ORDINARY COUNCIL MEETING

OPEN



KOUGA
local municipality
Good Governance through Service Excellence

DATE: 29 January 2025
TIME: 10:00
Virtual

KOUGA MUNICIPALITY (EC108)	UMASIPALA I-KOUGA (EC108)	MUNISIPALITEIT KOUGA (OK108)
NOTICE CONVENING A MEETING	**ISAZISO NGENTLANGANISO**	**KENNISGEWING VAN VERGADERING**
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 virtually on	**ISAZISO** sikhutshiwe ukuba ngokwe Candelo-19 uMthetho weeNkqubo zikaMasipala, (uMthetho 32 ka-2000), ukuba kubanjwe intlanganiso ebonakalayo yesigqeba Ye khansile	**KENNIS GESKIED HIERMEE** dat ingevolge Artikel 19 van die Wet op Munisipale Stelsels, 2000 (Wet No.32 of 2000), dat 'n virtuele raadsvergadering gehou sal word op
DATE: 29 January 2025	**UMHLA: 29 EyoMqungu 2025**	**DATUM: 29 Januarie 2025**
TIME: 10:00	**IXESHA: 10:00**	**TYD: 10:00**
B. WILLIAMS **SPEAKER**	**B. WILLIAMS** **USOMLOMO**	**B. WILLIAMS** **SPEAKER**

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

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**

None

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

12.1 Minutes of an Ordinary Council meeting held on 13 December 2024

Pages: 7 - 32

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 **KOUGA AUDIT COMMITTEE**

None

14.3 **RULES & ETHICS COMMITTEE**

None

14.4 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

25/01/MPAC1 Minutes of the Municipal Public Accounts Committee

Pages: 36 - 42

14.5 **MUNICIPAL BY - LAWS AND POLICIES**

None

15. **REPORT BACK: MUNIMEC**

None

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

25/01/MM1 Council Resolutions as at 13 December 2024

Pages: 44 - 72

25/01/MM2 Mid-Year Institutional Performance Report: 2024/25 Financial Year: Period 1 July 2024 to 31 December 2024

Pages: 73 - 123

25/01/MM3 Kouga Municipality: 2nd Draft: 2023/24 Annual Report

Pages: 124 - 571

25/01/MM4 Report on Exercise of Delegated Authority by the Executive Mayor

Pages: 572 - 584

17. **REPORTS BY THE PORTFOLIO COMMITTEE CHAIRPERSONS**

17.1 **REPORTS BY THE CHAIRPERSON: FINANCE & ECONOMIC DEVELOPMENT**

25/01/FED2 Mid-Year Financial Report for the Period of July to December 2024 and Financial State of Affairs of the Municipality as at 31 December 2024 (2024/25 Financial Year)

Pages: 587 - 635

25/01/FED3 2024/25 Mid-Year Adjustments Budget

Pages: 636 - 755

25/01/FED4 2023/2024 Audited Annual Financial Statements, Auditor-General's Audit Report and Audit Action Plan

Pages: 756 - 882

25/01/FED5 Budget and Treasury: Withdrawals from Municipal Bank Account for the Quarter ended 31 December 2024

Pages: 883 - 887

25/01/FED6 Council Approval of the Reviewed Kouga Municipal Integrated Economic Growth Strategy

Pages: 888 - 952

25/01/FED7 2024/2025 Humansdorp Community Festival Sponsorship Proposal

Pages: 953 - 965

25/01/FED8 Supply Chain Management: Quarterly Implementation Report for the Second Quarter of the 2024-2025 Financial Year ending 31 December 2024

Pages: 966 -1001

18.6 **REPORTS BY THE CHAIRPERSON: CIVIL & WATER SERVICES**

25/01/CWS1 Approval of the Draft Project Implementation Plan (Pip) for the 25/26 FY Mig Allocated Grant Funding

Pages: 1003 - 1006

19. **CLOSURE**

Distribution list:

Executive Mayor
Deputy Executive Mayor
Speaker
All Councillors
Municipal Manager
All Directors
Relevant Managers
Committee Services

CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING

KOUGA
local municipality
Good Governance through Service Excellence

MINUTES OF A VIRTUAL ORDINARY COUNCIL MEETING OF KOUGA MUNICIPALITY HELD ON FRIDAY, 13 DECEMBER 2024 AT 10:00 AM

PRESENT: Councillors	Ald B Williams	(Speaker)
	H Bornman	(Executive Mayor)
	Ald D Benson	
	B Dhludhlu	
	T Jantjes	
	W Gertenbach	
	H Murray	
	R Foley	
	F Heystek	
	S Ruth	
	C August	
	M Nicholls	
	M van Niekerk	
	J Alexander	
	L Maree	
	G Stuurman	
	M Yali	
	W van der Linde	
	K Ndzelani	
	N Ntshota	
	B Human	
	V Gunuza	
	V Zana	
	E Mbuqu	
	L Nkilishane	
	M Mbandana	
	N Ntengwane	
	W Petersen	
Officials & Municipal Manager	C du Plessis	(Municipal Manager)
	L Opperman	(Acting Deputy Municipal Manager)
	R Lorgat	(CFO)
	N Machelesi	(Director: Community Services)
	T Madatt	(Director: Electro-Mechanical Services)
	C de Kock	(Director: Civil & Water Services)
	L Ramakuwela	(Director: Planning & Development)
	M Mange	(Acting Manager: Public Participation)
	D Klopper	(PA: Speaker)
	C Prinsloo	(Legal Officer: Office of the Speaker)
	K Minnaar	(Chief of Staff)
	C Groenewald	(Manager: Supply Chain)
	M Basson	(Manager: Media & Communication)
	S Mlonyeni	(Communications Officer)

M Rossouw	(Manager: Administration & Auxiliary Services)
M Julius	(Senior Admin Officer: Committees)
S Rautenbach	(Committee Officer)
R Swart	(Committee Clerk)
M Mitchell	(Committee Clerk)

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 virtually on 13 December 2024 at 10:00 a.m.

2. **OPENING AND WELCOME**

The Speaker welcomed everyone present to the meeting and requested Cllr Foley to open the meeting with a prayer.

3. **ABSENT WITH LEAVE**

Cllr P Oliphant

4. **ABSENT WITHOUT LEAVE**

Cllr M Valgee

5. **PRESENTATIONS**

None

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Cllr Petersen on behalf of the African National Congress (ANC) conveyed condolences to the sister of Cllr Margaret Valgee, Ms Catherine Loggrenberg who had passed away.

He expressed sincere condolences to the family of Mr Collin Palmer who drowned in a dam.

Ald Benson extended birthday wishes to the following Councillors:

- Cllr Ntengwane - 7 December
- Cllr Gertenbach - 15 December
- Cllr Mbandana - 24 December
- Cllr Petersen - 16 January
- Cllr Alexander - 18 January
- Cllr Stuurman - 26 January
- Cllr Murray - 28 January
- Cllr Mbuqu - 30 January

He extended condolences to Mr Adam Floors who had lost his wife.

Cllr Dhludhlu extended condolences to the family of Mr G Billson, the former Chairperson of the Audit Committee who had passed away.

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

Good morning Honourable Mayor, Councillors, Municipal Manager, and all officials.

Welcome to the final Council meeting of 2024.

2024 has been a challenging year in many respects but we have been buoyed by the news that Kouga Municipality has received a clean audit for the first time ever.

This has taken a lot of hard work and commitment since 2016 and I wish to congratulate the Executive Mayor, the Mayoral Committee, the Municipal Manager and all Directors for the unwavering commitment in dealing with the legacy issues that have prevented the Institution from obtaining a clean audit in the past.

Some of the benefits of a Municipality receiving a clean audit is a renewed faith in the institution from not only the residents who have the assurance that their rates and taxes are being spent prudently and in line with legislation. A clean audit also gives those who wish to invest in the Municipality the confidence to do so and with our property prices still reasonable compared to other coastal municipalities, we could see our rates base increase in future, which will enable us to spend more on providing quality services which will lead to a better life for all.

As we reach the end of the year, I would like to express my appreciation to all who have supported my office during the year.

In particular, I would like to express my appreciation to Mrs Klopper and Ms Prinsloo for the efficient manner in which they run the office of the Speaker and for the quality of service that is provided to us as Councillors as well as the legal capacity that now exists within the office.

The PPU function has had a great year in ensuring that we engage with the various communities in Kouga as well as the support provided to other government departments when they need to engage with the residents of Kouga.

Thanks to Mr Goliath and Mr Mange who have led from the front in PPU and ensured that we have a department that is being benchmarked against by other Municipalities from around the country.

We have seen a major improvement in the quality of the Council agenda and this would not have been possible without the inputs of Ms Julius and Mrs Rossouw and their team in Committees. They are hard at work ensuring that Collabarator, our new software package, will be fully implemented in the new year, which will take us to another level in 2025. Please pass on my appreciation to your team as well.

Mrs Opperman has consistently over the years provided valuable legal support and advice to me, both in the preparation of agendas as well as ensuring that Council does not take any illegal decisions. Thank you for your support.

There are so many people to thank that I am worried I will leave somebody out, so I am going to stop there.

Executive Mayor, we have a lengthy Council agenda today and I look forward to constructive inputs to ensure we positively impact the lives of all the people of Kouga.

I wish every Councillor and all our officials a happy and blessed festive season and both the Mayor and myself as well as the Mayoral Committee will be on the ground over the next 3 – 4 weeks to ensure that our staff who will be working non-stop get all the support they need.

Thank you

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

Speaker
Deputy Executive Mayor
Municipal Manager
Deputy Municipal Manager and Directors
Members of the Mayoral Committee
Councillors
Officials

Goeiemôre, Good morning, Molweni

As the year comes to a close, it is an honor to address you and reflect on what has been a truly remarkable year for our municipality. Together, we have achieved milestones that have set a new benchmark for excellence and service delivery.

We made history with our first-ever clean audit—a landmark achievement that demonstrates our commitment to ethical governance and transparency. This milestone is a testament to the hard work of every individual in this room and sends a powerful message to our community about the trustworthiness of our administration.

We also laid a strong foundation for enhanced service delivery through a R58 million investment in our fleet, ensuring we can meet the needs of our residents efficiently and reliably.

Through Ignite Consulting, we are revolutionizing how we manage and monitor our goals, with innovations like the HR Dashboard and live SDBIP Dashboard, currently in draft. These tools will significantly improve accountability and ensure we deliver on our promises.

Our safety summit brought stakeholders together to prioritize security, furthering our commitment to creating a safer environment for all. On the financial front, while South Africa owes Eskom R78 billion, I am proud to say that we owe Eskom nothing—a testament to our sound financial management and commitment to sustainability.

This year, we were also named the greenest municipality in the district, a recognition that underscores our leadership in environmental stewardship. Our blue flag beaches continue to set us apart, drawing visitors and enhancing our local economy.

Looking ahead, we have embarked on exciting projects that will revolutionize our municipality. The implementation of our renewable energy project is poised to drive sustainability and reduce reliance on traditional energy sources. The design of our eco-industrial zone will foster economic growth while prioritizing environmental responsibility. Meanwhile, progress on our informal settlement upgrade project demonstrates our commitment to improving living conditions for all residents.

Lastly, the R200 million loan secured for road upgrades will improve infrastructure, connectivity, and economic opportunities for our communities.

To all directors and officials, thank you for your hard work and dedication. Your efforts have been the backbone of these achievements, and your commitment to excellence ensures that we continue to move forward as a municipality.

To our councillors, your dedication to service excellence and your passion for making a difference in the lives of our residents have been evident in every decision and step forward.

A special thank you goes to everyone who has worked tirelessly to ensure that Kouga is ready for the festive season. Your efforts make this a joyful and welcoming time for our residents and visitors alike.

To our tourists, welcome to Kouga! We are thrilled to share our beautiful beaches, vibrant communities, and warm hospitality with you. May your time here be filled with joy, relaxation, and unforgettable memories.

As we celebrate this festive season, let us take time to reflect on what we've achieved, spend quality moments with loved ones, and recharge for the year ahead. I wish each of you a Merry Christmas and a Happy New Year. May 2025 bring prosperity, unity, and continued success to our municipality and everyone in it.

Thank you, and may the festive spirit shine bright in all our homes.

9. **DISCLOSURE OF INTEREST**

Cllr M Nicholls – item no. 24/12/PD7
Cllr W Petersen – item no. 24/12/R&E1

10. **STATUTORY MATTERS**

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

11.1 **MINUTES OF THE MAYORAL COMMITTEE MEETING HELD ON 16 SEPTEMBER 2024**

Resolved (13 December 2024)

1. That the minutes of the Mayoral Committee Meeting held on 16 September 2024 be noted.

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

12.1 **MINUTES OF THE ORDINARY COUNCIL MEETING HELD ON 30 OCTOBER 2024**

Resolved (13 December 2024)

1. That the minutes of the Ordinary Council meeting held on 30 October 2024 be approved.

Proposed: Cllr S Ruth Seconded: Cllr R Foley

12.2 **MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON 8 NOVEMBER 2024**

Resolved (13 December 2024)

1. That the minutes of the Special Council meeting held on 8 November 2024 be approved.

Proposed: Cllr M van Niekerk Seconded: Cllr L Maree

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 **KOUGA AUDIT COMMITTEE**

None

14.3 **RULES & ETHICS COMMITTEE**

24/12/R&E1 DISCIPLINARY ENQUIRY HELD BY RULES AND ETHICS COMMITTEE – COUNCILLOR WAYNE PETERSEN

Cllr Petersen was recused from the meeting.

Cllr Human proposed a once of deduction of 25% from Cllr Petersen's salary and mentioned that he is not in favour of the recommendations as stated in the report.

Cllr Zana indicated that the ANC was not in support of the outcome of the Rules and Ethics Committee. He informed Council that Cllr Petersen had appealed the outcome of the Rules and Ethics Committee. He added that until such time that a response from the Office of the MEC was received, the Municipality could not deduct any amount from Cllr Petersen salary.

Cllr Stuurman indicated that as a Committee Member of Rules and Ethics Committee he expresses great concern for the bad behaviour and breach of the Code of Conduct for Councillors by Cllr Petersen. He stated that leadership comes with commitment, responsibility, ethics, and respect for the rule of law.

He stated that as leaders, Councillors carry a social responsibility to promote social cohesion in line with the Constitution of the Republic of South Africa. He stated that Cllr Petersen was not acting in the best interest of the Municipality and by doing so he had compromised its credibility and integrity and therefore, on many occasions brought the Municipality's name into disrepute.

Cllr Dhludhlu indicated that irrespective of political affiliation, a Councillor must always act responsibly and in a respectable manner. Any Councillor has the freedom of choice to resign if he or she does not want to adhere to the Rules and Orders.

The Executive Mayor indicated that a policy is in place regarding fines and the policy states that only after the fourth charge, a 50% deduction of a salary could be implemented. Cllr Petersen, at multiple times, appeared before the Rules and Ethics Committee, therefore the Executive Mayor proposed that the policy be reviewed that Councillors can be fined 100% of their salaries for continuous offences.

Cllr Mbandana indicated that the ANC was still in support of Cllr Petersen and noted how heartless some people can be in politics.

Cllr Dhludhlu raised a point of order under rule 33.1.

The Speaker permitted the point of order and asked that Cllr Mbandana keep to the item in the agenda.

Cllr Mbandana stated that the ANC was not in support of the recommendations.

Cllr Gertenbach stated that the Municipality cannot tolerate disrespect and violence from Councillors.

Cllr Zana raised a point of order under rule 32 and indicated that the ANC will not tolerate any directive from other political parties.

The Speaker permitted the point of order and noted the comment.

Ald Benson indicated that the matter will be forwarded to both Provincial and National ANC as well as to CoGTA, if need be, to deal with the matter in a professional manner.

The Speaker indicated that there are two proposals made by Cllr Human and the Executive Mayor.

Cllr Yali seconded the proposal of Cllr Human.

The Executive Mayor clarified his suggestion was not a proposal he requested that Speaker's office investigate the possibility that the Policy with regards to fines issued to Councillors to be amended to read that a fine equal to 100% of one month's remuneration can be deducted if Councillors was found guilty on numerous charges.

The Speaker called for a vote for the recommendations as tabled in the agenda or as proposed by Cllr Human.

The vote was held as follows:

In favour of the recommendations as tabled in the agenda: 17
In favour of the recommendations as proposed by Cllr Human: 8
Abstained: 0

The recommendations as tabled in the agenda were approved.

Resolved (13 December 2024)

1. That the recommendation made by the Rules and Ethics Committee herein be upheld.

2. That the following sanctions be implemented against Councillor Petersen in respect of the charges laid against him and for which charges the Councillor was found guilty.

   2.1 That in respect of –

   Charge 1 – **Guilty** – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

   Charge 2 – **Guilty** – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

   Charge 3 – **Guilty** – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

   Charge 4 – **Guilty** – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

   Charge 5 – **Guilty** – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

   Charge 6 – **Guilty** - A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

   Charge 7 – **Guilty** - A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

Charge 8 – **Guilty** - A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

Charge 9 – **Guilty**- A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

Charge 10 – **Guilty** - A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

3. That in respect of charge 1 to 10, the deductions will be implemented and processed over ten (10) months from January 2025 – October 2025.

4. That the Speaker must report the outcome of the investigation to the MEC for the local government in the province concerned.

14.4 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

24/12/MPAC1 MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Resolved (13 December 2024)

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

14.5 **MUNICIPAL BY - LAWS AND POLICIES**

Cllr Gertenbach requested Management to implement the same colour coding for all Policy reports.

The Speaker stated that all policies under items 24/12/BP1 – 24/12/BP7 would be tabled together for approval.

24/12/BP1 MAYORAL FUND POLICY

Resolved (13 December 2024)

1. That the Mayoral Fund Policy be approved by Council.

2. That the Mayoral Fund Policy be uploaded on the Kouga Website.

3. That the previous version be replaced with this version.

24/12/BP2 **INJURY ON DUTY (IOD) POLICY**

Resolved (13 December 2024)

1. That the Injury on Duty (IOD) Policy be approved by Council.

2. That the Injury on Duty (IOD) Policy be uploaded on the Kouga Website.

24/12/BP3 **LEAVE POLICY**

Resolved (13 December 2024)

1. That the Leave Policy be approved by Council.

2. That the Leave Policy be uploaded on the Kouga Website.

3. That the previous version be replaced with this version

24/12/BP4 **OCCUPATIONAL HEALTH AND SAFETY (OHS) POLICY**

Resolved (13 December 2024)

1. That the Occupational Health and Safety (OHS) Policy be approved by Council.

2. That the Occupational Health and Safety (OHS) Policy be uploaded on the Kouga Website.

3. That the previous version be replaced with this version.

24/12/BP5 **POLICY ON PERSONAL PROTECTIVE EQUIPMENT (PPE)**

Resolved (13 December 2024)

1. That the Policy on Personal Protective Equipment (PPE) be approved by Council.

2. That the Policy on Personal Protective Equipment (PPE) be uploaded on the Kouga Website.

3. That the previous version be replaced with this version.

24/12/BP6 **RECRUITMENT, SELECTION AND APPOINTMENT POLICY**

Resolved (13 December 2024)

1. That the Recruitment, Selection and Appointment Policy be approved by Council.

2. That the Recruitment, Selection and Appointment Policy be uploaded on the Kouga Website.

3. That the previous version be replaced with this version.

24/12/BP7 DRAFT SMALL-SCALE EMBEDDED GENERATION (SSEG) POLICY

Resolved (13 December 2024)

1. That the Draft Small-Scale Embedded Generation (SSEG) Policy be approved by Council.

2. That the Draft Small-Scale Embedded Generation (SSEG) Policy be uploaded on the Kouga Website.

3. That the previous version be replaced with this version

24/12/BP8 DRAFT FIBRE OPTIC CABLE & TELECOMMUNICATIONS INFRASTRUCTURE BY-LAW

Resolved (13 December 2024)

1. That Council supports the introduction of the Fibre Optic Cable & Telecommunications Infrastructure By-law.

2. That the Accounting Officer be authorized to publish the Draft Fibre Optic Cable & Telecommunications Infrastructure By-law for public comment in a manner that allows the public an opportunity to make representations regarding the proposed by-law.

3. That the Draft Fibre Optic Cable & Telecommunications Infrastructure By-law be referred to the Municipal Council following the implementation and finalisation of the public participation process referred to in 2. above.

24/12/BP9 SUPPLY CHAIN MANAGEMENT: REVISED SUPPLY CHAIN POLICY

Resolved (13 December 2024)

1. That the Supply Chain Management: Revised Supply Chain Policy be approved by Council.

2 That the Supply Chain Management: Revised Supply Chain Policy be uploaded on the Kouga Website.

3. That the previous version be replaced with this version.

15. **REPORT BACK: MUNIMEC**

None

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

24/12/MM1 COUNCIL RESOLUTIONS AS AT 08 NOVEMBER 2024

Cllr Human enquired about the following matters:

- On page 362, he sought feedback on the delegations register.
- On page 362, he requested the latest feedback on the Bulk Water Service Agreement with Nelson Mandela Bay Metro
- On page 363, he requested that administration consider widening the comment section on the document.

Cllr Zana enquired about the following matters:

- On page 362, he enquired regarding the allegations made that the Nelson Mandela Bay Metro was unstable.
- On page 399, he enquired regarding the status of the provided streetlights.
- On page 401, he requested an update on the Western Wastewater Treatment Works fencing.

The Speaker enquired about the following matters:

- On page 363, he enquired on the status of the replacement of residents by the Department of Human Settlements and Housing Section.
- On page 377, he enquired if the action sheet was tabled for discussion and action by Top Management.
- On page 377, he enquired if any additional support information was obtained from Provincial and National Departments regarding the foot and mouth disease.
- He referred to page 377, he enquired regarding the progress of Departmental reports on the implementation of the SDBIP.
- On page 382, he enquired when will the financial statements be obtained for submission to the MEC.
- On page 397, he enquired when the Deed of Sale would be drafted to transfer the property to the African Gospel Church.
- On page 399, he enquired regarding the progress on the upgrading of informal settlements and clearing of servitudes.
- On page 402, he enquired when the official letters from CoGTA will be obtained regarding the registrations of the MIG projects.

In response the Director: Planning and Development indicated that a Service Provider was appointed to obtain the environmental authorisation, land use rights and engineering designs. Once processes are completed the process can unfold to demolish the informal structures and move the residents to the formalised sites.

Regarding the clearing of servitudes, the same process applies. The Service Provider provided a draft layout that needs to be approve by Council and the submission of environmental reports to the Department for approval.

On item PD7, the Legal Department recently appointed a panel of professionals to assist with the transfer of properties and it was confirmed that the instructions will be sent in January 2025.

The Chief Financial Officer responded that the Customer Care Policy will be submitted together with the budget related policies that will form part of the budget report.

In response the Director: Electro-Mechanical Services responded that Eskom started on 1 & 2 December 2024 with the maintenance of streetlights. The agreement was that all streetlights be repaired or replaced before entering into negotiations for taking over of street light maintenance.

The Director: Civil and Water Services explained that the bulk water services with the Nelson Mandela Metro was currently under discussion. Engagements on the matter were scheduled for the new year and the plan was to sign the SLA within the first quarter of the new year.

A Service Provider was appointed for the Western Wastewater Treatment Works. The site has been handed over and the fencing will be dealt with under the Department of Human Settlements.

The PMU Manager confirmed that the official letter from CoGTA regarding the registration of the MIG projects will be issued on 13 December 2024.

The Acting Deputy Municipal Manager responded that the input from the Office of the Executive Mayor was received regarding the Delegations Register. If finalised, it will be submitted to the next policy workshop for discussion and inputs. Regarding Nelson Mandela Metro, due to no political instruction during that time, the SLA was not finalised, but communication has since improved, which would assist in finalising the matter.

The Acting Deputy Municipal Manager indicated that the financial report to the MEC was sent.

The Municipal Manager responded that the Municipality was busy migrating to a new SDBIP system with Ignite. The amended SDBIP will be submitted to Council together with the amendment budget.

On the Wastewater Treatment Works, the contractor was making good progress, and the estimated completion date is April/May 2025.

The Director: Community Services responded that safety meetings continued every Thursday regarding foot and mouth disease to monitor movement of animals. The Municipality still fell under the disease management area.

The Chief Financial Officer responded on the Grant in Aid policy and indicated that it has been reviewed from the basis of the economic development strategy. It would form part of the submission of economic development related policies.

The Speaker warned Cllr Petersen regarding offensive comments.

Cllr Petersen raised two clarity seeking questions. He questioned who the informer was that indicated that the Nelson Mandela Metro experienced political instability and the process to be followed regarding the evictions.

The Director: Planning and Development indicated that it is not eviction but demolishing of structures after formalisation instead, meaning there will be an alternative available for the occupants. The Acting Deputy Municipal Manager indicated that the information regarding the instability was received from the Legal Representatives of Nelson Mandela Bay Metro.

Resolved (13 December 2024)

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.

24/12/MM2 APPOINTMENT OF KOUGA AUDIT COMMITTEE CHAIRPERSON AND MEMBER

Resolved (13 December 2024)

1. That Council approves the appointment of Daniel J de Lange as Chairperson of the Kouga Audit Committee for the period in line with his current term (ending 31 August 2026).

2. That Council approves the appointment of Romano Moodaley as a member of the Kouga Audit Committee for a period of 2 years (ending 31 December 2026).

24/12/MM3 LIQUOR LICENSE APPLICATIONS: DELEGATED AUTHORITY TO THE DEPUTY MUNICIPAL MANAGER

Cllr Zana proposed that all Liquor License applications be dealt with as one and that the liquor license applications be delegated to the Deputy Municipal Manager.

Cllr Human seconded Cllr Zana's proposal and suggested that all the liquor license applications items be withdrawn and be delegated to the Deputy Municipal Manager for finalization.

The Speaker resolved that all liquor licence application items be withdrawn and be delegated to the Deputy Municipal Manager to administer, and a report will be submitted to Council on a quarterly basis.

Resolved (13 December 2024)

1. That Council approves the delegation, to administer liquor license applications, to the Deputy Municipal Manager.

24/12/MM4 APPLICATION FOR A LIQUOR TRADING REGISTRATION CERTIFICATE: MERWE VAN DER WATT TRADING AS KUDU KAYA

Item withdrawn

24/12/MM5 APPLICATION FOR A LIQUOR TRADING REGISTRATION CERTIFICATE: MR E SEKULA TRADING AS BRE BROS GRILL

Item withdrawn

24/12/MM6 APPLICATION OF THE INTENTION TO APPLY FOR TRANSFER OF CERTIFICATE OF REGISTRATION: FROM ELSABE RADAMEYER TO FRANCOIS DE RANDT: HAVANA SPORTS CLUB

Item withdrawn

24/12/MM7 APPLICATION OF THE INTENTION TO APPLY FOR TRANSFER OF CERTIFICATE OF REGISTRATION: FROM WILDUSO 173 (CURRENT HOLDER) TO MR & MRS DROTSCHIE (PROSPECTIVE HOLDERS) IN RESPECT OF JBAY BRU CO

Item withdrawn

24/12/MM8 APPLICATION FOR A LIQUOR TRADING REGISTRATION CERTIFICATE: JOHN MORE TRADING AS THE RIPPLE HILL HOTEL

Item withdrawn

24/12/MM9 APPLICATION FOR A LIQUOR TRADING REGISTRATION CERTIFICATE: SABELO ZOYA TRADING AS EMACETHENI, JEFFREYS BAY

Item withdrawn

24/12/MM10 APPLICATION FOR A LIQUOR TRADING REGISTRATION CERTIFICATE: LUKAS COETSEE TRADING AS WY WORRY MICRO ARTISAN CAFÉ

Item withdrawn

17. **REPORTS BY THE OFFICE OF THE DEPUTY MUNICIPAL MANAGER**

24/12/DMM1 REPLACEMENT OF COUNCILLOR AS COMMITTEE MEMBER FOR RULES & ETHICS COMMITTEE

Resolved (13 December 2024)

1. That Cllr Foley be replaced on the Rules & Ethics Committee by Cllr Nicholls.

24/12/DMM2 COUNCIL RECESS: DELEGATED AUTHORITY: EXECUTIVE MAYOR

Resolved (13 December 2024)

1. That Council approves the recess period from 14 December 2024 to 13 January 2025.

2. That Council resolves that the Executive Mayor be granted delegated authority to deal with all Council affairs during the recess from 14 December 2024 to 13 January 2025, subject to the following undermentioned conditions:

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

   2.2 That the parameters of the Supply Chain Management Policy be complied with.

3. That all matters dealt with by the Executive Mayor, which would conventionally have required a Council Resolution be submitted to Council in report format for information or for review at the Ordinary Council Meeting scheduled as per the institutional calendar on 29 January 2025.

18. **REPORTS BY THE PORTFOLIO COMMITTEE CHAIRPERSONS**

18.1 **REPORTS BY THE CHAIRPERSON: FINANCE & ECONOMIC DEVELOPMENT**

24/12/FED1 2024 CLOSE-OUT REPORT AND 2025 SPONSORSHIP PROPOSAL: RYD SOUTH AFRICA LONGBOARDING CHAMPIONSHIP

Cllr Ntshota enquired if the Municipality received any value for money for the events it sponsored.

The Executive Mayor responded that the local economy benefitted from sponsored events which boosted job creation within communities.

Resolved (13 December 2024)

1. That Council notes the 2024 RYD South Africa Longboarding Championship Close-out Report.

2. That Council approves funding allocation of R 300,000.00 (Three Hundred Thousand Rand) only, VAT-inclusive for the 2025/2026 FY.

3. That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with Surfing South Africa, in accordance with the funding allocated in recommendation 2. above.

24/12/FED2 CLOSE-OUT REPORT: THE 2024 J–BAY CLASSIC SURF FESTIVAL

Resolved (13 December 2024)

1. That Council notes the 2024 J-Bay Surf Festival Close-out report.

24/12/FED3 CLOSE-OUT REPORT: THE 2024 HUMANSDORP COMMUNITY FESTIVAL

Cllr Petersen referred to the different amounts of sponsorships allocated to different communities and stated that it indicates discrimination of communities due to socioeconomic statuses.

Cllr Ruth raised a point of order under rule 36.2 and stated that Cllr Petersen was disobeying the Speakers request to utilise his own device. He should stop live streaming and use his personal device for log in purposes.

The Speaker permitted the point of order and instructed Cllr Petersen to log in with his own device and stop live streaming the Council meeting.

At 11:42, Cllr Petersen received a fine for speaking without being recognised.

At 11:43, Cllr Petersen was referred to the Rules and Ethics Committee for continuing to speak without being recognised.

Resolved (13 December 2024)

1. That the Council notes the 2024 Humansdorp Community Festival Close-out report.

24/12/FED4 CLOSE-OUT REPORT: THE 2024 SOUTH AFRICAN NATIONAL OPEN WATER SWIMMING CHAMPIONSHIPS

Cllr Zana enquired regarding the late submission of the report and questioned whether any local athletes participated in the event.

The Speaker responded that local athletes benefit from local events which allowed them to qualify internationally.

The Chief Financial Officer responded that the late submission of the report was due to an omission from his office and apologised.

At 11:49, Councillor Petersen received a fine for speaking without being recognised.

Resolved (13 December 2024)

1. That the Council notes the 2024 South African National Open Water Swimming Championships Close-out report.

18.2 **REPORTS BY THE CHAIRPERSON: PLANNING & DEVELOPMENT**

24/12/PD1 REQUEST TO RESCIND PREVIOUS COUNCIL RESOLUTION AND ACCEPTANCE OF LAND PARCELS OWNED BY THE FORMER NATIONAL HOUSING BOARD TO KOUGA LOCAL MUNICIPALITY

Cllr Petersen stated that Cllr Ruth mislead Council by giving incorrect information as she indicated that the land parcels was given to the Municipality. The memorandum stated that the Municipality must provide a development plan and must indicate that the land will be utilized for housing development.

Cllr Foley raised a point of order under rule 32.

The Speaker permitted the point of order and stated that Cllr Petersen must speak to the item.

Cllr Petersen enquired whether the Municipality still planned to continue earmarking the area as an environmentally protected area or if it was being developed for housing purposes.

Cllr Zana sought clarity regarding erf 1982 and enquired whether the erf could be earmarked for business development and stated that the erven belonged to Department Human Settlements and must be utilised for human settlements.

The Executive Mayor indicated that the item dealt with a property in Thornhill where a school is located, and the Municipality advised the Department of Human Settlements to transfer the land to the Department of Education or the Department of Public Works.

At 12:00, Cllr Petersen received a fine for speaking out of turn.

The Director: Planning and Development responded that erf 1982 was very small and located close to a road. It was also not ideal for human settlement, but the development was still subject to investigations.

The Speaker called for a vote either in favour or not in favour of the recommendations as tabled in the agenda.

The vote was held as follows:

In favour: 17

Not in favour: 6
Abstain: 0

The recommendations as tabled in the agenda were approved.

Resolved (13 December 2024)

1. That Council rescinds resolution 22/03/PDT7 which granted in principle approval to devolve land parcels owned by the Former National Housing Board to Kouga Municipality.
2. That Council **grant final approval** for the acceptance of the offer from the Provincial Department of Human Settlements to devolve certain properties that belonged to the National Housing Board to Kouga Municipality. The properties contemplated herein includes the following:
   Erven 1968, 1982, 1983 Humansdorp and Erf 391, Hankey.

3. That the acceptance mentioned in the above excludes Erf 110, Thornhill as the Thornhill Combined Primary School is built on this property, therefore, transfer must be to the Department of Education or the Department of Public Works.

4. That the Council grant authorization to the Accounting Officer to enter into agreement with the current owners for transfer of the properties to KLM.

24/12/PD2 REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF ERVEN 2084 AND 2085, HUMANSDORP

Resolved (13 December 2024)

1. That Council **grant final approval** for the lease of Erven 2084 and 2085, Humansdorp to Khoisan Doepa, represented by Mr. Joseph for 9 years and 11 months with the option to purchase.

2. That in terms of Section 14 and 90 of the MFMA and departmental inputs, Council hereby confirms that the property is not needed in future to provide the minimum level of basic municipal services.

3. That Council considers the market-related rental valuation of R15,800.00 per month in line with the provisions of the approved Asset and Disposal Policy of Council.

4. That the property be used for the purpose applied for (solar plant, charging station, a farm stall and a restaurant), and for no other purpose whatsoever, unless prior written consent has been obtained from the Lessor.

5. That the lease be cancelled if purpose applied for is not implemented within 24 months from date of signed lease agreement.

6. That all costs in respect of the consolidation, rezoning, surveying and any environmental approval, be borne by the applicant.

7. That an escalation be included in the lease agreement.

24/12/PD3 **REQUEST FOR COUNCIL'S FINAL APPROVAL FOR THE ALIENATION OF BUSINESS ZONED MUNICIPAL ERVEN WITHIN THE KOUGA MUNICIPAL AREA**

Cllr Zana indicated that the Municipality set a moratorium on alienation of land and asked if the moratorium was lifted. If not, he proposed that a land audit be done to identify land and the availability thereof before any alienation of land took place.

The Executive Mayor agreed with Cllr Zana that the Municipality must be more strategic in disposing of land. He indicated the report refers to the selling of land and not the structures on the land. He suggested that a strategic document be implemented to give guidance regarding strategic proposals.

The Speaker indicated that the moratorium referred to had been a fixed term moratorium.

The Director: Planning and Development indicated that the alienation of business zoned municipal erven as mentioned in the report was historical. The properties mentioned in the report are already being developed.

Cllr Yali seconded Cllr Zana's proposal.

The Speaker called for a vote either in favour of the recommendations as tabled in the agenda or in favour of the recommendations as proposed by Cllr Zana.

The vote was held as follows:

In favour of the recommendations as tabled in the agenda: 15
In favour of the recommendations as proposed by Cllr Zana: 8
Abstain: 0

The recommendations as tabled in the agenda were approved.

Resolved (13 December 2024)

1. That Council **grant final approval** to alienate by way of a competitive bidding process the municipal erven 32, Loerie Heuwel, 259, Patensie, 1826, Hankey and 7294 Jeffreys Bay.

2. That Council confirms that the immovable properties are not needed for the provision of the minimum level of basic municipal service.

3. That Council confirms the market-related valuations in line with Section 14(2) of the Municipal Finance Management Act:

    3.1 Erf 7294, Jeffreys Bay (R460,000.00)
    3.2 Erf 1826, Hankey (R170 000.00)
    3.3 Erf 259, Patensie (R81,000.00)
    3.4 Erf 32, Loerieheuwel (R40 000.00)

4. That Council authorizes the Accounting Officer to enter into a Deed of Sale with the successful bidder.

24/12/PD4 **REQUEST FOR COUNCIL'S AUTHORISATION TO ADVERTISE AND IN-PRINCIPLE APPROVAL FOR THE ALIENATION OF A PORTION OF ERF 1 AND A PORTION OF ERF 6, HUMANSDORP**
Resolved (13 December 2024)

1. That Council **grant in-principle approval** to alienate a portion of Erf 1 and a portion of Erf 6, Humansdorp.

2. That Council confirms that the immovable properties contemplated herein are not needed for the provision of the minimum level of basic municipal services.

3. That Council grant authorization to the Accounting Officer to advertise the immovable properties contemplated herein.

4. That a service provider be appointed to finalise planning activities and costs be for the applicant.

24/12/PD5 **REQUEST TO RESCIND ALL PREVIOUS RESOLUTIONS PERTAINING TO THE ALIENATION OF PORTIONS OF ERF 873, ERVEN 5478, 5479, 5480 5481 AND 8825, JEFFREYS BAY AND GRANT IN-PRINCIPLE APPROVAL AND AUTHORISATION TO UNDERTAKE PUBLIC PARTICIPATION FOR THE ALIENATION OF ERVEN 5478, 5479, 5480, 5481 AND 8825, JEFFREYS BAY**

Cllr Human recommended that the land be utilised for residential purposes.

Cllr van der Linde stated that the item did not serve before the Portfolio Committee for consideration.

The Executive Mayor proposed that all recommendations be removed except for recommendation 1. and that a recommendation 2. that a full feasibility study be done on the bigger portion of land to determine a way forward, be added.

Cllr Human indicated that he maintained his proposal.

Cllr Ruth indicated that the item was a continuation of a previous item which went for public participation and therefore the item was submitted to Council with the recommendations.

Cllr Ndzelani seconded Cllr Human's proposal.

Cllr van der Linde seconded the proposal of the Executive Mayor.

The Speaker called for a vote either in favour of the recommendation of Cllr Human or in favour of the recommendations as proposed by the Executive Mayor.

The vote was held as follows:

In favour of the recommendations proposed by Executive Mayor: 15
In favour of the recommendations proposed by Cllr Human: 10
Abstain: 0

The recommendations as proposed by the Executive Mayor were approved.

Cllr van der Linde excused himself from the meeting at 12:42.

Resolved (13 December 2024)

1. That Council rescind all previous resolutions pertaining to the alienation of a portion of Erf 873, Erven 5478, 5479, 5480, 5481 and 8825, Jeffreys Bay.

2. That a full feasibility study be done on the bigger portion of land to determine a way forward.

24/12/PD6 **LAND AND PROPERTY ADMINISTRATION: IMPLEMENTATION OF OUTSTANDING TRANSFERS OF PROPERTIES ACQUIRED FROM THE THEN PATENSIE TRANSITIONAL LOCAL COUNCIL (TLC)**

Resolved (13 December 2024)

1. That Council **grant final approval and accept** the recommendations and process for the disposal of the municipal erven as per Annexure A.

2. That Council accepts that properties be transferred to Estate Late beneficiaries in instances where the original purchasers have passed away.

3. That Council confirms that the immovable properties are not needed for the provision of the minimum level of basic municipal services.

4. That all applicable costs, where necessary, be for the cost of the applicants / purchasers, but in confirmed instances where the applicant / purchaser is unemployed or has confirmed pensioner status, a request be made for the transfer costs to be borne by the municipality.

5. That Council authorizes the Accounting Officer to enter into respective Deed of Sale to give effect to the intended transfer of immovable property herein.

24/12/PD7 **REQUEST TO SWOP: TENDER FOR THE SELLING OF VACANT MUNICIPAL RESIDENTIAL ERVEN WITHIN THE KOUGA MUNICIPAL AREA (TENDER NOTICE 137 OF 2021)**

Cllr Nicholls was placed in the virtual waiting room at 12:44.

Cllr Human enquired regarding the legality of a straight swop without the process of public participation and proposed that the properties be referred for public participation.

The Director: Planning and Development indicated that a legal opinion was obtained regarding a direct swop, and it was indicated that the swop is a legal process.

Cllr Yali seconded the proposal of Cllr Human.

The Speaker called for a vote either in favour of the recommendations as tabled in the agenda or in favour of the recommendations as proposed by Cllr Human.

The vote was held as follows:

In favour of the recommendations as tabled in the agenda: 14
In favour of the recommendations as proposed by Cllr Human: 8
Abstain: 0

The recommendations as tabled in the agenda were approved.

Resolved (13 December 2024)

1. That Council accepts the recommendations by the leading department and **grants final approval** for the swop and disposal of erven 1044,1045, 1047 and 1048 Humansdorp as per Annexure A

2. That Council grant authorization to the Accounting Officer to cancel the Deed of Sales for the properties contained in Annexure B

3. That Council grant authorization to the Accounting Officer to enter into a Deed of Sale for the purpose of transferring the properties contemplated in 1.

4. That Council grants permission to dispose properties that were advertised on Tender Notice 137 of 2021 as per Annexure C.

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

24/12/CSS1 AUTHORISATION FOR THE APPROVAL OF THE COMMUNITY SAFETY FORUM TERMS OF REFERENCE FOR KOUGA LOCAL MUNICIPALITY

Cllr Petersen referred to the location of the security cameras and indicated that the cameras are only placed at strategic positions to benefit the privileged areas and not the crime scene areas.

Cllr Heystek raised a point of order under rule 32.1.

The Speaker permitted the point of order and stated that Cllr Petersen must speak to the item.

Cllr Petersen suggested that the locations of the security cameras be revised.

The Executive Mayor indicated that the report speaks about the terms of reference for the Community Safety Forum and not location of cameras.

Resolved (13 December 2024)

1. That the Council approves the Community Safety Forum Terms of Reference.

24/12/CSS2 SPONSORSHIP REQUEST OF R100 000 FOR LIFESAVING CHAMPIONSHIPS TO BE HOSTED IN KOUGA FOR TWO (2) YEARS FROM 2025 - 2026

Cllr Gunuza indicated that she was not in support of the item.

Cllr Human indicated that the event coordinators must become sustainable and less reliable on the Municipality for sponsorships. He enquired how the local community benefitted from sponsorships of events.

The Speaker responded that sponsorships of events such as the Lifesaving Championships, create a platform for locals from Jeffreys Bay to upskill their capabilities.

Resolved (13 December 2024)

1. That Council approves the allocation of R100 000.00 all inclusive, to support the Lifesaving Championships for the 2024/25 financial year.

2. That Council approves the allocation for the outer financial year as follows – 2025/26 – R100 000

3. That Council authorises the Accounting Officer to conclude a Sponsorship Agreement with Lifesaving Nelson Mandela Bay in accordance with the funding allocated in recommendation 1. and 2. above.

18.5 **REPORTS BY THE CHAIRPERSON: ELECTRO – MECHANICAL SERVICES**

24/12/EMS1 REPORT ON THE SOUTH AFRICA MUNICIPAL ENERGY REVERSE TRADE MISSION IN U.S. (20-26 OCTOBER 2024)

Resolved (13 December 2024)

1. That Council notes the report from the nominated delegate, EMS Director Theodore Madatt on his attendance of the South Africa Municipal Energy Reverse Trade Mission program in the USA.

19. **CLOSURE**

The meeting closed at 13:08.

_____ _____

B WILLIAMS **DATE**

SPEAKER

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

KOUGA
local municipality
Good Governance through Service Excellence

REPORTS OF COMMITTEES OF COUNCIL:

KOUGA
local municipality
Good Governance through Service Excellence

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

KOUGA
local Municipality

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
MUNICIPAL PUBLIC ACCOUNTS COMMITTEE
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/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**

The confirmed minutes of the Municipal Public Accounts Committee are referred to Council for noting.

3. **Discussion**

Council is advised that the Municipal Public Accounts Committee had a meeting on 25 September 2024 and the minutes of the meeting are attached for ease of reference.

4. **Financial Implications**

Completed by BTO -	Not applicable
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

Local Government: Municipal Structures Amendment Act 3 of 2021

6. **Legal Implications**

None.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Not applicable

8.2 **Director: Planning & Development**

Not applicable

8.3 **Director: Civil & Water Services**

Not applicable

8.4 **Director: Electro-Mechanical Services**

Not applicable

8.5 **Director: Community Services**

Not applicable

8.6 **Deputy Municipal Manager**

Not applicable

8.7 **Municipal Manager**

Not applicable

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That Council notes the minutes of the Municipal Public Accounts Committee and that the recommendations contained therein have been submitted to Council for resolution.



Item prepared by the MPAC Chairperson:

MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 25 SEPTEMBER 2024 AT 10:00 IN THE COUNCIL CHAMBERS, JEFFREYS BAY

Present: Committee Members	Cllr B Dhludhlu	(Chairperson)
	Cllr F Heystek	
	Cllr C August	*(Attended via Zoom)*
	Cllr M Nicholls	*(Attended via Zoom)*
	Cllr P Oliphant	*(Attended via Zoom)*
	Cllr B Human	*(Attended via Zoom)*
Officials:	Mr C du Plessis	(Municipal Manager)
	Mr R Lorgat	(Chief Financial Officer)
	Ms N Machelesi	(Director: Community Services)
	Mr C de Kock	(Director: Civil & Water Services)
	Mr T Madatt	(Director: Electro-Mechanical Services)
	Mr L Ramakuwela	(Director: Planning & Development)
	Mr A Koegelenberg	(Manager: PMS)
	Ms L Grobler	(Legal Services)
	Ms M Julius	(Senior Admin Officer: Committees)
	Mr S Sidjiyo	(Committee Officer)
	Ms R Swart	(Committee Clerk)
Stakeholders:	Adv A Klopper	(Public Representative)
	Ms L Mostert	*(Attended via Zoom)*

1. **OPENING AND WELCOME**

The Chairperson welcomed all members present and those who connected virtually. He read the notice convening the meeting and requested Cllr Heystek to open the meeting with 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**

Mr D de Jager	(Deputy Municipal Manager)
Cllr W Gertenbach	
Cllr H Murray	
Cllr W van der Linde	

3.2 **ABSENT WITHOUT APOLOGY**

Cllr M Mbandana
Cllr L Nkilishane

4. **PRESENTATIONS**

None

5. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

5.1 **CONFIRMATION OF MINUTES OF PREVIOUS MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON 20 AUGUST 2024**

Resolved (25 September 2024)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 20 August 2024 be accepted.

Proposed: Cllr C August Seconded: Cllr F Heystek

6. **MATTERS FOR DISCUSSION**

24/09/MPACC1 MPAC RESOLUTIONS AS AT 20 AUGUST 2024

The Municipal Manager indicated that the new Performance Management System was being implemented and it would address the bulk of the issues raised in the previous Oversight Report and some of the items in the action sheets would be resolved.

Cllr Heystek enquired about the development of the road master plan and requested an update about the roads loan application.

In response, the Municipal Manager indicated that the road master plan was completed, and Consultants were subsequently appointed.

Regarding the loan application, the CFO stated that the Development Bank of Southern Africa (DBSA) was engaged, and the required information was submitted by the department. He added that the loan application was under review by the DBSA and a final would be communicated to the Municipality. Thereafter, the Section 46 process would be conducted followed by the report to Council for consideration.

Cllr Heystek referred to page 11 and enquired about the plans to address the electrical illegal connections.

The Municipal Manager stated that the solution to resolve the illegal power connections was to formalise the informal settlements, he added that there was a programme underway for the upgrade of informal settlements which would improve the planning and funding of electricity.

Resolved to Recommend (25 September 2024)

1. That the updated Action Sheets reflecting outstanding resolutions of MPAC as of 20 August 2024 be noted.

24/09/MPACC2 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT ON THE DRAFT: 2023/24 ANNUAL REPORT**

The Chairperson requested that physical copies of the 2023/24 Draft Annual Report be prepared and made available at the Speakers Office for all Committee members to facilitate thorough scrutiny.

Cllr Heystek referred to page 24 and raised concerns about the accuracy of the population figures emanating from the last Census.

The Municipal Manager concurred with Cllr Heystek and indicated that discussions were underway internally about conducting and taking samples to verify the Statistics South Africa figures.

Adv Klopper enquired about the history of growth on the indigent register.

In response, the CFO indicated that there had been growth in indigents and that the year ended with 7600 indigents. However, he added that in the new financial year, the department received only 2500 indigent applications and was currently identifying additional processes to ensure the completeness of the indigent register. He further mentioned that the department submits monthly reports to the Portfolio Committee indicating the increase in the indigent register. The Indigent Policy would be reviewed to define the indigent eligibility.

The Chairperson referred to page 25 and enquired about the referral of the increase in GDP.

The CFO responded that the referral of the increase in GDP was based on the area and not the municipality, and it referred to the area's contribution within the Eastern Cape.

On page 28 he suggested that the area names be included on projects 4, 5, and 6.

On page 66 he raised concerns about the achievement of Key Performance Area (KPA) 1 and how it would affect the overall institutional scorecard.

In response, the Manager: PMS highlighted that the breakdown of the under achievements was illustrated on page 67. Regarding the area names, he indicated that he would communicate with the relevant departments.

Resolved to Recommend (25 September 2024)

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 commence with the scrutiny of the draft 2023/24 Annual Report with the purpose of the preparation of an Oversight Report on the 2023/24 Annual Report for Kouga Municipality.

2. That physical copies of the 2023/24 Draft Annual Report be prepared and made available for all Committee members to facilitate thorough scrutiny.

24/09/MPACC3 **KOUGA MUNICIPALITY: 2023/24 INSTITUTIONAL PERFORMANCE REPORT**

Adv Klopper referred to page 280 and enquired about the vast difference between the budgeted amount and the actual amount of water service charges.

In response, the CFO explained that two issues contributed to the water charges during the 2023/24 financial year, the introduction of the water amnesty due to the drought and the high tariffs. He added that the processing of amnesty applications ended in April and that caused the water charges to be written off with the approval of Council.

He further indicated that the report was compiled before the finalisation of the financial statements. Moreover, there was a write-off approved by the Council regarding water services that emanated from indigent bad debt as there was no mechanism to collect revenue from indigents due to the lack of prepaid meters.

Resolved to Recommend (25 September 2024)

1. That the content of the Draft 2023/24 Annual Performance Report on the implementation of the 2023/24 Service Delivery and Budget Implementation Plan be considered as part of the oversight process on the 2023/24 Annual Report.

24/09/MPACC4 **MONTHLY BUDGET STATEMENTS FOR THE PERIOD OF JULY 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 JULY 2024 (2024/25 FINANCIAL YEAR)**

Resolved to Recommend (25 September 2024)

1. That the Municipal Public Accounts Committee notes the 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 the Provincial Treasury as stipulated in Section 71(1) of the MFMA.

7. **MATTERS REFERRED TO MPAC FOR INVESTIGATION IN TERMS OF SECTION 79 OF THE LOCAL GOVERNMENT: MUNICIPAL STRUCTURES ACT**

The Chairperson requested feedback from the Municipal Manager about the investigation regarding the complaint from the unsuccessful bidder.

The Municipal Manager confirmed that the procedures in the awarding of the tender in question were followed properly and the applicable legislative framework was applied correctly. He further indicated that the processes and application of the legislation were communicated to the bidder, and the matter has been concluded. He added that there was nothing for the attention of MPAC on the matter as the Administration had concluded the investigation.

The CFO added that a final formal communication was provided to the service provider indicating the outcome. However, if the service provider is not satisfied with the response, the legal process could be pursued.

The Committee agreed that as per the report by the Administration the investigation was concluded and there was no need for the matter to serve at MPAC.

8. **DATE OF NEXT MEETING**

27 November 2024

9. **CLOSURE**

The Chairperson thanked the Committee members and all officials for their contribution.

The meeting adjourned at 11:20



15.01.2025

CLLR B DHLUDHLU **DATE**
CHAIRPERSON

REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER

KOUGA
local municipality

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/MM1**

COUNCIL RESOLUTIONS AS AT 13 DECEMBER 2024

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. **Discussion**

None.

4. **Financial Implications**

Completed by BTO -	Not applicable
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

Section 55 of the Local Government: Municipal Systems Act, No.32 of 2000, provides in subsection 1(k) that a Municipal Manager is responsible and accountable for carrying out the decisions of the political structures and political offices bearers of the municipality.

6. **Legal Implications**

Failure to maintain and update the Action sheet may result in the non-compliance to Section 55(1)(k) of the Local Government: Municipal Systems Act, No 32 of 2000.

7. **Other Implications**

None.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Item noted.

8.4 **Director: Electro-Mechanical Services**

Item noted

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Noted

9. **Delegated Authority**

Council

10. **Recommendations**

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

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

Item prepared by the: Deputy Municipal Manager 

Item endorsed by the: Chief Financial Officer 

Item endorsed by the: Director: Planning & Development 

Item endorsed by the: Acting Director: Civil & Water Services 

Item endorsed by the: Director: Electro-Mechanical 

Item endorsed by the: Director: Community Services 

Item approved by the: Municipal Manager: 

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 contraints 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	The submission will now continue since the Golf Club is now excluded from development. New process will start at Portfolio committee.	Planning & Development	IN-PROGRESS
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 Council Agenda following the next Mayoral Committee - to follow after internal review completed	Workshop was held, mayor to decide which powers to be delegated to the different portfolio MMC's, Matter referred to Collective. Awaiting feedback from Mayor	Legal Manager	IN-PROGRESS
31-Mar-22	22/03/MM2	2020/21 ANNUAL REPORT: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT	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	Director: I&E	IN-PROGRESS
			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	Director: PDT	IN-PROGRESS
			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 participaton process will be coordinated with provincial Roads Section. Discussions are ongoing.	Director: I&E	IN-PROGRESS
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	Grant in aid completed. Rules of order was reviwed.	LED OFFICE	COMPLETED
	23/05/MM5	PETITIONS RECEIVED FROM KOUGA LOCAL CLINICS 2023	That all petitions submitted to Kouga Municipality surrounding the circumstances of the abovementioned clinics be referred to the Eastern Cape Provincial Legislature, the MMC for Health, the Provincial Petitions Commission, and the Public Protector.	the office of the MEC from the 20th June 2023 (submission of petition) to July 2024. The office of the Speaker engaged with Rapid Response on the 7th march 2024 where the Department of Health was also invited, but failed to attend. A follow-up was done on the 9th July 2024 with Rapid Response. We are currently awaiting a reply. Received email from Rapid Response (Cogta) on 25th July 2024 advising that the matter has been escalated by the office of the MEC to DOH. A response will be provided by the 15th August	Awaiting response from MEC - Health	Office of the Speaker	IN-PROGRESS
			That the following sanction be implemented against Councillor P Oliphant in respect of the charges laid against him and for which charges the Councillor was found guilty by the Committee: - **In respect of Charges 1; 2; 3; 5; 6 and 7 – That Councillor P. Oliphant be removed from office.**		Awaiting response from MEC	Office of the Speaker	IN-PROGRESS

31-May-23	**23/05/MM6**	**DISCIPLINARY ENQUIRY HELD BY THE RULES AND ETHICS COMMITTEE - CLLR. P OLIPHANT**	That the following sanction be implemented against Councillor P Oliphant in respect of the charges laid against him and for which charges the Councillor was found guilty by the Committee: **- That the Speaker, in line with Item 16(3) of the Code of Conduct for Councillors, within 14 days from the date of the finding inform the MEC, for local government in the Province of the Eastern Cape, of the finding and sanction decided by Council.**	08 March 2024 - Referral for Legal Assistance regarding non-responsiveness of the MEC. 05 June 2024, Legal Department received correspondence from the Service Provider. O 13 June 2024, correspondence was forwarded to the Office of the MEC. The office of the Speaker is currently awaiting a response and / or further developments on the matter.Feedback received from MEC's Office on 05 July 2024 for possible engagement(s). Correspondence addressed to the MEC dated 22nd July 2024. Acknowledgement of receipt received from the Office of the MEC. No formal correspondence received as yet. Matter was referred to the Legal Services Department due to non-responsiveness of the MEC. Legal proceedings against organ of state now being instituted. Matter is ongoing.	Awaiting response from MEC	Office of the Speaker	**ON GOING**
31-May-24	**24/05/R&E2**	**DISCIPLINARY ENQUIRY HELD BY RULES AND ETHICS COMMITTEE – COUNCILLOR WAYNE PETERSEN**	That the Speaker must report the outcome of the investigation to the MEC for the local government in the province concerned within 14 days from the date of the Council resolution.	MEC was notified of disciplinary enquiry outcome on the 31st May 2024. The office of the Speaker made a follow-up on 20 June 2024 - no response received. On 08 July 2024 a follow-up was made again - awaiting response from MEC's Office. Follow-up made on the 26th July 2024. No response as yet. Matter was referred to the Legal Services Department due to non-responsiveness of the MEC. Legal proceedings against organ of state now being instituted. Matter is ongoing.	Matter referred to Legal Services Department	Office of the Speaker	**ON GOING**
30-Jul-24	**24/07/MM4**	**2024/25: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: AMENDMENT**	That the Municipal Manager oversees the quarterly submission of departmental progress reports to the respective Portfolio Committees on the implementation of the Service Delivery and Budget Implementation Plan.	SDBIP reports are submitted by Directors	SDBIP reports are submitted by Directors	MM	**ON-GOING**
	MOTION OF EXIGENCY	**FOOT AND MOUTH OUTBREAK IN KOUGA MUNICIPALITY 2024**	That Council considers the current conditions as a local economic state of disaster due to the FMD outbreak.	Completed	Completed	MM	**COMPLETED**
			That Council requests the relevant Provincial and/or National department to declare a local economic state of disaster in order to obtain additional support from Provincial and/or National government.	Was not declared as disaster by National. The declaration was for affected areas in terms of desease management areas	Completed	MM	**COMPLETED**
08-Nov-24	**24/11/MM1**	**DETERMINATION OF THE UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF DIFFERENT MEMBERS OF A MUNICIPAL COUNCIL FOR 2024/2025 FINANCIAL YEAR**	That upon concurrence by the MEC, the Upper Limits of Salaries, Allowances and Benefits of the Gazette be implemented and back dated with effect from 01 July 2024.	Upper Limits implemented after MEC concurennce	Completed	DMM	**COMPLETED**
	24/12/MM1	**COUNCIL RESOLUTIONS AS AT 08 NOVEMBER 2024**	That the action sheet be tabled at Top Management for discussion and actioning	Action sheet circulated to all Directors and for Managers input	Completed	MM	**COMPLETED**
		APPOINTMENT OF KOUGA	That Council approves the appointment of Daniel J de Lange as Chairperson of the Kouga Audit Committee for the period in line with his current term (ending 31 August 2026).	Completed	Completed	MM	**COMPLETED**

13-Dec-24	24/12/MM2	AUDIT COMMITTEE CHAIRPERSON AND MEMBER	That Council approves the appointment of Romano Moodaley as a member of the Kouga Audit Committee for a period of 2 years (ending 31 December 2026).	Completed	Completed	MM	COMPLETED
	24/12/MM3	LIQUOR LICENSE APPLICATIONS: DELEGATED AUTHORITY TO THE DEPUTY MUNICIPAL MANAGER	That Council approves the delegation, to administer liquor license applications, to the Deputy Municipal Manager	Implemented	Completed	DMM	COMPLETED
	24/12/R&E1	DISCIPLINARY ENQUIRY HELD BY RULES AND ETHICS COMMITTEE – COUNCILLOR WAYNE PETERSEN	That the following sanctions be implemented against Councillor Petersen in respect of the charges laid against him and for which charges the Councillor was found guilty. That in respect of – Charge 1 – Guilty – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions. Charge 2 – Guilty – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions. Charge 3 – Guilty – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions. Charge 4 – Guilty – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions. Charge 5 – Guilty – A fine equal to 50% of one month's remuneration of non- executive Councillor in Kouga Municipality after deductions. Charge 6 – Guilty - A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions. Charge 7 – Guilty - A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions. Charge 8 – Guilty - A fine equal to 50% of one month's remuneration of non- executive Councillor in Kouga Municipality after deductions.			Office of the Speaker	IN PROGRESS
			Charge 9 – Guilty- A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions. Charge 10 – Guilty - A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.				
			That in respect of charge 1 to 10, the deductions will be implemented and processed over ten (10) months from January 2025 – October 2025.	Correspondence was addressed to the Office of the Municipal Manager and CFO on 19 December 2024 for deductions to			IN PROGRESS
			That the Speaker must report the outcome of the investigation to the MEC for the local government in the province concerned.	The Office of the Speaker notified the Office of the MEC on 19 December 2024 on the outcome of the disciplinary enqui			IN PROGRESS
			That the policy with regards to issuing of fines to Councillors be reviewed and the possibility be explored to change the charge that a fine equal to 100% of one month's remuneration be deducted if Councillors was found guilty.	Policy on Standing Rules and Procedures WRT to disciplinary matters against Councillors is currently under review.			IN PROGRESS

DMM: 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
13-Dec-24	24/12/DMM1	REPLACEMENT OF COUNCILLOR AS COMMITTEE MEMBER FOR RULES & ETHICS COMMITTEE	That Councillor Reinhardt Foley be replaced on the Rules & Ethics Committee by Councillor Melanie Nicholls.	Completed	Completed	DMM	COMPLETED
	24/12/DMM2	COUNCIL RECESS: DELEGATED AUTHORITY: EXECUTIVE MAYOR	That Council approves the recess period from 14 December 2024 to 13 January 2025.	Completed	Completed	DMM	COMPLETED
			That Council resolves that the Executive Mayor be granted delegated authority to deal with all Council affairs during the recess from 14 December 2024 to 13 January 2025, subject to the following undermentioned conditions:	Completed	Completed	DMM	COMPLETED
			The exercise of delegated authority shall exclude the passing of a by-law; approval of a budget; the imposition of rates and other taxes, levies and duties, the raising of loans, the amendment of tariffs, the approval or amendment of the IDP;	Implemented	Completed	DMM	COMPLETED
			That the parameters of the Supply Chain Management Policy be complied with.	Implemented	Completed	DMM	COMPLETED
			That all matters dealt with by the Executive Mayor, which would conventionally have required a Council Resolution be submitted to Council in report format for information or for review at the Ordinary Council Meeting scheduled as per the institutional calendar on 29 January 2025.	Implemented	Completed	DMM	COMPLETED
	24/12/BP1	MAYORAL FUND POLICY	That the Mayoral Fund Policy be approved by Council.	Completed	Completed	COS	COMPLETED
			That the Mayoral Fund Policy be uploaded on the Kouga Website.	Completed	Completed	COS	COMPLETED
			That the previous version be replaced with this version	Completed	Completed	COS	COMPLETED
	24/12/BP2	INJURY ON DUTY (IOD) POLICY	That the Injury on Duty (IOD) Policy be approved by Council.	Completed	Completed	HRM	COMPLETED
			That the Injury on Duty (IOD) Policy be uploaded on the Kouga Website.	Completed	Completed	HRM	COMPLETED
	24/12/BP3	LEAVE POLICY	That the Leave Policy be approved by Council.	Completed	Completed	HRM	COMPLETED
			That the Leave Policy be uploaded on the Kouga Website.	Completed	Completed	HRM	COMPLETED
			That the previous version be replaced with this version	Completed	Completed	HRM	COMPLETED
	24/12/BP4	OCCUPATIONAL HEALTH AND SAFETY (OHS) POLICY	That the Occupational Health and Safety (OHS) Policy be approved by Council.	Completed	Completed	HRM	COMPLETED
			That the Occupational Health and Safety (OHS) Policy be uploaded on the Kouga Website.	Completed	Completed	HRM	COMPLETED
			That the previous version be replaced with this version.	Completed	Completed	HRM	COMPLETED
	24/12BP5	POLICY ON PERSONAL PROTECTIVE EQUIPMENT (PPE)	That the Policy on Personal Protective Equipment (PPE) be approved by Council.	Completed	Completed	HRM	COMPLETED
			That the Policy on Personal Protective Equipment (PPE) be uploaded on the Kouga Website.	Completed	Completed	HRM	COMPLETED
			That the previous version be replaced with this version.	Completed	Completed	HRM	COMPLETED
	24/12/BP6	RECRUITMENT, SELECTION AND APPOINTMENT POLICY	That the Recruitment, Selection and Appointment Policy be approved by Council.	Completed	Completed	HRM	COMPLETED
			That the Recruitment, Selection and Appointment Policy be uploaded on the Kouga Website.	Completed	Completed	HRM	COMPLETED
			That the previous version be replaced with this version	Completed	Completed	HRM	COMPLETED

FINANCE & ECONOMIC 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
29-Apr-22	22/04/PDT14	ESTABLISHMENT AND RECOGNITION OF THE KOUGA SMME FORUM	That the item be deferred to the next Council meeting.	ED & Tourism moved to Finance Department on 1 August 2023. Currently in progress to finalize draft ED Strategy. Will be submitted to Council in 2024 and thereafter all policies and by-laws will be drafted. Part of the Strategy is looking at current structures and new structures needed for implementation within KLM jurisdiction.	Draft ED Strategy completed and included in Agenda for January 2025. This matter will be attended to after final approval of strategy.	CFO	IN-PROGRESS
09-Dec-22	22/12/PDT6	GRANT IN AID	That Organizations be workshopped on the application process for Grant in aid	ED & Tourism moved to Finance Department on 1 August 2023. Currently in progress to finalize draft ED Strategy. Will be submitted to Council in 2024 and thereafter all policies and by-laws will be drafted and workshopped. GIA process and policy will be workshopped and looked at after approved ED Strategy for future guidelines and guidance.	Draft ED Strategy completed and included in Agenda for January 2025. This matter will be attended to after final approval of strategy.	CFO	IN-PROGRESS
27-Oct-23	23/10/FED17	INCURRING LONG TERM DEBT IN TERMS OF SECTION 17, 19 & 46 OF THE MFMA	That the formal processes of sourcing external loan funding be initiated with immediate effect, in line with section 17,19 & 46 of the MFMA, for an amount of R200 million to repair the roads within Kouga.	DBSA has been engaged. Information is been collected for submission to DBSA.	.Report submitted for a Special Counciil meeting in January 2025	CFO	IN-PROGRESS
07-Nov-23	23/11/FED3	IMPLEMENTATION OF A WATER AMNESTY FOR A 3 MONTH PERIOD	That the Customer Care Credit Control and Debt Collection Policy be reviewed to take the above challenges into account when the Policy is reviewed during the Budget process	Policy is being reviewed and will be submitted to Council with the Draft Budget on 31 March 2024	Policy has been reviewed and will be submitted to the next Policy Workshop.	CFO	IN-PROGRESS
14-Dec-23	23/12/FED7	KOUGA LOCAL TOURISM ORGANISATION 2022/2023 ANNUAL EXPENDITURE REPORT AND THE KLTO 2023/2024 BUSINESS AND BUDGET PLAN TO MARKET KOUGA AS A DESTINATION OF CHOICE (AMENDMENT)	That a strategic planning session be held with the KLTO and LED department within the next 2 months	Part of ED Strategy process	Draft ED Strategy completed and included in Agenda for January 2025. This matter will be attended to after final approval of strategy.	CFO	IN-PROGRESS
		HUMANSDORP MUSEUM ASSOCIATION 2022/2023 ANNUAL REPORT AND THE 2023/2024 BUSINESS AND BUDGET PLAN TO PRESERVE THE NATURAL AND CULTURAL HERITAGE OF KOUGA	That the Khoi and San structure form part of the Tourism Strategy.	The Khoi and San will be consulted in the development of the ED Strategy.	Draft ED Strategy completed and included in Agenda for January 2025. This matter will be attended to during public participation process.	CFO	IN-PROGRESS
28-Aug-24	24/08/FED7	SPONSORSHIP REQUEST: THE 2024 PGA CHAMPIONSHIP	That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with the Southern African PGA Tour trading as Sunshine Tour, in accordance with the funding allocated in recommendation 1.	Council approved item	Completed	CFO	COMPLETED
	24/08/FED8	KOUGA SUMMER FESTIVAL DECEMBER 2024 SPONSORSHIP	That Council authorizes the Accounting Officer to conclude Sponsorship Agreements with Jeffreys Bay Tourism, St Francis Tourism and Gamtoos Tourism respectively in accordance with the funding allocated in recommendation 1.	Council approved item.	Completed	CFO	COMPLETED
			That a close-out report be submitted to Council after the event.	Council approved item.	Close-out report to be submitted after event.	CFO	IN-PROGRESS

30-Oct-24	24/10/FED3	SPONSORSHIP PROPOSAL: 'TEATER BY DIE SEE' ARTS FESTIVAL – JEFFREYS BAY TOURISM	That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with Jeffreys Bay Tourism, in accordance with the funding allocated in recommendation 1.1.	Item approved by Council.	Completed	CFO	COMPLETED
13-Dec-24	24/12/FED1	2024 CLOSE-OUT REPORT AND 2025 SPONSORSHIP PROPOSAL: RYD SOUTH AFRICA LONGBOARDING CHAMPIONSHIP	That Council notes the 2024 RYD South Africa Longboarding Championship Close-out Report.	Council noted	Completed	CFO	COMPLETED
			That Council approves funding allocation of R 300,000.00 (Three Hundred Thousand Rand) only, VAT-inclusive for the 2025/2026 FY.	Funding transferred	Completed	CFO	COMPLETED
			That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with Surfing South Africa, in accordance with the funding allocated in recommendation 2 above.	Sponsorship agreement signed	Completed	CFO	COMPLETED
	24/12/BP9	SUPPLY CHAIN MANAGEMENT: REVISED SUPPLY CHAIN POLICY	That the Supply Chain Management: Revised Supply Chain Policy be approved by Council.	Approved	Completed	CFO	COMPLETED
			That the Supply Chain Management: Revised Supply Chain Policy be uploaded on the Kouga Website.	Policy uploaded	Completed	CFO	COMPLETED
			That the previous version be replaced with this version.	Policy replaced	Completed	CFO	COMPLETED

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 MUNICIPALITTY	That Council accepts the following erven from Public Works and that they are added to the asset register of Kouga Municipality:Farm 448	The finalisation of the transfer of Public Work properties to Kouga Municipality in progress	The IGR Land Forum was resusitated on 24 March with intention of bring all outstanding council resolutions to completion. There has been constant communication and information sharing since the mentioned meeting in order to conclude outstanding matters. On 11 October 2023 follow-up was made, Public Works confirmed that bulk submission was approved for transfer of PW properties to Kouga Municipality by Premier and is awaiting signature from MEC. A meeting was held with Public Works in Gqeberha on 27 February 2024 to discuss current status and progress on the transfer of land between Kouga Municipality and Public Works. Public Works indicated that they are still awaiting signature of the MEC. We also resolved to meet regulary until these matters are concluded (11/03/2024). The matter on outstanding donations was raised at the IGR on 2 April 2024 requesting the Director-General at Provincial Public Works to assist in expiditing the conclusion of transfer process (15 April 2024). On 14 May 2024 our Department met in telephonic meeting with the HOD and Regional Director to discuss progress of the bulk transfer of properties to Kouga. They undertook to submit a formal submission to the Head Office and provide the municipality with feedback in due course. (16 May 2024) Our Department are still awaiting feedback from Public Works and will do a follow-up during the week of 17 June 2024. (12/06/2024) We received written correspondence on 12 July and a copy of a letter that was sent to Chief Director of Public Works requesting that the bulk transfer of properties to Kouga Municipality be finalised. (12/07/024) Awaiting the transfer of properties based on the commitment from Public Works in July 2024. (12/08/24) Received commnication from Department of Human Settlements to confirm whether the properties to be transfered to Kouga Municipality are not part of a human settlement project in order for them to advise Public Works who are working on finalising the transfer of the properties to the Municipality (14/10/2024) **The Department of Public Works has confirmed that Human Settlements Department has appointed a conveyance attorney to transfer the residential properties to the beneficiaries and the non-residential erven to Kouga Municipality (26/11/2024). The Department is awaiting finalisation by Department of Human Settlements (09/01/2025)**	Manager: L&PA	In Progress
			That Kouga Human Settlement Department proceed with the transfers of these erven to the owners of the properties as soon as registrati	Awaiting Transfer of properties by Public Works.			
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	Matter was referred to top management and it was resolved that the item be sent back to Council with new method of disposal.	The Department had to reevaluate the beneficiaries. Meeting was held with the Cllr to discuss the implication. A new item to be tabled to Council after consultation with the affected beneficiearies. (11/03/2024) It is aniticipated that an item will be tabled to the May Council Meeting. (15 April 2024). A meeting was held with the affected residents on 30 April 2024 to discuss the way forward on disposal (free of charge) and different options that residents need to decide upon as well as the implications to take into consideration. It was also agreed that residents to visit the office once they have decided on the option they want to go with. (16 May 2024) The Human Settlements Department visited the 98 Wet Erven residents during the week of 13 July 2024 to do a survey and obtain confirmation from individual residents on the option they have decided upon. (15/07/2024) Item will present to the next Portfolio Committee Meeting (12/08/2024). Item was tabled at September Portfolio Committee. The item will be reffered to Council for approval. (14/10/24) **Item was tabled at Council Meeting of 30 October 2024 to rescind previous resolution and in-principle approval to alienate at no cost. (26/11/2024). The department is awaiting comments from Provincial Treasury (09/01/2025)**	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.	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	DEDEAT was approached to attend to the outstanding EIA authorisation awaiting feedback from DEDEA. Draft response received from consultants on 18 January 2024. Consolidated response sent to DEDEAT on 05 Feb 2024. latest follow up was sent to DEDEAT on 5 April 2024. To date we have not received any response. **8/06/2024 . A site visit was requested by DEDEA together with Department of Human Settlemts. the visit is scheduled to take place on 06 August 2024. (15/07/2024) A meeting was held with the DEDEA on 7 August 2024. The Department requested additional information in order to consider granting permision to proceed with Phase 1. (12/08/2024). The Consultant responsible for the Sea Breeze Development (FLISP and Social Housing) submitted the required information to DEDEAT on 9 October 2024. Correspondence were received back from DEDEAT requesting the submission of**	Dir:PDT / Manager: Human Settlements	ongoing
			That the plans scrutiny and approval fees be dealt with on the same basis as BNG/RDP housing projects.	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. We had a meeting with Bosch Projects (SP) who was appointment to determine floodline determination for FLISP/Social Housing. Bosch Projects (SP) complete floodline determination was completed by 21 August 2023.	the resolution will be implemented upon submission of Building plans for the development. Ongoing, project is still on pre-planning phase.Resolution will be actioned during project commencement.	Dir:PDT / Manager Human Settlements	ongoing
	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.	Three quotations to be obtained from service providers for the rezoning of erf 560.	Requisition has been received and submitted to SCM in order to prepare a order. Order received from SCM and service provider has been appointed. Instruction was given on 12 December 2023 to proceed with rezoning and service provider busy preparing report for submission. Follow-up was done 13 February on the status and it was confirmed that application will be submitted. Application was submitted on 14 February on Ovvio portal under reference number JC2324-00025 (11/03/2024). The land use right application for rezoning was advertised for public participation in terms of SPLUMA on 21 March 2024 (15 April 2024). Public participation completed (16 May 2024). Application awaiting comments from some service department whereafter it will be allocated to a town planner to prepare report for MPT. (12/06/2024) Still awaiting comments from some departments whereafter the town planners report will be prepared for MPT. (12/07/2024) Town Planning Department requested on 2 August 2024 for departments to provide comments on application. (12/08/24) Some internal deparmental comments still outstanding, a reminder was sent by Town Planning Department on 14 October 2024 (14/10/2024) **The Town Planning Department still in the process to finalise rezoning. (08/01/25)**	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 i	The Department has developed a draft by-law which will make provision for Aesthetics and Heritage Committee.	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 enforcebe and a way was seek to have it enacted in a "by-law" or within the town planning scheme. Council has granted permision to proceed with amendment of the ILUS. Notices already published for I&A to register in January 2024. The department is finalising the draft by-laws. The draft by-law was refered to Legal Depatment for comments. (15/07/2024). The by-law will be submitted to the next Policy Workshop. (09/08/2024). **The draft bylaws was submitted to the Policy Workshop on 10 October 2024. (14/10/2024). By law to be refered to the next Policy Portfolio then Council for permision to proceed with public participation.(28/11/2024). The bylaw will be submiyed to the Policy Portfolio & Council for permision to proceed with public participation (09/01/2025)**	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.	Proposal received from consultant and to be discussed internally. Item will be submitted as part of Quarter 2 Portfolio Committee report.	Erf 8783 Ocean View is to be included in the Review of the SDF. 12/07/2024. Meeting was held with the appointed service provider on 4 September 2024 to discuss the draft layout plan and it was agreed that the muncipality will provide inputs on that needs to be incorporated. The layout will then be tabled to Portfolio Committee for in-principle approval. (14/10/2024) **Session to provide inputs for amendments on the draft layout plan have been scheduled for the week of 2 December 2024. (26/11/24). Service provider still working on the draft plan.(09/01/2025)**	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. The SG Diagram and Regulation 38 Certifcate to be submitted, the transfer process is ongoing.	Manager: Legal Services	In Progress
11-Dec-20	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	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. An item has been approved by Council to commence with the amendment of the Land Use Scheme.	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 enforcebe and a way was seek to have it enacted in a "by-law" or within the town planning scheme. Council has granted permision to proceed with amendment of the ILUS. Notices already published for I&A to register in January 2024. The department is finalising the draft by-laws. The draft by-law was refered to Legal Depatment for comments. (15/07/2024). The by-law will be submitted to the Policy Workshop for consideration. **The By-law was submitted to the Policy workshop held on 10 October 2024. It will now be refered to Council for permsion to proceed with public participation. (26/11/2024). Drfat bylaw to be presented to Policy Committe & Council for public participation (09/01/2025)**	Manager: LPA See previous comments on item)	In progress
			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 new		All parties that objected will be notified during the Public Participation process.		
			That all the objectors be notified timeously of the date and venue for the virtual hearing.				
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 h	Gazetting of public place closure of erf 1331 has been finalised. Quotations for rezoning of subdivided portion to residential purposes in process.	Subdivision and gazetting completed. The department is in the process of appointing a service provider to finalise the rezoning. Three qoutations has been received and requisition will be prepared and submitted to SCM. (15/04/2024). The service provider who initially did the subdivision informed the office that the subdivision was not completed due to outstanding approval letter hence rezoning cant be commence until the erf has been formally subdivided. The department is in the process of appointing a service provider for the rezoning of the the subdivided portion. (12/07/2024) The terms of reference has been drawn-up to appoint a service provider for the subdivision and rezoning for submission to Supply Chain. **(09/01/2025).**	Director: PDT/ 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. It was indicated that Mr. Johansens is out of the country. Follow up will was done on 2 February 2024 with no sucess reaching applicant. Made contact with former Councillor Rheeder in an attempt to obtain contact details and whereabout of Mr. Johansens (11/04/2024) Still no success in making contact with the applicant. (12/08/2024) During our continued endeavour to make contact with Mr. Johansens it was established that he disposed his property to Tuswa Nocamagu Haynes who has address in the United States of America. We have been trying to reach Ms. Haynes on the available phone number but no success thus far to enquire whether she want to proceed with the process started by previous land owner. It is recomended that the resolution be rescinded considering it is a different owner.(14/10/2024) **Managed to get hold of the person on the telephone number provided on the Ovvio system however the person indicated that she is not Ms. Tuswa Nocamagu Haynes. (26/11/24). An item will be submitted to Council to rescind the resolution (09/01/2025)**	Manager: Legal Services / 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 ap	Will be incorporated in the deed of sale	Will form part of the transfer process.	Manager: Legal Services / 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	Matter was referred to top management and it was resolved that the item be sent back to Council with new	The Department had to reevaluate the beneficiaries. Meeting was held with the Cllr to discuss the implication. A new item to be tabled to Council after consultation with the affected beneficiearies. (11/03/2024) It is aniticipated that an item will be tabled to the May Council Meeting. (15 April 2024). A meeting was held with the affected residents on 30 April 2024 to discuss the way forward on disposal (free of charge) and different options that residents need to decide upon as well as the implications to take into consideration. It was also agreed that residents to visit the office once they have decided on the option they want to go with. (16 May 2024) The Human Settlements Department visited the 98 Wet Erven residents during the week of 13 July 2024 to do a survey and obtain confirmation from individual residents on the option they have decided upon. (15/07/2024) Item will present to the next Portfolio Committee Meeting (12/08/2024). Item was tabled at September Portfolio Committee. The item will be reffered to Council for approval. (14/10/24) **Item was tabled at Council Meeting of 30 October 2024 to rescind previous resolution and in-principle approval to alienate at no cost. (26/11/2024). Verication done. Awaiting comments from P Treasury (09/01/2025)**	Director:PDT/ Manager L&P	In Progress
	21/05/PD11	**LAND SWOP: 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. Communication between our Legal Services and appointed conveyancer on 7 July 2023 advising the service provider to first register erf 6650 as it is an unregistered erf, the swop of erf 6649 and 6650 will proceed thereafter. The transfer of erf 11163 has been assigned to appointed attorney to do the transfer. Transfer still in progress. (12/07/2024) On 23 July 2024 the appointed attorney indicated that certain information is requested from the Municipality namely the surveyor diagram and letter approving the subdivision (12/08/2024) **Requested information was provided to service provider to effect the transfer of the property. Legal Service confirmed that a follow-up was done last week however service provider still busy with the transfer (27/11/24). transfer process currently underway (09/01/2025)**	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 the subdivision and rezoning of the land be attended to and concluded.	Will be attended to should final approval be granted by Council.	A terms of reference for a 7-day notice have been prepared to appoint a service provider to commence with subdivision and rezoning. (12/07/2024) The applicant made contact with our department indicating that they would like to meet to discuss the possible amendment of council resolution. (12/08/2024) **A meeting has been scheduled with the applicant for 15 October 2024 to discuss the application and craft a way forward (14/10/24) It was resolved that the standing Council resolution be implemented. However, a new application may be submitted to lease the portion requested. (27/11/2024). Awaiting confirmation of acceptence by the applicant (09/01/2025)**	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 m	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 interest accumulated from the grant funding be ringfenced for future Human Settlements projects.	To be confirmed	Awaitng confirmation if money can be reinfenced.	CFO	In progress
			That monthly, quarterly and annual expenditure reports with supporting documentation be reported to Council and ECDHS; and	Expenditure report was submitted to the Department of Human Settlements (Province) on 17 July 2023	A new expenditure report will be submitted by the end of September 2023. Montly report is submitted to PDoHS on a monthly basis in respect interest incurred on grant funding. The interest incurred on the grant funding received from the PDoHS amounts to **R 1 538 530.76 as of 02 February 2024.** Rudcor Engineering was appointed by KLM on 18 March 2024. Project is in progress(10/06/2024). The appointed Contractor is performing well and within timeframe. The project is on-going and Contractor is currently busy with construction of roads. (11 July 2024). Project is on-going and good progress on site. It is anticipated that the contractor will complete phase 2 by the end of November 2024. **The PDoHS approved additional funding to commence with phase 3 of the project. A tender will be adervertised for appointment of a contractor. 09/01/2025**	Manager HS	In Progress
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 finalise the rezoninng. Requisition was submitted on 28 July 2023 to SCM for an order.	Three quotations for rezoning was received and requisition has been submitted to SCM on 28 July 2023 under **requisition number 150707** awaiting order. Order was received from SCM and instruction was given to service provider on 11 September 2023 to proceed with the rezoning of erf 5812. It was requested that the Department establish whether the applicant still want to continue with the project as it would appear the applicant are not proceeding with the development. A letter was sent to applicant to confirm if they still proceeding with development. Written reply was received from applicant on 5 February 2024, applicant indicated that they will still develop the Autism Centre on erf 5812. The rezoning application was formally submitted on the Ovvio System on 31 January 2024 for processing and consideration under reference no. JL2324-00105. (11/03/2024). Rezoning application in progress (17 April 2024). Application for rezoning was advertised in the local newspaper on 16 May 2024 for public participation. (16 May 2024) Public participation will be completed on 17 June 2024 (12/07/2024) Public participation completed. Town Planner report to be prepared for submission to the MPT (12/07/2024) The rezoning of erf 5812 has been approved by the MPT. A draft consent use agreement have been prepared and will be sent to the applicant for perusal and consideration during the week of 12 August (12/08/24) **Correspondence was sent to the applicant in respect of the further processes following the rezoning approval for example the submission of Site Development Plan etc, to the Municipality for approval (14/10/2024). Awaitng building plans from the applicant. (09/01/2025)**	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.	Addressed the matter in the engagement with the department public works	No final decision taken as there is no final eviction order granted.	MM	Ongoing
	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 spa	Service Provider has been appointed for closure of public places.	**Item to be submitted to the upcoming Portfolio Meeting. 06/01/2025**	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/PD3	SALE OF 98 WET ERVEN	That the proceeds from the Sale of 98 Wet erven be ring-fenced for roadsupgrades and social infrastructure in the 98 wet erven area.	Matter was referred to top management and it was resolved that the item be sent back to Council with new method of disposal.	The Department had to reevaluate the beneficiaries. Meeting was held with the Cllr to discuss the implication. A new item to be tabled to Council after consultation with the affected beneficiearies. (11/03/2024) It is aniticipated that an item will be tabled to the May Council Meeting. (15 April 2024). A meeting was held with the affected residents on 30 April 2024 to discuss the way forward on disposal (No cost) and different options that residents need to decide upon as well as the implications to take into consideration. Verification of beneficiaries concluded on the weekend of 13 July 2024 (15/07/2024). **An item will be tabled at the nexrt Portfolio Meeting (12/08/24). Item was submitted to the September Portfolio Committee. Item was approved by Council on 30 October 2024. 27/11/2024. Awaiting comments from P Treasury 09/01/2025**	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	Confirmation has been requested from the Provincial Department of Human Settlements on 04 April 2023 to give confirmation on the appointed service provider. De Wet & Stryder . W Langson and Asssociates where appointed by the Dept of Human Settlements to attend to the pre-94 transfers.	Meeting where held on the 20th September 2023 at the Provincial Dept of Human Setlements and Municipalities in SBD to discuss TOR of appointed conveyances. Deed of sales wil be submitted on the 27th of September 2023. All Deed of Sales submitted to appointed service provider. Power of Attorneys and Rates Clearance signed in December 2023 and submitted to Conveyancer. Awaiting transfer of properties. **Transfer of properties in progress. (12/08/2024). Awaiting finalization of transfers. (09/01/2025)**	Director:PDT / Manager Human Settlements	In Progress
31-Mar-22	22/03/PDT7	DEVOLUTION (OFFER) OF LAND PARCELS OWNED BY THE FORMER NATIONAL HOUSING BOARD TO KOUGA LOCAL MUNICIPALITY	That Council grants authorization to the Accounting Officer to enter into relevant agreement with the Provincial Department of Human Sett	Council resolution has been taken to accepts the land the Department of Human Settlements wants to devolve to Kouga Municipality. Matter was discussed at the IGR Land Forum Meeting on 24 March 2023. KLM met with officials from Department of Human Settlements during the week of 08 May 2023 and discuss the devolution of these land parcels and revert back to the Municipality	Awaiting feedback from the Provincial Department. An email was sent to the Provincial Department of Human Settlements on 28 August 2023 to enquire on the request to consider devolving former National Housing Board properties which includes Papiesfontein properties to Kouga Municipality. Papiesfontein to be transfered to DEDEAT. (12/08/2024) An item has been prepared for the next Portfolio Meeting to rescind the original resolution and request council approval to accept the new list of National Housing Board properties approved for devolvement to the Municipality (14/10/2024). Item was presented to Portfolio Meeting on 30 October 2024. (27/11/2024) **Council granted final approval on 13 December 2024 (09/01/2025)**	Dir. PD&T	In Progress

31-May-22	**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 Ar	Building Control to facilitate (July 2022) engagement for comment with Kouga Architectural Designer's Forum (KDF) on implementation of Resolution - 22/05/PDT2 .	Building Control to investigate -legal requirement This a not a statutory Standards but it's a best practise standard. Building Control can advice public/RP to add rain water harvesting to applications-This is a best practise which is not enforcable.- This should be in terms of R2(2) which refers to R1(1) of the National Building Regulations.Municipalities Stormwater Engineering Department should deal with the aspect as rainwater is related to stormwater. Best Practise is advisable, not enforceable.(as Discussed with Act. Director) It was advised that the matter be dealt with under I&E rainwater harvesting	Building Control to investigate -legal requirement This a not a statutory Standards but it's a best practise standard. Building Control can advice public/RP to add rain water harvesting to applications-This is a best practise which is not enforcable.- This should be in terms of R2(2) which refers to R1(1) of the National Building Regulations.Municipalities Stormwater Engineering Department should deal with the aspect as rainwater is related to stormwater. Best Practise is advisable, not enforceable.(as Discussed with Act. Director) It was advised that the matter be dealt with under I&E rainwater harvesting	In progress **Add to I&E Action Sheet**
			That a study be conducted to track the financial implications of the requirement on water usage and the Municipality's water bill.	P&D engaged finance department wrt progress on the study.		Finance	Ongoing
29-Jun-22	**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	TOR drafted for appointment of EIA specialist (February 2023) the scope of work has chnge to include "solar farm" and the current Erf 499 development. in terms of SPLUMA-Sec 42(2), no development can be commence without environmental uthorisation.	The scope of work was amended to commence with feasibility study. **Tender already advertised for a feasibility study**. Tender adjudicated on 10/05/2024. Briefing meeting scheduled to take place on 18 June 2024. tender already awarded. Inception meeting held on 12/07/2024. Project is in progress. (15/08/2024). The service provider presented a concept plan. **Awaiting final draft. (14/10/2024) Progress meeting scheduled to take place on 04/12/2024. Update will be provided after the meeting. (28/11/2024). Updated feasibility study presented in November 2024. Final study expected 31 January 2025. (09/01/2025)**	dw	In Progress
			That Council authorizes the Department Planning & Development to proceed with the rezoning of a portion of Portion 1 of the Farm Huma				
			That Council authorizes the Municipal Manager to sign a "Power of Attorney" on behalf of Council and any other applicable documentation				

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 a land surveyor be appointed to attend and conclude the subdivision, etc. as well as all other administrative costs for the cost of the a	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 to conduct specialist studies. The applicant has commenced with specialist studies (12/06/2024) **EIA studies in progress. The process may take more than 12 months. (27/11/2024). Environemental study currently underway. 09/01/2025**	Director:PDT/ Manager L&P	On-going
			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		
			That all bulk services that are required, needs to be provided by the developer with no financial implications to Council.		Applicant to liaise with I&E on bulk service requirements	Director:PDT/ Manager L&P	On-going
			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
			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 Str	Coucil granted in-principle approval on 31 August 2022.	Item for final approval will be submitted to Council once the mandatory public participation has been conducted by the Provincial Roads Department. Municipal Manager Office reported that there was engagement with Provincial Roads recently. A mandatory public participation meeting was held on 30 January 2024 in respect of the de-proclamation of provinvial roads in the Newton Hall. Item is dealt with by Roads Department (15/07/2024) **The Civil and Water Directorate are dealing with this item. Please remove from Planning & Development (14/10/2024). A revised item was approved on 08/11/2024. (09/01/2025)**	Manager Land & Properties	No action required
			That the Council grant authorisation to the Accounting Officer to enter into a transfer agreement with the Provincial Department of Transpo	Accounting Officer and Legal responsible	The deed of sale will be addressed once final approval is obtained	MM	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 inte	Council granted final approval was granted on 31 May.	Legal Services has drafted deed of donation and same was provided to the Department of Public Works. Public Works are responsible for the transfer of the property. Public Works indicated they are in the process to finalise the transfer of the property. (11/03/2024) Disposal and transfer in progress. (12/08/2024). **Transfer in progress (09/01/2025) - Please remove duplicated in line 100**	Manager: Land & Property Admin	In Progress
09-Dec-22	22/12/PDT1	**FINAL APPROVAL FOR ALIENATION OF UNREGISTERED ERF 4593, KRUISFONTEIN: JABES CHURCH**	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. Service provider appointed to attend to the transfer.	All processes has been concluded. Transfer of property in progress. (12/08/2024) **Follow-up was done with Legal Service and it was confirmed the transfer is still in progress (14/10/2024). Transfer in progress. (09/01/2025)**	Manager: Legal Services	In Progress
	22/12/PDT3	**ALIENATION OF ERF 1787, HANKEY (HENRY MASETI)**	That based on the information from the transferring conveyancers, the purchaser settles any outstanding balance if any, before the transfe	Proof of paymement received and provided to Legal Services	Completed. Proof of payment was provided to Legal Services. Transfer of property in progress. (12/08/2024) **Legal Services confirmed the transfer is still in progress (14/10/2024). Transfer in progress. (09/01/2025)**	Manager: L&PA	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 Imple	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. First Draft Document completed. Final Public Participation round to be conducted before Council Approval in May /June. A meeting was held on 10 August 2023 with the service provider and Ward 12 Councillor to address issues raised by the members of the Portfolio. Written comments to be sent by members of the Portfolio by no later tahn 18 August 2023.	A report requesting Council's permission to allow the service provider to start with public participation processes was prepared for the next Portfolio & Council meeting. Public participation will commence after approval by Council. 26/09/2023. Item to be tabled at the next Portfolio Meeting. 11/03/2024. **Public participation meetings were conluded on 24 September 2024. The service provider to present comments and responses to Top Management & MAYCO. 14/10/2024. Awaitng responses to comments from service provider. 27/11/2024. Follow up was done on 06 January 2025. Service provider finalising comments (09/01/2025).**	Manager: P&D	In Progress
18-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 the market related value for the immovable properties contemplated in 1. be confirmed through independent or second latest valuatic	Quotations has been requested from service providers	TOR submitted to supply chain to call for development proposals. 11/03/2024. The TOR advert has been retracted. (15 May 2024) Application placed abeyance. (12/07/2024) **An item to be submitted to the November Council Meeting to rescind this council resolution (14/10/2024) A revised item included on the December Council Agenda. 28/11/2024. Previous resolutions rescinded by Council on 13 Dec 2024. The item will be refered to Portfolio Committee (09/01/2025)**	Manager Land & Properties	In progress
06-Apr-23	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**	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 aliena	Objections received against alienation of Erf 5972, Jeffreys Bay.	Three alternative sites has been identified and will be tabled to LEC in February 2024 to get comments and inputs from service departments. Item will be presented to next Portfolio Committee Meeting for consideration. (11/03/2024). Three alternative sites was tabled to the LEC Meeting to obtain comments and recommend to Council. (15 April 2024) An item was taken to the May Portfolio Meeting with the options. (16 May 2024) Item was tabled to the Portfolio Meeting but was withdrawn to investigate other potential land parcels (12/06/2024) Negotiations is underway with owner of potential property for homeless shelter with meeting scheduled for 13 August. (12/08/2024). **A service provider has been appointed to provide a valuation report which will be tabled to Council for consideration (14/10/2024). Valuations refered to the Office of the MM for consideration. 27/11/2024. Budget requested to acquire an alternastive property. 09/01/2025**	Manager: L&PA	In progress
			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			Manager: L&PA	In progress
			That it be noted that the NPO will be responsible for all administrative costs in respect of the development of the property.			Manager: L&PA	In progress
			That public participation process and stakeholder engagement be embarked on after which an agreement be concluded.			Manager: L&PA	In progress
			That a Service Level Agreement (SLA) be concluded with the successful NPO for the funding of the Shelter.			Manager: L&PA	in progress
			That priority for the construction of these houses be given to SMMEs that reside within the KLM area.				

31-May-23	23/05/PDT5	PATENSIE 6 RECTIFICATION PROJECT: APPROVAL OF PROJECT	That the tender process for the construction of these houses be finalised as a matter of urgency so as to prevent any further delays and in	Item submitted to BSC to start with the formal procurement process to appoint suitable service providers for the demolition and construction of 6 houses	TOR was send to SCM for the appointment of contractors for the construction of 6 houses. Meeting wil take place on the 28th of September with SCM.Tender was advertised and Virtual Bid Clarification meeting were held on 23 October 2023. The tender closes on 13 November 2023. Currently evaluating bids with Supply Chain.Appointment of Service Provider will be done by end of January 2024. Bid for the construction of six (6) houses in Patensie was awarded by BAC on **31 January 2024.** It is anticipated that Contractor will start construction of houses once contract is signed. Appointed Contractor currently busy with the submission of building plans and the enrolement of the project to the NHBRC. 11 April 2024. Contractor to start with demolition of current structures before end of May. Construction of houses will commence first week in June 2024. **(09 May 2024).** The appointed contractor experienced some challenges in respect of the submission of building plans. However, this matter is resolved and construction of these houses will commence soon, once building plans are approved. (11 July 2024). Project is currently underway. (12/08/2024) . All building plans for this project is approved, however the appointed contractor is not performing and a decision was taken to terminate the appointment. Human Settlements Section will liaise with SCM to expidite the appointment of new contractor to finish oustanding work. (14/10/2024) Appointment in process. 08/01/2025	Act. Manager: Human Settlements	On-going
	23/05/PDT9	ALIENATION OF ERF 2599, SEA VISTA TO THE DEPARTMENT OF PUBLIC WORKS – APPLICATION FROM ROTARY CLUB OF ST FRANCIS FOR THE EXTENSION AND UPGRADE OF ST FRANCIS BAY CLINIC	That the Department of Public Works be liable for all cost derived from the transfer.	See comments 22/10/PDT1	Legal Services has drafted deed of donation and same was provided to the Department of Public Works. Public Works are responsible for the transfer of the property. Public Works indicated they are in the process to finalise the transfer of the property. (11/03/2024) Disposal and transfer in progress. (12/08/2024). **Follow-up was done in respect of the transfer and it was confirmed to be in progress (08/01/2025)**	Manager L&P	In progress
30-Jun-23	23/06/PDT8	APPROVAL OF GENERAL CAPACITATION GRANT FUNDING FOR SOCIAL HOUSING	That Council confirms and accepts the General Capacitation Grant for the development process of the Rental housing Strategy/Policy.	No action required	Human Settlements awaits the appointment of Service Provider from SHRA to assist the Municipality with the formalation of Social Housing Policy. Department to follow up. This matter is still outstanding and further engagements with SHRA will be facilitated. (09 May 2024). This matter is still outstanding and an urgent meeting will be set up with SHRA. (11 July 2024). SHRA appointed CADREPLAN to assist the Municipality. A virtual Municipal Support Programme Briefing is scheduled for 15 October 2024 to assit the Municipality with capacity building. (14/10/2024) Inception meeting sheduled to take place on 04 December 2024 for the Social housing & rental Policy. 28/11/2024. Awaiting draft policy from Cadre Plan (09/01/2025)	Act Manager Human Settlements	In Progress
	23/06/PDT10	PORTION 7 OF FARM GEELHOUTEBOOM 688, HUMANSDORP ROAD, EASTERN CAPE PROVINCE – LAND PURCHASED BY HDA FOR THE KOUGA MUNICIPALITY	That the Acting Director: Planning Development and Tourism submit a development plan indicating that the land will be used for integrated	Town Planning and Human Settlements engaging on the development of a layout plan	Meeting were arranged between GIC Consultatnts, KLM and PDoHs on the 19th of April 2024 to discussed the appointment of a PSP for the development of Portion 7 of the Farm Geelhouteboom 688, Humansdorp. Assurance that project will form part of the scope of GIC was confirmed. Letter of support was sent to the PDoHS w.r.t acceptance of the appointed PSP. GIC has commenced with feasibility study and layout designs. 08/06/2024. Follow-up meetings with GIC and Kouga Municipality are on-going. Inception meeting were held on 25 June 2024 and a Project Steering Committee were elected consisting out of Kouga Municipal Officials and the Appointed Service Provider. (12/08/2024). Development Plan submitted to HDA. **GIC is currently busy with pre-planning activities, and monthly progress meetings are conducted between stakeholders (09/01/2025).**	Act. Manager: Human Settlements	Completed
	23/06/PDT12	ANNUAL REVIEW OF THE KOUGA MUNICIPALITY SPATIAL DEVELOPMENT FRAMEWORK	That Council approve the review of the Municipal Spatial Development Framework.	Procurement Process to commence for the review of the SDF	TOR submitted to BSC for appointment of Service provider. The tender was advertised, Supply Chain confirmed that Bids were recieved- BID evaluation in progress. **Tender adjudicated. Service provider currently working on Status Quo Report. 12/08/2024. Status Quo Report completed. Service provider to commence with departmental consultations. 14/10/2024. Draft proposals submitted to P&D for departmental comments 27/11/2024. Follow up meeting scheduled for January 2025 with the service provider. 09/01/2025**	Manager P&D	In progress
			That, before the SDF is circulated for public review, Councillors are workshopped on SPLUMA, the Spatial Development Framework, guid	Compilation of Terms of Reference for the appointment of a service provider.	SPLUMA By-law under review. A report has been prepared requesting Council to allow Town Planning to proceed with the amendment of the By-Law. Draft bylaw present at the Policy Workshop.	Manager P&D	In progress
	23/06/PDT16	REQUEST FOR COUNCIL TO RESCIND COUNCIL RESOLUTION-21/09/PDT9, GRANT AUTHORISATION TO TAKE TO PUBLIC PARTICIPATION THE INTENTION OF COUNCIL TO ALIENATE ERF 3291, HUMANSDORP (KOUGA CULTURAL CENTRE)	That Council rescind previous council resolution, 21/09/PD9.	Item was presented to the June 2023 Council Meeting	In-principle approval has been obtained from Council. An item will be submitted to June 2024 Council Meeting. The department are in the process to go out on tender to demolish the building on erf 3291 and has submitted specifications to SCM (12/08/2024) Tender for demolition was evaluated however no responsive bidders. In process to follow prescribed Supply Chain deviation process and request for quotations (14/10/2024) **Request for disposal to be submitted for consideration by Portfolio Committee & Council. 09/01/2025.**	Manager L&P	In progress
			That the market related value for the immovable properties contemplated in be confirmed through independent or alternatively the latest m	In the process to appoint professional valuer	Quotations to be obtained and requisition to be prepared	Manager L&P	In progress
			That an independent valuation report and the section 14 report be submitted to Council after completion of the processes stated in 3. to 5.	In the process to appoint professional valuer	Quotations to be obtained and requisition to be prepared	Manager L&P	In progress
22-Aug-23			That a comprehensive land audit report on industrial land, public open spaces and residential plots belonging to the Municipality be prepa	Item was submitted to Council for approval on 31 August 2023.	Report will be submitted to the next Portfolio Committee Meeting. (12/06/2024) An item served at the next Portfolio Committee Meeting. (12/08/2024)	Manager L&P	In progress
	23/08/PD4	ALIENATION OF ERF 2330, HUMANSDORP TO THE MORAVIAN CHURCH OF SOUTH AFRICA	That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purpose of transferring the said property.	Item was submitted to Council for final approval on 31 August 2023 and final approval was gra	Instruction given to Legal Services to proceed with disposal and transfer process. Disposal and transfer in progress (12/08/2024) **Legal services confirmed that appointed service provider are still busy with transfer of the transfer (14/10/2024).Transfer in progress. 09/01/2025**	Manager L&P	In progress
	23/08/PD8	ALLOCATION OF STREET AND AREA NAMES: VARIOUS GOVERNMENT SUBSIDISED HOUSING PROJECT: KRUISFONTEIN AND PELLSRUS	That the applicant obtains the necessary land use rights by submitting an application for temporary departure to the Town Planning depart	Item was submitted to Council for approval on 31 August 2023.	Approval letter was sent to applicant during the week of 2 October 2023.	Manager L&P	Completed
			That the applicant obtains the necessary land use rights by submitting an application for temporary departure to the Town Planning depart	Item was submitted to Council for approval on 31 August 2023.	Approval letter was sent to applicant during the week of 2 October 2023.	Manager L&P	In progress
			That the applicant obtains the necessary land use rights by submitting an application for temporary departure to the Town Planning depart	Item was submitted to Council for approval on 31 August 2023.	Approval letter was sent to applicant during the week of 2 October 2023. Awaitng submision of building plans.	Manager L&P	In progress
			That the Infrastructure and Engineering Directorate erect the street and area names in accordance with the approved street and area nam	Item was submitted to Council for final approval on 31 August 2023 and final approval was gra	Council resolution was circulated to Techncical Services to implement resolution in respect of the erection of street names. **Only Pellsrus 220 street names received final approval. Civil and Water to erect the street names (09/01/2025)**	Manager L&P	In progress

			That the street name register and the cadastral layers on Council's GIS be updated in accordance with resolution 1 above.	Item was submitted to Council for final approval on 31 August 2023 and final approval was gra	Council resolution was circulated to the GIS Technician to implement resolution in respect of the updating of street names GIS layer.	Manager L&P	In progress
			That the process of allocating street names be restarted in Kruisfontein 391, Kruisfontein 205, Kruisfontein 219 and Jeugkamp 85.	Item was submitted to Council for final approval on 31 August 2023. Council referred the street names back and process needs to be restarted.	Council resolution was circulated to the GIS Technician to implement resolution and restart the process of allocating street names in line with policy provisions.	Manager L&P	In progress
07-Nov-23	23/11/PD1	REQUEST TO RESCIND PREVIOUS COUNCIL RESOLUTION AND GRANT COUNCIL'S INPRINCIPLE APPROVAL TO ALIENATE (LEASE) OF COUNCIL PROPERTIES TO EARLY CHILDHOOD DEVELOPMENT CENTRES (CRECHES) TO REGISTERED SOCIAL CARE USERS	That town planning activities and all other administrative processes be finalized	In-principle approval received from Council.	Department to appoint service provider/s once final approval obtained. Department will now proceed with appointment of service providers to finalise planning activities. (15 April 2024) **Applications recieved for consideration by Town Planning Department. 27/11/2024. Lease agreements already signed. 09/01/2025**	Manager L&P	Completed
14-Dec-23	23/12/PD2	ALIENATION (LEASE) OF ERF 512, HANKEY	That Council grant in-principle approval for the long-term lease of Erf 512, Hankey for 9 years and 11 months.	Item was tabled in December 2023 Council Meeting. Application received one objection during public participation, a meeting has been setup for the week of 11 March 2024 with current lessee to negotiate the possibility of the two parties to work together on the property. An item will then be crafted for the April Council Meeting. (11/03/2024)	In-principle approval received. A meeting had been scheduled for 13 June 2024 with the current lessee. (12/06/2024) Meeting was held with current leasees who indicated that they do not have a problem for Mr. Tee to utilise the building but requested for alternative land. (12/07/2024) An item will be tabled to next Portfolio Meeting. (12/08/24) **The Department are still looking for alternative land to accomodate Red Lions Rugby Club to swop with erf 512 Hankey (09/01/2025)**	Manager L&P	In Progress
			That Council authorises the Accounting Officer to obtain the market-related rental valuation for consideration.	Quotations to be obtained and requisition to be prepared. **The appointment of service provider was hold back awaiting the outcome of negotiations.** (11/03/2024)	Service Provider to be appointed and cost be recovered from the applicant.	Manager L&P	In Progress
			That Council authorises the Accounting Officer to obtain the services of a registered professional to submit building plans for approval.	Quotations to be obtained and requisition to be prepared. **The appointment of service provi**	Service Provider to be appointed and cost be recovered from the applicant.	Manager L&P	In Progress
			That the flood line in relation to the building on the property be determined.	In-priciple approval received from Council.	Floodline to be determined before alienation of the property. The floodline to be determined after confirmation of disposal.	Manager L&P	In Progress
			That the project be registered with the LED Section, Finance Department.	In-priciple approval received from Council.	Economic Development Section, Finance Department be requested to register the project.	Manager L&P	In Progress
			That the Building Control department engage with the South African Heritage and Resource Agency (SAHRA) on the guidelines to be foll	In-priciple approval received from Council.	Building Control department to be requested to engage with the South African Heritage and Resource Agency (SAHRA) on the guidelines to be followed on the renovation of the building by the Applicant.	Manager L&P	In Progress
			That an annual escalation be included in the lease agreement.	In-priciple approval received from Council.	Legal Department to be informed of the annual escalation.	Manager L&P	In Progress
	23/12/PD3	LEASE OF LAND FOR A 21M MONOPOLE TELECOMMUNICATIONS MAST (MOROPA SITE SOLUTIONS) – A PORTION OF ERF 835, PARADISE BEACH	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) **Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 to expidite same, being mindful of the large volume of decisions taken recently and instructions. Awaitng lease agreement (09/01/2025)**	Manager L&P	In Progress
	23/12/PD6	ALIENATION (LEASE) OF ERF 1567, PELLSRUS	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) **Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 and to expidite same. 27/11/2024. Legal in the process of finalising lease agreements. 09/01/2025**	Manager L&P	In progress
	23/12/PD7	LEASE OF LAND FOR A 35M MONOPOLE TELECOMMUNICATIONS MAST (ORION TRUST) – A PORTION OF ERF 1996, SEA VISTA	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) **Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 and to expidite same, being mindful of the large volume of decisions taken recently and instructions (27/11/2024). Awaiting lease agreement 09/01/2025**	Manager L&P	In progress
	23/12/PD10	ALIENATION (LEASE) OF ERF 3087, SEA VISTA	That the contract outlines that an approval process be followed for the construction of additional buildings/containers with the Building Cor	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) **The lessee has vacated the premises. The property to be considered for a different use(09/01/2025)**	Manager L&P	
			That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Legal Department to be informed of the annual escalation.	Manager L&P	In progress
	23/12/PD12	ALIENATION (LEASE) OF ERF 130, PELLSRUS	That Council authorises the Accounting Officer to obtain the services of registered professional to submit building plans for approval.	Preparing terms of reference for appointment of service provider.	Provision has been made in the 24/25 budget to appoint service providers to finalise outstanding activities. (10/06/2024)**Terms of reference has been prepared to appoint a service provider for the rezoning of erf 130, Pellsrus. (09/01/2025)**	Manager L&P	In progress
			That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) **Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 and to expidite same, being mindful of the large volume of decisions taken recently and instructions (27/11/2024). Follow up done with Legal Department. Transfer in progress 09/01/2025**	Manager L&P	In progress
	23/12/PD13	ALIENATION OF ERF 137, PELLSRUS (LIZO PATRICK LETSEKHA)	That Council authorises the Accounting Officer to enter into a Deed of Sale for the purpose of transferring the said property.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)		Manager L&P	In progress
			That the property be transferred through the Extended Enhance Discount Benefit Scheme (EEDBS) which makes provision for properties	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Human Settlements will be instructed to proceed with the disposal and transfer of the property through the Extended Enhance Discount Benefit Scheme (EEDBS) after final approval was granted by Council. **Disposal and transfer in progress (27/11/2024). Legal Department finalising the transfer (09/01/2025)**	Manager L&P	In progress
	23/12/PD15	REQUEST FOR FINAL APPROVAL TO ALIENATE AND TRANSFER OF ERVEN 2216, 2217, 2225 AND 2226 (UNREGISTERED ERF 2994), HANKEY TO THE OLD APOSTOLIC CHURCH – HANKEY	That Council authorises the Accounting Officer to enter into a Deed of Sale for the property contemplated herein.	Final approval received from Council. **Instruction was given to legal services to attend to the transfer of property.** (11/03/2024)	Instruction given to Legal Services to proceed with disposal and transfer process. **Disposal and transfer in progress (27/11/2024). Transfer is in progress (09/01/2025)**	Manager L&P	In progress
	23/12/PD16	ALIENATION (LEASE) OF A PORTION OF ERF 164, JEFFREYS BAY	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) **Awaiting draft lease agreement from Legal Services. (06/01/2025)**	Manager L&P	In progress
	23/12/PD17	LEASE OF A PORTION OF ERF 164, JEFFREYS BAY FOR A HIGH TELECOMMUNICATIONS MAST – (MTN TOWER/INSRI BASE STATION)	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) **Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 and to expidite same, being mindful of the large volume of decisions taken recently and instructions (24/11/2024). Awaiting finalisation of lease agreement 06/01/2025**	Manager L&P	Progress

23/12/PD21	ALIENATION (LEASE) OF A PORTION OF ERF 843, JEFFREYS BAY	That the departure application be submitted by applicant and all other administrative costs be for the account of the applicant.	Quotations to be obtained and requisition to be prepared	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) Legal Services provided our department with draft lease agreement which have been sent to the applicant for perusal and consideration. **Applicant provided written communication and same have been discussed with Legal Services who will respond in writing to the demands of the applicant (06/01/2025)**	Manager L&P	In progress
23/12/PD22	REQUEST COUNCIL'S IN-PRINCIPLE APPROVAL TO ALIENATION (LEASE) & AUTHORISATION TO ADVERTISE: ERF 1160, HUMANSDORP: HALALISANA TOWNSHIP INCUBATOR	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Legal Department to be informed of the annual escalation. Legal Services has drafted the long-term lease agreement and was forwarded to the applicant for perusal and consideration (16 May 2024) **Meeting was held between the applicant and Legal Services to discuss amendments to the draft lease agreement. (06/01/2025)**	Manager L&P	In progress
23/12/PD23	REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL & AUTHORISATION TO ADVERTISE: ALIENATION (LEASE) OF ERF 7263, JEFFREYS BAY (OCEANVIEW)	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) **Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 and to expidite same, being mindful of the large volume of decisions taken recently and instructions (27/11/2024). Awaiting lease agreement from Legal Department 09/01/2025**	Manager L&P	In progress
23/12/PD25	REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL & AUTHORISATION TO ADVERTISE: ALIENATE (LEASE): A PORTION OF ERF 1 HUMANSDORP, ERVEN 2084 AND 2085, HUMANSDORP AS WELL AS A PORTION OF ROAD (ERF 2077, HUMANSDORP)	That a land surveyor be appointed to attend and conclude the closure of public road, subdivision, consolidation and rezoning as well as all other administrative activities be for the cost of the applicant.	Quotations to be obtained and requisition to be prepared	Meeting was held with the applicant based on the approval that was granted by Council for a Medical Cannabis Facility and where the applicant now want to develop a Electrical Motor Charging Facility. The applicant also want enter into a lease that is for a period longer than 9 years and 11 months (12/06/2024) **The Applicant recently submitted the site development plan for Electrical Motor Charging Facility in order for the LEC members to comment on the proposal, once comments are recieved, item will be submitted to December Council for final approval. (27/11/24). Item considered by Council in December 2024. Shall be refered to Legal for lease agreement. 09/01/2025**	Manager L&P	In progress
		That an annual escalation be included in the lease agreement.	In-priciple approval received from Council.	Legal Department to be informed of the annual escalation.	Manager L&P	In progress
23/12/PD26	REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL & AUTHORISATION TO ADVERTISE: ALIENATION (LEASE) OF A PORTION ERF 2, KRUISFONTEIN	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) **Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 and to expidite same, being mindful of the large volume of decisions taken recently and instructions (27/11/2024). Awaiting lease agreement 10/01/2025**	Manager L&P	In progress
23/12/PD28	ALLOCATION OF STREET NAMES: GOVERNMENT SUBSIDIZED HOUSING PROJECT (WARD 6) & PRIVATE DEVELOPMENTS IN JEFFREYS BAY & CAPE ST FRANCIS	That Council makes budgetary provision for the erection of the street names contemplated herein, upon the final approval of such street names.	In-principle approval received from Council.	Finance Department be informed accordingly. **Council granted final approval. Names to be captured on GIS (27/11/2024). Refered to Fin**	Manager L&P	In progress
23/12/PD29	ALIENATION (LEASE) OF ERF 7292, JEFFREYS BAY (OCEANVIEW)	That an annual escalation be included in the lease agreement	In-priciple approval received from Council.	Legal Department to be informed of the annual escalation.	Manager L&P	In progress
23/12/PD31	AMENDMENT OF KOUGA LOCAL MUNICIPALITY LAND USE SCHEME, 2021	That the Council approve the establishment of a Project Committee, comprising of the following persons: i) The Municipal Manager ii) Manager: Legal Services iii) Director: Planning & Development (or representative) iv) Director: Civil & Water Services (or representative) v) Director: Community Services (or representative) vi) Environmental Officer vii) Manager Town Planning viii) Other members to be co-opted as needed.	A letter has been sent to the MEC Cogta, informing him of the Municipality's intention to amend the Land Use Scheme. Futrthermore, media notice informing the public of the municipal intention to amend its Land Use Scheme was published. The department is to publish a seconf notice.12/02/2024	Notices published January 2024. Draft to be presented at the Policy Workshop 10/08/2024. The proposed amendments presented at the Policy Workshop. The item will be table to Policy Committee and Council for Public participation. (27/11/2024). **Awaiting comments from appointed service provider on the draft amendments. 09/01/2025**	Manager: TP	In progress
23/12/PD32	REQUEST FOR COUNCIL'S FINAL APPROVAL: A PORTION OF PORTION 4 OF THE FARM ZWARTENBOSCH NO. 347: TEEN CHALLENGE SA (NEW NAME SALVATION SOUTH AFRICA KOUGA)	That Council grant authorisation to the Accounting Officer to enter into a Deed of Sale with the Salvation SA Kouga	Final approval had been received from Council	A terms of reference for a 7-day notice have been prepared to appoint a service provider to commence with subdivision and rezoning. (12/07/2024) **The applicant made contact with our department indicating that they are going to do the subdivision and rezoning themselves. (14/10/24) It was resolved that the standing resolution be implemented. 09/01/2025**	Manager L&P	In progress
30-Jan-24	24/01/PD1	AMENDMENT OF KOUGA LOCAL MUNICIPALITY SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2016	That the Kouga Municipality By-Law & Policy Review Committee be informed of the intention to amend the Kouga Local Municipality Spatial Planning and Land Use Management By-Law, 2016.	The draft by-law will be presented to the Policy Review Committe before April 2024.	Council Resolution to proceed with the amendment of the By-Law obtained. The notice informing the public of Kouga Municipality's intention to amend the By-Law will be published. Notices published January 2024. It is anticipated that the draft will be presented at the Policy Workshop. 10/08/2024. The proposed amendsments were presented at the Policy Workshop. The department will seek final comments from Legal Department then dubmision to Council for permision to proceed with public participation. 27/11/2024. **Draft amendments refered to Legal Department for comments. 09/01/2025**	Manager P&D	In progress
			That a notice be published informing the public of the Kouga Municipality's intention to amend the Kouga Local Municipality Spatial Planning and Land Use Management By-Law, 2016	Notice to be published in March 2024		Manager: Legal	In Progress
28-Feb-24	24/02/PD6	REQUEST FOR ALIENATION (LEASE) OF A PORTION OF ERF 300, PATENSIE	That Council grant authorisation to the Accounting Officer to advertise Council's intention to alienate a portion of Erf 300, Patensie by way of a longterm lease agreement.	Item was prepared for the February 2024 Council Meeting. Notice for public participation has been prepared and should be placed on 14 March.	In-principle approval received from Council. (11/03/2024) **Public participation completed. Item for final approval will be tabled to the Council Meeting once applicant has submitted the outstanding business proposals. (09/01/2025)**	Manager L&P	In progress
			That Council authorises the Accounting Officer to obtain the market-related rental valuation for consideration.	Item was prepared for the February 2024 Council Meeting.	**Service provider to be appointed after final approval obtained from Council (09/01/2025)**	Manager L&P	In progress
			That an annual escalation on the rental amount be applied.	Item was prepared for the February 2024 Council Meeting.	Will form part of the lease agreement	Manager L&P	In progress
			That a full development plan be prepared and submitted.	Item was prepared for the February 2024 Council Meeting.	The applicant was contacted on 8 March to request the submission of development plan. Still awaiting development plan. (16 May 2024) Follow-up was done on 6 June requesting the applicant to submit the business proposal (12/06/2024) **Still awaiting business proposal from applicant. (06/01/2024)**	Manager L&P	In progress
	24/02/PD10	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR THE DISPOSAL OF ERF 600, PELLSRUS	That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.	Item was prepared for the February 2024 Council Meeting.	Instruction was sent legal services to proceed with disposal and transfer. (11/03/2024) **Disposal and transfer in progress (10/01/2025)**	Manager L&P	In progress
	24/02/PD11	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR THE DISPOSAL OF ERF 2734, SEA VISTA	That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.	Item was prepared for the February 2024 Council Meeting.	Instruction was sent legal services to proceed with disposal and transfer. (11/03/2024) **Disposal and transfer in progress (13/01/2025)**	Manager L&P	In progress

	24/03/PD3	LAND AND PROPERTY ADMINISTRATION-PROGRESS REPORT: IMPLEMENTATION OF OUTSTANDING COUNCIL RESOLUTIONS	That the moratorium be extended to 31 June 2024 for the Land and Property Administration Department to finalise outstanding Council re	Item was tabled for in-principle approval at December 2023 Council Meeting	Outstanding Items to be submitted before 30 June 2024. (15 April 2024) Item has been prepared for the June Portfolio Meeting. (12/06/2024) **An item on the progress of outstanding council resolutions was tabled at the July Portfolio Committee Meeting. (12/07/2024) Individual items will be submitted to the next Portfolio Meeting where Council resolutions are to be rescinded. (27/11/24). Item considered by Council in Dec 2024. 09/01/2025**	Manager L&P	In progress
	24/03/PD6	REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL FOR THE ALIENATION OF MUNICIPAL ERVEN WITHIN THE KOUGA MUNICIPAL AREA	That Council authorizes the Accounting Officer to obtain the market-related valuation from the latest valuation roll for consideration in line v	Item was tabled for in-principle approval at December 2023 Council Meeting	In-principle approval received from Council. The market related valuations will be confirmed before the item goes back to council for final approval. (12/06/2024) Requisitions has been submitted to SCM to prepare orders to appoint service provider/s to attend to valuations. (12/07/2024) **Service provider has been appointed and has completed valuations. Item tabled to Council in December for final approval. Disposal process will commence in Feb 2025 (09/01/25)**	Manager L&P	In progress
	24/03/PD11	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF ERF 1567, PELLSRUS	That Council authorizes the Accounting Officer to enter into long-term lease agreement with Lilungelo Lomntwana Jbay Training Centre N	Item was tabled for ifinal approval to Council Meeting.	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024) Legal Services in the process to draft long-term lease agreement. (12/06/2024) **Awaiting draft lease agreement from Legal Services. Lease agreement being finalised.(14/10/2024) -** Duplication - See line 166	Manager L&P	In progress
	24/03/PD12	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF ERF 1160, HUMANSDORP: HALALISANA TOWNSHIP INCUBATOR	That Council authorizes the Accounting Officer to enter into a written long-term lease agreement with Halalisana Township Incubator (Reg		Legal Department to be informed of the annual escalation. Legal Services has drafted the long-term lease agreement and was forwarded to the applicant for perusal and consideration (16 May 2024) **Meeting was held between the applicant and Legal Services to discuss amendments to the draft lease agreement. Lease agreement to be signed once amendments have been made. (09/01/2025)**	Manager L&P	In progress
	24/03/PD13	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF ERF 843, JEFFREYS BAY	That Council authorizes the Accounting Officer to enter into a long-term lease agreement with Smhart Guards Family Trust (2/2012), represented by Mr. Carl Trahms and that an annual escalation clause be included in the written lease agreement.	Item was tabled for final approval.	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024). Approval letter was given to applicant to proceed with departure application. (16 May 2024) **Awaiting submission of town planning land use right application. (09/01/2025)** See duplication - Line 153	Manager L&P	In progress
	24/03/PD14	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF A PORTION ERF 2, KRUISFONTEIN	That service providers be appointed to attend and conclude the subdivision and Environmental Impact Assessment and that all costs be for the applicant.	Final approval was obatined.	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) **Awaiting lease agreement. (09/01/2025)** See duplication - Line 163	Manager L&P	In progress
			That the Accounting Officer be authorized to enter into a written Lease Agreement with the applicant herein and that an annual escalation clause be included in the written lease agreement.	Final approval was obatined.	Awaiting lease agreement. (09/01/2025)	Manager L&P	In progress
	24/03/PD15	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF A PORTION OF ERF 1, ERVEN 2084 AND 2085 AS WELL AS A PORTION OF ROAD ERF 2077, HUMANSDORP	That a Land Surveyor be appointed to attend and conclude the closure of public road, subdivision, consolidation and rezoning and other administrative costs including the valuation, be for the cost of the applicant.	Final approval was obatined.	Meeting was held with the applicant based on the approval that was granted by Council for a Medical Cannabis Facility and where the applicant now want to develop a Electrical Motor Charging Facility. The applicant also want enter into a lease that is for a period longer than 9 years and 11 months (12/06/2024) The A**pplicant recently submitted the site development plan for Electrical Motor Charging Facility in order for the LEC members to comment on the proposal, once comments is solicit an item will be tabled to Council. (26/11/2024) Item approved by Council in Dec. lease agreement to be finalised (09/01/2025) -**See duplication - Line 161	Manager L&P	In progress
			That an escalation be included in the lease agreement.	Final approval was obatined.		Manager L&P	In progress
	24/03/PD17	REQUEST FOR FINAL APPROVAL FROM COUNCIL TO DISPOSE AND TRANSFER: ERF 2593, SEA VISTA (ANNIE DANIELS)	That Council authorizes the Accounting Officer to enter into a Deed of Sale for the disposal of the property.	Item was tabled for in-principle approval at December 2023 Council Meeting	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024) **Disposal and transfer in progress (09/01/2025)**	Manager L&P	In progress
	24/03/PD18	REQUEST FOR FINAL APPROVAL FROM COUNCIL TO RESCIND A SECTION OF COUNCIL RESOLUTION, GRANT AUTHORISATION TO DISPOSE: ERF 1044, SEA VISTA (MUNICIPAL HOUSE)	That Council authorises the Accounting Officer to enter into a Deed of Sale for the disposal of the property.	Item was tabled for in-principle approval at December 2023 Council Meeting	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024) **Disposal and transfer in progress (09/01/2025)**	Manager L&P	In progress
	24/03/PD19		That the town planning processes be finalized for the portion of Erf 873, Jeffreys Bay and that the cost be for the applicant.	Final approval was obatined.	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024) **Disposal and transfer in progress. (09/01/2025)**	Manager L&P	In progress
27-Mar-24			That Council authorises the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said portion of the property.	Final approval was obatined.		Manager L&P	In progress
	24/03/PD20	REQUEST FOR COUNCIL'S FINAL APPROVAL: ALIENATION OF ERF 137, PELLSRUS (LIZO PATRICK LETSEKHA)	That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purpose of transferring the said property	Final approval was obatined.	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024) T**ransfer in progress (09/01/2025)** See duplication - Line 144	Manager L&P	In progress
	24/03/PD22	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF ERF 130, PELLSRUS	That Council authorizes the Accounting Officer to obtain the services of a registered professional to submit building plans for approval and the costs be for the account of the applicant	Final approval was obatined.	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) **Awaiting draft lease agreement from Legal Services. (09/01/2025)** See duplication - Line 139	Manager L&P	In progress
			That Council authorizes the Accounting Officer to enter into a long-term lease agreement with the Hepzibah Community Centre and that a	Final approval was obatined.	**Accounting officer to sign lease agreement once completed. 09/01/2025**	Manager L&P	In progress
			That the building plans and rezoning be finalized, and the costs be for the account of the applicant.	Final approval was obatined.	**Costs to be reflected on the agreement.**	Manager L&P	In progress

	24/03/PD23	REQUEST FOR COUNCIL'S FINAL APPROVAL: DISPOSAL (PURCHASE) OF A PORTION OF ERF 164 (A PORTION OF ROAD RESERVE VERGE IN DROMMEDARIS STREET) TO CONSOLIDATE WITH ERF 269, JEFFREYS BAY	That town planning process be finalized and all other administrative costs be for the account of the applicant	Item was tabled for in-principle approval at December 2023 Council Meeting	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024) The department in the process to finalise subdivision, consolidation and rezoning whereafter the disposal and transfer process will commence (12/06/2024). **The applicant was provided with a power of attorney and in the process of appointing a service provider for subdivision and rezoning. 27/11/2024. Awaiting land use application from the applicant. 09/01/2025**	Manager L&P	In progress
			That Council authorises the Accounting Officer to enter into a Deed of Sale for the disposal of the property	Final approval was obatined.	To be done after TP approval.	Manager L&P	In progress
	24/03/PD24	REQUEST FOR COUNCIL'S FINAL APPROVAL: ALIENATION (RIGHT-TO-USE) OF A PORTION OF ERF 164, JEFFREYS BAY	That town planning process be finalized and all other administrative costs be for the account of the applicant	Final approval had been received from Council	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) **Awaiting draft lease agreement from Legal Services. (09/01/2025)**	Manager L&P	In progress
			That the Council authorizes the Accounting Officer to enter into a Lease Agreement (right-to-use) with the National Sea Rescue Institute (NSRI) as a Non-Profit Company, represented by Mr. Willem De Waal.	Final approval was obatined.	**Accounting officer to sign lease agreement once completed. 09/01/2025**	Manager L&P	In progress
	24/03/PD25	REQUEST FOR COUNCIL'S FINAL APPROVAL: ALIENATION (LEASE) OF A PORTION OF ERF 164 (A PORTION OF ROAD RESERVE VERGE IN FERREIRA STREET), JEFFREYS BAY	That town planning process be finalized and all other administrative costs be for the account of the applicant.	Final approval was obatined.	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. Applicant has proceeded with land use right application and application was placed in the local newspaper for public participation. (12/07/2024) Public participation completed and town planning to prepare report for MPT once application is ready. (12/08/24). **Awaitng environmental authorisation.09/01/2025**	Manager L&P	In progress
			That the Accounting Officer be authorised to enter into a written lease agreement with the Applicant, and that the written lease agreement makes provision for an annual escalation of the monthly rental amount.	Final approval was obatined.	Awaitng environmental approval.	Manager L&P	In progress
			That the administration considers the possibility and feasibility of permanently alienating the land within 1 year.	Final approval had been received from Council	To be considered	Manager L&P	In progress
	24/03/PD26	REQUEST FOR COUNCIL'S FINAL APPROVAL: ALIENATION (LEASE) OF LAND FOR A 21m MONOPOLE TELECOMMUNICATIONS MAST (MOROPA SITE SOLUTIONS) – A PORTION OF ERF 835, PARADISE BEACH	That Council authorizes the Accounting Officer to enter into a written long-term lease agreement with Insite Towers, and that the written agreement provides for the annual escalation of the monthly rental.	Item was tabled for in-principle approval at December 2023 Council Meeting	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) **Awaiting draft lease agreement from Legal Services. (09/01/2025)** See duplication - Line 126	Manager L&P	In progress
	24/03/PD27	REQUEST FOR COUNCIL'S FINAL APPROVAL: ALIENATION (LEASE) OF LAND FOR A 35m MONOPOLE TELECOMMUNICATIONS MAST (ORION TRUST) – A PORTION OF ERF 1996, SEA VISTA	That Council authorizes the Accounting Officer to enter into a written long-term lease agreement with Orion Trust, and that the agreement make provision for the annual escalation of the monthly rental.	Item was tabled for in-principle approval at December 2023 Council Meeting	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) **Awaiting draft lease agreement from Legal Services. (09/01/2025)** See duplication - Line 134	Manager L&P	In progress
	24/03/PD29	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF ERF 7263, JEFFREYS BAY (OCEANVIEW)	That Council authorizes the Accounting Officer to enter into a written long-term lease agreement with Mizamoyethu Community Centre.	Item was tabled for in-principle approval at December 2023 Council Meeting	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) **Awaiting draft lease agreement from Legal Services. (09/01/25) -** See duplication - Line 158	Manager L&P	
30-Apr-24	24/04/PD6	REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL AND AUTHORISATION TO ADVERTISE: APPLICATION FROM NATIONAL DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE TO ACQUIRE ERF 275 HUMANSDORP TO CONSTRUCT A NEW MAGISTRATE COURT	That Council consider the request and grant in-principle approval for the alienation of erf 275, Humansdorp to the National Department of Public Works and Infrastructure by way of a land swop.	Item for in-principle approval was tabled to May Council Meeting.	In-principle approval obtained from council (12/06/2024) Public participation completed. (12/07/2024) Awaiting feedback from Public Works in respect of the request for land swop, once recevied then an item will be submitted to Council. (12/08/24). Item prepared for final approval by Council. It will be included in the October Council Agenda(14/10/2024). **Item reeived final approval from Council (27/11/24). Awaiting formal offer from DPW. 09/01/25**	Manager L&P	In progress
			That the Council consider a land swop with the Department of Public Works and Infrastructure for Erf 400 Sea Vista, Erf 3010 Hankey and		In-principle approval obtained from council (12/06/2024) **Awaiting formal correspondence from Public Works on the swop before item is taken back to Council for final approval. (12/08/2024). Item prepared for final approval by Council. It will be included in the October Council Agenda(14/10/2024). Item approved by Council. Awaitng swop offer from DPW. 09/01/2029**		
			That the Department retains the Market Building in their designs for new court including maintaining its character and restoring it	Item for in-principle approval was tabled to May Council Meeting.	**Will be included as a condition of agreement (12/08/2024). Condition retained in the final approval. 09/01/2025**	Manager L&P	In progress
	24/05/PD5	REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL FOR ALIENATION (LEASE) OF A PORTION OF ERF 170, JEFFREYS BAY (DOLPHIN BEACH ENTERTAINMENT)	That Council grant in-principle approval for the alienation (lease) of a portion of Erf 170, Jeffreys Bay to Dolphin Beach Entertainment, rep	Item for in-principle approval was tabled to May Council Meeting.	In-principle approval obtained from council (12/06/2024) Public participation in progress closing on 16 July. (12/07/2024) **Public participation completed. Service provider appointed to attend to land use rights and once completed an item for final approval will be submitted to Council (12/08/24). Land use application submitted for consideration. 09/01/2025**	Manager: L&P	In progress
			That the Environmental Authorisation as well as Town Planning activities and other administrative costs, be for the cost of the Municipality	Item for in-principle approval was tabled to May Council Meeting.	In-principle approval obtained from council (12/06/2024) Already went out on 7-day notice which closed on 5 July awaiting SCM appointment of succesful service provider (12/07/2024) **Service provider appointed to attend to land use rights. (12/08/24). Land Use application in progress. 09/01/2025**	Manager: L&P	
			That an escalation be included in the lease agreement.	Item for in-principle approval was tabled to May Council Meeting.	To be included in the lease agreement 09/01/2025	Manager: L&P	
	24/05/PD6	REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL: ALIENATION LEASE OF LAND FOR A TELECOMMUNICATIONS MAST AND BASE STATION (HEROTEL) – A PORTION OF ERF 406, PARADISE BEACH	That town planning activities and all other administrative processes be finalized at the cost of the applicant.	Item for in-principle approval was tabled to May Council Meeting.	In-principle approval obtained from council (12/06/2024). Final approval granted by Councul. **Awaiting lease agrrement. 09/01/2025**	Manager: L&P	
			That an annual escalation be included in the lease agreement	Item for in-principle approval was tabled to May Council Meeting.	In-principle approval obtained from council (12/06/2024). Final approval granted by Councul. **Awaiting lease agrrement. 09/01/2025**	Manager: L&P	
31-May-24	24/05/PD7	REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL FOR ALIENATION (LEASE) OF A PORTION OF ERF 1, HUMANSDORP – ASPHALT PREMISES (ROADSAVER GROUP (PTY) LTD)	That Council authorizes the Accounting Officer to obtain the market-related valuation in line with Section 14(2) of the Municipal Finance Management Act.	Item for in-principle approval was tabled to May Council Meeting.	In-principle approval obtained from council (12/06/2024) Public participation in progress closing on 16 July. Valuation certificate have been obtained (12/07/2024). Draft lease agreement have been prepared and we have consulted with the applicant in respect of additional information required by Legal Services (12/08/24). **Final approval granted by Council. Draft lease agreement has been prepared for consideration by applicant. 09/01/2025**	Manager: L&P	

	24/05/PD8	REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL: LEASE OF LAND FOR A TELECOMMUNICATIONS MAST AND BASE STATION – A PORTION OF ERF 406, PARADISE BEACH	That town planning activities and all other administrative processes be finalized at the cost of the applicant.	Item for in-principle approval was tabled to May Council Meeting.	In-principle approval obtained from council (12/06/2024) Public participation in progress closing on 16 July. Quotations have been obtained to appoint service provider to do valuations (12/07/2024) **Valuation completed. Item for final approval will be submitted to next Council Meeting (12/08/24). Final approval obtained from Council. Awaitng finalisation of lease agreement. 09/01/2025**	Manager: L&P	
	24/05/PD9	REQUEST FOR COUNCIL'S FINAL APPROVAL: ALIENATION (LEASE) OF A PORTION OF ERF 164, JEFFREYS BAY FOR A HIGH TELECOMMUNICATIONS MAST – (MTN TOWER/NSRI BASE STATION)	That an annual escalation be included in the lease agreement.	Item for in-principle approval was tabled to May Council Meeting.		Manager: L&P	
			That an annual escalation be included in the lease agreement.	Item for final approval was tabled to May Council Meeting.	Final approval obtained from council (12/07/2024) **Instruction was sent to Legal Services to commence with drafting of lease agreement (09/01/2025)**	Manager: L&P	
	24/05/PD11	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR THE DISPOSAL OF ERF 2331, HUMANSDORP TO NEW GOSPEL CHURCH	That the subdivision be reinstated, and all administrative processes be finalised at the cost of the applicant.	Item for final approval was tabled to May Council Meeting.	Final approval obtained from council (12/06/2024) **Instruction was given Legal Services to proceed with the disposal and transfer of the property. (09/01/2025)**	Manager: L&P	
			That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.	Instruction given to legal services to commence with disposal and transfer.	Final approval obtained from council (12/06/2024) **Instruction was given Legal Services to proceed with the disposal and transfer of the property. (09/01/2025)**	Manager: L&P	
	24/05/PD16	REQUEST FOR AUTHORISATION TO UNDERTAKE A PUBLIC PARTICIPATION PROCESSES OF THE DRAFT ST FRANCIS BAY & HANKEY CBD PRECINCT PLANS	That Council authorizes the commencement of a public participation process as contemplated in Section 21 of the Local Government: Mu	The service provider is finalising a public participation plan. 05/06/2024	The notice to be published on the local newspaper. Workshop was held on 6 August 2024. Closing date for comments is 24 September 2024. Another workshop to be held in Hankey. Date to be confirmed. **(12/08/2024). Public participation concluded on 24 September 2024. Service provider preparing responses to all comments recieved. 09/01/2025**	Manager:TP	
	24/07/PD3	ACCEPTANCE OF LAND PURCHASED BY THE PROVINCIAL HUMAN SETTLEMENTS DEPARTMENT FOR THE KOUGA MUNICIPALITY: ERF 9932 JEFFREYS BAY	That the Council accepts the property described as erf 9932, Jeffreys Bay as purchased by the Provincial Department of Human Settleme	Resolution submitted to the Department of Human Settlment. (12/08/2024)	Awaitng feedback from the Department of Human Settlement (12/08/2024). The land availability agreement already signed. The department is currently finalising the appoitnment of service provider for planning processes. 14/10/2024. Service provider appointed for preliminary studies and designs. 27/11/2024. **Preliminary studies still in progress (13/01/2025)**	Manager: L&P	
			That Council authorise the Accounting Officer in line with the delegated authorities of the Accounting Officer to sign the Deed of Sale/Dona	To be actioned	**Instruction was sent to Legal Services to proceed with drafting of Deed of Donation (13/01/25)**	Manager: L&P	
			That a draft layout plan for Erf 9932 be submitted to the next Planning & Development Portfolio Committee for further debate on land use	To be actioned	**Layout will be submitted to Portfolio Committee (13/01/2025)**	Manager: L&P	
	24/07/PD6	REQUEST TO RESCIND PREVIOUS COUNCIL RESOLUTION & COUNCIL'S IN-PRINCIPLE APPROVAL FOR THE SUBDIVISION AND REZONING OF ERF 1324, HUMANSDORP	That Council grants approval for the subdivision and rezoning of Erf 1324, Humansdorp.	Approval granted by Council (12/08/2024)	Service provider to be appointed (12/08/2024). TOR drafted for the appointment of service provider.(27/11/2024) **Service provider to be appointed mid-February (13/01/25)**	Manager: L&P	
			That Council makes provision for the repair and maintenance of the residential properties to gain maximum revenue in rental.	To be actioned	**To be actioned**	Manager: L&P	
	24/07/PD7	REQUEST FOR COUNCIL'S FINAL APPROVAL: SELLING OF ERF 1085, PATENSIE TO AFRICAN GOSPEL CHURCH	That Council grant final approval for the disposal of Erf 1085, Patensie to African Gospel Church at 25% (R12,500.00 excluding VAT) of th	Approval granted by Council (12/08/2024)	Matter have been refered to Legal for actioning (27/11/24) **Disposal and transfer in progress (13/01/25)**	Manager: L&P	
			That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property	To be actioned	Instruction was given to Legal to proceed with the disposal and transfer of the property. (12/08/24). Awaiting finalisation of disposal and transfer (27/11/2024) **Transfer in progress (13/01/25)**	Manager: L&P	
30-Jul-24	24/07/PD9	BULK-LINK INFRASTRUCTURE IN SUPPORT OF ISUP PROJECTS	That Kouga Local Municipality requests assistance from ECDHS to fund Bulk-link Upgrades to supplement the ISUP projects as follows: KwaNomzamo (Polar Parks 237+553, Shukushukuma 93, Bungalows 103) a) Boskloof Secondary Feeder Line & Substation b) KwaNomzamo & Geelhout Pump Stations & Bungalows Rising Main c) Upgraded Pipeline from Humansdorp WTW to KwaNomzamo Donkerhoek 234 a) Gill Marcus Reservoir & Water Feeder Lines b) Minor upgrades to Kruisfontein WWTW and construction of Donkerhoek Outfall Sewer Ocean View (No R10 & Ocean View 1250) a) Ocean View Electric Substation Upgrade b) Upgrade of Apiesdraai Pump Station Thornhill 160 a) New Reservoir Thornhill b) Upgrade of Thornhill Sewer Treatment Works c) Electricity Transfer from NMBM to KLM Patensie 278 a) New Reservoir for Ramaphosa Village b) Upgrade of Ramaphosa Village Sewer Pumpstation	Resolution submitted to the Department of Human Settlment. (12/08/2024)	**Awaitng feedback from the Department of Human Settlement (12/08/2024). The PDoHS appointed KLM as Implementing Agent for the Upgrade of Bulk Link Infrastructure for a period on 9 months on 4 September 2024. The total appointment is for R 83 803 780.00. Awaitng Service Level Agreement (14/10/2024). Municipality received Funding Agreement on 29 October 2024. Funding Agreement to be signed by the Accounting Officer. (04/11/2024). Awaitng feedback from from PDoHS. 27/11/2024. The SLA was signed by the PDoHS and Kouga Municipality. the department has already appointed consultants. 09/01/2025**	Manager:HS	Completed
			That Kouga Local Municipality be responsible for the maintenance & operation and security of all the installations on completion and handover.	Recomendation to be implemented after construction	Budget to be provided after implemenation	Director: Civil & Water	Completed
28-Aug-24	24/08/PD8	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF A PORTION OF ERF 1, HUMANSDORP (PORTION OF THE BUILDING) – ASPHALT PREMISES (ROADSAVER GROUP (PTY) LTD	That Council grant final approval for the alienation (lease) of a portion of Erf 1, Humansdorp (a portion of the building for an Asphalt Premises), to Roadsaver Group (Pty) Ltd. (2022/472566/07) represented by Mr. Wilco Bothma for a period of 9 years and 11 months, with an option to renew.	Item for final approval was tabled to August 2024 Council meeting.	Final approval obtained from Council 28 August 2024. **Awaitng lease agreement. (09/01/2025)** See duplication - Line 246	Manager: L&P	In progress
			That the lease be cancelled if the purpose applied for is not implemented within 1 year from the date of the signed lease agreement.	Will be included in contract.	Instruction given to Legal 2 September 2024.	Manager: L&P	In progress
			That all town planning activities, if any, as well as other administrative costs including the valuation, be for the cost of the applicant.	Will be included in contract.	Instruction given to Legal 2 September 2024.	Manager: L&P	In Progress

COMMUNITY SERVICES: ACTION SHEET - COUNCIL							
MEETING	**ITEM NO**	**ITEM DESCRIPTION**	**RESOLUTION**	**ACTION TAKEN**	**PROGRESS**	**RESPONSIBLE OFFICIAL**	**CURRENT STATUS COMPLETED NOT COMPLETE IN PROGRESS ON GOING NO ACTION REQUIRED**
30-Jan-24	**24/01/CSS2**	**REVISED PREVENTION OF PUBLIC NUISANCE AND KEEPING OF ANIMALS BY-LAW**	That the approved Prevention of Public Nuisance and Keeping of Animals By-Law be workshopped, after the public participation process, with Councillors before its resubmission to Council.	The Item was withdrawn from Council.	The By-Law will be Workshopped internally at next Policy Workshop.	Acting Manager: Safety and Security/ Manager: Waste and Environmental	**IN PROGRESS**

30-Oct-24	**24/10/CSS1**	**COUNCIL APPROVAL OF THE REVIEWED KOUGA MUNICIPALITY SAFETY PLAN**	That the structure of the sectors as referred to in paragraph 7.2 of the Safety Plan be established as soon as possible.	The sector structures have been identified, and Councillors have been appointed for each sector. However, the establishment of the complete body of the structure is still in progress.	Meetings will be arranged accordingly from February 2025 onwards	Acting Manager: Safety and Security	**IN PROGRESS**
13-Dec-24	**24/12/CSS1**	**AUTHORISATION FOR THE APPROVAL OF THE COMMUNITY SAFETY FORUM TERMS OF REFERENCE FOR KOUGA LOCAL MUNICIPALITY**	That the Council approves the Community Safety Forum Terms of Reference.	Terms of Reference Approved	Terms of Reference Approved	Acting Manager: Safety and Security	**COMPLETED**
	24/12/CSS2	**SPONSORSHIP REQUEST OF R100 000 FOR LIFESAVING CHAMPIONSHIPS TO BE HOSTED IN KOUGA FOR TWO (2) YEARS FROM 2025 - 2027**	That Council approves the allocation of R100 000.00 all inclusive, to support the Lifesaving Championships for the 2024/25 financial year.	Approved	Approved	Manager: Fire & Disaster	**COMPLETED**

			That Council approves the allocation for the outer financial year as follows – 2025/26 – R100 000	Approved	Approved	Manager: Fire & Disaster	**COMPLETED**
			That Council authorises the Accounting Officer to conclude a Sponsorship Agreement with Lifesaving Nelson Mandela Bay in accordance with the funding allocated in recommendation 1. and 2 above.	Approved	Approved	Manager: Fire & Disaster	**COMPLETED**

CIVIL & WATER: 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-Apr-22	**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, augentation to be paid, Augmentation policy to be updated.	A first policy workshop was held. Following the guidance from Department of Treasury, new guidelines were issued as Development Charges and recommended to be included in the Local Municipal Policy. Our existing policy together with the said policy from Department of Treasury have to be combined by representatives from a committee (to be established). The process of merging the various inputs from City of Capetown, Mosselbay, Treasury and Kouga is underway (W Hoffmeyr). It is anticipated that this will conclude within the next two(2) months and by end of August. The item will be brought to Council starting at Portfolio Committee, Policy Workshop, Mayoral Committee and finally to Council. 11 Sept - The Draft Policy was submitted through Portfolio Committee (4 Sept) to be workshopped at Policy Committee. 10 Oct - Policy was workshopped in the Policy Workshop Virtual meeting. Suggested improvements to be captured accordingly and forwarded to Policy Committee. 4 Nov - Draft policy completed and submitted to Policy Committee. 28 Nov - As agreed, an interdepartmental committee with representation from all relevant directorates to be established for purposes of finalising the proposed policy which affects all service departments.Committee to be established by end December 2024. 13 January 2025 The memorandum for the establishment of the Development Charges Committe has been circuated for the official appointment of the appropriate Committee members,	Director Civil & Water & W Hofmeyr	**On-going**
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. Action required to speak to sa	11 April 2024: After a discussion with the CFO, the fencing tender is being wrapped up at BEC and should be submitted to BAC for approval by 17 April 2024. 07 May 2024: Tender finalized at BEC. Recommended Bidder's CIDB is not in order so a notice to bidder is being prepared to give them 14 days to sort out their CIDB registration. 10 June 2024: BEC Finalized and Item submitted to BAC. 10 Oct '24 - Fencing tender approved. Quotations from appointed SP received at extreme costs (beyond what is available in OPEX). Suggest that when the UISP upgrade of the Weston WWTW takes place, we include the fencing under that scope of works. Action speaks to safeguarding the vandalised premises and was to be addressed by means of a fencing tender. Progress - Final award was made on 18th July at BAC. 2 x SP were appointed on 05 August. Cost estimates for works to be determined upon which budget will be required. As to Weston WWTW Department of Human Settlements have committed R6m towards this project. Consultants have been appointed and almost at Tender readiness stage. The SLA with Department of Housing needs finalisation. 4 Nov '24 - Contractor has been appointed to upgrade Weston WWTW and fencing included in the scope of work. Construction to commence in January 2025. 28 November 2024: DoHS is funding the project and the negotations between DoHS and the Contractor is ongoing as a possible Scope Reduction is considered. 6 January 2025 - The item can be regarded as complete as the Resolution Taken has been adered to. The SLA with DHS has been concludede and the funds have thus been secured.	PMU Manager	**Complete**
09-Dec-22	**22/12/I&E2**	**STATUS OF THE UMZAMOWETHU SANITATION SYSTEM**	That the 6 affected households be serviced with new conservancy tanks.	A consultant, Gert Vorster is appointed to approach the Windfarm for funding to replace the 6 conservancy tanks.	Project approved at Council to be registered as a MIG project for the planning phase. Co-funding to be finalized with Windfarm. Await final evaluation from Windfarm on preferred service providers upon which the cost implication for KLM will be made known.Expected feedback by 21 June upon which a council resolution will be requested for purposes of co-funding the initiative by the Windfarm. The savings from the January 2024 Adjustment Budget has been requested to fund the required Civils report (inclusive of engineers survey, WULA and Design for storm- and sewage reticulation). Once the Adjustment Budget is approved in Council (22 August 2024), the process to utilise available funding will commence to address the above required deliverable 11 Oct '24 - The Windfarm have finalised their preverred SP to upgrade internal sanitation for houses identified. First 30 units earmarked to be addressed before end Dec 2024. KLM to assist with temporary storm water diversions (uns od internal yellow plant) while utilising savings on capital project for planning of permanent storm water services for the community.. 28 Nov - KLM has addressed the temporary stormwater runn-off by shaping the gravel roads and cleaining the water runn-off channel. The Windfarm has started the installation of the first 30 residential unite that will be receiving upgraded residential sanitation systems. All these systems will be serviceable by KLM suction tankers as all will be equipped with appropriate suction couplings. Through the consultants roster, an appointment has to be made to provide engineering design and guidance on the EIA, WULA, surveys and options for the storm water and waste water treatment works.Appointment to be made after adjustment budget (Jan 2025) 06 January 2025 - The item can be regarded as complete as the Resolution states that 6 x affected households to be serviced with new conservancy tanks. As reported above, the first 30 units have received upgraded residential sanitation with the following to be concluded by The Windfarm in 2025. The master planning will include the options for a WWTW for Oyster Bay. Ths process is underway.	C&W Director & Manager PMU	**Complete**

06-Apr-23	**23/03/I&E1**	**ROADS TO BE UPGRADED UNDER THE GRAVEL ROADS PHASE 2 CONTRACT**	That Council approve that phase 2 proceed as per the approved roads on the project.	No action taken yet.	Scribante will finish 2 roads in Humansdorp that was part of their original appointment. The bulk of the Phase 2 roads construction will only commence in the 24/25 FY. 11 April 2024: Tender for Phase 2 to be advertised March 2025 as the bulk of the 24/25 FY MIG funding will go to the Kwanomzamo WWTW Upgrade. 07 May 2024. Status as above. 10 June 2024: Draft tender document being prepared. The gravel road phase 2 will only be advertised in March 2025 as the bulk of the MIG Funding will go to Kwanomzamo WWTW in this FY. 10 Oct - The list of roads is being finalised according to the IDP and EAS engineering studies. The tender document will be prepared for March 2025. Planning of R150 000 underway. 28 November 2024 (JdT): Additional roads added to list. 09 January 2025: Tender document to be prepared so that project can kick-off on 01 July 2025.	PMU Manager	**In progress**
31-May-23	**23/05/I&E3**	**REGISTERING OF NEW PROJECTS ON MIG**	That a Transversal Committee be appointed, and that their minutes be referred to the Mayoral Committee for oversight purposes.	No action taken yet.	Committee members to be identified by relevant directorates. The purpose of this committee is hopefully to ensure that MIG projects represent KLM in a holistic manner. 11 April 2024: This Item to be escalated to Director Level. 10 June 2024. As above. PMU Manager and Director to finalize and submit proposals via next Portfolio Committee meeting.The registry of MIG projects has gone through portfolio committee, Mayoral Committee and is before Council today. 13 August - List of MIG Projects to be submitted to Council (28 August) 15 October 2024: Projects approved at Council on 28 August 2024 and presented at the Municipal Adjudication Committee successfully. The project will next go to the DAC for final approval and MIG registration. 28 November 2024 (JdT): Projects approved at DAC and awaiting official letters from COGTA regarding the successful registration of the projects. 09 January 2025: Registration letters received for the Kwanomzamo WWTW Budget Maintenance and for the Asset Register. Also, a Draft SOP for the transversal Comittee meeting to be submitted to the next Portfolio Committee Meeting.	Manager PMU	**Ongoing**
28-Aug-24	**24/08/CWS5**	**APPROVAL FOR THE REGISTERING OF NEW PROJECTS ON MIG**	That a suitable Committee be established that will compile the criteria for and scrutinize projects accordingly.	Item has been tabled by all relevant commitees.	The Project approved at DAC (District Adjudication Committee) on Tuesday, 05 October 2024 to the value of R20m. We are now awaiting the official Project Approval Letters from COGTA which should be sent to us by end of November. 08/11/24 28 November 2024 (JdT): A Draft SOP for the Establishing of a Committee for the registering of new MIG projects was sent out to stakeholders on 05 November 2024 for comment. The Draft SOP will now be submitted to the the Next Portfolio Committee. 09 January 2025: Status as per the above comment.	Manager PMU	**In Progress**
13-Dec-24	**24/12/BP8**	**DRAFT FIBRE OPTIC CABLE & TELECOMMUNICATIONS INFRASTRUCTURE BY-LAW**	That Council supports the introduction of the Fibre Optic Cable & Telecommunications Infrastructure By-law.	Completed	Completed	Manager PMU	**COMPLETED**
			That the Accounting Officer be authorized to publish the Draft Fibre Optic Cable & Telecommunications Infrastructure By-law for public comment in a manner that allows the public an opportunity to make representations with regard to the proposed by-law.	The Public Participation Process has been initiated by PMU.	09 January 2025: The Public Participation progress has been initiated and the advert to be placed in the newspaper.	PMU Manager	In Progress
			That the Draft Fibre Optic Cable & Telecommunications Infrastructure By-law be referred back to the Municipal Council following the implementation and finalisation of the public participation process referred to in 10.2 above.	The Public Participation Process has been initiated by PMU.	09 January 2025: The Public Participation progress has been initiated and the advert to be placed in the newspaper.	PMU Manager	In Progress

ELECTRO-MECHANICAL: ACTION SHEET - COUNCIL

ELECTRO-MECHANICAL - COUNCIL ACTION SHEET

MEETING DATE	ITEM NO	ITEM DESCRIPTION	RESOLUTION	ACTION TAKEN	PROGRESS	RESPONSIBLE OFFICIAL	CURRENT STATUS COMPLETED NOT COMPLETE IN PROCRESS ON GOING NO ACTION REQUIRED
29-Apr-22	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.	Post loadshedding no partols are done.	In all areas copper theft escalated and diffrent methodolgy is applied to excecute this. In Humansdorp between Midnight and early morning, wires are thrown accross the overhead line to trip the network in order to steel the cable from the box to the house. In St. Francis Bay the legal and illegal communites are at loggerheads as the legal community experience powerfailures every night, cases are opened and as a result of these, continuous vandalism are taking place from the illegal side on our infrastructure. The streetlights on the Astonbay road is a target, the wires are being used to roll out electrification within Londen area. We seriously need require intervention. We inntending to do a solar light tender but with the limited staff our resources are extremly stretched and unable to meet this target. Update 08/01/25	Director: EM & Director CS	NOT COMPLETE
			That Eskom be engaged on the maintenance and repair of street lights in the Gamtoos Valley.	Eskom appointed a service provider to commence with streetlight repairs in the GV. Eskom made a decision to hand over all streetlights to municpalities on 15th November 23, nothing officially communicated to the municipality.	Eskom commenced on 1 December 2024 with the streetlight repairs in the GV. Contractor was introduced to the councilors and progress has been made. 08/01/25	Director EM:	IN-PROGRESS
31-May-23	23/05/I&E1	REPORT: INTEGRATED NATIONAL ELECTRIFICATION PROGRAM (INEP) ALLOCATION FOR 2023/2024 FINANCIAL YEAR	That the Human Settlements department of Kouga be ready with registered erven and occupied erven and to benefit from the grant.	The Human Settlements department is currently addressing the issue with C&W that procured the service to bring water and sanitition services to site.	The erven are already subdivided. The Department has conducted a beneficiary survey. The civil contractor has been appointed and construction is in progress, once cinstruction is complete the beneficiaries will move to site in order to be connected to the network. 08/01/2025	Manager: Human settlements	IN-PROGRESS
			That Council compels the relevant Directorate responsible to keep servitudes clear to do so and apply the law should it be necessary.	Service providers appointed for the installation of bulk services.	The clearing of households located in servitude areas will require the Municipality to identify alternative serviced sites for relocation. The Planning & Development Directorate is currently busy with the upgrading of informal settlemnts. 09/01/25	Manager: Human settlements	IN-PROGRESS

	23/05/I&E2	**REPORT: CLEARING OF SERVITUDES THROUGHOUT KOUGA OBSTRUCTING ACCESS TO WATER INFRASTRUCTURE AND POWERLINES FROM KOUGA AND ESKOM**	That PDT leads the discussions between the departments.	Service providers appointed for the installation of bulk services.	The Department is in the process of formalising all informal settlements and the affected households will only be relocated upon completion of the projects. With our electrification of informal settlements program, No units will be electrified under the servitude to encourgae people not to build on servitudes. The erection of new illegal units are happening daily and require urgent control 09/01/25	Director: Electro and Mechanical Services	**IN-PROGRESS**
28-Jul-23	**23/07/I&E3**	**REPORT: KOUGA ENERGY PLAN**	That a Kouga Energy Plan be developed to mitigate loadshedding within the Kouga Municipal area.	The Director was tasked to compile a plan to mitigate the risk of loadshedding within Kouga. A draft energy strategy document was complied and submitted for input.	The plan is in draft and subject to changes in the market, this plan need to be revised as no funding was made available therefore none of the listed short term goals were met. Progress will be measured according to the revised strategy to consider a possible partnership, the legallity of the development off site are being investigated. We went out on tender for the SCADA project to be ready to interface with renewable projects, tender came in too high but we will re-advertise in January with a reduced scope. 23/12/24	Director: Electro and Mechanical Services	**ON-GOING**
28-Feb-24	**24/02/EMS6**	**REPORT: THORNHILL ELECTRICAL NETWORK TRANSFER FROM NELSON MANDELA METROPOLITAN MUNICIPALITY TO KOUGA LOCAL MUNICIPALITY**	That Council accept the proposal in-principle to have the Thornhill network transferred to Kouga Municipality subject to a cost assessment and feasibility study being performed	This assesment on the assets to be transfered will be done by Nelson Mandela Metro. We are unable to recieve an update on progress for the assets to be verified. 23/12/24	No further meetings commences since December 23. Further discussions will commence upon valuation team is assembled for the entire project. In the interim a priciple agreement is granted to provide Thoksville with a bulk point, this amount has been paid for through the ISUP grant. Awaiting the Metro to commence with the construction process for the transformer and metering point, The responsibility to electricity this area will be with Kouga to identify funding to electrifiy this area. 23/12/24	Acting Manager Electrical Mr. M Mangembe	**ON-GOING**
			That a Committee be established to deal with the project's logistics around the intended network transfer, and all to be in attendance when required. This Committee will be responsible for the determination of this project's financial viability, assets, legal, and all other resources to maintain the network in the future.	Members was identified from both Kouga as well as the Metro to be committee members.	The committee have not met in months, all employees in the Metro are performing duties in acting capacity and for this reason hasitant to take strategic decisions, for example this project. Kouga paid for the metering and transformer point to NMMM to be brought to site. The construction for the metering point will commence early 2025, upon completion the site (Thoksville) will be Kouga's and we will require funding to further electrify the area. 20/12/24	Acting Manager Electrical Mr. M Mangembe	**ON-GOING**

	24/02/EMS7	**REPORT: 20MW RENEWABLE ENERGY CONSTRUCTION PLANS FOR KOUGA MUNICIPALITY**	That a feasibility study including a detailed cost-benefit financial model be submitted to Council for approval.	To determine more accurate figures, a tender document to request proposals on this project will be drawn up and advertised.	EIA approved for 20MW Solar and battery storage technology. Phased in approach proposed and to investigate other funding streams. Affordable partneships are being considered due to the fact that a project of this scale is extremly costly, this as a consideration as a phase one on the project and to study a project of this nature should it be considered for procurement on a higher scale. 08/01/24	Acting Manager Electrical Mr. M Mangembe	**ON-GOING**
13-Dec-24	**24/12/BP7**	**DRAFT SMALL-SCALE EMBEDDED GENERATION (SSEG) POLICY**	That the Draft Small-Scale Embedded Generation (SSEG) Policy be approved by Council.	SSEG Policy tabled @ Council meeting held on Friday 13 December 24.	Policy with ammendments has been approved by Council 13 December 2024 and will now be placed on the website. 08/01/24	Acting Manager Electrical Mr. M Mangembe	**COMPLETED**
			That the Draft Small-Scale Embedded Generation (SSEG) Policy be uploaded on the Kouga Website.	New policy to be submitted to IT in order to upload on the Kouga website.	Policy with ammendments has been finalised and will be submitted soonest to ICT department for uploading. 08/01/24	Acting Manager Electrical Mr. M Mangembe	**IN-PROGRESS**
			That the previous version be replaced with this version	New policy will replace the existing policy on the website.	Policy with ammendments to be placed on the Kouga website. 08/01/24	Acting Manager Electrical Mr. M Mangembe	**IN-PROGRESS**

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 29 JANUARY 2025
ITEM NO:**25/01/MM2**

MID-YEAR INSTITUTIONAL PERFORMANCE REPORT: 2024/25 FINANCIAL YEAR: PERIOD 1 JULY 2024 TO 31 DECEMBER 2024

1. **Introduction**

It is the purpose of this report to submit to the Council the Institutional Service Delivery and Budget Implementation Performance Report for the period 1 July 2024 to 31 December 2024 for purposes of oversight and consideration.

2. **Background**

The Institutional Performance Report reflects progress made with the implementation of the 2024/25 Institutional Service Delivery and Budget Implementation Plan over the first two quarters of the 2024/25 year. The report is attached hereto as Annexure "A".

3. **Discussion**

Green highlighting reflects targets achieved while red highlighting reflects non-achievement of targets and where performance was not reported.

Outer quarter targets are highlighted in grey.

4. **Financial Implications**

Completed by BTO -	
Project Description	Not applicable
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	

5. **Applicable Legislation**

Section 72(1), 72(2, 72(3) of the Local Government Municipal Finance Management Act provides as follows:

"*72. (1) The accounting officer of a municipality must by 25 January of each year—*

(a) assess the performance of the municipality during the first half of the financial year, taking into account—

(i) the monthly statements referred to in section 71 for the first half of the financial year;

(ii) the municipality's 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;

(iii) the past year's annual report, and progress on resolving problems identified in the annual report; and

(iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and

(b) submit a report on such assessment to—

(i) the mayor of the municipality;

(ii) the National Treasury; and (iii) the relevant provincial treasury.

(2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.

(3) The accounting officer must, as part of the review—

(a) make recommendations as to whether an adjustments budget is necessary; and

(b) recommend revised projections for revenue and expenditure to the extent that this may be necessary."

6. **Legal Implications**

No legal implications are foreseen.

7. **Other Implications**

No other implications are foreseen.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Item noted.

8.4 **Director: Electro-Mechanical Services**

Recommendations noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Item noted.

8.7.1 Municipal Manager's Assessment of Financial Performance

An analysis of the financial position and performance was undertaken to determine the relative financial strength and liquidity of the Municipality. This was complemented by analysing the cash flow position, the investment portfolio, ratios, the operating, and capital budget performance for the month of December 2024, so as to facilitate an informed assessment of the relative liquidity and financial position of the Municipality.

The financial performance highlights are as follows:

- Operating revenue amounted to R 706,618 million, whilst operating expenditure amounted to R 641,692 million, resulting in an operating surplus of R 64,925 million.
- Capital expenditure constituted 25.06% of the 2024/25 Approved Adjusted Capital Budget.
- Overdue consumer debts increased by R 46,839 million (12.01%) since June 2024.
- An amount of R 45,051 million is owing to creditors, 96.52% which is current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.

The municipality's investment portfolio has increased by R 60,659,618 (42.22%) since June 2024, from R 143,659,131 to R 204,318,749.

Below is an analysis of the Investment Portfolio as at 31 December 2024.

	OPENING BANK BALANCE AS AT 01 JULY 2024	INVESTED	INTEREST	WITHDRAWN	CHARGES	CLOSING BANK BALANCE AS AT 31 DECEMBER 2024
Standard Bank	26 516 585	-	1 006 626	3 378 539		24 144 672
ABSA	22 795 366	18 966 265	1 361 174	11 438 447	590	31 683 768
Nedbank	22 593 059	20 509 206	1 032 820	20 000 000		24 135 085
RMB	22 735 812	32 194 174	786 159	31 589 488		24 126 657
INVESTEC	22 771 482	20 336 093	1 026 694	20 000 000		24 134 269
Total	**117 412 304**	**92 005 739**	**5 213 473**	**86 406 475**	**- 590**	**128 224 451**
PURPOSE OF INVESTMENT	**OPENING BANK BALANCE AS AT 01 JULY 2024**	**INVESTED**	**INTEREST**	**WITHDRAWN**	**CHARGES**	**CLOSING BANK BALANCE AS AT 31 DECEMBER 2024**
General Account	78 621 419	47 058 739	4 404 567	52 503 816	590	77 580 318
Conditional Grants	18 234 929	44 947 000	-	26 889 241	-	36 292 688
Housing Funds	20 555 956		808 906	7 013 417	-	14 351 445
Total	**117 412 304**	**92 005 739**	**5 213 473**	**86 406 475**	**- 590**	**128 224 451**
		-				
	OPENING BANK BALANCE AS AT 01 JULY 2024	**INVESTED**	**INTEREST**	**WITHDRAWN**	**CHARGES**	**CLOSING BANK BALANCE AS AT 31 DECEMBER 2024**
Cheque Accounts FNB 52540020791	10 314 768			- 7 712 200		2 602 568
Cheque Accounts FNB 52540033304	8 553 427	5 539 530				14 092 956
Cheque Accounts FNB 62682103591	3 833			- 3 833		-
Cheque Accounts FNB 63022194441	7 374 799	2 373 300				9 748 099
Cheque Accounts ABSA 4114176482	-	41 132 756				41 132 756
Cheque Accounts ABSA 4114114771	-	8 429 003				8 429 003
Cheque Accounts ABSA 4114176474	-	26 867				26 867
Cheque Accounts ABSA 4114176490		62 049				62 049
Total	**26 246 827**	**57 563 504**	**-**	**- 7 716 033**	**-**	**76 094 298**
TOTAL	**143 659 131**	**149 569 243**	**5 213 473**	**78 690 442**	**- 590**	**204 318 749**

The following analysis indicates the extent to which the investments are committed:

Cash backed Reserves.

Bank Balances and Cash R 76,094,298

Short-term Investment Deposits R 128,224,451

R 204,318,749

Application of Cash

Unspent Conditional Grants R 42,413,797

Operational commitments R 14,880,265

Outstanding Creditors Liability R 45,050,632

R 102,344,694

Cash Reserves exceed commitments: R 101,974,055

The cash backed reserves exceed commitments at this stage by an amount of

R 101,974,055.

It should be noted that the excess of reserves over commitments as at 31 December 2024, is mainly due to an amount of R 64,213 million in respect of the Equitable Share allocation received

on 4 December 2024, but not yet fully spent. These funds are already committed towards spending in the 2024/25 operating budget.

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

Ratio	Actuals as at 30 June 2023	Actuals as at 30 June 2024	MFMA Circular 71 Norms	Actuals as at 31 December 2023	Approved Adjusted Budget 2024/25	Actuals as at 31 December 2024
Current Ratio	0.91:1	0.91:1	1.5:1 to 2:1	0.97:1	0.96:1	1.32:1
Liquidity Ratio	0.40:1	0.49:1		0.69:1	0.26:1	0.64:1
Cost Coverage (Excluding unspent conditional grants)	0.98 Months	1.19 Months	1 Month to 3 Months	1.21 Months	0.53 Months	1.69 Months
Debtors Collection Rate	86.71%	91.01%	95%	80.32%	95%	87.81%
Capital Expenditure	94.66%	71.38%	95%	31.41%	95%	25.06%

8.7.2 Municipal Manager's Assessment of SDBIP implementation performance

The following table reflects on the 2024/25 Institutional SDBIP performance targets up to quarter 2 not achieved with comments and recommendations relevant thereto:

2024/25 Quarter 1 and 2 target	Reported Performance	Comments/Corrective Actions and Recommendations
40% Expenditure of capital budget provisions	25.06%	An amount of R173 913 043 (borrowed funding for road infrastructure is included in the calculations) The loan must still be approved by Council and as such no spending has been recorded against this provision. If this amount is not included in the calculations, capital budget expenditure would equal 46.3%
40% Expenditure against capital grant funding received (Conditional grants received by 1 July 2024)	37.06%	The expenditure is monitored at Top Management level and indications are that expenditure shall increase towards year end.
24 500 Formal Residential properties for which refuse was removed once a week (Based on	23 217	The actual number of account holders is in process of being verified and confirmed. Whereas 100% of formal residential properties is being serviced on a weekly basis with refuse removal services, will the

residential account holders)		target be adjusted once verification of actual numbers has been completed.
45% Expenditure of WSIG capital grant funding	43%	Mimosa street resealed. St Francis Borehole project accelerated.
95% of drinking water samples complying to SANS 241 (Annual Target)	91%	91% compliance with microbiological analysis conducted. (E-Coli, Faecal Coliforms, Heterotrophic Plate Count and Total Coliforms) 1. Awaiting results for the resampling. 2. New Service provider appointed to render service.
40% Expenditure of SCADA funding allocation.	0%	Tender closed in November 2024, only R5m was budgeted for this project. The cheapest offer came in at R17m. Tender Number 215/2024: Supervisory Control and Data Acquisition (SCADA) was cancelled during the BAC meeting on 19 December 2024. A reduction in scope was done and tender will be re-advertised in February 2025 with the reduced scope.
45% DMRE Capital Grant Funding expenditure	2.6%	The contractor was appointed at a BAC meeting held December 2024. Scheyisha Powerlines was selected as the successful service provider to electrify the 169 housing units in Oceanview. The appointments were delayed due to the lack of progress in the housing project. To date, the consultant has been compensated only for the inception, initiation, and contract management stages through the tender award. The Human Settlements contractor should commence construction of the top structures to allow the Electrical contractor to begin their work.

<16% total electricity losses	16.68%	Compared to the same period last year, losses were at 17.78%. Through our efforts to clean data via the TID project and detect tampered meters, we are already seeing improvements for the same period. To further reduce losses, we have hired additional electricians to concentrate on metering and meter maintenance. Additionally, we have appointed dedicated staff for a 12-month period to assist with SSEG metering and registrations. This should further improve our losses with the department.
40% Expenditure of FMG Grant funding received	20.5%	60% of the grant is allocated to the financial system amendments that are required. This is planned to take place from February. The full grant will be spent by the end of the financial year.
95% Revenue collected against revenue raised on municipal service accounts	87.81%	The collection rate has increased by 7% in the 2nd Quarter. With continuous credit control and a monthly collection rate above 95%, the target can be achieved.

9. **Delegated Authority**

Consideration of the Mid-Year and Quarterly Institutional Performance reports have not been delegated and is being dealt with by Council.

10. **Recommendations**

10.1 That the 2024/25 Mid-Year Performance Report be considered.

10.2 That all areas of underperformance be discussed at Portfolio Committee level to determine and agree on corrective actions to be implemented and monitored to ensure targets are achieved by year end.

Item prepared by the: Manager PMS

Item approved by the Municipal Manager:

KOUGA
local municipality
Good Governance through Service Excellence

2024/25

QUARTER 2 (MID-YEAR)

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

PERFORMANCE REPORT

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1 INCOME - BUDGETS

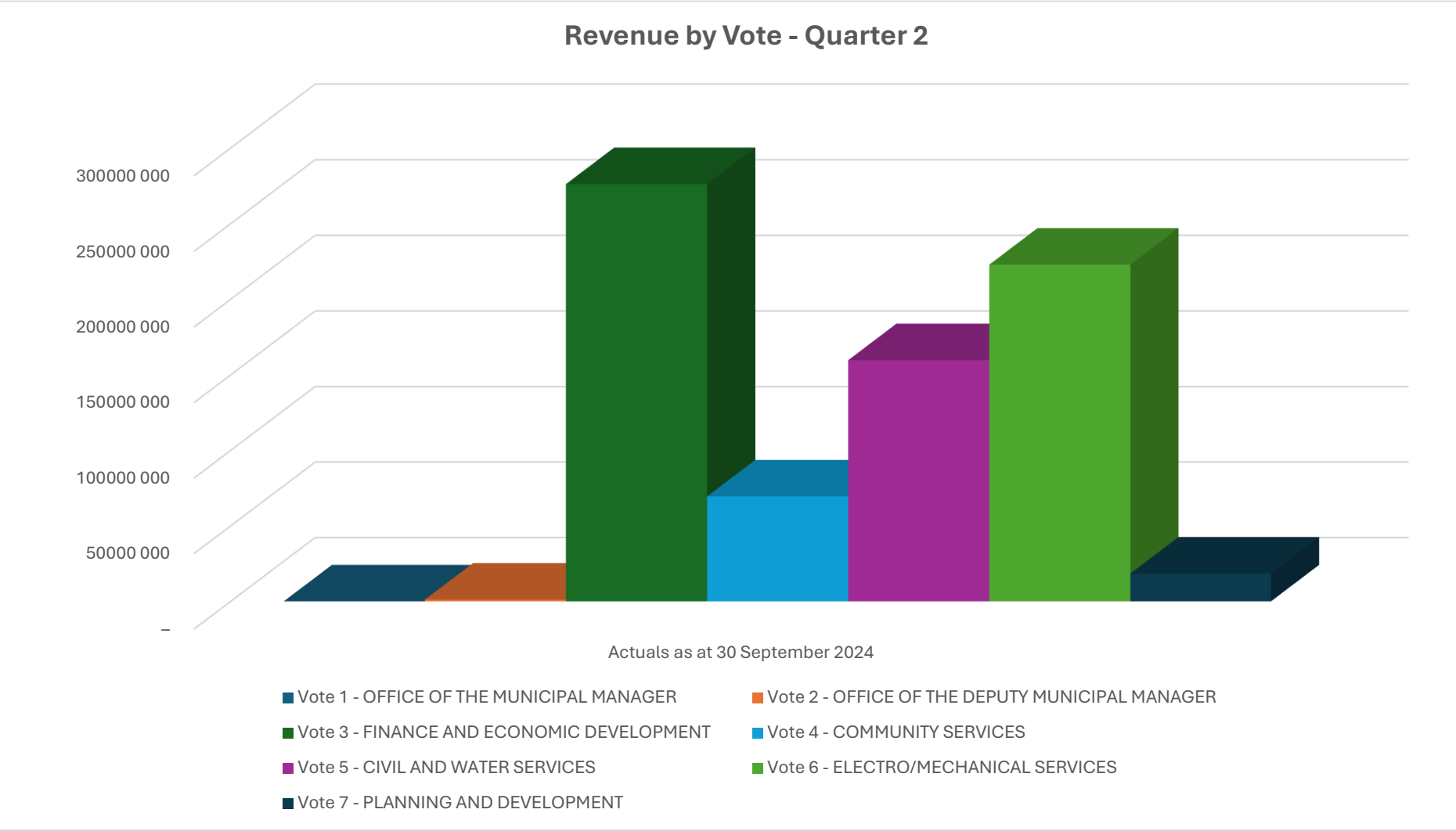
1.1 Revenue by Source

Description	Budget 2024/25			Quarter 1		Quarter 2		Quarter 3		Quarter 4		
R thousands	Budget Year	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	% of budget
Revenue												
Exchange Revenue												
Service charges - Electricity	397 583	381 991	210 296	88 508	109 809	167 869	210 296	286 493		381 991		55,05%
Service charges - Water	127 202	82 323	54 054	23 491	28 989	45 466	54 054	61 742		82 323		65,66%
Service charges - Waste Water Management	68 446	64 086	33 448	16 252	16 783	29 624	33 448	48 064		64 086		52,19%
Service charges - Waste Management	71 123	71 123	32 200	18 278	16 690	30 230	32 200	53 342		71 123		45,27%
Sale of Goods and Rendering of Services	9 533	9 533	3 025	2 096	1 246	3 899	3 025	7 150		9 533		31,73%
Agency services	4 554	4 554	–	1 115	–	1 962	–	3 416		4 554		0,00%
Interest earned from Receivables	32 335	32 335	15 108	9 184	7 625	15 142	15 108	24 251		32 335		46,72%
Interest earned from Current and Non-Current Assets	13 998	13 998	7 000	3 228	3 280	6 902	7 000	10 498		13 998		50,01%
Rental from Fixed Assets	3 187	3 187	2 413	735	810	1 677	2 413	2 390		3 187		75,72%
Licence and permits	2 851	2 851	1 135	626	548	1 268	1 135	2 138		2 851		39,80%
Operational Revenue	1 955	1 955	1 778	430	1 345	910	1 778	1 466		1 955		90,95%
Non-Exchange Revenue												
Property rates	297 076	297 076	176 230	119 113	116 090	177 057	176 230	222 807		297 076		59,32%
Fines, penalties and forfeits	143 343	143 343	340	64 498	165	69 630	340	107 507		143 343		0,24%
Licences or permits	11 772	11 772	6 072	3 195	3 161	6 328	6 072	8 829		11 772		51,58%
Transfer and subsidies - Operational	202 153	205 651	148 326	82 296	81 868	152 271	148 326	202 153		202 153		72,12%
Interest	5 510	5 510	3 214	1 240	1 388	2 743	3 214	4 133		5 510		58,33%
Operational Revenue	–	64 831	11 979		8 335	32 266	11 979	48 624		64 831		18,48%
Total Revenue (excluding capital transfers and contributions)	**1 392 621**	**1 396 119**	**706 618**	**434 286**	**398 132**	**745 243**	**706 618**	**1 095 004**		**1 392 621**		**50,61%**

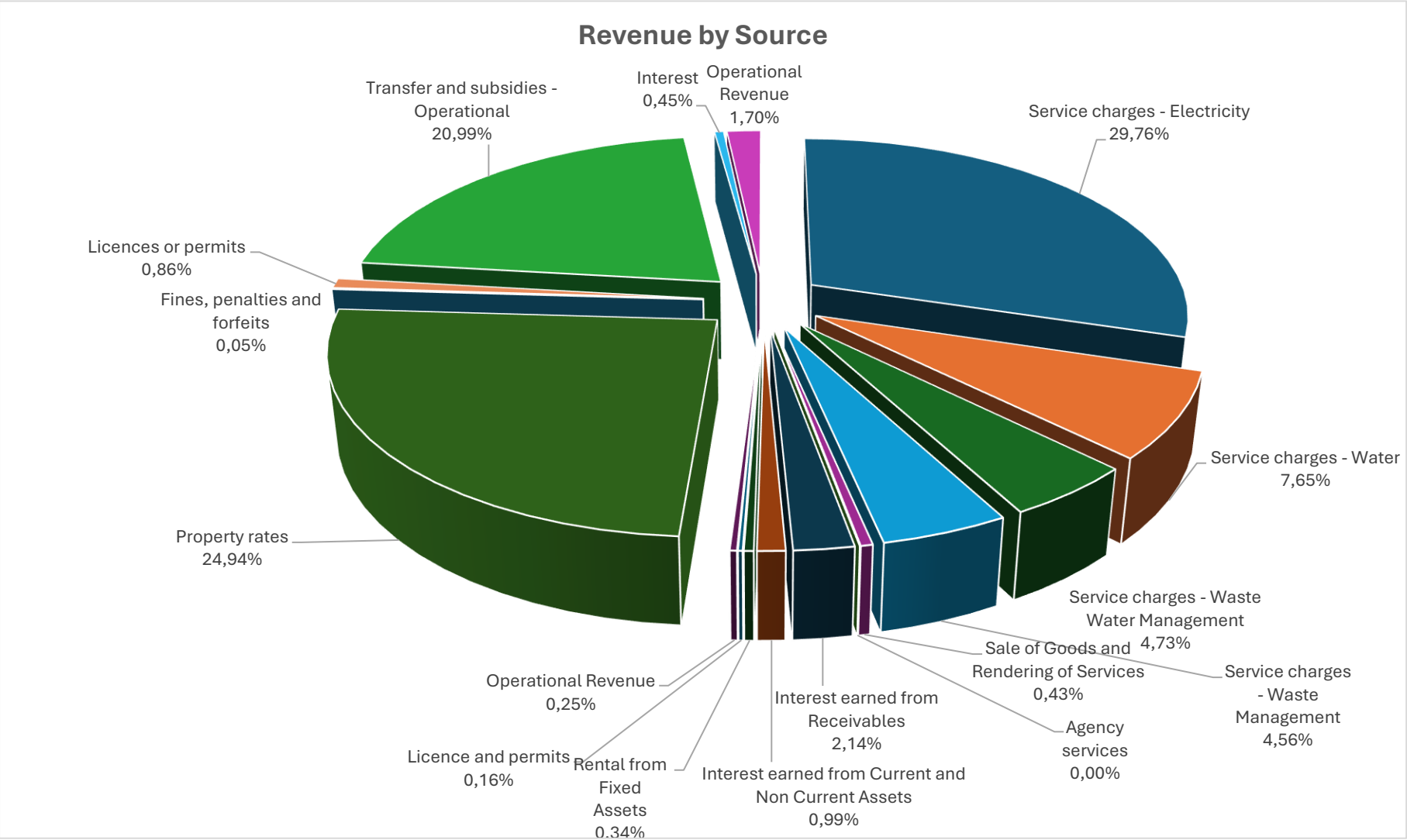
1.2 Revenue by Vote

Vote Description	Budget 2024/25			Quarter 1		Quarter 2		Quarter 3		Quarter 4		
R thousand	Budget Year	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	% of budget
Revenue by Vote												
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	–	–	–	–	–	–		–		
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1 115	1 115	1 145	120	729	120	1 145	836		1 115		102,69%
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	446 890	446 890	276 113	182 251	143 264	342 741	276 113	366 450		446 890		61,79%
Vote 4 - COMMUNITY SERVICES	276 782	276 832	69 517	76 891	46 916	112 180	69 517	213 161		276 832		25,11%
Vote 5 - CIVIL AND WATER SERVICES	314 671	314 671	159 708	89 342	95 720	135 323	159 708	242 296		314 671		50,75%
Vote 6 - ELECTRO/MECHANICAL SERVICES	409 586	409 586	222 889	104 003	119 529	176 142	222 889	315 381		409 586		54,42%
Vote 7 - PLANNING AND DEVELOPMENT	77 392	101 227	18 386	25 441	3 758	46 929	18 386	75 920		101 227		18,16%
Total Revenue by Vote	**1 526 437**	**1 550 321**	**747 758**	**478 049**	**409 915**	**813 435**	**747 758**	**1 214 045**		**1 550 321**		**48,23%**

1.3 Revenue by Vote



1.4 Revenue by Source



2. EXPENDITURE – BUDGET

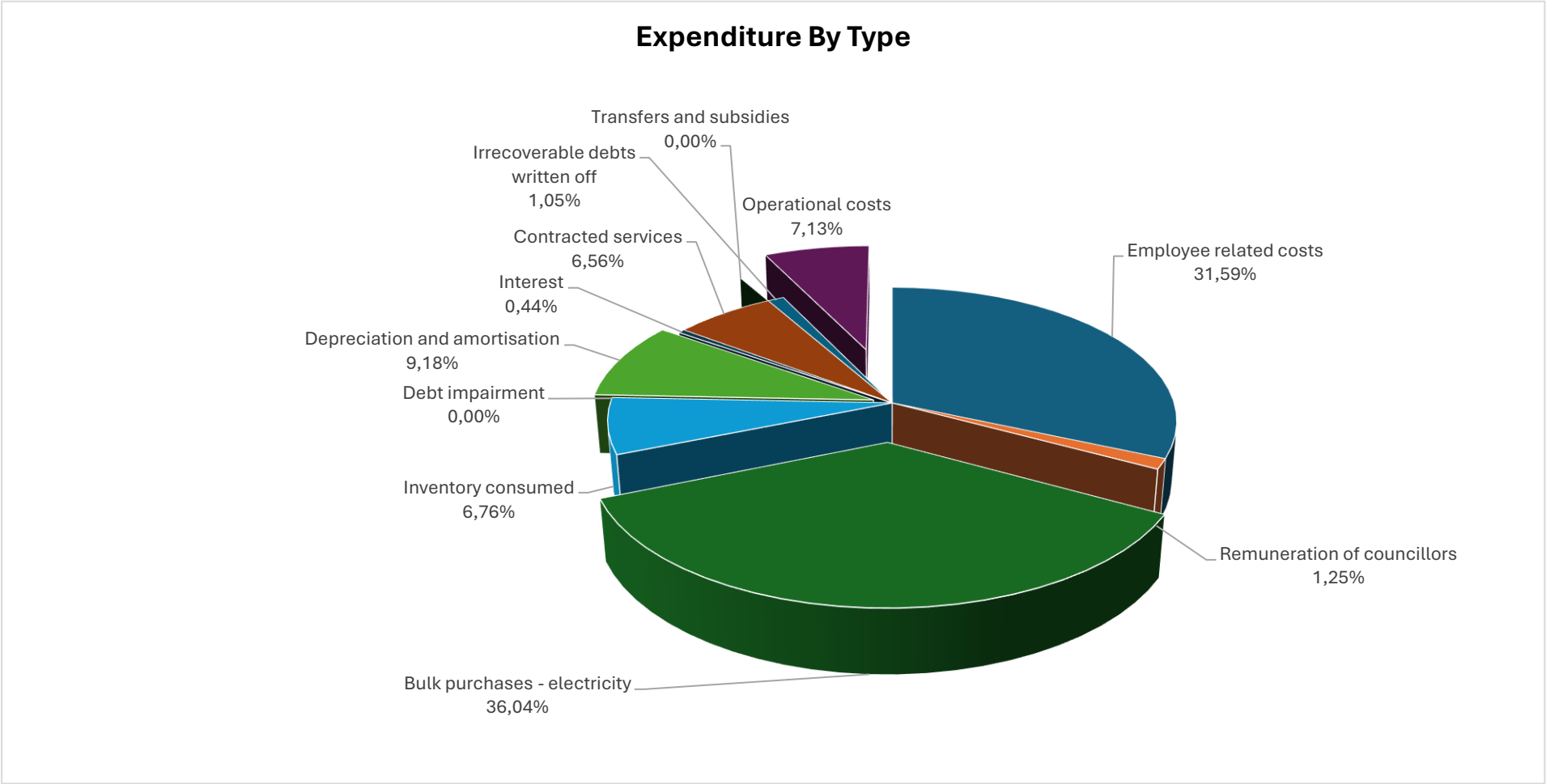
2.1 Operating Expenditure by Vote

Vote Description	Budget 2024/25			Quarter 1		Quarter 2		Quarter 3		Quarter 4		
R thousand	**Budget Year**	**Adjusted Budget**	**Year TD actual**	**Adjusted Budget**	**Year TD actual**	**Adjusted Budget**	**Year TD actual**	**Adjusted Budget**	**Year TD actual**	**Adjusted Budget**	**Year TD actual**	**% of budget**
Expenditure by Vote ***to be appropriated***												
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	31 456	30 696	16 273	5 557	6 045	13 191	16 273	23 022		30 696		53,01%
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	128 955	128 955	52 259	27 241	22 780	57 530	52 259	96 716		128 955		40,53%
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	141 869	142 158	48 935	18 036	22 182	39 285	48 935	97 648		142 158		34,42%
Vote 4 - COMMUNITY SERVICES	386 594	387 136	113 092	52 534	48 276	120 786	113 092	195 580		387 136		29,21%
Vote 5 - CIVIL AND WATER SERVICES	316 288	339 329	136 312	83 452	56 009	157 163	136 312	247 593		339 329		40,17%
Vote 6 - ELECTRO/MECHANICAL SERVICES	466 160	470 989	261 906	116 118	155 060	218 681	261 906	344 507		470 989		55,61%
Vote 7 - PLANNING AND DEVELOPMENT	34 152	35 989	12 914	6 737	5 736	14 827	12 914	26 991		35 989		35,88%
Total Expenditure by Vote	**1 505 474**	**1 535 251**	**641 692**	**309 674**	**316 089**	**621 463**	**641 692**	**1 032 057**		**1 535 251**		**41,80%**

2.2 Operating Expenditure by Type

Description	Budget 2024/25			Quarter 1		Quarter 2		Quarter 3		Quarter 4		
R thousands	Budget Year	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	Adjusted Budget	Year TD actual	% of budget
Expenditure												
Employee related costs	471 743	481 056	202 714	86 105	92 746	186 337	202 714	361 104		481 056		42,14%
Remuneration of councillors	15 594	15 594	8 021	4 237	3 613	7 995	8 021	11 696		15 594		51,43%
Bulk purchases - electricity	386 299	386 299	231 276	118 686	141 368	200 787	231 276	289 724		386 299		59,87%
Inventory consumed	108 619	107 712	43 410	25 761	12 246	52 289	43 410	80 784		107 712		40,30%
Debt impairment	158 246	158 246	–	–	–	–	–	–		158 246		0,00%
Depreciation and amortisation	117 798	117 798	58 899	29 450	29 450	58 900	58 899	88 349		117 798		50,00%
Interest	17 404	36 254	2 824	9 046	1 222	18 368	2 824	27 190		36 254		7,79%
Contracted services	125 772	127 188	42 080	13 940	17 669	51 660	42 080	95 391		127 188		33,08%
Transfers and subsidies	400	400	–	–	–	–	–	–		400		0,00%
Irrecoverable debts written off	9 359	9 359	6 746	2 486	–	5 339	6 746	7 019		9 359		72,08%
Operational costs	94 240	95 346	45 722	19 495	17 775	40 365	45 722	71 510		95 346		47,95%
Total Expenditure	**1 505 474**	**1 535 251**	**641 692**	**309 205**	**316 089**	**622 040**	**641 692**	**1 032 766**		**1 535 251**		**41,80%**

2.3 Expenditure by Type



3. CAPITAL EXPENDITURE

3.1 CAPITAL PROGRAMME 2024/25

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 December 2024	%
CIVIL & WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176 117	132 088	75,00%
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137 788	102 894	74,68%
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	621 050	-	0,00%
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	244 588	48,92%
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508 696	496 841	97,67%
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1 608 696	1 570 161	97,60%
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	101 225	1,56%
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424 348	119 248	28,10%
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	52 608	-	0,00%
ROADS AND STORMWATER	Borrowing	ROADS INFRASTRUCTURE IN KOUGA	173 913 043	-	0,00%
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	51 300	63,73%
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29 169 586	15 123 527	51,85%
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200 000	147 670	73,84%
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508 609	-	0,00%
SEWERAGE	Internal	HANKEY WWTW	4 256 462	883 270	20,75%
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	6 338 777	1 615 598	25,49%
SEWERAGE	DOHS	Phase 1 Upgrade of Thornhill Sewer Treatment Works	553 739	488 571	88,23%
SEWERAGE	DOHS	Kruisfontein Bulk Sewer -Link Line	1 997 391	-	0,00%
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	1 287 831	-	0,00%
SEWERAGE	DOHS	Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	7 304 348	-	0,00%
SEWERAGE	DOHS	Envirosan Toilets (40 Units)	1 446 261	-	0,00%
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer rising main	150 000	5 808	3,87%
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	7 592 557	2 040 802	26,88%
WATER	Internal	JILL MARCUS WATER SUPPLY	4 347 000	3 110 115	71,55%
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	-	0,00%
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637 410	-	0,00%
WATER	DOHS	Kwanomzamo Bulk Water : New Pipeline	6 521 739	-	0,00%
WATER	DOHS	Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	6 782 609	3 163 295	46,64%
WATER	WSIG	RETICULATION REPLACE PIPELINES	3 478 260	-	0,00%
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis Bay	150 000	75 904	50,60%
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100 000	64 000	64,00%
WATER	WSIG	PARADISE BEACH WATER TOWER	2 021 548	1 737 069	85,93%
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3 575 354	1 060 955	29,67%
WATER	DOHS	New Reservoir on Pnt 2 of the Farm Thornhill	5 018 940	-	0,00%
			280 939 528	**32 334 928**	**11,51%**

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 December 2024	%
COMMUNITY SERVICES					
FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1 391 304	-	0,00%
LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	242 320	208 874	86,20%
			1 633 624	**208 874**	**12,79%**
ELECTRO & MECHANICAL SERVICES					
FLEET AND WORKSHOP	Finance Lease	Vehicle	34 000 000	51 005 878	150,02%
ELECTRICITY	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4 251 567	43 266	1,02%
ELECTRICITY	Internal	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	-	0,00%
ELECTRICITY	DOHS	Oceanview Substation Upgrade	10 434 783	1 381 368	13,24%
ELECTRICITY	DOHS	Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	19 130 435	2 417 675	12,64%
ELECTRICITY	MIG	DESIGN: HIGH MAST LIGHTS	100 000	-	0,00%
ELECTRICITY	DOHS	Electricity	782 609	-	0,00%
			73 699 394	**54 848 187**	**74,42%**
FINANCE AND ECONOMIC DEVELOPMENT					
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	577 517	315 837	54,69%
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	55 414	7 210	13,01%
LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100 000	-	0,00%
REVENUE	Internal	Computer Equipment	22 477	-	0,00%
			755 408	**323 047**	**42,76%**
OFFICE OF THE DMM					
INFORMATION TECHNOLOGY	Internal	Computer Equipment	1 412 789	1 136 836	80,47%
			1 412 789	**1 136 836**	**80,47%**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 2	16 346 963	6 098 623	37,31%
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 3	4 038 699	-	0,00%
			20 385 662	**6 098 623**	**29,92%**
		11			
		Total	**378 826 405**	**94 950 495**	**25,06%**

4. SERVICE DELIVERY AND BUDGET IMPLEMENTATION REPORT

4.1 MUNICIPAL MANAGER

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVDERY												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% expenditure against capital budget provisions for internally funded projects	90%		10%	5.81%	40%	25.06%	60%		90%			MUNICIPAL MANAGER

	COMMENT	CORRECTIVE ACTION
QUARTER 1		Discussed at Top Management to ensure improved project implementation
QUARTER 2	An amount of R173 913 043 (borrowed funding for road infrastructure is included in the calculations) The loan must still be approved by Council and as such no spending has been recorded against this provision. If this amount is not included in the calculations capital budget expenditure would equal 46.3%	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% expenditure against capital grant funding received (Conditional grants received by 1 July 2024)	90%		10%	13.23%	40%	37.06%	60%		90%			MUNICIPAL MANAGER

	COMMENT	CORRECTIVE ACTION
QUARTER 1	Capital grant funding Ecl DOHS = R54 997 478 / R7 276 917 * 100 = 13.23%. DOHS =R80 358 517 / R3 811 236 * 100 = 4.74% (DOHS not included in calculations)	
QUARTER 2	DOHS grant funding not included in the calculations	The expenditure is monitored at Top Management level and indications are that expenditure shall increase towards year end.

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of days for the approval of the Institutional SDBIP by the Executive Mayor after Annual Budget Approval	28		**28**	24		-			**28**			**MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	SDBIP approved by the Executive Mayor on 24 June 2024 following budget approval on 31 May 2024	
QUARTER 2	Quarter 1 Target, Achieved.	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% of signed Section 57 Manager Performance Agreements by 31 July 2024	100%		**100%**	100%		-						**MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	All Senior Manager Performance Agreements concluded before 31 July 2024	
QUARTER 2	Quarter 1 Target, Achieved	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% of signed Section 5 Manager Performance Agreements by 31 July 2024	100%		**100%**	100%		-						**MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	All Senior Manager Performance Agreements concluded before 31 July 2024	
QUARTER 2	Quarter 1 Target, Achieved	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of formal performance evaluations conducted per Section 57 Employee	1			N/a		N/a	**1**					**MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	No target set for Quarter 1	
QUARTER 2	No target set for Quarter 2	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of formal performance evaluations conducted per Section 56 Employee	1			N/a		N/a	1					MUNICIPAL MANAGER

	COMMENT	CORRECTIVE ACTION
QUARTER 1	No target set for Quarter 1	
QUARTER 2	No target set for Quarter 2	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of formal informal performance evaluations conducted per Section 57Employee	1			N/a		N/a			1			MUNICIPAL MANAGER

	COMMENT	CORRECTIVE ACTION
QUARTER 1	No target set for Quarter 1	
QUARTER 2	No target set for Quarter 2	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of formal informal performance												

evaluations conducted per Section 56Employee	1			N/a		N/a			1			MUNICIPAL MANAGER

	COMMENT	CORRECTIVE ACTION
QUARTER 1	No target set for Quarter 1	
QUARTER 2	No target set for Quarter 2	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of Risk Registers reviewed by 30 June 2025	1			N/a		N/a			1			MUNICIPAL MANAGER

	COMMENT	CORRECTIVE ACTION
QUARTER 1	No target set for Quarter 1	
QUARTER 2	No target set for Quarter 2	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of meetings where the Audit Committee considered Institutional Performance Reports	2			1	1	1			2			MUNICIPAL MANAGER

	COMMENT	CORRECTIVE ACTION

QUARTER 1	2023/24 Annual Institutional Performance Report submitted to the Audit Committee on 27 August 2024	
QUARTER 2	2024/25 Quarter 1 Institutional Performance Report submitted to the Audit Committee on 11 December 2024.	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		30 June 2023 Achieved	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of Final Annual Reports submitted to Council before legislated deadlines	1			N/a		N/a	**1**					**MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	No target set for Quarter 1, Draft Annual Report prepared and MPAC Oversight processes have been scheduled	
QUARTER 2	No target set for Quarter 2, Draft Annual Report prepared and MPAC Oversight processes commenced.	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPI	Annual Target 24/25	Baseline	Q1		Q2		Q3		Q4		30 June 2025 Achieved	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of IDP/Budget Process Plans												

approved by Council by 31 August	1	1	**1**	1		-						**MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	Target Achieved, Council approved on 28 August 2024.	
QUARTER 2	Quarter 1 Target, Achieved.	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPI	Annual Target 24/25	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2025	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of Draft IDP's submitted to Council by 31 March 2025	1	1		N/a		N/a	**1**					**MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	No target set for Quarter 1	
QUARTER 2	No target set for Quarter 2	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPI	Annual Target 24/25	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2025	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of IDP's approved by Council by 30 June 2025	1	1		N/a		N/a			**1**			**MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	No target set for Quarter 1	
QUARTER 2	No target set for Quarter 2	

4.2 DEPUTY MUNICIPAL MANAGER

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved June 30 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Limit the staff vacancy rate to less than 10% of funded posts	<10%	2/4%	**<10%**	2,7%	**<10%**	**2.9%**	**<10%**		**<10%**			**DEPUTY MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	Vacancy rate for first quarter at 2.7%	
QUARTER 2	Vacancy rater for Quarter 2 is 2.9%	

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved June 30 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% Expenditure of repairs and maintenance budget provisions	80%	85%	**10%**	17%	**40%**	**45%**	**70%**		**80%**			**DEPUTY MUNICIPAL MANAGER**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	As at end Sept 2024 - Q1 = Actual expenditure - R 164 752,61 of R1 850 000= 9% and actual expenditure, including committed - R 319 246,18 of R 1 850 000 = 17%. **Target achieved for Q1.**	

QUARTER 2	As at end Dec 2024 – Q2 = Actual expenditure – R804 752.81 of R 1 800 000 = 45%. If committed expenditure is included – R 1033 824.49 of R1 800 000 = 57%. Target achieved for quarter 2	

KEY PERFORMANCE AREA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION												
KPI	**Annual Target 22/23**	**Baseline**	**Q1**		**Q2**		**Q3**		**Q4**		**Achieved 30 June 2023**	**DIRECTORATE**
			Target	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**		
% Expenditure of Skills Development Training budget	90%	86%	**10%**	26%	**40%**	**40%**	**75%**		**80%**			**DEPUTY MUNICIPAL MANAGER**

	COMMENT	**CORRECTIVE ACTION**
QUARTER 1	Total expenditure at 26% for the first quarter	
QUARTER 2	Total expenditure as at end of Quarter 2 = 40%	

KEY PERFORMANCE AREA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION												
KPI	**Annual Target 22/23**	**Baseline**	**Q1**		**Q2**		**Q3**		**Q4**		**Achieved 30 June 2023**	**DIRECTORATE**
			Target	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**		
Number of appointments made in the Top Three layers of employment in compliance with the Employment Equity Plan	1	4	**-**	2	**-**	**3**	**-**		**1**			**DEPUTY MUNICIPAL MANAGER**

	COMMENT	**CORRECTIVE ACTION**

QUARTER 1	Total of two (2) appointments made in top layer (1AM appointed in SM level, 1 AM appointed in Professional level)	Target achieved
QUARTER 2	Two appointments made in top layer (1 CM and 2 CF in professional level)	

KEY PERFORMANCE AREA: FINANCIAL VIABILITY AND MANAGEMENT												
KPI	**Annual Target 22/23**	**Baseline**	**Q1**		**Q2**		**Q3**		**Q4**		**30 June 2023 Achieved**	**DIRECTORATE**
			Target	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**		
% of total operational expenditure on remuneration (Excluding Councillors and non-cash items) Annual Target	35%	34%	34%	19%		31.59%			**35%**			**DEPUTY MUNICIPAL MANAGER**

	COMMENT	**CORRECTIVE ACTION**
QUARTER 1	19% Expenditure as at end Sept	
QUARTER 2	31.59% as at end Dec 2024	

4.3 COMMUNITY SERVICES

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	Annual Target 24/25	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2025	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of Formal Residential Properties for which Refuse is Removed once a week (Based on Residential Account Holders)	24 500		**24 500**	23 217	**24 500**	**23 217**	**24 500**		**24 500**			COMMUNITY SERVICES
	COMMENT						CORRECTIVE ACTION					
QUARTER 1	**23 217** Weekly Collection											
QUARTER 2	**23 217** Weekly Collection											

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	Annual Target 24/25	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2025	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% of Residents as per the Indigent Register with Access to Free Basic Services	90%		**90%**	100%	**90%**	**100%**	**90%**		**90%**			COMMUNITY SERVICES
	COMMENT						CORRECTIVE ACTION					

QUARTER 1	7 571 Free Basic Services - 100 %	
QUARTER 2	7 571 Free Basic Services - 100 %	

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	**Annual Target 24/25**	**Baseline**	**Q1**		**Q2**		**Q3**		**Q4**		**Achieved 30 June**	**DIRECTORATE**
			Target	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**		
% of Response Time for Fire and Emergency Incidents within 15 minutes of call	75%		**75%**	87.53%	**75%**	**85%**	**75%**		**75%**			**COMMUNITY SERVICES**

	COMMENT	**CORRECTIVE ACTION**
QUARTER 1	**Achieved Response Time within 15 Minutes** **Jul-24** - 90% **Aug-24** - 90% **Sept-24** - 82.6% **Q1 - 87.53%**	
QUARTER 2	**Achieved Response Time within 15 Minutes** **Oct-24 - 84.2%** **Nov-24 - 80.6%** **Dec-24 - 90.2%** **Q2 - 85%**	

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	Annual Target 24/25	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2025	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of Kouga Community Safety Forums Established by 31 December 2024	1		-	-	1	1	-		-			COMMUNITY SERVICES
	COMMENT							CORRECTIVE ACTION				
QUARTER 1	Q2 Target											
QUARTER 2	CSF Established at the Safety Summit 02-Oct-24.											

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	Annual Target 24/25	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2025	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% Expenditure of Repairs and Maintenance Budget Provisions - Directorate	80%		10%	14.79%	40%	47.24%	70%		80%			COMMUNITY SERVICES
	COMMENT							CORRECTIVE ACTION				
QUARTER 1	**Jul-Sept '24**: 14,79 % Budget Spent on Repairs and Maintenance											
QUARTER 2	**Oct-Dec '24:** 47,24 % Budget Spent on Repairs and Maintenance											

4.4 CIVIL AND WATER SERVICES

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% Expenditure of MIG Capital grant funding	90%		5%	30%	45%	55%	75%		90%			CIVIL AND WATER SERVICES

	COMMENT	CORRECTIVE ACTION
QUARTER 1	MIG Spending on Target and per RAS target	See MIG Expenditure Report (PMU Manager)
QUARTER 2	MIG spending on track	

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% Expenditure of WSIG Capital Grant funding	90%		5%	12%	45%	43%	75%		90%			CIVIL AND WATER SERVICES

	COMMENT	CORRECTIVE ACTION
QUARTER 1	Expenditure on Track. PSP appointed and progressing well	See WSIG Expenditure Report (PMU Manager)
QUARTER 2	Expenditure 17% behind schedule	Mimosa street resealed. St Francis Borehole project accelerated.

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	An nu al	Ba sel in	Q1		Q2		Q3		Q4		Ac hi ev	DIRECTORATE

% of drinking water samples complying to SANS 241 (Annual Target)			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
	95%		**95%**	81%		91%			**95%**			**CIVIL AND WATER SERVICES**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	81% Micro Biological compliance (HPC, Total Coliforms and Ecoli)	
QUARTER 2	91% compliance with microbiological analysis conducted. (E-Coli, Faecal Coliforms, Heterotrophic Plate Count and Total Coliforms)	1. Awaiting results for the resampling. 2. New Service provider appointed to render service.

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% of water losses at 30 June 2025	<35%		**0%**	43.08%		32.11%			**<35%**			**CIVIL AND WATER SERVICES**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	The water losses are concerningly high. We need to investigate the billing accuracy which does not seem to follow the seasonal trends seen in the consumption.	SOP to account for all types of Water losses in Development phase (Water carting, pipe failures, flushing of hydrants, Accurate water metering)
QUARTER 2	In order. (Billing figures to be confirmed.)	

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

KPI	Annual	Baseline	Q1	Q2	Q3	Q4	Achiev	DIRECTORATE

Number of formal residential properties with access to potable water (Based on residential account holders)			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
	24488		**24488**	24488	**24488**	**24488**	**24488**		**24488**			**CIVIL AND WATER SERVICES**
	COMMENT							**CORRECTIVE ACTION**				
QUARTER 1	Numbers from Municipal accounts used as baseline							None				
QUARTER 2	Numbers from Municipal accounts used as baseline											

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of formal residential properties with access to sanitation services (Based on residential account holders)	24488		**24488**	24488	**24488**	**24488**	**24488**		**24488**			**CIVIL AND WATER SERVICES**
	COMMENT							**CORRECTIVE ACTION**				
QUARTER 1	Numbers from Municipal accounts used as baseline							None				
QUARTER 2	Numbers from Municipal accounts used as baseline											

KPI	An nu el	Ba sel in	Q1	Q2	Q3	Q4	Ac hi ev	DIRECTORATE

% Green Drop Compliance			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
	50%	19%	**50%**	19%		19%			**50%**			**CIVIL AND WATER SERVICES**
	COMMENT							**CORRECTIVE ACTION**				
QUARTER 1	No Green Drop Audit conducted during this term							All WWTW Plants are being prepared for Green Drop Audit				
QUARTER 2	No Green Drop Audit conducted during this term							All WWTW Plants are being prepared for Green Drop Audit				

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI			**Q1**		**Q2**		**Q3**		**Q4**			**DIRECTORATE**
% Blue Drop Compliance	Annual Target 22/23	Baseline	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Achieved 30 June 2023	
	70%	64.95%	**70%**	64,95%	**70%**	**64.95%**	**70%**		**70%**			**CIVIL AND WATER SERVICES**
	COMMENT							**CORRECTIVE ACTION**				
QUARTER 1	No Blue Drop Audit conducted during this term							Process Audits for all WTW Plants will be required to establish required Budget to reach a Target of 70%. In Progress				
QUARTER 2	No Blue Drop Audit conducted during this term							Process Audits for all WTW Plants will be required to establish required Budget to reach a Target of 70%. In Progress				

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	An nu al	Ba sel in	**Q1**		**Q2**		**Q3**		**Q4**		Ac hi ev	**DIRECTORATE**

% of residents as per the indigent register with access to free basic services			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
	100%	100%	**100%**	100%	**100%**	**100%**	**100%**		**100%**			**CIVIL AND WATER SERVICES**
	COMMENT							**CORRECTIVE ACTION**				
QUARTER 1	Humansdorp - 43%. Jeffreys bay: 33%. Hankey: 12%; Loerie - 2%. Patensie- 3% St Francis Bay - 4%; Thornhill- 2%- **Total of 7 589**											
QUARTER 2												

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	Annual Target 22/23	Baseline	**Q1**		**Q2**		**Q3**		**Q4**		Achieved 30 June 2023	**DIRECTORATE**
% Expenditure of repairs and maintenance budget provisions			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
	80%		**10%**	13.6%	**40%**	**40%**	**70%**		**80%**			**CIVIL AND WATER SERVICES**
	COMMENT							**CORRECTIVE ACTION**				
QUARTER 1	Expenditure on track											
QUARTER 2	Expenditure on track											

4.5 ELECTRO-MECHANICAL SERVICES

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved June 30 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% OF Municipal Fleet in Servicable condition	90%	95%	**90%**	**93.25%**	**90%**	**94.52%**	**90%**		**90%**			**ELECTRO-MECHANICAL SERVICES**

	COMMENT	CORRECTIVE ACTION
QUARTER 1	The fleet require urgent replacement as most vehicles are in access of 10 years and are daily in operational activities involved.	The new lease tender has been awarded and delivery of the new fleet is being actioned in October 2024.
QUARTER 2	• Tender 212/2023 new vehicle lease tender. • Tender 207/2024 Supply of various suction pump parts for a period of six months. • Tender 214/2024 Branding and warning devices of municipal vehicles. • Tender 200/2024 Body and mechanical repairs firefighting vehicle. • Tender 163/2024 Complete engine overhaul of Shantui Bulldozer. • Auction held on the 4th of December 2024	99% of all the vehicles had been delivered and handed to the respective departments, this had an astronomical influx on the operational availability of the fleet during the festive period of 2024 and all departments could full fill their mandate of service delivery towards the community. The only vehicle still outstanding is the combination drain cleaning vehicle. Expected delivery is March 2025. Tender had been awarded and materials had been delivered. Newly procured vehicles had been branded and warning devices had been installed in the traffic vehicles. Firefighting vehicle had been repaired had been repaired.

