ORDINARY COUNCIL MEETING

OPEN

VOLUME 1



KOUGA
local municipality
Good Governance through Service Excellence

VOLUME 1 of 2

DATE: 31 March 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: 31 March 2025	**UMHLA: 31 EyoKwindla 2025**	**DATUM: 31 Maart 2025**
TIME: 10:00	**IXESHA: 10:00**	**TYD: 10:00**
C. DU PLESSIS **MUNICIPAL MANAGER**	**C. DU PLESSIS** **UMPHATHI MASIPALA**	**C. DU PLESSIS** **MUNISIPALE BESTUURDER**

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
VOLUME 1

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**

11.1 Minutes of a Mayoral Committee meeting held on 13 November 2024

Pages: 7 - 13

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

12.1 Minutes of a Special Council meeting held on 17 January 2025

Pages: 15 - 23

12.2 Minutes of an Ordinary Council meeting held on 29 January 2025

Pages: 24 - 43

12.3 Minutes of a Special Council meeting held on 27 February 2025

Pages: 44 - 58

13. **REPORTS OF COMMITTEES OF COUNCIL**

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

None

13.2 **KOUGA AUDIT COMMITTEE**

None

13.3 **RULES & ETHICS COMMITTEE**

None

13.4 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

25/03/MPAC1 Minutes of the Municipal Public Accounts Committee

Pages: 61 – 72

25/03/MPAC2 Municipal Development Finance Circular: 3 of 2024

Pages: 73 - 76

13.5 **MUNICIPAL BY - LAWS AND POLICIES**

25/03/BP1 Performance Management and Development System Framework

Pages: 78 - 142

25/03/BP2 Draft 240 Litre Bin Management Policy

Pages: 143 - 155

25/03/BP3 Revised Pauper & Social Burial Policy

Pages: 156 - 164

25/03/BP4 Approval of Terms of Reference for the Municipal By-Law and Policy Review Committee

Pages: 165 -172

14. **REPORT BACK: MUNIMEC**

None

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

25/03/MM1 Council Resolutions as at 29 January 2025

Pages: 174 - 232

25/03/MM2 Kouga Municipality: 2023/24 Annual Report

Pages: 233 - 707

25/03/MM3 Municipal Public Accounts Committee: 2023/24 Oversight Report on the 2023/2024 Annual Report

Pages: 708 - 785

25/03/MM4 2024/25: Service Delivery and Budget Implementation Plan: Amendment

Pages: 786 - 849

25/03/MM5 Draft 2025/26 Service Delivery and Budget Implementation Plan

Pages: 850 - 877

25/03/MM6 Tabling of The Draft Reviewed 2025/2026 Integrated Development Plan (IDP)

Pages: 878 - 1318

25/03/MM7 Establishment of Budget Steering Committee and Terms of Reference

Pages: 1319 - 1329

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

25/03/DMM1 Media and Communication: Branded Corporate Clothing

Pages: 1331 - 1338

Distribution list:

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

CONFIRMATION OF MINUTES OF PREVIOUS MAYORAL MEETING

KOUGA
local municipality

MINUTES OF A MAYORAL COMMITTEE MEETING OF THE KOUGA MUNICIPALITY HELD IN THE COUNCIL CHAMBERS, JEFFREYS BAY ON WEDNESDAY, 13 NOVEMBER 2024 AT 09:00 AM

Present:

Councillors	T Jantjes	(Executive Deputy Mayor)
	Ald D Benson	
	J Alexander	
	R Foley	
	S Ruth	
Councillors as Observers	W van der Linde	
	B Dhludhlu	
	F Heystek	
Officials	C du Plessis	(Municipal Manager)
	D de Jager	(Deputy Municipal Manager)
	R Lorgat	(Chief Financial Officer)
	N Machelesi	(Director: Community Services)
	T Madatt	(Director: Electro-Mechanical)
	L Ramakuwela	(Director: Planning & Development)
	J de Toit	(Acting Director: Civil & Water Services)
	L Opperman	(Manager: Legal Services)
	E Goliath	(Manager: Public Participation)
	M Basson	(Manager: Media & Communications)
	K Minnaar	(Chief of Staff)
	M Mange	(Clerk: Public Participation Unit)
	M Julius	(Senior Admin Officer: Committees)
	S Sidjiyo	(Committee Officer)
	R Swart	(Committee Clerk)

1. **NOTICE OF MEETING**

The Deputy Executive Mayor read the notice convening the meeting in terms of Section 19 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) that a Mayoral Committee Meeting would be held on Wednesday, 13 November 2024 at 09:00 am in the Council Chambers, Jeffreys Bay.

2. **OPENING AND WELCOME**

The Deputy Executive Mayor welcomed all present and requested Ald Benson to open the meeting with a prayer.

3. **ABSENT WITH LEAVE**

Cllr H Bornman	(Executive Mayor)
Ald B Williams	(Speaker)
Cllr L Maree	
Mr C de Kock	(Director: Civil & Water Services)

4. **ABSENT WITHOUT LEAVE**

None

5. **PRESENTATIONS**

None

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

None

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

The Deputy Executive Mayor sensitised the meeting about the rainy weather conditions in the Kouga area.

He further thanked the Mayoral Committee and the Directors for their support during the absence of the Executive Mayor.

8. **DISCLOSURE OF INTEREST**

None

9. **STATUTORY MATTERS**

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

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

Resolved (13 November 2024)

1. That the minutes of the Mayoral Committee meeting held on 16 September 2024 be accepted.

Proposed: Cllr R Foley Seconded: Cllr S Ruth

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

24/11/MM2 MAYORAL RESOLUTIONS AS AT 16 SEPTEMBER 2024

Resolved (13 November 2024)

1. That the updated Action Sheets reflecting resolutions of previous Mayoral meetings, be noted.

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

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

24/11/DMM11 OFFICE OF THE DEPUTY MUNICIPAL MANAGER: OFFICE OF THE EXECUTIVE MAYOR REPORT AS AT END OCTOBER 2024

Cllr Foley referred to page 35 and requested the inclusion of the resolution rate column on the matters escalated to the Office of the Executive Mayor.

The Deputy Mayor highlighted the significant concern regarding the number of complaints being escalated to the Office of the Executive Mayor, indicating a lack of responsiveness from various directorates.

The Deputy Municipal Manager added that the current turnaround time for suction tanker services was set at five to seven days, however, residents often escalate issues due to impatience.

The CFO emphasised the need for a unified communication channel to address complaints effectively, service procedures, and expectations, particularly regarding the logging of calls after payments. He further requested the issuing of new communication to clarify that there are no free services for businesses and to reinforce the importance of following proper procedures.

The Deputy Municipal Manager indicated that new communication to residents regarding service procedures and strategies to address these issues would be drafted.

Resolved (13 November 2024)

1. That the Mayor's Office report be noted.

24/11/DMM12 OFFICE OF THE DEPUTY MUNICIPAL MANAGER: PUBLIC PARTICIPATION REPORT AS AT END JULY 2024

Resolved (13 November 2024)

1. That the Public Participation report for September 2024 be noted by the Mayoral Committee.

2. That the proposed plans and activities in support of institutionalizing Public Participation be supported by all Directorates.

13. REPORTS BY THE PORTFOLIO COMMITTEE CHAIRPERSONS

13.1 REPORTS BY THE CHAIRPERSON: FINANCE & ECONOMIC DEVELOPMENT

24/11/FED3 SUPPLY CHAIN MANAGEMENT: CONSOLIDATED MONTHLY REPORT FOR AUGUST AND SEPTEMBER 2024

Resolved (13 November 2024)

1. That the consolidated SCM report for the months of August & September 2024 for the 2024/2025 Financial year be approved.

24/11/FED7 **2024 CLOSE-OUT REPORT AND 2025 SPONSORSHIP PROPOSAL: RYD SOUTH AFRICA LONGBOARDING CHAMPIONSHIP**

Cllr Ruth requested that future close-out reports include a detailed breakdown of spending on various activities to ensure funding aligns with priorities.

The CFO indicated that there were no standard targets to measure against, however, a high-level report with categories would be prepared to examine if relevant and right spaces were being funded.

Resolved (13 November 2024)

1. That Council notes the 2024 RYD South Africa Longboarding Championship Closeout 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.

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

24/11/FED9 **CLOSE-OUT REPORT: THE 2024 J–BAY CLASSIC SURF FESTIVAL**

Resolved (13 November 2024)

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

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

24/11/FED10 **CLOSE-OUT REPORT: THE 2024 HUMANSDORP COMMUNITY FESTIVAL**

Resolved (13 November 2024)

1. That the Council notes the 2024 Humansdorp Community Festival Closeout report.

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

24/11/FED11 **CLOSE-OUT REPORT: THE 2024 SOUTH AFRICAN NATIONAL OPEN WATER SWIMMING CHAMPIONSHIPS**

Resolved (13 November 2024)

1. That the Council notes the 2024 South African National Open Water Swimming Championships Closeout report.

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

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

24/11/PD6 REQUEST TO RESCIND PREVIOUS COUNCIL RESOLUTION AND ACCEPTANCE OF LAND PARCELS OWNED BY THE FORMER NATIONAL HOUSING BOARD TO KOUGA LOCAL MUNICIPALITY

Cllr Alexander commended the department for the significant improvement in turnaround times and processes.

Resolved (13 November 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 include 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 an agreement with the current owners for transfer of the properties to KLM.

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

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

24/11/CWS8 FIRST DRAFT PROJECT IMPLEMENTATION PLAN (PiP) FOR THE 25/26 FY MIG ALLOCATED GRANT FUNDING

The Director: Electro-Mechanical Services emphasised the importance of transparency and collaboration among departments regarding the MIG funding expenditure plan.

In response, the Acting Director: Civil and Water Services indicated that an MIG Committee would be established to address concerns raised regarding project engagement. He added that the Committee will oversee the approval of the draft PIP and ensure inclusion of all relevant departments.

Cllr Foley proposed that the report be referred back for further discussions and be re-submitted to the Mayoral Committee.

The proposal was unanimously seconded by the Committee.

The Manager: Public Participation highlighted the importance of timely communication with communities regarding projects and suggested the establishment of a communication plan for ongoing projects to improve public awareness and engagement.

Resolved (13 November 2024)

1. That the draft Project Implementation Plan for MIG projects for the 25/26FY be noted.

2. That the report be referred back for further discussions and be re-submitted to the Mayoral Committee.

24/11/CWS13 REPORT ON HISTORIC INFORMATION - CORMORANT PUMP STATION AND THE MARINA MARTINIQUE DEVELOPMENT

The Deputy Municipal Manager enquired about the exclusion of the finance department in the Committee representation.

The CFO emphasised the need for both finance and legal departments to be involved in discussions regarding VAT discrepancies.

Cllr Foley proposed an amendment to recommendations 10.3 and 10.4 to include the CFO and legal department in the Committee, and the inclusion of Portfolio Committee.

The Committee unanimously agreed to the proposed amendments.

Resolved (13 November 2024)

1. That the historical information captured in the report be noted.

2. That a Committee be established to discuss and finalize all outstanding matters as raised within this report and referenced SLA's.

3. That the Committee be represented by Marina Martinique, Director Civil and Water Services, Director Electro-Mechanical Services, Director Planning and Development, Chief Financial Officer, Manager: Legal Services, the Developer: C-Max, the relevant members of the Mayoral Committee, Municipal Manager and the option to co-opt significant role players.

4. That the Committee be mandated to list all outstanding matters, draw up an action plan and present progress of such during the (3rd) third quarter of 2024/25 to the Portfolio Committee.

24/11/CWS16 LEAK DETECTION TEAM ACTIVITY REPORT (JULY 2024 TO SEPTEMBER 2024)

The Deputy Mayor questioned how the Leak Detection team was deployed and how the public could access the services.

Cllr Foley responded that the Leak Detection team primarily responds to Call Centre dispatches and escalations from the water department.

The CFO questioned whether the Leak Detection team resolved issues or merely conducted audits and highlighted the need for effective follow-up.

Cllr Foley clarified that the team reports issues to the Call Centre, which coordinates repairs and ensures a feedback circle with the finance department.

Cllr Alexander raised concerns about the revenue loss due to unaccounted water in informal areas where bulk meters have not been installed.

Resolved (13 November 2024)

1. That the report and impact of the Leak Detection Team be noted.

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

24/11/CSS16 EDUCATION & AWARENESS PROGRAM FOR FUNERAL PARLORS ON THE MANAGEMENT OF HUMAN REMAINS WITH EMPHASIS ON MPOX CONTROL

Resolved (13 November 2024)

1. That the report on the education & awareness program for funeral parlors on the management of human remains with emphasis on Mpox control for Kouga Municipality be noted.

14. **CLOSURE**

The meeting adjourned at 10:17

T JANTJES **20/02/2025**
DEPUTY EXECUTIVE MAYOR **DATE**

CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING

KOUGA
local municipality
Good Governance through Service Excellence

MINUTES OF A VIRTUAL SPECIAL COUNCIL MEETING OF KOUGA MUNICIPALITY HELD ON FRIDAY, 17 JANUARY 2025 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	
	N Ntshota	
	V Zana	
	K Ndzelani	
	E Mbuqu	
	M Yali	
	M Mbandana	
	W Petersen	
	P Oliphant	
	M Valgee	
	L Nkilishane	
	N Ntengwane	
	W van der Linde	
	B Human	
	V Gunuza	
Officials & Municipal Manager	C du Plessis	(Municipal Manager)
	D de Jager	(Deputy Municipal Manager)
	R Lorgat	(Chief Financial Officer)
	N Machelesi	(Director: Community Services)
	T Madatt	(Director: Electro-Mechanical Services)
	J du Toit	(Acting Director: Civil & Water Services)
	M Rossouw	(Manager: Administration & Auxiliary Services)
	K Minnaar	(Chief of Staff)
	C Prinsloo	(Legal Officer: Office of the Speaker)
	L Grobler	(Legal Officer)
	D Klopper	(PA: Speaker)
	C Schoeman	(Office Administrator: Mayoral Committee)
	E Goliath	(Manager: Public Participation)
	M Basson	(Manager: Media Communications)
	N Prinsloo	(Acting Manager: Human Settlement)

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 a Special Council Meeting will be held virtually on 17 January 2025 at 10:00 a.m.

2. **OPENING AND WELCOME**

The Speaker welcomed everyone present and requested Cllr Dhludhlu to open the meeting in prayer.

3. **ABSENT WITH LEAVE**

L Ramakuwela	(Director: Planning & Development)
C de Kock	(Director: Civil and Water Services)

4. **ABSENT WITHOUT LEAVE**

None

5. **PRESENTATIONS**

None

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Cllr Petersen extended condolences to the family of Mrs Andy Sauls who passed away.

He further extended condolences to Cllr Mbuqu's family for the loss of their brother.

Cllr Yali congratulated the matric class of 2024 for achieving a record-breaking 87.3% pass rate, the highest in the country's history.

He further congratulated the Traditional Leaders in the Kouga region on the manner in which they managed the initiation schools by ensuring the safety of the boys.

Cllr Oliphant congratulated the ANC on their 113th -anniversary celebrations.

Cllr Nkilishane congratulated the 2024 matric class, especially the children who managed to rise above their circumstances.

The Executive Mayor congratulated the 2024 matric class, especially the Kouga regional schools.

He further congratulated and thanked the Municipal Manager, Directors and all employees of the Municipality for a successful festive season and ensuring the readiness of the town to accommodate visitors.

Cllr Gunuza sent condolences to the families of an ANC member who passed away and a young boy who was stabbed by gangsters.

She congratulated the ANC matric students of 2024 for receiving good results in the Eastern Cape Province.

Cllr Heystek congratulated all Security Companies, Kouga Law Enforcement and Traffic Department on a successful festive season with very low crime incidents and thanked them for their hard work.

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

None.

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

As an introduction to the item, the Executive Mayor indicated that the approval of the DBSA loan will have a major impact on improving road infrastructure. He stated that it is an immensely important decision that requires Council approval and asked that the item be seriously considered.

9. **DISCLOSURE OF INTEREST**

None.

10. **STATUTORY MATTERS**

None.

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

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

12. **REPORTS BY FINANCE AND ECONOMIC DEVELOPMENT**

25/01/FED1 REPORT ON THE DEVELOPMENT BANK OF SOUTH AFRICA (DBSA) LOAN APPLICATION AND PUBLIC PARTICIPATION PROCESS

The Executive Mayor referred to page 6 and indicated that the loan application process already started in October 2023.
The Council resolved that a loan be sourced through a tender process which was concluded.

Discussions with the DBSA began, and it approved a loan with certain conditions as indicated on pages 7 and 8. In accordance with the Municipal Finance Management Act(MFMA), Section 46, it was advertised and then written submissions were made.

National Treasury as well as Provincial Treasury and the public had the opportunity to comment. All documentation submitted was circulated to Councillors in November 2024. The Executive Mayor highlighted that an opportunity exists to repay the loan quicker than 12 years to reduce the interest payable in terms of the loan and that the report submitted is to resolve on the final approval of the loan agreement.

Cllr Yali raised a point of order under rule 35.5 and indicated that the Executive Mayor is reintroducing the item.

The Speaker ruled that the Executive Mayor can continue because it is a critical item, and the Council needs to have all the information available.

The Executive Mayor gave 100% insurance that the R200 million will be spent on resurfacing of roads in every town and every ward in the Municipality. The infrastructure team must identify roads in every ward that need resurfacing, and it should be done by clear engineering standards as set out by an engineering team.

Cllr Foley indicated that he welcomed the report and the financial assistance that is provided to address the serious issue of roads. He indicated that if the Municipality does not intervene in the upgrade of roads the required expenses will escalate. He added that an item will be presented to the Council soon regarding the upgrading of gravel roads.

Cllr Human stated that he was disappointed in the methods used for public participation. Only advertisements were placed in newspapers and no physical community meetings were scheduled. He stated that the community was excluded and the roads most affected were in previously disadvantaged areas.

He indicated that the item was not precise on which roads were identified for resurfacing. He raised a concern regarding the repayment of the loan over 12 years and indicated that the interest on the loan is a lot of money. The Municipality indicated that an amount of R30 million can be paid yearly towards the loan.

Cllr Human questioned why internal funding cannot be utilised for the resurfacing of the roads. He mentioned that the collection rate is also a concern which might be a problem going forward. He referred to the repayment which will start in March and enquired why the loan cannot be transferred to the next financial year.

Cllr Nkilishane stated that communities were excluded from the public participation process and therefore proposed to allow public participation processes to include the residents and stakeholders of Kouga due to the financial implications involved.

The community also needs to be informed which roads are planning to be resurfaced. He stated that if the Municipality proceeds without proper public participation processes being followed, he stands to disagree and vote against the matter.

Cllr Ruth congratulated the administration on all the work that has gone into securing the loan. She stated that note must be taken that the Municipality does not have sufficient internal funding for the resurfacing of roads. In terms of national legislation, SMMEs must be on board. The resurfacing of roads will be done in a more effective and efficient way whereby stormwater will be included.

Cllr Zana indicated that without a clear implementation plan, it is as if a blank cheque be provided to the Democratic Alliance (DA) to do as pleased with Kouga roads. He enquired which roads will be resurfaced and the infrastructure equipment that will be purchased.

He indicated that a lot was taken into consideration. No comments from National Treasury were received. He referred to page 45 indicating the requirement in terms of the project implementation and maintenance plan and enquired regarding the timeframe of the project and road plan/identification.

He further raised a concern that not all roads in the Municipality will be upgraded. He indicated that the Municipality spent R30 million of MIG funding for the upgrading of roads and enquired about the necessity of a R200 million loan, which would impose a cost of R160 million in interest on the municipality. Cllr Zana stated that he was not in support of the recommendations.

Cllr Petersen stated that any money acquired by the Municipality should be spent on the poor communities that need the same infrastructure as any other area. He suggested that 90% of the loan amount be spent on disadvantaged areas to upgrade road infrastructure. It would change the status quo, but the allocation of the budget was not done in that manner and for that reason, the ANC distanced themselves from the loan application and are not in agreement of acquiring a loan of that amount.

Cllr Yali stated that public participation remains one of the legislated processes. Proper participation processes were not followed and that indicates that the loan was not meant for all communities within the Municipality. He requested that a clear response to questions raised be given if Council concludes this process.

Cllr Oliphant stated that nothing was indicated regarding the condition of roads in the past 5 years but now, for the last year before 2026 the DA is using this loan to anchor themselves in doing good for the people of Kouga. Public participation is a legislated space and nothing in that regard has been done.

Only one comment was received, and no answers were given. He indicated that this point demonstrates the failure of a proper public participation process. He indicated that both the National and Provincial Treasury raised serious concerns regarding the matter. He referred to page 85 where it clearly reflects that there was no need to embark on a loan that was not going to generate revenue for the Municipality. He stated that as opposition they are not in support of the item.

Cllr Heystek stated that the road conditions were a massive problem in all areas of the Municipality and the loan will be an improvement in upgrading roads in all areas of the Municipality. If the upgrade of roads does not take place, more costs will be involved to repair the roads.

Cllr Dhludhlu stated that neither the National nor Provincial Treasury questioned whether public participation processes took place. That indicates that the public was offered the opportunity to comment and participate. Cllr Dhludhlu indicated that he is in support of the item. He indicated that the MIG funding will be used for upgrading gravel roads and the loan amount of R200 million will be utilised for the resealing of tar roads.

The Speaker gives an opportunity in terms of rule 34.6 for questions of clarity.

Cllr Oliphant asked if it was correct by saying that the MIG funding would cover the upgrading of gravel roads and that the R200 million loan would cover the resealing of tar roads.

The Speaker indicated that it is correct, MIG funding will be utilised for upgrading gravel roads and the DBSA loan for resealing tar roads.

The Speaker gave over to the Executive Mayor to respond to questions raised.

The Executive Mayor indicated that he would hand over to the Chief Financial Officer (CFO) to respond but wanted to mention that the ANC must study the rules on public participation.

He stated that the Municipality, for the last eight years, spent money on resealing of roads but unfortunately will not catch up if R30 million per year over 12 years is spent on repairing of roads. The roads would be deteriorating fast. The Municipality needs to spend R200 million in a short period to save the roads from deteriorating and becoming gravel.

Cllr Oliphant raised a point of order to raise a general question.

The Speaker did not allow the point of order.

The Executive Mayor stated that the resealing of roads is an operational decision based on engineering expertise available in the Municipality. He proposed that a recommendation 10.5 be added which indicated that the Department: Civil and Water Services prepare a detailed presentation, with all necessary information, to all Councillors regarding the current road conditions within the Municipality.

The CFO responded that Section 46 of the MFMA does not stipulate that public meetings need to be scheduled. The Act mentions information statements that need to be made public, which happened. He indicated that the Provincial Treasury did not raise any issues in terms of the regulations and therefore the Municipality was covered.

Referring to the question of why the Municipality does not utilise the R30 million a year for resurfacing of roads, the CFO indicated that an in-depth credit verification process was done by DBSA to prove that the Municipality can afford and can repay the loan. He explained that if the cost to rehabilitate the roads is R600 million, the Municipality must take into account that Service Provider costs, both labour works and materials, increase on an annual basis. If the Municipality works on an increase of 10% it calculates to R60 million. If the Municipality utilises the R30 million every year for repairing roads, the Municipality will be saving money.

The CFO indicated that the collection rate target is set for 95%, the 2024 collection rate reached 91%. The CFO gave assurance that the credit control policy will be pushed to reach 95% to cover the repayment amount. The CFO referred to the SCM Policy as approved by the Council which stated that every project, R5 million and higher requires a component of subcontracting and SMMEs are involved.

The question raised of why the resealing of roads is not covered in the new financial year, the CFO responded that the project must start due to the escalation of costs. He referred to the statement of buying infrastructure equipment and responded that the loan is solely for the rehabilitation of roads.

The CFO indicated that National Treasury did not comment within the prescribed 21 days as prescribed by legislation. Provincial Treasury was also given 21 days to respond but their response was only received on 17 January 2025. The concern raised by Provincial Treasury was the ratios. The CFO referred to the Section 71 report and indicated that the current budget accommodates the repayment. Provincial Treasury is indicating a 0.911 ratio, whereas the current budget is showing a 0.96 ratio. The CFO indicated that the Municipality was better off by 0.05 to 1 in the current ratio after taking the repayments of the loan for the next 3 years into account.

The DBSA requirements as stated on pages 7 and 8 in the report, are incorporated in the loan agreement stating that the debt-service cover ratio must be kept between 15% - 45% which will assist in maintaining the debtors ratio in line with the DBSA requirements. National Treasury's norm is 45%.

Another condition mentioned is that VAT refunds of R26 million be held as a reserve in a reserve account. A long-term financial plan was approved by Council and factored into the budget-related policies adopted by Council.

The Speaker allowed questions of clarity.

Cllr Oliphant asked if concurrence from National and Provincial Treasury was received, and if yes, in which part of the legislation is it covered to proceed.

Cllr Yali asked whether a door-to-door programme took place, when it happened and if a contractor had already been earmarked for the resealing of roads or will a tender be advertised.

Cllr Zana enquired why the project plan was not forwarded to Councillors.

The CFO indicated that no formal concurrence was required from Provincial Treasury if the Municipality was satisfied with the comments received. He indicated that he did not mention any programme. He indicated that no company was earmarked for the project. A formal bidding process would be followed. The Municipality had a panel of consultants that was approved formally by Council. The panel of consultants would be utilised by the Municipality for the design of roads which would be rehabilitated.

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

The Speaker called for a vote for the recommendations as amended by the Executive Mayor or not in favour of the recommendations.

The vote was held as follows:

In favour of the recommendations as amended by the Executive Mayor: 17
Not in favour of the recommendations: 12
Abstained: 0

The recommendations as amended by the Executive Mayor were approved.

Resolved (17 January 2025)

1. That the content on public participation process and comments received be noted as set out in **Annexure A and C**.

2. That the Council approve the proposed loan in line with the agreed capital and interest amounts as set out in **Annexure B.**

3. That the Municipal Manager, as the Accounting Officer, be authorized to enter into a Loan Agreement with DBSA to give effect to the loan facility applied for and approved, and incorporate the financial information as set out in **Annexure B.**

4. That the municipality continues to assess its debt servicing capacity annually to ensure that future repayments of the loan facility do not negatively impact the Municipality's ability to deliver essential services.

5. That Department: Civil and Water Services prepare a detailed presentation, with all necessary information, to all Councillors regarding the current road conditions within the Municipality.

Proposed: H Bornman Seconded: W van der Linde

13. **CLOSURE**

The meeting closed at 11:25

_____ _____

B WILLIAMS **DATE**

SPEAKER

MINUTES OF A VIRTUAL ORDINARY COUNCIL MEETING OF KOUGA MUNICIPALITY HELD ON WEDNESDAY, 29 JANUARY 2025 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	
	P Oliphant	
	M Yali	
	W van der Linde	
	K Ndzelani	
	N Ntshota	
	B Human	
	V Gunuza	
	M Valgee	
	V Zana	
	E Mbuqu	
	L Nkilishane	
	M Mbandana	
	N Ntengwane	
	W Petersen	
Officials & Municipal Manager	C du Plessis	(Municipal Manager)
	D de Jager	(Deputy Municipal Manager)
	R Lorgat	(CFO)
	N Machelesi	(Director: Community Services)
	C de Kock	(Director: Civil & Water Services)
	T Madatt	(Director: Electro-Mechanical Services)
	L Ramakuwela	(Director: Planning & Development)
	L Opperman	(Manager: Legal Services)
	E Goliath	(Manager: Public Participation)
	C Prinsloo	(Legal Officer: Office of the Speaker)
	K Minnaar	(Chief of Staff)
	A Koegelenberg	(Manager: PMS)
	D Klopper	(PA: Speaker)
	S Mlonyeni	(Communications Officer)

	C Schoeman	(Office Administrator: Mayoral Committee)
	L Grobler	(Legal Officer)
	M Julius	(Senior Admin Officer: Committees)
	S Rautenbach	(Committee Officer)
	R Swart	(Committee Clerk)
	M Mitchell	(Committee Clerk)
Stakeholders:	B Vanda	(CoGTA)
	C Welch	(Auditor General)

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 29 January 2025 at 10:00 a.m.

2. **OPENING AND WELCOME**

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

3. **ABSENT WITH LEAVE**

None.

4. **ABSENT WITHOUT LEAVE**

None.

5. **PRESENTATIONS**

None.

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Ald Benson extended birthday wishes to the following Councillors:

- Cllr Alexander - 18 January
- Cllr Stuurman - 26 January
- Cllr Murray - 28 January
- Cllr Heystek - 30 January
- Cllr Bornman - 9 February
- Mr R Lorgat - 17 February
- Cllr Dhludhlu - 23 February

Cllr Yali congratulated the President, Mr M C Ramaphosa for signing the Land Expropriation Bill and the Basic Education Laws Amendment Act(BELA).

He congratulated the Western Cape Commercial Crime Unit on its recent raid on the offices of two Democratic Alliance (DA) Councillors against allegations of tender fraud.

He extended condolences to the families of the South African National Defence Force(SANDF) soldiers who lost their lives in the Democratic Republic of Congo.

Cllr Alexander extended condolences to the families of the SANDF soldiers who lost their lives in the Democratic Republic of Congo. He stated that the situation needs urgent intervention from the South African Government.

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

Good morning, Executive Mayor, Cllrs, Municipal Manager and Officials

Welcome to the first ordinary Council meeting of 2025.

It is again pleasing to note that we are tabling our Adjustment Budget a month prior to what is legislated. This gives the institution more time to work on the draft 2025/26 budget and it is indicative of just how progressive Kouga Municipality has become.

Perusing the Annual Report, it leaves no doubt just how far Kouga Municipality has come over the past nine years and this is not only referring to the first ever clean audit from the Auditor General.

In the 2015/16 financial year, less than R 100 million of building plans were passed by the Municipality. To note that in the 2023/24 financial year a total of R 1.6 billion was approved for new and additional building areas is a clear indication that investors now have faith in Kouga and that we have transitioned into a Municipality where people believe their investments are safe and that they and their families will be secure and are assured that basic services will be delivered consistently.

A total of 770 occupation certificates were issued in the year under review which indicates that what was once a failing directorate has been turned around and I wish to commend Director Ramakuwela and his team for this phenomenal performance under pressure.

Honourable Mayor, back in 2016, it felt that we as politicians knew what was going on in every department of the Municipality, simply because there was not a lot going on in those days.

By appointing professional staff and providing them with the necessary equipment and budget has seen directorates like Community Services and Corporate Services become highly functional with various different programmes running that are of benefit to our communities as well as our staff component.

To think that it was not too long ago that the only functional public bathroom was the facility at Main Beach and despite the vandalism, all our public facilities are working and receiving positive comments from residents and visitors alike.

This comment was received:

"*Superb governance. So many projects that the Kouga municipality have embarked on. To name but a few- beautifully maintained play parks all around the town, new street name and signs on all roads (in GQ you cannot read them- all faded or non-existent) verges regularly weeded and mowed, wheelie bins given to residents, cleaning team hard at work early in the morning in public spaces cleaning out braai areas, bins etc., streetlights replaced with LED and all working.*"

Our town is bursting with new residents, many immigrating here from US and Europe and many from Cape Town etc. As the home of world's perfect wave, JBay will once again be hosting the World Surf League as one of the 10 spots on the world tour showcasing not only Kouga but Eastern Cape and SA to a massive worldwide audience.

Civil and Water has made massive strides as well and the quick response to problems experienced during the festive season is testimony to the professionalization of this Directorate.

It is evident that the finances of Kouga are being well managed and there was no fruitless or unauthorized expenditure during the financial year under review.

The LED and Tourism Department is also making strides in returning Kouga to a preferred holiday destination and this is one comment from a visitor.

"*Their Tourism campaigns are alive and well. Those Departments work very hard and the results are visible. I have a lot of respect for Kouga!*"

While we still have a long way to go in Kouga and we are far from being a perfect Municipality, it is worth acknowledging just what has been accomplished in Kouga and the Annual Report makes for pleasant reading in terms of just how far we have come as a Municipality.

I have noticed several mistakes in the Annual Report, which is still a draft, and I urge all Cllrs who have noticed mistakes to submit these to my office by end of business on Friday so that I can submit all inputs to the Administration.

We have a long agenda ahead of us today with very important items to discuss and I look forward to a fruitful Council meeting today.

I thank you.

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

Good morning Honourable Speaker
Councillors
Members of the Mayoral Committee
Municipal Manager
Directors.

It is wonderful to be here in this meeting with you this morning. Speaker, you have highlighted extremely well where we are currently, and I do think it is something to be tremendously proud of. The fact that the budget over the last five years increased to over a billion rand is something to be extremely proud of and I want to thank our Municipal Manager and Directors and all staff involved in making sure that Kouga Municipality is at a place where we can be proud of the service delivery to all citizens.

Speaker, for the first time we are moving in the right direction. If you look at the budget tabled today, for example, R61 million be allocated to free basic services for indigent households. R68 million, in addition to the R86 million to upgrade informal settlements. R83 million on upgrading infrastructure. The residents need to be informed that the Municipality spends the budget wisely and for the residents who are in need. Speaker, in conclusion, I am very proud of our economic growth strategy. The Chief Financial Officer and his team have been working on it for a long time, and it can go out for public participation. Stimulation of the economy so that jobs can be created to allow residents to have a better life is what Kouga Municipality is here for.

Thank you very much Speaker.

9. **DISCLOSURE OF INTEREST**

None.

10. **STATUTORY MATTERS**

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

None.

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

12.1 **MINUTES OF THE ORDINARY COUNCIL MEETING OF 13 DECEMBER 2024**

Resolved (29 January 2025)

1. That the minutes of the Ordinary Council meeting held on 13 December 2024 be adopted.

   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**

None.

14.4 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

25/01/MPAC1 MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Resolved (29 January 2025)

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.

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

Cllr Zana enquired about the following matters:

- On page 49, he enquired if the 50% deduction on the salary of Cllr Petersen was implemented and whether an appeal was submitted by the Councillor.
- He enquired about the status and if any response was received from the Member of the Executive Council(MEC).

- On page 50, he congratulated the office of the Deputy Municipal Manager on completed actions.
- On page 51, he requested an update on the Small, Medium and Micro-Enterprises(SMME) Forum and an update on the Grant-In-Aid Policy.
- On page 56, he requested an update on the Aston Caravan Park illegal occupants. He also enquired about the Estuary and current progress by the Department Public Works.
- On page 59, he enquired regarding the rectification of houses in Patensie and the process of appointing a new contractor.

Cllr van der Linde enquired about the following matters:

- On page 47, he requested an update on the bulk water supply from Nelson Mandela Bay.
- On page 48, he enquired if any feedback was received from the Public Protector on the clinic petition.
- On page 47, he enquired about any feedback from the MEC or Legal Department on the charges against Cllr Oliphant.
- On page 51, he enquired when the Customer Care Credit Control workshop will be held.
- On page 58, he requested an update on the homeless shelter.
- On page 65, he enquired about the progress of the By-law for keeping animals.

Cllr Human enquired about the following matters:

- On page 48, he requested an update on the Foot and Mouth disease and the situation in Kruisfontein where animals were impounded.
- On page 53, he requested an update on the wetland erven.
- On page 54, he requested an update on the FLISP housing project and enquired about any processes to assist Kouga Municipal employees with houses.
- On page 55, he enquired about the process of the *Team Challenge* alienation.
- On page 56, he enquired about the legal action against Aston Caravan Park residents against the forty-seven erven earmarked in Kruisfontein which was still in abeyance.
- On Page 66, he requested an update on the Safety Plan Workshop and Boots on the Ground programme in affected areas.

The Speaker enquired about the following matters:

- On page 47, he enquired about the progress made regarding the rezoning of the subdivision of erf 873 for sporting facilities.
- On page 47, he enquired when the Grant-In-Aid Policy will be submitted to the Policy Workshop.

- On page 53, he enquired when would finalisation be obtained from the Department Public Works regarding the transfer of residential properties.

- On page 54, he enquired about the status of the rezoning process.
- On page 55, he enquired about communication methods used regarding confirmation of acceptance by the applicant.
- On page 58, he enquired when the Service Provider would submit comments and when the comments and responses be presented to Top Management and Mayco.
- On page 69, he enquired when will the tender document be prepared.
- On page 69, he enquired when the advert would be placed in the newspaper pertaining to the By-law.
- On page 70, he enquired what action has been taken regarding the limited staff members and the way forward.
- On page 70, he enquired about what progress has been made relating to the streetlights in Gamtoos.
- On page 72, he enquired on when will the SSEG Policy be uploaded onto the website.

In response, the Municipal Manager indicated that the Grand-In-Aid Policy would form part of the Economic Development Policies which would be submitted to Council.

The Chief Financial Officer on the SMME Forum, indicated that the Economic Development Strategy is part of the agenda, and when the strategy is approved, it would talk about the different processes that would be undertaken. The process going forward would be to have a complete database that met the requirements of SMMEs.

He explained that there is a difference between a startup business and a SMME and the database needs to be cleaned up to allow programmes to run for different companies. Once all information is received, nominations for representation on the SMME Forum would be sourced. He indicated that a structure needs to be implemented to formalise meaningful engagements with SMMEs on the Forum.

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

The Chief Financial Officer indicated that the Customer Care Policy forms part of the budget related policies submitted to Council. It is part of the draft budget and then the final budget which is submitted for approval. The aim is that all finance-related policies should be approved in line with the budget. The Economic Development Policies will be submitted all together to manage reviewal processes, by the latest 30 June 2025.

The Director: Planning and Development referred to the rectification of the six houses in Patensie and indicated that the second bidder was on site and the Municipality was currently expecting a quotation. He referred to the homeless shelter and indicated that a few properties were identified and viewed but unfortunately were not feasible for the project. One property was identified outside the CBD, valuation was received, and provision was made on the Adjustment Budget. The project is ongoing.

The Director: Planning and Development indicated that communication was received from the Department of Treasury regarding the disposal of the wetland erven. He indicated that additional information was required and sent to the Department of Treasury. The Municipality awaits their formal comments concerning the challenges that occurred.

He referred to the FLISP project and indicated that the Department of Environmental Affairs submitted three recommendations. The first recommendation is to address the stormwater, a letter was drafted and awaits signature. The second recommendation is to draft the Land Availability agreement. The agreement was drafted and awaits signature. The third recommendation is to conduct an environmental study regarding the bridge. The Department is still in communication with the Agent, but a timeframe will be set.

The Director: Planning and Development indicated that 80 hectares were identified for the FLISP project in Humansdorp for the middle class and erven in Kruisfontein were identified as well.

The transfer of properties from the Department of Public Works to the Municipality is still in process. The Department of Public Works transferred the request to the Department of Human Settlements for finalisation.

The Director: Planning and Development referred to the rezoning of Erf 560 and indicated that the closing date for appeals is 5 February 2025 and the town planning processes will be finalised after the closing date.

He referred to 21/05/PD15 and indicated that it was communicated to the applicant that the resolution could still be implemented.

The Director: Planning and Development indicated that a meeting will be scheduled with the service provider and the Town Planning team regarding the CBD plans, and the outcome will be included in the agenda for the next collective meeting.

The Municipal Manager indicated that no progress was made by the Department: Public Works regarding the Aston Caravan Park and the eviction order lapsed.

The Director: Civil and Water referred to the tender document for the gravel roads project and indicated that the project is funded by the MIG grant and could only start in July.

The document would be submitted on the 15th March 2025 to the BSC to start with implementation in July. The By-law advertisement will be placed in the papers during the second week of February, running for sixty days and comments will close on 11 April 2025.

The Director: Electro and Mechanical Services indicated that electricians were appointed over the last few months. Internal staff were promoted, and internal transfers were made. The Department awaits the new budget allocation in February 2025 to continue with appointments.

He indicated that Eskom is 80% completed with the maintenance of streetlights in Gamtoos. The project is expected to be completed by March 2025 whereafter the streetlights will be handed over to the Municipality.

He indicated that the Small-scale Embedded Generation (SSEG)Policy would be uploaded to the website.

The Manager: Legal Services referred to the matter between the Municipality and the Office of the MEC and indicated that the notice was served in November 2024. The notice period ended on 15 November 2024, however, due to the High Court's recess and the advocate's unavailability, a formal application would be submitted in the first week of February 2025.

She confirmed that a 50% salary deduction was implemented on Cllr Petersen's salary and no notification of appeals was received from the Councillor.

She referred to the clinic petition and indicated that the Municipality does weekly follow-ups with the Department of Health but to date, no response had been received.

The Manager: Legal Service indicated that no progress has been made regarding the bulk water supply.

The Director: Community Services indicated that the Animal By-law will serve at the next Policy Workshop. With regards to the Foot and Mouth disease, Agri SA indicated that the risk is still high. Fifty-six farms were tested in December and the department is awaiting the results. She stated that the whole community forms part of preventive measures.

She indicated that the Safety Summit is a work in progress. Meetings would start in February 2025. The Boots on the Ground programme will be extended to the hotspot areas and the rolling out of cameras will depend on budget availability.

The Director: Planning and Development indicated that forty-seven erven in Kruisfontein were earmarked for the occupants of the Aston Caravan Park, but the occupants did not accept the plots. They will be accommodated on the 80 hectares in Humansdorp. The option to rescind the resolution for transferring the property to residents in Kruisfontein is being considered.

He referred to 21/05/PD15 and indicated that the applicant was informed that the current resolution still stands. The applicant was informed that alternatively, she could apply to lease the portion as opposed to the sale of the property.

Cllr Petersen sought clarity on what prevented the Municipality from serving an eviction order against the Aston Bay Caravan Park.

The Manager: Legal indicated that the registered owner of the Aston Caravan Park is the Department: Public Works and the eviction order must be obtained by the Department. The Municipality was a co-defendant to provide alternative accommodation. The matter is sub judice.

The Speaker requested Cllr Human and Cllr Petersen to send their questions in writing to the Office of the Speaker.

Resolved (29 January 2025)

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.

25/01/MM2 MID-YEAR INSTITUTIONAL PERFORMANCE REPORT: 2024/25 FINANCIAL YEAR: PERIOD 1 JULY 2024TO 31 DECEMBER 2024

Cllr Oliphant referred to page 29 and proposed that the underperformance of employees must be referred to the Portfolio Committee and not to the MPAC Committee as indicated in the report.

He welcomed the report and noted the improvement in various Departments. He referred to road infrastructure and stated that stormwater infrastructure needs to be considered in specific areas.

Cllr van der Linde referred to page 57 and sought clarity regarding the employee-related cost percentage and the remuneration of Councillors percentage that does not speak to the diagram on page 80.

Cllr Zana referred to the unspent grants budget on page 76 and sought clarity if it was a rollover from the previous financial year and if not, requested reasons why the grant was not spent.

The Chief Financial Officer indicated that the 42% on page 87 for employee costs is expenditure to date. The Department of Treasury percentage is between 25% - 40%. The Municipality stands at 31,5%.

He referred to the unspent grants on page 76 and indicated that the unspent grant amounts are still being spent. Payment from the National Government is paid over to the Municipality in tranches.

The Manager: Legal stated that the proposal made by Cllr Oliphant for the recommendation to be amended is illegal and referred to Section 79A of the Municipal Structure Act which describes the functions of the MPAC Committee which does not include assessments of performance reports. The MPAC Committee could be requested by Council to do investigations.

Resolved (29 January 2025)

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

25/01/MM3 KOUGA MUNICIPALITY: 2ND DRAFT: 2023/24 ANNUAL REPORT

Cllr Gertenbach raised a concern regarding the time lapse since the Auditor General approved the financial report and the submission thereof to the MPAC Committee.

Cllr Maree requested that St Francis and Cape St Francis be added to the report.

Cllr Zana proposed that recommendation 5. be added, that a workshop on the 2nd Draft Annual Report be scheduled for all Councillors.

Cllr Yali seconded the proposal.

Resolved (29 January 2025)

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.

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.

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.

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.

5. That a workshop be scheduled for all Councillors on the 2nd draft 2023/24 Annual Report.

Proposed: Cllr V Zana Seconded: Cllr M Yali

25/01/MM4 REPORT ON EXERCISE OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR

Resolved (29 January 2025)

1. That the report on the delegated authority by the Executive Mayor be confirmed.

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)

Cllr Oliphant stated that the ANC will participate in the budget if the budget is ward-based. He indicated that the budget consists of two components, operational and capital budget. He stated that where expenditure on finances is concerned, the ANC believes that the budget is unbalanced and is not in support of expenditure on the budget.

Cllr Ruth stated that Cllr Oliphant must state facts and explain where the budget is unbalanced.

The Speaker ruled that Cllr Oliphant must submit his concerns per area in writing to his Office.

At 11:38 Cllr Oliphant received a warning for speaking without being recognised.

Resolved (29 January 2025)

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

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

3. That an Adjustments Budget, based on the realistically anticipated revenues, in line with section 18 and 28 of the MFMA, be tabled by the Executive Mayor to the Council.

4. That the mid-year report accordingly be submitted to National Treasury and Provincial Treasury, in both printed and electronic format.

25/01/FED3 <u>2024/25 MID-YEAR ADJUSTMENTS BUDGET</u>

Cllr Petersen stated that a low debtor versus creditor ratio indicates that the Municipality is bankrupt or facing possible liquidation. With reference to the R200 million loan from the Development Bank of South Africa (DBSA) he questioned how the creditor ratio will be increased to cover the debtor's ratio. He stated that the Adjustment Budget does not speak to the needs of most residents.

Cllr Ntshota stated that all related finances must be ward-based, as previously indicated by the ANC.

Cllr Ruth stated that Cllr Petersen must state facts regarding bankruptcy and possible liquidation, if not, he is misleading Council.

Cllr Oliphant raised a point of order under rule 32.

The Speaker indicated that Cllr Petersen must submit his concerns in writing.

Cllr Zana requested that the annexures must indicate more detailed spreadsheets indicating project descriptions and capital expenditure of projects.

Cllr Gertenbach stated that only one Adjustment Budget can be tabled in a financial year and questioned the validity of the report.
At 12:04 Cllr Ntshota received a warning for speaking out of turn.

At 12:05 Cllr Oliphant received a fine for speaking out of turn.

The Executive Mayor referred to the free basic services rendered to residents, R21 million for water, R13 million for sanitation, R2 million for electricity and R25 million for refuse removal. He indicated that in the report a breakdown is given by line items for every Department with amounts spent. He referred to a ward-based budget and stated that expenditures cannot be ward based due to projects serving different wards.

Internal funding of R4,5 million is used for water supply to Gilll Marcus, R3 million for construction of civil services in Donkerhoek, R700 000 for water supply for Humansdorp and R3,5 million for electrification of Sea Vista informal Settlement. He stated that Councillors must not make political statements, the Municipality is serving all communities.

The CFO confirmed that the Adjustment Budget includes the obligations in terms of the R200 million loan approved by Council.

He agreed that, regarding Section 28.2 of the MFMA, only one adjustment budget can be tabled in a financial year, but through a requirement obligation change in the Division of Revenue Act (DORA) from the National Treasury it overwrites Section 28.

Cllr Petersen stated that delivering services to the community is an obligation of the Municipality.

Cllr Zana raised a question if it is not misleading Council to say that the Municipality takes care of free basic services. EQS is funded by the National Government for both electricity and water and stated that the MIG grant received from the National Government is for the poorest of the poor.

The CFO agreed that the EQS is funded by the National Government, but he stated that the Municipality exceeds the standard 6 kilolitres entitled by households. The MIG funding talks to the Municipal infrastructure and indicates clear criteria.

Cllr Maree proposed that recommendation 6. be added which indicated that the electrification of Sea Vista and Ocean View be transferred from the capital budget to the operational budget.

Cllr Jantjes seconded the proposal of Cllr Maree.

Cllr Zana requested a five-minute ANC caucus which request was granted by the Speaker. (12:09 – 12:13).

Cllr Zana stated that the ANC caucus was not in support of the recommendation proposed by Cllr Maree.

The Director: Planning and Development explained that Sea Vista and Ocean View projects are both informal settlements. If the projects are moved to the operational budget, it assists the Municipality in appointing a Contractor to commence with the work.

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

The vote was held as follows:

In favour of the amended recommendations as proposed by Cllr Maree: 17

In favour of the recommendations as tabled in the agenda: 2

Abstain: 1

The amended recommendations as proposed by Cllr Maree were approved.

Resolved (29 January 2025:)

1. That the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: 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)

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.

3. That the Detailed Capital Programme be noted, refer to **"Annexure C"**.

4. That the Conditional Grants Funded Capital Projects be noted, refer to. **"Annexure D".**

5. That the Adjustments Budget be submitted to National Treasury in both printed and electronic format and the relevant Provincial Treasury.

6. That the electrification expenditure for Sea Vista Informal Settlement be transferred from the capital budget to the operational budget.

Proposed: Cllr L Maree Seconded: Cllr T Jantjes

25/01/FED4 **2023/2024 AUDITED ANNUAL FINANCIAL STATEMENTS, AUDITOR-GENERAL'S AUDIT REPORT AND AUDIT ACTION PLAN**

Resolved (29 January 2025)

1. That the 2023/2024 Audited Annual Financial Statements be noted - refer to "(Annexure A)".

2. That the 2023/2024 Auditor-General's Audit Report be noted - refer to "(Annexure B)".

3. That the Council approves the 2023/24 Audit Action Plan - refer to "(Annexure C)".

25/01/FED5 BUDGET AND TREASURY: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 31 DECEMBER 2024

Resolved (29 January 2025)

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.

2. That the report accordingly be submitted to the Provincial treasury and Auditor-General as stipulated in Section 11(4) (b) of the MFMA.

25/01/FED6 COUNCIL APPROVAL OF THE REVIEWED KOUGA MUNICIPAL INTEGRATED ECONOMIC GROWTH STRATEGY

Resolved (29 January 2025)

1. That the Integrated Economic Growth Strategy be approved for public participation.

2. That the final Integrated Economic Growth Strategy be submitted to Council for approval thereafter.

25/01/FED7 2024/2025 HUMANSDORP COMMUNITY FESTIVAL SPONSORSHIP PROPOSAL

Cllr Ntshota requested that a calendar be circulated indicating all festivals and suggested that public participation meetings be scheduled to determine the needs of the communities.

Cllr Ndzelani requested that the Municipality focus on all areas within the Municipality.

Cllr Human stated that he welcomed the event and indicated that the amount allocated is still a concern and suggested that the allocated amount be the same as for surfing events.

Resolved (29 January 2025)

1. That Council approves funding allocation of R 100,000.00 (one hundred thousand rand) only, VAT-inclusive for the 2024/2025 FY.

2. That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with Khoi Kulcha Events, in accordance with the funding allocated in recommendation 1. above.

25/01/FED8 **SUPPLY CHAIN MANAGEMENT: QUARTERLY IMPLEMENTATION REPORT FOR THE SECOND QUARTER OF THE 2024-2025 FINANCIAL YEAR ENDING 31 DECEMBER 2024**

Cllr Ruth referred to the requirements stated in the Municipal Supply Chain Management Regulations 2000, Section 5 that all tenders made public, should be listed with names, BBB status as well as price tendered. The report lacked that information, and she requested that the report be rectified before being published on the municipal website.

Resolved (29 January 2025)

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.

17.2 **REPORTS BY THE CHAIRPERSON: CIVIL AND WATER SERVICES**

25/01/CWS1 **APPROVAL OF THE DRAFT PROJECT IMPLEMENTATION PLAN (PiP) FOR THE 25/26 FY MIG ALLOCATED GRANT FUNDING**

Cllr Zana requested a list of gravel roads that will be upgraded as well as the status of the sports field and the high mast lights.

The Director: Civil and Water Services indicated that the list of gravel roads was circulated, new roads were added, and the updated list will be forwarded to the Office of the Speaker.

He indicated that a contractor was appointed for the upgrade of the sports field and construction would start in July 2025.

The Director: Electro and Mechanical Services indicated that the high mast lights project was accepted and approved for MIG funding. The Department is in the process of compiling the tender documentation to appoint a service provider by the 1st of July 2025 to start the project.

Resolved (29 January 2025)

1. That the draft Project Implementation Plan for MIG projects for the 25/26 FY be approved by Council.

18. **CLOSURE**

The meeting closed at 12:45.

_____ _____

B WILLIAMS **DATE**

SPEAKER

MINUTES OF A VIRTUAL SPECIAL COUNCIL MEETING OF KOUGA MUNICIPALITY HELD ON THURSDAY, 27 FEBRUARY 2025 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	
	P Oliphant	
	M Yali	
	W van der Linde	
	K Ndzelani	
	N Ntshota	
	B Human	
	V Gunuza	
	M Valgee	
	V Zana	
	E Mbuqu	
	M Mbandana	
	W Petersen	
	N Ntengwane	
Officials & Municipal Manager	C du Plessis	(Municipal Manager)
	D de Jager	(Deputy Municipal Manager)
	R Lorgat	(CFO)
	T Madatt	(Director: Electro-Mechanical Services)
	L Ramakuwela	(Director: Planning & Development)
	C de Kock	(Director: Civil & Water Services)
	L Opperman	(Manager: Legal Services)
	E Goliath	(Manager: Public Participation)
	K Minnaar	(Chief of Staff)
	C Prinsloo	(Legal Officer: Office of the Speaker)
	D Klopper	(PA: Speaker)
	M Basson	(Manager : Media & Communication)
	S Mlonyeni	(Communications Officer)

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

1. **NOTICE OF MEETING**

The Speaker read the notice convening the meeting in terms of Section of the Local Government: Municipal Systems Act,2000 (Act No.32 of 2000) that a Special Council Meeting will be held virtually on 27 February 2025 at 10:00 a.m.

2. **OPENING AND WELCOME**

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

The Speaker stated that the item on Write-Off of Accounts within Gamtoos Area must be withdrawn. He explained that, according to the policy on the Provision for Doubtful Debt and the Write-Off of Irrecoverable Debt, Council must appoint a committee to review and recommend all bad debt write-offs before approval. Therefore, the item must be presented to the Bad Debt Committee before being submitted to Council.

3. **ABSENT WITH LEAVE**

N Machelesi (Director: Community Services)

4. **ABSENT WITHOUT LEAVE**

Cllr L Nkilishane

5. **PRESENTATIONS**

None.

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Cllr Dhludhlu congratulated Kouga Municipality for winning the 2024 Eastern Cape Provincial Greenest Municipality Competition. He thanked the Councillors and Officials for their efforts.

Cllr Zana extended condolences to the family of a 106-year- old Mrs Ratola, who passed away. He further recognised Cllr Petersen for being a custodian language and culture for the Khoisan people in the Provincial Government.

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

None.

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

None

9. **DISCLOSURE OF INTEREST**

None.

10. **STATUTORY MATTERS**

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

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

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

12.1 **REPORTS BY THE PORTFOLIO CHAIRPERSON: FINANCE AND ECONOMIC DEVELOPMENT**

25/02/FED4 SPONSORSHIP PROPOSAL: 2025 WSL CORONA J-BAY OPEN AND J-BAY SURF FESTIVAL

Cllr Petersen raised a concern over public funds being used to benefit the privileged rather than supporting poor communities in Kouga.

The Speaker cautioned Cllr Petersen not to use racial comments any further.

At 10:12, Cllr Petersen received a warning from the Speaker to stick to the item and stop making racial comments.

At 10:13, Cllr Petersen received a fine for calling the Speaker a "Baas" and forfeited his speaking term.

At 10:14, Cllr Petersen was referred to the Rules and Ethics Committee for speaking without being recognised.

Cllr Mbandana acknowledged the item and the recommendations but believed that the Municipality was trying too hard to be on the forefront. He felt that the event rather be funded by the private sector.

Cllr van der Linde supported the item for its promotion of Kouga Municipality, however, he sought clarification, recalling that previously it was resolved that all sponsorships should be on a year-to-year basis. He expressed concern that Council was reverting to a three-year sponsorship model.

Cllr August supported the item, stating that its purpose was to promote the best interests of Kouga Municipality.

Cllr Human expressed dissatisfaction that the item was not submitted to the Portfolio Committee beforehand. He pointed out that he was not in support of the item. He felt that there was no need for Kouga Municipality to sponsor the event as it was well sponsored, whereas the funds could be utilised to improve the service delivery and develop local talent.

The Speaker advised that the item had taken the correct flow as it was tabled at the Portfolio and Mayoral Committee.

Cllr Dhludhlu supported renewing the three-year sponsorship contract and highlighted its benefits.

Cllr Zana supported the view that local talent needs to be developed for this event to generate value for money. He pointed out that he was not in support of the item.

Cllr Heystek supported the item, emphasising that the event served as a marketing tool for the Municipality. He emphasised the importance of promoting the town to attract tourists, and new investments.

The Executive Mayor emphasised that if Kouga Municipality stopped funding events it would reduce the number of visitors and investors which would harm the local economy. He indicated that it would further result in people losing their jobs. He pointed out that the ANC always rejected sponsorship requests that had been taken to Council.

Cllr Oliphant raised a point of order under rule 32 and pointed out that ANC was not opposing any sponsorship.

The Executive Mayor stated that the previous Council minutes attest that the ANC has consistently rejected any requests for event sponsorship submitted to Council.

Cllr Petersen raised a point of order under rule 32 and stated that ANC was not opposing all events. He indicated that he has supported items which would benefit every community.

The Speaker requested that the officials draw the vote for the past year on events and report back to Council.

The Executive Mayor emphasised the importance of responsibly sponsoring events to attract more tourists. He noted that internationally renowned events would draw people from around the world to Jeffreys Bay. He reiterated that Kouga Municipality is a caring municipality and committed to supporting events that stimulate the economy and creating jobs.

The Speaker called for a vote on the recommendations as tabled in the agenda. He further explained a point of clarity to Cllr Petersen.

Cllr Yali enquired why the item was not tabled at the Portfolio meeting.

The Speaker explained that the item was submitted to the Finance and Economic Development Portfolio Committee, Mayoral Committee and thereafter to Council.

Cllr Oliphant enquired on how the event benefited the Municipality, whether there were any after event briefings and how many black people benefited directly from the event. He questioned if there were any skills transferred during the events.

The Executive Mayor indicated that he would get the figures not only for this event but for events in general from the LED Department and submit it to Council in writing.

The Speaker called for a vote as follows:

In favour of the recommendations as tabled in the agenda: 18

Not in favour of the recommendations as tabled in the agenda: 8

Abstain: 0

Cllr Petersen indicated that he did not see the voting polls on his screen and the Speaker advised that the laptop be taken to the IT Department.

