

**MINUTES OF AN ORDINARY COUNCIL MEETING OF KOUGA MUNICIPALITY  
HELD IN THE COUNCIL CHAMBERS, JEFFREYS BAY, ON TUESDAY, 31  
JANUARY 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 and extended a warm welcome to Mr Welch from the Auditor General's Office.

3. **ABSENT WITH LEAVE**

Cllr N Ntengwane

Cllr M Mbandana

4. **ABSENT WITHOUT LEAVE**

None

5. **PRESENTATIONS**

None

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Cllr Benson congratulated Councillors who had birthdays this month and the following month as follows;

Cllr Alexander

Cllr Murray

Cllr Heystek

Cllr Ruth

Cllr van der Linde requested Council to keep the daughter of the Chief whip in prayers as she is in hospital.

Cllr Gunuza congratulated the class of 2022 for their achievement, especially Lungiso High School and Jeffreys Bay Comprehensive School.

Cllr Alexander informed Council about two rugby clubs in the Kouga area namely Kruisfontein and Jeffreys Bay which will compete in a big tournament that will have wide media coverage. He then requested the Municipality to reach out to the clubs with sponsorships and support.

Cllr Dhludhlu congratulated Community Services for prepping the fields of Lungiso School and Jeffreys Bay Comprehensive School.

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

I would like to welcome Honorable Mayor, Cllrs, Officials and Members of the Public to this first Ordinary Council Meeting of 2023.

As a Council we will face challenges beyond the ordinary during 2023 with the electricity crises causing hardship to many businesses as well as individuals within our Municipality.

We have not escaped this crisis unscathed as our water treatment plants, wastewater treatment plants, pump stations are all affected once load shedding kicks in. The result of load shedding is evident in the adjustment budget that will be tabled later today to Council.

We must find an additional R 8 million to make up the shortfall on our fuel budget as we have had to deploy generators to keep the water flowing and the sanitation infrastructure running.

This crisis will not be solved overnight but it is pleasing to note that the executive and the administration are being pro-active in coming up with plans to ensure self-generation of electricity that I am sure will be shared with Council in due course.

I would like to commend the CFO and the Finance Department for tabling the adjustment budget in January instead of the end of February when legislation dictates, we should be tabling the budget to Council.

This positive approach will ensure the institution can now focus on the draft 2023/24 budget that will appear before Council by the end of March. Please pass on my appreciation to the staff in your Department CFO. We recently held a workshop on the Rules of Order that was well attended by Cllrs and the participation is deeply appreciated. Several matters have been raised that need urgent attention, with the Whips of Council raising the issue of the rule that stipulates that notices of Council meetings need to be issued seven days but no less than 5 days before a Council meeting.

The definition of this rule indicates that the time period is business days and not calendar days, which the Municipality has been adhering to for many years. The Whips did query me on this matter and the reality is that this agenda was prepared according to the SOP we adopted last year for Council agendas. This means that two weeks before the Council meeting – in this case the 17 January - all items had to be submitted to Corporate Services to begin the process of compiling the agenda.

This process takes a week and the agenda is issued once all the checks and balances have been completed. This process now must be reviewed considering the Rules of Order that stipulate the 7 to 5 business days' notice that has to be adhered to.

I am pleading for Cllrs patience as the workflow, together with the cycle of Portfolio meetings, Mayco meetings and then Council meetings all need to be taken into consideration now that we are going to correctly implement our Rules of Order. Cllrs are also reminded that we need inputs on the dress code. Presently we do not have a prescriptive dress code and the Rules of Order simply state that Council may by resolution prescribe a dress code for Cllrs and traditional leaders attending meetings.

As we need to finalize the new Rules of Order, I request Cllrs to forward their inputs on the dress code to my office by 7 February. I look forward to a productive 2023 where the level of service delivery to our communities is improved and that we find solutions to our energy crises in a similar manner in which we have ensured that the taps have not run completely dry and a successful holiday season was enjoyed by locals and visitors alike.