		Tender had been awarded and the service provider is in process of rebuilding the entire engine. A total of 27 old uneconomical to repair vehicles had been sold on the auction.

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI			**Q1**		**Q2**		**Q3**		**Q4**			**DIRECTORATE**
% Expenditure of SCADA funding allocation	**Annual Target 22/23**	**Baseline**	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Achieved 30 June 2023**	
	90%	New	**5%**	**0%**	**40%**	**0%**	**70%**		**80%**			**ELECTRO-MECHANICAL SERVICES**

	COMMENT	**CORRECTIVE ACTION**
QUARTER 1	Due to technical requirements the document was held back, the tender will be service at BSC on Friday 18 October 24.	Tender to be advertised and evaluated soonest to make an award.
QUARTER 2	Tender closed in November 2024, only R5m was budgeted for this project. The cheapest offer came in at R17m. Tender Number 215/2024: Supervisory Control and Data Acquisition (SCADA) was cancelled during the BAC meeting on 19 December 2024. A reduction in scope was done and tender will be re-advertised in February 2025 with the reduced scope.	A tender of this nature has not been done before and we tested the market. All our substations was included and that increased the cost. The reduced scope tender only catered for the three respective towns, Humansdorp, St. Francis Bay and Jeffreys bay. This project will make switching safer and more convenient, this will also accommodate renewable energy. The 25 outstanding substations still need to be connected, and its old oil switchgear require the necessary upgrading to enable its remote functionality.

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved June 30 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% Expenditure of DMRE Capital Grant Funding	90%		5%	0%	45%	2.6%	75%		90%			ELECTRO-MECHANICAL SERVICES

	COMMENT	CORRECTIVE ACTION
QUARTER 1	Project approved at BSC ON 09 October 2024, the project required commitment before advertised. DMRE approved the go ahead upon site inspection with the Kouga on the 26th October 24 and verify the housing contractor on site.	The DMRE became strict on project expenditure and require commitment with beneficiaries on site. Pre-planning and project readiness is what is required by the DMRE.
QUARTER 2	The contractor was appointed at a BAC meeting held December 2024. Scheyisha Powerlines was selected as the successful service provider to electrify the 169 housing units in Oceanview. The appointments were delayed due to the lack of progress in the housing project. To date, the consultant has been compensated only for the inception, initiation, and contract management stages through the tender award.	The Human Settlements contractor should commence construction of the top structures to allow the Electrical contractor to begin their work.

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved June 30 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% of households with access to electricity (Based on residential account holders)	100%		100%	100%	100%	100%	100%		100%			ELECTRO-MECHANICAL SERVICES

	COMMENT	CORRECTIVE ACTION
QUARTER 1		

QUARTER 2	All registered account holders have access to electricity, as evidenced by the number of accounts issued to consumers. Additionally, the department has electrified illegal settlements to mitigate threats to the sustainability of the network and to protect our electrical infrastructure.	To safeguard the infrastructure supplying registered households from illegal connections, we opted to electrify the unauthorized dwellings. This approach significantly enhanced the security of our electrical infrastructure.

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% total electricity losses	<16%		<16%	19.57%	<16%	16.68%	<16%		<16%			ELECTRO-MECHANICAL SERVICES

	COMMENT	**CORRECTIVE ACTION**
QUARTER 1	The losses fluctuate monthly due to many factors and at the end of Q4 averaged over the full spectrum.	Have a dedicated team addressing metering and meter issues to ensure revenue security.
QUARTER 2	Compared to the same period last year, losses were at 17.78%. Through our efforts to clean data via the TID project and detect tampered meters, we are already seeing improvements for the same period.	To further reduce losses, we have hired additional electricians to concentrate on metering and meter maintenance. Additionally, we have appointed dedicated staff for a 12-month period to assist with SSEG metering and registrations. This should further improve our losses with the department.

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% of residents as per the Indigent Register with access to free basic services	100%	100%	100%	100%	100%	100%	100%		100%			ELECTRO-MECHANICAL SERVICES

	COMMENT	**CORRECTIVE ACTION**

QUARTER 1	As per all registered FBE consumers that qualify they are registered and serviced.	That the reach out programs be conducted, and residents be encouraged to register.
QUARTER 2	6342 indigent consumers are registered on our account's role. All have access to basic electricity.	The project to register indigents is run through our accounts department.

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY												
KPI	**Annual Target 22/23**	**Baseline**	**Q1**		**Q2**		**Q3**		**Q4**		**Achieved 30 June 2023**	**DIRECTORATE**
			Target	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**		
% Expenditure of repairs and maintenance budget provisions	80%		**10%**	**24.79%**	**40%**	**42.92%**	**70%**		**80%**			**ELECTRO-MECHANICAL SERVICES**

	COMMENT	**CORRECTIVE ACTION**
QUARTER 1	Expenditure on repairs maintenance is progressing carefully to be managed during the festive period.	Contractors appointed to commence with preventative maintenance projects to keep infrastructure in a good condition.
QUARTER 2	Budgets are carefully managed during the December holiday season to mitigate unforeseen breakdowns. Accelerated expenditure begins in Q3, focusing on aggressive maintenance.	If necessary, budget adjustments will be made through virements to cover the emergency expenditure.

4.6 FINANCE AND ECONOMIC DEVELOPMENT

KEY PERFORMANCE AREA: LOCAL ECONOMIC DEVEOPMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of temporary job opportunities created through Public Employment Programmes (EPWP)	300		**50**	77	**50**	**657**	**100**		**100**			**FINANCE AND ECONOMIC DEVELOPMENT**

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	77 achieved	not applicable
QUARTER 2	657 achieved	

KEY PERFORMANCE AREA: LOCAL ECONOMIC DEVEOPMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% Expenditure of EPWP grant funding received	90%		**5%**	12.3%%	**40%**	**53%**	**70%**		**90%**			**FINANCE AND ECONOMIC DEVELOPMENT**

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	12.3% achieved	not applicable
QUARTER 2	53% achieved	

KEY PERFORMANCE AREA: LOCAL ECONOMIC DEVEOPMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Average number of days from point of advertising to BAC award per 80/20 procurement process	90		**90**	94	**90**	**27**	**90**		**90**			**FINANCE AND ECONOMIC DEVELOPMENT**

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	94 working days	It is the first time that SCM is reporting on the target. Additional measures are being put in place to identify the deadline date per Tender and Evaluation to work towards achieving the target and reducing the number of days taken to award in outer periods.
QUARTER 2	Average 27 working days	

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% of operating budget expenditure against total budget (excluding non- cash items)	90%		**22.5%**	22.7%	**45%**	**46.1%**	**67.5%**		**90%**			**FINANCE AND ECONOMIC DEVELOPMENT**

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	22.7% achieved	not applicable
QUARTER 2	46.1% achieved	

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		30 June 2023 Achieved	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% Expenditure of FMG grant funding received	90%		5%	10.9%	40%	20.5%	70%		90%			FINANCE AND ECONOMIC DEVELOPMENT

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	10.9% achieved	not applicable
QUARTER 2	20.5% achieved	60% of the grant is allocated to the financial system amendments that are required. This is planned to take place from February. The full grant will be spent by the end of the financial year.

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		30 June 2023 Achieved	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% Change in cash and cash equivalent (short term) between approved budget versus actual (Annual Target)	20%			-		-			20%			FINANCE AND ECONOMIC DEVELOPMENT

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	Not applicable for this quarter	not applicable

QUARTER 2	Not applicable for this quarter	

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT													
KPI			**Q1**		**Q2**		**Q3**		**Q4**				
% of revenue growth excluding capital grants (Annual target)	**Annual Target 22/23**	**Baseline**	***Target***	**Actual**	***Target***	**Actual**	***Target***	**Actual**	***Target***	**Actual**	**Achieved 30 June**	**DIRECTORATE**	
	CPIX + 5%			-		-			**CPIX + 5%**			**FINANCE AND ECONOMIC DEVELOPMENT**	

	COMMENT	**CORRECTIVE ACTION**
QUARTER 1:	Not applicable for this quarter as the calculation can only be performed at year end	not applicable
QUARTER 2	Not applicable for this quarter as the calculation can only be performed at year end	

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT													
KPI			**Q1**		**Q2**		**Q3**		**Q4**				
Cash/Cost coverage Ratio (Annual target)	**Annual Target 22/23**	**Baseline**	***Target***	**Actual**	***Target***	**Actual**	***Target***	**Actual**	***Target***	**Actual**	**Achieved 30 June 2023**	**DIRECTORATE**	
	0.06:1			1.41:1		1.69:1			**0.06:1**			**FINANCE AND ECONOMIC DEVELOPMENT**	

	COMMENT	**CORRECTIVE ACTION**
QUARTER 1:	1.41 :1 achieved	not applicable
QUARTER 2	1.69:1 achieved	

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Current Ratio (Current assets/ current liabilities) (Annual target)	0.9:1			1.27:1		1.32:1			**0.95:1**			**FINANCE AND ECONOMIC DEVELOPMENT**

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	1.27:1 achieved	not applicable
QUARTER 2	1.32:1 aachieved	

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Liquidity Ratio (Annual target)	0.2:1			0.63:1		0.64:1			**0.2:1**			**FINANCE AND ECONOMIC DEVELOPMENT**

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	0.63:1 achieved	not applicable
QUARTER 2	0.64:1 achieved	

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% Revenue collected against revenue raised on municipal service accounts	95%		**95%**	80.85%	**95%**	**87.81%**	**95%**		**95%**			**FINANCE AND ECONOMIC DEVELOPMENT**

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	80.85% achieved	Due to annual rates being billed in July, the collection rate is low at the beginning of the financial year. The collection will then increase each month thereafter.
QUARTER 2	87.81% achieved	The collection rate has increased by 7% in the 2nd Quarter. With continuous credit control and a monthly collection rate above 95%, the target can be achieved.

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT

KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of Annual Financial Statements submitted to the AG by 31 August	1		**1**	1		1						**FINANCE AND ECONOMIC DEVELOPMENT**

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	Annual Financial Statements was submitted to AG on 31 August 2024	not applicable
QUARTER 2	Target achieved in Quarter 1	

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of final Annual Budgets approved by Council by the legislated deadline	1			-		-			1			FINANCE AND ECONOMIC DEVELOPMENT

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	Not applicable in Quarter 1	not applicable
QUARTER 2	Not applicable in Quarter 2	

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of adjustments I Budgets approved by Council by the legislated deadline	1			-		-	1					FINANCE AND ECONOMIC DEVELOPMENT

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	Not applicable in Quarter 1	not applicable
QUARTER 2	2 Adjustment Budgets were approved by Council. The mid-year Adjustment Budget will be presented to Council at the end of January 2025.	Not applicable

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
% of Creditors paid within 30 98%days of receipt of a compliant invoice	90%		90%	97%	90%	98%	90%	FINANCE AND ECONOMIC DEVELOPMENT	90%			FINANCE AND ECONOMIC DEVELOPMENT

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	97% achieved	not applicable
QUARTER 2	98% achieved	

KEY PERFORMANCE AREA: FINANCIAL VIABLITY AND MANAGEMENT												
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of unqualified Audits achieved on the Annual Financial Statements	1				1	1						FINANCE AND ECONOMIC DEVELOPMENT

	COMMENT	CORRECTIVE ACTION
QUARTER 1:	Not applicable in Quarter 1	not applicable
QUARTER 2	Unqualified Audit with no findings (Clean) achieved	

4.7. PLANNING AND DEVELOPMENT

COM	PLANNING AND DEVELOPMENT											
KPI	Annual Target 22/23	Baseline	Q1		Q2		Q3		Q4		Achieved 30 June 2023	DIRECTORATE
			Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Number of reviews of the Spatial Development Framework completed by 30 June 2025	1								1			PLANNING & DEVELOPMENT

	COMMENT	CORRECTIVE ACTION
QUARTER 1	No Target set for Quarter1. However, the department has already appointed a service provider. The Status Quo Report has already been submitted for consideration. Project is in progress.	
QUARTER 2	No Target set for Quarter1. However, the department has already appointed a service provider. Project is in progress.	

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 29 JANUARY 2025
ITEM NO:**25/01/MM3**

KOUGA MUNICIPALITY: 2ND DRAFT: 2023/24 ANNUAL REPORT

1. **Introduction**

The 2nd Draft 2023/24 Annual Report is herewith submitted to Council in accordance with the provisions of the Local Government Municipal System Act (32/2000) and Local Government Municipal Finance Management Act (56/2003). The 2nd Draft 2023/24 Annual Report is attached hereto as Annexure "A"

2. **Background**

The preparation and submission of Annual Reports is regulated through legislative provisions and the submission of the 2nd Draft 2023/24 Annual Report to Council is done in accordance with the provisions of the Local Government Municipal System Act (32/2000) and Local Government Municipal Finance Management Act (56/2003).

3. **Discussion**

The 2nd Draft 2023/24 Annual Report has been subjected to scrutiny by the Auditor General and corrections and adjustments were made were necessary.

It must be noted that the 2nd Draft 2023/24 Annual Report shall be published for public comment and inputs after this first submission to Council and is further subject to scrutiny by the Municipal Public Accounts Committee and the content of the Annual Report is subject to change and/or correction.

The final Annual Report with the Oversight Report on the Annual Report as prepared by the Municipal Public Accounts Committee, must be dealt with by Council by not later than 31 March 2025.

4. **Financial Implications**

Completed by BTO -	Not applicable
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	

5. **Applicable Legislation**

Section 46 of the Local Government Municipal Systems Act, 32 of 2000 provides as follows:

"*Annual performance reports.—*

(1) A municipality must prepare for each financial year a performa nce report reflecting—

(a) The performance of the municipality and of each external service provider during that financial year.
(b) A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
(c) Measures to improve performance.

(2) *An annual performance report must form part of the municipalit y's annual report in terms of Chapter 12 of the Municipal Finance Management Act.*

Sections 121(1,2 and 3) of the Local Government Municipal Finance Management Act, 56 of 2003 provides as follows:

"*121. (1) Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.*

(2) The purpose of an annual report is—
(a) to provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;
(b) to provide a report on performance against the budget of the municipality or municipal entity for that financial year; and
(c) to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity

(3) The annual report of a municipality must include—

(a) the annual financial statements of the municipality, and in addition, if section 122(2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1).

(b) the Auditor-General's audit report in terms of section 126(3) on those financial statements.
(c) the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act.

(d) the Auditor-General's audit report in terms of section 45(b) of the Municipal Systems Act.

(e) an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges.

(f) an assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year.

(g) particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d).

(h) any explanations that may be necessary to clarify issues in connection with the financial statements.

(i) any information as determined by the municipality.

(j) any recommendations of the municipality's audit committee; and

(k) any other information as may be prescribed."

Section 127 of the Local Government Municipal Finance Management Act, 56 of 2003 provides as follows:

"Submission and tabling of annual reports

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)."

6. **Legal Implications**

No legal implications are foreseen.

7. **Other Implications**

No other implications are foreseen.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Report noted.

8.4 **Director: Electro-Mechanical Services**

Report noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Recommendations supported.

9. **Delegated Authority**

No delegation has been made relevant to the consideration and adoption of the Annual Report.

10. **Recommendations**

10.1 That in terms of the provisions of Section 127 (2) of the Local Government Municipal Finance Management Act, 56 of 2003, the submission of the 2nd Draft 2023/24 Annual Report be noted.

10.2 That in terms of the provisions of Section 127 (5)(a) of the Local Government Municipal Finance Management Act, 56 of 2003, the 2nd Draft 2023/24 Annual Report be made public, and the local community be invited to make presentations in connection with the 2nd Draft 2023/24 Annual Report.

10.3 That in terms of the provisions of Section 127 (5)(b) of the Local Government Municipal Finance Management Act, 56 of 2003, the 2nd Draft 2023/24 Annual Report be submitted to the Auditor General, Provincial Treasury and the Provincial Department of Cooperative Government and Traditional Affairs.

10.4 That in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003, the 2nd Draft 2023/24 Annual Report be submitted to the Municipal Public Accounts Committee for purposes of preparing an Oversight Report on the 2nd Draft 2023/24 Annual Report for submission to Council by 27 March 2025.

Item prepared by the: Manager PMS



Item approved by the Municipal Manager:



KOUGA
local municipality
Good Governance through Service Excellence

Hankey, Humansdorp, Jeffreys Bay, Oyster Bay, Loerie, Patensie, Thornhill







2ND DRAFT

2023/24 ANNUAL REPORT








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CHAPTER 1

1.1 MAYOR'S FOREWORD



It is my distinct honour to present the Annual Report for the 2023/2024 financial year as the Executive Mayor of Kouga Municipality.

This financial year has been marked by significant advancements and improvements in our commitment to delivering superior services to our residents. Our administration has focused on four key priorities: enhancing road infrastructure, improving wastewater infrastructure and diversifying water sources, reducing reliance on Eskom, and improving customer service.

Kouga Municipality is responsible for 26.5% of the roads within our region, a responsibility that presents considerable challenges, especially with roads falling outside our jurisdiction. Despite this, we have maintained proactive communication with the Provincial Government to transfer responsibility for the main roads of Kouga towns to us. In this financial year, we have successfully resealed, rehabilitated, and tarred 12.03 km, with a budget cost of R19.04 million.

Our efforts to diversify water resources have been fruitful. We have installed new boreholes in St Francis Bay, Humansdorp, and Jeffreys Bay, complemented by state-of-the-art water purification plants. These improvements will mitigate water outages and prevent potential water-shedding. The R5 million investment at Gill Marcus Water Treatment Works will address challenges in Kruisfontein, a community that has faced water shortages in the past.

Additionally, the upgrade of the KwaNomzamo Wastewater Treatment Works (WWTW) in Humansdorp, with a total project cost of R42.36 million, has progressed well. Although we encountered delays due to adjustments by the National Treasury to the Municipal Infrastructure Grant (MIG), we remain committed to overcoming these challenges and completing the project.

Enhancing customer satisfaction remains a key priority. We have introduced a tablet at the Jeffreys Bay municipal building to streamline service access. The "First Thursday" initiative continues to be an effective platform for addressing residents' concerns, and we are encouraged by the positive community engagement. We also acknowledge the need for further upgrades to the Kouga Call Centre and we are committed to continuous improvement at this centre.

Kouga Municipality has exceeded its target for Intergovernmental Relations sessions, hosting nine (9) sessions this financial year. These sessions are crucial for achieving our 5-year IDP cycle and engaging with various stakeholders on service delivery issues beyond our direct responsibility, including clinics, police stations, schools, and provincial roads.

We have successfully acquired 80 hectares of land from Ocean View, which was previously undeveloped. Our Human Settlements Department is now working on layout plans and house designs, and we anticipate significant progress in developing this land in the next financial year.

The resumption of the 1500 housing project in Ocean View represents a major achievement for our municipality and the residents of Jeffreys Bay. Although not a municipal project, we are closely overseeing its progress to ensure its successful completion. We have also addressed related protests and land occupation issues with the help of the Municipal Manager.

Given the recent security concerns in South Africa, including the ranking of Nelson Mandela Bay Metro as the most dangerous municipality in the country, we have made a decisive move to upgrade the Incident Command Centre in Humansdorp. This enhanced facility will monitor over 300 cameras, including 50 municipal and private security cameras, and track information through various social media and community messaging groups. The 35 license plate recognition cameras installed have significantly contributed to law enforcement efforts, aiding in the confiscation of nearly R1 million in illegal abalone and numerous arrests.

I extend my deepest gratitude to the Kouga Municipality Executive and Officials for their tireless efforts to improve the lives of our residents. Your dedication and commitment to serving our community are truly commendable. While there are still a number of challenges we face, I am confident that we are moving in the right direction to make Kouga one of the top performing municipalities in the country.

Together, we continue to strive for service excellence and ensure that Kouga remains a thriving and resilient municipality.



_____

H. Bornman
Executive Mayor, Kouga Municipality

1.2 MUNICIPAL MANAGER'S FOREWORD AND OVERVIEW



The 2023/24 financial year was a year of recovery from the negative impact from the Covid Pandemic years. The political and management stability has allowed Kouga Municipality to focus on improving service delivery and make investments into critical infrastructure upgrades to support new development taking place in Kouga Municipality. Kouga Municipality implemented its Long-Term Financial Plan and made steady improvements in achieving the goals set out in the plan. A comprehensive account of our financial performance is dealt with later in this report. I would like to emphasize the following highlights:

AUDIT: Kouga Municipality achieved its first clean audit (unqualified audit opinion with no findings) after achieving many consecutive unqualified audits. This clean audit reinforces Kouga Municipality's claim to be regarded as the best run municipality in the Eastern Cape and thereby joining the list of successful municipalities in the country able of boasting clean audits. Kouga Municipality also recorded 0 irregular and 0 unauthorized expenditure during the 2023/24 financial year. The disciplined hard work of management and staff to achieve the high standards for a clean audit has enhanced the reputation of the municipality as one of the top performing municipalities in South Africa.

FINANCIAL HEALTH: The statement of financial performance indicates a total revenue of R 1,313,129,538 with total expenditure at R 1,309,337,274 generating a surplus of R 3,792,264. Of note is the increase in revenue from property rates to R280,202,653 from R 259,514,386 at 30 June 2023.Cash and cash equivalents improved to R 143,658,808 from R 104,935,010 at 30 June 2023.

Cost coverage improved from 0.98 months in 2023 to 1.19 months as at June 2024.Employee-related costs constituted 30.46% of total operating expenditure, well within the norms.

The liquidity ratio improved from 0.30:1 in 2023 to 0.49:1 at 30 June 2024.

The current ratio improved from 0.72:1 to 0.75:1 at 30 June 2024 which is still below the norm of 1.5:1 to 2.1:1

The Debt servicing cost was a very low 0.01:1

The average collection rate for the financial year was 91.01%, an improvement from the previous financial year's 86.71%.

REVENUE TREND: Revenue from property rates increased by R 20,688,267 or 7,97% from the previous year with the impact of increased occupation certificates for new buildings being issued translating to stronger growth in rates revenue. Total exchange revenue increased by R77,170,868 or 13% mainly due to the strong growth in electricity sales revenue increasing by R73,898,571 or 12,44%. Non-

exchange revenue decreased by R19,809,254 mainly due to fines, penalties and forfeits reducing from R 101,635,779 to R40,083846. Total revenue increased by 4,56% or R57,361,614.

LOCAL ECONOMIC DEVELOPMENT: Kouga Municipality's economy is largely dominated by tourism, agriculture and agriculture processing commerce and construction. The high interest rates have negatively affected Kouga's tourism economy with consumers being under financial constraints. The construction sector has however continued to grow strongly. The municipality received 1954 building plan approval applications of which 914 building plans were approved during the financial year. The proposed new and additional building area of 159 253 square meter at an estimated value of R 1,59 billion was approved for the 2013/24 financial year. This represents a 9.1% growth over the previous financial year. A total of 770 Occupation Certificates were approved compared to 742 in 2023/24 financial year.

SERVICES: Kouga's commitment to growth and improved service delivery led to several significant capital projects in new roads and resealing, improvements in water and sewer systems, housing development and fleet procurements. Of note is the was the R3,339,130 spent on converting gravel to tar roads and R 21,300,000 spend on resealing 9.5 km of roads in Kouga Municipality. The Mimosa Street 315mm new watermain upgrading and road reinstatement was instrumental in solving the constraints of water supply to parts of Jeffreysbay. Multiyear funded projects are in progress to improve the rehabilitation of the wastewater plants in Kwanomzamo and Hankie.

Kouga municipality has during the financial year continued to invest in its water infrastructure and improving the maintenance of our wastewater treatment plants. These investments allowed the Municipality to continue to provide uninterrupted water and sanitation services to our growing communities.

Electricity services in Kouga Municipality benefitted from lower load shedding and could increase the reliability of electricity supply to business and residential.

All our towns are being fully serviced with all the services that Kouga Municipality is providing.

TOP MANAGEMENT CHANGES: Kouga Municipality has only one vacancy in its top management with the Director for Planning and Development being vacant. Kouga was unsuccessful in multiple recruitment drives to find a suitable candidate for the position. The position was advertised, and we are hopeful to find a suitable candidate in the new financial year.

FUNCTIONS AND POWERS OF THE MUNICIPALITY: The powers and functions of Kouga Municipality remain unchanged as described in Chapter 5 of the Local Government Municipal Structures Act. Kouga Municipality performs Environmental Health Services on behalf of the District Council and Library Services on behalf of the Department of Sport Arts and Culture. Traffic e-natis services are offered on behalf of the National Department of Transport.

TOP 10 RISKS: The following top 10 risks have been identified, and action plans have been developed to mitigate these risks.

1. Water Security-Kouga Municipality is continuing investing in adding bore holes to our supply to reduce our reliance on dam surface water procured from NMB Metro
2. Sufficient bulk infrastructure-Kouga Municipality is investing in creating additional bulk capacity to sustain growth in the Municipality
3. Financial sustainability- long term financial plan was developed and approved by the council. This plan is being implemented.
4. Inaccurate performance information-A new performance management system has been procured and will be implemented in the next financial year.
5. Housing backlog-Housing projects have been unblocked and informal settlements upgrading programs funding has been secured.
6. Load shedding impact on municipal plant operations-generators have been procured to mitigate disruptions to critical plants and pumpstations. Renewable energy strategies have been developed.
7. Ageing infrastructure-upgrading and deep maintenance plans for upgrading ageing infrastructure have been developed and will be implemented over multiple years.
8. Water and wastewater management- Interventions have been developed to increase the Green-drop, Blue-drop and No-drop performance of the municipality. These interventions include recruiting competent maintenance staff and an increase in maintenance expenditure and upgrading of infrastructure.
9. Skills shortages-skills shortages in certain areas remain a challenge due to emigration and non-competitive salaries that could be offered. Developing skills in-house is being pursued.
10. Vandalism on electrical infrastructure-A comprehensive safety strategy has been developed to address the vandalism of municipal infrastructure and cable theft.

WORD OF THANKS: I would like to thank the Mayor of Kouga Municipality Councillor Hattingh Bornman and his Executive committee for their dedication and support during the financial year. I also want to congratulate my senior executive management and staff for an excellent performance and their dedication and hard work to achieve Kouga Municipalities first clean audit.



CHARL DU PLESSIS

MUNICIPAL MANAGER

1.3 MUNICIPAL OVERVIEW

VISION: Service Excellence through Good Governance

MISSION:

- To be a trustworthy government that addresses the needs and respects the values of 'ubuntu' in our communities.
- To deliver inclusive and affordable services to improve the quality of life of all residents.
- To be a safe environment with diverse opportunities for economic growth and development.
- To be a responsive, accountable and caring government for all our people.
- To be an efficient, well-managed, corruption free and legally compliant municipality.
- To be an effectively governed administration that I committed to financial sustainability.
- To be a government that empowers residents to take a collective accountability in Kouga.

POPULATION Kouga has the largest population size in the Sarah Baartman District, which, according to Census, 2022 is estimated at 107 014.

Kouga also has the fastest annual growth rate in the district. The population size of the municipality increased by 8.5% during the census years 2011-2022. The total population increased from 98 558 in 2011 to 107 014 in 2022.

Kouga is characterized by vast differences in population density from one area to the next. These variations have an impact on the cost-of-service delivery, while migration to the urban 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 The Kouga Local Municipality increased its GDP from R 9.51 billion in 2012 to R 16.7 billion in 2022, or 34.09%, of the R 49 billion GDP of the Sarah Baartman District Municipality. This represents a rise in the Sarah Baartman's share of the GDP from 33.60% in 2012.

With a total GDP of R 6.63 trillion in 2022 (measured in nominal or current prices), the Kouga Local Municipality contributes 3.34% to the GDP of the Eastern Cape Province and 0.25% to the GDP of South Africa. Although it is less than the peak of 0.27% in 2015, its contribution to South Africa's national economy has remained relatively stable since 2012, when it was worth 0.27%.

The GDP growth rate for the Kouga Local Municipality in 2022 was 1.31%, which is lower than the GDP growth rate for the Eastern Cape Province, which was 2.08%, but higher than the GDP growth rate for South Africa, which was 1.91%. The longer-term average growth rate for Kouga (0.48%) is marginally lower than South Africa's (0.92%) growth rate, which is comparable to that of 2022. Kouga's economic growth reached a peak in 2021, growing by 3.92%.

From 2022 to 2027, Kouga Local Municipality is projected to increase at an average annual rate of 1.08%. It is anticipated that the GDPs of the Eastern Cape Province

and Sarah Baartman District Municipality will expand at average annual rates of 1.47% and 1.05%, respectively. South Africa is expected to grow at a rate that is higher than the Kouga Local Municipality, with an average annual growth rate of 1.76%.

Kouga is expected to have a GDP of R 13.1 billion (in constant 2010 currency) in 2027, which is 34.4% of the total GDP of the Sarah Baartman District Municipality. The Kouga Local Municipality will continue to rank the same in terms of size between 2022 and 2027, contributing 34.4% more to the GDP of the Sarah Baartman District Municipality in 2027 than it did in 2022. Kouga's GDP grew at an average annual rate of 1.08% between 2022 and 2027, placing it in third place among the regional economies.

The economy of the Kouga Local Municipality is composed of several industries. A sector breakdown is provided by the GVA-R variable, where each sector is valued according to the value added it generates in the regional economy. As of 2022, Kouga Local Municipality's community services sector is the biggest, making up R 4.59 billion, or 29.6%, of the municipality's overall GVA. The trade industry, at 20.7%, is the second-largest contributor to the Kouga Local Municipality's GVA, behind the financial sector (15.2%). With a contribution of R 7.7 million, or 0.05% of the total GVA, the mining industry is the one that makes the least economic contribution to Kouga Local Municipality.

1.3.1 SERVICE DELIVERY OVERVIEW

DIRECTORATE: OFFICE OF THE DEPUTY MUNICIPAL MANAGER

- For the FY 23/24 the section has welcomed the use of AI and is now using speech-to-text software to assist with minute taking.
- Renovation of Jeffreys Bay Foyer to improve customer experience.
- Various SOP's (Procedure for Telephone Etiquette and Reporting of Absenteeism to the Call Centre (Approved 1 August 2023).
- PAIA register developed.
- New Online customer satisfaction survey implemented with a much higher participation of the public.
- New report developed on customer care (combination of call centre and telephone usage)
- Call centre renovation completed as at end June 2024.
- New SDWAN internet connection implemented.
- New Microsoft O E365 licences procured and implemented.
- SEMBLEY- AI tool implemented.
- Azure cloud hosting implemented.
- New ICT strategy approved and implemented.
- New Customer care application being implemented-DMS.
- New Communications Strategy Implemented

- New customer care interactive tablet implemented for Main office in Jeffreys bay.
- Web based committee system procured to revolutionise Council agendas, and committee management.
- Web based record management system procured.
- New PMS system procured to manage PMS including individual PMS.
- Media Monitoring service provider appointed to monitor such, which already quantified more than R100 million advertising value.
- Radiography and Videography tender procured and implemented.
- More than R1.6 million rand spend on Ward development throughout the 15 wards in Kouga.
- More than 98% of skills budget spend on training initiatives for staff.
- Letter of good standing received from COIDA
- Letter received from the department of Labour and Employment services which states compliance with the EE plan of Kouga and regulations.

DIRECTORATE: ELECTRO-MECHANICAL SERVICES

- Humansdorp - Donkerhoek electrification project, 220 households.
- LED streetlight replacement of 693.

Project No.	**Project name**	**Price per kWh (can be modified by the municipality, if required) incl. VAT**	**Planned simple payback period in years**	**kWh savings per year**
No	**description**	**ZAR/kWh**	**years**	**kWh**
1	Replace 125 W HPS with 30 W LED	1,7300	2,2	209 714
2	Replace 250 W HPS with 103 W LED	1,7300	2,9	90 140
3	Replace 1000 W HPS with 400 W LED	1,7300	1,7	128 772

- Appiesdraai Substation upgraded, 3 150 kVA transformer and switchgear.
- Upgrade the cable between Jeffreys Bay Main Substation and Bergen Zee Substation.
- Replacement of old oil circuit breakers with new vacuum circuit breakers.
- Upgrade substation protection battery Storage at Jeffreys Bay Main Substation.
- Rerouted cable in ward 8, 240mm between Main Substation and Sub 4.
- Replace Ring Main Unit at Sub 59.

- New 22kV Auto Recloser installed at WWTF Substation, Jeffreys Bay.
- Auto Recloser for Cape St. Francis, Main Intake.
- Transformer for Cape St. Francis, Main Intake.
- Miniature Substation installed at the Harbour.
- New Miniature Substation installed St. Francis Bay.
- Miniature Substation installed at KFC, Assisi Drive, St. Francis Bay.

DIRECTORATE: PLANNING AND DEVELOPMENT

Human Settlements

- The implementation of several housing projects. These projects are divided into different categories as per table below:

Project No.	Category 1: Projects complete	Category 2: (Implementation phase)	Category 3: Planned Projects	Category 4: Blocked Projects
1	Kruisfontein 391Housing Project	Ocean View 1500 – phase one (1) 200 top-structures	Arcadia 139 Housing Project	Sea Vista 2000 Housing Project
2	Pellsrus 220 (218) Housing Project	Ocean View 1500 – phase two (2) 468 top-structures	Weston 196 Housing Project	Kwanomzamo 400 Housing Project
3	Internal bulk services for Ocean View 1500 (1183)	Hankey 990 – installation of bulk infrastructure	Patensie 278 Housing Project	Thornhill 390 Housing Project
4			Pellsrus 51 Housing Project (Galjoen Str)	
5			Pellsrus Destitute 23 Housing Project	
6			Jeffreys Bay 1 x First Housing Finance Social Housing Project	
7			Humansdorp 1 x First Housing Finance Social Housing Project	

- The Department received funds for the upgrading of the following Informal Settlements:
    - Polar Park (257) Informal Settlement
    - Polar Park (553) Informal Settlement
    - Shukushukuma 93 Informal Settlement
    - Bungalows 103 Informal Settlemen

  - Donkerhoek 363 Informal Settlements
  - Ocean View 1250 Informal Settlement
  - No R10 Informal settlement (191)
  - Thornhill 160 Informal Settlement
  - Cyril Ramaphosa 278 Informal Settlements.

- The unlocking of formal Housing projects, which includes the following Projects:
  - Hankey 990 (919)
  - Ocean View 1500 (Phase 1 & Phase 2)
- Appointment of service providers (GAP Infrastructure Corporation)
- Appointment of contractors for Hankey 990 housing project.
- Appointment of contractor for Ocean View 1500 housing project.
- Development of the Informal settlements survey application (SURVEY 123)
- Appointment of Kouga Local Municipality as Implementing Agent for the Informal Settlement Upgrading Programme
- Re-imbursement of Sixteen Million, Three Hundred and Twenty-Seven Thousand,
- The appointment of two (2) contractors for the construction of 568 top-structures in the Ocean View Housing Project (Phase 1 and Phase 2)
- The appointment of LM Contractors for the Construction of 300 Top-structures in Hankey as a Phase 1.
- The appointment of RUDCOR Engineering for the installation of Internal services as Phase 2 in the Hankey 990 Housing Project
- Human Settlements transition to digital data collection which includes Electrical data collection, Monitoring & Demolishing, Relocating and site pegging

Building Control

- 1954 Building plan applications were received in the 2023/24 financial year. This represents 0.8% increase compared to plans received for the 2022/23 financial year
- Of the 1954 plans received in the financial year, a total of 914 (53.7%) plans were approved
- Of the 1954 plans received in the financial year, a total of 114 (5.8%) were refused.
- A total proposed new and additional building area of 159253m2 at an estimated value of R 1.59 billion was approved for construction by Kouga Municipality in the 2023–24 financial year. This represents a 9.1% growth (in rand value)
- A total amount of R 4,888,383.16 in building plan application fees was received for the 2023/24 financial year.
- A total of 770 OCs were issued in 2023/24 against 742 in 2022/23 (a 3.6% increase), where an estimated R 631,865,450 in 2023/24 was spent by built environment stakeholders against R 577,002,050 spent in 2022/23 (a 8.7% increase). A total of 91635m2 of building area was added in 2023/2024 against 84692m2 in 2022/23 (a 8.7% increase).
- A total of 2514 site inspections were conducted in the 2023/24 Financial year compared to 2410 (4.1% increase) in the previous financial year.

- 794 Foundation inspections
- 633 Drainage inspections 897 Final inspection
- 70 Re-inspections of foundations
- 12 Re-inspections of drainage
- 16 Final re-inspections
- 17 Routine inspections
- An estimated 370 general and routine inspections were conducted to respond to resident complaints and tip-offs of unauthorized or suspected illegal building work, with an average of 30 general and routine inspections conducted per month.
- The number of plans approved increased by 31.5%, indicating a robust growth in construction activities since the 2022/2023FY
- The Department's performance for the 2023/24 financial year, versus the 2022/23 financial year has shown commendable progress compared to the previous year across several key metrics. The number of plans approved increased by 31.5%, indicating a robust growth in construction activities.
- Estimated costs associated with these projects also surged by 9.1%, suggesting higher investment levels. Moreover, site inspections carried out witnessed a 4.1% rise, demonstrating enhanced compliance monitoring by improving efficiency and service uptake. The issuance of occupation certificates also showed a steady increase of 4.0 %, highlighting smoother project completions. These achievements signify the department's effective regulatory oversight and support for sustainable development within our municipality.

Town Planning

- Spatial Planning and Land use management: A Project Steering Committee was formed for the review of the spatial development framework.
- Completion of the Draft LSDF of St Francis Bay CBD and Hankey CBD (Awaiting council approval)
- The Land-Use Management Department received 8 appeals in terms of Section 136 of the Spatial Planning and Land Use Management By-Law (2016), during the 2023/2024 financial year.
- There were four appeal assessment reports that were finalized by the Delegated Official It should be noted that there are currently four (4) appeals being assessed by the Delegated Official.
- A total of 265 land-use applications was recorded for abovementioned period.
- An Esri Steering committee was established
- The Unit has obtained a plotter. The Unit embarked on a process of updating the Infrastructure and Engineering datasets, specifically the Electricity department's as-built low voltage diagram. This exercise will assist the Electricity department in effective infrastructure management and maintenance
- The department has developed a work plan for implementation of Enterprise GIS 3 PHASES. The work plan provides an incremental approach for migrating from the existing GIS to the Enterprise GIS which is an essential tool for achieving success.
- Surveys-Informal Settlements Survey

- Training of Human Settlements Officials: Capacitation of EPWP Workers: Device Training:
- EPWP workers were trained on how to use the survey on their devices, which included: Implementation and Monitoring
- Field Data Collection: Municipal Streets Naming and Streets Renaming are up and running.

Land and Properties

- Disposal of Erf 588, Pellsrus – Ethiopian Episcopal Church (Community Zone)
- Disposal of Erven 2216, 2217, 2225 & 2226 in Hankey – Old Apostolic Church (Community Zone)
- Disposal of a portion of Portion 4 of the Farm 347 – Teen Challenge SA (New name Salvation South Africa Kouga)
- Disposal of Erf 600, Pellsrus – Uniting Reformed Church SA (Community Zone)
- Disposal of Erf 2734, Sea Vista – Shekinah Ministries (Community Zone)
- Disposal of Erf 2593, Sea Vista – Annie Daniels (Residential)
- Disposal of Erf 1044, Sea Vista – WB Bosch (Residential)
- Disposal of a portion of Erf 873, Jeffreys Bay – Jeffreys Bay Bowling Club (Open Space to be Rezoned)
- Disposal of Erf 137, Pellsrus – Mr. Lizo Patrick Letsekha (through EEDBS)
- Disposal of a portion of Erf 164, Jeffreys Bay – Eskimo Pie (The Mexican) The disposal
- Disposal of Erf 2331, Humansdorp (Kwanomzamo) - New Gospel Church
- The Department is also responsible for concluding new leases on municipal land as well administering current leases. There are currently 61 leases that is being administered.
- Another highlight was the recent support received from ECCoGTA in Surveying properties (26 June 2024 – 28 June 2024) in previously disadvantaged areas where encroachments exist that can only be rectified by the survey of a property to determine the correct extend and boundaries of a property.
- A moratorium on land was placed until 30 June 2024 and during that time, the Department successfully dealt with the implementation of current and historic council resolutions, which was never finalized.
- The establishment of the Land Evaluation Committee (LEC) The committee has had several meetings since its establishment to deal with the large number of applications.
- 28 Application for Alienation (Lease) of municipal owned properties in progress.
- Successful disposal and transfers

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 as 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: GOVERNANCE STRUCTURES

2.1 POLITICAL GOVERNANCE STRUCTURE

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.

2.1.1 EXECUTIVE MAYOR, DEPUTY MAYOR, SPEAKER, AND MAYORAL COMMITTEE



2.1.2 WARD COUNCILLORS



2.1.3 PROPORTIONAL REPRESENTATIVE COUNCILLORS



2.1.4 ALLOCATION OF SEATS IN COUNCIL

Political party	Number of seats	Number of male Councillors	Number of female Councillors
DEMOCRATIC ALLIANCE	16	11	5
AFRICAN NATIONAL CONGRESS	11	7	4
ECONOMIC FREEDOM FIGHTERS	1	1	0
FREEDOM FRONT PLUS	1	1	0
PATRIOTIC ALLIANCE	1	1	0
	30	**21**	**9**

2.1.5 COMMITTEES

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 and Safety Services Portfolio Committee

b. Civil & Water Services Portfolio Committee

c. Finance and Economic Development Portfolio Committee

d. Corporate & Digital Services Portfolio Committee

e. Planning and Development Portfolio Committee

f. Electro-mechanical Portfolio Committee

Each of the Support Committees deliberates on matters that fall within its specific terms of reference and makes recommendations to the Mayoral Committee for final approval by 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.

d. Monitoring and Evaluation Committee - The Monitoring and Evaluation Committee is established to assist the Municipal Council by focusing on implementation of the IDP and its alignment to the SDBIP.

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.

2.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

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 & Digital Services	Good Governance and Public Participation Institutional Development and Transformation
Planning, Development and Tourism	Town Planning and Development, Local Economic Development and Tourism
Infrastructure & Engineering	Infrastructure and Basic Service Delivery
Financial Services	Financial Viability and Management



Municipal Manager C du Plessis



Deputy Municipal Manager and Acting Director Corporate Services: D de Jager



Chief Financial Officer: R Lorgat



Director Community Services : N Machelesi



Director Infrastructure and Engineering: C de Kock



Acting Director Planning and Development: L Opperman

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

Kouga Municipality has been compliant with holding quarterly IGR's as per below:

Date	Number of Attendees
28 November 2023	35
29 November 2023	37
30 November 2023	29
2 April 2024	25
3 April 2024	31
4 April 2024	22
2 July 2024	20
3 July 2024	21

Date	Number of Attendees
4 July 2024	19

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 PUBLIC MEETINGS

Kouga Public Participation Unit engaged with communities at commemorative events, public hearings, workshops, project launches and meetings during the 2023/24 period as reflected hereunder.

DATE	PROGRAMME	VENUE
02 July 2023 06 July 2023 09 July 2023 11 July 2023 13 July 2023 17 July 2023 19 July 2023 25 July 2023 27 July 2023 29 July 2023	Public Feedback Meeting	Kruisfontein Church, Kruisfontein Kwanomzamo Community Hall, Humansdorp Donkerhoek/MooiuiTsig Kampini Apostolic Church, Milton Farm Andrieskraal Hall Aston Bay Hall Pellsrus Community Hall, Jeffrey's Bay St Francis Bay Private venue Vusumzi Landu Hall, Hankey Vusumzi Landu Hall, Hankey
17 July 2023	Public Hearing: E Cape Environmental Management Bill & E Cape parks & Tourism	Newton Hall, Jeffrey's Bay
20 September 2023 20 September 2023	Public Hearing: Agricultural product amendment bill Voter Education	Newton Hall, Jeffrey's Bay Lungiso High School
09 October 2023 11 October 2023 17 October 2023 18 October 2023 19 October 2023 21 October 2023 23 October 2023 24 October 2023 25 October 2023	IDP Clustered Meeting IDP Clustered Meeting IDP Clustered Meeting IDP Clustered Meeting IDP Clustered Meeting IDP Clustered Meeting Stakeholder engagements Stakeholder engagements Stakeholder engagements	Sea Vista Community Hall, Sea Vista Kwanomzamo Community Hall, Humansdorp Pellsrus Community Hall, Jeffrey's Bay Newton Hall, Jeffrey's Bay Look out venue, Paradise Beach

DATE	PROGRAMME	VENUE
		Vusumzi Landu Hall, Hankey Pellsrus Community Hall, Jeffrey's Bay Kruisfontein Civic Hall, Kruisfontein Dan Sandi Hall, Patensie
11 October 2023	National Health insurance Bill	Newton Hall, Jeffrey's Bay
11 November 2023	Manie Libbok visit	Graslaagte Primary School
25-26 January 2024	Citizen Monitors Training	Mentors Kraal Venue, Jeffrey's Bay
05 February 2024	Initiation Technical team meeting	SBDM Council Chambers, Gqeberha
05 February 2024 06 February 2024 08 February 2024 12 February 2024 13 February 2024 15 February 2024 19 February 2024 20 February 2024	Sports field Facility Meeting Sports field Facility Meeting Sports field Facility Meeting Sports field Facility Meeting Sports field Facility Meeting Sports field Facility Meeting Sports field Facility Meeting Sports field Facility Meeting	Dan Sandi Hall, Patensie Vusumzi Landu Hall, Hankey Katrina Felix Hall, Thornhill Loerie Hall, Loerie Kruisfontein Civic Hall, Kruisfontein Kwanomzamo Community Hall, Humansdorp Sea Vista Community Hall, Sea Vista Tokyo Sports Field, Jeffrey's Bay
27 February 2024	Public Hearing: Upstream resources development bill	Newton Hall, Jeffrey's Bay
07 March 2024	Public Hearing: Basic education law amendment bill	Vusumzi Landu Hall, Hankey
18 March 2024 19 March 2024	Compact Citizen Monitors site visit engagements	Vusumzi Landu Hall, Hankey Kwanomzamo Hall, Humansdorp Pellsrus Community Hall, Jeffrey's Bay
23 April 2024	Electricity regulation Amendment bill	Newton Hall, Jeffrey's bay
May 2024	Ward feedback meetings	Kruisfontein Sports field, Kruisfontein

DATE	PROGRAMME	VENUE
		Kruisfontein Civic Hall, Kruisfontein Weston Community Hall, Hankey Vusumzi Landu Hall, Hankey
June 2024	Ward feedback meetings	Sea Vista community Hall, Sea vista Kwanomzamo Community Hall, Humansdorp Vusumzi Landu Hall, Hankey Andrieskraal Community, Andrieskraal Tokyo Sports field, Jeffrey's Bay

2.4.1 SPECIAL PROGRAMMES

DATE	PROGRAMME	VENUE
18July 2022 18 July 2022	Coding Competition: Coding & Robotics Mandela Day: renovating old and disabled lady's home.	Fathers house Church, Jeffreys Bay Thornhill
1 – 31 August 2022	Women's Wellness Campaign Internal & External	Jeffreys Bay/Humansdorp/St Francis/Gamtoos Valley
17 September 2022	Community development: Family Fun Day	Jeffreys Bay
November 2022 01-03 November 2022 05 November 2022 29 & 30 November 2022 29Tth November 2022	Matric Programme Services on Wheels(Health, SASSA, Social Development, SAPS,Kouga) Rainbow Disabled day GBV Workshop Bursary Donation	Humansdorp/Jeffreys Bay/Gamtoos Valley Vaaldam Kwanomzamo Tocyo Sexwale Graslaagte Humansdorp Graslaagte, Humansdorp Humansdorp Senior Secondary School

DATE	PROGRAMME	VENUE
03 December 2022 06 December 2022	Cancer High Tea World AIDS Day	Thornhill Kwanomzamo, Humansdorp
31st January 2023	Back to school leadership camp	Oyster Bay (Jeffreysbay Comprehensive School)
01 February 2023 27th February 2023	Teacher Appreciation Day Keep a child in School program 100 school shoes Donated	Jeffreysbay (Jeffreysbay Comprehensive High School) Graslaagte (St Patricks Promary School)
14th -15th March 2023 24th and 28th March 2023 29th March 2023 31st March 2023	Services on Wheels to the Community (Dept. of Health and Kouga) Keep a child in School Campaign (Donations of Stationary) Safe water Campaign at Schools -Schools won Eco tanks Championship Change in Schools Ambassadors Graduation	Patensie and Hankey Community hall Sea Vista, Jeffreysbay, Patensie Jeffreysbay, Hankey,Humansdorp Humansdorp – 9 Schools were presented from Kouga
April 2023	Sports development: Mayoral Cup 2023	Kouga Area
May 2023 30 May 2023	Sports development: Mayoral Cup 2023 Library Books Donations to 8 Schools in Kouga	Gamtoos Valley/St Francis Bay/Thornhill/Jeffreys Bay Jeffreysbay
30 June 2023	Youth Summit	Kruisfontein, Humansdorp

2.4.2 COMMUNICATION

2.4.2.1 INTERNAL COMMUNICATION

Internal Communication within Kouga Local Municipality, located in the Office of the Deputy Municipal Manager as part of the Media and Communication Unit, is dedicated to fostering effective communication among employees. This involves producing and disseminating messages and campaigns on behalf of various

departments, management, and the Council, while also facilitating dialogue with employees.

The scope of Internal Communication ranges from announcing new policies and informing employees about upcoming events to orchestrating municipality-wide engagements.

This section has ensured that employees are well-informed about upcoming events, policy changes, and engagement initiatives. It has significantly contributed to redefining and shaping the organisational culture, thereby boosting employee morale. Furthermore, it has enabled employees to engage in meaningful discussions, fostering a bottom-up communication approach.

Internal Communication has been crucial during times of crisis, providing essential updates on issues such as drought-related information and strategies for coping with ongoing loadshedding by Eskom.

Additionally, it has supported initiatives that resonate with employees and residents, including the Most Value-Driven Female Employee competition, family fun days, blood drives, and wellness days.

Email & WhatsApp. The bulk of the internal communication was done through Kouga Municipality's internal email communication platform and WhatsApp. The number of emails sent from July 2023 to June 2024 was 573, while 195 WhatsApp's were sent.

Corporate Shop. In July 2021, Internal Communications opened a Corporate Shop with various Kouga Municipality branded clothing for employees – serving as a branding tool.

Items were procured and are resold to employees at no profit. Employees can buy clothing and pay over a period of one to three months (deductible from their salary).

As at 30 June 2024, there were approximately 459 clothing items on the inventory list of the Corporate Shop, with a total worth of R100 350.00. To improve day-to-day operations, a system was developed that allows the administrator to post stock codes and descriptions of the available clothing items.

The money accumulated is reverted back to the budget.

2.4.2.2 EXTERNAL COMMUNICATION

Kouga Local Municipality is dedicated to fostering two-way communication, building strong relationships with internal and external stakeholders, and forming partnerships with both the public and private sectors.

The Media and Communication Unit, situated in the Office of the Municipal Manager, coordinates all communication activities within the municipality. This unit ensures the dissemination of accurate, timely, relevant, and understandable information about municipal programs and services to both internal and external stakeholders.

To achieve this, the Media and Communication Unit develops and implements comprehensive communication plans and produces various publications for effective information dissemination.

Responsibilities include the following:

- Media.
- Publicity.
- Marketing.
- Providing communication support to campaigns and events.
- Designing and printing communication materials.
- Social Media (Facebook, Instagram, WhatsApp, YouTube).
- Advertising.
- Branding and corporate identity.

Social Media. For the 2023/2024 financial year, the bulk of communication was done through Kouga Municipality's official Facebook Page, with the number of page likes increasing by 4 201, from 31 695 to 35 896, from July 2023 to June 2024.

A total of 1 402 posts were uploaded during the same period.

Some 59.6% of these likes are female followers and 40.4 % are male followers, with most followers between the ages of 25 to 44. As of 30 June 2024, followers are from Kouga (46.8%), followed by Gqeberha (15.5%), Cape Town (5%), Kariega (2.2%), Pretoria (1.1%), and East London (1%).

A municipal Instagram page was also created in July 2020. The number of followers as of 30 June 2024 stood at 1 439.

A municipal LinkedIn account was created in September 2022 to advertise municipal vacancies – especially higher task grade vacancies. The number of followers stood at 369 as of 30 June 2024.

External Media. The municipality issued 468 media statements/releases from July 2023 to June 2024, as well as 101 sound bites and videos. Some 356 media queries were received and attended to.

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 28 paid advertisements in the Kouga Express from July 2023 to June 2024, and 11 free advertisements.

There were furthermore six paid advertisements in the Bloemfontein Courant Glossy Magazine, four advertisements in the Wildside Times Magazine, one andvertisement in the Bloemfontein Courant, and one advertisement in the Port Alfred Easter Festival Magazine.

Some 12 interviews were conducted on Oasis FM from July 2023 to June 2024. The interviews were aired on the radio station and streamed live on Facebook.

WhatsApp. A total of 16 Kouga WhatsApp groups (two for Ward 12) were created in March 2022 for the 15 wards in the Kouga region to timeously inform residents of service alerts and other important information. The average number of messages send from July 2023 to June 2024 were 457.

Awareness Campaigns. The following awareness campaigns took place during the 2023/ 2024 financial year:

- Drought.
- Service Delivery Highlights.
- Integrated Development Plan.
- Kouga Mayor's Cup
- Women's Month.
- Tourism/Heritage Month.
- State of the Municipality Address.
- Intergovernmental Relations
- Equitable Shares
- First Thursday
- Foot and Mouth Disease
- External Events.
- National/International Days.

Standard Operating Procedure. The Media and Communication: Branding Standard Operating Procedure (SO) was approved on 4 September 2023.

The purpose of the SOP is to provide a process plan for the effective management of Kouga Municipality's internal and external branding, as well as to maintain continuity and consistency in all applications of the branding.

The aim of these procedures is to protect the image and brand of Kouga Local Municipality (KLM), and to provide clearly defined frameworks for brand identity enhancement and development. It, furthermore, aims to ensure and maintain a consistent and high-quality brand identity.

Tenders: The following tenders were approved during the 2023/2024 financial year:

- Branded Corporate Wear
- Branded Promotional Items
- Media Monitoring
- Broadcast Media
- Aerial photography, Videography and Arial Videography and other related services

Media and Communication Strategy Workshop: The first-ever Media and Communication Strategy Workshop was held at Mentors Country Estate in Jeffreys Bay on 25 October 2023 – bringing together municipal employees, industry experts, thought leaders, and communicators for an insightful and collaborative experience.

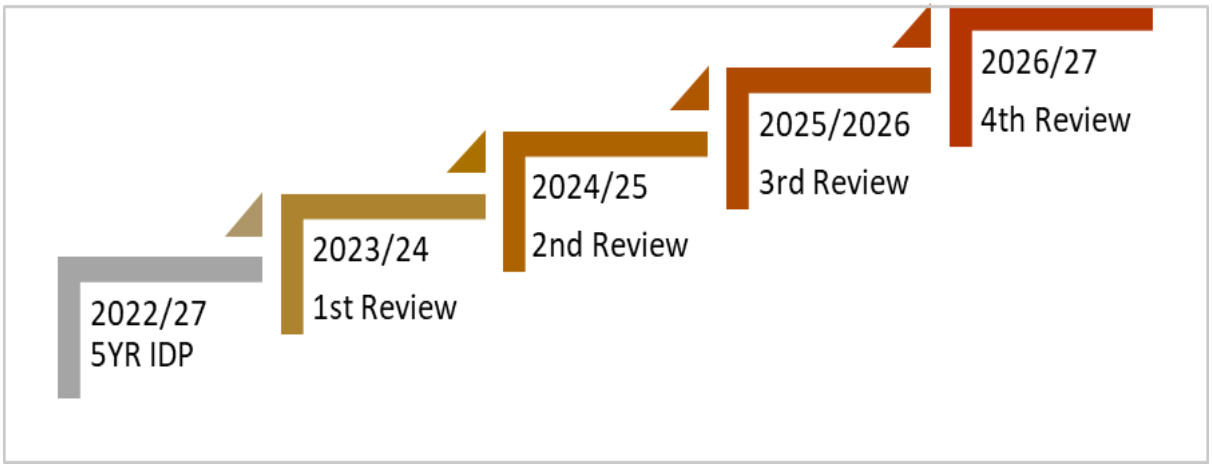
Media and Communication Strategy: The Media and Communication Strategy was approved by Council on 30 January 2024.

2.5 IDP PARTICIPATION AND ALIGNMENT

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 must 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.



The Integrated Development Plan of the municipality was adopted on 31 May 2022, The Municipality conducted ward clustered meetings in all 15 wards, where sessions were conducted with Ward Councillors and their Committee Members, furthermore

engagements were held with different stakeholders, i.e. religious groups, Business sector, SMMEs, Ratepayers Association, etc. See below the schedule of the meetings as held:

Table: Ward Clustered Meetings

WARD	DATE	TIME	In Attendance	VENUE	WARD COUNCILLOR
Ward 1	09 October 2023	18h00	Ward Committee Members Ward Councillor Municipal Officials	Sea Vista Community Hall	Cllr N Ntshota
Ward 4	11 October 2023	18h00	Ward Committee Members Ward Councillor Municipal Officials	KwaNomzamo Community Hall	Cllr J Alexander
Ward5					Cllr M Biko
Ward 6					Cllr K Ndzelani
Ward 15					Cllr T Jantjes
Ward 2	17 October 2023	18h00	Ward Committee Members Ward Councillors Municipal Officials	Pellsrus Community Hall	Cllr H Murray
Ward 14					Cllr M Yali
Ward 3	18 October 2023	18h00	Ward Committee Members Ward Councillors Municipal Officials	Jeffreys bay Golf Cours	Cllr W Gertenbach
Ward 8					Cllr R Foley
Ward 11					Cllr F Heystek
Ward 12	01 November 2023	18h00	Ward Committee Members Ward Councillors Municipal Officials	Newton Hall	Cllr L Maree
Ward 7	21 October 2023	10h00	Ward Committee Members Ward Councillors Municipal Officials	Vusumzi Community Hall	Cllr E Mbuqu
Ward 9					Cllr C August
Ward 10					Cllr M Mbandana
Ward 13					Cllr V Zana
Stakeholders	23 October 2023	18h00	Meeting called off.	Pellsrus Hall	Executive Mayor: Cllr H Bornman

WARD	DATE	TIME	In Attendance	VENUE	WARD COUNCILLOR
Stakeholders	24 October 2023	18h30	Religious, Sport, NGOs, NPOs, Tourism	Kruisfontein Civic	Executive Mayor: Cllr H Bornman
Stakeholders	25 October 2023	18h00	Emerging Farmers, Traditional Leaders	Dan Sani Hall	Executive Mayor: Cllr H Bornman

Further to these engagements, from 15 to 22 April 2024 the municipality hosted IDP "Walk-In" sessions in all towns in order to solicit input from communities:

- 15 April 2024 at the KwaNomzamo Hall in Humansdorp (walk-in), as well as the Kruisfontein Civic Centre and councillors' offices (drop-in boxes) for wards 4, 5, 6, and 15.
- 16 April 2024 at the Newton Hall in Jeffreys Bay (walk-in), as well as the Pellsrus Community Hall and councillors' offices (drop-in boxes) for wards 2, 3, 8, 11, 12, and 14.
- 17 April 2024 at the Vusumzi Landu Hall in Hankey (walk-in), as well as at the Weston Hall, Andrieskraal Community Hall, Patensie Community Hall, and councillors' offices (drop-in boxes).
- 18 April 2024 at the Thornhill Community Hall (walk-in), as well as at the Loerie Community Hall and councillors' offices (drop-in boxes).
- 22 April 2024 at the St Francis Bay Council Chambers (walk-in), as well as at the councillor's office (drop-in box).

DATE	WARD	TIME	COUNCILLOR PRESENT	STAFF PRESENT	WARD COMMITTEE/ STAKEHOLDERS	TOTAL
09/10/2023	**Ward 1**	18h00	1	14	7	22
11/10/2023	**Ward 4**	18h00	3	29	22	54
	Ward5					
	Ward 6					
	Ward 15					
17/10/2023	**Ward 2**	18h00	2	10	17	29
	Ward 14					
18/10/2023	**Ward 3**	18h00	3	10	15	28
	Ward 8					
	Ward 11					
21/10/2023	**Ward 7**	10h00	1	15	22	38
	Ward 9					
	Ward 10					
	Ward 13					
23/10/2023	**Stakeholders**	18h00	Meeting Cancelled			
24/10/2023	**Stakeholders**	18h30	4	12	10	26
25/10/2023	**Stakeholders**	18h00	1	4	13	18
01/11/2023	**Ward 12**	18h00	1	3	10	14
TOTAL NUMBER OF ATTANDANCE						**229**

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, Land Use, Human Settlements, Environmental Management

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 2021/2022 IDP Review	Ratings 2022/2023 IDP Review	Ratings 2023/2024 IDP Review
KPA 1: Service Delivery & Infrastructure Planning	**High**	**High**	**Medium**
KPA 2: Financial Planning & Budgets	**High**	**High**	**High**
KPA 3: Local Economic Development	**High**	**High**	**High**
KPA 4: Good Governance & Public Participation	**High**	**High**	**Medium**
KPA 5: Institutional Arrangements	**High**	**Medium**	**Low**
KPA6: Spatial Planning, Land Use, Human Settlements, Environmental Management	**High**	**Medium**	**High**
Overall Rating	**High**	**High**	**Medium**

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.

MEC Comments/Findings

The table below provides feedback on action taken by the Kouga Municipality on the MEC Comments/Findings on the municipality's IDP Review for the 2023/24 financial year:

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
KPA 1	Spatial Planning, Land, Human Settlements and Environmental Management	The municipality must expedite the development of an Air Quality Management Plan (AQMP) as contemplated in Section 15(2) of the National Environmental Management: Air Quality Act, No.39 of 2004.	The municipality is currently busy with the Procurement Process for the Air Quality Management Plan at Bid Adjudication Level for the appointment of a Service Provider to commence with the Baseline Air Quality Assessment. The Baseline Report will be submitted to DEDEAT upon receipt. A Project Steering Committee will be established to assist all internal directorates and external departments of government.	Planning & Development/ Community Services & Safety	**In progress**
KPA 1	Spatial Planning, Land, Human Settlements and Environmental Management	The municipality must develop a plan to address land degradation and enhance revitalization.	The municipality is the process to review the MSDF and policies on biodiversity conservation, environmental protection, climate change, water management, poverty reduction, capacity building and social protection.	Planning & Development	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop Rural Road Asset Management System (RRAMS).	Municipality in collaboration with the District is in process of conducting an assessment and updating the current Roads Master Plan.	Civil & Water	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop a storm water master plan.	The existing 2015 Stormwater Master Plan to be updated. Budget provision to be made in the FY 2024/25.	Civil & Water	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must establish a coordinated forum for roads and transport planning with support from the Department of Transport as per agreement solicited between the two parties in April 2023.	Municipality commenced with the Public Participation on the establishment of a Co-ordinated Roads and Transport Forum in support of the Provincial Department as agreed.	Civil & Water	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must prioritise budgeting for non-motorised facilities	The municipality has flagged the need for non-motorised facilities for 2025/26	Electro & Mechanical Services	**In progress**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop a plan for Coastal Zone Management and establish municipal Coastal Committees	Coastal Management Plan/Programme was adopted in Council 2020. The Municipality is part of the District and Provincial committee and has an Environmental Monitoring Committee in place.	Community Services & Safety	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must reflect on existence of a Waste Management Plan as contemplated in Section 11 of the National Environmental Management Act (NEMWA), No. 59 of 2008.	The Municipality has an adopted IWMP which is currently being reviewed and Mamadi & Company is the appointed consultants.	Community Services & Safety	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must appoint a designated waste management officer	Christa Venter is the appointed Waste Management Officer as from 2019.	Community Services & Safety	**Completed**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop a budgeted trade effluent policy.	The Directorate of Community Services and Civil & Water has prioritised the development of a budgeted trade policy in 2024/2025.	Community Services & Safety Civil and Water	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop an Integrated Community Safety Forum.	To be established after 1 July 2024.	Community Services & Safety	**Completed**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must establish an Integrated Community Safety Plan.	The Kouga Integrated Community Safety Plan was adopted by Council on 28 October 2022.	Community Services & Safety	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must ensure that that the disaster vulnerability and risk assessment reports inform the Spatial Development Plan.	the Directorate of Community Services and Safety will ensure that inputs are provided during the Reviewal of the Municipal Spatial Development Framework.	Planning & Development/Community Services& Safety/Municipal Manager	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must incorporate emergency procurement measures into the Disaster Management Plan.	The Emergency Procurement Measures is fully implemented into the Municipal Disaster Management Plan as required in terms of the MFMA.	Community Services & Safety	**Completed**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
KPA 2	Service Delivery and Infrastructure Planning	The IDP must reflect on existence of Disaster Management by-laws.	The Disaster Management Plan was adopted in Council on 31st May 2023 and due to be reviewed by June 2024.	Community Services & Safety	**Completed**
KPA 2	Service Delivery and Infrastructure Planning	The IDP must reflect on existence if the Fire Services tariffs that are implemented and reviewed periodically.	Fire Services has been determined and forms part of the budget tariff's structure.	Community Services & Safety/Finance & Economic Development	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop a plan to address veld and forest fires, oil spillages and floods.	An Oil Spills Contingency Plan has been developed and has been endorsed by the Minister for the Department of Forestry, Fisheries and Environment. The Plan was also approved in Council in 2021.	Community Services & Safety	**Completed**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must provide current statistics on electricity backlogs.	0% all registered erven have access to electricity or already have an electrical connection. Illegal settlements not on registered erven is excluded and cannot form part of the backlog for electricity.	Electro & Mechanical Services	**Completed**
KPA 2	Service Delivery and Infrastructure Planning	The municipal IDP reflect on alternative sources of renewable energy.	The municipality has already started with a Renewable energy project to mitigate loadshedding and to reduce the load from the national grid. Project has an IDP Ref. No. IE99 and is at an advance stage. Environmental Approval has been granted on 10 November 2023 for the construction of a 20MW plant.	Electro & Mechanical Services	**In progress**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must reflect a summary of water planning and current requirements per sector (housing, agriculture, mining, tourism) in accordance with the Water Service Development Plan (WSDP).	The municipality went out on a Consultant Roster tender that makes provision for the update of the WSDP. The process is currently at BEC.	Civil & Water	**In progress**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop infrastructure maintenance plans.	The municipality went out on Consultant Roster tender that makes provision for the update of the Infrastructure Maintenance Plans. The process is currently at BEC.	Civil & Water	**In progress**
KPA 3	Financial Planning & budget	The municipality must expedite approval of water and electricity loss reduction plan by Council.	The Electricity and the Water loss reduction plan is currently being finalized and will be submitted to Council for approval.	Civil & Water/Electro& Mechanical Services	**In progress**
KPA 3	Financial Planning & budget	The municipality must reflect on the annual review of indigent register.	The municipality continuously reviews the indigent register - a reminder will be sent to all indigents, three months before the end of the relevant financial year, informing all beneficiaries to apply for such benefits in each consecutive calendar year. The process will be detailed in a SOP. The Municipality does have Indigent Drives throughout the year where the Municipality goes to the relevant communities to register new indigents.	Finance & Economic Development	**On-going**
KPA 4	Local Economic Development	The IDP situational analysis must reflect available economic opportunities	The municipality in the process to review the LED Strategy which will detail the key opportunities within Kouga	Finance & Economic Development	**In progress**
KPA 4	Local Economic Development	The municipality must clearly indicate its comparative and competitive advantages of the locality.	The Municipal area has many advantages - international surfing beaches, blue flag beaches, borders on the Baviaanskloof, St Francis Bay being a key holiday destination for both national and international tourists - this will be reflected in the IDP.	Finance & Economic Development	**In progress**
KPA 4	Local Economic Development	The municipality must indicate mechanisms for business expansion, retention of existing businesses and attraction of further investments.	The municipality in the process to review the LED Strategy which will detail the mechanisms for business expansion, retention of existing businesses and attraction of further investments.	Finance & Economic Development	**In progress**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
KPA 5	Good Governance and Public Participation	The municipality must develop public participation and communication strategies.	Completed and adopted by Council	Corporate & Communication Services	**Completed**
KPA 5	Good Governance and Public Participation	The municipal IDP must reflect social cohesion programmes.	A dedicated special programmes unit led by the Office of the Executive Mayor lead the unit. A list of the projects will find expression in the 2024/2025 Reviewed IDP.	Corporate & Communication Services	**Completed**
KPA 5	Good Governance and Public Participation	The municipality must engage in inter-municipal planning programmes.	IGR sessions take place every quarter. 2023 has seen the municipality recorded the highest participation from sector departments ever known.	Corporate & Communication Services/Finance & Economic Development	**Completed**
KPA 5	Good Governance and Public Participation	The municipality must establish an institutionalised compliant management system.	Completed - the Call Centre is fully operational, and reporting is done through monthly Portfolio Committees	Corporate & Communication Services	**Completed**
KPA 5	Good Governance and Public Participation	The municipality must develop and adopt fraud prevention policy and plan.	The Fraud Prevention Policy and Plan was drafted for consultation and approval by Council.	MM Office	**In progress**
KPA 5	Good Governance and Public Participation	The municipality must indicate whether council and its structures are convened according to the adopted council calendar.	Yes, there is an Annual Calendar for all meetings of Council and other Structures that are closely monitored by the Office of the Speaker.	Corporate & Communication Services	**Completed**
KPA 5	Good Governance and Public Participation	The municipality must reflect on the existence and functionality of the Municipal Public Accounts Committee (MPAC)	MPAC appointed and is functional.	MM Office	**Completed**
KPA 5	Good Governance and Public Participation	The municipal IDP must reflect audit opinions for the past 3 years.	the municipality will include all opinions for the past three years into the 2024/2025 IDP	Finance & Economic Development	**In progress**
KPA 5	Good Governance and Public Participation	The municipal IDP must reflect the legal management system (litigation register)	The municipality does have an updated Litigation register that reflects on the Legal Management System.	Corporate & Communication Services	**Completed**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
KPA 5	Good Governance and Public Participation	The municipality must reflect the findings on predetermined objectives and compliance issues.	Audit Corrective Action Plan has been prepared and is in process to be implemented	MM Office	**In progress**
KPA 5	Good Governance and Public Participation	The municipality must reflect on implementation of Performance Management below Section 56 Managers.	Performance Agreements for staff has been developed	Human Resources	**On-going**
KPA 5	Good Governance and Public Participation	The municipal IDP must indicate capacity building programmes targeting women, disabled people and youth.	All these programmes including capacity building targeting woman, disabled people and youth has been captured in the Work Skills Plan	Corporate & Communication Services	**Completed**
KPA 6	Institutional Arrangements	The municipality must put in place mechanisms for proper management of satellite offices.	The municipality has appointed Area Engineers to assist with proper management of satellite offices in so far of the rendering of services are concerned.	Corporate & Communication Services	**Completed**
KPA 6	Institutional Arrangements	The municipality must indicate the filled and vacant posts per department.	The Municipality is in the process to address the filled and vacant post per department for inclusion into the 2024/ 2025 reviewed IDP	Corporate & Communication Services	**Completed**
KPA 6	Institutional Arrangements	The municipal IDP must reflect on compliance with Occupation Health and Safety measures.	The Municipality are in the process of reviewing the OHS policy	Corporate & Communication Services	**In progress**
KPA 6	Institutional Arrangements	The municipal IDP must indicate critical and scarce skills that remains a challenge to the municipality.	The municipality has adopted a scarce and critical skills policy, that has been prioritised for reviewal and is also reflected in the Work Skills Plan	Corporate & Communication Services	**Completed**
KPA 6	Institutional Arrangements	The municipal IDP must reflect on the availability of Human Resource policies.	The municipality is in a process of reviewing a number of Human Resources policies that must go to the Policy Committee before the end of February 2024	Corporate & Communication Services	**In progress**
KPA 6	Institutional Arrangements	The municipal IDP must reflect on the establishment and functionality of structures (Local Labour Forum	There is no LLF as SAMWU has dismally failed to elect shop stewards.	Corporate & Communication Services	**On-going**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
		and Disciplinary Hearings) that discuss matters of mutual interest between Employee.			
KPA 6	Institutional Arrangements	The municipality must reflect on strategies for employee wellness.	The strategies of the Employee wellness as per policy and programme remains a priority that the municipality will maintain.	Corporate & Communication Services	**On-going**
KPA 6	Institutional Arrangements	The municipality IDP must reflect the Disaster Recovery Plan and its implementation.	The municipality has prioritised the need for a Disaster Recovery Plan. The Plan has been approved on 23 October 2023 for implementation.	Corporate & Communication Services	**Completed**

COMPONENT D: CORPORATE GOVERNANCE

2.6 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.

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	1. Drought 2. Increase in demand for water 3. Limited allocations from Water supply sources (boreholes, fountains & supply from surrounding earthen dams) 4. Vandalism & theft (inadequate scope) 5. Lack of adequate human resources
2	Lack of sufficient capacity of bulk infrastructure (Elec, water, sewerage). Too many residents- too small treatment capacity.	1. Lack of planning for informal developments occurring in Kouga 2. Unavailability of master plans on certain type infrastructure (water & wastewater) 3. Lack of integration in planning and development (housing and infrastructure)
3	Financial sustainability of Kouga Local Municipality	1. Above CPIX increase in inflations for goods & services 2. Reprioritization of capital expenditure due to drought 3. Generation of operating deficits (non-cash items) 4. Lack of full enforcements of agency agreements (Fire Services) 5. Incompleteness of revenue (lack of data / outdated data)
4	Inaccurate performance information reporting	1. Portfolios of evidence not provided 2. Portfolios of evidence provided too late 3. Performance reported too late 4. Inadequate portfolios of evidence provided 5. Technical indicator descriptions not developed for KPIs.
5	Housing Backlog	1. Insufficient suitable land 2. Inadequate bulk infrastructure 3. Housing Setup Plan (outdated almost 12 years outdated) 4. Rural Urban immigration 5. Lack of verified data on informal settlements

2.7 ANTI-CORRUPTION AND FRAUD

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.

2.8 SUPPLY CHAIN MANAGEMENT

The purpose of this report is to assist Council to maintain oversight over the implementation of its Supply Chain Management Policy in terms of regulation 6 of the Municipal Supply Chain Management Regulations of 2005. It is the responsibility of each Municipality to have and implement Supply Chain Management policy which gives effect to the legislative framework.

The Accounting Officer of the Municipality must submit a report annually to the Council on the implementation of the supply chain management policy. This report covers the period of July 2023 to June 2024 and was prepared in line with the Supply Chain Management policy as well as Municipal Finance Management Act No. 56 of 2003 (MFMA No.56 of 2003) in relation to the implementation of Municipal Supply Chain Management Policy.

National Treasury Centralised Supplier Database

The municipality is registered on the National Treasury Centralised Supplier database, with the supplier number **MAAA0214163**. This is the very same centralised database where all companies that are doing business with the municipality are vetted from, in checking their compliance for doing business with the state. The Supply Chain Management officials are listed on the National Treasury Centralised Supplier Database.

Bid Committees

The committees mentioned below are established and functioning in accordance with the SCM Policy

- Bid Specification Committee (BSC)
- Bid Evaluation Committee (BEC)
- Bid Adjudication Committee (BAC)

Training: Supply Chain/Stores Section

There was no official Training held and attended by Supply Chain Officials during the financial year however various workshops have been held through the Pink Forum for Municipal Finance Officials.

Monthly/ Weekly Reports

Weekly reports are required to be submitted to Chief financial Officer.
Monthly deviations reports are submitted in terms of the SCM policy for the procurement of goods and services.

Weekly reports are required to be submitted to Chief financial Officer.

Monthly reports are submitted through the Chief financial Officer to various committees and where required, Council. These reports are submitted in terms of paragraph 6 of the Supply Chain Policy.

SCM Policy Implementation changes

In terms of the Supply Chain Policy adopted in Council 31 May 2023, there is no longer a requirement for a formal Bid specification sitting for contracts that falls within the category of 7day notices i.e. Informal tenders up to the value of R200 000.00 inclusive of VAT and all applicable taxes. In August 2023, the Supply Chain section implemented this change and informal ad-hoc meetings was scheduled to allow Demand Management Section to conclude specification with the relevant Directorate for final approval by Chief Financial Officer before placement of advertisements.

On 14 December 2023, a Gazette was issued on Procurement and the changes was drafted and workshopped on 20 February 2024. The Kouga Municipality Council approved the policy changes on 27 March 2024. The most important change effected the threshold value of a 7day notices, and increased the value from R200 000.00 to R300 000.00 inclusive of VAT.

Informal Tenders (7day Notices/ RFQ's)

The following table reflects the Informal tenders advertised, awarded and cancelled for the 2023-2024 Financial year.

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 162 / 2023	Supply and Delivery of Lifesaving Equipment	23 August 2023	n/a	1 September 2023	Bayzen Trading (Pty) Ltd	12 September 2023	R147 021. 75	5 Working days
Notice 163 / 2023	Supply and Delivery of Lifesaving Uniforms	23 August 2023	n/a	1 September 2023	Bayzen Trading (Pty) Ltd	12 September 2023	R198 227.80	5 Working days
Notice 164 / 2023	Supply, Delivery and Installation of CAT6A Network Points	23 August 2023	n/a	1 September 2023	Sky Metro Equipment (Pty) Ltd	13 September 2023	R147 021 .75	6 Working days
Notice 172 / 2023	Supply, Delivery and Off-loading of Disaster Relief items	1 Septemb er 2023	n/a	12 September 2023	Daniels Engineering & Manufacturing Pty ltd Bazen Trading (Pty) Ltd	4 October 2023	Various Rates	13 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 173 / 2023	Supply and Delivery of Branded Corporate Wear for a period of 12 Months	15 September 2023	n/a	27 September 2023	Daniels Engineering and Manufacturing (Pty) Ltd Bayzen Trading (Pty) Ltd	10 November 2023	Various Rates	24 Working days
Notice 174 / 2023	Supply and Delivery of Branded Promotional Items for a period of 12 Months	15 September 2023	n/a	27 September 2023	Kasomsi Trading Infinity Printing and Technology Marcopolo Mzansi Suppliers Erdman Trading and Projects Daniels Engineering and Manufacturing Cassim's	2 November 2023	Various Rates	22 Working days
Notice 181 / 2023	Appointment of Professional Service Provider to perform Environmental Impact Assessment for expansion of Kwanomzamo and Humansdorp Town Cemetries	8 September 2023	n/a	19 September 2023	Ayampa Sustainable Projects Pty Ltd	1 November 2023	R196 600.00	30 Working days
Notice 182 / 2023	Media Monitoring for a period of twelve months	14 September 2023	n/a	27 September 2023	KTM Knowledge Solutions	31 October 2023	R 9 999.25	15 Working days
Notice 197 / 2023	Refurbishment of Nissan UD 290 (DWV246 EC) Refuse Compactor and Major Service on Mechanical Parts	29 September 2023	6 October 2023	13 October 2023	Cancelled	20 October 2023	Cancelled	n/a
Notice 198 / 2023	Refurbishment of Nissan UD 290 (DWV246 EC) Refuse	29 September 2023	6 October 2023	13 October 2023	Cancelled	20 October 2023	Cancelled	Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Compactor and Major Service on Mechanical Parts							
Notice 203 / 2023	Supply, delivery and off-loading of festive lights	5 October 2023	n/a	13 October 2023	Memotek trading	31 October 2023	Various rates	8 Working Days
Notice 215 / 2023	Refurbishment of Nissan UD 290 (DWV246 EC) Refuse Compactor and Major Service on Mechanical Parts	20 October 2023	27 October 2023	3 November 2023	Phakamisa Fleet Services Pty Ltd	9 November 2023	R199 600.00	3 Working days
Notice 216 / 2023	Refurbishment of Nissan UD 330 Refuse Compactor and Major Service on Mechanical Parts	20 October 2023	27 October 2023	3 November 2023	Phakamisa Fleet Services Pty Ltd	9 November 2023	R198 860.00	3 Working days
Notice 217 / 2023	Supply, Delivery and Off-loading of Two Medium Pressure Low Volume 600L Firefighting Units	23 October 2023	n/a	1 November 2023	Memotek Trading CC	21 November 2023	R 95 013.00	12 Working days
Notice 223 / 2023	Supply and Delivery of Broom 35 Vacuum Pump parts for Sewerage trucks, Related fittings and couplers	1 Novemb er 2023	n/a	10 November 2023	Rencor Engineering (Pty) Ltd Memotek Trading	4 December 2023	Various Rates	14 Working days
Notice 225 / 2023	Refurbishment of Suction Truck UD 70 Repairs to Suction tank and complete Repaint of Truck	30 October 2023	3 November 2023	10 November 2023	Phakamisa Fleet Services	22 November 2023	R147 855.50	7 Working Days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 226 / 2023	Supply and Delivery of Personal Protective Clothing to Kouga Municipal Workshop	1 November 2023	n/a	10 November 2023	SRNC Enterprises (Pty) Ltd Heico Project Management (Pty) Ltd	1 December 2023	Various Rates	14 Working days
Notice 227 / 2023	Supply and Delivery of Wheelie Bins	1 November 2023	n/a	10 November 2023	Memotek Trading CC	27 November 2023	R199 979.39	10 Working days
Notice 231 / 2023	Supply and Collection of 6m Skip Binds for period of three months to Jeffreys Bay, St. Francis Bay, Oyster Bay and Paradise Beach	8 November 2023	n/a	17 November 2023	Nu Plant Project CC	1 December 2023	Various Rates	9 Working Days
Notice 232 / 2023	Alien Vegetation Control at Public Private Slots	8 November 2023	n/a	17 November 2023	Mesrazest Pty Ltd Ndimthembile Trading (Pty) Ltd	19 December 2023	Various Rates	19 Working Days
Notice 243 / 2023	Appointment of a Professional Service Provider for the EIA Process and Extension of Loerie Cemetery	22 November 2023	n/a	4 December 2023	Cancelled	n/a	n/a	n/a
Notice 246 / 2023	Hiring of Mulching and Shredding Equipment and staff to perform mulching and shredding on Public, Open Spaces and Private Plots in and around Jeffreys Bay, St Francis Bay and Humansdorp	22 November 2024	n/a	1 December 2023	LAQ Solutions- contracted terminated 2nd Bidder Award- nu plant Cc	7 December 2023	Various Rates	3 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 23 / 2024	Appointment of Service Provider for individual Screening for a period of Twelve months	29 January 2024	n/a	8 February 2024	Cancelled	27 February 2024	n/a	n/a
Notice 28 / 2024	Supply, Delivery and Off-loading of Three-phase Electricity Bulk Meters CT/VT Connect	6 February 2024	n/a	15 February 2023	Cancelled	24 February 2024	n/a	n/a
Notice 33 / 2024	Supply, Delivery and Off-loading of 6 Cubic Meter Skip Bins for Drop Off Sites and Informal Areas	9 February 2024	n/a	20 February 2024	Mesrazest (Pty) Ltd	11 March 2024	R277 725.00	11 Working days
Notice 39 / 2024	Re-Advertisement of a Professional Service Provider for an EIA Process Expansion of Loerie Cemetery	21 February 2024	26 February 2024	4 March 2024	Ikamva Consulting CC	16 April 2024	R215 050.00	25 Working days
Notice 47 / 2024	Refurbishment of a Nissan UD Tipper truck, Engine and body	27 February 2024	1 March 2024	8 March 2024	Phakamisa Fleet Services	12 March 2024	R247 825.00	1 Working days
Notice 48 / 2024	Supply, Delivery and Installation of Alarm Backup Power Pack Units	8 March 2024	n/a	19 March 2024	Bessie Projects CC- Contract terminated	29 April 2024	R102 154.50	22 Working days
Notice 52 / 2024	Skip Truck Hire for Collection of Skip Bins for Jeffreys Bay, St. Francis Bay and Oyster Bay for a period of Three (3) months	5 March 2024	n/a	14 March 2024	Nu Plant CC	20 March 2024	Various Rates	3 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 59 / 2024	Supply, Delivery and Installation of Office Furniture (CFO)	8 March 2024	n/a	19 March 2024	A& G Trading and Maintenance	5 April 2024	Various Rates	8 Working days
Notice 60 / 2024	Hiring of Construction Machinery to Provide Blading Maintenance on Gravel roads in the Gamtoos Valley as and when required.	22 March 2024	n/a	4 April 2024	Primat Construction	8 May 2024	Various Rates	22 Working days
Notice 65 / 2024	Supply, Delivery and Off-loading of Grass Cutting Machinery	19 March 2024	n/a	28 March 2024	Lonmaq Projects Pty Ltd t/a Supamix DIY EL Avile Amakhosi Projects	15 April 2024	Various Rates	3 Working days
Notice 70 / 2024	Supply, Delivery and Installation of Carpets at Municipal Office at 33 Da Gama Road, Jeffreys Bay	26 March 2024	n/a	8 April 2024	Top Carpets and Designer Blinds t/a Fashion Flooring	15 April 2024	R 880.00	4 Working days
Notice 71 / 2024	Accident Repairs on Sanitation Truck UD90 DXM 914 EC	25 March 2024	28 March 2024	5 April 2024	Phakamisa Fleet Services	12 April 2024	R122 877.50	3 Working days
Notice 73 / 2024	Supply, Delivery and Off-Loading of Disinfectant Black Dip for a period of 12 months	2 April 2024	n/a	11 April 2024	Take 5 Construction and Projects CC	23 April 2024	R 454.25	7 Working days
Notice 76 / 2024	Mechanical Repairs to Refuse Compactor DWN 714 EC	4 April 2024	10 April 2024	16 April 2024	Phakamisa Fleets Services	2 May 2024	R228 482.00	8 Working days
Notice 77/ 2024	Body Repairs to Toyota Firefighting	4 April 2024	10 April 2024	16 April 2024	Phakamisa Fleet Services	7 May 2024	R101 000.00	12 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Tanker BLH 197 EC							
Notice 84 / 2024	Supply, Delivery and Installation of Office Furniture to KLM	10 April 2024	n/a	19 April 2024	Mudau Picture Framers t/a Framefun Thuthuka Office Supplies Workstation Office Furniture	3 May 2024	Various Rates	8 Working days
Notice 89/ 2024	Body Repairs of a Hino 4X4 Firefighting Truck DVS 430EC	22 April 2024	25 April 2024	2 May2024	Phakamisa Fleet Services	21 May 2024	R 86 500.00	11 Working days
Notice 90 / 2024	Refurbishment of Firefighting Trailer HTD 760 EC	22 April 2024	25 April 2024	2 May 2024	Phakamisa Fleet Services	10 May 2024	R 39 850.03	5 Working days
Notice 91 / 2024	Mechanical Repairs to Dennis Fire Truck DVS 234EC	24 April 2024	29 April 2024	6 May 2024	Phakamisa Fleet Services	21 May 2024	R97 347.50	8 Working days
Notice 97 / 2024	Supply, Delivery and Off-loading of LED Capacitive Touch Tablet and table	24 April 2024	n/a	6 May 2024	Memotek Trading CC	8 May 2024	R35 815.95	1 Working days
Notice 26 / 2024	Supply, Delivery and Off-Loading of Branded Corporate Items	30 April 2024	n/a	10 May 2024	Cassim's Baycon Pty Ltd Kukhanue Buchele Alucente Pty Ltd Madau Picture framers t/a Framefun	24 May 2024	Various Rates	9 Working days
Notice 98/ 2024	Supply, Delivery and Off-Loading of Festive Lights	2 May 2024	n/a	13 May 2023	No bids Received	n/a	n/a	n/a
Notice 111 / 2024	Supply, Delivery and Off-Loading of Refuse Bins	17 May 2024	n/a	28 May 2024	Mesrazest (Pty) Ltd	13 June 2024	R157 584.50	9 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	to Kouga Municipality							
Notice 112 / 2024	Appointment of Service Provider to plant vegetation on Dunes	17 May 2024	n/a	28 May 2024	Mesrazest (Pty) Ltd Inceba Zazhe Projects (Pty) Ltd	13 June 2024	R 92 736.00 R42 520.00	10 Working days
Notice 113 / 2024	Re-Advertisement: Supply, Delivery and Off-loading of Festive lights	21 May 2024	n/a	31 May 2024	No bids received	n/a	n/a	n/a
Notice 116 / 2024	Supply, Delivery and Installation of Identification Boards and other signage for Kouga Wastewater, Water Purification Treatment Works and others	21 May 2024	n/a	31 May 2024	Avile Amakhozi Projects Pty Ltd	12 June 2024	Various Rates	4 Working days
Notice 134 / 2024	Subdivision, Closure and Rezoning of Public Open Space of a Portion of Erf 170 Jeffreys Bay to Private Open Space	21 June 2024	28 June 2024	5 July 2024	In progress	n/a	n/a	In progress
Notice 137 / 2024	Appointment of Service Provider for the Review of 2023/2024 Annual Financial Statements of Kouga Municipality	21 June 2024	n/a	5 July 2024	In progress	n/a	n/a	In progress

Competitive bids Awarded/ Cancelled for the Period

Below table reflects the formal tenders advertised, Cancelled and awarded for the 2023/2024 Financial Year.

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 55 / 2023 Contract S1	Supply, Delivery and Off-loading of Water fittings for period of Two years	12 April 2023	n/a	15 May 2023	n/a	n/a	Cancellation	n/a
Notice 55 / 2023 Contract S2	Supply, Delivery and Off-loading of Valves and Pipes for period of Two years	12 April 2023	n/a	15 May 2023	Wesflo Take Note Trading 245 SA Water Products Platinum Suppliers Premier Pipe Supply Irrigation Equipment Supply Intaka bolt RCH Trading	15 August 2023	Various rates	32 Work days
Notice 55 / 2023 Contract S3	Supply, Delivery and Off-loading of Black Polythene Refuse bags for a period of Two Years	12 April 2023	n/a	22 May 2023	Blackfama House (Pty) Ltd	29 September 2023	R 1020.00 per unit of 1000	78 Work days
Notice 55 / 2023 Contract S4	Supply, Delivery and Off-loading of Disinfectant Dip for a period of Two Years (Green Dip- only)	12 April 2023	n/a	22 May 2023	Take 5 Construction and Projects	31 August 2023	R333.50	52 Work days
Notice 55 / 2023 Contract S5	Supply, Delivery and Off-loading of Tyres and Tubes for a period of Two Years	12 April 2023	n/a	15 May 2023	Siyaya Corporation Tiximate Five Ways Enterprises Cassim's Malas Pty Ltd	21 August 2023	Various Rates	33 Work days
Notice 67 / 2023	Recycling and Collection of Recyclable Waste in KLM for a 12 Month period (initially advertised for 36 months	21 April 2023	2 &3 May 2023 (2nd meetings scheduled due to load shedding/ connection problems)	22 May 2023	Joubert MJ t/a Xtreme Recycling	9 October 2023	No cost	70 Work Days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 69 / 2023	Supply, Delivery and Off-loading of Water Treatment Chemicals for a period ending 30 October 2023	18 April 2023	26 April 2023	18 May 2023	Metsi Water Solutions Kingship Management Services and Supplies M Way Investments	15 August 2023	Various Rates	13 Work days
Notice 76 / 2023	Appointment of Professional Service Providers to perform Professional Electrical Engineering Services for a period of Three Years	12 May 2023	22 May 2023	12 June 2023	Hamsa Consulting Engineers Pty Ltd Asca consulting Engineers / Vokon Afrika Consulting CVW Consulting Engineers Pty Ltd IX Infrastructure Excellence Clinkscales Maughan- Brown Pty Ltd Bosch Projects	1 November 2023	Various Rates	71 Work Days
Notice 84 / 2023	Supply and Delivery of Two (2) New Diesel One Ton High Rise 4x4 LDV for the Fire Department	9 June 2023	19 June 2023	10 July 2023	CD Freight and Logistics (Pty) Ltd	29 September 2023	R1 731 720.01	42 Work days
Notice 86 / 2023	Supply, Delivery and Off-loading of Electrical Requirements for a period of Two Years	23 June 2023	n/a	31 July 2023	Powercomm Solutions (Pty) Ltd Kader Technologies (Pty) Ltd Actom Electrical Products a Division of Actom (Pty) Ltd Premier Pipe Supply (Pty) Ltd Artivolt (Pty) Ltd Platinum Suppliers (Pty) Ltd Randela Africa Industries (Pty) Ltd Averge Technologies (Pty) Ltd Obhejane Trading (Pty) Ltd Memotek Trading CC	21 November 2023	Various Rates	54 Work Days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
					Maboneng Electrical Distributors (Pty) Ltd			
Notice 90 / 2023	Support and Maintenance of Telephone Systems for KLM	12 May 2023	19 May 2023	23 June 2023 (Closing date extended from 12 June 2023)	Sky Metro Equipment (Pty) Ltd/ Upstream Security (Pty) Ltd – Joint Venture	18 Decembe r 2023	Various Rates	126 Work Days
Notice 91 / 2023	Appointment of SP for GIS Planning System in KLM for a period of Three years	12 May 2023	18 May 2023	12 June 2023	Esri South Africa	17 August 2023	Various Rates	16 Work days
Notice 97 / 2023	Provision of Internet Services, 0365 Licences, Migration of old 0365 to new Services & Azure Active Directory Deploy additional services for a period of 36 months	15 June 2023	26 June 2023	28 July 2023 (Closing date extended from 17 July 2023)	Vodacom Pty Ltd	6 November 2023	6 November 2023	35 Work Days
Notice 98 / 2023	Appointment of Service Provider to Perform External Compliance Audits for Humansdorp and Hankey landfill Sites	19 May 2023	31 May 2023	19 June 2023	Gibb Environmental	17 August 2023	R 27600.00	22 Work days
Notice 99 / 2023	Appointment of contractor for the Replacement of Existing Water Main Intake in Mimosa Street Jeffreys Bay	12 May 2023	23 May 2023	12 June 2023	Ibhabhathane Trading	17 August 2023	Various Rates	30 Work Days
Notice 101 / 2023	Appointment of Service Provider to develop a change management	9 June 2023	19 June 2023	10 July 2023	n/a	16 August 2024	cancelled	n/a

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	implementation plan for a continuous Development plan over a period of three years							
Notice 102 / 2023	Appointment of a Suitably Qualified Professional Service Provider (PSP) for the Design and Implementation of the Oceanview Collector Sewer	19 May 2023	29 May 2023	19 June 2023	VST Consulting Engineers (Pty) Ltd	10 November 2023	R 746 348.85	82 Work Days
Notice 103 / 2023	Structural Repairs to Paradise Beach Elevated Water Tower at KLM	23 May 2023	2 June 2023	23 June 2023	Jongoware WRR Master Specialist Joint Venture	29 September 2023	R9 049 915.80	55 Work days
Notice 105 / 2023	Supply, Delivery and Off-loading of Road Marking Paint for a period of Two Years	19 May 2023	n/a	19 June 2023	Deefour (Pty) Ltd	28 August 2023	Various Rates	24 Work days
Notice 122 / 2023	Appointment of Service Provider for Basic Assessment Report for the Development of Farm 499 Humansdorp Rd & Portion 4 of Farm 346 Humansdorp Rd	21 June 2023	7 July 2023	24 July 2023	n/a	13 September 2023	Cancelled	29 Work Days
Notice 123 / 2023	Appointment of Service Provider for the Design, Supply, Delivery and Installation, training & maintenance	21 June 2023	29 June 2023	20 July 2023	n/a	15 September 2023	Cancelled	40 Days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	of an electronic committee web-based management and workflow system							
Notice 126 / 2023	Electrification of 259 Houses at Kruisfontein in Humansdorp	23 June 2023	5 July 2023	24 July 2023	VE Reticulation (Pty) Ltd	15 September 2023	R4 200204.80	27 Work Days
Notice 127 / 2023	Supply and Delivery of mobile handsets including Voice, Data and SMS Package for a period of 24 months	15 June 2023	27 June 2023	17 July 2023	Mobile telephone Networks (Pty) Ltd	6 November 2023	Various Rates	60 Work Days
Notice 131 / 2023	Supply and Install of Fencing in the Kouga Municipal Area for a period of 3 years	21 June 2023	4 July 2023	20 July 2023	In progress	n/a	n/a	In progress
Notice 133 / 2023	Resealing and Maintenance of Roads within the Kouga Area for a period of Three Years-Phase2	17 July 2023	26 July 2023	17 August 2023	Primat Construction	10 November 2023	Various Rates	35 Work days
Notice 134 / 2024	Appointment of a Suitably Qualified Professional Service Provider for the Weston Wastewater Treatment Work including the Sewer Reticulation Network	21 June 2023	3 July 2023	20 July 2023	Bosch Projects (Pty) Ltd	6 November 2023	R1 145241.30	56 Work days
Notice	Appointment of Service Provider for	23 June 2023	10 July 2023	24 July 2023	Vitsha Trading & Ibala Consulting Joint Venture	6 November 2023	R1 749552.50	58 Work days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
135 / 2023	the Supply and Installation of paving on Portion of Erf 170, Jeffreys Bay							
Notice 136 / 2023	Guarding Services, Alarm Systems, CCTV Cameras Services for a period of Three years	22 September 2023	5 October 2023	23 October 2023	G4S Secure Solutions (SA) (Pty) Ltd Exec Ops Pty Ltd	5 April 2024	Various Rates	79 Work days
Notice 142 / 2023	Supply, Delivery , Installation and Maintenance of an ink Jet Plotter (Lease option) for a period of Two Years	13 July 2023	20 July 2023	15 August 2023	Sky Metro Equipment (Pty) Ltd	18 Decembe r 2023	Various rates	53 Work days
Notice 146 / 2023	Appointment of a Service Provider for the Review/ Recovery of VAT, Apportionme nt and application thereof for a contract duration of 36 months	24 July 2023	3 August 2023	24 August 2023	Maximum Profit Recovery	20 October 2023	Various rates	14 Work days
Notice 152 / 2023	Electrical Maintenance and Construction work for a Period of three years	8 August 2023	17 &18 August 2023	8 September 2023	Scheyisa powerlines Phakamihle Trading Eya Bantu Professional Services	20 March 2024	Various rates	117 Work days?
Notice 175 / 2023	Supply, Delivery and Installation of hired Units for live Vehicle Tracking/ Fleet Management / Stolen Vehicle	13 September 2023	27 September 2023	13 October 2023	CTrack Fleet Solutions (Pty) Ltd	14 November 2023	Various rates	4 Work days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Response with ongoing training and support and fuel management							
Notice 177 / 2023	Appointment of Service Provider to provide Cloud Hosting, Cloud Disaster Recovery and Data Centre Continuity for a period of Three (3) years	13 September 2023	26 September 2023	20 October 2023	Gracol Solutions (Pty) Ltd	16 February 2024	Various Rates	68 Work days
Notice 185 / 2023	Appointment of Consultants for various Engineering and Groundwater Projects for a Period of Three years	18 September 2023	2 October 2023	27 October 2023 (Closing date extended from 18 October 2023)	LA Consulting Quantra Consulting Bosch Projects Engineering Advice and Services GLS Consulting MJM Consulting Engineers Naidu Consulting Power Consultancy Resolve Consulting Ukhuhula Holdings Zutari Gilgal Global JG Afrika Delta Built Environment Consultants Africoast Consulting Lukhozi Consulting SMEC SA AES Consulting	11 June 2024	Gazetted rates	108 Work days
Notice 186 / 2023	Appointment of a Professional Service Provider for	18 September 2023	3 October 2023	18 October 2023	n/a	n/a	Cancelled	n/a

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	the Engineering, procurement and Construction of Solar Battery Energy storage System at Jeffreys Bay WTPPM, St. Francis WWTW, Admin Building at 24 month Operation and Maintenance Period							
Notice 187 / 2023	Appointment of a Service Provider to Develop an Air Quality Management Plan for Kouga Municipality	18 September 2023	3 October 2024	18 October 2023	Godwana Environmental International	11 March 2024	R 380 109.50	91 Work days
Notice 188 / 2023	Appointment of a Professional Service Provider for the Design and Implementation for the Refurbishment of the Hankey WWTW and the Kwanomzamo Sewer Pump Station	18 September 2023	2 October 2023	18 October 2023	Royal Mndawe Holdings	24 November 2023	Various Rates	12 Work days
Notice 191 / 2023	Appointment of a Legal Services Providers for a period of three years	9 October 2023	16 October 2023	23 November 2023 (Closing date extended from 8 November 2023)	n/a	n/a	Cancelled	n/a
Notice 192 / 2023	Supply, Delivery and Off-loading of LED Streetlights	22 September 2023	n/a	31 October 2023 (closing date extended	Obhejane Trading Pty Ltd	18 December 2023	Various Rates	19 Work days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	replacing 125Watt and 250Watt Mercury Vapour Conventional HID& CIF Streetlight Luminaire			from 23 October 2023)				
Notice 193 / 2023	Supply, Delivery and Off-loading of Miniature Substation and Distribution Transformers for a period of three years.	22 September 2023	n/a	23 October 2023	Actom Electrical Products Jocastro (Pty) Ltd	16 February 2024	Various Rates	67 Work days
Notice 199 / 2023	Appointment of Service Provider to render Advertising services in broadcast (radio) media and other related services for a period of one (1) year	9 October 2023	16 October 2023	17 November 2023 (Closing date from 8 November 2023)	Commuter FM Buzz Projects	19 March 2024	Various rates	20 Work days
Notice 200 / 2023	Supply, Delivery and Off-loading of 11/22KV Ring Main units and Bulk metering units with spare loads/ parts for a period of three years	9 October 2023	17 October 2023	8 November 2023	Jocastro Western Cape Pty Ltd TGood South Africa Pty Ltd ABB South Africa Pty Ltd WJ Milne Electrical t/a Milne Electrical	26 April 2024	Various Rates	87 Work days
Notice 210 / 2023	Appointment of Turnkey Contractor to construct six (6) low-cost Housing projects in Patensie	13 October 2023	23 October 2023	13 November 2023	Mavukamavusi Projects (Pty) Ltd	16 February 2024	R1 080 000.00	52 Work days
Notice 211 / 2023	Appointment of a Service provider to provide Banking	13 October 2023	1 November 2023	14 December 2023	ABSA Bank Ltd	15 May 2024	Various Rates	80 Work Days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	services to Kouga Municipality for a period of Five years							
Notice 212 / 2023	Supply, Delivery of new plant and vehicles on operational lease with a push and pull residual value at the end of term per item over a period of 36 months	13 October 2023	24 October 2024	13 November 2023	Sky Metro Equipment Pty Ltd MDZ Fleet Solutions (Pty) Ltd Zeda Car Leasing (Pty) Ltd t/a Avis Fleet	30 May 2024	Various Rates	65 Work days
Notice 219 / 2023 Contra ct I&E 1/2023	Supply, Delivery and Off-loading of Water Treatment Chemicals and gasses within Kouga Municipality for a period of 3 years	31 October 2023	9November 2023	4 December 2023	International Metal Processing Protea Chemical Deefour (Pty) Ltd	19 March 2024	Various Rates	53 Work days
Notice 219 / 2023 Contra ct I&E 2/2023	Supply, Delivery and Off-loading of Bitumen Products, Emulsions, Cold Asphalt and Road Patches within Kouga Municipality for a period of 3 years	31 October 2023	9 November 2023	4 December 2024	Wynford Civils & Development Lonmaq Projects Pty Ltd t/a Supamix DIY EL	5 April 2024	Various rates	36 Work Days
Notice 222 / 2023	Appointment of a Service Provider for the period for the review of the Kouga Municipal Spatial Development Framework	27 October 2023	n/a	27 November 2023	Maswana JV Pty Ltd	16 April 2024	R 244 950.00	72 Work days
Notice 230 / 2023	Supply, Delivery and Installation, Commissionin	3 November 2023	13 November 2023	4 December 2023	Greenro Solutions (Pty) Ltd	16 Feb 2024	Various rates	38 Work days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	g and maintenance of variable speed drive							
Notice 1 / 2024	Appointment of a Service Provider to provide cleaning services for a period of 36 months	19 January 2024	31 January 2024	29 February 2024	Mavukamavusi (Pty) Ltd	26 April 2024	R 270.00	8 Work days
Notice 2/2024: Contra ct S1 of 2024	Supply, Delivery and Off-Loading of Oil and Grease for a period of Two Years	19 January 2024	n/a	26 February 2024	Durban Lubricants	14 June 2024	Various Rates	61 Work days
Notice 2 / 2024: Contra ct S2 of 2024	Supply, Delivery and Off-Loading of Protective Clothing for a period of Two Years	19 January 2024	n/a	26 February 2024	Premier Pipe Supply Ptemier Attraction 528 t/a ZJS Distrbutors Cassim's Twaz Group Elcarbo Industrial Supplies Cape Linot Developers	11 June 2024	Various rates	50 Work days
Notice 3 / 2024	Management of Short- Term Insurance for Kouga Municipality a period of Three years	4 March 2024		4 April 2024	n/a	In Progress	n/a	In Progress
Notice 4 / 2024	Appointment of a Service Provider to Develop a Change Management Plan for Continuous Development Plan over a period of Three Years	29 January 2024	6 February 2024 (Cancelled at clarification	n/a cancelled at clarification meeting	n/a	n/a	n/a	n/a
Notice 5 / 2024	Appointment of a Service Provider for the provision	19 January 2024	30 January 2024	19 February 2024	Metrofile	20 March 2024	Various rates	5 Work days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	of a Secure Off-Site Storage Facility and to render Document Management Services for a period of Three (3) years.							
Notice 6 / 2024	Appointment of Service Provider for Rendering of Employee Assistance Programme and Medical Surveillance for a period of Three 3 years	19 January 2024	29 January 2024	29 February 2024	cancelled	10 April 2024	n/a	24 Work days
Notice 7 / 2024	Supply, Delivery, Installation and training and Maintenance of a web-based Electronic Records Document and Workflow System including a Committee Management Module for a Period of 36 months	29 January 2024	5 February 2024	29 February 2024	Objection Period	n/a	n/a	31 Work days
Notice 16 / 2024	Augmentation of Sewer Rising Mains from Lamer Pump Station to Jeffreys Bay Wastewater Treatment Works- Phase 1	24 January 2024	1 February 2024	23 February 2023	Lupha Enterprises (Pty) Ltd	8 April 2024	R 9 392 485.53	18 Work days
Notice 19 / 2024	Appointment of Service Provider for the Supply and Delivery of one 7000L	29 January 2024		29 February 2024	Sky Metro Equipment (Pty) Ltd	26 April 2024	R1 498 952.55	20 Work days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Water Tanker for the Fire Department							
Notice 24 / 2024	Appointment of a Professional Service Provider to assemble a multi-disciplinary team of Professionals to conduct a full feasibility Study and Develop a Business Plan together with conceptual designs for Erf 499, Humansdorp and Portion 21 of Farm 347 of Humansdorp RD	2 February 2024	13 February 2024	4 March 2024	Urban Econ Developments Economics Pty Ltd	28 May 2024	R 589 306.00	18 Work days
Notice 35 / 2024	Appointment of a Service Provider to render services in Aerial Photography, Videography and aerial videography and other related services for a period of three (3) years	13 February 2024	21 February 2024	14 March 2024	Integrated Aerial Systems (Pty) Ltd	28 May 2024	Various rates	37 Work days
Notice 36 / 2024	Supply, Installation, Commissioning and Maintenance of a Performance Management System for a period of Three 3 years	13 February 2024	20 February 2024	14 March 2024	Objection Period	n/a	n/a	34 Work days
Notice	Design, Build and Commissioning of the	16 February 2024	27 February 2024	18 March 2024	International Metal Processing	24 June 2024	R4 999 050.00	46 Work days

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
37 / 2024	upgrade to the Gill Marcus Water Treatment Works							
Notice 43 / 2024	Supply and Delivery of Laptop Devices for a period of Two 2 Years	18 March 2024	27 March 2024	22 April 2024	n/a	n/a	n/a	In progress
Notice 44 / 2024	Refurbishment of the Hankey Wastewater Treatment Works	26 February 2024	5 March 2024	17 April 2024	Imvu Construction	28 June 2024	R4 894 931.00	17 Work days
Notice 55 / 2024	Request for Proposals for the development and Sale Offer of erf 873 Jeffreys Bay (Jeffreys Bay Golf Course)	6 March 2024	Cancelled at Clarification meeting	n/a	n/a	n/a	n/a	n/a
Notice 56 / 2024	Provision of Log- Term Loan Facility of R200 000 000.00 to Finance Infrastructure Projects for Kouga Municipality	18 March 2024	26 March 2024	3 May 2024	No bids received	n/a	n/a	n/a
Notice 79 / 2024	Supply, Installation and Servicing of Portable Fire Protection Equipment and manual Fire Alarm Systems for a period of 36 Months	10 April 2024	19 April 2024	13 May 2024	Cancellation	30 May 2024	n/a	8 Working Days
Notice 85 / 2024	Appointment of a Service provider to conduct Job Evaluation and JE Dispute Mechanism for continuous	24 April 2024	2 May 2024	7 June 2024	n/a	In progress	n/a	In progress

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Development for a period of three (3) years							
Notice 81/2024	Appointment of a Suitable Qualified Service Provider for the Institutional Mechanical Infrastructure Services for a period of three (3) years	26 April 2024	13 May 2024	27 May 2024	n/a	In progress	n/a	In progress
Notice 96 / 2024	Construction of Civil Services for 2023 Erven in Donkerhoek, Humansdorp gravel streets and Bulk & Internal water Reticulation Network	26 April 2024	3 May 2024	13 May 2023	n/a	In progress	n/a	In progress
Notice 101 / 2024	Appointment of Service Provider for Individual Screening of Candidates for a period of 3 years	8 May 2024	16 May 2024	10 June 2024	n/a	In progress	n/a	In progress
Notice 110 /2024	St Francis Bay Groundwater Development of three Boreholes	17 May 2024	28 May 2024	18 June 2024	n/a	In progress	n/a	In progress
Notice 81/2024 Contract S3/2024	Supply, Delivery and Off-loading of Water Fittings for a period of three 3 years.	24 May 2024	n/a	24 June 2024	n/a	In progress	n/a	In progress
Notice 108/2024 Contract S4/2024	Supply, Delivery and Off-loading of Water Meters for a period of three 3 years.	24 May 2024	n/a	24 June 2024	n/a	In progress	n/a	In progress

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 117/ 2024	Upgrade of Boskloof Substation and New Kwanomzamo Bulk Supply for Kouga Municipality	27 May 2024	5 June 2024 2nd meeting was arranged to include bidders with CIDB grading of 6 EP PE on 2 July 2024	Not closed	n/a	In progress	n/a	In progress
Notice 118 / 2024	Upgrade of Oceanview Substation Switchgear for Kouga Municipality	27 May 2024	5 June 2024	27 June 2024	n/a	In progress	n/a	In progress
Notice 123 / 2024	Appointment of a Panel of Professional Resource Teams (Built Environment) for the feasibility of various Municipal Projects for a period of 36 months	10 June 2024	21 June 2024 Meeting changed to 24 June due to Zoom capacity only 100 participants	In progress	n/a		n/a	In progress
Notice 124 / 2024	Hiring of Portable Polyethylene VIP Chemical Toilets for a period of three (3) years	12 June 2024	28 June 2024	In progress	n/a		n/a	In progress
Notice 125 / 2024	Provision of Life saving Services to Kouga Municipality for a period of 36 Months	12 June 2024	28 June 2024	In progress	n/a		n/a	In progress
Notice 129/2022	Appointment of Service Provider to render Advertising Services in Print media to KLM	n/a	n/a	n/a	Sondlo & Knopp Advertising	13 March 2023	Various Rates	n/a award made after termination of initial appointed SP.

Variations/ Re-Instatement of Work/Appointment on a Transversal Contract RT57

NOTICE &DESCRIPTION	SERVICE PROVIDER	DATE OF AWARD	AMOUNT/ CANCELLED
Notice 222/2019 Re-instatement of Full Scope of Work on Tender & Variation: Plant, Design and Build for the upgrade and Refurbishment of the Kwanomzamo Wastewater Treatment Plant.	Lektratek Water Technology	12 September 2023	R 36 993 818.62 (total re-instatement value)
Variation-Notice 156/2022 Variation on Electrification of subeconomic houses- Oceanview Phase 1	VE Reticulation Pty Ltd	4 October 2023	R 247 812.36
Notice 175/2022 Re-instatement of Full Scope of Work on Tender & Upgrading of 66KV Overhead line between Melkhout- Mian intake Substation Jeffreys Bay	VE Reticulation Pty Ltd	18 October 2023	R 2 999 987.08 (total re-instatement value)
Variation-Notice 175/2022 Upgrading of 66KV Overhead line between Melkhout- Mian intake Substation Jeffreys Bay	VE Reticulation Pty Ltd	18 October 2023	R521 454.00
Variation-Notice 126/2022 Resealing and Maintenance of Roads for period of three years	Imvula Roads and Civils Pty Ltd	8 November 2023	R3 472 505.80
Variation-Notice 122/2019 Appointment of Contractor for the upgrading of Loerie Sports facility	LRC Civils	24 January 2024	R 1 547 736.80

NOTICE &DESCRIPTION	SERVICE PROVIDER	DATE OF AWARD	AMOUNT/ CANCELLED
Variation-Notice 235/2021 Appointment of Consultant for the upgrading of Loerie Sports facility	Bosch Projects	21 February 2024	R 158 668.95
Variation-Notice 47/2021 Hankey Sanitation Upgrade: Installation of new sewage gravity network- final re-measurement	LRC Civils	21 February 2024	R 399 131.58
Variation-Notice 155/2021 Humansdorp Ground Water Supply phase 1	Ikhono Techni	20 March 2024	R 1 000 515.80
National Treasury Transversal contract- RT57 Supply and Delivery of 6m³ Skip Truck	Isuzu Motors Pty Ltd	23 April 2024	R 1 790 942 .49
Variation- Notice 194/2020 Appointment of Suitably Qualified Professional Service Provider for the design and Administering of the upgrade Gravel Roads in KLM	JG Afrika Pty Ltd	10 May 2024	R 762 760.11
Variation- Notice 88 of 2021 Upgrading of Gravel Roads	Scribante Construction	19 June 2024	R 205 546.73
Variation- Notice 135 of 2023 Supply and Install Paving of Portion of Erf 170 of Jeffreys Bay	Vitsha Trading & Ibala Consulting Joint Venture	19 June 2024	R 275 789.21

Annual Stocktaking

The annual stock count took place on 28 June 2024 and no discrepancies were found

Section 36 Deviations in terms of SCM Policy

A Total of value of the deviations for the financial year amounts to R 59 016 289.58

Please note that this is not the figure as reported in the Annual Financial Statements reflects the amount that was paid for the financial year.

SCM Management component for the period 1 July 2023 to 30 June 2024

The section initially operated with a total staff complement of 11 permanent staff members and 4 interns and 8 vacancies. Due to organogram changes and subsequent appointment made as from June the staff complement is reflected at 30 June as 11permanent staff, 2 interns ,2 officials still in their probationary period and 5 vacancies due to the merger of 2 posts.

2.9 BY-LAWS

Gazetted By-Laws is reflected in the schedule below:

Key No	Bylaw Name	Date Gazetted	Gazette Number
1	Aerodrome By-law	27-Dec-06	No.1643
2	Funeral parlour, cemeteries and crematoria by-law	27-Dec-06	No.1643
3	Fencing and fencing by-law	27-Dec-06	No.1643
4	Impoundment of animals' by-law	27-Dec-06	No.1643
5	Public amenities by-law	28-Feb-07	No.1678
6	Roads and traffic by-law	27-Dec-06	No.1643
7	Sporting facilities by-law	27-Dec-06	No.1643
8	Stormwater management by-law	27-Dec-06	No.1643
9	Commonage By-law	28-Feb-07	No.1678
10	Prevention of public nuisances and keeping of animals' by-law	28-Feb-07	No.1678
11	Outdoor advertising and signage by-law	28-Feb-07	No.1678
12	Street trading by-law	28-Feb-07	No.1678
13	Solid waste disposal by-law	28-Feb-07	No.1678
14	Community Fire Safety by-law	11-Jul-22	No.4769
15	Water Supply and Sanitation Services By-Law	28-Feb-07	No.1678
16	Liquor trading hours by-law	11-Nov-13	No.3070

Key No	Bylaw Name	Date Gazetted	Gazette Number
17	Spatial planning and land-use management by-law	04-Mar-16	No.3609
18	Environmental Health by-law	11-Nov-13	No.3070
19	Property Rates by-law	29-Dec-17	No.3978
20	Customer care, Credit control and debt collection by-law	01-Oct-18	No. 4123
21	Standing Rules of Order By-law	22-Oct-18	No.4134
22	Electricity and SSEG by-law	22-Feb-21	No.4512
23	Toll parking areas By-law	11-Dec-02	No.952
23	Amended Outdoor advertising and signage By-law	28-Mar-22	No.4714
24	Wayleave By-law	26-Dec-22	No.4860
25	Waste Management By-law	13-Mar-23	No.4895
26	By-laws relating to land invasion and the management and control of informal settlements	22-May-23	No.4926

2.10 WEBSITES

The official website of Kouga Municipality (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 both internal and external stakeholders. This includes residents, business owners, non-profit organizations, and employees.

Information uploaded includes, but are not limited to, 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 a wide a reach as possible. Other information placed on the website includes municipal contact numbers and media releases, as well as events and photos.

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 Fourth Quarter.

Documents Published on the Municipal Website		**Yes/No**	**Date Published**
1	Annual Budget 2024/2025	YES	03 June 2024
2	Final IDP 2024/2025	YES	28 June 2024
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
8	Service Delivery and Budget Implementation Plan (Amendment): 2023/2024	YES	30 April 2024
9	Performance Agreements 2023/24: Senior Managers	YES	25 March 2024
10	2022/2023 Annual Report	YES	03 April 2024
11	2021 Employment Equity Plan	YES	22 February 2022
12	General Valuation 2023/2027	YES	06 February 2023

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

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

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 the previous year's 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 2023/24 Annual Report, 550 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 28% increase (from 397 to 550) in customer responses to the survey as opposed to the previous surveys. Residents were urged to make use of the survey to evaluate the municipality and to suggest areas of improvement. Participation was entirely voluntary. The closing date for the survey was 15 March 2024.

Customer Satisfaction Survey, this includes an online survey at:

- English - https://arcg.is/05DeP4
- Afrikaans - https://arcg.is/0vqj4K
- isiXhosa - https://arcg.is/1H0qrK0

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.







2.12 MUNICIPAL OVERSIGHT COMMITTEES

Section 79 Committees - Council 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.

d. Monitoring and Evaluation Committee - The Monitoring and Evaluation Committee is established to assist the Municipal Council by focusing on implementation of the IDP and its alignment to the SDBIP.

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.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

COMPONENT A: OVERVIEW OF PERFORMANCE

3. INSTITUTIONAL SCORECARD

From the 2023/24 Institutional Scorecard

Key Performance Area	Number of KPI's 2023/24	Number of KPI's Achieved 2023/24	Percentage Achievement 2023/24	Comment	2021/22 Score	2022/23 Score	2023/24 Score
KPA 1: Infrastructure and Basic Service Delivery	20	14	70%		88.2%	66.6%	70%
KPA 2: Institutional Development and Transformation	2	2	100%		66.6%	25%	100%

KPA 3: Local Economic Development	7	6	85.71%		75%	60%	85.71%
KPA 4: Financial Viability and Management	6	5	83.33%	Revenue Collection of 91.01% against 92% target	60%	75%	83.33%
KPA 5: Good Governance and Public Participation	3	3	100%		88.8%	50%	100%
Overall Institutional Performance	**38**	**30**	**79.94%**		78.76%	61.9%	79.94%

3.1 SUMMARY OF ACHIEVEMENTS PER KEY PERFORMANCE AREA

3.1.1 KPA 1 INFRASTRUCTURE AND BASIC SERVICE DELIVERY

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
1	Cp9, cp17-00, cp19003 Cp19004 Cp19005 Cp78001 Cp78002 Cp78003 Cp78004 Cp78005 Cp56001 Cp72002 Cp98012 Cp98013	% Expenditure of Capital budget provision for capital projects (Inclusive of adjustments up to 31 December 2023)	95%	90%	62.8%	The procurement processes to implement capital projects has been fast tracked and most tenders have been awarded. Completion anticipated for the 2024/25 year.
1.1		% Expenditure of Capital budget provision for capital projects newly listed with the January 2024 Adjustments Budget	New	50%	26.09%	At the time of the adjustments budget allocation most of the planning processes had to be completed prior to procurement of construction. The procurement processes to implement capital projects has been fast tracked and most tenders have been awarded. Completion anticipated for the 2024/25 year
2	I&E 003	% Water Losses between water purchased/produced and water sold/ accounted for.	54%	<35%	39.8%	The baseline was established at the beginning of the FY based on historic figures and set as 47%. A reduction target of 10 % was provided. A reduction of 7.2 % was achieved. Note that the program to further reduce water losses remain in place for

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
						the year 2024/25. A further directive from the Auditor General resulted in that an official Water Losses Reduction Program was brought to life and is reported monthly. This program is strongly supported by the Manager Water Services Authority.
3		% of Households with access to basic level of water (Based on availability fees on service accounts)	New	100%	100%	None
4		% of Households with access to basic level of Sanitation (Based on availability fees on service accounts)	New	100%	100%	None
5	CP19004	% of DMRE grant funding by 30 June 2024	100%	95%	90.17%%	Roll over application submitted project scheduled for completion during 2024/25. Additional funding allocated with the adjustments budget to support basic service provision to support the relocation of residents.
6	cp19003 Cp19004 Cp19005 Cp78001 Cp78002 Cp78003 Cp78004 Cp78005 Cp56001 Cp72002	% MIG grant funding expenditure by 30 June 2024	100%	95%	100%	None
7		% of Formal Households with access to basic level of electricity (Based on availability fees on service accounts)	New	100%	100%	None
8		% Non-distribution Electricity losses	7.3%	Less than 15%	14.7%	Non-technical losses at 6.7%.
9	CP19003	% Expenditure of EEDSM funding by 30 June 2024	New	95%	100%	None

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
10		% Expenditure of WSIG grant funding	New	95%	76%	Notice to expedite pressure testing was issued to the contractor for the Mimosa pipeline which was causing delays. Project will be completed during the 2024/25 year. Additional works at the Paradise Beach tower was commissioned (introduction of pressure reducing valve) to deal with the unexpected high pipe break failures experienced in Paradise Beach. Project will be completed during the 2024/25 year
11		% Of municipal fleet in serviceable condition	95%	90%	90%	None
12	I&E 004	% SANS compliance for drinking water across all parameters	97.93%	90%	January – December 2023 (Microbiological Acute Health) = 92.10% (Chemical Chronic Health > 99.9%)) (Chemical Aesthetic) = 93.86% (Chemical Operational)= 93.67% January – June 2024 (Microbiological Acute Health)= 91.25% (Chemical Acute Health)= >99.9% (Chemical Chronic Health >99.9%) (Chemical Aesthetic)=93.99% (Chemical Operational_=85.25%	• None
13		Number of Seekoei Estuary Management Plans reviewed and submitted to DEDEAT by 30 June 2024	New	1	1	None
14		Number of Dune Management Plans (Paradise Beach to Kabeljouws) developed and submitted to	New	1	1	None

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
		DEDEAT by 30 June 2024				
15		Number of EIA's applications submitted to DEDEAT by 30 June 2024 for the extension of the Kwanomzamo Cemetery	New	1	1	None
16		Number of EIA applications submitted to DEDEAT by by 30 June 2024 for the extension of the Loerie Cemetery	New	1	0	Procurement processes were delayed due to inability to appoint upon first advert period due to non-responsive bidders. Appointment made on second attempt which caused delays in implementation project to be completed during the 20224/25 year.
17		Number of EIA's applications submitted to DEDEAT by by 30 June 2024 for the extension of the Humansdorp Cemetery	New	1	1	None
18		% Compliance with the 15 minute response time for reported fire and rescue incidents (Hankey, Humansdorp, Jeffreys Bay and St Francis Bay)	75%	75%	86.04%	None
19		% of Households with access to basic level of solid waste removal (Based on solid waste removal fees on service accounts)	New	100%	100%	None

3.1.2 KPA2 INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
36		Number of appointments made in the top three layers of employment in compliance with the Employment Equity Plan	9AM, 13CM,2IM, 13 WM, 5AF, 8CF, 0IF, 4WF	~~1AM/1AF and 1AF/1WF~~ 4	11	Appointed 5 AM, 3 AF, 3 WF
37	I&E085	% Expenditure of LGSETA grant funding for staff development	98%	~~100~~ 95%	97.5%	None

3.1.3 KPA 3 LOCAL ECONOMIC DEVELOPMENT

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
20	MM 006	Number of layout plans completed by 30 April 2024 for formalization of informal settlements	2	2	2	None
21		Number of FTE jobs created through LED initiatives and Capital Projects	110	~~110~~ 10	65	None
22		Number of FTE jobs created through the EPWP and CDW program	110	110	134	None
23		Number of Annual Informal Household Audits conducted. By 30 September 2023.	New	1	1	None
24		% Of compliant building plans for building smaller than 500m2 finalized within 30 days of submission	100%	80%	100%	None
25		% Of compliant building plans for building larger than 500m2 finalized within 30 days of submission	100%	80%	100%	None
26		% Of land use applications finalized within 90 days of objection/ comment closing date	39%	100%	21%	Numerous failed attempts to fill the vacancy of the Director resulted in the filling of other vacancies being delayed. Critical vacancies have been budgeted for and vacancies will be filled in the 2024/25 year.

3.1.4 KPA 4 FINANCIAL VIABILITY AND MANAGEMENT

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
27		Current Ratio equal to or higher than target	0.12:1	0.93:1	1.24:1	None
28		Liquidity Ratio equal to or higher than target	0.24:1	0.13:1	0.71:1	None
29	-	% of total operational expenditure attributable to staff costs	35%	35%	32.85%	None
30	FIN 003	% of indigent residents as per the indigent register with access to free basic services	100%	100%	100%	None
31	FIN 001	% Revenue collected against revenue raised	94.32%	92%	91.01%	The high volume of queries on water consumption (due to leaks) together with the high water tariffs (due to the drought) has resulted in consumer accounts being very high and unaffordable. A water amnesty was approved by Council to address the above issues and the accounts has been corrected. The collection rate has thus improved in the later part of the financial year to being under 1% away from the target.
32	FIN 002	% Creditors paid within 30 days of compliant invoice	90%	~~100~~ 95%	98.4%	None

3.1.5 KPA 5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
33		Number of reports submitted to Council on actions implemented to mitigate strategic risks	4	2	2	None
34	MM 036 MM 037	% Expenditure of Ward Development Fund (Capex and Opex)	New	95%	98.5%	None
35		Number of Occupational Health and Safety Committee Meetings held	4	4	7	None

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 report)	To be reported by the Sarah Baartman District Municipality			

6.	Level of effectiveness of PMS in the LM (LM to report	Performance Management currently rolled out all staff			
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 Workplace Skills Plan	Yes	yes	Completed	

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 Strategy	Clustered Sub-Committee Strategy is implemented.
5.	Effective structural meetings	All Muni-Mec meetings are attended. 9 local IGR contact sessions were hosted by KLM in the 2023/2024 financial year.
6.	Existence of an effective communication strategy	Communication Strategy in place and communication is effective.
7.	Number of Mayoral Imbizo's conducted	The Executive Mayors Office initiated several public engagement meetings including recently launched walk in sessions.
8.	Existence of a fraud prevention mechanism	Anti-*Corruption* and Fraud Prevention Policy approved by Council 1 August 2017

Human Settlements and Town Planning COGTA INDICATORS FOR 2023/24 ANNUAL REPORT

	Indicator Name	**Total Number of household/ customer expected to benefit**	**Estimated backlogs (actual Numbers)**	**Target set for the year under review 2024/25**	**Number of households/ customer reached during the financial year**	**Achievement percentage during the year**
1.	% of households living in informal settlements	13.5%	3814	868	3000	
2.	% of informal settlements that have been provided with basic services	95%	5%	190	750	79%

3.	Existence of an Effective Indigent Policy	Yes
4.	Existence of an approved SDF	Kouga Municipality Spatial Development Framework, 2021 – approved Revision of SDF in process.

COMPONENT C: INDIVIDUAL PERFORMANCE

The Performance Management Section 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 prepare the Institutional Service Delivery and Budget Implementation Plan and to provide Councillors and Top Management with performance reports to allow 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.
Departmental Service Delivery and Budget Implementation Plans are developed to monitor performance in support of the achievement of Institutional Targets. The Departmental Service Delivery and Budget Implementation Plans forms the basis for performance agreements at the line manager and first line supervisory levels, but selected targets from the Departmental Service Delivery and Budget Implementation Plans may be included as operational targets for Directors.
Performance agreements are concluded annually before 31 July and performance reviews for the Municipal Manager and Directors 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 consisting of the following members:

- Municipal Manager Performance Evaluation Panel:
  - Executive Mayor
  - Chairperson of the Audit Committee
  - Member of the Mayoral Committee
  - Mayor/Municipal Manager from another municipality
  - Member of a word committee as nominated by the Executive Mayor
- Other Senior Manager's Performance Evaluation Panel:
  - Municipal Manager
  - Chairperson of the Audit Committee
  - Member of the Mayoral Committee
  - Municipal Manager from another municipality

Performance bonusses 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 subject to affordability.
The roll-out of performance to levels below Senior Management as required in terms of the provisions of Section 34 of the Local Government Municipal Staff Regulations, R890 dated 20 September 2021 has been implemented with effect 1 July 2023.
Performance reviews for staff below the level of senior management is conducted by the immediate supervisor of the incumbent with performance results submitted for consideration by Departmental Moderation Committees followed by submissions to the Institutional Performance Moderation Committee.

COMPONENT D: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

3.2 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 Civil and Water Services 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 Water Consumer Quantities are:

TOWN	RESIDENTIAL ERVEN 2023/24	INSTITUTIONAL /COMMERCIAL/ INDUSTRIAL NUMBER OF ERVEN 2023/24	TOTAL No OF ERVEN 2023/24
Humansdorp	7 522	378	7 900
Jeffreys Bay (incl. Aston Bay, Pellsrus, Oceanview and Paradise Beach)	13 194	1 426	14 620
St Francis Bay	3 484	50	3 534
Cape St Francis	819	3	822
Oyster Bay	559	13	572
Hankey	2 674	84	2 758
Patensie	784	67	851
Loerie	471	13	484
Thornhill	491	13	504
TOTAL			**32 045**

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 Water on behalf of the Department of Water and Sanitation. Raw water is treated at the Patensie and Hankey water treatment works to potable standards 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. A new package plant was installed in Hankey which can remove iron and manganese from the groundwater.

The towns of Loerie, Thornhill, Jeffreys Bay, Humansdorp and St Francis Bay obtain potable water from the Nelson Mandela Metro via the Churchill pipeline and Summit pipeline. The water supply to Jeffreys Bay and Humansdorp are augmented by groundwater and fountains. Approximately 50% of the water consumed in Humansdorp and Jeffreys Bay is supplied from own sources.

The town of Oyster Bay is solely dependent on groundwater obtained from boreholes and springs. Four new package plants were installed in St. Francis Bay, Jeffreys Bay, Humansdorp and Hankey which can remove iron and manganese from the groundwater. Each plant is upgradable to a capacity of 6.0ML/day. The bulk water supply in St. Francis Bay, Jeffreys Bay and Humansdorp were upgraded by adding additional boreholes and pipelines under a WSIG project funded by DWS.

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 241 and blue drop requirements with regards to water quality.

Due to the prolonged drought that persisted from 2017 to 2023 the major storage dams serving the area have reached critical low levels. Both the Kouga and Churchill dams have recovered well reaching 100% capacity after good rain early in 2024. The Impofu dam is however still at ±41% capacity therefore DWS opted to maintain the water restrictions imposed on Kouga Municipality. The drought conditions experienced over the past 7 years had disastrous and far-reaching negative implications for the entire western region of the Eastern Cape Province and the Kouga area. The negative effects of the drought on our local economy will still be felt for many years to come.

Reduced water quotas were imposed on abstraction from the Algoa System and stricter water restrictions were implemented during 2022/2023 throughout the Kouga area. The 40% curtailment will remain in force until the Impofu dam overflows.

Water Scheme Area	Schedule of Restrictions
Gamtoos Water (Kouga Dam): Patensie/Hankey	15% of quota.
Loerie/Summit pipeline: Loerie and Thornhill	Water supplied by Nelson Mandela Metro. 0% restriction imposed on NMBM quota by DWS.

Water Scheme Area	Schedule of Restrictions
Churchill/Impofu: Humansdorp, St Francis Bay, Jeffreys Bay	Water supplied by Nelson Mandela Metro 40% restriction imposed on quota by DWS.

It was required to continue with Water shedding in the towns of Patensie and Hankey since 2017, to ensure usage remain within the restricted quota. The water is provided to residents via the reticulation system for 6 hours in the morning and 6 hours in the afternoon only.
Although the water supply situation has improved, water collection stations remain in place (JoJo tanks) and water is distributed by means of water trucks to the communities when needed.

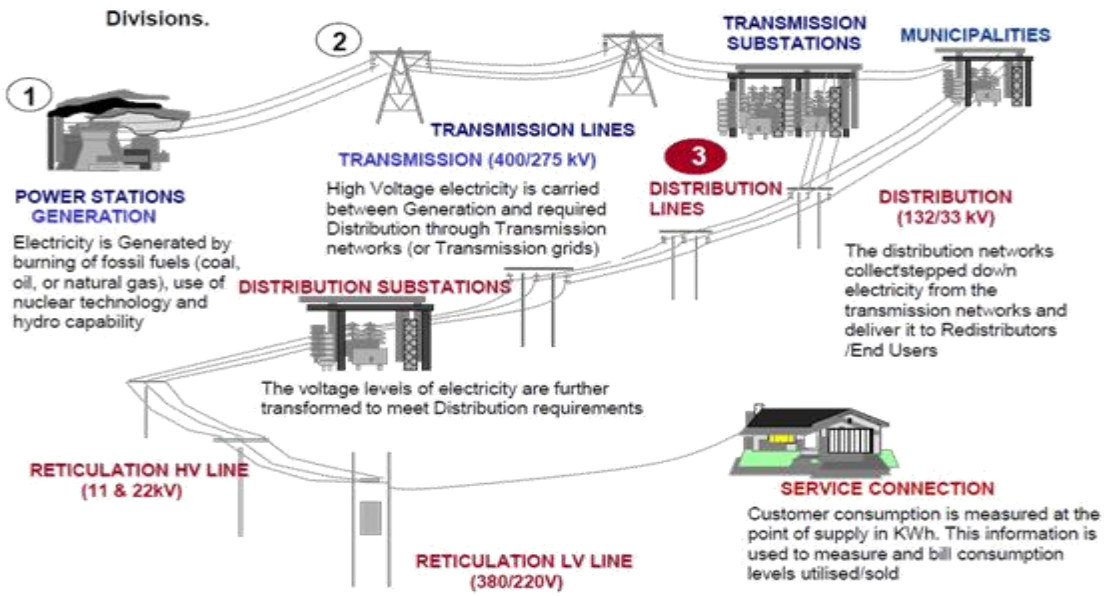
3.3 SANITATION PROVISION

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.

Levels and Standards in Sanitation Services -Four (4) levels of sanitation services are provided:

- buckets and chemical toilets only for the informal housing areas (±2 973 households)
- full waterborne sanitation to 66% of households,
- septic tanks/conservancy tanks to 32.6% of households, and
- digestors and/or VIP's (Ventilated Improved Pit) to 1.4% of households.

3.4 PROVISION OF ELECTRICAL SERVICES



The Kouga Municipality is the registered supply authority managing the electricity supply to the following towns Humansdorp, Jeffreys Bay, St Francis Bay, Cape St Francis, and Oyster Bay, with a bulk meter supply point taken from the Eskom grid. Maintaining the internal distribution networks is the responsibility of 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 within the towns we manage, in addition this include street lighting and supplying to all Internal infrastructure 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.

Table 2: The present consumer quantities for electricity are:

Town	New Residential Consumers 2022/2023	New Institutional Commercial Industrial 2022/23	Total 2022/23	New Residential Consumers 2023/24	New Institutional Commercial Industrial 2023/24	Total 2023/24
Humansdorp	15	2	17	10	4	14
Jeffreys Bay	309	3	312	90	6	96
St Francis Bay	78	1	79	40	5	45
Cape St Francis	12	0	12	9	0	9
Oyster Bay	2	0	2	5	0	5

Town	New Residential Consumers 2022/2023	New Institutional Commercial Industrial 2022/23	Total 2022/23	New Residential Consumers 2023/24	New Institutional Commercial Industrial 2023/24	Total 2023/24
Total	**416**	**6**	**23 832**	**154**	**15**	**24 001**

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), in addition new development within acceptable norms prescribed the ERA of 2006.

This standard is set to reduce the financial burden on consumers and ensure the security of uninterrupted quality of electricity supply. This particularly in terms of the capital as well as technical requirements for new distribution networks, substations including and not limited to new energy generation in line with the masterplan informed by demand forecast and the SDP. Applications for funding infrastructure projects are being made on a continuous basis to all relevant institutions for financial assistance as legally allowed by the regulation.

Level and Standards in Electricity Services - Quality assurance is a standard requirement for Kouga's electrical network. The objective 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 is permitted to supply in terms of its licence conditions and demarcating. The target is revised annually in accordance with the demand informed by our human settlements master planning or town planning's SDP that that navigate our development target.

The above information is critical and support Kouga's annual application to the Department of Minerals & Energy (DMRE) to apply for funding to strengthen and extend our electricity infrastructure. During 2023/24 financial year, the Department Minerals & Energy allocated Kouga municipality an amount of R4.2 million for the upgrading of bulk infrastructure and electrification of 200 houses to be electrified in Humansdorp – Donkerhoek.

LED streetlight installations totalling 693, the high wattage mercury vapour

streetlighting was replaced to lower the energy consumption and assist the national grid to be less demanding, through this process mercury vapour 125 and 250watt lights were replaced with low wattage energy efficient LED lighting throughout Kouga, the project was funded by the department Minerals and Energy from the Energy Efficiency Demand Side Management grant program. Kouga was one of 47 municipalities that was awarded this grant due to its ability to manage projects.

The upgrading of Appiesdraai Substation upgraded with an additional 3 150 kVA transformer and switchgear. This substation has been severely strained due to increasing demand to the area. The additional transformer brought about much relieve to the residents of Paradise and Astonbay.

Upgrading 50mm 11 000volts to 95mm cable between Jeffreys Bay Main Substation and Bergen Zee Substation. This cable was instrumental to secure consistent electricity supply to the central business area in Jeffreys bay.

Upgrade the substation protection backup battery Storage at Jeffreys Bay Main Substation this project enabled our protection relays to function 12 hours without electrical supply. This essentially always ensure that our substations function optimally to protect all apparatus and switchgear within it.

Replaced 240mm cable between main substation and sub-4, Jeffreys Bay, cable feeding into central Jeffreys Bay to further strengthen energy supply.

The procurement and installation of a new 22kV Auto Recloser for Cape St. Francis, Main Intake. This installation secures the safe operation and protection of our infrastructure being fed from this electrical feeder.

The procurement and installation of a 1,6MVA transformer for Cape St. Francis, Main Intake. The increasing load required an additional transformer to be installed to assist with the security of supply to the area.
The supply and installation of a 500kVA Miniature Substation at the Harbour in St. Francis Bay. The development of industry in the surrounding areas elevated the need for this installation due to increased load requirements emanating from the area.

The supply and installation of a miniature substation installed at KFC, Assisi Drive, St. Francis Bay. This to accommodate the additional load generated by this business on our network.

A significant amount of our operational budget went into replacement and repairs of faulty equipment, transformers, switchgear, electronics, backup battery storage and cables. Replacement of streetlights, continuous cable theft, high mast light maintenance and damages to infrastructure that was repaired, such as cable theft and sabotage, were funded through our operational budget.

Table 3: 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 2023_24FY	Percentage achievement during the year
1	House-holds with access to electricity services	24 001	0	169 (368 targeted but only 169 funded)	169	100%
2	Indigent house-holds with access to basic electricity services	7623	0	300	305	+100%
3	Indigent house-holds with access to free energy sources	0	0	0	0	0%

Major Challenges

- Aged infrastructure, e.g., transformers, switchgear, electronics, backup battery storage and cables.
- Replacement of streetlights, continuous cable theft, high mast light maintenance and continuous damages to infrastructure.
- Suitably qualified staff and vehicles.

Remedial Actions

- The implementation of the master plan and commitment to implement measures, resources to fund further programmes supported by Council.
- The annual revision of augmentation levy (developmental charges) consumption tariffs to in line with capital programmes to upgrade infrastructure to be

undertaken.

- Through the acquirement of SCAA, appoint additional suitably qualified 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 manage, investigate and prevent meter tampering and overall meter management which will contribute to enhancing the revenue.

Renewable energy - The feasibility for the 20WM plant is an enormous project and a milestone for Kouga. Should Kouga proceed to implement such a project, it will contribute to lower consumption in energy from Eskom and will reduce our electricity account with a great margin.

Mechanical projects: - Pumpstations are critical to this municipality as it ensure sewer is being conveyed from the one to the other station for final processing at the sewer works. Our pumpstations over the years was severely neglected and was a costly exercise to restore. The operations are a combination of processing what has been fed to the pumpstation, if the product been feed into the pumpstation does not meet the criteria and size to be processed it become damaging to pumpstations.

As per table 7 below, it provides a synopsis of the expenditure over the last financial year to get Kouga's pumpstations operational again. A huge contributor is the increase in vandalism on our pumpstations especially due to its remote locations.

The risk Kouga experience due to failure of these pumpstations far outweigh many other operational activities. Therefor it is inevitable that the system works optimally continuously.

We have invested in a SCADA program whereby four of our pumpstations has been connected to a smart program where it is monitored 24/7. This is instrumental in process of early fault or vandalism detection without having to be at the pumpstation. This is a significant move in a positive direction in terms and reduce overtime with a great margin.

We also installed our VSD drives to various pumpstations as a first phase. This project will be rolled out further as funding become available. The VSD's ensure pump sets start at a low ampere load and gradually increase. This is excellent to reduce network strain and prevent further network damage due to overload.

The maintenance activities will increase and be rolled out throughout Kouga to improve the quality to be transported into our natural habitat. The appointment of a panel of contractors for a period of 3 years to assist with maintenance is instrumental in the department, this will provide the expert advice and workmanship required.

Projects completed during the 2023/24 financial year.

- Installation of Variable Speed Drives to critical high energy consumption pumpstations, eight pumpstations where completed.
- Sewer pumpstations upgraded with new pumps.

- Two sewer pumpstations connected to SCADA system for improved efficiency.

Insert 1: SCADA dashboard recording levels

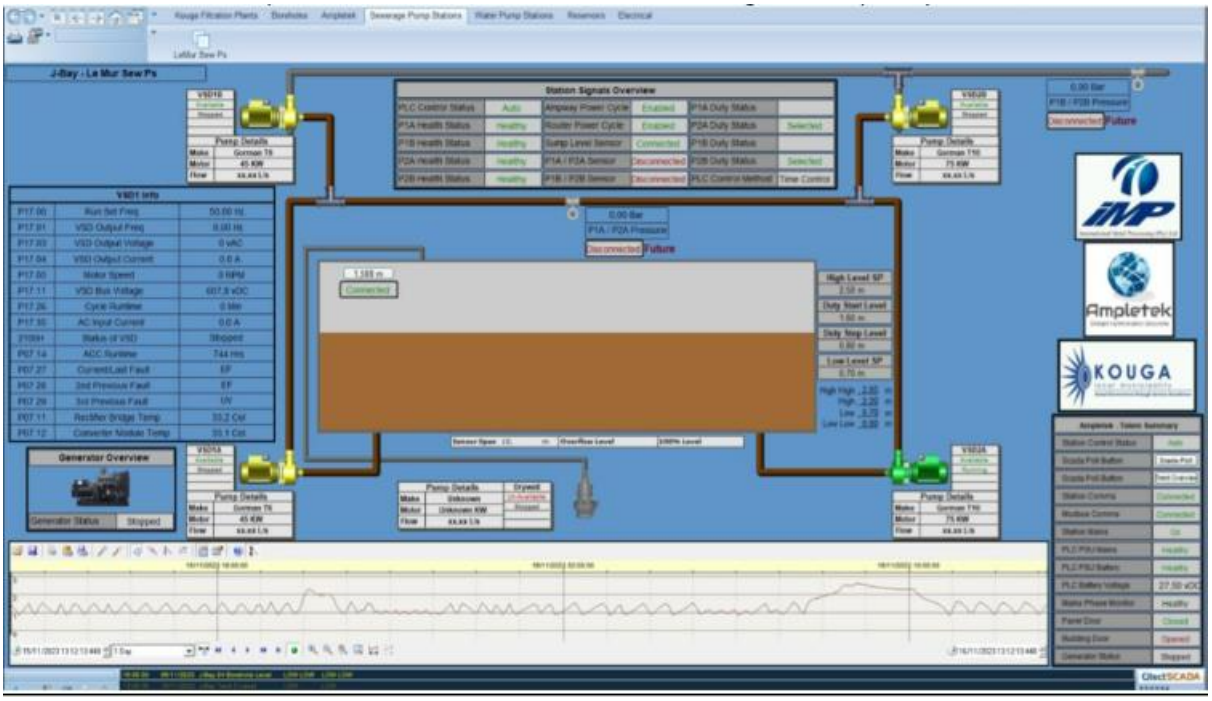


Table 5: List of pumpstations

Name/ Location	Number of pumps	Pump type	Pumps size
4A Sewer Pumpstation	**1**	**T10**	**75kW**
4B Sewer Pumpstation	**1**	**T10**	**75kW**
Appiesdraai	**2**	**VS6**	**55kW**
La-Mer	**1**	**T10**	**75kW**
	2	**T8**	**45kW**
Oceanview	**2**	**V6**	**48kW**
Cormorant	**2**	**V6**	**45kV**
Sandkasteel	**2**	**Submersible**	**18kW**
Beach Hotel	**2**	**Submersible**	**37kW**

Table 6: Projected savings

Project No.	Project name	Price per kWh (can be modified by the municipality, if required) incl. VAT	Planned simple payback period in years	kWh savings per year
no	**description**	**ZAR/kWh**	**years**	**kWh**
1	Replace Pumps STAR-DELTA with VSD's	1,7300	8,7	89 790

Ongoing repairs and maintenance of the various plants and pumpstations include:

- Two new compressors and new pressure pump installed at Thornhill WWTW
- Various electrical panels had been repaired/upgraded
- Four pump sets had been replaced at Aapiesdraai pumpstation
- A new T10 Gorman Rupp motor was installed at 4A Pumpstation (Koraal street)
- New 48kw Submersible pumps had been procured for La-Ida pumpstation in St Francis Bay
- 22kw Robot pump installed at Vergenoeg pumpstation
- 55kw Motors and T10 Gorman Rupp pumps had been repaired at Extension 3 Sewer pumpstation
- Loerie pumpstation was repaired as well with a 13kw submersible pump installed.

Table 7: Pumpstations repaired and associated cost: Operational expenditure on pumpstations for the 2023/24 financial year:

Ward	Pumpstation	Cost
2,3,8,11,12,14	**4A Pumpstation**	**R359,000.00**
	Rotating missing - to be replaced T10 Pump set 2	R350,000.00
	Delivery pipes to be welded/ cracks	R7,000.00
	Outside lights to be fixed	R2,000.00
	Sump to be cleaned	
2,3,8,11,12,14	**4B Pumpstation**	**R138,627.71**
	Sump to be cleaned	
	Pump set 1 to be removed, rusted and damaged	R129,627.71
	Delivery pipes to be welded/ cracks	R7,000.00
	Outside lights to be fixed	R2,000.00

Ward	Pumpstation	Cost
	Water tap to be installed	
2,12,14	**Aapiesdraai Pumpstation**	**R752,498.23**
	NRV to be replacedx2	R81,861.31
	Outside lights to be fixed (internal)	R2,000.00
	Sump to be cleaned	
	Pump set 1	R231,336.12
	Pump set 2 running	
	Pump set 4 possible casing replacement	R381,649.49
	Pump set 4 running (Warranty claim not approved)	R55,651.31
5	**Arcadia Pumpstation**	**R249,527.64**
	Refurbishment of vandalised pumpstation complete	R249,527.64
14	**Cormorant Pumpstation**	**R20,000.00**
	T10 Service exchange	R225,000.00
	NRV to be replaced	R81,861.31
	Sump wall to be removed	R20,000.00
14	**Dolphin drive Stormwater**	**R41,405.04**
	Supply 5.5kw Evak pump	R41,405.04
9	**Ext 3 Pumpstation**	**R1,126,000.00**
	Sump wall to be erected	
	Panel to be refurbished	R314,000.00
	VSD installation to be done	R112,000.00
	Kwanomzamo Pumpstation	**R709,293.31**
15-May-24	Refurbishment of vandalised pumpstation: Supply new 29kw Robot	R265,717.05
15-May-24	Refurbishment of vandalised pumpstation: Smart lock dry chamber	R119,420.14

Ward	Pumpstation	Cost
15-May-24	Refurbishment of vandalised pumpstation: Panel, Supply & Install pumps, Cable work	R249,789.28
15-May-24	Refurbishment of vandalised pumpstation: Supply n& Install clearview fencing	R74,366.84
	Kabeljouws Pumpstation	**R7,000.00**
	Outside lights to be fixed	R7,000.00
	La-Ida Pumpstation	**R1,014,000.00**
	New Panel required Generator required	R314,000.00 R700,000.00
	LaMer Pumpstation	**R350,000.00**
	New rotating unit T10 including casing	R350,000.00
	Loerie Pumpstation	**R225,000.00**
	New 13kw robot submersible (incl. installation)	R100,000.00
	New Panel	R125,000.00
	Long Island Pumpstation	**R150,000.00**
	New 2.6kw Robot	R25,000.00
	New Panel	R125,000.00
	Queen street Pumpstation	R265,303.41
	Refurbishment of vandalised pumpstation complete	R265,303.41
	Stofwolk Pumpstation	**R189,780.77**
4-Apr-24	Repairs to pumpstation - Vandalised - Complete	R189,780.77
	Oyster Row Pumpstation	**R314,000.00**
	New Panel	R314,000.00
	Sandkasteel Pumpstation	**R40,251.71**
28-Nov-23	Auto switch repair	R1,186.80
12-Jul-23	Test pump no 2, Fault find on auto	R2,558.75

Ward	Pumpstation	Cost
21-Dec-23	Repair & Install 13kw Submersible, Repair panel pump 1 & 2	R36,506.16
	St Francis Bay WWTW	**R104,000.00**
24-Oct-23	T4 Rotary & Thrust plate x 2	R104,000.00
	Tecoma Pumpstation	**R21,223.02**
10-Oct-23	Temp pump	R939.55
31-Oct-23	Install 2 x 6kw Robot pumps	R7,451.77
24-Jan-24	Repair 6kw Robot submersible	R12,831.70
	Thornhill WWTW	**R191,219.88**
28-Nov-23	Strip & Test 2,2kw motor	R8,688.32
13-Feb-24	Repairs to 2,2 Hydrostat	R12,109.50
25-Apr-24	Fit new pump & motor for raw sewerage (standby pump)	R96,740.53
8-May-24	2 x Compressor 100L + single phase protection	R42,256.26
23-May-24	Supply & install new pressure pump for Thornhill WWTW	R31,425.27
	Transvia	**R34,552.91**
6-Mar-24	Transvia Borehole, replace cable & motor	R34,552.91
	Trevor Manual Pumpstation	**R34,021.60**
30-Oct-23	Repair 6kw Grundfo's sub pump	R18,809.40
26-Oct-23	Install temp pump (Tecoma) & Adapters	R2,380.50
24-Jan-24	Repair 6kw Robot submersible	R12,831.70
	Vergenoeg Pumpstation	**R88,396.12**
7-Sep-23	Install pump & call out	R4,696.58
1-Dec-23	Repair 21kw ABS Pump & Panel installation	R44,711.23
1-Dec-23	Repair 10kw Robot (Pump 2) & Installation	R34,639.91
29-Feb-24	Install 22kw Robot & Temp adaptor chain, Repair panel	R4,348.40

Ward	Pumpstation	Cost
	Zwartenbosch	**R11,194.19**
15-Mar-24	Repairs to vandalised pump	R11,194.19

3.5 ROADS AND STORMWATER SERVICES

The following sources was referenced for information on road infrastructure:

- Rehabilitation and upgrading of municipal roads serving the Kouga Local Municipal Area – Final Business Plan (December 2021).
- EasyRAMS website (www.easyrams.co.za)

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

Road Authority	Length (km)
SANRAL (N2)	74.90 km
Eastern Cape Department of Roads	973.80 km
Kouga Municipality	**421.54 km**
Total	**1 470.24 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 tables below.

Paved Road Length (km) per Surface Type by Town

Town	Flexible	Block	Concrete	Total
Cape St. Francis	10.11	0.62	0.00	10.73
Hankey	12.69	2.03	0.00	14.72

Town	Flexible	Block	Concrete	Total
Humansdorp	41.08	5.39	0.00	46.46
Jeffreys Bay	159.71	3.52	0.17	163.40
Loerie	1.96	0.00	0.00	1.96
Oyster Bay	2.89	0.06	0.15	3.10
Patensie	12.54	0.47	0.21	13.23
St. Francis Bay	45.62	0.53	0.00	46.15
Thornhill	2.19	0.00	0.00	2.19
Total	288.79	12.62	0.53	301.94

Unpaved Road Length (km) per Surface Type by Town

Town	Gravel	Earth	Track	Total
Cape St. Francis	3.24	0.00	0.00	3.24
Hankey	14.87	0.12	0.03	15.02
Humansdorp	65.25	0.13	0.24	65.62
Jeffreys Bay	17.43	0.00	0.09	17.52
Loerie	4.55	0.00	0.37	4.92
Oyster Bay	6.00	0.00	0.08	6.08
Patensie	1.07	0.00	0.00	1.07
St. Francis Bay	2.48	0.00	0.21	2.69
Thornhill	3.44	0.00	0.00	3.44
Total	**118.33**	**0.26**	**1.01**	**119.60**

The tables below is a summary of the conditions of surfaced roads in Kouga Municipality

Condition Category (VCI) of Flexible Road Length (km)

Town	*Flexible Road Length (km) per Condition Category (VCI) by Town*					*Total Length (km)*
	Very Good	*Good*	*Fair*	*Poor*	*Very Poor*	
Cape St. Francis	2.10	3.47	4.47	0.08	0.00	**10.11**
Hankey	1.32	5.30	5.26	0.29	0.00	**12.16**
Humansdorp	11.20	13.88	13.60	2.19	0.00	**40.87**
Jeffreys Bay	77.77	62.70	18.29	0.91	0.00	**159.67**
Loerie	0.44	0.36	1.15	0.00	0.00	**1.96**
Oyster Bay	0.00	1.66	1.23	0.00	0.00	**2.89**
Patensie	1.30	3.27	5.89	2.04	0.00	**12.48**
St. Francis Bay	19.05	20.75	5.66	0.03	0.00	**45.49**
Thornhill	1.54	0.53	0.12	0.00	0.00	**2.19**
Total	114.71	111.90	55.67	5.54	0.00	**287.82**

Condition Category (VCI) of Block Road Length (km)

Town	*Block Road Length (km) per Condition Category (VCI) by Town*					*Total Length (km)*
	Very Good	*Good*	*Fair*	*Poor*	*Very Poor*	
Cape St. Francis	0.00	0.53	0.09	0.00	0.00	**0.62**
Hankey	0.00	0.96	0.93	0.15	0.00	**2.03**
Humansdorp	0.00	2.16	2.82	0.00	0.00	**4.98**
Jeffreys Bay	0.00	0.53	2.91	0.00	0.00	**3.44**
Oyster Bay	0.00	0.06	0.00	0.00	0.00	**0.06**
Patensie	0.00	0.14	0.33	0.00	0.00	**0.47**
St. Francis Bay	0.18	0.13	0.22	0.00	0.00	**0.53**
Total	**0.18**	**4.50**	**7.30**	**0.15**	**0.00**	**12.13**

Condition Category (VCI) of Concrete Road Length (km)

Town	*Concrete Road Length (km) per Condition Category (VCI) by Town*					*Total Length (km)*
	Very Good	*Good*	*Fair*	*Poor*	*Very Poor*	
Jeffreys Bay	0.17	0.00	0.00	0.00	0.00	**0.17**
Oyster Bay	0.00	0.00	0.13	0.02	0.00	**0.15**
Patensie	0.00	0.06	0.05	0.10	0.00	**0.21**
Total	**0.17**	**0.06**	**0.17**	**0.13**	**0.00**	**0.53**

The table below is a summary of the condition of Unpaved Roads

Town	*Unpaved Road Length (km) per Condition Category (VCI) by Town*					*Total Length (km)*
	Very Good	*Good*	*Fair*	*Poor*	*Very Poor*	
Cape St. Francis	0.00	0.00	1.17	1.57	0.50	**3.24**
Hankey	0.00	0.05	2.81	10.72	1.16	**14.74**
Humansdorp	0.00	0.32	5.49	39.99	16.06	**61.87**
Jeffreys Bay	0.00	0.00	6.01	10.20	1.05	**17.26**
Loerie	0.00	0.00	0.00	3.01	1.41	**4.42**
Oyster Bay	0.00	0.00	0.09	4.83	1.08	**6.00**
Patensie	0.00	0.00	0.00	0.45	0.00	**0.45**
St. Francis Bay	0.00	0.22	1.01	1.25	0.18	**2.66**
Thornhill	0.00	0.00	0.44	3.00	0.00	**3.44**
Total	**0.00**	**0.59**	**17.03**	**75.04**	**21.43**	**114.08**

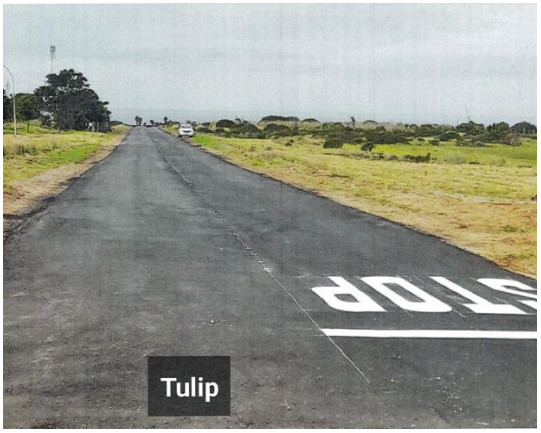
The table below is a summary of funding spent on upgrading gravel roads.

Cost of Construction/Maintenance		
Year	**New**	**Gravel - Tar**
2020/21	R0.00	R1,999,917.40
2021/22	R0.00	R16,687,134.19
2022/23	R0.00	R13,185,340.00
2023/24	R0.00	R3,339,130.00

During the 2023/2024 financial year R21,300,000 including VAT was allocated for road resealing on the operating budget.



Patensie: Johnny Ferreira Road reseal



Jeffreys Bay: Tulip Street resealing

The following summary of highlights that was undertaken and completed under the project:

- Length of roads resealed = 9.5 km
- Potholes repaired = 3,587m²

Refer to the table below for a summary of roads resealed in the Kouga area under this project:

REF,	ROAD NAME	WARD	LENGTH (m)
A1	JOHNNY FERREIRA ROAD	13	1 293.20
A2	SANDILE MJACU AVENUE	13	445.81
A3	KAREE AVENUE	8	288.43
A4	PETAL STREET	11	443.10
A5	DISA AVENUE	11	374.87
A6	TULIP AVENUE	11	845.70
A7	WILDPLUM CRESCENT	8	351.63
A8	BEECH AVENUE	8	201.66
A9	ANGELWINGS CRESCENT	11	662.97
A10	NERITA STREET	11	259.92
A11	OMDRAAI STREET	11	74.30
A12	COWRIE STREET	11	197.39
A13	JOEY FOURIE DRIVE	12	549.41
A14	DIRK FOURIE DRIVE	12	676.17
A15	JACANA DRIVE	2	487.17
A16	FINCH ROAD	2	130.86
A17	JEFFREYS STREET	11	907.64
A18	AZALEA ROAD	11	489.84
A19	BARRACUDA ROAD	12	408.45
A20	LORSTAN AVENUE	12	380.00
			9 468.52

Further to the above Capital Municipal Infrastructure Grant (MIG) funding to the amount of R13,285,340.80 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.

The Kouga Municipality utilizes own funds for the maintenance and repair of Provincial roads located within our town boundaries.

Cost of Backlog Eradication

Town	**Preventative Maintenance**	**Rehabilitation**	**Special Maintenance**	**Grand Total**
Cape St. Francis	1 244 688.75	17 267 068.70	3 200 061.80	21 711 819.25
Hankey	783 846.75	16 248 673.70	7 896 019.30	24 928 539.75
Humansdorp	7 062 720.75	49 176 031.45	21 014 245.90	77 252 998.10
Jeffreys Bay	47 221 444.50	79 380 971.40	78 787 400.55	205 389 816.45

Town	Preventative Maintenance	Rehabilitation	Special Maintenance	Grand Total
Loerie	342 274.50	2 928 427.00	395 104.30	3 665 805.80
Oyster Bay	121 022.25	1 728 935.20	2 417 623.35	4 267 580.80
Patensie	1 202 689.50	21 440 267.80	3 006 703.02	25 649 660.32
St. Francis Bay	8 022 594.38	19 463 227.30	35 868 396.55	63 354 218.23
Thornhill	635 098.20	2 370 545.40		3 005 643.60
Grand Total	**66 636 379.58**	**210 004 147.95**	**152 585 554.77**	**429 226 082.30**

3.6 MUNICIPAL INFRASTRUCTURE GRANT IMPLEMENTATION

This report outlines 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.
- 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.
- 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.

Background - The programme is entering its sixteenth 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.

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

- PMU Manager (Full time)
- PMU Contracts Officer (Full time)
- PMU Technician (Contracts basis)
- PMU Administrator (Vacant)
- Account (Vacant)

- 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 /Accredited Training	SMME's Utilized
2023/24 Projects					
Upgrading of the Sanitation System in Old Hankey	99 % complete	3300	34	2	10
Upgrading of Gravel Roads in Kouga Phase 1	100 % complete	225003			
Upgrading/Improvement of Sport Facilities within Kouga region – Loerie	100% complete	22 5003	28	1	7
Kwanomzamo WWTW	25% complete		4	0	6
2023/24 Rollover Projects: None.					
Project Description	**Project Status**	**Beneficiaries (h/h)**	**Job Creation**	**Informal Training**	**SMME's Utilized**
2022/23 Projects					
N/A					

The above table illustrates the projects implemented and still under construction for the 2022/2023 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:

1) To provide a basic level of service to the people.
2) 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.

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The following new projects were registered on MIG:

Phillipsville Sports Facility Upgrade	R11 393 193.75
Purchasing of Solid Waste vehicles	R21 878 885.01

New sewer pump station Hankey



New Loerie Sports Facility



Kwanomzamo WWTW Refurbishment



3.7 WATER SERVICES INFRASTRUCTURE GRANT IMPLEMENTATION

WDS provided R30M of WSIG funding for emergency implementation on drought projects.

The expenditure was as follows:

Project	Budget (Incl. VAT)	Expenditure (Incl. VAT)	Available (Incl. VAT)	Expenditure to Date (%)	Comments
Mimosa Street Pipeline Replacement	Original: R18,740,897.94 Revised: R14,740,897.94	R10 568 508.20	R4 192 957.43	72%	This a multi-year project for completion in 24/25. Roll-over also required.
Structural Repairs to the Paradise Beach water Tower	R11,238,534.37	R8 913 753.20	R2 324 781.65	79%	Roll-over required.
St Francis Borehole Development	Original: R0.00 Revised: R3,000,000.00	R2 268 553.16	R731 446.84	76%	Roll-over required.
Consulting Services for Groundwater development	Original: R0.00 Revised: R1,000,000.00	R1 000 000.00	R0.00	100%	Project successfully completed.

The following projects were implemented:

Mimosa Street Pipeline Replacement:

Consultant appointed: MJM Consulting Engineers

Contractor appointed: Ibhabhatane Trading CC

Contract value: R17 934 862.94

Time of completion: 12 Months

Commencement date: 30 August 2023

Scope of work: The project comprises the construction of the new 315mm diameter uPVC water main in Mimosa Street starting in Noorsekloof Road where it will connect to existing lines. It continues the full length of Mimosa Road, approximately 2300m. The road reinstatement has also commenced and approximately 760m of the 2200m road surface has been resealed.

Progress to Date: The Contractor commenced with the execution of the works and installed approximately 1530m of 315mm Ø pipe out of the designed 2340m and also installed the entire 486m of 160mm Ø pipe. The reinstatement of the road surface has also commenced and approximately 750m of the ±2000m has been completed. The Contractor has completed approximate 75% of the work and is well on track to complete the works within the three remaining months of the construction period.

A roll-over application will be required for The Mimosa Street Water Main.



New Water Main in Mimosa Street

Structural Repairs to the Paradise Beach Water Tower

Consultant appointed: Lukhozi Consulting Engineers

Contractor appointed: Jangoware WKK Master Specialists JV

Contract value: R9 049 915.80

Time of completion: 6 Months (Extension tome to the end of August 2024)

Commencement date: 29 September 2023

Scope of work:

- Concrete repairs with cementitious products on all external concrete surfaces of the PBEWT with spalling, cracks and/or exposed reinforcement.
- Replacing pipework straps with new hot dipped galvanized straps to match existing.
- Replacing pipework bolts with new hot dipped galvanised bolts.
- Painting all pipework to provide adequate rust protection.
- Wrap all couplings, adapters, straps and bolts with Denso tape or similar approved product.
- Replacing all handrails with new GRP (fibreglass) handrails
- Providing and allowing access to telecommunication
- Personnel for the temporary removal or relocation of existing telecommunication services.
- Supply and erection of new security fence
- Supply and commissioning of a generator as per the specifications.

Progress to date: The appointment of Jangoware WKK Master Specialists JV was finalised on the 29th of September 2023.

Major Works completed to date:

- Concrete repair work: 95%
- Pipe replace/refurbish: 70%
- Valve replace/refurbish: 75%
- Fencing: 100%

Variation Order for additional works was approved by BAC on 17 July 2024 and revised programme will include these items to be completed by end of August 2024.

A roll-over will be required for this project.



New pumps installed at the Paradise Beach Water Tower

<u>Equip and Connect two boreholes in St Francis</u>

Contractor appointed: CCST

Contract value: R3 000 000.00

Time of completion: 3 Months

Commencement date: 15 January 2024



Progress to date: The Contractor is on site and has complete the original scope of works. Additional works are being identified and will be completed by end of August 2024. The only outstanding item is the supply and installation of the custom-built generator.

A roll-over will be required for this project.

Consulting Services for Groundwater Development

Service provider: Zutari

Contract value: R1 000 000.00

Time for completion: 3 Months

Progress to date: Studies for Thornhill, Hankey and Loerie groundwater development has already been completed. The study for Humansdorp/St Francis area is complete and the full scope of works was successfully completed, and the funding fully spent.

3.8 MUNICIPAL DISASTER RELIEF GRANT IMPLEMENTATION

The breakdown for the MDRG R3m funded projects are as follows:

Project	Budget (Incl. VAT)	Expenditure (Incl. VAT)	Savings (Incl. VAT)	Expenditure (%)	Comments
St Francis Bridge Emergency repairs	R3,000,000.00	R2 992 258.61	R7 741.39	99.7%	Project successfully completed





The details of the project are as follows

Consultant appointed: MJM Consulting Engineers

Contractor appointed: Primat Construction

Contract value: R2 660 257.04 (Including V.O. No. 1)

Time of completion: 3 Months (Including 1 month extension of time)

Commencement date: 1 October 2023

Scope of works: The project comprises of the permanent repairs to emergency works done to temporary fixed the St Francis Bay bridge to make it accessible for the community following the damage caused by flooding in December 2022.

Four recently identified flood damaged projects received R10.55M MDRG funding on 22 March 2023 and construction works will be completed in the 2024/25 financial year.

The breakdown for the MDRG R10.55 funded projects are as follows:

Project	Budget (Incl. VAT)	Expenditure (Incl. VAT)	Available (Incl. VAT)	Expenditure (%)	Comments
Aston Bay to Paradise Beach - Seekoei Estuary Causeway Reconstruction	R7 550 000	R100 000	R7 450 000	1%	PSP appointed. Contractor appointment to be finalized.
Paradise Beach - Botha Street Stormwater Infrastructure Upgrade	R500 000	R12 000	R488 000	2%	PSP and Contractor appointed.
St Francis Bay - Nevil Road Reconstruction	R600 000	R14 998	R585 002	2%	PSP and Contractor appointed.
St Francis Bay - Anne Avenue to Ralph Road Reconstruction	R1 900 000	R49 999	R1 850 001	3%	PSP and Contractor appointed.

3.9 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 was R2,321,000.00. Expenditure was 100%.

The following activities are being undertaken by EPWP workers:

- Patching of Potholes and Cleaning of Stormwater infrastructure within Kouga Region.
- Waste Management, including litter picking.

Beneficiaries: All wards within the following regions are benefitting in EPWP incentive grant as per the activities described above, namely

- Jefferys Bay
- Humansdorp
- St Francis
- Gamtoos Valley

181 casuals are currently employed under the EPWP programme. Our EPWP Casuals were trained recently on Basic Financial Literacy and the training was reported on EPWP-Reporting System.

- Kouga LM have overachieved both their 2023/24 work opportunity and FTE Targets.
- Kouga LM have overachieved on its target in terms of Youth Employment (116% vs 55%) and Women employment (64% vs 60%).
- Kouga LM is training and reporting on training of participants on projects.
- Kouga LM is implementing and reporting on projects in the Infrastructure, Social and Environmental Sectors.
- Kouga LM is complying to Ministerial Determination issue i.e. Minimum Wage Rate of R121, 28.

The total grant received by Kouga Local Municipality in the 2022/ 2023 financial year was R2,321,000.00 which been spend on 11 Incentive Grant Projects, as submitted in the 2023/24 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 2022/2023 financial year.

Year	EPWP Projects	Jobs created through EPWP projects
2019/20	9	368
2020/21	9	398
2021/22	9	301
2022/23	11	318
2023/24	7	418

Spending Schedule: - The Extended Public Works Programme Incentive Grant Funds received for the 2023/24 financial year were spent as follows:

MONTH	AMOUNT
July 2022	R0.00
August 2022	R0.00
September 2022	R264 393.00

MONTH	AMOUNT
October 2022	R264 393.00
November 2022	R136 232.00
December 2022	R136 232.00
January 2023	R264 393.00
February 2023	R264 393.00
March 2023	Internal funding
April 2023	Internal funding
May 2023	Internal funding
June 2023	Internal funding

Total Amount spend from Incentive Grant - R 1,175,000.00. The current expenditure rate is at 100%.

3.10 MUNICIPAL WORKSHOP

Vision: To upgrade, maintain and improve the organisations fleet efficiently and ensure the highest standards of service delivery for the community of Kouga's benefit.

Mission: To see service delivery thrive through the efforts of the Fleet department and the application of our fleet policy. Support all departments by achieving our goals rendering excellent service towards all communities within the Kouga jurisdiction.

Prevention - The fleet section aims to reduce incidents, severity of emergencies and accidents with council vehicles through 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) to comply with the requirements of the National Road Traffic act of 93 of 96 and occupational health and safety regulations.

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 roadworthy condition it will have a devastating effect on service delivery

Main functions of the fleet section are as follows.

- 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 policy.
- Monitor access to fleet vehicles that it is properly authorized and not operated by unauthorized users.

- All logbooks are reviewed once a month as to give accurate reports.
- To see that the fleet is properly maintained and inspected on a regular basis according to the fleet policy.
- That fleet vehicles are protected against damages, theft and abuse.
- See that all fleet vehicles are licensed once a year and that all trucks are 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 for maintaining vehicles.

Preparedness - The fourteen (14) employees, of which six (6) are office bound and 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 (254) 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 2023 - 2024 financial year between 86% and 95% of all municipal vehicles had been in operational condition continuously under difficult conditions such as staff shortages only three technicians to work on 254 vehicles which is an average of 84 vehicles per technician. All challenges that were encountered by the fleet department during the 2023 - 2024 financial year could be successfully accomplished.

Key Challenges

- Upgrading the workshop to a higher level of proficiency by sending staff on training courses.
- All mechanical staff needs to be sent for a refresher course.
- Although some staff were appointed there are still positions available on the organogram that needs to be funded so that the required staff can be appointed. This is getting critical that staff be appointed to lighten the workload on the three technicians that must service 254 vehicles. Also, less work will be contracted out should the staff compliment be addressed.

Recommended Solutions

- Adequate budget needs to be made available for the upgrading of infrastructure and the staff component in the fleet section.
- If the vacant positions can be filled, the fleet section could be much more effective and productive.
- To enlarge the floor capacity of the workshop and properly enclose.

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

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

The Fleet department of Kouga Municipality is responsible to ensure the roadworthiness of all Municipal vehicles so that it can comply with the requirements of the National Road traffic act 93 of 96, and occupational health and safety regulations.

Daily operations - During 2023/2024 this service handled a total of 5269 incidents, this comes to an average of 439 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.

FLEET MAINTENANCE REPORT 1 JULY 2023 TO 30 JUNE 2024	JULY TO DECEMBER 2023	JANUARY TO JUNE 2024	TOTAL
Workshop job cards opened	1297	1363	**2660**
Service provider job cards opened	543	485	**1028**
Tyre job cards opened [procured]	221	185	**406**
Tyre job cards opened [repaired]	471	479	**950**
Job cards opened for 2nd hand tyres	95	130	**225**
Tyres procured	463	359	**822**
2nd hand tyres still usable fitted for various reasons – used for spare wheels	102	150	**252**
Tubes procured	6	3	**9**
Tubes amount procured	R968.84	R338.16	**R1,357.00**
Tyres amount procured	R1 395 083.64	R1 137 740.67	**R2,532,824.31**
Tyres repaired	472	465	**937**
Tubes repaired	0	0	**0**
Vehicles license amount paid	R528 281.00	R511 177.40	**R1,039,458.40**
COF amount paid	R6 342.00	R1 410.00	**R7,752.00**
Hired vehicles amount paid	R851 994.78	R689 997.97	**R1,541,992.75**
Requisitions to SCM	870	833	**1703**
Orders received	781	736	**1517**
Orders amount paid to s/provider	R4 424 886.17	R4 146 451.40	**R8,571,337.57**
Fuel usage vehicles, small plant, generators and vouchers 01 July 2023 to 30 June 2024	R12 069 563.57	R11 670 042.28	**R23,739,605.85**

DEPT.	COST/ BUDGET	BUDGET SPEND TO DATE	PROJECT	RELEVANCE TO SERVICE DELIVERY
Fleet	R 310 000.00	R 306 400.25	Generator 	During loadshedding production can continue in the workshop and municipal yard
Fleet	R3 000 277.00	R 1 731 720.01	4x4 Ldv'S Land Cruisers 	Fire-fighting purposes.
Fleet	R 942 637.00	R 225 058.00	New vehicle tracker tender	Monitoring of municipal vehicles.
Fleet	Hire charges	N/A	Procurement of new vehicles 	Sufficient vehicles to render services, no vehicles no service delivery
Fleet	R 70 000.00	R 70 000.00	1000 L diesel bowser 	For refuelling of all generators and yellow plant such as Bulldozer, landfill compactor.
Fleet	R 2 000 000.00	R 306 085.00	Refurbishment of refuse compactors x 2 	Better service delivery to community, and to prolong the life expectancy of the refuse compactors

Engine rebuilds:



Engine rebuild Fire Truck (Water Tanker)



Engine rebuild Suction Tanker

Vehicles refurbished:



Old skip truck complete body, suspension, and brake overall.
Total cost for refurbishment R 65 000.00
Cost for new truck R 1 400 000.00

Two Nissan one-ton LDV's body, engine and suspension overhaul.
Total cost for refurbishment R29 000.00
Replacement cost for two new vehicles R900 000.00





Refuse compactor, complete body, and interior of cab overhaul.
Major service to engine, gearbox, suspension, and brakes.
Refurbishment cost R 198 000.00.
Replacement cost for a new truck R 2 900 000.00

Old firefighting trailer completely overhauled new pump and motor fitted.
Repair cost R40 000.00.
Replacement cost R110 000.00





Old John Deere tractor that was in very bad condition refurbished.
Engine, body, and electrical components overhauled.
Refurbishment cost R27 000.00
Replacement cost R 480 000.00
Tractor was not utilized, stood broken, after repairs had been done tractor is now working in GV assisting with potholes.

Accident damaged sanitation truck repaired.
Entire cab was replaced with a new cab.
Repair cost R112 000.00
Replacement value R 1 400 000.00



COMPONENT E: COMMUNITY AND SOCIAL SERVICES

3.11 WASTE AND EVIRONMENTAL MANAGEMENT

3.11.1 WASTE MANAGEMENT

To align the waste management function with the National Environmental Management Act (NEMA), IDP, SDBIP of zero waste to landfill sites. Kouga Municipality's Waste and Environmental Management Department has changed its approach to waste management.

A paradigm shift 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. An increased focus on activities that will lead to waste minimization and waste diverted away from landfill sites. It focuses on improved modes of collection, Infrastructure, recycling, and production partnerships and aims to change behavior and create awareness.

Kouga Municipality's Waste and Environmental Management Department is taking the lead in changing course, however, the public's participation in waste minimization initiatives is key to the program's success. Waste and Environmental Management is committed to implementing waste minimization and recycling projects across Kouga Municipality area; however, communities also need to be mobilized to sort waste at a household level to reduce waste going to landfills. Waste and Environmental Management developed the following practical criteria to commence the changing course program:

- 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.
- Utilize an integrated approach to ensure co-ordination of programs and to work towards greater impact, working with all departments within Kouga Municipality with various responsibilities.
- Develop Ward by Ward, based remodelling program, to align with the changing course.

3.11.2 REFUSE COLLECTION

The planning, control and alignment of all refuse collection and transportation services that provides for specific waste management measures, is aligned to the norms and standards in terms of the National Environmental 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 Characterization Results
- Domestic and Commercial Refuse Removal
- Waste disposal and landfill management.
- 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.
- The table below indicates areas serviced once a week by Kouga Municipality.

TABLE: AREAS SERVICED FOR ROUND-COLLECTED REFUSE

Jeffreys Bay	Humansdorp	Oyster Bay	Patensie
Aston Bay	KwaNomzamo	Sea Vista	Hankey
Pellsrus	Vaal dam	St Francis Bay	Loerie
Paradise Beach	Arcadia		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.

Refuse Collection is done three times a week at all commercial businesses.

Equipment for Round Collected Refuse (RCR) is Compactor trucks and skip trucks, skip bins for informal areas and the collection of illegal dumping is done with TLB's and Tipper trucks.

TABLE: WASTE COLLECTION EQUIPMENT

AREA SERVICED	2023/2024 EQUIPMENT
Jeffreys Bay	3 x Compactor Trucks 3 Ton Truck/ Skip Truck/TLB/Tipper Waste Skip Truck
Humansdorp	2 x Compactor Trucks TLB/Tipper/Skip truck
Gamtoos Valley	1 x Compactor Truck TLB/Tipper
St Francis Bay	1 x Compactor Truck

WEEKLY REFUSE REMOVAL PROGRAMME

DAY	ST FRANCIS BAY: AREA
MONDAY	Phillipa Place to Otters Landing, St Francis Bay, and Cape St Francis (Business + Domestic)
TUESDAY	Shore Rd to Diana Crescent, Assisi Drive to Lyme Rd (Domestic refuse)
WEDNESDAY	Cape St Francis, St Francis Bay, and Cape St Francis (Business + Domestic)
THURSDAY	Oyster Bay (Domestic, shops and Industrial area)
FRIDAY	Sea Vista domestic, businesses and shops, Harbour, Links

DAY	GAMTOOS VALLEY: AREA
MONDAY	Patensie, Hankey, Weston (Business)
TUESDAY	Gamtoos mouth, Thornhill, Crossways, Nulaid, Loerie (Business + Domestic).
WEDNESDAY	Old Hankey, Phillipsville Ext 4, Rosedale, Plakkerskamp Domestic, Business
THURSDAY	Patensie town, (Business + farms).
FRIDAY	Ramaphosa village, Centerton, Silvertown

DAY	JEFFREYS BAY: AREA
MONDAY	Mimosa Str, Corner Koraal & Dolly Varden, The View, Island Vibe, Aston Bay Restaurant, Shop & Flats, All Streets in Paradise beach. St. Francis Str, Usave, De Reyger Str, Jeffreys Str, Schelde Str, Diaz Road, Oosterland Str, Beverland Str, Da Gama Road, Goedehoop Str, Salamander Str, Drommedaris Str, Woltemade Str, Gelderland & Industrial area.

DAY	JEFFREYS BAY: AREA
	Caltex, Policlinic, Mc Donalds The Sands, Vrieskas, & Flats, Poplar Str, Flats in Pepper Str, Flame Str, Da Gama Road, Philadelphia & Brander view Flats, Spar, Ozzies, Elder Str, Cabana beach flats, Pink Cafe, Chemist & flats, KFC, Kospot, Amalia, BP garage, Shop in Sable Str, JBay Caravan Park, Sandkasteel flats.
TUESDAY	Wavecrest East: Tulip Str, Strelitzia Str, Da Gama Road, Azalea Str, Gazelle Str, Impala Str, Sable Str, Oribi Str, Ash Str, Mopanie Str, Broodboom Str, Olive Str, Myrtle Str, Acorn Str, Broom Str, Lilac Str, Karee Str, Salie Str, Doringboom Str, Beach Ave, Wildplum Str, Maiden hair, Linden Seetuin, Beefwood Str, Redbud Str, Kiaat Str, Naboom Str, Marcela Str, Rooikrans, Planetree Str. CBD Area & C-Place: De Reyger Str, Schelde Str, Oosterland Str, Beverland Str, Da Gama Road, Goedehoop Str, Salamander Str, Drommedaris Str, Jeffreys Str, Woltemade Str, Gelderland Str, Sea view, Solen Str, Sea Urchin, Combrink, Koning Str, Ancilea Str, Nautilus Str, Kersie single, Omdraai Str, Nerita Str, Angelwing Str, Patel Str, Cowrie Str, Alikruik Str, Mossel Str, Dresden Str, Kwagga Str, Takbok Str, Gesiggie Str, Periwinkle Str, Berry Str, Trumpet Str, Lantern Str, Koraal Str, Patella Str, Dolly Varden, Butterfly Str, St.Francis Str Flats. Wavecrest East: Corner St. Francis 7 Diaz Road, Aandblom Str, Lilac Str, Lobelia Str, Protea Str, Corner Dogwood & Blombos Str, Medler Str, Silvertree, Dombea Str, Red heart, Boegoe Str, Camphertree Str, Kruisbessie Str, Saffron Str, Da Gama Road, Koedoe Str, Cherry Str, Impala Str, Sable Str, Heide Laan, Verbena Str, De Reyger flats, Uys Str, Rottendam, Vriesland Str.
WEDNESDAY	Jeffreysrus, Corner Koraal & Dolly Varden, The View, Island vibe, Ocean view: Vali Moosa, Blade Nzimande, Zwelinzima Vavi, Oscar Mpetha, Dulcie September, Winnie Mandela, Beyers Naude, Kgalema Mothlanta Aston Bay: All Streets St. Francis Str, Usave, De Reyger Str, Jeffreys Str, Schelde Str, Diaz Road, Oosterland Str, Beverland Str, Da Gama Road, Goedehoop Str, Salamander Str, Drommedaris Str, Woltemade Str, Gelderland & Industrial Area Ocean View: Jacob Zuma Str, Adelaide Tambo Str, Albert Luthuli Str, Baleka Mbethe Str, Griffith Mxenge Str, Henry Fazie Str, Fort Calata Str, Sparrow Mkhonto Str, Ocean View drive. Caltex, Policlinic, Mc Donalds, Dirk Ellis, The Sands, Vrieskas, Business & flats, Poplar Str, Flats in Pepper Str, Flame Str, Da Gama Road, Philadelphia & Brander view flats, Spar, Ozzies, Elder Str, Cabana beach flats, Pin Cafe, Chemist & flats, KFC, Kospot, Amala, BP Garage, Shop in Sable Str, JBay Caravan park, Sandkasteel flats, Ocean view: Griffiths Mxenge, Harry Gwala Str, Beyers Naude Str, Vali Moosa Str, Jeff Radebe Str, Ocean View Drive.

DAY	JEFFREYS BAY: AREA
THURSDAY	Wavecrest: Mimosa Str, Boerboom Str, Walnut Str. Redwood Str, Poplar Str, Dr AD Keet Str, Wattle Str, Annaboom Str, Siprus Str, Nell van der Poll, Sprinkle Str, Cassine Str, Essenhout Str, Combretum Str, Sage Str, Patroon Str, Hawthorn Str, Gum Str, Hakea Str, Rina van der Merwe, Woltemade Str, Oleander Str, Red Current Str, Tamarisk Str, Palm Str. Leadwood Str, Wilger Str, Sering Str, Dr.BB Keet Str, Thunder tree Str, Maple Str, Kina Str, Deodoro Str, Dogwood Str, Korsakoff Str, Snowdrop Str, Blackballer Str, Appelblaar Str, Euphorbia Str, Kruisbessie Str, Camphortree Str, Lotus Str, Monkey bread Str, Blackwood Str, Magnolia Str, Flamboyant Str, Aalwyn Str, Geelhout Str, Cassia Str, Zyta Str, Kokerboom Str, Waratah Str, Torchwood Str, Sekelbos Str, Wildevy Str, Fevertree Str, Olienhout Str, Seetuin Str, Jacaranda Str, Holy Cres, Swarthaak Str, Keyappel Str, Kameeldoring Str, Camelfoot Str, Pride of India Str, Dr AD Keet. Bottlebrush Str, Berry Str, Bakeout Str, Syringe Str, Parasol Str, Ordeal Str, Bushwillow Str, Sycamore Str, Wonder boom Str, Waxtree Str, Firethorn Str, Chinaberry Str, Caffa Str, Pride of India Str, Sequin Str, Tristan Str, Oleander Str, St. Olive Str, Keurboom Str, Franscina Str, Tecoma Str, Lourier Str, Polyfoam Str, Platan Str, Ebony Str, Dr Mike Herholdt Str, Mimosa Str, Acasia Str, Spekboom Str. Kabeljous: Christiaan Str, Melkhout Str, Kabeljous Road, Elm Str, Kabeljous restaurant.
FRIDAY	Pellsrus: Johnny Lombard Str, Tornyn Str, Tongvis Str, Kapenaar Str, Steenbras Str, Stompkop Str, Roman Str, Tunney Str, Dolfyn Str, Whale Str, Sloloman Mahlangu Str, Seekoei Str, Jay Naidoo Str, Chris Hani Str, Joe Slovo Str, Albert Luthuli Str, Cyril Ramaphosa Str, Rolohlahla Mandela Str, Galjoen Str, Tuna Str, Knorhaan Str, Seekat Str, Garnaal Str, Sole Str, Haring Str, Klipvis Str, Strepies Str, Oliver Tambo Str, Robert Dennis Str, Elsie Jacobs Str, Siena Brown Str, Sarah Baartman Str, Galjoen Str, Trevor Manuel Str, Sparrow Mkonto Str. St. Francis Str, Usave, De Reyger Str, Jeffreys Str, Schelde Str, Diaz Road, Oosterland Str, Beverland Str, Da Gama Road, Goedehoop Str, Salamander Str, Drommedaris Str, Woltemade Str, Gelderland & Industrial area, Lungile Tshabalaza Str, Matthew Goniwe Str, Govan Mbeki Str, John Dube Str, Marina Ave, Mazantsi Ave, Mkuseli Koliti Str, Steve Tswetwe Str, Steve Biko Str. Pellsrus: 220 New Houses Caltex, Policlinic, Mc Donalds, Dirk Ellis, Vrieskas Business & flats, Poplar Str, Flats in Pepper Str, Flame Str, Da Gama Road, Philadelphia & Brander view, Spar, Ozzies, Elder Str, Cabana beach flats, Pink Cafe, Chemist & flats, KFC, Kospot, Amala, bp garage, Shop in Sable Str, JBay Cravan park, Sandkasteel, flats, Pellsrus:

DAY	JEFFREYS BAY: AREA
	Daggaraad Str, Duineweg, Rob Str, Mossel Str, Garnaal Str, Snoek Str, Calamari Str, Manta Str, Seeleeu Str, Makriel Str, Klipvis Str, Streepies Str, Galjoen Str.

DAY	HUMANSDORP: AREA
MONDAY	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 Arcadia Shopping Centre
TUESDAY	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 KwaNomzamo and Moeras Rivier formal houses
WEDNESDAY	KwaNomzamo, Main Street, Kekkel and Kraai, Old Mutual Building, Engine, Spar, Kruisfontein School and Kruisfontein and Vaaldam household refuse
THURSDAY	Maak n Laas, 7 de Laan, Donkerhoek, Gill Marcus, Johnson Ridge, Arcadia- Graslaagte School, Clinic Koelkor, Midas, Jet, Saverite, Motolek, Midas, Spar, 95 on Main, Kouga Kitchen, Madida House, Hospital, Country Club, Nico Malan, Kooperasie, All Shops and Taverns in KwaNomzamo and Arcadia Shopping Centre. Pola Park, Golf Course and Old Arcadia household refuse.
FRIDAY	West Side of Town, Mat Melville, Engine, Main Street, Kynoch, East of town and Spar, P. Z. Meyer Hospital and Arcadia Shopping Centre.

Business, Commercial and Other Waste Collection - Waste is collected from businesses weekly in all towns. Some of the main commercial centers in Humansdorp are serviced twice a week, businesses in these areas have limited space for waste storage. Other commercial businesses in Jeffreys Bay receives a three times collection a week.

Waste is removed from schools and retirement villages weekly and Humansdorp Hospital three times per week, excluding health care risk waste (HCRW) (medical waste). HCRW is collected and disposed of by the private sector.

Illegal dumping spots have been identified and a program is in place to eradicate and beautify these spots.

Kouga Municipality's Waste and Environmental Section attended a workshop hosted by the Department of Fisheries, Forestry and Environment on 23 February 2024 at the Sarah Baartman District Municipality to participate in the development of a waste economy masterplan for South Africa. Kouga Municipality participate in the National and Provincial waste forums and during this quarter new waste legislation was discussed. South Africa's waste management legislation is not only aimed at

addressing "top-level" challenges but also has its focus on the challenges that face waste management in local government companies operating in the industry.

Some of these challenges are:

- Costs of waste management are not appreciated by consumers and Industry.
- Lack of recycling facilities
- Landfill disposal is free due to the site not fenced and treatment costs are high.
- Too few compliant waste management facilities hinder the safe disposal of waste Streams.

Community Works Programme and Expanded Public Works Programme - Kouga Municipality benefits from both the CWP and EPWP government's key programs aimed at providing poverty and income relief through temporary work opportunities for the unemployed. The municipality had appointed 152 EPWP under the Keep Kouga Green Project that was funded by DEDEA for R 5 million. The project was implemented and completed within the project's time limits. DFFE also contributed to EPWP by contracting with 180 beneficiaries for 12 months. The program's main objective is to provide a safety net to poor, unemployed and under-employed people by providing them with regular and predictable work (opportunities) enabling them to earn a monthly wage as per EPWP rates.

3.11.3 LANDFILL MANAGEMENT

Waste volume received for the period July 2023 to June 2024

HANKEY

The table below indicates the waste received from July 2023 – June 2024, in m^3.

Jul-23	Aug-23	Sept-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
1 872m^3	2 467m^3	2 482m^3	4 234m^3	2 049m^3	1 220m^3	2 222m^3	2 127m^3
Mar-24	**Apr-24**	**May-24**	**Jun-24**	**Total**			
1 238m^3	1 239m^3	985m^3	816m^3	22 996m^3			

HUMANSDORP

The table below represents a summary of waste landfilled for the Period July 2023-June 2024 in m^3.

Jul-23	Aug-23	Sept-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
13 502m^3	14 300m^3	14 371m^3	14 732m^3	15 926m^3	13 806m^3	15 218m^3	16 045m^3
Mar-24	**Apr-24**	**May-24**	**Jun-24**	**TOTAL**			
14 657m^3	14 580m^3	14 605m^3	15 218m^3	**171 994m^3**			

3.11.4 WASTE MINIMIZATION

The various waste management options can be placed in an order known as the Waste Management Hierarchy which reflects the relative sustainability of each. One of the key principles underlying waste management policy is to ensure that waste is dealt with as high up the Waste Management Hierarchy as possible. Since all waste disposal options have some impact on the environment, the only way to avoid impact is not to produce waste in the first place, and waste reduction is therefore at the top

of the hierarchy. Re-use, followed by recovery techniques (recycling, composting and generating energy from waste) follow, while disposal to landfill or by incineration, the worst options, are at the bottom of the hierarchy.

The following recycling initiatives were undertaken:

- Recycling with "In God's Hands - Patensie", JBay recycling
- Recycling Station at Supertubes Park/Cape St Francis
- Humansdorp Recycling Centre
- From 2019 to date, we constantly refined the recording of the waste received as well as recycled to align with the National Waste Information system. Recycling is done at the tip face of the landfill site and recyclables are taken to the recycling facility at the Humansdorp landfill site.
- e – Waste Recycling
- October is earmarked for e-Waste International Recycling Day. Kouga Municipality launched e-Waste recycling and participated in several round table discussions by sharing information with Kouga Municipality Business forum and residents to encourage businesses and residents to implement the producer pay principal by taking back all e-waste to producers or retailers or the KOUGA MUNICIPALITY recycling centers. Kouga Local Municipality has partnered with eWASA (EPR Waste Association of South Africa) to develop an integrated plan with various Strategies to divert electronic waste from landfill disposal and manage it more effectively. The main goal of the initiative is to promote recycling of Electrical and Electronic Equipment (EEE), Lighting and Paper and Packing and prescribe measures for collection, temporary storage, recovery, re-furbishing, and recycling of e-waste. Containers have been placed at the St Francis, Paradise Beach, and Humansdorp Landfill drop-off zone.
- As part of waste management services, the municipality procured 250 wheelie bins for Kouga residents and have been distributed to residents and business in the Kouga Municipal Area.
- Paradise Beach Drop Off
- St Francis Bay And Ocean View Drop-Off Sites
- Recycling At St Francis Airfield
- International Day of Zero Waste
    - The day was introduced to make people aware of the amount of valuable material that is discarded and to encourage people to reduce, reuse, recycle and think of what they do with waste.
- Recycling Vending Machine
    - A Project in Collaboration with Woodland's Dairy.
- Events Recycling
- Zero Plastic Bags

TABLE: RECYCLING HUMANSDORP JULY 2023 TO JUNE 2024

	LEVEL 2 - Major Waste Type	LEVEL 3 - Specific Waste Type	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	Total
	Name	Name	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton
GENERAL WASTE	E-WASTE	Mixed WWWE	0.1	0.4	0.0	0.0	0.1	0.0	0.0	0.1	0.0	0.1	0.1	0.2	1.1
	Construction and demolition waste	Bricks	0.0	7.9	15.3	8.1	27.1	6.9	2.7	6.6	17.8	5.6	20.7	25.0	143.6
	Organic Waste	Food waste	0.0	0.0	0.0	0.0	0.0	4.0	0.7	1.9	3.2	2.1	1.3	9.4	22.5
	Paper	Newsprint and magazines	0.0	0.0	0.3	0.0	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.6
		Brown grades	132.7	111.8	103.9	111.4	196.1	119.8	140.6	147.8	107.8	108.8	198.7	98.6	1578.0
		White grades	8.2	11.3	12.3	16.1	7.0	13.0	18.2	16.7	21.0	9.0	16.7	7.5	157.0
		Mixed grades	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4
	Plastic	Polyethylene Terephtalate (PET)	11.7	11.2	17.2	16.2	17.4	15.5	23.5	18.2	17.6	36.5	26.2	20.3	231.5
		HDPE	27.5	27.4	30.2	51.4	45.7	39.1	57.8	46.6	43.2	47.8	52.9	42.4	512.0
		Polyvinyl chloride (PVC)	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
		Low-density polyethylene (LDPE)	6.3	0.0	10.6	6.2	3.4	2.5	0.0	0.0	0.0	0.0	0.0	0.0	28.9
		Polypropylene (PP)	0.0	0.0	1.8	0.0	0.0	0.0	0.0	0.0	0.0	1.9	0.0	0.0	3.7
		Polystyrene (PS)	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
		Other	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	3.8	0.0	3.9
	Glass		18.6	14.0	82.3	6.1	29.7	6.9	1.8	2.2	27.5	2.8	28.4	21.4	241.8
	Metals	Ferrous metal	10.3	10.9	11.9	11.2	13.4	6.9	10.4	11.7	15.2	11.3	20.5	14.3	148.1
		Non-Ferrous metal	1.2	1.5	1.7	1.0	2.1	1.5	2.0	1.5	1.1	1.2	6.7	1.9	23.4
	Other		0.1	0.1	0.1	0.0	0.0	0.4	0.5	0.0	0.0	0.1	0.1	0.0	1.4
			216.7	196.4	287.6	228.2	342.3	216.5	258.4	253.3	254.3	227.1	376.3	240.9	3098.1

3.11.5 ENVIRONMENTAL MANAGEMENT

Environmental resource management is the management of the interaction and impact of human societies on the environment. 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 arise 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.

3.11.6 KEEP KOUGA GREEN

The Keep Kouga Green campaign was launched on 07-Feb-20 at Nico Malan High School, Humansdorp and has continued during 2023/24. 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 Keep Kouga Green 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 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.

Kouga Municipality has initiated a Green Waste Strategy under the of Keep Kouga Clean and Green. The purpose of the Strategy is to mitigate CO2 emissions and other greenhouse gas emissions, while reducing the green waste going to landfill. Projects such as Composting and Biochar production have materialized from this Strategy.

3.11.7 GREENEST MUNICIPALITY

The Keep Kouga Green campaign was launched on 07-Feb-20 at Nico Malan High School, Humansdorp and has continued during 2023/24. The purpose of Keeping

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3.11.8 KEEP KOUGA CLEAN

Kouga Municipality embarked on Operation Coca – Maak Skoon for the residents of Kouga as part of the Keep Kouga Clean program. The program started on 16 October and continued until 21 October 2023. 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 program was Road marking, compliance and enforcement inspections by the Environmental Health Practitioners and Law Enforcement. Grass cutting, bush clearing and removal of unwanted 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.

Jeffrey's Bay, South Africa is home to approximately 50 362 people (United Nations 2022). This population is expected to generate 5 657 kg of plastic waste per day (based on the South African average waste generation; IUCN, EA-QUANTIS 2020). Considering that Jeffrey's Bay is a coastal town, and if 5% of plastic waste in South Africa ends up in rivers or the oceans (IUCN, EA-QUANTIS 2020), up to 283 kgs of plastic waste may enter the ocean from Jeffrey's Bay daily.

The Kouga Municipality is taking action to address the waste pollution issue in Jeffrey's Bay. As part of this initiative, they have consulted *Sustainable Seas Trust*, a non-

governmental organization based in Gqeberha, on how to intercept plastic waste in stormwater systems by installing litter traps at Dolphin Beach stormwater outlet.

Several beach clean ups took place during the second quarter.

International Coastal Cleanup 2023 took place on Saturday 19 September. Below are photos of young and old participating:











3.11.9 TREE MANAGEMENT/PLOT CLEARING

TREE MANAGEMENT/PLOT CLEARING

Overgrown plots have been a challenge in all Kouga areas and create health and fire risks. The department started with a private plot clearing program to reduce the risk.

A Bush Clearing Policy was adopted in 2021, and it includes the clearing of private plots. The Community Services Department is inundated with complaints from residential areas of overgrown private plots posing a fire, safety and security or health risk. The policy covers operational management principles, procedures, and processes on public and privately-owned land for the following purposes only:

- Control and elimination of fire hazards.
- Combating and control of vegetation is a verified fire hazard and other threatening danger.
- To protect and avoid communities that is surrounded by natural overgrown bush areas that endanger the communities.

Compliance notices are served to the landowners by registered post and by email as a courtesy where such information is provided in the municipal database. Very few landowners responded to the notices and the Department identified high priority risk areas of privately owned properties as phase one for clearing by SMME's.

Part of Waste and Environmental Management scope of work is to ensure residents follow the proper channels when removing protected trees due to damage to Infrastructure or for maintenance purposes. Therefore, to ensure compliance with legislation, Waste and Environmental Management assists residents to obtain the permits from DFFE when they want to remove or prune protected trees. Site inspections were conducted at multiple locations for residents that wanted to prune Milkwood trees.

PLOT CLEARING IN OYSTER BAY AND KABELJAUWS



OCEAN VIEW CLEANING OF SLOOT



STORMWATER CANAL CLEANING IN SANDS





STORMWATER CANAL CLEANING IN KABELJOUS





3.11.10 ENVIRONMENTAL PROTECTION

3.11.11 POLUTION 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.

Beaches are cleaned constantly and further provide protection services to ensure discipline, but there is currently not enough capacity to do this on a full-time basis. Visits are seasonal and weather permitting.

Site inspection and selection for oil spill contingency training provided by the DFFE Oceans & Coasts branch:

Multiple sites were inspected with the DFFE O&C branch to look at all our beaches and estuaries within the Kouga area. The purpose was to visually assess the vulnerabilities of our beaches and estuaries in case of an oil spill. The goal is to include oil spill contingency plans for all our beaches and estuaries and to ensure that all relevant municipal staff are educated and trained on the procedures of an oil spill contingency plan.

3.11.12 BIODIVERSITY PROTECTION

The functions of biodiversity reside with the 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 NEMA: 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 programs 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.

The MEC has appointed Kouga Municipality as the managing authority of the Noorsekloof Nature Reserve and the municipality has partnered with Friend of Noorsekloof and community members to manage the reserve, with a public workshop held on June 2024. In addition, four (4) new nature reserves have been declared in Kouga, the Vorentoe Nature Reserve, Sand River, Kromensee and Thula Moya Private Nature Reserve.

The municipality has partnered with the J-Bay Surf Alliance to develop a 2km Marine Reserve from Bone Yard to Super Tubes beach as part of the 2 for 2 campaign which aims to create a 2km no take rock reserve for 2 years to allow marine life to recover.

REFERENCE	PERFORMANCE INDICATOR	REFERENCE	DATA ELEMENT	2021/22 ANNUAL	2022/23 ANNUAL	SOURCE
ENV4.11	Percentage of biodiversity priority area	ENV4.11(1)	(1) Total land area in hectares classified	198ha	198ha	Community Services

REFERENCE	PERFORMANCE INDICATOR	REFERENCE	DATA ELEMENT	2021/22 ANNUAL	2022/23 ANNUAL	SOURCE
	within the municipality		as "biodiversity priority areas"			
		ENV4.11(2)	(2) Total municipal area in hectares	241800ha	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	127ha	127ha	Community Services/ IDP
		ENV4.21(2)	(2) Total area identified as a priority biodiversity area in hectares	75ha	75ha	Community Services

3.11.13 COASTAL MANAGEMENT

Kouga Municipality has adopted a Coastal Management Plan in terms of the Integrated Coastal Management Act. Coastal Management is having an impact on various functions within the Municipality such as Planning & Development as well as Infrastructure and Engineering. The Sarah Baartman District Municipality has established a district Coastal & Environmental Management Committee, and the first meeting was on 28-Sep-22.

Kouga Municipality appointed a consultant in Oct-23 to develop a Maintenance Management Plan for the coastal area between the Kromme and Kabeljouws. Several public participation workshops have taken place and a draft coastal processes specialist report, and a draft MMP recommendations report have been released for public review.

Climate Change Greenbook roll out initiatives in partnership with CSIR and Santam took place at SBDM, and indicators identified. The identified indicators demonstrate areas within the district that may experience substantial risk of climate change impacts.

- Agriculture – manage food insecurity.

- Biodiversity & Environment – the following are identified:
  - manage change in land-use,
  - rehabilitate degraded landscape.
  - stabilize sand dunes in coastal areas (setback lines).
  - manage loss of priority wetlands and river ecosystem.
  - manage alien clearing and
  - promoting greening
- Human settlement and human health – manage population growth and housing demand; improve municipal health services.
- Disaster management – manage disaster management – flooding, wildfires, etc.
- Infrastructure and water management – the following are identified:
  - manage drought.
  - manage drinking water quality in the district – testing and investing in water conservation measures.
  - measures to improve storm water management – poor drainage system.
  - improve water quality in municipal ecosystem – wetlands rehabilitation programs.
  - manage water and sanitation Infrastructure.
  - manage waste Infrastructure.
- Tourism and LED – the following are identified:
  - manage and maintain tourism attraction areas in the district – 7 wonders etc.
  - maintain and manage economic investments in the district – promoting SMMEs and external investors.

Blue Flag Status - The Blue Flag Program promotes sustainable development in freshwater and marine areas. It challenges local authorities and beach operators to achieve lofty standards in the four categories of: water quality, environmental management, environmental education, and safety. Over the years, the Blue Flag has become a highly respected and recognized eco-label working to bring together the tourism and environmental sectors at local, regional, and national levels.

Three beaches in the Kouga region have been awarded Blue Flag world-class status and the right to wave their Blue Flag Status on 3 November 2023.

Dolphin Beach in Jeffreys Bay, Cape St Francis Beach and Marina Martinique (a private beach), once again got the nod from the adjudicators to fly the blue flag.

Blue Flag Status is awarded for excellence in safety, amenities, cleanliness, and environmental standard.

Blue Flag Programs - Lifeguards' water safety education and awareness.

The Lifesaving Service section focuses on creating awareness through water safety programs 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.

During November and December 2023, the lifeguards at Dolphin Beach did education and awareness campaigns around water safety with Jeffreys Bay Primary School. The lifeguards also did the same campaign in Hankey at Yellowwoods Nature Reserve with Hankey Primary School.

Cape St Francis Dune Management - Kouga Municipality undertook a Basic Assessment application for the maintenance and management of Cape St Francis Dunes. The application was submitted in terms of the EIA Regulations (as amended 07 April 2017) under the ambit of the National Environmental Management Act (No. 107 of 1998) as amended. On 18 April 2023, the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) issued an Environmental Authorization (EA) for the application (DEDEAT Reference EC08/C/LN1&3/M/32-2022.

Oyster Bay – Dune Rehabilitation - The Kouga Local Municipality in partnership with the Rate Payers Association appointed a consultant to developed a Maintenance Management Plan (MMP) for the dune systems in Oyster Bay. Implementation of the approved Plans commenced in 2019.

The MMP were developed to address the threat of dune encroachment onto properties and critical Infrastructure. The goal of the MMP is to stabilise the fore-dune systems by creating vegetated berms to trap the sand and eventually form stable vegetated berms.

The coastal habitat acts as a major ecological corridor and is of great importance for climate change adaptation as it is the first line of defence for landward areas from impacts of sea-level rise and storm surges.

To date berms have been created and brush packed with cleared alien invasive vegetation until such time that vegetation of the berms can commence. The implementation of the MMP has not been without its setbacks. The Kouga area has been declared a drought disaster area which has made revegetation efforts challenging since watering of the vegetation, especially in the initial stages is crucial for the success and survival rate of the planted vegetation. However, there has been success in getting pioneer grasses and other dune vegetation to take root on the fore-dunes.

In February 2019, the department commenced the removal of sand which were encroaching on Brander Street and adjacent properties in Oyster Bay. Approximately 80% of the dunes overrunning Brander Street have been pushed back, except for one dune where the Black Oyster birds were nesting. On several occasions the municipality has also removed sand that was encroaching on Brander Streer and adjacent properties in Oyster Bay

A public participation workshop for the development of a Public Launch Site was held in Oyster Bay on 30 April 2024. A draft launch site management plan has been developed and possible sites identified.

Seekoei Estuary Management - Waste and Environmental Management does water monitoring monthly at all estuaries within the municipal area as well as its Blue Flag beaches to ensure safe water quality for the community and tourists. Microbiological

and chemical water samples are taken. The artificial breaching of the estuary mouth commenced in June 2023 after NEMA Section 30A application was approved by the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT). The opening of the estuary mouth was clearly successful with respect to objectives set and the estuary remains open to date.

The MEC adopted the Estuary Management Plan for Seekoei in August 2019 and Kouga Municipality council also adopted the Management Plan in council. The municipality continues to manage the health of the Seekoei Estuary to ensure sustainability of the estuary. As of October 2023, the municipality has appointed a service provider (CEN) to review the EMP for the Seekoei Estuary, which is legally required to be reviewed every 5 years. Several public participation workshops have taken place, and a draft Situational Assessment Report for the Seekoei Estuary Management Plan has been released for public review.