The recommendations as tabled in the agenda were approved.

Resolved (27 February 2025)

1. That Council approves funding allocation of R 1,700,000-00 (One Million and Seven Hundred Thousand Rand) only, VAT-inclusive for the WSL J-Bay Open for the 2024/25 financial year with a 5% increase for the 2025/26 financial year and the 2026/27 financial year respectively.

2. That Council approves funding allocation of R 200,000-00 (Two Hundred Thousand Rand) only, VAT-inclusive for the 2024/2025 FY for the J-Bay Surf Festival for the 2024/25 financial year with a 5% increase for the 2025/26 financial year and the 2026/27 financial year respectively.

3. That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with the World Surf League, in accordance with the funding allocated in recommendations 1 and 2 above.

12.2. **REPORTS BY THE PORTFOLIO CHAIRPERSON: ELECTRO-MECHANICAL SERVICES**

25/02/EMS13 REPORT: PERMISSION FOR ESKOM TO ELECTRIFY PROJECTS IN THE GAMTOOS AREA,PATENSIE 278, WESTON 196, LOERIE & HANKEY 990 IN THE 2026/27 FINANCIAL YEAR

Cllr Mbandana supported the item but raised concerns about inadequate planning for the influx of people staying illegally in Hankey, which caused power outages in both formal and informal settlements. He also highlighted the issue of outdated infrastructure, which had been in place since 2007 despite the town's growth.

He expressed dissatisfaction with the Municipality's lack of proactive planning for potential challenges.

Cllr Human supported the item but raised a concern regarding the Director of Electro-Mechanical Services' comment that homeowners would be responsible for paying the relocation costs of electrical connections if a formal house was built. He pointed out that many residents in the area earned low incomes and would be unable to afford these costs. He proposed that the Council should include the relocation cost of the electrical connections in the budget.

Cllr Zana welcomed the item and raised several queries, he referred to page 17 and asked if the Municipality had the R2.9 million required for relocating infrastructure, and how the processes would unfold. He also requested clarification on why there was no mention of Loerie on page 15. Additionally, he highlighted that there was an electricity issue in Thornhill and asked whether it would impact INEP's ability to request funding for the project. Finally, he enquired about the possibility of including Milton in the electrification plans for the current financial year.

Cllr Stuurman explained that Eskom was gathering information for future electrification plans in areas such as Patensie, Weston, Loerie, and Hankey in the Gamtoos area.

He emphasised that the Municipality should leverage the INEP program to benefit communities, especially since some people have been living without electricity for a long time.

He pointed out that electrification would help to reduce illegal connections, improve living standards and lower the risk of fires. He added that it would improve the safety and convenience for those who work late, particularly indigent households receiving free basic electricity.

He concluded by stating that Eskom requires a Council decision to include Kouga Municipality as a beneficiary of the INEP funding program.

Cllr Petersen requested that the item be withdrawn and revised to incorporate all responses to the concerns raised before being resubmitted to the Council for further discussion.

The Speaker explained that the item was submitted to the Special Council because Eskom required the Council to resolve before the end of February 2025.

The Director of Electro-Mechanical Services explained that the item was requested by Eskom to begin preliminary designs for all projects in the Gamtoos Valley area, ensuring the Municipality is covered for future projects, including housing.

He assured that Eskom was aware of the issues raised by Cllr Mbandana, particularly in Patensie, and would arrange a meeting with the community, including Cllr Mbandana, next month to address concerns and communicate timeframes.

Regarding Cllr Human's comments on relocation costs, he clarified that the choice was either to provide electricity to communities now or wait until houses were built. He emphasised the need to be proactive in providing safe electricity, rather than delaying until construction was complete.

He confirmed that there was engagement with Eskom to address the R2.9 million cost and that all possible funding avenues were being explored. Regarding Milton, he explained that although the area had previously received electricity, classification issues posed challenges. Eskom was willing to provide electricity, but the high cost of reclassification made it difficult.

He assured that negotiations with Eskom to resolve the matter were continuing and to ensure that the tariff was aligned with current rates. With regard to the Loerie, the issue was a lack of population data, but it would be included in Eskom's preliminary design list.

He added that specific details, such as locations and numbers, would be provided when general plans for Thornhill were submitted.

He mentioned that there was a collaboration with Nelson Mandela Bay Metro on the Thornhill plan and that the connection in Tjoksville would proceed, with a budget needed for further electrification efforts.

Cllr Human emphasised that the residents in the area would be unable to afford the cost of relocating the electrical connection.

The Executive Mayor concurred with Cllr Human comments to assist residents with the relocation but noted that a decision could not be made at this time because the timing of the relocation was unknown, and it was not budgeted for.

He added that when the relocation occurs, the item would be brought back to Council. He emphasised that the Council could not commit to anything beyond the current recommendations at this stage.

Cllr Mbandana requested clarity in terms of the comments made by the Executive Mayor. He added that the funds could be sourced elsewhere such as National Government.

The Executive Mayor clarified the two conditions referenced in the item and directed attention to page 16 of the agenda under the heading "Discussion." He stated that a separate item would be submitted to the Council to address the process and procedures for covering the costs of relocating electrical connections. He emphasised that the current item's purpose was to secure Eskom's electrification of the areas and urged the Council to focus on the recommendations.

Resolved (27 February 2025)

1. That Council approves the electrification of Patensie 278, Weston 196, Loerie, and the remainder of Hankey 990 project (690 Units).

2. That Council notes the demands by Eskom as per the discussion.

12.3 **REPORTS BY THE PORTFOLIO CHAIRPERSON: PLANNING AND DEVELOPMENT**

25/02/PD9 REQUEST FOR COUNCIL'S APPROVAL TO DEMOLISH THE BUILDING ON UNREGISTERED ERF 3291, HUMANSDORP (KOUGA CULTURAL CENTRE)

The Executive Mayor requested a caucus of five to seven minutes.

The Speaker granted the caucus from 11:06 to 11:14.

The Executive Mayor presented the item. He proposed to amend resolutions 10.1 and 10.3 as follows:

10.1 That Council notes the Assessment Report on the condition of the Cultural Centre building and that it be safe guarded as soon as possible.

10.3 That Council grants in principle approval and publish for Public Participation for the disposal (demolishing) of the building on unregistered Erf 3291, Humansdorp, also known as the Kouga Cultural Centre.

He requested that the Manager: Legal Services verify the accuracy of the wording in the recommendations. He raised concerns about the safety of the Kouga Cultural Centre, highlighting the risk of injuries and possible legal implications for the Council. He acknowledged the building's cultural heritage status, which necessitated an additional public participation process. He also noted that while the Council had proposed disposing the building last year, the process was delayed due to required legal processes.

Cllr Zana questioned why the building had been vacant since November 2020 while Kouga Municipality was renting several other buildings. He requested clarity about the original cost of the building and expressed the view that the structure was in good condition before 2020 but deteriorated under the new leadership.

Cllr Dhludhlu raised a point of order under rule 32.1 and explained that a Councillor should stick to matter under discussion and in the item, there was no mention of the Democratic Alliance, the ruling party. He requested that Cllr Human withdraw his statement.

The Speaker overruled the point of order.

Cllr Zana enquired whether there were any insurance claims made after the building had been vandalised and what was the cost of the building. He questioned why the building was vacant and whether there were any criminal cases reported.

Cllr Petersen explained that the building was constructed by the ANC for the Khoi-San and traditional communities.

He emphasised that the building purpose was not only to showcase cultural diversity and heritage but also to serve as a hub for skills development and cultural training. He disagreed with the view that the building was a danger and needed to be demolished. He felt that the Khoi-San leadership had not been involved in the process to save the building and noted that the building should have had caretakers to prevent vandalism. He requested an assessment report on the building condition and a report from SAPS regarding any criminal activities associated with the building.

The Speaker requested that Cllr Petersen submit his questions in writing.

Cllr Human raised a concern that the item was submitted to Council, noting that it was previously included in the adjustment budget meeting last year with an allocation of R1 million.

He highlighted that a tender was issued in August 2024 for the same building without a Council resolution, and a compulsory meeting with contractors took place on 10 September 2024.

He questioned why the item proceeded without Council approval and why it was included as a KPI for the Director of Planning and Development without being presented to Council.

He suggested a verbal vote to ensure that Council was taking an informed decision. He cautioned that adopting the recommendations could be legally questionable. He urged Councillors to make the right decision, emphasising that the building was the last preserved for the Khoi-San community and demolishing it would strip them of their rights.

The Speaker explained that the item was submitted to Council by 30 June 2023.

The Deputy Executive Mayor referred to page 20, Annexure A, stating that the building had been in a dilapidated state for a long time. He indicated that as a Ward Councillor, he had received multiple complaints from SAPS and the Neighbourhood Watch about activities occurring in the building. He expressed concern over its current condition and the criminal activities taking place there.

He emphasised that the reports from SAPS, the Neighbourhood Watch, and the Ward Committee all recommended action to be taken. He confirmed that the building was in such poor condition and that anyone entering could be injured, potentially making the Municipality liable. While acknowledging the historical significance of the building, he urged the Council not to overlook its structural issues and community impact. He supported adopting the recommendations with amendments, ensuring necessary investigations were conducted, and suggested another public participation process due to the sensitivity of the issue.

Cllr Heystek agreed with the Deputy Executive Mayor, stating that the building was in such a deteriorated condition that it could not be salvaged or repaired. He emphasised that due to the criminal activities occurring to the building, the Council could face legal trouble if anyone were injured in the building. He also mentioned that there had already been several claims, making it crucial to address the situation.

Cllr Oliphant raised a question of clarity and indicated that the Deputy Executive Mayor as a Ward Councillor of ward 15, was being selective.

The Speaker ruled that Cllr Oliphant must ask the question of clarity and not make comments.

Cllr Petersen sought clarification, asking why the Council had not appointed the Red Ants to secure the building and prevent criminal activities until the refurbishment issue was resolved. He also noted that, based on his assessment, the building was still intact.

Cllr Zana indicated that he had raised questions early in the discussions of the item and he has not been answered. He further asked whether there was any report from a qualified structural engineer.

The Speaker clarified to Cllr Dhludhlu the question of clarity.

The Executive Mayor summarised the recommendations as amended for everyone to understand.

The Deputy Executive Mayor seconded the recommendations as amended.

At 11:36, Cllr Oliphant received a fine for speaking without being recognised.

The Speaker called for a division of vote on the approval of the amended recommendations as follows:

Ald B Williams	In Favour
H Bornman	In Favour
Ald D Benson	In Favour
B Dhludhlu	In Favour
T Jantjes	In Favour
W Gertenbach	In Favour
H Murray	In Favour
R Foley	In Favour
F Heystek	In Favour
S Ruth	In Favour
C August	In Favour
M Nicholls	In Favour
M van Niekerk	In Favour
J Alexander	In Favour
L Maree	In Favour
G Stuurman	In Favour
P Oliphant	Not in Favour
M Yali	Not in Favour
W van der Linde	In Favour
K Ndzelani	Not in Favour
N Ntshota	Not in Favour
B Human	Not in Favour
V Gunuza	Not in Favour
M Valgee	Not in Favour
V Zana	Not in Favour
E Mbuqu	Not in Favour
M Mbandana	Not in Favour
W Petersen	Not in Favour
N Ntengwane	Not in Favour

The Speaker announced the result as follows:

In favour of the recommendations as amended: 17

Not in favour of the recommendations as amended: 12

Abstain: 0

Resolved (27 February 2025)

1. That Council notes the Assessment Report on the condition of the Cultural Centre building and that it be safeguarded as soon as possible.

2. That Council confirms that the building is not required for the provision of basic municipal services.

3. That Council grants in – principle approval for the disposal (demolition) of the building and grants the Municipal Manager authorisation to commence with a public participation process for the unregistered Erf 3291, Humansdorp, also known as the Kouga Cultural Centre.

Proposed: Cllr H Borman Seconded: Cllr T Jantjes

12.4 **REPORTS BY THE PORTFOLIO CHAIRPERSON: CIVIL AND WATER SERVICES**

25/02/CWS20 JEFFREYS BAY: THE FOUNTAINS INDUSTRIAL PARK: DEVELOPMENT CHARGES

Cllr van der Linde enquired why the item had not been submitted at the Portfolio Committee meeting.

Cllr Human stated that he was not in support of the item, expressing concerns about relying on suggestions from the developers.

He supported the CFO's comments and requested clarification on the discrepancies between the recommendations and the CFO's comments in the item.

Cllr Oliphant highlighted that augmentation was regulated by legislation and he questioned Council's justification for approving the request. He expressed concerns about the limited budget for development and the risk of financial loss. He also enquired if the Portfolio Councillor had met with the developers prior to submitting the request.

He supported Cllr Human's comments and mentioned that the ANC caucus was opposed to any augmentation benefiting the developer.

Cllr Petersen concurred with Cllr Oliphant. He emphasised that Council must use the legislation and not to take ad-hoc decisions. He raised a concern that the augmentation fee would create a limited budget for municipal services.

The Executive Mayor explained that the item was submitted based on legislation and clarified that this practice had been done before, making it legal. He outlined how the augmentation process works, noting that the Municipality first assesses whether there was sufficient service capacity before a developer could proceed with a project.

The response to the developer depends on this assessment. He emphasised that the augmentation payment made by the developer was used to increase capacity for future developments in the area.

He clarified that this does not indicate a lack of capacity, but rather that the Municipality uses the funds to enhance its capacity for future growth. The developer would ultimately pay the full amount needed to obtain the clearance certificate. He also requested that the term "development charges" be changed to "augmentation fee" in the recommendations to align with the policy.

The Director: Civil and Water Services explained that the current policy, contains a provision for a developer to request an alternative payment method other than what was stated in the policy. He pointed out that the alternative was requested, and it was attached to the item and that was the reason the item was not submitted to the Portfolio Committee.

The Speaker requested CFO to clarify his comment regarding the augmentation fees on the item.

The CFO explained that a policy decision was required for the Council to establish a minimum amount for negotiations. He expressed hope that the upcoming Augmentation Policy would address the issue.

He cautioned against setting a precedent where the augmentation fee was fixed at 25%, as the previous item submitted to Council. He advised that the augmentation fee should vary depending on the specific circumstances and development factors.

He pointed out that the policy should set a minimum requirement, he noted that since this request involved implementing bulk infrastructure, it was essential to have most of the funds upfront. Receiving payments in instalments made it challenging to implement any projects.

Cllr Human raised a question of clarity to the Executive Mayor querying if the developer had already agreed to the augmentation fee of 30%, whereas the item was submitted to Council today. He enquired whether the developer knew before the Council meeting.

Cllr Mbandana complimented the comments from the CFO and addressed a question of clarity to the Executive Mayor enquiring whether the Municipality particularly in Jefferys Bay was capable to take any new development in terms of infrastructure.

Cllr Oliphant raised a question of clarity on whether the MMC knew the developer personally or if he had a bilateral with the developer before the request was submitted.

The Executive Mayor indicated that there was no declaration of interest that was declared by Councillors at the beginning of the discussions. He explained that a Councillor need to declare if there was interest in the item and no one indicated so.

Cllr Oliphant raised a point of order under rule 32, he indicated that his question of clarity was directed to the MMC.

The Speaker overruled the point of order as no Councillor had made a declaration at the start of the meeting. He requested that Cllr Oliphant write to his Office if he was not satisfied with the answer.

The Executive Mayor explained that there was a meeting between the Municipal Manager, the Director: Civil and Water and the developer to prepare the item to Council and to determine whether the developer would pay the 30% requested and the method of payment. He added that the Augmentation Policy was very clear on how the process works.

Cllr Foley seconded the recommendations as amended.

Cllr Petersen indicated that he was not in support of the item and the amended recommendations.

At 12: 02 the Speaker called for a vote as follows:

In favour of the recommendations as amended: 16
Not in favour of the recommendations as amended: 10
Abstain: 0

Resolved (27 February 2025)

1. That Council consider approval of the intended deviation from the Augmentation Policy in that the calculated and agreed Augmentation Fees be paid by the developer by effecting a deposit payment equal to 30 % of the total Augmentation Fees as an upfront payment, and the remainder of the calculated and agreed Augmentation Fees be due and payable before the issuing a Services Clearance Certificate by the Kouga Municipality.

2. That the ESA be amended to incorporate the above resolution by Council.

3. That the Augmentation Fees be ring-fenced and secured and explicitly earmarked to each relevant directorate for the upgrade of attending to bulk infrastructure as intended by the DC policy.

13. **CLOSURE**

The meeting closed at 12:03

_____

_____ _____

B WILLIAMS **DATE**

SPEAKER

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: 31 MARCH 2025
ITEM NO: **25/03/MPAC1**

MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

1. **Introduction**

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

2. **Background**

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 meetings on 28 November 2024 and 28 January 2025 and the minutes of the meetings 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**

Section 79A (4) of the Local Government: Municipal Structures Act No.117 of 1998, as amended.

6. **Legal Implications**

The minutes are submitted for Council to note and no specific recommendations for implementation.

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 the minutes of the Municipal Public Accounts Committee be noted.

Item noted by the MPAC Chairperson: 

MINUTES OF A VIRTUAL MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON THURSDAY 28 NOVEMBER 2024 AT 10:00

Present: Committee Members	Cllr B Dhludhlu	(Chairperson)
	Cllr F Heystek	
	Cllr C August	
	Cllr M Nicholls	
	Cllr P Oliphant	
	Cllr B Human	
	Cllr L Nkilishane	
	Cllr W Gertenbach	
	Cllr W van der Linde	
	Cllr G Stuurman	
Officials:	Mr C du Plessis	(Municipal Manager)
	Mr D de Jager	(Deputy Municipal Manager)
	Mr R Lorgat	(Chief Financial Officer)
	Ms N Machelesi	(Director: Community Services)
	Mr C de Kock	(Director: Civil & Water Services)
	Mr L Ramakuwela	(Director: Planning & Development)
	Mr A Koegelenberg	(Manager: PMS)
	Ms L Opperman	(Manager: Legal Services)
	Ms M Julius	(Senior Admin Officer: Committees)
	Mr S Mitchell	(Committee Clerk)
	Ms R Swart	(Committee Clerk)
Stakeholders:	Adv A Klopper	(Public Representative)
	Ms L Mostert	(Public Representative)

1. **OPENING AND WELCOME**

   The Chairperson welcomed all members present. He read the notice convening the meeting and requested Cllr Gertenbach to open the meeting with prayer.

   Cllr Oliphant expressed concerns regarding Cllr Stuurman attendance, questioning the absence of formal communication about his involvement.

   Cllr Human emphasised the importance of establishing formal protocols, asserting that any replacements should be officially recorded by the council.

   The Chairperson indicated that Cllr Stuurman would refrain from participating in the meeting until his status is formally confirmed, and requested that Cllr Stuurman be excused until his membership is officially established.

2. **DECLARATION OF INTERES**

   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 T Madatt (Director: Electro-Mechanical Services)

3.2 **ABSENT WITHOUT APOLOGY**

Cllr M Mbandana
Cllr H Murray

4. **PRESENTATIONS**

None

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

5.1 **CONFIRMATION OF MINUTES OF PREVIOUS MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON 25 SEPTEMBER 2024**

Ms Mostert enquired about strategies to address illegal power connections in informal settlements and requested updates on current initiatives. Additionally, she sought clarification regarding the indigent numbers referenced in the report.

The Municipal Manager indicated that he was unable to provide the figures at that moment but would retrieve the information from the finance department.

Resolved (28 November 2024)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 25 September 2024 be accepted.

Proposed: Cllr F Heystek Seconded: Cllr C August

6. **MATTERS FOR DISCUSSION**

24/11/MPACC1 MPAC RESOLUTIONS AS AT 25 SEPTEMBER 2024

The Chairperson highlighted that the physical copies for the Councillors listed on page 13 had not been collected and encouraged them to retrieve their copies to avoid unnecessary waste.

Resolved to Recommend (28 November 2024)

1. That the updated Action Sheets reflecting outstanding resolutions of MPAC as of 25 September 2024 be noted.

24/11/MPACC2 2023/24 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: PROGRESS UP TO THE QUARTER ENDING 30 SEPTEMBER 2024

Cllr Gertenbach expressed concerns about the bulk electricity purchase exceeding the initial quarter's percentage and

inconsistencies in residential properties benefiting from refuse collection services.

The Chairperson referred to page 21, raising concerns about the low percentages observed in rental income and fines.

In response, the Municipal Manager indicated that adjustments to the figures would occur after a six-month period, contingent upon economic activity and developments in the housing sector.

The Director: Community Services noted the inconsistencies and stated that the refuse collection figures in the adjustment budget need to be revised to show correct numbers.

The Chairperson stated that the prioritisation of road improvements must be addressed, particularly with regard to the connections between smaller towns and larger towns.

Resolved to Recommend (28 November 2024)

1. That the Quarter 1 operational and institutional performance report on progress made with the implementation of the 2023/24 Service Delivery and Budget Implementation Plan be interrogated by MPAC for purposes of recommendations in this regard for submission to Council be considered.

2. That Directorates ensure that corrective actions are discussed and agreed on at the level of the Portfolio Committees in respect of all Key Performance Indicators where set targets for the reporting period have not been achieved in order to ensure achievement of the annual performance targets and that such corrective actions be submitted to MPAC.

24/11/MPACC3 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT ON THE DRAFT: 2023/24 ANNUAL REPORT**

The Chairperson posed a question regarding the prioritization of road improvements, particularly emphasising the necessity of enhancing transportation links between rural communities and larger municipalities.

The Director: Civil and Water clarified that the prioritisation of roads is determined by their condition, as assessed through a visual condition index, rather than the geographical location.

The Chairperson requested that the cost estimates for road repairs be updated to reflect current figures for accuracy.

The Director: Civil and Water Services consented to update the figures in accordance with the most recent evaluations.

Ms. Mostert suggested collaborating with the Performance Manager to address the numerous questions and discrepancies in

the Annual Report, recommending the compilation of necessary information for review.

She further, pointed out inconsistencies in the population census data and job seeker statistics, recommending updated comparisons and modifications to the Annual Report. While she recognised advancements in road conditions, she expressed concerns regarding the effects of weather on repair initiatives, discrepancies in staff training data, and the accuracy of public meeting documentation.

The Chairperson emphasised the necessity for the Fleet Department to prioritise ongoing training for personnel regarding the proper maintenance and operation of vehicles, aiming to minimise both maintenance expenses and the incidence of accidents.

Ms. Mostert referenced page 200, expressing concerns regarding the status of expired municipal property leases and the ambiguity surrounding their renewal.

In response, the Municipal Manager indicated that lease agreements undergo regular reviews, and certain agreements may not be renewed for particular reasons, while continuous efforts are made to manage these agreements efficiently.

The Manager: Legal reported challenges in contract management post-execution. A contracts manager has been appointed, and two positions have been established in the Land & Property department to assist with lease agreements.

The Chairperson highlighted the necessity for the committee to rectify
discrepancies in the portfolio allocations for each serving Councillor, thereby ensuring accurate representation in reports.

Resolved to Recommend (28 November 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.

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

24/11/MPACC4 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) INVESTIGATION OUTCOME

Cllr van der Linde expressed dissatisfaction with the manner in which the investigation was handled, stating that there was a lack of proper Committee involvement.

The Chairperson stated that the Committee had reached a decision based on prior discussions, despite objections from some members.

Resolved to Recommend (28 November 2024)

1. That the formal investigation outcome be noted.

9. **DATE OF NEXT MEETING**

28 January 2025

10. **CLOSURE**

The Chairperson thanked the Committee members and officials for their contributions and urged continuous communication regarding the annual report.

The meeting adjourned at 11:44



CLLR B DHLUDHLU
CHAIRPERSON

29 January 2025
DATE

MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON THURSDAY 28 JANUARY 2025 AT 10:00

Present: Committee Members	Cllr B Dhludhlu	(Chairperson)
	Cllr F Heystek	
	Cllr C August	
	Cllr M Nicholls	
	Cllr H Murray	
	Cllr B Human	
	Cllr L Nkilishane	
	Cllr W Gertenbach	
	Cllr W van der Linde	
Officials:	Mr C du Plessis	(Municipal Manager)
	Mr D de Jager	(Deputy Municipal Manager)
	Mr R Lorgat	(Chief Financial Officer)
	Ms N Machelesi	(Director: Community Services)
	Mr C de Kock	(Director: Civil & Water Services)
	Mr L Ramakuwela	(Director: Planning & Development)
	Mr T Madatt	(Director: Electro-Mechanical Services)
	Mr A Koegelenberg	(Manager: PMS)
	Ms L Opperman	(Manager: Legal Services)
	Ms M Julius	(Senior Admin Officer: Committees)
	Mr S Rautenbach	(Committee Officer)
	Ms R Swart	(Committee Clerk)
Stakeholders:	Ms L Mostert	(Public Representative)

1. **OPENING AND WELCOME**

The Chairperson welcomed all members present. He read the notice convening the meeting and requested Ms L Mostert 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**

Cllr M Mbandana	
Adv A Klopper	(Public Representative)

3.2 **ABSENT WITHOUT APOLOGY**

Cllr P Oliphant

4. **PRESENTATIONS**

None

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

5.1 **CONFIRMATION OF MINUTES OF PREVIOUS MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON 28 NOVEMBER 2024**

Resolved (28 January 2025)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 28 November 2024 be accepted.

Proposed: Cllr B Human Seconded: Cllr F Heystek

6. **MATTERS FOR DISCUSSION**

25/01/MPACC1 MPAC RESOLUTIONS AS AT 28 NOVEMBER 2024

Resolved to Recommend (28 January 2025)

1. That the updated Action Sheets reflecting outstanding resolutions of MPAC as of 28 November 2024 be noted.

25/01/MPACC2 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT ON THE DRAFT: 2023/24 ANNUAL REPORT

Cllr Gertenbach expressed concern about the delayed receipt of financial statements, which hinders Council members' timely review. He suggested implementing measures to provide financial data earlier, allowing sufficient time for review before meetings.

In response, the CFO, confirmed that the timing of financial reports will remain unchanged for the near future. For the December 2025 Council meeting, which will be in recess, the agenda will be distributed before November 30th, resulting in some items being excluded. The recent Special Council meeting was called for specific purposes, and only the notice item will be included in the January 2025 agenda.

It is noted that, regardless of Council members' review of the reports, no financial changes can be made, as they meet established standards and have been validated by the Auditor General through audited financial statements. Annual audited financial statements, along with the Audit Action Plan and Audit Report, must be submitted to the Council by January 31st for compliance with applicable legislation and regulations, a process that will continue to be upheld.

Ms Mostert referenced age 58 and noted that the ratings presented in the table did not align with the comment on the page.

The Municipal Manager clarified that the Member of the Executive Council (MEC) conducts individual evaluations of Managers, fostering collaboration among IDP colleagues. There were concerns regarding the effectiveness of IDP evaluations in the Eastern Cape relative to other areas. The existing evaluation process is under review to ensure it aligns with the municipality's requirements.

Ms Mostert highlighted the significance of having clear information in the annual report and the need for accessible commentary for the public.

Cllr Human suggested that a clear and brief commentary be prepared to accompany the Annual Report to enhance public understanding.

In response, the CFO noted that a significant portion of the input can be presented. Upon review, he determined that this matter does not impact the historical data but should only be used as a reference. Therefore, management is requested to update the file accordingly.

The Chairperson commended the department for attaining a clean audit for the first time in many years, attributing this success to the cooperative efforts of multiple departments and the MPAC Committee.

Ms Mostert expressed her gratitude to all individuals in Kouga who have contributed to making a positive impact.

Resolved to Recommend (28 January 2025)

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.

25/01/MPACC3 **MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2024 TO DECEMBER 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 DECEMBER 2024 (2024/25 FINANCIAL YEAR)**

Cllr Heystek referenced page 358, which indicated a reduction of R46,839 million in overdue consumer debt, reflecting a 0.01% decrease since June 2024. He enquired if the situation was still unchanged or if there had been any progress in recovering these debts.

In response, the CFO indicated that achieving a 95% collection rate would lead to a 5% rise in last year's outstanding accounts, allowing for a comprehensive revision of the debtors' ledger. Half of these debts, totalling around R260 million, are residents of the Gamtoos Valley region. Concerns regarding insufficient water management in Gamtoos Valley prompted a recommendation to assess all cancelled accounts using smart metering technology, which could improve water usage oversight and the upkeep of debtor records, thereby facilitating better management of repayments.

Cllr Heystek enquired about the progress of the smart metering implementation.

The Director: Civil and Water Services announced that the initiative seeks to implement smart meters in five towns. The primary goals of this initiative are to enhance the monitoring of water usage and efficiently manage the debtors' accounts. Ongoing discussions with service providers are focused on ensuring optimal practices in both installation and data collection.

The Chairperson voiced concern about the persistent problem of insufficient facilities for granting motorcycle licenses in Kouga. He observed that the Municipality's existing grade B status limits its operational abilities compared to nearby municipalities that have achieved grade A status.

The Director: Community Services confirmed that an application has been submitted to the relevant department, and a response was awaited.

Resolved to Recommend (28 January 2025)

1. That the Section 71 Report for December 2024 be noted.

25/01/MPACC4 **2023/2024 AUDITED ANNUAL FINANCIAL STATEMENTS, AUDITOR-GENERAL'S AUDIT REPORT AND AUDIT ACTION PLAN**

Cllr Gertenbach enquired about the availability of the Annual Report for public viewing.

The Municipal Manager confirmed that the Annual Report will be made public, with a notice published on the municipal website and copies available at Municipal offices.

The Manager: Performance Management System stated that after the Council meeting on 29 January 2025, a notice will be issued by 8 February 2025, followed by 21 days for input. Thereafter the annual report will be printed, shared, and be made available online.

He stated that MPAC decided when public meetings happen. No public meetings were scheduled last year and therefore no public input on the annual report was received.
The report must be available on the website and at certain locations. Those who cannot attend can ask their ward Councillor to share their views with the Council about the Annual Report.

The Chairperson stated that the Committee is required to hold at least one physical roadshow each year, which involves a site visit. To streamline this process, members are requested to submit a written request detailing the specific site they wish to visit, according to MPAC's reports.

Resolved to Recommend (28 January 2025)

1. That the 2023/2024 Audited Annual Financial Statements be noted. Refer to "(Annexure A)".

2. That the 2023/2024 Auditor-General's Audit Report be noted. Refer to "(Annexure B)".

3. That the 2023/2024 Audit Action Plan be noted. Refer to "(Annexure C)".

9. **DATE OF NEXT MEETING**

25 February 2025

10. **CLOSURE**

The Chairperson thanked the Committee members and officials for their contributions and urged continuous communication regarding the annual report.

The meeting adjourned at 10:55



04.03.2025

CLLR B DHLUDHLU
CHAIRPERSON

DATE

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
MUNICIPAL PUBLIC ACCOUNTS COMMITTEE
OPEN
DATE: 31 MARCH 2025
ITEM NO: **25/03/MPAC2**

MUNICIPAL DEVELOPMENT FINANCE CIRCULAR: 3 OF 2024

1. **Introduction**

The purpose of this item is to submit the Municipal Development Finance Circular 3 of 2024 for Council to note.

2. **Background**

The Department of Cooperate Governance and Traditional Affairs is mandated to conduct a quarterly monitoring and oversight of the implementation of the municipal audit improvement plans by Municipal Public Accounts Committee (MPAC's) as per section 131 (2) (a) of the Municipal Finance Management Act (MFMA).

3. **Discussion**

Council is advised that the Department of COGTA is mandated to ensure that the Municipalities improve on Good Governance matters, including audit outcomes. To be able to achieve this mandate, the department has designed a questionnaire to assess the functionality of MPAC in the municipality, therefore the Municipality is requested to complete the questionnaire that COGTA officials distribute every quarter which should include the status of MPAC, advise on monitoring municipal audit action plans, amongst other things. Attached hereto as Annexure A is the Municipal Development Finance Circular 3 of 2024.

Council to consider whether this function will be included in the existing Terms of Reference for the MPAC.

4. **Financial Implications**

None

5. **Applicable Legislation**

Section 154 (1) of the Constitution.
Section 131(2)(a) of the Local Government: Municipal Finance Management Act No. 56 of 2003.
Section 79(A)(3) of the Local Government: Municipal Structures Act No. 117 of 1998, as amended.

6. **Legal Implications**

This circular intends to extend the existing scope and functions of the MPAC, to include the oversight on the progress on the implementation of the Audit

Action Plan. Should the intention be to so extend the scope and functions of the MPAC, the MPAC terms of reference, setting out the functions as approved by Council must be amended, and submitted to Council for approval.

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 the Municipal Development Finance Circular 3 of 2024 be noted.

10.2 That the additional function be included in the existing Terms of Reference for the Municipal Public Accounts Committee, and that the amended Terms of Reference be referred to Council for approval.

Item prepared by the MPAC Chairperson**:** 

Province of the
EASTERN CAPE
COOPERATIVE GOVERNANCE
& TRADITIONAL AFFAIRS

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MUNICIPAL DEVELOPMENT FINANCE CIRCULAR: 3 0F 2024

EXECUTIVE MAYORS/MAYORS

CC: SPEAKERS

: MUNICIPAL PUBLIC ACCOUNTS COMMITTEES

Dear Executive Mayors/Mayors

SUBJECT: QUARTERLY MONITORING AND OVERSIGHT OF THE IMPLEMENTATION OF MUNICIPAL AUDIT IMPROVEMENT PLANS BY MUNICIPAL PUBLIC ACCOUNTS COMMITTEES (MPAC's)

The Provincial Department of Cooperative Governance and Traditional Affairs is mandated by Section 154 (1) of the Constitution to monitor support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers, and perform their functions.

Section 131 (2) (a) of the Municipal Finance Management Act (MFMA), states that all municipalities are required to address any issues raised by the Auditor-General in an audit report. Sub-section (2) of the above-mentioned section provides that, the MEC for local government in the province must:

a) Assess all annual financial statements of municipalities in the province, the audit reports on such statements, and any responses of municipalities to such audit reports and determine whether municipalities have adequately addressed any issues raised by the Auditor-General (AG) in audit reports.
b) Report to the provincial legislature any omission by a municipality to adequately address those issues within 60 days.

SUBJECT: QUARTERLY MONITORING AND OVERIGHT OF THE IMPLEMENTATION OF MUNICIPAL AUDIT IMPROVEMENT PLANS BY MUNICIPAL PUBLIC ACCOUNTS COMMITTEES (MPAC's)

Section 131 report was developed and submitted to the Provincial Legislature, and feedback letters were prepared for submission to municipalities for areas of improvement. The department has been requesting municipalities to provide progress on the implementation of audit improvement plans, however, there has been little evidence that demonstrates that indeed the municipalities are implementing the plans as stated in the audit response plans.

Auditor General's reports highlight that most audit findings are repeated and that these findings can be avoided as they are a direct consequence of non or inadequate implementation of audit improvement plans.

In this regard, the department requests that Municipal Public Accounts Committees (MPAC'S) include the progress on implementing audit improvement plans in their scope of work and interrogate such in their meetings. This is to ensure that the council monitors the development and implementation of audit action plans and that management reports to the council regularly on progress to address audit findings. and improve their audit outcomes through its support as it believes that improved audit outcomes positively affect service delivery.

The department is mandated to ensure that municipalities improve on good governance matters, including audit outcomes. To achieve the above mandate, the department has designed a questionnaire to establish the functionality of MPACs in your respective municipalities. You are therefore requested to complete the questionnaire that COGTA officials disseminate every quarter, which should include the status of MPACS's advice on monitoring municipal audit action plans, amongst other things.

Yours in cooperative governance

MR Z.A WILLIAMS
MEMBER OF THE EXECUTIVE COUNCIL
COOPERATIVE GOVERNANCE & TRADITIONAL AFFAIRS
DATE: 19/09/2024

MUNICIPAL BYLAWS AND POLICIES

KOUGA
local municipality

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
MUNICIPAL BY-LAWS AND POLICY COMMITTEE
OPEN
DATE: 31 MARCH 2025
ITEM NO:**25/03/BP1**

PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM FRAMEWORK

1. **Introduction**

The purpose of this item is to request the Council to approve the Performance Management and Development System Framework.

2. **Background**

The Performance Management and Development System Framework was workshopped on 21 November 2024 and was reviewed by the Municipal By-Laws and Policy Committee on 20 February 2025, with a recommendation that the Performance Management and Development System Framework be submitted to Council for approval.

3. **Discussion**

The Performance Management and Development System Framework 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	

5. **Applicable Legislation**

Legislative Overview is documented on page 7 of the Draft Performance Management and Development System Framework.

6. **Legal Implications**

Should Council approve the Performance Management and Development System Framework, the framework will be effective from date of the Council resolution approving the Performance Management and Development System Framework.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Item noted.

8.2 **Director: Planning & Development**

Item noted

8.3 **Director: Civil & Water Services**

Item noted.

8.4 **Director: Electro-Mechanical Services**

Item noted

8.5 **Director: Community Services**

Supported

8.6 **Deputy Municipal Manager**

Supported.

8.7 **Municipal Manager**

Recommendations supported.

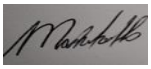
9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That the Performance Management and Development System Framework be approved by Council.

10.2 That the Performance Management and Development System Framework be published on the Kouga Website.

Item noted by the: Municipal By-Laws and Policy Chairperson 

REVIEWED:
RECOMMENDED BY MAYCOM:
APPROVED BY COUNCIL:
ITEM NO:

PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM FRAMEWORK

Document Control

Policy Title:	Performance Management and Development System Framework
Reference Number:	
Previously Approved:	No
Directorate Responsible:	Office of the Municipal Manager
Version:	1
Status of the Document:	Draft
Review Date:	
Approved	
Council Resolution	

PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM FRAMEWORK

KOUGA local municipality
Good Governance through Service Excellence

Table of Contents

1. Preamble 3

1.2 Definitions 3

2. Introduction 5

2.1 Objectives of the Performance Management and Development System 6

2.2 Legislative Overview 7

3. Performance Management and Development System (PMDS) 8

3.1 Performance and Development Cycle 8

3.2 Strategy Measurement 10

4. District Development Model (DDM) 10

4.1 District Development Framework 12

5. Organisational Performance 13

5.1 Integrated development plan (IDP) 13

5.2 The Service Delivery Budget Implementation Plan (SDBIP) 15

5.3 Top Layer SDBIP 16

5.4 Departmental SDBIP 18

5.6 Update of Actual Performance 19

5.7 Adjustments to KPI's 19

5.8 Validation 19

6. Individual Performance 20

6.1 Municipal Manager and Directors (Senior Managers) 21

6.2 All Other Personnel 23

7. Managing Poor/ Substandard Performance 36

8. Reward and Recognition 39

9. Appeals Process 39

9.1 Municipal Manager and Directors 39

9.2 Other Personnel: 39

10. Service Providers 40

11. Evaluation and Improvement of the Performance Management System 40

12. Performance Monitoring and Reporting 41

12.1 Reporting Intervals 41

12.2 Mid-Year Assessment 42

12.3 Annual Performance Report 43

12.4 Annual Report 43

12.5 Analysis of Performance Reports and Follow-up 43

13. Governance 44

13.1 Quality Control and Co-ordination 44

13.2 Performance Investigations 44

13.3 Internal Audit 45

13.4 Performance Audit Committee 45

13.5 Legislative Reporting Processes 46

14. Summary of Municipal Performance Cycle 48

14.1 Top Layer SDBIP 48

14.2 Departmental SDBIP 49

14.3 Individual Performance 49

14.4 Performance Calendar 50

15. Roles and Responsibilities 54

Abbreviations 60

1. PREAMBLE

The White Paper on Local Government (1998) proposed the introduction of Performance Management Systems (PMS) for local government as a tool to monitor the progress of service delivery at local government level. The Municipal Systems Act (MSA) of 2000 requires local governments to develop a Performance Management System. The Municipal Structures Act, 1998 Section 19, and the Municipal Finance Management Act (MFMA), Act 56 of 2003, are the legislation that gives direction to Performance Management in municipalities. The Local Government Municipal Staff Regulations (MSR), Regulation 890, states in Chapter 4 that a Municipality must adopt a performance management and development system that complies with the provisions of this Chapter in the Regulation which applies to all staff members of a municipality.

This document offers Kouga Local Municipality a platform to implement, assess, monitor, measure, review, manage and reward performance throughout the Municipality and shall serve as the official Performance Management and Development Framework which informs the performance management processes and practices. It also forms the basis of aligning the IDP with the operational business plans, performance areas and performance indicators of the various departments of the Municipality.

This framework/policy document should be read with:

- All legislation that relates to performance management;
- Other policies and procedures of the Municipality that relates to performance management and human resource matters as referenced; and
- The Performance Management Guidelines.

1.2 Definitions

Activities:	The process or actions that use a range of inputs to produce the desired outputs and ultimately outcomes
Baseline:	Is the current level of performance that the institutions aim to improve
Benchmarking:	It's the process whereby an organisation of similar nature uses each other's performance as a collective standard against which to measure their own performance
Grievance:	Any dissatisfaction, perceived or otherwise on the part of a staff member arising from factors that include a staff member's job, working environment or the municipality's employment practices
Impact:	The results achieving specific outcomes, such as reducing poverty and creating jobs
Input:	All resources that contribute to the production and development of outputs

Integrated Development Plan:	Is the strategic 5-year plan of an organisation as envisaged in MSA Section 25
Key performance area:	Is the functional area that the Municipality must perform to achieve its Mission and Vision
Key performance indicator:	It defines how performance will be measured along a scale or dimension to achieve the strategic objectives
Objectives:	The Municipality is striving towards achieving goals over a 5-year period to inform the mission – outcomes
Output:	The final products or goods and services produced for delivery
Outcomes:	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs
Performance cycle:	Is the period commencing on 01 July annually and ending 30 June of the following year for which performance is planned, monitored and assessed
Portfolio of evidence:	The documentary evidence on progress made by staff towards achieving of the KPA's and KPI's
Moderation:	The process of aligning the staff members performance ratings to the performance of the department during the performance cycle and where applicable, the municipality
Target:	Express a specific level of performance that the institution, programme or individual is aiming to achieve within a given time period
SDBIP:	Is a detailed plan approved by the Executive Mayor of a municipality in terms of MFMA Section 53 (1)(c)(ii) for implementing the municipality's delivery of municipal services and its annual budget
Performance Standards:	Expresses the minimum acceptable level of performance, or level of performance that is generally expected. These should be informed by legislative requirements departmental policies and service level agreements but can also be benchmarked against other institutions performance levels in accordance to best practice principles
Technical Indicator Description:	An organized, purposeful structure that consists of interrelated and interdependent elements (components, entities, factors, members, parts etc.). These elements continually influence one another (directly or indirectly) to maintain their activity and the existence of the system, in order to achieve the goal of the system.

2. INTRODUCTION

Performance Management and Development System is a process which measures the implementation of the organisation's strategy taking into account the skills and the growth thereof. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

Performance management is the practice of linking the long-term strategic objectives of an organisation to its day-to-day performance by setting measurable key performance indicators (KPI's) and monitoring performance against those indicators. When implemented correctly, it is an essential tool to monitor whether a municipality is on track to meet targets or serves as an early warning system to identify areas where improvement is required to enhance service delivery and recognise excellent performance.

The municipality deliver services essential to the well-being and development of the communities they serve. To ensure that service delivery is as efficient and economical as possible, municipalities are required to formulate strategic plans, allocate resources to the implementation of those plans, and monitor and report the results. Performance information is essential to focus the attention of the public and oversight bodies on whether municipalities are delivering value for money, by comparing their performance against their budgets and service delivery plans, and to alert managers to areas where corrective action is required.

The Constitution of South Africa (1996), Section 152, dealing with the objectives of local government, paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of Section 195 (1) are also linked with the concept of performance management, with reference to the principles of *inter alia:*

- the promotion of efficient, economic and effective use of resources;
- accountable public administration;
- to be transparent by providing information;
- to be responsive to the needs of the community; and
- to facilitate a culture of public service and accountability amongst staff.

Section 38 of the MSA, (Act 32 of 2000) requires municipalities to establish a Performance Management System (PMS). Furthermore, the MSA and the MFMA requires the Integrated Development Plan (IDP) to be aligned to the municipal budget (Section 25(b) of the MSA) and to be monitored for the performance of the budget against the IDP via the service delivery and budget implementation plan (SDBIP) [Section of the MFMA]. Section 38 (c) MSA also stipulates that a municipality must administer its affairs in an economical, effective, efficient and accountable manner.

In addition, Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance

planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players."

This Framework therefore describes how the municipality's performance process, for the organisation will be conducted, organised and managed. It also has the following objectives:

- Clarify processes of implementation;
- Ensure compliance with legislation;
- Demonstrate how the system will be managed;
- Define roles and responsibilities;
- Promote accountability and transparency; and
- Reflect the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

2.1 Objectives of the Performance Management and Development System

The Kouga Local Municipality's Performance Management and Development System (PMDS) is the primary mechanism to monitor, review and improve the implementation of its strategy and to measure the progress made in achieving its objectives as identified in the IDP. The PMDS has the following objectives to fulfil:

a. Facilitate strategy deployment

Facilitates strategy (IDP) deployment throughout the municipality and align the organisation in executing its strategic objectives.

b. Facilitate increased accountability and transparency

Provide a mechanism for ensuring increased accountability between the local community, the municipal council and the municipal management team.

The development and implementation of a PMDS should be inclusive, transparent and open. The general public should, through the system be made aware of how the operations of the municipality are being administered, how public resources are being spent and who is responsible for what.

c. Facilitate learning and improvement

Facilitate learning in order to enable the municipality to improve on delivery.

d. Provide early warning signals

Ensure decision-makers are timeously informed of performance related risks, so that they can facilitate intervention, if necessary.

e. Facilitate decision-making

Provide appropriate and reliable management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

f. Facilitate objectivity

A sound value system where the management of the system and the information is objective and credible. The adopted performance assessments ensure objectivity and credibility in the management of performance.

2.2 Legislative Overview

This Performance Management and Development Framework has been developed in accordance with promulgated local government legislation, regulations and other guidelines.

The following legislation mainly informs the PMDS of the municipality:

- The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
- The White Paper on Local Government (1998)
- The White Paper on Transforming Public Service Delivery (Batho-Pele) (1997)
- The Municipal Systems Act, 2000 (Act 32 of 2000)
- Municipal Finance Management Act,2003 (Act 56 of 2003)
- Municipal Planning and Performance Management Regulations (R796, Aug 2001)
- Municipal Performance Regulation for Municipal Managers and Managers directly accountable to MM's (R805, Aug 2006)
- Local Government: Regulations on appointment and conditions of employment of senior managers (R21, Jan 2014)
- Framework for Managing Programme Performance Information (2007)
- MFMA Circular No. 13 – Service delivery budget implementation plan
- MFMA Circular No. 65 – Internal Audit and Audit Committee
- Local Government Regulation 891 and 890 – Municipal Staff Regulation (2021)
- Skills Development Act 97 of 1998
- Basic Conditions of Employment Act
- National Qualifications Framework Act 67 of 2008
- Labour Relations Act 66 of 1995
- Notice 464: Directive: Performance Information Public Audit Act
- Promotion of Access to Information Act 2 of 2000 (PAIA)
- MFMA Circular No. 88 – Rationalisation of Planning, Budgeting and Reporting

3. PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM (PMDS)

Each municipality must adopt a PMDS which explains the complete performance management and development system cycle. The cycle starts with the establishment of an oversight body (Council) who is responsible for the approval of a framework which describes the performance management process within the municipality.

The framework must explain the performance management cycle as it will be implemented, including timeframes and the implementation framework. The framework must be adopted by Council after consultation with the relevant stakeholders.

The Performance Management and Development System is aimed at ensuring that municipalities monitor the implementation of their IDP's and continuously improve their operations and in terms of Section 19 of the Local Government: Municipal Structures Act 117 of 1998, that they annually review their overall performance in achieving their constitutional objectives and to deliver services in an effective and efficient manner.

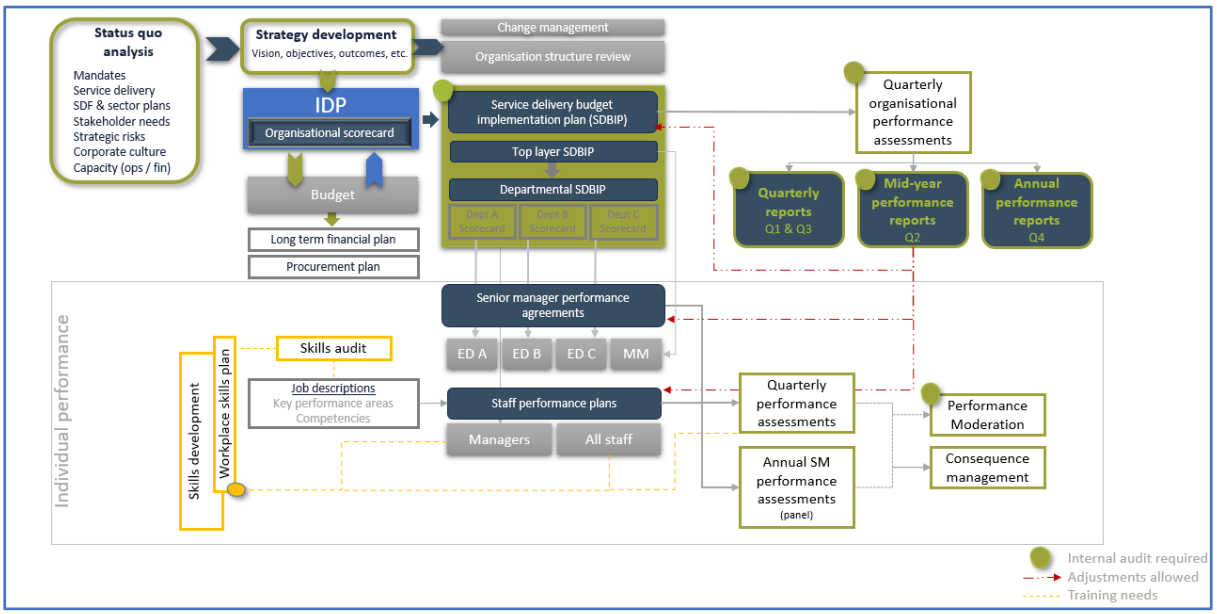
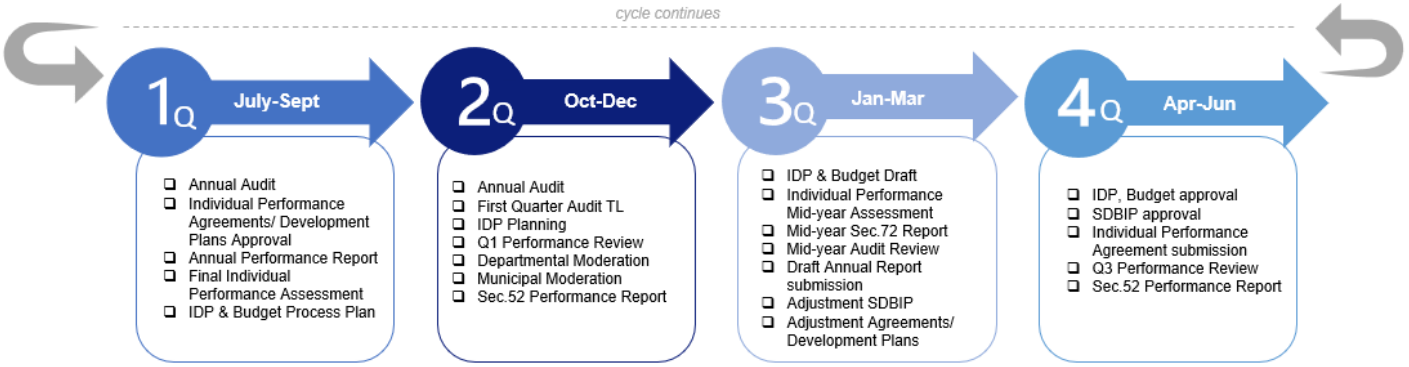


Figure 1: Performance cycles

3.1 Performance and Development Cycle

The overall planning, budgeting, performance monitoring, reporting and development cycle are summarised as follows in the Framework for Managing Programme Performance Information:



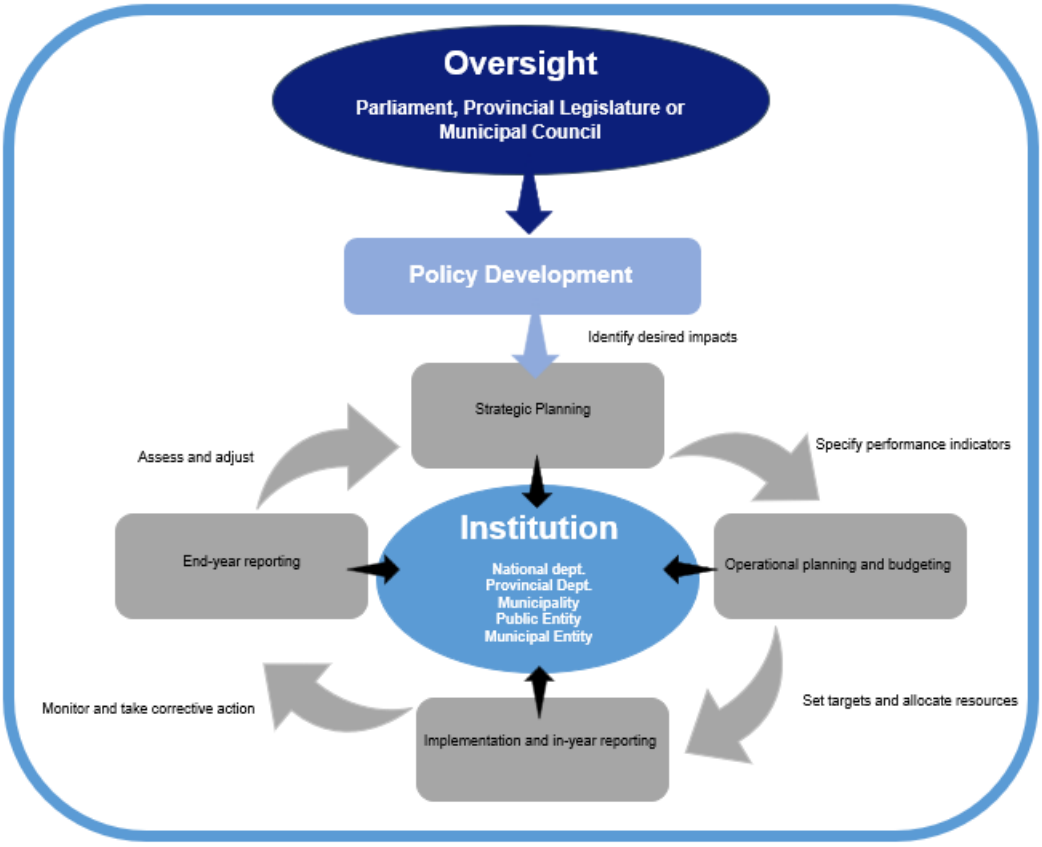


Figure 2: Planning, Budgeting and Reporting Cycle

Performance Planning ensures that the strategic direction of the municipality more explicitly informs and aligns the IDP with all planning activities and resource decisions. This is the stage where Key Performance Areas (KPA's) and Key Performance Indicators (KPI's) are designed to address the IDP objectives and targets are set. The planning of the IDP starts with the beginning of the new financial year and the IDP process plan must be submitted to Council by 31 August every year.

Performance Monitoring is an ongoing process to determine whether performance targets have been met, exceeded or not met. Projections can also be made during the year as to whether the final target and future targets will be met. It occurs during key points in a process. Directors and their managers will monthly monitor the performance of their departments. Quarterly reports on performance information must be submitted to Portfolio Committees and Council.

Performance Evaluation is an analysis of the status of performance, i.e. performance against targets, why there is under-performance (if applicable) or what the factors were, that allowed for good performance in a particular area. Where targets have not been met, the reasons for this must be examined and corrective actions implemented. Evidence to support the status should also be reviewed at this stage. The objective of the review should be based on actual performance and performance evidence.

Performance Reporting entails regular reporting to management, the Performance Audit Committee, Portfolio Committees, Council and the public in the form of quarterly, bi-annual and annual reports.

Performance auditing is a key element of the monitoring and evaluation process. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance. According to Section 45 of the MSA, results of the performance measurement must be audited as part of the municipality's internal auditing process and annually by the Auditor General of South Africa (AGSA). The municipality have therefore established frameworks and structures to evaluate the effectiveness of the municipality's internal performance measurement control systems. Areas of weak performance identified at year-end must be addressed during the following years planning phase.

3.2 Strategy Measurement

The strategy of the municipality is measured in terms of the:

1. **Five-Year Municipal Scorecard** which is included in the IDP and includes the expected outcomes of the objectives for the five years. The outcome indicators:
   a. Indicate what the municipality aim to achieve in terms of its objectives;
   b. Is included in the IDP with baseline data for the most recent year for which data is available;
   c. Include a medium-term target for both the end of the electoral term (5th year) and the outer year of the MTREF (3rd year shifting out); and
   d. Reported on for the latest year for which data is available in the Annual Report
2. **Top Layer Service Delivery Budget Implementation Plan (SDBIP).** The Top Layer SDBIP is a one-year plan and includes the outputs that measure the implementation of the approved budget. The output indicators:
   a. Is the functional link between the final products, goods or services produced for delivery and provide a useful indication of progress toward the intended outcome included in the IDP;
   b. Include baseline data for the preceding financial year where applicable;
   c. Include annual targets, split into quarterly projections as appropriate;
   d. Is reported on quarterly, mid-year and annually; and
   e. Included in the annual performance agreements of the municipal manager and senior managers
3. **Departmental SDBIP**. The departmental SDBIP is a one-year operational plan which measures performance at a directorate and departmental level. Indicators included in this plan includes the following:
   a. Budget performance at a departmental level;
   b. Service standards;
   c. Activities required towards achievement of the strategy;
   d. Measurement in the performance of managers at a directorate level; and
   e. Monitored monthly and reported on.

4. DISTRICT DEVELOPMENT MODEL (DDM)

The District Development Model was adopted by Cabinet in August 2019 and as part of the cabinet adoption, it was agreed that the DDM will provide a district-based approach to speed up delivery and

ensuring that municipalities are properly supported and adequately resourced.

