate revenue. 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 2023/24 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;
- Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water;
- Prioritise the filling of critical vacant posts, especially linked to the delivery of basic services; 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.

7.1 Employee related costs

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2023/24 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2023 and 01 July 2024 an increase based on the projected average CPI percentages for 2023 and 2024. The forecasts of the Reserve Bank, in terms of the January 2023 and January 2024, shall be used to determine the projected average CPI. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once-a-year manual salary disbursement, in order to root out ghost employees.

According to the 2021 State of Local Government Finance Report, there are about 165 municipalities that are in financial distress. These municipalities need to ensure that they seek an early exemption from this dispensation of this salary agreement. Municipalities should also avoid paying out leave in cash while having major financial challenges.

7.2 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. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councilor(s) concerned.

8. Transfers to municipalities

8.1 Criteria for the release of the Equitable Share

Section 216(2) of the Constitution of South Africa requires that the National Treasury must enforce compliance with the measures established to ensure both transparency and expenditure control in each sphere of government and may stop the transfer of funds to an organ of state if that organ of state commits a serious or persistent material breach of those measures.

The criteria for the release of the Equitable Share Instalments for the 2023/24 municipal financial year are as follows:

- The 2023/24 adopted budget must be funded and adopted by Council as per the legal framework, as required in terms of section 18 of the MFMA and consistent with the Budget Council and Budget Forum resolutions;
 - a. The adopted budget must include budget allocations for bulk suppliers current account payments;
 - b. Should the adopted budget still be unfunded, then a credible funding plan will be required to show how the municipality intends moving progressively out of this position into a funded state, if this plan has been adopted in the past, then a progress report must be submitted on the framework previously shared to guide municipalities which is aligned to the rescue phase of the new approach to Municipal Financial Recovery Service (MFRS);

- c. Those municipalities that adopted an unfunded budget must work with their respective Provincial Treasuries to rectify this position in the lead up to the main adjustments budget process in February 2023; and
- d. A council resolution showing commitment to address the unfunded position must be submitted by these municipalities to the National Treasury by 01 July 2023.
- Credible mSCOA data strings and source documents for the 2023/24 MTREF and 2022/23 audits must be generated directly from the core municipal financial system and successfully uploaded to the Local Government GoMuni Portal. Source documents must be submitted in PDF and no excel based spreadsheet/ templates will be accepted;
- The report submitted by bulk suppliers in terms of section 41 of the MFMA must indicate that the current account has been paid timeously in terms of section 65(2)(e) of the MFMA. In addition, where the municipality has a repayment plan with Eskom and/ or the water boards, proof that the current accounts have been paid and a copy of the agreed upon payment plan (or evidence of negotiations underway with creditors) must be submitted to the National and provincial treasuries;
- Municipalities must provide evidence that SARS, pension and other staff benefits deducted from municipal officials have been paid over the appropriate Funds and/ or institutions;
- The information requested in MFMA Circulars No. 93, 98 and 107 on the reconciliation of the valuation roll have been submitted to the National Treasury as per the required timeframes;
- The Competency Regulations reporting requirements have been complied with;
- Provide a copy of the Unauthorised, Irregular, Fruitless and Wasteful (UIF&W) expenditure register, the latest copy of the Municipal Public Accounts Committee (MPAC) recommendations, Council Resolution on UIFW as well as a copy of the council approved UIFW Reduction Strategy/ Plan, proof of establishment of the Disciplinary Board (or evidence of progress towards their establishment) including evidentiary evidence demonstrating functionality of the Disciplinary Board and updated audit action plan (where the audit has been completed);
- Those municipalities that received an adverse or disclaimed opinions for the 2020/21 financial year will not receive their funding allocation unless there is a council resolution committing to address these opinions with an implementable plan. The resolution must be signed by each member of the Council and submitted to National Treasury by 1 October 2023;
- The Municipal Financial Recovery Service progress reporting framework for financial recovery plans must be complied with by municipalities under intervention in terms of S139 of the Constitution;
- Additionally, those municipalities that have outstanding audits for both the 2020/21 and 2021/22 financial years as well as municipalities with outstanding 2021/22 audit opinions that also received an adverse or disclaimer opinion in 2020/21, will also not receive their allocation; and
- Any other outstanding documents as per the legal framework have been submitted including the AFS submission (municipality only and consolidated AFS).

Failure to comply with the above criteria will result in National Treasury invoking section 38 of the MFMA which empowers National Treasury to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(2) of the Constitution which includes reporting obligations set out in the MFMA and National Treasury requests for information in terms of Section 74 of the MFMA.

9. The Municipal Budget and Reporting Regulations

9.1 Schedule A – version to be used for the 2023/24 MTREF

National Treasury has released Version 6.7 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.7 of the *mSCOA* classification framework and must be used when compiling the 2023/24 MTREF budget.

All municipalities must prepare their 2023/24 MTREF budgets in their financial systems and produce the Schedule A1 directly from their financial system.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module in the financial system and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on the A1 schedule version 6.7 is not allowed** in terms of the *mSCOA* Regulations.

National Treasury has protected the A1 schedule version 6.7 in order to ensure that the Schedule A1 generated directly from the financial system and not populated manually.

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 *mSCOA* chart version 6.7. The revised MBRR Schedules for the 2023/24 MTREF and its linkages to the financial and non-financial data string are available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx>

9.2 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	Matjatji Mashoeshoe Pitso Zwane Oreal Tshidino	012-315 5553 012-315 5171	Matjatji.Mashoeshoe@treasury.gov.za Pitso.Zwane@Treasury.gov.za Ophulusa.Tshidino@Treasury.gov.za
Buffalo City	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Free State	Sifiso Mabaso Cethekile Moshane	012-315 5952 012-315 5079	Sifiso.mabaso@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng	Matjatji Mashoeshoe Abigail Maila Willem Voigt Makgabo Mabotja Kgomotso Baloyi	012-315 5553 012-395 6737 012-315 5830 012-315 5156 012-315 5866	Matjatji.Mashoeshoe@treasury.gov.za Abigail.Maila@Treasury.gov.za WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi Kevin Bell	012-315 5866 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za
eThekweni	Sifiso Mabaso	012-315 5952	Sifiso.mabaso@treasury.gov.za
Limpopo	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani Lesego Leqasa	012-315 5807	Mandla.Gilimani@treasury.gov.za Lesego.Leqasa@treasury.gov.za

Northern Cape	Mandla Gilimani Sibusisiwe Mchani	012-315 5807 012-315 5539	Mandla.Gilimani@treasury.gov.za Sibusisiwe.Mchani@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
Western Cape	Willem Voigt Enock Ndlovu	012-315 5830 012-315 5385	WillemCordes.Voigt@treasury.gov.za Enock.Ndlovu@treasury.gov.za
Cape Town	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
George	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Sephiri Tlhomeli	012-406 9064	lqdataqueries@treasury.gov.za

National and provincial treasuries will analyse the credibility of the data string submissions.

9.3 Assessing the 2023/24 MTREF budget

National and provincial treasuries will assess the 2023/24 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.

Municipalities should note that the MFMA legislated timeframes for submission of the tabled and adopted budgets are outer timeframes. In this context, different to previous MTREF's, going forward, if the municipality's budget is unfunded, council in terms of MFMA section 74 is requested to table and/ or adopt a budget funding plan together with the budget at the same time.

The Treasuries' **assessment period** of municipal budgets will be from **01 April to 30 June 2023 for both the tabled and adopted budgets**. However, (in a context of some municipalities persisting with unfunded budgeting practices), **if the municipality tabled and/ or adopted an unfunded budget in the 2022/23 MTREF**, the municipality must adjust its schedule of key budget deadlines to facilitate an earlier Treasuries' assessment thereof between 1 April to 15 May 2023 for both tabled and adopted budgets. In this period the national and provincial treasuries will evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that needs to be made must be done before the start of the municipal financial year on 30 June 2023.

Importantly, in order to generate an adopted budget (ORGB) data string, the budget must be locked immediately on the financial system at the start of the new municipal financial year on 1 July. 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**.

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.

The National Treasury would like to emphasise that ***where municipalities have adopted an unfunded budget together with a funding plan that lacks credibility, they will be required to correct the funding plan and ensure that it is credible. The credible funding plan must be immediately adopted by the Municipal Council, and the changes to the***

budget must be effected in the mid-year adjustments budget to ensure compliance with 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.

10. Submitting budget documentation and A1 schedules for 2023/24 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 2023**, the final date of submission of the electronic budget documents and corresponding *mSCOA* data strings is **Monday, 03 April 2023**; and
- Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget. However, given that municipalities are generating the annual budgets directly from the financial system as required by the *mSCOA* Regulations and that the budgets must be verified before it is locked on the financial system and transacted against, municipalities must submit the approved budget to the National Treasury and the relevant provincial treasury in electronic formats ***immediately*** after approval by the municipal council. Therefore, if the annual budget is tabled to council **on 31 May 2023**, the final date of submission of the electronic budget documents and corresponding *mSCOA* data strings is **Thursday, 01 June 2023**.

Since the 2020/21 MTREF, municipalities are no longer required 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. Electronic copies must be submitted in PDF format to the GoMuni Upload portal.

10.1 Expected submissions for 2023/24 MTREF

The following information should be submitted for the 2023/24 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, SA22, SA23, SA24 etc. and any other information not contained in the financial data string) in the A1 schedule must be submitted in the prescribed *mSCOA* data string in the format published with Version 6.7 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;
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July;
- The National or Provincial treasury input to the tabled budget must be included as an Annexure to the adopted budget together with the municipality's explanation of how such was addressed in the adopted budget. If not, the explanation should provide reasons; and
- The bulk water-and electricity invoices for the 3 months immediately preceding respectively the tabled and adopted budgets, must be included as an annexure to the tabled and adopted budgets as part of supporting the municipalities provision for and calculations of payments to bulk suppliers over the 2023/24 MTREF.

10.2 Portals for the submission of information

Municipalities must ensure that the documents are submitted to the correct portals/ mailboxes. These portals/ mailboxes are:

https://lg.treasury.gov.za/ibi_apps/signin (GoMuni Upload Portal) – All documents required in terms of legislation, including:

- *mSCOA* Data Strings by approved registered users;
- Budget-related and in-year documents and schedules (A, B and C) by approved registered users; and
- Reconciliation of the valuation roll to the financial system (as per MFMA Circular No. 93).

Budget related documents and schedules must be uploaded by approved registered users using the GoMuni Upload Portal at: https://lg.treasury.gov.za/ibi_apps/signin. The GoMuni Upload Portal does not have the same size restrictions encountered with lgdocuments@treasury.gov.za, but requires all documents to:

- Be in PDF format only; and
- 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.

Municipalities may **only** send electronic versions of the above documents to lgdocuments@treasury.gov.za when experiencing problems with the GoMuni Upload Portal.

lgdataqueries@treasury.gov.za – Database related and submission queries and the grant rollover templates.

lgdocuments@treasury.gov.za – Any additional information required by National Treasury that is not listed under the GoMuni Upload portal such as the documents meeting the criteria to release Equitable Share and the contact list information.

FMCM and Audit Action plans – using the web-enabled systems and as articulated in MFMA Circulars No. 113 and 114.

Please do not submit the same document to ALL the platforms listed above as it means that our Database Team must register the same documents three times which slows down the process. **Any document/ queries that are submitted to the incorrect portal/ mailbox will be deleted and not processed.**

10.3 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.

10.4 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



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
09 December 2022

Virtual mSCOA Training Programme 2023

Month	TOPIC
Jan	Getting a green submission • Overview of mSCOA chart structure • Submission deadlines • Uploading to the GoMuni Upload portal • Correction of validation errors • Using GoMuni to verify receipt and credibility of submission
Feb	Preparing the Budget in mSCOA (1) • Preparing the project file (PROR) • Projects Typical Workstreams • Budgeting for disaster/special projects • Infrastructure Management and asset life cycle • The funding matrix ◦ Allocation of correct funding sources and alignment to the correct segments ◦ Funding capital expenditure
March	Preparing the Budget in mSCOA (2) • Opening balances & Balance sheet budgeting • Budgeting for cash flow • Budgeting for conditional grants
April	Common Errors in 2023/24 Tabled Budget Data Strings (to be corrected in adopted budget (ORGB submission)) • Water Inventory
May	Common Budgeting Errors • Operating Expenditure – Deprecation • Bad debts written off • Impairment loss for consumer debtors • Travel and Subsistence
June	Last change to get the ORGB right • Functional allocation • Use of Regional segment • Alignment of A1 schedules
July	Common Transacting and Reporting Errors • Opening balances • Populating the cash flow • Reporting on conditional grants • Transacting without budget
Aug	Preparing the pre-audit AFS Data Strings (PAUD)
Sept	Common Transacting and Reporting Errors
Oct	Preparing the AFS Data Strings (AUDA)
Nov	Chart changes for version 6.8
Dec	Preparing for the Adjustment Budget



NATIONAL TREASURY

MFMA Circular No. 123

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2023/24 MTREF

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Introduction

This budget circular is a follow-up to MFMA Circular No. 122 that was issued on 09 December 2022. It aims to provide further guidance to municipalities with the preparation of their 2023/24 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2023 Budget Review and the 2023 Division of Revenue Bill are also key focus areas in this circular. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that is not covered in this circular.

1. The South African economy and inflation targets

GDP is expected to grow by 0.9 per cent in real terms in 2023, compared with an estimate of 1.4 per cent at the time of the medium-term budget policy statement (MTBPS), recovering slowly to 1.8 per cent in 2025.

The economic outlook faces a range of risks, including weaker-than-expected global growth, further disruptions to global supply chains and renewed inflationary pressures from the war in Ukraine, continued power cuts and a deterioration in port and rail infrastructure, widespread criminal activity, and any deterioration of the fiscal outlook.

Government is taking urgent measures to reduce load-shedding in the short term and transform the sector through market reforms to achieve long-term energy security. Several reforms are under way to improve the performance of the transport sector, specifically freight rail and to improve the capability of the state.

The following macro-economic forecasts must be considered when preparing the 2023/24 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2021 - 2026

Fiscal year	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Estimate	Forecast		
CPI Inflation	4.9%	6.9%	5.3%	4.9%	4.7%

Source: Budget Review 2023.

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 2023/24 budget process

2.1 Local government conditional and unconditional grants allocations

Over the 2023 MTEF period, local government allocations will increase by a total of R14.3 billion, made up of R8.1 billion in the local government equitable share and R6.2 billion in direct conditional grants. This takes the total direct allocation to R521.7 billion over the same period. These allocations alleviate some of the financial pressures, particularly in basic services, where the costs of providing services are rising.

The *local government equitable share* and related allocations increases at an annual average rate of 7.8 per cent and municipal conditional grants increase by 3.5 per cent over the 2023 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 2023 MTEF period. It also includes allocations for the operational and maintenance costs associated with the provision of free basic services.

The 2023 Budget has ensured that sufficient provision has been made to ensure that all municipalities are fully subsidised to support indigent households. Following this, R1.35 billion has been left unallocated in the LGES formula for 2023/24 to serve as a precautionary measure should municipal electricity tariffs exceed the 20.7 per cent provided for in the formula (see section 5.7 on why this is above the 18.7 per cent approved by the Energy Regulator). If the actual increase in municipal bulk tariffs exceeds the provision made in the formula, it will be the first call on those unallocated funds. We will consider funding broader cost relief measures for municipalities if funds remain available after that.

The R6.2 billion in direct conditional grants is funded from the Budget Facility for Infrastructure (BFI) and is broken down as follows:

- **R2.2 billion** added to the Urban Settlements Development Grant to fund the implementation of projects in the eThekweni Metropolitan Municipality and the City of Johannesburg;
- **R461 million** added to the Public Transport Network Grant to align funding with the revised implementation plan and cash flow projections for the City of Cape Town's MyCiTi public transport network project; and
- **R3.4 billion** added to the Regional Bulk Infrastructure Grant to fund 3 water projects in Sol Plaatje Local Municipality, Drakenstein Local Municipality and Nelson Mandela Bay Metropolitan Municipality.

Notable changes to the conditional grants system

Housing emergency grants

Changes to conditional grants in the 2023 Budget include the discontinuation of the conditional emergency housing grants for provinces and municipalities. The baselines of these two grants are shifted to the Department of Human Settlements. This will allow the department to respond quickly in the event of an emergency housing need.

Changes to the INEP conditional grant frameworks

As part of government's efforts to accelerate access to electricity thereby addressing the energy crisis, Eskom and municipal INEP grants will begin funding alternative energy technologies such as rooftop solar and energy-saving devices. Due process must be followed to access funding for these new technologies. As a result, both Eskom and municipalities will need to conform to the set requirements by submitting business plans by 31 October 2023. These business plans, will need to be approved by the Department of Mineral Resources and Energy (DMRE) before they can be implemented. Priority should be given to new connections, i.e., non-grid technology should be targeted at households that do not have access to electricity.

The annual Division of Revenue Bill was published on 22 February 2023. The Bill specifies the grant allocations and municipalities must reconcile their budgets to the numbers published therein in compiling their 2023/24 MTREF.

The Division of Revenue Bill, 2023, which includes the annexures outlining allocations to each municipality is available at:

<http://www.treasury.gov.za/documents/national%20budget/2023/default.aspx>

2.2 Re-enforcing improved intergovernmental relations in the 2023 Division of Revenue Bill, (DoRB)

In order to strengthen the system of good intergovernmental relations as envisaged in the Chapter 3 of the Constitution and subsequent related legislation, municipalities are reminded of Section 31(3) of DoRA that provides for the facilitation of personal liability for unnecessary litigation. As required by subsection (1)(a) of this clause, read together with section 41(3) of the Constitution, a municipality may only institute litigation against any organ of state, state-owned enterprise, public- and/ or municipal entity after exhausting all dispute resolution mechanisms required and/ or available to the municipality in terms of existing intergovernmental relations processes, policy and/ or any related contract with the municipality, including in terms of the Municipal Finance Management Act, 2003, the Intergovernmental Relations Framework Act, 2005, and/ or the Electricity Regulation Act, 2006 (dispute processes administered by National Energy Regulator of South Africa (NERSA)).

Section 31 is amended to include a clause that requires that where an organ of state decides to institute judicial proceedings against another organ of state, it must, within 10 working days of its decision, notify the National Treasury, the relevant provincial treasury, the Department of Cooperative Governance and the Auditor-General, of the details of compliance with Chapter 4 of the Intergovernmental Relations Framework Act, 2005, including an explanation of the failure to resolve the dispute.

2.3 Conditional grants usage

Conditional grant funds may only be used for the purposes, and subject to the conditions specified in the framework for each conditional grant. These conditions are binding in terms of sections 11 and 12 of the annual Division of Revenue Act. Any instruction by a municipal, provincial, or national official or politician that is inconsistent with the framework of a conditional grant is invalid. Municipalities are reminded that in terms of section 32 of DoRA, spending of a grant that is inconsistent with DoRA is considered irregular or unauthorised expenditure.

3. Pension and medical aid fund defaults

There has been a growing trend where municipalities are deducting pension and/ or medical aid contributions from officials but are not paying it over to their pension- and/ or medical aid fund. This is inconsistent with the intent and spirit of the MFMA and constitutes an act of financial misconduct in terms of section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014 and also a financial offence in terms of section 173 of the MFMA read together with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings. Municipal Councils should refer these actions to the Disciplinary Boards for further investigation and should also lay criminal charges against the accounting officer or any other responsible or delegated official who has failed to perform the responsibility outlined in terms of section 65(2)(f) of the MFMA which states that “the accounting officer of a municipality must take all reasonable steps to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees and other statutory commitments”. Municipal Councils should also consider further measures and actions in terms of the Pension Funds Act, as may be applicable.

4. Municipal Standard Chart of Accounts (mSCOA)

4.1 Version 6.7 of the *m*SCOA Chart Go Live

Version 6.7 of the *m*SCOA chart will go live on 13 March 2023, whereafter tabled budget data strings can be uploaded on the GoMuni portal.

For new *m*SCOA chart changes to be considered for version 6.8 of the chart, a Frequently Asked Questions (FAQ) must be logged by 31 August 2023 on the *m*SCOA FAQ database on GoMuni. FAQ queries can be logged at:

https://lg.treasury.gov.za/ibi_apps/portal/mSCOA_FAQ

It is important that the issue logged is described clearly and that sufficient supporting evidence is provided to ensure that all aspects of the issue are considered. After investigating the query logged, the following actions will be taken:

- If the query does not require a chart change, the FAQ will be closed, and feedback will be provided to the logger.
- If the query warrants a chart change, it will be submitted for consideration and approval by the relevant committees within the National Treasury.

Chart changes are communicated in October of each year to allow sufficient time for municipalities and vendors to effect such changes. Chart changes are officially published in the MFMA Budget Circular in December of each year.

4.2 Additional requirements to change municipal financial systems

The cost and risk associated with procuring and implementing a new Enterprise Resource Planning (ERP) financial system necessitate careful consideration and extensive planning to ensure a smooth operational transition. Such a transition takes at least 18 months to conclude and does not come without challenges and disruptions in operations.

The National Treasury will regulate the minimum business processes and system specifications for *m*SCOA by the end of 2024/25. A new transversal tender for the provision of ERP financial systems that complies with these regulations will be put in place once the regulations have been issued. Municipalities should therefore exercise extreme caution when changing their financial systems at this stage to eliminate fruitless and wasteful expenditure by procuring financial systems that might not comply with the said regulations.

Municipalities are reminded to follow the due diligence processes set out in MFMA Budget Circulars No. 93, 98 and *m*SCOA Circulars No 5 and 6 prior to procuring new financial systems to protect them from making incorrect decisions in this regard.

In addition, and **with immediate effect**, municipalities must inform the National and relevant Provincial Treasury of any intention to replace the financial system currently operating at the municipality prior to inviting proposals from system providers. This is a requirement in terms of section 74 of the MFMA. The submission should include:

- A comprehensive motivation with specific reasons for why it is deemed necessary to replace the existing financial system;
- A copy of the service level agreement with minutes of the meetings between the municipality and the current service provider (financial system vendor) during the previous twelve months;
- An assessment to determine which modules of the existing financial system are being utilised by the municipality. Reasons must be provided for modules not in operation. Details and reasons must be provided on the use of third-party systems to provide functionality required in terms of MFMA Circular No. 80;

- An assessment to detail the proficiency of municipal users to utilise the current financial system properly. Reasons must be provided if users are not proficient in the use of the system and the details must be provided on how the system is being operated and transactions are being captured on the system in such cases;
- The date on which the existing financial system was implemented, the procurement and implementation costs and the current operational costs thereof must be disclosed;
- The organisational structure, specifically for the IT department/ function, clearly indicating management capacity and responsibility for operating the financial system;
- A technical assessment should be submitted indicating how the existing ICT infrastructure, server and network comply with the requirements of the current financial system; and
- Copies of all IT strategies, policies and procedural documents including the IT disaster recovery plan must be made available.

The above submissions and all enquiries must be forwarded to lgdocuments@treasury.gov.za. A working committee comprising representatives from the National and Provincial Treasuries, the Office of the Auditor-General and other relevant stakeholders will assess the submissions and respond with its findings. These findings must be tabled in Council and a council resolution must be submitted to lgdocuments@treasury.gov.za within 14 working days after the Council meeting has taken place.

It must be emphasized that the combination of both credible data inputs and an effective financial system is fundamental to ensure the quality and timeliness of financial reporting. If the data input into the financial system is incorrect then any management information generated by the system will lack credibility and reliability for decision making. Furthermore, a municipality with poorly designed business processes will not resolve the problem by implementing a new financial system. Processes must firstly be redesigned with the necessary data validation rules if the municipality is to improve its data integrity. This foundation is integral to ensuring that software applications generate credible information and can be used effectively by municipalities.

5. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. The weak economic growth has put pressure 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. It is important to note that the municipal equitable share as a policy instrument is meant to subsidise services to the poorest of the poor and not to pay municipal creditors. This bad practice by municipalities will have to be addressed as a matter of urgency. Municipal creditors should be advised that municipalities cannot use funds allocated for basic service provision to pay creditors.

Municipalities must ensure that they render basic services, maintain their assets and a clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to strengthen awareness and participation and to improve the municipality's reputation. This will assist in attracting investment in the local economy which may result in increased employment.

Some municipalities are experiencing serious liquidity challenges. Therefore, the new leadership is advised to:

- Decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection; and
- Address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

5.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circulars 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 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates.

The purpose of the above mentioned MFMA Circulars is to ensure that the municipalities are using their entire revenue base as the basis for the revenue budget. It is essential that municipalities reconcile their most recent consolidated valuation roll data to that of the current billing system data to ensure that revenue anticipated from property rates is realistic. The municipalities should implement a data management strategy and develop internal capacity to perform these reconciliations and investigations to improve completeness of billing.

One of the aims of the reconciliation process is to identify exceptions, i.e. records on the general valuation roll that are not on the billing system and records on the billing system and vice versa. In addition, the reconciliation must identify duplicated records, missing data, and data errors. These exceptions should then be investigated, and remedial action strategies developed for data cleansing and other corrective actions. The Debtors Ageing data should also form part of the reconciliation process so that “debtors” can be tracked and assessed at a property record level and prioritised for verification of rates liability measured against a MPRA property and owner.

To facilitate reconciliation of the separate databases (General Valuation Roll and Billing), a unique property identifier (common primary unique link code) must be created and populated for each rateable property on the general valuation roll system and on the rates billing system. This property identifier must be unique, without duplicates, and must remain constant for the life of the property. The standards adopted by the South African Council for the Property Valuers Profession (SACPVP), namely South African Standard: Municipal Valuations for Property Rating, specifies that the Surveyor General Code SG 21-digit Code, derived, and created from the property description, be applied for all registered full title properties defined in terms of part (a) of the definition of property.

For all other MPRA defined property, Part (a) Sectional Title, Part (b) Registered Rights, Part (c) Land Tenure Rights and Part (d) PSI and, apportioned multiple use property in terms of sections 8(2)(i) and 9(2), an added suffixed 5 digits to the SG 21-digit code must be assigned by the designated municipal valuer, thereby creating a unique 26-digit code. The municipality must ensure that the SG21 digit code and 26-digit coding system is applied in their valuation roll management system and billing system and engage with their designated municipal valuer and systems service providers to implement the unique property identifier.

Further it is important that municipalities who are performing a general valuation (GV) to implement a new valuation roll on 1 July 2023, must also as best practice compare the current consolidated roll to the new valuation roll. This will identify any anomalies and errors of category of property and market values for review and investigation and the option of lodging an objection by the municipality, where applicable. This process should also identify outliers and shifts in market values by category and area so that tariffs on the new roll can be modelled and determined in an equitable manner to avoid rates shocks.

Municipalities should undertake this exercise as a routine practice during the budget process so that supplementary adjustments to the valuation roll are kept up to date. In order to ensure that the most updated information is used for the reconciliations, municipalities are reminded to adhere and comply with Section 23(1)(2) of the MPRA and therefore use the Part A register as the basis for performing the reconciliations going forward.

Furthermore, municipalities are also advised and expected to comply with Section 8(1) of the MPRA in terms of the billing methodology that should to be specified within their policies to ensure that the correct categories (based on the selection made by the municipality) are used in the reconciliation process.

The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates or whether the municipality is overstating its revenue budget.

A further test would be to reconcile this information with the Deeds Office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their reconciliation of the Valuation roll/ Part A register to the billing system to the National Treasury on a quarterly basis by no later than the 10th working day after the end of the quarter. A detailed action plan must accompany the reconciliation where variances are noted.

The above information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: https://lg.treasury.gov.za/ibi_apps/signin. If the municipality experience any challenge uploading the information, a request for an alternative arrangement may be emailed to linda.kruger@treasury.gov.za.

Municipalities are reminded of the need to clearly communicate the GV appeals and objection process to residents to ensure that any disputes are timeously resolved.

Revenue Collection – No operation can be sustainable if it does not collect its revenue. A municipality is no different. There is a misconception that a municipality may not interrupt or restrict the supply of water services of a defaulting consumer. The National Treasury confirms that neither the Water Services Act, 1997 (Act No. 108 of 1997) or any other legislation prevents a municipality from cutting the supply of water to a defaulting consumer unless the consumer is an indigent in which case the water services to that household must be restricted to the national free basic water limit of 6 kilolitre water monthly (or 50 kilowatt hours in the case of free basic electricity monthly). This was confirmed by the Constitutional Court in the matter of Mazibuko and Others v City of Johannesburg and Others (CCT 39/09) [2009] ZACC 28; 2010 (3) BCLR 239 (CC); 2010 (4) SA 1 (CC) (8 October 2009).

Municipalities are urged to use the restriction/ interruption of supply of both water and electricity services as a collection tool. Effective from the tabling and adoption of the 2023/24 MTREF, municipalities' By-laws and policies must facilitate this and clearly stipulate the order in which any partial payment of the consolidated municipal bill (including property rates) will be applied as well as the process before the supply of water and electricity services will be cut. The National Treasury recommended that any partial payment firstly be applied to property rates, wastewater, waste management, water and lastly to electricity. When interrupting or restricting the supply of water it is important that such is undertaken together with the municipal engineer(s) to ensure a continued minimum supply of waste-water.

Municipalities should develop a Wheeling Framework to allow for the transmission of energy across their networks. These wheeling frameworks provide an opportunity for municipalities to generate revenue from their distribution networks. Provincial Treasuries or National Treasury can be approached for support to develop these frameworks.

5.2 Funding Depreciation

The information shared in Circular 115 regarding the funding of the depreciation refers. It is important to note that depreciation represents the cost of using assets in service delivery and forms part of the total cost of providing the municipal service. Accordingly, it should be included in the setting of cost reflective tariffs to recover the full cost of rendering the service, failing which the depreciation will not be cash backed on Table A7 and will remain a journal entry with no value as mentioned in MFMA Circular No. 115.

5.3 Tariff-setting – the impact of loadshedding

Loadshedding not only affects the electricity service but also some municipalities' ability to pump water, thereby negatively impacting the stability of water supplies and the related functioning of the wastewater reticulation network. The loadshedding crisis has been declared a state of disaster and will require tough budgeting choices for municipalities to make sure that basic municipal services are sustained. The regulations published in the Government Gazette No. 48152 on 27 February 2023 in terms of the Disaster Management Act, 2002 (Act 57 of 2002) require municipalities to "ensure continuous operation of water infrastructure and other specified essential infrastructure, including by installing alternative energy sources or other measures to provide an uninterrupted power supply." Municipalities are also required to "mobilise available resources" and "provide funds for this purpose, subject to affordability." As an immediate interim solution back-up electricity to pump water should be prioritised while being mindful of its affordability within the municipality's available funding sources and other critical priorities. The municipality need to adequately plan and prioritise funding in its 2023/24 MTREF for this purpose, including:

- When planning to pump water/ maintain the wastewater service by way of any alternative solution(s), it is important that the municipality properly plan and budget for the associated capital and operational costs to operate and maintain the solution(s) over the 2023/24 MTREF and longer-term;
- Any additional cost the municipality already incurred in this regard during the period of elevated loadshedding since December 2022 should be projected to continue in 2023/24 i.e. diesel to operate a generator;
- Although a state of emergency has been declared to deal with the continual loadshedding challenges in the country, it is likely that loadshedding will continue during the 2023/24 municipal financial year. It is proposed that municipalities factor in the impact of loadshedding on their electricity revenue projections, taking into account current experience in terms of loadshedding practices by Eskom;
- The additional costs of prolonged loadshedding should be considered;
- Municipalities are always asked to try to balance full cost recovery on services with affordability for their residents. In practice, this means that where the full increase in the cost of a service is not passed on to consumers, municipalities must offset the increased costs through savings identified elsewhere in their operations. Therefore, **reducing/ limiting overall expenditure** is a key part of budgeting for the response to loadshedding. The municipality should stick to its core mandate and functions and carefully review overall expenditure to manage the net effect. Measures should include aggressively cutting costs, frills, and vanity projects, dealing with bloated administrations and structures possibly duplicated across Municipal Manager and Mayoral offices, and applying for exemptions from the annual salary increases if these are not affordable;
- While municipalities are urged to maximise efficiency in their operations, tariff setting efforts should consider the need to make additional provision for repairs and maintenance associated with infrastructure breakdowns during loadshedding;
- **Reducing/ limiting overall expenditure** – the municipality should stick to its core mandate and functions – it is necessary to carefully look at the overall expenditure side to manage the net effect, including aggressively cutting costs, fancy, frills, vanity

- projects, deal with bloated admin- and structures possibly duplicated across Municipal Manager and Mayoral offices, and apply for exemptions from the annual salary increases; and
- The cost should be considered and included when setting the tariffs of the service(s) to which it relates.

Municipalities should also budget for reduced bulk purchases and sales to municipal customers based on the same loadshedding assumptions cited above.

Municipalities should carefully monitor their Eskom accounts for any penalties that result from increased demand immediately after a period of loadshedding is ended. Eskom has indicated that they will reverse any penalties for exceeding notified maximum demand that results from the implementation of loadshedding. This should be factored into the tariff calculation to ensure that consumers are not overcharged.

Lastly, it is important to note that a municipality may only introduce a load-shedding levy or surcharge with the approval of the Minister of Finance and in terms of the legislated processes set-out in the MFMA and Municipal Fiscal Powers and Functions Act, 2007.

5.4 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 (Financial and Fiscal Commission (FFC), 2011). Credible budgets are critical for local government to fulfil its mandate and ensure financial sustainability.

A credible expenditure budget reflects the costs necessary to provide a service efficiently and effectively, namely:

- A budget adequate to deliver a service of the necessary quality on a sustainable basis; and
- A budget that delivers services at the lowest possible cost.

The National Treasury issued a tariff setting tool and guide as part of MFMA Budget Circular No. 98 (refer item 4.2) on 6 December 2019 and since 2019, has encouraged municipalities to utilise the tool. **With effect, from the 2023/24 MTREF, all municipalities (except metropolitan cities and district municipalities that do not provide any services) as part of both the tabled and adopted MTREF submissions must submit the completed National Treasury tariff tool (in excel format)** illustrating that the revenue component of the budget is credible and funded and that the municipality's tariffs are cost reflective. If the municipality's initial calculation results in high increases to facilitate cost-reflectiveness, it is recommended that such are phased in over 3 to 5 years. The municipality's strategy in this regard should be included as part of the budget narratives.

This tool will assist in setting tariffs that are cost-reflective and enable a municipality to recover costs to fulfil its mandate. Going forward it is also imperative that every municipality fully embrace the Municipal Standard Chart of Accounts (*mSCOA*): costing component. Considering, *mSCOA* implementation is entering its sixth year of implementation, all municipalities must fully embrace and report also utilising the costing segment correctly. The National Treasury Municipal Costing Guide is 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>.

5.5 Tariffs – achieving a balance between cost-reflectiveness and affordability

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other consumers while ensuring the financial sustainability of the municipality.

When setting tariffs, it is therefore critical to understand the economic environment specific to the municipality and consideration should include at least –

- *The socio-economic profile undertaken for the municipality* available on the National Treasury GoMuni portal – municipalities are encouraged to annually update their own socio-economic profile using the template model available on GoMuni;
- *The most recent average monthly household income in the municipality* as per Statistics South Africa (Stats SA) available on [Statistics South Africa | Improving Lives Through Data Ecosystems \(statssa.gov.za\)](https://www.statssa.gov.za);
- *The average property value in the municipality* per its most recent approved general valuation roll and/ or supplementary general valuation roll;
- *The number of indigent households in the municipality*, including any variation in the number of indigent households included in the Equitable Share: free basic services component for the municipality vs the municipality's own indigency level discretion; and
- *The economic drivers and activities specific to the municipal area¹; etc.*

The municipality's tariff-setting or other committee tasked with this role must understand and deliberately reflect on this context during the tariff-setting process. Considering the average monthly household income, the median affordable municipal bill would ideally not exceed proportionally approximately 10 to 15 per cent the average monthly household income. This median affordable bill, in combination with the median average property value should inform the basis to determine any rebates to households with income below the median. Furthermore, municipalities contemplating to increase free basic electricity allocations as an indigent relief measure, should do so only after careful consideration of the long-term financial impact that such a decision might have.

It is also important when setting particularly water and electricity tariffs that municipalities are encouraged to set two-tier tariffs, that include a basic availability charge to recover the fixed (direct and indirect) cost associated with the service in conjunction with consumption-based tariff bands. For example, in a drought, such tariffs will facilitate the ability to pay for infrastructure and maintenance, treating chemicals and salaries, etc. while parallel facilitating water restriction based on inclining tariffs as consumption increase. Furthermore, it is important to link the municipality's water tariffs to dam levels, also approved as part of the budget process. For example, if the dam levels drop to 60 per cent the first tier of restriction tariffs should become applicable in terms of the municipality's approved tariff policy.

It is also noted that NERSA approves seasonal tariffs for Eskom but not necessarily for the municipality. It is important that the municipality clearly factors this in its tariff application to NERSA, illustrating the cash flow crunch if the municipality is not similarly allowed a seasonal tariff to recover the higher Eskom bulk cost during winter months.

Lastly, municipalities are cautioned against setting tariffs that include operating inefficiencies. This could lead to tariffs falling into the unaffordable range.

¹ The spatialised tax data is now available through National Treasury for all municipalities that provides an up to date information on economic activity within a municipal boundary.

The Consumer Price Index (CPI) inflation is forecasted to be within the 3 to 6 per cent target band; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2023/24** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detailed account of their revenue growth assumptions for the different service charges in the budget narrative.

Additional loadshedding considerations when calculating anticipated revenue collection rates include:

- Consumption patterns amongst pre-paid users who work more sparingly with electricity units. This can have a lagging effect on revenue estimations i.e. although units are paid for up front, it is not necessarily used in high-demand periods; and
- A decline in average consumption patterns for post-paid customers.

As part of its debtor management strategy municipalities should clearly communicate the impact of loadshedding on municipal tariff setting, including through education campaigns. Consumers will expect a decrease in their electricity bills as consumption drops due to loadshedding. Not understanding the impact of tariff structures (fixed and demand-driven components) can create distrust and reduce willingness to pay municipal accounts.

5.6 Municipal Debt Relief

An optimally designed debt solution for Eskom can leverage the structural reform of the electricity sector that is needed both on the Eskom side and the municipal side, however, the municipal debt owed to Eskom pose a material risk to any Eskom debt relief package. In parallel the challenge of defaulting municipalities cannot be separated from a consumer culture to not pay for services.

Municipal Debt Relief that is **conditional and application based**, has therefore been sanctioned. The relief is aimed to correct the underlying behaviour and operational practices in defaulting municipalities and Eskom while in parallel, progressively introducing a smart metering solution to change consumer behaviour by instilling a culture of payment for services consumed. The proposal consists of 4 elements:

- i. **Eskom will write-off all debt municipalities owe** as on 31 March 2023 (excluding the March 2023 current account). This will be done over three national financial years and require as a critical qualification that municipalities monthly honour their current (monthly consumption) Eskom and water accounts going forward and maintain a minimum average quarterly collection, etc;
- ii. Secondly, **new mechanisms are explored to resolve non-payment** – this to include a dispute ombud mechanism and re-assigning the license of persistent defaulters;
- iii. Thirdly, Eskom will continue to **implement a regime of installation of pre-paid meters** in Eskom supplied areas to improve Eskom collection. Municipalities are additionally encouraged to adopt a similar operating regime; and
- iv. Lastly, the National Treasury will continue to implement municipal revenue enhancement initiatives, including a transversal tender for a smart pre-paid meter solution to change to a forward looking culture of payment of the consolidated municipal bill.

More details on the application process and related conditions for municipalities will soon be outlined and published through a separate MFMA Circular.

5.7 Bulk Account Payments and Concessions

Since 2018/19, intense work was 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 agreed to provide relieve in certain areas. Municipalities are reminded of the following concessions that remain in place:

- The interest rate charged on overdue municipal bulk accounts were reduced from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms were extended from 15 days to 30 days for municipal bulk accounts; and
- Eskom allocation of municipality payments to capital first and then to interest.

These concessions align to the MFMA and are meant to curb municipal growing debt levels by allowing a more conducive payment regime than what was previously employed. In addition, municipalities are urged to budget for and ring-fence their payment of bulk services. Bulk current account payments must be honoured religiously to avoid stringent application of the bulk suppliers' credit control policy.

Municipalities are also urged to enforce a culture of payment for services through their normal credit control processes. In this regard it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. As such, a municipality's allocation of free basic services to all of the municipality's consumers is not funded in the equitable share. Every municipality, during the budget process, must consider the affordability to the municipality when allocating free basic services above the national norm and to consumers other than indigent consumers. **If a municipality has any arrears on any of its bulk supplier's accounts, it must limit its provision of free basic services to registered indigent consumers only.**

5.8 Critical Notice Affecting STS Meters

As highlighted in previous MFMA Circular No. 115 (dated 04 March 2022) municipalities are once again alerted that there is still a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens.

The remedy is to visit each meter and enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government. In this respect the development of the transversal contract for smart prepaid meters as per NRS 049 (per latest approved version) is at an advanced stage and should be issued shortly by National Treasury.

If your municipality or municipality entity is currently in the process of procuring for a solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal contract for the provision of inter alia auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters Terms of Reference (ToR); and
- That, with immediate effect, you must inform and obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for this purpose or any related solution or similar. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any related solution or similar or component thereof, must be

directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) at Sadesh.Ramjathan@treasury.gov.za.

In this regard, municipalities will have two options to choose from:

- Firstly, to pursue the route of auditing, re-calibrating and re-configuring services for standard transfer specification compliant prepayment meters; and/ or
- Secondly, to replace the old meter with a new smart prepaid meter.

For both options, the municipality will have to budget accordingly as no additional funding will be available through the national fiscus.

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

5.9 Completeness and credibility of revenue related information in the Budget

The MBRR regulates the minimum level of information required from municipalities when compiling, implementing, monitoring, and evaluating the municipality's financial management situation. Failure to include the minimum required information hampers the municipal council, the public and stakeholders' ability to make informed decisions and engage on the matter. It also limits research, studies, and benchmarking undertaken for local, provincial, and national purposes.

The National Treasury would like to take this opportunity to caution municipalities that the MBRR prescribe the minimum level of information municipalities must include as part of their legal reporting obligations.

Going forward the Treasuries will place increased attention and focus on the adequacy of municipalities' submissions. The National Treasury regards this non-compliance to include the minimum level of information as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution. In this context, National Treasury will particularly focus on the completeness of asset management related information as well as the statistical information required in the A, B and C schedules during the 2023/24 MTREF.

5.10 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In January 2023, NERSA approved tariff increases of 18.7 per cent in 2023/24 and 12.7 per cent increase in 2024/25. For purposes of calculating the free basic energy subsidy in the local government equitable share formula, the National Treasury has added 2 per cent to these increases. This is in anticipation of higher increases than those published in January, for municipalities, due to the difference in the financial years of Eskom customers and municipalities meaning that Eskom only has nine months to collect the allowable revenue from municipalities. R1.1 billion is added to the free basic energy subcomponent of the free basic services component of the local government equitable share formula to fund these higher tariff increases. To this end, the free basic electricity subsidy in the local government equitable share is calculated based on a 20.7 per cent tariff increase in 2023/24 and a 14.7 per cent increase in 2024/25. In the absence of an approved tariff increase in the outer year of the MTEF period, the formula assumes an increase of 17.7 per cent in 2025/26. This is the average of the estimated increases for the first two years of the MTEF period.

5.11 Updated Municipal Borrowing Policy Framework

Cabinet approved the Update to the Policy Framework for Municipal Borrowing and Financial Emergencies on the 17th of August, 2022. The purpose of the update was to re-examine the original Policy Framework, along with the legislation (i.e. Municipal Finance Management Act – MFMA) that was adopted to implement it, considering the experience with municipal borrowing that has accumulated since 2000.

The following key reforms have been introduced through the Update to the Policy Framework for Municipal Borrowing:

- The Policy Framework for Municipal Borrowing has been updated to introduce the necessary reforms that will expand the scope of responsible municipal borrowing and create an environment that attracts more players (e.g. insurers, pension funds, institutional investors and fund managers, and international Development Finance Institutions) in the municipal debt market space. The original core principles underlying municipal borrowing are maintained (i.e. creditworthy municipalities should borrow prudently to finance capital investment, and that there will be no bail-outs by the provincial or national government);
- The updated policy framework clarifies the role of Development Finance Institutions (DFIs), as it was not clearly articulated in the original policy. DFIs are required to pursue clear and agreed developmental goals, as outlined in the policy. The objective of this approach is to ensure that a DFI lending does not crowd out the private sector. Public-sector lenders, both domestic and foreign, should be guided by a social and developmental investment approach in which demonstrable social outcomes are considered alongside potential financial returns;
- The updated policy framework permits and clarifies innovative infrastructure financing mechanisms (such as pooled financing mechanisms, project finance, tax increment financing, revenue bonds, and pledging of conditional grants) that municipalities can use to leverage municipal borrowing. Municipalities are encouraged to explore these alternatives, and innovative infrastructure financing mechanisms permitted subject to the requirements contained in the Municipal Finance Management Act (MFMA); and
- The participation of both private and public sector market participants in the development of a liquid secondary market for municipal debt securities is also encouraged. The policy proposes options that can be explored to support the development and growth of an efficient and liquid market for municipal debt obligations.

The Updated Municipal Borrowing Policy Framework can be accessed at the MFMA website at the following link <http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx>.

5.12 Tariff Policies

Municipalities must comply with the provisions of Section 74 of the Municipal Systems Act (MSA) which requires that a municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of this Act and with any other applicable legislation. Municipalities should also ensure that the tariff policies adhere to all the principles outlined in section 74(2) of the MSA. A municipality's tariff policies must also take into consideration variable factors such as water shortages and electricity feedback excess into the municipal system from new generation capacity. Municipalities are urged to develop wheeling and Small-Scale Embedded Generation (SSEG) frameworks to guide the

development of associated tariffs. Municipalities must adopt by-laws to give effect to the implementation and enforcement of their tariff policies.

5.13 Non-Revenue Electricity and Non-Revenue Water/ Revenue Losses

Water Service Authority municipalities and electricity licensed municipalities are urged to align both their non-revenue water and non-revenue electricity indicators and their set targets in the 2023/24 SDBIPs with identifiable infrastructure or operational projects and/ or programmes. Municipalities should track improvements on the baseline information included in the SDBIPs by indicating the volume of water losses (i.e., kilolitres/ mega-litres) and the amount of electricity losses (KwH or MWs) for the previous year. This approach will help to determine the progress of municipalities in curbing losses, which impact on municipal revenues, in both non-revenue water and non-revenue electricity.

6. Burial of Councillors

Salaries, allowances and benefits for political office-bearers and members is managed through Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils notice issued by the Minister of Cooperative Governance and Traditional Affairs.

Section 167 of the MFMA provides that a municipality may remunerate its Councillors within the framework of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998), setting the upper limits of the salaries, allowances and benefits for those political office-bearers and members. Any benefit which is not included in the above-mentioned notice constitutes irregular expenditure and recovery thereof from the Councillor concerned is mandatory.

Municipalities may also refer to relevant Councillor Pension Scheme or personal funeral policies in existence for any funeral benefits relating to such Councillor.

7. Funding choices and management issues

Municipalities are under pressure to generate and collect revenue for service delivered. 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 2023/24 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;
- Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water;
- Automate business services where possible to increase efficiencies and lower customer costs;
- Prioritise the filling of critical vacant posts, especially linked to the delivery of basic services; 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, 2014.

7.1 Employee related costs

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2023/24 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2023 and 01 July 2024 an increase based on the projected average CPI percentages for 2023 (5.4 per cent according to the Reserve Bank's Monetary Committee Statement for January 2023) and 2024 (4.8 per cent according to the Reserve Bank's Monetary Committee Statement for January 2023). The forecasts of the Reserve Bank, in terms of the January 2023 and January 2024, shall be used to determine the projected average CPI. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once-a-year manual salary disbursement, to root out ghost employees.

According to the 2021 State of Local Government Finance Report, there are about 165 municipalities that are in financial distress. These municipalities need to ensure that they seek an early exemption from this dispensation of this salary agreement. Municipalities should also avoid paying out leave in cash while having major financial challenges.

7.2 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. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from councilor(s) concerned.

8. Conditional Grant Transfers to Municipalities

8.1 Criteria for the release of the Equitable Share

The equitable share release criteria for 2023/24 were set out in MFMA Circular No. 122. To assist with managing this process, a guiding checklist has been developed (attached hereto as Annexure A) which municipalities can follow throughout the course of the year to ensure that the required documents are timeously uploaded to the GoMuni platform in line with the prescribed deadlines.

Going forward, municipalities will be required to submit the completed checklist as part of the quarterly performance reporting process for quarter 1 of the municipal financial year. According to section 52(d) of the MFMA, the mayor of a municipality must within 30 days of the end of each quarter, submit a report to council on the implementation of the budget and the financial state of affairs of the municipality. The report must then be submitted to National

and Provincial Treasury within 5 days of being tabled in council as per section 32 of the MBRR. The report for quarter 1 of 2023/24 must therefore be submitted to council by the end of October 2023 and submitted to National and Provincial Treasury by no later than 5 November 2023. By including the completed checklist in this report, municipalities confirm their adherence to the equitable share release criteria, including that all supplementary information (as defined in the checklist) was successfully uploaded to the GoMuni platform.

Please note that most of the information required for the release of the equitable share, is already uploaded/ submitted by municipalities as part of existing reporting requirements throughout the year. There are however a few items (clearly marked in the checklist) that does not have a dedicated storage location (for example, payments of employee benefits) on GoMuni. A dedicated Equitable Share Verification Folder will be created on GoMuni for this purpose.

8.2 Criteria for the rollover of conditional grant funds

In terms of Section 21 of the Division of Revenue Act, 2022 (Act No.5 of 2022) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2022 (Act No. 15 of 2022) (DoRAA), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2022/23 financial year reverts to the National Revenue Fund (NRF), 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 21(2) of the 2022 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 21(2) of the 2022 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated, spent and the balance 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 or 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 financial 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 2024 (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 on the original allocation per the DoRA;
7. Rollover of rollovers will not be considered. Municipalities must therefore 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 because 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 2023, 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 2022 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 2023;
3. Accurate disclosure of grant performance in the 2022/23 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact that local government is required to comply with to different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relate to rollover processes and disclose conditional grant performance in the 2022/23 pre-audited Annual Financial Statements (i.e Cash coverage and unspent conditional grants in the Statement of Financial Position) in order to verify grant expenditure; and
5. Cash available reflected in the Statement of Financial Position and Cash Flow Statements and the bank (net position including short term investments) as at 30 June 2023 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 2022/23 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 2022/23 allocation;
2. Rollover request of the same grant for the third consecutive time. In a case where a municipality is applying for rollover as a result of additional funding, the application will be given a careful consideration;
3. Funding for projects procured 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 2023.

8.3 Unspent conditional grant funds for 2022/23

The process to ensure the return of unspent conditional grants for the 2022/23 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 2023 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 reconciles;
- 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 2023. The unspent grant values must be determined based on the guidance that was provided in mSCOA Circular No. 13 in as far as VAT, retention and interest is concerned; 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 2023.

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 20 October 2023;
- Step 5: National Treasury will communicate the unspent conditional grants amount by 08 November 2023. 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 17 November 2023; and
- Step 6: Any unspent conditional grant funds that should have but has not been repaid to the National Revenue Fund by 17 November 2023, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 06 December 2023 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.

9. The Municipal Budget and Reporting Regulations

9.1 Alignment of Municipal Budget and Reporting Regulations (MBRR) Schedules

The revised Regulated MBRR Schedules (A1, B, C, D, E and F), as aligned to the mSCOA chart and GRAP are published on the National Treasury web page and can be accessed using the following link.

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2023%2d24&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67>

The alignment of the A1 Schedules required substantial changes to the reporting formats used for budgeting and reporting purposes which required the creation of new A1 Schedule codes to ensure that the data strings populate the new reporting formats. The relevant changes were also made in the reporting formats relating to versions 6.1 to 6.7 of the mSCOA chart to ensure that the historical data are populating when reports are drawn from GoMuni.

To ensure that ERP systems generate the A1 Schedule aligned to version 6.7 of the mSCOA chart, municipalities and system vendors should refer to the linkages provided on GoMuni. The following reports on GoMuni should be used for this purpose:

- List *m*SCOA account linkages to A1 Schedule based on 6.7 under menu option *m*SCOA Reporting; and
- List *m*SCOA A1 schedule codes WIP (i.e. new A1 Schedule codes) under menu option *m*SCOA Administration.

Both reports can be located under:

https://lg.treasury.gov.za/ibi_apps/portal/Local_Government_Database

The new format for the non-financial data strings A1D and A1F is available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2023%2d24&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67>

The A1D is the data string which populates information which we do not extract from the TABB while the A1F populates the budget information which we do not extract from the ORGB. Municipalities should ensure that they use the new format when submitting the non-financial data strings.

10. Submitting budget documentation and A1 schedules for 2023/24 MTREF

The MFMA and its Regulations require the submission of *m*SCOA data strings for budgets, in-year reporting, and annual financial statements in a specific format and by a required timeframe. The credibility and accuracy of the *m*SCOA data strings must be verified by municipalities prior to submission to the GoMuni Upload portal. Since the financial system must be locked at the end of the month in order to generate a *m*SCOA data string, municipalities may not open closed periods to correct errors. Errors must be corrected in the next open period. Providers of municipal financial systems must ensure that the necessary internal controls are built into the system to prevent the opening of closed periods on the financial system and the bypassing of such controls. This also applies to the correction of information in closed periods for 3rd party systems that should be integrating with the main financial system in terms of the requirements of the *m*SCOA Regulations.

From 1 July 2023, Municipal Managers and Chief Financial Officers will be required to sign off on the financial and non-financial data strings submitted to the GoMuni Upload portal when they submit their data strings. The schedules prescribed in terms of the Municipal Budget and Reporting Regulations (MBRR) populated from the *m*SCOA data strings on National Treasury's Local Government and Reporting System (LGDRS) must also be signed off monthly. These sign-offs are for audit purposes and serves as a confirmation by the municipality that the data strings submitted are accurate. Details on the submission of the signed-off figures will be communicated in due course.

In terms of Section 171 of the MFMA, financial misconduct by municipal officials includes the provision of incorrect or misleading information in any document which must be submitted to the National Treasury.

From 1 July 2023, the GoMuni Upload portal for the monthly in-year data strings will be closed at 16h00 on the 10th working day of each month. All publications by the National and Provincial Treasuries are now solely sourced from the *m*SCOA data strings submitted by

municipalities and several stakeholders including Statistics South Africa (STATSSA), Auditor General South Africa (AGSA), the Reserve Bank, and NERSA are in the process of streamlining some of their reporting to the information contained on the National Treasury Local Government Database and Reporting System (LGDRS). The resubmission of data strings after the legislated timeframes is not only illegal but also causing challenges in data sets used by various stakeholders for analysis and reporting purposes. **No data string submissions will therefore be accepted by the National Treasury after the 10th working day of the respective month.**

Contact



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JH Hattingh

Chief Director: Local Government Budget Analysis

03 March 2023

ANNEXURE A: Equitable Share Verification Checklist:

General Requirements

Criteria	Verification Requirement	Yes/No
2023/24 Adopted Budget	Council resolution, adopted <i>m</i> SCOA budget data strings (ORGB), PDF version of adopted MTREF budget uploaded to GoMuni Upload portal immediately after approval.	
Is the municipality's completed tariff tool (National Treasury format) included as part of its budget submission (MFMA Budget Circular No. 98 (refer item 4.2)).	The completed National Treasury EXCEL tariff tool uploaded to GoMuni with the adopted budget by start of budget year i.e. 1 July 2023 .	
Are allocations made for bulk suppliers current account payments?	Allocations reflected in <i>m</i> SCOA budget data strings (ORGB) and budget schedules/ document.	
<i>If unfunded budget position–</i>	-	
Is a Budget Funding Plan (BFP) adopted with the budget?	Copy of the adopted Budget Funding Plan uploaded to GoMuni with the adopted budget by start of budget year i.e. 1 July 2023 .	
	PDF version of BFP/progress report uploaded to GoMuni Upload portal by start of budget year i.e. 1 July 2023 .	
	Is the BFP credible and show how the municipality intends moving progressively out of this position into a funded state?	
	In the case of the latest progress report being submitted, is it aligned to the rescue phase of the new approach to Municipal Financial Recovery Service (MFRS)?	
Council resolution reflecting commitment to address unfunded position.	PDF copy of resolution uploaded to GoMuni Upload portal by start of budget year i.e. 1 July 2023 .	
<i>m</i>SCOA		
Submission of Data Strings	Successful submission of all financial and non-financial <i>m</i> SCOA data strings to the GoMuni Upload portal	
	Timeous submission of all financial and non-financial <i>m</i> SCOA data strings to the GoMuni Upload portal	
	Data strings submitted are credible as per the analysis done by NT/PTs	
	Data strings are generated directly from the main municipal financial system	
	The regulated MBRR Schedules are generated directly from the core municipal financial system	
	Successful submission of all financial and non-financial <i>m</i> SCOA data strings to the GoMuni Upload portal	
Submission of documents	Municipal documents required in terms of legislation and MFMA Circulars have been submitted timeously and in the required format to the GoMuni Upload portal.	
Financial System Changes	Municipality has followed the processes in Circulars No. 93, 98, 123 and <i>m</i> SCOA Circulars No 5 and 6 to change their financial system.	
UIF & W		
UIF&W Register	Documents need to be uploaded to NTs eMonitoring Webpage	
MPAC recommendation on UIF&W		
Council Resolution on UIF&W		
UIF&W Reduction Strategy		
Disciplinary Board		
Does the municipality have a functional disciplinary board?	Proof of establishment (or efforts to establish DC Board) uploaded to NTs eMonitoring Webpage NTs eMonitoring Website.	
Competency Regulations		
Has the minimum municipal competency regulations reporting requirements been adhered to?	In line with the Competency Regulations, consolidated reporting information must be uploaded to GoMuni by 30 January 2023 and 30 July 2023 .	
Audit Process		
Opinion Received	Did the municipality receive an adverse or disclaimed audit opinion or had outstanding audits for two consecutive financial years?	
Adverse or disclaimed audit opinion	Council resolution signed by each member of the Council was uploaded to NT's eMonitoring Webpage within 1 month after conclusion of the audit process reflecting council's commitment to address the opinion.	
Is a council approved audit action plan in place?	Audit action plan, together with council resolution, to be uploaded to NT's eMonitoring Webpage within 60 days from audit report issuance.	
Interventions (where applicable)		
In the event of a discretionary or mandatory intervention in terms of section 139 of the Constitution, is a Financial Recovery Plan (FRP) in place?	The FRP and monthly progress reports submitted in terms of sections 145 and 146 of the MFMA must be uploaded to GoMuni Upload portal for each month since the inception of the FRP.	

Quarterly Requirements

Criteria	Verification Requirement	Quarter 3 (Jan – March)	Quarter 4 (April – June)	Quarter 1 (July – Sept)	Quarter 2 (Oct – Dec)
Bulk Supplier Payments					
Were current account payments to bulk suppliers (Eskom and Water Boards) timeously made?	PT/NT to verify status according to MFMA S41 Report. No action required from municipality if account in good standing.	-	-	-	-
<u>If current account in arrears, are payment agreements in place?</u>	Copy of payment agreement or evidence of discussions are uploaded to on GoMuni Upload portal.				
Staff benefit Deductions					
Were a) SARS, b) pension and c) other staff benefits timeously paid over to the relevant funds/institutions?	Proof of payment for each category, for each month of the quarter uploaded to on GoMuni Upload portal.				
Reconciliation of Valuation Roll					
Has the valuation role been reconciled to the financial system?	In line with MFMA Circulars No. 93, 98 and 107, proof of the verification for each quarter should be uploaded on GoMuni Upload portal.				

Municipal annual budgets and MTREF & supporting tables

mSCOA Version 6.7

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national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Contact details:

Elsabé Rossouw
National Treasury
Tel: (012) 315-5534
Electronic submissions:
LG Upload Portal

Preparation Instructions

Municipality Name:

CFO Name:

Tel:

Fax:

E-Mail:

Budget for MTREF starting:

Budget Year:

Does this municipality have Entities?

If YES: Identify type of report:

LGDB Export

Name Votes & Sub-Votes

Printing Instructions

Showing / Hiding Columns

Showing / Clearing Highlights

Important documents which provide essential assistance

[MFMA Budget Circulars](#)

[Click to view](#)

[MBRR Budget Formats Guide](#)

[Click to view](#)

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Organisational Structure Votes		Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - EXECUTIVE COUNCIL	Vote 1	EXECUTIVE COUNCIL	1.1 - Mayor and Council
Vote 2 - FINANCIAL SERVICES	1.1	Mayor and Council	1.2 - Municipal Manager
Vote 3 - CORPORATE SERVICES	1.2	Municipal Manager	1.3 - Risk and Internal Audit Unit
Vote 4 - COMMUNITY SERVICES	1.3	Risk and Internal Audit Unit	1.4 - Legal Services
Vote 5 - INFRASTRUCTURE AND ENGINEERING	1.4	Legal Services	
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	1.5	[Name of sub-vote]	
Vote 7 - [NAME OF VOTE 7]	1.6	[Name of sub-vote]	
Vote 8 - [NAME OF VOTE 8]	1.7	[Name of sub-vote]	
Vote 9 - [NAME OF VOTE 9]	1.8	[Name of sub-vote]	
Vote 10 - [NAME OF VOTE 10]	1.9	[Name of sub-vote]	
Vote 11 - [NAME OF VOTE 11]	1.10	[Name of sub-vote]	
Vote 12 - [NAME OF VOTE 12]	Vote 2	FINANCIAL SERVICES	2.1 - Financial Services: CFO
Vote 13 - [NAME OF VOTE 13]	2.1	Financial Services: CFO	2.2 - ASSESSMENT RATES LEVIES
Vote 14 - [NAME OF VOTE 14]	2.2	ASSESSMENT RATES LEVIES	2.3 - Expenditure
Vote 15 - [NAME OF VOTE 15]	2.3	Expenditure	2.4 - Budget and Financial Reporting
	2.4	Budget and Financial Reporting	2.5 - Revenue
	2.5	Revenue	2.6 - Information Communication Technology (ICT)
	2.6	Information Communication Technology (ICT)	2.7 - Assets Management
	2.7	Assets Management	2.8 - SCM Stores: Logistics and Disposal Management
	2.8	SCM Stores: Logistics and Disposal Management	2.9 - SCM: Demand Management, Risk; Performance & Contract Management
	2.9	SCM: Demand Management, Risk; Performance & Contract Management	
	2.10	[Name of sub-vote]	
	Vote 3	CORPORATE SERVICES	3.1 - Corporate Services: Director
	3.1	Corporate Services: Director	3.2 - Administration
	3.2	Administration	3.3 - Human Resources
	3.3	Human Resources	
	3.4	[Name of sub-vote]	
	3.5	[Name of sub-vote]	
	3.6	[Name of sub-vote]	
	3.7	[Name of sub-vote]	
	3.8	[Name of sub-vote]	
	3.9	[Name of sub-vote]	
	3.10	[Name of sub-vote]	
	Vote 4	COMMUNITY SERVICES	4.1 - Community Services: Director
	4.1	Community Services: Director	4.2 - Community Services
	4.2	Community Services	4.3 - Disaster Management
	4.3	Disaster Management	4.4 - Environmental Health
	4.4	Environmental Health	4.5 - Public Safety
	4.5	Public Safety	4.6 - Sport and Recreation
	4.6	Sport and Recreation	4.7 - WasteManagement
	4.7	WasteManagement	
	4.8	[Name of sub-vote]	
	4.9	[Name of sub-vote]	
	4.10	[Name of sub-vote]	
	Vote 5	INFRASTRUCTURE AND ENGINEERING	5.1 - Infrastructure and Engineering: Director
	5.1	Infrastructure and Engineering: Director	5.2 - Engineering
	5.2	Engineering	5.3 - Energy Sources
	5.3	Energy Sources	5.4 - Waste Water Management
	5.4	Waste Water Management	5.5 - Water Management
	5.5	Water Management	
	5.6	[Name of sub-vote]	
	5.7	[Name of sub-vote]	
	5.8	[Name of sub-vote]	
	5.9	[Name of sub-vote]	
	5.10	[Name of sub-vote]	
	Vote 6	PLANNING DEVELOPMENT AND TOURISM	6.1 - Planning Development and Tourism: Director
	6.1	Planning Development and Tourism: Director	6.2 - Housing Services
	6.2	Housing Services	6.3 - Planning and Development
	6.3	Planning and Development	
	6.4	[Name of sub-vote]	
	6.5	[Name of sub-vote]	
	6.6	[Name of sub-vote]	
	6.7	[Name of sub-vote]	
	6.8	[Name of sub-vote]	
	6.9	[Name of sub-vote]	
	6.10	[Name of sub-vote]	
	Vote 7	[NAME OF VOTE 7]	
	7.1	[Name of sub-vote]	
	7.2	[Name of sub-vote]	
	7.3	[Name of sub-vote]	
	7.4	[Name of sub-vote]	
	7.5	[Name of sub-vote]	
	7.6	[Name of sub-vote]	
	7.7	[Name of sub-vote]	
	7.8	[Name of sub-vote]	
	7.9	[Name of sub-vote]	
	7.10	[Name of sub-vote]	
	Vote 8	[NAME OF VOTE 8]	
	8.1	[Name of sub-vote]	
	8.2	[Name of sub-vote]	
	8.3	[Name of sub-vote]	
	8.4	[Name of sub-vote]	
	8.5	[Name of sub-vote]	
	8.6	[Name of sub-vote]	
	8.7	[Name of sub-vote]	
	8.8	[Name of sub-vote]	
	8.9	[Name of sub-vote]	
	8.10	[Name of sub-vote]	
	Vote 9	[NAME OF VOTE 9]	
	9.1	[Name of sub-vote]	
	9.2	[Name of sub-vote]	
	9.3	[Name of sub-vote]	
	9.4	[Name of sub-vote]	
	9.5	[Name of sub-vote]	
	9.6	[Name of sub-vote]	
	9.7	[Name of sub-vote]	

Organisational Structure Votes		Complete Votes & Sub-Votes	Select Org. Structure
	9.8	[Name of sub-vote]	
	9.9	[Name of sub-vote]	
	9.10	[Name of sub-vote]	
	Vote 10	[NAME OF VOTE 10]	
	10.1	[Name of sub-vote]	
	10.2	[Name of sub-vote]	
	10.3	[Name of sub-vote]	
	10.4	[Name of sub-vote]	
	10.5	[Name of sub-vote]	
	10.6	[Name of sub-vote]	
	10.7	[Name of sub-vote]	
	10.8	[Name of sub-vote]	
	10.9	[Name of sub-vote]	
	10.10	[Name of sub-vote]	
	Vote 11	[NAME OF VOTE 11]	
	11.1	[Name of sub-vote]	
	11.2	[Name of sub-vote]	
	11.3	[Name of sub-vote]	
	11.4	[Name of sub-vote]	
	11.5	[Name of sub-vote]	
	11.6	[Name of sub-vote]	
	11.7	[Name of sub-vote]	
	11.8	[Name of sub-vote]	
	11.9	[Name of sub-vote]	
	11.10	[Name of sub-vote]	
	Vote 12	[NAME OF VOTE 12]	
	12.1	[Name of sub-vote]	
	12.2	[Name of sub-vote]	
	12.3	[Name of sub-vote]	
	12.4	[Name of sub-vote]	
	12.5	[Name of sub-vote]	
	12.6	[Name of sub-vote]	
	12.7	[Name of sub-vote]	
	12.8	[Name of sub-vote]	
	12.9	[Name of sub-vote]	
	12.10	[Name of sub-vote]	
	Vote 13	[NAME OF VOTE 13]	
	13.1	[Name of sub-vote]	
	13.2	[Name of sub-vote]	
	13.3	[Name of sub-vote]	
	13.4	[Name of sub-vote]	
	13.5	[Name of sub-vote]	
	13.6	[Name of sub-vote]	
	13.7	[Name of sub-vote]	
	13.8	[Name of sub-vote]	
	13.9	[Name of sub-vote]	
	13.10	[Name of sub-vote]	
	Vote 14	[NAME OF VOTE 14]	
	14.1	[Name of sub-vote]	
	14.2	[Name of sub-vote]	
	14.3	[Name of sub-vote]	
	14.4	[Name of sub-vote]	
	14.5	[Name of sub-vote]	
	14.6	[Name of sub-vote]	
	14.7	[Name of sub-vote]	
	14.8	[Name of sub-vote]	
	14.9	[Name of sub-vote]	
	14.10	[Name of sub-vote]	
	Vote 15	[NAME OF VOTE 15]	
	15.1	[Name of sub-vote]	
	15.2	[Name of sub-vote]	
	15.3	[Name of sub-vote]	
	15.4	[Name of sub-vote]	
	15.5	[Name of sub-vote]	
	15.6	[Name of sub-vote]	
	15.7	[Name of sub-vote]	
	15.8	[Name of sub-vote]	
	15.9	[Name of sub-vote]	
	15.10	[Name of sub-vote]	

EC108 Kouga - Contact Information

A. GENERAL INFORMATION

Municipality EC108 Kouga

Grade 0

1 Grade in terms of the Remuneration of Public Office Bearers Act.

Province EC EASTERN CAPE

Web Address www.kouga.gov.za

E-mail Address 0

B. CONTACT INFORMATION

Postal address:

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City / Town JEFFREYS BAY

Postal Code 6330

Street address

Building Kouga Municipality

Street No. & Name 33 Da Gama Road

City / Town JEFFREYS BAY

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General Contacts

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C. POLITICAL LEADERSHIP

Speaker:

ID Number 820209 5010 082

Title Mr

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Fax number 086 529 7923

E-mail address paspeaker@kouga.gov.za

Secretary/PA to the Speaker:

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Name Yvonne Herbst

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Mayor/Executive Mayor:

ID Number 711118 5289 087

Title Mr

Name Horatio Mario Hendricks

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Fax number 086 529 7923

E-mail address pamayor@kouga.gov.za

Secretary/PA to the Mayor/Executive Mayor:

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Title Ms

Name Elvina Felix

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Deputy Mayor/Executive Mayor:

ID Number 0

Title 0

Name 0

Telephone number 0

Cell number 0

Fax number 0

E-mail address 0

Secretary/PA to the Deputy Mayor/Executive Mayor:

ID Number 0

Title 0

Name 0

Telephone number 0

Cell number 0

Fax number 0

E-mail address 0

D. MANAGEMENT LEADERSHIP

Municipal Manager:

ID Number 671015 5014 085

Title Mr

Name Charl du Plessis

Telephone number 042 200 2046

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Secretary/PA to the Municipal Manager:

ID Number 830923 0220 086

Title Mrs

Name Joezay Reed

Telephone number 042 200 2046

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E-mail address jreed@kouga.gov.za

Chief Financial Officer		Secretary/PA to the Chief Financial Officer	
ID Number	8202175222086	ID Number	6812270093083
Title	Mr	Title	Ms
Name	Riaaz Naziem Lorgat	Name	Avis Meyer
Telephone number	042 200 2045	Telephone number	042 200 2045
Cell number	084 845 4470	Cell number	081 339 6465
Fax number	0	Fax number	0
E-mail address	rlorgat@kouga.gov.za	E-mail address	ameyer@kouga.gov.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	830303 5059 088	ID Number	800520 5376 081
Title	Mr	Title	Mr
Name	Shukree Abrahams	Name	Zandisile Gongqoba
Telephone number	042 200 2122	Telephone number	042 200 2055
Cell number	083 265 4372	Cell number	073 456 7742
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E-mail address	sabrahams@kouga.gov.za	E-mail address	zgongqoba@kouga.gov.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	9308025326081	ID Number	0
Title	Mr	Title	0
Name	Shane Burger	Name	0
Telephone number	042 200 2055	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	sburger@kouga.gov.za	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
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Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

EC108 Kouga - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands										
Financial Performance										
Property rates	197,544	210,205	224,326	240,849	236,747	236,747	193,098	281,488	295,281	309,159
Service charges	421,132	469,219	521,775	586,820	560,501	560,501	348,709	630,944	685,264	757,526
Investment revenue	11,657	4,192	3,225	2,811	3,057	3,057	3,182	4,598	4,823	5,050
Transfer and subsidies - Operational	134,341	166,982	153,901	177,920	177,920	177,920	171,221	190,883	206,455	223,191
Other own revenue	37,242	36,543	97,828	44,562	78,082	78,082	43,522	60,121	63,411	66,855
Total Revenue (excluding capital transfers and contributions)	801,916	887,140	1,001,055	1,052,961	1,056,307	1,056,307	759,733	1,168,034	1,255,234	1,361,781
Employee costs	293,708	335,334	339,519	391,318	409,379	409,379	236,330	458,412	459,540	480,708
Remuneration of councillors	12,876	12,780	13,395	14,364	14,364	14,364	9,591	15,384	16,092	16,832
Depreciation and amortisation	76,979	89,713	100,082	103,850	103,850	103,850	69,233	109,663	124,089	124,089
Finance charges	5,714	3,422	4,662	-	2,875	2,875	1,569	2,090	1,062	15
Inventory consumed and bulk purchases	304,655	325,733	388,268	400,548	415,076	415,076	256,910	465,482	518,195	588,516
Transfers and subsidies	250	761	458	400	725	725	325	1,040	1,084	1,129
Other expenditure	208,335	220,345	237,831	253,428	231,794	231,794	98,775	248,990	252,394	258,992
Total Expenditure	902,517	988,089	1,084,216	1,163,909	1,178,064	1,178,064	672,733	1,301,061	1,372,455	1,470,281
Surplus/(Deficit)	(100,601)	(100,948)	(83,161)	(110,948)	(121,757)	(121,757)	87,000	(133,027)	(117,221)	(108,500)
Transfers and subsidies - capital (monetary allocations)	126,694	46,787	60,630	35,734	93,134	93,134	29,152	75,561	66,618	58,040
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	26,093	(54,162)	(22,531)	(75,214)	(28,623)	(28,623)	116,152	(57,466)	(50,603)	(50,460)
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	26,093	(54,162)	(22,531)	(75,214)	(28,623)	(28,623)	116,152	(57,466)	(50,603)	(50,460)
Capital expenditure & funds sources										
Capital expenditure	97,985	18,222	109,271	39,685	107,983	107,983	43,734	66,593	58,826	51,375
Transfers recognised - capital	(8,826)	41,388	50,769	31,287	81,200	81,200	27,667	65,883	58,115	50,664
Borrowing	-	-	-	-	10,104	10,104	8,786	-	-	-
Internally generated funds	106,915	(15,293)	58,431	8,398	16,679	16,679	7,280	710	710	711
Total sources of capital funds	98,089	26,095	109,200	39,685	107,983	107,983	43,734	66,593	58,826	51,375
Financial position										
Total current assets	(45,102)	292,547	236,368	132,996	146,929	146,574	158,595	153,704	170,083	194,156
Total non current assets	73,834	2,306,763	2,329,223	2,253,988	2,332,762	2,332,762	(22,729)	2,289,692	2,224,429	2,151,716
Total current liabilities	2,518	245,872	250,795	154,904	154,763	154,408	16,632	164,257	166,541	168,361
Total non current liabilities	(6,835)	262,571	329,823	191,375	243,359	243,359	4,872	255,035	246,398	246,398
Community wealth/Equity	(471)	2,231,641	2,141,149	2,040,704	2,081,569	2,081,569	(1,790)	2,024,104	1,981,574	1,931,114
Cash flows										
Net cash from (used) operating	628,028	1,624,159	1,886,718	41,019	90,740	90,740	-	70,565	70,837	60,949
Net cash from (used) investing	(3,596)	34,560	(30,649)	(39,685)	(97,879)	(97,879)	-	(66,593)	(58,826)	(51,375)
Net cash from (used) financing	698	2,698	2,899	-	(12,169)	(12,169)	-	(10,091)	(9,484)	(564)
Cash/cash equivalents at the year end	625,130	1,802,450	1,912,362	5,439	8,542	8,542	-	2,424	4,951	13,961
Cash backing/surplus reconciliation										
Cash and investments available	16,541	2,182,678	2,145,103	2,044,545	2,126,884	2,126,884	134,449	2,085,935	2,032,930	1,979,975
Application of cash and investments	68,932	168,193	183,206	85,075	68,168	68,168	(24,530)	77,452	84,534	82,441
Balance - surplus (shortfall)	(52,392)	2,014,484	1,961,896	1,959,471	2,058,715	2,058,715	158,979	2,008,483	1,948,396	1,897,534
Asset management										
Asset register summary (WDV)	73,837	2,306,763	2,329,223	2,253,988	2,332,762	2,332,762	-	2,289,692	2,224,429	2,151,716
Depreciation	76,979	89,713	100,082	103,850	103,850	103,850	-	109,663	124,089	124,089
Renewal and Upgrading of Existing Assets	(59,283)	(29,266)	36,214	32,174	33,640	33,640	-	53,225	26,602	9,901
Repairs and Maintenance	60,289	68,513	46,751	49,696	51,621	51,621	-	61,432	66,291	69,029
Free services										
Cost of Free Basic Services provided	52,544	49,635	54,430	39,044	34,353	34,353	-	37,089	39,800	42,874
Revenue cost of free services provided	17,945	20,190	20,695	20,387	24,513	24,513	-	29,261	30,698	32,144
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

EC108 Kouga - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		338,236	316,505	343,844	361,880	361,779	361,779	422,639	449,041	474,743
Executive and council		4	926	509	342	109	109	106	111	116
Finance and administration		338,232	315,579	343,335	361,539	361,670	361,670	422,533	448,930	474,627
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		11,477	12,619	15,171	16,365	39,035	39,035	16,716	17,435	18,158
Community and social services		2,421	2,427	2,469	2,508	2,476	2,476	2,437	2,456	2,475
Sport and recreation		5,495	5,800	7,082	9,017	8,639	8,639	10,338	10,844	11,354
Public safety		734	1,529	1,654	1,652	1,648	1,648	1,378	1,446	1,514
Housing		-	-	987	-	23,085	23,085	-	-	-
Health		2,827	2,863	2,979	3,187	3,187	3,187	2,563	2,689	2,816
<i>Economic and environmental services</i>		15,267	15,708	16,268	38,750	40,282	40,282	37,432	37,198	39,485
Planning and development		6,085	7,589	7,525	6,754	8,367	8,367	8,083	8,466	8,854
Road transport		7,382	6,952	7,341	6,527	6,544	6,544	6,910	4,670	4,889
Environmental protection		1,800	1,167	1,402	25,469	25,371	25,371	22,439	24,062	25,742
<i>Trading services</i>		563,700	589,095	646,208	671,701	708,345	708,345	766,808	818,179	887,434
Energy sources		264,737	310,687	342,583	379,734	358,564	358,564	420,372	469,414	518,622
Water management		170,094	108,540	119,239	114,284	173,181	173,181	158,377	148,267	155,539
Waste water management		74,776	96,238	106,057	109,397	107,155	107,155	113,711	120,671	127,886
Waste management		54,094	73,630	78,329	68,285	69,446	69,446	74,347	79,827	85,387
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	928,681	933,927	1,021,491	1,088,696	1,149,441	1,149,441	1,243,595	1,321,852	1,419,821
Expenditure - Functional										
<i>Governance and administration</i>		188,811	222,313	102,810	252,416	286,371	286,371	318,816	311,415	317,991
Executive and council		45,347	50,007	49,469	54,099	59,014	59,014	67,329	70,222	72,949
Finance and administration		143,457	172,304	53,322	198,047	226,964	226,964	251,236	240,924	244,778
Internal audit		7	2	20	270	393	393	251	268	263
<i>Community and public safety</i>		89,381	93,963	96,429	111,512	115,451	115,451	123,790	129,424	135,222
Community and social services		11,104	9,090	9,661	12,180	12,097	12,097	13,123	13,771	14,381
Sport and recreation		46,142	49,442	50,545	56,704	60,299	60,299	64,896	68,015	71,068
Public safety		22,709	23,565	25,178	28,610	28,838	28,838	30,735	32,175	33,615
Housing		4,445	6,238	5,149	6,627	6,794	6,794	7,070	7,125	7,436
Health		4,982	5,628	5,896	7,391	7,422	7,422	7,966	8,338	8,722
<i>Economic and environmental services</i>		122,008	141,070	121,395	163,774	152,872	152,872	163,328	171,751	176,970
Planning and development		23,084	34,140	36,880	29,222	27,349	27,349	33,336	34,878	36,470
Road transport		92,362	103,535	81,947	111,957	110,694	110,694	120,378	126,795	129,959
Environmental protection		6,562	3,395	2,568	22,594	14,828	14,828	9,615	10,078	10,541
<i>Trading services</i>		500,347	529,617	761,141	629,886	617,106	617,106	687,128	755,602	836,311
Energy sources		272,205	291,126	351,548	408,286	382,969	382,969	429,290	477,369	546,075
Water management		89,188	95,724	182,571	99,688	105,544	105,544	107,728	115,972	122,569
Waste water management		71,079	80,145	103,908	71,306	73,260	73,260	86,195	95,088	98,493
Waste management		67,875	62,622	123,115	50,606	55,334	55,334	63,915	67,173	69,174
<i>Other</i>	4	1,878	1,125	3,725	6,322	6,264	6,264	7,998	4,263	3,787
Total Expenditure - Functional	3	902,425	988,089	1,085,500	1,163,909	1,178,064	1,178,064	1,301,061	1,372,455	1,470,281
Surplus/(Deficit) for the year		26,255	(54,162)	(64,009)	(75,214)	(28,623)	(28,623)	(57,466)	(50,603)	(50,460)

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a functional classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.

EC108 Kouga - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Revenue - Functional										
Municipal governance and administration		338,236	316,505	343,844	361,880	361,779	361,779	422,639	449,041	474,743
Executive and council		4	926	509	342	109	109	106	111	116
Mayor and Council		-	867	354	-	0	0	-	-	-
Municipal Manager, Town Secretary and Chief Executive		4	59	154	342	109	109	106	111	116
Finance and administration		338,232	315,579	343,335	361,539	361,670	361,670	422,533	448,930	474,627
Administrative and Corporate Support		-	-	-	849	1,311	1,311	1,290	1,353	1,417
Asset Management		-	1,500	1,721	3,000	1,527	1,527	1,000	1,000	1,000
Finance		344,807	325,904	333,229	355,424	352,451	352,451	409,736	435,555	460,670
Fleet Management		-	-	-	0	-	-	-	-	-
Human Resources		582	506	654	530	374	374	654	686	718
Information Technology		-	-	-	-	-	-	-	-	-
Legal Services		-	-	-	-	-	-	-	-	-
Marketing, Customer Relations, Publicity and Media Co-ordination		-	-	-	-	-	-	-	-	-
Property Services		(9,115)	(15,397)	1,720	-	-	-	-	-	-
Risk Management		-	-	-	-	-	-	-	-	-
Security Services		1,851	3,066	5,881	1,734	6,008	6,008	9,853	10,336	10,822
Supply Chain Management		107	0	131	-	-	-	-	-	-
Valuation Service		-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Governance Function		-	-	-	-	-	-	-	-	-
Community and public safety		11,477	12,619	15,171	16,365	39,035	39,035	16,716	17,435	18,158
Community and social services		2,421	2,427	2,469	2,508	2,476	2,476	2,437	2,456	2,475
Aged Care		-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-
Animal Care and Diseases		-	-	-	-	-	-	-	-	-
Cemeteries, Funeral Parlours and Crematoriums		365	377	417	455	423	423	387	406	425
Child Care Facilities		-	-	-	-	-	-	-	-	-
Community Halls and Facilities		-	-	-	-	-	-	-	-	-
Consumer Protection		-	-	-	-	-	-	-	-	-
Cultural Matters		-	-	-	-	-	-	-	-	-
Disaster Management		-	-	-	-	-	-	-	-	-
Education		-	-	-	-	-	-	-	-	-
Indigenous and Customary Law		-	-	-	-	-	-	-	-	-
Industrial Promotion		-	-	-	-	-	-	-	-	-
Language Policy		-	-	-	-	-	-	-	-	-
Libraries and Archives		2,056	2,051	2,052	2,053	2,053	2,053	2,050	2,050	2,050
Literacy Programmes		-	-	-	-	-	-	-	-	-

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<i>Media Services</i>		-	-	-	-	-	-	-	-	-
<i>Museums and Art Galleries</i>		-	-	-	-	-	-	-	-	-
<i>Population Development</i>		-	-	-	-	-	-	-	-	-
<i>Provincial Cultural Matters</i>		-	-	-	-	-	-	-	-	-
<i>Theatres</i>		-	-	-	-	-	-	-	-	-
<i>Zoo's</i>		-	-	-	-	-	-	-	-	-
Sport and recreation		5,495	5,800	7,082	9,017	8,639	8,639	10,338	10,844	11,354
<i>Beaches and Jetties</i>		3,535	4,694	4,800	6,621	6,621	6,621	7,858	8,244	8,631
<i>Casinos, Racing, Gambling, Wagering</i>		-	-	-	-	-	-	-	-	-
<i>Community Parks (including Nurseries)</i>		-	-	-	-	-	-	-	-	-
<i>Recreational Facilities</i>		1,958	1,106	2,282	2,396	2,018	2,018	2,479	2,601	2,723
<i>Sports Grounds and Stadiums</i>		1	-	-	-	-	-	-	-	-
Public safety		734	1,529	1,654	1,652	1,648	1,648	1,378	1,446	1,514
<i>Civil Defence</i>		-	-	-	-	-	-	-	-	-
<i>Cleansing</i>		-	-	-	-	-	-	-	-	-
<i>Control of Public Nuisances</i>		-	-	-	-	-	-	-	-	-
<i>Fencing and Fences</i>		-	-	-	-	-	-	-	-	-
<i>Fire Fighting and Protection</i>		734	1,529	1,654	1,652	1,648	1,648	1,378	1,446	1,514
<i>Licensing and Control of Animals</i>		-	-	-	-	-	-	-	-	-
<i>Police Forces, Traffic and Street Parking Control</i>		-	-	-	-	-	-	-	-	-
<i>Pounds</i>		-	-	-	-	-	-	-	-	-
Housing		-	-	987	-	23,085	23,085	-	-	-
<i>Housing</i>		-	-	987	-	23,085	23,085	-	-	-
<i>Informal Settlements</i>		-	-	-	-	-	-	-	-	-
Health		2,827	2,863	2,979	3,187	3,187	3,187	2,563	2,689	2,816
<i>Ambulance</i>		-	-	-	-	-	-	-	-	-
<i>Health Services</i>		2,827	2,863	2,979	3,187	3,187	3,187	2,563	2,689	2,816
<i>Laboratory Services</i>		-	-	-	-	-	-	-	-	-
<i>Food Control</i>		-	-	-	-	-	-	-	-	-
<i>Health Surveillance and Prevention of Communicable Diseases including immunizations</i>		-	-	-	-	-	-	-	-	-
<i>Vector Control</i>		-	-	-	-	-	-	-	-	-
<i>Chemical Safety</i>		-	-	-	-	-	-	-	-	-
Economic and environmental services		15,267	15,708	16,268	38,750	40,282	40,282	37,432	37,198	39,485
Planning and development		6,085	7,589	7,525	6,754	8,367	8,367	8,083	8,466	8,854
<i>Billboards</i>		-	-	-	-	-	-	-	-	-
<i>Corporate Wide Strategic Planning (IDPs, LEDs)</i>		-	-	-	-	-	-	-	-	-
<i>Central City Improvement District</i>		-	-	-	-	-	-	-	-	-
<i>Development Facilitation</i>		-	-	-	-	-	-	-	-	-
<i>Economic Development/Planning</i>		-	-	-	-	-	-	-	-	-
<i>Regional Planning and Development</i>		-	-	-	-	-	-	-	-	-

Functional Classification Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<i>Town Planning, Building Regulations and Enforcement, and City Engineer</i>		4,186	6,011	5,855	4,960	6,572	6,572	6,215	6,519	6,826
<i>Project Management Unit</i>		1,899	1,579	1,671	1,795	1,795	1,795	1,868	1,947	2,029
<i>Provincial Planning</i>		-	-	-	-	-	-	-	-	-
<i>Support to Local Municipalities</i>		-	-	-	-	-	-	-	-	-
Road transport		7,382	6,952	7,341	6,527	6,544	6,544	6,910	4,670	4,889
<i>Public Transport</i>		-	-	-	-	-	-	-	-	-
<i>Road and Traffic Regulation</i>		6,382	5,898	5,898	5,352	5,369	5,369	4,452	4,670	4,889
<i>Roads</i>		1,000	1,054	1,443	1,175	1,175	1,175	2,458	-	-
<i>Taxi Ranks</i>		-	-	-	-	-	-	-	-	-
Environmental protection		1,800	1,167	1,402	25,469	25,371	25,371	22,439	24,062	25,742
<i>Biodiversity and Landscape</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Protection</i>		-	-	-	-	-	-	-	-	-
<i>Indigenous Forests</i>		-	-	-	-	-	-	-	-	-
<i>Nature Conservation</i>		1,028	1,167	1,402	1,477	1,477	1,477	2,116	2,220	2,324
<i>Pollution Control</i>		771	-	-	23,992	23,894	23,894	20,324	21,842	23,418
<i>Soil Conservation</i>		-	-	-	-	-	-	-	-	-
Trading services		563,700	589,095	646,208	671,701	708,345	708,345	766,808	818,179	887,434
Energy sources		264,737	310,687	342,583	379,734	358,564	358,564	420,372	469,414	518,622
<i>Electricity</i>		264,737	310,687	342,583	379,734	358,564	358,564	420,372	469,414	518,622
<i>Street Lighting and Signal Systems</i>		-	-	-	-	-	-	-	-	-
<i>Nonelectric Energy</i>		-	-	-	-	-	-	-	-	-
Water management		170,094	108,540	119,239	114,284	173,181	173,181	158,377	148,267	155,539
<i>Water Treatment</i>		-	-	-	-	-	-	-	-	-
<i>Water Distribution</i>		170,094	108,540	119,239	114,284	173,181	173,181	158,377	148,267	155,539
<i>Water Storage</i>		-	-	-	-	-	-	-	-	-
Waste water management		74,776	96,238	106,057	109,397	107,155	107,155	113,711	120,671	127,886
<i>Public Toilets</i>		-	-	-	-	-	-	-	-	-
<i>Sewerage</i>		74,776	96,238	106,057	109,397	107,155	107,155	113,711	120,671	127,886
<i>Storm Water Management</i>		-	-	-	-	-	-	-	-	-
<i>Waste Water Treatment</i>		-	-	-	-	-	-	-	-	-
Waste management		54,094	73,630	78,329	68,285	69,446	69,446	74,347	79,827	85,387
<i>Recycling</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Disposal (Landfill Sites)</i>		54,094	73,630	78,329	68,285	69,446	69,446	74,347	79,827	85,387
<i>Solid Waste Removal</i>		-	-	-	-	-	-	-	-	-
<i>Street Cleaning</i>		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Air Transport		-	-	-	-	-	-	-	-	-
Forestry		-	-	-	-	-	-	-	-	-
Licensing and Regulation		-	-	-	-	-	-	-	-	-

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Markets		-	-	-	-	-	-	-	-	-
Tourism		-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	928,681	933,927	1,021,491	1,088,696	1,149,441	1,149,441	1,243,595	1,321,852	1,419,821

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Expenditure - Functional										
Municipal governance and administration		188,811	222,313	102,810	252,416	286,371	286,371	318,816	311,415	317,991
Executive and council		45,347	50,007	49,469	54,099	59,014	59,014	67,329	70,222	72,949
Mayor and Council		24,633	26,828	25,729	27,539	31,030	31,030	33,512	35,049	36,375
Municipal Manager, Town Secretary and Chief Executive		20,714	23,179	23,740	26,560	27,984	27,984	33,817	35,173	36,575
Finance and administration		143,457	172,304	53,322	198,047	226,964	226,964	251,236	240,924	244,778
Administrative and Corporate Support		32,935	50,032	45,994	30,590	46,899	46,899	50,851	32,765	29,406
Asset Management		13,683	9,612	8,678	8,438	8,538	8,538	9,601	10,316	11,023
Finance		61,843	53,692	(63,701)	68,389	74,535	74,535	80,623	83,052	85,457
Fleet Management		-	-	45	9,727	9,611	9,611	10,704	11,401	11,807
Human Resources		(4,072)	12,743	11,814	15,184	17,683	17,683	18,976	19,629	20,293
Information Technology		5,741	9,534	11,574	12,287	14,576	14,576	19,441	19,818	20,060
Legal Services		-	-	-	5,450	5,450	5,450	5,500	5,753	6,018
Marketing, Customer Relations, Publicity and Media Co-ordination		-	-	-	2,185	2,576	2,576	4,464	4,671	4,885
Property Services		-	-	-	-	-	-	-	-	-
Risk Management		33	27	562	-	95	95	167	179	191
Security Services		28,336	30,981	32,551	36,899	38,102	38,102	40,280	42,227	44,079
Supply Chain Management		4,957	5,683	5,805	8,898	8,898	8,898	10,629	11,116	11,560
Valuation Service		-	-	-	-	-	-	-	-	-
Internal audit		7	2	20	270	393	393	251	268	263
Governance Function		7	2	20	270	393	393	251	268	263
Community and public safety		89,381	93,963	96,429	111,512	115,451	115,451	123,790	129,424	135,222
Community and social services		11,104	9,090	9,661	12,180	12,097	12,097	13,123	13,771	14,381
Aged Care		-	-	-	-	-	-	-	-	-
Agricultural		1	19	-	-	-	-	-	-	-
Animal Care and Diseases		-	-	-	-	-	-	-	-	-
Cemeteries, Funeral Parlours and Crematoriums		1,016	1,218	887	3,299	3,099	3,099	3,525	3,693	3,859
Child Care Facilities		-	-	-	-	-	-	-	-	-
Community Halls and Facilities		500	-	127	-	-	-	-	-	-
Consumer Protection		-	-	-	-	-	-	-	-	-
Cultural Matters		-	-	-	-	-	-	-	-	-
Disaster Management		2,771	678	396	1,091	1,170	1,170	1,205	1,286	1,333
Education		-	-	-	-	-	-	-	-	-
Indigenous and Customary Law		-	-	-	-	-	-	-	-	-
Industrial Promotion		-	-	-	-	-	-	-	-	-
Language Policy		-	-	-	-	-	-	-	-	-
Libraries and Archives		5,867	6,225	6,888	7,789	7,828	7,828	8,393	8,793	9,188
Literacy Programmes		-	-	-	-	-	-	-	-	-
Media Services		949	950	1,364	-	-	-	-	-	-
Museums and Art Galleries		-	-	-	-	-	-	-	-	-

Functional Classification Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Population Development		-	-	-	-	-	-	-	-	-
Provincial Cultural Matters		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Zoo's		-	-	-	-	-	-	-	-	-
Sport and recreation		46,142	49,442	50,545	56,704	60,299	60,299	64,896	68,015	71,068
Beaches and Jetties		10,534	11,759	12,727	10,688	14,742	14,742	16,210	17,001	17,774
Casinos, Racing, Gambling, Wagering		-	-	-	-	-	-	-	-	-
Community Parks (including Nurseries)		23,907	28,043	28,613	35,357	34,782	34,782	37,298	39,070	40,821
Recreational Facilities		2,354	2,308	2,726	3,698	3,794	3,794	3,926	4,133	4,306
Sports Grounds and Stadiums		9,347	7,333	6,479	6,962	6,981	6,981	7,462	7,811	8,167
Public safety		22,709	23,565	25,178	28,610	28,838	28,838	30,735	32,175	33,615
Civil Defence		-	-	-	-	-	-	-	-	-
Cleansing		-	-	-	-	-	-	-	-	-
Control of Public Nuisances		-	-	-	-	-	-	-	-	-
Fencing and Fences		-	-	-	-	-	-	-	-	-
Fire Fighting and Protection		22,709	23,565	25,178	28,610	28,838	28,838	30,735	32,175	33,615
Licensing and Control of Animals		-	-	-	-	-	-	-	-	-
Police Forces, Traffic and Street Parking Control		-	-	-	-	-	-	-	-	-
Pounds		-	-	-	-	-	-	-	-	-
Housing		4,445	6,238	5,149	6,627	6,794	6,794	7,070	7,125	7,436
Housing		4,445	6,238	5,149	6,627	6,794	6,794	7,070	7,125	7,436
Informal Settlements		-	-	-	-	-	-	-	-	-
Health		4,982	5,628	5,896	7,391	7,422	7,422	7,966	8,338	8,722
Ambulance		-	-	-	-	-	-	-	-	-
Health Services		4,982	5,628	5,896	7,391	7,422	7,422	7,966	8,338	8,722
Laboratory Services		-	-	-	-	-	-	-	-	-
Food Control		-	-	-	-	-	-	-	-	-
Health Surveillance and Prevention of Communicable Diseases including immunizations		-	-	-	-	-	-	-	-	-
Vector Control		-	-	-	-	-	-	-	-	-
Chemical Safety		-	-	-	-	-	-	-	-	-
Economic and environmental services		122,008	141,070	121,395	163,774	152,872	152,872	163,328	171,751	176,970
Planning and development		23,084	34,140	36,880	29,222	27,349	27,349	33,336	34,878	36,470
Billboards		-	-	-	-	-	-	-	-	-
Corporate Wide Strategic Planning (IDPs, LEDs)		360	1,989	1,878	1,953	1,233	1,233	2,506	2,623	2,743
Central City Improvement District		-	-	-	-	-	-	-	-	-
Development Facilitation		-	-	-	-	-	-	-	-	-
Economic Development/Planning		2,402	2,013	3,524	5,181	4,927	4,927	6,634	6,951	7,263
Regional Planning and Development		-	-	-	-	-	-	-	-	-
Town Planning, Building Regulations and Enforcement, and City Engineer		18,423	28,487	29,743	19,555	18,656	18,656	20,008	20,924	21,884
Project Management Unit		1,899	1,652	1,735	2,533	2,533	2,533	4,187	4,380	4,581

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<i>Provincial Planning</i>		-	-	-	-	-	-	-	-	-
<i>Support to Local Municipalities</i>		-	-	-	-	-	-	-	-	-
Road transport		92,362	103,535	81,947	111,957	110,694	110,694	120,378	126,795	129,959
<i>Public Transport</i>		-	-	-	-	-	-	-	-	-
<i>Road and Traffic Regulation</i>		8,635	10,705	10,604	12,341	12,351	12,351	13,410	14,027	14,672
<i>Roads</i>		83,727	92,829	71,343	99,616	98,343	98,343	106,968	112,768	115,287
<i>Taxi Ranks</i>		-	-	-	-	-	-	-	-	-
Environmental protection		6,562	3,395	2,568	22,594	14,828	14,828	9,615	10,078	10,541
<i>Biodiversity and Landscape</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Protection</i>		-	-	-	-	-	-	-	-	-
<i>Indigenous Forests</i>		-	-	-	-	-	-	-	-	-
<i>Nature Conservation</i>		-	7	4	23	23	23	24	25	26
<i>Pollution Control</i>		6,562	3,388	2,564	22,571	14,805	14,805	9,590	10,053	10,515
<i>Soil Conservation</i>		-	-	-	-	-	-	-	-	-
Trading services		500,347	529,617	761,141	629,886	617,106	617,106	687,128	755,602	836,311
Energy sources		272,205	291,126	351,548	408,286	382,969	382,969	429,290	477,369	546,075
<i>Electricity</i>		272,205	291,126	351,548	408,286	382,969	382,969	429,290	477,369	546,075
<i>Street Lighting and Signal Systems</i>		-	-	-	-	-	-	-	-	-
<i>Nonelectric Energy</i>		-	-	-	-	-	-	-	-	-
Water management		89,188	95,724	182,571	99,688	105,544	105,544	107,728	115,972	122,569
<i>Water Treatment</i>		-	-	-	-	-	-	-	-	-
<i>Water Distribution</i>		89,188	95,724	182,571	99,688	105,544	105,544	107,728	115,972	122,569
<i>Water Storage</i>		-	-	-	-	-	-	-	-	-
Waste water management		71,079	80,145	103,908	71,306	73,260	73,260	86,195	95,088	98,493
<i>Public Toilets</i>		-	-	-	-	-	-	-	-	-
<i>Sewerage</i>		71,079	80,145	103,908	71,306	73,260	73,260	86,195	95,088	98,493
<i>Storm Water Management</i>		-	-	-	-	-	-	-	-	-
<i>Waste Water Treatment</i>		-	-	-	-	-	-	-	-	-
Waste management		67,875	62,622	123,115	50,606	55,334	55,334	63,915	67,173	69,174
<i>Recycling</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Disposal (Landfill Sites)</i>		67,875	62,622	122,916	50,606	55,334	55,334	63,915	67,173	69,174
<i>Solid Waste Removal</i>		-	-	199	-	-	-	-	-	-
<i>Street Cleaning</i>		-	-	-	-	-	-	-	-	-
Other		1,878	1,125	3,725	6,322	6,264	6,264	7,998	4,263	3,787
Abattoirs		-	-	-	-	-	-	-	-	-
Air Transport		-	-	-	-	-	-	-	-	-
Forestry		-	-	-	-	-	-	-	-	-
Licensing and Regulation		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Tourism		1,878	1,125	3,725	6,322	6,264	6,264	7,998	4,263	3,787

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Total Expenditure - Functional	3	902,425	988,089	1,085,500	1,163,909	1,178,064	1,178,064	1,301,061	1,372,455	1,470,281
Surplus/(Deficit) for the year		26,255	(54,162)	(64,009)	(75,214)	(28,623)	(28,623)	(57,466)	(50,603)	(50,460)

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison
2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)
3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)
4. All amounts must be classified under a Functional classification. The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		–	867	354	–	0	0	–	–	–
Vote 2 - FINANCIAL SERVICES		346,563	328,986	336,800	358,424	353,977	353,977	410,736	436,555	461,670
Vote 3 - CORPORATE SERVICES		586	565	808	975	947	947	1,194	1,253	1,312
Vote 4 - COMMUNITY SERVICES		75,604	96,379	105,509	117,205	122,144	122,144	127,808	136,329	144,998
Vote 5 - INFRASTRUCTURE AND ENGINEERING		502,438	502,543	572,011	607,132	642,716	642,716	697,642	741,196	805,016
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		3,490	4,586	6,009	4,960	29,657	29,657	6,215	6,519	6,826
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	928,681	933,927	1,021,491	1,088,696	1,149,441	1,149,441	1,243,595	1,321,852	1,419,821
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE COUNCIL		44,424	51,232	53,373	58,894	64,922	64,922	73,810	77,004	79,983
Vote 2 - FINANCIAL SERVICES		77,668	80,517	(33,762)	98,012	106,750	106,750	120,507	124,523	128,333
Vote 3 - CORPORATE SERVICES		34,862	56,843	52,164	43,088	60,740	60,740	67,199	49,627	47,203
Vote 4 - COMMUNITY SERVICES		193,994	195,873	257,361	230,145	231,928	231,928	246,820	258,819	269,407
Vote 5 - INFRASTRUCTURE AND ENGINEERING		531,934	581,421	731,601	695,979	676,920	676,920	751,069	823,280	905,358
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		19,542	22,202	24,762	37,702	36,803	36,803	41,656	39,201	39,997
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	902,425	988,089	1,085,500	1,163,819	1,178,064	1,178,064	1,301,061	1,372,455	1,470,281
Surplus/(Deficit) for the year	2	26,255	(54,162)	(64,009)	(75,124)	(28,623)	(28,623)	(57,466)	(50,603)	(50,460)

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

[illegible]

EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Vote 4 - COMMUNITY SERVICES		75,604	96,379	105,509	117,205	122,144	122,144	127,808	136,329	144,998
4.1 - Community Services: Director		-	-	-	-	-	-	-	-	-
4.2 - Community Services		3,449	3,594	3,870	3,985	3,952	3,952	4,553	4,676	4,799
4.3 - Disaster Management		-	-	-	-	-	-	-	-	-
4.4 - Environmental Health		2,827	2,863	2,979	3,187	3,187	3,187	2,563	2,689	2,816
4.5 - Public Safety		8,968	10,493	13,248	8,738	13,025	13,025	15,683	16,451	17,225
4.6 - Sport and Recreation		5,495	5,800	7,082	9,017	8,639	8,639	10,338	10,844	11,354
4.7 - WasteManagement		54,865	73,630	78,329	92,277	93,340	93,340	94,671	101,669	108,804
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-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Vote 5 - INFRASTRUCTURE AND ENGINEERING		502,438	502,543	572,011	607,132	642,716	642,716	697,642	741,196	805,016
5.1 - Infrastructure and Engineering: Director		1,899	1,579	1,671	1,795	1,795	1,795	1,868	1,947	2,029
5.2 - Engineering		1,696	2,478	2,461	1,922	2,022	2,022	3,313	897	939
5.3 - Energy Sources		253,973	293,707	342,583	379,734	358,564	358,564	420,372	469,414	518,622
5.4 - Waste Water Management		74,776	96,238	106,057	109,397	107,155	107,155	113,711	120,671	127,886
5.5 - Water Management		170,094	108,540	119,239	114,284	173,181	173,181	158,377	148,267	155,539
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Vote 6 - PLANNING DEVELOPMENT AND TOURISM		3,490	4,586	6,009	4,960	29,657	29,657	6,215	6,519	6,826
6.1 - Planning Development and Tourism: Director		-	-	-	-	-	-	-	-	-
6.2 - Housing Services		-	-	987	-	23,085	23,085	-	-	-
6.3 - Planning and Development		3,490	4,586	5,022	4,960	6,572	6,572	6,215	6,519	6,826
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EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
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Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
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Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
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EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
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Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
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Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
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EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
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Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
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Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
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Total Revenue by Vote	2	928,681	933,927	1,021,491	1,088,696	1,149,441	1,149,441	1,243,595	1,321,852	1,419,821

EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Expenditure by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		44,424	51,232	53,373	58,894	64,922	64,922	73,810	77,004	79,983
1.1 - Mayor and Council		24,633	28,982	26,753	27,539	31,030	31,030	33,512	35,049	36,375
1.2 - Municipal Manager		13,767	18,779	21,917	25,635	28,050	28,050	34,547	35,934	37,327
1.3 - Risk and Internal Audit Unit		6,025	3,471	4,703	5,720	5,843	5,843	5,751	6,021	6,281
1.4 - Legal Services		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
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Vote 2 - FINANCIAL SERVICES		77,668	80,517	(33,762)	98,012	106,750	106,750	120,507	124,523	128,333
2.1 - Financial Services: CFO		1,263	2,064	2,007	2,319	3,347	3,347	2,710	2,822	2,638
2.2 - ASSESSMENT RATES LEVIES		17,640	17,855	43,335	24,749	25,191	25,191	26,027	27,260	28,757
2.3 - Expenditure		11,416	11,010	13,080	10,103	12,593	12,593	13,288	12,780	12,255
2.4 - Budget and Financial Reporting		4,712	5,423	5,520	6,753	6,753	6,753	7,367	7,701	8,011
2.5 - Revenue		18,046	19,336	(140,199)	24,464	26,854	26,854	31,438	32,705	34,023
2.6 - Information Communication Technology (ICT)		5,741	9,534	11,594	12,287	14,576	14,576	19,441	19,818	20,060
2.7 - Assets Management		13,845	9,612	25,069	8,438	8,538	8,538	9,606	10,321	11,028
2.8 - SCM Stores: Logistics and Disposal Management		2,145	2,148	2,169	2,590	2,590	2,590	3,851	4,017	4,186
2.9 - SCM: Demand Management, Risk; Performance & Contract Management and Acquisitions		2,859	3,535	3,664	6,308	6,308	6,308	6,778	7,098	7,374
		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		34,862	56,843	52,164	43,088	60,740	60,740	67,199	49,627	47,203
3.1 - Corporate Services: Director		1,265	1,551	1,527	1,761	1,944	1,944	2,088	2,183	2,282
3.2 - Administration		21,355	42,549	38,776	26,143	41,263	41,263	46,285	27,972	24,792
3.3 - Human Resources		12,242	12,743	11,862	15,184	17,533	17,533	18,826	19,472	20,128
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EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Vote 4 - COMMUNITY SERVICES		193,994	195,873	257,361	230,145	231,928	231,928	246,820	258,819	269,407
4.1 - Community Services: Director		1,811	3,824	2,323	2,819	2,658	2,658	2,901	3,036	3,174
4.2 - Community Services		6,883	7,450	7,784	11,466	11,305	11,305	12,315	12,926	13,492
4.3 - Disaster Management		2,771	883	706	1,492	1,521	1,521	1,628	1,727	1,795
4.4 - Environmental Health		4,982	5,628	5,998	7,391	7,422	7,422	7,966	8,338	8,722
4.5 - Public Safety		59,680	65,251	68,516	77,851	79,289	79,289	84,405	88,409	92,347
4.6 - Sport and Recreation		46,642	49,237	50,234	55,949	59,594	59,594	64,100	67,158	70,188
4.7 - WasteManagement		71,226	63,600	121,800	73,177	70,139	70,139	73,505	77,226	79,689
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-		-	-	-	-	-	-	-	-	-
Vote 5 - INFRASTRUCTURE AND ENGINEERING		531,934	581,421	731,601	695,979	676,920	676,920	751,069	823,280	905,358
5.1 - Infrastructure and Engineering: Director		6,704	4,097	3,183	4,403	4,018	4,018	6,342	6,640	6,941
5.2 - Engineering		92,759	110,330	90,392	112,295	111,129	111,129	121,513	128,211	131,281
5.3 - Energy Sources		272,205	291,126	351,548	408,286	382,969	382,969	429,290	477,369	546,075
5.4 - Waste Water Management		71,079	80,145	104,159	71,306	73,260	73,260	86,195	95,088	98,493
5.5 - Water Management		89,188	95,724	182,319	99,688	105,544	105,544	107,728	115,972	122,569
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Vote 6 - PLANNING DEVELOPMENT AND TOURISM		19,542	22,202	24,762	37,702	36,803	36,803	41,656	39,201	39,997
6.1 - Planning Development and Tourism: Director		1,425	1,821	2,001	1,796	1,938	1,938	2,120	2,217	2,319
6.2 - Housing Services		4,445	6,238	5,149	6,627	6,794	6,794	7,070	7,125	7,436
6.3 - Planning and Development		13,672	14,143	17,612	29,279	27,885	27,885	31,846	29,220	29,884
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EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
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Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
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Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
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EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
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Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
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Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
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EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
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Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
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Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
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EC108 Kouga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Total Expenditure by Vote	2	902,425	988,089	1,085,500	1,163,819	1,178,064	1,178,064	1,301,061	1,372,455	1,470,281
Surplus/(Deficit) for the year	2	26,255	(54,162)	(64,009)	(75,124)	(28,623)	(28,623)	(57,466)	(50,603)	(50,460)

References

1. Insert 'Vote'; e.g. Department, if different to Functional structure
2. Must reconcile to Financial Performance ('Revenue and Expenditure by Functional Classification' and 'Revenue and Expenditure')
3. Assign share in 'associate' to relevant Vote

EC108 Kouga - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	246,062	281,916	327,359	371,804	350,201	350,201	205,157	402,731	441,394	496,921
Service charges - Water	2	73,769	80,983	83,125	89,362	88,580	88,580	61,469	98,502	105,643	113,303
Service charges - Waste Water Management	2	49,951	52,346	56,405	62,796	59,450	59,450	40,233	63,314	67,430	71,813
Service charges - Waste Management	2	51,351	53,974	54,886	62,858	62,269	62,269	41,851	66,396	70,797	75,490
Sale of Goods and Rendering of Services		11,110	8,159	8,588	8,003	9,405	9,405	6,318	7,790	8,169	8,550
Agency services		-	-	2,560	5,352	5,352	5,352	672	1,000	1,049	1,098
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6,927	8,281	12,104	11,977	17,442	17,442	16,307	18,595	19,903	21,351
Interest earned from Current and Non Current Assets		11,657	4,192	3,225	2,811	3,057	3,057	3,182	4,598	4,823	5,050
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		697	2,347	3,094	2,968	2,865	2,865	1,982	3,295	3,456	3,618
Licence and permits		2,756	2,724	2,488	2,776	2,776	2,776	1,920	3,021	3,169	3,318
Operational Revenue		3,667	1,052	3,805	4,295	25,474	25,474	804	2,174	2,231	2,289
Non-Exchange Revenue											
Property rates	2	197,544	210,205	224,326	240,849	236,747	236,747	193,098	281,488	295,281	309,159
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2,125	3,308	5,881	1,842	6,484	6,484	6,161	10,334	10,840	11,350
Licences or permits		8,310	8,914	7,105	5,621	5,621	5,621	6,321	10,668	11,191	11,718
Transfer and subsidies - Operational		134,341	166,982	153,901	177,920	177,920	177,920	171,221	190,883	206,455	223,191
Interest		1,649	1,700	1,775	1,729	2,664	2,664	3,039	3,244	3,403	3,563
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	50,436	-	-	-	-	-	-	-
Gains on disposal of Assets		-	57	(8)	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		801,916	887,140	1,001,055	1,052,961	1,056,307	1,056,307	759,733	1,168,034	1,255,234	1,361,781
Expenditure											
Employee related costs	2	293,708	335,334	339,519	391,318	409,379	409,379	236,330	458,412	459,540	480,708
Remuneration of councillors		12,876	12,780	13,395	14,364	14,364	14,364	9,591	15,384	16,092	16,832
Bulk purchases - electricity	2	231,512	254,058	295,222	325,900	325,900	325,900	201,163	365,780	412,234	476,873
Inventory consumed	8	73,143	71,675	93,046	74,648	89,176	89,176	55,747	99,701	105,960	111,643
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		76,979	89,713	100,082	103,850	103,850	103,850	69,233	109,663	124,089	124,089
Interest		5,714	3,422	4,662	-	2,875	2,875	1,569	2,090	1,062	15
Contracted services		70,860	95,785	75,039	93,375	98,726	98,726	43,370	108,715	105,735	108,799
Transfers and subsidies		250	761	458	400	725	725	325	1,040	1,084	1,129
Irrecoverable debts written off		55,131	31,523	8,553	-	8,553	8,553	5,463	7,305	7,663	8,024
Operational costs		80,520	91,018	89,311	117,984	92,200	92,200	49,942	97,112	100,281	99,761
Losses on disposal of Assets		1,718	2,047	10,026	-	-	-	-	-	-	-
Other Losses		106	(28)	54,902	42,069	32,315	32,315	-	35,858	38,714	42,408
Total Expenditure		902,517	988,089	1,084,216	1,163,909	1,178,064	1,178,064	672,733	1,301,061	1,372,455	1,470,281
Surplus/(Deficit)		(100,601)	(100,948)	(83,161)	(110,948)	(121,757)	(121,757)	87,000	(133,027)	(117,221)	(108,500)
Transfers and subsidies - capital (monetary allocations)	6	126,694	46,787	60,630	35,734	93,134	93,134	29,152	75,561	66,618	58,040
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		26,093	(54,162)	(22,531)	(75,214)	(28,623)	(28,623)	116,152	(57,466)	(50,603)	(50,460)
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		26,093	(54,162)	(22,531)	(75,214)	(28,623)	(28,623)	116,152	(57,466)	(50,603)	(50,460)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		26,093	(54,162)	(22,531)	(75,214)	(28,623)	(28,623)	116,152	(57,466)	(50,603)	(50,460)
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	26,093	(54,162)	(22,531)	(75,214)	(28,623)	(28,623)	116,152	(57,466)	(50,603)	(50,460)

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method (Includes Joint Ventures)
8. All materials not part of 'bulk' e.g. road making materials, pipe, cable etc.

Total Revenue	954,703	879,765	1,039,155	1,013,482	1,120,819	1,120,819	905,037	1,186,129	1,271,250	1,369,360
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EC108 Kouga - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE COUNCIL		152	182	2,077	-	450	450	(2)	10	10	11
Vote 2 - FINANCIAL SERVICES		75,967	40,866	2,393	1,670	2,660	2,660	1,076	-	-	-
Vote 3 - CORPORATE SERVICES		342	2,788	1,914	-	-	-	10	-	-	-
Vote 4 - COMMUNITY SERVICES		4,983	(2,458)	3,644	1,638	12,444	12,444	9,000	1,362	1,429	1,496
Vote 5 - INFRASTRUCTURE AND ENGINEERING		5,283	38,142	65,189	35,167	88,529	88,529	33,126	64,521	56,686	49,168
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		3,018	340	263	-	2,417	2,417	364	700	700	700
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		89,745	79,861	75,479	38,475	106,501	106,501	43,573	66,593	58,826	51,375
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE COUNCIL		343	91	207	750	773	773	118	-	-	-
Vote 2 - FINANCIAL SERVICES		(80)	(57,971)	1,402	60	60	60	43	-	-	-
Vote 3 - CORPORATE SERVICES		(1,219)	23,088	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		6,059	681	22,346	-	-	-	-	-	-	-
Vote 5 - INFRASTRUCTURE AND ENGINEERING		3,137	(28,215)	9,246	400	650	650	-	-	-	-
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		-	686	592	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		8,240	(61,639)	33,792	1,210	1,483	1,483	161	-	-	-
Total Capital Expenditure - Vote	3,7	97,985	18,222	109,271	39,685	107,983	107,983	43,734	66,593	58,826	51,375

EC108 Kouga - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital Expenditure - Functional											
Governance and administration		77,521	9,418	8,587	2,480	4,484	4,484	1,360	10	10	11
Executive and council		561	274	2,284	750	1,200	1,200	99	10	10	11
Finance and administration		76,956	9,145	6,303	1,730	3,262	3,262	1,244	–	–	–
Internal audit		4	–	–	–	23	23	17	–	–	–
Community and public safety		8,576	6,630	8,172	1,638	2,879	2,879	278	1,362	1,429	1,496
Community and social services		888	–	71	–	–	–	–	–	–	–
Sport and recreation		4,377	243	5,936	–	1,241	1,241	278	–	–	–
Public safety		361	6,338	2,165	1,638	1,638	1,638	–	1,362	1,429	1,496
Housing		2,950	340	–	–	–	–	–	–	–	–
Health		–	(290)	–	–	–	–	–	–	–	–
Economic and environmental services		754	(37,205)	21,126	11,609	19,016	19,016	12,630	6,497	13,500	23,715
Planning and development		408	1,115	2,055	4,922	7,339	7,339	1,199	3,157	100	100
Road transport		346	(38,320)	19,070	6,687	11,677	11,677	11,432	3,339	13,400	23,615
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		11,134	39,378	71,387	23,959	81,604	81,604	29,465	58,124	43,286	25,554
Energy sources		5,003	12,588	9,709	1,738	1,863	1,863	1,247	7,652	16,300	9,565
Water management		(25,106)	7,172	24,143	907	54,836	54,836	14,123	26,087	8,696	6,087
Waste water management		27,011	19,881	17,527	21,313	14,800	14,800	5,309	24,385	18,290	9,901
Waste management		4,226	(263)	20,008	–	10,104	10,104	8,786	–	–	–
Other		–	–	–	–	–	–	–	600	600	600
Total Capital Expenditure - Functional	3,7	97,985	18,222	109,271	39,685	107,983	107,983	43,734	66,593	58,826	51,375
Funded by:											
National Government		(8,397)	35,675	49,169	29,649	79,562	79,562	27,667	64,521	56,686	49,168
Provincial Government		–	–	–	–	–	–	–	–	–	–
District Municipality		(429)	5,713	1,600	1,638	1,638	1,638	–	1,362	1,429	1,496
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	(8,826)	41,388	50,769	31,287	81,200	81,200	27,667	65,883	58,115	50,664
Public contributions & donations	5	–	–	–	–	–	–	–	–	–	–
Borrowing	6	–	–	–	–	10,104	10,104	8,786	–	–	–
Internally generated funds		106,915	(15,293)	58,431	8,398	16,679	16,679	7,280	710	710	711
Total Capital Funding	7	98,089	26,095	109,200	39,685	107,983	107,983	43,734	66,593	58,826	51,375

EC108 Kouga - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
3. Capital expenditure by functional classification must reconcile to the appropriations by vote
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17
7. Total Capital Funding must balance with Total Capital Expenditure
8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

EC108 Kouga - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

[illegible]

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2023/24 in the 2022/23 Annual Budget				Multi-year appropriation for 2024/25 in the 2022/23 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Appropriation for 2023/24	Adjustments in 2022/23	Downward adjustments for 2023/24	Appropriation carried forward	Appropriation for 2023/24	Adjustments in 2022/23	Downward adjustments for 2023/24	Appropriation carried forward	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1																					
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
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Capital multi-year expenditure sub-total		89,745	79,861	75,479	38,475	106,501	106,501	43,573	66,593	58,826	51,375

[illegible][illegible]

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		6,059	681	22,346	-	-	-	-	-	-	-
4.1 - Community Services: Director		73	-	-	-	-	-	-	-	-	-
4.2 - Community Services		170	-	71	-	-	-	-	-	-	-
4.3 - Disaster Management		215	-	-	-	-	-	-	-	-	-
4.4 - Environmental Health		-	-	-	-	-	-	-	-	-	-
4.5 - Public Safety		686	372	158	-	-	-	-	-	-	-
4.6 - Sport and Recreation		2,690	731	2,470	-	-	-	-	-	-	-
4.7 - WasteManagement		2,226	(423)	19,647	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-
Vote 5 - INFRASTRUCTURE AND ENGINEERING		3,137	(28,215)	9,246	400	650	650	-	-	-	-
5.1 - Infrastructure and Engineering: Director		239	5,196	539	400	400	400	-	-	-	-
5.2 - Engineering		391	(38,320)	5,113	-	125	125	-	-	-	-
5.3 - Energy Sources		(0)	4,909	1,410	-	-	-	-	-	-	-
5.4 - Waste Water Management		2,361	-	2,184	-	-	-	-	-	-	-
5.5 - Water Management		146	-	-	-	125	125	-	-	-	-
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Vote 6 - PLANNING DEVELOPMENT AND TOURISM		-	686	592	-	-	-	-	-	-	-
6.1 - Planning Development and Tourism: Director		-	-	-	-	-	-	-	-	-	-
6.2 - Housing Services		-	-	-	-	-	-	-	-	-	-
6.3 - Planning and Development		-	686	592	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
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Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-

Multi-year appropriation for Budget Year 2023/24 in the 2022/23 Annual Budget				Multi-year appropriation for 2024/25 in the 2022/23 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
Appropriation for 2023/24	Adjustments in 2022/23	Downward adjustments for 2023/24	Appropriation carried forward	Appropriation for 2023/24	Adjustments in 2022/23	Downward adjustments for 2023/24	Appropriation carried forward	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		8,240	(61,639)	33,792	1,210	1,483	1,483	161	-	-	-
Total Capital Expenditure		97,985	18,222	109,271	39,685	107,983	107,983	43,734	66,593	58,826	51,375

Multi-year appropriation for Budget Year 2023/24 in the 2022/23 Annual Budget				Multi-year appropriation for 2024/25 in the 2022/23 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
Appropriation for 2023/24	Adjustments in 2022/23	Downward adjustments for 2023/24	Appropriation carried forward	Appropriation for 2023/24	Adjustments in 2022/23	Downward adjustments for 2023/24	Appropriation carried forward	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26

EC108 Kouga - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents		(72,479)	52,678	27,851	5,439	8,542	8,542	141,712	2,424	4,951	13,961
Trade and other receivables from exchange transaction	1	15,238	67,084	51,507	49,654	48,597	48,597	15,133	56,837	66,568	77,317
Receivables from non-exchange transactions	1	(2,058)	23,992	6,580	24,091	20,621	20,621	3,163	25,274	29,396	33,711
Current portion of non-current receivables		—	—	—	—	—	—	—	—	—	—
Inventory	2	432	12,570	17,050	12,570	17,110	16,755	5,181	17,110	17,110	17,109
VAT		15,229	134,385	131,405	39,405	50,443	50,443	(7,108)	50,443	50,443	50,443
Other current assets		(1,465)	1,838	1,976	1,838	1,616	1,616	515	1,616	1,616	1,616
Total current assets		(45,102)	292,547	236,368	132,996	146,929	146,574	158,595	153,704	170,083	194,156
Non current assets											
Investments		—	—	—	—	—	—	—	—	—	—
Investment property		—	242,552	262,608	262,645	262,608	262,608	—	262,608	262,608	262,608
Property, plant and equipment	3	73,781	2,062,916	2,065,745	1,989,453	2,069,744	2,069,744	(22,395)	2,026,674	1,961,411	1,888,698
Biological assets		—	—	—	—	—	—	—	—	—	—
Living and non-living resources		—	—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—	—
Intangible assets		56	1,295	870	1,890	410	410	(333)	410	410	410
Trade and other receivables from exchange transaction		—	—	—	—	—	—	—	—	—	—
Non-current receivables from non-exchange transaction		(3)	—	—	—	—	—	—	—	—	—
Other non-current assets		—	—	—	—	—	—	—	—	—	—
Total non current assets		73,834	2,306,763	2,329,223	2,253,988	2,332,762	2,332,762	(22,729)	2,289,692	2,224,429	2,151,716
TOTAL ASSETS		28,731	2,599,310	2,565,591	2,386,984	2,479,691	2,479,337	135,866	2,443,396	2,394,513	2,345,872
LIABILITIES											
Current liabilities											
Bank overdraft		—	—	—	—	—	—	—	—	—	—
Financial liabilities		541	6,747	7,464	—	12,169	12,169	(8,088)	9,484	564	—
Consumer deposits		698	20,774	23,673	20,774	23,673	23,673	3,470	23,673	23,673	23,673
Trade and other payables from exchange transactions	4	55,725	88,885	106,957	95,168	77,411	77,056	(26,665)	87,411	96,336	96,336
Trade and other payables from non-exchange transaction	5	(76,283)	6,950	0	987	—	—	45,780	—	—	—
Provision		3,252	32,303	34,757	35,110	38,247	38,247	—	40,426	42,705	45,088
VAT		18,392	87,069	77,935	(300)	—	—	2,135	(0)	(0)	(0)
Other current liabilities		194	3,144	9	3,165	3,263	3,263	—	3,263	3,263	3,263
Total current liabilities		2,518	245,872	250,795	154,904	154,763	154,408	16,632	164,257	166,541	168,361
Non current liabilities											
Financial liabilities	6	(8,962)	0	22,813	—	16,043	16,043	4,872	8,637	—	—
Provision	7	10,036	175,959	214,842	92,212	123,003	123,003	—	126,686	126,686	126,686
Long term portion of trade payables		—	—	—	—	—	—	—	—	—	—
Other non-current liabilities		(7,909)	86,613	92,167	99,163	104,312	104,312	—	119,711	119,711	119,711
Total non current liabilities		(6,835)	262,571	329,823	191,375	243,359	243,359	4,872	255,035	246,398	246,398
TOTAL LIABILITIES		(4,317)	508,443	580,618	346,280	398,122	397,767	21,504	419,292	412,938	414,758
NET ASSETS		33,048	2,090,867	1,984,974	2,040,704	2,081,569	2,081,569	114,362	2,024,104	1,981,574	1,931,114
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	(471)	2,231,641	2,141,149	2,040,704	2,081,569	2,081,569	(1,790)	2,024,104	1,981,574	1,931,114
Reserves and funds	9	—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	10	(471)	2,231,641	2,141,149	2,040,704	2,081,569	2,081,569	(1,790)	2,024,104	1,981,574	1,931,114

References

- Detail to be provided in Table SA3
- Include completed low cost housing to be transferred to beneficiaries within 12 months
- Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
- Detail to be provided in Table SA3. Includes reserves to be funded by statute.
- Total Assets must balance with Total Liabilities
- Net Assets must balance with Total Community Wealth/Equity

EC108 Kouga - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		732	578,681	490,993	230,449	227,440	227,440	267,648	280,763	293,959	
Service charges		–	70,769	238,396	652,478	628,917	628,917	699,530	759,479	838,956	
Other revenue		–	33,622	22,231	57,445	101,036	101,036	67,073	68,564	70,197	
Transfers and Subsidies - Operational	1	–	152,544	147,988	177,920	177,920	177,920	190,883	206,455	223,191	
Transfers and Subsidies - Capital	1	–	2,151	–	35,734	93,134	93,134	75,561	66,618	58,040	
Interest		510,656	782,820	841,486	2,811	3,057	3,057	4,598	4,823	5,050	
Dividends		–	–	–	–	–	–	–	–	–	
Payments											
Suppliers and employees		116,641	2,822	146,376	(1,115,817)	(1,140,765)	(1,140,765)	(1,234,729)	(1,315,865)	(1,428,442)	
Finance charges		–	–	–	–	–	–	–	–	–	
Transfers and Subsidies	1	–	751	(751)	–	–	–	–	–	–	
NET CASH FROM/(USED) OPERATING ACTIVITIES		628,028	1,624,159	1,886,718	41,019	90,740	90,740	–	70,565	70,837	60,949
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	
Decrease (increase) in non-current receivables		3	10	–	–	–	–	–	–	–	
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	
Payments											
Capital assets		(3,599)	34,550	(30,649)	(39,685)	(97,879)	(97,879)	(66,593)	(58,826)	(51,375)	
NET CASH FROM/(USED) INVESTING ACTIVITIES		(3,596)	34,560	(30,649)	(39,685)	(97,879)	(97,879)	–	(66,593)	(58,826)	(51,375)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	
Increase (decrease) in consumer deposits		698	2,698	2,899	–	–	–	–	–	–	
Payments											
Repayment of borrowing		–	–	–	–	(12,169)	(12,169)	–	(10,091)	(9,484)	(564)
NET CASH FROM/(USED) FINANCING ACTIVITIES		698	2,698	2,899	–	(12,169)	(12,169)	–	(10,091)	(9,484)	(564)
NET INCREASE/ (DECREASE) IN CASH HELD		625,130	1,661,417	1,858,968	1,334	(19,308)	(19,308)	–	(6,118)	2,527	9,010
Cash/cash equivalents at the year begin:	2	–	141,033	53,394	4,105	27,851	27,851	–	8,542	2,424	4,951
Cash/cash equivalents at the year end:	2	625,130	1,802,450	1,912,362	5,439	8,542	8,542	–	2,424	4,951	13,961

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less
3. The MTREF is populated directly from SA30.