3.11.14 CLIMATE CHANGE

Kouga Municipality has adopted a Climate Change Strategy, and the Strategy is aligned with the Sustainable Developmental Goals 2030; the National Climate Change Adaptation Strategy and the IDP. Priority areas has been identified and an implementation plan with resource allocation, costs and timeframes are being developed from the Strategy. Due to the importance of climate change adaptation and mitigation several workshops are planned, and climate change documents needs to be reviewed.
Kouga Municipality hosted a climate change workshop in partnership with Green Cape. This workshop series aims to enhance participants' understanding of the opportunities for, and challenges to the adoption of clean/green solutions in their contexts. It further seeks to accelerate green economic innovation and growth by showcasing the methods of overcoming barriers to green innovation.

The common vision of climate change adaptation and climate resilience for the municipality, and outlines priority areas for achieving this vision. The NCCAS's vision draws on South Africa's National Climate Change Response Policy (NCCRP) (DEA 2011), the National Development Plan (NDP) (NPC 2011), the National Strategy for Sustainable Development (NSSD) (DEA 2011b), the adaptation commitments included in its Nationally Determined Contributions (NDCs), sector adaptation plans, provincial adaptation plans and municipality adaptation plans. The NCCAS also serves as South Africa's National Adaptation Plan and fulfils South Africa's commitment to its international obligations as outlined in the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC).

Impact Of Climate Change - On Friday 15 September 2023, the South African Weather Service issued an alert for damaging winds that would continue into the weekend of 16-19 September 2023. Alerts were issued for gale-force winds with speeds of 60-70km/h and significant high waves of 5-7 meters. High waves, intense winds and the spring tide combined into a "perfect storm." A perfect storm is caused by a Strong low-pressure system, storm winds and spring tide coinciding.

Although the SAWS gave early warnings Kouga Municipality and its residents were not prepared for the huge storms and one person died, several properties and council

Infrastructure were damaged. Not just areas being covered by water but also the speed at which the water waves are moving, which is a factor in their destructiveness occurred.

Kouga Municipality's coastline is under threat by coastal flooding, extreme erosion, storm surges, as well as sea-level rise. The storm surges affected municipal Infrastructure, private property as well public amenities, open spaces and the municipality needs to find ways to repair damages as soon as possible. The entire municipal coastline has been affected with areas such as Jeffreys Bay and St Francis being affected more than others.

Affected Municipal Infrastructure:

- Rock Revetments along Coastline
- Municipal Roads
- Ablution Facilities
- Community Halls
- Boardwalks and Walkways
- Public Parking
- Seekoei Estuary Causeway

Private Property

- Property Boundary Walls
- Structural Damage to Houses.
- Other
- Trees
- Flooding
- Park Areas - Braai Stands.

Precautionary measures were put in place where Roads were closed, and warnings send on social media.

Kouga Municipality requested the Department Economic Development Environmental Affairs and Tourism (DEDEA), the competent authority for environmental authorizations in terms of section 24 of NEMA, to issue a directive to the Kouga Municipality in terms of section 30A of NEMA. Such a directive is required in order that the Kouga Municipality may as a matter of urgency undertake the repairs on damaged Infrastructure and municipal and private property along the coastline.

It was requested to implement the following:

- Immediate installation of Sandbags on the beachfront.
- Opening of Municipal stormwater channels with TLB.
- Our engineering team needs to do work on the sewerage mainline to prevent blockages and spillages (Kabeljous to La Meyr); and
- Any other remedial work that will require immediate action.
- Please note the email below from Ms. Jackson and the Eastern Cape Forecasting Desk.

After the application DEDEA warned that the weather outlook demonstrated once again extreme weather conditions and a repeat of 15-17 September 2023 coastal storm surges.

A directive was given by DEDEA "to Action Preparatory Measures to secure municipal Infrastructure & coastal assets and municipal properties, where possible, areas that have already been severely damaged due to the 15-17 September storm events must be further protected to mitigate additional damages. Private properties adjacent to the municipal coastal properties which are likely to be affected by the predicted storm events must also action measures to curb/mitigate the impacts of the weather events."

On 18 September 2023 Kouga Municipality invited residents and businesses to assist with a clean up after the storm, people came in vast numbers to assist. Repairs and maintenance will continue to repair Infrastructure and to cost the damages.

Storm surges – and sea levels rising in future – are not going to go away so we need to be prepared for them.

ST FRANCIS MAIN BEACH AND LIFEGUARD STRUCTURE





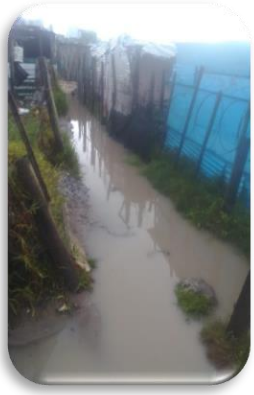
ST FRANCIS PUMP HOUSE – SERIOUS STRUCTURAL DAMAGE







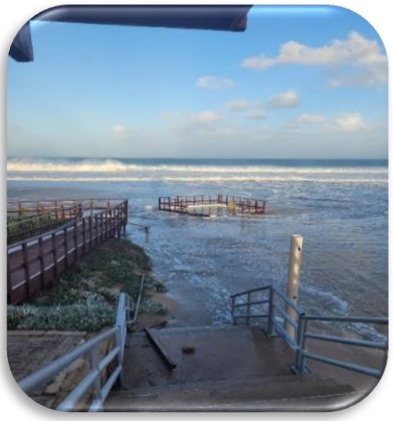
FLOODED HOUSES – PELLSRUS, KWANOMZANO, SEA VISTA

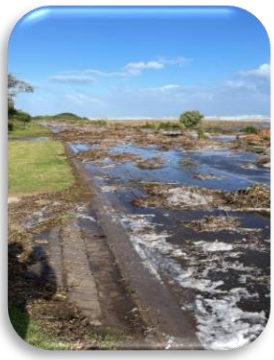

CAPE ST FRANCIS



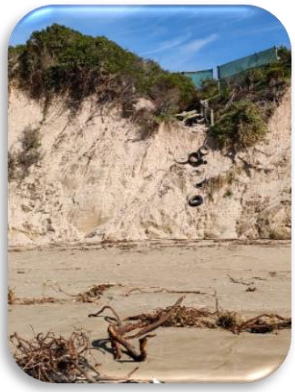

JBAY DOLPHIN BEACH



SEEKOEI CAUSEWAY


PARADISE BEACH





KABELJOUS







CLEAN UP AFTER THE STORM - 18-SEPT-23







Air Quality Management - In line with the National Environmental Management: Air Quality Act, Act 39 of 2004 requirements, the Kouga Local Municipality has initiated the development of an Air Quality Management Plan (AQMP). The primary objectives of this project are to determine the current state of air quality in the Kouga Local

Municipality and update air quality management planning measures to ensure that sustainable air quality management is provided as required by national legislation.

The process to develop the AQMP will include the following:

Develop a status quo (baseline) assessment to provide up to date information on air quality in the Local Municipality.

- Collect, analyse, and make recommendations on sources of air pollution in the municipality.
- Evaluate and make recommendations on the existing ambient air quality monitoring network.
- Model the dispersion of pollutants from listed industries.
- Prepare a geospatial risk assessment.
- Assess and make recommendations on the existing resources to fulfil air quality management responsibilities.
- Conduct public participation (Virtual and physical meetings) with interested and affected parties.

Develop an implementation plan to address the air quality challenges in affected areas.

3.11.15 ENVIRONMENTAL ACTIVITIES: CLEAN-UP CAMPAIGNS

CLEAN UP CAMPAIGNS - SURF SCHOOL KIDS CLEAN UP









School Projects - Training and Education - The Environmental Management Section has conducted several school education and awareness campaigns throughout the 2023/2024 fiscal year. The aim is to educate and spread awareness on environmental issues. As part of the Climate Change Strategy action plans, the department conducted a toolbox talk with EPWP workers at Pellsrus Community Hall in May. The toolbox talk was to educate EPWP workers on climate change and suggest practical ways to "Go Green at Work."

Education and awareness campaigns with schools during 2023/2024:

- Nelson Mandela Day cleanup
- World Wetlands Day
- Water Week
- Blue Flag education and awareness
- Spaza Shop Awareness

The Environmental Management section also conducted joint education and awareness campaigns with Environmental Health. On 11-12 of June 2024, these two sections hosted a Spaza Shop Workshop, where the owners were educated about waste management and illegal dumping and environmental hygiene.

Greening & Beautification Initiatives - The Department of Forestry, Fisheries and Environment donated two thousand trees to the municipality to supplement its greening initiatives. A total of fifty participants were appointed to conduct tree planting in Humansdorp. Trees were also donated to The Sands Residents as part of the greening initiative.

Kouga Municipality has a nursery in Humansdorp that was opened with the intention of supplementing the greening initiatives of the municipality, with the help from the Kooperasie, the municipality has managed to revive and beautify the nursery. The Kooperasie donated shade cloth and appointed workers to work at the nursery. The Kooperasie also contributed to the rehabilitation of Oyster Bay dunes by appointing workers and putting up sand traps.

3.12 ENVIRONMENTAL HEALTH

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 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/Programs,
- Business registration & hawker programs

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

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN ENVIRONMENTAL HEALTH SERVICES

DESCRIPTION OF THE ACTIVITY AND ANALYSIS OF THE FUNCTION	ENVIRONMENTAL HEALTH	2022/23 NO. OF FACILITIES	2022/23 NO. OF VISITS	2023/24 NO. OF FACILITIES	2023/24 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	820	2305		2479
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 Samples 4 X 35 Chemical Samples Additional Samples: 101	675	Sampling Points 12 X 35 Bacteriological Samples 4 X 35 Chemical Samples Failure: 70 Resamples	487

DESCRIPTION OF THE ACTIVITY AND ANALYSIS OF THE FUNCTION	ENVIRONMENTAL HEALTH	2022/23 NO. OF FACILITIES	2022/23 NO. OF VISITS	2023/24 NO. OF FACILITIES	2023/24 NO. OF VISITS
		Bacteriological Samples Failure Resamples: 14 samples			
Waste Management	Waste Management: identification of illegal dumping sites to ensure a clean and healthy environment.	12 Illegal Dumping Sites	24	8 Illegal Dumping Sites	8
Health Surveillance of Premises	Health Surveillance of Premises: Assessment of factors including ventilation, lighting, moisture, and approval of building plans to ensure safety.	213 Building Plans & Land Use Applications	213	137 Building Plans & Land Use Applications	137
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)	10	Facilities (Municipal Buildings)	3
Environmental Pollution Control	Environmental Pollution Control: Identification of polluting agents and their sources to ensure hygienic working living and recreational environment, e.g.,	166 Notices Issued	Cleared by Owners: 22	125 Notices Issued	Cleared: 70

DESCRIPTION OF THE ACTIVITY AND ANALYSIS OF THE FUNCTION	ENVIRONMENTAL HEALTH	2022/23 NO. OF FACILITIES	2022/23 NO. OF VISITS	2023/24 NO. OF FACILITIES	2023/24 NO. OF VISITS
	management of overgrown plots.				
Disposal of the Dead	Disposal of the Dead: Manage, control and monitoring exhumations and reburial or disposal of human remains	8 Applications	8 Approved	18 Applications	18 Approved
Business Registration & Hawkers Program	Business Registration & Hawkers Program: Registration of all new businesses in terms of the Business Act, including hawkers.	53 Applications	33 Approved	22 Applications	13 Approved

Food Safety & Hygiene Program For Food Premises: August – September 2023 - Food Safety & Hygiene involves the handling, preparing, and storing of food or drink in a way that best reduces the risk of consumers becoming sick from food-borne disease. The principles of food safety that are in line with Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972 and related regulations aim to prevent food from becoming contaminated and causing food poisoning. The core principles of food safety and hygiene are keeping clean; separating raw and cooked; cooking thoroughly; keeping food at safe temperatures; and using safe water and raw materials.

The main purpose for conducting the Food Safety & Hygiene program was to provide health education & awareness to food handlers and employees at the food premises. This was also to ensure that the targeted personnel are provided with a thorough understanding of safe food preparation; serving practices; good housekeeping and general hygiene practices to ensure that they can work safely and protect customers from health risks due to contaminated food.

The Environmental Health Section of Kouga Municipality started the program by conducting a risk categorization of all food premises. Food premises were categorized in terms of high, medium, and minimal risk. This information would then advise on which food premises required urgent intervention and attention.

Following the risk categorization process, three food premises within Jeffreys Bay, Humansdorp, St Francis Bay and Gamtoos River Areas were selected from the high-risk category. These food premises were visited, and health & hygiene education and awareness was conducted on food safety. The education and awareness program

were then followed by a thorough inspection of the food premises and the finding were communicated with the persons in charge of the food premises visited.

A total number of thirteen (13) food premises were visited during the program as follows:

	NAME OF PREMISES	AREA	DATE	TIME
1.	Hankey Spar	Hankey	Monday 21 August 2023	09:00 – 10:00
2.	The Wright Cut Butchery			10:30 – 11:30
3.	Nanas Produkte			12:00 – 13:00
4.	Fish and Chips Basket	Humansdorp	Tuesday 22 August 2023	08:00 – 09:00
5.	Bilaal Take Aways			10:00 – 11:00
6.	African Pot 2			11:30 – 12:30
7.	St Francis Spar	St Francis Bay	Wednesday 23 August 2023	09:00 – 10:00
8.	22 Eatery			10:00 – 11:00
9.	Gavin's Sushi			11:30 – 12:30
10.	Ninas Real Food – Spar Centre	Jeffreys Bay	Thursday 24 August 2023	08:30 – 09:30
11.	Shoprite Pellsrus			10:00 – 11:00
12.	Oriental Cuisine			12:00 – 13:00
13.	Peoples Spaza Shop – Pellsrus		11 September 2023	10:00 – 11:00

Nelson Mandela University's 4th Year Environmental Health Students – Educational Tour – September 2023 - Environmental Health students from Nelson Mandela University visit the Municipality once a year for a weeklong practical tour in the field of Environmental Health. It has been a long-standing collaboration between the Municipality and the University, for more than fifteen years.



This year, the fourth-year students visited the Municipality from Monday, 18 September to Friday, 22 September 2023, with a total of nineteen students accompanied by one lecturer. As part of the students' in-service training, they come to the Municipality to get the necessary practical exposure.

The Environmental Health Practitioners together with the Nelson Mandela University lecturer take these students on day trips to different premises/facilities to introduce and give the students the necessary experience as to the scope of practice of environmental health, pertaining to Municipal Health services.

The students were exposed to some of the services the Municipality offers to the community, such as the waste / landfill site, wastewater treatment works, and water treatment works. They were also presented with discussions around waste management, occupational health and safety, climate change Strategies as well as drought mitigation. They were educated on the link between Environmental Health, in particular Municipal Health services, and other service delivery elements.

Health Education & Awareness Program At Schools In Line With World Environmental Health Day (Wehd) Drought Mitigation & Water Conservation 26-Sept-23: - World Environmental Health Day is commemorated annually on 26-Sept-23. The theme for this year's World Environmental Health Day is - Global Environmental Public Health: Standing up to protect everyone's Health each day. The campaign was aimed at educating the public about their responsibility in water conservation initiatives, raising awareness around the need to protect and conserve the country's water resources. Kouga Environmental Health celebrated this important campaign by visiting food handlers involved in the schools feeding scheme at several schools within the Kouga Municipal Area on 26 September 2023. The purpose of the program was to educate the Food Handlers involved with the schools feeding scheme on topics not only limited to water conservation and drought but also to general health and hygiene as well as food safety as follows:

IMPORTANCE OF WATER	PERSONAL HYGIENE	ENVIRONMENTAL HYGIENE
- Importance of water for life - Water conservation - Protection of our water sources - Link between water and health. - What is the meaning of drought and what the effects thereof are	- What is Personal Hygiene - Washing of Hands - When to Wash Hands - How to Wash Hands	- What is Environmental Hygiene - Cleaning & Sanitizing of surfaces and equipment

The following schools were visited during this period and a total of fifteen (15) food handlers were reached with the program.

DATE	AREA	WARD	SCHOOL
26-Sept-23	Thornhill	7	Thornhill Combined
	Humansdorp	15	St Patrick's Primary School
	Tokyo Sexwale	14	Makukhanye Primary
	Oyster Bay	1	Sandwater Primary School

Joint Operation At Spaza Shops For Counterfeit Goods, Hygiene & Food Safety Compliance (R638 & Labelling Regulations) – Oct-23 & Feb-24 - The Joint Operations were conducted by Environmental Health with the following internal departments as well as external stakeholders within the Kouga Municipal area:

- Law Enforcement
- Fire & Safety
- Town Planning & Building Control
- Human Settlement
- South African Police Services
- Home Affairs

The main purpose of conducting the joint operations was to check on the Spaza Shops compliance with health and hygiene requirements in terms of Regulation R638, food safety compliance in terms the Labelling Regulations that gives guidelines on the date markings, sale of food products past the expiration dates. The operation was also aimed at providing ongoing education and awareness relating to the sale of Counterfeit Goods by the SAPS specifically with the growing concerns of such conduct other areas of within the country and as a necessary precautionary measure to avoid such conduct within the Kouga Municipal area. The other departments also checked compliance with their own legislative requirements such as land use and building compliance issues, fire safety, spaza shops operating from RDP houses and illegal emigrants.

The operations were conducted at shops within all areas of Kouga Municipality during the month of October - November 2023 as well as February 2024.

The following totals of shops were reached for each area covered:

DATE	AREA	WARD	NUMBER OF SHOPS
25-Oct-23	Thornhill	7	4
27-Oct-23	Jeffreys Bay	14 & 2	7
03-Nov-23	Patensie	10	8
10-Nov-23	Humansdorp	4 & 5	14
17-Nov-23	Hankey	9 & 13	10
23-Nov-23	Humansdorp	6 & 15	10
30-Nov-23	Jeffreys Bay	14	9
30-Nov-23	Sea Vista	1	8
14-Feb-24	Thornhill & Loerie	7	8



Education & Awareness Program: Water Conservation, Food Safety & Hygiene For Schools' Feeding Schemes – Nov-23 & Feb-24: -Water conservation is the practice of using water efficiently to reduce unnecessary water usage. It is important because fresh clean water is a limited resource, as well as a costly one. Food Safety & Hygiene on the other hand involves the handling, preparing, and storing of food or drink in a way that best reduces the risk of consumers becoming sick from food-borne disease. The principles of food safety that are in line with Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972 and related regulations aim to prevent food from becoming contaminated and causing food poisoning and these are keeping clean; separating raw and cooked; cooking thoroughly; keeping food at safe temperatures; and using safe water and raw materials.

The purpose of the program was to educate the Food Handlers involved with the schools feeding scheme on topics not only limited to water conservation and drought but also to general health and hygiene as well as food safety as follows:

IMPORTANCE OF WATER	PERSONAL HYGIENE	ENVIRONMENTAL HYGIENE
- Importance of water for life - Water conservation - Protection of our water sources - Link between water and health. - What is the meaning of drought and what the effects thereof are	- What is Personal Hygiene - Washing of Hands - When to Wash Hands - How to Wash Hands	- What is Environmental Hygiene - Cleaning & Sanitizing of surfaces and equipment

The following schools were visited during this period and a total number of fourteen (14) food handlers were reached with the program.

DATE	AREA	WARD	SCHOOL
01- Nov-23	Hankey	13	Weston Junior
	Hankey	9	Hankey Primary
	Patensie	10	Patensie Primary
	Patensie	10	Masisebenze
28-Feb-24	Jeffreys Bay	14	Jeffreys Bay Comprehensive
29-Feb-24	Hankey & Patensie	9 & 10	Hankey Secondary Patensie Agricultural High

Traditional Circumcision Monitoring – Summer (Dec-23/Jan-24) - Traditional male circumcision also commonly known as Ulwaluko and initiation into manhood, is an ancient initiation rite. The ritual is traditionally intended as a teaching institution to prepare young males, the initiates, for the responsibilities of manhood. In South

Africa, male circumcision is commonly performed for cultural and religious reasons among various ethnic groups.

The legality of male circumcision is primarily governed by the Children's Act 38 of 2005 and the National Health Act 61 of 2003. The Customary Initiation Act 2021 (Act No.2 of 2021) provides for the effective regulation of customary initiation practices; the responsibilities, roles and functions of the various role-players involved in initiation practices; the effective regulation of initiation schools and for the monitoring of the implementation of this Act and matters connected therewith.

The initiation ritual is commonly conducted during June or December. The period of seclusion that follows lasts about one month and all initiates are taken to specified initiation sites. Several deaths, penile amputations and health complications are normally reported during these initiation seasons. These deaths and complications are mostly as the result of incompetence on the part of traditional practitioners.

The Minister of Co-operative Governance and Traditional Affairs announced that traditional initiation season would officially open 03 November 2023. The season for all school going youths started 26 November 2023 as initially planned. Health screening, for these prospective initiates, at various health facilities within the Kouga Municipal Area commenced during October 2023. The Kouga Municipality region had a total of 203 initiates for the summer season. No deaths and/or injuries were reported for the summer season for Kouga Local Municipality.

The following sites were identified and used during this initiation season:

- Humansdorp initiation site
- Jeffreys Bay initiation site
- Weston initiation site
- Centerton initiation site
- Patensie initiation site
- St Francis Bay initiation site
- Oyster Bay Initiation Site
- Cambria Initiation site
- Thornhill Initiation Site
- Loerie Initiation Site

All sites were regularly monitored in conjunction with the Department of Health, and it can be proudly reported that no deaths, injuries, or any serious health incidents were experienced during the above season. The following challenges were however experienced:

- Water availability at Traditional Circumcision Sites in Hankey/Weston/Patensie area. Due to unavailability of water sources at these sites and scarcity of water in the area, water availability to initiation sites becomes a challenge.
- Unavailability of Personal Protective Equipment for Traditional Circumcision nurses and surgeons throughout the Kouga region.

The Summer traditional initiation season officially closed on 22 January 2024.

Joint Operation At Taverns To Check Compliance With Health And Hygiene Standards As Per The National Norms And Standards For Environmental Health – February 2024 - The operation was conducted by Environmental Health jointly with Law Enforcement. The purpose of the joint operation was to enforce compliance with the National Norms and Standards for Environmental Health, and adherence to waste management in the local taverns. It was to further educate the local tavern owners and employees on their roles when it comes to waste management, the importance of adhering to proper and adequate waste management systems, and the negative effects that noncompliance could have on the environment and community at large.

The operation was conducted at taverns within Wards 1 & 6 of Kouga Municipality. A total number of eight (8) taverns were inspected for each area covered:

ad	AREA:	WARD:	NAME OF TAVERN:
13-Feb-24	Sea Vista	1	- VIP Tavern - Dick's Tavern - Lulu's Tavern
	KwaNomzamo	6	- Diamond Lounge - 4Rand Tavern - Mangena Tavern - KwaNomzamo Tavern/Big Tavern

Education & Awareness Program – Schools: National Water Week Program: Mar-24
The National Water Week campaign is an annual event aimed at educating the public about their responsibility in water conservation initiatives, raising awareness around the need to protect and conserve the country's scarce water resource. We all have a role and responsibility to play in ensuring the protection of our water resources for our current usage and, also for future generations. The purpose of the program was to raise awareness among learners and teachers on water conservation, sustainability, climate change and related matters. Also, to educate the learners, on, amongst other things:

- The importance of water for human beings, plants, animals, and the general environment in which people live in.
- Highlight how water and Infrastructure are linked and how important they are to life.
- To protect and save water as it is scarce and an important source of life.
- Highlight the crucial link between water and health with the objective of eradicating water-borne diseases like cholera, diarrhoea etc.
- To highlight the importance of protecting, rehabilitating, and improving water environments such as Streams, wetlands, waterways, and beaches by adopting and cleaning dirty rivers, Streams, wetlands, or watersheds in our areas.
- To highlight the importance of water harvesting as an alternative source for clean water during this drought season to meet the rising demand of water needs.

A total of eleven (11) schools were covered during this program.

DATE	AREA	WARD	SCHOOL
04-Mar-24	Jeffreys Bay	14	Makukhanye Primary School
		2	Pellsrus Primary School
06-Mar-24	Humansdorp	4	Kruisfontein Primary School
		15	St Patricks Primary School
		5	Graslaagte Primary School
07-Mar-24	Loerie	7	Loerieheuwel Primary School
			Phumlile Primary School
	Hankey	9	Bodker Primary School
12-Mar-24	Sea Vista	1	Sea Vista Primary School
14-Mar-24	Oyster Bay		Sandwater Primary School
			Kleinplaas Primary School

Education & Awareness Program On Health, Safety And Hygiene Standards At Barbershops And Informal Beauty Salons – April 2024 - Section 11 of the National Environmental Health Norms and Standards for Premises outlines the health, safety, and hygiene requirements for beauty salons. Barbershops and salons work in close/direct contact with clients, ensuring that hygienic practices are always upheld will reduce the risk of cross-infection and cross-contamination. The purpose of the program was to create awareness to salons and barbershops on the importance of adhering to environmental health and hygiene standards, and on the negative effects that noncompliance could have on the clients.

The following premises were visited during this period. A total of thirty-one (31) Barbershops/Salons were educated during this program.

DATE	AREA	WARD	PREMISES VISITED
15-Apr-24	Hankey	9 & 13	- Top Class Salon - Flair beauty Salon - Thembi's Salon & Barber - Dayu's Salon - Azia Barbershop - Elvin's Barbershop
17-Apr-24	Humansdorp Town & Arcadia	15 & 5	- M.I. Alfah - South Barbershop - Emma's Hair Salon - The Point Humi Dopebabaz - No Limits Barber - All is for God - Backstage Salon - Tawa Barbershop
	KwaNomzamo	15 & 6	- John Barber - Top Class - Joyce Salon - Mazinyo barber - KwaNomzamo Barbershop

DATE	AREA	WARD	PREMISES VISITED
			- Ndikumava Issa barbershop - Frankansah Salon - Sipho's Barber - AU Hair Beauty Salon - Carlos Hair Salon - Barbershop Amissi
	Sea Vista	1	- Frank Ansait Hair Salon - Barbershops - Issa Alvin Barber - Julis Salon
18-Apr-24	Jeffreys Bay	14	- Uhuru Barber - Freddies Barbershop - Christiana Beauty Salon - King Barber

Food Safety and Hygiene Program to Informal Food Traders at Schools In Compliance with Foodstuffs, Cosmetics and Disinfectants Act 54 Of 1972 (R638 & Labelling Regulations) – April 2024 - Food safety and hygiene is about the safe handling, preparation, serving and storage of food in ways that will prevent food borne illnesses / food poisoning. The program was aimed at all informal food traders at schools, to protect the pupils from health risks due to contaminated food. Also, to ensure that the informal food traders are provided with a thorough understanding of safe food preparation, serving practices, good housekeeping, and general hygiene practices.

The program was also conducted to ensure compliance with Regulation 638, regulation governing the general hygiene requirements for food premises, transportation of food& related matters. The program was conducted at six (6) schools within Kouga Municipality during the month of April 2024.

DATE:	AREA:	WARD:	SCHOOLS VISITED:
15-Apr-24	Hankey	13	• Vukani Primary School • Weston Junior Secondary School
16-Apr-24	Thornhill	7	• Thornhill Combined School
18-Apr-24	KwaNomzamo	6	• Mzingisi Primary School
	Jeffreys Bay	14	• Jeffreys Bay Comprehensive High School • Makukhanye Primary School

Health Education & Awareness Program On Illegal Dumping And Waste Management – April 2024 & May 2024 - Environmental Health jointly with Environmental Management conducted the program following concerns about illegal dumping in different communities within the municipal area. The programs were also conducted in line with the War on Waste & Keep Kouga Clean campaigns. The programs were conducted for residents and Spaza Shop owners

within the communities by means of conducting door – to – door education and awareness as well as identifying, cleaning up and beautification of illegal dumping sites. The programs also aimed at achieving the following objectives:

- To create and raise awareness on the importance of adhering to proper and adequate waste management systems,
- To highlight the negative impacts of illegal dumping on the environment and human health,
- To encourage the community members to take ownership, responsibility, and greater care of their environments,
- To encourage recycling initiatives, and
- To enforce compliance with Kouga Municipality Waste Management By-Law, GN4895

The program was conducted at the following areas within the municipal area:

DATE	AREA	WARD	SPAZA SHOPS / COMMUNITY VISITED
22-Apr-24	Hankey: Silvertown	9	- Friends Cash and Carry Shop - Jabulani Shop - Lucky Shop - Margo Shop - Brothers Tuck Shop 1 - Brothers Tuck Shop 2 - Christa Shop - Longyin Supermarket - Poenie Shop 1 - Poenie Shop 2 - Blue Corner Shop - Rico Shop - Albaraka Shop - Hosanna Shop - Silver Town Shop
30-Apr-24	Jeffreys bay: Tokyo Sexwale	2 & 14	- Community Door to Door
15-May-24	Humansdorp	5	- Community Door to Door
22-May-24	Sea vista	1	- Community Door to Door

Environmental Health World Hand Hygiene Day Program For Early Childhood Development Centres (Ecdc's) & Schools – May 2024 -Celebrated annually on May 05, World Hand Hygiene is a global advocacy day dedicated to maintaining a global profile on the importance of hand hygiene in health care and to bring people together in support of hand hygiene improvement worldwide.

World Hand Hygiene 2024, celebrated under the theme "Power of Hand Hygiene" aims at achieving the following objectives:

- **Strengthen learning approaches** to enable implementation of innovative and effective training to empower communities to improve hand hygiene with enhanced knowledge, skills, and behaviours.
- **Promote access** to innovative hand hygiene.
- **Raise awareness** about the importance of knowledge and learning on hand hygiene at the right time to prevent a range of infectious diseases.

The Environmental Health Section identified ECDC's within the municipal area to conduct health education and awareness around hand hygiene. The focus of the program was on the learners/children and care givers within the facilities.

The target groups were addressed on the following topics:
- What is hand hygiene?
- What are the benefits of hand hygiene to health and well-being?
- Demonstrations on the correct way of washing hands.

A total of 7 ECDC's and 2 Schools were reached with the program as follows:

DATE	NAME OF SCHOOL	WARD	AREA
09-May-24	Masikhule Creche	6	KwaNomzamo
	Nkqubela Creche	6	KwaNomzamo
10-May-24	Ithemba Family Support Centre	14	Jeffreys Bay
13-May-24	Sakhisizwe Creche	13	Hankey
	Phillipsville Creche	9	Hankey
13-May-24	Dinkie Dot Creche	5	Humansdorp
	Angels Day Care Centre	5	Humansdorp
22-May-24	Baviaans Academy	10	Patensie
	Chigwell Primary School	13	Patensie

Food Safety & Hygiene Workshop For Spaza Shop Owners Within Kouga Municipality In Line With World Food Day: 11-12 June 2024 - World Food Safety Day is celebrated annually on 7 June. The theme of World Food Safety Day 2024 is Prepare for the unexpected" which aims to draw attention to food safety incidents. The theme underlines the importance of being prepared for food safety incidents, no matter how mild or severe they can be. Food safety incidents are situations where there is a potential or confirmed health risk associated with food consumption. A food incident can happen, for example, due to accidents, inadequate controls, food fraud or natural events. Being ready to manage food safety incidents requires dedicated efforts from everyone including food safety authorities, food business operators and consumers.

The workshop was initiated by the Environmental Health Section to actively educate and engage Spaza Shop owners on issues pertaining to food safety and hygiene. This was also aimed at intensifying the ongoing inspections/operations and at being proactive at safeguarding the health and well-being of the residents of Kouga and to prevent incidents relating to the consumption of unsafe food. The workshop was conducted with the following internal departments of the municipality:

- Law Enforcement
- Fire & Safety
- Building Control & Town Planning
- Environmental Management

As indicated above, the main purpose of the workshop was to educate and engage the owners on issues of food safety and hygiene in terms of Regulation R638 as well as the following topics and legislative requirements:

- Food labelling & packaging in terms of Regulation R146
- Regula inspections & Joint Operations
- Issuance of prohibition orders in terms of R638
- By – Law Enforcement and fines for non – compliances
- Fire Safety
- Building Control in terms of Structural requirements for buildings
- Land use compliance.

The Workshops were conducted for two days from the 11th to the 12th of June 2024 at Hankey: Vusumzi Landu Community Hall & Humansdorp: Kouga Council Chambers. Eighty (80) Spaza shops owners from all areas of the municipality attended the two–day workshop.

ANIMAL MANAGEMENT

Outbreak Of Foot And Mouth Disease (FMD) - On 30-Apr-24 the National Veterinary Reference laboratory confirmed the presence of foot and mouth disease virus in a dairy herd located at Humansdorp in Kouga Municipality after the animals showed clinical signs of the disease and positive laboratory results confirmed the diagnosis.

The Department of Rural Development and Agrarian Reform Agriculture confirmed that farms in the Eastern Cape near Humansdorp have been placed into precautionary quarantine to contain an outbreak of foot-and-mouth disease (FMD). A concern to all is the number of roaming animals in the Kouga area. A meeting to discuss the branding/tagging of the animals took place with AGRI EC who advised that they would assist Kouga Municipality.

This needs to be explored and discussed with the local farmers. Unfortunately, the disease has spread, and it is now a disaster with all the farms and the milk producers' organizations affected. It was announced on 30-Jun-24 that 22 farms in the Kouga Municipality area were infected and placed under quarantine. Impact: Economic impact - Although a disease of low mortality, the global impact of foot and mouth disease (FMD) is colossal due to the vast numbers of animals affected.

This impact can be separated into two components: (1) direct losses due to reduced production and changes in herd Structure; and (2) indirect losses caused by costs of FMD control, poor access to markets and limited use of improved production technologies.





**Urgent need for an abattoir and cremation facility for animals and pets in Kouga.

3.13 LIBRARIES, MUSEUMS AND COMMUNITY FACILITIES

3.13.1 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 free and guided access to knowledge and information to support formal and informal education.

The following information services are at the libraries:

- Computers for staff
- Computers for public
- Telephone Lines
- Internet Services

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, Loerie, Mbuyiseli Nkosinkulu, N.B. Mathodlana, Tokyo Sexwale, Ukhanyiso and Thornhill Libraries have no telephones.

Gamtoos Valley Telephone lines and internet in most Municipal Offices are not working due to connectivity problems in the entire GV Areas. The connectivity problem in the area is being addressed.

		REFERENCE	DATA ELEMENT	Q1 – Q4	SOURCES
HS3.6	Average number of library visits per library	**HS3.6(1)**	(1) Total Number of Library Visits	41 362	Community Services
		HS3.6(2)	(2) Count of Municipal Libraries	14	Community Services

Library Usage Statistics

		REFERENCE	DATA ELEMENT	2023/24	SOURCES
HS3.6	Average number of library visits per library	**HS3.6(1)**	(1) Total Number of Library Visits	41362	Community Services
		HS3.6(2)	(2) Count of Municipal Libraries	14	Community Services
			Circulation of Books	81 507	Community Services
			Total Registered Members of the library	273 681	Community Services

3.14 PARKS AND OPEN SPACES



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

STRATEGIC OBJECTIVE

Communities have access to Public Open Spaces and Gardens which are 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	2023/24	SOURCE
C53.	Square meters of maintained public outdoor recreation space	185859,6 sq meters	Community Services
C54.	Number of municipality-owned community halls	13	Community Services

HIGHLIGHTS

- Procurement of grass and bush clearing equipment
  - (22 x side cutters, 4 x chain saw, 6 x lawn mower engines)
- Clearing of 59 x Public Open spaces/Alien vegetation to prevent crime and to maintain a safe environment for all.
- Master Plan for the Maintenance Public Open Spaces Developed by 26-Sept-23.
- General maintenance of Johnsonridge & Pelikaan Street Park.

PROCUREMENT OF GRASS CUTTING MACHINES

- 6 Engines
- 22 Side Cutters
- 4 Chain Saws

JEFFREYS BAY CARAVAN PARK PLAY PARK



PARTNERSHIPS

Kouga participated in activities initiated by different partners:

- Windfarm partnered with Parks to do minor upgrades at Centerton Sports field.
- The Irrigation Board partnered with Parks to do installation of irrigation water system at Hankey Sports field.
- Partnership with the different Sporting codes (Hankey Villagers/ Barbarians Rugby clubs) and Schools (Hankey Secondary and Primary School)

CENTERTON SPORTFIELD BOUNDARY WALL UPGRADING:





WATER IRREGATION BOARD PARTNERED WITH PARKS TO INSTALL WATER IRRIGATION WATER SYSTEM AT HANKEY SPORTSFIELD





BARBARIANS RUGBY CLUB PARTNERED WITH PARKS TO LOOK AFTER THE PITCH AT PATENSIE SPORTS FIELD





CARAVAN PARKS AND CAMPING STRATEGIC OBJECTIVE

- The Communities have access to caravan parks and resorts which are 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

- Vandalism at Gamtoos Mouth Caravan Park and Yellowwoods

SOLUTIONS

- Security Cameras are to be installed.

HIGHLIGHTS

- Renovating and beautifying the Parks for Recreational purposes
- Caravan Park - Electronic Booking System implemented on the 12-Jan-24.
- Caravan Parks - Marketing Strategy Developed and workshopped to Councilors on the 15-Apr-24.
- 4 x Caravan Parks (Pellsrus, Jeffreys Bay, Gamtoos Mouth and Yellowwoods) were maintained and upgraded.

GAMTOOS CARAVAN PARK UPGRADES






Yellowwoods Park Upgrades - The images below showcase the upgrades completed at Yellowwoods Park in Hankey, including the installation of new toilets, tiling and painting of all ablutions blocks, roof repairs, caretaker's house painting, addition of toilet set with basin to caretaker's house, installation of barbed wire, steel doors, and mesh on windows, bush clearing, and lighting enhancements.

FIXING OF THE ROOF AT YELLOWOODS




3.14.1 SPORTS, RECREATION AND COMMUNITY HALLS

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
- Co-ordination of Sporting Codes
- 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.

REFERENCE	PERFORMANCE INDICATOR	2022/23	2023/24	SOURCE
C54.	Number of municipality-owned community halls	13	13	Community Services
HS3.5 (1)	(1) Sum of hours booked across all community halls in the period of assessment	7396	8576	Community Services
HS3.5 (2)	(2) Sum of available hours for all community halls in the period of assessment	13 000	13 000	Community Services

CHALLENGES

- Vandalism of Sport field Clubhouses is still a challenge.

SOLUTIONS

- Installing Security Cameras in all hotspot facilities.
- The Council is in the process of entering into custodianship with sport clubs for the upkeep and maintenance of the existing sport facilities.

HIGHLIGHTS

- Loerie Sports Field upgrading was completed, and final inspection done on the 27-Jun-24.
- Hosting of the Annual Mayoral Cup Program – 01-Mar-24.
- Springbok World Cup Player, Manie Libbok visited Kouga on the 11-Nov-23.
- Repairs and maintenance of Sport fields and Community Halls.

Mayoral Cup Launch - On the evening of March 1, 2024, all representatives from various sports attended. Our guest speaker was Mr. Micheal, the South African Marathon Athletic Coach.



The community and the Municipality's staff members provided excellent support for the games. Our Caretakers at the various sport fields were thoroughly prepared for the games and ensured that our venues were well-maintained and ready for use.

SPORTING CODE	DATE: PLAYOFFS	VENUE	DATE: FINALS	VENUE
RUGBY	N/A	N/A	6-Apr-24	Kruisfontein Sports Field, Humansdorp
BOXING	N/A	N/A	13-Apr-24	Jeffreys Bay, Comprehensive School
VOLLEYBALL	13-Apr-24	Jeffreys Bay, Main Beach	13-Apr-24	Jeffreys Bay, Main Beach
CHESS	08 & 09 Mar-24	Newton Hall, Jeffreys Bay	12 & 13-Apr-24	Newton Hall, Jeffreys Bay
GOLF	N/A	N/A	19-Apr-24	St Francis Bay Golf Club, St Francis Bay
SOCCER	16, 17, 23 & 24-Mar-24	Tokyo Stadium, Jeffreys Bay	20-Apr-24	Tokyo Stadium, Jeffreys Bay
CRICKET	N/A	N/A	20 & 21-Apr-24	Mentorskraal, Jeffreys Bay
MARATHON	N/A	N/A	20-Apr-24	Jeffreys Bay, Main Beach
NETBALL	N/A	N/A	27-Apr-24	Hankey Primary School, Hankey
TENNIS	N/A	N/A	27-Apr-24	St Francis Bay Tennis Club, St Francis Bay

SPORTING CODE	DATE: PLAYOFFS	VENUE	DATE: FINALS	VENUE
8 BALL POOL	06-Mar-24	N/A	27-Apr-24	Jolly Dolphin/Sovereign/Havanna, Jeffreys Bay
DARTS	N/A	N/A	27-Apr-24	Jolly Dolphin, Jeffreys Bay

Manie Libbok Visited Kouga On the 11-Nov-23 Manie Libbok the Springbok World Cup Player visited his hometown Humansdorp as well as Fountains Mall, Jeffreys Bay.





Repairs and Maintenance of Community Halls

- Aston Bay Hall
  - Painting (Inside and Outside, tiling, ceiling and roof repaired + electrical works)
- Newton Hall
  - Painting (Inside and Outside)
- Pellsrus Hall
  - (Painting (Inside and Outside)
- Oyster Bay Hall
  - (Roof repaired, installation of ceiling and windows, painting)
- Loerie Hall
  - (Tiling, cleaning of roof, repairing + painting + installation of roof tiles, plumbing works)
- Thornhill Hall
  - (Painting (Inside and Outside, roof repairing, installation of a signboard)
- Sea Vista Hall
  - (Installation of windows, inside painting, replacements of toilets + handbasins, replacement of doors)
- Patensie Hall
  Manufacturing + Installation of 7 install galvanized safety doors.

NEWTON HALL





Repairs and Maintenance of Sport fields

- Tokyo Sports Field
  - Painting (Inside and Outside + Grandstands)
- Hankey Phillipsville Sports Field
  - (Maintaining the pitch. Building and mounting of grandstands, installation of a welded mesh and wire)
- Pellsrus Sports Field
  - (Maintaining the pitch, repairing of Flood lights)
- Patensie Sport field
  - (Installation of safety gates, repair of ceiling, roof tiles & installation toilet seats)

Beaches and Ablution Facilities - Communities can enjoy clean beaches with well-maintained facilities. The municipality oversees the provision of different beach amenities, including cleaning ablution facilities and beach areas.

Due to vandalism of our facilities, especially after hours, cameras are being installed in all hotspot areas.

Highlights

A total of twenty-six toilets were upgraded in St Francis Bay, Jeffrey's Bay and the GV area.

JEFFREYS BAY MAIN BEACH WALKWAY




JEFFREYS BAY MAIN BEACH OUTSIDE PAINTING





REBUILDING OF WATERKANT STREET WALKWAY





3.15 CEMETERIES

The identification of land, planning and co-ordination of all cemetery management activities throughout the Kouga (17 cemeteries with eight active 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

- Fencing of new and old Cemeteries to curb vandalism.

SOLUTIONS

- Budget provisions for Fencing of Cemeteries.

HIGHLIGHTS

- EIA Application submitted for the extension of the Humansdorp + KwaNomzamo Cemeteries to the Department of Environmental Affairs for approval.
- EIA Process at Loerie Cemetery Expansion is in progress (Service Provider conducted Specialist studies (Terrestrial, Biodiversity, Aquatic, Paleontologist) in Jun-24.
- Cleaning, maintaining of existing and closed cemeteries.

PATENSIE CEMETERY



C-PLACE CEMETERY



THORNHILL ROAD – BEFORE AND AFTER





STATUS QUO OF CEMETERIES

AREA	WARD	BURIALS PER YEAR 2020/21	BURIALS PER YEAR 2021/22	BURIALS PER YEAR 2022/23	BURIALS PER YEAR 2023/24	AVAILABLE SPACE
HUMANSDORP						
TOWN	15	192	274	212	193	**Yes**
KWANOMZAMO	6	77	106	88	98	**Yes**

AREA	WARD	BURIALS PER YEAR 2020/21	BURIALS PER YEAR 2021/22	BURIALS PER YEAR 2022/23	BURIALS PER YEAR 2023/24	AVAILABLE SPACE
GRASLAAGTE	15	None	None	None		**Full**
JEUGKAMP	4	None	None	None		**Full**
JEFFREYS BAY						
C-PLACE	11	191	205	171	155	**Yes**
DR BB KEET	8	None	5	2	1	**Full**
PELLSRUS DUINE WEG	2	None	None	None	None	**Full**
PELLSRUS ROMAN STR	2	None	None	None	None	**Full**
GAMTOOS VALLEY						
CENTERTON	9	2	5	5	None	**Full**
HANKEY TOWN	9	81	5	None	None	**Full**
MILTON CONGREGATIONAL CHURCH CEMETERY	9	111	24	None	None	**Full**
HANKEY TOWN NEW	9		110	117	102	**New Hankey Cemetery**
WESTON	13	4	6	4	None	**Reaching Capacity** **Congregational Church Cemetery Used**
RAMAPHOSA	10	None	None	None	None	**Full**
PATENSIE TOWN	10	75	99	65	14	**Full**
PATENSIE TOWN					57	**New Patensie Cemetery**
THORNHILL **PRIVATE LAND**	7	9	8	10	6	**Reaching Capacity (4 Spaces Available)**
THORNHILL CEMETERY					0	**New Thornhill Cemetery**
LOERIEHEUWEL	7	22	19	20	19	**Reaching Capacity**

3.16 FIRE SERVICES AND DISASTER MANAGEMENT

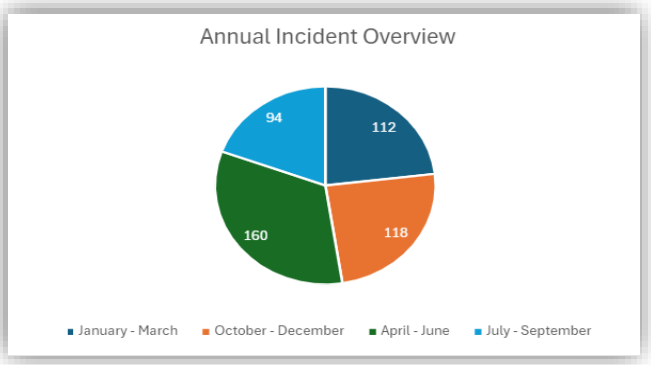
3.16.1 FIRE SERVICES

The Fire Services of Kouga Municipality provides professional coverage over 2,419 square kilometres, with headquarters in Humansdorp and satellite stations in Jeffreys Bay, St. Francis Bay, and Hankey.

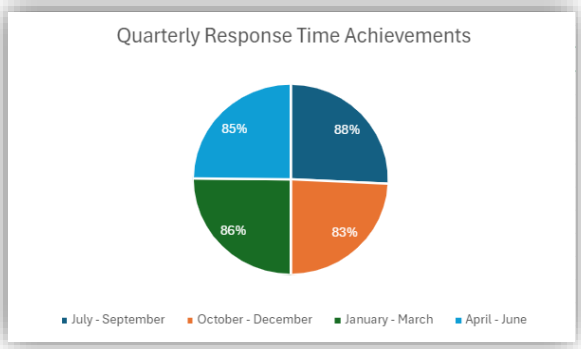
The service employs fifty-four (54) staff members, who are essential in delivering high-quality service. The most important asset the Kouga Municipal Fire Service has is its staff and it is through our staff that we are able to render a professional service of an excellent standard to the community.

The Fire Services is also fortunately equipped with excellent fire fighting vehicles and equipment to deal with our legislated function. The Service is working closely with the Fleet section and is constantly in the business of building and customizing vehicles to suit our operational needs and the topographical demand of our area, with this in view we are constantly evaluating and assessing to produce practical, yet efficient fire tenders within the Road traffic legislation to develop the ultimate fire tender.

OVERVIEW OF THE YEAR

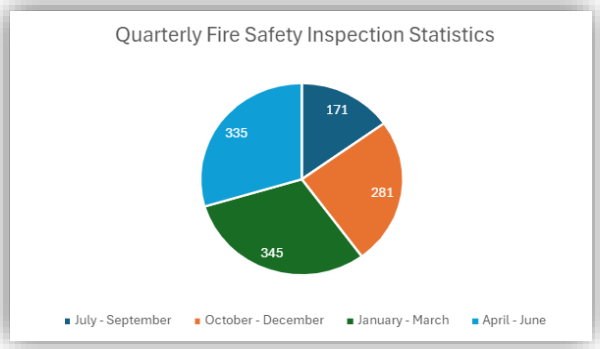


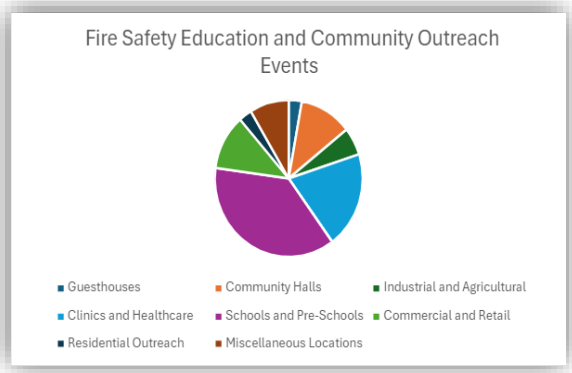
The Fire Services responded and attended to **484 incidents** during the year, whereby most of these incidents, especially veld fires increased during the summer season which highlights an influx of visitors to our area each year. Our commitment to protecting lives, properties, and the environment remained unwavering, and we are proud of our team's resilience and dedication. We look forward to continuing our mission of serving the Kouga community with excellence and care.



The Department demonstrated a Strong commitment to rapid response, ensuring that a high percentage of incidents were addressed within 15 minutes of receiving the call. These statistics highlight our continuous efforts to optimize response times and provide prompt assistance to the community.

A comprehensive series of fire safety inspections were conducted over the past year to ensure the safety and compliance of various properties and at events within our jurisdiction. Below is a detailed summary of the total fire safety inspections conducting each quarter.





The Kouga Fire Department is dedicated to enhancing community safety through proactive firefighting and evacuation drills, and comprehensive educational outreach. In the past year, we have engaged with a wide range of local institutions,

The section's community outreach and education efforts have successfully engaged a wide range of local institutions and facilities over the past year. By conducting firefighting and evacuation drills, as well as providing targeted educational sessions, we aim to enhance fire safety awareness and preparedness across the community. Our ongoing commitment to these initiatives helps ensure that individuals and organizations are equipped to manage emergencies effectively and maintain a safe environment for all.

Fire Season - We normally experience most fires between November and March due to intense heat, windy and dry conditions, which causes extreme fire behaviour and makes fires difficult to control. This period also highlights the fire prohibition period where no controlled fires are allowed.

Veld Fires - Veld fires are classified as vegetation fires of any size that occurs in fynbos, natural veld, plantations, crops, or invasive vegetation and had been identified as a critical risk to the community. As risks cannot be entirely prevented, effective evaluation and planning is necessary to minimize loss of life and property. Control measures include pre-incident planning, adequate fire services deployment and staffing, and effective emergency management techniques.

Draft Integrated Veld Fire Management Plan - An Integrated Fire Management Plan for the Kouga Municipality is in draft phase. This plan aims to Strategically set out several approaches that will result in more cost-effective and sustainable management of the benefits and threats of veld fires. Implementation of the Integrated Veld Fire Management Plan will result in healthier natural ecosystems;

preservation of catchment areas; communities that are less at risk from fires; and a more cost-effective fire suppression program.

Interrelations - The Memorandum of Agreement between Kouga Municipality and Working on Fire is still in place until 2028 and the assistance with bush clearing and maintenance of fire breaks is ongoing.

Kouga Municipality is a registered member of the Sarah Baartman West Fire Protection Association (SBWFPA), and this organisation is continuously attempting to grow its membership and ensure that at least the members are compliant with the relative legislation, with the enforcement of its rules and regulations. It is also the intention to ensure that there is a coordinated and standardised approach to the management of veld fire risk within the Sarah Baartman district, such as the specifications and siting of firebreaks, equipment and training of members and improved communication amongst members.
The assistance and involvement of the community during incidents, whether its fires, floods, etc had become a norm and the Fire Services and all other firefighting agencies extend their sincere appreciation and gratitude for the selfless assistance by all.

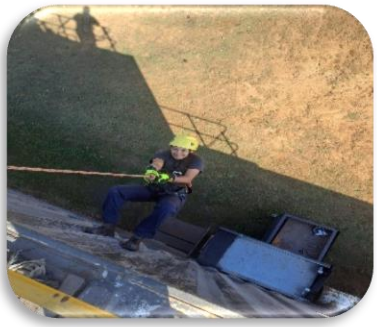
Training And Development - The Kouga Fire Department is committed to continuous training and development to ensure our staff are equipped with the necessary skills and knowledge to effectively serve our community. Over the past year, we have conducted specialized training programs for our team members across various essential areas. This report highlights the key training initiatives and the personnel who participated.

Vehicle Rescue & Extrication - This training focused on techniques and best practices for safely extricating individuals from vehicles involved in accidents. The participants, N. Fani, B. Wabanie, L. Nzimela, X. Mani enhanced their skills in handling various extrication tools and managing complex rescue scenarios.

Fire Prevention - The fire prevention training aimed to equip our staff with advanced knowledge and Strategies to prevent fires. The program covered fire safety inspections, risk assessments, and community education on fire prevention measures and J. van Dyk, A. Makoba, J. Barnard, S. Tshali participated.

Rope Rescue 1 & 2 - This intensive training covered fundamental and advanced rope rescue techniques. The participants, D. Lottering, R. Meintjies, J. Groep, M. Potgieter learned to perform rescues in challenging environments, including high-angle and confined space scenarios, ensuring they are prepared for any situation requiring rope access.

Disaster Management Information System (Ovvio) - Participants: M. Nxumalo, B. Botha, A. Brown, A. Savage Training on the Disaster Management Information System (OVVIO) focused on enhancing our team's ability to manage and respond to disasters efficiently. The participants gained expertise in using the OVVIO system to coordinate emergency responses, track resources, and analyse incident data.





Urban Search And Rescue - Two of our firefighters have been selected for the Eastern Cape Urban Seach and Rescue Team. They will undergo extensive training which will be provided by the United Nations to empower and equip them for call up during Disastrous incidents in the province and country.





The ongoing training and development initiatives at the Kouga Fire Department are vital in maintaining a highly skilled and prepared workforce. By investing in specialized training programs, we ensure our staff can deliver exceptional service and respond effectively to emergencies. We are proud of our team's commitment to professional growth and their dedication to protecting and serving our community.

Procurement Of Firefighting Vehicle -
A 7000-liter water tanker was procured to complement the current firefighting vehicles.



3.16.2 DISASTER RISK MANAGEMENT



As the Kouga Local Municipality, we face increasing disaster risks, including severe storms and drought, that have devastating effects on our communities. Our Disaster Management section, mandated by the Disaster Management Act of 2002, serves the entire municipality. Guided by the Disaster Management Framework of 2005, we have adopted an integrated, multisectoral, and multidisciplinary approach to mitigate disaster impacts. Last year alone, we managed over thirty-five serious incidents, with two declared as disasters (floods and storm surges). We are committed to enhancing community disaster resilience and ensuring timely, effective responses in times of need.

Arrangements for the Development and Adoption of Integrated Disaster Risk Management Policy - In the past year, several important policies have been developed and reviewed, including the Kouga Local Municipality Flood Plan, the Disaster Management Plan, and the Disaster Management Framework. Additionally, a Power Outage Contingency Plan and Standard Operating Procedures for response and recovery have been established.

Arrangements for Stakeholder Participation and the Engagement of Technical Advice in Disaster Risk Management Planning and Operations - In the first quarter, we established the Disaster Management Advisory Forum, developing and adopting its terms of reference with stakeholder input. The forum has since met quarterly. We are also reviving the Kouga Local Municipal Interdepartmental Disaster Risk Management Committee, with terms of reference developed and internal departments identified for participation, expected to resume in the new fiscal year.

Our section has mobilized various government sectors, non-governmental organisations, and community-based organizations for disaster risk management planning. Participants include municipal departments, the National Department of Human Settlement, Social Development, SASSA, Law Enforcement, Agriculture, South African Police Service, Red Cross, and Old Mutual Foundation. We activated the JOC for floods, storm surges, and a recent Foot and Mouth Disease outbreak, establishing technical task teams for mitigation measures. Community participation through ward committees has been initiated, with sandbag demonstrations and distributions conducted in flood-prone areas. We are currently developing a Disaster Management Education, Training, and Awareness Strategy, with promotional items for awareness campaigns in procurement.

Disaster Risk Assessment - Sarah Baartman District Municipality has initiated the process of updating the Disaster Risk Assessment, which includes all local municipalities. Hazard-specific risk assessments have been conducted, informing our Flood Management and Fire Management plans. Flood and fire risk areas have been identified and prioritized, with various recommended risk reduction measures currently being implemented.

Disaster Risk Reduction - The Disaster Management Framework is in place, and the Disaster Management Plan has been reviewed. Priority has been given to vulnerable communities, especially informal settlements. Fire education and awareness

programs, sandbag demonstrations, and distributions were conducted. Flood-prone areas received Road refills, water escape route constructions, and storm drainage system cleanings. Standard Operating Procedures for disaster recovery are established, with clearly defined roles and responsibilities for relevant stakeholders and role-players.

Response And Recovery - Impact-based early warnings of weather events from the South African Weather Services have been sourced and disseminated to the public and business sector by the Disaster Management section through the Communication unit. Disaster Management teams have been activated to a state of alert and readiness for all occurring events.

Assessment, Classification, Declaration and Review - Initial damage assessments for the September storm surge and June flooding were conducted by the section in collaboration with various stakeholders. After verification by the Municipal Infrastructure Support Agent, a local state of disaster was declared. The application for disaster grant funding was successful, resulting in over ten million rand from the National Disaster Management Centre for reconstruction and rehabilitation. Implementation and monitoring of these projects and programs are currently underway.



Rehabilitation And Reconstruction - The National Department of Human Settlement is currently verifying and endorsing assistance for flood victims by providing building materials.

Disaster Response and Recovery - In terms of our response, the below table indicates data.

Disaster Occurrences

QUARTER	NATURE AND THE NUMBER OF INCIDENTS	NUMBER OF AFFECTED DWELLINGS OR STRUCTURE	NUMBER OF AFFECTED PEOPLE	NUMBER OF DISPLACED PEOPLE	ASSITANCE PROVIDED
1	2 Structural Fires	2	17	0	17 Blankets/ 17 Mattresses
2	8 Structural Fires and 1 Flooding	18	56	0	35 Blankets/ 35 Mattresses
3	8 Structural Fires and 1 Flooding	20	100	0	35 Blankets/ 35 Mattresses
4	4 Structural Fires and 1 Flooding	432	707	23	160 Blankets/ 160 Mattresses

3.16.3 LIFESAVING SERVICES



The Kouga Municipality's Lifeguard Services play an integral role in ensuring the safety and enjoyment of our beaches and surrounding water bodies throughout the year. As the seasonal period concluded, we reflect on the impactful efforts and achievements of our lifeguards and related programs.

Seasonal Operations

- Period of Service: The lifeguard contracts were active from November to April.
- Lifeguards were responsible for supervising beach safety, performing rescues, and assisting swimmers, surfers, and others in distress. Their presence was essential for preventing drownings and ensuring a safe environment for beachgoers.
- Safety Coverage: Services were provided across various water bodies, including beaches, lagoons, and dams, accommodating a significant influx of visitors and residents.

Key Achievements

- Effective supervision and timely rescue operations contributed to a notable reduction in drowning incidents.
- Positive feedback from users of the amphibious wheelchair, which allowed disabled visitors to enjoy a fulfilling beach experience.

Awareness Campaigns and Humanitarian Services

Water Safety Awareness:

- In-Season Campaigns: Lifeguards conducted regular water safety awareness campaigns on the beaches, educating the public on safe swimming practices and emergency procedures.
- Off-Season Initiatives: Outreach programs were held at local schools, promoting water safety and life-saving skills to the younger generation.

Humanitarian Services

- Amphibious Wheelchair: The use of the amphibious wheelchair enhanced the beach experience for disabled individuals, receiving commendations for its impact on inclusivity and accessibility.
- Youth Upskilling Program: A new initiative focused on training young people in lifesaving skills is underway. This program aims to develop future lifeguards and enhance community preparedness. Further details and outcomes will be reported upon completion.





The lifeguard services provided by the Kouga Municipality have been instrumental in ensuring a safe and enjoyable experience for all who visit our beaches and water bodies. As the seasonal period ends, we acknowledge the dedication and hard work of our lifeguards and look forward to continuing our efforts in water safety and community education. The ongoing youth training program and future awareness campaigns will further Strengthen our commitment to preventing drownings and enhancing public safety.

We thank our lifeguards for their invaluable contributions and dedication to promoting a safe aquatic environment for everyone.

3.17 SAFETY AND SECURITY

3.17.1 TRAFFIC LAW ENFORCEMENT



Traffic Law Enforcement forms part of the Criminal Justice System in our Country, therefore our purpose as Dept of Safety and Security is to enhance and ensure safety on our Local Roads in the Kouga as well as ensuring that property of all residents is protected.

Overview - Traffic Law Enforcement plays a crucial role in promoting Road safety. By enforcing Traffic regulations and punishing offenders using guidelines promulgated in the National Road Traffic Act 93/1996, the Criminal Procedure Act 51/1977, and the National Land Transportation Act 5/2009.

Functions - The functions within the Dept include Scholar Patrols daily at all schools in the Municipal area.

Seeing that speed is at the core of Road Safety problems, we are making use of speed measurement equipment to measure the speed of Road users. Operational activities in the form of Joint operations and Roadblocks with role-players like SAPS are being performed in different areas within the jurisdiction of Kouga.

Traffic Control Activities

DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24
HANDWRITTEN FINES	2 602	4 296	6 146	7 098	8 292
PAID FINES	682	875	1 142	997	1 515
DISABLED PARKINGS	166	107	117	150	157
WARRANT OF ARRESTS	161	114	554	1 247	711
SPEED CAMERA (TOTAL CASES)	-	-	-	-	138 032

Total Accidents

HUMANSDORP	JEFFREYS BAY	THORNHILL	HANKEY	PATENSIE	ST FRANCIS BAY
267	339	63	51	43	96

Total Warrant Roadblocks: 76



Education & Awareness Campaigns

Scholar Patrol - Scholar patrol and Training was done at the following schools:

- Scholar Patrol Training and equipment were given to Graslaagte Primary School and Kleuter Zone Kleuterskool was visited by officer during Aug-23.
- Makukhanye Primary School, and Kings College 30-Jan-24
- Graslaagte Primary School 10-Apr-24
- Patensie Primary 19-Apr-24
- Makukhanye Primary 16-Apr-24
- Mzingisi Primary 18-Apr-24
- Kings College, Jeffreys Bay 08-Apr-24
- Scholar patrol education and training (Pedestrian Crossing) was done on 15-May-24 Makukhanye Primary in Kwa Nomzamo, Humansdorp.
- Pedestrian Crossing was observed at Kings College, Jeffreys Bay on 12-Jun-24.

3.17.2 REGISTRATION AND LICENSING/ DRIVERS LICENSE/ VEHICLE TESTING

Registration & Licensing - The vehicle Licensing acts as an agent for the Provincial Department of Transport. No person shall operate a vehicle on the Public Road with an unlicensed vehicle. All the functions are regulated in terms of the National Road Traffic Act of 93/1996.

The Functions include:

- Registration & Licensing of vehicles

- Duplicate Registration Certificates
- Temp/Spec Permits
- Application & Issuing of Roadworthy Certificates
- Issuing Police Clearance

DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24
HUMANSDORP					
DUPLICATE CERTIFICATES	177	273	207	260	394
SPECIAL PERMITS	23	13	19	19	18
TEMPORARY PERMITS	-14	22	39	33	41
SEARCH FEES	-	-	-	-	-
HANKEY					
DUPLICATES	12	16	11	38	15
SPECIAL PERMITS	1	3	6	-	-

Driving Licence Testing Centre (DItc)

Overview - The Driving License Testing Centre functions through the application and issuing of Learners Licenses, Driving licenses, Professional Driving Licenses, and renewal of existing licenses. These services are rendered for Local residents as well as neighbouring Municipalities.

Hankey Driving License Centre functions through renewals and PRDP.

HUMANSDORP & HANKEY

DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24
LEARNERS APPLICATIONS	2 679	3 280	2 744	1 997	1890
APPLICANTS PASSED	1 959	2 394	1 690	431	527
RENEWALS	3 908	4 160	5 512	6 822	5927
LIGHT MOTOR VEHICLE TESTS	1 128	1 266	1 231	715	466
HEAVY MOTOR VEHICLE TESTS	2 260	2 010	766	847	900
APPLICANTS PASSED	2 508	2 374	1 038	675	694
ROADWORTHY TESTS	243	71	57	95	149

Vehicle Testing Station - The Vehicle Testing Station is responsible for Roadworthy Tests and assists in Traffic Law Enforcement operations.

System Errors cause delays in performing transactions and present challenges.

3.17.3 SECURITY SERVICES



Cameras - A Total of eight (8) installations with twenty-nine (29) cameras were done for the 2023/24 at the following places:

- Pellsrus, Jeffreys Bay
- Beachfront, Jeffreys Bay
- Van Stadens Bridge
- Koekoepanne
- Jacaranda Street, Jeffreys Bay
- ICC Offices, Humansdorp
- Anchor Down
- Main Office, Jeffreys Bay

Our cameras were Instrumental in 11 arrests and the recovery of stolen goods to the value of R3 million.





12-Apr-24 – Incident Command Centre (ICC)

3.17.4 LAW ENFORCEMENT

By-Law Enforcement - The By-Law Section is responsible for various aspects and enforcing of all Municipal By-Laws.

By-Laws provide certainty to residents regarding what is permissible and what is not. By-Laws mandate certain actions in designated areas with penalties for non-Compliance.

Functions - Their functions include protecting Municipal Infrastructure in cooperation with SAPS and other Law Enforcement agencies.

Illegal Dog Breeding - Twenty-one (21) campaigns were executed for the 2023/24 fiscal year.

Illegal Squatters' Campaigns - A Total of thirty-two (32) Campaigns were executed for 2023/24.





Joint Operations - 158 Joint Operations were executed by the Traffic and Law Enforcement sections during the 2023/24.





COMPONENT F: PLANNING AND DEVELOPMENT

3.18 SPATIAL AND LAND USE MANAGEMENT

3.18.1 KOUGA SPATIAL DEVELOPMENT FRAMEWORK

The Council has approved the item for the review of the MSDF of 2020. Tenders have been called for and was awarded to Maswana Consulting. The project inception meeting was held on the 26 April 2024.

MSDF REVIEW: PROJECT TECHNICAL COMMITTEE.					
	Department.	**Nominated Official For Ptc.**	**Email Address**	**Position.**	**Alternative Official.**
1	PMU	Zirk Buys	zbuys@kouga.gov.za	PMU	Dir. T S
2.	Technical Services	Andre Botha	abotha@kouga.gov.za	Manager : technical Services	Dir. T S
3.	Electrical Dept.	Mandla Mangembe	mmangembe@kouga.gov.za	Acting manager EM	Dir.EM
4.	Environmental Section	Nomvelo Sivela	nsivela@kouga.gov.za	Environmental Officer	Christa Venter Manager: Waste and Environmental
5.	Traffic Department	Sean Williams	swilliams@kouga.gov.za	Superintendent: Traffic	Act. manager: Safety & Security
6.	Fire Services	H Van Rooyen	hvrooyen@kouga.gov.za	Divisional Officer for Fire Safety.	Manager: Fire & Safety: D Barnard.
7.	LED	Anene Jonck	ajonck@kouga.gov.za	Acting Manager: Economic Development & Tourism	CFO
8.	Financial Depart.	Neville Swarts	nswarts@kouga.gov.za	Manager: Assets & Funding	CFO
9.	IDP Manager	Thobeka Twani	ttwani@kouga.gov.za	Manager: IDP	Asanda Tebekana
10.	PMS.	Abrie Koegelenberg	akoegelenberg@kouga.gov.za	Manager:PMS	MM
11.	Town Planning	L Ramakuwela Kobus Marais E Van Biljon T Mphohoni	lramakuwela@kouga.gov.za. jmarais@kouga.gov.za evbiljon@kouga.gov.za tmphohoni@kouga.gov.za	Act.Director:PD TP. CTP:LUMS TP.	Act Dir.PD
12.	Housing Department	Nico Prinsloo.	nprinsloo@kouga.gov.za	Acting Manager: Housing.	Act. Dir.PD
13.	GIS	Nwabisa Mali	nmali@kouga.gov.za.	GIS	Act Dir. P D
14.	Matswana Consultants JV.	Casper Badenhorst	casper@msjv.co.za.	Consultant.	

		Gisela Altona-Meier			

Scope Of Work Key project scope as identified in the TOR - Implementing a Sustainable Development pathway for the municipality. To prepare and identify a future spatial distribution of land uses (especially towards protecting areas for agriculture and tourism development).

Prepare future development proposals (through scenario planning)
To provide investment direction and confidence in the Municipality.
The MSDF needs to be aligned to the NSDF, NDP, EC PDP and the DALRRD SDF.

3.18.2 PRECINCT PLANS

Local Spatial Development Framework: Precinct Plans - St Francis Bay CBD and Hankey CBD Precinct Plans

Urban Dynamics EC were appointed as the service provider for the development of both the precinct plans for St Francis Bay CBD and Hankey CBD in February 2022. The main purpose of the precinct plan is to set a vision for the future development of the area and Urban Regeneration Strategy.

Project Implementation Plan (Project Phases, Action, Deliverables & Timeframes):

The service provider was given a period of 9 months to complete the project. The project is divided into 5 Phases.

Phase 1: Inception- this phase is 100% complete. The Project Inception Meeting was held virtually on 26 May 2022, Project Inception Report was presented to the Working Group/ Project Technical Steering Committee. A letter was sent to the MEC and a notice placed in the Newspaper indicating Kouga Municipality's intention to develop Precinct Plans for Both Hankey and St Francis Bay CBD's and calling for registration of I & AP.

Phase 2: Status Quo Analysis- This phase is 100% complete. Status Quo Report for both Hankey CBD and St Francis Bay CBD was presented to the Project Technical Steering Committee on 5 September 2022. All comments and inputs were considered. An updated and consolidated draft Status Quo report was shared with the Project Technical Steering Committee. Engagement with the Interested & Affected Parties Meeting was scheduled for December 2022 and February 2023 - inputs and comments were incorporated into the First draft report for both Precinct Plans.

Phase 3: First Draft CBD Precinct Plan- This phase is 100% complete. The First Draft for both Hankey CBD and St Francis Bay CBD precinct plan is complete.

Phase 4: Public Participation- Public participation is to commence in quarter 1 of the 24/25 Financial year.

3.18.3 APPEAL AUTHORITY

The Land-Use Management Department received 8 appeals in terms of Section 136 of the Spatial Planning and Land Use Management By-Law (2016), during the 2023/2024 financial year.

There were four appeal assessment reports were finalised by the Delegated Official. The said reports served at an Appeal Authority meeting, chaired by the Executive Mayor, Alderman Hatting Bornman on the 16th of May 2024. A further Appeal Authority Meeting was held on the 06th of June 2024, whereafter decisions were taken by the Appeal Authority on four (4) appeals.

It should be noted that there are currently four (4) appeals being assessed by the Delegated Official whereafter the appeals will serve before the Appeal Authority for consideration and decision making.

Nr	Date Received	Appeal Description	Decision of the Appeal Authority
1.	19.10.2023	Erf 336, Jeffreys Bay - Application for Consent Use	The Appeal Authority upheld the appeal and revoked the decision of the Authorised Official.
2.	25.01.2024	Erf 430, Jeffreys Bay- Application for Removal of Restrictive Title Deed Conditions and Rezoning of Residential Zone 1 to Residential Zone 3	The Appeal Authority dismissed the appeal and confirmed the decision of the Municipal Planning Tribunal.
3.	25.01.2024	Erf 1246, Aston Bay- Application for Permanent Departure	The Appeal Authority dismissed the appeal and confirmed the decision of the Municipal Planning Tribunal.
4.	22.03.2024	Erf 3748, Jeffreys Bay – Application for Temporary Departure	The Appeal Authority dismissed the appeal and confirmed the decision of the Municipal Planning Tribunal.
5.	13.01.2024	Erf 1404 -Sea Vista-Application for Removal of Restrictive Title Deeds and Permanent Departure	Appeal currently being assessed by the Designated Official
	27.05.2024	Erf 201- Humansdorp – Application for Consent Use	Appeal currently being assessed by the Designated Official
	04.06.2024	Erf 2679- Jeffrey Bay- Application for Rezoning	Appeal currently being assessed by the Designated Official
	11.06.2024	Erf 3552- Jeffreys Bay Application for Rezoning	Appeal currently being assessed by the Designated Official

3.18.4 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 2023/2024 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										
Aston Bay	1				1	1				
Crossways					1					
Hankey	2					1				
Humansdorp	3									
Humansdorp RD	5				1	2	1	2		
Jeffreys Bay	8				5	1				
Kaap St Francis							1			
Oesterbaai										
Paradysstrand					2					
Patensie	1									
Pellsrus										
Sea Vista	6					1				
St Francis Links										
Uitenhage RD									2	
Loerieheuwel										
Kruisfontein	2					1				
Grand Total	28	0		0	10	7	2	2	2	

A total of 265 land-use applications was recorded for abovementioned period.

OFFICIAL RESOLUTION REGISTER: 1 July 2023 – 30 June 2024

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
1.	JL1920-00223	Erf 2080, Jeffreys Bay	20/08/2019	Application for Consent Use to operate a guest lodging facility	18/07/2023 Refused
2.	JL2021-00069	Erf 661, Sea Vista	28/09/2020	Application for Permanent Departure to relax building lines	18/07/2023 Refused
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
3.	JL2021-00165	Erf 776, Patensie	23/04/2021	Application for Consent Use to operate a liquor store	18/07/2023 Refused
4.	JL2122-00040	Erf 1468, Jeffreys Bay	05/09/2021	Application for Consent Use for an additional dwelling unit	17/08/2023 Approved
5.	JL2122-00117	Erf 1853, Sea Vista	21/02/2022	Application for Permanent Departure to relax building lines	29/09/2023 Approved
6.	JL2122-00129	Erf 351, Kaap St Francis	02/03/2022	Site Development Plan	17/08/2023 Refused
7.	JL2122-00185	Erf 3302, Jeffreys Bay	24/05/2022	Application for Consent Use for an additional dwelling unit	17/08/2023 Approved
8.	JL2122-00196	Erf 6629, Jeffreys Bay	30/05/2022	Application for Permanent Departure to relax building lines	29/09/2023 Approved
9.	JL2122-00194	Erf 105, Jeffreys Bay	31/05/2022	Site Development Plan	18/07/2023 Approved
10	JL2122-00198	Erf 1011 Aston Bay	02/06/2022	Application for Permanent Departure to relax coverage and relax building lines	18/07/2023 Approved
11	JL2223-00051	Erf 7898, Jeffreys Bay	29/09/2023	Application for Consent Use for an additional dwelling unit	29/09/2023 Approved
12	JL2223-00054	Portion 189 of Farm 328, Humansdorp RD	05/10/2022	Application for Permanent Departure to relax building lines	18/07/2023 Refused
13	JL2223-00060	Erf 886, Paradysstrand	17/10/2022	Application for Consent Use for a guest lodging facility	18/07/2023 Approved
14	JL2223-00061	Erf 336, Jeffreys Bay	17/10/2023	Application for Consent Use for a guest lodging facility	29/09/2023 Refused
15	JL2223-00068	Erf 8663, Jeffreys	02/11/2022	Site Development Plan	17/08/2023 Approved

		Bay			
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
16	JL2223-00072	Erf 1027, Aston Bay	09/11/2022	Application for Permanent Departure to relax building lines	18/07/2023 Approved
17	JL2223-00087	Erf 5415, Jeffreys Bay	02/12/2022	Application for Permanent Departure to relax building lines	18/07/2023 Approved
18	JL2223-00095	Erf 1591, Sea Vista	20/01/2023	Application for Consent Use for an additional dwelling unit and Permanent Departure to relax building lines	18/07/2023 Approved
19	JL2223-00115	Erf 2341, Jeffreys Bay	20/02/2023	Application for Consent Use for an additional dwelling unit	17/08/2023 Approved
20	JL2223-00135	Erf 866., Jeffreys Bay	23/03/2023	Site Development Plan	17/08/2023 Approved
21	JL2223-00139	Erf 8218 Jeffreys Bay	05/04/2023	Application for Consent Use for Home Occupation	29/09/2023 Approved
22	JL2223-00158	Erf 8648, Jeffreys Bay	03/05/2023	Site Development Plan	29/09/2023 Approved
23	JL2223-00161	Portion 4 of farm 675 Humansdorp RD	08/05/2023	Site Development Plan	29/09/2023 Approved
24	JL2223-00164	Portion 1 of Farm 686 Humansdorp RD	10/05/2023	Exemption: Water pipeline servitude	17/08/2023 Approved
25	SL2122-00024	Erf 1371, Sea Vista	07/06/2022	Application for Permanent Departure to relax building lines	18/07/2023 Approved
26	SL2223-00010	Erf 3306, Sea Vista	20/01/2023	Site Development Plan	19/09/2023 Approved
27	SL2223-00011	Erf 3848, Sea Vista	22/02/2023	Site Development Plan	29/09/2023 Approved
28	SL2223-00012	Erf 1983 & 1984, Sea Vista	03/03/2023	Exemption: Consolidation of Erf 1983 & Erf 1984, Sea Vista	17/08/2023 Approved
29	SL2223-00016	Erf 635 & 636, Sea Vista	15/03/2023	Exemption: Consolidation of Erf 635 & 636, Sea Vista	17/08/2023 Approved

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
30	SL2223-00021	Erf 3837, Sea Vista	14/04/2023	Site Development Plan	18/07/2023 Approved
31	SL2223-00022	Erf 220, St Francis Links	14/04/2023	Application for Subdivision and Registration of servitude	11/09/2023 Approved
32	SL2223-00024	Erf 3431, Sea Vista	03/05/2023	Site Development Plan	29/09/2023 Approved
33	SL2324-00003	Erf 11 Sea Vista	02/08/2023	Site Development Plan	23/08/2023 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 2: 01 October 2023 – 31 December 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision and Date**
34	JL2021-00134	Erf 3108, Jeffreys Bay	15/02/2021	Application for Permanent Departure to relax	06/10/2023 Approved
35	JL2021-00193	Erf 8672, Jeffreys Bay	17/06/2021	Site Development Plan	18/10/2023 Approved
36	JL2122-00113	Erf 1018, Jeffreys Bay	14/02/2022	Application for Consent Use for an additional dwelling unit	06/10/2023 Approved
37	JL2122-00123	Erf 5258, Jeffreys Bay	25/07/2022	Application for Subdivision into two portions	05/12/2023 Approved
38	JL2122-00156	Erf 3785, Jeffreys Bay	05/04/2022	Application for Consent Use for an additional dwelling unit	18/10/2023 Approved
39	JL2122-00195	Erf 6638, Jeffreys Bay	18/10/2023	Application for Consent Use for an outdoor shooting range	18/10/2023 Approved
	JL2122-00199	Erf 6618, Jeffreys Bay	03/06/2022	Application for Subdivision into two portions and Permanent Departure to relax building lines	30/11/2023 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 2 : 01 October 2023 – 31 December 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision and Date**
40	JL2223-00010	Erf 1823, Jeffreys Bay	19/07/2022	Application for Permanent Departure to relax building lines	06/10/2023 Approved
41	JL2223-00019	962 of Humansdorp RD	09/08/2022	Application for Consent Use for an agricultural gin distillery	06/10/2023 Approved
42	JL2223-00040	Erf 2483, Jeffreys Bay	19/09/2022	Application for Permanent Departure to relax building lines	28/11/2023 Approved
43	JL2223-00043	Erf 2290, Jeffreys Bay	22/09/2022	Application for Consent Use for an additional dwelling unit	28/11/2023 Approved

44	JL2223-00052	Erf 5220, Jeffreys Bay	30/09/2022	Application for Consent Use for an additional dwelling unit	06/10/2023 Approved
45	JL2223-00058	Erf 3356, Sea Vista	11/10/2022	Application for Permanent Departure to relax building lines	12/12/2023 Approved
46	JL2223-00063	Erf 4064, Jeffreys Bay	19/10/2022	Application for Permanent Departure to relax building lines	24/11/2023 Approved
50	JL2223-00090	Erf 8711 and Erf 11169 Jeffreys Bay	12/12/2022	Exemption: Boundary shift between Erf 8711 and Erf 11169 Jeffreys Bay	12/10/2023 Approved
51	JL2223-00094	Erf 4807, Jeffreys Bay	19/01/2023	Application for Permanent Departure to relax building lines	06/10/2023 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 2 : 01 October 2023 – 31 December 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision and Date**
52	JL2223-00117	Erf 1594, Jeffreys Bay	21/02/2023	Application for Consent Use for an additional dwelling unit	06/10/2023 Approved
53	JL2223-00129	Portion 103 of Farm 65	20/03/2023	Exemption: Subdivision of Agricultural land into two portions	05/12/2023 Approved
54	JL2223-00131	Erf 5856, Jeffreys Bay	22/03/2023	Application for Permanent Departure to relax building lines	18/10/2023 Approved
55	JL2223-00140	Erf 383, Oesterbaai	10/04/2023	Application for Permanent Departure to relax building lines	30/11/2023 Approved
56	JL2223-00154	Erf 492 Humansdorp	25/04/2023	Site Development Plan	10/10/2023 Approved
57	JL2223-00189	Portion 23 & Portion 44 of Farm 180, Humansdorp RD	06/06/2023	Exemption: Subdivision of Portion 23 and Subdivision of Portion 44	04/10/2023 Approved
58	JL2223-00190	Erf 5196, Jeffreys Bay	07/06/2023	Application for Permanent Departure to relax building lines	06/11/2023 Approved
59	JL2324-00002	Erf 459, Kruisfontein	11/07/2023	Site Development Plan	28/11/2023 Approved
60	JL2324-00029	Portion 93 & Portion 140 of Farm 335, Humansdorp RD	22/08/2023	Exemption: Consolidation of Portion 93 & Portion 140 of Farm 335	06/10/2023 Approved
61	JL2324-00030	Erf 1193 & Erf 1210, Sea Vista	23/08/2023	Exemption: Consolidation of Erf 1193 & 1210, Sea Vista	06/10/2023 Approved
62	JL2324-00047	Erf 4055, Erf 4056 & Erf	26/09/2023	Exemption: Boundary shift between erven 4055 - 4057	06/10/2023 Approved

		4057 Jeffreys Bay			
63	JL2324-00089	Erf 680 & Erf 681, Hankey	28/11/2023	Exemption: Consolidation of Erf 680 & Erf 681	05/12/2023 Approved
64	SL2122-00026	Erf 395, St Francis Links	29/06/2022	Application for Permanent Departure to relax building lines	06/11/2023 Approved
65	SL2223-00009	Erf 3299, Humansdorp	16/01/2023	Site Development Plan	06/11/2023 Approved
66	SL2324-00004	Erf 11, Sea Vista	28/08/2023	Application for Permanent Departure to relax parking bay provisions	09/11/2023 Approved
67	SL2324-00005	Erf 2199 & 2200, Sea Vista	22/09/2023	Exemption: Consolidation of Erf 2199 & Erf 2200	06/10/2023 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 3 : 1 January 2024 – 31 March 2024					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision and Date**
68	JL1920-00148	Erf 269, Patensie	20/06/2020	Application for Temporary Departure for a telecommunication mast and Permanent Departure to relax building lines	17/01/2024 Approved
69	JL2122-00065	Erf 8755, Jeffreys Bay	14/10/2021	Application for Permanent Departure to relax building lines	29/01/2024 Approved
70	JL2122-00105	Portion 42 of Farm 746, Humansdorp RD	17/01/2024	Application for Consent Use for an additional dwelling unit	17/01/2024 Approved
71	JL2122-00133	Erf 5563, Jeffreys Bay	07/03/2022	Site Development Plan	21/02/2024 Approved
72	JL2122-00143	Erf 4017, Jeffreys Bay	22/03/2022	Application for Consent Use for an additional dwelling unit	09/01/2024 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 3: 1 January 2023 – 31 March 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision and Date**
73	JL2122-00161	Erf 3884, Jeffreys Bay	06/04/2022	Application for Permanent Departure to relax building lines and Consent Use for an additional dwelling unit	09/01/2024 Consent Use – Approved Departure – Refused
74	JL2122-00203	Erf 2580, Jeffreys Bay	08/06/2022	Application for Permanent Departure to relax building lines	12/02/2024 Refused

75	JL2223-00007	Erf 4324, Jeffreys Bay	13/07/2022	Application for Permanent Departure to relax building lines	21/02/2024 Approved
76	JL2223-00089	Portion 2 & Portion 13 of Farm 336, Humansdorp RD	09/12/2022	Exemption: Pipeline servitude	09/02/2024 Approved
77	JL2223-00108	Erf 56 & Erf 57, Crossways	08/02/2023	Exemption: Consolidation of Erf 56 & Erf 57, Crossways	19/01/2024 Approved
78	JL2223-00128	Erf 2969, Jeffreys Bay	20/03/2023	Application for Permanent Departure to relax building lines	09/01/2024
79	JL2223-00147	Erf 583, Paradysstrand	20/04/2023	Application for Consent Use for an additional dwelling unit	08/02/2024 Approved
80	JL2223-00175	Portion 1 of Farm 342, Humansdorp RD	22/05/2023	Exemption: Subdivision and Consolidation	19/01/2024 Approved
81	JL2223-00179	Erf 2765, Jeffreys Bay	23/05/2023	Application for Permanent Departure to relax building lines	21/02/2024 Approved
82	JL2223-00184	Erf 3053, Kruisfontein	30/05/2023	Application for Consent Use for a house shop	22/02/2024 Approved
83	JL2223-00197	Portion 1 of Farm 676, Humansdorp RD	23/06/2023	Application for Temporary Departure for renewable energy support structures	09/01/2024 Approved

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 3: 1 January 2023 – 31 March 2023

	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision and Date**
84	JL2223-00200	Erf 3678 & Erf 3772, Sea Vista	27/06/2023	Exemption: Consolidation of Erf 3678 & Erf 3772, Sea Vista	17/01/2024 Approved
85	JL2324-00004	Erf 3098, Jeffreys Bay	12/07/2023	Application for Permanent Departure to relax building lines	29/01/2024 Approved
86	JL2324-00009	Erf 2254, Jeffreys Bay	20/07/2023	Application for Consent Use for an additional dwelling unit	17/01/2024 Approved
87	JL2324-00033	Erf 7703, Jeffreys Bay	02/09/2023	Application for Consent Use for sport facility	21/02/2024 Approved
88	SL2223-00025	Erf 3298, Sea Vista	10/05/2023	Application for Permanent Departure to relax building lines	29/01/2024 Approved
89	SL2223-00026	Erf 1859, Sea Vista	15/05/2023	Application for Consent Use for an additional dwelling unit	29/01/2024 Approved
90	SL2324-00001	Erf 2304, Sea Vista	04/07/2023	Site Development Plan	09/01/2024 Approved
91	SL2324-00002	Erf 780 & Erf 781, St	17/07/2023	Exemption: Boundary shift	19/02/2024 Approved

		Francis Links			
92	SL2324-00009	Erf 1538 & Erf 3180, Sea Vista	09/10/2023	Exemption: Consolidation of Erf 1538 & Erf 3180, Sea Vista	19/02/2024 Approved
93	SL2324-00013	Erf 400, St Francis Links	20/12/2023	Application for Permanent Departure to relax building lines	14/02/2024 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 4 : 1 April 2024 – 30 June 2024					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision and Date**
94	JL2223-00032	Erf 201, Humansdorp	29/082022	Application for Consent Use for self-storage	02/05/2024 Refused
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 4 : 1 April 2024 – 30 June 2024					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision and Date**
95	JL2223-00041	Erf 4634, Jeffreys Bay	21/09/2022	Application for Permanent Departure to relax building lines	17/04/2024 Approved
96	JL2223-00064	Erf 845, Kaap St Francis	25/10/2022	Application for Permanent Departure to relax building lines	02/05/2024 Approved
97	JL2223-00132	Erf 1086, Jeffreys Bay	22/03/2023	Application for Permanent Departure to relax building lines	15/05/2024 Approved
98	JL2223-00133	Erf 1086, Jeffreys Bay	22/03/2023	Application for Consent Use for an additional dwelling unit	15/05/2024 Approved
99	JL2223-00136	Erf 3552, Jeffreys Bay	29/03/2023	Application for Permanent Departure to relax building lines	15/05/2024 Refused
100	JL2223-00168	Erf 6502, Jeffreys Bay	15/05/2023	Site Development Plan	28/06/2024 Approved
101	JL2324-00022	Erf 964, Paradysstrand	07/08/2023	Application for Permanent Departure to relax building lines	20/05/2024 Approved
102	JL2324-00026	Erf 4395, Jeffreys Bay	21/08/2023	Application for Permanent Departure to relax building lines	06/06/2024 Approved
103	JL2324-00028	Erf 1162, Aston Bay	21/08/2023	Application for Permanent Departure to relax building lines	17/04/2024 Approved
104	JL2324-00050	Erf 3880, Jeffreys Bay	29/09/2023	Application for Permanent Departure to relax building lines	11/04/2024 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 4 : 1 April 2024 – 30 June 2024					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision and Date**
105	JL2324-00053	Erf 6161, Jeffreys Bay	06/10/2023	Application for Consent Use for an additional dwelling unit	28/06/2024 Approved

106	JL2324-00077	Portion 5 of Farm 715, Humansdorp RD	13/11/2023	Site Development Plan	15/05/2024 Approved
107	JL2324-00078	Farm 675 Humansdorp RD	13/11/2023	Site Development Plan	15/05/2024 Approved
108	JL2324-00083	Erf 8632, Jeffreys Bay	20/11/2023	Site Development Plan	08/05/2024 Approved
109	JL2324-00102	Erf 3730, Jeffreys Bay	30/01/2024	Application for Permanent Departure to relax building lines	06/05/2024 Approved
110	JL2324-00118	Erf 8617 & Erf 8618, Jeffreys Bay	21/02/2024	Exemption: Consolidation of Erf 8617 & Erf 8618, Jeffreys Bay	12/04/2024 Approved
111	JL2324-00138	Erf 4554, Jeffreys Bay	26/03/2024	Application for Permanent Departure to relax building lines	17/04/2024 Approved
112	JL1819-00032	Erf 4163, Jeffreys Bay	26/03/2019	Application for Temporary Departure for cellular base station	22/08/2023 Refused
113	JL2122-00017	Erf 1128, Jeffreys Bay	28/07/2021	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29/08/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 1 : 01 July 2023 – 30 September 2023

	Application No.	Property description	Date submitted	Application type	Decision
114	JL2122-00138	Erf 922 & Erf 958, Kaap St Francis	09/03/2022	Application for Rezoning Erf 922 from Agricultural Zone to Business Zone 2, Consolidation of Erf 922 and Erf 958 Kaap St Francis and Subdivision of Consolidated erven into 41 portions. A road reserve and the remainder and access servitude over portion 62 of Farm 746.	27/07/2023 Approved
115	JL2122-00168	Erf 6772, Jeffreys Bay	21/04/2022	Application for Removal of Restrictive Title Deed Conditions	27/07/2023 Approved
116	JL2122-00187	Portion 14 of Farm 691, Humansdorp RD	25/05/2022	Application for Subdivision of Portion 14 into 3 portions	29/08/2023 Approved
117	JL2122-00204	Erf 112 Jeffreys Bay	13/06/2022	Rezoning from Residential Zone 3 to Business Zone 2	29/08/2023 Approved
118	JL2122-00213	Erf 6191, Jeffreys Bay	27/06/2022	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29//08/2023 Approved
119	JL2122-00218	Erf 36, Oesterbaai	29/06/2022	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29/08/2023 Removal – Approved Departure – Refused

120	JL2223-00027	JL2498, Jeffreys Bay	22/08/2022	Application for Consent Use for an additional dwelling unit and Permanent Departure to permit two self-catering units	22/08/2023 Application for Consent Use for an additional dwelling unit – Approved Permanent Departure to permit two self-catering units – Refused

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
121	JL2223-00062	Erf 142, Humansdorp	18/10/2022	Application for Rezoning from Residential Zone 1 to Business Zone 2	22/08/2023 Approved
122	JL2223-00096	Erf 338, Kaap St Francis	23/01/2023	Application for Consent Use for an additional dwelling unit and Removal of Restrictive Title Deed Conditions	29/08/2023 Approved
123	JL2223-00120	Portion 5 of Farm 715, Humansdorp RD	03/03/2023	Application for Permanent Departure: Renewable energy support structures, Subdivision – long term lease areas and exemption of servitudes	29/08/2023 Approved
124	JL2223-00121	Farm 675, Humansdorp RD	03/03/2023	Application for Permanent Departure: Renewable energy support structures, Subdivision – long term lease areas and exemption of servitudes	29/08/2023 Approved
125	JL2223-00122	Portion 1 of Farm 676, Humansdorp RD	03/03/2023	Application for Permanent Departure: Renewable energy support structures, Subdivision – long term lease areas and exemption of servitudes	29/08/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
126	JL2223-00142	688 of Humansdorp RD, 689 of Humansdorp RD (Portion 2), 868 of Humansdorp RD (Portion 1), 689 of Humansdorp RD (Portion 20)	11/04/2023	* Permanent Departure: Renewable Energy Facility * Long Term Lease areas * Servitudes on portions of : * Remainder Farm Geelhouteboom No. 688 * Remainder Portion 2 of Farm Diep Rivier No. 689 * Portion 20 of Farm Diep Rivier No. 689 * Portion 1 of Farm No. 868	22/08/2023 Approved

127	SL2122-00001	Erf 3160, Sea Vista	14/07/2021	Application for Temporary Departure to permit a telecommunication facility	29/08/2023 Approved
128	SL2223-00003	Erf 1220, Sea Vista	02/08/2022	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29/08/2023 Approved
129	SL2223-00015	Erf 11, Sea Vista	10/03/2023	Application for Removal of Restrictive Title Deed Conditions	27/07/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 2: 01 October 2023 – 31 December 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
130	JL2122-00049	Erf 48, Kaap St Francis	20/09/2021	Application for Removal of Restrictive Title Deed Conditions	30/11/2023 Approved
131	JL2122-00059	Erf 1246, Aston Bay	09/10/2021	Application for Permanent Departure to relax height restrictions	24/10/2023 Approved
132	JL2122-00060	Erf 3002, Jeffreys Bay	11/10/2021	Application for Consent Use for an additional dwelling unit	30/11/2023 Approved
133	JL2122-00200	Erf 570, Humansdorp	06/12/2022	Application for Rezoning from Residential Zone 1 to Residential Zone 2	20/11/2023 Refused
134	JL2223-00008	Erf 880, Humansdorp	15/07/2022	Application for Removal of Restrictive Title Deed Conditions	24/10/2023 Approved
135	JL2223-00031	Erf 1129, Jeffreys Bay	27/08/2022	Application for Removal of Restrictive Title Deed Conditions, Consent Use for an additional dwelling unit and Permanent Departure to relax building lines	30/11/2023 Approved
136	JL2223-00034	Erf 870, Kruisfontein	05/09/2022	Application for Removal of Restrictive Title Deed Conditions, Rezoning from Residential Zone 1 to Community Zone, Permanent Departure to relax building lines and Permanent Departure to relax parking bays required	24/10/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 2: 01 October 2023 – 31 December 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
137	JL2223-00037	339 of Humansdorp RD (Portion 3), 339 of Humansdorp RD (Portion 7), 339 of	13/09/2022	Application for cancellation of road servitude, Subdivision of land, Rezoning from Transport Zone 2 to Industrial Zone 1 and Consolidation of land	30/11/2023 Approved

		Humansdorp RD (Portion 459)			
138	JL2223-00042	Erf 6093, Jeffreys Bay	21/09/2022	Application for Removal of Restrictive Title Deed Conditions and Rezoning from Residential Zone 1 to Business Zone 2	24/10/2023 Approved
139	JL2223-00074	Erf 308, Humansdorp	15/11/2022	Application for Amendment and/or deletion of conditions of approval	30/11/2023 Approved
140	JL2223-00097	Erf 1817, Sea Visa	23/01/2023	Application for Permanent Departure to increase maximum height	24/10/2023 Refused
141	JL2223-00119	Portion 3 of Farm 854	02/03/2023	Application rezoning of a portion of the subject property (±9,4ha) from agriculture zone to special zone and rezoning of the remaining extent to open space zone 3	24/10/2023 Approved
142	JL2223-00126	Erf 373, Kaap St Francis	14/03/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	24/10/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 2: 01 October 2023 – 31 December 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
143	JL2223-00143	Erf 677 & Erf 678, Hankey	14/04/2023	Application for Consolidation of Erf 677 & 687, Hankey and Rezoning of Consolidated Erf from Residential Zone 1 to Business Zone 1	30/11/2023 Approved
141	JL2223-00150	Erf 2438, Jeffreys Bay	20/04/2023	Application for Permanent Departure to relax height restriction	30/11/2023 Approved
145	JL2324-00001	Erf 1404, Sea Vista	11/07/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	30/11/2023 Refused
146	JL2324-00014	Erf 6243, Jeffreys Bay	31/07/2023	Application for Removal of Restrictive Title Deed Conditions and Consent for an additional dwelling unit	30/11/2023 Approved

147	JL2324-00020	Erf 391, Sea Vista	03/08/2023	Application for Removal of Restrictive Title Deed Conditions and Consent for an additional dwelling unit	30/11/2023 Approved
148	SL2223-00005	Erf 423 – Erf 426, Sea Vista	14/08/2022	Application for Consolidation, Rezoning from Residential Zone 1 to Business Zone 2 and Consent Use for a Gymnasium	24/10/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 3: 01 January 2024 – 31 March 2024					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
149	JL2122-00053	Erf 963, Sea Vista	27/19/2021		21/06/2023 Refused
150	JL2122-00154	Erf 1 Crossways	05/04/2022	amendment of Subdivision Plan – Amendment of Conditions of Approval – Permanent Departure from Development Parameters	31/01/2024 Approved
151	JL2122-00164	Erf 111, Paradysstrand	13/04/2022	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	23/02/2024 Approved
152	JL2223-00003	Erf 3437, Sea Vista	05/07/2022	Application for Subdivision into two portions	31/01/2024 Approved
153	JL2223-00018	Erf 135, Kaap St Francis	05/08/2022	Application for Removal of Restrictive Title Deed Conditions	31/01/2024 Approved
154	JL2223-00099	Erf 41 – Erf 45, Paradysstrand	24/01/2023	Application for Removal of Restrictive Title Deed Conditions and Consolidation of Land	31/01/2023 Approved
155	JL2223-00145	Erf 78, Sea Vista	18/04/2023	Application for Removal of Restrictive Title Deed Conditions	31/01/2024 Approved
156	JL2223-00186	Erf 3845, Sea Vista	05/06/2023	Application for Removal of Restrictive Title Deed Conditions and Rezoning of land from Residential Zone 1 to Business Zone 2	29/02/2024 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 3: 01 January 2024 – 31 March 2024					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
157	JL2223-00191	Erf 3748, Jeffreys Bay	08/06/2023	Application for Temporary Departure to allow an animal establishment	31/01/2024 Refused

158	JL2223-00193	Erf 202, Aston Bay	13/06/2023	Application for Removal of Restrictive Title Deed Conditions	29/02/2024 Approved
159	JL2223-00195	Erf 354, Humansdorp	22/06/2023	Application for Rezoning of land from Agriculture Zone to Business Zone 1 and Consent Use for an institution	29/02/2024 Approved
160	JL2324-00007	Erf 1283, Jeffreys Bay	20/07/2023	Application for Removal of Restrictive Title Deed Conditions	31/01/2024 Approved
161	JL2324-00046	Erf 394, Jeffreys Bay	26/09/2023	Application for Removal of Restrictive Title Deed Conditions and Consent Use for an additional dwelling unit	31/01/2024 Approved
162	JL2324-00066	Erf 955, Sea Vista	24/10/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29/02/2024 Approved
163	SL2122-00012	Erf 179, Sea Vista	02/11/2021	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	31/01/2024 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 4: 01 April 2024 – 30 June 2024					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
164	JL2122-00122	Portion 8 of Farm 339	23/02/2022	Application for Subdivision into 5 portions	25/04/2024 Approved
163	JL2223-00006	Erf 5540, Jeffreys Bay	12/07/2022	Application for Rezoning from Residential Zone 1 to Business Zone 2.	25/04/2024 Refused
164	JL2223-00030	Erf 2679 Jeffreys Bay	10/01/2023	Application for Rezoning from Residential Zone 2 to Special Zone	25/04/2024 Refused
165	JL2223-00056	Portion 177 of Farm 501 Uitenhage RD	09/10/2022	Application for Subdivision into two portions and Rezoning of Subdivided portion from Agriculture Zone to Special Zone	02/05/2024 Application for Subdivision into two portions – Approved Rezoning of Subdivided portion from Agriculture Zone to Special Zone – Refused
166	JL2223-00107	Erf 27, Oesterbaai	07/02/2023	Application for Temporary Departure for a cellular telephone mast	30/05/2024 Refused
167	JL2223-00113	Erf 6628, Jeffreys Bay	15/02/2023	Application for Subdivision of land	25/04/2024 Refused

168	JL2223-00151	Erf 1113, Sea Vista	20/04/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	30/05/2024 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 4: 01 April 2023 – 30 June 2023					
	Application No.	**Property description**	**Date submitted**	**Application type**	**Decision**
169	JL2223-00166	Erf 1304, Jeffreys Bay	11/05/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	27/06/2024 Approved
170	JL2223-00183	Erf 687, Jeffreys Bay	26/05/2023	Application for Removal of Restrictive Title Deed Conditions, Permanent Departure to relax building lines and Rezoning from Residential Zone 1 to Residential Zone 3	27/06/2024 Refused
171	JL2223-00185	Erf 555, Jeffreys Bay	30/05/2023	Application for Removal of Restrictive Title Deed Conditions, Permanent Departure to relax building lines and Consent Use for an additional dwelling unit	30/05/2024 Approved

3.18.5 GIS WORKING GROUP

Since the establishment of the GIS WORKING Group, there haven't been more forums as there were sessions for the new AFLA system, an Esri-based platform to replace Ovvio System. Esri was awarded the bid for this new system. An Esri Steering committee was established on the 19th of September to plan and discuss the processes and issues that might arise with the process of new system. There are four main departments that are involved in the transition from one system to the other are Town planning, Building control, Land and Properties and cemeteries under the Community Services Directorate.

Working Groups and Sessions:

- **Integration Workshops:** Several workshops were conducted to integrate the AFLA system existing town planning and Building control databases. These sessions focused on data migration, ensuring the seamless transfer of zoning maps, land use plans, and development proposals, custom templates for building permits and inspection reports. Sessions were held to also design a customised land and properties and cemeteries modules.
- **Session:** Comprehensive training sessions were provided to Town Planning staff, covering new tools and functionalities within the ALFA system. Emphasis was placed on automated workflows and real-time data updating.
- **User Feedback Sessions:** Periodic in person or sessions via teams were organised to gather feedback from officials on the system performance

and usability.

The transition to the AFLA system has been challenging for the service provider and the officials from respective departments. The dedicated efforts of the working groups and the active participation in various sessions have resulted in more regular system evaluations to identify and address any issues promptly.

Benchmarking from Stellenbosch Municipality represented an excellent opportunity for our Kouga Municipality officials to gain valuable insights and knowledge into their experience with the ALFA system to enhance Kouga Municipality's experience with the implementation and usage of AFLA. Kouga Municipality asked questions on specific challenges and solutions. The were some discussions to explore with regards to future collaboration and mutual support between Kouga and Stellenbosch Municipalities. There were also some best practices in GIS and Building Control that were identified to improve operational efficiency and service delivery.

Spatial Data Sets - The GIS Unit currently have the following spatial data sets:

Administrative

- Cadastre, Ward Boundaries (2020) and previous years, Provincial Boundaries, Municipal Boundaries, Zonings, Facilities (Schools, clinics, churches, caravan parks ect.)

Infrastructure

- Water, Sewer, Electricity (reticulation and asset/facilities), Stormwater, Road Infrastructure (culverts, etc.)

Transport

- Road Centrelines, Street Addresses, Street Names, Road Condition

**It should be noted that most of the datasets needs to be updated especially infrastructure datasets as significant gaps exists where no services are reflected in the GIS.

Electricity Department Support - The Unit has obtained a plotter. The Unit embarked on a process of updating the Infrastructure and Engineering datasets, specifically the Electricity department's as-built low voltage diagram. This exercise will assist the Electricity department in effective infrastructure management and maintenance. The process of scanning these diagrams is critical to digitising and preserving valuable information for future reference and operational efficiency.

With the assistance of EPWP workers who are employed by Human settlements, the GIS unit was able to capacitate them in gathering the copies from various offices, ensuring that diagrams are sorted by project, location and for easy retrieval. Each diagram is inspected for any damages, such as tears, smudges, or fading. The EPWP workers repair

any minor damages using archival tape or other preservation techniques. The scanned images are stored in folder in a PDF format for easy access. The next step is to integrate the scanned diagrams with the department's GIS system for seamless access and analysis by georeferencing and digitising each diagram.

Town Planning Support - The zoning layer on land use information is a critical component of the municipality's GIS. Accurate and up-to-date zoning data supports effective urban planning, development control, and public information services. Identification of updates through sources such an approved zoning changes, development applications and community feedback. Relevant documents of information to be collected from the Planning department for update. GIS editing tools to be utilised to modify the zoning layer which was last updated in 2022. The updating of the zoning layer or land use information is a vital process that ensures the municipality's GIS reflects current conditions and supports effective planning and development management. This means that it is an ongoing process.

Incremental approach to implement Enterprise GIS - The department has developed a work plan for implementation of Enterprise GIS. The work plan provides an incremental approach for migrating from the existing GIS to the Enterprise GIS which is an essential tool for achieving success. The incremental approach recognizes the substantial investment in GIS made by the Municipality to date and provides a path forward that sustains and enhances the prior investment.

In particular, the work plan identifies how the GIS data, system resources, and to a lesser extent, GIS application investments can be brought forward as parts of the new Enterprise GIS. As these prior investments are sustained, the addition of further GIS capabilities enables the value of these investments to be leveraged for further benefit to departments and the public.
The goal of the work plan is to establish a foundation that brings widespread use of GIS, ensuring success is built on at each step in the implementation process. Within the work plan, it is important to set reasonable goals for each step and to produce tangible results.

We believe that the advantage of an incremental approach includes lower start-up costs, lower risk, better knowledge of requirements gained through experience, ability to keep up with the latest technology because the initial investment is smaller, less disruption to the existing organization, and greater acceptance by staff because introduction of Enterprise GIS is gradual.

Phase 1	• Develop an inter-departmental GIS user community across the institution by identifying "GIS Champions" from each directorate to serve on GIS Working Group • Develop training opportunities for GIS Champions • Business analysis, needs and requirements gathering for an Enterprise GIS platform, • Develop GIS documentation (GIS Policy and GIS Strategy)
Phase 2	• Begin development of Enterprise GIS system and viewer portal • Implement strategies to advance transformative technologies throughout the Municipality • Share standards document/s with internal departments • Implement GIS training for other staff within the municipality. • Schedule a list of datasets for enhancement and required data, e.g., updating of infrastructure, cemetery data, informal settlements. • Review internal applications to find opportunities to integrate with GIS, e.g., cemeteries. • Identify opportunities to implement a field data collection program; develop a training program and user guide for available solutions like Field Maps and Survey123 to capture field data, eg. individual shacks with attribute data • Schedule quarterly reviews/audits of data to determine what is still being used, who maintains the data, if it can be archived.
Phase 3	• Evaluate status of Enterprise GIS and implement any outstanding goals from phases 1 and 2. • Review progress and success of both internal and inter-departmental initiatives implemented in phases 1 and 2

The anticipated incremental approach to implement Enterprise GIS for Kouga Municipality will be phased as follows:

This plan outlines the strategic steps for developing an Enterprise GIS system and viewer porta, advancing transformative technologies, and enhancing data management and training within the municipality. The GIS unit is still busy with updating the datasets so that they can be included in the GIS portal. Implementing this GIS development and implementation plan will enhance the Municipality's data management, decision-making capabilities, and overall operational efficiency. By following these strategic

Surveys

Informal Settlements Survey

The GIS Unit has developed a Web-based Survey for the human settlements department to provide a digital option in addition to the paper-based survey that is currently being utilized by the officials and clerks in the unit. This survey will assist the officials in ensuring that the number of people living in informal settlements are captured on site to limit having to duplicate data and information. This information will help to provide information of access to water, sanitation, electricity, and other services and can be used as a form of report to be sent to Infrastructure and Engineering directorate to provide such services.

Survey Development and Training

Survey Design - The survey was meticulously designed to capture all relevant information about indigents in informal settlements. This included demographic data, living conditions, access to services, and other pertinent information about members of the household. Continuous scrutiny and refinement were carried out to ensure comprehensiveness and accuracy.

Training of Human Settlements Officials - The GIS unit conducted extensive training sessions for Human Settlements users and officials. The training covered:

- An overview of Survey123 and its functionalities.
- Step-by-step guidance on using the survey tool.
- Methods for ensuring data accuracy and completeness.
- Troubleshooting common issues.

Continuous Scrutiny - To maintain high data quality and ensure the survey's relevance, continuous scrutiny was applied. This involved:

- Regular feedback sessions with officials to identify any gaps or issues in the survey.
- Iterative updates to the survey based on feedback and real-world testing.
- Ongoing support and troubleshooting by the GIS unit.

Training of EPWP Workers

a. Capacitation of EPWP Workers - The next phase involved capacitating Expanded Public Works Programme (EPWP) workers to assist in the survey. Given their crucial role in field data collection, the following steps were taken:

- Introductory Sessions: EPWP workers were introduced to the objectives and importance of the survey.
- Hands-On Training: Practical training sessions were conducted to familiarize them with the Survey123 application and its features.

b. Device Training - EPWP workers were trained on how to use the survey on their devices, which included:

- Installing and configuring Survey123 on their smartphones or tablets.
- Navigating the survey interface and entering data accurately.
- Uploading and syncing data with the central database.

Implementation and Monitoring

a. Field Data Collection - With the training completed, EPWP workers were deployed to the field to start data collection. They were monitored and supported by Human Settlements officials and the GIS unit to ensure:

- Accurate and complete data capture.
- Adherence to survey protocols.
- Immediate resolution of any technical issues encountered.

b. Data Quality Assurance - Continuous monitoring and quality checks were performed on the collected data to ensure its reliability. This included:

- Random sampling and verification of collected data.
- Cross-referencing with existing records and information.
- Addressing any discrepancies promptly.

The informal settlements survey for capturing indigents using Survey123 has been successfully launched by the Human Settlements Department with significant support from the GIS unit. The training provided to both Human Settlements officials and EPWP workers has ensured that the survey is conducted efficiently and accurately. Continuous scrutiny and quality assurance measures are in place to maintain the integrity of the data collected. The successful implementation of this survey will provide valuable insights into the conditions and needs of indigents in informal settlements, aiding in better planning and resource allocation.

The data can assist in the following manner:

- To analyse the collected data to identify trends, needs, and areas requiring intervention.
- Generate comprehensive reports to inform policy and decision-making

Ongoing support and training:

- Provide ongoing support and refresher training sessions for EPWP workers to maintain high data collection standards.
- Update the survey as needed based on feedback and emerging requirements.

Integration with Municipal systems

- Integrate the survey data with existing municipal systems for a holistic view of informal settlements and indigent needs.
- Utilize the data for strategic planning and improving service delivery.

Due the success of the digital survey for indigents it has allowed for other municipalities with the Sarah Baartman District to also be interested in utilising the same survey to capture their information.

Local Government Geospatial Forum - On the 19th of June 2024 a Local Government Geospatial Forum was held in East London at the Amathole District Municipality Calgary Museum and Conference centre which was held by COGTA.

The outcomes of the workshop were to ensure that municipal employees understand the steps and processes involved in developing an enterprise GIS for Local municipalities.

Provincial Local Government Geospatial Forum (LGGF)

On the 21st - 22nd of June, the GIS Unit was invited to attend the Provincial Local Government Geospatial Forum (LGGF) which was hosted in East London. The following were presented: STATSTSA presented on systems available to municipalities in collecting ward-based statistical information. Esri South Africa and 1Map also presented to the attendees. Office of the Premier office presented on incorporating Spatial Planning into all departments within the province.



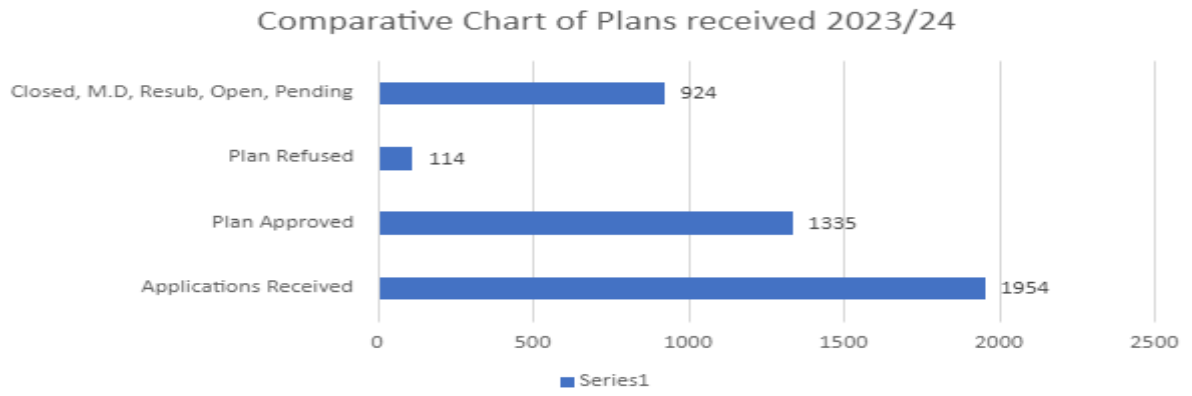
3.18.6 BUILDING CONTROL

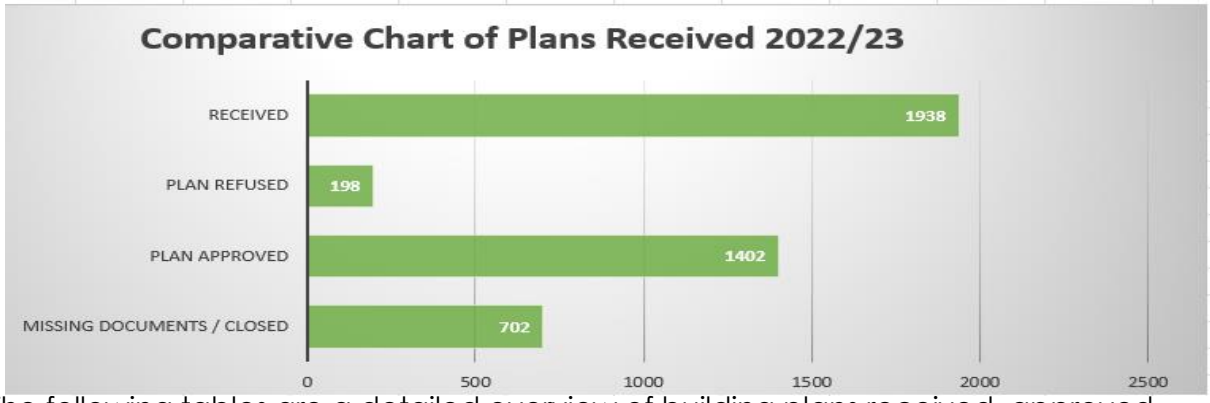
The 2023/24 financial year was the fourth year since the implementation of the electronic plan submission using the *Ovvio* portal. This enables Registered Professionals (RPs) of the South African Council for the Architectural Profession (SACAP) from anywhere in South Africa, and the world, to submit building plans in a fully electronic and paperless channel to Kouga Municipality.

Primary data from the 2023/24 financial year shows the following key trends:

- **1954** Building plan applications were received in the 2023/24 financial year. This represents a 0.8% increase compared to plans received for the 2022/23 financial year (See "**Comparative chart of plans received 2022/23 vs 2023/24**").
  Table 1 shows the detailed breakdown of areas where building plan submissions occurred in the 2023/24 financial year.
- Of the 1954 plans received in the financial year, a total of 914 *(53.7%)* plans were approved. *(Note that an **additional 413** plans were approved within this financial year, which was captured in the previous financial year **(total 914 + 421 = 1335) plans approved).***
- Of the 1954 plans received in the financial year, a total of 114 (5.8%) were refused. *(Note that an **additional 11** plans were* refused *within this financial year which was captured in the previous financial year **(total 11 + 114 = 125 plans** **refused).***

This is reflective of the removal of the "deferment" of plans that were not compliant 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 a 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 2023/24 financial year.

Building Applications Date Captured between 1 Jul 2023 and 30 Jun 2024									
	Churches	Garden Walls and Fixed Fences	General Building Work	Industrial Rural	Minor building applications (< 10m²)	RDP Informal Housing	Revised Plan	Swimming Pool	Total
Aston Bay	0	0	120	0	11	0	25	5	161
Crossways	0	0	20	0	0	0	3	0	23
Gamtoos Mouth	0	0	47	0	7	0	11	0	65
Hankey	0	0	6	0	0	0	1	0	7
Humansdorp	0	1	13	1	9	0	13	1	38
Humansdorp RD	0	0	76	3	2	0	17	2	100
Jeffreys Bay	3	3	485	3	46	15	155	14	724
Kaap St Francis	0	0	76	0	6	0	15	8	105
Kruisfontein	0	1	12	0	2	0	0	0	15
Oesterbaai	0	0	25	0	0	0	4	0	29
Paradysstrand	0	0	113	1	5	0	9	1	129
Patensie	0	0	8	0	0	1	0	0	9
Pellsrus	0	0	3	0	0	1	0	0	4
Sea Vista	0	0	297	1	25	0	101	8	432
St Francis Links	0	1	66	0	4	0	27	3	101
Twin Valley	0	0	3	0	0	0	3	0	6
Uitenhage RD	0	0	5	0	1	0	0	0	6
Total	3	6	1375	9	118	17	384	42	1954

Table 2: Building Plan Applications - 2023/24 Financial Year

Building Applications Status is Plan Approved			
	Floor Area	Estimated Cost	Number
Aston Bay	6935.9	74865000	88
Crossways	5099.69	54390000	15
Gamtoos Mouth	3259.43	33705000	32
Hankey	464.05	5250000	2
Humansdorp	924.69	9660000	9
Humansdorp RD	4612.92	48615000	29
Jeffreys Bay	32112.24	334110000	309
Kaap St Francis	6134.13	65835000	55
Kruisfontein	291.38	3150000	3
Oesterbaai	1324.7	13020000	8
Paradysstrand	9545.68	96915000	65
Patensie	307.03	3150000	4
Pellsrus	364	3780000	2
Sea Vista	32156.76	312375000	233
St Francis Links	15767.49	164010000	56
Twin Valley	36	420000	1
Uitenhage RD	100.28	840000	3
Total	119436.37	1224090000	914

Table 3: Number of Compliant Building Plan Applications supported and approved in the 2023/24 Financial Year.

Building Applications Status is Plan Refused Date Captured between 1 Jul 2023 00:05:00 and 30 Jun 2024 23:55:00			
	Floor Area	Cost	Number
Aston Bay	1308.38	13860000	9
Gamtoos Mouth	71.7	420000	3
Hankey	448	4725000	1
Humansdorp	991.08	10395000	2
Humansdorp RD	3883	40950000	10
Jeffreys Bay	3466.35	29190000	42
Kaap St Francis	920.3	9765000	9
Kruisfontein	570.31	5985000	3
Oesterbaai	120	1260000	2
Paradysstrand	98.72	1365000	4
Sea Vista	2685.65	31080000	24
St Francis Links	449	4725000	3
Twin Valley	0	0	2
Total	15012.49	153720000	114

TABLE 4: NUMBER OF COMPLIANT BUILDING PLAN APPLICATIONS NOT SUPPORTED AND REFUSED IN 2023/24 FINANCIAL YEAR.

Building plan applications and approvals and occupation certificate issuance should be viewed as major measuring tools for economic activity. The estimated costs of building plans approved provide a leading indicator of 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.

In the 2023/24 financial year the economic data revealed that:

- A total proposed new and additional building area of 159253m^2 at an estimated value of R 1.59 billion was approved for construction by Kouga Municipality in the 2023–24 financial year (see **Table 4**). This represents a 9.1% growth (in rand value) in proposed building work compared to the R1.445 billion in estimated value reported in the 2022/23 financial year.
- A total amount of **R 4,888,383.16** in building plan application fees was received for the 2023/24 financial year.

Building Application Evaluations			
	Floor Area	Estimated Cost	Number
Aston Bay	7961	82,184,950.00	115
Crossways	9425	99,750,000.00	23
Gamtoos Mouth	4051	41,685,000.00	49
Hankey	722	7,980,000.00	3
Humansdorp	1163	12,180,000.00	17
Humansdorp RD	6909	65,999,750.00	35
Jeffreys Bay	40102	402,958,200.00	482
Kaap St Francis	7281	76,800,000.00	68
Kruisfontein	654	6,930,000.00	4
Oesterbaai	1505	14,910,000.00	12
Paradysstrand	13548	130,094,650.00	93
Patensie	488	4,499,100.00	5
Pellsrus	384	3,854,950.00	3
Sea Vista	45976	440,275,650.00	325
St Francis Links	18075	189,945,000.00	89
Twin Valley	338	3,570,000.00	4
Uitenhage RD	672	6,615,000.00	8
Total	159253	1,590,232,250.00	1335

Table 5: Total floor area (square meters) and estimated cost of building activity approved in the 2023/24 Financial Year.

Building Applications		
	Number	Income Received
Aston Bay	161	337,365.10
Crossways	23	140,563.04
Gamtoos Mouth	65	136,967.34
Hankey	7	27,278.81
Humansdorp	38	65,306.41
Humansdorp RD	100	282,156.56
Jeffreys Bay	724	1,507,567.48
Kaap St Francis	105	240,969.77
Kruisfontein	15	33,302.19
Oesterbaai	29	50,391.67
Paradysstrand	129	363,488.79
Patensie	9	15,256.19
Pellsrus	4	9,756.28
Sea Vista	432	1,216,524.02
St Francis Links	101	450,811.60
Twin Valley	6	5,445.58
Uitenhage RD	6	5,232.33
Total	1954	4,888,383.16

Table 6: Total building plan application fees were received for the 2023/24 financial year.

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 of 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 2023/24. The findings are:

- A total of 770 OCs were issued in 2023/24 against 742 in 2022/23 (a 3.6% increase), where an estimated R 631,865,450 in 2023/24 was spent by built environment stakeholders against R 577,002,050 spent in 2022/23 (a 8.7% increase). A total of 91635m^2 of building area was added in 2023/2024 against 84692m^2 in 2022/23 (a 8.7% increase).

Occupation Certificates			
	Floor Area	Estimated Cost	Number
Aston Bay	7551	50,183,800.00	61
Crossways	1970	14,289,600.00	13
Gamtoos Mouth	2514	18,558,850.00	30
Hankey	25	224,850.00	1
Humansdorp	0	105,000.00	7
Humansdorp RD	7015	45,643,800.00	8
Jeffreys Bay	32262	230,564,600.00	347
Kaap St Francis	2325	18,258,750.00	31
Oesterbaai	462	3,523,000.00	6
Paradysstrand	4811	32,482,350.00	49
Patensie	147	975,000.00	1
Pellsrus	9	0.00	1
Sea Vista	13998	85,355,300.00	127
St Francis Links	16378	113,896,150.00	80
Twin Valley	1679	13,072,400.00	4
Uitenhage RD	488	4,732,000.00	4
Total	91635	631,865,450.00	770

TABLE 6: OCCUPANCY CERTIFICATES ISSUED IN THE 2023/24 FINANCIAL YEAR.

- A total of 2514 stage inspections were conducted in the 2023/24 Financial year compared to 2410 (4.1% increase) in the previous financial year.
  The breakdown is as follows:
  - 794 Foundation inspections
  - 633 Drainage inspections
  - 897 Final inspections
  - 70 Re-inspections of foundations
  - 12 Re-inspections of drainage

- 16 Final re-inspections
- 17 Routine inspections

Building Application Inspections	
	Number
Drainage	633
Final	897
Foundation	794
General	75
Re-Drainage	12
Re-Final	16
Re-Foundation	70
Routine	17
Total	2514

Table 7: Building site inspections carried out in the 2023/24 Financial Year.

- An estimated 370 general and routine inspections were conducted to respond to resident complaints and tip-offs of unauthorized or suspected illegal building work, with an average of 30 general and routine inspections conducted per month.

Building Control Highlights & Achievements 2023/24 - Building Control attended the first quarter meeting in Cape Town, second quarter meeting in Durban, third quarter meeting will be in Mogale City and The Building Control Convention and Fourth Quarter meeting will be held in Hermanus, Overstrand Municipality on the 28th & 29th of November 2024.

The Department's performance for the 2023/24 financial year, versus the 2022/23 financial year has shown commendable progress compared to the previous year across several key metrics. The number of plans approved increased by *31.5%*, indicating a robust growth in construction activities.

Estimated costs associated with these projects also surged by 9.1%, suggesting higher investment levels. Moreover, site inspections carried out witnessed a 4.1% rise, demonstrating enhanced compliance monitoring by improving efficiency and service uptake. The issuance of occupation certificates also showed a steady increase of 4.0 %, highlighting smoother project completions. These achievements signify the department's effective regulatory oversight and support for sustainable development within our municipality.

COMPONENT G: LOCAL ECONOMIC DEVELOPMENT

3.19 LOCAL ECONOMIC DEVELOPMENT

ROLE PLAYERS

Political Role Players - The Unit reports to the Finance and Economic Development and Tourism Portfolio Committee which is chaired by the Portfolio Chairperson for Finance and Economic Development and Tourism.

Staff Role Players - The staff component comprises the following:

Filled Positions	Acting Positions	Vacant Positions	Contractual Appointments
	Manager Tourism and LED -1		
ED Officer - 1		Senior ED Officer ED Officer -1 Admin Officer - 1	ED Officer - 1
Tourism and Marketing Officer - 1 Events and Safety Compliance Officer - 1		Admin Cle4rk - 1	Senior Tourism, Marketing and Branding Officer - 1 Tourism Intern - 1

Other Role Players - As part of inter-governmental relations, the LED/Tourism Section works in collaboration with many partners to facilitate the functioning of the Department. These include:

- South African Local Government Association (SALGA)
- Department of Rural Development and Land Reform (DRDLR)
- Department of Rural Development and Agrarian Reform (DRDAR)
- Department of Economic Development, Environmental Affairs and Tourism (DEDEAT
- Department and Trade and Industry (DTI)
- Department of Social Development
- Coega Development Corporation (CDC)
- National Youth Development Agency (NYDA)
- Small Enterprise Development Agency (SEDA)
- Gamtoos Irrigation Board (GIB)
- Department of Water and Sanitation (DWAF)
- Department of Fishing and Forestry (DAFF)
- Department of Cooperative Governance and Traditional Affairs (COGTA)
- Sarah Baartman District Municipality (SBDM)
- Kouga Wind Farms
- Eastern Cape Parks and Tourism Agency (ECPTA)
- South African Tourism (SAT)

- Department of Tourism
- South African Tourism Association of SA (SATSA)
- Eastern Cape Development Corporation (ECDC)

Community Role Players

- Kouga Business Forum (KBF)
- Kouga Emerging Farmers
- Kouga Cooperatives
- Kouga SMME's
- Kouga Local Tourism Organization (KLTO)
- Event organizers responsible for staging and organizing events in Kouga
- Members of the public visiting the Office
- Humansdorp Cooperative
- Halisisana Township Incubator

The Department also collaborates with the Wind Farms to bring about career opportunities for the youth as well as creating a platform for job opportunities for SMME's.

3.19.1 ECONOMIC DEVELOPMENT

The Economic Development Section is responsible to provide an enabling and conducive economic environment to facilitate sustainable economic growth for all communities within Kouga Municipality through the implementation of economic development programmes and initiatives.

Economic Development is intended to maximize the economic potential of all wards within the municipality and to enhance the resilience of macro-economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development.

The Economic Development Section provides support in the following areas:

- Development and review of municipal policy, strategy and guidelines on Economic Development.
- Implementation of the SMME Policy Facilitating coordinating and monitoring of donor programmes.,
- Assisting on skills development & capacity building.

The report below outlines the comparative activities of the section as at the beginning of July 2023 to the end June 2024:

Enterprise Development and Business Support:

SMME & Agriculture Database - To ensure beneficiation in the Enterprise Development and Business Support Programme of the Local Economic Development Section all SMMEs and Agricultural Cooperative have been encouraged to register on the following Database for compliance:

DATABASE	CASTODIAN	NUMBER OF SMMEs REGISTERED
LED SMME Database	Economic Development Section	219

Training, Workshops, Seminars and Information Sessions

QUARTER	DATE	NAME	ATTENDANCE
1	July 2023	Oceans Economy Masterplan Workshop	2
2	July 2023	Ocean Economy District Masterplan Workshop	3
1	August 2023	Eskom Tender Readiness Workshop	89
1	September 2023	ECDC Funding information Sharing Session	18
4	June 2024	Youth Empowerment workshop Conducted.	150

Offering Business Advice and Information

BUSINESS NAME	DATE	TOWN	SECTOR	MEETING DETAILS
Kouga SMMEs	26 June 2024	Jeffreys Bay	Construction	SMMEs participation on Vlakte Plaas Windfarm Tower Factory.
Kouga SMMEs (x10)	05 June 2024	Jeffreys Bay	Construction	Participation of SMMEs in Oceanview Housing Development Phase 2 in partnership with provincial department of Human Settlement.
Sibanye Knitters/ Nomvula knitters	02 May 2024	St Francis Bay	Manufacturing	Information sharing session on China international import Expo Applications 2024.
Ubuhle bendalo health and wellness Spa	07 May 2024	Jeffreys Bay	Tourism	Facilitating access to funding through LRED Fund.
Lelo Biltong Bar	30 May 2024	Humansdorp	Retail	Facilitating access to financial support through Sarah Baartman District Municipality LED Funds.
Be Original Pty Ltd.	30 Apri 2024	Jeffreys Bay	Manufacturing	Information sharing session on China

BUSINESS NAME	DATE	TOWN	SECTOR	MEETING DETAILS
				international import Expo Applications 2024.

Facilitating Access to Financial Support through NYDA

ENTITY NAME	COMMODITY/ SECTOR	CONTACT PERSON	CONTACT DETAIL	LOCALITY
LeloPart PTY LTD	Poultry	Xabiso Nkosinkulu	0695247134	Ward 16
LeLo Biltong Bar	Restaurant	Ntsikilelo Sana	0659937995	Ward 6
BT Safestrip and Trading	Internet Café	Chris Beki	0760747566	Ward 7
Individual Farmer	Vegetable Production	Johneels Smith	0729304844	Kouga
Electronic Appliances Skills Group	Electronic Works	Headman Kato	0768741812	Kouga
Yonga Bakery Cooperative	Retail	Xolisa Sibengele	0720850529	Ward 15
Ricas Tasty Restaurant	Restaurant	Morica Groener	0796730075	Kouga

Facilitating Access to Financial Support through DEDEAT



Figure 1: Site visit conducted on 02 May 2024 at Sibanye Pty Ltd (Nomvula Knitters) for information gathering regarding China International import expo 2024 Applications.



Figure 2: Site visit to Lelo Biltong Bar – information gathering regarding District Funding support for SMMEs.



Figure 3 : Be Original PTY LTD



Figure 4 : Project visit organised by DEDEAT to Ubuhle wellness Spa – Business consultation and information sharing on LRED Funding Application.



Figure 5: Site visit conducted on 30 April 2024 at Be-Original Shop for Business consultation (information gathering regarding China International Import Expo 2024 Applications). Front view inside the business premises. ***Pictures taken on 02 May 2024***



Figure 6 : Project visit organised by DEDEAT to Ubuhle wellness Spa – Business consultation and information sharing on LRED Funding Application.

SMME and Contractor Development Programme -SMME Sub-Contract opportunities for the period July 2023 to June 2024:

PROJECT	VALUE	% SMME PARTICIPATION	NO OF SMME OPPORTUNITIES CREATED
Replacement of Existing main in Mimosa Street, Jeffreys Bay	R17 714 000.00	20%	5
Repairs to the elevated Paradise Beach water Tower	R 9 200 000.00	10%	2
Upgrading of KwaNomzamo Wastewater Treatment Plant	R 34 453 092.00	20%	5
Upgrading of the sewer infrastructure in Hankey Phase 3	R 11 902 717.03	10%	6
Resealing of roads with in Kouga Municipality	R 35 000 870.00	20%	6
Augmentation of the sewer rising main from La Mer Pump Station to Jeffreys Bay WWTW	R 9 392 485.53	10%	4
Hankey 990 Housing Development Phase2	R 15 371 583.65	1	5

Stakeholder Collaboration and Partnership.

DEPT/AGENCY/ COMPANY	DATE	MEETING DETAILS
DFFE & ECSEC	July 2023	EC Oceans Economy Masterplan Workshop
Sarah Baartman District Municipality	October 2023	Ocean Economy District Masterplan Workshop
ESKOM	August 2023	Eskom Tender Readiness Workshop
SEDA	March 2024	SEDA Funding application Workshop
Sarah Baartman District Municipality	September 2023	Export/Import Information Sharing Session
SAKHE Family Care Development Centre	14 June, 04 June & 30 May.	Collaboration and partnership on youth development programmes.
Eastern Cape department of	18 June 2024	SMMEs development and

Transport		community empowerment opportunities on resealing and special maintenance of MR00391 project.
Eastern Cape Tourism Agency	06 June 2024	Creating Collaboration and partnership.
Department of rural development and Agrarian Reform (DRDAR) – Provincial Office	06 June 2024	Presentation on Agri-BEE Funding.
Cacadu Development Agency	23 May 2024	Corporate Social Investment/ NPO Support Programme launch. Official handover of the R45 898.00 CSI grant funding to Sakhe Singamadoda Youth Programme based in Humansdorp.
Department of rural development and Agrarian Reform (DRDAR) – Sarah Baartman District.	03 June 2024	Farm assessment for agricultural feasibility study on municipal commonage land.
Department Of Economic development, Environmental Affairs and Tourism (DEDEAT)	07 May 2024	Facilitating access to funding for small businesses.
South African Local Government Association (SALGA)	25 April 2024	Local Economic Development seminar.

Agricultural Support and Rural Development Programme.

The Local Economic development section provided support on agriculture and rural development initiatives through productive partnerships and collaborations with the department of rural development and agrarian reform.

(i) **Agricultural Feasibility study** – Facilitation conducted on municipal commonage land in collaboration with municipal Land & Properties department and Department of Rural Development and Agrarian Reform.

(ii) **Provision of production inputs and infrastructure support for emerging farmers** - Service delivery report by DRADR on delivery of production inputs to Kouga emerging farmers for this period.

Emerging Farmer's Training, Workshops and Seminars.

FARM	DATE	TOWN	COMMODITY	MEETING DETAILS
Patensie emerging farmers	05 April & 03 May 2024	Patensie	Vegetables	Information sharing session on cooperative registration &

FARM	DATE	TOWN	COMMODITY	MEETING DETAILS
				Funding opportunities.
Jeffreys Bay emerging farmers	24 June 2024	Jeffreys Bay	Livestock	Facilitating access to land.
Loerie emerging farmer	30 May 2024	Loerie	Citrus and vegetables	Information sharing session on emerging farmer support and funding opportunities.

PROJECT	ASSISTANCE	BUDGET	FUNDER
Gamtoos Vegetable	Pack shed with cool room facility Sorting tables and refrigerator	R1 346 065	DRDAR
Three Pence	Hail net to cover 6.14ha and borehole installation (Sitting, drilling and testing) Hail net to cover 6.14ha and borehole installation (Sitting, drilling and testing)	R600 000 R300 000	DRDAR
Entabeni farm (10) (R600 000)	Appointment of consultant to do Feasibility Study for a Pack house facility	R600 000	DRDAR
Pampoenland (4)	Siting, drilling and testing of borehole for stock water system, Supply, delivery and construction of spray race with handling facility Loading ramp	R300 000 R120 000	DRADR
Bankkop Boerdery (10)	Siting, drilling, testing and equipping of borehole for piggery production	R300 000	DRDAR

Job Creation through Local Economic Development Initiatives - The Local Economic Development is playing an active role in monitoring the implementation of the

Expanded Public and Community Works Programme in Kouga municipality. A total of 1764 Full Time Equivalent employment job opportunities were created in quarter 4 through infrastructure grants and collaboration with sector departments (department of Public Works & Corporative Governance and Traditional Affairs). This is to ensure that the labour-intensive initiatives support local economies. Among other things it promotes empowerment of women, youth and people living with disability.

3.19.2 TOURISM

The priorities of this section are Local Economic Development, tourism development, destination marketing and, heritage management as well as promoting and managing events in the Kouga area.

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. Memorandum of agreements are 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 Marketing.

Festive Season Activation Campaign - The Tourism department collaborated with Sarah Baartman District Municipality and Nelson Mandela Bay Metro Municipality for a summer holiday activation campaign on 16 December 2023. This was hosted at the Petroport in Tsitsikamma.

The main aim with this project was to promote Kouga, its towns and the three local tourism offices to visitors travelling along the garden route N2 stretch during high season in December.

Means of gather data was done by using a questionnaire that was both printed and available online. Data sourcing is valuable to understand the travel routes of visitors and insight about their knowledge about Kouga. Data is used to gain insight and trends of these travellers to educate us regarding their age, gender, average holiday spend, where they are taking holidays, where they are travelling too, how many days holiday do they take during Decembers, are they local or international and have they visited Kouga before.

Findings from 43 Kouga Questionnaires completed:

- 80% of travellers are VFR (Visiting Friends or Relatives)
- Most travellers are from the Eastern Cape on route to the Western Cape.
- Average length of holiday is 4-5 days.
- Average money spent during holiday is R5k – R10k.
- More money spent on food than on activities (general discussions)
- Most travellers know the towns of Kouga, not the district as much.
- Seasonal International travellers from USA, India Germany (FIT)

World Travel Market and Travel Indaba (Attended on the Sarah Baartman District Stand) - Both these Tourism Trade Shows are predominantly for the leisure market with a few MICE (meetings, incentives, conference and exhibitions) product exhibiting together with the leisure sector.

WTM and Indaba are the leading B2B exhibitions for the inbound and outbound travel & tourism markets. Through its industry networks, global reach and regional focus, these shows create personal and business opportunities providing quality contacts, content and communities to collaborate with. This includes launches of new products, increase brand exposure, debate industry issues, and gather market intelligence; to generate new sales leads, strengthen existing relationships and most importantly, close new business.

It hosted trade exhibitors, tourism trends workshops, a speed marketing session and printed daily news info sheets for visitors.

Buyer Profiles:

- Inbound Tour Operators
- Foreign Travel Agents
- Airlines
- DMC's
- Online Booking Companies
- Transport

Media Profile - WTM and Africa's Travel Indaba has dedicated following of local and international media who provide extensive coverage of the exhibition for the local and international markets through radio, television, newspaper and dedicated travel publications.





Media Monitoring - Kouga acquired the use of the Meltware Media Monitoring Platform. Meltwater media monitoring is a service provided by the Meltwater company that allows businesses, organizations, and individuals to track and analyse media coverage, social media mentions, and online conversations

related to their brand, industry, competitors, and key topics of interest. Meltwater's platform collects data from a wide range of sources, including news websites, blogs, social media platforms, forums, and broadcast media, providing insights into how a brand or subject is perceived across digital and traditional media landscapes.

Key Features of Meltwater Media Monitoring

Media Monitoring Across Channels:

- Tracks mention of specific key words, brands or topics across various media outlets such as online web sites, blogs, forums, podcasts and broadcast channels.
- Monitors media platforms such as Twitter, Facebook, Instagram, You Tube and more allowing users to stay on top of conversations happening online.

Real Time Alerts

- Users can set up alerts to receive real time notifications when their brand, product or other specific key words are mentioned in the media. This allows for a quick response to both positive and negative mentions.
- The alerts help in crisis management, enabling organizations to address potential PR issues as soon as they arise, and messaging is being received.

Competitor Analysis

- Business can use Meltwater to track and compare media coverage of their competitors, identifying trends and benchmarking their own media presence against industry peers. It helps in understanding market positioning and making informed strategic decisions.

Kouga Products for China Expo - LED and Tourism identified an opportunity for local businesses in Kouga to be part of an international product expo in China. This project is facilitated by Sarah Baartman Development Agency and the municipality.

Local businesses need to be flexible and efficient enough to gear for new market opportunities, it means some gaps and challenges may not be dealt with utilising traditional way of doing business (inclusive of post covid strategies for local business and the municipal economy). Professional advising and support are important to realize the opportunity, to bridge the gap KLM has initiated to be part of an international expo and open local production to international export.
Destination marketing is a key component of development for Kouga, exhibiting on an international platform that will assist the municipality to understand the requirements and standards for the Chinees market. This will create investment opportunities and demand from the international market.

Opportunities: Business promotion - The platform focuses on investment, tourism, to promote and facilitate business partnerships. The objective is to identify and realize the business opportunities.

Export facilitation - An enabling environment to local business to export products and services to China, assist to identify the strategic buying, bridging channel and test the market for export investment.

Sourcing service - Provide local SMMEs with competitive and value for money product exchange channels. Destination readiness to provide suitable packages.

Consulting service - Provision of professional consulting services that assists with addressing challenges for investors and businesses to realize and ventures between China and Southern Africa.

Kouga municipality in support of local product producers, sent a request to the Kouga Local Tourism Organization to assist with products that the municipality can showcase in China. Out of the 10 products that showed interest in the Expo, 7 local products have been approved for exhibition in China after an extensive application process. For economic support and growth, the municipality recommended to purchase these products at cost as part of local economic development, therefore for all cost incurred by the product owner the municipality will be invoiced, and the budget for SMME support will be utilised.

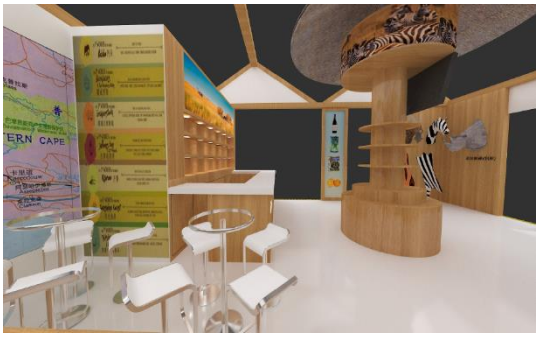
Selected products

- Coffee – First Light Coffee Roastery (Delivery received)
- African Accessories – Be Original (Delivery received)
- Snails – Pabala (Delivery received)
- Honey – Pabala (Hand carry)
- JuJu Honey Gummies – Pabala (Hand carry)
- Dried Strawberry and Orange Products – Mooihoek Strawberry Farm (Delivery received)
- Tourism Product.

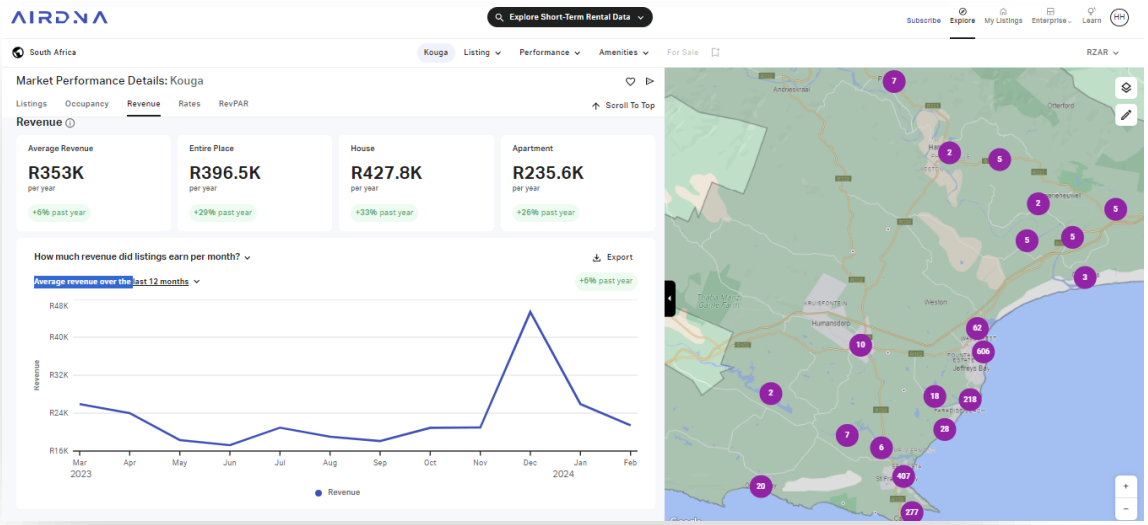
Sarah Baartman District Municipality has strong relations with China for export products. The same is being instilled for destination marketing. Kouga Municipality therefore is supporting this initiative. KLM is directly involved in the stand design and the stand build prior to the China International Import Expo in Shanghai. Tourism product is China is defined as Destination Management Companies for groups. Kouga and its tourism products are ready for this market in small groups or FIT's (Free International Travelers') that opts for a self-drive experience.

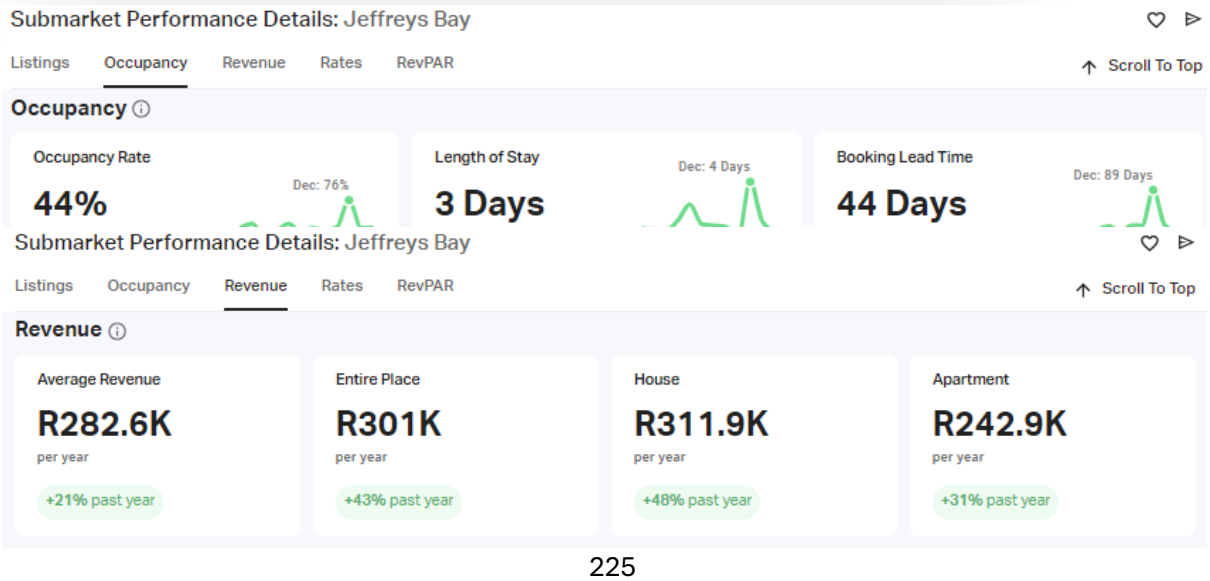
Exhibition costs for the CIIE 2024 are covered by SBDM for export readiness training, product exporting for exhibition, marketing material, exhibition stand and accreditation.





Short Term Accommodation Rentals - AirDNA is a data analytics platform that provides insights into short-term rental markets around the world, such as those listed on Airbnb, Vrbo, and other vacation rental platforms. It is designed to assist with viewing unregulated holiday rentals that are mostly not zoned for business. It also assists investors, real estate professionals, and property managers to understand market trends, optimize rental pricing, and improve the performance of short-term rental properties vs graded establishments.





Business Tourism - Mentors Country Estate – MICE: Meetings, Incentives, Convention and Exhibitions

Mentors kraal is large enough to host business tourism events like conferences, convention and exhibitions. A workshop was held with Mentors to educate them about what possibilities there are for both their product and the area if business tourism plans can be put into action. Mentors, its management and staff have taken this as a positive change and have recently acquired 4-star tourism grading for their conference facilities. This now enable the Tourism department to include the product into a destination marketing plan for the MICE market as most international business travel uses graded establishments that are 4 star and higher.

Township and Cultural Tourism and Events - The tourism section budgeted R200 000 for sponsorship events for township tourism events. This concept is to start with supporting township tourism development, activities, and events. A proposal was submitted to assist with Heritage Day Khoi event at Yellowwoods in Hankey. Kouga supported the event.



SKåL International Nelson Mandela Bay - Presidents Award 2024 - Heidi Halgryn, the Tourism, Marketing, and Information Officer in the Finance and Economic Development Department, has been honoured with the prestigious Skal Nelson Mandela Bay (NMB) President's Award for her outstanding contributions to enhancing tourism in charming small "dorpies," villages, and towns.

This coveted annual award, accompanied by a floating trophy, recognises excellence in tourism for the 2023/2024 year, symbolizing a continuing legacy of dedication and achievement in the field. Halgryn plays a vital role of promoting tourism in Kouga's towns, that promotes significant benefits for local economies and cultural exchanges.

Stakeholder Engagements and Workshops - TBCSA (Tourism Business Council of South Africa) extended an invitation to Kouga Local Municipality to attend their annual networking event. This was extended without Kouga being members as TBCSA noted that the tourism department is actively promoting the Kouga region. Ongoing relations with TBCSA on a quarterly basis.

SATSA (South Africa Tourism Services Association) hosted a product familiarization trip to the Kouga region 19-26 September 2024. A mix of 20 Tour Operators and Destination Management Companies (DMC) Buyers had the opportunity to immerse themselves in the destination and network with top products, gaining valuable insights to enhance tour offerings and guest experiences. It's the first time since 2018 that the whole of Kouga was represented with Gamtoos Valley, St

Francis, Cape St Francis and Jeffreys Bay that was visited.



They experienced the serene charm and luxurious offerings of St Francis Bay, explored the agricultural heartland and scenic vistas of Gamtoos Valley and immerse themselves in the world-renowned surfing paradise and stunning beaches of Jeffreys Bay, including a surfing lesson at Island Vibe Surf School. In Jeffreys Bay they were hosted to explore and gain insight into product at Mentorskraal, where Kouga arranged a speed marketing session with Jeffreys Bay product and one Oyster Bay product:

a) Super Tubes Guest House
b) JBay Skydiving
c) Papiesfontein Horse rides
d) PiliPili Restaurant
e) The Greek Restaurant
f) Island Vibe Surf School and Backpackers
g) Villa Petit Guest House
h) Stone Olive Guest House
i) Mentors Country Estate
j) Eastern Cape Parks and Tourism Agency
k) Oyster Bay Lodge
l) Greystone Guest House

Hosting this type of FAM Trips and speed marketing sessions, improves destination presence in South Africa for domestic and international leisure and FIT travel. All product also developed new relationships with these Trade Operators to increase Kouga Destination visibility online and at DMC and Tour Operator levels.

TGCSA (Tourism Grading Council of South Africa) - TGCSA in collaboration with South African Tourism and Department of Tourism hosted two (2) workshops in Kouga during 2024. The workshops were by invitation from Kouga Local Municipality, Economic Development and Tourism Department.

The workshops covered funding opportunities for tourism products that includes incentive funding by means of tourism product paying a 1% levy. This levy is sued to fund product and assist in other ways local government is not able to like the grading incentive programme whereby graded establishments receives an 80% discount on their annual grading cost.

Mossel Bay Municipality – Benchmarking - Mossel Bay Municipality invited Kouga Finance and Economic Development Directorate to view their Economic Development and Tourism Framework. The Chief Financial Officer, Acting Manager Economic Development and Tourism and the Tourism, Information and Marketing Officer was offered the opportunity to explore the economic development projects and tourism outlines of Mossel Bay Municipality.

The economic business hubs are in the informal settlement's areas, keeping taxi drivers and the economic growth inside the selected areas. This provides for a 'cleaner' town for visitors, residents and tourists alike.

Mossel Bay's tourism offerings are quite different from Kouga's, seeing that world brands have hotels in Mossel Bay as well as that ATKV Hartenbos, a membership driven collection, is a whole holiday town with hot water pools, a water park, a shopping mall with many well-known restaurant franchises and 540 camp and caravan sites; all located next to the beach.

Sarah Baartman Centre of Remembrance Project - The University of Cape Town and contracted interior decorators held a collective workshop in Hankey to establish the look-n-feel roots base for the Sarah Baartman Centre of Remembrance entrance and interior. This session was to gain insight into what various levels of the public and private sector would like to have included. It ranges from color schemes, flow and visuals.

University of Cape Town held a collective meeting at Sarah Baartman District Municipality as start-up discussions to gain insight into what Hankeys' tourism landscape includes. There are active destination marketing efforts being used by Kouga Local Municipality.

Rural Tourism Potential using Medicinal Native Herbs - This training program is an ideal tourism product for Kouga Economic Tourism to package and sell to increase attention and grow rural tourism for both domestic and international in-bound markets.

The workshop was hosted by Kouga Local Municipality Economic Development and Tourism Department to communicate the availability of a collaborative Cosmetics Training Program offering comprehensive training in creating high-quality cosmetic products, wound care solutions, and medicinal extracts using native African plants. This initiative, backed by multiple organizations, aims to empower locals with valuable skills and knowledge in the growing field of natural cosmetics and medicinal products. It is an exciting opportunity for tourism products, that are nature based and surrounded with flowers, medicinal plants and fynbos species, to learn how to enable themselves to build a business in the cosmetics, medicinal and wound care sector.

Research and Data Sourcing - Restaurant Collective - A Restaurant Collective WhatsApp group is established. Together with KLM Tourism Office we are trying to add all restaurants to the group for ease of communication. This can only be done with the restaurants that opt-in due to the popi act.

JBay + St Francis Bay Accommodation Info - The Accommodation groups are active and doing well especially with sharing information of visitors that requests accommodation for certain periods with a daily price value. This enables accommodation product to decide if they have availability and if they would be happy with the daily price the visitor is prepared to pay.

Kouga Local Municipality in conjunction with Nelson Mandela Bay Convention Bureau, ADDO Tourism and various other private sector stakeholders have launched the COLABeS initiative to have a strategic focus on business tourism within close' proximity of Nelson Mandela Bay.

This business collaboration is the practice of working together with internal and external connections to pool resources, create value, solve problems and achieve shared goals and objectives by leveraging on the partnerships and strategic alliances and private sector associations.



PCO Alliance attending the NMBT Awards and launch of COLABeS with members of the NMB Convention Bureau, Kouga Municipality and Addo Tourism

Launch of COLABeS and the PCO Alliance FAM Trip: A Collaborative Milestone for the Nelson Mandela Bay Region Business Events

Nelson Mandela Bay Convention Bureau
147 followers

PCO Alliance: Professional Conference Organisers - Familiarization Trip was planned and executed during September 2024. The PCO Alliance Network is a network of Professional Event Organisers that have set high standards in the event, conference, exhibition and incentive travel management sector of the hospitality industry and is recognized as a professional Alliance by most hotel groups, independent hotels, guesthouses, lodges, and venues and affiliated event suppliers both domestic and international.

The Professional Conference Organisers Alliance Network of South Africa visited the Kouga Region for educational site visits 12-13 September 2024 in collaboration with Addo National Park and Nelson Mandela Bay Convention Bureau.

An extensive list was submitted for review, and the PCO Alliance chose three properties to view for inclusion on their 'wish-list' for the Eastern Cape. These were Pabala Private Nature Reserve, Cape St Francis Resort and Mentors Country Estate.

TME Speed Marketing: Tourism Marketing Experts - Kouga Local Municipality in collaboration with Mentors Country Estate hosted the TME Speed Marketing Exhibition on 17 September 2024.

As Mentorskraal is a VTSD Convention Centre (Village, Towns and "Small Dorpies Convention Centre), now with 4-star tourism grading, it enables both Kouga and the product to leverage of large-scale business tourism events and exhibitions.

A total of thirty exhibitors were present and 120 buying trade attended.

The Economic Development and Tourism Department also used this tourism product exhibition for photographic and videographic footage to package into marketing content and make it sellable to International MICE Buyers (Meetings, Incentives, Conference, Incentives Buyers)

Local Tourism Organisation Support and Funding - Kouga Local Municipality entered into a service level agreement with Kouga tourism organisation for destination marketing function, which caters for three tourism offices operations, social media, and provision of tourism statistics to the municipality.
The organization consists of member representatives of our three geographic Tourism Information Centres in Jeffreys Bay, St Francis Bay and Gamtoos. The financial support of R300,000.00 provided by Kouga Municipality in the 2023/2024 financial year included the support to the smaller tourism offices for general administration, office operations and eMarketing.
The Kouga Local Tourism Office submits reports to Kouga Municipality throughout the year on performance and expenditure and regular meetings held for monitoring and evaluation purposes.

3.19.3 MUSEUMS

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 belongs to the Kouga Municipality.

The artefacts in the Humansdorp Museum belongs 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 financial year Kouga municipality through its grant in aid funded the Humansdorp Museum Association with an amount of R200 000.00 for general administration, events, repairs and maintenance. The Museum Association submits quarterly reports on progress, and the Kouga Municipality has meetings and monitors and manages their performance.

The Humansdorp Museum moved premises in 2024 and a total of R200 000 was funded for the relocation and refurbishment project. The new premises is situated in Voortrekker Road of Humansdorp and much more visible for day visitors.

Museum Relocation and Renovation - A key highlight of the year was the relocation of the Humansdorp Museum to a larger, more suitable premises on Voortrekker Street. The R200,000.00 grant from Kouga Municipality was instrumental in funding the necessary renovations and improvements to the new building. The project included:

- Installing new wiring and electrical fixtures to meet modern standards.
- Enhancing the plumbing system to improve efficiency and functionality.
- Creating a welcoming and informative space for visitors, including new flooring, painting, and lighting.
- Designing and installing new exhibits that showcase the rich history and culture of the Humansdorp region.

The renovations were completed on schedule, and the official re-opening of the Humansdorp Museum took place on April 12, 2024. The new museum has been met with positive feedback from visitors and the community, and it is expected to become a major attraction in the region.

Other Key Achievements - In addition to the museum relocation, the HMA achieved several other significant accomplishments during the year, including:

- Both the Humansdorp and Shell Museums experienced a notable increase in visitor numbers, thanks to the reopening of the Humansdorp Museum and the association's ongoing efforts to promote the museums to the public.
- The HMA continued to host a variety of events and programs that fostered community engagement and promoted the museums as valuable cultural resources. These included public lectures, genealogy workshops, educational programs for schools, community outreach activities, and special events.
- The HMA raised additional funds through donations and partnerships, which helped to support its programs and operations.
- The HMA participated in various community outreach initiatives, including presentations at local schools and community centers, participation in local festivals and events, and collaboration with local artists on exhibitions.

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.

3.19.4 EVENTS

Event Funding Support

QUARTER 1	
Event	**J-Bay Surf Festival**
Date	13 – 22 July 2023
Amount	R200,000.00
Council Resolution	2023/05/PDT2
Town	Jeffreys Bay
Type	A local festival hosted by a local events company in conjunction with the global WSL: J-Bay Open Surf event.
Socio-Economic Benefits	**Festival Park:** • 15 casuals were employed (runners/ cleaners) during the event.

	• 12 casuals x 7 days (84) for event build-up • 10x car guards x 5 days • 9x security guards for 5 days • 25 bar staff employed. • 5 promotion girls **Mountain Biking**- 25 Casuals were employed. • VIP fundraiser raised R365k for the Jeffreys Bay Surfing Foundation, which supports an array of other foundations in Jeffreys Bay such as Wavepoint, KRAG, JBay Alliance, Recycling project. • Raised enough money to employ a permanent worker for the Supertubes Park. • R70k worth of repairs to the boardwalk at Supertubes Park. • Ocean awareness with 'We Are One Ocean' in conjunction with the J-Bay Surf Alliance. • WSL held an ocean awareness day at the main beach which saw pro surfers such as Carrisa Moore, Jordy Smith and Matt McGillivray, experience how the J-Bay Surf Alliance is giving back to the ocean and educating the disadvantaged community about the uses of the ocean, its importance and how to preserve it. • Fishing skins R40k raised for charity and fishing conservation within Kouga. • Mountain Biking event raised over R50k for the J-Bay recycling project. Raised over 150 school bags for the recycling projects kids.
Event	**WSL: J-Bay Open Surf Competition**
Date	13 – 22 July 2023
Amount	R1.6 million
Council Resolution	22/06/PDT14
Town	Jeffreys Bay
Type	The annual global World Surf League: J-Bay Open Surf competition is hosted in Jeffreys Bay.
Socio-Economic Benefits	• Attracted an estimated 50 000-day visitors. • Bed nights accumulated: +20 000 • The rest of the socio-economic benefits are the same as the J-Bay Surf Festival as the 2 events run in conjunction with one another. Job Creation: • 140 casuals employed during event. • 40 labourers: 35 bar staff, 40 various staff for catering, 20 VIP helpers, 10 car guards, 5 office staff • • 12 casuals x 7 days (84) for event build up • 16 x security guards for 5 days • 5 promotion girls

<table>
<tr><td>Event</td><td>South African Longboard Championship</td></tr>
<tr><td>Date</td><td>22 – 27 August 2023</td></tr>
<tr><td>Amount</td><td>R300,000.00</td></tr>
<tr><td>Council Resolution</td><td>2023/05/PDT2</td></tr>
<tr><td>Town</td><td>Jeffreys Bay</td></tr>
<tr><td>Type</td><td>Funded event national event hosted by Surfing South Africa</td></tr>
<tr><td>Socio-Economic Benefits</td><td>• In-food J-bay x 3
• Nina's J-bay x 3
• Mexican J-bay x 2
• Event staff & officials x 26
• Water patrol x 8
• Exec Ops Security x 5
• Suppliers & Ground staff x 15

A total of 62 people were employed for the 8-day duration, pre-and post-event.

• Beach Clean-up at Lower Point to Kabeljous with the J-Bay Surf Alliance children to join us for a day filled with fun at the beach. Kids were treated to cake and cooldrink, followed by watching the day's surfing activities.</td></tr>
<tr><td>Event</td><td>Calamari Festival</td></tr>
<tr><td>Date</td><td>22 – 24 September 2023</td></tr>
<tr><td>Amount</td><td>R200,000.00</td></tr>
<tr><td>Council Resolution</td><td>22/08/PDT6</td></tr>
<tr><td>Town</td><td>St Francis Bay</td></tr>
<tr><td>Type</td><td>Local Tourism Organization Fundraiser festival to promote and raise funds for destination marketing.</td></tr>
<tr><td>Socio-Economic Benefits</td><td>• R60,000.00 used towards destination marketing - social media marketing)
• NSRI beneficiary of Cook-Off
• Funding to host the St Francis Amanzi Race for fundraising for St Francis Hospice Kouga. In 2023 R40,000.00 was raised.

Job Creation: 19 people over the weekend.</td></tr>
<tr><td>Event</td><td>PGA Golf Tournament – South Africa</td></tr>
<tr><td>Date</td><td>19 – 24 September 2023</td></tr>
<tr><td>Amount</td><td>R275,000.00</td></tr>
<tr><td>Council Resolution</td><td>21/09/LED&T3</td></tr>
<tr><td>Town</td><td>St Francis Bay</td></tr>
<tr><td>Type</td><td>Global/National golf event hosted by the Professional Golfers Association of South Africa</td></tr>
<tr><td>Job Creation</td><td>A total of 133 temporary jobs were created as per the breakdown below:
<table><tr><td>Category</td><td>Number</td></tr><tr><td>Local Caddies</td><td>64</td></tr></table></td></tr>
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<tr><td></td><td>
<table>
<tr><td>Venue Casuals</td><td>38</td></tr>
<tr><td>Runners/Board Carries</td><td>8</td></tr>
<tr><td>Accreditation</td><td>6</td></tr>
<tr><td>Partners Casuals</td><td>17</td></tr>
<tr><td>Total</td><td>133</td></tr>
</table>
</td></tr>
<tr><td>Socio-Economic Benefits</td><td>
This year the tournament focused on skills development for local tourism and hospitality students. The incumbents learnt valuable experience and had an opportunity to learn from the best in the golf hospitality industry. The following students from various institutions were selected for the skills programme.
1. Lee-Ann Matshoba from Capsicum
2. Ethan Moore from International Hotel School
3. Akhona Mengu from Injongo Training Company
4. Hlume Tsewu from Injongo Training Company

Tournament Impact
Below figures illustrate the PGA Championship impact in the region.
• Number of visitors – 7000
• Media value – R 6 500 000
• International golfers – 24
• Employment – 133
• Local procurement – R 1 500 000
• Economic investment – R 25 000 000

KLM Rights & Benefits:
• Entitled to host 6 players in the Pro-Am Golf Day:
• The Players were paired with 2 professional golfers for 18 holes round of golf and participated in the fun on-course activities.
• The players received a gifts hamper with PGA Championship golf shirt memorabilia and served meals for the whole day programme.
• The day concluded with a prize-giving function, which provided an opportunity to interact and network with other invited valuable guests.

Entitled to host 8 guests per day in the hospitality lounge on Saturday and Sunday:
• The guests were issued with an accreditation tag to access the lounge and gin bar for the weekend.
• Meals and beverages were served whilst they enjoyed live tournament TV broadcast in the relaxed and comfortable setting.
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</table>

	KLM logo displayed on official tournament communication collateral: • Posted on tournament social media platforms, being Facebook page and Instagram Page. • 4 postings, of which Kouga Municipality shall provide content. • On tournament official website for 12 months. • On the Pro-Am prize giving programme. • Municipality logo and content were posted on tournament official social media platforms. • The logo is uploaded on to the tournament official website, www.pgachampinship.co.za. **Allocated sites to display branding and conduct promotional activation:** • Prominent branding visibility in accordance with its partnership level. • Two Pro-Am holes to display branding material and promotional activation. • A wall banner was displayed in a prime position in the clubhouse for the duration of the tournament. • A dedicated area to distribute promotional material and interact with guests and spectators. **Value Add Rights:** • KLM banners were displayed at the main gate driveway. • KLM Executive Mayor was part of the winner's trophy hand over delegation and recorded interview was broadcasted during tournament live coverage.
QUARTER 2	
Event	**Adventure Race World Championship**
Date	17 – 29 October 2023
Amount	R1,000,000.00
Council Resolution	22/04/PDT12
Town	Greater St Francis / Gamtoos Valley
Type	Adventure Sport Event
Socio-Economic Benefits	• The SFB Rotary Club had a stall at the main event headquarters at Cape St Francis Resort. • Received R5 000.00 in donations of which R3 750.00 was used to purchase 50 pumps which were distributed to the clubs with the +/- 50 rugby balls donated by the participants. • 360 soccer balls were distributed to 46 clubs representing 1850 players from St Francis Bay, Humansdorp, Jeffreys Bay, Thornhill, Hankey, Loerie, and Patensie. • These distribution events were attended by Executive Mayor H Bornman, Cllr. C August and Gamtoos Tourism Representative, Ms. N Uys. • 10 Rugby balls were donated to Gill College and the remainder of the +/- 50 rugby balls were given to Sea Vista Primary School.

	• The participants used running shoes, and unused food was collected after the prize giving. • The running shoes were donated to the SFB Running Club for their members in need. • Unused foods were collected by the local church ladies for distribution to local causes and Xmas Hampers of which 50 were distributed to Hospice and 50 to Ons Tuiste in Humansdorp. • In monetary value the above equates to +/- R150,000.00. +/- 100 people were trained at the Cape St Francis Resort to be part of the hospitality team hosting the participants and families at the resort.
Event	**J-Bay Summer Fun – Jeffreys Bay Tourism**
Date	15 - 31 December 2023
Amount	R300,000.00
Council Resolution	23/11/FED4
Type	Municipal festive season event project hosted by Jeffreys Bay Tourism for the people and seasonal visitors of Jeffreys Bay and the broader Kouga region.
Socio-Economic Benefits	15 December 2023 – Opening of the Season • Oasis FM – 20 people for Christmas Concert • Aston Bay Neighbourhood Watch – 15 • Synergy Audio – 2 • Santa Clause – 2 • J-Bay Academy – 4 • Cleaners – 2 • Branding Team – 2 22 December 2023 – Music & Picnic in the Park • Smhart Security – 2 guards x 10 days • Dorp van Drome Car Guards & Preparation – 6 • MC – 1 • Local Artists – 7 • Food Vendors – 16 • Branding Team – 2 22 – 31 Dec 2023 – Santam Beach Chill Zone & Volleyball • Crew – 2 • Sound – 2 • Security – 2 • Jokers – 2 31 December 2023 – New Year's Eve • Casual Workers – 20 • Ace Models – 3 • Local Artists – 15 • Cleaners – 4 • Wavecrest Neighbourhood Watch – 15

QUARTER 3	
Event	**SDC Championship**
Date	29 February – 4 March 2024
Amount	R400,000.00
Council Resolution	24/02/FED16
Town	St Francis Bay
Type	Sport
Socio-Economic Benefits	The Championship's repeat hosting has led to a more sustainable impact on local employment. • **Job Retention:** Many casual workers from the previous year have retained their positions, ensuring a more stable income for residents. • **Skill Enhancement:** Returning workers have had the opportunity to refine their skills and gain additional experience. • **Job Creation:** The increased scale of the event has led to the creation of new temporary positions, further benefiting the local job market. • **Increased Business for Local Vendors**: Local restaurants, shops, hotels, and guesthouses saw a surge in business. For many small businesses, the Championship provided a substantial boost in revenue. • **Tourism Multiplier Effect:** The SDC Championship's global profile attracted media attention and exposure, which positioned St. Francis Bay as an attractive destination for tourists. The positive media coverage and the allure of the town's natural beauty helped establish the town as a future destination for leisure travellers and golf enthusiasts. • **Economic Impact on Real Estate:** Increased interest in St. Francis Bay as a tourist destination led to a rise in real estate inquiries. Investors and property developers started showing more interest in purchasing vacation homes or even developing new properties to cater to the anticipated influx of visitors. This led to an increase in property values, benefiting local homeowners and further encouraging investment in infrastructure development.
Event	**South African Open Water Swimming Championship**
Date	8 - 10 March 2024
Amount	R150,000.00
Council Resolution	24/02/FED15
Type	National Sport Event
	Jeffreys Bay
Socio-Economic Benefits	Approximately 600 individuals, including participants, support staff, officials, media personnel, and spectators, contributed significantly to the local economy. The event garnered extensive media coverage across television, social media, and other platforms, significantly promoting Jefferies Bay and Marina Martinique as premier

	sporting destinations. Furthermore, a special "Fun" event raised R8,000.00 for the NSRI, Station 37, showcasing the event's commitment to community engagement and support.
Event	**Humansdorp Community Festival**
Date	22 – 23 March 2024
Amount	R150,000.00
Council Resolution	24/02/FED15
Type	Community Festival
Location	Humansdorp
Socio-Economic Benefits	**Community Upliftment** • The festival provided a platform for families and community members to come together, fostering a sense of unity and shared enjoyment in a time of social challenges (as mentioned in the report). • The event aimed to address negativity and promote a more positive outlook within the community. • Highlighting local artists (15) and the Khoi Kulcha Foundation's partnership reflects the festival's commitment to celebrating the town's cultural heritage. **Economic Impact** • **Job Creation:** The event directly employed 49 people, including marshals, cleaners, runners, bar staff, and event planners. • **Local Business Support:** Over 15 local vendors benefited from the festival, providing them with a platform to sell their products and generate income. • **Supplier Opportunities:** The report states that 80% of the suppliers utilized for the event were local businesses. **Event Growth** • Compared to 2023, the 2024 festival saw a 30% increase in attendance, indicating growing popularity and community engagement. • The festival's ambition to attract national and international tourists in the future holds promise for further economic growth. The Humansdorp Festival appears to be a positive development for the town, contributing to social cohesion and economic activity. The organizers' commitment to giving back to the community through future events is another positive takeaway.
QUARTER 4	
Event	**Aloe Cup Rugby & Netball Tournament**
Date	13 – 15 June 2024
Amount	R78,300.00
Council Resolution	24/03/FED4
Town	Jeffreys Bay
Type	Sport
Socio-Economic Benefits	• **Local Support:** The Kouga Municipality's involvement, through the events management office's guidance and financial

contribution exemplifies successful collaboration for the event's benefit.

- **Safety and Security:** Collaboration with Law Enforcement (Dehan de Bruyn's patrols) and Relay Ambulance Services ensured a safe environment for participants and spectators.
- **Accommodation Boost:** The tournament supported local businesses like Seashells Holiday Accommodation by housing visiting teams.
- **Increased Spending:** With visitors attending the tournament for 3 days (gate numbers: 822, 989, 847), there was likely an increase in spending at local businesses (mentioned but not quantified).
- **Waste Management:** The report highlights Marco Engelbrecht's efforts in ensuring a clean and tidy venue, contributing to a positive visitor experience.
- **Improved Atmosphere:** MTE Tent Events' contribution to the venue's set-up likely enhanced the experience for teams and spectators.
- **Tournament Growth:** The Aloe Cup aims to expand the number of participating rugby teams, potentially bringing more visitors and economic benefits to the town. However, challenges like space constraints and rising costs need to be addressed.

The 2024 Aloe Cup demonstrates the potential for sporting events to foster community spirit and generate economic activity in Jeffreys Bay. Overcoming logistical challenges and securing continued support will be crucial for the tournament's future growth.

118 paid employees

46 volunteers

Job Creation	Total
Security during the event night and day	2
Car security	2
Gate access control	2
Catering	4
Cleaners	6
Vendors, Chip n Dip, Rugby	33
Referees Netball	9
Referees Rugby	7
Photographers	3
Chaperones	18
We provided meals for around 240 children for 3 days	9
Accommodation	23
Volunteers: Event site setup, Score keepers, social media, announcers, access control, catering, ball boys	46

Event	J-Bay Surf Festival and WSL Legends Event
Date	14 – 22 June 2024
Amount	R1,700,000.00
Council Resolution	24/03/FED5
Type	Festival
	Jeffreys Bay
Socio-Economic Benefits	**Job Creation:** The event directly employed a total of 96 people: **Park Off** • 25 x casuals (runners/ cleaners) during event • 12 x casuals for event build up (7 days) • 10 x car guards (10 days) • 9 x security guards (7 days) • 28 x bar staff employed • 4 x promotion girls **Funduro** 8 x Officials **Indirect Jobs:** The event likely spurred additional job creation in supporting industries such as catering, transportation, and hospitality. **Economic Impact:** • **Ticket Sales:** Revenue generated from **2,200** tickets sold directly contributes to the event organizers and potentially local businesses involved in ticketing sales. • **Increased Visitors:** An estimated **3,000** visitors were attracted to the event, many likely from outside the immediate area. This increased foot traffic translates to potential revenue for local businesses like restaurants, hotels, and shops. • **Accommodation Boost:** The event led to an estimated **+2,800 bed nights** accumulated in local accommodation, benefiting hotels, guesthouses, and other lodging options. **Kouga Branding:** The event provided valuable exposure for **Kouga** branding, potentially attracting future tourism and business opportunities.

Quarter 1		
EPC Meeting Date	**Applications Received**	**Applications Approved**
20 July 2023	9	9
17 August 2023	13	13
21 September 2023	10	10
Quarter 2		
EPC Meeting Date	**Applications Received**	**Applications Approved**
19 October 2023	10	9
23 November 2023	18	18

Quarter 3		
EPC Meeting Date	**Applications Received**	**Applications Approved**
18 January 2024	4	4
15 February 2024	14	14
20 March 2024	9	9
Quarter 4		
EPC Meeting Date	**Applications Received**	**Applications Approved**
18 April 2024	4	3
23 May 2024	10	10
20 June 2024	5	5
Total	74	72

Event Application Approvals

Kouga Quarterly Newsletter – Events Calendar - For 11 months in the year an events calendar is published on all social media platforms. In this report the calendar for each quarterly Newsletter is shared.

2023 DATES TO REMEMBER

OCTOBER

4 - 8	SA Junior Surfing Champions	Jeffreys Bay
7	NG Kerk Gamtoosvallei-Oos Plaasbasaar	Gamtoos Vallei
7	Spring Day Church Event	Patensie
7	Orlando Eagles Rugby Club Golden Oldies	Kouga
8 & 29	Crossways Market	Thornhill
7 - 8	Melkfees	Gamtoos Ferry Hotel
12 - 15	Concours Sur Mesure	St Francis Bay
14	St Francis Brewery Beer Run	St Francis Bay
13	The Swim Series	Kouga
17 - 29	Adventure Race World Championship s	Cape St Francis
27 - 29	J-Bay Beer Fest	Jeffreys Bay
28	St Francis Market	St Francis Bay
28	Victory First Choice Classic	Jeffreys Bay
28	Disco by Level 4 Entertainment	Patensie

NOVEMBER

3	J-Bay Academy Fun Colour Walk	Jeffreys Bay
4	St Francis Market Car Boot Sale	St Francis Bay
5	The Swim Series	Kouga
5 & 26	Crossways Market	Thornhill
10 - 11	Global Leadership Summit	Jeffreys Bay
11	St Francis College MTB Race	St Francis Bay
24 - 26	Lukhanyo Memorial Soccer Tournament	Thornhill
25	St Francis Market - St Francis Bay	St Francis Bay

DECEMBER

3 & 17	Crossways Market	Thornhill
8 - 10	SA National Olympic Trials	Kouga
16	All White (Dress-up) Party Disco	Kouga
16	St Francis Market	Humansdorp
16 - 17	Festive Season Beach Sports	St Francis Bay
16 - 31	St Francis Summer Sport Series	St Francis Bay / Cape St Francis
23	St Francis Market	St Francis Bay
23	J-Bay Annual Picnic	Jeffreys Bay
26	USN Touchies Championship	Jeffreys Bay
26 - 31	Billy's Beach	St Francis Bay
30	St Francis Market	St Francis Bay
30	Marina Mile	Marina Martinique

KOUGA

Jeffreys Bay Tourism www.jeffreysbaytourism.org

KOUGA TOURISM www.kougatourism.com

South Africa Yours to Explore www.visitsoutheastcape.co.za

GAMTOOS TOURISM www.bavicons.net

www.stfrancistourism.co.za





EPC Meetings and Submission Deadline Notice - Annually 2 notices are published to inform the public of the 6-month EPC Meeting schedule and submission deadlines for each meeting.

It's important to note that these submission deadlines are not applicable to the event application timeframes.

Tourism and Heritage Funding Approved

Name of Applicant	Budget Allocation	Council Resolution
Humansdorp Museum Association	R200,000.00	23/12/FED7
Humansdorp Museum Association	R200,000.00	24/05/FED17

Events and Heritage Action Sheet

Day/Date	Task/Project	Status	Comments/Notes
20 Jul	EPC Meeting	**Completed**	9 events presented and 9 approved
17 Aug	EPC Meeting	**Completed**	13 events presented and 13 approved
30 Aug	Heritage Site Audit per Town	**In Progress**	Each LTO and HMA submitted updated lists. Will carry over into 2024/2025 where site visits will be done by Events Management Officer and HMA. Thereafter the registration process with Eastern Cape Provincial Heritage Resources Authority will start for those sites not registered.
12-Sep	Sponsorship: ARWC (R1 million)	**Completed**	Closeout report submitted to Council.
13 - 14 Sep	EPC: Policy Review & By-law draft	**In Progress**	Policy review is done, but the Legal Manager advised the By-law must be done first before it can be submitted to council. Awaiting Legal for further advisement on the By-law process.
15-Sep	Sponsorship: NMBA Open Water Swim Closeout Report (R150,000-00)	**Completed**	Closeout Report submitted in Feb 2024.
18-Sep	Sponsorship: PGA (R275,000-00)	**Completed**	Closeout report submitted to council.
20-Sep	Sponsorship: Calamari Festival (R200,000-00)	**In Progress**	SLA and payment completed. Closeout Report received for submission to council.
21 Sep	EPC Meeting	**Completed**	10 events presented and 10 approved
19 Oct	EPC Meeting	**Completed**	10 events presented and 9 approved
30-Oct	Sponsorship: J-Bay Summer Fun (R300,000-00)	**Completed**	Council Resolution: 23/11/FED4. Closeout report submitted to Council.
7-Nov	Sponsorship: SANOWS Championship (R150,000-00)	**Completed**	Council resolution received: 23/12/FED6. In February 2024 the 2023 Closeout report was submitted to council.

Day/Date	Task/Project	Status	Comments/Notes
7-Nov	Annual Report and Funding Request: Humansdorp Museum (R200,000-00)	**Completed**	Closeout Report Submitted to Council. New Council Resolution 23/12/FED7. Payment was done in February 2024.
8-Nov	Sponsorship: WSL Legends J-Bay from 15 – 23 June 2024	**In Progress**	24/03/FED5 Council resolution Awaiting Closeout Report.
22-Nov	MFMP Session 4 POE	**Completed**	POE Submitted to FAHCS
22 - 24 Nov	Project Management Session 2 Training	**Completed**	Attended virtually.
22 - 24 Nov	Project Management Session 2 POE	**Completed**	To be submitted on 8 March 2024
23-Nov	EPC Meeting	**Completed**	18 events were presented and 18 were approved.
18 Jan	EPC Meeting	**Completed**	4 events presented and approved
29 Jan	MFMP Session 5 POE	**Completed**	POE Submitted to FAHCS
15 Feb	EPC Meeting	**Completed**	14 events presented and 14 approved
8-Mar	2024 SDC DP World Tour Golf Tournament Sponsorship	**In Progress**	Council Resolution: 24/02/FED16. Awaiting Closeout Report (R400k)
8-Mar	Humansdorp Festival Sponsorship	**In Progress**	Council Resolution: 24/02/FED15. Closeout Report received. Will submit to August PC meeting. (R150k)
20 Mar	EPC Meeting	**Completed**	9 events presented and 9 approved
25 – 29 Mar	MFMP Session 6 POE	**In Progress**	POE Submitted to FAHCS

Day/Date	Task/Project	Status	Comments/Notes
3, 16, 17 April	Safety at Events Workshop – Series 1	**Completed**	3 Workshops hosted in Thornhill, Humansdorp and Jeffreys Bay. Reported on in Q4 report.
18 Apr	EPC Meeting	**Completed**	4 events submitted and 3 approved (1 withdrawn)
29 Apr – 3 May	MFMP Session 7 POE	**In Progress**	POE Submitted to FAHCS
23 May	EPC Meeting	**Completed**	10 events presented and 10 approved
20 Jun	EPC Meeting	**Completed**	events presented and 5 approved

Safety at Events Workshops Report - The Event Planning Committee (EPC) hosted a successful series of Safety at Events Workshops in April 2024. These workshops aimed to educate and equip event organizers and other community members with essential safety protocols to enhance event management and attendee safety. The positive response encourages the EPC to host a second workshop series in the 2024/2025 financial year.

To ensure broad outreach, the EPC utilized a multi-pronged approach to promote the Safety at Events Workshops. Notices were published across various channels, including social media platforms, the official municipality website, and ward offices. Also, WhatsApp messages were sent directly to all previous event organizers who submitted applications to the EPC. These efforts aimed to reach a wide audience of potential attendees and stakeholders within the event planning community.

However, workshop details required some adjustments based on initial registration numbers. While workshops were initially planned for 2 locations across the Gamtoos Valley area, low registration numbers prompted the decision to merge the two planned workshops into one. Unfortunately, this also meant canceling the workshop scheduled for Hankey.

Ultimately, the workshops were held in three towns at municipal community halls:

- April – Thornhill
- 16 April – Humansdorp
- 17 April – Jeffreys Bay

While registration numbers were promising for both Humansdorp and Jeffreys Bay workshops, approximately 30 people attended the Humansdorp workshop and over 50 Jeffreys Bay. Although we received RSVPs following the registration process, the midweek

workshops hosted from 08:00 to 15:00 did not suit most registrants' schedules which impacted attendance immensely.

Workshop Successes and Feedback:

- Increased awareness of event safety protocols.
- Sparked interest in event safety officer careers.
- Provided valuable resources through the e-manual.
- Preference for shorter workshops or on Saturdays.
- A desire for more interactive learning experiences.
- Focus on practical application of safety knowledge.

Financial Implications - The Safety at Events Workshops adhered to a budget of R76,416.25.

Budget Item	Amount	Order Number
Catering 3 April 2024	R 8,000.00	233326
Catering 16 and 17 April 2024	R 22,780.00	233602
500ml Bottled Still Water	R 1,800.00	233533
Notepads	R 4,312.50	233258
USB Flash Drives	R 22,348.75	233206
Events Safety Practitioner for 3 workshops	R 18,975.00	233338

The following recommendations are proposed to consider for the next series:

- Content Focus: The revised content will prioritize the core safety topics outlined above.
- Interactive Learning: Case studies and discussions will encourage active participation and knowledge application.
- Collaboration: Discussions with SACIA's Events Safety Council regarding accessible and affordable event safety officer training will continue.

Conclusion - The Safety at Events Workshops are crucial for promoting a safety-conscious event planning culture. By focusing on the core safety aspects, interactive learning, and practical application, the next series will further empower event organizers and community members to create safe and enjoyable events.

COMPONENT H: LAND AND PROPERTY ADMINISTRATION

3.20 LAND AND PROPERTY ADMINISTRATION

The Land and Properties Administration Department is responsible for the management of municipal land and properties. The department has recorded the following activities during the 2023/24 financial year:

Disposals - Council granted final approval for the disposal of the following municipal owned properties:

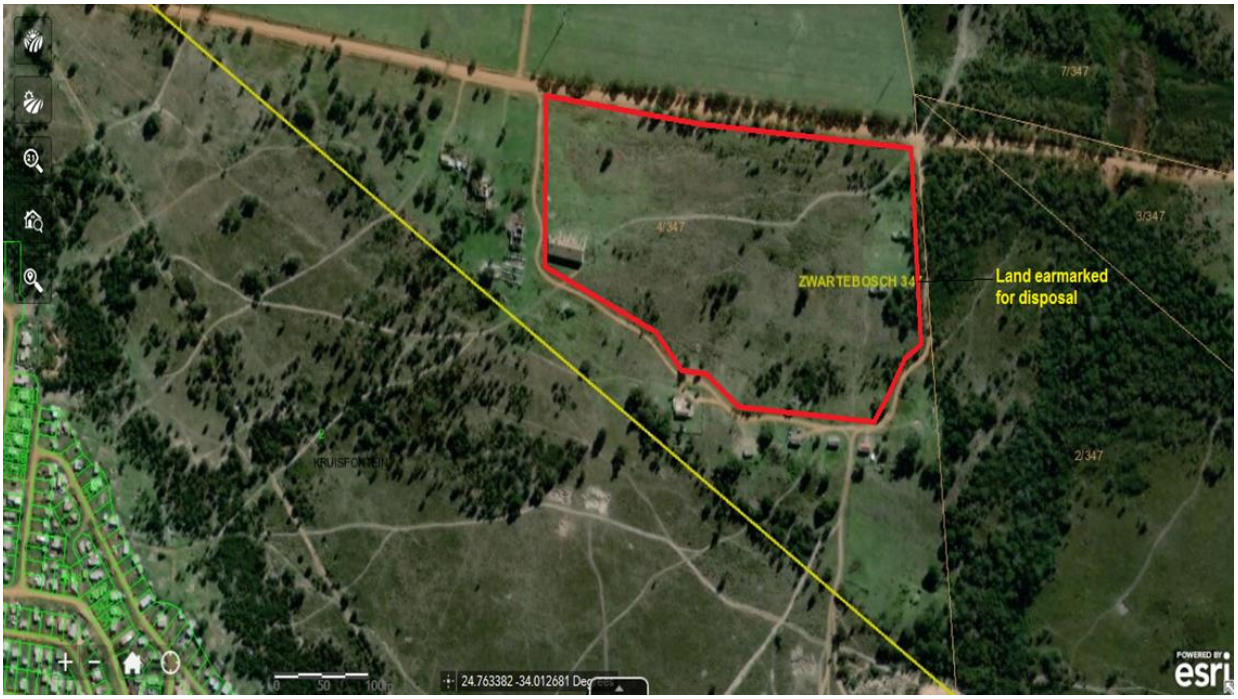
Disposal of Erf 588, Pellsrus – Ethiopian Episcopal Church (Community Zone) - The disposal of municipal Erf 588, Pellsrus to Ethiopian Episcopal Church was concluded in October 2023.



Disposal of Erven 2216, 2217, 2225 & 2226 in Hankey – Old Apostolic Church (Community Zone) - The disposal of municipal Erven 2216, 2217, 2225 & 2226 to the Old Apostolic Church was concluded in October 2023.



Disposal of a portion of Portion 4 of the Farm 347 – Teen Challenge SA (New name Salvation South Africa Kouga) - The disposal of a portion of Portion 4 of Farm 347, Zwartenbosch to the Salvation South Africa Kouga was concluded in December 2023.



Disposal of Erf 600, Pellsrus – Uniting Reformed Church SA (Community Zone) - The disposal of Erf 600, Pellsrus to Uniting Reformed Church SA was concluded in February 2024.



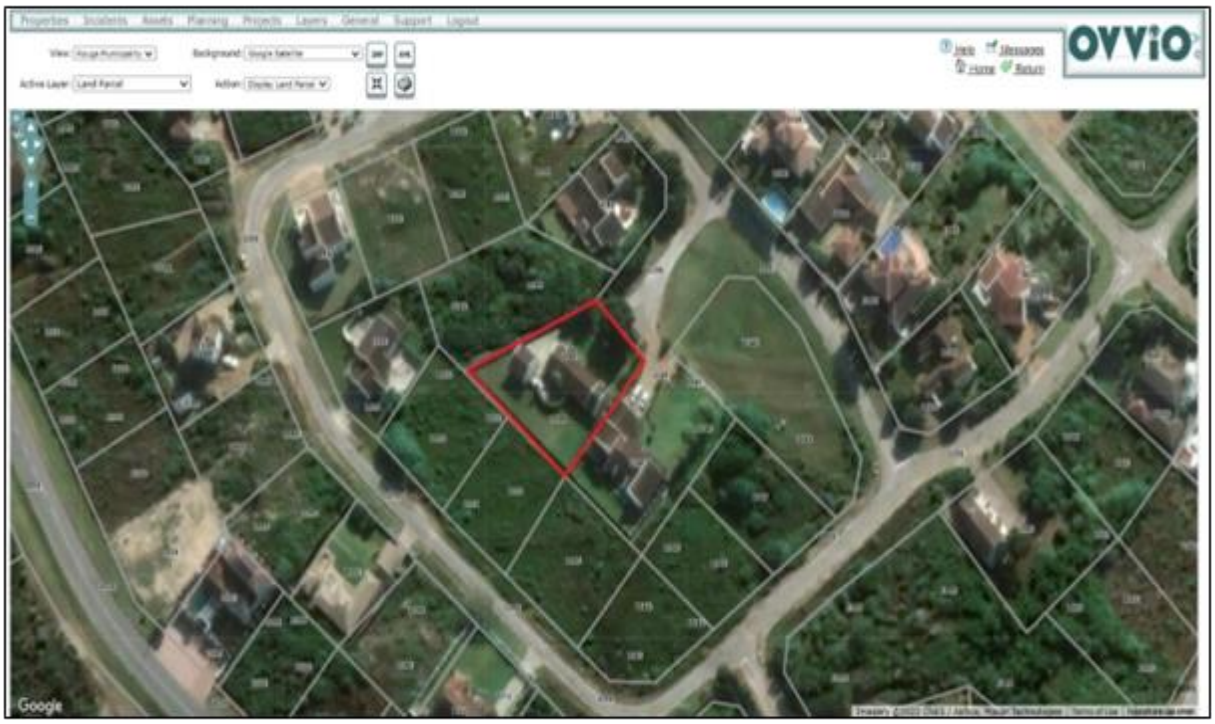
Disposal of Erf 2734, Sea Vista – Shekinah Ministries (Community Zone) - The disposal of Erf 2734, Sea Vista to Shekinah Ministries was concluded in February 2024.



Disposal of Erf 2593, Sea Vista – Annie Daniels (Residential) - The disposal of Erf 2593, Sea Vista to Annie Daniels was concluded in March 2024.



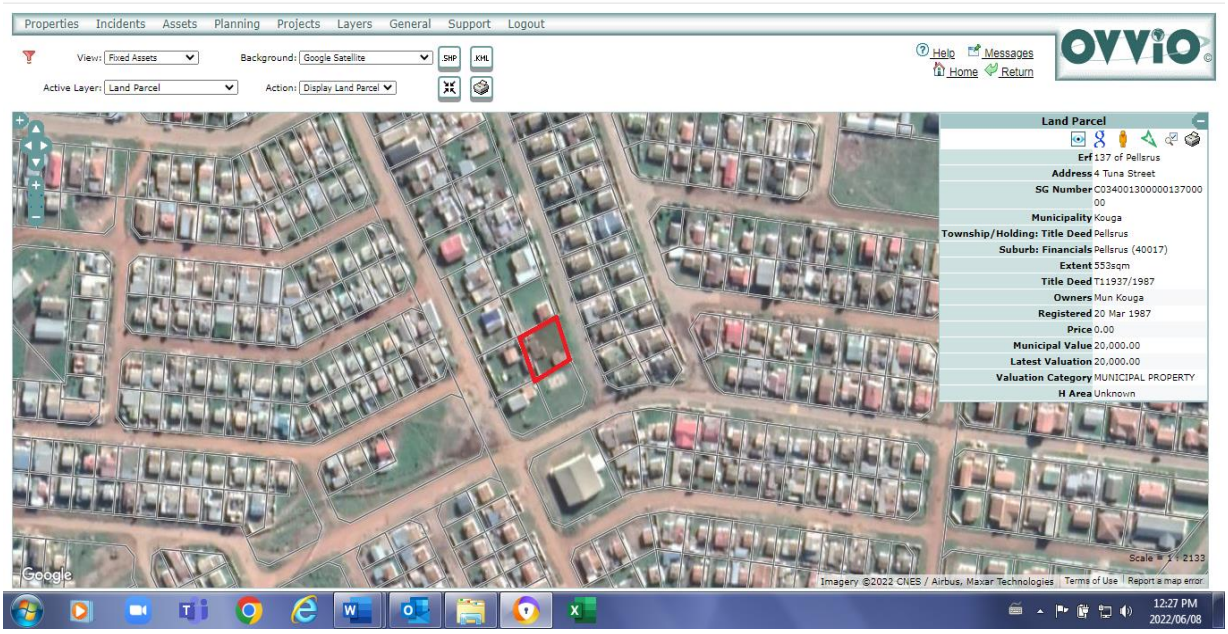
Disposal of Erf 1044, Sea Vista – WB Bosch (Residential) - The disposal of Erf 1044, Sea Vista to WB Bosch was concluded in March 2024.



Disposal of a portion of Erf 873, Jeffreys Bay – Jeffreys Bay Bowling Club (Open Space to be Rezoned) - The disposal of a portion of Erf 873, Jeffreys Bay to the Jeffreys Bay Bowling Club was concluded in March 2024.



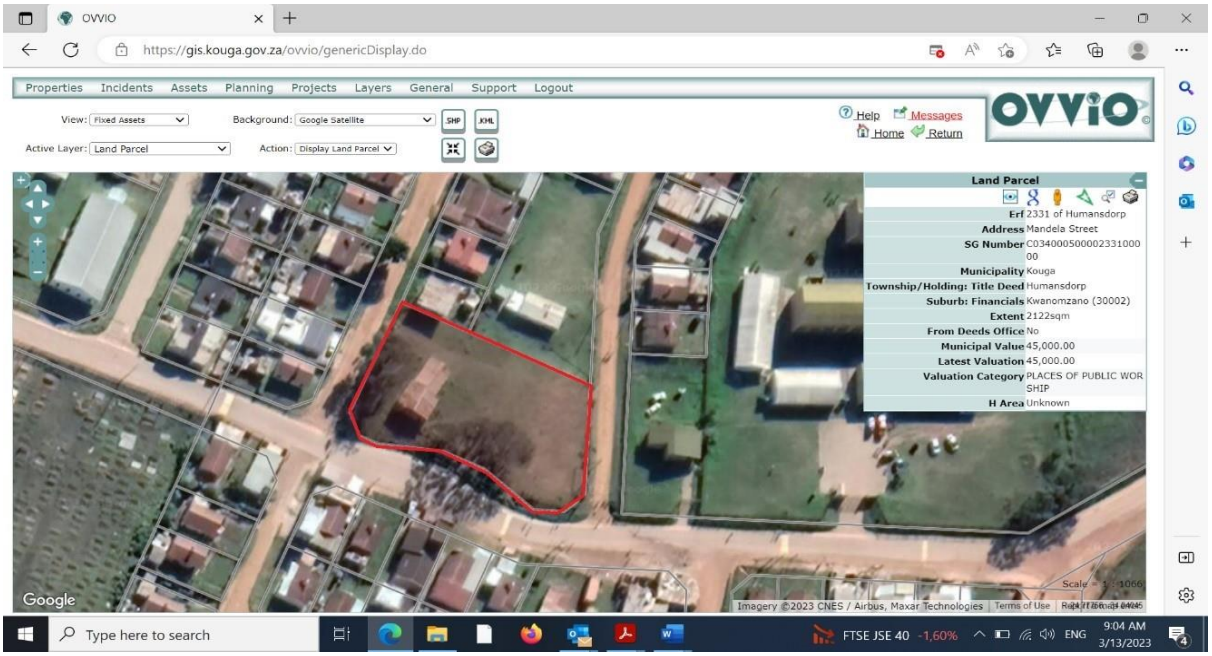
Disposal of Erf 137, Pellsrus – Mr. Lizo Patrick Letsekha (through EEDBS) - The disposal of Erf 137, Pellsrus to Mr. Lizo Patrick Letsekha will be concluded through EEDBS programme of Human Settlements.



Disposal of a portion of Erf 164, Jeffreys Bay – Eskimo Pie (The Mexican) - The disposal of a portion of Erf 164, Jeffreys Bay to Eskimo Pie (The Mexican) was concluded in March 2024.



Disposal of Erf 2331, Humansdorp (Kwanomzamo) - New Gospel Church - The disposal of Erf 2331, Humansdorp to New Gospel Church was concluded in May 2024.



Successful disposal and transfers

Erf No	Ward No	Resolution No	Disposal Method	Use	Amount
Erf 288, 331, 336, 341, 342, 4359 to 4368, Hankey	13	20/10/PD10	Permanent disposal	Agriculture (Citrus)	R2,035 500.00.
Erf 13, Aston Bay	2	23/05/PDT10	Permanent disposal	Residential	R207, 000.00
Erf 610, Aston Bay	2	23/05/PDT10	Permanent disposal	Residential	R155, 250.00
Total					**R2, 397 750.00**

Land Acquisitions

Erf No	Ward No	Resolution No	Disposal Method	Use	Amount
Farm 449 portion 20, Uitenhage RD (Thornhill)	7	23/10/PD41	Acquisition (HDA)	Integrated residential development	R6,000 000.00

Leases

The Department is also responsible for concluding new leases on municipal land as well administering current leases. There are currently 61 leases that is being administered.

Please find below a table of the municipal properties leased:

Leasing Entity	Account Number	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
Milton Farmers Association	2000017158	Agricultural	Ptn Of Farm 17, Hankey	10 March 2023	9 March 2026	Y	2,500.00	Y
Total							**2,500.00**	

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
Minet Networks	Commercial elecom /Towers	Erf 745, Portion 103, Sea Vista	17 May 2021	16 May 2024 Renewal In Progress	Y	0.00	Y
Minet Networks	Commercial elecom /Towers	Erf 2088, Humansdorp	17 May 2021	16 May 2024 Renewal In Progress	Y	0.00	Y
Minet Networks	Commercial elecom /Towers	Erf 1455, Hankey	17 May 2021	16 May 2024 Renewal In Progress	Y	0.00	Y
Minet Networks	Commercial elecom /Towers	Erf 5903, Jeffreys Bay	17 May 2021	16 May 2024 Renewal In Progress	Y	0.00	Y
High Five Solar T/A Cape Carbon	Commercial	Erf 499, Humansdorp	1 September 2020	31 July 2030	Y	3,450.00	Y
Oasis Fm	Commercial	Erf 5830, Jeffreys Bay	18 September 2020	17 September 2023 Renewal In Progress	Y	4,400.00	Y
Lerizo International Investment Cc	Commercial	Erf 32, Loerieheuwel	8 June 2021	7 June 2024	Y	270.00(329.13)	Y
Lerizo International Investment Cc	Commercial	Erf 259, Patensie	8 June 2021	7 June 2024	Y	320.00(339.20)	Y
Lerizo International Investment Cc	Commercial	Erf 7294, Jeffreys Bay	1 September 2021	30 August 2024	Y	960.00(1170.24	Y
Lerizo International Investment Cc	Commercial	Erf 1826, Hankey	14 May 2021	13 May 2024	Y	280.00(341.32)	Y
Jc Vorster	Commercial	Erf 275, Humansdorp	26 May 2021	25 May 2024 Renewal In Progress	Y	2000.00	Y
Limitless Racing Group	Recreational	Erf 150, Oyster Bay	N/A	September 2023	Y	7,600.00	Y
Jeffreys Bay Golf Club	Recreational	Erf 873, Jeffreys Bay	22 June 2021	22 May 2031	Y	7,460.00	Y

T. A. Bamba	Commercial	Erf 4833, Kruisfontein	20 October 2022	19 October 2025	Y	120.00	Y
Bet-El Revival Centre	Recreational	Erf 6199, Kruisfontein	7 April 2022	6 April 2025	Y	560.00	Y
Little Urchins Montessori Culture	Primary Private School	Erf 3087, Sea Vista	14 February 2021	13 February 2022 Renewal In Progress	Y	2800.00	Y
Impact Centre	Recreational	Erf 7293, Jeffreys Bay	23 January 2023	22 January 2026	Y	330.00	Y
Total						**30200.00**	

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Annual Rental Amount	Billing in place (Y/N)
Jeffreys Bay Educare	Creche	Erf 33 Pellsrus	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Bimbo Creche	Creche	Erf 85 Kruisfontein	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Eldrid Groep Creche	Creche	Erf 1568 Pellsrus	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Tokyo Sexwale Creche	Creche	Erf 492 Pellsrus	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Mkhuseli Koliti Creche	Creche	Erf 74 Thornhill	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Umzamomhle Creche	Creche	Erf 2236 Hankey	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Phillipsville Creche	Creche	Erf 15 Hankey	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Loerieheuwel Creche	Creche	Erf 47 Loerie	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Kabouter Hess & Free Creche	Creche	Erf 1057 Patensie	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Noxolo Creche	Creche	Erf 570 Patensie	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Noah's Arch Creche	Creche	Erf 190 Pellsrus	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Haasbekkies	Creche	Erf 5060 Kruisfontein	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Kokkewiet Speelskool	Creche	Erf 500 Oyster Bay	1 September 2018	Long Term Lease In Progress	Y	10.00	Y

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Annual Rental Amount	Billing in place (Y/N)
Dinky Dot Creche	Creche	Erf 1853 Kruisfontein	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Nkqubela Creche	Creche	Erf 2739 Humansdorp	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Ethembeni Day Care	Creche	Erf 2014 Hankey	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Masikhule Creche / Pre School	Creche	Erf 1301 Humansdorp	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Siembamba Creche	Creche	Erf 2 Kruisfontein	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Madiba Bay Creche	Creche	Erf 1244 Pellsrus	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Disney Creche	Creche	Erven 2596, 2597, 2598 Sea Vista	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Total						**200.00**	

Leasing Entity	Type	Property Description	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
L September	Municipal Houses	Erf 6175: 6 Christiaan Street, Jeffreys Bay	Month To Month	Y	9,150.00	Y
F Windvogel	Municipal Houses	Erf 187: 31 Seekat Street, Pellsrus	Month To Month	Y	1168.96	Y
WB Bosch	Municipal Houses	Erf 1044: 11 Palma Road, Sea Vista	Month To Month	Y	2936.86	Y
NA Malgas-Goeda	Municipal Houses	Erf 2293: 154 St Francis Drive, Sea Vista	Month To Month	Y	9150.00	Y
Vacant	Municipal Houses	Erf 2291: 2 Diana Road, Sea Vista	N/A	N/A	N/A	N/A
Vacant	Municipal Houses	Erf 1053: 12 Majorca Crescent, Sea Vista	N/A	N/A	N/A	N/A
LR Vaaltyn	Municipal Houses	Erf 437: Voortrekker Road, Humansdorp	Month To Month	Y	1013.98	Y
Vacant	Municipal Houses	Erf 440: Voortrekker Road, Humansdorp	N/A	N/A	N/A	N/A
B Jafta	Municipal Houses	Erf 13: Patensie	Month To Month	Y	1347.74	Y
DF Swepu	Municipal Houses	Erf 1324: Kwanomzamo, Humansdorp	Month To Month	Y	1316.04	Y
SRr Smit	Municipal Houses	Erf 543: Hankey	Month-To-Month	N/A	1,275.00	N/A

Leasing Entity	Type	Property Description	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
MM Van Der Merscht	Municipal Houses	Erf 543: Hankey	Month To Month	Y	1275.00	Y
Total					**28,633.58**	

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
Heritage Centre Harbour Road	Recreational	Erf 2116, Sea Vista	1 July 2019	31 May 2029	Y	1,950.00	Y
A Petersen Brand-On	Business	Erf 2360, Kruisfontein	October 2020	September 2023	Y	170.00	Y
M & J Enterprises	Storage	Erf 2094, Humansdorp	15 December 2021	15 November 2030	Y	4,400.00	Y
Total						**6,520.00**	

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount
Jbay Animal Rescue	Animal Rescue	Erf 8783, Jeffreys Bay	9 September 2020	8 September 2023	Y	Right To Use
Paradise Beach Airfield	Ppp	Erf 1373, Paradise Beach	N/A	N/A	Y	Right To Use
Gam-Inqua Khoisan Tribal House	Tribal House	Ptn 2 Of Farm 781	June 2021	May 2024	Y	Right To Use
Gam-Inqua Khoisan Tribal House	Tribal House	Ptn Of Erf 2	June 2021	May 2024	Y	Right To Use
Red Lions Rugby Club	Recreational	Erf 515, Hankey	29 April 2019	31 May 2029	Y	Right To Use
Red Lions Rugby Club	Recreational	Erf 512, Hankey	29 April 2019	31 May 2029	Y	Right To Use
Supertubes Surfing Foundation	Nursery	Erf 2716, Jeffreys Bay	2 September 2021	1 September 2024	Y	Right To Use
Jbsd T/A Hydro Rubber	Maintaining Property	Erf 445, Jeffreys Bay	3 August 2021	2 August 2024	Y	Right To Use
P. J Coetzee	Agricultural	Erf 5465, Jeffreys Bay	Lease Expired	Month To Month	Y	Right To Use
Aston Bay Rate Payers And Residents Association (Abrra)	Community Hall	Erf 315, Aston Bay	29 July 2022	29 June 2032	Y	Right To Use
Patensie Piggery Farming Group	Land Use	Erf 223, Patensie			Y	Right To Use
Total						**0.00**

Application for Alienation (Lease) of the following municipal owned properties in progress:

APPLICATION DETAILS	APPLICATION TYPE - LEASE	AGREEMENT DRAFTED AND SIGNED	START / END DATE	RESOLUTIONS	COUNCIL RESOLUTION (IN-PRINCIPLE/FINAL)
A portion of Erf 835, Paradise Beach (Telecommunication Mast) for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD26**	27-Mar-24
A portion of Erf 1244, Pellsrus for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD16**	27-Mar-24
Erf 1567, Pellsrus for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD11**	27-Mar-24
A portion of Erf 1996, Sea Vista (Telecommunication Mast) for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD27**	27-Mar-24
Erf 3087, Sea Vista for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD28**	27-Mar-24
Erf 130, Pellsrus for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD22**	27-Mar-24
A portion of Erf 164, Jeffreys Bay for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD25**	27-Mar-24
A portion of Erf 164, Jeffreys Bay (Telecommunication Mast) for 9 years and 11 months	X	NO	9Y 11M	**IN-PRINCIPLE**	27-Mar-24
A portion of Erf 164, Jeffreys Bay (Sea Rescue) for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD24**	27-Mar-24
Erf 843, Jeffreys Bay for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD13**	27-Mar-24
Erf 1160, Humansdorp for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD12**	27-Mar-24
Erf 7263, Jeffreys Bay (Oceanview) for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD29**	27-Mar-24
A portion of Erf 1, Erf 2084, 2085 and a portion of Erf 2077 (Road), Humansdorp for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD15**	27-Mar-24

APPLICATION DETAILS	APPLICATION TYPE - LEASE	AGREEMENT DRAFTED AND SIGNED	START / END DATE	RESOLUTIONS	COUNCIL RESOLUTION (IN-PRINCIPLE/FINAL)
A portion of Erf 2, Kruisfontein for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD14**	27-Mar-24
Erf 7292, Jeffreys Bay (Oceanview) for 9 years and 11 months	X	NO		**24/03/PD30**	27-Mar-24
A portion of Erf 300, Patensie	X			**IN-PRINCIPLE**	
Erven 27, 28, 29 and 30 Loerieheuwel	X	NO	9Y 11M	**23/10/PD47**	27-Oct-23
A Portion of Erf 231 and erven 36 and 37, Pellsrus	X	IN PROGRESS	9Y 11M	**24/02/PD9**	28-Feb-24
Erf 2330, Humansdorp (Moravian Church)	X			**23/04/PD8**	31-Aug-23
A portion of Erf 873, Jeffreys Bay - Renewal of Vodacom Lease		NO	9Y 11M	**23/08/PD5**	31-Aug-23
A portion of Erf 406, Paradise Beach - Renewal of Vodacom Lease	X	NO	9Y 11M	**23/08/PD7**	31-Aug-23
A portion of portion 72 of Farm 746, Humansdorp RD - Renewal of Vodacom Lease		NO	9Y 11M	**23/08/PD6**	31-Aug-23
A portion of Erf 499, Humansdorp - CD Freight (Truck Stop)	X	NO	9Y 11M	**23/10/PD45**	27-Oct-23
Erf 440, Humansdorp (Humansdorp Museum)	X	NO	9 Y 11M	**24/02/PD8**	28-Feb-24
Sale of Vacant Municipal Land				**IN-PRINCIPLE**	27-Mar-24
Portion 7 of farm 688 Humansdorp RD (Geelhouteboom) Emerging Farmers				**IN-PRINCIPLE**	27-Mar-24
ECDC's	X	NO	9Y 11M	**24/03/PD31**	27-Mar-24

Strategic Objectives and Considerations - The Department has established the Land Evaluation Committee (LEC) in February 2023 which consist of relevant service departments and recommends on applications received for municipal land.