This One Plan is a plan for all of government that has a life span of 25 to 30 years. It includes all spheres of government and affirms the transversal alignment approach as well as the long-term planning that is highly recommended and encouraged by government.

The objectives of the DDM are and seek to achieve:

- Solve the Silos at a horizontal and vertical level.
- Maximise impact and align plans and resources at our disposal through the development of ***"****One District, One Plan and One Budget".*
- Narrow the distance between people and government by strengthening the coordination role and capacities at the District and City levels.
- Ensure inclusivity by gender budgeting based on the needs and aspirations of our people and communities at a local level.
- Build government capacity to support municipalities.
- Strengthen monitoring and evaluation at district and local levels.
- Implement a balanced approach towards development between urban and rural areas.
- Ensure sustainable development whilst accelerating initiatives to promote poverty eradication, employment and equality.
- Exercise oversight over budgets and projects in an accountable and transparent manner.

The DDM positions the district at the centre of intergovernmental planning, coordination and implementation. The White Paper on Local Government (1998) indicates the role of the district municipalities to include:

- District wide integrated planning; and
- Support and capacity building to local municipalities

Furthermore, the MSA states that a District must develop a District IDP Framework.

This legislation paves the way for the DDM and therefore there is an increased need to position the Kouga Local Municipality as facilitator of regional development to enable the promotion of socio-economic development and spatial restructuring throughout its area.

4.1 District Development Framework

The MSA Section 27 requires that each district municipality, after following a consultative process with the local municipalities within its area, must adopt a framework for integrated development planning. This framework binds both the district and local municipality as it gives the direction that the municipalities' IDPs should follow and it drives the integrated development planning within the district area of jurisdiction.

The Framework is for a 5-year period and aligns to the IDP cycle, electoral mandate and should be reviewed on an annual basis. The development of a District Framework normally starts on 01 July and is completed by mid-August, when it is adopted by the District Municipality.

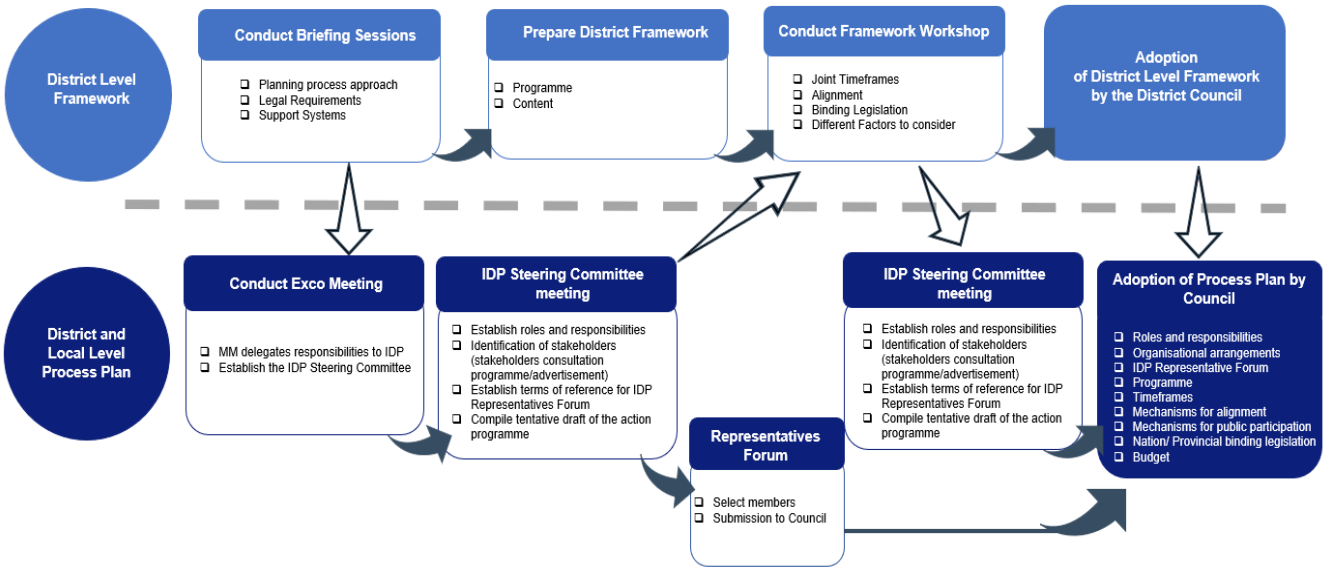


Figure 1: Proposed linkage between District Framework and Process Plan

The key elements that must be included in the District Framework are:

- Introduction / Background / Legislative context
- Framework programme with timeframes and key stakeholders
- Issues, mechanism and procedures for alignment and consultation
- Planning requirements and binding plans/ policies at a National and Provincial level
- Procedures and principles for monitoring of planning procedures and amendments of the framework

It must be stated that the District Framework is a consolidation tool that ensures the integrated development planning between:

- The Kouga Local Municipality priorities, programmes and projects;
- It provides the Kouga Local Municipality's alignment with district, provincial and national priorities and programmes.

5. ORGANISATIONAL PERFORMANCE

The IDP process and the performance management process must be seamlessly integrated. The IDP is a key document in the performance management cycle as it describes the municipal strategy that needs to be implemented. The PMDS in turn, fulfils the implementation, management, monitoring and evaluation of the municipal strategy.

Organisational performance is the first step to integrate the IDP, the municipal budget and performance management and it is measured through the SDBIP. The SDBIP is a plan that convert the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the municipality will be implemented during the next twelve months. It also allocates responsibility to Municipal Manager, Directors and Line Managers to deliver the services in the IDP and budget.

5.1 Integrated development plan (IDP)

Although the IDP process is not described in detail in this policy framework, it is important to provide some level of background as the performance cycle starts during the IDP process.

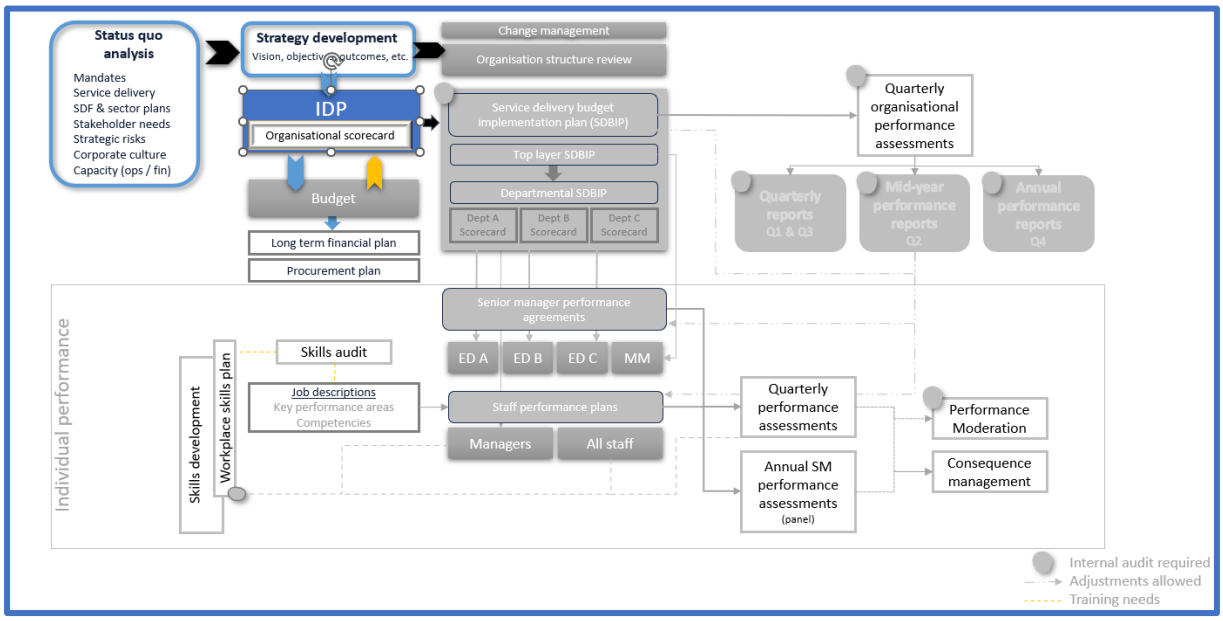


Figure 2: Integrated development planning included in the performance management system

An IDP is an inclusive and strategic plan of the municipality which links, integrates and co-ordinates plans, aligns resources and forms the foundation on which annual budgets must be based on.

The IDP should be inclusive of a 5-year scorecard that is outcomes based driven which are the consequences of achieving specific outputs.

In terms of Section 34 of the Municipal Systems Act, 2000, a Municipal Council must review its IDP:

- Annually in accordance with an assessment of its performance measurements;
- To the extent that changing circumstances so demand; and

- May amend its IDP in accordance with the prescribed process.

An IDP is therefore the principal strategic instrument guiding all planning, management, investment, developmental and implementation decisions, taking into account input from all stakeholders and reflects on:

- The profile of the municipal area including the economic and spatial data.
- The Municipal Council's vision for the long-term development of the municipality.
- An assessment of the existing level of development and performance.
- The Council's developmental priorities and strategic objectives.
- The Council's development strategies.
- A spatial development framework.

The actions emanating from the IDP must be planned for in a municipal scorecard (5-year outcomes) that should be included in the final IDP presented to Council for approval. The scorecard must include the performance indicators, annual targets for the relevant year that the indicator must be delivered in as well as the budget linkages in accordance with the Municipal Standard Chart of Accounts (mSCOA) requirements.

The IDP process is summarised in the following diagram. (Please note that the graph only provides a high-level understanding of the process and that the detailed actions, timeframes and responsibilities should be documented in the annual IDP process plan that must be adopted by Council.)

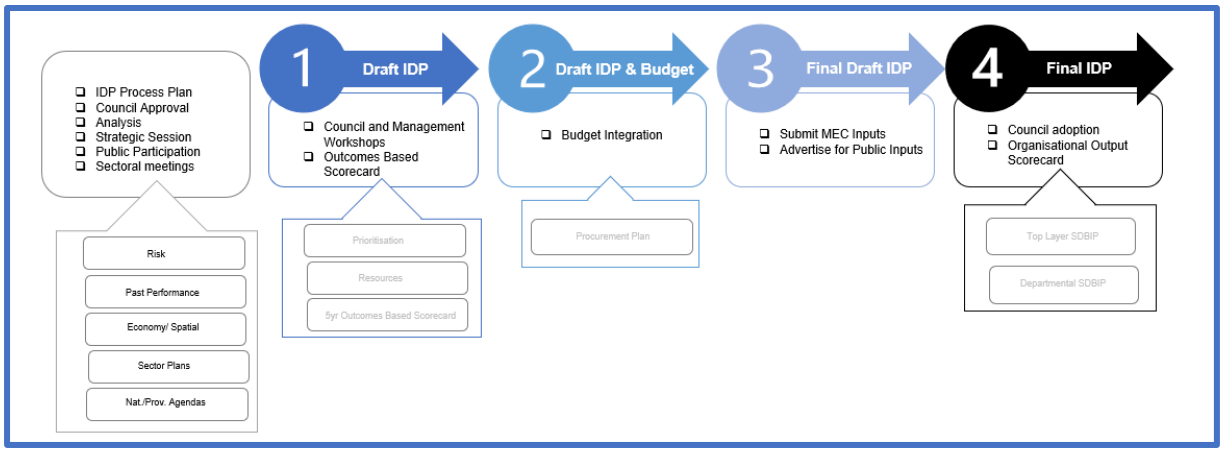


Figure 3: High level IDP Process

5.2 The Service Delivery Budget Implementation Plan (SDBIP)

The SDBIP is a management, implementation and monitoring tool that will enable the Municipality to monitor the performance of the municipality and its departments.

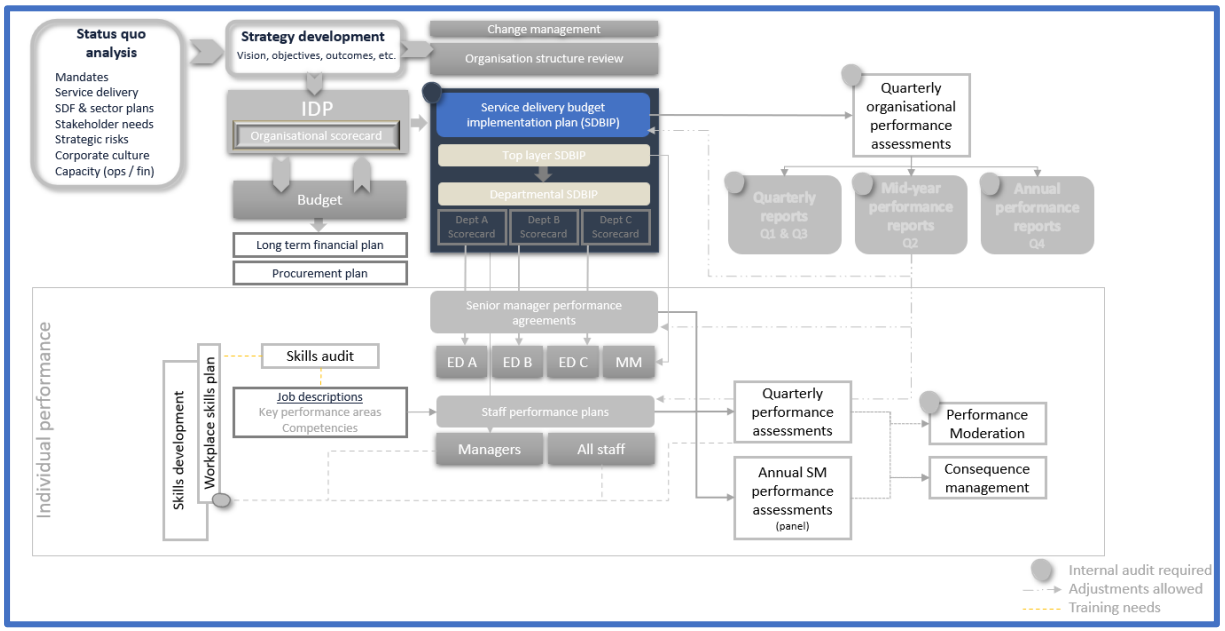


Figure 4: Service delivery budget implementation plan included in the performance management system

The SDBIP will only give effect to the IDP and budget if the IDP and budget are fully aligned with each other. The SDBIP therefore serves as a contract between the administration, the Council and the community, expressing the objectives set by Council as quantifiable outputs that can be implemented by the administration over the next twelve months. The SDBIP facilitates the process of holding management accountable for their performance. It provides the basis for measuring performance in the delivery of services.

The SDBIP enables the Municipal Manager to monitor the performance of Directors, the Executive Mayor to monitor the performance of the Municipal Manager, and the community to monitor the performance of the municipality. The SDBIP should therefore determine (and be consistent with) the performance agreements between the Executive Mayor and the Municipal Manager, and the Municipal Manager and Directors.

The SDBIP consists of two core components, the Top Layer/Level SDBIP (TL SDBIP) which focuses on the strategy and key reporting requirements as well capital budget allocated projects and the Departmental/Organisational SDBIP that measures the departmental performance, the operational matters that those divisions are responsible for.

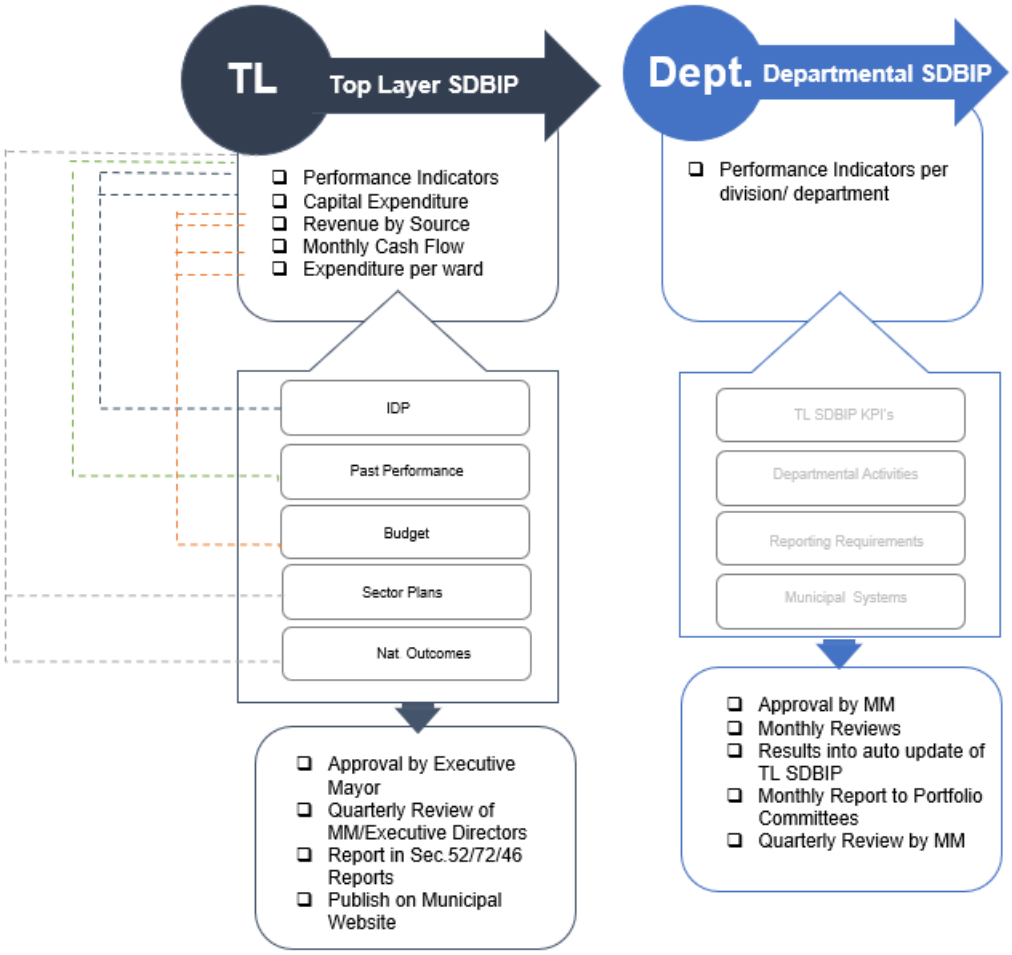


Figure 5: Components of the SDBIP

Top Layer: Dealing with consolidated service delivery targets and linking such targets to top management.

Departmental Layer: Directors provide more detail on each output for which they are responsible for and breaks up such outputs into smaller outputs and linking these to middle-level and lower-level management.

5.3 Top Layer SDBIP

The TL SDBIP indicates the responsibilities and outputs for each of the Directors in the top management team, the inputs to be used and the time deadlines for each output. The TL SDBIP will therefore determine the performance agreements of the Municipal Manager and Directors, including the outputs and deadlines for which they will be held responsible. The TL SDBIP is also the part of the SDBIP that's made available to the public.

The TL SDBIP must be submitted to the Executive Mayor within 14 days after the approval of the budget and must be approved by the Executive Mayor within 28 days after the budget has been approved. The TL SDBIP is a public document and must be made public within 14 days after approval.

Any adjustments to the TL SDBIP must be with the approval of the Council, following approval of an

adjustments budget (Section 54(1)(c) of MFMA).

Although the TL SDBIP is a **one-year** detailed plan, it should include a **three-year capital plan.**

The Components of the TL SDBIP includes:

- Monthly projections of revenue to be collected for each source;
- Monthly projections of expenditure (operating and capital) and revenue for each vote (Section 71 format) (Cash flow statement);
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Non-financial measurable performance objectives in the form of targets and indicators
- Level and standard of service being provided to the community;
- Ward information for expenditure and service delivery;
- Baseline information indicating the status quo of the Municipality for that particular year; and
- Detailed capital works plan broken down by ward over three years (Capital project sheet).

On the current system that the municipality utilise, the TL SDBIP KPI's will update automatically from the performance reported on monthly in the Departmental SDBIP.

The results will be reviewed quarterly by the Municipal Manager and the Directors. The actual results and corrective actions (where required) forms a critical part of the quarterly (s52 - MFMA), the mid-year (s72 - MFMA) and the annual performance (s46 - MSA) annual (s121 - MFMA) reports.

5.3.1 Technical Indicator Descriptions

Technical Indicator Descriptions (TID's) must be prepared for each TL SDBIP KPI.TID's are essential to improve the understanding of the requirements of the KPI, the portfolio of evidence (POE) collection and it supports audit procedures. The TID's should address the following:

- KPI Ownership
- Definition of KPI
- Input
- Source documentation origin
- Source documentation information
- Processing transactions
- Output
- Target calculation methodology
- Controls

Regular updates should be done to ensure that the TID's are accurate and relevant. The review of the

descriptions must be done prior to an audit.

5.4 Departmental SDBIP

In the Departmental SDBIP, the Directors provide more detail on each output for which they are responsible for and break up such outputs into smaller outputs and linking these to middle-level and lower-level management.

The Departmental SDBIP will be using such detail to hold middle-level and lower-level managers responsible for various components of the service delivery plan and targets of the municipality. The Departmental SDBIP is compiled by Directors of Directorates together with his/her departments managers and is approved by the Municipal Manager. Any changes to the Departmental SDBIP must be approved by the Municipal Manager.

Each KPI should have clear monthly targets and should be assigned to the person responsible for the KPI's. A good performance indicator (KPI) should be:

- **Reliable** -The indicator should be accurate enough for its intended use and respond to changes in the level of performance
- **Well defined** – The indicator needs to have a clear, unambiguous definition so that data will be collected consistently and be easy to understand and use
- **Verifiable** – It must be possible to validate the process and system that produce the indicator
- **Cost-effective** – the usefulness of the indicator must justify the cost of collecting the data
- **Appropriate** – The indicator must avoid unintended consequences and encourage service delivery improvements and not give managers incentives to carry out activities simply to meet a particular target
- **Relevant** - The indicator must relate logically and directly to an aspect of the institutions mandate and the realisation of strategic goals and objectives

The KPI targets should be **SMART** (specific, measurable, achievable, relevant and time-bound).

Directors, middle-level and lower-level management managers can use the departmental SDBIP to manage the performance of all the sections of his/her department and can monitor it monthly during the departmental management meeting.

Although divisions must update the actual results on the Departmental SDBIP monthly, they will report their performance in terms of the SDBIP to their respective Portfolio Committees quarterly. Decision-makers should be warned immediately of any emerging failures to service delivery so that they can intervene, if necessary. It is important that departments use these reviews as an opportunity for reflection on their goals and programmes and whether these are being achieved. The SDBIP report submitted should be used to analyse and discuss performance. Changes in indicators and targets on the Departmental SDBIP may be proposed but can only be approved by the Municipal Manager.

5.6 Update of Actual Performance

The SDBIP system that the municipality currently utilises allows for the TL SDBIP to be updated automatically (via batch processing at 24:00 hours every night) with the actual results reported in the departmental SDBIP. The departmental SDBIP must be updated monthly and real-time results are reflected on the system. The KPI owners should report on the results of each KPI that they are responsible for by properly documenting the information in the performance response fields and either attach or refer to where the proof/portfolio of evidence (POE) is filed/kept. The appropriate POE and details regarding filing of a POE is documented in a separate document/ policy/ standardised operating procedure (SOP). In the instance of poor performance, corrective measures must be identified and documented. The POE should speak to the actual performance achieved and confirm the actual as was updated.

The actual performance and POE should be monitored monthly in terms of the objectives, KPI's and targets set.

It is important to note that the Municipal Manager and Directors need to implement the necessary systems and processes to provide the POE for reporting and auditing purposes. Each municipal department and staff member therefore need to prove the achievement of their performance so that it can be measured during performance monitoring and reviews. This information is also used to report performance for internal and external audit purposes.

5.7 Adjustments to KPI's

5.7.1 Top Layer SDBIP Adjustments

TL SDBIP KPI's can be adjusted after the mid-year assessment and with the adjustment budget process. KPI's should be adjusted in line with the adjustment estimate (incl. capital projects) and the reason for the adjustment of the indicator/target, must be specified when the adjusted TL SDBIP is submitted to Council for approval in terms of Section 54(1)(c) of the MFMA.

5.7.2 Departmental Layer SDBIP Adjustment

The Departmental SDBIP KPI's can be adjusted after the mid-year evaluations of staff have been completed in order to ensure corrective actions/measures have been applied. These adjustments can be to the KPI, unit of measurement, targets, calculation types, POE, performance standards; etc. Before adjustment can be made valid and credible reasons must be provided for the changes. The Director must recommend these changes via the Performance Management Unit and the changes to the Departmental SDBIP must be approved by the Municipal Manager.

5.8 Validation

An evaluation of the actual performance results and portfolio of evidence (POE) of each target should be evaluated monthly. The KPI owners should report on the results of the KPI by documenting the following information on the SDBIP system:

The actual result in terms of the target set;

- The calculation of the actual performance reported, where applicable;
- The reasons if the target was not achieved; and
- Corrective actions to improve the performance against the target set, if the target was not achieved.

The Municipal Manager and Directors need to implement the necessary systems and processes to provide the POE as well as corrective actions for reporting to the Portfolio Committee for oversight purposes and auditing.

6. INDIVIDUAL PERFORMANCE

Once the municipal objectives and targets have been set, it is prudent to cascade these down to management and employees. Section 9(2) of the Local Government Municipal Planning and Performance Regulation (Regulation 796), indicates "In setting key performance indicators, a municipality must ensure that the key performance indicators inform the indicators set for all its administrative units and employees." Therefore, the performance of the municipality is integrally linked to that of the personnel. It is therefore important to link the organisational performance to individual performance and to manage both at the same time, but separately.

Performance of the Municipal Manager and managers reporting direct to the Municipal Manager, are regulated and evaluated in terms of Regulation 805, whilst performance of all other staff is regulated and evaluated in terms of Regulation 890 since 1 July 2022. (Extension was provided till 01 July 2023 by Circular 12 for the implementation of Chapter 2 and 4 only)

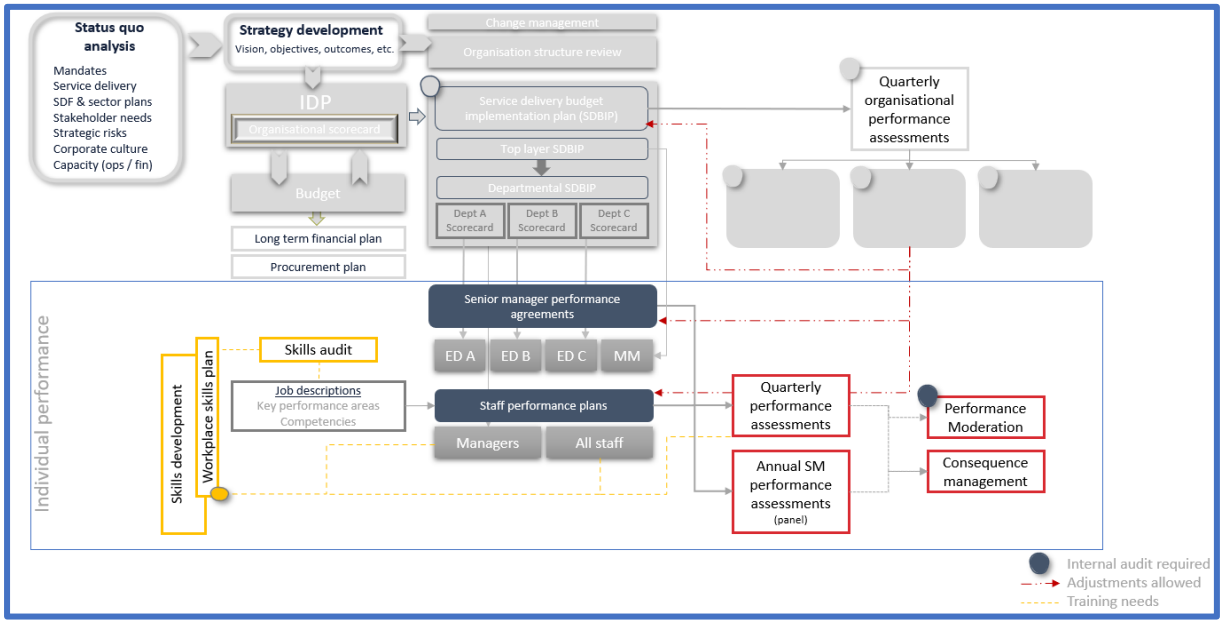


Figure 6: Individual performance included in the performance management system

Managing performance is therefore a key management tool to ensure that:

- Employees know what is expected of them;
- Managers know whether the employee's performance is delivering the required objectives;

- Poor performance is identified and improved; and
- Good performance is recognised; and
- Development of employees are promoted

Since the performance of every employee contributes to the overall delivery of the organisation's objectives, it follows that the performance of every employee should be managed.

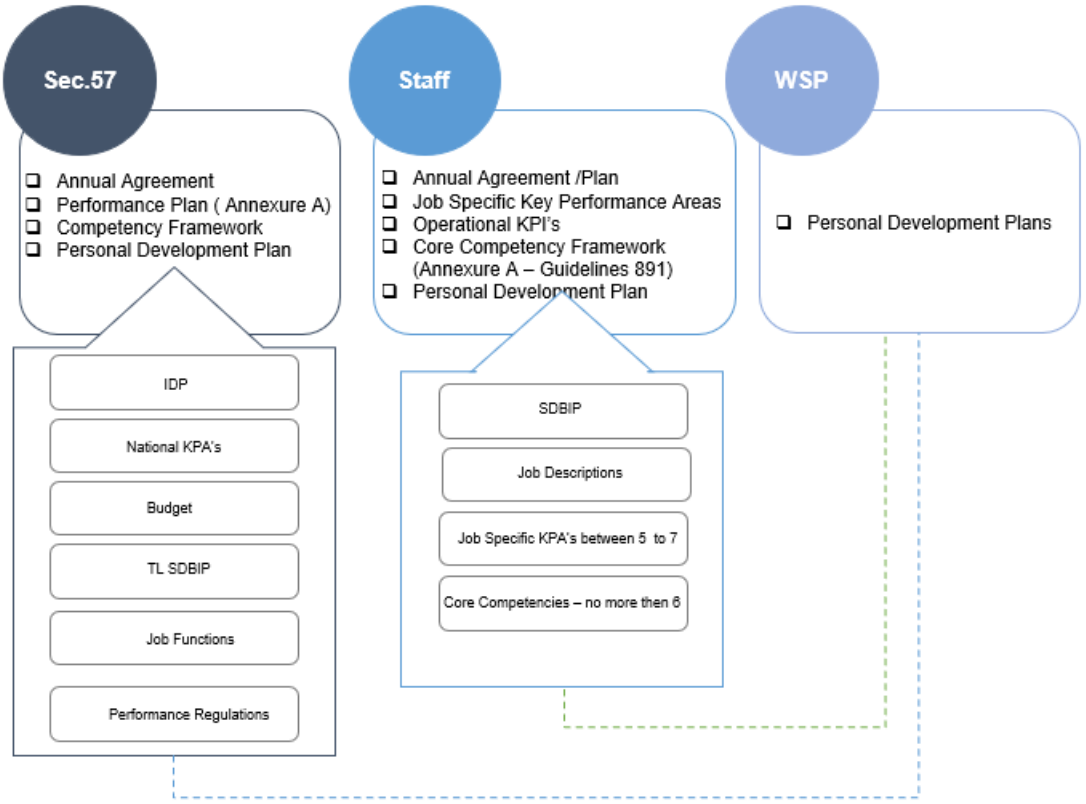


Figure 7: Individual performance components

6.1 Municipal Manager and Directors (Senior Managers)

6.1.1 Performance Agreements

The MSA and Regulation 805 of August 2006, read with Regulation 21 of January 2014 (Performance of the Municipal Manager and the Managers reporting directly to the Municipal Manager) require, that a Municipal Manager and managers reporting directly to the Municipal Manager enter into annual performance agreements. The performance agreements of the Municipal Manager and Directors should be directly linked to their employment contract, where applicable.

Draft annual performance agreements must be submitted to the Executive Mayor within 14 days of the approval of the annual budget in terms of the MFMA, Section 69(3). In terms of Section 53(3) of the MFMA the performance agreements must be made public no later than 14 days after the approval of the SDBIP. The agreements must be concluded within one month after the beginning of each financial year – MSA, Section 57(2). These performance agreements consist of three distinct parts:

a. Performance Agreement

This is an agreement between the Municipal Managers and Directors and the municipality, which regulates the performance required for a particular position and the consequences of the performance. The agreement deals with only one aspect of the employment relationship, namely performance and development. This agreement must be reviewed and renewed annually, subject to the individual's annual performance.

b. Performance Plan

The performance plan is an Annexure (Annexure A) to the performance agreement and stipulates in detail the performance requirements for a single financial year. The SDBIP (sorted per Head of Department) transcends into the performance plan(s) of the Municipal Manager and the respective Directors according to their areas of responsibility. The Municipal Manager and Executive Mayor could, in addition to the SDBIP, identify indicators, agreed with the Municipal Manager and Directors, which could be included in the agreement.

Annexure B is the Competency Framework to which the specific port belongs to and against which they will be evaluated against.

c. Personal Development Plan

The development plan is an Annexure (Annexure C) to the performance agreement and addresses the developmental needs/ requirements of the person indicating actions and timeframes.

Performance plans included weights per indicator based on the importance of the indicator. Performance agreements are mutually agreed to by the Municipal Manager and Directors / Municipal Manager and Executive Mayor and must be approved/signed within the first month of the financial year or within 3 months after the start of new employment.

The Performance agreements must also include the documentary evidence that is utilised to substantiate performance achievements, together with the calculation method utilised.

Furthermore, it is required by the Municipality that performance standards be included to indicate the level of achievement per the rating scale for each indicator to be evaluated.

6.1.2 Evaluation Municipal Manager and Directors

The management of the performance process for the Municipal Manager and the Directors must be done in terms of R805 and Regulation 21 as explained in detail in these Regulations. Performance should be reviewed quarterly, of which the mid-year and year-end performance must be formal evaluations. Performance panels should be constituted in terms of the agreements for the formal evaluations and the results should be reported to Council. In terms of Regulation 805 an evaluation panel constituted of the following persons must be established to evaluate the annual performance of the Municipal Manager:

- Executive Mayor;
- Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a

performance audit committee;

- Member of the Executive Mayoral or executive committee;
- Executive Mayor and/or municipal manager from another municipality; and
- Member of a ward committee as nominated by the Executive Mayor.

*Kouga Local Municipality has an Audit Committee which also constitutes as the Performance Audit Committee

In terms of Regulation 805 an evaluation panel constituted of the following persons must be established to evaluate the managers directly accountable to the Municipal Manager:

- Municipal Manager;
- Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a performance audit committee;
- Member of the Executive Mayoral or executive committee; and
- Municipal Manager from another municipality.
- Human Resources Manager must be present during both panels evaluation proceedings in order to take the minutes.

In terms of applicable legislation formal mid-year and final evaluation of performance must occur as follows:

- **Period 1** (1 July – 30 September): Due by– 30 October annually (informal documented discussion)
- **Period 2** (1 October – 31 December): **Due by– 28 February annually** (formally with panel)
- **Period 3** (1 January – 31 March): Due by – 30 April annually (informal documented discussion)
- **Period 4** (1 April – 30 June): **Due by – 30 December annually** (*or within 60 days after the Auditor General report was received)* (formally with panel)

6.1.3 Municipal Manager and Directors Evaluation Source Documentation

The onus of keeping credible and verifiable evidence is the responsibility of each manager and must be in line with the approved Technical Indicator Descriptions (TIDs). A POE must be provided to the Internal Auditor for scrutiny and verification in order to provide assurance of the evidence vs the actuals as captured. Furthermore the POE's must be available to panel members before the formal evaluations take place, together with the Internal Audits assurance report. Internal Audit should provide assurance as to the controls over the reliability, accuracy and integrity of the financial and operational information. This is to ensure scrutiny of the documented evidence that substantiate the actual reported evidence.

6.2 All Other Personnel

6.2.1 Performance Agreements/Performance Development Plans

Regulation 890, Chapter 4, Performance Management and Development System states:

Section 32 (1) The performance management and development system apply to all staff members of

a municipality" (Excluding Senior Managers). An employee shall enter into a performance agreement with his or her direct supervisor/line manager for each financial year (1 July -30 June).

The agreements of a serving employee must be concluded by **30 July** (on 29 July) each year within 30 days of the commencement of the new financial year of the municipality whilst the performance agreements of other (appointment after probation as from 01 July of the new financial year; transfer or promotion to a new post or return from prolonged leave that is more than three months) employees must be concluded within 60 days of—

In terms of Section 32 (1) the performance management and development system apply to all employees of the Kouga Local Municipality except employees-

- Appointed on a fixed term contract with a duration of less than 12 months;
- Serving notice —
  - of termination of his or her contract of employment; or
  - to retire on reaching the statutory retirement age;
- Appointed on an internship programme or participating in the national
- Public works programme or any similar scheme; and
- Appointed in terms of sections 54A and 56 of the Act

In terms of the legislative prescribes an employee shall:

- Participate in setting his or her annual KPAs and KPIs
- Enter into a performance agreement annually with the Municipality
- Remain committed to the KPAs and KPIs throughout the performance period and be accountable for his or her performance
- Take responsibility for his or her personal development and learning opportunities
- Where applicable, maintain a portfolio of evidence if required
- Ensure that the portfolio of evidence is relevant and up to date
- Actively seek out and be open to feedback; and
- An employee shall understand what is expected of him or her.

Performance agreements and/or performance development plans will be agreed with each employee and should include the following information as stated by Guideline 891:

a. Personal information

Details relating to the employee (name and surname), job title and his/her designation (department) and supervisor. (as stipulated by Guidelines 891)

b. Key Performance Areas

The supervisor or superior of the individual together with the staff member must ensure that the performance management is aligned to the staff member's job and KPA's relevant to the post as depicted on the individuals Job Description, that the staff member holds. The KPA's must relate to the staff member's functional area and must consist of not less than 5 and not more than 7 KPA's. As per the Job Description.

c. Key performance indicators

The KPI's include the inputs, activities, programmes or outputs by which performance in respect of KPA's are measured. A KPI must be measurable and verifiable. Where applicable KPI's delegated to employees from the SDBIP can be included here. New KPI's can be added to existing KPI's (from the SDBIP) or new KPI's can be created for employees who do not have KPI's on the SDBIP from the Job Activities Library.

Specific targets should be set as per the "SMART" principles and must be accompanied by a valid and credible POE.

The performance standard for each KPI may be qualitative or quantitative.

d. Target

Once a set of suitable indicators has been defined for a specific programme or project, the level of performance the employee should strive to achieve must be set. This should be done by setting suitable performance targets relative to the current baseline. The target should be in terms of the SMART principles as state by the Framework for Manging Performance Programme.

e. Performance Standards

Performance Standards for each KPI should be expressed in order to indicate the minimum acceptable level of performance. These should be informed by legislative requirements, departmental policies and service level agreements. It can also be benchmarked against performance levels in other institutions, or according to accepted best practices. The decision to express the desired level of performance in terms of a target depends on the nature of the performance indicator.

f. Core Competencies

The job specific competencies, as derived from Annexure A of the Municipal Staff Regulations (Gazette no. 45181), and as listed on an individual's JD must be included with the performance agreements of each staff member. The following prescribes are applicable and must be included:

(i) the name and definition of the specific competency;

(ii) the expected level of capability;

(iii) the relevant weightings;

Furthermore, the competencies must be specific and applicable to the job (as per the job description) of the employee and should not exceed six (6) competencies within a performance cycle.

g. Weights

In terms of the weights the criteria upon which a staff member is assessed consists of two components as defined above being the KPA's (80%) and the core competencies (20%). A KPA weight must be allocated and where applicable, weights must be allocated to each KPI that will relay back to the specific KPA's overall weight percentage. Weights allocated should indicate the relative importance of a KPI. The weights and the distribution of the weights per KPI need to be determined by the Head of Department/ applicable manager/ supervisor/ staff member in the beginning of each financial year and agreed with the employee or group of employees.

Each core competency as selected from the specific competency framework the position belongs to, as per the applicable level, must be provided with a weight as well.

Once the performance is assessed an overall score combined by the KPA weighting and core competencies weight will be evaluated out of a 100%.

h. Personnel Development Plan

Every employee must have a personal development plan that identifies and addresses employees' developmental needs that were identified during the performance review or assessment.

- The personal development plan should contain the actions and timeframes agreed to by the relevant supervisor and employee.
- An employee may only undergo training that is –

(i) contained in personal development plan or

(ii) approved by the municipal manager or his/her delegate

The Personal Development Plan will address the identified training needs. The following should be carefully considered during the identification of training needs:

- Organisational needs;
- The competency requirements of individual jobs. The relevant job requirements (job competency profile) as identified in the job description should be compared to the current competency profile to determine the individual's competency gaps;
- Specific competency gaps and training needs identified during evaluation;
- Individual training needs that are job/career related;
- The training needs should be prioritised since it may not be possible to address all identified training needs in a specific financial year. It is however of critical importance that training needs be addressed on a phased and priority basis. This implies that all these needs should be prioritised for purposes of accommodating critical/strategic training and development needs in the Human Resources Plan and Workplace Skills Plan;
- Consideration must then be given to the expected outcomes, so that once the intervention is

completed the impact it had can be measured against relevant output indicators; and

- An appropriate intervention should be identified to address training needs/skills gaps and the outcome to be achieved but with due regard to cost effectiveness.

The performance objectives and targets reflected in the performance agreements/performance development plans are set by the employer in consultation with the employee and based on the IDP, SDBIP and budget of the municipality, job descriptions, and shall include key performance areas, key performance indicators; target dates, performance standards and weights (where applicable). Directors should be part of the performance planning for lower levels of staff when compiling performance agreements/performance development plans.

The Individual Performance Management Section should annually after the performance agreements/performance development plans are completed, do a sample check of performance agreements/performance development plans for quality purposes.

6.2.2 Team-based performance management and development system

The Municipality may establish a team-based performance management and development system for a category of staff below the level of a supervisor that will assist the Municipality in managing probation, rewards and skills development of staff members, which is consistent with the principles of the Regulation's chapter 4.

Before implementing the team-based performance management and development system, the municipality must:

- Pilot the system on a team of staff members in all affected occupational streams; and
- Consult the system with recognised trade unions within the local labour forum.

6.2.3 Skills Development Plan

The Workplace Skills Plan should be compiled/updated on a yearly basis with the information obtained from the performance agreements/performance development plans taking into account legislative compliance in terms of the Annexure A Core Competency Framework as stipulated by Regulation 890 and Guidelines 891. The relevant Human Resources Manager together with the respective line manager/ supervisor is responsible to facilitate the implementation of the Skills Development Plan.

6.2.4 Formal Performance Evaluations

Although performance should be managed daily, the respective supervisor should do quarterly reviews within 30 days of the relevant reporting period of which the **mid-year** and **final** year must be formal**.** Constructive feedback should be provider to ensure that performance standards are being uphold**.** The feedback should be given verbally and recorded in writing to serve as evidence that performance discussion took place between supervisor and employees.

The formal mid-year and final year assessments should be concluded as follows:

- **Period 1** (1 July – 30 September): Due by– 30 October annually (informal documented discussion)

- **Period 2** (1 October – 31 December): **Due by– 31 January annually** (formally on the electronic web-based system)
- **Period 3** (1 January – 31 March): Due by – 30 April annually (informal documented discussion)
- **Period 4** (1 April – 30 June): **Due by – 29 August annually** (formally on the electronic web-based system)

The objective of the review should be based on actual performance and performance evidence. The supervisor and employee need to prepare for the review and discuss the performance during a focussed performance meeting.

The Kouga Municipality will evaluate accordingly:

a. Line Managers and staff reporting directly to Senior Manager (Municipal Manager and Director)

Line Managers and staff reporting directly to Senior Managers shall be subjected to a formal annual performance evaluation conducted on the web-based system by the relevant Senior Manager as he/she is their direct supervisor.

Performance evaluations must be signed-off or electronically signed-off by the Supervisor and Employee to confirm that the evaluation was conducted, and agreement was reached on the results of the evaluation.

The performance evaluations of such staff members shall be subjected to Departmental and Institutional Moderation process, as stated by Regulation 890.

b. Staff reporting directly to Line Managers and other Supervisory Managers

Staff reporting directly to Line Managers and other Supervisory Managers shall be subjected to a formal annual performance evaluation conducted by the relevant Line Manager on the web-based system provided that were a member of staff do not report directly to a Line Manager such evaluation shall be conducted by the relevant Supervisor.

Performance evaluations must be signed off or electronically signed-off by the Line Manager and/or Supervisor and Employe to confirm that the evaluation was conducted, and agreement was reached on the results of the evaluation.

A formal record must be kept of the evaluation where the staff member does not have access to the web-based system.

The performance evaluations of such staff members shall be subjected to Departmental and Institutional Moderation process, as stated by Regulation 890.

c. Employees appointed on probation

The performance of employees on probation is managed in terms of this Framework/Policy process as well as the Municipality's policy on probation. The process that will be followed is as follows:

The Performance Management System will serve as the system that is used to assess an employee

during the period of her or his probation.

The performance assessment of employees on probation must be conducted monthly and must link with the Performance Management System.

The performance assessment form must be submitted to HR immediately following the assessment.

Prior to the expiry of the probationary period the line manager of the probationer must make a recommendation on whether appointment should be confirmed or not.

If the probationer is not deemed suitable for the relevant post, other options such as the extension of probation period, formal registration on the incapacity programme or as a last resort, dismissal, should be considered, subject to legal compliance in this regard.

An employee's probationary period will not necessarily coincide with the Municipality's financial year cycle(1 July to 30 June); however the Performance Management System assessment tool must be used for assessment, and the results captured in the monthly probation assessment form.

The employer (supervisor) should prepare by:

- Ensuring that all the information required for the evaluation is available, including obtaining information from other supervisors where required;
- Reviewing the previous period performance and the indicators and targets for the next period;
- Evaluating the level of support required and planning to address the development needs; and
- Provide comprehensive and honest feedback.

The employee should prepare by:

- Ensuring that all the information required for the evaluation is available;
- Identifying new objectives and indicators where required;
- Identifying support and training needed;
- Conduct a self-review; and
- Reflecting on the feedback from the employer.

Each evaluation must:

Assess the extent to which staff members achieved performance objectives and targets as defined in the performance agreement by assessing:

- Each KPA, to determine the extent to which the specified standards or KPI have been met, with due regard to ad hoc tasks that had to be performed under that KPA.
- What performance rating should be allocated to each KPA and KPI as per the rating scale and performance standards set by the Municipality.
- Each Core Competency Requirement is assessed to determine the level of achievement and what performance rating should be awarded to each Core Competency Requirement.

The assessment of the performance of the employee will be based on the following rating scale:

Level	Terminology	Description
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the Performance Annexure and Performance Plan and maintained this in all areas of responsibility throughout the year.
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the Performance Annexure and Performance Plan.
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half of the key performance criteria and indicators as specified in the Performance Annexure and Performance Plan.
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all the performance criteria and indicators as specified in the Performance Annexure and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

Table 1. Performance Rating Scale

The employer shall keep a record of assessment meetings and signed-off assessments must be submitted to Records Section to be placed on the personnel file of the employee.

6.2.5 Portfolio of Evidence

POE should also be kept for all individual performance assessments. The onus for a credible POE is on the individual, however in terms of Regulation 890 the Municipal Manager must constitute a formal process or assign a staff member responsible for those lower-level staff who is unable to physically keep POE records. This process is outlined as part of the POE SOP.

6.2.6 Performance Moderation

a. Departmental Moderation Committees

The Municipal Manager must establish a departmental moderation committee. The performance moderation process must take place within a reasonable timeframe after the end of the performance cycle, but no later than six months after the end of the financial year must it be concluded. The departmental performance moderation committee must convene annually.

i) The departmental moderation committee is constituted as follow:

- The relevant heads of departments, who must act as chairpersons in the committees
- All managers directly accountable to the heads of departments (who must recuse from the committee before their assessments are considered by the committee)
- A senior human resource functionary who will advise, guide and provide support, including arrangements for secretariat services.

ii) The function and purpose of the Departmental Moderation Committee is to:

Conduct moderation of the annual staff performance results to ensure that the norms and standards for performance management and development systems are applied in a fair, realistic and consistent manner across the department.

Assess and compare the performance and contribution of each staff member with his or her peers towards the achievement of departmental goals.

Ensure fairness, consistency, and objectivity with regard to dispersal of performance recognition and ratings achieved for a common understanding amongst supervisors of the performance standards required at each level of the performance rating scale.

Determine the cost implications for performance recognition of all staff members within the department.

Recommend moderated performance scores for all staff members within the department to the Municipal Moderation Committee for approval,

Ensure that performance rewards are based on affordability and consider recommendations for other forms of recognition.

Recommend performance rewards to the Municipal Moderation Committee.

Recommend remedial measures to the Municipal Performance Moderation Committee where performance is regarded as substandard, inclusive of the Personal Development Plan.

Ensure that the integrity of the performance management system is protected.

Where the Departmental Moderation Committee have the view that that any performance assessment by a supervisor does not conform to the performance norms and standards or where performance evidence does not support the performance ratings, the Departmental Moderation Committee may not reassess or modify, adjust or amend the performance ratings but must refer the assessment back to

the relevant supervisor in consultation with the affected staff member.

On conclusion of the reassessment the Departmental Moderation Committee must reconvene to moderate the assessment of the staff member concerned.

If the supervisor fails to conduct the reassessment within the stipulated time, and/or the Departmental Moderation Committee still hold the view that the performance ratings are not substantiated, the Departmental Moderation Committee must request the higher-level supervisor to reassess the relevant staff member following which the Departmental Moderation Committee shall moderate such results.

b. Municipal Moderation Committee

The Municipal Council must establish a municipal moderation committee, who will be responsible for the final moderation outcomes of performance for the specific financial year under review which must be concluded before 31 December.

i) The municipal moderation committee is constituted as follow:

- The Municipal Manager, who must act as the chairperson of the committee;
- All heads of departments;
- Head of municipal planning and organisational performance;
- Head of the municipal internal audit;
- A senior human resource functionary to guide, advise and provide support, including arrangements for secretariat services; and
- A performance specialist, where applicable.

ii) The function and purpose of the Municipal Moderation Committee is to:

Provide oversight over the Staff Performance Management and development system to ensure that the performance management process is valid fair and objective.

Moderate the overall performance score for staff determined after the Departmental Moderation Process.

Ensure that the final individual performance ratings are fair across each grade and department/directorate.

Ensure that the individual performance assessment outcomes correspond with the overall performance of the Municipality and the relevant Directorate aligned to the staff members job description or directorate before any recognition of performance is considered.

Determine the percentages for merit-based rewards subject to affordability and the annual approved budget.

Recommend appropriate recognitions for the different levels of performance.

Recommend appropriate remedial measures for performance believed to be substandard.

Advise the Municipality on recognition of performance, inclusive of financial and non-financial rewards, where appropriate.

Identify potential challenges in the performance management system and recommend appropriate solutions.

Identify developmental needs for supervisors to improve the integrity of the performance management system.

Consider any matter that is regarded as relevant and make recommendations to the appropriate functionary.

6.2.7 Circumstances That Impact on Performance Evaluations

a. Absence / Maternity leave during the performance cycle

If an employee is on leave or on sick leave for short periods of time, it should not impact on the performance of the employee. In the case of absence for long periods of time, the employee and employer should have a discussion to agree on the rating of the performance for the period not absent. The agreement and the new targets agreed should be documented and be attached to the original agreement.

The employer must carefully consider the rating and assessment of an employee who has been on prolonged leave of absence, to balance the rights of those who were absent with the contribution of those who had to do more work because of others being absent.

b. Acting in higher positions

When an employee is appointed to act in a higher position for shorter than twelve weeks, the performance plan should be based on the post that the employee is permanently appointed to. Depending on the employee's performance during the periods of acting, recognition for performance of duties of the higher position should be given during the performance assessment, on the performance agreement/performance plan of the permanent post.

c. Eventuality for new employees

Employees that have started service and worked for at least 3 months and longer within a financial year will be evaluated.

d. Staff Movements

When employees are transferred at the same level, it is their responsibility to provide their most recent performance assessment to the new department. Where staff members change jobs within the department during the performance cycle, performance reviews related to the employee vacating the post should be completed prior to moving to the new position. If the employee changing jobs is a supervisor or manager, performance reviews for each employee under his/her control should be completed prior to his/her movement. When an employee is transferred to another department, a progress review discussion will be conducted for the current performance cycle prior to the employee leaving the department. In the case of supervisors, regardless of the reason for their departure, they

will be required to assess their staff prior to departure.

e. Misconduct and suspension

Decisions pertaining to performance rating should be based on an employee's actual performance. In the event of alleged misconduct, some questions need to be posed.

What was the nature of the misconduct (e.g. financial, management)?

Was the person found guilty or not?

If found guilty, what was the nature of the sanction (e.g. discharge, suspension)?

Did the misconduct and/or sanction impact on performance?

Was the employee suspended for a prolonged period?

Each case should however be judged on its own merit. If a misconduct charge, and /or the hearing, and/or any sanctions have a serious negative impact on an employee's performance, it would be difficult to motivate for awarding a 3-rating or higher.

f. Employees on probation

In instances where employees are on probation, the results of the performance assessment could assist in determining whether permanent appointment should be considered. The performance of the employees on probation should be evaluated on a monthly basis and the assessment form should be submitted to the Department Human Resources.

g. Departmental moderation committee

Section 39(5) describes the process for performance not conforming to the norms and standards as detected by the departmental moderation committee and states:

If the departmental moderation committee has reason to believe that any performance assessment by the supervisor does not conform to performance norms and standards or that there is lack of evidence or information to support the performance ratings, the departmental moderation committee may not reassess, amend or adjust the performance ratings of a staff member, but may refer the assessment back to the relevant supervisor for re-assessment in consultation with the affected staff member.

Upon conclusion of the re-assessment, the departmental moderation committee may reconvene to moderate the assessment of the staff member concerned.

If the supervisor fails to re-assess the staff member within the stipulated timeframe despite the request to do so by the relevant authority or the departmental moderation committee still has reason to believe that the performance ratings are not substantiated, the moderation committee may request the higher-level supervisor to re-assess the relevant staff member. The affected staff member must be consulted and be offered an opportunity to respond.

6.2.8 Process Flow for Performance Assessments

The first step in the assessment allows for self-evaluation by the employee. Employees that do not have access to computers at the workplace must be provided with a hardcopy of their performance development plans to facilitate the process of manual assessment. The signed self-assessment must be submitted to the respective supervisor for capturing.

> *Note: when mid-year assessment is concluded time must be allowed for adjustments to be made to the performance agreements as stipulated by Section 37(4) of the Regulation and number 4.2.7 of this document.*

The second step in the assessment is the official rating of performance by the relevant supervisor/manager or Director. The outcome of the assessment should be discussed between the supervisor/manager or Director in order to clarify gaps between the self-assessment and the rating scored.

The third step in the assessment constitutes the moderation of performance outcomes by the Departmental Moderation Committee

The fourth step is the final moderation by the Municipal Moderation Committee and

Address substandard or poor performance, where applicable.

6.2.9 Record Keeping

The system users performance agreements/ performance development plans and assessments will be signed off electronically and stored on the web-based system whilst non-system users will have to be provided with a hardcopy for sign-off and must be submit to Human Resources Department to be placed on the personnel file of the employee.

It is the responsibility of Human Resources to notify the Performance Management Section when an employee has been transferred/left the service/was newly appointed in order to update the details on the performance management system.

6.2.10 Amendments to Performance Agreements/Performance Development Plans

Performance in the municipality takes place in a dynamic environment and a performance plan can therefore never be cast in stone. Even though the initial agreement is signed at the start of the performance cycle, significant changes and additions could on an on-going basis be reflected in the performance agreement/plan when taking the workplace challenges and changes beyond a staff member's/ team's control into account.

The performance plan against which an employee is assessed at the end of a cycle must accurately reflect the employee's actual activities and outputs during the entire performance cycle. Amendments made to performance agreements/ plans must be signed and dated by both the employee and the employer. Performance can only be assessed on mutually agreed indicators and targets.

a) Amendments to the Municipal Manager and Directors Performance Agreements

In terms of the Directors performance agreements adjustments to the Annexure A performance plans can only be done once Council has approved the adjustment Top Layer SDBIP and by written addendum clearly stating the requested amendments and reasons for amendment. The adjusted agreements should then be signed-off by the applicable parties and subsequently made public within the legislative timeframe on the Municipal website.

b) Amendments to All Other Staff performance agreements

In terms of other personnel amendments / adjustments can only be made after the midyear evaluation has been completed by mutual agreement of both the employee and the supervisor. The performance agreement/plan must be signed-off and dated by both parties to take effect. The process for amendments of performance plans that the Municipality will follow is detailed in Performance Agreement/ Plan Amendments Process SOP.

7. MANAGING POOR/ SUBSTANDARD PERFORMANCE

7.1 Organisational Performance – SDBIP

In a case where the targets of the Service Delivery Budget Implementation Plan are not met by the department:

- The Service Delivery Budget Implementation Plan provides for corrective measures where targets are not met.
- The quarterly report is sent to council.
- The quarterly report is submitted to the Audit Performance Committee.
- The Head of Department needs to ensure that corrective actions are implemented and that adequate resources are provided for until the target is met.

7.2 Procedures for dealing with substandard or poor performance

The procedures outlined is to be followed when dealing with individuals who have obtained a substandard or poor performance rating. These procedures are intended to:

- Create an enabling environment to facilitate effective performance by the staff members;
- Provide the staff members with access to skills development and capacity building opportunities in order to promote efficient and effective performance;
- Provide remedial and developmental support to assist the staff members to deal with substandard performance; and
- Ensure that the municipal council and staff member's work collaboratively to generate solutions to problems and improve the performance of staff members.

7.3 Procedures for dealing with substandard or poor performance of Senior Managers

7.3.1 Municipal Manager

In the event where it becomes evident that the Municipal Manager is not performing in accordance with the minimum performance standard requirements of his or her position, the Executive Mayor must:

a) Convene a meeting to provide feedback to the Municipal Manager on his/ her performance to:

- Furnish the staff member with reasons as to why it is necessary to initiate these procedures.
- Explain the requirements, level, skills and nature of the position.
- Evaluate the staff member's performance in relation to the agreed upon performance agreement.
- Explain why the staff member's performance is considered to be substandard or poor.
- Afford the Municipal Manager an opportunity to respond to the performance outcomes.
- Determine if there are specific job-related training interventions required to improve the performance of the staff member in which the Personal Development Plan (PDP) must be entered and or reviewed and updated.
- Agree upon corrective actions in order to achieve the required/ desired level of performance and the monitoring of compliance with these corrective actions.

b) In the event where the interventions to improve performance fails the matter must be reported to Council.