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

Good morning all, would like to welcome Honorable Speaker, Cllrs, Officials, Mr C Welch from the office of the Auditor General and Members of the Public to this meeting. I would like to acknowledge the formal resignation of Director: PDT Mrs. F Mabusela who has now taken a new opportunity in the Western Cape Provincial Government, we would like to congratulate her for the achievements not only in Kouga Municipality but also what she is about to achieve in the Western Cape Government, we wish her the best.

It gives me great pleasure to table the 2022/23 Adjustment Budget for Kouga Municipality in the Council meeting.

In line with the Municipal Finance Management Act (MFMA), the assessment of the Mid-Year Financial Report for the period July 2022 to December 2022 and the financial state of affairs of the municipality as at 31 December 2022 will be tabled to Council, which requires that an Adjustment Budget also be tabled.

The 2022/23 Adjustment Budget amounts to R1,286 billion, comprising of R1,178 billion for the Operating Budget and R107,983 for the Capital Budget.

The Operating Adjustment Budget reflects an increase of R14,154 million (1.22%), compared to the original approved 2022/23 operating budget of R1,164 billion. The increase in the operation budget is mainly made up of increased employee related costs, finance charges, contracted services and transfers and subsidies.

The Capital Adjustment Budget reflects an increase of R68,298 million(172.10%), compared to the original approved budget of R39,685 million. Roads and water infrastructure maintenance required an additional of over R4 million, while the hiring of sanitation trucks required and extra R5.4 million. Bulk water needed an additional R4

million, while R1,5 million was added for the maintenance for sewerage pump stations.

Due to load shedding and the running of generators to ensure our plants and infrastructure are operation, are costing Council an additional R8.4 million in fuel and oil.

Given the problems caused by prolonged load shedding at high stages, as well as the impact it has on the local infrastructure and economy, Kouga Municipality is aiming to be less dependent on electricity generated by Eskom.

To achieve this, we will undertake a six-month feasibility study to determine the viability of alternative means of renewable energy and power generation by independent power producers. This is hybrid application, which means we will look at the feasibility for solar photovoltaic (PV) technology and wind power and gas as well as biomass.

The study set to be completed by the end of June 2023, will consist of the construction of a 20MW plant. A piece of land strategically located to reach all major towns being fed with electricity under the Kouga distribution license has already been identified.

A place to live with secure clean energy is surely to impact on the lives of all residents.

In addition, we are also looking at short term plans which will benefit our waste water treatment plant and our water purification plants. Small scale embedded generation to the tune of about 1 mega watts.

The Infrastructure will supply green electricity and I doing so reduce our electricity purchase from Eskom and cut out our diesel procurement. It will furthermore ensure reliable energy with less breakdown and maintenance.

The prolonged water crisis has deepened with the announcement that the second largest supply dam, the Impofu dam will no longer supply water to the region. The barge pump station at the dam has been decommissioned due to the low water level, putting the pumps at risk of absorbing sediment.

As a municipality we are doing all we can to supply clean and drinkable water to our residents.

This includes the construction of four water purifying plants at a cost of R7 million each. The first plant was built at the Humansdorp water treatment works and will produce up to 6ML of clean water per day, while second plant at the Jeffreys Bay water treatment works will add an additional 4ML of water to the existing reservoir.

Two more plants are planned for Hankey and St Francis Bay. It is estimated that the plant in Hankey will be completed within the next two weeks, while the plant in St. Francis bay will be completed at the end of February each providing 2ML water per day. There are currently 30 production wells in use.

Up to 20 new boreholes are planned, while the exploration, equipping of new boreholes and connection to the existing water treatment network are also high on the priority list. It is estimated that work will be completed by the end of March 2023.

Other major projects for the 2023/24 financial year include the replacement of the water pipe network in Mimosa street at a cost of more than R28 million, while the Paradise beach water tower will be repaired at a cost of over R11 million.