The LEC considers the applications received informed by the section 14 confirmations by the service department. The comments flow to the Portfolio Committee in the form of an item for in-principal approval after which the public participation calling for comments or objections on the application received. The committee has had several meetings since its establishment to deal with the large number of applications.

The LEC not only considers application per desktop study, but also performs in loco inspection where necessary to conduction investigation on the actual location in order to provide substantial consideration for the evaluation of applications.

The LEC on in loco inspections





A moratorium on land was placed until 30 June 2024 and during that time, the Department successfully dealt with the implementation of current and historic council resolutions, which was never finalized.

An example of this is Patensie erven that were purchased by the community as far back as 1993, but never transferred and we are awaiting Council's final approval to conclude the transfers.

The Department also addressed land for churches and the Council will approve the final list once the valuations have been received.

Another critical consideration is addressing issues regarding land availability for commonages. Our department, in consultation with DRDAR, are assessing the agricultural zoned land of Council, where an application will be tabled before Council for formalization of the agreements with Emerging farmers in the area.

The Department are looking into available land belonging to other spheres of Government. To deal effectively with the available land, the Department together with the Economic Development Department are working on the Commonage Management Plan.

We also want to work closer with the Provincial Department of Rural Development and Agrarian Reform to support and assist emerging farmers by tapping into funding opportunities.

The Department want to embark developing a land management strategy for all its available land in order to deal in a more effective manner with its assets and provide an improved service to the communities.

Highlights & Achievements 2023/24 - Because the Land and Property Administration Department connects all elements on which land has a bearing including systems of property acquisitions, tenure, programs, spatial demarcation, and regulation of land use which ae informed by the strategic objectives of the municipality's approved SDF and IDP. The Land and Property Administration Team with the Legal Team found it sought to request specialised opinion and recommendation from SALGA on the current municipal and Property Policy. Salga analysed the policy, and the municipal was commended for its policy as it received positive recommendations from SALGA.

The Land and Property is faced with understaffing, where components are fully fledges moreover on the line of acquisition there is not a warm body allocation. Current staff must extend themselves to fulfil this function.

The Land and Property Administration Team has set to correct registration of properties that should be in the name of local communities as correcting of registration will enable Kouga Municipality to account for the properties and rectify tenure as well as increase its Revenue.

Because there is no standard format for rectifying tenure and various departments and entities have their own guiding policies, the Legal and Property Administration must draw proposals or succumb to required processed per entity. The Land and Property department has recently referred a proposal to the Department of Public Works for the acquisition of Erf 676 and 1771 – 1775 Pellsrus as it aim to rectify tenure.

After the submission of the proposal the Department of Public Works conducted a site inspection for the properties requested and is currently in progress. This will assist communities to take ownership of properties and contribute to the municipalities revenue base through rate collection.

Another highlight was the recent support received from **ECCoGTA** in Surveying properties (26 June 2024 – 28 June 2024) in previously disadvantaged areas where encroachments exist that can only be rectified by the survey of a property to determine the correct extend and boundaries of a property.

COMPONENT I: HUMAN SETTLEMENTS

3.21 HUMAN SETTLEMENTS

Introduction - The Eastern Cape Department of Human Settlements (ECDHS) and Kouga Local Municipality have successfully worked together in human settlement projects in the area. Most of the projects that were undertaken a few years ago are

completed. The ECDHS intervened to unlock certain infrastructure challenges and experiences for future Human Settlement developments in Hankey, Patensie and Jeffreys Bay. The Municipal Human Settlements Section is busy with the implementation and reviving of several Housing Projects.

Kouga Local Municipality was also appointed as implementing agent for Upgrading of Informal Settlements. The Informal Settlements that will benefit in respect of the Informal Settlements Upgrading Programme includes the following:

- Polar Park (257) Informal Settlement
- Polar Park (553) Informal Settlement
- Shukushukuma 93 Informal Settlement
- Bungalows 103 Informal Settlement
- Donkerhoek 363 Informal Settlements
- Ocean View 1250 Informal Settlement
- No R10 Informal settlement (191)
- Thornhill 160 Informal Settlement
- Cyril Ramaphosa 278 Informal Settlements.

Projects - During the past financial year, the good strides were made in terms of the unlocking of number of formal Housing projects, which includes the following Projects:

- Hankey 990 (919)
- Ocean View 1500 (Phase 1 & Phase 2)
- Appointment of service providers
- Informal settlements survey (SURVEY 123)

Ocean View 1500 Housing Project

- Provincial Department of Human Settlements has terminated the contract of Kontinental Engineers who was responsible for the construction of Phase 1 (200) Top-structures, and they then appointed two (2) Service Providers for phase 1 (368) and Phase 2 (200) Top-structures.
- After overcoming several delays, the Ocean View Housing Project – one of ten Human Settlement Projects approved by the Department of Human Settlements in 2009 – is set to recommence with renewed vigour at a combined cost of R144.2 million.
- The project will see the construction of 568 houses at a cost of R94.5 million, while the bulk infrastructure – including sewer, water, and electricity – was installed at a cost of R50 million in 2021, ensuring the necessary foundational services are in place for 1 186 sites.
- Some 100 of these houses will be constructed by local Small, Medium, and Micro Enterprises (SMMEs) at a total monetary value of R16.6 million.
- The two (2) appointed Contractors for phase 1 and phase 2 is Upahla Construction and Imvu Construction Group.

Hankey 990 Housing Project - The Hankey 990 Housing Project initially encountered delays due to the slow progress of the appointed service provider responsible for the installation of internal services, compounded by the cash flow problems. The issues led to the termination of the initial contract and the procurement of a new service provider. Rudcor Engineering was appointed on 19 April 2024 for the installation of internal services to a total contract value of R 17 million. The contractor started was appointed for six (6) months.

The Eastern Cape Department of Human Settlements (ECDHS) also appointed LM Developments to start with the construction of three hundred (300) top- structures as phase 1 in the Hankey 990 Project. Construction of the 300 top-structures will commence at the end of August 2024.

The project will see the long-awaited construction of 300 hundred houses at a cost of R 49.8 million. The project will be executed in multiple phases. Phase 1 aim to eradicate the current informal settlement, relocating of all approved beneficiaries, including those from Stofwolk to formal housing. Special consideration will be given to disabled and elderly beneficiaries. The Kouga Human Settlements Department also started with the capturing of beneficiaries on the Housing Subsidy System and up to date 264 beneficiaries are approved on the HHS system.

Appointment of GAP Infrastructure Corporation - Gap Infrastructure Corporation was appointed by the Eastern Cape Department of Human Settlements on 28 September 2023 as a Turnkey Service Provider for town planning services, design, and installation of internal services to 25 000 sites at various in the Eastern Cape Province. One of the identified areas that GIC will be responsible for is the new acquired Geelhoute Farm. The Municipality are in the process to relocate the current occupiers next to the Kwanomzamo Sewer Plant to a portion of the Geelhoudte Farm.

GIC is currently busy with a feasibility study, and they appointed SETPLAN to determine the number of stands that can be accommodated for this specific project. The appointment of GIC is for the following services, namely:

- Town Planning Services
- Design
- Installation of Internal Services

Informal Settlements Surveys (Survey 123) - The Human Settlements Department has recently transitioned from paper-based data collection to a digital system using Survey 123.

The significant shift ensures that no data is lost, and that accurate information is captured by field workers. The new system is aligning with the National Housing Needs Register (NHNR) and supports inter-departmental planning by providing reliable data. Once captured, the data is stored in the cloud making it easily accessible and analysable. As part of the transition, the Municipality has appointed 15 interns to assist with the verification in all informal settlements.

The Hankey 990 Housing Project – one of ten significant Human Settlement Projects approved by the Department of Human Settlements in 2009 – is back on track.

After overcoming several challenges, construction is now set to commence at the end of August 2024.

The project will see the long-awaited construction of 300 houses at a cost of R49.8 million. Kouga Municipality, appointed as the implementing agent for service installations, has already completed the bulk infrastructure phase, including sewer, water, and electricity, at a cost of R49 million.

After overcoming several delays, the Ocean View Housing Project – one of ten Human Settlement Projects approved by the Department of Human Settlements in 2009 – is set to recommence with renewed vigour at a combined cost of R144.2 million.

- **(NUSP) Programmes -** Kouga Municipality submitted a claim to the Provincial Department of Human Settlements (PDoHS) to be re-imbursed for work done in the nine (9) informal settlements identified for the upgrading of informal programme. On 7 March 2024 the PDoHS re-imbursed the Kouga Municipality for work done, and an amount of Sixteen Million, Three Hundred and Twenty-Seven Thousand, Three Hundred and Sixty Rand and Nine cents (R 16 327 360.09) was paid into the account of the Municipality.

  On 21 August 2023, Kouga Municipality was appointed by the Provincial Department of Human Settlements as Implementing Agent (IA). The total value of this appointment is sixty-eight million nine hundred and sixty-eight thousand seven hundred and eighty-one rand and no cents (R 68 968 781) Vat zero rated.

This appointment is for the installation of permanent services in the identified informal settlements. The Human Settlements section in collaboration with the Project Management Unit of the Municipality are currently busy with business plans and for

the appointment of consultants to start with planning processes in all the identified informal settlements.

Annual Performance as per Key Performance Indicators in Human Settlements Services

	Indicator name	Total number of house- holds / 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%	7427	100	100	100%
2	Percentage of informal settlements that have been provided with basic services	100%	7427	5450	5450	100%
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	100%	8997	520	520	100%

Highlights & Achievements 2023/24 - During the 2023/2024 financial year the Human Settlements Department was fortunate that several projects was approved by the Eastern Cape Department of Human Settlements which includes the following:

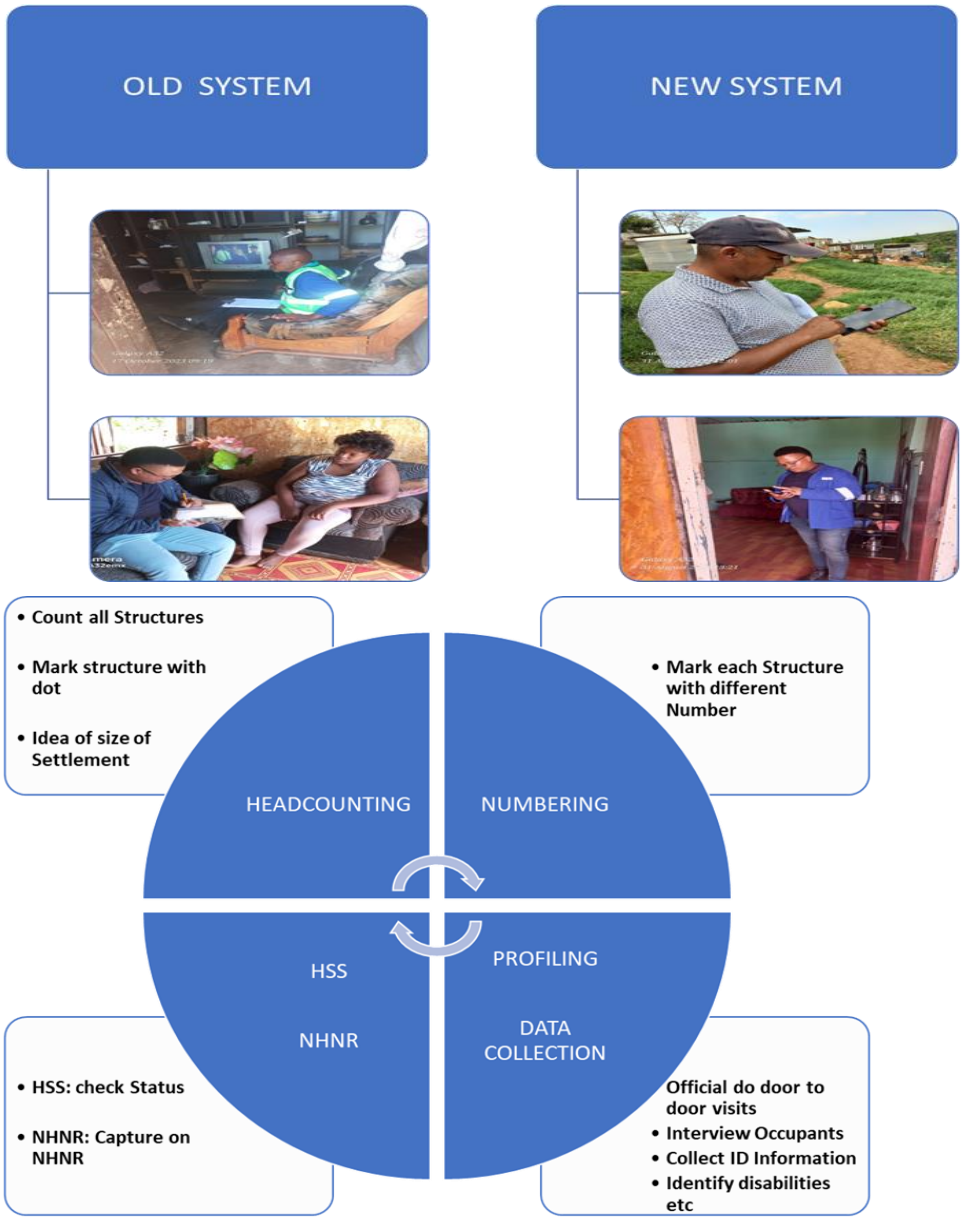
- Appointment of Kouga Local Municipality as Implementing Agent for the Informal Settlement Upgrading Programme with a total value of this appointment is sixty-eight million nine hundred and sixty-eight thousand seven hundred and eighty-one rand and no cents (R 68 968 781) Vat zero rated.

- Re-imbursement of Sixteen Million, Three Hundred and Twenty-Seven Thousand, Three Hundred and Sixty Rand and Nine cents (R 16 327 360.09) for work done by the Municipality in Informal Settlements.
- The appointment of two (2) contractors for the construction of 568 top-structures in the Ocean View Housing Project (Phase 1 and Phase 2)

- The appointment of LM Contractors for the Construction of 300 Top-structures in Hankey as a Phase 1.

- The appointment of RUDCOR Engineering for the installation of Internal services as Phase 2 in the Hankey 990 Housing Project

- Human Settlements transition to digital data collection.



Municipal Streets Naming and Streets Renaming - Street Naming Committee meeting was held on the 28th of June 2023. The committee facilitates the naming and renaming process. The committee also deals with all applications, submissions, and reports pertaining to the naming and renaming of street within the Municipality's jurisdiction. GIS Unit updated maps with proposed street names and numbering as per the submissions from Ward Councillors, developers, and the public in respect of the committee meeting. Preparation of the agenda and coordination of the meeting was the responsibility of the GIS Unit. In line with GIS responsibilities, minutes were compiled and distributed to committee members, and the final recommendations and reports have been submitted to Portfolio Committee for approval.

The following proposals for street names were received by the Portfolio Committee:

Ward 6 Committee: Proposed Street Names for Kwanomzamo (Humansdorp)

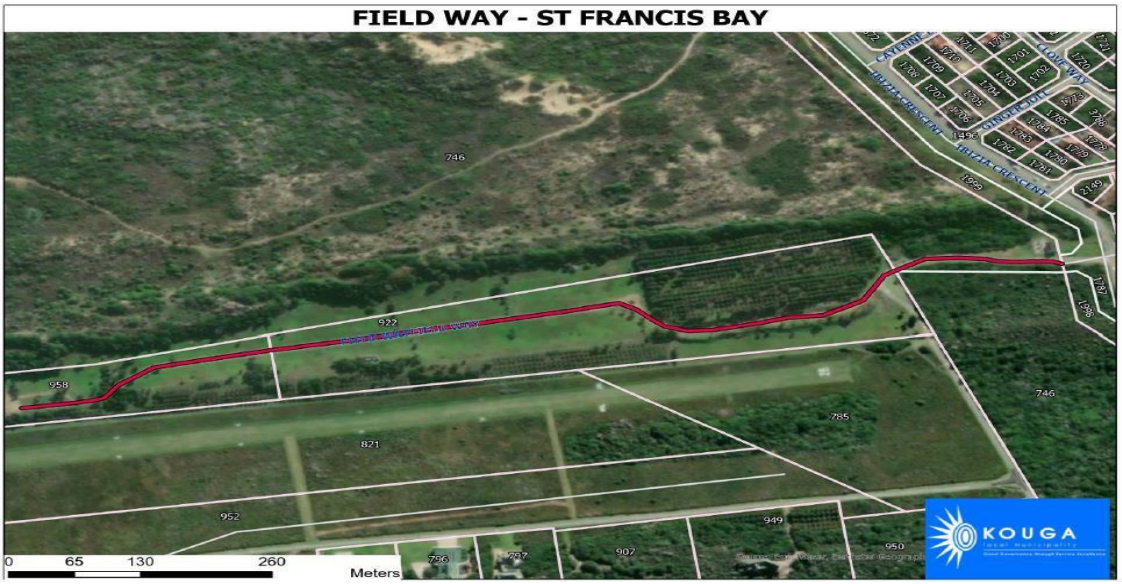
- *P.X. Mabindla Road, Mxolisi Swepu Road, A. Mlindazwe Street, S. Mpevana Street, Lindi Street, Ndlovu Street, Mpemvu Street, Dlamini Street, Ndzeya Street, Mpondo Street, Jola Street, Tabata Street, Tana Street, Siheula Street, Lengs Street,Dlamini Street,Jackie Phiri Street ,Noma Street, Hermanus Street, Nodaka Street, Dlova Street, Mamatu Street, Jali Street.*



Fig Tree Estate: Proposed Street Names within the estate in Jeffreys Bay

Rockfig, Wildfig Close, Clusterfig Close, Figtree Avenue, Waterfig Avenue, Mountainfig Avenue

Mr Krüger: Proposed Street Name in St Francis Bay*Field Way*



COMPONENT J: CORPORATE SERVICES

3.22 OVERVIEW OF CORPORATE SERVICES

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.

3.22.1 TARGETS AND ACHIEVEMENTS

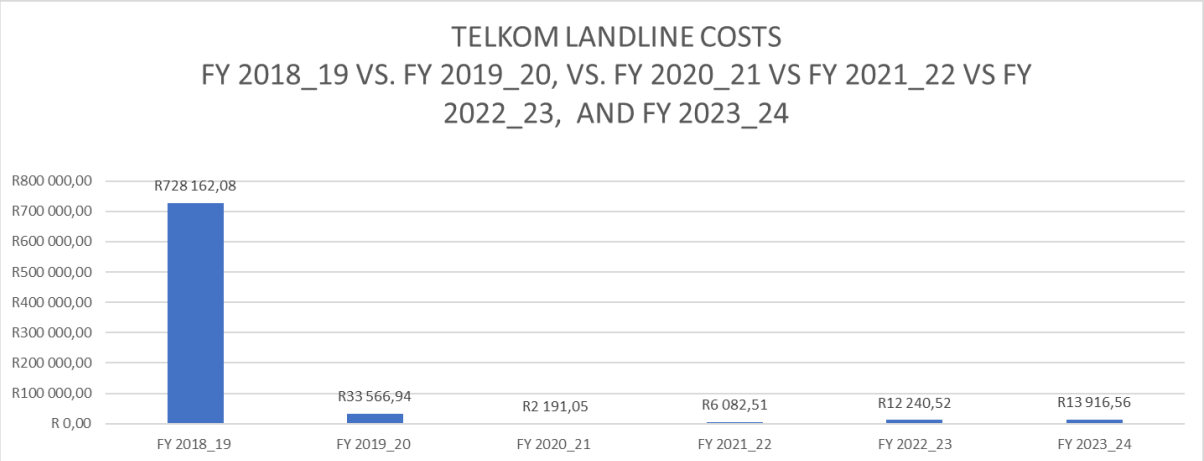
DEPT. ANNUAL TARGETS	ACHIEVEMENT 2023/24	ACHIEVEMENT 2022/23	ACHIEVEMENT 2021/22	COMMENT
Imaging and storage of Records	The registry section has scanned all securities.	None for the FY. For the new FY 2023/24, The registry section will embark on a project to verify, scan and profile securities (title deeds/agreements/leases agreements), to assist the Town planning section.	To date 4,355,098 documents scanned and imaged documents	Achievement completed
Reduction of Telkom phone bill by R60 000 per month	The Telkom bill remains decreased, compared to FY 2018/19 vs. FY 2023/24 the bill has decreased to date by 98%	Target achieved	Target achieved	Achievement completed
Acquire New copier/printers and related equipment	Since roll out of new Tender, the cost of printing has decreased significantly by -46%.	Tender has been awarded and roll out of printers has taken place.	During FY 2020/21 to FY 2021/22 the cost of printing has increased by 19% due to high volume printing by certain departments. A new printing tender is to be advertised.	Achievement completed
Acquire new Cell phones	Tender awarded and roll out successful.	Tender for FY 2022/23 has been advertised, award to take place in FY 2023/24	Current contract still in use.	Achievement completed
Call Centre (Service Delivery)	For the FY 2023/24 Reported service delivery requests Increased significantly compared to the 2022/23 FY It must be noted that for the 2023/24 FY since the call centre has started coordinating suction services activities a resolution rate of 90% has been maintained to date.	For the FY 2022/23 Reported service delivery request increased by 31% compared to the 2021/22 year	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.	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	For the FY 2022/23 vs. FY 2023_24, repairs and	On-going repairs and maintenance to	On-going repairs and maintenance to Ward Cllr	On-going repairs and maintenan

DEPT. ANNUAL TARGETS	ACHIEVEMENT 2023/24	ACHIEVEMENT 2022/23	ACHIEVEMENT 2021/22	COMMENT
	maintenance costs has increased by **14%.**	Ward Cllr Offices and Administrative Buildings. As at FY 22/23 R942 243,77 has been spent on building maintenance	Offices and Administrative Buildings. As at 21/22 FY R1 883 193,08 has been spent on building maintenance.	ce to Ward Cllr Offices and Administrative Buildings.
Committee web based and EDRMS system	Tender advertised and awarded as at end June 2024. To complete workshops and training with staff for new FY 2024_25	To go out on tender for a system that can assist committees with automated agendas, resolution tracking and to assist registry with a EDRMS system	None	Tender awarded to roll out training. On-going
Foyer Renovation	Renovation of Jeffreys Bay Foyer to improve customer experience	None	None	Target achieved
DMS	To implement a call centre incident system and customer care app. As at end June 2024 workflows completed for system, to plan roll out, training and workshop for new FY 2024_25	None	None	On-going

Below graphs indicates targets met during FY 2023/24 and indicates a comparison on previous Financial Years.

TELKOM LANDLINE COST

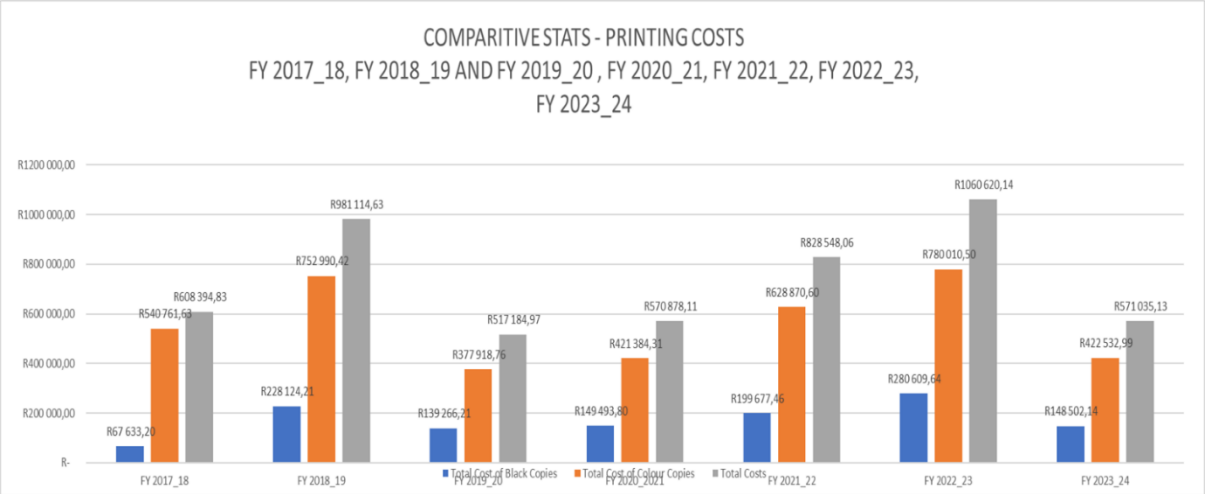
GRAPH 1:



The total Telkom landline costs between FY 2018/19 vs. FY 2023/24 has decreased significantly with 98%.

YEAR ON YEAR COMPARATIVE PRINTING STATS - FY 2017/18 to 2023/2024

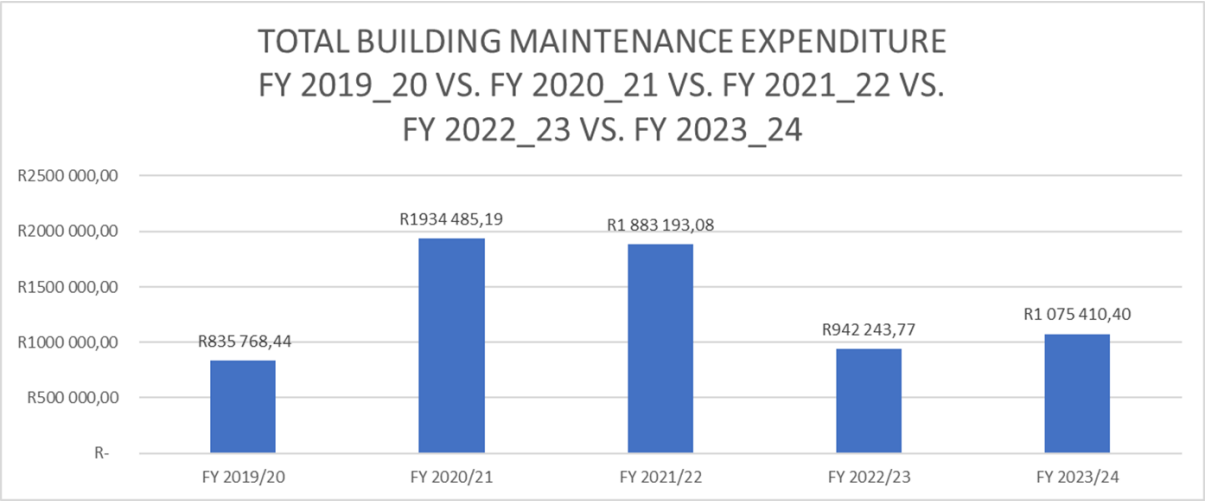
GRAPH 1:



For the FY 2022/23 VS FY 2023/24, the cost of printing has decreased significantly by -46%.

BUILDING MAINTENANCE EXPENDITURE– FY 2019/2020 VS FY 2020/21 VS FY 2021/22 VS FY 2022/23 VS FY 2023/24

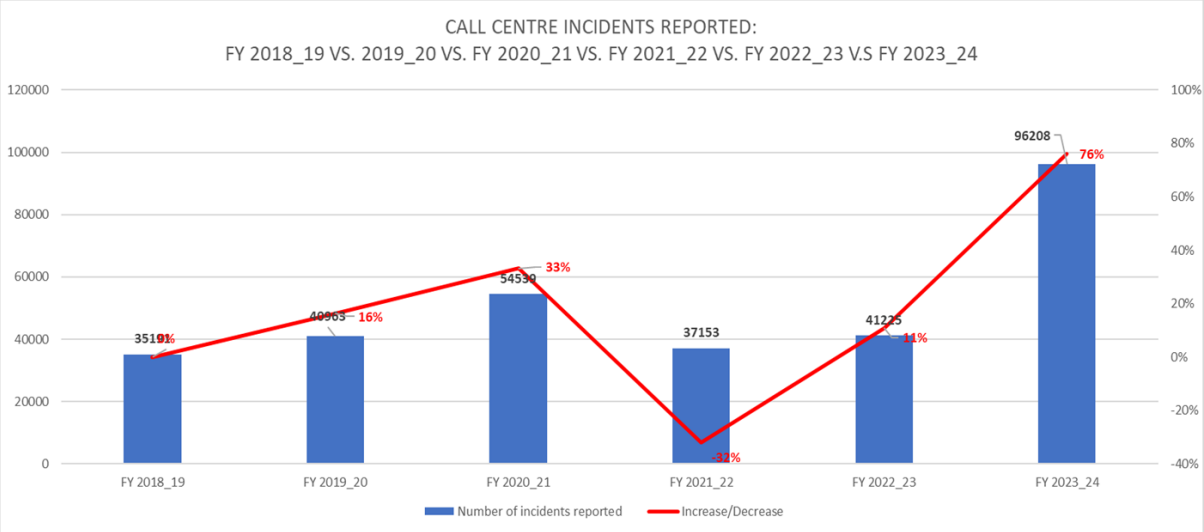
GRAPH 1:



For the 2023/24 financial year R 1075 410,40 had been spent on Administrative Buildings and Ward Offices.

3.22.2 CALL CENTRE STATISTICS

GRAPH 1:



COMPONENT K: LEGAL SERVICES

3.23 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, regulations, 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 ensuring legally compliant council resolutions resolved on by Council, avoiding litigation, mitigating legal risks, and safeguarding the municipality's interests.

Highlights

Highlight	Description
Functional Legal Services Department	No formal appeals lodged against the municipality regarding the award of tenders.
	The municipality once again managed to reduce contingent liability.
	Thanks to an ongoing strong HR component, Labour matters 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

Highlight	Description
	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 have been reviewed and/or approved in the 2023/24 financial year. The department looks forward to the reviews of outdated by-laws and policies in the coming financial year, this is an ongoing exercise with the intention of updating the Municipal Code in line with the changing legislation, local government environment and precedent setting court judgements.
Panel of Legal Services Providers and legal matters instituted against the municipality	A new procurement process will be embarked upon in the 2024/25 financial year due to the termination of the 3-year contract period of the previously established Panel of Legal Service Providers.
	The municipality started the year off with eleven (11) litigation matters instituted against the municipality and closed the year off with 9() matters instituted against the municipality, and of which one (1) matter was a new matter, and which has been resolved by the end of the financial year.

REGISTER OF LEGAL SERVICE PROVIDERS 2021/22				
SERICE PROVIDER	**CONTACT PERSON**	**CONTACT NUMBER**	**EMAIL**	**POSTAL & PHYSICAL ADDRESS**
Siyatemba Sokutu Attorneys inc	Mr. Sokutu	043 735 1312 082 608 1093	april@solutuattorneys.co.za	PO Box 8151 Nahoon, East London, 5210 Unit 1 Kennington rd. Nahoon
Kuban Chetty Inc	Mr. Kuban Chetty / Jenna Thomas	413 731 706	kuban@kubanchettyinc.com	163 Cape Road Mill Park Gqeberha 6001
Lulama Prince Inc	Mrs. Prince	041 484 1004 061 416 4214	lulama@lulamaprince.co.za	PO Box 27696 Greenacres 6050 184 Cape rd. Mill Park Gqeberha

REGISTER OF LEGAL SERVICE PROVIDERS 2021/22				
SERICE PROVIDER	**CONTACT PERSON**	**CONTACT NUMBER**	**EMAIL**	**POSTAL & PHYSICAL ADDRESS**
Fredericks Inc	Mrs. Fredericks	041 363 8506 082 612 1657	tasneem@fredericksinc.co.za	43 Parliament Street, Central Gqeberha 6000
McWilliams & Elliot Inc	Mr. Imraan Petersen / Sebastiaan Marx	041 582 1250 041 585 1274 041 585 3615 082 330 1177 078 099 4397	imraan@mcwilliams.co.za sebastiaan@mcwilliams.co.za	PO Box 45 Gqeberha 6000 152 Cape Road Mill Park
C W Malan Jeffreys Bay Inc	Mr. Rencke de Swardt	042 293 1053 042 293 2693	comalan@intekom.co.za rencke@comalan.co.za amanda@comalan.co.za	PO Box 273 Jeffreys Bay 6330 15 Oosterland Street Jeffreys Bay
Bonqwana Burns Inc	Mr. Shane de Beer	041 364 2039 065 932 0568	shayne@bonqwanaburns.com	Boqwana House, 84 6th Avenue Newton Park, Gqeberha 6000
Karsans Inc	Manoj Karsan	041 991 1320 082 881 0965	mkarsan@karsans.co.za	235 Caledon Street, Central Kariega 6230
Labuschagne van der Walt Inc	Mr. Tewis Labuschagne	041 582 2069 086 669 1511 083 304 4590 084 441 7289	info@lvdw.co.za	PO Box 70541 The Bridge Gqeberha 6032 6 Cuyler Street Central Gqeberha
Goldberg de Villiers Inc	Ms. Tracey-lee Mouton	041 501 9800 041 585 1076	traceym@goldlaw.co.za	13 Bird Street Central Gqeberha 6001
Billet Gouws Attorneys	Mr. John Billet	042 293 0191 081 049 5198, 082 874 0096	john@billettgouws.co.za elizna@billettgows.co.za info@billetgouws.co.za	PO Box 1651 Jeffreys Bay 6330 Global Star House, Unit 1 top floor 79 Ga Gama road, Jeffreys Bay
BLC Attorneys	Ms. Delia Chamberlain	041 506 3700 082 745 4596	stifloen@blclaw.co.za	4 Cape Road Central Gqeberha 6001

REGISTER OF LEGAL SERVICE PROVIDERS 2021/22				
SERICE PROVIDER	**CONTACT PERSON**	**CONTACT NUMBER**	**EMAIL**	**POSTAL & PHYSICAL ADDRESS**
Bate, Chubb & Dickson	Ashley Kretzmann	043 701 4500 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
Note: Spangenberg Attorneys is not part of the Panel but is finalizing a historical matter				
Spangenberg Attorneys	Mr.Hein Spangenberg	042 291 1144 082 820 7007	hein@hjsproc.co.za	PO Box 501 Humansdorp corner of Du Plessis & Kemp Street Humansdorp 6300

COMPONENT L: INFORMATION COMMUNICATION TECHNOLOGY

3.24 ICT GOVERNANCE



Kouga Local Municipality has drastically progressed in bringing stability in the Information and Communications Technology environment (ICT), particularly the ICT Backbone being Connectivity for the KLM offices and the establishment of the Cloud hosting services.

ICT Unit has completed 66.7% of the of the total number of strategic projects targeted for 12 months period ending December 2024.

It was approved and funded that the implementation of the following strategies be implemented to strengthen the ICT Technical Architecture for the municipality:

- Software Defined - Wide Area Network (SD-WAN), the technology is supported by Cisco technology; and
- Cloud hosted data Centre. The solution is support by Microsoft Azure technology.

Kouga Local Municipality will continue to achieve and further expect an SLA of not less than 98% uptime for both services. The SLA levels are motivated by the level of redundancy built on those serves to afford the expected uptime.

The remaining 33.3% of the projects (targeted to conclude December 2024 put emphasis on the following:

- Improving and automating Business Process (Document Management and workflows, rollout GIS Planning system, and Citizen/Customer Services system);
- Develop and Implementing the Cyber Security strategy and System; and
- Ensure systems mobility (provide KLM systems anywhere) through Virtual Private Network (VPN) model or Access Point Name (APN).

The municipality now has started exploring several opportunities to implement systems that help in improving KLM internal efficiencies and position the municipality for 4th Industrial Revolution readiness. At this stage Change Management exercise will assist to prepare the staff and the greater Kouga Local Municipality citizenry and its customers. Some of the benefits will be realised from the 33.3% mentioned above.

The following governance processes are in place and have gone through all the Kouga Local Municipality policy approval processes to council approval, and they:

- KLM ICT Strategy 2023/26
- ICT Disaster Recovery Policy
- ICT User Access Management Policy

The ICT Steering Committee has met the minimum seating requirements for the annum (4) times during the financial year 2023/24.

CHAPTER 4:

ORGANIZATIONAL DEVELOPMENT PERFORMANCE

"Human Resources, attracting, retaining and ensuring a conducive workplace for all."

The Human Resources Section handles a range of different functions within the municipality. The Section is responsible for the Organizational Development & recruitment, employee labour relations, 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 and within the ambit of provided legislative prescripts. The HR section's main responsibilities are:

- Employee Benefits
- Occupational Health and Safety
- Labour Relations
- Skills Development
- Organisational Development and Recruitment.

COMPONENT A:

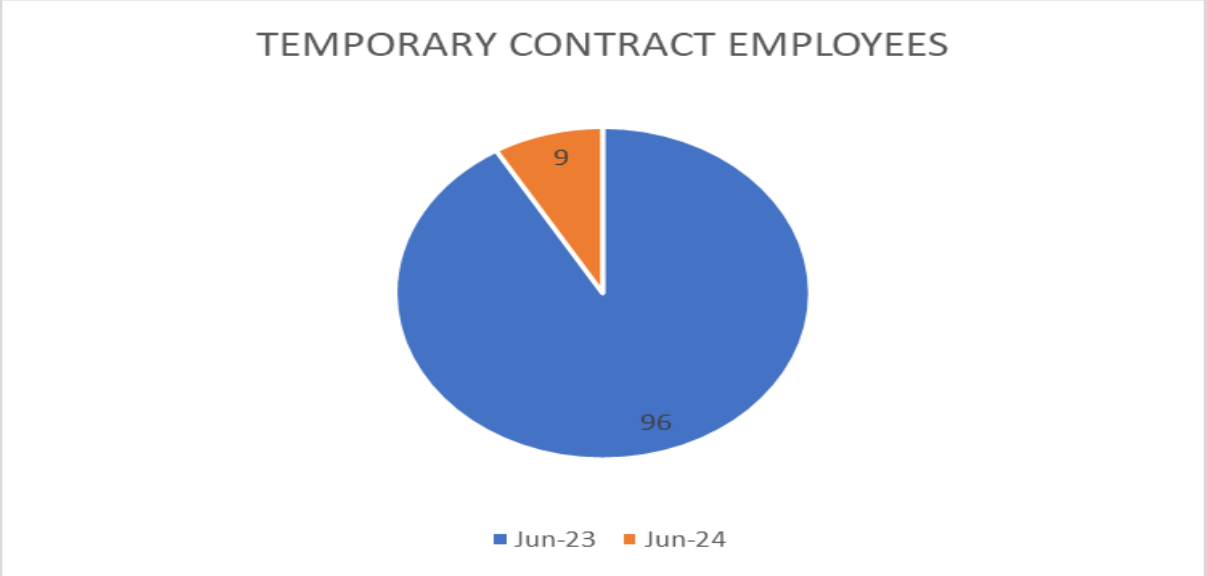
INTRODUCTION TO THE MUNICIPAL WORKFORCE

4.1 HEADCOUNT STATISTICS

The table below is a representation of the number of permanent as well as temporary employees as at June 2024

As at June 2024, the total staff compliment was 915. This total encompasses long term contracts which reduced the number of temporary contracts to only 9. The municipality is embarking on various programs which necessitated the initiation of longer-term contracts to ensure continuity and completion. The Council remains committed to the creation of employment and service delivery where possible.

Year ending	**June 2024**	**June 2023**
Permanent Employees (Including Section 56 & 57 employees)	914	866
Temporary contract employees	9	96



4.1.1 HEADCOUNT STATISTICS: HUMAN RESOURCES

Job Grade Level	Employees	Vacancies (fulltime equivalents)
1 - 3	197	0
4 - 8	465	3
9-13	201	10

14-18	45	7
Section 57	6	1
Total	**914**	**21**

4.1.2 HEADCOUNT STATISTICS PER SECTION

Section	Employees	Vacancies
Municipal Manager	8	1
Water	61	0
Wastewater (Sanitation)	38	1
Electricity	35	1
Waste Management	125	.0
Housing	9	1
Wastewater (Stormwater Drainage)	51	0
Roads	36	0
Transport	17	0
Civil	20	0
Planning	11	1
Local Economic Development	3	1
Planning (Strategic & Regulatory)	16	0
Community & Social Services	149	5
Finance	92	8
Health	8	0
Security and Safety	115	0
Sport and Recreation	16	0
Corporate Policy Offices and Other	104	2
Totals	**914**	**21**

4.2 VACANCY RATE

Departments	Vacancy Rate
Municipal Manager and DMM's Office	2.7%
Community Services	1.2%
Civil and Water	0.5%
Electro-Mechanical	1.9%
Planning and Development	2.8%
Finance and Economic Development	8.7%
Overall Total	**2.2 %**

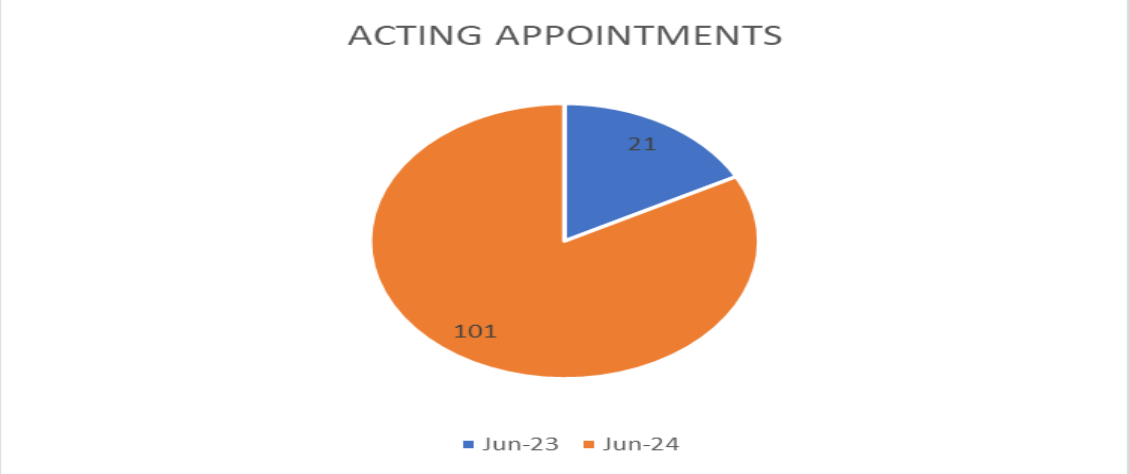
4.3 STAFF TURNOVER

Turn-over Rate			
Details	**Total Staff Compliment as at June 2024**	**Terminations during the Financial Year (all categories)**	**Turn-over Rate***
Year 2023/24	914	156	17.1%

4.4 ACTING APPOINTMENTS

The number of employees appointed in acting positions increased, from 21 as at June 2023 to 101 in June 2024.

The acting appointments is attributed to either long term leave or vacancies. The Council ensures that it remains within the parameters of the Collective Agreement with regards to acting appointments. The graph below, shows the trend with acting.



COMPONENT B:
MANAGING THE MUNICIPAL WORKFORCE

4.5 SERVICE STATISTICS

Comparative Pension/Provident Fund membership on 30 June 2024 is as follows:

FUND	30 June 2024
Consolidated retirement fund	487
Consolidated Retirement Fund (No CC)	7
National Fund for Municipal Workers	4
SA Local Authorities Pension Fund	4
Municipal Workers Retirement Fund	119
Momentum Provident Fund	132
Municipal Councillors Pension Fund	1
Consolidated Retirement Fund Cllrs	5
LA Retirement Fund	1

Comparative Medical Aid membership on 30 June 2024 is as follows:

MEDICAL AID	30 June 2024
Bonitas	154
Key Health	15
Hosmed	39
LA Health	269
SAMWU Med	47

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

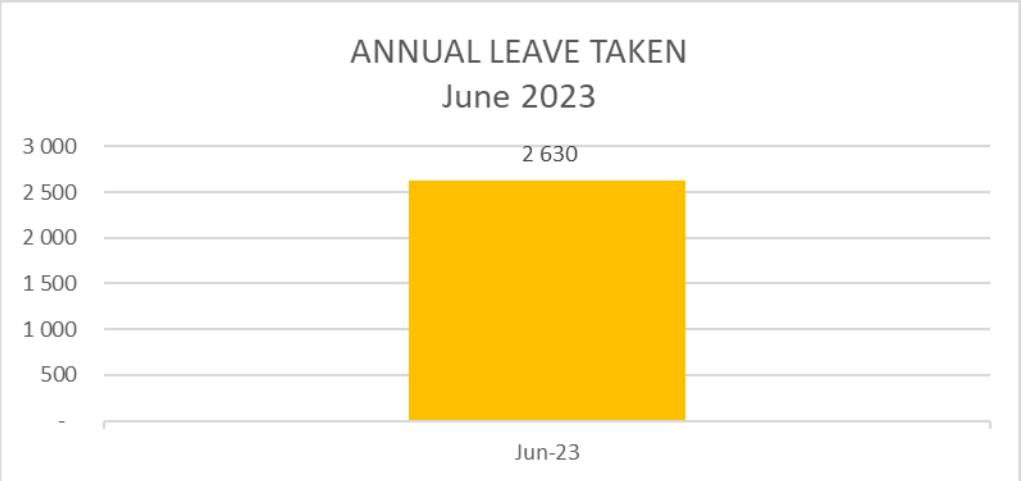
Comparative Trade Union membership on 30 June 2024 is as follows:

TRADE UNION	30 June 2024
SAMWU	429
IMATU	285

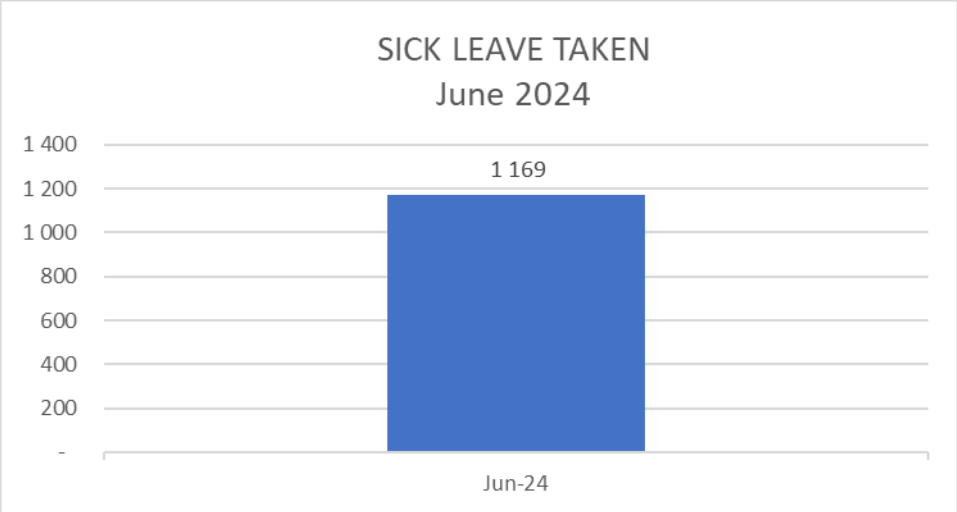
4.5.1 LEAVE STATISTICS

In the graph above the total annual leave and sick leave as at 30 June 2024 is depicted below. The Municipality is encouraging employees to take annual leave within the parameters of the leave policy and Main Collective Agreement.

Annual leave



Sick Leave



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. This has provided the platform to manage the sick leave usage.

4.6 HUMAN RESOURCE POLICIES AND PLANS

The following HR related policies and staff documents have been developed and has been approved by Council and it must be noted that all Human Resources policies is going to be reviewed in the 2024/2025 financial year.

Standard Operating procedures will also be updated to assist the

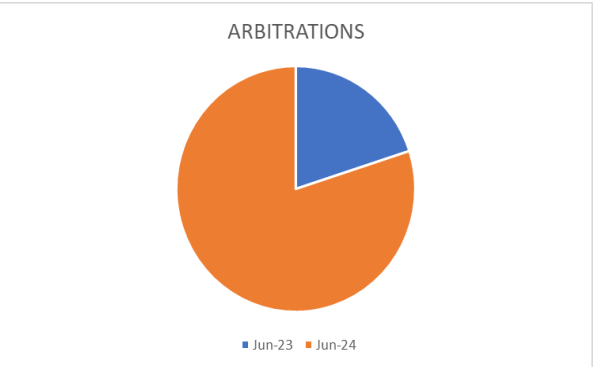
NO	POLICY
1	Succession and Career Pathing
2	Sexual Harassment Policy
3	Absenteeism and Reporting Absence from Work Policy
4	Acting Policy
5	Essential Car Scheme Policy
6	Occupational Health and Safety Policy
7	Leave Policy (Leave Management Policy)
8	Recruitment and Selection Policy
9	Scarce Skills
10	Subsistence and Traveling Policy
11	Training Policy
12	Vehicle Allowance Policy
13	Overtime Policy
14	Personal Protective Equipment Policy
15	Acting Policy for Section 57 Managers

4.7 OCCUPATIONAL HEALTH AND SAFETY

The Kouga Local Municipality remains in Good Standing with the Department of Labour for the reporting period as of the 30th of June 2024. The validity is until the April 2025.

4.8 DISCIPLINARY MATTERS

The graph depicts matters referred to Arbitration for the 2023/2024 financial year. Matters at Arbitration stood on 16 for the period 30 June 2024. This is attributed to the Human Resource Section dealing with matters of ill-discipline in a swift manner within the parameters of the labour legislation.



COMPONENT D: CAPACITATING THE MUNICIPAL WORKFORCE

4.9 WORKPLACE CAPACITY DEVELOPMENT

Municipal Finance Management Programme (MFMP) - Since the direction from National Treasury regarding the MFMP training, the Council has worked steadily to ensure compliance firstly amongst the finance officials then secondly to roll this out to non-financial staff. This enables all staff members to gain a better understanding in terms of the operations and municipal processes required within the legislative context.

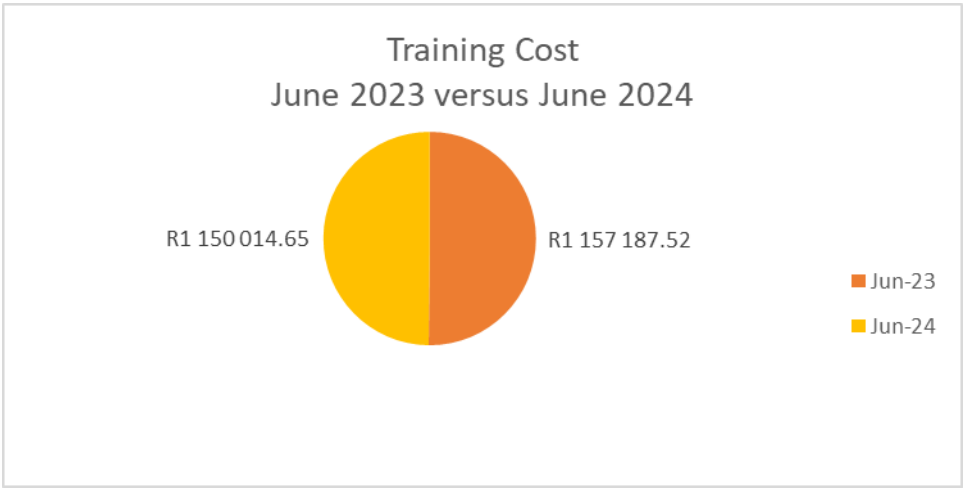
The minimum competency levels also seek to professionalize the local government sector and to make it a career choice for talented officials and to some extent mitigate some of the root causes of poor financial management and service delivery experienced at Local Governmental level. It is also required 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	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Chief Financial Officer - Municipality	✓	✓	✓	✓	4	✓

Position	Highest Education Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit Standards	Requirements Met	Compliant (consider Budget)
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Acting Supply Chain Management Manager	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓

Above table is indictive 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.

4.9.1 SKILLS DEVELOPMENT EXPENDITURE



From the graph above, Kouga Local Municipality's investment in human capital spending/capacity building is commendable and its evident that the municipality is serious in ensuring that the employees and councillors is capacitated. This is indicative of the spending as indicated in the expenditure. The training expenditure trend is indicative of the Municipality's commitment to enhancing the skills, talent, development, and expertise of its most important asset.

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 June 2024**
Training Cost	R1 150 014.65
Categories of Beneficiaries	
Legislators	15
Managers	3
Professionals	14
Technicians and Associate Professionals	7
Clerical Support Workers	24
Service & Sales Workers	0
Skilled Agricultural, Fishery and Related Trade Workers	0
Plant & Machine Operators and Assemblers	26
Elementary Occupations	15
Total Number of beneficiaries	**104**

As per the table above Kouga embarked on extensive training for its employees in the 2024/2025 financial year.

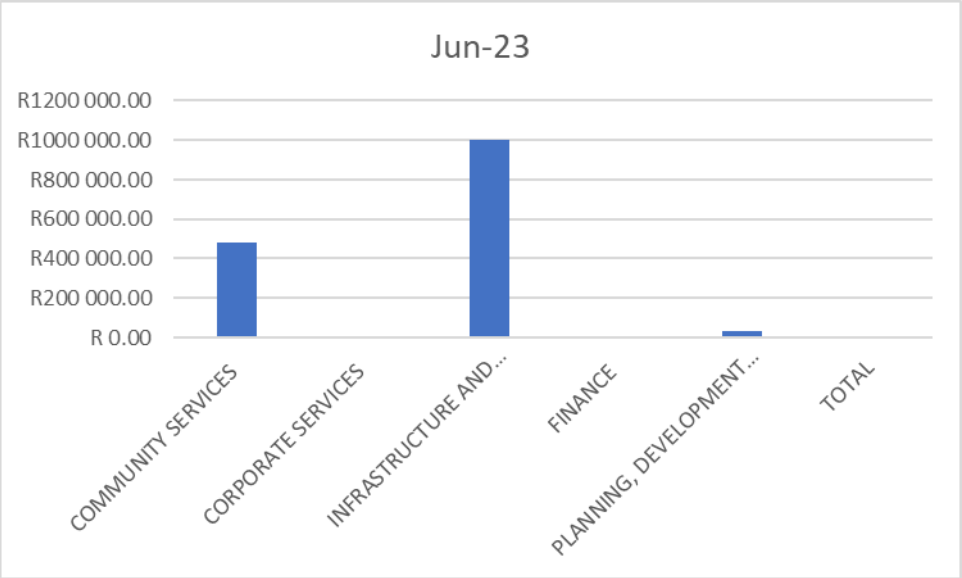
COMPONENT D: MANAGING THE MUNICIPAL WORKFORCE

4.10 WORKFORCE EXPENDITURE

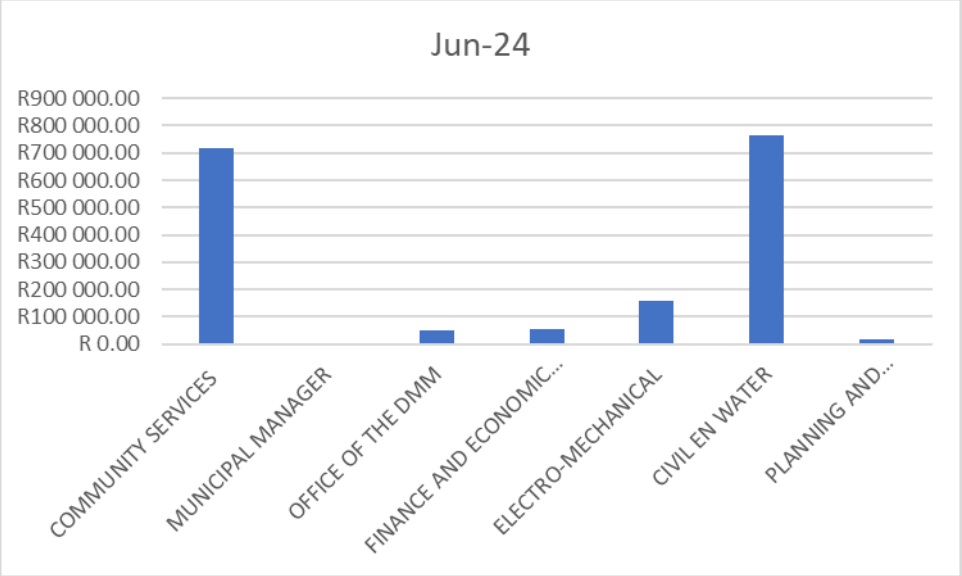
Years	**Total number of staff**	**Actual Operational Expenditure**	**Personnel expenditure (salary and salary related)**	**Percentage of expenditure**
2022/2023	866	R1, 257, 001, 617	R355, 768, 121	28.30%
2023/2024	914	R1 143 927 587	R375 759 473	32.85%

Overtime - The historic infrastructure backlogs and ailing infrastructure is resulting in increases in service departments working overtime. This is to ensure that service delivery remains and integral part of the operations of Council.

JUNE 2023



JUNE 2024



The historic infrastructure backlogs and ailing infrastructure is resulting in increases in service departments working overtime. This is to ensure that service delivery remains and integral part of the operations of Council.

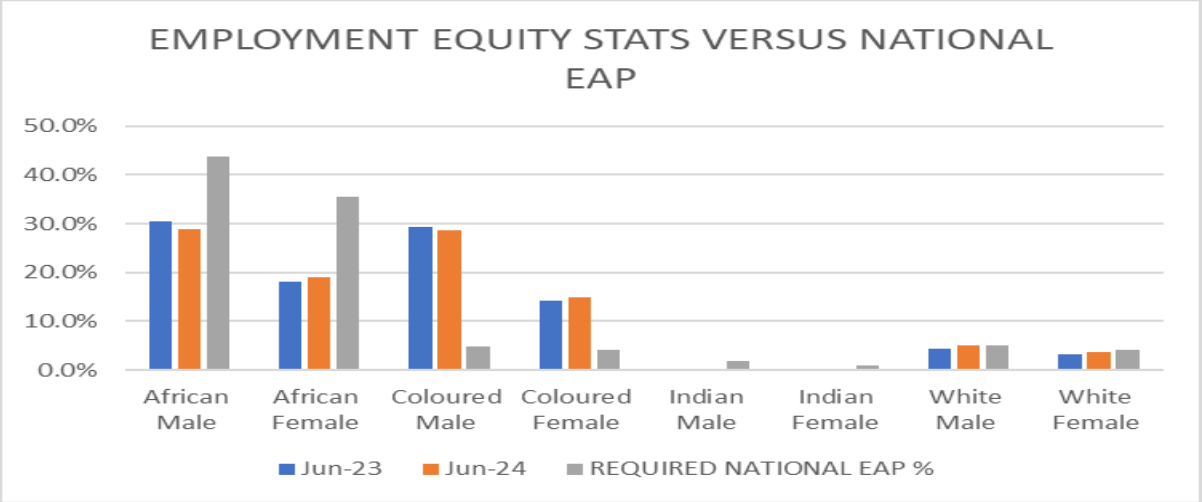
COMPONENT E: EMPLOYMENT EQUITY

4.11 EMPLOYMENT EQUITY

The current reporting year is in line with the final year of the approved Employment Equity Plan. The Municipality has progressed well with the set targets and objectives.

This was recently commended by an inspection conducted from the Department of Labour, Employment and Labour Section.

The table and graph below is representative of same and depicting the Employment Equity stats for the Municipality as at 30 June 2024.



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 May 2024, the numerical targets that are set out in the new Employment Equity Plan, and the current profile as of 30 June 2023.

		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		0	0	0	1	0	0	0	0	0	0	1
June 2024		0	0	0	1	0	0	0	0	0	0	1
	Senior management											
March 2018												

		0	1	1	2	1	0	0	0	0	0	5
September 2023		1	0	1	0	2	0	1	0	0	0	5
June 2024		0	1	1	2	1	0	0	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		7	11	1	10	5	6	0	6	0	0	46
June 2024		7	11	1	10	4	7	0	5	0	0	45
	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents											

CHAPTER 5: FINANCIAL PERFORMANCE

COMPONENT A: FINANCIAL PERFORMANCE

5.1 FINANCIAL HEALTH OVERVIEW

To provide an overview of the financial outcomes for the 2023/24 financial year, it is necessary to compare the 2023/24 Adjustments Budget, the actual financial results, the actual cash inflows and outflows, and the actual expenditure and revenue trends for the period, 1 July 2023 to 30 June 2024.

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

5.2 STATEMENT OF FINANCIAL PERFORMANCE

Actual operating revenue (excluding capital grants) amounted to R 1,203 billion, whilst actual operating expenditure amounted to R 1,302 billion, resulting in an actual operating deficit of R 99,347 million. The 2023/24 Adjustments Budget for operating revenue (excluding capital grants) amounted to R 1,314 billion, whilst operating expenditure amounted to R 1,438 billion, resulting in a budgeted deficit of R 124,053 million.

It should be noted that the 2023/24 actual total revenue of R 1,313 billion, includes an amount of R 103,140 million, which relates to capital grants.

The following, however, needs to be noted:

Property Rates (refer to AFS page 7 & 10)

The actual property rates revenue raised amounted to R 280,203 million (99.54%), compared to the Adjustments budgeted amount of R 281,488 million.

Service charges (refer to AFS page 7 & 10)

The actual service charges revenue raised, amounted to R 607,369 million (100.82%), compared to the Adjustments budgeted amount of R 602,433 million.

Investment Revenue (refer to AFS page 7 & 10)

The actual investment revenue raised, amounted to R 12,962 million (111.03%), compared to the Adjustments budgeted amount of R 11,674 million.

Transfers recognised - Operational (refer to AFS page 7 & 10)

The actual transfers recognised revenue amounted to R 198,630 million (100,46%), compared to the Adjustments budgeted amount of R 197,730 million.

Other own revenue (refer to AFS page 7 & 10)

The actual other revenue raised, amounted to R 103,508 million (46,96%), compared to the Adjustments budgeted amount of R 220,413 million.

Employee Related Costs: (refer to AFS page 7 & 10)

Employee related costs amounted to R 398,878 million (90.19%), compared to the adjustments budgeted amount of R 442,256 million.

Remuneration of Councillors: (refer to AFS page 7 & 10)

The remuneration of councillors amounted to R 14,976 million (98.92%), compared to the adjustments budgeted amount of R 15,140 million.

Depreciation and Asset Impairment: (refer to AFS page 7 & 10)

The Depreciation and Amortization amounted to R 100,860 million (91.97%), compared to the adjustments budgeted amount of R 109,663 million.

Interest: (refer to AFS page 7 & 10)

Finance costs amounted to R 10,038 million (174.57%), compared to the adjusted budgeted amount of R 5,750 million.

Materials and bulk purchases: (refer to AFS page 7 & 10)

The materials and bulk purchases amounted to R 454,301 million (346.27%), compared to the adjusted budgeted amount of R 131,199 million.

Transfers and subsidies: (refer to AFS page 7 & 10)

The transfers and subsidies amounted to R 0,920 million (81.85%), compared to the adjusted budgeted amount of R 1,124 million.

Other expenditure: (refer to AFS page 7 & 10)

The other expenditure amounted to R 322,047 million (43.96%), compared to the adjusted budgeted amount of R 732,659 million.

Conclusion:

The Municipality recorded an actual operating surplus of R 3,792 million, compared to the adjustments budgeted deficit of R 29,414 million.

5.3 STATEMENT OF FINANCIAL POSITION

Net Assets: (refer to AFS page 6)

Net Assets increased from R 2,038 billion (2022/23) to R 2,042 billion (2023/24) due to the following:

Non-current Liabilities: (refer to AFS page 6)

Finance lease payables decreased from R 23,375 million in 2022/23 to R 12,231 million in 2023/24.

The Employee Benefit Liabilities increased during the 2023/24 financial year, based on an actuarial valuation.

The liabilities consequently increased from R 106,638 million in 2022/23 to R 111,627 million in 2023/24. The Employee Benefit Liabilities consist of Post-Retirement Health Care Benefits and Ex-Gratia Pensions.

Non-current Provisions increased from R 118,827 million in 2022/23 to R119,432 million in 2023/24, due to the increase in Long Service Awards and the Rehabilitation of Landfill Sites provisions.

The net result is that the decrease in non-current liabilities, accounted for a movement of R 5,550 million in the net assets of the municipality.

Current liabilities:

Lease payables (refer to AFS page 6)

Lease payables decreased by R 1,025 million from R 12,169 million in 2022/23 to R 11,144 million in 2023/24.

Employee benefit liabilities (refer AFS page 6)

The employee benefit liabilities Increased by R 8,839 million from R 44,588 million in 2022/23 to R 53,427 million in 2023/24.

Consumer Deposits (refer to AFS page 6)

Consumer deposits increased from R 29,060 million in 2022/23 to R 31,660 million in 2023/24.

Consumer deposits relate to deposits paid by consumers for water, electricity, building plans and for rental of municipal properties and are mainly influenced by an increase in new applications for water and electricity connections.

Payables – Exchange Transactions (refer to AFS page 6)

Payables from Exchange Transactions have increased by R 10,047 million from R 148,630 million in 2022/23 to R 158,677 million in 2023/24.

Unspent conditional grants and receipts (refer to AFS page 6)

Unspent conditional grants have increased by R 9,797 million, from R 28,994 million in 2022/23 to R 38,791 million in 2023/24.

Provisions (refer to AFS page 6)

The current provisions decreased from R 1,147 million in 2022/23 to R 1,000 million in 2023/24.

The net result is that the increase in Current liabilities, accounted for a movement of R 32,112 million in the Net Assets of the Municipality.

Non-current Assets: (refer to AFS page 6)

Investment Property decreased from R 251,673 million in 2022/23 to R 250,793 million in 2023/24.

Property, Plant and Equipment increased from R 2,058 billion in 2022/23 to R 2,062 billion in 2023/24.

Intangible Assets decreased from R 0,603 million in 2022/23 to R 0,419 million in 2023/24.

The net result is that the increase in non-current assets accounted for a movement of R 2,859 million in the Net Assets of the Municipality.

Current Assets:

Cash and Cash Equivalents (refer to AFS page 6)

Cash and cash equivalents increased by R 38,724 million from R 104,935 million in 2022/23 to R 143,659 million in 2023/24.

Trade and other receivables from exchange transactions (refer to AFS page 6)

The trade and other receivables from exchange transactions decreased by R 12,713 million from R 86,150 million in 2022/23 to R 73,437 million in 2023/24.

Receivables from Non-Exchange transactions (refer to AFS page 6)

The Receivables from non-exchange transactions decreased by R 6,784 million from R 29,015 million in 2022/23 to R 26,651 million in 2023/24.

Inventories (refer to AFS page 6)

Inventories increased by R 1,548 million from R 18,598 million in 2022/23 to R 22,450 million in 2023/24.

Lease Receivables (refer to AFS page 6)

Lease Receivables decreased from R 0,109 million in 2022/23 to R 0,106 million in 2023/24.

The net result is that the increase in Current assets accounted for a movement of R 27,495 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 increased by R 38,724 million (36.9%) from R 104,935 million in 2022/23 to R 143,659 million in 2023/24.

Current Liabilities increased by R 32,112 million (12.23%) from R 262,588 million in 2022/23 to R 294,700 million in 2022/23.

Current assets increased by R 27,494 million (11.47%) from R 239,701 million in 2022/23 to R 267,195 million in 2023/24

5.4 FINANCIAL INDICATORS

The following ratios reflect the municipality's relative financial viability and sustainability:

Borrowing Management		Actuals as at 30 June 2019	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022	Actual as at 30 June 2023	Actual as at 30 June 2024
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.21%	1.22%	1.13%	1.04%	0,32%	1,37%
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 2019	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022	Actuals as at 30 June 2023	Actuals as at 30 June 2024
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.01	0.01	0.01	0.01	0,00	0,01
Current Ratio	Current assets / current liabilities	1.44	1.26	1.07	0.51	0,91	0,91
Liquidity Ratio	Monetary assets / current liabilities	0.87	0.61	0.34	0.15	0,40	0,49
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	97.62%	95.42%	95%	94.32%	86,71%	91,01%

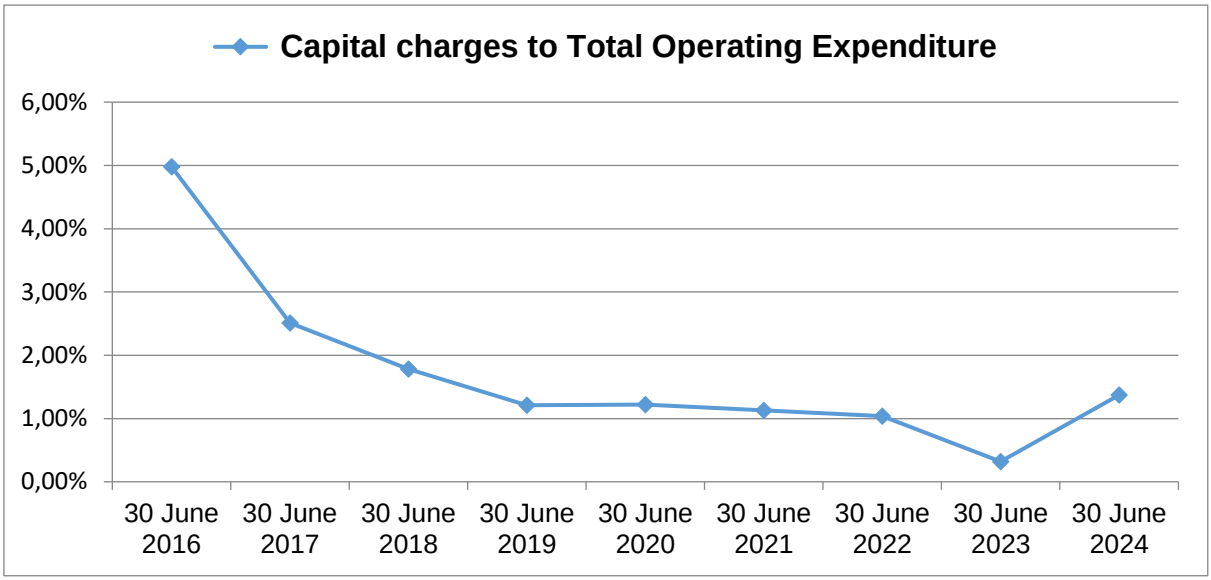
The above table is discussed in detail below.

5.5 CAPITAL CHARGES TO OPERATING EXPENDITURE

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as percentage of Total Operating Expenditure.

Capital charges/Total Operating Expenditure to date

The ratio indicates that 1,37% of the Total Operating Expenditure was utilised for capital charges as at 30 June 2024, whilst the Municipality's audited ratio as at 30 June 2023 was 0,32%.



5.6 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 2024, the was 0% as no capital expenditure was funded from borrowings, whilst the Municipality's audited ratio as at 30 June 2023 was also 0%.

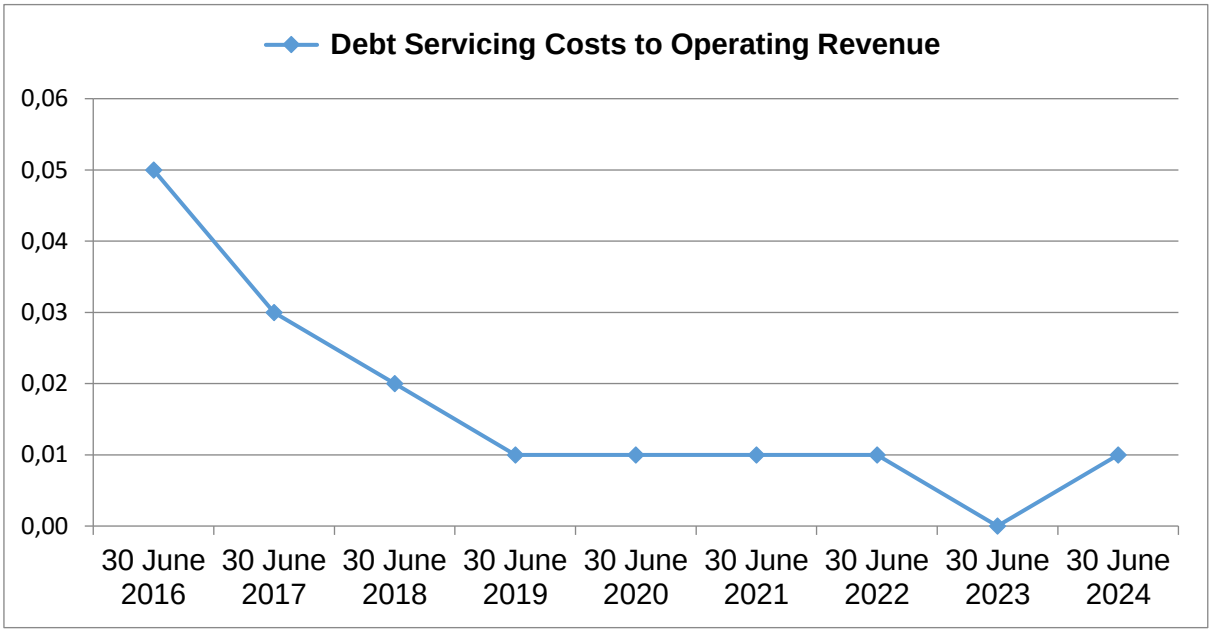
5.7 DEBT SERVICING COSTS TO OPERATING REVENUE

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 2024 the ratio was 0.01:1, compared to the audited ratio of 0.0:1 as at 30 June 2023.



5.8 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:

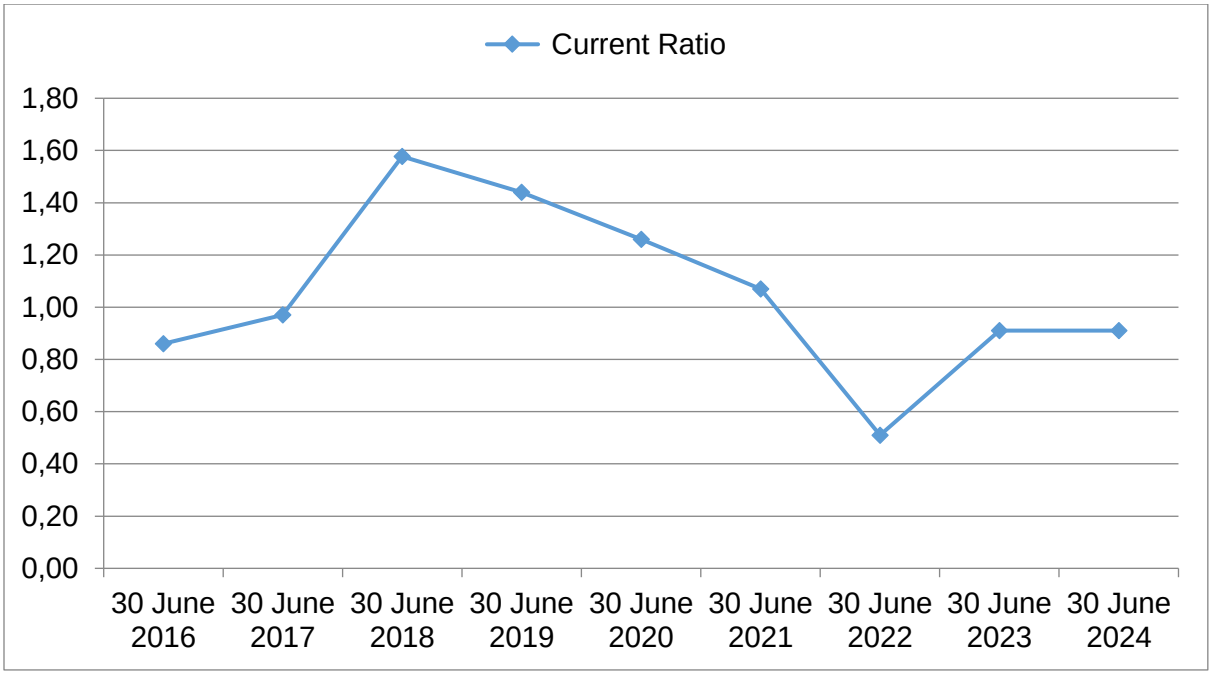
Current assets/Current liabilities

As at 30 June 2024, the Ratio was 0.91:1, whilst the Municipality's audited ratio as at 30 June 2023 was 0.91:1

In terms of the MFMA Circular No. 71, the norm is 1.5:1 to 2:1

The higher the current Ratio, the stronger the Municipality's financial capacity to meet its current obligations.

A ratio of below 1:1 would suggest that the Municipality would be unable to meet all its current obligations as and when they fall due.



5.9 LIQUIDITY RATIO

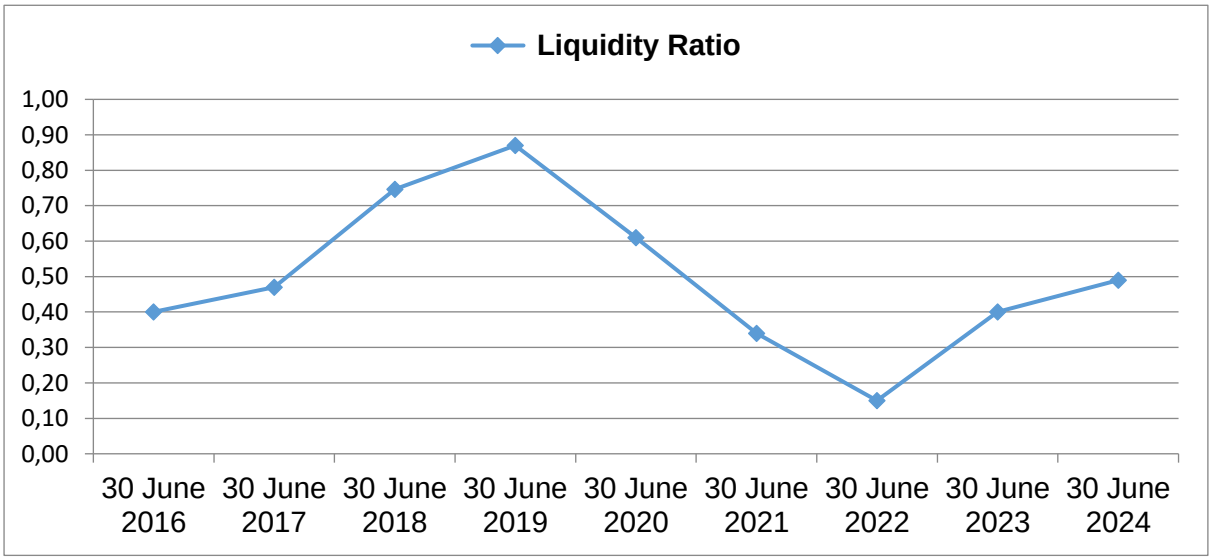
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

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 2024 was 0.49:1, whilst the Municipality's audited ratio as at 30 June 2023 was 0.40:1.

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



5.10 ANNUAL DEBTORS' COLLECTION RATE

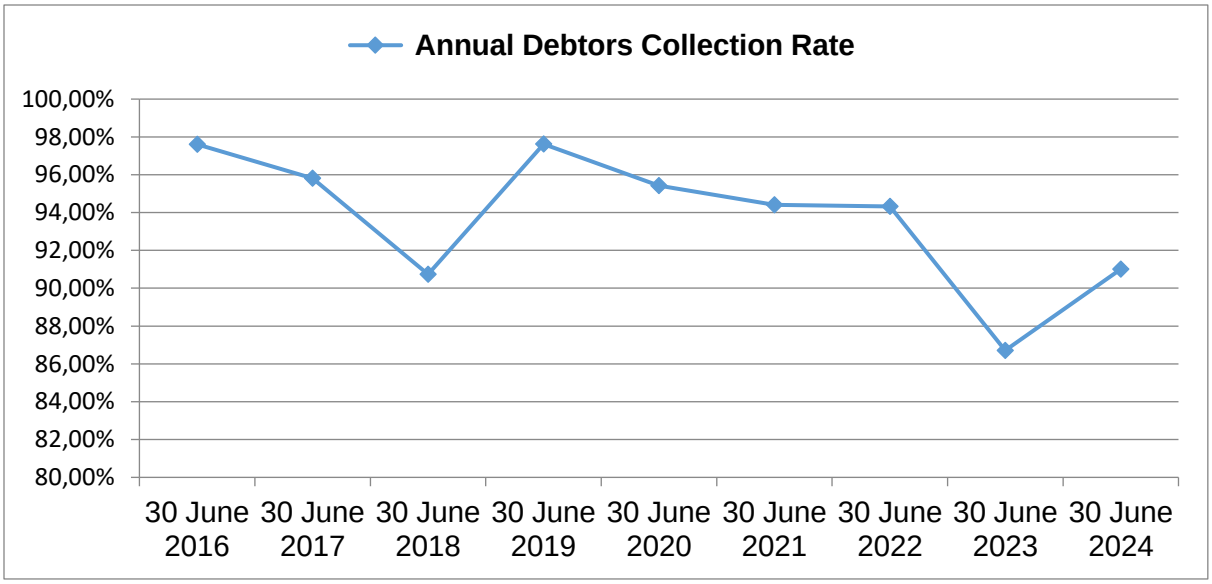
This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

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 2024 was 91,01%, compared to the average collection rate of 86,71% for the 2022/23 financial year. These percentages are calculated based on revenue receipted, compared to revenue billed on a month-to-month basis.



5.11 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.

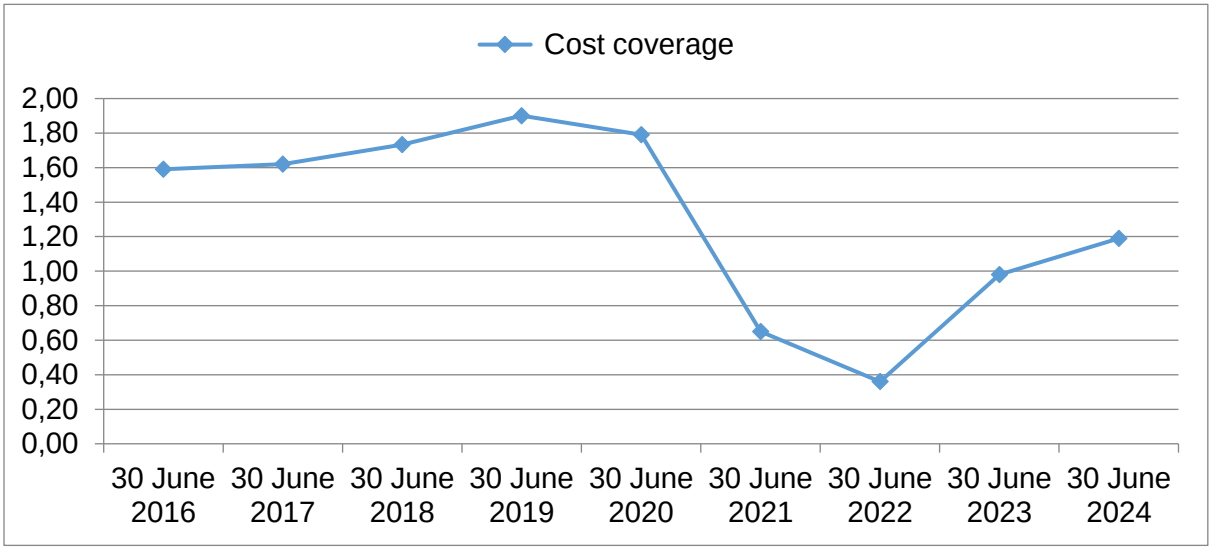
The ratio is determined as follows:

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 2024, the Ratio was 1,19 months, whist the Municipality's audited ratio as at 30 June 2023 was 0.98 months.

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



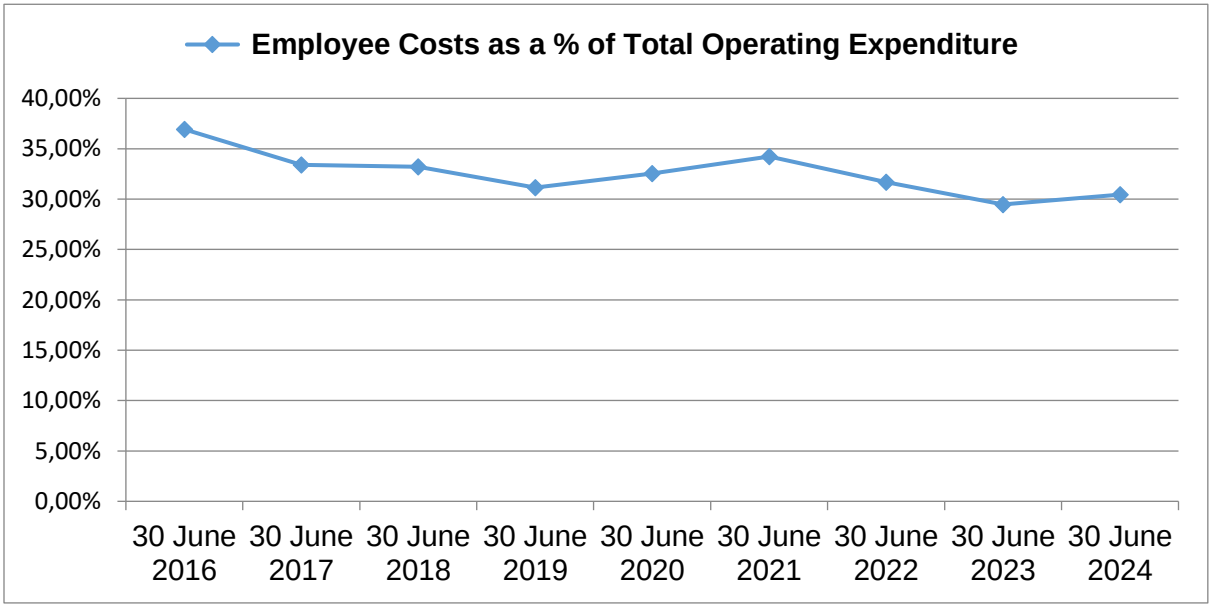
5.12 EMPLOYEE COSTS AS % OF TOTAL OPERATING EXPENDITURE

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 2024, Employee Related Costs constituted 30,46% of the Total Operating Expenditure, whilst the Municipality's audited ratio as at 30 June 2023 was 29,47%.



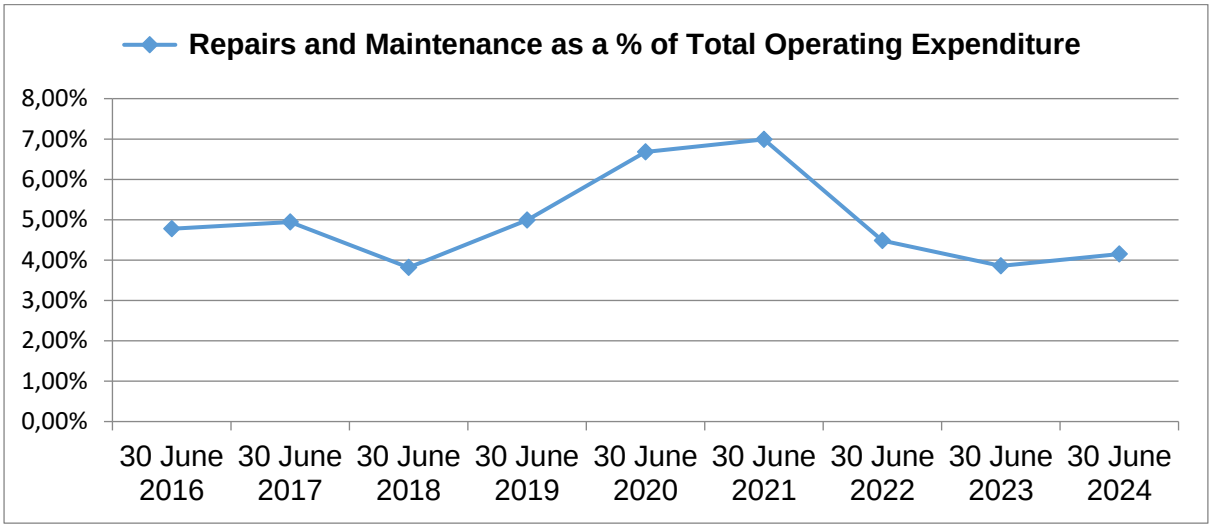
5.13 REPAIRS AND MAINTENANCE AS % OF TOTAL OPERATING EXPENDITURE

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 2024, the Ratio was 4,15%, compared to the Municipality's audited ratio of 3,86% as at 30 June 2023.



5.14 REPAIRS AND MAINTENANCE AS % OF BOOK VALUE OF PPE

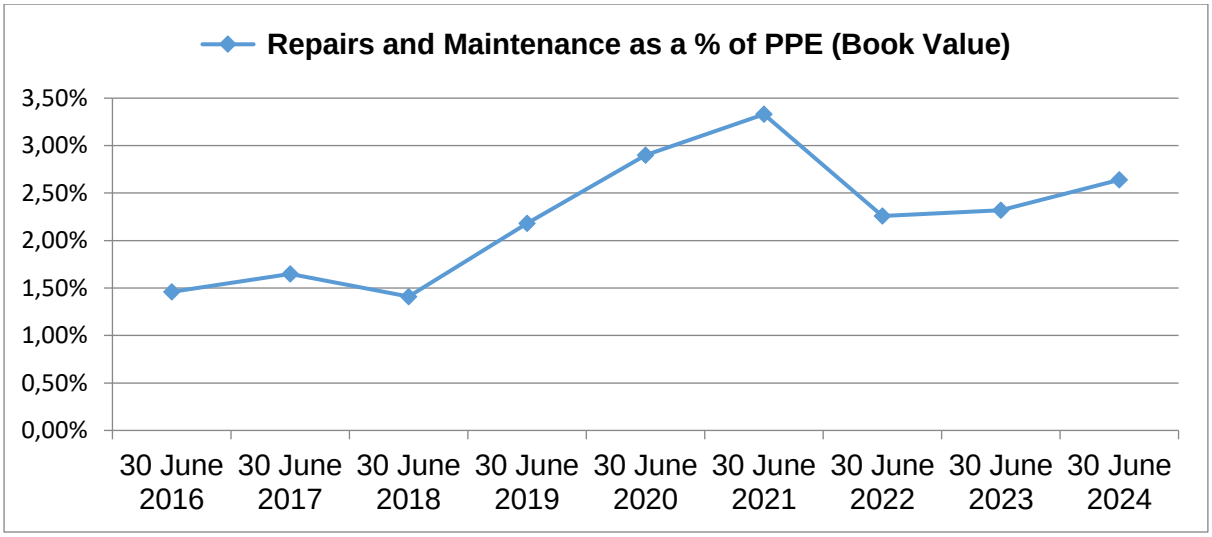
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

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

As at 30 June 2024, repairs and maintenance expenditure constituted 2.64% of the book value of PPE. The Municipality's audited ratio as at 30 June 2023 was 2.32%. In

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



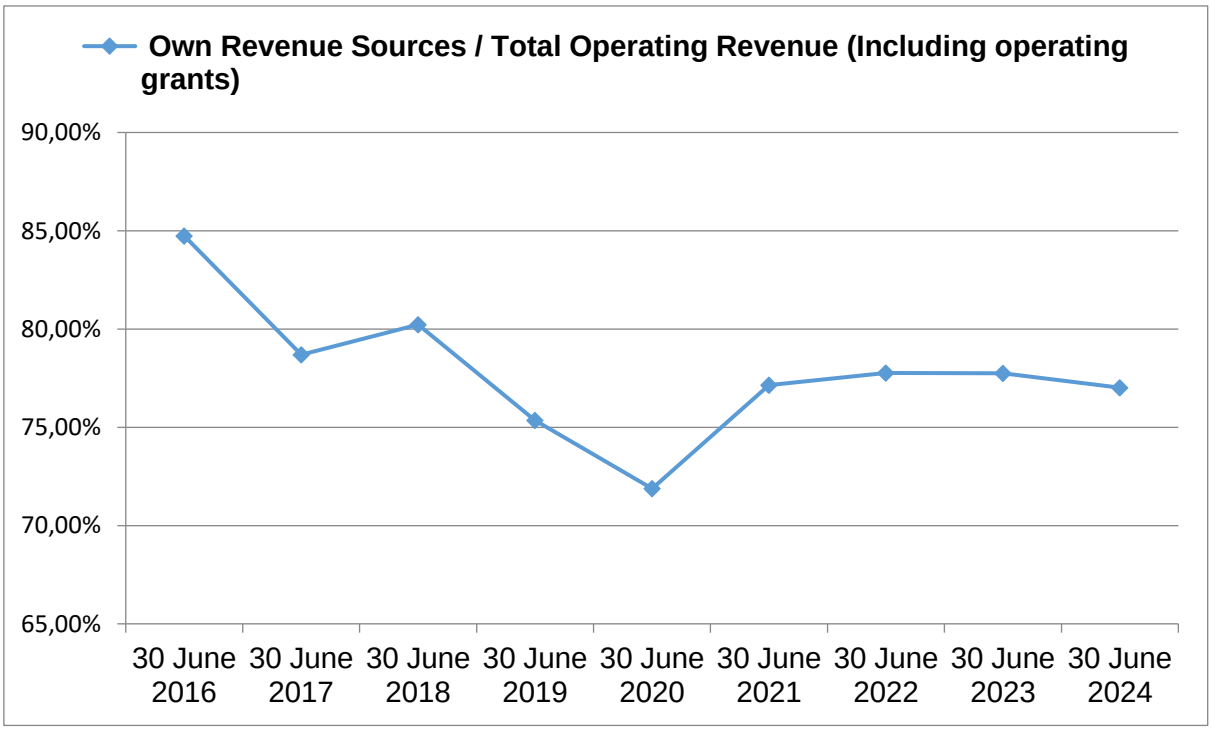
5.15 OWN REVENUE GENERATION

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 2024, the Municipality's own revenue sources constituted 77,02% of its total Operating Income. The Municipality's audited ratio as at 30 June 2023 was 77.74%.



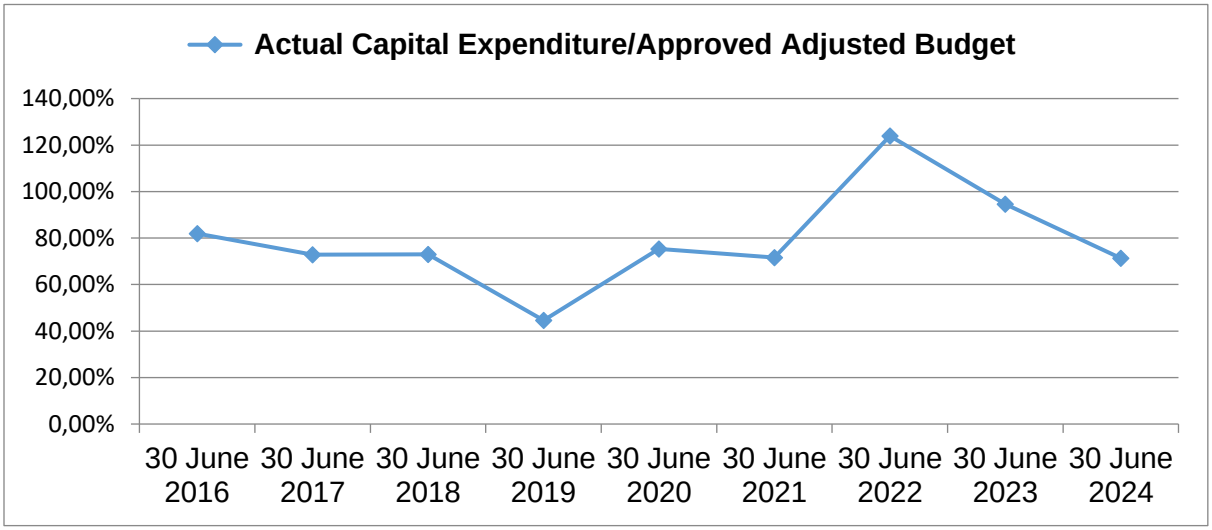
5.16 CAPITAL BUDGET SPENDING

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 2024 amounted to 71,38%, compared to the 2022/24 Capital Adjustments Budget. The Municipality's audited ratio as at 30 June 2023 was 94,66%.



5.17 FINANCIAL VIABILITY AND MANAGEMENT

	Indicator Name			
1.	Status of Audit Outcome (2023/24)		Unqualified audit opinion with no material findings (Clean audit)	
2.	Submission of AFS after the end of the financial year		Draft AFS submitted by 31 August 2024	
	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 (2023/24)

3.	Percentage of expenditure of Capital Budget	95%	R 92,915	71,38%
	Indicator Name	Operational Budget for the 2023/24 year	Amount spent on employee related cost & Councillor remuneration (Expenditure on salaries budget) against operational budget.	Achievement Percentage during the year
4.	Percentage of salary budget as of total operational budget	R 1,437,790,978	R 413,853,274	28,78%
	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	124,413,343	158,677,344	127.54%

5.18 ARREARS IN PROPERTY RATES AND SERVICE CHARGES

(Refer to pages 43 to 48 of the Annual Financial Statements)

CHAPTER 6: AUDITOR GENERAL'S FINDINGS

Report of the auditor-general to the Eastern Cape Legislature and Council on the Kouga Local Municipality

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Kouga Local Municipality set out from page 331, which comprise the statement of financial position as at 30 June 2024, 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.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Kouga Local Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

I draw attention to the matters below. My opinion is not modified in respect of these matters.

Allowance for Impairments

As disclosed in notes 3 and 4 to the financial statements, trade and other receivables from exchange transactions and receivables from non-exchange transactions had a provision for impairment of R384,9 million (2022-23: R309,2 million) and R187,6

million (2022-23: R152,6 million), respectively.

Material losses

As disclosed in note 33 to the financial statements, the municipality incurred material losses relating to electricity and water of R44,4 million (2022-23: R40,1 million) and R34,1 million (2022-23: R19,5 million).

Restatement of corresponding figures

As disclosed in notes 57 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of reclassification of accounts and correction of prior period errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

Other matter

I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

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

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 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.

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.

Responsibilities of the auditor-general for the audit of the financial statements

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.

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 audit of the annual performance report

In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected development priority presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

I selected the following development priority presented in the annual performance report for the year ended 30 June 2024. I selected a development priority that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic service delivery & infrastructure	79 - 82	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs

I evaluated the reported performance information for the selected development priority against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

I performed procedures to test whether:

the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives

all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included

the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.

there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

I did not identify any material findings on the reported performance information for the development priority.

Other matter

I draw attention to the matter below.

Achievement of planned targets

The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 79 to 84.

Infrastructure and basic service delivery

Targets achieved: 70%

Budget spent: 89%

Key indicators not achieved	Planned target	Reported achievement
% expenditure of WSIG grant funding	95%	76%
% expenditure of capital budget provision for capital projects (Inclusive of adjustments up to 31 December 2023)	90%	63%
Percentage of DMRE grant funding by 30 June 2024	95%	90%
% water losses between water purchased/produced and water sold/ accounted for	35%	40%
% expenditure of capital budget provision for capital projects newly listed with the January 2024 adjustments budget	50%	26.09%
Number of EIA applications submitted by 30 June 2024 for the extension of the Loerie Cemetery	1	0

Report on compliance with legislation

In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.

My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my

objective was not to express any form of assurance on it.

I did not identify any significant deficiencies in internal control.

Auditor-General

East London

30 November 2024

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

6.1 AUDIT CORRECTIVE ACTION PLAN

DETAILS OF THE FINDING	ACTION	RESPONSIBLE PERSON	MEANS OF VERIFYING	TARGET DATE	ACTION PROGRESS	NARRATIVE IF NOT YET STARTED / IN PROGRESS
As disclosed in note 3 and 4 to the financial statements, trade and other receivables from exchange transactions and receivables from non-exchange transactions had a provision for impairment of R384,9 million (2022-23:R309,2 million) and R 187,6million (2022-23: R152,6 million) respectively.	CFO and revenue manager to develop debt reduction plan tabled to council by 31 March 2023, implement and monitor the plan on a monthly basis.	CFO				
As disclosed in note 33 to the financial statements, the municipality incurred material losses relating to electricity and water of R44,4 million (2022-23: R40,1 million) and R34,1 million (2022-23: R19,5million).	A plan to reduce water losses has been developed. The Director Civil & Water Services must table the plan to council, implement the plan and monitor the plan on a quarterly basis	DIRECTOR C&W S				
As disclosed in note 57 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of reclassification and correction of prior period errors in the financial statements of the municipality at, and for the year ended,30 June 2024.	No further action required.	ALL	N/A	N/A	N/A	N/A

APPENDICES

APPENDICE A: COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCIL MEETING ATTENDANCE (July 2023 to June 2024)

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	Community and Safety Services Electro-Mechanical Services Corporate and Communication Services Planning and Development Finance & Economic Development Civil and Water Services	PR	DA	93%	1	0
T Jantjes	Civil and Water Services Corporate and Communication Services Planning and Development Finance & Economic Development Community and Safety Services Electro-Mechanical Services	PR	DA	100%	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
B. Williams	Corporate and Communication Services Planning and Development Community and Safety Services Finance and Economic Development Civil and Water Services Electro-Mechanical Services	PR	DA	93%	1	0
D. Benson	Community and Safety Services Corporate and Communication Services	PR	DA	100%	0	0
B. Dhludhlu	Finance and Economic Development Corporate and Communication Services Electro-Mechanical Services Community Services Finance	PR	DA	100%	0	0
M. van Niekerk	Corporate and Communication Services Planning and Development	PR	DA	100%	0	0
W. Gertenbach	Electro-Mechanical Services Finance and Economic Development Civil and Water Services	Ward 3	DA	100%	0	0
C. August	Planning and Development Community and Safety Services Civil and Water Services	Ward 9	DA	100%	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
M. Nicholls	Electro-Mechanical Services Civil and Water Services	Ward 5	DA	100%	0	0
J. Alexander	Corporate and Communication Services Community and Safety Services Planning and Development	Ward 4	DA	100%	0	0
S. Ruth	Planning and Development Civil and Water Services Electro-Mechanical Services Community and Safety Services Finance and Economic Development	PR	DA	93%	1	0
L. Maree	Finance and Economic Development Electro-Mechanical Services Corporate and Communication Services Civil and Water Services Planning and Development	Ward 12	DA	100%	0	0
R. Foley	Civil and Water Services Planning and Development Finance and Economic Development	Ward 8	DA	100%	0	0
G. Stuurman	Community and Safety Services Planning and Development Corporate and Communication Services	PR	DA	100%	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
P. Oliphant	Civil and Water Services Finance and Economic Development	PR	ANC	80%	1	2
M. Valgee	Community and Safety Services	PR	ANC	80%	0	3
V. Gunuza	Corporate and Communication Services	PR	ANC	73%	1	3
N. Ntengwane	Community and Safety Services	PR	ANC	80%	0	3
M. Yali	Planning and Development Finance and Economic Development Electro-Mechanical Services	Ward 14	ANC	80%	2	1
H. Murray	Corporate and Communication Services Community and Safety Services Finance and Economic Development Electro-Mechanical Services	Ward 2	DA	100%	0	0
F. Heystek	Community & Safety Services Finance and Economic Development	Ward 11	DA	100%	0	0
K. Ndzelani	Community & Safety Services	Ward 6	ANC	100%	0	0
N. Ntshota	Corporate and Communication Services Electro-Mechanical Services	Ward 1	ANC	87%	1	1
M. Mbandana	Electro-Mechanical Services Civil and Water Services	Ward 10	ANC	87%	1	1
V. Zana	Civil and Water Services Planning and Development	Ward 13	ANC	93%	1	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
E. Mbuqu	Corporate and Communication Services	Ward 7	ANC	93%	1	0
W. Petersen	Planning and Development Finance and Economic Development	PR	ANC	87%	1	1
B. Human	Community and Safety Services Electro-Mechanical Services Corporate and Communication Services Planning and Development Finance & Economic Development Civil and Water Services	PR	PA	73%	2	2
L. Van der Linde	Community and Safety Services Electro-Mechanical Services Corporate and Communication Services Planning and Development Finance & Economic Development Civil and Water Services	PR	VF/FFP	100%	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
L. Nkilishane	Community and Safety Services Electro-Mechanical Services Corporate and Communication Services Planning and Development Finance & Economic Development Civil and Water Services	PR	EFF	60%	4	2

APPENDIX B: COMMITTEE AND COMMITTEE BY PURPOSE

(JULY 2023 – JUNE 2024)

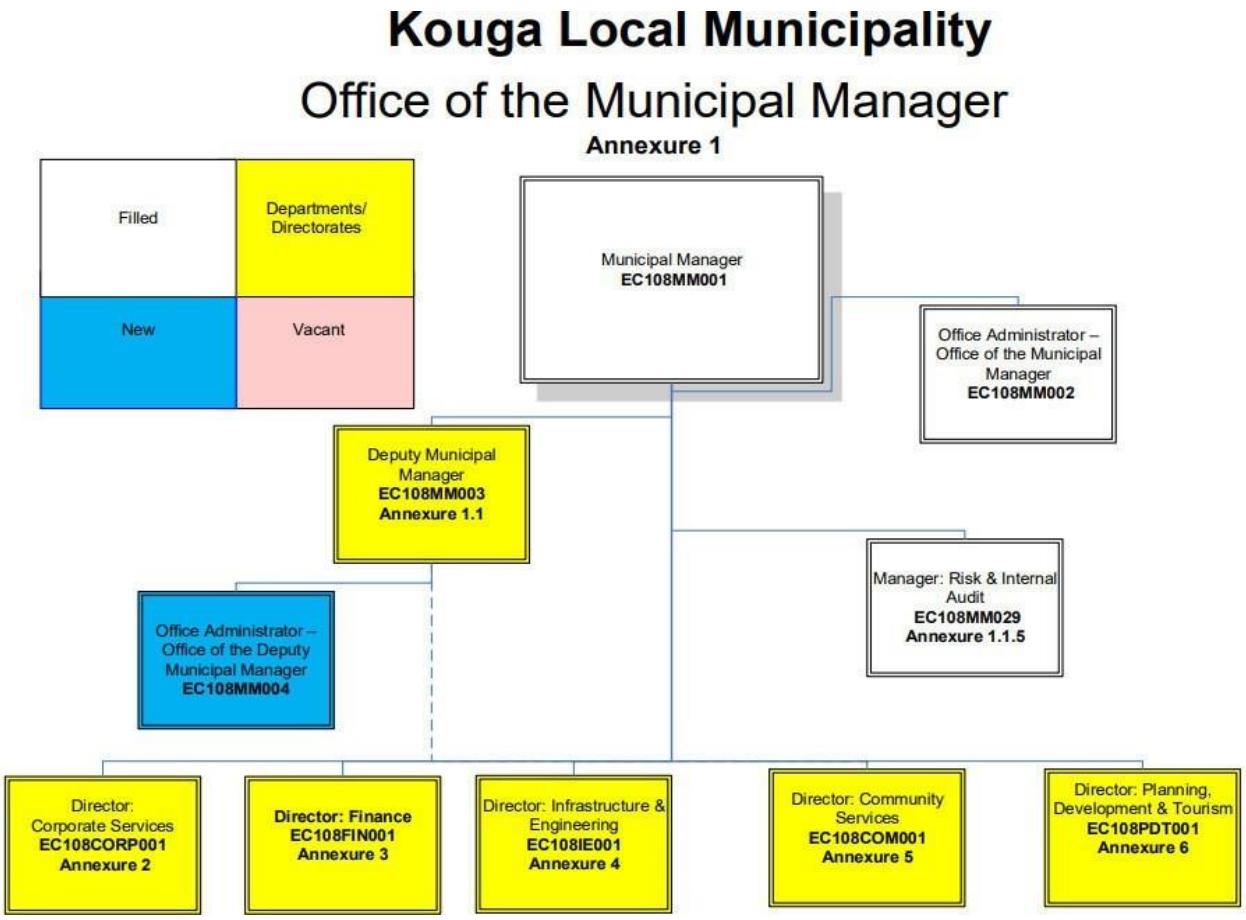
Corporate & Communication Services Portfolio	Committee Members	Alternate Members	Functions
Chairperson 	Cllr J Alexander		Administration / Auxiliary Services Legal Services Human Resources Media & Communication ICT
	Ald D Benson		
	Cllr M van Niekerk	Cllr L Maree	
	Cllr H Murray	Cllr B Dhludhlu	
	Cllr G Stuurman		
	Cllr V Gunuza	Cllr T Mbuqu	
	Cllr N Ntshota		
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Executive Deputy Mayor T Jantjes		

Ex-officio	Speaker B Williams		
Planning & Development Portfolio	**Committee Members**	**Alternate Members**	**Functions**
Chairperson 	Cllr S Ruth		Human Settlements Town & Regional Planning Land & Property MPT
	Cllr R Foley		
	Cllr C August		
	Cllr G Stuurman	Cllr J Alexander	
	Cllr M van Niekerk	Cllr L Maree	
	Cllr M Yali	Cllr V Zana	
	Cllr W Petersen		
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Executive Deputy Mayor T Jantjes		
Ex-officio	Speaker B Williams		
Community & Safety Services Portfolio	**Committee Members**	**Alternate Members**	**Functions**
Chairperson 	Cllr D Benson		Environmental Management Parks & Amenities Protection Services Beaches Disaster Management Fire
	Cllr H Murray		
	Cllr F Heystek		
	Cllr C August	Cllr J Alexander	
	Cllr G Stuurman	Cllr S Ruth	
	Cllr N Ntengwane		
	Cllr K Ndzelani	Cllr M Valgee	
	Cllr L Nkilishane		
	Cllr W van der Linde		

	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Executive Deputy Mayor T Jantjes		
Ex-officio	Speaker B Williams		
Electro-Mechanical Services Portfolio	**Committee Members**	**Alternate Members**	**Functions**
Chairperson 	Cllr T Jantjes		Electrical Services Fleet Management
	Cllr W Gertenbach		
	Cllr L Maree		
	Cllr S Ruth	Cllr B Dhludhlu	
	Cllr M Nicholls	Cllr H Murray	
	Cllr M Mbandana	Cllr M Yali	
	Cllr N Ntshota		
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Speaker B Williams		
Finance & Economic Development Portfolio	**Committee Members**	**Alternate Members**	**Functions**
Chairperson 	Cllr L Maree		Budget & Treasury Revenue Expenditure Assets Management Supply Chain Management
	Cllr R Foley		
	Cllr B Dhludhlu	Cllr S Ruth	
	Cllr F Heystek	Cllr H Murray	
	Cllr W Gertenbach		
	Cllr P Oliphant	Cllr W Petersen	

	Cllr M Yali		Tourism Local Economic Development Creative Industries Crèches Events Committee
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Executive Deputy Mayor T Jantjes		
Ex-officio	Speaker B Williams		
Civil & Water Services Portfolio	**Committee Members**	**Alternate Members**	**Functions**
Chairperson 	Cllr R Foley		Infrastructure Civil services PMU
	Cllr C August	Cllr M Nicholls	
	Cllr S Ruth	Cllr L Maree	
	Cllr W Gertenbach		
	Cllr J Alexander		
	Cllr V Zana	Cllr M Mbandana	
	Cllr P Oliphant		
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Executive Deputy Mayor T Jantjes		
Ex-officio	Speaker B Williams		

APPENDIX C: THIRD TIER ADMINISTRATIVE STRUCTURE



APPENDIX D: FUNCTIONS OF THE MUNICIPALITY

Municipal Powers and Functions	
Amenities and Infrastructure	**Housing Development**
Electricity	All forms of Housing Development
Storm water management	Housing Administration
Street lighting	Spatial Development
Road maintenance	Urban Revival
Water and sewerage management	**Human Resources**
Municipal Building maintenance	
Parks and gardens	All legislative, Civil law and administrative functions pertaining to staff
Libraries	Staff training
Municipal workshop	Implementation of Skills Act
Municipal Siding maintenance	Councillors training
Health, Environmental & Community Services	Local Labor Forum
	A Performance Management System
Municipal Health Services	**Land, Rural & Agricultural Development**
Informal settlements	
Environmental conservation	Rural land matters
Business licensing	Agricultural matters
Refuse removal	Education and welfare in general
Town cleansing	Rendering of services in all areas under its jurisdiction
Cemeteries	Land reform
Sport and Recreation	Acquisition and alienation of land
Arts and Culture	Impoundment of stray animals
Economic Development	Squatter Control
	Planning and Building Control
Promote Local Tourism	
Economic Development	Integrated Development Planning (including strategic planning)
Trading Legislation	Town Planning Services
Street Trading	Building Control Services
Industrial Development	Plans and signage control
Create Investor - friendly climate	Property valuations
Eradication of Poverty	**Safety and Security**
Finance	Law Enforcement (Traffic)
Keeping of Financial Records	Fire Services/Rescue Services
Municipal Rating and Taxation	Occupational Safety Services
Municipal Insurance	Disaster Management
Municipal banking and Investments	**Internal Audit**
Taking of Loans	
Stock Control and Asset Register	Internal Auditing of entire municipality

APPENDIX E: WARD REPORTING

WARD	WARD COUNCILLOR	WARD COMMITTEE ATTENDED	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
1	Cllr N Ntshota	11	1	1	1	1	1	1	1	1	1	1	1
2	Cllr H Murray	11	1	1	1	1	1	1	1	1	1	1	1
3	Cllr W Gertenbach	11	1	1	1	1	1	1	1	1	1	1	1
4	Cllr J Alexander	11	1	1	1	1	1	0	1	1	1	1	1
5	Cllr M Biko	11	1	1	1	1	1	0	1	1	1	1	1
6	Cllr K Ndzelani	11	1	1	1	1	1	1	1	1	1	1	1
7	Cllr T Mbuqu	11	1	1	1	1	1	0	1	1	1	1	1
8	Cllr R Foley	11	1	1	1	1	1	1	1	1	1	1	1
9	Cllr C August	11	1	1	1	1	1	0	1	1	1	1	1
10	Cllr M Mbadana	11	1	1	1	1	1	1	1	1	1	1	1
11	Cllr F Heystek	11	1	1	1	1	1	0	1	1	1	1	1
12	Cllr L Maree	11	1	1	1	1	1	0	1	1	1	1	1
13	Cllr V Zana	11	1	1	1	1	1	0	1	1	1	1	1
14	Cllr M Yali	11	1	1	1	1	1	1	1	1	1	1	1
15	Cllr T Jantjes	11	1	1	1	1	1	0	1	1	1	1	1

Note: No Ward Committee Meetings scheduled for December 2023.

APPENDIX F: WARD INFORMATION

APPENDIX G: RECOMMENDATIONS OF THE AUDIT COMMITTEE

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

APPENDIX I: MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

No Service Provider performs any municipal function on behalf of Kouga Municipality.

APPENDIX J: DISCLOSURE OF FINANCIAL INTEREST

The following Senior Managers completed the prescribed declaration of interest for the 2023/24year:

NAME	POSITION
C du Plessis	Municipal Manager
D de Jager	Deputy Municipal Manager
R Lorgat	Chief Financial Officer (Director Finance)
N Machelesi	Director: Community Services
C de Kock	Director Civil and Water Services

APPENDIX K: REVENUE COLLECTION PERFORMANCE

APPENDIX K(i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue by Vote	**Actuals**	
	2024	**2023**
Vote Description	**R**	**R**
Civil and Water Services	274,287,752	297,814,199
Community Services	148,667,607	194,064,667
Finance and Economic Development	449,049,618	434,843,714
Office of the Deputy Municipal Manager	1,697,007	3,887,391
Office of the Municipal Manager	-	-103,772
Planning and Development	41,392,307	11,828,451
Electro/Mechanical Services	398,035,247	313,433,274
Total Revenue by Vote	**1,313,129,538**	**1,255,767,924**

APPENDIX K(ii): REVENUE COLLECTION BY SOURCE

	Actual	
Item Description	**2024**	**2023**
	R	R
Revenue by Source		
Exchange Revenue		
Service charges - Electricity	380 375 534	306 476 963
Service charges – Waste Management	57 487 680	61 945 030
Service charges – Waste Water Management	59 633 132	61 796 904
Service charges - Water	109 872 623	117 399 855
Sales of Goods and Rendering of Services	7 442 497	9 188 788
Income from Agency Services	3 615 485	2 677 528
Interest earned from receivables	21 854 451	20 845 130
Interest earned from bank and investments	12 962 398	6 824 262
Rental from Fixed Assets	3 549 568	2 613 486
Licences and Permits	2 368 147	2 676 798
Operational Revenue	11 653 624	1 199 527
Non-Exchange Revenue		
Property Rates	280 202 653	259 514 386
Interest on receivables	5 519 180	3 729 096
fines, penalties and forfeits	40 083 846	101 635 779
Licences and Permits	7 421 091	7 195 326
Transfers and subsidies	301 769 197	279 561 122
Remeasurements on employee benefits	6 627 000	10 912 779
Increase in net-realisable value	691 432	- 424 835
Total Revenue	**1 313 129 538**	**1 255 767 924**

APPENDIX L: CONDITIONAL GRANTS RECEIVED: ECXCLUDING MIG

Name of Grant	Amount Received	Amount Spent
	R	R
Finance Management Grant	1 720 000	1 720 000
Integrated National Electrification Grant	6 983 953	6 297 650
Municipal Disaster Response Grant	13 550 000	3 169 259
Water Service Infrastructure Grant	30 000 000	22 832 114
Department of Human Settlement	22 018 908	1 462 960
Energy Efficiency and Demand Side Management Grant	4 000 000	4 000 000
Department of Economic development, Environment Affairs and Tourism	3 258 143	3 258 143
Department of Sport, Recreation, Arts and Culture: Library Grant	2 050 000	2 050 000
Expanded Public Works Programme Incentive Grant	2 321 000	2 321 000
Total	**85 902 004**	**47 111 126**

APPENDIX M: CAPITAL BUDGET EXPENDITURE

Project Name	Actual Expenditure As at 30 June 2024	Funding Source
DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	495 242	MIG
DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	57 500	MIG
UPGRADING KWANOMZAMO WWTW	8 036 856	MIG
DESIGN: LA MER NEW SEWER RISING MAIN	74 750	MIG
UPGRADING HANKEY SEWERAGE INFRASTRUCTURE	14 528 811	MIG
UPGRADING KOUGA GRAVEL ROADS	3 840 000	MIG
UPGRADING LOERIE SPORTS FACILITIES	6 091 441	MIG
MIG ADMIN	1 743 400	MIG
	34 868 000	

Description	Actual	
	2024	2023
	R	R
CAPITAL EXPENDITURE BY VOTE		
Civil and Water Services	72 875 254	79 204 663
Community Services	12 032 987	14 478 837
Electro/Mechanical Services	5 969 820	9 093 079
Finance and Economic Development	820 727	8 964 080
Office of the Deputy Municipal Manager	1 129 417	1 083 347
Office of the Municipal Manager	109 487	66 063
Planning and Development	-23 000	19 065
Total Capital Expenditure	**92 914 692**	**112 909 134**

APPENDIX N: CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

APPENDIX O: CAPITAL PROJECT BY PROJECT

UKEY NR	DIRECTORATES	PROJECT DESCRIPTION	Adjusted Budget 2023/24	Actuals as at 30 June 2024	%
	CIVIL AND WATER SERVICES				
20240131064386	PROJECT MANAGEMENT UNIT (PMU)	Upgrading/Improvement of Sport Facilities within Kouga Region (Sea Vista)	1 919 609	-	0,00%
20230707065830	PROJECT MANAGEMENT UNIT (PMU)	UPGRADING LOERIE SPORTS FACILITIES	5 296 905	-	0,00%
20240530050413	PROJECT MANAGEMENT UNIT (PMU)	UPGRADING LOERIE SPORTS FACILITIES	137 787	-	0,00%
20240131064303	PROJECT MANAGEMENT UNIT (PMU)	PAVING OF MAIN BEACH	1 800 000	-	0,00%
20240507060609	ROADS AND STORMWATER	Aston Bay to Paradise Beach - Seekoei Estuary Causeway Reconstruction	86 957	-	0,00%
20240507060606	ROADS AND STORMWATER	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	43 478	-	0,00%
20240507060603	ROADS AND STORMWATER	St Francis Bay - Nevil Road Reconstruction	13 043	-	0,00%
20230808053932	ROADS AND STORMWATER	ST FRANCIS CANAL BRIDGE	2 608 696	-	0,00%
20230707065827	ROADS AND STORMWATER	UPGRADING KOUGA GRAVEL ROADS	3 339 130	-	0,00%
20240131064309	ROADS AND STORMWATER	PLATE COMPACTOR	23 000	23 000	100,00%
20240507060612	ROADS AND STORMWATER	Paradise Beach - Botha Street Stormwater Infrastructure Upgrade	10 435	297 167	2847,79%
20230808053929	SEWERAGE	HANKEY WWTW	5 155 634	-	0,00%
20230707065785	SEWERAGE	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	430 645	-	0,00%
20230707065809	SEWERAGE	UPGRADING HANKEY SEWERAGE INFRASTRUCTURE	12 633 750	-	0,00%
20200711023341	SEWERAGE	New bypass Sewer Rising Main and Pump Stations Jbay	323 486	-	0,00%
20230707065791	SEWERAGE	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	50 000	-	0,00%
20200711023350	SEWERAGE	Piped Reticulation - St Francis Bay	41 500	-	0,00%
20230707065806	SEWERAGE	DESIGN: LA MER NEW SEWER RISING MAIN	65 000	-	0,00%
20230707065794	SEWERAGE	UPGRADING KWANOMZAMO WWTW	6 988 570	-	0,00%
20230808053926	SEWERAGE	KWANOMZAMO SEWERAGE PUMP STATION	551 027	197 653	35,87%
20240131064018	SEWERAGE	LA MER NEW SEWER RISING MAIN	9 000 000	-	0,00%
20220303055002	SEWERAGE	Upgrade Loerie sewer pump station	80 188	- 49 430	-61,64%
20221121032316	WATER	ST FRANCIS BAY: BOREHOLES	2 608 695	-	0,00%
20240828163710	WATER	Upgrade Sanitation System Old Hankey	-	22 650 208	
20230707065773	WATER	GROUND WATER DEVELOPMENT IN KOUGA	869 565	-	0,00%
20240828164409	WATER	UPGRADING KOUGA GRAVEL ROADS	-	10 435	
20240131063929	WATER	JILL MARCUS WATER SUPPLY	4 347 000	-	0,00%
20240507060600	WATER	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	-	0,00%
20230707065776	WATER	PARADISE BEACH WATER TOWER	9 772 639	-	0,00%
20200711023320	WATER	Repair Leaking Concrete Water Tower Paradise Beach	-	- 9 836 045	
20240828164549	WATER	HUMANSDORP: KRUISFONTEIN: BOREHOLES	-	19 893 301	
20230707065779	WATER	MIMOSA STREET PIPELINE REPLACEMENT	12 836 056	-	0,00%
20200711023323	WATER	Replace Main Waterline Sout Rivier Bridge Crossing St Francis Bay	66 125	9 836 045	14874,93%
20200711023312	WATER	Replace 250mm Water Main Canal Road St Francis Bay	17 507	-	0,00%
20240131063932	WATER	HUMANSDORP GROUNDWATER SUPPLY	2 800 000	-	0,00%
20210909975613	WATER	Connect 4 x drilled boreholes to treatment works	-	1 303 686	
20240828163350	WATER	Roads Capital	-	28 549 234	
			86 916 427	**72 875 254**	**83,85%**

UKEY NR	DIRECTORATES	PROJECT DESCRIPTION	Adjusted Budget 2023/24	Actuals as at 30 June 2024	%
	COMMUNITY SERVICES				
20240131064284	DIRECTOR:COMMUNITY SERVICES	PROJECTOR	20 000	19 172	95,86%
20240131064184	DIRECTOR:COMMUNITY SERVICES	Furniture and Equipment	9 290	9 290	100,00%
20240131064095	ENVIRONMENTAL MANAGEMENT	Kouga Skip Bins	400 000	241 500	60,38%
20210710000658	FIRE SERVICES	Fire Services - Vehicle (DISTRICT)	3 000 277	2 810 454	93,67%
20210710001224	LAW ENFORCEMENT	Computer Equipment - Operatons Room	569 423	327 103	57,44%
20240131064098	PARKS AND OPEN SPACES	GRASS CUTTER	200 000	505 982	252,99%
20240131063816	WASTE SERVICES	Supply and Delivery of Skip Trucks	1 800 000	1 557 341	86,52%
20240828163139	PARKS AND OPEN SPACES	Fencing Community Hall	-	6 562 143	
			5 998 990	**12 032 987**	**200,58%**
	ELECTRO/MECHANICAL SERVICES				
20230615035914	FLEET AND WORKSHOP	Generator	266 435	266 435	100,00%
20230915060227	METERING AND REVENUE	Electrification of Oceanview	-	- 21 290	
20240131063873	METERING AND REVENUE	Electrification of Oceanview	1 146 184	- 186 815	-16,30%
20240507060576	METERING AND REVENUE	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	-	0,00%
N/A	METERING AND REVENUE	Ocean View Electrification	-	106 069	
20210710000780	METERING AND REVENUE	Bulk 66kv Overhead lines	1 371 165	-	0,00%
20230707065758	METERING AND REVENUE	OCEAN VIEW 1250 ELECTRIFICATION	3 555 651	-	0,00%
N/A	METERING AND REVENUE	Ocean View Electrification	-	21 290	
20190710991823	METERING AND REVENUE	Furniture and Equipment	43 565	39 922	91,64%
20240828162930	METERING AND REVENUE	Replacement of Transformer - Humansdorp	-	5 744 209	
			11 383 000	**5 969 820**	**52,45%**
	FINANCE AND ECONOMIC DEVELOPMENT				
20220707986569	ASSETS; FUNDING AND INVESTMENTS MANAGEMENT	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	882 006	348 141	39,47%
20220707986572	ASSETS; FUNDING AND INVESTMENTS MANAGEMENT	Furniture and equipment	15 000	10 799	71,99%
20200304025383	ASSETS; FUNDING AND INVESTMENTS MANAGEMENT	Computer Equipment	20 000	-	0,00%
20200711023470	BUDGET AND TREASURY	Furniture and Equipment	10 000	144 998	1449,98%
20240131064281	BUDGET AND TREASURY	FMG Interns Laptops	130 435	130 435	100,00%
20230707065812	ECONOMIC DEVELOPMENT	Township Economy Support (Agriculture)	100 000	-	0,00%
20200711023544	REVENUE	Computer Equipment	170 000	147 523	86,78%
20240131064181	SCM:SUPPLY CHAIN AND CONTRACT MANAGEMENT	SCM Furniture	30 000	14 245	47,48%
20200304025386	SCM:SUPPLY CHAIN AND CONTRACT MANAGEMENT	Computer Equipment	80 000	24 586	30,73%
20230504025829	TOURISM	Furniture and Equipment	-	-	
			1 437 441	**820 727**	**57,10%**

UKEY NR	DIRECTORATES	PROJECT DESCRIPTION	Adjusted Budget 2023/24	Actuals as at 30 June 2024	%
	OFFICE OF THE DEPUTY MUNICIPAL MANAGER				
20190710991853	INFORMATION COMMUNICATION TECHNOLOGY (ICT)	Computer Equipment	1 635 000	855 508	52,32%
20210710000989	MAYOR	Furniture and Equipment - Municipal Court	219 331	215 271	98,15%
20230203054830	WARD COUNCILLORS	FURNITURE&EQUIPMENT-WARD COUNCILLORS	60 000	58 638	97,73%
20230707065845	WARD COUNCILLORS	Ward Development Capital	750 000	-	0,00%
			2 664 331	**1 129 417**	**42,39%**
	OFFICE OF THE MUNICIPAL MANAGER				
20240131064435	INTEGRATED DEVELOPMENT	Furniture and Equipment	10 000	37 411	374,11%
20230203054827	MUNICIPAL MANAGER	FURNITURE&EQUIPMENT -MUNCIPAL MANAGER	37 632	33 289	88,46%
20220303055038	RISK AND INTERNAL AUDIT	Furniture and equipment	55 000	38 787	70,52%
			102 632	**109 487**	**106,68%**
	PLANNING AND DEVELOPMENT				
20240131063999	HUMAN SETTLEMENT	HANKEY 990-PHASE 2	17 147 249	-	0,00%
20240131064002	HUMAN SETTLEMENT	HANKEY 990-PHASE 3	4 510 553	-	0,00%
20230203054845	TOWN AND REGIONAL PLANNING	IMPLEMENTATION OF JEFFREYS BAY PRECINCT PLAN	-	- 23 000	
			21 657 802	**- 23 000**	**-0,11%**
			130 160 623	**92 914 692**	**71,38%**

APPENDIX P: CAPITAL PROJECT BY WARD

DIRECTORATES	PROJECT DESCRIPTION	REGION	Actuals as at 30 June 2024
ROADS AND STORMWATER	Paradise Beach - Botha Street Stormwater Infrastructure Upgrade	Ward 12	297 167
SEWERAGE	KWANOMZAMO SEWERAGE PUMP STATION	Ward 6	197 653
WATER	Upgrade Sanitation System Old Hankey		22 650 208
WATER	HUMANSDORP: KRUISFONTEIN: BOREHOLES		19 893 301
WATER	Replace Main Waterline Sout Rivier Bridge Crossing St Francis Bay		9 836 045
WATER	Connect 4 x drilled boreholes to treatment works		1 303 686
WATER	Roads Capital		28 549 234
ENVIRONMENTAL MANAGEMENT	Kouga Skip Bins		241 500
FIRE SERVICES	Fire Services - Vehicle (DISTRICT)		2 810 454
PARKS AND OPEN SPACES	GRASS CUTTER		505 982
WASTE SERVICES	Supply and Delivery of Skip Trucks		1 557 341
PARKS AND OPEN SPACES	Fencing Community Hall		6 562 143
METERING AND REVENUE	Replacement of Transformer - Humansdorp		5 744 209

APPENDIX P: SERVICE CONNECTION BACKLOGS 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

These matters are brought to the attention of the relevant Sector Department through the Intergovernmental Relations Committee.

APPENDIX Q: SERVICE BACKLOGS WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

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	PROJECT DESCRIPTION
Department of Community Safety/SAPS	• Satellite police station for Ward 1 • Collaboration with municipal law enforcement to maximise safety in wards • Gangsterism at schools and townships • Involvement of SA Army • Establishment of community police forums • Enforcement of non-compliance of liquor on and off consumption in townships
Department of Education	• Overcrowding at all Kouga Schools • Need for Kouga FET College • Future use of unused (2) school sites in Jeffreys Bay
Department of Sports, Arts and Culture	• Maintenance of sports fields (Backlogs) and new facility for cricket in ward 4 & 5 • Construction of inclusive multi-purpose sports centres in Ward 4, 6, 7 and 14. • Library in Andrieskraal, Ward 1,10 & 14 • Wi-fi for all libraries
Department of Health	• Staffing of clinics in Ward 1,2, 4, 5, 9, 13 &14 • New clinics or extension to existing ones in ward 2 & 6 • Mobile more clinics in ward 4 (Kruisfontein and Die Berg) & ward 14
Department of Land Reform and Rural Development	• Release and or lease of state and municipal land for commonage and emergency farming in ward 1,4,7,9,10 and 14 • Comprehensive rural development programme for Ward 4, 7, 9, 10, 14 • Land for housing for farming community in Andrieskraal (Ward 9 & 10) • Outstanding land claims in Ward 13 and 9

These matters are brought to the attention of the relevant Sector Department through the Intergovernmental Relations Committee.

APPENDIX R: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: Year 2023/24			
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: 2023/24**	**Future Commitment**
Kouga Local Tourism Organisation:	Tourism		Grant-No future commitment
Humansdorp Museum Association:	Heritage		Grant-No future commitment
Jeffreys Bay Recycling Project:	Waste Minimization		Grant-No future commitment
On Eagles Wings Multi-Purpose Centre:			Grant-No future commitment
SPCA ASSISI:	Animal Welfare		Grant-No future commitment
Jeffreys Bay Animal Rescue:	Animal Welfare		Grant-No future commitment
St Francis Bay Animal Rescue:	Animal Welfare		Grant-No future commitment
National Sea Rescue Institute:	Sea Rescue		Grant-No future commitment

APPENDIX S: DECLARATION OF RETURNS NOT MADE IN DUE TIME MFMA s71

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:	1. Build Institutional Capacity and Financial Viability
	A Better Africa and World	2. Governance and Public Participation 3. Municipal Transformation and Organizational Development

APPENDIX U: ANNUAL FINANCIAL STATEMENTS

APPENDIX: U

KOUGA
local municipality
Good Governance through Service Excellence

Kouga Local Municipality
(Demarcation code EC108)
Audited Annual Financial Statements
for the year ended 30 June 2024

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

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The reports and statements set out below comprise the audited annual financial statements presented to the Municipal Council:

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Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

General Information

Legal form of entity	Municipality in terms of section 1 of the Local Government: Municipal Structures Act (Act 117 of 1998) read with section 155 (1) of the Constitution of the republic of South Africa (Act 108 of 1996)
Nature of business and principal activities	The objective of the municipality is to provide - democratic and accountable government for local communities, - the provision of services (electricity, water, sanitation and refuse) to communities in a sustainable manner, - to promote social and economic development, - and to promote a safe and healthy environment to encourage the involvement of communities and community organisations in the matters of local government.

Executive mayor and chairperson of mayoral commitee

Portfolio	**Councillor**
Executive Mayor and Chairperson of Mayoral committee	H Borman
Deputy Executive Mayor and MMC (Electro and Mechanical Services)	T Jantjies
Speaker	B Williams
MMC (Corporate and Communication Services)	J Alexander
MMC (Finance and Economic Development)	L Maree
MMC (Civil and Water Services)	R Foley
MMC (Planning and Development)	S Ruth
MMC (Community and Safety Services)	D Benson

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

General Information

Council members

Ward	Surname	Initials
1	Ntshota	N
2	Murray	H
3	Gertenbach	W
4	Alexander	J
5	Nicholls	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	Jantjies	T
Proportional	Bornman	H
Proportional	Williams	B
Proportional	van Niekerk	M
Proportional	Benson	D
Proportional	Ruth	S
Proportional	Dhludhlu	B
Proportional	Stuurman	G
Proportional	Gunuza	V
Proportional	Ntengwane	N
Proportional	Valgee	M
Proportional	Oliphant	P
Proportional	Nkilishane	L
Proportional	Petersen	W
Proportional	van der Linde	W

Accounting Officer	Mr. C. du Plessis
Chief Financial Officer (CFO)	Mr. R Lorgat
Telephone	(042) 200 2200
Fax	(042) 293 4204
Demarcation code	EC108

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Abbreviations

DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
LGSETA	Local Government Services Sector Education and Training Authority
MSIG	Municipal System Improvement Grant
NDPG	Neighbourhood Development And Partnership Grant
SRAC	Sports, Recreation, Arts and Culture

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Report

The Accounting Officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the audited annual financial statements and related financial information included in this report.

It is the responsibility of the Accounting Officer to ensure that the audited annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the audited annual financial statements and was given unrestricted access to all financial records and related data.

The audited annual financial statements were prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) as well as relevant interpretations, guidelines and directives issued by the Accounting Standards Board.

The audited annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

I, as the Accounting Officer (accounting authority) acknowledges that I am ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable me to meet these responsibilities, I have set standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality’s business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

I am of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the audited annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

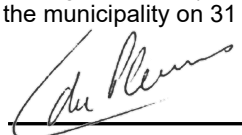
I have reviewed the municipality’s cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, I am satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although, I am primarily responsible for the financial affairs of the municipality, this is supported by the municipality's external auditors.

I would like to bring the following material matters to your attention:

I certify that the salaries, allowances and benefits of councillors as disclosed in note 31 to these audited annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998 and the Minister of Provincial and Local Government’s determination in accordance with the Act.

The audited annual financial statements set out on pages 6 to 110, in terms of Section 126(1) of the Municipal Finance Management Act (Act 56 of 2003), which have been prepared on the going concern basis and which I have signed on behalf of the municipality on 31 August 2024:



Mr. C. du Plessis
Accounting Officer

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Cash and cash equivalents	2	143,658,806	104,935,011
Trade and other receivables from exchange transactions	3	73,436,804	86,150,341
Receivables from non-exchange transactions	4	26,651,119	29,014,521
Inventories	5	22,449,513	18,598,030
Deposits	6	893,543	893,543
Operating leases	7	105,634	109,349
Total Current Assets		**267,195,419**	**239,700,795**
Non-Current Assets			
Investment property	8	250,793,547	251,673,471
Property, plant and equipment	9	2,061,615,773	2,057,692,765
Intangible assets	10	418,609	602,549
Total Non-Current Assets		**2,312,827,929**	**2,309,968,785**
Total Assets		**2,580,023,348**	**2,549,669,580**
Liabilities			
Current Liabilities			
Lease liabilities	11	11,144,269	12,168,692
Employee benefits	12	53,426,901	44,587,920
Consumer deposits	13	31,660,112	29,060,071
Trade and other payables from exchange transactions	14	158,677,344	146,630,488
Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent	15	38,790,886	28,993,831
Provision	16	1,000,001	1,147,461
Total Current Liabilities		**294,699,513**	**262,588,463**
Non-Current Liabilities			
Lease liabilities	11	12,231,114	23,375,382
Employee benefits	12	111,627,299	106,638,259
Provision	16	119,432,936	118,827,256
Total Non-Current Liabilities		**243,291,349**	**248,840,897**
Total Liabilities		**537,990,862**	**511,429,360**
Net Assets		**2,042,032,486**	**2,038,240,220**
Community Wealth / Equity			
Accumulated surplus		2,036,273,402	2,038,240,233
Reserves and funds	17	5,759,077	-
Total Community Wealth / Equity		**2,042,032,479**	**2,038,240,233**

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Performance

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Revenue			
Exchange Revenue			
Services charges – Electricity	18	380,375,534	306,476,963
Services charges – Waste Management	18	57,487,680	61,945,030
Services charges – Waste water management	18	59,633,132	61,796,904
Services charges – Water	18	109,872,623	117,399,855
Sales of goods and rendering of services	19	7,442,497	9,188,788
Agency services	20	3,615,485	2,677,528
Interest earned from receivables	24	21,854,451	20,845,130
Interests earned from bank and investments	21	12,962,398	6,824,262
Rental from fixed assets	22	3,549,568	2,613,486
Licences or permits	26	2,368,147	2,676,798
Operational revenue	28	11,653,624	1,199,527
Total Exchange Revenue		**670,815,139**	**593,644,271**
Non-Exchange Revenue			
Property rates	23	280,202,653	259,514,386
Interest on receivables	24	5,519,180	3,729,096
Fines, penalties and forfeits	25	40,083,846	101,635,779
Licences or permits	26	7,421,091	7,195,326
Transfers and subsidies	27	301,769,197	279,561,122
Remeasurements on employee benefits	29	6,627,000	10,912,779
Increase in net-realisable value	30	691,432	(424,835)
Total Non-Exchange Revenue		**642,314,399**	**662,123,653**
Total Revenue		**1,313,129,538**	**1,255,767,924**
Expenditure			
Employee related cost	31	398,877,525	364,305,742
Remuneration of councillors	32	14,975,750	13,700,138
Bulk purchases	33	351,702,171	291,888,014
Inventory consumed	34	102,598,768	91,081,830
Debt impairment	35	87,368,874	88,658,561
Depreciation and amortisation	36	100,860,229	101,289,976
Impairment loss / (reversal) of impairment	37	1,678,698	23,428,417
Finance costs	38	10,037,689	8,058,566
Contracted services	39	93,766,055	87,297,768
Transfers and subsidies	40	920,000	708,750
Operating leases	41	7,529,614	6,813,840
Operational cost	42	74,446,017	70,890,251
Contribution to provision	43	(52,760)	(778,290)
Loss on disposal of fixed and intangible assets	44	1,768,784	1,313,866
Irrecoverable debts written off	45	62,859,860	87,459,401
Total Expenditure		**1,309,337,274**	**1,236,116,830**
Surplus for the year		**3,792,264**	**19,651,094**

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Net Assets

	Capital replacement reserve	Accumulated surplus	Total net assets
Opening balance as previously reported as at 1 July 2022	-	2,081,457,240	2,081,457,240
Adjustments			
Correction of errors	-	(62,868,108)	(62,868,108)
Balance at 01 July 2022 as restated*	**-**	**2,018,589,132**	**2,018,589,132**
Surplus for the year	-	19,651,094	19,651,094
Transfers to / from accumulated surplus for the year	-	7	7
Total changes	-	19,651,101	19,651,101
Restated* Balance at 01 July 2023	**-**	**2,038,240,213**	**2,038,240,213**
Surplus for the year	-	3,792,264	3,792,264
Transfers to / from accumulated surplus for the year	-	2	2
Transfer of contribution to the capital replacement reserve from accumulated surplus	5,759,077	(5,759,077)	-
Total changes	5,759,077	(1,966,811)	3,792,266
Balance at 30 June 2024	**5,759,077**	**2,036,273,402**	**2,042,032,479**
Note(s)	17		

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Cash Flow Statement

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Taxation		313,401,241	317,687,600
Service charges and Operational revenue		542,526,475	421,621,636
Transfers and Subsidies		293,566,252	322,110,382
Interest		12,962,398	6,824,262
Payments			
Employees and remuneration of councillors		(393,398,257)	(362,359,082)
Suppliers		(619,472,064)	(514,744,863)
Finance charges		(5,662,861)	(3,926,240)
Net cash from(used) operating activities	46	**143,923,184**	**187,213,695**
Cash flows from investing activities			
Payments			
Purchase of property, plant and equipment		(92,914,690)	(113,220,765)
Net cash flows from investing activities		**(92,914,690)**	**(113,220,765)**
Cash flows from financing activities			
Receipts			
Finance lease receipts		-	3,091,527
Increase in consumer deposits		-	-
Increase in other liabilities		-	-
Payments			
Finance lease payments		(12,284,697)	-
Net cash flows from financing activities		**(12,284,697)**	**3,091,527**
Net increase/(decrease) in cash		**38,723,797**	**77,084,457**
Cash and cash equivalents at year begin		104,935,011	27,850,553
		143,658,808	**104,935,010**

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actuals

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
2024								
Financial performance								
Property rates	281,487,795	-	281,487,795	281,487,795	280,202,653	(1,285,142)	100 %	100 %
Service Charges	621,866,972	(19,433,526)	602,433,446	602,433,446	607,368,969	4,935,523	101 %	98 %
Investment revenue	4,598,161	7,075,507	11,673,668	11,673,668	12,962,399	1,288,731	111 %	282 %
Transfers recognised - Operational	190,883,480	6,846,193	197,729,673	197,729,673	198,629,696	900,023	100 %	104 %
Other own revenue	60,120,631	160,292,793	220,413,424	220,413,424	103,507,885	(116,905,539)	47 %	172 %
Total revenue (excluding capital transfers and contributions)	**1,158,957,039**	**154,780,967**	**1,313,738,006**	**1,313,738,006**	**1,202,671,602**	**(111,066,404)**	**92 %**	**104 %**
Employee costs	(447,813,268)	5,557,109	(442,256,159)	(442,256,159)	(398,877,527)	43,378,632	90 %	89 %
Remuneration of councillors	(15,140,069)	-	(15,140,069)	(15,140,069)	(14,975,747)	164,322	99 %	99 %
Depreciation and asset impairment	(109,662,969)	-	(109,662,969)	(109,662,969)	(100,860,228)	8,802,741	92 %	92 %
Interest	(2,089,744)	(3,660,142)	(5,749,886)	(5,749,886)	(10,037,689)	(4,287,803)	175 %	480 %
Materials and bulk purchases	(458,625,797)	327,426,865	(131,198,932)	(131,198,932)	(454,300,940)	(323,102,008)	346 %	99 %
Transfers and grants	(924,282)	(200,000)	(1,124,282)	(1,124,282)	(920,000)	204,282	82 %	100 %
Other expenditure	(234,060,303)	(498,598,378)	(732,658,681)	(732,658,681)	(322,046,710)	410,611,971	44 %	138 %
Total expenditure	**(1,268,316,432)**	**(169,474,546)**	**(1,437,790,978)**	**(1,437,790,978)**	**(1,302,018,841)**	**135,772,137**	**91 %**	**103 %**
Surplus/(Deficit)	**(109,359,393)**	**(14,693,579)**	**(124,052,972)**	**(124,052,972)**	**(99,347,239)**	**24,705,733**	**80 %**	**91 %**
Contributions recognised - capital and contributed assets	75,560,927	19,077,635	94,638,562	94,638,562	103,139,503	8,500,941	109 %	136 %
Surplus (Deficit) after capital transfers and contributions	**(33,798,466)**	**4,384,056**	**(29,414,410)**	**(29,414,410)**	**3,792,264**	**33,206,674**	**(13)%**	**(11)%**
Surplus/(Deficit) for the year	**(33,798,466)**	**4,384,056**	**(29,414,410)**	**(29,414,410)**	**3,792,264**	**33,206,674**	**(13)%**	**(11)%**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actuals

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Financial position								
Total current assets	154,622,058	59,239,893	213,861,951	213,861,951	266,447,686	52,585,735	125 %	172 %
Total non-current assets	2,302,442,215	34,942,086	2,337,384,301	2,337,384,301	2,312,827,918	(24,556,383)	99 %	100 %
Total current liabilities	(154,258,500)	(69,670,568)	(223,929,068)	(223,929,068)	(243,291,350)	(19,362,282)	109 %	158 %
Total non current liabilities	(255,034,978)	(718,928)	(255,753,906)	(255,753,906)	(293,951,778)	(38,197,872)	115 %	115 %
Community and wealth	**2,047,770,795**	**23,792,483**	**2,071,563,278**	**2,071,563,278**	**2,042,032,476**	**(29,530,802)**	**99 %**	**100 %**
Capital expenditure and funds sources								
Total capital expenditure	(79,342,839)	(50,817,785)	(130,160,624)	(130,160,624)	(92,914,692)	37,245,932	71 %	117 %
Transfers recognised - capital	(65,882,839)	(22,632,239)	(88,515,078)	(88,515,078)	-	88,515,078	- %	- %
Internally generated funds	(13,460,000)	(28,185,546)	(41,645,546)	(41,645,546)	-	41,645,546	- %	- %
Total sources of capital funds	**(79,342,839)**	**(50,817,785)**	**(130,160,624)**	**(130,160,624)**	**-**	**130,160,624**	**- %**	**- %**
Cash flows								
Net cash from (used) operating	86,486,589	(5,427,303)	81,059,286	81,059,286	113,137,082	32,077,796	140 %	131 %
Net cash from (used) investing	(79,342,839)	(50,817,785)	(130,160,624)	(130,160,624)	(62,255,719)	67,904,905	48 %	78 %
Net cash from (used) financing	(10,090,505)	(2,078,188)	(12,168,693)	(12,168,693)	(12,168,690)	3	100 %	121 %
Net increase/(decrease) in cash and cash equivalents	**(2,946,755)**	**(58,323,276)**	**(61,270,031)**	**(61,270,031)**	**38,712,673**	**99,982,704**	**(63)%**	**(1,314)%**
Cash and cash equivalents at the beginning of the year	8,542,313	96,392,695	104,935,008	104,935,008	104,935,019	(11)	100 %	1,228 %
Cash and cash equivalents at year end	**5,595,558**	**38,069,419**	**43,664,977**	**43,664,977**	**143,647,692**	**(99,982,715)**	**329 %**	**2,567 %**

Kouga Local Municipality

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Budget and actuals variance explanations:

Investment Revenue:

The interest earned on external investments is largely influenced by the municipality's investment portfolio, currently amounts to R143 659 000. The investment amount of R 143 659 000 includes call accounts amounting to R 38 683 000 for the unspent conditional grants.

Operational Revenue:

The other revenue is largely influenced by the land sale amounting to R 2,029 million and the recognition of revenue amounting to R 18 000 000 for land donations received from the Department of Human Settlement for housing projects.

Employee related Costs:

Employee related costs expenditure is largely influenced by the unfilled funded vacancies amounting to R 45 610 000

Interest:

Interest cost relates to post retirement benefits for pension and medical that was higher than anticipated

Inventory consumed and bulk purchases

Inventory consumed relates to materials and supplies which were lower than anticipated

Transfers and Subsidies:

Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organisations, in line with the Council approved grant-in-aid policy.

Other Expenditure:

Other expenditure variance relates mostly to ICT expenditure that was partly implemented within the current financial period

Transfers recognised - capital

Capitial transfers recognised relates to Capital grants received. There are 2 grants, WSIG and DOHS, that was not fully spent. Rollover applications were done pending approval from National Treasury

Internally generated funds:

Several internally funded Capital projects was approved in the Adjustments Budget. These projects, although not fully spent are committed and Council has approved the unspent amount to be rolled over on 23 August 2024**.**

Total current assets:

Current assets variance relates to the higher than anticipated cash balance at year end. The municipality closed with a cash balance of R100 million more than anticipated. Overdue debtors also increased by approximately R53 million

Total current liabilities:

The variance in current liabilities largely relates to VAT that was restated to show the seperation of output, input as well as the control account seperately. This was previously offset with the control account which is not in line with GRAP 108**.**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

Basis of preparation

These audited annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

The audited annual financial statements were prepared on the accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these audited annual financial statements, is disclosed below:

1. Summary of significant accounting policies

These standards, interpretations and guidelines issued by the Accounting Standards Board are indicated as follows:

Reference	Description
GRAP Framework	Framework for the Preparation and Presentation of Financial Statements
GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investment in Associates
GRAP 8	Investment in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events After the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 18	Segment Reporting
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 20	Related Party Disclosures (Revised)
GRAP 21	Impairment of Non-cash-generating Assets
GRAP 23	Revenue from Non-exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating Assets
GRAP 27	Agriculture
GRAP 31	Intangible Assets
GRAP 32	Service Concession Arrangements: Grantor
GRAP 100	Discontinued Operations
GRAP 104	Financial Instruments
GRAP 108	Statutory Receivables
GRAP 109	Accounting by Principals and Agents
GRAP 110	Living and Non-living Resources
IGRAP 1	Applying The Probability Test On Initial Recognition Of Revenue
IGRAP 2	Changes in Existing Decomissioning Restoration and Similar Liabilities
IGRAP 3	Determining Whether an Arrangement Contains a Lease
IGRAP 4	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IGRAP 5	Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Ecomonies
IGRAP 6	Loyalty Programmes
IGRAP 7	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IGRAP 8	Agreements for the Construction of Assets from Exchange Transactions
IGRAP 9	Distributions of Non-cash Assets to Owners
IGRAP 10	Assets Received from Customers
IGRAP 12	Jointly Controlled Entities – Non-Monetary Contributions

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Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

. Additional content (continued)

IGRAP 13	Operating Leases – Incentives
IGRAP 14	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IGRAP 15	Revenue – Barter Transactions Involving Advertising Services
IGRAP 16	Intangible Assets – Website Costs
IGRAP 17	Service Concession Arrangements where Grantor Controls Significant Residual Interest
IGRAP 18	Recognition and Derecogntion of Land
IGRAP 19	Liabilities to Pay Levies
IGRAP 20	Accounting for Adjustments to Revenue
IGRAP 21	The Effect of Past Decisions on Materiality
Directive 1	Deletion of Transitional Provisions in Standards of GRAP
Directive 3	Amended Transitional Provisions for High Capacity Municipalities
Directive 4	Amended Transitional Provisions for Medium and Low Capacity Municipalities
Directive 5	GRAP Reporting Framework
Directive 7	The Application of Deemed Cost
Directive 11	Changes in Measurement Bases following Initial Adoption of Standards of GRAP
Guideline	Accounting for Arrangements Undertaken i.t.o the National Housing Programme
Guideline	Accounting for Landfill Sites
Guideline	The Application of Materiality to Financial Statements

The cash flow statement is prepared using the direct method, whereby major classes of gross cash receipts and gross cash payments are disclosed.

Accounting policies for material transactions, events or conditions not covered by the above GRAP standards have been developed in accordance with GRAP 3. Where required, accounting policies were developed for standards of GRAP that have been issued by the Accounting Standards Board, but for which an effective date have not been determined by the Minister of Finance.

1.1 New standards and interpretations

1.1 Standards, amendments to standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:

	Effective date: Years beginning on or after	Expected impact:
• iGRAP 21: The Effect of Past Decisions on Materiality	01 April 2023	The impact of the interpretation is not material.
• GRAP 25 (as revised): Employee Benefits	01 April 2023	The impact of this amendment has not had a material impact on the results of the municipality, but has resulted in more disclosure than would have previously been provided in the audited annual financial statements.
• iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction	01 April 2023	The impact of the interpretation is not material.
• GRAP 2020: Improvements to the Standards of GRAP 2020	01 April 2023	The impact of the improvements are not material.
• Guideline: Guideline on Accounting for Landfill Sites	01 April 2023	The impact of the standard is not material.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.1 New standards and interpretations (continued)

• GRAP 1 (amended): Presentation of Financial Statements (Materiality)	01 April 2023	The impact of the amendments are not material.

1.2 Standards, amendments to standards and interpretations issued, but not yet effective

The municipality has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2024 or later periods:

Standard/ Interpretation:

	Effective date: Years beginning on or after	**Expected impact:**
• GRAP 2023: Improvements to the Standards of GRAP 2023	To be determined	Unlikely there will be a material impact
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	To be determined	Unlikely there will be a material impact
• GRAP 103 (as revised): Heritage Assets	To be determined	Unlikely there will be a material impact
• GRAP 105: Transfer of Functions Between Entities Under Common Control	To be determined	Unlikely there will be a material impact
• GRAP 106: Transfer of Functions Between Entities Not Under Common Control	To be determined	Unlikely there will be a material impact
• GRAP 107: Mergers	To be determined	Unlikely there will be a material impact
• iGRAP 22: Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Impact is currently being assessed

1.2 Presentation currency

These audited annual financial statements are presented in South African Rand, which is the functional currency of the municipality and all values are rounded to the nearest thousand (R'000).

1.3 Going concern assumption

These audited annual financial statements were prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 Offsetting

Financial assets and liabilities are offset and the net amount reported on the Statement of financial position only when there is a legally enforceable right to set off the recognised amount, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.5 Comparative of actual information to budgeted information

The annual budget figures have been prepared in accordance with the Municipal Budget and Reporting Regulations, 2009. A comparative of actual to budged amounts are reported in a separate additional financial statement, called the Statement of comparison of budget and actual amounts. Explanatory comment is provided in the notes to the statement giving motivations for over- or under spending on line items where it is found to be material. The budgeted 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 prepared and approved on an accrual basis by nature classification. The approved budget covers the period from 01 July 2023 to 30 June 2024.

In general, a difference of 10% or more is considered material, although the surrounding circumstances are taken into account if it could influence the decisions or assessments of the users of the audited annual financial statements in determining whether a difference between the budgeted and actual amount is material.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.6 Current year comparatives

When the presentation or classification of items in the audited annual financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification and / or restatement is not required by a Standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior periods.

1.7 Significant judgements and estimates

In the application of the municipality's accounting policies, which are described below, management is required to make judgement, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experiences and other factors that are considered too 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 on-going 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.

Accounting Policies

1.7 Significant judgements and estimates (continued)

1.7.1 Judgements

The following are the critical judgements, apart from those involving estimations, that the 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 the audited annual financial statements:

Materiality

Materiality is judged by reference to the size and nature of the item. The deciding factor is whether the omission or misstatement could, individually or collectively, influence the decisions that users make on the basis of these audited annual financial statements.

In preparation of the audited annual financial statements materiality has been considered in:

- Deciding what to report in the audited annual financial statements and how to present it.
- Assessing the effect of omissions, misstatements and errors on the audited annual financial statements.

In assessing whether an item, transaction or event is material, specific thresholds for specific items, transactions and events, or aggregations thereof has been developed. These thresholds are used to make decisions about the reporting of information (i.e. how to recognise, measure, present and disclose items, transactions and events), and used as a margin of error or framework within which to assess misstatements and errors.

The municipality has also considered whether certain transactions or balances may be qualitatively material based on the inherent characteristics thereof, even though the transaction or balance is quantitatively immaterial, if:

- The item, transaction or event relates to legal or regulatory requirements.
- Related party transactions.
- The regularity or frequency with which an item, transaction or event occurs.
- The item, transaction or event results in the reversal of a trend.
- The item, transaction or event is likely to result in a change in accounting policy.
- The commencement of a new function, or the reduction or cessation of an existing function.
- The degree of estimation or judgement that is needed to determine the value of an item, transaction or event.
- An item, transaction or event that affects the going concern assumption of the municipality.

Lease classification – municipality as lessor

The municipality has entered into commercial property leases on its investment property portfolio. The municipality has determined that it retains all the significant risks and rewards of ownership of these properties, and so accounts for them as operating leases.

Lease classification – municipality as lessee

The municipality has entered into a number of leases for office equipment. In determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the municipality.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. The municipality has exercised its judgement on the appropriate classification of equipment leases, and has determined a number of lease arrangements are finance leases.

Classification of property as held for strategic purposes

The municipality classifies vacant land that is earmarked for future development in terms of the municipality's Spatial Development Framework, as property, plant and equipment, rather than investment property.

Criteria for the classification of properties as investment property rather than property, plant and equipment, when classification is difficult

All properties held to earn market-related rentals or for capital appreciation or both and that are not for administrative purposes and that will not be sold in the ordinary course of operations are classified as investment property.

Land held for currently undetermined future use

Kouga Local Municipality
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Accounting Policies

1.7 Significant judgements and estimates (continued)

Leased properties that are held to provide a social (community) service or that are necessary for employees to perform their job functions, but which also generates rental revenue are not seen as investment property. The rental revenue generated is incidental to the purposes for which the property is held.

Determination of repairs and maintainenance costs

Repairs and maintenance is based on management's own judgement of costs incurred in cost centres responsible for the maintenance and repair of municipality owned assets. This includes internal charges (inter departmental charges) such as internal transport costs, charged out to the different departments.

Componentisation of infrastructure assets

All infrastructure assets, acquired before the adoption of GRAP where the acquisition cost could not be obtained, with significant components relating to different useful lives are unbundled into their components in order to depreciate all major components over the expected useful lives. The cost of each component is estimated based on the current market replacement cost of each component, depreciated for age and condition and recalculated to deemed cost at the acquisition date if known or to the date of initially adopting the Standards of GRAP. All infrastructure assets acquired after the adoption of GRAP with significant components relating to different useful lives are unbundled into their components based on the actual expenditure incurred.

Accounting Policies

1.7 Significant judgements and estimates (continued)

1.7.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Pension and other post-employment benefits

The cost of defined benefit pension plans and other employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Classification of financial assets and liabilities

The classification of financial assets and liabilities, into categories, is based on judgement by management. The Accounting Policy on Financial Instruments describes the factors and criteria considered by the management of the municipality in the classification of financial assets and liabilities.

In making the above-mentioned judgement, management considered the definition and recognition criteria for the classification of financial instruments as set out in GRAP 104: Financial Instruments.

Impairment of financial assets

The Accounting Policy on Financial Instruments describes the process followed to determine the value by which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considers the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments 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 the impairment of financial assets recorded during the year is appropriate.

The calculation in respect of the impairment of service debtors (receivables from exchange and non-exchange transactions) 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 was performed per service-identifiable categories across all classes of debtors.

The calculation in respect of the impairment of fine receivables (receivables from non-exchange transactions) is based on an assessment of the past payment history of fines per category.

- 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. z
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- 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.

Review of useful lives of property, plant and equipment and intangible assets

The useful lives of assets are based on management’s estimation. Management considers whether there is any indication that expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. These include changes in the composition, condition and nature of the asset, its susceptibility and adaptability to changes in technology and processes, the nature of the processes and environment in which the asset is deployed availability of funding to replace the asset and changes in the market in relation to the asset, as well as planned repairs and maintenance including refurbishments.

Impairment of property, plant and equipment, intangible assets, heritage assets and inventory

Accounting Policies

1.7 Significant judgements and estimates (continued)

The Accounting Policies on impairment of cash and non-cash generating assets as well as inventory describes 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 the impairment of property, plant and equipment, intangible assets and heritage assets and the write down of Inventories to the lowest of Cost and Net Realisable Values (NRV).

In making the above-mentioned estimates and judgement, management considers the subsequent measurement criteria and indicators of potential impairment losses as set out in GRAP 21: Impairment of Cash generating Assets and GRAP 26: Impairment of non-cash generating assets.

Provisions and contingent liabilities

Management judgement is required when recognising and measuring provisions, and when measuring contingent liabilities. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Assumptions were used in determining the provision for rehabilitation of landfill sites. Provision is made for the estimated cost to be incurred on the long-term environmental obligations, comprising expenditure on pollution control and closure over the estimated life of the landfill. The provision is based on the advice and judgment of qualified engineers. The estimates are discounted at a pre-tax discount rate that reflect current market assessments of the time value of money. The increase in the rehabilitation provision due to passage of time is recognised as finance cost in the Statement of financial performance.

Revenue recognition

The Accounting Policies on Revenue from Exchange Transactions and Revenue from Non-exchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality. 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.

In particular, in regard to revenue form exchange revenue - when goods are sold, whether the management 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. In regard to revenue from non-exchange transactions - significant estimations were made to the initial recognition and measurement of revenue on fines, on the estimated reductions on initial recognition and measurement. Based on past experience, of the amount of revenue the municipality is entitled to collect was calculated as -% of the value of the fines issued, whereas it was estimated that -% of the value of the fines issued were impaired. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

Budget information

Management assumes deviations between budget and actual amounts to be material when a deviation of more than 10% exists. All material differences are explained in the notes to the audited annual financial statements.

1.8 Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at amortised cost. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are carried at amortised cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts.

1.9 Inventory

Inventory consist of consumables and materials and supplies, which are valued at the lower of cost, determined on the first in first out basis, and net realisable value, except for items which are valued at the tariffs charged. Where it is held for distribution or consumption at no charge or for a nominal amount, inventories are valued at the lower of cost and current replacement value.

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Accounting Policies

1.9 Inventory (continued)

Cost of inventory comprises all costs of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition.

Redundant and slow moving inventory are identified and written down to their estimated net realisable values estimated by management. Inventories are written down according to their age, condition and utility. Differences arising on the measurement of such inventory at the lower of cost and net realisable value are recognised In the Statement of financial performance in the year in which they arise. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost 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.

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.

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, and is under the control of the municipality but cannot be measured reliably as there is no cost attached to the water, and it is therefore not recognised in the Statement of financial position.

The basis of determining the cost of water purchased and not yet sold at Statement of financial position 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 is valued by using the weighted average method, at the lowest of purified cost and net realisable value, insofar as it is stored and controlled in reservoirs at year-end.

1.10 Investment property

Investment property includes property held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations. Investment property also includes land held for an undetermined future use.

Initial recognition

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. 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.

Where the classification of an investment property is based on management's judgement, the following criteria have been applied to distinguish investment properties from owner-occupied property or property held for resale:

- All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes and that will not be sold within the next 12 months are classified as investment properties;
- Land held for a currently undetermined future use;
- A building owned (or held by under a finance lease) and leased out under one or more operating leases;
- Leased properties that are held to provide a social (community) service or that are necessary for employees to perform their job functions, but which also generates rental revenue are not seen as investment properties. The rental revenue generated is incidental to the purposes for which the property is held;
- A building that is vacant but is held to be leased out under one or more operating leases;
- Property that is being constructed or developed for future use as investment property.

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).

Accounting Policies

1.10 Investment property (continued)

Subsequent measurement – cost model

Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 5 - 50 year period. All useful lives of investment properties are reviewed annually on an indicator basis.

Derecognition/Disposal

Investment properties are derecognised (eliminated from the Statement of financial position) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal. The gain or loss arising on the disposal of an investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of financial performance.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property (property, plant and equipment), the deemed cost for subsequent accounting is the fair value [or carrying amount if cost model is used] at the date of change in use. If owner-occupied property becomes an investment property, the municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.11 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and if the cost or fair value of the item can be measured reliably.

Accounting Policies

1.11 Property, plant and equipment (continued)

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost on its acquisition date. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

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.

The cost of an item of property, plant and equipment acquired in exchange for a 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. If the acquired item could not be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components} of property, plant and equipment.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the municipality and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequent measurement – cost model

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the municipality and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequently all property, plant and equipment, excluding land and buildings, are measured at cost, less accumulated depreciation and accumulated impairment losses.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or deficit when the compensation becomes receivable.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

Kouga Local Municipality

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Accounting Policies

1.11 Property, plant and equipment (continued)

Depreciation

Land is not depreciated as it is regarded as having an unlimited life. Depreciation on assets other than land is calculated using the straight line method, to allocate their cost or revalued amounts less their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the assets' future economic benefits or service potential are expected to be consumed by the municipality. 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:

• Land	Indefinite
• Other assets - Buildings	30
• Electrical infrastructure	15 - 30
• Roads infrastructure	10 - 30
• Sanitation infrastructure	10 - 20
• Solid waste infrastructure	10 - 20
• Storm water infrastructure	20
• Water Supply infrastructure	15 - 20
• Community Assets - Facilities	30
• Community assets - Recreational Facilities	15 - 20
• Landfill site	
• Computer equipment	3 - 7
• Furniture and office equipment	10
• Machinery and Equipment	2 - 7
• Transport assets	7 - 15

The estimated useful life, residual values and depreciation method are assessed at each reporting date on an indicator basis.

The useful lives, residual values and depreciation method are reviewed annually at the end of the financial year where there is any indication that the municipality's expectations about the residual amount and the useful life of an asset has changed since the preceding reporting date. Any adjustments arising from the annual review are applied prospectively.

Depreciation of an asset commences when the asset is ready for its intended use. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or, where shorter, the term of the relevant lease. The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is ready for use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, 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..

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

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.

Gains or losses are calculated as the difference between the carrying values of assets (Cost less accumulated depreciation and accumulated impairment losses) and the disposal proceeds is included in the Statement of financial performance as a gain or loss on disposal of property, plant and equipment.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the Cash flow statement.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or surplus when the compensation becomes receivable.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.11 Property, plant and equipment (continued)

Site rehabilitation and restoration costs

Where the municipality has an obligation to rehabilitate and restore items of property, plant and equipment such obligations are referred to as "rehabilitation provisions". The cost of an item of property, plant and equipment includes the initial estimate of the costs of rehabilitation and restoring the site on which it is located, the obligation for which the municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period.

As the related asset is measured using the cost model: -

(a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
(b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
(c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.12 Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes are classified and recognised as intangible assets.

Initial recognition and measurement

Intangible assets are initially recognised at cost. The cost of an intangible assets is the purchase price and other costs attributable to bring the intangible assets to the location and condition necessary for it to be capable of operating in the manner intended by the municipality, or where an intangible assets is acquired at no cost, or for a nominal cost, the cost shall be its fair value as at the date of acquisition. Trade discounts and rebates are deducted in arriving at the cost.

Intangible assets acquired separately or internally generated are reported at cost less accumulated amortisation and accumulated impairment losses.

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).

Subsequent measurement

Amortisation is calculated on cost, using the straight-line method, over the useful lives of the assets, which is estimated to be between 3 to 5 years upon initial recognition. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised.

Intangible assets are annually tested for impairment and the estimated useful life, residual values and amortisation method are reviewed annually at the end of the financial year. Any adjustments arising from the annual review are applied prospectively.

Derecognition

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible assets is determined as the difference between the net disposals proceeds and the carrying value and is recognised in the Statement of financial performance.

1.13 Borrowing costs

Borrowing costs are interest and other expenses incurred by an municipality in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the Statement of financial performance in the period in which they are incurred.

Kouga Local Municipality

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Accounting Policies

1.14 Impairment of property, plant and equipment, investment property, intangible assets

The municipality classifies all assets held with the primary objective of generating a commercial return as cash-generating assets. A commercial return means that the return charged by the entity is commensurate with the risk associated with holding the asset and the asset is intended to generate positive cash inflows. All other assets are classified as non-cash-generating assets.

Impairment of cash-generating assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the individual asset.

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 best evidence of fair value less cost to sell is the price in a binding sale agreement in an arm's length transaction, adjusted for the incremental cost that would be directly attributable to the disposal of the asset.

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.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

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.

A 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.

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 any such indication exists, the municipality estimates the recoverable service amount of the asset.

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 cash-generating unit to which the asset belongs is determined.

The recoverable service amount is the higher of a non-cash generating asset's fair value less costs to sell and its value in use. The value in use for a non-cash generating asset is the present value of the asset's remaining service potential.

The value in use for a non-cash generating asset is the present value of the asset's remaining service potential.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal.

Kouga Local Municipality
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Accounting Policies

1.14 Impairment of property, plant and equipment, investment property, intangible assets (continued)

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.

A municipality assesses at each reporting date 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.

1.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity. Financial instruments are classified into three categories namely, financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost. The municipality determines the classification of its financial instruments at initial recognition.

The municipality has various types of financial instruments and these can be broadly categorised as either financial assets or financial liabilities.

A financial instrument is recognised if the municipality becomes a party to the contractual provisions of the instrument.

1.15.1 Classification of financial instruments

Financial assets

A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104, the municipality classifies financial assets at amortised cost. Financial assets at amortised cost relates to a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

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The municipality has the following types of financial assets as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial asset	Classification in terms of GRAP 104
Finance lease receivables	Financial assets at amortised cost
Long-term receivables	Financial assets at amortised cost
Current portion of long-term receivables	Financial assets at amortised cost
Receivables from exchange transactions (except Statutory receivables)	Financial assets at amortised cost
Bank balances and cash	Financial assets at amortised cost
Short term Investments	Financial assets at amortised cost

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets at amortised cost.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

The municipality classifies all financial liabilities at amortised cost.

Accounting Policies

1.15 Financial instruments (continued)

The municipality has the following types of financial liabilities as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial liability	Classification in terms of GRAP 104
Long-term liabilities	Financial liability at amortised cost
Current portion of long-term liabilities	Financial liability at amortised cost
Payables from exchange transactions	Financial liability at amortised cost
Consumer deposits	Financial liability at amortised cost
Finance lease liabilities	Financial liability at amortised cost
Payables from non-exchange transactions	Financial liability at amortised cost

1.15.2 Initial and subsequent measurement

Initial recognition and measurement

A financial instruments is recognised, when the municipality becomes a party to the contractual provisions of the instrument, and are initially measured at fair value. In the case of a financial instruments not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instruments are added or deducted from the fair value, as appropriate on initial recognition.

Subsequent measurement – Financial assets

Financial assets consist of cash and cash equivalents, deposits, receivables and investments.

Receivables are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Changes in the carrying amount of the provision is recognised in the Statement of financial performance. When a receivable is considered uncollectible, it is written off against the provision. Any gains or losses arising from the change in fair value of investments measured at fair value are recognised in the Statement of financial performance.

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.

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 assets. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with interest recognised on an effective yield basis.

Subsequent measurement – Financial liabilities

Financial liabilities consist of payables, interest bearing loans and bank overdrafts. These liabilities are subsequently measured at amortised cost, using the effective interest rate method. Finance costs are expensed in the Statement of financial performance in the period in which they are incurred.

Financial liabilities classified at amortised cost 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 the Statement of financial performance by applying the effective interest rate.

Prepayments are carried at cost less any accumulated impairment losses.

Accounting Policies

1.15 Financial instruments (continued)

1.15.3 Impairment of financial assets

Receivables from exchange transactions

Receivables from exchange transactions are assessed individually thereafter collectively, considering factors such as payment histories and ratios, qualitative factors e.g. correspondence from attorneys, disputes about certain accounts, etc.

Other debtors

Other debtors are reviewed individually considering payment histories and disputes about certain amounts. Provision for impairment is made accordingly.

1.15.4 Derecognition

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 assets 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 assets, the municipality continues to recognise the financial assets and also recognises a collateralised borrowing for the proceeds received.

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

1.16 Provisions

Provisions are recognised when the municipality has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made.

The best estimate of the expenditure required to settle the present obligation is the amount that an entity 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.

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. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. 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.

Accounting Policies

1.16 Provisions (continued)

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 that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in the Statement of financial performance as a finance cost as it occurs.

Environmental rehabilitation provisions

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 the Statement of financial performance.

1.17 Employee benefits

The municipality provides short term benefits, long term benefits and retirement benefits for its employees and councillors.

Short-term employee benefits

Remuneration to employees is recognised in the Statement of financial performance as the services are rendered, except for non-accumulating benefits which are only recognised when the specific event occurs.

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 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.

Leave pay

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total accrued leave days at year end and is shown as an accrual in the Statement of financial position.

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.

Bonus provisions

The municipality recognises the expected cost of bonuses as a provision only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made at reporting date.

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.

Post-employment benefits: Defined benefit plans

A defined benefit plan is a plan that defines an amount of benefit that an employee will receive on retirement.

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 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 by independent qualified actuaries regularly, as may be required for fair presentation.

Actuarial gains or losses recognised immediately in the Statement of financial performance.

Accounting Policies

1.17 Employee benefits (continued)

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 has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the Statement of financial performance.

1.18 Leases

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Municipality as lessee

Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent. Corresponding liabilities are included in the Statement of financial position as Finance Lease Obligations. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on the straight-line basis over the term of the relevant lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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 income 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.

Operating lease rental income is recognised on a straight-line basis over the term of the relevant lease.

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.

1.19 Statutory receivables

1.19.1 Identification

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 major categories under the ambit of statutory receivables:

- VAT receivable due to/from SARS
- Property Rates debtors
- Traffic fine debtors

1.19.2 Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;

Accounting Policies

1.19 Statutory receivables (continued)

- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when 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 entity and the transaction amount can be measured reliably.

1.19.3 Measurement

The municipality initially measures statutory receivables at their transaction amount.

The municipality measures statutory receivables 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.

1.19.4 Impairment

Statutory receivables, other than those measured at fair value, are assessed for indicators of impairment at the end of each reporting period. Statutory receivables are impaired where there is objective evidence of impairment of Statutory receivables (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 in accordance with GRAP 108.

A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

According to GRAP 108, the assessment for impairment needs to be made for each individual financial asset separately or for groups of statutory receivables with similar credit risks. The following methodology was followed to make a provision for bad debts for the year under review:

Rates debtors are assessed individually thereafter collectively, considering factors such as payment histories and ratios, qualitative factors e.g. correspondence from attorneys, disputes about certain accounts, etc.

Traffic fine debtors are reviewed collectively considering payment histories and disputes about certain amounts. Provision for impairment is made accordingly.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of financial performance.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of financial performance to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.19.5 Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers control of the statutory receivable and substantially all the risks and rewards of ownership of the asset to another entity; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the receivable; and
  - recognise separately any rights and obligations created or retained in the transfer.

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Accounting Policies

1.19 Statutory receivables (continued)

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.20 Revenue

Revenue, excluding value-added taxation where applicable, 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.

Recognition and measurement

The municipality recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the municipality and when specific criteria have been met for each of the municipalities' activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Furthermore services rendered are recognised by reference to the stage of completion of the transaction at the reporting date.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, stock rotation, price protection, rebates and other similar allowances.

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Accounting Policies

1.20 Revenue (continued)

1.20.1 Revenue from exchange transactions

Service charges

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 each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are based on the type of service and the number of sewer connections on all developed property, using the tariffs approved by Council and are levied monthly.

In circumstances where services cannot readily be measured and quantified, a flat rate service charge is levied monthly on such properties.

Pre-paid electricity

Revenue from the sale of electricity pre-paid 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.

Interest earned and rentals received

Interest and rentals are recognised on a time proportion basis that takes into account the effective yield on the investment. Interest may be transferred from the Accumulated surplus/ (deficit) to the Housing development fund or the Insurance reserve.

Traffic 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.

Income from agency services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Housing rental and instalments

Finance income from the sale of housing by way of instalment sale agreements or finance leases is recognised on a time proportion basis.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Accounting Policies

1.20 Revenue (continued)

1.20.2 Revenue from non-exchange transactions

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 proportion 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.

Fines

Fines constitute both spot fines and camera fines. Fines are recognised when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset. It is measured at the best estimate, based on past experience, of the amount of revenue the municipality is entitled to collect.

Subsequent to initial recognition and measurement, the municipality assess the collectability of the revenue and recognises a separate impairment loss where appropriate.

Donations and contributions

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. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Transfers and subsidies

Unconditional grants

Equitable share allocations are recognised in revenue at the start of the financial year.

Conditional grants

Conditional grants recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Interest earned on grants received and invested 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 the Statement of financial performance.

Services received in-kind

Services in kind are recognised at its fair value when it is significant to the operations and/or service delivery objectives and when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably. If the services in-kind are not significant to the operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, only the nature and type of services in-kind received during the reporting period is disclosed.

Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure

Revenue from 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 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain. Such revenue is based on legislated procedures.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.20 Revenue (continued)

Revenue recognition of unclaimed deposits

Unclaimed deposits older than three (3) years are recognised as revenue.

1.21 Transfers and subsidies – non-exchange expenditure

The municipality transfers money to individuals, organisations and other sectors of government from time to time. These transfers are recognised in the audited annual financial statements as expenses in the period that the events giving rise to the transfer occurred.

1.22 Related parties and related party transactions

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, Executive Mayor, Mayoral Committee members, Municipal Manager, executive directors and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

Close members of the family of a individual are those family members who may be expected to influence or be influenced by that individual in their dealings with the municipality. An individual is considered to be a close member of the family of another individual if they are married or live together in a relationship similar to a marriage; or if they are separated by no more than two degrees of natural or legal consanguinity or affinity.

Remuneration of management includes remuneration derived for services provided to the municipality in their capacity as members of the management team or employees. Benefits derived directly or indirectly from the municipality for services in any capacity other than as an employee or a member of management do not meet the definition of remuneration.

In the case of permanent employees acting in management positions, only the remuneration received additionally for acting in that position is disclosed.

Remuneration of management excludes any consideration provided solely as a reimbursement for expenditure incurred by those persons for the benefit of the municipality.

Only transactions with related parties not at arm’s length or not in the ordinary course of business are disclosed.

The municipality operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the Constitutional independence of all three spheres of government in South Africa, only parties within the same sphere of government will be considered to be related parties. Only transactions with such parties which are not at arm's length and not on normal commercial terms are disclosed.

1.23 Events after reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the audited annual financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the audited annual financial statements.

1.24 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..

Accounting Policies

1.25 Material losses

he 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).

The self-insurance reserve is based on recognised insurance industry principles. To determine the level of capacity required, an agreed methodology has been adopted and is consistently applied annually based on the following methodology:

1.26 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.

1.27 Principal-agent arrangements

The municipality is party to a principal-agent arrangement for Department of Transport. In terms of the arrangement the municipality is the agent and is responsible for collect monies on their behalf..

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Accounting Policies

1.27 Principal-agent arrangements (continued)

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.28 Value Added Tax

Value added taxation

The municipality is registered with the South Afrcan Revenue Service (SARS) for Value Added Tax on the payments basis, in accordance with Section 15(2)(a) of the Value-Added Tax Act No 89 of 1991.

VAT is an indirect tax based on consumption of goods and services in the economy. Revenue is raised for the government by requiring certain traders or vendors to register and to charge VAT on taxable supplies of goods or services. The essential characteristics of VAT are:

• it is charged at each stage of the production and distribution process;

• the taxable person (vendor) may deduct the tax paid during the preceding stages; and

• the burden of the tax is on the final consumer.

The municipality renders goods and services to consumers, it is responsible to collect taxes from its consumers for the goods and services provided. The municipality (VAT vendor) is a deemed debtor to the national government when collecting and remitting VAT.

The municipality is registered to declare VAT transactions on the cash basis to SARS. The municipality is liable to account for VAT at the standard rate (15%) in terms of section 7 (1) (a) of the VAT Act in respect of the supply of goods or services, except where the supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or is out of scope for VAT purposes. The municipality accounts for VAT on a monthly basis and VAT is settled between the VAT vendor and SARS, based on the cash collected by the municipality and the cash paid by the municipality. VAT Receivable due/from SARS:

In accordance with GRAP 108, the VAT Receivable to/from SARS is considered to be a statutory arrangement, as this is based on legislation, being the VAT Act.

Taking into account that the VAT due/from to the national government by the municipality (VAT vendor) results in a deemed debtor-creditor relationship, it is therefore considered to be a receivable or payable from exchange transaction.

VAT Accrual:
In accordance with GRAP, the municipality recognises transactions on an accrual basis of accounting. Therefore, the transaction between the municipality and customer includes the provision of goods or services in cash or credit; and the levying and/or collection of VAT by the municipality from the customer.

Similarly, the transaction between the municipality and the supplier includes the supply of goods or services in cash or credit; and the obligation to recognise VAT by the supplier to the municipality from the customer.

The VAT accrual accounts therefore does not represent amounts to be received or paid to SARS, but rather amounts that are associated with transactions that are yet to be settled. As a result, the accrual transactions are considered to be contractual in nature, and therefore do not meet the definition of a statutory arrangement. As there is no transaction to “settle” with a specific counterparty at this point, the municipality considers the offsetting of the amounts as inappropriate, and has separately disclosed these transactions in the notes to the annual financial statements.

Input VAT Accrual represents amounts that are yet to be claimed from SARS, subject to settlement of the outstanding creditors by the municipality. This therefore shall be disclosed as a receivable from exchange transaction in accordance with GRAP 9.

Output VAT Accrual represents amounts that are yet to be paid to SARS, subject to collection from outstanding debtors of the municipality. This shall be accounted for as a trade and other payables in accordance with GRAP 19.

1.29 Unauthorised expenditure

Section 1 of the Municipal Finance Management Act (Act 56 of 2003) (MFMA), defines Unauthorised expenditure as follows:

- Overspending of the total amount appropriated in the municipality’s approved budget;
- Overspending of the total amount appropriated for a vote in the approved budget;
- Expenditure from a vote unrelated to the department or functional area covered by the vote;
- Expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.29 Unauthorised expenditure (continued)

- Spending of an allocation referred to in the above paragraphs of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- A grant by the municipality otherwise than in accordance with this Act.

Section 1 of the Municipal Finance Management Act (Act 56 of 2003) (MFMA) also defines a Vote as:

- One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- Which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

The municipality uses the Municipal Standard Chart of Accounts (mSCOA) Functions and Sub-functions, previously the Government Finance Statistics (GFS) functions, as well as departments as the main groupings of segments of the municipality's budget segments within the municipality are grouped per department to facilitate greater accountability and budget implementation by the respective Executive Directors as well as per mSCOA classification to facilitate comparisons on a higher level.

All expenditure relating to unauthorised expenditure is recognised as an expense in the Statement of financial performance 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 the Statement of financial performance.

1.30 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act 56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the municipality's supply chain management policy.

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of financial performance and where recovered, it is subsequently accounted for as revenue in the Statement of financial performance.

1.31 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 recognised as an expense in the Statement of financial performance 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 the Statement of financial performance.

1.32 Change in accounting policies, estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Details of changes in accounting policies, changes in estimates and correction of errors are disclosed in the notes to the audited annual financial statements where applicable.

1.33 Contingent assets and contingent liabilities

Contingent liabilities represent a possible obligation that arises from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability can also arise as a result of a present obligation that arises from past events but which is not recognised as a liability either because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Accounting Policies

1.33 Contingent assets and contingent liabilities (continued)

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the municipality.

1.34 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.

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

2. Cash and cash equivalents

2.1 Cash and cash equivalents

The cash and cash equivalents consist of the following:

Call deposits and investments		
Deposit taking institutions	117,412,305	83,334,265
Cash at bank		
Bank account	26,246,080	21,600,325
Cash on hand	421	421
Total cash and cash equivalents	**143,658,806**	**104,935,011**

Call Deposits are investments with a maturity period of less than 3 months and earn interest rates varying from 7.00 % to 9,00% (2023: 7,00 % to 9,00 %) per annum.

INVESTEC	8.00%
STANDARD BANK	7.75%
ABSA 4088960791	8.11%
ABSA 9078617359	5.25%
ABSA 9379304142	8.90%
ABSA 9379302548	8.90%
NEDBANK	8.10%
RMB - MIG 1	7.90%
RMB - MIG 2	7.90%
RMB - MIG 3	7.90%
RMB - INEP	7.90%
RMB - FMG	7.90%
RMB - HOUSING	7.90%
RMB - KOUGA GENERAL	7.90%
RMB - KOUGA INVESTMENT	7.90%

Call deposits and investments by financial institution

Institution	Account number	Account type		
Standard Bank	588563250001	Call deposit accounts	26,516,585	17,575,390
ABSA	9379302548 / 9078617359	Call deposit accounts	1,609,158	17,594,066
ABSA	9379304142 /4088960791	Call deposit accounts	21,186,208	-
INVESTEC	1400138616500	Call deposit accounts	19,595,267	17,580,054
INVESTEC	1400138616501	Call deposit accounts	3,176,214	-
NEDBANK	37881037199	Call deposit accounts	22,593,060	17,580,746
RMB-MIG2	CDS-X021904708	Call deposit accounts	3,123,054	-
RMB-MIG3	CDS-X021904710	Call deposit accounts	54	7,592,728
RMB-HOUSING	CDS-X021904715	Call deposit accounts	35,415	2
RMB-GENERAL	CDS-X021904716	Call deposit accounts	19,577,290	5,411,279
Total investments			**117,412,305**	**83,334,265**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

2. Cash and cash equivalents (continued)

2.2 Bank accounts

The municipality has the following bank accounts:

First National Bank Limited	Account Type - Cheque Account Branch: Account Number 52540020791	10,314,022	15,413,737
First National Bank Limited	Account Type - Cheque Account Branch: Account Number 52540033504	8,553,426	3,874,471
First National Bank Limited	Account Type - Cheque Account Branch: Account Number 6268213591	3,833	779
First National Bank Limited	Account Type - Cheque Account Branch: Account Number 63022194441	7,374,799	2,311,338
Total		**26,246,080**	**21,600,325**

3. Trade and other receivables from exchange transactions

Trade service and consumer service debtors	3.1		
Electricity		34,037,393	32,462,402
Waste management		1,622,323	5,002,283
Waste water management		1,763,501	5,303,103
Water		13,534,303	23,974,116
Service charges		19,800	43,265
		50,977,320	**66,785,169**
Other receivables from exchange transactions	3.2		
VAT Receivable - Due from SARS		2,299,644	831,979
Debtors relating to the sale of auctioned assets		3,962,205	2,987,947
Input VAT Accrual on Outstanding Creditors		11,237,866	9,138,432
Merchandising, jobbing and contracts		1	724,064
Prepayments and advances		3,781,228	4,143,478
Property rental debtors		28,997	-
Control, Clearing and Interface Accounts		1,149,543	1,539,272
		22,459,484	**19,365,172**
Total trade and other receivables from exchange transactions		**73,436,804**	**86,150,341**

3.1 Trade service and consumer service debtors

The average credit period for trade service and consumer service debtors is 30 days. No interest is charged on trade receivables for the first 30 days from the date of the invoice. Thereafter interest is charged at the prime rate per annum on the outstanding balance. The municipality strictly enforces its approved credit control policy to ensure the recovery of trade service and consumer service debtors.

The management of the municipality is of the opinion that the carrying value of trade service and consumer service debtors approximate their fair values.

The fair value of trade service and consumer service debtors was determined after considering the standard terms and conditions of agreements entered into between the municipality and trade service and consumer service debtors as well as the current payment ratio's of the municipality's trade service and consumer service debtors.

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

3. Trade and other receivables from exchange transactions (continued)

	2024			2023		
	Gross	**Impairment**	**Total**	**Gross**	**Impairment**	**Total**
Trade service and consumer service debtors from exchange transactions						
Electricity	82,315,351	(48,277,958)	**34,037,393**	56,507,111	(24,044,709)	**32,462,402**
Waste management	103,836,482	(102,214,159)	**1,622,323**	91,662,726	(86,660,443)	**5,002,283**
Waste water management	63,560,637	(61,797,136)	**1,763,501**	60,207,133	(54,904,030)	**5,303,103**
Water	179,709,941	(166,175,638)	**13,534,303**	161,873,081	(137,898,965)	**23,974,116**
Service charges	6,433,245	(6,413,445)	**19,800**	5,763,722	(5,720,457)	**43,265**
Total trade service and consumer service debtors from exchange transactions	**435,855,656**	**(384,878,336)**	**50,977,320**	**376,013,773**	**(309,228,604)**	**66,785,169**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

3. Trade and other receivables from exchange transactions (continued)

3.1.1 Ageing of trade service and consumer service debtors

2024

		Not due	Past due			
	Total	**Current**	**30 days**	**60 days**	**90 days**	**120 days**
Trade service and consumer service debtors from exchange transactions						
Total by debt type						
Electricity	**82,315,351**	47,843,147	5,648,997	2,914,932	1,971,445	23,936,830
Waste management	**103,836,482**	6,365,107	2,392,728	1,924,221	1,696,648	91,457,778
Waste water management	**63,560,637**	6,184,475	2,208,126	1,648,180	1,341,613	52,178,243
Water	**179,709,941**	22,666,904	5,355,541	5,080,764	3,742,623	142,864,109
Service charges	**6,433,245**	471,574	25,015	12,764	31,719	5,892,173
Total by debt type	**435,855,656**	**83,531,207**	**15,630,407**	**11,580,861**	**8,784,048**	**316,329,133**

2023

		Not due	Past due				
	Total	**Current**	**30 days**	**60 days**	**90 days**	**120 days**	**120+ days**
Trade service and consumer service debtors from exchange transactions							

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

3. Trade and other receivables from exchange transactions (continued)

Total by debt type							
Electricity	**56,507,111**	15,243,374	16,874,729	2,208,875	1,439,679	1,149,254	19,591,200
Waste management	**91,662,726**	866,145	4,921,199	2,109,607	1,802,048	1,683,068	80,280,659
Waste water management	**60,207,133**	1,241,581	5,040,844	2,185,140	1,769,403	1,578,989	48,391,176
Water	**161,873,081**	17,924,240	9,513,628	6,426,149	6,937,790	6,156,874	114,914,400
Service charges	**5,763,722**	4,933	16,083	22,953	22,621	11,535	5,685,597
Total by debt type	**376,013,773**	**35,280,273**	**36,366,483**	**12,952,724**	**11,971,541**	**10,579,720**	**268,863,032**

3.1.2 Impairment reconciliation of trade service and consumer service debtors

	2024				2023		
	Opening balance	**Impairment raised**	**Impairment reversed / debt written off**	**Closing balance**	**Opening balance**	**Impairment raised**	**Closing balance**
Trade service and consumer service debtors from exchange transactions							
Electricity	(24,044,709)	(48,277,958)	24,044,709	**(48,277,958)**	(21,350,024)	(2,694,685)	**(24,044,709)**
Waste management	(86,660,443)	(102,214,159)	86,660,443	**(102,214,159)**	(70,095,820)	(16,564,623)	**(86,660,443)**
Waste water management	(54,904,030)	(61,797,136)	54,904,030	**(61,797,136)**	(41,707,929)	(13,196,101)	**(54,904,030)**
Water	(137,898,965)	(166,175,638)	137,898,965	**(166,175,638)**	(90,412,064)	(47,486,901)	**(137,898,965)**
Service charges	(5,720,458)	(6,413,444)	5,720,457	**(6,413,445)**	(6,372,701)	652,244	**(5,720,457)**
Total trade service and consumer service debtors	**(309,228,605)**	**(384,878,335)**	**309,228,604**	**(384,878,336)**	**(229,938,538)**	**(79,290,066)**	**(309,228,604)**

Kouga Local Municipality
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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

3. Trade and other receivables from exchange transactions (continued)

3.1.3 Credit quality of trade service and consumer service debtors

The Municipality deems outstanding debt less than 90 days to be receivables that are not considered for impairment, on the following basis:
- The Municipality has a stringent customer care, credit control and debt collection policy which is actively implemented by the Municipality.
- This includes monitoring of debtors accounts, implementation of physical disconnections where necessary, as well as incentive payment programmes.
- Therefore the Municipality views debt outstanding for less than 90 days being a fair reflection of the credit quality.

3.2 Other receivables from exchange transactions

	2024			2023		
	Gross	**Impairment**	**Total**	**Gross**	**Impairment**	**Total**
Other receivables from exchange transactions from exchange transactions						
VAT Receivable - Due from SARS	2,299,644	-	**2,299,644**	831,979	-	**831,979**
Debtors relating to the sale of auctioned assets	3,962,205	-	**3,962,205**	2,987,947	-	**2,987,947**
Input VAT Accrual on Outstanding Creditors	11,237,866	-	**11,237,866**	9,138,432	-	**9,138,432**
Merchandising, jobbing and contracts	1	-	**1**	724,064	-	**724,064**
Prepayments and advances	3,803,228	(22,000)	**3,781,228**	4,165,478	(22,000)	**4,143,478**
Property rental debtors	28,997	-	**28,997**	-	-	**-**
Control, Clearing and Interface Accounts	1,149,543	-	**1,149,543**	1,539,272	-	**1,539,272**
Total	**22,481,484**	**(22,000)**	**22,459,484**	**19,387,172**	**(22,000)**	**19,365,172**

3.2.1 Credit quality of other receivables from exchange transactions other receivables from exchange transactions

The Municipality deems outstanding debt less than 90 days to be receivables that are not considered for impairment, on the following basis:
- The Municipality has a stringent customer care, credit control and debt collection policy which is actively implemented by the Municipality.
- This includes monitoring of debtors accounts, implementation of physical disconnections where necessary, as well as incentive payment programmes.
- Therefore the Municipality views debt outstanding for less than 90 days being a fair reflection of the credit quality.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions

Consumer receivables	4.1		
Property rates		5,365,560	12,675,639
Other receivables	4.1		
Accrued income		3,378,394	4,096,846
Fines		17,907,165	12,242,036
		21,285,559	**16,338,882**
Total receivables		**26,651,119**	**29,014,521**
Current assets		26,651,119	29,014,521

4.1 Receivables from non-exchange transactions

	2024			2023		
	Gross	**Impairment**	**Total**	**Gross**	**Impairment**	**Total**
Consumer receivables						
Property rates	76,159,323	(70,793,763)	**5,365,560**	61,280,470	(48,604,831)	**12,675,639**
Other receivables						
Accrued income	3,378,394	-	**3,378,394**	4,096,846	-	**4,096,846**
Fines	134,664,313	(116,757,148)	**17,907,165**	116,258,117	(104,016,081)	**12,242,036**
	138,042,707	**(116,757,148)**	**21,285,559**	**120,354,963**	**(104,016,081)**	**16,338,882**
Total	**214,202,030**	**(187,550,911)**	**26,651,119**	**181,635,433**	**(152,620,912)**	**29,014,521**

4.1.1 Ageing of receivables from non-exchange transactions

2024

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions (continued)

		Not due	Past due			
	Total	Current	30 days	60 days	90 days	120 days
Consumer receivables						
Property rates	**76,159,323**	15,707,365	4,521,234	3,178,661	2,173,560	50,578,503
Other receivables						
Accrued income	**3,378,394**	3,378,394	-	-	-	-
Fines	**134,664,313**	134,664,313	-	-	-	-
	138,042,707	**138,042,707**	**-**	**-**	**-**	**-**
Total	**214,202,030**	**153,750,072**	**4,521,234**	**3,178,661**	**2,173,560**	**50,578,503**

2023

		Not due	Past due				
	Total	Current	30 days	60 days	90 days	120 days	120+ days
Consumer receivables							
Property rates	**61,280,470**	595,146	13,231,693	2,502,444	1,735,268	1,258,904	41,957,015
Other receivables							
Accrued income	**4,096,846**	4,096,846	-	-	-	-	-
Fines	**116,258,117**	116,258,117	-	-	-	-	-
	120,354,963	**120,354,963**	**-**	**-**	**-**	**-**	**-**
Total	**181,635,433**	**120,950,109**	**13,231,693**	**2,502,444**	**1,735,268**	**1,258,904**	**41,957,015**

Statutory receivables:

Property rates and traffic fines are considered to be statutory receivables, and are reported at the amounts indicated in the above mentioned tables.

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions (continued)

Transactions arises from statute
Traffic fines are issued to offenders in terms of the Administrative of Road Traffic Offences (AARTO Act) and Criminal Procedures Act, by the way of notices to offenders which specify the value of the fine that must be paid.
.
Property rates is charged in terms of the Municipal Property Rates Act.

Determination of transaction amount
Traffic Fines are determined in terms of Schedule 3 of the AARTO Regulations 2008 indicates the charge codes and descriptions, penalties and their discounts, and demerit points

Interest or other charges levied/charged
No interest is charged on outstanding fines, and any additions are further applied by the court is paid by the offender to the municipality then paid to the court.

Interest on property rates is raised on overdue accounts at xxx% per annum in accordance with the National Credit Act, in respect of arrears arising after 1 November 2016. Arrear accounts arising before 31 October 2016 is charged interest at a rate of xxxx% per annum.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions (continued)

4.1.2 Impairment reconciliation of receivables from non-exchange transactions

	2024				2023		
	Opening balance	Impairment raised	Impairment reversed / debt written off	Closing balance	Opening balance	Impairment raised	Closing balance
Consumer receivables							
Property rates	(48,604,832)	(70,793,762)	48,604,831	**(70,793,763)**	(39,237,678)	(9,367,153)	**(48,604,831)**
Other receivables							
Fines	(104,016,081)	(12,741,067)	-	**(116,757,148)**	(32,052,115)	(71,963,966)	**(104,016,081)**
Total	**(152,620,913)**	**(83,534,829)**	**48,604,831**	**(187,550,911)**	**(71,289,793)**	**(81,331,119)**	**(152,620,912)**

Basis used to access and test whether a statutory receivable is impaired:

Traffic fines

The Municipality account for traffic fines impairment in accordance with iGRAP 1. Management considered receivables individually that may be impaired as well as groups of similar receivables that may be impaired. Management takes into account expired warrants for individual impairment. The Municipality assesses the average collection rate in the determination of the group impairment percentage to be considered.

Property rates

The Allowance for Impairment was calculated after assessing each individual receivable for property rates, and calculating the recoverability ratio based on the specific collection rate, a grouping of the rest of the financial assets of similar nature and risk ratings and assessing the recoverability.

4.1.3 Credit quality of other receivables from non-exchange transactions

The credit quality of other receivables from non-exchange transactions that are neither past nor due nor impaired can be assessed by reference to historical information about counterparty default rates:

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
5. Inventories			
Materials and supplies		20,785,014	17,404,494
Water	5.1	1,664,499	1,193,536
Total Inventories		**22,449,513**	**18,598,030**

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. Adjustment of Inventory to Net Realisable Value was required.

5.1 Water		
Opening balance	1,193,536	798,678
System input volume	35,117,321	40,754,722
Authorised consumption	(34,646,358)	(40,359,864)
Closing balance	**1,664,499**	**1,193,536**
6. Deposits		
Deposits	893,543	893,543
7. Operating leases		
Operating leases	105,634	109,349
7.1 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	109,349	152,713
Operating Lease Revenue effected	(3,715)	(43,364)
	105,634	**109,349**

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.

7.2 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	406,032	385,711
2 to 5 years	981,521	793,966
	1,387,553	**1,179,677**

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

8. Investment property

8.1 Reconciliation of carrying value

Opening carrying value		
Cost	251,673,471	262,608,444
Carrying value of disposals / transfers		
Cost	(879,924)	-
Other movements	-	(10,934,973)
Closing carrying value	**250,793,547**	**251,673,471**
Cost	250,793,547	251,673,471

No Investment property had been pledged as security for any liabilities of the municipality.

The municipality has not depreciated its assets, due to the residual value of the investment property assets equalling the cost of the assets, as assessed at the end of the financial year..

The prior year comparatives have been restated, please refer to note 57 for more detail information .

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment

9.1 Summary

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	233,939,041	-	233,939,041	216,596,877	-	216,596,877
Transport Assets	115,106,543	(52,806,466)	62,300,077	112,132,941	(44,936,083)	67,196,858
Electrical Infrastructure	277,304,977	(92,531,249)	184,773,728	265,287,873	(84,706,758)	180,581,115
Water Supply Infrastructure	564,797,732	(170,815,669)	393,982,063	543,600,745	(149,825,635)	393,775,110
Sanitation Infrastructure	666,900,138	(231,007,414)	435,892,724	650,455,347	(209,249,999)	441,205,348
Solid Waste Infrastructure	73,259,019	(59,559,524)	13,699,495	77,028,161	(55,950,119)	21,078,042
Machinery and Equipment	15,506,602	(9,592,395)	5,914,207	14,598,084	(8,087,693)	6,510,391
Furniture and Office Equipment	29,068,420	(23,297,497)	5,770,923	29,955,502	(23,247,109)	6,708,393
Computer Equipment	11,794,184	(8,132,587)	3,661,597	10,377,349	(6,746,576)	3,630,773
Roads Infrastructure	1,030,540,610	(462,331,482)	568,209,128	1,002,143,978	(431,390,507)	570,753,471
Storm water Infrastructure	76,123,663	(23,970,157)	52,153,506	75,816,061	(22,154,983)	53,661,078
Community Assets	64,847,870	(10,557,112)	54,290,758	58,285,727	(9,887,475)	48,398,252
Other Assets - Buildings	53,882,185	(6,853,659)	47,028,526	53,844,774	(6,247,717)	47,597,057
Total	**3,213,070,984**	**(1,151,455,211)**	**2,061,615,773**	**3,110,123,419**	**(1,052,430,654)**	**2,057,692,765**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment – 2024

	Opening balance	Additions	Disposals	Transfers received and Donated assets recognised	Transfers made	Decommisioning, rehabilitation and restoration changes	Depreciation	Impairment loss/ reversal	Total
Land	216,596,877	-	(657,836)	18,000,000	-	-	-	-	**233,939,041**
Transport Assets	67,196,856	4,367,795	(33,175)	-	-	-	(9,210,198)	(21,201)	**62,300,077**
Electrical Infrastructure	186,934,757	5,663,463	-	8,889,528	(8,889,528)	-	(7,186,053)	(638,439)	**184,773,728**
Water Supply Infrastructure	393,775,110	21,196,987	-	24,056,951	(24,056,951)	-	(20,533,862)	(456,172)	**393,982,063**
Sanitation Infrastructure	434,851,708	22,798,431	-	-	-	-	(21,464,625)	(292,790)	**435,892,724**
Solid Waste Infrastructure	21,078,042	-	-	-	-	(3,769,142)	(3,609,405)	-	**13,699,495**
Machinery and Equipment	6,510,391	1,013,917	(11,351)	-	-	-	(1,578,030)	(20,720)	**5,914,207**
Furniture and Office Equipment	6,708,391	913,380	(105,384)	-	-	-	(1,680,588)	(64,876)	**5,770,923**
Computer Equipment	3,630,773	1,504,327	(33,568)	-	-	-	(1,421,729)	(18,206)	**3,661,597**
Roads Infrastructure	570,753,471	28,549,234	(42,144)	5,941,095	(5,941,095)	-	(30,885,139)	(166,294)	**568,209,128**
Storm water Infrastructure	53,661,078	307,602	-	-	-	-	(1,815,174)	-	**52,153,506**
Community Assets	48,398,252	6,562,143	-	9,399,056	(9,399,056)	-	(669,637)	-	**54,290,758**
Other Assets - Builldings	47,597,057	37,411	-	-	-	-	(605,942)	-	**47,028,526**
Total	**2,057,692,763**	**92,914,690**	**(883,458)**	**66,286,630**	**(48,286,630)**	**(3,769,142)**	**(100,660,382)**	**(1,678,698)**	**2,061,615,773**

Reconciliation of property, plant and equipment – 2023

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

	Opening balance	Additions	Disposals	Transfers received	Transfers made	Decommisioning, rehabilitation and restoration changes	Depreciation	Impairment loss/ reversal	Total
Land	216,596,877	-	-	-	-	-	-	-	**216,596,877**
Transport Assets	59,163,990	16,911,774	(4,367)	-	-	-	(8,874,539)	-	**67,196,858**
Electrical Infrastructure	188,485,150	485,086	-	1,394,437	(1,394,437)	-	(7,168,580)	(1,220,541)	**180,581,115**
Water Supply Infrastructure	372,609,508	45,053,128	-	71,419,164	(71,419,164)	-	(19,090,261)	(4,797,265)	**393,775,110**
Sanitation Infrastructure	447,990,852	29,227,969	-	34,044,876	(34,044,876)	-	(21,829,793)	(14,183,680)	**441,205,348**
Solid Waste Infrastructure	26,166,546	-	-	-	-	78,787	(5,167,291)	-	**21,078,042**
Machinery and Equipment	7,434,752	974,592	(82,025)	1,056,651	(1,056,651)	-	(1,569,248)	(247,680)	**6,510,391**
Furniture and Office Equipment	8,008,713	1,591,448	(27,839)	-	-	-	(2,055,960)	(807,969)	**6,708,393**
Computer Equipment	3,332,764	1,677,294	(18,120)	-	-	-	(1,361,165)	-	**3,630,773**
Roads Infrastructure	589,305,889	13,241,115	(1,187,229)	27,775,107	(27,775,106)	-	(30,582,866)	(23,439)	**570,753,471**
Storm water Infrastructure	55,645,718	-	-	-	-	-	(1,984,640)	-	**53,661,078**
Community Assets	45,561,629	4,058,359	-	7,659,196	(7,659,196)	-	(609,704)	(612,032)	**48,398,252**
Other Assets	49,489,925	-	-	925,945	(925,945)	-	(600,926)	(1,291,942)	**47,597,057**
Total	**2,069,792,313**	**113,220,765**	**(1,319,580)**	**144,275,376**	**(144,275,375)**	**78,787**	**(100,894,973)**	**(23,184,548)**	**2,057,692,765**

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

The prior year comparatives have been restated, please refer to note 57 for more detail information

No Assets pleadged as security.

Property , Plant and Equipment leased **by the municipality**:

.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.

Impairment of Property, plant and Equipment

Impairment Losses on Property, Plant and Equipment to the amount of R1 678 698 (2023: R23 184 529) has been recognised in operating surplus and are included in Impairment Losses in the Statement of Financial Performance. The main reasons for the impairment are vandalism of municipal assets and the components being obsolete. This was impaired to the extent of the components usefulness.

Delayed projects
No delayed projects have been identified for disclosure in the annual financial statements

9.2 Property, plant and equipment under construction

2024

	Electrical infrastructure	Water Infrastructure	Community assets	Roads Infrastructure	Sanitation Infrastructure	Storm water Infrastructure	Total
Reconciliation of Work-in-Progress 2024							
Opening balance	14,749,475	35,999,992	4,102,150	559,419	26,758,621	-	82,169,657
Additions/Capital expenditure	5,744,209	21,196,987	6,562,143	28,549,234	22,650,208	10,435	84,713,216
Transferred to completed items	(8,889,527)	(24,056,951)	(9,399,055)	(5,941,095)	-	-	(48,286,628)
Total	**11,604,157**	**33,140,028**	**1,265,238**	**23,167,558**	**49,408,829**	**10,435**	**118,596,245**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

2023

	Electrical Infrastructure	Water Infrastructure	Community assets	Roads Infrastructure	Sanitation Infrastructure	Total
Reconciliation of Work-in-Progress 2023						
Opening balance	9,790,292	58,651,304	9,685,583	15,093,410	41,483,470	134,704,059
Additions/Capital expenditure	6,353,640	48,767,852	4,058,359	13,241,115	19,320,027	91,740,993
Impairment	(1,220,541)	(4,797,265)	-	(23,439)	(14,183,680)	(20,224,925)
Transferred to completed items	(1,394,437)	(71,419,164)	(9,641,792)	(27,775,106)	(34,044,876)	(144,275,375)
Total	**13,528,954**	**31,202,727**	**4,102,150**	**535,980**	**12,574,941**	**61,944,752**

9.3 Maintenance of property, plant and equipment

2024

The following maintenance costs were incurred:

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Preventative maintenance	7,703,884	3,264,197	516,857	10,320,826	3,266,948	25,072,712
Corrective maintenance	28,703,993	-	141,915	-	450,634	29,296,542
Total	**36,407,877**	**3,264,197**	**658,772**	**10,320,826**	**3,717,582**	**54,369,254**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

2023

The following maintenance costs were incurred:

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Preventative maintenance	16,677,289	3,227,863	356,843	8,471,963	255,078	28,989,036
Corrective maintenance	14,989,020	-	237,007	-	3,457,400	18,683,427
Total	**31,666,309**	**3,227,863**	**593,850**	**8,471,963**	**3,712,478**	**47,672,463**

9.3.1 Maintenance of property, plant and equipment by nature and type of expenditure

2024

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Direct costs						
Contracted Services	12,760,370	2,201,563	426,456	8,007,673	3,068,390	26,464,452
Inventory Consumed	16,938,451	1,062,634	232,315	2,313,153	649,192	21,195,745
Operational Cost	6,709,055	-	-	-	-	6,709,055
Total	**36,407,876**	**3,264,197**	**658,771**	**10,320,826**	**3,717,582**	**54,369,252**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

2023

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Direct costs						
Contracted Services	18,101,501	2,280,568	318,470	6,869,150	3,351,450	30,921,139
Inventory Consumed	11,622,946	947,296	275,380	1,602,813	359,038	14,807,473
Operational Cost	1,941,861	-	-	-	1,990	1,943,851
	31,666,308	**3,227,864**	**593,850**	**8,471,963**	**3,712,478**	**47,672,463**

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

10. Intangible assets

10.1 Reconciliation of carrying value

2024

		Computer software	Total
Opening carrying value as at 01 July 2023			
Cost		2,117,022	2,117,022
Accumulated depreciation and impairment		(1,514,473)	(1,514,473)
		602,549	**602,549**
Amortisation	36	(201,030)	(201,030)
Carrying value of disposals / transfers			
Cost		17,090	17,090
Closing carrying value as at 30 June 2024		**418,609**	**418,609**
Cost		2,134,112	2,134,112
Accumulated amortisation and impairment		(1,715,503)	(1,715,503)
		418,609	**418,609**

2023

		Computer software	Total
Opening carrying value as at 01 July 2022			
Cost		2,153,380	2,153,380
Accumulated depreciation and impairment		(1,283,599)	(1,283,599)
		869,781	**869,781**
Correction of prior period errors		(36,358)	(36,358)
Amortisation	36	(265,675)	(265,675)
		(302,033)	**(302,033)**
Carrying value of disposals / transfers			
Cost		34,801	34,801
Closing carrying value as at 30 June 2023		**602,549**	**602,549**
Cost		2,151,823	2,151,823
Accumulated amortisation and impairment		(1,549,274)	(1,549,274)
		602,549	**602,549**

11. Lease liabilities

Finance lease liabilities	11.1	23,375,383	35,544,074
Less: Transferred to current liabilities		(11,144,269)	(12,168,692)
Total non-current liabilities		**12,231,114**	**23,375,382**

11.1 Obligation under finance leases

The municipality as lessee

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

11. Lease liabilities (continued)

The obligations under finance leases are as follow:

Total future minimum lease payments			
Payable within 1 year		13,982,669	14,736,608
Payable within 2 to 5 years		13,821,451	25,403,817
Total minimum lease payments		**27,804,120**	**40,140,425**
Less: Future finance charges		(4,428,737)	(4,596,351)
Total		**23,375,383**	**35,544,074**
Present value of minimum lease payments			
Payable within 1 year		11,144,269	12,168,692
Payable within 2 to 5 years		12,231,114	23,375,382
Total		**23,375,383**	**35,544,074**
Current liability		11,144,269	12,168,692
Non-current liability		12,231,114	23,375,382

12. Employee benefits

Non-current employee benefits			
Post employment health care benefits	12.1	97,024,999	91,990,999
Ex-Gratia pension benefits	12.2	40,300	41,260
Long-service awards	12.5	14,562,000	14,606,000
		111,627,299	**106,638,259**
Current employee benefits			
Post employment health care benefits	12.1	4,505,000	3,736,000
Ex-Gratia pension benefits	12.2	8,810	8,820
Bonus	12.3	1,332,661	2,130,578
Leave	12.4	44,559,430	36,032,522
Long-service awards	12.5	3,021,000	2,680,000
		53,426,901	**44,587,920**
Total		**165,054,200**	**151,226,179**

12.1 Post employment health care benefits

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 2024 by Arch Actuarial Consulting. 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 Post Employee Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follow:

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Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

	Number	
In-service members (Employees)	438	429
Continuation members (Retirees)	82	81
In-service Non members (Employees)	319	343
Total members	**839**	**853**

The liability in respect of past service has been estimated as follows:

In-service members (Employees)	45,741,000	51,875,999
Continuation members (Retirees)	55,788,999	43,851,000
Total liability	**101,529,999**	**95,726,999**
Current	4,505,000	3,736,000
Non-current	97,024,999	91,990,999

12.1.1 Defined benefit plan

Movements in the present value of the defined benefit obligation

Opening Balance	95,726,999	91,641,745
Service cost - current service cost	3,815,000	7,547,110
Interest cost	11,720,000	11,583,601
Actual employer benefit payments	(3,736,000)	(6,507,822)
Remeasurements - Actuarial loss/ (gain) recognised in the year	(5,996,000)	(8,537,635)
Present value of fund obligation at the end of the year	**101,529,999**	**95,726,999**

The Current-service Cost for the year ending 30 June 2024 is estimated to be R3 815 000, whereas the cost for the ensuing year is estimated to be R4 079 000 (30 June 2023: R 3 8 11000 and R 3 815000 respectively)."