7.3.2 Senior Managers

In the event where it becomes evident that a Senior Managers is not performing in accordance with the minimum performance standard requirements of his or her position, the Municipal Manager must:

c) Convene a meeting to provide feedback to the Senior Manager on his/ her performance to:

- Furnish the staff member with reasons as to why it is necessary to initiate these procedures.
- Explain the requirements, level, skills and nature of the position.
- Evaluate the staff member's performance in relation to the agreed upon performance agreement.
- Explain why the staff member's performance is considered to be substandard or poor.
- Afford the Municipal Manager an opportunity to respond to the performance outcomes.
- Determine if there are specific job-related training interventions required to improve the performance of the staff member in which the Personal Development Plan (PDP) must be entered and or reviewed and updated.
- Agree upon corrective actions in order to achieve the required/ desired level of performance and the monitoring of compliance with these corrective actions.

d) In the event where the interventions to improve performance fails the matter must be reported to Council.

7.3.3 All Other Staff

In the event where it becomes evident that a staff member is not performing in accordance with the minimum performance standard requirements of his or her position, the immediate supervisor must:

a) Convene a meeting to provide feedback to the applicable staff member on his/ her performance to:

- Furnish the staff member with reasons as to why it is necessary to initiate these procedures.
- Explain the requirements, level, skills and nature of the position.
- Evaluate the staff member's performance in relation to the agreed upon performance agreement.
- Explain why the staff member's performance is considered to be substandard or poor.
- Afford the staff member an opportunity to respond to the performance outcomes.
- Determine if there are specific job-related training interventions required to improve the performance of the staff member in which the Personal Development Plan (PDP) must be entered and or reviewed and updated.
- Assist the staff member in developing competencies through training and supervision.

b) After considering the staff member's reasons, the supervisor may, if necessary:

- Initiate a formal programme of counselling and training to enable the staff member to meet the required standards of performance which must include:
    - Assessing the amount of time, it will take for the staff member to deal with substandard/ poor performance
    - Establish realistic timeframes within which the staff member is expected to meet the required performance standards.
    - Identify and prove appropriate training for the staff member to reach the required standard of performance.
    - Establish ways to address any factors that may affect the staff member's performance that lies beyond the staff member's control.

c) If the staff member fails to meet the required performance standard for the position after being subjected to a formal programme of counselling and training the supervisor, may:

- Regularly evaluate the staff member's performance.
- Provide further remedial or developmental support to assist the staff member to eliminate substandard or poor performance.

d) If the staff member's performance does not improve after he or she received appropriate performance counselling, the necessary support and reasonable time to improve his or her performance or he or she refuses to follow a formal programme of counselling and training contemplated therein, the supervisor must table a report to the Municipal Manager on the performance levels of the Employee and the Personal Development Plan and other measures implemented to improve the performance of the Employee.

If the municipal manager is satisfied that sufficient evidence exists to institute disciplinary proceedings against the staff member on the basis of the alleged substandard or poor performance the Municipal

Manager, must furnish the staff member with written reasons why it is necessary to initiate this procedure in accordance with applicable disciplinary procedures.

7.4 Mentoring and Coaching

Regular mentoring and coaching sessions must take place between supervisors and employees. These sessions can be used to change an employee's behaviour to ensure that targets are met or exceeded in instances where underperformance was identified.

These coaching and mentoring sessions are important to track employee performance and assists in strengthening competencies expected from employees. All coaching and mentoring sessions must be documented and signed by all parties involved.

Employees may also be required to undergo training to improve their performance. These training needs should be in line with the training needs in their Personal Development Plans.

Coaching, mentoring and training are not only for employees who are underperforming and must also be provided to those employees who are performing well to ensure that employees are improving on their skills and knowledge to enable them to meet the evolving organisational needs.

8. REWARD AND RECOGNITION

The evaluation of the employee's performance will form the basis for acknowledging outstanding performance or correcting unacceptable performance. Performance rewards remain at the discretion of Council's approval and is subject to the financial status of the Municipality.

The rewards and recognition of the Kouga Municipality is documented in the Rewards and Recognition Policy of the Kouga Municipality.

9. APPEALS PROCESS

9.1 Municipal Manager and Directors

The appeals process as prescribed in R805 of August 2006 and as agreed in the employment and performance agreements of the Municipal Manager and Directors will be applicable in instances where they are not in agreement with their final performance evaluations.

9.2 Other Personnel:

Should employees not agree with the contents or adjustments of their performance agreement after the performance discussions (a grievance must be lodged within 5 days) or with the final scores that are allocated to them, they may elect to follow the municipality's normal grievance procedures. The dispute procedures as contemplated by Regulation 890 Section 41 must be resolved within one month of receipt of the dispute by the head of the department, after

- Considering the representation from the staff member concerned and his or her supervisor; and
- Consultation with the head of Human Resources

A staff member who is not satisfied with the outcome of the procedure in sub-section (3), may lodge a dispute resolution mechanism of the Bargaining Council.

10. SERVICE PROVIDERS

As stated in Section 76(b) of the Municipal Systems Act (MSA) that KPI's should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement and is defined as:

a) Service provider means a person or institution or any combination of persons and institutions which provide a municipal service
b) External service provider means an external mechanism referred to in Section 76(b) which provides a municipal service for a municipality
c) Service delivery agreement means an agreement between a municipality and an institution or person mentioned in Section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

The Municipality will furthermore in terms of Section 121(b) of the MFMA and Section 46 of the MSA include the following related to service providers, as defined in Section 76(b) of the MFMA, in the annual report:

- The performance of each service provider
- A comparison of the performance with targets set for and performances in the previous financial year; and
- Measures taken to improve performance

11. EVALUATION AND IMPROVEMENT OF THE PERFORMANCE MANAGEMENT SYSTEM

The MSA requires the municipality to annually evaluate its performance management system. It is proposed that after the full cycle of the annual review is completed; the Performance Management Section will initiate an evaluation report, taking into account the input provided by Head of Department and divisions. This report will then be discussed by the Municipal Manager and Directors and finally submitted to the Council for discussion and approval. The evaluation should assess:

a) The adherence of the performance management system to the MSA;

b) The fulfilment of the objectives for a performance management system;

c) The adherence of the performance management system to the objectives and principles; and

d) Opportunities for improvement and a proposed action plan.

While good and excellent performance must also be constantly improved to meet the needs of citizens and improve their quality of life, it is poor performance in particular that needs to be improved as a priority. In order to do this, it is important that the causal and contributing reasons for poor performance are analysed. Poor performance may arise out of one or more of the following:

e) Poor systems and processes;

f) Inappropriate structures;

g) Lack of skills and capacity;

h) Inappropriate organisational culture; and

i) Absence of appropriate strategy.

To improve performance, the appropriate response strategy should be chosen:

j) Restructuring is a possible solution for an inappropriate structure;

k) Process and system improvement will remedy poor systems and processes;

l) Training and sourcing additional capacity can be useful where skills and capacity are lacking;

m) Change management and education programmes can address organisational culture issues;

n) The revision of strategy by key decision-makers can address shortcomings in this regard; and

o) Consideration of alternative service delivery strategies should be explored.

Performance analysis is a requirement in order to identify poor performance. The Municipal Manager will implement the appropriate response strategy to improve performance.

12. PERFORMANCE MONITORING AND REPORTING

An organization that is performing well is one that is successfully achieving its goals and is effectively executing suitable strategies. Monitoring is the regular collection and analysis of information to track the implementation and measure the performance of the municipality against its pre-determined objectives.

The IDP represents a set of strategic objectives and/or goals about what is aimed to be achieved within the given timeframe. Monitoring provides crucial information about how the municipality is performing and this in turn helps decision makers and other stakeholders to measure whether the organisation is on track in meeting its objectives.

12.1 Reporting Intervals

Report	Frequency	To whom	Content	Comments
Departmental SDBIP	Quarterly	Municipal Manager, Directors and Portfolio Committees	Actual results achieved against department SDBIP KPI's	NB: Reasons for non-performance and corrective measures
Top Layer SDBIP (Could serve as sec 52	Quarterly (Sec 52 within 30 days after end of quarter)	Municipal Manager, Directors and Council	Actual results achieved against Top Layer SDBIP KPI's	NB: Reasons for non-performance and corrective measures

Report	Frequency	To whom	Content	Comments
report as well)				
Internal Audit reports on performance results	Quarterly	Council and Performance Audit Committee	Audit outcomes from auditing actual results captured/ indicated/ reported on	Outcomes to be used to rectify KPI's and actuals
MFMA Sec 52 report	Quarterly (within 30 days after end of quarter)	Municipal Manager, Directors and Council (Copy to PT and NT)	Actual results achieved against Top Layer SDBIP KPI's	NB: Reasons for non-performance and corrective measures
MFMA Sec 72 report	25 January	Executive Mayor (Submit to next Council meeting after 25 January and copy to PT and NT)	Consists of 2 parts PM: Actual results achieved against Top Layer SDBIP KPI' Finance: As prescribed by NT	Use results/outcome to motivate adjustments budget
MSA Sec 46 report	31 August	AGSA, Council	Consist of chapters 3 & 4 of the AR	Must form part of AR
Annual report	Draft: 31 October to AGSA Draft: 31 January to Council Final: 31 March to Council with oversight report	AGSA, Council, Audit Committee, Oversight Committee (Copy to PT and NT)	As prescribed	NB: If full draft is submitted earlier to Council, remember that final must be submitted within 2 months after draft has been submitted

Table 4: Reporting Intervals

12.2 Mid-Year Assessment

The performance of the municipality for the first 6 months of the financial year should be assessed and reported on in terms of Section 72 of the MFMA. The accounting officer of a municipality must in terms of Section 72 of the MFMA assess the performance of the municipality for the 1st six months of the financial year and submit a report to the Executive Mayor by 25 January. The municipality must during the assessment consider the appropriateness of the targets in terms of the first six months' performance and the adjustment estimate. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary

According to Section 33 of the Municipal Budget and Reporting Regulations the mid-year budget and performance assessment referred to in Section 72 must be in the format specified in Schedule C of the Regulation and include all the required tables, graphs and explanatory information taking into account the guidelines issued by the National Minister.

Although the report is mainly a financial report, one of the Annexures in terms of Section 7(b) of Schedule C requires a performance assessment in relation to the quarterly performance targets for the delivery of basic services in terms of the TL SDBIP.

In summary, the Municipal Manager should:

Analyse the performance in terms of the targets set in the TL SDBIP;

a) Preparation of the adjusted TL SDBIP for submission to Council for approval with the Adjustments Budget by the end of February as required by Section 54(1)(c) of the MFMA and Sections 24 to 26 of the Municipal Budget and Reporting Regulations;

b) Effecting the approved adjustments on the SDBIP system;

c) Adjusting the Annexure A's of the performance agreements of the MSA Section 56 and 57 managers in line with the adjusted TL SDBIP; and

d) Adjusting the performance plans of other personnel directly associated with the Departmental SDBIP to ensure alignment.

12.3 Annual Performance Report

The Annual Performance Report must be completed by 31 August and submitted with the financial statements. This report must be based on the performance reported in the TL SDBIP. Reports should be generated from the respective performance management and development system, reviewed and updated in the performance comments field for reporting purposes with corrective measures where under performance has been stated. POE should be kept in order to proof recorded actuals.

12.4 Annual Report

The Draft Annual Report must be prepared and submitted to Council by 31 January and the final annual report by 31 March annually.

12.5 Analysis of Performance Reports and Follow-up

In summary, the quarterly (S52 MFMA), mid-year (S72 MFMA) and the annual (S46 MSA) reports should be analysed and reviewed as soon as the reports are available. It will add credibility to the reports when it is published and to the individual performance assessments of the Municipal Manager and Directors.

The analysis should not only focus on POE when the performance results are audited but also on an analysis of the results. The following are important:

a) Performance reported should indicate continuous improvement over time and should not only

be to the benefit of communities and should focus on outcomes and not only on processes;

b) The performance results reported should be a true reflection of the results reported in the performance management system;

c) The results should be effectively communicated so that it is of value to the intended users;

d) The quality of performing the function should be balanced with the cost of the performance, also to the consumer and not just to municipality; and

e) Promotion of equalities and sustainable growth and development should also be reported on.

Actions should be identified to address the performance shortcomings highlighted during the audit. These actions must be recorded and regularly followed-up to ensure performance improvement.

13. GOVERNANCE

The audit of performance information and system should comply with Section 166 of the MFMA and Regulation 14 of the Municipal Planning and Performance Management Regulations (2001). These processes provide credibility to the overall performance processes.

13.1 Quality Control and Co-ordination

The Performance Management Section is required to co-ordinate and ensure good quality of performance reporting and reviews on an ongoing basis. It is their role to ensure conformity to reporting formats and verify the reliability of reported information, where possible.

The Municipal Manager/ Directors/Heads/Managers/Supervisors/ staff member have the responsibility to ensure credible POE's are kept substantiating performance and the actual results.

The Municipal Manager/ Directors/Heads/Managers/Supervisors subsequently have the added responsibility to review overall performance and the quality of reported performance monthly along with the applicable POE.

As mentioned the POE documentation, process and all related organisational arrangements regarding POE's is documented in a separate document/ policy as in terms of Regulation 890/891 the Municipal Manager may exempt categories of staff from maintaining a portfolio of evidence in which case the municipality must determine alternative mechanisms, or designate a staff member who will maintain the POE of those staff members.

13.2 Performance Investigations

The Executive Mayor or Audit Committee should be able to commission in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. Performance investigations should assess:

a) The reliability of reported information;

b) The extent of performance gaps from targets;

c) The reasons for performance gaps; and

d) Corrective action and improvement strategies

While the internal audit function may be used to conduct these investigations, it is preferable that external service providers, who are experts in the area to be audited, should be used. Clear terms of reference will need to be adopted by the Executive Mayor for such investigation.

13.3 Internal Audit

Section 165 of the MFMA requires that each municipality must have an Internal Audit Unit, however such function may be outsourced.

Internal audit can determine the reliability, accuracy, and integrity of financial and operational information. The MSA, Section 45 stipulates that the results of performance measurements must be audited as part of the municipality's internal auditing processes.

The municipality's Internal Audit Unit should continuously assess the performance reports based on the organisational and departmental scorecards and submit a quarterly internal audit report to the Municipal Manager and Audit Committee.

The audit should include an assessment of:

a) The usefulness of performance indicators;

b) The functionality of the municipality's performance management system;

c) Whether the municipality's PMDS complies with the MSA; and

d) The extent to which the municipality's performance measurements are reliable in measuring the performance of the municipality by making use of indicators.

Auditing of performance reports must be conducted by the internal Audit Unit prior to submission to the municipality's Audit Committee and the AG.

13.4 Performance Audit Committee

The MFMA and the Municipal Planning and Performance Management Regulations require that the Council establish an Audit Committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No councillor may be a member of an Audit Committee. Council shall also appoint a chairperson who is not an employee.

The Regulations give municipalities the option to establish a separate Performance Audit Committee whereas the MFMA provides only for a single Audit Committee. The Audit Committee of KOUGA LOCAL MUNICIPALITY also fulfils the duties of the Performance Audit Committee. The operation of this Performance Audit Committee is governed by Section 14 (2-3) of the regulations.

According to the Regulations, the Performance Audit Committee must:

a) Review the quarterly reports submitted to it by the internal audit unit;

b) Review the municipality's performance management system and make recommendations in this

regard to the council of that municipality;

c) Assess whether the performance indicators are sufficient; and

d) At least twice during a financial year submit an audit report to the municipal council.

It is further proposed that the Performance Audit Committee be tasked with assessing the reliability of information reported.

In order to fulfil their function an Audit Committee may, according to the MFMA and the regulations, must:

e) Communicate directly with the Council, Municipal Manager or the internal and external auditors of the municipality concerned;

f) Access any municipal records containing information that is needed to perform its duties or exercise its powers;

g) Request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and

h) Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

13.4.1 Role of the Performance Audit Committee

The Audit Committee should also be able to commission in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. The performance investigations should assess:

a) The reliability of reported information;

b) The extent of performance gaps from targets;

c) The reasons for performance gaps; and

d) Corrective action and improvement strategies

13.5 Legislative Reporting Processes

The legislative requirements regarding reporting processes are summarised in the following table:

Time frame	MSA/ MFMA Reporting on Performance	Section
Quarterly reporting	The Executive Mayor must within 30 days after the end of each quarter submit a report to council on the implementation of the budget	MFMA S52
	The Internal Auditors must submit quarterly audited reports to the Municipal Manager and to the Performance Audit Committee	MSA Regulation 14(1)(c)
Mid-year reporting	The Performance Audit Committee must review the PMDS and make recommendations to council	MSA Regulation 14(4)(a)

Time frame	MSA/ MFMA Reporting on Performance	Section
	The Performance Audit Committee must submit a report at least twice during the year a report to Council	MSA Regulation 14(4)(a)
	The municipality must report to Council at least twice a year	MSA Regulation 13(2)(a)
	The Accounting officer must by 25 January of each year assess the performance of the municipality and submit a report to the Executive Mayor, National Treasury and the relevant Provincial Treasury.	MFMA S72
Annual reporting	The annual report of a municipality must include the annual performance report and any recommendations of the municipality's audit committee	MFMA S121 (3)(c)(j) & MSA S46
	The accounting officer of a municipality must submit the performance report to the Auditor-General (AGSA) for auditing within two months after the end of the financial year to which that report relates	MFMA S126 1(a)
	The AGSA must audit the performance report and submit the report to the accounting officer within three months of receipt of the performance report	MFMA S126 (3)(a)(b)
	The Executive 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	MFMA S127(2)
	The AGSA may submit the performance report and audit report 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 the state	MFMA S127 (4)(a)
	Immediately after an annual report is tabled in the council, the accounting officer of the municipality must submit the annual report to the AGSA, the relevant provincial treasury and the provincial department responsible for local government in the province.	MFMA S127 (5)(b)
	The council of the municipality must consider the annual report by no later than two months from the date on which the annual report was tabled, adopt an oversight report containing council's comments on the annual report	MFMA S129 (1)
	The meetings of a municipal council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, must be open to the public and any organ of the state	MFMA S130 (1)
	The Cabinet member responsible for local government must annually report to Parliament on actions taken by the MECs for	MFMA S134

Time frame	MSA/ MFMA Reporting on Performance	Section
	local government to address issues raised by the AGSA	

Table 5: MFMA Reporting on Performance

14. SUMMARY OF MUNICIPAL PERFORMANCE CYCLE

The following high level process maps summarise the key organisational and individual performance processes. These process maps should be read with the sections dealing with these performance processes:

14.1 Top Layer SDBIP



Figure 8: TL SDBIP Process Map

14.2 Departmental SDBIP



Figure 9: Departmental SDBIP Process Map

14.3 Individual Performance

14.3.1 Municipal Manager and Directors

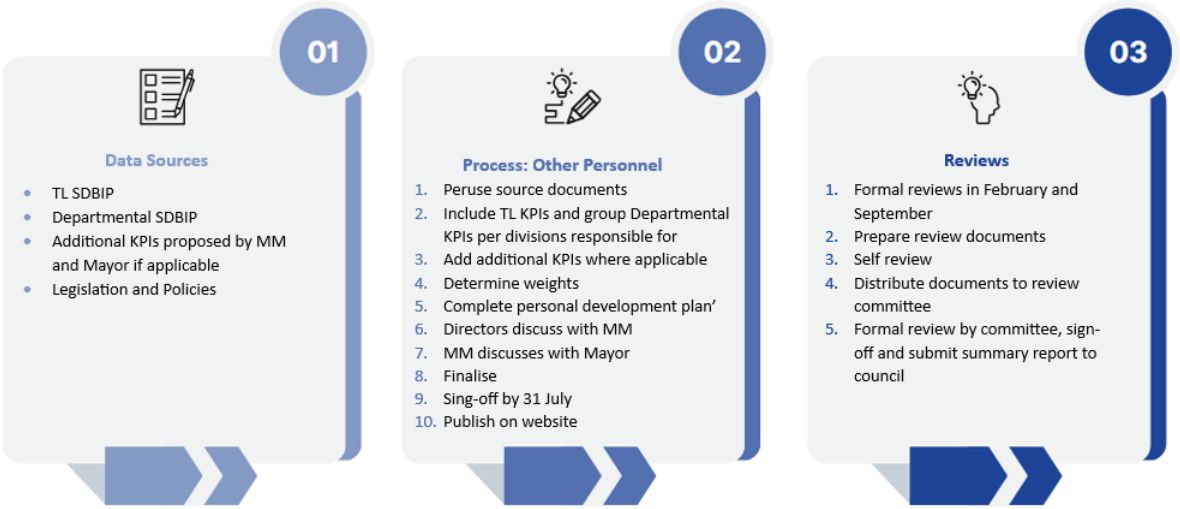


Figure 10 : Individual Performance MM & Executive Directors Process Map

14.3.2 Other Personnel

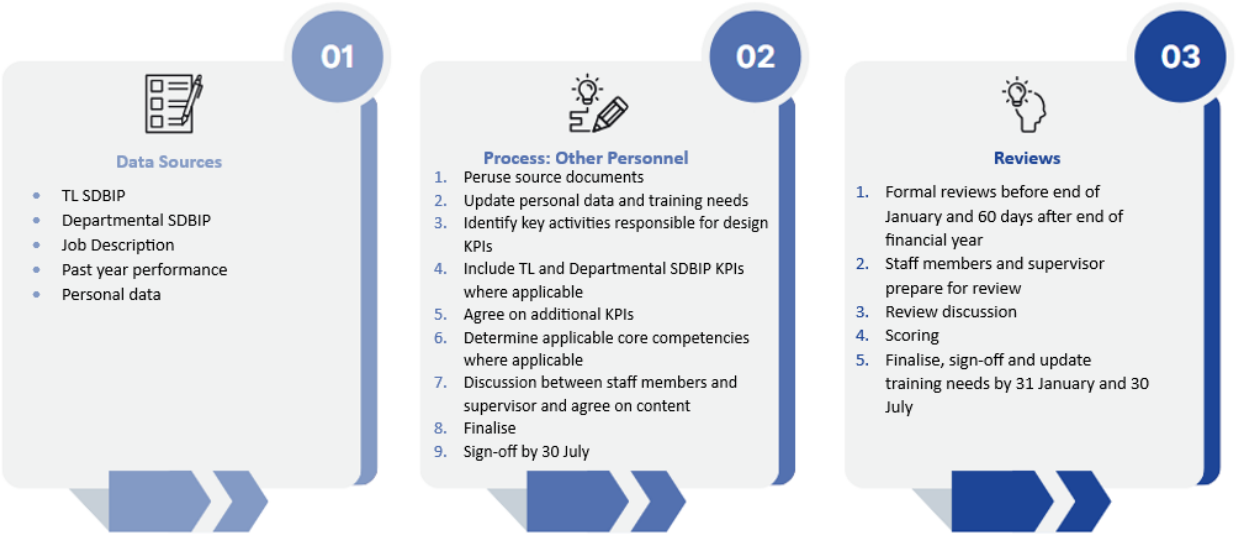


Figure 11 : Individual Performance Other Personnel Process Map

14.4 Performance Calendar

The table below indicates a high-Level summary of the annual municipal performance calendar with the various monthly actions:

Action	Activity	Comment
July		
Service Provider Performance	4th Quarter (previous financial year) service provider report Review performance of service providers	Departments to submit reports to SCM SCM to submit combined report to Council Address poor performance if needed
Performance Reporting	4th Quarter performance Report: Top Layer SDBIP (previous financial year)	Input for Annual Performance Report and Annual Report
MM / Executive Directors performance agreements	Prepare/ approval and sign	Prepare agreements ito R805 Approval and signed before 31 July KPI's aligned with SDBIP
Other Staff	Prepare/ approval and sign	Prepare agreements ito R890/891 Approval and signed before 30 July KPI's aligned with JD's Core Competencies aligned to JD's and Annexure A of the staff regulations
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS

Action	Activity	Comment
August		
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
Individual Performance (other than MM and Executive Directors)	Formal year-end review of performance	Evaluation of performance for the past 6 months ending June Document and report
IDP	IDP/IDP review Process Plan	Draft process plan to ensure proper planning and involvement of all stakeholders to identify clear objectives and key performance areas Submission to Executive Mayor and Council Approval of plan
Individual Performance (other staff)	Self-Review and Manager Review to be completed as well as identifying the personal growth and development needs	In terms of Reg 890/891 Annual evaluations completed by 29 August
Annual Performance Report	Finalise Annual Performance Report of the previous financial year	Draft report Submit to Auditor General with the financial statements Input for Annual Report
September		
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
MM/Executive Directors Performance	Final year-end performance review of the previous financial year	Review against targets agreed upon in performance agreements Document and sign-off
Individual Performance (other staff)	Previous financial year's Departmental Moderation	Departmental Moderation Committees moderate the actual results from the performance assessments conducted the previous year
October		
Service Provider Performance	1st Quarter current year service provider report Review performance of service providers	SCM to submit combined report to Council Address poor performance if needed
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
Performance Reporting	1st Quarter performance Report: Top Layer SDBIP current financial year	Submit to council and other role-players as legislated
MM/Executive Directors Performance	Informal performance discussion	How are we doing, progress and address possible shortcomings
IDP & Budget	Public participation	Consult key stakeholders / role-players Identify potential projects / needs
Annual Report	Finalise draft Annual Report (previous financial year)	Draft to be ready for submission to Auditor-General
November		

Action	Activity	Comment
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
Planning	Strategic Planning	Planning sessions with Council, MM and Executive Directors Review Mission, Vision and Values Review progress against strategic objections Review strategic direction Identify projects
December		
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
Individual Performance (other staff)	Previous financial year's Municipal Moderation	Municipal Moderation Committees moderate the actual results from the performance assessments conducted the previous year
January		
Service Provider Performance	2nd Quarter current year service provider report Review performance of service providers	SCM to submit combined report to Council Address poor performance if needed
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
Performance Reporting	Prepare and submit Mid-year performance report ito s72 of the MFMA	Submit to Executive Mayor by 25 January Submit to next Council meeting after 25 January Submit to other role-players as legislated
Individual Performance (other staff)	Discussion and Manager Review to be completed as well as identifying the personal growth and development needs	In terms of Reg 890/891, decide on actions to address and amendments/ changes to agreements
Annual Report	Submit draft report to Council	Draft submitted to Council for adoption in principle and start public participation process
February		
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
Individual Performance (other than MM and Executive Directors)	Formal review of Individual Performance (other than MM and Executive Directors)	Evaluation of performance for the past 6 months ending December Document and report
MM/Executive Directors Performance	Mid-year formal performance review	Review against targets agreed upon in performance agreements Document and sign-off
Oversight	Oversight Committee considers Annual Report	Compile oversight report for submission to council with final annual report
March		
SDBIP system reporting	Update actual results on SDBIP	Actions to address GAPS

Action	Activity	Comment
	system	
IDP	Draft IDP/IDP review to Council	Include clear objectives and targets
Budget	Draft Budget to Council	Budget aligned with IDP to address IDP objectives
Top Layer SDBIP	Draft Top layer SDBIP	Submit to council for information purposes with draft budget
Annual Report	Final Annual Report submitted to council	Public comment considered Oversight committee report submitted
April		
Service Provider Performance	3rd Quarter current year service provider report Review performance of service providers	SCM to submit combined report to Council Address poor performance if needed
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
Performance Reporting	3rd Quarter performance Report: Top Layer SDBIP current financial year	Submit to council and other role-players as legislated
IDP & Budget	Public participation	Obtain public input on draft documents and consult key stakeholders
MM/Executive Directors Performance	Informal performance discussion	How are we doing, progress and address possible shortcomings
May		
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
IDP & Budget	Approval of IDP/IDP review and Budget	Submit final documents to Council
SDBIP	Departmental SDBIP development for the new financial year	Workshops with departments Address departmental responsibilities, key activities, challenges and risks; inputs and timeframes
Individual Performance	Update the Work Place Skills Plan	Align needs with the skills as per mid-year performance reports
June		
SDBIP system reporting	Update actual results on SDBIP system	Actions to address GAPS
Top Layer SDBIP	Top Layer SDBIP approval	Top Layer SDBIP to be submitted to Executive Mayor within 14 days after budget approval Approval by Executive Mayor within 28 days after budget approval
SDBIP	Approval of departmental SDBIP	Submit final to the MM for approval

Table 6: Performance Calendar

The proposed performance management framework is aimed at guiding the municipality in the development of a performance management system which will contribute to improving the municipal performance and enhance service delivery. The framework is developed to provide details which describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.

The process of implementing PMDS must be seen as a learning process, where we are continuously improving the way the system works to fulfil the objectives of the system and address the emerging challenges from a constantly changing environment.

15. ROLES AND RESPONSIBILITIES

The following table indicates the roles and responsibilities of the stakeholders in performance planning, measurement and analysis and performance reporting and reviews:

ROLE PLAYER	ROLES AND RESPONSIBILITIES
Municipal Council	The Municipal Council adopts and approves amongst others the following: • A process plan to guide the planning, drafting, adoption and review of the IDP; • The IDP including organisational indicators and targets; • Changes to the IDP, organisational indicators and targets; • The Performance Management Policy Framework; and • Oversight mechanisms and structures • Establishment of the Municipal Moderation Committee
Executive Mayor	The responsibility of the Executive Mayor includes amongst others the following: • Identifies, reviews and evaluates the municipality's needs in order of priority; • Recommend strategies, projects and services to the Council in order to address priorities; • Concludes the performance agreement, including measurable key performance indicators (KPI's) and targets for the Municipal Manager; • Performance evaluations of the Municipal Manager; • Ensures the performance agreements of Section 57 employees are made public; • Approves the Top Layer SDBIP and municipal projects as per the IDP; and • Presents the mid-year and annual report to Council.
Executive Committee	The responsibilities of the Executive Committee include amongst others the following: • Provide strategic awareness and manage the development of the IDP and PMDS; and • Monitor progress via portfolio Committee meetings and advise the Executive Mayor accordingly.
Portfolio Committees	The responsibilities of the Portfolio Committees includes amongst others the following:

ROLE PLAYER	ROLES AND RESPONSIBILITIES
	• Monitor and make recommendations on the implementation of the municipal strategy; • Monitor make recommendations on the implementation of the IDP; and • Monitor make recommendations on the implementation of the SDBIP.
Municipal Manager (MM)	The responsibility of the Municipal Manager includes amongst others the following: • Provide strategic direction and develop strategies and policies for the organisation; • Manage the development and implementation of the IDP; • Development of the PMDS; • Identify indicators and set targets; • Ensure that KPI's are useful and relevant; • Submission of the draft Top Layer SDBIP to the Executive Mayor; • Manage the implementation of the PMDS; • Conclude performance agreements, including measurable KPI's and targets for Municipal Manager and Directors; • Monitor the implementation of the IDP and the PMDS, identifying risks early; • Performance evaluations of the Municipal Manager and Directors; • Ensure that regular monitoring, measurement and analysis of performance information takes place and ensure performance reporting is done in terms of legislation; • Propose response strategies to the Executive Mayor and Council; and • Co-ordinate the compilation of the Mid-year and Annual reports • Determine the process for keeping of POE's
Directors	The responsibilities of the Directors includes amongst others the following: • Assist in providing strategic direction and developing strategies and policies for the organisation; • Assist the Municipal Manager with the development and implementation of the IDP; • Ensure that their performance agreements are inclusive and that mandatory KPI's are included as per legislative requirements; • Ensure that performance information complies with the SMART (specific, measurable, achievable, relevant and time-bound) principles and audit standards of the AGSA; • Ensure that accurate, reliable and evidenced performance results are provided for performance monitoring on a monthly and quarterly basis; • Ensure that evidence to support the performance achievements is collected, stored and submitted for internal and external audit purposes; • Conclude performance agreements, including measurable key performance indicators and targets for immediate subordinates (Division Heads / Managers) and performance development plans for lower level staff where applicable; and • Performance evaluation of immediate subordinates (Division Heads / Managers) and lower level staff where applicable.
Directors/Managers	The responsibilities of the Division Heads include amongst others the following:

ROLE PLAYER	ROLES AND RESPONSIBILITIES
	e) Ensure that their performance agreements are inclusive and that mandatory KPI's are included as per legislative requirements; • Ensure that performance information complies with the SMART (specific, measurable, achievable, relevant and time-bound) principles and audit standards of the AGSA; • Ensure that accurate, reliable and evidenced performance results are provided for performance monitoring on a monthly and quarterly basis; • Ensure that evidence to support the performance achievements is collected, stored and submitted for internal and external audit purposes; • Draft performance agreements, including measurable KPI's and targets for subordinates and performance development plans for lower level staff where applicable; and • Performance evaluation of all employees within the division; • Mentoring and coaching is being conducted in order to promote skills development
Supervisors	The responsibilities of the Supervisors include amongst others the following: • Ensure that performance information complies with the SMART (specific, measurable, achievable, relevant and time-bound) principles and audit standards of the AGSA; • Ensure that accurate, reliable and evidenced performance results are provided for performance monitoring on a monthly and quarterly basis; • Ensure that evidence to support the performance achievements is collected, stored and submitted for internal and external audit purposes; • Draft performance agreements, including measurable KPI's and targets for subordinates and performance development plans for lower level staff where applicable; and • Performance evaluation of all employees reporting to; • Mentoring and coaching is being conducted in order to promote skills development.
Other Staff	The responsibilities of the other staff members include amongst others the following: • Assist with the draft performance agreements, including measurable KPI's and targets are agreed upon and signed-off • Ensure that accurate, reliable and evidenced performance results are provided for performance monitoring on a monthly and quarterly basis; • Ensure that evidence to support the performance achievements is collected and stored for submission to the supervisor for performance assessments; • Ensure that skills acquired are submitted to the responsible supervisor or HR for updating the PDP
Performance Management Section	The responsibilities of the Performance Management Section includes amongst others the following: • The implementation of the Performance Management Policy Framework; • Co-ordinate and ensure good quality of performance reporting and reviews on an ongoing basis; • Ensure conformity to reporting formats and verify the reliability of reported

ROLE PLAYER	ROLES AND RESPONSIBILITIES
	information, where possible; • Prepare the quarterly Top Layer SDBIP performance reports for submission to Council; • Render municipal wide support with updating of actual performance and correcting of performance information; and • Render municipal wide support and assistance with the drafting of individual performance agreements and performance development plans including the development of measurable individual KPI's and targets • Conducting workshops to facilitate understanding of the system and its application in defining and measuring organisational goals and accomplishment; • Ensure skills gaps are addressed through the focused training of employees
Human Resources Division	The responsibilities of the Human Resources Section includes amongst others the following: • The implementation of Individual Performance throughout the organisation • Ensuring that individual performance are conducted within the prescribed timeframes • Ensure record keeping of performance management results • Ensuring that JD's are maintained and aligned with the Performance Agreements • Updating of the Work Place Skills Plan in line with skills development needs as determined by the PDP's • Ensure that the performance management and development system is collaborative, transparent and fair • Establish a consistent system in collaboration with the MM record keeping related to the performance of all staff throughout the organisation • Ensure moderation committees are established for departmental moderation municipal moderation • Establish processes to manage substandard performance • Provide secretariat services to the Senior Managers Evaluation Committees • Provide secretariat services to the Municipal Moderation Committee • Attend all Municipal Moderation Committees • Report on the actual performance on moderating (mid-year report on performance results to the EXCO) • Oversee the effective implementation of mentoring coaching
Internal Audit	The responsibilities of Internal Audit includes amongst others the following: • Quarterly audit the performance measurement of the municipality; • Submit quarterly reports on their audits to the Municipal Manager and the Audit Committee; and • Provide input to management in terms of the quality of the performance indicators.
Performance Management Steering Committee	The responsibilities of the Steering Committee includes amongst others the following: • Oversee or directly responsible for the compilation of all inter-municipality documentation regarding the PMDS, including explanatory briefs and performance monitoring and evaluation forms for the staff appraisals • Review this policy from time to time and make recommendations to council to

ROLE PLAYER	ROLES AND RESPONSIBILITIES
	ensure the development of mechanisms, systems and processes for performance monitoring, measurement and review to champion the development of the system down to other staff levels; • Make recommendations and oversee synergizing of the IDP, Budget and PMDS processes; • Link all PMDS actions to specific timeframes; • Policy reflects the PMDS as it unfolds.
Performance Management Audit Committee	The responsibilities of the Audit Committee includes amongst others the following: • Review the quarterly reports submitted by Internal Audit; • Review the PMDS of the municipality and report to the Council in this regard; and • Submit an audit report to Council at least twice a year; • The full Audit Committee has been appointed as the Performance Audit Committee by Council resolution; • May request any Municipal documentation to investigate if it deems necessary; • May conduct any special meetings called by its members if required; • Consults directly with the Municipal Manager; • Must determine its own procedures in consultation with the Executive Mayor; • May officially request any person to attend the meeting
Municipal Public Accounts Committee	The responsibilities of the Municipal Public Accounts Committee includes amongst others the following: • In terms of Section 129, within two months from the date of tabling of the annual report, must adopt an oversight report containing the council's comments, which must include a statement whether the council: a. has approved the annual report with or without reservations; b. has rejected the annual report; or c. has referred the annual report back for revision of those components that can be revised • In terms of Section 132, the following documents must be submitted by the accounting officer to the provincial legislature within seven days after the municipal council has adopted the relevant oversight report: • The annual report (or any components thereof) of each municipality and each municipal entity in the province; and • All oversight reports adopted on those annual reports. It is important to note that the oversight committee working with these reports should be chaired by the MPAC.
Departmental Moderation Committees	The responsibilities of the Municipal Moderation Committee include amongst others the following: • Conduct moderation of annual staff performance results in order to ensure that the norms and standards for performance management and development systems are applied in a fair, realistic and consistent manner across the department; • Assess and compare the performance and contribution of each staff member with his or her peers towards the achievement of departmental goals; • Ensure fairness, consistency and objectivity with regard to dispersal of performance recognition and ratings achieved for a common understanding amongst supervisors of the performance standards required at each level of

ROLE PLAYER	ROLES AND RESPONSIBILITIES
	the performance rating scale; • Determine the cost implications for recognition of performance of all staff members within the department; • Recommend the moderated performance scores for all staff members to the municipal moderating committee for approval; • Ensure that performance rewards are based on affordability; • Consider the impact of the performance assessments on financial rewards and options for various forms of recognition; • Recommend performance rewards as well as remedial actions for performance considered to be below effective performance; and • Ensure that the integrity of the performance management and development system is protected.
Municipal Moderation Committee	The responsibilities of the Municipal Moderation Committee include amongst others the following: • Provide oversight over all staff performance management and development system to ensure the performance management process is valid, fair and objective • Moderate the overall performance assessment score for staff determined after the departmental moderation process • Ensure that the final individual performance ratings are fair across each grade and department or Head of Department • Ensure that the final individual assessment outcome corresponds with the performance of the municipality and the relevant department aligned to the staff members job description or Head of Department before any recognition of performance is considered • Determine the percentages for the merit based rewards subject to affordability and the annual approved municipal budget in terms of section 16 of the Municipal Finance Management Act; • Recommend appropriate recognitions for different levels of performance; • Recommend appropriate remedial actions for performance believed to be substandard; • Advise the municipality on recognition of performance, including financial and non-financial rewards, where applicable; • Identify potential challenges in the performance management system and recommend appropriate solutions to the Municipal Manager; • Identify developmental needs for supervisors to improve the integrity of the performance management and development system; and • Consider any other matter that may be considered relevant.
Community	The responsibilities of the Community include amongst others the following: • Provides inputs during the analysis phase to the IDP in order to inform the priority targets • Monitor the Top Layer SDBIP and performance during the year on a quarterly basis • Review the Annual Report • Keep Council accountable for performance on an annual basis

Table 7: Roles and Responsibilities

ABBREVIATIONS

AGSA	Auditor-General of South Africa
CAPEX	Capital Expenditure
CBP	Community Based Planning
CCF	Core Competency Framework
CCR	Core Competency Requirements
CFO	Chief Financial Officer
EE	Employment Equity
ED	Executive Director
HOD	Head of Department
HR	Human Resources
IA	Internal Auditor
IDP	Integrated Development Plan
JD	Job Description
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
EC	Executive Committee
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MM	Municipal Manager
MMC	Member of Executive Committee
MPAC	Municipal Public Accounts Committee
MSA	Municipal Systems Act No. 32 of 2000
mSCOA	Municipal Standard Chart of Accounts
NGO	Non-governmental organisation
NT	National Treasury
NTFMPPI	National Treasury Framework for Managing Programme Performance Information
OPEX	Operating expenditure

PDO	Pre-determined Objectives
PDP	Personal Development Plan
PMDS	Performance Management System
POE	Portfolio of Evidence
PT	Provincial Treasury
SALGA	South African Local Government Organisation
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
Senior Manager	Municipal Manager and Directors
SMT	Strategic Management Team
SOP	Standard Operating Procedure
TID	Technical Indicator Description
TL	Top Layer

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
MUNICIPAL BY-LAWS AND POLICY COMMITTEE
OPEN
DATE: 31 MARCH 2025
ITEM NO:**25/03/BP2**

DRAFT 240 LITRE BIN MANAGEMENT POLICY

1. **Introduction**

The purpose of this item is to request the Council to approve the Draft 240 Litre Bin Management Policy.

2. **Background**

The Draft 240 Litre Bin Management Policy was workshopped on 21 November 2024 and was reviewed by the Municipal By-Laws and Policy Committee on 20 February 2025, with a recommendation that Draft 240 Litre Bin Management Policy be submitted to Council for approval.

3. **Discussion**

The Draft 240 Litre Bin Management Policy 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	

5. **Applicable Legislation**

Applicable legislation is contained on pages 4 and 5 of the attached draft Policy.

6. **Legal Implications**

Should Council approve the Draft 240 Litre Bin Management Policy, the Policy will be effective from date of the Council resolution approving the Draft 240 Litre Bin Management Policy.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Item noted.

8.2 **Director: Planning & Development**

Item noted.

8.3 **Director: Civil & Water Services**

Item noted.

8.5 **Director: Electro-Mechanical Services**

Item 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 Draft 240 Litre Bin Management Policy be approved by Council.

10.2 That the Draft 240 Litre Bin Management Policy be published on the Kouga Website.

Item noted by the: Municipal By-Laws and Policy Chairperson 

KOUGA LOCAL MUNICIPALITY

(EC108)

240 LITRE BIN MANAGEMENT POLICY

OCTOBER 2024

Document Control

Policy Title:	240 Litre Bin Management Policy, 2024
Reference Number:	
Previously Approved:	17 April 2019
Directorate Responsible:	Community Services
Version:	
Status of the Document:	
Review Date:	18 May 2022
Approved	
Council Resolution	

Reviewed: 00.00.0000
Recommended by Policy Workshop: 00.00.0000
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Item No.: 00.00.0000

TABLE OF CONTENTS

1. DEFINITIONS 3
2. ABBREVIATION 4
3. PREAMBLE 4
4. RELATED LEGISLATION AND DOCUMENTATION 4
5. POLICY CUSTODIAN 5
6. POLICY PRINCIPLES 5
7. POLICY OBJECTIVES 5
8. APPLICATION & SCOPE 6
9. BIN ORDERING PROCESS 6
10. COST OF BINS 7
11. RESPONSIBILITY TO KEEP ADEQUATE BIN STOCK LEVELS 7
12. ACCOUNTING OF BINS 7
13. QUANTITY OF BIN/S ISSUED TO CUSTOMERS 7
14. RECONCILIATION AND REPORTING 8
15. BIN MANAGEMENT GUIDELINES 8
16. REQUESTING BINS FOR EVENTS 9
17. DAMAGED, STOLEN & ADDITIONAL BIN APPLICATION 9
18. OWNERSHIP OF THE BIN 9
19. MONITORING & EVALUATION/REVIEW 9
20. ACCOUNTABLE DEPARTMENT 10
21. RESPONSIBILITY FOR POLICY IMPLEMENTATION 10
22. POLICY EFFECTIVE IMPLEMENTATION DATE 10
23. VALIDITY OF THE POLICY DOCUMENT 10

Reviewed: 00.00.0000
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1. DEFINITIONS

(1) In this policy, unless the context otherwise indicates –

"**Approved waste receptacle**" means a disposable or re-usable receptacle approved by the Council from time to time in which waste is placed for the purposes of storing, accumulating, handling, transporting, treating or disposing of that waste, and includes approved bins and skips;

"**Bin**" means approved receptacle with or without wheels, designated solely for the purpose of temporary storage of waste at generation points. The receptacle storage capacity may be of varying sizes such as a 240 litre or any other container prescribed by Kouga Local Municipality;

"**Commercial service**" means-

(a) the collection and transportation of commercial business waste and general business waste, but does not include transportation by a generator of its own waste; or

(b) the conducting or undertaking of a waste management activity within the jurisdiction of the Council which requires a waste management licence; or

(c) the collection, transportation, sorting, storage, recycling or recovery of waste with the intention of making profit but does not include transportation by a generator of its own domestic waste which is recyclable waste; or any person collecting, sorting, storing or transporting recyclable waste on behalf of a bona fide non-governmental organization;

"**Container/ Skip**" means large receptacle utilized at Kouga local municipality to store and transport waste;

"**Customer**" includes both residential and non-residential customers of KLM within its jurisdiction;

"**Damaged Bin**" means any bin with missing and/ or malfunction parts rendering it difficult to empty quickly with a waste removal truck;

"**Free standing residential properties**" means a residential dwelling that stands independently from other structures.

"**Sectional title properties**" means a property that forms part of a group-owned complex or development.

"**Tariff"** means a tariff of charges as determined by the Council as per approved budget.

"240 litre Bin (Wheelie bin)" means a bin with wheels, marked and owned by KLM.

2. ABBREVIATION

"**C&SSD**" means Community & Safety Services Directorate

"**HOD**" Head of Department.

"**MFMA**" means the Municipal Finance Management Act (MFMA) (Act No. 56 of 2003)

"**KLM**" Kouga Local Municipality.

3. PREAMBLE

(1) The primary responsibility of a Municipality is to deliver services in line with the prescribed legislation and statutory requirements that govern its operations. To achieve this, Kouga Local Municipality (KLM) has adopted the relevant applicable legal and statutory framework that guides the conduct of its business, including the by-laws stipulated by KLM to ensure the provision of the municipal services in a manner and form consistent with the constitutional and legislative imperatives imposed on Kouga.

(2) Waste collection and disposal are some of the core services rendered by KLM to the greater Kouga communities and these services are vital to the health and well-being of all people and the conservation and protection of the environment. While waste management services provided are generally of a high standard, there is always a need to strive for continual improvement to ensure that world class service is rendered and maintained through implementation of internal policies and procedures, within the financial capacity of KLM.

(3) Bins that are used as receptacle for refuse storage, need to be properly managed to ensure continual uninterrupted effective and efficient service delivery to the residents of Kouga. This policy is meant to address all activities related to bin management processes including its custodian.

4. RELATED LEGISLATION AND DOCUMENTATION

(1) The policy is linked to and derives from:

(a) National Environmental Management Act (Act No. 107 of 1998);

(b) Environmental Conservation Act (Act no. 73 of 1989);

(c) National Environmental Management: Waste Act (Act No. 59 of 2008);

(d) Municipal Finance Management Act ("MFMA") (Act No. 56 of 2003);

(e) Municipal Systems Act ("MSA") (Act No. 32 of 2000);

(f) The National Health Act (Act 61 of 2003);

(g) The Constitution of South Africa Act (Act 108 of 1996).

5. POLICY CUSTODIAN

(1) The Community & Safety Services Directorate (CSSD) is the custodian of this policy, and the CSSD would ensure that bins are appropriately managed and distributed to residents/customers timeously. CSSD must keep records of stock on hand, manage bin re-order level, distribute bins to customers/residents and ensure that bins are timeously ordered from a suitable service provider and delivered for distribution. They will also ensure that all necessary documents related to bin management are completed and filed accordingly in compliance with its record keeping obligations. The CSSD will be responsible for managing the stock level on hand (re-order level) and ensuring that enough bins are always available ~~in stock~~ for routine bin-related activities.

6. POLICY PRINCIPLES

(1) This policy embodies the principles enshrined in the Municipal Finance Management Act (MFMA) (Act no.56 of 2003) and other relevant legislation which underpins the financial governance of municipalities, and all other regulations as outlined above which seeks to achieve a common goal of promoting basic universal access to waste disposal services that are affordable to all. This policy also aims to enable KLM to move progressively towards the social and economic upliftment of the community.

(2) The principles that have been adopted are to recognize effective management of wheelie bins as the key instrument to meet its strategic objectives and community expectations in respect of the services contemplated in this policy.

7. POLICY OBJECTIVES

(1) This policy sets out statements that will enhance operational and financial efficiency in the process of employing the resources allocated to acquire, distribute, record and manage the wheelie bins. The benefits of such efforts are not limited to ensuring

that KLM is financially viable and that municipal services are provided sustainably, economically and equitably to all communities within its area, in line with the MFMA and KLM's Waste Management By-laws.

(a) To incorporate this policy into the municipal waste management by-law;

(b) To increase resident's satisfaction with the place where they live, and reduce harm to health, nuisance and pollution of the environment.

(c) To encourage people to recycle and have lawful arrangements in place with regards to collection and disposal (or recovery) of the controlled waste they produce.

(d) Providing guidelines that employees must follow in the management and control of bins, including safeguarding and disposal thereof.

(e) Implementation of internal controls to standardize methods of accounting for bins throughout the Municipality to minimize inconsistencies that have a direct and indirect impact on KLMs ability to carry out its mandate.

8. APPLICATION & SCOPE

(1) This policy deals with internal bin management processes to be followed to ensure that enough wheelie- and skip bins are held in stock to be able to meet residents/customer's demand.

(2) The waste collection process including the guidelines of the collection days, time and frequency of collection is addressed in the Waste Management By-law.

(3) This policy is applicable to all employees who are directly responsible for the bin management process, and it should be applied to all customers' requests.

(4) The principles detailed in this policy also apply to the management of skip bins.

9. BIN ORDERING PROCESS

(1) The CSSD shall compile the annual roll-out plans for bin acquisitions to be used as input to inform bin quantity requirements annually. The Waste Management section shall submit to the HOD: CSSD their annual bin roll-out plan at the beginning of each financial year. CSSD will then ensure that enough bins are ordered as proposed by the annual roll-out plan, taking into account the size of KLM's storage facilities. Any additional roll out request should be made at least 90 days before the roll out plan to allow CSSD enough time to process the order.

(2) Bin roll-out by KLM has commenced and will continue on an ad-hoc basis, as more new placements, replacements or additional placements are applied for.

(3) CSSD shall evaluate and compile the quarterly report of the number of bins required for normal routine requests from the customers (based on queries received) and for

commercial service (i.e. businesses) requests. This report will also provide guidance in setting out the bin re-order level.

(4) CSSD shall be responsible for ensuring that there are always enough bins in stock for all planned and unplanned customer requests and responsible for skip management. All bins provided and serviced by KLM shall be appropriately marked.

10. COST OF BINS

(1) Municipal tariffs are reviewed annually and recorded in KLM's Tariff and Budget Policy, and the cost of the bin will be determined by the changes in the tariffs. A customer who wishes to purchase a wheelie bin would have to contact CSSD for the cost of the bin.

11. RESPONSIBILITY TO KEEP ADEQUATE BIN STOCK LEVELS

~~(1)~~ It is the responsibility of CSSD to ensure that there is an adequate supply of bins for service delivery. The Waste Management Section should ensure that roll-out plans are revised regularly to cater for changes that will affect the quantities of bins required.

(2) Minimum and maximum levels of bins stock shall be monitored by CSSD to ensure that wheelie bin Stock levels are kept at a satisfactory level and wheelie bin replenishments are done regularly and timely (with due consideration to order and delivery time).

(3) Stock levels on hand should be equivalent to three months' quantities **[a minimum stock level of 200 units]** of the required bin supply, to ensure that there are no service disruptions over a considerable period should there be stock delay or any challenges based on unforeseen circumstances.

(4) The CSSD shall initiate the order with a suitable service provider immediately once the levels of bins on hand reach re-order levels, being below 200 units.

12. ACCOUNTING OF BINS

(1) The bins should be accounted for in line with the applicable accounting standard of GRAP (Generally Recognized Accounting Practice).

13. QUANTITY OF BIN/S ISSUED TO CUSTOMERS

13.1. Free- standing residential properties

(1) Only one (1) wheelie bin will be issued to a free-standing residential property at each given period. This requirement does not apply to commercial services.

13.2. Businesses and sectional title properties

(1) For sectional title properties (i.e. complex), due to their high number of units, the total number of bins that may be issued is calculated by taking the total number of

units within the complex and dividing it by 3. For example, if a complex has 12 units, 4 wheelie bins can be issued to that complex (12 units / 3 = 4 Bins). Estates where each unit is a free-standing residential unit, one (1) bin may be issued per property.

(2) Businesses may request the number of wheelie bins they require too adequately store their waste, bearing in mind that the refuse collection tariff with be applied to the number of wheelie bins issued to a business.

(3) Customers must ensure that they have sufficient storage space for the wheelie bins issued as well ensuring that bins for collection are placed where they are easily visible and accessible for the ingress and egress of refuse trucks, as contemplated in the Waste Management By-law.

(4) For customers who might require additional bins, CSSD might provide such additional bins at the customer's cost on application.

14. RECONCILIATION AND REPORTING

(1) The CSSD official shall compile bin reconciliation reports to indicate the number of bins issued to customers and the balance on hand. Reconciliations should be reviewed and used for future planning. Regular stock taking should be performed to ascertain on hand stock and reconciled against the existing records for the purposes of compiling the reconciliation reports.

15. BIN MANAGEMENT GUIDELINES

(1) Only the property owner or the managing agent of a complex or the chairperson of the homeowners' association of a residential estate may apply for a bin. Tenants require a letter of authority from the owner or managing agent when applying for a bin.

(2) The bin/s must not leave the boundary of the property and must only be taken out on days of refuse collection. Bins must be returned to the property as soon as reasonably possible to ensure that bins are not lost, damaged, or stolen.

(3) KLM reserves the right to determine the type of service, the minimum or maximum number of bins and the frequency of services to be rendered.

(4) Only KLM may service or remove bins/containers owned by the municipality.

(5) Only approved bins, as contemplated in the Waste Management By-law may be used to store and collect refuse.

(6) The bins should only be used for the storage of waste and no other usage. Bins will be confiscated when used for other purposes or used illegally.

16. REQUESTING BINS FOR EVENTS

(1) Event organizers may request bins from KLM in writing addressed to the Manager of Waste and Environmental Management.

(2) The event organizers, upon approval of the request, are responsible for the bins while in their care. This includes the safeguarding, storage, cleaning and returning the bins to the municipality.

(3) KLM may request a deposit to be paid in respect of the loaned bin, as contemplated in section 10 of the Waste Management By-law.

17. DAMAGED, STOLEN & ADDITIONAL BIN APPLICATION

(1) Businesses and residential properties that generates a higher volume of waste and that requires extra capacity for waste storage, over and above quantity of bins provided in terms of section 13 herein, may apply for additional bins which are collected at an additional cost as contemplated in the Tariff Policy. The additional cost of a bin as well as the servicing of the additional bin/s will be in line with the waste tariffs as set out by KLM.

(2) Replaceable and damaged bins should be returned to KLM to the Manager of Environmental and Waste Management within the CSSD, and details of such bins must be documented in a register to inform the annual roll-out plans. The replaced or damaged bins will be recycled and scrapped from the system.

(3) Stolen bins must be reported to the nearest police station and a case number supplied to the relevant CSSD official when reporting a stolen bin and requesting a replacement. The customer will be charged for replacement of the stolen bin unless it can be proved that the customer took all reasonable steps to safeguard the bin, in compliance with the Waste Management By-laws.

~~(4)~~ Damaged bins will be replaced at cost to the customer, unless the customer can prove that it was damaged by a CSSD employee, notwithstanding safeguarding efforts by the customer.

18. OWNERSHIP OF THE BIN

(1) All bin/s issued by KLM contemplated in this policy shall remain an asset of KLM.

(2) The bin/s are allocated to the property, linked to a specific bin-issue serial number, and not to the person/s staying at the property.

(3) If a customer sells or moves out of the property, the bin/s must remain at the address it was allocated to.

19. MONITORING & EVALUATION/REVIEW

(1) Monitoring and evaluation of this policy shall be performed throughout the period and shall entail assessment of the extent to which objectives of the policy were achieved, compared to the situation before the policy was implemented.

(2) This policy shall be reviewed annually.

(3) Any limitations and hindrances to implementing the policy shall be identified and solutions shall be solicited to address those challenges. Any new changes shall be incorporated into the policy and the amended policy shall be appropriately approved and implemented.

20. ACCOUNTABLE DEPARTMENT

~~(1)~~ The CSSD is responsible for the contents, update, and amendment to this policy. The Municipal Manager is accountable for overall policy implementation and reserves the right to intervene and take necessary steps when the policy is not adhered to.

21. RESPONSIBILITY FOR POLICY IMPLEMENTATION

(1) All departments in the bin value chain are responsible for effective implementation of this policy.

(2) It is the responsibility of CSSD to ensure that:

(a) Orientation and training to departments (managers on all levels) on the bin policy, where required; and
(b) Monitoring and managing the annual bin roll-out plans of Kouga.

22. POLICY EFFECTIVE IMPLEMENTATION DATE

(1) This policy shall take effect on the day of the Council approval.

23. VALIDITY OF THE POLICY DOCUMENT

(1) In the event of any doubt about the authenticity of a policy document, the document signed by the Municipal Manager shall be considered or confirmed as the only document approved by council in respect of the subject matter.