EC108 Kouga - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	625,130	1,802,450	1,912,362	5,439	8,542	8,542	–	2,424	4,951	13,961
Other current investments > 90 days		(682,370)	(1,682,688)	(1,833,005)	49,654	48,597	48,597	156,845	56,837	66,568	77,317
Investments - Property, plant and equipment	1	73,781	2,062,916	2,065,745	1,989,453	2,069,744	2,069,744	(22,395)	2,026,674	1,961,411	1,888,698
Cash and investments available:		16,541	2,182,678	2,145,103	2,044,545	2,126,884	2,126,884	134,449	2,085,935	2,032,930	1,979,975
Application of cash and investments											
Trade payables from Non-exchange transactions: Unspent cor		(4,254)	751	0	751	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	74,117	167,028	182,731	84,173	67,662	67,662	(24,530)	76,929	83,987	81,869
Other provisions		(931)	413	476	150	506	506	–	523	547	572
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		68,932	168,193	183,206	85,075	68,168	68,168	(24,530)	77,452	84,534	82,441
Surplus(shortfall)		(52,392)	2,014,484	1,961,896	1,959,471	2,058,715	2,058,715	158,979	2,008,483	1,948,396	1,897,534

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

Other working capital requirements											
Debtors		(1)	8,925	2,161	10,695	9,394	9,394	–	10,482	12,349	14,467
Creditors due		74,116	175,953	184,892	94,868	77,056	77,056	(24,530)	87,411	96,336	96,336
Total		(74,117)	(167,028)	(182,731)	(84,173)	(67,662)	(67,662)	24,530	(76,929)	(83,987)	(81,869)

Debtors collection assumptions											
Balance outstanding - debtors		(2,058)	23,992	6,580	24,091	20,621	20,621	3,163	25,274	29,396	33,711
Estimate of debtors collection rate		0.0%	37.2%	32.8%	44.4%	45.6%	45.6%	0.0%	41.5%	42.0%	42.9%

Long term investments committed											
Balance (Insert description; eg sinking fund)											
Bankers Acceptance Certificate		–	–	–	–	–	–	–	–	–	–
Deposit Taking Institutions		–	–	–	–	–	–	–	–	–	–
Bank Repurchase Agreements		–	–	–	–	–	–	–	–	–	–
Derivative Financial Assets		–	–	–	–	–	–	–	–	–	–
Guaranteed Endowment Policies (Sinking)		–	–	–	–	–	–	–	–	–	–
Listed/Unlisted Bonds and Stocks		–	–	–	–	–	–	–	–	–	–
Municipal Bonds		–	–	–	–	–	–	–	–	–	–
National Government Securities		–	–	–	–	–	–	–	–	–	–
Negotiable Certificate of Deposits: Banks		–	–	–	–	–	–	–	–	–	–
Unamortised Debt Expense		–	–	–	–	–	–	–	–	–	–
Unamortised Preference Share Expense		–	–	–	–	–	–	–	–	–	–
Interest Rate Swaps		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–

Reserves to be backed by cash/investments											
Housing Development Fund		–	–	–	–	–	–	–	–	–	–
Capital replacement		–	–	–	–	–	–	–	–	–	–
Self-insurance		–	–	–	–	–	–	–	–	–	–
Compensation for Occupational Injuries and Diseases		–	–	–	–	–	–	–	–	–	–
Employee Benefit		–	–	–	–	–	–	–	–	–	–
Non-current Provisions		–	–	–	–	–	–	–	–	–	–
Valuation		–	–	–	–	–	–	–	–	–	–
Investment in associate account		–	–	–	–	–	–	–	–	–	–
Capitalisation		–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–

EC108 Kouga - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	157,268	47,488	73,058	7,511	74,344	74,344	13,368	32,223	41,474
Roads Infrastructure		–	–	–	–	–	–	3,339	13,400	23,615
Storm water Infrastructure		1,643	–	–	–	–	–	–	–	–
Electrical Infrastructure		3,266	11,281	6,131	1,023	1,573	1,573	7,652	16,300	9,565
Water Supply Infrastructure		42,706	852	23,846	–	54,376	54,376	–	38	6,087
Sanitation Infrastructure		88,902	36,367	196	1,551	560	560	304	346	–
Solid Waste Infrastructure		–	–	27	418	380	380	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		174	23	47	–	–	–	–	–	–
Infrastructure		136,692	48,522	30,246	2,993	56,890	56,890	11,296	30,084	39,267
Community Facilities		446	612	746	1,150	1,515	1,515	–	–	–
Sport and Recreation Facilities		96	–	155	–	–	–	–	–	–
Community Assets		542	612	901	1,150	1,515	1,515	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		124	–	–	–	–	–	–	–	–
Non-revenue Generating		2,950	–	–	–	–	–	–	–	–
Investment properties		3,074	–	–	–	–	–	–	–	–
Operational Buildings		(1,219)	844	777	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		(1,219)	844	777	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		553	977	579	–	52	52	–	–	–
Intangible Assets		553	977	579	–	52	52	–	–	–
Computer Equipment		(3,181)	(7,065)	2,153	1,020	2,078	2,078	–	–	–
Furniture and Office Equipment		730	1,267	1,277	710	1,213	1,213	610	610	611
Machinery and Equipment		4,393	2,413	2,380	–	758	758	100	100	100
Transport Assets		15,684	(83)	34,744	1,638	11,838	11,838	1,362	1,429	1,496
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	4,407	(39,495)	1,391	907	335	335	–	–	–
Roads Infrastructure		217	(38,320)	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	769	–	–	–	–	–	–
Water Supply Infrastructure		–	8	275	907	335	335	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	346	–	–	–	–	–	–
Infrastructure		217	(38,311)	1,391	907	335	335	–	–	–
Community Facilities		171	(30,270)	–	–	–	–	–	–	–
Sport and Recreation Facilities		1,945	139	–	–	–	–	–	–	–
Community Assets		2,116	(30,131)	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		2,074	6,148	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		2,074	6,148	–	–	–	–	–	–	–
Operational Buildings		–	23,088	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	23,088	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	(290)	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Total Upgrading of Existing Assets	6	(63,689)	10,229	34,823	31,267	33,305	33,305	53,225	26,602	9,901
Roads Infrastructure		–	–	14,618	6,687	13,552	13,552	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	2,168	715	165	165	–	–	–
Water Supply Infrastructure		(71,569)	383	–	–	–	–	26,087	8,658	–
Sanitation Infrastructure		3,758	10,540	15,120	19,343	13,735	13,735	24,080	17,945	9,901
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
<i>Information and Communication Infrastructure</i>		239	4,832	–	–	–	–	–	–	–
Infrastructure		(67,572)	15,755	31,906	26,745	27,452	27,452	50,167	26,602	9,901
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		636	(5,483)	2,844	4,522	5,602	5,602	3,057	–	–
Community Assets		636	(5,483)	2,844	4,522	5,602	5,602	3,057	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		(103)	(43)	–	–	250	250	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		(103)	(43)	–	–	250	250	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		3,350	–	72	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4	97,985	18,222	109,271	39,685	107,983	107,983	66,593	58,826	51,375
<i>Roads Infrastructure</i>		217	(38,320)	14,618	6,687	13,552	13,552	3,339	13,400	23,615
<i>Storm water Infrastructure</i>		1,643	–	–	–	–	–	–	–	–
<i>Electrical Infrastructure</i>		3,266	11,281	9,069	1,738	1,738	1,738	7,652	16,300	9,565
<i>Water Supply Infrastructure</i>		(28,862)	1,243	24,121	907	54,711	54,711	26,087	8,696	6,087
<i>Sanitation Infrastructure</i>		92,660	46,907	15,316	20,894	14,295	14,295	24,385	18,290	9,901
<i>Solid Waste Infrastructure</i>		–	–	27	418	380	380	–	–	–
<i>Rail Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>		413	4,856	393	–	–	–	–	–	–
Infrastructure		69,336	25,966	63,544	30,646	84,677	84,677	61,463	56,686	49,168
Community Facilities		617	(29,658)	746	1,150	1,515	1,515	–	–	–
Sport and Recreation Facilities		2,677	(5,344)	2,999	4,522	5,602	5,602	3,057	–	–
Community Assets		3,294	(35,001)	3,746	5,672	7,117	7,117	3,057	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		2,199	6,148	–	–	–	–	–	–	–
Non-revenue Generating		2,950	–	–	–	–	–	–	–	–
Investment properties		5,149	6,148	–	–	–	–	–	–	–
Operational Buildings		(1,322)	23,889	777	–	250	250	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		(1,322)	23,889	777	–	250	250	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		553	977	579	–	52	52	–	–	–
Intangible Assets		553	977	579	–	52	52	–	–	–
Computer Equipment		169	(7,065)	2,225	1,020	2,078	2,078	–	–	–
Furniture and Office Equipment		730	1,267	1,277	710	1,213	1,213	610	610	611
Machinery and Equipment		4,393	2,413	2,380	–	758	758	100	100	100
Transport Assets		15,684	(373)	34,744	1,638	11,838	11,838	1,362	1,429	1,496
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		97,985	18,222	109,271	39,685	107,983	107,983	66,593	58,826	51,375
ASSET REGISTER SUMMARY - PPE (WDV)	5	73,837	2,306,763	2,329,223	2,253,988	2,332,762	2,332,762	2,289,692	2,224,429	2,151,716
<i>Roads Infrastructure</i>		(29,987)	611,200	502,630	592,252	553,416	553,416	556,676	566,726	576,941
<i>Storm water Infrastructure</i>		(18,612)	36,840	34,309	18,164	11,520	11,520	8,914	8,571	8,571
<i>Electrical Infrastructure</i>		(2,362)	191,464	190,733	171,352	191,235	191,235	192,212	199,981	193,246
<i>Water Supply Infrastructure</i>		(47,330)	246,333	334,285	259,973	348,530	348,530	359,616	340,251	337,643
<i>Sanitation Infrastructure</i>		62,288	454,752	449,471	492,638	493,706	493,706	517,807	511,676	503,287
<i>Solid Waste Infrastructure</i>		112	14,625	12,533	(24,011)	(11,067)	(11,067)	(51,865)	(57,232)	(57,232)
<i>Rail Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>		3,350	–	72	250	72	72	72	72	72
Infrastructure		(32,541)	1,555,214	1,524,034	1,510,618	1,587,412	1,587,412	1,583,431	1,570,045	1,562,527
Community Assets		3,086	19,688	40,949	40,359	48,426	48,426	51,343	48,267	48,267
Heritage Assets		–	–	–	–	–	–	–	–	–
Investment properties		–	242,552	262,608	262,645	262,608	262,608	262,608	262,608	262,608
Other Assets		70,680	213,312	175,804	192,094	150,231	150,231	143,118	99,032	33,770
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		56	1,295	870	1,890	410	410	410	410	410
Computer Equipment		(7,839)	(21,057)	9,972	11,207	3,482	3,482	2,941	2,870	2,870
Furniture and Office Equipment		5,392	4,293	6,630	3,359	10,273	10,273	6,594	6,110	6,110

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Machinery and Equipment		4,182	5,747	6,757	6,318	3,694	3,694	3,058	2,961	2,961
Transport Assets		14,167	25,233	57,418	(9,221)	38,621	38,621	8,584	4,520	4,587
Land		16,654	260,486	244,180	234,719	227,605	227,605	227,605	227,605	227,605
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	73,837	2,306,763	2,329,223	2,253,988	2,332,762	2,332,762	2,289,692	2,224,429	2,151,716
EXPENDITURE OTHER ITEMS										
Depreciation	7	76,979	89,713	100,082	103,850	103,850	103,850	109,663	124,089	124,089
Repairs and Maintenance by Asset Class	3	60,289	68,513	46,751	49,696	51,621	51,621	61,432	66,291	69,029
Roads Infrastructure		25,495	32,760	11,132	11,019	14,204	14,204	14,206	14,396	14,593
Storm water Infrastructure		726	1,058	1,116	1,594	1,028	1,028	1,075	1,123	1,173
Electrical Infrastructure		9,820	8,824	5,906	7,950	7,950	7,950	10,827	11,314	11,824
Water Supply Infrastructure		2,957	8,766	9,189	6,262	7,121	7,121	7,442	7,777	8,126
Sanitation Infrastructure		3,208	2,567	2,518	4,425	4,365	4,365	8,969	11,957	12,950
Solid Waste Infrastructure		1,538	65	-	-	-	-	-	-	-
Rail Infrastructure		-	194	696	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	46	164	-	-	-	-	-	-
Infrastructure		43,744	54,281	30,721	31,250	34,669	34,669	42,518	46,567	48,667
Community Facilities		1,463	1,233	1,235	1,743	1,793	1,793	1,925	2,013	2,106
Sport and Recreation Facilities		2,899	2,116	1,905	1,750	1,490	1,490	1,413	1,478	1,546
Community Assets		4,362	3,349	3,140	3,493	3,283	3,283	3,338	3,492	3,652
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		1,966	2,547	3,063	4,530	3,780	3,780	3,768	3,868	3,943
Housing		-	-	-	-	-	-	-	-	-
Other Assets		1,966	2,547	3,063	4,530	3,780	3,780	3,768	3,868	3,943
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		318	391	666	1,011	735	735	952	996	1,036
Transport Assets		9,899	7,946	9,161	9,412	9,154	9,154	10,856	11,369	11,731
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		137,268	158,226	146,833	153,546	155,471	155,471	171,095	190,380	193,118
Renewal and upgrading of Existing Assets as % of total capex		-60.5%	-160.6%	33.1%	81.1%	31.2%	31.2%	79.9%	45.2%	19.3%
Renewal and upgrading of Existing Assets as % of deprecn		-77.0%	-32.6%	36.2%	31.0%	32.4%	32.4%	48.5%	21.4%	8.0%
R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal and upgrading and R&M as a % of PPE		1.0%	2.0%	4.0%	4.0%	4.0%	4.0%	5.0%	4.0%	4.0%

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Detail of upgrading of existing assets provided in Table SA34e
7. Detail of depreciation provided in Table SA34d

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		-2019	-2020	-2021	-2022-O	-2022-A	-2022-F	-2023	-2024	-2025
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets	1									
<u>Water:</u>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Energy:</u>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Refuse:</u>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		23,667,920	32,489,730	38,341,238	20,546,109	18,180,458	18,180,458	19,498,541	20,912,185	22,428,319
Sanitation (free minimum level service)		8,634,124	9,780,726	10,780,120	11,520,876	11,863,970	11,863,970	12,635,128	13,456,411	14,331,078
Electricity/other energy (50kwh per household per month)		3,966,664	4,485,953	5,308,769	6,977,325	4,308,895	4,308,895	4,955,229	5,430,931	6,114,142
Refuse (removed at least once a week)		16,275,478	2,878,538	-	-	-	-	-	-	-
<i>Informal Settlements</i>		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		23,668	32,490	38,341	20,546	18,180	18,180	19,499	20,912	22,428
Sanitation (free sanitation service to indigent households)		8,634	9,781	10,780	11,521	11,864	11,864	12,635	13,456	14,331
Electricity/other energy (50kwh per indigent household per month)		3,967	4,486	5,309	6,977	4,309	4,309	4,955	5,431	6,114
Refuse (removed once a week for indigent households)		16,275	2,879	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		52,544	49,635	54,430	39,044	34,353	34,353	37,089	39,800	42,874
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)	9									
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)		17,945	20,190	20,695	20,387	24,513	24,513	29,261	30,698	32,144
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	6	-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		17,945	20,190	20,695	20,387	24,513	24,513	29,261	30,698	32,144

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)
8. Must reflect the cost to the municipality of providing the Free Basic Service
9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)

EC108 Kouga - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		215,489	230,395	245,022	261,235	261,260	261,260	200,155	310,749	325,979	341,303
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		17,945	20,190	20,695	20,387	24,513	24,513	7,057	29,261	30,698	32,144
Net Property Rates		197,544	210,205	224,326	240,849	236,747	236,747	193,098	281,488	295,281	309,159
Service charges - Electricity	6										
Total Service charges - Electricity		250,028	286,402	332,668	378,781	354,510	354,510	207,476	407,687	446,825	503,035
less Revenue Foregone (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (50 kwh per indigent household per month)		3,967	4,486	5,309	6,977	4,309	4,309	2,320	4,955	5,431	6,114
Net Service charges - Electricity		246,062	281,916	327,359	371,804	350,201	350,201	205,157	402,731	441,394	496,921
Service charges - Water	6										
Total Service charges - Water		97,437	113,473	121,466	109,908	106,760	106,760	88,135	118,001	126,556	135,731
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (6 kilolitres per indigent household per month)		23,668	32,490	38,341	20,546	18,180	18,180	26,666	19,499	20,912	22,428
Net Service charges - Water		73,769	80,983	83,125	89,362	88,580	88,580	61,469	98,502	105,643	113,303
Service charges - Waste Water Management											
Total Service charges - Waste Water Management		58,585	62,127	67,185	74,317	71,314	71,314	48,200	75,950	80,886	86,144
less Revenue Foregone (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (free sanitation service to indigent households)		8,634	9,781	10,780	11,521	11,864	11,864	7,967	12,635	13,456	14,331
Net Service charges - Waste Water Management		49,951	52,346	56,405	62,796	59,450	59,450	40,233	63,314	67,430	71,813
Service charges - Waste Management	6										
Total refuse removal revenue		50,181	39,520	40,292	46,879	46,388	46,388	30,922	49,403	52,614	56,034
Total landfill revenue		17,446	17,332	14,594	15,979	15,881	15,881	10,928	16,993	18,183	19,455
less Revenue Foregone (in excess of one removal a week to indigent households)		-	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (removed once a week to indigent households)		16,275	2,879	-	-	-	-	-	-	-	-
Net Service charges - Waste Management		51,351	53,974	54,886	62,858	62,269	62,269	41,851	66,396	70,797	75,490

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	182,067	195,287	206,450	259,533	256,729	256,729	145,717	292,055	305,489	319,542
Pension and UIF Contributions		30,219	32,044	32,213	35,016	35,012	35,012	22,200	37,650	39,382	41,194
Medical Aid Contributions		15,800	16,850	16,688	17,521	17,521	17,521	11,536	18,941	19,813	20,754
Overtime		27,334	23,381	17,266	20,000	19,422	19,422	13,087	20,282	21,215	22,191
Performance Bonus		13,900	15,592	14,644	17,343	18,755	18,755	14,420	20,106	21,031	21,999
Motor Vehicle Allowance		9,390	10,343	10,762	12,740	12,397	12,397	7,234	13,644	14,272	14,929
Cellphone Allowance		6	10	102	63	63	63	22	67	70	73
Housing Allowances		857	900	782	1,031	1,051	1,051	478	1,254	1,312	1,372
Other benefits and allowances		15,503	15,724	16,391	16,714	16,779	16,779	13,251	18,052	18,882	19,751
Payments in lieu of leave		1,221	4,252	5,631	6,100	6,100	6,100	3,062	6,533	6,834	7,148
Long service awards		761	1,954	2,174	1,275	1,276	1,276	794	5,050	1,430	1,496
Post-retirement benefit obligations	4	(4,547)	16,397	10,464	–	17,124	17,124	–	17,205	1,889	1,975
Entertainment		–	–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–	–
Acting and post related allowance		1,199	2,602	5,950	3,983	7,151	7,151	4,531	7,573	7,921	8,286
In kind benefits		–	–	–	–	–	–	–	–	–	–
sub-total	5	293,708	335,334	339,519	391,318	409,379	409,379	236,330	458,412	459,540	480,708
<u>Less: Employees costs capitalised to PPE</u>		–	–	–	–	–	–	–	–	–	–
Total Employee related costs	1	293,708	335,334	339,519	391,318	409,379	409,379	236,330	458,412	459,540	480,708

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
<u>Depreciation and amortisation</u>											
Depreciation of Property, Plant & Equipment		76,817	89,713	91,124	103,295	103,295	103,295	68,863	109,077	123,425	123,425
Lease amortisation		–	–	–	555	555	555	370	586	663	663
Capital asset impairment		162	–	8,958	–	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE		–	–	–	–	–	–	–	–	–	–
Total Depreciation and amortisation	10	76,979	89,713	100,082	103,850	103,850	103,850	69,233	109,663	124,089	124,089
<u>Bulk purchases - electricity</u>											
Electricity Bulk Purchases		231,512	254,058	295,222	325,900	325,900	325,900	201,163	365,780	412,234	476,873
Total bulk purchases	1	231,512	254,058	295,222	325,900	325,900	325,900	201,163	365,780	412,234	476,873
<u>Transfers and grants</u>											
Cash transfers and grants		250	761	458	400	400	400	–	700	728	756
Non-cash transfers and grants		–	–	–	–	325	325	325	340	356	372
Total transfers and grants	1	250	761	458	400	725	725	325	1,040	1,084	1,129
<u>Contracted services</u>											
<i>Outsourced Services</i>		16,012	28,832	33,798	31,620	35,291	35,291	18,098	34,525	28,905	29,110
<i>Consultants and Professional Services</i>		12,342	8,534	9,385	28,212	29,534	29,534	11,809	31,578	30,258	31,292
<i>Contractors</i>		42,507	58,420	31,856	33,543	33,900	33,900	13,463	42,612	46,572	48,396
sub-total	1	70,860	95,785	75,039	93,375	98,726	98,726	43,370	108,715	105,735	108,799
<u>Operational Costs</u>											
Collection costs		4,456	5,533	5,243	5,500	5,500	5,500	2,622	5,340	5,560	5,824
Contributions to 'other' provisions		(931)	413	476	150	506	506	–	523	547	572
Audit fees		4,997	4,320	4,394	4,500	4,500	4,500	3,787	4,500	4,500	4,500
<i>Other Operational Costs</i>											
<i>Operating Leases</i>		6,700	6,551	5,789	21,979	6,935	6,935	4,588	7,092	7,246	3,436
<i>Operational Cost</i>		65,298	74,201	73,409	85,855	74,759	74,759	38,945	79,656	82,428	85,428
<i>Statutory Payments other than Income Taxes</i>		–	–	–	–	–	–	–	–	–	–
<i>Discontinued Operations</i>		–	–	–	–	–	–	–	–	–	–
Total Operational Costs	1	80,520	91,018	89,311	117,984	92,200	92,200	49,942	97,112	100,281	99,761
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		–	–	–	–	–	–	–	–	–	–
Inventory Consumed (Project Maintenance)		18,539	9,540	13,136	17,120	17,011	17,011	10,571	17,992	18,831	19,684
Contracted Services		39,156	51,465	27,674	30,241	30,477	30,477	12,478	39,132	42,958	44,642
Other Expenditure		2,594	7,508	5,940	2,335	4,133	4,133	490	4,308	4,501	4,703
Total Repairs and Maintenance Expenditure	9	60,289	68,513	46,751	49,696	51,621	51,621	23,539	61,432	66,291	69,029

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
Inventory Consumed											
Inventory Consumed - Water			(70)	(128)	(162)	(162)	(162)	(3,213)	(799)	(799)	(799)
Inventory Consumed - Other			(149,609)	(2,879,356)	(2,950,986)	(2,985,773)	(3,103,778)	(3,103,778)	(46,210)	(3,169,830)	(3,118,922)
Total Inventory Consumed & Other Material			(149,679)	(2,879,484)	(2,951,147)	(2,985,935)	(3,103,939)	(3,103,939)	(49,423)	(3,170,629)	(3,119,720)

check	60,289	68,513	46,751	49,696	51,621	51,621		61,432	66,291	69,029
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References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)
2. Must reconcile to supporting documentation on staff salaries
3. Insert other categories where revenue or expenditure is of a material nature (list separate items until 'General expenses' is not > 10% of Total Expenditure)
4. Expenditure to meet any 'unfunded obligations'
- 5 This sub-total must agree with the total on SA22, but excluding councillor and board member items
6. Include a note for each revenue item that is affected by 'revenue foregone'
7. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)
8. Repairs and Maintenance is not a GRAP item. However to facilitate transparency, municipalities must provide a breakdown of the amounts included in the relevant GRAP items that will be spent on Repairs and Maintenance.
9. Must reconcile with Repairs and Maintenance by Asset Class (Total Repairs and Maintenance) on Table SA34c.
10. Only applicable to municipalities that have adopted the 'revaluation method' in GRAP 17. The aim is to prevent overstating 'depreciation and asset impairment'

EC108 Kouga - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - EXECUTIVE COUNCIL	Vote 2 - FINANCIAL SERVICES	Vote 3 - CORPORATE SERVICES	Vote 4 - COMMUNITY SERVICES	Vote 5 - INFRASTRUCTURE AND ENGINEERING	Vote 6 - PLANNING DEVELOPMENT AND TOURISM	Vote 7 - [NAME OF VOTE 7]	Vote 8 - [NAME OF VOTE 8]	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue																	
Exchange Revenue																	
Service charges - Electricity		-	-	-	-	402,731	-	-	-	-	-	-	-	-	-	-	402,731
Service charges - Water		-	-	-	-	98,502	-	-	-	-	-	-	-	-	-	-	98,502
Service charges - Waste Water Management		-	-	-	-	63,314	-	-	-	-	-	-	-	-	-	-	63,314
Service charges - Waste Management		-	-	-	66,396	-	-	-	-	-	-	-	-	-	-	-	66,396
Sale of Goods and Rendering of Services		-	1,110	435	493	-	5,753	-	-	-	-	-	-	-	-	-	7,790
Agency services		-	-	-	-	1,000	-	-	-	-	-	-	-	-	-	-	1,000
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	230	-	5,666	12,699	-	-	-	-	-	-	-	-	-	-	18,595
Interest earned from Current and Non Current Assets		-	4,598	-	-	-	-	-	-	-	-	-	-	-	-	-	4,598
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	-	-	2,439	655	-	-	-	-	-	-	-	-	-	-	3,295
Licence and permits		-	-	-	3,021	-	-	-	-	-	-	-	-	-	-	-	3,021
Operational Revenue		-	1,414	760	-	-	-	-	-	-	-	-	-	-	-	-	2,174
Non-Exchange Revenue																	
Property rates		-	281,488	-	-	-	-	-	-	-	-	-	-	-	-	-	281,488
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	9,872	-	462	-	-	-	-	-	-	-	-	-	10,334
Licences or permits		-	-	-	10,668	-	-	-	-	-	-	-	-	-	-	-	10,668
Transfer and subsidies - Operational		-	118,652	-	26,890	45,341	-	-	-	-	-	-	-	-	-	-	190,883
Interest		-	3,244	-	-	-	-	-	-	-	-	-	-	-	-	-	3,244
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	410,736	1,194	126,445	623,443	6,215	-	-	-	-	-	-	-	-	-	1,168,034
Expenditure																	
Employee related costs		26,072	60,286	50,828	171,709	122,141	27,377	-	-	-	-	-	-	-	-	-	458,412
Remuneration of councillors		15,384	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,384
Bulk purchases - electricity		-	-	-	-	365,780	-	-	-	-	-	-	-	-	-	-	365,780
Inventory consumed		2,162	1,116	681	17,402	77,727	578	-	-	-	-	-	-	-	-	-	99,585
Debt impairment		-	11,035	-	2,155	22,667	-	-	-	-	-	-	-	-	-	-	35,858
Depreciation and amortisation		401	2,086	1,111	6,820	98,660	586	-	-	-	-	-	-	-	-	-	109,663
Interest		-	2,090	-	-	-	-	-	-	-	-	-	-	-	-	-	2,090
Contracted services		9,706	18,960	3,390	29,106	38,223	9,163	-	-	-	-	-	-	-	-	-	108,547
Transfers and subsidies		-	-	-	340	-	700	-	-	-	-	-	-	-	-	-	1,040
Irrecoverable debts written off		-	2,120	-	-	1,174	4,012	-	-	-	-	-	-	-	-	-	7,305
Operational costs		20,085	22,815	11,270	18,113	21,859	2,633	-	-	-	-	-	-	-	-	-	96,776
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		73,810	120,507	67,199	246,828	751,069	41,056	-	-	-	-	-	-	-	-	-	1,300,441
Surplus/(Deficit)		(73,810)	290,230	(66,005)	(120,375)	(127,625)	(34,821)	-	-	-	-	-	-	-	-	-	(132,407)
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	74,199	-	-	-	-	-	-	-	-	-	-	75,561
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income Tax		(73,810)	290,230	(66,005)	(119,012)	(53,427)	(34,821)	-	-	-	-	-	-	-	-	-	(56,846)

References:

1. Departmental columns to be based on municipal organisation structure

EC108 Kouga - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
ASSETS											
Trade and other receivables from exchange transactions											
Electricity		4,437	47,499	53,442	89,539	71,959	71,959	(13,087)	98,906	129,412	163,761
Water		11,719	83,027	108,431	65,824	87,375	87,375	21,485	92,234	99,687	107,693
Waste		8,481	57,090	71,667	65,577	74,085	74,085	8,890	77,832	83,022	88,558
Waste Water		6,558	35,843	45,727	43,153	48,217	48,217	7,875	51,900	56,733	61,883
Other trade receivables from exchange transactions		1,074	10,234	12,490	18,883	10,740	10,740	(10,031)	10,971	11,212	11,465
Gross: Trade and other receivables from exchange transactions		32,269	233,692	291,758	282,976	292,377	292,377	15,132	331,842	380,065	433,360
Less: Impairment for debt		(17,614)	(167,333)	(240,975)	(234,046)	(244,504)	(244,504)	1	(275,005)	(313,497)	(356,043)
Impairment for Electricity		(4,914)	(15,330)	(28,260)	(57,306)	(36,716)	(36,716)	–	(58,085)	(82,478)	(109,945)
Impairment for Water		(6,701)	(66,257)	(93,141)	(76,539)	(89,428)	(89,428)	–	(93,047)	(99,166)	(105,735)
Impairment for Waste		(2,970)	(50,431)	(70,294)	(57,700)	(69,897)	(69,897)	–	(72,650)	(76,779)	(81,185)
Impairment for Waste Water		(3,031)	(29,921)	(42,560)	(37,107)	(42,239)	(42,239)	–	(45,000)	(48,851)	(52,955)
Impairment for other trade receivalbes from exchange transactions		–	(5,395)	(6,720)	(5,395)	(6,224)	(6,224)	1	(6,224)	(6,224)	(6,224)
Total net Trade and other receivables from Exchange Transactions		14,654	66,360	50,783	48,929	47,873	47,873	15,133	56,837	66,568	77,317
Receivables from non-exchange transactions											
Property rates		7,765	47,426	50,368	34,746	60,008	60,008	3,178	31,440	36,102	40,962
Less: Impairment of Property rates		(5,852)	(24,907)	(47,934)	(12,129)	(43,532)	(43,532)	–	(11,035)	(11,576)	(12,120)
Net Property rates		1,914	22,519	2,435	22,617	16,476	16,476	3,178	20,405	24,527	28,842
Other receivables from non-exchange transactions		(20,712)	32,228	36,197	32,228	3,608	3,608	(16)	4,332	4,332	4,332
Impairment for other receivalbes from non-exchange transactions		16,740	(30,754)	(32,052)	(30,754)	538	538	–	538	538	538
Net other receivables from non-exchange transactions		(3,972)	1,474	4,145	1,474	4,145	4,145	(16)	4,869	4,869	4,869
Total net Receivables from non-exchange transactions		(2,058)	23,992	6,580	24,091	20,621	20,621	3,163	25,274	29,396	33,711
Inventory											
Water											
Opening Balance		–	70	128	162	162	162	162	799	799	799
System Input Volume		70	45,662	59,245	38,556	42,556	42,556	27,131	42,386	46,201	50,359
Water Treatment Works		–	–	–	–	–	–	–	–	–	–
Bulk Purchases		70	45,662	59,245	38,556	42,556	42,556	27,131	42,386	46,201	50,359
Natural Sources		–	–	–	–	–	–	–	–	–	–
Authorised Consumption	6	–	(45,604)	(59,211)	(38,556)	(42,556)	(42,556)	(24,080)	(42,386)	(46,201)	(50,359)
Billed Authorised Consumption		–	(45,604)	(59,211)	(38,556)	(42,556)	(42,556)	(24,080)	(42,386)	(46,201)	(50,359)
Billed Metered Consumption		–	(45,604)	(59,211)	(38,556)	(42,556)	(42,556)	(24,080)	(42,386)	(46,201)	(50,359)
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	(45,604)	(59,211)	(38,556)	(42,556)	(42,556)	(24,080)	(42,386)	(46,201)	(50,359)
Billed Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
UnBilled Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Metered Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Water Losses		–	–	–	–	–	–	–	–	–	–
Apparent losses		–	–	–	–	–	–	–	–	–	–
Unauthorised Consumption		–	–	–	–	–	–	–	–	–	–
Customer Meter Inaccuracies		–	–	–	–	–	–	–	–	–	–
Real losses		–	–	–	–	–	–	–	–	–	–
Leakage on Transmission and Distribution Mains		–	–	–	–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs		–	–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer		–	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses		–	–	–	–	–	–	–	–	–	–
Non-revenue Water		–	–	–	–	–	–	–	–	–	–
Closing Balance Water		70	128	162	162	162	162	3,213	799	799	799
Agricultural											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues		–	–	–	–	–	–	–	–	–	–
Adjustments		–	–	–	–	–	–	–	–	–	–
Write-offs		–	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		–	–	–	–	–	–	–	–	–	–
Consumables											
Standard Rated											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	1,513	1,631	1,631	26	4,397	4,565	4,733
Issues		–	–	–	–	–	–	–	(4,397)	(4,565)	(4,735)
Adjustments		–	–	–	–	–	–	–	–	–	–
Write-offs		–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		–	–	–	1,513	1,631	1,631	26	–	–	(1)
Zero Rated											

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Issues	7	-	-	-	-	-	-	-	-	-	-
Adjustments	8	-	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Zero Rated		-	-	-	-	-	-	-	-	-	-
Finished Goods											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Issues	7	-	-	-	-	-	-	-	-	-	-
Adjustments	8	-	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-	-
Closing balance - Finished Goods		-	-	-	-	-	-	-	-	-	-
Materials and Supplies											
Opening Balance		-	361	3,193	7,639	7,639	7,639	7,639	16,311	16,311	16,311
Acquisitions		10,973	13,299	16,574	22,102	23,809	23,809	13,450	25,292	26,270	26,295
Issues	7	(10,608)	(10,587)	(12,130)	(23,615)	(25,735)	(25,735)	(11,341)	(25,292)	(26,270)	(26,295)
Adjustments	8	(3)	119	1	-	-	-	(6)	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-	-
Closing balance - Materials and Supplies		361	3,193	7,639	6,126	5,713	5,713	9,743	16,311	16,311	16,311
Work-in-progress											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Materials		-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-
Closing balance - Work-in-progress		-	-	-	-	-	-	-	-	-	-
Housing Stock											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-
Sales		-	-	-	-	-	-	-	-	-	-
Closing Balance - Housing Stock		-	-	-	-	-	-	-	-	-	-
Land											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Sales		-	-	-	-	-	-	-	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-	-
Correction of Prior period errors		-	-	-	-	-	-	-	-	-	-
Closing Balance - Land		-	-	-	-	-	-	-	-	-	-
Closing Balance - Inventory & Consumables		432	3,321	7,800	7,800	7,506	7,506	12,981	17,110	17,110	17,109
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		149,609	2,879,356	2,950,986	2,985,773	3,103,778	3,103,778	46,210	3,169,830	3,118,922	3,046,208
Leases recognised as PPE		-	5,075	35,580	5,075	5,075	5,075	-	5,075	5,075	5,075
Less: Accumulated depreciation		(75,828)	(821,516)	(920,821)	(1,001,396)	(1,039,109)	(1,039,109)	(68,605)	(1,148,231)	(1,162,586)	(1,162,586)
Total Property, plant and equipment (PPE)	2	73,781	2,062,916	2,065,745	1,989,453	2,069,744	2,069,744	(22,395)	2,026,674	1,961,411	1,888,698
LIABILITIES											
Current liabilities - Financial liabilities											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		541	6,747	7,464	-	12,169	12,169	(8,088)	9,484	564	-
Total Current liabilities - Financial liabilities		541	6,747	7,464	-	12,169	12,169	(8,088)	9,484	564	-
Trade and other payables											
Trade and other payables from exchange transactions		55,725	88,885	106,957	95,168	77,056	77,056	(26,665)	87,411	96,336	96,336
Other trade payables from exchange transactions		18,392	87,069	77,935	(300)	-	-	2,135	(0)	(0)	(0)
Trade payables from Non-exchange transactions: Unspent contracts		(4,254)	751	0	751	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Other		(72,029)	6,199	(0)	236	-	-	45,780	-	-	-
VAT		-	-	-	-	-	-	-	-	-	-
Total Trade and other payables	2	(2,166)	182,904	184,892	95,855	77,056	77,056	21,250	87,411	96,336	96,336
Non current liabilities - Financial liabilities											
Borrowing	4	(8,962)	0	22,813	-	16,043	16,043	4,872	8,637	-	-
Other financial liabilities		-	-	-	-	-	-	-	-	-	-
Total Non current liabilities - Financial liabilities		(8,962)	0	22,813	-	16,043	16,043	4,872	8,637	-	-
Provisions											
Retirement benefits		(7,909)	86,613	92,167	92,212	123,003	123,003	-	126,686	126,686	126,686
Refuse landfill site rehabilitation		18,640	74,162	106,092	-	-	-	-	-	-	-
Other		(695)	15,184	16,583	-	-	-	-	-	-	-
Total Provisions		10,036	175,959	214,842	92,212	123,003	123,003	-	126,686	126,686	126,686
CHANGES IN NET ASSETS											

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
Accumulated surplus/(deficit)											
Accumulated surplus/(deficit) - opening balance		–	2,210,333	2,190,837	2,115,918	2,110,192	2,110,192	–	2,081,569	2,024,104	1,981,574
GRAP adjustments		–	–	–	–	–	–	–	–	–	–
Restated balance		–	2,210,333	2,190,837	2,115,918	2,110,192	2,110,192	–	2,081,569	2,024,104	1,981,574
Surplus/(Deficit)		3	(1,037)	717	(75,214)	(28,623)	(28,623)	(1,790)	(57,466)	(50,603)	(50,460)
Transfers to/from Reserves		–	–	–	–	–	–	–	–	–	–
Depreciation offsets		–	–	–	–	–	–	–	–	–	–
Other adjustments		(473)	22,346	(50,404)	–	–	–	–	–	8,074	–
Accumulated Surplus/(Deficit)	1	(471)	2,231,641	2,141,149	2,040,704	2,081,569	2,081,569	(1,790)	2,024,104	1,981,574	1,931,114
Reserves											
Housing Development Fund		–	–	–	–	–	–	–	–	–	–
Capital replacement		–	–	–	–	–	–	–	–	–	–
Self-insurance		–	–	–	–	–	–	–	–	–	–
Other reserves		–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–
Total Reserves	2	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	(471)	2,231,641	2,141,149	2,040,704	2,081,569	2,081,569	(1,790)	2,024,104	1,981,574	1,931,114

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											
-----------------------------	--	--	--	--	--	--	--	--	--	--	--

References

1. Must reconcile with Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Must reconcile with Table A6 Budgeted Financial Position
3. Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases
4. Borrowing must reconcile to Table A17
5. Trade Payable should only include Trade Payables from Exchange Transactions ("True Creditors")
6. Inventory Consumed - Water - included under "Inventory Consumed" on Table A4 - Detail to be submitted on Table SA1
7. Inventory Consumed Other - included under "Inventory Consumed" on Table A4 - Detail to be submitted on Table SA1
8. Inventory Transfers/Adjustments (Include under gains/losses on Table A4)
9. Inventory Write-offs (Include under losses on Table A4)

EC108 Kouga - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand												
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	-	-	-	-	-	-	-	-	-

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Balance of allocations not directly linked to an IDP strategic objective

EC108 Kouga - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand												
		A										
		B										
		C										
		D										
		E										
		F										
		G										
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	-	-	-	-	-	-	-	-	-

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure
2. Goal code must be used on Table SA36
3. Balance of allocations not directly linked to an IDP strategic objective

EC108 Kouga - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))
2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities
3. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

EC108 Kouga - Entities measureable performance objectives

Description	Unit of measurement	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Entity 1 - (name of entity)										
<i>Insert measure/s description</i>										
Entity 2 - (name of entity)										
<i>Insert measure/s description</i>										
Entity 3 - (name of entity)										
<i>Insert measure/s description</i>										
And so on for the rest of the Entities										

1. Include a measurable performance objective as agreed with the parent municipality (MFMA s87(5)(d))

2. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

EC108 Kouga - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	8.5%	9.1%	9.2%	8.9%	9.8%	9.8%	10.3%	9.2%	9.7%	8.5%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	12.7%	13.3%	12.9%	12.8%	14.2%	14.2%	12.2%	13.5%	13.9%	11.8%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	(17.9)	1.2	0.9	0.9	0.9	0.9	9.5	0.9	1.0	1.2
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	(17.9)	1.2	0.9	0.9	0.9	0.9	9.5	0.9	1.0	1.2
Liquidity Ratio	Monetary Assets/Current Liabilities	(22.7)	0.5	0.3	0.4	0.4	0.4	9.4	0.4	0.4	0.5
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.2%	136.0%	137.5%	148.4%	150.3%	150.3%	0.0%	151.4%	150.0%	147.9%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	-0.2%	4.1%	2.4%	3.5%	3.6%	3.5%	1.1%	3.6%	3.7%	3.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		8.9%	4.9%	5.6%	1749.8%	902.1%	902.1%	0.0%	3606.3%	1945.9%	690.0%

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Volume Losses (kW) non technical										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
	Bulk Purchase										
	Water treatment works										
Water Volumes :System input	Natural sources										
	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)											
Employee costs	Employee costs/(Total Revenue - capital revenue)	36.6%	37.8%	33.9%	37.2%	38.8%	38.8%	31.1%	39.2%	36.6%	35.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	38.2%	39.2%	35.2%	38.5%	40.1%	40.1%		40.6%	37.9%	36.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	7.5%	7.7%	4.7%	4.7%	4.9%	4.9%		5.3%	5.3%	5.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.6%	10.1%	10.0%	9.9%	9.8%	9.8%	9.1%	9.4%	9.9%	9.1%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	0.8	0.8	276.3	53.3	53.3	53.3	38.6	62.0	171.0	187.5
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	-0.4%	7.7%	4.4%	6.1%	6.6%	6.5%	2.3%	6.6%	6.7%	6.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	9.4	24.1	24.0	0.1	0.1	0.1	–	0.0	0.0	0.1

References

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26

Calculation data

Debtors > 90 days

Monthly fixed operational expenditure

Fixed operational expenditure % assumption

Own capex

Borrowing

66,152	74,824	79,529	87,588	88,971	88,971	53,003	98,995	104,619	113,254
40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
106,811	(23,166)	58,502	8,398	26,783	26,783	16,067	710	710	711
-	-	-	-	-	-	-	-	-	-

EC108 Kouga - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Demographics												
Population		0	-	-	-	-	-	-	-	-	-	-
Females aged 5 - 14		0	-	-	-	-	-	-	-	-	-	-
Males aged 5 - 14		0	-	-	-	-	-	-	-	-	-	-
Females aged 15 - 34		0	-	-	-	-	-	-	-	-	-	-
Males aged 15 - 34		0	-	-	-	-	-	-	-	-	-	-
Unemployment		0	-	-	-	-	-	-	-	-	-	-
Monthly household income (no. of households)	1, 12											
No income		0	-	-	-	-	-	-	-	-	-	-
R1 - R1 600		0	-	-	-	-	-	-	-	-	-	-
R1 601 - R3 200		0	-	-	-	-	-	-	-	-	-	-
R3 201 - R6 400		0	-	-	-	-	-	-	-	-	-	-
R6 401 - R12 800		0	-	-	-	-	-	-	-	-	-	-
R12 801 - R25 600		0	-	-	-	-	-	-	-	-	-	-
R25 601 - R51 200		0	-	-	-	-	-	-	-	-	-	-
R52 201 - R102 400		0	-	-	-	-	-	-	-	-	-	-
R102 401 - R204 800		0	-	-	-	-	-	-	-	-	-	-
R204 801 - R409 600		0	-	-	-	-	-	-	-	-	-	-
R409 601 - R819 200		0	-	-	-	-	-	-	-	-	-	-
> R819 200		0	-	-	-	-	-	-	-	-	-	-
Poverty profiles (no. of households)												
< R2 060 per household per month	13	0	-	-	-	-	-	-	-	-	-	-
	2	0	-	-	-	-	-	-	-	-	-	-
Household/demographics (000)												
Number of people in municipal area		0	-	-	-	-	-	-	-	-	-	-
Number of poor people in municipal area		0	-	-	-	-	-	-	-	-	-	-
Number of households in municipal area		0	-	-	-	-	-	-	-	-	-	-
Number of poor households in municipal area		0	-	-	-	-	-	-	-	-	-	-
Definition of poor household (R per month)		0	-	-	-	-	-	-	-	-	-	-
Housing statistics	3											
Formal		0	-	-	-	-	-	-	-	-	-	-
Informal		0	-	-	-	-	-	-	-	-	-	-
Total number of households			-	-	-	-	-	-	-	-	-	-
Dwellings provided by municipality	4	0	-	-	-	-	-	-	-	-	-	-
Dwellings provided by province/s		0	-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	5	0	-	-	-	-	-	-	-	-	-	-
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-

Economic	6											
Inflation/inflation outlook (CPIX)					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - borrowing					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - investment					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Remuneration increases					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (electricity)					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (water)					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Collection rates	7											
Property tax/service charges					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental of facilities & equipment					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - external investments					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - debtors					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Revenue from agency services					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		-2019	-2020	-2021	-2022-O	-2022-A	-2022-F	-2023	-2024	-2025
			2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	-	-	-	-	-	-	-	-	-
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
	8	Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		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)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		Energy:									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		Refuse:									
		Removed at least once a week	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-

	Total number of households	-	-	-	-	-	-	-	-
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Municipal in-house services	Ref.		2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	-	-	-	-	-	-	-	-	-
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
	8	Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		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)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		Energy:									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		Refuse:									
		Removed at least once a week	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-

Municipal entity services	Ref.		2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Household service targets (000)									
Name of municipal entity		Water:									
		Piped water inside dwelling	-	-	-	-	-	-	-	-	-
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
	8	Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Name of municipal entity		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	-	-	-	-	-	-	-	-	-
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Name of municipal entity		Energy:									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Name of municipal entity		Refuse:									
		Removed at least once a week	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-

Services provided by 'external mechanisms'	Ref.		2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Household service targets (000)									
Names of service providers		Water:									
		Piped water inside dwelling	-	-	-	-	-	-	-	-	-
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
	8	Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	-	-	-	-	-	-	-	-	-
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		Energy:									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		Refuse:									
		Removed at least once a week	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-

Detail of Free Basic Services (FBS) provided			2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Electricity	Ref.	<u>Location of households for each type of FBS</u>									
List type of FBS service		Formal settlements - (50 kwh per indigent household per month Rands)	3,966,664	4,485,953	5,308,769	6,977,325	4,308,895	4,308,895	4,955,229	5,430,931	6,114,142
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Other (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Total cost of FBS - Electricity for informal settlements	-	-	-	-	-	-	-	-	-
Water	Ref.	<u>Location of households for each type of FBS</u>									
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month Rands)	23,667,920	32,489,730	38,341,238	20,546,109	18,180,458	18,180,458	19,498,541	20,912,185	22,428,319
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Other (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Total cost of FBS - Water for informal settlements	-	-	-	-	-	-	-	-	-
Sanitation	Ref.	<u>Location of households for each type of FBS</u>									
List type of FBS service		Formal settlements - (free sanitation service to indigent households)	8,634,124	9,780,726	10,780,120	11,520,876	11,863,970	11,863,970	12,635,128	13,456,411	14,331,078
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Other (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Total cost of FBS - Sanitation for informal settlements	-	-	-	-	-	-	-	-	-
Refuse Removal	Ref.	<u>Location of households for each type of FBS</u>									
List type of FBS service		Formal settlements - (removed once a week to indigent households)	16,275,478	2,878,538	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-

	Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
	Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
	Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
	Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
	Other (Rands)	-	-	-	-	-	-	-	-	-
	Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
	Total cost of FBS - Refuse Removal for informal settlements	-	-	-	-	-	-	-	-	-

References

1. Monthly household income threshold. Should include all sources of income.
2. Show the poverty analysis the municipality uses to determine its indigents policy and the provision of services
3. Include total of all housing units within the municipality
4. Number of subsidised dwellings to be constructed by the municipality under agency agreement with province
5. Provide estimate based on building approval information. Include any non-subsidised dwellings constructed by the municipality
6. Insert actual or estimated % increases assumed as a basis for budget calculations
7. Insert actual or estimated % collection rate assumed as a basis for budget calculations for each revenue group
8. Stand distance <= 200m from dwelling
9. Stand distance > 200m from dwelling
10. Borehole, spring, rain-water tank etc.
11. Must agree to total number of households in municipal area
12. Household income categories assume an average 4 person household. Stats SA - Census 2011 Questionnaire
13. Based on National poverty line of R515 per capita per month (2008 prices), assuming an average household size of 4 persons

EC108 Kouga Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	625,130	1,802,450	1,912,362	5,439	8,542	8,542	–	2,424	4,951	13,961
Cash + investments at the yr end less applications - R'000	18(1)b	2	(52,392)	2,014,484	1,961,896	1,959,471	2,058,715	2,058,715	158,979	2,008,483	1,948,396	1,897,534
Cash year end/monthly employee/supplier payments	18(1)b	3	9.4	24.1	24.0	0.1	0.1	0.1	–	0.0	0.0	0.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	–	–	–	–	–	–	–	–	–	–
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	3.8%	3.8%	4.9%	(9.7%)	(6.0%)	(38.0%)	8.4%	1.5%	2.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	37.2%	32.8%	44.4%	45.6%	45.6%	0.0%	41.5%	42.0%	42.9%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	11.8%	10.5%	12.5%	9.0%	11.2%	11.2%	10.3%	10.9%	10.8%	10.5%
Capital payments % of capital expenditure	18(1)c;19	8	3.7%	(189.6%)	28.0%	100.0%	90.6%	90.6%	0.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(2348.8%)	(35.4%)	55.1%	2.9%	(0.9%)	(77.7%)	12.3%	9.7%	9.3%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	4.5%	(216.7%)	1.3%	2.3%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Supporting indicators												
% incr <i>total service charges (incl prop rates)</i>	18(1)a			9.8%	9.8%	10.9%	(3.7%)	0.0%	(32.0%)	14.4%	7.5%	8.8%
% incr Property Tax	18(1)a			6.4%	6.7%	7.4%	(1.7%)	0.0%	(18.4%)	18.9%	4.9%	4.7%
% incr Service charges - Water	18(1)a			14.6%	16.1%	13.6%	(5.8%)	0.0%	(41.4%)	15.0%	9.6%	12.6%
% incr Service charges - Waste Water Management	18(1)a			9.8%	2.6%	7.5%	(0.9%)	0.0%	(30.6%)	11.2%	7.3%	7.2%
% incr Service charges - Waste Management	18(1)a			4.8%	7.8%	11.3%	(5.3%)	0.0%	(32.3%)	6.5%	6.5%	6.5%
#REF!	18(1)a			5.1%	1.7%	14.5%	(0.9%)	0.0%	(32.8%)	6.6%	6.6%	6.6%
% incr in Sale of Goods and Rendering of Services	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		618,676	679,423	746,101	827,668	797,247	797,247	541,807	912,432	980,545	1,066,685
Service charges			618,676	679,423	746,101	827,668	797,247	797,247	541,807	912,432	980,545	1,066,685
Property rates			197,544	210,205	224,326	240,849	236,747	236,747	193,098	281,488	295,281	309,159
Service charges - electricity revenue			246,062	281,916	327,359	371,804	350,201	350,201	205,157	402,731	441,394	496,921
Service charges - water revenue			73,769	80,983	83,125	89,362	88,580	88,580	61,469	98,502	105,643	113,303
Service charges - sanitation revenue			49,951	52,346	56,405	62,796	59,450	59,450	40,233	63,314	67,430	71,813
Service charges - refuse removal			51,351	53,974	54,886	62,858	62,269	62,269	41,851	66,396	70,797	75,490
Service charges - other												
Interest			–	–	2,560	5,352	5,352	5,352	672	1,000	1,049	1,098
Capital expenditure excluding capital grant funding			106,811	(23,166)	58,502	8,398	26,783	26,783	16,067	710	710	711
Cash receipts from ratepayers	18(1)a		732	683,071	751,620	940,372	957,393	957,393	–	1,034,251	1,108,805	1,203,111
Ratepayer & Other revenue	18(1)a		1,694,198	1,836,223	2,288,632	2,118,225	2,101,536	2,101,536	1,619,305	2,493,906	2,639,507	2,803,619
Change in consumer debtors (current and non-current)		N/A		77,898	(32,989)	15,657	(4,526)	–	(50,923)	63,816	13,853	15,064
Operating and Capital Grant Revenue	18(1)a		261,035	213,768	214,531	213,654	271,054	271,054	200,373	266,444	273,073	281,231
Capital expenditure - total	20(1)(vi)		97,985	18,222	109,271	39,685	107,983	107,983	43,734	66,593	58,826	51,375
Capital expenditure - renewal	20(1)(vi)		4,407	(39,495)	1,391	907	335	335		–	–	–
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY										186,552	202,012	218,636
DoRA capital grants total MFY										74,199	65,189	56,543
Provincial operating grants										2,050	2,050	2,050
Provincial capital grants										–	–	–
District Municipality grants										3,643	3,822	4,002
Total gazetted/advised national, provincial and district grants										266,444	273,073	281,231
Average annual collection rate (arrears inclusive)												

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
DoRA operating												
Operational Revenue:General Revenue:Equitable Share										180,506	198,345	214,749
Operational:Revenue:General Revenue:Fuel Levy										-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]										-	-	-
Agriculture Research and Technology										-	-	-
Agriculture, Conservation and Environmental										-	-	-
Arts and Culture Sustainable Resource Management										-	-	-
Community Library										-	-	-
Department of Environmental Affairs										-	-	-
Department of Tourism										-	-	-
Department of Water Affairs and Sanitation Masibambane										-	-	-
Emergency Medical Service										-	-	-
Energy Efficiency and Demand-side [Schedule 5B]										-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]										2,458	-	-
HIV and Aids										-	-	-
Housing Accreditation										-	-	-
Housing Top structure										-	-	-
Infrastructure Skills Development Grant [Schedule 5B]										-	-	-
Integrated City Development Grant										-	-	-
Khayelitsha Urban Renewal										-	-	-
Local Government Financial Management Grant [Schedule 5B]										1,720	1,720	1,858
Mitchell's Plain Urban Renewal										-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]										-	-	-
Municipal Disaster Grant [Schedule 5B]										-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]										-	-	-
Municipal Systems Improvement Grant										-	-	-
Natural Resource Management Project										-	-	-
Neighbourhood Development Partnership Grant										-	-	-
Operation Clean Audit										-	-	-
Municipal Disaster Recovery Grant										-	-	-
Public Service Improvement Facility										-	-	-
Public Transport Network Operations Grant [Schedule 5B]										-	-	-
Restructuring - Seed Funding										-	-	-
Revenue Enhancement Grant Debtors Book										-	-	-
Rural Road Asset Management Systems Grant										-	-	-
Sport and Recreation										-	-	-
Terrestrial Invasive Alien Plants										-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]										-	-	-
Health Hygiene in Informal Settlements										-	-	-
Municipal Infrastructure Grant [Schedule 5B]										1,868	1,947	2,029
Water Services Infrastructure Grant										-	-	-
Public Transport Network Grant [Schedule 5B]										-	-	-

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Smart Connect Grant										-	-	-
Urban Settlement Development Grant										-	-	-
WiFi Grant [Department of Telecommunications and Postal Services										-	-	-
Street Lighting										-	-	-
Traditional Leaders - Imbizon										-	-	-
Department of Water and Sanitation Smart Living Handbook										-	-	-
Integrated National Electrification Programme Grant										-	-	-
Municipal Restructuring Grant										-	-	-
Regional Bulk Infrastructure Grant										-	-	-
Municipal Emergency Housing Grant										-	-	-
Metro Informal Settlements Partnership Grant										-	-	-
Integrated Urban Development Grant										-	-	-
										186,552	202,012	218,636

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
DoRA Capital												
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]										4,700	13,200	11,000
Municipal Infrastructure Grant [Schedule 5B]										35,499	36,989	38,543
Municipal Water Infrastructure Grant [Schedule 5B]										-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]										-	-	-
Public Transport Infrastructure Grant [Schedule 5B]										-	-	-
Rural Household Infrastructure Grant [Schedule 5B]										-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]										-	-	-
Urban Settlement Development Grant [Schedule 4B]										-	-	-
Municipal Human Settlement										-	-	-
Community Library										-	-	-
Integrated City Development Grant [Schedule 4B]										-	-	-
Municipal Disaster Recovery Grant										-	-	-
Energy Efficiency and Demand Side Management Grant										4,000	5,000	-
Khayelitsha Urban Renewal										-	-	-
Local Government Financial Management Grant [Schedule 5B]										-	-	-
Municipal Systems Improvement Grant [Schedule 5B]										-	-	-
Public Transport Network Grant [Schedule 5B]										-	-	-
Public Transport Network Operations Grant [Schedule 5B]										-	-	-
Regional Bulk Infrastructure Grant (Schedule 5B)										-	-	-
Water Services Infrastructure Grant [Schedule 5B]										30,000	10,000	7,000
WIFI Connectivity										-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]										-	-	-
Aquaponic Project										-	-	-
Restitution Settlement										-	-	-
Infrastructure Skills Development Grant [Schedule 5B]										-	-	-
Restructuring Seed Funding										-	-	-
Municipal Disaster Relief Grant										-	-	-
Municipal Emergency Housing Grant										-	-	-
Metro Informal Settlements Partnership Grant										-	-	-
Integrated Urban Development Grant										-	-	-
										74,199	65,189	56,543

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Trend												
Change in consumer debtors (current and non-current)			51,309	77,898	(32,989)	15,657	(4,526)	–	(50,923)	63,816	13,853	15,064
Total Operating Revenue			–	–	–	–	–	–	–	–	–	–
Total Operating Expenditure			–	–	–	–	–	–	–	–	–	–
Operating Performance Surplus/(Deficit)			–	–	–	–	–	–	–	–	–	–
Cash and Cash Equivalents (30 June 2012)										–		
Revenue												
% Increase in Total Operating Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expenditure												
% Increase in Total Operating Expenditure				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Employee Costs				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Bulk Purchases				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)					0	0				0		
Average Cost Per Councillor (Remuneration)					0	0				0		
R&M % of PPE			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Asset Renewal and R&M as a % of PPE			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Debt Impairment % of Total Billable Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Revenue												
Internally Funded & Other (R'000)			–	–	–	–	–	–	–	–	–	–
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			–	–	–	–	–	–	–	–	–	–
Internally Generated funds % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Expenditure												
Total Capital Programme (R'000)			–	–	–	–	–	–	–	–	–	–
Asset Renewal			–	–	–	–	–	–	–	–	–	–
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash Coverage Ratio			–	–	–	–	–	–	–	–	–	–
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			–	–	–	–	–	–	–	–	–	–
Free Services												

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			-	-	-	-	-	-	-	-	-	-
Total Operating Expenditure			-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) Budgeted Operating Statement			-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) Considering Reserves and Cash Backing			-	-	-	-	-	-	-	-	-	-
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✖		15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

References

15. Subject to figures provided in Schedule.

EC108 Kouga - Supporting Table SA11 Property rates summary

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Valuation:	1									
Date of valuation:										
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2									
Municipal/assistant valuer appointed? (Y/N)										
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3	-	-	-	-			-		
No. of data collectors (FTE)	3	-	-	-	-			-		
No. of internal valuers (FTE)	3	-	-	-	-			-		
No. of external valuers (FTE)	3	-	-	-	-			-		
No. of additional valuers (FTE)	4	-	-	-	-			-		
Valuation appeal board established? (Y/N)										
Implementation time of new valuation roll (mths)										
No. of properties	5	-	-	-	-			-		
No. of sectional title values	5	-	-	-	-			-		
No. of unreasonably difficult properties s7(2)		-	-	-	-			-		
No. of supplementary valuations		-	-	-	-			-		
No. of valuation roll amendments		-	-	-	-			-		
No. of objections by rate payers		-	-	-	-			-		
No. of appeals by rate payers		-	-	-	-			-		
No. of successful objections	8	-	-	-	-			-		
No. of successful objections > 10%	8	-	-	-	-			-		
Supplementary valuation		-	-	-	-			-		
Public service infrastructure value (Rm)	5	-	-	-	-			-		
Municipality owned property value (Rm)		-	-	-	-			-		
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)		-	-	-	-	-	-	-	-	-
Total valuation reductions:		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5	-	-	-	-	-	-	-	-	-
Total land value (Rm)	5	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	5	-	-	-	-	-	-	-	-	-
Total market value (Rm)	5	-	-	-	-	-	-	-	-	-
Rating:										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)		-	-	-	-			-		
Non-residential prescribed ratio s19? (%)		0.0%	0.0%	0.0%	0.0%			0.0%		

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Rate revenue:										
Rate revenue budget (R '000)	6	206,999	221,456	235,744	251,478	251,502	251,502	310,749	325,979	341,303
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
Special rating areas (R'000)	7	8,490	8,939	9,278	9,758	9,758	9,758	–	–	–
Rebates, exemptions - indigent (R'000)		2,490	2,619	2,754	2,897	6,999	6,999	8,361	8,771	9,183
Rebates, exemptions - pensioners (R'000)		–	–	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)		–	125	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		15,455	17,445	17,941	17,490	17,514	17,514	20,900	21,927	22,961
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–
Total rebates,exemptns,eductns,discs (R'000)		17,945	20,190	20,695	20,387	24,513	24,513	29,261	30,698	32,144

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
2. To give effect to rates policy
3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
4. Required to implement new system (FTE)
5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12
6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
7. Included in rate revenue budget
8. In favour of the rate-payer

EC108 Kouga - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ls	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Current Year 2022/23																							
Valuation:																							
No. of properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of sectional title property values		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Frequency of valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Method of valuation used (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Base of valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flat rate used? (Y/N)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Is balance rated by uniform rate/variable rate?		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions:																							
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																							
Total value used for rating (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rating:																							
Average rate	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		2,897	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		17,339	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,eductns,discs (R'000)		20,237	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include arrears collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

EC108 Kouga - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Budget Year 2023/24																							
Valuation:																							
No. of properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of sectional title property values		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Frequency of valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Method of valuation used (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Base of valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flat rate used? (Y/N)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Is balance rated by uniform rate/variable rate?		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions:																							
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																							
Total value used for rating (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rating:																							
Average rate	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R '000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		8,361	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,361
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		20,714	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,714
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,eductns,discs (R'000)		29,075	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,075

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include arrears collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

EC108 Kouga - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
							Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Property rates (rate in the Rand)	1								
Residential properties			-	-	-	-	-	-	-
Residential properties - vacant land			-	-	-	-	-	-	-
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings			-	-	-	-	-	-	-
Farm properties - used			-	-	-	-	-	-	-
Farm properties - not used			-	-	-	-	-	-	-
Industrial properties			-	-	-	-	-	-	-
Business and commercial properties			-	-	-	-	-	-	-
Communal land - residential			-	-	-	-	-	-	-
Communal land - small holdings			-	-	-	-	-	-	-
Communal land - farm property			-	-	-	-	-	-	-
Communal land - business and commercial			-	-	-	-	-	-	-
Communal land - other			-	-	-	-	-	-	-
State-owned properties			-	-	-	-	-	-	-
Municipal properties			-	-	-	-	-	-	-
Public service infrastructure			-	-	-	-	-	-	-
Privately owned towns serviced by the owner			-	-	-	-	-	-	-
State trust land			-	-	-	-	-	-	-
Restitution and redistribution properties			-	-	-	-	-	-	-
Protected areas			-	-	-	-	-	-	-
National monuments properties			-	-	-	-	-	-	-
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate			-	-	-	-	-	-	-
Indigent rebate or exemption			-	-	-	-	-	-	-
Pensioners/social grants rebate or exemption			-	-	-	-	-	-	-
Temporary relief rebate or exemption			-	-	-	-	-	-	-
Bona fide farmers rebate or exemption			-	-	-	-	-	-	-
Other rebates or exemptions	2		-	-	-	-	-	-	-
Water tariffs									
Domestic									
Basic charge/fix fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
Water usage - flat rate tariff (c/kl)			-	-	-	-	-	-	-
Water usage - life line tariff			-	-	-	-	-	-	-
Water usage - Block 1 (c/kl)			-	-	-	-	-	-	-
Water usage - Block 2 (c/kl)			-	-	-	-	-	-	-
Water usage - Block 3 (c/kl)			-	-	-	-	-	-	-
Water usage - Block 4 (c/kl)			-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-

Description	Ref	Provide description of tariff structure where appropriate	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
							Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Waste water tariffs									
Domestic									
Basic charge/fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
Waste water - flat rate tariff (c/kl)			-	-	-	-	-	-	-
Volumetric charge - Block 1 (c/kl)			-	-	-	-	-	-	-
Volumetric charge - Block 2 (c/kl)			-	-	-	-	-	-	-
Volumetric charge - Block 3 (c/kl)			-	-	-	-	-	-	-
Volumetric charge - Block 4 (c/kl)			-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-
Electricity tariffs									
Domestic									
Basic charge/fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
FBE			-	-	-	-	-	-	-
Life-line tariff - meter			-	-	-	-	-	-	-
Life-line tariff - prepaid			-	-	-	-	-	-	-
Flat rate tariff - meter (c/kwh)			-	-	-	-	-	-	-
Flat rate tariff - prepaid(c/kwh)			-	-	-	-	-	-	-
Meter - IBT Block 1 (c/kwh)			-	-	-	-	-	-	-
Meter - IBT Block 2 (c/kwh)			-	-	-	-	-	-	-
Meter - IBT Block 3 (c/kwh)			-	-	-	-	-	-	-
Meter - IBT Block 4 (c/kwh)			-	-	-	-	-	-	-
Meter - IBT Block 5 (c/kwh)			-	-	-	-	-	-	-
Prepaid - IBT Block 1 (c/kwh)			-	-	-	-	-	-	-
Prepaid - IBT Block 2 (c/kwh)			-	-	-	-	-	-	-
Prepaid - IBT Block 3 (c/kwh)			-	-	-	-	-	-	-
Prepaid - IBT Block 4 (c/kwh)			-	-	-	-	-	-	-
Prepaid - IBT Block 5 (c/kwh)			-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-
Waste management tariffs									
Domestic									
Street cleaning charge			-	-	-	-	-	-	-
Basic charge/fixed fee			-	-	-	-	-	-	-
80l bin - once a week			-	-	-	-	-	-	-
250l bin - once a week			-	-	-	-	-	-	-

References

1. If properties are not rated or zero rated this must be indicated as such
2. Please provide detailed descriptions on Sheet SA13b

EC108 Kouga - Supporting Table SA13b Service Tariffs by category - explanatory

[illegible]

[illegible]

EC108 Kouga - Supporting Table SA14 Household bills

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24 % incr.	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total large household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)
4. Note this is for a SINGLE household.

EC108 Kouga - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Parent municipality										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		(78,332)	40,490	9,803	987	9,803	9,803	4,850	969	969
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	1	(78,332)	40,490	9,803	987	9,803	9,803	4,850	969	969
Entities										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		(78,332)	40,490	9,803	987	9,803	9,803	4,850	969	969
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		(78,332)	40,490	9,803	987	9,803	9,803	4,850	969	969
Consolidated total:		(156,664)	80,980	19,606	1,974	19,606	19,606	9,699	1,938	1,938

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

EC108 Kouga - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
Municipality sub-total														
Entities														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
Entities sub-total														
TOTAL INVESTMENTS AND INTEREST	1													

References

1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)

2. List investments in expiry date order

3. If 'variable' is selected in column F, input interest rate range

4. Withdrawals to be entered as negative

EC108 Kouga - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Parent municipality										
Annuity and Bullet Loans		(8,962)	0	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		(646)	(0)	22,813	-	16,043	16,043	8,637	-	-
Municipality sub-total	1	(9,608)	(0)	22,813	-	16,043	16,043	8,637	-	-
Entities										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	(9,608)	(0)	22,813	-	16,043	16,043	8,637	-	-

Borrowing - Categorised by type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

EC108 Kouga - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		124,938	157,046	145,494	163,292	163,292	163,292	180,506	198,345	214,749
Operational Revenue:General Revenue:Equitable Share		124,938	157,046	143,774	163,292	163,292	163,292	180,506	198,345	214,749
Operational:Revenue:General Revenue:Fuel Levy		-	-	-	-	-	-	-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Agriculture Research and Technology		-	-	-	-	-	-	-	-	-
Agriculture, Conservation and Environmental		-	-	-	-	-	-	-	-	-
Arts and Culture Sustainable Resource Management		-	-	-	-	-	-	-	-	-
Community Library		-	-	-	-	-	-	-	-	-
Department of Environmental Affairs		-	-	-	-	-	-	-	-	-
Department of Tourism		-	-	-	-	-	-	-	-	-
Department of Water Affairs and Sanitation Masibambane		-	-	-	-	-	-	-	-	-
Emergency Medical Service		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		-	-	-	-	-	-	-	-	-
HIV and Aids		-	-	-	-	-	-	-	-	-
Housing Accreditation		-	-	-	-	-	-	-	-	-
Housing Top structure		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		-	-	1,720	-	-	-	-	-	-
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Natural Resource Management Project		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
Operation Clean Audit		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-	-
Public Service Improvement Facility		-	-	-	-	-	-	-	-	-
Public Transport Network Operations Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring - Seed Funding		-	-	-	-	-	-	-	-	-
Revenue Enhancement Grant Debtors Book		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Sport and Recreation		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Terrestrial Invasive Alien Plants		-	-	-	-	-	-	-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Health Hygiene in Informal Settlements		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Public Transport Network Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Smart Connect Grant		-	-	-	-	-	-	-	-	-
Urban Settlement Development Grant		-	-	-	-	-	-	-	-	-
WiFi Grant [Department of Telecommunications and Postal Services]		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Traditional Leaders - Imbizon		-	-	-	-	-	-	-	-	-
Department of Water and Sanitation Smart Living Handbook		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Restructuring Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		5,423	-	13,276	-	-	-	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		300	-	-	-	-	-	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		5,123	-	13,276	-	-	-	-	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>All Grants</i>		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-
<i>Foreign Government and International Organisations</i>		-	-	-	-	-	-	-	-	-
<i>Households</i>		-	-	-	-	-	-	-	-	-
<i>Non-profit Institutions</i>		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
<i>Private Enterprises</i>		-	-	-	-	-	-	-	-	-
<i>Public Corporations</i>		-	-	-	-	-	-	-	-	-
<i>Higher Educational Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Parent Municipality / Entity</i>		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	130,361	157,046	158,770	163,292	163,292	163,292	180,506	198,345	214,749
Capital Transfers and Grants										
National Government:		10,000	-	12,500	-	-	-	-	-	-
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Household Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Urban Settlement Development Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Municipal Human Settlement		-	-	-	-	-	-	-	-	-
Community Library		-	-	-	-	-	-	-	-	-
Integrated City Development Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Network Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Network Operations Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant (Schedule 5B)		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant [Schedule 5B]		10,000	-	-	-	-	-	-	-	-
WIFI Connectivity		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		-	-	-	-	-	-	-	-	-
Aquaponic Project		-	-	-	-	-	-	-	-	-
Restitution Settlement		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring Seed Funding		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	12,500	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		(4,254)	-	(13,512)	-	-	-	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		(4,254)	-	(13,512)	-	-	-	-	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>All Grants</i>		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-
<i>Foreign Government and International Organisations</i>		-	-	-	-	-	-	-	-	-
<i>Households</i>		-	-	-	-	-	-	-	-	-
<i>Non-Profit Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Private Enterprises</i>		-	-	-	-	-	-	-	-	-
<i>Public Corporations</i>		-	-	-	-	-	-	-	-	-
<i>Higher Educational Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Parent Municipality / Entity</i>		-	-	-	-	-	-	-	-	-
<i>Transfer from Operational Revenue</i>		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	5,746	-	(1,012)	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS		136,107	157,046	157,758	163,292	163,292	163,292	180,506	198,345	214,749

EC108 Kouga - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		58,976	123,656	133,828	103,289	104,312	104,312	117,568	120,523	125,878
Operational Revenue:General Revenue:Equitable Share		56,297	115,245	130,441	98,725	99,744	99,744	110,559	115,763	120,899
Operational:Revenue:General Revenue:Fuel Levy		-	-	-	-	-	-	-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Agriculture Research and Technology		-	-	-	-	-	-	-	-	-
Agriculture, Conservation and Environmental		-	-	-	-	-	-	-	-	-
Arts and Culture Sustainable Resource Management		-	-	-	-	-	-	-	-	-
Community Library		-	-	-	-	-	-	-	-	-
Department of Environmental Affairs		-	-	-	-	-	-	-	-	-
Department of Tourism		-	-	-	-	-	-	-	-	-
Department of Water Affairs and Sanitation Masibambane		-	-	-	-	-	-	-	-	-
Emergency Medical Service		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1,000	6,952	1,694	1,175	1,175	1,175	2,458	-	-
HIV and Aids		-	-	-	-	-	-	-	-	-
Housing Accreditation		-	-	-	-	-	-	-	-	-
Housing Top structure		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		1,647	1,425	1,015	1,590	1,594	1,594	1,141	1,194	1,249
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Natural Resource Management Project		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
Operation Clean Audit		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-	-
Public Service Improvement Facility		-	-	-	-	-	-	-	-	-
Public Transport Network Operations Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring - Seed Funding		-	-	-	-	-	-	-	-	-
Revenue Enhancement Grant Debtors Book		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Sport and Recreation		-	-	-	-	-	-	-	-	-
Terrestrial Invasive Alien Plants		-	-	-	-	-	-	-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Health Hygiene in Informal Settlements		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		31	34	678	1,799	1,799	1,799	3,410	3,567	3,731
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Public Transport Network Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Smart Connect Grant		-	-	-	-	-	-	-	-	-
Urban Settlement Development Grant		-	-	-	-	-	-	-	-	-
WiFi Grant [Department of Telecommunications and Postal Services		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Traditional Leaders - Imbizion		-	-	-	-	-	-	-	-	-
Department of Water and Sanitation Smart Living Handbook		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Restructuring Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		56	-	-	6,978	7,007	7,007	2,257	2,361	2,470
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		56	-	-	6,978	7,007	7,007	2,257	2,361	2,470
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
District Municipality:		-	961	2,784	3,101	3,153	3,153	3,378	3,536	3,699
All Grants		-	961	2,784	3,101	3,153	3,153	3,378	3,536	3,699
Other Grant Providers:		-	500	956	-	-	-	-	-	-
Departmental Agencies and Accounts		-	-	219	-	-	-	-	-	-
Foreign Government and International Organisations		-	39	169	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	200	208	-	-	-	-	-	-
Public Corporations		-	261	360	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		59,032	125,117	137,568	113,368	114,471	114,471	123,203	126,421	132,047
Capital expenditure of Transfers and Grants										
National Government:		(6,544)	37,287	50,053	29,649	79,562	79,562	64,521	56,686	49,168

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		2,387	1,269	5,702	—	—	—	4,087	11,478	9,565
Municipal Infrastructure Grant [Schedule 5B]		19,436	28,848	33,481	29,649	29,649	29,649	30,868	32,165	33,516
Municipal Water Infrastructure Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Neighbourhood Development Partnership Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Public Transport Infrastructure Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Rural Household Infrastructure Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Rural Road Asset Management Systems Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Urban Settlement Development Grant [Schedule 4B]		—	—	—	—	—	—	—	—	—
Municipal Human Settlement		—	—	—	—	—	—	—	—	—
Community Library		—	—	—	—	—	—	—	—	—
Integrated City Development Grant [Schedule 4B]		—	—	—	—	—	—	—	—	—
Municipal Disaster Recovery Grant [Schedule 4B]		—	—	—	—	—	—	—	—	—
Energy Efficiency and Demand Side Management Grant		—	—	—	—	—	—	3,478	4,348	—
Khayelitsha Urban Renewal		—	—	—	—	—	—	—	—	—
Local Government Financial Management Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Municipal Systems Improvement Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Public Transport Network Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Public Transport Network Operations Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Regional Bulk Infrastructure Grant (Schedule 5B)		—	—	—	—	—	—	—	—	—
Water Services Infrastructure Grant [Schedule 5B]		(28,367)	7,170	—	—	49,913	49,913	26,087	8,696	6,087
WIFI Connectivity		—	—	—	—	—	—	—	—	—
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		—	—	—	—	—	—	—	—	—
Aquaponic Project		—	—	—	—	—	—	—	—	—
Restitution Settlement		—	—	—	—	—	—	—	—	—
Infrastructure Skills Development Grant [Schedule 5B]		—	—	—	—	—	—	—	—	—
Restructuring Seed Funding		—	—	—	—	—	—	—	—	—
Municipal Disaster Relief Grant		—	—	10,870	—	—	—	—	—	—
Municipal Emergency Housing Grant		—	—	—	—	—	—	—	—	—
Metro Informal Settlements Partnership Grant		—	—	—	—	—	—	—	—	—
Integrated Urban Development Grant		—	—	—	—	—	—	—	—	—
Provincial Government:		—	—	—	—	—	—	—	—	—
Capacity Building		—	—	—	—	—	—	—	—	—
Capacity Building and Other		—	—	—	—	—	—	—	—	—
Disaster and Emergency Services		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Infrastructure		—	—	—	—	—	—	—	—	—
Libraries, Archives and Museums		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Public Transport		—	—	—	—	—	—	—	—	—
Road Infrastructure		—	—	—	—	—	—	—	—	—
Sports and Recreation		—	—	—	—	—	—	—	—	—
Waste Water Infrastructure		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
District Municipality:		(429)	5,713	1,600	1,638	1,638	1,638	1,362	1,429	1,496
<i>All Grants</i>		(429)	5,713	1,600	1,638	1,638	1,638	1,362	1,429	1,496
Other Grant Providers:		—	—	—	—	—	—	—	—	—
<i>Departmental Agencies and Accounts</i>		—	—	—	—	—	—	—	—	—
<i>Foreign Government and International Organisations</i>		—	—	—	—	—	—	—	—	—
<i>Households</i>		—	—	—	—	—	—	—	—	—
<i>Non-Profit Institutions</i>		—	—	—	—	—	—	—	—	—
<i>Private Enterprises</i>		—	—	—	—	—	—	—	—	—
<i>Public Corporations</i>		—	—	—	—	—	—	—	—	—
<i>Higher Educational Institutions</i>		—	—	—	—	—	—	—	—	—
<i>Parent Municipality / Entity</i>		—	—	—	—	—	—	—	—	—
<i>Transfer from Operational Revenue</i>		—	—	—	—	—	—	—	—	—
Total capital expenditure of Transfers and Grants		(6,973)	43,000	51,653	31,287	81,200	81,200	65,883	58,115	50,664
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		52,058	168,117	189,221	144,655	195,672	195,672	189,086	184,536	182,712

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

EC108 Kouga - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	(14,381)	40	40	–	–	–	–	–
Current year receipts		(1,770)	(4,133)	(4,814)	–	–	–	–	–	–
Conditions met - transferred to revenue		(1,770)	(18,514)	(4,774)	40	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		(5,423)	–	(13,276)	–	–	–	–	–	–
Conditions met - transferred to revenue		(11,719)	–	(13,276)	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		6,296	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		(13,489)	(18,514)	(18,050)	40	–	–	–	–	–
Total operating transfers and grants - CTBM	2	6,296	–	–	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	(12,546)	(6,003)	(40)	–	–	–	–	–
Current year receipts		(55,198)	(34,811)	(52,042)	–	–	–	–	–	–
Conditions met - transferred to revenue		(55,198)	(57,757)	(58,045)	(40)	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	10,400	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	(236)	(987)	(987)	–	–	–	–	–
Current year receipts		–	–	13,512	–	–	–	–	–	–
Conditions met - transferred to revenue		–	(236)	12,525	(987)	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		(55,198)	(57,993)	(45,520)	(1,027)	–	–	–	–	–
Total capital transfers and grants - CTBM	2	–	10,400	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		(68,687)	(76,507)	(63,570)	(987)	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS - CTBM		6,296	10,400	–	–	–	–	–	–	–

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance
2. CTBM = conditions to be met
3. National Treasury database will require this reconciliation for each transfer/grant

EC108 Kouga - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
Cash Transfers to other municipalities											
Operational	1	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
Operational	2	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
Operational	3	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
Operational		250	561	250	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		250	561	250	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
Operational		-	200	208	400	400	400	-	700	728	756
Capital		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		-	200	208	400	400	400	-	700	728	756
TOTAL CASH TRANSFERS AND GRANTS	6	250	761	458	400	400	400	-	700	728	756

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
Non-Cash Transfers to other municipalities											
Operational	1	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
Operational	2	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
Operational	3	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
Operational	4	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Groups of Individuals											
Operational	5	-	-	-	-	325	325	325	340	356	372
Capital		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	325	325	325	340	356	372
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	325	325	325	340	356	372
TOTAL TRANSFERS AND GRANTS	6	250	761	458	400	725	725	325	1,040	1,084	1,129

References

1. Insert description listed by municipal name and demarcation code of recipient
2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)
3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)
4. Insert description of each other organisation (e.g. charity)
- 5 Insert description of each other organisation (e.g. the aged, child-headed households)
6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

EC108 Kouga - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		8,695	8,637	9,004	9,584	9,584	9,584	10,264	10,737	11,230
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		2,900	2,879	3,204	3,232	3,232	3,232	3,462	3,621	3,788
Cellphone Allowance		1,280	1,265	1,187	1,548	1,548	1,548	1,658	1,734	1,814
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		12,876	12,780	13,395	14,364	14,364	14,364	15,384	16,092	16,832
% increase	4		(0.7%)	4.8%	7.2%	-	-	7.1%	4.6%	4.6%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		5,573	7,457	6,126	7,282	6,742	6,742	7,799	8,157	8,533
Pension and UIF Contributions		43	126	70	111	111	111	119	124	130
Medical Aid Contributions		17	38	35	50	50	50	53	56	58
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		512	612	157	23	1,436	1,436	1,529	1,599	1,673
Motor Vehicle Allowance		640	640	796	1,965	1,842	1,842	2,105	2,202	2,303
Cellphone Allowance	3	6	10	10	10	10	10	10	11	11
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	45	55	1	4	4	4	5	5	5
Payments in lieu of leave		4	440	4,529	4,500	4,500	4,500	4,820	5,041	5,273
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		6,840	9,378	11,723	13,945	14,695	14,695	16,439	17,195	17,986
% increase	4		37.1%	25.0%	19.0%	5.4%	-	11.9%	4.6%	4.6%
Other Municipal Staff										
Basic Salaries and Wages		177,692	190,431	206,274	256,235	257,138	257,138	291,829	305,253	319,295
Pension and UIF Contributions		30,176	31,918	32,144	34,906	34,901	34,901	37,531	39,258	41,064
Medical Aid Contributions		15,782	16,812	16,653	17,471	17,471	17,471	18,888	19,757	20,695
Overtime		27,334	23,381	17,266	20,000	19,422	19,422	20,282	21,215	22,191
Performance Bonus		13,388	14,980	14,487	17,319	17,319	17,319	18,578	19,432	20,326
Motor Vehicle Allowance	3	8,750	9,703	9,966	10,774	10,554	10,554	11,539	12,070	12,625
Cellphone Allowance	3	-	-	92	53	53	53	57	59	62
Housing Allowances	3	857	900	782	1,031	1,051	1,051	1,254	1,312	1,372
Other benefits and allowances	3	15,458	15,669	16,391	16,710	16,775	16,775	18,047	18,877	19,746
Payments in lieu of leave		1,217	3,812	975	1,600	1,600	1,600	1,714	1,792	1,875
Long service awards		761	1,954	2,174	1,275	1,276	1,276	5,050	1,430	1,496
Post-retirement benefit obligations	6	(4,547)	16,397	10,464	-	17,124	17,124	17,205	1,889	1,975
Sub Total - Other Municipal Staff		286,868	325,956	327,668	377,374	394,684	394,684	441,974	442,345	462,722
% increase	4		13.6%	0.5%	15.2%	4.6%	-	12.0%	0.1%	4.6%
Total Parent Municipality		306,584	348,114	352,786	405,683	423,743	423,743	473,797	475,632	497,541
			13.5%	1.3%	15.0%	4.5%	-	11.8%	0.4%	4.6%
Board Members of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities	6	-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		306,584	348,114	352,786	405,683	423,743	423,743	473,797	475,632	497,541
% increase	4		13.5%	1.3%	15.0%	4.5%	-	11.8%	0.4%	4.6%
TOTAL MANAGERS AND STAFF	5,7	293,708	335,334	339,392	391,318	409,379	409,379	458,412	459,540	480,708

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved
2. s57 of the Systems Act
3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance
4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D
5. Must agree to the sub-total appearing on Table A1 (Employee costs)
6. Includes pension payments and employer contributions to medical aid
7. Correct as at 30 June

Column Definitions:

- A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited
- D. The original budget approved by council for the budget year.
- E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.
- G. The amount to be appropriated for the budget year.
- H and I. The indicative projection

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.

3. List each political office bearer by designation. Provide a total for all other councillors

4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)

5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation

6. List each entity where municipality has an interest and state percentage ownership and control

7. List each senior manager reporting to the CEO of an Entity by designation

8. Must reconcile to relevant section of Table SA24

9. Must reconcile to totals shown for the budget year of Table SA22

10. Correct as at 30 June

EC108 Kouga - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2021/22			Current Year 2022/23			Budget Year 2023/24		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		-	-	-	-	-	-	-	-	-
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
Municipal employees	5	-	-	-	-	-	-	-	-	-
Municipal Manager and Senior Managers	3	-	-	-	-	-	-	-	-	-
Other Managers	7	-	-	-	-	-	-	-	-	-
Professionals		-	-	-	-	-	-	-	-	-
Finance		-	-	-	-	-	-	-	-	-
Spatial/town planning		-	-	-	-	-	-	-	-	-
Information Technology		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Technicians		-	-	-	-	-	-	-	-	-
Finance		-	-	-	-	-	-	-	-	-
Spatial/town planning		-	-	-	-	-	-	-	-	-
Information Technology		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Clerks (Clerical and administrative)		-	-	-	-	-	-	-	-	-
Service and sales workers		-	-	-	-	-	-	-	-	-
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	-	-	-
Plant and Machine Operators		-	-	-	-	-	-	-	-	-
Elementary Occupations		-	-	-	-	-	-	-	-	-
TOTAL PERSONNEL NUMBERS	9	-	-	-	-	-	-	-	-	-
% increase		-	-	-	-	-	-	-	-	-
Total municipal employees headcount	6, 10	-	-	-	-	-	-	-	-	-
Finance personnel headcount	8, 10	-	-	-	-	-	-	-	-	-
Human Resources personnel headcount	8, 10	-	-	-	-	-	-	-	-	-

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions
9. Correct as at 30 June
10. Must account for all budgeted positions, as per the municipal organogram

EC108 Kouga - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand																
Revenue																
Exchange Revenue																
Service charges - Electricity		33,561	33,561	33,561	33,561	33,561	33,561	33,561	33,561	33,561	33,561	33,561	33,561	402,731	441,394	496,921
Service charges - Water		8,209	8,209	8,209	8,209	8,209	8,209	8,209	8,209	8,209	8,209	8,209	8,209	98,502	105,643	113,303
Service charges - Waste Water Management		5,276	5,276	5,276	5,276	5,276	5,276	5,276	5,276	5,276	5,276	5,276	5,276	63,314	67,430	71,813
Service charges - Waste Management		5,533	5,533	5,533	5,533	5,533	5,533	5,533	5,533	5,533	5,533	5,533	5,533	66,396	70,797	75,490
Sale of Goods and Rendering of Services		649	649	649	649	649	649	649	649	649	649	649	649	7,790	8,169	8,550
Agency services		83	83	83	83	83	83	83	83	83	83	83	83	1,000	1,049	1,098
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	18,595	19,903	21,351
Interest earned from Current and Non Current Assets		383	383	383	383	383	383	383	383	383	383	383	383	4,598	4,823	5,050
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		275	275	275	275	275	275	275	275	275	275	275	275	3,295	3,456	3,618
Licence and permits		252	252	252	252	252	252	252	252	252	252	252	252	3,021	3,169	3,318
Operational Revenue		181	181	181	181	181	181	181	181	181	181	181	181	2,174	2,231	2,289
Non-Exchange Revenue																
Property rates		23,457	23,457	23,457	23,457	23,457	23,457	23,457	23,457	23,457	23,457	23,457	23,457	281,488	295,281	309,159
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		861	861	861	861	861	861	861	861	861	861	861	861	10,334	10,840	11,350
Licences or permits		889	889	889	889	889	889	889	889	889	889	889	889	10,668	11,191	11,718
Transfer and subsidies - Operational		15,907	15,907	15,907	15,907	15,907	15,907	15,907	15,907	15,907	15,907	15,907	15,907	190,883	206,455	223,191
Interest		270	270	270	270	270	270	270	270	270	270	270	270	3,244	3,403	3,563
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		97,336	97,336	97,336	97,336	97,336	97,336	97,336	97,336	97,336	97,336	97,336	97,337	1,168,034	1,255,234	1,361,781
Expenditure																
Employee related costs		38,201	38,201	38,201	38,201	38,201	38,201	38,201	38,201	38,201	38,201	38,201	38,203	458,412	459,540	480,708
Remuneration of councillors		1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282	15,384	16,092	16,832
Inventory consumed		30,482	30,482	30,482	30,482	30,482	30,482	30,482	30,482	30,482	30,482	30,482	30,482	365,780	412,234	476,873
Debt impairment		8,308	8,308	8,308	8,308	8,308	8,308	8,308	8,308	8,308	8,308	8,308	8,309	99,701	105,960	111,643
Depreciation and amortisation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity		9,138	9,138	9,138	9,138	9,138	9,138	9,138	9,138	9,138	9,138	9,138	9,140	109,663	124,089	124,089
Interest		174	174	174	174	174	174	174	174	174	174	174	174	2,090	1,062	15
Contracted services		9,213	8,714	10,216	8,623	8,329	9,720	9,128	9,023	9,230	8,645	8,725	9,147	108,715	105,735	108,799
Transfers and subsidies		87	87	87	87	87	87	87	87	87	87	87	87	1,040	1,084	1,129
Irrecoverable debts written off		609	609	609	609	609	609	609	609	609	609	609	609	7,305	7,663	8,024
Operational costs		8,001	8,040	8,018	8,114	8,248	7,910	8,062	7,924	8,130	8,035	8,132	8,499	97,112	100,281	99,761

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand																
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		2,988	2,988	2,988	2,988	2,988	2,988	2,988	2,988	2,988	2,988	2,988	2,988	35,858	38,714	42,408
Total Expenditure		108,483	108,023	109,503	108,006	107,846	108,900	108,460	108,216	108,629	107,949	108,126	108,920	1,301,061	1,372,455	1,470,281
Surplus/(Deficit)		(11,147)	(10,687)	(12,167)	(10,670)	(10,510)	(11,564)	(11,123)	(10,879)	(11,293)	(10,613)	(10,790)	(11,583)	(133,027)	(117,221)	(108,500)
Transfers and subsidies - capital (monetary allocations)		6,297	6,297	6,297	6,297	6,297	6,297	6,297	6,297	6,297	6,297	6,297	6,297	75,561	66,618	58,040
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		–	–	–	–	–	–	–	–	–	–	–	(57,466)	(57,466)	(50,603)	(50,460)
Income Tax		(4,850)	(4,390)	(5,870)	(4,373)	(4,214)	(5,267)	(4,827)	(4,583)	(4,996)	(4,316)	(4,493)	(62,752)	(114,931)	(101,205)	(100,921)
Surplus/(Deficit) after income tax		–	–	–	–	–	–	–	–	–	–	–	(57,466)	(57,466)	(50,603)	(50,460)
Surplus/(Deficit) attributable to municipality		–	–	–	–	–	–	–	–	–	–	–	(57,466)	(57,466)	(50,603)	(50,460)
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	(4,850)	(4,390)	(5,870)	(4,373)	(4,214)	(5,267)	(4,827)	(4,583)	(4,996)	(4,316)	(4,493)	(62,752)	(114,931)	(101,205)	(100,921)

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

EC108 Kouga - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand																
Revenue by Vote																
Vote 1 - EXECUTIVE COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		34,228	34,228	34,228	34,228	34,228	34,228	34,228	34,228	34,228	34,228	34,228	34,228	410,736	436,555	461,670
Vote 3 - CORPORATE SERVICES		100	100	100	100	100	100	100	100	100	100	100	100	1,194	1,253	1,312
Vote 4 - COMMUNITY SERVICES		10,651	10,651	10,651	10,651	10,651	10,651	10,651	10,651	10,651	10,651	10,651	10,651	127,808	136,329	144,998
Vote 5 - INFRASTRUCTURE AND ENGINEERING		58,137	58,137	58,137	58,137	58,137	58,137	58,137	58,137	58,137	58,137	58,137	58,137	697,642	741,196	805,016
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		518	518	518	518	518	518	518	518	518	518	518	518	6,215	6,519	6,826
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		103,633	103,633	103,633	103,633	103,633	103,633	103,633	103,633	103,633	103,633	103,633	103,633	1,243,595	1,321,852	1,419,821
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE COUNCIL		6,141	6,140	6,143	6,148	6,149	6,148	6,154	6,150	6,154	6,173	6,155	6,156	73,810	77,004	79,983
Vote 2 - FINANCIAL SERVICES		10,038	10,039	10,039	10,040	10,048	10,038	10,041	10,041	10,043	10,041	10,035	10,063	120,507	124,523	128,333
Vote 3 - CORPORATE SERVICES		5,510	5,549	5,526	5,623	5,755	5,418	5,570	5,430	5,637	5,540	5,641	6,000	67,199	49,627	47,203
Vote 4 - COMMUNITY SERVICES		20,568	20,568	20,568	20,568	20,568	20,568	20,568	20,568	20,568	20,568	20,568	20,571	246,820	258,819	269,407
Vote 5 - INFRASTRUCTURE AND ENGINEERING		62,756	62,256	63,756	62,156	61,856	63,256	62,656	62,556	62,756	62,156	62,256	62,657	751,069	823,280	905,358
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		3,420	3,420	3,420	3,420	3,420	3,420	3,420	3,420	3,420	3,420	3,420	4,040	41,656	39,201	39,997
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		108,431	107,972	109,452	107,954	107,795	108,848	108,408	108,164	108,577	107,898	108,075	109,488	1,301,061	1,372,455	1,470,281
Surplus/(Deficit) before assoc.		(4,798)	(4,339)	(5,819)	(4,321)	(4,162)	(5,215)	(4,775)	(4,531)	(4,945)	(4,265)	(4,442)	(5,855)	(57,466)	(50,603)	(50,460)
Surplus/(Deficit) after income tax		-	-	-	-	-	-	-	-	-	-	-	(57,466)	(57,466)	(50,603)	(50,460)
Surplus/(Deficit) attributable to municipality		-	-	-	-	-	-	-	-	-	-	-	(57,466)	(57,466)	(50,603)	(50,460)
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(4,798)	(4,339)	(5,819)	(4,321)	(4,162)	(5,215)	(4,775)	(4,531)	(4,945)	(4,265)	(4,442)	(5,855)	(57,466)	(50,603)	(50,460)

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

EC108 Kouga - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description		Ref	Budget Year 2023/24											Medium Term Revenue and Expenditure Framework			
R thousand	July		August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Revenue - Functional																	
Governance and administration			35,220	35,220	35,220	35,220	35,220	35,220	35,220	35,220	35,220	35,220	35,220	422,639	449,041	474,743	
Executive and council		9	9	9	9	9	9	9	9	9	9	9	9	106	111	116	
Finance and administration			35,211	35,211	35,211	35,211	35,211	35,211	35,211	35,211	35,211	35,211	35,211	422,533	448,930	474,627	
Internal audit			–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Community and public safety			1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	16,716	17,435	18,158	
Community and social services			203	203	203	203	203	203	203	203	203	203	203	2,437	2,456	2,475	
Sport and recreation			861	861	861	861	861	861	861	861	861	861	862	10,338	10,844	11,354	
Public safety			115	115	115	115	115	115	115	115	115	115	115	1,378	1,446	1,514	
Housing			–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Health			214	214	214	214	214	214	214	214	214	214	214	2,563	2,689	2,816	
Economic and environmental services			3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	37,432	37,198	39,485	
Planning and development			674	674	674	674	674	674	674	674	674	674	674	8,083	8,466	8,854	
Road transport			576	576	576	576	576	576	576	576	576	576	576	6,910	4,670	4,889	
Environmental protection			1,870	1,870	1,870	1,870	1,870	1,870	1,870	1,870	1,870	1,870	1,870	22,439	24,062	25,742	
Trading services			63,901	63,901	63,901	63,901	63,901	63,901	63,901	63,901	63,901	63,901	63,901	766,808	818,179	887,434	
Energy sources			35,031	35,031	35,031	35,031	35,031	35,031	35,031	35,031	35,031	35,031	35,031	420,372	469,414	518,622	
Water management			13,198	13,198	13,198	13,198	13,198	13,198	13,198	13,198	13,198	13,198	13,198	158,377	148,267	155,539	
Waste water management			9,476	9,476	9,476	9,476	9,476	9,476	9,476	9,476	9,476	9,476	9,476	113,711	120,671	127,886	
Waste management			6,196	6,196	6,196	6,196	6,196	6,196	6,196	6,196	6,196	6,196	6,196	74,347	79,827	85,387	
Other			–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Total Revenue - Functional			103,633	103,633	103,633	103,633	103,633	103,633	103,633	103,633	103,633	103,633	103,633	1,243,595	1,321,852	1,419,821	
Expenditure - Functional																	
Governance and administration			26,463	26,503	26,483	26,586	26,727	26,379	26,540	26,396	26,609	26,529	26,606	26,994	318,816	311,415	317,991
Executive and council			5,603	5,603	5,604	5,608	5,609	5,609	5,613	5,610	5,613	5,628	5,614	5,615	67,329	70,222	72,949
Finance and administration			20,840	20,881	20,858	20,957	21,097	20,750	20,905	20,765	20,975	20,879	20,971	21,358	251,236	240,924	244,778
Internal audit			20	20	20	21	21	21	21	21	21	23	21	21	251	268	263
Community and public safety			10,315	10,316	10,316	10,316	10,315	10,316	10,316	10,315	10,316	10,316	10,316	10,318	123,790	129,424	135,222
Community and social services			1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	13,123	13,771	14,381
Sport and recreation			5,407	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,410	64,896	68,015	71,068
Public safety			2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	30,735	32,175	33,615
Housing			589	589	589	589	589	589	589	589	589	589	589	589	7,070	7,125	7,436
Health			664	664	664	664	664	664	664	664	664	664	664	664	7,966	8,338	8,722
Economic and environmental services			13,777	13,277	14,777	13,177	12,877	14,277	13,677	13,577	13,777	13,177	13,277	13,679	163,328	171,751	176,970
Planning and development			2,778	2,778	2,778	2,778	2,778	2,778	2,778	2,778	2,778	2,778	2,778	2,779	33,336	34,878	36,470
Road transport			10,198	9,698	11,198	9,598	9,298	10,698	10,098	9,998	10,198	9,598	9,698	10,098	120,378	126,795	129,959
Environmental protection			801	801	801	801	801	801	801	801	801	801	801	801	9,615	10,078	10,541
Trading services			57,261	57,261	57,261	57,261	57,261	57,261	57,261	57,261	57,261	57,261	57,261	57,262	687,128	755,602	836,311
Energy sources			35,774	35,774	35,774	35,774	35,774	35,774	35,774	35,774	35,774	35,774	35,774	35,774	429,290	477,369	546,075
Water management			8,977	8,977	8,977	8,977	8,977	8,977	8,977	8,977	8,977	8,977	8,977	8,978	107,728	115,972	122,569
Waste water management			7,183	7,183	7,183	7,183	7,183	7,183	7,183	7,183	7,183	7,183	7,183	7,183	86,195	95,088	98,493
Waste management			5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,326	63,915	67,173	69,174

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand																
<i>Other</i>		667	667	667	667	667	667	667	667	667	667	667	667	7,998	4,263	3,787
Total Expenditure - Functional		108,483	108,023	109,503	108,006	107,846	108,900	108,460	108,216	108,629	107,949	108,126	108,920	1,301,061	1,372,455	1,470,281
Surplus/(Deficit) before assoc.		(4,850)	(4,390)	(5,870)	(4,373)	(4,214)	(5,267)	(4,827)	(4,583)	(4,996)	(4,316)	(4,493)	(5,286)	(57,466)	(50,603)	(50,460)
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	(4,850)	(4,390)	(5,870)	(4,373)	(4,214)	(5,267)	(4,827)	(4,583)	(4,996)	(4,316)	(4,493)	(5,286)	(57,466)	(50,603)	(50,460)

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

EC108 Kouga - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - EXECUTIVE COUNCIL		1	1	1	1	1	1	1	1	1	1	1	1	10	10	11
Vote 2 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		114	114	114	114	114	114	114	114	114	114	114	114	1,362	1,429	1,496
Vote 5 - INFRASTRUCTURE AND ENGINEERING		5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	64,521	56,686	49,168
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		58	58	58	58	58	58	58	58	58	58	58	58	700	700	700
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	66,593	58,826	51,375
Single-year expenditure to be appropriated																
Vote 1 - EXECUTIVE COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - INFRASTRUCTURE AND ENGINEERING		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	2	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	66,593	58,826	51,375

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

EC108 Kouga - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital Expenditure - Functional	1															
Governance and administration		1	1	1	1	1	1	1	1	1	1	1	1	10	10	11
Executive and council		1	1	1	1	1	1	1	1	1	1	1	1	10	10	11
Finance and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		114	114	114	114	114	114	114	114	114	114	114	114	1,362	1,429	1,496
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		114	114	114	114	114	114	114	114	114	114	114	114	1,362	1,429	1,496
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		541	541	541	541	541	541	541	541	541	541	541	541	6,497	13,500	23,715
Planning and development		263	263	263	263	263	263	263	263	263	263	263	263	3,157	100	100
Road transport		278	278	278	278	278	278	278	278	278	278	278	278	3,339	13,400	23,615
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		4,844	4,844	4,844	4,844	4,844	4,844	4,844	4,844	4,844	4,844	4,844	4,844	58,124	43,286	25,554
Energy sources		638	638	638	638	638	638	638	638	638	638	638	638	7,652	16,300	9,565
Water management		2,174	2,174	2,174	2,174	2,174	2,174	2,174	2,174	2,174	2,174	2,174	2,174	26,087	8,696	6,087
Waste water management		2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	24,385	18,290	9,901
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		50	50	50	50	50	50	50	50	50	50	50	50	600	600	600
Total Capital Expenditure - Functional	2	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	66,593	58,826	51,375
Funded by:																
National Government		5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	5,377	64,521	56,686	49,168
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		114	114	114	114	114	114	114	114	114	114	114	114	1,362	1,429	1,496
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		5,490	5,490	5,490	5,490	5,490	5,490	5,490	5,490	5,490	5,490	5,490	5,490	65,883	58,115	50,664
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		59	59	59	59	59	59	59	59	59	59	59	59	710	710	711
Total Capital Funding		5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	5,549	66,593	58,826	51,375

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

EC108 Kouga - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand															
Cash Receipts By Source													1		
Service charges - Electricity	(22,304)	(22,304)	(22,304)	(22,304)	(22,304)	(22,304)	(22,304)	(22,304)	(22,304)	(22,304)	(22,304)	512,992	267,648	280,763	293,959
Service charges - Water	(36,393)	(36,393)	(36,393)	(36,393)	(36,393)	(36,393)	(36,393)	(36,393)	(36,393)	(36,393)	(36,393)	837,040	436,717	478,641	538,855
Service charges - Waste Water Management	(9,497)	(9,497)	(9,497)	(9,497)	(9,497)	(9,497)	(9,497)	(9,497)	(9,497)	(9,497)	(9,497)	218,439	113,968	122,226	131,081
Service charges - Waste Management	(5,979)	(5,979)	(5,979)	(5,979)	(5,979)	(5,979)	(5,979)	(5,979)	(5,979)	(5,979)	(5,979)	137,511	71,745	76,408	81,375
#REF!	(6,425)	(6,425)	(6,425)	(6,425)	(6,425)	(6,425)	(6,425)	(6,425)	(6,425)	(6,425)	(6,425)	147,775	77,100	82,203	87,645
Sale of Goods and Rendering of Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	233	233	233	233	233	233	233	233	233	233	233	(2,567)	-	-	-
Dividends	383	383	383	383	383	383	383	383	383	383	383	383	4,598	4,823	5,050
Rent on Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licence and permits	732	732	732	732	732	732	732	732	732	732	732	(8,052)	-	-	-
Operational Revenue	2,438	2,438	2,438	2,438	2,438	2,438	2,438	2,438	2,438	2,438	2,438	40,254	67,073	68,564	70,197
Non-Exchange Revenue	83	83	83	83	83	83	83	83	83	83	83	(917)	-	-	-
Transfers and Subsidies - Operational	14,899	14,899	14,899	14,899	14,899	14,899	14,899	14,899	14,899	14,899	14,899	26,992	190,883	206,455	223,191
Surcharges and Taxes	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	1,115	-	-	-
Cash Receipts by Source	(61,930)	(61,930)	(61,930)	(61,930)	(61,930)	(61,930)	(61,930)	(61,930)	(61,930)	(61,930)	(61,930)	1,910,965	1,229,732	1,320,084	1,431,352
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations)	(6,070)	(6,070)	(6,070)	(6,070)	(6,070)	(6,070)	(6,070)	(6,070)	(6,070)	(6,070)	(6,070)	142,328	75,561	66,618	58,040
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	2,053,293	1,305,293	1,386,702	1,489,391
Cash Payments by Type															
Employee related costs	(37,742)	(37,742)	(37,742)	(37,742)	(37,742)	(37,742)	(37,742)	(37,742)	(37,742)	(37,742)	(37,742)	(37,742)	(452,909)	(473,743)	(495,565)
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity	(30,482)	(30,482)	(30,482)	(30,482)	(30,482)	(30,482)	(30,482)	(30,482)	(30,482)	(30,482)	(30,482)	(30,482)	(365,780)	(412,234)	(476,873)
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	(6,006)	(6,006)	(6,006)	(6,006)	(6,006)	(6,006)	(6,006)	(6,006)	(6,006)	(6,006)	(6,006)	(6,006)	(72,075)	(77,035)	(81,387)
Contracted services	(9,060)	(9,060)	(9,060)	(9,060)	(9,060)	(9,060)	(9,060)	(9,060)	(9,060)	(9,060)	(9,060)	(9,060)	(108,715)	(105,735)	(108,799)
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	(19,604)	(19,604)	(19,604)	(19,604)	(19,604)	(19,604)	(19,604)	(19,604)	(19,604)	(19,604)	(19,604)	(19,604)	(235,249)	(247,117)	(265,818)
Cash Payments by Type	(102,894)	(102,894)	(102,894)	(102,894)	(102,894)	(102,894)	(102,894)	(102,894)	(102,894)	(102,894)	(102,894)	(102,894)	(1,234,729)	(1,315,865)	(1,428,442)
Other Cash Flows/Payments by Type															
Capital assets	-	-	-	-	-	-	-	-	-	-	-	(66,593)	(66,593)	(58,826)	(51,375)
Repayment of borrowing	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(841)	(10,091)	(9,484)	(564)
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	(103,735)	(103,735)	(103,735)	(103,735)	(103,735)	(103,735)	(103,735)	(103,735)	(103,735)	(103,735)	(103,735)	(170,328)	(1,311,412)	(1,384,175)	(1,480,381)
NET INCREASE/(DECREASE) IN CASH HELD	(171,735)	(171,735)	(171,735)	(171,735)	(171,735)	(171,735)	(171,735)	(171,735)	(171,735)	(171,735)	(171,735)	1,882,965	(6,118)	2,527	9,010
Cash/cash equivalents at the month/year begin:	8,542	(163,193)	(334,927)	(506,662)	(678,397)	(850,132)	(1,021,867)	(1,193,602)	(1,365,337)	(1,537,071)	(1,708,806)	(1,880,541)	8,542	2,424	4,951

MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash/cash equivalents at the month/year end:	(163,193)	(334,927)	(506,662)	(678,397)	(850,132)	(1,021,867)	(1,193,602)	(1,365,337)	(1,537,071)	(1,708,806)	(1,880,541)	2,424	2,424	4,951	13,961

References

1. Note that this section of Table SA 30 is deliberately not linked to Table A4 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. However for the MTREF it is now directly linked to A7.

EC108 Kouga - NOT REQUIRED - municipality does not have entities

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R million										
Financial Performance										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-
Investment revenue		-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		-	-	-	-	-	-	-	-	-
Other own revenue		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	-	-	-
Employee costs		-	-	-	-	-	-	-	-	-
Remuneration of Board Members		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		-	-	-	-	-	-	-	-	-
Finance charges		-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases		-	-	-	-	-	-	-	-	-
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		-	-	-	-	-	-	-	-	-
Total Expenditure		-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		-	-	-	-	-	-	-	-	-
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Public contributions & donations		-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-
Total sources		-	-	-	-	-	-	-	-	-
Financial position										
Total current assets		-	-	-	-	-	-	-	-	-
Total non current assets		-	-	-	-	-	-	-	-	-
Total current liabilities		-	-	-	-	-	-	-	-	-
Total non current liabilities		-	-	-	-	-	-	-	-	-
Community wealth/Equity		-	-	-	-	-	-	-	-	-
Cash flows										
Net cash from (used) operating		-	-	-	-	-	-	-	-	-
Net cash from (used) investing		-	-	-	-	-	-	-	-	-
Net cash from (used) financing		-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end		-	-	-	-	-	-	-	-	-

EC108 Kouga - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand

References

1. Total agreement period from commencement until end
2. Annual value

EC108 Kouga - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework			Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3														-
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-
Contract 9														-
Contract 10														-
Contract 11														-
Contract 12														-
Contract 13														-
Contract 14														-
Contract 15														-
Contract 16														-
Contract 17														-
Contract 18														-
Contract 19														-
Contract 20														-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3														-
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-
Contract 9														-
Contract 10														-
Contract 11														-
Contract 12														-
Contract 13														-
Contract 14														-
Contract 15														-

Description	Ref	Preceding Years	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework			Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Contract 16	2													-
Contract 17														-
Contract 18														-
Contract 19														-
Contract 20														-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract														
Contract 1														-
Contract 2														-
Contract 3														-
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-
Contract 9														-
Contract 10														-
Contract 11														-
Contract 12														-
Contract 13														-
Contract 14														-
Contract 15														-
Contract 16														-
Contract 17														-
Contract 18														-
Contract 19														-
Contract 20														-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Entities:	2													
Revenue Obligation By Contract														
Contract 1														-
Contract 2														-
Contract 3														-
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-

Description	Ref	Preceding Years	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework			Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Contract 9														-
Contract 10														-
Contract 11														-
Contract 12														-
Contract 13														-
Contract 14														-
Contract 15														-
Contract 16														-
Contract 17														-
Contract 18														-
Contract 19														-
Contract 20														-
Total Operating Revenue Implication	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract														
Contract 1														-
Contract 2														-
Contract 3														-
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-
Contract 9														-
Contract 10														-
Contract 11														-
Contract 12														-
Contract 13														-
Contract 14														-
Contract 15														-
Contract 16														-
Contract 17														-
Contract 18														-
Contract 19														-
Contract 20														-
Total Operating Expenditure Implication	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract														
Contract 1														-
Contract 2														-

Description	Ref	Preceding Years	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework			Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Contract 3														-
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-
Contract 9														-
Contract 10														-
Contract 11														-
Contract 12														-
Contract 13														-
Contract 14														-
Contract 15														-
Contract 16														-
Contract 17														-
Contract 18														-
Contract 19														-
Contract 20														-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Entity Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column
2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)
3. For municipalities with approved total revenue not exceeding R250 m - all contracts with an annual cost greater than R500 000. For municipalities with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million.
For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

EC108 Kouga - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		136,692	48,522	30,246	2,993	56,890	56,890	11,296	30,084	39,267
Roads Infrastructure		-	-	-	-	-	-	3,339	13,400	23,615
Roads		-	-	-	-	-	-	3,339	13,400	23,615
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		1,643	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		1,643	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		3,266	11,281	6,131	1,023	1,573	1,573	7,652	16,300	9,565
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	200	(200)	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		509	423	883	1,023	1,573	1,573	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	7,562	(255)	-	-	-	4,087	11,478	9,565
LV Networks		2,758	1,269	5,702	-	-	-	87	474	-
Capital Spares		-	1,827	-	-	-	-	3,478	4,348	-
Water Supply Infrastructure		42,706	852	23,846	-	54,376	54,376	-	38	6,087
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		24,339	852	10,870	-	28,820	28,820	-	38	6,087
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	11,743	-	25,168	25,168	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		18,368	-	1,233	-	388	388	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		88,902	36,367	196	1,551	560	560	304	346	-
Pump Station		73,140	21,099	91	1,196	450	450	-	-	-
Reticulation		-	-	105	356	110	110	304	346	-
Waste Water Treatment Works		15,762	15,230	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	38	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	27	418	380	380	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	300	300	-	-	-
Waste Processing Facilities		-	-	27	418	80	80	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		174	23	47	-	-	-	-	-	-
Data Centres		174	23	47	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Community Assets		542	612	901	1,150	1,515	1,515	-	-	-
Community Facilities		446	612	746	1,150	1,515	1,515	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	365	365	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	169	(0)	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		167	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		279	444	746	1,150	1,150	1,150	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		96	-	155	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		96	-	155	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		3,074	-	-	-	-	-	-	-	-
Revenue Generating		124	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		124	-	-	-	-	-	-	-	-
Non-revenue Generating		2,950	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		2,950	-	-	-	-	-	-	-	-
Other assets		(1,219)	844	777	-	-	-	-	-	-
Operational Buildings		(1,219)	844	777	-	-	-	-	-	-
Municipal Offices		(1,219)	-	71	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	844	706	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		553	977	579	-	52	52	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		553	977	579	-	52	52	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<i>Effluent Licenses</i>		–	(0)	579	–	–	–	–	–	–
<i>Solid Waste Licenses</i>		–	–	–	–	–	–	–	–	–
<i>Computer Software and Applications</i>		553	977	–	–	52	52	–	–	–
<i>Load Settlement Software Applications</i>		–	–	–	–	–	–	–	–	–
<i>Unspecified</i>		–	–	–	–	–	–	–	–	–
Computer Equipment		(3,181)	(7,065)	2,153	1,020	2,078	2,078	–	–	–
Computer Equipment		(3,181)	(7,065)	2,153	1,020	2,078	2,078	–	–	–
Furniture and Office Equipment		730	1,267	1,277	710	1,213	1,213	610	610	611
Furniture and Office Equipment		730	1,267	1,277	710	1,213	1,213	610	610	611
Machinery and Equipment		4,393	2,413	2,380	–	758	758	100	100	100
Machinery and Equipment		4,393	2,413	2,380	–	758	758	100	100	100
Transport Assets		15,684	(83)	34,744	1,638	11,838	11,838	1,362	1,429	1,496
Transport Assets		15,684	(83)	34,744	1,638	11,838	11,838	1,362	1,429	1,496
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	157,268	47,488	73,058	7,511	74,344	74,344	13,368	32,223	41,474

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expend.