I again want to urge everyone to indefinitely change their water consumption lifestyle and to use as little water as possible. Let's play our part to prevent dry taps. In closing I would like to make use of this opportunity to announce the dates of the Mayoral Imbizo that will take government to the people next month on February 15, we will visit residents of St Francis Bay followed by Humansdorp on February 16. On February 21 and 22 we will go to Gamtoos Valley and end in Jeffreys Bay on February 23. 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**

12.1 Minutes of the Ordinary Council Meeting held on 09 December 2022.

Proposed: T Jantjes

Seconded: W Van Niekerk

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

Cllr Dayimani proposed that the Speaker and the two whips should develop a template on what must be presented to Council from Sarah Baartman.

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**

**23/01/MM1**

**COUNCIL RESOLUTIONS AS AT 9 DECEMBER 2022**

Cllr Zana enquired on the safety of the water quality of Hankey in terms of consumption. There was a request for a list of gravel roads to be upgraded to be circulated to all Councillors. When will the water plant be done and how far is the Municipality in eradicating the bucket system in Hankey and what plans are in place.

Cllr Foley proposed that another column be added to the action sheet indicating when additional action will be taken in order to monitor progress. Cllr van der Linde seconded the proposal.

The Municipal Manager stated that the water quality in Hankey is safe to drink, new plant will be finished by the end of February. The budget was adjusted slightly on the MIG funding for gravel roads, the list of roads will be circulated to all Councillors. The

The Hankey treatment plant will be developed when funding has been secured. There are plans in place for bucket eradication, with the implementation of informal settlements upgrade there will be a significant investment to eradicate

bucket system. The format of the action sheets will change and the updated version will be tabled to Council.

The Speaker stated that there were two recommendations made he then requested a proposer and a seconder for the two recommendations.

Cllr van Niekerk proposed and Cllr van der Linde seconded.

**Resolved (31 January 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.
3. That an action/progress column be included in the Action Sheets.
4. That a list of gravel roads to be upgraded be circulated to all Councillors.

Proposed by: M Van Niekerk      Seconded by: W van der Linde

**23/01/MM2**

**KOUGA MUNICIPALITY: DRAFT: ANNUAL REPORT (2021/2022)**

Cllr Oliphant proposed that the Annual Report be workshopped with all Councillors which will include the report of the Auditor General.

Cllr Zana seconded the proposal.

The Executive Mayor proposed that the comments and questions of Council on the Annual Report be tabled to MPAC.

Cllr August seconded the proposal

**Resolved (31 January 2023)**

1. That the draft 2021/22 Annual Report be noted.
2. That the draft 2021/22 Annual Report be made public, and that the local community be invited to submit representations and comment on the Annual Report.
3. That the draft 2021/22 Annual Report, together with the minutes of the meeting of Council where the Annual Report was submitted, be submitted to the Auditor General, the Eastern Cape Provincial Treasury and Eastern Cape Department of Cooperative Governance and Traditional Affairs.



4. That the draft of the 2021/22 Annual Report be submitted to the Municipal Public Accounts Committee for scrutiny and preparation of an Oversight Report.
5. That the Annual Report with the Auditor General's report be workshopped with all Councillors.
6. That the comments and questions of Council be referred to MPAC with the Draft Annual Report.

Proposed by: P Oliphant

Seconded by: V Zana

**23/01/MM3**

**SUBMISSION OF PERFORMANCE AGREEMENTS: SECTION 56 AND SECTION 57 EMPLOYEES: 2022/23 FINANCIAL YEAR: DIRECTOR PLANNING DEVELOPMENT AND TOURISM**

Cllr Zana indicated that the ANC is not in support of this item and enquired how the performance agreement would be tabled to the MEC while the incumbent is no longer part employed by Kouga.

It was identified that there are no tourism indicators in the KPI.

The Municipal Manager stated that tabling the performance agreement to the MEC is a legislative requirement, there were amendments made on the agreement hence it is tabled to Council for noting. The tourism indicators have been delegated to the Manager Tourism's performance agreement.