Approved on: xx

Council Resolution No: xx

Workshopped on: xx

Reviewed: 00.00.0000
Recommended by Policy Workshop: 00.00.0000
Version approved by Council: 00.00.0000
Item No.: 00.00.0000

Approved on: xx

Council Resolution: xx

_____

C DU PLESSIS

MUNICIPAL MANAGER DATE: _____

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
MUNICIPAL BY-LAWS AND POLICY COMMITTEE
OPEN
DATE: 31 MARCH 2025
ITEM NO: **25/03/BP3**

REVISED PAUPER & SOCIAL BURIAL POLICY

1. **Introduction**

The purpose of this item is to request the Council to approve the Reviewed Pauper & Social Burial Policy.

2. **Background**

The Reviewed Pauper & Social Burial Policy was workshopped on 21 November 2024 and was reviewed by the Municipal By-Laws and Policy Committee on 20 February 2025, with a recommendation that the Revised Pauper & Social Burial Policy be submitted to Council for approval.

3. **Discussion**

The Reviewed Pauper & Social Burial Policy 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	

5. **Applicable Legislation**

The Constitution
National Health Act No. 61 of 2003, Regulations.

6. **Legal Implications**

None

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Item 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**

Supported

8.6 **Deputy Municipal Manager**

Supported.

8.7 **Municipal Manager**

Supported.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That the Reviewed Pauper & Social Burial Policy be approved by Council.

10.2 That the Reviewed Pauper & Social Burial Policy be published on the Kouga Website.

10.3 That the previously approved Pauper & Social Burial Policy be repealed and replaced by the reviewed Pauper & Social Burial Policy.

Item noted by the: Municipal By-Laws and Policy Chairperson 

KOUGA LOCAL MUNICIPALITY

(EC108)

PAUPER & SOCIAL BURIAL POLICY (REVIEW)

OCTOBER 2024

Document control	
Policy title:	Pauper & Social Burial Policy (review), 2024
Reference number:	
Date first approved:	29 May 2015
Document custodian:	Community & Safety Services
Department:	Waste & Environmental Management
Reviewed:	30 November 2017

Reviewed: 00.00.0000
Recommended by Policy Workshop: 00.00.0000
Version approved by Council: 00.00.0000
Item No.: 00.00.0000

TABLE OF CONTENTS

1.	Interpretations / Definitions	3-4
2.	Policy Objectives	4
3.	Disposal of Body	4
4.	Pauper & Social Burials	5
5.	Standard Operating Procedure for Pauper Burials	5-6
6.	Monitoring & Evaluation / Review	7
7.	Accountable Departments	7
8.	Policy Effective Implementation Date	7
9.	Validity of the Policy Document	7

Reviewed: 00.00.0000
Recommended by Policy Workshop: 00.00.0000
Version approved by Council: 00.00.0000
Item No.: 00.00.0000

PAUPER AND SOCIAL BURIAL POLICY

The policy on Paupers and Social Burials will be a guide to Council, Officials, Individuals, Community and Funeral Undertakers on the handling of the above.

1. INTERPRETATION/ DEFINITIONS

For the purpose of this policy, the following terms are defined relating to pauper & social burials –

" All inclusive"	means inclusive of VAT, coffins, graves, collection (transport) costs, storage costs, burial costs.
"Adult"	means a deceased person over the age of 12 years.
"Approved funeral undertaker"	means a funeral undertaker's premises in respect of which a Certificate of Competence has been issued by an Environmental Health Practitioner of Kouga Local Municipality in terms of the "Regulations Relating to the Management of Human Remains (R363 of 22 May 2013)"
"Body"	means the remains or any portion of any deceased person.
"Certified"	means a signed affidavit by a Commissioner of Oath specifying that a family member(s) is/are known to him/her and that he/she/they/is/are destitute.
"Cemetery"	means any land or part thereof which the municipality duly set aside as a cemetery.
"Child"	means a deceased person who is not an adult;
"Crematorium"	means a crematorium for the incineration (cremate) of a body.
"Destitute"	means without any income or financial means.
"Indigent person"	means a destitute person who has died, or if no relative or other person can be found to bear the burial costs of such deceased person.

"Officer in Charge"	means an Environmental Health Practitioner in the employment of Kouga Local Municipality.
"Pauper"	A pauper or destitute corpse is defined as a deceased person without a next of kin or an unclaimed body or whose next of kin can verify inability to afford funeral expenses due to poverty conditions that exist within that family.
"Pauper Burial"	A pauper burial is defined as a process of ensuring that the burial of a pauper or destitute corpse is executed by the relevant Local Authority in a human dignified manner by making sure that all the basic requirements needed to bury a deceased person are considered.
"Social burial"	means a social service provided by Kouga Local Municipality for the destitute / indigent residents.
"State Institution"	means a Police Mortuary or State Hospital.
"Working hours"	from Monday to Friday as determined from time to time by Kouga Local Municipality to be normal working hours.

2. POLICY OBJECTIVES

2.1 To make sufficient provision for the bodies of the destitute (paupers) to be buried.
2.2 To make provision for the assistance of the poorest of the poor to be buried.
2.3 To differentiate between certain criteria of the deceased.
2.4 To have guidelines when approached for assistance in terms of these burials.
2.5 To assist with the social and economic difficulties of communities within Kouga Municipality.

3. DISPOSAL OF BODY

3.1. No person shall dispose of or attempt to dispose of a body other than in a cemetery or cremation in a crematorium.
3.2. If that person is an unknown person the Municipality will take possession of the body and keep it through its agent 'Funeral Undertaker' for at least three months, in an approved and registered mortuary.
3.3. If the deceased was an indigent person, the Municipality will decide on the time and place of burial through its Officer in Charge.

Reviewed: 00.00.0000
Recommended by Policy Workshop: 00.00.0000
Version approved by Council: 00.00.0000
Item No.: 00.00.0000

4. PAUPER AND SOCIAL BURIALS

The principles under which Pauper & Social Burials are to be conducted will be as follows:

4.1. Pauper burials:

4.1.1 The unclaimed body will be at a State Institution within the jurisdiction of the Kouga Local Municipality; or

4.1.2 The unclaimed body will be at a State Institution outside the jurisdiction of the Kouga Local Municipality but is a resident of Kouga.

4.1.3 The Kouga Municipality will order a funeral undertaker for safe handling & preparation of the body for burial.

4.1.4 The Kouga Municipality will arrange for a burial site to be prepared after which the funeral undertaker will bury the remains at the Municipality's cost.

4.2. Social burials:

4.2.1 The onus of proof of being indigent rests with the applicant declaring indigency and confirmed by next of kin or representatives, Ward Councillors and presented to the Mayor's Office.

4.2.2 An application to be completed at the Environmental Health Department of Kouga Local Municipality for a social burial.

4.2.3 Kouga Local Municipality will only provide & prepare a burial site, but burial (i.e. funeral) remains the responsibility of the family / next of kin.

5. STANDARD OPERATING PROCEDURE FOR PAUPER BURIALS

5.1 The Standard Operating Procedure for Pauper and Social burials is as follows:

5.1.1 The deceased must have passed on within the boundaries of Kouga Municipality or must have been a resident of Kouga but succumbed outside jurisdiction of Kouga.

5.1.2 The deceased and or the family or next of kin must qualify as an indigent / destitute person for Kouga Local Municipality to cover the burial.

5.1.3 If the next of kin is available, he or she must sign a right of claim over the body to the Municipality to dispose of it as the Municipality deems fit, e.g. by burying or cremating it.

5.1.4 The burial will be conducted by the undertaker contracted by the Municipality.

5.1.5 The following supportive documents, to substantiate the application for a pauper or social burial, must be submitted:

5.1.5.1 Identification Document (ID) of the deceased (if the deceased is a known person)

5.1.5.2 Certified copy of Identity Document (ID) of the next of kin / applicant

5.1.5.3 Death Certificate BR 5

5.1.5.4 Notice of Death (Burial Order - BI Form)

5.1.5.5 South African Police report with a case number and permission to bury (in the case of an unknown person).

5.1.5.6 Sworn affidavits from the applicants, certified by the South African Police Services stating the financial position, relationship of person giving the affidavit (indicating his or her ID number and place of residence) and permission to surrender the deceased body to Kouga Municipality to deal with it as guided by the Policy and its by – Laws.

5.1.6 Quotation from any other Funeral Undertaker if instructed by the Officer in Charge to make use of an alternative undertaker other than the undertaker appointed by Council

5.1.7 There will be no provision for other payments other than to the contracted undertaker to execute the burial of the corpse.

5.1.8 No transport will be provided for the family to attend the burial of the deceased.

5.1.9 No financial contributions will be made towards food, tents, etc. for the burial.

5.1.10 Burials will be undertaken during official working days only.

5.1.11 No memorial service will be conducted, no tombstone will be erected at the gravesite and no exhumation will be conducted of the deceased.

5.1.12 Should an application for exhumation be received in future, the applicant will be held responsible for the payment of the costs incurred during the burial.

5.1.13 All applications for pauper burials to the Municipality shall be submitted to the Community Services Directorate through the Environmental Health Section for consideration, approval and administering the necessary arrangements for the pauper burial, and for social burials, applications must be made through the Mayor's Office for consideration and approval.

5.1.14 The Municipality shall not be responsible for the removal of the deceased body from home or a street or wherever the body is found. This process remains the responsibility of the South African Police Services (SAPS).

6. MONITORING & EVALUATION/REVIEW

(1) Monitoring and evaluation of this policy shall be performed throughout the period and shall entail assessment to which objectives of the policy were achieved.

(2) This policy shall be reviewed annually.

(3) Any limitations and hindrances to implementing the policy shall be identified and solutions shall be solicited to address those challenges.

7. ACCOUNTABLE DEPARTMENT

The Community and Safety Services Directorate is responsible for the contents, update, and amendment to this policy. The Municipal Manager is accountable for overall policy implementation and reserves the right to intervene and take necessary steps when the policy is not adhered to.

8. RESPONSIBILITY FOR POLICY IMPLEMENTATION

All departments in the value chain are responsible for effective implementation of this policy.

9. POLICY EFFECTIVE IMPLEMENTATION DATE

This policy shall take effect on the day of the Council approval.

10. VALIDITY OF THE POLICY DOCUMENT

In the event of any doubt about the authenticity of a policy document, the document signed by the Municipal Manager shall be considered or confirmed as the only document approved by council in respect of the subject matter.

Approved on:	xx
Council Resolution No:	xx
Workshopped on:	xx
Approved on:	xx
Council Resolution:	xx

_____

C DU PLESSIS

MUNICIPAL MANAGER DATE: _____

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 31 MARCH 2025
ITEM NO:**25/03/BP4**

APPROVAL OF TERMS OF REFERENCE FOR THE MUNICIPAL BY-LAW AND POLICY REVIEW COMMITTEE

1. **Introduction**

The purpose of this item is to refer the Terms of Reference, as reviewed by the Committee to Council for approval.

2. **Background**

The Terms of Reference served before the By-law and Policy Review Committee for review held on 20 February 2025, under 25/02/BP5. The Committee resolved that the reviewed Terms of Reference be referred to the Municipal Council for approval.

3. **Discussion**

The Municipal Council is requested to consider the content of the attached Terms of Reference for approval.

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 79(1)(a) of the Local Government: Municipal Structures Act 117 of 1998 provides that a Municipal Council may establish on or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers.

6. **Legal Implications**

Should the Municipal Council approve the Terms of Reference herein, the By-law and Policy Review Committee shall be bound to function in line with the approved Terms of Reference.

7. **Other Implications**

The Terms of Reference, once approved, shall replace the previous Terms of Reference from date of this Council Resolution.

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**

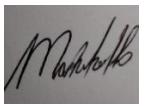
Council.

10. **Recommendations**

10.1 That the Terms of Reference for the By-law and Policy Review Committee be approved.

10.2 That the Terms of Reference shall repeal and replace the previous Terms of Reference as approved by Council and shall became effective from date of this Council Resolution.

10.2.1 That the Terms of Reference be circulated internally and to the By-law and Policy Review Committee Members.

Item noted by Chairperson: 

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TERMS OF REFERENCE FOR THE BY-LAW & POLICY REVIEW COMMITTEE

NO.	DESCRIPTION	PAGE NO
1	Introduction	2
2	Purpose & Role	2-3
3	Composition of membership	3
4	Chairperson of meeting	3
5	Conduct at meetings	4-5
6	Decisions and Voting	5
7	Attendance of meetings	5
8	Reporting in terms of delegated authority	5
9	Administrative Support	6
10	Maintenance of Terms of Reference	6

1 . INTRODUCTION

The Kouga Municipal Council, in terms of Section 79 of the Local Government: Municipal Structures Act 117 of 1998, as amended, established a committee necessary for the effective and efficient performance of its functions as far as it relates to the drafting and reviewing of municipal by-laws and policies in line with the applicable legislation and aligned to the functional areas set out in Schedule 4 Patt B of the Constitution and Schedule 5 Part B.

In terms of Section 11 of the Local Government: Municipal Systems Act 32 of 2000, as amended, the legislative and executive authority of a Municipality is exercised by the Council of the Municipality. Such legislative and executive authority may be exercised by developing and adopting policies, administering and regulating its internal affairs and the local government affairs of the local community, passing municipal by-laws or implementing applicable national and provincial legislation and its by-laws.

2. PURPOSE & ROLE

2.1 The purpose of this document is to set out the terms of reference for the effective and efficient functioning of the Committee.

2.2 These terms of reference were created in recognition of the significant impact a new or reviewed Policy and/or by-law can have on operations of the municipality and the need to evaluate the effectiveness and applicability of existing policies and by-laws.

2.3 These terms of reference addresses the procedure surrounding a policy proposal or amendment for adoption, and to ensure that policies are presented in a clear and uniform manner.

2.4 The Committee herein is established to assist the Kouga Municipal Council in the performance of its functions and the exercise of its duties in respect of its executive and legislative authority relating to the development and adoption of policies, administering, and regulating its internal affairs and the local government affairs of the local community, passing municipal by-laws or implementing applicable national and provincial legislation and its by-laws.

2.5 ~~The Committee shall attend to the review of existing Policies and Municipal By-laws, consider the drafting of new Policies and By-laws and consider the repeal of existing Policies and By-laws.~~ The Municipal By-Laws and Policy Committee shall review the recommendations made by the section 80 Committees and Policy Workshop regarding the existing Policies and By-Laws.

2.6 ~~The Committee shall make recommendations to the office of the Speaker and which office will in turn refer the recommendations to the Municipal Manager for implementation.~~

2.7 The Committee shall make recommendations to the Municipal Council and which will in return refer the recommendations to the Municipal Manager after the signed council resolution for implementation.

2.8 The Municipal Manager must ensure all policies and by-laws ~~are updated within a period of not exceeding 36 months/3 years~~ reviewed annually if necessary according to appliable legislation.

3. COMPOSITION AND MEMBERSHIP

3.1 The Committee shall comprise of a maximum of ~~7 (seven)~~ 11 (eleven) Councillors, excluding the Executive Mayor, Executive Deputy Mayor, the Whip of Council.

3.2 The Committee may co-opt advisory members, who are not members of the Council, who have expertise in relevant specific fields to assist and advise in the deliberations when the need arises. These representatives will have no voting rights as they are not elected Councillors.

3.3 Members of the Committee must represent various political affiliations and Councillors serving on the committee shall be appointed for a term which corresponds to the term of sitting Council.

3.4 Should a Councillor resign or is removed from the Committee, the resignation must be in writing, and Council must appoint a replacement by resolution at the next scheduled full Council meeting.

4. CHAIRPERSON OF MEETING

4.1 The Chairperson of the Committee is to be appointed by Council.

4.2 When appointing the Chairperson of the Committee, Council must take into consideration the requirements of transparency, ethical behaviour and general good governance prescripts.

4.3 In deciding on the Chairperson, the Council may consider appointing a Councillor from parties other than the majority party in Council.

5. CONDUCT AT MEETINGS

5.1 The Chairperson shall maintain order in the meeting.

5.2 The members of the Committee shall at ail times during the meeting conduct themselves in a professional dignified and orderly manner.

5.3 Should any member of the Committee fail to conduct themselves in the manner as set out in ~~6.2~~ 4.2 above, the Chairperson will be at liberty to request such a member to immediately leave the meeting.

6. DECISIONS AND VOTING

6.1 If the Chairperson receives no objections to the recommendations nor receives any comments to the proposed item under discussion then the motion to approve will thus be carried.

6.2 In any event where the committee is not in agreement with recommendations made, the matter shall be decided on by majority vote, as carried out by a show of hands.

6.3 Should there be an equality of votes the Chairperson shall have a casting vote in addition to the Chairperson's deliberate member vote.

7. ATTENDANCE OF MEETINGS

7.1 Members of the Committee are to observe the Rules of Order as determined and approved by Council.

7.2 Meetings ~~must~~ shall be held ~~as my be necessary and as determined by the Chairperson of the Committee in consultation with the Speaker of Council~~ at least once a year and as and when required following the recommendations made by the Policy Workshop.

7.3 If otherwise, the notice of meetings shall be given at least ~~5~~ 7 business days prior to the meeting and agendas and relevant documents shall be delivered at least ~~5~~ 7 business days prior to meeting for preparation purposes.

7.4 A quorum shall be a majority of the members of the Committee present at the meeting .

7.5 The Chairperson of the Committee may, through the office of the Municipal Manager, request the attendance of the applicable Director/s or officials as and when required, depending on the Agenda items to be addressed.

8. REPORTING IN TERMS OF DELEGATED AUTHORITY

8.1 The Committee will report to the Speaker as the legislative arm of the Municipal Council on the activities of the committee; including a report detailing activities of the preceding and current financial years, the number of meetings held, the membership of the Committee and key resolutions taken.

8.2 The recommendations of the Committee shall be communicated through the office of the Speaker and must report to the Council.

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9. ADMINISTRATIVE SUPPORT

9.1 The office of the Deputy Municipal Manager shall provide administrative support to the Committee.

9.2 Such support shall include but is not limited to the compilation of an Agenda for each meeting, recording of meetings and drafting of minutes and action sheets for each meeting.

10. MAINTENANCE OF TERMS OF REFERENCE

10.1 The Terms of Reference (TOR) may be reviewed on an annual basis, unless operational requirements require an amendment to the Terms of Reference in which instance a request to that effect may be raised by the Chairperson or any member of the Committee and such recommendation must be resolved by the Municipal Council.

REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER

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KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 31 MARCH 2025
ITEM NO: **25/03/MM1**

COUNCIL RESOLUTIONS AS AT 29 JANUARY 2025

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 supported.

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: 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	Manager: Legal	**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.**07/03/2025** still ongoing discussions.	Director: I&E	**IN-PROGRESS**
	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 Speaker made several follow-ups with 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	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. Received correspondence from the service provider that the application should be finalised by 14 March 2025.	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.Received correspondence from the service provider that the application should be finalised by 14 March 2025.	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**

13-Dec-24	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 be implemented.			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 enquiry. The Office of the MEC aknowledged receipt on same. A follow-up was made on 07 January 2025, no formal response received. A follow-up was made on 13 Janaury 2025, the Office of the MEC responded that it has been escalated to the HOD's Office for a follow-up. The Office of the Speaker made follow-ups on 20 January 2025; 03 February 202, 10 February 2025, 17 February 2025, 24 February 2025. On 24 February 2025, the office of the MEC responded indicating the matter will be referred to the office of the HOD for a response. We have made follow-ups on 04 and 11 March 2025. No formal response received from the MEC'S Office.			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
	25/01/MM1	COUNCIL RESOLUTIONS AS AT 13 DECEMBER 2024	That the action sheet be tabled at Top Management for discussion and actioning.				
			That the 2024/25 Mid-Year Performance Report be considered.		Published on Web Site, no further action required		

29-Jan-25	**25/01/MM2**	**MID-YEAR INSTITUTIONAL PERFORMANCE REPORT: 2024/25 FINANCIAL YEAR: PERIOD 1 JULY 2024 TO 31 DECEMBER 2024**	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.				On GOING
			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.	Annual Report has been submitted to MPAC, MPAC in process of preparinng oversight report			IN PROGRESS
			That a workshop be scheduled for all Councillors on the 2nd draft 2023/24 Annual Report.	In Process of making arrangements for the workshop			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

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 Integrated Economic Growth Strategy completed and approval granted by Council for public participation. After final approval of Strategy, policies will be submitted for approval. Finalizing draft policies currently in progress.	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 Integrated Economic Growth Strategy completed and approval granted by Council for public participation. After final approval of Strategy, policies will be submitted for approval. Finalizing draft policies currently in progress.	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 was submitted with all Budget-related Policies to a Special Policy Workshop on 3 March 2025. The Policy will be part of the Draft Budget submitted to Council for public participation and then submitted to Council at the end of May for final approval.	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 Integrated Economic Growth Strategy completed and approval granted by Council for public participation Public Participation will be undertaken over February and March 2025 with the Final ED Strategy planned to be submitted to Council in April 2025	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 Integrated Economic Growth Strategy completed and approval granted by Council for public participation Public Participation will be undertaken over February and March 2025 with the Final ED Strategy planned to be submitted to Council in April 2025	CFO	**IN-PROGRESS**
28-Aug-24	**24/08/FED8**	**KOUGA SUMMER FESTIVAL DECEMBER 2024 SPONSORSHIP**	That a close-out report be submitted to Council after the event.	Council approved item.	Close-out report to be submitted to next Portfolio Committee in April 2025 and will flow to Council thereafter.	CFO	**IN-PROGRESS**
17-Jan-25	**25/01/FED1**	**REPORT ON THE DEVELOPMENT BANK OF SOUTH AFRICA (DBSA) LOAN APPLICATION AND PUBLIC PARTICIPATION PROCESS**	That the Council approve the proposed loan in line with the agreed capital and interest amounts as set out in Annexure B.	No action required	Not applicable	CFO	NO ACTION REQUIRED
			That the Municipal Manager, as the Accounting Officer, be authorized to enter into a Loan Agreement with DBSA to give effect to the loan facility applied for and approved, and incorporate the financial information as set out in Annexure B.	Loan Agreement to be reviewed, finalised and signed by both Parties	Loan Agreement clarifications confirmed. Updated loan agreement awaited from DBSA for MM signature. All FICA documents submitted as requested as well as all other documents.	CFO	IN-PROGRESS
			That the municipality continues to assess its debt servicing capacity annually to ensure that future repayments of the loan facility do not negatively impact the Municipality's ability to deliver essential services.	The Debt Servicing will be assessed annually in the Annual Budget prepared and approved by Council.	The Draft Budget is part of the March Council Agenda. The Draft Budget includes the repayments due, meets the required ratios and includes ring-fencing 2 x Quarterly payment in a Reserve.	CFO	**COMPLETED**

			That the Department: Civil and Water Services prepare a detailed presentation, with all necessary information, to all Councillors regarding the current road conditions within the Municipality.			Director Civil & Water Services	
29-Jan-25	25/01/FED4	023/2024 AUDITED ANNUAL FINANCIAL STATEMENTS, AUDITOR-GENERAL'S AUDIT REPORT AND AUDIT ACTION PLAN	That the Council approves the 2023/24 Audit Action Plan - refer to "(Annexure C)"	Action Plan being implemented	Progress on Action Plan will be submitted to all Audit Committee and FED Portfolio Committee meetings	CFO	COMPLETED
	25/01/FED6	COUNCIL APPROVAL OF THE REVIEWED KOUGA MUNICIPAL INTEGRATED ECONOMIC GROWTH STRATEGY	That the Integrated Economic Growth Strategy be approved for public participation.	Council approved draft Strategy and public participation process to follow.	Public Participation Plan has been prepared and will be rolled out over February and March. It is anticipated that the Final Strategy will be presented to Council in April 2025.	CFO	IN-PROGRESS
			That the final Integrated Economic Growth Strategy be submitted to Council for approval thereafter.	Draft will be submitted for final approval after public participation process is finalized.	Public Participation Plan has been prepared and will be rolled out over February and March. It is anticipated that the Final Strategy will be presented to Council in April 2025.	CFO	IN-PROGRESS
27-Feb-25	25/02/FED4	SPONSORSHIP PROPOSAL: 2025 WSL CORONA J-BAY OPEN AND J-BAY SURF FESTIVAL	That Council approves funding allocation of R 1,700,000-00 (One Million and Seven Hundred Thousand Rand) only, VAT-inclusive for the WSL J-Bay Open for the 2024/25 financial year with a 5% increase for the 2025/26 financial year and the 2026/27 financial year respectively.	Council approved 3-year sponsorship	Council approved 3-year sponsorship	CFO	COMPLETED
			That Council approves funding allocation of R 200,000-00 (Two Hundred Thousand Rand) only, VAT-inclusive for the 2024/2025 FY for the J-Bay Surf Festival for the 2024/25 financial year with a 5% increase for the 2025/26 financial year and the 2026/27 financial year respectively.	Council approved 3-year sponsorship	Council approved 3-year sponsorship	CFO	COMPLETED
			That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with the World Surf League, in accordance with the funding allocated in recommendations 1. and 2. above.	Approval granted	SLA in progress by legal	CFO	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.	Internal Meeting held 20-Feb-25 to update the By-Law	The By-Law is submitted to the next Policy Workshop 18-Mar-25	Manager: Safety and Security/ Manager: Waste and Environmental	**IN PROGRESS**

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 portion 15 — Uitenhage RD Pellsrus: 677; 678; 733; 751 ; 753; 794;812 826; 854; 862 Humansdorp: 1 968 Thornhill: 221 ; 237 333; 334; 342;362;376;751v; 762; 763; 775; 776; 777; 778; 779; 780; 781 ; 782; 783; 784; 785; 788; 789; 790; 791 ; 792; 805; 845; 846; 849; 850; 852; 855; 857; 859; 860; 861 ; 862; 863; 865; 866; 868; 870; 874; 875; 883; 884; 885; 886; 887; 888; 889; 891; 892; 894; 895; 897; 898; 896	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	Manager: L&PA	In Progress

					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 (28/02/2025)**		
			That Kouga Human Settlement Department proceed with the transfers of these erven to the owners of the properties as soon as registration to Kouga has been completed	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 roads	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 (28/02/2025)**	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**	Dir:PDT / Manager: Human Settlements	ongoing

					information to DEDEAT on 9 October 2024. Correspondence were received back from DEDEAT requesting the submission of amendment report. Consultant in process to submit. Bosch Projects currently engaging Civil & Water on stormwater issues raised by DEDEAT as part of environmental submision. (27/11/2024). Awaitng finalisation of the Land Availability Agreement. 28/02/25		
			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)	Manager :L&PA	Completed

					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) **The rezoning of erf 560 was approved by the MPT, the Department of Public Works to comply and carry out approval conditions (06/03/25)**		
	20/05/PDT5	**APPROVAL FOR THE COMMENCEMENT TO ESTABLISH "AESTHETICS AND HERITAGE BUILDING COMMITTEE" FOR THE ST FRANCIS BAY VILLAGE AND CANALS, SANTAREME, HARBOUR PRECINCT, CAPE ST FRANCIS, OYSTER BAY, SEA VISTA TOWN, ST FRANCIS BAY LIGHT INDUSTRIAL AREA IN THE KOUGA LOCAL MUNICIPALITY AREA**	That Aesthetic Committees be established in all Wards, if required, to maintain uniform architecture design for specific areas be included in the Terms of Reference.	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 enforceble 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 submityed to the Policy Portfolio & Council for permision to proceed with public participation (07/03/2025)**	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	Dir: PDT	In Progress

					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) Amendments was done on the draft layout plan and needs to be included in the SDF Review and taken for public participation (06/03/25)**		
			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 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. 07/03/2025**	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 newspaper and on the website.		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.				

	21/03/PD1	**TRANSFER OF RESIDENTIAL SITE: HISTORIC CONDITION OF SALE: ERF 1331 PELLSRUS: PIENAAR FAMILY**	That Council grant approval for the closure of a public open space with regard to the subdivided erf contemplated in (a) and that transfer herein be dependent on the formal closure of the public open space.	Gazetting of 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). **The appointed service provider has submitted application on Ovvio for approval purposes under reference number JL2425-00140 on 27 February 2024 (06/03/25)**	Director: PDT/ Manager: LPA	In Progress
31-Mar-21	**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 landowner. It is recommended 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) **An item will be submitted to next Portfolio Committee to close the application (06/03/25)**	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 applicant.	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 Municipality.	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) **Follow-up was done to Provincial Treasury to enquire on the awaited comments however we still awaiting comments (06/03/25)**	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) **The applicant has requested for a meeting to discuss the way forward in respect of their application (06/03/25**)	Director:PDT/ Manager L&P	In progress
			That Council consider disposing the immovable property contemplated herein to Teen Challenge as a social care user at 25% of the fair market value.	Will be considered in the sale agreement.	To commence once council's final approval has been obtained.	Director:PDT/ Manager L&P	In progress
			That if the land was to be sold by the applicant, it only be sold back to Council.	Will be considered in the sale agreement.	To commence once council's final approval has been obtained.	Director:PDT/ Manager L&P	In progress
	21/07/PD9			To be confirmed		CFO	In progress

			That the interest accumulated from the grant funding be ringfenced for future Human Settlements projects.		Awaitng confirmation if money can be reinfenced.		
		APPOINTMENT OF KOUGA MUNICIPALITY AS AN IMPLEMENTING AGENT FOR THE CONSTRUCTION OF INTERNAL SERVICES FOR THE HANKEY 990 HOUSING PROJECT	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. 07/03/2025**	Manager HS	In Progress
	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	Director:PDT/ Manager L&P	In progress

					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) **The Department have been trying to make contact with the applicant to no avail, if the applicant can't be traced the Municipality must consider call for proposals for interested parties to develop a Special Needs School (06/03/25)**		
	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 departjment 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 spaces to Residential.	Service Provider has been appointed for closure of public places.	**Item to be submitted to the upcoming Portfolio Meeting. 06/03/2025**	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 roads upgrades 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 (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) **Follow-up was done to Provincial Treasury to enquire on the awaited comments however we still awaiting comments (06/03/25)**	Director:PDT/ Manager L&P	In Progress
28-Oct-21	**21/10/PD5**	**DISPOSAL AND TRANSFER OF PRE-94 MUNICIPAL HOUSES IN SEA VISTA**	That the Accounting Officer be authorised to enter into an Offer to Purchase Agreement with the occupants and appoint conveyancers to effect transfers.	Confirmation has been requested from the Provincial Department of Human Settlements 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) **Transfer of properties in progress (06/03/25)**	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 Settlement for transfer of the property to KLM.	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) **The Council resolution was given through to Department of Public Works to proceed with the finalisation of donation and transfer of the devolved properties to Kouga LM (06/03/25)**	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 Architectural designers' Forums to ensure compliance with the mandatory requirement for the provision of rainwater tanks for all new buildings plans to be submitted.	Building Control to facilitate (July 2022) engagement for comment with Kouga Architectural Designer's Forum (KDF) on implementation of 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	No action required
			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 in the item.	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)**. Final	dw	In Progress

					draft recieved. Appointment was made for design control guidelines. 07/03/2025		
			That Council authorizes the Department Planning & Development to proceed with the rezoning of a portion of Portion 1 of the Farm Humansdorp No.499 from "Agricultural Zone 1" to "Special Zone' to accommodate the intended uses for an" Integrated Industrial Development Zone" as previously described.				
			That Council authorizes the Municipal Manager to sign a "Power of Attorney" on behalf of Council and any other applicable documentation in support of the application.				
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 applicant.	Town Planning in the process to procure services of a Service Provider to conduct EIA, subdivision and rezoning.	The Town Planning Department busy with the procurement process to appoint service provider 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. **Environmental studies still in progress (06/03/25)**	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 Street to Kouga Municipality in order to manage and maintain the roads contemplated herein.	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) **Please remove item from Planning and Development and refer to Civil and Water Directorate (06/03/25)**	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 Transport in respect of Da Gama Road, St Francis Drive, Main Road-Humansdorp and Woltemade Street.	Accounting Officer and Legal responsible	The deed of sale will be addressed once final approval is obtained	MM	In progress
			That Council make budgetary provision for the management and maintenance of the roads contemplated in point 2.	I&E responsible		I&E	In progress
28-Oct-22	**22/10/PDT1**	**REQUEST FOR COUNCIL AUTHORISATION TO ADVERTISE AND IN-PRINCIPLE APPROVAL FOR ALIENATION OF ERF 2599, SEA VISTA -APPLICATION FROM ROTARY CLUB OF ST FRANCIS FOR THE EXTENSION AND UPGRADE OF ST FRANCIS BAY CLINIC**	That Council authorises the applicant to proceed with consolidation of erf 2599 with Erf 2600, Sea Vista (St Francis Bay Clinic) for the intended development.	Council granted 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) **On 21 February 2025 the Department provided the conveyance attorney with rates clearance to effect transfer (06/03/25)**	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 transfer of the property.	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) **Transfer still in progress (06/03/25)**	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 Implementation Plan (Phase 2).	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).** Updated Draft was presaented to MAYCO. Awaiting approval by Council. 07/03/2025	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 valuation.	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). **Disposal method to be included in the Allieanation Strategy (06/03/25)**	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 alienate erf 5972, Jeffreys Bay for the development of a Shelter for the Homeless on a long-term lease basis to an NPO.	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	Manager: L&PA	In progress

					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) **An item for the aquistion of the property will be submitted to the next Portfolio Committee (06/03/25)**		
			That in terms of Reg 6(a) and (b) of the MATR and Policy on disposal of immovable Assets, Council grant authorization to the Accounting Officer to advertise the intended alienation of the immovable property herein.			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
31-May-23	**23/05/PDT5**	**PATENSIE 6 RECTIFICATION PROJECT: APPROVAL OF PROJECT**	That priority for the construction of these houses be given to SMMEs that reside within the KLM area.	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	Act. Manager: Human Settlements	On-going

					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. Provincial Department of Human Settlements has indicated in meeting held on 06 March 2025, that they will request to extend the scope of one of the Contractors appointed for the Ocean View Project to complete the outstanding 6 houses in Patensie. (06/03/2025)		
			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 inconvenience to the displaced families.				

	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 indicated that Public Works not aware of the request for donation of erf 2599 (08/01/2025) The office contacted with Mr. Northwood on 23 February 2025 who submitted the initial application to make contact with the Department of Health and Public Works (06/03/25)**	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. Draft policy included in the Agenda for Policy Workshop. 7/3/2025	Act Manager Human Settlements	In Progress
	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. Status Quo Report to be presented to PSC. 07/03/2025**	Manager P&D	In progress
			That, before the SDF is circulated for public review, Councillors are workshopped on SPLUMA, the Spatial Development Framework,	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	Manager P&D	In progress

			guides compiled, and the impact that it has on spatial planning and development.		amendment of the By-Law. Draft bylaw present at the Policy Workshop.		
	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. **The item for final approval to dispose erf 3291 will be submitted to Council once approval for possible demolition of the dilapidated building have been considered (06/03/25)**	Manager L&P	In progress
			That the market related value for the immovable properties contemplated in be confirmed through independent or alternatively the latest municipal valuation.	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. above.	In the process to appoint professional valuer	Quotations to be obtained and requisition to be prepared	Manager L&P	In progress
22-Aug-23	**23/08/PD4**	**ALIENATION OF ERF 2330, HUMANSDORP TO THE MORAVIAN CHURCH OF SOUTH AFRICA**	That a comprehensive land audit report on industrial land, public open spaces and residential plots belonging to the Municipality be prepared and submitted to the next Portfolio Committee meeting and Council.	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
			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 granted.	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. **Transfer of the property in progress (06/03/25)**	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 department for approval before finalizing the lease agreement.	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 department for approval before finalizing the lease agreement.	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 department for approval before finalizing the lease agreement.	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
	23/08/PD8	**ALLOCATION OF STREET AND AREA NAMES: VARIOUS GOVERNMENT SUBSIDISED HOUSING PROJECT: KRUISFONTEIN AND PELLSRUS**	That the Infrastructure and Engineering Directorate erect the street and area names in accordance with the approved street and area names contemplated in point 1 above.	Item was submitted to Council for final approval on 31 August 2023 and final approval was granted.	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) **New street names and numbers have been provided to the relevant departments to implement (06/03/25)**	Manager L&P	Completed
			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 granted.	Council resolution was circulated to the GIS Techncian to implement resolution in respect of the updating of street names GIS layer.	Manager L&P	Completed
			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 Techncian to implement resolution and restart the process of allocating street names in line with policy provisions.	Manager L&P	Complete

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) **The Department has setup another meeting with Red Lions to discuss the matter (06/03/25)**	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 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 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 followed on the renovation of the building by the Applicant.	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	Manager L&P	In Progress

				volume of decisions taken recently and instructions. Awaitng lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/03/25)**		
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 to expidite same, being mindful of the large volume of decisions taken recently and instructions. Awaitng lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/03/25)**	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 to expidite same, being mindful of the large volume of decisions taken recently and instructions. Awaitng lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/03/25)**	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 Control department pending extensive discussions with the Planning & Development Department before construction takes place.	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 (09/01/2025) **Matter closed (06/03/25)**	Manager L&P	Completed
		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	Completed
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) **Request for three**	Manager L&P	In progress

					quotations have been sent to potential service providers (06/03/25)		
			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) **Legal services in the process to provide draft lease agreement (06/03/25)**	Manager L&P	In progress
			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
	23/12/PD13	**ALIENATION OF ERF 137, PELLSRUS (LIZO PATRICK LETSEKHA)**	That the property be transferred through the Extended Enhance Discount Benefit Scheme (EEDBS) which makes provision for properties erected pre-1994 which is still in the possession of state organs.	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**) Transfer still in progress (06/03/25)**	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) **Transfer still in progress (06/03/25)**	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)	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) **Legal services in the**	Manager L&P	In progress

					process to provide draft lease agreement (06/03/25)		
	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 to expidite same, being mindful of the large volume of decisions taken recently and instructions. Awaitng lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/03/25)**	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) **A response letter was sent to the applicant on 3 March 2025 to respond to his requests (06/03/25)**	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) **Still awaiting inputs from the applicant on draft agreement (06/03/25) Remove duplication this item the final resolution captured in line 178**	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 to expidite same, being mindful of the large volume of decisions taken recently and instructions. Awaitng lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/03/25)**	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) **T**he 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 **Instruction was sent to legal services to proceed with the drafting of lease agreement (06/03/25)**	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 to expidite same, being mindful of the large volume of decisions taken recently and instructions. Awaitng lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/03/25)**	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 Finance for capturing. 09/01/2025. **All processes completed (06/03/25)**	Manager L&P	Completed
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. **Condition was incorporated in lease agreement (06/03/25)**	Manager L&P	Completed
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 **The applicant has requested for a meeting on way forward (06/03/25)**	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**	Manager P&D	In progress

					amendments refered to Legal Department for comments. 07/03/2025		
			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) **Still awaiting proposal from applicant (06/03/25)**	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) **Still awaiting business proposal (06/03/25)**	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) **Transfer in progress (06/03/25)**	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) **Transfer in progress (06/03/25)**	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 resolutions.	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. 07/03/2025**	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 with Section 14(2) of the Municipal Finance Management Act No.56 of 2003.	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) **Item for final approval will be tabled to the next Council Meeting (06/03/25)**	Manager L&P	In progress
27-Mar-24	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 NPC (Registration Number: 2022/770104/08) and that an annual escalation clause be included in the written lease agreement.	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 (Registration Number: 2022 / 730757 / 08) and that the lease provides for the annual escalation of the monthly rental.		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**) Still awaiting feedback and inputs from applicant (06/03/25)**	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 Ap**plicant 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) **Transfer in progress (06/03/25)**	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) **Our Department facilitated the rates clearance of property in February 2025 to enable conveyancer to effect transfer (06/03/25)**	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.	Manager L&P	In progress

				(09/01/2025) **The applicant is responsible for the subdivision of the portion of erf 873 and was provided with a Power of Attorney to bring the application (06/03/25)**		
		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 an annual escalation clause be included in the written lease agreement.	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	Manager L&P	In progress

				rezoning. 27/11/2024. Awaiting land use application from the applicant. 09/01/2025 **Still awaiting land use application from applicant (06/03/25)**		
		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) **Still awaiting lease agreement (06/03/25)**	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 **Still awaiting environmental authorisation (06/03/25)**	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 **Still awaiting formal offer from DPW (06/03/25)**	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 facilitate the demolition of dilapidated structures on Erf 4 Humansdorp.		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, represented by Mr. Stephanus Ferreira for a period of 9 years and 11 months, with an option to renew subject to applicable legislation.	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 **Still awaiting approval of land use rights (06/03/25)**	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**. Still awaiting land use rights approval (06/03/25)**	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	
31-May-24	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. **Still awaiting lease agreement (06/03/25)**	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 **Still awaiting draft lease agreement (06/03/25)**	Manager: L&P	
	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 **Still awaiting applicant inputs and feedback on draft lease agreement provided to the applicant (06/03/25)**	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	Manager: L&P	

				approval will be submitted to next Council Meeting (12/08/24). Final approval obtained from Council. Awaitng finalisation of lease agreement. 09/01/2025 **Still awaiting draft lease agreement (06/03/25)**		
		That an annual escalation be included in the lease agreement.	Item for in-principle approval was tabled to May Council Meeting.		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 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) **Still awaiting draft lease agreement (06/03/25)**	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) **Transfer process still in progress (06/03/25)**	Manager: L&P	
		That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.	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.	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: Municipal Systems Act for the draft St Francis Bay and Hankey CBD Precinct Plan.	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.Duplicate**	Manager:TP	
30-Jul-24	**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 Settlement.	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 (07/03/2025)**	Manager: L&P	
			That Council authorise the Accounting Officer in line with the delegated authorities of the Accounting Officer to sign the Deed	To be actioned	Deed of donation in progress.	Manager: L&P	

			of Sale/Donation contemplated herein.				
			That a draft layout plan for Erf 9932 be submitted to the next Planning & Development Portfolio Committee for further debate on land use within the development.	To be actioned	Layout will be submitted to Portfolio Committee	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) **Three quotations have been requested (06/03/25)**	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 the general municipal valuation of 2018 that amounts to R50,000.00	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) **Transfer in progress (06/03/25)**	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) **Transfer in progress (06/03/25)**	Manager: L&P	
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
			That an escalation be included in the lease agreement.	Will be included in contract.	Instruction given to Legal 2 September 2024.	Manager: L&P	In Progress

30-Oct-24	24/10/PD1	REQUEST FOR COUNCIL TO RESCIND COUNCIL RESOLUTION, AUTHORISATION TO ALIENATE THE 98 WET ERVEN (3535 – 3634) TO RESIDENTS CURRENTLY OCCUPYING THE MUNICIPAL PROPERTIES, KRUISFONTEIN, HUMANSDORP	That Council confirms that fifty-eight (58) occupants opted to stay on the properties and are willing to construct their own dwelling unit, will take transfer of the property.	Verification done	Awaiting comments from Provincial Treasury. 09/01/2025 **Still awaiting comments from Provincial Treasury (06/03/25)**	Manager: L&P	
			That Council confirms that thirty-four occupants (34) willing to be relocated to Kruisfontein 2500 Housing Project, once unlocked, will be granted permission to occupy it until completion of the Kruisfontein 2500 Project.	No action required	**No action required**	Manager: L&P	
			That Council confirms that the six vacant erven be disposed, and that preference be given to municipal employees.	No action	**No action required**	Manager: L&P	
			That estimated budget of R300 000 be made available for the transfer of the properties.	Budget to be made available during transfer	**Budget to be provided by Finance Department**	Manager L&P	
			That Erf 3625 Kruisfontein be subdivided and rezoned for disposal to the current occupants after consultation.	TOR drafted	**Still to be submitted to SCM**	Manager L&P	
			That all affected parties consent to the rescission of the previous Council resolution.	Written agreement to be obtained	Meeting to be scheduled with benefiaiciaries. 27/11/2024. Meeting was scheduled with beneficiaries (13/01/25) **Meeting with beneficiaries completed (06/03/25)**	Manager: L&P	Completed
			That the properties be donated voetstoots and in accordance with bullet point 5 of the recommendations issued by SRK Consulting as per Annexure A dated 30 October 2019.	No action required		Manager: L&P	
	24/10/PD2	REQUEST FOR FINAL APPROVAL: ALIENATION (LEASE: RIGHT-TO-USE) PORTION 7 OF FARM 688, HUMANSDORP RD (GEELHOUTEBOOM)	That all applicants will need to submit to a Minimum Standards contract which will outline the minimum standard of care, maximum holding capacity, agreement to all animals to be ear-tagged immediately upon entrance as well as annual proof of vaccination.	Approval granted by Council (30/10/2024)	Matter have been refered to Legal for actioning (27/11/24) Agreement to be finalised with all applicants (13/01/25) **Awaiting draft lease agreement (06/03/25)**	Manager: L&P	In progress
			That the number of livestock be aligned with the carrying capacity of the natural resource to ensure limited degradation (soil erosion and bush encroachment).	Approval granted by Council (30/10/2024)	A meeting scheduled with Economic Development and our Local DRDAR office to request finalization of veld management and economic viability report. (14/10/24) Site visit with DRDAR to commence with feasibility studies will take place on 3 December 2024. (27/11/2024) Site visit was conducted as part of the feasibility	Manager: L&P	In progress

				studies (13/01/25) **Awaiting feasibility report (06/03/25)**		
24/10/PD3	**REQUEST FOR COUNCIL'S FINAL APPROVAL: LEASE OF LAND FOR A TELECOMMUNICATIONS MAST AND BASE STATION – A PORTION OF ERF 406, PARADISE BEACH**	That an annual escalation be included in the lease agreement.	Will be included in contract.	Condition will form part of the lease agreement (13/01/25)	Manager: L&P	In progress
		That the design and installation methodology of the equipment be pre-approved by the Civil and Water Directorate.	Recommendation to be implemented.	Matter have been refered to Civil & Water for actioning (27/11/24) **Civil and Water in the process to finalise this process (06/03/25)**	Manager: L&P	In progress
24/10/PD4	**REQUEST FOR COUNCIL'S FINAL APPROVAL: ALIENATION LEASE OF LAND FOR A TELECOMMUNICATIONS MAST AND BASE STATION (HEROTEL) – A PORTION OF ERF 406, PARADISE BEACH**	That an annual escalation be included in the lease agreement.	Will be included in contract.	Matter have been refered to Legal for actioning (27/11/24) **Condition will form part of the lease agreement (07/03/25)**	Manager: L&P	In progress
		That the design and installation methodology of the equipment be pre-approved by the Civil and Water Directorate.	Recommendation to be implemented.	Matter have been refered to Civil & Water for actioning (27/11/24) **Civil and Water in the process to finalise this process (04/03/25)**	Manager: L&P	In progress
24/10/PD5	**REQUEST FOR COUNCIL'S FINAL APPROVAL: SELLING OF ERF 1245, PELLSRUS TO MEALS ON WHEELS**	That Council authorizes the Accounting Officer to conclude a Deed of Sale to transfer the said property.	Approval granted by Council (30/10/2024)	Matter have been refered to Legal for actioning (27/11/24) Disposal and transfer in progress (13/01/25) **Transfer in progress (06/03/25)**	Manager: L&P	In progress
24/10/PD6	**REQUEST FOR COUNCIL'S FINAL APPROVAL: ALLOCATION OF STREET NAMES: GOVERNMENT SUBSIDIZED HOUSING PROJECT IN WARD 6 (VERGENOEG) AND PRIVATE DEVELOPMENTS IN JEFFREYS BAY & CAPE ST FRANCIS**	That GIS Technician updates the layout plans of the developments contemplated in 10.1 with the new street names and communicates same to all relevant departments and stakeholders for implementation.	Street names refered to finance for updating.	Matter refered to Finance Department for capturing 09/01/2025. **Process completed (06/03/25)**	Manager: L&P	Completed
		That Council makes budgetary provision for the erection of the new street names contemplated herein on the relevant public roads.	Approval granted by Council	Budget to be provided by Civil and Water	Manager: L&P	
24/10/PD8	**REQUEST FOR COUNCIL'S FINAL APPROVAL ON THE APPLICATION FROM THE NATIONAL DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE TO ACQUIRE ERF 275 HUMANSDORP TO CONSTRUCT A NEW MAGISTRATE COURT**	That Council authorise the Accounting Officer in line with the delegated authorities of the Accounting Officer to sign the Deed of Sale contemplated herein and corresponding transfer documentation.	Approval granted by Council (30/10/2024)	**Awaiting swop offer from DPW(10/01/25)** **See duplication - Line 233**	Manager: L&P	In progress
		That the Department retains the Market Building in their designs for the new Court including maintaining its character and restoring it.	Recommendation to be implemented.	Communication to be send to the Department of Public Works	Manager: L&P	In progress

			That a land swap between Erf 275 Humansdorp be done with Erf 3010 Hankey before the finalisation and signing off processes.	Confirmation letter received from the Department of Public Works on 17 October 2024 for the land swop.	Awaitng feedback from DPW (06/03/25)	Manager: L&P	In progress
08-Nov-24	**24/11/PD12**	**REQUEST TO RESCIND PREVIOUS COUNCIL RESOLUTION AND TO GRANT APPROVAL IN-PRINCIPLE TO APPLY FOR SECTIONAL DEPROCLAMATION OF PROVINCIAL ROADS MR00389 AND MN50027**	That Council rescind the previous resolution (22/08/PDT/11) for the transfer of Da Gama Road, St. Francis Drive, Main Road-Humansdorp and Woltemade Street to Kouga Municipality in order to manage and maintain the roads contemplated herein.	Approval granted to rescind the previous resolution	**No action required**	Dir; C&W	
			That Council grant in-principle approval for the sectional de-proclamation of provincial road MR00389, which includes Da Gama Road, St. Francis Street and from (link B to link C as indicated in annexure B) to Kouga Municipality in order to manage and maintain the roads with the exclusion of Main Road – Humansdorp.	Approval granted by Council	**Matter for C&W**	Dir; C&W	
			That Council grant authorisation to the Accounting Officer to proceed with the formal application process to the Provincial Department of Transport in respect of the custodianship and maintenance of Da Gama Road, St Francis Drive and from (link B to link C as indicated in annexure B) while the process of de-proclamation is in progress, and to enter into the required and appropriate agreements to give effect to same.	Approval granted by Council	**Resolution to be implemeted by Civil & Water Directorate.**	Dir; C&W	
			That Council make budgetary provision for the management and maintenance of the roads contemplated above.	To be actioned after de-proclamation	**To be actioned after de-proclamation**	Dir; C&W	
13-Dec-24	**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**	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	Council resolution to be implemented.	Communication to be send to the Department of Public Works (13/01/25) **Communication was sent the DPW (06/03/25)**	Manager: L&P	In progress

			Department of Public Works.				
			That the Council grant authorization to the Accounting Officer to enter into agreement with the current owners for transfer of the properties to KLM.	Approval granted by Council (13/12/2024)	Matter have been refered to Legal for actioning (13/01/2025)	Manager: L&P	In progress
			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.	No action required.	No action required (13/01/25) **Section 14 process completed (06/03/25)**	Manager: L&P	Completed
			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	Council resolution to be implemented.	Matter have been refered to Legal for actioning (9/01/2025) **Valuation report completed (06/03/25)**	Manager: L&P	Completed
	24/12/PD2	**REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF ERVEN 2084 AND 2085, HUMANSDORP**	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.	Council resolution to be implemented. Legal department to ensure it is cpatured in the Lease Agreement.	To be actioned after de-proclamation	Manager: L&P	In progress
			That the lease be cancelled if purpose applied for is not implemented within 24 months from date of signed lease agreement.	Council resolution to be implemented. Legal department to ensure it is cpatured in the Lease Agreement.	Matter have been refered to Legal for actioning	Manager: L&P	In progress
			That all costs in respect of the consolidation, rezoning, surveying and any environmental approval, be borne by the applicant.	Council resolution to be implemented. Legal department to ensure it is cpatured in the Lease Agreement.	Applicant to be informed of Council resolution.	Manager: L&P	In progress
			That an escalation be included in the lease agreement.	Council resolution to be implemented. Legal department to ensure it is cpatured in the Lease Agreement.	Matter have been refered to Legal for actioning.	Manager: L&P	In progress

	24/12/PD3	**REQUEST FOR COUNCIL'S FINAL APPROVAL FOR THE ALIENATION OF BUSINESS ZONED MUNICIPAL ERVEN WITHIN THE KOUGA MUNICIPAL AREA**	That Council confirms that the immovable properties are not needed for the provision of the minimum level of basic municipal service.	No action required.	No action required.	Manager: L&P	In progress
			That Council confirms the market-related valuations in line with Section 14(2) of the Municipal Finance Management Act: Erf 7294, Jeffreys Bay (R460,000.00) Erf 1826, Hankey (R170 000.00) Erf 259, Patensie (R81,000.00) Erf 32, Loerieheuwel (R40 000.00)	Council resolution to be implemented.	Bidding process to commence. Auctioneer to be informed. (13/01/25) **Auctioneer appointed (06/03/25)**	Manager: L&P	In progress
	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**	That Council **grant in-principle approval** to alienate a portion of Erf 1 and a portion of Erf 6, Humansdorp.	Council resolution to be implemented.	In-principle resolution obtained. Council resolution to be advertised for comments / objections (16 January 2025).	Manager: L&P	In progress
			That Council confirms that the immovable properties contemplated herein are not needed for the provision of the minimum level of basic municipal services	Section 14 process to commence.	**Section 14 process has been completed**	Manager: L&P	Completed
			That Council grant authorization to the Accounting Officer to advertise the immovable properties contemplated herein.	Adevertisement to be placed to obtain comments / objections from the public.	In-principle resolution obtained. Council resolution to be advertised for comments / objections (16 January 2025). **Application have been advertised (06/03/25)**	Manager: L&P	Completed
			That a service provider be appointed to finalise planning activities and costs be for the applicant.	Council resolution to be implemented. A Service Provider to be appointed.	**Service Provider to be appointed and Applicant to be informed.**	Manager: L&P	In progress
	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**	That a full feasibility study be done on the bigger portion of land to determine a way forward.	Council resolution to be implemented.	Service Provider to be appointed 07/03/2025	Manager: L&P	In progress

		AND AUTHORISATION TO UNDERTAKE PUBLIC PARTICIPATION FOR THE ALIENATION OF ERVEN 5478, 5479, 5480, 5481 AND 8825, JEFFREYS BAY					
	24/12/PD6	**LAND AND PROPERTY ADMINISTRATION: IMPLEMENTATION OF OUTSTANDING TRANSFERS OF PROPERTIES ACQUIRED FROM THE THEN PATENSIE TRANSITIONAL LOCAL COUNCIL (TLC)**	That Council accepts that properties be transferred to Estate Late beneficiaries in instances where the original purchasers have passed away	Council resolution to be implemented.	**No action required.**	Manager: L&P	
			That Council confirms that the immovable properties are not needed for the provision of the minimum level of basic municipal services.	No action required.	**No action required.**	Manager: L&P	
			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.	Council resolution to be implemented.	Report to be compiled and resolution be implemented. 10/01/2025 **Meeting was held with the beneficiaries on 12 February 2025 (06/03/25)**	Manager: L&P	In progress
			That Council authorizes the Accounting Officer to enter into respective Deed of Sale to give effect to the intended transfer of immovable property herein	Approval granted by Council (13/12/2024)	Final approval obtained from council (13/12/2024) Instruction given Legal Services to proceed with the disposal and transfer of the properties (9/01/2025). **Disposal and transfer in progress (06/03/25)**	Manager: L&P	In progress
	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)**	That a full feasibility study be done on the bigger portion of land to determine a way forward.	Council resolution to be implemented.	Service Provider to be appointed 07/03/2025	Manager: L&P	In progress
			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.	Council resolution to be implemented. Legal Department instructed 9 January 2025.	Final approval obtained from council (13/12/2024) Instruction given Legal Services to proceed with the disposal and transfer of the properties (9/01/2025). **Disposal and transfer in progress (06/03/25)**	Manager: L&P	In progress

			That Council grants permission to dispose properties that were advertised on Tender Notice 137 of 2021 as per Annexure C.	Council resolution to be implemented. Legal Department instructed 9 January 2025.	Final approval obtained from council (13/12/2024) Instruction given Legal Services to proceed with the disposal and transfer of the properties (9/01/2025). **Disposal and transfer in progress (06/03/25)**	Manager: L&P	In progress
27-Feb-25	**25/02/PD9**	**REQUEST FOR COUNCIL'S APPROVAL TO DEMOLISH THE BUILDING ON UNREGISTERED ERF 3291, HUMANSDORP (KOUGA CULTURAL CENTRE)**	That Council notes the Assessment Report on the condition of the Cultural Centre building and that it be safeguarded as soon as possible.	In-principle approval obtained from Council (27 February 2025).	**In the process to safegaurd the building by appointing service provider (06/03/25)**	Manager: L&P	In progress
			That Council confirms that the building is not required for the provision of basic municipal services.	No action required.	**In the process to finalise section 14 process (06/03/25)**	Manager: L&P	In progress
			That Council grants in-principle approval for the disposal(demolition) of the building and grants the Municipal Manager authorisation to commence with a public participation process for the unregistered Erf 3291, Humansdorp, also known as the Kouga Cultural Centre.	Request to approve advertisement was sent to Corporate Services	**Notice 40/2025 placed to call for comments or objections until 7 April 2025 (06/03/25)**	Manager: L&P	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 September 2024** - The Draft Policy was submitted through Portfolio Committee (4 Sept) to be workshopped at Policy Committee. **10 October 2024** - Policy was workshopped in the Policy Workshop Virtual meeting. Suggested improvements to be captured accordingly and forwarded to Policy Committee. **4 November 2024** - Draft policy completed and submitted to Policy Committee. **28 November 2024**- 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 **11 February 2025:** The memorandum for the establishment of the Development Charges Committee has been circulated for the appointment of the appropriate Committee Members. **04 March 2025:** Letters of appointments, for the newly appointed Committee Members,has been issued to them on 24 February 2025. The 7 (seven) members of the Committe are as follows: Director: C&WS: C.E.Q De Kock Director: Electro- Mechanical: T Madatt Director: PDT: L Ramakwela CFO: R Lorgat Manager: Legal: L Opperman Manager: Water & Sanitation: A Botha Technical Advisor: W Hofmeyr The first DC Policy meeting is scheduled to be held on 20 March 2025	Director Civil & Water & W Hofmeyr	**Complete according to Resolution**
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. **11 February 2025**: Tender to be advertised 01 April 2025. **07 March 2025**: Roads list finalized.	PMU Manager	**In progress**
13-Dec-24	**24/12/BP8**	**DRAFT FIBRE OPTIC CABLE & TELECOMMUNICATIONS INFRASTRUCTURE BY-LAW**	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. **11 February 2025**: Notice for Public Participation advertised on 06 February 2025. Virtual Public Meeting scheduled for 19 February 2025. **07 March 2025**: Public Participation Meeting held on 19 February 2025. No particpents attended the meeting.	PMU Manager	Completed.
			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. **11 February 2025**: Notice for Public Participation advertised on 06 February 2025. Virtual Public Meeting scheduled for 19 February 2025. **07 March 2025**: Public Participation Meeting held on 19 February 2025. No particpents attended the meeting.	PMU Manager	Completed
27-Feb-25	**25/02/CWS20**	**Jeffreys Bay: The Fountains Industrial Park: Development Charges**	That Council consider approval of the intended deviation from the Augmentation Policy in that the calculated and agreed Augmentation Fees be paid by the developer by effecting a deposit payment equal to 30 % of the total Augmentation Fees as an upfront payment, and the remainder of the calculated and agreed Augmentation Fees be due and payable before the issuing a Services Clearance Certificate by the Kouga Municipality		**04 MARCH 2025** Item was tabled at a Special Council Meeting, held on 27 February 2025. Item NO: 25/02/CWS16.30 % as approved.	Manager Water and Sanitation	Complete
			That the ESA be amended to incorporate the above resolution by Council.		**04 March 2025.** Amendment of ESA in progress.	Manager Water and Sanitation	In progress
			That the Augmentation Fees be ring-fenced and secured and explicitly earmarked to each relevant directorate for the upgrade of attending to bulk infrastructure as intended by the DC policy.		**04 March 2025.** Will be incorporated in the DC Policy finalisation.	Manager Water and Sanitation	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 PROGRESS 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. Funding was recieved in the adjustment budget to electrify some units in this area. The streetlights on the Astonbay road is a target, the wires are being used to roll out electrification within Londen area. We seriously require intervention. We intending to do a solar light tender but with the limited staff our resources are extremly stretched and unable to meet this target. Update 04/02/25	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 envisage completion by March 25. 04/02/25	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. 27/02/2025	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. 27/02/25	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 27/02/25	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 a development off site are being investigated. A tender for the SCADA project was advertised to be ready to interface with renewable projects, tender came in too high but we will re-advertise in January with a reduced scope. 27/02/25	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 commenced since December 23. Further discussions will be engaged upon valuation the team is assembled for the entire project. In the interim a principle agreement is granted to provide Thoksville with a bulk electricity point, this amount for the connection fees 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 electrify this area will be with Kouga. 27/02.2025	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. 27/02/25	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.	The finacial feasibility will be reviewed as it was done a year ago. We have submitted the application for funding NT on the BFI but since the application was unsuccesfull the exersize will be started and options are currently being weight. 27/02/2025	Acting Manager Electrical Mr. M Mangembe	**ON-GOING**

27-Feb-25	**25/02/EMS13**	**REPORT : PERMISSION FOR ESKOM TO ELECTRIFY PROJECTS IN THE GAMTOOS AREA,PATENSIE 278, WESTON 196, LOERIE & HANKEY 990 IN THE 2026/27 FINANCIAL YEAR**	That Council approves the electrification of Patensie 278, Weston 196, Loerie, and the remainder of Hankey 990 project (690 Units).	Item was submitted to Council for consideration and approval.	Approved council resolutions was submitted to Eskom as per the approval by Council.	Acting Manager Electrical Mr. M Mangembe	**COMPLETE**
			That Council notes the demands by Eskom as per the discussion.	Eskom placed demands captured in the discussions, access roads to be constructed and the area to be formalised, also that once the temporary structure is electrified the benefit is exhausted, should the permanent house be constructed, the owner of the property to accept the cost thereof.	PDT is in the process of formalising the the area. The department take not of the other conditions and will table it as a priority.	Acting Manager Electrical Mr. M Mangembe	**COMPLETE**

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 31 MARCH 2025
ITEM NO:**25/03/MM2**

KOUGA MUNICIPALITY: 2023/24 ANNUAL REPORT

1. **Introduction**

The 2023/24 Annual Report herewith submitted for 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 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 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 2023/24 Annual Report has been subjected to scrutiny by the Auditor General and corrections and adjustments were made where necessary.