The principal assumptions used for the purposes of the actuarial valuations were as follow:

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount rate	12.25%	12.48%
Health care cost inflation rate	6.22%	8.09%
Net effective discount rate	4.21%	4.06%
Expected Retirement Age -Females	62	62
Expected Retirement Age - Males	62	62

GRAP 25 defines the determination of the Discount Rate Assumption to be used as follow:

- 'The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.'
- The Actuaries used the nominal and real zero curves as at 30 June 2024 supplied by the JSE to determine the discount rates and CPI assumptions at each relevant time period. In the event that the valuation is performed prior to the effective valuation date, they used the prevailing yield at the time of performing their calculations. The methodology was changed from a point estimate to that of a curve in order to present a more accurate depiction of the liability. Previously only one discount rate was used to value all the liabilities. This changed methodology would be seen as a change in estimate basis.

Mortality rates

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Figures in Rand thousand		2024	2023

12. Employee benefits (continued)

Mortality before retirement has been based on the SA 85-90 mortality tables. These are the most commonly used tables in the industry. Mortality post-employment (for pensioners) has been based on the PA (90) ultimate mortality tables.

Normal retirement age

The average retirement age for all active employees was assumed to be 62 years. This assumption implicitly allows for ill-health and early retirements. The normal retirement age (NRA) for all active employees was assumed to be x years.

Amounts recognised in the statement of financial position

The amounts recognised in the statement of financial position is as follows:

Present value of unfunded obligations		101,529,999	95,726,999

Amounts recognised in the statement of financial performance

The amounts recognised in the statement of financial performance is as follows:

Service cost - Current service cost		3,815,000	7,547,110
Interest cost		11,720,000	11,583,601
Remeasurements - Actuarial loss/ (gain) recognised in the year		(5,996,000)	(8,537,635)
Total post-retirement benefit included in employee related costs	31	**9,539,000**	**10,593,076**

History of experienced adjustments

	2020	**2021**	**2022**	**2023**	**2024**
Present value of defined benefit obligation	83,222,393	89,626,999	92,123,834	95,727,000	101,530,000

The effect of a 1% movement in the assumed rate of health care cost inflation is as follow:

	+1% Increase	**Increase**
Effect on the defined benefit obligation	116,518,000	110,146,000
Effect on the aggregate of the interest cost and current service cost	18,174,000	18,027,552

The municipality expects to make a contribution of R 113 273 000 to the Defined Benefit Plan during the next financial year.

Refer to note 56 Retirement Benefit Information to the audited annual financial statements for more information regarding the municipality's other retirement funds that is Provincially and Nationally administered.

12.2 Ex-Gratia pension benefits

12.2.1 Post-retirement Pension Benefits Liability

Movements in the present value of the defined benefit obligation		
Opening Balance	50,080	52,246
Interest cost	13,400	13,245
Actual employer benefit payments	(17,630)	(17,785)
Remeasurements - Actuarial (Gains) / Losses recognised	3,260	2,374
Closing balance	**49,110**	**50,080**
Current	8,810	8,820
Non-current	40,300	41,260

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Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

12. Employee benefits (continued)

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.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2024 by Arch Actuarial Consulting. 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.

		Number	
In-service members (Employees)		5	5
In-service members (Employees)		49,110	50,080
Lump sum benefit		49,110	50,080

The interest-cost for the next year is estimated to be R4 590.00 -. The actuaries are of opinion that future service cost need not be determined for pension fund liability as all benefits vests immediately.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Lump sum valuation			
Discount rate		9.79 %	10.03 %
Net effective discount rate		9.79 %	10.03 %

Mortality rates

Mortality before retirement has been based on the PA (90) mortality tables. These are the most commonly used tables in the industry. It was assumed that female spouses would be five years younger than their male spouses and vice versa.

Normal retirement age

The average retirement age for all active employees was assumed to be 62 years. This assumption implicitly allows for ill-health and early retirements. The normal retirement age (NRA) for all active employees was assumed to be 62 years.

Amounts recognised in the statement of financial position

The amounts recognised in the statement of financial position are as follow:

Present value of funded obligations		49,110	50,080

Amounts recognised in the statement of financial performance

The amounts recognised in the statement of financial performance are as follow:

Interest cost		13,400	13,245
Remeasurements - Actuarial (gains) / losses recognised		3,260	2,374
Total post-retirement benefit included in employee related costs	31	**16,660**	**15,619**

History of experienced adjustments

The effect of a 1% movement in the assumed rate of pension increase inflation is as follow:

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Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

	1% Decrease	1% Increase
Effect on the interest cost	4,340	4,425
Effect on the defined benefit obligation	49,110	50,080

The municipality expects to make a contribution of R 49 110 to the Defined Benefit Plan during the next financial year.

Refer to note 56 Retirement Benefit Information to the audited annual financial statements for more information regarding the municipality's other retirement funds that is Provincially and Nationally administered.

12.3 Bonus

12.3.1 Provision for bonus

Movements in the present value of the defined benefit obligation		
Opening Balance	2,130,577	1,805,097
Additional provisions raised	(797,916)	325,481
Closing balance	**1,332,661**	**2,130,578**
Current	1,332,661	2,130,578

12.4 Leave

12.4.1 Leave employee obligation

Movements in the present value of the leave obligation		
Opening Balance	36,032,523	33,508,919
Additional provisions raised	8,526,907	2,523,603
Closing balance	**44,559,430**	**36,032,522**
Current	44,559,430	36,032,522

12.5 Long-service awards

12.5.1 Provision for long-service awards

Movements in the present value of the employee benefit obligation		
Opening Balance	17,286,000	18,958,334
Additional provisions raised	4,859,000	4,582,153
Increases (Passage of Time/Discounted Rate)	1,770,000	1,780,630
Reductions (Payments, remeasurement etc.)	(6,332,000)	(2,680,000)
Reversals	-	(5,355,117)
Closing balance	**17,583,000**	**17,286,000**
Current	3,021,000	2,680,000
Non-current	14,562,000	14,606,000

Long-service award

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.

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2024 by Arch Actuarial Consulting. 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, 757 (2023: 772) employees were eligible for Long-service Awards.

The principal assumptions used for the purposes of the actuarial valuations were as follow:

Discount rate	10.83	11.08%
Consumer Price Inflation (CPI)	4.98	6.47%
Normal salary increase rate CPI+1	5.98	CPI+1%
Net effective discount rate	4.57	4.33%
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

GRAP 25 defines the determination of the Discount Rate Assumption to be used as follow:

The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.

The Actuaries used the nominal and real zero curves as at 30 June 2024 supplied by the JSE to determine the discount rates and CPI assumptions at each relevant time period. In the event that the valuation is performed prior to the effective valuation date, they used the prevailing yield at the time of performing their calculations. The methodology was changed from a point estimate to that of a curve in order to present a more accurate depiction of the liability. Previously only one discount rate was used to value all the liabilities. This changed methodology would be seen as a change in estimate basis.

Amounts recognised in the statement of financial position

The amounts recognised in the statement of financial position are as follow:

Present value of funded obligations		17,583,000	17,286,000

Amounts recognised in the statement of financial performance

The amounts recognised in the statement of financial performance are as follow:

Current service cost		1,881,000	1,902,153
Interest cost		1,745,000	1,780,630
Total expense included in employee related costs	31	**3,626,000**	**3,682,783**

	2024	2023	2022	2021	2020
The history of experienced adjustments is as follows:					
Present Value of Defined Benefit Obligation	17,583,000	17,286,000	18,958,334	17,175,000	16,490,264

The effect of a 1% movement in the withdrawal rates are as follow on the ensuing years assumptions:

	1% Decrease	1% Increase
Effect on the defined benefit obligation	16,802,000	18,429,000
Effect on the aggregate of the current service cost	3,418,000	3,816,000
Effect on the aggregate of the interest cost	3,639,000	3,580,000

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Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

The municipality expects to make a contribution of R 18,188,000 to the employee benefit obligation during the next financial year.

13. Consumer deposits

Building plans	13,237,017	11,569,970
Electricity	15,141,518	14,301,679
Rental properties	51,073	104,939
Water	3,134,504	2,987,483
Wayleave	96,000	96,000
Total	**31,660,112**	**29,060,071**

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.

14. Trade and other payables from exchange transactions

Bulk purchases	14.1	46,288,423	36,611,854
Retentions	14.2	6,457,381	7,067,757
Control and clearing accounts		4,876,730	4,987,422
Other payables	14.3	99,938,283	96,814,405
Statutory payables	14.4	1,116,527	1,149,050
Total		**158,677,344**	**146,630,488**
Current		158,677,344	146,630,488

14.1 Bulk purchases

Bulk water	1,836,559	1,566,903
Bulk electricity	44,451,864	35,044,951
Total	**46,288,423**	**36,611,854**

14.2 Retentions

Retentions	6,457,381	7,067,757

14.3 Other payables

Output VAT Accrual	50,660,320	45,770,304
Auditor-General of South Africa	-	13,428
Output VAT Accural - Provision for Doubtful Debt Impairment	(35,205,471)	(25,337,207)
Payables and accruals	36,381,303	26,545,886
Unallocated deposits	20,727,613	19,784,891
Advance payments	27,374,518	30,037,103
Total	**99,938,283**	**96,814,405**

14.4 Statutory payables

Compensation commission (COID)	1,116,527	1,149,050

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

15. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent

		2024				2023			
		Opening balance	Funds received	Transfer to revenue	Closing balance	Opening balance	Funds received	Transfer to revenue	Closing balance
Capital									
Monetary Allocations	15.1	25,735,689	79,941,780	(66,886,583)	**38,790,886**	2	125,225,205	(99,489,519)	**25,735,688**
Operational									
Monetary Allocations	15.2	3,258,143	9,634,400	(12,892,543)	**-**	-	9,689,550	(6,431,407)	**3,258,143**
Total		**28,993,832**	**89,576,180**	**(79,779,126)**	**38,790,886**	**2**	**134,914,755**	**(105,920,926)**	**28,993,831**

15.1 Unspent capital monetary allocations

	2024				2023			
	Opening balance	Funds received	Transfer to revenue	Closing balance	Opening balance	Funds received	Transfer to revenue	Closing balance
National Government								
Integrated National Electrification Programme Gran	2,894,953	4,089,000	(6,297,650)	**686,303**	-	8,100,000	(5,205,047)	**2,894,953**
Municipal Disaster Relief Grant	3,000,000	10,550,000	(3,169,259)	**10,380,741**	-	3,000,000	-	**3,000,000**
Municipal Infrastructure Grant	-	33,124,600	(33,124,600)	**-**	-	34,096,450	(34,096,450)	**-**
Water Services Infrastructure Grant	-	30,000,000	(22,832,114)	**7,167,886**	-	54,339,469	(54,339,469)	**-**
Total	**5,894,953**	**77,763,600**	**(65,423,623)**	**18,234,930**	**-**	**99,535,919**	**(93,640,966)**	**5,894,953**
Provincial Government								
Eastern Cape: Human Settlements	19,840,736	2,178,180	(1,462,960)	**20,555,956**	2	25,689,286	(5,848,553)	**19,840,735**
Total unspent capital monetary allocations	**25,735,689**	**79,941,780**	**(66,886,583)**	**38,790,886**	**2**	**125,225,205**	**(99,489,519)**	**25,735,688**

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

15. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

15.2 Unspent operational monetary allocations

	2024			2023			
	Opening balance	**Funds received**	**Transfer to revenue**	**Opening balance**	**Funds received**	**Transfer to revenue**	**Closing balance**
National Government							
Energy Efficiency and Demand Side Management Grant	-	4,000,000	(4,000,000)	-	-	-	-
Expanded Public Works Programme Integrated Grant	-	2,321,000	(2,321,000)	-	1,175,000	(1,175,000)	-
Local Government Financial Management Grant	-	1,570,000	(1,570,000)	-	1,720,000	(1,720,000)	-
Municipal Infrastructure Grant	-	1,743,400	(1,743,400)	-	1,794,550	(1,794,550)	-
Total	**-**	**9,634,400**	**(9,634,400)**	**-**	**4,689,550**	**(4,689,550)**	**-**
Provincial Government							
Eastern Cape	3,258,143	-	(3,258,143)	-	5,000,000	(1,741,857)	**3,258,143**
Total unspent operational monetary allocations	**3,258,143**	**9,634,400**	**(12,892,543)**	**-**	**9,689,550**	**(6,431,407)**	**3,258,143**

16. Provision

Landfill Sites	16.1	119,432,937	118,827,257
Environmental Cleanup Provision	16.2	1,000,000	1,147,460
Total		**120,432,937**	**119,974,717**
Current		1,000,001	1,147,461
Non-current		119,432,936	118,827,256

Environmental - Illegal dumping of builders and other rubble is taking 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.

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

16. Provision (continued)

16.1 Landfill Sites

Opening Balance	118,827,256	114,616,144
Additional provisions raised	4,374,823	12,928,730
Reversals	(3,769,142)	(8,717,617)
Closing balance	**119,432,937**	**118,827,257**
Current	1	1
Non-current	119,432,936	118,827,256

16.2 Environmental Cleanup Provision

Opening Balance	1,147,460	1,925,750
Reductions (Payments, remeasurement etc.)	(147,460)	(778,290)
Closing balance	**1,000,000**	**1,147,460**
Current	1,000,000	1,147,460

17. Reserves and funds

Capital Replacement Reserve	5,759,077	-

The Capital Replacement Reserve relates to setting aside funds for future capital replacement of assets. Where development charges are realised, these funds are recognised as revenue, and thereafter used to fund the capital replacement reserve by transferring these funds from Accumulated Surplus to the Capital Replacement Reserve.

Distributions from the Capital Replacement Reserve can be made when it is in accordance with the requirements of the municipality's accounting policy.

Refer to Statement of Changes in Net Assets for more detail and the movement on Reserves.

18. Services charges

Electricity		
Exchange – Consumption	380,375,534	306,476,963
Waste management		
Exchange – Consumption	57,487,680	61,945,030
Waste water management		
Exchange – Consumption	59,633,132	61,796,904
Water		
Exchange – Consumption	109,872,623	117,399,855
Total	**607,368,969**	**547,618,752**
Exchange	607,368,969	547,618,752

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

19. Sales of goods and rendering of services

Advertisements	1,182	-
Application Fees for Land Usage	247,051	328,204
Building Plan Approval	4,349,602	4,777,237
Camping Fees	-	13,082
Cemetery and Burial	360,771	372,034
Cleaning and Removal	3,152	14,817
Encroachment Fees	-	166
Fire Services	15,964	14,855
Legal Fees	1,872,408	1,935,325
Photo copies, Faxes and Telephone charges	13,251	8,503
Removal of Restrictions	542,552	534,283
Sale of Goods	-	1,006,522
Scrap, Waste & Other Goods	1,067	926
Valuation Services	35,497	182,834
Total	**7,442,497**	**9,188,788**

20. Agency services

Provincial	3,615,485	2,677,528

The Municipality entered into an agreement with the Eastern Cape Department of Transport, to collect process and collect driver licenses on behalf of the Department. The municipality act as an agent to this transaction in accordance with GRAP 109, Principal agent arrangements.
A fee of 19% plus VAT of the total revenue collected is payable to the Municipality by deducting the fee amount from the funds collected on a daily basis.

21. Interests earned from bank and investments

Bank accounts	4,760,796	2,909,170
Short-term investments and call accounts	8,201,602	3,915,092
Total	**12,962,398**	**6,824,262**

22. Rental from fixed assets

Market related	233,129	177,496
Non-market related	3,316,439	2,435,990
Total	**3,549,568**	**2,613,486**

22.1 Rental by asset class

Market related		
Property, plant and equipment	233,129	177,496
Non-market related		
Property, plant and equipment	830,634	409,639
Investment property	2,485,805	2,026,351
	3,316,439	**2,435,990**
Total	**3,549,568**	**2,613,486**

22.2 Rental by type

Market related

Property, plant and equipment

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

22. Rental from fixed assets (continued)

Community assets		
• Straight-lined operating	233,129	177,496
Non-market related		
Property, plant and equipment		
Other assets		
• Straight-lined operating	830,634	409,639
Investment property		
Straight-lined operating	2,485,805	2,026,351
Total	**3,549,568**	**2,613,486**

23. Property rates

Agricultural property	9,132,294	8,842,964
Business and commercial properties	27,961,580	26,424,579
Industrial properties	5,765,735	4,785,831
Public benefit organisations	152,263	205,427
Public service purposes properties	3,165,126	2,521,575
Residential properties	201,319,256	184,820,828
Special rating area	11,975,454	10,234,532
Vacant land	20,730,945	21,678,650
Total	**280,202,653**	**259,514,386**

Valuation as at 30 June 2024

Valuations on land and buildings are performed every 4 years. The last general valuation came into effect on 2023/07/01. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

A general rate is applied as follows to property valuations to determine property rates:

Residential Properties: 0,007380 c/R (2022/23: 0,009685 c/R)

Business Properties: 0,009225 c/R (2022/23: 0,0121063 c/R)

Agricultural Properties: 0,001845 c/R (2022/23: 0,0024213 c/R)

A Rebate of R15,000 is received on all residential properties, equitable share recipients and Pensioners earning R15 000 and less per month, receives an additional R85,000 rebate on property value.

24. Interest earned from receivables

Exchange receivables	24.1	21,854,451	20,845,130
Non-exchange receivables	24.2	5,519,180	3,729,096
Total		**27,373,631**	**24,574,226**

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
24. Interest earned from receivables (continued)			
24.1 Interest earned from exchange receivables			
Consumer receivables			
Electricity		2,427,684	1,750,339
Water		8,549,530	9,145,804
Waste water management		3,642,948	3,359,119
Waste management		6,937,631	6,260,552
Service charges		296,658	329,316
		21,854,451	**20,845,130**
24.2 Interest earned from non-exchange receivables			
Consumer receivables			
Property rates		5,519,180	3,729,096
25. Fines, penalties and forfeits			
Fines	25.1	40,083,846	101,635,779
25.1 Fines			
Traffic fines			
Service provider fines		32,008,054	93,990,455
Municipal fines		7,582,175	7,284,632
		39,590,229	**101,275,087**
Other fines			
Building fines		455,349	339,756
Overdue books		1,918	936
Pound fees		36,350	20,000
		493,617	**360,692**
Total		**40,083,846**	**101,635,779**
26. Licences or permits			
Exchange revenue	26.1	2,368,147	2,676,798
Non-exchange revenue	26.2	7,421,091	7,195,326
Total		**9,789,238**	**9,872,124**
26.1 Licenses and permits - Exchange revenue			
Road and transport		2,229,189	2,486,571
Trading		138,958	190,227
Total		**2,368,147**	**2,676,798**
26.2 Licenses and permits - Non-exchange revenue			
Boat		6,804,732	6,570,297
Health certificates		12,306	10,785
Road and transport		604,053	614,244
Total		**7,421,091**	**7,195,326**

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Figures in Rand thousand		2024	2023

27. Transfers and subsidies - Revenue

Operational			
Monetary allocations	27.1	198,629,694	177,338,705
Capital			
Allocations in-kind		18,000,000	-
Monetary allocations	27.2	85,139,503	102,222,417
Total transfers and subsidies: Capital		**103,139,503**	**102,222,417**
Total		**301,769,197**	**279,561,122**

27.1 Monetary allocations: Operational

District municipalities	3,171,100	3,028,720
Foreign government and international organisations	10,053	2,471,449
National governments	9,634,400	4,704,679
National revenue fund	180,505,998	163,292,000
Private enterprises	-	50,000
Provincial government	5,308,143	3,791,857
Total	**198,629,694**	**177,338,705**

27.2 Monetary allocations: Capital

District municipalities	1,775,560	2,732,898
National government	65,573,623	93,640,966
Provincial governments	17,790,320	5,848,553
Total	**85,139,503**	**102,222,417**

National Revenue - Equitable share

Current year receipts	180,506,000	163,292,000
Conditions met - transferred to revenue	(180,506,000)	(163,292,000)
	-	**-**

In terms of the Constitution, the grant is used to subsidies the provision of basic services to indigent community members. This grant is unconditional.

National: Expanded Public Works Programme Grant

Current year receipts	2,321,000	1,175,000
Conditions met - transferred to revenue	(2,321,000)	(1,175,000)
	-	**-**

The Expanded Public Works Programme Grant was allocated to the municipality for environmental projects. No funds have been withheld.

National: Financial Management Grant

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Figures in Rand thousand	2024	2023

27. Transfers and subsidies - Revenue (continued)

Current year receipts	1,720,000	1,720,000
Conditions met - transferred to revenue	(1,720,000)	(1,720,000)
	-	-

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.

National: Municipal Infrastructure Grant

Current year receipts	34,868,000	35,891,000
Conditions met - transferred to revenue	(34,868,000)	(35,891,000)
	-	-

The Municipal Infrastructure Grant (MIG) - Capital portion R33 124 600 (2023:R 34 096 450)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 operational MIG R1 743 400 (2023: R1 794 550)

National: Water Services Infrastructure Grant

Current year receipts	30,000,000	54,339,469
Conditions met - transferred to revenue	(22,832,114)	(54,339,469)
	7,167,886	-

The Water Services Infrastructure Grant is allocated to municipalities to assist in drought relief.

National: Municipal Disaster Response Grant

Balance unspent at beginning of the year	3,000,000	-
Current year receipts	10,550,000	3,000,000
Conditions met - transferred to revenue	(3,169,259)	-
	10,380,741	**3,000,000**

The Municipal Disaster Relief Grant is allocated to assist in floods relief.

National: Integrated National Electrification Programme Grant

Balance unspent at beginning of the year	2,894,953	-
Current year receipts	4,089,000	8,100,000
Conditions met - transferred to revenue	(6,297,650)	(5,205,047)
	686,303	**2,894,953**

Expenses were incurred to promote rural development and upgrade electricity infrastructure.

District: Capital

Balance unspent at beginning of the year	-	2,732,898
Conditions met - transferred to revenue	-	(2,732,898)
	-	-

Conditions still to be met - remain liabilities (see note 15)

Provincial: Library

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Figures in Rand thousand	2024	2023

27. Transfers and subsidies - Revenue (continued)

Current year	2,050,000	2,050,000
Conditions met - transferred to revenue	(2,050,000)	(2,050,000)
	-	**-**

Additional text

Provincial: Department of Human Settlement (Houses) Grant

Balance unspent at beginning of the year	19,840,728	25,689,286
Current year receipts	2,178,180	-
Conditions met - transferred to revenue	(1,462,960)	(5,848,553)
	20,555,948	**19,840,733**

The grant is for the building of low cost housing within the KOUGA area. The municipality is an 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.

Conditions still to be met - remain liabilities (see note 15).

Provincial: Department of Economic development, Environment Affairs and Tourism

Balance unspent at beginning of the year	3,258,143	-
Current year receipts	-	5,000,000
Conditions met - transferred to revenue	-	(1,741,857)
	(3,258,143)	-
	-	**3,258,143**

The purpose of the grant is for the implementation of the EPWP Cleansing Project - Kouga Working on Waste

Provincial: Efficiency and Demand Side Management Grant

Current year receipts	4,000,000	-
Conditions met - transferred to revenue	(4,000,000)	-
	-	**-**

Allocation in-kind: Infrastructure

Land donation received	18,000,000	-

Private Enterprise: Mayors Charity Fund

ABSA	-	50,000

Foreign Government and International Organisations: BMZ

Current year receipts	-	2,471,449
Conditions met - transferred to revenue	-	(2,471,449)
	-	**-**

District: Operational

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Figures in Rand thousand	2024	2023

27. Transfers and subsidies - Revenue (continued)

Current year receipts	-	3,028,720
Conditions met - transferred to revenue	-	(3,028,720)
	-	**-**

28. Operational revenue

Commission	304,208	350,808
Discounts and Early Settlements	1,833	190
Insurance Refund	-	28,748
Sale of Property	4,965,315	-
Skills Development Levy Refund	454,415	686,203
Staff and Councillors Recoveries	168,776	105,072
Development Charges	5,759,077	28,506
Total	**11,653,624**	**1,199,527**

29. Remeasurements on employee benefits

Gains recognised on long service and post retirement medical aid	6,627,000	10,912,779

30. Increase in net-realisable value

Inventory	-	(424,835)
Water	691,432	-
Total	**691,432**	**(424,835)**

Additional text

31. Employee related cost

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Figures in Rand thousand	2024	2023

31. Employee related cost (continued)

31.1 Municipal staff costs

Basic salary	237,516,655	219,610,585
Bonuses	1,281,225	348,479
Service-related benefits	60,294,329	54,955,317
Allowances	12,442,593	11,650,640
Bargaining council	188,512	179,444
Group life insurance	11,417,502	11,037,723
Medical	19,117,195	17,776,601
Pension	33,515,834	31,574,591
Post-retirement benefit: Medical	11,799,522	12,143,174
Post-retirement benefit: Pension	4,590	(4,989)
Post-retirement benefit: Other benefits	9,454,907	3,226,413
Unemployment insurance	1,844,661	1,807,764
Total	**398,877,525**	**364,305,742**

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Figures in Rand thousand	2024	2023

31. Employee related cost (continued)

Service-related benefits - Breakdown		
Acting and Post Related Allowances	6,265,489	6,469,594
Bonus	15,627,662	14,536,948
Long Service Award	1,321,699	1,250,932
Standby Allowance	9,656,346	8,898,586
Overtime	21,261,241	19,088,049
Leave Pay	6,161,892	4,711,208
	60,294,329	**54,955,317**

Remuneration of Section 57 Employees

Remuneration of the Municipal Manager: C Du Plessis		
Annual Remuneration	1,758,714	1,705,252
Travel allowance	96,000	96,000
Company Contributions to UIF, Medical and Pension Funds	27,770	66,024
Subsistence and Travel	14,633	2,430
Performance Bonus	231,402	-
	2,128,519	**1,869,706**

Remuneration of the Chief Financial Officer: R Lorgat		
Annual Remuneration	1,441,923	1,393,749
Travel allowance	120,000	120,000
Subsistence and Travel	49,378	27,992
Company Contributions to UIF, Medical and Pension Funds	25,551	63,196
Cellphone allowance	17,427	9,588
Performance Bonus	289,629	-
	1,943,908	**1,614,525**

Remuneration of the Director: Community Services - N Machalesi		
Annual Remuneration	1,381,923	1,333,749
Travel allowance	180,000	180,000
Company Contributions to UIF, Medical and Pension Funds	25,609	63,053
Performance Bonus	324,836	-
	1,912,368	**1,576,802**

Remuneration of Director: AME- K Moodley (Contract expired 30 September 2022)		
Annual Remuneration	-	359,630
Travel allowance	-	24,000
Company Contributions to UIF, Medical and Pension Funds	577	26,387
Leave encashment - contract expired	-	74,118
Back Pay	15,951	-
	16,528	**484,135**

Remuneration of Deputy Municipal Manager: D Dejager		
Annual Remuneration	1,381,923	1,317,690
Travel allowance	180,000	180,000
Company Contributions to UIF, Medical and Pension Funds	26,753	48,550

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Figures in Rand thousand	2024	2023
31. Employee related cost (continued)		
Cellphone allowance	12,000	12,000
Acting allowance	22,041	21,890
Performance Bonus	405,268	-
	2,027,985	**1,580,130**
Remuneration of Director Technical Services: C De Kock -Start 1 Jan 2023		
Annual Remuneration	1,441,923	686,168
Travel allowance	120,000	60,000
Subsistence and Travel	18,980	11,993
Company Contributions to UIF, Medical and Pension Funds	23,152	23,272
Performance Bonus	67,155	-
	1,671,210	**781,433**
Remuneration of Acting Director: IPD - T. Madatt		
Annual Remuneration	539,106	-
Acting allowance	62,706	62,706
Travel allowance	75,000	-
Subsistence and Travel	3,100	-
Company Contributions to UIF, Medical and Pension Funds	11,583	-
	691,495	**62,706**
Remuneration of Acting Director: Corporate Services -M Rossouw		
Acting allowance	174,086	174,086
Remuneration of Director: Planning, Development and Tourism - F Mabusela- Resigned 31 January 2023		
Annual Remuneration	-	765,530
Travel allowance	-	105,000
Leave encashment - Contract expired	-	52,940
Company Contributions to UIF, Medical and Pension Funds	-	43,848
Subsistence and Travel	-	16,261
	-	**983,579**
Remuneration of Acting Director: PDT -L Opperman - Period: April 2023 to September 2023		
Acting allowance	28,745	30,521
Remuneration of Acting Director: PDT-K Cakata - Period 3-16 November 2022		
Acting allowance	-	13,298
Remuneration of Acting Director: Planning and Development - L Ramakuwela - Period 1 October 2023 - 30 June 2024		
Acting allowance	86,294	-

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Figures in Rand thousand		2024	2023
32. Remuneration of councillors			
Executive Mayor	32.1	998,986	924,256
Chief whip	32.2	792,280	740,126
Speaker	32.3	842,114	1,392,233
Deputy executive mayor	32.4	748,083	-
Executive committee	32.5	3,164,517	2,929,615
All other councillors	32.6	8,429,770	7,713,908
Total		**14,975,750**	**13,700,138**
32.1 Executive Mayor			
Allowances and service related benefits			
Basic salary		710,466	694,092
Cell phone allowance		51,697	-
Motor vehicle allowance		236,823	230,164
		998,986	**924,256**
32.2 Chief whip			
Allowances and service related benefits			
Basic salary		557,002	555,998
Cell phone allowance		49,608	-
Motor vehicle allowance		185,670	184,128
		792,280	**740,126**
32.3 Speaker			
Allowances and service related benefits			
Basic salary		594,380	1,208,105
Cell phone allowance		49,608	-
Motor vehicle allowance		198,126	184,128
		842,114	**1,392,233**
32.4 Deputy executive mayor			
Allowances and service related benefits			
Basic salary		523,857	-
Cell phone allowance		49,608	-
Motor vehicle allowance		174,618	-
		748,083	**-**
32.5 Executive committee			
Allowances and service related benefits			
Basic salary		2,230,760	2,266,598
Cell phone allowance		190,164	-
Motor vehicle allowance		743,593	663,017
		3,164,517	**2,929,615**

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

32. Remuneration of councillors (continued)

MMC (Corporate and Communication Services) - J Alexander		
Basic Salary	505,034	-
Cellphone allowance	49,608	-
Motor vehicle allowance	168,345	-
	722,987	**-**
MMC (Finance and Economic Development) - L Maree		
Basic Salary	557,002	518,106
Cellphone allowance	49,608	44,400
Motor vehicle allowance	185,669	151,362
	792,279	**713,868**
MMC (Civil and Water Services) - R Forley		
Basic Salary	502,682	-
Cellphone allowance	49,608	-
Motor vehicle allowance	167,561	-
	719,851	**-**
MMC (Planning and Development) - S Ruth		
Basic Salary	557,002	518,106
Cellphone allowance	49,608	44,400
Motor vehicle allowance	185,669	151,362
	792,279	**713,868**
MMC (Electro and Mechanical Services) - T Jantjies		
Basic Salary	109,040	518,106
Cellphone allowance	11,317	44,400
Motor vehicle allowance	36,349	151,362
	156,706	**713,868**
MMC (Community and Safety Services) - D Benson		
Basic Salary	1	518,106
Cellphone allowance	1	44,400
Motor vehicle allowance	1	151,362
	3	**713,868**
MMC - WP Gertenbach		
Basic Salary	-	194,174
Cellphone allowance	-	44,400
Motor vehicle allowance	-	57,568
	-	**296,142**

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Figures in Rand thousand	2024	2023

32. Remuneration of councillors (continued)

32.6 All other councillors

Allowances and service related benefits		
Basic salary	5,380,972	4,580,692
Cell phone allowance	1,098,614	1,328,300
Motor vehicle allowance	1,824,465	1,804,916
	8,304,051	**7,713,908**
Social contributions		
Medial aid benefits	125,719	-
Total	**8,429,770**	**7,713,908**

In kind benefits

The Executive Mayor, Deputy Executive Mayor, Speaker, and Mayoral Committee members are employed full-time. Each is provided with an office, administrative and secretarial support at the cost of the Council.

The Executive Mayor and Deputy Mayor and other full-time Mayoral Committee members have access to Council owned vehicles for ceremonial and official functions.

Councillors receive a total cost to company package as determined by the Notice for 'Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils', issued in terms of Remuneration of Public Office Bearers Act, 1998.

33. Bulk purchases

Electricity: Eskom	351,702,171	291,888,014
Total	**351,702,171**	**291,888,014**

33.1 Electricity losses

	2024		2023	
	KHW	**Amount**	**KHW**	**Amount**
Units purchased	185,371,161	302,154,992	180,601,760	255,479,250
Units sold	(158,122,856)	(257,740,255)	(152,244,539)	(215,365,125)
Total loss	**27,248,305**	**44,414,737**	**28,357,221**	**40,114,125**
Comprising of:				
Technical losses	14,829,693	24,172,400	14,448,141	20,438,340
Non-technical losses	12,418,612	20,242,337	13,909,081	19,675,786
Total	**27,248,305**	**44,414,737**	**28,357,222**	**40,114,126**
Percentage loss:				
Technical losses	8.00 %	8.00 %	8.00 %	8.00 %
Non-technical losses	6.70 %	6.70 %	7.70 %	7.70 %
Total	**14.70 %**	**14.70 %**	**15.70 %**	**15.70 %**

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

33. Bulk purchases (continued)

Reasons for the losses

Losses occured because of the following reasons:

- 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.

Action taken

The municipality has taken the following actions to mitigate against the reoccurrence of such losses:

- Faulty meters are replaced as soon as they are reported.t

33.2 Water losses

Volume in Kl/year:	-	-
System Input Volume	7,505,393	6,490,281
Billed Consumption	(4,503,106)	(4,580,573)
Distribution losses in kl	**3,002,287**	**1,909,708**

Unaccounted water losses in rand value at a tariff of R 11.36 is R 34 105 980 (2023: tariff of R 10.21 is R 19 498 119). .
Percentage Distribution Loss 39.8% (2023: 29.42%)

Reasons for the losses

Losses occured because of the following reasons:

- 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.

Action taken

Council has approved a water loss reduction plan on 28 February 2024 to address water losses, and it is monitored and reported on quarterly.

34. Inventory consumed

Consumables	27,631,708	26,664,112
Materials and supplies	32,643,287	21,906,730
Water	42,323,773	42,510,988
Total	**102,598,768**	**91,081,830**

35. Debt impairment

Trade and other receivables from exchange transactions	3	65,179,944	79,291,388
Property Rates	4	22,188,930	9,367,173
Total		**87,368,874**	**88,658,561**

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
36. Depreciation and amortisation			
Amortisation			
Intangible assets	10.1	201,030	265,675
Depreciation			
Property, plant and equipment		100,659,199	101,024,301
Total		**100,860,229**	**101,289,976**
37. Impairment loss / (reversal) of impairment			
Property, plant and equipment		1,678,698	23,428,417
38. Finance costs			
Interest	38.1	10,037,689	8,058,566
38.1 Interest cost			
Finance leases	11.1	5,658,872	3,814,241
Interest costs non-current provisions	16	4,374,823	4,132,326
Overdue accounts	14.3	3,994	111,999
Total		**10,037,689**	**8,058,566**
39. Contracted services			
Consultants and professional services	39.1	26,109,828	20,654,428
Contractors	39.2	29,495,704	33,313,770
Outsourced services	39.3	38,160,523	33,329,570
Total		**93,766,055**	**87,297,768**
39.1 Consultants and professional services			
Business advisory services			
Accounting and auditing		2,261,820	2,393,734
Actuaries		16,900	15,000
Air pollution		125,550	-
Project management		12,615,712	10,221,438
Research and advisory		141,955	131,659
Total business advisory services		**15,161,937**	**12,761,831**
Laboratory services			
Water		1,910,941	1,607,584
Legal services			
Collection		952,112	922,645
Legal advice and litigation		4,441,778	3,557,433
Total legal services		**5,393,890**	**4,480,078**
Engineering services			
Civil engineering		231,000	124,129
Electrical engineering		2,497,348	616,438
Total engineering services		**2,728,348**	**740,567**

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Figures in Rand thousand	2024	2023
39. Contracted services (continued)		
Infrastructure and planning services		
Ecological infrastructure and planning	914,712	414,395
Land and quantity surveyors infrastructure and planning	-	621,830
Town planner infrastructure and planning	-	28,143
Total infrastructure and planning services	**914,712**	**1,064,368**
Total consultants and professional services	**26,109,828**	**20,654,428**
39.2 Contractors		
General services		
Artists and performers	1,990	90,125
Catering services	105,328	2,392
Employee wellness	18,269	305,378
Event promoters	84,511	97,945
Pest control and fumigation	28,235	9,050
Total general services	**238,333**	**504,890**
Maintenance services		
Maintenance of buildings and facilities	5,411,477	6,252,557
Maintenance of equipment	478,466	335,763
Maintenance of unspecified assets	23,367,428	26,220,560
Total maintenance service	**29,257,371**	**32,808,880**
Total contractor	**29,495,704**	**33,313,770**
39.3 Outsourced services		
Business and advisory services		
Project Management	6,119,233	5,427,220
Qualification Verification	274,311	881,760
Research and Advisory	114,967	17,900
Valuer	970,405	3,132,663
Total business and advisory services	**7,478,916**	**9,459,543**
General services		
Alien Vegetation Control	368,110	-
Animal Care	478,500	483,372
Burial Services	60,595	11,950
Catering Services	575,905	729,644
Cleaning Services	654,830	368,720
Clearing and Grass Cutting Services	1,276,711	1,832,556
Drivers Licence Cards	522,901	1,516,691
Illegal Dumping	310,300	-
Internal Auditors	27,800	29,095
Litter Picking and Street Cleaning	58,801	400,670
Medical Services [Medical Health Services & Suppor	1,093,916	946,943
Personnel and Labour	13,360,210	10,179,767
Professional Staff	75,050	382,201
Traffic Fines Management	3,806,825	1,888,870
Transport Services	96,684	204,093
Total general services	**22,767,138**	**18,974,572**

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Figures in Rand thousand		2024	2023
39. Contracted services (continued)			
Trading services			
Connection/Dis-connection: Electricity		97,581	-
Connection/Dis-connection: Restricted water flow		1,480	-
Security Services		7,815,408	4,895,455
Total trading services		**7,914,469**	**4,895,455**
Total outsourced services		**38,160,523**	**33,329,570**
40. Transfers and subsidies - Expenditure			
Operational			
Allocations in-kind	40.1	320,000	325,000
Monetary allocations	40.2	600,000	383,750
Total transfers and subsidies: Operational		**920,000**	**708,750**
40.1 Allocations in-kind: Operational			
Households		320,000	325,000
40.2 Monetary allocations: Operational			
Households		600,000	383,750
41. Operating leases			
Computer Equipment		390,135	-
Furniture and Office Equipment		3,165,524	3,033,058
Other Assets		3,973,955	3,780,782
Total		**7,529,614**	**6,813,840**

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

42. Operational cost

Achievements and Awards	1,517,388	3,831,001
Advertising, Publicity and Marketing	2,525,819	3,156,571
Bank Charges, Facility and Card Fees	1,182,230	1,108,359
Bargaining Council	3,553,325	3,553,325
Commission	4,373,887	4,947,593
Communication	4,042,563	4,541,464
Courier and Delivery Services	5,826	4,990
External Audit Fees	4,525,739	3,995,409
External Computer Service	12,068,983	7,379,652
Hire Charges	10,843,719	8,255,063
Insurance Underwriting	4,814,181	4,627,983
Licences	1,025,726	1,029,439
Management Fee	7,057,282	6,348,420
Municipal Services	37,589	-
Printing, Publications and Books	11,313	977,805
Professional Bodies, Membership and Subscription	10,872	13,886
Registration Fees	1,828,116	1,762,833
Remuneration to Ward Committees	2,058,000	2,962,848
Resettlement Cost	37,790	133,628
Search Fees	144,824	52,491
Signage	377,255	453,756
Skills Development Fund Levy	3,740,458	3,473,065
Storage of Files (Archiving)	83,555	53,307
Supplier Development Programme	-	24,300
Travel Agency and Visa's	-	2,925
Travel and Subsistence	2,003,679	1,993,097
Uniform and Protective Clothing	3,647,070	3,335,801
Vehicle Tracking	865,981	893,729
Workmen's Compensation Fund	2,062,847	1,977,511
Total	**74,446,017**	**70,890,251**

43. Contribution to provision

Land fill site	94,700	-
Environmental clean-up	(147,460)	(778,290)
Total	**(52,760)**	**(778,290)**

44. Loss on disposal of fixed and intangible assets

Property, plant and equipment	1,768,784	1,313,866

45. Irrecoverable debts written off

Property rates	62,859,860	76,492,736
Service Charges	-	7,037,076
Fines	-	3,929,589
Total	**62,859,860**	**87,459,401**

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
46. Net cash from/(used) operating activities		
Surplus for the year	3,792,264	19,651,094
Adjustments for:		
Depreciation and amortisation	100,860,229	101,289,976
(Gains) / Losses on disposal of assets	1,768,784	1,313,866
Fair value adjustment - Inventory	(691,432)	424,835
Finance cost - Refuse site	4,374,823	4,132,326
Debt impairment	87,368,874	88,658,561
Straightlining - operating leases	3,715	43,364
Contribution to defined benefit obligations included in employee cost	22,168,590	25,488,954
Impairment loss	1,678,698	23,428,417
Bad debt written off	62,859,860	87,459,401
Contribution to refuse site provision	(52,760)	(778,290)
Remeasurements on employee benefits - actuarial gains and losses	(6,627,000)	(10,912,779)
Donation of assets	(18,000,000)	-
Movement in working capital		
(Increase) / Decrease in receivables from non-exchange transactions	(19,825,528)	(54,386,987)
(Increase) / Decrease in inventory	(3,160,051)	(1,973,016)
(Increase) / Decrease in receivables from exchange transactions	(115,326,265)	(165,198,372)
Increase / (Decrease) in trade and other payables	12,046,856	30,478,096
Increase / (Decrease) in unspent conditional grants and receipts trade and other payable non-exchange transactions	9,797,055	42,549,260
Increase / (Decrease) in Consumer deposits	2,600,041	5,387,145
Increase / (Decrease) in Employee benefit obligation	(1,713,569)	(9,842,156)
Net cash flows from operating activities	**143,923,184**	**187,213,695**
47. Contingent liabilities		
Peter John France & Gerald Jack Friedman Trustees of The Rental Company Trust Claim against the municipality for damages resulting from alleged contract breach - failure to sufficiently maintain heavy equipment leased	4,000,000	4,000,000
Nelson Mandela Bay Municipality Claim against the municipality in respect of water consumption.	41,000,000	41,000,000
Tshepega Civil Engineering (Pty) Ltd Claim against the municipality for monies owed for professional services rendered	1,950,346	1,950,346
H Goeda Claim against the municipality for alleged damages, unlawful, wrongful assault, arrest & detention	250,000	250,000
48. Contingent assets		
Insurance claim for lost damaged asset 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 R325 134 will be recovered.	1,663,594	325,134

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

49. Related party disclosures

49.1 Nature of related party relationships

Related party	Nature of relationship
Close family member of key management	Various close family members of key management

49.2 Related party transactions

All Related Party Transactions are concluded at arm's length, unless stated otherwise.

The municipality bought goods from the following companies, which are considered to be related.:

Key Management personnel and Councillors remuneration.

Remuneration of Key Management Personnel and Councillors is set in Note 31 & 32 of the Annual Financial Statements.

Expenditure			
2326 random Solutions	Uncle of Directors	130,000	161,200
Unomtha catering	Daughter of the Director	-	12,330
Mesrazest	Brother in law of Directors	1,642,946	3,032,062
Mgqandu & Coco Trading	Husband of Director	18,000	9,800
Nemma Trading (Pty) Ltd	Husband of Director	-	56,000
Hammond YS t/a DC Struct	Brother in law of Director	-	188,470
Premier Attraction 528 CC t/a ZJS Distributors	Cousin of Director	993,640	537,469
Sys Smart (Pty) Ltd	Son in law of Director	24,700	22,750
Zemog Projects	Cousin of Directors	133,910	25,610
Liefies Bakes	Spouse of Directors	181,023	150,841
Magnus Ventus General Dealer	Spouse of Directors	800	45,306
Libistax (Pty) Ltd	Brother in law of Directors	1,188,865	-
Izwe lethu general Trading	Spouse of Director	26,300	-
		4,340,184	**4,241,838**

50. Unauthorised, irregular, fruitless and wasteful expenditure

50.1 Unauthorised expenditure

Opening balance as previously reported	92,827,502	-
Add: Unauthorised expenditure – current	-	92,827,502
Less: Amounts written-off – prior period	(92,827,502)	-
Closing balance	**-**	**92,827,502**

The Unauthorised Expenditure incured during 2022/23 was as a result of non-cash items (Impairment of Debtors) and has been tabled to Council. The total Budget is exceeded by R92 827 502 as a result of the financial services vote being over spent.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

50. Unauthorised, irregular, fruitless and wasteful expenditure (continued)

50.2 Irregular expenditure

Opening balance as previously reported		382,748	382,748
Less: Amounts written-off – prior period		(382,748)	-
Closing balance		**-**	**382,748**
Incident	Disciplinary steps/criminal proceedings		
Incorrect calculation of order		-	2,000
Tax Non compliance	Still to be investigated	-	380,748
Total		**-**	**382,748**

50.3 Fruitless and wasteful expenditure

Opening balance as previously reported	111,999	41,005
Add: Fruitless and wasteful expenditure – current	-	111,999
Less: Amounts written-off – prior period	(111,999)	(41,005)
Closing balance	**-**	**111,999**

Incident		
Interest on late payments	-	111,999

Interest and penalties on late payments of trade creditors

51. Councillor's municipal accounts in arrears

	Amount outstanding for more than 90 days	
List the name of the councillor which at any time during the relevant financial year was in arears for more than 90 days		
Councillor Dayimani M	-	31,232
Councillor Valgee	11,724	10,086
Councillor Bornman	20,752	6,764
Councillor Mbuqu	26,112	74,339
Councillor Zana	3,032	-
Councillor August	38,321	-
Councillor Yali	645	-
Councillor Petersen	72,406	-
	172,992	**122,421**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

52. Deviations from SCM regulations - SCM Regulation 36

In terms of section 36 of the Municipal Supply Chain Regulations, any deviation from the Supply Chain Management Policy needs to be approved/condoned by the Municipal Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.

s36(1)(a)(i) - An emergency: Expenditure incurred in accordance with section 36 of the SCM Regulations in respect of an emergency.	18,434,283	27,626,858
s36(1)(a)(ii) - Goods and services procured or available from a single provider only: Expenditure incurred in accordance with section 36 of the SCM Regulations in respect of goods and services or available from a single provider only.	731,873	313,806
s36(1)(a)(v) - Exceptional case where it is impracticable or impossible to follow the official procurement process: Expenditure incurred in accordance to section 36 of the Regulations in respect of exceptional case where it is impractical or impossible to follow the official procurement processes.	22,015,704	39,591,028
s36(1)(b) - Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.	-	13,510
Total amount approved by the accounting officer and noted by council	**41,181,860**	**67,545,202**

All deviations considered by the Municipal Manager are processed in terms of the Supply Chain Management Regulations and the municipality's Supply Chain Management Policy. This process entails being assessed by the Supply Chain Management Bid Adjudication Committee in terms of the stipulated criteria for emergency procurements and circumstances where it is impractical or not possible to follow the official procedure..

53. ADDITIONAL DISCLOSURES IN TERMS OF APPLICABLE LEGISLATION

	SALGA contributions	Audit fees	PAYE, Skills Development Levy and UIF	Pension and Medical
As at 30 June 2024				
Opening balance	-	13,427	-	-
Subscription/fees	4,299,144	5,204,600	61,837,783	80,063,981
Amount paid – current year	(4,299,144)	(5,218,027)	(61,837,783)	(80,063,981)
Total amount approved by the accounting officer and noted by council	**-**	**-**	**-**	**-**

	SALGA contributions	Audit fees	PAYE, Skills Development Levy and UIF	Pension and Medical Aid
As at 30 June 2023				
Subscription/fees	3,974,035	4,594,721	54,910,692	76,557,025
Amount paid – current year	(3,974,035)	(4,581,293)	(54,910,692)	(76,557,025)
Total amount approved by the accounting officer and noted by council	**-**	**13,428**	**-**	**-**

54. Capital commitments

Commitments in respect of capital expenditure:

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

54. Capital commitments (continued)

Approved and contracted for:		
Infrastructure	112,151,163	83,057,754
Other movable assets	18,284,538	19,120,372
	130,435,701	**102,178,126**

All capital commitments are VAT inclusive.

55. Going concern

Management also considered the following matters in relation to the Going Concern position of Kouga Local Municipality:

(i) On 30 May 2024 the Council adopted the 2023/2024 to 2025/26 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.

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

56. 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.

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.

These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution scheme

These schemes are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

SALA Pension fund

The fund operates both as a defined benefit and defined contribution sheme.

The statutory valuation performed as at 1 July 2021 stated that the net assets of the fund amounted to R12 238 000 000 (30 June 2018: R14 298 600 000), with funding levels of 85.5% (30 June 2018: 96%). The actuary recommended that the employers continue to contribute at the current rate of 19.18% of pensionable salary.

The actuaries are satisfied with the investment strategy of the fund. The nature of the assets is, in their opinion, suitable for the nature of the liabilities of the fund as defined in the rules of the fund. The matching of assets with the liabilities of the Fund is adequate, and the insurance arrangements are appropriate compared to the cover provided can be regarded as financially sound at the valuation date.

Defined Benefit Schemes

LA Retirement Fund (Previously Cape Joint Pension Fund)

The fund operates both as a defined benefit and defined contribution scheme.The contribution rate of the defined benefit section is 27%, 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2023 disclosed an actuarial valuation amounting to R1 338 791 000 (2022: R1 391 841 000), with a surplus of f R226 285 000 (202: R144 158 000), with a funding level of 120.3% (2022: 111.6%).

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Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

56. MULTI-EMPLOYER RETIREMENT BENEFIT INFORMATION (continued)

Defined Contribution Schemes

LA Retirement Fund (Previously Cape Joint Pension Fund)
The actuarial valuation report at 30 June 2023 indicated that the defined contribution scheme of the fund is in a sound financial position, with net assets amounting to R2 163 627 000 (2022: R1 976 184 000), net investment reserve of Rnil (2022: Rnil) and a funding level of 100% (2022: 100%).

Cape Joint Retirement Fund (CRF)
The most recent statutory valuation was performed as at 30 June 2023 revealed that the assets of the fund amounted to R42 710 035 000 (2022: R36 502 914 000), with funding levels of 120.1% and 100.2% (2022: 131.6% and 100.4%) the Pensions Account and the Share Account respectively. The contribution rate paid by the members (7.50%/9%) and the municipalities (19,50%/18%) is sufficient to fund the benefits accruing from the fund in the future.

Municipal Councillors Pension Fund

The fund operates as a defined contribution scheme. The most recent statutory valuation performed as at 30 June 2018 revealed that the net assets of the fund amounted to R1 798 030 000 (2022: R1 480 549 000), with funding levels of 103.26% (2017: 101.31%). 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 2018, in that the assets of the fund were sufficient to cover the accrued service liabilities including the recommended contingency reserves in full.

National Fund for Municipal Workers

The fund operates as a defined contribution fund an 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, apointed after 1 July 2012, who are not part of the Schedule shall make monthly contributions to the Fund equal to 7.5% of their pensionable salary.

The most recent statutory valuation performed as at 30 June 2019 revealed that the net assets of the fund amounted to R17 107 067 000 (2018: R15 393 671 000), with funding levels of 100.40% (2018: 100.46%). The actuary certified that the assets of the fund are sufficient to cover 100.40% of the members' liabilities, also that it can be expected tha 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, sight mismatching of assets and liabilities and processing errors.

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 Municipal Workers Retirement Fund (Previously South African Municipal National Provident Fund)

The fund is a defined contribution scheme. Members contribute at a rate of not less than 75% 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 2021 stated that the assets of the fund amounted to R10 866 257 000 (2017: R7 720 948 000), with funding levels of 100% (2017: 102%).

The fund's assets exceeds the member liabilities as at 30 June 2021, by a margin of R130.4 million or 1.2%. In the valuation report the actuaries have chosen to allocate R100.3 million to the Risk Reserve, to allow for projected excess salary-multiple death and disability claims in the year following the valuation date (in excess of the contributions allocated toward these risk benefits over this period), while also leaving a reasonable margin against future claims variability. Accordingly there is a small positive balance in the Investments Reserve. The value of the assets is more than sufficient to cover the accrued liabilities (Members' Shares), and the required level of risk reserve in respect of the self-insured benefits, and the Fund is therefore financially sound.

57. Prior period adjustments

The following restatements and adjustments occurred which are set out below:

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

57. Prior period adjustments (continued)

57.1 Adjustments of Statement of financial performance items

2023

	Note	Previously reported	Re-classification	Restated
Revenue				
Non-exchange revenue				
Property rates	1	259,514,386	-	259,514,386
Licences or permits	1	9,872,124	(2,676,798)	7,195,326
Transfers and subsidies	1	279,561,122	-	279,561,122
Fines, penalties and forfeits	1	132,921,224	(31,285,445)	101,635,779
Interest on receivables		3,729,096	-	3,729,096
Increase in net-realisable value		-	(424,835)	(424,835)
Fairvalue adjustment - Actuarial gains		-	10,912,779	10,912,779
		685,597,952	**(23,474,299)**	**662,123,653**
Exchange revenue				
Services charges - Electricity		-	306,476,963	306,476,963
Services charges		547,618,752	(547,618,752)	-
Services charges - Water		-	117,399,855	117,399,855
Services charges - Waste water management		-	61,796,904	61,796,904
Services charges - Waste management		-	61,945,030	61,945,030
Rental from fixed assets		2,570,122	43,363	2,613,485
Interest earned from current and non-current assets		-	6,824,262	6,824,262
Interest earned from receivables		-	20,845,130	20,845,130
Licences or permits		-	2,676,798	2,676,798
Agency services		2,677,528	-	2,677,528
Operational revenue		1,199,527	-	1,199,527
Sales of goods and rendering of services		9,188,788	-	9,188,788
Interest, dividend and rent on Land Earned		27,669,391	(27,669,391)	-
		590,924,108	**2,720,162**	**593,644,270**
Total revenue		**1,276,522,060**	**(20,754,137)**	**1,255,767,923**
Expenditure				
Employee related cost		355,768,121	8,537,621	364,305,742
Remuneration of councillors		13,700,138	-	13,700,138
Debt impairment		-	88,658,561	88,658,561
Depreciation, amortisation		101,358,180	(68,204)	101,289,976
Finance costs		8,058,566	-	8,058,566
Bulk purchases - Electricity		291,888,014	-	291,888,014
Inventory consumed		91,081,830	-	91,081,830
Contracted services		87,316,838	(19,073)	87,297,765
Transfers and subsidies		708,750	-	708,750
Operational cost		70,111,961	778,290	70,890,251
Operating leases		6,813,840	-	6,813,840
Irrecoverable debts written off		-	87,459,401	87,459,401
Contribution to provision		-	(778,290)	(778,290)
Impairment loss/(reversal) of impairment		228,881,516	(205,453,099)	23,428,417
Loss on disposal of assets		1,313,865	-	1,313,865
Total expenditure		**1,257,001,619**	**(20,884,793)**	**1,236,116,826**
Surplus for the year		**19,520,441**	**130,656**	**19,651,097**

Kouga Local Municipality
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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

57. Prior period adjustments (continued)

57.2 Adjustments of Statement of financial position items

2023

	Note	Previously reported	Correction of error effected prior to 1 July 2022	Re-classification	Restated
Assets					
Current assets					
Cash and cash equivalents		104,935,011	-	-	104,935,011
Trade and other receivables from exchange transactions		77,030,107	65,070,877	(55,950,643)	86,150,341
Receivables from non-exchange transactions		-	-	29,014,521	29,014,521
Inventories		18,598,030	-	-	18,598,030
Statutory Receivables from exchange transactions		45,422,024	-	(45,422,024)	-
Statutory Receivables from non-exchange transactions		29,014,533	-	(29,014,533)	-
Deposits		-	-	893,543	893,543
Operating leases		109,349	-	-	109,349
		275,109,054	**65,070,877**	**(100,479,136)**	**239,700,795**
Non-current assets					
Investment property		262,608,444	(10,934,973)	-	251,673,471
Property, plant and equipment		2,053,675,844	4,016,930	-	2,057,692,774
Intangible assets		602,549	-	-	602,549
		2,316,886,837	**(6,918,043)**	**-**	**2,309,968,794**
Total assets		**2,591,995,891**	**58,152,834**	**(100,479,136)**	**2,549,669,589**
Net assets and liabilities					
Current liabilities					
Lease Liabilities		11,342,009	826,684	-	12,168,693
Consumer deposits		29,060,071	-	-	29,060,071
Payables from exchange transactions		126,219,323	58,738,114	(38,326,949)	146,630,488
Payables from non-exchange transactions		28,993,831	-	-	28,993,831
Provisions		45,897,600	-	(44,750,139)	1,147,461
Employee Benefits		8,555,397	-	36,032,523	44,587,920
		250,068,231	**59,564,798**	**(47,044,565)**	**262,588,464**
Non-current liabilities					
Lease liabilities		24,202,066	(826,684)	-	23,375,382
Provisions		110,109,639	-	8,717,618	118,827,257
Employee benefits		106,638,259	-	-	106,638,259
		240,949,964	**(826,684)**	**8,717,618**	**248,840,898**
Total net assets					
Accumulated surplus		2,100,977,696	(62,737,469)	-	2,038,240,227
Total net assets and liabilities		**2,591,995,891**	**(3,999,355)**	**(38,326,947)**	**2,549,669,589**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

57. Prior period adjustments (continued)

57.3 Reclassification

The following reclassifications adjustment occurred:

Statutory Receivables from exchange transactions

The municipality reclassified the VAT receivable and VAT payable as per the the GRAP 108 issued September 2022 as VAT receivable and payable were disclosed as a separate AFS line item but now will be consolidated as part of Receivables from exchanges and Payables from exchange transactions.

The Fact Sheet issued by the ASB further indicates that the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is no money to be received or paid to SARS for these amounts as yet. As there is no transaction to “settle” with a specific counterparty at this point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT accrual “debit” and “credit” may be more appropriate

Trade and other receivables from exchange transactions

The municipality reclassified the VAT receivable and VAT payable as per the the GRAP 108 issued September 2022 as VAT receivable and payable were disclosed as a separate AFS line item but now will be consolidated as part of Receivables from exchanges and Payables from exchange transactions.

The Fact Sheet issued by the ASB further indicates that the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is no money to be received or paid to SARS for these amounts as yet. As there is no transaction to “settle” with a specific counterparty at this point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT accrual “debit” and “credit” may be more appropriate.

Receivables from non-exchange

Property rates, fines and accrued income reclassified as receivables from non-exchange transactions of which they were previously reported as staturtory receiveables

Employee benefits - Current liability

Leave provison reclassified frm provisions to employee benefits....

Provision - Current liability

Leave provision reclassified to employee benefits....

Trade and Other payables from exchange transactions

Output Tax provsion for doubtful debts impairment and Output Tax accrual included as part of trade and other payables from exchange trnasactions .

The municipality reclassified the VAT receivable and VAT payable as per the the GRAP 108 issued September 2022 as VAT receivable and payable were disclosed as a separate AFS line item but now will be consolidated as part of Receivables from exchanges and Payables from exchange transactions.

The Fact Sheet issued by the ASB further indicates that the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is no money to be received or paid to SARS for these amounts as yet. As there is no transaction to “settle” with a specific counterparty at this point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT accrual “debit” and “credit” may be more appropriate....

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

58. Financial instruments

58.1 Classifications

A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104, the municipality classifies financial assets at amortised cost. Financial assets at amortised cost relates to a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

Financial assets

Amortised cost			
Trade and other receivables from exchange transactions (except Statutory Receivables)	3	71,137,160	85,318,362
Deposits	6	893,543	893,543
Cash and cash equivalents	2	143,658,806	104,935,011
		215,689,509	**191,146,916**

Financial liabilities

Amortised cost

Consumer deposits	13	31,660,112	29,060,071
Trade and other payables from exchange transactions	14	158,677,344	146,630,488
Lease Liabilities	11	11,144,269	12,168,692
Non-current Lease liabilities	11	12,231,114	23,375,382
		213,712,839	**211,234,633**
Total financial instruments		**1,976,670**	**(20,087,717)**

58.2 Capital risk management

The municipality manages its capital to ensure that the municipality will be able to continue as a going concern while delivering sustainable services to consumers through the optimisation of the debt and equity balance.

The capital structure of the municipality consists of debt, which includes the Long-term Lease liability disclosed in Note 11, Cash and Cash Equivalents disclosed in Note 2; and Equity, comprising Funds, Reserves and Accumulated Surplus as disclosed in Note 17.

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

58. Financial instruments (continued)

58.3 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.

58.4 Significant accounting policies

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.

Market Risk

Market Risk is the risk that changes in market prices, such as interest rates 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.

58.5 Market risk

The municipality’s activities expose it primarily to the financial risks of changes in interest rates. 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.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

58. Financial instruments (continued)

58.6 Interest rate risk

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 on financial assets consist mainly of fixed deposit investments and bank and cash balances.

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 58.8 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 2024 would have increased / decreased by R165 981 (30 June 2023: R101 555). This is mainly attributable to the municipality's exposure to interest rates on its variable rate investments.

58.7 Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Council. The municipality manages liquidity risk by effectively managing its working capital, capital expenditure, external borrowings and cash flows. Standby credit facilities are available with the municipality's main banker to cater for any unexpected temporary shortfall in operating funds.

Liquidity and Interest Risk Table

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 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.

58.8 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 risk consist mainly of fixed deposit investments, long-term debtors, consumer debtors, other debtors, short-term investment deposits and 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.

Trade and Other Receivables

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

58. Financial instruments (continued)

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.

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 4 major counterparties at the balance sheet date. Management is of the opinion that, although these parties are the 4 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 Assessment for Impairment of Consumer Debtors.

The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follow:

Trade and other receivables from exchange transactions (excluding statutory receivables)	3	71,137,160	85,318,362
Bank and cash balances	2	143,658,806	104,935,011
Maximum credit and interest risk exposure		**214,795,966**	**190,253,373**

58.9 Other price risks

The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.

59. Budget information

The budget is approved on an accrual basis in accordance with the format of the MBRR schedules. The approved budget covers the period from 1 July 2023 to 30 June 2024.
The financial statements are prepared on the accrual basis using a classification on the nature of expenses in the statement of financial performance in accordance with GRAP. The amounts in the financial statements were realigned to a classification as per the MBRR schedules to be on the same basis as the final approved budget. The amounts of these adjustments are identified in the following table.
A reconciliation between the actual amounts on a comparable basis as presented in the statement of comparison of budget and actual amounts and the actual amounts presented in Statement of Financial Performance, Financial Position and Cash Flow Statement for the period ended 30 June 2024, due to presentation differences that have been identified, and is presented below. The financial statements and budget documents are prepared for the same period.

Explanation of variances between approved and final budget amounts

The reason for the variances between the approved and final budgets are mainly due to reallocations made within the approved budget parameters allowed for by the Virement Policy of Kouga Local Municipality as approved by Council.

Explanation of variances greater than 10%: Final Budget and Actual Amounts.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

59.1. Statement of financial position

Presentation of reconciling items:

	Total Current Assets	Total Current Liabilities
Balance as reported per Statement of Budget and Actuals	266,447,685	(293,951,777)
Reconciliation items:		
VAT payable that has been netted of VAT receivable due from SARS	747,727	(747,727)
Balance as Statement of financial position	**267,195,412**	**(294,699,504)**

59.2. Statement of financial performance

Presentation of reconciling items

	Total Revenue	Total Expenditure
Amount reported per Statement of Comparison of Budget and Actuals amounts	1,202,671,603	(1,309,281,111)
Reconciling items:		
Transfers and subsidies - Capital reported as part of total revenue in transfers and subsidies	103,139,503	-
Gain recognised to revenue	-	(56,161)
Amount as reported on Financial Performance	**1,305,811,106**	**(1,309,337,272)**

60. Segment information

General information

Identification of segments

The municipality is organised and reports to management on the basis of three major functional areas: primary, secondary and tertiary educational services. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated segments

The municipality operates throughout the Kouga jurisdication. Segments were aggregated on the basis of services delivered as management considered that the economic characteristics of the segments throughout the municipal jurisdication were sufficiently similar to warrant aggregation.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

60. Segment information (continued)

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Segment 1	Community and Social services
Segment 2	Energy sources
Segment 3	Planning and Development
Segment 4	Public Safety
Segment 5	Roads
Segment 6	Solid waste and Sanitation
Segment 7	Water Management

The reconciling items listed are items under the directorates that do not form part of the segments (not contributing directly to service delivery and revenue generation), namely:
- Finance and Administration
- Executive and council
- Internal audit

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2024

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Revenue from exchange transactions								
Services charges - Electricity	-	380,375,534	-	-	-	-	-	380,375,534
Services charges - Waste water management	-	-	-	-	-	59,633,132	-	59,633,132
Services charges - Waste management	15,470,645	-	-	-	-	42,017,035	-	57,487,680
Services charges - Water	-	-	-	-	-	-	109,872,623	109,872,623
Sales of goods and rendering of services	363,400	-	5,147,706	15,964	-	3,152	-	5,530,222
Agency services	-	-	-	3,615,485	-	-	-	3,615,485
Interest earned from receivables	-	2,427,684	-	-	-	10,580,579	8,549,530	21,557,793
Licences or permits	138,958	-	-	2,229,189	-	-	-	2,368,147
Rental	2,479,677	-	1,028,077	-	-	-	-	3,507,754
Operational revenue - Exchange revenue	-	1,216,877	-	-	4,542,200	-	-	5,759,077
Revenue from non-exchange transactions								
Fines, penalties and forfeits	1,918	-	455,349	36,350	-	-	-	493,617
Licences or permits	6,817,038	-	-	604,053	-	-	-	7,421,091
Transfers and subsidies	11,480,132	14,014,085	37,533,720	1,775,560	5,490,259	58,224,789	37,680,061	166,198,606
Total segment revenue	**36,751,768**	**398,034,180**	**44,164,852**	**8,276,601**	**10,032,459**	**170,458,687**	**156,102,214**	**823,820,761**
Reconciling - Exchange Revenue	-	-	-	-	-	-	-	21,107,692
Reconciling - Non-exchange Revenue	-	-	-	-	-	-	-	468,201,085
Total revenue	-	-	-	-	-	-	-	**1,313,129,538**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Expenditure								
Employee related cost	49,394,914	16,228,084	29,463,194	36,172,365	22,891,452	62,945,028	25,387,125	242,482,162
Bulk purchases	-	351,702,171	-	-	-	-	-	351,702,171
Inventory consumed	5,565,589	12,305,071	305,254	1,543,016	7,845,063	18,534,769	50,454,901	96,553,663
Depreciation and amortisation	1,730,179	7,333,452	-	-	32,684,095	25,180,316	20,296,501	87,224,543
Impairment losses on PPE, IA and HA	28,224	638,439	5,767	-	-	292,790	631,451	1,596,671
Finance costs	-	-	-	-	-	-	-	-
Contracted services	11,369,358	12,158,768	6,981,814	1,898,275	9,606,754	10,313,057	2,822,042	55,150,068
Transfers and subsidies	320,000	-	600,000	-	-	-	-	920,000
Debt impairment	-	21,072,391	-	-	-	19,519,141	24,588,412	65,179,944
Irrecoverable debt written off	-	597,054	-	-	-	9,012,915	34,580,946	44,190,915
Operating leases	349,133	29,973	998,142	124,353	-	21,579	-	1,523,180
Operational cost	12,554,678	4,083,828	1,400,823	1,366,914	1,974,736	9,582,527	3,162,360	34,125,866
Contribution to provision	-	-	-	-	-	(147,460)	-	(147,460)
Loss on disposal of assets	56,161	-	-	-	-	-	-	56,161
Total segment expenditure	**81,368,236**	**426,149,231**	**39,754,994**	**41,104,923**	**75,002,100**	**155,254,662**	**161,923,738**	**980,557,884**
Reconciling - Contracted services	-	-	-	-	-	-	-	38,615,983
Reconciling - Contribution to provision	-	-	-	-	-	-	-	94,700
Reconciling - Depreciation and amortisation	-	-	-	-	-	-	-	13,635,686
Reconciling - Employee related cost	-	-	-	-	-	-	-	156,395,365
Reconciling - Finance costs	-	-	-	-	-	-	-	10,037,689
Reconciling - Impairment loss / (Reversal) of impairment	-	-	-	-	-	-	-	82,028
Reconciling - Inventory consumed	-	-	-	-	-	-	-	6,045,107
Reconciling - Irrecoverable debts written off	-	-	-	-	-	-	-	18,668,943
Reconciling - Loss on disposal of fixed assets and intangible assets	-	-	-	-	-	-	-	1,712,623
Reconciling - Operating leases	-	-	-	-	-	-	-	6,006,434
Reconciling - Operating cost	-	-	-	-	-	-	-	40,320,150
Reconciling - Remuneration of councillors	-	-	-	-	-	-	-	14,975,747
Reconciling - Debt impairment	-	-	-	-	-	-	-	22,188,930
Total expenditure	-	-	-	-	-	-	-	**1,309,337,269**
Total segment surplus/(deficit)	**(44,616,468)**	**(28,115,051)**	**4,409,858**	**(32,828,322)**	**(64,969,641)**	**15,204,025**	**(5,821,524)**	**3,792,269**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

Capital expenditure								
Capital expenditure	7,309,625	5,703,385	14,410	2,810,454	28,879,836	24,355,773	21,196,987	90,270,470
Reconciling - Capital acquisitions	-	-	-	-	-	-	-	2,644,220
	7,309,625	**5,703,385**	**14,410**	**2,810,454**	**28,879,836**	**24,355,773**	**21,196,987**	**92,914,692**

2023

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Revenue from exchange transactions								
Services charges - Electricity	-	306,476,963	-	-	-	-	-	306,476,963
Services charges - Water	-	-	-	-	-	-	117,399,855	117,399,855
Services charges - Waste management	15,662,556	-	-	-	-	46,282,474	-	61,945,030
Services charges - Waste water management	-	-	-	-	-	61,796,904	-	61,796,904
Sales of goods and rendering of services	389,903	-	5,640,352	14,855	-	13,882	-	6,058,992
Rental	2,041,295	-	(1,270,271)	-	-	-	-	771,024
Interest earned from receivables	-	1,750,339	-	-	-	9,619,671	9,145,804	20,515,814
Operational revenue - Exchange revenue	-	-	-	-	28,506	-	-	28,506
Revenue from non-exchange transactions								
Licences or permits	190,227	-	-	2,486,571	-	-	-	2,676,798
Agency services	-	-	-	2,677,528	-	-	-	2,677,528
Fines, penalties and forfeits	936	-	339,756	20,000	-	-	-	360,692
Licences and permits	6,581,082	-	-	614,244	-	-	-	7,195,326
Transfers and subsidies	6,820,577	5,205,047	7,643,103	2,732,898	1,175,000	34,096,415	69,018,010	126,691,050
Total segment revenue	**31,686,576**	**313,432,349**	**12,352,940**	**8,546,096**	**1,203,506**	**151,809,346**	**195,563,669**	**714,594,482**
Reconciling - Exchange Revenue	-	-	-	-	-	-	-	13,296,857
Reconciling - Non-exchange Revenue	-	-	-	-	-	-	-	527,876,550
Total revenue	-	-	-	-	-	-	-	**1,255,767,923**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Expenditure								
Employee related cost	47,295,763	15,001,305	25,604,214	33,409,428	20,713,731	61,566,848	22,161,479	225,752,771
Debt impairment / write-off	-	-	-	-	-	-	-	-
Depreciation and amortisation	1,777,900	7,315,977	-	-	32,551,287	27,103,369	18,830,074	87,578,607
Debt impairment	-	2,694,685	-	-	-	29,109,802	47,486,901	79,291,388
Impairment losses on PPE, IA and HA	-	1,220,541	-	-	-	10,787,186	4,797,265	16,804,992
Finance costs	-	-	-	-	-	-	-	-
Bulk purchases	-	291,888,014	-	-	-	-	-	291,888,014
Inventory consumed	7,218,255	7,032,670	431,667	1,309,525	4,676,233	14,045,172	51,910,347	86,623,869
Contracted services	10,168,315	4,118,614	7,305,644	2,841,995	15,182,934	11,383,615	3,095,786	54,096,903
Transfers and subsidies	325,000	-	383,750	-	-	-	-	708,750
Operational cost	10,029,561	3,793,460	1,238,862	1,174,302	1,938,565	8,625,819	2,414,380	29,214,949
Operating leases	331,047	28,352	938,386	118,855	-	20,881	-	1,437,521
Loss on disposal of assets	(12,779)	-	-	-	-	-	-	(12,779)
Contribution to provision	-	-	-	-	-	(778,290)	-	(778,290)
Irrecoverable debt written off	-	278,791	-	-	-	6,417,462	4,270,412	10,966,665
Total segment expenditure	**77,133,062**	**333,372,409**	**35,902,523**	**38,854,105**	**75,062,750**	**168,281,864**	**154,966,644**	**883,573,360**
Reconciling - Contracted services	-	-	-	-	-	-	-	33,200,864
Reconciling - Debt impairment	-	-	-	-	-	-	-	9,367,173
Reconciling - Depreciation and amortisation	-	-	-	-	-	-	-	13,711,369
Reconciling - Employee Related Cost	-	-	-	-	-	-	-	138,552,984
Reconciling - Finance costs	-	-	-	-	-	-	-	8,058,566
Reconciling - Impairment loss / (Reversal) of impairment	-	-	-	-	-	-	-	6,623,425
Reconciling - Inventory consumed	-	-	-	-	-	-	-	4,457,960
Reconciling - Irrecoverabel debts written off	-	-	-	-	-	-	-	76,492,736
Reconciling - Loss on disposal of fixed assets and intangibles	-	-	-	-	-	-	-	1,326,644
Reconciling - Operating leases	-	-	-	-	-	-	-	5,376,318
Reconciling - Operational cost	-	-	-	-	-	-	-	41,675,316
Reconciling - Remuneration of councillors	-	-	-	-	-	-	-	13,700,137
Total expenditure	-	-	-	-	-	-	-	**1,236,116,852**
Total segment surplus/(deficit)	**(45,446,486)**	**(19,940,060)**	**(23,549,583)**	**(30,308,009)**	**(73,859,244)**	**(16,472,518)**	**40,597,025**	**19,651,071**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

Capital expenditure								
Acquisitions	4,397,140	9,093,079	(161,247)	-	13,241,115	24,715,717	43,080,881	94,366,685
Reconciling - Capital acquisitions	-	-	-	-	-	-	-	18,542,451
	4,397,140	**9,093,079**	**(161,247)**	**-**	**13,241,115**	**24,715,717**	**43,080,881**	**112,909,136**

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/MM4**

REPORT ON EXERCISE OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR

1. **Introduction**

The purpose of this item is to report to the Municipal Council on the delegated powers exercised by the Executive Mayor from the 14th of December 2024 to the 13th of January 2025.

2. **Background**

At an Ordinary Council meeting held on the 13th of December 2024, the Municipal Council resolved to grant the Executive Mayor delegated authority to deal with all Council affairs during the recess period of the 14th of December 2024 to the 13th of January 2025. (Refer to item no: 24/12/DMM2)

3. **Discussion**

For the period, the following decision was taken under delegated authority, further details are outlined below.

24/12/FED5: SPONSORSHIP PROPOSAL: J-BAY ANNUAL PICNIC HOSTED BY LET'S MEAT TSHISANYAMA

The Record of Decision is attached hereto as Annexure A and the detailed report as Annexure B.

4. **Financial Implications**

Completed by BTO -	Not applicable
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

Section 63 of the Local Government: Municipal Systems Act No. 32 of 2000 provides as follows:

"63. *Duty to report to delegating authorities.—*

A political structure, political office bearer, councillor or staff member of a municipality to whom a delegating authority has delegated or sub-delegated a power or duty, must report to the delegating authority at such intervals as the delegating authority may require, on decisions taken in terms of that delegated or sub-delegated power or duty since the last report."

6. **Legal Implications**

The Council has the right to exercise an oversight function over the delegated powers exercised by the delegatee herein.

The Council may either confirm, vary or revoke the decision subject to any rights that may have accrued to a person.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Not applicable

8.2 **Director: Planning & Development**

Not applicable

8.3 **Director: Civil & Water Services**

Not applicable

8.4 **Director: Electro-Mechanical Services**

Not applicable

8.5 **Director: Community Services**

Not applicable

8.6 **Deputy Municipal Manager**

Not applicable

8.7 **Municipal Manager**

Recommendations supported.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That the report on the delegated authority by the Executive Mayor be confirmed.

Item prepared by the: Municipal Manager 

Item approved by the: Municipal Manager 

Annexure A:

RECORD OF DECISION OF EXECUTIVE MAYOR ON 20/12/2024

Record of decision of Council taken by the Executive Mayor on 20/12/2024, by his Delegated authority in terms of Council Resolution 24/12/FED5 during the Council recess period.

24/12/FED5 **SPONSORSHIP PROPOSAL: J-BAY ANNUAL PICNIC HOSTED BY LET'S MEAT TSHISANYAMA**

Resolved (20 DECEMBER 2024)

10.1 That approval is granted to fund an allocation of R 108,500-00 (One Hundred Eight Thousand Five Hundred Rand) only, VAT-inclusive for the 2024/2025 FY, subject that all Event Approval requirements and conditions are met.

10.2 That approval is granted to authorize the Accounting Officer to conclude a Sponsorship Agreement with Let's Meat Tshisanyama, in accordance with the funding allocated in recommendation 10.1 above.

H BORNMAN
EXECUTIVE MAYOR

DATE: 20 DECEMBER 2024

C DU PLESSIS
MUNICIPAL MANAGER

DATE: 20 DECEMBER 2024

KOUGA local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
FINANCE & ECONOMIC DEVELOPMENT
DATE: 20 DECEMBER 2024
ITEM NO: 24/12/FED5

SPONSORSHIP PROPOSAL: J-BAY ANNUAL PICNIC HOSTED BY LET'S MEAT TSHISANYAMA

1. **Introduction**

The purpose of this item is to seek approval for the sponsorship of the 2024 J-Bay Annual Picnic presented by Let's Meat Tshisanyama, scheduled to take place on 23 December 2024 in Ocean View, Jeffreys Bay.

2. **Background**

The J-bay 3rd Annual Picnic is a significant community event that aims to bring residents of Kouga Local Municipality together. This event offers a platform for celebration, cultural exchange, and economic development. The event attracts a diverse audience and has the potential to significantly boost local tourism and business.

3. **Discussion**

3.1 Partnership Opportunity

By partnering with this event, the Municipality can:

- Foster a stronger sense of community and pride among residents.
- Attract visitors, stimulate local businesses, and create employment opportunities.
- Showcase the unique attractions of Kouga and encourage tourism.
- Position Kouga as a vibrant and inclusive municipality.

3.2 In-Kind Support Requested

- Use of Tokyo Sexwale Sports Field on 21, 23, and 24 December 2024
- Electricity connection and lighting on 22 and 23 December 2024
- Traffic management and law enforcement services on 23 December 2024
- Marketing support through KLM's tourism platforms and social media channels

3.3 Benefits & Rights

- The municipality will stand as a partner of the event.
- The municipal logo will be included in all event marketing material.
- Municipal branding material will be advertised at the event.
- Receive 20 VIP tickets.
- Receive 30 general tickets.

3.4 Financial Sponsorship Request

While the Event Organizer has provided a comprehensive budget, the Council's financial assistance will be limited to this specific expense to cover the cost of stage and sound equipment, as per the quote received from the Event Organizer, Sectol Strength, amounting to R108,500. Please see quote attached in Annexure B.

3.5 Conclusion

By investing in the Jbay 3rd Annual Picnic, the municipality can make a significant contribution to township event development in Ocean View and the broader Jeffreys Bay and Kouga communities, positioning itself as a dynamic, forward-thinking and inclusive municipality.

Please refer to Annexure A and B attached.

Annexure A: 2024 J-Bay Annual Picnic Sponsorship Proposal.

Annexure B: Sectol Strength: Stage and Sound Quotation.

4. **Financial Implications**

Completed by BTO -	
Project Description	Family Challenge
Ukey no.	20240710994884
Budgeted Amount	R1 700 000.00
BTO Signature	
DATE	10-Dec-24
Amount spent and committed to date	R408 022.45
Amount Available	R1 291 977.55
Comment	

KOUGA MUNICIPALITY
2024-12-10
BUDGET & TREASURY

5. **Applicable Legislation**

Section 67 of the Local Government: Municipal Finance Management Act No. 56 of 2003 provides as follows:

Funds Transferred to Organizations and bodies outside government -

1. Before transferring funds of the municipality to an organization or body outside any sphere of government otherwise than in compliance with a

commercial or other business transaction, the accounting officer must be satisfied that the organization or body-

(a) has the capacity and has agreed-

(i) to comply with any agreement with the municipality;

(ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;

(iii) to report at least monthly to the accounting officer on actual expenditure against such transfer; and

(iv) to submit its audited financial statements for its financial year to the accounting officer promptly;

(b) implements effective, efficient, and transparent financial management and internal control systems to guard against fraud. theft and financial mismanagement; and

(c) has in respect of previous similar transfers complied with all the requirements of this section.

2. If there has been a failure by an organization or body to comply with the requirements of subsection (1) in respect of a previous transfer, the municipality may
(I)(c) make a further transfer to that organization or body provided that-

(a) subsection (I)(a) and (b) is complied with, and

(b) the relevant provincial treasury has approved the transfer.

3. The accounting officer must through contractual and other appropriate mechanisms enforce compliance with subsection (1).

6. **Legal Implications**

Should the proposed recommendations be approved, the Accounting Officer will be authorized to enter into an appropriate funding agreement to ensure the payment of the approved amount.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Director F&ED:**

Recommendations supported.

8.2 **Director: Planning & Development**

Report noted

8.3 **Director: Civil & Water Services**

Report Noted.

The venue does not have sufficient ablution facilities for the anticipated number of visitors. The event organizer must provide additional mobile ablution facilities in line with EPC requirements.

8.4 **Director: Electro-Mechanical Services**

Recommendations supported

8.5 **Director: Community Services**

Supported

8.6 **Deputy Municipal Manager**

Recommendations supported

8.7 **Municipal Manager**

Recommendations supported.

9. **Delegated Authority**

Executive Mayor – Cllr H Borman

10. **Recommendations**

10.1 That approval is granted to fund an allocation of R 108,500-00 (One Hundred Eight Thousand Five Hundred Rand) only, VAT-inclusive for the 2024/2025 FY, subject that all Event Approval requirements and conditions are met.

10.2 That approval is granted to authorize the Accounting Officer to conclude a Sponsorship Agreement with Let's Meat Tshisanyama, in accordance with the funding allocated in recommendation 10.1 above.

Item prepared by the Acting Manager EDT: A Jonck

Item approved by the: Acting Chief Financial Officer: __

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure A: 2024 J-Bay Annual Picnic

Event Sponsorship Proposal
23 December 2024
Jbay 3rd Annual Picnic

7 Magnolia crescent
The Sands
Jeffreys Bay
6330
073 458 6115
makasichuma09@gmail.com

- Introduction
- Details
- Why Partner with Jbay 3rd annual picnic
- Community participation on our event
- Previous work
- Our Budget
- Our sponsorship request to KLM
- Our Current sponsors
- In-kind sponsorship
- Rights & benefits
- Conclusion

Table Content

- Jbay annual picnic has a unique ability to bring local communities together , giving people a sense of ownership and pride in their local areas and an opportunity to celebrate and embrace local diversity.
- Jbay 3rd Annual Picnic events program features a range of events that target a wide variety of demographic , cultural and interest groups , attracts people to Kouga Local Municipality and incorporates a comprehensive promotional program covering traditional , online and social media.

Introduction

- It is with great pleasure we invite KLM to invest in Jbay 3rd annaul picnic and participate in a valuable opportunity to enhance life within our community , whilst also promoting positive brand awareness for Kouga Local Municipality.

Click to add title

- Event name: Jbay 3rd annual picnic 23 December 2024.
- Venue: Tokyo Sexwale Sports Field
- Start & End time :12:00pm to 02:00am.

- Jbay 3rd annual picnic is a sizzling summer event attracting people close to 3500 coming from all over eastern cape province to enjoy the big event and to explore jeffreys bay but most importantly to spend and contribute to the growing economy of Kouga.

Details

- Jbay Annual Picnic is a significant music festival event that contributes towards township economy and urban tourism in Kouga Local Municipality as the are many business sectors the benefit from it.

- Accommodation,transport, community employment & development and smme empowerment.

Why partner with jbay 3rd annual picnic

- Social market vendors selling arts & craft products will be allocated 10 stalls to operate and they will also be booked for transport and also be compensated as part of economic growth and development.
- Food vendors will be allocated 5 stalls with Gazebos closed on sides and those who don't have COAs we will compensate them to register.

Community participation on our events.

- Click to add text



Previous work



Jbay 1st annual picnic

- Click to add text



Click to add title



Jbay 2nd annual picnic

Artists	Fee	Accommodation	Flights	Ground Transpor	Grand Total
Dj Young	R35 000	R30 000	R45 000	R28 000	R435 750
Judy Jay	R35 000				
Knight SA	R35 000				
Butho V	R35 000				
Brandon Dhludhlu	R35 000				
The Soil	R97 750				
Cairo Cpt	R30 000				
Rhass	R30 000				
TOTAL	R332 750	R30 000	R45 000	R28 000	R435 750

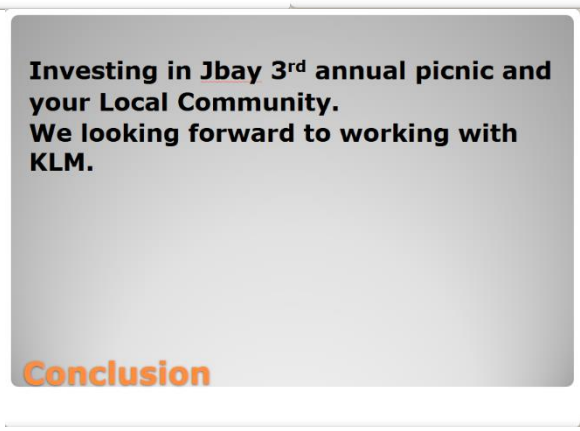
Our Budget

Logistics	Number	Fee	Amount		Grand Total
Local acts	20	R1500	R30000		R250 000
Catering	250	R120	R30000		
Volunteers	25	R500	R12500		
Social market	10	R2800	R28000		
Stage			R71000		
Security			R21000		
Marquee			R30000		
Marketing			R27500		R250 000

Sponsorship Request

Our current sponsors


Tokyo sexwale sports field from 21 & 24 December 2024 for preparations and packing.
Request for Bins for the 23 December 2024
Requesting Electricity connection & Lights for 22 & 23 December 2024.
Traffic services and law enforcement visibility for 23 December 2024.
Requesting for KLM tourism support and its social media platforms
In-kind sponsorship
Kouga local municipality will stand as a partner of the event.
In all marketing material kouga local municipality will be included.
KLM branding material will be advertised at the event.
KLM will receive 20 VIP tickets and 30 genera tickets.
Rights & Benefits


Investing in Jbay 3rd annual picnic and your Local Community.
We looking forward to working with KLM.
Conclusion

Annexure B: Sectol Strength: Stage and Sound Quotation

SECTOL
YOUR STRENGTH

Reg no. 2019 | 043495 | 07 www.sectol.co.za
info@sectol.co.za sectol_sa
+27 (65) 856 2471 sectol_sa

Job Head:
Lukholo Zamisa
0658562471
lukholo@sectol.co.za

Client:
Luthando Mange
0829370852
luthandomange084@gmail.com

Standard Bank
Acc No: 10214600422
B/C: 51001

Jeffreys Bay Event
23-Dec-24
QT2435

Quantity	Description	Term	Price	Total
	Audio			R25 500
24	NX Line Array Mid High	1		
16	Line Array Sub	1		
4	15" Stage Monitor	1		
1	Allen & Heath QU 16 Mixer	1		
2	Audio Technica AT-One Microphone	1		
2	JBL PRX 18" DJ Sub	1		
2	Pioneer CDJ 2000	1		
1	Pioneer DJM 900	1		
1	Laptop Audio	1		
1	Cabling	1		
	Lighting			R15 000
8	150W Moving Head Spot	1		
8	1M LED Bars	1		
4	LED King Par	1		
4	Atomic Strobes	1		
8	Zoom Wash	1		
1	Lazer Animation	1		
1	Hazer	1		
1	DMX Splitter	1		
1	Lighting Control	1		
1	Cabling	1		
	Visuals			R25 000
2	4m x 2m LED Screens	1		
1	DJ LED Counter Front	1		
2	Processors	1		
1	Resolume Control	1		
1	Cabling	1		
	Infrastructure			R28 000
1	DJ Riser	1		
20	Crowd Barrier	1		
1	DJ Table Structure	1		
1	Steps	1		
1	6m x 5m Stage Platform & Roof	1		
1	45 KVA Generator	1		
1	60 KVA Generator	1		
1	Fuel	2		
	Labour & Transport			R15 000
6	Setup & Event Crew	2		
3	Transport	2		
6	Accommodation	2		
1	Consumables	2		

Total R108 500

GRAND TOTAL
R108 500

Signature: _____

Date: _____

REPORTS BY THE EXECUTIVE MAYOR

KOUGA
local municipality
Good Governance through Service Excellence

REPORTS BY THE PORTFOLIO CHAIRPERSON: FINANCE AND ECONOMIC DEVELOPMENT

KOUGA
local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/FED2**

MID-YEAR FINANCIAL REPORT FOR THE PERIOD OF JULY TO DECEMBER 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 DECEMBER 2024 (2024/25 FINANCIAL YEAR)

1. **Introduction**

The purpose of this report is to assess the financial performance and financial position of the Municipality, as at 31 December 2024, and its consequential impact on the implementation of the approved 2024/25 Budget.

This report is submitted in compliance with Sections 72, 52(d) and 54(1)(f) of the Municipal Finance Management Act (MFMA), read together with Regulations 33 and 31 of the Municipal Budget and Reporting Regulations as promulgated in the Government Gazette No 32141 of 17 April 2009, which requires that specific financial particulars be reported on and in the formats prescribed.

2. **Background**

MFMA Accountability cycle begins with the preparation and approval of the IDP, MTREF and SDBIP, which is followed by in year reporting, Annual Financial Statements, Annual Audit (Audit Report) and Annual and Oversight Reports. The MFMA legislates what must be reported on, by when, and the Municipal Budget and Reporting Regulations prescribes the format of the reports.

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

In accordance with Section 52(d) of the MFMA, the Executive Mayor must within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality.

Furthermore, section 54(1)(f) of the MFMA states that, in the case of a section 72 report, the Executive Mayor must submit the report to the Council by 31 January of each year.

In accordance with regulation 33 of the MBRR, a mid-year budget and performance assessment of a municipality referred to in Section 72 of the Act must be in the format specified in Schedule C and include all the required tables, charts, and explanatory information, considering any guidelines issued by the Minister in terms of section 168(1) of the Municipal Management Finance Act".

3. **Discussion**

The mid-year financial report provides a balance and consolidated financial performance overview to assist the Executive Mayor in his oversight role.

The report complies with Schedule C of the Municipal Budget and Reporting Regulations (MBRR), the following detailed schedules are attached for the period, ending 31 December 2024:

"Annexure A" – Financial Overview

"Annexure A1" – Operating Revenue and Expenditure Performance

"Annexure A2" - Capital Budget Performance

"Annexure A3"- Projected Cash Flow Statement

"Annexure A4" – Municipal Monthly Budget Tables

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

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

4. **Financial Implications**

Completed by BTO -	As stipulated in report. Refer to **"Annexure A"**
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

- Sections 72, 52(d) and 54(1)(f) of the Local Government: Municipal Finance Management Act No. 56 of 2003.
- Local Government: Municipal Budget and Reporting Regulations, 17 April 2009.
- Local Government: Municipal Finance Management Act: Municipal Regulations on a Standard Chart of Accounts (mSCOA), 22 April 2014.

6. **Legal Implications**

The report relates to Section 72, 52(d) and 54(1)(f) of the Municipal Finance Management Act (MFMA) and Regulations 33 and 31 of the Municipal Budget and Reporting Regulations (MBRR).

7. **Other Implications**

Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations, 3214, Section 23 (1) – An Adjustments Budget referred to in section 28 (2)(b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than the 28 February of the current year.

It must be noted that the 2024/25 Adjustments Budget will be tabled in the same meeting after the mid-year report is submitted to council for consideration.

8. **Comments by Directorates**

8.1 **Chief Financial Officer:**

Recommendations supported

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Item noted.

8.4 **Director: Electro and Mechanical Services**

Report noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Noted.

9. **Delegated Authority**

To be noted by Council.

10. **Municipal Manager's Quality Certificate**

I, Charl Du Plessis, Municipal Manager of Kouga Local Municipality hereby certify that the monthly budget statements have been prepared in accordance with the Municipal Finance Management act and regulations made under the Act, and that monthly budget statements are consistent with the Integrated Development Plan of the municipality.
Print Name _Charl Du Plessis
Municipal Manager of Kouga Local Municipal



Signature……

Date…… 14 January 2025……

11. **Recommendations**

11.1 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.

11.2 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.

11.3 That an Adjustments Budget, based on the realistically anticipated revenues, in line with section 18 and 28 of the MFMA, be tabled by the Executive Mayor to the Council.

11.4 That the mid-year report accordingly be submitted to National Treasury and Provincial Treasury, in both printed and electronic format.

Item prepared by the: Acting Manager Budget and Treasury

Item approved by the CFO:

Item endorsed by the Municipal Manager:

Item Noted by the Portfolio Councillor:

"ANNEXURE A"

1. **FINANCIAL OVERVIEW**

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

An analysis of the financial position and performance was undertaken to determine the relative financial strength and liquidity of the Municipality. This was complemented by analysing the cash flow position, the investment portfolio, ratios, the operating, and capital budget performance for the months of December 2024, to facilitate an informed assessment of the relative liquidity and financial position of the Municipality.

The financial performance highlights are as follows:

- Operating revenue amounted to R 706,618 million, whilst operating expenditure amounted to R 641,692 million, resulting in an operating surplus of R 64,925 million.
- Capital expenditure constituted 25.06% of the 2024/25 Approved Adjusted Capital Budget.
- Overdue consumer debts increased by R 46,839 million (12.01%) since June 2024.
- An amount of R 45,051 million is owing to creditors, 96.52% which is current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.

The municipality's investment portfolio has increased by R 60,659,618 (42.22%) since June 2024, from R 143,659,131 to R 204,318,749.

Below is an analysis of the Investment Portfolio as at 31 December 2024.

	OPENING BANK BALANCE AS AT 01 JULY 2024	INVESTED	INTEREST	WITHDRAWN	CHARGES	CLOSING BANK BALANCE AS AT 31 DECEMBER 2024
Standard Bank	26 516 585	-	1 006 626	3 378 539		24 144 672
ABSA	22 795 366	18 966 265	1 361 174	11 438 447	590	31 683 768
Nedbank	22 593 059	20 509 206	1 032 820	20 000 000		24 135 085
RMB	22 735 812	32 194 174	786 159	31 589 488		24 126 657
INVESTEC	22 771 482	20 336 093	1 026 694	20 000 000		24 134 269
Total	**117 412 304**	**92 005 739**	**5 213 473**	**86 406 475**	**- 590**	**128 224 451**
PURPOSE OF INVESTMENT	**OPENING BANK BALANCE AS AT 01 JULY 2024**	**INVESTED**	**INTEREST**	**WITHDRAWN**	**CHARGES**	**CLOSING BANK BALANCE AS AT 31 DECEMBER 2024**
General Account	78 621 419	47 058 739	4 404 567	52 503 816	590	77 580 318
Conditional Grants	18 234 929	44 947 000	-	26 889 241	-	36 292 688
Housing Funds	20 555 956		808 906	7 013 417	-	14 351 445
Total	**117 412 304**	**92 005 739**	**5 213 473**	**86 406 475**	**- 590**	**128 224 451**
		-				
	OPENING BANK BALANCE AS AT 01 JULY 2024	**INVESTED**	**INTEREST**	**WITHDRAWN**	**CHARGES**	**CLOSING BANK BALANCE AS AT 31 DECEMBER 2024**
Cheque Accounts FNB 52540020791	10 314 768			- 7 712 200		2 602 568
Cheque Accounts FNB 52540033304	8 553 427	5 539 530				14 092 956
Cheque Accounts FNB 62682103591	3 833			- 3 833		-
Cheque Accounts FNB 63022194441	7 374 799	2 373 300				9 748 099
Cheque Accounts ABSA 4114176482	-	41 132 756				41 132 756
Cheque Accounts ABSA 4114114771	-	8 429 003				8 429 003
Cheque Accounts ABSA 4114176474	-	26 867				26 867
Cheque Accounts ABSA 4114176490		62 049				62 049
Total	**26 246 827**	**57 563 504**	**-**	**- 7 716 033**	**-**	**76 094 298**
TOTAL	**143 659 131**	**149 569 243**	**5 213 473**	**78 690 442**	**- 590**	**204 318 749**

The following analysis indicates the extent to which the investments are committed:

Cash backed Reserves.

Bank Balances and Cash	R 76,094,298
Short-term Investment Deposits	R 128,224,451
	R 204,318,749

Application of Cash

Unspent Conditional Grants	R 42,413,797
Operational commitments	R 14,880,265
Outstanding Creditors Liability	R 45,050,632
	R 102,344,694

Cash Reserves exceed commitments: R 101,974,055

The cash backed reserves exceed commitments at this stage by an amount of R 101,974,055.

It should be noted that the excess of reserves over commitments as at 31 December 2024, is mainly due to an amount of R 64,213 million in respect of the Equitable Share allocation received on 4 December 2024, but not yet fully spent. These funds are already committed towards spending in the 2024/25 operating budget.

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

Ratio	Actuals as at 30 June 2023	Actuals as at 30 June 2024	MFMA Circular 71 Norms	Actuals as at 31 December 2023	Approved Adjusted Budget 2024/25	Actuals as at 31 December 2024
Current Ratio	0.91:1	0.91:1	1.5:1 to 2:1	0.97:1	0.96:1	1.32:1
Liquidity Ratio	0.40:1	0.49:1		0.69:1	0.26:1	0.64:1
Cost Coverage (Excluding unspent conditional grants)	0.98 Months	1.19 Months	1 Month to 3 Months	1.21 Months	0.53 Months	1.69 Months
Debtors Collection Rate	86.71%	91.01%	95%	80.32%	95%	87.81%
Capital Expenditure	94.66%	71.38%	95%	31.41%	95%	25.06%

"ANNEXURE A1"

1. OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD JULY 2024 TO DECEMBER 2024.

1.1. Summary Statement of Financial Performance

Description	Budget Year 2024/25					
R thousands	Original Budget	Adjusted Budget	Monthly Actual	Year TD Actual	Year TD Budget	YTD Variance
Revenue						
Total Revenue (excluding capital transfers and contributions)	1 392 621	1 396 119	146 606	706 618	698 060	8 558
Total Expenditure	1 505 474	1 535 251	108 155	641 692	767 408	(125 715)
Surplus/(Deficit)	(112 853)	(139 132)	38 451	64 925	(69 348)	134 274

The statement of financial performance reflects an operating surplus of R 64,925 million at this stage. It must be noted that the surplus is largely influenced by the debt impairment, not yet recognized.

1.2. Revenue

Main revenue sources for 2024/25

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Revenue			
Exchange Revenue			
Service charges - Electricity	381 991	210 296	55,05%
Service charges - Water	82 323	54 054	65,66%
Service charges - Waste Water Management	64 086	33 448	52,19%
Service charges - Waste management	71 123	32 200	45,27%
Sale of Goods and Rendering of Services	9 533	3 025	31,73%
Agency services	4 554	–	0,00%
Interest earned from Receivables	32 335	15 108	46,72%
Interest earned from Current and Non-Current Assets	13 998	7 000	50,01%
Rental from Fixed Assets	3 187	2 413	75,72%
Licence and permits	2 851	1 135	39,80%
Operational Revenue	1 955	1 778	90,95%
Non-Exchange Revenue			
Property rates	297 076	176 230	59,32%
Fines, penalties and forfeits	143 343	340	0,24%
Licence and permits	11 772	6 072	51,58%
Transfer and subsidies - Operational	205 651	148 326	72,12%
Interest	5 510	3 214	58,33%
Operational Revenue	64 831	11 979	18,48%
Total Revenue (excluding capital transfers and contributions)	**1 396 119**	**706 618**	**50,61%**

Reasons for major over-/under-recovery per revenue source

In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material. Below is an explanation for variances above 10% of the budgeted amount and actual amounts.

- **Service charges – Water**
  As at 31 December 2024, the municipality has recognized 65.66% of water revenue, compared to the budget. This is higher than anticipated and is mainly influenced by higher water consumption levels. The water revenue budget has been increased by R 17,207 million during the mid-year adjustments budget process. 2024/25 Adjustments Budget will be tabled in Council on 29 January 2025.

- **Sale of Goods and Rendering of Services**
  The sale of goods and services relates to various sources of rendering of services such as application fees for land usage, building plan fees, cemeteries' fees and removal of restrictions fees etc. These revenue sources are influenced by community demands.

- **Agency Services**
  Agency services relate to the Department of Transport, commission received by the municipality as an acting agency for the collection of motor registration licences, drivers' licences and other vehicle permits. The commission is then influenced by the revenue collected on behalf of the Department of Transport.

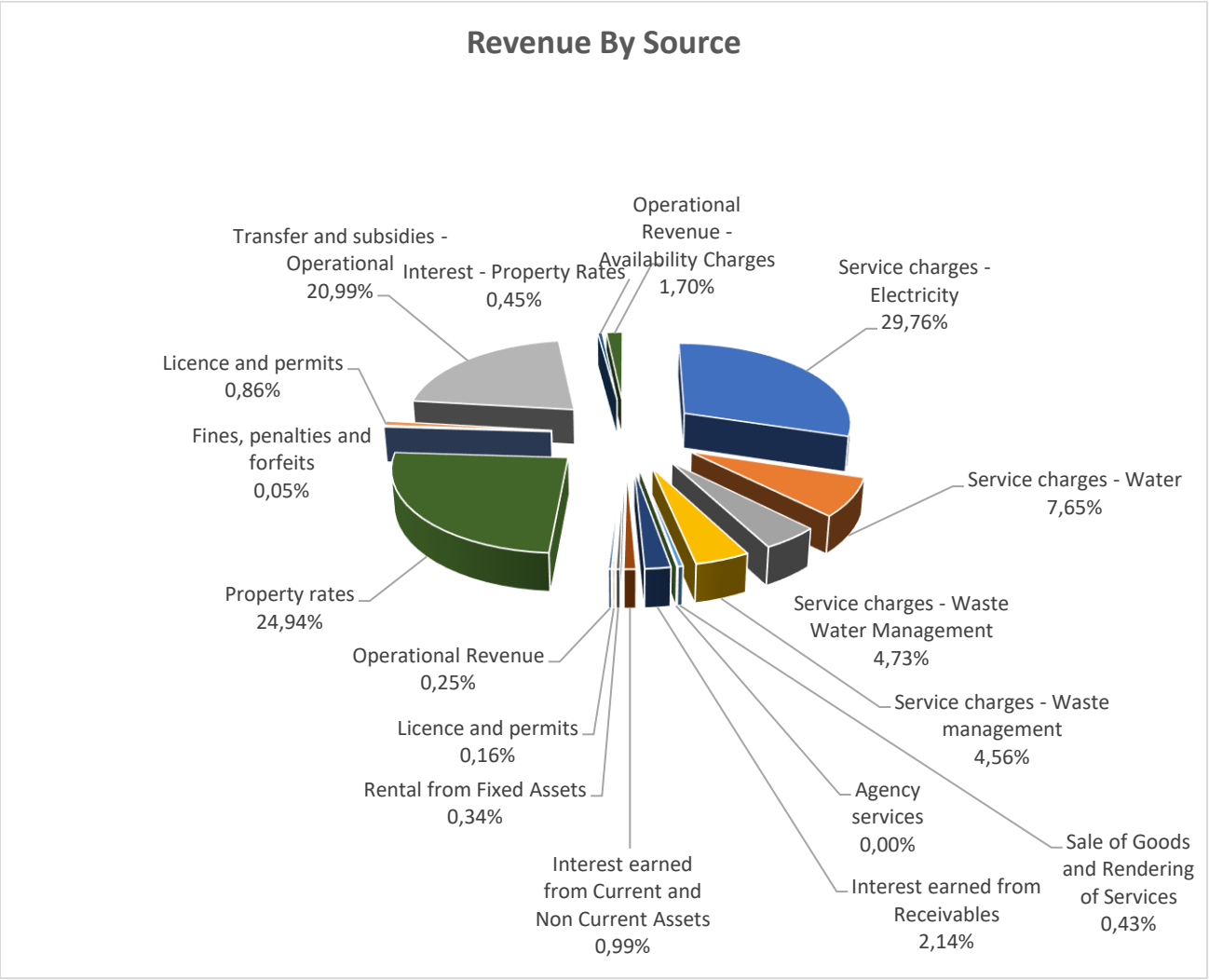
- **Rental from Fixed Assets**
  This relates to the rental of municipal buildings, community halls, caravan parks and camping sites, and other municipal facilities. The revenue is influenced by the extent of rental agreements and seasonal demands.

- **Operational revenue (Exchange Revenue)**
  The other revenue relates to various sources of operating revenue such as staff recoveries, insurance refunds and skills development levy refunds.
  The operational revenue is largely influenced by Augmentation fees amounting to R 0,884 million, recognized during this reporting period, against no budget provision.

- **Fines, Penalties and Forfeits**
  The fines, penalties and forfeits budget mostly relate to speeding camera fines and the high budget is mainly due to the accounting for traffic fines issued in line with the Generally Recognised Accounting Practice (GRAP) requirements. The actual traffic fines issued revenue recognition is done on yearly basis at this stage.
  It must be noted that the traffic fines have been decreased by R 99,484 million during the mid-year adjustments budget process, in line with the 2023/24 audited annual financial statements. 2024/25 Adjustments Budget will be tabled in Council on 29 January 2025.

- **Transfer and subsidies - Operational**
  As at 31 December 2024, the municipality has recognized 72.12% of operational transfer and subsidies revenue, compared to the budget. This is due to the second instalment of Equitable Share allocation amounting to R 64,213 million received on 4 December 2024.

- **Operational revenue (Non-Exchange Revenue)**
  Operational revenue: non-exchange revenue relates to the availability charges for electricity, water and wastewater management. The operational revenue budget has been increased by R 45,173 million during the mid-year adjustments budget process. 2024/25 Adjustments Budget will be tabled in Council on 29 January 2025.



1.3. Expenditure

Main expenditure types for 2024/25

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Expenditure By Type			
Employee related costs	481 056	202 714	42,14%
Remuneration of councillors	15 594	8 021	51,43%
Bulk purchases - electricity	386 299	231 276	59,87%
Inventory consumed	107 712	43 410	40,30%
Debt impairment	158 246	–	0,00%
Depreciation and amortisation	117 798	58 899	50,00%
Interest	36 254	2 824	7,79%
Contracted services	127 188	42 080	33,08%
Transfers and subsidies	400	–	0,00%
Irrecoverable debts written off	9 359	6 746	72,08%
Operational costs	95 346	45 722	47,95%
Total Expenditure	**1 535 251**	**641 692**	**41,80%**

Reasons for major over-/under expenditure per type

In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material. Below is an explanation for variances above 10% of the budgeted amount and actual amounts.

- **Bulk purchases – electricity**
  The bulk purchases – electricity reflects a 59.87% expenditure, compared to the approved budget. This is slightly higher than anticipated and compared to the previous year, which was 51.98% for the same reporting period.

  It must be noted that the bulk electricity budget has been increased by R 27,050 million during the mid-year adjustments budget process, in line with the current Eskom accounts. 2024/25 Adjustments Budget will be tabled in Council on 29 January 2025.
- **Inventory consumed.**
  Inventory consumed includes the following expenditure items:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 December 2024	%
Inventory Consumed: Consumables	4 403 160	1 198 291	27,21%
Inventory Consumed: Materials and Supplies	35 106 876	15 351 906	43,73%
Inventory Consumed: Fuel & Oil	26 271 072	9 476 306	36,07%
Inventory Consumed: Bulk Water Purchases	41 930 751	17 383 143	41,46%
Total	**107 711 859**	**43 409 646**	**40,30%**

It must be noted that the fuel & oil and bulk water purchases budgets were decreased by R 6,500 million and R 3,000 million respectively, during the 2024/25 mid-year adjustments budget process. 2024/25 Adjustments Budget will be tabled in Council on 29 January 2025.

- **Debt impairment**
  At this stage, the municipality recognises the debt impairment at the end of the financial year, rather than monthly.

- **Finance charges**
  Finance charges currently recognised relate to the finance lease for vehicles and is based on the finance lease amortisation schedule. The spending percentage at this stage is largely influenced by the budget provision for finance costs amounting to R 19,922 million, which relate to the DBSA loan of R 200 million for the resealing of roads in Kouga.

  It must be noted that the finance costs budget has been reduced by R 23,252 million during the 2024/25 mid-year adjustments budget process. 2024/25 Adjustments Budget will be tabled in Council on 29 January 2025.

- **Contracted Services**
  Contracted services mostly relate to outsourced work, in relation to the maintenance of municipal infrastructure assets and includes consultation fees. Please refer to the next page for the breakdown of contracted services costs.

- **Transfers and subsidies**
  Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organisations, in line with the Council approved grant-in-aid policy.

- **Irrecoverable debts written off.**
  Debts are written off upon Council approval.

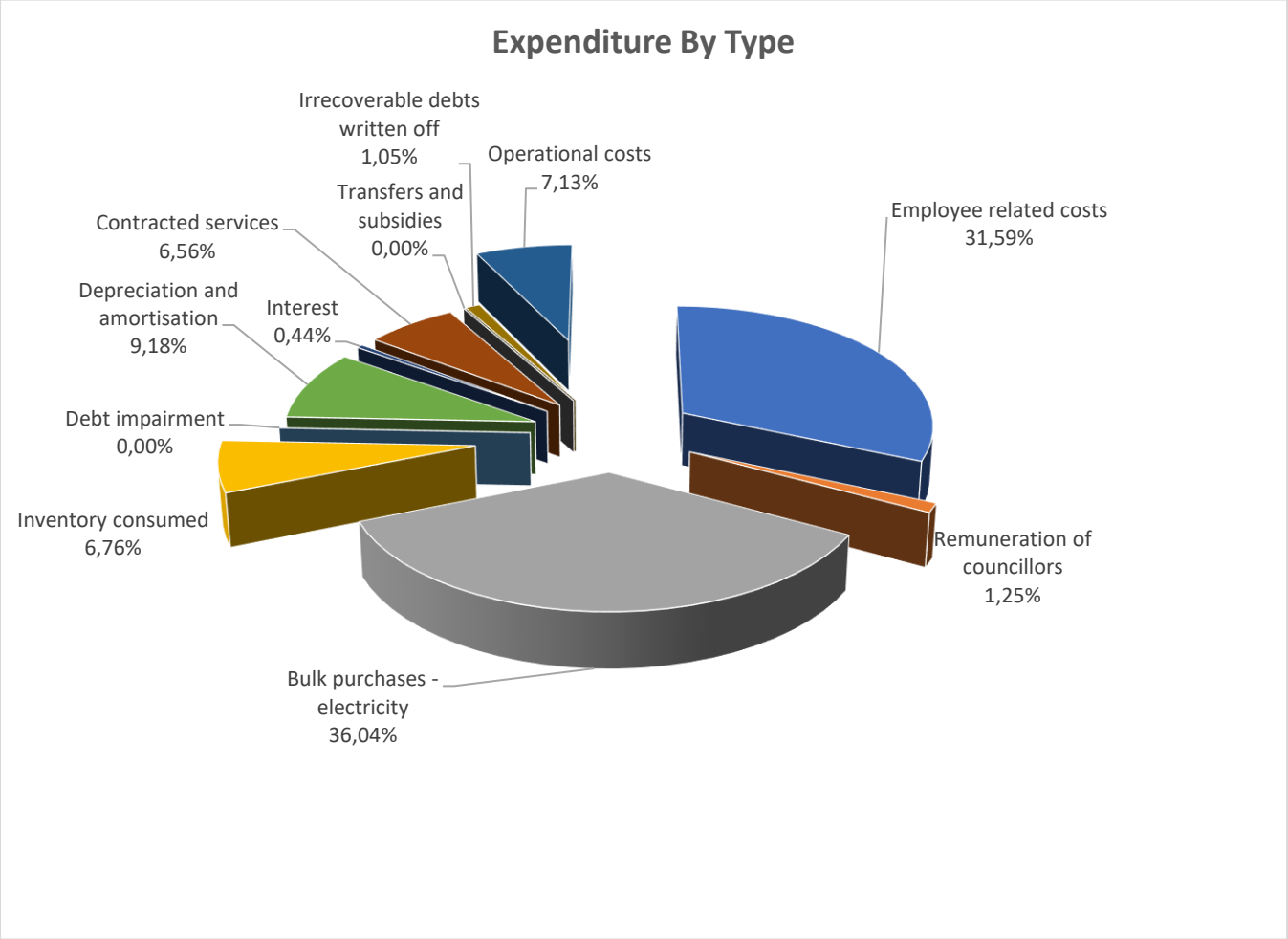
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 December 2024	%
Aloe Cup	80 000	-	0,00%
Air quality Management	400 000	-	0,00%
Amanzi Challenge National Tournament	300 000	300 000	100,00%
Animal Care	508 000	-	0,00%
Audit of Municipal Land & Properties	1 694 000	212 081	12,52%
Burial Services	31 500	24 100	76,51%
Calamari Festival	200 000	200 000	100,00%
Catering Services	1 167 904	261 047	22,35%
Clean up Operation	200 004	105 935	52,97%
Clearing and Grass Cutting Services	1 540 000	463 739	30,11%
Conducting of feasibility studies (EIA)	2 000 000	61 894	3,09%
Connection/Dis-connection:Electricity	580 000	-	0,00%
Consultants and Professional Services	8 502 000	1 747 800	20,56%
Destination Marketing and Promotion	670 000	80 840	12,07%
Drivers Licence Cards	1 000 000	196 236	19,62%
Dune Stabilisation	1 829 000	218 978	11,97%
Electricity Generation Project	470 000	72 567	15,44%
Environmental protection	700 000	-	0,00%
Employee Wellness	249 204	22 650	9,09%
ED STRATEGY - roll-out	100 000	-	0,00%
Event Promoters	99 996	-	0,00%
Family Challenge	1 800 000	516 522	28,70%
Heritage Restoration	200 000	-	0,00%
Internal Auditors	250 000	29 000	11,60%
KLTO	905 000	228 422	25,24%
Jbay Precint Plan Implementation	500 000	-	0,00%
Laboratory Services:Water	2 359 000	297 235	12,60%
Legal Advice and Litigation	1 000 000	719 637	71,96%
Legal Cost:Collection	1 100 000	675 461	61,41%
Maintenance of Buildings and Facilities	7 996 636	2 613 872	32,69%
Maintenance of Electrical Infrastructure	1 000 000	122 182	12,22%
Maintenance of Equipment	858 800	164 420	19,15%
Maintenance of Vehicles	39 379 408	10 890 193	27,65%
Mscoa Alignment	283 136	-	0,00%
Media Monitoring	200 004	51 025	25,51%
Occupational Health and Safety	1 100 004	370 853	33,71%
Other Contracted Services	2 977 900	2 205 742	74,07%
Personnel and Labour	16 975 550	6 476 399	38,15%
Precinct Plans Project Hankey and St Francis Bay C	100 000	-	0,00%
Private Plots_Alien Vegetation Control	300 000	153 678	51,23%
Qualification Verification	350 004	3 595	1,03%
Restricted Water Flow	400 000	-	0,00%
Revision of SDF	650 000	-	0,00%
Security Services	3 850 000	3 366 637	87,45%
SA Longboard Championship	300 000	-	0,00%
SDC Golf Championship Sponsorship	275 000	275 000	100,00%
Special Rating Area	2 159 735	729 102	33,76%
Summer Festival	500 000	400 000	80,00%
Tourism &Travel Trade Show	482 000	369 411	76,64%
Township Events	300 000	58 153	19,38%
Transport Services	225 704	16 413	7,27%
Valuer	13 438 721	7 347 219	54,67%
WSL Music Festival	200 000	-	0,00%
WTM Africa, Indaba, Meetings Africa, Educationals,	550 000	31 846	5,79%
Winterfest	1 700 000	-	0,00%
Yellow Wood Annual Jazz Festival	200 000	-	0,00%
	127 188 210	**42 079 884**	**33,08%**

- **Other Expenditure**

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 December 2024	%
Achievements and Awards	2 300 000	989 407	43,02%
Advertising, Publicity and Marketing	4 469 200	1 392 510	31,16%
Bank Charges	600 000	599 890	99,98%
Bargaining Council	4 619 580	-	0,00%
Cellular Contract (Subscription and Calls)	3 313 020	1 781 723	53,78%
Claims paid to Third Parties	200 000	134 296	67,15%
External Audit Fees	4 500 000	3 927 498	87,28%
External Computer Service:Internet Charge	5 400 000	4 654 638	86,20%
Hire Charges	7 763 067	3 039 691	39,16%
Insurance Claims	1 200 000	335 839	27,99%
Insurance Underwriting:Premiums	3 644 283	3 069 552	84,23%
Leases:Furniture and Office Equipment	4 068 744	1 337 109	32,86%
Leases:Other Assets	3 963 740	2 892 853	72,98%
Motor Vehicle Licence and Registrations	1 644 488	518 903	31,55%
Other	1 324 176	196 474	14,84%
Postage/Stamps/Franking Machines	2 674 500	789 066	29,50%
Registration Fees:Professional and Regulatory Bodies	551 112	39 724	7,21%
Registration Fees:Seminars, Conferences, Workshops	2 284 482	461 695	20,21%
Remuneration to Ward Committees	2 862 000	1 005 600	35,14%
Riparian Levies	7 911 471	3 796 860	47,99%
Signage	1 126 212	154 195	13,69%
Skills Development Fund Levy	4 202 076	2 029 689	48,30%
Software Licences	8 475 000	6 689 093	78,93%
Storage of Files (Archiving)	399 996	45 243	11,31%
Supplier Development Programme	100 000	-	0,00%
Third Party Vendors	3 550 000	1 461 915	41,18%
Travel and Subsistence	5 111 369	1 407 239	27,53%
Uniform and Protective Clothing	3 973 484	1 411 465	35,52%
Vehicle Tracking	804 742	415 726	51,66%
Workmen's Compensation Fund	2 288 376	1 144 255	50,00%
	95 346 118	**45 722 148**	**47,95%**



1.4. **Repairs and Maintenance**

Below is an analysis of actual repairs and maintenance expenditure, compared to the 2024/25 Approved Adjusted Budget.

Item Description	Budget Year 2024/25		
	Adjusted Budget 2024/25	Actuals as at 31 December 2024	%
Repairs and Maintenance by Expenditure Items			
Employee related costs	156 271 644	43 408 719	27,78%
Other materials	24 525 864	8 621 277	35,15%
Contracted Services	46 598 844	12 697 212	27,25%
Other expenditure	6 197 655	3 018 082	48,70%
Total	**233 594 007**	**67 745 290**	**29,00%**

It is to be noted that actual repairs and maintenance expenditure constituted 29% of the 2024/25 Approved Adjusted Budget.

1.5. Trading Services Performance

1.5.1. Electricity

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Revenue			
Exchange Revenue			
Service charges - Electricity	381 991	210 296	55,05%
Interest earned from Receivables	2 214	1 511	68,23%
Operational Revenue	–	206	0,00%
Non-Exchange Revenue			
Transfer and subsidies - Operational	5 585	4 654	83,33%
Operational Revenue	15 593	6 172	39,58%
Total Revenue (excluding capital transfers and contributions)	**405 382**	**222 838**	**54,97%**
Expenditure By Type			
Employee related costs	22 716	8 529	37,54%
Bulk purchases - electricity	386 299	231 276	59,87%
Inventory consumed	8 678	3 764	43,37%
Debt impairment	11 528	–	
Depreciation and amortisation	8 909	5 123	57,51%
Contracted services	12 492	3 167	25,35%
Irrecoverable debts written off	3 064	94	
Operational costs	3 997	1 924	48,13%
Total Expenditure	**457 682**	**253 876**	**55,47%**
Surplus/(Deficit)	**(52 301)**	**(31 038)**	

1.5.1.1 Revenue

- The electricity service charges revenue reflects 55.05% of budget as at 31 December 2024, and this is in line with the projected budget ratio of 50% as at 31 December 2024.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the electricity availability charges.

1.5.1.2 Expenditure

- the bulk electricity reflects 59.87% of budget expenditure as at 31 December 2024.

1.5.1.3 Net surplus/deficit of electricity ratio

- Electricity reflects a deficit of R 31,038 million as at 31 December 2024 and the deficit amount equates to 13.93%, compared to the revenue. The adjusted budget deficit for the 2024/25 amount to R 52,301 million and equates to 12.9%, compared to total revenue.

1.5.2 Water

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	YearTD Actual	%
Revenue			
Exchange Revenue			
Service charges - Water	82 323	54 054	65,66%
Interest earned from Receivables	15 537	6 591	42,42%
Operational Revenue	–	678	0,00%
Non-Exchange Revenue			
Transfer and subsidies - Operational	21 232	17 694	83,33%
Operational Revenue	44 879	3 929	8,75%
Total Revenue (excluding capital transfers and contributions)	**163 972**	**82 945**	**50,59%**
Expenditure By Type			
Employee related costs	28 200	14 800	52,48%
Inventory consumed	51 549	21 627	41,96%
Debt impairment	5 652	–	
Depreciation and amortisation	17 074	7 989	46,79%
Contracted services	3 580	674	18,84%
Irrecoverable debts written off	1 502	3 244	
Operational costs	2 261	730	32,28%
Total Expenditure	**109 818**	**49 065**	**44,68%**
Surplus/(Deficit)	**54 154**	**33 881**	

1.5.2.1 Revenue

- The water service charges revenue reflects 65.66% of budget as at 31 December 2024, which is higher than anticipated.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the water availability charges.

1.5.2.2 Expenditure

- Inventory consumed includes a budget amount of R 41,931 million for the bulk water purchases and the expenditure amount of R 17,383 million (41.46% of budget).

1.5.2.3 Net surplus/deficit of water ratio

- The water reflects a surplus of R 33,881 million as at 31 December 2024 and equates to 40.85% of total revenue.

1.5.3 Waste Water Management

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Revenue			
Exchange Revenue			
Service charges - Waste Water Management	64 086	33 448	52,19%
Interest earned from Receivables	5 673	2 598	45,80%
Non-Exchange Revenue			
Transfer and subsidies - Operational	14 213	11 844	83,33%
Operational Revenue	4 360	1 879	43,09%
Total Revenue (excluding capital transfers and contributions)	**88 332**	**49 769**	**56,34%**
Expenditure By Type			
Employee related costs	25 833	13 495	52,24%
Inventory consumed	15 161	3 538	23,34%
Debt impairment	2 928	–	
Depreciation and amortisation	32 226	16 050	49,81%
Contracted services	5 120	913	17,83%
Irrecoverable debts written off	778	1 384	
Operational costs	6 733	3 782	56,17%
Total Expenditure	**88 779**	**39 161**	**44,11%**
Surplus/(Deficit)	**(447)**	**10 607**	

1.5.3.1 Revenue

- The waste water service charges revenue reflects 52.19% of budget as at 31 December 2024, and this is in line with the projected budget ratio of 50% as at 31 December 2024.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the waste water availability charges.

1.5.3.2 Expenditure

- At this stage, the municipality recognises the debt impairment at the end of the financial year, rather than on the monthly basis.

1.5.3.3 Net surplus/deficit of wastewater management ratio

- The waste water management revenue reflects a surplus of R 10,607 million as at 31 December 2024 and equates to 21.31% of total revenue. Council approved a surplus adjusted budget of R 0,447 million for the 2024/25 financial year.

1.5.4. Waste Management

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	YearTD Actual	%
Revenue			
Exchange Revenue			
Service charges - Waste management	71 123	32 200	45,27%
Sale of Goods and Rendering of Services	9	–	
Interest earned from Receivables	8 560	4 229	49,40%
Non-Exchange Revenue			
Transfer and subsidies - Operational	25 741	21 409	83,17%
Total Revenue (excluding capital transfers and contributions)	**105 432**	**57 838**	**54,86%**
Expenditure By Type			
Employee related costs	38 597	20 975	54,34%
Inventory consumed	8 719	4 329	49,65%
Debt impairment	3 147	–	
Depreciation and amortisation	3 195	1 326	41,49%
Interest			
Contracted services	15 740	4 540	28,84%
Transfers and subsidies			
Irrecoverable debts written off	837	1 936	
Operational costs	4 114	1 537	37,37%
Losses on Disposal of Assets			
Other Losses			
Total Expenditure	**74 349**	**34 642**	**46,59%**
Surplus/(Deficit)	**31 082**	**23 196**	

1.5.4.1 Revenue

- The waste service charges revenue reflects 45.27% of budget as at 31 December 2024, which is lower than anticipated.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- It must be noted that the waste management is the combination of waste services and environmental management services.

1.5.4.2 Expenditure

- At this stage, the municipality recognises the debt impairment at the end of the financial year, rather than monthly.

1.5.4.3 Net surplus/deficit of waste management ratio

- The waste management revenue reflects a surplus of R 23,196 million as at 31 December 2024 and equates to 40.10% of total revenue. Council approved a surplus adjusted budget of R 31,082 million for the 2024/25 financial year.

1.6 Cost Containment Measures

The main purpose of the Municipal Cost Containment Regulations, 2019 is to ensure that the resources of the municipality are used effectively, efficiently, and economically by the implementation of cost containment measures. Cost containment measures policy was approved by Council on 30 June 2023.

Description	Budget Year 2024/25			
	Adjusted Budget	Year TD Actual	Year TD Budget	YTD Variance
R Thousands				
1. Temporary Appointments, Contractual Appointments, Unemployed Graduates and Experiential Learners	16,451	6,476	8,225	(1,749)
2. Travel claims	5,065	1,379	2,532	(1,153)
4. Overtime	20,000	9,985	10,000	(15)
5. Catering Costs	1,118	225	559	(334)
6. Events, Advertising and sponsorships	5,164	1,793	2,582	(790)
7. Attendance of Conferences, Seminars & Workshops	2,254	440	1,127	(687)
8. Municipal Workshops, Retreats, Strategic Sessions and Internal training	668	86	334	(247)
9. Projects /Programme Launches	–	–	–	–
10. Essential User Scheme	1,459	1,459	1,459	–
Total	**52,178**	**21,844**	**26,818**	**(4,975)**

A comparison of the year-to-date actuals to the adjusted budget reflects savings, amounting to R 4,975 million as at 31 December 2024.

1.7 Unauthorised Expenditure by Directorate

Below is an assessment table for the unauthorised expenditure in terms of MFMA requirements and National Treasury MFMA Circular No. 68 guidelines.

	Budget Year 2024/25			Actuals as at 31 Dec 2024			
R thousands	Approved Adjusted Budget - Operating	Approved Adjusted Budget - Capital	Approved Adjusted Budget 2024/25	Operating Expenditure Actuals as at 31 Dec 2024	Capital Actuals as at 31 Dec 2024	Total Actual Expenditure as at 31 Dec 2024	Unauthorised Expenditure as at 31 Dec 2024
Expenditure by Vote							
CIVIL AND WATER SERVICES	339 329	280 940	620 268	136 312	32 335	168 647	–
COMMUNITY SERVICES	387 136	1 634	388 770	113 092	209	113 301	–
ELECTRO/MECHANICAL SERVICES	470 989	73 699	544 688	261 906	54 848	316 754	–
FINANCE AND ECONOMIC DEVELOPMENT	142 158	755	142 913	48 935	323	49 258	–
OFFICE OF THE DEPUTY MUNICIPAL MANAGER	128 955	1 413	130 368	52 259	1 137	53 396	–
OFFICE OF THE MUNICIPAL MANAGER	30 696	–	30 696	16 273	–	16 273	–
PLANNING AND DEVELOPMENT	35 989	20 386	56 374	12 914	6 099	19 013	–
TOTAL	**1 535 251**	**378 826**	**1 914 078**	**641 692**	**94 950**	**736 643**	**–**

No unauthorised expenditure reported for the period ended 31 December 2024.

Annexure "A2"

1. CAPITAL BUDGET PERFORMANCE

1.1. Summary Capital Expenditure and Funding

The capital expenditure as at 31 December 2024, constituted 25.06% of approved adjusted capital budget and the funding is broken down as follows:

- Grant funding is 38.37% of approved grant funding budget.
- Borrowing funding is 53.72% of approved borrowing funding budget.
- Internally generated funds are 7.91% at this stage.

Capital budget by municipal vote for 2024/25.

Vote Description	Budget Year 2024/25			
	Original Budget	Adjusted Budget	Year TD Actual	%
R thousands				
Multi-Year expenditure appropriation				
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	–	0,00%
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 413	1 137	80.47%
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	755	323	42.76%
Vote 4 - COMMUNITY SERVICES	1 391	1 634	209	12.79%
Vote 5 - CIVIL AND WATER SERVICES	80 868	280 940	32 335	11.51%
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	73 699	54 848	74.42%
Vote 7 - PLANNING AND DEVELOPMENT	–	20 386	6 099	29.92%
Total Capital Multi-year expenditure	**150 362**	**378 826**	**94 950**	**25.06%**

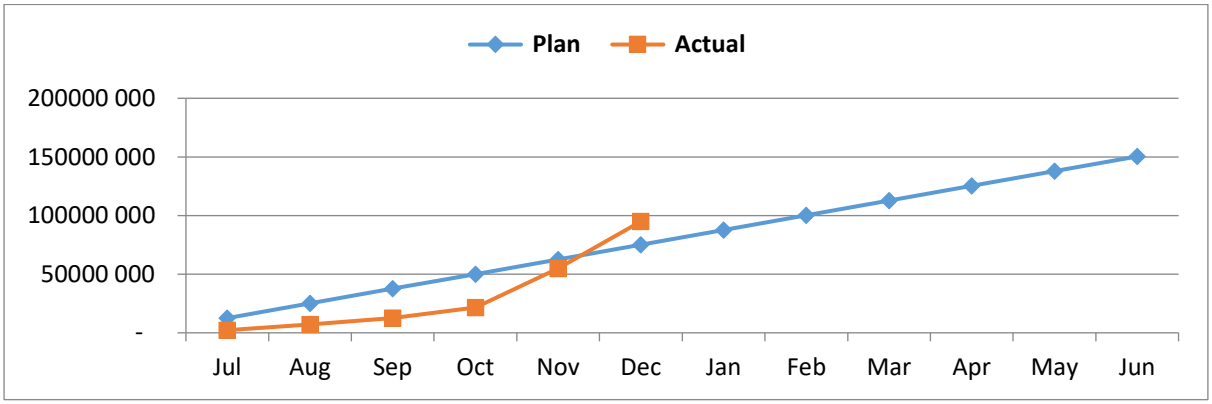
The capital expenditure as at 31 December 2024, constituted 25.06% of approved adjusted capital budget.

The capital expenditure is broken down per directorate as follows:

- Office Of the Deputy Municipal Manager is 80.47% of R 1,413 million budget.
- Finance And Economic Development is 42.76% of R 0,755 million budget.
- Community Services is 12.79% of R 1,634 million budget.
- Civil & Water Services 11.51% of R 280,940 million budget.
- Electro and Mechanical Services is 74.42% of R 73,699 million budget.
- Planning And Development is 29.92% of R 20,386 million budget.

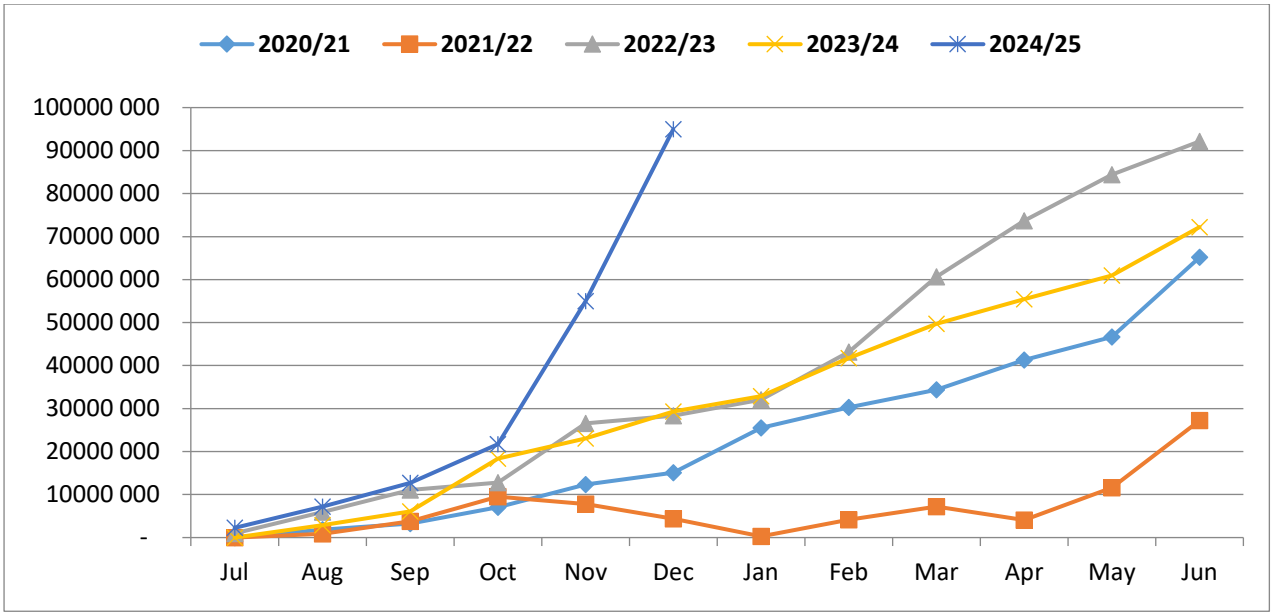
1.2. Monthly capital expenditure

The graph below reflects the municipality's monthly capital expenditure to date measured against the 2024/25 current budget.



Capital expenditure trend over the current- and past two years.

The graph below shows the municipality's capital expenditure trend for 2020/21, 2021/22, 2022/23, 2023/24 and 2024/25.



Status of capital programmes/projects in the Municipality as at 31 December 2024.

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 December 2024	%
CIVIL & WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176 117	132 088	75,00%
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137 788	102 894	74,68%
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	621 050	-	0,00%
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	244 588	48,92%
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508 696	496 841	97,67%
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1 608 696	1 570 161	97,60%
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	101 225	1,56%
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424 348	119 248	28,10%
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	52 608	-	0,00%
ROADS AND STORMWATER	Borrowing	ROADS INFRASTRUCTURE IN KOUGA	173 913 043	-	0,00%
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	51 300	63,73%
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29 169 586	15 123 527	51,85%
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200 000	147 670	73,84%
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508 609	-	0,00%
SEWERAGE	Internal	HANKEY WWTW	4 256 462	883 270	20,75%
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	6 338 777	1 615 598	25,49%
SEWERAGE	DOHS	Phase 1 Upgrade of Thornhill Sewer Treatment Works	553 739	488 571	88,23%
SEWERAGE	DOHS	Kruisfontein Bulk Sewer -Link Line	1 997 391	-	0,00%
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	1 287 831	-	0,00%
SEWERAGE	DOHS	Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	7 304 348	-	0,00%
SEWERAGE	DOHS	Envirosan Toilets (40 Units)	1 446 261	-	0,00%
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer rising main	150 000	5 808	3,87%
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	7 592 557	2 040 802	26,88%
WATER	Internal	JILL MARCUS WATER SUPPLY	4 347 000	3 110 115	71,55%
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	-	0,00%
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637 410	-	0,00%
WATER	DOHS	Kwanomzamo Bulk Water : New Pipeline	6 521 739	-	0,00%
WATER	DOHS	Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	6 782 609	3 163 295	46,64%
WATER	WSIG	RETICULATION REPLACE PIPELINES	3 478 260	-	0,00%
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis Bay	150 000	75 904	50,60%
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100 000	64 000	64,00%
WATER	WSIG	PARADISE BEACH WATER TOWER	2 021 548	1 737 069	85,93%
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3 575 354	1 060 955	29,67%
WATER	DOHS	New Reservoir on Pnt 2 of the Farm Thornhill	5 018 940	-	0,00%
			280 939 528	**32 334 928**	**11,51%**

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 December 2024	%
COMMUNITY SERVICES					
FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1 391 304	-	0,00%
LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	242 320	208 874	86,20%
			1 633 624	**208 874**	**12,79%**
ELECTRO & MECHANICAL SERVICES					
FLEET AND WORKSHOP	Finance Lease	Vehicle	34 000 000	51 005 878	150,02%
ELECTRICITY	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4 251 567	43 266	1,02%
ELECTRICITY	Internal	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	-	0,00%
ELECTRICITY	DOHS	Oceanview Substation Upgrade	10 434 783	1 381 368	13,24%
ELECTRICITY	DOHS	Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	19 130 435	2 417 675	12,64%
ELECTRICITY	MIG	DESIGN: HIGH MAST LIGHTS	100 000	-	0,00%
ELECTRICITY	DOHS	Electricity	782 609	-	0,00%
			73 699 394	**54 848 187**	**74,42%**
FINANCE AND ECONOMIC DEVELOPMENT					
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	577 517	315 837	54,69%
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	55 414	7 210	13,01%
LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100 000	-	0,00%
REVENUE	Internal	Computer Equipment	22 477	-	0,00%
			755 408	**323 047**	**42,76%**
OFFICE OF THE DMM					
INFORMATION TECHNOLOGY	Internal	Computer Equipment	1 412 789	1 136 836	80,47%
			1 412 789	**1 136 836**	**80,47%**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 2	16 346 963	6 098 623	37,31%
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 3	4 038 699	-	0,00%
			20 385 662	**6 098 623**	**29,92%**
		Total	**378 826 405**	**94 950 495**	**25,06%**

Annexure "A3"

1. PROJECTED CASH FLOW STATEMENT FOR THE 2024/25 FINANCIAL YEAR

1.1. Projected Cash Flow Statement as at 31 December 2024

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

Table C7 Monthly Budget Statement – Cash Flow – M06 December 2024

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		362 726	287 458	287 458	23 664	167 253	143 729	23 524	16%	287 458
Service charges		255 325	761 922	761 922	48 112	290 772	380 961	(90 189)	-24%	761 922
Other revenue		16 788	93 666	100 764	24 450	140 173	50 382	89 791	178%	100 764
Transfers and Subsidies - Operational		184 436	202 153	205 651	64 736	150 959	102 826	48 134	47%	205 651
Transfers and Subsidies - Capital		1 586	123 443	123 331	9 943	42 150	61 665	(19 516)	-32%	123 331
Interest		914 663	13 998	13 998	1 278	7 000	6 999	1	0%	13 998
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771 377	(1 327 265)	(1 339 132)	(100 358)	(618 268)	(773 972)	(155 705)	20%	(1 339 132)
Interest		–	(16 159)	(36 082)	(810)	(2 824)	(17 591)	(14 766)	84%	(36 082)
Transfers and Subsidies		–	(400)	(400)	–	–	(200)	(200)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2 506 902**	**138 815**	**117 510**	**71 016**	**177 215**	**(45 201)**	**(222 416)**	**492%**	**117 510**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(83 038)	(116 362)	(170 913)	(45 922)	(109 329)	85 457	194 785	228%	(170 913)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83 038)**	**(116 362)**	**(170 913)**	**(45 922)**	**(109 329)**	**85 457**	**194 785**	**228%**	**(170 913)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	(22 478)	(32 196)	(1 867)	(7 226)	–	7 226	0%	(32 196)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**(22 478)**	**(32 196)**	**(1 867)**	**(7 226)**	**–**	**7 226**	**0%**	**(32 196)**
NET INCREASE/ (DECREASE) IN CASH HELD		**2 423 864**	**(24)**	**(85 599)**	**23 226**	**60 660**	**40 255**			**(85 599)**
Cash/cash equivalents at beginning:		175 550	43 665	143 659		143 659	143 659			143 659
Cash/cash equivalents at month/year end:		2 599 414	43 641	58 060		204 319	183 914			58 060

Annexure "A4"

1. MUNICIPAL MONTHLY BUDGET TABLES

1.1. MONTHLY BUDGET TABLES

The seven main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section of the report. These tables set out the Municipality's 2024/25 budget performance for the period of December 2024 and are to be noted. Each table is accompanied by explanatory notes.

Table C1 Monthly Budget Statement Summary – M06 December 2024

Description	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Financial Performance									
Property rates	280 203	297 076	297 076	20 195	176 230	148 538	27 692	19%	297 076
Service charges	607 369	599 522	599 522	52 960	329 998	299 761	30 237	10%	599 522
Investment revenue	12 962	13 998	13 998	1 278	7 000	6 999	1	0%	13 998
Transfers and subsidies - Operational	198 630	202 153	205 651	64 532	148 326	102 826	45 500	44%	205 651
Other own revenue	110 770	279 872	279 872	7 642	45 063	139 936	(94 872)	-68%	279 872
Total Revenue (excluding capital transfers and	**1 209 934**	**1 392 621**	**1 396 119**	**146 606**	**706 618**	**698 060**	**8 558**	**1%**	**1 396 119**
Employee costs	398 878	471 743	481 056	32 215	202 714	240 528	(37 813)	-16%	481 056
Remuneration of Councillors	14 976	15 594	15 594	1 418	8 021	7 797	223	3%	15 594
Depreciation and amortisation	102 539	117 798	117 798	9 817	58 899	58 900	(1)	-0%	117 798
Interest	10 038	17 404	36 254	810	2 824	18 127	(15 302)	-84%	36 254
Inventory consumed and bulk purchases	454 301	495 318	494 011	37 553	274 686	247 005	27 681	11%	494 011
Transfers and subsidies	920	400	400	–	–	200	(200)	-100%	400
Other expenditure	327 630	387 217	390 139	26 343	94 548	194 851	(100 303)	-51%	390 139
Total Expenditure	**1 309 281**	**1 505 474**	**1 535 251**	**108 155**	**641 692**	**767 408**	**(125 715)**	**-16%**	**1 535 251**
Surplus/(Deficit)	**(99 347)**	**(112 853)**	**(139 132)**	**38 451**	**64 925**	**(69 348)**	**134 274**	**-194%**	**(139 132)**
Transfers and subsidies - capital (monetary allocations)	85 140	133 816	161 944	14 342	41 140	80 972	(39 832)	-49%	161 944
Transfers and subsidies - capital (in-kind)	18 000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**3 792**	**20 963**	**22 812**	**52 793**	**106 065**	**11 624**	**94 442**	**813%**	**22 812**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**3 792**	**20 963**	**22 812**	**52 793**	**106 065**	**11 624**	**94 442**	**813%**	**22 812**
Capital expenditure & funds sources									
Capital expenditure	**92 915**	**150 362**	**378 826**	**39 932**	**94 950**	**189 413**	**(94 463)**	**-50%**	**378 826**
Capital transfers recognised	3 157	116 362	143 480	11 993	36 432	71 740	(35 308)	-49%	143 480
Borrowing	–	34 000	207 913	26 783	51 006	103 957	(52 951)	-51%	207 913
Internally generated funds	89 757	–	27 434	1 156	7 513	13 717	(6 204)	-45%	27 434
Total sources of capital funds	**92 915**	**150 362**	**378 826**	**39 932**	**94 950**	**189 413**	**(94 463)**	**-50%**	**378 826**
Financial position									
Total current assets	266 448	213 837	229 407		421 063				229 407
Total non current assets	2 312 828	2 369 948	2 598 413		2 348 879				2 598 413
Total current liabilities	293 952	225 392	237 467		317 841				237 467
Total non current liabilities	243 291	270 953	424 224		290 012				424 224
Community wealth/Equity	**2 042 032**	**2 087 440**	**2 166 129**		**2 162 089**				**2 166 129**
Cash flows									
Net cash from (used) operating	2 506 902	138 815	117 510	71 016	177 215	(45 201)	(222 416)	492%	117 510
Net cash from (used) investing	(83 038)	(116 362)	(170 913)	(45 922)	(109 329)	85 457	194 785	228%	(170 913)
Net cash from (used) financing	–	(22 478)	(32 196)	(1 867)	(7 226)	–	7 226		(32 196)
Cash/cash equivalents at the month/year end	**2 599 414**	**43 641**	**58 060**	**–**	**204 319**	**183 914**	**(20 405)**	**-11%**	**58 060**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	64 087	15 585	13 375	21 309	12 273	9 160	43 356	321 692	500 836
Creditors Age Analysis									
Total Creditors	43 482	2 180	16	(43)	29	35	481	(1 130)	45 051

Explanatory notes to Table C1 – Monthly Budget Summary

The aim of the Budget Summary is to provide a concise overview of the actual budget performance from all of the major financial perspective (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the actual amounts spent compared to the monthly budget projections within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance.

Table C2 Monthly Budget Statement – Financial Performance (standard classification) – M06 December 2024

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
Revenue - Functional										
Governance and administration		**489 309**	**590 750**	**590 750**	**91 826**	**310 330**	**295 375**	14 955	5%	**590 750**
Executive and council		46	142	142	–	53	71	(18)	-26%	142
Finance and administration		489 263	590 608	590 608	91 826	310 277	295 304	14 973	5%	590 608
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**51 001**	**87 286**	**111 120**	**11 333**	**24 239**	**55 560**	(31 321)	-56%	**111 120**
Community and social services		2 415	2 460	2 460	29	3 141	1 230	1 911	155%	2 460
Sport and recreation		7 682	11 504	11 504	1 746	6 333	5 752	581	10%	11 504
Public safety		1 792	1 857	1 857	1	12	929	(917)	-99%	1 857
Housing		35 790	68 969	92 803	9 492	15 457	46 401	(30 945)	-67%	92 803
Health		3 322	2 496	2 496	64	(704)	1 248	(1 952)	-156%	2 496
Economic and environmental services		**48 168**	**56 136**	**56 186**	**2 584**	**20 708**	**28 093**	(7 384)	-26%	**56 186**
Planning and development		8 375	10 252	10 252	627	3 958	5 126	(1 167)	-23%	10 252
Road transport		16 518	19 972	19 972	456	4 387	9 986	(5 599)	-56%	19 972
Environmental protection		23 276	25 912	25 962	1 502	12 363	12 981	(618)	-5%	25 962
Trading services		**724 595**	**792 266**	**800 008**	**55 205**	**392 481**	**400 004**	(7 523)	-2%	**800 008**
Energy sources		398 034	409 585	410 271	34 353	222 705	205 135	17 570	9%	410 271
Water management		156 102	177 913	185 080	11 263	88 046	92 540	(4 494)	-5%	185 080
Waste water management		106 410	123 062	122 950	4 745	34 735	61 475	(26 740)	-43%	122 950
Waste management		64 049	81 707	81 707	4 843	46 995	40 853	6 142	15%	81 707
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1 313 073**	**1 526 437**	**1 558 063**	**160 949**	**747 758**	**779 031**	**(31 274)**	**-4%**	**1 558 063**
Expenditure - Functional										
Governance and administration		**328 779**	**362 481**	**362 471**	**28 657**	**147 405**	**181 018**	(33 614)	-19%	**362 471**
Executive and council		57 143	61 996	61 237	5 804	29 839	30 618	(779)	-3%	61 237
Finance and administration		271 580	299 963	300 712	22 829	117 500	150 139	(32 639)	-22%	300 712
Internal audit		57	523	523	24	66	261	(196)	-75%	523
Community and public safety		**104 281**	**140 104**	**140 984**	**9 547**	**54 182**	**70 492**	(16 310)	-23%	**140 984**
Community and social services		9 188	13 952	13 952	818	4 972	6 976	(2 004)	-29%	13 952
Sport and recreation		52 608	75 205	75 205	5 159	26 899	37 603	(10 703)	-28%	75 205
Public safety		28 701	33 254	33 254	2 274	15 106	16 627	(1 521)	-9%	33 254
Housing		5 817	9 703	10 583	686	3 340	5 291	(1 951)	-37%	10 583
Health		7 968	7 991	7 991	610	3 865	3 995	(130)	-3%	7 991
Economic and environmental services		**126 118**	**288 532**	**310 962**	**11 948**	**65 996**	**155 481**	(89 485)	-58%	**310 962**
Planning and development		27 163	32 149	34 424	1 854	12 027	17 212	(5 185)	-30%	34 424
Road transport		86 718	246 274	266 719	9 578	51 314	133 360	(82 045)	-62%	266 719
Environmental protection		12 237	10 109	9 819	516	2 655	4 910	(2 255)	-46%	9 819
Trading services		**743 328**	**714 357**	**720 833**	**58 004**	**374 107**	**360 416**	13 691	4%	**720 833**
Energy sources		426 149	453 172	457 682	33 710	253 876	228 841	25 035	11%	457 682
Water management		161 924	108 542	109 818	8 136	49 065	54 909	(5 844)	-11%	109 818
Waste water management		103 926	88 779	88 779	8 177	39 161	44 389	(5 228)	-12%	88 779
Waste management		51 329	63 864	64 554	7 981	32 005	32 277	(273)	-1%	64 554
Other		**6 775**	–	–	–	**3**	–	**3**		–
Total Expenditure - Functional	3	**1 309 281**	**1 505 474**	**1 535 251**	**108 155**	**641 692**	**767 408**	**(125 715)**	**-16%**	**1 535 251**
Surplus/ (Deficit) for the year		**3 792**	**20 963**	**22 812**	**52 793**	**106 065**	**11 624**	**94 442**	**813%**	**22 812**

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

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

Table C3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote – M06 December 2024

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1 687	1 115	1 115	63	1 145	557	587	105,4%	1 115
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		449 050	446 890	446 890	86 358	276 113	223 445	52 668	23,6%	446 890
Vote 4 - COMMUNITY SERVICES		148 611	276 782	276 832	8 419	69 517	138 416	(68 899)	-49,8%	276 832
Vote 5 - CIVIL AND WATER SERVICES		274 288	314 671	321 726	21 760	159 708	160 863	(1 155)	-0,7%	321 726
Vote 6 - ELECTRO/MECHANICAL SERVICES		398 035	409 586	410 273	34 392	222 889	205 136	17 753	8,7%	410 273
Vote 7 - PLANNING AND DEVELOPMENT		41 392	77 392	101 227	9 956	18 386	50 613	(32 227)	-63,7%	101 227
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	**1 313 063**	**1 526 437**	**1 558 063**	**160 949**	**747 758**	**779 031**	**(31 274)**	**-4,0%**	**1 558 063**
Expenditure by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		27 222	31 456	30 696	3 350	16 273	15 348	925	6,0%	30 696
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		114 919	128 955	128 955	10 355	52 259	64 261	(12 002)	-18,7%	128 955
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		133 949	141 869	142 158	10 198	48 935	71 079	(22 143)	-31,2%	142 158
Vote 4 - COMMUNITY SERVICES		218 052	386 594	387 136	21 519	113 092	193 568	(80 476)	-41,6%	387 136
Vote 5 - CIVIL AND WATER SERVICES		348 309	316 288	339 329	25 375	136 312	169 664	(33 352)	-19,7%	339 329
Vote 6 - ELECTRO/MECHANICAL SERVICES		442 656	466 160	470 989	35 179	261 906	235 494	26 411	11,2%	470 989
Vote 7 - PLANNING AND DEVELOPMENT		23 509	34 152	35 989	2 178	12 914	17 994	(5 080)	-28,2%	35 989
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	**1 308 616**	**1 505 474**	**1 535 251**	**108 155**	**641 692**	**767 408**	**(125 715)**	**-16,4%**	**1 535 251**
Surplus/ (Deficit) for the year	2	**4 447**	**20 963**	**22 812**	**52 793**	**106 065**	**11 624**	**94 442**	**812,5%**	**22 812**

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

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

Operating revenue and expenditure 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 C4 Monthly Budget Statement – Financial Performance (revenue and expenditure) – M06 December 2024

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
Revenue										
Exchange Revenue		670 815	667 935	667 935	58 768	360 457	333 967	26 489	8%	667 935
Service charges - Electricity		380 376	381 991	381 991	33 321	210 296	190 995	19 301	10%	381 991
Service charges - Water		109 873	82 323	82 323	9 030	54 054	41 162	12 892	31%	82 323
Service charges - Waste Water Management		59 633	64 086	64 086	5 452	33 448	32 043	1 405	4%	64 086
Service charges - Waste management		57 488	71 123	71 123	5 157	32 200	35 561	(3 361)	-9%	71 123
Sale of Goods and Rendering of Services		7 442	9 533	9 533	485	3 025	4 766	(1 741)	-37%	9 533
Agency services		3 615	4 554	4 554	–	–	2 277	(2 277)	-100%	4 554
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		21 854	32 335	32 335	2 625	15 108	16 167	(1 060)	-7%	32 335
Interest earned from Current and Non Current Assets		12 962	13 998	13 998	1 278	7 000	6 999	1	0%	13 998
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		3 550	3 187	3 187	1 027	2 413	1 593	819	51%	3 187
Licence and permits		2 368	2 851	2 851	223	1 135	1 426	(291)	-20%	2 851
Operational Revenue		11 654	1 955	1 955	171	1 778	978	801	82%	1 955
Non-Exchange Revenue		539 119	724 686	728 184	87 838	346 161	364 092	(17 931)	-5%	728 184
Property rates		280 203	297 076	297 076	20 195	176 230	148 538	27 692	19%	297 076
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		40 084	143 343	143 343	59	340	71 672	(71 331)	-100%	143 343
Licence and permits		7 421	11 772	11 772	1 276	6 072	5 886	186	3%	11 772
Transfer and subsidies - Operational		198 630	202 153	205 651	64 532	148 326	102 826	45 500	44%	205 651
Interest		5 519	5 510	5 510	555	3 214	2 755	459	17%	5 510
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	64 831	64 831	1 221	11 979	32 416	(20 437)	-63%	64 831
Gains on disposal of Assets		(56)	–	–	–	–	–	–		–
Other Gains		7 318	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and		**1 209 934**	**1 392 621**	**1 396 119**	**146 606**	**706 618**	**698 060**	**8 558**	**1%**	**1 396 119**
Expenditure By Type										
Employee related costs		398 878	471 743	481 056	32 215	202 714	240 528	(37 813)	-16%	481 056
Remuneration of councillors		14 976	15 594	15 594	1 418	8 021	7 797	223	3%	15 594
Bulk purchases - electricity		351 702	386 299	386 299	29 563	231 276	193 149	38 127	20%	386 299
Inventory consumed		102 599	109 019	107 712	7 990	43 410	53 856	(10 446)	-19%	107 712
Debt impairment		87 369	158 246	158 246	–	–	79 123	(79 123)	-100%	158 246
Depreciation and amortisation		102 539	117 798	117 798	9 817	58 899	58 900	(1)	0%	117 798
Interest		10 038	17 404	36 254	810	2 824	18 127	(15 302)	-84%	36 254
Contracted services		93 766	125 372	127 188	10 255	42 080	63 594	(21 514)	-34%	127 188
Transfers and subsidies		920	400	400	–	–	200	(200)	-100%	400
Irrecoverable debts written off		62 860	9 359	9 359	6 746	6 746	4 679	2 066	44%	9 359
Operational costs		81 923	94 240	95 346	9 343	45 722	47 455	(1 733)	-4%	95 346
Losses on Disposal of Assets		1 713	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1 309 281**	**1 505 474**	**1 535 251**	**108 155**	**641 692**	**767 408**	**(125 715)**	**-16%**	**1 535 251**
Surplus/(Deficit)		**(99 347)**	**(112 853)**	**(139 132)**	**38 451**	**64 925**	**(69 348)**	**134 274**	**(0)**	**(139 132)**
Transfers and subsidies - capital (monetary allocations)		85 140	133 816	161 944	14 342	41 140	80 972	(39 832)	**(0)**	161 944
Transfers and subsidies - capital (in-kind)		18 000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3 792**	**20 963**	**22 812**	**52 793**	**106 065**	**11 624**			**22 812**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**3 792**	**20 963**	**22 812**	**52 793**	**106 065**	**11 624**			**22 812**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**3 792**	**20 963**	**22 812**	**52 793**	**106 065**	**11 624**			**22 812**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3 792**	**20 963**	**22 812**	**52 793**	**106 065**	**11 624**			**22 812**

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

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

Table C5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding) – M06 December 2024

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		71	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1 129	–	1 413	8	1 137	706	430	61%	1 413
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		810	–	755	265	323	378	(55)	-14%	755
Vote 4 - COMMUNITY SERVICES		3 914	1 391	1 634	–	209	817	(608)	-74%	1 634
Vote 5 - CIVIL AND WATER SERVICES		50 070	80 868	280 940	8 720	32 335	140 470	(108 135)	-77%	280 940
Vote 6 - ELECTRO/MECHANICAL SERVICES		167	68 103	73 699	30 027	54 848	36 850	17 999	49%	73 699
Vote 7 - PLANNING AND DEVELOPMENT		(23)	–	20 386	912	6 099	10 193	(4 094)	-40%	20 386
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 Capital Multi-year expenditure	4,7	**56 138**	**150 362**	**378 826**	**39 932**	**94 950**	**189 413**	**(94 463)**	**-50%**	**378 826**
Single Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		39	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		–	–	–	–	–	–	–		–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		11	–	–	–	–	–	–		–
Vote 4 - COMMUNITY SERVICES		1 557	–	–	–	–	–	–		–
Vote 5 - CIVIL AND WATER SERVICES		35 111	–	–	–	–	–	–		–
Vote 6 - ELECTRO/MECHANICAL SERVICES		58	–	–	–	–	–	–		–
Vote 7 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–		–
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 Capital single-year expenditure	4	36 777	–	–	–	–	–	–		–
Total Capital Expenditure	3	**92 915**	**150 362**	**378 826**	**39 932**	**94 950**	**189 413**	**(94 463)**	**-50%**	**378 826**
Capital Expenditure - Functional Classification										
Governance and administration		**2 644**	**34 000**	**36 311**	**27 056**	**52 675**	**18 155**	34 519	190%	**36 311**
Executive and council		336	–	–	–	–	–	–		–
Finance and administration		2 270	34 000	36 311	27 056	52 675	18 155	34 519	190%	36 311
Internal audit		39	–	–	–	–	–	–		–
Community and public safety		**9 879**	**1 391**	**21 777**	**912**	**6 099**	**10 888**	(4 790)	-44%	**21 777**
Community and social services		6 562	–	–	–	–	–	–		–
Sport and recreation		506	–	–	–	–	–	–		–
Public safety		2 810	1 391	1 391	–	–	696	(696)	-100%	1 391
Housing		–	–	20 386	912	6 099	10 193	(4 094)	-40%	20 386
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**29 125**	**9 670**	**184 521**	**101**	**2 767**	**92 260**	(89 493)	-97%	**184 521**
Planning and development		14	500	1 535	–	480	767	(288)	-38%	1 535
Road transport		28 869	9 170	182 986	101	2 287	91 493	(89 205)	-97%	182 986
Environmental protection		242	–	–	–	–	–	–		–
Trading services		**51 267**	**105 300**	**136 218**	**11 863**	**33 410**	**68 109**	(34 699)	-51%	**136 218**
Energy sources		5 703	34 103	39 699	3 244	3 842	19 850	(16 007)	-81%	39 699
Water management		21 197	29 008	43 225	4 266	11 252	21 613	(10 361)	-48%	43 225
Waste water management		22 809	42 190	53 294	4 353	18 316	26 647	(8 331)	-31%	53 294
Waste management		1 557	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**92 915**	**150 362**	**378 826**	**39 932**	**94 950**	**189 413**	**(94 463)**	**-50%**	**378 826**
Funded by:										
National Government		347	54 997	61 730	4 717	22 882	30 865	(7 983)	-26%	61 730
Provincial Government		–	59 973	80 359	7 276	13 550	40 179	(26 630)	-66%	80 359
District Municipality		2 810	1 391	1 391	–	–	696	(696)	-100%	1 391
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		**3 157**	**116 362**	**143 480**	**11 993**	**36 432**	**71 740**	**(35 308)**	**-49%**	**143 480**
Borrowing	6	–	34 000	207 913	26 783	51 006	103 957	(52 951)	-51%	207 913
Internally generated funds		89 757	–	27 434	1 156	7 513	13 717	(6 204)	-45%	27 434
Total Capital Funding	7	**92 915**	**150 362**	**378 826**	**39 932**	**94 950**	**189 413**	**(94 463)**	**-50%**	**378 826**

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

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

Table C6 Monthly Budget Statement – Financial Position – M06 December 2024

Description R thousands	Ref	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		143 659	43 640	58 060	204 319	58 060
Trade and other receivables from exchange transactions		58 750	77 030	77 030	105 534	77 030
Receivables from non-exchange transactions		26 651	29 014	29 014	22 783	29 014
Current portion of non-current receivables		–	–	–	–	–
Inventory		22 450	18 598	19 748	24 316	19 748
VAT		12 790	45 445	45 445	61 970	45 445
Other current assets		2 149	109	109	2 141	109
Total current assets		**266 448**	**213 837**	**229 407**	**421 063**	**229 407**
Non current assets						
Investments		–	–	–	–	–
Investment property		250 794	262 608	262 608	250 794	262 608
Property, plant and equipment		2 061 616	2 106 737	2 335 202	2 097 960	2 335 202
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		419	603	603	125	603
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**2 312 828**	**2 369 948**	**2 598 413**	**2 348 879**	**2 598 413**
TOTAL ASSETS		**2 579 276**	**2 583 785**	**2 827 820**	**2 769 942**	**2 827 820**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		11 144	23 564	34 488	3 918	34 488
Consumer deposits		31 660	29 060	29 060	33 554	29 060
Trade and other payables from exchange transactions		143 222	124 413	125 563	111 102	125 563
Trade and other payables from non-exchange transactions		38 791	–	–	42 414	–
Provision		54 427	48 355	48 355	54 427	48 355
VAT		14 707	(0)	(0)	72 427	(0)
Other current liabilities		–	–	–	–	–
Total current liabilities		**293 952**	**225 392**	**237 467**	**317 841**	**237 467**
Non current liabilities						
Financial liabilities		12 231	11 333	164 604	58 952	164 604
Provision		133 995	140 468	140 468	133 995	140 468
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		97 065	119 151	119 151	97 065	119 151
Total non current liabilities		**243 291**	**270 953**	**424 224**	**290 012**	**424 224**
TOTAL LIABILITIES		**537 243**	**496 345**	**661 690**	**607 854**	**661 690**
NET ASSETS	2	**2 042 032**	**2 087 440**	**2 166 129**	**2 162 089**	**2 166 129**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2 036 273	2 087 440	2 166 129	2 156 330	2 166 129
Reserves and funds		5 759	–	–	5 759	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2 042 032**	**2 087 440**	**2 166 129**	**2 162 089**	**2 166 129**

Explanatory notes to Table C6 – Budgeted Financial Position

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

ii. Any movement on the Budgeted Financial Performance or the Capital Budget will invariably impact on the Budgeted Financial Position.
For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end.

Similarly, the collection rate assumption informs the budget provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as compliance assessment is directly informed by forecasting the statement of financial position.

Table C7 Monthly Budget Statement – Cash Flow – M06 December 2024

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		362 726	287 458	287 458	23 664	167 253	143 729	23 524	16%	287 458
Service charges		255 325	761 922	761 922	48 112	290 772	380 961	(90 189)	-24%	761 922
Other revenue		16 788	93 666	100 764	24 450	140 173	50 382	89 791	178%	100 764
Transfers and Subsidies - Operational		184 436	202 153	205 651	64 736	150 959	102 826	48 134	47%	205 651
Transfers and Subsidies - Capital		1 586	123 443	123 331	9 943	42 150	61 665	(19 516)	-32%	123 331
Interest		914 663	13 998	13 998	1 278	7 000	6 999	1	0%	13 998
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		771 377	(1 327 265)	(1 339 132)	(100 358)	(618 268)	(773 972)	(155 705)	20%	(1 339 132)
Interest		-	(16 159)	(36 082)	(810)	(2 824)	(17 591)	(14 766)	84%	(36 082)
Transfers and Subsidies		-	(400)	(400)	-	-	(200)	(200)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2 506 902**	**138 815**	**117 510**	**71 016**	**177 215**	**(45 201)**	**(222 416)**	**492%**	**117 510**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(83 038)	(116 362)	(170 913)	(45 922)	(109 329)	85 457	194 785	228%	(170 913)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83 038)**	**(116 362)**	**(170 913)**	**(45 922)**	**(109 329)**	**85 457**	**194 785**	**228%**	**(170 913)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	(22 478)	(32 196)	(1 867)	(7 226)	-	7 226	0%	(32 196)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**-**	**(22 478)**	**(32 196)**	**(1 867)**	**(7 226)**	**-**	**7 226**	**0%**	**(32 196)**
NET INCREASE/ (DECREASE) IN CASH HELD		**2 423 864**	**(24)**	**(85 599)**	**23 226**	**60 660**	**40 255**			**(85 599)**
Cash/cash equivalents at beginning:		175 550	43 665	143 659		143 659	143 659			143 659
Cash/cash equivalents at month/year end:		2 599 414	43 641	58 060		204 319	183 914			58 060

Explanatory notes to Table C7 – Budgeted Cash Flow Statement

i. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.

ii. It reflects the expected cash inflows versus outflows that are likely to result from the implementation of the budget.

Annexure "A5"

1. ANALYSIS OF THE MUNICIPALITY'S STATEMENT OF FINANCIAL POSITION

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

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

Below is an analysis of the outstanding consumer debtors as at 31 December 2024, compared to the position as at 30 June 2024.

Debtors' Age Analysis (Inclusive of VAT) as at 31 December 2024

Description	Budget Year 2024/25								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	21 191	6 170	5 283	5 162	5 105	3 428	15 988	96 369	158 695
Trade and Other Receivables from Exchange Transactions - Electricity	32 377	2 703	2 206	2 430	1 169	834	3 619	13 311	58 648
Receivables from Non-exchange Transactions - Property Rates	21 417	2 554	2 070	9 580	1 519	1 308	6 260	30 979	75 687
Receivables from Exchange Transactions - Waste Water Management	9 694	1 988	1 771	1 851	1 553	1 072	5 801	34 875	58 605
Receivables from Exchange Transactions - Waste Management	6 946	1 474	1 333	1 263	1 240	1 331	6 253	48 780	68 620
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1 418	301	370	666	534	664	3 707	78 826	86 488
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(28 956)	394	342	356	1 153	523	1 729	18 552	(5 906)
Total By Income Source	**64 087**	**15 585**	**13 375**	**21 309**	**12 273**	**9 160**	**43 356**	**321 692**	**500 836**
									–
Debtors Age Analysis By Customer Group									
Organs of State	1 285	611	718	1 339	378	246	1 063	6 740	12 379
Commercial	10 568	604	510	675	300	230	1 099	7 506	21 491
Households	52 231	14 369	12 146	19 294	11 595	8 683	41 189	307 437	466 944
Other	4	1	1	1	1	1	5	9	22
Total By Customer Group	**64 087**	**15 585**	**13 375**	**21 309**	**12 273**	**9 160**	**43 356**	**321 692**	**500 836**

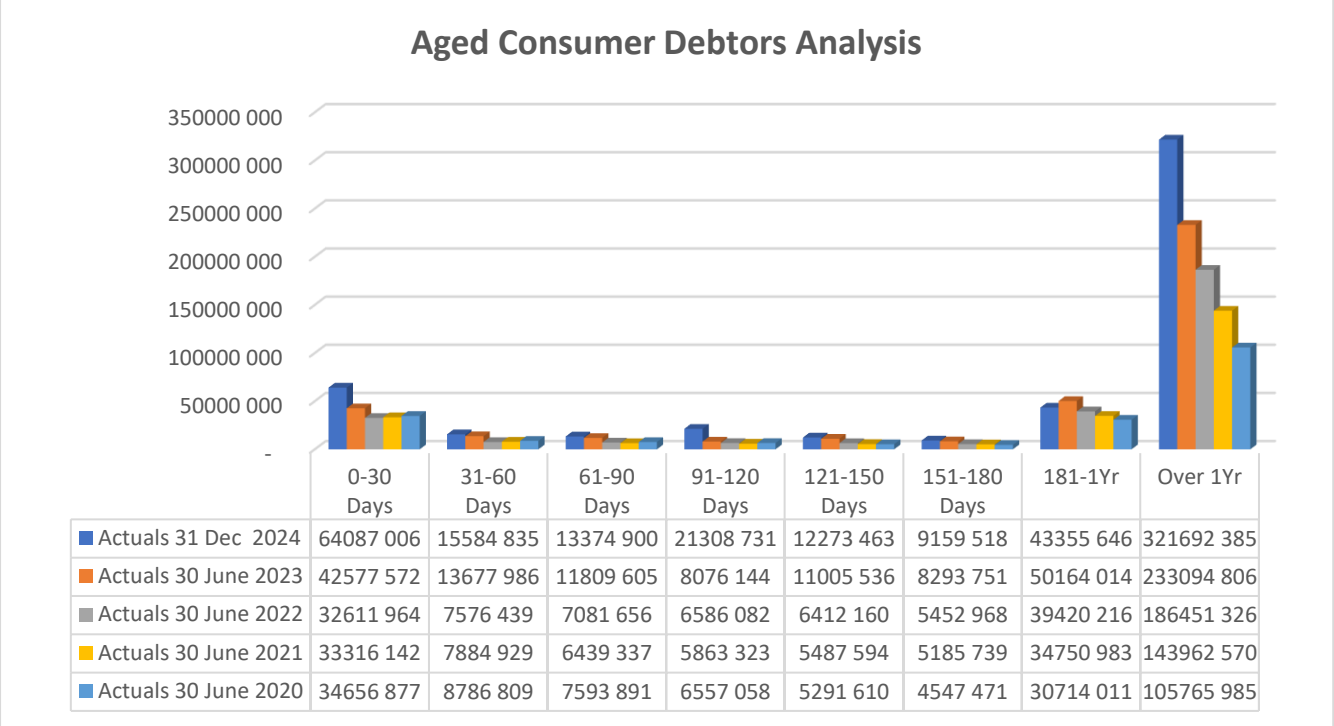
Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2024

Description	Budget Year 2023/24								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	16,926	4,991	3,560	2,947	2,757	3,342	23,674	81,485	139,681
Trade and Other Receivables from Exchange Transactions - Electricity	30,100	2,656	1,822	1,523	1,227	1,205	3,967	12,087	54,588
Receivables from Non-exchange Transactions - Property Rates	20,688	2,926	2,041	1,917	1,656	1,607	12,274	25,329	68,439
Receivables from Exchange Transactions - Waste Water Management	8,472	1,630	1,289	1,139	1,069	1,426	5,337	31,828	52,190
Receivables from Exchange Transactions - Waste Management	6,656	1,404	1,250	1,181	1,129	1,384	5,914	45,009	63,925
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1,047	293	312	353	395	688	4,539	65,856	73,483
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(30,180)	448	401	356	365	371	2,128	17,423	(8,688)
Total By Income Source	**53,707**	**14,348**	**10,675**	**9,416**	**8,597**	**10,023**	**57,833**	**279,018**	**443,618**
Debtors Age Analysis By Customer Group									
Organs of State	1,405	559	416	572	440	360	2,688	4,873	11,312
Commercial	7,621	589	366	362	305	260	1,475	6,618	17,596
Households	44,677	13,199	9,892	8,482	7,852	9,403	53,664	267,524	414,692
Other	4	1	1	1	1	1	6	4	18
Total By Customer Group	**53,707**	**14,348**	**10,675**	**9,416**	**8,597**	**10,023**	**57,833**	**279,018**	**443,618**

The analysis indicates that from 30 June 2024 to 31 December 2024, the overdue debts have increased by R 46,839 million from R 389,910 million to R 436,749 million, as follows:

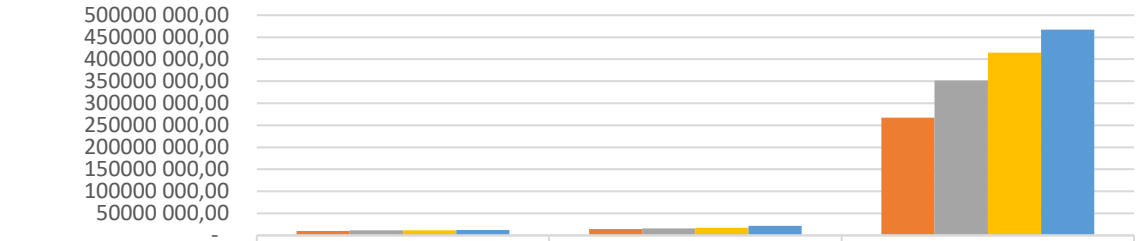
R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-24**	**31-Dec-24**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	122 756	137 504	14 749
Trade and Other Receivables from Exchange Transactions - Electricity	24 488	26 271	1 784
Receivables from Non-exchange Transactions - Property Rates	47 751	54 270	6 519
Receivables from Exchange Transactions - Waste Water Management	43 719	48 911	5 193
Receivables from Exchange Transactions - Waste Management	57 269	61 673	4 404
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	72 437	85 069	12 632
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	21 492	23 050	1 558
Total By Income Source	**389 910**	**436 749**	**46 839**
		–	
Debtors Age Analysis By Customer Group	–	–	
Organs of State	9 907	11 094	1 188
Commercial	9 975	10 923	949
Households	370 015	414 713	44 698
Other	14	19	5
Total By Customer Group	**389 910**	**436 749**	**46 839**

Graphical Analysis of consumer debtors



	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1Yr	Over 1Yr
Actuals 31 Dec 2024	64087 006	15584 835	13374 900	21308 731	12273 463	9159 518	43355 646	321692 385
Actuals 30 June 2023	42577 572	13677 986	11809 605	8076 144	11005 536	8293 751	50164 014	233094 806
Actuals 30 June 2022	32611 964	7576 439	7081 656	6586 082	6412 160	5452 968	39420 216	186451 326
Actuals 30 June 2021	33316 142	7884 929	6439 337	5863 323	5487 594	5185 739	34750 983	143962 570
Actuals 30 June 2020	34656 877	8786 809	7593 891	6557 058	5291 610	4547 471	30714 011	105765 985

Graphical Analysis of consumer debtors (total by Debtor Consumer Category)



	Organs of State	Commercial	Households
Budget Year 2021/22	10058 004,67	14079 073,86	267455 731,94
Budget Year 2022/23	11295 968,77	15936 031,43	351468 068,65
Budget Year 2023/24	11312 034,71	17595 833,60	414692 398,58
Budget Year 2024/25	12379 075,09	21491 161,14	466944 007,65

1.2 Overview of Creditors position

Below is an analysis of the status of the major creditors.

Description	Budget Year 2024/25								
R thousands	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type									
Bulk Electricity	33 976	(5)	–	–	7	6	37	(180)	**33 841**
Bulk Water	559	18	16	(43)	22	17	70	(1 046)	**(386)**
PAYE deductions	5 649								**5 649**
VAT (output less input)									**–**
Pensions / Retirement deductions									**–**
Loan repayments									**–**
Trade Creditors	3 298	2 167	–	–	–	12	373	96	**5 946**
Auditor General									**–**
Other									**–**
Total By Customer Type	**43 482**	**2 180**	**16**	**(43)**	**29**	**35**	**481**	**(1 130)**	**45 051**

The above amounts represent invoices still to be paid. The major creditors as at 31 December 2024 are as follows:

Eskom	R 33,841 million
NMBM	R -0,386 million
PAYE	R 5,649 million
Other Creditors	R 5,946 million
Total	**R 45,051 million**

It must be noted that the Eskom amount of R 33,841 million, represents the current account for December 2024, which is due on 23 January 2025.

It is to be noted that the SARS amount of R 5,649 million, represents the current account for December 2024, which is due on 7 January 2025.

1.3 Allocation and Grants receipts and expenditure for the 2024/25 financial year

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M06 December 2024.

Description	Budget Year 2024/25							
	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands							%	
RECEIPTS:								
Operating Transfers and Grants								
National Government:	**197 710**	**197 710**	**64 736**	**148 837**	**148 837**	**-**		**197 710**
Operational Revenue:General Revenue:Equitable Share	192 664	192 664	64 213	144 490	144 490	-		192 664
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 495	1 495	-	1 047	1 047	-		1 495
Local Government Financial Management Grant [Schedule 5B]	1 723	1 723	-	1 723	1 723	-		1 723
Municipal Infrastructure Grant [Schedule 5B]	1 828	1 828	523	1 577	1 577	-		1 828
Provincial Government:	**2 050**	**5 498**	**-**	**2 955**	**2 050**	**905**	**44,1%**	**5 498**
Library Grant	2 050	2 050	-	2 955	2 050	905	44,1%	2 050
Human Settlement Grant	-	3 448	-	-	-	-		3 448
District Municipality:	**2 393**	**2 393**	**-**	**(833)**	**833**	(1 665)	-200,0%	**2 393**
Environmental Health Subsidy	2 393	2 393	-	(833)	833	(1 665)	-200,0%	2 393
Other grant providers:	**-**	**50**	**-**	**-**	**-**	-		**50**
Departmental Agencies and Accounts	-	50	-	-	-	-		50
Total Operating Transfers and Grants	**202 153**	**205 651**	**64 736**	**150 959**	**151 719**	**(760)**	**-0,5%**	**205 651**
Capital Transfers and Grants								
National Government:	**52 874**	**52 762**	**9 943**	**41 647**	**41 647**	**-**		**52 762**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4 203	4 203	-	-	-	-		4 203
Municipal Infrastructure Grant [Schedule 5B]	34 730	34 618	9 943	29 962	29 962	-		34 618
Water Services Infrastructure Grant [Schedule 5B]	13 941	13 941	-	11 685	11 685	-		13 941
Provincial Government:	**68 969**	**68 969**	**-**	**503**	**503**	-		**68 969**
Human Settlement Grant	68 969	68 969	-	503	503	-		68 969
District Municipality:	**1 600**	**1 600**	**-**	**-**	**-**	-		**1 600**
Fire Services Subsidy	1 600	1 600	-	-	-	-		1 600
Total Capital Transfers and Grants	**123 443**	**123 331**	**9 943**	**42 150**	**42 150**	**-**		**123 331**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	325 596	328 982	74 679	193 109	193 869	(760)	-0,4%	328 982

Below is an analysis of the spending associated with the grants as at 31 December 2024:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M06 December 2024.

Description	Budget Year 2024/25							
	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands							%	
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	**197 710**	**197 710**	**319**	**146 224**	**147 013**	**(789)**	**-0,5%**	**197 710**
Operational Revenue:General Revenue:Equitable Share	192 664	192 664	–	144 490	144 490	–		192 664
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 495	1 495	120	528	747	(220)	-29,4%	1 495
Local Government Financial Management Grant [Schedule 5B]	1 723	1 723	55	353	861	(509)	-59,1%	1 723
Municipal Infrastructure Grant [Schedule 5B]	1 828	1 828	144	854	914	(60)	-6,6%	1 828
Provincial Government:	**2 050**	**5 498**	**–**	**2 955**	**1 724**	**1 231**	**71,4%**	**5 498**
Library Grant	2 050	2 050	–	2 955	–	2 955		2 050
Human Settlement Grant	–	3 448	–	–	1 724	(1 724)	-100,0%	3 448
District Municipality:	**2 393**	**2 393**	**–**	**–**	**–**	**–**		**2 393**
Environmental Health Subsidy	2 393	2 393	–	–	–	–		2 393
Other grant providers:	**–**	**50**	**–**	**–**	**–**	**–**		**50**
Departmental Agencies and Accounts	–	50	–	–	–	–		50
Total operating expenditure of Transfers and Grants:	**202 153**	**205 651**	**319**	**149 179**	**148 737**	**442**	**0,3%**	**205 651**
Capital expenditure of Transfers and Grants								
National Government:	**63 247**	**70 989**	**4 850**	**25 683**	**35 495**	**(9 812)**	**-27,6%**	**70 989**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4 203	4 889	50	50	2 445	(2 395)	-98,0%	4 889
Municipal Infrastructure Grant [Schedule 5B]	34 730	34 618	3 990	17 902	17 309	593	3,4%	34 618
Water Services Infrastructure Grant [Schedule 5B]	13 941	21 109	669	5 100	10 554	(5 454)	-51,7%	21 109
Municipal Disaster Relief Grant	10 373	10 373	141	2 631	5 186	(2 556)	-49,3%	10 373
Provincial Government:	**68 969**	**89 354**	**9 492**	**15 457**	**44 677**	(29 220)	-65,4%	**89 354**
Human Settlement Grant	68 969	89 354	9 492	15 457	44 677	(29 220)	-65,4%	89 354
District Municipality:	**1 600**	**1 600**	**–**	**–**	**–**	**–**		**1 600**
Fire Services Subsidy	1 600	1 600	–	–	–	–		1 600
Total capital expenditure of Transfers and Grants	**133 816**	**161 944**	**14 342**	**41 140**	**80 172**	**(39 032)**	**-48,7%**	**161 944**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**335 969**	**367 595**	**14 661**	**190 319**	**228 909**	**(38 590)**	**-16,9%**	**367 595**

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

Grants received from National Government.

DORA Operating Grants

Financial Management Grant (FMG)
The purpose of this grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R 1,723,000
Amount of Grant Received:	R 1,723,000
Expenditure to date:	R 352,714
Unspent as at 31 December 2024:	R 1,370,286

The spending of the grant amounted to 20.47% as at 31 December 2024, compared to the amount of the grant received.

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

DORA Allocation:	R 1,495,000
Amount of Grant Received:	R 1,047,000
Expenditure to date:	R 527,661
Unspent as at 31 December 2024:	R 519,339

The spending of the grant amounted to 50.40% as at 31 December 2024, compared to the amount of the grant received.

DORA Capital Grants

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

DORA Allocation:	R 36,558,000
Amount of Grant Received:	R 31,539,000
Expenditure to date:	R 18,755,703
Unspent as at 31 December 2024:	R 12,783,297

The spending of the grant amounted to 59.47% as at 31 December 2024, compared to the amount of the grant received.

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

DORA Allocation:	R 4,203,000
Current Year Receipts:	R 0,00
Prior Year Unspent:	R 686,303
Expenditure to date:	R 49,756
Unspent as at 31 December 2024:	R 636,548

The spending of the grant amounted to 7.25% as at 31 December 2024, compared to the amount of the grant received.

Water Services Infrastructure Grant

The purpose of this grant is to provide specific capital finance for projects to accelerate backlog reduction in municipal infrastructure and provide interim, intermediate water and sanitation supply that ensures provision of services to identified and prioritised communities, including through spring protection and groundwater development and support drought relief projects.

DORA Allocation:	R 13,941,000
Current Year Receipts:	R 11,685,000
Prior Year Unspent:	R 7,167,886
Amount of Grant Received:	**R 18,852,886**
Expenditure to date:	R 5,100,471
Unspent as at 31 December 2024:	R 13,752,415

The spending of the grant amounted to 27.05% as at 31 December 2024, compared to the amount of the grant received.

Municipal Disaster Response Grant

The purpose of the grant is to provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act. This grant provides funding for responding to and providing response and relief measures for unforeseeable and unavoidable disasters where municipalities are unable to cope with the effects of the disaster from own resources.

Prior Year Unspent:	R 10,380,741
Expenditure to date:	R 2,630,597
Unspent as at 31 December 2024:	R 7,750,144

The spending of the grant amounted to 25.34% as at 31 December 2024, compared to the amount of the grant received.

Other Conditional Grants

Conditional Grant	Prior Year Unspent	Interest	Expenditure	%	Unspent as at 30 November 2024
Human Settlement Grant	20,555,956	502,661	15,456,847	73.40%	5,601,770

1.4 Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M06 December 2024.

Summary of Employee and Councillor remuneration	Budget Year 2024/25							
	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands							%	
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	10 414	10 414	967	5 428	5 207	221	4%	10 414
Pension and UIF Contributions	–	–	–	–	–	–		–
Medical Aid Contributions	–	–	11	65	–	65		–
Motor Vehicle Allowance	3 503	3 503	322	1 822	1 751	71	4%	3 503
Cellphone Allowance	1 678	1 678	118	705	839	(134)	-16%	1 678
Housing Allowances	–	–	–	–	–	–		–
Other benefits and allowances	–	–	–	–	–	–		–
Sub Total - Councillors	**15 594**	**15 594**	**1 418**	**8 021**	**7 797**	**223**	**3%**	**15 594**
Senior Managers of the Municipality								
Basic Salaries and Wages	9 681	9 681	590	3 590	4 841	(1 250)	-26%	9 681
Pension and UIF Contributions	123	123	1	11	62	(51)	-82%	123
Medical Aid Contributions	56	56	–	3	28	(25)	-90%	56
Overtime	–	–	–	–	–	–		–
Performance Bonus	1 798	1 798	–	159	899	(740)	-82%	1 798
Motor Vehicle Allowance	2 196	2 196	206	1 100	1 098	2	0%	2 196
Cellphone Allowance	11	11	1	6	5	1	12%	11
Housing Allowances	–	–	–	–	–	–		–
Other benefits and allowances	5	5	0	0	3	(2)	-86%	5
Payments in lieu of leave	–	–	–	–	–	–		–
Long service awards	–	–	–	–	–	–		–
Post-retirement benefit obligations	–	–	–	–	–	–		–
Entertainment	–	–	–	–	–	–		–
Scarcity	–	–	–	–	–	–		–
Acting and post related allowance	–	–	–	–	–	–		–
In kind benefits	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality	**13 870**	**13 870**	**798**	**4 869**	**6 935**	**(2 065)**	**-30%**	**13 870**
Other Municipal Staff								
Basic Salaries and Wages	295 150	302 701	21 315	120 777	151 350	(30 573)	-20%	302 701
Pension and UIF Contributions	38 991	39 834	3 052	18 253	19 917	(1 664)	-8%	39 834
Medical Aid Contributions	19 915	20 145	1 705	10 123	10 073	51	1%	20 145
Overtime	29 255	29 335	2 325	14 912	14 668	245	2%	29 335
Performance Bonus	26	26	–	–	13	(13)	-100%	26
Motor Vehicle Allowance	12 091	12 162	857	5 239	6 081	(842)	-14%	12 162
Cellphone Allowance	59	59	–	2	30	(28)	-93%	59
Housing Allowances	1 308	1 336	54	339	668	(329)	-49%	1 336
Other benefits and allowances	37 715	38 227	1 533	25 075	19 114	5 961	31%	38 227
Payments in lieu of leave	–	–	–	–	–	–		–
Long service awards	–	–	–	230	–	230		–
Post-retirement benefit obligations	23 361	23 361	574	2 895	11 680	(8 786)	-75%	23 361
Entertainment	–	–	–	–	–	–		–
Scarcity	–	–	–	–	–	–		–
Acting and post related allowance	–	–	–	–	–	–		–
In kind benefits	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff	**457 873**	**467 186**	**31 416**	**197 845**	**233 593**	**(35 748)**	**-15%**	**467 186**
Total Parent Municipality	**487 337**	**496 650**	**33 632**	**210 735**	**248 325**	**(37 590)**	**-15%**	**496 650**
TOTAL SALARY, ALLOWANCES & BENEFITS	**487 337**	**496 650**	**33 632**	**210 735**	**248 325**	**(37 590)**	**-15%**	**496 650**
TOTAL MANAGERS AND STAFF	**471 743**	**481 056**	**32 215**	**202 714**	**240 528**	**(37 813)**	**-16%**	**481 056**

1.5. Key performance indicators

The table below reflects the key performance indicators as per the 2024/25 Budget and the associated performance to date.

Borrowing Management		**Actuals as at 30 June 2021**	**Actuals as at 30 June 2022**	**Actuals as at 30 June 2023**	**Actuals as at 30 June 2024**	**Approved Adjusted Budget 2024/25**	**Actuals as at 31 December 2024**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.13%	1.04%	0.32%	1.37%	4.45%	1.57%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	0%	0%
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.01	0.01	0.00	0.01	0.05	0.01
Liquidity							
Current Ratio	Current assets / current liabilities	1.07	0,51	0.91	0.91:1	0.96:1	1.32:1
Liquidity Ratio	Monetary assets / current liabilities	0.34	0,15	0.40	0.49:1	0.26:1	0.64:1
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	94.41%	94.32%	86.71%	91.01%	95%	87.81%

Other indicators		Actuals as at 30 June 2021	Actuals as at 30 June 2022	Actuals as at 30 June 2023	Actuals as at 30 June 2024	Approved Adjusted Budget 2024/25	Actuals as at 31 December 2024
Cost coverage	(Cash and cash equivalents - Unspent Conditional Grants - Overdraft) + Short term investment)/monthly fixed operational expenditure excluding (depreciation, amortisation, provision for bad debts, impairment and loss on disposal of assets)	0.65	0.36	0.98	1.19 Months	0.53 Months	1.69 Months
Employee Costs	Employee Costs / Total Operating Expenditure	34.22%	31,69%	29.47%	30.46%	31.33%	31.59%
Capital Expenditure	Capital Expenditure / Capital Budget	71.67%	123,92%	94.66%	71.38%	95%	25.06%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	6.99%	4,32%	3.86%	4.15%	15.27%	10.56%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	3.33%	2,26%	2.32%	2.64%	10.07%	3.23%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	77.14%	77,76%	77.74%	77.02%	85.27%	79.01%

The above table is discussed in detail below.

1.1. Borrowing Management

1.1.1. Capital charges to Operating Expenditure.

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as percentage of Total Operating Expenditure.

Capital charges/Total Operating Expenditure to date.

The ratio is 1.57% as at 31 December 2024, compared to the approved adjusted budget ratio of 4.45%.

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 31 December 2024, the ratio indicates 87.16% of borrowed funding, compared to total expenditure to date, excluding transfers and grants.

1.1.2. Debt Servicing Costs to Operating Revenue Ratio

This ratio indicates the proportion of debt servicing costs (interest and principal paid on borrowing) to actual operating revenue to date.

The ratio is determined as follows:

Debt Servicing Costs/Operating Revenue

As at 31 December 2024, the ratio indicates 0.01, compared to the approved adjusted budget of 0.05.

1.1.3. Current ratio

The Ratio assesses the Municipality's ability to meet its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables etc.).

The ratio is determined as follows:

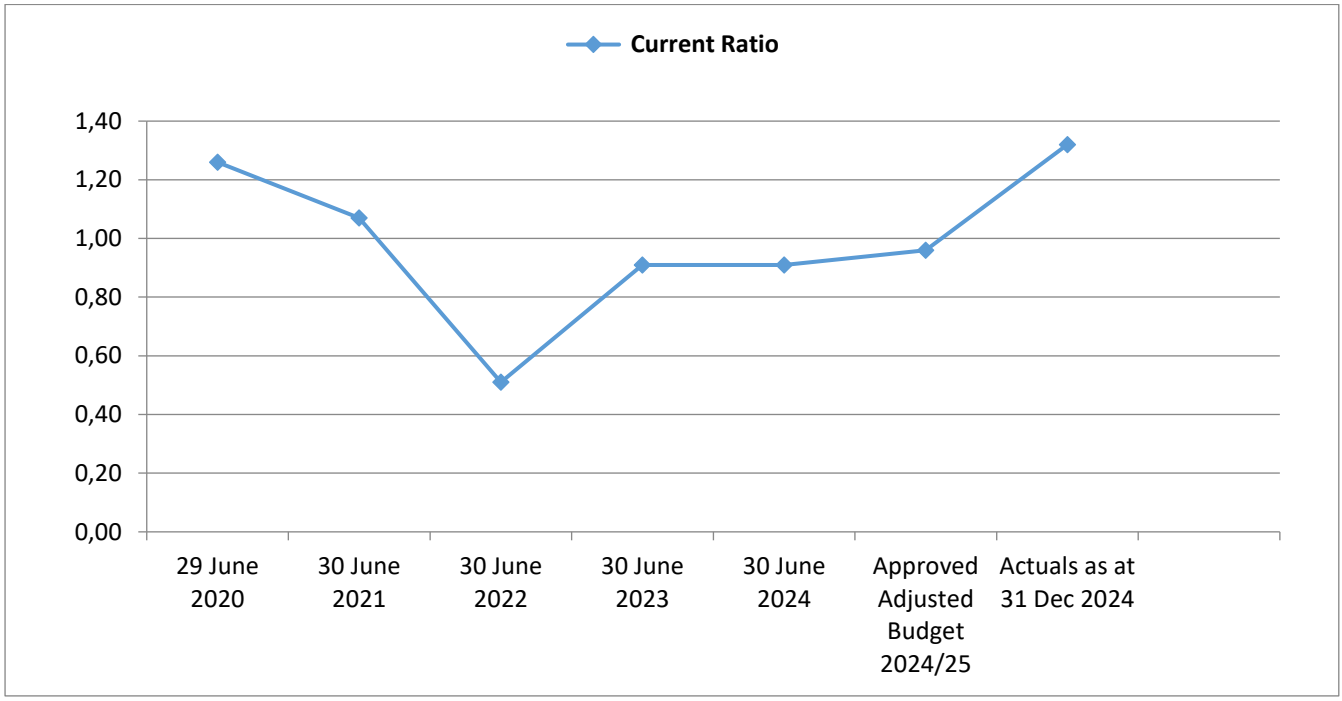
Current assets/Current liabilities

The ratio as at 31 December 2024 was 1.32:1, compared to the approved adjusted budget ratio of 0.96:1

In terms of the MFMA Circular No. 71, the norm is 1.5:1 to 2:1

The higher the current Ratio, the stronger the Municipality's financial capacity to meet its current obligations.

A ratio of below 1:1 would suggest that the Municipality would be unable to meet all of its current obligations as and when they fall due.



1.1.4. Liquidity Ratio

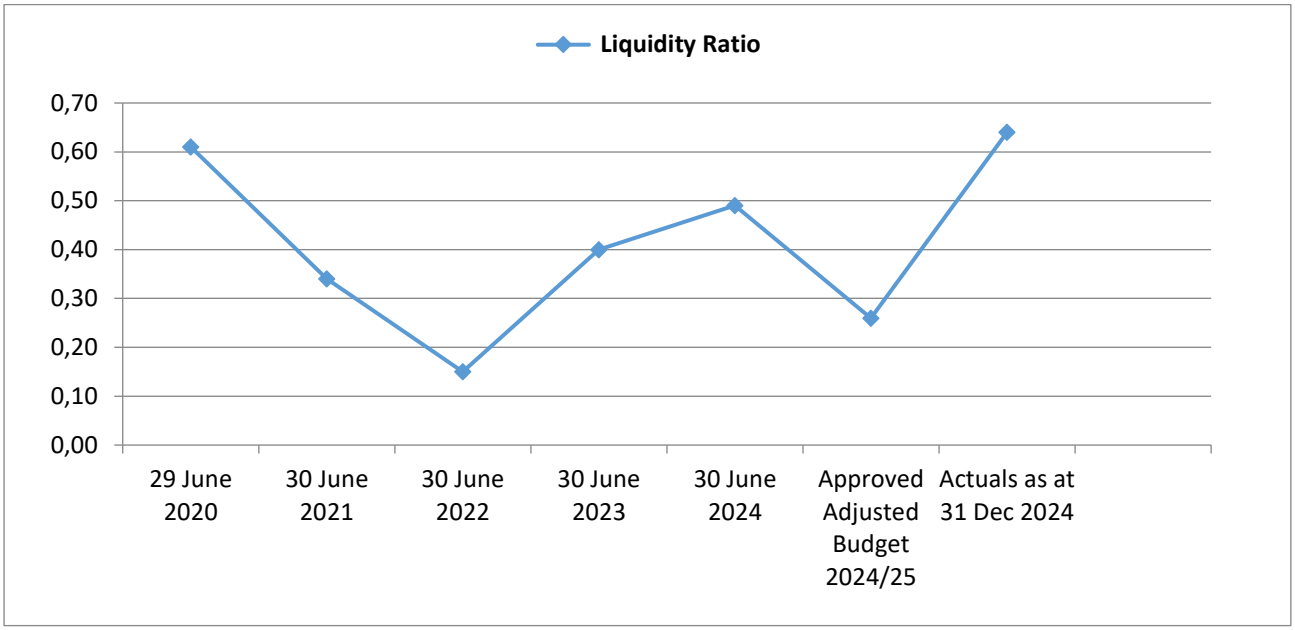
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 31 December 2024 was 0.64:1 compared to the approved budget ratio of 0.26:1.

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



1.2. Revenue Management

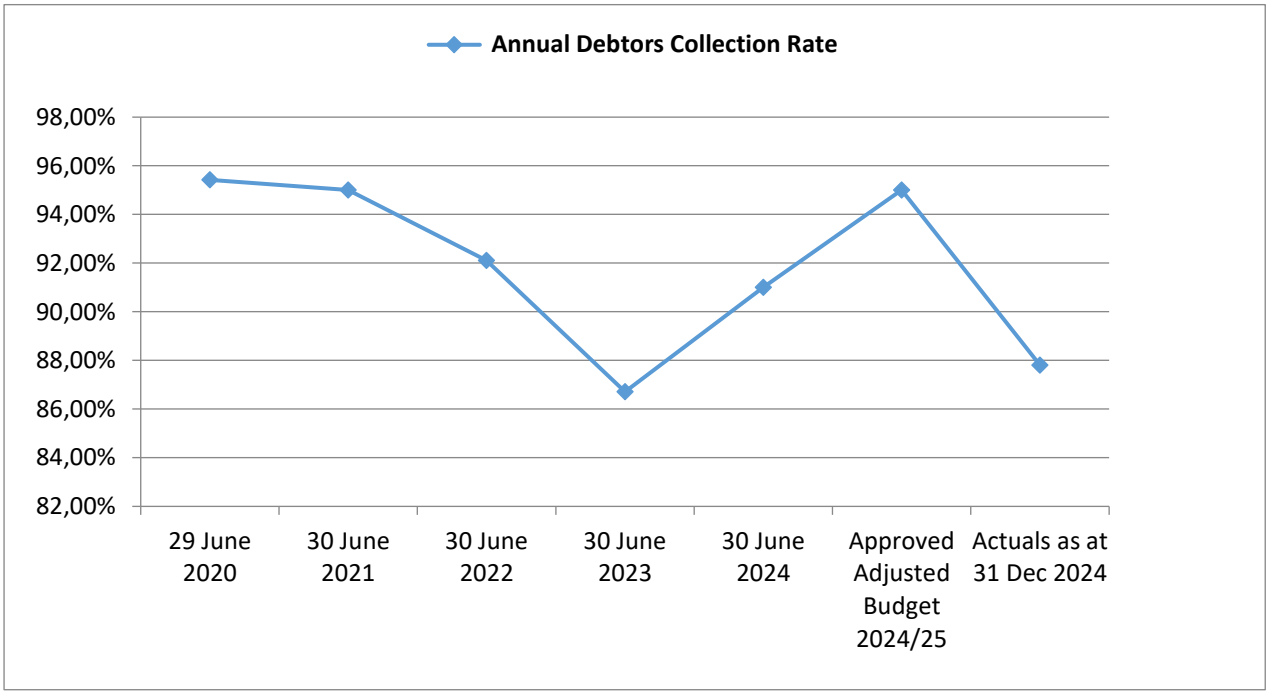
1.2.1. Annual Debtors Collection Rate

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

The ratio to determine the percentage collection rate is as follows:

Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100

The average collection rate as at 31 December 2024 was 87.81%, compared to the approved adjusted budget collection rate of 95%. The actual collection rate for November is 96.11%.



1.3. Other indicators

1.3.1. Cost coverage

The Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue, during that particular month.

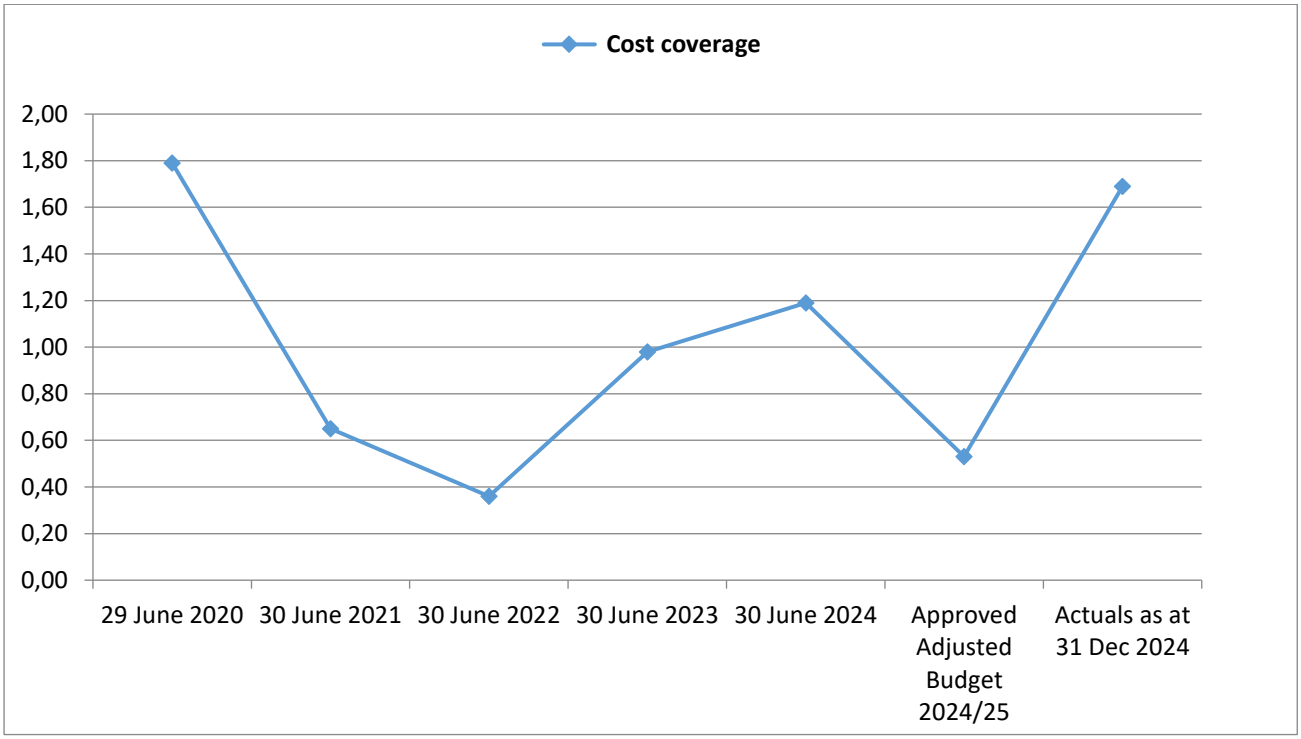
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

The ratio is determined as follows:

Cash and cash equivalents – unspent conditional grants – overdraft + short-term investments/ monthly fixed operational expenditure excluding (depreciation, amortisation, provisions for bad debts, impairment and loss on the disposal of assets)

As at 31 December 2024, the Ratio was 1.69 months, compared to the approved adjusted budget ratio of 0.53 months.

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



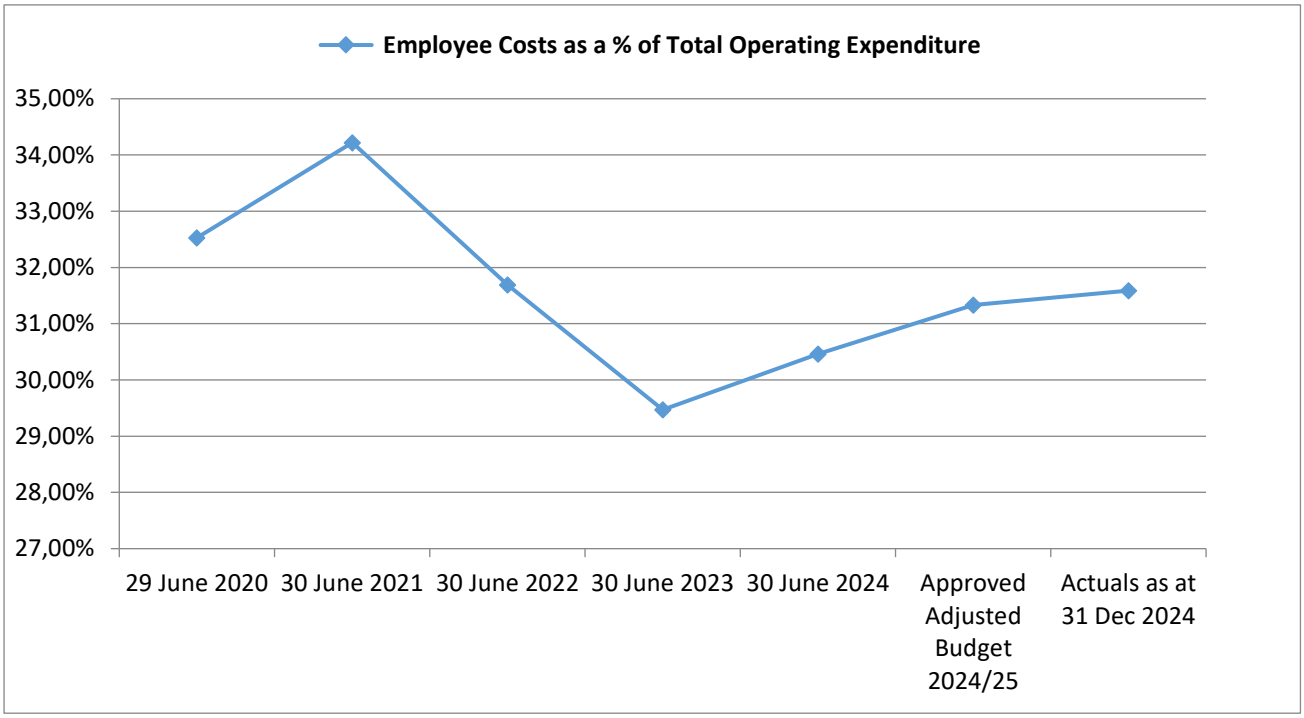
1.3.2. Employee costs as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the employment of human resources.

The ratio is determined as follows:

Employee Costs to date/Total Operating Expenditure to Date

As at 31 December 2024, Employee Related Costs constituted 31.59% of the Total Operating Expenditure, compared to the approved adjusted budget ratio 31.33%.