EC108 Kouga - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		217	(38,311)	1,391	907	335	335	-	-	-
Roads Infrastructure		217	(38,320)	-	-	-	-	-	-	-
Roads		217	(38,320)	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	769	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	769	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	8	275	907	335	335	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	8	275	907	335	335	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	346	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	346	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Community Assets		2,116	(30,131)	-	-	-	-	-	-	-
Community Facilities		171	(30,270)	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		171	(30,270)	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1,945	139	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		1,945	139	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		2,074	6,148	-	-	-	-	-	-	-
Revenue Generating		2,074	6,148	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		2,074	6,148	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	23,088	-	-	-	-	-	-	-
Operational Buildings		-	23,088	-	-	-	-	-	-	-
Municipal Offices		-	23,088	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<i>Effluent Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>		-	-	-	-	-	-	-	-	-
<i>Load Settlement Software Applications</i>		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	(290)	-	-	-	-	-	-	-
Transport Assets		-	(290)	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	4,407	(39,495)	1,391	907	335	335	-	-	-
Renewal of Existing Assets as % of total capex		-6.9%	-216.7%	1.3%	2.3%	0.3%	0.3%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		5.7%	-44.0%	1.4%	0.9%	0.3%	0.3%	0.0%	0.0%	0.0%

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expenditure

EC108 Kouga - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		43,744	54,281	30,721	31,250	34,669	34,669	42,518	46,567	48,667
Roads Infrastructure		25,495	32,760	11,132	11,019	14,204	14,204	14,206	14,396	14,593
Roads		25,407	32,711	11,097	11,019	14,204	14,204	14,206	14,396	14,593
Road Structures		88	49	34	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		726	1,058	1,116	1,594	1,028	1,028	1,075	1,123	1,173
Drainage Collection		470	490	551	805	739	739	773	807	844
Storm water Conveyance		256	568	565	789	289	289	302	316	330
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		9,820	8,824	5,906	7,950	7,950	7,950	10,827	11,314	11,824
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		402	650	69	1,500	1,500	1,500	2,134	2,230	2,330
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		186	479	610	-	-	-	-	-	-
MV Substations		6,970	5,781	3,537	4,100	4,100	4,100	5,283	5,520	5,769
MV Switching Stations		212	146	238	-	-	-	-	-	-
MV Networks		901	1,432	1,194	500	500	500	1,000	1,045	1,092
LV Networks		1,148	337	259	1,850	1,850	1,850	2,411	2,519	2,633
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		2,957	8,766	9,189	6,262	7,121	7,121	7,442	7,777	8,126
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		319	302	1,192	-	-	-	-	-	-
Reservoirs		266	233	434	-	-	-	-	-	-
Pump Stations		305	192	213	338	128	128	134	140	146
Water Treatment Works		152	237	162	-	-	-	-	-	-
Bulk Mains		674	6,904	6,297	4,964	6,091	6,091	6,365	6,652	6,951
Distribution		1,197	856	860	959	902	902	942	985	1,029
Distribution Points		42	42	31	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		3,208	2,567	2,518	4,425	4,365	4,365	8,969	11,957	12,950
Pump Station		1,845	1,361	1,189	1,901	3,201	3,201	7,752	10,686	11,622
Reticulation		609	640	769	1,414	854	854	892	932	974
Waste Water Treatment Works		680	434	391	1,000	200	200	209	218	228
Outfall Sewers		73	133	170	110	110	110	115	120	126
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		1,538	65	-	-	-	-	-	-	-
Landfill Sites		1,538	65	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	194	696	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	194	696	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	46	164	-	-	-	-	-	-
Data Centres		-	46	164	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Community Assets		4,362	3,349	3,140	3,493	3,283	3,283	3,338	3,492	3,652
Community Facilities		1,463	1,233	1,235	1,743	1,793	1,793	1,925	2,013	2,106
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	100	105	109
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		169	140	118	173	193	193	181	189	198
Testing Stations		77	89	38	90	20	20	94	99	103
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		127	287	128	260	260	260	272	285	298
Police		-	-	-	-	-	-	-	-	-
Parks		984	651	685	870	970	970	911	953	997
Public Open Space		107	65	266	350	350	350	366	383	401
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		2,899	2,116	1,905	1,750	1,490	1,490	1,413	1,478	1,546
Indoor Facilities		-	300	-	-	-	-	-	-	-
Outdoor Facilities		2,899	1,817	1,905	1,750	1,490	1,490	1,413	1,478	1,546
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		1,966	2,547	3,063	4,530	3,780	3,780	3,768	3,868	3,943
Operational Buildings		1,966	2,547	3,063	4,530	3,780	3,780	3,768	3,868	3,943
Municipal Offices		1,254	1,855	2,320	2,695	2,946	2,946	2,904	3,000	3,070
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		376	519	380	460	458	458	458	458	458
Workshops		-	-	-	-	-	-	-	-	-
Yards		76	98	91	600	100	100	105	110	115
Stores		57	45	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		202	29	273	775	275	275	300	300	300
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<i>Effluent Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>		-	-	-	-	-	-	-	-	-
<i>Load Settlement Software Applications</i>		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		318	391	666	1,011	735	735	952	996	1,036
Machinery and Equipment		318	391	666	1,011	735	735	952	996	1,036
Transport Assets		9,899	7,946	9,161	9,412	9,154	9,154	10,856	11,369	11,731
Transport Assets		9,899	7,946	9,161	9,412	9,154	9,154	10,856	11,369	11,731
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	60,289	68,513	46,751	49,696	51,621	51,621	61,432	66,291	69,029
R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as % Operating Expenditure		6.7%	6.9%	4.3%	4.3%	4.4%	4.4%	9.1%	5.1%	5.0%

References

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SA1

EC108 Kouga - Supporting Table SA34d Depreciation by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		68,190	77,453	76,943	91,704	91,704	91,704	96,837	109,576	109,576
Roads Infrastructure		30,203	30,107	29,941	38,644	38,644	38,644	40,808	46,175	46,175
Roads		30,203	30,107	29,941	38,644	38,644	38,644	40,808	46,175	46,175
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		22,824	30,731	22,852	1,956	1,956	1,956	2,066	2,337	2,337
Drainage Collection		22,824	30,731	22,852	-	-	-	-	-	-
Storm water Conveyance		-	-	-	1,956	1,956	1,956	2,066	2,337	2,337
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		5,628	5,908	7,858	7,842	7,842	7,842	8,281	9,371	9,371
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		5,628	5,908	7,638	7,842	7,842	7,842	8,281	9,371	9,371
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	220	-	-	-	-	-	-
Water Supply Infrastructure		9,536	10,707	14,003	14,206	14,206	14,206	15,001	16,974	16,974
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	14,206	14,206	14,206	15,001	16,974	16,974
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		9,536	10,707	14,003	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	2,288	26,545	26,545	26,545	28,031	31,718	31,718
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	26,545	26,545	26,545	28,031	31,718	31,718
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	2,288	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	2,511	2,511	2,511	2,651	3,000	3,000
Landfill Sites		-	-	-	2,511	2,511	2,511	2,651	3,000	3,000
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Community Assets		394	74	412	158	158	158	167	189	189
Community Facilities		394	74	412	158	158	158	167	189	189
Halls		11	74	412	158	158	158	167	189	189
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		383	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		170	8,002	18,435	1,244	1,244	1,244	1,314	1,487	1,487
Operational Buildings		170	8,002	18,435	1,244	1,244	1,244	1,314	1,487	1,487
Municipal Offices		170	8,002	11,985	1,244	1,244	1,244	1,314	1,487	1,487
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	6,450	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	555	555	555	586	663	663
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	555	555	555	586	663	663
Water Rights		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<i>Effluent Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>		-	-	-	555	555	555	586	663	663
<i>Load Settlement Software Applications</i>		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	3,535	3,535	3,535	3,733	4,224	4,224
Furniture and Office Equipment		-	-	-	3,535	3,535	3,535	3,733	4,224	4,224
Machinery and Equipment		-	-	-	1,315	1,315	1,315	1,389	1,572	1,572
Machinery and Equipment		-	-	-	1,315	1,315	1,315	1,389	1,572	1,572
Transport Assets		8,224	4,184	4,293	5,338	5,338	5,338	5,637	6,379	6,379
Transport Assets		8,224	4,184	4,293	5,338	5,338	5,338	5,637	6,379	6,379
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Total Depreciation	1	76,979	89,713	100,082	103,850	103,850	103,850	109,663	124,089	124,089

References

1. Depreciation based on write down values. Not including Depreciation resulting from revaluation.

EC108 Kouga - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		(67,572)	15,755	31,906	26,745	27,452	27,452	50,167	26,602	9,901
Roads Infrastructure		-	-	14,618	6,687	13,552	13,552	-	-	-
Roads		-	-	14,618	6,687	13,552	13,552	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	2,168	715	165	165	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	2,168	715	165	165	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		(71,569)	383	-	-	-	-	26,087	8,658	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		29,919	383	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		(101,488)	-	-	-	-	-	16,314	8,658	-
Distribution Points		-	-	-	-	-	-	9,773	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		3,758	10,540	15,120	19,343	13,735	13,735	24,080	17,945	9,901
Pump Station		-	-	-	-	-	-	12,808	-	-
Reticulation		2,047	246	138	903	160	160	209	348	730
Waste Water Treatment Works		1,363	10,294	14,982	18,440	13,575	13,575	11,063	17,597	9,171
Outfall Sewers		348	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		239	4,832	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		239	4,832	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Community Assets		636	(5,483)	2,844	4,522	5,602	5,602	3,057	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		636	(5,483)	2,844	4,522	5,602	5,602	3,057	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		636	(5,483)	2,844	4,522	5,602	5,602	3,057	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		(103)	(43)	-	-	250	250	-	-	-
Operational Buildings		(103)	(43)	-	-	250	250	-	-	-
Municipal Offices		(103)	(43)	-	-	250	250	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<i>Effluent Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>		-	-	-	-	-	-	-	-	-
<i>Load Settlement Software Applications</i>		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
Computer Equipment		3,350	-	72	-	-	-	-	-	-
Computer Equipment		3,350	-	72	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	(63,689)	10,229	34,823	31,267	33,305	33,305	53,225	26,602	9,901
Upgrading of Existing Assets as % of total capex		0.0%	56.1%	31.9%	78.8%	30.8%	30.8%	79.9%	45.2%	19.3%
Upgrading of Existing Assets as % of deprechn"		-82.7%	11.4%	34.8%	30.1%	32.1%	32.1%	48.5%	21.4%	8.0%

References

1. Total Capital Expenditure on upgrading of existing assets (SA34e) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure

EC108 Kouga - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2023/24 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Present value
R thousand								
Capital expenditure	1							
Vote 1 - EXECUTIVE COUNCIL		10	10	11				
Vote 2 - FINANCIAL SERVICES		-	-	-				
Vote 3 - CORPORATE SERVICES		-	-	-				
Vote 4 - COMMUNITY SERVICES		1,362	1,429	1,496				
Vote 5 - INFRASTRUCTURE AND ENGINEERING		64,521	56,686	49,168				
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		700	700	700				
Vote 7 - [NAME OF VOTE 7]		-	-	-				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
List entity summary if applicable								
Total Capital Expenditure		66,593	58,826	51,375	-	-	-	-
Future operational costs by vote	2							
Vote 1 - EXECUTIVE COUNCIL		73,800	76,994	79,972				
Vote 2 - FINANCIAL SERVICES		120,507	124,523	128,333				
Vote 3 - CORPORATE SERVICES		67,199	49,627	47,203				
Vote 4 - COMMUNITY SERVICES		245,458	257,390	267,911				
Vote 5 - INFRASTRUCTURE AND ENGINEERING		686,548	766,594	856,190				
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		40,956	38,501	39,297				
Vote 7 - [NAME OF VOTE 7]		-	-	-				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
List entity summary if applicable								
Total future operational costs		1,234,468	1,313,629	1,418,906	-	-	-	-
Future revenue by source	3							
Service charges - Electricity		402,731	441,394	496,921				
Service charges - Water		98,502	105,643	113,303				
Service charges - Waste Water Management		63,314	67,430	71,813				
Service charges - Waste Management		66,396	70,797	75,490				
#REF!		#REF!	#REF!	#REF!				
Sale of Goods and Rendering of Services		7,790	8,169	8,550				
Interest		-	-	-				
Dividends		-	-	-				
Rent on Land		-	-	-				
Rental from Fixed Assets		3,295	3,456	3,618				
Licence and permits		3,021	3,169	3,318				
Operational Revenue		2,174	2,231	2,289				
Non-Exchange Revenue		-	-	-				
Property rates		281,488	295,281	309,159				
Surcharges and Taxes		-	-	-				
Other Gains		-	-	-				
Transfers and subsidies - capital (monetary allocations)		75,561	66,618	58,040				
Transfers and subsidies - capital (in-kind)		-	-	-				
Surplus/(Deficit) after capital transfers & contributions		(57,466)	(50,603)	(50,460)				
List entity summary if applicable								
Total future revenue		#REF!	#REF!	#REF!	-	-	-	-
Net Financial Implications		#REF!	#REF!	#REF!	-	-	-	-

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

EC108 Kouga - Supporting Table SA36 Detailed capital budget

R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2023/24 Medium Term Revenue & Expenditure Framework			
													Audited Outcome 2021/22	Current Year 2022/23 Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25
Parent municipality:																
List all capital projects grouped by Function																
Parent Capital expenditure													-	-	-	-
Entities:																
List all capital projects grouped by Entity																
Entity A																
Water project A																
Entity B																
Electricity project B																
Entity Capital expenditure													-	-	-	-
Total Capital expenditure													-	-	-	-

References
Must reconcile with Budgeted Capital Expenditure
Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by Function
Asset class as per table A9 and asset sub-class as per table SA34
GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.
Distinguish projects approved in terms of MFMA section 19(1)(b) and MRRR Regulation 13
Project Number consists of MSCOA Project Longcode and seq No (sample PC00100206002_00002)

check109,271107,98366,59358,82651,375

EC108 Kouga - Supporting Table SA37 Projects delayed from previous financial year/s

R thousand		Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework		
Function	Project name												Original Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality: List all capital projects grouped by Function																	
Entities: List all capital projects grouped by Entity																	
Entity Name Project name																	

References
List all projects with planned completion dates in current year that have been re-budgeted in the MTREF
Asset class as per table A9 and asset sub-class as per table SA34
GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.
Project Number consists of MSCOA Project Longcode and seq No (sample PC001002006002_00002)

EC108 Kouga - Supporting Table SA38 Consolidated detailed operational projects

Municipal Vote/Operational project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2023/24 Medium Term Revenue & Expenditure Framework			Project information
										Audited Outcome 2021/22	Current Year 2022/23 Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
R thousand	4				6			5							Ward location
Parent municipality:															
List all operational projects grouped by Municipal Vote															
					No										
Parent operational expenditure		1										-	-	-	
Entities:															
List all operational projects grouped by Entity															
Entity A															
Water project A															
Entity B															
Electricity project B															
Entity Operational expenditure										-	-	-	-	-	
Total Operational expenditure										-	-	-	-	-	

References

1. Must reconcile with Budgeted Operating Expenditure
2. As per Table SA5

REPORTS BY
THE
PORTFOLIO
CHAIRPERSON:
PLANNING,
DEVELOPMENT &
TOURISM

KOUGA MUNICIPALITY (EC 108)

ORDINARY COUNCIL MEETING

PLANNING, DEVELOPMENT & TOURISM

DATE: 30 MARCH 2023

ITEM NO: 23/03/PDT1

TABLING OF THE DRAFT REVIEWED 2023/2024 INTEGRATED DEVELOPMENT PLAN (IDP)

1. Introduction

The purpose of the item is to table the **DRAFT REVIEWED 2023/2024 IDP** as prescribed in the Local Government: Municipal Systems Act 32 of 2000 and the Local Government: Municipal Finance Management Act 56 of 2003. The overall objective being to request Council to approve the **DRAFT REVIEWED 2023/2024 IDP** as it will serve as a basis for further public consultation and participation during April/May 2023.

2. Background

On 31 August 2022, Council adopted an IDP and Budget Timetable in compliance with the requirements of Section 21(b) of the Local Government: Municipal Finance Management Act 56 of 2003, which stipulates 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-;

- (i) the preparation, tabling and approval of the annual budget;*
- (ii) the annual review of –*
 - (a) the integrated development plan in terms of Section 34 of the Municipal Systems Act; and*
 - (b) the budget-related policies;*
- (iii) the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and*
- (iv) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii)."*

"Section 34 of the Local Government: Municipal Systems Act 32 of 2000 further states that a municipal council must review its integrated development plan:

- (i) annually in accordance with an assessment of its performance measurements; and*

(ii) *to the extent that changing circumstances so demand."*

In compliance with the above, Kouga Municipality has embarked on a review to further develop its IDP and Budget towards the 2023/2024 financial year in accordance with the requirements set out in the Local Government: Municipal Systems Act 32 2000, the Local Government: Municipal Planning and Performance Management Regulations, 2001 and the Local Government: Municipal Finance Management Act 56 of 2003.

Annual revisions allow each municipality to expand upon or refine plans and strategies, to include additional issues and to ensure that these plans and strategies inform institutional and financial planning. The review and amendment of the IDP thus, further develops the IDP and ensures that it remains relevant to the critical challenges facing the Municipality.

Section 16 of the Local Government: Municipal Systems Act 32 of 2000 stipulates that:

"(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, the implementation and review of its integrated development plan."

Accordingly, Kouga Municipality embarked on community engagements following the Community Based Planning (CBP) methodology with all the 15 wards from 4 to 22 October 2022. These engagements were facilitated as part of the first round of public participation towards the annual review of the IDP. The overall objectives of these engagements were:

- To provide feedback on progress made with respect to existing projects and share information on future projects; and
- Afford community an opportunity to review IDP ward priorities and reprioritise where necessary.

The outcomes of the above process were documented and form part of the draft 2023/2024 IDP attached as **Annexure A** to the Agenda.

Exposition of facts - process undertaken

The section below specifies key activities and sessions that have been undertaken to date towards the annual review of the 2023/2024 IDP. These included the following:

(Summary of the IDP & Budget Time Schedule – key milestones)

DELIVERABLE AND PROCESS MANAGEMENT	DATE
Development of IDP & Budget Time Schedule including internal consultations with key stakeholders	31 August 2022
COUNCIL MEETING: Adoption of the IDP & Budget Time Schedule	31 August 2022
Advertise/ make public the adopted Time Schedule	9 September 2022
Submit the adopted Time Schedule to the MEC for Local Government	9 September 2022
First round of public participation with all the 15 wards: ▪ To provide feedback on progress made on existing projects and share information on future projects; and ▪ To afford the community an opportunity to review ward priorities and make further submissions	4-22 October 2022
IDP and Budget Steering Committee Meeting	13 March 2023
IDP and Budget Steering Committee: Discussion of priority issues/proposed projects	Priorities and projects have been discussed and will find expression in the Reviewed Draft IDP Document for 2023/2024
Mid-year budget and performance assessment visit	A meeting was held on 9 February 2023 in the Council Chambers of Jeffreys Bay
District IDP Managers' Forum: Focusing on the finalisation of all of the B-municipalities' draft reviewed IDPs	The District Municipality of SBDM will arrange a meeting with all the IDP Sections after 31 March 2023 to deliberate on the document prior the approval date of 31 May 2023
Finalisation of the draft IDP and Budget	17 March 2023
Integration of sector plans and institutional programmes	A session will be arranged with all directorates after 31 March 2023 to discuss in detail the comments of the MEC and the integration of sector plans
Tabling of the Draft IDP and Budget in Council	31 March 2023

3. Key Guiding Parameters

The process of reviewing the IDP was undertaken within the framework of International, National, Provincial and District policies and legislation. The key guiding parameters include *inter alia*:

- a) Global Policy Directive – Sustainable Development Goals (SDGs)
- b) Africa Strategy 2063
- c) National Policy Directive -12 Government Outcomes
- d) National Policy Directive – National Spatial Development Perspective (NSDP)
- e) National Policy Directive – National Development Plan (NDP): Vision 2030
- f) Local Government Back to Basics Strategy
- g) Provincial Policy Directive – Eastern Cape's Strategic Plan (ESP).
- h) Sarah Baartman District Municipality's Integrated Development Plan.

4. Annual Review of the IDP

The Kouga Municipality's 2022-2027 IDP (including any subsequent reviews) will continue to be the guiding developmental framework and the information contained in this document will not be discarded. The annual review of the IDP document must continue to be more strategic by being focused on implementation. This means focusing on achieving targets, adjusting resources for delivery, re-committing municipal resources to annual deliverables and monitoring the key deliverables.

5. Comments by Directorates:

5.1 Director: Finance

Report noted

5.2 Acting Director: Planning, Development & Tourism

Item noted

5.3 Director: Community Services

Item noted

5.4 Acting Director: Corporate & Digital Services

Item noted

5.5 Acting Director: Infrastructure & Engineering

Item noted

5.6 Municipal Manager

Item noted.

6. Financial Implications

In considering and addressing priorities emerging from the annual IDP review process, the Administration should ensure that the latter continue to form part of the wider, holistic, and cyclical process of municipal planning going forward.

7. Legal Implications

Compliance in terms of the Municipal Systems act as amended, and the Municipal Finance Management Act.

8. Other Implications

None.

9. Recommendations

9.1 That Council Approves the Draft Reviewed 2023/2024 Integrated Development Plan (IDP) attached as **Annexure A** as it will serve as the basis for public participation during April/May 2023.

9.2 That immediately after the Draft Reviewed 2023/2024 IDP is tabled in Council, the Accounting Officer of the Municipality must in accordance with Section 21A of the Municipal Systems Act –;

- a) Make public the Draft Reviewed 2023/2024 IDP;
- b) Invite the local community to submit comments and inputs in connection with the Draft Reviewed IDP; and
- c) Ward-Based Sessions (meetings) in all 15 wards to provide further opportunity for engagement on proposals emanating from the Draft Reviewed 2023/2024 IDP and the Multi-Year Budget.

Item prepared by Manager Strategic Projects:



Item Approved by IDP Manager



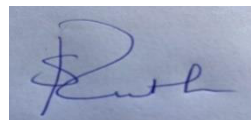
**Item Approved by Acting Director of PDT:
(Deputy Municipal Manager)**



Item endorsed by the Municipal Manager:



Item noted by MMC Cllr. S Ruth of PDT:





Integrated Development Plan

2023 /2024



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LIST OF ABBREVIATIONS

ABBREVIATION	INTERPRETATION
CBP	Community Based Planning
CFO	Chief Financial Officer
COGTA	Department of Co-operative Governance
DDM	District Municipality
DORA	Division of Revenue Act
DEA	Department of Environmental Affairs
DHSD	Department of Health and Social Development
DOARD	Department of Agriculture and Rural Development
DOE	Department of Education
DPWRI	Department of Public Works, Roads and Infrastructure
EE	Employment Equity
EM	Executive Mayor
EPWP	Expanded Public Works Programme
GDP	Gross Domestic Product
FPA	Fire Protection Association
HR	Human Resources
HSP	Human Settlement Plan
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IHRP	Integrated Human Resources Plan
INEP	Integrated National Electrification Programme
ISDF	Integrated Strategic Development Framework
KLM	Kouga Local Municipality
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LM	Local Municipality
LGSETA	Local Government Sector Education and Training Authority
MAYCO	Mayoral Committee
MPAC	Municipal Public Accounts Committee
MFMA	Municipal Finance Management Act (Act no. 56 of 2000)
MIG	Municipal Infrastructure Grant
MEC	Member of Executive Council
MM	Municipal Manager
MSA	Municipal Systems Act (Act no 32 of 2000)
MTREF	Medium Term Revenue & Expenditure Framework
NDP	National Development Plan
NDPG	Neighbourhood Development Program Grant
NERSA	National Energy Regulator of South Africa
NT	National Treasury
PDP	Provincial Development Plan
PMS	Performance Management System
P-MTSF	Provincial Medium-Term Strategic Framework
PSDF	Provincial Spatial Development Framework
PSP	Provincial Strategic Plan

ABBREVIATION	INTERPRETATION
PPP	Public Private Partnership
PT	Provincial Treasury
R	Rand (currency)
SALGA	South African Local Government Association
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SDI	Spatial Development Initiative
SPIS	Strategic Integrated Projects
SONA	State of the Nation Address
SOPA	State of the Province Address
SODA	State of the District Address
SWOT	Strength, Weaknesses, Opportunities, Threats
SHRA	Social Housing Regulatory Authority
VAT	Value Added Tax
WSP	Workplace Skills Plan

FOREWORD BY THE EXECUTIVE MAYOR



It is my greatest privilege on behalf of Kouga Municipality and in my capacity as Executive Mayor of Kouga Municipality to present to you the municipality's Integrated Development Plan (IDP) for the cycle 2022 to 2027.

The IDP provides the framework for a municipality to fulfil its mandate and apply its budget.

It is a five-year document that is drawn up in partnership with communities and other spheres of government. Reviewed annually, it enables a municipality to do short, medium, and long-term planning to meet communities' needs, with due consideration of those projects being implemented by district, provincial, and national governments.

The IDP and Budget will be externally focused, driven by community needs and geared towards meeting community aspirations gleaned from stakeholder consultations and engagements throughout the past months. It will, furthermore, continue to be guided by narratives that provide strategic focus areas. These are:

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

Key challenges in basic service delivery include old and insufficient bulk infrastructure, the quest for water security for all our communities, the deteriorating condition of our road network, illegal electricity, and the cleanliness of our towns.

The municipality has, over the past year, made visible progress in addressing each one of these challenges, but we need to step up our game even more if we are to deal with all backlogs decisively and achieve service excellence for all communities.

Our plans to keep Kouga serviced include strongly facing down the current drought and achieving water security in our region.

We continue in our efforts to bring more boreholes online, as our access to Churchill Dam water diminishes. We are developing more infrastructure to reticulate current

sources of water into the treatment works, as well as implementing new technology and systems to treat this water. We will endeavor to ensure that all water you receive through your taps is drinkable and safe.

Water security does not rest on additional water into the system alone. Securing our water comes at a great cost, but I want to give our residents the assurance that the provision of water is a second-to-none priority. It includes taking hands with every single person in Kouga and committing to water conservation, treating every single drop with care.

If we are to keep Kouga clean, it is of utmost importance that we reduce the amount of waste that goes to our landfill sites. The municipality is considering a waste-to-power project to divert waste from landfill sites by recycling and using it to generate electricity.

Over the next three years, the municipality will launch a series of mayoral intervention programs to reach into the furthest corners of our municipality, to make clean environments a reality for everyone and not just for some.

Kouga Municipality is taking steps to becoming the greenest municipality in the Eastern Cape.

We are looking forward to the construction of South Africa's first Bio-Economy Zone that is set to take shape in Humansdorp soon.

Three additional wind farms will also be constructed, as well as a hybrid energy factory through foreign development. In line with this programme, Kouga Municipality intends to unlock about 30 000 jobs over the next 5 years while combating the effects of climate change and positioning ourselves to becoming the renewable energy hub of SA.

In our ongoing effort to prevent and combat crime through a collective approach, communication and technology are at the forefront of providing the means for success.

The economic growth of our region, coupled to job creation, will also remain a priority.

Through tourism, which has the potential to be a game-changer, we can create millions in revenue injection into our local community and provide impetus to our drive to create one job in every home in Kouga. Events, that will attract tens of thousands

of patrons, will grow our local businesses, and create employment and sustainable opportunities.

I trust that this IDP will stimulate the municipality's partnership with communities, the private sector, and other spheres of government in order for us to achieve our goals.

During the worst of the Covid pandemic and lockdown, this municipality proved that partnering across all levels of and sectors in the community, contributes to resilience and survival during extremely difficult times.

Together we are more, when we unite against the deterioration and destruction of our physical, cultural, structural, and moral assets, and can seize the potential we hold to be the best Municipality in South Africa.

The Council would like to thank all residents, ward committees, sector departments and stakeholder groups who actively participated in the compilation of Kouga's new IDP.

I would also like to thank our ward councillors for facilitating the meetings in their wards and the municipal administration who prepared the new document in accordance with legislation and the Council's new mandate.

We look forward to building on our relationship with all stakeholders and continually improving on the municipality's planning processes so that, together, we can achieve our vision of Good Governance through Service Excellence.

Let us all collaborate on our shared future, because if we want more, we need to become more.



.....
EXECUTIVE MAYOR
Hon. Alderman H Hendricks

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. The IDP compels local communities to do proper planning which aim is to support the service delivery needs of communities and to ensure equitable and sustainable development.

The five-year Integrated Development Plan sets the vision, strategic objectives and the implementation thereof for the Kouga Municipality. The newly elected council has decided that the vision and mission should remain. This is a sign that we do things differently and better and again gives us the opportunity, for the next 5 years, to plan in a manner which will benefit the greater Kouga area and also to adhere to our constitutional mandate to deliver a basket of services to the communities of Kouga.

As we enter 2023, we have entered the second year of the new Council's 5-year term and the environment has drastically changed. As we get back to normality from Covid-19 pandemic lockdowns, the external environment has brought its new challenges in the form of constant and severe electricity loadshedding. With it the challenge to be able to maintain water and sewer services have become major stumbling blocks. Municipalities need to rise to this challenge and Kouga Municipality is no exception. Good service provision is now fundamentally dependent on its ability to provide its own electricity solutions. As such, Kouga Municipality's short, medium and long term strategy to solve its energy crisis have become important elements in its revised IDP.

This five year 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 organisational structure of the municipality is reviewed annually. As the administration it is our responsibility to make things happen and to create an enabling environment that supports local democracy and enhance service delivery. In our efforts we will ensure that all available resources are optimally utilized and that value for money is achieved. The municipality is still continuing to inculcate a leadership culture of professionalism, a high work ethic, dedication and discipline.

My sincere appreciation to Council, the administration, and all external role-players for your valued contribution as we venture into the uncharted 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.

A handwritten signature in black ink, appearing to read 'du Plessis', with a stylized flourish at the end.

CHARL DU PLESSIS
MUNICIPAL MANAGER
31 MARCH 2023

STRUCTURE OF THE IDP 2023/2024

This document outlines the review of the Kouga Municipality's Integrated Development Plan (IDP) for the current planning and implementation time frames of 2022/ 2027 and considers the 2023/2024 budget cycle. The document must be read in conjunction with the approved 5-year IDP and the comprehensive suite of the municipal wide sector plans. This review does not present a total overhaul of what has been planned and/or implemented during the current five-year period.

This document consists of 8 chapters, including the Foreword by the Mayor and Overview by the Municipal Manager. The seven chapters outlines the following:

CHAPTER 1: INTRODUCTION AND CONTEXT OF THE REVIEW IDP 2023/2024

Chapter 1 contains a general introduction and background information including the planning process that has been followed to produce the reviewed 2023/2024 IDP. This chapter also provides the key guiding parameters considered in developing the document.

CHAPTER 2: SITUATIONAL ANALYSIS

Chapter 2 provides the situational analysis of Kouga Municipality. This chapter gives a brief description of the area, demographic and socio-economic indicators including summaries of current issues, i.e. infrastructure, social services, land, housing and the environment.

CHAPTER 3: INSTITUTIONAL ARRANGEMENTS AND ADMINISTRATIVE CAPACITY

Chapter 3 present a brief account of the institutional arrangements and administrative capacity to give effect to the basic needs of the local communities as well as the promotion of social and economic development.

CHAPTER 4: STRATEGIC FRAMEWORK

Chapter 4 focuses on the Municipal Vision as the primary vehicle that outlines the intention of Kouga Municipality. It further focuses on the strategic framework of the Kouga Municipality, outlining the Strategic Framework, key government priorities and Key Performance Areas. This chapter also addresses the strategies which flow mainly from the analysis presented in Chapter 2, combines with input coming from the public participation processes.

CHAPTER 5: SECTOR PLANS

Chapter 5 deals with the summaries of Kouga Municipality's existing sector plans and the importance of sector planning in the IDP process. This Chapter focuses on the development plan of the Kouga Municipality, outlining the proposed projects, development and spatial Implications, and its alignment to the budget, as well as Intergovernmental relations.

CHAPTER 6: WARD BASED PLANNING PROCESS

Chapter 6 focuses on the ward-based planning process.

CHAPTER 7: FINANCIAL PLANNING

Chapter 7 deals with the medium- and long-term financial plan. It elaborates on financial planning, funding, expenditure, budget projections and long-term sustainability of the municipality. The chapter provides detail into how the strategic plans of the KLM will be funded.

CHAPTER 8: PERFORMANCE MANAGEMENT

Chapter 8 focuses on the key elements of the Kouga Municipality's Performance Management System. It takes the strategic framework and financial plan into implementation mode and clarifies the roles and responsibilities of stakeholders while ensuring accountable and improved service delivery. It elaborates on the performance management process, which is a comprehensive implementation plan with measurable performance objectives.

KOUGA MUNICIPALITY'S VISION AND MISSION

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.



CHAPTER 1: INTRODUCTION AND CONTEXT

1.1 INTRODUCTION

According to the Municipal Systems Act, No.32 of 2000 (MSA) all municipalities are obligated to prepare a five-year Integrated Development Plan (IDP) to be reviewed annually within the 5-year period. The Integrated Development Plan is an instrument that provides guidance on budgeting and decision-making, considering input from all the relevant stakeholders, with the goal of promoting sustainable development within the municipality. Efficient integrated development planning makes provision for socio-economic development of an entire area. With that said, Kouga Council has delegated the responsibility to develop the IDP to the Executive Mayor in accordance with provisions of the Municipal Systems Act.

The core function of the municipality is summed up in the vision: "Good Governance through Service Excellence", which also continues to be the focal point of the 2023/2024 review IDP. For the success of the vision, it is vital to link, integrate and co-ordinate all strategic and implementation plans for the municipality, as well as align them with national, provincial and district and neighbouring municipal development plans and planning requirements. Developmental local government is enhanced through focused and robust interaction with other spheres of government. The plan also seeks to integrate and balance the economic, ecological and social pillars of sustainability without compromising effective service delivery. In view of the commitment to the local agenda, it is imperative that there must be institutional capacity and know-how, as both are required to implement and coordinate the efforts needed across sectors and spheres of Government.

1.2 FOCUS OF THE KOUGA MUNICIPALITY'S IDP FOR THE 2023/2024 FINANCIAL YEAR

This IDP paves a way for socio-economic, infrastructural and organizational development for the next financial years. This IDP seeks to attain:

- Continued elevation of the IDP as the principal plan through which an integrated response to the current realities of Kouga is coordinated.
- Enhanced quality of ward-based plans
- Economic Development Strategy to serve as a key enabler for socio-economic transformation.
- Long-term infrastructure planning to support growth.

1.3 THE LEGISLATIVE FRAMEWORK

Municipalities function within an extensive legislative and policy framework that provides prescripts and guidelines for municipal actions per constitutional obligations. Furthermore, local government must be cognisant of and partake in a system of intergovernmental service delivery. In this regard, the Kouga Municipality realises that to promote the local agenda, the municipal budget, programmes and projects must be aligned with higher-order regulatory, developmental and institutional policy directives.

1.3.1 The Constitution of the Republic of South Africa, 1996

Chapter 7 of the Constitution of South Africa is focused on Local Government including the establishment thereof, the executive and legislative authority, as well as the right of local government to govern on its own initiative, which should be in line with national and provincial legislation.

The Constitution is a crucial component of the legal system of South Africa and of the legal-institutional framework within which development must take place. The Constitution of the Republic of South Africa, 1996 (Section 152) puts in place a vision for Developmental Local Government (DLG) and contains the following objectives:

- To provide democratic and accountable government for local communities.
- To ensure the provision of services to communities in a sustainable manner.
- To promote social and economic development.
- To promote a safe and healthy environment.
- To encourage the participation of communities and community organisations in the affairs of local government.

The right of the municipality to exercise its own powers in order to perform its functions is the basis on which this IDP 2023/2024 is drawn up. It is meant to give strategic guidance to Kouga Municipality by giving structure to the administrative, budgeting and planning processes. A municipality must strive, within its financial and administrative capacity, to achieve its key objectives and perform developmental duties.

Section 153 of the Constitution sets out the following as the key developmental duties of the municipality

To structure and manage its administration and 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; and

To participate in national and provincial development programs.

1.3.2 The White Paper on Transforming Public Service, 1997

As the sphere of government closest to the people, municipalities are the focal point of public service delivery. The White Paper on Transforming Public Service Delivery, 1997 (better known as the Batho Pele White Paper) promotes mechanisms to enable the state machinery to optimise the provision of services to all citizens. The Batho Pele White Paper spells out eight principles for transforming public service delivery and is explained in detail below:

Table 1: Batho Pele Principles

PRINCIPLES	DESCRIPTION
Consultation	citizens should be consulted about the level and quality of the public services they receive and wherever possible, should be given a choice about the services that are offered.
Service standards	citizens should be told what level and quality of public services they will receive so that they are aware of what to expect.
Access	all citizens should have equal access to the services to which they are entitled.
Courtesy	citizens should be treated with courtesy and consideration.
Information	citizens should be given full, accurate information about the public services they are entitled to receive.
Openness and transparency	citizens should be told how national and provincial departments are run, how much they cost, and who is in charge.
Redress	if the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response.
Value for money	public services should be provided economically and efficiently to give citizens the best possible value for money.

1.3.3 The White Paper on Local Government, 1998

According to the Local Government: White Paper on Local Government, 1998, developmental local governance should ultimately result in the following outcomes:

- The provision of household infrastructure and services.
- The creation of liveable, integrated cities, towns and rural areas.
- The local economic development.
- Community empowerment and redistribution.

To achieve these outcomes, the Local Government: White Paper on Local Government, 1998 puts forward three interrelated approaches that can assist municipalities to fulfil their developmental mandate:

- Integrated development planning.
- Performance management.
- Working together with local citizens and partners.

Regarding public participation, the Local Government: White Paper on Local Government, 1998 stipulates that municipalities should encourage civil society participation through:

- Forums initiated within or outside municipalities to allow organised formations to initiate policies and/or influence policy formulation, as well as participate in monitoring and evaluation activities.
- Structured stakeholder participation in certain council committees.
- Participatory budgeting initiatives aimed at linking community priorities to capital investment programmes.
- Focus-group participatory action research to generate detailed information about a wide range of specific needs and values.
- Support for the organisational development of associations, in poor, marginalised areas where the skills and resources for participation may be less developed.
- Integrated development planning is therefore central to realising the developmental local government vision. It is viewed as a mechanism to enable prioritisation and integration in municipal planning processes and to strengthen the links between the developmental (external) and institutional (internal) planning processes.

1.3.4 Local Government: Municipal Systems Act, No 32 of 2000 (MSA)

Sections 28 and 29 of the MSA specifies that:

- each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP; and
- that the process must be in accordance with a predetermined programme specifying timeframes for the different steps.

1.3.5 Local Government: Municipal Planning and Performance Management Regulations, 2001

The Local Government: Municipal Planning and Performance Management Regulations, 2001 set out the following minimum requirements for an Integrated Development Plan:

- Regulation 2 (1) states that the municipality's IDP must at least identify:
 - The institutional framework, which must include an organogram required for the implementation of the Integrated Development Plan and addressing the internal transformation;
 - Any investment initiatives in the municipality;
 - Any development initiatives in the municipality, including infrastructure, physical, social and institutional development;
 - All known projects, plans and programmes to be implemented within the municipality by any organ of the state; and
 - The key performance indicators set by the municipality.
- Regulation 2 (2) states that an IDP may:
 - Have attached to it maps, statistics and other appropriate documents; or
 - Refer to maps, statistics and other appropriate documents that are not attached, provided they are open for public inspection at the offices of the municipality.
- Regulation 2 (3) sets out matters/issues that must be reflected in the financial plan that must form part of the integrated development plan.
- Regulation 2 (4) states that a spatial development framework reflected in the municipality's integrated development plan must:
 - Give effect to the principles contained in chapter 1 of the Development Facilitation Act, 1995 (Act 67 of 1995);
 - Set out objectives that reflect the desired spatial form of the municipality;
 - Contain strategies and policies regarding the manner in which to achieve the above, which strategies and policies must:
 - indicate desired pattern of land use within the municipality;
 - address the spatial reconstruction of the municipality; and
 - provide strategic guidance in respect of the location and nature of development within the municipality;
 - Set out basic guidelines for a land-use management system;
 - Set out a capital investment framework for the development programme within a municipality;
 - Contain a strategic assessment of the environmental impact of the spatial development framework;
 - Identify programmes and projects for the development of land within the municipality;
 - Be aligned to the spatial development frameworks reflected in the integrated development plans of the neighbouring municipalities;

- Indicate where public and private land development and infrastructure investment should take place.
- Delineate the urban edge; and
- Identify areas where strategic intervention is required and must indicate areas where priority spending is required.

1.3.6 Municipal Finance Management Act, No 56 of 2003 (MFMA)

Chapter 4 and Section 21(1) of the Municipal Finance Management Act, no 56 of 2003 (MFMA) stipulates 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 plan in terms of section 34 of the Municipal Systems Act. The elected Council is the ultimate IDP decision-making authority.

1.3.7 Spatial Planning and Land Use Management Act, No. 16 of 2013 (SPLUMA)

This Act was promulgated on 5 August 2013 and has replaced several other Acts whereas it was deemed that various laws governing land use give rise to uncertainty about the status of municipal spatial planning and land use management systems and procedures and frustrates the achievement of cooperative governance and the promotion of public interest. It was resolved that informal and traditional land use development processes are poorly integrated into formal systems of spatial planning and land use management and that spatial planning is insufficiently underpinned and supported by infrastructural investment.

The objects of the Act as defined in Section 3 are to:

- provide for a uniform, effective and comprehensive system of spatial planning and land use management for the Republic;
- ensure that the system of spatial planning and land use management promotes social and economic inclusion;
- provide for development principles and norms and standards;
- provide for the sustainable and efficient use of land;
- provide for cooperative government and intergovernmental relations amongst the national, provincial and local spheres of government; and
- redress the imbalances of the past and to ensure that there is equity in the application of spatial development planning and land use management systems.

SPLUMA requires that planning be done in accordance with 5 overarching development principles as outlined in Section 7 of the Act. The IDP process is regarded

as the main organising tool, encouraging municipalities to identify key delivery targets, such as land development objectives in identifying key service targets, taking development, policy and transformation objectives and imperatives into account. Municipalities are required to collaborate with other spheres of government, ensure transversal partnering between its internal departments and creating an opportunity for local communities to participate.

1.4 ALIGNMENT OF PLANS

1.4.1 Introduction

In order to maximise the benefit of investments, strategic interventions and actions of all spheres of government, it is critical that there is policy alignment between national, provincial, district and local government in order to collaboratively achieve development goals. Whilst the IDP is developed by local government it must represent an integrated inter-governmental plan based upon the involvement of all three spheres of government.

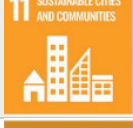
This IDP was drafted, taking the various plans listed below into consideration, in order to ensure alignment, inclusivity and involvement by all spheres of government. These plans include:

- Sustainable Development Goals (SDGs).
- National Key Performance Areas (NKPAs).
- National Outcomes (NOs).
- Provincial Strategic Plan; and
- Sarah Baartman District Development Plan (One Plan)

1.4.2 Sustainable Development Goals (SDGs)

The SDGs, otherwise known as the Global Goals (2015), are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. These seventeen goals include areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. The goals are interconnected and often one success will involve tackling issues more commonly associated with another. The 17 SDGs are as follows:

Table 2: Sustainable Development Goals (SDGs)

Sustainable Development Goals (SDGs)	
	End poverty in all its forms everywhere
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
	Ensure healthy lives and promote well-being for all at all ages.
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
	Ensure availability and sustainable management of water and sanitation for all.
	Achieve gender equality and empower all women and girls.
	Ensure access to affordable, reliable, sustainable and modern energy for all.
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
	Reduce inequality within and among countries.
	Make cities and human settlements inclusive, safe, resilient and sustainable.
	Ensure sustainable consumption and production patterns.
	Take urgent action to combat climate change and its impacts.

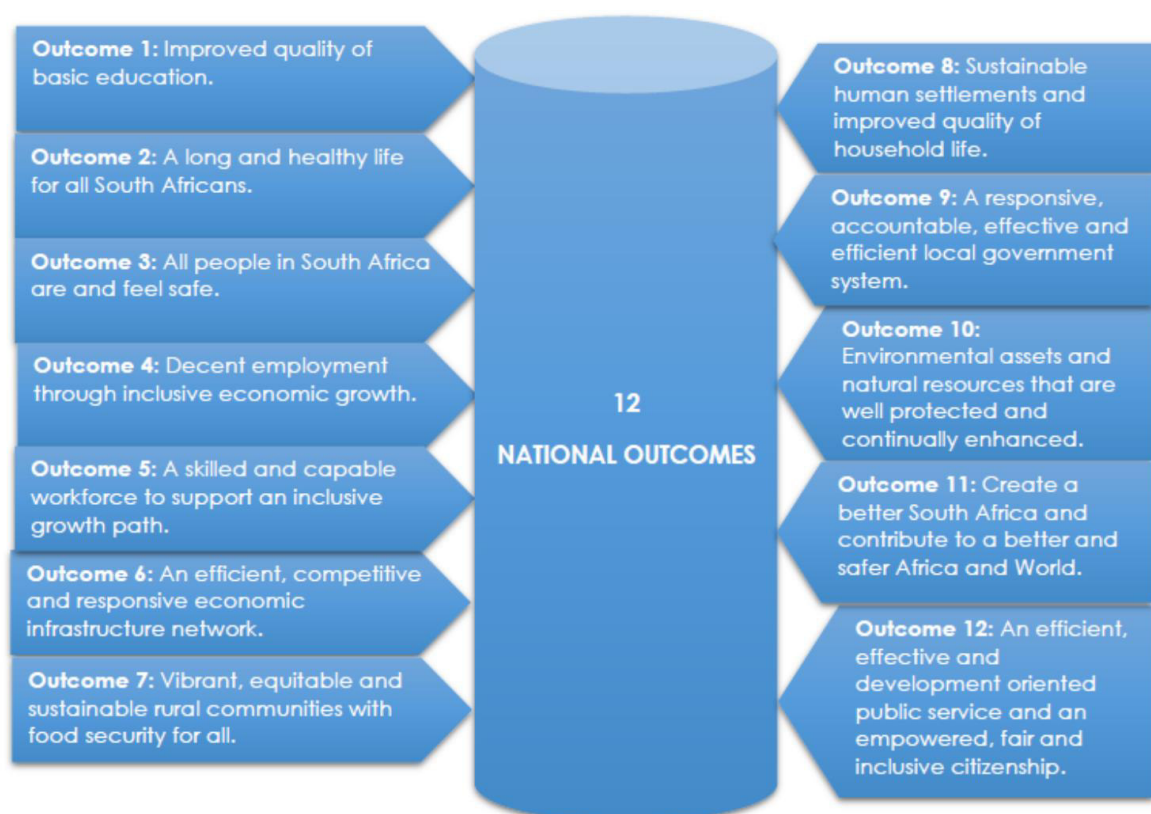
Sustainable Development Goals (SDGs)	
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
	Strengthen the means of implementation and revitalize the global partnership for sustainable development.

1.4.3 National Government's Outcomes – Role of Local Government

National Government has agreed on 12 outcomes as a key focus of work and published these as annexures to the Medium-Term Strategic Framework.

The outcomes are as follows:

Figure 1: National Outcomes



1.4.4 Areas of Interface: National, Provincial, District and National Government

a) 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 of South Africa must 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 2: National Key Focus Areas



Outcome 9(A responsive, accountable, effective and efficient local government) 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.

b) Provincial Development Plan – Vision 2030

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

The principles are the following:

1. Social, economic and spatial justice.
2. Gender equality.
3. Intergenerational equity – prevent inequalities being passed down to future generations.
4. Citizen participation and co-responsibility for development.
5. Promotes ethical, integrated multi-agent action predicated on the relative strengths of institutional partners.
6. Public good – government must prioritise the common interest above personal gain.
7. Respects evidence and critical deliberation.
8. 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 Provincial Strategic Plan 2015-2020 on 15 March 2015 comprises of the following key strategic objectives:

Table 3: Provincial Strategic Objectives 2020-2025

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

c) Sarah Baartman District Development Model

In his State of the Nation Address (SoNA) in 2019, President Cyril Ramaphosa stated that it is time for government to break free from the silo mentality of functioning and introduced a new strategy called the District Development Model (DDM). The DDM was subsequently approved by cabinet on August 21st, 2019. The District Development Model (DDM) is an operational model for strengthening cooperative governance in the development of a capable and ethical developmental state.

The district "One Plan," brings together the knowledge and technical efforts of all spheres of government to produce an overall strategy for growth and development of our district.

Purpose

The purpose of the Sarah Baartman District DDM One Plan is:

- To give effect to the District Development Model (DDM) approved by Cabinet as a practical method to improve service delivery and development impact in the Sarah Baartman District Municipality space, through integrated planning, budgeting, and delivery, by all three spheres of government, working together with stakeholders and communities.
- To localise and synergise the National Development Plan (NDP), the Medium-Term Strategic Framework (MTSF), National Spatial Development Framework (NSDF), Integrated Urban Development Framework (IUDF) and key national and provincial sector policies/strategies/plans with socio-economic and spatial development logic of the Sarah Baartman District Municipality.
- To express a coherent and predictable government approach in relation to these key priorities through a Long-Term Strategic Framework (One Plan) for growth and development of the Sarah Baartman District Municipality space that is co-produced by all three spheres of government together with stakeholders and communities.
- To enable a programmatic Intergovernmental Relations approach in relation to Sarah Baartman District Municipality through implementation of the One Plan that will serve as an impact performance framework, tracking the commitments and spending of national and provincial sector departments and the Sarah Baartman District Municipality, according to the shared vision and desired future development of Sarah Baartman District Municipality and its people.
- To create an environment which is conducive for investment.
- To stabilize governance and financial management practices in the Sarah Baartman District

1.4.5 Disaster Management

The Disaster Management Act, 2002 is a legal instrument that provides coherent and transparent information with the aim to prevent and mitigate disasters and indicates how risk reduction measures are dealt with in the long-term as well as managing emergencies in the shorter term. It includes aspects of preparedness, response and recovery.

The Kouga Local Municipality has prepared a Disaster Management Plan in accordance with the requirements of the Disaster Management Act, 57 of 2002 (the Act) and Disaster Management Amendment Act, 16 of 2015.

i) Response

Immediate and effective response

What constitutes an integrated, co-ordinated, rapid and effective response? This can only be achieved through planning, implementation and exercise. A Technical Advisory Committee will be appointed by the Kouga Local Advisory Forum and a response policy will be drafted.

ii) Recovery

Post disaster impact assessments

After a disaster, the following disaster impact assessment activities will be undertaken, including an impact analysis relating to:

- Direct and indirect impact on communities.
- Social impact.
- Agricultural impact.
- Infrastructural impact, including critical infrastructure.
- Environmental impact; and
- Economic impact.

iii) Logistics

Whether during disaster response, or while implementing mitigation activities, the basic task of a logistics system is to deliver the appropriate supplies, in good condition, in the quantities required, and at the place and time they are needed.

Role of Logistics in Mitigation Activities

In this context, mitigation activities will be considered to include components such as preparedness, recovery and reconstruction.

Required Facilities and Equipment

The following function will form part of the logistical system, while several facilities will be required to support these functions:

Table 4: Disaster Logistical Functions and Facilities

Logistical Functions	Logistical Facilities
Management	Offices and administrative equipment
Central support	Warehouses at various levels
Procurement	Fuel and spares stores
Port clearance	Workshops
Warehouse/storage	Vehicle parks
Transport	Vehicles for management staff
Scheduling	Fleets of trucks
Communications	Special vehicles such as cranes, tankers and cargo-handling machines
Commodity control	
Distribution control	Communications equipment and Accommodation

iv) **Risk Reduction: Risk reduction project proposals**

Table 5: Risk Reduction Project Proposals

No	Hazard	Risk reduction project proposals
1	Flooding	Physical planning: poor physical planning causes flooding but where adequate drainage channels are constructed with ongoing maintenance the problem of flooding reduces. Engineering & Construction: engineering design and safety standards should be incorporated to assure structural integrity of buildings. Economic Measures: address flood related financial needs & investing in forecast-based financing of risk reduction and preparedness measures as climate changes might increase in the future. Management & Institutional: in order to achieve ideal flood forecasting and warning systems, cooperation involving stakeholders is necessary. For example, SA Weather Services can provide specific advisory services to local communities establishing flood warning systems. Societal Measures: traditional and indigenous practices of coping with floods are as important and vital as the modern approaches. Local knowledge approaches should be investigated as it is also the most valuable asset for flood management planning.
9	Human and Animal Epidemic Disease	Physical planning measures: hospitals to draw up plans for managing epidemics. Train hospital staff for in an emergency or disaster to better contribute to the emergency response. Providing support for patient transport. Engineering & construction measures: ensure that effective repair & maintenance services aimed at avoiding functional collapse of the hospital. Train engineering & maintenance staff in infection prevention and control procedures. Economic measures: Logistics management & stockpiles of special supplies and equipment are needed in readiness. Management & institutional measures: developing Hospital Emergency Risk Management Programme-including measures to protect staff, patients & visitors from infections. Establish hospital emergency committee & Incident Command Group. Societal measures: developing strategies & programs to disseminate information the public is likely to need with a view to reducing risks during an emergency.

No	Hazard	Risk reduction project proposals
18	Fire: Structural (Formal Settlements). Fire: Structural (Informal Settlements).	Physical planning measures: develop a district-wide strategic framework for fire & burn prevention. Engineering & construction measures: smoke alarms provide an early warning system that alert people & permit time for an escape before a fire spreads, the implementation of this invention will reduce the risk of deaths in any form of settlements. Economic measures: prioritise funding & prevention training. Management & institutional measures: develop an information strategy & data collection system because an effective information strategy would support response planning & prevention, hazard identification & risk assessments. Societal measures: educational strategies for the public & communities with regards to fire awareness, safety & prevention.
4	Road Incidents	Physical planning: looking into the possibility of introducing safer travel choices. For example, rail has shown to be a safer form of travelling than motorized modes of travelling. Engineering & Construction measures: development of local road safety schemes that road safety engineers and urban designers can use in a wide range of measures to improve the safety of the road environment for all road users and to encourage increased use of streets as places that meet the needs of pedestrians, cyclists and public transport users. Economic: Speed enforcement detection devices can be effective in reducing RTA's and associated injuries. Appointing and training police for policing on roads can have a beneficial effect on road traffic facilities and crashes. Management & Institutional measures: Introduce proper land use planning, residential, commercial and industrial policies to be enforced. Develop a Road Traffic Accidents Response Strategy. Societal measures: enforce seatbelt wearing use as research has shown that seatbelts reduce the risk of death in a crash by approximately 60%. Safety education programmes for pedestrians. Driver training/ education programmes. Awareness, communication and collaboration are key to establishing and sustaining road safety efforts.
2	Drought	Physical planning: limit evaporation from swimming pools and other man-made water bodies through implementing appropriate physical planning measures and by-laws. Study and understand the impact of climate change on development. Promote awareness and cultivation of drought resistant crops. Build proper storage and preservation facilities by agricultural produce.

No	Hazard	Risk reduction project proposals
		Engineering & Construction: Monitor observation and production boreholes. Implement water pressure management systems to reduce water network losses. Finding and repairing underground water leaks (on going). Economic Measures: address drought related financial needs through operating budgets & forecast-based financing of risk reduction & preparedness measures. Introducing the stepped tariffs system of billing. Facilitate affordable and accessible insurance for emerging businesses and small-scale farming communities. Management & Institutional Measures: appoint a drought task team with a focus on establishing a multidisciplinary team of stakeholders and securing partnerships. Establish clear drought planning purposes and objectives. Societal Measures: capacitate rural & urban communities to identify areas where water losses and leakages can and do occur and provide an efficient reporting process. Develop awareness training and workshops in high-risk areas. Develop & inform communities of response actions to early warning systems.
7	Water Pollution	Physical planning: develop and maintain control measures for effective curbing of water pollution resulting from pollutants seeping into rusted galvanized iron pipes, flood/underground seepage of human and material wastes. Engineering & construction measures Economic measures: Provide incentives for environmentally sound behaviour, raising revenue to help finance pollution control activities and ensuring that water quality objectives are achieved at the least possible (overall) cost to society. Management & institutional measures: develop a Water Pollution Control Compliance on Construction Sites for Resident Engineers Policy. Ensure compliance with this policy. Encouraging Adaptive practices such as organic farming and integrated pest management could help protect waterways. Develop Wastewater discharge regulations. Societal measures: developing intervention projects pertaining to environmental hazards are often more sustainable if they address the driving forces behind pollution at the community level.
3	Fire (Veld)	Physical planning measures: Fire response team working close to fire-fighting equipment. Ensure on-going testing of firefighting equipment. Engineering & Construction measures: Ensure that infrastructure within the perimeter of the veld fire should be inspected for damage and repaired if necessary.

No	Hazard	Risk reduction project proposals
		Economic measures: address veld fires/wildfires related financial needs through operating budgets & forecast-based financing of risk reduction & preparedness measures in order to ensure that resources will respond quickly. Management & Institutional measures: Ensure designated management staff are available for veld fires/wildfires response. Ensure that proactive fire management measures are undertaken as planned. Ensure standby operational on a roster basis. Establish agreements with a neighbouring estate whereby fires on the property are reported on the owner's behalf. Keep informed of fire weather conditions and forecasts. In terms of resources, fire response agreements should be in place-either with neighbouring estates that have sufficient resources to respond, or with a third-party agent. Societal measures: educate the public that open fires are only permitted in authorised fireplaces. Plan and make known escape routes for everyone on the ground and in the air. Restrict public access to the recently burnt areas if dangerous or ecologically sensitive. Post a lookout for danger and safety aspects.
8	Illegal Uncontrolled Solid Waste Disposal	Physical planning: good municipal solid waste management practices require collection of critical information which is not just for keeping the records up to date but used effectively for taking corrective measures as well as proper planning for the future. Establishment of landfill sites as well as street bins distribution to minimize illegal solid waste dumping. Engineering & construction measures: investment for bulk infrastructure development for the establishment of regional waste disposal sites and bulk waste transfer stations within the district. Economic measures: Implement and ensure the user pays principle is applied for waste management. Management & institutional measures: ensure rules & regulations governing waste management are enforced at all times. Preparing & implementing an IWMP & development of a framework for IDPs & ensuring that IWMPs inform the IDP Process. Societal measures: establishment of waste minimisation programmes, environmental education, and awareness campaigns and workshops.

v) Strategic Disaster Risk Reduction

Disaster risk reduction is the concept and practice of reducing disaster risks through systematic efforts to analyse and manage the causal factors of disasters, including through reduced exposure to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events. Disaster risk reduction, through proper planning and management is the new key driving principle in disaster management.

The Kouga Local Municipal follows a priority strategic approach to **disaster risk reduction**. This strategy aims to achieve the following objectives:

- To establish and incorporate the foundational guiding arrangements for disaster risk reduction in the Kouga Local Municipality.
- To increase awareness and knowledge of disaster risk reduction methods and opportunities.
- To inform the legal and institutional basis for efficient disaster risk reduction planning and implementation.
- To contribute towards the inclusion of disaster risk reduction into development policy, programmes and projects.
- To establish a strategic platform for public-private-sector co-operation in disaster risk reduction.
- To contribute to community resilience against the threats and effects of disasters.

The following factors are important to ensure the effectiveness of implementing the strategic goals and initiatives:

- Political buy-in and support.
- Strategic leadership by management.
- Uniform standards supported by national policy and legislation.
- Stakeholders and responsible agencies need to accept responsibility and be held accountable for neglecting responsibilities in terms of disaster risk reduction.
- Capacity and awareness at local level.
- Appropriate systems and technologies.
- Private-sector support.
- Optimising the use of resources: Using fewer resources to achieve more.
- The involvement and co-operation of non-governmental role players and historical information, to be inter alia gathered through indigenous knowledge, is of paramount importance.

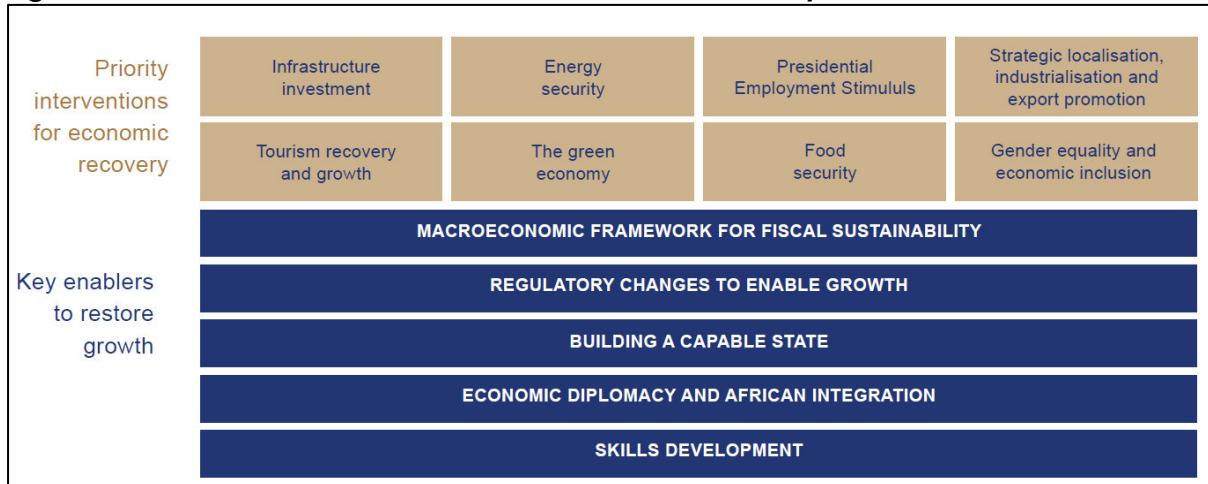
The Disaster Management Centre / Office must establish mechanisms to ensure integration and joint standards of practice in the execution of disaster management policy.

1.4.6 Covid -19 Pandemic: Recovery Plan

a) National Economic Reconstruction and Recovery Plan

The Economic Reconstruction and Recovery Plan aims to build a new economy and unleash South Africa's true potential. The overarching goal of the plan is to create sustainable, resilient and inclusive economy.

Figure 3: National Economic Reconstruction and Recovery Plan



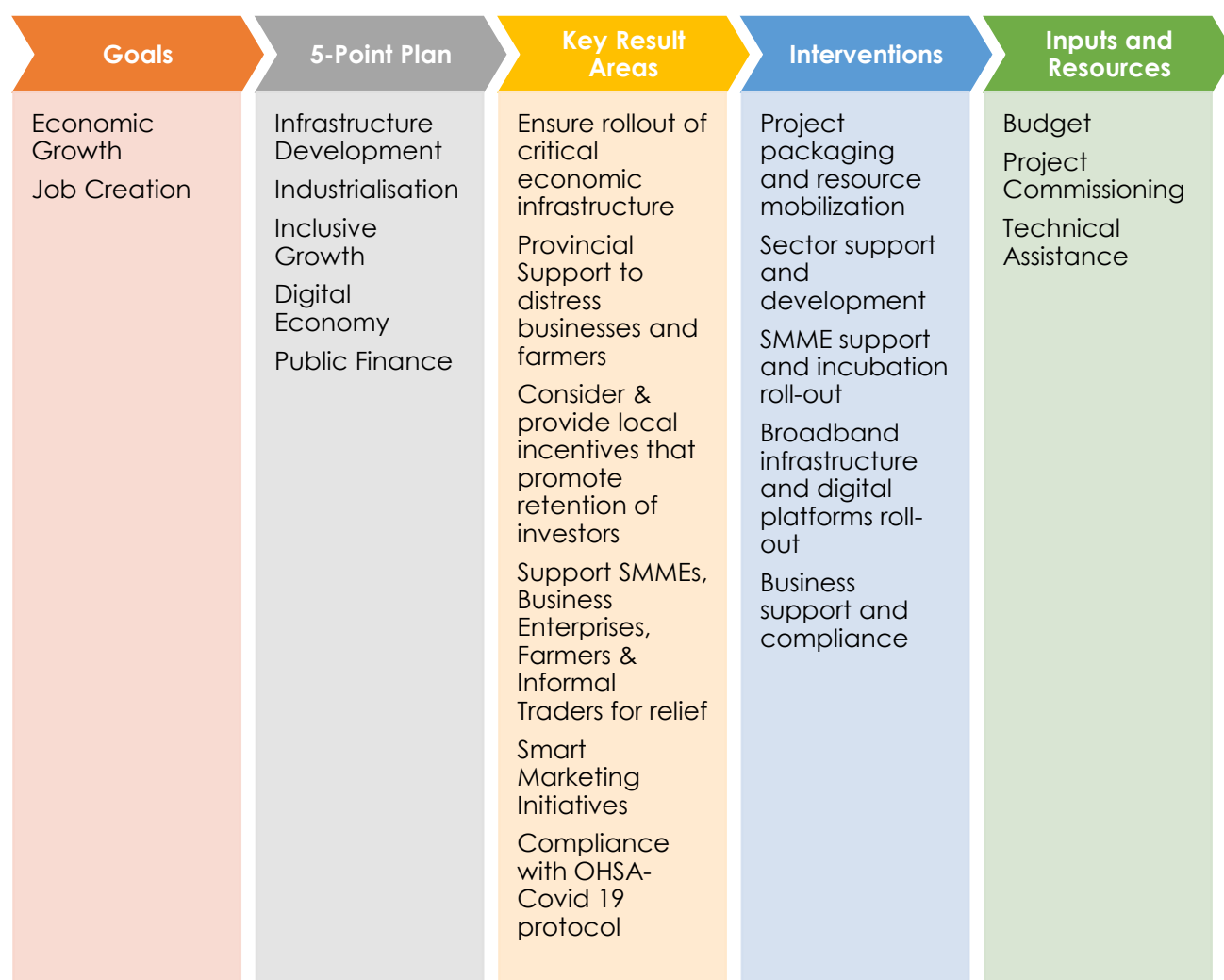
b) Five-Point Plan for Economic Recovery of the Eastern Cape

Five-Point plan built on the objectives of economic growth and job creation.

Figure 4: Five-Point Plan for Economic Recovery of the Eastern Cape

	Infrastructure Development	Infrastructure at heart of economic recovery: Strengthening provincial project packaging & implementation capacity.
	Industrialization and Sector development	Drive re-industrialization through provincial catalytic projects & rural initiatives based on unique strengths & potentials of the province (Calibrate PEDS for new reality).
	Equitable, Inclusive Transformation.	
	Digital Transformation	
	Public Finances	

c) Provincial Economic: Recovery Plan Framework for Implementation

Figure 5: Provincial Economic Recovery Plan Framework for Implementation

1.4.7 MEC Comments/Findings of the Final IDP 2022/23

KPA 1: Spatial Planning, Land Use, Human Settlements and Environmental

Management - Overall Rating HIGH

- The municipality must finally address the pending item in relation to land audit report, land invasion policy and land outstanding claims.
- The District Municipality has an adopted Air Quality Management Plan (AQMP) but is has not yet cascaded to its Local Municipalities and it is a concern as this has been calling for unnecessary penalty during assessment.
- The Department of Economic Development, Environmental and Tourism (DEDEAT) regional office is willing to assist the municipality where possible.
- The municipality must develop a climate change strategy in response to climate change.

KPA 2: Service Delivery and Infrastructure Planning - Overall Rating HIGH

- The municipality is currently using Rural Roads Asset Management (RRAMS), but this is not reflected in the IDP.
- The municipality must consider budgeting for non-motorised facilities.
- The municipality must appoint a waste management officer.
- The municipality must indicate projects that address waste management challenges. The municipality must create mechanisms to capacitate local communities on waste management issues.
- The municipality must conduct investigation on best alternative sources of renewable energy that can be implemented within its jurisdiction.
- The municipality must develop and adopt a Disaster Management Plan.
- The municipality must develop an emergency procurement measure as stipulated in the disaster management plan
- The municipality must prioritise the review of by-laws (last adopted in 2006).
- The municipality must draft and adopt tariffs for fire services.
- The municipality must develop infrastructure maintenance plan
- KPA 3: Financial Planning and Budgets - Overall Rating MEDIUM
- The municipalities must reflect whether there is a separate bank account for projects, if not separate bank account must be opened for conditional grants.
- The municipality should incorporate Annual Financial Statements /year end preparation plan in the IDP.
- The municipality should promulgate essential policies into by-laws and gazette them to increase public awareness.
- The municipality must spend 100% of its capital budget.
- The municipality must service its creditors within 30 days as per norms and standards.
- The municipality should maintain effective and efficient billing system to bill consumers regularly in accordance with norms and regulations to improve revenue collection.
- The municipality should develop data cleansing strategies and bill its consumers monthly and must be reflected as such in the IDP.
- The municipality must attach the SDBIP (MFMA circular 13) in the IDP which clearly indicate IDP Priorities, SDBIP objectives, strategies, projects and budget allocations, targets, indicators in respect of each project and timeframes.
- The municipality should develop and continuously update its property valuation roll to include all the properties in the municipal jurisdiction and get it published on the website, as this is the foundation of levying property rates.
- The municipality must reflect the status quo of contract management from the Supply Chain Management (SCM) perspective.
- The municipality is required to detail the costs of Free Basic Services (FBS) for indigents for at least the previous two years.

KPA 4: Local Economic Development**KPA 5: Good Governance and Public Participation - Overall Rating HIGH**

- The municipality must indicate progress on implementation of Integrated Service delivery Model (ISDM) and evidence of functionality of war rooms.
- The municipality must develop and adopt stakeholder communication strategy.

K.PA 6: Institutional Arrangements - Overall Rating HIGH

- There are no issues of concern regarding this KPA

Progress on addressing the MEC comments is further discussed in Chapter 3 of this document.

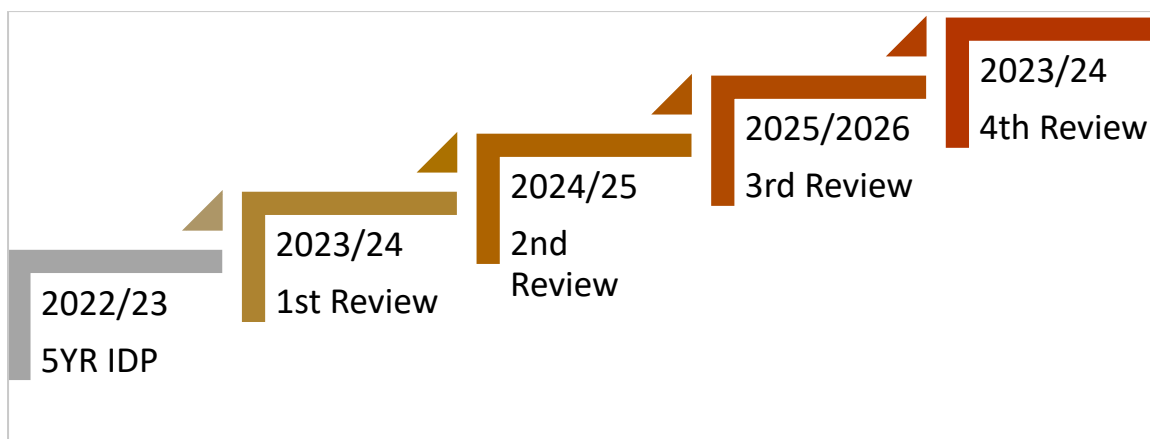
1.5 IDP PROCESS PLAN

1.5.1 Five-Year Cycle of the IDP

Strategic development of the Kouga Municipality is driven by the IDP, that requires a comprehensive planning process and the involvement of different stakeholders who are internal and external. Such a process has to be properly organised and prepared. An inherent part of the IDP process is the annual and medium-term revenue and capital expenditure framework (MTREF) which is based upon the key performance areas set out in the IDP. The annual Service Delivery and Budget Implementation Plan (SDBIP) ensures that the municipality implements programmes and projects based on the IDP targets and associated budgets. The performance of the municipality is reported in Quarterly and Mid-yearly Performance Assessment Reports, as well as in the Annual Report.

A clear distinction must also be made between the main IDP which is compiled every five years (or if a new council comes into power within the five-year period and does not accept the previous council's IDP) and the annual review of the IDP. The annual review is not a replacement of the five-year IDP, and its purpose is not to interfere with the long-term strategic orientation of the municipality. The annual review reflects and reports on progress made concerning the five-year strategy (and strategic goals) and proposes adjustments to the strategy, if necessary, because of changing internal and external circumstances that impact the appropriateness of the IDP.

Figure 6: 5 Year IDP Cycle



1.5.2 The IDP and Ward Plans

The **fifteen (15)** ward plans, include:

- A consensus on priorities for the relevant ward(s).
- An implementation plans.

Ward plans help to ensure that the IDP is more targeted and relevant to addressing the priorities of all groups, including the most vulnerable. These plans provide Ward Committees with a systematic planning and implementation tool to perform their roles and responsibilities. They form the basis for dialogue between the municipality and Ward Committees regarding the identification of priorities and budget requests and will also be used by Ward Committees for ongoing monitoring and evaluation throughout the year. The information is however on a detail level and not duplicated in the IDP, but a detailed Ward Plan is available on request.

1.5.3 IDP Public Participation Process

The IDP is about determining stakeholder and community needs and priorities wh/ich 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.

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.

The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the 10 processes.

A municipality must give notice to the local community of particulars of the process it intends to follow.

The first review of the Integrated Development Plan (2022-2027) process started with the adoption of the IDP Process Plan on 22 August 2022, (Council Resolution 22/08/PDT 13) which includes 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. All activities linked to the Process Plan of 2023/2024 due for 31 March 2023 will be accomplished. The remaining activities is flagged and will be dealt with after the adoption of the Reviewed Draft IDP for 2023/2024. It is also important to mention that next due date for the drafting of the 2024/2025 IDP/Budget/SDBIP/PMS is due on 31 August 2023.

1.5.4 Community Participation

Stakeholder and community engagements to determine and undertake development priorities, form the cornerstone of the IDP. The Municipality embarked on an intensive public participation drive under the theme "Have your Say". Various engagement platforms were adopted to encourage communities to be involvement.

These platforms are:

Local Newspaper

Online Community Survey (published in all KLM media platforms)

Ward Committee workshops

Website

Email idp@kouga.gov.za

Dedicated WhatsApp number – 0789409368/9

The Strategic Management Team has conducted Ward Based Planning & Integrated Development Plan of Municipalities 2022/2023 for all fifteen wards;

See below Schedule of Ward Base Planning & IDP Priority Reviewal

1.5.5 IDP/Budget Community Meetings

The Strategic Management Team has conducted Ward Based Planning & Integrated Development Plan of Municipalities 2022/2023 for all fifteen wards;

See below Schedule of Ward Base Planning & IDP Priority Reviewal

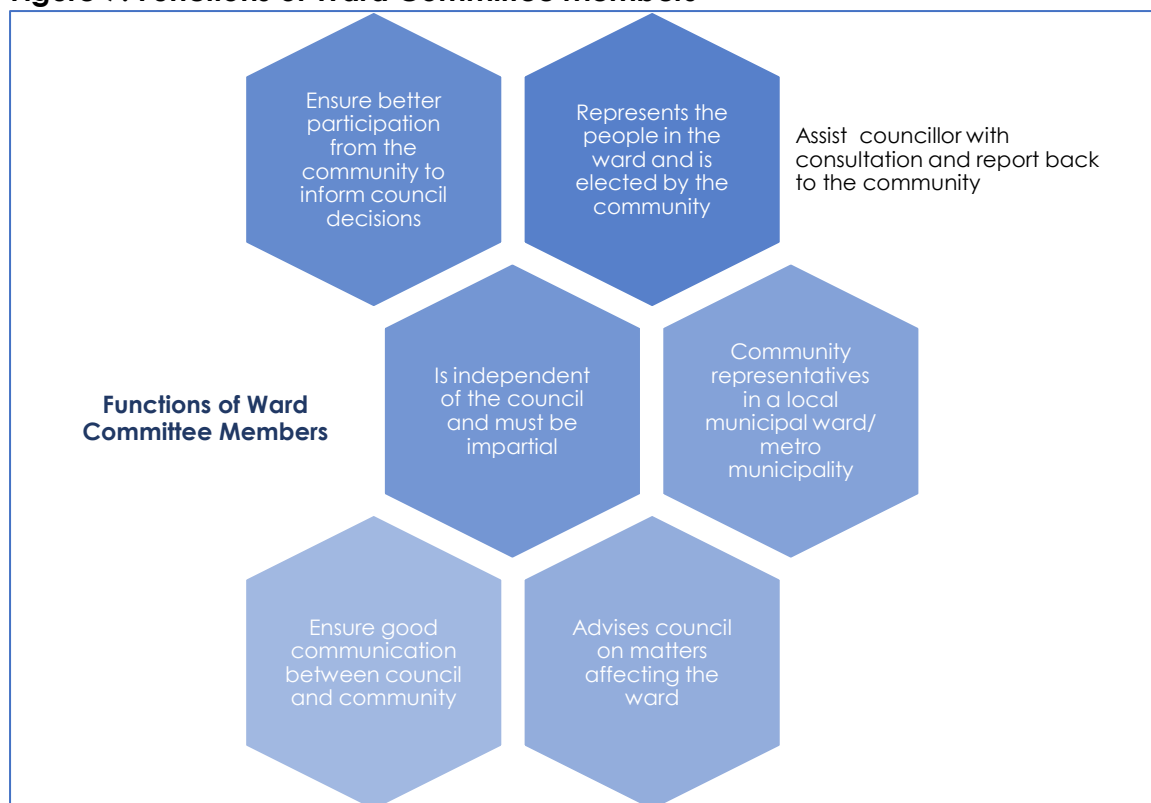
No.	Date	Meeting Venue	Ward	Areas
1.	04 October 2022	Victory Church	Ward 3	Lower Wavecrest and Kabeljauws
2.	06 October 2022	Victory Church	Ward 11	Jeffreys Bay Central, C-Place and The Sands
3.	11 October 2022	Victory Church	Ward 8	Upper Wavecrest and Kabeljauws
4.	13 October 2022	St Francis Bowling Club	Ward 12	St Francis Bay Cape St Francis Bay and Paradise Beach
5.	15 October 2022	Mentorskraal	Ward 7, 9, 10, 13 & 14	Thornhill, Lorie, Mondplaas, Longmore, Rooiberg and surrounding Farms/Philipsville, Hankey Town, Rosedale, Kleinfontein, Ou Hankey, Stofwolk, Silvertown, Smartie-town and Ext4/Cyril Ramaphosa Village, Andrieskraal, Cockscorn, Kwagga, Patensie Town, and Surrounding Farms/Weston, Centerfon, Patensie Town and Surrounding Farms/Ocean View and Tokyo Sexwale
6.	22 October 2022	Mentorskraal	Ward 1, 2, 4, 5, 6 & 15	Sea Vista, Oyster Bay, Umzamowethu, Lower Golf Course, Leeubos and Surrounding Farms/Pellrus, Madiba Bay and Aston Bay/Kruisfontein, Jeugkamp, Die Berg, Ext 391-Northside, 7de Laan, Maak 'n Las, Gill Marcus, Mooi-uitsig, and Donkerhoek/Arcadia, B0-blok, Van Lingen Park, Ext 391-Southside, Vaaldam and Johnson Ridge/Kwanomzamo, Vergenoeg and Humansdorp East side/Panorama, Humansdorp Town, Westside, Arcadia, Moerasrivier, Graslaagte Boskloof and Upper Golf Course

1.5.6 Ward Committees

The Kouga Municipality believes in community participation and bringing services and government to the communities. To this extent, the Municipality has established fully equipped ward offices in all 15 wards. Ward assistants have been employed in all wards as support staff to the ward councillors. Chapter 4 of the Municipal Structures Act makes provision for the establishment of the Ward Committees as the structures to enhance participatory democracy.

Kouga Municipality has a Ward Committee system in place, which plays a crucial role in achieving the aims of local governance and democracy, as mentioned in the Constitution of 1996. A Ward Committee is independent of the council and not politically aligned. The Ward Committees have been established for all 15 wards and induction trainings were conducted in the month of February 2022. Ward Committee meetings are held once a month. Outcomes of ward committee meetings are documented and referred to user departments for actioning.

The figure below outlines the main duties of the Ward Committees.

Figure 7: Functions of Ward Committee Members

1.5.7 Community Development Workers (CDWs)

The Community Development Worker Programme (CDW) is a national programme established in 2003 and championed by COGTA. The Kouga Municipality has 8 Community Development Workers, and they are a very important link between the Ward Councillor and the community. Historically, some areas have been without CDWs for several years and engagements with COGTA to rectify this are ongoing. The role of the CDW is to act as catalysts between Community and Government by informing communities of the basket of government services at their disposal, while informing Government of Community needs.

1.5.8 Implementation of the IDP

The Service Delivery and Budget Implementation Plan (SDBIP) ensures that the KLM implements programmes and projects based on the IDP targets and the approved budget. The performance of the municipality is reported on, in the Quarterly and Mid-yearly Performance Assessment Reports as well as in the Annual Report.

1.6 THE ORGANISATION

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

1.6.1 Political Governance

Section 53 of the Systems Act stipulates that the respective roles and areas of responsibility of each political structure and each Political Office Bearer of the municipality must be clearly defined. Such definition is vital in order to ensure a well-functioning organisation.

1.6.2 Municipal Council

The Council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly as well as facilitate political debate and discussions. Apart from their functions as policymakers, Councillors are also actively involved with community work and in the various social programmes in the municipal area.

Kouga Municipality is represented by 30 councillors of whom 15 were elected directly as ward councillors. The rest of the councillors were elected based on the proportion of votes cast for the different political parties.

1.6.3 Executive Mayor and Executive Mayoral Committee

The Executive Mayor of the KLM, Alderman Horatio Hendricks, assisted by the Deputy Mayor and the Mayoral Committee, heads the political arm of the Council. Besides strategic and political responsibilities the Executive Mayor also has executive powers vested in him, as delegated by the Council, as well as the powers assigned by legislation in order to manage the day-to-day affairs of Council.

Although accountable for the strategic direction and performance of the municipality, the Executive Mayor may act on the advice of the Mayoral Committee which comprises the following members:

Table 6: Executive Mayoral Committee

NAME	PORTFOLIO
Cllr Timothy Jantjes	Corporate Services
Cllr Lorraine Maree	Infrastructure And Engineering
Alderman Daniel Benson	Community Services

NAME	PORTFOLIO
Cllr Hattingh Bornman	Finance
Cllr Shena Ruth	Planning, Development and Tourism

1.6.4 Speaker

Council Kouga Municipality consists of 30 Councillors, of which 15 are Ward Councillors and 15 are Proportional Representation (PR) Councillors. The Speaker presides at meetings of the Council. The Speaker of Council in Kouga Municipality is Alderman Brenton Williams.

A list indicating all Councillors with their capacity/position is below:

Figure 8: Kouga Municipality Leadership



Figure 9: Councillors

WARD	WARDCLLR	NAME	SURNAME	WARD AREAS
1		Nozuko Princess	Ntshota	Sea Vista, Oyster Bay & Surrounding Farms
2		Henry	Murray	Pellrus up to Pell and Duine Street, Tokyo Sexwale and Lootspark Up To Woltemade Street
3		Willem	Gertenbach	Lower Wavecrest, between AD Keet, Noorsekloof and Poplar
4		Eldred Jaques	Alexander	Kruisfontein, Gill Marcus, Die Berg & surrounding farms
5		Melanie Frederika	Biko	Arcadia, Grasaagte, Vaaldam, Johnson's Ridge & Surrounds
6		Kholisile James	Ndzaleni	KwaNomzamo excluding the Golf Course Informal Settlement
7		Eric Thembekile	Mbuqu	Thornhill, Loeie, Longmore, Mondplaas & Surrounds
8		Reinhardt	Foley	Upper Wavecrest, Kabeljous & Surrounds
9		Cynthia Cecily	August	Hankeytown, Centerton, Phillipsville, Kleinfontein & Ext 4
10		Msingathi Gerald	Mbandana	Ramaphosa Village, Andrieskraal, Cambria & Surrounds
11		Fanie	Heystek	Jeffreys Bay Central and C-Place, from Pell & Duine Streets to Petunia
12		Lorraine	Maree	St Francis Bay, Cape St Francis, Paradise Beach, Lower Humansdorp Golf Course
13		Vuyani Cornelius	Zana	Hankey, Weston, Rosedale, Ex Nathi Farms & Patensie Farm
14		Mzwandile	Yali	Aston Bay, Marina Martinique, Mandela Bay & Ocean View
15		Timothy	Jantjes	Humansdorp town, Boskloof, Panorama, upper Humansdorp Golf Course, lower Arcadia, Moerasrivier

1.7 THE ADMINISTRATION

The Municipal Manager is the head of the Administration. His primary function is to serve as chief custodian of service delivery and the implementation of political priorities. He is assisted by the Top Management Team (TMT), which comprises of the Directors of five departments. The TMT is responsible for identifying and setting strategic interventions to improve service delivery; developing new initiatives based on feedback from political leadership, departments and the local community; and managing current priorities.

Figure 10: Top Management Team



CHAPTER 2: SITUATIONAL ANALYSIS

2.1 INTRODUCTION

This Chapter presents a status quo analysis of the Kouga Local Municipality. The situational analysis and statistics presented in this Chapter reveal the developmental challenges (such as poverty, unemployment and service delivery backlogs) facing the Municipality. This analysis is crucial in providing the Municipality and its social partners with information in respect of local socio-economic trends and patterns. The ideal is that the programmes and projects captured in this IDP must address the developmental challenges identified through the situational analysis.

It furthermore focuses on the key statistics of the municipality which is populated from the Census 2011 and also from Quantec for projected data from census 2011, while the revised data is in the pipeline as Census 2022 is still in progress.

This IDP was developed in accordance with the requirements of the Municipal Systems Act 32 of 2000 for developing an IDP.

2.2 GEOGRAPHICAL LOCATION

The Kouga Local Municipality is a Category B municipality and is also one of seven local municipalities located within Sarah Baartman District Municipal area in Eastern Cape Province. It consists of nine towns, namely, Jeffreys Bay, Humansdorp, St Francis Bay, Cape St Francis, Oyster Bay, Patensie, Hankey, Loerie and Thornhill, as well as various smaller settlements and agricultural nodes.

It also comprises the coastal region and the fertile Gamtoos Valley, which happens to be the gateway to the famous Baviaanskloof wilderness area.

Map 1: Municipal Locality Map



2.3 WARD DEMARCATION AND PROFILE

The following is a list of the sub-places or townships found in each of the 15 wards:

Table 7: Municipal Ward Demarcation

Ward	Areas
Ward 1	Sea Vista, Oyster Bay, Umzamowethu, Leeubos & surrounding farms
Ward 2	Pellsrus, Madiba Bay & Aston Bay
Ward 3	Lower Wavecrest & Kabeljauws
Ward 4	Kruisfontein, Jeugkamp, Die Berg, Ext 391 "North Side", 7de Laan, Maak 'n Las, Gill Marcus, Mooi Uitsig & Donkerhoek
Ward 5	Arcadia, Bo-Blok, Ext 391 "South Side", Vaaldam & Johnsons Ridge
Ward 6	Kwanomzamo, Vergenoeg, Humansdorp Town "East Side" & Boskloof
Ward 7	Loerie, Mondplaas, Rooidraai, Thornhill, Longmore & surrounding Farms
Ward 8	Upper Wavecrest
Ward 9	Hankey Town, Phillipsville, Rosedale, Kleinfontein, Ou Hankey, Stofwolk, Silvertown, Smartie Town and Ext 3
Ward 10	Ramaphosa Village, Patensie Town, Andrieskraal, Cockscomb, Kwagga & surrounding farms
Ward 11	Jeffreys Bay Central, C-Place & The Sands
Ward 12	St. Francis Bay, Cape St Francis & Paradise Beach
Ward 13	Weston, Centerton, Patensie Town & surrounding farms
Ward 14	Tokyo Sexwale & Ocean View
Ward 15	Panorama, Humansdorp Town "West Side", Golf Course, Arcadia, Moerasrivier, Graslaagte & surrounding areas

The map below depicts the location of the 15 wards which comprises the municipality:

Map 2: Ward Delimitation Plan



2.4 KOUGA MUNICIPALITY AT A GLANCE

Table 8: Kouga Municipality's Demographics

Table 6: Kogga Municipality's Demographics			
Demographics			
			
Population – 98 588	Households 29 447	Male 51%	Female 50%
Age			
0-14		26%	
15-65		64%	
65+		10%	
Health			
	Year of Expectation	12.16	
	Healthcare facilities	22	
Education			
	Mean years schooling	8.63%	
Access to services			
			
Electricity 56.10%	Sanitation 55.40%	Waste Removal 64.70%	Water 59.5%
Water	59.5%		
Dwellings			
	Formal	22508	
	Traditional	21.6%	
	Informal	5292	
Economy			
	GDP	31%	
	Unemployment rate	13%	
	Employed	47%	

Source: Stats SA 2011 and Community Survey 2016

2.5 DEMOGRAPHIC PROFILE

2.5.1 Demographic

The Kouga Municipal area is made up of socially, historically, culturally, economically diverse communities. The area has experienced a rapid growth of urbanisation in recent years and the trend is anticipated to grow in view of the planned developments in the Kouga Area. Humansdorp and Jeffreys Bay are the two primary urban settlements where the main retail and commercial activities are concentrated. Statistics SA 2011 and Community Survey 2016 has also been used for demographic data.

2.5.2 Population

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 98 558 (Census 2011).

Table 9: Population growth rates by municipality – 1996, 2001 and 2011

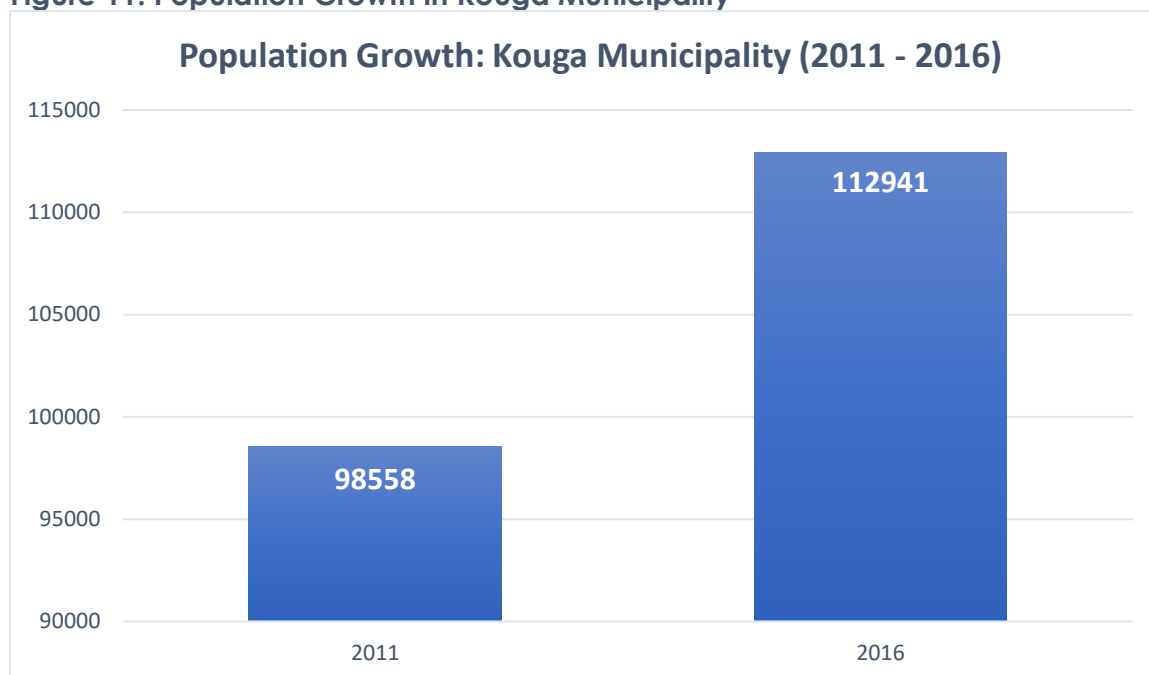
Municipality	Total population		Population growth rate (1996-2001)	Total population	Population growth rate (2001-2011)
	1996	2001		2011	
DC10: Cacadu	370 159	388 206	1,0	450 584	1,5
EC101: Camdeboo	46 824	45 773	-0,5	50 993	1,1
EC102: Blue Crane Route	34 577	35 407	0,5	36 002	0,2
EC103: Ikwezi	10 518	10 367	-0,3	10 537	0,2
EC104: Makana	77 656	75 302	-0,6	80 390	0,7
EC105: Ndlambe	46 514	54 717	3,2	61 176	1,1
EC106: Sundays River Valley	45 537	43 914	-0,7	54 504	2,2
EC107: Baviaans	17 089	16 897	-0,2	17 761	0,5
EC108: Kouga	63 241	71 390	2,4	98 558	3,2
EC109: Kou-Kamma	28 204	34 439	4,0	40 663	1,7

Source: 2011 Census

The population growth since 2011 to 2016 increased by 6.5% and shows the largest growth in the Sarah Baartman District

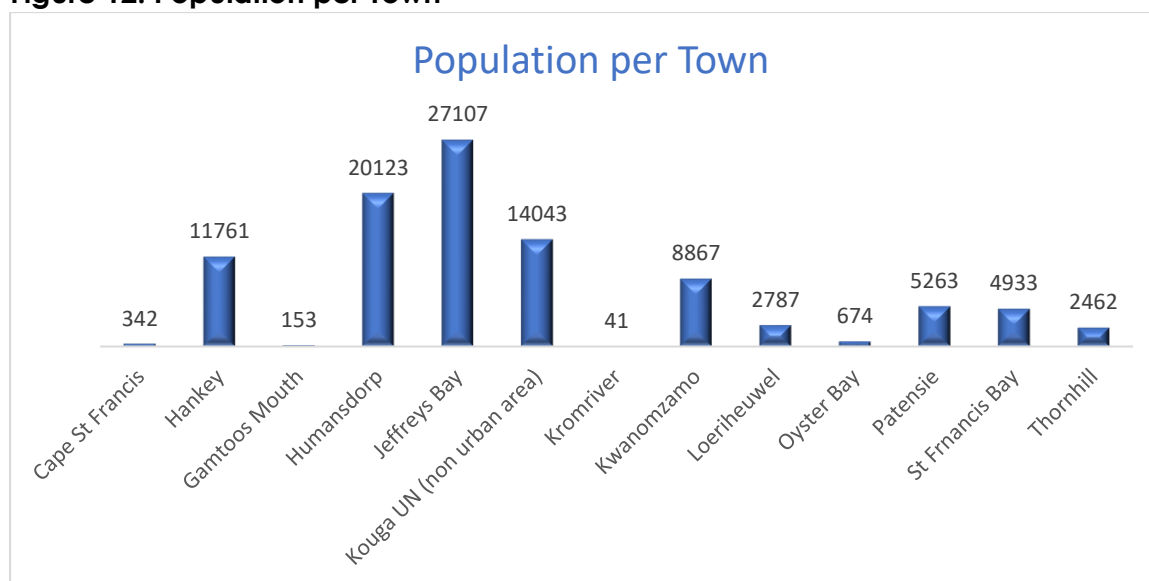
Table 10: Population Growth Rate per District Municipality

Province/district/local Municipality	Total population		Percentage change
	Census 2011	CS 2016	
DC10: Sarah Baartman	450 584	479 923	6,5
DC12: Amathole	855 793	880 790	2,9
DC13: Chris Hani	806 478	840 055	4,2
DC14: Joe Gqabi	348 667	372 912	7,0
DC15: O.R. Tambo	1 366 045	1 457 384	6,7
DC44: Alfred Nzo	801 344	867 864	8,3
BUF: Buffalo City	781 027	834 997	6,9
NMA: Nelson Mandela Bay			
Eastern Cape	6 562 053	6 996 976	6,6

Figure 11: Population Growth in Kouga Municipality

2.5.3 Population per Town

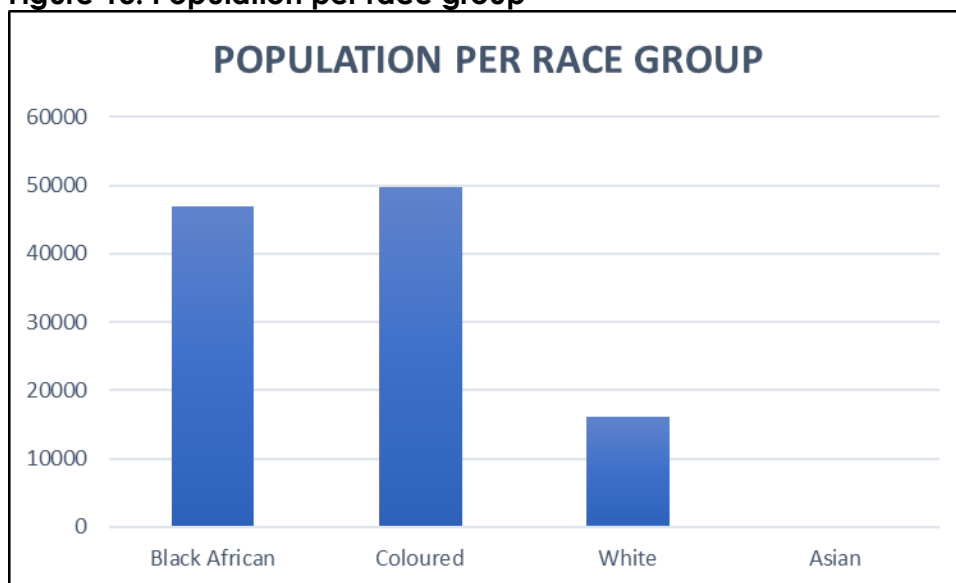
Urbanization refers to the population shift from rural to urban areas, the corresponding decrease in the proportion of people living in rural areas, and the ways in which societies adapt to this change. Urbanisation rates are high, and many developing-country cities cannot keep up with the demand for housing and services. In terms of urbanisation of the Kouga Municipality, the largest percentage of the population resides in the towns Humansdorp and Jeffreys Bay. However, the actual population size of 112941 (Community Survey 2016) reflects negative in the population size per town.

Figure 12: Population per Town

2.5.4 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 13: Population per race group



Source: Statistics South Africa, Census 2011

2.5.5 Households

A household consists of one or several persons who live in the same dwelling. In 2011, The Kouga Municipality had 29 447 households. The average annual household growth rate of the Kouga Municipality 3.4%.

Table 11: Average Household Size by Municipality – 1996, 2001 and 2011

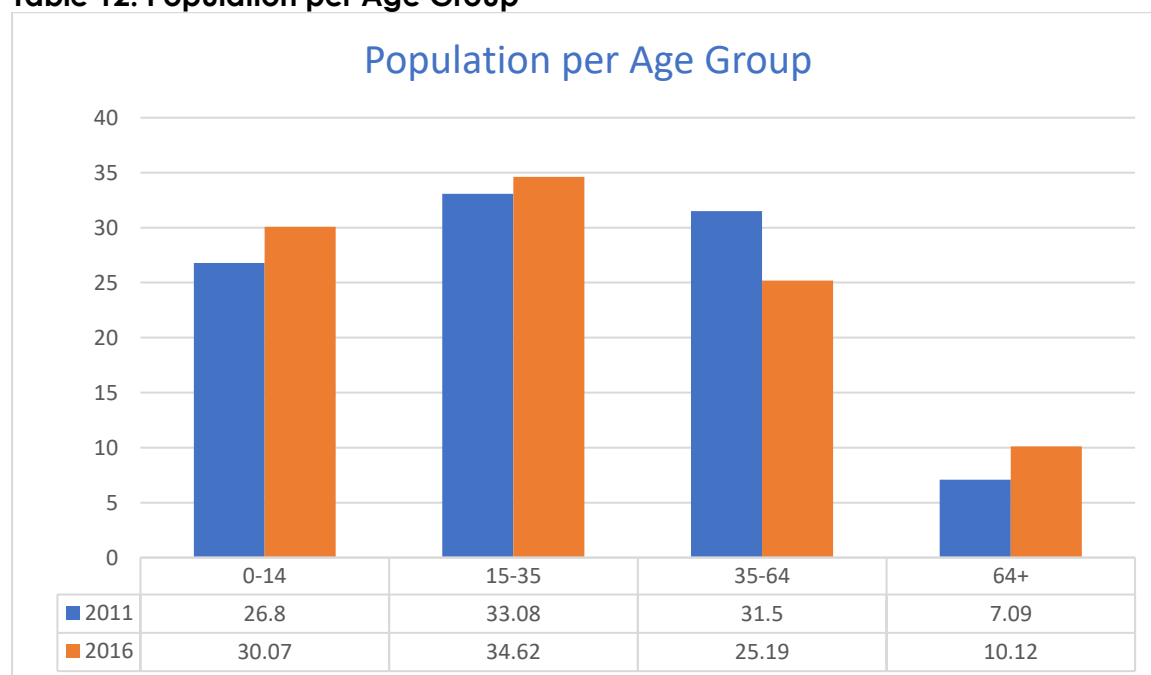
Municipality	Total household population			Number of households			Average household size		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
DC10: Cadadu	353 374	373 316	429 793	83 291	100 308	125 632	4,2	3,7	3,4
EC101: Camdeboo	44 214	44 181	47 837	9 837	10 839	12 400	4,5	4,1	3,9
EC102: Blue Crane Route	33 664	34 570	34 542	8 047	9 595	9 761	4,2	3,6	3,5
EC103: Ikwezi	10 174	10 115	10 183	2 322	2 738	2 915	4,4	3,7	3,5
EC104: Makana	71 023	70 253	74 115	16 418	18 009	21 388	4,3	3,9	3,5
EC105: Ndlambe	45 812	53 498	59 089	11 455	15 370	19 331	4,0	3,5	3,1
EC106: Sundays River Valley	42 731	42 115	51 920	9 981	10 761	14 749	4,3	3,9	3,5
EC107: Baviaans	15 926	16 370	17 374	3 614	4 275	4 610	4,4	3,8	3,8
EC108: Kouga	62 225	69 472	94 583	14 732	19 427	29 447	4,2	3,6	3,2
EC109: Kou-Kamma	27 604	32 742	40 150	6 884	9 294	11 032	4,0	3,5	3,6

Source: 2011 Census

2.5.6 Population per Age Group

The highest population group is between 15-34, which is known as youthful group in 2011 and increased in 2016 according to Stats SA 2011 and Community Survey 2016. 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.

Table 12: Population per Age Group



Source: Stats SA 2011 and Community Survey 2016

2.5.7 Education

The education and training of a country's workforce is a major factor in determining how well the country's economy will perform.

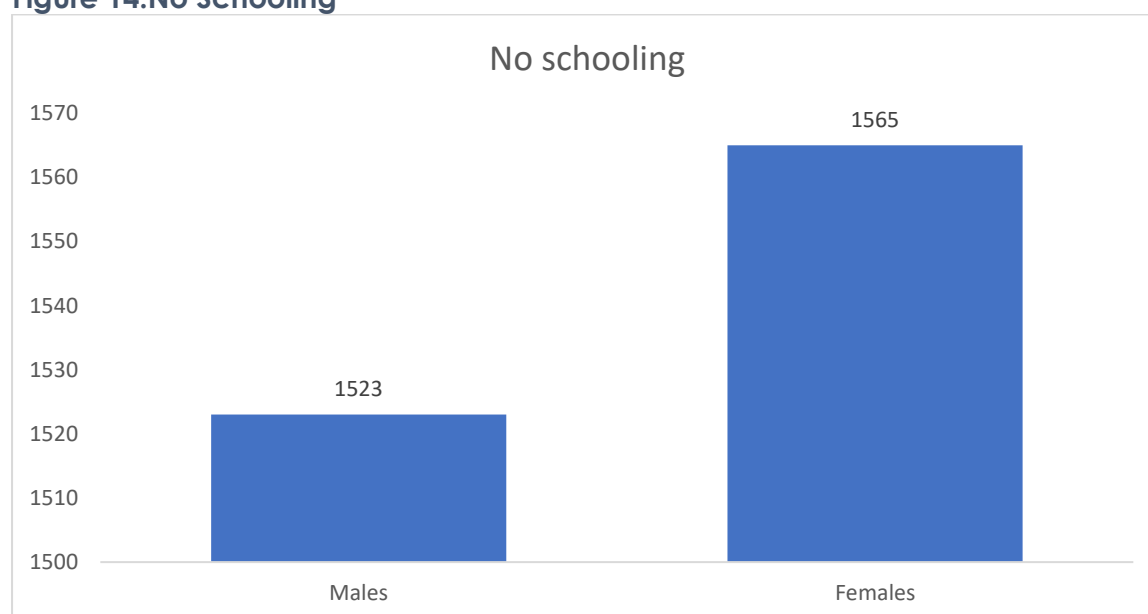
Education and training provide access to job possibilities while also sustaining and accelerating overall growth. It broadens the variety of alternatives from which a person might select in order to generate opportunities for a fulfilled existence. The education level of a population improves its wellbeing indirectly through beneficial effects on health and life expectancy. The education profile indicates the population's highest degree of education.

Table 13: Distribution of the population aged 20 years and older by highest level of education attained–1996, 2001 and 2011

Municipality	1996			2001			2011		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
EC108: Kouga									
No schooling	2 267	2 211	4 477	2 304	2 356	4 660	1 523	1 565	3 088
Some primary	4 378	4 522	8 901	4 666	5 005	9 671	4 942	4 990	9 932
Completed primary	1 855	2 106	3 961	1 998	2 200	4 197	2 125	2 419	4 544
Some secondary	5 696	6 216	11 912	6 852	7 675	14 527	11 540	12 341	23 882
Grade 12/ Std 10	2 436	2 625	5 062	4 567	4 876	9 444	7 362	8 115	15 477
Higher	1 317	1 235	2 552	1 397	1 380	2 777	2 942	3 060	6 003
Total	17 950	18 914	36 864	21 785	23 492	45 277	30 435	32 490	62 925

Source: 2011 Census

Figure 14: No Schooling



Source: Source: 2011 Census

Within No schooling aged >20 years, 21 574 have completed primary school, 102 118 have some secondary education, 56 665 have completed matric, and 23 037 have some form of higher education.

2.5.8 Expected years of schooling

Expected years of schooling are based on the duration of schooling at each level of education and consider the enrolment by age at all levels of education and the number of children of school age in the population for each level of education. Table 5 depicts the expected years of schooling within the Kouga Municipality as well as for the Sarah Baartman District over the period 2016 to 2019.

Table 14: Expected Years of Schooling

	2016	2018	2019
Kouga	12.16	12.18	12.19
Sarah Baartman	12.21	12.23	12.24

Source: Quantec, 2020

2.6 SOCIO-ECONOMIC ANALYSIS

Socio economic analysis will investigate the economic performance of the Kouga Municipality. The size and performance of the economy of a municipal area ultimately influences the well-being of households. Indicators discussed in this sector include the municipal GDP growth, employment, skill levels of workers, gross fixed capital formation as a percentage of GDP, as well as trade indicators.

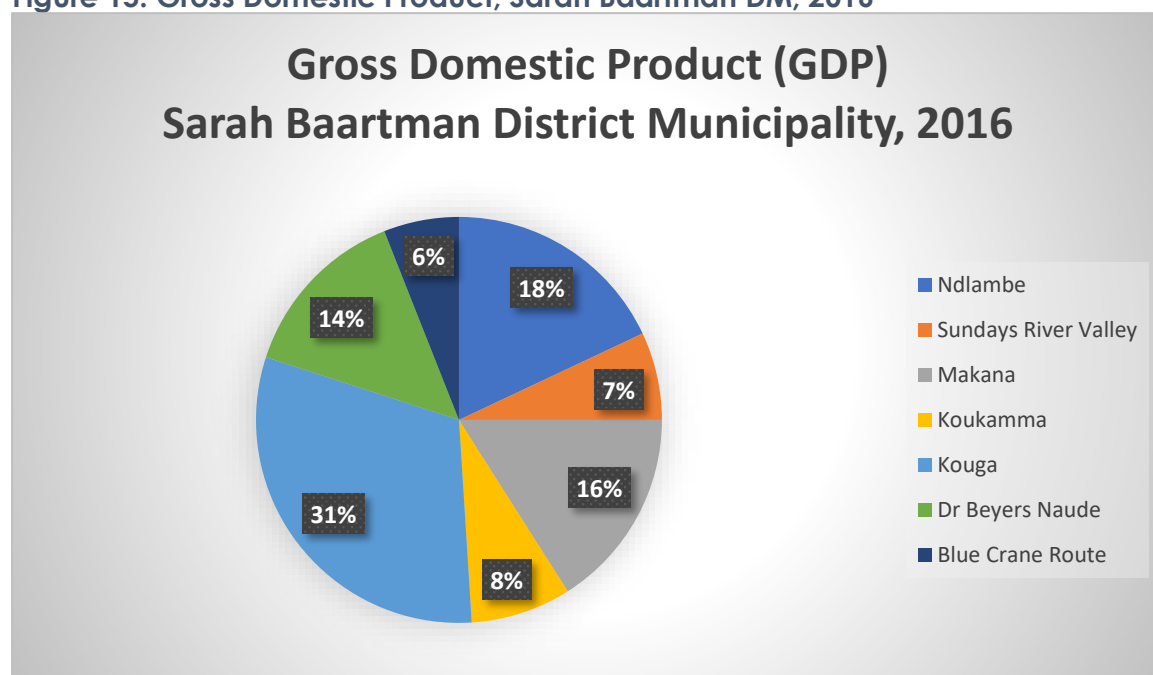
The economic state of Kouga Local Municipality is compared spatially with its neighbouring localities, Sarah Baartman District Municipality, Eastern Cape Province, and South Africa. The Kouga municipality does not operate in isolation from its neighbouring municipalities, therefore having accurate information on its economy is critical for good planning. Information is required to enable the municipality to design and implement policies that will foster the social economic growth of the people and industry.

2.6.1 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.

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

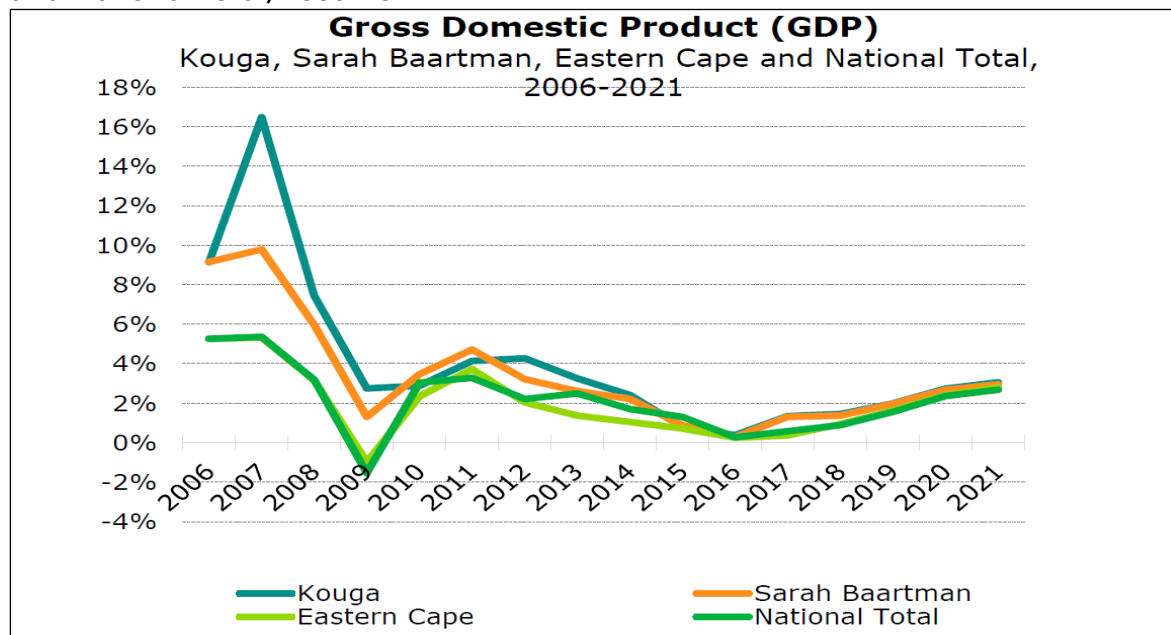
Figure 15: Gross Domestic Product, Sarah Baartman DM, 2016



Source: ECSECC 2017

The Kouga Local Municipality had a total GDP of R 10.5 billion and in terms of total contribution towards Sarah Baartman District Municipality the Kouga Local Municipality ranked highest relative to all the regional economies to total Sarah Baartman District Municipality GDP. This ranking in terms of size compared to other regions of Kouga remained the same since 2006. In terms of its share, it was in 2016 (30.8%) significantly larger compared to what it was in 2006 (27.6%). For the period 2006 to 2016, the average annual growth rate of 4.4% of Kouga was the highest relative to its peers in terms of growth in constant 2010 prices.

Figure 16: Gross Domestic Product (GDP) - Kouga, Sarah Baartman, Eastern Cape and National Total, 2006-2021



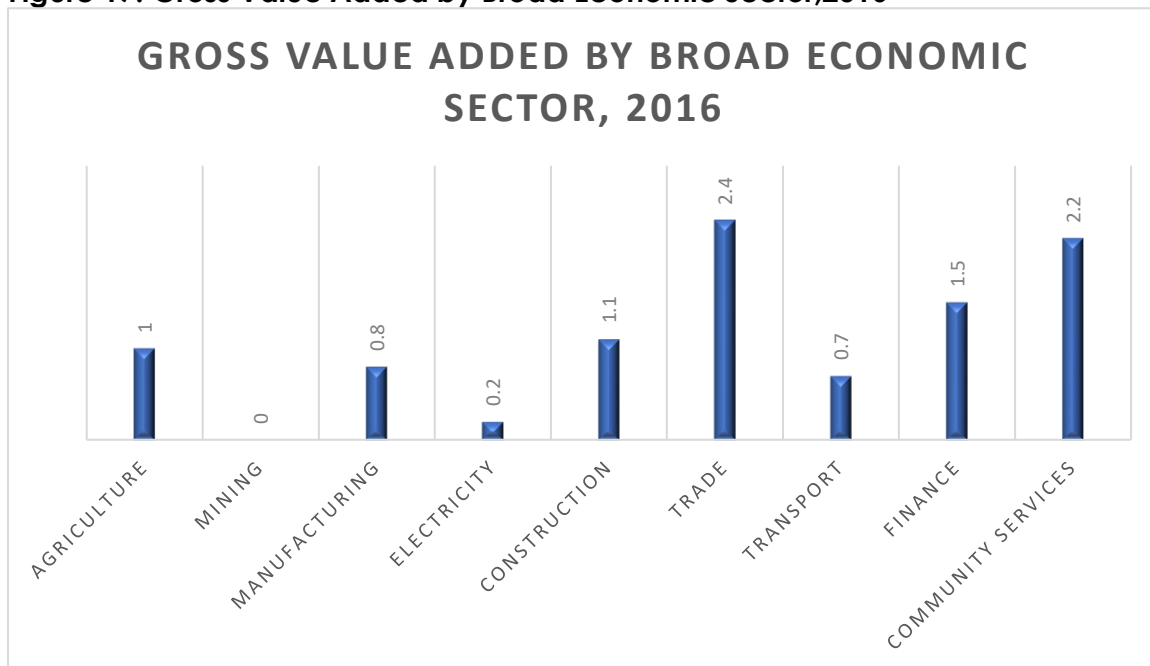
Source: ECSECC 2017

2.6.2 Gross Value Added by Region (GVA-R)

The Kouga Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its value added produced in the local economy.

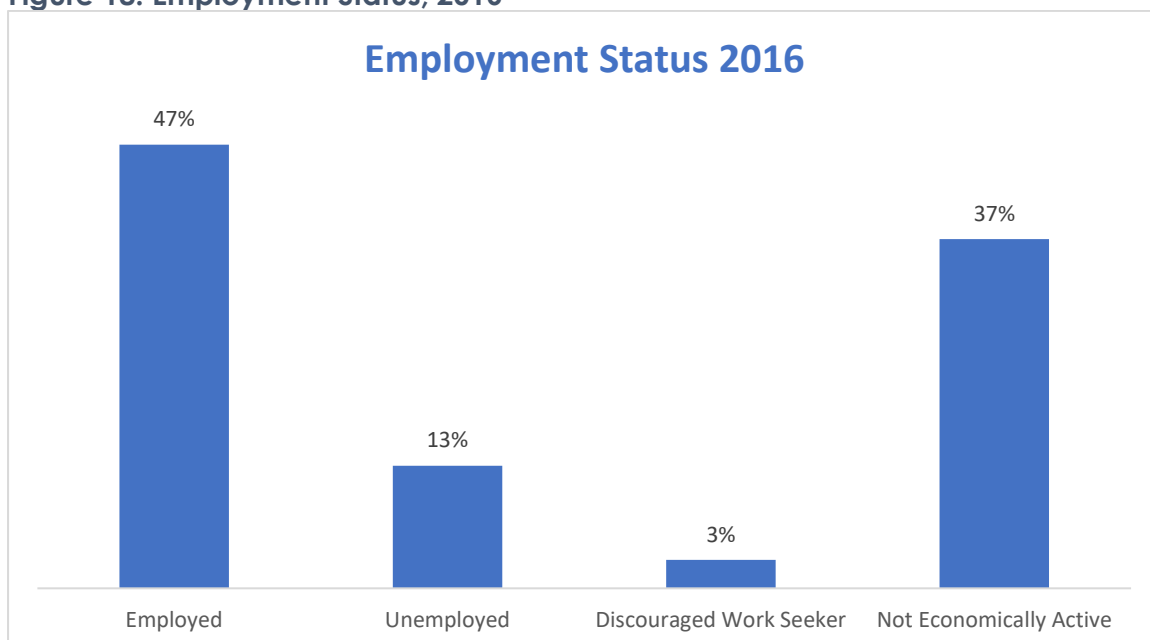
Definition: Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors.

The summary table below puts the Gross Value Added (GVA) of all the sectors in perspective to that of the Kouga Local Municipality.

Figure 17: Gross Value Added by Broad Economic Sector, 2016

Source: ECSECC 2017

2.6.3 Employment Status

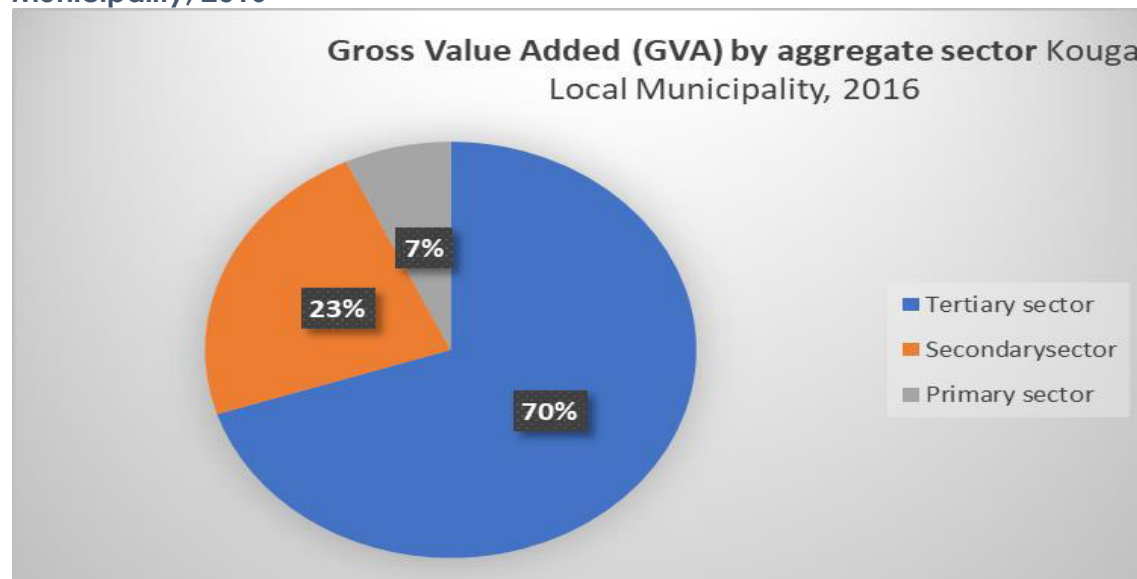
Figure 18: Employment Status, 2016

Source: Community Survey 2016

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 over time 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 19: Gross Value Added (GVA) by Aggregate Economic Sector - Kouga Local Municipality, 2016

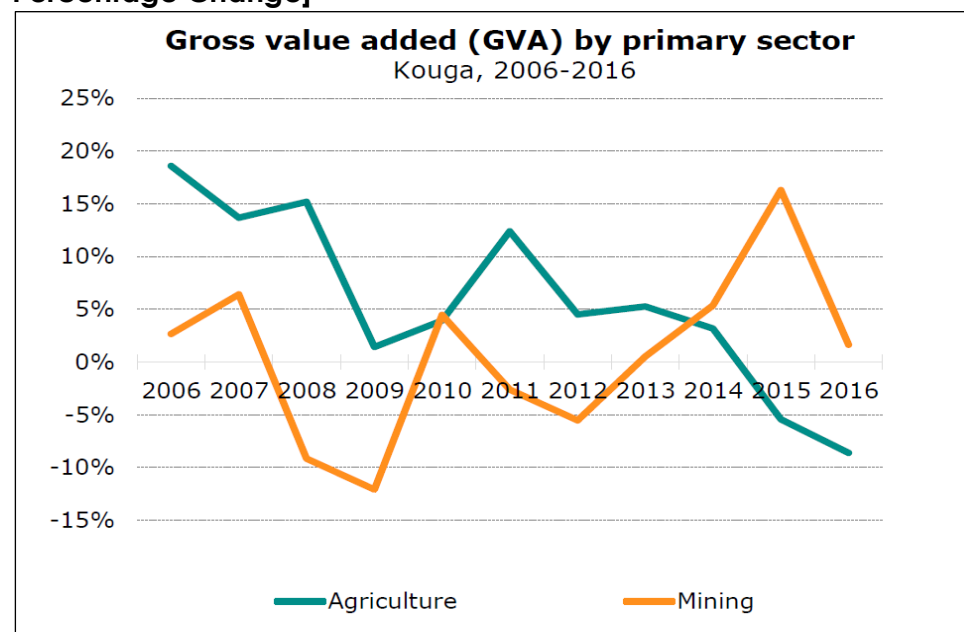


Source: ECSECC 2017

2.6.4 Primary Sector

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in Kouga Local Municipality from 2006 to 2016.

Figure 20: Gross Value Added (GVA) by Primary Sector - Kouga, 2006-2016 [Annual Percentage Change]



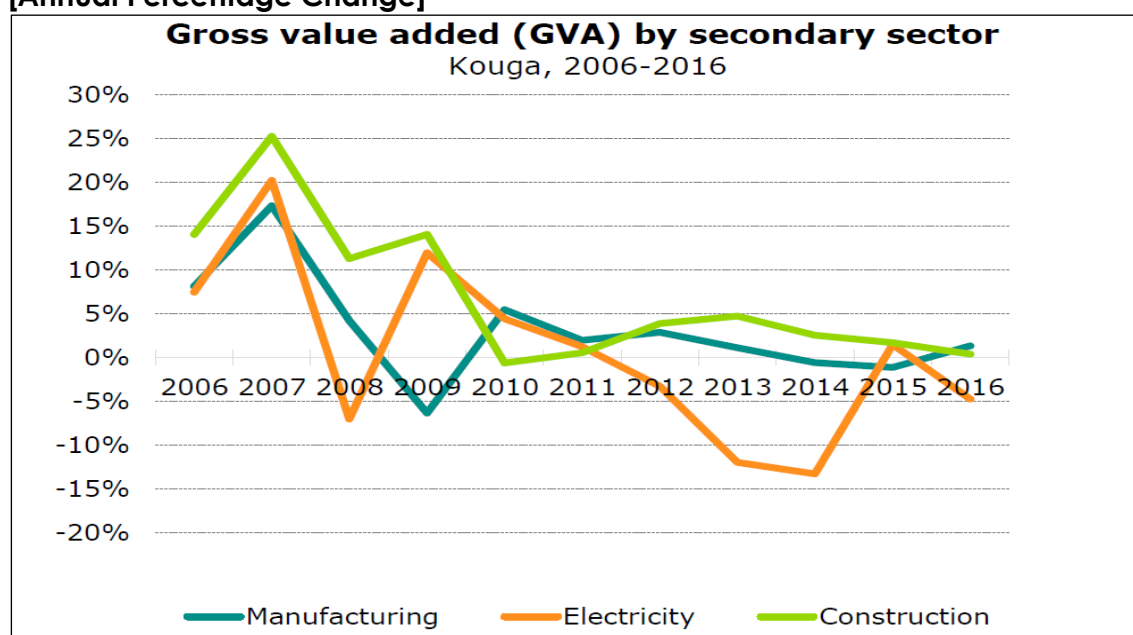
Source: Ecsecc Outlook 2017

Between 2006 and 2016, the agriculture sector experienced the highest positive growth in 2006 with an average growth rate of 18.6%. The mining sector reached its highest point of growth of 16.3% in 2015. The agricultural sector experienced the lowest growth for the period during 2016 at -8.6%, while the mining sector reaching its lowest point of growth in 2009 at -12.1%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period (Ecsecc Outlook 2017).

2.6.5 Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Kouga Local Municipality from 2006 to 2016.

Figure 21: Gross Value Added (GVA) By Secondary Sector - Kouga, 2006-2016
[Annual Percentage Change]



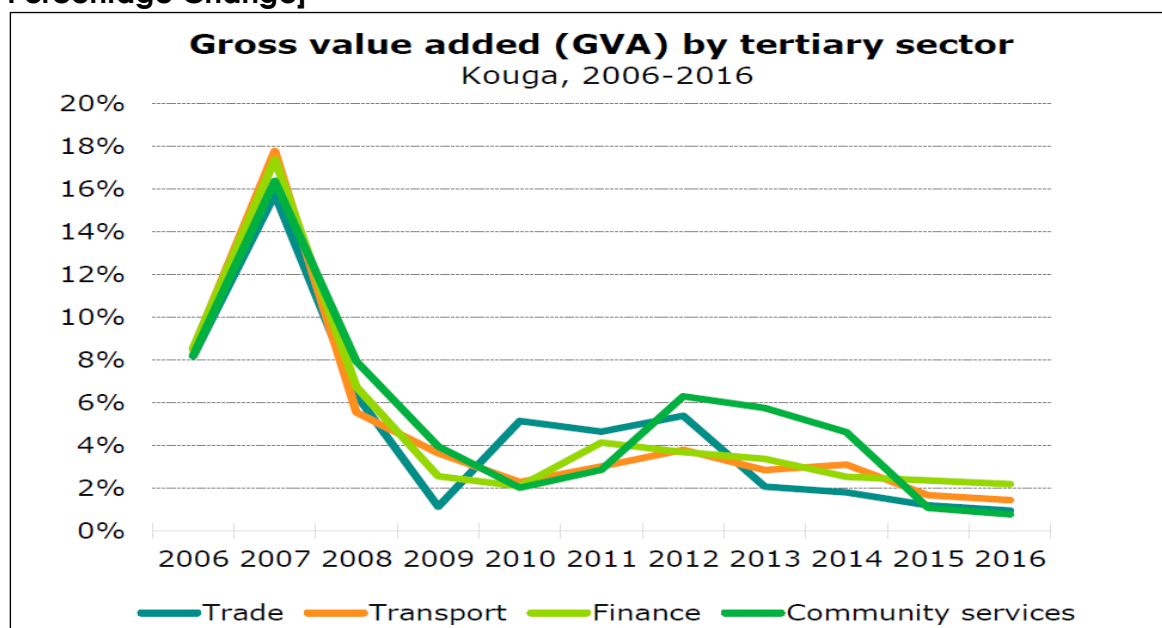
Source: Ecsecc Outlook 2017

Between 2006 and 2016, the manufacturing sector experienced the highest positive growth in 2007 with a growth rate of 17.3%. It is evident for the construction sector that the highest positive growth rate also existed in 2007 and it experienced a growth rate of 25.3% which is higher than that of the manufacturing sector. The manufacturing sector experienced its lowest growth in 2010 of -6.4%, while construction sector reached its lowest point of growth in 2010 with -0.6% growth rate. The electricity sector experienced the highest growth in 2007 at 20.2%, while it recorded the lowest growth of -13.3% in 2014.

2.6.6 Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in Kouga Local Municipality from 2006 to 2016.

Figure 22: Gross Value Added (GVA) By Tertiary Sector - Kouga, 2006-2016 [Annual Percentage Change]



Source: Ecsecc Outlook 2017

The trade sector experienced the highest positive growth in 2007 with a growth rate of 15.8%. It is evident for the transport sector that the highest positive growth rate also existed in 2007 at 17.8% which is higher than that of the manufacturing sector. The finance sector experienced the highest growth rate in 2007 when it grew by 17.4% and recorded the lowest growth rate in 2010 at 2.1%. The Trade sector had the lowest growth rate in 2016 at 0.9%. The community services sector, which largely consists of government, experienced its highest positive growth in 2007 with 16.4% and the lowest growth rate in 2016 with 0.8%.

2.6.7 Income

Household income is one of the most important factors of a region's economic state. The capacity of households to satisfy fundamental necessities is mainly dictated by the degree of money produced. Poverty is frequently characterized as a lack of means to satisfy these fundamental necessities. The number of families with incomes below the poverty line is a vital indication of poverty in an area.