The Draft 2023/24 Annual Report was published for public comment and inputs on 8 February 2025 with a closing date of 21 February 2025. No comment or inputs were received.

The Municipal Public Accounts Committee conducted oversight on the 2023/24 Annual Report and the 2023/24 Oversight Report has been submitted under cover of a separate item to Council on 27 March 2025.

The final 2023/24 Annual Report with the 2023/24 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.

It must be noted that the layout of the Draft 2023/24 Annual Report has been amended to ensure alignment with the provisions of MFMA Circular 63 following comments received from Provincial Treasury on the Draft 2023/24 Annual Report.

The previous layout of the annual report has been adjusted approximately 5 years ago on recommendation of the Municipal Public Accounts Committee to align with the duties and functions of the various Directorates in Kouga.

The adjusted layout has the result that some matters such as Supply Chain Management is no longer reported on in Chapter 4 Financial Management, but in Chapter 2 Governance.

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

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

"121. Preparation and adoption of annual reports-

(1) Every municipality and every municipal entity must for each financial year prepare an annua 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 the 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 decision 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 financial statements as submitted to the Auditor General for audit in terms of section 126(1);

(b) the Auditor General's report in term of section 126(3) on those financial statements

(c) the annual performance report of the municipality prepared in terms of section 46 of the Municipal Structures Act

(d) the Auditor General's report in terms of section 45(b) of the Municipal System 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 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 by the municipality's audit committee
(k) any other information as may be prescribed"

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:**

Item noted.

8.2 **Director: Planning & Development**

Supported.

8.3 **Director: Civil & Water Services**

Item noted.

8.4 **Director: Electro-Mechanical Services**

Item noted.

8.5 **Director: Community Services**

Supported

8.6 **Deputy Municipal Manager**

Supported.

8.7 **Municipal Manager**

For consideration by Council

9. **Delegated Authority**

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

10. **Recommendations**

10.1 That the 2023/24 Annual Report be adopted without reservation.

10.2 That in terms of the provisions of Section 127 of the Local Government Municipal Finance Management Act, 56 of 2003, the 2023/24 Annual Report be made public.

10.3 That in terms of the provisions of Section 132 of the Local Government Municipal Finance Management Act, 56 of 2003, the 2023/24 Annual Report be submitted to the Auditor General, Provincial Treasury and the Provincial Department of Cooperative Government and Traditional Affairs.

Item prepared by the: Manager PMS



Item endorsed by the Municipal Manager:



KOUGA
local municipality
Good Governance through Service Excellence

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







2023/24 ANNUAL REPORT








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TABLE OF CONTENT

CHAPTER 1		6
1.1	Mayor's Foreword	6
1.2	Municipal Manager's Foreword	9
1.3	Municipal Overview	12
1.3.1	Service Delivery Overview	14
CHAPTER 2: GOVERNANCE		19
COMPONENT A: GOVERNANCE STRUCTURES		21
2.1	Political Governance Structure	21
2.1.1	Executive Mayor, Deputy Mayor, Speaker and Mayoral Committee	22
2.1.2	Ward Councillors	22
2.1.3	Proportional Representative Councillors	23
2.1.4	Allocation of Seats in Council	24
2.1.5	Committees	24
2.2	Administrative Governance Structure	26
COMPONENT B: INTER-GOVERNMENTAL RELATIONS		27
2.3	Inter-Governmental Relations	27
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION		28
2.4	Public Meetings	28
2.4.1	Special Programmes	30
2.4.2	Communication	33
2.4.2.1	Internal Communication	33
2.4.2.2	External Communication	34
2.5	IDP Participation and Alignment	37
COMPONENT D: CORPORATE GOVERNANCE		47
2.6	Risk Management	47
2.7	Anti-Corruption and Fraud	48
2.8	Supply Chain Management	48
2.9	By-Laws	75
2.10	Websites	77
2.11	Public Satisfaction on Municipal Services	78
2.12	Municipal Oversight Committees	80
CHAPTER 3: SERVICE DELIVERY PERFORMANCE		81
COMPONENT A: OVERVIEW OF PERFORMANCE		81
3.	Institutional Scorecard	81
3.1	Summary of achievements per Key Performance Area	82
3.1.1	KPA 1: Infrastructure and Basic Service Delivery	82
3.1.2	KPA 2: Institutional Development and Transformation	85
3.1.3	KPA 3: Local Economic Development	85
3.1.4	KPA 4: Financial Viability and Management	86
3.1.5	KPA 5: Good Governance and Public Participation	87
COMPONENT B: INSTITUTIONAL PERFORMANCE: COGTA INDICATORS		88
COMPONENT C: INDIVIDUAL PERFORMANCE		91
COMPONENT D: INFRASTRUCTURE AND BASIC SERVICE DELIVERY		92
3.2	Provision of Water	92
3.3	Sanitation Provision	94
3.4	Provision of Electrical Services	95

3.5	Roads and Stormwater Services	105
3.6	Municipal Infrastructure Grant Implementation	111
3.7	Water Services Infrastructure Grant Implementation	114
3.8	Municipal Disaster Relief Grant Implementation	117
3.9	Extended Public Works Programmes	118
3.10	Municipal Workshop	120
COMPONENT E: COMMUNITY AND SOCIAL SERVICES		125
3.11	Waste and Environmental Management	125
3.11.1	Waste Management	125
3.11.2	Refuse Collection	126
3.11.3	Landfill Management	131
3.11.4	Waste Minimization	131
3.11.5	Environmental Management	133
3.11.6	Keep Kouga Green	134
3.11.7	Greenest Municipality	134
3.11.8	Keep Kouga Clean	135
3.11.9	Tree Management/Plot Clearing	136
3.11.10	Environmental Protection	138
3.11.11	Pollution Control	138
3.11.12	Biodiversity Protection	139
3.11.13	Coastal Management	140
3.11.14	Climate Change	143
3.11.15	Environmental Activities: Clean-Up Campaigns	148
3.12	Environmental Health	149
3.13	Libraries, Museums and Community Facilities	164
3.13.1	Libraries	164
3.14	Parks and Open Spaces	165
3.14.1	Sports, Recreation and Community Halls	168
3.15	Cemeteries	173
3.16	Fire Services and Disaster Management	176
3.16.1	Fire Services	176
3.16.2	Disaster Risk Management	180
3.16.3	Lifesaving Services	182
3.17	Safety and Security	183
3.17.1	Traffic Law Enforcement	183
3.17.2	Registration and Licensing/Driver’s license/Vehicle Testing	185
3.17.3	Security Services	186
3.17.4	Law Enforcement	187
COMPONENT F: PLANNING AND DEVELOPMENT		188
3.18	Spatial and Land Use Management	188
3.18.1	Kouga Spatial Development Framework	188
3.18.2	Precinct Plans	189
3.18.3	Appeals Authority	190
3.18.4	Land Use Management	191
3.18.5	GIS Working Group	206
3.18.6	Building Control	211
COMPONENT G: LOCAL ECONOMIC DEVELOPMENT		218

3.19	Local Economic Development	218
3.19.1	Economic Development	219
3.19.2	Tourism	225
3.19.3	Museums	234
3.19.4	Events	235
COMPONENT H: LAND AND PROPERTY ADMINISTRATION		252
3.20	Land and Property Administration	252
COMPONENT I: HUMAN SETTLEMENTS		266
3.21	Human Settlements	266
COMPONENT J: CORPORATE SERVICES		272
3.22	Overview of Corporate Services	272
3.22.1	Targets and Achievements	273
3.22.2	Call Centre Statistics	277
COMPONENT K: LEGAL SERVICES		277
3.23	Legal Services	277
COMPONENT L: INFORMATION COMMUNICATION TECHNOLOGY		280
3.24	ICT Governance	280
CHAPTER 4: ORGANIZATIONAL DEVELOPMENT PERFORMANCE		281
COMPONENT A: INTRODUCTION TO THE MUNICIPAL WORKFORCE		282
4.1	Headcount Statistics	282
4.1.1	Headcount Statistics: Human Resources	282
4.1.2	Headcount Statistics per Section	283
4.2	Vacancy Rate	283
4.3	Staff Turnover	284
4.4	Acting Appointments	284
COMPONENT B MANAGING THE MUNICIPAL WORKFORCE		285
4.5	Service Statistics	285
4.5.1	Leave Statistics	286
4.6	Human Resource Policies and Plans	286
4.7	Occupational Health and Safety	287
4.8	Disciplinary Matters	287
COMPONENT C CAPACITATING THE MUNICIPAL WORKFORCE		288
4.9	Workplace Capacity Development	288
4.9.1	Skills Development Expenditure	289
COMPONENT D MANAGING MUNICIPAL WORKFORCE EXPENDITURE		290
4.10	Workforce Expenditure	290
COMPONENT E: EMPLOYMENT EQUITY		292
4.11	Employment Equity	292
COMPONENT F: PERFORMANCE MANAGEMENT		294
CHAPTER 5: FINANCIAL PERFORMANCE		300
COMPONENT A: FINANCIAL PERFORMANCE		300
5.1	Financial Health Overview	300
5.2	Statement of Financial Performance	300
5.3	Statement of Financial Position	301
5.4	Financial Indicators	304
5.5	Capital Charges to Operational Expenditure	305
5.6	Borrowed Funding of Capital Expenditure	305

5.7	Debt Servicing Costs to Operating Expenditure	305
5.8	Current Ratio	306
5.9	Liquidity Ratio	307
5.10	Annual Debtors Collection Rate	308
5.11	Cost Coverage	308
5.12	Employee Costs as % of Total Operating Expenditure	309
5.13	Repairs and Maintenance as % of Total Operating Expenditure	310
5.14	Repairs and Maintenance as % of Book Value of PPE	310
5.15	Own Revenue Generation	311
5.16	Capital Budget Spending	312
5.17	Financial Viability and Management	312
5.18	Arrears in Property Rates and Service Charges	313
COMPONENT B: OTHER FINANCIAL MATTERS		314
5.18	Financial Policies	314
CHAPTER 6: AUDITOR GENERAL'S FINDINGS		315
6.1	Auditor General Report: 2023/24 Financial Year	315
6.2	Auditor General Report: 2022/23 Financial Year	321
6.3	Audit Corrective Action Plan	331
APPENDICES		332
APP: A	Councillors, Committee Allocation and Council Attendance	332
APP: B	Committee and Committee by Purpose	337
APP: C	Third Tier Administrative Structure	341
APP: D	Functions of the Municipality	342
APP: E	Ward Reporting	343
APP: F	Ward Information	343
APP: G	Recommendations of the Audit Committee	344
APP: H	Long Term Contracts and Public Private Partnerships	350
APP: I	Municipal Entity/Service Provider Performance Schedule	350
APP: J	Disclosure of Financial Interest	350
APP: K	Revenue Collection Performance	350
APP: K(i)	Revenue Collection Performance by Vote	350
APP: K(ii)	Revenue Collection Performance by Source	351
APP: L	Conditional Grant Expenditure (Excl MIG)	352
APP: M	Capital Budget Expenditure	352
APP: N	Capital Programme by Project Current Year	353
APP: O	Capital Project by Ward	355
App: P	Service Backlogs at Schools and Clinics	357
App: Q	Service backlogs: Other Spheres of Government	357
APP: R	Declaration of Loans and Grants made by the Municipality	358
APP: S	Declarations of Returns not made in due time MFMA s71	359
APP: T	National and Provincial Outcomes for Local Government	359
APP: U	Annual Financial Statements	360

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 water infrastructure, advancing our renewable energy strategy and improving our customer care services.

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 close to 10KM with a cost of over R20 million with 3 587m2 worth of potholes repaired.

We are pleased to have launched the Roads Reseal Project on the 23rd of January 2025, unveiling the largest single investment in infrastructure to date. This monumental R200 million resealing and rehabilitation project aims to upgrade 150 km of road.

Our efforts to improve our water infrastructure have been fruitful. The KwaNomzamo WWTW was upgraded at a cost of close to R42,36 million.

The 18-month initiative has increased the plant's capacity and removed barriers hindering the progression of the KwaNomzamo 400 housing project.

The much-anticipated upgrade of the Gill Marcus Water Treatment Works (WTW) in Humansdorp was also completed on the 28th March 2025, marking a major milestone in Kouga Municipality's efforts to ensure sustainable access to clean water.

The project, valued at nearly R5 million, introduced advanced borehole water treatment capabilities to the facility, a necessary enhancement due to the growing demand for drinkable water in the Gill Marcus area. This includes Kruisfontein, 7de Laan, Maak `n Las, Donkerhoek, Mooi Uitsig, Hopeville, Ext 391, Arcadia, Moerasrivier, Graslaagte, and Vaaldam, communities that were previously last in line to receive water from previous current reticulation system.

The upgraded WWTW, incorporating advanced technologies, will enhance treatment efficiency, supporting new residential areas and addressing housing demands in the growing economy.

Our renewable energy strategy took a step in the right direction with approval of our EIA for our proposed 20-megawatt solar plant.

I am immensely proud of the 7000 residents who signed our petition to keep the ESKOM tariff rates increase, lowered as far as possible, thank you.

We are actively exploring the SSEG installation route and hope to make tangible progress in the next financial year.

Enhancing customer satisfaction remains a key priority. The "First Thursday" initiative continues to be an effective platform for addressing residents' concerns, and we are encouraged by the positive community engagement.

I am also pleased that we are at the advanced stages of publishing our Customer Service Charter, the first of its kind in the Eastern Cape. This document will detail and list timeframes for all services at Kouga Municipality.

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.

I am also pleased about several other significant achievements in this financial year.

We are thrilled that Kouga has won the Provincial Greenest Municipality Award, reaffirming our commitment to sustainable development and environmental conservation.

We are boosting service delivery across the region with the recent acquisition of 60 new vehicles, representing a total investment of close to R60 million. We are proud to report that 97% of our fleet is in excellent working condition.

Another milestone is receiving our first clean audit, a significant achievement highlighting our unwavering commitment to financial sustainability. The clean audit signifies that the municipality demonstrated credible and reliable financial and performance reporting, with all expenditure properly accounted for. It reflects a strong financial position, underscored by zero instances of irregular, fruitless, wasteful, or unauthorized expenditure – a distinction achieved by very few municipalities nationwide.

This is not just a milestone for Kouga Municipality; it is a victory for our communities. It assures our residents that every rand is spent prudently, with their best interests at heart.

Furthermore, we are pleased to have launched a corruption hotline in line with our zero-tolerance stance on fraud and corruption.

We must strive to provide dignity to the poorest within our community. Informal settlements across the Kouga region are set to be upgraded at a combined cost of more than R100 million.

The implementation of this project will see nine informal communities with over 3 000 households be provided with decent basic services, such as water, electricity, sanitation, and waste management.

The resumption of the 1500 housing project in OceanView 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.

Whilst the financial year was marked with significant progress, I am not oblivious to the number of challenges that still exist.

During February 2024 and 2025, I visited every ward in our municipality to see firsthand the progress we have made and the existing challenges we still face. One issue stands out: the rise in crime, including gangsterism, robberies, abalone poaching, and damage to municipal infrastructure.

Whilst this trend is not unique to Kouga, nor is crime prevention a Local Government responsibility, we are working hard to address this:

- Last year we held a very successful Safety Summit and since established a Safety Forum comprising key role players across the region.
- We've recently requested permission to demolish all derelict buildings across our municipality, which are hotspots for criminal activity.
- We have applied to the Department of Justice to establish a Municipal Court in Kouga to deal with smaller issues, so that the Humansdorp Court can prosecute criminals more efficiently.
- A report will be delivered to the Department of Education and SAPS on the rise of gangsterism in some of our schools where urgent interventions are required.
- Our budget for Safety and Security has now tripled in the past three years which will assist us in installing additional CCTV cameras and upgrading our Incident Command Centre, increasing Law Enforcement Officers, Boots on the Ground etc.

I therefore encourage all residents to work together to report crime and keep our communities safe.

The increased levels of vagrants in our region, land invasion and lack of funding for capital projects remain challenges that we are working towards.

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.

Together, we continue to strive for service excellence and ensure that Kouga Municipality remains a thriving and resilient municipality, a blueprint of what a flourishing South Africa can look like.

Thank you



_____

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. Revenue from property rates increased R 259,514,386 to R280,202,653. 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.

R3,339,130 was spent on converting gravel to tar roads and R 21,300,000 was spent 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 Jeffreys Bay. 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. A 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 Municipality's 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 is committed to financial sustainability.
- To be a government that empowers residents to take 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 Settlement
- Donkerhoek 363 Informal Settlement
- 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 (53.78%) were t approved.
- 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 disposal 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

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 Vusumzi Landu Hall, Hankey Pellsrus Community Hall, Jeffrey's Bay

DATE	PROGRAMME	VENUE
		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 18 March 2024 19 March 2024	Public Hearing: Basic education law amendment bill Compact Citizen Monitors site visit engagements	Vusumzi Landu Hall, Hankey 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 Kruisfontein Civic Hall, Kruisfontein Weston Community Hall, Hankey

DATE	PROGRAMME	VENUE
		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

PROGRAMME	DATE
Youth Summit. The Special Programmes Unit in conjunction with different sector departments hosted a successful Youth Summit. The summit was attended by young people all over Kouga Municipality from the 15 Wards as well as organization working directly with the youth.	30/06/2023
Mandela Day. On the 18th of July 2023, the SPU in conjunction with the Office of the Executive Mayor celebrated Mandela Day, which included a Coding competition for the youth, planting trees at Kruisfontein Primary and a visit to the paediatric ward at Kouga Partnership Hospital.	18/07/2023
Mentoring a Girl-Child at Work. The SPU in Partnership with Kouga Municipality Female employees hosted a mentor a girl child at work, the learners were from Jeffreys Bay Comprehensive High School and Humansdorp Senior Secondary School from Gr8 - Gr11	29/08/2023
Kouga Most Powerful Women. The SPU embarked on the second annual Kouga Powerful woman Competition to show appreciation to females in the different communities of Kouga who go above and beyond to empower their communities and exceed within their respective disciplines.	30/08/2023
Rainbow Village Disabled awareness day. The SPU partnered with Rainbow School to host a successful family fun day for the whole family. The objective was aimed at an educational awareness programme regarding children living with disabilities.	09/09/2023
Youth Disabled Climate Change Programmes. The SPU in conjunction with Community Services had a beach cleanup and Marine Climate change educational programmes for the Boy scholars of Rainbow school educating them on Marine Climate change and how they can make a difference.	15/09/2023

PROGRAMME	DATE
Substance abuse and gangsterism Campaign with external stakeholders. The Special Programmes Unit partnered with DOJ, DOC, SAPS and the Anti-Gang Unit to conduct a substance abuse and anti-gangsterism programmes for the community members of Hankey.	26/09/2023
Youth Policy. The revised Youth Policy was approved at an Ordinary Council meeting on the 27th of October 2023. The SPU will now establish a dedicated Youth Forum that, amongst others, formulates specific plans and strategies relating to youth development.	27/10/2023
Kouga Prayer Day. The Mayor's Office in conjunction with the SPU conducted an interdenominational thanksgiving for rain at Mentors Kraal.	29/10/2023
First Thursdays. The Mayor's Office Launched the "First Thursday" initiative – bringing open, accessible, transparent, and accountable government to all residents across the region – Another first of its kind in the Eastern Cape.	02/11/2023
Elderly Awareness. The SPU partnered with NBPAM NOP to conduct an Elderly appreciation breakfast, the elderly present were given an education awareness on various topics such as Alzheimer's disease, elderly rights, domestic violence and social grants.	04/11/2023
Anti-substance abuse and gangsterism campaign. The Special Program Unit partnered with Correctional services and SAPS Gang unit to conduct an anti-Substance abuse and gangsterism campaign in Patensie. All community members were educated regarding substance that are addictive and warned against drugs and involvement of gangsterism.	13/11/2023
Men for Change Campaign. SAHKE Family Development and Special Program Unit embarked on a Men for change campaign as a buildup program to the 16 days of Activism. Men were challenged to be the change they want to see in the community and to raise boys with a mentality to protect woman and children.	22/11/2023
Services on wheels. The Special Program Unit partnered with other sister government stakeholders to render services on wheels to the community. Taking the services of Dept. of Health, SASSA, Legal AID, Home Affairs and others to the community.	30/11/2023
World Aids Day. The SPU in collaboration with other sister government departments as well as NPO'S and NGO'S within the Kouga Municipality hosted a successful World aids day as well as addressing other social ills and did an awareness campaign on elderly rights as well GBV.	06/12/2023
Services on Wheels. The SPU and other government departments rendered services on wheels to the community in Loerie ensuring that the community is well informed what services the government departments render and assisted those who are in need of their services.	07/12/2023

PROGRAMME	DATE
Handover of ECD Centre. SPU in partnership with Kouga windfarm conducted a handover of an ECD centre to ensure that early childhood development can take place in a structure that is safe and secure for development of the children.	08/12/2023
GVB Rapid Response Campaign. SAPS and the SPU collaborated and conducted a successful GBV rapid response awareness campaign to the community. Victims of GBV shared their testimonies and encouraged the community to speak up against GBV and to report it to the SAPS ASAP and availed themselves as a safe place to seek help and encouragement.	08/12/2023
16 Days of Activism. SAPS and the SPU partnered to end off 16 days of activism by educating the community about all types of abuse, how to apply for a protection order, the importance of reporting any type of violence.	11/12/2023
Vegetables Distribution. The SPU, through a Mayoral Initiative, distributed fresh A-grade Vegetable to various soup kitchen with Kouga municipality that was donated by Wildeklawer. 2 tons of vegetables have been distributed thus far benefitting over 30 local NGO's across the region.	08/01/2024
Stakeholder engagement with Social Development MEC. The SPU attended a great stakeholder's engagement with the MEC of Dept. of Social Development. Patensie Primary School and Patensie Agricultural School were visited and all school challenges were highlighted and discussed as well as a distribution of school cloths and sanitary towels.	17/01/2024
Vegetables Distribution. The SPU distributed fresh A-grade Vegetable to various soup kitchen with Kouga municipality that was donated by Wildeklawer.	18/01/2024
Scholar Leadership Programme. The SPU in partnership with Jeffreysbay Comprehensive High School coordinated another successful leader's camp for the scholar leadership of 2024. The children were motivated and encouraged to develop their leadership skills and to make a positive impact in their school and community.	30/01/2024
Graduation of Care Workers. The SPU partnered with SAKHE family development for the graduation of the health care workers who will assist families all over Kouga to take care of patients at home and to be a helping hand for the Dept. of health in different clinics over Kouga as well as the hospital.	31/01/2024
Back-to-School. The Special Program Unit has led, as part of a mayoral initiative, a back-to-school program. The program will see the executive Mayor visit the high schools within the Kouga region.	12 – 20 /02/2024
Vegetable distribution to soup kitchens, ECD centres and Old Age Club. Special Program Unit facilitated the distribution of fresh A-grade vegetables to soup kitchens in the Gamtoos area. This is a mayoral initiative supported by the Wildeklawer farm in Barkley East.	05,12,26 /02/2024

PROGRAMME	DATE
Kehl University German Study Visit. Kehl University from Germany was hosted by Kouga Municipality for their annual excursion to our municipality. The University's Public Management degree program, led by SPU, took place on the 22nd+23rd February 2024	22-23 /02/2024
Humansdorp 175th Birthday – Reopening of Museum. In commemoration of Humansdorp's 175th anniversary, the Mayor's Office, alongside LED and various external partners, orchestrated the grand reopening of the Humansdorp Heritage Museum	12/03/2024
First Thursday. The second First Thursday for 2024 took place in Humansdorp, bringing open, accessible and transparent government to all residents within the Kouga region.	04/04/2024
PickMe App launch. The Special Programs Unit (SPU), in collaboration with the Mayor's Office, is actively supporting the launch of the PickMe Application, spearheaded by Mr. Attie Retief. PickMe endeavours to empower both employed and unemployed individuals as well as businesses by offering them a platform to showcase their skills.	15/04/2024
Vegetable Distribution. Through a Mayoral Initiative, the Special Programmes Unit (SPU) distributed fresh A-grade vegetables donated by Wildeklawer Farm from Barkley East to various daycares, primary schools, and soup kitchens within Kouga	May and June 2024
Youth Month Fashion Show: Celebrating Legacy and Inspiring the Future. The Special Programmes Unit (SPU), in partnership with the Leadership Experience and various other stakeholders, presented a dynamic fashion show in celebration of Youth Month.	14/06/2024

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 advertisement 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.

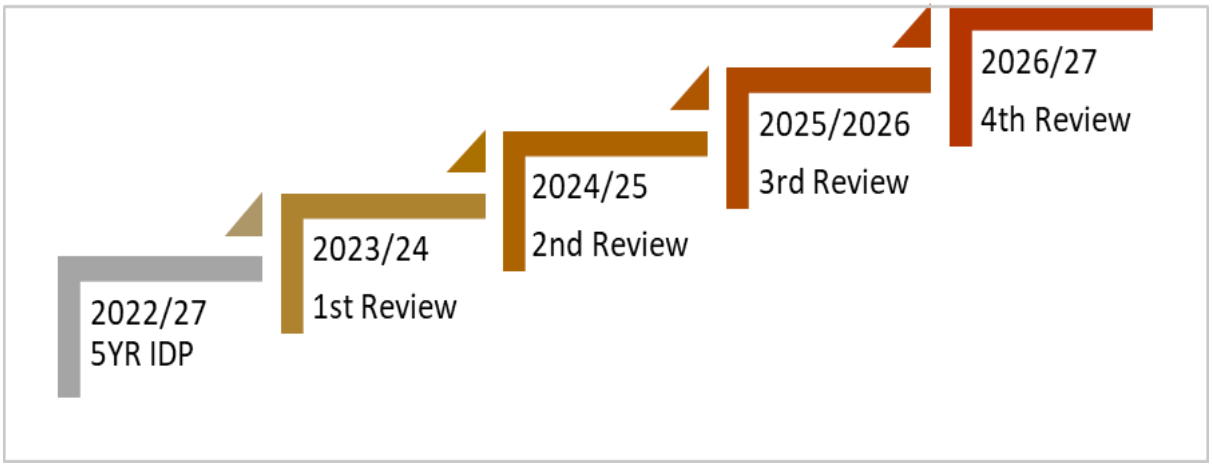
Media and Communication Strategy: The Media and Communication Strategy was approved by Council on 30 January 2024.

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 Novemb er 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
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 Ward5 Ward 6 Ward 15	18h00	3	29	22	54
17/10/2023	Ward 2 Ward 14	18h00	2	10	17	29
18/10/2023	Ward 3 Ward 8 Ward 11	18h00	3	10	15	28
21/10/2023	Ward 7 Ward 9 Ward 10 Ward 13	10h00	1	15	22	38
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 medium rating from the Office of the MEC.

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	Planning & Development	**In progress**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
			reduction, capacity building and social protection.		
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**
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**

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 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 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**
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**

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 provide current statistics on electricity backlogs.	100% all registered erven have access to electricity or already have an electrical connection. Illegal settlements not on registered erven are 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 advanced 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**
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	Finance & Economic Development	**On-going**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
			Indigent Drives throughout the year where the Municipality goes to the relevant communities to register new indigents.		
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**
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**

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 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**
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	Corporate & Communication Services	**Completed**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
			rendering of services are concerned.		
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 several Human Resources policies that must go to the Policy Committee before the end of February 2025	Corporate & Communication Services	**In progress**
KPA 6	Institutional Arrangements	The municipal IDP must reflect on the establishment and functionality of structures (Local Labour Forum and Disciplinary Hearings) that discuss matters of mutual interest between Employee.	There is no LLF as SAMWU has dismally failed to elect shop stewards.	Corporate & Communication Services	**On-going**
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 was 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

	Risk	Root Causes
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 types of 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
Notice 173 / 2023	Supply and Delivery of Branded Corporate Wear for a period of 12 Months	15 Septemb er 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 Septemb er 2023	n/a	27 September 2023	Kasomsi Trading Infinity Printing and Technology Marcopolo Mzansi Suppliers	2 November 2023	Various Rates	22 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
					Erdman Trading and Projects Daniels Engineering and Manufacturing Cassim's			
Notice 181 / 2023	Appointment of Professional Service Provider to perform Environmental Impact Assessment for expansion of Kwanomzamo and Humansdorp Town Cemetries	8 Septemb er 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 Septemb er 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 Septemb er 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 Compactor and Major Service on Mechanical Parts	29 Septemb er 2023	6 October 2023	13 October 2023	Cancelled	20 October 2023	Cancelled	Working days
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	20 October 2023	27 October 2023	3 November 2023	Phakamisa Fleet Services Pty Ltd	9 November 2023	R199 600.00	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
	and Major Service on Mechanical Parts							
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
Notice 226 / 2023	Supply and Delivery of Personal Protective Clothing to Kouga Municipal Workshop	1 Novemb er 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 Novemb er 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	8 Novemb er 2023	n/a	17 November 2023	Nu Plant Project CC	1 December 2023	Various Rates	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 Jeffreys Bay, St. Francis Bay, Oyster Bay and Paradise Beach							
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
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	Supply, Delivery and Off-loading of	9 February 2024	n/a	20 February 2024	Mesrazest (Pty) Ltd	11 March 2024	R277 725.00	11 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
33 / 2024	6 Cubic Meter Skip Bins for Drop Off Sites and Informal Areas							
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
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

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 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 Tanker BLH 197 EC	4 April 2024	10 April 2024	16 April 2024	Phakamisa Fleet Services	7 May 2024	R101 000.00	12 Working days
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	Refurbishment of Firefighting	22 April 2024	25 April 2024	2 May 2024	Phakamisa Fleet Services	10 May 2024	R 39 850.03	5 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
90 / 2024	Trailer HTD 760 EC							
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 to Kouga Municipality	17 May 2024	n/a	28 May 2024	Mesrazest (Pty) Ltd	13 June 2024	R157 584.50	9 Working days
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	21 May 2024	n/a	31 May 2024	Avile Amakhozi Projects Pty Ltd	12 June 2024	Various Rates	4 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
	for Kouga Wastewater, Water Purification Treatment Works and others							
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 Contra ct 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 Contra ct 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	15 August 2023	Various rates	32 Workdays

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
					Intaka bolt RCH Trading			
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 Workdays
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 Workdays
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 Workdays
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 Workdays
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 Workdays
Notice 76 / 2023	Appointment of Professional Service Providers to perform Professional Electrical Engineering Services for a	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	1 November 2023	Various Rates	71 Workdays

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
	period of Three Years				IX Infrastructure Excellence Clinkscales Maughan- Brown Pty Ltd Bosch Projects			
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 Workdays
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 Maboneng Electrical Distributors (Pty) Ltd	21 November 2023	Various Rates	54 Workdays
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 December 2023	Various Rates	126 Workdays
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 Workdays

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 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 Workdays
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 Workdays
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 Workdays
Notice 101 / 2023	Appointment of Service Provider to develop a change management implementation plan for a continuous Development plan over a period of three years	9 June 2023	19 June 2023	10 July 2023	n/a	16 August 2024	cancelled	n/a
Notice 102 / 2023	Appointment of a Suitably Qualified Professional Service Provider (PSP) for the Design and Implementation of the	19 May 2023	29 May 2023	19 June 2023	VST Consulting Engineers (Pty) Ltd	10 November 2023	R 746 348.85	82 Workdays

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
	Oceanview Collector Sewer							
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 Workdays
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 Workdays
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 Workdays
Notice 123 / 2023	Appointment of Service Provider for the Design, Supply, Delivery and Installation, training & maintenance of an electronic committee web-based management and workflow system	21 June 2023	29 June 2023	20 July 2023	n/a	15 September 2023	Cancelled	40 Days
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 Workdays
Notice 127 / 2023	Supply and Delivery of mobile handsets	15 June 2023	27 June 2023	17 July 2023	Mobile telephone Networks (Pty) Ltd	6 November 2023	Various Rates	60 Workdays

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
	including Voice, Data and SMS Package for a period of 24 months							
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 Workdays
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 Workdays
Notice 135 / 2023	Appointment of Service Provider for the Supply and Installation of paving on Portion of Erf 170, Jeffreys Bay	23 June 2023	10 July 2023	24 July 2023	Vitsha Trading & Ibala Consulting Joint Venture	6 November 2023	R1 749552.50	58 Workdays
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 Workdays

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 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 Workdays
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 Workdays
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 Workdays
Notice 175 / 2023	Supply, Delivery and Installation of hired Units for live Vehicle Tracking/ Fleet Management / Stolen Vehicle Response with ongoing training and support and fuel management	13 September 2023	27 September 2023	13 October 2023	CTrack Fleet Solutions (Pty) Ltd	14 November 2023	Various rates	4 Workdays
Notice 177 / 2023	Appointment of Service Provider to provide Cloud Hosting, Cloud Disaster Recovery and Data Centre Continuity for a period of	13 September 2023	26 September 2023	20 October 2023	Gracol Solutions (Pty) Ltd	16 February 2024	Various Rates	68 Workdays

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
	Three (3) years							
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 Workdays
Notice 186 / 2023	Appointment of a Professional Service Provider for the Engineering, procurement and Construction of Solar Battery Energy Storage System at Jeffreys Bay WTPPM, St. Francis WWTW, Admin Building at 24 month Operation	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
	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 Workdays
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 Workdays
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 replacing 125Watt and 250Watt Mercury Vapour Conventional HID& CIF Streetlight Luminaire	22 September 2023	n/a	31 October 2023 (closing date extended from 23 October 2023)	Obhejane Trading Pty Ltd	18 December 2023	Various Rates	19 Workdays
Notice 193 / 2023	Supply, Delivery and Off-loading of Miniature Substation and Distribution	22 September 2023	n/a	23 October 2023	Actom Electrical Products Jocastro (Pty) Ltd	16 February 2024	Various Rates	67 Workdays

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
	Transformers for a period of three years.							
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 Workdays
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 Workdays
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 Workdays
Notice 211 / 2023	Appointment of a Service provider to provide Banking services to Kouga Municipality for a period of Five years	13 October 2023	1 November 2023	14 December 2023	ABSA Bank Ltd	15 May 2024	Various Rates	80 Workdays
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	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 Workdays

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
	over a period of 36 months							
Notice 219 / 2023 Contract 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 Workdays
Notice 219 / 2023 Contract 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 Workdays
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 Workdays
Notice 230 / 2023	Supply, Delivery and Installation, Commissioning and maintenance of variable speed drive	3 November 2023	13 November 2023	4 December 2023	Greenro Solutions (Pty) Ltd	16 Feb 2024	Various rates	38 Workdays
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 Workdays
Notice 2/2024: Contra	Supply, Delivery and Off-Loading	19 January 2024	n/a	26 February 2024	Durban Lubricants	14 June 2024	Various Rates	61 Workdays

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
ct S1 of 2024	of Oil and Grease for a period of Two Years							
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 Workdays
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 of a Secure Off-Site Storage Facility and to render Document Management Services for a period of Three (3) years.	19 January 2024	30 January 2024	19 February 2024	Metrofile	20 March 2024	Various rates	5 Workdays
Notice 6 / 2024	Appointment of Service Provider for Rendering of Employee	19 January 2024	29 January 2024	29 February 2024	cancelled	10 April 2024	n/a	24 Workdays

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
	Assistance Programme and Medical Surveillance for a period of Three 3 years							
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 Workdays
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 Workdays
Notice 19 / 2024	Appointment of Service Provider for the Supply and Delivery of one 7000L Water Tanker for the Fire Department	29 January 2024		29 February 2024	Sky Metro Equipment (Pty) Ltd	26 April 2024	R1 498 952.55	20 Workdays
Notice 24 / 2024	Appointment of a Professional Service Provider to assemble a multi-disciplinary team of Professionals to conduct a full feasibility Study and	2 February 2024	13 February 2024	4 March 2024	Urban Econ Developments Economics Pty Ltd	28 May 2024	R 589 306.00	18 Workdays

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
	Develop a Business Plan together with conceptual designs for Erf 499, Humansdorp and Portion 21 of Farm 347 of Humansdorp RD							
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 Workdays
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 Workdays
Notice 37 / 2024	Design, Build and Commissioning of the upgrade to the Gill Marcus Water Treatment Works	16 February 2024	27 February 2024	18 March 2024	International Metal Processing	24 June 2024	R4 999 050.00	46 Workdays
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	26 February 2024	5 March 2024	17 April 2024	Imvu Construction	28 June 2024	R4 894 931.00	17 Workdays

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
	Treatment Works							
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 Long- 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 Development for a period of three (3) years	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
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
Notice 117/ 2024	Upgrade of Boskloof Substation and New Kwanomzamo	27 May 2024	5 June 2024 2nd meeting was arranged to include	Not closed	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
	Bulk Supply for Kouga Municipality		bidders with CIDB grading of 6 EP PE on 2 July 2024					
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
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

NOTICE &DESCRIPTION	SERVICE PROVIDER	DATE OF AWARD	AMOUNT/ CANCELLED
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:

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

No	Bylaw Name	Date Gazetted	Gazette Number
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
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

Documents Published on the Municipal Website		Yes/No	Date Published
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 2022/23 Annual Report, 397 surveys were completed and submitted by the different wards. It was evident that the approach where notices were published, and survey forms being made available at all municipal offices did not achieve the desired result, especially in the Gamtoos Valley areas.

It is worth noting that the new initiative to make use of other forms of communication, e.g., social media platforms yielded a 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

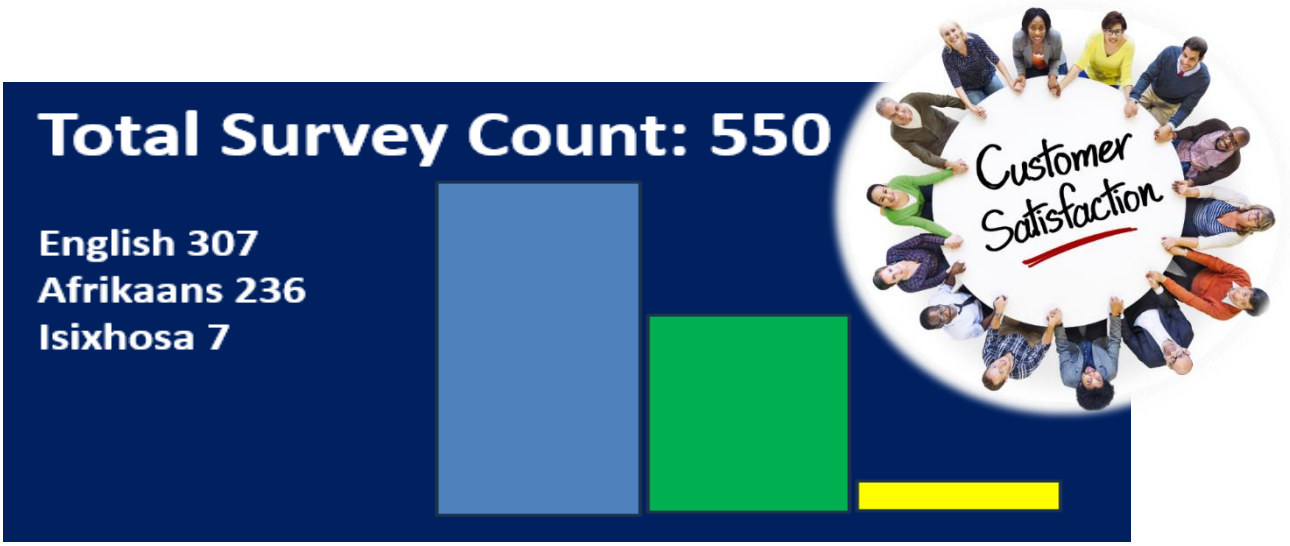
Afrikaans

https://arcg.is/0vqj4K

isiXhosa

https://arcg.is/1H0qrK0

The Satisfaction Survey indicated that 75% of 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 have 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 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

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
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
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

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
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 DEDEAT by 30 June 2024	New	1	1	None
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	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

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
		extension of the Loerie Cemetery				caused delays in implementation project to be completed during the 20224/25 year.
17		Number of EIA's applications submitted to DEDEAT 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	4	11	Appointed 5 AM, 3 AF, 3 WF
37	I&E085	% Expenditure of LGSETA grant funding for staff development	98%	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

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
21		Number of FTE jobs created through LED initiatives and Capital Projects	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.

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
						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%	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 Planning and Development 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%

	Indicator Name	Target set for the year	Achievement level for the year (Absolute figure)	Achievement percentage during the year
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/ customers expected to benefit	Estimated backlogs (actual Numbers)	Target set for the year under review 2024/25	Number of households/ customers reached during the financial year	Achievement percentage during the year
1.	% of households living in informal settlements	13.5%	3814	868	3000	34%

	Indicator Name	Total Number of household/ customers expected to benefit	Estimated backlogs (actual Numbers)	Target set for the year under review 2024/25	Number of households/ customers reached during the financial year	Achievement percentage during the year
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, Ocean View 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	**29 998**	**2 074**	**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 had 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.

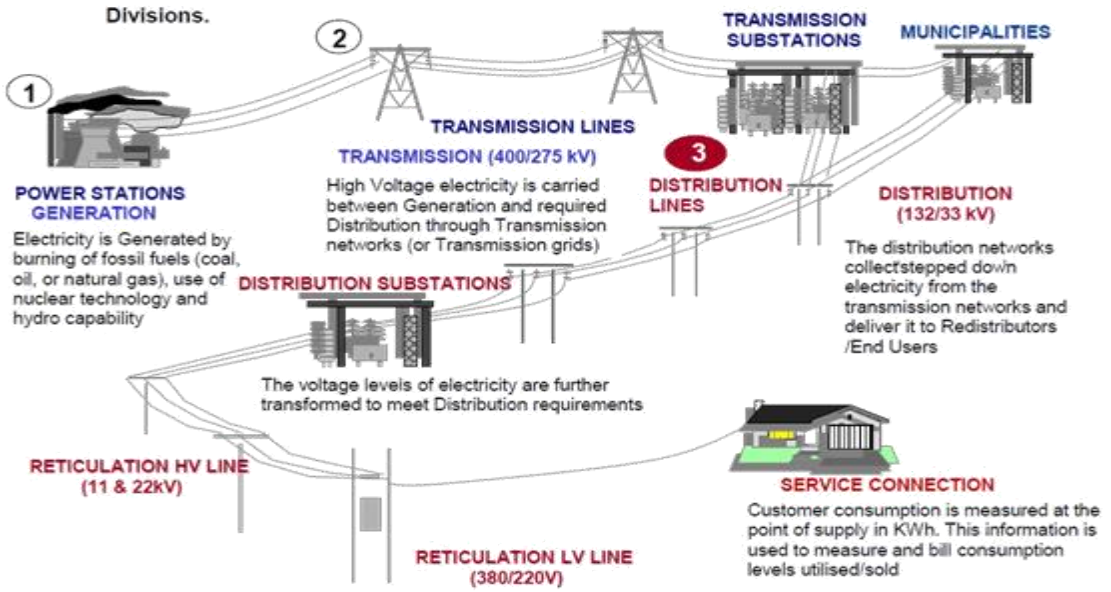
Levels and Standards in Sanitation Services -Four (4) levels of sanitation services are provided:

- 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

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
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
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 Aston Bay.

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

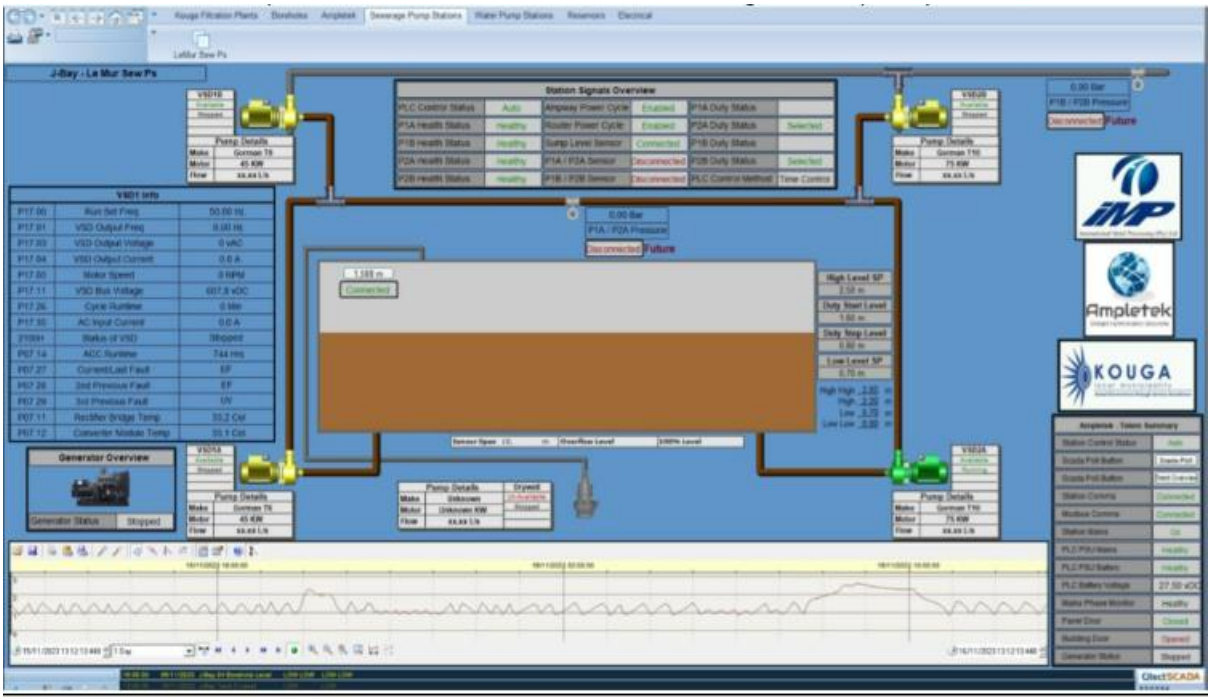


Table 5: List of pumpstations

Name/ Location	Number of pumps	Pump type	Pumps size
4A Sewer Pumpstation	**1**	**T10**	**75kW**
4B Sewer Pumpstation	**1**	**T10**	**75kW**
Aapiesdraai	**2**	**VS6**	**55kW**
La-Mer	**1**	**T10**	**75kW**
	2	**T8**	**45kW**
Ocean View	**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

Ward	Pumpstation	Cost
	Outside lights to be fixed	R2,000.00
	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
	La-Mer 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 Grundfos 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 complaints 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 are 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**
Town	***Concrete Road Length (km) per Condition Category (VCI) by Town***					***Total Length (km)***
	Very Good	***Good***	***Fair***	***Poor***	***Very Poor***	
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**

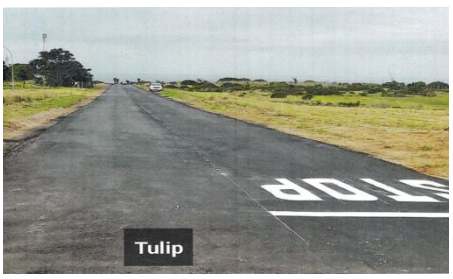
The table below is a summary of funding spent on upgrading gravel roads.

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:

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

- Length of roads resealed = 9.5 km
- Potholes repaired = 3,587m²

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 (Estimated amount adjusted to compensate for inflation)	Nil	Nil	Nil

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.

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.

The above table illustrates the projects implemented and still under construction for the 2023/2024 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.

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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.

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.

<u>Consulting Services for Groundwater Development</u>

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

- Jeffreys 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 has overachieved both their 2023/24 work opportunity and FTE Targets.

- Kouga LM has 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 2023/2024 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
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

MONTH	AMOUNT
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.

DEPT.	COST/ BUDGET	BUDGET SPEND TO DATE	PROJECT	RELEVANCE TO SERVICE DELIVERY
				
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 behaviour 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

AREA SERVICED	2023/2024 EQUIPMENT
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. 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.

DAY	JEFFREYS BAY: AREA
	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.
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,

DAY	JEFFREYS BAY: AREA
	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: 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 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-2023 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 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.

3.11.8 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.

Jeffreys 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 Jeffreys 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 Jeffreys Bay daily.

The Kouga Municipality is taking action to address the waste pollution issue in Jeffreys Bay. As part of this initiative, we 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.

Kouga 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, Economic Development, Environmental Affairs and Tourism 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	198ha	198ha	Community Services

REFERENCE	PERFORMANCE INDICATOR	REFERENCE	DATA ELEMENT	2021/22 ANNUAL	2022/23 ANNUAL	SOURCE
	within the municipality		classified 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 develop 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





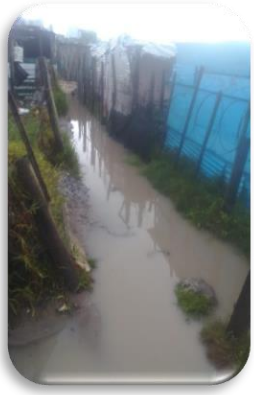
ST FRANCIS PUMP HOUSE – SERIOUS STRUCTURAL DAMAGE







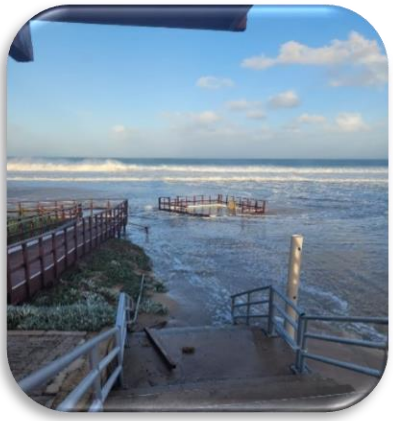
FLOODED HOUSES – PELLSRUS, KWANOMZANO, SEA VISTA

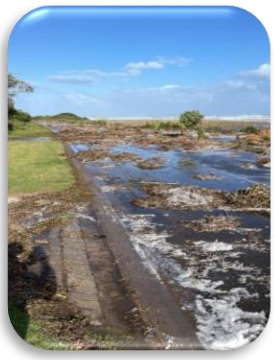

CAPE ST FRANCIS



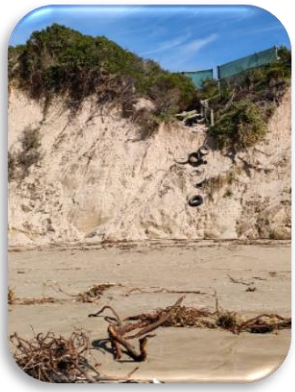

JBAY DOLPHIN BEACH



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 September 2023: - World Environmental Health Day is commemorated annually on 26 September. 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
23 September 2023	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) – October 2023 & February 2024 - 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 October 2023	Thornhill	7	4
27 October 2023	Jeffreys Bay	14 & 2	7
3 November 2023	Patensie	10	8
10 November 2023	Humansdorp	4 & 5	14
17 November 2023	Hankey	9 & 13	10
23 November 2023	Humansdorp	6 & 15	10
30 November 2023	Jeffreys Bay	14	9
30 November 2023	Sea Vista	1	8
14 February 2024	Thornhill & Loerie	7	8



Education & Awareness Program: Water Conservation, Food Safety & Hygiene For Schools' Feeding Schemes – November 2023 & February 2024: -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
1 November 2023	Hankey	13	Weston Junior
	Hankey	9	Hankey Primary
	Patensie	10	Patensie Primary
	Patensie	10	Masisebenze
28 February 2024	Jeffreys Bay	14	Jeffreys Bay Comprehensive
29 February 2024	Hankey & Patensie	9 & 10	Hankey Secondary Patensie Agricultural High

Traditional Circumcision Monitoring – Summer (December 2023/January 2024) - 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:

DATE	AREA:	WARD:	NAME OF TAVERN:
13 February 2024	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: March 2024 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
4 March 2024	Jeffreys Bay	14	Makukhanye Primary School
		2	Pellsrus Primary School
6 March 2024	Humansdorp	4	Kruisfontein Primary School
		15	St Patricks Primary School
		5	Graslaagte Primary School
7 March 2024	Loerie	7	Loerieheuwel Primary School
			Phumlile Primary School
	Hankey	9	Bodker Primary School
12 March 2024	Sea Vista	1	Sea Vista Primary School
14 March 2024	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 April 2024	Hankey	9 & 13	- Top Class Salon - Flair beauty Salon - Thembi's Salon & Barber - Dayu's Salon - Azia Barbershop - Elvin's Barbershop
17 April 2024	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 April 2024	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 April 2024	Hankey	13	• Vukani Primary School • Weston Junior Secondary School
16 April 2024	Thornhill	7	• Thornhill Combined School
18 April 2024	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 April 2024	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 April 2024	Jeffreys bay: Tokyo Sexwale	2 & 14	- Community Door to Door
15 May 2024	Humansdorp	5	- Community Door to Door
22 May 2024	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 5 May, 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
9 May 2024	Masikhule Creche	6	KwaNomzamo
	Nkqubela Creche	6	KwaNomzamo
10 May 2024	Ithemba Family Support Centre	14	Jeffreys Bay
13 May 2024	Sakhisizwe Creche	13	Hankey
	Phillipsville Creche	9	Hankey
13 May 2024	Dinkie Dot Creche	5	Humansdorp
	Angels Day Care Centre	5	Humansdorp
22 May 2024	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 April 2024 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

That 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 12 January 2024.

- Caravan Parks - Marketing Strategy Developed and workshopped to Councillors on 15 April 2024.
- 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 27 June 2024.
- Hosting of the Annual Mayoral Cup Program 1 March 2024.
- Springbok World Cup Player, Manie Libbok visited Kouga on 11 November 2024.
- Repairs and maintenance of Sport fields and Community Halls.