**Resolved (31 January 2023)**

1. That the Performance Agreement and supporting Performance Plan for the 2022/23 financial year in respect of the Director Planning Development and Tourism be noted.
2. That in terms of the provisions of Section 53(3) of the Local Government Municipal Finance Management Act 56 of 2003 the amended Performance Agreements of the Municipal Manager and Director for the 2022/23 financial year be submitted to the MEC for Local Government.

**23/01/MM4**

**MID-YEAR INSTITUTIONAL PERFORMANCE REPORT: 2022/23 FINANCIAL YEAR: PERIOD 1 JULY 2022 TO 31 DECEMBER 2022**

Cllr Dayimani indicated that the capital expenditure remained at 26.6% which is concerning. Collection rate is at 86.15% compared to the 95% that the Municipality is supposed to collect. What implications does that have on the budget?

The repairs and maintenance budget is at 3.51% which represents another area of concern. Financial management grant indicates an unspent budget. MIG is progressing well in terms of expenditure. What has led to the variance in the employee related costs and is the institution in a financially sustainable position? Is the EPWP funding exploited by the Municipality? Ward based budgeting and reporting is requested.

The Executive Mayor indicated that on page 608 the amount reflected under other revenue quarterly budget needs to be corrected, over budgeting also needs to be corrected in the total revenue. He further referred the report to the Monitoring and Evaluation Committee.

The Municipal Manager stated that there is a bit of a lag on the internal expenditure due to procurement processes, the expenditure will progress as the year goes along.

The CFO stated that WSIG funding was received in the middle of the financial year last year, which has affected the expenditure reflected. Collection rate is calculated as an annual formula which is prescribed by Treasury hence the percentage reflected in the report, the Municipality is still on track. The unspent funding reflected in the finance management plan will be spent by the end of financial year. Employee related costs has increased to address provisions for the institution. EPWP is not overspent, the Municipality has its own budget to cater for contractual posts, he further noted the corrections to be made as indicated by the Executive Mayor.

The Municipal Manager stated that the water losses are being handled within the institution, water meters are also being installed in areas where there none or faulty.

The Acting Director Corporate & Digital Services stated that the downtime reflected in ICT is caused by loadshedding and occurs during weekends not during business hours.

The Speaker requested a seconder for the proposal made by the Executive Mayor. Cllr Van der Linde seconded the proposal.

### **Resolved (31 January 2023)**

1. That the 2022/23 Mid-Year Performance Report be noted.
2. That the 2022/23 Mid-Year Performance Assessment Report and 2022/23 Mid-Year Performance Report be submitted to National and Provincial Treasury.

3. That the report be referred to the section 79 Monitoring and Evaluation Committee.

Proposed by: H Hendricks      Seconded by: W van der Linde

23/01/MM5

**ESTABLISHMENT OF A SELECTION PANEL FOR THE RECRUITMENT AND SELECTION OF THE VACANT POSITIONS OF DIRECTOR: CORPORATE & DIGITAL SERVICES AND DIRECTOR: PLANNING, DEVELOPMENT & TOURISM**

Cllr Bornman proposed the following names for the panel;

Corporate & Digital Services consists of the following individuals:

- Mr. C. du Plessis - Chairperson
- The Executive Mayor Mr. H. Hendricks
- External Expert Ms. Unathi Daniels
- Observer Councillor Vuyani Zana
- Observer Councillor Timothy Jantjes

Planning, Development & Tourism consists of the following individuals:

- Mr C du Plessis - Chairperson
- The Executive Mayor Mr. H. Hendricks
- External Expert Ms. Dawn Mccarthy
- Observer Councillor Vuyani Zana
- Observer Councillor Shena Ruth

The Municipal Manager requested Ms Rossouw and Mr de Jager to recuse themselves.

The Executive Mayor stated that the regulations guides how the panel should be constituted, the panel can have a minimum of three scoring members with one politician as a scoring member and one external expert. It is standard practice that a service provider is hired for the recruitment and selection for senior management positions, for assessments.

Cllr Dhludhlu seconded the proposal by Cllr Bornman.

Cllr Oliphant requested a vote by a show of hands for the item.