Table 15: Household Income

	Kouga	Sarah Baartman	Eastern Cape	National Total	Kouga as % of district municipality	Kouga as % Of province	Kouga as % Of national
0-2400	2	9	206	1,880	27.9%	1.20%	0.13%
2400-6000	58	211	3,800	33,300	27.3%	1.51%	0.17%
6000-12000	460	1,770	38,400	314,000	26.0%	1.20%	0.15%
12000-18000	1,110	4,130	76,400	624,000	26.8%	1.45%	0.18%
18000-30000	3,210	12,300	220,000	1,720,000	26.2%	1.46%	0.19%
30000-42000	3,400	13,800	231,000	1,730,000	24.6%	1.47%	0.20%
42000-54000	3,050	13,300	204,000	1,520,000	23.0%	1.50%	0.20%
54000-72000	3,790	16,300	217,000	1,630,000	23.2%	1.75%	0.23%
72000-96000	3,470	15,400	185,000	1,490,000	22.5%	1.88%	0.23%
96000-132000	3,410	14,600	156,000	1,390,000	23.3%	2.18%	0.25%
132000-192000	3,230	13,000	133,000	1,320,000	24.9%	2.43%	0.24%
192000-360000	3,700	14,700	150,000	1,690,000	25.1%	2.47%	0.22%
360000-600000	2,210	8,670	88,200	1,090,000	25.5%	2.51%	0.20%
600000-1200000	1,620	5,840	59,000	785,000	27.7%	2.75%	0.21%
1200000-2400000	668	1,980	17,600	238,000	33.7%	3.80%	0.28%
2400000+	143	350	2,670	39,100	40.9%	5.37%	0.37%
Total	33,500	136,000	1,780,000	15,600,000	24.6%	1.88%	0.21%

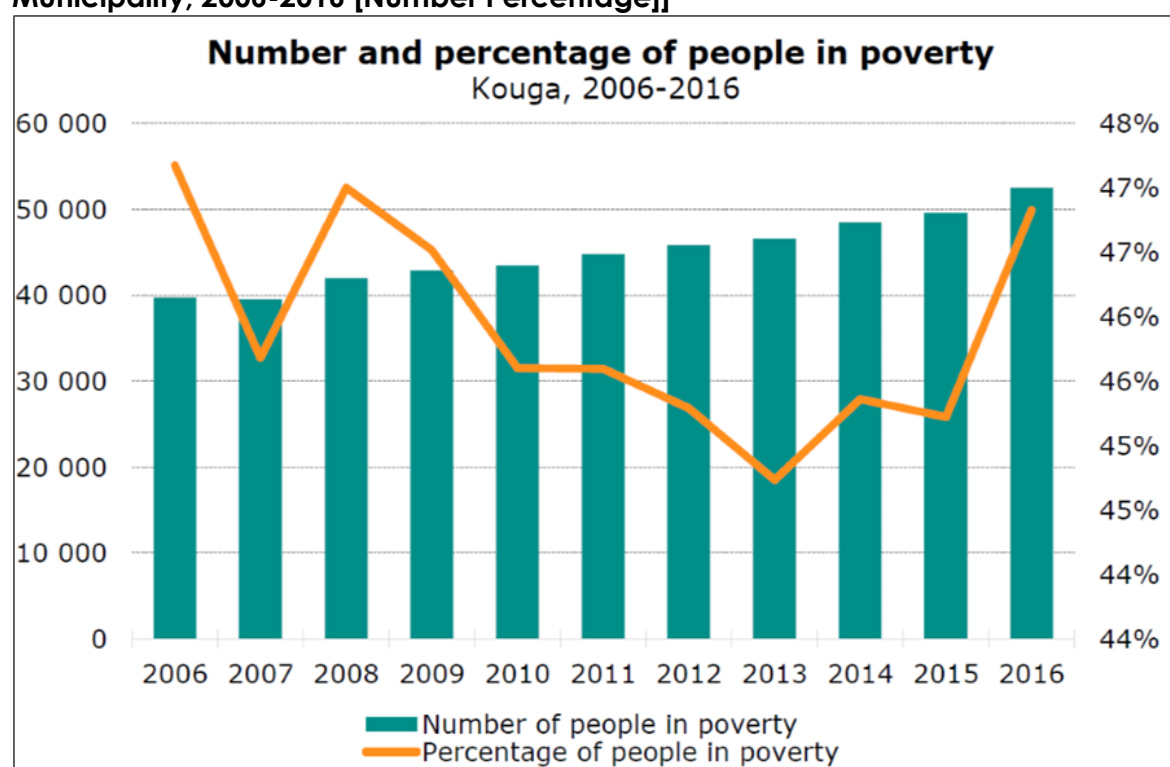
Source: Community Survey 2016

It was estimated that in 2016 14.42% of all the households in the Kouga Local Municipality, were living on R30,000 or less per annum. In comparison with 2006's 33.41%, the number is about half. The 54000-72000 income category has the highest number of households with a total number of 3 790, followed by the 192000-360000 income category with 3 700 households. Only 2.5 households fall within the 0-2400 income category (Ecsecc Outlook 2017).

2.6.8 Poverty

Definition: The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. This variable measures the number of individuals living below that particular level of consumption for the given area and is balanced directly to the official upper poverty rate as measured by StatsSA.

Figure 23: Number and Percentage of People Living In Poverty - Kouga Local Municipality, 2006-2016 [Number Percentage]

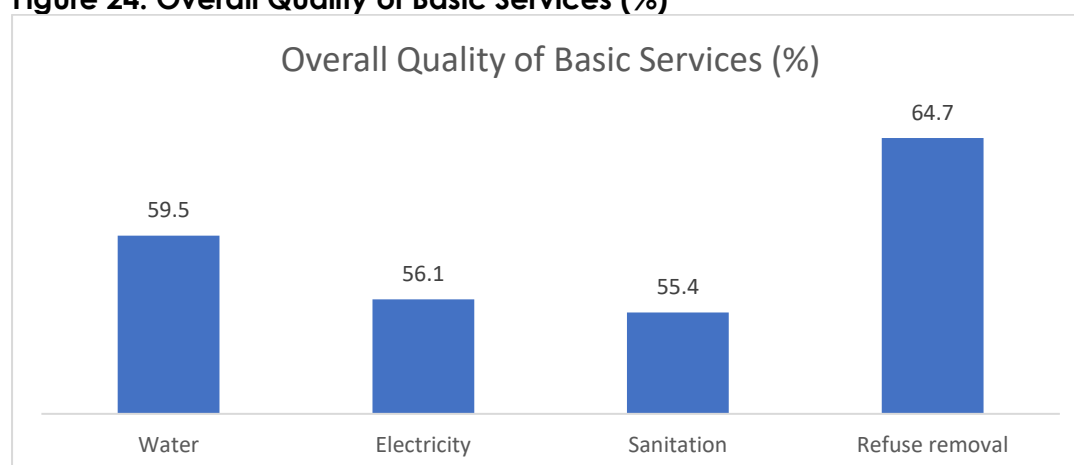


Source: Ecsecc Outlook 2017

In 2016, there were 52 500 people living in poverty, using the upper poverty line definition, across Kouga Local Municipality - this is 32.25% higher than the 39 700 in 2006. The percentage of people living in poverty has decreased from 47.18% in 2006 to 46.83% in 2016, which indicates a decrease of 0.349 percentage points.

2.6.9 Overview of Basic Services

Figure 24: Overall Quality of Basic Services (%)

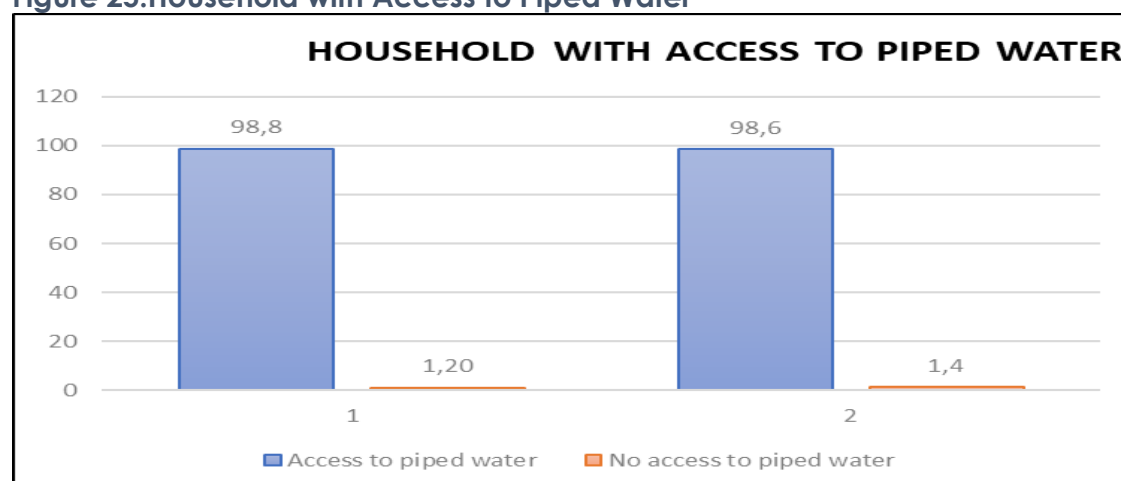


Source: Community Survey 2016

All South Africans have the right to basic services such as clean drinking water, sanitation, electricity and water removal services. Providing these services to households and businesses is at the core of the operations of local municipalities. The Municipal Economic Review and Outlook of 2016 (ECSECC) further highlights the positive economic impact of basic infrastructure on spending and the overall economy.

2.6.10 Water Services

Figure 25: Household with Access to Piped Water

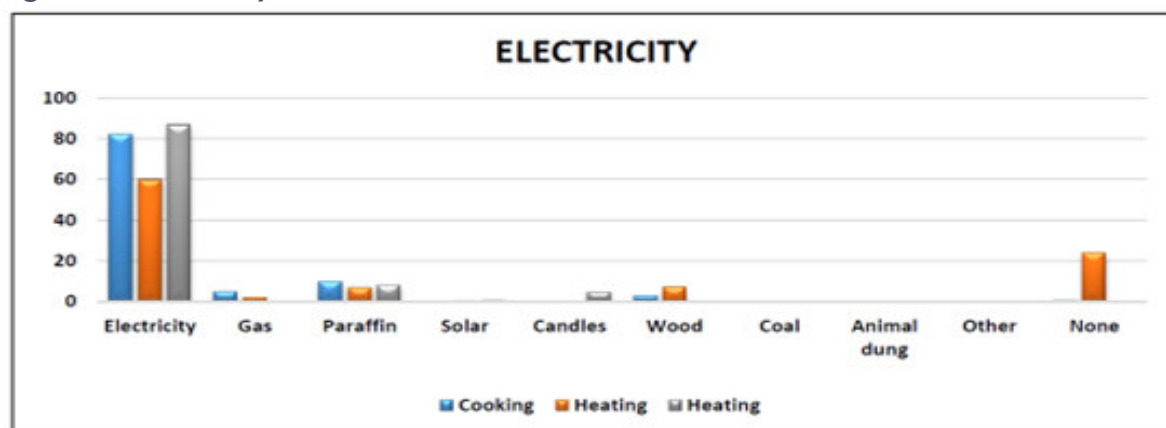


Source: Stats SA and Community Survey 2016

According to Source: Stats SA and Community Survey (2016), access to piped water is at 98.6%, however the municipality is aligned to the norm and standards of SANS 214 with regards to water quality. The Water Services Development Plan was reviewed during 2015 and adopted during the 2015/2016 period. There are still households who have no access with a percentage of 1.20 (2011) and 1.4 (2016).

2.6.11 Electricity

Figure 26: 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.

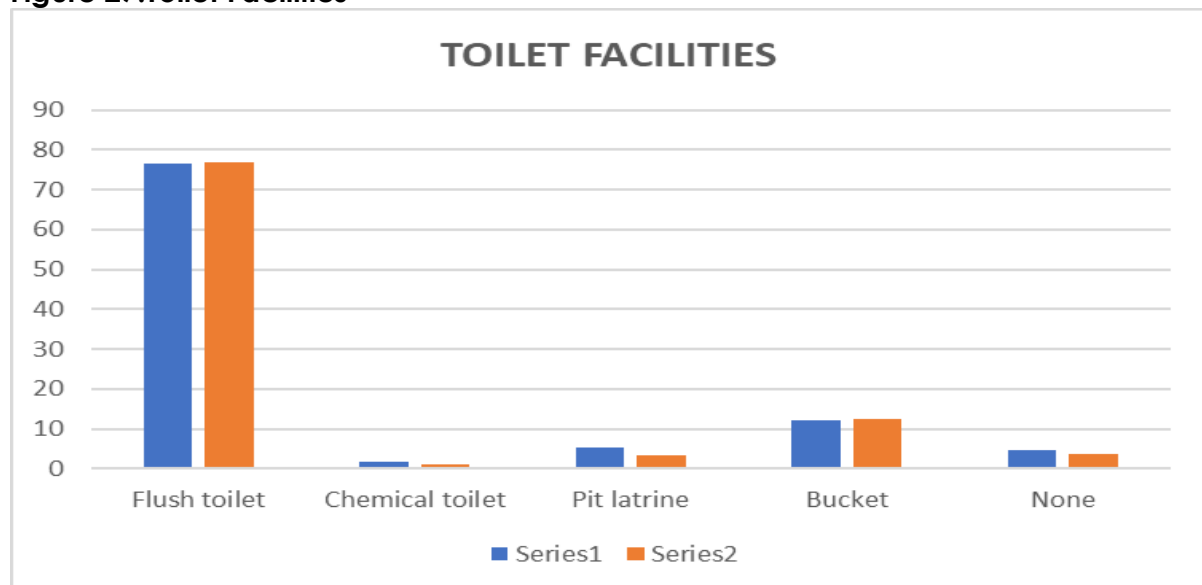
2.6.12 Sanitation

Sanitation can be divided into specific types of sanitation to which a household has access. We use the following categories:

- **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 pit** - 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 Local Municipality had a total number of 29 700 flush toilets (83.42% of total households), 497 Ventilation Improved Pit (VIP) (1.40% of total households) and 639 (1.79%) of total household's pit toilets and 1 653 bucket toilets.

Figure 27: 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 will result in additional capacity to the currently overloaded

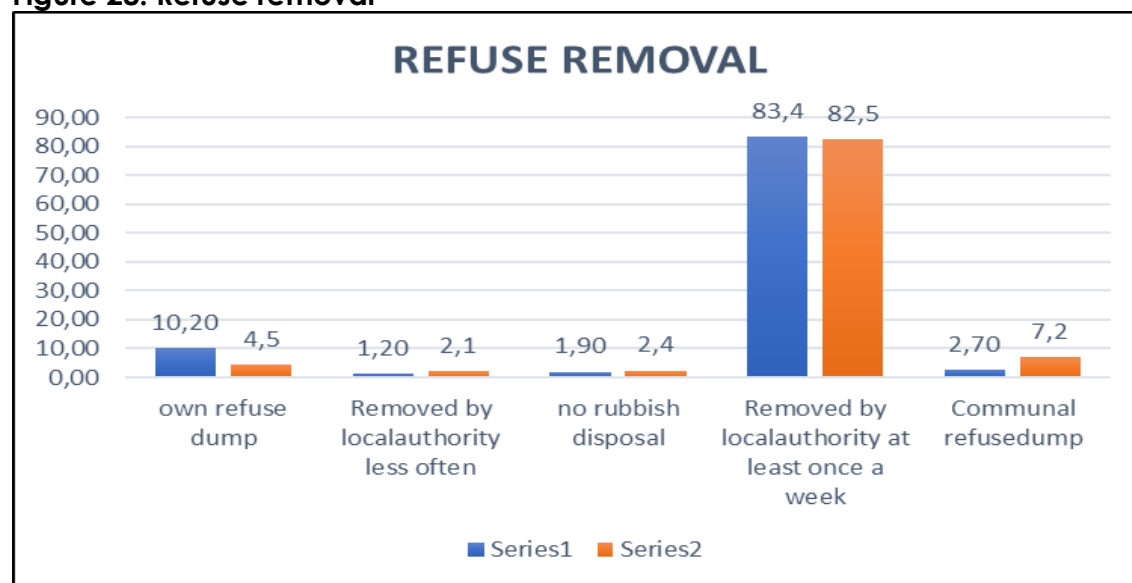
works. The outflow of the plant is monitored by Kouga Municipality and monthly chemical and biological tests are done and uploaded onto the Green Drop System of the Department of Water and Sanitation.

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 are still making use of this system.

2.6.13 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 28: Refuse removal



Source: Stats SA and Community Survey 2016

2.6.14 Human Settlements

The Kouga Municipality is 85.8% urban with 14.5% being farms settlements. Most of the population occupies a formal dwelling.

Table 16: Human Settlements

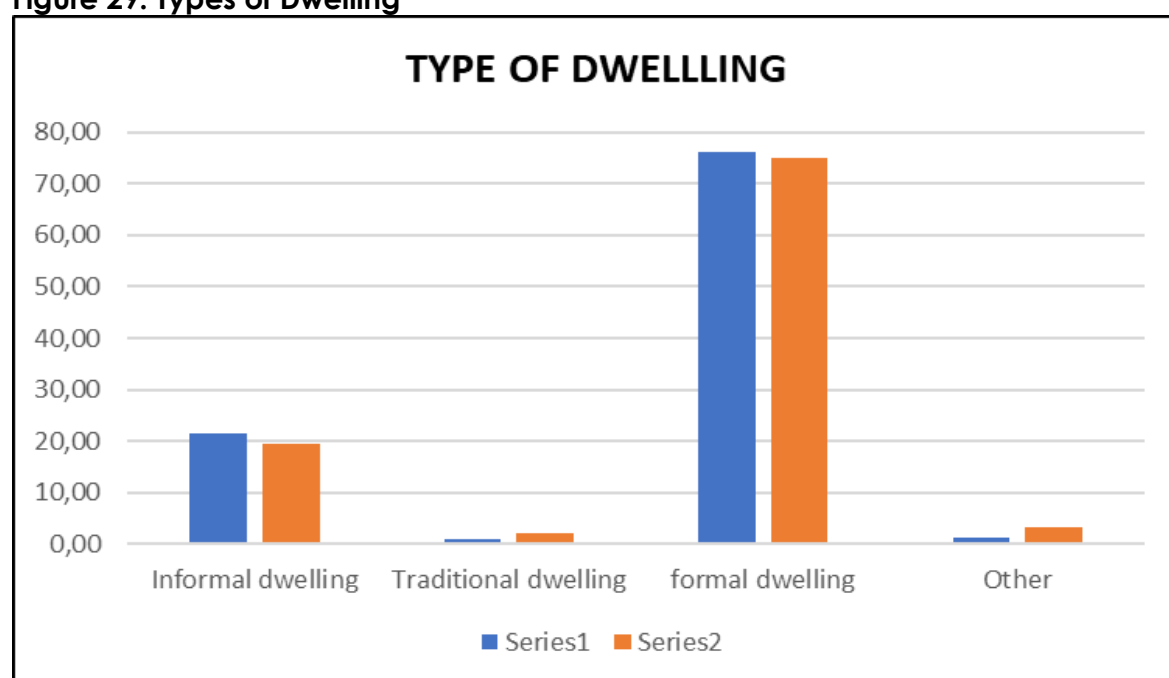
Area	Percentage
Urban	85,50%
Tribal/Traditional	0%
Farm	14,50%

Source: Stats SA 2011

There are approximately 22508 formal and 5292 informal households. A large percentage of households (21.6%) live in informal or traditional dwellings, which would form part of the housing backlog. The table below shows the breakdown of main dwellings.

Access to affordable and suitable accommodation still remain as 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.

Figure 29: Types of Dwelling



Source: Stats SA and Community Survey 2016

2.6.15 Breakdown of main dwelling

Figure 30: Breakdown of main dwelling

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

Source: Stats SA and Community Survey 2016

2.6.16 Social Development

2.6.16.1 Social 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.

Table 17: Kouga Area- Social Grants for 2022

KOUGA AREA - SOCIAL GRANTS FOR 2022				
Grant Type	No. Of Beneficiaries	No. Of Children	Expenditure	Number Of Grants
Care dependency	288	297	591,030	297
Child Support	15028	261425	12,684,000	26,425
Disability Grant	2571	-	5,116,290	2,571
Foster Care Grant	500	694	42,580	694
Grant in Aid	485	-	232,800	485
Old Age Grant	8431	-	16,797,730	8431
TOTAL	73031	74163	138 712 820	38,903

Source: SASSA: Social Grants

2.6.17 Health Care

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.

Table 18: Health Care

Hospital	Condom Distribution Site	Clinics	Mobile Clinics	EMS Stations	EHS Services	Total
(2)	(1)	(10)	(3)	(3)	(2)	
Humansdorp		Andreaka	Loerie	Humansdorp	Provincial	
PZ Meyer		Humansdorp	Patensie	Jeffreys Bay	LM	
		Imizamo Yethu	Suurbron	Patensie		
		Kruisfontein				2
		Loerie				
		Masakhane				
		Pellsrus				
		St Francis Bay				
		Thornhill				
		Western				

Source: Eastern Cape Department of Health

A total of 1 Sessional Doctor and 1 full time for the clinics and 38 professional nurses plus 2 Community Services 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 need a clinic due to overcrowded clinics, shortage of nursing staff and long distance travelling to health facilities.

2.6.17.1 Health Caregivers

Table 19: Health Caregivers

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 Comm serv	35+6 Comm serv
Number of Professional Nurses at Hospital	42	41	41	48	61

Source: Eastern Cape Depart of Health

2.6.17.2 Disease in Kouga area of jurisdiction 2020

Table 20: Disease in the Kouga area of jurisdiction

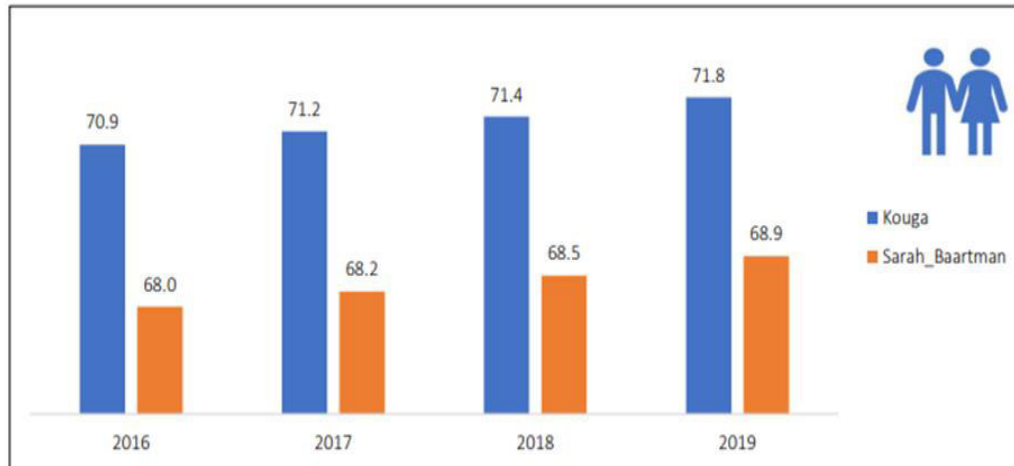
AREA	ART PATIENT LOAD		NUMBER OF ART TREATMENT SITES	NUMBER OF TB CLINICS
	Adults	Child <15 years		
Humansdorp Clinic	15912	518	1	1
Kruisfontein Clinic	7848	533	2 (PZ Meyer TB Hosp)	2
Masakhane Clinic (Hankey)	6842	381	1	1
Weston Clinic	3075	158	1	1
Imizamo Yethu Clinic (Patensie)	2133	143	1	1
Pellsrus 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	66158	2711	12	11

Source: Eastern Cape Department of Health

2.6.17.3 Life Expectancy

Life expectancy is the number of years a new-born would live if prevailing patterns of age-specific mortality rates at the time of birth were to stay the same throughout the child's life (DPME, 2017).

Figure 31: Life Expectancy



Source: Quantec, 2021

The life expectancy in the Kouga Municipality has increased from 70.9 to 71.8 years between 2016 and 2019. Furthermore, the life expectancy in the Kouga Municipality is greater compared with that of the Sarah Baartman District.

2.6.18 Safety and Security

2.6.18.1 Crime

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):

Table 21: SAPS - Jeffreys Bay

SAPS – JEFFREYS BAY							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Murder	3	5	1	5	2	-3	-60.0%
Sexual Offences	14	5	12	7	11	4	57.1%
Attempted Murder	1	2	7	0	2	2	2 Counts Higher
Assault with the intent to inflict grievous bodily harm	36	29	15	18	22	4	22.2%
Common Assault	24	39	17	19	21	2	5 Counts Higher
Common Robbery	8	7	1	0	5	5	23.5%
Robbery with aggravating circumstances	31	23	12	17	21	4	27.3%
TOTAL	117	110	65	66	84	18	13.2%
SEXUAL CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Rape	8	4	7	6	10	3	66.7%
Sexual Assault	3	1	3	0	1	-3	1 Count Higher

SAPS – JEFFREYS BAY								
CONTACT CRIMES (CRIMES AGAINST THE PERSON)								
Attempted Sexual Assault	3	0	0	0	0	-1	0.0%	
Contact Sexual Assault	0	0	2	1	0	0	-100%	
TOTAL	14	5	12	7	11	-1	57.1%	
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY								
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change	
Carjacking	0	0	0	1	0	-1	-100.0%	
Robbery at residential premises	3	3	2	2	2	0	0.0%	
Robbery at non-residential premises	3	2	2	2	4	2	100.0%	
Robbery of cash in transit	0	0	0	0	0	0	0 Count	
Bank robbery	0	0	0	0	0	0	0 Count	
Truck hijacking	0	0	0	0	0	0	0 Count	
CONTACT RELATED CRIME								
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change	
Arson	0	0	0	0	0	0	0 Count	
Malicious damage to property	20	26	21	17	12	-5	-29.4%	
TOTAL	20	26	21	17	12	-5	-29.4%	
PROPERTY-RELATED CRIMES								
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change	
Burglary at non-residential premises	17	17	22	33	14	-19	-57.6%	

SAPS – JEFFREYS BAY							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
Burglary at residential premises	94	72	78	44	43	-1	-2.3%
Theft of motor vehicle and motorcycle	3	10	3	0	1	1	1 Count Higher
Theft out of or from motor vehicle	44	18	16	6	20	14	233.3%
Stock theft	2	0	0	0	0	0	0 Count
TOTAL	160	117	119	83	78	-5	-6.0%
OTHER SERIOUS CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
All theft not mentioned elsewhere	82	97	64	45	43	-2	-4.4%
Commercial crime	26	25	19	33	54	21	63.6%
Shoplifting	10	15	17	5	9	4	80.0%
TOTAL	118	137	100	83	106	23	27.7%
Total community reported serious crimes	415	390	305	249	280	31	12.4%
CRIME DETECTED AS A RESULT OF POLICE ACTION							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Illegal possession of firearms and ammunition	0	7	2	6	3	-3	-50.0%
Drug-related crime	35	73	60	76	60	-16	-21.1%
Driving under the influence of alcohol or drugs	11	7	5	5	0	-5	-100.0%

SAPS – JEFFREYS BAY							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
Sexual offences detected as a result of police action	0	0	0	0	0	0	0 Count
TOTAL	46	87	67	87	63	-24	-27.6%

Source: SAPS: Crime Statistics

SAPS – ST FRANCIS BAY

Table 22: SAPS - ST FRANCIS BAY

SAPS – ST FRANCIS BAY							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Murder	0	1	0	2	0	-2	-100.0%
Sexual Offences	2	4	2	3	5	2	66.7%
Attempted Murder	5	2	0	3	0	-3	-100.0%
Assault with the intent to inflict grievous bodily harm	9	10	9	10	16	6	60.0%
Common Assault	7	16	10	3	11	8	266.7%
Common Robbery	0	5	0	1	0	-1	-100.0%
Robbery with aggravating circumstances	4	18	0	1	4	3	300%
TOTAL	27	39	21	23	36	13	56.5%
SEXUAL CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Rape	2	0	1	1	5	4	400.0%
Sexual Assault	0	0	1	1	0	-1	-100.0%
Attempted Sexual Assault	0	3	0	1	0	-1	-100.0%
Contact Sexual Assault	0	1	0	0	0	0	0 Count

SAPS – ST FRANCIS BAY							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
TOTAL	2	4	2	3	5	2	66.7%
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Carjacking	0	0	0	0	0	0	0.0%
Robbery at residential premises	3	3	0	1	0	-1	-50.0%
Robbery at non-residential premises	0	0	0	0	1	0	0.0%
Robbery of cash in transit	0	0	0	0	0	0	0.0%
Bank robbery	0	0	0	0	0	0	0.0%
Truck hijacking	0	0	0	0	0	0	0.0%
CONTACT RELATED CRIME							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Arson	0	1	0	2	1	-1	-50.0%
Malicious damage to property	7	8	9	6	4	-2	-33.3%
TOTAL	7	9	9	8	5	-3	-37.5%

Source: SAPS: Crime Statistics

SAPS – HUMANSDORP

Table 23: SAPS - Humansdorp

SAPS – HUMANSDORP							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Murder	5	2	7	4	7	3	75.0%
Sexual Offences	9	10	7	10	7	-3	30.0%
Attempted Murder	1	3	4	2	3	1	50.0%
Assault with the intent to inflict grievous bodily harm	34	39	27	24	43	19	79.2%
Common Assault	11	12	5	9	23	14	155.6%
Common Robbery	7	10	4	3	7	4	133.3%
Robbery with aggravating circumstances	7	25	6	12	19	7	58.3%
TOTAL	74	101	60	64	109	45	70.3%
SEXUAL CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Rape	6	9	7	9	4	-5	-55.6%
Sexual Assault	2	1	0	0	7	3	3 Counts Higher
Attempted Sexual Assault	1	0	0	0	0	0	0 Counts
Contact Sexual Assault	0	0	0	1	0	-1	-100.0%
TOTAL	9	10	7	10	7	-3	-30.0%
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change

SAPS – HUMANSDORP							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
Carjacking	0	0	1	0	0	0	0 Count
Robbery at residential premises	3	3	0	1	2	1	100.0%
Robbery at non-residential premises	0	5	2	4	2	-2	- 50.0%
Robbery of cash in transit	0	0	0	0	0	0	0 Count
Bank robbery	1	0	0	0	0	0	0 Count
Truck hijacking	1	0	1	0	0	0	0 Count
CONTACT RELATED CRIME							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Arson	0	3	1	1	0	-1	-100.0%
Malicious damage to property	23	14	19	16	34	18	112.5%
TOTAL	23	17	20	17	34	17	100.0%
PROPERTY-RELATED CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Burglary at non-residential premises	49	23	24	16	27	11	68.8%
Burglary at residential premises	47	50	32	24	31	7	29.2%
Theft of motor vehicle and motorcycle	1	0	1	0	1	1	1 Count Higher
Theft out of or from motor vehicle	13	18	20	14	24	10	71.4%
Stock theft	3	5	5	5	11	6	120%

SAPS – HUMANSDORP							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
TOTAL	113	96	82	59	94	35	59.3%
OTHER SERIOUS CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
All theft not mentioned elsewhere	63	70	55	29	36	7	24.1%
Commercial crime	11	8	22	18	20	2	11.1%
Shoplifting	15	21	6	14	14	0	0.0%
Total of other crimes	89	99	83	61	70	9	14.8%
Total community reported serious crimes	299	313	245	201	307	106	52.7%
CRIME DETECTED AS A RESULT OF POLICE ACTION							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Illegal possession of firearms and ammunition	0	5	0	3	2	-1	-33.3%
Drug-related crime	154	135	109	60	91	31	-51.7%
Driving under the influence of alcohol or drugs	9	12	6	4	7	3	75.0%
Sexual offences detected as a result of police action	0	0	0	0	0	0	0 Count
TOTAL	163	152	115	67	100	-33	-49.3%

Source: SAPS: Crime Statistics

SAPS – HANKEY

Table 24: SAPS - Hankey

SAPS – HANKEY							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Murder	6	3	3	3	5	2	66.7%
Sexual Offences	5	4	5	1	8	7	700.0%
Attempted Murder	4	1	2	1	3	2	200.0%
Assault with the intent to inflict grievous bodily harm	16	29	19	28	31	3	10.7%
Common Assault	6	9	11	13	11	-2	15.4%
Common Robbery	2	3	2	6	3	-3	-50.0%
Robbery with aggravating circumstances	6	10	10	3	6	3	100.0%
TOTAL	45	59	52	55	67	12	21.8%
SEXUAL CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Rape	5	3	3	1	6	5	500.0%
Sexual Assault	0	0	1	0	1	1	1 Count Higher
Attempted Sexual Assault	0	1	1	0	1	1	1 Count Higher
Contact Sexual Assault	0	0	0	0	0	0	0 Count
TOTAL	5	4	5	1	8	7	700.00%
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Carjacking	0	0	0	0	0	0	0 Count
Robbery at residential premises	1	1	1	2	1	-1	50.0%

SAPS – HANKEY							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Robbery at non-residential premises	1	2	0	0	0	0	0 Count
Robbery of cash in transit	0	0	0	0	0	0	0 Count
Bank robbery	0	0	0	0	0	0	0 Count
Truck hijacking	0	0	0	0	0	0	0 Count
CONTACT RELATED CRIME							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Arson	0	0	0	2	0	-2	-100.0%
Malicious damage to property	5	6	7	6	13	7	116.7%
TOTAL	5	6	7	8	13	5	62.5%
PROPERTY-RELATED CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Burglary at non-residential premises	3	2	9	1	6	5	500.0%
Burglary at residential premises	19	13	22	14	17	3	21.4%
Theft of motor vehicle and motorcycle	0	0	0	0	1	1	1 Count Higher
Theft out of or from motor vehicle	2	9	1	2	5	3	150.0%
Stock theft	7	1	2	3	1	-2	-66.7%
TOTAL	31	25	34	20	30	10	50.0%
OTHER SERIOUS CRIMES							

SAPS – HANKEY							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
All theft not mentioned elsewhere	16	17	16	21	30	9	42.9%
Commercial crime	0	0	5	2	5	3	150.0%
Shoplifting	2	3	1	0	1	1	1 Count Higher
Total other serious crime	18	20	22	23	36	13	56.5%
Total community reported serious crimes	99	110	115	106	146	40	37.7%
CRIME DETECTED AS A RESULT OF POLICE ACTION							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Illegal possession of firearms and ammunition	2	0	0	0	0	0	0 Count
Drug-related crime	34	13	13	3	13	10	333.3%
Driving under the influence of alcohol or drugs	4	4	3	0	0	0	0 Count
Sexual offences detected as a result of police action	0	0	0	0	0	0	0 Count
TOTAL	40	17	16	3	13	10	333.3%

Source: SAPS: Crime Statistics

SAPS – PATENSIE

Table 25: SAPS – Patensie

CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Murder	2	2	4	1	1	0	0.0%
Sexual Offences	6	11	2	4	5	1	25.0%
Attempted Murder	0	0	0	0	1	1	1 Count Higher
Assault with the intent to inflict grievous bodily harm	27	25	23	13	14	1	7.7%
Common Assault	16	15	13	17	13	-4	-23.5%
Common Robbery	1	3	1	1	2	1	100.0%
Robbery with aggravating circumstances	4	2	0	0	1	1	1 Count Higher
TOTAL	56	58	43	36	37	1	2.8%
SEXUAL CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Rape	6	10	1	4	5	1	25.05%
Sexual Assault	0	0	0	0	0	0	0 Count
Attempted Sexual Assault	0	1	1	0	0	0	0 Count
Contact Sexual Assault	0	0	0	0	0	0	0 Count
TOTAL	6	11	2	4	5	1	25.0%
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Carjacking	0	0	0	0	0	0	0 Count
Robbery at residential premises	0	0	0	0	0	0	0 Count

CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Robbery at non-residential premises	1	0	0	0	1	1	1 Count Higher
Robbery of cash in transit	0	0	0	0	0	0	0 Count
Bank robbery	0	0	0	0	0	0	0 Count
Truck hijacking	0	0	0	0	0	0	0 Count
CONTACT RELATED CRIME							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% Change
Arson	0	1	0	0	1	1	1 Count Higher
Malicious damage to property	5	5	5	8	4	-4	-50.0%
TOTAL	5	6	5	8	5	-3	-37.5%
PROPERTY-RELATED CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Burglary at non-residential premises	2	2	5	2	3	1	-50.0%
Burglary at residential premises	13	16	23	9	8	-1	-11.1%
Theft of motor vehicle and motorcycle	0	0	0	0	0	0	0 Count
Theft out of or from motor vehicle	4	4	2	2	3	1	50.0%
Stock theft	0	1	1	0	1	1	1 Count Higher
TOTAL	19	23	31	13	15	2	15.4%
OTHER SERIOUS CRIMES							

CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
All theft not mentioned elsewhere	13	20	8	17	20	3	17.6%
Commercial crime	0	0	0	4	2	-2	-50.0%
Shoplifting	2	5	0	0	0	0	0 Count
Total other serious crimes	15	25	8	21	22	1	4.8%
TOTAL	95	112	87	78	79	1	1.3%
CRIME DETECTED AS A RESULT OF POLICE ACTION							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Illegal possession of firearms and ammunition	0	0	2	2	0	-2	-100.0%
Drug-related crime	36	12	5	18	11	-7	-38.9%
Driving under the influence of alcohol or drugs	1	3	1	3	0	-3	-100.0%
Sexual offences detected as a result of police action	0	0	0	0	0	0	0 Count
TOTAL	37	15	8	23	11	-12	-52.2%

Source: SAPS: Crime Statistics

SAPS – Thornhill

Table 26: Thornhill

SAPS – THORNHILL							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Murder	1	1	0	0	1	1	1 Count Higher
Sexual Offences	1	3	4	0	1	1	1 Count Higher
Attempted Murder	4	0	7	0	2	2	2 Count Higher
Assault with the intent to inflict grievous bodily harm	4	17	11	13	12	-1	-7.7%
Common Assault	2	9	6	8	11	3	37.5%
Common Robbery	0	0	0	1	1	0	0.0%
Robbery with aggravating circumstances	7	5	2	2	4	2	100.0%
TOTAL	19	35	30	24	32	8	33.3%
SEXUAL CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Rape	1	2	3	0	1	1	1 Count Higher
Sexual Assault	0	1	0	0	0	0	0 Count
Attempted Sexual Assault	0	0	0	0	0	0	0 Count
Contact Sexual Assault	0	0	1	0	0	0	0 Count
TOTAL	1	3	4	0	1	1	1 Count Higher
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY							

SAPS – THORNHILL							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Carjacking	0	0	0	0	0	0	0 Count
Robbery at residential premises	3	1	0	0	2	2	2 Count Higher
Robbery at non-residential premises	2	2	0	0	1	1	1 Count Higher
Robbery of cash in transit	0	0	0	0	0	0	0 Count
Bank robbery	0	0	0	0	0	0	0 Count
Truck hijacking	0	0	0	0	0		0 Count
CONTACT RELATED CRIME							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Arson	2	1	0	0	0	0	0 Count
Malicious damage to property	4	1	6	8	11	3	37.5%
TOTAL	6	1	6	8	11	3	37.5%
PROPERTY-RELATED CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Burglary at non-residential premises	2	6	4	4	7	3	75.0%
Burglary at residential premises	15	8	5	7	15	8	114.3%
Theft of motor vehicle and motorcycle	1	0	0	0	0	0	0 Count

SAPS – THORNHILL							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Theft out of or from motor vehicle	3	1	2	2	2	0	0.0%
Stock theft	2	2	0	2	3	1	50.0%
TOTAL	23	17	11	15	27	12	80.0%
OTHER SERIOUS CRIMES							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
All theft not mentioned elsewhere	17	8	9	12	26	14	116.7%
Commercial crime	1	2	0	1	6	5	500.0%
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Shoplifting	0	0	0	0	0	0	0 Count
Total of other crimes	18	10	9	13	32	19	146.2
Total community reported serious crimes	66	64	56	60	102	42	70.0%
CRIME DETECTED AS A RESULT OF POLICE ACTION							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Illegal possession of firearms and ammunition	1	0	0	0	0	0	0 Count
Drug-related crime	23	13	8	10	10	0	0.0%

SAPS – THORNHILL							
CONTACT CRIMES (CRIMES AGAINST THE PERSON)							
CRIME CATEGORY	September 2018	September 2019	September 2020	September 2021	September 2022	Case diff	% change
Driving under the influence of alcohol or drugs	6	5	1	1	0	-1	-100.0%
Sexual offences detected as a result of police action	0	0	0	0	0	0	0 Count
TOTAL	30	18	9	11	10	1	-9.1%

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

2.7 SPATIAL ANALYSIS

2.7.1 Climate

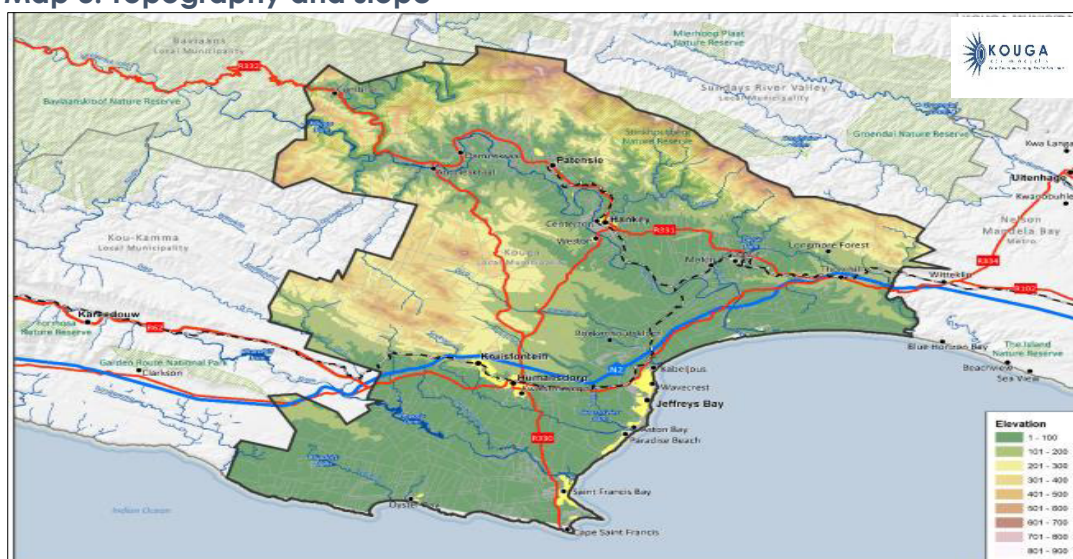
Climate within the study area differs between the 3 main geographical features, i.e., Coastal Region, Humansdorp and the Gamtoos River Valley.

The area is classified as subtropical and is situated in an intermediate zone between the summer and winter rainfall zones of the country, with annual precipitation between 400 and 650mm along the coast and in the Humansdorp area with slightly lower rainfalls in the Gamtoos River Valley. Climatic conditions along the coast and Humansdorp inland areas are moderate with harsher minimum and maximum temperature extremes in the Gamtoos Valley. Summer temperatures in the Gamtoos Valley average between a maximum of 28° to an average minimum of 15° with winter maximum and minimums approximately 19° and 9° respectively. Temperatures along the coast vary from an average maximum of 19.8° to average minimum of 14.5°. The prevailing wind direction is generally westerly to south-westerly with equally dominantly easterly winds during the summer month. Hot, dry berg winds from the interior occur towards the end of winter. Light frost might occur during winter in high-lying areas.

2.7.2 Topography and slope

The topography and terrain characteristics comprise of 3 basic landscapes, i.e., river valley, mountains and coastal belts. The Gamtoos River Valley is the most prominent landscape feature in the study area and represents a major drainage pattern.

Map 3: Topography and slope



The Elands Mountains to the north rise from the river Valley to a height of over a thousand metres above main sea level.

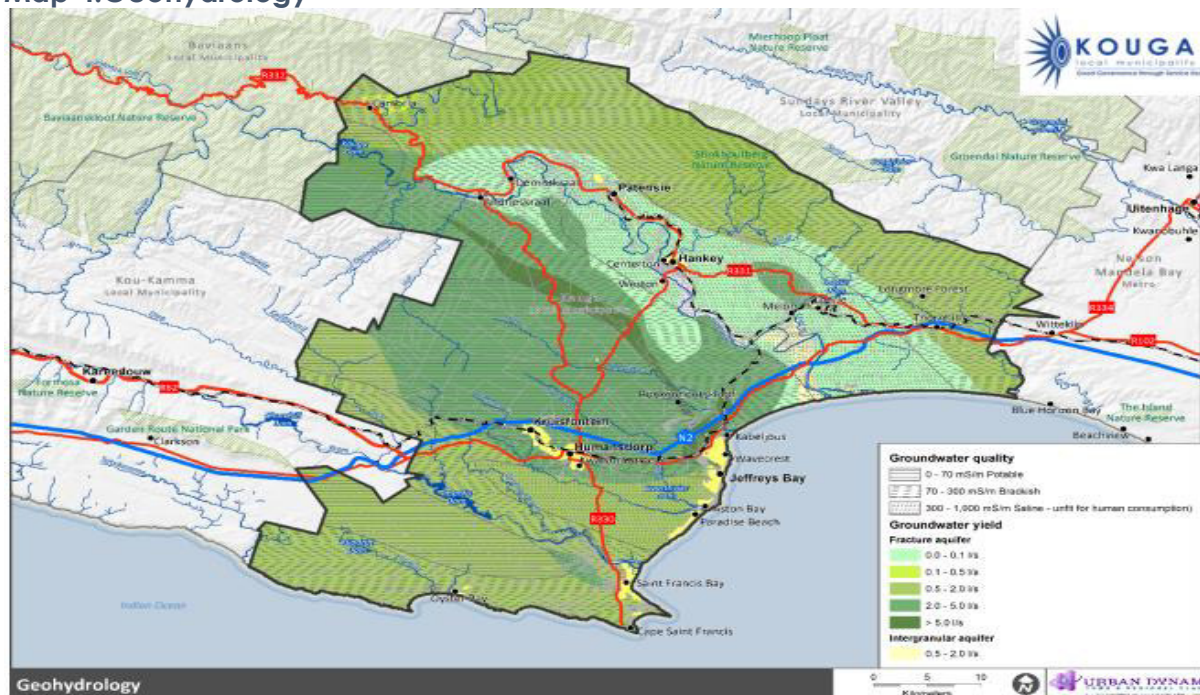
The region's mountain areas add scenic value and character to the region, which contributes to Kouga being one of South Africa's premier tourist destination.

2.7.3 Water Resource

The main drainage features of the study are:

1. Van Stadens River on the eastern boundary of the KLM.
2. Gamtoos River with a drainage area of approximately 34000KLM² and an annual runoff of 90 million m³
3. Kabeljous River who is 33KLM in length with a catchment area of 238KLM²
4. Zeekoei River with a length of 36KLM and a catchment area of 250KLM²
5. Kromme River which forms the second biggest drainage feature in the study area
6. Major dams Mpofu and Churchill supply water to the KLM and NMBM
7. Nationally significant surface water area - The Water Resource needs to be protected

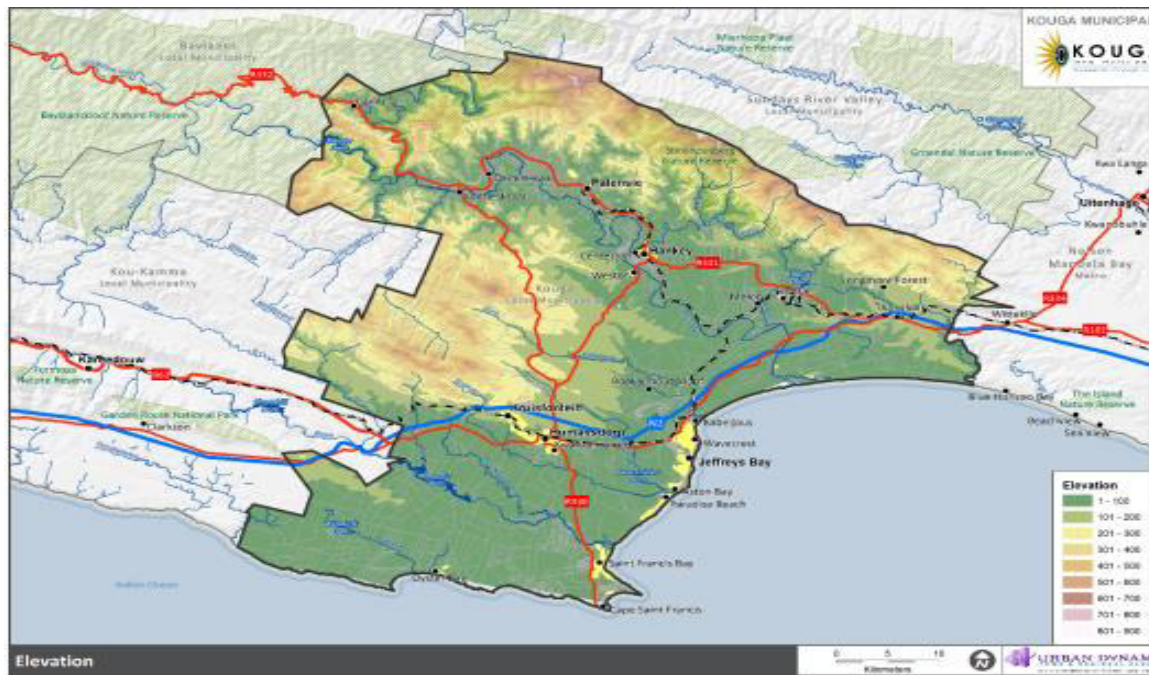
Map 4: Geohydrology



Source: Kouga SDF 2020

The municipality recently increased the supply of water from groundwater sources through the development of borehole fields. The protection of these water resources has become a municipal priority.

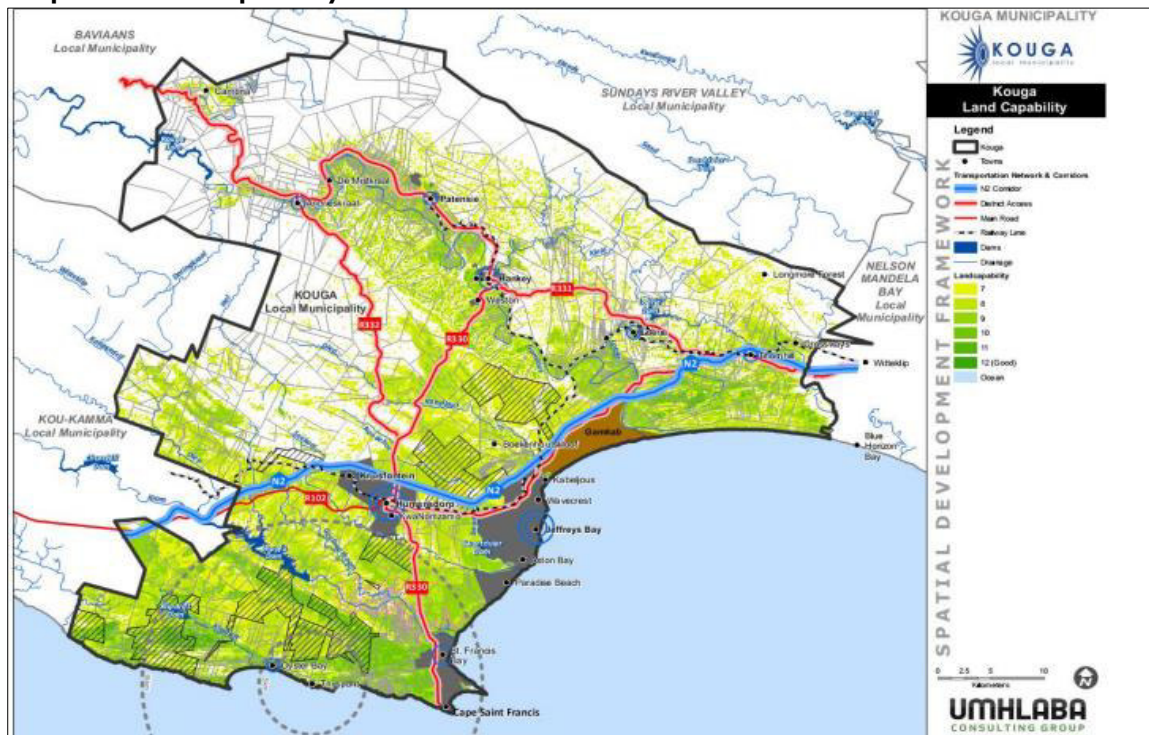
These areas are situated in a central band across the municipality. Highlighted in dark green in map below:



Source: Kouga SDF 2020

2.7.4 Land Capability Map

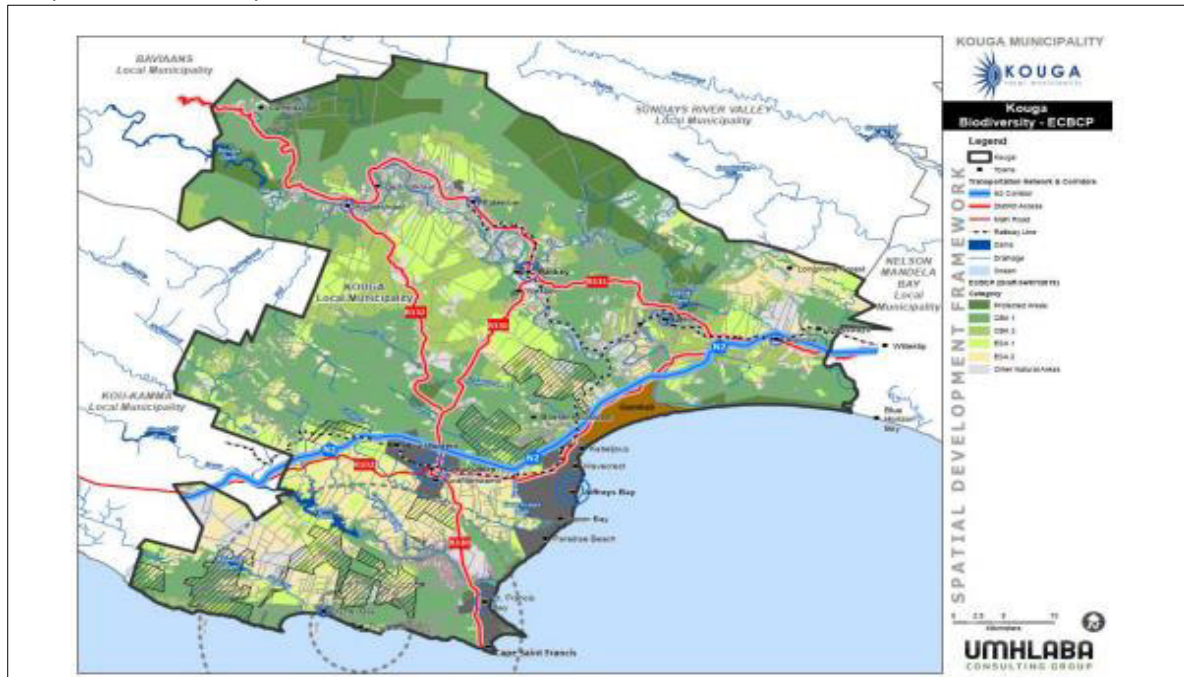
Map 5: Land Capability



2.7.5 Biodiversity

The Eastern Cape Biodiversity Conservation Plan (ECBCP) biodiversity conservation status is reflected on the map below:

Map 6: Biodiversity



Source: Kouga SDF 2020

2.7.6 Protected Areas

Map 7: Protected Areas



Source: Kouga SDF 2020

2.7.7 Coastal Management

The Sarah Baartman District Municipality (SBDM) has developed a Coastal Management Programme (CMPr) to guide integrated management of the coastal zone within the district. The CMPr is structured to be a coherent municipal policy directive for coastal zone management which is consistent with relevant legislation, available programs, and policies. It includes a 'Vision' for the management of the SBDM coastal zone including the sustainable use of coastal resources, objectives for the coastal zone, priorities, and strategies, as well as performance indicators to measure progress. The coastline of the SBDM is ~320 KLM long, and includes 4 coastal LMs – Koukamma, Kouga, Sundays River Valley and Ndlambe LMs. The 1 KLM buffer inland from the high-water mark of the sea is used as the landward boundary of the study area. In addition, a catchment management approach has been adopted in this CMPr, where a catchment area has been designated for each LM considering topography, land cover and physical boundaries. The intention is to incorporate activities within the catchment that have bearing on what happens at the coast and to consider these in integrated coastal management planning. The seaward extent of the study area is 500m seawards of the high-water mark of the sea, however where important attributes occur beyond this distance, they are included in the program.

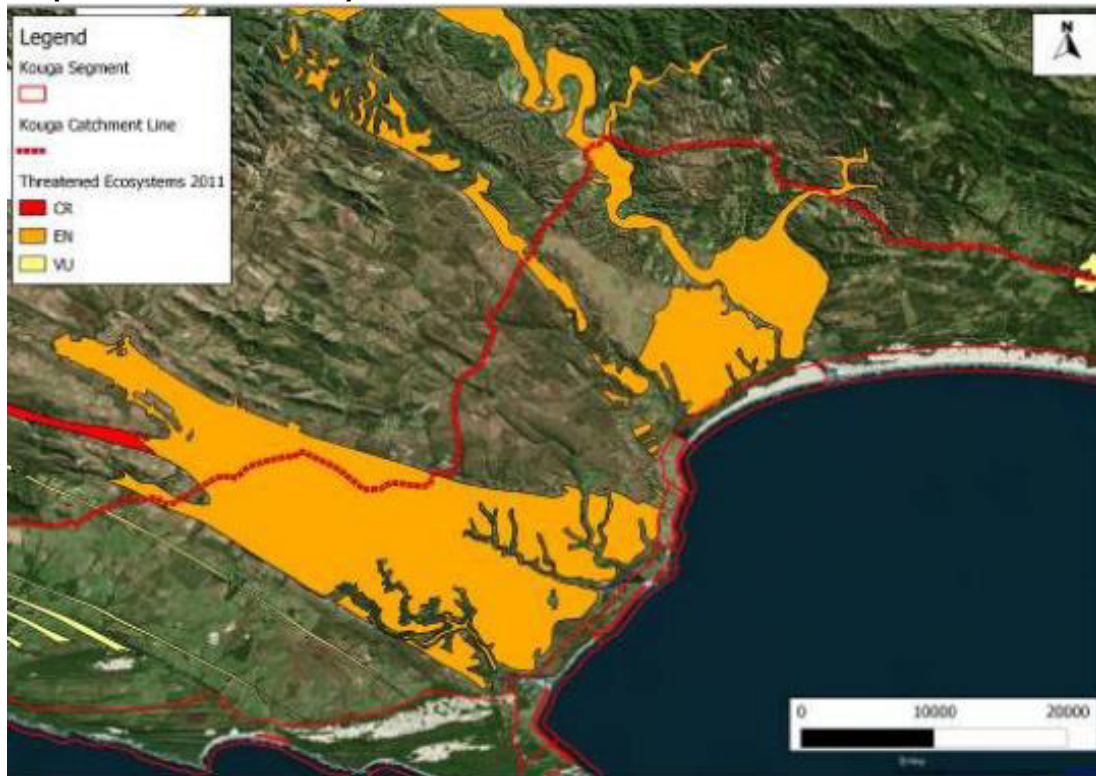
Nine principles have been identified for the SBDM coastal zone; these are:

- Approach coastal zone management holistically, using a 'catchment' approach that considers the inter-relationships of people and ecosystems.
- Conserve natural, archaeological, cultural and heritage resources.
- Prevent pollution and maintain a clean, healthy environment.
- Promote sustainable and responsible economic development and natural resource utilization.
- Create an informed and resilient community and place, where people have consideration for one another and their environment.
- Preserve and respect 'sense of place' where the unique character and its intrinsic value is appreciated.
- Promote collective responsibility for coastal zone management by the public and government.
- Ensure equitable access to the coastal zone and freedom of movement for the whole community.
- Prioritise safe use of the coastal zone for all people.

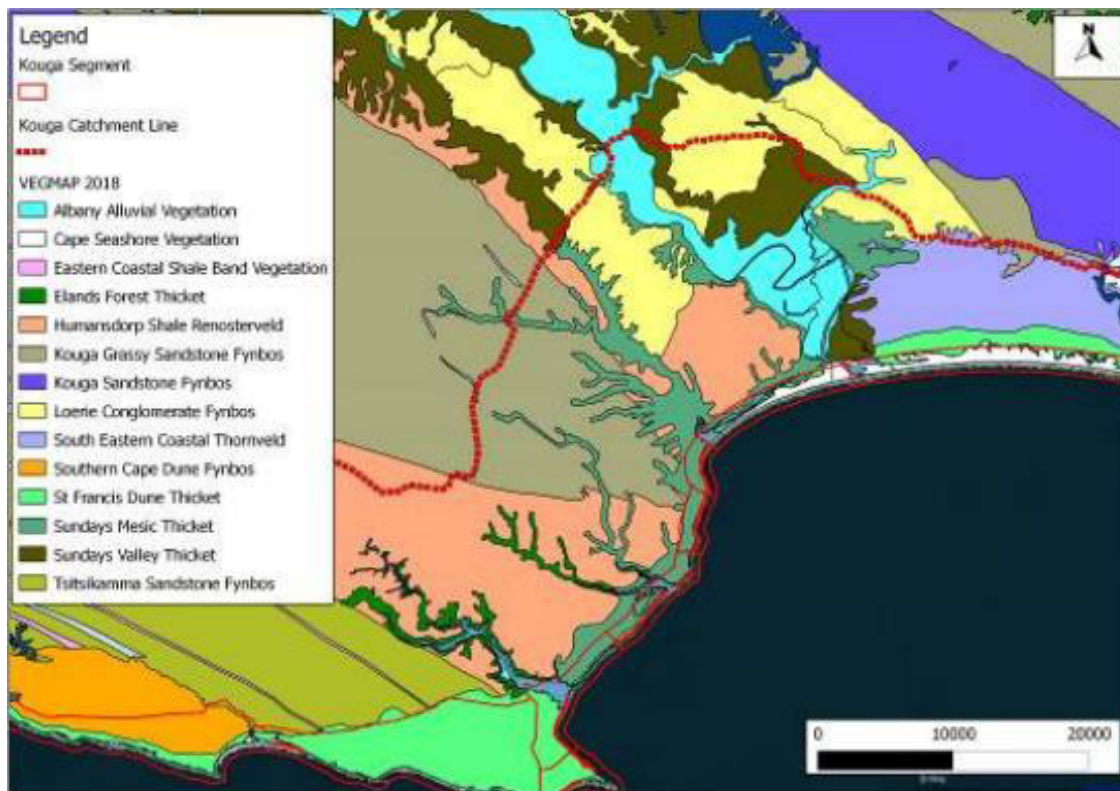
The 'catchment area' of the segments is also shown in the image, as activities within the catchment have bearing on what happens at the coast (for e.g., poor waste management in the catchment may impact on the coastal zone).

Threatened ecosystems in the catchment of the Kouga LM coastal zone.

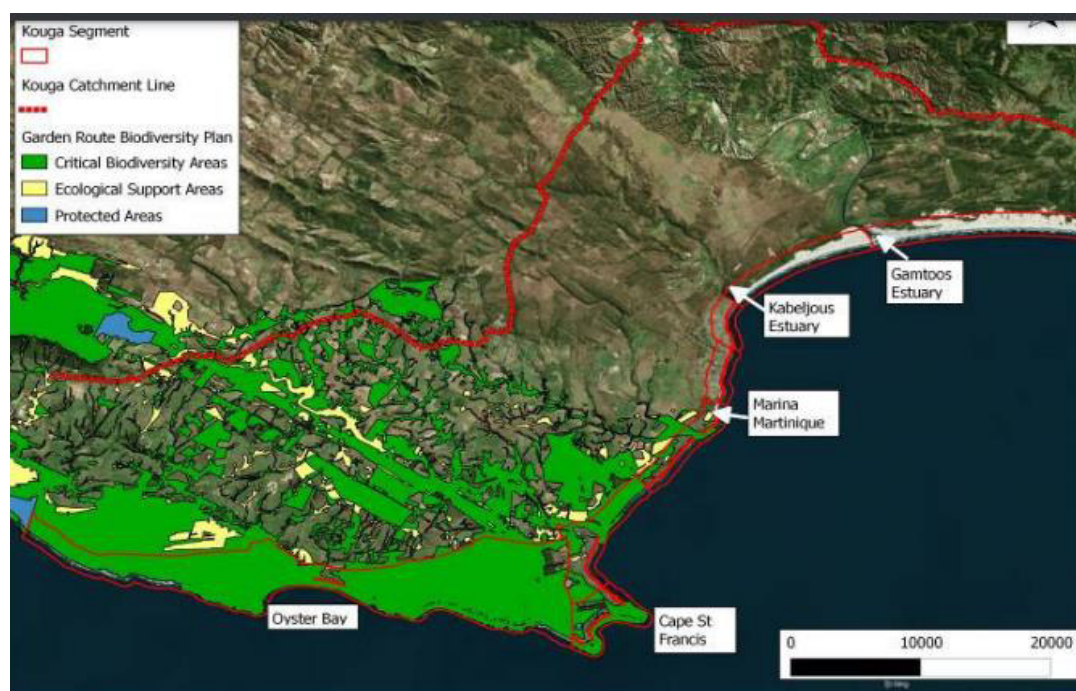
Map 8:Threatened ecosystem



Vegetation types in the Kouga LM coastal zone (VERGMAP,2018)



Critical Biodiversity Area and Ecological Support Areas I the Kouga LM coastal cone



2.7.9 Coastal Pollution

Coastal pollution includes effluent runoff, seepage, or discharge, solid waste, air emissions, lighting, and noise and vibrations.

Effluent runoff, seepage and discharge can be via diffuse overland flow or groundwater seepage, or from point sources discharges (e.g., stormwater outlets or wastewater treatment plant outfalls). Pollution along the coastline is a function of activities in the catchment area and not just the area directly adjacent thereto. Predominant land use types in the catchment of the Kouga LM are agriculture (cultivation and dairy), urban development in coastal nodes or towns, and natural or secondary natural areas. Associated pollutants are nutrients and bacteria from farming and domestic sewage, pesticides and insecticides from cultivated lands, high sediment loads from erosion in the catchment, litter and rubble from urban areas, and hydrocarbons from vehicles along access corridors. Sewage discharge also contains hormones and other pharmaceuticals.

2.8 BUILT ENVIRONMENT

2.8.1 Kromme River Estuary

The CAPE project has identified the lower Kromme River Valley as a priority corridor for the movement of plants and animals between the Kareedouw and Tsitsikamma Mountain ranges and the coast. Consequently, every effort should be made to

manage future development within this environmentally sensitive area. An audit of the current development, building plan approvals, planning and environmental authorisations needs to be undertaken.

2.8.2 Existing development outside the urban edge

There is a trend toward the development of small rural settlements, estates, resorts or nature reserves outside the urban edges. These developments tend to result in the creation of permanent residential units as opposed to resort or holiday accommodation. Current planning approaches restrict this type of development due to the potential negative impact on the limited agricultural and environmental resources of the area. These developments can, if sensitively approached, create additional housing accommodation without the need for the municipality to provide the normal municipal services beyond road access to the entrance and contribute to the municipal rates base. An audit also needs to be undertaken of the developments along the Gamtoos River, which have historically been based on the development of resorts, which have, over time provided permanent accommodation as opposed to short term tourism accommodation.

2.8.3 Thuyspunt

The Thuyspunt site, west of Cape St Francis has been acquired by ESKOM for possible future power generation purposes. As a result, the Kouga Coast Sub-Regional Structure Plan was prepared based on the need to maintain the viability of the Thuyspunt site for possible future nuclear power generation. The Kouga Municipality SDF takes into cognisance the spatial impact of this megaproject in the pipeline and a phased approach towards state of readiness is thus required from a forward planning point of view.

2.8.4 Settlement Pattern and Hierarchy

Settlement hierarchy and Nodal Development refers to the distribution of urban nodes and settlements throughout the study area and their locational characteristics.

Table 27: Settlement Pattern and Hierarchy

Nodes	Areas
Primary Nodes	Humansdorp
	Jeffreys Bay
Secondary Nodes	Hankey
	Patensie
	St Francis Bay / Cape St Francis
	Oyster Bay
Rural Nodes	Loerie
	Thornhill
	Maaitjiesfontein

	Melon
	Longmore Forest Village
	Cambria
	Andrieskraal

Challenges

The biggest challenges are the lack of bulk infrastructure. 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 top structures of the following projects, namely:

1. Hankey 728 (990)
2. Patensie 278
3. Weston 196
4. Arcadia 139

2.8.5 Renewable Energy Projects

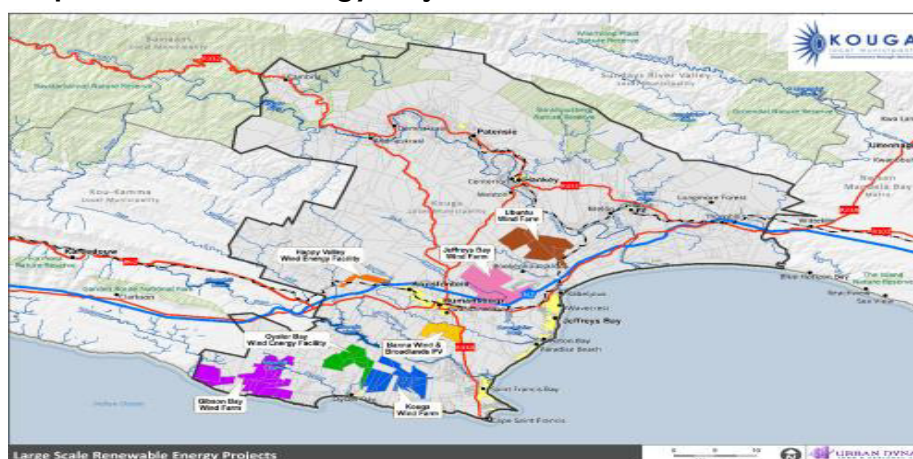
The Kouga Municipality has been the forerunner for the establishment of renewable energy projects, with specific reference to wind farms. Various projects are under construction or still subject to planning and bid processes in terms of the Renewable Energy Independent Power Producer Programme (REIPPP).

These projects currently contribute significantly to the economy in the province and to renewable energy provision towards the national grid.

The following diagram indicates existing and proposed projects. It is noted that the following projects have received Department of Energy approval and are currently in the operation or under construction:

1. Jeffreys Bay Wind Farm (Between Humansdrop and Jeffreys Bay)
2. Kouga Wind Farm (North-East of Oyster Bay)
3. Gibson Bay Wind Farm (West of Oyster Bay)

Map 9: Renewable Energy Projects

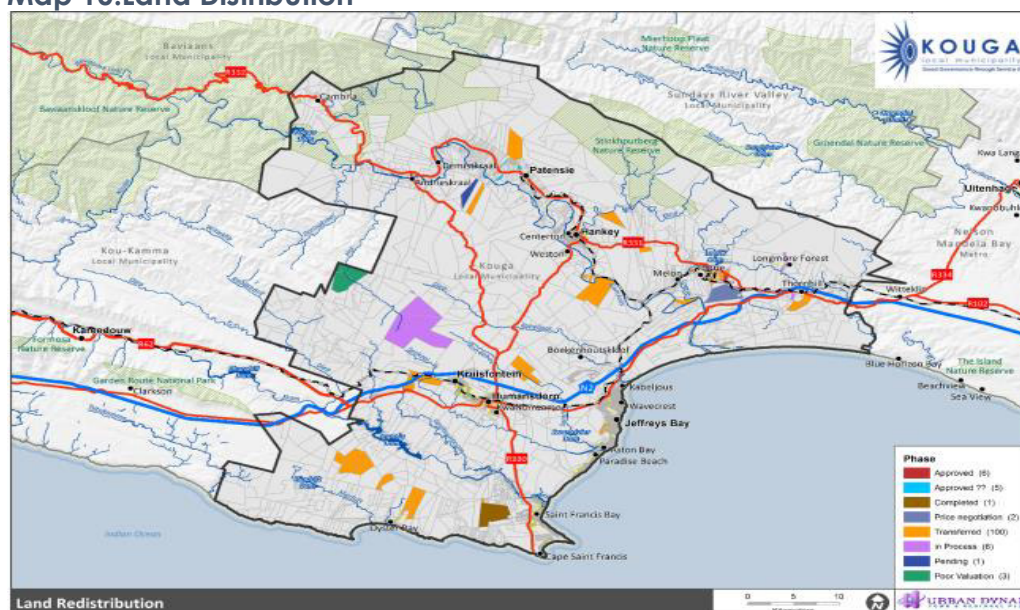


2.8.6 Land distribution

The Department of Rural Development has compiled an Area Based Plan for the Sarah Baartman District Municipal Area (2008). An Area Based Plan essentially is

a sector plan that seeks to address land related issues at a municipal level. Fundamentally the plan seeks to integrate land reform into the municipal planning process wherein identified projects are supported during and post implementation phases to ensure sustainability.

Map 10: Land Distribution



2.9 SITUATIONAL ANALYSIS: GOOD GOVERNANCE REPORT

The situational analysis: good governance report outlines the quarterly progress report from **January 2022 to April 2022** of the previous IDP (2017/2022) under four Kouga Local Municipality Pillars.

2.9.1 GOOD GOVERNANCE

2.9.1.1 INTEGRATED DEVELOPMENT PLAN



Compiling new five-year Integrated Development Plan (IDP)

For the first time, used digital platforms and other practical methods to communicate and receive inputs including:

- Online Survey
- Email
- SMS
- WhatsApp
- Questionnaires
- Consultations with schools
- A total of approximately **2936 participants** reached.
- Concluded series of public consultation meetings in all 15 wards last week 4 meetings were held.
- IDP on track to be adopted by end May 2022

2.9.1.2 ELECTRICITY



Power switched on to 200 houses at Ebumnyameni informal settlement in Ocean View at a cost of over R1.2 million

Power switched on to 200 houses at Hopeville informal settlement in Humansdorp at a cost of R7.8 million (including installation of switchgear at substation)

2.9.1.3 ROADS



A total of 16 gravel roads – totaling 5 580m – to be tarred before end June 2022

Forms part of two-year R53 655 281.80 road upgrade contract

Koerat Street, Mentoor Street, and entrance to Golf Course in Humansdorp tarred at a cost of almost R3.8 million

More roads to be tarred:

- Galjoen Street in Pellsrus
- Strepie Street in Pellsrus
- Haring Street in Pellsrus
- Circle Road in Thornhill
- Aweries Road in Thornhill

2.9.1.4 REPAIRING OF POTHOLES



A total of 556 potholes were repaired from January 2022 to April 2022
More than 130 potholes fixed per month.

2.9.1.5 WATER SECURITY

- 38 Viable boreholes connected in total to date.
 - R12.5 million secured from the Department of Co-Operative Governance (COGTA) to develop and equip four boreholes in Humansdorp.
 - More boreholes to be connected:
 - 4 in Humansdorp
 - 3 in Hankey
 - 1 in St Francis Bay
- 
- R12.5 million secured from the Department of Co-Operative Governance (COGTA) to develop and equip four boreholes in Humansdorp.
 - Six water points erected in Hankey and two in St Francis Bay
 - Water tanks installed at Hankey (4), Pellsrus Hall (2), Aston Bay Hall (2), Jeffreys Bay Fire Station (1), St Francis Bay Fire Station (1)
 - Water-flow restrictors installed at homes of 200 high-water users across the region.
 - Future projects:
 - Replacement of water pipes
 - Water tower and pipeline bridge in Paradise Beach to be repaired.
 - Groundwater investigation

2.9.1.6 FLEET

- A total of 10 new vehicles costing more than R7 million procured since January 2022
 - Five four-wheel drive tractors
 - Two backhoe loaders
 - Single-drum roller
 - Bulldozer
 - Grader
 - R6.1 million landfill refuse compactor to be added to fleet soon
 - Some 26 different types of new trucks to replace current redundant fleet
 - A total of 76 new vehicles were procured since August 2016
- 

2.9.1.7 KEEP KOUGA CLEAN

Operation Coca-Maak Skoon

- Initiated a second Operation Coca-Maak Skoon initiative .
 - Afforded residents the opportunity to get rid of unwanted items and waste.
 - Included electronic waste and old furniture.
- 

CLEAN-UP

- R5 million received from the Department of Environmental Affairs to clean up illegal dumping sites.
- A total of 22 025 tonnes of waste were collected from January 2022 to April 2022.
- 1 038 tonnes of waste recycled of which most were paper and plastic.
- Started recycling programme in consultation with Woodlands Dairy at Bread and Milk shops in Jeffreys Bay and St Francis Bay.
- Vending machines where residents can place their recyclables and receive “moola” in return on their phones.



2.9.1.8 KEEP KOUGA SAFE

SAFETY & SECURITY



- 11 CCTV cameras installed across the region since January 2022.
- A total of 30 cameras installed to date.

2.9.1.9 KEEP KOUGA GROWING

HUMAN SETTLEMENTS

- Construction of 990 subsidy (RDP) houses at Silvertown taken major step forward with donation of Erf 245 by PPC LTD
- Increased number of houses to be built from 728 to 990
- The elderly and disabled residents are first to benefit from the project
- Future projects:
 - Construction of 200 houses in Ocean View
 - Construction of 139 RDP houses in Arcadia



BUILDING PLANS

- A total of 508 building plans approved since January 2022:
 - January – 77 building plans
 - February – 208 building plans
 - March – 141 building plans
 - April – 82 building plans
 - Estimated combined value is R427 million compared to R251 million over the same period in 2021.



- A 41% increase in value of building plans approved year-on-year

2.9.1.10 FINANCIAL GROWTH

- Kouga remains in a stable financial position
- Draft budget for 2022/2023 amounts to R1,179, 737 billion
 - R1,146,720 billion is for the operating budget
 - R33,017 million is for the capital budget
- Operating budget to be funded from various sources
 - Electricity (35.59%)
 - Property rates (23.19%)
 - Operating grants and subsidies (16.65%)
 - Water (8.33%)
 - Refuse (5.90%)
 - Sanitation (5.89%)
- Total operating expenditure amounts to R1,146,720 billion
- Major operating expenditure items are:
 - Employee related costs (34.15%)
 - Bulk electricity purchases (26.16%)
 - Other expenditure (10.53%)
 - Depreciation (8.82%)
 - Debt impairment (4.36%)



2.10 COMMUNITY NEEDS ANALYSIS

2.10.1 Ward Profile

Kouga Municipality conducted a number of community and ward engagements where communities were provided with an opportunity to identify and prioritise issues of importance to them.

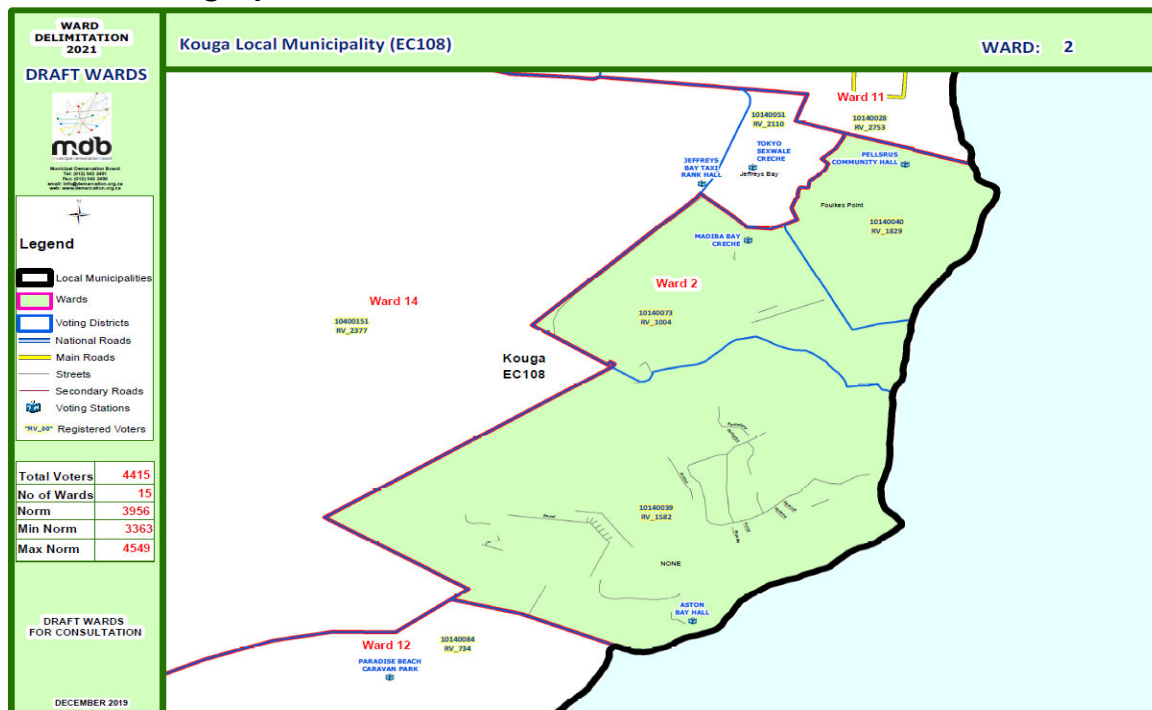
Ward 1: Geographical Area



Community Needs/Priorities

Ward 1						
Ward Councillor: Nozuko Ntshota						
	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Water borne sewer system	x				KLM/COGTA
2.	Formalization of informal settlement	x	x			KLM/DHS
3.	Storm water drainage	x				KLM
4.	Stray animals	x				KLM
5.	Shelter for scholars	x				KLM/DOE
6.	Rehabilitation of dunes	x	x			KLM/DEDEA
7.	Promotion of SMME's	x				KLM
8.	Overgrown erven	x				KLM
9.	Fixing of roads	x				KLM
10.	Speed humps	x				KLM
11.	Illegal dumping site	x				KLM
12.	CCTV Cameras	x				KLM
13.	High mast light for Lower Golf Course	x				KLM
14.	Rehab Centre for drug and substance abuse				x	KLM/DSD
15.	Youth Development Centre		x			KLM/DSD
16.	Skills Development for Youth and Career Expo	x	x	x	x	KLM
17.	Disabled Centre	x	x	x	x	KLM/DSD

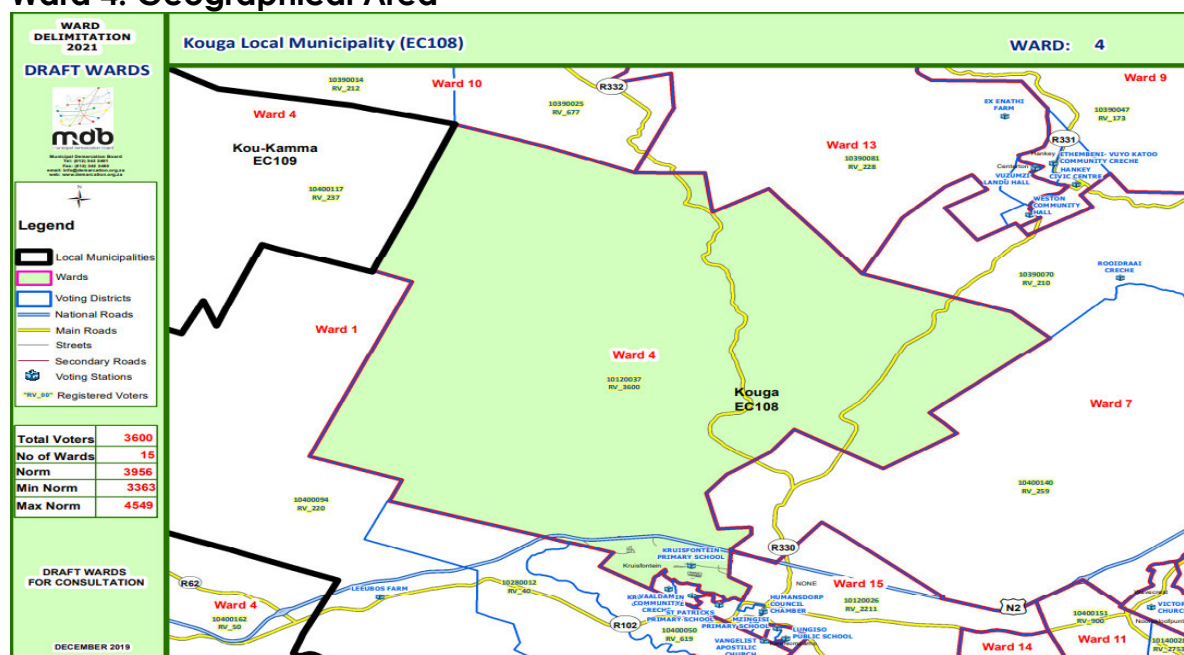
Ward 2: Geographical Area



Community Needs/Priority

Ward 3						
Ward Councillor: Willem Gertenbach						
Nr	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Takeover of Da Gama Road	X	X			KLM
2.	Resealing of 1km of road	X	X	X		KLM
3.	Maintenance of storm water, internal roads, and infrastructure	X	X	X		KLM
4.	Sustainable electrical bulk supply	X	X			KLM/ESKOM/NMMB
5.	Providing of curbing for internal roads	X	X			KLM
6.	Wi-fi	X				KLM
7.	Replacement of Mimosa water-pipe	X				KLM
8.	Street names for the new ward extension	X				KLM
9.	Walkways along Da Gama Road	X				KLM
10.	Boardwalks along our beaches	X				KLM

Ward 4: Geographical Area

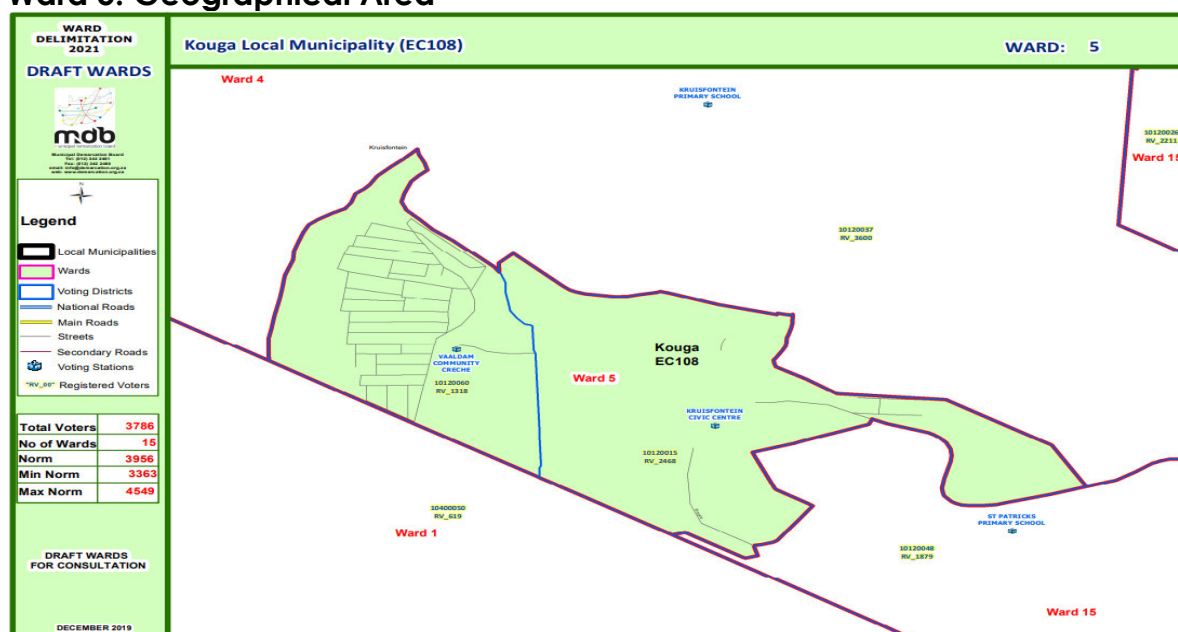


Community Needs/Priority

Ward 4						
Ward Councillor: Jaques Alexander						
Nr	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Street names	X	X			KLM
2.	High mast lights		X	X		KLM/INEP
3.	Upgrading, tarring, or paving of roads	X	X	X	X	KLM/COGTA
4.	Containerize toilets	X	X			KLM
5.	Mini skip bins	X	X	X		KLM

Ward 4						
Ward Councillor: Jaques Alexander						
Nr	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
6.	Animal impoundment Centre	x	x			KLM/DLRD
7.	Restoration and Rehab Centre	x	x	x		KLM/DSD
8.	Agi-school	x	x			KLM/ Dept. of Agrarian Reform and Dept. of Education
9.	Recycling	x	x			KLM
10.	Access road (N2 and internal link roads)	x	x	x		KLM/ Dept. of Roads and Transport/ SBDM
11.	SMME Development	x	x			KLM
12.	Land tenure ship	x	x	x		KLM/DLRD
13.	Land for livestock farming and agriculture	x	x			KLM/DLRD

Ward 5: Geographical Area

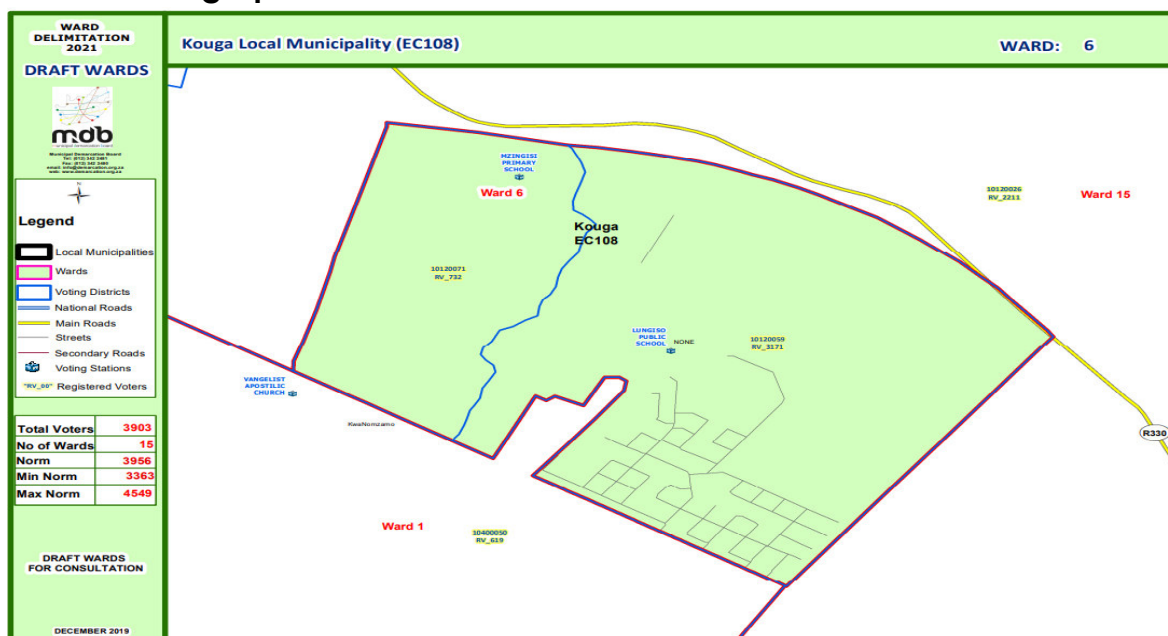


Community Needs

Ward 5						
Ward Councillor: Melani Biko						
Nr	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Safety & Security	X				SAPS / KLM
2.	Stormwater				x	KLM
3.	Waterborne sewer system (Johnsons Ridge , Prins Str, Bo-blok				x	KLM
4.	Paving sidewalks				x	KLM
5.	Multi purpose center			x		KLM / Woodlands / Windfarms
6.	Visible Policing	x				KLM
7.	Restoration of playgrounds	X				KLM
8.	Restoration of old age homes		X			KLM
9.	Streetlights	x				KLM

Ward 5						
Ward Councillor: Melani Biko						
Nr	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
10.	Housing FLISP		X			KLM / Province
11.	Land (Kruisfontein Civic)				X	KLM / Public Works
12.	Bulk Services		X			

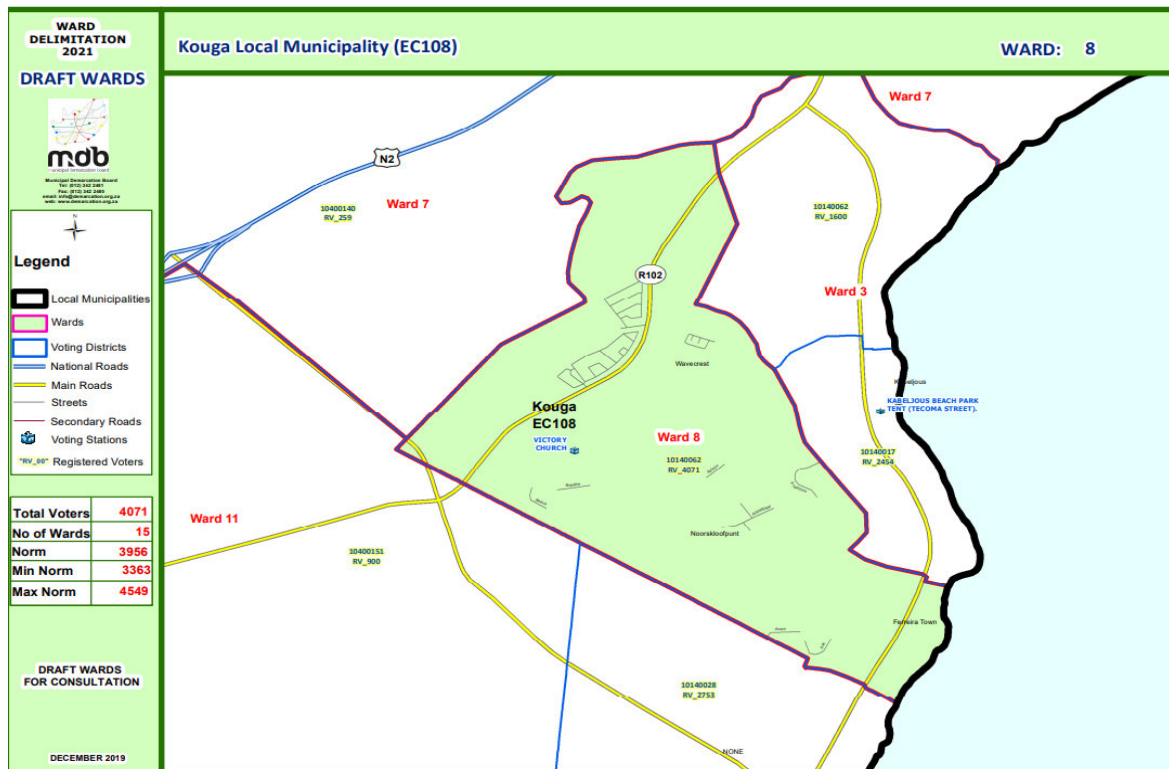
Ward 6: Geographical Area



Community Needs/Priorities

Ward 6						
Ward Councillor: Kholisile Ndzelani						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	High Master lights	x				Kouga Municipality
2.	Street Names	x				Kouga municipality
3.	Land	x				Kouga municipality
4.	Beautification Entrance	x				Kouga municipality
5.	CCTV Cameras	x				Kouga municipality
6.	Storm Water Drainage	x	x			Kouga municipality
7.	Sportfield development		x			Sports & Recreation
8.	Upgrading of treatment plant	x			x	MIG
9.	Clinic			x		Department of Health
10.	Convert Hall into Multi-purposed centre	x	x			Kouga municipality Windfarm
11.	Upgrading of Gravel Road	x				Kouga municipality
12.	Eradication of Bucket System					Kouga municipality
13.	Development of informal settlement	x				HDA Kouga municipality
14.	Unfinished housing projects	x				Kouga municipality

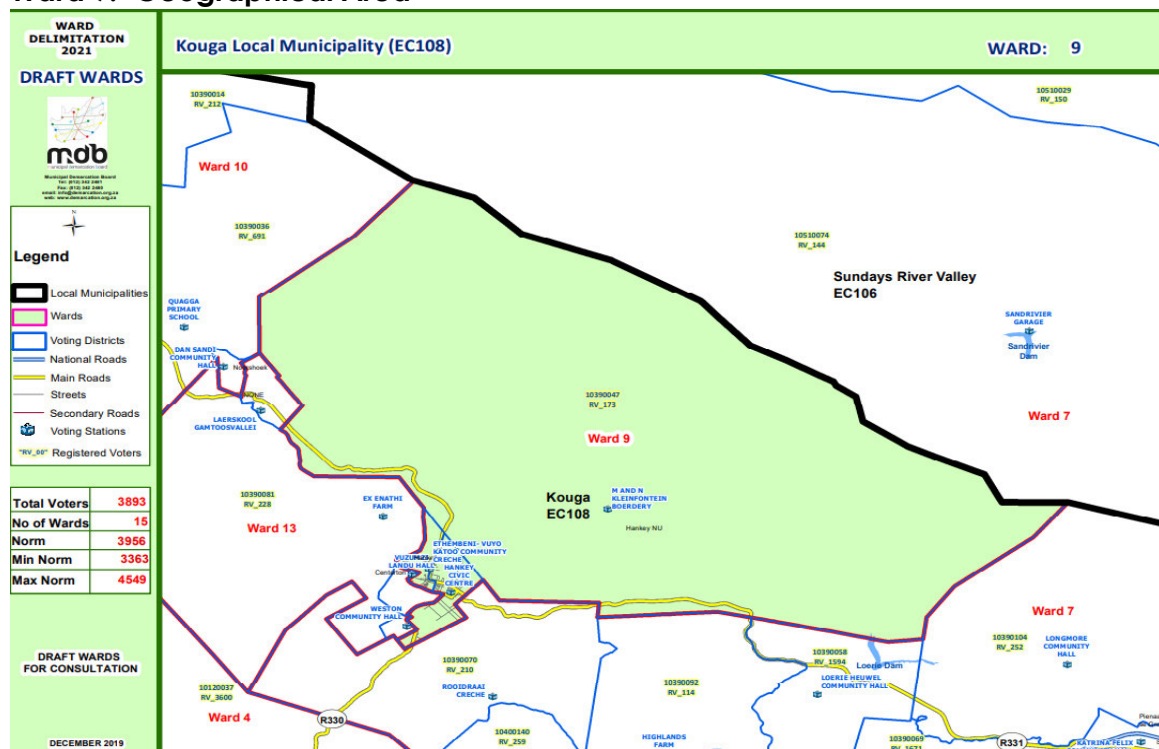
Ward 8: Geographical Area



Community Needs/Priorities

Ward 8						
Ward Councillor: Reinhardt Foley						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Replacement of old asbestos water pipes	x	x	x		KLM
2.	Upgrading and resealing of Dogwood Street	x				KLM
3.	Internal sewer reticulation of houses not connected to the sewer system	x	x	x		KLM
4.	Streetlights	x				KLM
5.	CCTV Cameras	x				KLM
6.	Pedestrian walkways in Noorsekloof, Seetuin, Dogwood and Myrtle Street	x				KLM
LM7.	New clinic	x	x	x		KLM/DOH
8.	Quality fixing of potholes	x				KLM
9.	Newer and disabled friendly accessible playparks and walkways to beaches and municipal buildings	x				KLM
10.	Entertainment for the youth (skatepark)	x	x			KLM
11.	Influx control and enforcement of municipal by-laws	x				KLM
12.	Drug abuse	x				KLM/SAPS
13.	Old age retirement centre	x	x	x		KLM/DSD
14.	Job creation	x				KLM

Ward 9: Geographical Area

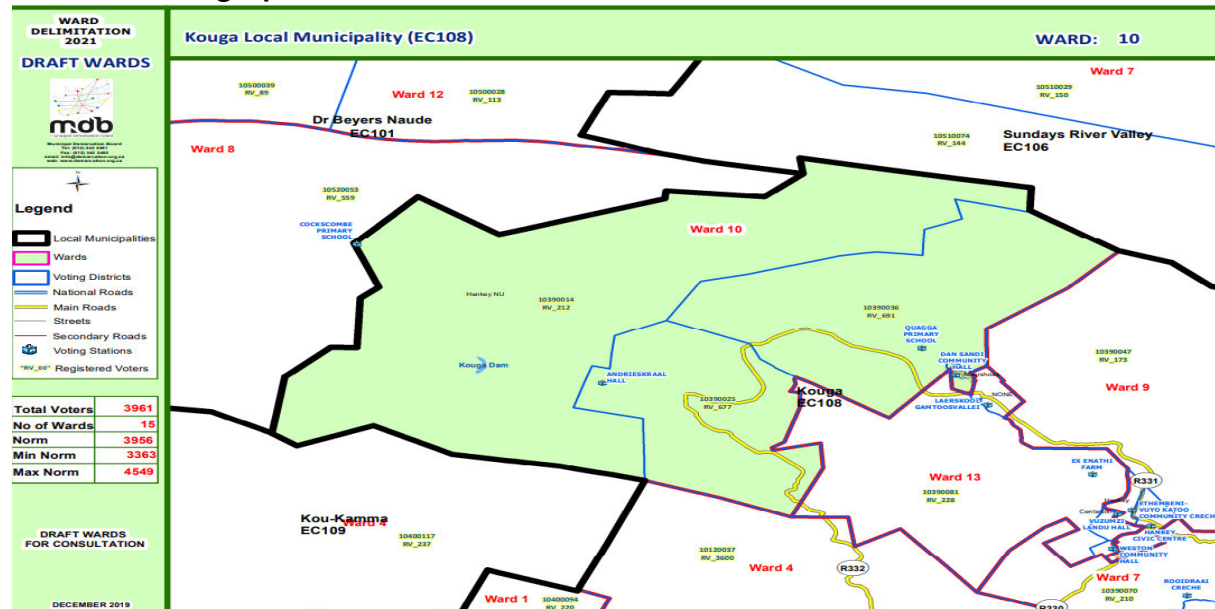


Community Needs/Priorities

Ward 9						
Ward Councillor: Cynthia August						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Water security	X				KLM/Gamtoos Irrigation Board
2.	Upgrading of gravel roads	X	X	X		KLM/COGTA
3.	Land for live-stock farming	X	X			KLM/ /DLRD
4.	Storm water drainage system	X	X	X		KLM
5.	Clinic and ambulance services	X	X	X		KLM/DOH
6.	Safety and security	X	X	X		KLM/SAPS
7.	Maintenance of R333 link road	X	X	X		KLM/Dept. of Roads and Transport
8.	Need for Social and FLISP Housing	X	X	X		KLM/ Dept. of Human Settlement
9.	Re-development of Yellow Woods	X	X			KLM
10.	Refurbishment of heritage buildings and assets	X	X			KLM/ Dept. of Arts and Culture
11.	Upgrading of Old Sport Field	X	X	X		KLM/COGTA
12.	Rehabilitation Centre	X	X			KLM/DSD
13.	SMME Development for locals	X	X			KLM/ (DEDEAT)
14.	Early Childhood Development Centre	X	X			KLM/ DSD
15.	Fencing of existing graveyards	X	X			KLM
16.	Land for churches	X	X			KLM
17.	Multi-purpose Centre	X	X	X		KLM/ DSD
18.	Refurbishment of Old Stofwolk Hall	X	X	X		KLM

Ward 9						
Ward Councillor: Cynthia August						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
19.	Proper seating arrangement at all municipal facilities	x	x			KLM

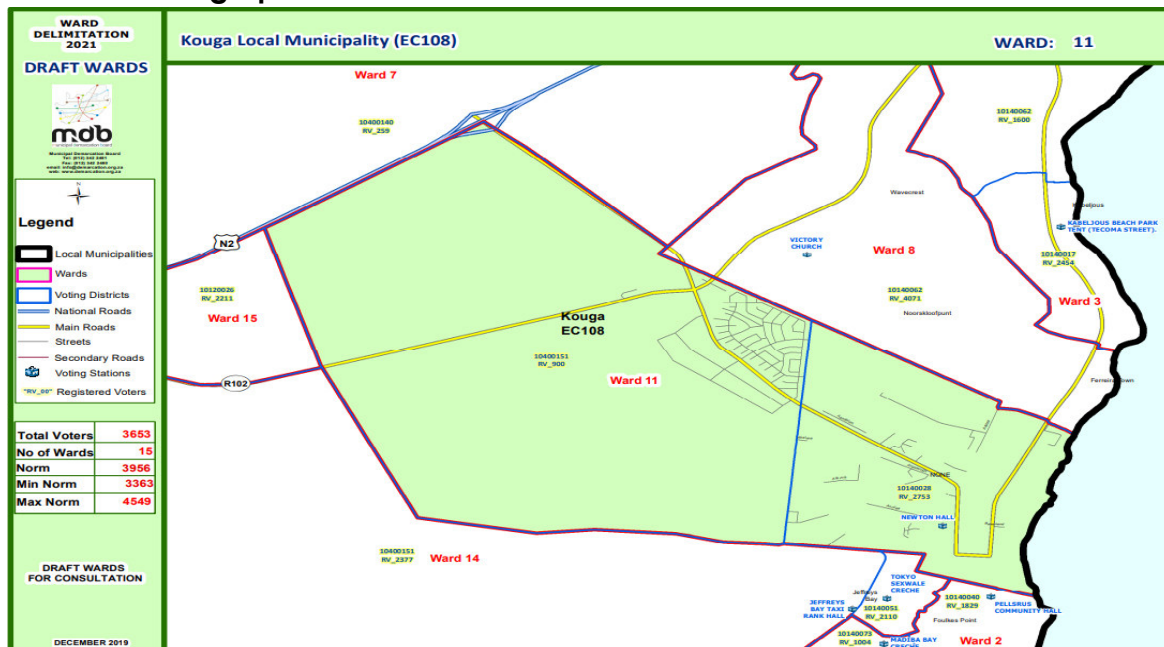
Ward 10: Geographical Area



Ward 10						
Ward Councillor: Msingathi Mbandana						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Land – Cemetery & Agricultural School	X				KLM
2.	Streetlights	X				KLM & Eskom
3.	Electrification (Shack dwellers)- Patensie	X				KLM & Eskom
4.	Water		X			KLM & COGTA Dep of Water affairs
5.	Mobile Clinic	X				Dep of Health
6.	Storm Water Drains	X				KLM
7.	Housing 278		X			KLM & Humans Settlements Land Reform
9.	Agricultural School Land		X			COGTA & Humans Settlements
10.	Speedhumps		X			KLM
11.	Waste Plant Treatment	X				Dep of Water & Sanitation
12.	Chemical Toilets	X				KLM
13.	Demarcation of areas for SMME's (Support Centre)	X				KLM
14.	Upgrading ambulance building	X				KLM
15.	Upgrade Kouga Dam		X			Dep of Water & Sanitation
16.	Upgrade Road R331		X			
17.	Township Tourism	X				KLM LED

Ward 10						
Ward Councillor: Msingathi Mbandana						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
18.	Bulk Sewer	X				KLM & COGTA

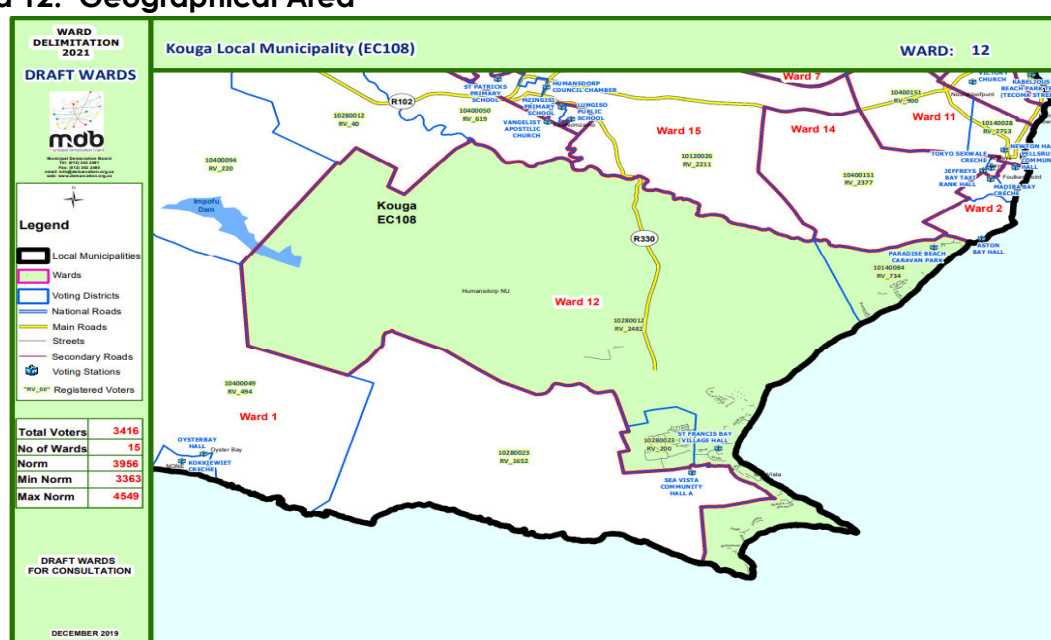
Ward 11: Geographical Area



Ward 11						
Ward Councillor: Fanie Heystek						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Playpark for main beach	X				KLM
2.	CCTV Cameras for open spaces	X	X			KLM
3.	General flow and future demand of sewer for Jeffreys Bay	X				KLM
4.	Urgent upgrading of Koraal and La Mer sewer pumpstation	X				KLM
5.	Widening of Dama, Woltemade and St Francis Street	X	X	X		KLM
6.	Link the whole CBD with a broad pedestrian pavement	X				KLM
7.	Circle at the Dogwood and Koraal Street intersection	X	X	X		KLM
8.	Upgrading of ST.Croix Street	X				KLM
9.	Redirect traffic to Neptunus terrace	X				KLM
10.	More attractive shops	X				KLM
11.	Ski-boat clubhouse and slipway	X	X	X		KLM
12.	Pavement of St Francis Street	X	X			KLM
13.	Prioritization of functioning and annual allocation of grant-in-aid to Kouga Sports Council	X				KLM
14.	Sewer oxidation dam at Koraal pumpstation to be re-assed and fixed to minimize the smelling	X	X	X		KLM

Ward 11						
Ward Councillor: Fanie Heystek						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
15.	Tarring of Dolley Varden Street to be entered into the list of streets upgrading and tarring	X				KLM
16.	Give the street air with the right indigenous trees and other plants who don't attract the birds or make damage to the pavement	X				KLM
17.	Pedestrian traffic lights at Da Gama and Woltemade crossing	X				KLM

Ward 12: Geographical Area

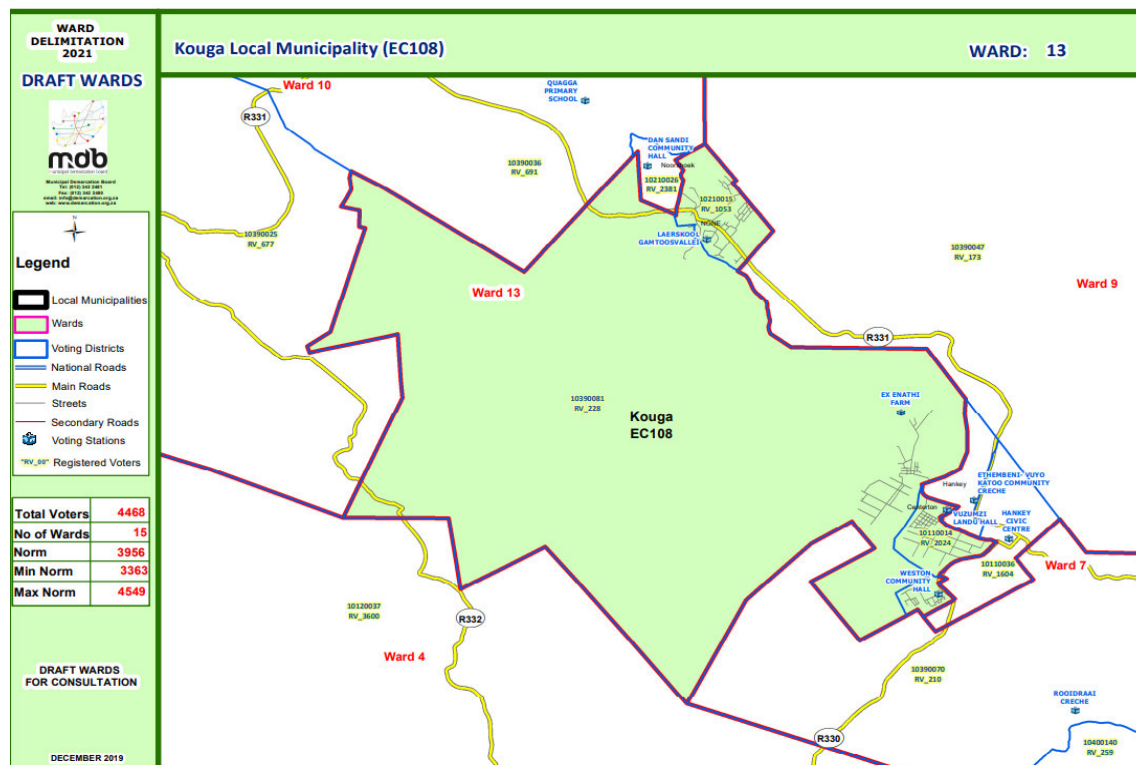


Community Needs/Priorities

Ward 12						
Ward Councillor: Lorraine Maree						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Illegal shacks in Sea Vista	X	X			KLM/DHS
2.	Law enforcement to curb stray animals, by-laws and crime					KLM/SAPS
3.	Resealing of St Francis Drive, Grand Camore, Triton, Da Gama, Derik, and Johan Muller Boulevard	X	X	X		KLM/GOGTA
4.	Fixing of potholes	X	X			KLM
5.	Upgrading and and grading of gravel roads in Cape St Francis Bay and Paradise Beach	X	X	X		KLM/GOGTA
6.	Rock revetment, spit and dune management	X	X			KLM/DEDEA
7.	Waterborne sewer system	X	X			KLM
8.	Seekoei estuary and Causeway	X	X			KLM/DEDEA

Ward 12						
Ward Councillor: Lorraine Maree						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
9.	2-day turnaround of sewerage trucks for septic tank services	x	x			KLM
10.	Water security	x	x			KLM
11.	Upgrading and maintenance of storm water drainage	x	x			KLM
12.	Upgrading of water pipeline in Canal Road	x	x			KLM
13.	Replacement of all old asbestos water pipelines (on-going project)	x				KLM
14.	Upgrading of Canal bridges (on-going project)	x				KLM
15.	Maintenance of V-Drains in Lyme Road south and north, Terrgona and Johan Muller Boulevard	x	x			KLM
16.	Fire breaks and bush clearing	x	x			KLM
17.	Enforcement of plot clearing policy	x	x	x		KLM
18.	Prioritization of the Future use of Erf 554	x				KLM
19.	Leaking reservoir in Paradise Beach (on-going project)	x				KLM
20.	Dune Road Project (on-going project)	x				KLM
21.	Street names and signage	x				KLM
22.	Wastewater pump upgrading (on-going project)	x				KLM
23.	Upgrading of road to boat launching site at Kromme River Bridge (on-going project)	x				KLM
24.	Illegal signage	x				KLM
25.	Maintenance of beach facilities (on-going project)	x				KLM
26.	Faster reaction time from municipality on reported complaints	x				KLM
27.	Cycle lanes	x	x			KLM
28.	Installation of fire hydrants at braai areas in Paradise Beach	x				KLM

Ward 13: Geographical Area



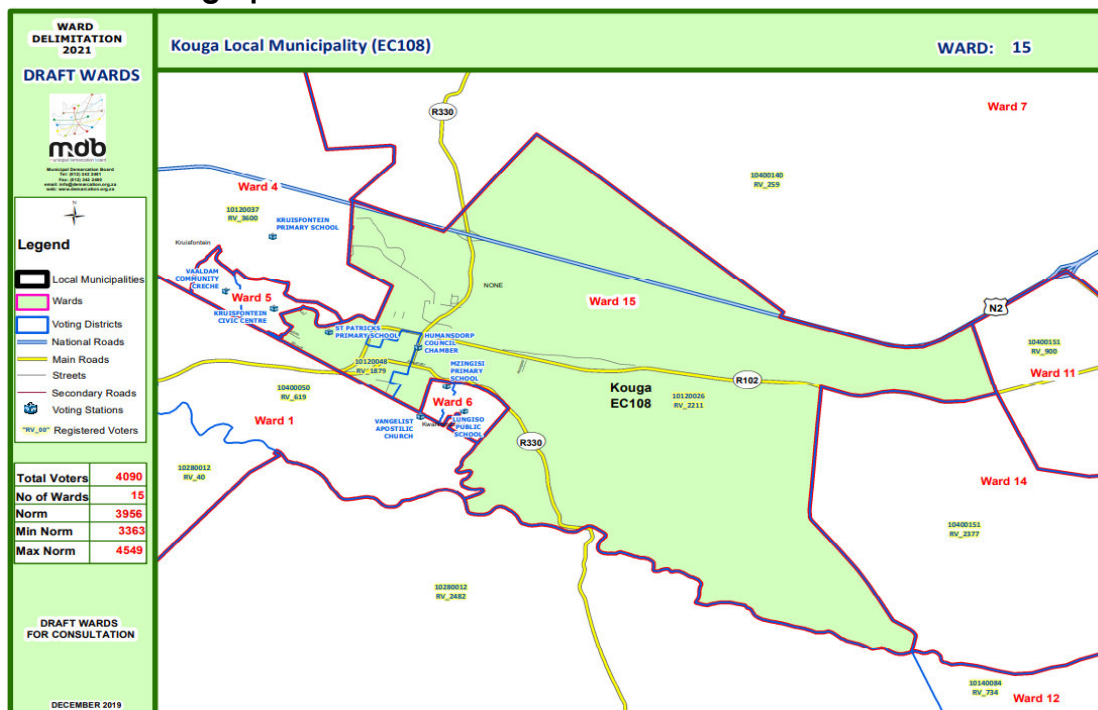
Community Needs/Priorities

Ward: 13

Ward Councillor: Vuyani Zana

Nr	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsible
1.	Stormwater (drainage) system		X			KLM / CONTRACTOR
2.	Streetlights (High mass lights)	X				KLM / Eskom/IGR
3.	Sewerage (Weston)		X			KLM
4.	Paving / Tar (Thangana Street)	X				KLM
5.	Land cemeteries (Identify new land)	X				KLM /Dept Enviro Affairs
6.	Church Sites		X			KLM
7.	Sport fields	X				KLM
8.	Eradication of mud houses		X			KLM
9.	Indoor Sport Center				X	KLM
10.	Day Hospital				X	DOH / SOCDEV
11.	TVET College				X	DOE / WINDFARMS
12.	Soetkloof land		X			DOE / WINDFARMS
13.	Internet for Libraries	X				KLM
14.	Ambulance Depot			X		Doh / KLM

Ward 15: Geographical Area



Community Needs/Priorities

Ward: 15						
Ward Councillor: Timothy Jantjes						
No.	PRIORITIES	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Safety – Establishing neighbourhood watch, street committees, CCTV cameras	x				KLM
2.	Eradication of bucket system					DHS
3.	Upgrading, cleaning & maintenance of sport fields		x			KLM/COGTA
4.	Upgrading of roads and		X	X		Dept. of Roads and Transport
5.	Fixing of potholes	X	X	X	X	KLM
6.	Stormwater drainage & flooding of roads & houses during heavy rains	x	x			KLM/DLRD
7.	Streetlights	x	x	x	X	KLM
8.	Bush clearing	x	x	x	X	KLM/DOH
9.	Local Economic Development	x	x	x		KLMSAPS
10.	Establish a business forum	x	x	x	X	KLM/Dept. of Roads and Transport

CHAPTER 3: 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.

3.1 VISION, MISSION, GOALS

Our Vision

Good Governance through Service Excellence

Our 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.

Value System

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

Goals:

The following goals have been identified for the Kouga Municipality:

Goal 1: Provide quality, sustainable municipal infrastructure to consistently maintain and improve 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 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.

3.2 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.

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.

3.2.1 Strategic Alignment

The strategic alignment between the National, Provincial, District and Local Government KPA'S that guide the mandate of the municipality are listed, but not limited to, the following:

National Key Performance Area (NKPA)	National Outcome (NOC)	Sustainable Development Goals (SDG)	National Development Plan (NDP)	Provincial Strategic Objectives	Sarah Baartman District Municipality Objectives	Municipal Key Performance Area (MKPA)	
NKPA	NOC	SDG	NDP	PSO	SBDM	MKPA	
NKPA1	NOC1	SDG3	NDP4	PSO3	DMO1	KPA1	Basic Services and Infrastructure
NKPA2	NOC6	SDG4	NDP10	PSO4			
NKPA3	NOC7	SDG9	NDP16				
NKPA4	NOC8	SDG10					
NKPA5	NOC9	SDG12					
	NOC10						
	NOC11						
NKPA4	NOC4	SDG4	NDP1	PSO1	DMO3	KPA2	Local Economic Development
	NOC5	SDG11	NDP3	PSO4			
	NOC8						
NKPA1	NOC4	SDG8	NDP9	PSO4	DMO2	KPA3	Municipal Financial Viability and Transformation
NKPA4	NOC9		NDP10				
			NDP11				
NKPA2 NKPA1	NOC6	SDG8	NDP3	PSO2	DMO4	KPA4	Good Governance and Public Participation
NKPA5 NKPA1	NOC10	SDG15	NDP7	PSO4			
	NOC12	SDG17	NDP13				
NKPA5	NOC5	SDG9	NDP11	PSO2	DMO5	KPA5	Municipal Transformation and Organisational Development

National Key Performance Area (NKPA)	National Outcome (NOC)	Sustainable Development Goals (SDG)	National Development Plan (NDP)	Provincial Strategic Objectives	Sarah Baartman District Municipality Objectives	Municipal Key Performance Area (MKPA)	
NKPA	NOC	SDG	NDP	PSO	SBDM	MKPA	
NKPA4	NOC4	SDG4	NDP1	PSO1	DMO3	KPA6	Spatial planning

3.2.2 Key Government Priorities

Key Government priorities to be implemented in District/Metro against each of the six pillars:

Map 11:Key Government Priorities

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT/ METRO			
PILLAR NAME	NATIONAL/PROVINCIAL/MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT/ METRO PRIORITIES
PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT	Priority 3: Education, Skills and Health Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services Priority 6: Social Cohesion and Safer Communities	Goal (Impact Area) 4: Human Development 1. Increase access to Early childhood development. 2. Improved quality of primary and secondary education for improved educational outcomes. 3. Increase skills for development of the province. 4. Improved health profile and health outcomes in communities. 5. Improve the safety of the people in the Eastern Cape. 6. Promotion of Social Cohesion and moral regeneration. 7. Social Protection and Viable Communities.	1. Improve Service Delivery 2. Socio-economic upliftment

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT/ METRO			
PILLAR NAME	NATIONAL/PROVINCIAL/MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT/ METRO PRIORITIES
PILLAR 2: ECONOMIC POSITIONING	Priority 2: Economic Transformation and Job Creation	Goal (Impact Area) 1: Innovative and Inclusive Growing Economy 1. Stronger industry and enterprise support. 2. Rapid development of high-potential economic sectors. 3. Spatially balanced economic development, urban development and small-town revitalization. 4. Digital transformation and development of the ICT sector. 5. Goal (Impact Area) 3: Rural Development and an Innovative and High-Value Agriculture Sector 6. Sustainable community agriculture and diversified livelihoods. 7. Development of agricultural value chains. 8. Accelerate land reform and land rehabilitation programmes.	1. Job Creation 2. Local Development Economic
PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY	Priority 5: Spatial Integration, Human Settlements and Local Government	Goal (Impact Area) 2: An Enabling Infrastructure Network 1. Develop sustainable and integrated settlements. 2. Goal (Impact Area) 5: Environmental Sustainability 3. Safeguarding ecosystems and existing natural resources. 4. Respond to climate change and green technology innovations. 5. Improvement of environmental governance.	Spatial integration

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT/ METRO			
PILLAR NAME	NATIONAL/PROVINCIAL/MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT/ METRO PRIORITIES
PILLAR 4: INFRASTRUCTURE ENGINEERING	Priority 2: Economic Transformation and Job Creation Priority 5: Spatial Integration, Human Settlements and Local Government	Goal (Impact Area) 2: An Enabling Infrastructure Network 1. Build resilient economic infrastructure that promotes economic activity. 2. Universal access to basic infrastructure. 3. Sustainable energy and electricity provision. 4. Develop sustainable and integrated settlements. 5. Improve infrastructure planning, delivery, operations and maintenance.	Basic Service Delivery and Infrastructure
PILLAR 5: INTEGRATED SERVICE PROVISIONING	Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services	Goal (Impact Area) 2: An Enabling Infrastructure Network 1. Universal access to basic infrastructure.	Basic Service Delivery and Infrastructure
PILLAR 6: GOVERNANCE AND FINANCE	Priority 1: A Capable, Ethical and Developmental State Priority 7: A Better Africa and World	Goal (Impact Area) 6: Capable Democratic Institutions 1. Building the Capability of the State to deliver. 2. Transformed, Integrated and Innovative Service Delivery. 3. Instilling a culture of good corporate governance. 4. Build multi-agency partnerships.	1. Build Institutional Capacity & Financial Viability 2. Single window of co-ordination 3. Governance and Public Participation 4. Municipal Transformation and Organisational Development

3.3 STRATEGIC OBJECTIVES ALIGNED TO THE DEPARTMENTAL OBJECTIVES

Table 28: Strategic Objectives aligned to the Departmental Objectives

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 and ensure the provision of basic municipal services and the reduction of infrastructure backlogs
SOD3	Directorate PDT	To manage and provide planning services in order to ensure the economic upliftment, growth 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

3.4 STRENGTHS WEAKNESS OPPORTUNITIES THREATS

3.4.1 Departmental SWOT Analysis

The tables below outlines the departmental SWOT analysis as development by each municipal department. The interventions of the SWOT analysis of the municipality, will be addressed in a collective strategic session during April 2023 and the outcomes therefore will form part of the final edition of the IDP.