Mayoral Cup Launch - On the evening of 1 March 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 April 2024	Kruisfontein Sports Field, Humansdorp
BOXING	N/A	N/A	13 April 2024	Jeffreys Bay, Comprehensive School
VOLLEYBALL	13 April 2024	Jeffreys Bay, Main Beach	13 April 2024	Jeffreys Bay, Main Beach
CHESS	8 & 9 March 2024	Newton Hall, Jeffreys Bay	12 & 13 April 2024	Newton Hall, Jeffreys Bay
GOLF	N/A	N/A	19 April 2024	St Francis Bay Golf Club, St Francis Bay
SOCCER	16, 17, 23 & 24 March 2024	Tokyo Stadium, Jeffreys Bay	20 April 2024	Tokyo Stadium, Jeffreys Bay
CRICKET	N/A	N/A	20 & 21 April 2024	Mentorskraal, Jeffreys Bay
MARATHON	N/A	N/A	20 April 2024	Jeffreys Bay, Main Beach
NETBALL	N/A	N/A	27 April 2024	Hankey Primary School, Hankey

SPORTING CODE	DATE: PLAYOFFS	VENUE	DATE: FINALS	VENUE
TENNIS	N/A	N/A	27 April 2024	St Francis Bay Tennis Club, St Francis Bay
8 BALL POOL	6 March 2024	N/A	27 April 2024	Jolly Dolphin/Sovereign/Havanna, Jeffreys Bay
DARTS	N/A	N/A	27 April 2024	Jolly Dolphin, Jeffreys Bay

Manie Libbok Visited Kouga On 11 November 2023, 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, Palaeontologist) in June 2024.
- 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**

AREA	WARD	BURIALS PER YEAR 2020/21	BURIALS PER YEAR 2021/22	BURIALS PER YEAR 2022/23	BURIALS PER YEAR 2023/24	AVAILABLE SPACE
KWANOMZAMO	6	77	106	88	98	**Yes**
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**

AREA	WARD	BURIALS PER YEAR 2020/21	BURIALS PER YEAR 2021/22	BURIALS PER YEAR 2022/23	BURIALS PER YEAR 2023/24	AVAILABLE SPACE

3.16 FIRE SERVICES AND DISASTER MANAGEMENT

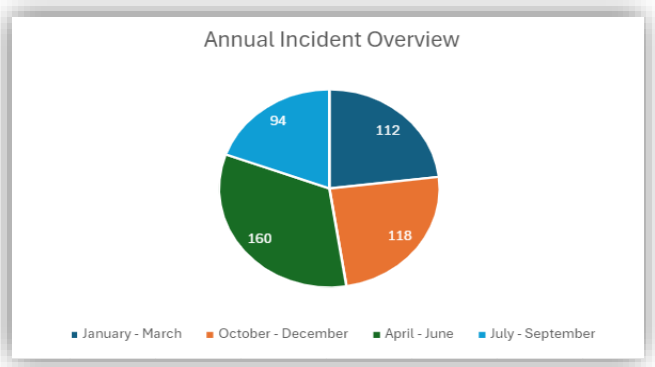
3.16.1 FIRE SERVICES

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.

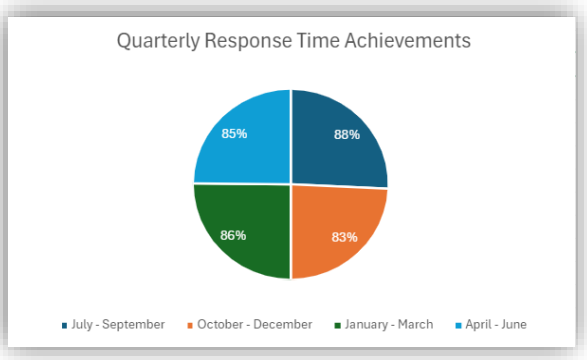
The service employs fifty-four (54) staff members, who are essential in delivering high-quality service. The most important asset the Kouga Municipal Fire Service has is its staff and it is through our staff that we are able to render a professional service of an excellent standard to the community.

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

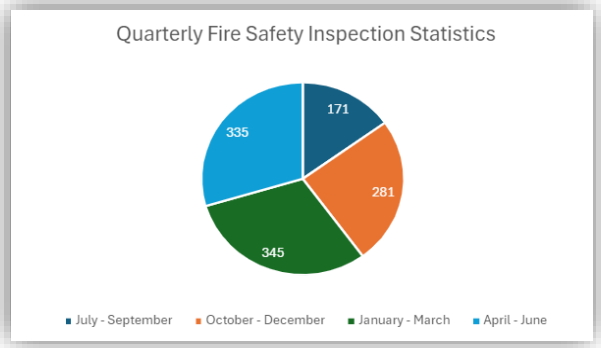


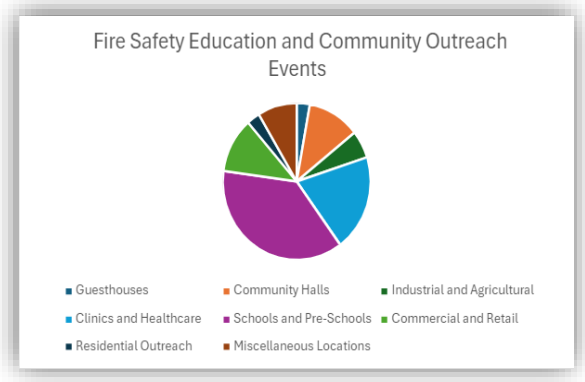
The Fire Services responded and attended to **484 incidents** during the year, whereby most of these incidents, especially veld fires increased during the summer season which highlights an influx of visitors to our area each year. Our commitment to protecting lives, properties, and the environment remained 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.

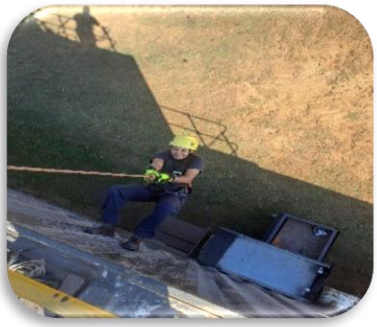
Training And Development - The Kouga Fire Department is committed to continuous training and development to ensure our staff are equipped with the necessary skills and knowledge to effectively serve our community. Over the past year, we have conducted specialized training programs for our team members 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 August 2023.
- Makukhanye Primary School, and Kings College 30 January 2024.
- Graslaagte Primary School 10 April 2024.
- Patensie Primary 19 April 2024.
- Makukhanye Primary 16April 2024.
- Mzingisi Primary 18 April 2024.
- Kings College, Jeffreys Bay 08 April 2024.
- Scholar patrol education and training (Pedestrian Crossing) was done on 15 May 2024 at Makukhanye Primary in Kwa Nomzamo, Humansdorp.
- Pedestrian Crossing was observed at Kings College, Jeffreys Bay on 12 June 2024.

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 (Dltc)

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

DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24
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 April 2024: 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 Gisela Altona-Meier	casper@msjv.co.za.	Consultant.	

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, Hatting Bornman on 16 May 2024. A further Appeal Authority Meeting was held on 6 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 October 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 January 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 January 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 March 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 January 2024	Erf 1404 -Sea Vista-Application for Removal of Restrictive Title Deeds and Permanent Departure	Appeal currently being assessed by the Designated Official
	27 May 2024	Erf 201- Humansdorp – Application for Consent Use	Appeal currently being assessed by the Designated Official
	4 June 2024	Erf 2679- Jeffrey Bay- Application for Rezoning	Appeal currently being assessed by the Designated Official

	11 June 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				
Cape St Francis							1			
Oyster Bay										
Paradise Beach					2					
Patensie	1									
Pellsrus										
Sea Vista	6					1				

	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
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	30/05/2022	Application for Permanent Departure to relax building	29/09/2023 Approved

		Bay		lines	
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 Bay	02/11/2022	Site Development Plan	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**
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	08/05/2023	Site Development Plan	29/09/2023 Approved

		Humansdorp RD			
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, Oyster Bay	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 4057 Jeffreys Bay	26/09/2023	Exemption: Boundary shift between erven 4055 - 4057	06/10/2023 Approved
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, Paradise Beach	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 Francis Links	17/07/2023	Exemption: Boundary shift	19/02/2024 Approved
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, Cape 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, Paradise Beach	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 Cape St Francis	09/03/2022	Application for Rezoning Erf 922 from Agricultural Zone to Business Zone 2, Consolidation of Erf 922 and Erf 958 Cape 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, Oyster Bay	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, Cape 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, Cape 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 Humansdorp RD (Portion 459)	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
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, Cape 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, Paradise Beach	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 Cape St Francis	05/08/2022	Application for Removal of Restrictive Title Deed Conditions	31/01/2024 Approved

154	JL2223-00099	Erf 41 – Erf 45, Paradise Beach	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, Oyster bay	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 2023 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 19 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 21 and 22 June 2024, 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.



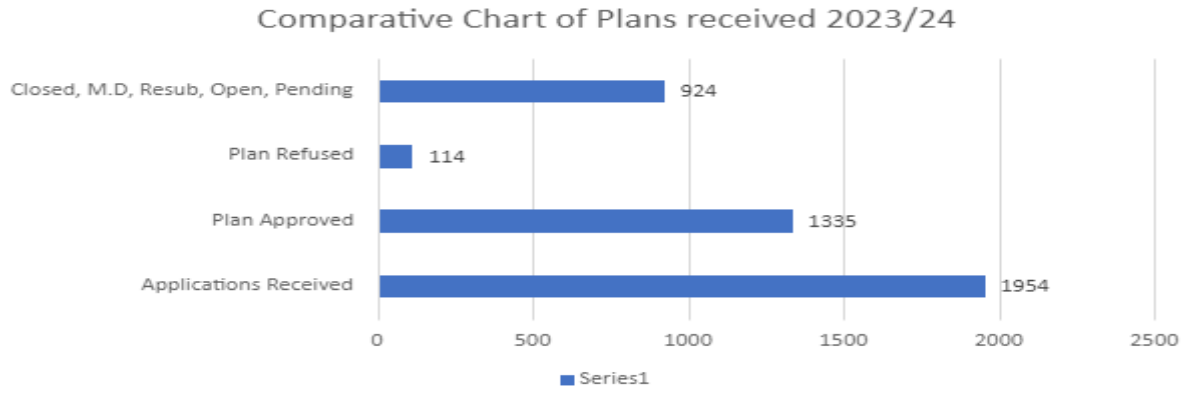
3.18.6 BUILDING CONTROL

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 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.

Table 1: Building Plan Applications - 2023/24 Financial Year

Building Applications Date Captured between 1 Jul 2023 00:05:00 and 30 Jun 2024 23:55:00									
Area in Kouga	**Church**	**Deviation Plan**	**Garden Walls and Fixed Fences**	**General Building Work**	**Industrial Rural**	**Minor building works**	**RDP Informal Housing**	**Swimming Pool**	**Total**
Aston Bay	0	25	0	121	0	10	0	5	161
Crossways	0	3	0	20	0	0	0	0	23
Gamtoos Mouth	0	11	0	47	0	7	0	0	65
Hankey	0	1	0	6	0	0	0	0	7

Humansdorp	0	13	1	13	1	9	0	1	38
Humansdorp RD	0	16	0	77	3	2	0	2	100
Jeffreys Bay	3	153	3	487	3	46	15	14	724
Kaap St Francis	0	16	0	75	0	6	0	8	105
Kruisfontein	0	0	1	12	0	2	0	0	15
Oesterbaai	0	4	0	25	0	0	0	0	29
Paradysstrand	0	9	0	113	1	5	0	1	129
Patensie	0	0	0	8	0	0	1	0	9
Pellsrus	0	0	0	3	0	0	1	0	4
Sea Vista	0	100	0	298	1	25	0	8	432
St Francis Links	0	27	1	66	0	4	0	3	101
Twin Valley	0	3	0	3	0	0	0	0	6
Uitenhage RD	0	0	0	5	0	1	0	0	6
Total	3	381	6	1379	9	117	17	42	1954

Table 2: Number of Compliant Building Plan Applications supported and approved in the 2023/24 Financial Year.

Building Applications **Status is Plan Approved** **Date Captured between 1 Jul 2023 00:05:00 and 30 Jun 2024 23:55:00**			
Town/Area	**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 NOT SUPPORTED AND REFUSED IN 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			
Town/Area	**Floor Area**	**Estimated 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

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 2: 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 3: 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 Local Economic Development		
Economic Development Officer		* Senior Economic Development Officer * Economic Development Officer * Admin Officer	Economic Development Officer
* Tourism and Marketing Officer * Events and Safety Compliance Officer		* Admin Clerk	Senior Tourism, Marketing and Branding Officer Tourism Intern

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)	5 June 2024	Jeffreys Bay	Construction	Participation of SMMEs in Ocean View Housing Development Phase 2 in partnership with provincial department of Human Settlement.
Sibanye Knitters/ Nomvula knitters	2 May 2024	St Francis Bay	Manufacturing	Information sharing session on China international import Expo Applications 2024.
Ubuhle bendalo health and wellness Spa	7 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

BUSINESS NAME	DATE	TOWN	SECTOR	MEETING DETAILS
				through Sarah Baartman District Municipality LED Funds.
Be Original Pty Ltd.	30 Apri 2024	Jeffreys Bay	Manufacturing	Information sharing session on China 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

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	R 34 453 092.00	20%	5

PROJECT	VALUE	% SMME PARTICIPATION	NO OF SMME OPPORTUNITIES CREATED
KwaNomzamo Wastewater Treatment Plant			
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 Transport	18 June 2024	SMMEs development and 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	06 June 2024	Presentation on Agri-BEE

DEPT/AGENCY/ COMPANY	DATE	MEETING DETAILS
development and Agrarian Reform (DRDAR) – Provincial Office		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	5 April & 3 May 2024	Patensie	Vegetables	Information sharing session on cooperative registration & Funding opportunities.

FARM	DATE	TOWN	COMMODITY	MEETING DETAILS
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.

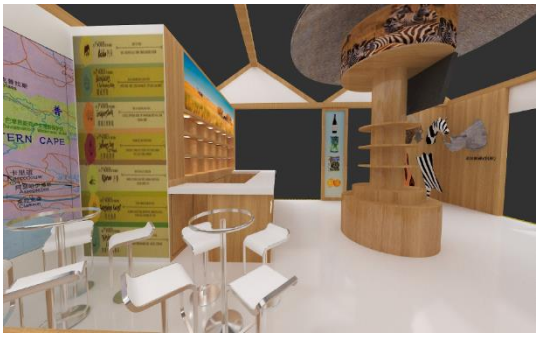
Selected products

- 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.

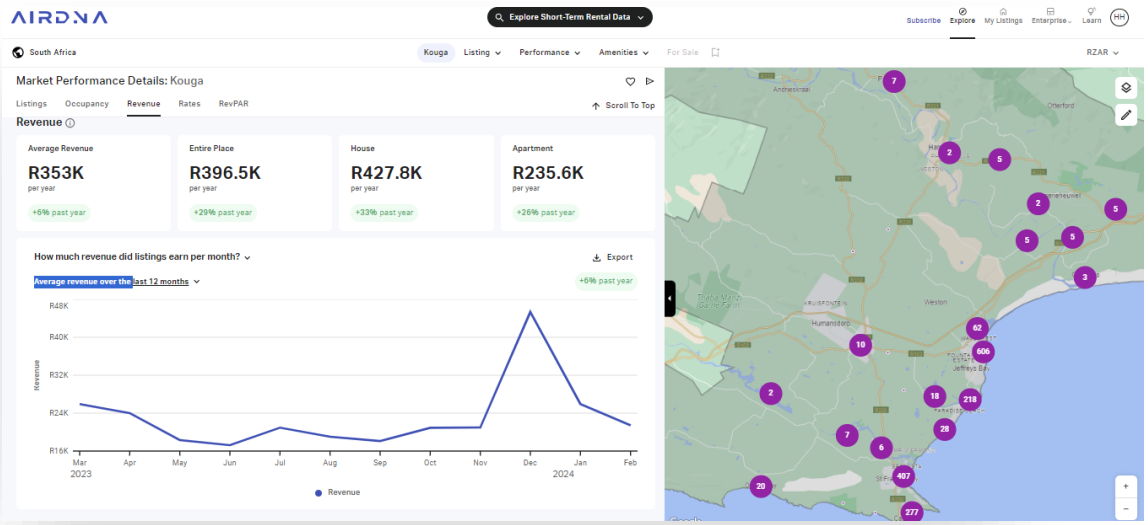
Sarah Baartman District Municipality has strong relations with China for export products. The same is being instilled for destination marketing. Kouga Municipality therefore is supporting this initiative. KLM is directly involved in the stand design and the stand build prior to the China International 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.

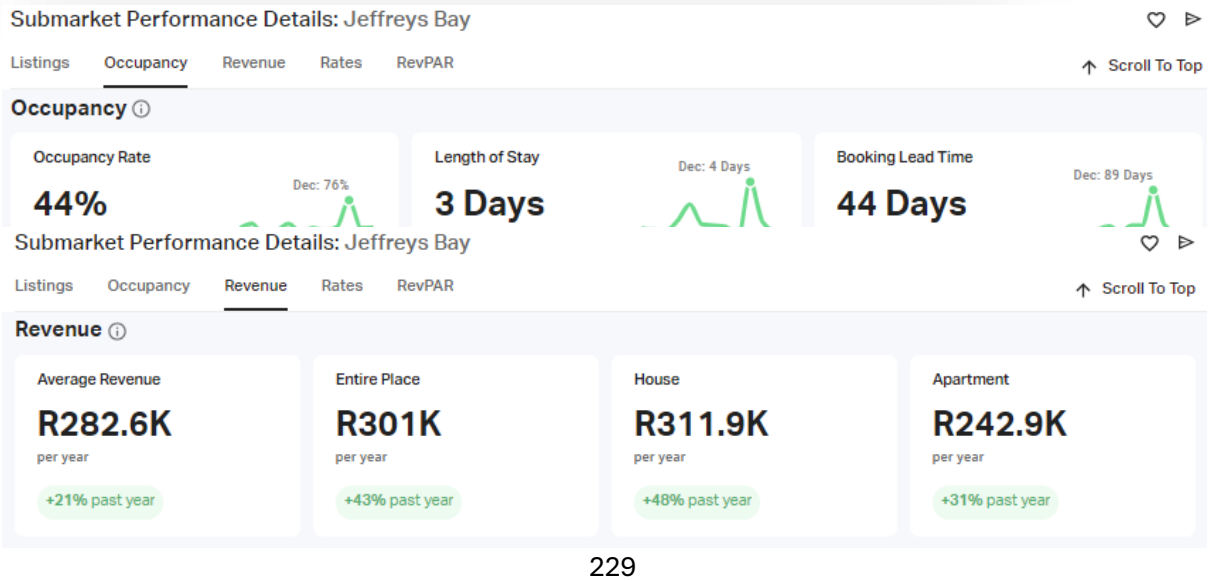
Exhibition costs for the CIIE 2024 are covered by SBDM for export readiness training, product exporting for exhibition, marketing material, exhibition stand and accreditation.





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 year 2023/2024, 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 colour 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.

COLABeS: Collaborative Alliance for Business Events and Stakeholders

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.



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

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: 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 on 12 to 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 three museums in the Kouga Municipal area, namely the Humansdorp Museum and the Shell Museum and Surf Museum in Jeffreys Bay.

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 the 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 to 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 to 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
Event	**South African Longboard Championship**
Date	22 to 27 August 2023
Amount	R300,000.00
Council Resolution	2023/05/PDT2
Town	Jeffreys Bay
Type	Funded event national event hosted by Surfing South Africa
Socio-Economic Benefits	• 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.
Event	**Calamari Festival**
Date	22 to 24 September 2023
Amount	R200,000.00
Council Resolution	22/08/PDT6
Town	St Francis Bay
Type	Local Tourism Organization Fundraiser festival to promote and raise funds for destination marketing.
Socio-Economic Benefits	• 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.
Event	**PGA Golf Tournament – South Africa**
Date	19 – 24 September 2023
Amount	R275,000.00
Council Resolution	21/09/LED&T3
Town	St Francis Bay
Type	Global/National golf event hosted by the Professional Golfers Association of South Africa
Job Creation	A total of 133 temporary jobs were created as per the breakdown below:

<table>
<tr><td></td><td>
<table>
<tr><th>Category</th><th>Number</th></tr>
<tr><td>Local Caddies</td><td>64</td></tr>
<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.</td></tr>
</table>

	• Meals and beverages were served whilst they enjoyed live tournament TV broadcast in the relaxed and comfortable setting. **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 to 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 to 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 to 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 to 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 Jeffreys 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 to 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 to 15 June 2024

<table>
<tr><td>Amount</td><td>R78,300.00</td></tr>
<tr><td>Council Resolution</td><td>24/03/FED4</td></tr>
<tr><td>Town</td><td>Jeffreys Bay</td></tr>
<tr><td>Type</td><td>Sport</td></tr>
<tr><td>Socio-Economic Benefits</td><td>

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
<table>
<tr><th>Job Creation</th><th>Total</th></tr>
<tr><td>Security during the event night and day</td><td>2</td></tr>
<tr><td>Car security</td><td>2</td></tr>
<tr><td>Gate access control</td><td>2</td></tr>
<tr><td>Catering</td><td>4</td></tr>
<tr><td>Cleaners</td><td>6</td></tr>
<tr><td>Vendors, Chip n Dip, Rugby</td><td>33</td></tr>
<tr><td>Referees Netball</td><td>9</td></tr>
<tr><td>Referees Rugby</td><td>7</td></tr>
<tr><td>Photographers</td><td>3</td></tr>
<tr><td>Chaperones</td><td>18</td></tr>
<tr><td>We provided meals for around 240 children for 3 days</td><td>9</td></tr>
</table>
</td></tr>
</table>

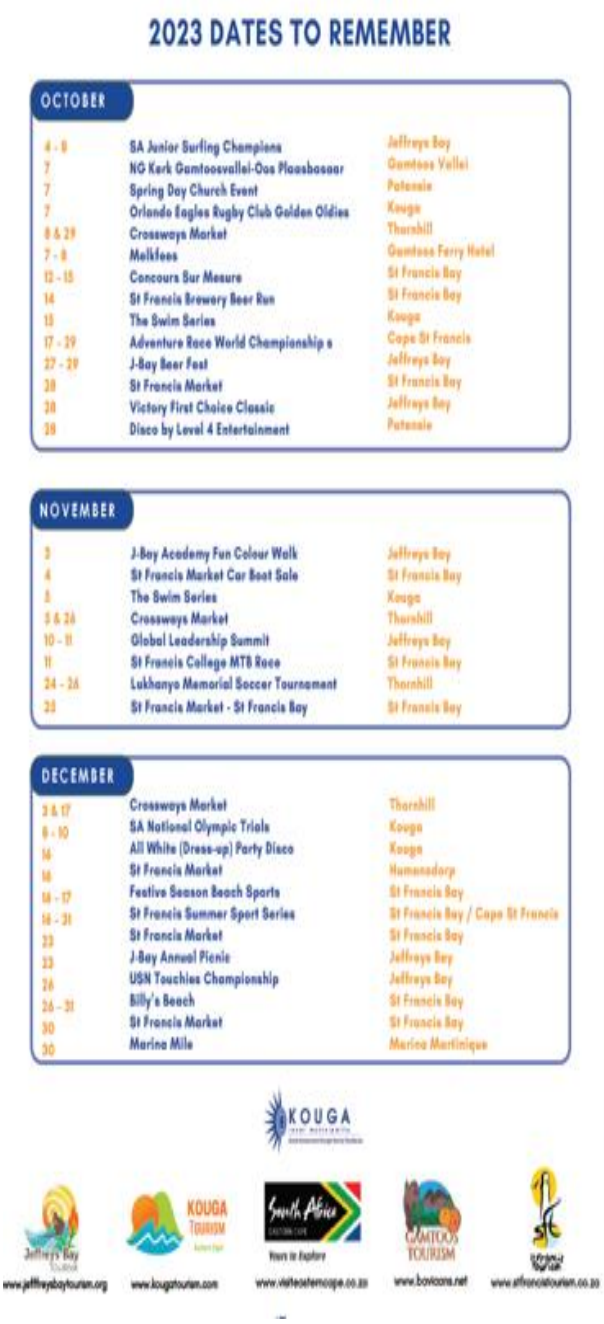
	Accommodation	23
	Volunteers: Event site setup, Score keepers, social media, announcers, access control, catering, ball boys	46
Event	**Yellowwoods Jazz Festival**	
Date	14 to 15 June 2024	
Amount	R500 000.00 + R300 000.00	
Type	Music Festival and Development Projects	
Venue	Hankey	
Socio-Economic Benefits	**Job Creation:** • Local Artists 7 • Festival Shuttle Drivers 7 • Music Workshop Drivers 3 • Guest Artists 3 • Festival Onsite Ticket Sales 4 • Security 14 • Sound and Stage 8 • Kids Play Zone 1 • Tents 6 • Beer Tent 10 • Toilets 2 • Catering for VIP Tent 3 • Safety Officer 1 • Event Organizer 1 • Event Assistant 1 • Food Vendors 11 • Rugby Clinic 3 • Rugby Legends Wine Event 5 • Accommodation Employees 19 • Volunteers 23 **Total 130** **Development Projects** **1. Music Development 3 Day Workshop** 17 Local Community Brass Band Members 14 Local Community Marimba Band Members **2. SA Rugby Legends: Rugby Clinic** 45 rugby players from all Gantoos Valley High Schools	
Event	**J-Bay Surf Festival and WSL Legends Event**	
Date	14 to 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.

Event Application Approvals

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

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
15	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

www.jeffreysbaytourism.org www.kougatourism.com www.visitsoutherncape.co.za www.bavicans.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 July 2023	EPC Meeting	**Completed**	9 events presented and 9 approved
17 August 2023	EPC Meeting	**Completed**	13 events presented and 13 approved
30 August 2023	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 September 2023	Sponsorship: ARWC (R1 million)	**Completed**	Closeout report submitted to Council.
13 to 14 September 2023	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 September 2023	Sponsorship: NMBA Open Water Swim Closeout Report (R150,000-00)	**Completed**	Closeout Report submitted in Feb 2024.
18 September 2023	Sponsorship: PGA (R275,000-00)	**Completed**	Closeout report submitted to council.
20 September 2023	Sponsorship: Calamari Festival (R200,000-00)	**In Progress**	SLA and payment completed. Closeout Report received for submission to council.
21 September 2023	EPC Meeting	**Completed**	10 events presented and 10 approved
19 October 2023	EPC Meeting	**Completed**	10 events presented and 9 approved

Day/Date	Task/Project	Status	Comments/Notes
30 October 2023	Sponsorship: J-Bay Summer Fun (R300,000-00)	**Completed**	Council Resolution: 23/11/FED4. Closeout report submitted to Council.
7 November 2023	Sponsorship: SANOWS Championship (R150,000-00)	**Completed**	Council resolution received: 23/12/FED6. In February 2024 the 2023 Closeout report was submitted to council.
7 November 2023	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 November 2023	Sponsorship: WSL Legends J-Bay from 15 – 23 June 2024	**In Progress**	24/03/FED5 Council resolution Awaiting Closeout Report.
22 November 2023	MFMP Session 4 POE	**Completed**	POE Submitted to FAHCS
22 to 24 November 2023	Project Management Session 2 Training	**Completed**	Attended virtually.
22 to 24 November 2023	Project Management Session 2 POE	**Completed**	To be submitted on 8 March 2024
23 November 2023	EPC Meeting	**Completed**	18 events were presented and 18 were approved.
18 January 2024	EPC Meeting	**Completed**	4 events presented and approved
29 January 2024	MFMP Session 5 POE	**Completed**	POE Submitted to FAHCS
15 February 2024	EPC Meeting	**Completed**	14 events presented and 14 approved

Day/Date	Task/Project	Status	Comments/Notes
8 March 2024	2024 SDC DP World Tour Golf Tournament Sponsorship	**In Progress**	Council Resolution: 24/02/FED16. Awaiting Closeout Report (R400k)
8 March 2024	Humansdorp Festival Sponsorship	**In Progress**	Council Resolution: 24/02/FED15. Closeout Report received. Will submit to August PC meeting. (R150k)
20 March 2024	EPC Meeting	**Completed**	9 events presented and 9 approved
25 to 29 March 2024	MFMP Session 6 POE	**In Progress**	POE Submitted to FAHCS
3, 16 and 17 April 2024	Safety at Events Workshop – Series 1	**Completed**	3 Workshops hosted in Thornhill, Humansdorp and Jeffreys Bay. Reported on in Q4 report.
18 April 2024	EPC Meeting	**Completed**	4 events submitted and 3 approved (1 withdrawn)
29 April to 3 May2024	MFMP Session 7 POE	**In Progress**	POE Submitted to FAHCS
23 May 2024	EPC Meeting	**Completed**	10 events presented and 10 approved
20 June 2024	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 cancelling 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 is 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:

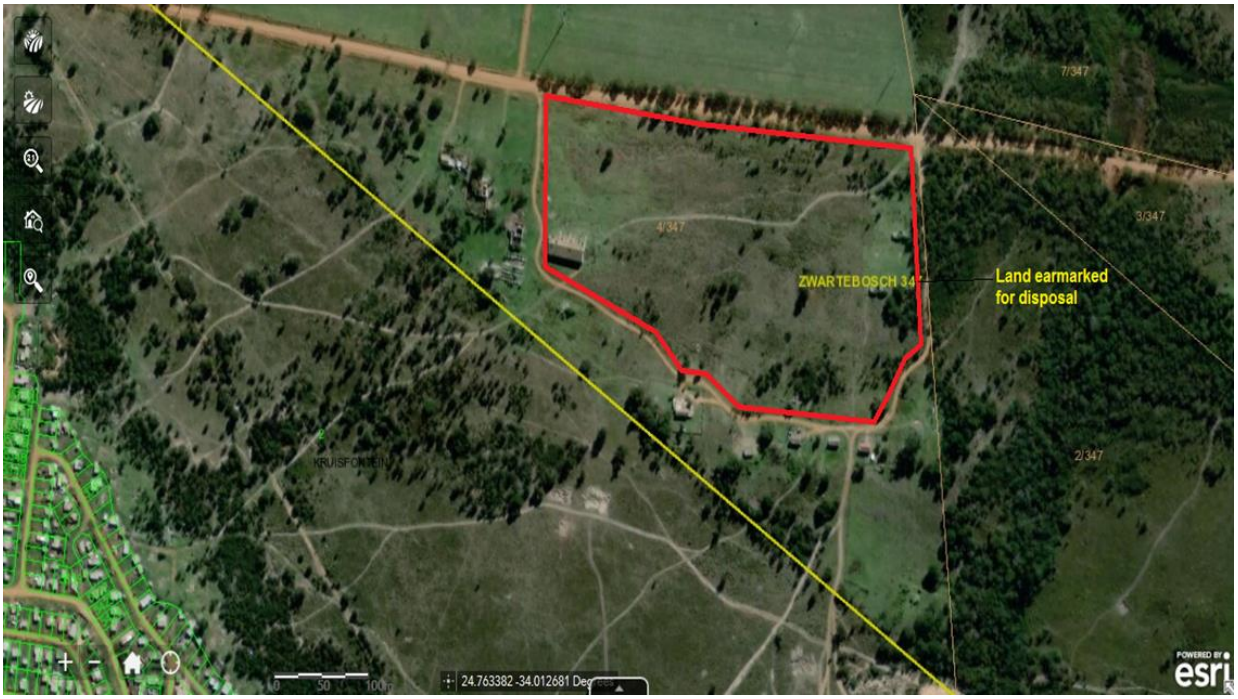
Disposal of Erf 588, Pellsrus – Ethiopian Episcopal Church (Community Zone) - The disposal of municipal Erf 588, Pellsrus to Ethiopian Episcopal Church was concluded in October 2023.



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.



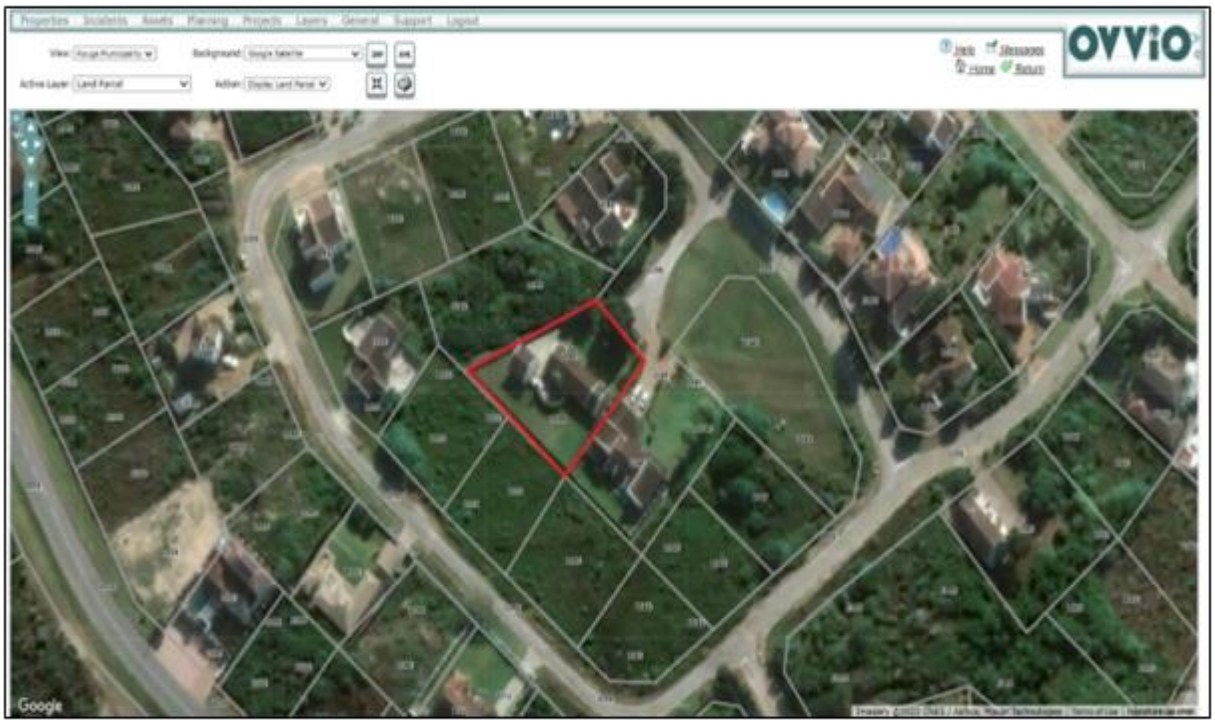
Disposal of Erf 2734, Sea Vista – Shekinah Ministries (Community Zone) - The disposal of Erf 2734, Sea Vista to Shekinah Ministries was concluded in February 2024.



Disposal of Erf 2593, Sea Vista – Annie Daniels (Residential) - The disposal of Erf 2593, Sea Vista to Annie Daniels was concluded in March 2024.



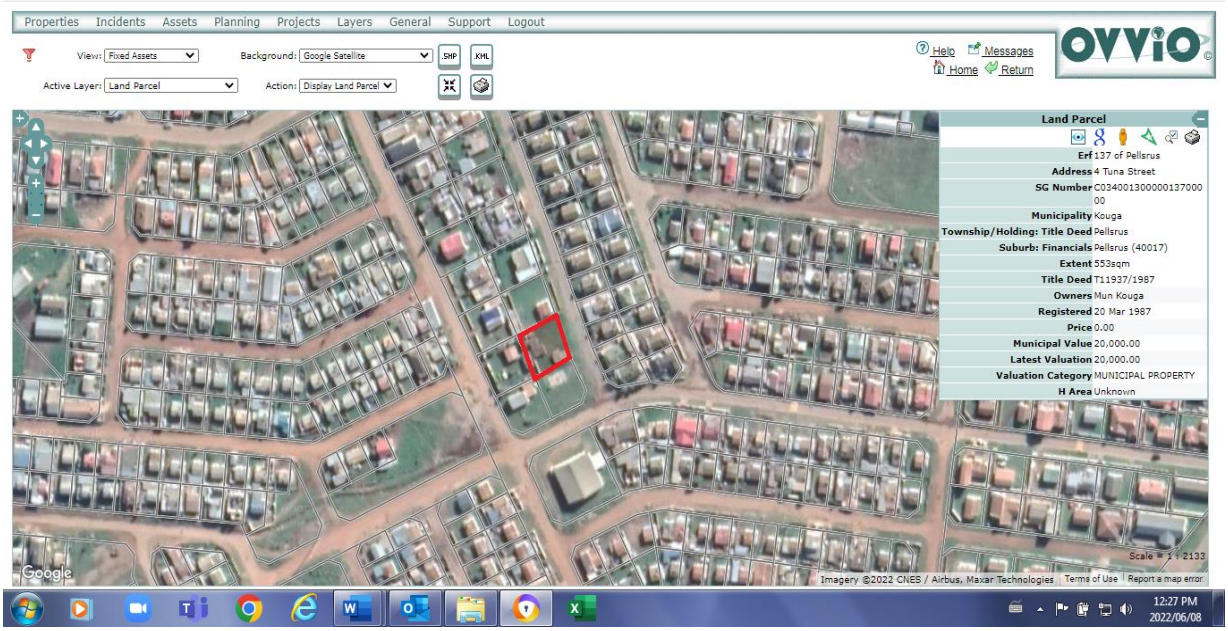
Disposal of Erf 1044, Sea Vista – WB Bosch (Residential) - The disposal of Erf 1044, Sea Vista to WB Bosch was concluded in March 2024.



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.



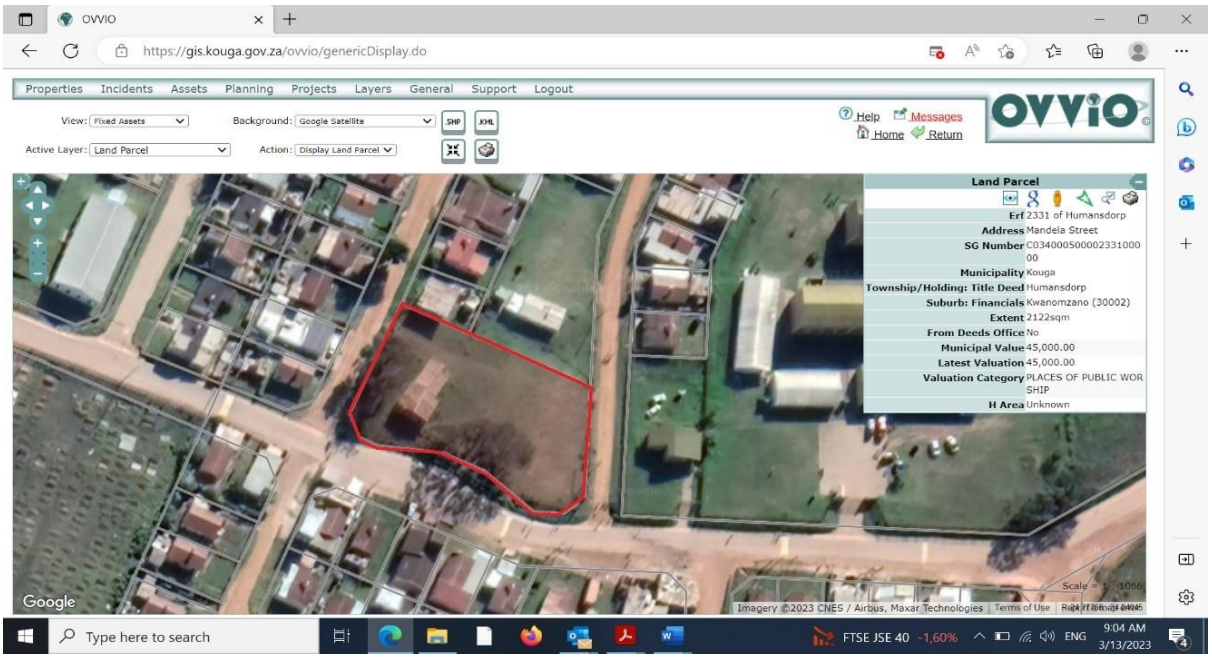
Disposal of Erf 137, Pellsrus – Mr. Lizo Patrick Letsekha (through EEDBS) - The disposal of Erf 137, Pellsrus to Mr. Lizo Patrick Letsekha will be concluded through EEDBS programme of Human Settlements.



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 developm ent	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	Contrac t	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

Leasing Entity	Account Number	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
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 Septembe 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
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

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Annual Rental Amount	Billing in place (Y/N)
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
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

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
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**	
J-Bay 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 to lease 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 March 2024
A portion of Erf 1244, Pellsrus for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD16**	27 March 2024
Erf 1567, Pellsrus for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD11**	27 March 2024

Application details	Application type - lease	Agreement drafted and signed	Start / end date	Resolutions	Council resolution (in-principle/final)
A portion of Erf 1996, Sea Vista (Telecommunication Mast) for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD27**	27 March 2024
Erf 3087, Sea Vista for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD28**	27 March 2024
Erf 130, Pellsrus for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD22**	27 March 2024
A portion of Erf 164, Jeffreys Bay for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD25**	27 March 2024
A portion of Erf 164, Jeffreys Bay (Telecommunication Mast) for 9 years and 11 months	X	NO	9Y 11M	**IN-PRINCIPLE**	27 March 2024
A portion of Erf 164, Jeffreys Bay (Sea Rescue) for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD24**	27 March 2024
Erf 843, Jeffreys Bay for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD13**	27 March 2024
Erf 1160, Humansdorp for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD12**	27 March 2024
Erf 7263, Jeffreys Bay (Oceanview) for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD29**	27 March 2024
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 March 2024
A portion of Erf 2, Kruisfontein for 9 years and 11 months	X	NO	9Y 11M	**24/03/PD14**	27 March 2024
Erf 7292, Jeffreys Bay (Oceanview) for 9 years and 11 months	X	NO		**24/03/PD30**	27 March 2024
A portion of Erf 300, Patensie	X			**IN-PRINCIPLE**	
Erven 27, 28, 29 and 30 Loerieheuwel	X	NO	9Y 11M	**23/10/PD47**	27 October 2023
A Portion of Erf 231 and erven 36 and 37, Pellsrus	X	IN PROGRESS	9Y 11M	**24/02/PD9**	28 February 2024
Erf 2330, Humansdorp (Moravian Church)	X			**23/04/PD8**	31 August 2023
A portion of Erf 873, Jeffreys Bay - Renewal of Vodacom Lease		NO	9Y 11M	**23/08/PD5**	31 August 2023

Application details	Application type - lease	Agreement drafted and signed	Start / end date	Resolutions	Council resolution (in-principle/final)
A portion of Erf 406, Paradise Beach - Renewal of Vodacom Lease	X	NO	9Y 11M	**23/08/PD7**	31 August 2023
A portion of portion 72 of Farm 746, Humansdorp RD - Renewal of Vodacom Lease		NO	9Y 11M	**23/08/PD6**	31 August 2023
A portion of Erf 499, Humansdorp - CD Freight (Truck Stop)	X	NO	9Y 11M	**23/10/PD45**	27 October 2023
Erf 440, Humansdorp (Humansdorp Museum)	X	NO	9 Y 11M	**24/02/PD8**	28 February 2024
Sale of Vacant Municipal Land				**IN-PRINCIPLE**	27 March 2024
Portion 7 of farm 688 Humansdorp RD (Geelhouteboom) Emerging Farmers				**IN-PRINCIPLE**	27 March 2024
ECDC's	X	NO	9Y 11M	**24/03/PD31**	27 March 2024

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

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 Geelhoute 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 were 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.

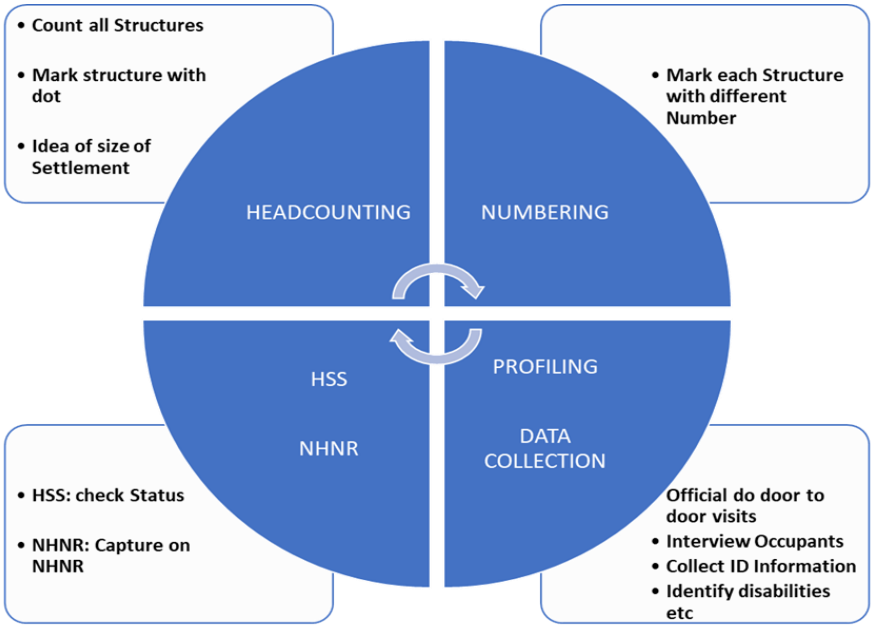
- Re-imbursement of Sixteen Million, Three Hundred and Twenty-Seven Thousand, Three Hundred and Sixty Rand and Nine cents (R 16 327 360.09) for work done by the Municipality in Informal Settlements.
- The appointment of two (2) contractors for the construction of 568 top-structures in the Ocean View 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.





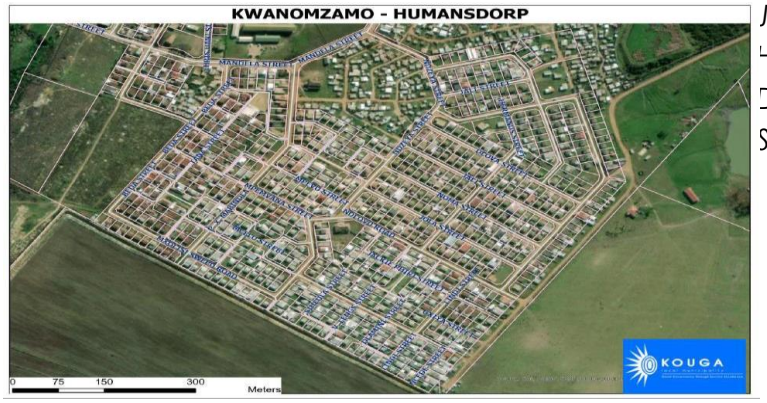
Municipal Streets Naming and Streets Renaming – A Street Naming Committee meeting was held on 28 June 2023. The committee facilitates the naming and renaming process. The committee also deals with all applications, submissions, and reports pertaining to the naming and renaming of street within the Municipality's jurisdiction.

The 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.

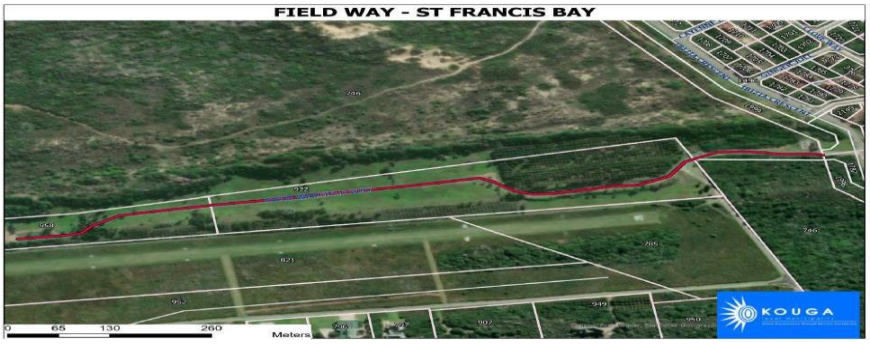
The following proposals for street names were received by the Portfolio Committee:

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.*



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/leas 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	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	The Call Centre Team is responsible for the receiving, logging, and dispatching of all service delivery requests. As a result of high call volumes re

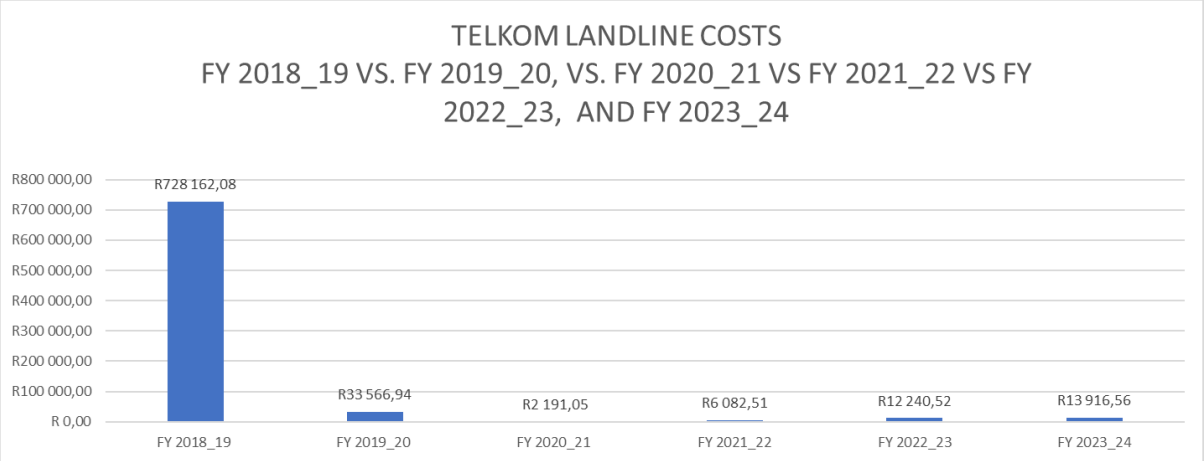
DEPT. ANNUAL TARGETS	ACHIEVEMENT 2023/24	ACHIEVEMENT 2022/23	ACHIEVEMENT 2021/22	COMMENT
	the 2023/24 FY since the call centre has started coordinating suction services activities a resolution rate of 90% has been maintained to date.		requests reported.	ceived for account bal ances by the Revenue sectio n, the necessary s oftware has been install ed for the Call Centre staff to issue out account ba lances to the public.
Buildings	For the FY 2022/23 vs. FY 2023_24, repairs and maintenance costs has increased by **14%.**	On-going repairs and maintenance to Ward Cllr Offices and Administrative Buil dings. As at FY 22/23 R942 243,77 has been spent on building maintenance	On-going repairs and maintenance to Ward Cllr Offices and Administra tive Buildings. As at 21/22 FY R1 883 193,08 has been spent on building maintenance.	On-going repairs and maintenan 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	None	None	On-going

DEPT. ANNUAL TARGETS	ACHIEVEMENT 2023/24	ACHIEVEMENT 2022/23	ACHIEVEMENT 2021/22	COMMENT
	workflows completed for system, to plan roll out, training and workshop for new FY 2024_25			

Below graphs indicates targets met during FY 2023/24 and indicates a comparison on previous Financial Years.

TELKOM LANDLINE COST

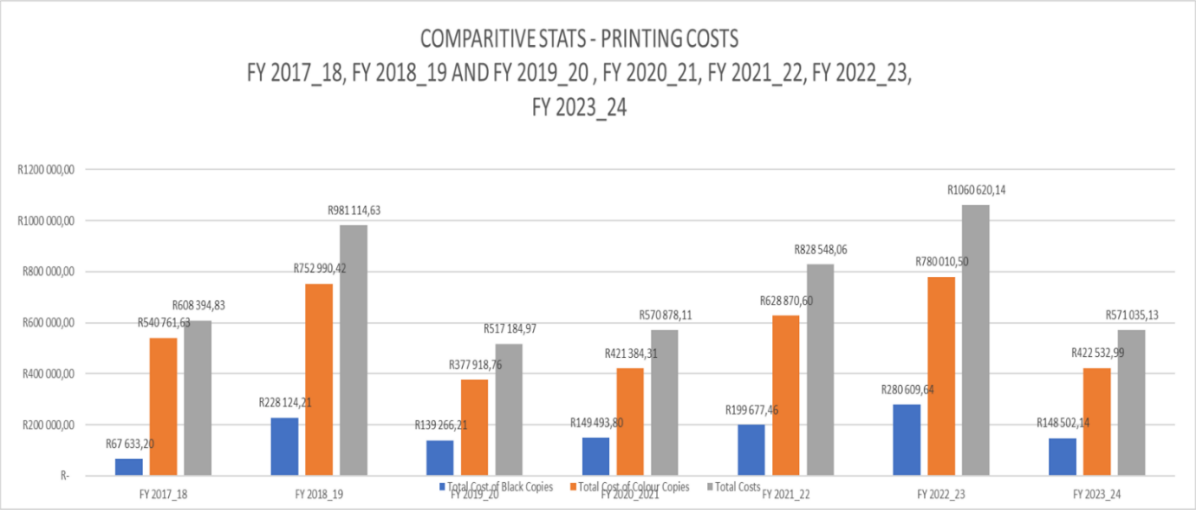
GRAPH 1:



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

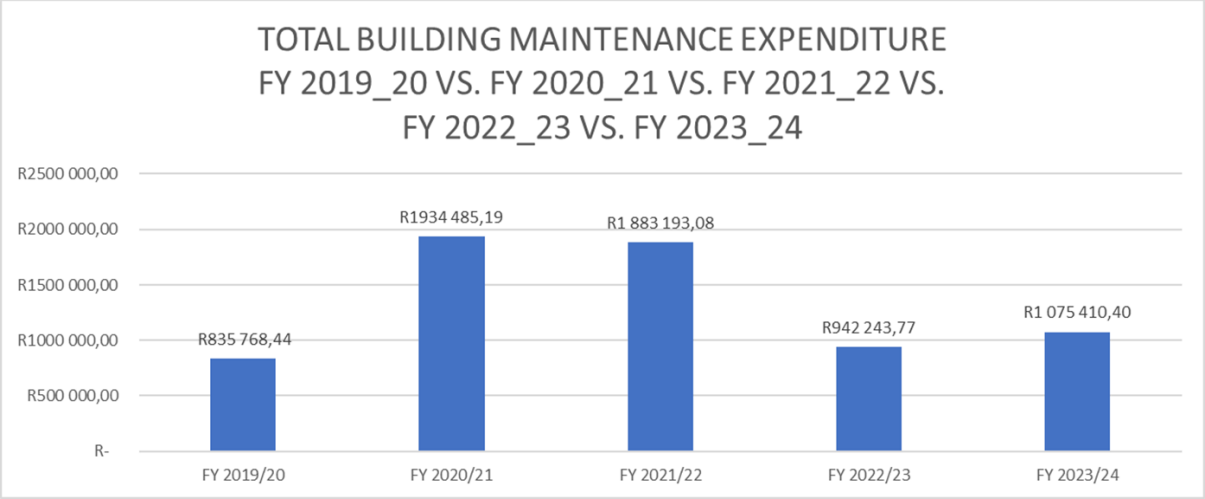
GRAPH 1:



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

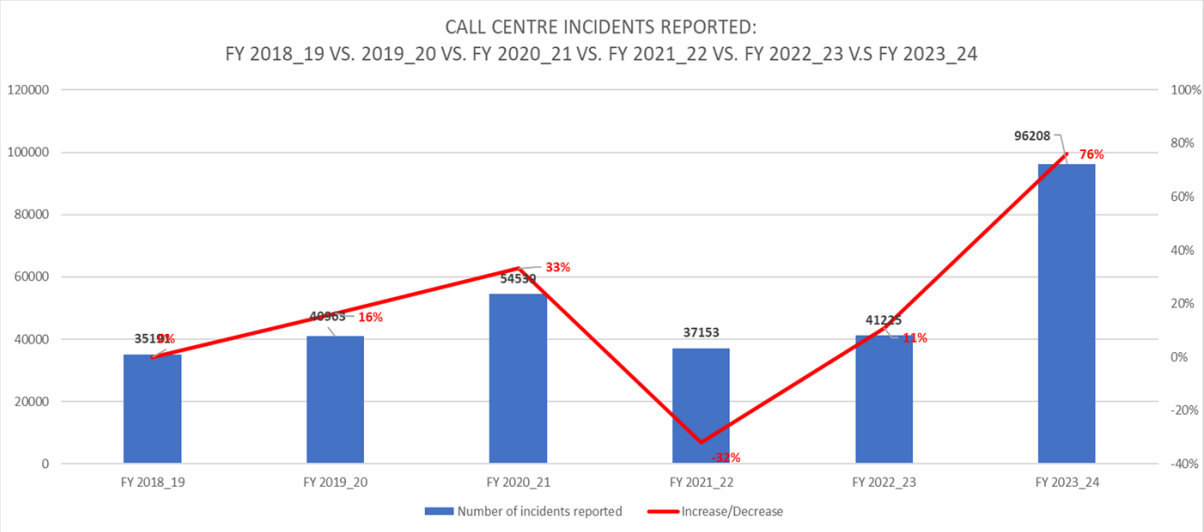
GRAPH 1:



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 liabilities.
	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.

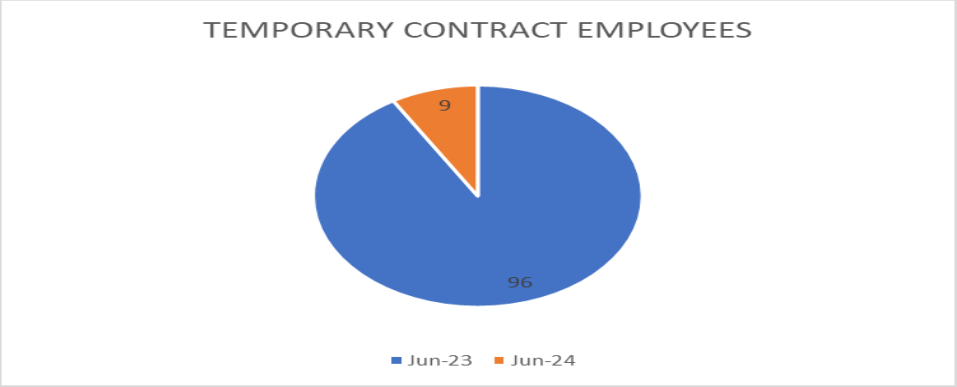
COMPONENT A: INTRODUCTION TO THE MUNICIPAL WORKFORCE

4.1 HEADCOUNT STATISTICS

The table below is a representation of the number of permanent as well as temporary employees 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%

Departments	Vacancy Rate
Planning and Development	2.8%
Finance and Economic Development	8.7%
Overall Total	**2.2 %**

4.3 STAFF TURNOVER

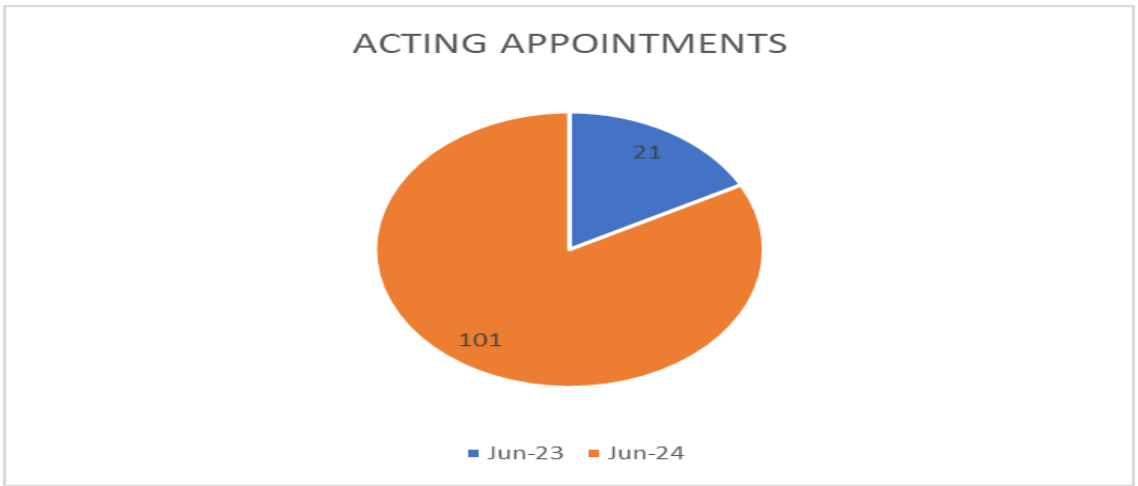
Turn-over Rate			
Details	**Total Staff Compliment as at June 2024**	**Terminations during the Financial Year (all categories)**	**Turn-over Rate***
Year 2023/24	914	156	17.1%

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.