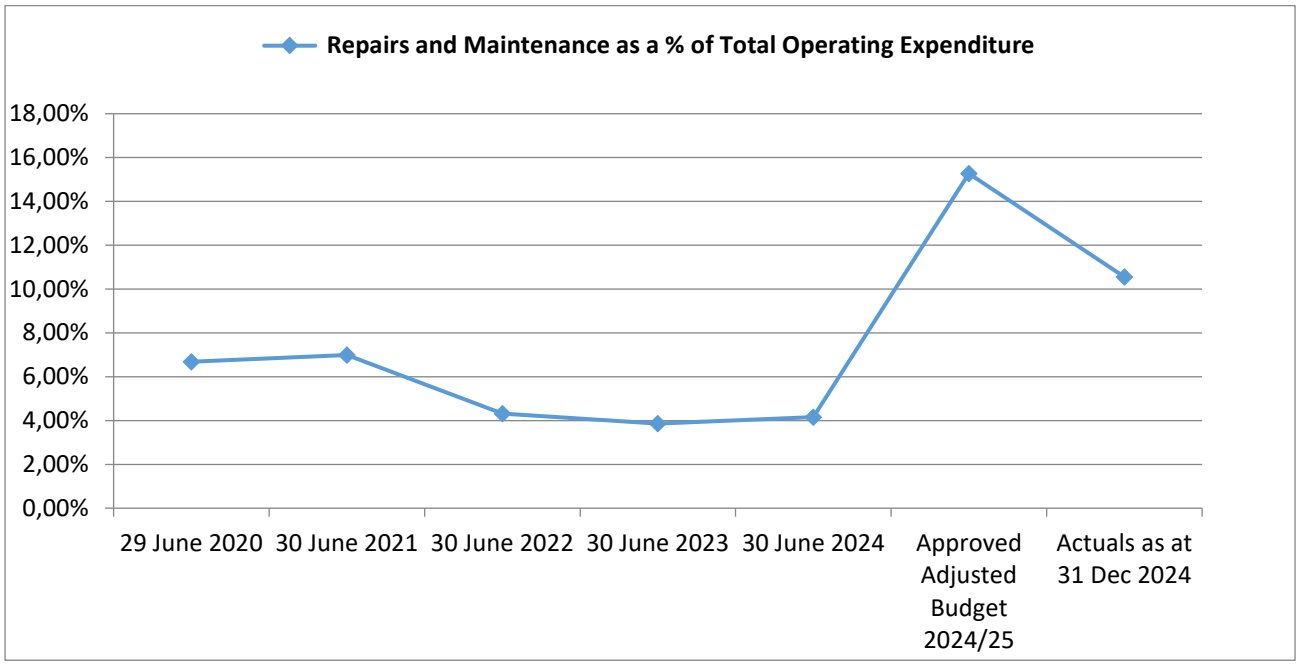
1.3.3. Repairs and Maintenance as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the repairs and maintenance of its assets.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Total Operating Expenditure to date

As at 31 December 2024, the ratio was 10.56%, compared to the approved adjusted budget ratio of 15.27%.



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

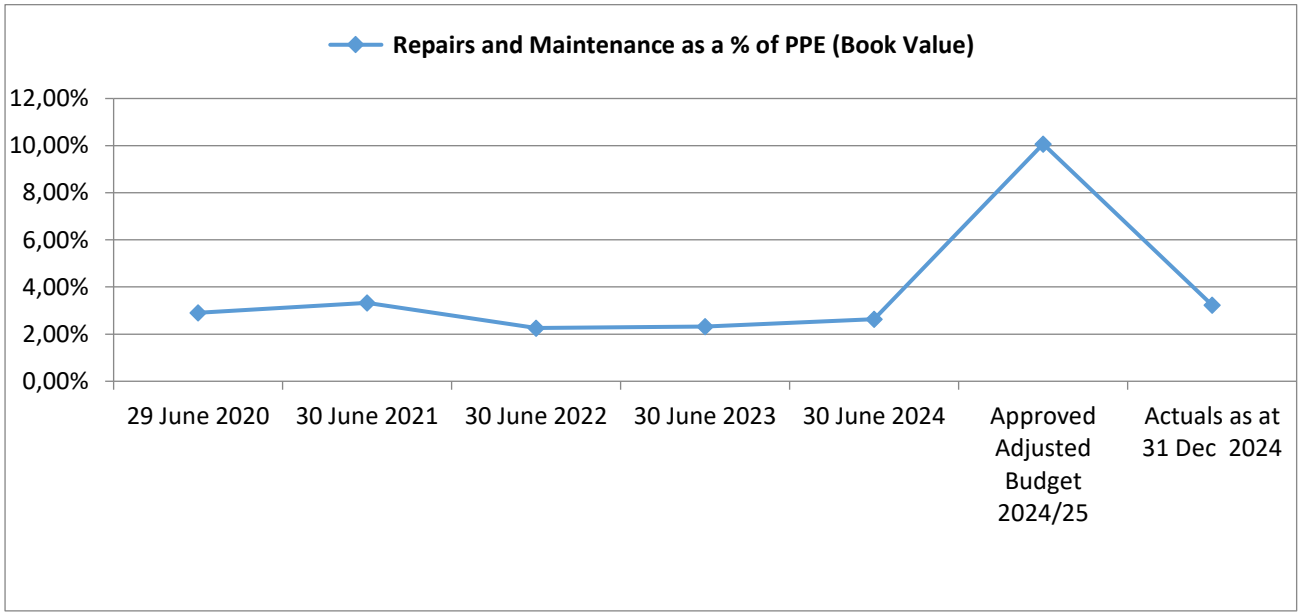
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

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

As at 31 December 2024, repairs and maintenance expenditure constituted 3.23% of the book value of PPE, compared to the approved adjusted budget ratio of 10.07%.

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



Own Revenue Generation

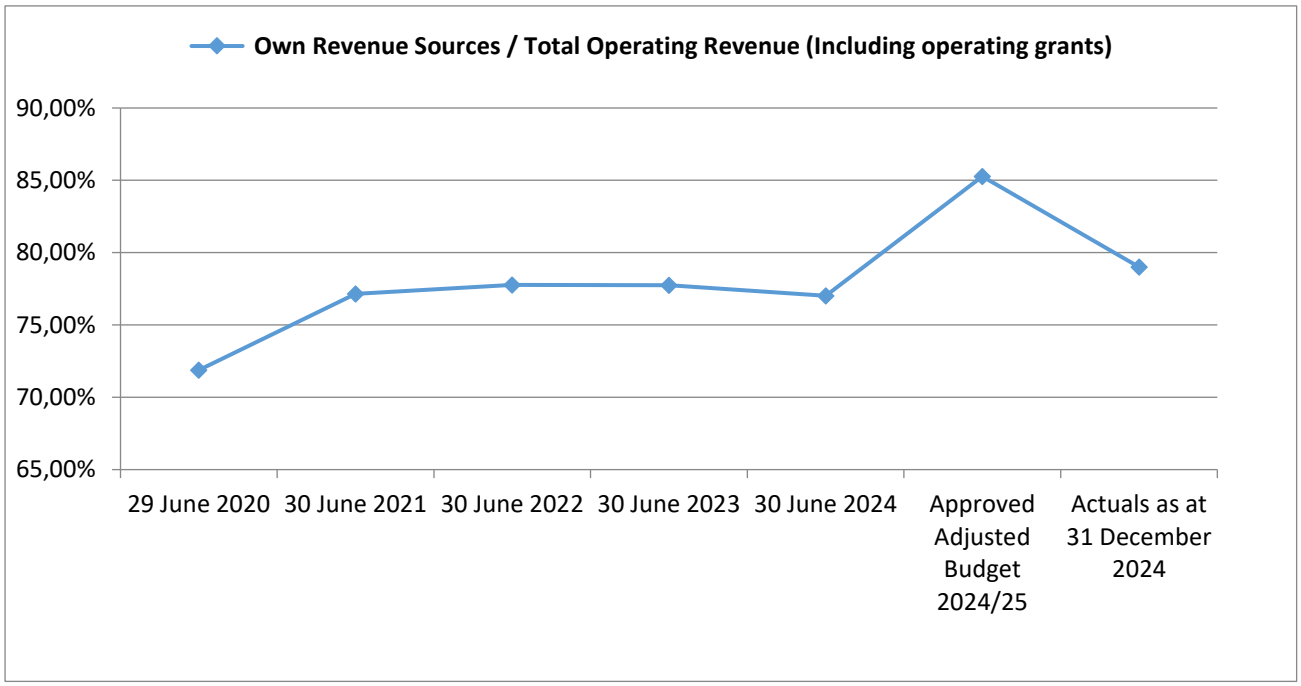
This ratio measures the extent to which the Municipality has control over its revenue sources, i.e., what percentage of its revenue is generated locally. The higher the

ratio, the less reliant a Municipality is on Provincial and National Government to support its operations.

The ratio is determined as follows:

Own Revenue Sources / Total Operating Income (includes operating grants)

As at 31 December 2024, the Municipality's own revenue sources constituted 79.01% of its total Operating Income, compared to the approved adjusted budget ratio of 85.27%.



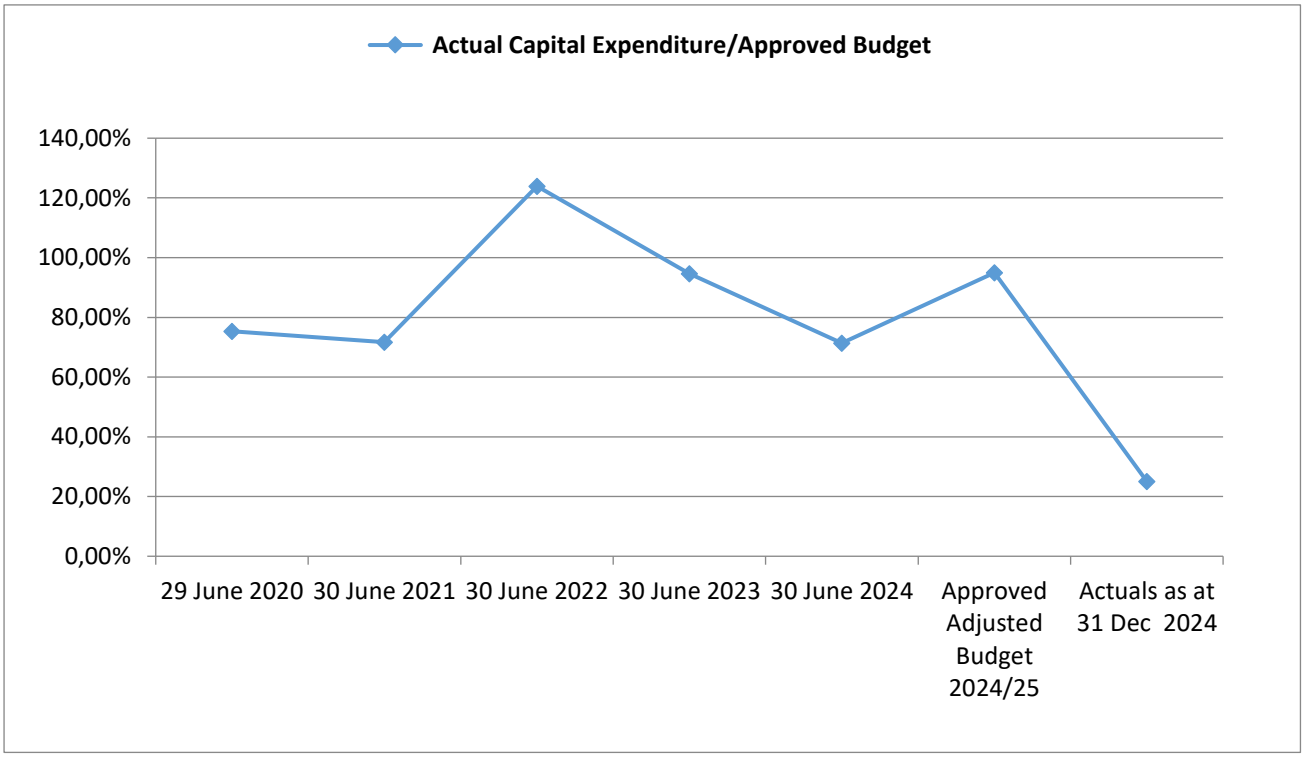
1.3.5. Capital Budget Spending

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 31 December 2024 amounted to 25.06%, compared to the approved adjusted budget ratio of 95%.



KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/FED3**

2024/25 MID-YEAR ADJUSTMENTS BUDGET

1. **Introduction**

The purpose of the report is to seek Council's approval for the 2024/25 Mid-Year Adjustments Budget, prepared in compliance with Section 28 (2)(b), (d) and (f) of the Municipal Finance Management Act and Regulation 23 (3) (1) of the Municipal Budget and Reporting Regulations.

2. **Background**

Section 28 of the Municipal Finance Management Act (MFMA), stipulates the following:

28. (1) A municipality may revise an approved annual budget through an adjustments budget. (2) An adjustments budget-

a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
e) may authorise the spending of funds that were unspent at the end of the past financial year where the under spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
f) may correct any errors in the annual budget; and
g) may provide for any other expenditure within a prescribed framework.

Section 28(3) states that an adjustments budget must be in a prescribed form.

Section 23 (1) of the Municipal Budget and Reporting Regulations, states that an adjustments budget referred to in section 28(2) (b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.

Section 23(2) states that only one adjustments budget referred to in sub-regulation (1) may be tabled in the municipal council during a financial year.

It should be noted that the Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations regulate the format of the budget documentation as set out in Schedule B – **"Annexure B"** of the Municipal Budget and Reporting Regulations. This includes the main Tables B1 – B10 as well as the supporting tables SB1 – SB20.

3. **Discussion**

The 2024/25 Mid-Year Adjustments Budget has been prepared in line with the Municipal Finance Management Act, Municipal Budget and Reporting Regulations and Municipal Regulations on a Standard Chart of Accounts (mSCOA) requirements.

The 2024/25 Mid-Year Adjustments Budget Documents are attached for discussion as follows:

- 2024/25 Mid-Year Adjustments Budget Report – **"Annexure A"**.
- 2024/25 Adjustments Budget Schedule B – **"Annexure B"**.
- 2024/25 Detailed Capital Programme – **"Annexure C"**
- Conditional Grants Funded Capital Projects - **"Annexure D"**

4. **Financial Implications**

Completed by BTO -	As stipulated in the report. Refer to **"Annexure A"**
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
BTO Signature	

5. **Applicable legislation**

- Section 28 of the Local Government: Municipal Finance Management Act No. 56 of 2003.
- Local Government: Municipal Budget and Reporting Regulations, 17 April 2009
- Local Government: Municipal Finance Management Act: Municipal Regulations on a Standard Chart of Accounts (mSCOA), 22 April 2014

6. **Legal Implications**

Compliance with Section 28 of the Local Government: Municipal Finance Management Act No. 56 of 2003 and Regulation 23 of the Local Government: Municipal Budget and Reporting Regulations.

7. **Other Implications**

None.

8. **Comments by Directorates**

8.1 **Director: Finance and Economic Development**

Recommendations supported

8.2 **Director: Planning and Development**

Supported

8.3 **Director: Community Services**

Supported.

8.4 **Director: Civil and Water Services**

Item noted.

8.5 **Director: Electro and Mechanical Services**

Report noted.

8.6 **Deputy Municipal Manager**

Noted

8.7 **Municipal Manager**

Recommendations supported.

9. **Delegation Authority**

Council.

10. **Recommendations**

10.1 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 28 of the Local Government: Finance Management Act, Act No 56 of 2003, approves the 2024/25 Mid-Year Adjustments Budget as set-out in the **"Annexure A"** on the following tables:

- Table 7 (B1 Adjustments Budget Summary: page 13)
- Table 8 (B2 Adjustments Budget Financial Performance (revenue and expenditure by standard classification): page 15)
- Table 9 (B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote): page 17)
- Table 10 (B4 Adjustments Financial Performance (revenue and expenditure by type): page 18)
- Table 11 (B5 Adjustments Budget Capital Expenditure by vote and standard classification and funding source: page 20)
- Table 12 (B6 Adjustments Budget Financial Position: page 21)
- Table 13 (B7 Adjustments Budget Cash Flows: page 23)
- Table 14 (B8 Cash backed reserves/accumulated surplus reconciliation: page 24)
- Table 15 (B9 Asset Management: page 25), and
- Table 16 (B10 Basic service delivery measurement: page 27)

10.2 That the Council approves the **"Annexure B"** which regulates the format of the budget documentation as set out in Schedule B (Version 6.8) of the Municipal Budget and Reporting Regulations. This includes the main Tables B1 – B10 as well as the supporting tables SB1 – SB20.

10.3 That the Detailed Capital Programme be noted, refer to **"Annexure C"**.

10.4 That the Conditional Grants Funded Capital Projects be noted, refer to **"Annexure D".**

10.5 That the Adjustments Budget be submitted to National Treasury in both printed and electronic format and the relevant Provincial Treasury.

Item prepared by the: Manager: Budget & Treasury

Item approved by the CFO:

Item endorsed by the Municipal Manager:

Item Noted by the Portfolio Councillor:

“ANNEXURE A”

2024/25 ADJUSTMENTS BUDGET OF

KOUGA LOCAL MUNICIPALITY

JANUARY 2025

Copies of this document can be viewed:

- At www.kouga.gov.za

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PART 1 – 2024/25 ADJUSTMENTS BUDGET

1.1. EXECUTIVE MAYOR'S REPORT

1.1.1. Summary of reasons for the 2024/25 Adjustments Budget

In accordance with Section 28 of the Municipal Finance Management Act, Act No 56 of 2003 (MFMA), a municipality must revise its approved annual budget through an adjustments budget, in the following circumstances:

i. To adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue.
ii. To appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.
iii. To authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected rollovers when the annual budget for the current year was approved by the Council.
iv. To authorise the utilisation of projected savings in one vote towards spending under another vote.
v. To correct any errors in the annual budget.

The Municipal Budget and Reporting Regulations stipulate that one adjustments budget may be tabled in the Municipal Council during a financial year. The Adjustments Budget must normally be approved by Council by the end of February.

In line with the MFMA and the Municipal Budget and Reporting Regulations, the 2024/25 approved Budget has been adjusted. The adjustments have mainly been necessitated as result of the following:

- The need to adjust revenue and expenditure estimates, in line with revenue collection rate.
- The need to appropriate additional revenues that became available over and above those anticipated in the approved 2024/25 Budget.
- To authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected rollovers when the 2024/25 annual budget was approved by Council.
- The need to authorise the utilisation of projected savings in one vote towards spending under another vote.

1.1.2. The Executive Mayor recommends that the Council approves the 2024/25 Adjustments Budget.

1.2. 2024/25 ADJUSTMENTS BUDGET RESOLUTIONS

1.2.1. Approval of the Adjustments Budget

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 28 of the Local Government: Municipal Finance Management Act, Act No 56 of 2003, approves the 2024/25 Adjustments Budget as set-out in the following tables:

Table 7 (B1 - Adjustments Budget Summary: page 13)

Table 8 (B2 - Adjustments Budget Financial Performance (revenue and expenditure by standard classification): page 15)

Table 9 (B3 - Adjustments Budget Financial Performance (revenue and expenditure by municipal vote): page 17)

Table 10 (B4 - Adjustments Budget Financial Performance (revenue and expenditure by type): page 18)

Table 11 (B5 - Adjustments Budget Capital Expenditure by vote, standard classification and funding source: page 20)

Table 12 (B6 - Adjustments Budget Financial Position: page 21)

Table 13 (B7 - Adjustments Budgeted Cash Flows: page 23)

Table 14 (B8 - Cash backed reserves/accumulated surplus reconciliation: page 24)

Table 15 (B9 Asset Management : page 25)

Table 16 (B10 Basic Service Delivery Measurement: page 27)

1.3. EXECUTIVE SUMMARY

1.3.1. Compliance with the Municipal Finance Management Act.

The adjustments budget is prepared in compliance with Section 28 (2)(b), (d) and (f) of the Municipal Finance Management Act and Regulation 23(3)(1) of the Municipal Budget and Reporting Regulations.

1.3.2. Compliance with the Municipal Budget and Reporting Regulations.

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations regulate the format of the budget documentation as set out in Schedule B – **"Annexure B"** of the Municipal Budget and Reporting Regulations. This includes the main Tables B1 – B10 as well as the supporting tables SB1 – SB20.

1.3.3. Financial Overview

The 2024/25 Adjustments Budget amounts to R 1,735 billion, comprising of R 1,455 billion for the Operating Budget and R 279,073 million for the Capital Budget. The Operating Adjustment Budget reflects a decrease of R 79,758 million (5.20%), compared to the previous approved 2024/25 Adjusted Operating Budget of R 1,535 billion, whilst the Capital Adjustments Budget reflects a decrease of R 99,753 million (26.33%), compared to the previous approved adjusted capital budget of R 378,826 million.

Please refer to page 9, table 2 and page 12, table 4 for details on adjustments.

1.4. HIGH LEVEL OPERATING ADJUSTMENTS BUDGET

1.4.1. Operating Revenue Adjustments Budget

Table1: High Level Summary of Operating Revenue by Source

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Revenue					
Exchange Revenue					
Service charges - Electricity	381 991	381 991	43 569	43 569	425 559
Service charges - Water	82 323	82 323	55 734	55 734	138 057
Service charges - Waste Water Management	64 086	64 086	11 928	11 928	76 014
Service charges - Waste Management	71 123	71 123	(8 976)	(8 976)	62 146
Sale of Goods and Rendering of Services	9 533	9 533	–	–	9 533
Agency services	4 554	4 554	–	–	4 554
Interest	–	–	–	–	–
Interest earned from Receivables	32 335	32 335	–	–	32 335
Interest earned from Current and Non-Current Assets	13 998	13 998	1 500	1 500	15 498
Dividends	–	–	–	–	–
Rent on Land	–	–	–	–	–
Rental from Fixed Assets	3 187	3 187	–	–	3 187
Licence and permits	2 851	2 851	–	–	2 851
Operational Revenue	1 955	1 955	–	–	1 955
Non-Exchange Revenue					
Property rates	297 076	297 076	1 233	1 233	298 309
Surcharges and Taxes	–	–	–	–	–
Fines, penalties and forfeits	143 343	143 343	(99 484)	(99 484)	43 859
Licences or permits	11 772	11 772	–	–	11 772
Transfer and subsidies - Operational	202 153	205 651	4 453	4 453	210 105
Interest	5 510	5 510	–	–	5 510
Fuel Levy	–	–	–	–	–
Operational Revenue	64 831	64 831	(45 173)	(45 173)	19 658
Gains on disposal of Assets	–	–	–	–	–
Other Gains	–	–	–	–	–
Discontinued Operations	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**1 392 621**	**1 396 119**	**(35 217)**	**(35 217)**	**1 360 902**

Explanatory notes to operating revenue adjustments

1.4.1.1 Service charges – Electricity

The electricity revenue increased by R 43,569 million, compared to the 2024/25 approved budget. It must be noted that the electricity availability charges reduced by R 5,490 million, therefore the actual electricity revenue increased by R 38,079 million.

Availability charges are reported under non-exchange: operational revenue in line with the Standards of Generally Recognised Accounting Practice (GRAP).

The increase is due to increase in consumption levels because of suspended loadshedding since 26 March 2024.

1.4.1.2 Service charges – Water

The water revenue increased by R 55,734 million, compared to the 2024/25 approved budget. It must be noted that the water availability charges reduced by R 38,527 million, therefore the actual water revenue increased by R 17,207 million and the increase is due to high water consumption levels.

Availability charges are reported under non-Exchange: operational revenue in line with the Standards of Generally Recognised Accounting Practice (GRAP).

1.4.1.3 Service charges – Waste Water Management

Sewerage and sanitation revenue increased by R 11,928 million, compared to the 2024/25 approved budget. It must be noted that the waste water management availability charges reduced by R 1,156 million, therefore the actual waste water management revenue increased by R 10,772 million and the increase is in line with the increase in water consumption levels.

Availability charges are reported under non-Exchange: operational revenue in line with the Standards of Generally Recognised Accounting Practice (GRAP).

1.4.1.4 Service charges – Waste Management

The waste management revenue decreased by R 8,976 million, compared to the 2024/25 approved budget. The waste management revenue is based on the previous year audited amount recognised and includes the 2024/25 approved tariffs increase.

1.4.1.5 Interest earned from Current and Non-Current Assets

The interest earned from current and non-current assets relates to the interest earned from the bank and investment accounts and the increase of R 1,500 million is mainly due to the additional cash such as the R100,000 million to be received from the Development Bank of South Africa (DBSA).

1.4.1.6 Property Rates

Property rates revenue increased by R 1,233 million, compared to the 2024/25 approved budget.

1.4.1.7 Fines, penalties, and forfeits

the fines, penalties and forfeits revenue decreased by R 99,484 million, compared to the 2024/25 approved budget. The decrease is mainly due to traffic fines revenue reduction in line with the 2023/24 annual audited financial statements amount recognised. The accounting methodology for traffic fines calculation, changed during the preparation of 2023/24 annual financial statements.

1.4.1.8 Transfer and subsidies - Operational

the transfer and subsidies increased by R 4,453 million, compared to the 2024/25 approved budget. The increase is due to additional funds amounting to R 905 thousand for the library grant and R 3,548 million from the Department of Human Settlement for administration fees.

1.4.1.9 Operational revenue (non-exchange)

Operation revenue decrease by R 45,173 million, compared to the 2024/25 approved budget. The adjustments are as follows:

ITEM DESCRIPTION	**Budget Year 2024/25**		
R Thousands	**Prior Adjusted**	**Adjusted Budget**	**Variances**
Revenue: Non-exchange Revenue: Service Charges: Waste Water Management: Availability Charges	4 360	3 204	(1 156)
Revenue: Non-exchange Revenue: Service Charges: Electricity: Availability Charges	15 593	10 103	(5 490)
Revenue: Non-exchange Revenue: Service Charges: Water: Availability Charges	44 879	6 352	(38 527)
Total	**64 831**	**19 658**	**(45 173)**

The following graph explains the revenue components in more detail:

2024/25 Statement of Financial Performance – Adjusted Revenue

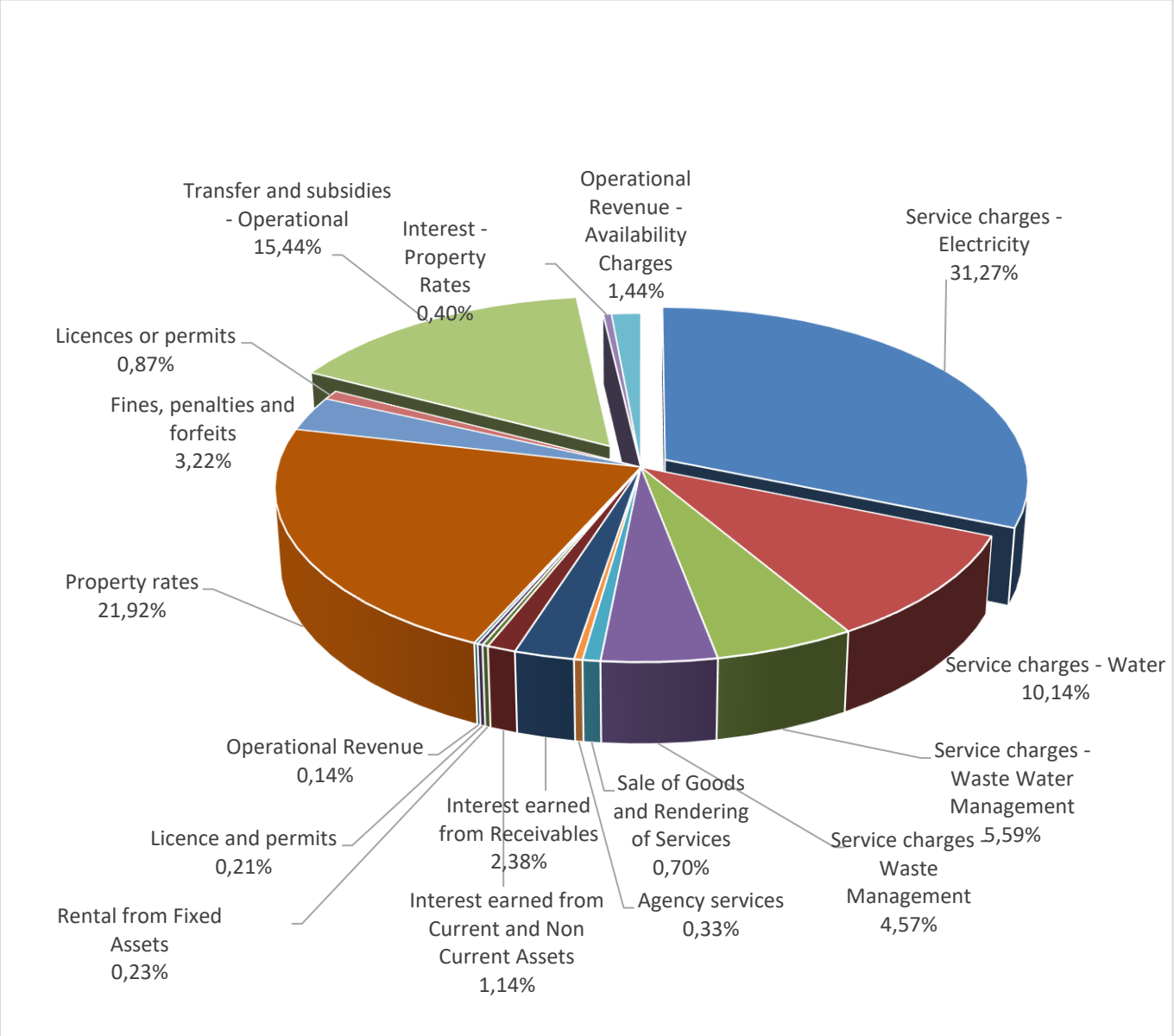


Figure 1 Revenue by Source

1.4.2. Operating Expenditure Adjustments Budget

Table 2: High Level Summary of Operating Expenditure by Type

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Expenditure By Type					
Employee related costs	471 743	481 056	1 915	1 915	482 971
Remuneration of councillors	15 594	15 594	–	–	15 594
Bulk purchases - electricity	386 299	386 299	27 050	27 050	413 349
Inventory consumed	109 019	107 712	(5 737)	(5 737)	101 975
Debt impairment	158 246	158 246	(99 110)	(99 110)	59 136
Depreciation and amortisation	117 798	117 798	–	–	117 798
Interest	17 404	36 254	(23 252)	(23 252)	13 002
Contracted services	125 372	127 188	15 742	15 742	142 931
Transfers and subsidies	400	400	–	–	400
Irrecoverable debts written off	9 359	9 359	719	719	10 078
Operational costs	94 240	95 346	2 913	2 913	98 259
Total Expenditure	**1 505 474**	**1 535 251**	**(79 758)**	**(79 758)**	**1 455 493**

1.4.2.1 Employee related costs

The employee related costs increased by R 1,915 million, compared to the 2024/25 approved budget. The increase is affected by the following adjustments:

Item Description	Adjustments
Increase for the Implementation of Phase 2 Job Evaluation	6 367 041
Increase in Human Settlement Grant Administration fees (to appoint temporary staff)	3 548 404
Savings from funded vacancies	- 3 000 000
Decrease in funded employee benefit provisions	- 5 000 000
Total	**1 915 445**

1.4.2.2 Bulk purchases - electricity

The bulk electricity increased by R 27,050 million, compared to the 2024/25 approved budget. The increase is due to increase in consumption levels because of suspended loadshedding since 26 March 2024. The electricity revenue has been increased accordingly.

1.4.2.3 Inventory consumed.

Inventory consumed reduced by R 5,737 million, compared to the 2024/25 approved budget. The decrease is mainly due to fuel and oil costs reduction amounting to R 6,500 million and there were other various increases under inventory consumed, including increase in materials and supplies of R 1 million for roads maintenance.

1.4.2.4 Debt impairment

Debt impairment decreased by R 99,110 million, compared to the 2024/25 approved budget. The decrease is mainly due to traffic fines revenue adjustment which affects the debt impairment provision. The debt impairment for other service charges, also adjusted in line with the service charges revenue adjustments.

1.4.2.4 Interest

The finance costs reduced by R 23,252 million, compared to the 2024/25 approved budget. The decrease is mainly due to the revised interest for the Development Bank of South Africa loan and for the new finance leases. The initial budget was based on estimated amounts, now the budget is based on actual agreements.

1.4.2.5 Contracted services

The contracted services increased by R 15,742 million, compared to the 2024/25 approved budget. The increase in contracted services is influenced by the following adjustments:

Item Description	Adjustments
Increase in Security Services	6 452 733
Increase in Traffic Fines Management (TMT)	2 400 000
Increase in Resealing & Maintenance of Roads in KLM	3 000 000
Increase in St Francis Bay Special Rating (Property Rates)	4 000 000
Total	**15 852 733**

1.4.2.6 Irrecoverable debts written off.

The irrecoverable debts written off increased by R 0,719 million, compared to the 2024/25 approved budget. The increase is mainly due to the increase in service charges revenue.

1.4.2.7 Operational costs

Operational costs increased by R 2,913 million, compared to the 2024/25 approved budget. The increase is due to various adjustments in operational costs from different departments.

1.4.3. High Level Summary Operating Budget

Table 3: High Level Summary of Operating Revenue and Expenditure

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Total Revenue	1 526 437	1 558 063	(28 352)	(28 352)	1 529 710
Total Expenditure	1 505 474	1 535 251	(79 758)	(79 758)	1 455 493
Surplus/ (Deficit) for the year	20 963	22 812	51 406	51 406	74 217

The following graph explains the expenditure components in more detail:

2024/25 Statement of Financial Performance – Adjusted Expenditure

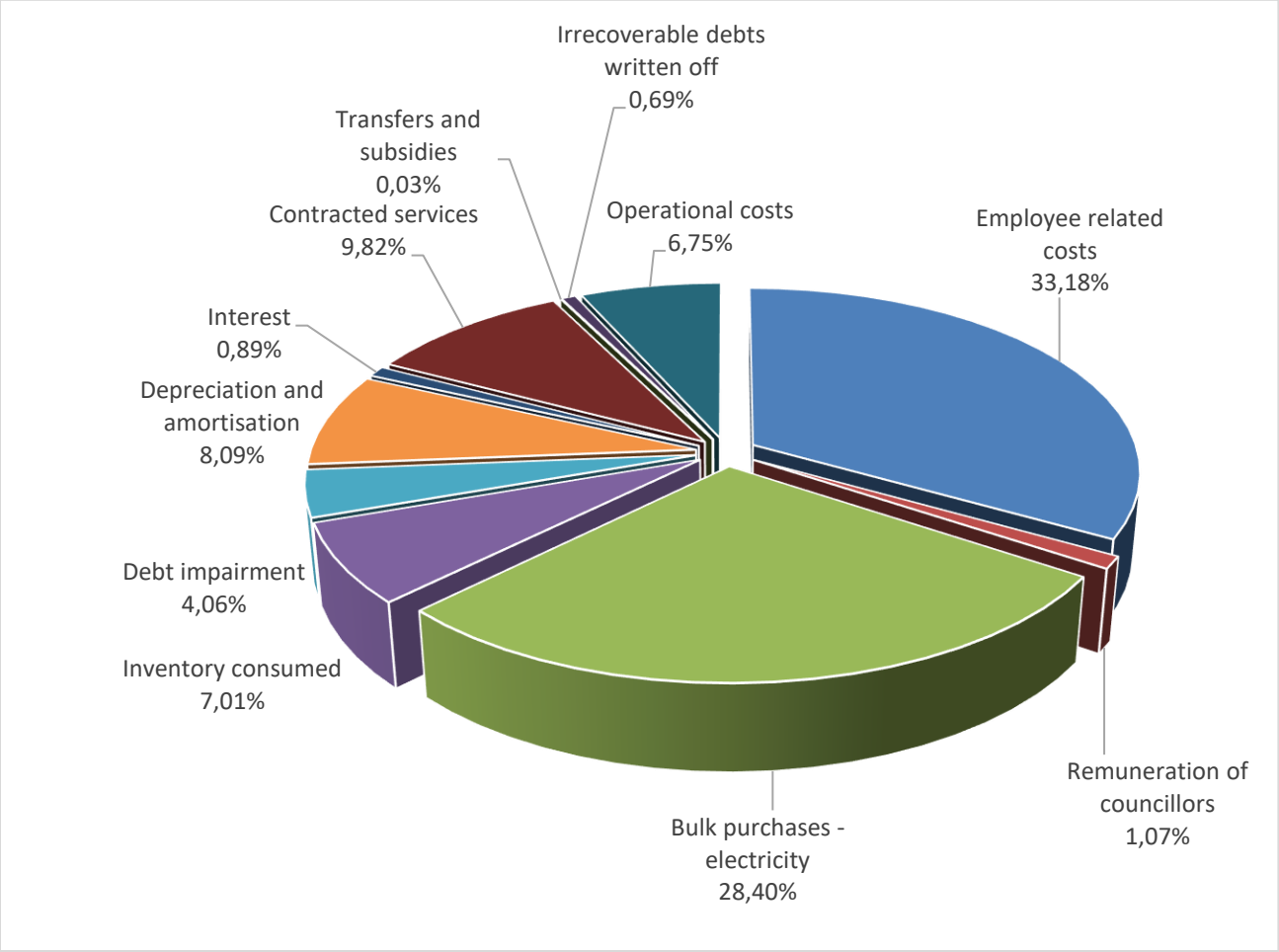


Figure 2 Expenditure by Type

1.5. HIGH LEVEL CAPITAL ADJUSTMENTS BUDGET

1.5.1. Capital Adjustments Budget per Vote

Table 4: High Level Capital Budget Expenditure by Vote

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Capital expenditure - Vote					
Multi-year expenditure *to be adjusted*					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	28	28	28
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 413	520	520	1 933
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	755	236	236	992
Vote 4 - COMMUNITY SERVICES	1 391	1 634	–	–	1 634
Vote 5 - CIVIL AND WATER SERVICES	80 868	280 940	(126 712)	(126 712)	154 227
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	73 699	24 604	24 604	98 304
Vote 7 - PLANNING AND DEVELOPMENT	–	20 386	1 570	1 570	21 956
Capital multi-year expenditure sub-total	**150 362**	**378 826**	**(99 753)**	**(99 753)**	**279 073**

Please refer to **"Annexure C"** for a detailed Capital Programme.

1.5.2. Capital Budget by Funding Source

Table 5: High Level Capital Budget Expenditure by Funding Source

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Funded by:					
National Government	54 997	61 730	7	7	61 737
Provincial Government	59 973	80 359	5 985	5 985	86 343
District Municipality	1 391	1 391	–	–	1 391
Transfers recognised - capital	**116 362**	**143 480**	**5 991**	**5 991**	**149 471**
Borrowing	34 000	207 913	(113 429)	(113 429)	94 484
Internally generated funds	–	27 434	7 684	7 684	35 118
Total Capital Funding	**150 362**	**378 826**	**(99 753)**	**(99 753)**	**279 073**

1.5.3. High Level Capital and Operating Budget Summary

Table 6: High Level Summary of Capital and Operating Budget

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Total Expenditure	1 505 474	1 535 251	(79 758)	(79 758)	1 455 493
Total Capital Expenditure	150 362	378 826	(99 753)	(99 753)	279 073
Total Expenditure	1 655 835	1 914 078	(179 511)	(179 511)	1 734 566

1.6. ADJUSTMENTS 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 2024/25 Adjustments Budget to be considered for approval by Council. Each table is accompanied by explanatory notes.

Table 7 (B1- Adjustments Budget Summary)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Financial Performance					
Property rates	297 076	297 076	1 233	1 233	298 309
Service charges	599 522	599 522	102 255	102 255	701 777
Investment revenue	13 998	13 998	1 500	1 500	15 498
Transfers recognised - operational	202 153	205 651	4 453	4 453	210 105
Other own revenue	279 872	279 872	(144 657)	(144 657)	135 214
Total Revenue (excluding capital transfers and contributions)	**1 392 621**	**1 396 119**	**(35 217)**	**(35 217)**	**1 360 902**
Employee costs	471 743	481 056	1 915	1 915	482 971
Remuneration of councillors	15 594	15 594	–	–	15 594
Depreciation & asset impairment	117 798	117 798	–	–	117 798
Interest	17 404	36 254	(23 252)	(23 252)	13 002
Inventory consumed and bulk purchases	495 318	494 011	21 313	21 313	515 324
Transfers and subsidies	400	400	–	–	400
Other expenditure	387 217	390 139	(79 735)	(79 735)	310 404
Total Expenditure	**1 505 474**	**1 535 251**	**(79 758)**	**(79 758)**	**1 455 493**
Surplus/(Deficit)	(112 853)	(139 132)	44 541	44 541	(94 591)
Transfers and subsidies - capital (monetary allocations)	133 816	161 944	6 864	6 864	168 808
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**20 963**	**22 812**	**51 406**	**51 406**	**74 217**
Share of surplus/ (deficit) of associate	–	–	–	–	–
Surplus/ (Deficit) for the year	**20 963**	**22 812**	**51 406**	**51 406**	**74 217**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Capital expenditure & funds sources					
Capital expenditure	150 362	378 826	(99 753)	(99 753)	279 073
Transfers recognised - capital	116 362	143 480	5 991	5 991	149 471
Borrowing	34 000	207 913	(113 429)	(113 429)	94 484
Internally generated funds	–	27 434	7 684	7 684	35 118
Total sources of capital funds	**150 362**	**378 826**	**(99 753)**	**(99 753)**	**279 073**
Financial position					
Total current assets	213 837	229 407	62 447	62 447	291 854
Total non-current assets	2 369 948	2 598 413	(124 310)	(124 310)	2 474 103
Total current liabilities	225 392	237 467	45 265	45 265	282 732
Total non-current liabilities	270 953	424 224	(57 248)	(57 248)	366 975
Community wealth/Equity	**2 087 440**	**2 166 129**	**(49 879)**	**(49 879)**	**2 116 250**
Cash flows					
Net cash from (used) operating	138 815	117 510	51 228	51 228	168 738
Net cash from (used) investing	(116 362)	(170 913)	(57 154)	(57 154)	(228 067)
Net cash from (used) financing	(22 478)	(32 196)	116 932	116 932	84 736
Cash/cash equivalents at the year end	**43 641**	**58 060**	**111 005**	**111 005**	**169 065**
Cash backing/surplus reconciliation					
Cash and investments available	43 640	58 060	111 005	111 005	169 065
Application of cash and investments	21 278	21 279	142 179	142 179	163 457
Balance - surplus (shortfall)	**22 362**	**36 781**	**(31 174)**	**(31 174)**	**5 608**
Asset Management					
Asset register summary (WDV)	2 369 948	2 598 413	(124 310)	(124 310)	2 474 103
Depreciation	117 798	117 798	–	–	117 798
Renewal and Upgrading of Existing Assets	97 563	143 409	9 138	9 138	152 547
Repairs and Maintenance	228 381	233 594	7 813	7 813	241 407
Free services					
Cost of Free Basic Services provided	66 720	66 720	(5 301)	(5 301)	61 419
Revenue cost of free services provided	7 249	7 249	(6 896)	(6 896)	353
Households below minimum service level					
Water:	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–
Energy:	–	–	–	–	–
Refuse:	–	–	–	–	–

Explanatory notes to Table 7 B1 – Adjustments Budget Summary

1. The aim of the Adjustments Budget Summary is to provide a concise overview of the proposed Adjustments 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 8 (B2 - Adjustments Budget Financial Performance (revenue and expenditure by standard classification))

Standard Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Revenue - Functional					
Governance and administration	**590 750**	**590 750**	**(91 451)**	**(91 451)**	**499 299**
Executive and council	142	142	–	–	142
Finance and administration	590 608	590 608	(91 451)	(91 451)	499 157
Internal audit	–	–	–	–	–
Community and public safety	**87 286**	**111 120**	**11 310**	**11 310**	**122 430**
Community and social services	2 460	2 460	905	905	3 365
Sport and recreation	11 504	11 504	–	–	11 504
Public safety	1 857	1 857	–	–	1 857
Housing	68 969	92 803	10 405	10 405	103 208
Health	2 496	2 496	–	–	2 496
Economic and environmental services	**56 136**	**56 186**	**(7 199)**	**(7 199)**	**48 986**
Planning and development	10 252	10 252	–	–	10 252
Road transport	19 972	19 972	8	8	19 980
Environmental protection	25 912	25 962	(7 207)	(7 207)	18 755
Trading services	**792 266**	**800 008**	**58 987**	**58 987**	**858 995**
Energy sources	409 585	410 271	34 484	34 484	444 755
Water management	177 913	185 080	17 462	17 462	202 542
Waste water management	123 062	122 950	10 233	10 233	133 183
Waste management	81 707	81 707	(3 191)	(3 191)	78 516
Other	**–**	**–**	**–**	–	**–**
Total Revenue - Functional	**1 526 437**	**1 558 063**	**(28 352)**	**(28 352)**	**1 529 710**

Standard Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Expenditure - Functional					
Governance and administration	**362 481**	**362 471**	**3 921**	**3 921**	**366 393**
Executive and council	61 996	61 237	(58)	(58)	61 179
Finance and administration	299 963	300 712	4 084	4 084	304 796
Internal audit	523	523	(105)	(105)	418
Community and public safety	**140 104**	**140 984**	**(2 590)**	**(2 590)**	**138 395**
Community and social services	13 952	13 952	(156)	(156)	13 796
Sport and recreation	75 205	75 205	(3 132)	(3 132)	72 073
Public safety	33 254	33 254	89	89	33 342
Housing	9 703	10 583	738	738	11 320
Health	7 991	7 991	(128)	(128)	7 863
Economic and environmental services	**288 532**	**310 962**	**(112 396)**	**(112 396)**	**198 567**
Planning and development	32 149	34 424	3 647	3 647	38 070
Road transport	246 274	266 719	(115 101)	(115 101)	151 618
Environmental protection	10 109	9 819	(941)	(941)	8 878
Trading services	**714 357**	**720 833**	**31 306**	**31 306**	**752 139**
Energy sources	453 172	457 682	31 009	31 009	488 691
Water management	108 542	109 818	(781)	(781)	109 037
Waste water management	88 779	88 779	1 498	1 498	90 277
Waste management	63 864	64 554	(421)	(421)	64 133
Other	**–**	**–**	**–**	–	**–**
Total Expenditure - Functional	**1 505 474**	**1 535 251**	**(79 758)**	**(79 758)**	**1 455 493**
Surplus/ (Deficit) for the year	**20 963**	**22 812**	**51 406**	**51 406**	**74 217**

Explanatory notes to Table 8 B2 – Adjustments Budget Financial Performance (revenue and expenditure by standard classification)

1. 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.

Table 9 (B3 - Adjustments Budget Financial Performance (revenue and expenditure by municipal vote))

Vote Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Revenue by Vote					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	s –	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1 115	1 115	–	–	1 115
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	446 890	446 890	8 034	8 034	454 924
Vote 4 - COMMUNITY SERVICES	276 782	276 832	(108 977)	(108 977)	167 855
Vote 5 - CIVIL AND WATER SERVICES	314 671	321 726	27 702	27 702	349 429
Vote 6 - ELECTRO/MECHANICAL SERVICES	409 586	410 273	34 484	34 484	444 756
Vote 7 - PLANNING AND DEVELOPMENT	77 392	101 227	10 405	10 405	111 632
Total Revenue by Vote	**1 526 437**	**1 558 063**	**(28 352)**	**(28 352)**	**1 529 710**
Expenditure by Vote					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	31 456	30 696	1 107	1 107	31 803
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	128 955	128 955	(2 702)	(2 702)	126 253
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	141 869	142 158	(5 323)	(5 323)	136 835
Vote 4 - COMMUNITY SERVICES	386 594	387 136	(96 470)	(96 470)	290 666
Vote 5 - CIVIL AND WATER SERVICES	316 288	339 329	(10 309)	(10 309)	329 020
Vote 6 - ELECTRO/MECHANICAL SERVICES	466 160	470 989	31 348	31 348	502 337
Vote 7 - PLANNING AND DEVELOPMENT	34 152	35 989	2 590	2 590	38 579
Total Expenditure by Vote	**1 505 474**	**1 535 251**	**(79 758)**	**(79 758)**	**1 455 493**
Surplus/ (Deficit) for the year	**20 963**	**22 812**	**51 406**	**51 406**	**74 217**

Explanatory notes to Table 9 B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

1. The purpose of the format in which the Adjustments 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 10 (B4 - Adjustments Budget Financial Performance (revenue and expenditure))

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Revenue					
Exchange Revenue					
Service charges - Electricity	381 991	381 991	43 569	43 569	425 559
Service charges - Water	82 323	82 323	55 734	55 734	138 057
Service charges - Waste Water Management	64 086	64 086	11 928	11 928	76 014
Service charges - Waste Management	71 123	71 123	(8 976)	(8 976)	62 146
Sale of Goods and Rendering of Services	9 533	9 533	–	–	9 533
Agency services	4 554	4 554	–	–	4 554
Interest	–	–	–	–	–
Interest earned from Receivables	32 335	32 335	–	–	32 335
Interest earned from Current and Non-Current Assets	13 998	13 998	1 500	1 500	15 498
Dividends	–	–	–	–	–
Rent on Land	–	–	–	–	–
Rental from Fixed Assets	3 187	3 187	–	–	3 187
Licence and permits	2 851	2 851	–	–	2 851
Operational Revenue	1 955	1 955	–	–	1 955
Non-Exchange Revenue					
Property rates	297 076	297 076	1 233	1 233	298 309
Surcharges and Taxes	–	–	–	–	–
Fines, penalties and forfeits	143 343	143 343	(99 484)	(99 484)	43 859
Licences or permits	11 772	11 772	–	–	11 772
Transfer and subsidies - Operational	202 153	205 651	4 453	4 453	210 105
Interest	5 510	5 510	–	–	5 510
Fuel Levy	–	–	–	–	–
Operational Revenue	64 831	64 831	(45 173)	(45 173)	19 658
Gains on disposal of Assets	–	–	–	–	–
Other Gains	–	–	–	–	–
Discontinued Operations	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**1 392 621**	**1 396 119**	**(35 217)**	**(35 217)**	**1 360 902**
Expenditure By Type					
Employee related costs	471 743	481 056	1 915	1 915	482 971
Remuneration of councillors	15 594	15 594	–	–	15 594
Bulk purchases - electricity	386 299	386 299	27 050	27 050	413 349
Inventory consumed	109 019	107 712	(5 737)	(5 737)	101 975
Debt impairment	158 246	158 246	(99 110)	(99 110)	59 136
Depreciation and amortisation	117 798	117 798	–	–	117 798
Interest	17 404	36 254	(23 252)	(23 252)	13 002
Contracted services	125 372	127 188	15 742	15 742	142 931
Transfers and subsidies	400	400	–	–	400
Irrecoverable debts written off	9 359	9 359	719	719	10 078
Operational costs	94 240	95 346	2 913	2 913	98 259
Losses on disposal of Assets	–	–	–	–	–
Other Losses	–	–	–	–	–
Total Expenditure	**1 505 474**	**1 535 251**	**(79 758)**	**(79 758)**	**1 455 493**
Surplus/(Deficit)	**(112 853)**	**(139 132)**	**44 541**	**44 541**	**(94 591)**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Transfers and subsidies - capital (monetary allocations)	133 816	161 944	6 864	6 864	168 808
Transfers and subsidies - capital (in-kind)	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**20 963**	**22 812**	**51 406**	**51 406**	**74 217**
Income Tax	–	–	–	–	–
Surplus/(Deficit) after income tax	20 963	22 812	51 406	51 406	74 217
Share of Surplus/Deficit attributable to Joint Venture	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	20 963	22 812	51 406	51 406	74 217
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–
Intercompany/Parent subsidiary transactions	–	–	–	–	–
Surplus/ (Deficit) for the year	**20 963**	**22 812**	**51 406**	**51 406**	**74 217**

Explanatory notes to Table 10 B4 – Adjustments Budget Financial Performance (revenue and expenditure)

1. The Financial Performance Adjustments Budget is required to be approved concurrently by revenue source and expenditure type, to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the annual results and the Adjustments Budget, to assess performance.

Table 11 (B5 - Adjustments Capital Expenditure Budget by vote, standard classification, and funding source)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Capital expenditure - Vote					
Multi-year expenditure *to be adjusted*					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	28	28	28
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 413	520	520	1 933
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	755	236	236	992
Vote 4 - COMMUNITY SERVICES	1 391	1 634	–	–	1 634
Vote 5 - CIVIL AND WATER SERVICES	80 868	280 940	(126 712)	(126 712)	154 227
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	73 699	24 604	24 604	98 304
Vote 7 - PLANNING AND DEVELOPMENT	–	20 386	1 570	1 570	21 956
Capital multi-year expenditure sub-total	**150 362**	**378 826**	**(99 753)**	**(99 753)**	**279 073**
Total Capital Expenditure - Vote	**150 362**	**378 826**	**(99 753)**	**(99 753)**	**279 073**
Capital Expenditure - Functional					
Governance and administration	**34 000**	**36 311**	**17 790**	**17 790**	**54 101**
Executive and council	–	–	300	300	300
Finance and administration	34 000	36 311	17 462	17 462	53 773
Internal audit	–	–	28	28	28
Community and public safety	**1 391**	**21 777**	**170**	**170**	**21 947**
Community and social services	–	–	–	–	–
Sport and recreation	–	–	–	–	–
Public safety	1 391	1 391	–	–	1 391
Housing	–	20 386	170	170	20 556
Health	–	–	–	–	–
Economic and environmental services	**9 670**	**184 521**	**(128 528)**	**(128 528)**	**55 993**
Planning and development	500	1 535	1 900	1 900	3 435
Road transport	9 170	182 986	(130 428)	(130 428)	52 558
Environmental protection	–	–	–	–	–
Trading services	**105 300**	**136 218**	**10 814**	**10 814**	**147 033**
Energy sources	34 103	39 699	7 598	7 598	47 298
Water management	29 008	43 225	8 536	8 536	51 762
Waste water management	42 190	53 294	(5 320)	(5 320)	47 973
Waste management	–	–	–	–	–
Other	–	–	–	–	–
Total Capital Expenditure - Functional	**150 362**	**378 826**	**(99 753)**	**(99 753)**	**279 073**
Funded by:					
National Government	54 997	61 730	7	7	61 737
Provincial Government	59 973	80 359	5 985	5 985	86 343
District Municipality	1 391	1 391	–	–	1 391
Transfers recognised - capital	**116 362**	**143 480**	**5 991**	**5 991**	**149 471**
Borrowing	34 000	207 913	(113 429)	(113 429)	94 484
Internally generated funds	–	27 434	7 684	7 684	35 118
Total Capital Funding	**150 362**	**378 826**	**(99 753)**	**(99 753)**	**279 073**

Explanatory notes to Table 11 B5 – Adjustments Capital Expenditure Budget 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.

Table 12 (B6 - Adjustments Budget Financial Position)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
ASSETS					
Current assets					
Cash and cash equivalents	43 640	58 060	111 005	111 005	169 065
Trade and other receivables from exchange transactions	77 030	77 030	(17 131)	(17 131)	59 899
Receivables from non-exchange transactions	29 014	29 014	(2 363)	(2 363)	26 651
Current portion of non-current receivables	–	–	–	–	–
Inventory	18 598	19 748	2 701	2 701	22 450
VAT	45 445	45 445	(32 655)	(32 655)	12 790
Other current assets	109	109	890	890	999
Total current assets	**213 837**	**229 407**	**62 447**	**62 447**	**291 854**
Non-current assets					
Investments	–	–	–	–	–
Investment property	262 608	262 608	(11 815)	(11 815)	250 794
Property, plant and equipment	2 106 737	2 335 202	(112 311)	(112 311)	2 222 891
Biological assets	–	–	–	–	–
Living and non-living resources	–	–	–	–	–
Heritage assets	–	–	–	–	–
Intangible assets	603	603	(184)	(184)	419
Trade and other receivables from exchange transactions	–	–	–	–	–
Non-current receivables from non-exchange transactions	–	–	–	–	–
Other non-current assets	–	–	–	–	–
Total non-current assets	**2 369 948**	**2 598 413**	**(124 310)**	**(124 310)**	**2 474 103**
TOTAL ASSETS	**2 583 785**	**2 827 820**	**(61 863)**	**(61 863)**	**2 765 957**
R thousands					
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Financial liabilities	23 564	34 488	3 786	3 786	38 274
Consumer deposits	29 060	29 060	2 600	2 600	31 660
Trade and other payables from exchange transactions	124 413	125 563	17 659	17 659	143 222
Trade and other payables from non-exchange transactions	–	–	0	0	0
Provisions	48 355	48 355	6 513	6 513	54 868
VAT	(0)	(0)	14 707	14 707	14 707
Other current liabilities	–	–	–	–	–
Total current liabilities	**225 392**	**237 467**	**45 265**	**45 265**	**282 732**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
Non-current liabilities					
Financial Liabilities	11 333	164 604	(43 761)	(43 761)	120 843
Provisions	140 468	140 468	(3 121)	(3 121)	137 347
Long term portion of trade payables	–	–	–	–	–
Other non-current liabilities	119 151	119 151	(10 366)	(10 366)	108 785
Total non-current liabilities	**270 953**	**424 224**	**(57 248)**	**(57 248)**	**366 975**
TOTAL LIABILITIES	**496 345**	**661 690**	**(11 983)**	**(11 983)**	**649 707**
NET ASSETS	**2 087 440**	**2 166 129**	**(49 879)**	**(49 879)**	**2 116 250**
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	2 087 440	2 166 129	(49 879)	(49 879)	2 116 250
Funds and Reserves	–	–	–	–	–
Other	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**2 087 440**	**2 166 129**	**(49 879)**	**(49 879)**	**2 116 250**

Explanatory notes to Table 12 B6 – Adjustments Budget Financial Position

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

2 Any movement on the Adjustments Budgeted Financial Performance or the Capital Adjustments Budget will invariably impact on the Adjustments 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 budgets 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.

3 The cash flow position requires close and ongoing monitoring.

Table 13 (B7 - Adjustments Budgeted Cash Flow Statement)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property rates	287 458	287 458	1 171	1 171	288 628
Service charges	761 922	761 922	61 852	61 852	823 774
Other revenue	93 666	100 764	15 183	15 183	115 947
Transfers and Subsidies - Operational	202 153	205 651	4 453	4 453	210 105
Transfers and Subsidies - Capital	123 443	123 331	6 686	6 686	130 017
Interest	13 998	13 998	1 500	1 500	15 498
Dividends	–	–	–	–	–
Payments					
Suppliers and employees	(1 327 265)	(1 340 032)	(63 703)	(63 703)	(1 403 735)
Finance charges	(16 159)	(35 182)	24 085	24 085	(11 097)
Transfers and Grants	(400)	(400)	–	–	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**138 815**	**117 510**	**51 228**	**51 228**	**168 738**
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE	–	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–
Payments					
Capital assets	(116 362)	(170 913)	(57 154)	(57 154)	(228 067)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(116 362)**	**(170 913)**	**(57 154)**	**(57 154)**	**(228 067)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short term loans	–	–	–	–	–
Borrowing long term/refinancing	–	–	100 000	100 000	100 000
Increase (decrease) in consumer deposits	–	–	–	–	–
Payments					
Repayment of borrowing	(22 478)	(32 196)	16 932	16 932	(15 264)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(22 478)**	**(32 196)**	**116 932**	**116 932**	**84 736**
NET INCREASE/ (DECREASE) IN CASH HELD	**(24)**	**(85 599)**	**111 005**	**111 005**	**25 406**
Cash/cash equivalents at the year begin:	43 665	143 659	(0)	(0)	143 659
Cash/cash equivalents at the year-end:	43 641	58 060	111 005	111 005	169 065

Explanatory notes to Table 13 B7 – Adjustments 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 the cash out-flows that is likely to result from the implementation of the Budget.

3. The municipality will have to maintain its efforts of enforcing strict cash flow management and monitoring on an ongoing basis.

Table 14 (B8 - Cash backed reserves/accumulated surplus reconciliation)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Cash and investments available					
Cash/cash equivalents at the year end	43 641	58 060	111 005	111 005	169 065
Other current investments > 90 days	(1)	–	–	–	–
Non-current assets - Investments	–	–	–	–	–
Cash and investments available:	**43 640**	**58 060**	**111 005**	**111 005**	**169 065**
Applications of cash and investments					
Unspent conditional transfers	–	–	0	0	0
Unspent borrowing	–	–	50 000	50 000	50 000
Statutory requirements	(45 445)	(45 445)	47 362	47 362	1 917
Other working capital requirements	18 368	18 369	38 303	38 303	56 672
Other provisions	48 355	48 355	6 513	6 513	54 868
Long term investments committed	–	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–	–
Total Application of cash and investments:	**21 278**	**21 279**	**142 179**	**142 179**	**163 457**
Surplus(shortfall)	**22 362**	**36 781**	**(31 174)**	**(31 174)**	**5 608**

Explanatory notes to Table 14 B8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

1. 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.

2. As part of the budgeting and planning guidelines that informed the compilation of the 2024/25 Adjustments Budget, the end objective was to ensure that the budget is funded as required in accordance with section 18 of the MFMA.

3. The available cash and investments amount increased by R 111,005 million, from R 58,060 million to R 169,065 million.

4. The funding cash surplus decreased by R 31,174 million, from R 36,781 million to R 5,608 million.

Table 15 (B9 - Asset Management)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
CAPITAL EXPENDITURE					
Total New Assets *to be adjusted*	**52 798**	**235 418**	**(108 892)**	**(108 892)**	**126 526**
Roads Infrastructure	150	174 142	(130 435)	(130 435)	43 707
Storm water Infrastructure	–	–	–	–	–
Electrical Infrastructure	3 755	4 352	5 500	5 500	9 852
Water Supply Infrastructure	11 975	17 596	(1 918)	(1 918)	15 678
Sanitation Infrastructure	1 527	1 527	(1 446)	(1 446)	81
Infrastructure	**17 407**	**197 616**	**(128 299)**	**(128 299)**	**69 317**
Community Facilities	–	–	1 400	1 400	1 400
Sport and Recreation Facilities	–	–	–	–	–
Community Assets	**–**	**–**	**1 400**	**1 400**	**1 400**
Computer Equipment	**–**	**1 733**	**547**	**547**	**2 280**
Furniture and Office Equipment	**–**	**578**	**454**	**454**	**1 032**
Machinery and Equipment	**–**	**100**	**–**	**–**	**100**
Transport Assets	**35 391**	**35 391**	**17 006**	**17 006**	**52 397**
Total Renewal of Existing Assets *to be adjusted*	**250**	**5 250**	**–**	**–**	**5 250**
Electrical Infrastructure	–	5 000	–	–	5 000
Water Supply Infrastructure	250	250	–	–	250
Infrastructure	**250**	**5 250**	**–**	**–**	**5 250**
Total Upgrading of Existing Assets *to be adjusted*	**97 313**	**138 159**	**9 138**	**9 138**	**147 297**
Roads Infrastructure	8 596	8 596	7	7	8 602
Storm water Infrastructure	424	424	–	–	424
Electrical Infrastructure	30 348	30 348	(2 025)	(2 025)	28 323
Water Supply Infrastructure	16 783	45 765	12 551	12 551	58 316
Sanitation Infrastructure	40 663	51 767	(1 894)	(1 894)	49 873
Infrastructure	**96 813**	**136 900**	**8 638**	**8 638**	**145 538**
Sport and Recreation Facilities	500	1 259	500	500	1 759
Community Assets	**500**	**1 259**	**500**	**500**	**1 759**
Total Capital Expenditure *to be adjusted*					
Roads Infrastructure	8 746	182 737	(130 428)	(130 428)	52 309
Storm water Infrastructure	424	424	–	–	424
Electrical Infrastructure	34 103	39 699	3 475	3 475	43 174
Water Supply Infrastructure	29 008	63 611	10 632	10 632	74 243
Sanitation Infrastructure	42 190	53 294	(3 340)	(3 340)	49 953
Infrastructure	**114 470**	**339 766**	**(119 661)**	**(119 661)**	**220 105**
Community Facilities	–	–	1 400	1 400	1 400
Sport and Recreation Facilities	500	1 259	500	500	1 759
Community Assets	**500**	**1 259**	**1 900**	**1 900**	**3 159**
Computer Equipment	**–**	**1 733**	**547**	**547**	**2 280**
Furniture and Office Equipment	**–**	**578**	**454**	**454**	**1 032**
Machinery and Equipment	**–**	**100**	**–**	**–**	**100**
Transport Assets	**35 391**	**35 391**	**17 006**	**17 006**	**52 397**
TOTAL CAPITAL EXPENDITURE *to be adjusted*	**150 362**	**378 826**	**(99 753)**	**(99 753)**	**279 073**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
ASSET REGISTER SUMMARY - PPE (WDV)					
Roads Infrastructure	518 821	692 813	(180 058)	(180 058)	512 755
Storm water Infrastructure	28 084	28 084	22 419	22 419	50 504
Electrical Infrastructure	209 400	214 997	(25 756)	(25 756)	189 242
Water Supply Infrastructure	421 782	456 385	(61 266)	(61 266)	395 119
Sanitation Infrastructure	495 636	506 740	(96 681)	(96 681)	410 059
Solid Waste Infrastructure	(15 087)	(15 087)	28 786	28 786	13 699
Information and Communication Infrastructure	72	72	(72)	(72)	–
Infrastructure	1 658 709	1 884 004	(312 627)	(312 627)	1 571 377
Community Assets	59 161	59 920	(5 718)	(5 718)	54 202
Investment properties	262 608	262 608	(11 815)	(11 815)	250 794
Other Assets	112 819	112 819	141 241	141 241	254 060
Intangible Assets	603	603	(184)	(184)	419
Computer Equipment	5 110	6 843	(1 487)	(1 487)	5 356
Furniture and Office Equipment	(12 500)	(11 922)	4 069	4 069	(7 853)
Machinery and Equipment	6 323	6 423	(827)	(827)	5 597
Transport Assets	65 778	65 778	40 436	40 436	106 214
Land	211 337	211 337	22 602	22 602	233 939
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**2 369 948**	**2 598 413**	**(124 310)**	**(124 310)**	**2 474 103**
EXPENDITURE OTHER ITEMS					
Depreciation & asset impairment	117 798	117 798	–	–	117 798
Repairs and Maintenance by asset class	**228 381**	**233 594**	**7 813**	**7 813**	**241 407**
Roads Infrastructure	52 369	51 892	1 500	1 500	53 392
Storm water Infrastructure	2 120	1 620	–	–	1 620
Electrical Infrastructure	30 806	33 616	2 059	2 059	35 675
Water Supply Infrastructure	32 198	33 475	3 098	3 098	36 573
Sanitation Infrastructure	38 483	39 406	4 538	4 538	43 944
Coastal Infrastructure	–	950	200	200	1 150
Infrastructure	155 976	160 958	11 396	11 396	172 354
Community Facilities	40 224	40 224	(77)	(77)	40 147
Sport and Recreation Facilities	1 340	1 340	–	–	1 340
Community Assets	41 564	41 564	(77)	(77)	41 487
Operational Buildings	4 187	4 175	(275)	(275)	3 900
Other Assets	4 187	4 175	(275)	(275)	3 900
Machinery and Equipment	694	694	–	–	694
Transport Assets	25 960	26 203	(3 230)	(3 230)	22 973
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	**346 179**	**351 392**	**7 813**	**7 813**	**359 206**
Renewal and upgrading of Existing Assets as % of total capex	*64,9%*	*37,9%*			*54,7%*
Renewal and upgrading of Existing Assets as % of deprecn"	*82,8%*	*121,7%*			*129,5%*
R&M as a % of PPE	*9,6%*	*9,0%*			*9,8%*
Renewal and upgrading and R&M as a % of PPE	*13,8%*	*14,5%*			*15,9%*

Explanatory notes to Table 15 B9 – Asset Management

1. The table provides a summarised version of the capital programme divided into new assets and renewal of existing assets; and 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.

Table 16 (B10 - Basic service delivery measurement)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
Household service targets					
Water:					
Piped water inside dwelling	–	–	–	–	–
Piped water inside yard (but not in dwelling)	–	–	–	–	–
Using public tap (at least min.service level)	–	–	–	–	–
Other water supply (at least min.service level)	–	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–	–
Using public tap (< min.service level)	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–
No water supply	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–
Total number of households	–	–	–	–	–
Sanitation/sewerage:					
Flush toilet (connected to sewerage)	–	–	–	–	–
Flush toilet (with septic tank)	–	–	–	–	–
Chemical toilet	–	–	–	–	–
Pit toilet (ventilated)	–	–	–	–	–
Other toilet provisions (> min.service level)	–	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–	–
Bucket toilet	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–
No toilet provisions	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–
Total number of households	–	–	–	–	–
Energy:					
Electricity (at least min. service level)	–	–	–	–	–
Electricity - prepaid (> min.service level)	–	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–	–
Electricity (< min.service level)	–	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–	–
Other energy sources	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–
Total number of households	–	–	–	–	–

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
Refuse:					
Removed at least once a week (min.service)	–	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–	–
Removed less frequently than once a week	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–
Using own refuse dump	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–
No rubbish disposal	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**	**–**
Households receiving Free Basic Service					
Water (6 kilolitres per household per month)	21 232 488	21 232 488	254 573	254 573	21 487 061
Sanitation (free minimum level service)	14 212 728	14 212 728	(539 633)	(539 633)	13 673 095
Electricity/other energy (50kwh per household per month)	5 584 548	5 584 548	(3 594 838)	(3 594 838)	1 989 710
Refuse (removed at least once a week)	25 690 656	25 690 656	(1 421 404)	(1 421 404)	24 269 252
Informal Settlements	–	–	–	–	–
Cost of Free Basic Services provided (R'000)					
Water (6 kilolitres per indigent household per month)	21 232	21 232	255	255	21 487
Sanitation (free sanitation service to indigent households)	14 213	14 213	(540)	(540)	13 673
Electricity/other energy (50kwh per indigent household per month)	5 585	5 585	(3 595)	(3 595)	1 990
Refuse (removed once a week for indigent households)	25 691	25 691	(1 421)	(1 421)	24 269
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	–	–	–	–	–
Total cost of FBS provided	66 720	66 720	(5 301)	(5 301)	61 419
Highest level of free service provided					
Property rates (R'000 value threshold)	–	–	–	–	–
Water (kilolitres per household per month)	–	–	–	–	–
Sanitation (kilolitres per household per month)	–	–	–	–	–
Sanitation (Rand per household per month)	–	–	–	–	–
Electricity (kw per household per month)	–	–	–	–	–
Refuse (average litres per week)	–	–	–	–	–
Revenue cost of free services provided (R'000)					
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	7 249	7 249	(6 896)	(6 896)	353
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	**7 249**	**7 249**	**(6 896)**	**(6 896)**	**353**

Explanatory notes to Table 16 B10 – Basic Service Delivery Measurement

1. Table B10 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 Adjustments to Budget Assumptions

The budget assumptions, which informed the approved 2024/25 Budget, have been maintained.

2.2 Adjustments to Budget Funding

2.2.1 Funding the Adjustments Budget

2.2.1.1 Funding of Operating Expenditure

The Municipality's operating expenditure is mainly funded from sources such as property rates, service charges and government grants. The table below reflects the funding sources:

Table 17 (Revenue by Source)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Revenue					
Exchange Revenue					
Service charges - Electricity	381 991	381 991	43 569	43 569	425 559
Service charges - Water	82 323	82 323	55 734	55 734	138 057
Service charges - Waste Water Management	64 086	64 086	11 928	11 928	76 014
Service charges - Waste Management	71 123	71 123	(8 976)	(8 976)	62 146
Sale of Goods and Rendering of Services	9 533	9 533	–	–	9 533
Agency services	4 554	4 554	–	–	4 554
Interest earned from Receivables	32 335	32 335	–	–	32 335
Interest earned from Current and Non-Current Assets	13 998	13 998	1 500	1 500	15 498
Rental from Fixed Assets	3 187	3 187	–	–	3 187
Licence and permits	2 851	2 851	–	–	2 851
Operational Revenue	1 955	1 955	–	–	1 955
Non-Exchange Revenue					
Property rates	297 076	297 076	1 233	1 233	298 309
Fines, penalties, and forfeits	143 343	143 343	(99 484)	(99 484)	43 859
Licences or permits	11 772	11 772	–	–	11 772
Transfer and subsidies - Operational	202 153	205 651	4 453	4 453	210 105
Interest	5 510	5 510	–	–	5 510
Operational Revenue	64 831	64 831	(45 173)	(45 173)	19 658
Total Revenue (excluding capital transfers and contributions)	**1 392 621**	**1 396 119**	**(35 217)**	**(35 217)**	**1 360 902**

2.2.1.2 Reconciliation showing that operating and capital expenditure is funded in accordance with section 18 of the MFMA.

Table 18 (Cash backed reserves/accumulated surplus reconciliation)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Cash and investments available					
Cash/cash equivalents at the year end	43 641	58 060	111 005	111 005	169 065
Other current investments > 90 days	(1)	–	–	–	–
Non-current assets - Investments	–	–	–	–	–
Cash and investments available:	**43 640**	**58 060**	**111 005**	**111 005**	**169 065**
Applications of cash and investments					
Unspent conditional transfers	–	–	0	0	0
Unspent borrowing	–	–	50 000	50 000	50 000
Statutory requirements	(45 445)	(45 445)	47 362	47 362	1 917
Other working capital requirements	18 368	18 369	38 303	38 303	56 672
Other provisions	48 355	48 355	6 513	6 513	54 868
Long term investments committed	–	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–	–
Total Application of cash and investments:	**21 278**	**21 279**	**142 179**	**142 179**	**163 457**
Surplus(shortfall)	**22 362**	**36 781**	**(31 174)**	**(31 174)**	**5 608**

2.2.2 Adjustments to estimated collection levels

The 2024/25 Adjustment Operating Budget debtors' collection rate remained at 95%.

2.2.3 Adjustments related to allocations and grants to the Municipality.

2.2.3.1 Adjustments related to capital allocations and grants to the Municipality.

Adjustments relating to grant funding, supporting the Municipality's Capital Budget is included in the enclosed **"Annexure D."**

2.2.3.2. Adjustments related to allocations and grants to the Municipality.

Below the adjustments pertaining to operating allocations and grants:

Table 19 (SB7 Adjustments Budget – transfers and grant receipts)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
RECEIPTS:					
Operating Transfers and Grants					
National Government:	**197 710**	**197 710**	**–**	**–**	**197 710**
Operational Revenue: General Revenue: Equitable Share	192 664	192 664	–	–	192 664
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 495	1 495	–	–	1 495
Local Government Financial Management Grant [Schedule 5B]	1 723	1 723	–	–	1 723
Municipal Infrastructure Grant [Schedule 5B]	1 828	1 828	–	–	1 828
Provincial Government:	**2 050**	**5 498**	**4 453**	**4 453**	**9 952**
Capacity Building and Other - Department of Human Settlement	–	3 448	3 548	3 548	6 997
Sports and Recreation	2 050	2 050	905	905	2 955
District Municipality:	**2 393**	**2 393**	**–**	**–**	**2 393**
Capacity Building and Other - Environmental Health	2 393	2 393	–	–	2 393
Other grant providers:	–	50	–	–	50
South Africa National Biodiversity Institute (SANBI)	–	50	–	–	50
Total Operating Transfers and Grants	**202 153**	**205 651**	**4 453**	**4 453**	**210 105**
Capital Transfers and Grants					
National Government:	**52 874**	**52 762**	**–**	**–**	**52 762**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4 203	4 203	–	–	4 203
Municipal Infrastructure Grant [Schedule 5B]	34 730	34 618	–	–	34 618
Water Services Infrastructure Grant [Schedule 5B]	13 941	13 941	–	–	13 941
Provincial Government:	**68 969**	**68 969**	**6 686**	**6 686**	**75 655**
Infrastructure - Department of Human Settlement	68 969	68 969	6 686	6 686	75 655
District Municipality:	**1 600**	**1 600**	**–**	**–**	**1 600**
Capacity Building and Other - Fire Services	1 600	1 600	–	–	1 600
Total Capital Transfers and Grants	**123 443**	**123 331**	**6 686**	**6 686**	**130 017**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**325 596**	**328 982**	**11 140**	**11 140**	**340 122**

Table 20 (SB8 Adjustments Budget – expenditure on transfers and grant programme)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:					
Operating expenditure of Transfers and Grants					
National Government:	**197 710**	**197 710**	**–**	**–**	**197 710**
Operational Revenue: General Revenue: Equitable Share	192 664	192 664	–	–	192 664
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 495	1 495	–	–	1 495
Local Government Financial Management Grant [Schedule 5B]	1 723	1 723	–	–	1 723
Municipal Infrastructure Grant [Schedule 5B]	1 828	1 828	–	–	1 828
Provincial Government:	**2 050**	**5 498**	**4 453**	**4 453**	**9 952**
Capacity Building and Other - Department of Human Settlement	–	3 448	3 548	3 548	6 997
Sports and Recreation	2 050	2 050	905	905	2 955
District Municipality:	**2 393**	**2 393**	**–**	**–**	**2 393**
Capacity Building and Other - Environmental Health	2 393	2 393	–	–	2 393
Other grant providers:	–	50	–	–	50
South Africa National Biodiversity Institute (SANBI)	–	50	–	–	50
Total Operating Transfers and Grants	**202 153**	**205 651**	**4 453**	**4 453**	**210 105**
Capital Transfers and Grants					
National Government:	**52 874**	**52 762**	**–**	**–**	**52 762**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4 203	4 203	–	–	4 203
Municipal Infrastructure Grant [Schedule 5B]	34 730	34 618	–	–	34 618
Water Services Infrastructure Grant [Schedule 5B]	13 941	13 941	–	–	13 941
Provincial Government:	**68 969**	**68 969**	**6 686**	**6 686**	**75 655**
Infrastructure - Department of Human Settlement	68 969	68 969	6 686	6 686	75 655
District Municipality:	**1 600**	**1 600**	**–**	**–**	**1 600**
Capacity Building and Other - Fire Services	1 600	1 600	–	–	1 600
Total Capital Transfers and Grants	**123 443**	**123 331**	**6 686**	**6 686**	**130 017**
TOTAL EXPENDITURE OF TRANSFERS & GRANTS	**325 596**	**328 982**	**11 140**	**11 140**	**340 122**

2.3 Adjustments to expenditure on allocations and grant programmes

2.3.1 The adjustments made to planned capital expenditure of allocations and grants received.

The adjustments made to planned capital expenditure, including the capital projects in question, are reflected in **"Annexure C."**

2.4 Adjustments to Councillors and Employee benefits

Below is a summary of the adjustments made to Councillors' Remuneration and Employee Related Costs:

Description	Approved Budget 2024/25	Adjustments Budget 2024/25	Variance
	R	R	R
Employee Related Costs	481 055 671	482 971 117	1 915 446
Councillors' Remuneration	15 594 271	15 594 271	-

Please refer to page 9 (bullet point: 1.4.2.1) for a detailed breakdown of employee related costs adjustments.

2.5 Adjustments to Service Delivery and Budget Implementation Plan (SDBIP)

In accordance with the MFMA, it should be noted that adjustments to the service delivery targets and performance indicators in the 2024/25 SDBIP will be considered, following the approval by Council of the 2024/25 Adjustments Budget.

2.6. Municipal Manager's Quality Certification

I, Charl Du Plessis, Municipal Manager of the Kouga Local Municipality, hereby certify that the 2024/25 Adjustments 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 Adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the Municipality.

Print Name __Charl Du Plessis_____

Municipal Manager of Kouga Local Municipality EC108

Signature:…… ……  ……

Date:……17 January 2025……....

"ANNEXURE C"

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Approved Adjusted Budget 2024/25	Adjustments	Mid-Year Adjusted Budget 2024/25
CIVIL AND WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176 117	-	176 117
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137 788	-	137 788
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	621 050	500 000	1 121 050
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	-	500 000
ROADS AND STORMWATER	Borrowing	ROADS INFRASTRUCTURE IN KOUGA	173 913 043	(130 434 782)	43 478 261
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508 696	-	508 696
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1 608 696	6 731	1 615 427
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	-	6 478 261
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424 348	-	424 348
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	52 608	-	52 608
SEWERAGE	DOHS	Phase 1 Upgrade of Thornhill Sewer Treatment Works	553 739	(222 419)	331 320
SEWERAGE	DOHS	Kruisfontein Bulk Sewer -Link Line	1 997 391	(601 554)	1 395 837
SEWERAGE	DOHS	Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	7 304 348	(2 792 661)	4 511 687
SEWERAGE	DOHS	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	-	167 175	167 175
SEWERAGE	DOHS	Ramaphosa Sewer Pump Station Upgrade	-	75 391	75 391
SEWERAGE	DOHS	Envirosan Toilets (40 Units)	1 446 261	(1 446 261)	-
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508 609	-	508 609
SEWERAGE	Internal	HANKEY WWTW	4 256 462	1 075 200	5 331 662
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	6 338 777	(1 575 200)	4 763 577
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	-	80 500
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29 169 586	-	29 169 586
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200 000	-	200 000
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	1 287 831	(1 147 831)	140 000
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer rising main	150 000	(130 000)	20 000

"ANNEXURE C"

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Approved Adjusted Budget 2024/25	Adjustments	Mid-Year Adjusted Budget 2024/25
CIVIL AND WATER SERVICES					
WATER	DOHS	Kwanomzamo Bulk Water : New Pipeline	6 521 739	(3 474 182)	3 047 557
WATER	DOHS	Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	6 782 609	(3 586 384)	3 196 225
WATER	DOHS	Humansdorp: Upgrading of informal settlements in Kwanomzamo (Bungalows, Polar Parks & Shukushukuma)	-	8 118 775	8 118 775
WATER	DOHS	Jeffreys Bay: Upgrading of Oceanview Informal Settlements	-	3 469 565	3 469 565
WATER	DOHS	Patensie: Upgrading of Informal Settlement (Cyril Ramaphosa)	-	2 629 602	2 629 602
WATER	DOHS	New Reservoir Ramaphosa	-	659 674	659 674
WATER	DOHS	Humansdorp: Upgrading of Kruisfontein Settlement (Donkerhoek)	-	1 898 033	1 898 033
WATER	DOHS	Thornhill : Upgrading of Informal Settlement	-	1 399 200	1 399 200
WATER	DOHS	New Reservoir on Pnt 2 of the Farm Thornhill	5 018 940	(2 578 014)	2 440 926
WATER	Internal	JILL MARCUS WATER SUPPLY	4 347 000	-	4 347 000
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	-	3 000 000
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637 410	-	637 410
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	7 592 557	1 347 831	8 940 388
WATER	WSIG	RETICULATION REPLACE PIPELINES	3 478 260	-	3 478 260
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis Bay	150 000	(70 000)	80 000
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100 000	-	100 000
WATER	WSIG	PARADISE BEACH WATER TOWER	2 021 548	-	2 021 548
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3 575 354	-	3 575 354
			280 939 528	**(126 712 111)**	**154 227 417**

"ANNEXURE C"

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Approved Adjusted Budget 2024/25	Adjustments	Mid-Year Adjusted Budget 2024/25
COMMUNITY SERVICES					
FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1 391 304	-	1 391 304
LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	242 320	-	242 320
			1 633 624	**-**	**1 633 624**
ELECTRO/MECHANICAL SERVICES					
ELECTRICITY	DOHS	Oceanview Substation Upgrade	10 434 783	(521 740)	9 913 043
ELECTRICITY	DOHS	Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	19 130 435	(783 015)	18 347 420
ELECTRICITY	DOHS	Jeffreys Bay: Upgrading of Oceanview Informal Settlements	-	655 434	655 434
ELECTRICITY	DOHS	Apiesdraai Pump Station	-	1 980 261	1 980 261
ELECTRICITY	DOHS	Computer Equipment (UISP FUNDING)	-	217 391	217 391
ELECTRICITY	DOHS	Thornhill : Upgrading of Informal Settlement	-	1 270 400	1 270 400
ELECTRICITY	DOHS	Electricity Transfer from NMBM to KLM	-	62 198	62 198
ELECTRICITY	DOHS	Electricity	782 609	(782 609)	-
ELECTRICITY	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4 251 567	-	4 251 567
ELECTRICITY	Internal	Electrification of Sea Vista Informal Settlement	-	3 500 000	3 500 000
ELECTRICITY	Internal	Electrification of Oceanview (Ebumnyameni) Informal Settlement	-	2 000 000	2 000 000
ELECTRICITY	Internal	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	-	5 000 000
ELECTRICITY	MIG	DESIGN: HIGH MAST LIGHTS	100 000	-	100 000
FLEET AND WORKSHOP	Finance Lease	Vehicle	34 000 000	17 005 878	51 005 878
			73 699 394	**24 604 198**	**98 303 592**

"ANNEXURE C"

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Approved Adjusted Budget 2024/25	Adjustments	Mid-Year Adjusted Budget 2024/25
FINANCE AND ECONOMIC DEVELOPMENT					
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	577 517	(200 000)	377 517
LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100 000	-	100 000
REVENUE	Internal	Office Furniture	-	106 453	106 453
REVENUE	Internal	Computer Equipment	22 477	-	22 477
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	55 414	330 000	385 414
			755 408	**236 453**	**991 861**
OFFICE OF THE MUNICIPAL MANAGER					
RISK AND INTERNAL AUDIT UNITY	Internal	Furniture & Equipment	-	28 000	28 000
			-	**28 000**	**28 000**
OFFICE OF THE DEPUTY MUNICIPAL MANAGER					
ADMINISTRATION AND AUXILIARY SERVICES	Internal	Foyer - Furniture & Equipment	-	90 000	90 000
COUNCIL	Internal	Ward Offices - Furniture & Equipment	-	150 000	150 000
HUMAN RESOURCES	Internal	Furniture & Equipment	-	80 000	80 000
INFORMATION TECHNOLOGY	Internal	Computer Equipment	1 412 789	-	1 412 789
LEGAL SERVICES	Internal	Furniture & Equipment	-	50 000	50 000
OFFICE OF THE DMM	Internal	DMM Office furniture	-	150 000	150 000
			1 412 789	**520 000**	**1 932 789**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	Internal	HOMELESS SHELTER	-	1 400 000	1 400 000
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 2	16 346 963	-	16 346 963
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 3	4 038 699	170 294	4 208 993
			20 385 662	**1 570 294**	**21 955 956**
		Total	**378 826 405**	**(99 753 166)**	**279 073 239**

"ANNEXURE D"

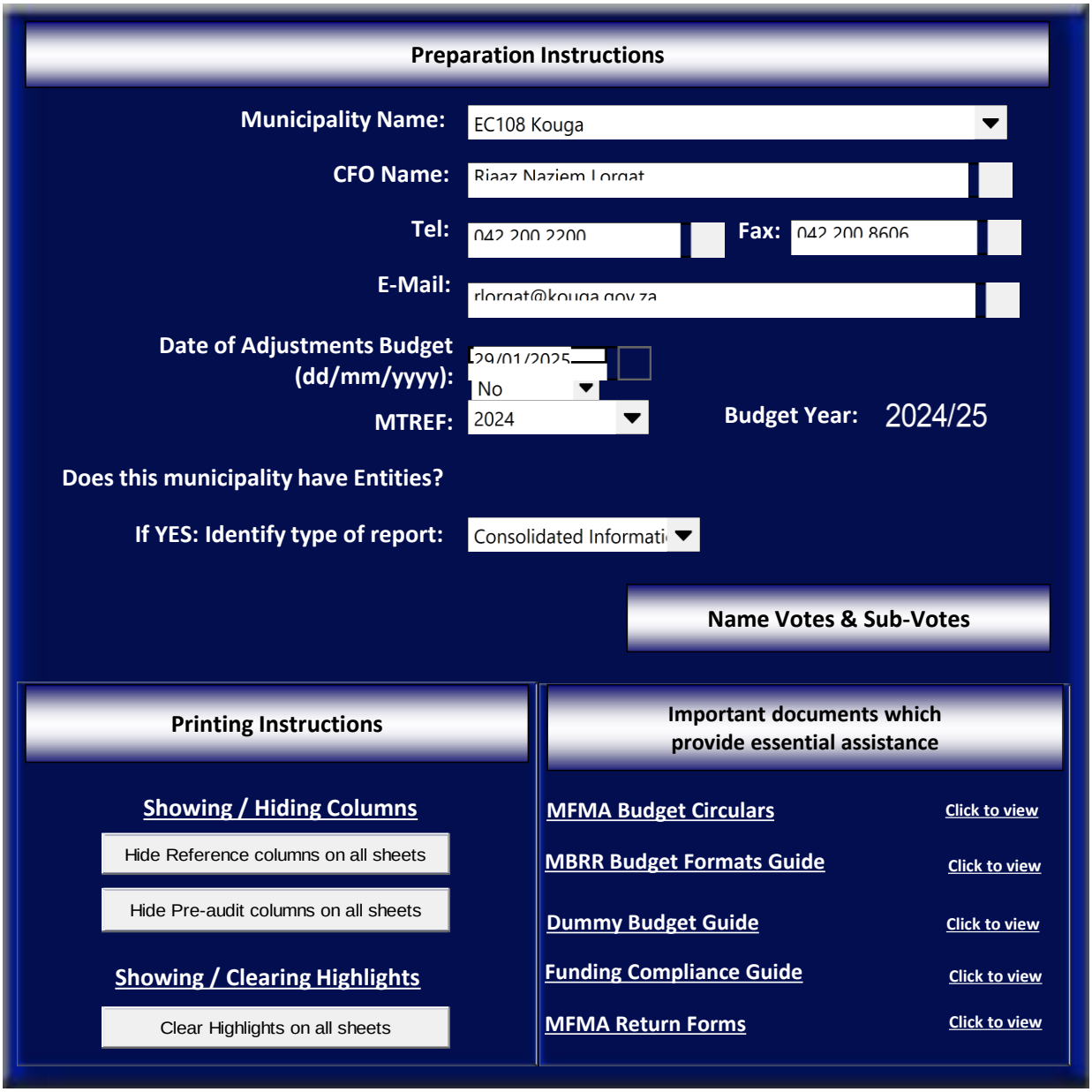
PROJECT DESCRIPTION	Approved Adjusted Budget 2024/25	Adjustments	Mid-Year Adjusted Budget 2024/25
DISTRICT SUBSIDY			
Fire Services - Vehicle (DISTRICT)	1 391 304	-	1 391 304
	1 391 304	**-**	**1 391 304**
DEPARTMENT OF HUMAN SETTLEMENT GRANTS			
Phase 1 Upgrade of Thornhill Sewer Treatment Works	553 739	(222 419)	331 320
Kruisfontein Bulk Sewer -Link Line	1 997 391	(601 554)	1 395 837
Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	7 304 348	(2 792 661)	4 511 687
DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	-	167 175	167 175
Ramaphosa Sewer Pump Station Upgrade	-	75 391	75 391
Envirosan Toilets (40 Units)	1 446 261	(1 446 261)	-
Kwanomzamo Bulk Water : New Pipeline	6 521 739	(3 474 182)	3 047 557
Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	6 782 609	(3 586 384)	3 196 225
Humansdorp: Upgrading of informal settlements in Kwanomzamo (Bungalows, Polar Parks & Shukushukuma)	-	8 118 775	8 118 775
Jeffreys Bay: Upgrading of Oceanview Informal Settlements	-	3 469 565	3 469 565
Patensie: Upgrading of Informal Settlement (Cyril Ramaphosa)	-	2 629 602	2 629 602
New Reservoir Ramaphosa	-	659 674	659 674
Humansdorp: Upgrading of Kruisfontein Settlement (Donkerhoek)	-	1 898 033	1 898 033
Thornhill : Upgrading of Informal Settlement	-	1 399 200	1 399 200
New Reservoir on Pnt 2 of the Farm Thornhill	5 018 940	(2 578 014)	2 440 926
Oceanview Substation Upgrade	10 434 783	(521 740)	9 913 043
Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	19 130 435	(783 015)	18 347 420
Jeffreys Bay: Upgrading of Oceanview Informal Settlements	-	655 434	655 434
Apiesdraai Pump Station	-	1 980 261	1 980 261
Computer Equipment (UISP FUNDING)	-	217 391	217 391
Thornhill : Upgrading of Informal Settlement	-	1 270 400	1 270 400
Electricity Transfer from NMBM to KLM	-	62 198	62 198
HANKEY 990-PHASE 2	16 346 963	-	16 346 963
HANKEY 990-PHASE 3	4 038 699	170 294	4 208 993
	79 575 907	**6 767 163**	**86 343 070**

"ANNEXURE D"

PROJECT DESCRIPTION	Approved Adjusted Budget 2024/25	Adjustments	Mid-Year Adjusted Budget 2024/25
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT			
OCEAN VIEW 1250 ELECTRIFICATION	4 251 567	-	4 251 567
	4 251 567	**-**	**4 251 567**
MUNICIPAL DISASTER RESPONSE GRANT			
St Francis Bay - Nevil Road Reconstruction	508 696	-	508 696
St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1 608 696	-	1 608 696
Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	-	6 478 261
Paradise Beach - Botha Street Stormwater Infrastructure	424 348	-	424 348
	9 020 001	**-**	**9 020 001**
MUNICIPAL INFRASTRUCTURE GRANT			
UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	-	500 000
UPGRADING KOUGA GRAVEL ROADS	52 608	-	52 608
DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	-	80 500
UPGRADING KWANOMZAMO WWTW	29 169 586	-	29 169 586
DESIGN: LA MER NEW SEWER RISING MAIN	200 000	-	200 000
DESIGN: HIGH MAST LIGHTS	100 000	-	100 000
	30 102 694	**-**	**30 102 694**
WATER SERVICES INFRASTRUCTURE GRANT			
Beach Sewer Pump Station and New Sewer Bypass	1 287 831	(1 147 831)	140 000
Loerie Sewer Pump Station upgrade and new sewer rising main	150 000	(130 000)	20 000
ST FRANCIS BAY: BOREHOLES	7 592 557	1 347 831	8 940 388
RETICULATION REPLACE PIPELINES	3 478 260	-	3 478 260
Replace Ageing Water Infrastructure in St Francis Bay	150 000	(70 000)	80 000
Replace Main Waterline Sout Rivier Bridge Crossing	100 000	-	100 000
PARADISE BEACH WATER TOWER	2 021 548	-	2 021 548
MIMOSA STREET PIPELINE REPLACEMENT	3 575 354	-	3 575 354
	18 355 550	**-**	**18 355 550**
TOTAL	**142 697 023**	**6 767 163**	**149 464 186**

"ANNEXURE B"


Municipal
adjustments budgets
&
supporting tables
mSCOA Version 6.8
Click for Instructions!
Accountability
Transparency
Information &
service delivery
national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA
Contact details:
Kgomotso Baloyi
National Treasury
Tel: (012) 315-5866
Electronic submissions:
LG Upload Portal


Preparation Instructions
Municipality Name:
EC108 Kouga
CFO Name:
Riaaz Naziem Lorgat
Tel:
042 200 2200
Fax:
042 200 8606
E-Mail:
rlorgat@kouga.gov.za
Date of Adjustments Budget (dd/mm/yyyy):
29/01/2025
No
MTREF:
2024
Budget Year:
2024/25
Does this municipality have Entities?
If YES: Identify type of report:
Consolidated Informati
Name Votes & Sub-Votes
Printing Instructions
Showing / Hiding Columns
Hide Reference columns on all sheets
Hide Pre-audit columns on all sheets
Showing / Clearing Highlights
Clear Highlights on all sheets
Important documents which provide essential assistance
MFMA Budget Circulars
Click to view
MBRR Budget Formats Guide
Click to view
Dummy Budget Guide
Click to view
Funding Compliance Guide
Click to view
MFMA Return Forms
Click to view

Organisational Structure Votes	Complete Votes & Sub-Votes		Select Org. Structure
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	**Vote 1**	**OFFICE OF THE MUNICIPAL MANAGER**	
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAG	1,1	Municipal Manager	1,1 - Municipal Manager
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	1,2	Performance Management	1,2 - Performance Management
Vote 4 - COMMUNITY SERVICES	1,3	Integrated Development	1,3 - Integrated Development
Vote 5 - CIVIL AND WATER SERVICES	1,4	Risk and Internal Audit	1,4 - Risk and Internal Audit
Vote 6 - ELECTRO/MECHANICAL SERVICES	1,5	[Name of sub-vote]	
Vote 7 - PLANNING AND DEVELOPMENT	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**	**OFFICE OF THE DEPUTY MUNICIPAL MANAGER**	
Vote 13 - [NAME OF VOTE 13]	2,1	Deputy Municipal Manager	2,1 - Deputy Municipal Manager
Vote 14 - [NAME OF VOTE 14]	2,2	Executive Council	2,2 - Executive Council
Vote 15 - [NAME OF VOTE 15]	2,3	Administrative Office Of The Executive Mayor / Speaker	2,3 - Administrative Office Of The Executive Mayor / Speaker
	2,4	Administration and Auxiliary Services	2,4 - Administration and Auxiliary Services
	2,5	Communications	2,5 - Communications
	2,6	Human Resources Management	2,6 - Human Resources Management
	2,7	Information Communication Technology (Ict)	2,7 - Information Communication Technology (Ict)
	2,8	Legal Services	2,8 - Legal Services
	2,9	Strategic Projects	2,9 - Strategic Projects
	Vote 3	**FINANCE AND ECONOMIC DEVELOPMENT**	
	3,1	Chief Financial Officer	3,1 - Chief Financial Officer
	3,2	Assets; Funding And Investments Management	3,2 - Assets; Funding And Investments Management
	3,3	Budget And Treasury	3,3 - Budget And Treasury
	3,4	Expenditure	3,4 - Expenditure
	3,5	Revenue	3,5 - Revenue
	3,6	Supply Chain Management	3,6 - Supply Chain Management
	3,7	Economic Development And Tourism	3,7 - Economic Development And Tourism
	Vote 4	**COMMUNITY SERVICES**	
	4,1	Director:Community Services	4,1 - Director:Community Services
	4,2	Disaster Management And Fire Services	4,2 - Disaster Management And Fire Services
	4,3	Parks And Community Amenities	4,3 - Parks And Community Amenities
	4,4	Safety And Security	4,4 - Safety And Security
	4,5	Waste And Environmental Management	4,5 - Waste And Environmental Management
	Vote 5	**CIVIL AND WATER SERVICES**	
	5,1	Director:Civil and Water Services	5,1 - Director:Civil and Water Services
	5,2	Management and Administration	5,2 - Management and Administration
	5,3	Roads and Stormwater	5,3 - Roads and Stormwater
	5,4	Project Management Unit (Pmu)	5,4 - Project Management Unit (Pmu)
	5,5	Sanitation	5,5 - Sanitation
	5,6	Sewerage	5,6 - Sewerage
	5,7	Wastewater Treatment Works (WWTW)	5,7 - Wastewater Treatment Works (WWTW)
	5,8	Water	5,8 - Water
	5,9	Water Treatment Works (WTW)	5,9 - Water Treatment Works (WTW)
	5.10	Water Services Authority (WSA)	5.10 - Water Services Authority (WSA)
	Vote 6	**ELECTRO/MECHANICAL SERVICES**	
	6,1	Director:Electro/Mechanical Services	6,1 - Director:Electro/Mechanical Services
	6,2	Management and Administration	6,2 - Management and Administration
	6,3	Electrical:Kouga	6,3 - Electrical:Kouga
	6,4	Electrical:Humansdorp	6,4 - Electrical:Humansdorp
	6,5	Electrical:St Francis Bay / Cape St Francis / Oyster Bay	6,5 - Electrical:St Francis Bay / Cape St Francis / Oyster Bay
	6,6	Renewable, Control and Special Projects	6,6 - Renewable, Control and Special Projects
	6,7	Fleet and Workshop	6,7 - Fleet and Workshop
	6,8	Mechanical	6,8 - Mechanical
	Vote 7	**PLANNING AND DEVELOPMENT**	
	7,1	Director:Planning and Development	7,1 - Director:Planning and Development
	7,2	Building Control	7,2 - Building Control
	7,3	Human Settlement	7,3 - Human Settlement
	7,4	Land and Property Administration	7,4 - Land and Property Administration
	7,5	Town and Regional Planning	7,5 - Town and Regional Planning

EC108 Kouga - Contact Information

A. GENERAL INFORMATION

Municipality	EC108 Kouga	Set name on 'Instructions' sheet
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:	
P.O. Box	P O Box 21
City / Town	JEFFREYS BAY
Postal Code	6330
Street address	
Building	Kouga Municipality
Street No. & Name	33 Da Gama Road
City / Town	JEFFREYS BAY
Postal Code	6330
General Contacts	
Telephone number	042 200 2200
Fax number	042 200 8606

C. POLITICAL LEADERSHIP

Speaker:		**Secretary/PA to the Speaker:**	
ID Number	6,61124E+12	ID Number	9,20706E+12
Title	Mr	Title	Ms
Name	Brenton Williams	Name	Noyise Khwanla
Telephone number	042 200 2021	Telephone number	042 200 2021
Cell number	083 5496795	Cell number	738310999
Fax number	086 529 7923	Fax number	086 529 7923
E-mail address	paspeaker@kouga.gov.za	E-mail address	paspeaker@kouga.gov.za

Mayor/Executive Mayor:		**Secretary/PA to the Mayor/Executive Mayor:**	
ID Number	820209 5010 082	ID Number	9,50126E+12
Title	Mr	Title	Ms
Name	Chris Hattingh Bornman	Name	Yolanda Jordan
Telephone number	042 200 2021	Telephone number	43 200 2021
Cell number	084 240 5226	Cell number	794514211
Fax number	086 529 7923	Fax number	086 529 7923
E-mail address	pamayor@kouga.gov.za	E-mail address	pamayor@kouga.gov.za

Deputy Mayor/Executive Mayor:		**Secretary/PA to the Deputy Mayor/Executive Mayor:**	
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

D. MANAGEMENT LEADERSHIP

Municipal Manager:		**Secretary/PA to the Municipal Manager:**	
ID Number	671015 5014 085	ID Number	830923 0220 086
Title	Mr	Title	Mrs
Name	Chan du Plessis	Name	Jobzay Reed
Telephone number	042 200 2046	Telephone number	042 200 2046
Cell number	083 300 0126	Cell number	067 106-2225
Fax number	086 521 4099	Fax number	086 521 4099
E-mail address	cduplessis@kouga.gov.za	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 Nazlem 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	0422002200	Telephone number	0422002200
Cell number	083 265 4372	Cell number	0812199498
Fax number	0	Fax number	0
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	9,30111E+12	ID Number	9312115353088
Title	Mrs	Title	Mr
Name	Leliethu Swapi	Name	Nkosinathi Mbangi
Telephone number	0422002200	Telephone number	0422002200
Cell number	078 951 7178	Cell number	078 906 6894
Fax number	0	Fax number	0
E-mail address	lswapi@kouga.gov.za	E-mail address	nmbangi@kouga.gov.za

Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	9510270452088	ID Number	0
Title	Ms	Title	0
Name	Asiphe Bontshi	Name	0
Telephone number	0422002200	Telephone number	0
Cell number	082 781 3293	Cell number	0
Fax number	0	Fax number	0
E-mail address	abontshi@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
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
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
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
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 B1 Adjustments Budget Summary - 29/01/2025

Description	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
Financial Performance											
Property rates	297 076	297 076	–	–	–	–	1 233	1 233	298 309	313 303	330 535
Service charges	599 522	599 522	–	–	–	–	102 255	102 255	701 777	737 170	826 857
Investment revenue	13 998	13 998	–	–	–	–	1 500	1 500	15 498	12 809	13 385
Transfers recognised - operational	202 153	205 651	–	–	–	–	4 453	4 453	210 105	211 994	223 454
Other own revenue	279 872	279 872	–	–	–	–	(144 657)	(144 657)	135 214	138 785	148 862
Total Revenue (excluding capital transfers and	**1 392 621**	**1 396 119**	**–**	**–**	**–**	**–**	**(35 217)**	**(35 217)**	**1 360 902**	**1 414 062**	**1 543 093**
Employee costs	471 743	481 056	–	–	–	–	1 915	1 915	482 971	487 140	513 366
Remuneration of councillors	15 594	15 594	–	–	–	–	–	–	15 594	16 345	17 163
Depreciation & asset impairment	117 798	117 798	–	–	–	–	–	–	117 798	123 884	129 229
Interest	17 404	36 254	–	–	–	–	(23 252)	(23 252)	13 002	23 398	26 938
Inventory consumed and bulk purchases	495 318	494 011	–	–	–	–	21 313	21 313	515 324	576 437	656 443
Transfers and subsidies	400	400	–	–	–	–	–	–	400	400	400
Other expenditure	387 217	390 139	–	–	–	–	(79 735)	(79 735)	310 404	288 521	299 758
Total Expenditure	**1 505 474**	**1 535 251**	**–**	**–**	**–**	**–**	**(79 758)**	**(79 758)**	**1 455 493**	**1 516 126**	**1 643 297**
Surplus/(Deficit)	(112 853)	(139 132)	–	–	–	–	44 541	44 541	(94 591)	(102 064)	(100 204)
Transfers and subsidies - capital (monetary allocations	133 816	161 944	–	–	–	–	6 864	6 864	168 808	125 727	57 374
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers &	**20 963**	**22 812**	**–**	**–**	**–**	**–**	**51 406**	**51 406**	**74 217**	**23 662**	**(42 830)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**20 963**	**22 812**	**–**	**–**	**–**	**–**	**51 406**	**51 406**	**74 217**	**23 662**	**(42 830)**
Capital expenditure & funds sources											
Capital expenditure	150 362	378 826	–	–	–	–	(99 753)	(99 753)	279 073	239 762	49 890
Transfers recognised - capital	116 362	143 480	–	–	–	–	5 991	5 991	149 471	109 327	49 890
Borrowing	34 000	207 913	–	–	–	–	(113 429)	(113 429)	94 484	130 435	–
Internally generated funds	–	27 434	–	–	–	–	7 684	7 684	35 118	–	–
Total sources of capital funds	**150 362**	**378 826**	**–**	**–**	**–**	**–**	**(99 753)**	**(99 753)**	**279 073**	**239 762**	**49 890**
Financial position											
Total current assets	213 837	229 407	–	–	–	–	62 447	62 447	291 854	296 312	326 687
Total non current assets	2 369 948	2 598 413	–	–	–	–	(124 310)	(124 310)	2 474 103	2 589 981	2 510 643
Total current liabilities	225 392	237 467	–	–	–	–	45 265	45 265	282 732	307 957	325 581
Total non current liabilities	270 953	424 224	–	–	–	–	(57 248)	(57 248)	366 975	438 424	414 666
Community wealth/Equity	**2 087 440**	**2 166 129**	**–**	**–**	**–**	**–**	**(49 879)**	**(49 879)**	**2 116 250**	**2 139 912**	**2 097 082**
Cash flows											
Net cash from (used) operating	138 815	117 510	–	–	–	–	51 228	51 228	168 738	164 499	105 027
Net cash from (used) investing	(116 362)	(170 913)	–	–	–	–	(57 154)	(57 154)	(228 067)	(239 762)	(49 890)
Net cash from (used) financing	(22 478)	(32 196)	–	–	–	–	116 932	116 932	84 736	79 699	(24 785)
Cash/cash equivalents at the year end	**43 641**	**58 060**	**–**	**–**	**–**	**–**	**111 005**	**111 005**	**169 065**	**173 500**	**203 853**
Cash backing/surplus reconciliation											
Cash and investments available	43 640	58 060	–	–	–	–	111 005	111 005	169 065	173 500	203 853
Application of cash and investments	21 278	21 279	–	–	–	–	142 179	142 179	163 457	113 875	114 294
Balance - surplus (shortfall)	**22 362**	**36 781**	**–**	**–**	**–**	**–**	**(31 174)**	**(31 174)**	**5 608**	**59 625**	**89 559**
Asset Management											
Asset register summary (WDV)	2 369 948	2 598 413	–	–	–	–	(124 310)	(124 310)	2 474 103	2 589 981	2 510 643
Depreciation	117 798	117 798	–	–	–	–	–	–	117 798	123 884	129 229
Renewal and Upgrading of Existing Assets	97 563	143 409	–	–	–	–	9 138	9 138	152 547	72 014	22 990
Repairs and Maintenance	228 381	233 594	–	–	–	–	7 813	7 813	241 407	228 320	240 952
Free services											
Cost of Free Basic Services provided	66 720	66 720	–	–	–	–	(5 301)	(5 301)	61 419	69 915	75 227
Revenue cost of free services provided	7 249	7 249	–	–	–	–	(6 896)	(6 896)	353	7 647	8 068
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–	–

EC108 Kouga - Table B2 Adjustments Budget Financial Performance (functional classification) - 29/01/2025

Standard Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	6	7	8	9	10	11	12		
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		**590 750**	**590 750**	**–**	**–**	**–**	**–**	**(91 451)**	**(91 451)**	**499 299**	**509 378**	**535 780**
Executive and council		142	142	–	–	–	–	–	–	142	148	155
Finance and administration		590 608	590 608	–	–	–	–	(91 451)	(91 451)	499 157	509 230	535 625
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**87 286**	**111 120**	**–**	**–**	**–**	**–**	**11 310**	**11 310**	**122 430**	**92 794**	**20 187**
Community and social services		2 460	2 460	–	–	–	–	905	905	3 365	2 486	2 515
Sport and recreation		11 504	11 504	–	–	–	–	–	–	11 504	12 252	13 048
Public safety		1 857	1 857	–	–	–	–	–	–	1 857	1 874	1 892
Housing		68 969	92 803	–	–	–	–	10 405	10 405	103 208	73 569	–
Health		2 496	2 496	–	–	–	–	–	–	2 496	2 613	2 733
Economic and environmental services		**56 136**	**56 186**	**–**	**–**	**–**	**–**	**(7 199)**	**(7 199)**	**48 986**	**39 587**	**42 145**
Planning and development		10 252	10 252	–	–	–	–	–	–	10 252	10 839	11 529
Road transport		19 972	19 972	–	–	–	–	8	8	19 980	8 631	9 192
Environmental protection		25 912	25 962	–	–	–	–	(7 207)	(7 207)	18 755	20 117	21 424
Trading services		**792 266**	**800 008**	**–**	**–**	**–**	**–**	**58 987**	**58 987**	**858 995**	**898 030**	**1 002 355**
Energy sources		409 585	410 271	–	–	–	–	34 484	34 484	444 755	469 935	542 872
Water management		177 913	185 080	–	–	–	–	17 462	17 462	202 542	201 314	217 402
Waste water management		123 062	122 950	–	–	–	–	10 233	10 233	133 183	141 844	151 622
Waste management		81 707	81 707	–	–	–	–	(3 191)	(3 191)	78 516	84 937	90 458
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**1 526 437**	**1 558 063**	**–**	**–**	**–**	**–**	**(28 352)**	**(28 352)**	**1 529 710**	**1 539 788**	**1 600 467**
Expenditure - Functional												
Governance and administration		**362 481**	**362 471**	**–**	**–**	**–**	**–**	**3 921**	**3 921**	**366 393**	**359 493**	**372 843**
Executive and council		61 996	61 237	–	–	–	–	(58)	(58)	61 179	64 853	66 883
Finance and administration		299 963	300 712	–	–	–	–	4 084	4 084	304 796	294 243	305 511
Internal audit		523	523	–	–	–	–	(105)	(105)	418	398	449
Community and public safety		**140 104**	**140 984**	**–**	**–**	**–**	**–**	**(2 590)**	**(2 590)**	**138 395**	**145 522**	**151 964**
Community and social services		13 952	13 952	–	–	–	–	(156)	(156)	13 796	14 331	14 956
Sport and recreation		75 205	75 205	–	–	–	–	(3 132)	(3 132)	72 073	78 127	81 461
Public safety		33 254	33 254	–	–	–	–	89	89	33 342	34 943	36 726
Housing		9 703	10 583	–	–	–	–	738	738	11 320	9 753	10 088
Health		7 991	7 991	–	–	–	–	(128)	(128)	7 863	8 368	8 732
Economic and environmental services		**288 532**	**310 962**	**–**	**–**	**–**	**–**	**(112 396)**	**(112 396)**	**198 567**	**196 024**	**211 938**
Planning and development		32 149	34 424	–	–	–	–	3 647	3 647	38 070	30 448	31 988
Road transport		246 274	266 719	–	–	–	–	(115 101)	(115 101)	151 618	155 478	169 696
Environmental protection		10 109	9 819	–	–	–	–	(941)	(941)	8 878	10 098	10 254
Trading services		**714 357**	**720 833**	**–**	**–**	**–**	**–**	**31 306**	**31 306**	**752 139**	**815 087**	**906 552**
Energy sources		453 172	457 682	–	–	–	–	31 009	31 009	488 691	538 626	616 555
Water management		108 542	109 818	–	–	–	–	(781)	(781)	109 037	117 274	123 457
Waste water management		88 779	88 779	–	–	–	–	1 498	1 498	90 277	94 544	99 274
Waste management		63 864	64 554	–	–	–	–	(421)	(421)	64 133	64 643	67 265
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**1 505 474**	**1 535 251**	**–**	**–**	**–**	**–**	**(79 758)**	**(79 758)**	**1 455 493**	**1 516 126**	**1 643 297**
Surplus/ (Deficit) for the year		**20 963**	**22 812**	**–**	**–**	**–**	**–**	**51 406**	**51 406**	**74 217**	**23 662**	**(42 830)**

EC108 Kouga - Table B2 Adjustments Budget Financial Performance (functional classification) - B - 29/01/2025

Standard Classification Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	6	7	8	9	10	11	12		
R thousand	1	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Municipal governance and administration		**590 750**	**590 750**	**–**	**–**	**–**	**–**	**(91 451)**	**(91 451)**	**499 299**	**509 378**	**535 780**
Executive and council		142	142	–	–	–	–	–	–	142	148	155
Mayor and Council		–	–	–	–	–	–	–	–	–	–	–
Municipal Manager, Town Secretary and Chief		142	142	–	–	–	–	–	–	142	148	155
Finance and administration		590 608	590 608	–	–	–	–	(91 451)	(91 451)	499 157	509 230	535 625
Administrative and Corporate Support		473	473	–	–	–	–	–	–	473	495	517
Asset Management		1 000	1 000	–	–	–	–	–	–	1 000	1 000	1 000
Finance		445 890	445 890	–	–	–	–	8 034	8 034	453 924	467 447	491 425
Fleet Management		2	2	–	–	–	–	–	–	2	2	2
Human Resources		500	500	–	–	–	–	–	–	500	500	500
Information Technology		–	–	–	–	–	–	–	–	–	–	–
Legal Services		–	–	–	–	–	–	–	–	–	–	–
Marketing, Customer Relations, Publicity and Media		–	–	–	–	–	–	–	–	–	–	–
Property Services		–	–	–	–	–	–	–	–	–	–	–
Risk Management		–	–	–	–	–	–	–	–	–	–	–
Security Services		142 743	142 743	–	–	–	–	(99 484)	(99 484)	43 258	39 786	42 181
Supply Chain Management		–	–	–	–	–	–	–	–	–	–	–
Valuation Service		–	–	–	–	–	–	–	–	–	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Governance Function		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**87 286**	**111 120**	**–**	**–**	**–**	**–**	**11 310**	**11 310**	**122 430**	**92 794**	**20 187**
Community and social services		**2 460**	**2 460**	**–**	**–**	**–**	**–**	**905**	**905**	**3 365**	**2 486**	**2 515**
Aged Care		–	–	–	–	–	–	–	–	–	–	–
Agricultural		–	–	–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		409	409	–	–	–	–	–	–	409	435	463
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		2 051	2 051	–	–	–	–	905	905	2 956	2 051	2 051
Literacy Programmes		–	–	–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–	–	–
Population Development		–	–	–	–	–	–	–	–	–	–	–
Provincial Cultural Matters		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		**11 504**	**11 504**	**–**	**–**	**–**	**–**	**–**	**–**	**11 504**	**12 252**	**13 048**
Beaches and Jetties		8 791	8 791	–	–	–	–	–	–	8 791	9 362	9 970
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–	–	–
Community Parks (including Nurseries)		–	–	–	–	–	–	–	–	–	–	–
Recreational Facilities		2 713	2 713	–	–	–	–	–	–	2 713	2 890	3 078
Sports Grounds and Stadiums		–	–	–	–	–	–	–	–	–	–	–
Public safety		**1 857**	**1 857**	**–**	**–**	**–**	**–**	**–**	**–**	**1 857**	**1 874**	**1 892**
Civil Defence		–	–	–	–	–	–	–	–	–	–	–
Cleansing		–	–	–	–	–	–	–	–	–	–	–
Control of Public Nuisances		–	–	–	–	–	–	–	–	–	–	–
Fencing and Fences		–	–	–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		1 857	1 857	–	–	–	–	–	–	1 857	1 874	1 892
Licensing and Control of Animals		–	–	–	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		–	–	–	–	–	–	–	–	–	–	–
Pounds		–	–	–	–	–	–	–	–	–	–	–
Housing		**68 969**	**92 803**	**–**	**–**	**–**	**–**	**10 405**	**10 405**	**103 208**	**73 569**	**–**
Housing		68 969	92 803	–	–	–	–	10 405	10 405	103 208	73 569	–
Informal Settlements		–	–	–	–	–	–	–	–	–	–	–
Health		**2 496**	**2 496**	**–**	**–**	**–**	**–**	**–**	**–**	**2 496**	**2 613**	**2 733**
Ambulance		–	–	–	–	–	–	–	–	–	–	–
Health Services		2 496	2 496	–	–	–	–	–	–	2 496	2 613	2 733
Laboratory Services		–	–	–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable		–	–	–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**56 136**	**56 186**	**–**	**–**	**–**	**–**	**(7 199)**	**(7 199)**	**48 986**	**39 587**	**42 145**
Planning and development		**10 252**	**10 252**	**–**	**–**	**–**	**–**	**–**	**–**	**10 252**	**10 839**	**11 529**
Billboards		–	–	–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		–	–	–	–	–	–	–	–	–	–	–
Central City Improvement District		–	–	–	–	–	–	–	–	–	–	–
Development Facilitation		–	–	–	–	–	–	–	–	–	–	–
Economic Development/Planning		–	0	–	–	–	–	–	–	0	–	–
Regional Planning and Development		–	–	–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and		8 424	8 424	–	–	–	–	–	–	8 424	8 929	9 465
Project Management Unit		1 828	1 828	–	–	–	–	–	–	1 828	1 910	2 064
Provincial Planning		–	–	–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–	–	–
Road transport		**19 972**	**19 972**	**–**	**–**	**–**	**–**	**8**	**8**	**19 980**	**8 631**	**9 192**
Public Transport		–	–	–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		8 104	8 104	–	–	–	–	–	–	8 104	8 631	9 192
Roads		11 868	11 868	–	–	–	–	8	8	11 876	–	–
Taxi Ranks		–	–	–	–	–	–	–	–	–	–	–
Environmental protection		**25 912**	**25 962**	**–**	**–**	**–**	**–**	**(7 207)**	**(7 207)**	**18 755**	**20 117**	**21 424**
Biodiversity and Landscape		–	–	–	–	–	–	–	–	–	–	–
Coastal Protection		–	–	–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–	–	–
Nature Conservation		2 237	2 237	–	–	–	–	–	–	2 237	2 383	2 537
Pollution Control		23 675	23 725	–	–	–	–	(7 207)	(7 207)	16 518	17 734	18 887
Soil Conservation		–	–	–	–	–	–	–	–	–	–	–
Trading services		**792 266**	**800 008**	**–**	**–**	**–**	**–**	**58 987**	**58 987**	**858 995**	**898 030**	**1 002 355**
Energy sources		**409 585**	**410 271**	**–**	**–**	**–**	**–**	**34 484**	**34 484**	**444 755**	**469 935**	**542 872**
Electricity		409 585	410 271	–	–	–	–	34 484	34 484	444 755	469 935	542 872
Street Lighting and Signal Systems		–	–	–	–	–	–	–	–	–	–	–
Nonelectric Energy		–	–	–	–	–	–	–	–	–	–	–
Water management		**177 913**	**185 080**	**–**	**–**	**–**	**–**	**17 462**	**17 462**	**202 542**	**201 314**	**217 402**
Water Treatment		–	–	–	–	–	–	–	–	–	–	–
Water Distribution		177 913	185 080	–	–	–	–	17 462	17 462	202 542	201 314	217 402
Water Storage		–	–	–	–	–	–	–	–	–	–	–
Waste water management		**123 062**	**122 950**	**–**	**–**	**–**	**–**	**10 233**	**10 233**	**133 183**	**141 844**	**151 622**
Public Toilets		–	–	–	–	–	–	–	–	–	–	–
Sewerage		123 062	122 950	–	–	–	–	10 233	10 233	133 183	141 844	151 622
Storm Water Management		–	–	–	–	–	–	–	–	–	–	–
Waste Water Treatment		–	–	–	–	–	–	–	–	–	–	–
Waste management		**81 707**	**81 707**	**–**	**–**	**–**	**–**	**(3 191)**	**(3 191)**	**78 516**	**84 937**	**90 458**
Recycling		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Disposal (Landfill Sites)		81 707	81 707	–	–	–	–	(3 191)	(3 191)	78 516	84 937	90 458
Solid Waste Removal		–	–	–	–	–	–	–	–	–	–	–
Street Cleaning		–	–	–	–	–	–	–	–	–	–	–
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–	–	–

Standard Classification Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		5	6	7	8	9	10	11	12			
R thousand	1	A	A1	B	C	D	E	F	G	H		
Forestry		–	–	–	–	–	–	–	–	–	–	–
Licensing and Regulation		–	–	–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–	–	–
Tourism		–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	**1 526 437**	**1 558 063**	**–**	**–**	**–**	**–**	**(28 352)**	**(28 352)**	**1 529 710**	**1 539 788**	**1 600 467**

Standard Classification Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		5	6	7	8	9	10	11	12			
R thousand	1	A	A1	B	C	D	E	F	G	H		
Expenditure - Functional												
Municipal governance and administration		**362 481**	**362 471**	**–**	**–**	**–**	**–**	**3 921**	**3 921**	**366 393**	**359 493**	**372 843**
Executive and council		61 996	61 237	–	–	–	–	(58)	(58)	61 179	64 853	66 883
Mayor and Council		27 833	27 833	–	–	–	–	(1 261)	(1 261)	26 572	29 329	29 926
Municipal Manager, Town Secretary and Chief		34 163	33 404	–	–	–	–	1 203	1 203	34 607	35 524	36 957
Finance and administration		299 963	300 712	–	–	–	–	4 084	4 084	304 796	294 243	305 511
Administrative and Corporate Support		50 790	50 540	–	–	–	–	(1 696)	(1 696)	48 843	49 953	53 540
Asset Management		12 217	12 238	–	–	–	–	(817)	(817)	11 421	9 689	10 187
Finance		117 757	118 026	–	–	–	–	(4 791)	(4 791)	113 234	110 494	114 167
Fleet Management		11 437	11 755	–	–	–	–	339	339	12 094	11 797	12 289
Human Resources		26 277	26 277	–	–	–	–	(2 275)	(2 275)	24 002	27 871	28 068
Information Technology		20 983	20 983	–	–	–	–	2 813	2 813	23 796	21 327	21 425
Legal Services		2 028	2 028	–	–	–	–	(1)	(1)	2 027	2 279	2 531
Marketing, Customer Relations, Publicity and Media		3 950	3 850	–	–	–	–	(302)	(302)	3 548	4 050	4 156
Property Services		–	–	–	–	–	–	–	–	–	–	–
Risk Management		–	–	–	–	–	–	–	–	–	–	–
Security Services		42 630	43 122	–	–	–	–	10 529	10 529	53 651	44 324	46 100
Supply Chain Management		11 894	11 894	–	–	–	–	285	285	12 179	12 458	13 050
Valuation Service		–	–	–	–	–	–	–	–	–	–	–
Internal audit		523	523	–	–	–	–	(105)	(105)	418	398	449
Governance Function		523	523	–	–	–	–	(105)	(105)	418	398	449
Community and public safety		**140 104**	**140 984**	**–**	**–**	**–**	**–**	**(2 590)**	**(2 590)**	**138 395**	**145 522**	**151 964**
Community and social services		**13 952**	**13 952**	**–**	**–**	**–**	**–**	**(156)**	**(156)**	**13 796**	**14 331**	**14 956**
Aged Care		–	–	–	–	–	–	–	–	–	–	–
Agricultural		–	–	–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		3 638	3 638	–	–	–	–	–	–	3 638	3 557	3 699
Child Care Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Halls and Facilities		–	–	–	–	–	–	–	–	–	–	–
Consumer Protection		–	–	–	–	–	–	–	–	–	–	–
Cultural Matters		–	–	–	–	–	–	–	–	–	–	–
Disaster Management		1 840	1 840	–	–	–	–	(89)	(89)	1 751	1 901	1 965
Education		–	–	–	–	–	–	–	–	–	–	–
Indigenous and Customary Law		–	–	–	–	–	–	–	–	–	–	–
Industrial Promotion		–	–	–	–	–	–	–	–	–	–	–
Language Policy		–	–	–	–	–	–	–	–	–	–	–
Libraries and Archives		8 474	8 474	–	–	–	–	(67)	(67)	8 407	8 874	9 292
Literacy Programmes		–	–	–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–	–	–
Population Development		–	–	–	–	–	–	–	–	–	–	–
Provincial Cultural Matters		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		**75 205**	**75 205**	**–**	**–**	**–**	**–**	**(3 132)**	**(3 132)**	**72 073**	**78 127**	**81 461**
Beaches and Jetties		23 557	23 557	–	–	–	–	(2 638)	(2 638)	20 919	24 442	25 430
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–	–	–
Community Parks (including Nurseries)		38 172	38 172	–	–	–	–	(410)	(410)	37 762	39 669	41 543
Recreational Facilities		5 558	5 558	–	–	–	–	20	20	5 578	5 723	5 898
Sports Grounds and Stadiums		7 918	7 918	–	–	–	–	(103)	(103)	7 815	8 293	8 591
Public safety		**33 254**	**33 254**	**–**	**–**	**–**	**–**	**89**	**89**	**33 342**	**34 943**	**36 726**
Civil Defence		–	–	–	–	–	–	–	–	–	–	–
Cleansing		–	–	–	–	–	–	–	–	–	–	–
Control of Public Nuisances		–	–	–	–	–	–	–	–	–	–	–
Fencing and Fences		–	–	–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		33 254	33 254	–	–	–	–	89	89	33 342	34 943	36 726
Licensing and Control of Animals		–	–	–	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		–	–	–	–	–	–	–	–	–	–	–
Pounds		–	–	–	–	–	–	–	–	–	–	–
Housing		**9 703**	**10 583**	**–**	**–**	**–**	**–**	**738**	**738**	**11 320**	**9 753**	**10 088**
Housing		9 703	10 583	–	–	–	–	738	738	11 320	9 753	10 088
Informal Settlements		–	–	–	–	–	–	–	–	–	–	–
Health		**7 991**	**7 991**	**–**	**–**	**–**	**–**	**(128)**	**(128)**	**7 863**	**8 368**	**8 732**
Ambulance		–	–	–	–	–	–	–	–	–	–	–
Health Services		7 991	7 991	–	–	–	–	(128)	(128)	7 863	8 368	8 732
Laboratory Services		–	–	–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable		–	–	–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**288 532**	**310 962**	**–**	**–**	**–**	**–**	**(112 396)**	**(112 396)**	**198 567**	**196 024**	**211 938**
Planning and development		**32 149**	**34 424**	**–**	**–**	**–**	**–**	**3 647**	**3 647**	**38 070**	**30 448**	**31 988**
Billboards		–	–	–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		2 603	2 603	–	–	–	–	(2)	(2)	2 601	2 774	2 831
Central City Improvement District		–	–	–	–	–	–	–	–	–	–	–
Development Facilitation		–	–	–	–	–	–	–	–	–	–	–
Economic Development/Planning		2 549	3 549	–	–	–	–	372	372	3 921	2 468	2 540
Regional Planning and Development		–	–	–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and		22 730	22 686	–	–	–	–	1 415	1 415	24 102	20 728	21 918
Project Management Unit		4 267	5 585	–	–	–	–	1 860	1 860	7 446	4 478	4 699
Provincial Planning		–	–	–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–	–	–
Road transport		**246 274**	**266 719**	**–**	**–**	**–**	**–**	**(115 101)**	**(115 101)**	**151 618**	**155 478**	**169 696**
Public Transport		–	–	–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		136 702	136 702	–	–	–	–	(102 310)	(102 310)	34 393	39 261	41 402
Roads		109 571	130 017	–	–	–	–	(12 791)	(12 791)	117 226	116 218	128 295
Taxi Ranks		–	–	–	–	–	–	–	–	–	–	–
Environmental protection		**10 109**	**9 819**	**–**	**–**	**–**	**–**	**(941)**	**(941)**	**8 878**	**10 098**	**10 254**
Biodiversity and Landscape		–	–	–	–	–	–	–	–	–	–	–
Coastal Protection		–	–	–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–	–	–
Nature Conservation		24	24	–	–	–	–	–	–	24	24	24
Pollution Control		10 085	9 795	–	–	–	–	(941)	(941)	8 854	10 074	10 230
Soil Conservation		–	–	–	–	–	–	–	–	–	–	–
Trading services		**714 357**	**720 833**	**–**	**–**	**–**	**–**	**31 306**	**31 306**	**752 139**	**815 087**	**906 552**
Energy sources		**453 172**	**457 682**	**–**	**–**	**–**	**–**	**31 009**	**31 009**	**488 691**	**538 626**	**616 555**
Electricity		453 172	457 682	–	–	–	–	31 009	31 009	488 691	538 626	616 555
Street Lighting and Signal Systems		–	–	–	–	–	–	–	–	–	–	–
Nonelectric Energy		–	–	–	–	–	–	–	–	–	–	–
Water management		**108 542**	**109 818**	**–**	**–**	**–**	**–**	**(781)**	**(781)**	**109 037**	**117 274**	**123 457**
Water Treatment		–	–	–	–	–	–	–	–	–	–	–
Water Distribution		108 542	109 818	–	–	–	–	(781)	(781)	109 037	117 274	123 457
Water Storage		–	–	–	–	–	–	–	–	–	–	–
Waste water management		**88 779**	**88 779**	**–**	**–**	**–**	**–**	**1 498**	**1 498**	**90 277**	**94 544**	**99 274**
Public Toilets		–	–	–	–	–	–	–	–	–	–	–
Sewerage		88 779	88 779	–	–	–	–	1 498	1 498	90 277	94 544	99 274
Storm Water Management		–	–	–	–	–	–	–	–	–	–	–
Waste Water Treatment		–	–	–	–	–	–	–	–	–	–	–
Waste management		**63 864**	**64 554**	**–**	**–**	**–**	**–**	**(421)**	**(421)**	**64 133**	**64 643**	**67 265**
Recycling		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Disposal (Landfill Sites)		63 864	64 554	–	–	–	–	(421)	(421)	64 133	64 643	67 265
Solid Waste Removal		–	–	–	–	–	–	–	–	–	–	–
Street Cleaning		–	–	–	–	–	–	–	–	–	–	–
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–	–	–
Forestry		–	–	–	–	–	–	–	–	–	–	–
Licensing and Regulation		–	–	–	–	–	–	–	–	–	–	–

Standard Classification Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	6	7	8	9	10	11	12		
R thousand	1	A	A1	B	C	D	E	F	G	H		
Markets		–	–	–	–	–	–	–	–	–	–	–
Tourism		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	**1 505 474**	**1 535 251**	**–**	**–**	**–**	**–**	**(79 758)**	**(79 758)**	**1 455 493**	**1 516 126**	**1 643 297**
Surplus/ (Deficit) for the year		**20 963**	**22 812**	**–**	**–**	**–**	**–**	**51 406**	**51 406**	**74 217**	**23 662**	**(42 830)**

EC108 Kouga - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 29/01/2025

Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
[Insert departmental structure etc]			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1 115	1 115	–	–	–	–	–	–	1 115	1 143	1 172
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		446 890	446 890	–	–	–	–	8 034	8 034	454 924	468 447	492 425
Vote 4 - COMMUNITY SERVICES		276 782	276 832	–	–	–	–	(108 977)	(108 977)	167 855	172 696	183 442
Vote 5 - CIVIL AND WATER SERVICES		314 671	321 726	–	–	–	–	27 702	27 702	349 429	345 068	371 088
Vote 6 - ELECTRO/MECHANICAL SERVICES		409 586	410 273	–	–	–	–	34 484	34 484	444 756	469 936	542 875
Vote 7 - PLANNING AND DEVELOPMENT		77 392	101 227	–	–	–	–	10 405	10 405	111 632	82 498	9 465
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	**1 526 437**	**1 558 063**	**–**	**–**	**–**	**–**	**(28 352)**	**(28 352)**	**1 529 710**	**1 539 788**	**1 600 467**
Expenditure by Vote	1											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		31 456	30 696	–	–	–	–	1 107	1 107	31 803	32 681	34 019
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		128 955	128 955	–	–	–	–	(2 702)	(2 702)	126 253	131 727	136 388
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		141 869	142 158	–	–	–	–	(5 323)	(5 323)	136 835	132 641	137 404
Vote 4 - COMMUNITY SERVICES		386 594	387 136	–	–	–	–	(96 470)	(96 470)	290 666	297 086	309 998
Vote 5 - CIVIL AND WATER SERVICES		316 288	339 329	–	–	–	–	(10 309)	(10 309)	329 020	337 874	361 327
Vote 6 - ELECTRO/MECHANICAL SERVICES		466 160	470 989	–	–	–	–	31 348	31 348	502 337	552 042	630 533
Vote 7 - PLANNING AND DEVELOPMENT		34 152	35 989	–	–	–	–	2 590	2 590	38 579	32 074	33 629
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	**1 505 474**	**1 535 251**	**–**	**–**	**–**	**–**	**(79 758)**	**(79 758)**	**1 455 493**	**1 516 126**	**1 643 297**
Surplus/ (Deficit) for the year	2	**20 963**	**22 812**	**–**	**–**	**–**	**–**	**51 406**	**51 406**	**74 217**	**23 662**	**(42 830)**

EC108 Kouga - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - B - 29/01/2025

Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
[Insert departmental structure etc]			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
1,1 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–
1,2 - Performance Management		–	–	–	–	–	–	–	–	–	–	–
1,3 - Integrated Development		–	–	–	–	–	–	–	–	–	–	–
1,4 - Risk and Internal Audit		–	–	–	–	–	–	–	–	–	–	–
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Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		**1 115**	**1 115**	–	–	–	–	–	–	1 115	**1 143**	**1 172**
2,1 - Deputy Municipal Manager		142	142	–	–	–	–	–	–	142	148	155
2,2 - Executive Council		–	–	–	–	–	–	–	–	–	–	–
2,3 - Administrative Office Of The Executive Mayor / Speaker		–	–	–	–	–	–	–	–	–	–	–
2,4 - Administration and Auxiliary Services		473	473	–	–	–	–	–	–	473	495	517
2,5 - Communications		–	–	–	–	–	–	–	–	–	–	–
2,6 - Human Resources Management		500	500	–	–	–	–	–	–	500	500	500
2,7 - Information Communication Technology (Ict)		–	–	–	–	–	–	–	–	–	–	–
2,8 - Legal Services		–	–	–	–	–	–	–	–	–	–	–
2,9 - Strategic Projects		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		**446 890**	**446 890**	–	–	–	–	**8 034**	8 034	454 924	**468 447**	**492 425**
3,1 - Chief Financial Officer		118 695	118 695	–	–	–	–	12 197	12 197	130 892	124 368	129 497
3,2 - Assets; Funding And Investments Management		1 000	1 000	–	–	–	–	–	–	1 000	1 000	1 000
3,3 - Budget And Treasury		15 721	15 721	–	–	–	–	1 500	1 500	17 221	14 595	15 387
3,4 - Expenditure		313	313	–	–	–	–	–	–	313	327	342
3,5 - Revenue		311 161	311 161	–	–	–	–	(5 663)	(5 663)	305 498	328 157	346 199
3,6 - Supply Chain Management		–	–	–	–	–	–	–	–	–	–	–
3,7 - Economic Development And Tourism		–	–	–	–	–	–	–	–	–	–	–
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Vote 4 - COMMUNITY SERVICES		**276 782**	**276 832**	–	–	–	–	**(108 977)**	(108 977)	167 855	**172 696**	**183 442**
4,1 - Director:Community Services		–	–	–	–	–	–	–	–	–	–	–
4,2 - Disaster Management And Fire Services		1 857	1 857	–	–	–	–	–	–	1 857	1 874	1 892
4,3 - Parks And Community Amenities		16 201	16 201	–	–	–	–	905	905	17 106	17 121	18 100
4,4 - Safety And Security		150 847	150 847	–	–	–	–	(99 484)	(99 484)	51 362	48 417	51 372
4,5 - Waste And Environmental Management		107 878	107 928	–	–	–	–	(10 398)	(10 398)	97 530	105 284	112 078
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Vote 5 - CIVIL AND WATER SERVICES		**314 671**	**321 726**	–	–	–	–	**27 702**	27 702	349 429	**345 068**	**371 088**
5,1 - Director:Civil and Water Services		–	–	–	–	–	–	–	–	–	–	–
5,2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
5,3 - Roads and Stormwater		11 868	11 868	–	–	–	–	8	8	11 876	–	–
5,4 - Project Management Unit (Pmu)		1 828	1 828	–	–	–	–	–	–	1 828	1 910	2 064
5,5 - Sanitation		–	–	–	–	–	–	–	–	–	–	–

Vote Description *[Insert departmental structure etc]* R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
5,6 - Sewerage		123 062	122 950	–	–	–	–	10 233	10 233	133 183	141 844	151 622
5,7 - Wastewater Treatment Works (WWTW)		–	–	–	–	–	–	–	–	–	–	–
5,8 - Water		177 913	185 080	–	–	–	–	17 462	17 462	202 542	201 314	217 402
5,9 - Water Treatment Works (WTW)		–	–	–	–	–	–	–	–	–	–	–
5.10 - Water Services Authority (WSA)		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		**409 586**	**410 273**	**–**	**–**	**–**	**–**	**34 484**	34 484	444 756	**469 936**	**542 875**
6,1 - Director:Electro/Mechanical Services		–	–	–	–	–	–	–	–	–	–	–
6,2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
6,3 - Electrical:Kouga		409 585	410 271	–	–	–	–	34 484	34 484	444 755	469 935	542 872
6,4 - Electrical:Humansdorp		–	–	–	–	–	–	–	–	–	–	–
6,5 - Electrical:St Francis Bay / Cape St Francis / Oyster Bay		–	–	–	–	–	–	–	–	–	–	–
6,6 - Renewable, Control and Special Projects		–	–	–	–	–	–	–	–	–	–	–
6,7 - Fleet and Workshop		2	2	–	–	–	–	–	–	2	2	2
6,8 - Mechanical		–	–	–	–	–	–	–	–	–	–	–
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Vote 7 - PLANNING AND DEVELOPMENT		**77 392**	**101 227**	**–**	**–**	**–**	**–**	**10 405**	10 405	111 632	**82 498**	**9 465**
7,1 - Director:Planning and Development		–	–	–	–	–	–	–	–	–	–	–
7,2 - Building Control		–	–	–	–	–	–	–	–	–	–	–
7,3 - Human Settlement		68 969	92 803	–	–	–	–	10 405	10 405	103 208	73 569	–
7,4 - Land and Property Administration		–	0	–	–	–	–	–	–	0	–	–
7,5 - Town and Regional Planning		8 424	8 424	–	–	–	–	–	–	8 424	8 929	9 465
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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]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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Vote 11 - [NAME OF VOTE 11]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote 12 - [NAME OF VOTE 12]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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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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Vote Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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Total Revenue by Vote	2	**1 526 437**	**1 558 063**	**–**	**–**	**–**	**–**	**(28 352)**	(28 352)	1 529 710	**1 539 788**	**1 600 467**
Expenditure by Vote	1											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		**31 456**	**30 696**	**–**	**–**	**–**	**–**	**1 107**	1 107	31 803	**32 681**	**34 019**
1,1 - Municipal Manager		25 026	24 617	–	–	–	–	1 214	1 214	25 831	26 027	27 080
1,2 - Performance Management		3 304	2 954	–	–	–	–	(1)	(1)	2 953	3 482	3 659
1,3 - Integrated Development		2 603	2 603	–	–	–	–	(2)	(2)	2 601	2 774	2 831
1,4 - Risk and Internal Audit		523	523	–	–	–	–	(105)	(105)	418	398	449
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Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		**128 955**	**128 955**	**–**	**–**	**–**	**–**	**(2 702)**	(2 702)	126 253	**131 727**	**136 388**
2,1 - Deputy Municipal Manager		383	383	–	–	–	–	19	19	402	384	385
2,2 - Executive Council		25 464	25 464	–	–	–	–	(1 315)	(1 315)	24 149	26 880	27 393
2,3 - Administrative Office Of The Executive Mayor / Speaker		2 368	2 368	–	–	–	–	54	54	2 422	2 449	2 533
2,4 - Administration and Auxiliary Services		47 486	47 586	–	–	–	–	(1 696)	(1 696)	45 890	46 471	49 881
2,5 - Communications		3 950	3 850	–	–	–	–	(302)	(302)	3 548	4 050	4 156
2,6 - Human Resources Management		26 277	26 277	–	–	–	–	(2 275)	(2 275)	24 002	27 871	28 068
2,7 - Information Communication Technology (Ict)		20 983	20 983	–	–	–	–	2 813	2 813	23 796	21 327	21 425
2,8 - Legal Services		2 028	2 028	–	–	–	–	(1)	(1)	2 027	2 279	2 531
2,9 - Strategic Projects		16	16	–	–	–	–	–	–	16	17	18
		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		**141 869**	**142 158**	**–**	**–**	**–**	**–**	**(5 323)**	(5 323)	136 835	**132 641**	**137 404**
3,1 - Chief Financial Officer		2 933	2 933	–	–	–	–	299	299	3 232	3 493	3 624
3,2 - Assets; Funding And Investments Management		12 217	12 238	–	–	–	–	(817)	(817)	11 421	9 689	10 187
3,3 - Budget And Treasury		28 888	28 867	–	–	–	–	(8 189)	(8 189)	20 678	18 585	18 022
3,4 - Expenditure		8 206	8 206	–	–	–	–	(32)	(32)	8 174	8 600	9 014
3,5 - Revenue		61 079	61 368	–	–	–	–	4 126	4 126	65 494	64 140	67 480
3,6 - Supply Chain Management		11 894	11 894	–	–	–	–	285	285	12 179	12 458	13 050
3,7 - Economic Development And Tourism		16 652	16 652	–	–	–	–	(995)	(995)	15 657	15 675	16 027
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		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 4 - COMMUNITY SERVICES		**386 594**	**387 136**	**–**	**–**	**–**	**–**	**(96 470)**	(96 470)	290 666	**297 086**	**309 998**
4,1 - Director:Community Services		2 887	2 537	–	–	–	–	(0)	(0)	2 537	2 991	3 101
4,2 - Disaster Management And Fire Services		35 504	35 504	–	–	–	–	(51)	(51)	35 453	37 254	39 101
4,3 - Parks And Community Amenities		86 931	86 931	–	–	–	–	(3 149)	(3 149)	83 782	90 172	94 067
4,4 - Safety And Security		179 332	179 824	–	–	–	–	(91 780)	(91 780)	88 044	83 585	87 501
4,5 - Waste And Environmental Management		81 940	82 340	–	–	–	–	(1 490)	(1 490)	80 850	83 084	86 228
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Vote Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 5 - CIVIL AND WATER SERVICES		**316 288**	**339 329**	**–**	**–**	**–**	**–**	**(10 309)**	(10 309)	329 020	**337 874**	**361 327**
5,1 - Director:Civil and Water Services		2 321	2 321	–	–	–	–	(29)	(29)	2 292	2 419	2 523
5,2 - Management and Administration		2 808	2 808	–	–	–	–	(67)	(67)	2 741	2 941	3 078
5,3 - Roads and Stormwater		109 571	130 017	–	–	–	–	(12 791)	(12 791)	117 226	116 218	128 295
5,4 - Project Management Unit (Pmu)		4 267	5 585	–	–	–	–	1 860	1 860	7 446	4 478	4 699
5,5 - Sanitation		4 614	4 644	–	–	–	–	1 863	1 863	6 507	4 685	4 755
5,6 - Sewerage		84 166	84 136	–	–	–	–	(365)	(365)	83 770	89 859	94 519
5,7 - Wastewater Treatment Works (WWTW)		–	–	–	–	–	–	–	–	–	–	–
5,8 - Water		108 542	109 818	–	–	–	–	(781)	(781)	109 037	117 274	123 457
5,9 - Water Treatment Works (WTW)		–	–	–	–	–	–	–	–	–	–	–
5.10 - Water Services Authority (WSA)		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		**466 160**	**470 989**	**–**	**–**	**–**	**–**	**31 348**	31 348	502 337	**552 042**	**630 533**
6,1 - Director:Electro/Mechanical Services		1 552	1 552	–	–	–	–	–	–	1 552	1 619	1 689
6,2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
6,3 - Electrical:Kouga		453 172	457 682	–	–	–	–	31 009	31 009	488 691	538 626	616 555
6,4 - Electrical:Humansdorp		–	–	–	–	–	–	–	–	–	–	–
6,5 - Electrical:St Francis Bay / Cape St Francis / Oyster Bay		–	–	–	–	–	–	–	–	–	–	–
6,6 - Renewable, Control and Special Projects		–	–	–	–	–	–	–	–	–	–	–
6,7 - Fleet and Workshop		11 335	11 653	–	–	–	–	339	339	11 992	11 797	12 289
6,8 - Mechanical		102	102	–	–	–	–	–	–	102	–	–
		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 7 - PLANNING AND DEVELOPMENT		**34 152**	**35 989**	**–**	**–**	**–**	**–**	**2 590**	2 590	38 579	**32 074**	**33 629**
7,1 - Director:Planning and Development		1 995	1 995	–	–	–	–	(1)	(1)	1 993	2 084	2 178
7,2 - Building Control		475	475	–	–	–	–	(200)	(200)	275	497	520
7,3 - Human Settlement		9 703	10 583	–	–	–	–	738	738	11 320	9 753	10 088
7,4 - Land and Property Administration		2 533	3 533	–	–	–	–	371	371	3 904	2 451	2 522
7,5 - Town and Regional Planning		19 446	19 403	–	–	–	–	1 683	1 683	21 086	17 289	18 321
		–	–	–	–	–	–	–	–	–	–	–
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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 Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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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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Vote 13 - [NAME OF VOTE 13]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote 14 - [NAME OF VOTE 14]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Total Expenditure by Vote	2	**1 505 474**	**1 535 251**	**–**	**–**	**–**	**–**	**(79 758)**	(79 758)	1 455 493	**1 516 126**	**1 643 297**
Surplus/ (Deficit) for the year	2	**20 963**	**22 812**	**–**	**–**	**–**	**–**	**51 406**	51 406	74 217	**23 662**	**(42 830)**

EC108 Kouga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue												
Exchange Revenue												
Service charges - Electricity	2	381 991	381 991	–	–	–	–	43 569	43 569	425 559	441 963	511 351
Service charges - Water	2	82 323	82 323	–	–	–	–	55 734	55 734	138 057	148 066	158 801
Service charges - Waste Water Management	2	64 086	64 086	–	–	–	–	11 928	11 928	76 014	80 955	86 217
Service charges - Waste Management	2	71 123	71 123	–	–	–	–	(8 976)	(8 976)	62 146	66 186	70 488
Sale of Goods and Rendering of Services		9 533	9 533	–	–	–	–	–	–	9 533	10 095	10 689
Agency services		4 554	4 554	–	–	–	–	–	–	4 554	4 850	5 166
Interest		–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		32 335	32 335	–	–	–	–	–	–	32 335	34 757	37 376
Interest earned from Current and Non Current Assets		13 998	13 998	–	–	–	–	1 500	1 500	15 498	12 809	13 385
Dividends		–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		3 187	3 187	–	–	–	–	–	–	3 187	3 385	3 595
Licence and permits		2 851	2 851	–	–	–	–	–	–	2 851	3 037	3 234
Operational Revenue		1 955	1 955	–	–	–	–	–	–	1 955	1 976	1 998
Non-Exchange Revenue												
Property rates		297 076	297 076	–	–	–	–	1 233	1 233	298 309	313 303	330 535
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		143 343	143 343	–	–	–	–	(99 484)	(99 484)	43 859	40 423	42 855
Licences or permits		11 772	11 772	–	–	–	–	–	–	11 772	12 537	13 352
Transfer and subsidies - Operational		202 153	205 651	–	–	–	–	4 453	4 453	210 105	211 994	223 454
Interest		5 510	5 510	–	–	–	–	–	–	5 510	5 813	6 133
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		64 831	64 831	–	–	–	–	(45 173)	(45 173)	19 658	21 913	24 464
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**1 392 621**	**1 396 119**	**–**	**–**	**–**	**–**	**(35 217)**	**(35 217)**	**1 360 902**	**1 414 062**	**1 543 093**
Expenditure By Type												
Employee related costs		471 743	481 056	–	–	–	–	1 915	1 915	482 971	487 140	513 366
Remuneration of councillors		15 594	15 594	–	–	–	–	–	–	15 594	16 345	17 163
Bulk purchases - electricity		386 299	386 299	–	–	–	–	27 050	27 050	413 349	462 520	535 135
Inventory consumed		109 019	107 712	–	–	–	–	(5 737)	(5 737)	101 975	113 917	121 308
Debt impairment		158 246	158 246	–	–	–	–	(99 110)	(99 110)	59 136	68 948	74 887
Depreciation and amortisation		117 798	117 798	–	–	–	–	–	–	117 798	123 884	129 229
Interest		17 404	36 254	–	–	–	–	(23 252)	(23 252)	13 002	23 398	26 938
Contracted services		125 372	127 188	–	–	–	–	15 742	15 742	142 931	114 607	116 678
Transfers and subsidies		400	400	–	–	–	–	–	–	400	400	400
Irrecoverable debts written off		9 359	9 359	–	–	–	–	719	719	10 078	11 686	12 866
Operational costs		94 240	95 346	–	–	–	–	2 913	2 913	98 259	93 281	95 326
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**1 505 474**	**1 535 251**	**–**	**–**	**–**	**–**	**(79 758)**	**(79 758)**	**1 455 493**	**1 516 126**	**1 643 297**
Surplus/(Deficit)		**(112 853)**	**(139 132)**	**–**	**–**	**–**	**–**	**44 541**	**44 541**	**(94 591)**	**(102 064)**	**(100 204)**
Transfers and subsidies - capital (monetary allocations)		133 816	161 944	–	–	–	–	6 864	6 864	168 808	125 727	57 374
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**20 963**	**22 812**	**–**	**–**	**–**	**–**	**51 406**	**51 406**	**74 217**	**23 662**	**(42 830)**
Income Tax		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		20 963	22 812	–	–	–	–	51 406	51 406	74 217	23 662	(42 830)
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		20 963	22 812	–	–	–	–	51 406	51 406	74 217	23 662	(42 830)
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		**20 963**	**22 812**	**–**	**–**	**–**	**–**	**51 406**	**51 406**	**74 217**	**23 662**	**(42 830)**

EC108 Kouga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Capital expenditure - Vote												
Multi-year expenditure *to be adjusted*	2											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		–	1 413	–	–	–	–	520	520	1 933	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	755	–	–	–	–	236	236	992	–	–
Vote 4 - COMMUNITY SERVICES		1 391	1 634	–	–	–	–	–	–	1 634	1 391	1 391
Vote 5 - CIVIL AND WATER SERVICES		80 868	280 940	–	–	–	–	(126 712)	(126 712)	154 227	228 749	39 427
Vote 6 - ELECTRO/MECHANICAL SERVICES		68 103	73 699	–	–	–	–	24 604	24 604	98 304	9 622	9 072
Vote 7 - PLANNING AND DEVELOPMENT		–	20 386	–	–	–	–	1 570	1 570	21 956	–	–
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	3	**150 362**	**378 826**	**–**	**–**	**–**	**–**	**(99 781)**	**(99 781)**	**279 045**	**239 762**	**49 890**
Single-year expenditure *to be adjusted*	2											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	28	28	28	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–
Vote 4 - COMMUNITY SERVICES		–	–	–	–	–	–	–	–	–	–	–
Vote 5 - CIVIL AND WATER SERVICES		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		–	–	–	–	–	–	–	–	–	–	–
Vote 7 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–
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		**–**	**–**	**–**	**–**	**–**	**–**	**28**	**28**	**28**	**–**	**–**
Total Capital Expenditure - Vote		**150 362**	**378 826**	**–**	**–**	**–**	**–**	**(99 753)**	**(99 753)**	**279 073**	**239 762**	**49 890**
Capital Expenditure - Functional												
Governance and administration		**34 000**	**36 311**	**–**	**–**	**–**	**–**	**17 790**	**17 790**	**54 101**	**–**	**–**
Executive and council		–	–	–	–	–	–	300	300	300	–	–
Finance and administration		34 000	36 311	–	–	–	–	17 462	17 462	53 773	–	–
Internal audit		–	–	–	–	–	–	28	28	28	–	–
Community and public safety		**1 391**	**21 777**	**–**	**–**	**–**	**–**	**170**	**170**	**21 947**	**1 391**	**1 391**
Community and social services		–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–
Public safety		1 391	1 391	–	–	–	–	–	–	1 391	1 391	1 391
Housing		–	20 386	–	–	–	–	170	170	20 556	–	–
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**9 670**	**184 521**	**–**	**–**	**–**	**–**	**(128 528)**	**(128 528)**	**55 993**	**157 935**	**13 845**
Planning and development		500	1 535	–	–	–	–	1 900	1 900	3 435	7 500	5 135
Road transport		9 170	182 986	–	–	–	–	(130 428)	(130 428)	52 558	150 435	8 709
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		**105 300**	**136 218**	**–**	**–**	**–**	**–**	**10 814**	**10 814**	**147 033**	**80 436**	**34 655**
Energy sources		34 103	39 699	–	–	–	–	7 598	7 598	47 298	9 622	9 072
Water management		29 008	43 225	–	–	–	–	8 536	8 536	51 762	53 082	–
Waste water management		42 190	53 294	–	–	–	–	(5 320)	(5 320)	47 973	17 732	25 582
Waste management		–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**150 362**	**378 826**	**–**	**–**	**–**	**–**	**(99 753)**	**(99 753)**	**279 073**	**239 762**	**49 890**
Funded by:												
National Government		54 997	61 730	–	–	–	–	7	7	61 737	43 963	48 499
Provincial Government		59 973	80 359	–	–	–	–	5 985	5 985	86 343	63 973	–
District Municipality		1 391	1 391	–	–	–	–	–	–	1 391	1 391	1 391
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**116 362**	**143 480**	**–**	**–**	**–**	**–**	**5 991**	**5 991**	**149 471**	**109 327**	**49 890**
Borrowing		34 000	207 913	–	–	–	–	(113 429)	(113 429)	94 484	130 435	–
Internally generated funds		–	27 434	–	–	–	–	7 684	7 684	35 118	–	–
Total Capital Funding		**150 362**	**378 826**	**–**	**–**	**–**	**–**	**(99 753)**	**(99 753)**	**279 073**	**239 762**	**49 890**

EC108 Kouga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - B - 29/01/2025

Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Capital expenditure - Municipal Vote												
Multi-year expenditure appropriation	2											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
1,1 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–
1,2 - Performance Management		–	–	–	–	–	–	–	–	–	–	–
1,3 - Integrated Development		–	–	–	–	–	–	–	–	–	–	–
1,4 - Risk and Internal Audit		–	–	–	–	–	–	–	–	–	–	–
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Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANA		–	**1 413**	–	–	–	–	**520**	520	1 933	–	–
2,1 - Deputy Municipal Manager		–	–	–	–	–	–	150	150	150	–	–
2,2 - Executive Council		–	–	–	–	–	–	150	150	150	–	–
2,3 - Administrative Office Of The Executive Mayor / Spea		–	–	–	–	–	–	–	–	–	–	–
2,4 - Administration and Auxiliary Services		–	–	–	–	–	–	90	90	90	–	–
2,5 - Communications		–	–	–	–	–	–	–	–	–	–	–
2,6 - Human Resources Management		–	–	–	–	–	–	80	80	80	–	–
2,7 - Information Communication Technology (Ict)		–	1 413	–	–	–	–	–	–	1 413	–	–
2,8 - Legal Services		–	–	–	–	–	–	50	50	50	–	–
2,9 - Strategic Projects		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	**755**	–	–	–	–	**236**	236	992	–	–
3,1 - Chief Financial Officer		–	–	–	–	–	–	–	–	–	–	–
3,2 - Assets; Funding And Investments Management		–	578	–	–	–	–	(200)	(200)	378	–	–
3,3 - Budget And Treasury		–	–	–	–	–	–	–	–	–	–	–
3,4 - Expenditure		–	–	–	–	–	–	–	–	–	–	–
3,5 - Revenue		–	22	–	–	–	–	106	106	129	–	–
3,6 - Supply Chain Management		–	55	–	–	–	–	330	330	385	–	–
3,7 - Economic Development And Tourism		–	100	–	–	–	–	–	–	100	–	–
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Vote 4 - COMMUNITY SERVICES		**1 391**	**1 634**	–	–	–	–	–	–	1 634	**1 391**	**1 391**
4,1 - Director:Community Services		–	–	–	–	–	–	–	–	–	–	–
4,2 - Disaster Management And Fire Services		1 391	1 391	–	–	–	–	–	–	1 391	1 391	1 391
4,3 - Parks And Community Amenities		–	–	–	–	–	–	–	–	–	–	–
4,4 - Safety And Security		–	242	–	–	–	–	–	–	242	–	–
4,5 - Waste And Environmental Management		–	–	–	–	–	–	–	–	–	–	–
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Vote 5 - CIVIL AND WATER SERVICES		**80 868**	**280 940**	–	–	–	–	**(126 712)**	(126 712)	154 227	**228 749**	**39 427**
5,1 - Director:Civil and Water Services		–	–	–	–	–	–	–	–	–	–	–
5,2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
5,3 - Roads and Stormwater		9 170	182 986	–	–	–	–	(130 428)	(130 428)	52 558	150 435	8 709
5,4 - Project Management Unit (Pmu)		500	1 435	–	–	–	–	500	500	1 935	7 500	5 135
5,5 - Sanitation		–	–	–	–	–	–	–	–	–	–	–
5,6 - Sewerage		42 190	53 294	–	–	–	–	(5 320)	(5 320)	47 973	17 732	25 582
5,7 - Wastewater Treatment Works (WWTW)		–	–	–	–	–	–	–	–	–	–	–
5,8 - Water		29 008	43 225	–	–	–	–	8 536	8 536	51 762	53 082	–
5,9 - Water Treatment Works (WTW)		–	–	–	–	–	–	–	–	–	–	–
5.10 - Water Services Authority (WSA)		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		**68 103**	**73 699**	–	–	–	–	**24 604**	24 604	98 304	**9 622**	**9 072**
6,1 - Director:Electro/Mechanical Services		–	–	–	–	–	–	–	–	–	–	–
6,2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
6,3 - Electrical:Kouga		34 103	39 699	–	–	–	–	7 598	7 598	47 298	9 622	9 072
6,4 - Electrical:Humansdorp		–	–	–	–	–	–	–	–	–	–	–
6,5 - Electrical:St Francis Bay / Cape St Francis / Oyster		–	–	–	–	–	–	–	–	–	–	–
6,6 - Renewable, Control and Special Projects		–	–	–	–	–	–	–	–	–	–	–
6,7 - Fleet and Workshop		34 000	34 000	–	–	–	–	17 006	17 006	51 006	–	–
6,8 - Mechanical		–	–	–	–	–	–	–	–	–	–	–
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Vote 7 - PLANNING AND DEVELOPMENT		–	**20 386**	–	–	–	–	**1 570**	1 570	21 956	–	–
7,1 - Director:Planning and Development		–	–	–	–	–	–	–	–	–	–	–
7,2 - Building Control		–	–	–	–	–	–	–	–	–	–	–
7,3 - Human Settlement		–	20 386	–	–	–	–	170	170	20 556	–	–
7,4 - Land and Property Administration		–	–	–	–	–	–	1 400	1 400	1 400	–	–
7,5 - Town and Regional Planning		–	–	–	–	–	–	–	–	–	–	–
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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]		–	–	–	–	–	–	–	–	–	–	–
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Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
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Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
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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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Capital multi-year expenditure sub-total		**150 362**	**378 826**	**–**	**–**	**–**	**–**	**(99 781)**	(99 781)	279 045	**239 762**	**49 890**
Capital expenditure - Municipal Vote	2											
Single-year expenditure appropriation												
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	**28**	28	28	–	–
1,1 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–
1,2 - Performance Management		–	–	–	–	–	–	–	–	–	–	–
1,3 - Integrated Development		–	–	–	–	–	–	–	–	–	–	–
1,4 - Risk and Internal Audit		–	–	–	–	–	–	28	28	28	–	–
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Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANA		–	–	–	–	–	–	–	–	–	–	–
2,1 - Deputy Municipal Manager		–	–	–	–	–	–	–	–	–	–	–
2,2 - Executive Council		–	–	–	–	–	–	–	–	–	–	–
2,3 - Administrative Office Of The Executive Mayor / Spea		–	–	–	–	–	–	–	–	–	–	–
2,4 - Administration and Auxiliary Services		–	–	–	–	–	–	–	–	–	–	–
2,5 - Communications		–	–	–	–	–	–	–	–	–	–	–
2,6 - Human Resources Management		–	–	–	–	–	–	–	–	–	–	–
2,7 - Information Communication Technology (Ict)		–	–	–	–	–	–	–	–	–	–	–
2,8 - Legal Services		–	–	–	–	–	–	–	–	–	–	–
2,9 - Strategic Projects		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–
3,1 - Chief Financial Officer		–	–	–	–	–	–	–	–	–	–	–
3,2 - Assets; Funding And Investments Management		–	–	–	–	–	–	–	–	–	–	–
3,3 - Budget And Treasury		–	–	–	–	–	–	–	–	–	–	–
3,4 - Expenditure		–	–	–	–	–	–	–	–	–	–	–
3,5 - Revenue		–	–	–	–	–	–	–	–	–	–	–
3,6 - Supply Chain Management		–	–	–	–	–	–	–	–	–	–	–
3,7 - Economic Development And Tourism		–	–	–	–	–	–	–	–	–	–	–
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Vote 4 - COMMUNITY SERVICES		–	–	–	–	–	–	–	–	–	–	–
4,1 - Director:Community Services		–	–	–	–	–	–	–	–	–	–	–
4,2 - Disaster Management And Fire Services		–	–	–	–	–	–	–	–	–	–	–
4,3 - Parks And Community Amenities		–	–	–	–	–	–	–	–	–	–	–
4,4 - Safety And Security		–	–	–	–	–	–	–	–	–	–	–
4,5 - Waste And Environmental Management		–	–	–	–	–	–	–	–	–	–	–
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Vote 5 - CIVIL AND WATER SERVICES		–	–	–	–	–	–	–	–	–	–	–
5,1 - Director:Civil and Water Services		–	–	–	–	–	–	–	–	–	–	–
5,2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
5,3 - Roads and Stormwater		–	–	–	–	–	–	–	–	–	–	–
5,4 - Project Management Unit (Pmu)		–	–	–	–	–	–	–	–	–	–	–
5,5 - Sanitation		–	–	–	–	–	–	–	–	–	–	–
5,6 - Sewerage		–	–	–	–	–	–	–	–	–	–	–
5,7 - Wastewater Treatment Works (WWTW)		–	–	–	–	–	–	–	–	–	–	–
5,8 - Water		–	–	–	–	–	–	–	–	–	–	–
5,9 - Water Treatment Works (WTW)		–	–	–	–	–	–	–	–	–	–	–
5.10 - Water Services Authority (WSA)		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		–	–	–	–	–	–	–	–	–	–	–
6,1 - Director:Electro/Mechanical Services		–	–	–	–	–	–	–	–	–	–	–
6,2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
6,3 - Electrical:Kouga		–	–	–	–	–	–	–	–	–	–	–
6,4 - Electrical:Humansdorp		–	–	–	–	–	–	–	–	–	–	–
6,5 - Electrical:St Francis Bay / Cape St Francis / Oyster		–	–	–	–	–	–	–	–	–	–	–
6,6 - Renewable, Control and Special Projects		–	–	–	–	–	–	–	–	–	–	–
6,7 - Fleet and Workshop		–	–	–	–	–	–	–	–	–	–	–

Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
6,8 - Mechanical		–	–	–	–	–	–	–	–	–	–	–
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Vote 7 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–
7,1 - Director:Planning and Development		–	–	–	–	–	–	–	–	–	–	–
7,2 - Building Control		–	–	–	–	–	–	–	–	–	–	–
7,3 - Human Settlement		–	–	–	–	–	–	–	–	–	–	–
7,4 - Land and Property Administration		–	–	–	–	–	–	–	–	–	–	–
7,5 - Town and Regional Planning		–	–	–	–	–	–	–	–	–	–	–
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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]		–	–	–	–	–	–	–	–	–	–	–
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Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
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Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
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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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Capital single-year expenditure sub-total		–	–	–	–	–	–	**28**	28	28	–	–
Total Capital Expenditure		**150 362**	**378 826**	–	–	–	–	**(99 753)**	(99 753)	279 073	**239 762**	**49 890**

EC108 Kouga - Table B6 Adjustments Budget Financial Position - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
ASSETS												
Current assets												
Cash and cash equivalents		43 640	58 060	–	–	–	–	111 005	111 005	169 065	173 500	203 853
Trade and other receivables from exchange transactio	1	77 030	77 030	–	–	–	–	(17 131)	(17 131)	59 899	59 899	59 899
Receivables from non-exchange transactions	1	29 014	29 014	–	–	–	–	(2 363)	(2 363)	26 651	26 651	26 651
Current portion of non-current receivables		–	–	–	–	–	–	–	–	–	–	–
Inventory		18 598	19 748	–	–	–	–	2 701	2 701	22 450	22 450	22 450
VAT		45 445	45 445	–	–	–	–	(32 655)	(32 655)	12 790	12 812	12 835
Other current assets		109	109	–	–	–	–	890	890	999	999	999
Total current assets		**213 837**	**229 407**	**–**	**–**	**–**	**–**	**62 447**	**62 447**	**291 854**	**296 312**	**326 687**
Non current assets												
Investments		–	–	–	–	–	–	–	–	–	–	–
Investment property		262 608	262 608	–	–	–	–	(11 815)	(11 815)	250 794	250 794	250 794
Property, plant and equipment		2 106 737	2 335 202	–	–	–	–	(112 311)	(112 311)	2 222 891	2 338 769	2 259 431
Biological assets		–	–	–	–	–	–	–	–	–	–	–
Living and non-living resources	1	–	–	–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–	–	–
Intangible assets		603	603	–	–	–	–	(184)	(184)	419	419	419
Trade and other receivables from exchange transactio		–	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactio		–	–	–	–	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–	–
Total non current assets		**2 369 948**	**2 598 413**	**–**	**–**	**–**	**–**	**(124 310)**	**(124 310)**	**2 474 103**	**2 589 981**	**2 510 643**
TOTAL ASSETS		**2 583 785**	**2 827 820**	**–**	**–**	**–**	**–**	**(61 863)**	**(61 863)**	**2 765 957**	**2 886 293**	**2 837 330**
LIABILITIES												
Current liabilities												
Bank overdraft		–	–	–	–	–	–	–	–	–	–	–
Financial liabilities		23 564	34 488	–	–	–	–	3 786	3 786	38 274	63 059	80 242
Consumer deposits		29 060	29 060	–	–	–	–	2 600	2 600	31 660	31 660	31 660
Trade and other payables from exchange transactions		124 413	125 563	–	–	–	–	17 659	17 659	143 222	143 222	143 222
Trade and other payables from non-exchange transac		–	–	–	–	–	–	0	0	0	–	–
Provisions		48 355	48 355	–	–	–	–	6 513	6 513	54 868	55 309	55 749
VAT		(0)	(0)	–	–	–	–	14 707	14 707	14 707	14 707	14 707
Other current liabilities		–	–	–	–	–	–	–	–	–	–	–
Total current liabilities		**225 392**	**237 467**	**–**	**–**	**–**	**–**	**45 265**	**45 265**	**282 732**	**307 957**	**325 581**
Non current liabilities												
Financial Liabilities	1	11 333	164 604	–	–	–	–	(43 761)	(43 761)	120 843	175 758	133 789
Provisions	1	140 468	140 468	–	–	–	–	(3 121)	(3 121)	137 347	152 420	168 953
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		119 151	119 151					(10 366)	(10 366)	108 785	110 246	111 923
Total non current liabilities		**270 953**	**424 224**	**–**	**–**	**–**	**–**	**(57 248)**	**(57 248)**	**366 975**	**438 424**	**414 666**
TOTAL LIABILITIES		**496 345**	**661 690**	**–**	**–**	**–**	**–**	**(11 983)**	**(11 983)**	**649 707**	**746 381**	**740 247**
NET ASSETS	2	**2 087 440**	**2 166 129**	**–**	**–**	**–**	**–**	**(49 879)**	**(49 879)**	**2 116 250**	**2 139 912**	**2 097 082**
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		2 087 440	2 166 129	–	–	–	–	(49 879)	(49 879)	2 116 250	2 139 912	2 097 082
Funds and Reserves		–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY		**2 087 440**	**2 166 129**	**–**	**–**	**–**	**–**	**(49 879)**	**(49 879)**	**2 116 250**	**2 139 912**	**2 097 082**

EC108 Kouga - Table B7 Adjustments Budget Cash Flows - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		287 458	287 458	–	–	–	–	1 171	1 171	288 628	303 161	319 834
Service charges		761 922	761 922	–	–	–	–	61 852	61 852	823 774	860 320	963 513
Other revenue		93 666	100 764	–	–	–	–	15 183	15 183	115 947	80 305	83 067
Transfers and Subsidies - Operational	1	202 153	205 651	–	–	–	–	4 453	4 453	210 105	211 994	223 454
Transfers and Subsidies - Capital	1	123 443	123 331	–	–	–	–	6 686	6 686	130 017	125 727	57 374
Interest		13 998	13 998	–	–	–	–	1 500	1 500	15 498	12 809	13 385
Dividends		–	–	–	–	–	–	–	–	–	–	–
Payments												
Suppliers and employees		(1 327 265)	(1 340 032)	–	–	–	–	(63 703)	(63 703)	(1 403 735)	(1 407 212)	(1 530 389)
Finance charges		(16 159)	(35 182)	–	–	–	–	24 085	24 085	(11 097)	(22 206)	(24 811)
Transfers and Grants	1	(400)	(400)	–	–	–	–	–	–	(400)	(400)	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**138 815**	**117 510**	**–**	**–**	**–**	**–**	**51 228**	**51 228**	**168 738**	**164 499**	**105 027**
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–
Payments												
Capital assets		(116 362)	(170 913)	–	–	–	–	(57 154)	(57 154)	(228 067)	(239 762)	(49 890)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(116 362)**	**(170 913)**	**–**	**–**	**–**	**–**	**(57 154)**	**(57 154)**	**(228 067)**	**(239 762)**	**(49 890)**
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	100 000	100 000	100 000	100 000	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–
Payments												
Repayment of borrowing		(22 478)	(32 196)					16 932	16 932	(15 264)	(20 301)	(24 785)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(22 478)**	**(32 196)**	**–**	**–**	**–**	**–**	**116 932**	**116 932**	**84 736**	**79 699**	**(24 785)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(24)**	**(85 599)**	**–**	**–**	**–**	**–**	**111 005**	**111 005**	**25 406**	**4 436**	**30 352**
Cash/cash equivalents at the year begin:	2	43 665	143 659	–	–	–	–	(0)	(0)	143 659	169 065	173 500
Cash/cash equivalents at the year end:	2	43 641	58 060	–	–	–	–	111 005	111 005	169 065	173 500	203 853

EC108 Kouga - Table B8 Cash backed reserves/accumulated surplus reconciliation - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3		4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Cash and investments available												
Cash/cash equivalents at the year end	1	43 641	58 060	–	–	–	–	111 005	111 005	169 065	173 500	203 853
Other current investments > 90 days		(1)	–	–	–	–	–	–	–	–	–	–
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**43 640**	**58 060**	**–**	**–**	**–**	**–**	**111 005**	**111 005**	**169 065**	**173 500**	**203 853**
Applications of cash and investments												
Unspent conditional transfers		–	–	–	–	–	–	0	0	0	–	–
Unspent borrowing		–	–	–	–	–	–	50 000	50 000	50 000	–	–
Statutory requirements		(45 445)	(45 445)	–	–	–	–	47 362	47 362	1 917	1 895	1 872
Other working capital requirements	2	18 368	18 369					38 303	38 303	56 672	56 672	56 672
Other provisions		48 355	48 355	–	–	–	–	6 513	6 513	54 868	55 309	55 749
Long term investments committed		–	–					–	–	–	–	–
Reserves to be backed by cash/investments		–	–					–	–	–	–	–
Total Application of cash and investments:		**21 278**	**21 279**	**–**	**–**	**–**	**–**	**142 179**	**142 179**	**163 457**	**113 875**	**114 294**
Surplus(shortfall)		**22 362**	**36 781**	**–**	**–**	**–**	**–**	**(31 174)**	**(31 174)**	**5 608**	**59 625**	**89 559**

References

1. Must reconcile with the Adjustments Budget Cash Flow and Adjustements Budget Financial Position

2. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)

3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

4. Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not

5. Increases of funds approved under MFMA section 31

6. Adjustments approved in accordance with MFMA section 29

7. Adjustments to transfers from National or Provincial Government

8. Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2))(b); projected savings (section 28(2)(d)); error correction

9. G = B + C + D + E + F

10. Adjusted Budget H = (A or A1/2 etc) + G

Other working capital requirements												
Debtors		106 045	106 045							86 550	86 550	86 550
Creditors due		124 413	124 413							143 222	143 222	143 222
Total Other working capital requirements		(18 368)	(18 369)							(56 672)	(56 672)	(56 672)
Debtors collection assumptions:												
Balance outstanding - debtors		106 045	106 045							86 550	86 550	86 550
Estimate of debtors collection rate		100,67%	101,30%							112,25%	108,60%	108,52%
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		–	–							–	–	–
Total Long term investments committed		–	–							–	–	–
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		–	–							–	–	–
Total Reserves to be backed by cash/investments		–	–							–	–	–

EC108 Kouga - Table B9 Asset Management - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets *to be adjusted*	1	**52 798**	**235 418**	–	–	–	–	**(108 892)**	**(108 892)**	**126 526**	**167 749**	**26 901**
Roads Infrastructure		150	174 142	–	–	–	–	(130 435)	(130 435)	43 707	150 435	8 709
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		3 755	4 352	–	–	–	–	5 500	5 500	9 852	7 313	9 072
Water Supply Infrastructure		11 975	17 596	–	–	–	–	(1 918)	(1 918)	15 678	6 054	–
Sanitation Infrastructure		1 527	1 527	–	–	–	–	(1 446)	(1 446)	81	2 055	5 000
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		**17 407**	**197 616**	–	–	–	–	**(128 299)**	**(128 299)**	**69 317**	**165 857**	**22 782**
Community Facilities		–	–	–	–	–	–	1 400	1 400	1 400	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	**1 400**	**1 400**	**1 400**	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	**1 733**	–	–	–	–	**547**	**547**	**2 280**	–	–
Furniture and Office Equipment		–	**578**	–	–	–	–	**454**	**454**	**1 032**	–	–
Machinery and Equipment		–	**100**	–	–	–	–	–	–	**100**	–	–
Transport Assets		**35 391**	**35 391**	–	–	–	–	**17 006**	**17 006**	**52 397**	**1 891**	**4 119**
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets *to be adjusted*	2	**250**	**5 250**	–	–	–	–	–	–	**5 250**	**100**	–
Roads Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	5 000	–	–	–	–	–	–	5 000	–	–
Water Supply Infrastructure		250	250	–	–	–	–	–	–	250	100	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		**250**	**5 250**	–	–	–	–	–	–	**5 250**	**100**	–
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
Total Upgrading of Existing Assets *to be adjusted*	2a	**97 313**	**138 159**	–	–	–	–	**9 138**	**9 138**	**147 297**	**71 914**	**22 990**
Roads Infrastructure		8 596	8 596	–	–	–	–	7	7	8 602	–	–
Storm water Infrastructure		424	424	–	–	–	–	–	–	424	–	–
Electrical Infrastructure		30 348	30 348	–	–	–	–	(2 025)	(2 025)	28 323	347	–
Water Supply Infrastructure		16 783	45 765	–	–	–	–	12 551	12 551	58 316	46 927	–
Sanitation Infrastructure		40 663	51 767	–	–	–	–	(1 894)	(1 894)	49 873	17 640	20 582
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		**96 813**	**136 900**	–	–	–	–	**8 638**	**8 638**	**145 538**	**64 914**	**20 582**
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		500	1 259	–	–	–	–	500	500	1 759	7 000	2 407
Community Assets		**500**	**1 259**	–	–	–	–	**500**	**500**	**1 759**	**7 000**	**2 407**
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure *to be adjusted*	4											
Roads Infrastructure		8 746	182 737	–	–	–	–	(130 428)	(130 428)	52 309	150 435	8 709
Storm water Infrastructure		424	424	–	–	–	–	–	–	424	–	–
Electrical Infrastructure		34 103	39 699	–	–	–	–	3 475	3 475	43 174	7 660	9 072
Water Supply Infrastructure		29 008	63 611	–	–	–	–	10 632	10 632	74 243	53 082	–
Sanitation Infrastructure		42 190	53 294	–	–	–	–	(3 340)	(3 340)	49 953	19 695	25 582
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		**114 470**	**339 766**	**–**	**–**	**–**	**–**	**(119 661)**	**(119 661)**	**220 105**	**230 871**	**43 364**
Community Facilities		–	–	–	–	–	–	1 400	1 400	1 400	–	–
Sport and Recreation Facilities		500	1 259	–	–	–	–	500	500	1 759	7 000	2 407
Community Assets		**500**	**1 259**	**–**	**–**	**–**	**–**	**1 900**	**1 900**	**3 159**	**7 000**	**2 407**
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**1 733**	**–**	**–**	**–**	**–**	**547**	**547**	**2 280**	**–**	**–**
Furniture and Office Equipment		**–**	**578**	**–**	**–**	**–**	**–**	**454**	**454**	**1 032**	**–**	**–**
Machinery and Equipment		**–**	**100**	**–**	**–**	**–**	**–**	**–**	**–**	**100**	**–**	**–**
Transport Assets		**35 391**	**35 391**	**–**	**–**	**–**	**–**	**17 006**	**17 006**	**52 397**	**1 891**	**4 119**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL CAPITAL EXPENDITURE ***to be adjusted***	4	**150 362**	**378 826**	**–**	**–**	**–**	**–**	**(99 753)**	**(99 753)**	**279 073**	**239 762**	**49 890**
ASSET REGISTER SUMMARY - PPE (WDV)	5											
Roads Infrastructure		518 821	692 813	–	–	–	–	(180 058)	(180 058)	512 755	522 583	508 931
Storm water Infrastructure		28 084	28 084	–	–	–	–	22 419	22 419	50 504	50 079	50 079
Electrical Infrastructure		209 400	214 997	–	–	–	–	(25 756)	(25 756)	189 242	181 703	183 462
Water Supply Infrastructure		421 782	456 385	–	–	–	–	(61 266)	(61 266)	395 119	593 121	708 849
Sanitation Infrastructure		495 636	506 740	–	–	–	–	(96 681)	(96 681)	410 059	374 872	389 856
Solid Waste Infrastructure		(15 087)	(15 087)	–	–	–	–	28 786	28 786	13 699	13 699	13 699
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		72	72	–	–	–	–	(72)	(72)	–	–	–
Infrastructure		1 658 709	1 884 004	–	–	–	–	(312 627)	(312 627)	1 571 377	1 736 059	1 854 877
Community Assets		59 161	59 920	–	–	–	–	(5 718)	(5 718)	54 202	58 043	53 450
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		262 608	262 608	–	–	–	–	(11 815)	(11 815)	250 794	250 794	250 794
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		112 819	112 819	–	–	–	–	141 241	141 241	254 060	257 381	62 973
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		603	603	–	–	–	–	(184)	(184)	419	419	419
Computer Equipment		5 110	6 843	–	–	–	–	(1 487)	(1 487)	5 356	3 075	3 075
Furniture and Office Equipment		(12 500)	(11 922)	–	–	–	–	4 069	4 069	(7 853)	(10 718)	(11 878)
Machinery and Equipment		6 323	6 423	–	–	–	–	(827)	(827)	5 597	5 487	5 477
Transport Assets		65 778	65 778	–	–	–	–	40 436	40 436	106 214	55 504	57 518
Land		211 337	211 337	–	–	–	–	22 602	22 602	233 939	233 939	233 939
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**2 369 948**	**2 598 413**	**–**	**–**	**–**	**–**	**(124 310)**	**(124 310)**	**2 474 103**	**2 589 981**	**2 510 643**
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		117 798	117 798	–	–	–	–	–	–	117 798	123 884	129 229
Repairs and Maintenance by asset class	3	**228 381**	**233 594**	**–**	**–**	**–**	**–**	**7 813**	**7 813**	**241 407**	**228 320**	**240 952**
Roads Infrastructure		52 369	51 892	–	–	–	–	1 500	1 500	53 392	43 945	47 767
Storm water Infrastructure		2 120	1 620	–	–	–	–	–	–	1 620	3 000	3 820
Electrical Infrastructure		30 806	33 616	–	–	–	–	2 059	2 059	35 675	30 431	31 896
Water Supply Infrastructure		32 198	33 475	–	–	–	–	3 098	3 098	36 573	35 881	37 553
Sanitation Infrastructure		38 483	39 406	–	–	–	–	4 538	4 538	43 944	40 225	42 041
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	950	–	–	–	–	200	200	1 150	1 000	1 000
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		155 976	160 958	–	–	–	–	11 396	11 396	172 354	154 481	164 077
Community Facilities		40 224	40 224	–	–	–	–	(77)	(77)	40 147	40 708	42 634
Sport and Recreation Facilities		1 340	1 340	–	–	–	–	–	–	1 340	1 431	1 431
Community Assets		41 564	41 564	–	–	–	–	(77)	(77)	41 487	42 139	44 065
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		4 187	4 175	–	–	–	–	(275)	(275)	3 900	4 201	4 215
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		4 187	4 175	–	–	–	–	(275)	(275)	3 900	4 201	4 215
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		694	694	–	–	–	–	–	–	694	699	710
Transport Assets		25 960	26 203	–	–	–	–	(3 230)	(3 230)	22 973	26 800	27 885
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources	6	–	–	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		**346 179**	**351 392**	**–**	**–**	**–**	**–**	**7 813**	**7 813**	**359 206**	**352 204**	**370 181**
Renewal and upgrading of Existing Assets as % of total capex		*64,9%*	*37,9%*							*54,7%*	*30,0%*	*46,1%*
Renewal and upgrading of Existing Assets as % of deprecn"		*82,8%*	*121,7%*							*129,5%*	*58,1%*	*17,8%*
R&M as a % of PPE		*9,6%*	*9,0%*							*9,8%*	*8,8%*	*9,6%*
Renewal and upgrading and R&M as a % of PPE		*13,8%*	*14,5%*							*15,9%*	*11,6%*	*10,5%*

EC108 Kouga - Table B10 Basic service delivery measurement - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
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)		–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–	–	–
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	3,4	–	–	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		–	–	–	–	–	–	–	–	–	–	–
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–	–	–
Bucket toilet		–	–	–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–	–	–
Energy:												
Electricity (at least min. service level)		–	–	–	–	–	–	–	–	–	–	–
Electricity - prepaid (> min.service level)		–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–	–	–
Refuse:												
Removed at least once a week (min.service)		–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–	–	–
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		21 232 488	21 232 488	–	–	–	–	254 573	254 573	21 487 061	23 044 873	24 715 626
Sanitation (free minimum level service)		14 212 728	14 212 728	–	–	–	–	(539 633)	(539 633)	13 673 095	14 561 846	15 508 366
Electricity/other energy (50kwh per household per month)		5 584 548	5 584 548	–	–	–	–	(3 594 838)	(3 594 838)	1 989 710	6 461 316	7 475 748
Refuse (removed at least once a week)		25 690 656	25 690 656	–	–	–	–	(1 421 404)	(1 421 404)	24 269 252	25 846 754	27 526 792
Informal Settlements		–	–	–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per indigent household per month)		21 232	21 232	–	–	–	–	255	255	21 487	23 045	24 716
Sanitation (free sanitation service to indigent households)		14 213	14 213	–	–	–	–	(540)	(540)	13 673	14 562	15 508
Electricity/other energy (50kwh per indigent household per month)		5 585	5 585	–	–	–	–	(3 595)	(3 595)	1 990	6 461	7 476
Refuse (removed once a week for indigent households)		25 691	25 691	–	–	–	–	(1 421)	(1 421)	24 269	25 847	27 527
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–	–	–
Total cost of FBS provided		66 720	66 720	–	–	–	–	(5 301)	(5 301)	61 419	69 915	75 227
Highest level of free service provided												
Property rates (R'000 value threshold)		–	–	–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)		–	–	–	–	–	–	–	–	–	–	–
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		–	–	–	–	–	–	–	–	–	–	–
Electricity (kw per household per month)		–	–	–	–	–	–	–	–	–	–	–
Refuse (average litres per week)		–	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided (R'000)	17											
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		–	–	–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable		7 249	7 249	–	–	–	–	(6 896)	(6 896)	353	7 647	8 068
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	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		7 249	7 249	–	–	–	–	(6 896)	(6 896)	353	7 647	8 068

EC108 Kouga - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
REVENUE ITEMS:												
Non-exchange revenue by source												
Property rates												
Total Property Rates		304 325	304 325	–	–	–	–	(5 663)	(5 663)	298 662	320 950	338 603
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		7 249	7 249	–	–	–	–	(6 896)	(6 896)	353	7 647	8 068
Net Property Rates		**297 076**	**297 076**	**–**	**–**	**–**	**–**	**1 233**	**1 233**	**298 309**	**313 303**	**330 535**
Exchange revenue service charges												
Service charges - Electricity												
Total Service charges - Electricity		387 575	387 575	–	–	–	–	39 974	39 974	427 549	448 424	518 827
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)		5 585	5 585	–	–	–	–	(3 595)	(3 595)	1 990	6 461	7 476
Net Service charges - Electricity		**381 991**	**381 991**	**–**	**–**	**–**	**–**	**43 569**	**43 569**	**425 559**	**441 963**	**511 351**
Service charges - Water												
Total Service charges - Water		103 556	103 556	–	–	–	–	55 989	55 989	159 544	171 111	183 517
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)		21 232	21 232	–	–	–	–	255	255	21 487	23 045	24 716
Net Service charges - Water		**82 323**	**82 323**	**–**	**–**	**–**	**–**	**55 734**	**55 734**	**138 057**	**148 066**	**158 801**
Service charges - Waste Water Management												
Total Service charges - Waste Water Management		78 299	78 299	–	–	–	–	11 389	11 389	89 687	95 517	101 726
less Revenue Foregone (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–	–	–
less Cost of Free Basic Services (free sanitation service to indigent households)		14 213	14 213	–	–	–	–	(540)	(540)	13 673	14 562	15 508
Net Service charges - Waste Water Management		**64 086**	**64 086**	**–**	**–**	**–**	**–**	**11 928**	**11 928**	**76 014**	**80 955**	**86 217**
Service charges - Waste Management												
Total refuse removal revenue		77 400	77 400	–	–	–	–	(3 375)	(3 375)	74 025	78 837	83 961
Total landfill revenue		19 414	19 414	–	–	–	–	(7 023)	(7 023)	12 390	13 196	14 054
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)		25 691	25 691	–	–	–	–	(1 421)	(1 421)	24 269	25 847	27 527
Net Service charges - Waste Management		**71 123**	**71 123**	**–**	**–**	**–**	**–**	**(8 976)**	**(8 976)**	**62 146**	**66 186**	**70 488**
EXPENDITURE ITEMS												
Employee related costs												
Basic Salaries and Wages		304 832	312 382	–	–	–	–	4 683	4 683	317 065	308 730	324 917
Pension and UIF Contributions		39 115	39 957	–	–	–	–	791	791	40 748	41 072	43 126
Medical Aid Contributions		19 971	20 201	–	–	–	–	697	697	20 898	20 970	22 018
Overtime		20 000	20 000	–	–	–	–	–	–	20 000	23 186	24 345
Performance Bonus		21 262	21 645	–	–	–	–	462	462	22 107	22 250	23 287
Motor Vehicle Allowance		14 287	14 358	–	–	–	–	120	120	14 478	15 001	15 751
Cellphone Allowance		70	70	–	–	–	–	–	–	70	73	77
Housing Allowances		1 308	1 336	–	–	–	–	131	131	1 467	1 374	1 442
Other benefits and allowances		18 895	19 024	–	–	–	–	32	32	19 056	19 840	20 832
Payments in lieu of leave		–	–	–	–	–	–	–	–	–	–	–
Long service awards		3 608	3 608	–	–	–	–	(1 500)	(1 500)	2 108	3 880	4 141
Post-retirement benefit obligations		19 753	19 753	–	–	–	–	(3 500)	(3 500)	16 253	21 689	23 902
Entertainment		–	–	–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–	–	–
Acting and post related allowance		8 642	8 722	–	–	–	–	–	–	8 722	9 074	9 528
In kind benefits	4	–	–	–	–	–	–	–	–	–	–	–
sub-total		**471 743**	**481 056**	**–**	**–**	**–**	**–**	**1 915**	**1 915**	**482 971**	**487 140**	**513 366**
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–	–	–
Total Employee related costs	**1**	**471 743**	**481 056**	**–**	**–**	**–**	**–**	**1 915**	**1 915**	**482 971**	**487 140**	**513 366**
Depreciation & asset impairment												
Depreciation of Property, Plant & Equipment		117 212	117 212	–	–	–	–	–	–	117 212	123 298	128 642
Lease amortisation		586	586	–	–	–	–	–	–	586	586	586
Capital asset impairment		–	–	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	**1**	**117 798**	**117 798**	**–**	**–**	**–**	**–**	**–**	**–**	**117 798**	**123 884**	**129 229**
Bulk purchases												
Electricity Bulk Purchases		386 299	386 299	–	–	–	–	27 050	27 050	413 349	462 520	535 135
Total bulk purchases	**1**	**386 299**	**386 299**	**–**	**–**	**–**	**–**	**27 050**	**27 050**	**413 349**	**462 520**	**535 135**
Transfers and grants												
Cash transfers and grants		400	400	–	–	–	–	–	–	400	400	400
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–	–
Total transfers and grants		**400**	**400**	**–**	**–**	**–**	**–**	**–**	**–**	**400**	**400**	**400**
Contracted services												
Outsourced Services		38 288	41 917	–	–	–	–	8 777	8 777	50 694	32 083	32 324
Consultants and Professional Services		35 400	33 614	–	–	–	–	3 420	3 420	37 034	29 280	29 630
Contractors		51 685	51 657	–	–	–	–	3 545	3 545	55 202	53 244	54 723
Total contracted services		**125 372**	**127 188**	**–**	**–**	**–**	**–**	**15 742**	**15 742**	**142 931**	**114 607**	**116 678**
Operational Costs												
Collection costs		3 400	3 400	–	–	–	–	–	–	3 400	3 701	4 005
Contributions to 'other' provisions		561	561	–	–	–	–	(13)	(13)	547	561	561
Audit fees		4 500	4 500	–	–	–	–	–	–	4 500	4 500	4 500
Other Operational Costs												
Operating Leases		8 032	8 032	–	–	–	–	–	–	8 032	4 256	4 447
Operational Cost		77 747	78 853	–	–	–	–	2 927	2 927	81 779	80 263	81 813
Statutory Payments other than Income Taxes		–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
Total Operational Costs	**1**	**94 240**	**95 346**	**–**	**–**	**–**	**–**	**2 913**	**2 913**	**98 259**	**93 281**	**95 326**
Repairs and Maintenance by Expenditure Item	14											
Employee related costs		151 092	156 272	–	–	–	–	(39)	(39)	156 233	149 350	157 568
Inventory Consumed (Project Maintenance)		25 718	24 526	–	–	–	–	3 828	3 828	28 354	25 802	28 689
Contracted Services		47 396	47 549	–	–	–	–	3 675	3 675	51 224	48 952	50 428
Other Expenditure		4 175	5 248	–	–	–	–	450	450	5 697	4 216	4 268
Total Repairs and Maintenance Expenditure	**15**	**228 381**	**233 594**	**–**	**–**	**–**	**–**	**7 913**	**7 913**	**241 507**	**228 320**	**240 952**
Inventory Consumed												
Inventory Consumed - Water		41 931	41 931	–	–	–	–	(3 000)	(3 000)	38 931	45 491	48 789
Inventory Consumed - Other		67 088	65 781	–	–	–	–	(2 737)	(2 737)	63 044	68 427	72 519
Total Inventory Consumed & Other Material		**109 019**	**107 712**	**–**	**–**	**–**	**–**	**(5 737)**	**(5 737)**	**101 975**	**113 917**	**121 308**

EC108 Kouga - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		4	5	6	7	8	9	10	11			
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Trade and other receivables from exchange transactions												
Electricity		98 101	98 101	–	–	–	–	4 487	4 487	102 588	108 576	112 699
Water		179 213	179 213	–	–	–	–	9 244	9 244	188 457	188 956	189 629
Waste		101 793	101 793	–	–	–	–	6 045	6 045	107 838	108 170	108 451
Waste Water		69 868	69 868	–	–	–	–	(1 469)	(1 469)	68 399	68 628	68 957
Other trade receivables from exchange transactions		15 817	15 817	–	–	–	–	(89)	(89)	15 728	15 750	15 775
Gross: Trade and other receivables from exchange transact		**464 792**	**464 792**	**-**	**-**	**-**	**-**	**18 218**	**18 218**	**483 010**	**490 080**	**495 511**
Less: Impairment for debt	1	**(387 762)**	**(387 762)**	**-**	**-**	**-**	**-**	**(35 349)**	**(35 349)**	**(423 111)**	**(430 180)**	**(435 612)**
Impairment for Electricity		(64 745)	(64 745)	–	–	–	–	(3 805)	(3 805)	(68 550)	(74 539)	(78 662)
Impairment for Water		(155 918)	(155 918)	–	–	–	–	(19 355)	(19 355)	(175 274)	(175 795)	(176 492)
Impairment for Waste		(96 791)	(96 791)	–	–	–	–	(9 424)	(9 424)	(106 216)	(106 547)	(106 829)
Impairment for Waste Water		(64 565)	(64 565)	–	–	–	–	(2 071)	(2 071)	(66 636)	(66 864)	(67 194)
Impairment for other trade receivalbes from exchange trans		(5 742)	(5 742)	–	–	–	–	(693)	(693)	(6 435)	(6 435)	(6 435)
Total net Trade and other receivables from Exchange Trans		**77 030**	**77 030**	**-**	**-**	**-**	**-**	**(17 131)**	**(17 131)**	**59 899**	**59 899**	**59 899**
-												
Receivables from non-exchange transactions												
Property rates		97 227	97 227	–	–	–	–	(824)	(824)	96 403	97 168	98 045
Less: Impairment of Property rates		(84 551)	(84 551)	–	–	–	–	(6 486)	(6 486)	(91 037)	(91 802)	(92 680)
Net Property rates		**12 676**	**12 676**	**-**	**-**	**-**	**-**	**(7 310)**	**(7 310)**	**5 366**	**5 366**	**5 366**
Other receivables from non-exchange transactions		364 889	364 889	–	–	–	–	(250 774)	(250 774)	114 116	117 878	119 378
Impairment for other receivalbes from non-exchange transa		(348 550)	(348 550)	–	–	–	–	255 720	255 720	(92 830)	(96 593)	(98 092)
Net other receivables from non-exchange transactions		**16 339**	**16 339**	**-**	**-**	**-**	**-**	**4 947**	**4 947**	**21 286**	**21 286**	**21 286**
Total net Receivables from non-exchange transactions	1	**29 014**	**29 014**	**–**	**–**	**–**	**–**	**(2 363)**	**(2 363)**	**26 651**	**26 651**	**26 651**
Inventory												
Water												
Opening Balance		1 194	1 194	–	–	–	–	471	471	1 665	1 665	1 665
System Input Volume		**41 931**	**41 931**	**–**	**–**	**–**	**–**	**(3 000)**	**(3 000)**	**38 931**	**45 491**	**48 789**
Water Treatment Works		–	–	–	–	–	–	–	–	–	–	–
Bulk Purchases		41 931	41 931	–	–	–	–	(3 000)	(3 000)	38 931	45 491	48 789
Natural Sources		–	–	–	–	–	–	–	–	–	–	–
Authorised Consumption	12	**(41 931)**	**(41 931)**	**–**	**–**	**–**	**–**	**3 000**	**3 000**	**(38 931)**	**(45 491)**	**(48 789)**
Billed Authorised Consumption		**(41 931)**	**(41 931)**	**–**	**–**	**–**	**–**	**3 000**	**3 000**	**(38 931)**	**(45 491)**	**(48 789)**
Billed Metered Consumption		**(41 931)**	**(41 931)**	**–**	**–**	**–**	**–**	**3 000**	**3 000**	**(38 931)**	**(45 491)**	**(48 789)**
Free Basic Water		–	–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–	–
Revenue Water		(41 931)	(41 931)	–	–	–	–	3 000	3 000	(38 931)	(45 491)	(48 789)
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 M		–	–	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Water		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Closing Balance Water		**1 194**	**1 194**	**–**	**–**	**–**	**–**	**471**	**471**	**1 665**	**1 665**	**1 665**
Agricultural												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–
Issues	13	–	–	–	–	–	–	–	–	–	–	–
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Consumables												
Standard Rated												
Opening Balance		(225)	(225)	–	–	–	–	225	225	–	–	–
Acquisitions		4 353	4 403	–	–	–	–	(415)	(415)	3 988	5 061	4 404
Issues	13	(4 353)	(4 403)	–	–	–	–	415	415	(3 988)	(5 061)	(4 404)
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		**(225)**	**(225)**	**–**	**–**	**–**	**–**	**225**	**225**	**–**	**–**	**–**
Zero Rated												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–
Issues	13	–	–	–	–	–	–	–	–	–	–	–
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Finished Goods												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–
Issues	13	–	–	–	–	–	–	–	–	–	–	–
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Finished Goods		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Materials and Supplies												
Opening Balance		17 630	17 630	–	–	–	–	3 155	3 155	20 785	20 785	20 785
Acquisitions		36 064	36 257	–	–	–	–	3 028	3 028	39 285	35 886	39 399
Issues	13	(36 064)	(35 107)	–	–	–	–	(4 178)	(4 178)	(39 285)	(35 886)	(39 399)
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Materials and Supplies		**17 630**	**18 780**	**–**	**–**	**–**	**–**	**2 005**	**2 005**	**20 785**	**20 785**	**20 785**
Work-in-progress												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Materials		–	–	–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–	–	–
Closing balance - Work-in-progress		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Housing Stock												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			4	5	6	7	8	9	10	11		
R thousands		A	A1	B	C	D	E	F	G	H		
Transfers		–	–	–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–	–
Closing Balance - Housing Stock		–	–	–	–	–	–	–	–	–	–	–
Land												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–	–
Adjustments		–	–	–	–	–	–	–	–	–	–	–
Correction of Prior period errors		–	–	–	–	–	–	–	–	–	–	–
Closing Balance - Land		–	–	–	–	–	–	–	–	–	–	–
Closing Balance - Inventory & Consumables		**18 598**	**19 748**	**–**	**–**	**–**	**–**	**2 701**	**2 701**	**22 450**	**22 450**	**22 450**
Property, plant & equipment												
PPE at cost/valuation (excl. finance leases)		3 361 404	3 589 868	–	–	–	–	(172 374)	(172 374)	3 417 494	3 539 459	3 465 465
Leases recognised as PPE	2	(146)	(146)	–	–	–	–	38 471	38 471	38 325	38 325	38 325
Less: Accumulated depreciation		(1 254 521)	(1 254 521)	–	–	–	–	21 593	21 593	(1 232 928)	(1 239 015)	(1 244 359)
Total Property, plant & equipment	1	**2 106 737**	**2 335 202**	**–**	**–**	**–**	**–**	**(112 311)**	**(112 311)**	**2 222 891**	**2 338 769**	**2 259 431**
LIABILITIES												
Current liabilities - Borrowing												
Short term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		23 564	34 488	–	–	–	–	3 786	3 786	38 274	63 059	80 242
Total Current liabilities - Borrowing		**23 564**	**34 488**	**–**	**–**	**–**	**–**	**3 786**	**3 786**	**38 274**	**63 059**	**80 242**
Trade and other payables												
Trade and other payables from exchange transactions		124 413	125 563	–	–	–	–	17 659	17 659	143 222	143 222	143 222
Other trade payables from exchange transactions		–	–	–	–	–	–	–	–	–	–	–
Trade payables from Non-exchange transactions: Unspent conditi		–	–	–	–	–	–	0	0	0	–	–
Trade payables from Non-exchange transactions: Other		–	–	–	–	–	–	–	–	–	–	–
VAT		(0)	(0)	–	–	–	–	14 707	14 707	14 707	14 707	14 707
Total Trade and other payables	1	**124 413**	**125 563**	**–**	**–**	**–**	**–**	**32 366**	**32 366**	**157 930**	**157 930**	**157 930**
Non current liabilities - Financial liabilities												
Borrowing	3	11 333	164 604	–	–	–	–	(43 761)	(43 761)	120 843	175 758	133 789
Other financial liabilities		–	–	–	–	–	–	–	–	–	–	–
Total Non current liabilities - Financial liabilities		**11 333**	**164 604**	**–**	**–**	**–**	**–**	**(43 761)**	**(43 761)**	**120 843**	**175 758**	**133 789**
Non current liabilities - Long Term portion of trade payables												
Elelctricty Bulk Purchases		–	–	–	–	–	–	–	–	–	–	–
Payables and Accruals - General		–	–	–	–	–	–	–	–	–	–	–
Water Bulk Purchases		–	–	–	–	–	–	–	–	–	–	–
Municipal Debt Relief		–	–	–	–	–	–	–	–	–	–	–
Total Non current liabilities - Long Term portion of trade payable		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Provisions - non current												
Retirement benefits									–	–		
List other major items												
Refuse landfill site rehabilitation		122 180	122 180	–	–	–	–	606	606	122 785	137 858	154 391
Other		18 289	18 289	–	–	–	–	(3 727)	(3 727)	14 562	14 562	14 562
Total Provisions - non current		**140 468**	**140 468**	**–**	**–**	**–**	**–**	**(3 121)**	**(3 121)**	**137 347**	**152 420**	**168 953**
CHANGES IN NET ASSETS												
Accumulated surplus/(Deficit)												
Accumulated surplus/(Deficit) - opening balance		2 071 563	2 143 318	–	–	–	–	(107 044)	(107 044)	2 036 273	2 116 250	2 139 912
GRAP adjustments		–	–	–	–	–	–	–	–	–	–	–
Restated balance		2 071 563	2 143 318	–	–	–	–	(107 044)	(107 044)	2 036 273	2 116 250	2 139 912
Surplus/(Deficit)		20 963	22 812	–	–	–	–	51 406	51 406	74 217	23 662	(42 830)
Transfers to/from Reserves		–	–	–	–	–	–	5 759	5 759	5 759	–	–
Depreciation offsets		–	–	–	–	–	–	–	–	–	–	–
Other adjustments		(5 086)	–	–	–	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	1	**2 087 440**	**2 166 129**	**–**	**–**	**–**	**–**	**(49 879)**	**(49 879)**	**2 116 250**	**2 139 912**	**2 097 082**
Reserves												
Housing Development Fund		–	–	–	–	–	–	–	–	–	–	–
Capital replacement		–	–	–	–	–	–	–	–	–	–	–
Self-insurance		–	–	–	–	–	–	–	–	–	–	–
Other reserves		–	–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–	–
Total Reserves	2	–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2 087 440**	**2 166 129**	**–**	**–**	**–**	**–**	**(49 879)**	**(49 879)**	**2 116 250**	**2 139 912**	**2 097 082**

EC108 Kouga - Supporting Table SB3 Adjustments to the SDBIP - performance objectives - 29/01/2025

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget
Vote 1 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Vote 2 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Vote 3 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Vote 4 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Vote 5 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget
Sub-function insert measurables descriptions												
Function Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Vote 6 - vote name Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Function Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Function And so on for the rest of the Votes												

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget

EC108 Kouga - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 29/01/2025

Description of financial indicator	Basis of calculation	2021/22	2022/23	2023/24	Budget Year 2024/25			Budget Year +1 2025/26	Budget Year +2 2026/27
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
Borrowing Management									
Credit Rating	Short term/long term rating	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%		
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				2,6%	4,5%	1,9%	2,9%	3,1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue				2,9%	4,9%	2,1%	3,1%	3,4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				100,0%	88,3%	55,7%	68,7%	0,0%
Safety of Capital									
Gearing	Long Term Borrowing/ Funds & Reserves				0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity									
Current Ratio	Current assets/current liabilities				94,9%	96,6%	103,2%	96,2%	100,3%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				94,9%	96,6%	0,0%	0,0%	0,0%
Liquidity Ratio	Monetary Assets/Current Liabilities				0,5	0,6	0,8	0,8	0,8
Revenue Management					32,2%	36,7%	69,2%	65,0%	70,8%
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing								
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)									
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				9,0%	9,0%	8,0%	7,7%	7,1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0,0%	0,0%	0,0%	0,0%	0,0%
Creditors Management									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash and Investments					285,1%	216,3%	93,4%	91,0%	77,5%
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 Distribution Losses (2)	Bulk Purchase Water treatment works Natural sources 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)				33,9%	34,5%	35,5%	34,4%	33,3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)								
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				16,4%	16,7%	17,7%	16,1%	15,6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				9,1%	10,3%	8,4%	9,7%	9,6%
IDP regulation financial viability indicators									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)				0,0%	0,0%	0,0%	0,0%	0,0%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				2,1%	2,1%	2,0%	1,9%	1,7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				0,0	0,0	0,0	0,0	0,0

EC108 Kouga - Supporting Table SB5 Adjustments Budget - social, economic and demographic statistics and assumptions - 29/01/2025

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2021/22	2022/23	2023/24	Budget Year 2024/25	Budget Year 2024/25
						Outcome	Outcome	Outcome	Original Budget	Actual
Demographics										
Population			–	–	–	–	–	–	–	–
Females aged 5 - 14			–	–	–	–	–	–	–	–
Males aged 5 - 14			–	–	–	–	–	–	–	–
Females aged 15 - 34			–	–	–	–	–	–	–	–
Males aged 15 - 34			–	–	–	–	–	–	–	–
Unemployment			–	–	–	–	–	–	–	–
Monthly household income (no. of households)	1, 12									
No income			–	–	–	–	–	–	–	–
R1 - R1 600			–	–	–	–	–	–	–	–
R1 601 - R3 200			–	–	–	–	–	–	–	–
R3 201 - R6 400			–	–	–	–	–	–	–	–
R6 401 - R12 800			–	–	–	–	–	–	–	–
R12 801 - R25 600			–	–	–	–	–	–	–	–
R25 601 - R51 200			–	–	–	–	–	–	–	–
R52 201 - R102 400			–	–	–	–	–	–	–	–
R102 401 - R204 800			–	–	–	–	–	–	–	–
R204 801 - R409 600			–	–	–	–	–	–	–	–
R409 601 - R819 200			–	–	–	–	–	–	–	–
> R819 200			–	–	–	–	–	–	–	–
Poverty profiles (no. of households)										
< R2 060 per household per month	13		–	–	–	–	–	–	–	–
	2		–	–	–	–	–	–	–	–
Household/demographics (000)										
Number of people in municipal area			–	–	–	–	–	–	–	–
Number of poor people in municipal area			–	–	–	–	–	–	–	–
Number of households in municipal area			–	–	–	–	–	–	–	–
Number of poor households in municipal area			–	–	–	–	–	–	–	–
Definition of poor household (R per month)			–	–	–	-	-	-	-	-
Housing statistics	3									
Formal			–	–	–	-	-	-	-	-
Informal			–	–	–	-	-	-	-	-
Total number of households			-	-	-	-	-	-	-	-
Dwellings provided by municipality	4		–	–	–	-	-	-	-	-
Dwellings provided by province/s			–	–	–	-	-	-	-	-
Dwellings provided by private sector	5		–	–	–	-	-	-	-	-
Total new housing dwellings			-	-	-	-	-	-	-	-
Economic	6									
Inflation/inflation outlook (CPIX)						0,0%	0,0%	0,0%	0,0%	0,0%
Interest rate - borrowing						0,0%	0,0%	0,0%	0,0%	0,0%
Interest rate - investment						0,0%	0,0%	0,0%	0,0%	0,0%
Remuneration increases						0,0%	0,0%	0,0%	0,0%	0,0%
Consumption growth (electricity)						0,0%	0,0%	0,0%	0,0%	0,0%
Consumption growth (water)						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%
Rental of facilities & equipment						0,0%	0,0%	0,0%	0,0%	0,0%
Interest - external investments						0,0%	0,0%	0,0%	0,0%	0,0%
Interest - debtors						0,0%	0,0%	0,0%	0,0%	0,0%
Revenue from agency services						0,0%	0,0%	0,0%	0,0%	0,0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2021/22	2022/23	2023/24	Budget Year 2024/25			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		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)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Energy:									
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Refuse:									
		Removed at least once a week	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–

Municipal in-house services	Ref.		2021/22	2022/23	2023/24	Budget Year 2024/25			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		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)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–

		No water supply	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	
		Sanitation/sewerage:										
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–	
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–	
		Chemical toilet	–	–	–	–	–	–	–	–	–	
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–	
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Bucket toilet	–	–	–	–	–	–	–	–	–	
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–	
		No toilet provisions	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	
		Energy:										
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–	
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–	
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–	
		Other energy sources	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	
		Refuse:										
		Removed at least once a week	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–	
		Using communal refuse dump	–	–	–	–	–	–	–	–	–	
		Using own refuse dump	–	–	–	–	–	–	–	–	–	
		Other rubbish disposal	–	–	–	–	–	–	–	–	–	
		No rubbish disposal	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	