Municipal Manager's Office

Table 29: SWOT: Municipal Manager's Office

MUNICIPAL MANAGER'S OFFICE			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
▪ PMS Unit established ▪ Improved Public participation process ▪ Strong and established legal unit with sound legal advice ▪ Improved Media and Communications operations ▪ Some staff very committed ▪ Planning receiving increased attention by Councillor and Senior Management ▪ Oversight Mechanisms have been established and are operational Internal Audit Unit established	▪ Poor reporting/keeping with time frames for reporting ▪ Lack of skilled staff in certain sections ▪ Lack of acceptance of a culture of change management ▪ Lack of getting with the times-new technology ▪ Not sufficient staff to implement PMS roll out by 1 July 2022 ▪ PMS System not the easiest to populate ▪ Provision of evidence late (not receiving the required attention)	▪ Other systems available ▪ External funding (German funding) ▪ New PMS system (Online) ▪ New IDP process ▪ Best practice available elsewhere ▪ Possible cooperation with others ▪ Develop new communication strategy ▪ Appoint skilled committed competent staff ▪ Accepting new technology-getting with the times	▪ Changing legislation ▪ Covid ▪ Political and administrative conflict

MUNICIPAL MANAGER'S OFFICE			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
	- Audit of performance information and evidence takes a long time. - IDP not given the attention it deserves resulting in poor institutional targets and poor SDBIP. - Lack Communication strategy Too many operational institutional targets assigned to Senior Managers Insufficient Strategic Institutional Targets Because of performance rewards target setting is on the low side and not stretching in nature (easily achievable)		

Directorate Community Services

Table 30:SWOT: Directorate Community Services

DIRECTORATE: COMMUNITY SERVICES			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
- Continued Employee Wellness Programs - Sound policies and strategies in place/legislation - Good financial management practices – financial sustainability - Captive market service delivery	- Partnerships with business, labour and civil society not fully developed. - Lack of business intelligence - Inadequate funding for transformative projects. - Lack of appropriate skills and capacity aligned to new business model.	- Feasibility studies on biofuel/waste to energy. - Community based projects to assist with cleaning and monitoring - Various partnerships with private sector, ward committees, community forms to Keep Koug, safe, clean, and green.	- Growth in population - Funding for implementation of various projects - Labour disputes and unrest - Non - compliance (legislation) - Unfunded vacancies

DIRECTORATE: COMMUNITY SERVICES			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
▪ Qualified staff/Capacity ▪ Batho Pele (Putting people first)	▪ Lack and Ageing infrastructure. ▪ Lack of integration between directorates. ▪ Ageing workforce/unmotivated. ▪ District/Provincial/National support. ▪ Communication	▪ By-law review and fine structure to be amended ▪ People abilities	▪ Climate Change/Global warming ▪ Pandemics ▪ Influx of people/homeless ▪ Vandalism ▪ Natural Disasters ▪ Service delivery demands

Directorate Infrastructure & Engineering Services

Table 31:SWOT: Directorate Infrastructure & Engineering Services

DIRECTORATE: INFRASTRUCTURE & ENGINEERING SERVICES			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
▪ Committed workforce ▪ Skilled managers ▪ Dedicated Site staff ▪ Call Centre ▪ Response time to queries ▪ Tourism attraction destination ▪ Natural resource/ beaches	▪ Departments working in Silos ▪ Lack of skilled/ professional staff ▪ No employee recognition at artisan level ▪ No live IT access and budget ledger system ▪ Supervision ▪ Blue/Green drop status poor ▪ WSDP not in place ▪ PMU under resourced ▪ No SOPs ▪ Administrative Burden ▪ No master plans ▪ Too many consulting engineers ▪ Too many contracts' employees ▪ Underutilisation of resources ▪ Superintendents and Supervisors are not computer literate	▪ Revised Structure ▪ Development of SOPs ▪ Source External Funding ▪ Employment Opportunities ▪ Training of Staff ▪ Upgrading of Infrastructure ▪ Developing of small projects internally (design & construction) ▪ Develop supporting admin sections in I&E to reduce turnaround time	▪ Aging Infrastructure ▪ Inadequate Infrastructure ▪ Lack of Bulk Infrastructure & Masterplans ▪ Protest Actions & Vandalism ▪ Development is outgrowing capacity of municipality at an alarming rate ▪ Poor input from WSA/NMMM/GIB on water allocation to Kouga and Gamtoos. ▪ Dept. of Water Affairs involvement in water allocations of NMMM

	▪ Skills Retention ▪ No forward planning ▪ Lack of necessary equipment ▪ Understaffed		▪ No agreement with SANRAL ▪ Unfunded political promises ▪ Trading augmentation Fees (ringfence)
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Directorate Planning, Development & Tourism

Table 32: SWOT: Directorate Planning, Development & Tourism

DIRECTORATE: PLANNING DEVELOPMENT & TOURISM			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
▪ Policies, bylaws in place ▪ Educated/ Qualified Professionals ▪ Young, vibrant & dynamic team ▪ Renewable energy & Agriculture ▪ Political & Financial stability ▪ Leading in the province in Housing Delivery projects ▪ Tourism ▪ Systems in place (Building Control) ▪ Heritage resources ▪ Ocean -opportunity for oceans economy ▪ International partnerships ▪ Events management process ▪ Geographic location ▪ Investment appeal	▪ No Incentives policy to attract development & Investment. ▪ Poor customer service ▪ Low Staff motivation ▪ Focusing energy on less impactful tasks ▪ Other Municipalities pay their professionals more (lack of professional staff retention). ▪ IT/ Technology (Manual processes in the institution) ▪ Institutional Knowledge management ▪ Career Pathing ▪ Weak Communication and Customer satisfaction.	▪ External Benchmark ▪ Capitalise on No.1 status in the province ▪ Viral Marketing Kouga ▪ Spatial connection of coastal towns ▪ Optimizing on Oceans Economy ▪ Local & International partnerships ▪ Build relationships with Sector Plans ▪ Shift from Manual systems to latest digital technologies.	▪ External Red tape (e.g., Environmental authorisations) ▪ Drought ▪ Lack of Trust from Community ▪ Reactive Disaster Management ▪ Deteriorating Infrastructure ▪ Lack of planning for immigration (result land invasions) ▪ Silo vision of National/Provincial/Local governments resulting in fragmented bigger picture ▪ Poor Inter-governmental relations and support.

Directorate: Office of the Municipal Manager -PMS

Table 33: Directorate: Office of The Municipal Manager -PMS

DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER - PMSA			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
▪ PMS Unit established ▪ Planning receiving increased attention by Councillor and Senior Management ▪ Oversight Mechanisms have been established and are operational ▪ Internal Audit Unit established	▪ Poor reporting/keeping with time frames for reporting ▪ Not sufficient staff to implement PMS roll out by 1 July 2022 ▪ PMS System not the easiest to populate ▪ PMS System does not allow importation of excel format SDBIP and does not automatically populate score cards for system users. ▪ Provision of evidence late (not receiving the required attention) ▪ Audit of performance information and evidence takes a long time ▪ IDP not given the attention it deserves resulting in poor institutional targets and poor SDBIP ▪ Too many operational institutional targets assigned to Senior Managers ▪ Insufficient Strategic Institutional Targets ▪ Because of performance rewards target setting is on the low side and not stretching in nature (easily achievable)	▪ Other systems available ▪ Assistance from SBDM available ▪ Best practice available elsewhere ▪ Possible cooperation with others	▪ Changing legislation ▪ Covid

3.4.2 Combined Municipal SWOT Analysis

The figure below outlines the combined municipal SWOT analysis:

Table 34: Combined Municipal SWOT Analysis



3.5 KEY PERFORMANCE AREAS RATING AS PER THE MEC ASSESSMENT

The following Key Performance Areas have been identified by the Kouga Municipality.

1. Basic Services and Infrastructure
2. Local Economic Development
3. Municipal Financial Viability and Transformation
4. Good Governance and Public Participation
5. Institutional Transformation
6. Spatial Planning

Overall, KPA ratings

Each Key Performance Area was allocated an overall rating within the following context:

Levels of performance	Scores	Performance description	Action required
Low	1-33%	Poor	Immediate and intensive intervention
Medium	34-66%	Satisfactory	Minimum support required
High	67-100%	Good	Benchmarking

The table below displays comparative ratings of the municipality over a three-year period:

KPAs	Ratings 2020/2021 IDP Review	Ratings 2021/2022 IDP Review	Ratings 2022/2023 IDP Review
KPA 1: Service Delivery & Infrastructure Planning	High	High	High
KPA 2: Financial Planning & Budgets	High	High	High
KPA 3: Local Economic Development	High	High	High
KPA 4: Good Governance & Public Participation	High	High	High
KPA 5: Institutional Arrangements	High	High	Medium
KPA 6: Spatial Planning, Land Use, Human Settlements, Environmental Management	High	High	Medium
Overall Rating	High	High	High

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 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 2022-23 IDP.

3.5.1 MEC Comments/Findings

The table below provides an overview of the MEC Comments/Findings on the municipality's IDP for the 2021/22 and 2022/23 financial years:

Table 35: MEC Comments/Findings on Kouga Municipality's IDP

MEC Comments/Findings on Kouga Municipality's IDP							
Findings of The Final IDP 2021/22				Findings of The Final IDP 2022/23			
KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS	KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS
KPA 1: Spatial Planning, Land Use, Human Settlements and Environmental Management	The municipality must finally address the pending item in relation to land audit report, land invasion policy and land outstanding claims.	PDT	Addressed	KPA 1: Spatial Planning, Land Use, Human Settlements and Environmental Management	The municipality must expedite land audit develop land invasion policies.	PDT	In progress
	The District Municipality has an adopted Air Quality Management Plan (AQMP) but is has not yet cascaded to its Local Municipalities and it is a concern as this has been calling for unnecessary penalty during assessment.	PDT	Addressed				
		PDT	Addressed				

MEC Comments/Findings on Kouga Municipality's IDP							
Findings of The Final IDP 2021/22				Findings of The Final IDP 2022/23			
KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS	KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS
	- The Department of Economic Development, Environmental and Tourism (DEDEAT) regional office is willing to assist the municipality where possible. - The municipality must develop a climate change strategy in response to climate change.	Community Service	Addressed				
KPA 2: Service Delivery and Infrastructure Planning	The municipality is currently using Rural Roads Asset Management (RRAMS), but this is not reflected in the IDP.	I&E	Addressed	KPA 2: Service Delivery and Infrastructure Planning	The municipality must develop Storm-Water Management Plan.	I&E	To be addressed
	The municipality must consider budgeting for non-motorised facilities.	I&E	Addressed		The municipality must indicate availability of an approved Integrated Transport Plan, and budget for activities emanating from the plan.	OFFICE OF THE MM	
	The municipality must appoint a waste management officer.	I&E	Addressed		The municipality must develop, gazette, and	Community Services	

MEC Comments/Findings on Kouga Municipality's IDP							
Findings of The Final IDP 2021/22				Findings of The Final IDP 2022/23			
KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS	KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS
	- The municipality must indicate projects that address waste management challenges. The municipality must create mechanisms to capacitate local communities on waste management issues. - The municipality must conduct investigation on best alternative sources of renewable energy that can be implemented within its jurisdiction. - The municipality must develop and adopt a Disaster Management Plan. - The municipality must develop an emergency procurement measure as stipulated in the disaster management plan - The municipality must prioritise the review of	I&E Community Services Corporate Services Finance	Addressed To be addressed To be addressed Addressed		enforce waste management by-laws to address illegal dumping and littering in compliance with National Environmental Management: Waste Act (NEMWA), No. 59 of 2008. - The municipality must conduct investigation on best alternative sources of renewable energy. - The municipality must develop specific disaster management emergency procurement measures. - The municipality must develop Infrastructure Maintenance Plan to enable proper asset management.	Community Services Corporate Services	

MEC Comments/Findings on Kouga Municipality's IDP							
Findings of The Final IDP 2021/22				Findings of The Final IDP 2022/23			
KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS	KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS
	by-laws (last adopted in 2006). - The municipality must draft and adopt tariffs for fire services. - The municipality must develop infrastructure maintenance plan	I&E	Addressed				
KPA 3: Financial Planning and Budgets	The municipality must incorporate an Annual Financial Statement /year end preparation plan into the IDP.	Budget	To be addressed	KPA 3: Financial Planning and Budgets	The municipality must incorporate an Annual Financial Statement /year end preparation plan into the IDP.	Budget	
	The municipality must budget at least 8% for Repairs and Maintenance as per Circular 51 of the Municipal Finance Management Act, No.56 of 2003.	Corporate Services	To be addressed		The municipality must budget at least 8% for Repairs and Maintenance as per Circular 51 of the Municipal Finance Management Act, No.56 of 2003.	Corporate Services	
	- The municipality must spend 100% of capital budget. - The municipality must service its creditors within 30 days as per norms and standards.	Budget Finance	To be addressed To be addressed		- The municipality must spend 100% of capital budget. - The municipality must service its creditors	Budget Finance	

MEC Comments/Findings on Kouga Municipality's IDP							
Findings of The Final IDP 2021/22				Findings of The Final IDP 2022/23			
KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS	KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS
	- The municipality must develop mechanisms to curb water losses. - The municipality must reflect on Municipal Standard Chart of Accounts (mSCOA) resolution, implementation plan; Standard Chan of Accounts (SCOA) champions and SCOA oversight committee. - The municipality is required to detail the cost of Free Basic Services for the previous two years.	Finance Finance Finance	To be addressed To be addressed To be addressed		within 30 days as per norms and standards. - The municipality must develop mechanisms to curb water losses. - The municipality must reflect on Municipal Standard Chart of Accounts (mSCOA) resolution, implementation plan; Standard Chan of Accounts (SCOA) champions and SCOA oversight committee. - The municipality is required to detail the cost of Free Basic Services for the previous two years.	Finance Finance Finance	
KPA 4: Local Economic Development	The municipality has reflected positively in all issues concerning this KEA.	LED	To be addressed	KPA 4: Local Economic Development	The municipality has reflected positively in all issues concerning this KEA.	LED	To be addressed
KPA 5: Good Governance and Public Participation	The municipality must develop an action plan to address issues raised by the MEC in the	IDP	To be addressed	KPA 5: Good Governance and Public Participation	The municipality must develop an action plan to address issues raised by the MEC in	IDP	To be address

MEC Comments/Findings on Kouga Municipality's IDP							
Findings of The Final IDP 2021/22				Findings of The Final IDP 2022/23			
KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS	KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS
	previous IDP Assessment. ▪ The municipality must reflect on implementation of the Integrated Service delivery Model (ISDM). ▪ The municipality must reflect the functionality of War Rooms. ▪ The municipality develop and adopt public participation and stakeholder communication strategies. ▪ The municipality must institutionalise complaint management system to provide a clear channelling of complaints. ▪ The municipality must ensure that council and its structures are convened in accordance with the	IDP IDP Public Participation Public Participation Public Participation Corporate Services	To be addressed To be addressed To be addressed To be addressed To be addressed		the previous IDP Assessment. ▪ The municipality must reflect on implementation of the Integrated Service delivery Model (ISDM). ▪ The municipality must reflect the functionality of War Rooms. ▪ The municipality develop and adopt public participation and stakeholder communication strategies. ▪ The municipality must institutionalize complaint management system to provide a clear channeling of complaints. ▪ The municipality must ensure that council and its structures are convened in	IDP Public Participation Public Participation Public Participation Corporate Services	

MEC Comments/Findings on Kouga Municipality's IDP							
Findings of The Final IDP 2021/22				Findings of The Final IDP 2022/23			
KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS	KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS
	adopted council calendar. ▪ The municipality must establish a Risk Management Committee and monitor its functionality. ▪ The municipality must reflect audit findings on predetermined objectives and compliance issues over the last-three years. ▪ The municipality must develop-and adopt an adopted audit action plan to-address-issues raised by the Auditor General.				accordance with the adopted council calendar. ▪ The municipality must establish a Risk Management Committee and monitor its functionality. ▪ The municipality must reflect audit findings on predetermined objectives and compliance issues over the last-three years. ▪ The municipality must develop-and adopt an adopted audit action plan to-address-issues raised by the Auditor General.		
KPA 6: Institutional Arrangements	▪ The municipality must indicate the political and administrative seats.	Corporate Services		KPA 6: Institutional Arrangements	▪ The municipality must indicate the political and administrative seats.	Corporate Services	

MEC Comments/Findings on Kouga Municipality's IDP							
Findings of The Final IDP 2021/22				Findings of The Final IDP 2022/23			
KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS	KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS
	▪ The municipality must indicate mechanisms that are in place for proper management of satellite offices. ▪ The municipality must reflect whether duties are performed in accordance with assigned Powers and Functions. ▪ The municipality must indicate availability of a council approved organisational structure/organogram that aligns to the long term development plans of the municipality. ▪ The municipality must provide brief analysis of its organisational structure and indicate filled and vacant posts per department. ▪ The municipality must reflect on platforms /strategies to discuss matters of mutual interest between the	Corporate Corporate Service Corporate Services Corporate Services Corporate Services			▪ The municipality must indicate mechanisms that are in place for proper management of satellite offices. ▪ The municipality must reflect whether duties are performed in accordance with assigned Powers and Functions. ▪ The municipality must indicate availability of a council approved organisational structure/organogram that aligns to the long-term development plans of the municipality. ▪ The municipality must provide brief analysis of its organisational structure and indicate filled and vacant posts per department. ▪ The municipality must reflect on platforms /strategies to discuss matters of mutual interest between the	Corporate Corporate Service Corporate Services Corporate Services Corporate Services	

MEC Comments/Findings on Kouga Municipality's IDP							
Findings of The Final IDP 2021/22				Findings of The Final IDP 2022/23			
KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS	KPA	COMMENT	RESPONSIBLE DIRECTORATE	STATUS
	employer and employee. ▪ The municipality must reflect strategies on employee wellness. ▪ The municipality must reflect on compliance with Occupational Health Safety measures. ▪ The municipality must reflect on records keeping.	OHS OHS			employer and employee. ▪ The municipality must reflect strategies on employee wellness. ▪ The municipality must reflect on compliance with Occupational Health Safety measures. ▪ The municipality must reflect on records keeping.	OHS OHS	

3.6 MUNICIPAL KEY FOCUS AREAS (KFAS)

The following narratives have also been identified to align to the Municipal KFAs:

Table 36: Municipal Narratives

Narrative	Key Focus Area
	▪ Adopt a broad, integrated approach to improving the efficiency of city operations, the quality of life for its citizens, and growing the local economy. ▪ A smart city is a developed area that creates sustainable economic development and high quality of life by excelling in multiple key areas: ○ Economy, ○ Environment, ○ Living, ○ Mobility, ○ People, ○ Government.
	Kougas is growing. Municipality has to keep pace by offering: Service delivery excellence Financially stability, Well-structured organization that is an enabler of a resilient economy
	▪ Deploys smart waste, disposal and monitoring solutions. ▪ A clean city deals with more than just litter, waste collection and disposal. ▪ Manage pollution in both the air and all bodies of water as well as noise levels in neighbourhoods ▪ Provides humane sanitation services to all of its citizens and ensures that water to their taps is free of harmful bacteria and chemicals and meets acceptable standards. ▪ Creates clean, well-maintained public spaces that foster community pride, ▪ Builds a sense of public ownership and ▪ Deters anti-social behaviour such as vandalism and destruction of public spaces & facilities ▪ Harnesses technological innovation to measure safety eg. Air pollution
	▪ Deliver services to our citizens, in an efficient, cost effective and timely manner and at a level of quality that residents can expect for the charges they pay. ▪ Success is based on: ▪ centralization of data and ▪ access to information at the click of a button, ▪ customer relationship management, ▪ strong communication systems and customer centricity ▪ correct organizational structure ▪ appropriately skilled personnel

Narrative	Key Focus Area
	▪ its local development in the principles of green growth and equity: ▪ reducing waste ▪ expanding recycling – creating circular economic activities ▪ lowering emissions ▪ increasing housing density ▪ mixed land use and social mix practices in its planning systems ▪ housing and buildings are energy efficient and water saving ▪ expanding open space ▪ creating and preserving green spaces ▪ encouraging the development of sustainable local businesses ▪ generating energy through renewable sources
	▪ A safe municipality engages in activities that enables municipality and security partners to better protect their citizens from a range of threats. It is an essential pillar supporting the development of smart cities.
	

3.7 STRATEGIC GOALS AND PRIORITIES LINKED TO KFAS

a) KPA1: Basic Services and Infrastructure

Key Performance Area			KPA 1: Basic Services and Infrastructure	
Strategic Goal			Goal 1: Provide quality, sustainable municipal infrastructure to consistently maintain and improve the needs of the people of Kouga	
Key Focus Areas (KFAs)	Focus Areas	Areas	KFA 1: Transport, Roads, Stormwater and Infrastructure	
			KFA 2: Water, Sanitation Services and Infrastructure	
			KFA 3: Electricity Supply, Efficiency and Infrastructure	
			KFA 4: Project Management	
			KFA 5: Equipment and Plant	
			KFA 6: Solid Waste Management & Infrastructure	
			KFA 7: Municipal & Public Facilities	
			KFA 8: Safety and Security	
			KFA 9: Disaster Management	
			KFA 10: Emergency Management	
			KFA 11: Traffic, Vehicle Licensing and Parking Control	
			KFA 12: Municipal Law Enforcement	
			KFA 13: Environmental Management & Climate Change	
			KFA 14: Public Health	
			KFA 15: Libraries	
			KFA 16: Cemeteries	
Outcome/Impact	Focus Areas	Areas	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.	
			Implementation of development programmes and support and sustainable livelihood strategies.	
Strategic Risks	Focus Areas	Areas	Water Security and Load Shedding.	
			Lack of sufficient capacity of bulk infrastructure (Elec, water, sewerage). Too many residents- too small treatment capacity.	
			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).	
Municipal Function			Directorate: Infrastructure and Engineering	Directorate: Community Services
Priority	Focus Areas	Areas	Water Services	
			Electricity	
			Wastewater (Sewer)	
			Stormwater	
			Environmental Management	
			Community Amenities	
			Protection Services	
			Environmental Health	

Key Performance Area	KPA 1: Basic Services and Infrastructure
Departmental Objectives	Roads Buildings Fleet Parks and Recreation To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs

b) KPA2: Local Economic Development

Key Performance Area	KPA 2: Local Economic Development
Strategic Goal	Goal 2: Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
Key Focus Areas (KFAs)	KFA 17: Spatial Urban Planning KFA 18: Municipal Planning KFA 19: Human Settlements KFA 20: Build Environment Management KFA 21: Heritage Resource Management KFA 22: Urban Development KFA 23: Rural Development KFA 24: Tourism KFA 25: Arts and Culture KFA 26: Skills Development and Facilitation KFA 27: LED and Poverty Alleviation
Outcome/Impact	Well-developed strategies implemented to promote economic growth and development in the municipal area
Strategic Risks	
Municipal Function	Directorate: Planning, Development & Tourism
Priority	
Departmental Objectives	To manage and provide town planning services and ensure the economic upliftment and development in the municipal area

c) KPA3: Municipal Financial Viability and Transformation

Key Performance Area	KPA 3: Municipal Financial Viability and Transformation
Strategic Goal	Goal 3: Build 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
Key Focus Areas (KFAs)	KFA 28: Financial Legislation and Compliance KFA 29: Financial Management Policies KFA 30: Overview of Budget Assumptions KFA 31: Operating Revenue Framework KFA 32: Operating Expenditure Framework KFA 33: Capital Expenditure

Key Performance Area	KPA 3: Municipal Financial Viability and Transformation
	KFA 34: Annual Budget Tables KFA 35: Overview and Budget Funding KFA 36: Cash Flow Management KFA 37: Property Valuation and Property Management KFA 38: Information and Communication Technology (ICT) KFA 39: Revenue Strategies KFA 40: Supply Chain Management
Outcome/Impact	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.
Municipal Function	Finance
Departmental Objectives	To manage and provide financial services to ensure financial viability, compliance and reporting

d) KPA4: Good Governance and Public Participation

Key Performance Area	KPA4: Good Governance and Public Participation
Strategic Goal	Goal 4: Create an enabling environment for active public participation and administrative culture characterized by accountability, transparency and efficiency
Key Focus Areas (KFAs)	KFA 41: Governance Structures KFA 42: Audit and Compliance KFA 43: Policies and By-laws KFA 44: Intergovernmental Relations KFA 45: Complaints Management KFA 46: SLAs and MOUs entered to KFA 47: Legal Services KFA 48: Municipal Court KFA 49: Communication (Internal and External) KFA 50: Marketing and Branding KFA 51: Social Cohesion
Outcome/Impact	A responsive municipality based on sound principles which embodies and embrace the rule of law, public participation, accountability and responsibility.
Municipal Function	Office of the Municipal Manager
Departmental Objectives	To render integrated community services to enhance community development in general and promote a clean and safe environment

e) Institutional Transformation

Key Performance Area	KPA5: Institutional Transformation
Strategic Goal	Goal 5: Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
Key Focus Areas (KFAs)	KFA 52: Organisational Structure KFA 53: HR Policies and other related documents KFA 54: Human Capital and Skills Development
Outcome/Impact	A motivated and skilled workforce that supports the operational needs of the municipality in the implementation of the IDP Objectives
Municipal Function	Corporate Services
Departmental Objectives	To transform the institution into a high-performance organization with a skilled and diverse work force

f) KPA6: Basic Spatial Planning

Key Performance Area	KPA6: Spatial Planning
Strategic Goal	Goal 2: Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
Key Focus Areas (KFAs)	KFA 55: Compliance KFA 56: Spatial Rational KFA 57: SPLUMA Implementation KFA 58: Access to Land and Human Settlements KFA 59: Air Quality Management KFA 60: Climate Change and Natural Environmental analysis
Outcome/Impact	Creating a more rational territorial organization of land uses and the linkages between them, to balance demands for development with the need to protect the environment and to achieve social and economic development objectives.
Municipal Function	Planning and Development
Departmental Objectives	To manage and provide town planning services and ensure the economic upliftment and development in the municipal area.

3.8 STRATEGIC DIRECTIVES

Top 11 Institutional Priorities

In the State of the Municipality Address following inauguration for the new Council, the Executive Mayor mapped out the strategic direction for the term 2022-2027. In the new IDP period, the attention will remain firmly fixed on the development and expansion of our six strategic focus areas (or pillars), which we use as a framework and imperative to keep Kouga moving forward. Ten priorities areas are to be targeted within these areas. These are particular issues or concepts that have been lifted from our experience of the previous term and our interactions with the community, to be under the spotlight.

Together we must partner, be innovative and implement plans for the following:

1. Sustainable Water Security
2. Electricity Independence
3. Infrastructure Backlog
4. Tourism Revival
5. Public Safety
6. Clean Kouga
7. Investment for Growth
8. Small Town Economy
9. Digital Transformation
10. Good Governance
11. Climate Change

3.8.1 Sustainable Water Security

The Kouga region is experiencing one of the worst droughts in recorded history. This is putting major stress on our water supply systems and our water security. In order to overcome the profound threat to the social well-being and economic growth that a drought causes, we are working towards a sustainable water system, bringing additional water sources online, to take us into the future, as well securing the current water supply. Independence of water supply has to be achieved, in order for Kouga to be moved off dependence on the Nelson Mandela Bay supply system which is via the Churchill Dam.

The water security program entails creating awareness among consumers to use water with utmost discretion and to implement water savings in homes and businesses. Flow restrictors will continue to be installed at households that are identified as continual high-water consumers.

Security of our water infrastructure in the face of the scourge of vandalism and theft is high on the priority list. Fencing, lighting and camera monitoring will be installed in an attempt to maintain the integrity of our water assets. Rethinking how we use water

and repurposing of water is an imperative. Recycling of water will be integral to the way that water is managed in the future of this municipality. The drought has brought a renewed focus on extracting, treating and reticulating ground water, in order new to augment the water supply to our towns when the surface supply dries up.

As of May 2022, over 40 exploratory boreholes have been sunk, of which 38 viable boreholes have been connected to the water network. More boreholes will soon be connected in Humansdorp, Hankey and St Francis Bay and the viability of old boreholes assessed. With recent additional restrictions placed on underground water supply, however, there is also a push to search for innovative solutions for water harvesting, storage, treatment and transfer to users.

Awareness campaigns and education are an important aspect in efforts to mitigate the impact of this drought, by changing attitudes towards water use and through consumption reduction and limiting wastage. Resident and business users are urged to use water only when necessary, and sparingly, as well as to install tanks for collection of rainwater. The requirement for all new residential development to include water tanks will be written into policy, to ensure that houses, in future, have their own sources of water for when drought strikes.

Businesses and farmers, as water users, will continue to be engaged by the Municipality, in order to find solutions that meet the need for business survival, as well as to put measures in place to ensure their meaningful contribution water conservation. Those users who are accessing water unlawfully or beyond permitted quotas will face higher punitive tariffs and legal consequences. Water must be distributed equitably in ways that provides access for all users to a reliable water source to meet their needs.

Partnering, particularly with business, investors and donors, who are able to assist with increasing our resilience to water scarcity through practical assistance, knowledge, expertise or funding, is vital in our response to the challenge.

Teams from Working for Water, managed by the Gamtoos Irrigation Board, and Working on Fire, operated through our Disaster Management Department, continue to destroy alien vegetation that throttles waterways and over-extracts ground water, conserving our water supply, at the same time reducing fire risk.

The German municipality of Ilsfeld has donated a Smart Leak Detection vehicle valued at R1.7 million which will be in action shortly, after clearing customs in Gqeberha. An engineer specialising in water demand management, has assumed duty with the Municipality, based in Kouga until 2024. This specialist service has been sponsored by the German Agency for International Development (GIZ).

Drought can no longer be separated from climate change, and whilst there is debate about the reasons for climate change, there can be no doubt that it is a reality. Kouga Local Municipality needs to incorporate this reality into the way it does things, and therefore there needs to be a strategy for dealing with it.

This strategy is in the process of being compiled and will be completed by December 2022. It will rely on partnerships with the private and government sectors, as well as

with philanthropists, funders, researchers, scientists as well as local knowledge, in order to create an implementable and impactful plan for the future.

This leads to the issues of flooding, and the devastation that will be caused by the the inevitable flooding that will follow this drought. Immediate actions include making stormwater management a priority not just in future planning, but also maintaining and clearing stormwater infrastructure currently in place. Risk assessments and disaster management plans for this reality are also being prioritised.

3.8.2 Electricity independence

Access to electricity means much more than a light being able to be switched on. It means the right to live with dignity and giving oneself an opportunity to become more than the circumstance of one's birth. Just as there has been an over dependence on surface water to meet the water needs of Kouga, so too is there a reliance on Eskom for electricity needs.

Post-Covid economic recovery and growth, requires that is Kouga is set up with a stable, sustainably priced electricity supply. This is a pre-requisite in order for this Municipality to contribute to creating the conditions for economic growth and investment.

With the failure of Eskom to provide a consistent supply of electricity, in order to save power, the municipality has played its part to conserve energy, as well as to contribute to climate change mitigation. Standard streetlights are being fitted with energy-efficient LED lights. More than 1000 streetlights have been retrofitted and this practice will continue in the next five years.

Eskom as the sole provider of electricity to Kouga, subjects us to the vagaries of inconsistency of supply, voltage fluctuations and high annual tariff increases. Currently the municipality subsidises electricity supply to consumers, not passing on the full Eskom tariff increase, believing that this would make it unaffordable or uneconomical to consumers. Add to this, the backlog of electricity supply to many residents' homes and suburbs, and it becomes clear that an unreliable service provider will not take Kouga into the future it envisages.

With new regulations permitting increased generation thresholds from 1MW to 100MW without a licence for Independent Power Producers, (IPPs) it has become viable for this Municipality to set up, produce and distribute energy. In the short term EIAs will need to be concluded on suitable areas for the, in partnership with the private sector, set up, operate and have ownership in an energy plant.

Kouga is open to business for partners and operators in the clean alternative energy sector. The vision is to become the renewals hub of the country. Two organisations are currently actively pursuing plants which involve waste to energy and solar fields, using solid waste from landfill and sewage plants, as well as harvested alien vegetation.

Electrification of the previously unserved, remains high on the priority list of service provision to our residents. Within this term, 1709 households will be serviced with electricity through the RDP housing program and informal settlements upgrade alone. Along with this, the annual INEP grant allows for electrification too.

3.8.3 Infrastructure backlog

Kouga, like most other local municipalities in the country, still faces enormous historic backlogs with regards to infrastructure both seen and unseen.

In order to grow the economy, increase investment and be a destination of choice in which to live, work and relax, Kouga faces a constant juggling of resources and playoffs between immediate and growing needs, and replacement of outdated, poor maintained infrastructure, taking services to areas that were historically unserved or underserved, and servicing new areas. Municipal revenue alone, is insufficient to completely deal with infrastructure needs, both historic and future, and municipality

In the first two quarters of this year, Masterplans will be renewed, or where necessary developed, and will clearly identify the backlog, cost the replacement and repairs, show the future needs and allow a complete roadmap for our water and sanitation services. Departments are required to adhere plan for repairs and maintenance at 8% of their budgets, finances allowing. This will be continuously monitored.

The latest blue and green drop reports, released in March 2022, by the Department of Water and Sanitation, highlights areas of weakness in the water and sanitation structures. The municipality intends to see significant improvement in our achievements in the next reports, to acceptable levels.

In the pipeline is the upgrade of several pump stations and water pipe networks. All of these upgrades will allow us to unblock new housing projects and future developments.

The most commented on infrastructure by communities, of course, is that which is seen, the roads. The degradation of roads through high usage, inadequate stormwater infrastructure, poor initial design and construction, as well as the complete absence of tarred roads in some areas is a massive concern and creates an enormous financial burden that cannot be met through own funding alone. Maximum possible budget is allocated to upgrade and repair roads each year. Pothole patching has not always been to the quality that it should be, or at the speed that it should be, and solutions to the causes for this will be enacted.

In order to hold its own in a competitive world, Kouga strives for success through construction of world class roads and transport infrastructure, water, sanitation, stormwater and electricity networks that enable it to be a municipality that is secure, serviced, safe, clean, connected and liveable.

3.8.4 Public safety

A liveable and investable destination is one where public safety is paramount. Making Kouga the safest in the Eastern Cape is the goal.

A safe municipality is not only one of low crime, more, it is a municipality where all residents and visitors feel safe in their homes, on the streets, in public spaces, in the natural environment and to use all resources available to them without unnecessary fear.

The ongoing effort to prevent and combat crime relies on a collaborative approach with all role-players, and then adding communication and technology to set the role-players up for success.

The municipality's law enforcement department is developing a community safety plan that sees a "whole of society" approach to creating safer communities. Part of this is collaboration between all law enforcement and crime prevention structures, including SAPS and Community Policing Forums (CPFs), Neighbourhood Watches (NHWs), street committees and security companies, sharing resources, information and levels of responsibility.

Peace officers from all communities will be able to receive Peace Officer training through the municipality, enabling them to police by-law infringements. This is a giant leap forward in terms of putting our "whole of society approach" and meets the requests from all sectors, including neighbourhood watches, to empower volunteers to play a role in enforcing lawful behaviour.

An integrated control room has been developed in Humansdorp. This setup provides a modern platform that encompasses systems like video surveillance and automatic number plate recognition feedback from camera infrastructure. This is where the footage of any camera system in any part of Kouga can be fed. It does not discriminate against camera ownership. With the use of this technology, shared amongst a variety of crime fighting and security structures, the Control Room is able to direct and orchestrate the community safety plan on a 24/7 basis, through information that covers the whole of Kouga and response that can be activated through this collaborative structure. This structure is already operationalised and has resulted in twelve successful arrests directly linked to its activities.

The plan encompasses wrapping Kouga in crime fighting technology through the Keep Kouga Safe camera project. To date thirteen 1 automatic license plate recognition (LPR) closed-circuit television (CCTV) surveillance cameras have been installed on access routes throughout the Kouga region. This system provides access to the largest LPR network in the Eastern Cape, and also links to the biggest LRP network in the Southern Cape. One hundred and fifty CCTV cameras have been installed across the region, as well as twenty-four overwatch cameras, six bullet cameras, and a long-range pan, zoom and tilt camera.

A municipal court in Humansdorp will be completed in the first quarter of the financial year. This will ensure that the criminal courts are freed up for dealing with criminal cases, whilst the municipal court will deal with by-law infringements and non-payment of fines.

There can be no focus on crime without focussing on the conditions which give rise to crime and enable crime: Joblessness and homelessness are an unfortunate feature of South Africa, and Kouga is no exception. Drug use and alcoholism is rife. Gangsterism has been steadily increasing. Parents across all communities raise the issue of low levels of recreational opportunities for children and teenagers, as well as inadequate access to schools, or school environments that drive truancy and dropout behaviour, as well as lack of scholar transport. The lack of effective social work at family level, no mental health facility and government drug rehabilitation facility in Kouga, is arguably an additional cause of individuals resorting to crime. A lack of any government supplied programs to address the Gender Based Violence scourge in our communities. All of these factors create challenges that every municipality has a duty to address, whether directly, through creating amenities and environments that alleviate or holding other levels of government departments accountable, or by collaborating with the private sector or civil society to find solutions.

A safe community does not only rely on curbing crime, but it also rests on reducing the possibility of crime. This can be achieved by assessing the dark areas of suburbs and ensuring lighting is made available, keeping verges and public spaces from being overgrown and creating hiding spots for criminals, as well as creating public spaces that make them amenable to law abiding citizens gathering for recreational activities, and less enticing to those with criminal intent.

In the immediate pipeline is the construction of a safe walkway from KwaNomzamo to Nico Malan High School in Humansdorp. This will keep learners safe as they will no longer have to walk through bushy and pedestrian unfriendly areas. This is a partnership project being developed in a partnership with the Co-op.

We will continue to honour our commitment to keeping a close eye on the safety of water, whether what is delivered through our taps, or water bodies into which wastewater is discharged, or that used for recreational purposes. Our infrastructure and engineering and community services departments have been and will continue to be responsible for daily testing and other regular testing for biological and chemical contaminants, and those which are required to be submitted to independent laboratories for further tests. Our environmental health practitioners will ensure that safety standards are maintained in all facilities involved in food preparation and sales.

Road safety will be improved through both pedestrian and driver awareness campaigns and through law enforcement operations. Consistently applying consequences to poor driver behaviour around all illegal driving actions, will lead to better observance of the rules of the road. Schedules of planned operations will be required in departmental plans as well and quotas for fines across all categories of offences will be monitored.

Increasing electrification to informal settlements, will reduce incidences of shack fires caused by gas or paraffin stoves and heaters, fires made for cooking and warmth and

candles used for light. Extremely dangerous living circumstances, caused by illegal electricity connections, will also be reduced.

3.8.5 A clean Kouga

A clean environment relies on a commitment by communities and a service by the municipality. In many areas of our Municipality, this partnership has been skewed, with an expectation that litter, waste and pollution is the responsibility of Municipality only. This is unsustainable.

While clean-ups and community beautification are a growing trend, we proudly link hands with communities or groups that are dedicated towards to improving the community within which they live, through cleaning, painting, repairing and greening activities. The group the "Dorp van Drome" has successfully transformed and beautified a good many public spaces, through cleaning, painting and landscaping. Their latest project involves creating a spekboom labyrinth in Jeffreys Bay.

Kouga will reclaim its Blue Flag status for Dolphin Beach, as well as establish Blue Flag for Cape St Francis Beach and St Francis Canals.

Various successful initiatives like the Koka (Maak Soon) days, will continue. This allows non-food and garden waste, like appliances and other household waste to be collected by the community services department. Household waste collection will be extended to more communities as access for trucks, is improved. Formalising or upgrading of informal settlements, assists with taking collection services to residents who were previously excluded because of settlement design.

Drop off zones, vegetable gardens replacing illegal dump sites, additional skip bins, changing mindsets, special clean-up days, compost sites, vegetable gardens, regular cleansing teams, scheduled cleaning of verges and public spaces will feature more and more in Kouga's clean future. A substantial EPWP grant to our community service department will enable the employment of employees who can assist with achieving this vision.

Having no litter to pick, is first prize, and to this end, our new anti-litter mascot will be used to take the messages to schools and communities. Littering has to become viewed as an extremely distasteful, anti-social and unlawful practice. Discouraging littering and encouraging recycling, by giving particular categories of waste a value, with better access to recycling stations and with increased roll-out by the private sector of reverse vending machines.

Part of our commitment to our environment will increasingly rely on reducing the amount of waste to landfill, the impact of waste, and particularly targeting plastic waste and building industry waste in our waterways and wilderness areas, where it causes damage. By-laws for illegal dumping and for littering will be reviewed and enforced.

There are currently investors scoping a wastewater, solar energy and biochar circular project, and one waste-to-power project, which diverts waste from landfill sites by

recycling and using it to generate electricity, is being planned for Humansdorp, reducing the amount of waste in the landfill. The ratio of recycled waste to landfill waste will be baselined and improved.

Finally, a series of mayoral intervention programs are planned, to reach into the furthest corners of our municipality, to make clean environments a reality for everyone and not just for some.

3.8.6 Tourism Revival

Whilst the Covid lockdown nearly decimated the tourism sector, the bumper season of 2021 indicated that the sector is recovering well. As it is one of the major economic sectors and employer in this municipality, it is vital to support and promote revival and help to drive growth.

Helping to make Kouga a unique and sought-after destination for visitors will remain a driver for the municipality, as we continue to grow relationships of co-operation with stakeholders in the tourism sector.

Striving for the goal of being the events capital of South Africa, means creating an environment that is easily navigated for any businesses or organisers of events. Achieving this will assist the tourism industry to remain buoyant throughout the year and not only in the peak season.

With this in mind, we will attract to Kouga, one major national or international event per season (quarter) by the commencement of the financial year 2023/24. This goal has been set because of the promising increase of major sporting events in Kouga in the past year, encompassing rowing, triathlons, surfing, swimming, mountain biking, adventure racing, power boating and golfing. An untapped avenue of sports events remains school level sports events.

Untapped resources in our unique blend of cultures, peoples, talents, lifestyles, history, environment, wildlife, and geography creates massive potential for new tourism products. The municipality will do all within its power to assist maximise these resources and see them packaged with authenticity through local knowledge and ways of life. Visitors' exposure to all of the niches of our communities.

3.8.7 Investment for growth

Growing the economy of Kouga is fundamental. To be an enabler of growth and prosperity, in a post-pandemic era, new and bold actions are required of us.

Whilst the municipality invests as much as budget allows, as well as grant funding, into addressing infrastructure challenges that Kouga faces, the scale of infrastructure backlogs and future needs, along with the need to adapt to climate change mitigate its impact, provides good investment and funding opportunities to external parties.

The vision of an alternative energy hub and a positive environment for the bio-economy sector, alternative power plants, growth in tourism and establishing Kouga as the events capital, along with a steady, relevant manufacturing base, linked to its agricultural character, makes Kouga a destination, not easily overlooked.

Investors and funders have already been attracted by the improvements they have seen in the Kouga and are eager to play a role in growing our economy and partnering with us. There is a place for all in the foregoing and the Municipality continues to structure itself for this, building on gains made in the last five years.

A R101 million loan has been agreed with DBSA, on the back of having completed payment of previous long-term borrowing. This loan is for roads, water and electricity infrastructure.

A three-year contract has been awarded to four service providers for the supply of 60 much-needed vehicles to augment our current fleet. The vehicles will be strategically allocated to key departments to enhance our ability to better respond to service delivery challenges, particularly in the delivery of water and sanitation services. This will ensure an excellent fleet, which together with our committed workers in our fleet department, forms the backbone of service excellence.

In the energy sector, alternative energy generation continues with three additional wind farms to be constructed by Nordex, as well as a hybrid energy factory with foreign investment.

Kouga Windfarm has, furthermore, committed to invest R300 million over the next five years into the upgrading of Kouga's infrastructure. This includes the renovation of the Humansdorp Culture Centre.

Kouga is experiencing high residential growth, with a 22% year on year increase in December 2021 compared to December 2020. To date, the 2021/22 financial year, has seen 1219 plans approved, with an estimated value of R1,01 billion.

Jeffreys Bay is considered to be one of the fastest growing urban areas of South Africa. St Francis Bay and Cape St Francis, as well as Paradise Beach, have started to see similar growth, triggered by the zoom boom and emigration which became a feature of life during the pandemic. Homes and destinations previously considered only for holiday or retirement, are seeing influx of younger families and couples.

This trend in itself creates opportunities for business in the technology, education, workspace and service sectors.

During this new term, RDP housing development has in the pipeline, numerous projects that will benefit 1709 families. These are Hankey 990 units, Oceanview 1500 units, Patensie 278 units, Arcadia 139 units, Pellsrus 53 units, Weston 126 mud house upgrades. Flisp/social housing will deliver 700 units and 9 informal settlements will be upgraded.

This residential growth will create employment in the infrastructure and buildings phase, which, hopefully will be sustained with economic development required to sustain such population growth.

Kouga is finding methods to improve the ease of doing business with the municipality, through the establishment of a business centre and a reception unit for potential investors. Added to this it is considering ways in which it can establish investment type unit that can access sources of funding that can be leveraged to allow the municipality to keep pace with growth.

3.8.8 Small town economy and township economy

Revitalisation of our towns and stimulating the townships' economies is an economic imperative, if we are to make any kind of impact on the unemployment statistics of Kouga. Creating real jobs for a decent living must be a feature of a successful future for Kouga. No one and no area should be precluded from future success.

The economy of small towns and townships are often differentiated by the informal economy. The informal economy by its nature is vulnerable and impermanent. Purchasing power of individuals in this sector, is often lower than those in more formal sectors with access to finance and networks.

Despite these challenges, the informal sector keeps many hundreds of people in employment and is the financial safety net for many dependents, and often a supplement to social grants which are often the only income source for whole communities in many areas of the country.

Linking informal business to better trading spaces, basic services and licences can reduce their vulnerability, improve their chances of success and longevity of business. Better understanding of the character and needs of the informal economy throughout Kouga is required, in future planning for small town revitalisation and positioning for ease of access to markets, and services normally only provided to formal enterprises.

The plan is to create tourism products which include routes through townships to showcase a variety of initiatives which already may exist or have the potential to exist.

Supporting entrepreneurs and micro-enterprises in these environments, whether through linking to training and business support, or assisting with links to networks and markets, is a role that the municipality will play. The creation of the Kouga Business Forum in the last year, will assist with providing a ready platform for these enterprises that should become members.

The development and beautification of our town centres is necessary. The first town to benefit from precinct development will be Humansdorp. Safer, cleaner, upgraded town spaces will automatically draw more customers to the businesses, products and services on offer there.

3.8.9 Digitisation and smart city concepts

The fourth industrial revolution is upon us (4IR). The digital age is behind us, and we are now in an era of embedded connectivity, where most citizens have some form of connected device at their fingertips.

Kouga is behind this curve and has to speed up its transformation to a digitised, connected and integrated organisation that can utilise the advantages of 4IR and capitalise on this to improve its interaction with its residents. Ultimately there should be no reason for any resident to physically visit any municipal building or department, every transaction should be able to be completed online. This is more commonly known as e-government.

An extension of e-government is encapsulated in the term "smart city". This implies a transformation to a digital, data driven environment, dependent on information being pushed and pulled from a variety of sources like sensors, trackers, monitors, scanners etc. This information is integrated at one destination and packaged into relevant and useful chunks of information that can be analysed, and reported on, allowing for data driven decision-making and communication.

E-government and application of smart city concepts, relies on connectivity. Fibre is currently being rolled out across Kouga by two service providers. Customers will have a choice of which ISP to contract to provide fibre connectivity. To ensure that the poor, are once again not disadvantaged or disenfranchised through lack of resources, it will become the job of the municipality to ensure the very basic level requirement of smart cities, connectivity in all communities at all times.

A roadmap for the future of the municipality as a connected and smart institution will need to be developed and acted upon, if Kouga and its residents are to keep pace with the rest of the world in the fourth industrial revolution and harness the advantages that applying smart technology allows.

3.8.10 Good governance

The municipality has maintained its slogan, for a second term. Good Governance Through Service Excellence.

Kouga aspires to excellence in the manner in which it governs.

Service excellence in all activities of the municipality automatically lead to good governance. Good governance leads to stability. A stable government is able to deliver on its mandate.

A capable government is one that is law abiding and accountable with a highly effective administration staffed by professional public servants in an efficient organisational arrangement.

The Constitution s 41 (1) requires all levels of government to be effective, transparent, accountable and coherent and the most important task entrusted to local

government is the constitutional mandate of delivering basic services to its people. These include sanitation, roads, water, and electricity, refuse removal and cleaning.

This relies on staff trained and equipped to do the job entrusted to them. They are accountable for their actions and do not take their responsibilities to the public and their colleagues lightly. They are law abiding, disciplined and customer centric in mindset.

A new organogram will shortly be submitted to Council. This organogram is the result of an extensive research and work study program, and aims to ensure effective staff, with appropriate levels of skills and experience, employed in the correct positions.

This efficient administration must work at creating the environment that allows for a compact with its residents and businesses whereby the municipality will work to deliver services, opportunities and amenities to its citizens, and the citizens will take responsibility to use these opportunities to improve their own lives.

Ongoing skills development has become a feature of our Human Resource practices. Additional training will be delivered to all front facing staff to modernise and improve customer service.

A new Service Charter to increase our standards of service and set benchmarks by which to measure ourselves, is set to be developed by the second quarter of the year. This, together with a comprehensive individual performance management system, cascaded throughout the institution and with improved monitoring and evaluation mechanisms, will ensure that governance standards that we set ourselves are achieved and maintained.

Municipality delivers a zero-tolerance approach to ill-discipline, unlawful behaviour and corruption. We have successfully tackled this in the last 5 years and will continue to apply philosophy in this next term.

3.8.11 Climate Change

Responding to climate change involves two possible approaches: reducing and stabilizing the levels of heat-trapping greenhouse gases in the atmosphere ("mitigation") and adapting to the climate change already in the pipeline ("adaptation").

Mitigation – reducing climate change – involves reducing the flow of heat-trapping greenhouse gases into the atmosphere, either by reducing sources of these gases (for example, the burning of fossil fuels for electricity, heat, or transport) or enhancing the "sinks" that accumulate and store these gases (such as the oceans, forests, and soil). The goal of mitigation is to avoid significant human interference with Earth's climate, "stabilize greenhouse gas levels in a timeframe sufficient to allow ecosystems to adapt naturally to climate change, ensure that food production is not threatened, and to enable economic development to proceed in a sustainable manner" (from the 2014 report on Mitigation of Climate Change from the United Nations Intergovernmental Panel on Climate Change).

Adaptation – adapting to life in a changing climate – involves adjusting to actual or expected future climate. The goal is to reduce our risks from the harmful effects of climate change (like sea-level rise, more intense extreme weather events, or food insecurity). It also includes making the most of any potential beneficial opportunities associated with climate change (for example, longer growing seasons or increased yields in some regions).

Climate change impacts are felt most directly at the local level, there is a great need for proactive efforts to build climate resilience and implement the Kouga Municipality Climate Change strategy into the IDP and other framing documents. The Climate Change Strategy aims to bring about coordinated response to climate change and encourage collaboration between stakeholders within Kouga Municipality.

A summary of the key vulnerability indicators is provided in the list below:

- Increased impacts on environment due to land-use change
- Loss of Priority Wetlands and River ecosystems
- Impacts on Coastal Livelihoods
- Loss of land due to sea level rise
- Increased damage to property from sea level rise
- Increased impacts on strategic infrastructure
- Increased impacts on traditional and informal dwellings
- Increased migration to urban and peri-urban areas
- Decreased income from tourism
- Less water available for irrigation and drinking
- Increased impacts of flooding from litter blocking storm water and sewer systems

The mainstreaming of climate change into all municipal sectors will allow for alignment of the strategy with the IDP and the gradual implementation of climate change response measures within existing budgets balancing incremental costs with the economic, environmental and social values produced.

Based on the key indicators identified, the high-level governance related response options include the following:

- Address procurement to ensure it supports efficient resource use and that tender specifications, particularly for large infrastructure projects, incorporate the wide range of future climatic conditions
- Consider best institutional location of climate change issues, and incorporate climate change within agendas of all structures, from Council to management and operations; and
- Budget allocations must ensure that spending supports development of new infrastructure development and maintenance of existing infrastructure.

3.9 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.

3.9.1 By-Laws

The following by-laws have been approved by Council:

- Aerodrome By-law
- Cemeteries and Crematoria By-law
- Community Fire Safety By-law (To be reviewed during 2021/22 financial year)
- Customer Care and Revenue Management By-law
- Electricity By-law
- Fences and Fencing By-law
- Impoundment of Animals By-law
- Spatial Planning & Land Use Management 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

3.10 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.

Table 37: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		
Housing 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				
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	Approved. To be reviewed				
ICT Charter	ICT	Finance	Approved	18/03/F1			
ICT Disaster Recovery Policy	ICT	Finance	Approved	18/03/F1			

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
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				

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
SMME Development Policy	LED	PDT	Approved				
Grant in Aid	LED & Tourism	PDT	Approved				

CHAPTER 4: PROGRAMMES AND PROJECTS

4.1 MUNICIPAL UNFUNDED PROGRAMMES/PLANS/STRATEGY IN ACTION

This section outlines the projects identified as critical during the IDP process. These projects are either Capital or Operational in nature and may be funded or unfunded. The projects funded will be included in the Service Delivery and Budget Implementation Plan for Monitoring and Evaluation of performance. The Unfunded projects are placed under outer target years to enable time for planning and lobbying for funding. Upon confirmed funding, these will be incorporated in the SDBIP for M&E and reporting.

4.1.1 Municipal Manager's Office: Programmes/Plans/Strategy in Action

Table 38: Programmes and Projects: Municipal Manager's Office

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 4: Good Governance and Public Participation	Keep Kouga Clean	Good Governance and Public Participation	Establishment of Municipal Court	15	MM_001	X				
KPA 1: Basic Services and Infrastructure	Keep Kouga Growing	Basic Services and Infrastructure	Renewable energy Strategy	All	MM_002	X				
KPA 1: Basic Services and Infrastructure	Keep Kouga Clean	Basic Services and Infrastructure	Bio-economy zone		MM_003			X		
KPA 1: Basic Services and Infrastructure	Keep Kouga Clean	Basic Services and Infrastructure	Know our Indigent numbers: Informal Settlement survey	All	MM_004	X				

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 5: Institutional Development	Keep Kouga Serviced	Institutional Development and Transformation	Establishment of Junior City Council	All	MM_005	X				
KPA 5: Institutional Development and Transformation	Keep Kouga Serviced	Institutional Development and Transformation	Households: population- Know your numbers	All	MM_006	X				
KPA 5: Institutional Development and Transformation	Keep Kouga Smart	Institutional Development and Transformation	Citizen preparation: Data Collection	All	MM_007	X				
KPA 5: Institutional Development and Transformation	Keep Kouga Serviced	Institutional Development and Transformation	Youth Retention Strategy - bring our best youth through last few years at school and university and then bring them back	All	MM_008	X				
KPA 1: Basic Services and Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	All municipal buildings are disability friendly	All	MM_009	X				
KPA 2: Local Economic Development	Services	Local Economic Development	Brand visibility – advertising street poles	All	MM_011	X				
KPA 5: Institutional Development	Services	Institutional Development and Transformation	Bursary Funding (External Funding/Support)	All	MM_010		X			

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
and Transformation										
KPA 3: Financial Management and Viability	Services	Financial Management and Viability	Identify 5th Stream Income Opportunities e.g., Fibre sleeves	All	MM_012	X				
KPA 5: Institutional Transformation	Clean	Basic Services and Infrastructure	Implement Integrated Communications Strategy	All	MM_014	X				
KPA 4: Good Governance and Public Participation		Public Participation	Brand visibility – advertising digital advertising outdoor screen	All	MM_015	X				
KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Humansdorp Pathway	All	MM_016	X				
KPA 1: Basic Services and Infrastructure	Keep Kouga Growing	Basic Services and Infrastructure	Upgrading of Water related Infrastructure in Kruisfontein and Swartenbosch Area.	All	MM_0024	X	X	X	X	X
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Investment Hub	All	MM_017			X		
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Events Capital of SA: Easter Festival	All	MM_018	X				

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Events capital of SA: Winterfest	All	MM_019	X				
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Events capital of SA: Summer Festival	All	MM_020	X				
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Events capital of SA: October Jazz Festival	All	MM_021	X				
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Events capital of SA: Two rivers marathon	All	MM_022	X				
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Social responsibility projects	All	MM_023	X				
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	SPU: Youth Council and youth development	All	MM_028	X	X	X	X	X
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Enhance Customer Care Strategy	All	MM_027	X				
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	SPU: Women Development and Indaba	All	MM_029		X			
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	SPU: Disabled project and awareness	All	MM_030	X				

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	SPU: Gender project and awareness	All	MM_031	X				
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	SPU: 16 Days of Activism Campaign	All	MM_032	X	X	X	X	X
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	SPU: HIV/AIDS Awareness and Council	All	MM_033	X	X	X	X	X
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	SPU: Sports Council	All	MM_034	X	X	X	X	X
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	SPU: Mayors Cup	All	MM_035	X	X	X	X	X
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	WDF: Operational x 15 wards (R50 000)	All	MM_036	X	X	X	X	X
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	WDF: Capital x 15 wards (R50 000)	All	MM_037	X	X	X	X	X
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Automated risk and internal audit package	All	MM_038		X			
KPA 2: Local Economic Development	Keep Kouga Growing	Local Economic Development	Community Development, Achievements and Awards and Awareness	All	MM_039		X			

4.1.2 Directorate Infrastructure & Engineering: Programmes/Plans/Strategy in Action

Table 39: Programmes and Projects: Infrastructure and Engineering

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Infrastructure Planning	Infrastructure Master Plans (Stormwater; Roads & Sewer)	Municipal wide	I&E_001	X				
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Water loss reduction	Municipal wide	I&E_003	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Water Quality Management	Municipal wide	I&E_004	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Drought Mitigation/ Water Security	Municipal wide						
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	MIG Expenditure	Municipal wide	I&E_005	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Clean	Basic Services and Infrastructure	Waste site licensing conditions	1,4,5,6,9,13 & 15		X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Clean	Basic Services and Infrastructure	Waste site rehabilitation	10&12		X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Procurement of 25 skip bins	Municipal wide		X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of Reservoirs	1,4,6,7,9,10 & 12	IE_001			X	X	X

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Cape St Francis - Install water borne sewer reticulation, sewer pump station and rising to Wastewater Treatment Works	1&12	IE_002			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St Francis Bay – Install water borne sewer reticulation.	1&12	IE_003			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – Paradise Beach Install water borne sewer reticulation,	12	IE_004			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Loerie – Install water borne sewer reticulation	7	IE_005		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Oyster Bay – Install water borne sewer reticulation including Wastewater treatment works	1	IE_006			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade main sewer rising main from La Mer pump station to Wastewater treatment works	11	IE_007					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay Wavecrest – Install Internal sewer reticulation	3,8&11	IE_008					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp – Industrial area new bulk outfall gravity sewer to Kruisfontein WWTW	4,5&15	IE_009					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Paradise beach Upgrade main bulk water supply line	12	IE_010					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp - Kruisfontein replace aging water line	1,4,5,6&15	IE_013			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp new main water rising main	1,4,5,6&15	IE_014			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp Kwanomzamo new water reservoir 5Ml	1&6	IE_015			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Thornhill new water storage reservoir 2Ml	7	IE_016			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp Water treatment works new storage reservoir 5 Ml	1,4,5,6&15	IE_017		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp -Kruisfontein new water storage reservoir (Jeugkamp/Kruisfontein proper) 5Ml	1,4,5,6&15	IE_018		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Paradise Beach new bulk storage reservoir 5Ml	12	IE_019			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay Wavecrest – Upgrade Beach sewer pump station and rising main	3,8&11	IE_020					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Loerie Upgrade sewer pump station and rising main	7	IE_021					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Thornhill -Upgrade wastewater treatment works (Additional capacity)	7	IE_022					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade sewer pump stations St Francis Bay	1&12	IE_023					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – Upgrade wastewater treatment works Additional Clarifier	3,8&111	IE_025			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Paradise Beach New wastewater treatment works	12	IE_026			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp Kwanomzamo Upgrade/refurbish wastewater works	1,4,5,6&15	IE_027			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp – Upgrade water treatment plant	1,4,5,6&15	IE_028			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St Francis Bay/Links expand existing RO plant at links to increase capacity to treat boreholes	12	IE_029		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp – Equip and connect 4 x existing boreholes near Melkhout to water treatment plant. Including pipeline	1,4,5,6&12	IE_31			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – construct emergency overflow pond Koraal sewer pump station	11	IE_32					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade sewer lines all areas	Municipal wide	IE_33					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Hankey – Upgrade and expand water treatment plant to treat saline borehole water and increase treatment capacity	9&13	IE_30					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – Construct / upgrade existing main incoming 66KV line	2,3,8&11	IE_34					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop water master plan	Municipal wide	IE_35					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop Sewer master plan	Municipal wide	IE_36					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop transport master plan	Municipal wide	IE_37					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Prov roads (Da Gama/Voortrekker/St Francis Drive)	3,8&11	IE_38					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade gravel roads to full surfaced roads	Municipal wide	IE_39					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Stormwater as per Master Plan	Municipal wide	IE_40					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Parking layout Main str Humansdorp	6	IE_41					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Establish fleet/mechanical workshop in Humansdorp	6	IE_42					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Isolation Valve Replacement	Municipal wide	IE_43					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Asbestos Cement Pipe Replacement	Municipal wide	IE_44					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of air valves on distribution mains	Municipal wide	IE_45					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of Pressure Reducing Valves	Municipal wide	IE_46					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Repair and installation of telemetry systems, fencing installation of alarm systems and cameras in all pumpstations and WTW for Hdorp, SF, CSF, OB	1,4,5,6,12 &15	IE_47					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Repair and installation of data logging devices	Municipal wide	IE_48					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of Zone meters	Municipal wide	IE_49					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade of Humansdorp WTW to at least 10ML/day	1/4/5/6&15	IE_50					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Investigation/ Feasibility Study of Alternative Water Supply	Municipal wide	IE_51					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of the Western Dam Pumpstation in Humansdorp	1&6	IE_52					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of a Reservoir and Pumpstation at the NMBM to Humansdorp take off point	1,4,5,6&15	IE_53					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade gravity raw water pipeline from the fountains in Humansdorp	1,4,5&15	IE_54					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of an access pathway for repairs and maintenance of the Bulk Water Supply Pipeline from Humansdorp to Kruisfontein WTW	4,5&15	IE_55					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Finalization of Kruisfontein WTW	4&5	IE_57					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ formalise water supply infrastructure for Donkerhoek, Mooiuitsig, Vaaldam, Kwanomzamo new houses	4&5	IE_58					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Boblok and Graslaagte Water Reticulation	4&5	IE_59					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of Die Berg 50KL Reservoir and 1 KLM Rising Main	4	IE_60					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construct 110mm pipeline Caravan Park in Kwanomzamo	6	IE_61					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Oyster Bay WTW	1	IE_62					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Pipe replacement at the Kromme River Bridge	12	IE_63					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of permanent standby generators at WTWs and Pumpstations	Municipal wide	IE_64					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of smart meters	Municipal wide	IE_65					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Reconstruction of Golf Course – Kwanomzamo Sewer Pumpstation	1&6	IE_66					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade of Vergenoeg Sewer Pumpstation	6	IE_67					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ Replacement of Kemp Street Sewer Pipeline	6&15	IE_69					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ Replacement of Matmelville to Queens Street Sewer PS	15	IE_70					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Eradication of buckets (H/Dorp, SFB, GV)	1,4,5,6,7,9,10,12&15	IE_71					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Eradication of conservancy tanks (H/Dorp, SFB, GV)	1,4,5,6,7,9,10,12&15	IE_72					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Eradication of Chemical toilets (H/Dorp, SFB, GV)	1,4,5,6,7,9,10&15	IE_73					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of permanent standby generators at WWTWs and Pumpstations	Municipal wide	IE_74			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Fencing and installation of alarm systems and cameras in all sewer pumpstations	Municipal wide	IE_75		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Completion of Weston WWTW in Hankey	13	IE_76		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of Weston Sewer Reticulation Network	13	IE_77		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade of Loerie WWTW	7	IE_78		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Kruisfontein Stream Crossing	4&5	IE_79		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of Die Berg Access Road	4	IE_80		X	X	X	

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Provision of stormwater infrastructure Golf Course, Shukushukuma, Vergenoeg, Vaaldam, Town, Kwanomzamo etc	1,4,5, 6&15	IE_81		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Provision of stormwater infrastructure St Francis Bay and Cape St Francis	12	IE_82		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ Refurbish Humansdorp Depot/ Workshop	6&15	IE_83		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ Refurbish St Francis Depot/ Workshop	12	IE_84		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Capacity building and training	Municipal wide	IE_85		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Purchase of Software Applications for drawings and design	Municipal wide	IE_86		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jbay fencing around Koraal Pump Station	11	IE_87		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade sewer pipes at Oceanview College	11	IE_88		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Install 5 PRV's in Jeffreys Bay and Paradise Beach	2,3,8,11, 12&14	IE_89		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Emergency Overflow chamber at La Mer Sewer Pump Station	11	IE_90		X	X	X	X

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – Construct/upgrade existing main incoming 66KV line	11	IE_91		X	X		
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – New ring feed Paradise Beach/Aston Bay/Oceanview	2,12&14	IE_92		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp -Kwanomzamo 2nd 22kV Overhead line	1,4,5,6&15	IE_93		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay Upgrade Main Electrical Substation	11	IE_94		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Arcadia 22/11kV substation	4&5	IE_95		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Appiesdraai substation	2&14	IE_96		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop Electrical master plan Kouga	Municipal wide	IE_98	X				
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop renewable energy plant	15	IE_99			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of High mast lights	1,2,4,5,6,7,9,10,14&15	IE_100		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp CBD to Kwanomzamo replace 16 & 25mm cables with 120mm cables. Part of the Saffery	6&15	IE_101		X	X	X	

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
			Street upgrade to avail capacity to lower town.							
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St. Francis Bay main intake from Eskom upgrade	12	IE_102		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St. Francis Bay Load center nr. 2 upgrades	12	IE_103		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp Mainsubstation upgrade	15	IE_104			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp MND upgrade from 11MVA to 15MVA	15	IE_105		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St. Francis Bay NMD upgrade from 5 to 8MVA	12	IE_106			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Green buildings installation of solar generation on our infrastructure plants sewer and water	Municipal wide	IE_107			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Substation protection upgrades in Kouga	Municipal wide	IE_108			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of a new Dam in the Die Berg Area	4	IE_109	X	X	X		
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrading of Water related Infrastructure in Kruisfontein / Zwatenbosch Area	4	IE_110		X	X	X	

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Infrastructure Planning	Infrastructure Master Plans (Stormwater; Roads & Sewer)	Municipal wide	I&E_001	X				
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Water loss reduction	Municipal wide	I&E_003	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Water Quality Management	Municipal wide	I&E_004	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Drought Mitigation/ Water Security	Municipal wide						
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	MIG Expenditure	Municipal wide	I&E_005	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Clean	Basic Services and Infrastructure	Waste site licensing conditions	1,4,5,6,9,13 & 15		X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Clean	Basic Services and Infrastructure	Waste site rehabilitation	10&12		X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Procurement of 25 skip bins	Municipal wide		X	X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of Reservoirs	1,4,6,7,9,10 & 12	IE_001			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Cape St Francis - Install water borne sewer reticulation, sewer pump station and rising	1&12	IE_002			X	X	X

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
			to Wastewater Treatment Works							
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St Francis Bay – Install water borne sewer reticulation.	1&12	IE_003			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – Paradise Beach Install water borne sewer reticulation,	12	IE_004			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Loerie – Install water borne sewer reticulation	7	IE_005		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Oyster Bay – Install water borne sewer reticulation including Wastewater treatment works	1	IE_006			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade main sewer rising main from La Mer pump station to Wastewater treatment works	11	IE_007					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay Wavecrest – Install Internal sewer reticulation	3,8&11	IE_008					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp – Industrial area new bulk outfall gravity sewer to Kruisfontein WWTW	4,5&15	IE_009					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Paradise beach Upgrade main bulk water supply line	12	IE_010					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp - Kruisfontein replace aging water line	1,4,5,6&15	IE_013			X	X	X

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp new main water rising main	1,4,5,6&15	IE_014			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp Kwanomzamo new water reservoir 5Ml	1&6	IE_015			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Thornhill new water storage reservoir 2Ml	7	IE_016			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp Water treatment works new storage reservoir 5 Ml	1,4,5,6&15	IE_017		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp -Kruisfontein new water storage reservoir (Jeugkamp/Kruisfontein proper) 5Ml	1,4,5,6&15	IE_018		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Paradise Beach new bulk storage reservoir 5Ml	12	IE_019			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay Wavecrest – Upgrade Beach sewer pump station and rising main	3,8&11	IE_020					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Loerie Upgrade sewer pump station and rising main	7	IE_021					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Thornhill -Upgrade wastewater treatment works (Additional capacity)	7	IE_022					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade sewer pump stations St Francis Bay	1&12	IE_023					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – Upgrade wastewater treatment works Additional Clarifier	3,8&111	IE_025			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Paradise Beach New wastewater treatment works	12	IE_026			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp Kwanomzamo Upgrade/refurbish wastewater works	1,4,5,6&15	IE_027			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp – Upgrade water treatment plant	1,4,5,6&15	IE_028			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St Francis Bay/Links expand existing RO plant at links to increase capacity to treat boreholes	12	IE_029		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp – Equip and connect 4 x existing boreholes near Melkhout to water treatment plant. Including pipeline	1,4,5,6&12	IE_31			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – construct emergency overflow pond Koraal sewer pump station	11	IE_32					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade sewer lines all areas	Municipal wide	IE_33					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Hankey – Upgrade and expand water treatment plant to treat saline borehole water and increase treatment capacity	9&13	IE_30					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – Construct / upgrade existing main incoming 66KV line	2,3,8&11	IE_34					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop water master plan	Municipal wide	IE_35					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop Sewer master plan	Municipal wide	IE_36					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop transport master plan	Municipal wide	IE_37					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Prov roads (Da Gama/Voortrekker/St Francis Drive)	3,8&11	IE_38					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade gravel roads to full surfaced roads	Municipal wide	IE_39					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Stormwater as per Master Plan	Municipal wide	IE_40					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Parking layout Main str Humansdorp	6	IE_41					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Establish fleet/mechanical workshop in Humansdorp	6	IE_42					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Isolation Valve Replacement	Municipal wide	IE_43					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Asbestos Cement Pipe Replacement	Municipal wide	IE_44					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of air valves on distribution mains	Municipal wide	IE_45					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of Pressure Reducing Valves	Municipal wide	IE_46					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Repair and installation of telemetry systems, fencing installation of alarm systems and cameras in all pumpstations and WTW for Hdorp, SF, CSF, OB	1,4,5,6,12 &15	IE_47					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Repair and installation of data logging devices	Municipal wide	IE_48					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of Zone meters	Municipal wide	IE_49					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade of Humansdorp WTW to at least 10ML/day	1/4/5/6&15	IE_50					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Investigation/ Feasibility Study of Alternative Water Supply	Municipal wide	IE_51					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of the Western Dam Pumpstation in Humansdorp	1&6	IE_52					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of a Reservoir and Pumpstation at the NMBM to Humansdorp take off point	1,4,5,6&15	IE_53					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade gravity raw water pipeline from the fountains in Humansdorp	1,4,5&15	IE_54					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of an access pathway for repairs and maintenance of the Bulk Water Supply Pipeline from Humansdorp to Kruisfontein WTW	4,5&15	IE_55					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Finalization of Kruisfontein WTW	4&5	IE_57					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ formalise water supply infrastructure for Donkerhoek, Mooiuitsig, Vaaldam, Kwanomzamo new houses	4&5	IE_58					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Boblok and Graslaagte Water Reticulation	4&5	IE_59					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of Die Berg 50KL Reservoir and 1 KLM Rising Main	4	IE_60					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construct 110mm pipeline Caravan Park in Kwanomzamo	6	IE_61					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Oyster Bay WTW	1	IE_62					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Pipe replacement at the Kromme River Bridge	12	IE_63					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of permanent standby generators at WTWs and Pumpstations	Municipal wide	IE_64					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of smart meters	Municipal wide	IE_65					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Reconstruction of Golf Course – Kwanomzamo Sewer Pumpstation	1&6	IE_66					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade of Vergenoeg Sewer Pumpstation	6	IE_67					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ Replacement of Kemp Street Sewer Pipeline	6&15	IE_69					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ Replacement of Matmelville to Queens Street Sewer PS	15	IE_70					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Eradication of buckets (H/Dorp, SFB, GV)	1,4,5,6,7 ,9,10, 12&15	IE_71					

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Eradication of conservancy tanks (H/Dorp, SFB, GV)	1,4,5,6,7,9,10,12&15	IE_72					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Eradication of Chemical toilets (H/Dorp, SFB, GV)	1,4,5,6,7,9,10&15	IE_73					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of permanent standby generators at WWTWs and Pumpstations	Municipal wide	IE_74			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Fencing and installation of alarm systems and cameras in all sewer pumpstations	Municipal wide	IE_75		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Completion of Weston WWTW in Hankey	13	IE_76		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of Weston Sewer Reticulation Network	13	IE_77		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade of Loerie WWTW	7	IE_78		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Kruisfontein Stream Crossing	4&5	IE_79		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of Die Berg Access Road	4	IE_80		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Provision of stormwater infrastructure Golf Course, Shukushukuma, Vergenoeg, Vaaldam, Town, Kwanomzamo etc	1,4,5,6&15	IE_81		X	X	X	

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Provision of stormwater infrastructure St Francis Bay and Cape St Francis	12	IE_82		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ Refurbish Humansdorp Depot/ Workshop	6&15	IE_83		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade/ Refurbish St Francis Depot/ Workshop	12	IE_84		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Capacity building and training	Municipal wide	IE_85		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Purchase of Software Applications for drawings and design	Municipal wide	IE_86		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jbay fencing around Koraal Pump Station	11	IE_87		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade sewer pipes at Oceanview College	11	IE_88		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Install 5 PRV's in Jeffreys Bay and Paradise Beach	2,3,8,11, 12&14	IE_89		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Emergency Overflow chamber at La Mer Sewer Pump Station	11	IE_90		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – Construct/upgrade existing main incoming 66KV line	11	IE_91		X	X		
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay – New ring feed Paradise Beach/Aston Bay/Oceanview	2,12&14	IE_92		X	X	X	

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp -Kwanomzamo 2nd 22kV Overhead line	1,4,5,6&15	IE_93		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Jeffreys Bay Upgrade Main Electrical Substation	11	IE_94		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Arcadia 22/11kV substation	4&5	IE_95		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrade Appiesdraai substation	2&14	IE_96		X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop Electrical master plan Kouga	Municipal wide	IE_98	X				
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Develop renewable energy plant	15	IE_99			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Installation of High mast lights	1,2,4,5,6,7,9,10,14&15	IE_100		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp CBD to Kwanomzamo replace 16 & 25mm cables with 120mm cables. Part of the Saffery Street upgrade to avail capacity to lower town.	6&15	IE_101		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St. Francis Bay main intake from Eskom upgrade	12	IE_102		X	X	X	

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St. Francis Bay Load center nr. 2 upgrades	12	IE_103		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp Mainsubstation upgrade	15	IE_104			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Humansdorp MND upgrade from 11MVA to 15MVA	15	IE_105		X	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	St. Francis Bay NMD upgrade from 5 to 8MVA	12	IE_106			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Green buildings installation of solar generation on our infrastructure plants sewer and water	Municipal wide	IE_107			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Substation protection upgrades in Kouga	Municipal wide	IE_108			X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Construction of a new Dam in the Die Berg Area	4	IE_109	X	X	X		
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Upgrading of Water related Infrastructure in Kruisfontein / Zwatenbosch Area	4	IE_110		X	X	X	

4.1.3 Directorate Community Services: Programmes/Plans/Strategy in Action

Table 40: Programmes and Projects: Community Services

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Climate Change Management Strategy	Ward All	CS_00	X	X			
SECTION: SOLID WASTE										
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Basic Services and Infrastructure	Integrated Waste Management Plan for Kouga Municipality reviewed every 3 years	Ward All	S_001					
KPA1: Basic Services & Infrastructure	Keep Kouga Growing	Waste Management	Develop 4 buy back centres (funded by DFFE) Security	Ward All	CS_002	X	X			
KPA1: Basic Services & Infrastructure	Keep Kouga Clean	Solid Waste Management	Procurement of 25 skips CAPEX	Ward All	CS_003	X	X	X	X	X
							X	X	X	X
KPA1: Basic Services & Infrastructure	Keep Kouga Clean	Waste management	Education and awareness campaigns door to door	Ward All	CS_004	x	X	x	x	x
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Waste Management	Tipper and TLB for Landfill sites, waste compaction, landfill space saving CAPEX		CS_005	x				
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Waste Management	Fencing of 2 operational sites,		CS_006		X		X	

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
			Humansdorp Hankey CAPEX							
KPA1: Basic Services & Infrastructure	Keep Kouga Smart	Waste Management	Repair of weighbridge OPEX	Ward 12	CS_007	x				
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Waste Management	Installation of monitoring boreholes Humansdorp, Hankey, Patensie St Francis landfill sites CAPEX	Ward 1,4,5,6,9,10,12	CS_008	x	X	x	X	x
KPA1: Basic Services & Infrastructure	Keep Kouga Smart	Waste Management	Implementation monitoring program for Humansdorp, Hankey, Patensie, St. Francis Bay and Papiesfontein landfill sites OPEX	Ward 1,4,5,6,9,10,12	CS_009		x	X	X	
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Waste Management	Planning, design and approval for construction of lined landfill cells Humansdorp Hankey Landfill site CAPEX	Ward 4,9	CS_010			X	X	
KPA1: Basic Services & Infrastructure	Services	Waste Management	Rehabilitation and closure permit applications for	Ward12	CS_011				X	

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
			Patensie, St Francis Bay and Papiesfontein landfill site OPEX							
KPA1: Basic Services & Infrastructure	Services	Waste Management	Construction of Lined landfill cells at Humansdorp and Hankey landfill sites. CAPEX	Ward 4,5,6 & 15	CS_012				X	
KPA1: Basic Services & Infrastructure	Services	Waste Management	Planning, design and approval construction of stormwater management Humansdorp and Hankey Landfill sites CAPEX	Ward All	CS_013				X	X
KPA1: Basic Services & Infrastructure	Services	Waste Management	Construction of stormwater management system CAPEX	Ward All	CS_014					X
KPA1: Basic Services & Infrastructure	Clean	Waste Management	Eradication of illegal dumping spots OPEX		CS_015	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Green	Waste Management	Organic waste composting CAPEX		CS_016	X				

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Caring	Waste Management	Partnership with private sector for recycling	Ward All	CS_017	x	X	x	x	X
SECTION: ENVIRONMENTAL HEALTH										
KPA 1: Basic Services and Infrastructure	Keep Kouga Safe	Environmental Management	Water Quality Control		EH_001	X	X	x	x	x
KPA 4: Governance and Public Participation	Green	Climate Change	Drought Mitigation	Ward All	EH_002	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Clean	Environmental Management	Illegal dumping eradication and beautification	Ward All	EH_003	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Serviced	Coastal Management	Social Responsibility and community partnerships	Ward All	EH_004	X	X	X	X	X
KPA 4: Governance and Public Participation	Safe	Environmental Management	Ensuring a safe and healthy environment	Ward All	EH_005	X	X	X	X	X
KPA 2: Local Economic Development	Green	Climate Change	Climate Change Mitigation	Ward All	EH_006	X	X	X	X	X
KPA 2: Local Economic Development	Serviced	Environmental Management	Animal management	Ward All	EH_007	X	X	X	X	X

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 2: Local Economic Development	Serviced	Environmental Management	Plot clearing	Ward All	EH_008	X	X	X	X	X
SECTION: PUBLIC AMENITIES										
KPA 1: Basic Services and Infrastructure	Green	Cemetries	Cemeteries Management System	Ward All	PA_001	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Kouga Serviced	Coastal Management	Public ablution facilities (beaches)	Ward 1,2,12	PA_007	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Keep Kouga Smart	Coastal Management	Beaches	Ward 1,2,12	PA_008	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Safe	Coastal Management	Animal management	Ward All	PA_009	X	X	X	X	
KPA 1: Basic Services and Infrastructure	Caring	Parks and Recreation	Caravan Parks	Ward 2,3,9	PA_010	X	X			
KPA 1: Basic Services and Infrastructure	Serviced	Community Services	Libraries	Ward All	PA_026	1	1	1		
SECTION: FIRE AND DISASTER										
KPA 1: Basic Services and Infrastructure	Safe	Disaster Management	Disaster Management	Ward All	FR_001	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Safe	Disaster Management			FR_002	X	X	X	X	X

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Safe	Disaster Management	Fire		FR_003	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Smart	Disaster Management	Drought Mitigation		FR_004	X	X	X	X	X
SECTION: SAFETY AND SECURITY										
KPA 5: Institutional Development and Transformation	Safe	Safety and Security	Procurement of new patrol vehicles	Reviewed and implement animal By Law OPEX	SS_001	1	2	2		
KPA 5: Institutional Development and Transformation	Caring	Safety and Security	Revise Animal by Law	Humansdorp Feasibility Study CAPEX	SS_002		1			
KPA 5: Institutional Development and Transformation	Caring	Safety and Security	Establishment of animal pound	Ward All	SS_003			1		
KPA 1: Basic Services and Infrastructure	Safe	Waste minimisation	Roll out of safety equipment for Kouga area	CCTV cameras on all main entrances and exits in Kouga (4 per pole) OPEX	SS_004		1			

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Smart	Safety and Security	Procurement of Smart Law Enforcement technology	Fitted to Law Enforcement vehicles (ANPR system) Officers – body cam OPEX	SS_005	1	2	2	2	2
KPA 5: Institutional Development and Transformation	Safe	Safety and Security	Local Taxi identification system	Investigate and benchmark existing systems. Public participation OPEX	SS_006					
KPA 1: Basic Services and Infrastructure	Keep Kouga Smart	Safety and Security	Procurement of patrol boat	Gamtoos and Krom River CAPEX	SS_007	1	1			
KPA 1: Basic Services and Infrastructure	Keep Kouga Smart	Safety and Security/ Transport	Establish K53 Motorcycle test track and procuring related equipment	Humansdorp CAPEX	SS_008		1			
KPA 5: Institutional Development and Transformation	Keep Kouga Smart	Safety and Security	Point clock system for security officers at identified municipal sites	Jeffreys Bay Humansdorp GV area St Francis Bay OPEX	SS_009	10	20	30	40	

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 5: Institutional Development and Transformation	Keep Kouga Smart	Safety and Security	Procurement of Metal Detection system for Municipal site entrances	Jeffreys Bay Humansdorp GV area St Francis Bay OPEX St Francis Bay GV Area (Hankey) OPEX	SS_010	2	3	1	1	
KPA 5: Institutional Development and Transformation		Safety and Security/ Coastal Management	Procurement of a drone	Jeffreys Bay beach area CAPEX	SS_011	1				
Environmental Management										
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Coastal Management	Coastal Management	Ward 1,2,7,11,12	EM_001	1				
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Coastal Management	Oyster Bay Dune Rehabilitation	Ward 1	EM_002	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Multi-disciplinary	St Francis Spit management	Ward 1 & 12	EM_003	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Climate Change	Climate Change Multi-disciplinary	Ward All	EM_004	1				

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Environmental Management	Number of trees planted	Ward All	EM_005	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Environmental Management	Number of Environmental Management Forum Meetings conducted	Ward All	EM_006	4	4	4	4	
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Environmental Management	Development Management Plans for nature reserves	Ward All	EM_007	1	1	1		
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Environmental Management	Monitoring of Recreational Waters Blue Flag beaches; Kromme River, Gamtoos River, Seekoei Estuary; Yellowwoods	Ward 2,3,7,8,,9,11,12	EM_008	30	30	30		
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Environmental Management	Management of Kromme River, Gamtoos River, Seekoei Estuary	Ward 3,7,8,11,12	EM_009	4	4	4	4	4
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Environmental Management	Biodiversity	Ward All	EM_010	1				

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Keep Kouga Green	Environmental Management	Proclamation of Conservation Biodiversity Areas	Ward All	EM_011	3				
KPA 1: Basic Services and Infrastructure	Keep Kouga Clean	Air Quality Management	Air Quality Management Plan	Ward All	EM_012	1				
KPA 1: Basic Services and Infrastructure	Keep Kouga Clean	Waste Management	Design a Waste management MASCOT	Ward All	EM_013	1	1			

4.1.4 Directorate Planning, Development & Tourism: Programmes/Plans/Strategy in Action

Table 41: Programmes and Projects: Planning, Development & Tourism

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr.	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 3: Local Economic Development	Keep Kouga Growing	Spatial Planning and Development	IDZ Development Plan Erf 499 Humansdorp	Ward 15	PD_001	X	X			
KPA 3: Local Economic Development	Keep Kouga Growing	Spatial Planning and Development	Upgrading GIS and Integrated Land Use System	Ward All	PD_002	X	X	X	X	X
KPA 3: Local Economic Development	Keep Kouga Growing	Spatial Planning and Development	Manage Outdoor Advertising	Ward All	PD_004	X	X	X	X	X
KPA 3: Local Economic Development	Keep Kouga Growing	Spatial Planning and Development	Allocation of In-house Site & Plot Design	Ward 6	PD_003	X	X			
KPA 3: Local Economic Development	Keep Kouga Growing	Spatial Planning and Development	Precinct Plan Development for	Ward 9 & 13 Ward 1 & 12	PD_005	X	X			

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr.	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
			Hankey and St. Francis Bay							
KPA 3: Local Economic Development	Keep Kouga Growing	Local Economic Development	LED Special Purpose Entity	All wards	LED_001					
PlsKPA 3: Local Economic Development	Keep Kouga Growing	Local Economic Development	SMME development	All Wards	LED_002	X	X	X	X	X
KPA 3: Local Economic Development	Keep Kouga Growing	Local Economic Development	Corporate Social Responsibility	All Wards	LED_003					
KPA 3: Local Economic Development	Keep Kouga Growing	Local Economic Development	Smart City	All Wards	LED_004					
KPA 3: Local Economic Development	Keep Kouga Growing	Local Economic Development	Establishment of a LED projects SPV / Development entity	All Wards	LED_001					
KPA 3: Local Economic Development	Keep Kouga Growing	Local Economic Development	Township Economy Development	Ward 2 & 14	LED_002	X	X	X	X	X
KPA 3: Local Economic Development	Keep Kouga Growing	Local Economic Development	Township Event	Ward 2 & 14	LED_003	X	X	X	X	X
KPA 3: Local Economic Development	Keep Kouga Serviced	Local Economic Development	Heritage sites refurbishment and beautification	Ward 2 & 9	LED_005	X	X	X	X	X
KPA 3: Local Economic Development	Keep Kouga Serviced	Local Economic Development	Installation of Tourism Signage	All wards	LED_006	X	X	X	X	X

NATIONAL KPA	MUNICIPAL SFA		MUNICIPAL KPA	Project Name	Ward Nr.	Project Number	TARGET YEAR				
							22/23	23/24	24/25	25/26	26/27
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Hosting Annual Events: Yellow Woods Jazz Festival (hankey)	Ward 9 & 13	LED_007	X	X	X	X	X
KPA 3: Local Economic Development	Keep Smart	Kouga	Local Economic Development	Hosting Annual Events: International Surf Competition	Ward 3,8 & 11	LED_008	X	X	X	X	X
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Hosting Annual Events: PGA Championship	Ward 12	LED_009	X	X	X	X	X
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Hosting Annual Events: Amanzi Challenge	Ward 12	LED_010	X	X	X	X	X
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	LED incubation programme	All wards	LED_011	X	X	X		X
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Establish Kouga as Events Capital: secure 1 new anchor event annually.	All wards	LED_012	X	X	X	X	X
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	To position Kouga as a events capital of South Africa	All Wards	LED_013	X	X	X	X	X
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Kouga Arts Development Program	All wards	LED_014	X	X	X	X	
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Business Retention & Expansion programme Annually	All Wards	LED_015	X	X	X	X	X

NATIONAL KPA	MUNICIPAL SFA		MUNICIPAL KPA	Project Name	Ward Nr.	Project Number	TARGET YEAR				
							22/23	23/24	24/25	25/26	26/27
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Destination Marketing & Tourism Indaba	All wards	LED_016	X	X	X	X	X
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	SMME development	All Wards	LED_017		X	X	X	X
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Investor's Conference / Seminar	All Wards	LED_018					
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Functioning of the LED Forum	All wards	LED_019	X	X	X	X	X
KPA 3: Local Economic Development	Keep Growing	Kouga	Local Economic Development	Feasibility Study & Establishment Of LED Special Purpose Vehicle	All Wards	LED_020					
KPA1: Basic Services & Infrastructure	Keep Growing	Kouga	Human Settlements	Farm Dwellers facilitation for Housing	Ward	IHS_002	X	X	X		
KPA1: Basic Services & Infrastructure	Keep Growing	Kouga	Human Settlements	Land identification for decanting of Sea Vista informal settlements	Ward 1 & 12	IHS_003	X	X	X		
KPA1: Basic Services & Infrastructure	Keep Growing	Kouga	Human Settlements	Development of Social Housing in Humansdorp	Ward 15	HIS_004	X	X	X	X	X

4.1.5 DIRECTORATE FINANCE: PROGRAMMES/PLANS/STRATEGY IN ACTION

Table 42: Programmes and Projects: Finance

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Viability	Revenue Collection	ALL	FIN_001	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Viability	Creditor's Payment	ALL	FIN_002	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Viability	Audit Outcomes	ALL	FIN_003	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Viability	Indigent Support	ALL	FIN_004	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Viability	Procurement Planning	ALL	FIN_005	X	X	X	X	X
KPA 4: Municipal Financial	Keep Kouga Growing	Financial Viability	Budgeting	ALL	FIN_006	X	X	X	X	X

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
Viability and Management										
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Viability	Reduction of external interest	ALL	FIN_007	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Viability	Functionality of Finance Management System	ALL	FIN_008	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Keep Kouga Growing	Financial Viability	Develop A Long-Term Financial Sustainability Plan	ALL	FIN_009	X	X	X	X	X
KPA 4: Good Governance and Public Participation	Keep Kouga Growing	Service Delivery	Audit Corrective Action Plan	ALL	FIN_010	X	X	X	X	X

4.1.6 Directorate Corporate Services: Programmes/Plans/Strategy in Action

Table 43: Programmes and Projects: Corporate Services

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
KPA 4: Good Governance	Keep Kouga Growing	Service Delivery	Call Centre Job Card integration	All wards with municipal offices	Corp-Serv_001	X	X	X	X	X

NATIONAL KPA	MUNICIPAL SFA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
						22/23	23/24	24/25	25/26	26/27
and Public Participation										
KPA 4: Good Governance and Public Participation	Keep Kouga Growing	Staff Wellness	Staff Clinic	All wards with municipal offices	Corp-Serv_002			X	X	X

4.2 PROJECTS OF OTHER ORGANS OF STATE IMPLEMENTED IN KOUGA MUNICIPALITY

a) DEPARTMENT OF ENVIRONMENT, FORESTRY AND FISHERIES

Project Name	Project Description	Project Status	Timeframe/Duration	Total Project Budget
Oceans & Coasts (Operation Phakisa)	Operation Phakisa- A National Pollution Lab established for the monitoring of coastal waters, determining water quality status for human use and health, including industrial purposes.	Not indicated	Not indicated	Not indicated
Wetlands				
NRM EC Kouga WFW_2	Alien Plant Clearing Project	Implementation	Not indicated	Not indicated
NRM EC Special Project Kouga Nursery_2	Alien Plant Clearing and Land Rehabilitation Project	Implementation	Not indicated	Not indicated
NRM EC St Francis Bay_2	Alien Plant Clearing Project	Implementation	Not indicated	Not indicated
NRM Special Project Thicket Fish_2	Alien Plant Clearing and Land Rehabilitation Project	Implementation	Not indicated	Not indicated

b) DEPARTMENT OF SMALL BUSINESS DEVELOPMENT

Projects	Project description	Location / Targeted areas	Time frames	Budget
SheTradesZA	Initiative supporting women owned businesses with products that are ready for market or with limited market access. It is a platform that serves as a unique opportunity for women entrepreneurs in the SMME sector to participate in the global value chains and markets	Targeted beneficiaries - 2400	2019 – 2024	Not indicated

Projects	Project description	Location / Targeted areas	Time frames	Budget
100 thousand young entrepreneurs	Initiative targeting young people between the ages of 16 and 40 with businesses with the potential to create a minimum of 10 sustainable jobs	Targeted beneficiaries - 1000	Not indicated	Not indicated
SMME expansion/ scale up	Initiative targeting small and medium enterprises that have been in existence for more than 4 years and employ more than 5/10 staff members. It supports businesses to scale up and expand through access to working capital and markets for goods and services.	Targeted beneficiaries - 1800	Not indicated	Not indicated
Township and rural entrepreneurship	A dedicated programme to transform and integrate opportunities in townships and rural areas into productive business ventures.	Targeted beneficiaries - 4793	Not indicated	Not indicated

c) DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

Project Name	Project Type (Description)	Project Status	Timeframe/Duration	Total Project cost
Kruisfontein	Land acquisition and distribution to farm dwellers and/or labour tenants	Implementation	Not indicated	R33,000.00

d) DEPARTMENT OF TELECOMMUNICATION AND POSTAL SERVICES

Projects	Project description	Location /Targeted areas	Timeframes/Duration	Budget
SITA	Government connectivity services	All districts	2020/21 – 2022/23	Not indicated
BBI Programme	Implement secure backup for AC mains power supply to network critical sites during AC mains supply interruptions. Install Permanent Standby Generators at 5 main sites	All districts and metros	2020/21 – 2022/23	Not indicated
	100Gbps network capacity upgrade on selected network routes were completed.	All districts and metros	2020/21 – 2022/23	Not indicated
	Migration of overhead fibre to underground fibre as part of the maintenance projects to reduce network failures.	All districts and metros	2020/21 – 2022/23	Not indicated
	IP Network Refurbishment phase 0 where old equipment will be replaced with newer and better performing equipment.	Sarah Baartman DM	2020/21 – 2022/23	Not indicated
USAASA	BDM Phase 2	Sarah Baartman DM	2020/21 – 2022/23	Not indicated
DCDT	Broadcasting Digital Migration (BDM) Distribution of Vouchers and decoder rollout	All districts and metros	2020/21 – 2022/23	Not indicated

e) DEPARTMENT OF EDUCATION

PROJECT NO.	PROJECT NAME	IA PROGRAMME	MAIN APPROPRIATION 2021/22 BUDGET	INDICATIVE BUDGET 2022/23	INDICATIVE BUDGET 2023/24
P0003071	Kruisfontein PRIMARY	DPW Assessments	-	-	-
P9008125	Patensie Agricultural School	DPW ECD Costed	10 000	-	20 000
P9007997	Kuyasa Combined School	ECDC	-	-	-
P9008197	Woodlands Primary School	ECDC	-	-	20 000

f) SOUTH AFRICAN POLICE SERVICES

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
SAPS Hankey	Building of new Police Station at Hankey	Kouga Municipality	Building phase	24 Months				
SAPS Sarah Baartman District	Capacitation of CPF	Sarah Baartman District	Started May 2021	On going				

g) DEPARTMENT OF HEALTH

Row Labels	Budget Allocation 2021/22	Budget Allocation 2022/23	Budget Allocation 2023/24	U-AMP (10 Yr Plan) Budget
 Sarah Baartman	123 782 378	121 621 311	145 218 126	1 749 836 049
Maintenance and repairs	24 454 424	32 817 000	49 318 500	408 046 924
New infrastructure assets	-	-	-	45 000 000
Non Infrastructure	75 946 130	78 208 767	83 157 231	847 730 020
Refurbishment and rehabilitation	9 888 165	3 334 794	6 492 395	297 540 354
Upgrades and additions	13 493 659	7 260 750	6 250 000	151 518 751
Grand Total	1 481 885 613	1 511 914 767	1 545 039 381	24 752 060 145

h) DEPARTMENT OF HUMAN SETTLEMENTS

Infrastructure Unblocking

PROJECT	TASK	PROJECT STATUS	BUDGET COMMITMENT
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Hankey 990	WWTW	Completed	Budget: R 21,80m
	Pump Station	Completed	Exp: R 21,69m
	Reservoir	Completed	
Patensie 278	WWTW	80% in progress	Budget: R 42,21m
	Pump Station	95% in progress	Exp: R 39,75m
	Reservoir	95% in progress	
Oceanview 1500/ Pellsrus 220	Pump Station	Completed	Budget: R 47,39m
	Pump Station	Completed	Exp: R 39,88m
	Reservoir	Completed	
Hankey Weston 196	Reservoir	Completed	Budget: R 2,44m
			Exp: R 1,87m
TOTAL	BUDGET: R 113,65M (incl. vat)		EXPENDITURE : R 103,19

Status of the Projects

- In Jeffrey's Bay Oceanview 1500 (1183 sites) contractor for 200 houses is on site.
- Procurement for Ph-2 (468 units) Professional Service Provider (for house designs) will commence soon.
- In Humansdorp - Arcadia 139 and Kruisfontein 400 Ph-2 on pre-planning stage (PSP's to be appointed by Kouga).
- Hankey - Hankey 990 (919) internal services is under construction.
- Hankey Weston 196 (Mud / Informal Structures) on pre-planning stage (PSP's to be appointed by Kouga). (WTW Vandalized).
- Patensie – Patensie 278 on pre-planning stage (PSP's already appointed by Kouga).

Department of Human Settlements: Status of the Projects

Project Name	Unit/Sites	Estimated Budget	Status	Outstanding Matter/Challenge	Timeframe	Responsible person
Jeffreys Bay: Oceanview 1500	1500 (1183 sites)	R51,2	The installation of 1183 internal services is complete.	The project was reduced, due to informal structures that occupied the development area.		Kouga
Oceanview 200	200	+R28,5	The contractor is on site	The contractor is not performing well. ECDHS wrote letter to the contractor to go back to the site.		ECDHS
Oceanview 468	468	R 65,52	Commencing with PSP procurement	The department to commence with procurement service provider.		ECDHS
Pellsrus 220	220	R 40,7	218 houses are complete,	5x houses could not be built due the pump station challenges.		Kouga
Kruisfontein 2500 (391)	391	R66,6	391 houses are complete	Damaged road section due to blocked storm-water lines.		Kouga
Kruisfontein 2500 (400 ph2)	2109 (400-p2)	R74,0	The project is in design stage. EIA approval is in progress	Some pre-planning activities, eg EIA not yet concluded. The beneficiary administration has not commenced.	On going	Kouga Municipality
Hankey 990 (919)	919	R32,0 + R128,66	The installation of internal services is in progress.	The contractor performance is a challenge.	On going	Kouga Municipality

Project Name	Unit/Sites	Estimated Budget	Status	Outstanding Matter/Challenge	Timeframe	Responsible person
			The beneficiary administration has commenced.	Project Steering Committee not yet established by Kouga. Pump station still to be constructed by the municipality		
Hankey Weston 196 (Mud Structures)	196	R36,26	Municipality is finalising pre-planning processes. The beneficiary administration has commenced.	The Municipality to decide on whether to use conservancy tank or water-borne system. (WWTW) The finalisation of the GP and Engineering designs.	On Going	Kouga Municipality
Patensie 278	278	R51,43	Municipality is finalising pre-planning processes. The beneficiary administration has commenced.	The finalisation of the GP and Engineering designs. WWT PLANT is still under the Dept of LG ,in process.	On Going	Kouga
SEA VISTA 2 000, Kwanomazo 4 00 and Thornhill 390	2790	-	1. The mentioned three (3) projects are affected by land and insufficient bulk infrastructure services .	1. Municipality to fast-track plans to address the bulks services challenges for all these projects.	On going	Kouga
DESTITUTE 25: Hankey 1 Oyster Bay 1 Jeffreys Bay 23	25	R3,50	There are 25 destitute beneficiaries that were identified and approved by the Dept.	Due to unavailability of serviced sites these beneficiaries should be integrated to the project in the area.	On Going	Kouga

Project Name	Unit/Sites	Estimated Budget	Status	Outstanding Matter/Challenge	Timeframe	Responsible person
Oyster Bay	-	-	No Project identified.	Due to unavailability of serviced sites the municipality should design other types of services. (New Technologies)	-	Kouga
Project 2022 - 2027		+ 444,07 MIL.	Six Projects almost ready for implementation	Work hard to achieve our goals		ECDHS Kouga

Upgrading Informal Settlement Programme

Name of Informal Settlements	Households	Progress	Comments
Patensie - Cyril Ramaphosa	103	Phase 1 activities are complete Municipality also contracted for Ph 2 & 3 Financial years 2021-2023 budget is R49 427 631 Claims not paid - R13,7m which is long overdue Contractor – Baledi Re-Engineering appointed for Basic Services Land parcel for Polar Park KwaNomzamo 553 was purchased and paid on 8/09/22 amounting to R15,115 616,50	Delayed payment by HDA
Patensie - Cyril Ramaphosa	278		All projects' constraints delayed appointment of contractors
Humansdorp – Shukushukuma	93		Sarah Baartman DM not reported performance since appointed
Thornhill	160		Delays by HDA in finalizing Kouga as an Implementing Agent as they are advanced with their progress
Humansdorp - Polar Park (kwanomzamo)	257		Delayed in signing Implementing Protocol between HDA & Kouga LM
Jeffreys Bay - No R10	58		Expenditure will improve now that contractor is on site
Jeffreys Bay - Ocean View	1250		
Polar Park (kwanomzamo Humansdorp)	553		
Humansdorp - Donkerhoek	234		

Name of Informal Settlements	Households	Progress	Comments
		Bulk is a serious challenge in some towns like Humansdorp List of bulk infrastructure needs with multi-year cashflow projections was submitted to HDA on 31/1/23– procurement process is complete, project ready Current FY – R 54 730 000 ending June 2023 April 2023 – March 2024 – R 97 570 000 So far claims are for following items: ▪ Social Facilitation ▪ GIS Map per settlement ▪ Structure Count ▪ Cadastral description ▪ Alternative Services ▪ Electrification ▪ Wheelie Bins	

DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM

Land Care

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	TimeFrames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Agro-Eco Schools-Junior LandCare	Junior LandCare project	All	Inception phase (new project)	2021- 2023	708 984	371 771	177 034	160 179
INFRASTRUCTURE DEVELOPMENT								
Red Meat Development	Infrastructure Development	All	Inception phase (new project)	2021-2023	19 662 000	7 318 000	8 000 000	8 800 000
Vegetable Development	Infrastructure Development	NMB Kouga	Inception phase (new project)	2021-2023	3 673 000	1 763 000	950 000	0

Food Security

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	TimeFrames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Households	Food Security	All	Inception phase (new project)	2021- 2023	4000 000	4000 000	4400 000	4800 000
Fodder	Food Security	All	Inception phase (new project)	2021- 2023	2000 000	2000 000	2200 000	2400 000
Vegetable	Food Security	All	Inception phase (new project)	2021- 2023	1500 000	1500 000	1650 000	1800 000
Poultry	Food Security	All	Inception phase (new project)	2021- 2023	600 000	600 000	660 000	720 000
Piggery	Food Security	All	Inception phase (new project)	2021- 2023	800 000	800 000	880 000	960 000

DEPARTMENT OF SOCIAL DEVELOPMENT

Community Development and Research

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Timeframes / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Elderly and Children Soup Kitchen and Development Centre, Humansdorp	Community Nutrition and Development Centre and Shelter Services	Kouga Ward 5	Current	One year	849 656.30	849 656.30	Call for Proposal closed on 21/07/21	To be done in 2022/23

Probation Services: Victim Support Programme

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Timeframes / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
On Eagles Wings, Jeffrey's Bay	Safe House	Kouga, Ward 2	Current	2021/22	R 644 435	R 644 435	Call for Proposal closed on 21/07/21	To be done in 2022/23
Hankey Victim Support Centre, Hankey	Call for Proposal closed on 21/07/21	Kouga, Ward 9	Current	2021/22	R 159 259	R 159 259	Call for Proposal closed on 21/07/21	To be done in 2022/23
Humansdorp Victim Support Centre, Humansdorp	Call for Proposal closed on 21/07/21	Kouga, Ward 6	Current	2021/22	R 151 152	R 151 152	Call for Proposal closed on 21/07/21	To be done in 2022/23

Substance Abuse

Project	Project Description	Name of Municipality(s) Where it is implemented	Local is	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Humansdorp TADA	TADA	Kouga, Ward 6		Current	2021/22	R156 051	R 156 051	Call for Proposal closed on 21/07/21	To be done in 2022/23

Children and Families: Families

Project	Project Description	Name of Municipality(s) Where it is implemented	Local is	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Sakhe Singamadoda	Fatherhood Programme	Kouga		Current	2021/22	R215 991	R215 991	Call for Proposal closed on 21/07/21	To be done in 2022/23

Child Care and Protection

Project	Project Description	Name of Municipality(s) Where it is implemented	Local is	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
CMR Humansdorp	– Child Care and Protection	Kouga		Current	2021/22	R583 303	R583 303	Call for Proposal closed on 21/07/21	To be done in 2022/23
Child Welfare Humansdorp	– Child Care and Protection	Kouga		Current	2021/22	R408 116	R408 116	Call for Proposal closed on 21/07/21	To be done in 2022/23

Early Childhood Development and Partial Care

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Dienkie Dot Play Group	Early Childhood Development/ Day Care Centres	Kouga – Ward 4	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Disney ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 1	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Eldred Groep ECDC	Early Childhood Development/ Day Care Centres	Kouga - Ward 2	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Fairyland Creche	Early Childhood Development/ Day Care Centres	Koukamma – Ward 3	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Jeffrey's Bay ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 2	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Kabouter Hess & Free ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 10	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Kate van der Merwe ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 5	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Kokkewiet ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 1	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Kruisfontein Crèche	Early Childhood Development/ Day Care Centres	Kouga – Ward 4	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Lukhanyo Pre-School	Early Childhood Development/ Day Care Centres	Ndlambe – Ward 3	Current	2021/22	R130 152	R130 152	Call for Proposal closed on 21/07/21	To be done in 2022/23

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure	Projected Expenditure	Projected Expenditure
						2021/2022	2022/2023	2023/2024
Madiba Bay ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 2	Current	2021/22	R89 760	R89 760	Call for Proposal closed on 21/07/21	To be done in 2022/23
Masikhule ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 6	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Mkhuseli Koliti ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 7	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Noxolo Creche Day Care	Early Childhood Development/ Day Care Centres	Kouga – Ward 10	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Nkqubela Crèche	Early Childhood Development/ Day Care Centres	Kouga – Ward 6	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Phillipsville ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 10	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Sakhisizwe ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 13	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Siembamba Early Learning Centre (Humansdorp)	Early Childhood Development/ Day Care Centres	Kouga – Ward 2	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23
Tokyo Sexwale ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 2	Current	2021/22	R94 248,	R94 248,	Call for Proposal closed on 21/07/21	To be done in 2022/23
Umzamomhle ECDC	Early Childhood Development/ Day Care Centres	Kouga – Ward 9	Current	2021/22	R94 248	R94 248	Call for Proposal closed on 21/07/21	To be done in 2022/23

Community Based Care Services for Children

Table 44: Department of Social Development: Community Based Care for Children

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Joshua Project	Drop-In Centre	Kouga	Current	2021/22	R336 144	R336 144	Call Proposal closed on 21/07/21 for	To be done in 2022/23

Specialised Social Welfare Services: Services to People with Disabilities

Table 45: Department of Social Development: Services to People with Disabilities

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Association for the Physically Disabled, Makhanda	Welfare services to People with Disabilities	Makana, Ward 4	Current	2021/22	R 232 929	R 232 929	Call Proposal closed on 21/07/21 for	To be done in 2022/23

Care and Support of Older Persons

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Ons Tuiste, Humansdorp	Residential Care	Kouga, Ward 15	Current	2021/22	R 1 200 000	R 1 200 000	Call for Proposal closed on 21/07/21	To be done in 2022/23
Flying Starts Service Centre, Hankey	Service Centre	Kouga, Ward 9	Current	2021/22	R 74 929	R 74 929	Call for Proposal closed on 21/07/21	To be done in 2022/23
Jongilanga Service Centre	Service Centre	Kouga, Ward 6	Current	2021/22	R 74 929	R 74 929	Call for Proposal closed on 21/07/21	To be done in 2022/23
King Jesus Ministries International, Humansdorp	Service Centre	Kouga, Ward 2	Current	2021/22	R 74 929	R 74 929	Call for Proposal closed on 21/07/21	To be done in 2022/23
Kruisfontein Service Centre, Humansdorp	Service Centre	Kouga, Ward 5	Current	2021/22	R 74 929	R 74 929	Call for Proposal closed on 21/07/21	To be done in 2022/23
Protea Service Centre	Service Centre	Kouga, Ward 5	Current	2021/22	R 74 929	R 74 929	Call for Proposal closed on 21/07/21	To be done in 2022/23
Sunshine Service Centre	Service Centre	Kouga, Ward 15	Current	2021/22	R 74 929	R 74 929	Call for Proposal closed on 21/07/21	To be done in 2022/23
Wise People Service Centre	Service Centre	Kouga, Ward 7	Current	2021/22	R 74 929	R 74 929	Call for Proposal closed on 21/07/21	To be done in 2022/23

HIV and AIDS

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Ethembeni Community Organization Project, Humansdorp	Home Community Based Care	Kouga, Ward 9	Current	2021/22	R 290 444	R 290 444	Call for Proposal closed on 21/07/21	To be done in 2022/23

DEPARTMENT OF SPORTS RECREATION AND CULTURE

Project	Project Description	Name of Local Municipality Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023
Jeffrey Bay renovations	Renovations	Kouga	On site	May 2021 – June 2022	R 12 949 842.15		

DEPARTMENT OF TRANSPORT**Current Funding**

Local Area	Municipal	Road Length	% Of Total	Routine Maintenance	Road Road Safety	Stormwater Drains & Structures	Including Overheads
Kouga		964.33	7.25%	R 4 968 952	R 3 452 949	R 0	R11 284 019

Community Based Programme: Projects and Budget

Total No of Beneficiaries	Municipality	HHC	NYS Learners	Cleaners (Covid)	Scholar Transport Monitors	Road Rangers	Budget
516	Kouga	487		3	26		R6 521 604

SANRAL: Projects in Kouga

Project	Description	Budget	Project Stage
N.002-100-2019/1: DNURT: Jeffreys Bay I/C to Sunnyside	Road improvement	R17 million -	In design stage

EASTERN CAPE PARKS AND TOURISM AGENCY

NAME OF THE PROJECT	AREA		LOCAL MUNICIPALITY	FUNDING SOURCE	PROJECT VALUE
Upgrades to an existing Interpretive Centre - EAST	Baviaanskloof Reserve	Nature	Kouga Municipality	DEDEAT	R 3 800 000.00
Development of Tourism and Conservation Infrastructure - EAST	Baviaanskloof Reserve	Nature	Kouga Municipality	DEFF	R 12 000 000.00

4.3 LIST OF NATIONAL PROJECTS IMPLEMENTED IN SARAH BAARTMAN DISTRICT MUNICIPALITY

Department of Environment, Forestry and Fisheries

Project Name	Project Description	Project Status	Timeframe /Duration	Total Budget	Project
EPIP					
EC-WftC Grootbos River to van Staden River (18/21)	Cleaning of the coast from source to sea, control of alien invasive plants, monitoring and compliance as well as environmental education and awareness.	Implementation	Mar 2019 – Sep 2021	R12 300 000.00	
Oceans and Coasts					
Oceans & Coasts (Operation Phakisa)	Operation Phakisa- A National Pollution Lab established for the monitoring of coastal waters, determining water quality status for human use and health, including industrial purposes.	Not indicated	Not indicated	Not indicated	
Wetlands					
WfWet Tsitsikamma	Wetlands Rehabilitation and improved ecosystem services	Planning	2019/20 – 2021/22	R31 778 137.00	
WfWet Baviaanskloof	Wetlands Rehabilitation and improved ecosystem services	Implementation	2018/19 – 2020/21	R19 402 887.20	
NRM Kromme Wetlands	Wetlands Rehabilitation and improved ecosystem services	Implementation	2018/19 – 2020/21		
GIB Drought Response	Wetlands Rehabilitation and improved ecosystem services	Implementation	2019/20 – 2019/20	R5 000 000.00	
NRM					
NRM Baviaanskloof	Fire Control and Prevention	Implementation	2018/19 – 2021/22	Not indicated	
NRM Krom Rivier	Fire Control and Prevention	Implementation	2018/19 – 2021/22	Not indicated	
NRM WOF EC Special Project Baviaanskloof	High Altitude Alien Clearing Project	Implementation	2018/19 – 2021/22	Not indicated	

Project Name	Project Description	Project Status	Timeframe /Duration	Total Project Budget
EC Baviaans Kloof WFW_2	Alien Plant Clearing Project	Implementation	Not indicated	R261 925 078.00
NRM EC Kromme WFW_2	Alien Plant Clearing Project	Implementation	Not indicated	Not indicated
NRM EC Kouga WFW_2	Alien Plant Clearing Project	Implementation	Not indicated	Not indicated
NRM EC Special Project Kouga Nursery_2	Alien Plant Clearing and Land Rehabilitation Project	Implementation	Not indicated	Not indicated
NRM EC St Francis Bay_2	Alien Plant Clearing Project	Implementation	Not indicated	Not indicated
Incubation and digital hubs	Business and technology incubation centres that offer enterprises business and management skills, support and platforms for a minimum of 3 years. It targets start-ups that require hand holding as they start their journey in business.	Targeted beneficiaries - 2	Not indicated	Not indicated
Cooperatives	Initiative aimed at supporting cooperatives as enterprises that are income and profit generating. It targets registered cooperatives that have potential to generate income and profit.	Targeted beneficiaries - 100	Not indicated	Not indicated
Informal businesses	Initiative aimed at supporting informal businesses with compliance support, business skills development, business infrastructure and technical support.	Targeted beneficiaries – 9585	Not indicated	Not indicated
SMME products	Initiative to coordinate and direct the buy local campaign to be impactful by targeting a minimum number of enterprises that should benefit.	Targeted beneficiaries - 1600	Not indicated	Not indicated
Start-up nation	Initiative that seeks to promote innovation that can have a ripple effect on the national economy. Target beneficiaries are Tech and Engineering Start-ups and Social enterprises.	Targeted beneficiaries - 3200	Not indicated	Not indicated

Department of Small Business Development

Projects	Project description	Location / Targeted areas	Time frames	Budget
SheTradesZA	Initiative supporting women owned businesses with products that are ready for market or with limited market access. It is a platform that serves as a unique opportunity for women entrepreneurs in the SMME sector to participate in the global value chains and markets	Targeted beneficiaries - 2400	2019 – 2024	Not indicated
100 thousand young entrepreneurs	Initiative targeting young people between the ages of 16 and 40 with businesses with the potential to create a minimum of 10 sustainable jobs	Targeted beneficiaries - 1000	Not indicated	Not indicated
SMME expansion/ scale up	Initiative targeting small and medium enterprises that have been in existence for more than 4 years and employ more than 5/10 staff members. It supports businesses to scale up and expand through access to working capital and markets for goods and services.	Targeted beneficiaries - 1800	Not indicated	Not indicated
Township and rural entrepreneurship	A dedicated programme to transform and integrate opportunities in townships and rural areas into productive business ventures.	Targeted beneficiaries - 4793	Not indicated	Not indicated

Department of Social Development

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Joshua Project	Drop-In Centre	Kouga	Current	2021/22	R336 144	R336 144	Call for Proposal closed on 21/07/21	To be done in 2022/23
Association for the Physically	Welfare services to People with Disabilities	Makana, Ward 4	Current	2021/22	R 232 929	R 232 929	Call for Proposal closed on 21/07/21	To be done in 2022/23

Project	Project Description	Name of Local Municipality(s) Where it is implemented	Project Status	Time Frames / Duration	Total Budget	Projected Expenditure 2021/2022	Projected Expenditure 2022/2023	Projected Expenditure 2023/2024
Disabled, Makhanda								

Department of Transport

PROJECT	DESCRIPTION	BUDGET	PROJECT STAGE
N.002-100-2019/1: DNURT: Jeffreys Bay I/C to Sunnyside	Road improvement	R17 million -	In design stage

CHAPTER 5: SPATIAL DEVELOPMENT ALIGNMENT

5.1 INTRODUCTION

This Chapter focuses on the development plan of the Kouga Local Municipality and its alignment to the budget, as well as the new five-year Spatial Development Framework.

5.2 SPATIAL VISION

“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 small-town feel, provides social and economic opportunities for all residents”

5.3 PRECINCT PLAN

5.3.1 Background to the Jeffreys Bay Precinct Plan (Local Spatial Development Framework)

This section represents the Local Spatial Development Framework (LSDF) for the Jeffreys Bay Central Business District (CBD) Precinct in the Kouga Local Municipality (KLM).

The LSDF further aims to formulate spatially based policy guidelines whereby changes, needs and growth in the region can be managed to the benefit of the community. The LSDF will further guide and inform all decisions of the Municipality relating to use, development and planning of land, within a balanced assessment of need and to provide adequately for social and economic demands within a growing economy and population.

5.3.2 LSDF Objectives

The main objective in developing a Precinct Plan for the Jeffreys Bay CBD is:

- To develop a spatial vision for the Jeffreys Bay CBD.
- To leverage private and community/ public investment within Jeffreys Bay.
- To enhance the collateral value of properties within the CBD.

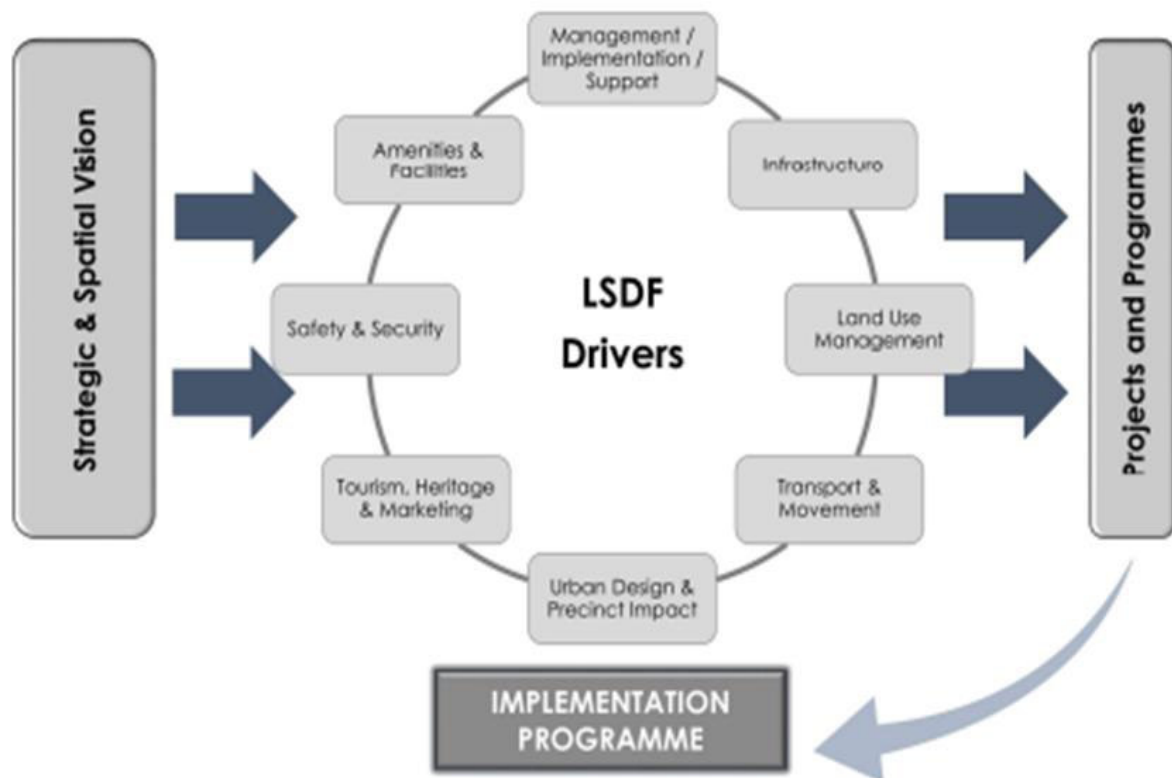
- To create conditions for broadening of capital formation and business development.
- To achieve efficiency in the movement of goods and people by restructuring the spatial form of the CBD by introducing proper land use zones and supporting the introduction of activity nodes and movement corridors.
- To create vibrant public and economic spaces.
- To build institutional and development capacity that will contribute to social and economic cohesion.

5.3.3 SPLUMA

The SPLUMA Founding Principles must guide preparation, adoption and implementation of the Local Spatial Development Framework, policy formulation concerning spatial planning and development or use of land. SPLUMA reinforces and unifies the National Development Plan's vision and policies by using spatial planning mechanisms to eliminate poverty and equality while creating conditions for inclusive.

5.3.4 LSDF Drivers and Spatial Strategies

Figure 32: Drivers



5.3.5 Development Objectives and Spatial Implications

Table 46: Development Objectives and Spatial Implications

LSDF Driver	Strategies	Intervention
Management / Implementation / Support	Implement a Management Committee / Forum	A. Consider establishment of a dedicated committee or structure to drive SDF implementation objectives. B. Implement bi-annual feedback mechanisms through monitoring and support. C. Align with IDP review.
	Establish a Heritage and Urban Design Committee	a) Establish a heritage / aesthetic or urban design committee to assist with development proposals assessment. b) This can be part of the planning and infrastructure office and institutional structure.
	Assess rates rebate options and special rates area	1. Options for rate rebate and possible promulgation of a rates rebate area. 2. This should be done on sound principles and extensive public participation as part of the Jeffreys Bay CBD implementation strategy.
	Implement Overlay Zone with shortened decision-making processes	▪ Establish an Overlay Zone for the CBD Study Area in terms of the new Integrated Land Use Scheme. ▪ Overlay Zone will eliminate applications and application procedure for departures of height, parking and building line requirements.
	LSDF annual priority update and IDP alignment	▪ Ensure alignment of Capital Expenditure Framework with IDP budget and implementation strategy on an annual basis. ▪ Ensure revision of Jeffreys Bay CBD LSDF with Kouga LSDF review cycle. ▪ Prioritise and allocate budgets to create an inducive environment for LSDF strategy implementation.
Infrastructure	Prioritise maintenance and management of infrastructure	▪ Support infrastructure, maintenance and implementation based on various sector plans and annual IDP review.
	Align infrastructure priorities with annual IDP review cycle	Align infrastructure priorities with macro needs within the greater Jeffreys Bay and within budget constraints.
	Implement infrastructure proposals and upgrading as per the CEF	Assess grant funding and lobby support departments for urban regeneration implementation.
Land Use Management	Land use parameters to promote investment	▪ Use heritage and urban design committee as a support function to promote development approval.

LSDF Driver	Strategies	Intervention
		- Assess options to mitigate CBD decisions to the Authorised Official to fast-track development approvals. - Amend development parameters to promote investment. - Support urban design guidelines. - Amend development parameters to promote investment.
	Promulgate Overlay Zone	Declare the Jeffreys Bay CBD as an Overlay Zone with supporting initiatives for investment and abstract decision making
	Implement Land Use Guidelines and height departures to manage CBD identified zones	Support urban design guidelines and all development should be supported by detailed Site Development Plans
Transport and Movement	Maximise Public Parking	- Change traffic flow to one way along Da Gama Road (SB) and Jeffrey Street (NB) - Reconfigure on-street parking - Change east-west streets to one-way pairs - Identify and develop off-street parking sites - Accommodate tour buses away from Diaz Road
	Improve NMT Safety	- Change traffic flow to one way along Da Gama Road (SB) and Jeffrey Street (NB) - Reconfigure on-street parking - Change east-west streets to one-way pairs - Consider closure of street during season - Reconfigure for Universal access - Cycle facilities
	Improve Accessibility	- Change traffic flow to one way along Da Gama Road (SB) and Jeffrey Street (NB) - Reconfigure St Francis Drive / De Reyger Street Junction - Change east-west streets to one-way pairs - Link Duine Road to Diaz Road - Clear directional signage
	Reduce Traffic Congestion	- Change traffic flow to one way along Da Gama Road (SB) and Jeffrey Street (NB). - Reconfigure on-street parking - Change east-west streets to one-way pairs - Reconfigure St Francis Drive / De Reyger Street Junction. - Adjust signal phasing – Da Gama / De Reyger.
Urban Design and Precinct Impact	Promote nodes of focus and activity	The concentration of certain activities, like the factory shop retail facilities at the end of Da Gama Street, is widely regarded as a good way of creating special interest precincts and should be promoted.

LSDF Driver	Strategies	Intervention
		- Identify and focus on an area that can be called the 'Centre of town'. - Allow for nodes that can focus on certain needs of the study area, such as the development of the industrial area or the formalising of a public transport node.
	Promote gateways at the entrances to the study area	- Increased focus on safe movement of cars and pedestrians so that both can enter the study area easily and safely. - Clear signage that gives direction and notification of entering the Jeffreys Bay CBD. - Information to be provided for special regulations regarding the study area, especially during the peak seasons.
	Support Flexible environments	- A space that is comfortable and looks inviting is likely to be successful. - Promoting increased density and mixed-use has proven to be a recipe for success for redefining CBD'S. - The street space can have a variety of uses depending on the season and holiday use of the town CBD. - Allow for uses that cater for in and out of season scenarios.
	Promote regeneration and development of the Public Realm	- All materials, finishes and elements to be minimal and timeless in style, colour and form. - The public realm is to be kept minimal. - Space is more 'neutrally and naturally' defined rather than heavily themed or decorated. - Promote a minimal selection of materials and finishes that are both hardwearing and easily repaired/replaced.
	Create Active and People Friendly Places	- Sufficient activities that are convenient are key drivers for creating busy and economically prosperous town centres. - Promote sufficient variety and number of activities in the public realm. - Some similar and aligned activities often work better when they are grouped. Safe and simple to understand access to facilities is important. - Allow for safe and sufficient parking at activities. - Allow for extended in season operational hours for facilities and services.
Tourism, Heritage and Marketing Safety and Security	Protect heritage and cultural resources	- Generally, history and heritage are a key factor in defining character ('look and feel') for a small town. - Heritage beach houses towards the end of Da Gama Road to be identified and developed into a heritage/boutique retail node. - The Savoy Hotel is an important building in the study area. - The many surf shops are an important part of the reason for tourists visiting the town.