The Speaker granted the request. The vote followed as indicated below:

In favour: 17

Not in favour: 10

The recommendations were carried.

**Resolved (31 January 2023)**

1. That the recruitment and selection panel for the position of Director: Corporate & Digital Services consists of the following individuals:
2. Mr. C. du Plessis - Chairperson
3. The Executive Mayor Mr. H. Hendricks
4. External Expert Ms. Unathi Daniels
5. Observer Councillor Vuyani Zana
6. Observer Councillor Timothy Jantjes
7. That the recruitment and selection panel for the position of Director: Planning, Development & Tourism consists of the following individuals:
8. Mr C du Plessis - Chairperson
9. The Executive Mayor Mr. H. Hendricks
10. External Expert Ms. Dawn Mccarthy
11. Observer Councillor Vuyani Zana
12. Observer Councillor Shena Ruth
13. That Council approves the Acting appointment of Mr D de Jager as Director: Planning, Development and Tourism for no longer than 3 months.
14. That Council approves the extension of the Acting appointment of Mrs M Rossouw as Director: Corporate & Digital Services for no longer than 3 months.

Proposed by: H Bornman

Seconded by: B Dhludhlu

17. **REPORTS BY THE EXECUTIVE MAYOR**

17.1 **REPORTS BY THE CHAIRPERSON: FINANCE**

**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)**

Cllr van der Linde enquired what amount was spent on roads and maintenance. Is the Municipality still within the national norm in terms of expenditure? A request for ward based budget indicating what has been spent per ward. Will the unspent conditional grants be rolled over?

The CFO stated that page 662 and 664 indicates the maintenance amount spent, the employee costs is still within the Treasury norm and much lower than other municipalities operating above the norm.

The reflection of maintenance per ward is currently being discussed with the Director: I&E in terms of the asset management system functionality which has a maintenance module, currently trying to link the financial system to the maintenance system in order to track all asset maintenance. There are no roll overs expected at this point in time.

**Resolved (31 January 2023)**

1. That the Municipal Manager's report on the Mid-year Budget and Performance Assessment of the municipality, in accordance with Section 72(1)(a) of the MFMA, be noted.
2. That the Executive Mayor's report on the implementation of the budget and the financial state of affairs of the municipality, in accordance with Sections 52(d), 54(1)(f) and 72 of the MFMA, be noted.
3. That an Adjustments Budget, based on the realistically anticipated revenues, in line with section 18 of the MFMA, be tabled by the Executive Mayor to the Council.
4. That the 2022/23 Adjustments Budget be tabled by the Executive Mayor to the Council, not later than 28 February 2023.
5. That the Mid-year report accordingly be submitted to National Treasury and Provincial Treasury, in line with Section 72(1) (b) of the MFMA.

**2022/23 ADJUSTMENTS BUDGET**

Cllr Bornman tabled the item.

There was a request for ward based budget which indicates clearly what funds have been spent in which ward as well as a request for distribution of the list of all gravel roads to be upgraded be circulated to all Councillors.

R13 million is indicated in the adjustment budget to be spent on the upgrading of the Hankey sanitation system, R12 million is indicated for Kruisfontein boreholes. R11 million will be sent on the upgrade of gravel roads across Kouga area.

A request for inclusion of the Hankey fresh produce market in the adjustment budget was made.

Cllr van der Linde enquired on the accuracy of capturing leave and pay outs.

The Deputy Municipal Manager stated that there is an electronic financial system which captures all leave. The possibility of fraud cannot be confirmed as the supervisors sign off leave and they confirm if there is any leave pending. The Internal Auditor can be requested to investigate and table a report to the Office of the Municipal Manager.

The Executive Mayor stated that there is a biometric system that captures the checking in and checking out of employees, more controls can be considered if there are irregularities picked up.

The Municipal Manager stated that the fresh food market is still funded under capital funding in the I&E Directorate.

The Speaker requested all Councillors in favour of the recommendations to raise their hands.

In favour: 17

Not in favour: 11

The recommendations were carried.