Municipal entity services	Ref.		2021/22	2022/23	2023/24	Budget Year 2024/25			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		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)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		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)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		***Energy:***									

		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–	
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–	
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–	
		Other energy sources	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	
Name of municipal entity		***Refuse:***										
		Removed at least once a week	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–	
		Using communal refuse dump	–	–	–	–	–	–	–	–	–	
		Using own refuse dump	–	–	–	–	–	–	–	–	–	
		Other rubbish disposal	–	–	–	–	–	–	–	–	–	
		No rubbish disposal	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	

Services provided by 'external mechanisms'	Ref.		2021/22	2022/23	2023/24	Budget Year 2024/25			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		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)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		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)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		***Energy:***									
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		***Refuse:***									
		Removed at least once a week	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–

		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–		
		Total number of households	–	–	–	–	–	–	–	–	–		

Detail of Free Basic Services (FBS) provided			**Budget Year 2024/25**									**Budget Year +1 2025/26**	**Budget Year +2 2026/27**
			Original Budget	**Prior Adjusted**	**Accum. Funds**	**Multi-year capital**	**Unfore. Unavoid.**	**Nat. or Prov. Govt**	**Other Adjusts.**	**Total Adjusts.**	**Adjusted Budget**	**Adjusted Budget**	**Adjusted Budget**
Electricity	Ref.	***Location of households for each type of FBS***											
List type of FBS service		**Formal settlements - (50 kwh per indigent household per month Rands)**	5 584 548	5 584 548	–	–	–	–	(3 594 838)	(3 595)	1 990	6 461 316	7 475 748
		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.	***Location of households for each type of FBS***											
List type of FBS service		**Formal settlements - (6 kilolitre per indigent household per month Rands)**	21 232 488	21 232 488	–	–	–	–	254 573	255	21 487	23 044 873	24 715 626
		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.	***Location of households for each type of FBS***											
List type of FBS service		**Formal settlements - (free sanitation service to indigent households)**	14 212 728	14 212 728	–	–	–	–	(539 633)	(540)	13 673	14 561 846	15 508 366
		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.	***Location of households for each type of FBS***											
List type of FBS service		**Formal settlements - (removed once a week to indigent households)**	25 690 656	25 690 656	–	–	–	–	(1 421 404)	(1 421)	24 269	25 846 754	27 526 792
		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	–	–	–	–	–	–	–	–	–	–	–

EC108 Kouga - Supporting Table SB6 Adjustments Budget - funding measurement - 29/01/2025

Description	Ref	MFMA section	2021/22	2022/23	2023/24	Medium Term Revenue and Expenditure Framewo				
R thousands			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2025/26	Budget Year +2 2026/27
Funding measures										
Cash/cash equivalents at the year end - R'000	1	18(1)b	–	–	–	43 641	58 060	169 065	173 500	203 853
Cash + investments at the yr end less applications - R'000	2	18(1)b	–	–	–	22 362	36 781	5 608	59 625	89 559
Cash year end/monthly employee/supplier payments	3	18(1)b	–	–	–	–	–	–	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	–	–	–	20 963	22 812	–	–	–
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)				0,0%	0,0%	0,0%	0,0%	0,0%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0,0%	0,0%	0,0%	83,1%	83,4%	0,0%	0,0%	0,0%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)				17,0%	17,0%	5,7%	6,4%	6,3%
Capital payments % of capital expenditure	8	18(1)c;19				77,4%	45,1%	0,0%	0,0%	0,0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c				100,0%	88,3%	55,7%	68,7%	0,0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				101,2%	44,5%	45,0%	37,7%	20,7%
Current consumer debtors % change - incr(decr)	11	18(1)a							0,0%	0,0%
Long term receivables % change - incr(decr)	12	18(1)a							0,0%	0,0%
R&M % of Property Plant & Equipment	13	20(1)(vi)				9,6%	9,0%	9,8%	8,8%	9,6%
Asset renewal % of capital budget	14	20(1)(vi)				0,2%	1,4%	1,9%	0,0%	0,0%

References

1. Positive cash balances indicative of minimum compliance - subject to 2

2. Deduct 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 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 cap 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 cap municipalities and later for other capacity classifications)

13. Indicative of a credible allowance for repairs & maintenance of assets

14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan)

Macro CPIX target						6%	6%	6%	6%	6%
Total service charge revenue						965 011	965 011	–	–	–
Total service charge revenue - previous year								–	–	–
Provincial government gazetted allocations	–	–	–			71 019	94 853	106 163	75 619	2 050
National government DoRA allocations	–	–	–			260 957	268 699	268 707	257 999	274 562
Cash receipts from ratepayers						1 143 045	1 150 144	1 228 350	1 243 786	1 366 415
Ratepayer & Other revenue						1 375 338	1 378 837	–	–	–
Change in debtors									22	22

EC108 Kouga - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 29/01/2025

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F		
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**197 710**	**197 710**	**–**	**–**	**–**	**–**	**197 710**	**207 441**	**218 788**
Operational Revenue:General Revenue:Equitable Share		192 664	192 664	–	–	–	–	192 664	203 746	214 723
Operational:Revenue:General Revenue:Fuel Levy	3	–	–	–	–	–	–	–	–	–
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]		1 495	1 495	–	–	–	–	1 495	–	–
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]		1 723	1 723	–	–	–	–	1 723	1 785	2 001
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]		1 828	1 828	–	–	–	–	1 828	1 910	2 064
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		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Programme and Project Preparation Support Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**–**	**3 448**	**–**	**–**	**3 548**	**3 548**	**6 997**	**–**	**–**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		–	3 448	–	–	3 548	3 548	6 997	–	–
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance	4	–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance	5	–	–	–	–	–	–	–	–	–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
All Grants		–	–	–	–	–	–	–	–	–
Other grant providers:		–	50	–	–	–	–	50	–	–
Departmental Agencies and Accounts		–	50	–	–	–	–	50	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	6	**197 710**	**201 208**	**–**	**–**	**3 548**	**3 548**	**204 757**	**207 441**	**218 788**
Capital Transfers and Grants										
National Government:		**52 874**	**52 762**	**–**	**–**	**–**	**–**	**52 762**	**50 558**	**55 774**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		4 203	4 203	–	–	–	–	4 203	7 260	7 558
Municipal Infrastructure Grant [Schedule 5B]		34 730	34 618	–	–	–	–	34 618	36 298	39 216
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]		13 941	13 941	–	–	–	–	13 941	7 000	9 000
WIFI Connectivity		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget A	Prior Adjusted 7 A1	Multi-year capital 8 B	Nat. or Prov. Govt 9 C	Other Adjusts. 10 D	Total Adjusts. 11 E	Adjusted Budget 12 F	Adjusted Budget	Adjusted Budget
Aquaponic Project		–	–	–	–	–	–	–	–	–
Restition 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		–	–	–	–	–	–	–	–	–
Provincial Government:		**68 969**	**68 969**	**–**	**–**	**6 686**	**6 686**	**75 655**	**73 569**	**–**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		68 969	68 969	–	–	6 686	6 686	75 655	73 569	–
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
All Grants		–	–	–	–	–	–	–	–	–
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Transfer from Operational Revenue		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	6	**121 843**	**121 731**	**–**	**–**	**6 686**	**6 686**	**128 417**	**124 127**	**55 774**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**319 553**	**322 939**	**–**	**–**	**10 235**	**10 235**	**333 174**	**331 568**	**274 562**

EC108 Kouga - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 29/01/2025

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	2 A1	3 B	4 C	5 D	6 E	7 F		
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
Operating expenditure of Transfers and Grants										
National Government:		**122 334**	**122 869**	**–**	**–**	**907**	**907**	**123 777**	**129 166**	**135 178**
Operational Revenue:General Revenue:Equitable Share		117 425	117 893	–	–	907	907	118 801	123 602	129 241
Operational:Revenue:General Revenue:Fuel Levy	3	–	–	–	–	–	–	–	–	–
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]		1 495	1 495	–	–	–	–	1 495	–	–
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]		1 586	1 586	–	–	–	–	1 586	1 832	2 018
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]		1 828	1 895	–	–	–	–	1 895	3 733	3 919
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		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Programme and Project Preparation Support Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**0**	**3 448**	**–**	**–**	**3 548**	**3 548**	**6 997**	**0**	**0**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		0	3 448	–	–	3 548	3 548	6 997	0	0
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance	4	–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance	5	–	–	–	–	–	–	–	–	–
District Municipality:		**2 393**	**2 393**	**–**	**–**	**–**	**–**	**2 393**	**2 513**	**2 638**
All Grants		2 393	2 393	–	–	–	–	2 393	2 513	2 638
Other grant providers:		–	50	–	–	–	–	50	–	–
Departmental Agencies and Accounts		–	50	–	–	–	–	50	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	6	**124 727**	**128 761**	**–**	**–**	**4 456**	**4 456**	**133 216**	**131 679**	**137 816**
Capital Transfers and Grants										
National Government:		**54 997**	**61 730**	**–**	**–**	**7**	**7**	**61 737**	**43 963**	**48 499**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		3 655	4 252	–	–	–	–	4 252	6 313	6 572
Municipal Infrastructure Grant [Schedule 5B]		30 200	30 103	–	–	–	–	30 103	31 563	34 101
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]		12 123	18 356	–	–	–	–	18 356	6 087	7 826
WIFI Connectivity		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget A	Prior Adjusted 2 A1	Multi-year capital 3 B	Nat. or Prov. Govt 4 C	Other Adjusts. 5 D	Total Adjusts. 6 E	Adjusted Budget 7 F	Adjusted Budget	Adjusted Budget
Aquaponic Project		–	–	–	–	–	–	–	–	–
Restition Settlement		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring Seed Funding		–	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		9 020	9 020	–	–	7	7	9 027	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**59 973**	**80 359**	**–**	**–**	**5 985**	**5 985**	**86 343**	**63 973**	**–**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		59 973	80 359	–	–	5 985	5 985	86 343	63 973	–
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		**1 391**	**1 391**	**–**	**–**	**–**	**–**	**1 391**	**1 391**	**1 391**
All Grants		1 391	1 391	–	–	–	–	1 391	1 391	1 391
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	6	**116 362**	**143 480**	**–**	**–**	**5 991**	**5 991**	**149 471**	**109 327**	**49 890**
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		**241 089**	**272 240**	**–**	**–**	**10 447**	**10 447**	**282 687**	**241 006**	**187 707**

EC108 Kouga - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 29/01/2025

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			2	3	4	5	6	7		
R thousands		A	A1	B	C	D	E	F		
Operating transfers and grants:										
National Government										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		(5 046)	(5 046)	–	–	–	–	(5 046)	(3 695)	(4 065)
Conditions met - transferred to revenue		5 046	5 046	–	–	–	–	5 046	3 695	4 065
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	(3 448)	–	–	(3 548)	(3 548)	(6 997)	–	–
Conditions met - transferred to revenue		–	3 448	–	–	3 548	3 548	6 997	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	(50)	–	–	–	–	(50)	–	–
Conditions met - transferred to revenue		–	50	–	–	–	–	50	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		**5 046**	**8 544**	**–**	**–**	**3 548**	**3 548**	**12 093**	**3 695**	**4 065**
Total operating transfers and grants - CTBM	2	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Capital transfers and grants:										
National Government										
Balance unspent at beginning of the year		(10 373)	(18 227)	–	–	(8)	(8)	(18 235)	–	–
Current year receipts		(52 874)	(52 762)	–	–	–	–	(52 762)	(50 558)	(55 774)
Conditions met - transferred to revenue		63 247	70 989	–	–	8	8	70 997	50 558	55 774
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	(0)	(0)	(0)	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	(20 386)	–	–	(170)	(170)	(20 556)	–	–
Current year receipts		(68 969)	(68 969)	–	–	(6 686)	(6 686)	(75 655)	(73 569)	–
Conditions met - transferred to revenue		68 969	89 354	–	–	6 857	6 857	96 211	73 569	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		**132 216**	**160 344**	**–**	**–**	**6 864**	**6 864**	**167 208**	**124 127**	**55 774**
Total capital transfers and grants - CTBM		**–**	**–**	**–**	**–**	**(0)**	**(0)**	**(0)**	**–**	**–**
TOTAL TRANSFERS AND GRANTS REVENUE		**137 262**	**168 888**	**–**	**–**	**10 413**	**10 413**	**179 301**	**127 822**	**59 839**
TOTAL TRANSFERS AND GRANTS - CTBM		**–**	**–**	**–**	**–**	**(0)**	**(0)**	**(0)**	**–**	**–**

EC108 Kouga - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
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 other Organisations												
Operational	4	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Organisations		–	–	–	–	–	–	–	–	–	–	–
Cash Transfers to Groups of Individuals												
Operational	4	400	400	–	–	–	–	–	–	400	400	400
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Groups Of Individuals:		**400**	**400**	**–**	**–**	**–**	**–**	**–**	**–**	**400**	**400**	**400**
TOTAL CASH TRANSFERS AND GRANTS	5	**400**	**400**	**–**	**–**	**–**	**–**	**–**	**–**	**400**	**400**	**400**
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 transfers to other Organisations												
Operational	4	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS:		–	–	–	–	–	–	–	–	–	–	–
Non-cash transfers to Groups of Individuals												
Operational	4	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Non-Cash Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS	5	–	–	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS		**400**	**400**	**–**	**–**	**–**	**–**	**–**	**–**	**400**	**400**	**400**

EC108 Kouga - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 29/01/2025

Summary of remuneration	Ref	Budget Year 2024/25									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		10 414	10 414			–		–	–	10 414	0,0%
Pension and UIF Contributions		–	–			–		–	–	–	0,0%
Medical Aid Contributions		–	–			–		–	–	–	0,0%
Motor Vehicle Allowance		3 503	3 503			–		–	–	3 503	0,0%
Cellphone Allowance		1 678	1 678			–		–	–	1 678	0,0%
Housing Allowances		–	–			–		–	–	–	0,0%
Other benefits and allowances		–	–			–		–	–	–	0,0%
Sub Total - Councillors		**15 594**	**15 594**			**–**		**–**	**–**	**15 594**	
% increase			**0,0%**								**0,0%**
Senior Managers of the Municipality											
Basic Salaries and Wages		9 681	9 681	–		–		–	–	9 681	0,0%
Pension and UIF Contributions		123	123	–		–		–	–	123	0,0%
Medical Aid Contributions		56	56	–		–		–	–	56	0,0%
Overtime		–	–	–		–		–	–	–	0,0%
Performance Bonus		1 798	1 798	–		–		–	–	1 798	0,0%
Motor Vehicle Allowance		2 196	2 196	–		–		–	–	2 196	0,0%
Cellphone Allowance		11	11	–		–		–	–	11	0,0%
Housing Allowances		–	–	–		–		–	–	–	0,0%
Other benefits and allowances		5	5	–		–		–	–	5	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations		–	–	–		–		–	–	–	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		–	–	–		–		–	–	–	0,0%
In kind benefits	5	–	–	–		–		–	–	–	0,0%
Sub Total - Senior Managers of Municipality		**13 870**	**13 870**	**–**		**–**		**–**	**–**	**13 870**	
% increase			**0,0%**								**0,0%**
Other Municipal Staff											
Basic Salaries and Wages		295 150	302 701	–		–		4 683	4 683	307 384	4,1%
Pension and UIF Contributions		38 991	39 834	–		–		791	791	40 624	0,0%
Medical Aid Contributions		19 915	20 145	–		–		697	697	20 842	0,0%
Overtime		20 000	20 000	–		–		–	–	20 000	0,0%
Performance Bonus		19 464	19 847	–		–		462	462	20 309	0,0%
Motor Vehicle Allowance		12 091	12 162	–		–		120	120	12 282	0,0%
Cellphone Allowance		59	59	–		–		–	–	59	0,0%
Housing Allowances		1 308	1 336	–		–		131	131	1 467	0,0%
Other benefits and allowances		18 890	19 019	–		–		32	32	19 051	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations	5	23 361	23 361	–		–		(5 000)	(5 000)	18 361	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		8 642	8 722	–		–		–	–	8 722	0,0%
In kind benefits		–	–	–		–		–	–	–	0,0%
Sub Total - Other Municipal Staff		**457 873**	**467 186**	**–**		**–**		**1 915**	**1 915**	**469 101**	
% increase			**2,0%**								**0,0%**
Total Parent Municipality		**487 337**	**496 650**	**–**		**–**		**1 915**	**1 915**	**498 565**	**0,0%**
Board Members of Entities											
Basic Salaries and Wages		–	–	–		–		–	–	–	0,0%
Pension and UIF Contributions		–	–	–		–		–	–	–	0,0%
Medical Aid Contributions		–	–	–		–		–	–	–	0,0%
Overtime		–	–	–		–		–	–	–	0,0%
Performance Bonus		–	–	–		–		–	–	–	0,0%
Motor Vehicle Allowance		–	–	–		–		–	–	–	0,0%
Cellphone Allowance		–	–	–		–		–	–	–	0,0%
Housing Allowances		–	–	–		–		–	–	–	0,0%
Other benefits and allowances		–	–	–		–		–	–	–	0,0%
Board Fees		–	–	–		–		–	–	–	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations	5	–	–	–		–		–	–	–	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		–	–	–		–		–	–	–	0,0%
In kind benefits		–	–	–		–		–	–	–	0,0%
Sub Total - Board Members of Entities		**–**	**–**	**–**		**–**		**–**	**–**	**–**	
% increase			**0,0%**								**0,0%**
Senior Managers of Entities											
Basic Salaries and Wages		–	–	–		–		–	–	–	0,0%
Pension and UIF Contributions		–	–	–		–		–	–	–	0,0%
Medical Aid Contributions		–	–	–		–		–	–	–	0,0%
Overtime		–	–	–		–		–	–	–	0,0%
Performance Bonus		–	–	–		–		–	–	–	0,0%
Motor Vehicle Allowance		–	–	–		–		–	–	–	0,0%
Cellphone Allowance		–	–	–		–		–	–	–	0,0%
Housing Allowances		–	–	–		–		–	–	–	0,0%
Other benefits and allowances		–	–	–		–		–	–	–	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations	5	–	–	–		–		–	–	–	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		–	–	–		–		–	–	–	0,0%
In kind benefits		–	–	–		–		–	–	–	0,0%
Sub Total - Senior Managers of Entities		**–**	**–**	**–**		**–**		**–**	**–**	**–**	
% increase			**0,0%**								**0,0%**
Other Staff of Entities											
Basic Salaries and Wages		–	–	–		–		–	–	–	0,0%
Pension and UIF Contributions		–	–	–		–		–	–	–	0,0%
Medical Aid Contributions		–	–	–		–		–	–	–	0,0%

Summary of remuneration	Ref	Budget Year 2024/25									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
Overtime		–	–	–		–		–	–	–	0,0%
Performance Bonus		–	–	–		–		–	–	–	0,0%
Motor Vehicle Allowance		–	–	–		–		–	–	–	0,0%
Cellphone Allowance		–	–	–		–		–	–	–	0,0%
Housing Allowances		–	–	–		–		–	–	–	0,0%
Other benefits and allowances		–	–	–		–		–	–	–	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations	5	–	–	–		–		–	–	–	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		–	–	–		–		–	–	–	0,0%
In kind benefits		–	–	–		–		–	–	–	0,0%
Sub Total - Other Staff of Entities		–	–	–		–		–	–	–	
% increase			0,0%								0,0%
Total Municipal Entities		–	–	–		–		–	–	–	0,0%
TOTAL SALARY, ALLOWANCES & BENEFITS		487 337	496 650	–		–		1 915	1 915	498 565	
% increase			1,9%								0,0%
TOTAL MANAGERS AND STAFF		471 743	481 056	–		–		1 915	1 915	482 971	2,4%

EC108 Kouga - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 29/01/2025

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote																
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		93	93	93	93	93	93	93	93	93	93	93	93	1 115	1 143	1 172
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	454 924	468 447	492 425
Vote 4 - COMMUNITY SERVICES		13 988	13 988	13 988	13 988	13 988	13 988	13 988	13 988	13 988	13 988	13 988	13 988	167 855	172 696	183 442
Vote 5 - CIVIL AND WATER SERVICES		29 119	29 119	29 119	29 119	29 119	29 119	29 119	29 119	29 119	29 119	29 119	29 119	349 429	345 068	371 088
Vote 6 - ELECTRO/MECHANICAL SERVICES		37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	444 756	469 936	542 875
Vote 7 - PLANNING AND DEVELOPMENT		9 303	9 303	9 303	9 303	9 303	9 303	9 303	9 303	9 303	9 303	9 303	9 303	111 632	82 498	9 465
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		**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**1 529 710**	**1 539 788**	**1 600 467**
Expenditure by Vote																
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 651	31 803	32 681	34 019
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		10 433	10 470	10 448	10 544	10 675	10 340	10 491	10 353	10 558	10 462	10 562	10 918	126 253	131 727	136 388
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 404	136 835	132 641	137 404
Vote 4 - COMMUNITY SERVICES		24 223	24 222	24 222	24 222	24 222	24 222	24 222	24 222	24 222	24 222	24 222	24 223	290 666	297 086	309 998
Vote 5 - CIVIL AND WATER SERVICES		27 418	27 418	27 418	27 418	27 418	27 418	27 418	27 418	27 418	27 418	27 418	27 419	329 020	337 874	361 327
Vote 6 - ELECTRO/MECHANICAL SERVICES		41 862	41 861	41 861	41 861	41 861	41 861	41 861	41 861	41 861	41 861	41 861	41 862	502 337	552 042	630 533
Vote 7 - PLANNING AND DEVELOPMENT		3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	38 579	32 074	33 629
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		**121 204**	**121 240**	**121 217**	**121 313**	**121 445**	**121 110**	**121 260**	**121 122**	**121 327**	**121 232**	**121 332**	**121 691**	**1 455 493**	**1 516 126**	**1 643 297**
Surplus/ (Deficit)		**6 272**	**6 236**	**6 259**	**6 163**	**6 031**	**6 366**	**6 215**	**6 354**	**6 148**	**6 244**	**6 144**	**5 785**	**74 217**	**23 662**	**(42 830)**

EC108 Kouga - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) - 29/01/2025

Description - Standard classification	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional																
Governance and administration		**41 608**	**41 608**	**41 608**	**41 608**	**41 608**	**41 608**	**41 608**	**41 608**	**41 608**	**41 608**	**41 608**	**41 608**	**499 299**	**509 378**	**535 780**
Executive and council		12	12	12	12	12	12	12	12	12	12	12	12	142	148	155
Finance and administration		41 596	41 596	41 596	41 596	41 596	41 596	41 596	41 596	41 596	41 596	41 596	41 597	499 157	509 230	535 625
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**10 202**	**10 202**	**10 202**	**10 202**	**10 202**	**10 202**	**10 202**	**10 202**	**10 202**	**10 202**	**10 202**	**10 203**	**122 430**	**92 794**	**20 187**
Community and social services		280	280	280	280	280	280	280	280	280	280	280	280	3 365	2 486	2 515
Sport and recreation		959	959	959	959	959	959	959	959	959	959	959	959	11 504	12 252	13 048
Public safety		155	155	155	155	155	155	155	155	155	155	155	155	1 857	1 874	1 892
Housing		8 601	8 601	8 601	8 601	8 601	8 601	8 601	8 601	8 601	8 601	8 601	8 601	103 208	73 569	–
Health		208	208	208	208	208	208	208	208	208	208	208	208	2 496	2 613	2 733
Economic and environmental services		**4 082**	**4 082**	**4 082**	**4 082**	**4 082**	**4 082**	**4 082**	**4 082**	**4 082**	**4 082**	**4 082**	**4 082**	**48 986**	**39 587**	**42 145**
Planning and development		854	854	854	854	854	854	854	854	854	854	854	854	10 252	10 839	11 529
Road transport		1 665	1 665	1 665	1 665	1 665	1 665	1 665	1 665	1 665	1 665	1 665	1 665	19 980	8 631	9 192
Environmental protection		1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	18 755	20 117	21 424
Trading services		**71 583**	**71 583**	**71 583**	**71 583**	**71 583**	**71 583**	**71 583**	**71 583**	**71 583**	**71 583**	**71 583**	**71 583**	**858 995**	**898 030**	**1 002 355**
Energy sources		37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	37 063	444 755	469 935	542 872
Water management		16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	202 542	201 314	217 402
Waste water management		11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	133 183	141 844	151 622
Waste management		6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	78 516	84 937	90 458
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional		**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**127 476**	**1 529 710**	**1 539 788**	**1 600 467**
Expenditure - Functional																
Governance and administration		**30 445**	**30 482**	**30 459**	**30 555**	**30 687**	**30 352**	**30 502**	**30 364**	**30 569**	**30 473**	**30 574**	**30 931**	**366 393**	**359 493**	**372 843**
Executive and council		5 098	5 098	5 098	5 098	5 098	5 098	5 098	5 098	5 098	5 098	5 098	5 099	61 179	64 853	66 883
Finance and administration		25 311	25 349	25 326	25 422	25 554	25 219	25 369	25 231	25 436	25 340	25 441	25 797	304 796	294 243	305 511
Internal audit		35	35	35	35	35	35	35	35	35	35	35	35	418	398	449
Community and public safety		**11 534**	**11 533**	**11 533**	**11 533**	**11 533**	**11 533**	**11 533**	**11 533**	**11 533**	**11 533**	**11 533**	**11 533**	**138 395**	**145 522**	**151 964**
Community and social services		1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	13 796	14 331	14 956
Sport and recreation		6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	72 073	78 127	81 461
Public safety		2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	33 342	34 943	36 726
Housing		943	943	943	943	943	943	943	943	943	943	943	943	11 320	9 753	10 088
Health		655	655	655	655	655	655	655	655	655	655	655	655	7 863	8 368	8 732
Economic and environmental services		**16 547**	**16 547**	**16 547**	**16 547**	**16 547**	**16 547**	**16 547**	**16 547**	**16 547**	**16 547**	**16 547**	**16 548**	**198 567**	**196 024**	**211 938**
Planning and development		3 173	3 172	3 172	3 172	3 172	3 172	3 172	3 172	3 172	3 172	3 172	3 173	38 070	30 448	31 988
Road transport		12 635	12 635	12 635	12 635	12 635	12 635	12 635	12 635	12 635	12 635	12 635	12 635	151 618	155 478	169 696
Environmental protection		740	740	740	740	740	740	740	740	740	740	740	740	8 878	10 098	10 254
Trading services		**62 678**	**62 678**	**62 678**	**62 678**	**62 678**	**62 678**	**62 678**	**62 678**	**62 678**	**62 678**	**62 678**	**62 679**	**752 139**	**815 087**	**906 552**
Energy sources		40 724	40 724	40 724	40 724	40 724	40 724	40 724	40 724	40 724	40 724	40 724	40 724	488 691	538 626	616 555
Water management		9 086	9 086	9 086	9 086	9 086	9 086	9 086	9 086	9 086	9 086	9 086	9 087	109 037	117 274	123 457
Waste water management		7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	90 277	94 544	99 274
Waste management		5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	64 133	64 643	67 265
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional		**121 204**	**121 240**	**121 217**	**121 313**	**121 445**	**121 110**	**121 260**	**121 122**	**121 327**	**121 232**	**121 332**	**121 691**	**1 455 493**	**1 516 126**	**1 643 297**
Surplus/ (Deficit) 1.		**6 272**	**6 236**	**6 259**	**6 163**	**6 031**	**6 366**	**6 215**	**6 354**	**6 148**	**6 244**	**6 144**	**5 785**	**74 217**	**23 662**	**(42 830)**

EC108 Kouga - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 29/01/2025

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source																
Exchange Revenue																
Service charges - Electricity		35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	425 559	441 963	511 351
Service charges - Water		11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	138 057	148 066	158 801
Service charges - Waste Water Management		6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	76 014	80 955	86 217
Service charges - Waste Management		5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	62 146	66 186	70 488
Sale of Goods and Rendering of Services		794	794	794	794	794	794	794	794	794	794	794	794	9 533	10 095	10 689
Agency services		380	380	380	380	380	380	380	380	380	380	380	380	4 554	4 850	5 166
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	32 335	34 757	37 376
Interest earned from Current and Non Current Assets		1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 292	15 498	12 809	13 385
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		266	266	266	266	266	266	266	266	266	266	266	266	3 187	3 385	3 595
Licence and permits		238	238	238	238	238	238	238	238	238	238	238	238	2 851	3 037	3 234
Operational Revenue		163	163	163	163	163	163	163	163	163	163	163	163	1 955	1 976	1 998
Non-Exchange Revenue																
Property rates		24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	298 309	313 303	330 535
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	43 859	40 423	42 855
Licences or permits		981	981	981	981	981	981	981	981	981	981	981	981	11 772	12 537	13 352
Transfer and subsidies - Operational		17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	210 105	211 994	223 454
Interest		459	459	459	459	459	459	459	459	459	459	459	459	5 510	5 813	6 133
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	19 658	21 913	24 464
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue		**113 409**	**113 409**	**113 409**	**113 409**	**113 409**	**113 409**	**113 409**	**113 409**	**113 409**	**113 409**	**113 409**	**113 409**	**1 360 902**	**1 414 062**	**1 543 093**
Expenditure By Type																
Employee related costs		40 248	40 247	40 247	40 247	40 247	40 247	40 247	40 247	40 247	40 247	40 247	40 248	482 971	487 140	513 366
Remuneration of councillors		1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	15 594	16 345	17 163
Bulk purchases - electricity		34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	413 349	462 520	535 135
Inventory consumed		8 498	8 498	8 498	8 498	8 498	8 498	8 498	8 498	8 498	8 498	8 498	8 499	101 975	113 917	121 308
Debt impairment		–	–	–	–	–	–	–	–	–	–	–	59 136	59 136	68 948	74 887
Depreciation and amortisation		9 819	9 816	9 816	9 816	9 816	9 816	9 816	9 816	9 816	9 816	9 816	9 816	117 798	123 884	129 229
Interest		1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	13 002	23 398	26 938
Contracted services		11 911	11 911	11 911	11 911	11 911	11 911	11 911	11 911	11 911	11 911	11 911	11 912	142 931	114 607	116 678
Transfers and subsidies		33	33	33	33	33	33	33	33	33	33	33	33	400	400	400
Irrecoverable debts written off		840	840	840	840	840	840	840	840	840	840	840	840	10 078	11 686	12 866
Operational costs		8 099	8 138	8 115	8 211	8 342	8 007	8 158	8 020	8 225	8 129	8 229	8 586	98 259	93 281	95 326
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	(54 208)	–	–	–
Total Expenditure		**121 204**	**121 240**	**121 217**	**121 313**	**121 445**	**121 110**	**121 260**	**121 122**	**121 327**	**121 232**	**121 332**	**121 691**	**1 455 493**	**1 516 126**	**1 643 297**
Surplus/(Deficit)		**(7 795)**	**(7 831)**	**(7 809)**	**(7 905)**	**(8 036)**	**(7 701)**	**(7 852)**	**(7 714)**	**(7 919)**	**(7 823)**	**(7 923)**	**(8 282)**	**(94 591)**	**(102 064)**	**(100 204)**
Transfers and subsidies - capital (monetary allocations)		(14 067)	(14 067)	(14 067)	(14 067)	(14 067)	(14 067)	(14 067)	(14 067)	(14 067)	(14 067)	(14 067)	323 549	168 808	125 727	57 374
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(21 862)**	**(21 899)**	(21 876)	**(21 972)**	**(22 104)**	**(21 769)**	**(21 919)**	**(21 781)**	**(21 986)**	**(21 890)**	**(21 991)**	**315 266**	**74 217**	**23 662**	**(42 830)**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**(21 862)**	**(21 899)**	**(21 876)**	**(21 972)**	**(22 104)**	**(21 769)**	**(21 919)**	**(21 781)**	**(21 986)**	**(21 890)**	**(21 991)**	**315 266**	**74 217**	**23 662**	**(42 830)**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**(21 862)**	**(21 899)**	(21 876)	**(21 972)**	**(22 104)**	**(21 769)**	**(21 919)**	**(21 781)**	**(21 986)**	**(21 890)**	**(21 991)**	**315 266**	**74 217**	**23 662**	**(42 830)**

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(21 862)**	**(21 899)**	**(21 876)**	**(21 972)**	**(22 104)**	**(21 769)**	**(21 919)**	**(21 781)**	**(21 986)**	**(21 890)**	**(21 991)**	**315 266**	**74 217**	**23 662**	**(42 830)**

EC108 Kouga - Supporting Table SB15 Adjustments Budget - monthly cash flow - 29/01/2025

Monthly cash flows	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted
Cash Receipts By Source	1															
Property rates		24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	288 628	303 161	319 834
Service charges - electricity revenue		40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	482 952	498 953	577 289
Service charges - water revenue		14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	172 860	182 760	196 008
Service charges - sanitation revenue		7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	91 935	96 276	102 534
Service charges - refuse		6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	76 026	82 330	87 682
Service charges - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		305	305	305	305	305	305	305	305	305	305	305	305	3 665	3 892	4 134
Interest earned - external investments		1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 292	15 498	12 809	13 385
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		688	688	688	688	688	688	688	688	688	688	688	688	8 250	2 678	2 846
Licences and permits		2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	33 147	34 991	36 924
Agency services		380	380	380	380	380	380	380	380	380	380	380	380	4 554	4 850	5 166
Transfer receipts - operational		17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	17 509	210 105	211 994	223 454
Other revenue		5 528	5 528	5 528	5 528	5 528	5 528	5 528	5 528	5 528	5 528	5 528	5 528	66 331	33 893	33 998
Cash Receipts by Source		**121 163**	**121 163**	**121 163**	**121 163**	**121 163**	**121 163**	**121 163**	**121 163**	**121 163**	**121 163**	**121 163**	**121 163**	**1 453 952**	**1 468 589**	**1 603 254**
Other Cash Flows by Source																
Transfers receipts - capital		10 835	10 835	10 835	10 835	10 835	10 835	10 835	10 835	10 835	10 835	10 835	10 835	130 017	125 727	57 374
Contributions & Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	100 000	100 000	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
VAT Control (receipts)		3 190	3 190	3 190	3 190	3 190	3 190	3 190	3 190	3 190	3 190	3 190	3 190	38 277	6 751	5 334
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source		**143 520**	**143 520**	**143 520**	**143 520**	**143 520**	**143 520**	**143 520**	**143 520**	**143 520**	**143 520**	**143 520**	**143 521**	**1 722 246**	**1 701 067**	**1 665 962**
Cash Payments by Type																
Employee related costs		39 271	39 271	39 271	39 271	39 271	39 271	39 271	39 271	39 271	39 271	39 271	39 271	471 251	473 959	498 508
Remuneration of councillors		1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	15 594	16 345	17 163
Finance charges		925	925	925	925	925	925	925	925	925	925	925	925	11 097	22 206	24 811
Bulk purchases - Electricity		39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	475 351	531 898	615 406
Acquisitions - water & other inventory		7 878	7 878	7 878	7 878	7 878	7 878	7 878	7 878	7 878	7 878	7 878	7 878	94 534	99 494	106 571
Contracted services		13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	161 752	128 667	130 938
Transfers and grants - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other		33	33	33	33	33	33	33	33	33	33	33	33	400	400	400
Other expenditure		15 438	15 438	15 438	15 438	15 438	15 438	15 438	15 438	15 438	15 438	15 438	15 438	185 252	156 849	161 804
Cash Payments by Type		**117 936**	**117 936**	**117 936**	**117 936**	**117 936**	**117 936**	**117 936**	**117 936**	**117 936**	**117 936**	**117 936**	**117 936**	**1 415 232**	**1 429 817**	**1 555 600**
Other Cash Flows/Payments by Type																
Capital assets		19 006	19 006	19 006	19 006	19 006	19 006	19 006	19 006	19 006	19 006	19 006	19 006	228 067	239 762	49 890
Repayment of borrowing		1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	15 264	20 301	24 785
Other Cash Flows/Payments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type		**138 214**	**138 214**	**138 214**	**138 214**	**138 214**	**138 214**	**138 214**	**138 214**	**138 214**	**138 214**	**138 214**	**138 214**	**1 658 563**	**1 689 880**	**1 630 275**
NET INCREASE/(DECREASE) IN CASH HELD		**5 307**	**5 307**	**5 307**	**5 307**	**5 307**	**5 307**	**5 307**	**5 307**	**5 307**	**5 307**	**5 307**	**5 307**	**63 683**	**11 187**	**35 687**
Cash/cash equivalents at the month/year beginning:		143 659	148 966	154 273	159 579	164 886	170 193	175 500	180 807	186 114	191 421	196 728	202 034	143 659	207 341	218 528
Cash/cash equivalents at the month/year end:		148 966	154 273	159 579	164 886	170 193	175 500	180 807	186 114	191 421	196 728	202 034	207 341	207 341	218 528	254 215

EC108 Kouga - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) - 29/01/2025

Description - Municipal Vote	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Multi-year expenditure appropriation	1															
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		161	161	161	161	161	161	161	161	161	161	161	161	1 933	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		83	83	83	83	83	83	83	83	83	83	83	83	992	–	–
Vote 4 - COMMUNITY SERVICES		136	136	136	136	136	136	136	136	136	136	136	136	1 634	1 391	1 391
Vote 5 - CIVIL AND WATER SERVICES		12 852	12 852	12 852	12 852	12 852	12 852	12 852	12 852	12 852	12 852	12 852	12 852	154 227	228 749	39 427
Vote 6 - ELECTRO/MECHANICAL SERVICES		8 192	8 192	8 192	8 192	8 192	8 192	8 192	8 192	8 192	8 192	8 192	8 192	98 304	9 622	9 072
Vote 7 - PLANNING AND DEVELOPMENT		1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	21 956	–	–
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	3	**23 254**	**23 254**	**23 254**	**23 254**	**23 254**	**23 254**	**23 254**	**23 254**	**23 254**	**23 254**	**23 254**	23 254	279 045	239 762	49 890
Single-year expenditure appropriation																
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		2	2	2	2	2	2	2	2	2	2	2	2	28	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - COMMUNITY SERVICES		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - CIVIL AND WATER SERVICES		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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	3	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	2	28	–	–
Total Capital Expenditure	2	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**279 073**	**239 762**	**49 890**

EC108 Kouga - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification) - 29/01/2025

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital Expenditure - Functional																
Governance and administration		**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**54 101**	**–**	**–**
Executive and council		25	25	25	25	25	25	25	25	25	25	25	25	300	–	–
Finance and administration		4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	53 773	–	–
Internal audit		2	2	2	2	2	2	2	2	2	2	2	2	28	–	–
Community and public safety		**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**21 947**	**1 391**	**1 391**
Community and social services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		116	116	116	116	116	116	116	116	116	116	116	116	1 391	1 391	1 391
Housing		1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	20 556	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**4 666**	**4 666**	**4 666**	**4 666**	**4 666**	**4 666**	**4 666**	**4 666**	**4 666**	**4 666**	**4 666**	**4 666**	**55 993**	**157 935**	**13 845**
Planning and development		286	286	286	286	286	286	286	286	286	286	286	286	3 435	7 500	5 135
Road transport		4 380	4 380	4 380	4 380	4 380	4 380	4 380	4 380	4 380	4 380	4 380	4 380	52 558	150 435	8 709
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**12 253**	**12 253**	**12 253**	**12 253**	**12 253**	**12 253**	**12 253**	**12 253**	**12 253**	**12 253**	**12 253**	**12 253**	**147 033**	**80 436**	**34 655**
Energy sources		3 941	3 941	3 941	3 941	3 941	3 941	3 941	3 941	3 941	3 941	3 941	3 942	47 298	9 622	9 072
Water management		4 313	4 313	4 313	4 313	4 313	4 313	4 313	4 313	4 313	4 313	4 313	4 314	51 762	53 082	–
Waste water management		3 998	3 998	3 998	3 998	3 998	3 998	3 998	3 998	3 998	3 998	3 998	3 998	47 973	17 732	25 582
Waste management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional		**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**23 256**	**279 073**	**239 762**	**49 890**

EC108 Kouga - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Capital expenditure on new assets by Asset Class/Sub-class												
Infrastructure		**17 407**	**197 616**	**–**	**–**	**–**	**–**	**(128 299)**	**(128 299)**	**69 317**	**165 857**	**22 782**
Roads Infrastructure		150	174 142	–	–	–	–	(130 435)	(130 435)	43 707	150 435	8 709
Roads		150	174 142	–	–	–	–	(130 435)	(130 435)	43 707	150 435	8 709
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		3 755	4 352	–	–	–	–	5 500	5 500	9 852	7 313	9 072
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	3 500	3 500	3 500	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		3 655	4 252	–	–	–	–	2 000	2 000	6 252	6 313	6 572
LV Networks		100	100	–	–	–	–	–	–	100	1 000	2 500
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		11 975	17 596	–	–	–	–	(1 918)	(1 918)	15 678	6 054	–
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		6 957	12 577	–	–	–	–	–	–	12 577	50	–
Reservoirs		5 019	5 019	–	–	–	–	(1 918)	(1 918)	3 101	6 004	–
Pump Stations		–	–	–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		1 527	1 527	–	–	–	–	(1 446)	(1 446)	81	2 055	5 000
Pump Station		–	–	–	–	–	–	–	–	–	–	–
Reticulation		81	81	–	–	–	–	–	–	81	2 055	5 000
Waste Water Treatment Works		–	–	–	–	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–	–	–
Toilet Facilities		1 446	1 446	–	–	–	–	(1 446)	(1 446)	–	–	–
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		–	–	–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**–**	**–**	**–**	**–**	**–**	**–**	**1 400**	1 400	1 400	**–**	**–**
Community Facilities		–	–	–	–	–	–	1 400	1 400	1 400	–	–
Halls		–	–	–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	1 400	1 400	1 400	–	–
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		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
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		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
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		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	1 733	–	–	–	–	547	547	2 280	–	–
Computer Equipment		–	1 733	–	–	–	–	547	547	2 280	–	–
Furniture and Office Equipment		–	578	–	–	–	–	454	454	1 032	–	–
Furniture and Office Equipment		–	578	–	–	–	–	454	454	1 032	–	–
Machinery and Equipment		–	100	–	–	–	–	–	–	100	–	–
Machinery and Equipment		–	100	–	–	–	–	–	–	100	–	–
Transport Assets		35 391	35 391	–	–	–	–	17 006	17 006	52 397	1 891	4 119
Transport Assets		35 391	35 391	–	–	–	–	17 006	17 006	52 397	1 891	4 119
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 *to be adjusted*	1	**52 798**	**235 418**	**–**	**–**	**–**	**–**	**(108 892)**	**(108 892)**	**126 526**	**167 749**	**26 901**

EC108 Kouga - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Capital expenditure on renewal of existing assets by Asset Class/Sub-class												
Infrastructure		**250**	**5 250**	**–**	**–**	**–**	**–**	**–**	**–**	**5 250**	**100**	**–**
Roads Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Roads		–	–	–	–	–	–	–	–	–	–	–
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	5 000	–	–	–	–	–	–	5 000	–	–
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		–	5 000	–	–	–	–	–	–	5 000	–	–
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		250	250	–	–	–	–	–	–	250	100	–
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–	–	–
Distribution		250	250	–	–	–	–	–	–	250	100	–
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		–	–	–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
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		–	–	–	–	–	–	–	–	–	–	–
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		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
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		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets *to be adjusted*	1	**250**	**5 250**	**–**	**–**	**–**	**–**	**–**	**–**	**5 250**	**100**	**–**

EC108 Kouga - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure		**155 976**	**160 958**	**–**	**–**	**–**	**–**	**11 396**	**11 396**	**172 354**	**154 481**	**164 077**
Roads Infrastructure		52 369	51 892	–	–	–	–	1 500	1 500	53 392	43 945	47 767
Roads		52 369	51 892	–	–	–	–	1 500	1 500	53 392	43 945	47 767
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		2 120	1 620	–	–	–	–	–	–	1 620	3 000	3 820
Drainage Collection		1 620	1 420	–	–	–	–	–	–	1 420	2 500	3 320
Storm water Conveyance		500	200	–	–	–	–	–	–	200	500	500
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		30 806	33 616	–	–	–	–	2 059	2 059	35 675	30 431	31 896
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		20 656	23 466	–	–	–	–	2 059	2 059	25 525	21 346	22 402
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		6 000	6 000	–	–	–	–	–	–	6 000	5 520	5 769
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		1 200	1 200	–	–	–	–	–	–	1 200	1 045	1 092
LV Networks		2 950	2 950	–	–	–	–	–	–	2 950	2 519	2 633
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		32 198	33 475	–	–	–	–	3 098	3 098	36 573	35 881	37 553
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–	–	–
Pump Stations		620	620	–	–	–	–	–	–	620	670	720
Water Treatment Works		28 923	30 200	–	–	–	–	3 098	3 098	33 298	32 456	33 978
Bulk Mains		1 725	1 725	–	–	–	–	–	–	1 725	1 775	1 825
Distribution		930	930	–	–	–	–	–	–	930	980	1 030
Distribution Points		–	–	–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		38 483	39 406	–	–	–	–	4 538	4 538	43 944	40 225	42 041
Pump Station		6 600	5 420	–	–	–	–	2 400	2 400	7 820	6 600	6 600
Reticulation		950	1 580	–	–	–	–	807	807	2 387	1 020	1 090
Waste Water Treatment Works		27 583	28 583	–	–	–	–	1 389	1 389	29 972	29 225	30 931
Outfall Sewers		150	150	–	–	–	–	–	–	150	180	220
Toilet Facilities		3 200	3 673	–	–	–	–	(57)	(57)	3 616	3 200	3 200
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		–	950	–	–	–	–	200	200	1 150	1 000	1 000
Sand Pumps		–	–	–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–	–	–
Promenades		–	950	–	–	–	–	200	200	1 150	1 000	1 000
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**41 564**	**41 564**	**–**	**–**	**–**	**–**	**(77)**	**(77)**	**41 487**	**42 139**	**44 065**
Community Facilities		40 224	40 224	–	–	–	–	(77)	(77)	40 147	40 708	42 634
Halls		–	–	–	–	–	–	–	–	–	–	–
Centres		–	1 000	–	–	–	–	–	–	1 000	–	–
Crèches		–	–	–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		1 336	336	–	–	–	–	–	–	336	336	336
Testing Stations		94	94	–	–	–	–	–	–	94	94	94
Museums		–	–	–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		3 130	3 130	–	–	–	–	–	–	3 130	3 047	3 186
Police		–	–	–	–	–	–	–	–	–	–	–
Parks		1 141	1 141	–	–	–	–	–	–	1 141	1 141	1 141
Public Open Space		34 523	34 523	–	–	–	–	(77)	(77)	34 445	36 091	37 877
Nature Reserves		–	–	–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		**1 340**	**1 340**	**–**	**–**	**–**	**–**	**–**	**–**	**1 340**	**1 431**	**1 431**
Indoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Outdoor Facilities		1 340	1 340	–	–	–	–	–	–	1 340	1 431	1 431
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		**4 187**	**4 175**	**–**	**–**	**–**	**–**	**(275)**	**(275)**	**3 900**	**4 201**	**4 215**
Operational Buildings		**4 187**	**4 175**	**–**	**–**	**–**	**–**	**(275)**	**(275)**	**3 900**	**4 201**	**4 215**
Municipal Offices		3 432	3 420	–	–	–	–	125	125	3 545	3 446	3 460
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Building Plan Offices		650	650	–	–	–	–	(400)	(400)	250	650	650
Workshops		–	–	–	–	–	–	–	–	–	–	–
Yards		105	105	–	–	–	–	–	–	105	105	105
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		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		694	694	–	–	–	–	–	–	694	699	710
Machinery and Equipment		694	694	–	–	–	–	–	–	694	699	710
Transport Assets		25 960	26 203	–	–	–	–	(3 230)	(3 230)	22 973	26 800	27 885
Transport Assets		25 960	26 203	–	–	–	–	(3 230)	(3 230)	22 973	26 800	27 885
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 Repairs and Maintenance Expenditure to be adjusted	1	**228 381**	**233 594**	**–**	**–**	**–**	**–**	**7 813**	**7 813**	**241 407**	**228 320**	**240 952**

EC108 Kouga - Supporting Table SB18d Adjustments Budget - depreciation by asset class - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Depreciation by Asset Class/Sub-class												
Infrastructure		**104 182**	**104 182**	**–**	**–**	**–**	**–**	**–**	**–**	**104 182**	**109 850**	**114 767**
Roads Infrastructure		41 142	41 142	–	–	–	–	–	–	41 142	42 482	44 843
Roads		41 142	41 142	–	–	–	–	–	–	41 142	42 482	44 843
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		2 064	2 064	–	–	–	–	–	–	2 064	2 064	2 064
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		2 064	2 064	–	–	–	–	–	–	2 064	2 064	2 064
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		10 246	10 246	–	–	–	–	–	–	10 246	11 876	12 833
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		10 246	10 246	–	–	–	–	–	–	10 246	11 876	12 833
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		15 978	15 978	–	–	–	–	–	–	15 978	15 982	15 982
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–	–	–
Water Treatment Works		15 978	15 978	–	–	–	–	–	–	15 978	15 982	15 982
Bulk Mains		–	–	–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		32 101	32 101	–	–	–	–	–	–	32 101	34 795	36 394
Pump Station		–	–	–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		32 101	32 101	–	–	–	–	–	–	32 101	34 795	36 394
Outfall Sewers		–	–	–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		2 651	2 651	–	–	–	–	–	–	2 651	2 651	2 651
Landfill Sites		2 651	2 651	–	–	–	–	–	–	2 651	2 651	2 651
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		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**472**	**472**	**–**	**–**	**–**	**–**	**–**	**–**	472	**472**	**472**
Community Facilities		472	472	–	–	–	–	–	–	472	472	472
Halls		472	472	–	–	–	–	–	–	472	472	472
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		–	–	–	–	–	–	–	–	–	–	–
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		**1 314**	**1 314**	**–**	**–**	**–**	**–**	**–**	**–**	1 314	**1 314**	**1 314**
Operational Buildings		**1 314**	**1 314**	**–**	**–**	**–**	**–**	**–**	**–**	**1 314**	**1 314**	**1 314**
Municipal Offices		1 314	1 314	–	–	–	–	–	–	1 314	1 314	1 314
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
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		**586**	**586**	**–**	**–**	**–**	**–**	**–**	**–**	**586**	**586**	**586**
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		**586**	**586**	**–**	**–**	**–**	**–**	**–**	**–**	**586**	**586**	**586**
Water Rights		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		586	586	–	–	–	–	–	–	586	586	586
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		**3 937**	**3 937**	**–**	**–**	**–**	**–**	**–**	**–**	**3 937**	**4 141**	**4 344**
Furniture and Office Equipment		3 937	3 937	–	–	–	–	–	–	3 937	4 141	4 344
Machinery and Equipment		**1 474**	**1 474**	**–**	**–**	**–**	**–**	**–**	**–**	**1 474**	**1 484**	**1 494**
Machinery and Equipment		1 474	1 474	–	–	–	–	–	–	1 474	1 484	1 494
Transport Assets		**5 832**	**5 832**	**–**	**–**	**–**	**–**	**–**	**–**	**5 832**	**6 036**	**6 250**
Transport Assets		5 832	5 832	–	–	–	–	–	–	5 832	6 036	6 250
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 Depreciation to be adjusted	1	**117 798**	**117 798**	**–**	**–**	**–**	**–**	**–**	**–**	**117 798**	**123 884**	**129 229**

EC108 Kouga - Adjustments Budget - capital expenditure on upgrading of existing assets by asset class - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class												
Infrastructure		**96 813**	**136 900**	**–**	**–**	**–**	**–**	**8 638**	**8 638**	**145 538**	**64 914**	**20 582**
Roads Infrastructure		8 596	8 596	–	–	–	–	7	7	8 602	–	–
Roads		8 596	8 596	–	–	–	–	7	7	8 602	–	–
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		424	424	–	–	–	–	–	–	424	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		424	424	–	–	–	–	–	–	424	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		30 348	30 348	–	–	–	–	(2 025)	(2 025)	28 323	347	–
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		29 565	29 565	–	–	–	–	(1 243)	(1 243)	28 323	347	–
MV Switching Stations		–		–	–	–	–	–	–	–	–	–
MV Networks		783	783	–	–	–	–	(783)	(783)	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		16 783	45 765	–	–	–	–	12 551	12 551	58 316	46 927	–
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–	–	–
Water Treatment Works		–	23 386	–	–	–	–	170	170	23 556	–	–
Bulk Mains		13 304	13 304	–	–	–	–	(7 061)	(7 061)	6 244	6 395	–
Distribution		3 478	7 054	–	–	–	–	19 441	19 441	26 495	40 532	–
Distribution Points		–	2 022	–	–	–	–	–	–	2 022	–	–
PRV Stations		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		40 663	51 767	–	–	–	–	(1 894)	(1 894)	49 873	17 640	20 582
Pump Station		8 742	9 251	–	–	–	–	(737)	(737)	8 514	13 457	10 554
Reticulation		2 197	2 197	–	–	–	–	(602)	(602)	1 596	1 328	10 028
Waste Water Treatment Works		29 723	40 319	–	–	–	–	(555)	(555)	39 763	2 855	–
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		–	–	–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**500**	**1 259**	**–**	**–**	**–**	**–**	**500**	500	1 759	**7 000**	**2 407**
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		**500**	**1 259**	**–**	**–**	**–**	**–**	**500**	**500**	**1 759**	**7 000**	**2 407**
Indoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Outdoor Facilities		500	1 259	–	–	–	–	500	500	1 759	7 000	2 407
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		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
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		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on upgrading of existing assets *to be adjusted*	1	**97 313**	**138 159**	**–**	**–**	**–**	**–**	**9 138**	**9 138**	**147 297**	**71 914**	**22 990**

EC108 Kouga - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 29/01/2025

Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal Code	Individually Approved Yes/No	Asset Class	Asset Sub-Class	GPS co-ordinates	Medium Term Revenue and Expenditure Framework					
								Budget Year 2024/25		Budget Year +1 2025/26		Budget Year +2 2026/27	
R thousand			3	6	4	4	5	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget
Parent municipality:													
List all capital programs/projects grouped by Municipal Vote													
Entities:													
List all capital programs/projects grouped by Municipal Entity													
Entity Name													
Project name													

EC108 Kouga - Supporting Table SB20 Not required - 29/01/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	8 E	9 F	10 G	11 H		
Revenue By Municipal Entity												
Entity 1 total revenue									–	–		
Entity 2 total revenue									–	–		
Entity 3 (etc) total revenue									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
Total Operating Revenue	1	–	–	–	–	–	–	–	–	–	–	–
Expenditure By Municipal Entity												
Entity 1 total operating expenditure									–	–		
Entity 2 total operating expenditure									–	–		
Entity 3 etc. total operating expenditure									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
Total Operating Expenditure	2	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure By Municipal Entity												
Entity 1 total capital expenditure									–	–		
Entity 2 total capital expenditure									–	–		
Entity 3 etc. total capital expenditure									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
Total Capital Expenditure	2	–	–	–	–	–	–	–	–	–	–	–

"ANNEXURE C"

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Approved Adjusted Budget 2024/25	Adjustments	Mid-Year Adjusted Budget 2024/25
CIVIL AND WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176 117	-	176 117
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137 788	-	137 788
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	621 050	500 000	1 121 050
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	-	500 000
ROADS AND STORMWATER	Borrowing	ROADS INFRASTRUCTURE IN KOUGA	173 913 043	(130 434 782)	43 478 261
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508 696	-	508 696
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1 608 696	6 731	1 615 427
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	-	6 478 261
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424 348	-	424 348
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	52 608	-	52 608
SEWERAGE	DOHS	Phase 1 Upgrade of Thornhill Sewer Treatment Works	553 739	(222 419)	331 320
SEWERAGE	DOHS	Kruisfontein Bulk Sewer -Link Line	1 997 391	(601 554)	1 395 837
SEWERAGE	DOHS	Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	7 304 348	(2 792 661)	4 511 687
SEWERAGE	DOHS	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	-	167 175	167 175
SEWERAGE	DOHS	Ramaphosa Sewer Pump Station Upgrade	-	75 391	75 391
SEWERAGE	DOHS	Envirosan Toilets (40 Units)	1 446 261	(1 446 261)	-
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508 609	-	508 609
SEWERAGE	Internal	HANKEY WWTW	4 256 462	1 075 200	5 331 662
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	6 338 777	(1 575 200)	4 763 577
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	-	80 500
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29 169 586	-	29 169 586
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200 000	-	200 000
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	1 287 831	(1 147 831)	140 000
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer rising main	150 000	(130 000)	20 000
WATER	DOHS	Kwanomzamo Bulk Water : New Pipeline	6 521 739	(3 474 182)	3 047 557
WATER	DOHS	Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	6 782 609	(3 586 384)	3 196 225
WATER	DOHS	Humansdorp: Upgrading of informal settlements in Kwanomzamo (Bungalows, Polar Parks & Shukushukuma)	-	8 118 775	8 118 775
WATER	DOHS	Jeffreys Bay: Upgrading of Oceanview Informal Settlements	-	3 469 565	3 469 565

WATER	DOHS	Patensie: Upgrading of Informal Settlement (Cyril Ramaphosa)	-	2 629 602	2 629 602
WATER	DOHS	New Reservoir Ramaphosa	-	659 674	659 674
WATER	DOHS	Humansdorp: Upgrading of Kruisfontein Settlement (Donkerhoek)	-	1 898 033	1 898 033
WATER	DOHS	Thornhill : Upgrading of Informal Settlement	-	1 399 200	1 399 200
WATER	DOHS	New Reservoir on Pnt 2 of the Farm Thornhill	5 018 940	(2 578 014)	2 440 926
WATER	Internal	JILL MARCUS WATER SUPPLY	4 347 000	-	4 347 000
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	-	3 000 000
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637 410	-	637 410
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	7 592 557	1 347 831	8 940 388
WATER	WSIG	RETICULATION REPLACE PIPELINES	3 478 260	-	3 478 260
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis Bay	150 000	(70 000)	80 000
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100 000	-	100 000
WATER	WSIG	PARADISE BEACH WATER TOWER	2 021 548	-	2 021 548
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3 575 354	-	3 575 354
			280 939 528	**(126 712 111)**	**154 227 417**
COMMUNITY SERVICES					
FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1 391 304	-	1 391 304
LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	242 320	-	242 320
			1 633 624	**-**	**1 633 624**
ELECTRO/MECHANICAL SERVICES					
ELECTRICITY	DOHS	Oceanview Substation Upgrade	10 434 783	(521 740)	9 913 043
ELECTRICITY	DOHS	Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	19 130 435	(783 015)	18 347 420
ELECTRICITY	DOHS	Jeffreys Bay: Upgrading of Oceanview Informal Settlements	-	655 434	655 434
ELECTRICITY	DOHS	Apiesdraai Pump Station	-	1 980 261	1 980 261
ELECTRICITY	DOHS	Computer Equipment (UISP FUNDING)	-	217 391	217 391
ELECTRICITY	DOHS	Thornhill : Upgrading of Informal Settlement	-	1 270 400	1 270 400
ELECTRICITY	DOHS	Electricity Transfer from NMBM to KLM	-	62 198	62 198
ELECTRICITY	DOHS	Electricity	782 609	(782 609)	-
ELECTRICITY	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4 251 567	-	4 251 567
ELECTRICITY	Internal	Electrification of Sea Vista Informal Settlement	-	3 500 000	3 500 000
ELECTRICITY	Internal	Electrification of Oceanview (Ebumnyameni) Informal Settlement	-	2 000 000	2 000 000
ELECTRICITY	Internal	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	-	5 000 000
ELECTRICITY	MIG	DESIGN: HIGH MAST LIGHTS	100 000	-	100 000
FLEET AND WORKSHOP	Finance Lease	Vehicle	34 000 000	17 005 878	51 005 878
			73 699 394	**24 604 198**	**98 303 592**
FINANCE AND ECONOMIC DEVELOPMENT					
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	577 517	(200 000)	377 517

LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100 000	-	100 000
REVENUE	Internal	Office Furniture	-	106 453	106 453
REVENUE	Internal	Computer Equipment	22 477	-	22 477
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	55 414	330 000	385 414
			755 408	**236 453**	**991 861**
OFFICE OF THE MUNICIPAL MANAGER					
RISK AND INTERNAL AUDIT UNITY	Internal	Furniture & Equipment	-	28 000	28 000
			-	**28 000**	**28 000**
OFFICE OF THE DEPUTY MUNICIPAL MANAGER					
ADMINISTRATION AND AUXILIARY SERVICES	Internal	Foyer - Furniture & Equipment	-	90 000	90 000
COUNCIL	Internal	Ward Offices - Furniture & Equipment	-	150 000	150 000
HUMAN RESOURCES	Internal	Furniture & Equipment	-	80 000	80 000
INFORMATION TECHNOLOGY	Internal	Computer Equipment	1 412 789	-	1 412 789
LEGAL SERVICES	Internal	Furniture & Equipment	-	50 000	50 000
OFFICE OF THE DMM	Internal	DMM Office furniture	-	150 000	150 000
			1 412 789	**520 000**	**1 932 789**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	Internal	HOMELESS SHELTER	-	1 400 000	1 400 000
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 2	16 346 963	-	16 346 963
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 3	4 038 699	170 294	4 208 993
			20 385 662	**1 570 294**	**21 955 956**
		Total	**378 826 405**	**(99 753 166)**	**279 073 239**
		Schedule B	**378 826 405**		**279 073 239**
			-		-

"ANNEXURE D"

PROJECT DESCRIPTION	Approved Adjusted Budget 2024/25	Adjustments	Mid-Year Adjusted Budget 2024/25
DISTRICT SUBSIDY			
Fire Services - Vehicle (DISTRICT)	1 391 304	-	1 391 304
	1 391 304	**-**	**1 391 304**
DEPARTMENT OF HUMAN SETTLEMENT GRANTS			
Phase 1 Upgrade of Thornhill Sewer Treatment Works	553 739	(222 419)	331 320
Kruisfontein Bulk Sewer -Link Line	1 997 391	(601 554)	1 395 837
Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	7 304 348	(2 792 661)	4 511 687
DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	-	167 175	167 175
Ramaphosa Sewer Pump Station Upgrade	-	75 391	75 391
Envirosan Toilets (40 Units)	1 446 261	(1 446 261)	-
Kwanomzamo Bulk Water : New Pipeline	6 521 739	(3 474 182)	3 047 557
Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	6 782 609	(3 586 384)	3 196 225
Humansdorp: Upgrading of informal settlements in Kwanomzamo (Bungalows, Polar Parks & Shukushukuma)	-	8 118 775	8 118 775
Jeffreys Bay: Upgrading of Oceanview Informal Settlements	-	3 469 565	3 469 565
Patensie: Upgrading of Informal Settlement (Cyril Ramaphosa)	-	2 629 602	2 629 602
New Reservoir Ramaphosa	-	659 674	659 674
Humansdorp: Upgrading of Kruisfontein Settlement (Donkerhoek)	-	1 898 033	1 898 033
Thornhill : Upgrading of Informal Settlement	-	1 399 200	1 399 200
New Reservoir on Pnt 2 of the Farm Thornhill	5 018 940	(2 578 014)	2 440 926
Oceanview Substation Upgrade	10 434 783	(521 740)	9 913 043
Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	19 130 435	(783 015)	18 347 420
Jeffreys Bay: Upgrading of Oceanview Informal Settlements	-	655 434	655 434
Apiesdraai Pump Station	-	1 980 261	1 980 261
Computer Equipment (UISP FUNDING)	-	217 391	217 391
Thornhill : Upgrading of Informal Settlement	-	1 270 400	1 270 400
Electricity Transfer from NMBM to KLM	-	62 198	62 198
HANKEY 990-PHASE 2	16 346 963	-	16 346 963
HANKEY 990-PHASE 3	4 038 699	170 294	4 208 993
	79 575 907	**6 767 163**	**86 343 070**
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT			
OCEAN VIEW 1250 ELECTRIFICATION	4 251 567	-	4 251 567
	4 251 567	**-**	**4 251 567**
MUNICIPAL DISASTER RESPONSE GRANT			
St Francis Bay - Nevil Road Reconstruction	508 696	-	508 696
St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1 608 696	-	1 608 696
Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	-	6 478 261
Paradise Beach - Botha Street Stormwater Infrastructure	424 348	-	424 348
	9 020 001	**-**	**9 020 001**
MUNICIPAL INFRASTRUCTURE GRANT			
UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	-	500 000
UPGRADING KOUGA GRAVEL ROADS	52 608	-	52 608
DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	-	80 500
UPGRADING KWANOMZAMO WWTW	29 169 586	-	29 169 586
DESIGN: LA MER NEW SEWER RISING MAIN	200 000	-	200 000
DESIGN: HIGH MAST LIGHTS	100 000	-	100 000
	30 102 694	**-**	**30 102 694**
WATER SERVICES INFRASTRUCTURE GRANT			
Beach Sewer Pump Station and New Sewer Bypass	1 287 831	(1 147 831)	140 000
Loerie Sewer Pump Station upgrade and new sewer rising main	150 000	(130 000)	20 000
ST FRANCIS BAY: BOREHOLES	7 592 557	1 347 831	8 940 388
RETICULATION REPLACE PIPELINES	3 478 260	-	3 478 260
Replace Ageing Water Infrastructure in St Francis Bay	150 000	(70 000)	80 000
Replace Main Waterline Sout Rivier Bridge Crossing	100 000	-	100 000
PARADISE BEACH WATER TOWER	2 021 548	-	2 021 548
MIMOSA STREET PIPELINE REPLACEMENT	3 575 354	-	3 575 354
	18 355 550	**-**	**18 355 550**
TOTAL	**142 697 023**	**6 767 163**	**149 464 186**

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/FED4**

2023/2024 AUDITED ANNUAL FINANCIAL STATEMENTS, AUDITOR-GENERAL'S AUDIT REPORT AND AUDIT ACTION PLAN

1. **Introduction**

The purpose of the item is to submit the Audited Annual Financial Statements, the Auditor General's Audit Report and the 2023/2024 Audit Action Plan and to seek Council approval for the 2023/2024 Audit Action Plan.

2. **Background**

Section 126 of the Municipal Finance Management Act No.56 of 2003, stipulates the following:

- 126 (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.

- 126 (3) The Auditor-General must (a) audit those financial statements; and (b) submit an audit report on those statements to the accounting officer of the municipality or entity within three months of receipts of the statements.

- 131 (1) The municipality must address any issues raised by the Auditor-General in an audit report.

Kouga Local Municipality has received an unqualified opinion with no material adjustments (clean audit) for the 2023/2024 financial year.

It must be noted that this is the first time the municipality receives a unqualified opinion with no material adjustments (clean audit). The municipality has received unqualified audit opinions with material adjustments for the past ten years.

3. **Discussion**

The Audit Action has been prepared to address issues raised by the Auditor General as required by Section 131 (1) of the municipal Finance Management Act, No. 56 of 2003.

The 2023/2024 Audited Annual Financial Statements are attached as "Annexure A", the Auditor-General's Audit Report as "Annexure B" and Audit Action Plan as "Annexure C".

4. **Financial Implications**

Completed by BTO -	Not Applicable
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
BTO Signature	

5. **Applicable legislation**

Section 126 of the Municipal Finance Management Act No.56 of 2003

6. **Legal Implications**

None

7. **Other Implications**

None

8. **Comments by Directorates**

8.1 **Director: Finance and Economic Development**

Report noted

8.2 **Director: Planning and Development**

Noted

8.3 **Director: Community Services**

Noted.

8.4 **Director: Civil and Water Services**

Item noted.

8.5 **Director: Electro and Mechanical Services**

Report noted

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager'**

Noted.

9. **Delegation Authority**

Council

10. **Recommendations**

10.1 That the 2023/2024 Audited Annual Financial Statements be noted - refer to "(Annexure A)".

10.2 That the 2023/2024 Auditor-General's Audit Report be noted - refer to "(Annexure B)".

10.3 That the Council approves the 2023/24 Audit Action Plan - refer to "(Annexure C)".

Item prepared by the: Manager: Budget & Treasury

Item approved by the CFO:

Item endorsed by the Municipal Manager:

Item Noted by the Portfolio Councillor:

KOUGA
local municipality
Good Governance through Service Excellence

Kouga Local Municipality
(Demarcation code EC108)
Audited Annual Financial Statements
for the year ended 30 June 2024

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Table of Contents

The reports and statements set out below comprise the audited annual financial statements presented to the Municipal Council:

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Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

General Information

Legal form of entity	Municipality in terms of section 1 of the Local Government: Municipal Structures Act (Act 117 of 1998) read with section 155 (1) of the Constitution of the republic of South Africa (Act 108 of 1996)
Nature of business and principal activities	The objective of the municipality is to provide - democratic and accountable government for local communities, - the provision of services (electricity, water, sanitation and refuse) to communities in a sustainable manner, - to promote social and economic development, - and to promote a safe and healthy environment to encourage the involvement of communities and community organisations in the matters of local government.

Executive mayor and chairperson of mayoral commitee

Portfolio	**Councillor**
Executive Mayor and Chairperson of Mayoral committee	H Borman
Deputy Executive Mayor and MMC (Electro and Mechanical Services)	T Jantjies
Speaker	B Williams
MMC (Corporate and Communication Services)	J Alexander
MMC (Finance and Economic Development)	L Maree
MMC (Civil and Water Services)	R Foley
MMC (Planning and Development)	S Ruth
MMC (Community and Safety Services)	D Benson

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

General Information

Council members

Ward	Surname	Initials
1	Ntshota	N
2	Murray	H
3	Gertenbach	W
4	Alexander	J
5	Nicholls	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	Jantjies	T
Proportional	Bornman	H
Proportional	Williams	B
Proportional	van Niekerk	M
Proportional	Benson	D
Proportional	Ruth	S
Proportional	Dhludhlu	B
Proportional	Stuurman	G
Proportional	Gunuza	V
Proportional	Ntengwane	N
Proportional	Valgee	M
Proportional	Oliphant	P
Proportional	Nkilishane	L
Proportional	Petersen	W
Proportional	van der Linde	W

Accounting Officer	Mr. C. du Plessis
Chief Financial Officer (CFO)	Mr. R Lorgat
Telephone	(042) 200 2200
Fax	(042) 293 4204
Demarcation code	EC108

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Abbreviations

DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
LGSETA	Local Government Services Sector Education and Training Authority
MSIG	Municipal System Improvement Grant
NDPG	Neighbourhood Development And Partnership Grant
SRAC	Sports, Recreation, Arts and Culture

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Report

The Accounting Officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the audited annual financial statements and related financial information included in this report.

It is the responsibility of the Accounting Officer to ensure that the audited annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the audited annual financial statements and was given unrestricted access to all financial records and related data.

The audited annual financial statements were prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) as well as relevant interpretations, guidelines and directives issued by the Accounting Standards Board.

The audited annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

I, as the Accounting Officer (accounting authority) acknowledges that I am ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable me to meet these responsibilities, I have set standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality’s business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

I am of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the audited annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

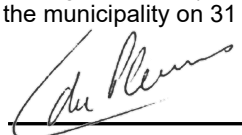
I have reviewed the municipality’s cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, I am satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although, I am primarily responsible for the financial affairs of the municipality, this is supported by the municipality's external auditors.

I would like to bring the following material matters to your attention:

I certify that the salaries, allowances and benefits of councillors as disclosed in note 31 to these audited annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998 and the Minister of Provincial and Local Government’s determination in accordance with the Act.

The audited annual financial statements set out on pages 6 to 110, in terms of Section 126(1) of the Municipal Finance Management Act (Act 56 of 2003), which have been prepared on the going concern basis and which I have signed on behalf of the municipality on 31 August 2024:



Mr. C. du Plessis
Accounting Officer

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Cash and cash equivalents	2	143,658,806	104,935,011
Trade and other receivables from exchange transactions	3	73,436,804	86,150,341
Receivables from non-exchange transactions	4	26,651,119	29,014,521
Inventories	5	22,449,513	18,598,030
Deposits	6	893,543	893,543
Operating leases	7	105,634	109,349
Total Current Assets		**267,195,419**	**239,700,795**
Non-Current Assets			
Investment property	8	250,793,547	251,673,471
Property, plant and equipment	9	2,061,615,773	2,057,692,765
Intangible assets	10	418,609	602,549
Total Non-Current Assets		**2,312,827,929**	**2,309,968,785**
Total Assets		**2,580,023,348**	**2,549,669,580**
Liabilities			
Current Liabilities			
Lease liabilities	11	11,144,269	12,168,692
Employee benefits	12	53,426,901	44,587,920
Consumer deposits	13	31,660,112	29,060,071
Trade and other payables from exchange transactions	14	158,677,344	146,630,488
Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent	15	38,790,886	28,993,831
Provision	16	1,000,001	1,147,461
Total Current Liabilities		**294,699,513**	**262,588,463**
Non-Current Liabilities			
Lease liabilities	11	12,231,114	23,375,382
Employee benefits	12	111,627,299	106,638,259
Provision	16	119,432,936	118,827,256
Total Non-Current Liabilities		**243,291,349**	**248,840,897**
Total Liabilities		**537,990,862**	**511,429,360**
Net Assets		**2,042,032,486**	**2,038,240,220**
Community Wealth / Equity			
Accumulated surplus		2,036,273,402	2,038,240,233
Reserves and funds	17	5,759,077	-
Total Community Wealth / Equity		**2,042,032,479**	**2,038,240,233**

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Performance

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Revenue			
Exchange Revenue			
Services charges – Electricity	18	380,375,534	306,476,963
Services charges – Waste Management	18	57,487,680	61,945,030
Services charges – Waste water management	18	59,633,132	61,796,904
Services charges – Water	18	109,872,623	117,399,855
Sales of goods and rendering of services	19	7,442,497	9,188,788
Agency services	20	3,615,485	2,677,528
Interest earned from receivables	24	21,854,451	20,845,130
Interests earned from bank and investments	21	12,962,398	6,824,262
Rental from fixed assets	22	3,549,568	2,613,486
Licences or permits	26	2,368,147	2,676,798
Operational revenue	28	11,653,624	1,199,527
Total Exchange Revenue		**670,815,139**	**593,644,271**
Non-Exchange Revenue			
Property rates	23	280,202,653	259,514,386
Interest on receivables	24	5,519,180	3,729,096
Fines, penalties and forfeits	25	40,083,846	101,635,779
Licences or permits	26	7,421,091	7,195,326
Transfers and subsidies	27	301,769,197	279,561,122
Remeasurements on employee benefits	29	6,627,000	10,912,779
Increase in net-realisable value	30	691,432	(424,835)
Total Non-Exchange Revenue		**642,314,399**	**662,123,653**
Total Revenue		**1,313,129,538**	**1,255,767,924**
Expenditure			
Employee related cost	31	398,877,525	364,305,742
Remuneration of councillors	32	14,975,750	13,700,138
Bulk purchases	33	351,702,171	291,888,014
Inventory consumed	34	102,598,768	91,081,830
Debt impairment	35	87,368,874	88,658,561
Depreciation and amortisation	36	100,860,229	101,289,976
Impairment loss / (reversal) of impairment	37	1,678,698	23,428,417
Finance costs	38	10,037,689	8,058,566
Contracted services	39	93,766,055	87,297,768
Transfers and subsidies	40	920,000	708,750
Operating leases	41	7,529,614	6,813,840
Operational cost	42	74,446,017	70,890,251
Contribution to provision	43	(52,760)	(778,290)
Loss on disposal of fixed and intangible assets	44	1,768,784	1,313,866
Irrecoverable debts written off	45	62,859,860	87,459,401
Total Expenditure		**1,309,337,274**	**1,236,116,830**
Surplus for the year		**3,792,264**	**19,651,094**

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Net Assets

	Capital replacement reserve	Accumulated surplus	Total net assets
Opening balance as previously reported as at 1 July 2022	-	2,081,457,240	2,081,457,240
Adjustments			
Correction of errors	-	(62,868,108)	(62,868,108)
Balance at 01 July 2022 as restated*	**-**	**2,018,589,132**	**2,018,589,132**
Surplus for the year	-	19,651,094	19,651,094
Transfers to / from accumulated surplus for the year	-	7	7
Total changes	-	19,651,101	19,651,101
Restated* Balance at 01 July 2023	**-**	**2,038,240,213**	**2,038,240,213**
Surplus for the year	-	3,792,264	3,792,264
Transfers to / from accumulated surplus for the year	-	2	2
Transfer of contribution to the capital replacement reserve from accumulated surplus	5,759,077	(5,759,077)	-
Total changes	5,759,077	(1,966,811)	3,792,266
Balance at 30 June 2024	**5,759,077**	**2,036,273,402**	**2,042,032,479**
Note(s)	17		

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Cash Flow Statement

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Taxation		313,401,241	317,687,600
Service charges and Operational revenue		542,526,475	421,621,636
Transfers and Subsidies		293,566,252	322,110,382
Interest		12,962,398	6,824,262
Payments			
Employees and remuneration of councillors		(393,398,257)	(362,359,082)
Suppliers		(619,472,064)	(514,744,863)
Finance charges		(5,662,861)	(3,926,240)
Net cash from(used) operating activities	46	**143,923,184**	**187,213,695**
Cash flows from investing activities			
Payments			
Purchase of property, plant and equipment		(92,914,690)	(113,220,765)
Net cash flows from investing activities		**(92,914,690)**	**(113,220,765)**
Cash flows from financing activities			
Receipts			
Finance lease receipts		-	3,091,527
Increase in consumer deposits		-	-
Increase in other liabilities		-	-
Payments			
Finance lease payments		(12,284,697)	-
Net cash flows from financing activities		**(12,284,697)**	**3,091,527**
Net increase/(decrease) in cash		**38,723,797**	**77,084,457**
Cash and cash equivalents at year begin		104,935,011	27,850,553
		143,658,808	**104,935,010**

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actuals

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
2024								
Financial performance								
Property rates	281,487,795	-	281,487,795	281,487,795	280,202,653	(1,285,142)	100 %	100 %
Service Charges	621,866,972	(19,433,526)	602,433,446	602,433,446	607,368,969	4,935,523	101 %	98 %
Investment revenue	4,598,161	7,075,507	11,673,668	11,673,668	12,962,399	1,288,731	111 %	282 %
Transfers recognised - Operational	190,883,480	6,846,193	197,729,673	197,729,673	198,629,696	900,023	100 %	104 %
Other own revenue	60,120,631	160,292,793	220,413,424	220,413,424	103,507,885	(116,905,539)	47 %	172 %
Total revenue (excluding capital transfers and contributions)	**1,158,957,039**	**154,780,967**	**1,313,738,006**	**1,313,738,006**	**1,202,671,602**	**(111,066,404)**	**92 %**	**104 %**
Employee costs	(447,813,268)	5,557,109	(442,256,159)	(442,256,159)	(398,877,527)	43,378,632	90 %	89 %
Remuneration of councillors	(15,140,069)	-	(15,140,069)	(15,140,069)	(14,975,747)	164,322	99 %	99 %
Depreciation and asset impairment	(109,662,969)	-	(109,662,969)	(109,662,969)	(100,860,228)	8,802,741	92 %	92 %
Interest	(2,089,744)	(3,660,142)	(5,749,886)	(5,749,886)	(10,037,689)	(4,287,803)	175 %	480 %
Materials and bulk purchases	(458,625,797)	327,426,865	(131,198,932)	(131,198,932)	(454,300,940)	(323,102,008)	346 %	99 %
Transfers and grants	(924,282)	(200,000)	(1,124,282)	(1,124,282)	(920,000)	204,282	82 %	100 %
Other expenditure	(234,060,303)	(498,598,378)	(732,658,681)	(732,658,681)	(322,046,710)	410,611,971	44 %	138 %
Total expenditure	**(1,268,316,432)**	**(169,474,546)**	**(1,437,790,978)**	**(1,437,790,978)**	**(1,302,018,841)**	**135,772,137**	**91 %**	**103 %**
Surplus/(Deficit)	**(109,359,393)**	**(14,693,579)**	**(124,052,972)**	**(124,052,972)**	**(99,347,239)**	**24,705,733**	**80 %**	**91 %**
Contributions recognised - capital and contributed assets	75,560,927	19,077,635	94,638,562	94,638,562	103,139,503	8,500,941	109 %	136 %
Surplus (Deficit) after capital transfers and contributions	**(33,798,466)**	**4,384,056**	**(29,414,410)**	**(29,414,410)**	**3,792,264**	**33,206,674**	**(13)%**	**(11)%**
Surplus/(Deficit) for the year	**(33,798,466)**	**4,384,056**	**(29,414,410)**	**(29,414,410)**	**3,792,264**	**33,206,674**	**(13)%**	**(11)%**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actuals

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Financial position								
Total current assets	154,622,058	59,239,893	213,861,951	213,861,951	266,447,686	52,585,735	125 %	172 %
Total non-current assets	2,302,442,215	34,942,086	2,337,384,301	2,337,384,301	2,312,827,918	(24,556,383)	99 %	100 %
Total current liabilities	(154,258,500)	(69,670,568)	(223,929,068)	(223,929,068)	(243,291,350)	(19,362,282)	109 %	158 %
Total non current liabilities	(255,034,978)	(718,928)	(255,753,906)	(255,753,906)	(293,951,778)	(38,197,872)	115 %	115 %
Community and wealth	**2,047,770,795**	**23,792,483**	**2,071,563,278**	**2,071,563,278**	**2,042,032,476**	**(29,530,802)**	**99 %**	**100 %**
Capital expenditure and funds sources								
Total capital expenditure	(79,342,839)	(50,817,785)	(130,160,624)	(130,160,624)	(92,914,692)	37,245,932	71 %	117 %
Transfers recognised - capital	(65,882,839)	(22,632,239)	(88,515,078)	(88,515,078)	-	88,515,078	- %	- %
Internally generated funds	(13,460,000)	(28,185,546)	(41,645,546)	(41,645,546)	-	41,645,546	- %	- %
Total sources of capital funds	**(79,342,839)**	**(50,817,785)**	**(130,160,624)**	**(130,160,624)**	**-**	**130,160,624**	**- %**	**- %**
Cash flows								
Net cash from (used) operating	86,486,589	(5,427,303)	81,059,286	81,059,286	113,137,082	32,077,796	140 %	131 %
Net cash from (used) investing	(79,342,839)	(50,817,785)	(130,160,624)	(130,160,624)	(62,255,719)	67,904,905	48 %	78 %
Net cash from (used) financing	(10,090,505)	(2,078,188)	(12,168,693)	(12,168,693)	(12,168,690)	3	100 %	121 %
Net increase/(decrease) in cash and cash equivalents	**(2,946,755)**	**(58,323,276)**	**(61,270,031)**	**(61,270,031)**	**38,712,673**	**99,982,704**	**(63)%**	**(1,314)%**
Cash and cash equivalents at the beginning of the year	8,542,313	96,392,695	104,935,008	104,935,008	104,935,019	(11)	100 %	1,228 %
Cash and cash equivalents at year end	**5,595,558**	**38,069,419**	**43,664,977**	**43,664,977**	**143,647,692**	**(99,982,715)**	**329 %**	**2,567 %**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Budget and actuals variance explanations:

Investment Revenue:

The interest earned on external investments is largely influenced by the municipality's investment portfolio, currently amounts to R143 659 000. The investment amount of R 143 659 000 includes call accounts amounting to R 38 683 000 for the unspent conditional grants.

Operational Revenue:

The other revenue is largely influenced by the land sale amounting to R 2,029 million and the recognition of revenue amounting to R 18 000 000 for land donations received from the Department of Human Settlement for housing projects.

Employee related Costs:

Employee related costs expenditure is largely influenced by the unfilled funded vacancies amounting to R 45 610 000

Interest:

Interest cost relates to post retirement benefits for pension and medical that was higher than anticipated

Inventory consumed and bulk purchases

Inventory consumed relates to materials and supplies which were lower than anticipated

Transfers and Subsidies:

Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organisations, in line with the Council approved grant-in-aid policy.

Other Expenditure:

Other expenditure variance relates mostly to ICT expenditure that was partly implemented within the current financial period

Transfers recognised - capital

Capitial transfers recognised relates to Capital grants received. There are 2 grants, WSIG and DOHS, that was not fully spent. Rollover applications were done pending approval from National Treasury

Internally generated funds:

Several internally funded Capital projects was approved in the Adjustments Budget. These projects, although not fully spent are committed and Council has approved the unspent amount to be rolled over on 23 August 2024**.**

Total current assets:

Current assets variance relates to the higher than anticipated cash balance at year end. The municipality closed with a cash balance of R100 million more than anticipated. Overdue debtors also increased by approximately R53 million

Total current liabilities:

The variance in current liabilities largely relates to VAT that was restated to show the seperation of output, input as well as the control account seperately. This was previously offset with the control account which is not in line with GRAP 108**.**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

Basis of preparation

These audited annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

The audited annual financial statements were prepared on the accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these audited annual financial statements, is disclosed below:

1. Summary of significant accounting policies

These standards, interpretations and guidelines issued by the Accounting Standards Board are indicated as follows:

Reference	Description
GRAP Framework	Framework for the Preparation and Presentation of Financial Statements
GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investment in Associates
GRAP 8	Investment in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events After the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 18	Segment Reporting
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 20	Related Party Disclosures (Revised)
GRAP 21	Impairment of Non-cash-generating Assets
GRAP 23	Revenue from Non-exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating Assets
GRAP 27	Agriculture
GRAP 31	Intangible Assets
GRAP 32	Service Concession Arrangements: Grantor
GRAP 100	Discontinued Operations
GRAP 104	Financial Instruments
GRAP 108	Statutory Receivables
GRAP 109	Accounting by Principals and Agents
GRAP 110	Living and Non-living Resources
IGRAP 1	Applying The Probability Test On Initial Recognition Of Revenue
IGRAP 2	Changes in Existing Decomissioning Restoration and Similar Liabilities
IGRAP 3	Determining Whether an Arrangement Contains a Lease
IGRAP 4	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IGRAP 5	Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Ecomonies
IGRAP 6	Loyalty Programmes
IGRAP 7	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IGRAP 8	Agreements for the Construction of Assets from Exchange Transactions
IGRAP 9	Distributions of Non-cash Assets to Owners
IGRAP 10	Assets Received from Customers
IGRAP 12	Jointly Controlled Entities – Non-Monetary Contributions

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

. Additional content (continued)

IGRAP 13	Operating Leases – Incentives
IGRAP 14	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IGRAP 15	Revenue – Barter Transactions Involving Advertising Services
IGRAP 16	Intangible Assets – Website Costs
IGRAP 17	Service Concession Arrangements where Grantor Controls Significant Residual Interest
IGRAP 18	Recognition and Derecogntion of Land
IGRAP 19	Liabilities to Pay Levies
IGRAP 20	Accounting for Adjustments to Revenue
IGRAP 21	The Effect of Past Decisions on Materiality
Directive 1	Deletion of Transitional Provisions in Standards of GRAP
Directive 3	Amended Transitional Provisions for High Capacity Municipalities
Directive 4	Amended Transitional Provisions for Medium and Low Capacity Municipalities
Directive 5	GRAP Reporting Framework
Directive 7	The Application of Deemed Cost
Directive 11	Changes in Measurement Bases following Initial Adoption of Standards of GRAP
Guideline	Accounting for Arrangements Undertaken i.t.o the National Housing Programme
Guideline	Accounting for Landfill Sites
Guideline	The Application of Materiality to Financial Statements

The cash flow statement is prepared using the direct method, whereby major classes of gross cash receipts and gross cash payments are disclosed.

Accounting policies for material transactions, events or conditions not covered by the above GRAP standards have been developed in accordance with GRAP 3. Where required, accounting policies were developed for standards of GRAP that have been issued by the Accounting Standards Board, but for which an effective date have not been determined by the Minister of Finance.

1.1 New standards and interpretations

1.1 Standards, amendments to standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:

	Effective date: Years beginning on or after	Expected impact:
• iGRAP 21: The Effect of Past Decisions on Materiality	01 April 2023	The impact of the interpretation is not material.
• GRAP 25 (as revised): Employee Benefits	01 April 2023	The impact of this amendment has not had a material impact on the results of the municipality, but has resulted in more disclosure than would have previously been provided in the audited annual financial statements.
• iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction	01 April 2023	The impact of the interpretation is not material.
• GRAP 2020: Improvements to the Standards of GRAP 2020	01 April 2023	The impact of the improvements are not material.
• Guideline: Guideline on Accounting for Landfill Sites	01 April 2023	The impact of the standard is not material.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.1 New standards and interpretations (continued)

• GRAP 1 (amended): Presentation of Financial Statements (Materiality)	01 April 2023	The impact of the amendments are not material.

1.2 Standards, amendments to standards and interpretations issued, but not yet effective

The municipality has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2024 or later periods:

Standard/ Interpretation:

	Effective date: Years beginning on or after	**Expected impact:**
• GRAP 2023: Improvements to the Standards of GRAP 2023	To be determined	Unlikely there will be a material impact
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	To be determined	Unlikely there will be a material impact
• GRAP 103 (as revised): Heritage Assets	To be determined	Unlikely there will be a material impact
• GRAP 105: Transfer of Functions Between Entities Under Common Control	To be determined	Unlikely there will be a material impact
• GRAP 106: Transfer of Functions Between Entities Not Under Common Control	To be determined	Unlikely there will be a material impact
• GRAP 107: Mergers	To be determined	Unlikely there will be a material impact
• iGRAP 22: Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Impact is currently being assessed

1.2 Presentation currency

These audited annual financial statements are presented in South African Rand, which is the functional currency of the municipality and all values are rounded to the nearest thousand (R'000).

1.3 Going concern assumption

These audited annual financial statements were prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 Offsetting

Financial assets and liabilities are offset and the net amount reported on the Statement of financial position only when there is a legally enforceable right to set off the recognised amount, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.5 Comparative of actual information to budgeted information

The annual budget figures have been prepared in accordance with the Municipal Budget and Reporting Regulations, 2009. A comparative of actual to budged amounts are reported in a separate additional financial statement, called the Statement of comparison of budget and actual amounts. Explanatory comment is provided in the notes to the statement giving motivations for over- or under spending on line items where it is found to be material. The budgeted 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 prepared and approved on an accrual basis by nature classification. The approved budget covers the period from 01 July 2023 to 30 June 2024.

In general, a difference of 10% or more is considered material, although the surrounding circumstances are taken into account if it could influence the decisions or assessments of the users of the audited annual financial statements in determining whether a difference between the budgeted and actual amount is material.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.6 Current year comparatives

When the presentation or classification of items in the audited annual financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification and / or restatement is not required by a Standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior periods.

1.7 Significant judgements and estimates

In the application of the municipality's accounting policies, which are described below, management is required to make judgement, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experiences and other factors that are considered too 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 on-going 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.

Accounting Policies

1.7 Significant judgements and estimates (continued)

1.7.1 Judgements

The following are the critical judgements, apart from those involving estimations, that the 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 the audited annual financial statements:

Materiality

Materiality is judged by reference to the size and nature of the item. The deciding factor is whether the omission or misstatement could, individually or collectively, influence the decisions that users make on the basis of these audited annual financial statements.

In preparation of the audited annual financial statements materiality has been considered in:

- Deciding what to report in the audited annual financial statements and how to present it.
- Assessing the effect of omissions, misstatements and errors on the audited annual financial statements.

In assessing whether an item, transaction or event is material, specific thresholds for specific items, transactions and events, or aggregations thereof has been developed. These thresholds are used to make decisions about the reporting of information (i.e. how to recognise, measure, present and disclose items, transactions and events), and used as a margin of error or framework within which to assess misstatements and errors.

The municipality has also considered whether certain transactions or balances may be qualitatively material based on the inherent characteristics thereof, even though the transaction or balance is quantitatively immaterial, if:

- The item, transaction or event relates to legal or regulatory requirements.
- Related party transactions.
- The regularity or frequency with which an item, transaction or event occurs.
- The item, transaction or event results in the reversal of a trend.
- The item, transaction or event is likely to result in a change in accounting policy.
- The commencement of a new function, or the reduction or cessation of an existing function.
- The degree of estimation or judgement that is needed to determine the value of an item, transaction or event.
- An item, transaction or event that affects the going concern assumption of the municipality.

Lease classification – municipality as lessor

The municipality has entered into commercial property leases on its investment property portfolio. The municipality has determined that it retains all the significant risks and rewards of ownership of these properties, and so accounts for them as operating leases.

Lease classification – municipality as lessee

The municipality has entered into a number of leases for office equipment. In determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the municipality.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. The municipality has exercised its judgement on the appropriate classification of equipment leases, and has determined a number of lease arrangements are finance leases.

Classification of property as held for strategic purposes

The municipality classifies vacant land that is earmarked for future development in terms of the municipality's Spatial Development Framework, as property, plant and equipment, rather than investment property.

Criteria for the classification of properties as investment property rather than property, plant and equipment, when classification is difficult

All properties held to earn market-related rentals or for capital appreciation or both and that are not for administrative purposes and that will not be sold in the ordinary course of operations are classified as investment property.

Land held for currently undetermined future use

Kouga Local Municipality
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Accounting Policies

1.7 Significant judgements and estimates (continued)

Leased properties that are held to provide a social (community) service or that are necessary for employees to perform their job functions, but which also generates rental revenue are not seen as investment property. The rental revenue generated is incidental to the purposes for which the property is held.

Determination of repairs and maintainenance costs

Repairs and maintenance is based on management's own judgement of costs incurred in cost centres responsible for the maintenance and repair of municipality owned assets. This includes internal charges (inter departmental charges) such as internal transport costs, charged out to the different departments.

Componentisation of infrastructure assets

All infrastructure assets, acquired before the adoption of GRAP where the acquisition cost could not be obtained, with significant components relating to different useful lives are unbundled into their components in order to depreciate all major components over the expected useful lives. The cost of each component is estimated based on the current market replacement cost of each component, depreciated for age and condition and recalculated to deemed cost at the acquisition date if known or to the date of initially adopting the Standards of GRAP. All infrastructure assets acquired after the adoption of GRAP with significant components relating to different useful lives are unbundled into their components based on the actual expenditure incurred.

Accounting Policies

1.7 Significant judgements and estimates (continued)

1.7.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Pension and other post-employment benefits

The cost of defined benefit pension plans and other employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Classification of financial assets and liabilities

The classification of financial assets and liabilities, into categories, is based on judgement by management. The Accounting Policy on Financial Instruments describes the factors and criteria considered by the management of the municipality in the classification of financial assets and liabilities.

In making the above-mentioned judgement, management considered the definition and recognition criteria for the classification of financial instruments as set out in GRAP 104: Financial Instruments.

Impairment of financial assets

The Accounting Policy on Financial Instruments describes the process followed to determine the value by which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considers the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments 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 the impairment of financial assets recorded during the year is appropriate.

The calculation in respect of the impairment of service debtors (receivables from exchange and non-exchange transactions) 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 was performed per service-identifiable categories across all classes of debtors.

The calculation in respect of the impairment of fine receivables (receivables from non-exchange transactions) is based on an assessment of the past payment history of fines per category.

- 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. z
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- 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.

Review of useful lives of property, plant and equipment and intangible assets

The useful lives of assets are based on management’s estimation. Management considers whether there is any indication that expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. These include changes in the composition, condition and nature of the asset, its susceptibility and adaptability to changes in technology and processes, the nature of the processes and environment in which the asset is deployed availability of funding to replace the asset and changes in the market in relation to the asset, as well as planned repairs and maintenance including refurbishments.

Impairment of property, plant and equipment, intangible assets, heritage assets and inventory

Accounting Policies

1.7 Significant judgements and estimates (continued)

The Accounting Policies on impairment of cash and non-cash generating assets as well as inventory describes 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 the impairment of property, plant and equipment, intangible assets and heritage assets and the write down of Inventories to the lowest of Cost and Net Realisable Values (NRV).

In making the above-mentioned estimates and judgement, management considers the subsequent measurement criteria and indicators of potential impairment losses as set out in GRAP 21: Impairment of Cash generating Assets and GRAP 26: Impairment of non-cash generating assets.

Provisions and contingent liabilities

Management judgement is required when recognising and measuring provisions, and when measuring contingent liabilities. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Assumptions were used in determining the provision for rehabilitation of landfill sites. Provision is made for the estimated cost to be incurred on the long-term environmental obligations, comprising expenditure on pollution control and closure over the estimated life of the landfill. The provision is based on the advice and judgment of qualified engineers. The estimates are discounted at a pre-tax discount rate that reflect current market assessments of the time value of money. The increase in the rehabilitation provision due to passage of time is recognised as finance cost in the Statement of financial performance.

Revenue recognition

The Accounting Policies on Revenue from Exchange Transactions and Revenue from Non-exchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality. 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.

In particular, in regard to revenue form exchange revenue - when goods are sold, whether the management 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. In regard to revenue from non-exchange transactions - significant estimations were made to the initial recognition and measurement of revenue on fines, on the estimated reductions on initial recognition and measurement. Based on past experience, of the amount of revenue the municipality is entitled to collect was calculated as -% of the value of the fines issued, whereas it was estimated that -% of the value of the fines issued were impaired. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

Budget information

Management assumes deviations between budget and actual amounts to be material when a deviation of more than 10% exists. All material differences are explained in the notes to the audited annual financial statements.

1.8 Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at amortised cost. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are carried at amortised cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts.

1.9 Inventory

Inventory consist of consumables and materials and supplies, which are valued at the lower of cost, determined on the first in first out basis, and net realisable value, except for items which are valued at the tariffs charged. Where it is held for distribution or consumption at no charge or for a nominal amount, inventories are valued at the lower of cost and current replacement value.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.9 Inventory (continued)

Cost of inventory comprises all costs of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition.

Redundant and slow moving inventory are identified and written down to their estimated net realisable values estimated by management. Inventories are written down according to their age, condition and utility. Differences arising on the measurement of such inventory at the lower of cost and net realisable value are recognised In the Statement of financial performance in the year in which they arise. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost 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.

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.

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, and is under the control of the municipality but cannot be measured reliably as there is no cost attached to the water, and it is therefore not recognised in the Statement of financial position.

The basis of determining the cost of water purchased and not yet sold at Statement of financial position 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 is valued by using the weighted average method, at the lowest of purified cost and net realisable value, insofar as it is stored and controlled in reservoirs at year-end.

1.10 Investment property

Investment property includes property held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations. Investment property also includes land held for an undetermined future use.

Initial recognition

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. 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.

Where the classification of an investment property is based on management's judgement, the following criteria have been applied to distinguish investment properties from owner-occupied property or property held for resale:

- All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes and that will not be sold within the next 12 months are classified as investment properties;
- Land held for a currently undetermined future use;
- A building owned (or held by under a finance lease) and leased out under one or more operating leases;
- Leased properties that are held to provide a social (community) service or that are necessary for employees to perform their job functions, but which also generates rental revenue are not seen as investment properties. The rental revenue generated is incidental to the purposes for which the property is held;
- A building that is vacant but is held to be leased out under one or more operating leases;
- Property that is being constructed or developed for future use as investment property.

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).

Accounting Policies

1.10 Investment property (continued)

Subsequent measurement – cost model

Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 5 - 50 year period. All useful lives of investment properties are reviewed annually on an indicator basis.

Derecognition/Disposal

Investment properties are derecognised (eliminated from the Statement of financial position) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal. The gain or loss arising on the disposal of an investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of financial performance.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property (property, plant and equipment), the deemed cost for subsequent accounting is the fair value [or carrying amount if cost model is used] at the date of change in use. If owner-occupied property becomes an investment property, the municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.11 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and if the cost or fair value of the item can be measured reliably.

Kouga Local Municipality
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Accounting Policies

1.11 Property, plant and equipment (continued)

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost on its acquisition date. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

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.

The cost of an item of property, plant and equipment acquired in exchange for a 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. If the acquired item could not be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components} of property, plant and equipment.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the municipality and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequent measurement – cost model

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the municipality and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequently all property, plant and equipment, excluding land and buildings, are measured at cost, less accumulated depreciation and accumulated impairment losses.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or deficit when the compensation becomes receivable.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

Kouga Local Municipality

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Accounting Policies

1.11 Property, plant and equipment (continued)

Depreciation

Land is not depreciated as it is regarded as having an unlimited life. Depreciation on assets other than land is calculated using the straight line method, to allocate their cost or revalued amounts less their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the assets' future economic benefits or service potential are expected to be consumed by the municipality. 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:

• Land	Indefinite
• Other assets - Buildings	30
• Electrical infrastructure	15 - 30
• Roads infrastructure	10 - 30
• Sanitation infrastructure	10 - 20
• Solid waste infrastructure	10 - 20
• Storm water infrastructure	20
• Water Supply infrastructure	15 - 20
• Community Assets - Facilities	30
• Community assets - Recreational Facilities	15 - 20
• Landfill site	
• Computer equipment	3 - 7
• Furniture and office equipment	10
• Machinery and Equipment	2 - 7
• Transport assets	7 - 15

The estimated useful life, residual values and depreciation method are assessed at each reporting date on an indicator basis.

The useful lives, residual values and depreciation method are reviewed annually at the end of the financial year where there is any indication that the municipality's expectations about the residual amount and the useful life of an asset has changed since the preceding reporting date. Any adjustments arising from the annual review are applied prospectively.

Depreciation of an asset commences when the asset is ready for its intended use. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or, where shorter, the term of the relevant lease. The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is ready for use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, 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..

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

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.

Gains or losses are calculated as the difference between the carrying values of assets (Cost less accumulated depreciation and accumulated impairment losses) and the disposal proceeds is included in the Statement of financial performance as a gain or loss on disposal of property, plant and equipment.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the Cash flow statement.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or surplus when the compensation becomes receivable.

Kouga Local Municipality
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Accounting Policies

1.11 Property, plant and equipment (continued)

Site rehabilitation and restoration costs

Where the municipality has an obligation to rehabilitate and restore items of property, plant and equipment such obligations are referred to as "rehabilitation provisions". The cost of an item of property, plant and equipment includes the initial estimate of the costs of rehabilitation and restoring the site on which it is located, the obligation for which the municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period.

As the related asset is measured using the cost model: -

(a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
(b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
(c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.12 Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes are classified and recognised as intangible assets.

Initial recognition and measurement

Intangible assets are initially recognised at cost. The cost of an intangible assets is the purchase price and other costs attributable to bring the intangible assets to the location and condition necessary for it to be capable of operating in the manner intended by the municipality, or where an intangible assets is acquired at no cost, or for a nominal cost, the cost shall be its fair value as at the date of acquisition. Trade discounts and rebates are deducted in arriving at the cost.

Intangible assets acquired separately or internally generated are reported at cost less accumulated amortisation and accumulated impairment losses.

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).

Subsequent measurement

Amortisation is calculated on cost, using the straight-line method, over the useful lives of the assets, which is estimated to be between 3 to 5 years upon initial recognition. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised.

Intangible assets are annually tested for impairment and the estimated useful life, residual values and amortisation method are reviewed annually at the end of the financial year. Any adjustments arising from the annual review are applied prospectively.

Derecognition

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible assets is determined as the difference between the net disposals proceeds and the carrying value and is recognised in the Statement of financial performance.

1.13 Borrowing costs

Borrowing costs are interest and other expenses incurred by an municipality in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the Statement of financial performance in the period in which they are incurred.

Kouga Local Municipality

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Accounting Policies

1.14 Impairment of property, plant and equipment, investment property, intangible assets

The municipality classifies all assets held with the primary objective of generating a commercial return as cash-generating assets. A commercial return means that the return charged by the entity is commensurate with the risk associated with holding the asset and the asset is intended to generate positive cash inflows. All other assets are classified as non-cash-generating assets.

Impairment of cash-generating assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the individual asset.

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 best evidence of fair value less cost to sell is the price in a binding sale agreement in an arm's length transaction, adjusted for the incremental cost that would be directly attributable to the disposal of the asset.

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.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

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.

A 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.

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 any such indication exists, the municipality estimates the recoverable service amount of the asset.

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 cash-generating unit to which the asset belongs is determined.

The recoverable service amount is the higher of a non-cash generating asset's fair value less costs to sell and its value in use. The value in use for a non-cash generating asset is the present value of the asset's remaining service potential.

The value in use for a non-cash generating asset is the present value of the asset's remaining service potential.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal.

Kouga Local Municipality
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Accounting Policies

1.14 Impairment of property, plant and equipment, investment property, intangible assets (continued)

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.

A municipality assesses at each reporting date 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.

1.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity. Financial instruments are classified into three categories namely, financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost. The municipality determines the classification of its financial instruments at initial recognition.

The municipality has various types of financial instruments and these can be broadly categorised as either financial assets or financial liabilities.

A financial instrument is recognised if the municipality becomes a party to the contractual provisions of the instrument.

1.15.1 Classification of financial instruments

Financial assets

A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104, the municipality classifies financial assets at amortised cost. Financial assets at amortised cost relates to a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

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The municipality has the following types of financial assets as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial asset	Classification in terms of GRAP 104
Finance lease receivables	Financial assets at amortised cost
Long-term receivables	Financial assets at amortised cost
Current portion of long-term receivables	Financial assets at amortised cost
Receivables from exchange transactions (except Statutory receivables)	Financial assets at amortised cost
Bank balances and cash	Financial assets at amortised cost
Short term Investments	Financial assets at amortised cost

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets at amortised cost.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

The municipality classifies all financial liabilities at amortised cost.

Accounting Policies

1.15 Financial instruments (continued)

The municipality has the following types of financial liabilities as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial liability	Classification in terms of GRAP 104
Long-term liabilities	Financial liability at amortised cost
Current portion of long-term liabilities	Financial liability at amortised cost
Payables from exchange transactions	Financial liability at amortised cost
Consumer deposits	Financial liability at amortised cost
Finance lease liabilities	Financial liability at amortised cost
Payables from non-exchange transactions	Financial liability at amortised cost

1.15.2 Initial and subsequent measurement

Initial recognition and measurement

A financial instruments is recognised, when the municipality becomes a party to the contractual provisions of the instrument, and are initially measured at fair value. In the case of a financial instruments not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instruments are added or deducted from the fair value, as appropriate on initial recognition.

Subsequent measurement – Financial assets

Financial assets consist of cash and cash equivalents, deposits, receivables and investments.

Receivables are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Changes in the carrying amount of the provision is recognised in the Statement of financial performance. When a receivable is considered uncollectible, it is written off against the provision. Any gains or losses arising from the change in fair value of investments measured at fair value are recognised in the Statement of financial performance.

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.

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 assets. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with interest recognised on an effective yield basis.

Subsequent measurement – Financial liabilities

Financial liabilities consist of payables, interest bearing loans and bank overdrafts. These liabilities are subsequently measured at amortised cost, using the effective interest rate method. Finance costs are expensed in the Statement of financial performance in the period in which they are incurred.

Financial liabilities classified at amortised cost 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 the Statement of financial performance by applying the effective interest rate.

Prepayments are carried at cost less any accumulated impairment losses.

Accounting Policies

1.15 Financial instruments (continued)

1.15.3 Impairment of financial assets

Receivables from exchange transactions

Receivables from exchange transactions are assessed individually thereafter collectively, considering factors such as payment histories and ratios, qualitative factors e.g. correspondence from attorneys, disputes about certain accounts, etc.

Other debtors

Other debtors are reviewed individually considering payment histories and disputes about certain amounts. Provision for impairment is made accordingly.

1.15.4 Derecognition

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 assets 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 assets, the municipality continues to recognise the financial assets and also recognises a collateralised borrowing for the proceeds received.

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

1.16 Provisions

Provisions are recognised when the municipality has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made.

The best estimate of the expenditure required to settle the present obligation is the amount that an entity 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.

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. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. 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.

Accounting Policies

1.16 Provisions (continued)

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 that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in the Statement of financial performance as a finance cost as it occurs.

Environmental rehabilitation provisions

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 the Statement of financial performance.

1.17 Employee benefits

The municipality provides short term benefits, long term benefits and retirement benefits for its employees and councillors.

Short-term employee benefits

Remuneration to employees is recognised in the Statement of financial performance as the services are rendered, except for non-accumulating benefits which are only recognised when the specific event occurs.

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 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.

Leave pay

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total accrued leave days at year end and is shown as an accrual in the Statement of financial position.

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.

Bonus provisions

The municipality recognises the expected cost of bonuses as a provision only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made at reporting date.

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.

Post-employment benefits: Defined benefit plans

A defined benefit plan is a plan that defines an amount of benefit that an employee will receive on retirement.

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 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 by independent qualified actuaries regularly, as may be required for fair presentation.

Actuarial gains or losses recognised immediately in the Statement of financial performance.

Accounting Policies

1.17 Employee benefits (continued)

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 has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the Statement of financial performance.

1.18 Leases

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Municipality as lessee

Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent. Corresponding liabilities are included in the Statement of financial position as Finance Lease Obligations. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on the straight-line basis over the term of the relevant lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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 income 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.

Operating lease rental income is recognised on a straight-line basis over the term of the relevant lease.

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.

1.19 Statutory receivables

1.19.1 Identification

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 major categories under the ambit of statutory receivables:

- VAT receivable due to/from SARS
- Property Rates debtors
- Traffic fine debtors

1.19.2 Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;

Accounting Policies

1.19 Statutory receivables (continued)

- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when 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 entity and the transaction amount can be measured reliably.

1.19.3 Measurement

The municipality initially measures statutory receivables at their transaction amount.

The municipality measures statutory receivables 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.

1.19.4 Impairment

Statutory receivables, other than those measured at fair value, are assessed for indicators of impairment at the end of each reporting period. Statutory receivables are impaired where there is objective evidence of impairment of Statutory receivables (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 in accordance with GRAP 108.

A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

According to GRAP 108, the assessment for impairment needs to be made for each individual financial asset separately or for groups of statutory receivables with similar credit risks. The following methodology was followed to make a provision for bad debts for the year under review:

Rates debtors are assessed individually thereafter collectively, considering factors such as payment histories and ratios, qualitative factors e.g. correspondence from attorneys, disputes about certain accounts, etc.

Traffic fine debtors are reviewed collectively considering payment histories and disputes about certain amounts. Provision for impairment is made accordingly.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of financial performance.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of financial performance to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.19.5 Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers control of the statutory receivable and substantially all the risks and rewards of ownership of the asset to another entity; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the receivable; and
  - recognise separately any rights and obligations created or retained in the transfer.

Kouga Local Municipality

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Accounting Policies

1.19 Statutory receivables (continued)

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.20 Revenue

Revenue, excluding value-added taxation where applicable, 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.

Recognition and measurement

The municipality recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the municipality and when specific criteria have been met for each of the municipalities' activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Furthermore services rendered are recognised by reference to the stage of completion of the transaction at the reporting date.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, stock rotation, price protection, rebates and other similar allowances.

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Accounting Policies

1.20 Revenue (continued)

1.20.1 Revenue from exchange transactions

Service charges

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 each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are based on the type of service and the number of sewer connections on all developed property, using the tariffs approved by Council and are levied monthly.

In circumstances where services cannot readily be measured and quantified, a flat rate service charge is levied monthly on such properties.

Pre-paid electricity

Revenue from the sale of electricity pre-paid 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.

Interest earned and rentals received

Interest and rentals are recognised on a time proportion basis that takes into account the effective yield on the investment. Interest may be transferred from the Accumulated surplus/ (deficit) to the Housing development fund or the Insurance reserve.

Traffic 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.

Income from agency services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Housing rental and instalments

Finance income from the sale of housing by way of instalment sale agreements or finance leases is recognised on a time proportion basis.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Accounting Policies

1.20 Revenue (continued)

1.20.2 Revenue from non-exchange transactions

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 proportion 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.

Fines

Fines constitute both spot fines and camera fines. Fines are recognised when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset. It is measured at the best estimate, based on past experience, of the amount of revenue the municipality is entitled to collect.

Subsequent to initial recognition and measurement, the municipality assess the collectability of the revenue and recognises a separate impairment loss where appropriate.

Donations and contributions

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. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Transfers and subsidies

Unconditional grants

Equitable share allocations are recognised in revenue at the start of the financial year.

Conditional grants

Conditional grants recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Interest earned on grants received and invested 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 the Statement of financial performance.

Services received in-kind

Services in kind are recognised at its fair value when it is significant to the operations and/or service delivery objectives and when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably. If the services in-kind are not significant to the operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, only the nature and type of services in-kind received during the reporting period is disclosed.

Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure

Revenue from 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 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain. Such revenue is based on legislated procedures.

Kouga Local Municipality
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Accounting Policies

1.20 Revenue (continued)

Revenue recognition of unclaimed deposits

Unclaimed deposits older than three (3) years are recognised as revenue.

1.21 Transfers and subsidies – non-exchange expenditure

The municipality transfers money to individuals, organisations and other sectors of government from time to time. These transfers are recognised in the audited annual financial statements as expenses in the period that the events giving rise to the transfer occurred.

1.22 Related parties and related party transactions

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, Executive Mayor, Mayoral Committee members, Municipal Manager, executive directors and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

Close members of the family of a individual are those family members who may be expected to influence or be influenced by that individual in their dealings with the municipality. An individual is considered to be a close member of the family of another individual if they are married or live together in a relationship similar to a marriage; or if they are separated by no more than two degrees of natural or legal consanguinity or affinity.

Remuneration of management includes remuneration derived for services provided to the municipality in their capacity as members of the management team or employees. Benefits derived directly or indirectly from the municipality for services in any capacity other than as an employee or a member of management do not meet the definition of remuneration.

In the case of permanent employees acting in management positions, only the remuneration received additionally for acting in that position is disclosed.

Remuneration of management excludes any consideration provided solely as a reimbursement for expenditure incurred by those persons for the benefit of the municipality.

Only transactions with related parties not at arm’s length or not in the ordinary course of business are disclosed.

The municipality operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the Constitutional independence of all three spheres of government in South Africa, only parties within the same sphere of government will be considered to be related parties. Only transactions with such parties which are not at arm's length and not on normal commercial terms are disclosed.

1.23 Events after reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the audited annual financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the audited annual financial statements.

1.24 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..

Accounting Policies

1.25 Material losses

he 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).

The self-insurance reserve is based on recognised insurance industry principles. To determine the level of capacity required, an agreed methodology has been adopted and is consistently applied annually based on the following methodology:

1.26 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.

1.27 Principal-agent arrangements

The municipality is party to a principal-agent arrangement for Department of Transport. In terms of the arrangement the municipality is the agent and is responsible for collect monies on their behalf..

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Accounting Policies

1.27 Principal-agent arrangements (continued)

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.28 Value Added Tax

Value added taxation

The municipality is registered with the South Afrcan Revenue Service (SARS) for Value Added Tax on the payments basis, in accordance with Section 15(2)(a) of the Value-Added Tax Act No 89 of 1991.

VAT is an indirect tax based on consumption of goods and services in the economy. Revenue is raised for the government by requiring certain traders or vendors to register and to charge VAT on taxable supplies of goods or services. The essential characteristics of VAT are:

• it is charged at each stage of the production and distribution process;

• the taxable person (vendor) may deduct the tax paid during the preceding stages; and

• the burden of the tax is on the final consumer.

The municipality renders goods and services to consumers, it is responsible to collect taxes from its consumers for the goods and services provided. The municipality (VAT vendor) is a deemed debtor to the national government when collecting and remitting VAT.

The municipality is registered to declare VAT transactions on the cash basis to SARS. The municipality is liable to account for VAT at the standard rate (15%) in terms of section 7 (1) (a) of the VAT Act in respect of the supply of goods or services, except where the supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or is out of scope for VAT purposes. The municipality accounts for VAT on a monthly basis and VAT is settled between the VAT vendor and SARS, based on the cash collected by the municipality and the cash paid by the municipality. VAT Receivable due/from SARS:

In accordance with GRAP 108, the VAT Receivable to/from SARS is considered to be a statutory arrangement, as this is based on legislation, being the VAT Act.

Taking into account that the VAT due/from to the national government by the municipality (VAT vendor) results in a deemed debtor-creditor relationship, it is therefore considered to be a receivable or payable from exchange transaction.

VAT Accrual:
In accordance with GRAP, the municipality recognises transactions on an accrual basis of accounting. Therefore, the transaction between the municipality and customer includes the provision of goods or services in cash or credit; and the levying and/or collection of VAT by the municipality from the customer.

Similarly, the transaction between the municipality and the supplier includes the supply of goods or services in cash or credit; and the obligation to recognise VAT by the supplier to the municipality from the customer.

The VAT accrual accounts therefore does not represent amounts to be received or paid to SARS, but rather amounts that are associated with transactions that are yet to be settled. As a result, the accrual transactions are considered to be contractual in nature, and therefore do not meet the definition of a statutory arrangement. As there is no transaction to “settle” with a specific counterparty at this point, the municipality considers the offsetting of the amounts as inappropriate, and has separately disclosed these transactions in the notes to the annual financial statements.

Input VAT Accrual represents amounts that are yet to be claimed from SARS, subject to settlement of the outstanding creditors by the municipality. This therefore shall be disclosed as a receivable from exchange transaction in accordance with GRAP 9.

Output VAT Accrual represents amounts that are yet to be paid to SARS, subject to collection from outstanding debtors of the municipality. This shall be accounted for as a trade and other payables in accordance with GRAP 19.

1.29 Unauthorised expenditure

Section 1 of the Municipal Finance Management Act (Act 56 of 2003) (MFMA), defines Unauthorised expenditure as follows:

- Overspending of the total amount appropriated in the municipality’s approved budget;
- Overspending of the total amount appropriated for a vote in the approved budget;
- Expenditure from a vote unrelated to the department or functional area covered by the vote;
- Expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.29 Unauthorised expenditure (continued)

- Spending of an allocation referred to in the above paragraphs of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- A grant by the municipality otherwise than in accordance with this Act.

Section 1 of the Municipal Finance Management Act (Act 56 of 2003) (MFMA) also defines a Vote as:

- One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- Which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

The municipality uses the Municipal Standard Chart of Accounts (mSCOA) Functions and Sub-functions, previously the Government Finance Statistics (GFS) functions, as well as departments as the main groupings of segments of the municipality's budget segments within the municipality are grouped per department to facilitate greater accountability and budget implementation by the respective Executive Directors as well as per mSCOA classification to facilitate comparisons on a higher level.

All expenditure relating to unauthorised expenditure is recognised as an expense in the Statement of financial performance 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 the Statement of financial performance.

1.30 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act 56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the municipality's supply chain management policy.

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of financial performance and where recovered, it is subsequently accounted for as revenue in the Statement of financial performance.

1.31 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 recognised as an expense in the Statement of financial performance 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 the Statement of financial performance.

1.32 Change in accounting policies, estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Details of changes in accounting policies, changes in estimates and correction of errors are disclosed in the notes to the audited annual financial statements where applicable.

1.33 Contingent assets and contingent liabilities

Contingent liabilities represent a possible obligation that arises from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability can also arise as a result of a present obligation that arises from past events but which is not recognised as a liability either because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Kouga Local Municipality

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Accounting Policies

1.33 Contingent assets and contingent liabilities (continued)

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the municipality.

1.34 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.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

2. Cash and cash equivalents

2.1 Cash and cash equivalents

The cash and cash equivalents consist of the following:

Call deposits and investments		
Deposit taking institutions	117,412,305	83,334,265
Cash at bank		
Bank account	26,246,080	21,600,325
Cash on hand	421	421
Total cash and cash equivalents	**143,658,806**	**104,935,011**

Call Deposits are investments with a maturity period of less than 3 months and earn interest rates varying from 7.00 % to 9,00% (2023: 7,00 % to 9,00 %) per annum.

INVESTEC	8.00%
STANDARD BANK	7.75%
ABSA 4088960791	8.11%
ABSA 9078617359	5.25%
ABSA 9379304142	8.90%
ABSA 9379302548	8.90%
NEDBANK	8.10%
RMB - MIG 1	7.90%
RMB - MIG 2	7.90%
RMB - MIG 3	7.90%
RMB - INEP	7.90%
RMB - FMG	7.90%
RMB - HOUSING	7.90%
RMB - KOUGA GENERAL	7.90%
RMB - KOUGA INVESTMENT	7.90%

Call deposits and investments by financial institution

Institution	Account number	Account type		
Standard Bank	588563250001	Call deposit accounts	26,516,585	17,575,390
ABSA	9379302548 / 9078617359	Call deposit accounts	1,609,158	17,594,066
ABSA	9379304142 /4088960791	Call deposit accounts	21,186,208	-
INVESTEC	1400138616500	Call deposit accounts	19,595,267	17,580,054
INVESTEC	1400138616501	Call deposit accounts	3,176,214	-
NEDBANK	37881037199	Call deposit accounts	22,593,060	17,580,746
RMB-MIG2	CDS-X021904708	Call deposit accounts	3,123,054	-
RMB-MIG3	CDS-X021904710	Call deposit accounts	54	7,592,728
RMB-HOUSING	CDS-X021904715	Call deposit accounts	35,415	2
RMB-GENERAL	CDS-X021904716	Call deposit accounts	19,577,290	5,411,279
Total investments			**117,412,305**	**83,334,265**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

2. Cash and cash equivalents (continued)

2.2 Bank accounts

The municipality has the following bank accounts:

First National Bank Limited	Account Type - Cheque Account Branch: Account Number 52540020791	10,314,022	15,413,737
First National Bank Limited	Account Type - Cheque Account Branch: Account Number 52540033504	8,553,426	3,874,471
First National Bank Limited	Account Type - Cheque Account Branch: Account Number 6268213591	3,833	779
First National Bank Limited	Account Type - Cheque Account Branch: Account Number 63022194441	7,374,799	2,311,338
Total		**26,246,080**	**21,600,325**

3. Trade and other receivables from exchange transactions

Trade service and consumer service debtors	3.1		
Electricity		34,037,393	32,462,402
Waste management		1,622,323	5,002,283
Waste water management		1,763,501	5,303,103
Water		13,534,303	23,974,116
Service charges		19,800	43,265
		50,977,320	**66,785,169**
Other receivables from exchange transactions	3.2		
VAT Receivable - Due from SARS		2,299,644	831,979
Debtors relating to the sale of auctioned assets		3,962,205	2,987,947
Input VAT Accrual on Outstanding Creditors		11,237,866	9,138,432
Merchandising, jobbing and contracts		1	724,064
Prepayments and advances		3,781,228	4,143,478
Property rental debtors		28,997	-
Control, Clearing and Interface Accounts		1,149,543	1,539,272
		22,459,484	**19,365,172**
Total trade and other receivables from exchange transactions		**73,436,804**	**86,150,341**

3.1 Trade service and consumer service debtors

The average credit period for trade service and consumer service debtors is 30 days. No interest is charged on trade receivables for the first 30 days from the date of the invoice. Thereafter interest is charged at the prime rate per annum on the outstanding balance. The municipality strictly enforces its approved credit control policy to ensure the recovery of trade service and consumer service debtors.

The management of the municipality is of the opinion that the carrying value of trade service and consumer service debtors approximate their fair values.

The fair value of trade service and consumer service debtors was determined after considering the standard terms and conditions of agreements entered into between the municipality and trade service and consumer service debtors as well as the current payment ratio's of the municipality's trade service and consumer service debtors.

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

3. Trade and other receivables from exchange transactions (continued)

	2024			2023		
	Gross	**Impairment**	**Total**	**Gross**	**Impairment**	**Total**
Trade service and consumer service debtors from exchange transactions						
Electricity	82,315,351	(48,277,958)	**34,037,393**	56,507,111	(24,044,709)	**32,462,402**
Waste management	103,836,482	(102,214,159)	**1,622,323**	91,662,726	(86,660,443)	**5,002,283**
Waste water management	63,560,637	(61,797,136)	**1,763,501**	60,207,133	(54,904,030)	**5,303,103**
Water	179,709,941	(166,175,638)	**13,534,303**	161,873,081	(137,898,965)	**23,974,116**
Service charges	6,433,245	(6,413,445)	**19,800**	5,763,722	(5,720,457)	**43,265**
Total trade service and consumer service debtors from exchange transactions	**435,855,656**	**(384,878,336)**	**50,977,320**	**376,013,773**	**(309,228,604)**	**66,785,169**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

3. Trade and other receivables from exchange transactions (continued)

3.1.1 Ageing of trade service and consumer service debtors

2024

		Not due	Past due			
	Total	**Current**	**30 days**	**60 days**	**90 days**	**120 days**
Trade service and consumer service debtors from exchange transactions						
Total by debt type						
Electricity	**82,315,351**	47,843,147	5,648,997	2,914,932	1,971,445	23,936,830
Waste management	**103,836,482**	6,365,107	2,392,728	1,924,221	1,696,648	91,457,778
Waste water management	**63,560,637**	6,184,475	2,208,126	1,648,180	1,341,613	52,178,243
Water	**179,709,941**	22,666,904	5,355,541	5,080,764	3,742,623	142,864,109
Service charges	**6,433,245**	471,574	25,015	12,764	31,719	5,892,173
Total by debt type	**435,855,656**	**83,531,207**	**15,630,407**	**11,580,861**	**8,784,048**	**316,329,133**

2023

		Not due	Past due				
	Total	**Current**	**30 days**	**60 days**	**90 days**	**120 days**	**120+ days**
Trade service and consumer service debtors from exchange transactions							

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

3. Trade and other receivables from exchange transactions (continued)

Total by debt type							
Electricity	**56,507,111**	15,243,374	16,874,729	2,208,875	1,439,679	1,149,254	19,591,200
Waste management	**91,662,726**	866,145	4,921,199	2,109,607	1,802,048	1,683,068	80,280,659
Waste water management	**60,207,133**	1,241,581	5,040,844	2,185,140	1,769,403	1,578,989	48,391,176
Water	**161,873,081**	17,924,240	9,513,628	6,426,149	6,937,790	6,156,874	114,914,400
Service charges	**5,763,722**	4,933	16,083	22,953	22,621	11,535	5,685,597
Total by debt type	**376,013,773**	**35,280,273**	**36,366,483**	**12,952,724**	**11,971,541**	**10,579,720**	**268,863,032**

3.1.2 Impairment reconciliation of trade service and consumer service debtors

	2024				2023		
	Opening balance	**Impairment raised**	**Impairment reversed / debt written off**	**Closing balance**	**Opening balance**	**Impairment raised**	**Closing balance**
Trade service and consumer service debtors from exchange transactions							
Electricity	(24,044,709)	(48,277,958)	24,044,709	**(48,277,958)**	(21,350,024)	(2,694,685)	**(24,044,709)**
Waste management	(86,660,443)	(102,214,159)	86,660,443	**(102,214,159)**	(70,095,820)	(16,564,623)	**(86,660,443)**
Waste water management	(54,904,030)	(61,797,136)	54,904,030	**(61,797,136)**	(41,707,929)	(13,196,101)	**(54,904,030)**
Water	(137,898,965)	(166,175,638)	137,898,965	**(166,175,638)**	(90,412,064)	(47,486,901)	**(137,898,965)**
Service charges	(5,720,458)	(6,413,444)	5,720,457	**(6,413,445)**	(6,372,701)	652,244	**(5,720,457)**
Total trade service and consumer service debtors	**(309,228,605)**	**(384,878,335)**	**309,228,604**	**(384,878,336)**	**(229,938,538)**	**(79,290,066)**	**(309,228,604)**

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

3. Trade and other receivables from exchange transactions (continued)

3.1.3 Credit quality of trade service and consumer service debtors

The Municipality deems outstanding debt less than 90 days to be receivables that are not considered for impairment, on the following basis:
- The Municipality has a stringent customer care, credit control and debt collection policy which is actively implemented by the Municipality.
- This includes monitoring of debtors accounts, implementation of physical disconnections where necessary, as well as incentive payment programmes.
- Therefore the Municipality views debt outstanding for less than 90 days being a fair reflection of the credit quality.

3.2 Other receivables from exchange transactions

	2024			2023		
	Gross	**Impairment**	**Total**	**Gross**	**Impairment**	**Total**
Other receivables from exchange transactions from exchange transactions						
VAT Receivable - Due from SARS	2,299,644	-	**2,299,644**	831,979	-	**831,979**
Debtors relating to the sale of auctioned assets	3,962,205	-	**3,962,205**	2,987,947	-	**2,987,947**
Input VAT Accrual on Outstanding Creditors	11,237,866	-	**11,237,866**	9,138,432	-	**9,138,432**
Merchandising, jobbing and contracts	1	-	**1**	724,064	-	**724,064**
Prepayments and advances	3,803,228	(22,000)	**3,781,228**	4,165,478	(22,000)	**4,143,478**
Property rental debtors	28,997	-	**28,997**	-	-	**-**
Control, Clearing and Interface Accounts	1,149,543	-	**1,149,543**	1,539,272	-	**1,539,272**
Total	**22,481,484**	**(22,000)**	**22,459,484**	**19,387,172**	**(22,000)**	**19,365,172**

3.2.1 Credit quality of other receivables from exchange transactions other receivables from exchange transactions

The Municipality deems outstanding debt less than 90 days to be receivables that are not considered for impairment, on the following basis:
- The Municipality has a stringent customer care, credit control and debt collection policy which is actively implemented by the Municipality.
- This includes monitoring of debtors accounts, implementation of physical disconnections where necessary, as well as incentive payment programmes.
- Therefore the Municipality views debt outstanding for less than 90 days being a fair reflection of the credit quality.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions

Consumer receivables	4.1		
Property rates		5,365,560	12,675,639
Other receivables	4.1		
Accrued income		3,378,394	4,096,846
Fines		17,907,165	12,242,036
		21,285,559	**16,338,882**
Total receivables		**26,651,119**	**29,014,521**
Current assets		26,651,119	29,014,521

4.1 Receivables from non-exchange transactions

	2024			2023		
	Gross	**Impairment**	**Total**	**Gross**	**Impairment**	**Total**
Consumer receivables						
Property rates	76,159,323	(70,793,763)	**5,365,560**	61,280,470	(48,604,831)	**12,675,639**
Other receivables						
Accrued income	3,378,394	-	**3,378,394**	4,096,846	-	**4,096,846**
Fines	134,664,313	(116,757,148)	**17,907,165**	116,258,117	(104,016,081)	**12,242,036**
	138,042,707	**(116,757,148)**	**21,285,559**	**120,354,963**	**(104,016,081)**	**16,338,882**
Total	**214,202,030**	**(187,550,911)**	**26,651,119**	**181,635,433**	**(152,620,912)**	**29,014,521**

4.1.1 Ageing of receivables from non-exchange transactions

2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions (continued)

		Not due	Past due			
	Total	Current	30 days	60 days	90 days	120 days
Consumer receivables						
Property rates	**76,159,323**	15,707,365	4,521,234	3,178,661	2,173,560	50,578,503
Other receivables						
Accrued income	**3,378,394**	3,378,394	-	-	-	-
Fines	**134,664,313**	134,664,313	-	-	-	-
	138,042,707	**138,042,707**	**-**	**-**	**-**	**-**
Total	**214,202,030**	**153,750,072**	**4,521,234**	**3,178,661**	**2,173,560**	**50,578,503**

2023

		Not due	Past due				
	Total	Current	30 days	60 days	90 days	120 days	120+ days
Consumer receivables							
Property rates	**61,280,470**	595,146	13,231,693	2,502,444	1,735,268	1,258,904	41,957,015
Other receivables							
Accrued income	**4,096,846**	4,096,846	-	-	-	-	-
Fines	**116,258,117**	116,258,117	-	-	-	-	-
	120,354,963	**120,354,963**	**-**	**-**	**-**	**-**	**-**
Total	**181,635,433**	**120,950,109**	**13,231,693**	**2,502,444**	**1,735,268**	**1,258,904**	**41,957,015**

Statutory receivables:

Property rates and traffic fines are considered to be statutory receivables, and are reported at the amounts indicated in the above mentioned tables.

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions (continued)

Transactions arises from statute
Traffic fines are issued to offenders in terms of the Administrative of Road Traffic Offences (AARTO Act) and Criminal Procedures Act, by the way of notices to offenders which specify the value of the fine that must be paid.
.
Property rates is charged in terms of the Municipal Property Rates Act.

Determination of transaction amount
Traffic Fines are determined in terms of Schedule 3 of the AARTO Regulations 2008 indicates the charge codes and descriptions, penalties and their discounts, and demerit points

Interest or other charges levied/charged
No interest is charged on outstanding fines, and any additions are further applied by the court is paid by the offender to the municipality then paid to the court.

Interest on property rates is raised on overdue accounts at xxx% per annum in accordance with the National Credit Act, in respect of arrears arising after 1 November 2016. Arrear accounts arising before 31 October 2016 is charged interest at a rate of xxxx% per annum.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions (continued)

4.1.2 Impairment reconciliation of receivables from non-exchange transactions

	2024				2023		
	Opening balance	Impairment raised	Impairment reversed / debt written off	Closing balance	Opening balance	Impairment raised	Closing balance
Consumer receivables							
Property rates	(48,604,832)	(70,793,762)	48,604,831	**(70,793,763)**	(39,237,678)	(9,367,153)	**(48,604,831)**
Other receivables							
Fines	(104,016,081)	(12,741,067)	-	**(116,757,148)**	(32,052,115)	(71,963,966)	**(104,016,081)**
Total	**(152,620,913)**	**(83,534,829)**	**48,604,831**	**(187,550,911)**	**(71,289,793)**	**(81,331,119)**	**(152,620,912)**

Basis used to access and test whether a statutory receivable is impaired:

Traffic fines

The Municipality account for traffic fines impairment in accordance with iGRAP 1. Management considered receivables individually that may be impaired as well as groups of similar receivables that may be impaired. Management takes into account expired warrants for individual impairment. The Municipality assesses the average collection rate in the determination of the group impairment percentage to be considered.

Property rates

The Allowance for Impairment was calculated after assessing each individual receivable for property rates, and calculating the recoverability ratio based on the specific collection rate, a grouping of the rest of the financial assets of similar nature and risk ratings and assessing the recoverability.

4.1.3 Credit quality of other receivables from non-exchange transactions

The credit quality of other receivables from non-exchange transactions that are neither past nor due nor impaired can be assessed by reference to historical information about counterparty default rates:

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
5. Inventories			
Materials and supplies		20,785,014	17,404,494
Water	5.1	1,664,499	1,193,536
Total Inventories		**22,449,513**	**18,598,030**

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. Adjustment of Inventory to Net Realisable Value was required.

5.1 Water		
Opening balance	1,193,536	798,678
System input volume	35,117,321	40,754,722
Authorised consumption	(34,646,358)	(40,359,864)
Closing balance	**1,664,499**	**1,193,536**
6. Deposits		
Deposits	893,543	893,543
7. Operating leases		
Operating leases	105,634	109,349
7.1 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	109,349	152,713
Operating Lease Revenue effected	(3,715)	(43,364)
	105,634	**109,349**

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.

7.2 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	406,032	385,711
2 to 5 years	981,521	793,966
	1,387,553	**1,179,677**

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

8. Investment property

8.1 Reconciliation of carrying value

Opening carrying value		
Cost	251,673,471	262,608,444
Carrying value of disposals / transfers		
Cost	(879,924)	-
Other movements	-	(10,934,973)
Closing carrying value	**250,793,547**	**251,673,471**
Cost	250,793,547	251,673,471

No Investment property had been pledged as security for any liabilities of the municipality.

The municipality has not depreciated its assets, due to the residual value of the investment property assets equalling the cost of the assets, as assessed at the end of the financial year..

The prior year comparatives have been restated, please refer to note 57 for more detail information .

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment

9.1 Summary

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	233,939,041	-	233,939,041	216,596,877	-	216,596,877
Transport Assets	115,106,543	(52,806,466)	62,300,077	112,132,941	(44,936,083)	67,196,858
Electrical Infrastructure	277,304,977	(92,531,249)	184,773,728	265,287,873	(84,706,758)	180,581,115
Water Supply Infrastructure	564,797,732	(170,815,669)	393,982,063	543,600,745	(149,825,635)	393,775,110
Sanitation Infrastructure	666,900,138	(231,007,414)	435,892,724	650,455,347	(209,249,999)	441,205,348
Solid Waste Infrastructure	73,259,019	(59,559,524)	13,699,495	77,028,161	(55,950,119)	21,078,042
Machinery and Equipment	15,506,602	(9,592,395)	5,914,207	14,598,084	(8,087,693)	6,510,391
Furniture and Office Equipment	29,068,420	(23,297,497)	5,770,923	29,955,502	(23,247,109)	6,708,393
Computer Equipment	11,794,184	(8,132,587)	3,661,597	10,377,349	(6,746,576)	3,630,773
Roads Infrastructure	1,030,540,610	(462,331,482)	568,209,128	1,002,143,978	(431,390,507)	570,753,471
Storm water Infrastructure	76,123,663	(23,970,157)	52,153,506	75,816,061	(22,154,983)	53,661,078
Community Assets	64,847,870	(10,557,112)	54,290,758	58,285,727	(9,887,475)	48,398,252
Other Assets - Buildings	53,882,185	(6,853,659)	47,028,526	53,844,774	(6,247,717)	47,597,057
Total	**3,213,070,984**	**(1,151,455,211)**	**2,061,615,773**	**3,110,123,419**	**(1,052,430,654)**	**2,057,692,765**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment – 2024

	Opening balance	Additions	Disposals	Transfers received and Donated assets recognised	Transfers made	Decommisioning, rehabilitation and restoration changes	Depreciation	Impairment loss/ reversal	Total
Land	216,596,877	-	(657,836)	18,000,000	-	-	-	-	**233,939,041**
Transport Assets	67,196,856	4,367,795	(33,175)	-	-	-	(9,210,198)	(21,201)	**62,300,077**
Electrical Infrastructure	186,934,757	5,663,463	-	8,889,528	(8,889,528)	-	(7,186,053)	(638,439)	**184,773,728**
Water Supply Infrastructure	393,775,110	21,196,987	-	24,056,951	(24,056,951)	-	(20,533,862)	(456,172)	**393,982,063**
Sanitation Infrastructure	434,851,708	22,798,431	-	-	-	-	(21,464,625)	(292,790)	**435,892,724**
Solid Waste Infrastructure	21,078,042	-	-	-	-	(3,769,142)	(3,609,405)	-	**13,699,495**
Machinery and Equipment	6,510,391	1,013,917	(11,351)	-	-	-	(1,578,030)	(20,720)	**5,914,207**
Furniture and Office Equipment	6,708,391	913,380	(105,384)	-	-	-	(1,680,588)	(64,876)	**5,770,923**
Computer Equipment	3,630,773	1,504,327	(33,568)	-	-	-	(1,421,729)	(18,206)	**3,661,597**
Roads Infrastructure	570,753,471	28,549,234	(42,144)	5,941,095	(5,941,095)	-	(30,885,139)	(166,294)	**568,209,128**
Storm water Infrastructure	53,661,078	307,602	-	-	-	-	(1,815,174)	-	**52,153,506**
Community Assets	48,398,252	6,562,143	-	9,399,056	(9,399,056)	-	(669,637)	-	**54,290,758**
Other Assets - Builldings	47,597,057	37,411	-	-	-	-	(605,942)	-	**47,028,526**
Total	**2,057,692,763**	**92,914,690**	**(883,458)**	**66,286,630**	**(48,286,630)**	**(3,769,142)**	**(100,660,382)**	**(1,678,698)**	**2,061,615,773**

Reconciliation of property, plant and equipment – 2023

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

	Opening balance	Additions	Disposals	Transfers received	Transfers made	Decommisioning, rehabilitation and restoration changes	Depreciation	Impairment loss/ reversal	Total
Land	216,596,877	-	-	-	-	-	-	-	**216,596,877**
Transport Assets	59,163,990	16,911,774	(4,367)	-	-	-	(8,874,539)	-	**67,196,858**
Electrical Infrastructure	188,485,150	485,086	-	1,394,437	(1,394,437)	-	(7,168,580)	(1,220,541)	**180,581,115**
Water Supply Infrastructure	372,609,508	45,053,128	-	71,419,164	(71,419,164)	-	(19,090,261)	(4,797,265)	**393,775,110**
Sanitation Infrastructure	447,990,852	29,227,969	-	34,044,876	(34,044,876)	-	(21,829,793)	(14,183,680)	**441,205,348**
Solid Waste Infrastructure	26,166,546	-	-	-	-	78,787	(5,167,291)	-	**21,078,042**
Machinery and Equipment	7,434,752	974,592	(82,025)	1,056,651	(1,056,651)	-	(1,569,248)	(247,680)	**6,510,391**
Furniture and Office Equipment	8,008,713	1,591,448	(27,839)	-	-	-	(2,055,960)	(807,969)	**6,708,393**
Computer Equipment	3,332,764	1,677,294	(18,120)	-	-	-	(1,361,165)	-	**3,630,773**
Roads Infrastructure	589,305,889	13,241,115	(1,187,229)	27,775,107	(27,775,106)	-	(30,582,866)	(23,439)	**570,753,471**
Storm water Infrastructure	55,645,718	-	-	-	-	-	(1,984,640)	-	**53,661,078**
Community Assets	45,561,629	4,058,359	-	7,659,196	(7,659,196)	-	(609,704)	(612,032)	**48,398,252**
Other Assets	49,489,925	-	-	925,945	(925,945)	-	(600,926)	(1,291,942)	**47,597,057**
Total	**2,069,792,313**	**113,220,765**	**(1,319,580)**	**144,275,376**	**(144,275,375)**	**78,787**	**(100,894,973)**	**(23,184,548)**	**2,057,692,765**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

The prior year comparatives have been restated, please refer to note 57 for more detail information

No Assets pleadged as security.

Property , Plant and Equipment leased **by the municipality**:

.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.

Impairment of Property, plant and Equipment

Impairment Losses on Property, Plant and Equipment to the amount of R1 678 698 (2023: R23 184 529) has been recognised in operating surplus and are included in Impairment Losses in the Statement of Financial Performance. The main reasons for the impairment are vandalism of municipal assets and the components being obsolete. This was impaired to the extent of the components usefulness.

Delayed projects
No delayed projects have been identified for disclosure in the annual financial statements

9.2 Property, plant and equipment under construction

2024

	Electrical infrastructure	Water Infrastructure	Community assets	Roads Infrastructure	Sanitation Infrastructure	Storm water Infrastructure	Total
Reconciliation of Work-in-Progress 2024							
Opening balance	14,749,475	35,999,992	4,102,150	559,419	26,758,621	-	82,169,657
Additions/Capital expenditure	5,744,209	21,196,987	6,562,143	28,549,234	22,650,208	10,435	84,713,216
Transferred to completed items	(8,889,527)	(24,056,951)	(9,399,055)	(5,941,095)	-	-	(48,286,628)
Total	**11,604,157**	**33,140,028**	**1,265,238**	**23,167,558**	**49,408,829**	**10,435**	**118,596,245**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

2023

	Electrical Infrastructure	Water Infrastructure	Community assets	Roads Infrastructure	Sanitation Infrastructure	Total
Reconciliation of Work-in-Progress 2023						
Opening balance	9,790,292	58,651,304	9,685,583	15,093,410	41,483,470	134,704,059
Additions/Capital expenditure	6,353,640	48,767,852	4,058,359	13,241,115	19,320,027	91,740,993
Impairment	(1,220,541)	(4,797,265)	-	(23,439)	(14,183,680)	(20,224,925)
Transferred to completed items	(1,394,437)	(71,419,164)	(9,641,792)	(27,775,106)	(34,044,876)	(144,275,375)
Total	**13,528,954**	**31,202,727**	**4,102,150**	**535,980**	**12,574,941**	**61,944,752**

9.3 Maintenance of property, plant and equipment

2024

The following maintenance costs were incurred:

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Preventative maintenance	7,703,884	3,264,197	516,857	10,320,826	3,266,948	25,072,712
Corrective maintenance	28,703,993	-	141,915	-	450,634	29,296,542
Total	**36,407,877**	**3,264,197**	**658,772**	**10,320,826**	**3,717,582**	**54,369,254**

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

2023

The following maintenance costs were incurred:

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Preventative maintenance	16,677,289	3,227,863	356,843	8,471,963	255,078	28,989,036
Corrective maintenance	14,989,020	-	237,007	-	3,457,400	18,683,427
Total	**31,666,309**	**3,227,863**	**593,850**	**8,471,963**	**3,712,478**	**47,672,463**

9.3.1 Maintenance of property, plant and equipment by nature and type of expenditure

2024

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Direct costs						
Contracted Services	12,760,370	2,201,563	426,456	8,007,673	3,068,390	26,464,452
Inventory Consumed	16,938,451	1,062,634	232,315	2,313,153	649,192	21,195,745
Operational Cost	6,709,055	-	-	-	-	6,709,055
Total	**36,407,876**	**3,264,197**	**658,771**	**10,320,826**	**3,717,582**	**54,369,252**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

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Figures in Rand thousand

9. Property, plant and equipment (continued)

2023

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Direct costs						
Contracted Services	18,101,501	2,280,568	318,470	6,869,150	3,351,450	30,921,139
Inventory Consumed	11,622,946	947,296	275,380	1,602,813	359,038	14,807,473
Operational Cost	1,941,861	-	-	-	1,990	1,943,851
	31,666,308	**3,227,864**	**593,850**	**8,471,963**	**3,712,478**	**47,672,463**

Kouga Local Municipality

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Figures in Rand thousand		2024	2023

10. Intangible assets

10.1 Reconciliation of carrying value

2024

		Computer software	Total
Opening carrying value as at 01 July 2023			
Cost		2,117,022	2,117,022
Accumulated depreciation and impairment		(1,514,473)	(1,514,473)
		602,549	**602,549**
Amortisation	36	(201,030)	(201,030)
Carrying value of disposals / transfers			
Cost		17,090	17,090
Closing carrying value as at 30 June 2024		**418,609**	**418,609**
Cost		2,134,112	2,134,112
Accumulated amortisation and impairment		(1,715,503)	(1,715,503)
		418,609	**418,609**

2023

		Computer software	Total
Opening carrying value as at 01 July 2022			
Cost		2,153,380	2,153,380
Accumulated depreciation and impairment		(1,283,599)	(1,283,599)
		869,781	**869,781**
Correction of prior period errors		(36,358)	(36,358)
Amortisation	36	(265,675)	(265,675)
		(302,033)	**(302,033)**
Carrying value of disposals / transfers			
Cost		34,801	34,801
Closing carrying value as at 30 June 2023		**602,549**	**602,549**
Cost		2,151,823	2,151,823
Accumulated amortisation and impairment		(1,549,274)	(1,549,274)
		602,549	**602,549**

11. Lease liabilities

Finance lease liabilities	11.1	23,375,383	35,544,074
Less: Transferred to current liabilities		(11,144,269)	(12,168,692)
Total non-current liabilities		**12,231,114**	**23,375,382**

11.1 Obligation under finance leases

The municipality as lessee

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Figures in Rand thousand		2024	2023

11. Lease liabilities (continued)

The obligations under finance leases are as follow:

Total future minimum lease payments			
Payable within 1 year		13,982,669	14,736,608
Payable within 2 to 5 years		13,821,451	25,403,817
Total minimum lease payments		**27,804,120**	**40,140,425**
Less: Future finance charges		(4,428,737)	(4,596,351)
Total		**23,375,383**	**35,544,074**
Present value of minimum lease payments			
Payable within 1 year		11,144,269	12,168,692
Payable within 2 to 5 years		12,231,114	23,375,382
Total		**23,375,383**	**35,544,074**
Current liability		11,144,269	12,168,692
Non-current liability		12,231,114	23,375,382

12. Employee benefits

Non-current employee benefits			
Post employment health care benefits	12.1	97,024,999	91,990,999
Ex-Gratia pension benefits	12.2	40,300	41,260
Long-service awards	12.5	14,562,000	14,606,000
		111,627,299	**106,638,259**
Current employee benefits			
Post employment health care benefits	12.1	4,505,000	3,736,000
Ex-Gratia pension benefits	12.2	8,810	8,820
Bonus	12.3	1,332,661	2,130,578
Leave	12.4	44,559,430	36,032,522
Long-service awards	12.5	3,021,000	2,680,000
		53,426,901	**44,587,920**
Total		**165,054,200**	**151,226,179**

12.1 Post employment health care benefits

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 2024 by Arch Actuarial Consulting. 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 Post Employee Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follow:

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12. Employee benefits (continued)

	Number	
In-service members (Employees)	438	429
Continuation members (Retirees)	82	81
In-service Non members (Employees)	319	343
Total members	**839**	**853**

The liability in respect of past service has been estimated as follows:

In-service members (Employees)	45,741,000	51,875,999
Continuation members (Retirees)	55,788,999	43,851,000
Total liability	**101,529,999**	**95,726,999**
Current	4,505,000	3,736,000
Non-current	97,024,999	91,990,999

12.1.1 Defined benefit plan

Movements in the present value of the defined benefit obligation

Opening Balance	95,726,999	91,641,745
Service cost - current service cost	3,815,000	7,547,110
Interest cost	11,720,000	11,583,601
Actual employer benefit payments	(3,736,000)	(6,507,822)
Remeasurements - Actuarial loss/ (gain) recognised in the year	(5,996,000)	(8,537,635)
Present value of fund obligation at the end of the year	**101,529,999**	**95,726,999**

The Current-service Cost for the year ending 30 June 2024 is estimated to be R3 815 000, whereas the cost for the ensuing year is estimated to be R4 079 000 (30 June 2023: R 3 8 11000 and R 3 815000 respectively)."

The principal assumptions used for the purposes of the actuarial valuations were as follow:

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount rate	12.25%	12.48%
Health care cost inflation rate	6.22%	8.09%
Net effective discount rate	4.21%	4.06%
Expected Retirement Age -Females	62	62
Expected Retirement Age - Males	62	62

GRAP 25 defines the determination of the Discount Rate Assumption to be used as follow:

- 'The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.'
- The Actuaries used the nominal and real zero curves as at 30 June 2024 supplied by the JSE to determine the discount rates and CPI assumptions at each relevant time period. In the event that the valuation is performed prior to the effective valuation date, they used the prevailing yield at the time of performing their calculations. The methodology was changed from a point estimate to that of a curve in order to present a more accurate depiction of the liability. Previously only one discount rate was used to value all the liabilities. This changed methodology would be seen as a change in estimate basis.

Mortality rates

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Figures in Rand thousand		2024	2023

12. Employee benefits (continued)

Mortality before retirement has been based on the SA 85-90 mortality tables. These are the most commonly used tables in the industry. Mortality post-employment (for pensioners) has been based on the PA (90) ultimate mortality tables.

Normal retirement age

The average retirement age for all active employees was assumed to be 62 years. This assumption implicitly allows for ill-health and early retirements. The normal retirement age (NRA) for all active employees was assumed to be x years.

Amounts recognised in the statement of financial position

The amounts recognised in the statement of financial position is as follows:

Present value of unfunded obligations		101,529,999	95,726,999

Amounts recognised in the statement of financial performance

The amounts recognised in the statement of financial performance is as follows:

Service cost - Current service cost		3,815,000	7,547,110
Interest cost		11,720,000	11,583,601
Remeasurements - Actuarial loss/ (gain) recognised in the year		(5,996,000)	(8,537,635)
Total post-retirement benefit included in employee related costs	31	**9,539,000**	**10,593,076**

History of experienced adjustments

	2020	**2021**	**2022**	**2023**	**2024**
Present value of defined benefit obligation	83,222,393	89,626,999	92,123,834	95,727,000	101,530,000

The effect of a 1% movement in the assumed rate of health care cost inflation is as follow:

	+1% Increase	**Increase**
Effect on the defined benefit obligation	116,518,000	110,146,000
Effect on the aggregate of the interest cost and current service cost	18,174,000	18,027,552

The municipality expects to make a contribution of R 113 273 000 to the Defined Benefit Plan during the next financial year.

Refer to note 56 Retirement Benefit Information to the audited annual financial statements for more information regarding the municipality's other retirement funds that is Provincially and Nationally administered.

12.2 Ex-Gratia pension benefits

12.2.1 Post-retirement Pension Benefits Liability

Movements in the present value of the defined benefit obligation		
Opening Balance	50,080	52,246
Interest cost	13,400	13,245
Actual employer benefit payments	(17,630)	(17,785)
Remeasurements - Actuarial (Gains) / Losses recognised	3,260	2,374
Closing balance	**49,110**	**50,080**
Current	8,810	8,820
Non-current	40,300	41,260

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

12. Employee benefits (continued)

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.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2024 by Arch Actuarial Consulting. 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.

		Number	
In-service members (Employees)		5	5
In-service members (Employees)		49,110	50,080
Lump sum benefit		49,110	50,080

The interest-cost for the next year is estimated to be R4 590.00 -. The actuaries are of opinion that future service cost need not be determined for pension fund liability as all benefits vests immediately.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Lump sum valuation			
Discount rate		9.79 %	10.03 %
Net effective discount rate		9.79 %	10.03 %

Mortality rates

Mortality before retirement has been based on the PA (90) mortality tables. These are the most commonly used tables in the industry. It was assumed that female spouses would be five years younger than their male spouses and vice versa.

Normal retirement age

The average retirement age for all active employees was assumed to be 62 years. This assumption implicitly allows for ill-health and early retirements. The normal retirement age (NRA) for all active employees was assumed to be 62 years.

Amounts recognised in the statement of financial position

The amounts recognised in the statement of financial position are as follow:

Present value of funded obligations		49,110	50,080

Amounts recognised in the statement of financial performance

The amounts recognised in the statement of financial performance are as follow:

Interest cost		13,400	13,245
Remeasurements - Actuarial (gains) / losses recognised		3,260	2,374
Total post-retirement benefit included in employee related costs	31	**16,660**	**15,619**

History of experienced adjustments

The effect of a 1% movement in the assumed rate of pension increase inflation is as follow:

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12. Employee benefits (continued)

	1% Decrease	1% Increase
Effect on the interest cost	4,340	4,425
Effect on the defined benefit obligation	49,110	50,080

The municipality expects to make a contribution of R 49 110 to the Defined Benefit Plan during the next financial year.

Refer to note 56 Retirement Benefit Information to the audited annual financial statements for more information regarding the municipality's other retirement funds that is Provincially and Nationally administered.

12.3 Bonus

12.3.1 Provision for bonus

Movements in the present value of the defined benefit obligation		
Opening Balance	2,130,577	1,805,097
Additional provisions raised	(797,916)	325,481
Closing balance	**1,332,661**	**2,130,578**
Current	1,332,661	2,130,578

12.4 Leave

12.4.1 Leave employee obligation

Movements in the present value of the leave obligation		
Opening Balance	36,032,523	33,508,919
Additional provisions raised	8,526,907	2,523,603
Closing balance	**44,559,430**	**36,032,522**
Current	44,559,430	36,032,522

12.5 Long-service awards

12.5.1 Provision for long-service awards

Movements in the present value of the employee benefit obligation		
Opening Balance	17,286,000	18,958,334
Additional provisions raised	4,859,000	4,582,153
Increases (Passage of Time/Discounted Rate)	1,770,000	1,780,630
Reductions (Payments, remeasurement etc.)	(6,332,000)	(2,680,000)
Reversals	-	(5,355,117)
Closing balance	**17,583,000**	**17,286,000**
Current	3,021,000	2,680,000
Non-current	14,562,000	14,606,000

Long-service award

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.

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2024 by Arch Actuarial Consulting. 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, 757 (2023: 772) employees were eligible for Long-service Awards.

The principal assumptions used for the purposes of the actuarial valuations were as follow:

Discount rate	10.83	11.08%
Consumer Price Inflation (CPI)	4.98	6.47%
Normal salary increase rate CPI+1	5.98	CPI+1%
Net effective discount rate	4.57	4.33%
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

GRAP 25 defines the determination of the Discount Rate Assumption to be used as follow:

The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.

The Actuaries used the nominal and real zero curves as at 30 June 2024 supplied by the JSE to determine the discount rates and CPI assumptions at each relevant time period. In the event that the valuation is performed prior to the effective valuation date, they used the prevailing yield at the time of performing their calculations. The methodology was changed from a point estimate to that of a curve in order to present a more accurate depiction of the liability. Previously only one discount rate was used to value all the liabilities. This changed methodology would be seen as a change in estimate basis.

Amounts recognised in the statement of financial position

The amounts recognised in the statement of financial position are as follow:

Present value of funded obligations		17,583,000	17,286,000

Amounts recognised in the statement of financial performance

The amounts recognised in the statement of financial performance are as follow:

Current service cost		1,881,000	1,902,153
Interest cost		1,745,000	1,780,630
Total expense included in employee related costs	31	**3,626,000**	**3,682,783**

	2024	2023	2022	2021	2020
The history of experienced adjustments is as follows:					
Present Value of Defined Benefit Obligation	17,583,000	17,286,000	18,958,334	17,175,000	16,490,264

The effect of a 1% movement in the withdrawal rates are as follow on the ensuing years assumptions:

	1% Decrease	1% Increase
Effect on the defined benefit obligation	16,802,000	18,429,000
Effect on the aggregate of the current service cost	3,418,000	3,816,000
Effect on the aggregate of the interest cost	3,639,000	3,580,000

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Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

The municipality expects to make a contribution of R 18,188,000 to the employee benefit obligation during the next financial year.

13. Consumer deposits

Building plans	13,237,017	11,569,970
Electricity	15,141,518	14,301,679
Rental properties	51,073	104,939
Water	3,134,504	2,987,483
Wayleave	96,000	96,000
Total	**31,660,112**	**29,060,071**

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.

14. Trade and other payables from exchange transactions

Bulk purchases	14.1	46,288,423	36,611,854
Retentions	14.2	6,457,381	7,067,757
Control and clearing accounts		4,876,730	4,987,422
Other payables	14.3	99,938,283	96,814,405
Statutory payables	14.4	1,116,527	1,149,050
Total		**158,677,344**	**146,630,488**
Current		158,677,344	146,630,488

14.1 Bulk purchases

Bulk water	1,836,559	1,566,903
Bulk electricity	44,451,864	35,044,951
Total	**46,288,423**	**36,611,854**

14.2 Retentions

Retentions	6,457,381	7,067,757

14.3 Other payables

Output VAT Accrual	50,660,320	45,770,304
Auditor-General of South Africa	-	13,428
Output VAT Accural - Provision for Doubtful Debt Impairment	(35,205,471)	(25,337,207)
Payables and accruals	36,381,303	26,545,886
Unallocated deposits	20,727,613	19,784,891
Advance payments	27,374,518	30,037,103
Total	**99,938,283**	**96,814,405**

14.4 Statutory payables

Compensation commission (COID)	1,116,527	1,149,050

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

15. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent

		2024				2023			
		Opening balance	Funds received	Transfer to revenue	Closing balance	Opening balance	Funds received	Transfer to revenue	Closing balance
Capital									
Monetary Allocations	15.1	25,735,689	79,941,780	(66,886,583)	**38,790,886**	2	125,225,205	(99,489,519)	**25,735,688**
Operational									
Monetary Allocations	15.2	3,258,143	9,634,400	(12,892,543)	**-**	-	9,689,550	(6,431,407)	**3,258,143**
Total		**28,993,832**	**89,576,180**	**(79,779,126)**	**38,790,886**	**2**	**134,914,755**	**(105,920,926)**	**28,993,831**

15.1 Unspent capital monetary allocations

	2024				2023			
	Opening balance	Funds received	Transfer to revenue	Closing balance	Opening balance	Funds received	Transfer to revenue	Closing balance
National Government								
Integrated National Electrification Programme Gran	2,894,953	4,089,000	(6,297,650)	**686,303**	-	8,100,000	(5,205,047)	**2,894,953**
Municipal Disaster Relief Grant	3,000,000	10,550,000	(3,169,259)	**10,380,741**	-	3,000,000	-	**3,000,000**
Municipal Infrastructure Grant	-	33,124,600	(33,124,600)	**-**	-	34,096,450	(34,096,450)	**-**
Water Services Infrastructure Grant	-	30,000,000	(22,832,114)	**7,167,886**	-	54,339,469	(54,339,469)	**-**
Total	**5,894,953**	**77,763,600**	**(65,423,623)**	**18,234,930**	**-**	**99,535,919**	**(93,640,966)**	**5,894,953**
Provincial Government								
Eastern Cape: Human Settlements	19,840,736	2,178,180	(1,462,960)	**20,555,956**	2	25,689,286	(5,848,553)	**19,840,735**
Total unspent capital monetary allocations	**25,735,689**	**79,941,780**	**(66,886,583)**	**38,790,886**	**2**	**125,225,205**	**(99,489,519)**	**25,735,688**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

15. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

15.2 Unspent operational monetary allocations

	2024			2023			
	Opening balance	**Funds received**	**Transfer to revenue**	**Opening balance**	**Funds received**	**Transfer to revenue**	**Closing balance**
National Government							
Energy Efficiency and Demand Side Management Grant	-	4,000,000	(4,000,000)	-	-	-	-
Expanded Public Works Programme Integrated Grant	-	2,321,000	(2,321,000)	-	1,175,000	(1,175,000)	-
Local Government Financial Management Grant	-	1,570,000	(1,570,000)	-	1,720,000	(1,720,000)	-
Municipal Infrastructure Grant	-	1,743,400	(1,743,400)	-	1,794,550	(1,794,550)	-
Total	**-**	**9,634,400**	**(9,634,400)**	**-**	**4,689,550**	**(4,689,550)**	**-**
Provincial Government							
Eastern Cape	3,258,143	-	(3,258,143)	-	5,000,000	(1,741,857)	**3,258,143**
Total unspent operational monetary allocations	**3,258,143**	**9,634,400**	**(12,892,543)**	**-**	**9,689,550**	**(6,431,407)**	**3,258,143**

16. Provision

Landfill Sites	16.1	119,432,937	118,827,257
Environmental Cleanup Provision	16.2	1,000,000	1,147,460
Total		**120,432,937**	**119,974,717**
Current		1,000,001	1,147,461
Non-current		119,432,936	118,827,256

Environmental - Illegal dumping of builders and other rubble is taking 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.

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16. Provision (continued)

16.1 Landfill Sites

Opening Balance	118,827,256	114,616,144
Additional provisions raised	4,374,823	12,928,730
Reversals	(3,769,142)	(8,717,617)
Closing balance	**119,432,937**	**118,827,257**
Current	1	1
Non-current	119,432,936	118,827,256

16.2 Environmental Cleanup Provision

Opening Balance	1,147,460	1,925,750
Reductions (Payments, remeasurement etc.)	(147,460)	(778,290)
Closing balance	**1,000,000**	**1,147,460**
Current	1,000,000	1,147,460

17. Reserves and funds

Capital Replacement Reserve	5,759,077	-

The Capital Replacement Reserve relates to setting aside funds for future capital replacement of assets. Where development charges are realised, these funds are recognised as revenue, and thereafter used to fund the capital replacement reserve by transferring these funds from Accumulated Surplus to the Capital Replacement Reserve.

Distributions from the Capital Replacement Reserve can be made when it is in accordance with the requirements of the municipality's accounting policy.

Refer to Statement of Changes in Net Assets for more detail and the movement on Reserves.

18. Services charges

Electricity		
Exchange – Consumption	380,375,534	306,476,963
Waste management		
Exchange – Consumption	57,487,680	61,945,030
Waste water management		
Exchange – Consumption	59,633,132	61,796,904
Water		
Exchange – Consumption	109,872,623	117,399,855
Total	**607,368,969**	**547,618,752**
Exchange	607,368,969	547,618,752

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19. Sales of goods and rendering of services

Advertisements	1,182	-
Application Fees for Land Usage	247,051	328,204
Building Plan Approval	4,349,602	4,777,237
Camping Fees	-	13,082
Cemetery and Burial	360,771	372,034
Cleaning and Removal	3,152	14,817
Encroachment Fees	-	166
Fire Services	15,964	14,855
Legal Fees	1,872,408	1,935,325
Photo copies, Faxes and Telephone charges	13,251	8,503
Removal of Restrictions	542,552	534,283
Sale of Goods	-	1,006,522
Scrap, Waste & Other Goods	1,067	926
Valuation Services	35,497	182,834
Total	**7,442,497**	**9,188,788**

20. Agency services

Provincial	3,615,485	2,677,528

The Municipality entered into an agreement with the Eastern Cape Department of Transport, to collect process and collect driver licenses on behalf of the Department. The municipality act as an agent to this transaction in accordance with GRAP 109, Principal agent arrangements.
A fee of 19% plus VAT of the total revenue collected is payable to the Municipality by deducting the fee amount from the funds collected on a daily basis.

21. Interests earned from bank and investments

Bank accounts	4,760,796	2,909,170
Short-term investments and call accounts	8,201,602	3,915,092
Total	**12,962,398**	**6,824,262**

22. Rental from fixed assets

Market related	233,129	177,496
Non-market related	3,316,439	2,435,990
Total	**3,549,568**	**2,613,486**

22.1 Rental by asset class

Market related		
Property, plant and equipment	233,129	177,496
Non-market related		
Property, plant and equipment	830,634	409,639
Investment property	2,485,805	2,026,351
	3,316,439	**2,435,990**
Total	**3,549,568**	**2,613,486**

22.2 Rental by type

Market related

Property, plant and equipment

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Figures in Rand thousand		2024	2023

22. Rental from fixed assets (continued)

Community assets		
• Straight-lined operating	233,129	177,496
Non-market related		
Property, plant and equipment		
Other assets		
• Straight-lined operating	830,634	409,639
Investment property		
Straight-lined operating	2,485,805	2,026,351
Total	**3,549,568**	**2,613,486**

23. Property rates

Agricultural property	9,132,294	8,842,964
Business and commercial properties	27,961,580	26,424,579
Industrial properties	5,765,735	4,785,831
Public benefit organisations	152,263	205,427
Public service purposes properties	3,165,126	2,521,575
Residential properties	201,319,256	184,820,828
Special rating area	11,975,454	10,234,532
Vacant land	20,730,945	21,678,650
Total	**280,202,653**	**259,514,386**

Valuation as at 30 June 2024

Valuations on land and buildings are performed every 4 years. The last general valuation came into effect on 2023/07/01. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

A general rate is applied as follows to property valuations to determine property rates:

Residential Properties: 0,007380 c/R (2022/23: 0,009685 c/R)

Business Properties: 0,009225 c/R (2022/23: 0,0121063 c/R)

Agricultural Properties: 0,001845 c/R (2022/23: 0,0024213 c/R)

A Rebate of R15,000 is received on all residential properties, equitable share recipients and Pensioners earning R15 000 and less per month, receives an additional R85,000 rebate on property value.

24. Interest earned from receivables

Exchange receivables	24.1	21,854,451	20,845,130
Non-exchange receivables	24.2	5,519,180	3,729,096
Total		**27,373,631**	**24,574,226**

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Figures in Rand thousand		2024	2023
24. Interest earned from receivables (continued)			
24.1 Interest earned from exchange receivables			
Consumer receivables			
Electricity		2,427,684	1,750,339
Water		8,549,530	9,145,804
Waste water management		3,642,948	3,359,119
Waste management		6,937,631	6,260,552
Service charges		296,658	329,316
		21,854,451	**20,845,130**
24.2 Interest earned from non-exchange receivables			
Consumer receivables			
Property rates		5,519,180	3,729,096
25. Fines, penalties and forfeits			
Fines	25.1	40,083,846	101,635,779
25.1 Fines			
Traffic fines			
Service provider fines		32,008,054	93,990,455
Municipal fines		7,582,175	7,284,632
		39,590,229	**101,275,087**
Other fines			
Building fines		455,349	339,756
Overdue books		1,918	936
Pound fees		36,350	20,000
		493,617	**360,692**
Total		**40,083,846**	**101,635,779**
26. Licences or permits			
Exchange revenue	26.1	2,368,147	2,676,798
Non-exchange revenue	26.2	7,421,091	7,195,326
Total		**9,789,238**	**9,872,124**
26.1 Licenses and permits - Exchange revenue			
Road and transport		2,229,189	2,486,571
Trading		138,958	190,227
Total		**2,368,147**	**2,676,798**
26.2 Licenses and permits - Non-exchange revenue			
Boat		6,804,732	6,570,297
Health certificates		12,306	10,785
Road and transport		604,053	614,244
Total		**7,421,091**	**7,195,326**

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Figures in Rand thousand		2024	2023

27. Transfers and subsidies - Revenue

Operational			
Monetary allocations	27.1	198,629,694	177,338,705
Capital			
Allocations in-kind		18,000,000	-
Monetary allocations	27.2	85,139,503	102,222,417
Total transfers and subsidies: Capital		**103,139,503**	**102,222,417**
Total		**301,769,197**	**279,561,122**

27.1 Monetary allocations: Operational

District municipalities	3,171,100	3,028,720
Foreign government and international organisations	10,053	2,471,449
National governments	9,634,400	4,704,679
National revenue fund	180,505,998	163,292,000
Private enterprises	-	50,000
Provincial government	5,308,143	3,791,857
Total	**198,629,694**	**177,338,705**

27.2 Monetary allocations: Capital

District municipalities	1,775,560	2,732,898
National government	65,573,623	93,640,966
Provincial governments	17,790,320	5,848,553
Total	**85,139,503**	**102,222,417**

National Revenue - Equitable share

Current year receipts	180,506,000	163,292,000
Conditions met - transferred to revenue	(180,506,000)	(163,292,000)
	-	**-**

In terms of the Constitution, the grant is used to subsidies the provision of basic services to indigent community members. This grant is unconditional.

National: Expanded Public Works Programme Grant

Current year receipts	2,321,000	1,175,000
Conditions met - transferred to revenue	(2,321,000)	(1,175,000)
	-	**-**

The Expanded Public Works Programme Grant was allocated to the municipality for environmental projects. No funds have been withheld.

National: Financial Management Grant

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

27. Transfers and subsidies - Revenue (continued)

Current year receipts	1,720,000	1,720,000
Conditions met - transferred to revenue	(1,720,000)	(1,720,000)
	-	-

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.

National: Municipal Infrastructure Grant

Current year receipts	34,868,000	35,891,000
Conditions met - transferred to revenue	(34,868,000)	(35,891,000)
	-	-

The Municipal Infrastructure Grant (MIG) - Capital portion R33 124 600 (2023:R 34 096 450)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 operational MIG R1 743 400 (2023: R1 794 550)

National: Water Services Infrastructure Grant

Current year receipts	30,000,000	54,339,469
Conditions met - transferred to revenue	(22,832,114)	(54,339,469)
	7,167,886	**-**

The Water Services Infrastructure Grant is allocated to municipalities to assist in drought relief.

National: Municipal Disaster Response Grant

Balance unspent at beginning of the year	3,000,000	-
Current year receipts	10,550,000	3,000,000
Conditions met - transferred to revenue	(3,169,259)	-
	10,380,741	**3,000,000**

The Municipal Disaster Relief Grant is allocated to assist in floods relief.

National: Integrated National Electrification Programme Grant

Balance unspent at beginning of the year	2,894,953	-
Current year receipts	4,089,000	8,100,000
Conditions met - transferred to revenue	(6,297,650)	(5,205,047)
	686,303	**2,894,953**

Expenses were incurred to promote rural development and upgrade electricity infrastructure.

District: Capital

Balance unspent at beginning of the year	-	2,732,898
Conditions met - transferred to revenue	-	(2,732,898)
	-	-

Conditions still to be met - remain liabilities (see note 15)

Provincial: Library

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Figures in Rand thousand	2024	2023

27. Transfers and subsidies - Revenue (continued)

Current year	2,050,000	2,050,000
Conditions met - transferred to revenue	(2,050,000)	(2,050,000)
	-	**-**

Additional text

Provincial: Department of Human Settlement (Houses) Grant

Balance unspent at beginning of the year	19,840,728	25,689,286
Current year receipts	2,178,180	-
Conditions met - transferred to revenue	(1,462,960)	(5,848,553)
	20,555,948	**19,840,733**

The grant is for the building of low cost housing within the KOUGA area. The municipality is an 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.

Conditions still to be met - remain liabilities (see note 15).

Provincial: Department of Economic development, Environment Affairs and Tourism

Balance unspent at beginning of the year	3,258,143	-
Current year receipts	-	5,000,000
Conditions met - transferred to revenue	-	(1,741,857)
	(3,258,143)	-
	-	**3,258,143**

The purpose of the grant is for the implementation of the EPWP Cleansing Project - Kouga Working on Waste

Provincial: Efficiency and Demand Side Management Grant

Current year receipts	4,000,000	-
Conditions met - transferred to revenue	(4,000,000)	-
	-	**-**

Allocation in-kind: Infrastructure

Land donation received	18,000,000	-

Private Enterprise: Mayors Charity Fund

ABSA	-	50,000

Foreign Government and International Organisations: BMZ

Current year receipts	-	2,471,449
Conditions met - transferred to revenue	-	(2,471,449)
	-	**-**

District: Operational

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Figures in Rand thousand	2024	2023

27. Transfers and subsidies - Revenue (continued)

Current year receipts	-	3,028,720
Conditions met - transferred to revenue	-	(3,028,720)
	-	**-**

28. Operational revenue

Commission	304,208	350,808
Discounts and Early Settlements	1,833	190
Insurance Refund	-	28,748
Sale of Property	4,965,315	-
Skills Development Levy Refund	454,415	686,203
Staff and Councillors Recoveries	168,776	105,072
Development Charges	5,759,077	28,506
Total	**11,653,624**	**1,199,527**

29. Remeasurements on employee benefits

Gains recognised on long service and post retirement medical aid	6,627,000	10,912,779

30. Increase in net-realisable value

Inventory	-	(424,835)
Water	691,432	-
Total	**691,432**	**(424,835)**

Additional text

31. Employee related cost

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

31. Employee related cost (continued)

31.1 Municipal staff costs

Basic salary	237,516,655	219,610,585
Bonuses	1,281,225	348,479
Service-related benefits	60,294,329	54,955,317
Allowances	12,442,593	11,650,640
Bargaining council	188,512	179,444
Group life insurance	11,417,502	11,037,723
Medical	19,117,195	17,776,601
Pension	33,515,834	31,574,591
Post-retirement benefit: Medical	11,799,522	12,143,174
Post-retirement benefit: Pension	4,590	(4,989)
Post-retirement benefit: Other benefits	9,454,907	3,226,413
Unemployment insurance	1,844,661	1,807,764
Total	**398,877,525**	**364,305,742**

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

31. Employee related cost (continued)

Service-related benefits - Breakdown		
Acting and Post Related Allowances	6,265,489	6,469,594
Bonus	15,627,662	14,536,948
Long Service Award	1,321,699	1,250,932
Standby Allowance	9,656,346	8,898,586
Overtime	21,261,241	19,088,049
Leave Pay	6,161,892	4,711,208
	60,294,329	**54,955,317**

Remuneration of Section 57 Employees

Remuneration of the Municipal Manager: C Du Plessis		
Annual Remuneration	1,758,714	1,705,252
Travel allowance	96,000	96,000
Company Contributions to UIF, Medical and Pension Funds	27,770	66,024
Subsistence and Travel	14,633	2,430
Performance Bonus	231,402	-
	2,128,519	**1,869,706**

Remuneration of the Chief Financial Officer: R Lorgat		
Annual Remuneration	1,441,923	1,393,749
Travel allowance	120,000	120,000
Subsistence and Travel	49,378	27,992
Company Contributions to UIF, Medical and Pension Funds	25,551	63,196
Cellphone allowance	17,427	9,588
Performance Bonus	289,629	-
	1,943,908	**1,614,525**

Remuneration of the Director: Community Services - N Machalesi		
Annual Remuneration	1,381,923	1,333,749
Travel allowance	180,000	180,000
Company Contributions to UIF, Medical and Pension Funds	25,609	63,053
Performance Bonus	324,836	-
	1,912,368	**1,576,802**

Remuneration of Director: AME- K Moodley (Contract expired 30 September 2022)		
Annual Remuneration	-	359,630
Travel allowance	-	24,000
Company Contributions to UIF, Medical and Pension Funds	577	26,387
Leave encashment - contract expired	-	74,118
Back Pay	15,951	-
	16,528	**484,135**

Remuneration of Deputy Municipal Manager: D Dejager		
Annual Remuneration	1,381,923	1,317,690
Travel allowance	180,000	180,000
Company Contributions to UIF, Medical and Pension Funds	26,753	48,550

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Figures in Rand thousand	2024	2023
31. Employee related cost (continued)		
Cellphone allowance	12,000	12,000
Acting allowance	22,041	21,890
Performance Bonus	405,268	-
	2,027,985	**1,580,130**
Remuneration of Director Technical Services: C De Kock -Start 1 Jan 2023		
Annual Remuneration	1,441,923	686,168
Travel allowance	120,000	60,000
Subsistence and Travel	18,980	11,993
Company Contributions to UIF, Medical and Pension Funds	23,152	23,272
Performance Bonus	67,155	-
	1,671,210	**781,433**
Remuneration of Acting Director: IPD - T. Madatt		
Annual Remuneration	539,106	-
Acting allowance	62,706	62,706
Travel allowance	75,000	-
Subsistence and Travel	3,100	-
Company Contributions to UIF, Medical and Pension Funds	11,583	-
	691,495	**62,706**
Remuneration of Acting Director: Corporate Services -M Rossouw		
Acting allowance	174,086	174,086
Remuneration of Director: Planning, Development and Tourism - F Mabusela- Resigned 31 January 2023		
Annual Remuneration	-	765,530
Travel allowance	-	105,000
Leave encashment - Contract expired	-	52,940
Company Contributions to UIF, Medical and Pension Funds	-	43,848
Subsistence and Travel	-	16,261
	-	**983,579**
Remuneration of Acting Director: PDT -L Opperman - Period: April 2023 to September 2023		
Acting allowance	28,745	30,521
Remuneration of Acting Director: PDT-K Cakata - Period 3-16 November 2022		
Acting allowance	-	13,298
Remuneration of Acting Director: Planning and Development - L Ramakuwela - Period 1 October 2023 - 30 June 2024		
Acting allowance	86,294	-

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Figures in Rand thousand		2024	2023
32. Remuneration of councillors			
Executive Mayor	32.1	998,986	924,256
Chief whip	32.2	792,280	740,126
Speaker	32.3	842,114	1,392,233
Deputy executive mayor	32.4	748,083	-
Executive committee	32.5	3,164,517	2,929,615
All other councillors	32.6	8,429,770	7,713,908
Total		**14,975,750**	**13,700,138**
32.1 Executive Mayor			
Allowances and service related benefits			
Basic salary		710,466	694,092
Cell phone allowance		51,697	-
Motor vehicle allowance		236,823	230,164
		998,986	**924,256**
32.2 Chief whip			
Allowances and service related benefits			
Basic salary		557,002	555,998
Cell phone allowance		49,608	-
Motor vehicle allowance		185,670	184,128
		792,280	**740,126**
32.3 Speaker			
Allowances and service related benefits			
Basic salary		594,380	1,208,105
Cell phone allowance		49,608	-
Motor vehicle allowance		198,126	184,128
		842,114	**1,392,233**
32.4 Deputy executive mayor			
Allowances and service related benefits			
Basic salary		523,857	-
Cell phone allowance		49,608	-
Motor vehicle allowance		174,618	-
		748,083	**-**
32.5 Executive committee			
Allowances and service related benefits			
Basic salary		2,230,760	2,266,598
Cell phone allowance		190,164	-
Motor vehicle allowance		743,593	663,017
		3,164,517	**2,929,615**

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Figures in Rand thousand	2024	2023

32. Remuneration of councillors (continued)

MMC (Corporate and Communication Services) - J Alexander		
Basic Salary	505,034	-
Cellphone allowance	49,608	-
Motor vehicle allowance	168,345	-
	722,987	**-**
MMC (Finance and Economic Development) - L Maree		
Basic Salary	557,002	518,106
Cellphone allowance	49,608	44,400
Motor vehicle allowance	185,669	151,362
	792,279	**713,868**
MMC (Civil and Water Services) - R Forley		
Basic Salary	502,682	-
Cellphone allowance	49,608	-
Motor vehicle allowance	167,561	-
	719,851	**-**
MMC (Planning and Development) - S Ruth		
Basic Salary	557,002	518,106
Cellphone allowance	49,608	44,400
Motor vehicle allowance	185,669	151,362
	792,279	**713,868**
MMC (Electro and Mechanical Services) - T Jantjies		
Basic Salary	109,040	518,106
Cellphone allowance	11,317	44,400
Motor vehicle allowance	36,349	151,362
	156,706	**713,868**
MMC (Community and Safety Services) - D Benson		
Basic Salary	1	518,106
Cellphone allowance	1	44,400
Motor vehicle allowance	1	151,362
	3	**713,868**
MMC - WP Gertenbach		
Basic Salary	-	194,174
Cellphone allowance	-	44,400
Motor vehicle allowance	-	57,568
	-	**296,142**

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Figures in Rand thousand	2024	2023

32. Remuneration of councillors (continued)

32.6 All other councillors

Allowances and service related benefits		
Basic salary	5,380,972	4,580,692
Cell phone allowance	1,098,614	1,328,300
Motor vehicle allowance	1,824,465	1,804,916
	8,304,051	**7,713,908**
Social contributions		
Medial aid benefits	125,719	-
Total	**8,429,770**	**7,713,908**

In kind benefits

The Executive Mayor, Deputy Executive Mayor, Speaker, and Mayoral Committee members are employed full-time. Each is provided with an office, administrative and secretarial support at the cost of the Council.

The Executive Mayor and Deputy Mayor and other full-time Mayoral Committee members have access to Council owned vehicles for ceremonial and official functions.

Councillors receive a total cost to company package as determined by the Notice for 'Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils', issued in terms of Remuneration of Public Office Bearers Act, 1998.

33. Bulk purchases

Electricity: Eskom	351,702,171	291,888,014
Total	**351,702,171**	**291,888,014**

33.1 Electricity losses

	2024		2023	
	KHW	**Amount**	**KHW**	**Amount**
Units purchased	185,371,161	302,154,992	180,601,760	255,479,250
Units sold	(158,122,856)	(257,740,255)	(152,244,539)	(215,365,125)
Total loss	**27,248,305**	**44,414,737**	**28,357,221**	**40,114,125**
Comprising of:				
Technical losses	14,829,693	24,172,400	14,448,141	20,438,340
Non-technical losses	12,418,612	20,242,337	13,909,081	19,675,786
Total	**27,248,305**	**44,414,737**	**28,357,222**	**40,114,126**
Percentage loss:				
Technical losses	8.00 %	8.00 %	8.00 %	8.00 %
Non-technical losses	6.70 %	6.70 %	7.70 %	7.70 %
Total	**14.70 %**	**14.70 %**	**15.70 %**	**15.70 %**

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

33. Bulk purchases (continued)

Reasons for the losses

Losses occured because of the following reasons:

- 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.

Action taken

The municipality has taken the following actions to mitigate against the reoccurrence of such losses:

- Faulty meters are replaced as soon as they are reported.t

33.2 Water losses

Volume in Kl/year:	-	-
System Input Volume	7,505,393	6,490,281
Billed Consumption	(4,503,106)	(4,580,573)
Distribution losses in kl	**3,002,287**	**1,909,708**

Unaccounted water losses in rand value at a tariff of R 11.36 is R 34 105 980 (2023: tariff of R 10.21 is R 19 498 119). .
Percentage Distribution Loss 39.8% (2023: 29.42%)

Reasons for the losses

Losses occured because of the following reasons:

- 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.

Action taken

Council has approved a water loss reduction plan on 28 February 2024 to address water losses, and it is monitored and reported on quarterly.

34. Inventory consumed

Consumables	27,631,708	26,664,112
Materials and supplies	32,643,287	21,906,730
Water	42,323,773	42,510,988
Total	**102,598,768**	**91,081,830**

35. Debt impairment

Trade and other receivables from exchange transactions	3	65,179,944	79,291,388
Property Rates	4	22,188,930	9,367,173
Total		**87,368,874**	**88,658,561**

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Figures in Rand thousand		2024	2023
36. Depreciation and amortisation			
Amortisation			
Intangible assets	10.1	201,030	265,675
Depreciation			
Property, plant and equipment		100,659,199	101,024,301
Total		**100,860,229**	**101,289,976**
37. Impairment loss / (reversal) of impairment			
Property, plant and equipment		1,678,698	23,428,417
38. Finance costs			
Interest	38.1	10,037,689	8,058,566
38.1 Interest cost			
Finance leases	11.1	5,658,872	3,814,241
Interest costs non-current provisions	16	4,374,823	4,132,326
Overdue accounts	14.3	3,994	111,999
Total		**10,037,689**	**8,058,566**
39. Contracted services			
Consultants and professional services	39.1	26,109,828	20,654,428
Contractors	39.2	29,495,704	33,313,770
Outsourced services	39.3	38,160,523	33,329,570
Total		**93,766,055**	**87,297,768**
39.1 Consultants and professional services			
Business advisory services			
Accounting and auditing		2,261,820	2,393,734
Actuaries		16,900	15,000
Air pollution		125,550	-
Project management		12,615,712	10,221,438
Research and advisory		141,955	131,659
Total business advisory services		**15,161,937**	**12,761,831**
Laboratory services			
Water		1,910,941	1,607,584
Legal services			
Collection		952,112	922,645
Legal advice and litigation		4,441,778	3,557,433
Total legal services		**5,393,890**	**4,480,078**
Engineering services			
Civil engineering		231,000	124,129
Electrical engineering		2,497,348	616,438
Total engineering services		**2,728,348**	**740,567**

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
39. Contracted services (continued)		
Infrastructure and planning services		
Ecological infrastructure and planning	914,712	414,395
Land and quantity surveyors infrastructure and planning	-	621,830
Town planner infrastructure and planning	-	28,143
Total infrastructure and planning services	**914,712**	**1,064,368**
Total consultants and professional services	**26,109,828**	**20,654,428**
39.2 Contractors		
General services		
Artists and performers	1,990	90,125
Catering services	105,328	2,392
Employee wellness	18,269	305,378
Event promoters	84,511	97,945
Pest control and fumigation	28,235	9,050
Total general services	**238,333**	**504,890**
Maintenance services		
Maintenance of buildings and facilities	5,411,477	6,252,557
Maintenance of equipment	478,466	335,763
Maintenance of unspecified assets	23,367,428	26,220,560
Total maintenance service	**29,257,371**	**32,808,880**
Total contractor	**29,495,704**	**33,313,770**
39.3 Outsourced services		
Business and advisory services		
Project Management	6,119,233	5,427,220
Qualification Verification	274,311	881,760
Research and Advisory	114,967	17,900
Valuer	970,405	3,132,663
Total business and advisory services	**7,478,916**	**9,459,543**
General services		
Alien Vegetation Control	368,110	-
Animal Care	478,500	483,372
Burial Services	60,595	11,950
Catering Services	575,905	729,644
Cleaning Services	654,830	368,720
Clearing and Grass Cutting Services	1,276,711	1,832,556
Drivers Licence Cards	522,901	1,516,691
Illegal Dumping	310,300	-
Internal Auditors	27,800	29,095
Litter Picking and Street Cleaning	58,801	400,670
Medical Services [Medical Health Services & Suppor	1,093,916	946,943
Personnel and Labour	13,360,210	10,179,767
Professional Staff	75,050	382,201
Traffic Fines Management	3,806,825	1,888,870
Transport Services	96,684	204,093
Total general services	**22,767,138**	**18,974,572**

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
39. Contracted services (continued)			
Trading services			
Connection/Dis-connection: Electricity		97,581	-
Connection/Dis-connection: Restricted water flow		1,480	-
Security Services		7,815,408	4,895,455
Total trading services		**7,914,469**	**4,895,455**
Total outsourced services		**38,160,523**	**33,329,570**
40. Transfers and subsidies - Expenditure			
Operational			
Allocations in-kind	40.1	320,000	325,000
Monetary allocations	40.2	600,000	383,750
Total transfers and subsidies: Operational		**920,000**	**708,750**
40.1 Allocations in-kind: Operational			
Households		320,000	325,000
40.2 Monetary allocations: Operational			
Households		600,000	383,750
41. Operating leases			
Computer Equipment		390,135	-
Furniture and Office Equipment		3,165,524	3,033,058
Other Assets		3,973,955	3,780,782
Total		**7,529,614**	**6,813,840**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

42. Operational cost

Achievements and Awards	1,517,388	3,831,001
Advertising, Publicity and Marketing	2,525,819	3,156,571
Bank Charges, Facility and Card Fees	1,182,230	1,108,359
Bargaining Council	3,553,325	3,553,325
Commission	4,373,887	4,947,593
Communication	4,042,563	4,541,464
Courier and Delivery Services	5,826	4,990
External Audit Fees	4,525,739	3,995,409
External Computer Service	12,068,983	7,379,652
Hire Charges	10,843,719	8,255,063
Insurance Underwriting	4,814,181	4,627,983
Licences	1,025,726	1,029,439
Management Fee	7,057,282	6,348,420
Municipal Services	37,589	-
Printing, Publications and Books	11,313	977,805
Professional Bodies, Membership and Subscription	10,872	13,886
Registration Fees	1,828,116	1,762,833
Remuneration to Ward Committees	2,058,000	2,962,848
Resettlement Cost	37,790	133,628
Search Fees	144,824	52,491
Signage	377,255	453,756
Skills Development Fund Levy	3,740,458	3,473,065
Storage of Files (Archiving)	83,555	53,307
Supplier Development Programme	-	24,300
Travel Agency and Visa's	-	2,925
Travel and Subsistence	2,003,679	1,993,097
Uniform and Protective Clothing	3,647,070	3,335,801
Vehicle Tracking	865,981	893,729
Workmen's Compensation Fund	2,062,847	1,977,511
Total	**74,446,017**	**70,890,251**

43. Contribution to provision

Land fill site	94,700	-
Environmental clean-up	(147,460)	(778,290)
Total	**(52,760)**	**(778,290)**

44. Loss on disposal of fixed and intangible assets

Property, plant and equipment	1,768,784	1,313,866

45. Irrecoverable debts written off

Property rates	62,859,860	76,492,736
Service Charges	-	7,037,076
Fines	-	3,929,589
Total	**62,859,860**	**87,459,401**

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
46. Net cash from/(used) operating activities		
Surplus for the year	3,792,264	19,651,094
Adjustments for:		
Depreciation and amortisation	100,860,229	101,289,976
(Gains) / Losses on disposal of assets	1,768,784	1,313,866
Fair value adjustment - Inventory	(691,432)	424,835
Finance cost - Refuse site	4,374,823	4,132,326
Debt impairment	87,368,874	88,658,561
Straightlining - operating leases	3,715	43,364
Contribution to defined benefit obligations included in employee cost	22,168,590	25,488,954
Impairment loss	1,678,698	23,428,417
Bad debt written off	62,859,860	87,459,401
Contribution to refuse site provision	(52,760)	(778,290)
Remeasurements on employee benefits - actuarial gains and losses	(6,627,000)	(10,912,779)
Donation of assets	(18,000,000)	-
Movement in working capital		
(Increase) / Decrease in receivables from non-exchange transactions	(19,825,528)	(54,386,987)
(Increase) / Decrease in inventory	(3,160,051)	(1,973,016)
(Increase) / Decrease in receivables from exchange transactions	(115,326,265)	(165,198,372)
Increase / (Decrease) in trade and other payables	12,046,856	30,478,096
Increase / (Decrease) in unspent conditional grants and receipts trade and other payable non-exchange transactions	9,797,055	42,549,260
Increase / (Decrease) in Consumer deposits	2,600,041	5,387,145
Increase / (Decrease) in Employee benefit obligation	(1,713,569)	(9,842,156)
Net cash flows from operating activities	**143,923,184**	**187,213,695**
47. Contingent liabilities		
Peter John France & Gerald Jack Friedman Trustees of The Rental Company Trust Claim against the municipality for damages resulting from alleged contract breach - failure to sufficiently maintain heavy equipment leased	4,000,000	4,000,000
Nelson Mandela Bay Municipality Claim against the municipality in respect of water consumption.	41,000,000	41,000,000
Tshepega Civil Engineering (Pty) Ltd Claim against the municipality for monies owed for professional services rendered	1,950,346	1,950,346
H Goeda Claim against the municipality for alleged damages, unlawful, wrongful assault, arrest & detention	250,000	250,000
48. Contingent assets		
Insurance claim for lost damaged asset 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 R325 134 will be recovered.	1,663,594	325,134

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

49. Related party disclosures

49.1 Nature of related party relationships

Related party	Nature of relationship
Close family member of key management	Various close family members of key management

49.2 Related party transactions

All Related Party Transactions are concluded at arm's length, unless stated otherwise.

The municipality bought goods from the following companies, which are considered to be related.:

Key Management personnel and Councillors remuneration.

Remuneration of Key Management Personnel and Councillors is set in Note 31 & 32 of the Annual Financial Statements.

Expenditure			
2326 random Solutions	Uncle of Directors	130,000	161,200
Unomtha catering	Daughter of the Director	-	12,330
Mesrazest	Brother in law of Directors	1,642,946	3,032,062
Mgqandu & Coco Trading	Husband of Director	18,000	9,800
Nemma Trading (Pty) Ltd	Husband of Director	-	56,000
Hammond YS t/a DC Struct	Brother in law of Director	-	188,470
Premier Attraction 528 CC t/a ZJS Distributors	Cousin of Director	993,640	537,469
Sys Smart (Pty) Ltd	Son in law of Director	24,700	22,750
Zemog Projects	Cousin of Directors	133,910	25,610
Liefies Bakes	Spouse of Directors	181,023	150,841
Magnus Ventus General Dealer	Spouse of Directors	800	45,306
Libistax (Pty) Ltd	Brother in law of Directors	1,188,865	-
Izwe lethu general Trading	Spouse of Director	26,300	-
		4,340,184	**4,241,838**

50. Unauthorised, irregular, fruitless and wasteful expenditure

50.1 Unauthorised expenditure

Opening balance as previously reported	92,827,502	-
Add: Unauthorised expenditure – current	-	92,827,502
Less: Amounts written-off – prior period	(92,827,502)	-
Closing balance	**-**	**92,827,502**

The Unauthorised Expenditure incured during 2022/23 was as a result of non-cash items (Impairment of Debtors) and has been tabled to Council. The total Budget is exceeded by R92 827 502 as a result of the financial services vote being over spent.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

50. Unauthorised, irregular, fruitless and wasteful expenditure (continued)

50.2 Irregular expenditure

Opening balance as previously reported		382,748	382,748
Less: Amounts written-off – prior period		(382,748)	-
Closing balance		**-**	**382,748**
Incident	Disciplinary steps/criminal proceedings		
Incorrect calculation of order		-	2,000
Tax Non compliance	Still to be investigated	-	380,748
Total		**-**	**382,748**

50.3 Fruitless and wasteful expenditure

Opening balance as previously reported	111,999	41,005
Add: Fruitless and wasteful expenditure – current	-	111,999
Less: Amounts written-off – prior period	(111,999)	(41,005)
Closing balance	**-**	**111,999**

Incident		
Interest on late payments	-	111,999

Interest and penalties on late payments of trade creditors

51. Councillor's municipal accounts in arrears

	Amount outstanding for more than 90 days	
List the name of the councillor which at any time during the relevant financial year was in arears for more than 90 days		
Councillor Dayimani M	-	31,232
Councillor Valgee	11,724	10,086
Councillor Bornman	20,752	6,764
Councillor Mbuqu	26,112	74,339
Councillor Zana	3,032	-
Councillor August	38,321	-
Councillor Yali	645	-
Councillor Petersen	72,406	-
	172,992	**122,421**

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

52. Deviations from SCM regulations - SCM Regulation 36

In terms of section 36 of the Municipal Supply Chain Regulations, any deviation from the Supply Chain Management Policy needs to be approved/condoned by the Municipal Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.

s36(1)(a)(i) - An emergency: Expenditure incurred in accordance with section 36 of the SCM Regulations in respect of an emergency.	18,434,283	27,626,858
s36(1)(a)(ii) - Goods and services procured or available from a single provider only: Expenditure incurred in accordance with section 36 of the SCM Regulations in respect of goods and services or available from a single provider only.	731,873	313,806
s36(1)(a)(v) - Exceptional case where it is impracticable or impossible to follow the official procurement process: Expenditure incurred in accordance to section 36 of the Regulations in respect of exceptional case where it is impractical or impossible to follow the official procurement processes.	22,015,704	39,591,028
s36(1)(b) - Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.	-	13,510
Total amount approved by the accounting officer and noted by council	**41,181,860**	**67,545,202**

All deviations considered by the Municipal Manager are processed in terms of the Supply Chain Management Regulations and the municipality's Supply Chain Management Policy. This process entails being assessed by the Supply Chain Management Bid Adjudication Committee in terms of the stipulated criteria for emergency procurements and circumstances where it is impractical or not possible to follow the official procedure..

53. ADDITIONAL DISCLOSURES IN TERMS OF APPLICABLE LEGISLATION

	SALGA contributions	Audit fees	PAYE, Skills Development Levy and UIF	Pension and Medical
As at 30 June 2024				
Opening balance	-	13,427	-	-
Subscription/fees	4,299,144	5,204,600	61,837,783	80,063,981
Amount paid – current year	(4,299,144)	(5,218,027)	(61,837,783)	(80,063,981)
Total amount approved by the accounting officer and noted by council	**-**	**-**	**-**	**-**

	SALGA contributions	Audit fees	PAYE, Skills Development Levy and UIF	Pension and Medical Aid
As at 30 June 2023				
Subscription/fees	3,974,035	4,594,721	54,910,692	76,557,025
Amount paid – current year	(3,974,035)	(4,581,293)	(54,910,692)	(76,557,025)
Total amount approved by the accounting officer and noted by council	**-**	**13,428**	**-**	**-**

54. Capital commitments

Commitments in respect of capital expenditure:

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

54. Capital commitments (continued)

Approved and contracted for:		
Infrastructure	112,151,163	83,057,754
Other movable assets	18,284,538	19,120,372
	130,435,701	**102,178,126**

All capital commitments are VAT inclusive.

55. Going concern

Management also considered the following matters in relation to the Going Concern position of Kouga Local Municipality:

(i) On 30 May 2024 the Council adopted the 2023/2024 to 2025/26 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.

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

56. 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.

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.

These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution scheme

These schemes are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

SALA Pension fund

The fund operates both as a defined benefit and defined contribution sheme.

The statutory valuation performed as at 1 July 2021 stated that the net assets of the fund amounted to R12 238 000 000 (30 June 2018: R14 298 600 000), with funding levels of 85.5% (30 June 2018: 96%). The actuary recommended that the employers continue to contribute at the current rate of 19.18% of pensionable salary.

The actuaries are satisfied with the investment strategy of the fund. The nature of the assets is, in their opinion, suitable for the nature of the liabilities of the fund as defined in the rules of the fund. The matching of assets with the liabilities of the Fund is adequate, and the insurance arrangements are appropriate compared to the cover provided can be regarded as financially sound at the valuation date.

Defined Benefit Schemes

LA Retirement Fund (Previously Cape Joint Pension Fund)

The fund operates both as a defined benefit and defined contribution scheme.The contribution rate of the defined benefit section is 27%, 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2023 disclosed an actuarial valuation amounting to R1 338 791 000 (2022: R1 391 841 000), with a surplus of f R226 285 000 (202: R144 158 000), with a funding level of 120.3% (2022: 111.6%).

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

56. MULTI-EMPLOYER RETIREMENT BENEFIT INFORMATION (continued)

Defined Contribution Schemes

LA Retirement Fund (Previously Cape Joint Pension Fund)
The actuarial valuation report at 30 June 2023 indicated that the defined contribution scheme of the fund is in a sound financial position, with net assets amounting to R2 163 627 000 (2022: R1 976 184 000), net investment reserve of Rnil (2022: Rnil) and a funding level of 100% (2022: 100%).

Cape Joint Retirement Fund (CRF)
The most recent statutory valuation was performed as at 30 June 2023 revealed that the assets of the fund amounted to R42 710 035 000 (2022: R36 502 914 000), with funding levels of 120.1% and 100.2% (2022: 131.6% and 100.4%) the Pensions Account and the Share Account respectively. The contribution rate paid by the members (7.50%/9%) and the municipalities (19,50%/18%) is sufficient to fund the benefits accruing from the fund in the future.

Municipal Councillors Pension Fund

The fund operates as a defined contribution scheme. The most recent statutory valuation performed as at 30 June 2018 revealed that the net assets of the fund amounted to R1 798 030 000 (2022: R1 480 549 000), with funding levels of 103.26% (2017: 101.31%). 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 2018, in that the assets of the fund were sufficient to cover the accrued service liabilities including the recommended contingency reserves in full.

National Fund for Municipal Workers

The fund operates as a defined contribution fund an 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, apointed after 1 July 2012, who are not part of the Schedule shall make monthly contributions to the Fund equal to 7.5% of their pensionable salary.

The most recent statutory valuation performed as at 30 June 2019 revealed that the net assets of the fund amounted to R17 107 067 000 (2018: R15 393 671 000), with funding levels of 100.40% (2018: 100.46%). The actuary certified that the assets of the fund are sufficient to cover 100.40% of the members' liabilities, also that it can be expected tha 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, sight mismatching of assets and liabilities and processing errors.

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 Municipal Workers Retirement Fund (Previously South African Municipal National Provident Fund)

The fund is a defined contribution scheme. Members contribute at a rate of not less than 75% 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 2021 stated that the assets of the fund amounted to R10 866 257 000 (2017: R7 720 948 000), with funding levels of 100% (2017: 102%).

The fund's assets exceeds the member liabilities as at 30 June 2021, by a margin of R130.4 million or 1.2%. In the valuation report the actuaries have chosen to allocate R100.3 million to the Risk Reserve, to allow for projected excess salary-multiple death and disability claims in the year following the valuation date (in excess of the contributions allocated toward these risk benefits over this period), while also leaving a reasonable margin against future claims variability. Accordingly there is a small positive balance in the Investments Reserve. The value of the assets is more than sufficient to cover the accrued liabilities (Members' Shares), and the required level of risk reserve in respect of the self-insured benefits, and the Fund is therefore financially sound.

57. Prior period adjustments

The following restatements and adjustments occurred which are set out below:

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

57. Prior period adjustments (continued)

57.1 Adjustments of Statement of financial performance items

2023

	Note	Previously reported	Re-classification	Restated
Revenue				
Non-exchange revenue				
Property rates	1	259,514,386	-	259,514,386
Licences or permits	1	9,872,124	(2,676,798)	7,195,326
Transfers and subsidies	1	279,561,122	-	279,561,122
Fines, penalties and forfeits	1	132,921,224	(31,285,445)	101,635,779
Interest on receivables		3,729,096	-	3,729,096
Increase in net-realisable value		-	(424,835)	(424,835)
Fairvalue adjustment - Actuarial gains		-	10,912,779	10,912,779
		685,597,952	**(23,474,299)**	**662,123,653**
Exchange revenue				
Services charges - Electricity		-	306,476,963	306,476,963
Services charges		547,618,752	(547,618,752)	-
Services charges - Water		-	117,399,855	117,399,855
Services charges - Waste water management		-	61,796,904	61,796,904
Services charges - Waste management		-	61,945,030	61,945,030
Rental from fixed assets		2,570,122	43,363	2,613,485
Interest earned from current and non-current assets		-	6,824,262	6,824,262
Interest earned from receivables		-	20,845,130	20,845,130
Licences or permits		-	2,676,798	2,676,798
Agency services		2,677,528	-	2,677,528
Operational revenue		1,199,527	-	1,199,527
Sales of goods and rendering of services		9,188,788	-	9,188,788
Interest, dividend and rent on Land Earned		27,669,391	(27,669,391)	-
		590,924,108	**2,720,162**	**593,644,270**
Total revenue		**1,276,522,060**	**(20,754,137)**	**1,255,767,923**
Expenditure				
Employee related cost		355,768,121	8,537,621	364,305,742
Remuneration of councillors		13,700,138	-	13,700,138
Debt impairment		-	88,658,561	88,658,561
Depreciation, amortisation		101,358,180	(68,204)	101,289,976
Finance costs		8,058,566	-	8,058,566
Bulk purchases - Electricity		291,888,014	-	291,888,014
Inventory consumed		91,081,830	-	91,081,830
Contracted services		87,316,838	(19,073)	87,297,765
Transfers and subsidies		708,750	-	708,750
Operational cost		70,111,961	778,290	70,890,251
Operating leases		6,813,840	-	6,813,840
Irrecoverable debts written off		-	87,459,401	87,459,401
Contribution to provision		-	(778,290)	(778,290)
Impairment loss/(reversal) of impairment		228,881,516	(205,453,099)	23,428,417
Loss on disposal of assets		1,313,865	-	1,313,865
Total expenditure		**1,257,001,619**	**(20,884,793)**	**1,236,116,826**
Surplus for the year		**19,520,441**	**130,656**	**19,651,097**

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

57. Prior period adjustments (continued)

57.2 Adjustments of Statement of financial position items

2023

	Note	Previously reported	Correction of error effected prior to 1 July 2022	Re-classification	Restated
Assets					
Current assets					
Cash and cash equivalents		104,935,011	-	-	104,935,011
Trade and other receivables from exchange transactions		77,030,107	65,070,877	(55,950,643)	86,150,341
Receivables from non-exchange transactions		-	-	29,014,521	29,014,521
Inventories		18,598,030	-	-	18,598,030
Statutory Receivables from exchange transactions		45,422,024	-	(45,422,024)	-
Statutory Receivables from non-exchange transactions		29,014,533	-	(29,014,533)	-
Deposits		-	-	893,543	893,543
Operating leases		109,349	-	-	109,349
		275,109,054	**65,070,877**	**(100,479,136)**	**239,700,795**
Non-current assets					
Investment property		262,608,444	(10,934,973)	-	251,673,471
Property, plant and equipment		2,053,675,844	4,016,930	-	2,057,692,774
Intangible assets		602,549	-	-	602,549
		2,316,886,837	**(6,918,043)**	**-**	**2,309,968,794**
Total assets		**2,591,995,891**	**58,152,834**	**(100,479,136)**	**2,549,669,589**
Net assets and liabilities					
Current liabilities					
Lease Liabilities		11,342,009	826,684	-	12,168,693
Consumer deposits		29,060,071	-	-	29,060,071
Payables from exchange transactions		126,219,323	58,738,114	(38,326,949)	146,630,488
Payables from non-exchange transactions		28,993,831	-	-	28,993,831
Provisions		45,897,600	-	(44,750,139)	1,147,461
Employee Benefits		8,555,397	-	36,032,523	44,587,920
		250,068,231	**59,564,798**	**(47,044,565)**	**262,588,464**
Non-current liabilities					
Lease liabilities		24,202,066	(826,684)	-	23,375,382
Provisions		110,109,639	-	8,717,618	118,827,257
Employee benefits		106,638,259	-	-	106,638,259
		240,949,964	**(826,684)**	**8,717,618**	**248,840,898**
Total net assets					
Accumulated surplus		2,100,977,696	(62,737,469)	-	2,038,240,227
Total net assets and liabilities		**2,591,995,891**	**(3,999,355)**	**(38,326,947)**	**2,549,669,589**

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

57. Prior period adjustments (continued)

57.3 Reclassification

The following reclassifications adjustment occurred:

Statutory Receivables from exchange transactions

The municipality reclassified the VAT receivable and VAT payable as per the the GRAP 108 issued September 2022 as VAT receivable and payable were disclosed as a separate AFS line item but now will be consolidated as part of Receivables from exchanges and Payables from exchange transactions.

The Fact Sheet issued by the ASB further indicates that the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is no money to be received or paid to SARS for these amounts as yet. As there is no transaction to “settle” with a specific counterparty at this point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT accrual “debit” and “credit” may be more appropriate

Trade and other receivables from exchange transactions

The municipality reclassified the VAT receivable and VAT payable as per the the GRAP 108 issued September 2022 as VAT receivable and payable were disclosed as a separate AFS line item but now will be consolidated as part of Receivables from exchanges and Payables from exchange transactions.

The Fact Sheet issued by the ASB further indicates that the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is no money to be received or paid to SARS for these amounts as yet. As there is no transaction to “settle” with a specific counterparty at this point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT accrual “debit” and “credit” may be more appropriate.

Receivables from non-exchange

Property rates, fines and accrued income reclassified as receivables from non-exchange transactions of which they were previously reported as staturtory receiveables

Employee benefits - Current liability

Leave provison reclassified frm provisions to employee benefits....

Provision - Current liability

Leave provision reclassified to employee benefits....

Trade and Other payables from exchange transactions

Output Tax provsion for doubtful debts impairment and Output Tax accrual included as part of trade and other payables from exchange trnasactions .

The municipality reclassified the VAT receivable and VAT payable as per the the GRAP 108 issued September 2022 as VAT receivable and payable were disclosed as a separate AFS line item but now will be consolidated as part of Receivables from exchanges and Payables from exchange transactions.

The Fact Sheet issued by the ASB further indicates that the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is no money to be received or paid to SARS for these amounts as yet. As there is no transaction to “settle” with a specific counterparty at this point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT accrual “debit” and “credit” may be more appropriate....

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

58. Financial instruments

58.1 Classifications

A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104, the municipality classifies financial assets at amortised cost. Financial assets at amortised cost relates to a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

Financial assets

Amortised cost			
Trade and other receivables from exchange transactions (except Statutory Receivables)	3	71,137,160	85,318,362
Deposits	6	893,543	893,543
Cash and cash equivalents	2	143,658,806	104,935,011
		215,689,509	**191,146,916**

Financial liabilities

Amortised cost

Consumer deposits	13	31,660,112	29,060,071
Trade and other payables from exchange transactions	14	158,677,344	146,630,488
Lease Liabilities	11	11,144,269	12,168,692
Non-current Lease liabilities	11	12,231,114	23,375,382
		213,712,839	**211,234,633**
Total financial instruments		**1,976,670**	**(20,087,717)**

58.2 Capital risk management

The municipality manages its capital to ensure that the municipality will be able to continue as a going concern while delivering sustainable services to consumers through the optimisation of the debt and equity balance.

The capital structure of the municipality consists of debt, which includes the Long-term Lease liability disclosed in Note 11, Cash and Cash Equivalents disclosed in Note 2; and Equity, comprising Funds, Reserves and Accumulated Surplus as disclosed in Note 17.

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

58. Financial instruments (continued)

58.3 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.

58.4 Significant accounting policies

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.

Market Risk

Market Risk is the risk that changes in market prices, such as interest rates 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.

58.5 Market risk

The municipality’s activities expose it primarily to the financial risks of changes in interest rates. 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.