LSDF Driver	Strategies	Intervention
		- Beach structures such as lifesaver towers, lighthouses and the beach promenade are an integral part of the character of Jeffreys Bay. - Promote cultural heritage through exhibitions and events.
	Identify and develop heritage nodes	There is a noticeable node of heritage houses between the factory shops at the end of Da Gama Street and the centre of town that is to be identified and developed.
	Support industry tourism	- Allow for limited seasonal road changes including short limited pedestrianisation and one-way systems. - Allow for a variety of permanent facilities such as markets and outdoor sport and music. - Allow for additional temporary facilities such as toilets for peak seasons. - Allow for temporary overflow parking for the peak seasons. - Arrival to the study area at the various gateways is to be acknowledged and provide a strong visual impression and provide suitable information (though signage, for example), - The study area needs to make a strong first impression regarding cleanliness and hygiene. - A sense of comfort for the user is an important factor. This includes perceptions about safety, cleanliness, and the availability of places to sit. - Are spaces clean and free of litter and are there sufficient dust bins?
	Implement strategies safety	- Primary concepts that promote safer public spaces include: - Clearer access to into and out of public places like parks and beach fronts. - Fewer 'behind building conditions' where activities can occur out of sight of passing traffic. - Limit dead ends as these often create quite un-monitored places. - Trim (but do not remove) planting and trees so that there are clear sightlines at the pedestrian level. - Enforcement such as cameras and security guards also need to be considered, especially in the peak seasons. - Implement overarching safety and security strategies - Align and participate in SAPS, traffic management and land use
	Promote and monitor general hygiene	- All aspects of the public realm to be hard-wearing and low maintenance. - Within the context of small-town maintenance and hygiene generally, and now specifically with the awareness of pandemics such as COVID-19, issues of hygiene have become

LSDF Driver	Strategies	Intervention
		important aspects of the public realm. This is to include routine maintenance, high-pressure cleaning and sanitising of areas such as public toilets, seating and dustbins.
Amenities and Facilities	Facility management and maintenance	▪ Allocation of sufficient operational and management resources from the local authority. ▪ Allocation of sufficient lifelong financing for their operations and maintenance. ▪ Allowance for their operations and management to change for the different use of the low and high season. This, then, needs to allow for: ▪ Sufficient operational and management resources. ▪ Facilities need to be lockable for the low season. ▪ Increased security and monitoring to be allowed for in the low season to minimise the threat of vandalism. ▪ Increased lighting for use in the high season and monitoring in the low season.
	Facility provision and IDP budget alignment	Align public space upgrade and maintenance with IDP budget and external funding sources

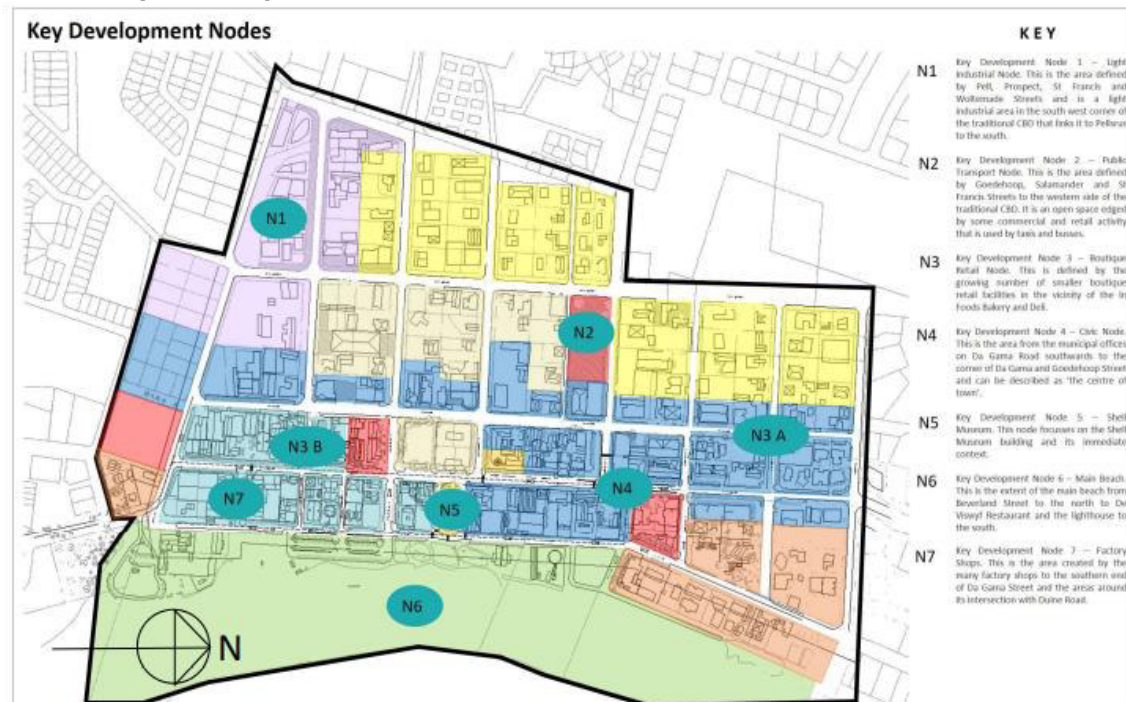
5.3.6 Node-Specific Urban Design Guidelines

In addition to the public realm and private development general guidelines above, the node-specific guidelines below have been developed. It is acknowledged that the Jeffreys Bay CBD is not a singular homogenous place but rather a place of great variety and difference, in use, look and character. Together these (sometimes divergent) elements seem to work to create the Jeffreys Bay CBD of today, with its specific character, that is different from other seaside towns and cities.

These node-specific urban design guidelines relate specifically to the 8 different key nodes that have been identified, notably:

- Key Development Node 1: Light Industrial Node
- Key development Node 2: Public Transportation Node
- Key Development Node 3: A - Boutique Retail Node B – Boutique Retail Node
- Key Development Node 4: Civic Node
- Key Development Node 5: Shell Museum
- Key Development Node 6: Main Beach
- Key Development Node 7: Factory Shops

Figure 33:Key Development Nodes



Plan 29: Concept Layout Plan of the study area indicating seven key development nodes (Not to scale)

Jeffreys Bay CBD Precinct Plan (LSDF) (June 2021)

5.3.7 Strategic Framework of Street Use Scenarios

It is useful to consider the study area streets as public space that can be used by a variety of users in different ways.

- i) Key uses of the public space of the study area:
- Movement of vehicles to and through the study area.
 - Vehicles parking in the study area. This is dependant primarily on seasonality and whether the parking is long or short term.
 - Movement of pedestrians to and through the study area.
 - Places for pedestrian activities.
 - Mixed use public space that allows for elements of vehicular and pedestrian use.
 - The above ideas are expressed in the concept layout plan below.

The elements of this image are described as:

Figure 34: Concept Layout Plan

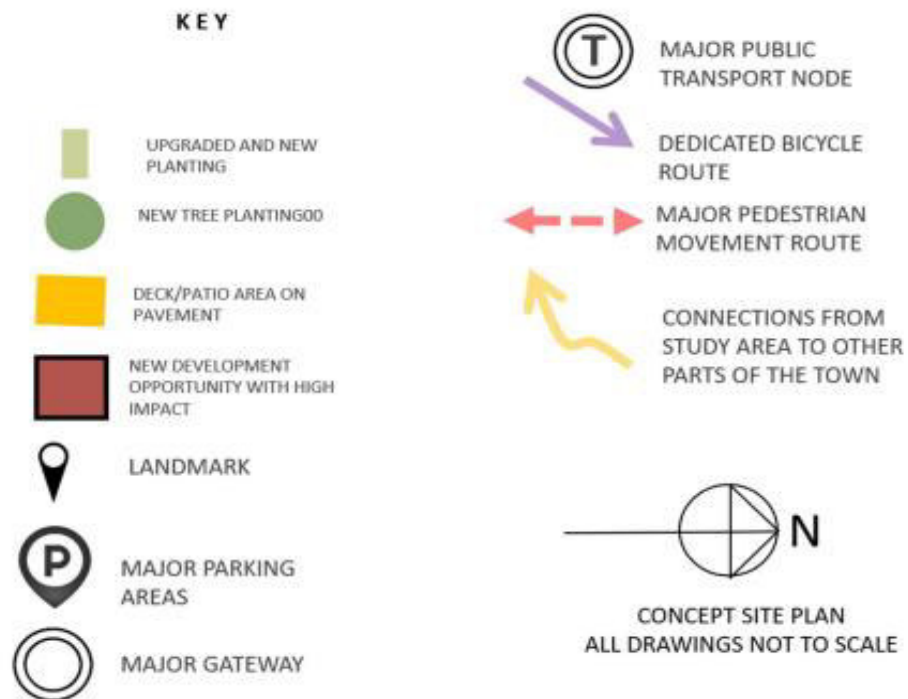
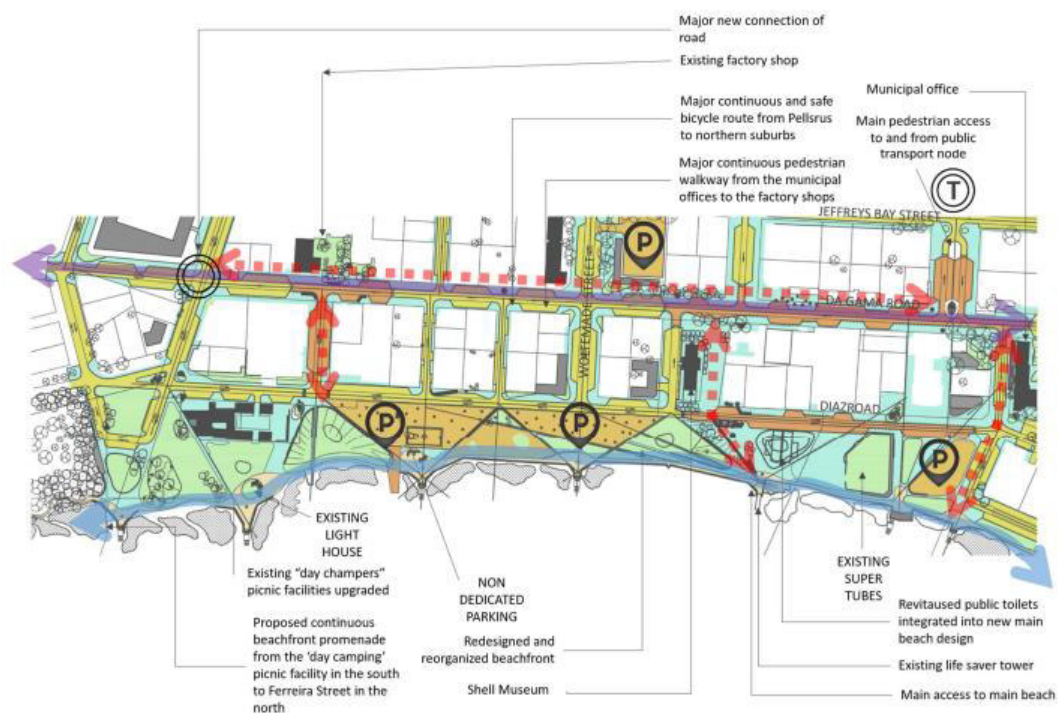


Figure 35: Concept Site Plan of the study area as indicating possibilities for public space use (not to scale)



Figure 36: Concept Site Plan of the Beachfront and Da Gama Road



5.3.8 Consolidated Urban Design Proposal

In summary, the consolidated urban design proposal is an outcome of the investigation of this report and understanding of the role of the LSDF, the Precinct Plan and the analysis of the study area.

The above ideas are expressed in the concept layout plan below:

Figure 37: Consolidated Concept urban Design Proposal Site (not for scale)

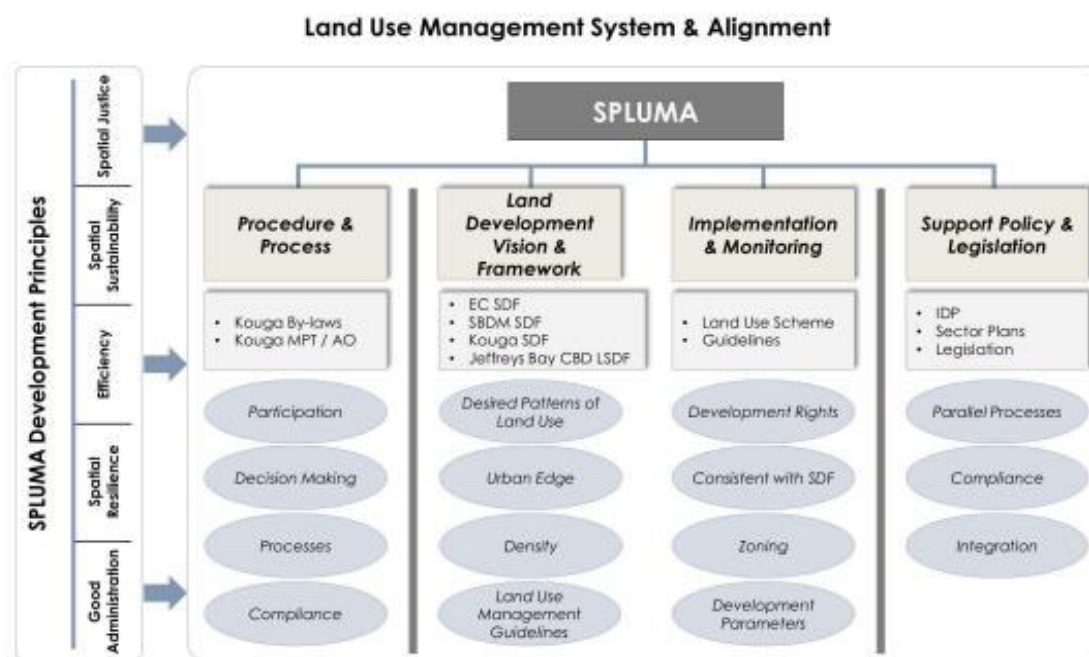


5.3.9 Implementation Framework

The Implementation Framework for the Jeffreys Bay CBD LSDF provides the vehicle for LSDF implementation through projects, budgets, priorities and institutional arrangements to ensure implementation, monitoring and review.

The graphic illustrates the package of plans and the land use management system for Kouga that is entrenched through the Municipal Spatial Development Framework.

Figure 38: Land Use Management System & Alignment



5.3.10 Capital Expenditure Framework (CEF)

A Capital Expenditure Framework is a consolidated, high-level view of infrastructure investment needs in a study area over the long term (10 years).

The CEF articulates how the spatial proposals are to be achieved sequentially, with attention to projects, timeframes, budgets and funding. Planning inputs are based on the spatial planning proposals, Municipal, Provincial and National Government financial planning and capital budgets and the Municipality's Infrastructure Master Plans and infrastructure programme rollout.

5.3.11 Project Focus and Prioritisation

Objectives and vision are achieved through the project and programme implementation.

Given various budgetary constraints, the need for sustainable development and other issues likely to affect the implementation of identified projects, the implementation strategy should be focused on the following principles:

1. Focus on projects that promote the optimal use of existing infrastructure and services and also enable the local municipality to make better returns from existing and newly built infrastructure.
2. Upgrading engineering services and infrastructure capacity is critical to accommodate the needs of new property developments.
3. Focus on projects that will stimulate the objectives and priorities.
4. Acknowledge existing IDP programmes and initiatives.
5. Acknowledge community prioritisation through ward prioritisation.

6. Focus on District and Provincial Programme Alignment
7. Prioritise projects that could better unlock or trigger more investment into the area
8. Focus on projects that utilize and harness local initiatives
9. Capital requirements for implementation and maintenance of the urban design proposals (public space)

5.3.12 IDP 2021 / 2022 Alignment

i. Projects Relevant to the CBD

The following projects were included in the 2020/2021 and 2021/2022 financial years (IDP):

- Planning for The Bypass Sewer – La Mer Sewage Pump Station
 - Sewer Rising Mains: La Mer to Pump Stations 4A and 4B
 - Replace Aging Water Pipes
 - Generator for Main Offices
 - Upgrade Main Electrical Supply: Melkhout to Jeffreys Bay
 - Upgrade Main Substation
 - Develop Electrical Master Plan
 - Roads and Storm Water: Develop Transportation Master Plan
 - Upgrade Provincial Roads: Da Gama Road
 - Fix Potholes
 - Safety and Security: Install Security Cameras
 - Upgrade Ablution Facilities
 - New Municipal Offices: Finalise Design
- ii. Priority Projects Identified (IDP)
- Upgrade CBD
 - Walkways, benches, lights from Dolphin Beach to Caravan Park
 - Play Parks at beach areas
 - CCTV Cameras
 - Cycling Lanes
 - Formal Transport Facility for Taxis
 - Improve Storm Water Infrastructure
 - Upgrade Access to the beach and Ablution Facilities near Pellsrus, upgrade Parking Areas near
 - Snoek and Manta Streets Intersection

5.3.13 Proposed Capital Budget (IDP)

Table 47: Proposed Capital Budget (IDP)

Proposed Projects	21/22	22/23	23/24
Electrical Infrastructure	R 1.4m		

Rising Main La Mer to 4A and 4B	R 0.6m		
Upgrade	R 0.3m	R 0.1m	R 0.1m
Playpark	R 9 000		
Camera System	R 30 000		
Ablution Facilities at Launching Site		R 0.36m	R 0.38m
Ablution Facilities Pellsrus	R 0.15m	R 0.15m	R 0.15m
Playpark	R 40 000	R 40 000	
G5 for Parking Area Main Beach	R 22 000	R 22 000	

5.4 SPATIAL DEVELOPMENT FRAMEWORK

5.4.1 Introduction and Context

The Kouga Municipal (KLM) Spatial Development Framework (SDF) is a framework that seeks to influence the overall spatial distribution of current and future land use within Kouga in order to give effect to the vision, goals and objectives of the municipal Integrated development Plan (IDP). While the KLM SDF is integral to a complete IDP, it is noted that the SDF is also an integrative instrument of municipal management.

5.4.2 The KLM SDF aim to create the building block toward:

- A spatial vision for the future of the municipal.
- Implementation plans together with the necessary public sector resources to deliver them.
- A framework for private investment

5.4.3 Spatial Principles

The following spatial principles inform future land use decisions in KLM

SPLUMA Founding Principles

The Founding Principles will guide preparation, adoption and implementation of the Spatial Development Framework, policy formulation concerning spatial planning and development or use of land. These objectives include the redress of spatial injustices and the integration of social economic and environmental considerations and land use management.

The 5 Founding Principles set out in SPLUMA apply to the KLM SDF:

- Spatial Justice
- Spatial Sustainability
- Efficiency
- Spatial Resilience

- Good Administration

5.4.4 District Directives and Abutting SDF's

KLM shares borders with Koukamma, Sundays River Valley, Beyers Naude (Old Baviaans LM Section) and Nelson Mandela Bay Municipalities and falls within the Sarah Baartman DM. Spatial Implications/Cross border issues requiring spatial alignment and administrative co-ordination are set out below:

Table 48: Spatial Implications/Cross border issues

SBDM	Koukamma	Sundays River Valley	Beyers Naude	NMBM
Acknowledge the N2 coastal route	N2 Garden Route linkage between NMBM and the Western Cape, primarily a tourism route Langkloof alternative route key function for transport of produce to Western and Eastern Cape	N2 Development Corridor	N2 Development Corridor	N2 Development Corridor
Biodiversity Footprint	Coastal Management integrated with Koukamma Municipality and the Nelson Mandela Bay Municipality	Groendal		Coastal Management integrated with Koukamma Municipality and the Nelson Mandela Bay Municipality
Protected Areas/Networks	Baviaans Mega Reserve Planning Domain and conservation area	Baviaans Mega Reserve Planning Domain and conservation area	Baviaans Mega Reserve Planning Domain and conservation area	
ID Renewable energy areas – Wind and Hydro	Wind Resource Area			

SBDM	Koukamma	Sundays River Valley	Beyers Naude	NMBM
Tourism Focus Area	Tourism routes between the Western Cape NMBM, Beyers Naude and Kouga Municipalities Baviaanskloof tourism route between Patensie and Willowmore in the Western Cape (gravel and 4x4 route). Tourism routes between the Western Cape and Kouga Municipalities (Langkloof) and the N2 via Humansdorp (tared roads).	Grootrivier Poort Tourism Route – Only direct connection to SRV and Karoo	Tourism routes between the Western Cape NMBM, Beyers Naude and Kouga Municipalities. Baviaanskloof tourism route between Patensie and Willowmore in the Western Cape (gravel and 4x4 route).	Tourism routes between the Western Cape NMBM, Beyers Naude and Kouga Municipalities
Protect High Potential Agricultural Lands	Dairy Industry			
Protect Forestry Areas				Longmore Forest forestry area between Kouga Municipality and the NMBM
Protect Water Resources	National surface water Strategic Area Irrigation resource – Mpofu Dam	Drinking Water Resource Irrigation resource	Drinking Water Resource (Kouga Dam)	Cross Border - Drinking Water Resource Irrigation resource

5.4.5 Spatial Vision and Concept

This section sets out a vision and spatial concept for the spatial planning and land use management in the Kouga Municipal Area.

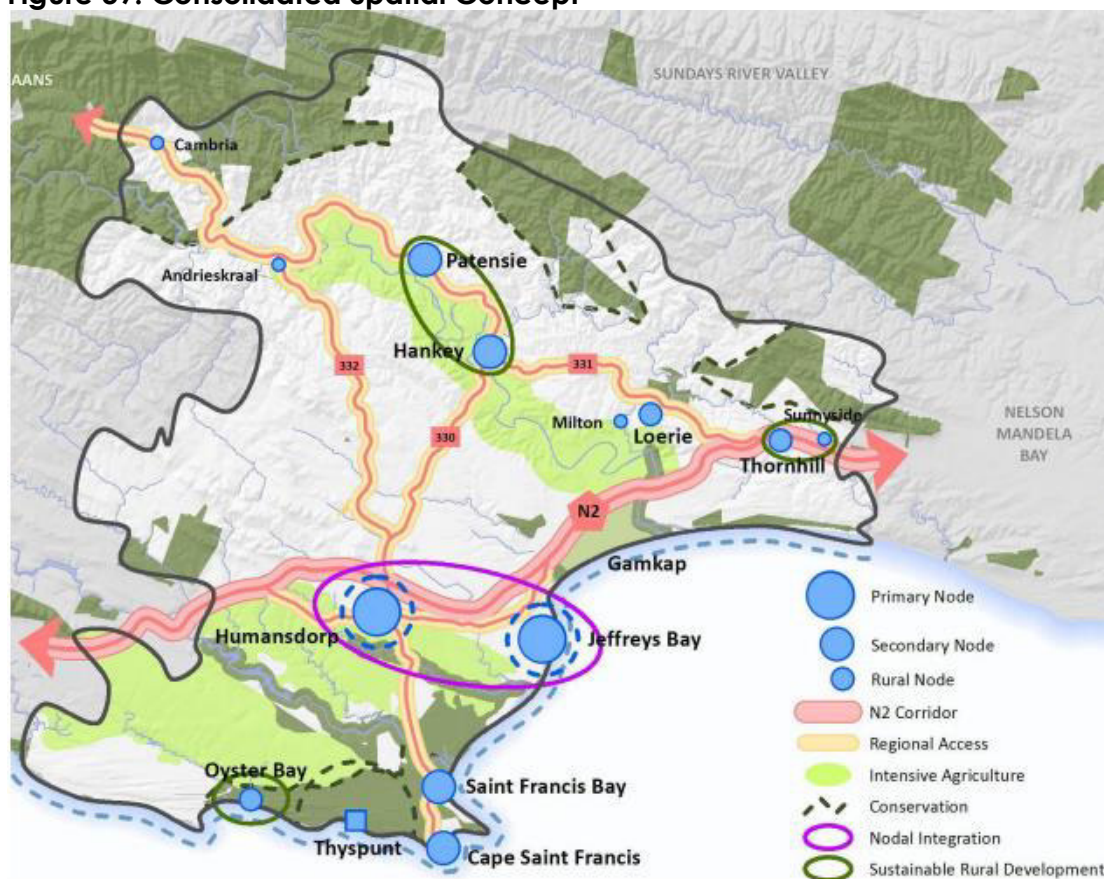
"Kouga is a municipal area where well protected natural resources provide economic opportunities and a framework within which a network of well-connected SMART settlements, with a unique town feel, provides social and economic opportunities for all residents.

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

5.4.6 Consolidated Spatial Concept

Figure 39: Consolidated Spatial Concept



5.4.7 Municipal Spatial Framework

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.

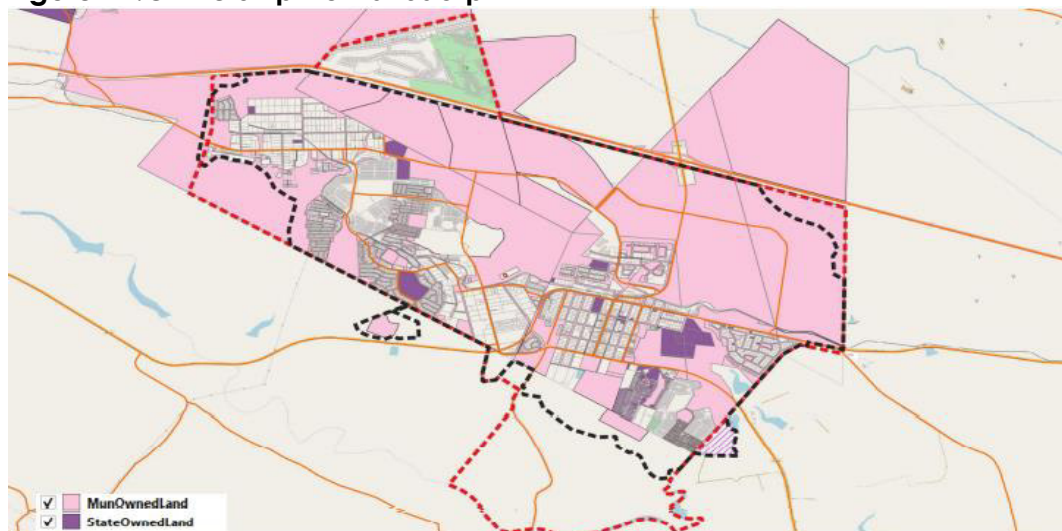
The municipal wide SDF proposals are set out on Figure 16 and will be read together with the Land Use Management Guidelines set out in Chapter 5.

Figure 40:Municipal Spatial Plan



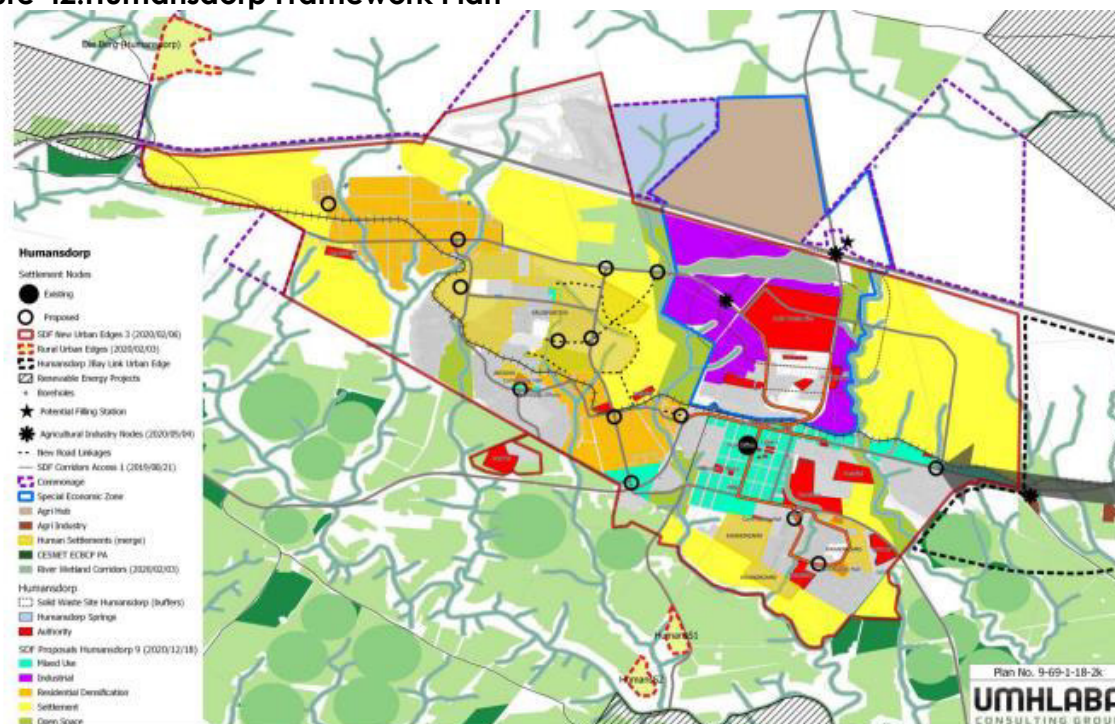
Land Ownership

Figure 41:Ownership Humansdorp



Humansdorp Framework Plan

Figure 42: Humansdorp Framework Plan



5.5 INTERGOVERNMENTAL RELATIONS

Section 24(1) and (2) of the Municipal Systems Act 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.”

5.5.1 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

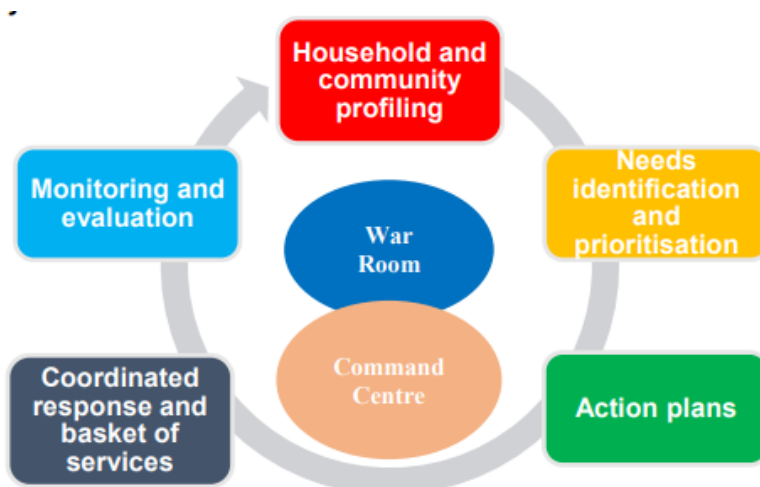
- Premier's Coordinating Forum (PCF)
- District Coordination Forum (DCF)
- Mayor's and Municipal Manager's Forum
- Chief Financial Officer Forum
- Provincial Local Economic Development Forum
- Provincial LED and Tourism Forum
- Provincial Public Participation and Communication Forum
- Provincial IDP 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)

a) District / Municipal Forms

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

5.6 INTEGRATED SERVICE DELIVERY MODEL

Figure 43: Integrated Service Model



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.

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:

1. The holding of council meetings as legislated.
2. The functionality of oversight structures such as municipal public accounts committees and other
3. Oversight meetings.
4. Progress on matters listed on the back-to-basics programme.
5. The existence and efficiency of anti-corruption measures.
6. The extent to which there is compliance with legislation and the enforcement of by-laws.
7. 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.

1. Efficient communication systems to communicate regularly with communities and disseminate urgent information.
2. The existence of the required number of functional ward committees.
3. The number of effective public participation programmes conducted by councils.
4. 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.

CHAPTER 6: WARD BASED PLANNING

6.1 BACKGROUND TO WARD BASED PLANNING

The methodology was developed in a 4 Country Project with South Africa, Uganda, Zimbabwe and Ghana in the early 2000's following the enactment of the Municipal Systems Act 2000, which introduced and regulated the Integrated Development Planning (IDP) in Local government. Whilst the methodology has evolved over the years and customised to fit the circumstances of various communities, the underlying principle of mobilisation of communities actively participate in planning has sustained.

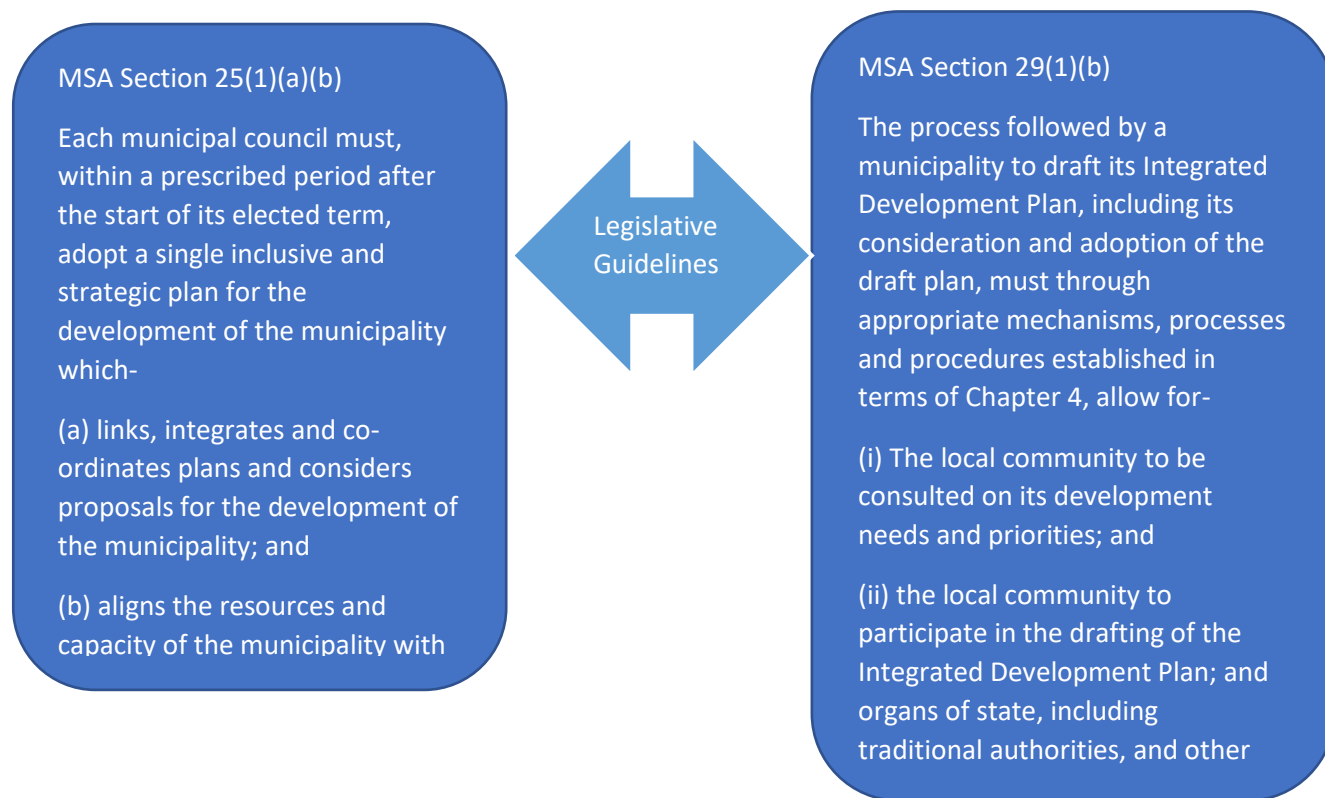
6.1.1 Introduction

Community-based planning (CBP) is a form of participatory planning that has been designed to promote community action and link to the Integrated Development Plan (IDP). The Ward Based Planning is a type of Community based planning.

To be effective, the plan must be owned by the ward as represented by Ward Committee Municipalities, in spite of the fact that the Municipality initiates and coordinates the planning process. The ward committees and stakeholders thus play a crucial role in developing the ward plan. Through the ward-based planning process, the Municipality empowers the ward councillors and committees to facilitate a planning process that will enable each committee to "generate a mandate for its term of office'.

As part of the process the Ward Profiles were prepared by the IDP Unit based on Census 2011 statistics. The Census Profiles contain information on population by age, households and dwelling types, families, and language groups etc. The ward plan encapsulates the ward vision and the service delivery priorities for the 5 years of the implementation of the Municipality's Integrated Plan (IDP). It is reviewed annually.

6.2 LEGISLATIVE CONTEXT

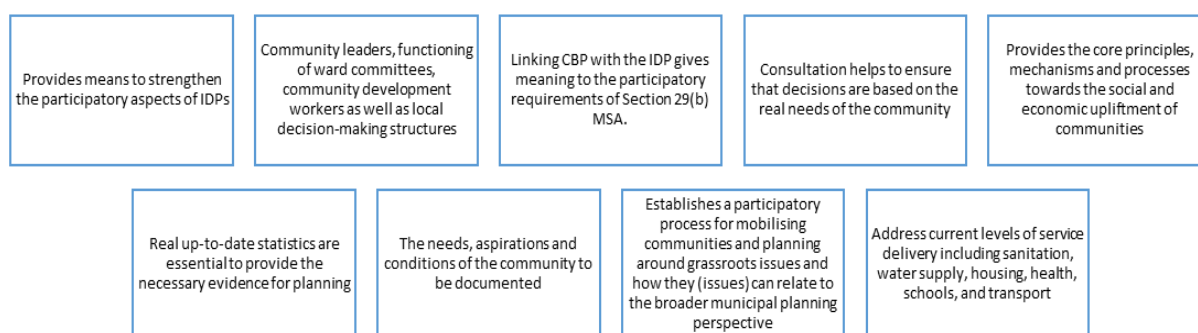


The WBP derives its mandate from the Municipal Systems Act and aims at enriching the IDP process through enabling robust planning at community level towards identification of community/ward priorities and strategies. The WBP stimulates active citizen participation in the Municipal Planning process, of which the outcomes benefit the municipal planning and budgeting processes to be responsive and aligned to community plans.

6.2.1 Objectives of Ward Based Planning & Alignment to IDP Processes

The Ward based planning process precedes the IDP review process, thus creating a shift from confinement of public participation to consultation into one that empowers communities to plan on grass-roots issues.

The rationale for undertaking the Ward Based Planning as part of the IDP process is encapsulated in the diagram below:



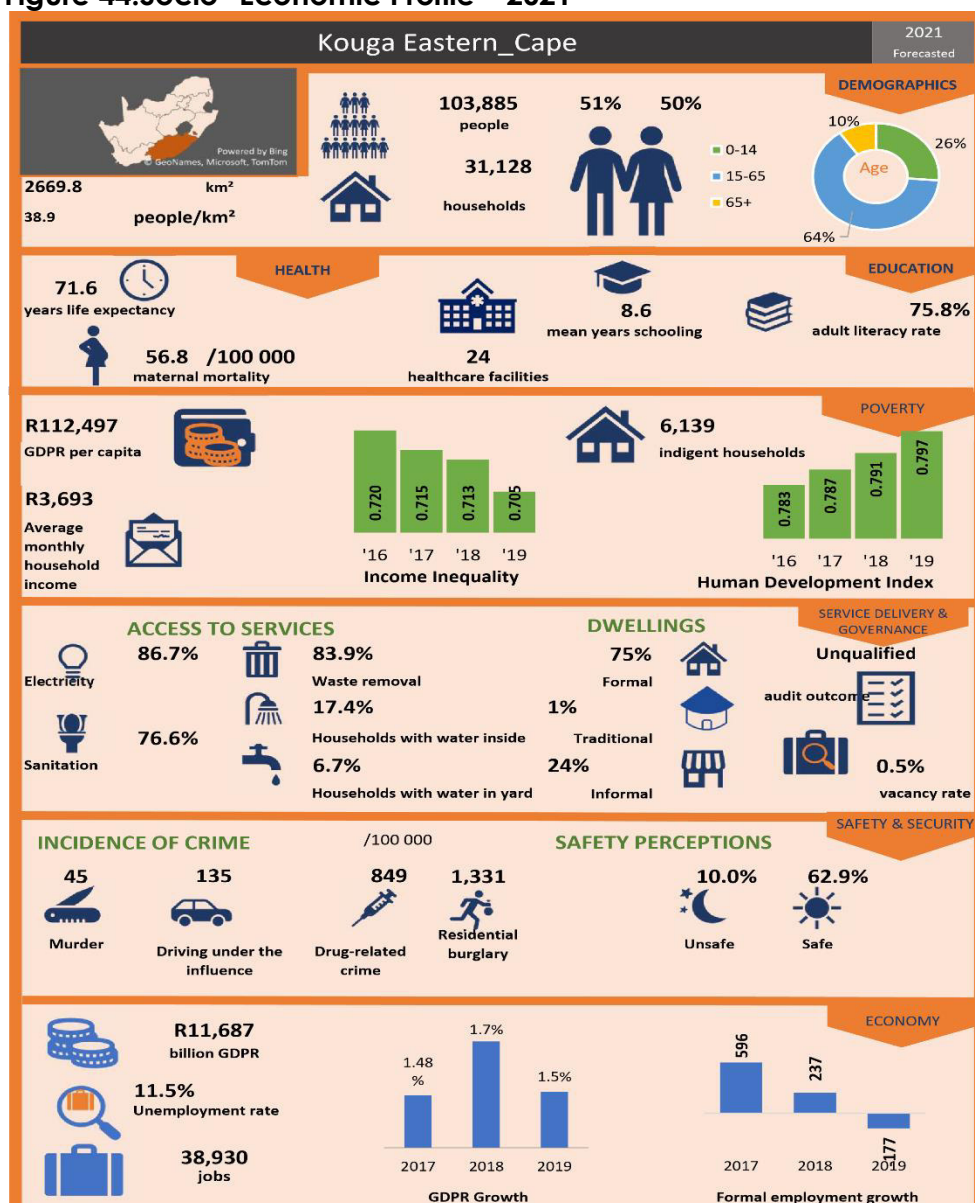
“The information contained in the IDP must be used to inform the CBP/WBP process, while the outputs of WBP will in turn inform IDP Review of the following year and on...”
(Community Based Planning Managers ‘Guide: DPLG.

6.2.3 Synopsis of Municipal Socio-Economic Profile

The Kouga Municipality had 29 051 households in 2016, which is expected to rise to 33 995 by 2026. With an average annual household growth rate of 0.46 %, the Kouga.

In 2016, the average household size in the Kouga Municipality was 3.39 people. This is expected to marginally increase to 3.4 people in 2026.

The Kouga Municipality had an average population growth of 0.3 % and a household growth of 0.46 %. Household sizes are, therefore, increasing. This has implications for the demand of housing, as well as the types of housing that will be demanded in the future. Mean years of schooling is decreasing in the Kouga Municipality.

Figure 44:Socio- Economic Profile – 2021

Source: National Treasury Municipal Socio -Economic Profiles

Overall, the adult literacy rate in the Kouga Municipality decreased over the period 2016 to 2019. The number of skilled workers within the area increased from 4 208 in 2016 to 4 537 in 2019. This is a possible indication of in-migration of skilled people to Kouga area.

The Kouga Municipality had a higher GDP per capita than that of the Sarah_Baartman District, and a higher GDP per capita than that of South Africa. The average household income increased by an about 2.8 % between 2016 to 2019. Income inequality has been decreasing trends, while the Human Development Index increased from 0.783 to 0.797 between 2016 and 2019 for the Municipality.

Staff vacancies in the Kouga Municipality have been on a declining trend between 2016 and 2019.

In 2019, 74.3 % of the population living within the Kouga Municipality resided in formal dwellings, with 24.5 % of households living in informal dwellings. The proportion of people living in subsidised dwellings has been decreasing.

In 2019, 96.3 % of households had access to water, 86.7 % of households had access to electricity, 76.6 % of households had access to sanitation services and 83.9 % had access to waste removal services.

The Kouga Municipality had an average annual growth rate of 1.16 % between 2016 and 2019 and generated a total of R 11.5 billion in GDP. The municipal area employed 38 060 people, with the largest employer being the Agriculture, forestry & fishing sector. The sector with the highest comparative advantage was the Agriculture, forestry & fishing sector.

	2016	2017	2018	2019
Imports	R300	R270	R262	R249
Exports	R405	R347	R362	R302

Source: Municipal Socio-Economic Profile (National Treasury:2021)

6.3 WARD BASED PLANS

Ward Plans capture what communities see as their desired outcomes and this helps speed up the implementation of the IDP. During the ward-based planning process of Kouga Municipality, the Ward Councillor and relevant ward committees along with the ward stakeholders were participants in the process of developing their respective ward plans.

Each ward successfully developed their ward plans, and these will be covered in the sections of this document to follow.

Governance Structure: Ward Committees Roles:

The ward committee was workshopped on the Ward Committee role in the IDP/ budgeting process including the ward -based planning process. These can be summarized as follows:-

- Serve as an official specialized participatory structure.
- Create formal unbiased communication channels as well as a co-operative partnership between the community and the council.
- Serve as a mobilizing agent for community action, in particular through the IDP process and the municipality's budgetary process.
- Ward Committees therefore play an important part in promoting and encouraging community participation to ensure that the community's priorities and needs are considered in municipal planning.

Ward Committees have been widely applied as a way of structuring municipal-community relations. In compiling the IDP, Ward Committees play a crucial role in providing community input and needs assessment that can feed into the IDP but also in facilitating public review of the IDP implementation and municipal performance against the IDP.

6.3.1 Ward Based Plan: Ward 1

Oyster Bay is a small coastal hamlet and resort located about 22.5 kilometers west of St Francis Bay on the Eastern Cape Coast of South Africa. It forms part of the Kouga Local Municipality of the Sarah Baartman District.

Oyster Bay is situated on the Sunshine coast of the Eastern Cape province in South Africa. Oyster Bay is situated between St Francis Bay and the border of the Tsitsikama coast and offers visitors a true nature lover's paradise. Oyster Bay has an extremely large coastal and marine biological diversity.

Oyster Bay is renowned for long stretches of sandy beach and a strong emphasis on preserving their natural environment.

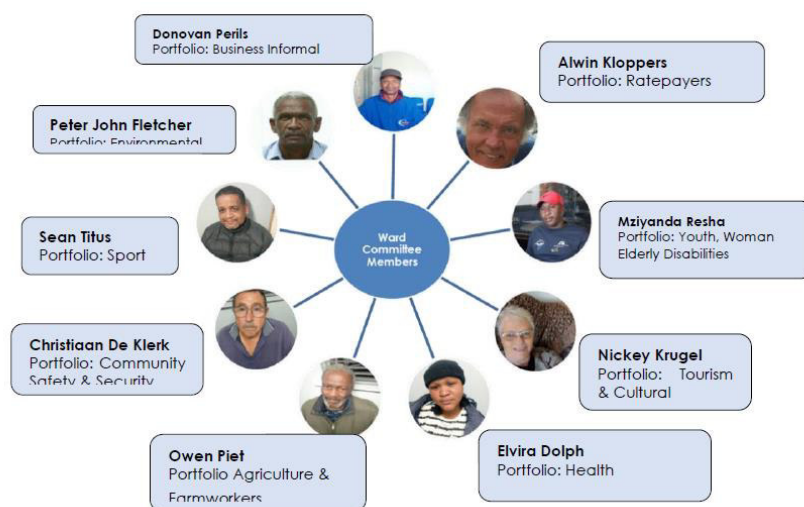
6.3.1.1 Governance Structure

a) Ward Councillor



Cllr. N Ntshota is the elected councillor for Ward 1 which covers areas of Oyster Bay and Sea Vista.

b) Ward Committee



6.3.1.2 Ward 1 Vision

VISION: ***“A Peaceful Ward that is free from poverty, unemployment & drugs”***

The Community of ward 1 identified current challenges that need to be addressed to get to the desired state (vision) in the ward. These challenges are:



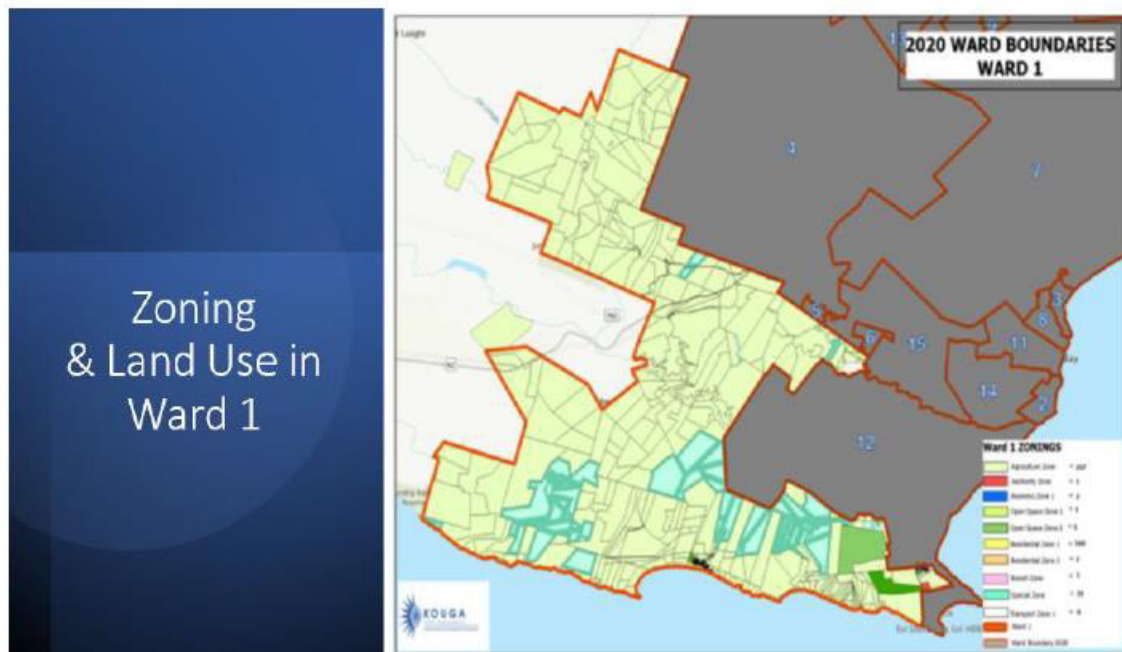
6.3.1.3 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

Strengths	Weakness
• Working hand in hand with community • Good listener • Problem solver	• No skills • Lack of knowledge • To make sure everyone is assisted • Panic • Patience
Opportunities	Threats
• Training • Participation	• Budget • Communication plan • High expectations

In response to SWOT analysis, and action plan has been developed recommending projects and strategies over the next 5 years.

6.3.1.6 LAND USE AND ZONING



The Kouga Municipal Spatial Development Framework (SDF) sets out the spatial strategy within which the 2022/2027 IDP operates. The key spatial plan of the SDF and the short term (5year) spatial priorities are to be incorporated in the IDP.

The SDF covers the whole jurisdictional area of the municipality not only the towns and must strive to answer the following questions.

- How is the SDF going to develop Ward 12 over the next 5 to 10 years ?
- What kind of development should take place?
- Where is the best place for development ?
- Who will be responsible for what aspect of the development ?

6.3.1.7 FACILITIES IN WARD 1

Municipal facilities mean buildings and properties owned, leased, rented, allocated, programmed, operated, or managed by the Municipality intended for public use.



6.3.1.8 RESOURCES

This includes, but is not limited to parks and trails, recreation facilities, staff offices and workspaces, meeting rooms, community meeting spaces, Municipal Hall and spaces where the Municipal Services are provided but does not include facilities or proportions thereof that are occupied by any other sector.

No.	Resources
1.	Windfarms
2.	DVG Community Support Centre
3.	Clinic
4.	Community Hall
5.	Library
6.	Beach
7.	Spar
8.	Foreign Registered Spaza Shops
9.	Dairy Farming
10.	Brakke duine

6.3.1.9 WARD PRIORITIES (2023-2027)

No.	Project	2022/23	2023/24	2024/25	2025/26	2026/27	Responsibility
1.	Water borne sewer system	x	x				Kouga Municipality/Cogta
2.	Formalization of informal settlement		x	x			Kouga Municipality/Dept. of Human Settlement
3.	Storm water drainage (Umzamowethu, Sea Vista & Lower Golf Course)	x	x				Kouga Municipality
4.	Stray animals	x	x				Kouga Municipality
5.	Shelter for scholars (Sea Vista & Neighboring Farms)	x	x				Kouga Municipality/Dept. of Education
6.	Rehabilitation of dunes	x	x	x			Kouga Municipality/DEDEA
7.	Promotion of SMME's		x				Kouga Municipality
8.	Overgrown erven	x	x				Kouga Municipality
9.	Fixing of roads	x	x				Kouga Municipality
10.	Speed humps	x	x				Kouga Municipality
11.	Clear Illegal dumping site	x	x				Kouga municipality
12.	CCTV Cameras		x				Kouga municipality
13.	High mast light for Lower Golf Course		x				Kouga municipality
14.	Rehab Centre for drug and substance abuse					x	Kouga Municipality/Dept. of Social Development
15.	Youth Development Centre			x			Kouga Municipality/Dept. of Social Development
16.	Skills Development for Youth and Career Expo		x	x	x	x	Koga Municipality
17.	Disabled Centre		x	x	x	x	Kouga Municipality/Dept. of Social Development

6.3.2 WARD BASED PLAN: WARD 2

6.3.2.1 WARD 2 PROFILE

Jeffrey's Bay is situated right near the tip of Southern-most Africa in the Eastern Cape province. It sits at the gateway of the beautiful Garden Route – the famous route between Port Elizabeth (Nelson Mandela Bay) and Cape Town. From Jeffreys Bay, this scenic road winds through the beautiful Tsitsikamma forest, Nature's Valley, and the seaside towns of Plettenberg Bay and Knysna. Due to this prime situation, Jeffrey's Bay provides travelers with an ideal base from which to explore the enchanting east coast of South Africa.

Ward 2 is one of the Jeffreys bay ward which includes **Pelsrus, Madiba Bay, Marina Martinique, and Aston Bay.**

6.3.2.2 GOVERNANCE STRUCTURE

a) Ward Councillor

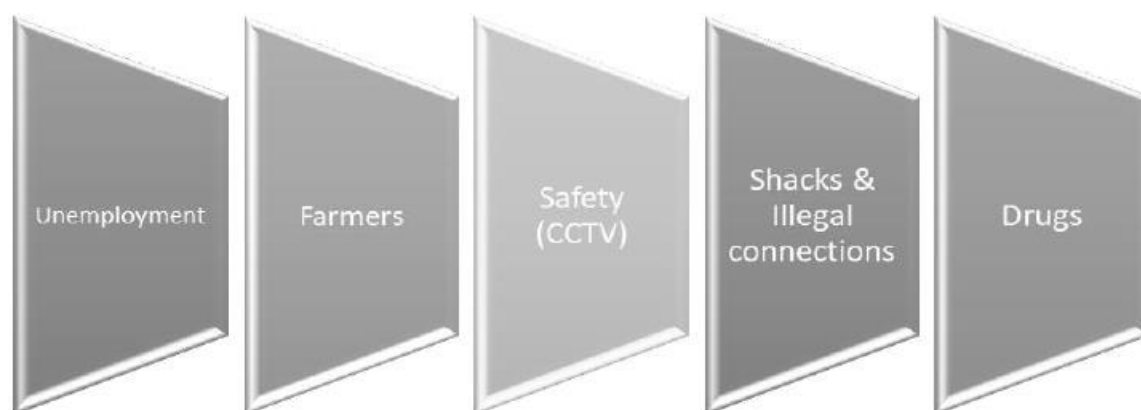


b) Ward Committee



6.3.2.3 WARD 2: VISION

The Community of ward 2 identified current challenges that need to be addressed in order to get to the desired state (vision) in the ward. These challenges are:



6.3.2.4 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

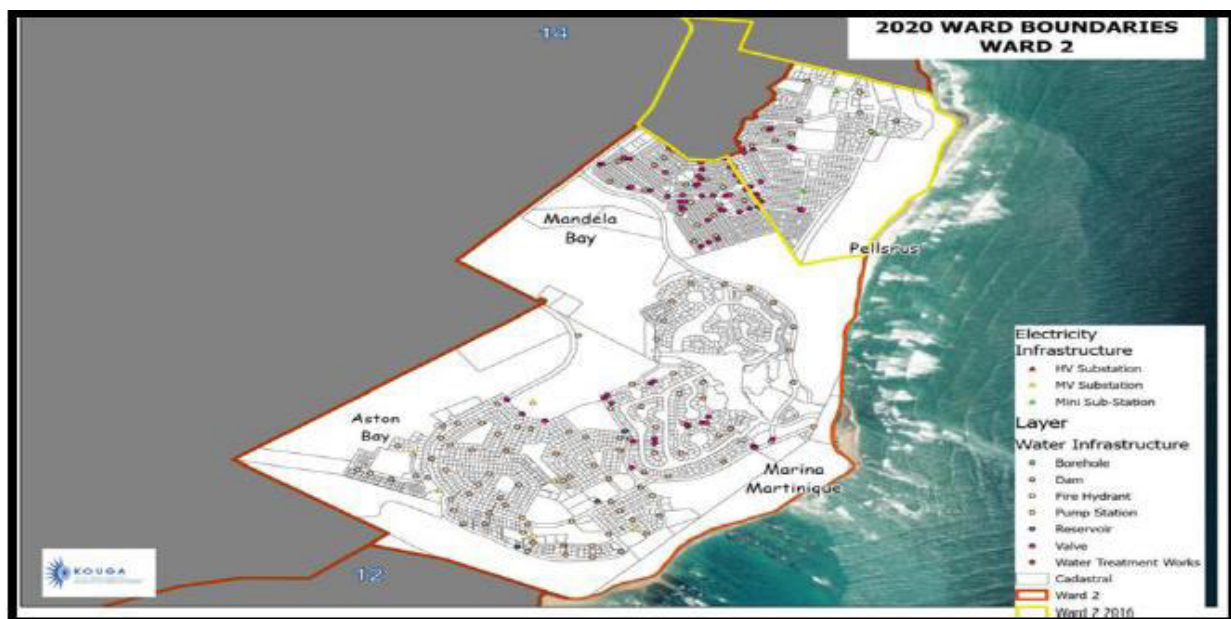
Strengths	Weakness
• Ocean /Beach Marina • Sports/ Sportfield • Vacant Space/ Land • Next to CBD • Tourism (Open water swim SA Marina) • Hospitality Industry • Seekoei Nature Reserve	• Criminal Activities • Lack of qualified skills • Outsources SMMEs opportunities • Lack of SMME's capacity support • Marketing destination
Opportunities	Threats
• Ocean • Vacant Land / Business Opportunity • Neighborhood Watch / More Cameras • Safety Groups • Boreholes • Youth Development Centre /Skills • Sportfields • Informative Social Network • Seekoeie Nature Reserve	• Poor Infrastructure • Business restriction • Drought • Storms • Increase in population • No land for human settlement

In response to SWOT analysis, an action plan was developed recommending projects and strategies over the next 5 years.

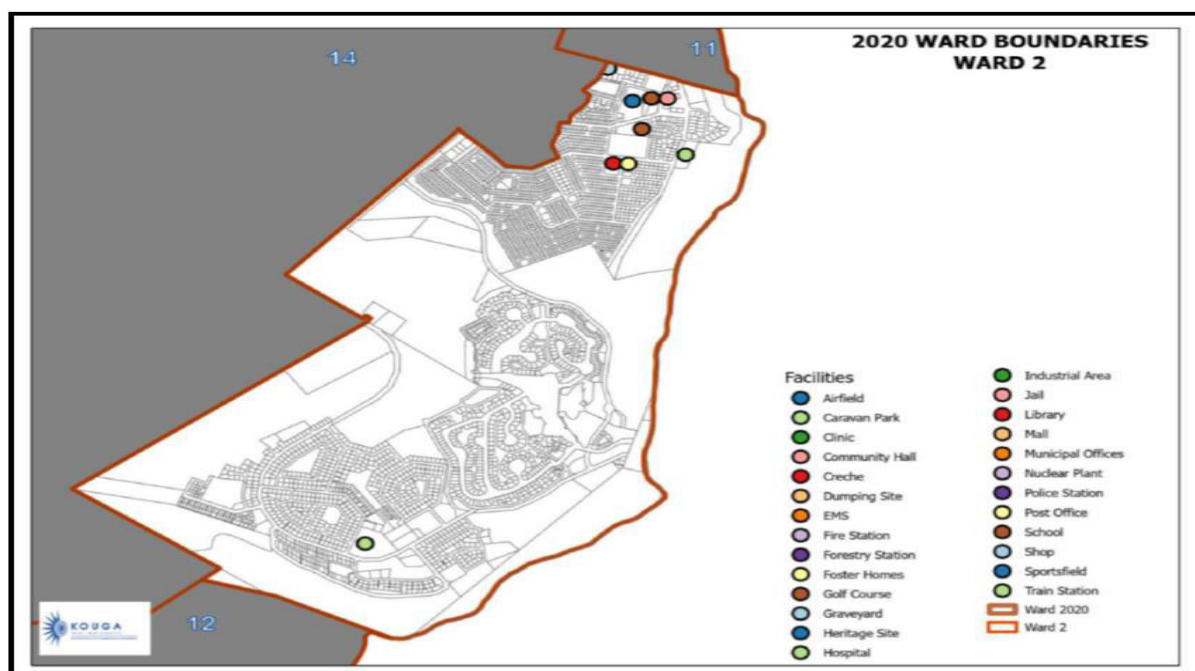
6.3.2.5 WARD 2: SOCIO-ECONOMIC PROFILE

	Population = 5016 (Census 2011) = 4212 (Voters Roll 2016) = 5299 (Voters Roll 2021)
	Households = 1591 (Census 2011) 43.6% Households fully owned and paid up Average Annual Household Income = R14 600 (More than Double the Provincial and District Averages)
	Access to Services: Water – 98.8% Refuse Collection – 97% Sanitation (flush toilet) – 73.7%
	Employment = 56.6% Employed
	Education = 24% Completed Matric or higher = 62.6% Completed Grade 9 or higher

6.3.2.6 WARD INFRASTRUCTURE AND ASSETS



6.3.2.7 FACILITIES IN THE WARD



6.3.2.8 WARD 2: RESOURCE MAPPING

No.	Description	Ownership
1.	Ocean	Natural Asset
2.	Seekoei nature reserve	Natural Asset
3.	Churches	Private churches
4.	Caravan Park	Kouga municipality
5.	Lagoon	Natural Asset
6.	NPO's and NPO's	Private
7.	Marina canals	Marina Martinique
8.	Sport field	Kouga municipality
9.	Aston Bay jetty	Marina Martinique
10.	Franchise	Private
11.	Clinic	Dept. of Health
12.	Community Hall	Kouga municipality
13.	School	Dept. of Education

6.3.1.1 WARD 2 PRIORITIES

BUDGET YEAR							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	Camera systems	x					Kouga Municipality/ Internal Stakeholders
2.	Neighbourhood watches	x					Ward committee
3.	Solar panel lights	x	x				Kouga municipality/ SBDM
4.	Safety committee forum	x					Ward committee/ Security cluster/SAPS
5.	Youth development centre		x				Kouga municipality/SPU
6.	Capacity workshop for existing SMME's	x					Kouga municipality/LED
7.	NPO's and NGO's development	x					Kouga municipality/LED
8.	Workshop training for vulnerable groups	x					SPU
9.	Athletic running track				x		DSRAC
10.	Tarring of roads		x				Kouga municipality
11.	Upgrading of storm water and sewer system	x					Kouga municipality
12.	Upgrading of sport field	x					Kouga municipality/DSRAC
13.	Beach boardwalk and disabled ramp				x		Kouga municipality
14.	Business Park for SMME's					x	Kouga municipality/LED/ Stakeholders
15.	Improvement of existing health facilities	x					Kouga municipality/Dept . of Health/Ward committee
16.	Indoor sport centre			X			Kouga municipality/ DSRAC
17.	Business partnership		x				Ward committee/Business sector

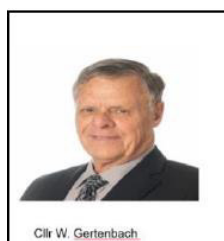
6.3.2 WARD BASED PLAN: WARD 3

6.3.2.1 WARD 3: PROFILE

The town of Jeffreys Bay is bordered on both sides by nature reserves and rivers. The Kabeljous Estuary in the Kabeljous Nature Reserve is known as one of the best-preserved estuaries in the Eastern Cape, and every year the flamingos return to spend the summer here. For the nature lovers, there are wonderful hiking trails in Kabeljous Nature Reserve as well as in the Noorsekloof Nature Reserve. Wavecrest is a rather large suburb in Jeffreys Bay, taking up a huge chunk of the area. Property investment in a holiday home in Wavecrest is a brilliant opportunity to make your investment work for you. When you are not enjoying the peace and tranquility of a coastal getaway, rent out your holiday home to earn extra income or let the property pay for itself. This suburb was established in the mid-1970s and is almost 90% developed. The ward has a beach which encourages the following tourism or leisure activities: surf school, horse trials and it is also home to the Jeffreys Bay Golf Course.

6.3.2.2 WARD GOVERNANCE STRUCTURE

a) Ward Councillor



b) Ward Committee

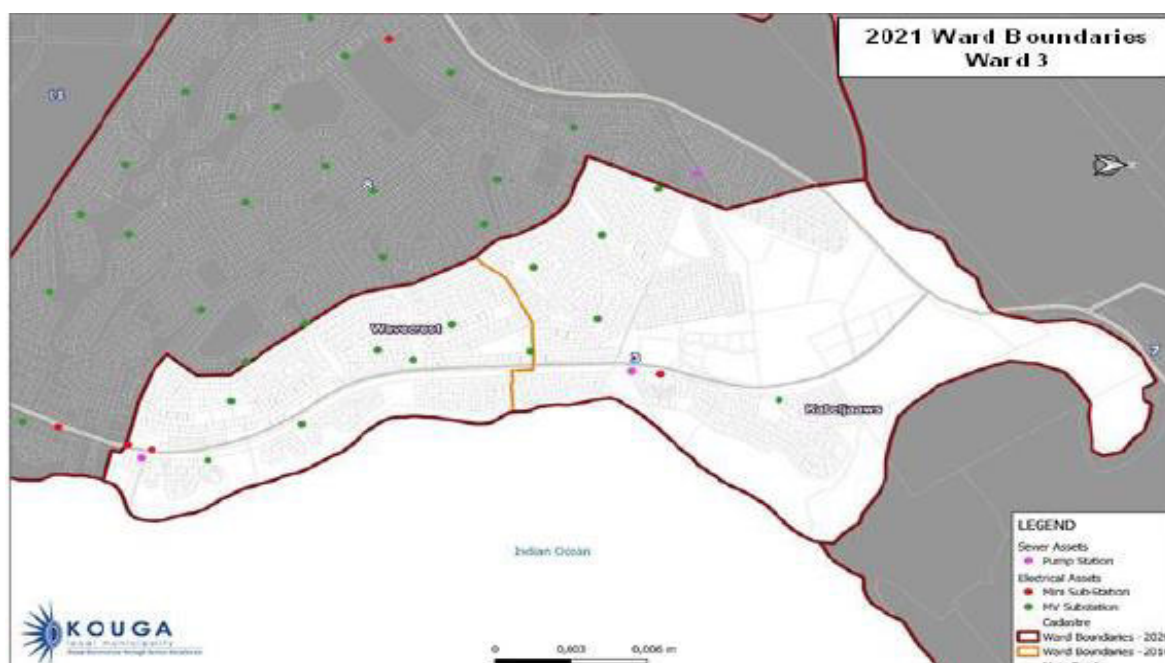


6.3.2.3 WARD 3: SOCIO-ECONOMIC PROFILE

	POPULATION = 1 128 (census 2011) = 2 499 (voters 2016) = 3 124 (voters 2021)
	HOUSEHOLDS = 503 (Census 2011) 61% households fully owned and paid up Average Annual Household Income = R115 100 (More than Double the Provincial and District Averages)
	ACCESS TO SERVICES: Water – 98.5 % Refuse Collection 98.3% Sanitation (Flush toilet) 96,6 %
	EDUCATION: 74.5% Completed matric / higher 90.2% Completed Grade 9 / higher
	EMPLOYMENT: 50.2% Employed

6.3.2.4 INFRASTRUCTURE & ASSETS

Ageing infrastructure, especially electricity, water and sanitation infrastructure results in leakages, pipe bursts, blockages and electricity disruptions, all of which impede service delivery.

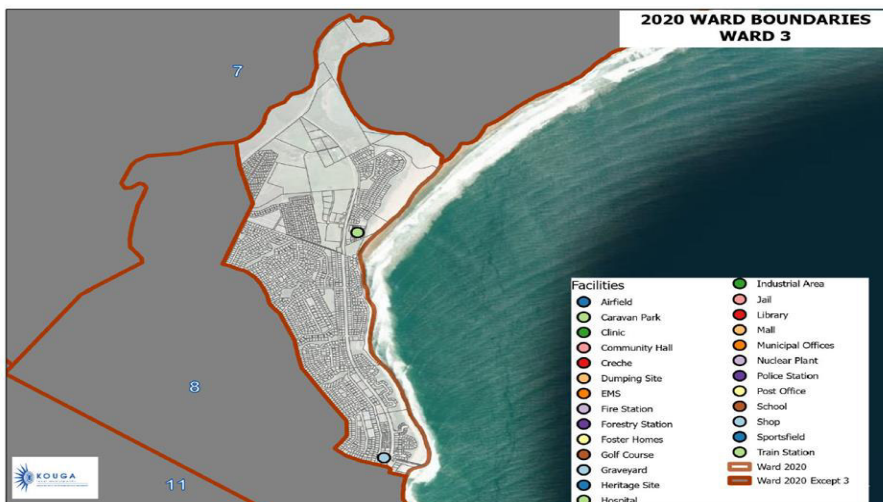


6.3.2.5 LAND USE AND ZONING



The ward is largely zoned residential and has a fair amount of open spaces, agricultural land and protected areas. There is a business zone mainly doing the Da Gama main road that transverses through the town of Jeffreys Bay (ward 8&11)

6.3.2.6 FACILITIES IN WARD



6.3.2.7 WARD 3: RESOURCE MAPPING

No.	Description
1.	Kabeljous lagoon & Nature Reserve
2.	Eedenglen Retirement Village
3.	Dutch Reformed Church
4.	Beach
5.	Engen
6.	Nina's Restaurant
7.	Supertubes
8.	SuperSpar
9.	Noorsekloof Local Authority Nature Reserve
10.	Whale Watching

6.3.2.8 WARD 3: PRIORITIES

BUDGET YEAR							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	Takeover of Da Gama Road	X	X				Kouga municipality/ Dept. of Roads and Transport
2.	Resealing of 1km of road	X	X	X			Kouga municipality
3.	Maintenance of storm water, internal roads, and infrastructure	X	X	X			Kouga municipality
4.	Sustainable electrical bulk supply	X	X				Kouga municipality
5.	Providing of curbing for internal roads	X	X				Kouga municipality
6.	Wi-fi	X					Kouga municipality
7.	Replacement of Mimosa water-pipe	X					Kouga municipality
8.	Street names for the new ward extension	X					Kouga municipality
9.	Walkways along Da Gama Road	X					Kouga municipality
10.	Boardwalks along our beaches	X					Kouga municipality

6.3.3 WARD BASED PLAN: WARD 4

6.3.3.1 WARD 4: PROFILE

Ward 4 is located in southwest part of Kouga Local Municipality. It consists of Kruisfontein, Jeugkamp, Die Berg, Ext 391-Northside, 7de Laan, Maak 'n Las, Gill Marcus, Mooi-uitsig, and Donkerhoek. The extent of the ward is 308.4 square kilometers. The oldest hand rung bell can be found at the historic United Congregational Church that was built in 1839. The surrounding beautiful mountains can offer day hikes, bike rides and unforgettable adventures. The community in Kruisfontein and Die Berg use to be small scale crop and cattle farmers.

6.3.3.2 WARD GOVERNANCE STRUCTURE

a) Ward Councillor



Ward Cllr. J Alexander

b) Ward Committee



VALERIE KRIGA
PORTFOLIO: YOUTH, WOMEN,
ELDERLY



BRADLEY STEFAANS
PORTFOLIO: EDUCATION
& RELIGION



LEONIE PLAATJIES
PORTFOLIO: HEALTH &
WELFARE



FRANS LEANDER
PORTFOLIO: AGRICULTURAL



SHARON FELIX
PORTFOLIO:
ENVIRONMENTAL



BRADLEY STEFAANS
PORTFOLIO: SPORT



ARNOLD KOESTER
PORTFOLIO: SAFETY &
SECURITY



TYRON LIBERTY
PORTFOLIO: RATEPAYERS &
CIVIC ASSOCIATION



PRISCILLA POCKBASS
PORTFOLIO: TOURISM &
CULTURE

6.3.3.3 WARD 4: VISION

VISION: "A prosperous ward that promotes sustainable rural livelihood and food security through effective service excellence."

The Community of ward 4 identified current challenges that need to be addressed in order to get to the desired state (vision) in the ward. These challenges are



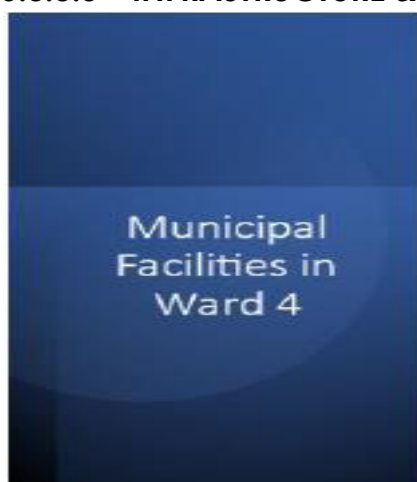
No.	Unemployment	Farmers	Safety	Shacks & Illegal Connections	Drugs
1.	Unemployment rate was 61.6% in 2011	There are a lot of live-stock farmers who are not registered	The ward is exposed to gangsterism of the highest order	Influx, land invasion and illegal informal settlement should be discouraged	This ward is one of the hotspots of the selling and use of drugs
2.	The population growth has increased significantly between	Live-stock animals are roaming in streets and CBD, due to land challenges	All the schools in the area are subjected to drug abuse and gangster groups	Proper measurements should be implemented to protect vacant land earmarked for IRDP housing	The community Police Forum should be re-vitalized to minimize the degrading of a once great community
3.	Residents are the owners of big portions of land with agricultural potential	Municipality to do an audit on live-stock and to empower farmers in line with available programs	All fraternities should join forces to address this evil urgently	Abnormal growth of informal settlement is a huge challenge and is giving birth to gangsterism	The SPU Section should take the lead in facilitating the development of a strategy to address the challenge

6.3.3.4 WARD 4: SWOT ANALYSIS

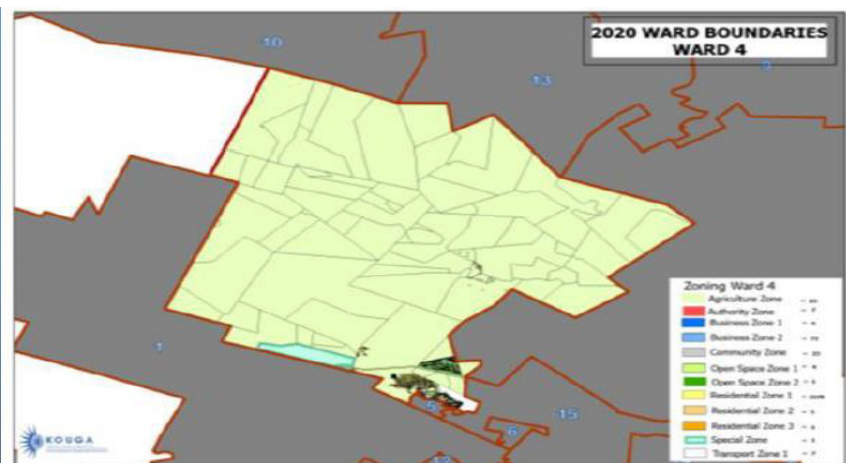
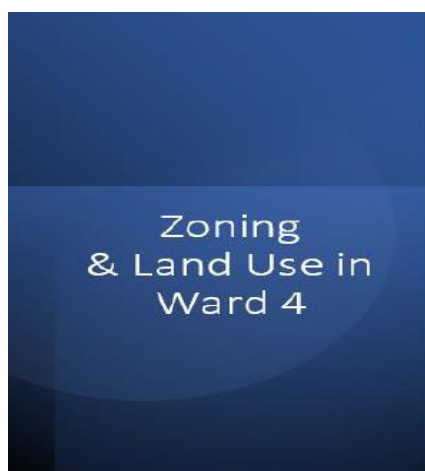
As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

Strengths	Weakness
• Abundance of land • Agriculture, livestock and vegetables • Heritage (Old Klip Skool) • Water reserves • Tourism • Live stock farming	• Policy development for influx and migration • Internal monitoring and expanding of informal settlements • Upgrading of roads • Mini skips • Buckets • Gansterism • Replacement of septic tanks
Opportunities	Threats
• Recycling • SMME Deveelopment • Agri-school • Eradication of buckets • Processing plant • Boreholes • Restoration and Rehab Centre	• Drought • Influx and migration • Lack of access to N2, William and Felix Street • Population growth • Better Sector involvement of Legislature

6.3.3.5 INFRASTRUCTURE & ASSETS



6.3.3.6 LAND USE AND ZONING



6.3.3.7 WARD 4: RESOURCE MAPPING

No.	Description	Ownership
1.	Agriculture	Kouga municipality/Kruisfontein Emergency Farming Association
2.	Foundation phase education	Dept. of Social development
3.	Primary school	Dept. of Education
4.	Mining religion	Name to be provided
5.	Sport	Kouga municipality/Kruisfontein RFC
6.	Piggery	Name to be provided
7.	Water security	Kouga municipality
8.	Religion	United Congregation Church
9.	Land	Kouga municipality/Residents

6.3.3.8 WARD 4: PRIORITIES

No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	Street names	x	x				Kouga municipality
2.	High mast lights		x	x			Kouga municipality/INEP
3.	Upgrading, tarring, or paving of roads	x	x	x	x		Kouga municipality/Cogta
4.	Containerize toilets	x	x				Kouga municipality
5.	Mini skip bins	x	x	x			Kouga municipality
6.	Animal impoundment Centre	x	x				Kouga municipality/Dept. of land reform and rural Development
7.	Restoration and Rehab Centre	x	x	x			Kouga municipality/Dept. of Social development
8.	Agi-school	x	x				Kouga municipality/ Dept. of Agrarian Reform and Dept. of Education
9.	Recycling	x	x				Kouga municipality
10.	Access road (N2 and internal link roads)	x	x	x			Kouga municipality/ Dept. of Roads and Transport/ Sarah Baartman District Municipality
11.	SMME Development	x	x				Kouga municipality
12.	Land tenure ship	x	x	x			Kouga municipality/Dept. of land reform and rural development
13.	Land for livestock farming and agriculture	x	x				Kouga municipality/Dept. of land reform and rural development

6.3.4 WARD BASED PLAN: WARD 5

6.3.4.1 WARD 5: PROFILE

Ward 5 is located in Humansdorp one of the 9 towns in Kouga Local Municipality. It consists of Arcadia, Bo-Blok, Van Lingen Park, Ext 391-South Side, Vaaldam and Johnson's Ridge. The extent of the Ward is 1.7 square kilometers with a population of 6643.

6.3.4.2 WARD5: GOVERNANCE STRUCTURE

a) Ward Councillor



b) Ward Committee



6.3.4.3 WARD 5: VISION

VISION: “An Educational hub that promotes Youth Development”

The Community of ward 5 identified current challenges that need to be addressed in order to get to the desired state (vision) in the ward. These challenges are:



6.3.4.4 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

Strengths	Weakness
• Schools - Education • Experience • Leadership	• Overpopulated schools • Lack of land • Limited Curriculum output • Lack of opportunities for SMME's • Maintenance of sport grounds
Opportunities	Threats
• Empowerment of teachers • (better curriculum) • Township Tourism • Training SMME's • Sport Development - Exposure	• Peer Pressure • Poverty • Gender based violence • Vandalism of sport grounds

In response to the SWOT analysis an action plan has been developed recommending projects and strategies over the next 5 years.

6.3.4.5 WARD 5: SOCIO-ECONOMIC PROFILE

	Population = 6643(census 2011) = 3591 (voters 2016) = 3797 (voters 2021)
	Households = 1540 (Census 2011) 80.1% households fully owned and paid up. Average Annual Household Income = R29 400 (More than Double the Provincial and District Averages)
	Access to Services: Water – 95.1% Refuse Collection – 96.1% Sanitation (flush toilet) – 82%
	Education = 26.9 % completed Matric or higher 53.6% completed grade 9 or higher
	Employment = 31.2 % Employed

6.3.4.6 INFRASTRUCTURE & ASSETS



6.3.4.7 WARD 5: PRIORITIES

No.	Project	2022/23	2023/24	2024/25	2025/26	2026/27	Responsibility
1	Safety & Security		x				SAPS / KLM
2	Stormwater Drainage					x	KLM
3	Waterborne sewer system (Johnsons Ridge , Prins Str, Bo-blok					x	KLM
4	Paving sidewalks					x	KLM
5	Multipurpose center				x		KLM / Woodlands / Windfarms
6	Visible Policing		x				KLM
7	Restoration of playgrounds		x				KLM
8	Restoration of old age homes			x			KLM
9	Streetlights		x				KLM
10	Housing FLISP			x			KLM / Province
11	Land (Kruisfontein Civic)					x	KLM / Public Works
12	Bulk Services			x			

6.3.5 WARD BASED PLAN: WARD 6

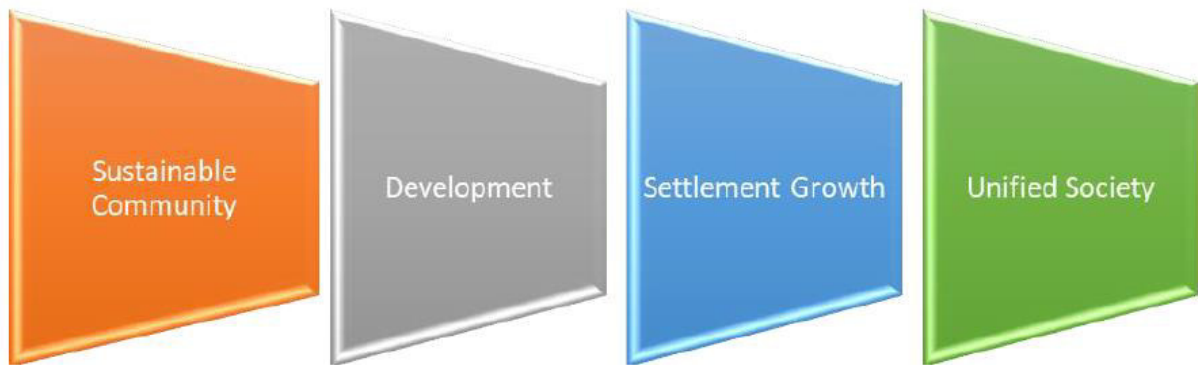
6.3.5.1 WARD PROFILE

Ward 6 is located in Humansdorp of Kouga Local Municipality. It consists of . The extent of the Ward is 1.1 square kilometers with a population of 7395.

6.3.5.2 WARD 6: VISION

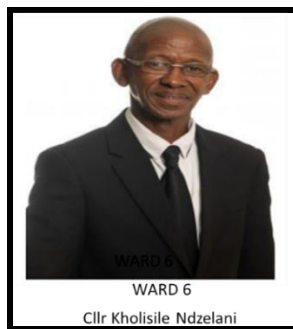
VISION: “A community that is sustainable, develop & unified”.

The Community of ward 6 identified current challenges that need to be addressed in order to get to the desired state (vision) in the ward. These challenges are:

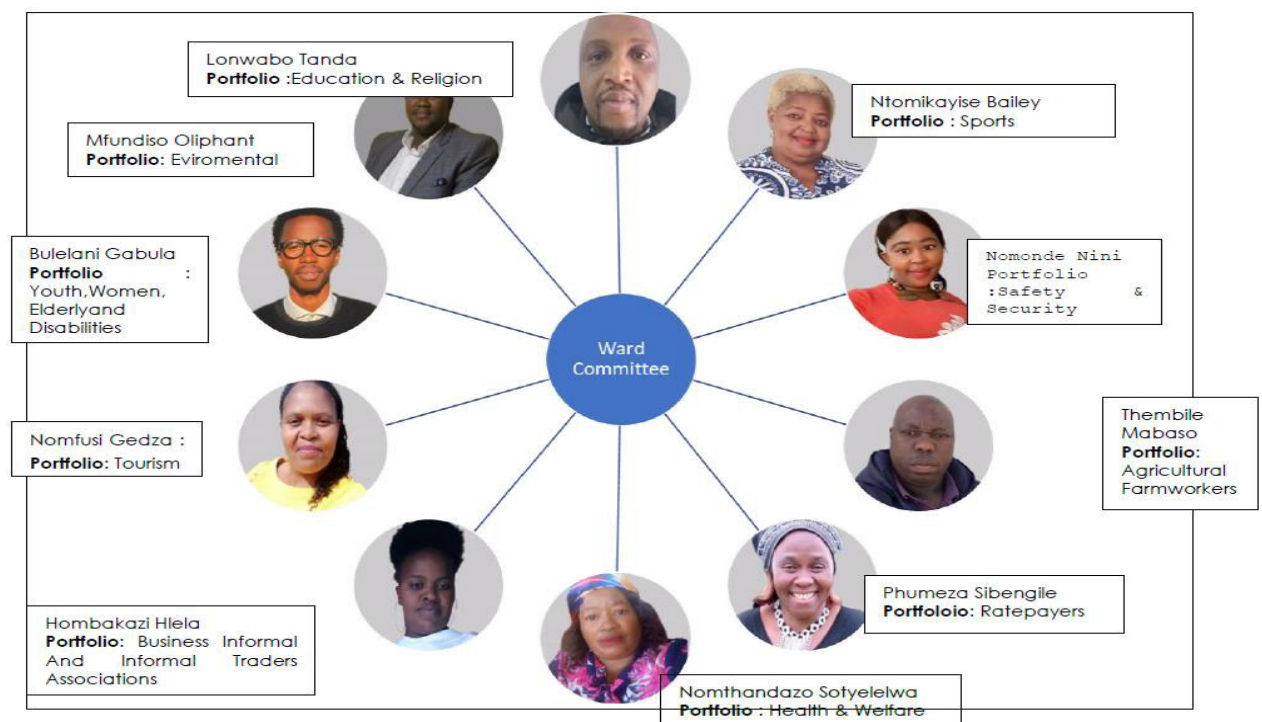


6.3.5.3 WARD 6: GOVERNANCE STRUCTURE

a) Ward Councillor



b) Ward Committee



6.3.5.4 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities, and Threats:

Strengths	Weakness
• Communication • Talents / Sport • Prayerful /Churches • Small business	• Unemployment • Not exposed to technology • Knowledge Hub • Sport Ground
Opportunities	Threats
• Training • Skills Development • Neighborhood watch • Employment • Business SMME's Develop • Multi-purpose	• Crime • Drugs & Alcohol Abuse • Water Shortage /Drought • Land • Education • Health • Upgrading of Sewerage plant • Maintenance of Municipal Infrastructure

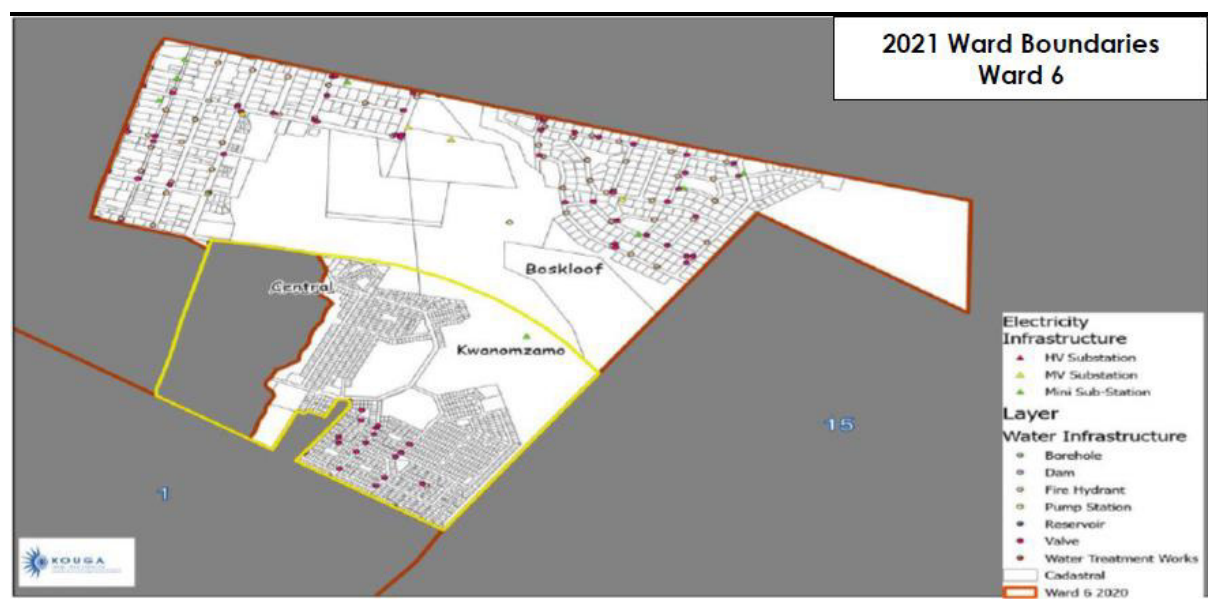
In response to SWOT analysis, an action plan was developed recommending projects and strategies over the next 5 years.

6.3.5.5 WARD 6: SOCIO-ECONOMIC PROFILE

	Households = 2621 (Census 2011) 29.% Households fully owned and paid up Average Annual Household Income = R15 000 (More than Double the Provincial and District Averages)
	Access to Services: Water – 98.3% Refuse Collection – 98.8% Sanitation (flush toilet) – 78.3%
	Employment = 40.6 % Employed
	Education = 30.9% Completed Matric or higher = 68.9% Completed Grade 9 or higher

6.3.5.6 INFRASTRUCTURE & ASSETS

The Consitution directs that the municipalities must manage, budget and plan processes that would give priority to the basic needs of the community and promote social and economic development of the community. Infrastructure development is the component if basic needs of the community and therefore infrastructure development may include upgrade, maintenance, refurbishment, funding mechanisms and revenue generation for such infrustructre. Ward 6 is currently equipped with adequate infrustructure to support any form of development.



6.3.5.7 LAND USE AND ZONING

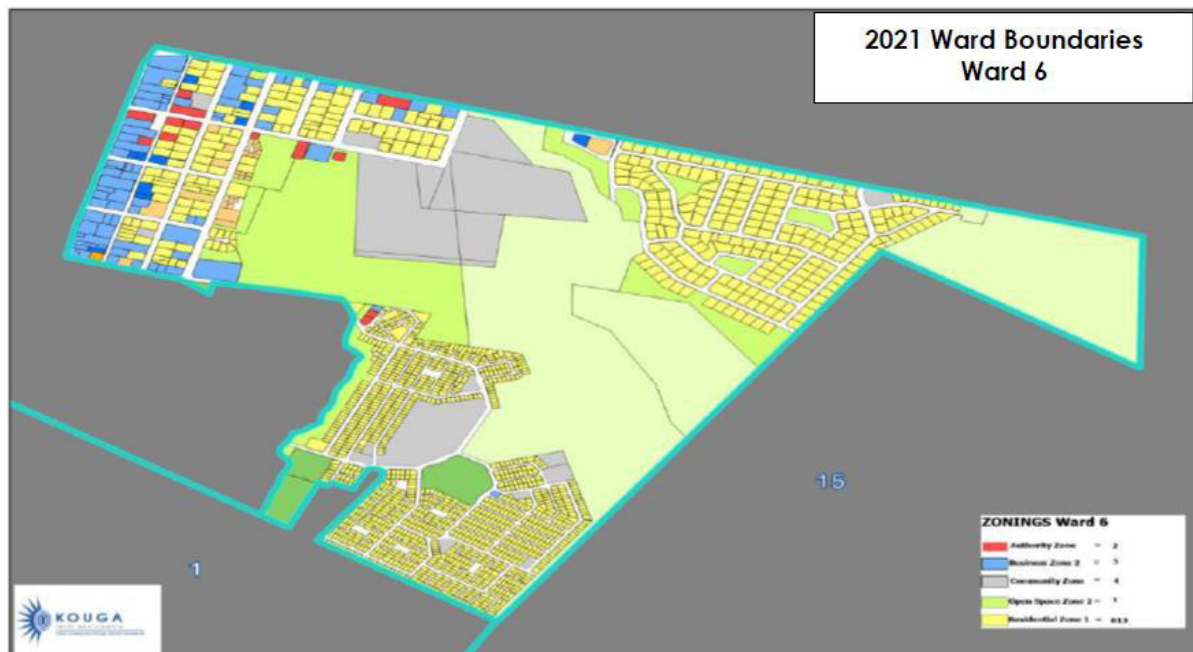
The Kouga Municipal Spatial Development Framework (SDF) is more than the spatial the representation of the sector plans of the IDP, it sets out the spatial strategy within which the 2022/2027 IDP operates. The key spatial plan of the SDF and the spatial perspective as well as the short term (5year) spatial priorities are to be incorporated in the IDP as the SDFsector plan. The SDF covers the whole jurisdictional area of the municipality not only the towns and must strive to answer the following questions.

- How is the SDF going to develop Ward 2 over the next 5 to 10 years ?
- What kind of development should take place?
- Where is the best place for development ?
- Who will be responsible for what aspect of the development ?

The SDF therefore has a longer-term focus to ensure the future growth and development does not result in unsustainable low density settlement sprawl and the destructiron of the ecosystem and agricultural resource on which the ward's economy depends on. The unsustainable and destructive development will also prevent equitable access to resource and will perpetuate the spatial divisions of the past.

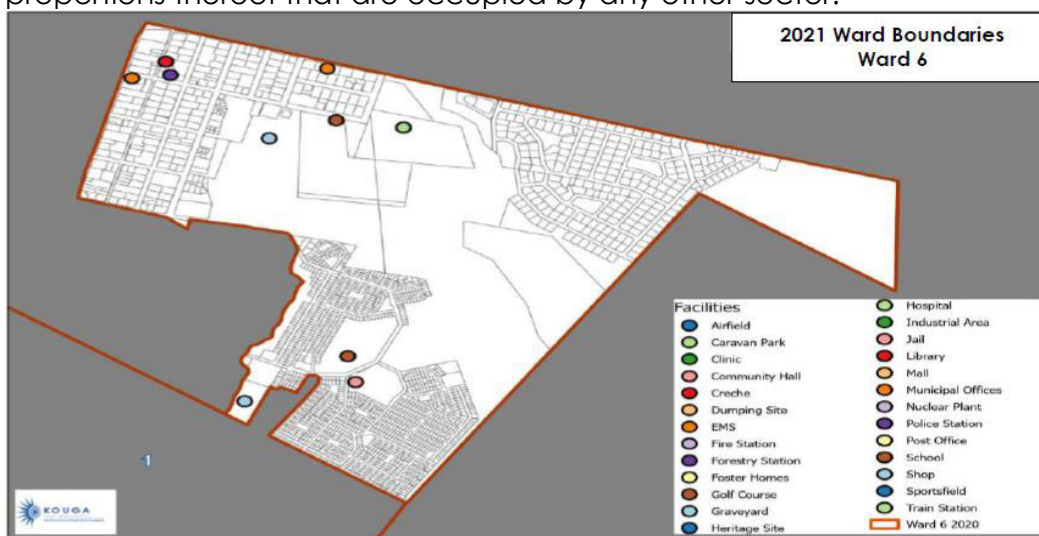
The SDF aims to create the building block towards:

- A spatial vision for the future of the municipal
- Implementation plans together with the necessary public sector resources to deliver them
- A framework for private investments



6.3.5.8 FACILITIES IN THE WARD

Municipal facilities means facilities owed, leased, rented, allocated, programmed, operated or managed by the Municipality intended for Public or Municipal staff use. This includes, but is not limited to parks and trails, recreation facilities, staff offices and workspaces, meeting rooms, community meeting spaces, Municipal Hall and spaces where the Municipal Services are provided but does not include facilities or proportions thereof that are occupied by any other sector.



6.3.5.9 WARD 6: RESOURCE MAPPING

Within a ward, there can be a wide variety of resources, including natural assets, infrastructure and NGOs and businesses (small /big).A resource mapping exercise was then conducted in order to identify potential collaborations and funding.

A resource mapping exercise was then conducted in order to identify potential collaborations and funding.

No.	Description
1.	Maskhathalelaneni
2.	One Village
3.	Kouga Arch Carriers Ministries Feteral

6.3.5.10 WARD 6: PRIORITIES

BUDGET YEAR							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	High Master lights	x					Kouga Municipality
2.	Street Names	x					Kouga municipality
3.	Land	x					Kouga municipality
4.	Beautification Entrance	x					Kouga municipality
5.	CCTV Cameras	x					Kouga municipality
6.	Storm Water Drainage	x	x				Kouga municipality
7.	Sportfield development		x				Sports & Recreation
8.	Upgrading of treatment plant	x			x		MIG
9.	Clinic			x			Department of Health
10.	Convert Hall into Multi-purposed centre	x	x				Kouga municipality Windfarm
11.	Upgrading of Gravel Road	x					Kouga municipality
12.	Eradication of Bucket System						Kouga municipality
13.	Development of informal settlement	x					HDA Kouga municipality
14.	Unfinished housing projects	x					Kouga municipality

6.3.6 WARD BASED PLAN: WARD 7

6.3.6.1 WARD PROFILE

Ward 7 consists of Loerie, Thornhill & Gamtoos Mouth. **Loerie** Apart from hosting the annual Naartjie Festival which, obviously, naartjies are the main attraction, but visitors are also able to sample a variety of vegetables and food and enjoy music from the stage, the small town of Loerie has an interesting history.

Early Settlers were in the area as early as 1745 and the first farms were awarded in 1817. Floods, droughts and the big fire of 1869 took their toll on the pioneers of the area, but the community expanded rapidly and the first school was opened in 1890. The first bridge across the Gamtoos river opened up the area and eased the lives of the farmers considerably.

The Loerie dam was built as part of the Kouga dam scheme with the purpose of supplying Port Elizabeth with water. The dam includes a filtration and pump system to balance the pressure in the pipelines, controlled by one of the first computer systems in South Africa.

Although the population of the area has shrunk considerably in recent years, the fertile soil and temperate climate ensure that vegetables of a high quality are produced here.

In 1930, the Eastern Province Cement Company opened a limestone quarry and built a 14 km cableway to transport the stone to the railway station from where it was transhipped via the Avontuur Railway to be processed in a cement factory near Port Elizabeth.

The relatively unknown Stinkhout Berg Nature Reserve lies wedged between Loerie and Hankey, the Cockscomb Mountain is a major landmark thereof, and the beautiful, fertile valley is an awesome blend of nature, agriculture, beauty and wilderness that makes it a special place to escape to, especially for nature lovers, fisherman, mountain bikers and hikers.

6.3.6.2 WARD VISION

Vision: Desired Future

6.3.6.3 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

Strengths	Weakness
▪ Gamtoos River ▪ Young Population (Youth) ▪ Woodridge School / Crossway	▪ Water Buffer ▪ Age in some areas (Social Cohesion) ▪ Electricity ▪ No Waterbone (Infrastructure)
Opportunities	Threats

▪ Playparks ▪ Youth (Empowerment Programme) ▪ Recycling Projects ▪ Loerie agriculture trust fund ▪ Fishing Industry ▪ Project for Sanitation ▪ IGR (Windfarm)	▪ Communication ▪ Drought ▪ Veld Fires ▪ Flooding (Gamtoos/ Loerie) ▪ Graveyards
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In response to SWOT analysis, they developed an action plan recommending projects and strategies over the next 5 years.

6.3.6.4 GOVERNANCE STRUCTURE

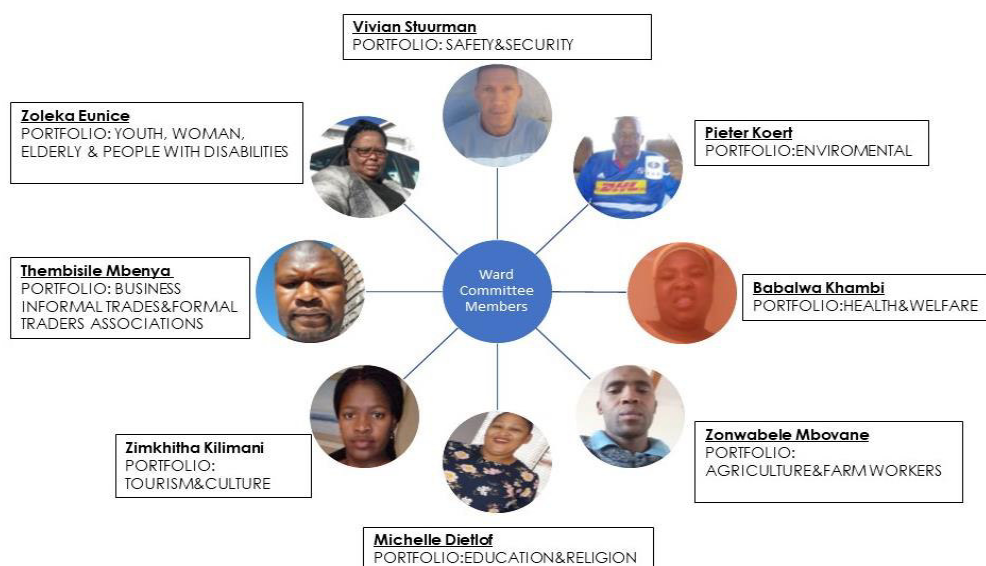
a) Ward Councillor



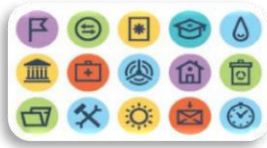
WARD 7

Cllr. Eric Mbuqu

b) Ward Committee



6.3.6.5 WARD 7: SOCIO-ECONOMIC PROFILE

	POPULATION = 10 261 (census 2011) = 4073 (voters 2016) = 4194 (voters 2021)
	Households = 2670 (Census 2011) 52% households fully owned and paid up Average Annual Household Income = R29400 (More than Double the Provincial and District Averages)
	Access to Services: Water – 70.1% Refuse Collection – 53% Sanitation (flush toilet) – 84.9%
	Education = 21.4 % completed Matric or higher 50% completed grade 9 or higher
	Employment 49.8 % Employed

6.3.6.6 WARD INFRASTRUCTURE AND ASSETS

The Constitution directs that the municipalities must manage, budget and plan processes that would give priority to the basic needs of the community and promote social and economic development of the community. Infrastructure development is the component of basic needs of the community and therefore infrastructure development may include upgrade, maintenance, refurbishment, funding mechanisms and revenue generation for such infrastructure.



6.3.6.7 LAND USE AND ZONING

The Kouga Municipal Spatial Development Framework (SDF) is more than the spatial representation of the sector plans of the IDP, it sets out the spatial strategy within which the 2022/2027 IDP operates. The key spatial plan of the SDF and the spatial perspective as well as the short term (5year) spatial priorities are to be incorporated in the IDP as the SDFsector plan. The SDF covers the whole jurisdictional area of the municipality not only the towns and must strive to answer the following questions.

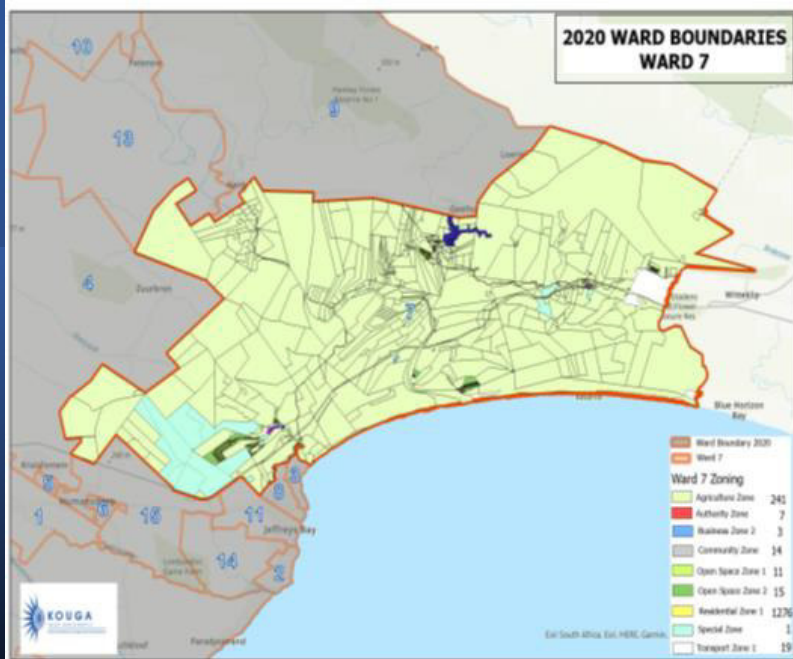
- How is the SDF going to develop Ward 2 over the next 5 to 10 years ?
- What kind of development should take place?
- Where is the best place for development ?
- Who will be responsible for what aspect of the development ?

The SDF therefore 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 resource on which the ward's economy depends on. The unsustainable and destructive development will also prevent equitable access to resource and will perpetuate the spatial divisions of the past.

The SDF aims to create the building block towards:

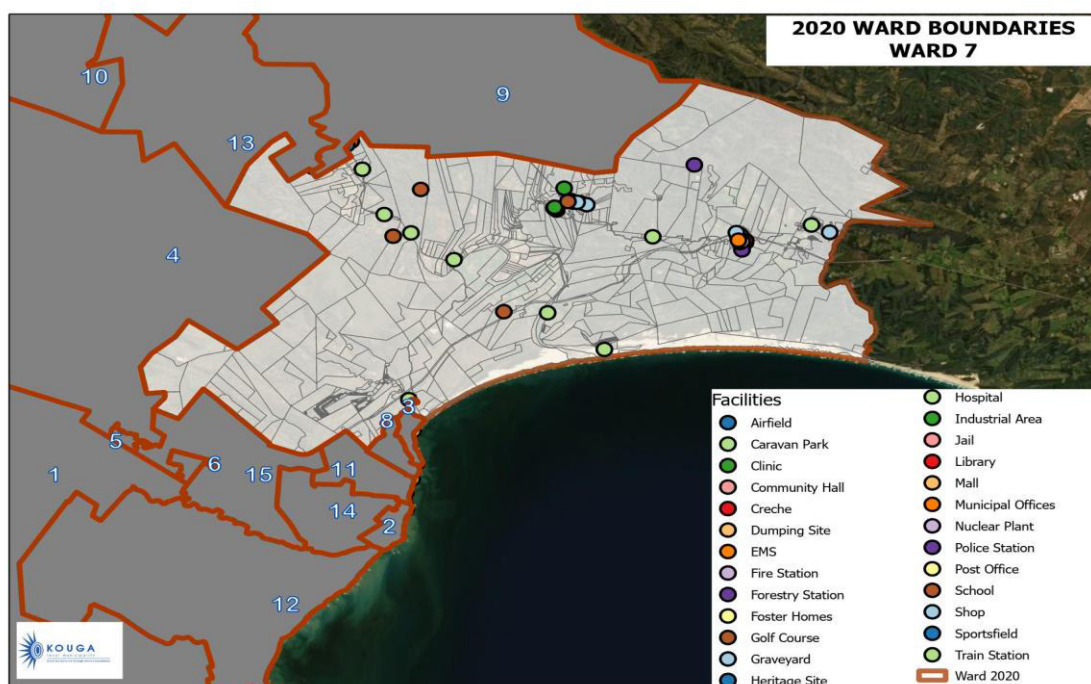
- A spatial vision for the future of the municipal
- Implementation plans together with the necessary public sector resources to deliver them
- A framework for private investments

Zoning & Land Use



6.3.6.8 FACILITIES IN THE WARD

Municipal facilities mean facilities owned, leased, rented, allocated, programmed, operated or managed by the Municipality intended for Public or Municipal staff use. This includes, but is not limited to parks and trails, recreation facilities, staff offices and workspaces, meeting rooms, community meeting spaces, Municipal Hall and spaces where the Municipal Services are provided but does not include facilities or proportions thereof that are occupied by any other sector.



6.3.6.9 WARD 7 RESOURCE MAPPING

Within a ward, there can be a wide variety of resources, including natural assets, infrastructure and NGOs and businesses (small /big).

A resource mapping exercise was then conducted in order to identify potential collaborations and funding.

1	Woodridge Preparatory School
2.	MTO Forestry Property Limited-
3	Crossways Village
4	Nulaid
5	Gamtoos River Community • Rate Payers • Ferry Hotel • Intle Boutique Hotel • Zebra Lodge • Moorland • Wacky Woods Resort
6	Longmore – Flower Growers
7	PPC
8	Allan Kitzman Dairy
9	Fennell Guest Suppliers

6.3.6.10 WARD 7 PRIORITIES/PROJECTS

BUDGET YEAR							
No.	Priorities	Responsible	2023/24	2024/25	2025/26	2026/27	2027/28
1	Streetlights	KLM, Eskom	X				
2	Bulk Infrastructure	KLM		X			
3	Upgrading of roads	KLM	X				
4	Job creation	KLM	X				
5	Land for cemetery, commonage, and housing	KLM		X			
6	Needs for Sportsfield and playparks	KLM	X				
7	Skills development programmes	KLM	X				
8	Fire Station	KLM				X	
9	Abet School for adults	DOE	X				
10	Construction and rectification of houses	DHS					

11	Mobile police station	DPW (SAPS)			X		
12	Night Clinic	DOH	X				
13	Rehabilitation Centre	SOCDEV			X		
14	High School	DOE					X

6.3.7 WARD BASED PLAN: WARD 8

6.3.7.1 WARD PROFILE

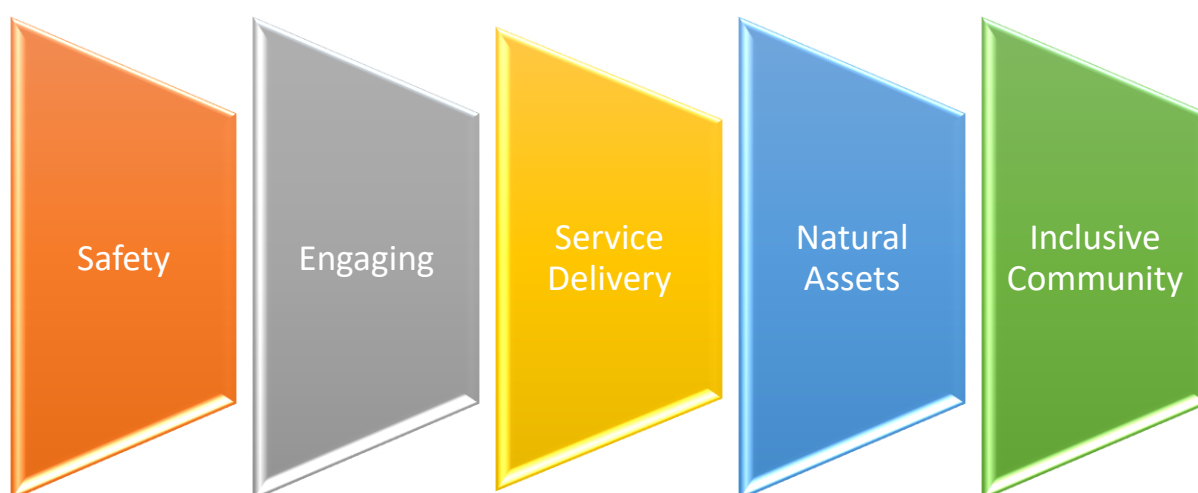
Wavecrest is a rather large suburb in Jeffreys Bay, taking up a huge chunk of the area. Property investment in a holiday home in Wavecrest is a brilliant opportunity to make your investment work for you. When you are not enjoying the peace and tranquility of a coastal getaway, rent out your holiday home to earn extra income or let the property pay for itself. The suburb was established in the mid-1970s and is almost 90% developed .

Ward 8 is located in center of Kouga LM. It consists Upper Wavecrest & Kabeljauws. 8 square kilometers and 799.1 people per square kilometer.

6.3.7.2 WARD VISION

VISION: “Inclusive community with provision to infrastructure, safety and community services”

The Community of ward 3 identified current challenges that need to be addressed in order to get to the desired state (vision) in the ward. These challenges are:



6.3.7.3 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

Strengths	Weakness
• Noorsekloof Nature Reserve (Tours) • Victory church Gap Year • Non-Profit Organizations • Fiber (lot of technology) • Guest houses • World class surfing • Skills from retired people- Pay stipend for their know how	• Ward challenges – Environmental • Lack of parks and equipment • Lack of accessibility for the disabled • Lack of job opportunities • Lack of clinics • Lack of hawkers, stalls, and hawker licenses
Opportunities	Threats
• Wheelchair friendly playparks and walkways • Generation of renewable energy • Develop green open spaces • Infrastructure upgrade (sewerage, waterpipes and potholes) • Build more clinics • Thoroughfare – Ward 3 • Skateboard Park • Job opportunities for green police • Community vegetable gardens and nursery • Easy access to Noorsekloof Hiking Trail • Educational tours for public and schools in green belt • Provision of lifeguard policing • Educational 'Sealife' board for tourist / children	• Influx of unemployed people • Not enough streetlights • Drug dealers in the community • Vagrants in our residential

In response to SWOT analysis, an action plan has been developed recommending projects and strategies over the next 5 years.

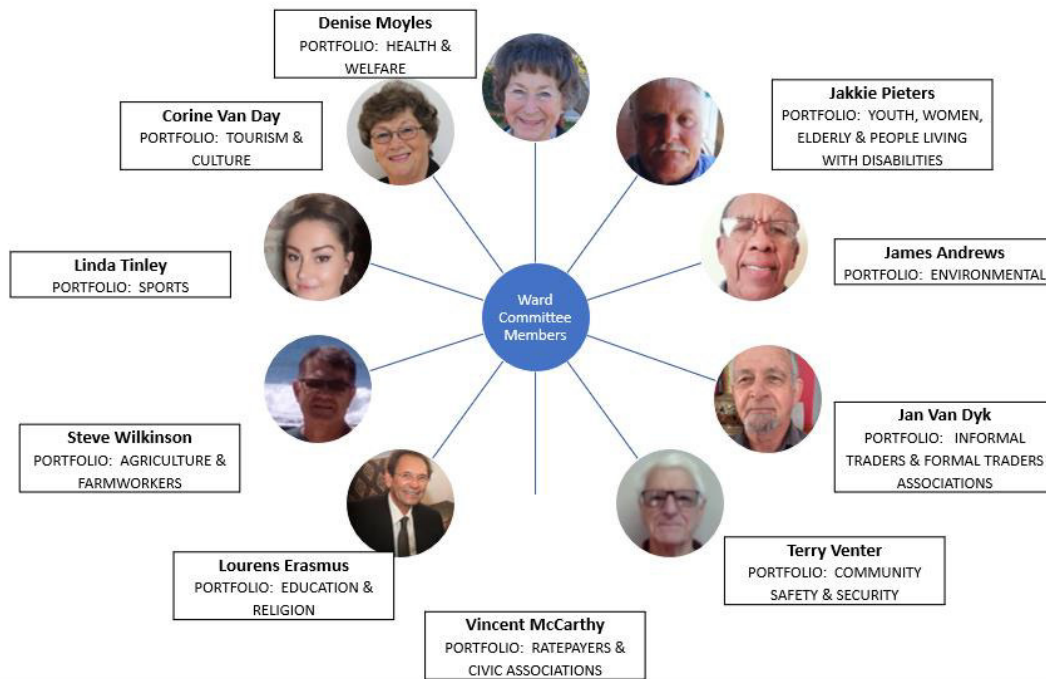
6.3.7.4 GOVERNANCE STRUCTURE

a) Ward Councillor



Cllr. Reinhardt Foley

b) Ward Committee



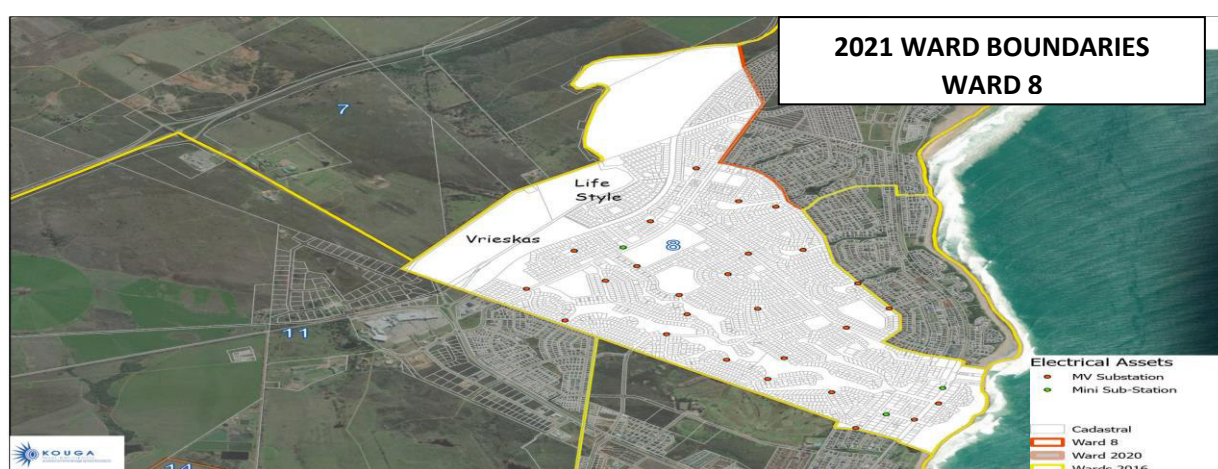
WARD 8: SOCIO-ECONOMIC PROFILE

	POPULATION = 6425 (census 2011) = 5196 (voters 2011) = 5269 (voters 2021)
	Households = 2990 (Census 2011) 66.3% households fully owned and paid up Average Annual Household Income = R115 100 (More than double the Provincial and District Averages)
	ACCESS TO SERVICES: Water - 96.2% Refuse Collection – 97.4% Sanitation (flush toilet) – 98.6%
	EDUCATION: 76.4% Completed Matric or higher 91.1% Completed Grade 9 or higher
	EMPLOYMENT: 55.8% Employed

6.3.7.5 WARD INFRASTRUCTURE AND ASSETS

The Constitution directs that the municipalities must manage, budget and plan processes that would give priority to the basic needs of the community and promote social and economic development of the community. Infrastructure development is the component of basic needs of the community and therefore infrastructure development may include upgrade, maintenance, refurbishment, funding mechanisms and revenue generation for such infrastructure. Ward 8 is currently equipped with adequate infrastructure to support any form of development.

The backlog of road maintenance is owing to the fact that Da Gam road is owned by the Provincial Department of Roads. Measures are in process to acquire the road so that the municipality can properly maintain it.



6.3.7.6 LAND USE AND ZONING

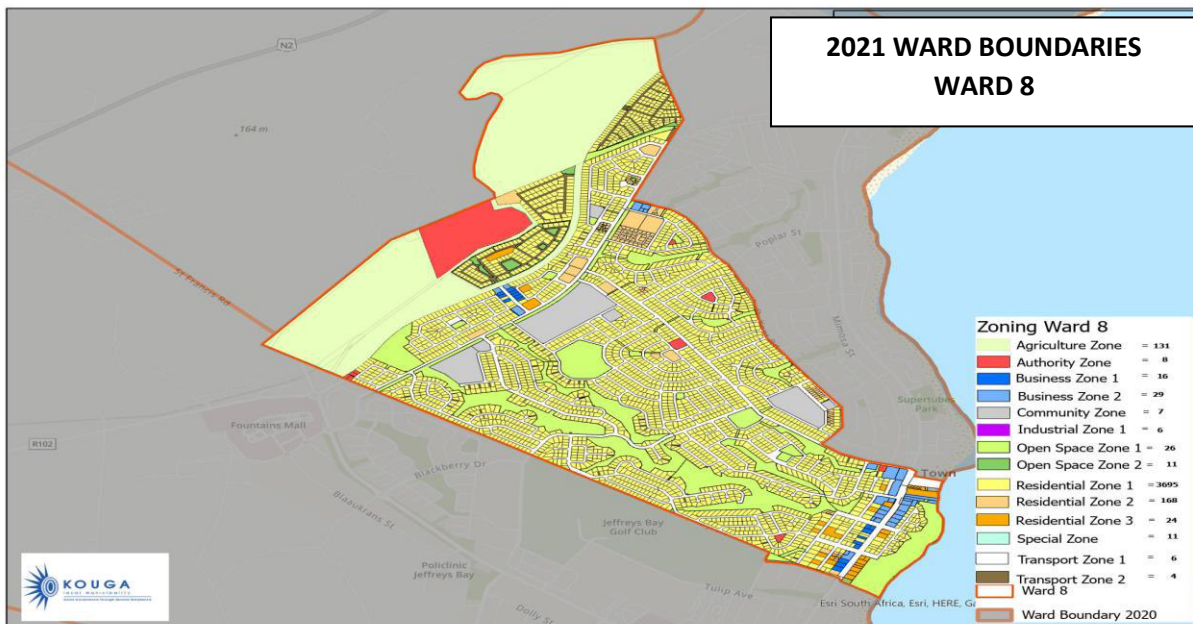
The Kouga Municipal Spatial Development Framework (SDF) is more than the spatial representation of the sector plans of the IDP, it sets out the spatial strategy within which the 2022/2027 IDP operates. The key spatial plan of the SDF and the spatial perspective as well as the short term (5year) spatial priorities are to be incorporated in the IDP as the SDF sector plan. The SDF covers the whole jurisdictional area of the municipality not only the towns and must strive to answer the following questions.

- How is the SDF going to develop Ward 8 over the next 5 to 10 years ?
- What kind of development should take place?
- Where is the best place for development ?
- Who will be responsible for what aspect of the development ?

The SDF therefore 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 resource on which the ward's economy depends on. The unsustainable and destructive development will also prevent equitable access to resource and will perpetuate the spatial divisions of the past.

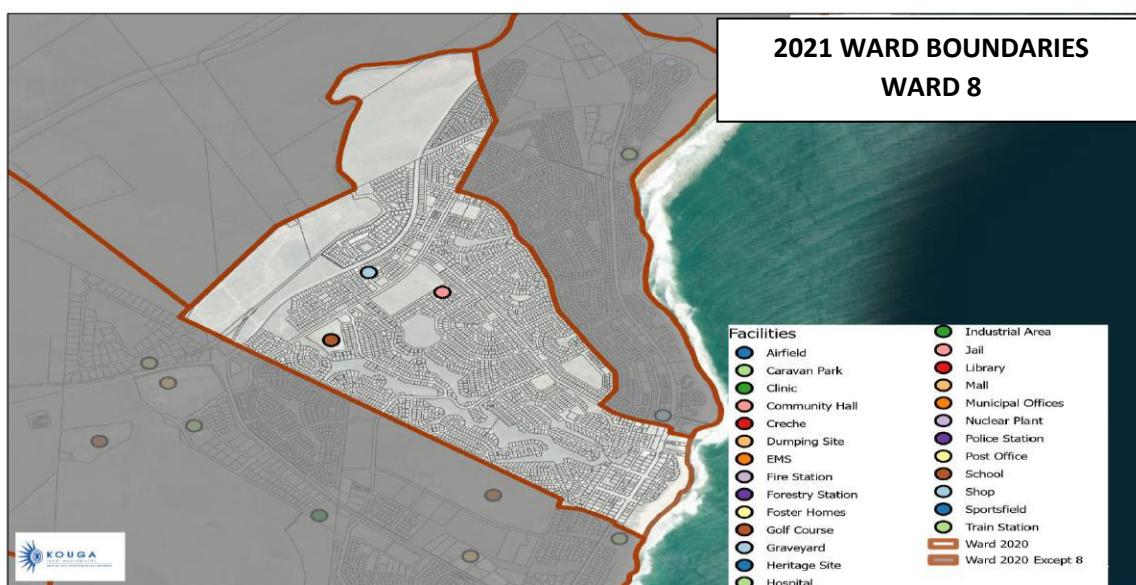
The SDF aims to create the building block towards:

- A spatial vision for the future of the municipal
- Implementation plans together with the necessary public sector resources to deliver them
- A framework for private investments



6.3.7.7 FACILITIES IN THE WARD

Municipal facilities mean facilities owned, leased, rented, allocated, programmed, operated or managed by the Municipality intended for Public or Municipal staff use. This includes, but is not limited to parks and trails, recreation facilities, staff offices and workspaces, meeting rooms, community meeting spaces, Municipal Hall and spaces where the Municipal Services are provided but does not include facilities or proportions thereof that are occupied by any other sector.



6.3.7.8 RESOURCE MAPPING

Within a ward, there can be a wide variety of resources, including natural assets, infrastructure and NGOs and businesses (small /big). A resource mapping exercise was then conducted in order to identify potential collaborations and funding.

A resource mapping exercise was then conducted in order to identify potential collaborations and funding.

No.	Description
1.	Victory Church
2.	Victory Primary school
3.	Kleutersone Creche
4.	Montesory Pre-School
5.	B.P. Garage
6.	Kospot
7.	Checkers
8.	KFC
9.	Golf Course
10.	Rolbal Course
11.	Smart Security
12.	Guest Houses
13.	Ozzies Builders Merchant
14.	Buildit
15.	Builders Express

6.3.7.9 WARD PRIORITIES AND PROJECTS

BUDGET YEAR							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	Replacement of old asbestos water pipes	X	X				Kouga Municipality
2.	Upgrading and resealing of Dogwood Street	X	X	X			Kouga Municipality
3.	Internal sewer reticulation of houses not connected to the sewer system	X	X	X			Kouga Municipality
4.	Streetlights	X	X				Kouga Municipality
5.	CCTV Cameras	X	X				Kouga Municipality
6.	Pedestrian walkways in Noorsekloof, Seetuin, Dogwood and Myrtle Street	X					Kouga Municipality
7.	New clinic	X					Kouga Municipality/Dept. of Health
8.	Quality fixing of potholes	X					Kouga Municipality

BUDGET YEAR							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
9.	More new and accessible playparks and walkways to beaches and municipal buildings	X					Kouga Municipality
10.	Entertainment for the youth (skatepark)	X					Kouga Municipality
11.	Influx control and enforcement of municipal by-laws	x					Kouga Municipality
12.	Drug abuse	x					Kouga Municipality/SAPS
13.	Old age retirement centre	x					Kouga Municipality/Dept. of Social Development
14.	Job creation	x					Kouga Municipality

6.3.8 WARD BASED PLAN: WARD 9

6.3.8.1 WARD PROFILE

Ward 4 is located in north east part of Kouga Local Municipality. It consists of Philippsville, Hankey Town, Rosedale, Kleinfontein, Ou Hankey, Stofwolk, Silvertown, Smartietown and Ext 3. The extent of the ward is 319.6 square kilometers.