**Resolved (31 January 2023)**

1. That the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approves the 2022/23 Adjustments Budget as set-out in the following tables:

- Table 3 - B1 Adjustments Budget Summary.
  - Table 4 - B2 Adjustments Budget Financial Performance (revenue and expenditure by standard classification).
  - Table 5 - B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote).
  - Table 6 - B4 Adjustments Financial Performance (revenue and expenditure by type).
  - Table 8 - B5 Adjustments Budget Capital Expenditure by vote and standard classification and funding source.
  - Table 9 - B6 Adjustments Budget Financial Position.
  - Table 10 - B7 Adjustments Budget Cash Flows.
  - Table 11 - B8 Cash backed reserves/accumulated surplus reconciliation.
  - Table 12 - B9 Asset Management, and
  - Table 13 - B10 Basic service delivery measurement.
2. That the list of gravel roads to be upgraded be circulated to all Councillors.

Proposed by: V Zana

Seconded by: M Dayimani

**23/01/F3**

**BUDGET AND TREASURY: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 31 DECEMBER 2022**

**Resolved (31 January 2023)**

1. That the Council notes the withdrawals that were made in terms of section 11(1) (b) to (j) of the MFMA for the quarter ended 31 December 2022; and
2. That the report accordingly be submitted to the Provincial treasury and Auditor-General as determined by section 11(4) (b) of the MFMA.

**23/01/F4**

**SUPPLY CHAIN MANAGEMENT: QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 2022**

Cllr Bornman tabled the item.

Investigation on the cause of deviations was requested. The details of the deviations should be included in the report. The issue can be interrogated further at the Portfolio level.

The Executive Mayor explained that the cause of deviations is the disruption caused by the drought and loadshedding, these are emergency situations which cannot be planned for.

Enquiry on amounts with vat included and others with no vat included on page 742, why are rates indicated as various rates and not specified?

The CFO stated that deviations form part of legislation and the Municipality is allowed to deviate, the details in deviation reports are tabled per month to Council.

The reporting on vat amounts will be aligned for consistency purposes. Various rates include all the rates involved in the pricing for tenders, the rates are made public on the website.

**Resolved (31 January 2023)**

1. That Council approve the report as per the reporting Requirements, this being the report for the second quarter (1 October 2022 to 31 December 2022).

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**

Cllr Bornman tabled the item.

Cllr Oliphant proposed that the item be referred to the Portfolio Committee for further discussion.

Cllr Zana seconded the proposal and requested that faith based organizations be included in the submissions as they are struggling after covid-19.

Cllr Bornman stated that the item is not writing off any amounts, the report is reflecting on rebates of municipal property rates.

The CFO stated that the item indicates rebates incurred by Council in the municipal property rates for noting as legislated.

**Resolved (31 January 2023)**

1. That Council notes the list of exemptions, rebates and reductions granted by the municipality during the 2021/2022 financial year.



17.2 **REPORTS BY THE PORTFOLIO CHAIPERSON: CORPORATE & DIGITAL SERVICES**

23/01/CDS1 **REPORT ON EXERCISE OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR**

Cllr Jantjes tabled the item.

**Resolved (31 January 2023)**

1. That the report on Delegated Authority by the Executive Mayor be accepted.

17.3 **REPORTS BY THE PORTFOLIO CHAIPERSON: COMMUNITY SERVICES**

23/01/CS1 **SPONSORSHIP REQUEST OF R75 000 FOR LIFESAVING CHAMPIONSHIPS**

The item was supported and it was indicated that previously disadvantaged communities be capacitated to grow from such activities and trainings.

**Resolved (31 January 2023)**

1. That Council approves the funding amount of R75 000.00 (Seventy Five Thousand rand) including VAT. towards the Lifesaving Championships hosted in the Kouga Local Municipality.
2. That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement / SLA with Lifesaving Nelson Mandela Bay 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.

18. **CLOSURE**

The meeting closed at 13:35

  
\_\_\_\_\_  
**B WILLIAMS**  
**SPEAKER**

10 July 2023

\_\_\_\_\_  
**DATE**

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