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

58. Financial instruments (continued)

58.6 Interest rate risk

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 on financial assets consist mainly of fixed deposit investments and bank and cash balances.

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 58.8 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 2024 would have increased / decreased by R165 981 (30 June 2023: R101 555). This is mainly attributable to the municipality's exposure to interest rates on its variable rate investments.

58.7 Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Council. The municipality manages liquidity risk by effectively managing its working capital, capital expenditure, external borrowings and cash flows. Standby credit facilities are available with the municipality's main banker to cater for any unexpected temporary shortfall in operating funds.

Liquidity and Interest Risk Table

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 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.

58.8 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 risk consist mainly of fixed deposit investments, long-term debtors, consumer debtors, other debtors, short-term investment deposits and 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.

Trade and Other Receivables

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023

58. Financial instruments (continued)

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.

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 4 major counterparties at the balance sheet date. Management is of the opinion that, although these parties are the 4 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 Assessment for Impairment of Consumer Debtors.

The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follow:

Trade and other receivables from exchange transactions (excluding statutory receivables)	3	71,137,160	85,318,362
Bank and cash balances	2	143,658,806	104,935,011
Maximum credit and interest risk exposure		**214,795,966**	**190,253,373**

58.9 Other price risks

The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.

59. Budget information

The budget is approved on an accrual basis in accordance with the format of the MBRR schedules. The approved budget covers the period from 1 July 2023 to 30 June 2024.
The financial statements are prepared on the accrual basis using a classification on the nature of expenses in the statement of financial performance in accordance with GRAP. The amounts in the financial statements were realigned to a classification as per the MBRR schedules to be on the same basis as the final approved budget. The amounts of these adjustments are identified in the following table.
A reconciliation between the actual amounts on a comparable basis as presented in the statement of comparison of budget and actual amounts and the actual amounts presented in Statement of Financial Performance, Financial Position and Cash Flow Statement for the period ended 30 June 2024, due to presentation differences that have been identified, and is presented below. The financial statements and budget documents are prepared for the same period.

Explanation of variances between approved and final budget amounts

The reason for the variances between the approved and final budgets are mainly due to reallocations made within the approved budget parameters allowed for by the Virement Policy of Kouga Local Municipality as approved by Council.

Explanation of variances greater than 10%: Final Budget and Actual Amounts.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

59.1. Statement of financial position

Presentation of reconciling items:

	Total Current Assets	Total Current Liabilities
Balance as reported per Statement of Budget and Actuals	266,447,685	(293,951,777)
Reconciliation items:		
VAT payable that has been netted of VAT receivable due from SARS	747,727	(747,727)
Balance as Statement of financial position	**267,195,412**	**(294,699,504)**

59.2. Statement of financial performance

Presentation of reconciling items

	Total Revenue	Total Expenditure
Amount reported per Statement of Comparison of Budget and Actuals amounts	1,202,671,603	(1,309,281,111)
Reconciling items:		
Transfers and subsidies - Capital reported as part of total revenue in transfers and subsidies	103,139,503	-
Gain recognised to revenue	-	(56,161)
Amount as reported on Financial Performance	**1,305,811,106**	**(1,309,337,272)**

60. Segment information

General information

Identification of segments

The municipality is organised and reports to management on the basis of three major functional areas: primary, secondary and tertiary educational services. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated segments

The municipality operates throughout the Kouga jurisdication. Segments were aggregated on the basis of services delivered as management considered that the economic characteristics of the segments throughout the municipal jurisdication were sufficiently similar to warrant aggregation.

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

60. Segment information (continued)

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Segment 1	Community and Social services
Segment 2	Energy sources
Segment 3	Planning and Development
Segment 4	Public Safety
Segment 5	Roads
Segment 6	Solid waste and Sanitation
Segment 7	Water Management

The reconciling items listed are items under the directorates that do not form part of the segments (not contributing directly to service delivery and revenue generation), namely:
- Finance and Administration
- Executive and council
- Internal audit

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2024

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Revenue from exchange transactions								
Services charges - Electricity	-	380,375,534	-	-	-	-	-	380,375,534
Services charges - Waste water management	-	-	-	-	-	59,633,132	-	59,633,132
Services charges - Waste management	15,470,645	-	-	-	-	42,017,035	-	57,487,680
Services charges - Water	-	-	-	-	-	-	109,872,623	109,872,623
Sales of goods and rendering of services	363,400	-	5,147,706	15,964	-	3,152	-	5,530,222
Agency services	-	-	-	3,615,485	-	-	-	3,615,485
Interest earned from receivables	-	2,427,684	-	-	-	10,580,579	8,549,530	21,557,793
Licences or permits	138,958	-	-	2,229,189	-	-	-	2,368,147
Rental	2,479,677	-	1,028,077	-	-	-	-	3,507,754
Operational revenue - Exchange revenue	-	1,216,877	-	-	4,542,200	-	-	5,759,077
Revenue from non-exchange transactions								
Fines, penalties and forfeits	1,918	-	455,349	36,350	-	-	-	493,617
Licences or permits	6,817,038	-	-	604,053	-	-	-	7,421,091
Transfers and subsidies	11,480,132	14,014,085	37,533,720	1,775,560	5,490,259	58,224,789	37,680,061	166,198,606
Total segment revenue	**36,751,768**	**398,034,180**	**44,164,852**	**8,276,601**	**10,032,459**	**170,458,687**	**156,102,214**	**823,820,761**
Reconciling - Exchange Revenue	-	-	-	-	-	-	-	21,107,692
Reconciling - Non-exchange Revenue	-	-	-	-	-	-	-	468,201,085
Total revenue	-	-	-	-	-	-	-	**1,313,129,538**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Expenditure								
Employee related cost	49,394,914	16,228,084	29,463,194	36,172,365	22,891,452	62,945,028	25,387,125	242,482,162
Bulk purchases	-	351,702,171	-	-	-	-	-	351,702,171
Inventory consumed	5,565,589	12,305,071	305,254	1,543,016	7,845,063	18,534,769	50,454,901	96,553,663
Depreciation and amortisation	1,730,179	7,333,452	-	-	32,684,095	25,180,316	20,296,501	87,224,543
Impairment losses on PPE, IA and HA	28,224	638,439	5,767	-	-	292,790	631,451	1,596,671
Finance costs	-	-	-	-	-	-	-	-
Contracted services	11,369,358	12,158,768	6,981,814	1,898,275	9,606,754	10,313,057	2,822,042	55,150,068
Transfers and subsidies	320,000	-	600,000	-	-	-	-	920,000
Debt impairment	-	21,072,391	-	-	-	19,519,141	24,588,412	65,179,944
Irrecoverable debt written off	-	597,054	-	-	-	9,012,915	34,580,946	44,190,915
Operating leases	349,133	29,973	998,142	124,353	-	21,579	-	1,523,180
Operational cost	12,554,678	4,083,828	1,400,823	1,366,914	1,974,736	9,582,527	3,162,360	34,125,866
Contribution to provision	-	-	-	-	-	(147,460)	-	(147,460)
Loss on disposal of assets	56,161	-	-	-	-	-	-	56,161
Total segment expenditure	**81,368,236**	**426,149,231**	**39,754,994**	**41,104,923**	**75,002,100**	**155,254,662**	**161,923,738**	**980,557,884**
Reconciling - Contracted services	-	-	-	-	-	-	-	38,615,983
Reconciling - Contribution to provision	-	-	-	-	-	-	-	94,700
Reconciling - Depreciation and amortisation	-	-	-	-	-	-	-	13,635,686
Reconciling - Employee related cost	-	-	-	-	-	-	-	156,395,365
Reconciling - Finance costs	-	-	-	-	-	-	-	10,037,689
Reconciling - Impairment loss / (Reversal) of impairment	-	-	-	-	-	-	-	82,028
Reconciling - Inventory consumed	-	-	-	-	-	-	-	6,045,107
Reconciling - Irrecoverable debts written off	-	-	-	-	-	-	-	18,668,943
Reconciling - Loss on disposal of fixed assets and intangible assets	-	-	-	-	-	-	-	1,712,623
Reconciling - Operating leases	-	-	-	-	-	-	-	6,006,434
Reconciling - Operating cost	-	-	-	-	-	-	-	40,320,150
Reconciling - Remuneration of councillors	-	-	-	-	-	-	-	14,975,747
Reconciling - Debt impairment	-	-	-	-	-	-	-	22,188,930
Total expenditure	-	-	-	-	-	-	-	**1,309,337,269**
Total segment surplus/(deficit)	**(44,616,468)**	**(28,115,051)**	**4,409,858**	**(32,828,322)**	**(64,969,641)**	**15,204,025**	**(5,821,524)**	**3,792,269**

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

Capital expenditure								
Capital expenditure	7,309,625	5,703,385	14,410	2,810,454	28,879,836	24,355,773	21,196,987	90,270,470
Reconciling - Capital acquisitions	-	-	-	-	-	-	-	2,644,220
	7,309,625	**5,703,385**	**14,410**	**2,810,454**	**28,879,836**	**24,355,773**	**21,196,987**	**92,914,692**

2023

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Revenue from exchange transactions								
Services charges - Electricity	-	306,476,963	-	-	-	-	-	306,476,963
Services charges - Water	-	-	-	-	-	-	117,399,855	117,399,855
Services charges - Waste management	15,662,556	-	-	-	-	46,282,474	-	61,945,030
Services charges - Waste water management	-	-	-	-	-	61,796,904	-	61,796,904
Sales of goods and rendering of services	389,903	-	5,640,352	14,855	-	13,882	-	6,058,992
Rental	2,041,295	-	(1,270,271)	-	-	-	-	771,024
Interest earned from receivables	-	1,750,339	-	-	-	9,619,671	9,145,804	20,515,814
Operational revenue - Exchange revenue	-	-	-	-	28,506	-	-	28,506
Revenue from non-exchange transactions								
Licences or permits	190,227	-	-	2,486,571	-	-	-	2,676,798
Agency services	-	-	-	2,677,528	-	-	-	2,677,528
Fines, penalties and forfeits	936	-	339,756	20,000	-	-	-	360,692
Licences and permits	6,581,082	-	-	614,244	-	-	-	7,195,326
Transfers and subsidies	6,820,577	5,205,047	7,643,103	2,732,898	1,175,000	34,096,415	69,018,010	126,691,050
Total segment revenue	**31,686,576**	**313,432,349**	**12,352,940**	**8,546,096**	**1,203,506**	**151,809,346**	**195,563,669**	**714,594,482**
Reconciling - Exchange Revenue	-	-	-	-	-	-	-	13,296,857
Reconciling - Non-exchange Revenue	-	-	-	-	-	-	-	527,876,550
Total revenue	-	-	-	-	-	-	-	**1,255,767,923**

Kouga Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Expenditure								
Employee related cost	47,295,763	15,001,305	25,604,214	33,409,428	20,713,731	61,566,848	22,161,479	225,752,771
Debt impairment / write-off	-	-	-	-	-	-	-	-
Depreciation and amortisation	1,777,900	7,315,977	-	-	32,551,287	27,103,369	18,830,074	87,578,607
Debt impairment	-	2,694,685	-	-	-	29,109,802	47,486,901	79,291,388
Impairment losses on PPE, IA and HA	-	1,220,541	-	-	-	10,787,186	4,797,265	16,804,992
Finance costs	-	-	-	-	-	-	-	-
Bulk purchases	-	291,888,014	-	-	-	-	-	291,888,014
Inventory consumed	7,218,255	7,032,670	431,667	1,309,525	4,676,233	14,045,172	51,910,347	86,623,869
Contracted services	10,168,315	4,118,614	7,305,644	2,841,995	15,182,934	11,383,615	3,095,786	54,096,903
Transfers and subsidies	325,000	-	383,750	-	-	-	-	708,750
Operational cost	10,029,561	3,793,460	1,238,862	1,174,302	1,938,565	8,625,819	2,414,380	29,214,949
Operating leases	331,047	28,352	938,386	118,855	-	20,881	-	1,437,521
Loss on disposal of assets	(12,779)	-	-	-	-	-	-	(12,779)
Contribution to provision	-	-	-	-	-	(778,290)	-	(778,290)
Irrecoverable debt written off	-	278,791	-	-	-	6,417,462	4,270,412	10,966,665
Total segment expenditure	**77,133,062**	**333,372,409**	**35,902,523**	**38,854,105**	**75,062,750**	**168,281,864**	**154,966,644**	**883,573,360**
Reconciling - Contracted services	-	-	-	-	-	-	-	33,200,864
Reconciling - Debt impairment	-	-	-	-	-	-	-	9,367,173
Reconciling - Depreciation and amortisation	-	-	-	-	-	-	-	13,711,369
Reconciling - Employee Related Cost	-	-	-	-	-	-	-	138,552,984
Reconciling - Finance costs	-	-	-	-	-	-	-	8,058,566
Reconciling - Impairment loss / (Reversal) of impairment	-	-	-	-	-	-	-	6,623,425
Reconciling - Inventory consumed	-	-	-	-	-	-	-	4,457,960
Reconciling - Irrecoverabel debts written off	-	-	-	-	-	-	-	76,492,736
Reconciling - Loss on disposal of fixed assets and intangibles	-	-	-	-	-	-	-	1,326,644
Reconciling - Operating leases	-	-	-	-	-	-	-	5,376,318
Reconciling - Operational cost	-	-	-	-	-	-	-	41,675,316
Reconciling - Remuneration of councillors	-	-	-	-	-	-	-	13,700,137
Total expenditure	-	-	-	-	-	-	-	**1,236,116,852**
Total segment surplus/(deficit)	**(45,446,486)**	**(19,940,060)**	**(23,549,583)**	**(30,308,009)**	**(73,859,244)**	**(16,472,518)**	**40,597,025**	**19,651,071**

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

Capital expenditure								
Acquisitions	4,397,140	9,093,079	(161,247)	-	13,241,115	24,715,717	43,080,881	94,366,685
Reconciling - Capital acquisitions	-	-	-	-	-	-	-	18,542,451
	4,397,140	**9,093,079**	**(161,247)**	**-**	**13,241,115**	**24,715,717**	**43,080,881**	**112,909,136**

Annexure B:

Report of the auditor-general to the Eastern Cape Legislature and 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 on pages xx to xx, which comprise the statement of financial position as at 30 June 2024, 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 2024 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (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 responsibilities of the auditor-general 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.

Allowance for Impairments

7. As disclosed in notes 3 and 4 to the financial statements, trade and other receivables from exchange transactions and receivables from non-exchange transactions had a provision for impairment of R384,9 million (2022-23: R309,2 million) and R187,6 million (2022-23: R152,6 million), respectively.

Material losses

8. As disclosed in note 33 to the financial statements, the municipality incurred material losses relating to electricity and water of R44,4 million (2022-23: R40,1 million) and R34,1 million (2022-23: R19,5 million).

Restatement of corresponding figures

9. As disclosed in notes 57 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of reclassification of accounts and correction of prior period errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

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 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.

Responsibilities of the auditor-general 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 audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected development priority presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following development priority presented in the annual performance report for the year ended 30 June 2024. I selected a development priority that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic service delivery & infrastructure	[XX]	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs

18. I evaluated the reported performance information for the selected development priority against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the development priority.

Other matter

22. I draw attention to the matter below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

24. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages xx to xx.

Infrastructure and basic service delivery

Targets achieved: 70% *Budget spent: 89%*		
Key indicators not achieved	**Planned target**	**Reported achievement**
% expenditure of WSIG grant funding	95%	76%
% expenditure of capital budget provision for capital projects (Inclusive of adjustments up to 31 December 2023)	90%	63%
Percentage of DMRE grant funding by 30 June 2024	95%	90%
% water losses between water purchased/produced and water sold/ accounted for	35%	40%
% expenditure of capital budget provision for capital projects newly listed with the January 2024 adjustments budget	50%	26.09%
Number of EIA applications submitted by 30 June 2024 for the extension of the Loerie Cemetery	1	0

Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

28. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.

30. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

32. 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

33. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

34. I did not identify any significant deficiencies in internal control.

Auditor-General

East London

30 November 2024

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected development priority and on the municipality's compliance with selected requirements in key legislation.

Financial statements

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
- conclude on the appropriateness of the 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 municipality [and its subsidiaries] 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

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.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them 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.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b), Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations 44, 46(2)(e), 46(2)(f)

Legislation	Sections or regulations
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J (1), 96(b)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

Annexure C:

NUMBER	FINANCIAL YEAR	PARA		DIRECTORATE	SECTION	SUB - SECTION	FINDING	DETAILS OF THE FINDING	ACTION	RESPONSIBLE PERSON	MEANS OF VERIFYING	TARGET DATE	ACTION PROGRESS	NARRATIVE IF NOT YET STARTED / IN PROGRESS
1	2023/2024	7	AR	FINANCE	EMPHASIS OF MATTERS	ALLOWANCE FOR IMPAIRMENTS	This information has been provided for the end-users of the financial statements,	As disclosed in note 3 and 4 to the financial statements, trade and other receivables from exchange transactions and receivables from non-exchange transactions had a provision for impairment of R384,9 million (2022-23:R309,2 million) and R 187,6million (2022-23: R152,6 million) respectively.	CFO and revenue manager to develop debt reduction plan tabled to council by 31 March 2023, implement and monitor the plan on a monthly basis.	CFO				

2	2023/2024	8	AR	INFRASTRUCTURE	EMPHASIS OF MATTERS	MATERIAL LOSSES	This information has been provided for the end-users of the financial statements,	As disclosed in note 33 to the financial statements, the municipality incurred material losses relating to electricity and water of R44,4 million (2022-23: R40,1 million) and R34,1 million (2022-23:R19,5million).	A plan to reduce water losses has been developed. The Director Civil & Water Services must table the plan to council, implement the plan and monitor the plan on a quarterly basis	DIRECTOR C&WS				
3	2023/2024	9	AR	FINANCE	EMPHASIS OF MATTERS	RESTATEMENT OF CORRESPONDING FIGURES	This information has been provided for the end-users of the financial statements,	As disclosed in note 57 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of reclassification and correction of prior period errors in the financial statements of the	No further action required.	ALL	N/A	N/A	N/A	N/A

								municipality at, and for the year ended,30 June 2024.						

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/FED5**

BUDGET AND TREASURY: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 31 DECEMBER 2024

1. **Introduction**

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

2. **Background**

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

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

3. **Discussion**

The report provides specific withdrawals from the municipal back account and attached as "**Annexure A**" the withdrawals from municipal bank account for the quarter ended 31 December 2024.

The following information should be noted for the quarter ended 31 December 2024:

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

No withdrawals.

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

No withdrawals

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

No withdrawals.

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

As per attached "**Annexure A**".

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

No withdrawals.

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

No withdrawals.

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

As per attached "**Annexure A**".

Section 11(1) (i): Increased expenditure in terms of section 31 of MFMA
No withdrawals.

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

No withdrawals.

4. **Financial Implications**

Completed by BTO -	As stipulated in report. Refer to "**Annexure A**".
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

Section 11(4) of the Local Government: Municipal Finance Management Act No. 56 of 2003.

6. **Legal Implications**

The report is submitted in accordance with Section 11(4) of the Municipal Finance Management Act, No. 56 of 2003.

7. **Other Implications**

None

8. **Comments by Directorates**

8.1 **Chief Financial Officer:**

Recommendations supported

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Item noted.

8.4 **Director: Electro- Mechanical Services**

Report noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Report noted.

9. **Delegated Authority**

To be noted by Council.

10. **Recommendations**

10.1 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 2024.

10.2 That the report accordingly be submitted to the Provincial treasury and Auditor-General as stipulated in Section 11(4) (b) of the MFMA.

Item prepared by the: Acting Manager: Budget & Treasury

Item approved by the CFO:

Item endorsed by the Municipal Manager:

Item Noted by the Portfolio Councillor:

Annexure A:

PROVINCIAL TREASURY Withdrawals from Municipal Bank Accounts in accordance with section 11(1)(b) to (j)		
NAME OF MUNICIPALITY:	**KOUGA LOCAL MUNICIPALITY (EC108)**	
QUARTER ENDED:	**31 December 2024**	
MFMA section 11(1) Only the accounting officer or the chief financial officer of the municipality acting on the written authority of the accounting officer may withdraw money or authorize the withdrawal of money from any of the municipality's bank accounts, and may do so only-	**Amount**	**Reason for withdrawal**
(b) to defray expenditure authorized in terms of section 26(4)	R 0.00	
(c) to defray unforeseeable and unavoidable expenditure authorized in terms of section 29(1)	R 0.00	
(d) in the case of a bank account opened in terms of section 12, to make payments from the account in accordance with subsection (4) of that section	R 0.00	
(e) to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state, including – i. money collected by the municipality on behalf of that person or organ of state by agreement; or ii) any insurance or other payments received by the municipality for that person or organ of state	R 10,539,062	Motor registration transaction fees.
(f) to refund money incorrectly paid into a bank account	R 0.00	
(g) to refund guarantees, sureties and security deposits	R 0.00	
(h) for cash management and investment purposes in accordance with section 13	R 204,318,749	Transferred to investment accounts (Call Accounts).

(i) to defray increased expenditure in terms of section 31; or	R 0.00	
(j) for such other purposes as may be prescribed	R 0.00	
(4) the accounting officer must within 30 days after the end of each quarter –	**Name and Surname:**	C. Du Plessis
a) table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1) (b) to (j) during that quarter; and	**Municipal Manager**	
b) submit a copy of the report to the relevant provincial treasury and the Auditor-General	**Date:**	14 January 2025
Telephone Nr.	**Fax Nr.**	**E-mail**
042 – 200 2064	n/a	zgongqoba@kouga.gov.za
The completed form must be submitted within 30 days after the end of each quarter to Provincial Treasury and Auditor General.		

KOUGA local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/FED6**

COUNCIL APPROVAL OF THE REVIEWED KOUGA MUNICIPAL INTEGRATED ECONOMIC GROWTH STRATEGY

1. **Introduction**

The purpose of this item is to submit the reviewed Kouga Municipal Integrated Economic Growth Strategy to the Council for consideration and approval.

2. **Background**

The strategic alignment between the National, Provincial, District and Local Government KPA'S guides the mandate of a municipality and assist in aligning, synchronizing and integrating the developmental objectives of the municipality.

Economic development plays a crucial role within the Integrated Development Plan (IDP) of any municipality. It aims to improve the quality of life for communities by creating jobs and developing the local economy. The IDP outlines policies, goals, and strategies related to economic growth, job creation, investment attraction, and poverty reduction.
The alignment of the IDP with other municipal instruments, such as the Service Delivery Budget Implementation Plan (SDBIP) and the Annual Budget, ensures effective implementation of economic development initiatives.

The 2019 LED Strategy was seen to be a very theoretical document, which did not provide sufficient strategic guidance to drive ED within Kouga. The Kouga Business Forum requested that the strategy be reviewed to enhance the strategy into an implementable plan that would ensure that the strategic objectives are achieved.

A more practical and consultative approach was required, and the Participatory Appraisal of Competitive Advantage (PACA) process was thus utilized.

3. **Discussion**

The challenge in LED is to find ways to maximise local resources and local knowledge to benefit all inhabitants within the municipal area. Local economic development must therefore strive to grow the local economy and create jobs to decrease poverty.

Effective LED strategies encompass the generation of informed local responses to local problems, aligned with broad overall development guidelines by provincial and national spheres.

Sustainable jobs are created mainly in the private sector, which creates wealth from markets. To grow the economy, local businesses need to increase their revenues by competing more successfully in markets, which are increasingly contested by global competitors. To grow the local economy, competitive local firms need to earn more revenue from external markets, and spend much of this locally, for more money to flow into the local economy. In addition, improved competitiveness of local firms in local markets ensures that less money flows out of the economy. Distribution within the economy takes place through wages and purchases from other businesses.

An overarching strategy is required to ensure that all stakeholders efforts are prioritized and aligned for the most beneficial effect in growing the economy of Kouga.

Refer to Annexure A: Kouga Municipality Integrated Economic Growth Strategy

4. **Financial Implications**

Completed by BTO -	Not applicable
Project Description	
Ukey no.	
Budgeted Amount	
BTO Signature	
DATE	
Amount spent and committed to date	
Amount Available	
Comment	

5. **Applicable Legislation**

Regulatory Framework as contained in the Strategy.

6. **Legal Implications**

Should the Council approve the Integrated Economic Growth Strategy herein, the Directorate must proceed with the implementation of the identified plans.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Recommendations supported

8.2 **Director: Planning & Development**

Supported

8.3 **Director: Civil & Water Services**

Item appreciated.

8.4 **Director: Electro-Mechanical Services**

Report noted.

8.5 **Director: Community Services**

Supported.

8.6 **Deputy Municipal Manager**

Supported.

8.7 **Municipal Manager**

Recommendations supported.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That the Integrated Economic Growth Strategy be approved for public participation.

10.2 That the final Integrated Economic Growth Strategy be submitted to Council for approval thereafter.

Item prepared by the Acting Manager EDT: A Jonck

Item approved by the CFO:

Item endorsed by the Municipal Manager:

Item Noted by the Portfolio Councillor:

Annexure A: Kouga Municipality Integrated Economic Growth Strategy

Patensie

Jeffreys Bay

THORNHILL

Humansdorp

Hankey

Oyster Bay

St Francis Bay

Loerie

Cape St Francis

2024 – 2028

Department Finance & ED

KOUGA
local municipality
Good Governance through Service Excellence

Build a resilient inclusive economy through public and private collaboration

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CHAPTER 1: EXECUTIVE SUMMARY

This Strategy is a short, medium, and long-term plan for addressing the economic crisis facing Kouga within the greater South African context, and for identifying comparative advantages that can be leveraged.

The Strategy recognises that inclusive economic growth can contribute to the alleviation of existing poverty and inequality as well as the improvement of livelihoods for current and future generations. The Strategy therefore represents a continuing commitment to growth that will be supported by an ongoing programme of implementation.

The strategy needs to ensure that all stakeholder efforts in KLM are prioritised and aligned for the most beneficial effect on the region's economy and its citizens. This strategy therefore builds on the good work and plans done by numerous champions and stakeholders. More in-depth dialogue with the private sector leaders has steered this version of the ED strategy to sharpen its focus to determine the possibilities.

Just like any other economy, Kouga must be true to itself to focus and compete on its own unique strengths – such as agriculture, ocean, and nature. Looking at the history of economic growth and employment in the region, it is evident the sectors that rely on these local advantages succeed to grow most.

Opportunities to speed up employment creation exist, but this requires a shift in thinking and public investment. Additional growth to earn more revenue from external markets requires the implementation of following key interventions:

- Retain large existing exporting businesses
- Promote Aquaculture-, Fishing-, and Food processing sectors
- Tourism growth
- Attract new industrial investors by creating a more enabling environment
- Increase local enterprise share of local markets
- Support local SMME to access more opportunities
- Credible vocational skills development and tertiary education available
- A complex set of stakeholders that need to collaborate

Nationally and locally, the economic environment has deteriorated since the adoption of the previous strategy in 2019. Key developments at both a global and national level have altered the economic landscape in which any economic growth strategy now sits. The most prominent of these is the Covid-19 pandemic and accompanying national lockdown. Despite being primarily a healthcare crisis, the pandemic has had a significant impact on the local economy, with widespread job losses and business closures.

Protracted periods of load-shedding and an increase in value-added tax have meant that domestic consumer confidence was already at a very low level. Since the previous EGC was released two global, disruptive trends have gathered pace prior to the Covid-19 pandemic and will continue to impact Kouga significantly in the next decade.

The first is climate change, which will increase the frequency and intensity of extreme weather events such as the recent drought or heat waves. The second significant trend is technological change, and in particular the internet of things and artificial intelligence.

Both domestic and foreign direct investment (FDI) are core to growth. Attracting the right types of investors can integrate capabilities into global value chains, fostering innovation, technology and employment. Investors are increasingly comparing and assessing the attractiveness of regions rather than countries when making investment decisions. Regions must become globally competitive to attract investors, and the most successful regions use a range of to build competitiveness. A collaborative, stakeholder-driven approach is central. Development should be balanced, addressing the needs of business as well as sustainability imperatives.

International best practice suggests that instead of overhauling an economic system, the emphasis should be on becoming better at what an economy does and focusing on niche products and services. Priority economic sectors are discussed: green energy, agriculture; manufacturing including Agri-processing; government services; tourism; property development and ocean economy.

Economic development requires an integrated approach, addressing both red tape reduction and support to businesses. Based on policy considerations and identified needs, focused interventions are recommended. A set of strategic enablers aimed at improving the ease of doing business, facilitating industrial infrastructure, tourism infrastructure, increasing fibre coverage, enhancing water security, and promoting small businesses development are recommended to diversify and strengthen the economy. Most stakeholders identified skills as critical and building the skills pipeline will help to grow the economy within the region.

CHAPTER 2: INTRODUCTION

Economic development has been defined as the capacity of a national economy, whose initial condition has been static for a long time, to generate and sustain an annual increase in its gross national product (Todaro, 1994:14). From a policy perspective, economic development can be defined as efforts that seek to improve the economic wellbeing and quality of life for a community by creating and/or retaining jobs and supporting or growing incomes and the tax base (Sullivan & Sheffrin, 2003:471).

Economic development is therefore a process by which a nation improves the economic, political, and social wellbeing of its people. The success of a community largely depends upon its ability to adapt to the dynamic local, national and international market economy. Each community has a unique set of local conditions that either enhance or reduce the potential for local economic development, and it is these conditions that determine the relative advantage of an area in its ability to attract, generate and retain investment (Swinburn *eta/.,* 2006:1).

Every area has unique local conditions that either help or hinder economic development. These conditions form the basis for designing and implementing a Local Economic Development strategy.

According to Hunt (1989:49), an underdeveloped economy is one in which the technological level of some branches of the economy falls below the technological level (and hence labour productivity) of the most advanced sector, and well below the level that could be achieved with known technologies. Van Wyk (2004:15) defines economic development as the sustained improvement, in the long term, of the material and spiritual welfare of people through the sustainable alleviation of poverty and inequality, and the creation of adequate and suitable job opportunities for all.

The concept of LED arose In the context of globalisation. As trade expanded across the world, many producers of goods and services faced competition from producers and countries that were able to provide goods and services at lower prices and sometimes better quality. Globalisation brings both opportunities and threats. The opportunities lie in expanding trade beyond the boundaries of local and regional and national boundaries through competitive production techniques, value addition to local produce and innovation in local economies. The threats lie in each player's ability to adapt to global economic forces and in having to produce goods and services at costs which can compete on international markets. This means that the technology used and standards of production need to meet international requirements (World Bank, 2003).

The Local Government Transition (amendment act) Act of 1996 requires municipalities to promote economic and social development. The LGTA requires that local authorities determine, formulate and implement an IDP. The IDP (Integrated Development Plan) is a general framework under which all planning for key social, economic and environmental sectors fall (RSA, 1996a).

The key principles underlying LED, according to the Department of Local Government, are as follows:

- LED strategies must prioritise job creation and poverty alleviation
- LED must target previously disadvantaged people, marginalised communities, black economic empowerment, SMMEs and enterprise development to ensure an inclusive economy where all can participate fully in the economic life of the area
- LED should aim to promote tourism, develop local tourist sites and facilities, as well as improve security
- LED should promote investment through marketing the area, its infrastructure and people to local and international businesses and investors

The challenge of LED is to find ways to maximise local resources and local knowledge to benefit all inhabitants within the municipal area. Local economic development must therefore strive to grow the local economy and create jobs to decrease poverty.

Effective LED strategies encompass the generation of informed local responses to local problems, aligned with broad overall development guidelines by provincial and national spheres.

Sustainable jobs are created mainly in the private sector, which creates wealth from markets. To grow the economy, local businesses need to increase their revenues by competing more successfully in markets, which are increasingly contested by global competitors. To grow the local economy, competitive local firms need to earn more revenue from external markets, and spend much of this locally, for more money to flow into the local economy. In addition, improved competitiveness of local firms in local markets ensures that less money flows out of the economy. Distribution within the economy takes place through wages and purchases from other businesses.

Integrated developmental approach

Economic development is prioritised by all levels of government through linking the National and Provincial Sustainable Development goals with the International Goals. The development goals must then be incorporated into both the District and Local Municipality's Strategies.

Sustainable Development Goals (SDG):

The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others, and that development must balance social, economic, and environmental sustainability.



The SDGs are designed to end poverty, hunger, AIDS, and discrimination against vulnerable groups. The creativity, know-how, technology, and financial resources from all of society is necessary to achieve the SDGs in every context.

The ED strategy requires specific focus on the Sustainable development economic goals. To ensure a successful transition from the MDGs to the SDGs, and to address the way these targets relate to South Africa's own development strategies, it is essential to recognize the specific progress made to date, rectify the relevant shortcomings, and develop relevant strategies to ensure that the targets are achieved.

The key SDG's applicable to the economic development goals are as follows:

SDG 8 Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

SDG 9 Industry, Innovation and Infrastructure

Build resilient infrastructure, promote sustainable industrialization and foster innovation. Economic growth, social development and climate action are heavily dependent on investments in infrastructure, sustainable industrial development and technological progress.

SDG 10 Reduced inequalities

Reduce inequality within and among countries. Empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

SDG 12 Responsible consumption and production

Ensure sustainable consumption and production patterns. Ensure good use of resources, improve energy efficiency, and sustainable infrastructure, provide access to basic services, create green and decent jobs, and ensure a better quality of life for all.

SDG 17 Partnerships for the Goals

Strengthen the means of implementation and revitalize the global partnership for sustainable development.

The National Development Plan (NDP):

The National Development Plan (NDP) aims to "eliminate poverty and reduce inequality by 2030". In 2030, the aim is for the South African economy to reach close to full employment. The NDP emphasises the importance of international markets, exports and competitiveness and plans to improve the innovation system.

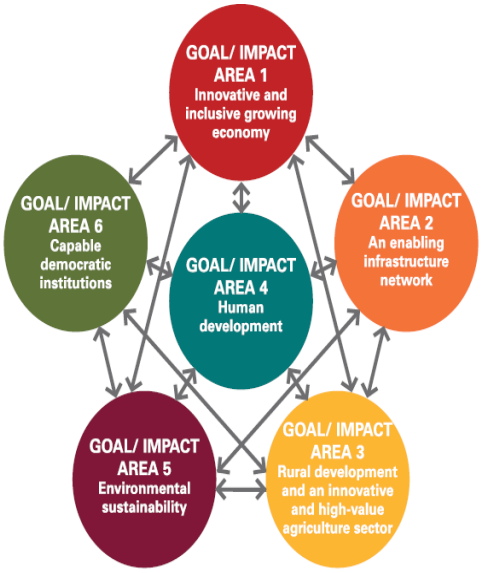
Emphasis is placed on support for small, medium and micro-enterprises (SMMEs). Infrastructure spend is a major stimulant of growth. The NDP intends to improve education and vocational training. The report calls for measures to reduce the regulatory burden on businesses and the formation of partnerships between the public and private sectors to improve delivery capacity.

Provincial Development Plan (PDP)

The Vision 2030 Provincial Development Plan (PDP) for the province outlines a vision of an enterprising and connected province where people reach their potential. To give effect to the vision, the Vision 2030 PDP sets out six goals, with accompanying outcomes and strategic objectives towards 2030.

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.

Spatial development, particularly spatial planning, affects all goals/impact areas of the EC PDP conceptual framework in terms of location, access, connectivity, and mobility. Spatial and land use legislation, planning, policy, and incentives affect the location of public services, amenities and the investment of public resources. The implementation of the EC PDP must ensure that the interaction between people, development and ecosystems is well articulated and understood.



Sarah Baartman District Plan

The district "One Plan," intends to bring together the knowledge and technical efforts of all spheres of government to produce an overall strategy for growth and development of our district. The development of the "One Plan", is still in progress.

Integrated development plan (IDP)

The strategic alignment between the National, Provincial, District and Local Government KPA'S guides the mandate of a municipality and assist in aligning, synchronizing and integrating the developmental objectives of the municipality.

Economic development plays a crucial role within the **Integrated Development Plan (IDP)** of any municipality. It aims to improve the quality of life for communities by creating jobs and developing the local economy. The IDP outlines policies, goals, and strategies related to economic growth, job creation, investment attraction, and poverty reduction.

The alignment of the IDP with other municipal instruments, such as the Service Delivery Budget Implementation Plan (SDBIP) and the Annual Budget, ensures effective implementation of economic development initiatives.

Reviewal of the ED Strategy

An overarching strategy is required to ensure that all stakeholders efforts are prioritized and aligned for the most beneficial effect in growing the economy of Kouga.

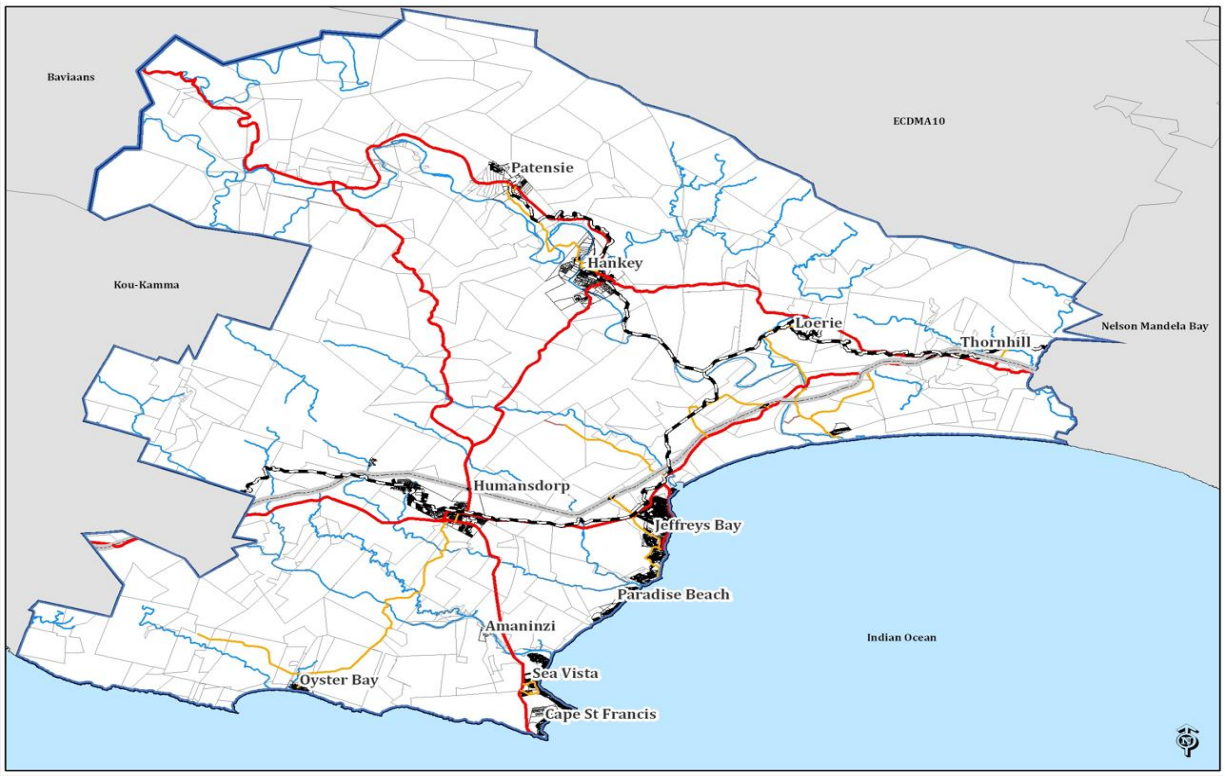
The 2019 LED Strategy was seen to be a very theoretical document, which did not provide sufficient strategic guidance to drive ED within Kouga. The Kouga Business Forum requested that the strategy be reviewed to enhance the strategy into an implementable plan that would ensure that the strategic objectives are achieved.

A more practical and consultative approach was required, and the Participatory Appraisal of Competitive Advantage (PACA) process was thus utilized.

PACA is a methodology to prepare an action-oriented diagnostic of the local economy to launch economic development initiatives as well as to motivate local stakeholders to participate in the process. It is also a tried and tested quick-win, opportunity driven, sentimental and momentum building approach to an inclusive consultative outcome.

Upon conclusion of the PACA process, an in-depth analysis of all inputs was undertaken to transform the raw data into meaningful information. Intensive research was also required to develop this consultative strategy into an implementable plan

CHAPTER 3: ECONOMIC DEVELOPMENT PROFILE

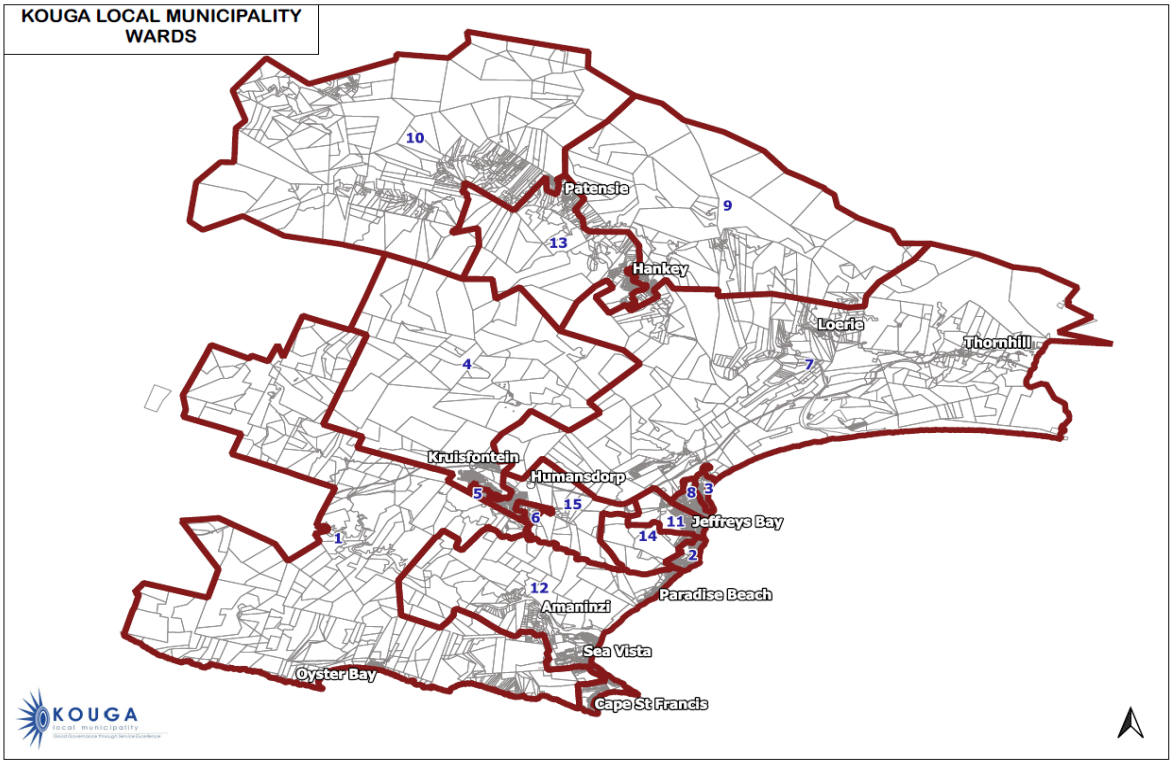


The Kouga Local Municipality is one of seven local municipalities located within Sarah Baartman District Municipal area in Eastern Cape Province. It consists of nine towns, namely, Jeffreys Bay, Humansdorp, St Francis Bay, Cape St Francis, Oyster Bay, Patensie, Hankey, Loerie and Thornhill, as well as various smaller settlements and agricultural nodes.

It also encompasses the coastal region and the fertile Gamtoos Valley, which happens to be the gateway to the famous Baviaanskloof wilderness area.

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.

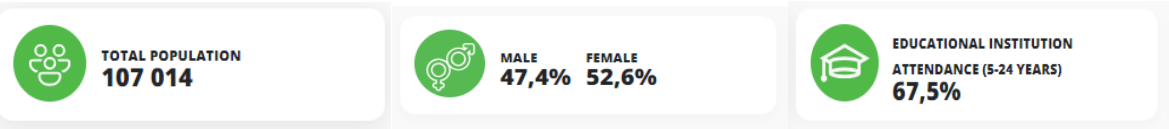
The Kouga Municipal area is made up of socially, historically, culturally, economically diverse communities. The area has experienced a rapid growth of urbanisation in recent years and the trend is anticipated to grow in view of the planned developments in the Kouga Area. Humansdorp and Jeffreys Bay are the two primary urban settlements where the main retail and commercial activities are concentrated.

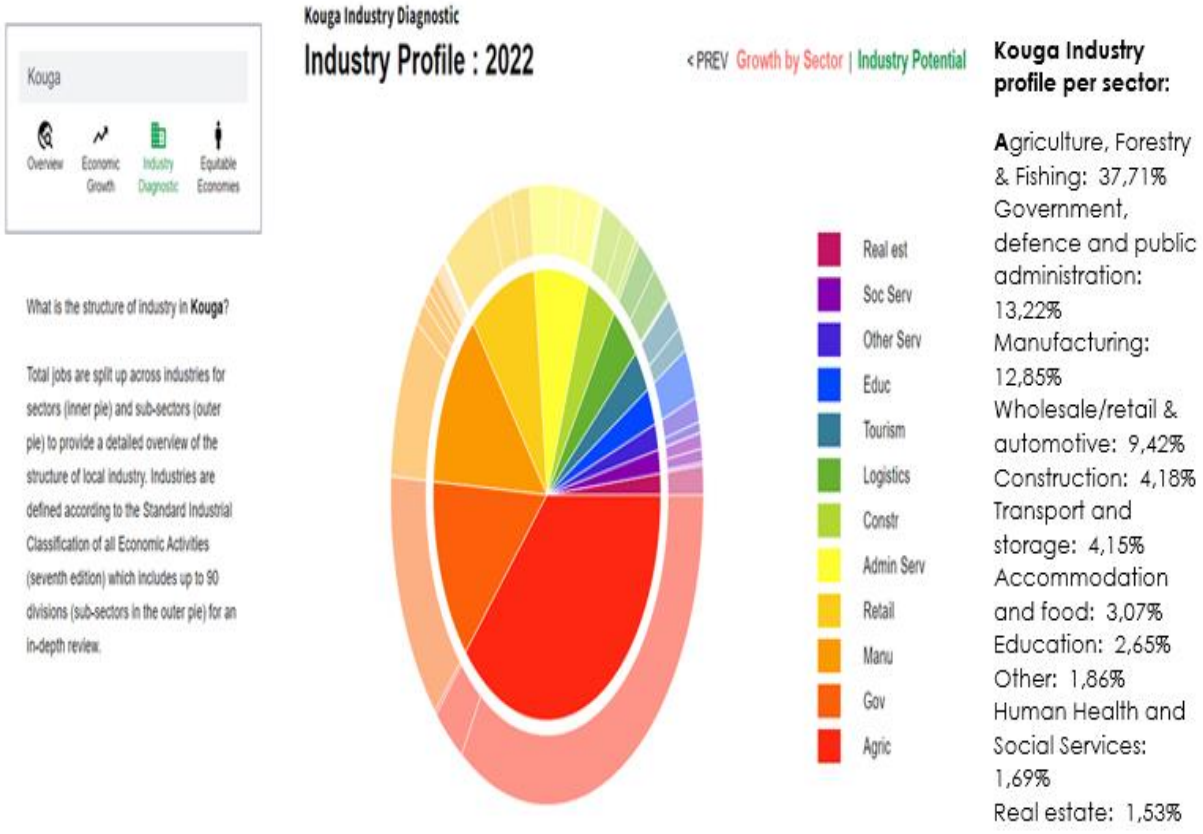


Kouga area is demarcated into 15 wards as depicted below:

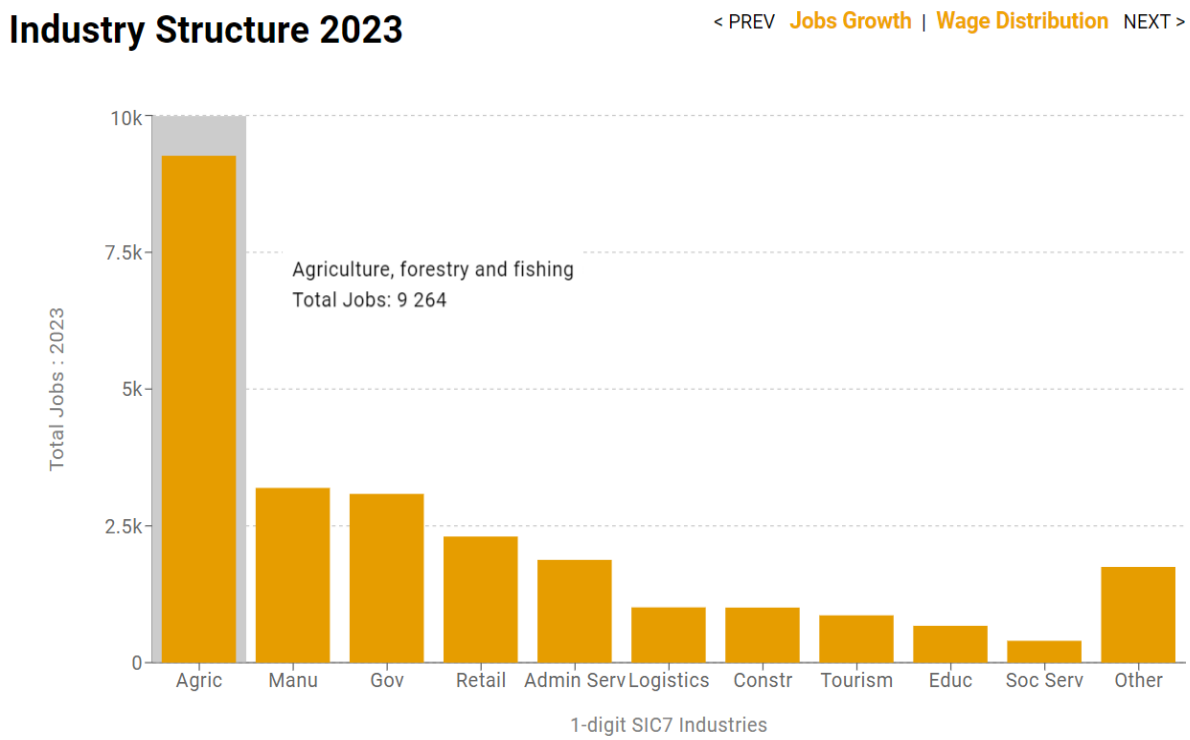
Ward	Areas
Ward 1	Sea Vista, Oyster Bay, Umzamowethu, Leeubos, Lower Golf course & surrounding farms
Ward 2	Pellsrus, Mandela Bay, Marina Martinique & Aston Bay
Ward 3	Lower Wavecrest & Kabeljous
Ward 4	Kruisfontein, Jeugkamp, Die Berg, Ext 391 "North Side", 7de Laan, Maak 'n Las, Gill Marcus, Mooi Uitsig & Donkerhoek
Ward 5	Arcadia, Bo-Blok, Ext 391"South Side", Vaaldam & Johnsons Ridge
Ward 6	KwaNomzamo, Vergenoeg, Humansdorp Town "East Side", Boskloof, Shukushukuma, Phola Park & Upper Golf Course.
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, Portion of 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, Milton, Portion of Patensie Town & surrounding farms
Ward 14	Tokyo Sexwale & Ocean View
Ward 15	Panorama, Humansdorp Town "West Side", Upper Golf Course, Arcadia, Moerasrivier, Graslaagte & surrounding areas

Kouga statistics

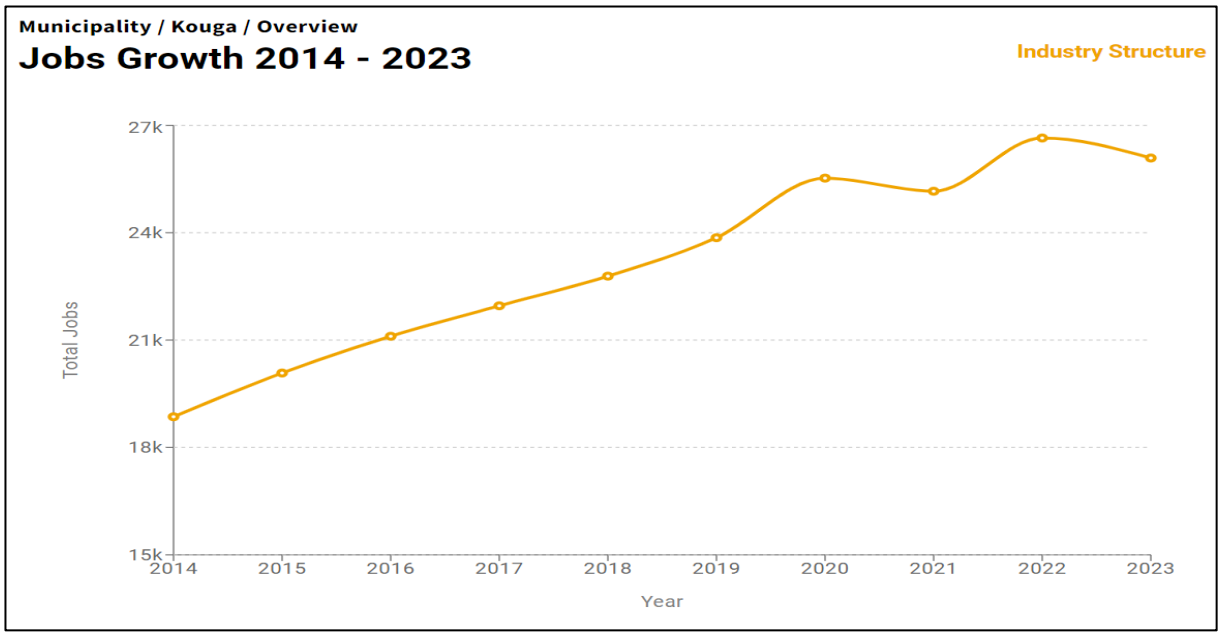




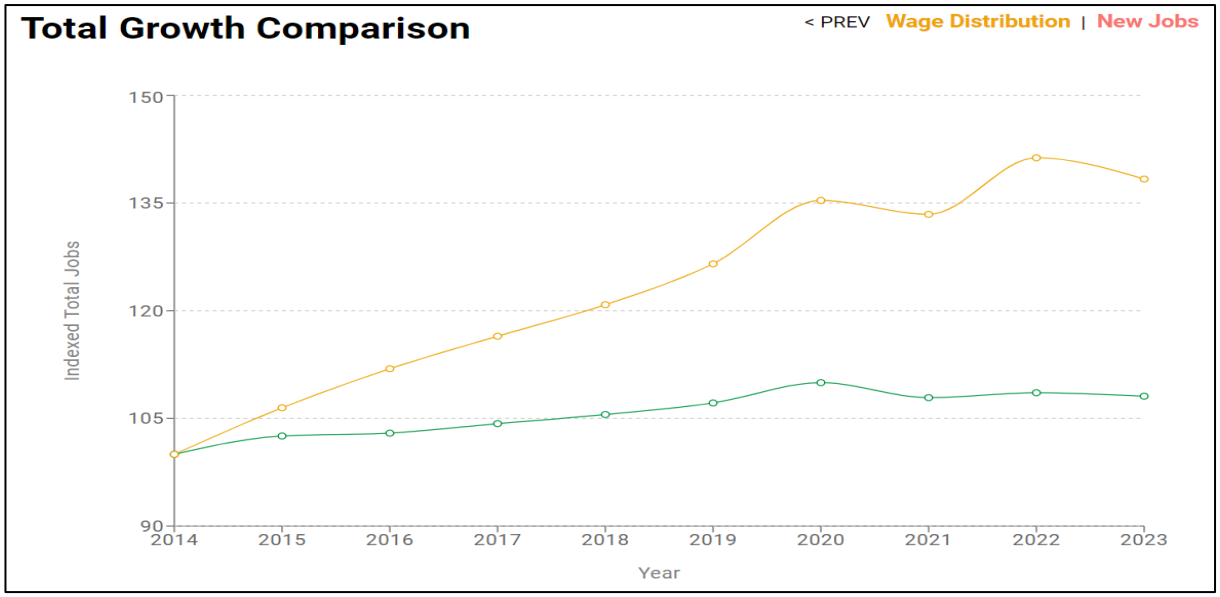
The top 10 sectors ranked here are most important for jobs and livelihoods. The economic outlook depends on the capacity of firms in these sectors to expand, adapt and innovate or otherwise risk becoming a drag on economic performance. Non-tradable sectors such as government services tend to be stable but are inherently constrained by the size of local economy (i.e. local demand). Tradable sectors can compete in surrounding (and even international) markets but must be competitive to thrive.



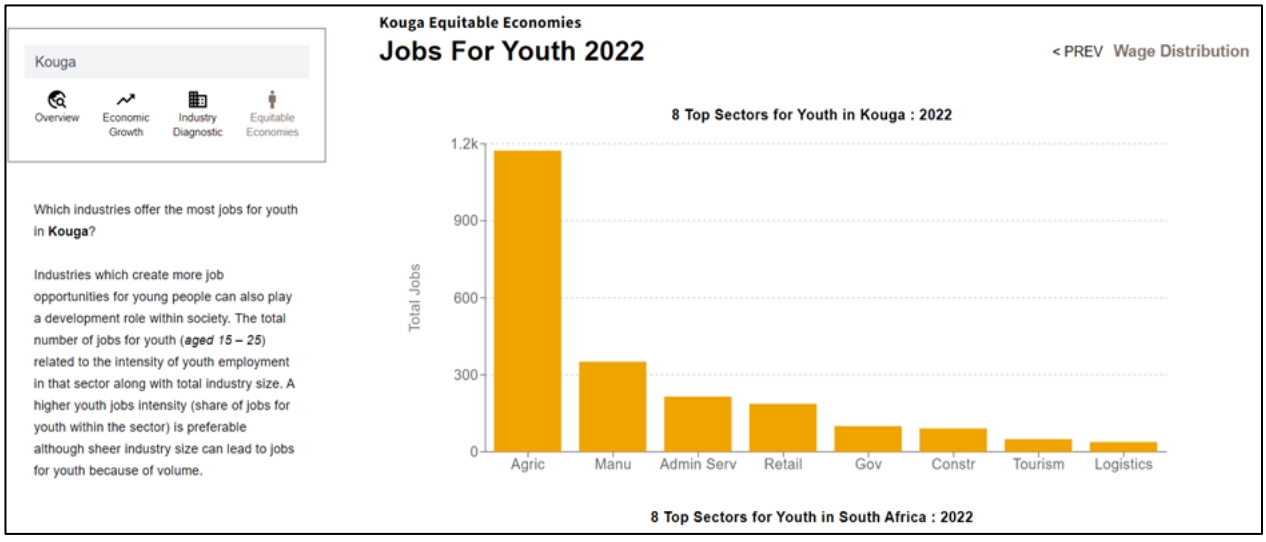
The top 10 sectors ranked here are most important for jobs and livelihoods. The economic outlook depends on the capacity of firms in these sectors to expand, adapt and innovate or otherwise risk becoming a drag on economic performance. Non-tradable sectors such as government services tend to be stable but are inherently constrained by the size of local economy (i.e. local demand). Tradable sectors can compete in surrounding (and even international) markets but must be competitive to thrive.



Jobs reported in the spatial tax panel are based on IRP5 certificates which are converted into 'Full Time Equivalents' (FTE), or in other words, full time employment. The data covers employment by firms in the formal sector but excludes informal jobs where firms are not tax compliant. The total number of jobs is a critical indicator of the level of 'decent work' or size of the formal 'mainstream' economy.



Indexed total jobs shows the relative performance of Kouga region against the National growth. It can also be interpreted as the total percentage change in jobs from the starting year by simply subtracting 100. Getting positioned above the 'national' benchmark implies that this local economy is pulling ahead from the rest of the country.



21,5% unemployment rate. 38 412 individuals living in the municipality are economically active (i.e., employed or unemployed but looking for work), and of these, 21,5% are unemployed. The economically active youth (15–34 years) in the area total 19 634, of which 26,7% are unemployed

KOUGA TOWNS



CAPE ST FRANCIS

The small town draws holiday makers from all over the world to come enjoy beautiful beaches. The town is also surrounded by nature reserves and sand dunes and offers excellent surfing opportunities.

It is a little village with lots of secret delights and is serene, on the southeastern tip of Africa. The atmosphere is soothing, and its pristine surrounds are a solace for the soul, and it has top treasures.

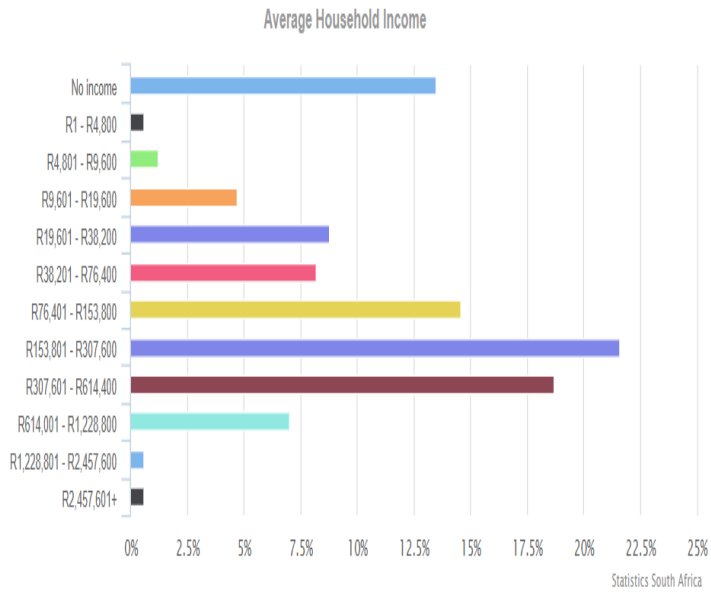
Cape St. Francis provides accommodation from luxury beach villas to upmarket beach cottages and affordable apartments. It also accommodates one of the best fine-dining restaurants in SA. The lighthouse is 27,5m high and is the tallest masonry tower on the SA Coast. It is also a National declared monument. It is the perfect holiday destination for a family as it also provides self-catering accommodation.

The demographics and key economic factors of the town Is Indicated below:

Total Population	342
Number of Households	170
Higher Education aged 20+	47.5%
Access to Piped Water	90.6 %
Access to Electricity	98.8%

Group	Percentage
Black African	3,5%
Coloured	1,8%
Indian/Asian	0,0%
White	94,7%
Other	0,0 %

Age	Males	Females
0-4	2%	1,5%
5-9	2,3%	1,5%
10-14	1,2%	0,9%
15-19	2%	1,2%
20-24	2,3%	2%
25-29	2,3%	3,5%
30-34	1,7%	2%
35-39	2,3%	1,5%
40-44	2,3%	2%
45-49	2,9%	4,4%
50-54	2,9%	4,9%
55-59	6,7%	6,1%
60-64	4,4%	4,9%
65-69	4,7%	4,4%
70-74	3,8%	4,4%
75-79	2,9%	1,5%
80-84	2,9%	2,3%
85+	0,9%	0,6%



The population of CSTB makes up 0.3% of the Kouga population. The key economic driver within the town is Tourism.



ST FRANCIS BAY

The fishing industry and tourism are both identified as the economic strengths for the small town of St. Francis Bay. The Chokka and commercial fishing industries based at Port St. Francis employs about 3000 people and are of great importance to the local economy.

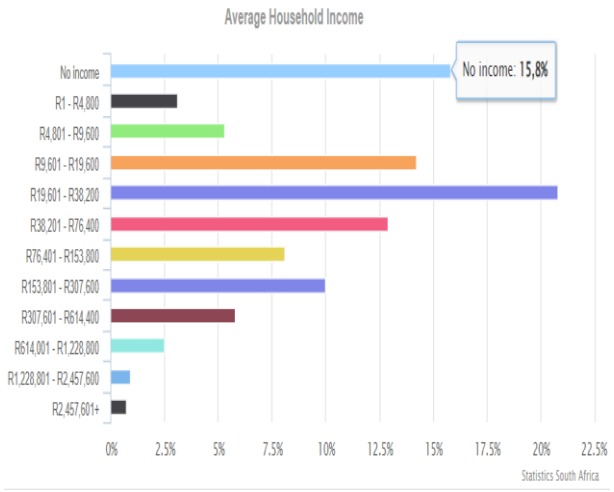
The town attracts people from all over the world with its beautiful beaches, excellent water sports and a leisurely lifestyle. St Francis Bay have luxury Guest lodges, B&B's to Self-Catering and camping facilities. St Francis Links are classified as one of the best golf courses in SA.

General Information about the town:

Information	Figure
Total Population	4933
Number of Households	1665
Higher Education aged 20+	14.2%
Access to Piped Water	62.3 %
Access to Electricity	91%

Group	Percentage
Black African	51,2%
Coloured	21,7%
Indian/Asian	0,2%
White	26,1%
Other	0,8 %

Age	Males	Females
0-4	5,2%	4,9%
5-9	3,7%	3,6%
10-14	2,7%	3,4%
15-19	3,2%	2,9%
20-24	4,2%	4,5%
25-29	6,1%	6,3%
30-34	5,6%	4,2%
35-39	3,9%	3,3%
40-44	3,2%	3,3%
45-49	2,6%	2,4%
50-54	1,9%	2%
55-59	1,9%	2%
60-64	1,7%	2%
65-69	1,8%	1,7%
70-74	1,7%	1,5%
75-79	0,7%	0,8%
80-84	0,3%	0,3%
85+	0,2%	0,2%



The population of STFB makes up 4.6% of the Kouga population. The key economic drivers within the town are Oceans Economy and Tourism.



JEFFREYS BAY

The town is known for its beautiful beaches and world-class surfing waves, making it a popular tourist destination with a strong focus on tourism, ecotourism, and beach culture. Jeffrey's Bay offers visitors a variety of accommodation options. Backpackers and bed & breakfasts are plentiful in response to the popularity of the town as a holiday destination.

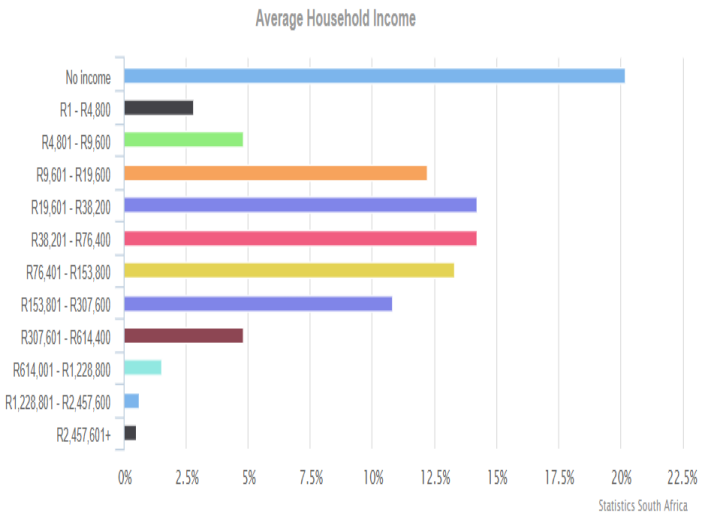
The town's economy is primarily driven by the service and retail sectors, as well as the manufacturing and production of goods related to beach culture. The Fountains & Equinox Malls are the main retail zones in Jeffreys Bay.

General Information about the town:

Information	Figure
Total Population	27107
Number of Households	10327
Higher Education aged 20+	16.8%
Access to Piped Water	71.3 %
Access to Electricity	88.3%

Group	Percentage
Black African	37,5%
Coloured	22,7%
Indian/Asian	0,2%
White	38,9%
Other	0,7 %

Age	Males	Female
0-4	4,6%	4,1%
5-9	3,6%	3,5%
10-14	3%	3,1%
15-19	3%	3%
20-24	3,7%	3,8%
25-29	4,8%	4,8%
30-34	4,3%	4%
35-39	3,7%	3,6%
40-44	3,3%	3,2%
45-49	2,6%	2,7%
50-54	1,9%	2,4%
55-59	1,8%	2,3%
60-64	2%	2,9%
65-69	2,1%	2,6%
70-74	1,9%	2,1%
75-79	1,4%	1,6%
80-84	0,6%	0,9%
85+	0,4%	0,8%



The population of Jeffreys Bay makes up 25.3% of the Kouga population. The key economic drivers within the town are retail, manufacturing, public services and tourism.



HUMANSDORP

The town serves as the commercial centre of the area. Agriculture is the town's economic strength. Humansdorp is surrounded by farms that produce different products from dairy, crops, livestock and game farming. It lies at the foot of the Kouga Mountains.

There are hiking trails, forest walks, 46 different bird species, indigenous trees, fynbos, small antelope and the well-known Zwartenbosch Golf course.

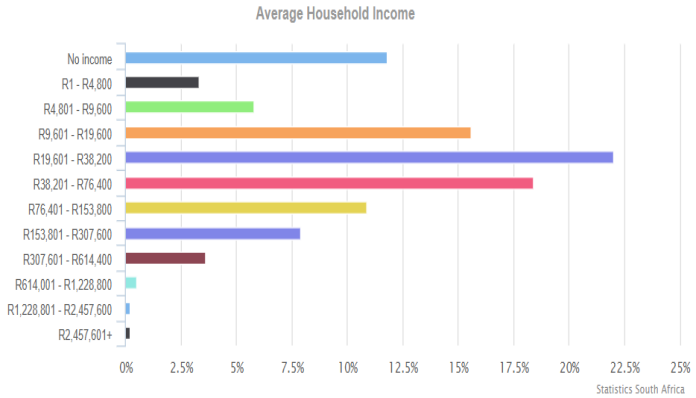
The Woodlands Dairy Factory also plays an important role in the economy of the town as a major employer.

General Information about the town:

Information	Figure
Total Population	20123
Number Households	5061
Higher Education aged 20+	7.2%
Access to Piped Water	75.3 %
Access to Electricity	91.4%

Group	Percentage
Black African	11,6%
Coloured	77,5%
Indian/Asian	0,4%
White	9,7%
Other	0,7 %

Age	Males	Females
0-4	5,7%	5,2%
5-9	4,8%	4,8%
10-14	4,6%	4,6%
15-19	4,6%	4,7%
20-24	4,1%	4,3%
25-29	4,2%	4,1%
30-34	3,2%	3,6%
35-39	3,4%	3,5%
40-44	3,1%	3,2%
45-49	2,8%	3,3%
50-54	2,3%	2,6%
55-59	1,8%	2%
60-64	1,3%	1,7%
65-69	0,9%	1,2%
70-74	0,6%	1%
75-79	0,6%	0,7%
80-84	0,2%	0,5%
85+	0,2%	0,7%



The population of Humansdorp makes up 18.8% of the Kouga population. The key economic drivers within the town are agriculture, retail, manufacturing and public services.



HANKEY

The town is surrounded by beautiful landscapes and fertile farming land. It has different farms from citrus farms to strawberry farms that supply products locally and exports internationally.

Hankey was home to South Africa's first inhabitants, the Khoi and Mfengu people, centuries ago.

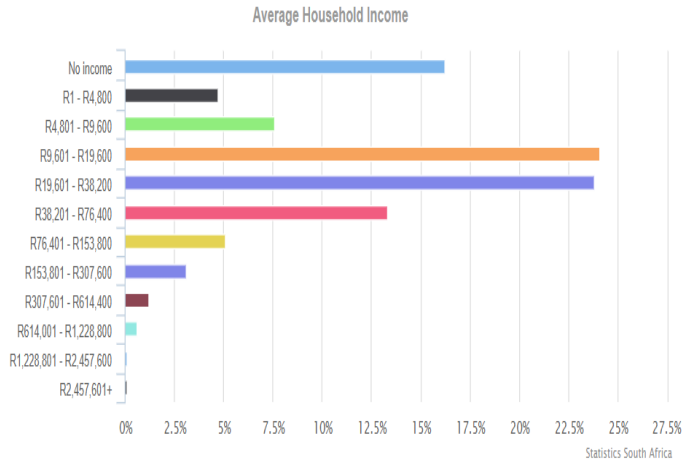
Sundial - The largest in South Africa. It is 34.6m in diameter. The gnomon is 18m high and weighs one ton. It is Hankey's 160-years Founders' monument.

General Information about the town:

Information	Figure
Total Population	11761
Number Households	3127
Higher Education aged 20+	3.2%
Access to Piped Water	37.2 %
Access Electricity	83.9%

Group	Percentage
Black African	45,5%
Coloured	51,5%
Indian/Asian	0,1%
White	2,3%
Other	0,6 %

Age	Males	Females
0-4	5,8%	6%
5-9	5%	5%
10-14	4,1%	4,2%
15-19	4,7%	4,6%
20-24	4,6%	5,2%
25-29	4,1%	4,7%
30-34	3%	3,6%
35-39	3,1%	3,5%
40-44	2,8%	3,4%
45-49	2,5%	3,3%
50-54	2,2%	2,6%
55-59	1,9%	2,2%
60-64	1,2%	1,7%
65-69	0,8%	1,1%
70-74	0,6%	0,9%
75-79	0,3%	0,6%
80-84	0,2%	0,3%
85+	0,1%	0,4%



The population of Hankey makes up 11% of the Kouga population. The key economic drivers within the town are agriculture, manufacturing and tourism.



OYSTER BAY

One of the strong points of the Oyster Bay economy is tourism. It has an extremely large coastal and marine biological diversity mainly caused by it being a transition zone between cold and warm sea currents.

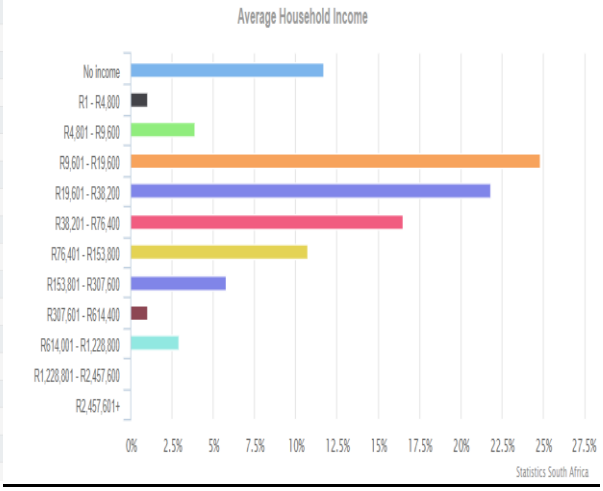
It is going a great length to conserve the African Oyster Catcher. Oyster Bay offers stretches of lovely sand dunes, woods, river deltas, beaches and wetlands to be explored. Numerous hiking trails is in the area. Other activities include horse riding, mountain biking and fishing and controlled use of 4x4 vehicles and motorbikes along the beaches.

General Information about the town:

Information	Figure
Total Population	674
Number of Households	206
Higher Education aged 20+	5.3%
Access to Piped Water	66.5 %
Access to Electricity	96.1%

Group	Percentage
Black African	41,2%
Coloured	40,2%
Indian/Asian	0,1%
White	18,0%
Other	0,4 %

Age	Males	Females
0-4	4,7%	5,5%
5-9	5%	5,9%
10-14	4%	4,3%
15-19	3%	3,1%
20-24	3,7%	4%
25-29	4,1%	3,7%
30-34	4,3%	3,7%
35-39	3,9%	3,6%
40-44	4,6%	3,9%
45-49	2,7%	3%
50-54	2,5%	2,1%
55-59	2,1%	2,1%
60-64	1,6%	2,2%
65-69	1,2%	1,6%
70-74	2,1%	1%
75-79	0,1%	0,1%
80-84	0%	0,1%
85+	0,1%	0,3%



The population of Oyster Bay is 0.6% of the Kouga population. The key economic driver within the town is tourism.



PATENSIE

Patensie is the last stop before entering the Baviaanskloof Wilderness area. Guarded by the majestic Cockscomb Mountain, this little town's activities revolve around the citrus Industry, vegetables, chicory and tobacco. Export citrus is the main crop of the Patensie area, and the season runs from April to October. Game farming is growing into a lucrative business, and the area is fast becoming a big tourist destination.

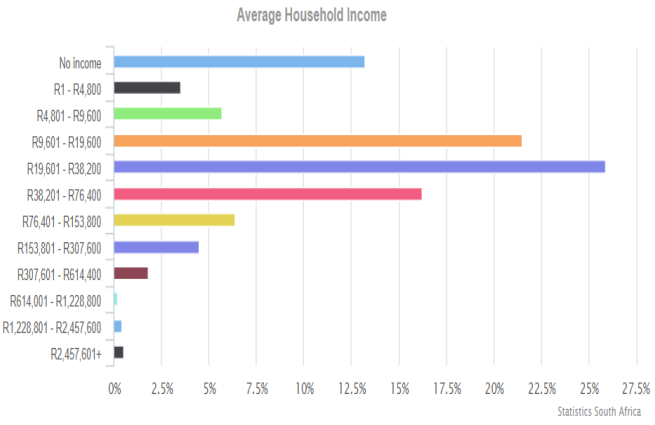
It has become a very popular tourist destination with many B&B's and self-catering establishments, as well as fuel-stops, banks and shops to choose from. The unique rock formations are a great tourism attraction.

General Information about the town:

Information	Figure
Total Population	5263
Number of Households	1357
Higher Education aged 20+	3.9%
Access to Piped Water	24.8 %
Access to Electricity	89.5%

Group	Percentage
Black African	39,7%
Coloured	50,2%
Indian/Asian	0,2%
White	8,0%
Other	1,9 %

Age	Males	Females
0-4	7%	5,7%
5-9	4,9%	5,4%
10-14	4,5%	4%
15-19	4%	4,6%
20-24	4,6%	4,9%
25-29	4,4%	4,5%
30-34	3,3%	3,4%
35-39	2,9%	3,7%
40-44	2,9%	3,1%
45-49	2,5%	3,4%
50-54	2,4%	2,7%
55-59	1,7%	2,2%
60-64	1,3%	1,3%
65-69	0,6%	1,1%
70-74	0,9%	0,7%
75-79	0,3%	0,3%
80-84	0,2%	0,3%
85+	0,1%	0,2%



The population of Patensie makes up 4.9% of the Kouga population. The key economic drivers within the town are agriculture, manufacturing and tourism.



LOERIE

Loerie had a railway station which closed in 2011. It had a limestone quarry with a 14km cableway that was removed after the closure of the mine.

It is known as one of the three towns in the Gamtoos River Valley that serves as the gateway to the Baviaanskloof. The pine plantations, Longmore and Otterford were started in 1918 and still in operation.

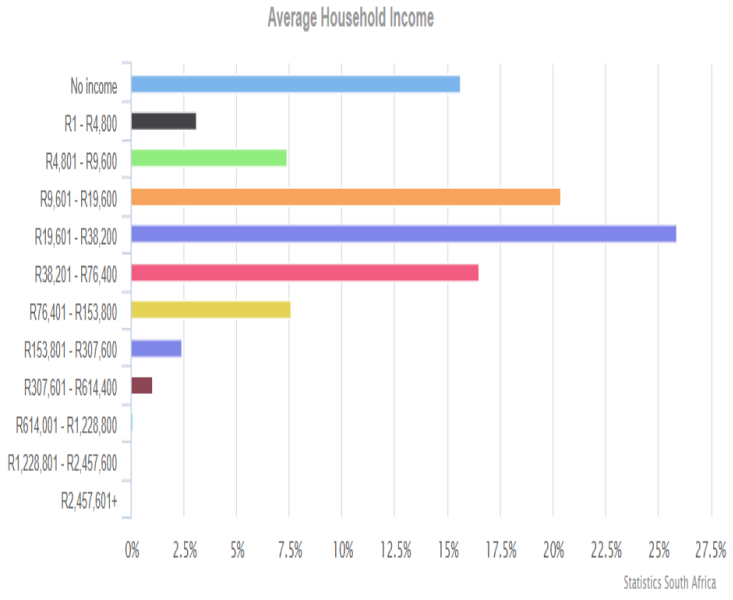
The fertile ground and temperate climate ensure that vegetables of a high quality are produced here. It is also the area where the Loeriedam scheme is situated.

General Information about the town:

Information	Figure
Total Population	2787
Number of Households	678
Higher Education aged 20+	1.2%
Access to Piped Water	37.3 %
Access to Electricity	83.8%
Toilet Connected to sewerage	56.6%

Group	Percentage
Black African	37,7%
Coloured	59,1%
Indian/Asian	0,8%
White	1,7%
Other	0,8 %

Age	Males	Females
0-4	5,4%	4,7%
5-9	5,1%	4,9%
10-14	4,6%	4,1%
15-19	5,1%	4,7%
20-24	4,5%	4,5%
25-29	4,3%	4,8%
30-34	4,2%	4,2%
35-39	3,2%	3%
40-44	2,8%	3,6%
45-49	2,8%	3,1%
50-54	2,5%	2,9%
55-59	1,8%	1,8%
60-64	1,4%	1,5%
65-69	1,3%	0,8%
70-74	0,5%	0,7%
75-79	0,3%	0,5%
80-84	0,1%	0,3%
85+	0,1%	0,3%



The population of Loerie makes up 2.6% of the Kouga population. The key economic driver within the town is agriculture.



THORNHILL

Thornhill is located approximately halfway between Gqeberha and Jeffrey's Bay and is home to many who work in either town or on nearby farms. Thornhill has great water supply from the river and groundwater. Fertile floodplains and low-lying land make Thornhill a productive agricultural region.

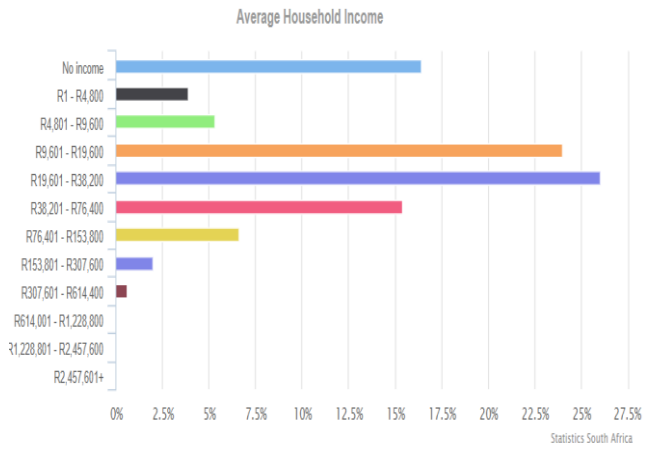
Apart from its rich vegetation, the area also has an abundance of bird and wildlife. Visitors can explore the African Dawn Animal Sanctuary which is dedicated to promoting the care of injured, and abandoned animals, including a range of bird species. Apart from the sanctuary, those visiting Thornhill can also hike, mountain bike, and horse riding in the area.

General Information about the town:

Information	Figure
Total Population	2462
Number of Households	701
Higher Education aged 20+	1.2%
Access to Piped Water	71.5 %
Access to Electricity	77.3%

Group	Percentage
Black African	44,4%
Coloured	53,0%
Indian/Asian	0,1%
White	1,8%
Other	0,7 %

Age	Males	Females
0-4	5,6%	5,6%
5-9	4,4%	3,9%
10-14	4,3%	4,3%
15-19	5,1%	4,5%
20-24	5,2%	4,7%
25-29	6,1%	4,8%
30-34	4,1%	4%
35-39	3,5%	3,4%
40-44	3,5%	3,1%
45-49	3,4%	2,7%
50-54	1,7%	1,9%
55-59	1,6%	1,7%
60-64	0,9%	1,7%
65-69	0,9%	0,9%
70-74	0,6%	0,4%
75-79	0,3%	0,6%
80-84	0,3%	0%
85+	0,2%	0,1%



The population of Thornhill makes up 2.3% of the Kouga population. The key economic driver within the town is agriculture and tourism.

CHAPTER 4: INTEGRATED STRATEGY

Kouga needs to migrate from having a diverse spatial and social economy, with pockets of excellence driven by market-led seasonal economic development, to an area that has a robust and resilient economy, promoting inclusivity, collaboration, connectivity, competitiveness, and environment friendly economic and social systems.

Economic Vision

A resilient inclusive economy through public and private collaboration

Economic Mission

Kouga will create an enabling environment and provide client-centred services facilitating investment, small business development, employment, and skills opportunities leading to an equitable and sustainable economy.

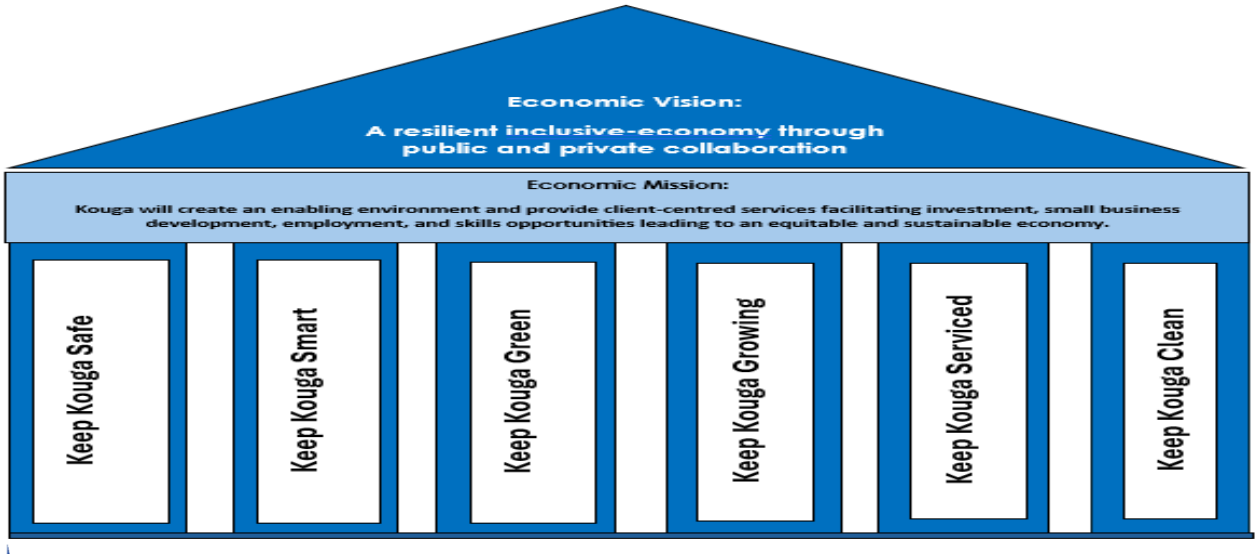
The Economic vision is linked to the strategic objectives.

Strategic Objectives

- To promote accountable, transparent, efficient and effective governance within economic development
- To facilitate and coordinate public private partnerships to drive the economy
- To create a conducive environment for sustainable township economic growth
- To facilitate the promotion and development of economic sectors
- To increase investment opportunities within the sectors
- To build skills for the future and respond to investor needs by matching skills with jobs
- To create an environment for thriving entrepreneurs in both the formal and informal economy

Strategic Pillars

The Kouga strategic pillars support the economic vision and mission:



KEY PRINCIPLES

To set a new tone in growing the economy of Kouga, the municipality has adopted an approach that encompasses a more robust and pro-active stance on the following principals:

Inclusivity

South Africa is burdened by a history of inequality along lines of gender, race, culture, and other grounds. Government must play a leading role in addressing these inequalities. This duty is founded in the Constitution and in Kouga's IDP, which contains a commitment to economic inclusion as a strategic priority.

This commitment is extended with the realization of a more inclusive, integrated and vibrant area as one of its primary spatial strategies. Any Local Municipality that achieves economic growth and provides services will inevitably attract new arrivals, particularly people with low income, seeking opportunity, and therefore will always face inequality at some level. Nevertheless, KLM is committed to working with residents and partners in addressing and alleviating structural inequality through social mobility for all residents. It is vital that all within Kouga are given the opportunity to reach their potential irrespective of their identity or background.

One of the impacts of Covid-19 has been widespread job losses, particularly in low-income sectors. Vulnerable groups have been disproportionately impacted by this, in exacerbation of pre-existing disparities of opportunity. It is therefore more important than ever before to ensure equal, inclusive access to economic opportunities.

Collaboration

Job creation is driven by private enterprises, but the public sector must create a favorable economic environment. Inclusive economic growth will depend on how well all stakeholders can work together to implement the economic development strategy.

All stakeholders are required to work together towards the same goal of reaching a collaborative economy by maximizing the use of existing resources, promoting sustainability and encouraging interaction and sharing.

Climate Change

The relationship between economic development and climate change is often contentious and complex. Climate Change has profound impact on the economy through extreme weather events, health effects, energy demand and supply, agriculture and food security, environmental influence, and coastal infrastructure and agriculture.

Kouga's Climate Change Strategy seeks to align inclusive economic growth with the commitment to embedded sustainability where development that contributes to a sustainable future is a fundamental component of the strategy.

Economic Development is therefore essential for alleviating poverty and improving the standard of living for all in a manner that does not compromise the health of both the planet and future generations. When addressing Climate change, it requires collective action and innovative solutions that integrate environmental considerations into economic planning and development strategies.

SMART City

There is a dire need to invest heavily in human capital and ICT infrastructure, such as broadband and wireless technology, to improve connectivity and the application of big data for service delivery.

Utilising smart technologies is one way to deal more effectively with challenges brought about by migration and service delivery issues, such as lack of adequate housing, employment opportunities, or safe and reliable water supply.

Undeniably, technology has an immense impact on every facet of our lives. From daily tasks to societal functioning, technology serves as a catalyst for change, and economic development is no exception. It is reshaping work processes, production methods, and consumption patterns. Technology not only drives innovation and fosters growth opportunities but also presents challenges to traditional models of economic development that professionals are accustomed to.

As we move forward, technology will continue to shape the landscape of economic development, offering fresh prospects for businesses and individuals.

Resilience

Resilience is a guiding principle of the IDP and is defined in this context as the capacity of individuals, systems or organizations to survive, overcome, adapt and thrive, irrespective of chronic stresses and acute shocks experienced by them.

A resilient economy is one that reduces and manages the stresses that inhibit economic productivity, innovation and adaptability, and is prepared to respond to any shock event, such that the economy can grow in an inclusive manner and contribute towards a thriving society for all. This has been brought to the fore by the Covid-19 pandemic, and more so than ever before there is a pressing need for Kouga's economy to be one that supports as many people as possible, economically as well as socially.

Competitiveness

As an imperative, Kouga must provide a competitive and enabling platform for businesses, individuals and institutions (e.g. universities) to adapt and remain competitive. Additionally, Kouga must partner with the academic institutions and the private sector to enable the labor market to adapt to new high-growth, tradable sectors, while remaining an attractive destination for businesses that offer employment opportunities.

Implementation Framework

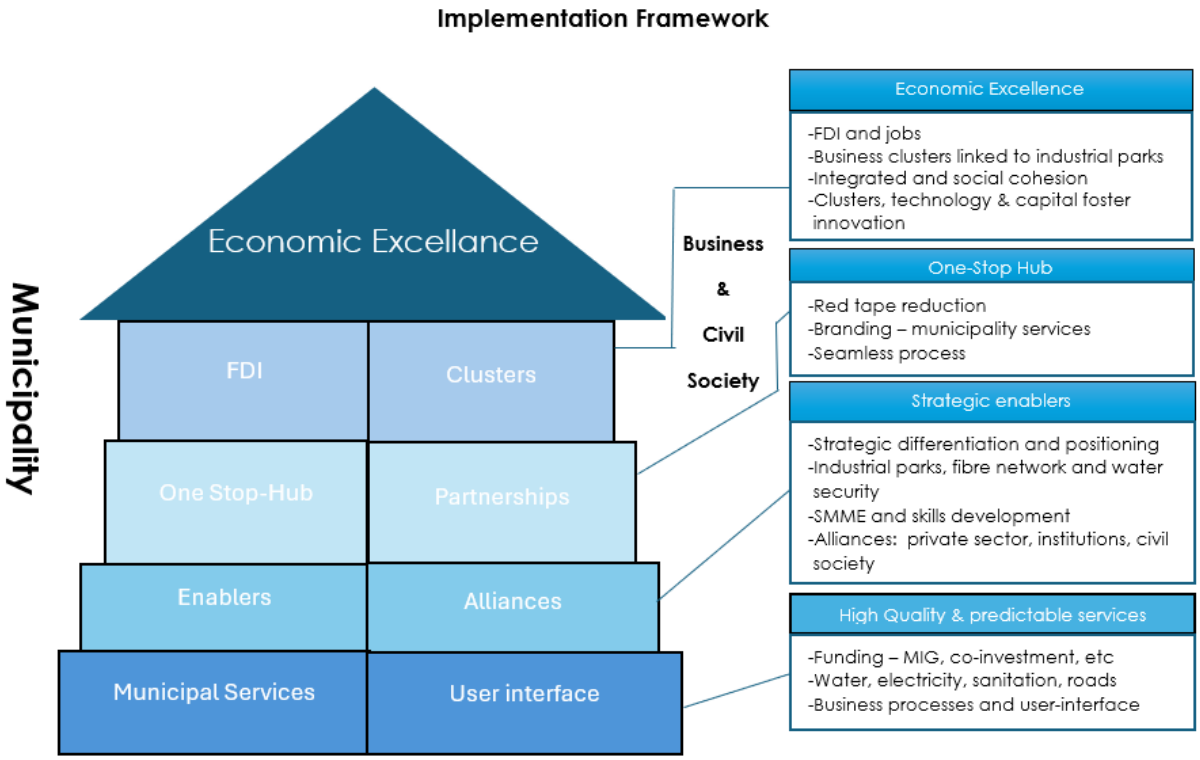
The implementation framework adopts a building block approach.

The first building block establishes a strong foundation through efficient municipal services for businesses and investors, the continued delivery of bulk services and improving the ease of doing business (including turnaround times and facilitation services).

The second building block builds on the foundational enablers aimed at strategic positioning, game changing infrastructure such as fibre, skills, and entrepreneurship.

Once business processes have been streamlined and the delivery of the enablers gain traction, Kouga will be able to undertake and offer a one stop service for businesses. Increased Foreign Direct Investment and industrial clustering would result from the various initiatives.

The implementation framework is depicted below: Kouga Integrated Economic Growth Strategy



CHAPTER 5: ECONOMIC SECTORS

Through intense research on how to enhance economic growth within the Kouga area, economic data from various sources were studied and analysed, to identify key sectors reported on within South Africa and the Eastern Cape.

In the PACA process, several economic streams were identified and utilised in collecting inputs from stakeholders. The economic streams were then compared to the sectors reported on Nationally and Provincially, as well as assessing the key economic business activities within the Kouga area.

Emanating from the above assessment the key economic sectors for the Kouga area were identified as follows:

- Oceans economic sector
- Green energy economic sector
- Property development economic sector
- Manufacturing economic sector
- Agriculture economic sector
- Tourism economic sector

All stakeholder inputs from the PACA process were captured, analysed and organised into well-formulated SWOT analysis including possible solutions for each sector.

There were many common strengths, weaknesses, opportunities and threats identified within the different streams. The commonalities were grouped separately as they impact all sectors, or a number of sectors, and will be addressed collectively under "General Economic Areas".

Activities and functions undertaken by the public sector to provide essential and support services for the well-being and functioning of a society has been included under "General Economic Areas" as well.

General Economic Areas

SWOT ANALYSIS - GENERAL ECONOMIC AREA	
STRENGTHS	**WEAKNESSES**
* Good Governance by Municipality	* Crime and Safety
* Area well positioned for economic growth	* Availability of land
* Available workforce	* No formalised Economic Development Strategy driving Investment
* Specialised skills available (retired professionals)	* Access to funding
* Fastest growing area in South Africa	* No formalised structure to support SMMEs
* Excellent schools in the area	* Socio-ecomomic factors influencing the workforce (alcohol, drugs, etc)
* Excellent climate throughout the year	* Effeciency and turn-around time of Municipal Administrtaive processes
	* No support from Big businesses to Small Buisnesses
	* Urban-rural linkage is a logistical challenge
	* Tenderpreneurs from outside Kouga taking away local opportunities
	* Skills shortage in certain Sectors and Levels
	* Difficult to attract scarce skills
	* General perception is that local workforce is tardy and lazy resulting in foreign workers being utilised
	* Too much "Red-tape" in Municipal processes
	* Poor communication with Business Sectors
	* Political uncertainty
	* Parents shift responsibilities onto the school system
	* High number of learners not completing matric
	* Overcrowded schools
	* Diverse communities with all different expectations of government
	* Lack of understanding of the role of the municipality by residents
	* Too few learners enter tertiary level of education
	* Poor connectivity in many areas
	* Poor quality of doctors and nurses at state hospitals
	* Children on the street create security risk
OPPORTUNITIES	**THREATS**
* Better management of Municipal Amenities	* Drought
* Social media platform for economic development	* Sustainable Electricity
* Regional / Area focused marketing to promote Kouga	* Poor Roads Infrastructure
* Water harvesting and retention	* Ageing of all other Municipal Infrastructure
* Municipal incentives on promotion of economic development opportunities	* High population growth with limited job opportunities
* Foramlised system for assistance in economic development initiatives	* Automation of processes as a result of labour issues
* Stakeholder willingness to assist Municipality with municipal challenges and community development	

Possible Solutions

* Technology to drive economic development
* Develop Economic Development Policies
* Municipality to fast-track land use decisions to support economic growth
* Restore and develop current infrastructure: Railway capacity / Dams / Roads, etc.
* Skills Development Programs
* Set up an inclusive Kouga Business Chamber
* Mentorship programmes for small businesses
* Improve Stakeholder relations to achieve economic growth
* Improve Investor Management processes
* Change mindset / behaviour of Community - pride of Kouga
* Creation of a proper industrial zone with good incentives for investors
* All sectors should structure and work together to unlock economic growth
* Connectivity within Kouga to support SMME Development and economic growth
* Youth development to be prioritised - internships / mentorships / skills development
* Promote community projects that are sustainable
* Develop opportunities for the township economy to grow
* Develop a Safety Plan for the KOUGA Area
* Develop a Service Charter which includes the turn-around times of actions by the Municipality
* Develop an online automated system for customer queries to be dealt with effeciently by the Municipality
* Education must be promoted and supported to increase the number of learners reaching tertiary level
* Develop youth with programmes that can positively influence their thought processes and transform their value system
* A good quality health care system with availability of local specialists is required
* Develop a safe house for street children

The following areas has been identified to address the key challenges and / or capitalise on key opportunities to enhance economic growth with Kouga:

Municipal infrastructure

A robust positive relationship exists between infrastructure and economic growth. It appears that:

- aggregate infrastructure stock and investment drive economic output.
- the driving relationship between economic output and infrastructure varies significantly across different types of physical infrastructure; and
- infrastructure impacts on output both directly and indirectly, via increased private sector investment, improved productivity and rising exports.

Different types of infrastructure may be particularly beneficial for growth at different times and under different circumstances. It is thus important that the proposed infrastructure spending is subject to thorough cost-benefit analysis and carefully considers the areas in which infrastructure is in greatest need of upgrading. Infrastructure plans must also take into careful consideration the forecasted investment levels required to sustain particular growth targets. The relationship between infrastructure maintenance and economic growth is thus certain and requires considerable attention to develop and maintain the municipal area to enhance economic growth.

Based on the above, the following infrastructure development and maintenance plans are required:

- *Water Master Plan*
- *Roads Reseal and Maintenance Plan*
- *Asset Management Maintenance Plan*
- *Municipal Amenities Management Plan*
- *Electricity Infrastructure maintenance plan*

- *Sewer Master plan*
- *Electricity infrastructure master plan*

Safety Plan

The current levels of crime in South Africa not only undermine the livelihoods of citizens but also pose significant challenges to the overall economy. High crime rates deter investment, hindering economic growth and contributing to increased unemployment. If not effectively addressed, rising crime levels could jeopardize the social and economic well-being of the Kouga community. "Keep Kouga Safe" is currently one of the key strategic pillars of the municipality and striving to make Kouga the safest area in South Africa. A safety plan is therefore required.

Spatial development framework

Spatial planning is largely a public sector function to influence the future spatial distribution of activities. It aims to create 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 objectives. Spatial planning comprises measures to coordinate and
improve the spatial impacts of other sectoral policies so as to achieve a more even distribution of economic development within a given territory than would otherwise be created by market forces.

Spatial planning is therefore an important lever for promoting sustainable development, improving the quality of life and can assist in delivering economic, social and environmental benefits. It is therefore required that the SDF be reviewed, and a Land Management Plan be developed.

Key within the land management plan is the identification of Rural Business Hubs for incubation programs and commonage land for emerging farmers which will create or stimulate the economies within the rural areas of Kouga.

Inclusive Business Chamber of Commerce

In today's increasingly interconnected and diverse world, fostering an inclusive business ecosystem is not just a moral imperative but also a strategic advantage. Chambers of Commerce, as pivotal facilitators of economic growth and community development, play a critical role in promoting diversity and inclusion. By implementing initiatives that ensure women entrepreneurs and underrepresented groups have equal access to opportunities, Chambers should be setting the stage for a more vibrant, equitable, and prosperous business community.

An inclusive business ecosystem acknowledges and leverages the diverse talents, perspectives, and potentials of its members from all sectors with the ecosystem. When these ecosystems thrive, they foster innovation, drive economic growth, and build resilient communities. Diversity and inclusion are critical not only for social equity but also for the economic vitality and sustainability of businesses.

It is thus imperative that an inclusive Chamber of Commerce be established to ensure economic growth within all economic sectors.

One-stop-shop

Investors require assistance in reducing government red tape when establishing and expanding a business. It is part of the government's drive to become investor-friendly by improving the business environment, lowering the cost of doing business, and making the process easier. A facility to streamline the investment value chain for small, medium and large companies looking to invest in Kouga, making it easier and faster to invest in the area, is required. The facility should have the necessary capacity to assist potential investors with advice on potential investments, funding available, processes required to fast track any applications, thus capitalizing on any opportunities that will grow the economy of Kouga from capital investments.

Special economic zone

The majority of economically successful countries across the globe have used industrialisation as the preferred route towards sustainable economic development. SEZs are extremely useful to investors as they receive tax and financial incentives that are not available to investors outside designated zones. They also provide investors with better economic threshold with respect to a balanced social and economic infrastructure, as well as transport and logistics networks. Communities in regions hosting SEZs also benefit significantly from the private and public sector investments, which often results in earnings above national average, higher standards of living, increased employment, and reduced poverty and inequality. In addition, SEZs tend to attract special managerial and technical talent from around the world into the host regions. This facilitates the transfer of skills to the citizens of the host regions. Small, medium and micro enterprises in the host regions can also easily be integrated into the value chains developed through and in the zones. A SEZ is therefore required to drive economic growth.

SMART City

Smart city development research indicates that economic development, energy consumption reduction, quality of life, equality, citizen initiative, and innovation is positively impacted by implementation of SMART city initiatives. It also indicated that there is a direct relationship between smart city development, higher performance in all sustainability dimensions and in the technology dimension specifically.

Research has also found that smart cities performed better than other cities and showed an increase of economic development over time. In smart cities, implementing "hard" infrastructure is not enough. What really makes the difference is a "soft" domain that includes policies or strategies for economic development, social inclusion and innovation.

A smart city strategy for Kouga is essential to enhance economic growth and promote efficiencies with all sectors.

Integrated ERP Solution

Through consultation, it was identified that municipal inefficiencies and long turnaround times in administrative processes, as well as poor communication must be addressed through improved business processes and systems.

"Enterprise Resource Planning", uses centralized information and business data to manage diverse business aspects that will support the operation of a municipality. The implementation of an ERP system will increase productivity, enhance and standardized process management, improve customer service and eliminate silo operations within Kouga. The system must however be developed in accordance too an approved Customer Services Charter which should clearly outline service standards.

Online platforms for key economic development elements will be included in the ERP system to facilitate the management of SMME's, Unemployed persons, emerging farmers, stakeholder assistance, events application submissions and tourism and marketing. This will enhance communication with all in Kouga.

Wi-Fi Connectivity

Theoretically internet access, can drive economic development through its impacts on both the supply-side and the demand-side of an economy. On the demand side, an internet connection may impact sellers and buyers' ability to access markets and the availability and quality of information on products and services being traded.

When internet infrastructure expands in developing regions of the world, workers are often more likely to gain higher wages or find employment. There is growing evidence suggesting that internet technologies can increase workers' productivity.

Research shows that companies benefitting from an internet connection are more likely to provide "on-the-job" training, which can lead to the "upskilling" of workers. The effect of internet access on students' academic achievements are also positively impacted.

With the intention of Kouga becoming a SMART City, wi-fi connectivity throughout Kouga is mandatory.

Town profiling for economic niche market

Kouga have 9 unique towns, each town with its own unique economic viability.
Local Economic Development is not about "quick fixes" or generating "wish lists." It requires a practical and in-depth understanding on the following:

- what the local area and towns does well and what it has to offer
- where its weakness and gaps are
- what threats and opportunities exist
- what the local area wants and needs
- What the area's economic linkages are
- Competitive advantages

Through profiling all towns within Kouga, an economic niche can be identified where each area could expand and drive sustainable development. Profiling each town is therefore required.

Skills Development

Kouga has a major challenge with the number of learners that do not complete their secondary education thus contributing to the limited number of learners eventually obtaining their tertiary qualifications. This reality results from several social challenges within Kouga and the Country at large.

The contrary, however, is that the most effective and sustainable way to build an economy is to equip people with the skills and know-how to drive it. Our aim should be to create a more conducive environment for attracting skills and enabling companies to invest in the youth of Kouga. We will need to strengthen the connection between the skills we develop and the skills the workplace needs, to ensure we capacitate people with relevant skills to enter the job market with confidence.

To prepare a Skills Development Plan that will translate into effective jobs or entrepreneurship, data will need to be collected from all sectors within Kouga to identify the key needs in current and future business opportunities. This data will then need to be analysed and adapted to the skill requirements where bursaries, mentorship, work-based learning and internship programmes can be aligned to. The retention of key skills within Kouga is also a key consideration in this process.

SMME Development

Small, Medium, and Micro Enterprises (SMMEs) are pivotal players in economies worldwide, especially in developing and emerging economies, where they contribute significantly to job creation, poverty alleviation, and innovation. Despite their limited capital and financial resources, SMMEs play a vital role in new product development and technological innovation, driving industrial renewal and economic growth.

The development of SMMEs is imperative as these enterprises are strategically important in a country's economic development. Most developing and underdeveloped countries rely on SMMEs for economic development. SMMEs often use more labour-intensive production processes than multinational corporations, resulting in increased employment and more equitable income distribution.

SMMEs in South Africa further encounter many challenges. These challenges include but are not limited to, the lack of access to markets, a lack of management skills, access to financial capital and bank loans and credit, lack of access and exposure to appropriate technology, a lack of recognition by multinational corporations, a lack of production capacity, lengthy bureaucratic processes. These challenges and lack of support, stimulation, and enhancement of SMMEs hinder the important role that SMMEs can play in economic development and employment creation.

Private and public institutions alike must recognize the imperative role played by SMMEs in addressing unemployment and fostering economic growth. Collaboration between the government and the private sector is key to creating an environment in

which SMMEs can thrive and contribute their expertise, knowledge, and innovation to the competitive production of goods and services. Encouraging the development of SMMEs within the private sector, with the support of the government, is crucial for building a sustainable economy. This entails consistent adherence to a competitive environment that fosters growth and innovation.

The Economic Sectors identified as well as all the strategies developed aim at promoting the development of SMMEs in a more structured and controlled manner to ensure effective economic growth.

Oceans Economic Sector

This sector is one that includes all economic activities closely linked to the ocean resources and environment and/or dependent to some meaningful degree on the oceans (Hosking 2017). The world depends on the ocean for trade, transport, energy, food, tourism, recreation and other goods and services. At the same time, the ocean faces multiple challenges due to increasing pressure from human impact and unsustainable practises.

The ocean economy in SA and the EC has become a priority sector due to its potential to stimulate economic growth and address the triple challenges of inequality, poverty and unemployment.

Classification of this sector comprises of the following:

- Fisheries
- Aquaculture
- Maritime transportation
- Shipping/parts and boat building
- Coastal tourism
- Cruise ship industry
- Port management

SWOT ANALYSIS - Ocean Economic Sector	
STRENGTHS	**WEAKNESSES**
* Availability of of squid and line fish	* Government (National) control of water resources
* Privately management and operated port	* No structure for our Emerging Fishing Cooperatives
* Blue flag beaches	* Government Restrictions on sea-time and quotas hinder growth
* Second largest Aquafer in the country	* Infrastructure capacity at the Harbour
	* No tidal pools
	* No piers or dedicated fishing areas
	* Limited access to safe boat launching facilities
OPPORTUNITIES	**THREATS**
* Water generation	* Extreme high cost of water from desalination
* Local Port expansion	* Global warming and climate change
	* Growing demand for water required
	* Dams owned by Nelson Mandela Bay Municipality

Possible Solutions

* Increase boat launchings sites
* Expansion and Development of Commercial Harbour
* Establishment of a fish market
* Onshore and offshore Fish Farming opportunities
* Explore opportunities within the Value Chain for secondary product manufacturing
* Assess tourism economic opportunities within the Sector
* Fishing spots to be identified and formalised

The following strategies has been identified to address the key challenges and opportunities within the sector:

Ocean economic plan

The pressures on the ocean are intense and growing — but recovery is possible. Putting a healthy ocean at the heart is essential so that effective protection, sustainable production and equitable prosperity go hand-in-hand to benefit people, nature and the economy. The ocean is important for human and planetary health, for climate and food security, for local jobs and the global economy. The ocean is also an enormous economic asset.

Sustainable ocean management could help the ocean produce as much as 6 times more food and generate 40 times more renewable energy than it currently does, contribute one-fifth of the reductions in greenhouse gas emissions needed to keep the world within the 1.5°C temperature rise limit. It can help lift people out of poverty, improve equity and gender balance, increase economic and environmental resilience, build the industries of the future and provide low-carbon fuel and feed for activities on land. Investments in a sustainable ocean economy are not just good for the ocean. They represent an excellent business proposition.

The Municipality does not have a plan that guides the usage of the ocean for economic growth which could include opportunities such as, onshore and offshore fishing, and all other value chain related activities. The development of an Ocean Economic Plan is thus critical to plan, formulate and confirm a sustainable approach to further stimulate economic growth within this Sector.

Expansion of harbour

As a small open economy, shipping of products can contribute to Kouga's economic growth. Infrastructure is however required to allow for exportation locally which would positively influence logistical factors i.e. timing of goods received or dispatched, reduction in transport costs, increase in job opportunities, limited damage to produce and road infrastructure.

The maritime economy can also give impetus to eco-tourism. Kouga is blessed with a flora and fauna biodiversity that is found nowhere else in the world, which can draw flocks of eco-tourists to the country's shores. Our expansive coast with its sandy beaches, coupled with a variety of ecotourism activities – from snorkelling, whale watching, surfing, game fishing to scuba diving, and shark diving, make Kouga the ideal travel destination and help to position Kouga as a preferred tourist destination and tremendous potential to spur much-needed economic growth.

There is a private commercial harbour operating within Kouga at Port STFB. However, the Port is limited in economic activities being offered due to the size capacity. A feasibility study is required to identify all possibilities for economic growth.

The strategies identified above is only relevant to this sector. All other strategies that impact this sector has been included under "General Economic Areas" above.

Green Economic Sector

In a green economy, growth in employment and income are driven by public and private investments into such economic activities, infrastructure and assets that allow reduced carbon emissions and pollution, enhanced energy ad resource efficiency, and prevention of the loss of biodiversity and ecosystems services.

The green economic sector is indispensable for addressing global energy challenges, advancing sustainable development goals, and building a more resilient, equitable, and sustainable energy future for generations to come.

Classification of this sector comprises of the following:

- Renewable energy
- Green buildings
- Clean transportation
- Water management
- Waste management
- Land management

SWOT ANALYSIS - Green Economic Sector	
STRENGTHS	**WEAKNESSES**
* Experienced skilled specialists available	* No clear policy guidelines on green solutions
* Buy-in from communities into green solutions	* Electricity distribution network failure
* Affordability of residential property owners to invest in solar energy (in certain areas)	* Limited knowledge on green solutions
	* Dramatic increase in borehole and solar pumping solutions
	* Tariff increases leading to unaffordability
OPPORTUNITIES	**THREATS**
* Financial Incentives on green solution	* Load Shedding
* Solar power generation by both homeowners and businesses	* Thyspunt Nuclear Power Station
* Energy from Windfarms	
* Environmental awareness programs	
* Water harvesting	
* Recycling of waste	
* Waste management initiatives	
* Thyspunt Nuclear Power Station	
* All Township roof structures be power producers with shared storage and opportunity for income	

Possible Solutions

* Development of Policies (include incentives)
* Rollout of SMART meters
* Engage in a Public / Private initiative to share battery storage capacity
* Development of maintenance plans for the current infrastructure
* Explore carbon neutral project opportunities
* Management of wild vegetation at our water sources
* Utilise technology to address the reduction / effeciency in electricity distribution

The following strategies has been identified to address the key challenges and opportunities within the sector:

Sustainable Energy

Energy plays a vital row in every society for its social and economic development. Energy security is becoming increasingly vital and is among the most pressing challenges facing municipalities. Renewable energy sources (REs), including biofuel, solar, and wind energy, are now a reality, and they are attracting growing interest from the public, investors/businesses, and academia.

Energy is at the heart of many of the Sustainable Development Goals – from expanding access to electricity, to improving clean cooking fuels, from reducing wasteful energy subsidies to curbing deadly air pollution that each year prematurely kills millions around the world. One of these goals – commonly known as SDG 7 – aims to ensure access to affordable, reliable, sustainable and modern energy for all by the end of the next decade.

The Municipality does not have a plan that determines the optimal energy mix for energy sustainability. The plan should include various sources of energy generation types i.e. wind, solar, water, geothermal and biomass. The development of a Sustainable Energy Strategy is thus critical to plan, formulate and confirm an approach to generate sustainable energy whilst stimulating economic growth within this Sector.

Green solutions for municipal services

The Municipality does not have a framework that determines what, where and how municipal services will be implemented in an environmentally friendly manner. The planning and development of green pastures within Kouga is required to address Climate Change. Also, municipal buildings should be prioritized in transforming into "Green buildings". The development of a green solutions plan for municipal services is therefore critical for sustainable growth.

Integrated Waste Management Plan

Waste continues to be a matter that affects the health of both humans and the environment. As such, it requires a comprehensive approach that ensures that the protection of both these aspects is sustainably achieved, and that there is a balance between these and other social, economic, and technical aspects.

Integrated Sustainable Waste Management seeks to achieve a balanced system thereby ensuring that all waste sources and relevant stakeholders are involved in addressing waste management.

The current plan must be reviewed to ensure that landfill site management, recycling of waste, and the management of wild vegetation are addressed comprehensively ensuring that economic opportunities are identified.

Carbon Credits

Carbon credits is an area that has not been explored extensively and thus a policy framework have not been developed to take advantage of the benefits thereof. This area must receive special focus within the development of Kouga. A few of the key benefits of carbon credits are as follows -

- Providing a financial incentive to invest in clean technologies like solar power and fuel-efficient cars
- Slowing climate change by reducing greenhouse gas emissions
- Creating a "carbon market" that allows companies to buy and sell credits
- Helping the environment and removing carbon from the atmosphere by planting trees, or avoiding emissions from other sources, like switching to clean energy
- Allowing companies to compensate for their greenhouse gas emissions

A policy framework is thus required to determine how carbon credits can be managed efficiently and effectively within Kouga to fight climate change.

The strategies identified above is only relevant to the sector. All other strategies that impact this sector has been included under "General Economic Areas" above.

Property Development Economic Sector

This sector comprises of business groupings involved in activities related to the renovation and disposal or leasing of existing buildings, the purchase of raw land and the sale of developed land or parcels to others. The purpose is to develop and increase the value of land/buildings.

Real estate is a major driver of economic activity for growth. Construction is a labour-intensive industry that creates jobs for a variety of skilled and unskilled workers. When the property market is good, there is a higher demand for construction which, in turn, boosts employment and income levels.

Classification of this sector comprises of the following:

- Developers
- Real estate agents
- Mortgage brokers
- Financial institutions
- Attorneys
- Architects
- Product Manufacturers/Suppliers

SWOT ANALYSIS - Property Development Economic Sector	
STRENGTHS	**WEAKNESSES**
* Homeowners wanting to be totally off the grid (water and electricity)	* Rates and taxes are too high
* Move from "Holiday Town" to permanent residents (work from home)	* Not safe due to crime
* Excellent quality of life offered	* Building Plan approval process extremely long
* Jeffreys Bay an international tourism destination	* Development restrained by delays in Town Planning
* Property prices lower than Garden Route	* Delays in issuance of Occupational Certificates
* Good schools	* Cost of development too high (Augmentation fees)
* Clean Towns	* Certain areas are still using septic tanks for sewerage disposal
* Safety in most areas are good	* Building costs high due to materials being brought from outside the area
* Near airport	* No fiber or stable wifi
* Municipality best performer in the Eastern Cape	* Informal settlements are increasing with no regulations and governance
* Fastest growing are in the country	* Limited alternative construction methodologies being used in the area
* Construction Forum is active with 70 members	* Limited use of recreational land
* Postive public transport	* No good public pools and training pools
* Seen as a small coastal town	* Vacant land prices very high
	* Lack of enforecement of Health and Satefy Regulation in Construction Industry
OPPORTUNITIES	**THREATS**
* High demand for affordable rental housing	* Semi-migration to the area (even from the Cape)
* Shortage of availbale properties under the R1.5 million benchmark	* Foreign contractors being utilised
* Influx of new permanent residents	* Homeowners wanting to be totally off the grid (water and electricity)
* Demand for retirement properties	* Bulk infrastructure not available
* Limited properties available in Humansdorp under R1.1 million	
* Demand for social housing	
* Construction business in demand within both public and private sectors	
* Demand for pet friendly estates or complexes	
* St Francis Beach Restoration Project will motivate and stimulate increase of development	

Possible Solutions

* Planning & Development Department to be more efficient
* All new developments to go green and off the grid
* More recreational, healthy activities required
* Municipal land to be availed for development
* Create better on-line and automated self-help services for residents
* Establish a Front Desk for Economic Growth and Development at the municipality
* Alternative building methods and materials to be assessed and considered
* Promotion of water-harvesting and retention solutions
* St Francis is competing with high value-end market in South Africa - the niche to be maintained and enhanced
* All Estate Agents to be registered and compliant
* An organised investment conferences where the Municipality and Private Sector jointly showcase investment opportunities is required
* Incentives for renewable energy and green projects
* Public to be educated with regard to building compliance regulations
* Alternative access road required to avoid driving through the informal settlement to Paradise Beach (demotivator to possible investors)
* Introduce incentives for development

The following strategies has been identified to address the key challenges and opportunities within the sector:

Planning system

Spatial Planning in economic development allows land and buildings to be used for different purposes. All changes in use require detailed planning administrative processes which require internal verification steps as well as public participation.
The implementation of a planning system will increase productivity, enhance and standardized process management, decrease turnaround times for approvals and eliminating independent working arrangements within Kouga.

The current planning processes for developments is deemed to be inadequate due to various delays within the process. A new planning system is thus required to ensure an optimal and user-friendly planning process. This will assist in Kouga becoming an investment destination of choice for local and international investors.

Alternative building methods

Building types and materials has evolved over time. The evolution has not been fully considered within municipal by-laws and policies. A detailed assessment on alternative building methods, types of materials, and construction methodologies is required. The outcome of the assessment will influence the current building standards within Kouga.

Affordable property

The demand for affordable housing is increasing with the influx of people into the area. With growing the economy, the influx will increase resulting in a further demand. Whilst private developers can focus on this opportunity, the municipality has identified the affordable property niche as an opportunity to create an additional revenue stream to fund service delivery. An assessment is required to determine the capacity, expertise, and funding requirements for affordable properties to become a sustainable revenue stream.

The strategies identified above is only relevant to the sector. All other strategies that impact this sector has been included under "General Economic Areas" above.

Manufacturing Economic Sector

This sector comprises of the establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products using labour, machines, tools, and chemical or biological processing or formulation from raw materials and commodities into finished goods.

This sector forms part of the secondary sector and consists of processing, manufacturing and construction companies. It forms an integral and huge part of the economy by converting raw materials into something more useful that adds value. This added value increases the price of finished products, making manufacturing a very profitable part of the business chain.

Classification of this sector comprises of the following:

- Mechanical Engineering Industries
- Food processing industries
- Electricity generation
- Electronics
- Communication industries
- Chemical and Allied Industries
- Textile industries

SWOT ANALYSIS - Manufacturing, Trade and Retail Economic Sector	
STRENGTHS	**WEAKNESSES**
* Lower production costs in comparison to bigger cities	* Extremely competitive market environment with many back yard services with price undercutting * Import of products increase costs * Non-availability of goods in the area increase costs * High transport and logistical costs
OPPORTUNITIES	**THREATS**
* High demand for alternative products for sealing floors * High demand for alternative products for swimming pools * High demand for rust and roof maintenance products and solutions * Increase demand for bricks	* None

Possible Solutions

* Municipality to avail Industrial land for manufacturing

The following strategies has been identified to address the key challenges and opportunities within the sector:

Local production

Key to economic growth a commitment is needed from the municipality, business and organised labour to buy local. This priority intervention is to support a massive increase in local production and to make Kouga exports globally competitive. This will encourage greater investment by the private sector in productive activity. Buying local should lead to increased local production, which will enhance our manufacturing industry tremendously.

Benefits of local production in economic development include:

- Shortening the supply chain, which reduces disruptions and slows in manufacturing.
- Reducing environmental impact, as local production means shorter distances and less CO2 emissions.
- Boosting the local economy, supporting local businesses and communities.
- Better communication with manufacturers and easier control of production.
- Ensuring better working conditions for employees.

The SWOT analysis has identified that a number of products are being imported, as products are not available locally or the cost of the products available outside of Kouga are not competitive, which increases the cost of production. An assessment is therefore required to identify key products needed within all sectors which could be manufactured locally.

Goods not available locally

Many products are currently being sourced from neighbouring municipal areas, especially the Nelson Mandela Bay Metropolitan. The procurement of goods outside of Kouga develops the economy of other areas. To enhance economic growth within Kouga, an assessment on goods and services in high demand and not available locally needs to be performed. The outcome of the assessment will identify key manufacturing opportunities.

The strategies identified above is only relevant to the sector. All other strategies that impact this sector has been included under "General Economic Areas" above.

Agricultural Economic Sector

This sector comprises of the allocation, distribution, and utilization of the resources used, along with the commodities produced, by farming. It is central to fostering economic growth, reducing poverty, and improving food security.

Agriculture forms a major big part of the Kouga region's economy. It supports livelihoods through food, jobs and building strong economies through trade.

Classification of this sector comprises of the following:

- Crop production
- Livestock production
- Aquaculture
- Forestry
- Horticulture
- Agri-business and agricultural marketing
- Agricultural technology

SWOT ANALYSIS - Agriculture Economic Sector	
STRENGTHS	**WEAKNESSES**
* Good knowledge base and capacity within the industry	* Ever-increasing labour and input costs
* Excellent climate for milk production	* Agriculture is seasonal
* Competitive environment within dairy industry	* BBBEE Scorecards unrealistic (most workforce coloured)
* The Agricultural sector is well structured and organised	* Safety at farms
* Agriculture industry stable and growing	* High logistical costs of raw materials required (maize)
* Limited pesticides and chemical interventions required	* High import costs for products required
* Good export capacity	* Limited capacity at export harbours for storage and transportation (Coega)
* High demand for products to be exported	
* Condusive environment for agricultural opportunities	
* Close proximity to a Harbour (Coega)	
* Good quality water available	
* Competitive environment within citrus industry	
OPPORTUNITIES	**THREATS**
* Mentorship of emerging farmers	* Climate change
* Collective buying by groups of farmers to reduce costs	* Water restrictions and limitations hinder growth and expansion
* Marketing our unique and hight quality products as a brand for export	* Cost for operating small farms unsustainable
* The "Dairy Drive" for Agri-Eco-Tourism	* Automation of processes
* Hydro and Methane gas power generation from dairy waste	* Road infrastructure
* Land availability for emerging farmers	* Drought
* Increase the export of products	
* Food security is a global challenge	
* Demand for Logistical requirements increasing	
* Identification of new products for export	
* Development of cold storage capacity	
* Logistical solutions - review railway system	
* Agri-Eco-Tourism opportunities within growing economy	

Possible Solutions

* Strong review with regard to the impact and relevance of the NEMA legislation on agricultural growth and capacity.
* A proposal to review the CARA legislation as more relevant to agricultural practices.
* Agricultural Community is willing and want to get involved in emerging and township economy growth as well as community
* Land availability assistance toward emerging farmers to secure their animals
* Need for a fresh produce market

The following strategies has been identified to address the key challenges and opportunities within the sector:

Exporting

Exports of goods and services represent one of the most important sources of foreign exchange income that that creates employment opportunities. Exports aims to provide producers with incentives to export their goods through various economic and governmental policies. It also aims to increase the capability of producing goods and services that are able to compete in the world market. Exports can increase intra-industry trade, help the country to integrate in the world economy and reduce the impact of external shocks on the domestic economy.

As food security remains a global challenge, the opportunity for expanding the exporting of produce exists. The current produce farmed in certain areas are seasonal which has a negative economic effect out of season. To address these challenges, an assessment is required to identify areas for expansion as well as new opportunities for exporting.

Agro processing

The Medium-Term Strategic Framework (MTSF), specifically outcome 1: Economic transformation and job creation, notes the agro-processing industry as a key pillar for inclusive economic growth. It notes the crucial role the agro-processing industry should play towards mitigating post-harvest losses, providing access to markets for farmers and ensuring household food security. At operational level, the competitive performance of agribusinesses is directly linked to produce that are mainly sold locally or internationally in its raw form. The value obtained through selling raw produce can be increased through Agro processing initiatives.

The Agro-processing industry has the potential to spur economic growth and create sustainable employment. The agriculture and agro-industries are postulated as having the latent potential to contribute to inclusive economic growth through forward and backward linkages by providing various opportunities for earning income in the food production, processing, distribution and retailing phases of the agro/food value chain.

A study is required to identify new opportunities for Agro processing where the value chain can be activated to enhance or grow the economy.

Railway

Railroads are the most efficient transportation mode for moving goods on the earth's surface. Railroads are of particular importance for the movement of commodities that's heavy and moved in bulk over long distances where the transportation spend represents a large portion of the total delivered cost.

With the current status of the road infrastructure and the exorbitant logistical costs to transport goods, there is a need to explore other transportation options. A railway system was in existence which functioned well and was identified as a possible solution. The revival of the railway system within Kouga is required.

Commonage

Emerging farmers continuously requests the availability of land for farming purposes. Land needs to be identified before being made available to qualifying emerging farmers. A commonage plan is needed to determine the criteria to be met, roles, responsibilities, cost implications and land portion management for emerging farmers. This plan will guide the management of commonage areas in a manner that will assist in driving long term sustainability.

The strategies identified above is primarily relevant to this sector. All other strategies that impact this sector has been included under "General Economic Areas" above.

Tourism Economic Sector

This sector comprises of activities associated with travel for recreational, leisure, or business purposes. It encompasses a wide range of services, businesses, and infrastructure that contribute to and benefit from the movement of people from one location to another. The tourism sector plays a crucial role in the global economy, contributing to employment, income generation, and economic development in various regions.

The sector generates revenue through visitors spending on various goods and services, creating employment opportunities, stimulating investment in infrastructure and amenities, and fostering cultural exchange and understanding between people from different regions and backgrounds.

Classification of this sector comprises of the following:

- Travel and transportation: car rental, airlines, cruise liners, airlines
- Accommodation: B&B's, lodges, hotels, resorts, vacation rentals, backpackers, caravan parks, camping
- Hospitality services: food and beverages, restaurants, café's, bars, food stalls and any other refreshments.
- Tour operators and travel agencies: guided tours, excursions, travel packages
- Recreation and entertainment: museums, theme parks, tourist attractions, events, festivals
- Travel retail and souvenir shops
- Tourism infrastructure
- Heritage and culture

SWOT ANALYSIS - Tourism Economic Sector	
STRENGTHS	**WEAKNESSES**
* Close proximity to well-known tourist attractions (Addo, Bloukrans Bungie jumping, etc)	* Pavements are in a bad condition which limits outdoor activity by tourists (jogging, cycling)
* Situated on the Garden Route for passing tourists	* Limited wheelchair access to the beach and public places
* Affordable holiday destination	* Lack of an Inclusive Tourism Plan
* Easy access to the airport	* Limited engagement between tourism businesses
* Vast number of activities ranging from the mountains to the sea	* Street children harassing tourists
* St Francis is know internationally as the "Little Venice"	* Role players not collaborating well to ensure success of events
* Small town feel with a laid back lifestyle (away from city life)	* No maintenance of public toilets for beach visitors
* Accommodate both high end and low end market	* No night life activities other than bars and clubs
* Jeffrey's Bay is known world-wide for its international surfing beaches	* No Uber services
* A rich cultural and historical background within the area	* Limited entertainment / activities for children
	* Too many accommodation establishments (Air BnB)
	* Business activity revolves around holiday seasons only
	* No township toursim available
OPPORTUNITIES	**THREATS**
* Digital nomads looking for medium term accommodation	* We do not form part of the "tourism route" for international visitors
* Need for safe events for 14 – 18 years old children	* No big hotels to accommodate tour groups
* Need for a Tidal pool	
* Requests for live music at restaurants	
* Platform required to market tourism activities and accomodation	
* Swimming pools required for the public (both cold and hot)	
* Establish a Night Market	
* Kids/Adult mountain bike trail needed at the kabeljous Reserve	

Possible Solutions

* Easy access to wifi
* Support required to market the area and its activities
* The entire area to be promoted (not only a select few areas)
* Tourism facilities to be upgraded
* Local Tourism Offices to be funded adequately
* Offer attractive and affordable packages by working together and market widely
* Training school for hospitality and tourism needed
* Development of the beachfront / waterfront
* Develop proper pavements for cyclers and joggers
* Better management, capitalisation and optimising of our legacy heritage sites and natural resources
* Request for a walk way on the beach from the main beach to Kabeljous
* A bigger focus on Social Media Advertising with digital platform
* Develop a cycle route through town
* Similar to Clarence – outdoor areas to sit down and create an ambiance of holiday and relaxation
* Adapt to change with more "fast food take-aways", rather than visiting restaurants
* Re-establish the Park Runs – this was a great weekly gathering
* Eradicate the fear of robbery and vandalism
* Collaboration with SA Tourism to showcase KOUGA in Europa
* Support events that attract media/tv coverage where KOUGA can be promoted extensively
* Enhance communication channels between role players
* Township Tourism
* Keep town clean initiative

The following strategies has been identified to address the key challenges and opportunities within the sector:

Tourism Plan

Kouga requires to position itself as a desirable destination, acknowledging the challenges and focusing on enhancing safety, cleanliness, product development, and maintaining tourism infrastructure.

By addressing these aspects, a welcoming and attractive destination will be created, fostering sustainable tourism growth and contributing to the overall economic development of our area.

The successful implementation of the Tourism Plan will depend on the following key success factors:

- Strong partnerships and collaborative initiatives with all stakeholders including media, industry stakeholders and communities.
- Effective packaging to ensure competitive pricing, access to information, ease of purchase, quality travel experiences in line with target market needs.
- Affordable, safe and convenient access and transport modes to tourism destinations and products.
- Domestic tourism campaigns rollout.
- Research should be considered and focused on areas where there are high potential for domestic tourism growth.
- Recognise the role of platforms such as travel agents, banks, websites, mobile phones, etc.
- More collaboration for collection and sharing of information for statistical purposes.
- Ensure that there is a monitoring, evaluation and reporting mechanism in place.

In the SWOT analysis above, numerous weaknesses and opportunities were identified. It is therefore critical that an all-inclusive tourism and marketing plan be developed. The plan will be instrumental in driving sustainable tourism throughout the year.

Event management system

Events are currently a key driver of tourism within Kouga. Event management is a highly regulated area where compliance must always be adhered to. Event applications are therefore required to be managed, scrutinised and assessed to ensure full compliance. An Event management system will be developed to enhance the application process.

Large, structured accommodation establishment

In growing tourism as one of the key economic sectors, new international markets need to be explored and established. With international markets, tourism operators require single accommodation for large groups as well as structured accommodation types like an hotel. These requirements cannot currently be met with the current accommodation establishments within Kouga. The evident impact of this is that larger tour groups bypasses Kouga. A large, structured accommodation establishment is thus required.

The strategies identified above is primarily relevant to this sector. All other strategies that impact this sector has been included under "General Economic Areas" above.

CHAPTER 6: CONCLUSION

Kouga has had relative success in leveraging the regions competitive advantages for economic growth and has been able to produce positive trends for employment, investment, and infrastructure offerings. In the context of major challenges facing the South African economy, however, this progress has not been sufficient to account for population growth, or to improve the overall competitiveness of the region to a satisfactory level.

The challenges faced by Kouga's local economy in the context of this nation-wide economic crisis, particularly in conjunction with the global Covid-19 pandemic, are vast, deeply entrenched and spanning across almost every aspect of economic activity. Addressing challenges such as these is no small task for any government, but Kouga is not alone in this effort.

History has shown that Kouga is resilient in the face of such challenges, and despite the prevailing impacts of the recent drought, there are signs of recovery that suggest that we will continue to perform well in the South African context.

Nevertheless, key economic indicators highlight the need for improved inclusion and embedded sustainability to not only achieve higher growth levels, but so that the positive impact of that growth can be felt across the entire Kouga region.

Economic growth is everybody's responsibility. Throughout this document, emphasis has been placed on partnerships, information gathering, and responsiveness to ever-changing needs and opportunities. Through improved collaboration with the full range of internal and external stakeholders, in both the formal and informal private sector, as well as public sector, Kouga is committed to realising its objectives for the improvement of inclusive economic growth, reduced unemployment, and reduced inequality through dynamic social mobility.

Through the conceptual framework established in this document, we will pursue an active programme of economic stimulation, support, and promotion. At the core, there is an emphasis on the provision of reliable high-quality services that businesses and individuals in both the formal and informal sector can rely on.

Further investment by both public and private sectors, together with strategic facilitation, has the potential to establish a service base that will give businesses assurance and a foundation for success.

Finally, with an eye on the future, Kouga will continue to strive for increased investment, domestically, regionally, and internationally, in a full range of sectors aimed at jobs today and growth tomorrow. As a high-level strategy, the purpose of this document is to inform and guide actions in the short to medium term. An implementation plan, attached as **Annexure A**, has been developed to accompany this Strategy and will inform the timelines for completion of initiatives and actions.

As part of this plan, Kouga will be reviewing administrative functions relating to implementation and identifying role players best suited to take responsibility. The implementation of this strategy will be carried out by Kouga and its partners, and through ongoing monitoring and evaluation, the objectives of the Strategy will be achieved.

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 economic vision of a resilient inclusive economy through public and private collaboration.

Let us all collaborate on our shared future, to achieve Good Governance through Service Excellence.

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ANNEXURE A: IMPLEMENTATION PLAN

REF #	STRATEGY	SUSTAINABLE GOAL #	MUNICIPAL PILLAR	Stakeholders	S-T	M-T	L-T	Economic Sector
ED1	Finalise development of the Water Master Plan	1,6,9,11, 13	Keep Kouga Serviced	Local Municipality DWS DEDEAT Agricultural Sector	X			General
ED2	Finalise development of the Roads Reseal and Maintenance Plan	9,11	Keep Kouga Serviced	Local Municipality SBDM DORT DEDEAT Business Sector Community	X			General
ED3	Develop an Asset Management Maintenance Plan (Sewer and Water Reticulation)	6	Keep Kouga Serviced	Local Municipality DWS	X			General
ED4	Develop a Municipal Amenities Management Plan	11	Keep Kouga Serviced	Local Municipality Business Community	X			General
ED5	Review the Electricity Infrastructure Maintenance Plan	7,9,11	Keep Kouga Serviced	Local Municipality	X			General
ED6	Develop a Sewer Master Plan	1,6,11	Keep Kouga Serviced	Local Municipality DWS		X		General
ED7	Finalise Electricity Infrastructure Master Plan	7,9,11	Keep Kouga Serviced	Local Municipality		X		General

ED8	Develop a Safety Plan to make Kouga Area the safest in South Africa	1,3,11, 16	Keep Kouga Safe	Local MunicipalitySAPSNeighbourhood WatchesPrivate Security CompaniesProvincial TrafficEMSBusinessDOJSafety and Liaison Correctional ServicesCommunity	X			General
ED9	Review Spatial Development Framework	9, 11	Keep Kouga Growing	Local Municipality Business Sector Community COGTA Treasury	X			General
ED10	Develop a Land Management Plan	11	Keep Kouga Growing	Local Municipality Business Sector Community COGTA Treasury		X		General
ED11	Establish an inclusive Chamber of Commerce	1,8,9,11,17	Keep Kouga Growing	Local Municipality Kouga Businesses	X			General
ED12	Develop a One-Stop-Shop	8,9,10,11,12,17	Keep Kouga Growing	Local Municipality Business Sectors Community External Funders DEDEAT DTI			X	General

ED13	Develop a Special Economic Zone (SEZ)	8,9,11,17	Keep Kouga Growing	Local MunicipalityBusiness SectorsCommunityExternal FundersDEDEATDTI		X		General
ED14	Develop a SMART City Strategy	8,9,11,17	Keep Kouga SMART	Local Municipality Telecommunications Network Providers Internal System Providers Community		X		General
ED15	Implement an Integrated ERP Solution to drive efficiencies in accordance with the Service Charter	11	Keep Kouga SMART	Local Municipality Telecommunications Network Providers Internal System Providers Community	X			General
ED16	Provide Wi-Fi connectivity to support SMMEs and Vulnerable Groups	1,3,4,8,11,16	Keep Kouga SMART	Local Municipality Telecommunications Network Providers Business Community			X	General
ED17	Determine an economic profile for each Town within Kouga to establish economic development zones	1,8,9,11,12	Keep Kouga Growing	Local Municipality All Stakeholders Residents	X			General
ED18	Formulate a Skills Development Plan	11	Keep Kouga Growing	Local Municipality Business Sectors Community SETAs		X		General

ED19	Develop an Ocean Economic Plan	13,14,15	Keep Kouga Green	Local MunicipalityBusiness SectorsDFFEDEDEATFishing CommunitySt Francis Port	X			Ocean
ED20	Expansion of Port St Francis Harbour	14,15,17	Keep Kouga Growing	Local Municipality Port St Francis Harbour DFFE			X	Ocean
ED21	Develop a Sustainable Energy Strategy	7,11	Keep Kouga Serviced	Local Municipality Business Sector NMMU FET Colleges DMRE NPOs Community		X		Green
ED22	Perform an Assessment on possible Green Solutions for Municipal Services	6,13	Keep Kouga Green	Local Municipality DEDEAT Environmental Experts DWS		X		Green
ED23	Develop a Waste Management Plan	12	Keep Kouga Clean	Local Municipality DFFE DEDEAT Recycling Companies NGOs Environmental External Stakeholders	X			Green

ED24	Develop a Policy Framework on Carbon Credit Management	7,13	Keep Kouga Clean	Local Municipality DFFE DEDEAT Recycling Companies NGOs Environmental External Stakeholders		X		Green
ED25	Implementation of NEW Planning System	11	Keep Kouga SMART	Local Municipality	X			Property Development
ED26	Assess alternative building methods, types of materials and construction methodologies which could be utilised within Kouga	8,9,11	Keep Kouga SMART	Local Municipality NHBRC DEDEAT		X		Property Development
ED27	Assessment on property development as an additional revenue source for the Municipality to ensure financial sustainability	9, 11	Keep Kouga Growing	Local Municipality		X		Property Development
ED28	Feasibility Study on products and services in high demand and not available within Kouga in all Sectors	1,2,8, 9,11	Keep Kouga Growing	Local Municipality All ED Sectors in Kouga		X		Manufacturing
ED29	Feasibility Study on producing goods locally versus importing of goods in all Sectors	1,2,8,9,11	Keep Kouga Growing	Local Municipality All ED Sectors in Kouga		X		Manufacturing
ED30	Assessment on expansion of exporting (new opportunities / seasonal)	2,8,11,17	Keep Kouga Growing	Local Municipality DALRD Agri-related Organisations Farmers		X		Agriculture

ED31	Assessment on Agro-processing opportunities available to unlock value chains	1,2,8,9,11,17	Keep Kouga Growing	Local Municipality DALRD Agri-related Organisations Farmers		X		Agriculture
ED32	Revival of the Railway System within Kouga	9,11	Keep Kouga Growing	Local Municipality Department of Transport Transnet			X	Agriculture
ED33	Develop a Commonage Plan for Emerging Farmers	1,2, 11	Keep Kouga Growing	Local Municipality		X		Agriculture
ED34	Develop an all-inclusive Tourism Plan (including Tourism Marketing)	8,11,17	Keep Kouga Growing	Local Municipality LTOs Tourism Businesses	X			Tourism
ED35	Develop an Events Management System for Communication, Safety and Compliance	11,16	Keep Kouga SMART	Local MunicipalitySAPSLTOsEvent Organisers	X			Tourism
ED36	Facilitate the development of a large, structured establishment (5-star Hotel)	8,11	Keep Kouga Growing	Local Municipality			X	Tourism

KOUGA local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/FED7**

2024/2025 HUMANSDORP COMMUNITY FESTIVAL SPONSORSHIP PROPOSAL

1. Introduction

This item is to seek Council's approval for the sponsorship of the 2024/2025 Humansdorp Community Festival presented by Khoi Kulcha Events scheduled to take place on 4 – 5 April 2025 in Humansdorp.

2. Background

The Humansdorp Community Festival is an annual event that celebrates the rich culture, heritage, and vibrant spirit of the Humansdorp community. This year's festival promises to be an even bigger and better event, featuring a diverse range of activities for people of all ages, including live music, carnival rides, sports events, arts and crafts, and delicious food.

3. Discussion

The Humansdorp Community Festival presents a unique opportunity for Council to demonstrate its commitment to the community and contribute to the Humansdorp and the broader Kouga's economic and social development.

By supporting this event, the Council will:

- Strengthen Community Bonds:
  - Foster a sense of unity and pride among Humansdorp residents.
  - Create a platform for cultural exchange and diversity.
  - Provide a safe and enjoyable space for families and individuals of all ages.

- Stimulate Economic Growth:
  - Attract visitors to the area, boosting local businesses and tourism.
  - Create temporary job opportunities for residents.
  - Showcase local talent and entrepreneurship.

- Enhance the Community's Reputation:
  - Position Humansdorp as a vibrant and welcoming destination.
  - Elevate the town's profile on a regional and national level.

- Contribute to Social Development:
  - Support community outreach programs and initiatives.
  - Empower local youth through various activities and workshops.
  - Promote health and wellness through sports and recreational activities.

3.1 Partnership Opportunity

The Council is invited to partner with Khoi Kulcha Events as a Title Sponsor for the Humansdorp Community Festival. As a Title Sponsor, the Council will enjoy the following benefits:

- Prominent branding on all marketing materials, event signage, and within the venue.
- Association with a community-focused event that aligns with the Council's social responsibility goals.
- Receive 15 VIP passes to entertain stakeholders and employees.
- Receive 50 general access weekend passes to share with staff and stakeholders.
- Increased brand awareness, customer loyalty, and positive public perception.

3.2 Community Outreach

The organizers of the festival are committed to giving back to the community. In 2023, they successfully organized a back-to-school program that engaged hundreds of children and adults. For 2024, they partnered with Chillatude Community Project to host a Christmas party in Kwanomzamo, supporting underprivileged children.

They plan to serve a two-course meal and set up a candy table for the kids. They will distribute teddy bears and organize fun Christmas activities.

3.3 Proposed Sponsorship Allocation

The financial contribution requested will be used to cover some or all of the following expenses. The specific allocation of funds will depend on the level of sponsorship approved by the council.

The Council's approval will determine the specific expenses that can be funded through this sponsorship.

Description	Note	Amount
Stage, Sound, Infrastructure, Marketing, and Activities	To ensure a high-quality production and engaging experience for attendees.	R185,000-00
Artist Fees	To secure top-tier local and national talent.	R150,000-00
Safety and Security:	To provide a safe and secure environment for all attendees.	R45,000-00
Hospitality, Accommodation, Transportation, and Meals	Accommodate visiting artists and event organizers.	R50,000-00

3.3 Event Statistics

Description	2024	2025
Expected Attendance	Around 5,000 people attended the festival.	Anticipate a significant increase, aiming for at least 7,000 attendees.
Job Creation	Employed 49 staff: 25 marshals, 10 cleaners, 6 runners, 6 bar staff and a team of 8 in the planning committee.	Anticipate to generate even more employment opportunities, particularly for residents.
Economic Impact	Generated substantial revenue for local businesses, including food vendors, craft sellers, and accommodation providers.	Further boost the local economy, with increased spending on food, beverages, merchandise, and transportation.
Marketing Reach	Social media, local newspapers, and radio were utilized to promote the event.	Additional marketing efforts to reach a wider audience include online advertising and influencer partnerships.
Environmental Impact:	Eco-friendly practices were implemented, such as waste reduction and recycling initiatives.	Will continue to prioritize sustainability, encouraging attendees to adopt eco-conscious behaviors.
Social Impact	The festival fostered a strong sense of community, bringing together people from diverse backgrounds.	Aim to strengthen community bonds, promote cultural exchange, and create lasting memories.

3.4 In-Kind Support Requested

We kindly request the following in-kind services to ensure the successful execution of the Festival:

- Traffic Control: Assist with efficient management of traffic flow in and around the festival venue.
- Waste Management: Assist with collection and disposal of waste generated on both days of the festival.
- Power Supply: Assist with two electric boxes to power stalls and the stage.
- Marketing and Promotion: Assistance with social media marketing, digital billboard advertising, and print media promotions.
- Signage: Design and printing of a backdrop for the main stage.
- Security: Assist with Law enforcement patrols in and around the festival venue to maintain safety and security.

Refer to Annexure A: 2025 Humansdorp Community Festival Sponsorship Letter

Refer to Annexure B: 2025 Humansdorp Community Festival Sponsorship Proposal.

4. **Financial Implications**

Completed by BTO -	
Project Description	KOUGA FAMILY FUN DAY
Ukey no.	20240710994873
Budgeted Amount	R100 000.00
BTO Signature	KOUGA MUNICIPALITY
DATE	2024-12-10
Amount spent and committed to date	R0 BUDGET & TREASURY
Amount Available	R100 000.00
Comment	

5. **Applicable Legislation**

Funds transferred to external organisations or bodies must comply with section 67 of the MFMA, Act 56 of 2003:

Funds transferred to organisations and bodies outside government

(1) Before transferring funds of the municipality to an organisation outside any sphere of government otherwise than in compliance with a commercial or other business transaction, the accounting officer must be satisfied that the organisation or body-

(1) has the capacity and has agreed-

(i) to comply with any agreement with the municipality;

(ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;

(iii) to report at least monthly to the accounting officer on actual expenditure against such transfer; and

(iv) to submit its audited financial statements for its financial year to the accounting officer promptly;

(2) implements effective, efficient, and transparent financial management and internal control systems to guard against fraud. theft and financial mismanagement; and

(3) has in respect of previous similar transfers complied with all the requirements of this section.

(2) If there has been a failure by an organisation or body to comply with the requirements of subsection (1) in respect of a previous transfer, the municipality may

(I)(c) make a further transfer to that organisation or body provided that-

(1) subsection (I)(a) and (b) is complied with, and

(2) the relevant provincial treasury has approved the transfer.

(1) The accounting officer must through contractual and other appropriate mechanisms enforce compliance with subsection (1).

6. **Legal Implications**

The Municipality must ensure that beneficiaries have complied with their contractual duties, as required by the MFMA. Failure to comply with the MFMA may result in the transaction being classified as unauthorised, irregular, or fruitless and wasteful expenditure, and which may pose a risk to the financial audit qualifications of the Municipality.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Recommendations supported

8.2 **Director: Planning & Development**

Supported

8.3 **Director: Civil & Water Services**

Item noted.

8.4 **Director: Electro-Mechanical Services**

Report noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Noted.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That Council approves funding allocation of R 100,000.00 (one hundred thousand rand) only, VAT-inclusive for the 2024/2025 FY.

10.2 That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with Khoi Kulcha Events, in accordance with the funding allocated in recommendation 10.1 above.

Item prepared by the Acting Manager EDT: A Jonck

Item approved by the CFO:

Item endorsed by the Municipal Manager:

Item Noted by the Portfolio Councillor:

Annexure A: 2025 Sponsorship Letter to Kouga Local Municipality

Mr B H Bornman
Executive Mayor
Kouga Municipality
33 Da Gama Road, Kouga,
JEFFREY'S BAY

HUMANSDORP COMMUNITY Festival

Dear Mr H Bornman and Executive Committee
The Khoi Kulcha Foundation is pleased to announce the third annual Humansdorp community festival, scheduled for April 4-5, 2025. We are thrilled to collaborate once again with you and The Kouga Municipality. This festival has gained recognition as a significant event within the Kouga communities and beyond, and your generous contribution of R150,000 during the previous edition greatly enhanced the event's success. Your support and sponsorship have provided local entrepreneurs and artists with a valuable platform to showcase their talents and generate income. Additionally, the festival has created numerous job opportunities for local residents over the weekend. Our survey indicated a decrease in crime rates during the festival period.
We kindly seek your assistance for the upcoming festival.
To ensure we deliver an exceptional experience for our attendees and the community, your sponsorship is crucial and plays a vital role in the event's success.
The importance of this festival to the community cannot be overstated. It serves as a beacon of hope, fostering unity among families and creating a positive environment in and around the town. Furthermore, it addresses social justice and economic challenges while providing a platform for local artists and generating employment opportunities.
With your support, we can achieve our mission of hosting a successful event.
The total cost to host the festival is R430,000. We have secured R200,000 in funding through various sources:
Break down of R200,000
- Self-funding: 30%
- SAB: 40%
- Score: 20%
- Donations: 10%

We respectfully request R230,000 in assistance as the title sponsor to facilitate the event's realization. In accordance with our agreement with Kouga Municipality, this sponsorship will include brand exclusivity for the event, branding opportunities in and around the event area, logo display, and acknowledgment in all marketing campaigns. Additionally, VIP access will be provided for your staff and stakeholders.
To enhance the festival's growth and ensure consistency, we kindly request support for the years 2025, 2026, and 2027, with an annual increase of 20%.

We would like to request in kind services, Traffic control, Waste management to collect waste on both days, Two Electric boxes for stalls and stage, Marketing assistance (Social media, Digital billboard and print marketing) printed Backdrop for stage and Law Enforcement patrolling in and around the Festival venue.

We are eager to partner with you to ensure an outstanding experience for all event
We look forward to the opportunity to collaborate with you to ensure a remarkable experience for all attendees.

Sincerely,
Event Director:
Rochey Walters
Humansdorp Family Fest

Annexure B: 2025 Sponsorship Proposal

Khoi kulcha FOUNDATION

KOUGA local municipality
Good Governance through Service Excellence

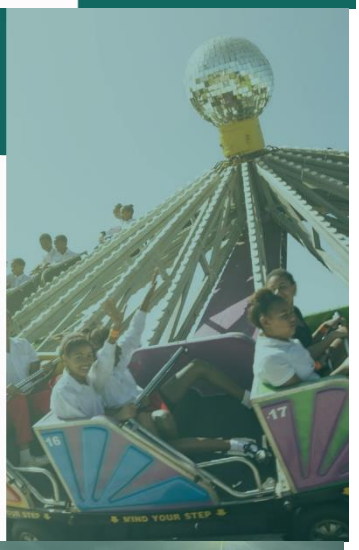
HUMANSDORP COMMUNITY Festival



Overview

- About Us
- Our Mision
- Event Plan
- Event Budget
- Marketing Strategy
- Headline Artist
- Statistics
- Sponsorship ROI
- Community Outreach Program
- Our Team
- Our Partners

HUMANSDORP COMMUNITY Festival





Introduction

The Humansdorp Community Festival is a yearly celebration organized in collaboration with the Kouga Municipality. This vibrant event promises a weekend brimming with live entertainment, exciting carnival rides, a modeling showcase, and various sports activities. Attendees can also explore an array of arts, crafts, and delicious food stalls. The festival shines a spotlight on local entrepreneurs and artists, creating valuable opportunities for them to earn income and foster job growth within the community.

About Us

Khoi Kulcha Events has successfully hosted numerous festivals and lifestyle-related events in our industry in the past. In 2023, 2024 we partnered with Kouga Municipality and Khoi Kulcha Foundation, a non-profit organization that serves youth empowerment and job creation.
Welcome to Humansdorp Festival 2025, an event aimed at generating a wide variety of festival-goers, tourists, and locals from in and around the Kouga region. The event will be hosted over live entertainment, Carnival rides, a five-a-side soccer tournament, and a variety of stalls. This festival is a great opportunity for everyone to come together, have fun, and create lasting memories.



In 2024, our festival attracted over 6000 patrons who attended over the course of two days.

HUMANSDORP COMMUNITY Festival

HUMANSDORP COMMUNITY Festival

Event Plan

The Festival is an affordable event that provides a safe environment for families and features enjoyable activities suitable for everyone, regardless of age.

Date:
04 - 05 April 2025

Time:
Friday : 3pm - 11pm
Saturday : 9am - 12am

Gate fees :
Daily Pass General: R60
Weekend Pass General: R100
kids under 12 daily Pass R30

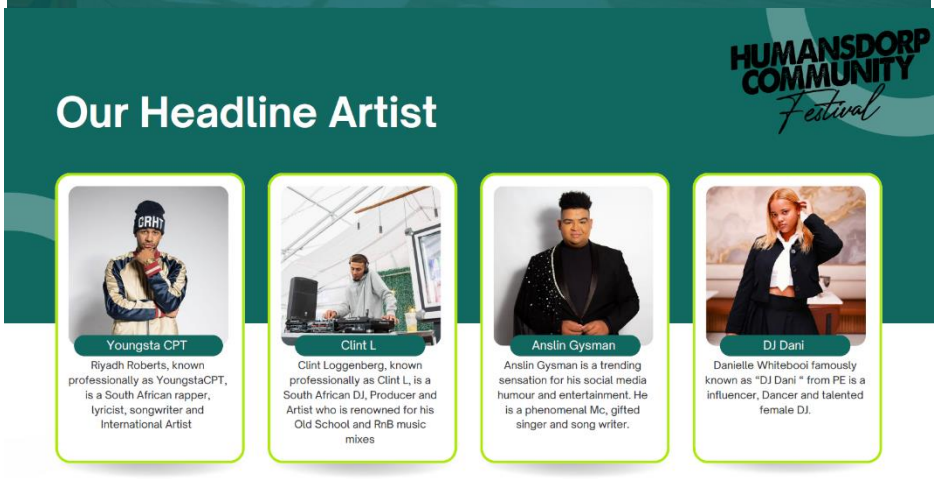
Event Budget

HUMANSDORP COMMUNITY Festival

To host the Humansdorp Community Festival in 2025 we have set a budget of **R430 000** This amount will cover all necessary expenses ensuring that the festival runs smoothly and successfully. We plan to allocate funds for various activities entertainment and essential services. By carefully managing our budget we aim to create an enjoyable experience for all attendees. Our goal is to celebrate our community while maintaining high standards of excellence throughout the event.

01	02	03	04
R185,000	R150,000	R45,000	R50,000
Stage, Sound, Infrastructure, Marketing & Activities	Artist Fees:	Safety and Security	Hospitality, Accommodation, Transportation and meals.


Marketing Strategy
HUMANSDORP COMMUNITY Festival
We created a special marketing model to reach people in the Kouga region and across the country. This model focuses on understanding what different audiences want and how to connect with them effectively. By using targeted strategies we aim to increase interest in the festival and boost ticket sales. Our approach includes using social media local events and partnerships to attract a wider audience. Ultimately this tailored marketing plan will help ensure the success of the festival.
Target Audience Definition
Activations and price giveaways
Schools Partnership
In Person ticket sales
Social Media Influencers
Paid Social Media Ads
Community Social Investment Projects


Our Headline Artist
HUMANSDORP COMMUNITY Festival
Youngsta CPT
Riyadh Roberts, known professionally as YoungstaCPT, is a South African rapper, lyricist, songwriter and International Artist
Clint L
Clint Loggenberg, known professionally as Clint L, is a South African DJ, Producer and Artist who is renowned for his Old School and RnB music mixes
Anslin Gysman
Anslin Gysman is a trending sensation for his social media humour and entertainment. He is a phenomenal Mc, gifted singer and song writer.
DJ Dani
Danielle Whitebooi famously known as "DJ Dani " from PE is a influencer, Dancer and talented female DJ.


HUMANSDORP COMMUNITY Festival
Statistics

Statistics

In 2024 our community has seen a significant rise in job opportunities. Many new local entrepreneurs have emerged bringing fresh ideas and products to the market. This growth has also benefited local artists who now have more platforms to showcase their work. The festival has played a crucial role in this development by providing a space for these individuals to connect with customers. Overall this positive change strengthens our local economy and enriches our culture.

75 %

Job Creation

We employed a staff of 49 people: 25 marshals, 10 cleaners, 6 runners, 6 bar staff and a team of 8 in the planning committee.

25 %

Local entrepreneurs & local Artist

In 2024 the festival saw a remarkable increase of 25% in the number of local entrepreneurs and artists participating. This growth highlights the strong interest and support for local talent in our community. More entrepreneurs brought unique products and services while local artists showcased their creativity through various forms of art. The festival provided a valuable platform for these individuals to connect with visitors and share their work. Overall this increase enriched the festival experience for everyone involved.

Title Sponsor ROI

We provide title sponsorship that encompasses brand exclusivity for the event, various branding opportunities within and surrounding the event venue, logo visibility, and recognition in all marketing initiatives. Furthermore, we will offer 15 VIP passes and 50 general access weekend passes for your staff and stakeholders.

As part of our annual program, we are committed to a community outreach initiative. In 2025, we will launch an "Adopt a Charity Program," where we will collaborate with community leaders to identify an organization and support them in meeting the essential needs of our communities.



In 2024, it was a privilege to have the Executive Mayor of Kouga Municipality, Hattingh Bornman, inaugurate the Humansdorp Community Festival.

Community Outreach Program

In 2023, we organized a back-to-school program that featured a variety of activities, including five-a-side soccer, touch rugby, board games, and live music performances by local artists. As part of the event, we awarded exciting prizes. The program successfully engaged between 300 and 500 children and adults. We provided over 350 sandwiches, 350 cups of soup with bread, and 150 gift packs containing sweets, chips, and fruits.

Looking ahead to 2024, we are partnering with CHILLATUDE COMMUNITY PROJECTS to host a Christmas party in Kwanomzamo on December 13, 2024. Our goal is to support 50 to 100 underprivileged children. This event is significant in enhancing the lives of these children, as it is often the small gestures that hold great importance for them. We are planning to serve a two-course meal, set up a candy table that will be included in the lucky packets, distribute teddy bears, and organize enjoyable Christmas activities.



Our Team

The LOC is made up of four executive members and four additional members from the community of Humansdorp. This team works together to plan and organize a fantastic event for 2025. The members bring various skills and ideas to the table making their collaboration essential for the festival's success.



Rochey Walters
Events Director



Manda Manuel
Safety & General Manager



Liz Ann Ambraal
Hospitality & Vendors



Cliveon Walters
Operations & Infrastructure

Event Map



Our Partners

Kouga Municipality

Kouga Municipality is our title sponsor for the years 2023 and 2024 - This partnership has played a vital role in the success of the festival

SAB inbev (Castle lite)

SAB in Bev known for its Castle Lite brand is our dedicated sponsor for the bar and infrastructure at our event. Their support has significantly enhanced the festival experience for our attendees.

Fun Fair, Score

Fun Fair is our partner for carnival rides providing exciting experiences for both young and old. They create a lively atmosphere filled with joy and laughter making our events memorable. Their rides are designed to be safe and fun ensuring everyone can enjoy the thrill. Meanwhile Score energy drink supports our hydration needs during these activities. Their refreshing drinks help keep everyone energized and ready to enjoy the day.

HUMANSDORP COMMUNITY Festival



KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/FED8**

SUPPLY CHAIN MANAGEMENT: QUARTERLY IMPLEMENTATION REPORT FOR THE SECOND QUARTER OF THE 2024-2025 FINANCIAL YEAR ENDING 31 DECEMBER 2024

1. **Introduction**

The purpose of this item is to report on the Supply Chain Management activities for the second quarter of the 2024/ 2025 Financial Year starting 1 October 2024 and ending 31 December 2024.

2. **Background**

In terms of clause 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.

3. **Discussion**

The 2nd Quarterly Supply Chain Management Report, is attached as **Annexure A**.

4. **Financial Implications**

Completed by BTO -	Not applicable
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

Municipal Supply Chain Regulations, Gazette No. 27636 dated 30 May 2005

6. **Legal Implications**

None

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Recommendation support.

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Item noted.

8.4 **Director: Electro-Mechanical Services**

Report noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Noted.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That the Supply Chain Management report for Quarter 2 of the 2024/2025 Financial year starting 1 October 2024 and ending 31 December 2024 be approved by Council as per the reporting requirements.

Item prepared by the Manager SCM:

Item approved by the CFO:

Item endorsed by the Municipal Manager:

Item Noted by the Portfolio Councillor:

A. Compliance and Reporting

1. National Treasury Centralised Supplier Database

The municipality is registered on the National Treasury Centralised Supplier database, with the supplier number **MAAA0214163**. The centralised database and the Municipal Supply Chain Database are used to vet companies that are doing business with the municipality, in checking their compliance for doing business with the state.

2. Bid Committees

The committees mentioned below are established and functioning in accordance with the SCM Policy

- Bid Specification Committee (BSC)
- Bid Evaluation Committee (BEC)
- Bid Adjudication Committee (BAC)

The number of meetings held for the 2nd quarter is reflected in Tables below:

Table 1: Bid Specification Meetings:

No. of meetings held in October.	**Cancelled**
3 (Formal Tenders)	None
7 (informal Tenders)	None
No. of meetings held in November	**Cancelled**
1 (Formal Tenders)	None
3 (informal Tenders)	None
No. of meetings held in December	**Cancelled**
0 (Formal Tenders)	None
2(informal Tenders)	None

Table 2: Bid Evaluation Meetings

No. of Meetings held in October	**Cancelled**
22(Formal Tenders)	None
4(Informal Tenders)	None
No. of Meetings held in November	**Cancelled**
24(Formal Tenders)	Two (2) Item Rep: M Goduka not ready with file – transversal tender. Item Rep: A Rossouw had a bereavement.
5(Informal Tenders)	Two (2)- Item rep: Z Gxuluwe not available
No. of Meetings held in December	**Cancelled**
15 Formal Meetings	Two (2) – Item Rep: C Venter/ N Siwela not available Item Rep: A Botha not available
0 (Informal Meetings)	One (1) – Item Rep: A. Jonck not available

Table 3: Bid Adjudication Committee Meetings

No. of Meetings held in October	**Cancelled**
4	None
No. of Meetings held in November	**Cancelled**
2	None
No. of Meetings held in December	**Cancelled**
2	None

3. **Training: Supply Chain/Stores Section**

In October, some officials attended class for MFMA training.

There was no training sessions held during the month of October 2024.

PSIRA Workshop was held on 19 November and One information session on Transversal tenders was held on 28 November 2024.

4. **Reports**

Weekly and Monthly reports are submitted in terms of the SCM policy for the procurement of goods and services.

5. **SCM Policy Implementation changes**

The revised Supply Chain Policy was workshopped on 21 October 2024. Revised Policy was approved on 13 December 2024.

6. **Advertisements**

The following table reflects the eleven (11) informal tender (7day notice) and the ten (10) formal tenders (competitive bids) advertised for the period.

Informal tenders

Tender Notice	Tender Description	Date of Advertisement
Notice 200of 2024	Body and Mechanical Repairs to (JSJ 826 EC) Iveco Daily Fire Fighting Vehicle	1 October 2024
Notice 203 of 2024	Supply, Delivery and Off-Loading of Tablets (15units)	8 October 2024
Notice 207 of 2024	Supply and Delivery of various Vacuum Sewerage Suction Pump Parts and Vacuum Exhauster Pumps for a period of 6 months	14 October 2024
Notice 210 of 2024	Supply, Delivery and Off-Loading of Festive Lights	22 October 2024
Notice 214 of 2024	Appointment of Service Provider for the branding of Traffic Law Enforcement and Security Services Vehicles	28 October 2024
Notice 219 of 2024	Appointment of Service Provider for the facilitation of Training Intervention	30 October 2024

Notice 242 of 2024	RFQ: Supply, Delivery and Offloading of Various Gorman Rupp or Equivalent Rotating Pumps	28 November 2024
Notice 244 of 2024	Supply and Delivery of a New original Shantui Bulldozer Radiator	3 December 2024
Notice 245 of 2024	Supply, Delivery and Installation (where required) of agricultural livestock equipment	3 December 2024
Notice 249 of 2024	Supply and Delivery of Off-loading of all-weather bitumen-based Asphalt	3 December 2024
Notice 250 of 2024	Supply, Delivery of Transmission gum poles for Kouga Wastewater, water purification treatment works and others	5 December 2024

Formal tenders

Tender Notice	Tender Description	Date of Advertisement
Notice 206/2024	Electrification of 169 units at Oceanview in Jeffreys Bay, Phase 1 and Phase 2	11 October 2024
Notice 217/2024	Gill Marcus Elevated Water Tower and Pipeline	28 October 2024
Notice 215/2024	Supply, installation and Commissioning of a Supervisory Control and Data Acquisition (SCADA) System for Kouga Municipality	01 November 2024
Notice 220/2024	KwaNomzamo Bulk Sanitation: Implementation of KwaNomzamo New Sewer Pump Station and	04 November 2024

	Rising Mainframe Bungalows	
Notice 221/2024	KwaNomzamo Bulk Water: Implementation of a New Bulk Water Main from Humansdorp Water Treatment Works to KwaNomzamo	04 November 2024
Notice 222/2024	Appointment of a Contractor for the Construction of Thornhill Reservoir and Feeder Main	05 November 2024
Notice 223/2024	Appointment of a Contractor for the Minor Upgrades to Kruisfontein WWTW and Construction of the Donkerhoek Sewer Link	05 November 2024
Notice 216/2024	Appointment of a Service Provider for the Street Cleaning Project in the Municipal Area (Jeffreys Bay) for a Period of Twelve (12) Months	11 November 2024
Notice 234/2024	Appointment of a Professional Service Provider for the Development of a Strategic Environmental Management Framework	20 November 2024
Notice 235/2024	Appointment of a Professional Service Provider for the Review of the Coastal Management Programme	20 November 2024

7. **Tender Clarification Meetings.**

The table below reflects the clarification meetings held during this period.

Tender Notice	Tender Description	Date of Meeting
Notice 197 of 2024	Supply and Delivery of Fire Fighting Uniform and Specialised Personal Protective Equipment for Kouga Municipality Fire and Rescue Services for period of three years	1 October 2024
Notice 200 of 2024	**RFQ** Body and Mechanical Repairs to (JSJ 826 EC) Iveco Daily Fire Fighting Vehicle	10 October 2024
Notice 206 of 2024	Electrification of 169 units at Oceanview in Jeffreys Bay, Phase 1 and Phase 2	10 October 2024
Notice 214 of 2024	**RFQ**- Appointment of a Professional Service Provider for the Branding of Traffic, Law Enforcement and Security Service Vehicles	01 November 2024
Notice 217 of 2024	Appointment of Contractor: Gill Marcus WTW Elevated Water Tower and Pipeline	06 November 2024
Notice 215 of 2024	Supervisory Control and Data Acquisition (SCADA)	11 November 2024
Notice 220 of 2024	Kwanomzamo Bulk Sanitation: Implementation of Kwanomzamo New Sewer Pump Station and Rising Main from Bungalows	13 November 2024
Notice 221 of 2024	Kwanomzamo Bulk Water: Implementation of a New Bulk Water Main from Humansdorp Water Treatment Works to Kwanomzamo	13 November 2024
Notice 222 of 2024	Appointment of Contractor for the Construction of Thornhill Reservoir and Feeder Main	15 November 2024

Notice 223 of 2024	Appointment of a Contractor for the minor Upgrades to Kruisfontein WWTW and Construction of the Donkerhoek Sewer Link	15 November 2024
Notice 216 of 2024	Appointment of Service Provider (S) for the Street Cleaning Project in the Kouga Municipal Area (Jeffreys Bay) for a Period of Twelve (12) Months	18 November 2024
Notice 234 of 2024	Appointment of a Professional Service Provider for the Development of a Strategic Environmental Management Framework for Kouga Local Municipality	25 November 2024
Notice 235 of 2024	Appointment of a Professional Service Provider for the Review of the Coastal Management Programme	25 November 2024

8. **Seven Day Notices (Price Quotations) Awarded**

The tables below reflect the Five (5) informal notice awarded and the one (1) cancellation that was done for the period.

October 2024

Notice & Description	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 200/2024 Body and Mechanical Repairs to JSJ826 EC IVECO Daily Fire Fighting Vehicles	Phakamisa Fleet Services (Pty) Ltd	18 October 2024	R126 799.99	2 Working days
Notice 207/2024 Supply and Delivery of various Vacuum Sewerage Suction Pump Parts and Vacuum Exhauster Pumps for a period of 6 months	Rencor Engineering Services (Pty) Ltd	25 October 2024	Various rates	2 Working days

November 2024

Notice & Description	**Service Provider**	**Date of Award**	**Amount/ Cancelled**	**Workdays-Completion of Evaluation**
Notice 210/2024- Appointment of a Professional Service Provider for the Supply, Delivery and Offloading of Festive Lights	JA Du Plooy t/a Echo Elektries	13 Nov 2024	Various Rates	6 Working Days
Notice 214/2024- Appointment of a Service Provider for the Branding of Traffic, Law Enforcement and Security Service Vehicles and New Sirens and Warning Light Units	Fabkomp (Pty) Ltd	18 Nov 2024	R257462.00	2 Working Days
Notice 219 of 2024: Appointment of a Service Provider for the Facilitation of Training Intervention	Effective Human Intervention (Pty) Ltd	20 Nov 2024	Various rates	7 Working Days

December 2024

Notice & Description	Service Provider	Date of Award	Amount/ Cancelled	Workdays-Completion of Evaluation
Notice 242/2024 Supply, Delivery and Offloading of Various Gorman Rupp or Equivalent Rotating Pumps	Cancelled	13 December2024	n/a	2 Working Days

9. **Competitive bids Awarded/ Cancelled for the Period**

The tables below reflect the eleven (11) competitive bids awarded and two (2) cancellations that was done for the period.

Please note that the following awards were still in cooling off period which is subject to commence once shutdown ends on 10 January 2024.
-Notice 206, 195 and 216 of 2024

October 2024

Notice & Description	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 96/ 2024 Construction of Civil Services For 203 Erven in Donkerhoek, Humansdorp Gravel Streets and Bulk & Internal Water Reticulation Network	Tainama Bonoylo Joint Venture	7 October 2024	Various rates	58 Woking days
Notice 117 / 2024 Upgrade of Boskloof Substation and new Kwanomzamo bulk	VE Reticulations (Pty) Ltd	7 October 2024	R20 300 428.08	40 Working days

Supply for Kouga Municipality				
Notice 108 / 2024, Contract S3 of 2024 Supply, Delivery and Off-loading of Water fittings for a period of three years	Premier Pipe Supply (Pty) Ltd Wesflo (Pty) Ltd Heico Project Managment1 (Pty) Ltd Memotek trading KFC Engineering and Industrial Supplies	7 October 2024	Various Rates	49 Working days
Notice 171 / 2024 Demolition and Removal of building: Erf 3291 Humansdorp, Kouga Cultural Centre.	Cancellation	10 October 2024	n/a	2 Working days
Notice 147 / 2024 Supply and Delivery and Offloading of Traffic Signs for a period of 36 months	EC Road Signs (Pty) Ltd Heico Project Managment1 (Pty) Ltd VP Electrical Contractors (Pty) Ltd Mpifa Mining and Logistics (Pty) Ltd	11 October 2024	Various Rates	14 Working days
Notice 108 / 2024, Contract S4 of 2024 Supply, Delivery and Off-loading of Water Meters (Class C Polymer Volumetric and Class B Bulk Woltman type water meter) for a period of three (3) years	Premier Pipe Supply (Pty) Ltd PPD Engineering and Hardware Suppliers (Pty) Ltd African Water Utilities (Pty) Ltd	18 October 2024	Various Rates	49 Working days

Notice 143 / 2024 Appointment of a Service Provider for Employee Wellness and Medical Surveillance Services for a period of three years	Centre for Occupational and Wellness Services CC	18 October 2024	Various rates	13 Working days
Notice 146 / 2024 Supply, Delivery and Off-loading of 240L Wheelie/ Waste Bins for a period of three (3) years	Abusons Pty Ltd t/a Unico Plastics Moulders	18 October 2024	Various Rates	20 Working days
Notice 148/2024 Supply, Delivery and Off-loading of Traffic Uniforms for a period of 36 Months	Mahoc Investments (Pty) Ltd SKV Construction (Pty) Ltd Sibalam Group Pty Ltd (Pty) Ltd FG Uniforms CC Sparks & Ellis (Pty) Ltd	25 October 2024	Various Rates	12 Working days

November 2024

Notice & Description	**Service Provider**	**Date of Award**	**Amount/ Cancelled**	**Workdays-Completion of Evaluation**
Notice 154 / 2024 Supply, Delivery and Offloading of Electrical Cables for a period of three years	-VP Electrical - Norolor - Lunam Consulting - Aluzafor - Actom	08 Nov 2024	Various rates	36 workdays

Notice 169/2024 Supply and Delivery of Branded Promotional Items for a period of 12 Months	-Decha Enterprise - Marcopolo Mzansi Suppliers - Indima Njongo Marketing and Communications - Vukunjonge	18 Nov 2024	Various Rates	15 workdays

December 2024

Notice & Description	**Service Provider**	**Date of Award**	**Amount/ Cancelled**	**Workdays-Completion of Evaluation**
Notice 172 / 2024 Panel of Legal Services Providers for the Provision of Legal Services for a period of three years	--Billet Gouws Inc -Bowes Loon and Connellan Inc t/a BLC Attorneys -Cullinan & Associates Incorporated -Goldburg & Devilliers Inc -Joubert Galpin and Searle Inc -Karsans Incorporated -Lusenga and Associate Attorneys -Magqabi Seth Zitha	4 Dec 2024	Various rates	18 workdays

	Incorporated t/a MSZ Attorneys -Makhafola Attorneys Inc -Mc Williams and Elliot Inc -NE Mbewana Attorneys Inc -Pumeza Bono -Punithan Quentin Naidoo t/a PQ Naidoo Attorneys -SM Vakalisa Inc -Smith Tabata Inc -Sonamzi Attorneys Inc Taleni Godi Kupiso Inc -W Langson and Associates Inc -Wesley Pretorius and Associates Inc -White and Williams Incorporated t/a Lexicon Attorneys -Mjenxane Attorneys Incorporated			
Notice 215/2024 Appointment of a suitably qualified service	Cancellation	19 Dec 2024	n/a	25 Workdays

provider for the supply, installation and commissioning of a Supervisory Control and Data Acquisition (SCADA) System for Kouga Municipality				

10. **Section 36 Deviations in terms of SCM Policy**

Deviations for the months of October to December 2024 amounted to **R 13 121 982.04**

REFER TO DETAILED BREAKDOWN:
TABLE 1 -3 BELOW

11. **Progress – Requisitions Report**

Please note: that the total below excludes the purchases done through the inventory section.

MONTHLY SCM REQUISITIONS REPORT FOR THE MONTH ENDING 31 OCTOBER 2024					
DIRECTORATE	**TOTAL NUMBER OF REQUISITIONS RECEIVED**	**TOTAL NUMBER OF REQUISITIONS FINALISED WITHIN 5 DAYS**	**TOTAL NUMBER OF REQUISITIONS NOT FINALISED WITHIN 5 DAYS**	**REASONS - BY SCM**	**REASONS - BY USER DEPARTMENT**
Civil & Water	68	62	6	Delayed approval	cancelled by end - user, new req to be submitted (1), end user to rectify memo (1), user dept to follow 7-day notice process (2), quantities different (1)
Community Services	158	142	16	inclusive of weekend (6), confirm correc	budget exceeded (1), item on tender, old deviation memo used (1), no memo attached (1), awaiting documentation from end user (2), end user to provide initial request send to SP (1)

				tness with traffic department (1), tax non - compliant on CSD (1), rejected by scm manager (1)	
DMM	105	97	8	inclusive of weekend, query by CFO - unresolved, delayed approvals	Item available on tenders, price more than 15% mark-up
MM & Mayors	41	38	3	inclusive of weekend delayed approvals	price more than 15% mark-up
Electro - Mechanical: Electrical	51	47	4	0	query sent to end user, user dept to follow 7-day notice process
Electro - Mechanical: Workshop	173	170	3	delay on verification of creditor on system	user dept to follow 7-day notice process, incorrect template used

Finance & Economic Development	67	64	3	Delayed approval	order cancelled due to price changes, query - catering not an item on appointment
Planning & Development	15	13	2	0	user dept to follow different procurement process
TOTALS	**678**	**633**	**45**	**19**	**26**

MONTHLY SCM REQUISITIONS REPORT FOR THE MONTH ENDING 30 NOVEMBER 2024					
DIRECTORATE	**TOTAL NUMBER OF REQUISITIONS RECEIVED**	**TOTAL NUMBER OF REQUISITIONS FINALISED WITHIN 5 DAYS**	**TOTAL NUMBER OF REQUISITIONS NOT FINALISED WITHIN 5 DAYS**	**REASONS - BY SCM**	**REASONS - BY USER DEPARTMENT**
Civil & Water	72	64	8	Delayed approval	Rejected-incorrect templates, queries – inconsistencies, pricing-negotiate price, source quotations.
Community Services	146	132	14	inclusive of weekend, delay with order processing	budget exceeded, rejected-price negotiation, price not in line with tender or SLA, incorrect procurement method followed.
DMM	133	118	15	Inclusive of weekends, delayed approval	Req cancelled by end user. SP not registered, rejected-incomparable quotes,

					queries, incomplete submission, price is not market related.
MM & Mayors	27	24	3	Delayed approval	Rejected- query not attended / SP not registered
Electro - Mechanical: Electrical	40	30	10	Inclusive of weekend/ delayed approval	Rejected- queries not attended to, asset verification, budget, incomplete submissions
Electro - Mechanical: Workshop	144	139	5	Inclusive of weekends	Requisition cancelled by end user
Finance & Economic Development	42	41	1	Delayed approval	0
Planning & Development	16	16	0	0	n/a
TOTALS	**620**	**564**	**56**	**24**	**32**

MONTHLY SCM REQUISITIONS REPORT FOR THE MONTH ENDING 31 DECEMBER 2024					
DIRECTORATE	**TOTAL NUMBER OF REQUISITIONS RECEIVED**	**TOTAL NUMBER OF REQUISITIONS FINALISED WITHIN 5 DAYS**	**TOTAL NUMBER OF REQUISITIONS NOT FINALISED WITHIN 5 DAYS**	**REASONS - BY SCM**	**REASONS - BY USER DEPARTMENT**
Civil & Water	57	50	7	inclusive of weekend	rejected - no memo (1), query raised- cession, CPA claims on BOQ,

					rejected, incorrect notice number quoted on requisition, tax compliance
Community Services	66	47	19	inclusive of weekend, delay with approval.	waiting for breakdown from end-user, rejected - source 4th quote, quote expired & on old co name, query not attended to, budget exceeded, quotes incomparable, request brand from end user request tax pin, rejected- VAT calculations.
DMM	67	52	15	Inclusive of weekends, delayed approval	Budget exceeded. Query on measurements
MM & Mayors	25	21	4	Delayed Inclusive of weekends	Rejected- price incorrect. Cancelled by requester.
Electro - Mechanical: Electrical	45	38	7	Inclusive of weekend/ delayed	Rejected- criteria not met for deviation. Quotes not obtained

				approv al- MM	
Electro - Mechanical: Workshop	129	88	41	Inclusive of weeken ds	Rejected clarity needed from End user.
Finance & Economic Development	71	68	3	Inclusive of weeken ds	Order cancelled/ conference cancelled
Planning & Development	5	5	0	0	n/a
TOTALS	**465**	**369**	**96**	**65**	**31**

12. **Report on the Balance of Stock at hand at Stores for the period.**

This tables below shows movement of stock the Stores Section has received from various suppliers as procured by Stores Section and stock issued to various directorate for the period dated 1 October to 31 October 2024.

STOCK BALANCING REPORT- OCTOBER 2024						
DATE	**BALANCE**		**ISSUES**	**RECEIPTS**	**JNL/ RETURN**	**BALANCE**
01/10/2024	20,330,069.98	10	55,783.28	363,065.95	627.54	20,637,980.19
02/10/2024	20,637,980.19	0				20,637,980.19
03/10/2024	20,637,980.19	15	41,790.86	196,430.00	611.63	20,793,230.96
04/10/2024	20,793,230.96	14	59,343.70	96,370.06		20,830,257.32
07/10/2024	20,830,257.32	8	29,432.18			20,800,825.14
08/10/2024	20,800,825.14	27	328,667.72	12,045.95	2,844.02	20,487,047.39
09/10/2024	20,487,047.39	15	74,214.93			20,412,832.46
10/10/2024	20,412,832.46	17	75,336.09	99,509.00		20,437,005.37
11/10/2024	20,437,005.37	13	28,388.62	31,320.00		20,439,936.75
14/10/2024	20,439,936.75	24	77,702.13			20,362,234.62
15/10/2024	20,362,234.62	23	126,607.40			20,235,627.22

16/10/2024	20,235,627.22	8	24,839.70	143,187.50	2,323.99	20,356,299.01
17/10/2024	20,356,299.01	11	27,794.27	115,667.40		20,444,172.14
18/10/2024	20,444,172.14	19	56,738.47	92,540.00		20,479,973.67
21/10/2024	20,479,973.67	17	191,965.45		17.89	20,288,026.11
22/10/2024	20,288,026.11	10	206,698.33			20,081,327.78
23/10/2024	20,081,327.78	13	95,313.14	4,758.84		19,990,773.48
24/10/2024	19,990,773.48	21	38,394.99		1,763.18	19,954,141.67
25/10/2024	19,954,141.67	15	52,928.27		296.01	19,901,509.41
28/10/2024	19,901,509.41	6	15,741.55	509,414.10	66.40	20,395,248.36
29/10/2024	20,395,248.36	3	107,112.56	88,848.95		20,376,984.75
30/10/2024	20,376,984.75	19	105,306.84	470,002.82		20,741,680.73
31/10/2024	20,741,680.73	11	44,492.08	20,600.00	105.07	20,717,893.72
		289	**1,714,793.64**	**1,753,157.75**	**8,550.66**	

This tables below shows movement of stock the Stores Section has received from various suppliers as procured by Stores Section and stock issued to various directorate for the period dated 1 November to 30 November 2024.

STOCK BALANCING REPORT- NOVEMBER 2024						
DATE	**BALANCE**		**ISSUES**	**RECEIPTS**	**JNL/RETURN**	**BALANCE**
01/11/2024	20,717,893.72	7	52,148.44	68,967.75	102.26	20,734,815.29
04/11/2024	20,734,815.29	14	51,523.69	296,526.00		20,979,817.60
05/11/2024	20,979,817.60	0				20,979,817.60
06/11/2024	20,979,817.60	0				20,979,817.60
07/11/2024	20,979,817.60	0				20,979,817.60
08/11/2024	20,979,817.60	30	256,029.03	244,487.85		20,968,276.42

11/11/2024	20,968,276.42	19	380,520.72		2,840.59	20,590,596.29
12/11/2024	20,590,596.29	7	20,620.39	231,195.86	25.84	20,801,197.60
13/11/2024	20,801,197.60	24	163,264.59	172,279.33	1,132.07	20,811,344.41
14/11/2024	20,811,344.41	12	152,974.40	195,927.50	853.09	20,855,150.60
15/11/2024	20,855,150.60	19	112,264.96	(9,400.00)	316.11	20,733,801.75
18/11/2024	20,733,801.75	17	158,611.42	27,128.40		20,602,318.73
19/11/2024	20,602,318.73	12	137,044.06	281,984.79	11,200.00	20,758,459.46
20/11/2024	20,758,459.46	16	81,171.97	396,869.48		21,074,156.97
21/11/2024	21,074,156.97	17	55,513.53	460,490.26		21,479,133.70
22/11/2024	21,479,133.70	13	75,619.50	156,446.97	42.96	21,560,004.13
25/11/2024	21,560,004.13	10	44,603.50	444,618.79		21,960,019.42
26/10/2024	21,960,019.42	21	78,696.83	61,126.05		21,942,448.64
27/10/2024	21,942,448.64	15	99,184.24	326,394.35	1,508.60	22,171,167.35
28/11/2024	22,171,167.35	12	82,478.00	439,848.26	4,312.26	22,532,849.87
29/11/2024	22,532,849.87	16	57,019.45	205,892.00		22,681,722.42
		281	**2,059,288.72**	**4,000,783.64**	**22,333.78**	

This tables below shows movement of stock the Stores Section has received from various suppliers as procured by Stores Section and stock issued to various directorate for the period dated 1 December to 31 December 2024.

STOCK BALANCING REPORT- DECEMBER 2024						
DATE	**BALANCE**		**ISSUES**	**RECEIPTS**	**JNL/RETURN**	**BALANCE**
02/12/2024	22 681 722,42	21	191 091,13	110 113,13	528,69	22 601 273,11
03/12/2024	22 601 273,11	0				22 601 273,11
04/12/2024	22 601 273,11	29	288 531,83	1 349 210,20	(21 920,54)	23 640 030,94
05/12/2024	23 640 030,94	26	242 727,36	176 052,05	1 948,61	23 575 304,24
06/12/2024	23 575 304,24	0				23 575 304,24
09/12/2024	23 575 304,24	17	116 843,16	247 228,68	822,50	23 706 512,26
10/12/2024	23 706 512,26	31	188 464,11	(0,60)	(4 651,53)	23 513 396,02
11/12/2024	23 513 396,02	29	168 088,84	182 749,51	4 302,97	23 532 359,66
12/12/2024	23 532 359,66	30	81 091,43	15 200,00	286,83	23 466 755,06
13/12/2024	23 466 755,06	8	12 200,48			23 454 554,58
16/12/2024	23 454 554,58	0				23 454 554,58
17/12/2024	23 454 554,58	8	15 942,53	104 507,00		23 543 119,05
18/12/2024	23 543 119,05	36	129 456,12	18 000,00		23 431 662,93
19/12/2024	23 431 662,93	14	166 360,79			23 265 302,14
20/12/2024	23 265 302,14	3	4 095,58	3 520,92		23 264 727,48
23/12/2024	23 264 727,48	15	52 587,44	60 501,25		23 272 641,29
24/12/2024	23 272 641,29	1	109,00	92 878,63	1 618,42	23 367 029,34
25/12/2024	23 367 029,34	0				23 367 029,34
26/12/2024	23 367 029,34	0				23 367 029,34
27/12/2024	23 367 029,34	0				23 367 029,34
30/12/2024	23 367 029,34	22	73 827,26		54,50	23 293 256,58
31/12/2024	23 293 256,58	12	122 209,55		6 125,05	23 177 172,08
		302	1 853 626,61	2 359 960,77	(10 884,50)	

13. **SCM Management component for October – December 2024.**

The section operated for the first quarter with a total staff complement of 10 permanent staff members, 2 employees probation period ended 30 November, 4 interns and 8 vacancies.

Below details depicts the detail of the officials:

- Mrs. C. Groenewald- Manager Supply Chain Management- appointed 1 Nov 2024.

SUPPLY CHAIN MANAGEMENT	**STORES**
Mrs. C. Groenewald (Permanent)	Mr. E. Felix (Permanent)
Mrs. N. Goeda (Permanent)	Mr. Delaino Domingo (Permanent)
Mrs Z. Rawana (Permanent)	Mr. D. Volontiya (Permanent)
Ms. A. Smith (Permanent)	Mr. F. Msolo (Permanent)
Ms. A. Gorden (Permanent)	Ms. S Raco (intern)
Ms. N. Mandeka (Permanent)	
Ms. A. Lloyd (Probation Period ended 30 Nov 2024)	
Mr. A. Kolyt (Probation Period ended 30 Nov 2024)	
Mr. B Qingane (Intern- Stores & SCM)	
Ms. S. Malusi (Intern)	
Ms. R. Matthee (Intern)	

TABLE 1 DEVIATIONS - OCTOBER 2024											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER -LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
24-25/ DMM15	27-Sep-24	Office of DMM	DMM - Wards	Red Ant Security	No	Relocation & Eviction services- October 2024	R177 675,00	26-Sep-24	03-Oct-24	S36 (1)(a)(i)	Req No: 159200 Order No: 237195
24-25/ DMM16	02-Oct-24	Office of DMM	Legal Services	Billett Gouws Attorneys	Yes	Legal Services - Eviction, Conveyancing and Labour Matters- **Amount reflected spent in next column**	R67 490,50	16-Jul-24	03-Oct-24	S36 (1)(a)(v)	Req No: 158157 Order No 237198
24-25/ DMM17	17-Oct-24	Office of DMM	Auxiliary Services	ERS Bio	No	A new Biometric need to be supplied and installed at Woltemade building.	R39 978,42	30-Sep-23	18-Oct-24	S36 (1)(a)(v)	Req No: 160517 Order No: 237536
24-25/ DMM18	22-Oct-24	Office of DMM	Auxiliary Services	ERS Bio	No	Removal and reinstallation of a Biometric system at Woltemade building	R5 716,86	22-Oct-24	24-Oct-24	S36 (1)(a)(v)	Req No: 160516 Order No: 237714
24-25/ FIN8	08-Oct-24	Finance and Economic Development	ED & Tourism	Be Original	Yes	Unique developed and designed local products for destination marketing	R9 960,00	07-Oct-23	10-Oct-24	S36 (1)(a)(v)	Req No: 162378 Order No: 237363

24-25/ FIN9	16-Oct-24	Finance and Economic Developme nt	ED & Tourism	Travel & Trade Publishing	No	Publicity & Marketing - Digital Tourism Update	R141 819,15	23-Sep-24	18-Oct-24	S36 (1)(a)(v)	Req No: 162371 Direct Payment
24-25/ FIN9	18-Oct-24	Finance and Economic Developme nt	ED & Tourism	Routed Roasters cc	Yes	China International Export Business Expo local product for marketing	R3 255,00	07-Oct-24	21-Oct-24	S36 (1)(a)(v)	Req No: 162382 Direct Payment
24-25/ FIN10	23-Oct-24	Finance and Economic Developme nt	ED & Tourism	Cape St Francis Resort	Yes	Unique developed and designed local products for destination marketing in China	R7 121,74	23-Oct-24	24-Oct-24	S36 (1)(a)(v)	Req No: 162395 Order No: 237723
23-24/ CW40	Sept-Oct 24	Civil & Water Engineering Services	Civil	Rudcor Engineerin g	No	Appointment of a contractor for the construction of internal streets and stormwater infrastructure for Hankey Housing Development (Phase 2). **Total Deviation amount- R17677321,20 (Req 153477/ Order 233019). Amount paid is reflected in next column**	R4 892 515,73	01-Mar-24	14-Mar-24	S36 (1)(a)(i) i; iv; v	Req No: 161319,16 1373,1613 92 Order No: 235892,23 7123,2374 27

22-23	10-Oct-24	Civil & Water Engineering Services	Civil	Zutari Pty Ltd	No	Professional Fees: WSIG Groundwater Development in St Francis (**Original Deviation amount R1 053 925,55 done on order 225467 in the 22/23 Financial Year.)** additional work done under deviation.	R521 063,61	21-Feb-23	09-Mar-23	S36 (1)(a)(i) i; iv; v	Req No: 161345, Order No: 237126
24-25/ CW2	18-Oct-24	Civil & Water Engineering Services	Water	Q Point Group	No	Sampling, transportation, analysis and preparing certificates of analysis of all samples taken at the Water and Wastewater Treatment works throughout Kouga Local Municipality	R1 624 947,06	18-Oct-24	21-Oct-24	S36 (1)(a)(i)	n/a
24-25/ CW3	28-Oct-24	Civil & Water Engineering Services	Water & Sanitation	Flash Electric	Yes	Emergency pump hire at Dolphin Drive for 4 days	R26 279,13	11-Oct-24	30-Oct-24	S36 (1)(a)(i)	Req No: 149053 Order No: 237833
24-25/ CW4	28-Oct-24	Civil & Water Engineering Services	Water & Sanitation	Flash Electric	Yes	Repair of borehole HD08	R11 533,35	11-Oct-24	30-Oct-24	S36 (1)(a)(i)	Req No: 149054 Order No: 237834
24-25/ EM12	30-Oct-24	Electro-Mechanical	Workshop	Eco Car Hire	No	Hiring of 10x Single Cab LDV's for the Civil and Water Section.	R44 800,00	22-Oct-24	31-Oct-24	S36 (1)(a)(i)	Req No: 156894 Order No: 237900

						TOTAL	**R7 574 155,55**				

TABLE 2
Deviations- November 2024

DEV NO:	DATE RECEIVED	DIRECTORATE	SECTION	SUPPLIER	SUPPLIER LOCAL	NATURE OF GOODS/ SERVICE	VALUE	DATE OF REQUEST ON FORM	DATE APPROVED BY MM	SECTION 36 REF	NOTES
24-25/ DMM19	05-Nov-24	Office of DMM	DMM - HR	Bay Radiology	No	Pathology: Cllr medical assistance	R3 083,06	28-Oct-24	07-Nov-24	S36 (1)(a)(i)	Req No: 152056 Direct Payment
24-25/ DMM20	13-Nov-24	Office of DMM	DMM - HR	Dr. L Steenkamp T/A LMS Life Cousellling cc	Yes	Counselling services: Vehicle accident	R2 932,00	03-Oct-24	15-Nov-24	S36 (1)(a)(i)	Req No: 152050 Order No 238358
23-24/ DMM	Nov-24	Office of DMM	Legal	Billett Gouws	Yes	Legal Services – Labour Matters various 23-24 **Approved Deviation**	R249 732,00	29-Feb-24	07-Mar-24	S36 (1)(a)(v)	Req No: 158137,158146,158154,158161, 158169, 158170,158172, 158174 Order No: 238296, 238155, 238292,238293,238294,238295, 238159

23-24/ DMM	19-Nov-24	Office of DMM	legal	CW Malan Jeffreys Bay	Yes	Legal Services - 23-24 Approved Deviation	R39 055,00	08-Apr-24	12-Apr-24	S36 (1)(a)(v)	Req No: 158171 Order No:238402
24-25/ COMM 1	05-Nov-24	Community Services	Safety & Security	Fulcrum Technologies	No	Installation of a new scuff gauge at Vehicle Testing station	R29 982,80	31-Oct-24	07-Nov-24	S36 (1)(a)(ii)	Req No: 166517 Order No: 238036
24-25/ COMM 2	Nov-24	Community Services	Waste & Environmental Health	NHLS	No	Laboratory Tests: Water Samples- 1 June 2024-30 June 2025. **Amount spent reflected in next column**	R43 802,34	01-Aug-24	14-Nov-24	S36 (1)(a)(i)	Req No: 151498, 1591498 1591488 Order No: 238594, 238327, 238326
24-25/ COMM 5	25-Nov-24	Community Services	Fire Services	Firekilla Extinguishers	No	Specialized fire extinguisher- Testing and sampling for Officed and Community Awareness Programme	R9 000,00	13-Nov-24	27-Nov-24	S36 (1)(a)(ii)	Req No: 131869 Order No: 238680
24-25/ CW5	11-Nov-24	Civil & Water Engineering Services	Water	ECSA-Engineering Council of South Africa	No	Professional fees for A Botha	R4 909,00	29-Oct-24	13-Nov-24	S36 (1)(a)(v)	Req No: 149064 Direct Payment
24-25/ CW6	11-Nov-24	Civil & Water Engineering Services	Civil	IMESA-Institute of Municipal Engineering of South Africa	No	Annual payment of Professional Fees for C&WS Engineers: Annual Professional Fees for C&WS Engineers (C.de Kock, A. Botha,	R14 725,00	11-Nov-24	08-Nov-24	S36 (1)(a)(v)	Req No: 158998 Order No: 238280

						M. Els- Geber, W. Hofmeyer, A. Koopman, J du Toit, H. Prince, Z. Buys, M. Ngwane, B, Matshikili, U Faku.)					
24-25/ CW2	22-Nov-24	Civil & Water Engineering Services	Water	Q Point Group	No	Sampling, transportation, analysis and certificates of Water and Waste water Treatment works throughout Kouga Local Municipality: **Amount spent reflected in next column on approved deviation. Total amount of deviation reported on August Deviation of R1624947,06**	R94 129,11	18-Oct-24	21-Oct-24	S36 (1)(a)(i)	Req No: 166007 Order No: 238335
23-24/ CW40	18-Nov-24	Civil & Water Engineering Services	Civil	Rudcor Engineering	No	**23-24 Approved deviation:** Appointment of a contractor for the construction of internal streets and stormwater infrastructure for Hankey Housing Development (Phase 2). Total	R492 611,18	01-Mar-24	14-Mar-24	S36 (1)(a)(i) i; iv; v	Req No: 167118 Order No: 238412

						Deviation amount- R17677321,20 (Req 153477/ Order 233019). **Amount paid is reflected in next column**					
24-25/ EM13	06-Nov-24	Electro-Mechanical	Workshop	Fleet Dynamics	No	Repairs to IVECO fire fighting vehicle - Faulty transfer box of Gearbox- JGR 875 EC	R137 490,12	24-Oct-24	07-Nov-24	S36 (1)(a)(i)	Req No: 155651 Order No: 238082
24-25/ EM14	21-Nov-24	Electro-Mechanical	Workshop	Billson Trucks	No	Repairs to Croner Suction Truck- Repairs to Allison Gearbox- JZH 059 EC	R276 884,52	19-Nov-24	25-Nov-24	S36 (1)(a)(i)	Req No: 146159 Order No: 238574
24-25/ EM15 A-C	15-Nov-24	Electro-Mechanical	Mechanical	International Metal Processing, Flash Electric & Northfield Engineering	Yes	Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spend will be reported monthly	R0,00	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	n/a
						TOTAL	**R1 398 336,13**				

TABLE 3
DEVIATIONS - DECEMBER 2024

DEV NO:	DATE RECEIVED	DIRECTORATE	SECTION	SUPPLIER	SUPPLIER LOCAL	NATURE OF GOODS/ SERVICE	VALUE	DATE OF REQUEST ON FORM	DATE APPROVED BY MM	SECTION 36 REF	NOTES
24-25/ DMM21	29-Nov-24	Office of DMM	DMM - Wards	Red Ant Security	No	Relocation & eviction services	R191 222,00	02-Dec-24	04-Dec-24	S36 (1)(a)(i)	Req No: 139394 Order No 238817
24-25/ DMM22	10-Dec-24	Office of DMM	DMM - Wards	Red Ant Security	No	Relocation & eviction services	R189 110,60	03-Dec-24	13-Dec-24	S36 (1)(a)(i)	Req No: 158705 Order No 238990
24-25/ DMM23	09-Dec-24	Office of DMM	Registry	Busi Ntuli Communications	No	Advert placed in Herald Festive Shopper- not part of approved tender.	R32 292,00	28-Oct-24	13-Dec-24	S36 (1)(a)(i)	Req No: 153284 Order No: 239117
24-25/ DMM1	23-Dec-24	Office of DMM	Administration	Bambela Property Development	Yes	Approved Rental of Office space for 3 years-(Rental of office space- 3-month January to March 2025 expenditure	R1 320 763,50	28-Jun-24	12-Jul-24	S36 (1)(a)(v)	Req No: 134975 Order No: 239217

						reflected in next column					
24-25/ FIN11	02-Dec-24	Finance and Economic Development	ED & Tourism	Reed Exhibitions	No	WTM Africa 2025: Exhibit Space - Sharing Exhibitors	R31 845,80	24-Oct-24	03-Dec-24	S36 (1)(a)(v)	Req No: 162397
24-25/ COM M2	12-Dec-24	Community Services	Waste & Environmental Health	National Helath Laboratory Services	No	Approved Deviation- Laboratory Tests: Water Samples- 1 June 2024-30 June 2025. **Amount spent reflected in next column**	R13 618,83	01-Aug-24	14-Nov-24	S36 (1)(a)(i)	Req No: 97802 Order No: 238995
24-25/ COM M6	21-Nov-24	Community Services	Safety & Security	Lexis- Nexis - Windeed	No	Road Traffic & Transport Legislation sets	R27 700,38	22-Nov-24	09-Dec-24	S36 (1)(a)(ii)	Req No: 166540 Order No: 238893
24-25/ CW7	13-Dec-24	Civil & Water Engineering Services	Roads & Stormwater	Northfield Engineering	Yes	Emergency Hiring of V6 Water pump due to flooding in Hankey	R37 748,75	01-Nov-24	18-Dec-24	S36 (1)(a)(i)	Req No: 123776 Order No: 239050

23-24/ CW40	Dec-24	Civil & Water Engineering Services	Civil	Rudcor Engineering	No	23-24 Approved deviation: Appointment of a contractor for the construction of internal streets and stormwater infrastructure for Hankey Housing Development (Phase 2). Total Deviation amount- R17677321,20 (Req 153477/ Order 233019). Amount paid is reflected in next column	R780 533,95	01-Mar-24	14-Mar-24	S36 (1)(a)(i) i; iv; v	Req No: 167138 Order No: 239048
22-23 Fin YR	13-Dec-24	Civil & Water Engineering Services	Civil	Rudcor Engineering Pty Ltd	no	WSIG Project- I& E 1/2023: Augmentation of Water Supply - Kruisfonten (**original deviation signed in 22/23 Fin Year- Total amount awarded on Deviation is R13 419 532, 22**) The amount reflected in next column what was paid- retention	R385 811,29	02-Feb-23	03-Feb-23	S36 (1) (a)(v)	Req No: 167137 Order No: 239022

23-24/ EM10 A	27-Nov-24	Electro-Mechanical	Civil Services	Flash Electrical	Yes	23-24 Approved deviation: Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. deviation under Electro Mechanical- work requested under Civil Services section. Req 160014- Order 234433, Req160015- order 235198, Req160016- Order 234437 cancelled at year end.	R443 576,26	19-Sep-23	29-Sep-23	S36 (1)(a)(v)	Req No: 167122 167123 &1671 24 Order No's: 238738 , 238739 , 238741
24-25/ EM15 A	01-Dec-24	Electro-Mechanical	Mechanical	Flash Electrical	Yes	Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spend will be reported monthly: Expenditure reflected in next column	R694 767,00	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	n/a
						TOTAL	**R4 148 990,36**				

REPORTS BY THE PORTFOLIO CHAIRPERSON: CIVIL & WATER SERVICES

KOUGA

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
CIVIL & WATER SERVICES
OPEN
DATE: 29 JANUARY 2025
ITEM NO: **25/01/CWS1**

APPROVAL OF THE DRAFT PROJECT IMPLEMENTATION PLAN (PiP) FOR THE 25/26 FY MIG ALLOCATED GRANT FUNDING

1. **Introduction**

The purpose of this item is to obtain Council approval for the MIG Project Implementation Plan (PiP) for the 25/26 FY.

2. **Background**

As per the Division of Revenue Act No. 5 of 2022 (DORA), each municipality must submit a Council approved Draft Project Implementation Plan (PiP) for the MIG grant funded projects by end of January 2025. The final Council approved PiP for the 25/26 FY must be submitted by 30 April 2025 to COGTA.

This draft 25/26 FY PiP indicates that Kouga LM is fully committed to implement MIG funded projects for the 25/26 FY.

3. **Discussion**

As per the latest DORA Annexures published, Kouga LM's MIG allocation for the 25/26 FY is R38,208,000.00 (VAT inclusive).

The PMU has prepared the draft PiP for the 25/26 FY which is in line with the Risk Adjusted Strategy (RAS). The draft PiP is compliant with COGTA's Risk Adjustment Strategy to reach a 30% expenditure by the end of September 2025 of the total allocation and 60% by the end of December 2025. Refer to Annexure A for the draft 25/26 FY MIG PiP.

The draft 25/26 FY MIG PiP is attached to this Item for approval by Council.

4. **Financial Implications**

Completed by BTO -	Not applicable
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

As per the Division of Revenue Act (DORA), each municipality must submit a Council approved Draft Project Implementation Plan (PiP) for the MIG grant funded projects by end of January 2025. The final Council approved PiP for the 25/26 FY must be submitted by 30 April 2025 to COGTA.

6. **Legal Implications**

Duties and responsibilities of receiving officers are set out under the applicable legislation, which requires certain peremptory information to be submitted by a municipality in a report as contemplated in section 12(4) and, which must form part of the report contemplated in section 171 of the LG: Municipal Finance Management Act No. 56 of 2003.

Funds transferred by error or fraud will be recovered from the transferring officer as contemplated in section 24 for DORA, unless set-off instructions are received from National Treasury.

Expenditure incurred contrary to DORA by Kouga Municipality results in irregular expenditure and an official guilty of non-compliance is guilty of financial misconduct, as contemplated in sections 32 and 33 of DORA.

7. **Other Implications**

None.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted

8.2 **Director: Planning & Development**

Noted

8.3 **Acting Director: Civil & Water Services**

The adoption of the draft PiP for MIG Grant funded projects by the Council is critical to ensure Kouga LM adherence to DORA requirements.

8.4 **Director: Electro-Mechanical Services**

Report noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Noted.

9. **Delegated Authority**

Item to be approved by Council.

10. **Recommendations**

10.1 That the draft Project Implementation Plan for MIG projects for the 25/26FY be approved by Council.

Item prepared by the: PMU Manager

Item approved by the: Acting Director: Civil and Water Services

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

KOUGA LM MIG IMPLEMENTATION PLAN (AS AT 13 JANUARY 2025): 2025/2026 FINANCIAL YEAR

Name of Municipality	KOUGA LOCAL MUNICIPALITY

FINAL PROJECT IMPLEMENTATION PLAN FOR 2025/2026

MIS Form ID	National Registration Number (as on the MIG-MIS)	Project Title	EPWP Y/N	MIG Category (B,P or E)	Project Type (water, sanitation etc)	Total Project Cost	Registered MIG Funds	Project Status (Not registered, Registered, Design & Tender, Contractor	Project Status (Stage)	Date: Consultant appointed or to be appointed	Date: Tender advertised or to be advertised	Date: Contractor appointed or to be appointed	Date: Project to be completed yy-mm-dd	Jul-25	Aug-25	Sept-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	25/26 FY
458 320	S/EC/19290/22/25	Upgrading of KwanoMzamo WWTW	Y	B	Sanitation	R 49 316 288,08	R 49 360 263,90	Registered	Construction	Zutari	N/a	Lekratek	Aug-25	3 000 000	4 778 383	-	-	-	-	-	-	-	-	-	-	7 778 383
458 559	EC2022/23/11/146	Upgrading of gravel roads in Kouga Phase 2	Y	P	Road	37 038 263,90	37 038 263,90	Registered	Construction	JG Afrika	30/04/2024	Jul-01	2026/04/01	500 000	1 200 000	2 000 000	2 000 000	3 000 000	1 500 000	1 500 000	1 500 000	1 500 000	799 817	-	-	15 499 817
461 213	EC2022/23/11/149	La Mer New Sewer Rising Main - **Construction**	Y	B	Sanitation	37 413 067,82	Registration in process	Registration in process	Construction	MJM	tbc	tbc	tbc	10 000	20 000						10 000	15 000	20 000	25 000	-	100 000
460 633	S/EC/19292/23/26	Jeffreys Bay Sewer Pipe Upgrade in Oceanview **Planning stage**	Y	B	Sanitation	R747 500.00	R747 500.00	Registered	Planning	Jul-23	Mar-25	Jul-26	Feb-27	10 000	20 000	20 000	-	-	-	-	10 000	10 000	10 000	-	-	80 000
501248	EC2023/24/22/264	Phillipsville Sportsfield Upgrade - Construction	Y	P	Sports facility	R11 393 193,75	R11 393 193,75	Registered	Construction	Jun-24	Mar-25	Jul-26	Feb-27	30 000	30 000	30 000	10 000	30 000	20 000	-	-	20 000	20 000	10 000	-	200 000
461 916	EC2022/23/11/152	Design of new High Mast Lights- **Construction**	Y	E	Electricity	20 000 000,00	Registration in process	Registration in process	Planning	In place	Mar-25	Jul-25	Feb-26	500 000	1 000 000	1 500 000	1 000 000	1 000 000	1 000 000	500 000	500 000	-	-	-	-	7 000 000
	Awaiting approval letter from COGTA	Refurbishment of Arcadia Street Pump Station	Y	E	Sanitation	3 318 900,00	Registration in process	Registration in process	Planning	Jul-25	Mar-26	Jul-26	Oct-26	20 000	10 000	10 000	-	-	-	10 000	-	-	-	-	-	50 000
	Awaiting approval letter from COGTA	Refurbishment of Queen Street Pump Station	Y	E	Sanitation	3 091 200,00	Registration in process	Registration in process	Planning	Jul-25	Mar-26	Jul-26	Oct-26	20 000	10 000	10 000	-	-	-	10 000	-	-	-	-	-	50 000
545934	EC2024/25/12/149	Infrastructure Management Plan			All	3 240 000,00	Registration in process	Registration in process	Planning	Jul-25	N/a	N/a	N/a	159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	1 910 400
461 916	CS/EC/20210/24/27	Specialized waste management vehicles	Y	E		R21 878 885.01	R21 878 885.01	Registered	Planning	Jul-24	N/a	N/a	N/a	-	-	3 629 000	-	-	-	-	-	-	-	-	-	3 629 000
		PMU ADMIN												159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	159 200	1 910 400
																										38 208 000,00

This must be equal to the allocations published in the DoRA for the MIG.

SIGNED BY MUNICIPAL MANAGER (Or delegated person, include letter of delegation)

NAME: CHARL DU PLESSIS

SIGNATURE:

DATE:

CONTACT DETAILS: 422002200

CHIEF FINANCIAL OFFICER

NAME: RIAAZ LORGAT

SIGNATURE:

DATE:

CONTACT DETAILS: 422002200