6.3.8.2 WARD VISION

Vision: Baartman Wall of Rememberance that boost rich heritage and sustainable tourism.

The Community of ward 4 identified current challenges that need to be addressed to get to the desired state (vision) in the ward. These challenges are:



No.	Unemployment	Farmers	Safety	Shacks & Illegal Connections	Drugs
1.	Unemployment rate was 61.6% in 2011	There are a lot of live-stock farmers who are not registered	The ward is exposed to gangsterism of the highest order	Influx, land invasion and illegal informal settlement should be discouraged	This ward is one of the hotspots of the selling and use of drugs
2.	The population growth has increased significantly between	Live-stock animals are roaming in streets and CBD, due to land challenges	All the schools in the area are subjected to drug abuse and gangster groups	Proper measurements should be implemented to protect vacant land earmarked for IRDP housing	The community Police Forum should be re-vitalized to minimize the degrading of a once great community
3.	Residents are the owners of big portions of land with agricultural potential	Municipality to do an audit on live-stock and to empower farmers in line with available programs	All fraternities should join forces to address this evil urgently	Abnormal growth of informal settlement is a huge challenge and is giving birth to gangsterism	The SPU Section should take the lead in facilitating the development of a strategy to address the challenge

6.3.8.3 WARD GOVERNANCE

a) Ward Councillor



WARD 9

Cllr. Cynthia August

6.3.8.4 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

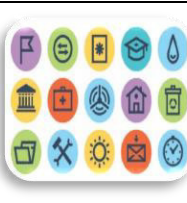
Strengths	Weakness
• Abundance of land for commonage and agriculture • Farming • Current tourism attractions • Hole in the Wall Tunnel • Khoi-san drawings • 990 Housing project	• Unemployment aggravated by influx of job-seekers from outside Kouga • Drug abuse amongst young children • On-going sewer blockages • Eradication of bucket system
Opportunities	Threats
• Refurbishment of antique buildings (museum) • Vacant land and plots • Promotion of tourism • Tourism Development agency • SMME development • Recycling • Renewable solar energy investment	• Curbing of "free for all" processes in granting of liquor licenses • Drought and water shedding • Poor clinic and health services • Standstill of Sarah Baartman Project • Upgrading of Hankey-Patensie link road • Load shedding • Poor SAPS services

6.3.8.5 WARD CHALLENGES

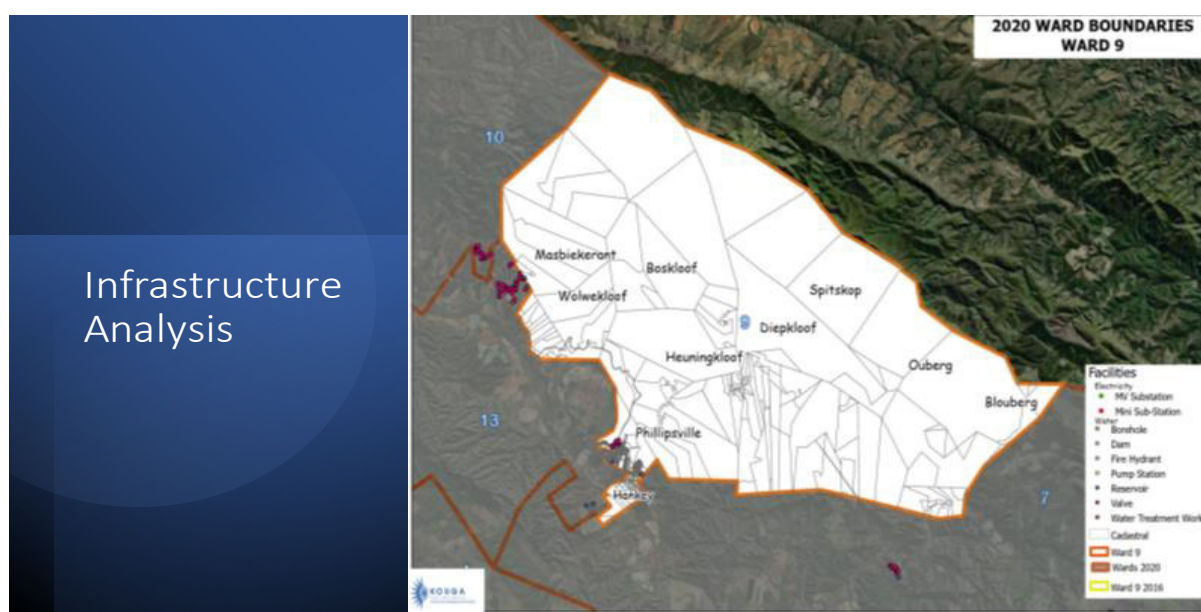
Job creation, though a serious concern at the local government level, is not a municipal mandate, however, the Kouga Municipality continue to create an enabling environment for investment to contribute to job creation through economic development strategies and business development. The municipality will provide EPWP contracts for residents registered on the Municipal Jobseekers Database, and through the database, the municipality can accurately monitor the manner the contracts are allocated by each user department. Currently, all employment opportunities within the municipality are made available through the Human Resources Policy governing recruitment and selection. There are also other employment mechanisms that are implemented within the municipality through various funding resources, e.g. EPWP, Provincial and National Government funded internships, etc.

- Load shedding
- Land for stock farming
- Land for churches, cemeteries, creches and businesses
- Potholes
- Lack of employment opportunities
- Clinic and health services
- Poor condition of municipal and provincial roads
- Housing
- Influx

6.3.8.6 SOCIO-ECONOMIC PROFILE

	POPULATION = 4271 (Census 2011) = 4134 (Voters Roll 2016) = 3653 (Voters Roll 2021)
	Households = 1008 (Census 2011) 55.6% Households fully owned and paid up Average Annual Household Income = R29 400 (More than Double the Provincial and District Averages)
	Access to Services: Water – 92.3% Refuse Collection – 84.2% Sanitation (flush toilet) – 82.4%
	Employment = 36.1% Employed
	Education = 30.6% Completed Matric or higher = 58.1% Completed Grade 9 or higher

6.3.8.7 WARD INFRASTRUCTURE AND ASSETS



6.3.8.8 LAND USE AND ZONING

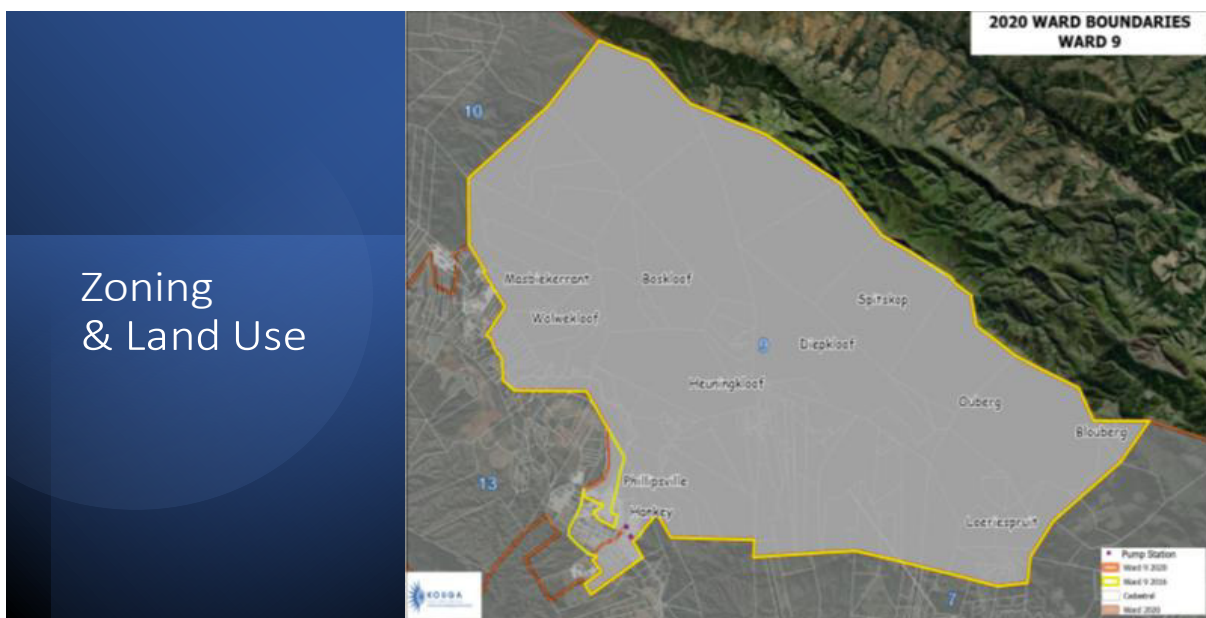
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- What kind of development should take place?
- Where is the best place for development?
- Who will be responsible for what aspect of the development.

The SDF therefore 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 ward's economy depends. The unsustainable and destructive development will also prevent equitable access to resources and will perpetuate the spatial divisions of the past.

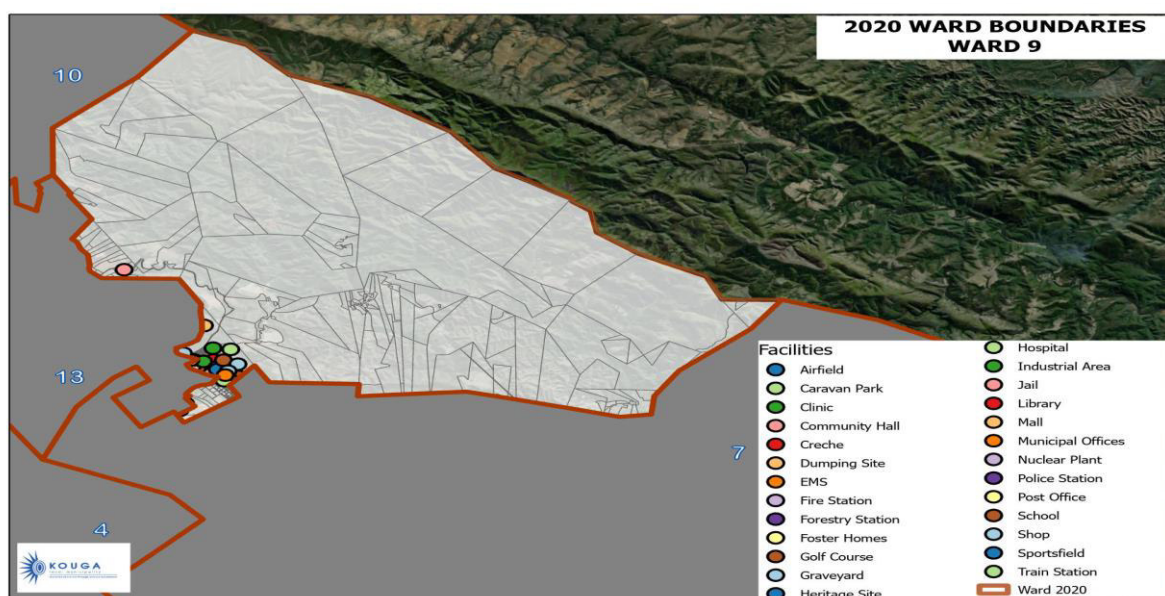
The SDF aims to create the building block toward:

- A spatial vision for the future of the municipal
- Implementation plans together with the necessary public sector resources to deliver them
- A framework for private investment



6.3.8.9 FACILITIES IN THE WARD

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6.3.8.10 WARD PRIORITIES

Budget year							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	Water security	x					Kouga municipality/Gamtoos Irrigation Board
2.	Upgrading of gravel roads	x	x	x			Kouga municipality/Cogta
3.	Land for live-stock farming	x	x				Kouga municipality/Dept. of Land Reform and Rural Development
4.	Storm water drainage system	x	x	x			Kouga municipality
5.	Clinic and ambulance services	x	x	x			Kouga municipality/Dept. of Health
6.	Safety and security	x	x	x			Kouga municipality/SAPS
7.	Maintenance of R333 link road	x	x	x			Kouga municipality/Dept. of Roads and Transport

8.	Need for Social and FLISP Housing	x	x	x			Kouga municipality/ Dept. of Human Settlement
9.	Re-development of Yellow Woods	x	x				Kouga municipality
10.	Refurbishment of heritage buildings and assets	x	x				Kouga municipality/ Dept. of Arts and Culture
11.	Upgrading of Old Sport Field	x	x	x			Kouga municipality/Cogta
12.	Rehabilitation Centre	x	x				Kouga municipality/Dept. of Social Development
13.	SMME Development for locals	x	x				Kouga municipality/Dept. of Economic Affairs (DEDEAT)
14.	Early Childhood Development Centre	x	x				Kouga Municipality/ Dept. of Social Development
15.	Fencing of existing graveyards	x	x				Kouga Municipality
16.	Land for churches	x	x				Kouga Municipality
17.	Multi-purpose Centre	x	x	x			Kouga Municipality/Dept. of Social Development
18.	Refurbishment of Old Stofwolk Hall	x	x	x			Kouga Municipality
19.	Proper seating arrangement at all municipal facilities	x	x				Kouga Municipality

6.3.8.11 CAPITAL PROJECTS

The table below indicates the budget allocation for Capital Projects for financial year 2023 to 2025 for the greater Humansdorp of which Ward 4 is part of.

Capital projects of Ward 4 for 2022/2023				
Description	Funding	Budget 2022/23	Budget 2023/24	Budget 2024/25
Upgrading sanitation system of Old Hankey	MIG	R 18 440. 235	Nil	Nil
Sanitation-phase 2: Hankey WWTW Sewer Rising Main	MIG	R 8 721. 845	Nil	Nil

Sanitation-phase 3A: New Sanitation Sewer Pumpstation in Hankey (Hankey pumpstation 2)	MIG	R 27 169. 155	Nil	Nil
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6.3.9 WARD BASED PLAN: WARD 10

6.3.9.1 WARD 10: PROFILE

Ward 10 is located in the northern point of Kouga. The extent of the ward is 478.5 square kilometres with a population of 6932. The Ward is surrounded by Citrus and host a striving Citrus Industry.

6.3.9.2 GOVERNANCE STRUCTURE

a) Ward Councillor



WARD 10

Cllr. Msingathi Mbandana

6.3.9.3 WARD VISION

“Contract building with Community to ensure a transformed Agricultural sector”

The Community of ward 10 identified current challenges that need to be addressed in order to get to the desired state (vision) in the ward. These challenges are:



6.3.9.4 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

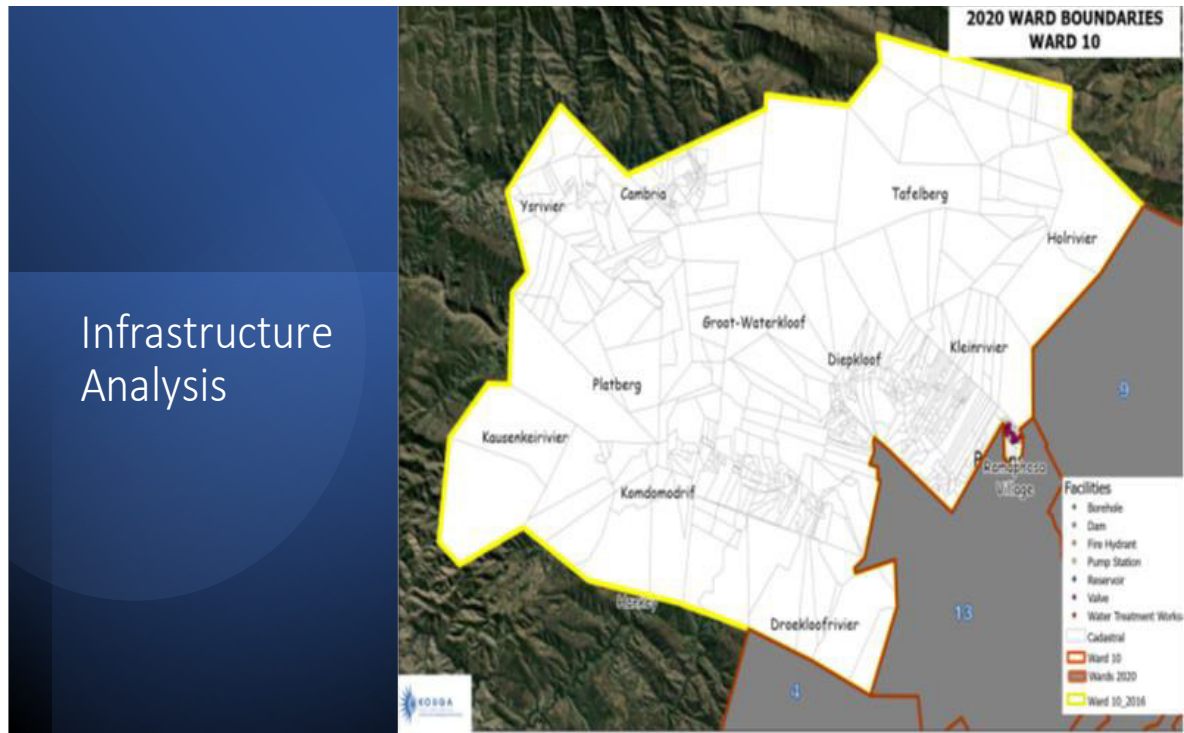
Strengths	Weaknesses
• Agricultural Land • Citrus Industry • Caring Community • Relationship with Commercial Farmers	• Job Opportunities • Safety & Security • Health System • Undeveloped Land
Opportunities	Threats
• Commercial Farmers - Land • State Land(Projects) • Youth Development (75%-80%) • Khoisan Culture & Historical Site • Tourism • Safety Committee • Linkage with	• Potholes • Water shortage • Public Road R331 • Bulk Infrastructure & Sewer Plant

In response to SWOT analysis, an action plan has been developed recommending projects and strategies over the next 5 years.

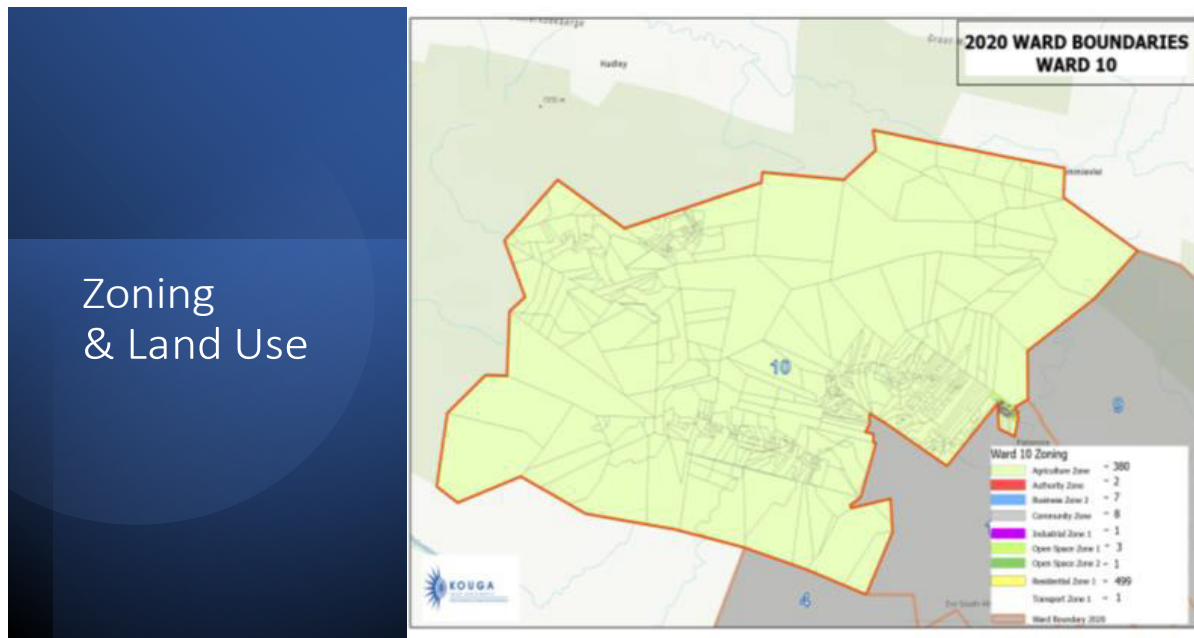
6.3.9.5 SOCIO-ECONOMIC PROFILE

	POPULATION = 6932 (census 2011) = 4040 (voters 2016) = 3875 (voters 2021)
	Households = 1554 (Census 2011) 52% households fully owned and paid up Average Annual Household Income = R29 400 (More than Double the Provincial and District Averages)
	Access to Services: Water – 73.6% Refuse Collection – 50.6% Sanitation (flush toilet) – 51.7%
	Education = 12.1 % completed Matric or higher 40.9% completed grade 9 or higher
	Employment 52.1 % Employed

6.3.9.6 WARD 10: INFRASTRUCTURE AND ASSETS



6.3.9.7 LAND USE AND ZONING



6.3.9.8 RESOURCE MAPPING: WARD 10

Within a ward, there can be a wide variety of resources, including natural assets, infrastructure and NGOs and businesses (small /big). A resource mapping exercise was then conducted in order to identify potential collaborations and funding.

1	Citrus Land
2	Baviaans Mega Reserve
3	Youth / NYDA
4	Heritage Khoisan (David Stuurman)
5	R331
6	Churches
7	Commercial Farmers
8	Sun/Renewable Energy
9	Kouga Dam

6.3.9.9 WARD PRIORITIES/PROJECTS

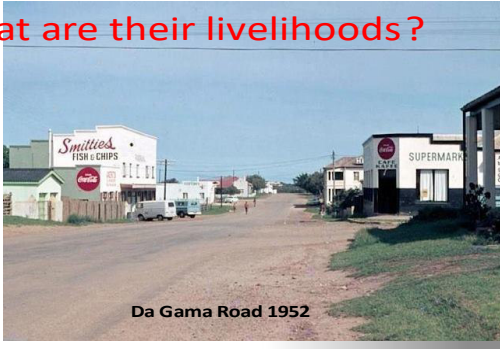
Priorities	Responsible	2023	2024	2025	2026	2027	FUNDING Source
Land – Cemetery & Agricultural School	KLM	X					
Streetlights	KLM & Eskom	X					
Electrification (Shack dwellers)	KLM & Eskom	X					
Water	KLM & COGTA Dep of Water affairs		X				
Mobile Clinic	Dep of Health	X					
Storm Water Drains	KLM	X					
Housing 278	KLM & Humans Settlements Land Reform		X				
Agricultural School Land	COGTA & Humans Settlements		X				
Speedhumps	KLM		X				
Waste Plant Treatment	Dep of Water & Sanitation	X					
Chemical Toilets	KLM	X					
Demarcation of areas for SMME's (Support Center)	KLM	X					
Upgrading ambulance building	KLM	X					
Upgrade Kouga Dam	Dep of Water & Sanitation		X				

Priorities	Responsible	2023	2024	2025	2026	2027	FUNDING Source
Upgrade Road R331	Province		X				
Township Tourism	KLM LED	X					
Bulk Sewer	KLM & COGTA	X					

6.3.10 WARD BASED PLAN: WARD 11

6.3.10.1 WARD PROFILE

Who is our community and what are their livelihoods?

Kitchens Beach Today

Da Gama Road 1952

1845
An advert appeared in the Eastern Province Herald on Wednesday, May 7, 1845 informing the public that owing to the fact that Mr. J. A. Jurgens had disposed of his farm "KleinZeekoe Rivier" he was now offering his stock, wagons, horse wagon, scotch car, farm implements as well as household furniture for sale.

1849
Joseph Avent Jeffery erects a wood and iron warehouse which is recorded as being the first place of business to open on the shore what is today known as Jeffreys Bay. When they arrived there were already ploughed fishermen living off the sea. These men were employed to fish from boats and played a huge role in helping this trade grow over many years into what it is today.

1852
M G Human and Co. bought the farm KleinZeekoe Rivier. On the 21st January 1852, they made an historic decision: forty erven situated on the coast of their farm KleinZeekoe Rivier (now Jeffreys Bay) were put up for sale.

Ward 11 is located in northeast part of Kouga Local Municipality. It consists of Jeffreys Bay Central, C-Place and The Sands Jeffreys Bay Central, C-Place and The Sands. The extent of the ward is 3.6 square kilometers.

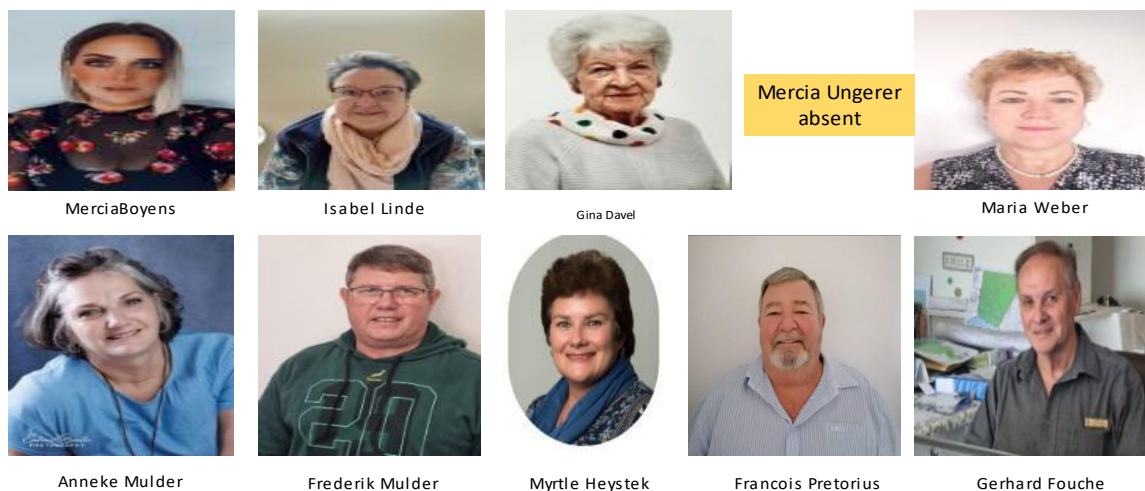
6.3.10.2 WARD GOVERNANCE

a) Ward Councillor



Cdr. Fanie Heystek

b) Ward Committee



6.3.10.3 WARD VISION

Vision: A community that ensure sustainability and protection of natural heritage through community collaboration.

The Community of ward 11 identified current challenges that need to be addressed to get to the desired state (vision) in the ward. These challenges are:



6.3.10.4 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

Strengths	Weakness
• Magic holiday atmosphere • Beach • Outdoor lifestyle • Tourism • New hospital • St Francis Street as an entrance to Ward 11 • Outdoor lifestyle • Caravan park	• Sewer spilling's • Lack of entertainment • Overgrown erven • Undeveloped residential erven • Lack of beachfront retail shops • Misconduct of holiday makers • Criminal element • Pedestrian walkways

	• Poor disintegrated roads • Tolerance of homeless people
Opportunities	Threats
• Attraction potential of dolphin beach • Revitalization of CBD • Cycle lanes • Affordable housing opportunities • Economic Gateway for Municipality • Parking • Tram, train and hop on, hop off • Eco-footprint • Kids friendly facilities • Disable friendly facilities • No solicitation signage (by-law) • Night market for entrepreneurs	• Poor condition of CBD • Poor aesthetic appearances of CBD buildings • Safety and security • Poor water security and quality • Population explosion • Influx and lack of monitoring of informal settlements • Failing to realize economic investment opportunity

6.3.10.5 WARD CHALLENGES

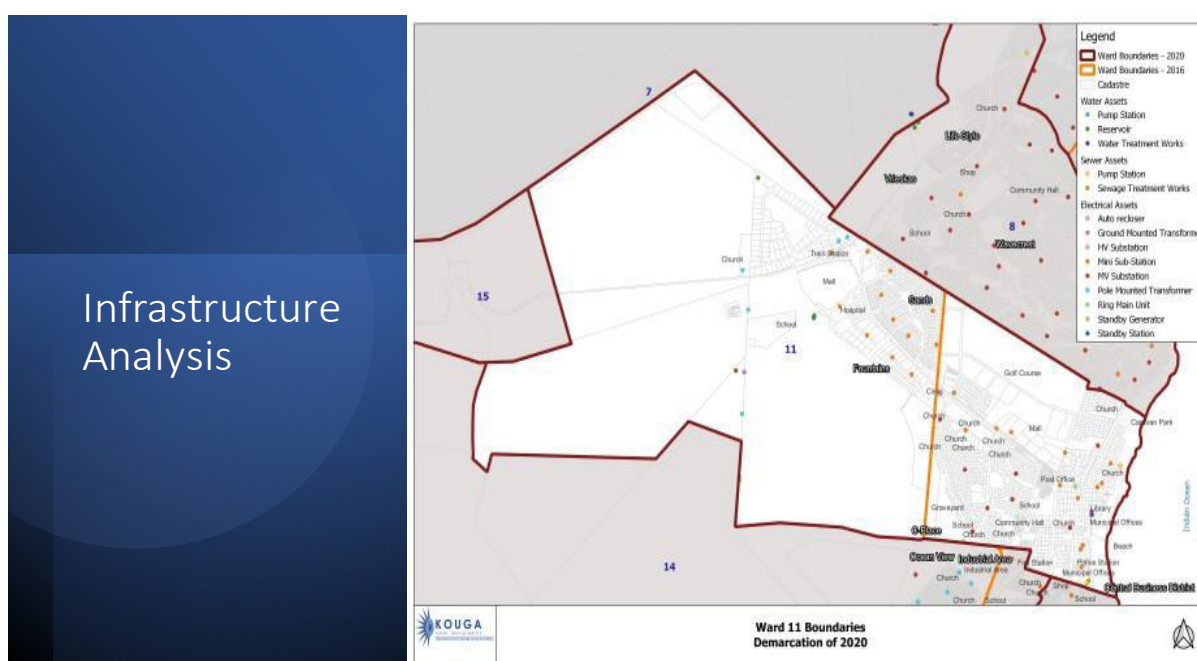
Job creation, though a serious concern at the local government level, is not a municipal mandate, however, the Kouga Municipality continue to create an enabling environment for investment to contribute to job creation through economic development strategies and business development. The municipality will provide EPWP contracts for residents registered on the Municipal Jobseekers Database, and through the database, the municipality can accurately monitor the manner the contracts are allocated by each user department. Currently, all employment opportunities within the municipality are made available through the Human Resources Policy governing recruitment and selection. There are also other employment mechanisms that are implemented within the municipality through various funding resources, e.g. EPWP, Provincial and National Government funded internships, etc

- Bush clearing
- Litter picking
- Beach clean-up operations
- Cleaning of road verges
- Construction projects of municipality
- Street vendors

6.3.10.6 SOCIO-ECONOMIC PROFILE

	POPULATION = 2885 (Census 2011) = 2725 (Voters Roll 2016) = 3656 (Voters Roll 2021)
	Households = 1288 (Census 2011) 45.3% Households fully owned and paid up Average Annual Household Income = R57 300 (More than Double the Provincial and District Averages)
	Access to Services: Water – 93% Refuse Collection – 94.5% Sanitation (flush toilet) – 98.1%
	Employment = 54.4% Employed
	Education = 67.9% Completed Matric or higher = 85.1% Completed Grade 9 or higher

6.3.10.7 WARD INFRASTRUCTURE AND ASSETS



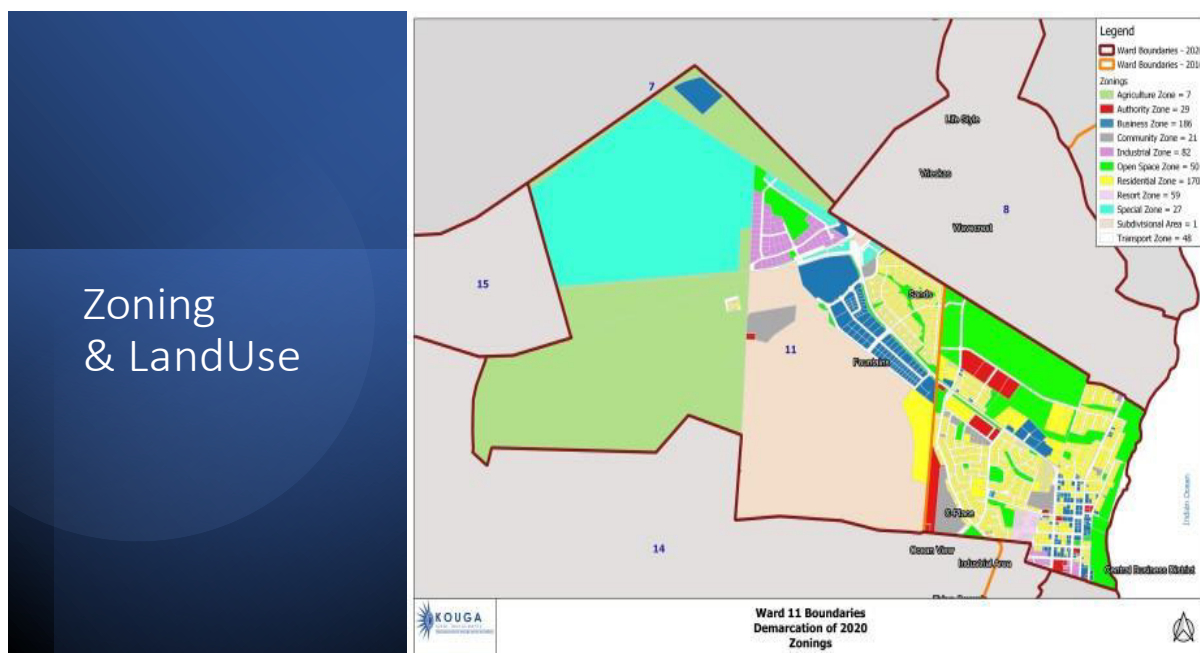
6.3.10.8 LAND USE AND ZONING

The Kouga Municipal Spatial Development Framework (SDF) is more than the spatial representation of the sector plans of the IDP, it sets out the spatial strategy within which the 2022/2027 IDP operates. The key spatial plan of the SDF and the spatial perspective as well as the short term (5 year) spatial priorities are to be incorporated in the IDP as the SDF sector plan. The SDF covers the whole jurisdictional area of the municipality not only the towns and must strive to answer the following questions

- How is the SDF going to develop Ward 11 over the next 5 to ten years?
- What kind of development should take place?
- Where is the best place for development?
- Who will be responsible for what aspect of the development

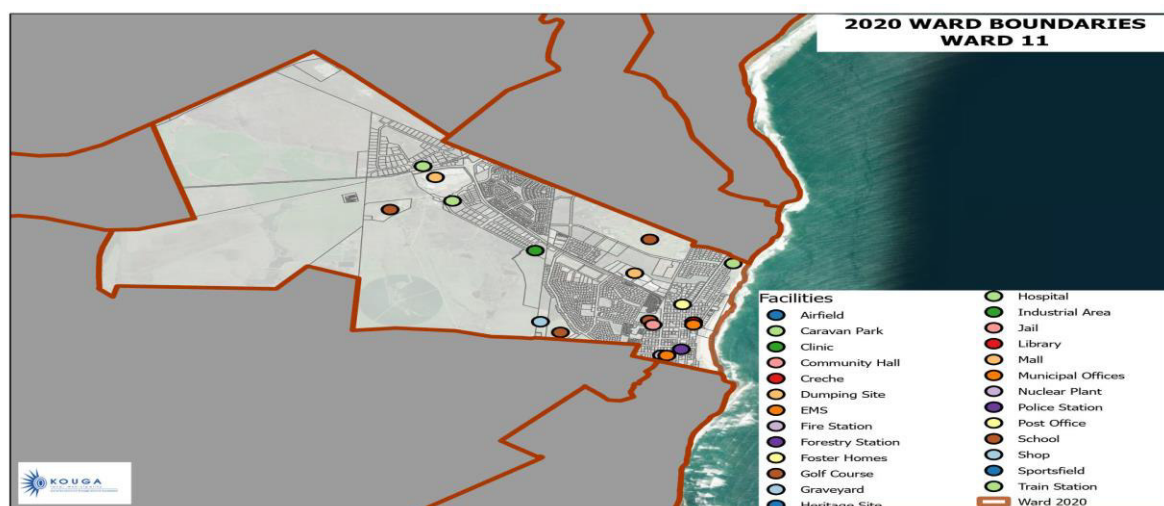
The SDF therefore has a longer-term focus to ensure the future growth and development does not result in unsustainable low density settlement sprawl and the destruction of the ecosystem and agricultural resources on which the ward's economy depends. The unsustainable and destructive development will also prevent equitable access to resources and will perpetuate the spatial divisions of past. The SDF aims to create the building block toward:

- A spatial vision for the future of the municipal
- Implementation plans together with the necessary public sector resources to deliver them
- A framework for private investment



6.3.10.9 MUNICIPAL FACILITIES IN THE WARD

Municipal Facilities means facilities owned, leased, rented, allocated, programmed, operated, or managed by the Municipality, intended for public or Municipal Staff use. This includes, but is not limited to, parks and trails, recreation facilities, staff offices and workspaces, meeting rooms, community meeting spaces, Municipal Hall, and spaces where Municipal Services are provided, but does not include facilities or portions thereof that are occupied by any other sector.



Summary of Municipal Assets

Jeffreys Bay WWTW
Jeffreys Bay Electrical Substation
Jeffreys Bay Waterworks
Municipal Stores and Fire station
Billabong

6.3.10.10 RESOURCE MAPPING

The following resources are in Ward 11:

- Fountains Mall
- Spur
- Steers
- Checkers
- Food lovers
- Built it
- Builders Express
- Dolphin Beach
- Savoy Hotel

6.3.10.11 WARD PRIORITIES

Budget year							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	Playpark for main beach	x					Kouga Municipality
2.	CCTV Cameras for open spaces	x	x				Kouga Municipality
3.	General flow and future demand of sewer for Jeffreys Bay	x					Kouga Municipality
4.	Urgent upgrading of Koraal and La Mer sewer pumpstation	x					Kouga Municipality
5.	Widening of Dama, Woltemade and St Francis Street	x	x	x			Kouga Municipality/Dept. of Transport
6.	Link the whole CBD with a broad pedestrian pavement	x					Kouga Municipality
7.	Circle at the Dogwood and Koraal Street intersection	x	x	x			Kouga Municipality
8.	Upgrading of ST.Croix Street	x					Kouga Municipality
9.	Redirect traffic to Neptunus terrace	x					Kouga Municipality
10.	More attractive shops	x					Kouga Municipality
11.	Ski-boat clubhouse and slipway	x	x	x			Kouga Municipality
12.	Pavement of St Francis Street	x	x				Kouga Municipality
13.	Prioritization of functioning and annual allocation of grant-in-aid to Kouga Sports Council	x					Kouga Municipality
14.	Sewer oxidation dam	x	x	x			Kouga Municipality

Budget year							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
	at Koraal pumpstation to be re-assed and fixed to minimize the smelling						
15.	Tarring of Dolley Varden Street to be entered into the list of street upgrading and tarring	x					Kouga Municipality
16.	Give the street air with the right indigenous trees and other plants who don't attract the birds or make damage to the pavement	x					Kouga Municipality
17.	Pedestrian traffic lights at Da Gama and Woltemade crossing	x					Kouga Municipality

6.3.11 WARD BASED PLAN: WARD 12

6.3.11.1 WARD PROFILE

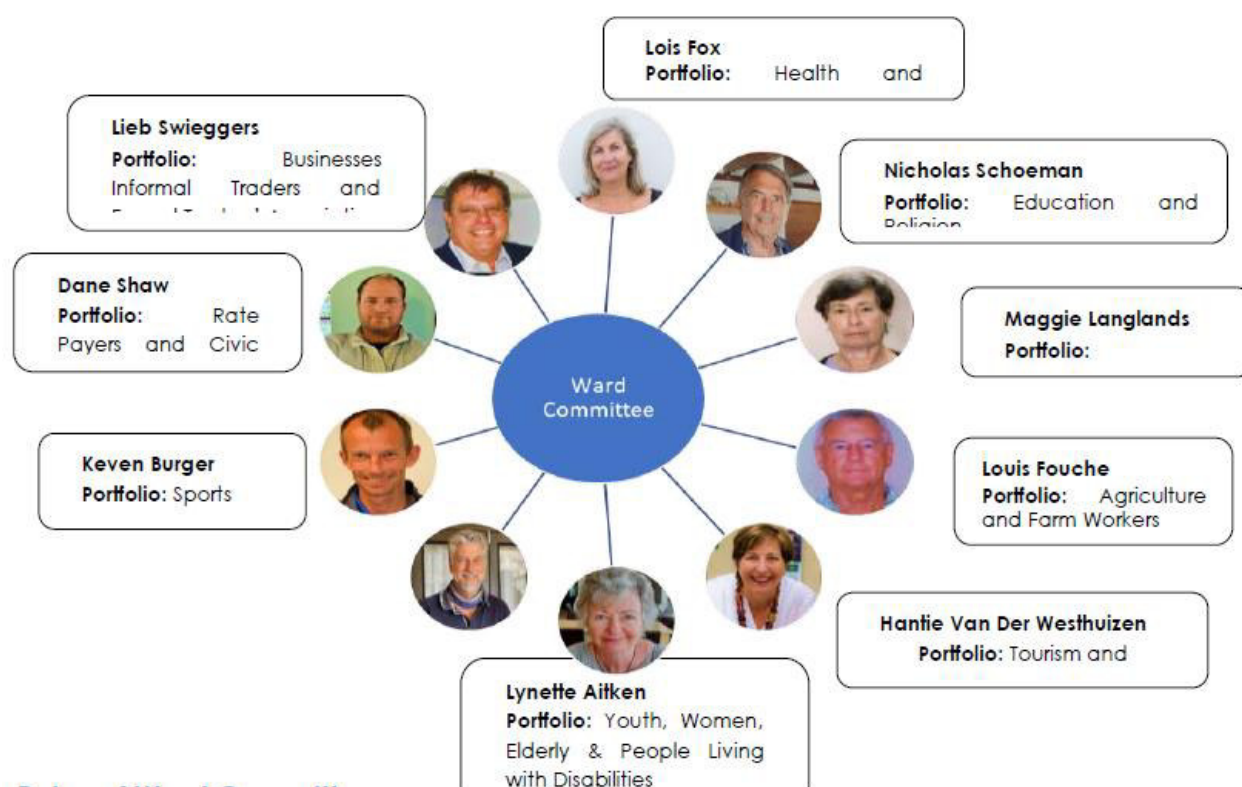
Ward 12 is situated in St Francis Bay and extends to Cape St Francis and includes the Paradise Beach areas. It is generally characterized by the unique sense of an exclusive paradise as well as suburban bliss seaside retreat. The seaside village not only boasts glorious beaches, excellent water sports and a leisurely lifestyle, but also has safe, secluded homes, making it a uniquely styled town.

6.3.11.2 WARD GOVERNANCE

a) Ward Councillor



b) Ward Committee

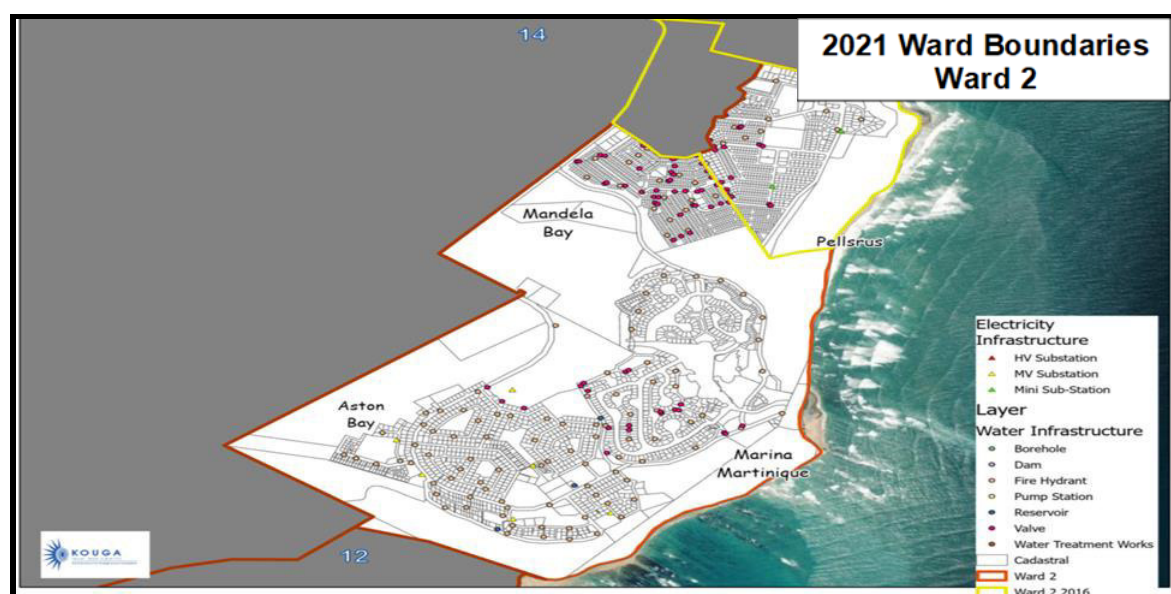


6.3.11.3 SOCIO-ECONOMIC PROFILE

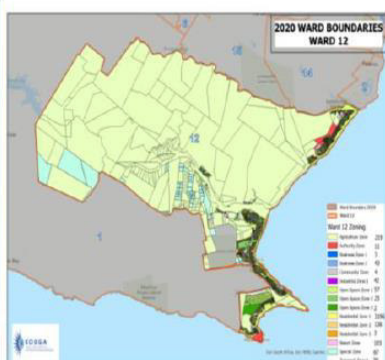
	Population = 3241 (Census 2011) = 3075 (Voters Roll 2016) = 3744 (Voters Roll 2021)
	Households = 1410 (Census 2011) 60.6% Households fully owned and paid up. Average Annual Household Income = R57 300 (More than Double the Provincial and District Averages)
	Access to Services: Water – 90.2% Refuse Collection – 80.2% Sanitation (flush toilet) – 84.9%
	Employment = 53.3% Employed
	Education = 81.7% Completed Matric or higher = 64.1% Completed Grade 9 or higher

6.3.11.4 WARD INFRASTRUCTURE AND ASSETS

The Constitution directs that the municipalities must manage, budget and plan processes that would give priority to the basic needs of the community and promote social and economic development of the community. Infrastructure development is the component of basic needs of the community and therefore infrastructure development may include upgrade, maintenance, refurbishment, funding mechanisms and revenue generation for such infrastructure. Ward 2 is currently equipped with adequate infrastructure to support any form of development.



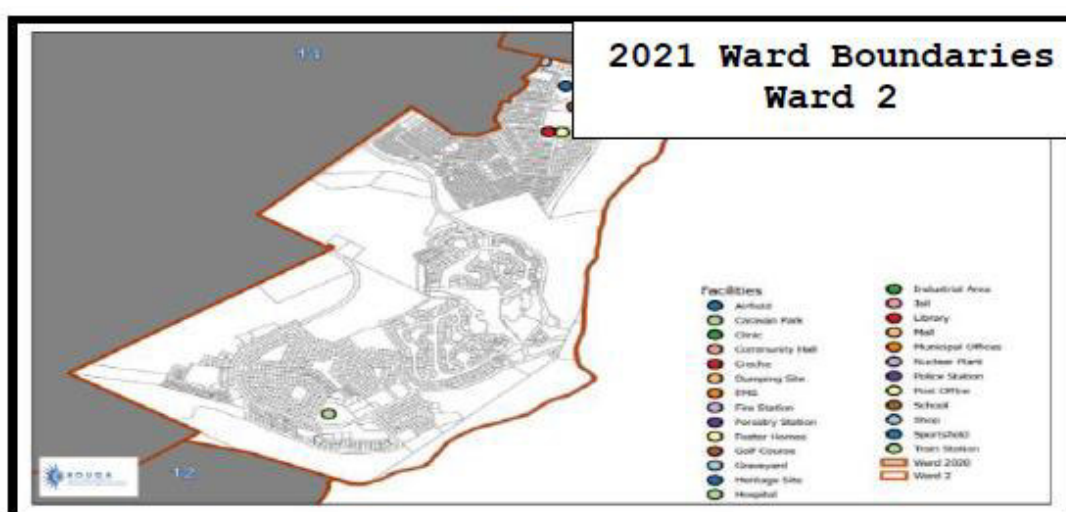
6.3.11.5 LAND USE AND ZONING



Land use/zoning	number
Agriculture zoning	219
Authority Zone	11
Business 1	3
Business 2	43
Community Zone	1
Industrial 1	47
Open Space zone1	57
Open Space zone 2	27
Open Space zone 3	2
Residential 1	3196
Residential 2	136
Residential 3	3
Resort zone	103
Special Zone	67
Transport zone	30

6.3.11.6 FACILITIES IN THE WARD

Municipal facilities means facilities owned, leased, rented, allocated, programmed, operated or managed by the Municipality intended for Public or Municipal staff use. This includes, but is not limited to parks and trails, recreation facilities, staff offices and workspaces, meeting rooms, community meeting spaces, Municipal Hall and spaces where the Municipal Services are provided but does not include facilities or proportions thereof that are occupied by any other sector.



6.3.11.7 RESOURCE MAPPING

Within a ward, there can be a wide variety of resources, including natural assets, infrastructure and NGOs and businesses (small /big). Resource mapping exercise was then conducted in order to identify potential collaborations and funding.

No.	Description	Ownership
1.	Ocean	Natural Asset
2.	Seekoei nature reserve	Natural Asset
3.	Churches	Private churches
4.	Caravan Park	Kouga municipality
5.	Lagoon	Natural Asset
6.	NPO's and NPO's	Private
7.	Marina canals	Marina Martinique
8.	Sport field	Kouga municipality
9.	Aston Bay jetty	Marina Martinique
10.	Franchise	Private
11.	Clinic	Dept. of Health
12.	Community Hall	Kouga municipality
13.	School	Dept. of Education

6.3.11.8 WARD PRIORITIES

Budget year							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	Illegal shacks in Sea Vista	x	x				Kouga municipality/Dept. of Human Settlement
2.	Law enforcement to curb stray animals, by-laws and crime						Kouga municipality/SAPS
3.	Resealing of St Francis Drive, Grand Camore, Triton, Da Gama, Derik, and Johan Muller Boulevard	x	x	x			Kouga municipality/Cogta
4.	Fixing of potholes	x	x				Kouga municipality
5.	Upgrading and grading of gravel roads in Cape St Francis Bay and Paradise Beach	x	x	x			Kouga municipality/Cogta
6.	Rock revetment, spit and dune management	x	x				Kouga municipality/DEDE A
7.	Waterborne sewer system	x	x				Kouga municipality

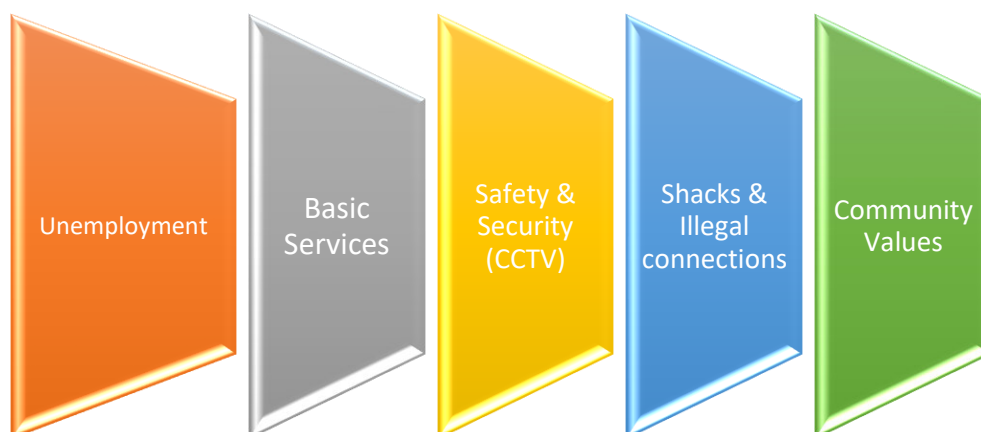
Budget year							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
8.	Seekoei estuary and Causeway	x	x				Kouga municipality/DEDE A
9.	2-day turnaround of sewerage trucks for septic tank services	x	x				Kouga municipality
10.	Water security	x	x				Kouga municipality
11.	Upgrading and maintenance of storm water drainage	x	x				Kouga municipality
12.	Upgrading of water pipeline in Canal Road	x	x				Kouga municipality
13.	Replacement of all old asbestos water pipelines (on-going project)	x					Kouga municipality
14.	Upgrading of Canal bridges (on-going project)	x					Kouga Municipality
15.	Maintenance of V-Drains in Lyme Road south and north, Terrgona and Johan Muller Boulevard	x	x				Kouga Municipality
16.	Fire breaks and bush clearing	x	x				Kouga Municipality
17.	Enforcement of plot clearing policy	x	x	x			Kouga Municipality
18.	Prioritization of the Future use of Erf 554	x					Kouga Municipality
19.	Leaking reservoir in Paradise Beach (on-going project)	x					Kouga Municipality
20.	Dune Road Project (on-going project)	x					Kouga Municipality

6.3.12 WARD BASED PLAN: WARD 13

6.3.12.1 WARD 13: VISION

VISION: **“Inclusive Constant Development to improve basic services”**

The Community of ward 13 identified current challenges that need to be addressed in order to get to the desired state (vision) in the ward. These challenges are:



6.3.12.2 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

Strengths	Weaknesses
• Fencing of Municipal Infrastructure • Job Opportunities & Tourism (Surrounded by farms) • Graveyard that are operating	• Sewer not functioning- Overflow of dams • Seasonal Employment • Seasonal Employment • Lack of numbering & registry book • Lack of fencing / no caretaker
Opportunities	Threats
• Fencing of infrastructure with new technology • Job opportunities as more than 80% working there. • Employ a caretaker • Maintenance & Cleaning of cemeteries	• Vandalising of Infrastructure Health and safety risk • Safety of transportation / overloading • Drought • Vandalism of graveyard

6.3.12.3 SOCIO-ECONOMIC PROFILE

	Population = 12740 (Census 2011) = 4451 (Voters Roll 2016) = 4196 (Voters Roll 2021)
	Households = 3198 (Census 2011) 45.4% households fully owned and paid up. Average Annual Household Income = R14 600 (More than Double the Provincial and District Averages)
	Access to Services: Water – 72.6% Refuse Collection – 63.8% Sanitation (flush toilet) – 63.8%
	Employment = 44.7% Employed
	Education = 16.9% Completed Matric or higher = 64.1% Completed Grade 9 or higher

6.3.12.4 WARD 13 PRIORITIES

No.	Priorities	Responsible	2023/24	2024/25	2025/26	2026/27	2027/28
1	Stormwater (drainage) system	KLM / CONTRACTOR		X			
2	Streetlights (High mass lights)	KLM / Eskom/IGR	X				
3	Sewerage (Weston)	KLM		X			
8	Paving / Tar (Thangana Street)	KLM	X				
5	Land cemeteries (Identify new land)	KLM /Dept Enviro Affairs	X				
6	Church Sites	KLM		X			
7	Sport fields	KLM	X				
8	Radication of mud houses	KLM		X			
9	Indoor Sport Center	KLM				X	
10	Day Hospital	DOH / SOCDEV				X	
11	TVET College	DOE / WINDFARMS				X	
12	Soetkloof land	DOE / WINDFARMS		X			

No.	Priorities	Responsible	2023/24	2024/25	2025/26	2026/27	2027/28
13	Internet for Libraries	KLM	X				
14	Ambulance Depot	Doh / KLM			X		

6.3.13 WARD BASED PLAN: WARD 14

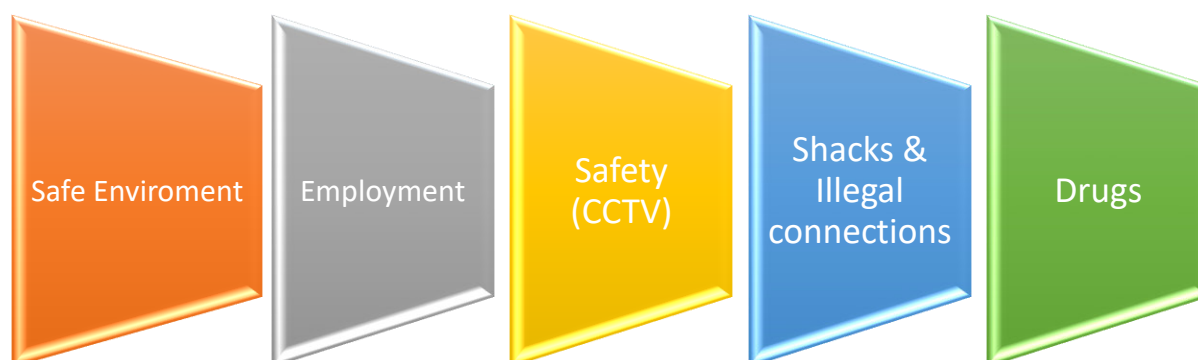
6.3.13.1 WARD 14: PROFILE

Ward 14 is located in Jeffreys Bay south side of Kouga Local Municipality. It consists of Tokyo Sexwale and Ocean View. The extent of the Ward is 41.6 square kilometers with a population of 11 182.

6.3.13.2 WARD 14: VISION

VISION: “Working towards a Social & Safe Economically conducive environment & society”

The Community of ward 14 identified current challenges that need to be addressed in order to get to the desired state (vision) in the ward. These challenges are:



6.3.13.3 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, opportunities, and threats:

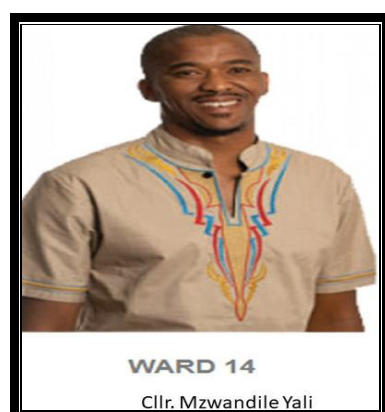
Strengths	Weakness
• 1st Phase of RDP Construction • Social & Flip Construction • CCTV • Youth	• Bucket System • Illegal Dumping Site • Poor Roads • No Community Hall • Rehab Centre • High Unemployment • Social Amenities e.g art expression
Opportunities	Threats
• Bucket System • Zone/ Convert illegal dumping site to church land • Paving of gravel roads • Multi-purpose centre • Partner with Dept of Social Development for Rehab Centre • Skills Development NYDA	• MOB Justice • Roaming of stray animals • Health Hazard • Uncontrollable informal Settlement • Youth Gangsterism • Drug Abuse

In response to SWOT analysis, an action plan has been developed recommending projects and strategies over the next 5 years.

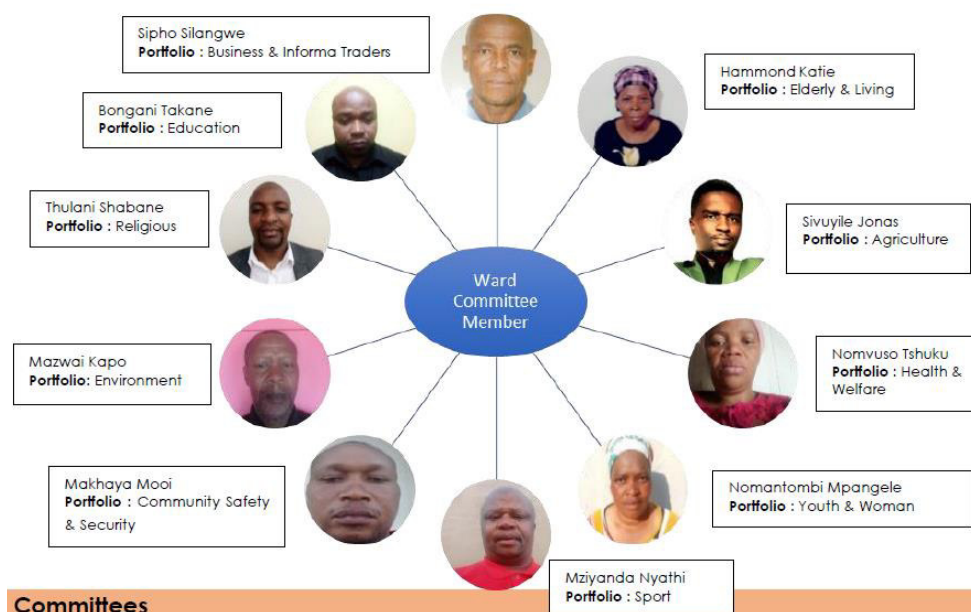
6.3.13.4 GOVERNANCE STRUCTURE

The Local Government: Municipal Structures Act, 1998 says: The objective of a ward committee is to enhance participatory democracy in local government. Ward committees are a part of local governance and an important way of achieving the aims of local governance and democracy mentioned in the Constitution, 1996. The Local Government: Municipal Structures Act, 1998 is the Act that makes provision for the establishment of ward committees as a possible way of encouraging community participation in municipal matters. A general understanding has emerged that a ward committee is an area-based committee whose boundaries coincide with ward boundaries.

a) Ward Councillor



b) Ward Committee



6.3.13.5 SOCIO-ECONOMIC PROFILE

	POPULATION = 11182 (Census 2011) = 5344 (Voters Roll 2016) = 4895 (Voters Roll 2021)
	Households = 4177 (Census 2011) 40.3% Households fully owned and paid up Average Annual Household Income = R14 600 (More than Double the Provincial and District Averages)
	Access to Services: Water – 98.4% Refuse Collection – 91.6% Sanitation (flush toilet) – 68.7%
	Employment = 49.8 % Employed
	Education = 30.9% Completed Matric or higher = 68.9% Completed Grade 9 or higher

6.3.13.6 WARD INFRASTRUCTURE AND ASSETS

The Consitution directs that the municipalities must manage, budget and plan processes that would give priority to the basic needs of the community and promote social and economic development of the community. Infrastructure development is the component if basic needs of the community and therefore infrastructure development may include upgrade, maintenance, refurbishment, funding mechanisms and revenue generation for such infrustructre. Ward 14 is currently equipped with adequate infrustructure to support any form of development



6.3.13.7 LAND USE AND ZONING

The Kouga Municipal Spatial Development Framework (SDF) is more than the spatial the representation of the sector plans of the IDP, it sets out the spatial strategy within which the 2022/2027 IDP operates. The key spatial plan of the SDF and the spatial perspective as well as the short term (5year) spatial priorities are to be incorporated in the IDP as the SDFsector plan. The SDF covers the whole jurisdictional area of the municipality not only the towns and must strive to answer the following questions.

- How is the SDF going to develop Ward 2 over the next 5 to 10 years ?
- What kind of development should take place?
- Where is the best place for development ?
- Who will be responsible for what aspect of the development ?

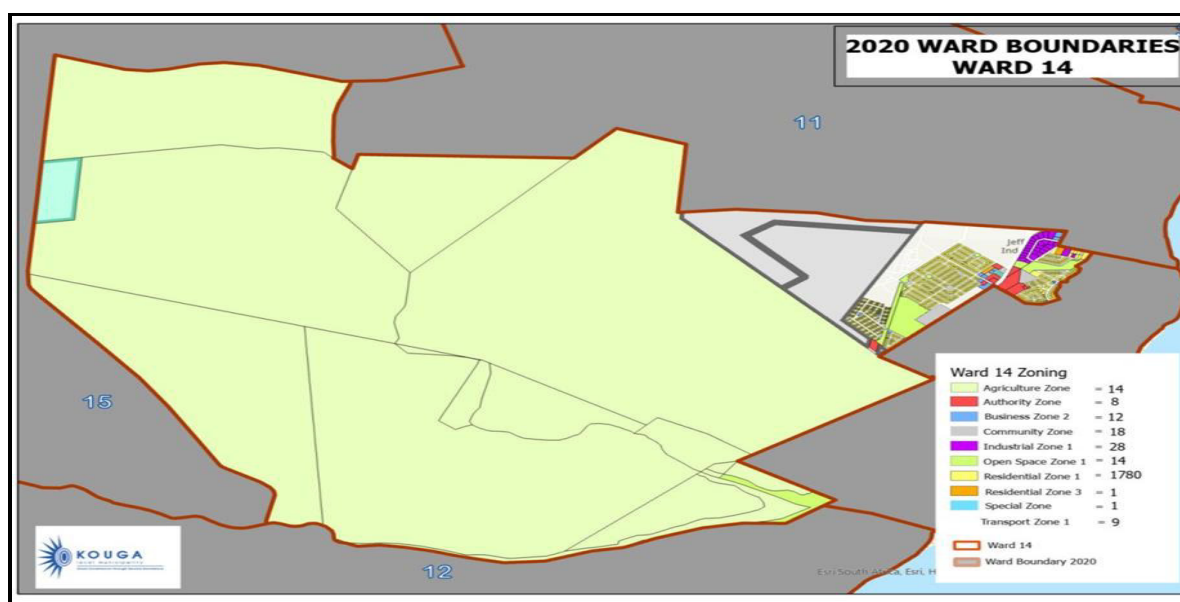
The SDF therefore has a longer-term focus to ensure the future growth and development does not result in unsustainable low density settlement sprawl and the destructiron of the ecosystem and agricultural resource on which the ward's economy depends on. The unsustainable and destructive development will also prevent equitable access to resource and will perpetuate the spatial divisions of the past.

The SDF aims to create the building block towards:

- A spatial vision for the future of the municipal
- Implementation plans together with the necessary public sector resources to deliver them
- A framework for private investments

6.3.13.8 FACILITIES IN THE WARD

Municipal facilities means facilities owned, leased, rented, allocated, programmed, operated or managed by the Municipality intended for Public or Municipal staff use. This includes, but is not limited to parks and trails, recreation facilities, staff offices and workspaces, meeting rooms, community meeting spaces, Municipal Hall and spaces where the Municipal Services are provided but does not include facilities or proportions thereof that are occupied by any other sector.



6.3.13.9 RESOURCE MAPPING

Within a ward, there can be a wide variety of resources, including natural assets, infrastructure and NGOs and businesses (small /big).A resource mapping exercise was then conducted in order to identify potential collaborations and funding. A resource mapping exercise was then conducted in order to identify potential collaborations and funding.

No.	Description
1.	Maskhathalelaneni
2.	One Village
3.	Kouga Arch Carriers Ministries Feteral

6.3.13.10 WARD 14: PRIORITIES

BUDGET YEAR							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	Paving & Tarring of Roads	x					Kouga Municipality
2.	Converting illegal dumping into church sites	x					Kouga municipality
3.	Eradication of Bucket System			x			Kouga municipality
4.	Electrification of Informal Area (Ocean View)		x				Kouga municipality
5.	Multi Purpose Centre			x			Kouga municipality/ Sport Recreation DASRAC
6.	Land for Ocean View Clinic			x			Kouga Municipality
7.	Land for Ocean View Library			x			Kouga municipality
8.	New Housing Project				x		Humans Settlement
9.	Electrification of backyard dwellers		x				Kouga municipality
10.	Investigate transit camps	x					Kouga municipality

6.3.14 WARD BASED PLAN: WARD 15

6.3.14.1 WARD PROFILE

Humansdorp is situated in the Eastern Cape province of South Africa and has grown from a small service center for the flourishing farming area in 1849, to a busy town with every kind of business. Humansdorp is the entrance town to the Kromme River estuary and the resorts of St Francis Bay and Cape St Francis. It is the first economic center on the route between Port Elizabeth and Cape Town.

Humansdorp lies at the foot of the Kouga Mountains, and it is here that the well known Garden Route starts. It is 87 km West of Port Elizabeth, 3 km off the N2 highway, 16 km from Jeffreys Bay, 20 km from St Francis Bay and 26 km from Cape St Francis.

Humansdorp has the facilities of a city, but it maintains the small-town charm. There are hiking trails and forest walks in the vicinity, including the Boskloof Trail, boasting 46 bird species, indigenous trees, Fynbos and small antelope and monkeys.

A collection of farming implements and household items grace the charming Humansdorp Museum.

At the top of Main Street sits the impressive Cultural Centre, a fully eco-sustainable building, which guards over the town. Traditional Khoisan art is exhibited there. The

Zwartenbosch Country & Golf Club is in the process of being developed as an 18-hole golf course.

Ward 15 is located in the center of Kouga LM. It consists of Panorama, Arcadia, Graslaagte, Humansdorp Central, Westside, Moerasrivier, Boskloof and Upper Golf Course. 53 square kilometers and 126.9 people per square kilometer.

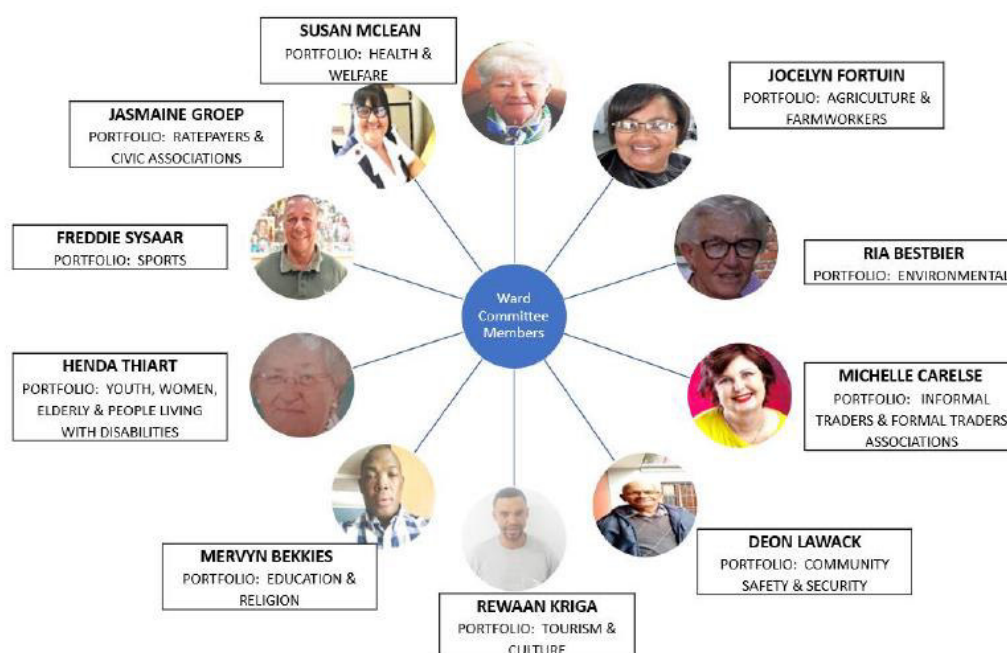
6.3.14.2 WARD GOVERNANCE STRUCTURE

a) Ward Councillor



Cllr T. Jantjes

b) Ward Committee



6.3.14.3 VISION

VISION: "A clean and safe ward which is well maintained where people and the economy will thrive"

The Community of ward 15 identified current challenges that need to be addressed in order to get to the desired state (vision) in the ward. These challenges are:



6.3.14.4 SWOT ANALYSIS

As part of SWOT analysis, the ward committee members listed the following Strengths, Weaknesses, Opportunities and Threats:

Strengths	Weakness
• CBD (Business Hub) • Big Business i.e. Woodlands • NPOs & NGOs • Child welfare • Large youth Population • Old Age Home	• Too many foreign shops • Drugs & gangsterism • Safety & Security • Dirty / Illegal Dumping • Lack of municipal space for playparks • Illegal taverns & Spaza shops
Opportunities	Threats
• Partnership with big business • Encourage local ownership of shops / businesses • Enforced municipal by-laws to clamp down the pass-on of permit & licenses • Upgrade of spot fields • Development on private plots i.e. Graslaagte • Drugs & gangsterism curb through youth upliftment projects / programs.	• Lack of maintenance • Bad roads in CBD • Poor & outdated infrastructure • Floods

In response to SWOT analysis, an action plan was developed recommending projects and strategies over the next 5 years.

6.3.14.5 WARD SOCIO-ECONOMIC PROFILE

	POPULATION = 6 725 (census 2011) = 4 023 (voters 2016) = 2811 (voters 2021)
	HOUSEHOLDS = 2016 (Census 2011) 50.83% households fully owned and paid up Average Annual Household Income = R57 300 (More than Double the Provincial and District Averages)
	ACCESS TO SERVICES: Water – 92 % Refuse Collection 87.8% Sanitation (Flush toilet) 77,5 %
	EDUCATION: 74.5% Completed matric / higher 90.2% Completed Grade 9 / higher
	EMPLOYMENT: 50.2% Employed

6.3.14.6 WARD INFRASTRUCTURE AND ASSETS

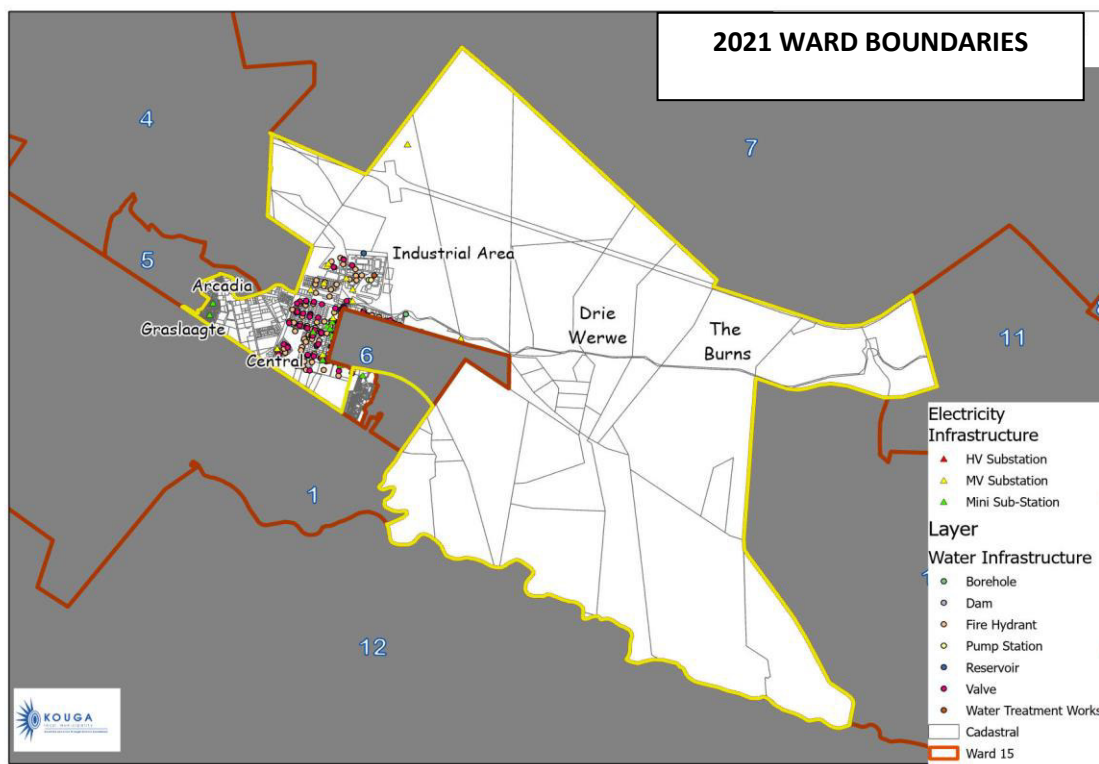
The Constitution directs that the municipalities must manage, budget and plan processes that would give priority to the basic needs of the community and promote social and economic development of the community. Infrastructure development is the component of basic needs of the community and therefore infrastructure development may include upgrade, maintenance, refurbishment, funding mechanisms and revenue generation for such infrastructure. Ward 2 is currently equipped with adequate infrastructure to support any form of development.

In recently developed informal settlements, the Municipality is determining the degree of the backlog in water delivery, and standpipes are continuously erected in these locations.

Customers in Kouga Municipality are projected to rise as the population expands. However, the growing unemployment rate, suppressed disposable income, and increased poverty, as well as the shift toward sustainable, renewable energy sources, are likely to counterbalance some of the growth in energy demand.

Low economic growth prospects, increased electricity costs, the instability of electricity supply and load shedding are stifling economic activity and depressing economic expansion, prompting commercial customers to implement new technologies and renewable energy options in an effort to reduce their reliance on KLM and ESKOM.

The existing municipal electricity network is a mixture of aged and relatively new infrastructure.



6.3.14.7 LAND USE AND ZONING

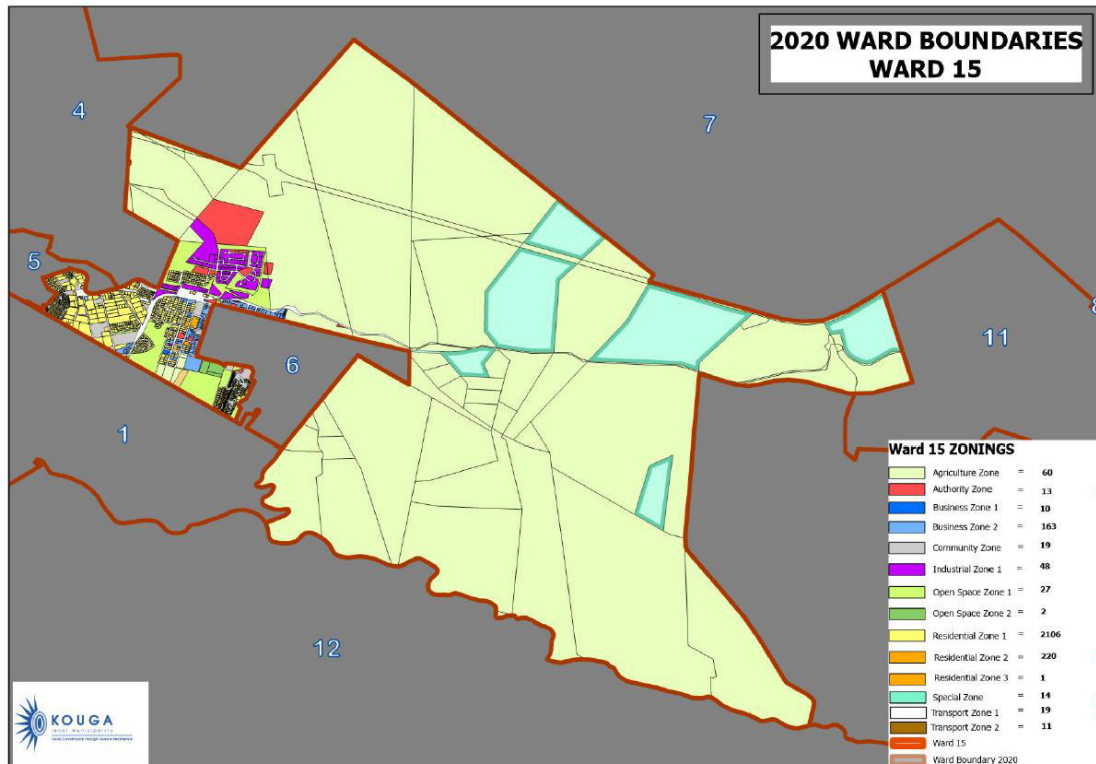
The Kouga Municipal Spatial Development Framework (SDF) is more than the spatial representation of the sector plans of the IDP, it sets out the spatial strategy within which the 2022/2027 IDP operates. The key spatial plan of the SDF and the spatial perspective as well as the short term (5year) spatial priorities are to be incorporated in the IDP as the SDF sector plan. The SDF covers the whole jurisdictional area of the municipality not only the towns and must strive to answer the following questions.

- How is the SDF going to develop Ward 2 over the next 5 to 10 years ?
- What kind of development should take place?
- Where is the best place for development ?
- Who will be responsible for what aspect of the development ?

The SDF therefore 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 resource on which the ward's economy depends on. The unsustainable and destructive development will also prevent equitable access to resource and will perpetuate the spatial divisions of the past.

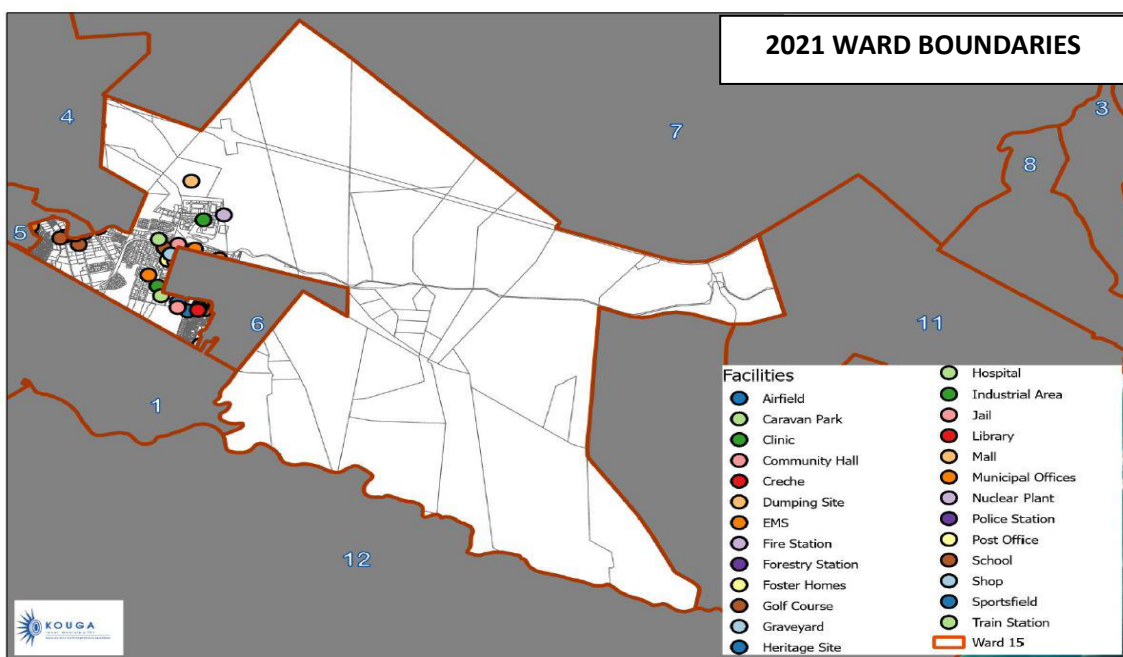
The SDF aims to create the building block towards:

- A spatial vision for the future of the municipal
- Implementation plans together with the necessary public sector resources to deliver them
- A framework for private investments



6.3.14.8 FACILITIES IN THE WARD

Municipal facilities means facilities owned, leased, rented, allocated, programmed, operated or managed by the Municipality intended for Public or Municipal staff use. This includes, but is not limited to parks and trails, recreation facilities, staff offices and workspaces, meeting rooms, community meeting spaces, Municipal Hall and spaces where the Municipal Services are provided but does not include facilities or proportions thereof that are occupied by any other sector.



6.3.14.9 RESOURCE MAPPING

Within a ward, there can be a wide variety of resources, including natural assets, infrastructure and NGOs and businesses (small /big). A resource mapping exercise was then conducted in order to identify potential collaborations and funding.

A resource mapping exercise was then conducted in order to identify potential collaborations and funding.

No.	Description
1.	Woodland Dairy (Job Creation)
2.	Co-op (Job Creation)
3.	Schools
4.	Religion ()
5.	Kwanomzamo Civic Hall
6.	Kwanomzamo Clinic
7.	Sport Clubs
8.	Post Office
9.	P2 Meyer Hospital
10.	NPOs & NGOs 1. Child Welfare 2. Sakhe Family care 3. Home community-based care 4. Old age home 5. Hospice

6.3.14.10 WARD PRIORITIES

BUDGET YEAR							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
1.	Safety – Establishing neighbourhood watch, street committees, CCTV cameras	x					Kouga municipality/ community
2.	Eradication of bucket system	X	X	X	X	X	
3.	Upgrading, cleaning & maintenance of sport fields		x				Kouga municipality/Cogta
4.	Upgrading of roads and		X	X			Dept. of Roads and Transport
5.	Fixing of potholes	X	X	X	X	X	Kouga municipality
6.	Stormwater drainage & flooding of roads & houses during heavy rains	x	x				Kouga municipality/Dept. of land reform and rural Development
7.	Streetlights	x	x	x	X	x	Kouga municipality
8.	Bush clearing	x	x	x	X	x	Kouga municipality/Dept. of Health
9.	Local Economic Development	x	x	x			Kouga municipality/SAPS

BUDGET YEAR							
No.	Project	2023/24	2024/25	2025/26	2026/27	2027/28	Responsibility
10.	Establish a business forum	x	x	x	X		Kouga municipality/Dept. of Roads and Transport

6.4 WARD PRIORITIES PER SECTOR DEPARTMENTS

The tables below indicate community identified needs that are falls within the ambit of Sector Departments, the priorities have been assigned to the specific department:

SECTOR DEPARTMENT: DEPARTMENT OF AGRARIAN REFORM						
PRIORITY	DESCRIPTION	WARD/ AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Agri-school facility	Provide agricultural skills and provide the necessary/ relevant qualification	Ward 4				

SECTOR DEPARTMENT: DEPARTMENT OF ARTS AND CULTURE						
PRIORITY	DESCRIPTION	WARD/ AREA	BUDGET YEAR			
			23/24	23/24	23/24	23/24
Refurbishment of heritage buildings and assets	Refurbishing of heritage buildings and assets	Ward 9				

SECTOR DEPARTMENT: DEPARTMENT OF COMMUNITY SAFETY						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	23/24	23/24	23/24
Safety Committee Forum	Safety Committee Forum	Ward 2				
Safety and security	Curbing of Gangsterism at schools and communities Establishment of Neighbourhood Watches within both wards	Ward 5 Ward 9				
Mobile Police Station	Mobile Police Station	Ward 7				

SECTOR DEPARTMENT: DEPARTMENT OF CORPORATE GOVERNANCE AND TRADITIONAL AFFAIRS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	23/24	23/24	23/24
Upgrading, tarring, or paving of roads	Municipality requires assistance with MIG funding	Ward 4				
Upgrading of treatment plant	Municipality requires assistance with MIG funding	Ward 6				
Upgrading of Old Sport Field	Upgrading of old sport field	Ward 9				
Resealing of the following streets: St Francis Drive Grand Camore Triton Da Gama Derik Johan Muller Boulevard	Resealing of streets	Ward 12				
Upgrading and grading of gravel roads in Cape St Francis Bay and Paradise Beach	Upgrading and grading of gravel roads in Cape St Francis and Paradise Beach	Ward 12				
Upgrading, cleaning & maintenance of sport fields	Upgrading, cleaning & maintenance of sport fields	Ward 15				

SECTOR DEPARTMENT: DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	23/24	23/24	23/24
Rehabilitation of Dunes	Rehabilitation of Dunes	Ward 1				
SMME Development for locals	Create opportunities for small	Ward 9				

SECTOR DEPARTMENT: DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	23/24	23/24	23/24
	business owners including training on financial management.					

SECTOR DEPARTMENT: DEPARTMENT OF EDUCATION						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	23/24	23/24	23/24
Shelter for Scholars	Shelter for Scholars	Ward 1				
Abet School for adults	Abet School for adults	Ward 7				
High School	High School	Ward 7				
Rock revetment, spit, and dune management	Rock revetment, spit and dune management	Ward 12				

SECTOR DEPARTMENT: DEPARTMENT OF ENVIRONMENTAL AFFAIRS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	23/24	23/24	23/24
Land cemeteries	Identify new land	Ward 13				
Seekoei Estuary and Causeway	Intervention with regards to the odour experience in the area. Engagement between all affected stakeholders to address matter.	Ward 12				

SECTOR DEPARTMENT: DEPARTMENT OF HEALTH						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Improvement of existing health facilities	Improvement of existing health facilities	Ward 2				
Clinic	Construction of a clinic	Ward 6				
Night Clinic	Provision of mobile health services. Availing of ambulance services within the area. The ambulance can be parked at a central point where it can arrive quickly at point of request.	Ward 7				
Clinic and ambulance services		Ward 9				
Mobile Clinic		Ward 10				
Ambulance Depot	Ambulance Depot	Ward 13				
Day Hospital	After hour health services are huge need within the area. The current situation is causing serious financial strain on the community as they have to attend hospital services.	Ward 13				

SECTOR DEPARTMENT: DEPARTMENT OF HUMAN SETTLEMENTS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Formalisation of informal settlement	Formalisation of informal settlement	Ward 1				
Housing FLISP	Provision Housing FLISP	Ward 5				
Eradication of Bucket System	Eradication of Bucket System	Ward 6 Ward 15				
Construction and rectification of houses	Construction and rectification of houses	Ward 7				
Need for Social and FLISP Housing	Need for Social and FLISP Housing	Ward 9				

SECTOR DEPARTMENT: DEPARTMENT OF HUMAN SETTLEMENTS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Housing 278	Housing 278	Ward 10				
Illegal Shacks in Sea Vista	Illegal Shacks in Sea Vista	Ward 11				
New Housing Project	New Housing Project	Ward 14				

SECTOR DEPARTMENT: DEPARTMENT OF SOCIAL DEVELOPMENT						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Rehab Centre for drug and substance abuse	Establishment of a Rehab Centre for drug and substance abuse	Ward 1				
Youth Development Centre	Establishment of a Youth Development Centre	Ward 1				
Centre for the Differently abled persons	Centre for the Differently abled persons	Ward 1				
Rehabilitation Centre	Establishment of a Rehabilitation Centre	Ward 7 Ward 9				
Early Childhood Development Centre	Early Childhood Development Centre	Ward 9				
Multi-Purpose Centre	Multi-Purpose Centre	Ward 9				

SECTOR DEPARTMENT: DEPARTMENT OF ROADS AND TRANSPORT						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Takeover of Da Gama Road	Takeover of Da Gama Road	Ward 3				
Access road (N2 and interlink roads)	Access road (N2 and interlink roads)	Ward 4				
Maintenance of R333 link road	Maintenance of R333 link road	Ward 9				
Upgrade Road R331	Upgrade Road R331	Ward 10				
Widening of Dama, Woltemade and St Francis Streets	Widening of Dama, Woltemade and St Francis Streets	Ward 11				
Upgrading of roads	Upgrading of roads	Ward 15				

SECTOR DEPARTMENT: DEPARTMENT OF LAND REFORM AND RURAL DEVELOPMENT						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Animal impoundment Centre	Animal impoundment Centre	Ward 4				
Land tenure ship	Land tenure ship	Ward 4				
Land for livestock farming and agriculture	Land for livestock farming and agriculture	Ward 4				
Land for livestock farming	Land for livestock farming	Ward 9				
Agricultural School Land	Agricultural School Land	Ward 10				

SECTOR DEPARTMENT: DEPARTMENT OF PUBLIC WORKS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Land (Kruisfontein Civic)	Land (Kruisfontein Civic)	Ward 5				

SECTOR DEPARTMENT: DEPARTMENT OF WATER AND SANITATION						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Upgrade Kouga Dam	Upgrade Kouga Dam	Ward 10				

CHAPTER 7: FINANCIAL MANAGEMENT

Information to this Chapter will only be included with the final IDP in May 2023.

CHAPTER 8: PERFORMANCE MANAGEMENT

The Service Delivery and Budget Implementation Plan (SDBIP) gives effect to the IDP and the budget of the municipality. It is an expression of the objectives of the Municipality in quantifiable outcomes that will be implemented by the administration for the financial period from 1 July 2021 to 30 June 2022 (the Municipal financial year).

It includes the service delivery targets and performance indicators for each quarter which is linked to the performance agreements of senior management. It therefore facilitates oversight over financial and non-financial performance of the municipality and allows the Municipal Manager to monitor the performance of the Directors, the Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality as a whole.

In terms of Section 53(1)(c)(ii) of the Local Government: Municipal Finance Management Act (MFMA), the SDBIP is defined as a detailed plan approved by the mayor of a municipality for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate the following –

- Projections for each month of –
- Revenue to be collected, by source; and
- Operational and capital expenditure, by vote
- Service delivery targets and performance indicators for each quarter, and
- Other matters prescribed

The primary objective of the Service Delivery and Budget implementation Plan thus to detail the implementation of the IDP and budget of Kouga Municipality by setting in year quarterly targets for each of the annual targets as set out in the Integrated Development Plan.

The secondary objective is to reduce to writing the objectives of the organization and in doing so, clarifying the required performance levels and allocating accountability to officials which in turn allows oversight of overall institutional performance. The layers of this document will see the objectives reported by the following listed components as well as the comparisons to the Organizational Performance and in turn linked to the individual Directors and their activities within their votes.

The major components of the SDBIP are:

- Quarterly projections of budgeted income and actual income per vote and per activity.
- Quarterly projections of budgeted expenditure, both operating and capital, against actual per vote and per activity.
- Quarterly projections of the service levels (KPA) achieved against budget spending and comment.
- Quarterly projections of service levels in non-financial targets.

a) Implementation

The Service Delivery and Budget Implementation Plan (SDBIP) gives effect to the implementation of the IDP and the budget and as such it calls for stringent oversight to ensure that the objectives of Council for the year is achieved and corrective actions can be implemented in good time where required.

b) Reporting and Oversight

In order to enable and facilitate oversight over the performance of the Institution and the Directorates, the following reporting requirement shall be adhered to:

- Monthly progress reports on the implementation of the SDBIP.
- The Municipal Manager to the Executive Mayoral Committee in so far as it relates to those Key Performance Indicators where the Municipal Manager is listed as the project Driver.
- Directors to the relevant Portfolio Committee in so far as it relates to those Key Performance Indicators assigned to the Director as Program Driver, provided that where any Portfolio Committee does not meet on a monthly basis, reports shall be submitted on a monthly basis.
- Submissions of monthly performance progress reports shall also be submitted to the Office of the Municipal Manager by the Directors within five (5) working days of the end of each month.
- The Portfolio Councillor shall after the submission of the Departmental SDBIP Implementation Performance Report to the Portfolio Committee make a submission to the Executive Mayor on the performance of the Directorate on the implementation of the SDBIP.
- Quarterly progress reports on the overall implementation of the SDBIP shall be submitted to Council and the Performance Audit Committee.
- Quarterly progress reports on the overall implementation of the SDBIP shall be published on the Municipal Web Site to ensure the communities can scrutinize and is made aware of institutional performance.
- The quarterly Institutional SDBIP Implementation Reports must be submitted by Ward Councillors at Ward Committee level for discussion on a quarterly basis.

c) MFMA Circular No. 13

The Circular stipulates that the SDBIP serves as a “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 (executive) 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, municipal manager, senior managers and community.

d) High level SDBIP targets and indicators

Quarterly projections of service delivery targets and performance indicators for each vote, is one of the five components of the top-layer SDBIP that must be made public as detailed in MFMA Circular 13. The top layer of the SDBIP includes measurable performance objectives in the form of service delivery targets and performance indicators that are provided to the community, that is, what impacts it seeks to achieve. These are drawn from the IDP programmes, services and activities that are relevant to each specific directorate as well as the statutory plans that the department is responsible for. The SDBIPs therefore are the key mechanisms for monitoring the different responsibilities and targets that each Directorate must fulfil in meeting service delivery needs provided to the community.

e) Circular 88

Due to the pilot process in the 2021/22 financial year, intermediate cities, district and local municipalities will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 with indicators applicable to the municipality at Tier 1 and 2 levels of readiness. Practically, piloting for all categories of municipalities (except metros) means the following as it relates to municipal planning:

- Tier 1 and Tier 2 outcome, output and compliance indicators applicable to the municipality to be included in a dedicated Annexure to the IDP and SDBIP which clearly indicates the indicator.
- Baselines should be established for Tier 1 and Tier 2 outcome, output and compliance indicators and reflected in the IDP reviews/updates from 2021/22 onwards
- Targets for outcome indicators should be set with a five-year horizon for local government (2025/26)
- Targets for output indicators should be set on an annual basis (2021/22, with potential quarterly targets depending on the frequency of the indicator); and
- No targets should be set for compliance indicators as these are tracked for monitoring purposes only.

f) Reporting on the SDBIP

Various reporting requirements are outlined in the MFMA, both the mayor and the accounting officer have clear roles to play in preparing and presenting these reports. The SDBIP provides an excellent basis for generating the reports required by the MFMA.

The report then allows the Council to monitor the implementation of service delivery programs and initiatives across the municipality's boundaries.

g) Monthly Reporting

Section 71 of the MFMA stipulates that reporting on actual revenue targets and spending against the budget should occur on a monthly basis. This reporting must be conducted by the accounting officer of a municipality no later than 10 working days, after the end of each month.

h) Quarterly Reporting

Section 52(d) of the MFMA compels the mayor to submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality within 30 days of the end of each quarter. The quarterly performance projections captured in the SDBIP form the basis for the mayor's quarterly report.

i) Mid-Year Reporting

Section 72 of the Local Government: Municipal Finance Management Act, Act No. 5 of 2003, determines that by 25 January of each year the accounting officer must assess the performance of the municipality and report to the Council on inter alia its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the service delivery and budget implementation plan.

j) Monitoring and the adjustments budget process

The section 71 and 72 budget monitoring reports required under the MFMA should provide a consolidated analysis of the municipality's financial position including year-end projections. The Executive Mayor must consider these reports under s54 of the MFMA and then decide as to whether the SDBIP should be amended. The Adjustments Budget concept is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the municipality's finances. In simple terms, funds can be transferred within a vote but any movements between votes can only be agreed by an adjustments budget.

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Infrastructure Planning	Infrastructure Master Plans (Stormwater; Roads & Sewer)	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 Infrastructure Master Plan developed by 31 March 2023, 1 each for water and sanitation	Number of Infrastructure Master Plans developed by 31 March 2023, 1 each for Water and Sanitation	0 of 1	0 of 1	0 of 1	0 of 1					Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Infrastructure Planning	Bucket Eradication	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	50% of buckets toilets eradicated by 30 June 2023 - baseline is 1653	% Buckets eradicated by 30 June 2023	0 of 50%	10 of 50%	25 of 50%	50 of 50%	65%	75%	85%	100%	Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Water Security	Water loss reduction	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Reduce water losses to 35% between water purchased/produced and water sold/accounted for	% Reduction in water losses between water purchased/produced and water sold/accounted for	5 of 35%	15 of 35%	30 of 35%	40 of 35%	30%	20%	15%	10%	Directorate Infrastructure and Engineering

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	Project driver
							Q1	Q2	Q3	Q4					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced Keep Kouga Safe	Water Security	Water Quality	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Green Drop to 31% and Blue Drop to 60%	% of Blue and Green drop status .	100%	100%	100%	100%	100%	100%	100%	100%	Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Water Security	Drought Mitigation/ Water Security	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 Drought Mitigation/ Water Security Plan developed by 30 June 2024	Number of Drought Mitigation/ Water Security Plans developed by 1 July 2022	1	0	1	-	-	-			Directorate Infrastructure and Engineering

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual IDP Target 2022/23	KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Water Security	Drought Mitigation/ Water Security	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	100% of water plant is fenced	Number of Phases of the Drought Mitigation/ Water Security Plans implemented by 30 June 2023	10%	40%	60%	100%	100% of water security plans actioned	100% of water security plans actioned	100% of water security plans actioned	100% of water security plans actioned	Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Green	Sanitation	Effluent treatment	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	98% Compliance with SANS standards wastewater treated meeting discharge standards - how many tests per month per plant	% Compliance with SANS standards wastewater treated meeting discharge standards	98%	98%	98%	98%	98%	99%	100%	100%	Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Green	Electricity Provision	Renewable Energy	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 internal workshop for a strategy for renewable energy to be held by 1 December 2022	Number of strategies for renewable energy for 1	0 of 1	1 of 1	-	-					Directorate Infrastructure and Engineering

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
KPA1: Basic Services & Infrastructure	Keep Kouga Green	Electricity Provision	Renewable Energy	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	EIA on earmarked land for municipal 100mw power plant complete	% completion of the EIA application for earmarked land for municipal 110mw power plant	-	-	5%	10%	60%	70%	80%	100%	Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Electricity provision	Electricity loss reduction	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	Reduce electricity losses to 10% between electricity purchased and electricity sold/ accounted for - currently at 12.33 %	% Reduction in electricity losses between electricity purchased and electricity sold/ accounted for	7.5 of 6.5%	7.2 of 6.5 %	6.8 of 6.5 %	6.5 of 6.5 %	5%	5%	5%	5%	Directorate Infrastructure and Engineering

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	MIG Expenditure	MIG Expenditure	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	100% of MIG Grant funding spent	% Expenditure of MIG Grant Funding	5 of 100 %	45 of 100 %	75 of 100 %	100 of 100 %	100%	100%	100%	100%	Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Electrification	DOE Funding expenditure	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	100% implementation of the targets set for the expenditure of the DOE grant funding for electrification of households	% Expenditure of DOE grant funding	5 of 100 %	45 of 100 %	75 of 100 %	100 of 100 %	100%	100%	100%	100%	Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Electricity provision	Electricity supply	To manage and ensure the provision of basic municipal services and the reduction of	950 New electricity connections to formalized settlement areas	Number of new electricity connections to formalized settlement areas	0 of 200	0 of 200	150 of 200	200 of 200	451	283	283	283	Directorate Infrastructure and Engineering

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	Project driver
							Q1	Q2	Q3	Q4					
				infrastructure backlogs.											
KPA1: Basic Services & Infrastructure	Keep Kougas Clean	Solid Waste Management	Waste Management Plan for Kougas Municipality	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	1 Integrated Waste Management Plan reviewed by 31 March 2023	Number of waste management plans adopted by Council by 31 March 2023	0 of 1	0 of 1	1 of 1	-					Directorate Community Services
KPA1: Basic Services & Infrastructure	Keep Kougas Clean	Solid Waste Management	Waste site licensing conditions	To ensure that municipal services are administered in accordance with the principles of transparency	70% Compliance with waste site licensing conditions	% Compliance with waste site licensing conditions	50 of 70%	55 of 70%	65 of 70%	70 of 70%	80%	85%	90%	100%	Directorate Community Services

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
				nd accountability to ensure good governance through service excellence											
KPA1: Basic Services & Infrastructure	Keep Kougas Clean	Solid Waste Management	Waste Minimization	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	Waste minimisation strategy to be adopted by Council	Number of phases of the Waste Minimization Strategy implemented by 30 June 2023	1 of 5	3 of 5	4 of 5	5 of 5	All phases of updated waste minimisation strategy	All phases of updated waste minimisation strategy	All phases of updated waste minimisation strategy	All phases of updated waste minimisation strategy	Directorate Community Services
KPA1: Basic Services & Infrastructure	Keep Kougas Green	Climate Change Management	Climate Change Management	Building energy efficiency	1 Climate Change Strategy developed by 1 December 2022	Number of Climate Change Strategies developed by end December 2022	0 of 1	1 of 1		-					Directorate Community Services

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual IDP Target 2022/23	KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
KPA1: Basic Services & Infrastructure	Keep Kouga Green	Climate Change Management	Climate Change Management	Building energy efficiency	100% municipal buildings have an energy rating by 31 March 2023	% Of municipal buildings that are energy rated by 31 March 2023	0 of 100%	35 of 100%	75 of 100%	100 of 100%	100%	100%	100%	100%	Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Green	Climate Change Management	Climate Change Management	Building energy efficiency	1 internal workshop to set plans based on energy rating results for all municipal buildings	% Energy efficiency improvement implemented per building by 30 June 2023	0 of 10%	5 of 15%	15 of 20%	20 of 25%	25%	50%	75%	90%	Directorate Infrastructure and Engineering
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Cemetery provisioning	Cemetery Management	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 Cemetery Management System implemented by March 2023	Number of Cemetery Management Systems implemented by 30 June 2023	0 of 1	0 of 1	1 of 1	-					Directorate Community Services
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Cemetery provisioning	Cemetery Management	To manage and ensure the provision of basic municipal services and the reduction of	At 20% grave capacity remaining in Graveyard alternative availability of graves in cemeteries - relook for	% Graves available for burials in cemeteries	10 of 20%	15 of 20%	20 of 20%	-					Directorate Community Services

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	Project driver
							Q1	Q2	Q3	Q4					
				infrastructure backlogs.	Departmental SDBIP (rather look for where cemetery is being developed)										
KPA1: Basic Services & Infrastructure	Keep Kouga Serviced	Cemetery provisioning	Cemetery Management	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	1 Cemetery Master Plan developed by 30 June 2023	Number of Cemetery Master Plans developed by 30 June 2023	0 of 1	0 of 1	0 of 1	1 of 1					Directorate Community Services
KPA1: Basic Services & Infrastructure	Keep Kouga Safe	Fire and Rescue Services	Fire and Rescue response	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	80% of fire and rescue incidents responded to within 15 minutes of call	% of fire and rescue incidents responded to within 15 minutes of call	72 of 80%	75 of 80%	80 of 80%	80 of 80%					Directorate Community Services

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual IDP Target 2022/23	KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
KPA1: Basic Services & Infrastructure	Keep Kouga Growing	Servicing of informal housing settlements	Formalization of Informal Settlements	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.	9 Informal Settlements upgraded by 30 June 2023	Number of Informal Settlements Formalized by 30 June 2023	0 of 9	2 of 9	5 of 9	9 of 9					Directorate Planning, Development and Tourism
KPA 2: Municipal Institutional Development and transformation	Keep Kouga Growing	Employment Equity	Employment Equity Compliance	To ensure that municipal services are administered in accordance with the highest levels of employment principles of transparency and accountability to ensure good governance through service excellence	100% compliance with the employment equity plan (3 highest levels of employment)	% Compliance with the employment equity plan (3 highest levels of employment)	100%	100%	100%	100%					Directorate Corporate Services
KPA 2: Municipal Institutional Development and transformation	Keep Kouga Growing	Skills Development	Staff Skills Development	To ensure that municipal services are administered in accordance with the development	100% Expenditure of LGSETA funding received for staff development	% Expenditure of LGSETA funding received for	5 of 100%	20 of 100%	75 of 100%	100 of 100%					Directorate Corporate Services

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
				principles of transparency and accountability to ensure good governance through service excellence		staff development									
KPA Municipal Institution Development and transformation	2: Keep Kougas Growing	Skills Development	Staff Skills Development	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	Set up an internal training program for Batho Pele on training/custom service training for all officials who communicate with the public.	% Of frontline staff members that went on Batho Pele Training by June 2023	0 of 100 %	20 of 100 %	100 of 100 %	100 of 100 %	100%	100%	100%	100%	Directorate Corporate Services

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
KPA Municipal Institution Development and transformation	2: Keep Kouga Growing	Skills Development	Staff Skills Development	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance through service excellence	100% of jobs have minimum levels of computer proficiency established	% Of jobs that have minimum levels of computer proficiency established	0	50 of 100 %	100 of 100 %	-	100%	100%	100%	100%	Directorate Corporate Services
KPA Municipal Institution Development and transformation	2: Keep Kouga Growing	Resource Management	Staff appointments	To ensure that municipal services are administered in accordance with the principles of transparency and accountability to ensure good governance	Vacancy rate of less than 3% over a 3-month period against funded Organogram	% Vacancy rate over a 3-month period against approved Organogram	3%	2.9 %	2.9 %	2.8 %	2.8%	2.7%	2.7%	2.5%	Directorate Corporate Services

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
KPA Local Economic Developm ent	3: Keep Koug a Growing	Local Economic Developmen t	Job Creation	To provide planning services that encourage economic upliftment and Development in the Municipal Area.	200 Jobs created through infrastructure projects	Number of Jobs created through all Public Private Partnerships	20 of 200	100 of 200	150 of 200	200 of 200	220	230	240	250	Directorate Planning, Development and Tourism
KPA Local Economic Developm ent	3: Keep Koug a Growing	Local Economic Developmen t	Job Creation	To provide planning services that encourage economic upliftment and Development in the Municipal Area.	200 FTE created through initiatives and capital programs	Number of jobs created through LED initiatives and capital programs	50 of 50	50	50	50	300	400	500	550	Directorate Planning, Development and Tourism

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual IDP Target 2022/23	KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
KPA Local Economic Developm ent	3: Keep Kouga Growing	Local Economic Developmen t	Job Creation	To provide planning services that encourage economic upliftment and Development in the Municipal Area.	1 Customer Online tracking system for land use and building plan applications implemented by 31 March 2023	Number of Customer Online tracking systems for land use and building plan applications implemented by 31 March 2023	1 of 1	0 of 1	1 of 1	-	-	-	-	-	Directorate Planning, Development and Tourism
KPA Local Economic Developm ent	3: Keep Kouga Growing	Local Economic Developmen t	Job Creation	To provide planning services that encourage economic upliftment and Development in the Municipal Area.	1 EPWP and CWP Management System developed and implemented by 31 December 2022	Number of EPWP Management System developed and implemented by 30 September 2022	-	1	-	-	-	-	-	-	Directorate Infrastructure and Engineering
KPA Local Economic Developm ent	3: Keep Kouga Growing	Local Economic Developmen t	LED Special Purpose Entity	To provide planning services that encourage economic upliftment and Development	1 SMME Data Base established by 31 September 2022 to host details of no less than 150 SMMEs, with all current contact	Number of SMME data bases established by 31 July 2022	1 of 1	-	-	-	-	-	-	-	Directorate Planning, Development and Tourism

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET 23/24 FY	ANNUAL TARGET 24/25 FY	ANNUAL TARGET 25/26	ANNUAL TARGET 26/27	Project driver
							Q1	Q2	Q3	Q4					
				I the details and Municipal Area. sector information included.											
KPA 3: Keep Local Economic Developm ent	3: Keep Kouga Growing	Local Economic Development	SMME developme nt	To provide planning services that encourage economic upliftment and Development I the Municipal Area.	1% increase in building plans approved (industrial, residential and business).	% Annual - increase in building plans approved (industrial, residential and business).	-	-	-	1%	1%	1%	1%	1%	Directorate Planning, Development and Tourism
KPA 3: Keep Local Economic Developm ent	3: Keep Kouga Growing	Local Economic Development	Economic Growth	To provide planning services that encourage economic upliftment and Development I the Municipal Area.	1 per quarter Additional significant (national or international) multi-year event secured for Kouga by 30 June 2023	Number of Additional significant event secured for Kouga 30 June 2023	0 of 1	0 of 1	0 of 1	1 of 1	1	1	1	1	Directorate Planning, Development and Tourism

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual IDP Target 2022/23	KPI	2022/23 Performance Targets				ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	Project driver
							Q1	Q2	Q3	Q4					
KPA 3: Local Economic Developm ent	Keep Kouga Growing	Local Economic Developmen t	Economic Growth	To provide planning services that encourage economic upliftment and Development the Municipal Area.	10% of procurement up to the value of R30 000 awarded to service providers within the Kouga area	Of 5 procurement up to the value of R500 000 awarded to service providers within the Kouga area	0 of 25%	0 of 25%	0 of 25%	0 of 25%	25%	25%	25%	25%	Directorate Finance
KPA 3: Local Economic Developm ent	Keep Kouga Growing	Local Economic Developmen t	External Investments	To provide planning services that encourage economic upliftment and Development the Municipal Area.	Complete feasibility study for the establishment of a LED Special Purpose Vehicle by 30 June 2023	Number of Special Purpose Vehicle terms of reference established completed by 30 June 2023	0 of 1	0 of 1	0 of 1	0 of 1					Directorate Planning, Development and Tourism
KPA 3: Local Economic Developm ent	Keep Kouga Growing	Local Economic Developmen t	Corporate Social Responsibility	To provide planning services that encourage economic upliftment and Development	1 Corporate Social Responsibility Policy developed by 31 December 2022	Number of Corporate Social Responsibility Policy developed by 31 December 2022	0 of 1	0 of 1	-	-					Directorate Planning, Development and Tourism

KPA	SFA	DEPT KPA	PROJECT NAME	IDP Objective	Annual Target 2022/23	IDP KPI	2022/23 Performance Targets				ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	ANNUAL TARGET	Project driver
							Q1	Q2	Q3	Q4	23/24 FY	24/25 FY	25/26	26/27	
				I the Municipal Area.											

APPENDIX

ONE



Project Implementation Plan:

PROJECT NUMBER	PROJECT NAME	WARD	WARD PRIORITY (YES / NO)	NATIONAL KPA	KEY FOCUS AREAS	MUNICIPAL KPA	INSTITUTIONAL PRIORITY	LEADING DEPARTMENT	INSTITUTIONAL TARGET (Period ending 30 June)	SDBIP KPI	TOTAL ESTIMATED BUDGET	BUDGET YR1 2022/23	BUDGET YR2 2023/24	BUDGET YR3 2024/25	BUDGET YR4 2025/26	BUDGET YR5 2026/27	SDBIP YR1 INSTITUTIONAL	SDBIP YR2 INSTITUTIONAL	SDBIP YR3 INSTITUTIONAL	SDBIP YR4 INSTITUTIONAL	SDBIP YR5 INSTITUTIONAL
MM001	Municipal Court	All	No	KPA 4: Good Governance and Public Participation	Safe	Good Governance and Public Participation	Good Governance	MM Office	Establish Municipal Court by 30 June 2027	Submit Municipal Establishment application to Dept of Justice and report on progress	100,000	100,000	-	-	-	-	-	-	-	-	Establish Municipal Court by 30 June 2027
MM002	Renewable Energy Hub of SA	All	No	KPA 1: Basic Services and Infrastructure	Serviced	Infrastructure and Basic Service Delivery	Electricity Independence	I&E	Commission 1.2MW PV Energy by 31 December 2023	Commence IEA process by 30 June 2023 for 60MW plant	28,000,000		28,000,000				Conduct workshop for a strategy for renewable energy by 31 December 2022	Commission 1.2MW PV Energy by 31 December 2023			
MM002	Renewable Energy Hub of SA	All	No	KPA 1: Basic Services and Infrastructure	Serviced	Infrastructure and Basic Service Delivery	Electricity Independence	I&E	Commission 1MW PV Energy by 31 December 2023	1MW PV energy by 15 December 2023	R32m	none	TBC	TBC	TBC	TBC		Commission 1 MW PV Energy by 31 December 2023			
MM003	Bio-Economic Zone	All	No	KPA 2: Local Economic Development	Growing	Local Economic Development	Investment for Growth	PDT	Develop Strategy for the establishment of a Bio-Economic Zone by 30 June 2026	Appoint PSP for EIA/ planning and services for the Bio Economic	-									Develop Strategy for the establishment of a Bio-Economic Zone by 30 June 2026	
MM004	Upgrade Informal Settlements	All	No	KPA 1: Basic Services and Infrastructure	SMART	Spatial and Environmental Rationale	Good Governance	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Conduct informal settlement and backyard dwellers survey by 30 June 2024	500,000	-	500,000	-	-	-	-		Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027
MM005	Establishment of Junior Council	All	No	KPA 4: Good Governance and Public Participation	Growing	Good Governance and Public Participation	Good Governance	MM Office		Establish Junior Council by 30 June 2023	430,000	30,000	100,000	100,000	100,000	100,000	-	-	-	-	-
MM006	Household Population Know your numbers	All	No	KPA 3: Financial Management and Viability	Serviced	Financial Viability and Management	Financial Viability and Management	Finance		Complete data cleansing project 30 September 2023	1,100,000	1,100,000	-	-	-	-					
MM007	Citizen preparation data collection	All	No	KPA 3: Financial Management and Viability	SMART	Financial Viability and Management	Financial Viability and Management	Finance			-										
MM008	Youth Retention Strategy – bring our best youth through last few years in school and	All	Yes	KPA 5: Institutional Development and Transformation	Growing	Institutional Development and Transformation	Good Governance	MM Office		Establish Youth Forum by 30 November 2024	800,000	-	200,000	200,000	200,000	200,000	-	-	-	-	-

[illegible]

[illegible]

MM031	SPU: Gender project and awareness	All	Yes	KPA 4: Good Governance and Public Participation	Serviced	Good Governance and Public Participation	Good Governance	MM Office		Develop Strategy gender awareness by 30 June 2023	-	-	-	-	-	-	-	-	-	-	-
MM032	SPU: 16 Days of Activism Campaign	All	Yes	KPA 4: Good Governance and Public Participation	Serviced	Good Governance and Public Participation	Good Governance	MM Office		Conduct 16 Days of activism during November/ December	325,000	55,000	60,000	65,000	70,000	75,000	-	-	-	-	-
MM033	SPU: HIV/AIDS awareness and Council	All	Yes	KPA 4: Good Governance and Public Participation	Serviced	Good Governance and Public Participation	Good Governance	MM Office		Establish HIV/AIDS Council by 30 June 2023	230,000	-	50,000	55,000	60,000	65,000	-	-	-	-	-
MM034	SPU: Sports Council			KPA 4: Good Governance and Public Participation	Serviced	Good Governance and Public Participation	Tourism Revival	MM Office		Establish Sports Council by 30 June 2024	-										
MM035	SPU: Mayor's Cup	All	Yes	KPA 4: Good Governance and Public Participation	Serviced	Good Governance and Public Participation	Tourism Revival	MM Office		Host Annual Mayor's Cup by 30 April each year	3,480,000	580,000	650,000	700,000	750,000	800,000	-	-	-	-	-
MM036	WDF (Operational)	All	Yes	KPA 4: Good Governance and Public Participation	Serviced	Good Governance and Public Participation	Good Governance	MM Office		Complete WDF Operational projects by 30 June each year	3,750,000	750,000	750,000	750,000	750,000	750,000	-	-	-	-	-
MM037	WDF (Capital)	All	Yes	KPA 4: Good Governance and Public Participation	Serviced	Good Governance and Public Participation	Good Governance	MM Office		Complete WDF Capital projects by 30 June each year	3,750,000	750,000	750,000	750,000	750,000	750,000	-	-	-	-	-
MM038	Automated risk and internal audit package	All	No	KPA 4: Good Governance and Public Participation	SMART	Good Governance and Public Participation	Digital Transformation	MM Office		Implement Risk and Internal Audit Monitoring tool by 30 June 2023	-	-	-	-	-	-	-	-	-	-	-
PD001	IDZ Development Erf 499 Humansdorp	15	Yes	KPA 2: Local Economic Development	Growing	Spatial and Environmental Rationale	Investment for Growth	PDT		Erf 449 Humansdorp subdivided and serviced for establishment of an Industrial area ready for	1,200,000			1,200,000			EIA				

PD002	Upgrading GIS and Integrated Land Use Management System	All	Yes	KPA 2: Local Economic Development	SMART	Spatial and Environmental Rationale	Digital Transformation	PDT		Implement GIS and Integrated Land Use Management System by 30 June 2024	3,100,000	1,700,000	1,400,000	-	-	-	Procurement of Enterprise GIS System by 30 June 2023	Develop workflows on the Enterprise GIS system to ensure full use of GIS by 30 June 2024	Implement GIS/Mapping and Integrated Land Use System by 30 June 2024	-	-
PD004	Manage Outdoor Advertising	All	Yes	KPA 4: Good Governance and Public Participation	Growing	Good Governance and Public Participation	Good Governance	PDT		Implementation of Outdoor Advertising in line with By-Laws	-	-	-	-	-	-	-	Appointment service provider for street pole advertising by 30 Dec 2023	-	-	-
PD004	Manage Outdoor Advertising	All	Yes	KPA 4: Good Governance and Public Participation	Growing	Good Governance and Public Participation	Good Governance	PDT		Review Outdoor Advertising By Law by date 30 June 2024											
PD004	Manage Outdoor Advertising	All	Yes	KPA 4: Good Governance and Public Participation	Growing	Good Governance and Public Participation	Good Governance	Community Services		Removal of all illegal signage by 30 June 2023											
PD005	Precinct Plan Development for Hankey	9 and 13	Yes	KPA 2: Local Economic Development	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT		Council Approved Hankey Precinct Plan by 30 June 2023	391,000	391,000	-	-	-	-		-	-	-	-
PD006	Precinct Plan Development for and St Francis Bay	12	No	KPA 2: Local Economic Development	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT		Council Approved SFB Precinct Plan by 30 June 2023	391,000	391,000	-	-	-	-		-	-	-	-
IHS001	Upgrade Informal Settlements	10	Yes	KPA 2: Local Economic Development	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Upgrade Informal Settlements Patensie by 30 June 2025	-	-	-	-	-	-	-	-	Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027

IHS005	Upgrade Informal Settlements	7	Yes	KPA 1: Basic Services and Infrastructure	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Upgrade Informal Settlements Thornhill by 30 June 2027	-	-	-	-	-	-	-	-	Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027
IHS006	Upgrade Informal Settlements	4	Yes	KPA 1: Basic Services and Infrastructure	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Upgrade Informal Settlements Donkerhoek by 30 June 2027	-	-	-	-	-	-	-	-	Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027
IHS007	Upgrade Informal Settlements	6	Yes	KPA 1: Basic Services and Infrastructure	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Upgrade Informal Settlements Bangalow by 30 June 2027	-	-	-	-	-	-	-	-	Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027
IHS008	Upgrade Informal Settlements	6	Yes	KPA 1: Basic Services and Infrastructure	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Upgrade Informal Settlements Shukushukuma by 30 June 2026	-	-	-	-	-	-	-	-	Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027
IHS009	Upgrade Informal Settlements	6	Yes	KPA 1: Basic Services and Infrastructure	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Upgrade Informal Settlements Polla Park by 30 June 2026	-	-	-	-	-	-	-	-	Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027
IHS010	Upgrade Informal Settlements	14	Yes	KPA 1: Basic Services and Infrastructure	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Upgrade Informal Settlements No Ten Rand by 30 June 2027	-	-	-	-	-	-	-	-	Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027
IHS011	Upgrade Informal Settlements	14	Yes	KPA 1: Basic Services and Infrastructure	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Upgrade Informal Settlements Ocean View by 30 June 2026	-	-	-	-	-	-	-	-	Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027
IHS012	Upgrade Informal Settlements	15	No	KPA 1: Basic Services and Infrastructure	Growing	Spatial and Environmental Rationale	Small Town Economy	PDT	Upgrade 15 Informal Settlements by 30 June 2027	Upgrade Informal Settlements Golf Course by 30 June 2026	-	-	-	-	-	-	-	-	Upgrade 9 of 15 Informal Settlements by 30 June 2025	Upgrade 13 of 15 Informal Settlements by 30 June 2026	Upgrade 15 of 15 Informal Settlements by 30 June 2027
IHS002	Farm dwellers facilitation for housing			KPA 2: Local Economic Development	Growing	Spatial and Environmental Rationale	Investment for Growth	PDT	Land available for housing for farm dwellers by 30 June 2027		-										Land available for housing for farm dwellers by 30 June 2027

[illegible]

LED012	Establish Kouga as events capital: Secure 1 new anchor event annually	All	No	KPA 2: Local Economic Development	Growing	Local Economic Development	Tourism Revival	PDT		Secure 1 new anchor event annually from 1 July 2023	2,000,000	-	500,000	500,000	500,000	500,000	-	-	-	-	-
LED013	position Kouga as Events Capital of SA			KPA 2: Local Economic Development	Growing	Local Economic Development	Tourism Revival	PDT			-										
LED014	Kouga Arts Program			KPA 2: Local Economic Development	Growing	Local Economic Development	Tourism Revival	PDT			-										
LED015	Business retention and expansion program annually	All	Yes	KPA 2: Local Economic Development	Growing	Local Economic Development	Small Town Economy	PDT		Prepare Plan for the retention and expansion of businesses by 30 September 2023	-	-	Budget amount required	-	-	-	-	1 Business retention and expansion plan approved by Council by 31 December 2023			
LED016	Tourism Indaba	All	Yes	KPA 2: Local Economic Development	Growing	Local Economic Development	Tourism Revival	PDT		Host 1 Tourism Indaba for the promotion of tourism by 30 November 2023	1,300,000	300,000	1,000,000	-	-	-	-	-	-	-	-
LED020	Destination Marketing	All	yes	KPA 2: Local Economic Development	Growing	Local Economic Development	Tourism Revival	PDT		Market Kouga as a Tourism destination nationally and Internationally	1,100,000	300,000	500,000	100,000	100,000	100,000	-	-	-	-	-
LED017	SMME Development	All	Yes	KPA 2: Local Economic Development	Growing	Local Economic Development	Small Town Economy	PDT		Train SMME's on data base	2,171,000	71,000	450,000	500,000	550,000	600,000	-	-	-	-	-
LED018	Investors Conference	All	No	KPA 2: Local Economic Development	Growing	Local Economic Development	Investment for Growth	PDT		Host investment conference by 30 June 2027	1,000,000	-	-	-	-	1,000,000	-	-	-	-	-
LED019	Functional LED Forum	All	Yes	KPA 2: Local Economic Development	Growing	Local Economic Development	Investment for Growth	PDT		4 Meetings of the LED Forum per year at 1 meeting per quarter	230,000	-	50,000	55,000	60,000	65,000	-	-	-	-	-

[illegible]

IE001	Construction of Reservoirs	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Expand water storage capacity by 30ML by 30 June 2027	Construct additional reservoir for Cape St Francis by 30 June 2027	700,000	-	-	500,000	200,000	-	-	-	-	-	-
IE001 (2)	Infrastructure Master Plans			KPA 1: Basic Services and Infrastructure	Growing	Basic Services and Infrastructure	Infrastructure backlog	I&E	1 Water Master Plan developed by 30 June 2023		-	-	-	-	-	-	1 Water Master Plan developed by 30 June 2023	-	-	-	-
IE002	Cape St Francis Water Borne Sewer Reticulation	12		KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Install 10km additional waterborne sewer reticulation by 30 June 2027	Complete business plan and secure funding	1,200,000	-	-	600,000	600,000	-	-	-	-	-	-
IE003	St Francis bay Water Borne Sewer reticulation	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Install 10km additional waterborne sewer reticulation by 30 June 2027	St Francis bay Water Borne Sewer reticulation	1,200,000	-	-	600,000	600,000	-	-	-	-	-	-
IE003(2)	Water Loss Reduction	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Reduce water losses to 35% by 30 June 2027		5,000,000	-	1,000,000	2,000,000	2,000,000	-	Reduce water losses to 35% between water purchased/ produced and water sold/ accounted for	-	-	-	Reduce water losses to 35% by 30 June 2027
IE004	Jeffreys Bay Paradise Beach water borne sewer reticulation	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Install 10km additional waterborne sewer reticulation by 30 June 2027	Install waterborne sewer at Jeffreys Bay Paradise Beach	1,300,000	-	-	600,000	700,000	-	-	-	-	-	-
IE005	Install Lorie water borne sewer reticulation	7	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Install 10km additional waterborne sewer reticulation by 30 June 2027	100% Completion of Lorie waterborne sewer reticulation by 30 June 2027	1,150,000	150,000	200,000	200,000	600,000	-	-	-	-	-	-
IE005(2)	MIG Expenditure	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		100% MIG grant funding spent by 30 June each year	73,263,000	35,891,000	37,372,000	-	-	-	100% MIG grant funding spent by 30 June 2023	100% MIG grant funding spent by 30 June 2024	100% MIG grant funding spent by 30 June 2025	100% MIG grant funding spent by 30 June 2026	100% MIG grant funding spent by 30 June 2027
IE006	Oyster bay water borne sewer reticulation including Waste Water Treatment	1	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Install 10km additional waterborne sewer reticulation by 30 June 2027	100% Completion of Oyster Bay water borne sewer reticulation by 2026	1,300,000	-	-	600,000	700,000	-	-	-	-	100% Completion of Oyster Bay water borne sewer reticulation by 2026	-

IE007	Upgrade Sewer Rising Main from La Mer Pump station to WWTW	2, 3, 8, 11, 14	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	15km of sewer rising mains upgraded by 30 June 2027	100% Completion of Upgrade Sewer Rising Main from La Mer Pump station to WWTW	1,692,000	902,000	240,000	550,000	-	-	-	-	Complete design and tender documentation by 30 June 2025	-	-
IE008	Jeffreys Bay Wavecrest install internal sewer reticulation	8	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Install 10km additional waterborne sewer reticulation by 30 June 2027	Complete installation of Jeffreys Bay Wavecrest internal sewer reticulation	700,000	-	-	350,000	350,000	-	-	-	-	-	-
IE009	Humansdorp industrial area new bulk outfall gravity sewer to Kruisfontein WWTW	15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Install 10km additional waterborne sewer reticulation by 30 June 2027	Complete bulk outfall.	800,000	-	-	400,000	400,000	-	-	-	-	-	-
IE010	Paradise Beach upgrade main bulk water supply line	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Upgrade 2km of bulk pipeline	700,000	-	-	400,000	300,000	-	-	-	-	-	-
IE011	St Francis Bay replace ageing internal water lines	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Replace 10km ageing water lines by 30 June 2027	Replace ageing internal water lines St Francis Bay	1,255,000	355,000	200,000	400,000	300,000	-	-	-	-	-	-
IE013	Humansdorp Kruisfontein replace ageing water line	4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Replace 10km ageing water lines by 30 June 2027	Replace ageing water line Humansdorp Kruisfontein	700,000	-	-	400,000	300,000	-	-	-	-	-	-
IE014	Humansdorp New water rising main	4, 5, 6, 15	yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E		100% Completion of Humansdorp New water rising main	600,000	-	-	300,000	300,000	-	-	-	-	-	-
IE015	Humansdorp Kwanomzamo new water reservoir	6	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Commission 20ML additional water storage capacity by 30 June 2023	1 New water reservoir for Kwanomzamo	700,000	-	-	400,000	300,000	-	-	-	-	-	-
IE016	Thornhill new water reservoir 2ML	7	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Commission 20ML additional water storage capacity by 30 June 2023	1 New water reservoir for Thornhill	700,000	-	-	400,000	300,000	-	-	-	-	-	-

IE017	Humansdorp water treatment works new storage reservoir 5ML	4, 5, 6, 15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Commission additional storage capacity by 30 June 2023	20ML water storage reservoir for Humansdorp	700,000	-	-	400,000	300,000	-	-	-	-	-	-
IE018	Humansdorp Kruisfontein new water storage reservoir 5ML	4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Commission additional storage capacity by 30 June 2023	20ML water storage reservoir for Kruisfontein	900,000	-	300,000	400,000	200,000	-	-	-	-	-	-
IE019	Paradise Beach New Storage Reservoir 5ML	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Commission additional storage capacity by 30 June 2023	20ML water storage reservoir for Paradise Beach	700,000	-	-	400,000	300,000	-	-	-	-	-	-
IE020	Jeffreys Bay Wavecrest upgrade beach sewer pump station and rising main	2, 3, 8, 11, 14	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 pumpstations upgraded by 30 June 2027	Sewer Completion of the upgrading of the beach sewer pumpstation Jeffreys Bay	700,000	300,000	400,000	-	-	-	-	-	-	-	-
IE021	Loerie upgrade sewer pumpstation and rising main	7	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 pumpstations upgraded by 30 June 2027	Sewer Completion of Loerie upgrade sewer pumpstation and rising main	400,000	200,000	200,000	-	-	-	-	-	-	-	-
IE022	Thornhill upgrade WWTW (Additional capacity)	7	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Commission additional treatment capacity by 30 June 2027	20ML sewer upgrade WWTW (Additional capacity)	900,000	-	300,000	400,000	200,000	-	-	-	-	-	-
IE023	Upgrade Sewer pump stations St Francis Bay	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 pumpstations upgraded by 30 June 2027	Sewer Completion of Upgrade Sewer pump stations St Francis Bay	800,000	-	-	400,000	400,000	-	-	-	-	-	-
IE024	Upgrade Loerie WWTW	7	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Commission additional sewer treatment capacity by 30 June 2027	20ML Complete designs	-	-	-	-	-	-	-	-	-	-	-
IE025	Jeffreys Bay Upgrade WWTW (Additional clarifier)	2, 3, 8, 11, 14	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Commission additional sewer treatment capacity by 30 June 2027	20ML Completion of Jeffreys Bay Upgrade WWTW (Additional clarifier)	700,000	-	-	300,000	400,000	-	-	-	-	-	-

IE026	Paradise Beach New WWTW	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Commission additional treatment capacity by 30 June 2027	20ML sewer capacity	100% Completion of Paradise Beach New WWTW	1,100,000	-	-	500,000	600,000	-	-	-	-	-	-
IE027	Humansdorp Kwanomzamo upgrade/ refurbish WWTW	6	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Commission additional treatment capacity by 30 June 2027	20ML sewer capacity		43,000,000	-	16,000,000	18,000,000	9,000,000	-					
IE 028	Humansdorp upgrade water treatment plant			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Comission additional treatment capacity by 30 June 2027	10ML water capacity		8,000,000	8,000,000									
IE029	St Francis Bay Links expand existing plant to increase capacity to treat boreholes	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Comission additional treatment capacity by 30 June 2027	10ML water capacity	100% Completion of St Francis Bay Links expand existing plant to increase capacity to	7,000,000	7,000,000	-	-	-	-	-	-	-	-	-
IE030	Hankey, Upgrade and expand Water Treatment works to treat saline borehole water and	9, 13	yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Comission additional treatment capacity by 30 June 2027	10ML water capacity	100% Completion of Hankey, Upgrade and expand Water Treatment works to treat	8,200,000	7,000,000	-	600,000	600,000	-	-	-	-	-	-
IE031	Humansdorp equip and connect 4 existing boreholes	4, 5, 6, 15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Commission 4 plants to increase water supply capacity by 30 June 2027		100% Completion of Humansdorp equip and connect 4 existing boreholes by 30	17,000,000	17,000,000	-	-	-	-	-	-	-	-	-
IE032	Construct emergency overflow pond Koraal Pump Station	11	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 pumpstations upgraded by 30 June 2027	Sewer capacity	100% Completion of Construction of emergency overflow pond Koraal Pump Station by 30	4,000,000	-	4,000,000	-	-	-	-	-	-	-	-
IE034	Jeffreys Bay construct/ upgrade exisiting 66 kV line	2, 3, 8, 11, 12, 14	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Electricity Independence	I&E	100% Completion of Upgrading of Jeffreys Bay exisiting 66 kV line by 30 June 2027			45,000,000	3,000,000	10,500,000	10,500,000	10,500,000	10,500,000	-	-	-	-	-
IE035	Develop Water Master Plan	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Develop Water Master Plan by 30 June 2023		Develop Water Master Plan by 30 June 2026	1,100,000	-	400,000	400,000	300,000	-	-	-	-	-	-

IE036	Develop Sewer Master Plan	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Develop Sewer Master Plan by 30 June 2023	Develop Sewer Master Plan by 30 June 2026	1,100,000	-	400,000	400,000	300,000	-	-	-	-	-	-
IE037	Develop Roads Master Plan	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Develop Roads Master Plan by 30 June 2026	1,100,000	-	400,000	400,000	300,000	-	-	-	-	-	-
IE038	Takeover/Upgrade prov roads (Da Gama/ Voortrekker/ St francis Drive)	3	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		100% Completion of Upgrade of prov roads (Da Gama/ Voortrekker/ St francis Drive)	900,000	-	-	400,000	500,000	-	-	-	-	-	-
IE039	Upgrade gravel roads to surfaced		Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E			33,000,000	-	15,000,000	15,000,000	3,000,000	-					
IE041	Upgrade parking layout Main Str Humansdorp	15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Upgrade parking layout Main Str Humansdorp	300,000	-	-	300,000	-	-	-	-	-	-	-
IE047	Repair and install telemetry systems, fencing, alarm and cameras in all WWTW and	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 pumpstations upgraded by 30 June 2027	100% completion of the installation of telemetry system, fencing, alarms and cameras in	500,000	-	-	200,000	300,000	-	-	-	-	-	-
IE050	Upgrade Humansdorp WWTW to 50ML per day	6, 15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	infrastructure backlog	I&E	Commission 20ML additional sewer treatment capacity by 30 June 2027		900,000	-	300,000	300,000	300,000	-	-	-	-	-	-
IE051	Investigations/ Feasibility study into alternative water supply	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E			900,000	-	400,000	500,000	-	-	-	-	-	-	-
IE052	Construction Western Dam Pump Station Humansdorp			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E			700,000	-	-	400,000	300,000	-	-	-	-	-	-

IE053	Construct reservoir at NMBM to Humansdorp take off point	15,12,6,5,4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Commission 20ML additional water storage capacity by 30 June 2023		400,000	-	-	400,000	-	-	-	-	-	-	-
IE054	Upgrade raw gravity water line from fountains in Humansdorp	15,12,6,5,4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E		Upgrade raw gravity water line from fountains in Humansdorp	600,000	-	-	300,000	300,000	-	-	-	-	-	-
IE055	Construct access pathway for bulk water supply line from Humansdorp to Kruisfontein	4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E		Construct access pathway for bulk water supply line from Humansdorp to Kruisfontein	400,000	-	-	200,000	200,000	-	-	-	-	-	-
IE056	Pipe replacement mid-block Kwanomzamo	6	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	15km of sewer rising mains / sewer lines upgraded by 30 June 2027	Pipe replacement mid-block Kwanomzamo	400,000	-	-	200,000	200,000	-	-	-	-	-	-
IE057	Finalization of Kruisfontein WWTW	4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Commission 20ML sewer treatment capacity by 30 June 2027	Finalization of Kruisfontein WWTW	600,000	-	-	300,000	300,000	-	-	-	-	-	-
IE058	Upgrade/ Formalize water supply infrastructure for Donkerhoek, Moniuitsie	5,6,15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E		Upgrade/ Formalize water supply infrastructure for Donkerhoek, Moniuitsie	700,000	-	300,000	400,000	-	-	-	-	-	-	-
IE059	Upgrade Bo-Blok and Grasslaagte water reticulation	5	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E		Upgrade Bo-Blok and Grasslaagte water reticulation	600,000	-	-	300,000	300,000	-	-	-	-	-	-
IE060	Construction of Die Berg 50kl reservoir and 1km rising main	4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Commission 20ML additional water storage capacity by 30 June 2023	Construction of Die Berg 50kl reservoir and 1km rising main	700,000	-	-	300,000	400,000	-	-	-	-	-	-
IE061	Construct 110MM_ pipeline Caravan Park in Kwanomzamo	6	yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E		Construct 110MM_ pipeline Caravan Park in Kwanomzamo	300,000	-	-	200,000	100,000	-	-	-	-	-	-

IE062	Upgrade Oyster Bay WWTW	1	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Commission additional treatment by 30 June 2027	20ML sewer capacity	Upgrade Oyster Bay WWTW	800,000	-	-	300,000	300,000	200,000	-	-	-	-	-
IE063	Pipe replacement KroMM_e river bridge			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E			Pipe replacement KroMM_e river bridge	500,000	200,000	300,000	-	-	-	-	-	-	-	-
IE064	Installation permanent standby generators at pumpstations	All	yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 pumpstations upgraded by 30 June 2027	Sewer	Installation permanent standby generators at pumpstations	-	-	-	-	-	-	-	-	-	-	-
IE065	Installation of smart meters	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E			Installation of smart meters	400,000	-	400,000	-	-	-	-	-	-	-	-
NEW	Additional Sanitation			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Install 10km additional waterborne sewer reticulation by 30 June 2027			-										
IE066	Reconstruct Golf Couse Kwanomzamo pump station	6	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 pumpstations upgraded by 30 June 2027	Sewer	Reconstruct Golf Couse Kwanomzamo pump station	600,000	-	-	300,000	300,000	-	-	-	-	-	-
IE067	Upgrade Vergenoeg Sewer pumpstation			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 pumpstations upgraded by 30 June 2027	Sewer	Upgrade Vergenoeg Sewer pumpstation	600,000	-	-	300,000	300,000	-	-	-	-	-	-
IE068	Upgrade Arcadia Sewer pumpstation			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 pumpstations upgraded by 30 June 2027	Sewer	Upgrade Arcadia Sewer pumpstation	600,000	-	-	300,000	300,000	-	-	-	-	-	-
IE069	Upgrade replacement of Kemp str sewer pipeline			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	15km of sewer rising mains / sewer lines upgraded by 30 June 2027		Upgrade replacement of Kemp str sewer pipeline	500,000	-	-	200,000	300,000	-	-	-	-	-	-

IE070	Upgrade/ replace Matmelville sewer pumpstation			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 Sewer pumpstations upgraded by 30 June 2027	Upgrade/ replace Matmelville sewer pumpstation	500,000	-	-	200,000	300,000	-	-	-	-	-	
IE071	Eradication of Bucket Humansdorp/ St Francis Bay/ Gamtoos Valley) (Containerized)	4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Eradicate 4 500 buckets through provision of acceptable sewer disposal methods by 30 June 2027	Eradication of Bucket Humansdorp/ St Francis Bay/ Gamtoos Valley)	1,300,000	-	-	500,000	600,000	200,000	-	-	-	-	Eradicate 4 500 buckets through provision of acceptable sewer disposal methods by 30 June 2027
IE072	Eradication of conservancy tanks (Humansdorp, St Francis Bay and Gamtoos Valley)	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Eradication of conservancy tanks (Humansdorp, St Francis Bay and Gamtoos Valley)	500,000	-	-	300,000	200,000	-	-	-	-	-	
IE073	Eradication of Chemical Toilets (Humansdorp, St Francis Bay and Gamtoos Valley)	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Eradicate 800 chemical toilets through the provision of acceptable sewer disposal methods	Eradication of Chemical Toilets (Humansdorp, St Francis Bay and Gamtoos Valley)	800,000	-	-	400,000	400,000	-	-	-	-	-	
IE074	Installation of permanent standby generators at WWTW and pumpstations	all	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 Sewer pumpstations upgraded by 30 June 2027	Installation of permanent standby generators at WWTW and pumpstations	500,000	-	200,000	300,000	-	-	-	-	-	-	
IE075	Fencing and installation of alarm systems and cameras in all sewer pumpstations	all	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 Sewer pumpstations upgraded by 30 June 2027	Fencing and installation of alarm systems and cameras in all sewer pumpstations	300,000	-	200,000	100,000	-	-	-	-	-	-	
IE076	Completion of Weston WWTW in Hankey	13	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Commission 20ML additional sewer treatment capacity by 30 June 2027	Completion of Weston WWTW in Hankey	1,150,000	-	600,000	550,000	-	-	-	-	-	-	
IE077	Construction of Weston sewer reticulation	13	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Install 10km additional waterborne sewer reticulation by 30 June 2027	Construction of Weston sewer reticulation	-	-	-	-	-	-	-	-	-	-	
IE078	Upgrade Loerie WWTW	7	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Commission 20ML additional sewer treatment capacity by 30 June 2027	Upgrade Loerie WWTW	600,000	-	-	400,000	200,000	-	-	-	-	-	

IE079	Upgrade Kruisfontein Stream Crossing	4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E		Upgrade Kruisfontein Stream Crossing	300,000	-	-	200,000	100,000	-	-	-	-		
IE080	Construction of Die Berg Access Road	4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Construction of Die Berg Access Road	300,000	-	-	200,000	100,000	-	-	-	-		
IE081	Provision of storm water infrastructure Golf Course, Shukusuma	6	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Provision of storm water infrastructure Golf Course, Shukusuma	500,000	-	-	200,000	300,000	-	-	-	-		
IE082	Provision of storm water infrastructure St Francis Bay and Cape St Francis	12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Provision of storm water infrastructure St Francis Bay and Cape St Francis	400,000	-	-	200,000	200,000	-	-	-	-		
IE083	Upgrade/ Refurbish Humansdopr Deport/ Workshop	15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Upgrade/ Refurbish Humansdopr Deport/ Workshop	-	-	-	-	-	-					
IE084	Upgrade/ Refurbish St Francis Bay Deport/ Workshop	12	No	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Upgrade/ Refurbish St Francis Bay Deport/ Workshop	-	-	-	-	-	-					
IE085	Capacity Building and Training			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E		Capacity Building and Training	-	-	-	-	-	-					
IE086	Software Applications for drawings and design	All	No	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Infrastructure backlog	I&E		Procurement of Software Applications for drawings and design by 30 June 2024	100,000	-	100,000	-	-	-	-	-	-		
IE087	Jeffreys Bay fence Koraal Pump Station	11	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	10 Sewer pumpstations upgraded by 30 June 2027	Jeffreys Bay fence Koraal Pump Station	-	-	-	-	-	-					

[illegible]

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IE106	St Francis Bay MND upgrade from 5Mva to 8 Mva	12	No	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Electricity Independence	I&E		St Francis Bay MND upgrade from 5Mva to 8 Mva by 30 June 2027	-	-	-	-	-	-	-	-	-	-	
IE107	Green buildings installation of solar generation on infrastructure plants sewer	All	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Electricity Independence	I&E		100% Completion of installation of solar generation on sewer and water infrastructure	-	-	-	-	-	-	-	-	-	-	
IE108	Substation protection upgrades in Kouga	4, 5, 12, 15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E	Upgrade Substations by 30 June 2027	6 100% Completion of substation upgrades by 30 June 2026	-	-	-	-	-	-	-	-	-	-	
IE110	Upgrading of water related infrastructure in Kruisfontein Swartenbos Area	4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	I&E			600,000	-	-	300,000	300,000	-	-	-	-	-	
CS00	Climate Change Management Strategy	All	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure		Community Services		Climate Change Strategy developed and approved by 31 December 2022	-	-	-	-	-	-	Climate Change Strategy developed and approved by 31 December 2022	-	-	-	
CS001	Compliance with review of Waste Management Plan every 3 years	All	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Intergrated Waste Management Plan approved and reviewed by June 2024	-	-	-	-	-	-	-	-	-	-	
CS002	Waste Minimization (4 buy back centres)	1,15,9,14	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Clean Kouga	Community Services	20 000-ton waste recycled at Humansdorp Landfill Site	4 buy back centres installed by June 2026	-	-	-	-	-	-	-	-	4 buy back centres installed by June 2026	-	
CS003	Reduction of illegal dumping (25 skip bins required)	1,2,4,5,6,7,9,10,13,14,15	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Reduction of 50 illegal dumping sites by 30 June 2027	-	-	-	-	-	-	Reduction of 10 illegal dumping sites by 30 June 2023	Reduction of 10 illegal dumping sites by 30 June 2024	Reduction of 10 illegal dumping sites by 30 June 2025	Reduction of 10 illegal dumping sites by 30 June 2026	Reduction of 10 illegal dumping sites by 30 June 2027
CS004	Illegal dumping campaigns and door to door awareness campaigns	1,2,4,5,6,7,9,10,13,14,15	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Infrastructure backlog	Community Services		20 Illegal dumping campaigns and 55 door to door awareness campaigns by 2027	-	-	-	-	-	-	4 Illegal dumping campaigns and 11 door to door awareness campaigns by June 2023	4 Illegal dumping campaigns and 11 door to door awareness campaigns by June 2024	4 Illegal dumping campaigns and 11 door to door awareness campaigns by June 2025	4 Illegal dumping campaigns and 11 door to door awareness campaigns by June 2026	4 Illegal dumping campaigns and 11 door to door awareness campaigns by June 2027

CS005	Procure tipper and TLB for waste sites	15	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Procurement of 1 tipper and 1 TLB for waste sites by 30 June 2023	2,400,000	2,400,000	-	-	-	-	Procurement of 1 tipper and 1 TLB for waste sites by 30 June 2023	-	-	-	-
CS006	Fence 2 Landfill sites	9.15	No	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Fence 2 Landfill sites	-	-	-	-	-	-	-	-	-	-	-
CS007	Repair weighbridge	15	No	KPA 1: Basic Services and Infrastructure	Growing	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Repair weighbridge by 30 June 2024	220,000	-	220,000	-	-	-	-	-	-	-	-
CS008	Installation and Monitor waste site boreholes	9,14,15	Yes	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Installation and Monitor waste site boreholes by 30 June 2027	3,111,000	563,000	591,000	621,000	652,000	684,000	-	-	-	-	-
CS009	Landfill site compliance monitoring Program	2,9,14,15	Yes	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Good governance	Community Services		Landfill site compliance monitoring Program	756,000	135,000	142,000	148,000	156,000	175,000	-	-	-	-	-
CS010	Plan, design and obtain approval for construction of line landfill cells and Humansdorp	9.15	No	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Plan, design and obtain approval for construction of line landfill cells and Humansdorp	3,760,000	-	-	1,950,000	1,810,000	-	-	-	-	-	-
CS011	Rehabilitation and closing permit applications for Patensie, St Francis Bay and Paniesfontein	2,9,14, 5	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Good governance	Community Services		Rehabilitation and closing permit applications for Patensie, St Francis Bay and Paniesfontein	1,800,000	-	-	-	1,800,000	-	-	-	-	-	-
CS013	Construction of landfill storm water management systems	15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Construction of 2 landfill storm water management systems	-	-	-	-	-	-	-	-	-	-	-
NEW	Procurement of Skip Bins	1,2,4,6,7, 14	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Procure 25 Skip Bins	1,200,000	-	200,000	400,000	R400,000	R200,000	-	Procure 5 Skip Bins by 30 June 2024	Procure 8 Skip Bins by 30 June 2025	Procure 8 Skip Bins by 30 June 2026	Procure 4 Skip Bins by 30 June 2027

NEW	Rehabilitation and closure permit applications for Patensie, St Francis Bay and Papiesfontein	9,14,15	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Clean Kouga	Community Services		To have closure permits for Patensie, St Francis Bay and Papiesfontein landfill site by 30 June 2026	1,800,000	-	-	-	-	1,800,000	-	-	-	-	-	-
NEW	Waste Reduction - Tonnes of waste recycled at the Humansdorp Landfill Site	15	No	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Clean Kouga	Community Services		10 000 tonnes waste recycled at Humansdorp Landfill Site by 30 June 2027	-	-	-	-	-	-	2 000 tonnes waste recycled at Humansdorp Landfill Site by 30 June 2023	2 000 tonnes waste recycled at Humansdorp Landfill Site by 30 June 2024	2 000 tonnes waste recycled at Humansdorp Landfill Site by 30 June 2025	2 000 tonnes waste recycled at Humansdorp Landfill Site by 30 June 2026	2 000 tonnes waste recycled at Humansdorp Landfill Site by 30 June 2027	
NEW	Waste Minimization	All	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Clean Kouga	Community Services		10 waste minimization projects implemented by 30 June 2027	-	-	-	-	-	-	4 waste minimization projects implemented by 30 June 2023	2 waste minimization projects implemented by 30 June 2024	2 waste minimization projects implemented by 30 June 2025	1 waste minimization project implemented by 30 June 2026	1 waste minimization project implemented by 30 June 2027	
CS017	Establish bio-fuel composting zone at Humansdorp Landfill and fence	15	No	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Establish bio-fuel composting zone at Humansdorp Landfill and fence by 30 June 2024	500,000	-	500,000	-	-	-	-	-	-	-	-	
CS019	Establishment of partnerships to keep Kouga clean	3.8	No	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Establishment of 5 partnerships to keep Kouga clean by 30 June 2027	-	-	-	-	-	-	-	-	-	-	-	
EH001	Submit water samples for bacteriologic and chemical analysis	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Public Safety	Community Services		Submit water samples for bacteriologic (2 100) and chemical analysis (700) by 30 June 2027	-	-	-	-	-	-	Submit water samples for bacteriologic (420) and chemical analysis (140) by June 2023	Submit water samples for bacteriologic (420) and chemical analysis (140) by June 2024	Submit water samples for bacteriologic (420) and chemical analysis (140) by June 2025	Submit water samples for bacteriologic (420) and chemical analysis (140) by June 2026	Submit water samples for bacteriologic (420) and chemical analysis (140) by June 2027	
EH002	National Water Week education and awareness on water conservation and drought	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		5 education and awareness on water conservation and drought mitigation campaigns by 30 June 2027	-	-	-	-	-	-	1 education and awareness on water conservation and drought mitigation campaign by 30 June 2023	1 education and awareness on water conservation and drought mitigation campaigns by 30 June 2024	1 education and awareness on water conservation and drought mitigation campaigns by 30 June 2025	1 education and awareness on water conservation and drought mitigation campaigns by 30 June 2026	1 education and awareness on water conservation and drought mitigation campaigns by 30 June 2027	
EH003	Rehabilitation of illegal dumping to community recreation facility	1,2,4,6,7,9,10,12,13,14,15	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Clean Kouga	Community Services		Rehabilitation of illegal dumping spots to 5 community recreation facility by 30 June 2027	600,000	120,000	120,000	120,000	120,000	120,000	Rehabilitation of illegal dumping spot to 1 community recreation facility by 30 June 2023	Rehabilitation of illegal dumping spot to 1 community recreation facility by 30 June 2024	Rehabilitation of illegal dumping spot to 1 community recreation facility by 30 June 2025	Rehabilitation of illegal dumping spot to 1 community recreation facility by 30 June 2026	Rehabilitation of illegal dumping spot to 1 community recreation facility by 30 June 2027	
EH004	Social Responsibility and community partnerships	1,2,4,5,6,7,9,10,12,13,14,15	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Good governance	Community Services		3 Community partnerships with animal rescue organisations by 2023	-	-	-	-	-	-	3 Community partnerships with animal rescue organisations by 2023	-	-	-	-	

EH005	Ensuring a safe and healthy environment	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Good governance	Community Services		5 School awareness campaigns regarding hygiene by 30 June 2027	-	-	-	-	-	-	-	-	-	-	-
EH007	Animal Management	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Animal Management	-	-	-	-	-	-	-	-	-	-	-
EH008	Plot Clearing	All	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Public Safety	Community Services		650 x Plots to be cleared 30 June 2027	4,000,000	650,000	750,000	850,000	850,000	900,000	-	-	-	-	-
PA001	Cemetery Management System	All	Yes	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Digital Transformation	Community Services		1 x Cemetery Management System Implemented by 31 March 2023	-	-	-	-	-	-	1 x Cemetery Management System Implemented by 31 March 2023	-	-	-	-
PA002	Fencing of cemeteries	7,9,10,15	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Fencing of 4 cemeteries (Hankey, Patensie, Thornhill and Humansdorp) by 30 June 2027	7,400,000	-	2,100,000	2,000,000	1,800,000	1,500,000	-	Fencing of 1 cemetery (Hankey) by 30 June 2024	Fencing of 1 cemetery (Humansdorp) by 30 June 2025	Fencing of 1 cemetery (Patensie,) by 30 June 2026	Fencing of 1 cemetery (Thornhill) by 30 June 2027
PA003	EIA application for cemeteries	7,15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		2 X EIA applications for cemeteries by 30 June 2025	600,000	-	300,000	300,000	-	-	-	-	-	-	-
PA005	Develop Cemetery Management Policy and Parks By-Laws	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Good governance	Community Services		Cemetery Management Policy and Parks By-Laws developed by 30 June 2024	-	-	-	-	-	-	-	-	-	-	-
PA006	Feasibility Study for crematorium for Kouga, Humansdorp	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Investment for Growth	Community Services		Feasibility Study for crematorium for Kouga by 30 June 2025	300,000	-	-	300,000	-	-	-	-	-	-	-
PA007	Maintenance of ablation facilities	1,2,8,11, 12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Clean Kouga	Community Services		Maintenance of 15 ablation facilities along the beach annually	3,900,000	650,000	700,000	800,000	850,000	900,000	-	-	-	-	-

PA008	Beaches	1,2,8,12	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Clean Kouga	Community Services		Procure beach cleaning equipment by 30 June 2024	200,000	-	200,000	-	-	-	-	-	-	-	-
PA010	Maintain caravan parks	2,7,9,11	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Tourism Revival	Community Services		5 Caravan Parks to be maintained (Pellsrus, Jbay Gamtoos Mouth, Lorie Nature and	3,500,000	700,000	800,000	750,000	600,000	650,000					
PA011	Electronic booking system	All	No	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Digital Transformation	Community Services		Electronic booking system installed by 30 June 2024	300,000	-	300,000	-	-	-	-	-	-	-	-
PA012	Develop caravan park marketing strategy	2,7,9,11	No	KPA 1: Basic Services and Infrastructure	Growing	Basic Services and Infrastructure	Tourism Revival	Community Services		Caravan park marketing strategy to be developed by 30 June 2024	300,000	-	300,000	-	-	-	-	-	-	-	-
PA013	Maintain community halls	1,2,4,6,7,8,9,10,12,13	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		13 community halls to be maintained by 30 June 2027	6,500,000	1,400,000	1,500,000	1,300,000	1,200,000	1,100,000	-	-	-	-	-
PA014	Feasibility study for community halls in disadvantaged areas	3,4,6,8,14	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Investment for Growth	Community Services		Feasibility Study for community halls Kouga by 30 June 2025	300,000			300,000			-	-	-	-	-
PA015	Construction of community halls	3, 4	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		2 Community Halls to be constructed by 30 June 2027	#REF!	-	#REF!	-	-	-	-	-	-	-	-
PA016	Feasibility study to develop multi-purpose centre in Jeffreys Bay and Humansdorp	1,2,6,15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Investment for Growth	Community Services		Feasibility studies for multi-purpose centres in Jeffreys Bay and Humansdorp by	300,000			300,000			-	-	-	-	-
PA017	Construction of multi-purpose centres	1,15	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Good governance	Community Services		2 Multi purpose centres to be constructed by 2027	#REF!	-	#REF!	-	-	-	-	-	-	-	-

PA018	Procure tables and chairs for community halls	1,2,3,7,9,14	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		200 tables and 1200 chairs for community halls to be Procured by 30 June 2027	540,000	-	120,000	130,000	140,000	150,000	-	50 tables and 300 chairs for community halls to be Procured by 30 June 2024	50 tables and 300 chairs for community halls to be Procured by 30 June 2025	50 tables and 300 chairs for community halls to be Procured by 30 June 2026	50 tables and 300 chairs for community halls to be Procured by 30 June 2027
PA019	Fencing and securing sports fields	4,9	No	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Sports fields to be fenced by 30 June 2026	-	-	-	-	-	-	-	-	Sports fields to be fenced by 30 June 2024	Sports fields to be fenced by 30 June 2026	
PA020	Convert public open spaces to training fields	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Land use application and feasibility by 2024	300,000		300,000				-	-	-	-	-
NEW	Upgrade clubhouse at sports fields			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	tourism Revival	Community Services			-										
PA022	Procure plot clearing equipment	1,2,3,4,5,6,7,8,9,10,11,14	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Clean Kouga	Community Services		Plot clearing equipment (Bossiekapper, mulcher, shredders) to be Procured by 2026	2,550,000	-	150,000	200,000	500,000	1,700,000	-	plot clearing equipment (Bossiekapper, mulcher, shredders) to be Procured by 2024	plot clearing equipment (Bossiekapper, mulcher, shredders) to be Procured by 2025	plot clearing equipment (Bossiekapper, mulcher, shredders) to be Procured by 2026	-
PA023	Procure tree trimming equipment	All	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Clean Kouga	Community Services		Procure Tree trimming equipment (Cherry picker, TLB, Tipper) by 30 June 2027	4,400,000	-	2,000,000	1,200,000	1,200,000	-	-	Procure Tree trimming equipment (Cherry picker, TLB, Tipper) by 30 June 2024	Procure Tree trimming equipment (Cherry picker, TLB, Tipper) by 30 June 2025	Procure Tree trimming equipment (Cherry picker, TLB, Tipper) by 30 June 2026	Procure Tree trimming equipment (Cherry picker, TLB, Tipper) by 30 June 2027
PA024	Bush clearing project (Criminal risk)	2,4,5,6,15,9,8	Yes	KPA 1: Basic Services and Infrastructure	Clean	Basic Services and Infrastructure	Public Safety	Community Services		Bush clearing / cleaning projects by 30 June 2027	6,400,000	1,000,000	1,200,000	1,300,000	1,400,000	1,500,000	-	-	-	-	-
PA 025	Upgrading parks for recreational purposes	2,3,8,11,14	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Clean Kouga	Community Services		Upgrading parks for recreational purposes by 30 June 2026	1,050,000	-	350,000	350,000	350,000	-	-	-	-	-	-
PA026	Maintenance of libraries	6,7,9	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Maintenance of Loeie, Kruisfontein, Hankey libraries by 30 June 2027	2,100,000	-	350,000	350,000	350,000	1,050,000	-	-	-	-	-

PA NEW	Cemetery Master Plans developed by 30 June 2024	All	Yes	KPA 1: Basic Services and Infrastructure	Growing	Basic Services and Infrastructure	Good governance	Community Services		Cemetery Master Plans developed by 30 June 2024	600,000	-	600,000	-	-	-	-	-	-	-	-
PA NEW	Upgrade and maintain of existing and closed Cemeteries	2,4,6,7,8, 10,11,	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Upgrade and maintain 17 existing and closed Cemeteries by 30 June 2027	1,500,000	300,000	300,000	300,000	400,000	200,000	-	-	-	-	-
PA NEW	Library programmes linked with schools implemented	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Good governance	Community Services		60 x Library programmes linked with schools implemented by 30 June 2027	150,000	30,000	30,000	30,000	30,000	30,000	-	-	-	-	-
PA NEW	Collate quarterly statistics for KM libraries.	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Good governance	Community Services		Provide 20 quarterly statistical reports by 30 June 2027	-	-	-	-	-	-	-	-	-	-	-
FR001	Revise and implement disaster risk management plan	All	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Public Safety	Community Services		Disaster risk management plan to be reviewed annually	-	-	-	-	-	-	disaster risk management plan to be reviewed by 30 June 2023	disaster risk management plan to be reviewed by 30 June 2024	disaster risk management plan to be reviewed by 30 June 2025	disaster risk management plan to be reviewed by 30 June 2026	disaster risk management plan to be reviewed by 30 June 2027
FR002				KPA 1: Basic Services and Infrastructure		Basic Services and Infrastructure		Community Services			-										
FR003	Establishment of 2 fire management teams (units)	1.7		KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		Establishment of 2 fire management teams (units) by June 2025	-	-	-	-	-	-	-	-	-	-	-
FR004	Drought Mitigation			KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Sustainable Water Security	I&E	Number of Drought Mitigation/ Water Security Plans implemented by 30 September 2022		-						Number of Drought Mitigation/ Water Security Plans implemented by 30 September 2022				
FR005	Procure voice logging and incident reporting system	All	No	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Sustainable Water Security	Community Services		To procure 1x voice logging and incident reporting system June 2024	250,000	-	250,000	-	-	-	-	To procure 1x voice logging and incident reporting system June 2024	-	-	-

FR006	Expansion of incident command centre	4,5,6,15	No	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		Expansion of the incident command centre 30 June 2025	1,950,000	-	750,000	1,200,000	-	-	-	-	Expansion of the incident command centre 30 June 2025	-	-
FR007	Procure reinforced fire fighting hoses	All	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		To procure 50 re-inforce fire fighting hoses June 2026	370,000	-	180,000	90,000	100,000	-	-	-	-	-	-
FR008	Procure foam firefighting concentrate	All	No	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		To procure 50 cans fire fighting foam concentrate by 30 June 2024	200,000	-	200,000	-	-	-	-	-	-	-	-
FR NEW	Procure Mobile Disaster Shelters	All	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		To procure 10 Mobile Disaster Shelters	250,000	-	110,000	140,000	-	-	-	-	-	-	-
FR NEW	Procurement of Lifesaving Vehicle	1, 2, 11, 12	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		To procure 1 4x4 Lifesaving vehicle by 30 June 2025	800,000	-	-	800,000	-	-	-	-	To procure 1 4x4 Lifesaving vehicle by 30 June 2025	-	-
FR NEW	Procurement of Free standing Lifeguard Towers	1,2,11	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		To procure 3x Free standing Lifeguard Towers by 30 June 2026	540,000	-	180,000	180,000	180,000	-	-	-	-	-	-
FR NEW	Procurement of Jet Rubber Ducks	2,3,8,11, 14	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		To procure 2x Jet Rubber Ducks by 30 June 2025	984,000	-	480,000	504,000	-	-	-	-	-	-	-
FR NEW	Procurement of Disabled Wheel chairs	12,8,1	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Good governance	Community Services		To procure 5x Disabled Wheel chairs by 30 June 2026	340,000	-	120,000	70,000	150,000	-	-	-	-	-	-
FR NEW	Establishment of Satilite Fire stations	7.1	No	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		To construct 2x Satilite Fire Stations in Oysterbay and Thornhill 30 June 2025	2,700,000	-	200,000	2,500,000	-	-	-	-	To construct 2x Satilite Fire Stations in Oysterbay and Thornhill 30 June 2025	-	-

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SS001	Procure new patrol vehicles	All	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		To procure 5 new patrol vehicles	3,600,000	-	650,000	1,400,000	1,550,000	-	-	To procure 1 new patrol vehicle by the 30 June 2024	To procure 2 new patrol vehicle by the 30 June 2025	To procure 2 new patrol vehicle by the 30 June 2026	-
SS002	Review and implement animal by-law	All	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		To review animal by-law by 30 June 2023	-	-	-	-	-	-	-	-	-	-	-
SS003	Feasibility study for animal pound	15	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		Feasibility study on establishment of an animal pound by 30 June 2024	200,000	-	200,000	-	-	-	-	-	-	-	-
SS004	CCTV cameras installed on all main entrances 4 per pole	All	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		Installation of CCTV cameras by 30 June 2027	6,000,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	Installation of CCTV cameras by 30 June 2023	Installation of CCTV cameras by 30 June 2024	Installation of CCTV cameras by 30 June 2025	Installation of CCTV cameras by 30 June 2026	Installation of CCTV cameras by 30 June 2027
SS005	Procurement of smart law enforcement technology	All	Yes	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Digital Transformation	Community Services		Procure smart 9x law enforcement technogy by 30 June 2027	540,000	-	60,000	180,000	180,000	120,000	-	-	-	-	-
SS006	Local Taxi identification system	All	Yes	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Public Safety	Community Services		Investigate Local Taxi identification system by 30 June 2027	-	-	-	-	-	-	-	-	-	-	-
SS007	Procure Patrol boat	7	No	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		Procure 2 x patrol boat for Gamtoos and Krom River by 30 June 2025	450,000	-	200,000	250,000	-	-	-	-	-	-	-
SS008	Establish K53 motorcycle test track	15	No	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Public Safety	Community Services		Establish K53 motorcycle test tracker by 30 June 2026	1,000,000	-	-	500,000	500,000	-	-	-	-	-	-
SS009	Point clock system for security officers	3,15,12,9,1,13,10	Yes	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Good governance	Community Services		100 Point clock systems for security officers	720,000	-	60,000	132,000	216,000	312,000	-	-	-	-	-

SS010	Procure metal detection system for municipal office entrances	3,5,9,11,12 and15	Yes	KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Public Safety	Community Services		Procure 7x metal detection systems by 30 June 2024	200,000	-	200,000	-	-	-	-	-	-	-	-
SS011	Procure Drone	All	No	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Public Safety	Community Services		Procure 1x Drone by 30 June 2024	150,000	-	150,000	-	-	-	-	-	-	-	-
SS NEW	Procurement of smart law enforcement technology (officers body cam)	All	Yes	KPA 1: Basic Services and Infrastructure	SMART	Basic Services and Infrastructure	Digital Transformation	Community Services		Procure 36 smart law enforcement technology (Officers body cam) by 30 June 2027	800,000	-	200,000	200,000	200,000	200,000	-	-	-	-	-
EM001	Coastal Management	3.12	No	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Infrastructure backlog	Community Services		3 Dune management plans	630,000	210,000	210,000	210,000	-	-	-	-	-	-	-
EM002	Maintenance and rehabilitation of dunes	1	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Infrastructure backlog	Community Services		Maintenance and rehabilitation of dunes	4,200,000	800,000	850,000	850,000	850,000	850,000	-	-	-	-	-
EM003	St Francis Spit Management	12	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Infrastructure backlog	Community Services		St Francis Spit maintenance Management	6,000,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	-	-	-	-	-
EM004	Develop Climate Change Strategy	All		KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Investment for Growth	Community Services		Develop Climate Change Strategy	-						Develop Climate Change Strategy by 30 June 2023	-	-	-	-
EM005	Plant trees	All	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Clean Kouga	Community Services		10000 trees to be planted by 2027	400,000	-	100,000	100,000	100,000	100,000	-	-	-	-	-
EM007	Development Plans for Nature Reserves	7,9,12	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Investment for Growth	Community Services		Development Plans for 3 Nature Reserves	300,000	-	100,000	100,000	100,000	-	-	-	-	-	-

EM008	Water samples taken for recreational water	9,11,12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Public Safety	Community Services		150 Water samples taken for recreational water	450,000	80,000	80,000	90,000	100,000	100,000	-	-	-	-	-
EM009	Management of estuary flows	2,9,12	Yes	KPA 1: Basic Services and Infrastructure	Serviced	Basic Services and Infrastructure	Public Safety	Community Services		Management of estuary flows	1,000,000	200,000	200,000	200,000	200,000	200,000	-	-	-	-	-
EM010	Bio-Diversity	All	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Clean Kouga	Community Services		Development Plan for bio diversity management by 30 June 2024	320,000	-	320,000	-	-	-	-	-	-	-	-
EM011	Proclaim Nature reserves	7.12	No	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Investment for Growth	Community Services		Proclaim 3 Nature reserves by 30 June 2024	50,000	-	50,000	-	-	-	-	-	-	-	-
EM012	Develop Air Quality Management Plan	All	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Clean Kouga	Community Services		Develop Air Quality Management Plan by 30 June 2024	50,000	-	50,000	-	-	-	-	-	-	-	-
EM013	Design Waste Management Mascot	All	Yes	KPA 1: Basic Services and Infrastructure	Green	Basic Services and Infrastructure	Clean Kouga	Community Services		Design Waste Management Mascot	100,000	-	100,000	-	-	-	-	-	-	-	-
	Upkeep of Corporate Municipal Buildings and ward offices	All						Corporate Services				450,000	450,000	450,000							
	Career Expo's: Grade 12 & 9	All	Yes	KPA 2: Local Economic Development	Growing	Local Economic Development	Investment for Growth	Corporate Services				250,000	250,000	250,000							
	Biometric (Renew licences, roll out to other Dept, biometric app for tracking of	All					Digital Transformation	Corporate Services				200,000	200,000	200,000							

	ISP Tender						Corporate Services				2,666,666	2,666,666	2,666,666							
	Training Academy- In-House - (Traffic, Fire, leadership, etc)			KPA 3 Institutional Development and Transformation		Institutional Development and Transformation	Good governance	Corporate Services				300,000	300,000							
	Water quality	All		KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Sustainable Water Security	I&E	100% Compliance with SANS standards for drinking water							100% Compliance with SANS standards for drinking water	100% Compliance with SANS standards for drinking water	100% Compliance with SANS standards for drinking water	100% Compliance with SANS standards for drinking water	100% Compliance with SANS standards for drinking water
	Water quality	All		KPA 1: Basic Services and Infrastructure	Safe	Basic Services and Infrastructure	Sustainable Water Security	I&E	75% Blue Drop compliance score							60% Blue Drop compliance score	65% Blue Drop compliance score	70% Blue Drop compliance score	75% Blue Drop compliance score	75% Blue Drop compliance score
	Waste water treatment quality	All		KPA 1: Basic Services and Infrastructure			Sustainable Water Security	I&E	98% Compliance with SANS standards wastewater treated meeting discharge standards							98% Compliance with SANS standards wastewater treated meeting discharge standards				
	Waste water treatment quality	All		KPA 1: Basic Services and Infrastructure			Sustainable Water Security	I&E	75% Green Drop Score by 30 June 2027							31% Green Drop Score	40% Green Drop Score	60% Green Drop Score	70% Green Drop Score	75% Green Drop Score
	Fence Pellsrus Fishermen Grave Site			KPA 2: Local Economic Development		Local Economic Development	Tourism Revival	PDT				400,000								
	Fencing Kruisfontein			KPA 2: Local Economic Development		Local Economic Development	Tourism Revival	PDT					400,000							
	Hankey Phillips Grave Site			KPA 2: Local Economic Development		Local Economic Development	Tourism Revival	PDT						400,000						

	Jeffreys Bay Precinct Plan			KPA 2: Local Economic Development		Local Economic Development	Investment for Growth	PDT					1,000,000	1,000,000	1,000,000						
	SANEDI)	All	No	KPA 1: Basic Services and Infrastructure		Basic Services and Infrastructure	Electricity Independence	I&E	100% Compliance with SANEDI energy certification by 30 November 2025	100% of municipal buildings registered with SANEDI by 30 November 2023											
	Electricity Sustainability	All						I&E	Reduce non- distribution electricity losses to 10% between electricity purchased and electricity sold/ accounted for by 30							Reduce non- distribution electricity losses to 10% between electricity purchased and electricity sold/				Reduce non- distribution electricity losses to 10% between electricity purchased and electricity sold/	
	Energy Efficiency	All						I&E	100% of municipal buildings have an energy efficiency plan by 30 June 2023							100% of municipal buildings have an energy efficiency plan by 30 June 2023					
	Employment Equity	All						Corporate Services	100% compliance with appointments made as per the top 3 layers of the Employment Equity Plan by 30 June 2027							1 AM (SNR) 5 AM 3 AF (Prof)					
	Skills Development	All						Corporate Services	100% expenditure of LGSETA funding received for staff development							100% expenditure of LGSETA funding received for staff development by 30 June 2023	100% expenditure of LGSETA funding received for staff development by 30 June 2024	100% expenditure of LGSETA funding received for staff development by 30 June 2025	100% expenditure of LGSETA funding received for staff development by 30 June 2026	100% expenditure of LGSETA funding received for staff development by 30 June 2027	
	Skills Development	All						Corporate Services								30 Frontline Staff members given Batho Pele training by 30 June 2023					
								Corporate Services	Vacancy rate of equal or less than 3% over a three month period against approved organogram							Vacancy rate of equal or less than 3% over a three month period against approved organogram	Vacancy rate of equal or less than 3% over a three month period against approved organogram	Vacancy rate of equal or less than 3% over a three month period against approved organogram	Vacancy rate of equal or less than 3% over a three month period against approved organogram	Vacancy rate of equal or less than 3% over a three month period against approved organogram	
	Job Creation	All						PDT	500 FTE Jobs created through LED initiatives and Capital Projects by 30 June 2027							110 FTE jobs created through LED initiatives and capital projects					

							PDT	1 Online Customer Tracking system for land use applications and building plans implemented by 31 March 2023							1 Online Customer Tracking system for land use applications and building plans implemented by 31 March 2023				
	LED Special Purpose Vehicle	All					PDT	1 Feasibility Study completed by 30 June 2023 for the establishment of an LED Special Purpose Entity/Vehicle							1 Feasibility Study completed by 30 June 2023 for the establishment of an LED Special Purpose Entity/Vehicle				
	Social Responsibility	All					PDT	1 Corporate Social Responsibility Policy developed by 31 December 2022							1 Corporate Social Responsibility Policy developed by 31 December 2022			Quarterly reports on the implementation of the Corporate Social Responsibility Policy	Quarterly reports on the implementation of the Corporate Social Responsibility Policy
	Smart City						PDT	1 Strategic Session held by 1 December 2022 for the development of a strategy for the implementation of the Smart City							1 Strategic Session held by 1 December 2022 for the development of a strategy for the implementation of the Smart City				
	Financial Viability	All					Finance	95% Revenue Collected against revenue raised							95% Revenue Collected against revenue raised	95% Revenue Collected against revenue raised	95% Revenue Collected against revenue raised	95% Revenue Collected against revenue raised	95% Revenue Collected against revenue raised
	Creditor Payments	All					Finance/ All	100% of creditors paid within 30 days of invoice	100% of invoices certified and submitted for payment within 5-days of receipt						100% of creditors paid within 30 days of invoice	100% of creditors paid within 30 days of invoice	100% of creditors paid within 30 days of invoice	100% of creditors paid within 30 days of invoice	100% of creditors paid within 30 days of invoice
	Financial Viability	All					Corporate Services	34.8% or less of total operational expenditure attributable to staff costs							34.8% or less of total operational expenditure attributable to staff costs	34% or less of total operational expenditure attributable to staff costs	34% or less of total operational expenditure attributable to staff costs	34% or less of total operational expenditure attributable to staff costs	34% or less of total operational expenditure attributable to staff costs
	Financial Viability	All					Finance	Current Ratio of higher than 0.9:1							Current Ratio of higher than 0.9:1	Current Ratio of higher than 0.9:1	Current Ratio of higher than 0.9:1	Current Ratio of higher than 0.9:1	Current Ratio of higher than 0.9:1
	Financial Viability	All					Finance	Liquidity Ratio of higher than 0.01:1							Liquidity Ratio of higher than 0.01:1	Liquidity Ratio of higher than 0.01:1	Liquidity Ratio of higher than 0.01:1	Liquidity Ratio of higher than 0.01:1	Liquidity Ratio of higher than 0.01:1

	Social Responsibility	All						Finance	100% of residents registered on the Indigent Register have access to free basic services								100% of residents registered on the Indigent Register have access to free basic services	100% of residents registered on the Indigent Register have access to free basic services	100% of residents registered on the Indigent Register have access to free basic services	100% of residents registered on the Indigent Register have access to free basic services	100% of residents registered on the Indigent Register have access to free basic services
	Supply Chain Management	All						Finance	1 Electronic Purchasing System implemented by 31 December 2022								1 Electronic Purchasing System implemented by 31 December 2022				
	Capital Project implementation							All	100% completion of internal funded capital projects by 30 June each year								100% completion of internal funded capital projects by 30 June 2023	100% completion of internal funded capital projects by 30 June 2024	100% completion of internal funded capital projects by 30 June 2025	100% completion of internal funded capital projects by 30 June 2026	100% completion of internal funded capital projects by 30 June 2027
	Financial Viability	All						Finance	1 Long Term Financial Plan completed by 30 June 2023								1 Long Term Financial Plan completed by 30 June 2023				
	Connectivity	All						Corporate Services	98% up time of ICT server system								98% up time of ICT server system	98% up time of ICT server system	98% up time of ICT server system	98% up time of ICT server system	98% up time of ICT server system
	Institutional Performance	All						MM Office	5% increase in overall institutional SDBIP implementation performance compared to previous year	100% of staff members below Senior Management Level have signed performance							5% increase in overall institutional SDBIP implementation performance compared to previous year	5% increase in overall institutional SDBIP implementation performance compared to previous year	5% increase in overall institutional SDBIP implementation performance compared to previous year	5% increase in overall institutional SDBIP implementation performance compared to previous year	5% increase in overall institutional SDBIP implementation performance compared to previous year

PUBLIC PARTICIPATION GALLERY:



Top Left: Municipal Manager- Mr. Du Plessis. Top Middle: Deputy MM- Mr. De Jager. Top Right: Ward 14 Cllr- Cllr M Yali.

Bottom Left: Ward 1 Cllr- Cllr Ntshotha. Bottom Centre: Deputy Mayor: Cllr. Bornman . Bottom Right: Ward 2 Cllr- Cllr. Murray.



Top Left: Ward 9 Cllr: Cllr- August. Centre: Ward 13 Cllr: Cllr Zana. Top Right: MMC M&E- Cllr Shena Ruth. Bottom right: Speaker- Alderman Brenton Williams

Venues:



COMMUNITY ENGAGEMENTS:



KOUGA MUNICIPALITY (EC108)**ORDINARY COMMITTEE MEETING****PLANNING, DEVELOPMENT & TOURISM****DATE: 30 MARCH 2023****ITEM NO: 23/03/PDT2****PROGRESS REPORT ON THE IMPLEMENTATION OF THE PROCESS PLAN OF THE
INTEGRATED DEVELOPMENT PLAN (IDP) OF 2023/2024****1. Introduction**

The purpose of this report is to reflect on the accomplishments of the activities as stated in the approved Process Plan of the Integrated Development Plan (IDP) of the municipality for the 2023/2024 financial year.

It is the beginning of the 3rd Quarter of the implementation of the activities of the IDP Process Plan which requires regular monitoring on the timeframes of the outstanding actions as prescribed in Section 28 of Local Government Systems Act (Act 32 of 2000), read with Section 21 (b) of Local Government Municipal Finance Management Act (Act 56 of 2003).

2. Background

The following actions of the IDP Process Plan, marked in **blue** in table below, were successfully completed on the specified dates and timeframes as approved by Council on 31 August 2022.

All the outstanding actions for the 2023/2024 fiscal year are marked in **green** and the actions marked in **orange** are the ones that has been confirmed with the Mayor. The Mid-year engagement meeting with Cogta and Provincial Treasury was held on 9 February 2023 in the Councils Chamber.

IDP PROCESS PLAN TABLE 2023/2024

No.	Action	Timeframe	Evidence
1.	Amend Process Plan and develop IDP and Budget time schedule for 2022/23 (MFMA S35(1)).	31 August 2022	Aligned Draft IDP and Budget time schedule / Process Plan with Sarah Baartman DM Draft Framework.

2.	Table amended IDP/Budget/PMS time schedule to Council for adoption	31 August 2022	Council Resolution.
3.	Upload the Revised IDP and Budget time schedule / Process Plan on the municipal website, place on notice boards and advertise in a local newspaper	5 September 2022	Advertisement/Notice Website
4.	Ward based planning and Community Consultation	4 – 22 October 2022	Kouga Municipality
5.	Convene 1st and 2 nd IDP and Budget Steering Committee Meeting	23 February 2023 & 16 April 2023	Attendance Register and organogram status
6.	Councillor Workshop on Draft Budget / IDP /Revised SDF	23 March 2023	Attendance registers
7.	Consultation with stakeholders on the IDP Process - IDP Rep Forum	16 February 2023	Attendance registers and minutes
8.	Submit Sector plans and KPA inputs on IDP, Directorates to submit Departmental SDBIP to PMS Manager	By end of October 2022	KPA input and SDBIP per directorate
9.	Mid-year engagements with Provincial Treasury and COGTA	9 February 2023	Attendance registers and presentations
10.	Strategic Planning IDP/Budget/SDBIP Workshop	16 February 2023	Reports, presentations, minutes, and attendance register
11.	Mayoral Imbizo's	7 March to 16 March 2023	Reports, presentations, minutes, and attendance register
12.	Attend District IDP Rep Forum Meeting	24 February 2023	Attendance Register
13.	Consultation with stakeholders on the IDP Process - IDP Rep Forum	6 March 2023	Attendance registers and minutes
14.	Convene the 3 rd IDP and Budget Steering Committee meeting.	2 May 2023	Reports, presentations, minutes, and attendance register

15.	Convene the 4 th IDP and Budget Steering Committee meeting.	13 May 2023	Reports, presentations, minutes and attendance register
16.	IGR Session to facilitate alignment	On or before 28 February 2023	Attendance Register
17.	Table (2023/2024) Draft IDP and Capital and Operating Budgets, ward-based budgets and draft tariffs, fees and charges	31 March 2023	Adopted Final Draft IDP and Budget resolution.
18.	Submit adopted draft IDP to the MEC for local government.	Within 10 days of Adoption	Letter of acknowledge- mint/email
19.	Upload the Council Approved Draft IDP and Budget (2023/2024) on the municipal website and place a notice in local newspapers for public inspection (21days)	Within 10 days of Adoption	Advertisement and website
19.	Develop and publicize the Draft IDP and Budget (2023/2024) Community Engagement Programme	April to end on or before 4 May 2023	Public notices.
20.	Budget and Benchmark engagements with Provincial Treasury and COGTA	12 April 2023	Attendance registers and presentations
21.	IDP Pre- assessment interaction.	On or before 30 April 2023	Minutes
22.	Undertake ward-wide public participation meetings	During April/May 2023	Attendance Registers presentations and minutes.
23.	Consolidate all public participation inputs and comments in respect of 2023/2024 Draft IDP and Budget	11 May 2023	Consolidated ward comments
24.	Attend District IDP Representative Forum	17 May 2023	Attendance Register
25.	Convene the 2 nd IDP Representatives Forum meeting to present Final Draft IDP for consideration	19 May 2023	Presentations, minutes, and attendance register

26.	Convene 5th IDP and Budget Steering Committee – consider and Finalize comments	20 May 2023	Reports, presentations, minutes, and attendance register
27.	Adopt the Final 2023/2024 IDP and MTEF Budget.	31 May 2023	Adopted IDP and council resolution
28.	Upload adopted Final 2023/2024 IDP and MTEF Budget on the municipal website	6 June 2023	Website access.
29.	Submit approved IDP and Budget to the MEC for local government and COGTA	6 June 2023	Formal letter
30.	Submit approved IDP and Budget to National/Provincial Treasury	6 June 2023	Formal letter
31.	Final IDP Provincial Assessment 2023/2024	July/August 2023	Signed MEC comments and individual assessment reports

The IDP Process Plan has also makes provision for the Community Ward Based Planning Consultation sessions that took placed between 4 and 22 October 2022 for all 15 wards.

The attendance was indeed overwhelming, and the feedback received from the wards were relevant to the needs and potential opportunities that could be explored. The previous ward priorities were also reviewed and will form part of the 2023/2024 IDP Reviewed Plan.

The public participation process during the engagement sessions and the role played by the IDP Team has contributed to a new integrated and inclusive engagement framework between the Executive and Administration. Attached find the following Annexures for ease of reference:

- a) Municipal Notice No. 149/2022 (Schedule of Ward Based Planning Consultative Meetings).
- b) Erratum Municipal Notice. No.35.2023 (Schedule of Mayoral Imbizo's)
- c) Photos confirming the success of the IDP Review and Community Ward Based Planning.

3. Comments by Directorates:

3.1 Director : Finance

The Item is supported.

3.2 Acting Director: Planning, Development & Tourism

The Item is supported.

3.3 Acting Director : Community Services

Item is noted.

3.4 Acting Director: Corporate & Digital Services

The item is supported.

3.5 Acting Director : Infrastructure & Engineering

The Item is supported.

3.6 Municipal Manager

The Item is supported.

4. Financial Implications

The IDP has no budget allocated for 2022/ 23 and it may impact on the implementation of the IDP Process Plan.

5. Legal Implications

The IDP/Budget process is a legislated process in terms of the Municipal Systems Act 32 Of 2000 (as amended) and the Municipal Finance Management Act 56 of 2003.

The Municipality is under obligation to follow the confirmed dates and the process as outlined in the proposed Council calendar. If any unforeseen changes may occur, Administration will table an amended IDP and Budget Process Plan for consideration and adoption to Council.

6. Recommendations

6.1 That the process followed to date of the IDP Process Plan for 2023/2024 be noted.

6.2 That the progress report and the accomplishments to date on the actions of the 2023/2024 IDP Process Plan also be noted.

Item prepared by Manager Strategic Projects:



Item approved by the Act. Director PDT:



Item noted by the Portfolio Chairperson:



Item endorsed by Municipal Manager :



KOUGA MUNICIPALITY (EC108)**NOTICE NO: 149/2022****SCHEDULE OF COMMUNITY/ WARD BASED PLANNING CONSULTATIVE MEETINGS AS INTEGRAL PART OF THE IDP REVIEW AND BUDGETING CYCLE FOR 2023/2024 FINANCIAL YEAR**

Notice is hereby given that, in terms of Section 152, subsection (1) (a) of the Constitution of the Republic of South Africa (Act 108 of 1996), read in conjunction with Chapter 4 and Section 29 (b) of the Local Government: Municipal Systems Act (Act 32 of 2000), the Kouga Municipality will embark on a process of Community Ward-Based planning for all wards within its jurisdiction.

The Ward based planning is a consultative process aimed at identifying development needs and priorities of the community through a consultative process. The outcomes will guide and inform the IDP review process of 2023/2024 and Municipal Budgeting process.

Below is a schedule of the ward meetings:

No.	Date	Meeting Venue	Ward	Areas	Time
1.	04 October 2022	Victory Church	Ward 3	Lower Wavecrest and Kabeljauws	10:00
2.	06 October 2022	Victory Church	Ward 11	Jeffreys Bay Central, C-Place and The Sands	14:00
3.	11 October 2022	Victory Church	Ward 8	Upper Wavecrest and Kabeljauws	10:00
4.	13 October 2022	St Francis Bowling Club	Ward 12	St Francis Bay Cape St Francis Bay and Paradise Beach	10:00
5.	15 October 2022	Mentorskraal	Ward 7, 9,10,13 & 14	Thornhill, Loerie, Mondplaas, Longmore, Rooidraai and surrounding Farms/Philipsville, Hankey Town, Rosedale, Kleinfontein, Ou Hankey, Stofwolk, Silvertown, Smartie-town and Ext4/Cyril Ramaphosa Village, Andrieskraal, Cockscomb, Kwagga, Patensie Town, and Surrounding Farms/Weston, Centerton, Patensie Town and Surrounding Farms/Ocean View and Tokyo Sexwale	10:00
6.	22 October 2022	Mentorskraal	Ward 1, 2, 4, 5, 6 & 15	Sea Vista, Oyster Bay, Umzamowethu, Lower Golf Course, Leeubos and Surrounding Farms/Pellsrus, Madiba Bay and Aston Bay/Kruisfontein, Jeugkamp, Die Berg, Ext 391-Northside, 7de Laan, Maak 'n Las, Gill Marcus, Mooi-uitsig, and Donkerhoek/Arcadia, B0-blok, Van Lingen Park, Ext 391-Southside, Vaaldam and Johnson Ridge/Kwanomzamo, Vergenoeg and Humansdorp East side/Panorama, Humansdorp Town, Westside, Arcadia, Moerasrivier, Graslaagte Boskloof and Upper Golf Course	10:00

The following sector stakeholders are invited to attend the above ward-based planning.

No.	Stakeholders	Maximum Number
1.	Business Sector, Religion, Sport, SMME's Agriculture, Emergency Farmers, NGO's, NPO's, Rate Payers Associations and Informal Trading Sector.	2 per Sector

For any enquiries, please contact Asanda Tebekana or Elvis Olivier at idp@kouga.gov.za or telephone no. (042) 2002 200 for any clarity on the IDP Ward Based Planning meetings.



MR. C DU PLESSIS
MUNICIPAL MANAGER

P. O. BOX 21
JEFFREYS BAY
6330

FOR PLACEMENT

Kouga Express	-	29 September 2022
Municipal Notice Boards	-	26 September 2022
Municipal Website	-	26 September 2022
Ward Cllr. Offices	-	26 September 2022
Social Media (official)	-	26 September 2022
Loud-hailing	-	(1 day before every meeting)

KOUGA MUNICIPALITY (EC108)**NOTICE NO: 35/2023****ERRATUM ON NOTICE NO: 19/2023****MAYORAL IMBIZO**

NOTICE IS HEREBY GIVEN in terms of Chapter 4 read together with s42 of the Local Government Municipal Systems Act (Act 32 of 2000) which determines that the municipality, through appropriate mechanism, processes and procedures established, must involve the local community in the development, implementation and review of the municipality's performance.

The Executive Mayor Alderman Cllr H Hendricks is inviting all community members and stakeholders to attend the Mayoral Imbizos. These meetings will take place in the following wards as per schedule below.

The objective of the meeting is to provide, the Kouga community an opportunity to participate, evaluate and assess the institutional performance of the municipality as confirmed in the approved budget and SDBIP linked to the Integrated Development Plan of the financial year of 2021/2022.

For further enquiries, please contact Mr. E Olivier and Ms. Asanda Tebekana at ido@kouga.gov.za or tel.no. 042-2002 200.

Ward	Venue	Date	Time
W2, W3, W8, W11 & W14	Newton Hall, Jeffreys Bay	7 March 2023	18h00 - 20h00
W1, W4, W5, W6 & W15	Kuisfontein Civic, Humansdorp	8 March 2023	18h00 - 20h00
W1 & W12	Oyster Bay Hall	9 March 2023	18h00 - 20h00
W7, W9, W10 & W13	Vusumzi Landu Community Hall	14 March 2023	18h00 - 20h00
W7	Katriena Felix Community Hall	15 March 2023	18h00 - 20h00
W1 & W12	Cape St Francis Bay Holiday Resort	16 March 2023	11h00 - 14h00



C DU PLESSIS
MUNICIPAL MANAGER

P.O. Box 21
Jeffreys Bay
6330

For Placement:

Kouga Express	9 February 2023
Municipal Website	10 February 2023
Municipal Notice Boards	10 February 2023
Ward Councillor Offices	10 February 2023

PHOTOS OF THE WARD BASED PLANNING SESSIONS FOR 2023/2024



WARD 12

WARD 12



WARD 15

**WARD 6****IDP FACILITATOR****WARD 2****JOINT
SESSION OF
WARDS**

KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****PLANNING, DEVELOPMENT & TOURISM****DATE: 30 MARCH 2023****ITEM NO:23/03/PDT3****DRAFT BY-LAW RELATING TO LAND INVASION, MANAGEMENT AND CONTROL OF INFORMAL SETTLEMENTS**1. Introduction

The item refers to a Council meeting dated 29 July 2022, under the Ordinary Council Meeting Item No.22/07/PDT2 where a Draft By-Law relating to land invasion, management and control of informal settlements was tabled to Council.

2. Background

The By-Law was tabled before Council at a workshop held on 25 May 2022, all amendments proposed were effected on the document, the By-Law was then referred to Council for discussion and approval. The By-Law served at Council on the 29 July 2022 and was approved for public participation process. The By-Law was advertised on the 1 September 2022 for public comment which was open for 30 days and no comments were received.

Attached as **annexure "A"** is the By-law and **annexure "B"** is the newspaper advert.

3. Comments by Directorates:3.1 Director: Finance

Report noted

3.2 Acting Director: Planning, Development & Tourism

Item noted

3.3 Director: Community Services

Item noted

3.4 Acting Director: Corporate & Digital Services

Item noted

3.5 Director: Infrastructure & Engineering

Item noted

3.6 Municipal Manager

Item noted.

4. Financial Implications

None.

5. Legal Implications

Section 13 of the Act provides that a by-law passed by a Municipal Council must be published promptly in the Provincial Gazette, and when feasible, also in a local newspaper or in any other practical way to bring the contents of the by-law to the attention of the local community and takes effect when published or on a future date determined in or in terms of the by-law

6. Other Implications

None.

7. Recommendations

7.1 That Council approves the Draft By-Law Relating To Land Invasion, Management And Control of Informal Settlements.

7.2 That Draft By-Law Relating to Land Invasion, Management and Control of Informal Settlements, so passed by Council, be promptly published in the Provincial Gazette.

Item prepared by Manager Human Settlements:
(Mr. M. Penxa)



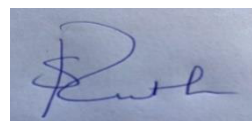
Item approved by the Acting Director PDT:
(Mr. D. De Jager)



Item endorsed by the Municipal Manager:
(Mr. C. Du Plessis)



Item noted by the Portfolio Chairperson:
(Cllr. S. Ruth)



ANNEXURE A



Cape St Francis
 Hantony
 Humansdorp
 Jeffreys Bay
 Lisele
 Oyster Bay
 Paternite
 St Francis Bay
 Thornhill

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

KOUGA LOCAL MUNICIPALITY

**DRAFT BY-LAWS RELATING TO LAND INVASION AND THE MANAGEMENT AND
 CONTROL OF INFORMAL SETTLEMENTS**

TITLE OF BY-LAW	BY-LAWS RELATING TO LAND INVASION AND THE MANAGEMENT AND CONTROL OF INFORMAL SETTLEMENTS
BY-LAW OWNER	Director: Planning Development and Tourism
BY-LAW CHAMPION	Manager: Human Settlements

Kouga Local Municipality
 DRAFT LAND INVASION BYLAW FOR PUBLIC PARTICIPATION

KOUGA LOCAL MUNICIPALITY: BY-LAWS RELATING TO LAND INVASION AND THE MANAGEMENT AND CONTROL OF INFORMAL SETTLEMENTS

Under the powers conferred by section 156 of the Constitution of the Republic of South Africa, 1996 the Kouga Local Municipality enacts as follows –

Table of contents:

1. Definitions
2. Application, principles and objectives of by-law
3. Appointment of authorised official
4. Duties of the authorised official
5. Incidents of land invasion
6. Residents' committees
7. Procedures relating to the management and control of authorised informal settlements
8. Procedures relating to the termination of unauthorised informal settlements
9. Removal and disposal of building materials and personal property
10. Prohibited conduct
11. Existing informal settlements
12. Duties of ward councillors and ward committee members
13. Restriction of Liability
14. Appeal
15. Repeal of by-laws
16. Short title and commencement

1. Definitions

In this by-law, unless the context otherwise indicates –

“allocate” means to assign a specific number to a site, stand or structure in an informal settlement for administrative purposes without granting any rights or security of tenure;

“authorised informal settlement” means any informal settlement which is recognised by the Municipality as an authorised informal settlement and which will be formalised and upgraded to a formal township in terms of the Municipality's existing housing policies and programmes;

“authorised official” means the authorised official appointed or assigned in terms of section 3;

“consent” means the express or implied consent of the owner or person in charge to the occupation of land by a resident of a shack, irrespective of whether such consent was given in writing or otherwise;

which group is designated by the Municipality to assist the authorised official in the execution of his or her duties and to execute any eviction order contemplated by section 5 to terminate an unauthorized informal settlement;

"Municipality" means the Kouga Local Municipality, established in terms of Section 12 of the Municipal Structures Act, 117 of 1998, and includes any political structure, political office bearer, councillor, duly authorised agent or any employee acting in connection with this by-law by virtue of a power vested in the municipality and delegated or sub-delegated to such political structure, political office bearer, councillor, agent or employee;

"National Housing Needs Register" means the consolidated National Housing Needs Register that is the only official database from which prospective beneficiaries will be drawn and be invited to complete housing subsidy application forms

"owner" means the registered owner of land, irrespective of whether such owner is the National Government, the Provincial Government, the Municipality or a private individual, company or other legal entity;

"person in charge", in relation to land, means a person who has the legal authority to give permission to another person to enter or reside on that land;

"shack" means any temporary shelter, building, hut, tent, dwelling or similar structure which does not comply with the provisions of the National Building Regulations and Building Standards Act, 1977 (act 103 of 1977), the regulations promulgated under that Act and the Municipality's Building Control By-laws and which is primarily used for residential purposes; and

"unauthorized informal settlement" means any informal settlement which is not recognized by the Municipality as an authorised informal settlement and which will not be formalised and upgraded to a formal township in terms of the Municipality's existing housing policies and programmes, but will be demolished and removed in terms of this by-law.

2. Application, principles and objectives of by-law

(1) This by-law applies to all land and informal settlements within the area of jurisdiction of the Municipality.

(2) In principle it is recognised that:

(a) The municipality is faced with the continuous proliferation of informal settlements and land invasion, particularly on the periphery of the urban areas and that most of these informal settlements have developed through the invasion of privately or state-owned land which makes service delivery implementation by the municipality difficult;

(b) The process of transferring such occupied land to the municipality is cumbersome and restricts the municipality from exercising its mandate in rendering basic services to the affected communities;

- (c) Illegal letting or the 'selling' of sites by individuals who plan and lead land invasions are prevalent; and
- (d) The municipality has developed an informal settlements upgrading and management plan and housing delivery plan which forms part of the Integrated Development Plan as an attempt to expedite housing delivery to its homeless citizens. The following housing related issues present immediate challenges that require tailor-made policy intervention:
 - (i) Poverty and unemployment;
 - (ii) Past policies that prevented people from obtaining housing in urban areas;
 - (iii) "Jumping the queue", hoping to receive an allocation sooner;
 - (iv) Shortage of developed land in the vicinity of job opportunities;
 - (v) Encouragement of unlawful land occupations for political and financial gain;
 - (vi) Sporadic illegal invasion of municipal land;
 - (vii) Abandoned shacks where beneficiaries have been relocated;
 - (viii) The unlawful sub-letting and vacating of dwellings, leaving sub-tenants in occupation; and
 - (ix) The illegal selling of houses before the expiry of the applicable sales restrictions; and
 - (x) Management of informal settlements and the provision of socio-economic amenities.

3. Appointment of authorised official

The Municipality may appoint an official or assign one of its officials as its authorised official to manage and control all the informal settlements in accordance with the provisions of this by-law.

4. Duties of the authorised official

The authorised official must –

- (a) conduct regular surveys to determine the location, origin and extent of and the conditions prevailing in each informal settlement;
- (b) monitor and control all informal settlements and take the necessary steps to prevent land invasion within the area of jurisdiction of the Municipality;

- (c) undertake and promote liaison and communication with local communities with a view to obtaining their understanding and cooperation regarding the prevention of land invasion in the area of jurisdiction of the Municipality;
- (d) keep a register of all the residents who are entitled to reside in each authorised informal settlement, and in such register the following details must be entered in respect of each shack in each authorised informal settlement:
 - (i) The number allocated to the stand or site on which the shack is constructed;
 - (ii) the name and identity number of the head of the household who is entitled to occupy the shack;
 - (iii) the names, identity numbers and relationships to the head of the household of each and every other person occupying the shack as a member of the household;
 - (iv) the reference number of the file of the authorised official that contains a copy of the contractual agreement in respect of the shack;
 - (v) the number of the shack's rental account;
 - (vi) the number of the shack's municipal services account;
 - (vii) the previous address of the household that is entitled to occupy the shack; and
 - (viii) the names, addresses and telephone numbers, if any, of at least two family members of the head of the household who do not live at the same address as the household that is entitled to occupy the shack;
- (e) ensure that all the residents living in an authorised informal settlement are registered in the Municipality's National Housing Needs Register;
- (f) submit quarterly written reports on the control and management of any informal settlement, or the conditions prevailing in the informal settlement to the Municipality;
- (g) for the purpose of informing residents of informal settlements, ensure that a copy of this by-law is posted on the municipal website, is available at the venue where the residents' committee contemplated in section 6 usually holds its meetings and at municipal libraries and the office of the relevant ward councillor;
- (h) allocate to each site or stand in an authorised informal settlement a unique number as the temporary address of the site or stand and must ensure that such number is legibly painted or inscribed in a prominent place on the site or stand;

- (i) ensure that no new unauthorized shacks are erected in any informal settlement and that no new unauthorised residents take up residence in such an informal settlement; and
- (j) perform any other duty or function which may be necessary to ensure the proper management and control of an informal settlement.

5. Incidents of land invasion

- (1) The authorised official must, within a period of 24 hours after he or she becomes aware of an incident of land invasion or the existence of a newly established informal settlement, irrespective of whether such informal settlement was established as a consequence of an incident of land invasion or not -
 - (a) commence with the process prescribed by the Municipality regarding the determination of the status of the informal settlement as an authorised or an unauthorised informal settlement in terms of the Municipality's existing housing policies and programmes;
 - (b) complete the process contemplated in subsection (1)(a) within 48 hours after commencement; and
 - (b) inform the residents regarding the commencement of the process to determine the status of the informal settlement and that, depending upon the outcome of the determination, the informal settlement will be dealt with in accordance with section 6 or section 8, whichever is applicable in the circumstances.
- (2) In the event of the status of an informal settlement contemplated in subsection (1) being determined as an authorised informal settlement, the authorised official must deal with the matter in accordance with the provisions of section 6.
- (3) In the event of the status of an informal settlement contemplated in subsection (1) being determined as an unauthorised informal settlement, the authorised official must deal with the matter in accordance with the provisions of section 8.

6. Residents' committees

- (1) A meeting of residents in each authorised informal settlement must be convened annually on a date and at a venue determined by the authorised official to elect a residents' committee comprising a chairperson, deputy chairperson, secretary and six ordinary members to represent the views and interests of the residents of the authorised informal settlement in all consultative processes between the Municipality and the residents of the authorised informal settlement.
- (2) A residents' committee contemplated in subsection (1) and the authorised official, or his or her designated representative, must meet on a regular monthly basis, and at such meetings the Municipality must consult the

residents' committee on all matters relating to the authorised informal settlement and communicate matters of general concern to the residents on a collective basis. After such meetings, it is the sole responsibility of the residents' committee to inform the individual residents of matters discussed at the meetings.

- (3) Special meetings of residents may be convened from time to time by a residents' committee contemplated in subsection (1) to communicate with and inform the individual residents of matters relating to the authorised informal settlement.
- (4) A residents' committee contemplated in subsection (1) must give notice of a meeting of the residents of the authorised informal settlement by placing the notice prominently on the official notice board at a venue whose location has been determined by the residents' committee and communicated to the residents at an official meeting of the residents.

7. Procedures relating to the management and control of authorised informal settlements

- (1) As soon as a determination of the status of an authorised informal settlement has been made and within the period contemplated in section 5(1), the authorised official must-
 - (a) personally or through a subordinate official designated by him or her for that purpose, visit the informal settlement and notify the residents of the status of the authorised informal settlement in the manner contemplated in section 7(2) or by means of a letter delivered to each shack in the informal settlement, whichever is appropriate in the circumstances;
 - (b) compile a comprehensive register of all the residents who are entitled to reside in the authorised informal settlement contemplated in subsection (1), and the details set out in section 4(4) must be entered in respect of each shack in the authorised informal settlement;
 - (c) ensure that the names, addresses and other relevant details of all the household heads living in an authorised informal settlement contemplated in subsection (1) are registered in the Municipality's National Housing Needs Register list;
 - (d) allocate to each site or stand in an authorised informal settlement contemplated in subsection (1) a unique number as the temporary address of the site or stand and must ensure that the number is legibly painted or inscribed in a prominent place on the site or stand; and

- (e) ensure that no new unauthorised shacks are constructed in the authorised informal settlement contemplated in subsection (1) and that no new unauthorised residents take up residence in the authorised informal settlement by implementing appropriate measures to manage, monitor and control the occupancy of residents in the authorised informal settlement in general.
- (2) Any unauthorised occupancy in an authorised informal settlement contemplated in subsection (1) must be dealt with in accordance with the provisions of section 8.
- (3) In respect of an authorised informal settlement contemplated in subsection (1), the authorised official must ensure that -
 - (a) the Municipality's Budget and Treasury directorate institutes, operates and maintains an appropriate account for services rendered by the Municipality to each registered shack in the authorised informal settlement and for any charges levied for the right of occupation of a particular site or stand in the authorised informal settlement; and
 - (b) such an account is supplied to the head of the household of each registered shack in the authorised informal settlement.

8. Procedures relating to the termination of unauthorised informal settlements

- (1) As soon as a determination of the status of an unauthorised informal settlement has been made, the authorised official must, personally or through a subordinate official designated by him or her for that purpose, visit the informal settlement and notify the residents of the status of the unauthorised informal settlement by means of a written notice hand-delivered to each shack in the informal settlement.
- (2) The written notice contemplated in subsection (1) must -
 - (a) notify the residents of a shack in the unauthorised informal settlement that their occupation of the shack and the site or stand on which it is situated is illegal; and
 - (b) request the residents of the shack to vacate the shack and remove any building materials and other personal property from the unauthorised informal settlement within a period of 24 hours after receipt of the written notice.
- (3) If the residents notified in terms of subsection (1) cooperate and vacate their shacks and remove their building materials and other personal property from the site or stand in the unauthorised informal settlement, the authorised official must take such steps as he or she may deem appropriate to prevent a recurrence of any incident of land invasion or illegal land occupation on that site, stand or unauthorised informal settlement and must regularly monitor the

situation to ensure the non-recurrence of such land invasion or illegal land occupation.

(4) If the residents notified in terms of subsection (1) fail to cooperate and vacate

their shacks and remove their building materials and other personal property

from the site or stand in the unauthorised informal settlement, the authorised

official must immediately institute the necessary legal procedures to obtain

an eviction order contemplated in subsection (5).

(5) Within a period of 24 hours after the expiry of the period stipulated in the

written notice contemplated in subsection (1), the authorised official must

lodge an application in a competent court to obtain an eviction order

contemplated in section 4, 5 or 6 of the Prevention of Illegal Eviction from and

Unlawful Occupation of Land Act, 1998 (Act 19 of 1998), against any person

or persons, jointly or severally, occupying or residing in a shack or on a site or

stand in the unauthorised informal settlement.

(6) The authorised official must, within a period of 24 hours after obtaining the

eviction order referred to in subsection (5), deploy the Land Invasion Unit to

execute the eviction order and to terminate the unauthorised informal

settlement by

(a) evicting the residents of the unauthorised informal settlement;

(b) demolishing and removing all shacks and removing all building materials and other personal property from the unauthorised informal settlement; and

(c) disposing of the building materials and other personal property in accordance with the provisions of this by-law.

(7) Any costs incurred by the authorised official for the purposes of executing the provisions of this by-law must be borne by the Municipality in accordance with its approved budget.

9. Removal and disposal of building materials and personal property

(1) In the execution of the provisions of section 8(6), any building materials and other personal property belonging to a resident or occupier of a shack in an

unauthorised informal settlement must be removed and stored in a safe place by the authorised official.

- (2) The authorised official must compile and maintain a register in which is recorded -
 - (a) particulars of all building materials or other personal property removed and stored in terms of this by-law, save where it is manifest that the item is waste material;
 - (b) the date of the removal and storage of building materials or other personal property in terms of subsection (1) and the name and site or stand number of the owner of the building materials or personal property; and
 - (c)
 - (i) the signature or left thumb print of the person who is claiming ownership and to whom delivery of building materials or other personal property has been made; or
 - (ii) full details of the amount realized on the sale of building materials or other personal property in terms of subsection (2) and the date of the sale.
- (3) The authorised official must photograph all material removed and record the place, date, and time of removal and record it by a cross reference to the inventory.
- (4) Officials deployed to perform the exercise must be clearly identifiable as officials of the Municipality, and a log must be kept of the name of every official who is present at every such exercise.
- (5) When intent on removing material from a public place, officials must make reasonable enquiries in the immediate vicinity as to the presence of possible claimants of the material sought to be removed, and if they can be located, and their identity confirmed, and they can demonstrate, convincingly, that that any item is their belongings, they must:
 - (a) be put in possession of all items that they are able to carry away; or
 - (b) be invited to call at a designated place during office hours to collect the balance of their claimed possessions, which shall, in the inventory, be so recorded, and the items tagged.
- (6) All such items removed must be kept in a designated place for not less than 30 days.
- (7) A notice must be displayed at the place from which the materials were taken and it must contain information about where the material is being kept, for how long, and the procedure to retrieve any items, the name of the official responsible for the safekeeping of the material, and that person's telephone number and e-mail address.
- (8) If the building materials and other personal property contemplated in subsection (1) are not claimed by their owner within a period of thirty days after the date of the removal and storage, the Municipality may, after obtaining a court order authorizing such action, dispose of the building

materials and personal property in a manner prescribed by the court and the proceeds must be deposited into the Municipality's Revenue Account, provided that, subject to the laws governing the administration and distribution of estates, nothing contained in this subsection may deprive the heir of any deceased person of his or her right to the balance of the proceeds of the property.

- (9) Employees and councillors of the municipality, or a family member, or a close associate of any municipal employee or councillor, may not purchase any goods offered for sale in terms of this by-law, either personally or through any other person, directly or indirectly.
- (10) Neither the municipality nor any of its officials acting within the reasonable scope of their authority are liable for any loss of or damage to property or injury to any resident or occupier of a shack in an unauthorised informal settlement or any other person for any reason whatsoever.

10. Prohibited conduct

- (1) No person may –
 - (a) individually or as part of a group –
 - (i) clear any land of any vegetation without the prior written consent of the owner;
 - (ii) invade or occupy any land to which he or she does not have lawful title;
 - (b) erect a structure on any land to which he or she does not have lawful title;
 - (c) continue with the construction of an incomplete structure after a written warning to stop construction was issued by the municipality;
 - (d) demarcate or continue to demarcate any piece of land with any form of material, including, but not restricted to string, rope, pegs, stones, pebbles, wire, wood or any other material after a written warning to stop any form of demarcation was issued by the municipality;
 - (e) move or remove any demarcation or surveying pegs affixed in terms of any law;
 - (f) without the written consent of the municipality allow, encourage, motivate, organise or instigate the occupation of any land;
 - (g) move furniture into an informal structure in order to defeat the provisions of any law;
 - (h) without the written consent of the municipality allow a shack or structure to be unoccupied for more than 3 months;
 - (i) erect any additional shack or structure on a site in any existing informal settlement or reception area;
 - (j) lease any additional shack or structure on a site in any existing informal settlement or reception area;
 - (k) access land in contravention of a sign prohibiting such access;

- (l) occupy a structure on any land to which he or she does not have lawful title;
 - (m) sell any land or structure on any land to which he or she does not have lawful title; or
 - (n) interfere with or obstruct an authorised officer in the execution of his or her duties in terms of this by-law.
- (2) A person who contravenes a provision of subsection (1) commits an offence.

11. Existing informal settlements

- (1) Where an existing informal settlement has been provided with rudimentary services by the municipality or where the municipality allocated a number to a structure or a stand, such supply of services or such allocation of a number does not amount to the granting of any right to any person to permanently reside on such land.
- (2) The numbering of a stand or a structure does not itself in any manner mean that the yard fenced in or on which a shack or building has been erected and so numbered is a surveyed stand.
- (3) The occupant of a shack or structure contemplated in subsections (1) and has no right to the land and cannot claim ownership of the land on whatever basis including the period of occupation of such land and this include cases where money has been exchanged with whomever under the pretext that land acquisition is being effected by such transaction.

12. Duties of ward councillors and ward committee members

- (1) Ward councillors and ward committee members must report all cases of illegal occupation of land within their wards of which they are aware or of which they should reasonably be aware, whether it is council property or not, to the authorised official.
- (2) Any person who contravenes the provisions of subsection (1) is guilty of an offence.

13. Restriction of Liability

No authorized employee of the municipality shall be liable in respect of anything done in good faith in the exercise of a power or the performance of a duty conferred or imposed in terms of this by-law.

14. Appeal

(1) A person whose rights are affected by a decision of the municipality may appeal against that decision by giving written notice of the appeal and the reasons therefore in terms of section 62 of the Local Government: Municipal Systems Act, Act 32 of 2000 to the municipal manager within 21 days of the date of the notification of the decision.

(2) Any person making a decision or exercising a discretion in terms of this by-law must inform any person affected by such decision or exercise of discretion that he or she has a right to appeal in terms of subsection (1).

15. Repeal of by-laws

The provisions of any by-laws previously promulgated by the municipality or by any of the disestablished municipalities now incorporated in the municipality are hereby repealed as far as they relate to matters provided for in this by-law.

16. Short title and commencement

This by-law shall be known as the By-law Relating to Land Invasion and the Management and Control of Informal Settlements of the Kouga Local Municipality and comes into operation on the date of publication thereof in the Provincial Gazette.

Policy Owner	
Policy Champion	
Policy adopted by Council	
Policy implementation date	
Signature	
Date of signature	

ANNEXURE B**KOUGA MUNICIPALITY (EC108)****NOTICE NO. 133/2022****DEPARTMENT HUMAN SETTLEMENTS****PUBLIC INVITATION FOR COMMENTS TO THE DRAFT LAND INVASION, MANAGEMENT AND CONTROL OF INFORMAL SETTLEMENTS BY LAW FOR KOUGA MUNICIPALITY**

Notice is hereby given in terms of Section 160(4) (b) of the Constitution, Act 108 of 1996, read with Section 12(3)(b) of the Local Government: Municipal Systems Act, No. 32 of 2000, as amended, that the draft Land Invasion, Management and Control of Informal Settlements By-law for the Kouga Municipality is available for inspection, comments, or representation. A copy of the draft document will lie open for inspection at the main building in Da Gama Road, Jeffreys Bay, as well as all the satellite offices in the Kouga municipal area. An electronic copy of the draft document can be viewed and downloaded on the municipal website: www.kouga.gov.za

Any person who cannot write may come to the office of the Deputy Municipal Manager where an official will be available to assist in transcribing that person's comments or representation.

Members of the public or interested parties are hereby invited to submit comments or make representations within a period of 30 days from date of publication of this notice.

Kindly address any comments, in writing, to the office of the Deputy Municipal Manager, Mr. D de Jager, at 33 Da Gama Road, Jeffreys Bay or by way of an email correspondence to jreed@kouga.gov.za no later than 16h00 on Friday 30 September 2022.



**MR D de JAGER
DEPUTY MUNICIPAL MANAGER**

P.O. Box 21
JEFFREYS BAY
6330

For publication:

The Herald	1 September 2022
Kouga Express	1 September 2022
Municipal Notice Boards	1 September 2022
Municipal Website	1 September 2022

KOUGA MUNICIPALITY (EC 108)**ORDINARY COMMITTEE MEETING****PLANNING, DEVELOPMENT & TOURISM****DATE: 30 MARCH 2023****ITEM NO: 23/03/PDT4****REQUEST FOR COUNCIL AUTHORISATION TO ADVERTISE AN IN-PRINCIPLE APPROVAL TO DEVELOP A SHELTER FOR THE HOMELESS ON ERF 5972, JEFFREYS BAY****1. Introduction**

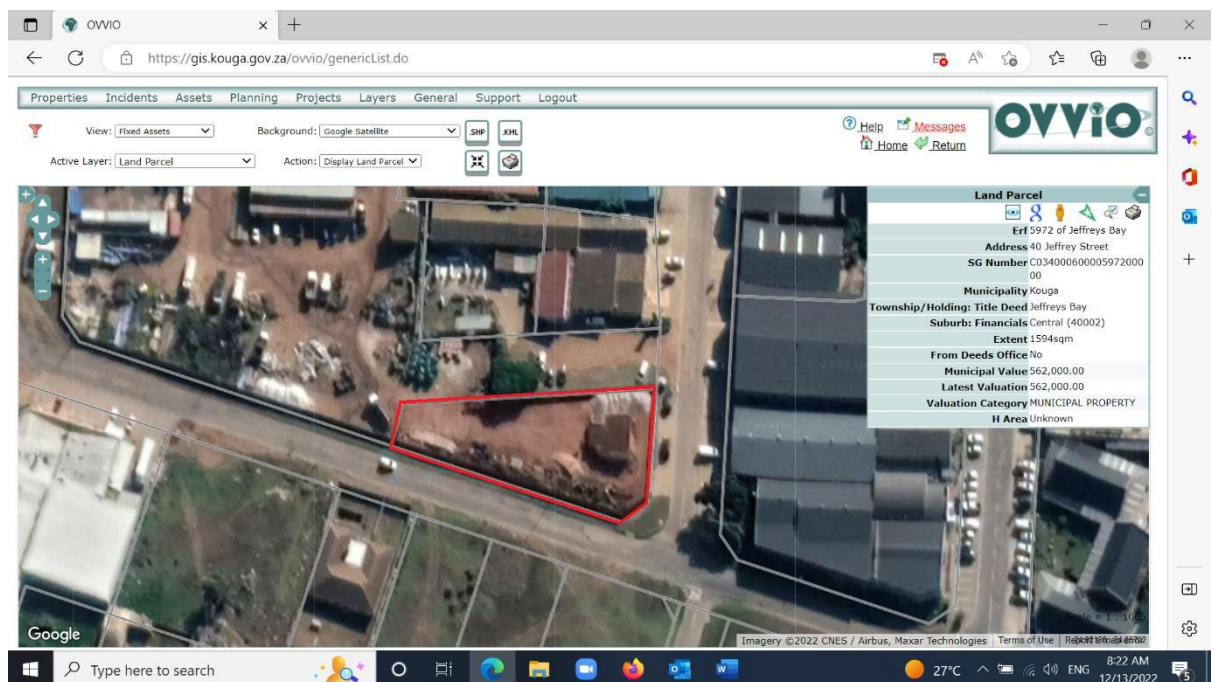
The purpose of this report is to inform Council on the progress with the identification of suitable land for a Shelter for the homeless residing in Jeffreys Bay.

2. Background

There's a lot of people residing in Jeffreys Bay that are homeless which creates huge problems for residents, because people that sleep on the streets have no toilets and through their wastages anywhere.

A request was made to create a place through NPOs for a secure area where people can be monitored, sleep, wash and eat as well as putting programs in place in order to reintroduce the homeless into the society.

The Land & Properties Department has identified Erf 5972, Jeffreys Bay as the ideal location for the Shelter.



Land Parcel Information

Erf	5972 of Jeffreys Bay	Zoning: Financials	GIND
Address	40 Jeffrey Street	Zoning	Kouga Municipality Land Use Scheme - Industrial Zone
SG Number	C03400060000597200000	Land Usage: Financials	
Municipality	Kouga	Ward: Financials	Kouga 2
Township/Holding: Title Deed	Jeffreys Bay	Ward: Demarcation Board	Kouga 11
Suburb: Financials	Central (40002)	Sources	Surveyor General, Financials
Centroid	34.0571281491486255 24.921086363801248E	Effective	
Sectional Title	No		
Extent	1594sqm		
Extent (SG)	1594sqm		
Extent (Title Deed)			

Linked Documents

Name	Status	Type	Size	Sub Docs	Date Modified
Projects/Standard Notifications/2018 General Valuation		Folder	1 item		05 Oct 2020 05:25:55

Comments

Tasks and Questions and eForms

Financial Accounts

Account	Debtor	ID Number	Debtor Type	Owner Tenant
004000271886	Kouga Municipality (Jeffreys B)		Departmental (DEPAR)	Tenant (Kouga)
004005972001	Kouga Municipality (Jeffreys B)		Departmental (DEPAR)	Owner (Kouga)

Properties

Unit	26 Digit Code	Owner(s) and Id(s)	Scheme	Scheme Number
0	C0340006000059720000000000			

Current Municipal Information

3. Comments from service departments (Sect. 14)

ERF	AREA	LAND USE SCHEME	BUILDING CONTROL	MANAGEMENT
Erf 5972	Jeffreys Bay	Town Planning: Subject properties must be consolidated and appropriately zoned for institutional use. After approval of land use rights, applicant must submit site development plan for approval prior to building plan submission. No contravention of title deed	Building Control: Plans to be submitted after land use authorization	Assets Section: Supported Technical Services: This erf has an electrical supply, but the building and internal electrical installation has been vandalized. Community Services: No objection. Human Settlements: No objection

		conditions may occur.		
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4. Comments by Directorates:

4.1 Acting Director: Planning, Development and Tourism

The item and recommendations are supported.

4.2 Acting Director: Corporate & Digital Services

Item noted.

4.3 Director: Community Services

Item noted. However, the area is going to be renovated for staff, for office space as per of addressing OHS findings. Planned renovations to start in February 2023.

4.4 Acting Director: Infrastructure & Engineering

The property is part of the depot in St. Croix Street. The plant from I&E and Community service is currently parked on this property and additional parking is required as the fleet is not expanded. This will create possible challenges and security of our fleet is of importance.

4.5 CFO

Report noted.

4.6 Municipal Manager

The report is noted, and the recommendations are supported. It is a long standing need to solve a problem relating to homeless people in the streets.

5. Financial implications

Should Council resolve to lease the property herein, the applicant (NPO) shall be responsible for all costs associated with the property.

6. Legal implications

A formal Lease Agreement to be concluded with a registered NPO as Lessee and administrator of the Shelter.

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003, Sections 14, 90 and 33 (MFMA).

In term Sec 63 (1) and (2) of the MFMA: Asset and liability management.

Other policy considerations:

In terms of the approved Council policy on the disposal of municipal immovable assets, and in particular Section 13 makes provision for alienation out-of-hand to social care users:

13. SOCIAL CARE USES

- 13.1 Social care shall mean services provided by registered welfare, charitable, non-profit, cultural and religious organisations and includes, but is not limited to places of worship, child care facilities, rehabilitation centres, centres for the homeless, elderly and destitute persons and animal care facilities: Provided that they are registered as PBO's or are capable of being so registered should they apply for registration.
- 13.2 Immovable property owned by the Municipality may be alienated or let to social care users. Unless otherwise directed by Council, the purchase price payable shall be 25% of market value subject to a suitable reversionary clause being registered against the title deed of the property. Rentals shall be determined in terms of the tariff rentals as approved by Council from time to time.
- 13.3 Immovable property may be alienated or let out-of-hand to social care users in exceptional cases where the Council is of the opinion that public competition would not serve a useful purpose or that it is in the interest of the community or plight of the poor provided comments or representations on the proposed transfer or granting right to use, control of a municipal capital asset be invited from the local community and other interested persons in terms of Section 7(i) of the Asset Transfer Regulations.

Subsequent to the above, we have considered regulation 13(2) of the MATR as depicted below:

- (c) **whether the local community would be better served if the capital asset is transferred at less than its fair market value, as opposed to a transfer of the asset at fair market value.**

In compliance with section 113 of the MFMA read together with regulation 37 of the Municipal Supply Chain Management Regulations, the much-needed services brought to an already impoverished community, as outlined in paragraph 2 in the background above, is a one of a kind in the Jeffreys Bay area.

7. Recommendations

- 7.1 That in terms of Reg 5(1)(b)(ii) of the MATR and Policy on disposal of immovable assets, the Council **grants in-principle approval** to alienate erf 5972, Jeffreys Bay for the development of a Shelter for the Homeless on a long-term lease basis to an NPO.
- 7.2 That in terms of Reg 6(a) and (b) of the MATR and Policy on disposal of immovable Assets, Council grant authorization to the Accounting Officer to advertise the intended alienation of the immovable property herein.

- 7.3 That it be noted that the Department of Land & Property Administration has finalised the s14 and Council confirms that the land is not needed to provide the minimum level of basic municipal services.
- 7.4 That it be noted that the NPO will be responsible for all administrative costs in respect of the development of the property.
- 7.5 That public participation process and stakeholder engagement be embarked on after which an agreement be concluded.
- 7.6 That a Service Level Agreement (SLA) be concluded with the successful NPO for the funding of the Shelter.

**Item prepared by Manager:
Land & Property:**



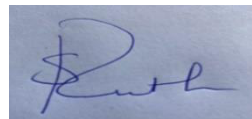
Item approved by Acting Director PDT:



Item endorsed by the Municipal Manager:



Item noted by the Portfolio Chairperson:



REPORTS BY
THE
PORTFOLIO
CHAIRPERSON:
INFRASTRUCTURE &
ENGINEERING

KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****INFRASTRUCTURE & ENGINEERING****DATE: 30 MARCH 2023****ITEM: 23/03/I&E1****ROADS TO BE UPGRADED UNDER THE GRAVEL ROADS PHASE 2 CONTRACT****1. Introduction**

The upgrading of Gravel Roads in Kouga is being implemented as a MIG funded project. Phase 2 has recently been registered on MIG and as such priority roads must be finalized.

2. Background

Kouga LM has previously appointed Scribante Construction for the Gravel Roads Phase 1 MIG funded project. The current funding for the Phase 1 project is almost fully spent.

The following roads have been upgraded in Phase one:

Humansdorp

- Arcadia : Koerat Str (920m) – Ward 5
- Arcadia : Mentoer Str (585m) – Ward 5
- Arcadia : Campher / Coetzee Str (380m) – Ward 5
- KwaNomzamo : Entrance to Golf Course Str (560m) – Ward 13
- KwaNomzamo : Mtsila Str 1 (475m) – Ward 6
- Vaaldam : Bambi Str (420m) – Ward 5

Thornhill

- Aweries Str (185m) – Ward 7
- Jantjies Str (85m) – Ward 7
- Aweries loop (240m)- Ward 7
- Circle Road 1 (280m) – Ward 7
- Circle Road 2 (385m) – Ward 7
- Circle Road 3 (195m) – Ward 7
- Circle Road 4 (270m) – Ward 7

Jeffreys Bay

- Pellsrus : Galjoen Str (410m) – Ward 2
- Pellsrus : Klipvis Str (345m) – Ward 2
- Pellsrus : Manta Str (390m) – Ward 2
- Pellsrus : Seeleeeu Str (330m) – Ward 2
- Pellsrus : Snoek Str (160m) – Ward 2
- Pellsrus : Streepie Str (290m) – Ward 2

- Pellsrus : Haring Str (160m) – Ward 2
- Pellsrus : Makriel Str (260m) – Ward 2
- Pellsrus : Sole Str (110m) – Ward 2
- Pellsrus : Calamari Str (100m) Ward 2

It is noted that the current Phase 1 contract is based on a reduced scope of work due to budgetary constraints. The outstanding portion of the reduced scope of work will be completed using the same Contractor but under the Phase 2 funding. These roads include:

Humansdorp

- Vaaldam : Mpondo Str (440m) - Ward 5
- Vaaldam : Witbooi Str (470m) – Ward 5
- Arcadia : Meyer str (532m) – Ward 5

The total expenditure incurred to date for Phase 1 is:

Direct:	R29,935,943.58
Indirect:	<u>R3,931,346.59</u>
Total:	R33,867,290.17

The Gravel Roads Upgrade Phase 2 was registered on MIG funding program to the value of R37,038,263.00. Construction for Phase 2 will commence in the 23/24 FY, and will be implemented over more than one financial year.

3. Prioritized Roads

The following roads are prioritized under Phase 2. These roads appear in no order of priority. Should they not be prioritized by Council, best practices by optimizing plant use will be followed and I&E will provide direction in how to optimally implement the project.

Humansdorp

- Arcadia : Goeda Street (320m) – Ward 5
- Arcadia : Kettledas Street(165m) - Ward 5
- Arcadia : Julie Street (462m) – Ward 5
- Arcadia : Slinger Street (195m) - Ward 5
- KwaNomzamo : Ketse Street (230m) – Ward 6
- KwaNomzamo : Mtsila Street 2 (330m) – Ward 6
- Kruisfontein : Freezia / Aalwyn Street (405m) – Ward 4
- Kruisfontein : Tolbos / Aandblom / Besembos Street (590m) - Ward 4
- Kruisfontein : Suiderkant / Bloulelie / Pendoring Street (480m) – Ward 4
- Kruisfontein : Fynbos Street (230m) – Ward 4
- Kruisfontein : Suikerbos (200m) – Ward 4
- Kruisfontein : Bloukappie Street (195) – Ward 4

Jeffreys Bay

- Madiba Bay : Oliver Tambo Street 1 & 2 (485m) – Ward 2
- Madiba Bay : Robert Dennis Street 1 (585m) – Ward 2
- Madiba Bay : Sarah Baartman Street (335m) – Ward 2
- Madiba Bay : Siena Brown Street (185m) – Ward 2
- Madiba Bay : Steve Biko Street (205m) – Ward 2
- Madiba Bay : Steve Tshwete Street 1 (175m) – Ward 2
- Madiba Bay : Elsie Jacobs Street (100m) – Ward 2

Oyster Bay

- Main Road to Umzamawethu (650m) – Ward 1

Loerie

- Magda Street(175m) – Ward 7
- Marlene Street (220m) – Ward 7
- Shirley Street (1010m) – Ward 7

Hankey

- Nzongo Street (390m) – Ward 9
- Thangana Street (715m) – Ward 9
- Mc Cabe Street (230m) - Ward 9

Additional New Roads to be added to Phase 2:

- Arcadia: Kroutz Street – Ward 13
- Gil Marcus: Nerina Street – Ward 4
- Kruisfontein: Felix Street – Ward 4
- Hankey: Tshume – Ward 9
- Griffiths Mxenge - Ward 1
- Cyril Ramaphosa – Ward 14
- Zwelinzima Vavi - Ward 14
- Solomon Mahlangu - Ward 14
- Sparrow Mkhonto – Ward 14
- Blade Nzimande – Ward 14
- Dulcie September – Ward 14
- Vali Moosa – Ward 14
- Beyers Naude – Ward 14
- Jeff Radebe – Ward 14

The designs for these additional new roads have not been done and was not included in the Consultant's original scope of works. As such, it will attract additional design fees. The roads are still to be assessed and final lengths and estimated costs to be determined.

4. Comments by Directorates:

4.1 Director: Infrastructure and Engineering

The additional roads to be incorporated will attract additional design fees. Careful consideration as to the impact of adding and withdrawing certain roads needs to be understood. Not all the roads can be done with the available funding for Phase 2. The cost estimate for the original list as supplied totals to R37,038,263.00. It requires to be understood that for every new road added to the list, a road on the original list must be taken out as the budget is limited to R37,038,263.00.

4.2 Acting Director: Corporate & Digital Services

Item noted

4.3 Acting Director: Planning, Development and Tourism

Item noted

4.4 Director: Community Services

Item noted

4.5 Municipal Manager:

Item noted.

5. Financial Implications

The project will be funded by the MIG and expenditure will occur over multiple years. The additional roads as indicated will attract additional design costs, which may result in not sufficient funding to do all the roads as the MIG budget for Phase 2 is limited to R37,038,263.00. The cost estimate for the original list supplied totalled the total MIG allocation of R37,038,263.00. So, for every new road added, a road on the original list must be taken out as the budget is limited to R37,038,263.00.

6. Legal implications

It should be noted that in the event that the municipality vary the tender specifications, by including additional roads, this will have to follow the provisions of the SCM Policy to give effect to same. Should there be a replacement of road information, it will have to be so in line with the conditions of the MIG Funding.

This project is registered with CoGTA. The Municipality cannot incur expenditure for capital projects beyond the approved budget as per the Annual Budget of the Municipality.

7. Recommendation

- 7.1 That Council approve that phase 2 proceed as per the approved roads on the project.
- 7.2 That the additional roads identified be included in a follow-up phase.

Item prepared by: PMU Manager



Item approved by: The Director I & E:



Item noted by the Portfolio Councillor:



Item endorsed by the Municipal Manager:



KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****INFRASTRUCTURE & ENGINEERING****DATE: 30 MARCH 2023****ITEM NO: 23/03/I&E2****EXPANDED PUBLIC WORKS PROGRAMME (EPWP) POLICY NO 4 ADOPTION,
IMPLEMENTATION AND EXPRESSION WITHIN KOUGA LOCAL MUNICIPALITY****1. Introduction**

The purpose of this item is to request Kouga Local Municipality Council to adopt and implement the Expanded Public Works Programme (EPWP) Policy No 4.

The EPWP Policy No 4 promotes labor intensive construction with the intent of eradicating poverty by creating employment for the youth and the previously disadvantaged.

2. Background and Objectives

The Infrastructure and Engineering Directorate is requesting the Council to adopt the EPWP Policy No4.

- The objective of the EPWP Policy No 4 is to provide work opportunities and income support to poor and unemployed people through labor-intensive delivery of public and community assets and services, thereby contributing to development.
- This policy will be implemented through:
 - Employment Creation where participants acquire work-based skills by taking part and working in different projects implemented by the Municipality.
 - Income support where all participants are able to provide for their families through the wages that they receive while working on the projects.
 - Provision of services all the projects that Kouga Local Municipality implements, contribute greatly to the provision and or strengthening of services delivered to the local communities of the municipality.

The deadline for adoption of the policy is 25 March 2023. As to date, Kouga LM is the only Municipality in the Sarah Baartman District not to have adopted the policy.

3. Comments by Directorates:

3.1 Director: Infrastructure and Engineering

The adoption of the EPWP Policy No 4 is essential to comply with the EPWP Incentive Grant Framework. As such it is recommended that the policy be approved by Council and be implemented by Kouga LM.

Kouga Council to adopt the policy as it promotes labour-intensive delivery of services, thereby contributing to development and alleviating poverty, high rate of unemployment and crime within our communities.

3.2 Acting Director: Corporate & Digital Services

Item noted

3.3 Acting Director: Planning, Development and Tourism

Item noted

3.4 Director: Community Services

Item noted

3.5 Municipal Manager:

Item noted.

4. Financial Implications

None.

5. Legal implications

None.

6. Recommendation

6.1 That the Item be approved by Council.

Item prepared by: PMU Manager



Item approved by: The Director I & E:



Item noted by the Portfolio Councillor:



Item endorsed by the Municipal Manager:



KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****INFRASTRUCTURE & ENGINEERING****DATE: 30 MARCH 2023****ITEM NO: 23/03/I&E3****REPORT ON THE REGISTERING OF NEW PROJECTS ON MIG****1. Introduction**

Kouga LM receives MIG grant funding from DORA, which must be spent on infrastructure projects.

The MIG funding for the 22/23 and 23/24 Financial years are as follows:

22/23 R35,891,000.00

23/24 R37,372,000.00

New projects must be registered at DAC (District Adjudication Committee) for it to be implemented as MIG funded projects.

The purpose of this report is to request Council to approve additional projects to be registered on the Municipal Infrastructure Grant (MIG).

2. Background

Community Services and I&E has requested PMU to register the following projects on MIG:

- Purchasing of Specialized Waste Vehicles – R21,878,885.00;
- Rehabilitation of Phillipsville Sports ground – Design Stage: R1,300,000.00;
- Urgent repair and refurbishment of water and sanitation infrastructure in response to the COVID pandemic: 10% of yearly allocation;
- Mzamowethu Sewer Reticulation – Planning Stage: R1,500,000.00.

3. Comments by Directorates and Municipal Manager:**3.1 Director: Infrastructure and Engineering**

It is essential that the above projects be approved by Council so that they can be registered with MIG.

3.2 Acting Director: Corporate & Digital Services

Item noted

3.3 Acting Director: Planning, Development and Tourism

Item noted

3.4 Director: Community Services

Item noted

3.5 Municipal Manager:

Item noted.

4. Financial Implications

The project will be funded by the MIG and paid via MIG over multiple years.

5. Legal implications

None.

6. Recommendation

6.1 That the Item be approved by Council.

Item prepared by: PMU Manager



Item approved by: The Director I & E:



Item noted by the Portfolio Councillor:



Item endorsed by the Municipal Manager



KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****INFRASTRUCTURE & ENGINEERING****DATE: 30 MARCH 2023****ITEM: 23/03/I&E4****APPROVAL OF THE FINAL PROJECT IMPLEMENTATION PLAN (PiP) FOR THE 23/24 FY MIG ALLOCATED GRANT FUNDING****1. Introduction**

As per the Division of Revenue Act (DORA), each municipality must submit a Council approved Project Implementation Plan for the MIG grant funded projects by 30 April 2023 to COGTA.

This PiP indicates that Kouga LM is fully committed to implement MIG funded projects for the 23/24 FY.

2. Background and Objectives

As per the latest DORA Annexures published, Kouga LM's MIG allocation for the 23/24 FY is R37,367,000.00 (VAT inclusive).

The PMU has prepared the final PiP for the 23/24 FY. The Council approved PiP is due to be submitted to COGTA by 30 April 2023.

The final PiP is attached to this Item for approval by Council.

3. Comments by Directorates and Municipal Manager:**3.1 Director: Infrastructure and Engineering**

The adoption of the PiP for MIG Grant funded projects by Council is critical to ensure Kouga LMs adherence to DORA requirements. Failure to submit the Council approved PiP by 30 April 2023 will result in Kouga LM not complying with the conditions of the grant and will place our implementations of the projects at risk.

3.2 Acting Director: Corporate & Digital Services

Item noted

3.3 Acting Director: Planning, Development and Tourism

Item noted

3.4 Director: Community Services

Item noted

3.5 Municipal Manager:

Item noted.

4. Financial Implications

None.

5. Legal implications

None.

6. Recommendation

6.1 That the Item be approved by Council.

Item prepared by: PMU Manager



Item approved by: The Director I & E:



Item noted by the Portfolio Councillor:



Item endorsed by the Municipal Manager:



REPORTS BY
THE
PORTFOLIO
CHAIRPERSON:
CORPORATE & DIGITAL
SERVICES

KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****CORPORATE & DIGITAL SERVICES****DATE: 30 MARCH 2023****ITEM NO: 23/03/CDS4****ACTING APPOINTMENT: DIRECTOR CORPORATE & DIGITAL SERVICES AND DIRECTOR: PLANNING, DEVELOPMENT & TOURISM****1. Introduction**

The purpose of this item is to advise Council that the current acting appointment for the Director: Corporate & Digital Services and Director: Planning, Development & Tourism comes to conclusion on 30 April 2023, as previously approved by Council. For effective and efficient operations of the said directorate, Council is hereby requested to approve an acting appointment for the period as from 1 May 2023 until 31 July 2023 in respect of the Director: Corporate & Digital Services position and from 1 April 2023 to 30 June 2023 in respect of Director: Planning, Development & Tourism, as the selection and recruitment process has not been finalized yet.

2. Discussion

The Municipal Council is required to consider the recommendation/s below and more specifically to consider who will be appointed by Council to act in the current vacant positions for a period no longer than 3 (three) months.

3. Financial implications

The acting allowance payable is as follows, and in line with the provisions of the Acting Policy, as approved by Council (2018). The acting allowance will be paid from the current savings against the vacant positions.

4. Legal implications

Failing to adhere to, and implement the provisions of the Local Government: Municipal Systems Act, as amended, and as far as it relates to the appointment of an acting Director (Senior Manager), may result in any expenditure incurred in relation to the acting appointment, being considered as irregular expenditure as defined in the Local Government: Municipal Finance Management Act.

Section 56(1)(a)(ii) of the Systems Act provides that the Municipal Council, in consultation with the Municipal Manager, must appoint an acting manager directly accountable to the municipal manager.

A **person** appointed in terms of section 56(1)(a)(ii) may not be appointed to act for a period that exceeds 3 (three) months, unless such acting period is

extended for a further period not exceeding 3 (three) months by the MEC on application by the Municipality in special circumstances and on good cause shown.

5. Recommendations

- 5.1 That Council approves the Acting appointment of Mr D de Jager as Director: Corporate & Digital Services for no longer than 3 months from 1 May 2023 to 31 July 2023, or until such time as the vacant position is filled, whichever event occurs first.
- 5.2 That Council approves the Acting appointment of Mrs L Opperman as Director: Planning, Development and Tourism for no longer than 3 months from 1 April 2023 to 30 June 2023, or until such time as the vacant position is filled, whichever event occurs first.

Item prepared by: The Director: Corporate and Digital Services



Item approved by: The Municipal Manager



KOUGA MUNICIPALITY (EC108)**ORDINARY COUNCIL MEETING****CORPORATE & DIGITAL SERVICES****DATE: 30 MARCH 2023****ITEM NO: 23/03/CDS5****APPROVAL OF TERMS OF REFERENCE FOR THE MUNICIPAL BY-LAWS & POLICIES COMMITTEE****1. Introduction**

The purpose of this item is to refer to Council the Draft Terms of Reference for the Municipal By-laws & Policies Committee(MBPC), as reviewed and adopted by the Committee .

The Draft Terms of Reference is attached and marked Annexure A.

2. Background

The Draft Terms of Reference served before the newly established By-laws and Policies Committee, and the draft Terms of Reference were accepted and adopted by the said Committee at a meeting held 23 February 2023. It was resolved that the draft Terms of Reference be referred to Council.

3. Discussion

Council is requested to consider the content of the attached Terms of Reference for purposes of approval of same.

4. Comments by Directorates:**4.1 Deputy Municipal Manager**

Item noted

4.2 Municipal Manager

Item noted.

4.3 Director: Community Services

Item noted

4.4 Acting Director: Corporate and Digital Services

Item noted

4.5 CFO

Report noted

4.6 Director: Infrastructure and Engineering

Item noted

4.7 Acting Director: Planning, Development and Tourism

Item noted

5. Financial Implications

None

6. Legal Implications

None

7. Other Implications

None

8. Recommendation

- 8.1 That the Terms of Reference for the Municipal By-laws & Policies Committee be approved.

Item prepared by: Acting Director Corporate & Digital Services

Approved by: The Municipal Manager

Item noted by: The Chairperson of MBPC

ANNEXURE A

TERMS OF REFERENCE FOR THE BY-LAW & POLICY REVIEW COMMITTEE

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9	Administrative Support	
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Annexure A	Standard Operating Procedure for Review of Existing Policy or By-law or introduction of a new Policy or By-law	

1. INTRODUCTION

The Kouga Municipal Council, in terms of Section 79 of the Local Government: Municipal Structures Act No.117 of 1998, as amended, established a committee necessary for the effective and efficient performance of its functions as far as it relates to the drafting and reviewing of municipal by-laws and policies in line with the applicable legislation and aligned to the functional areas set out in Schedule 4 Part B of the Constitution and Schedule 5 Part B.

In terms of Section 11 of the Local Government: Municipal Systems Act No.32 of 2000, as amended, the legislative and executive authority of a municipality is exercised by the council of the municipality. Such legislative and executive authority may be exercised by developing and adopting policies, administering and regulating its internal affairs and the local government affairs of the local community, passing municipal by-laws or implementing applicable national and provincial legislation and its by-laws.

2. PURPOSE & ROLE

- 2.1 The purpose of this document is to set out the terms of reference for the effective and efficient functioning of the Committee.
- 2.2 These terms of reference were created in recognition of the significant impact a new or reviewed Policy and/or by-law can have on operations of the municipality and the need to evaluate the effectiveness and applicability of existing policies and by-laws.
- 2.3 These terms of reference addresses the procedure surrounding a policy proposal or amendment for adoption, and to ensure that policies are presented in a clear and uniform manner.
- 2.4 The Committee herein is established to assist the Kouga Municipal Council in the performance of its functions and the exercise of its duties in respect of its executive and legislative authority relating to the development and adoption of policies, administering, and regulating its internal affairs and the local government affairs of the local community, passing municipal by-laws or implementing applicable national and provincial legislation and its by-laws.
- 2.5 The Committee shall attend to the review of existing Policies and Municipal By-laws, consider the drafting of new Policies and By-laws and consider the repeal of existing Policies and By-laws.
- 2.6 The Committee shall make recommendations to the office of the Speaker and which office will in turn refer the recommendations to the Municipal Manager for implementation.
- 2.7 The Municipal Manager must ensure all policies are updated within a period not exceeding 36 months/3 years.

3. COMPOSITION AND MEMBERSHIP

- 3.1 The Committee shall comprise of a maximum of 7 (seven) Councillors, excluding the Executive Mayor, Executive Deputy Mayor, the Whip of Council.
- 3.2 The Committee may co-opt advisory members, who are not members of the Council, who have expertise in relevant specific fields to assist and advise in the deliberations when the need arises. These representatives will have no voting rights as they are not elected Councillors.
- 3.3 Members of the Committee must represent various political affiliations and
Councillors serving on the Committee shall be appointed for a term which corresponds to the term of sitting Council.
- 3.4 Should a Councillor resign or is removed from the Committee, the resignation must be in writing, and Council must appoint a replacement by resolution at the next scheduled full Council meeting.

4. CHAIRPERSON OF MEETING

- 4.1 The Chairperson of the Committee is to be appointed by Council.
- 4.2 When appointing the Chairperson of the Committee, Council must take into consideration the requirements of transparency, ethical behaviour and general good governance prescripts.
- 4.3 In deciding on the Chairperson, the Council may consider appointing a Councillor from parties other than the majority party in Council.

5. CONDUCT AT MEETINGS

- 5.1 The Chairperson shall maintain order in the meeting.
- 5.2 The members of the Committee shall at all times during the meeting conduct themselves in a professional dignified and orderly manner.
- 5.3 Should any member of the Committee fail to conduct themselves in the manner as set out in 6.2 above, the Chairperson will be at liberty to request such a member to immediately leave the meeting.

6. DECISIONS AND VOTING

- 6.1 If the Chairperson receives no objections to the recommendations nor receives any comments to the proposed item under discussion then the motion to approve will thus be carried.
- 6.2 In any event where the committee is not in agreement with recommendations made, the matter shall be decided on by majority vote, as carried out by a show of hands.
- 6.3 Should there be an equality of votes the Chairperson shall have a casting vote in addition to the Chairperson's deliberate member vote.

7. ATTENDANCE OF MEETINGS

- 7.1 Members of the Committee are to observe the Rules of Order as determined by Council.
- 7.2 Meetings must be held as may be necessary and as determined by the Chairperson of the Committee in consultation with the Speaker of Council.
- 7.3 If otherwise, the notice of meetings shall be given at least 5 business days prior to the meeting and agendas and relevant documents shall be delivered at least 5 business days prior to meeting for preparation purposes.
- 7.4 A quorum shall be a majority of the members of the Committee.
- 7.5 The Chairperson of the Committee may, through the office of the Municipal Manager, request the attendance of the applicable Director/s or officials as and when required, depending on the Agenda items to be addressed.

8. REPORTING

- 8.1 The Committee will report to the Speaker of the Municipal Council on the activities of the committee; including a report detailing its activities of the preceding and current financial years, the number of meetings held, the membership of the Committee and key resolutions taken.
- 8.2 The recommendations of the Committee shall be communicated through the office of the Speaker to the Municipal Manager.

9. ADMINISTRATIVE SUPPORT

- 9.1 The office of the Municipal Manager shall provide administrative support to the Committee.
- 9.2 Such support shall include but is not limited to the compilation of an Agenda for each meeting, recording of meetings and drafting of minutes and action sheets for each meeting.

10. MAINTENANCE OF TERMS OF REFERENCE

The Terms of Reference (**ToR**) may be reviewed on an annual basis, unless operational requirements require an amendment to the Terms of Reference in which instance a request to that effect may be raised by the Chairperson or any member of the Committee and such recommendation must be carried to the office of the Speaker.

ANNEXURE A

STANDARD OPERATING PROCEDURE FOR REVIEW OF EXISTING POLICY OR BY-LAW OR INTRODUCTION OF A NEW POLICY OR BY-LAW

1. Introduction

- 1.1 Before a new policy proposal or amendment to an existing policy is referred to Council for approval, it must be submitted to the By-law and Policy Committee using the proposed template.
- 1.2 A proposal, as contemplated in 1.1 above must be submitted to the office of the Speaker and which office will refer same to the Chairperson of the By-law and Policy Committee for consideration and discussion.
- 1.3 Materials seen as supporting or providing further context to the proposal can be submitted in conjunction with the draft proposal but will be presented to Council only at the discretion of the Bylaw and Policy Committee.
- 1.4 Supporting materials cannot be submitted to the Bylaw and Policy Review Committee without an accompanying proposal or motivation.
- 1.5 The By-law and Policy Committee will be at liberty to invite any director or relevant officials to a meeting of the Committee for further deliberations and /or discussions on the proposed Policy or By-law.
- 1.6 The By-law and Policy Committee Chairperson will communicate the status or the outcome of each proposal to the office of the Speaker.

2. Request for Review

- 2.1 Requests for policy reviews must include a detailed statement of the reasons as to why a policy review should be conducted.
- 2.2 The Bylaw and Policy Review Committee Chairperson will communicate the status of the review to the office of the Speaker.

3. Approved Policies and Amendments

- 3.1. Once a policy is approved by Council, or an adopted by-law has been promulgated it must be uploaded onto the Kouga Municipal website by the Policy or by-law custodian directive.
- 3.2. Subject to the contents of existing policies and/or by-law, every policy must be reviewed annually.
- 3.3. Outdated versions of Municipal policies and bylaws will be appropriately archived by the relevant department.

4. Policy Structure

4.1 Each policy will contain the following information:

4.1.1. Policy Name

4.1.2. Policy Information

4.1.2.1. Oversight Body

4.1.2.2. Date Passed by Council / reviewed by Council

4.1.2.3. Title of Related Policies, Bylaws, and Legislation

4.1.3. Definitions / Index

4.1.4. Purpose

4.1.5. Scope

4.1.6. Policy Statement

4.2. Each policy will use the following format:

4.2.1. (a) Font, Century Gothic (body) Normal size (11)

(b) Font **Header** (Century Gothic **Bold** size **(16)**)

4.2.2. Title centered, **bolded, size 14**

4.2.3. Section Titles left justified, **bolded, size 12**

4.2.4. Section Subheadings left justified, underlined, size 11

4.2.5. Multilevel lists using numerated sections (1, 1.1, 1.1.1)

4.2.6. Content, size 11

4.2.7. Kouga Local Municipality official logo to be incorporated in the top right corner of every page and the policy reference number at the bottom right corner of every page of the Policy.