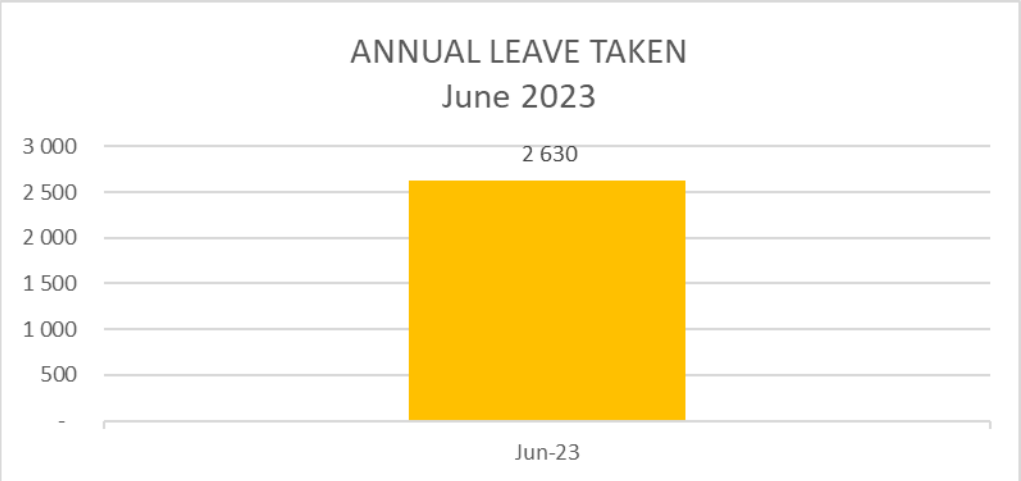
Comparative Trade Union membership on 30 June 2024 is as follows:

TRADE UNION	30 June 2024
SAMWU	429
IMATU	285

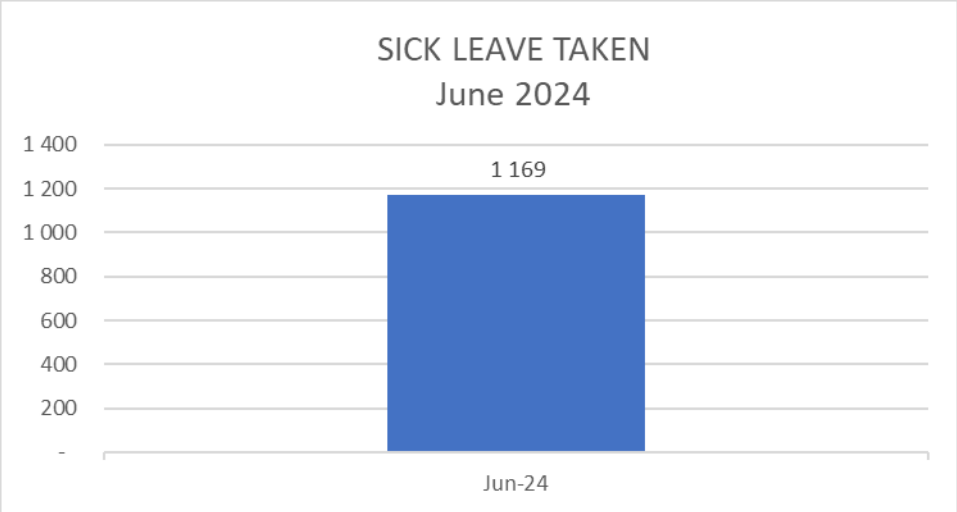
4.5.1 LEAVE STATISTICS

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

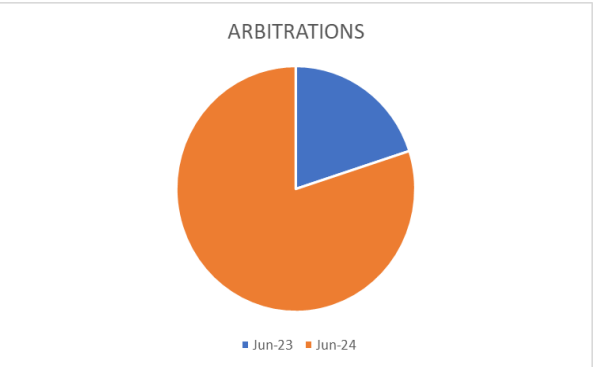
NO	POLICY
1	Succession and Career Pathing
2	Sexual Harassment Policy
3	Absenteeism and Reporting Absence from Work Policy
4	Acting Policy
5	Essential Car Scheme Policy
6	Occupational Health and Safety Policy
7	Leave Policy (Leave Management Policy)
8	Recruitment and Selection Policy
9	Scarce Skills
10	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.

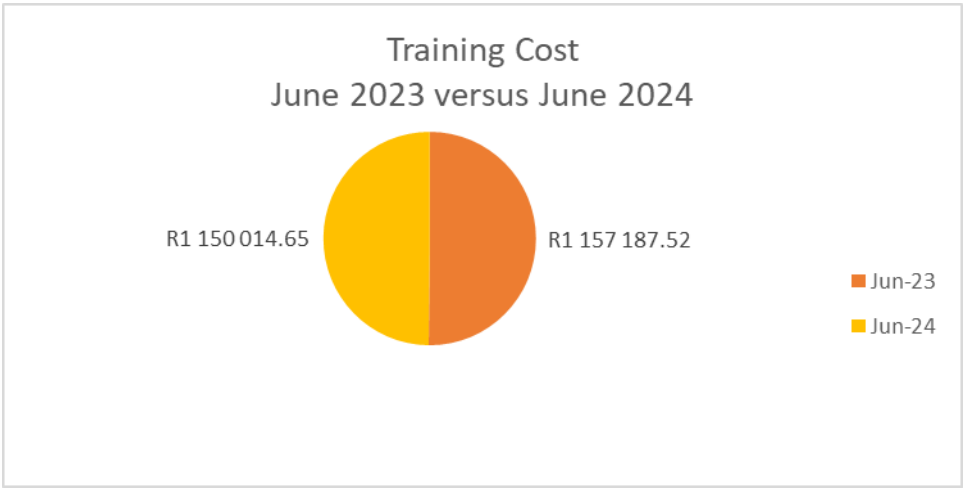
The minimum competency levels also seek to professionalize the local government sector and to make it a career choice for talented officials and to some extent mitigate some of the root causes of poor financial management and service delivery experienced at Local Governmental level. It is also required 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.

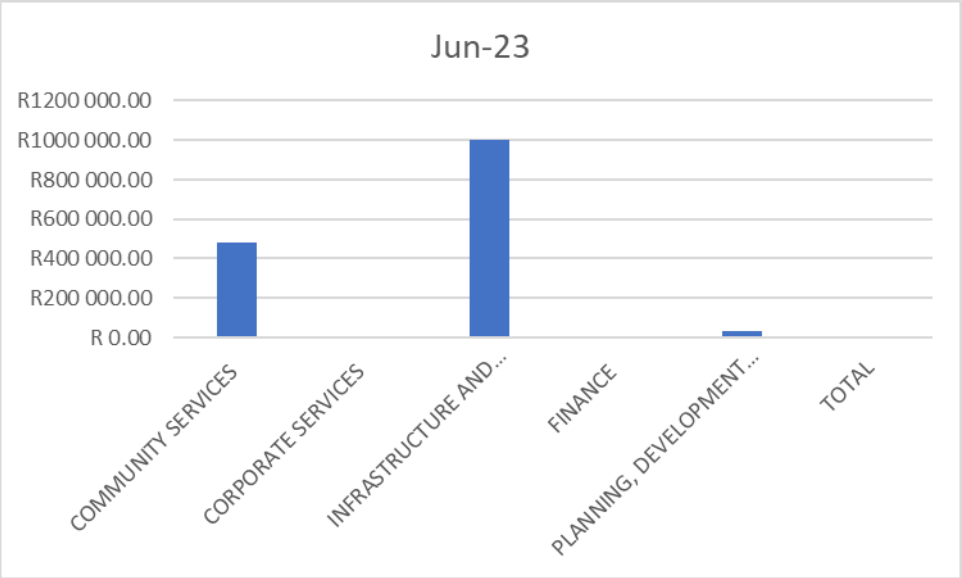
COMPONENT D: MANAGING THE MUNICIPAL WORKFORCE

4.10 WORKFORCE EXPENDITURE

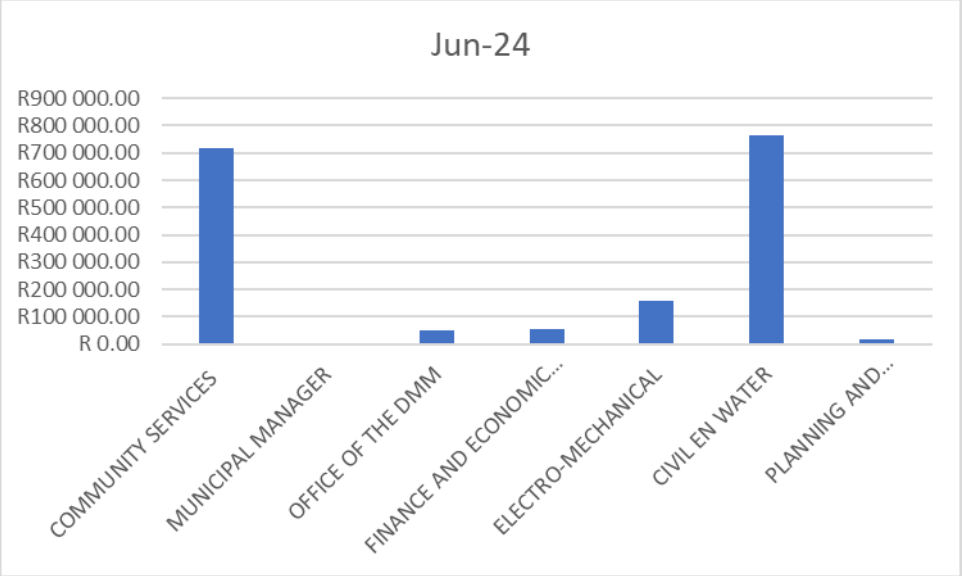
Years	**Total number of staff**	**Actual Operational Expenditure**	**Personnel expenditure (salary and salary related)**	**Percentage of expenditure**
2022/2023	866	R1, 257, 001, 617	R355, 768, 121	28.30%
2023/2024	914	R1 143 927 587	R375 759 473	32.85%

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



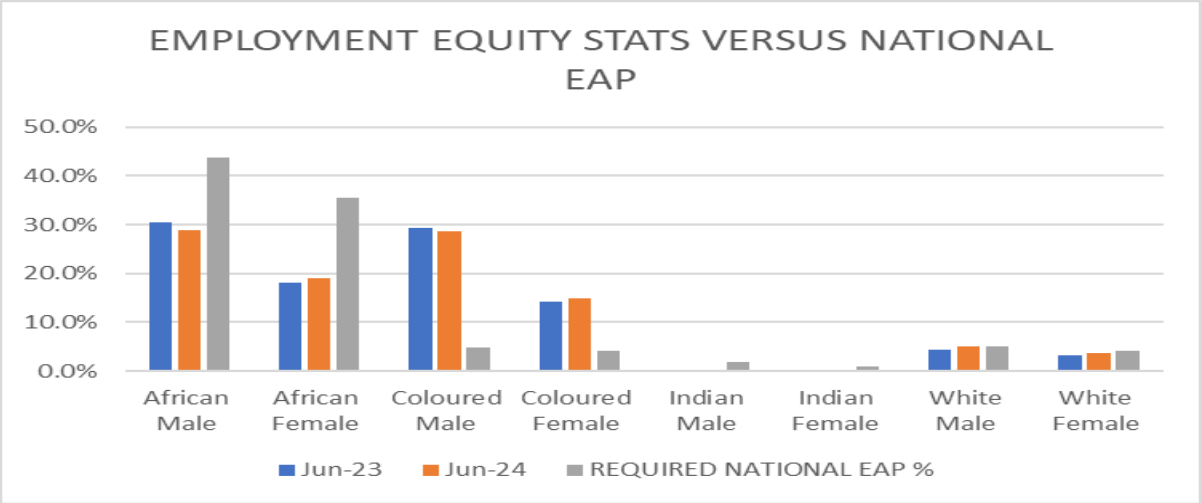
The historic infrastructure backlogs and ailing infrastructure is resulting in increases in service departments working overtime. This is to ensure that service delivery remains and integral part of the operations of Council.

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											

COMPONENT F: PERFORMANCE MANAGEMENT

The Performance Management System serves as a primary mechanism to monitor, review and improve the implementation of the Municipality is IDP and eventually the budget.

The citizens of Kouga, like all other citizens in South Africa, have high expectations regarding service delivery by the Municipality. Elected representatives and the administration are continuously challenged to demonstrate that all levels of government are capable and committed to manage and utilise public resources in a way that will enhance economic growth and sustainability.

This challenge is best addressed through institutionalisation of mechanisms for performance management, monitoring and reporting.

Overview of Performance Management System

Performance management can be defined as a strategic approach to management that equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques for regular planning, continuous monitoring, regular measurement and evaluation using municipal performance indicators. efficiency, effectiveness and efficiency goals.

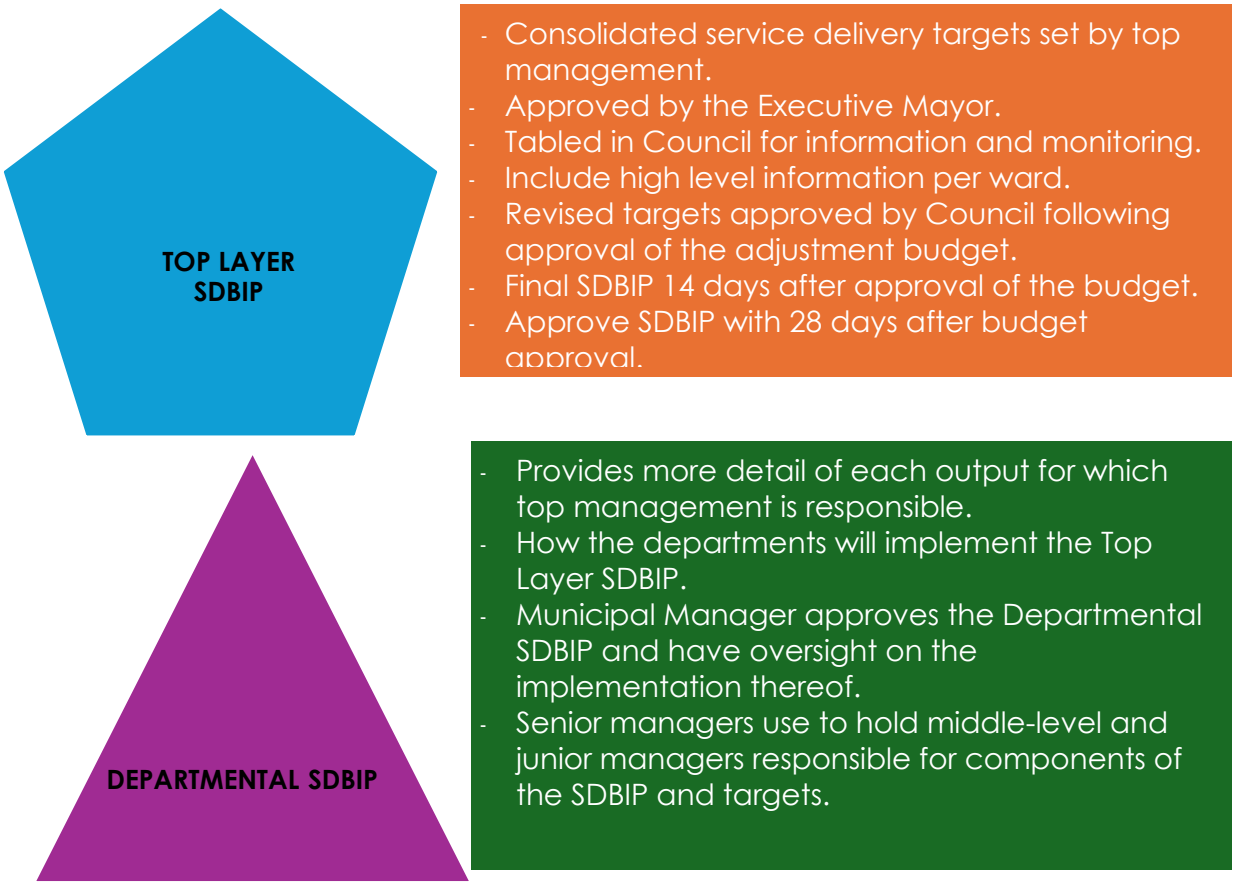
Performance indicators are measures of quantity, quality, time, durability and cost that are used to evaluate the production and delivery of products and the resulting effects. Therefore, efficiency is measured in terms of inputs, outputs, and outcomes of activities or processes.

Performance management is primarily guided by the relevant legislative frameworks and directed by top management and the Council. The main legal framework for performance management is as follows:

- The Constitution of South Africa 1996 (Act 108 of 1996) [Section 152 & 195 (1)].
- The Municipal Planning and Performance Management Regulations (No 796, 24 August 2001).
- The White Paper on Transforming Public Service Delivery (Batho Pele 1998).
- The Local Government: Municipal Structures Act, 1998 (No. 117 of 1998).
- Local Government: Municipal Systems Act, 2000 (No. 32 of 2000).
- The Municipal Financial Management Act (No. 56 of 2003).
- The Municipal Staff Regulations (No 890, 20 September 2021).

The Service Delivery and Budget Implementation Plan A Practical Perspective

FIGURE 1: THE SDBIP



Role-players in Performance Management

The role-players that manage the performance management system of the municipality include the following:

Role Player	Role
Executive Mayor	The Executive Mayor manages the development of the municipal Performance Management System and oversees the performance of the Municipal Manager and the Senior Managers. The Executive Mayor further approves the Annual Service Delivery and Budget Implementation Plan.
Council	The Municipal Council oversees the implementation of the Top Layer Service Delivery and Budget Implementation Plan.

Role Player	Role
Members of the Mayoral Committee	Members of the Mayoral Committee oversee the performance of the relevant Directorates within their respective portfolios.
Section 79 Committees	Section 79 Committees play an oversight role and consider reports from the Council on the functioning of different portfolios and the impact on the overall objectives and performance of the municipality.
Internal Audit	The Internal Audit Services plays an internal performance auditing role, which includes monitoring the functioning of the PMS and compliance to legislative requirements. Its role is also to assist the municipality in validating the evidence provided by the Directorates in support of performance achievements.
Performance Audit Committee	The committee monitors the quality and integrity of the Performance Management System, to ensure equity and consistency. The committee provides impartial recommendations the implementation of the performance management system and reported performance to Council.
Evaluation Panel	The Evaluation Panel evaluates the performance of Section 57 employees, including the Municipal Manager's performance, and make reports performance evaluation results to Council.
Municipal Manager	The Municipal Manager manages and monitor the performance of the institution overall and that of Senior Managers Directory accountable to the Municipal Manager. The Municipal Manager approves the various Departmental Service Delivery Implementation Plans.
Senior Managers	Senior Managers are responsible for the preparation of Departmental Service Delivery and Budget Implementation Plans in support of the Top Later Service Delivery Implementation Plan and oversee the implementation of the Departmental Service Delivery and Budget Implementation Plans. Senior Managers manage and oversee the performance of line managers reporting to the Senior Manager.
Line Managers	Line Managers assist the Senior Manager in the preparation of the Departmental Service Delivery and Budget Implementation Plans and manage and monitor the performance of staff reporting directly to the Line Manager.
Supervisory Staff	Supervisory Staff manage and monitor the performance of staff reporting directly to them.
Institutional Moderation Committee	Moderates individual performance of staff in the institution below the level of Senior Managers.
Departmental Moderation Committees	Moderates individual performance of staff members below the level of Senior manager in the respective Directorates and makes recommendations to the Institutional Moderation Committee
Community	The community plays a role in the performance management system through the annual IDP consultation processes, which

Role Player	Role
	are managed by the Office of the Speaker, working in close collaboration with the IDP and Public Participation Unit.

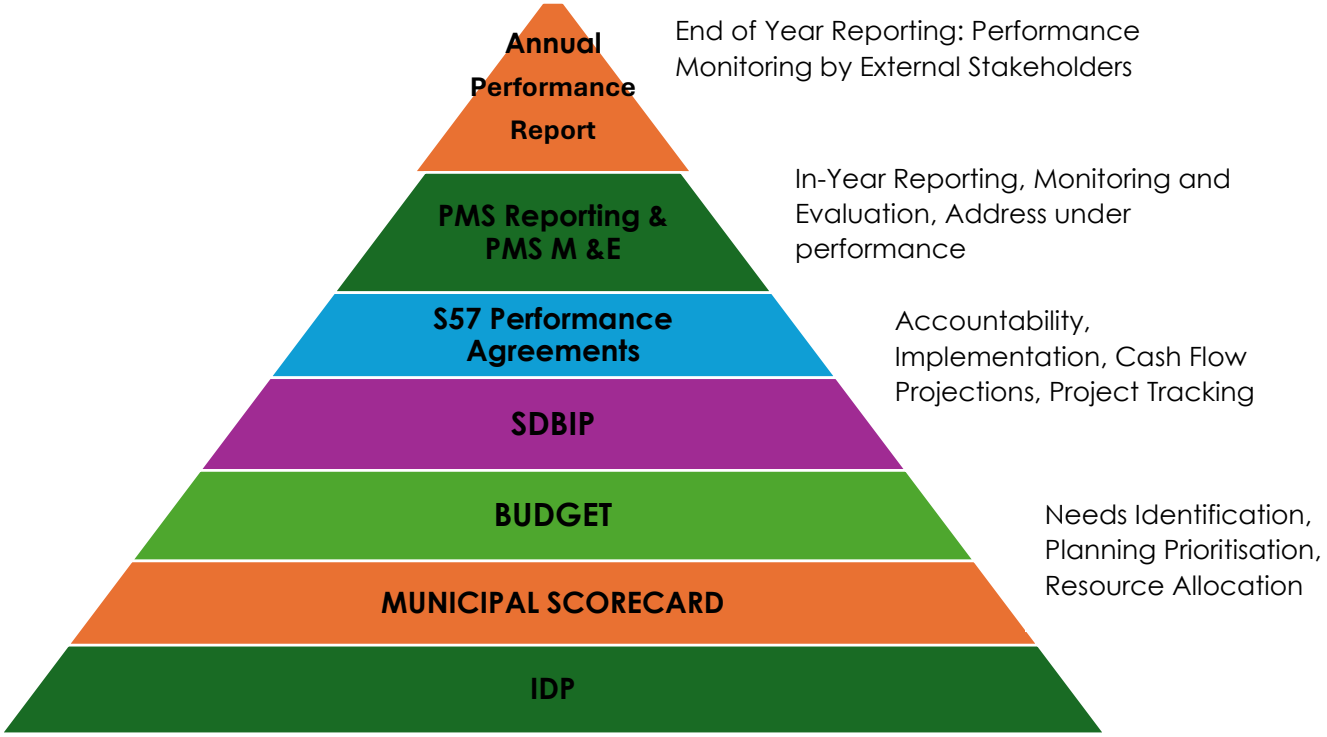
Performance Reporting

The legislative framework requires that the municipality prepare performance reports at determined intervals for submission to various structures for validation and monitoring. The table below outlines a summary of the reports that have been developed in the municipality.

REPORTS	DESCRIPTION
Monthly Reports	Monthly reports on the performance of the departments generated from the performance management system is submitted to the portfolio Councillor by the senior management team.
Quarterly Reports	Quarterly reports to report on the performance in terms of the Top Layer SDBIP generated from the system is submitted to Council. This report should also be published on the municipal website
Mid-Year Assessment	The performance of the first 6 months of the financial year should be assessed and reported on in terms of section 72 of the MFMA. This assessment includes the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary. This report must be submitted to the mayor for approval before 25 January of each year and published on the municipal website afterwards.
Annual Performance Report	The annual performance report is completed by the end of August and submitted with the financial statements to the Auditor General (AG) of South Africa for auditing.
Annual Reporting	The Mayor of a municipality, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality. Immediately after an annual report is tabled in the council, the accounting officer of the municipality must submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province. The meetings of the Municipal Council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, is open to the public and any organ of the state.
Oversight report	The Municipal Public Accounts Committee prepares an Oversight Report on the Annual Report and submit the Oversight Report to Council for consideration not later than 31 March each year.

REPORTS	DESCRIPTION
	After adoption of the Oversight Report, the report is submitted to National Treasury, the Department of Cooperative Governance and Traditional Affairs and published on the Municipal Website.

FIGURE 2: ACCOUNTABILITY MODEL



Audit Outcomes

The table below depicts Kouga Municipality's audit findings relevant to performance management:

Financial Year	Outcome
2020/21	Unqualified
2021/22	Unqualified
2022/23	Unqualified
2023/24	Clean

Audit Corrective Action Plan 2024-25

A Clean Audit Opinion was achieved for the 2023/24 year and thus the corrective actions as detailed in the Audit Corrective Action Plan was achieved.

The table below outlines the 2022/23 findings on Performance Management and progress on actions taken.

DETAILS OF THE FINDING	ACTION	PROGRESS MADE
A performance management system was not adopted, as required by municipal planning and performance management regulation 8. As the performance management system developed did not clarify the roles and responsibilities of each role-player in the system as required by the MSA sections 40 and 41, and municipal planning and performance regulations.	Implementation and monitoring over the controls should be actioned.	Achieved, implementation and monitoring of controls improved to the extent that a Clean Audit Opinion was achieved.
The performance management system and related control over performance planning, monitoring, review, reporting and improvement processes were established; however, those controls were not adequately implemented, as required by municipal planning and performance management regulation 7(1)	Implementation and monitoring over the controls should be actioned.	Achieved, implementation and monitoring of controls improved to the extent that a Clean Audit Opinion was achieved.
The municipality did not adequately discharge its oversight responsibilities in relation to performance information, as material misstatements were identified on performance reporting, which were initially reported in financial year and management did not implement the recommendations provided to prevent the recurrence of the findings.	Implementation and monitoring over the controls should be actioned.	Achieved, implementation and monitoring of controls improved to the extent that a Clean Audit Opinion was achieved.
Management did not establish and communicate policies and procedures to enable and support understanding and execution on Internal control objectives, processes and responsibilities as a result material misstatements were identified on the annual performance report due to lack of review and implementation of the performance management controls.	Implementation and monitoring over the controls should be actioned.	Achieved, implementation and monitoring of controls improved to the extent that a Clean Audit Opinion was achieved.

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%

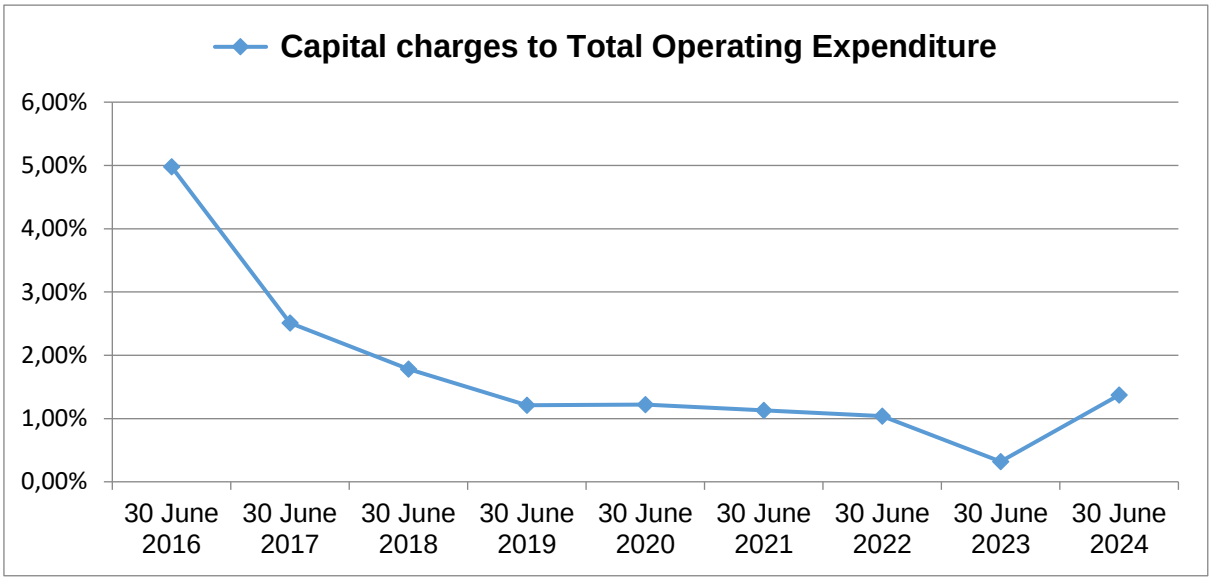
The above table is discussed in detail below.

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%.

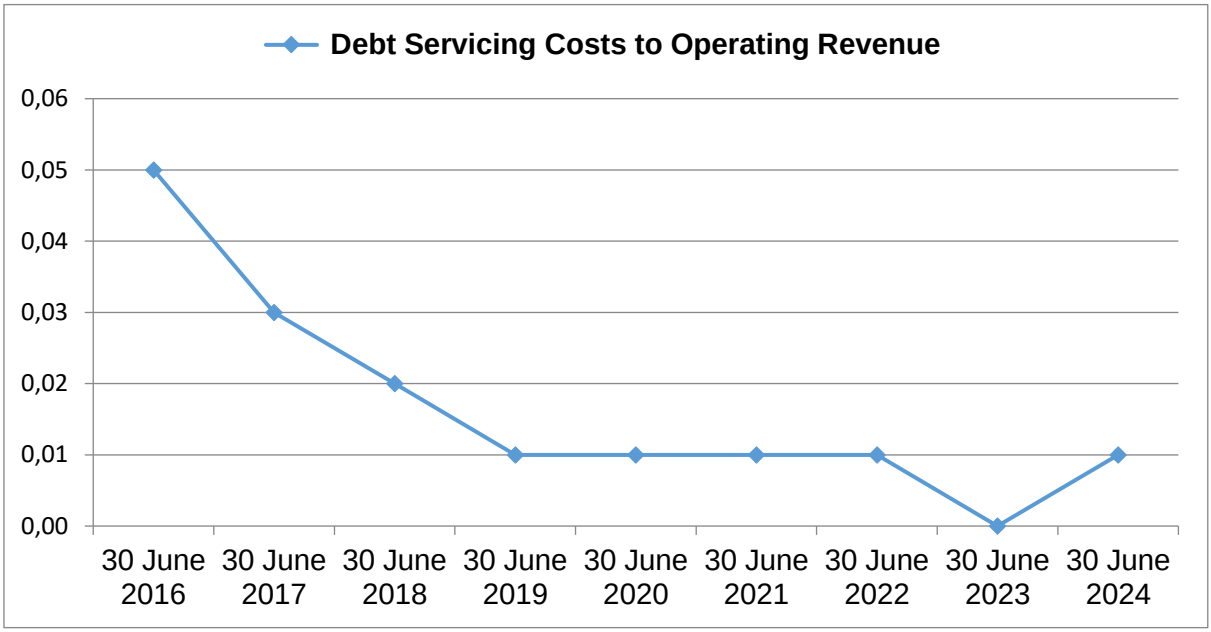
5.7 DEBT SERVICING COSTS TO OPERATING REVENUE

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:

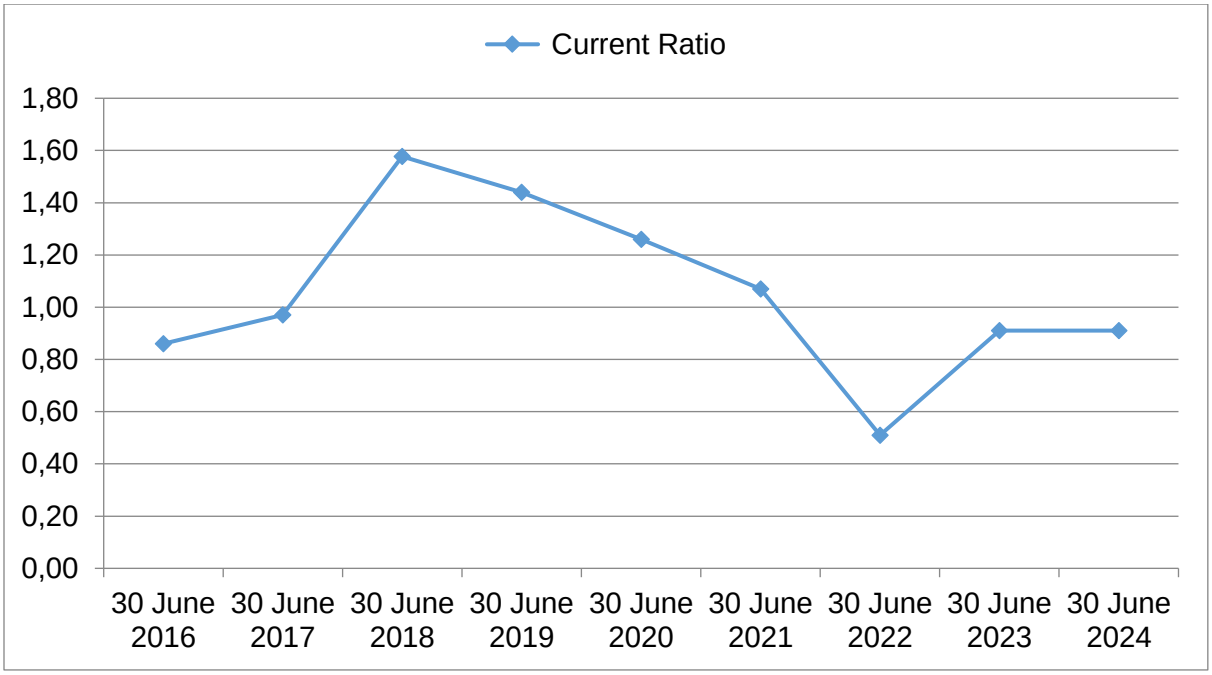
Current assets/Current liabilities

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

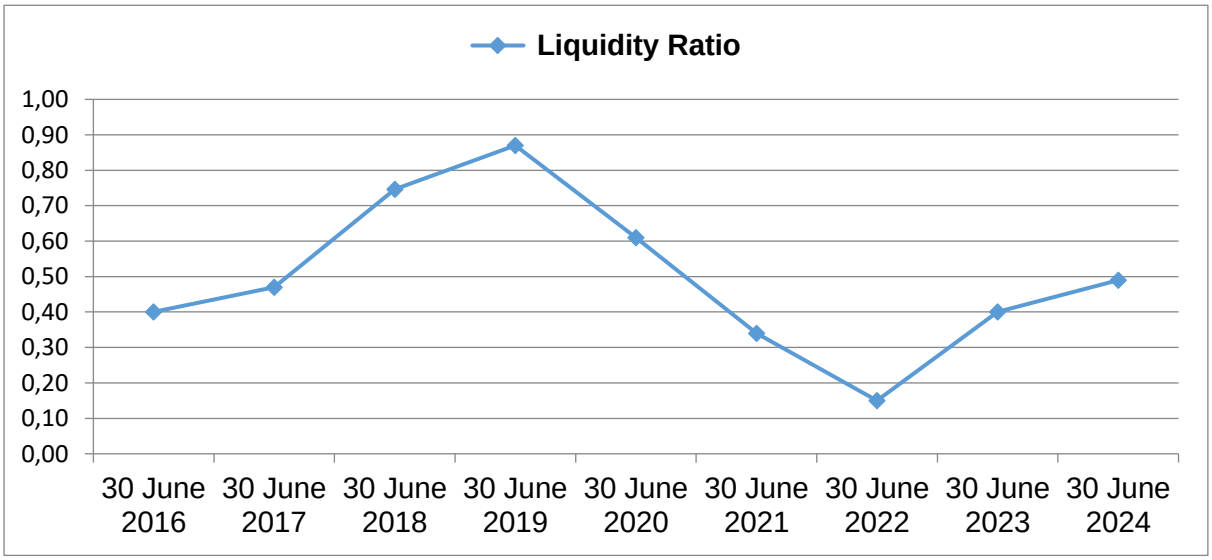
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

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

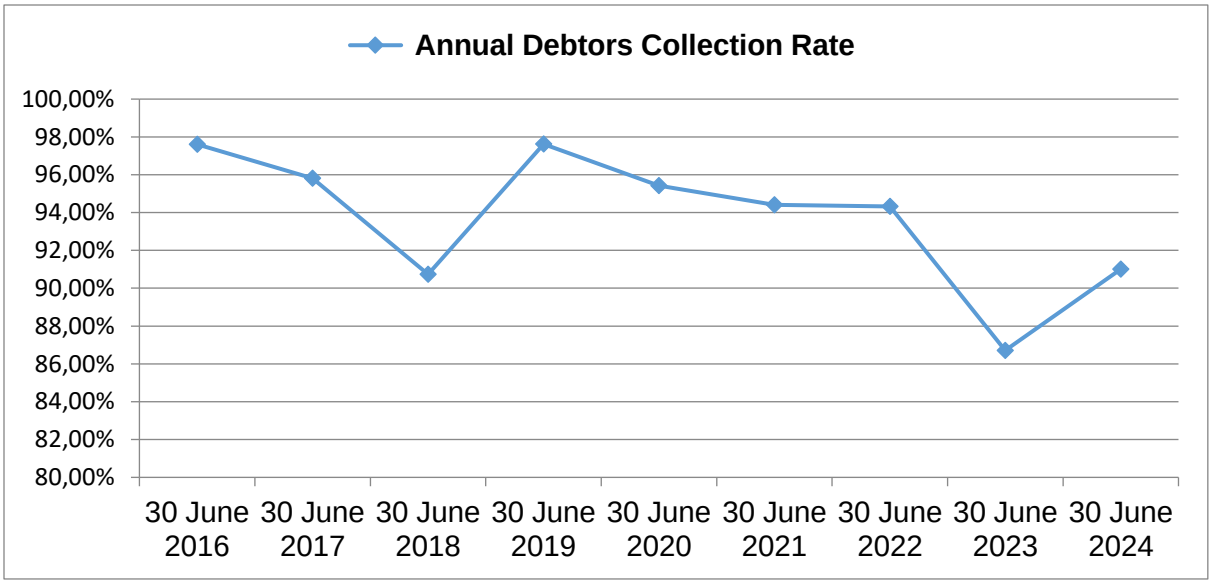
This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

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.

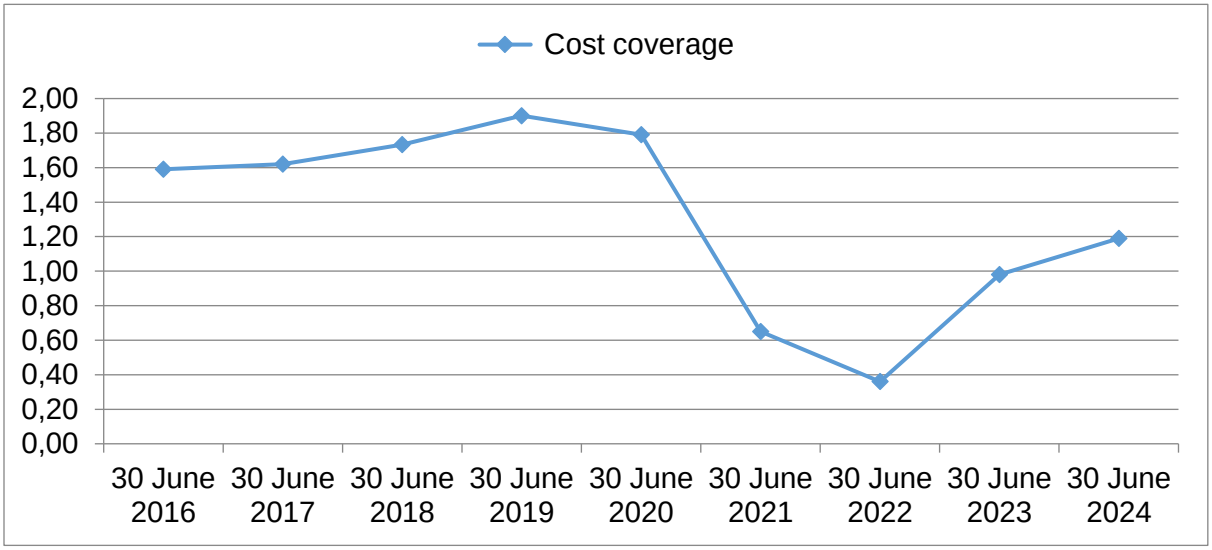
The ratio is determined as follows:

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.



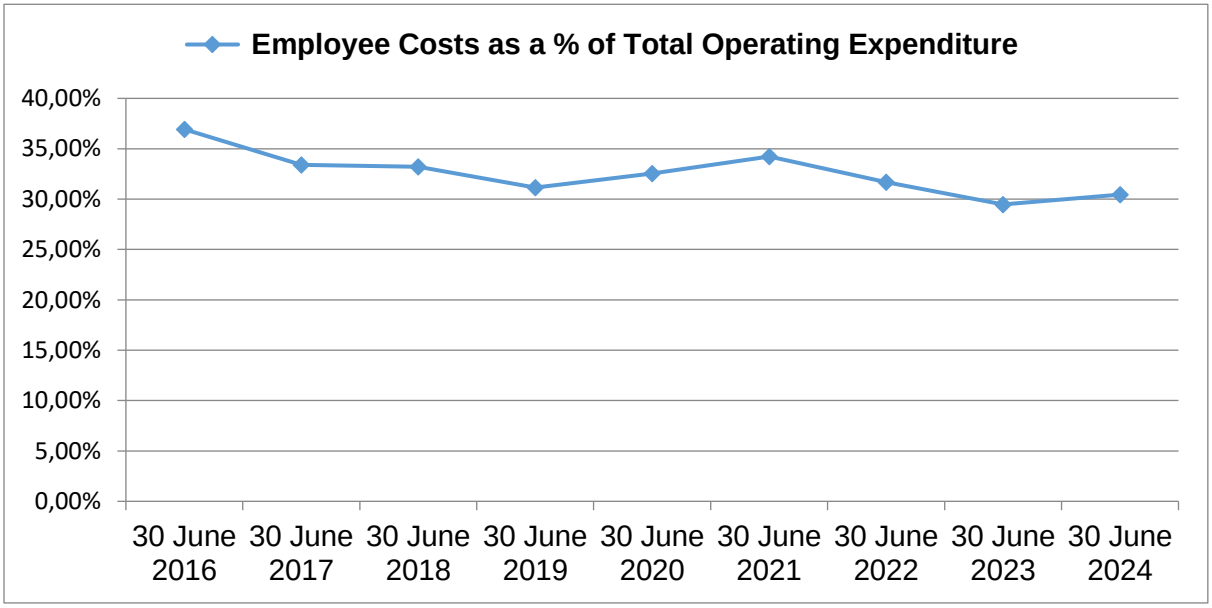
5.12 EMPLOYEE COSTS AS % OF TOTAL OPERATING EXPENDITURE

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%.



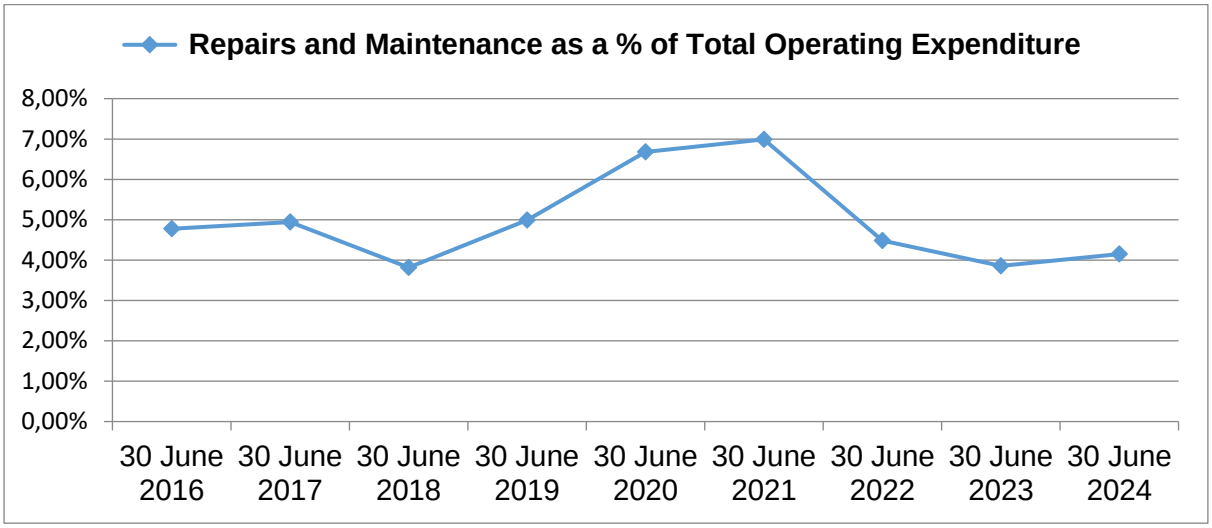
5.13 REPAIRS AND MAINTENANCE AS % OF TOTAL OPERATING EXPENDITURE

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

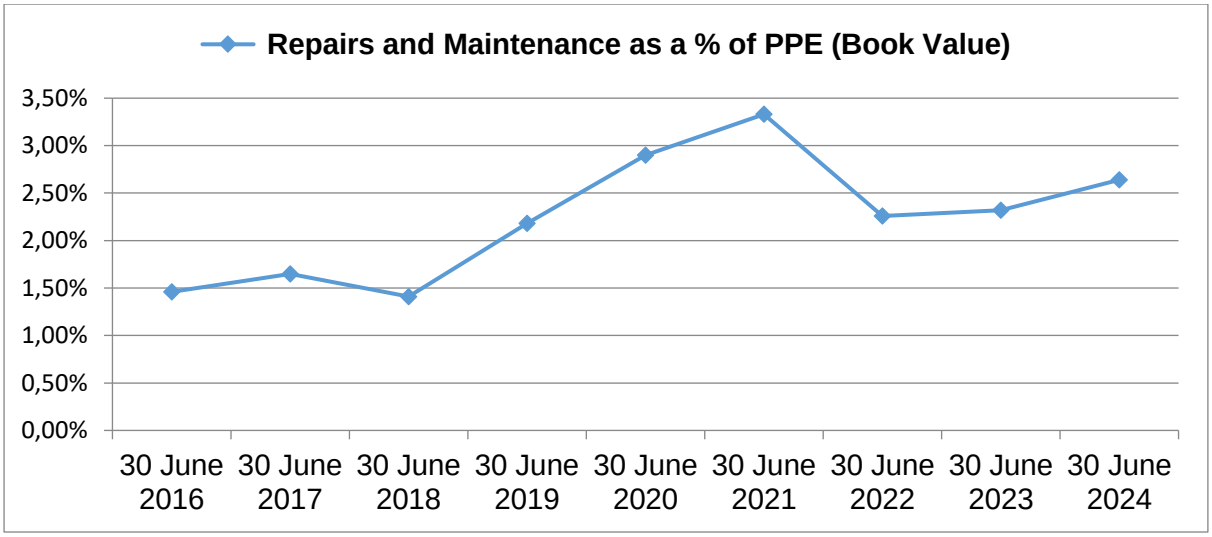
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

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%.



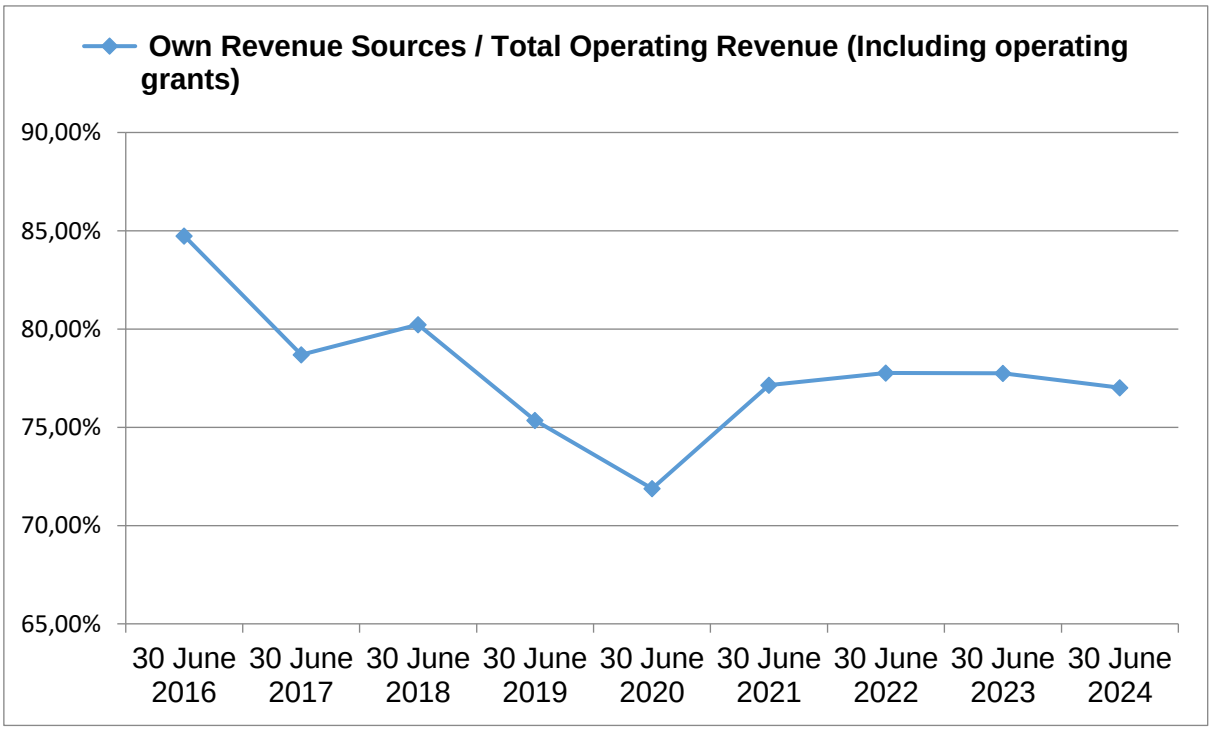
5.15 OWN REVENUE GENERATION

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%.



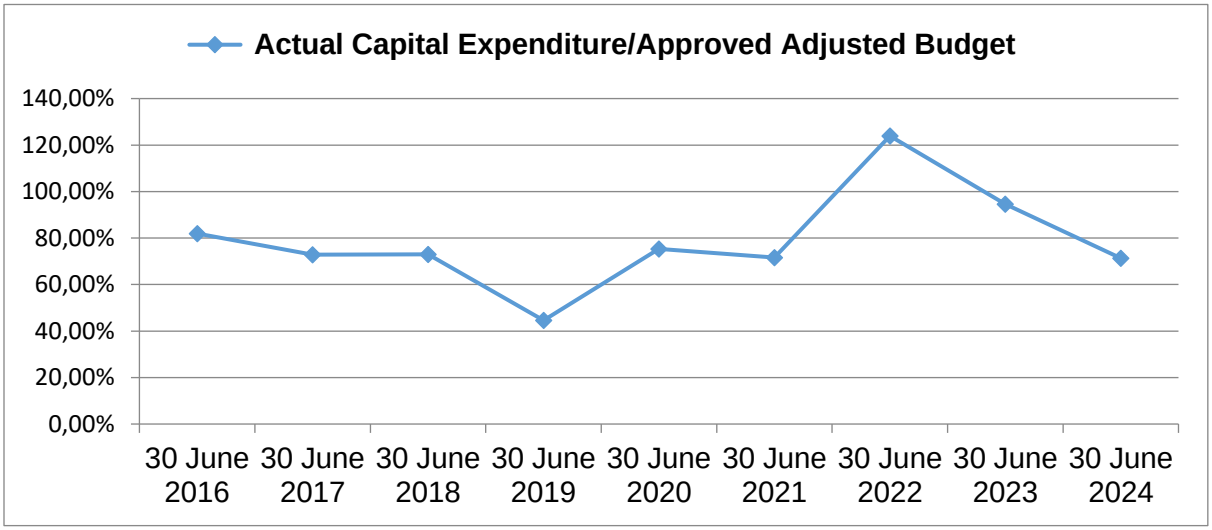
5.16 CAPITAL BUDGET SPENDING

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)

COMPONENT B: OTHER FINANCIAL MATTERS

5.18 FINANCIAL POLICIES

REF #	SECTION	POLICY	COMMENTS
BRP001	AFM	Asset Management Policy	Reviewed – all changes reflected in the Policy
BRP002	BTO	Borrowing Policy	No changes
BRP003	BTO	Budget Implementation and Management Policy	No changes
BRP004	BTO	Cash Management and Investment Policy	No changes
BRP005	BTO	Cost Containment Policy	No changes
BRP006	REVENUE	Customer Care, Credit Control & Debt Collection Policy	Reviewed – all changes reflected in the Policy
BRP007	BTO	Funding and Reserves Policy	No changes
BRP008	REVENUE	Indigent Support Policy	Reviewed – all changes reflected in Policy
BRP009	REVENUE	Property Rates Policy	Reviewed – all changes reflected in Policy
BRP010	REVENUE	Provision of Doubtful Debt Write-off and Irrecoverable Debt	No changes
BRP011	SCM	Supply Chain Management Policy	No changes
n/a	SCM	Preferential Procurement Policy	Recommendation to repeal as incorporated into the SCM Policy
n/a	SCM	SCM for Infrastructure Procurement and Delivery Management	Recommendation to repeal as incorporated into the SCM Policy
n/a	SCM	Supply Chain Management policy for infrastructure procurement and delivery management (National Treasury Standard for Infrastructure Procurement and Delivery Management)	Recommendation to repeal as incorporated into the SCM Policy
BRP012	BTO	Tarriff Policy	No changes
n/a	REVENUE	Unallocated Revenue and Building Deposit Policy	Recommendation to repeal as incorporated into the Customer Care, Credit Control and Debt Collection Policy
BRP013	BTO	Virement Policy	Reviewed – all changes reflected in Policy

CHAPTER 6: AUDITOR GENERAL'S FINDINGS

6.1 AUDITOR GENERAL REPORT: 2023/24 FINANCIAL YEAR

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 360 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	82-87	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 82 to 87.

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	50%	26.09%

capital projects newly listed with the January 2024 adjustments budget		
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

6.2 AUDITOR GENERAL REPORT: 2022/23 FINANCIAL YEAR

Report of the auditor-general to Eastern Cape Provincial Legislature and the council on the Kouga Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Kouga Local municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net asset, cash flow statement and statement of comparison of budget information with actual information 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 2023 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management of South Africa 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (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 2 and 4 to the financial statements, receivables from exchange transactions and statutory receivables from non-exchange transactions had a provision for impairment of R309,25 million (2021-22: R229,96 million) and R152,62 million (2021-22: R71,29 million), respectively.

Material losses

8. As disclosed in note 43.1.8 to the financial statements, the municipality incurred material losses relating to water and electricity of R19,49 million (2021-22: R42,03 million) and R19,68 million (2021-22: R21,08 million), respectively.

Restatement of corresponding figures

9. As disclosed in notes 39 and 40 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors and reclassification of accounts in the financial statements of the municipality at, and for the year ended, 30 June 2023.

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 Generally Recognised Accounting Practice and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

13. In preparing the financial statements, the accounting 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 against predetermined objectives for the selected development priorities 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 priorities presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected development priorities that measure 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	The purpose of this development priority is to manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs
Municipal financial viability and management	XX	The purpose of this development priority is to manage and develop financial services to ensure financial viability, compliance and reporting

18. I evaluated the reported performance information for the selected development priorities 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
- 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
- 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 selected development priorities.

Other matters

22. I draw attention to the matters 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.

Material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service delivery and infrastructure and municipal financial viability and management. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

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. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Strategic planning and performance management

29. A performance management system was not adopted, as required by municipal planning and performance management regulation 8. As the performance management system developed did not clarify the roles and responsibilities of each roleplayer in the system as required by MSA sections 40 and 41, and municipal planning and performance management regulations.

30. The performance management system and related controls over the performance planning, monitoring, review, reporting and improvement processes were established; however, those controls were not adequately implemented, as required by municipal planning and performance management regulation 7(1).

Other information in the annual report

31. 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.

32. 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.

33. 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.

34. 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

35. 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.

36. The matters reported below are limited to the significant internal control deficiencies that resulted in material findings on compliance with legislation included in this report.

37. The municipality's leadership did not adequately discharge its oversight responsibilities in relation to performance information, as material misstatements were identified on performance reporting, which were initially reported in the previous financial year and management did not implement the recommendations provided to prevent the recurrence of the findings.

38. Management did not establish and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes and responsibilities, as a

result material misstatements were identified on the annual performance report due to a lack of review and implementation of the performance management controls.



East London

30 November 2023

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 selected development priorities 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 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)

6.3 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)

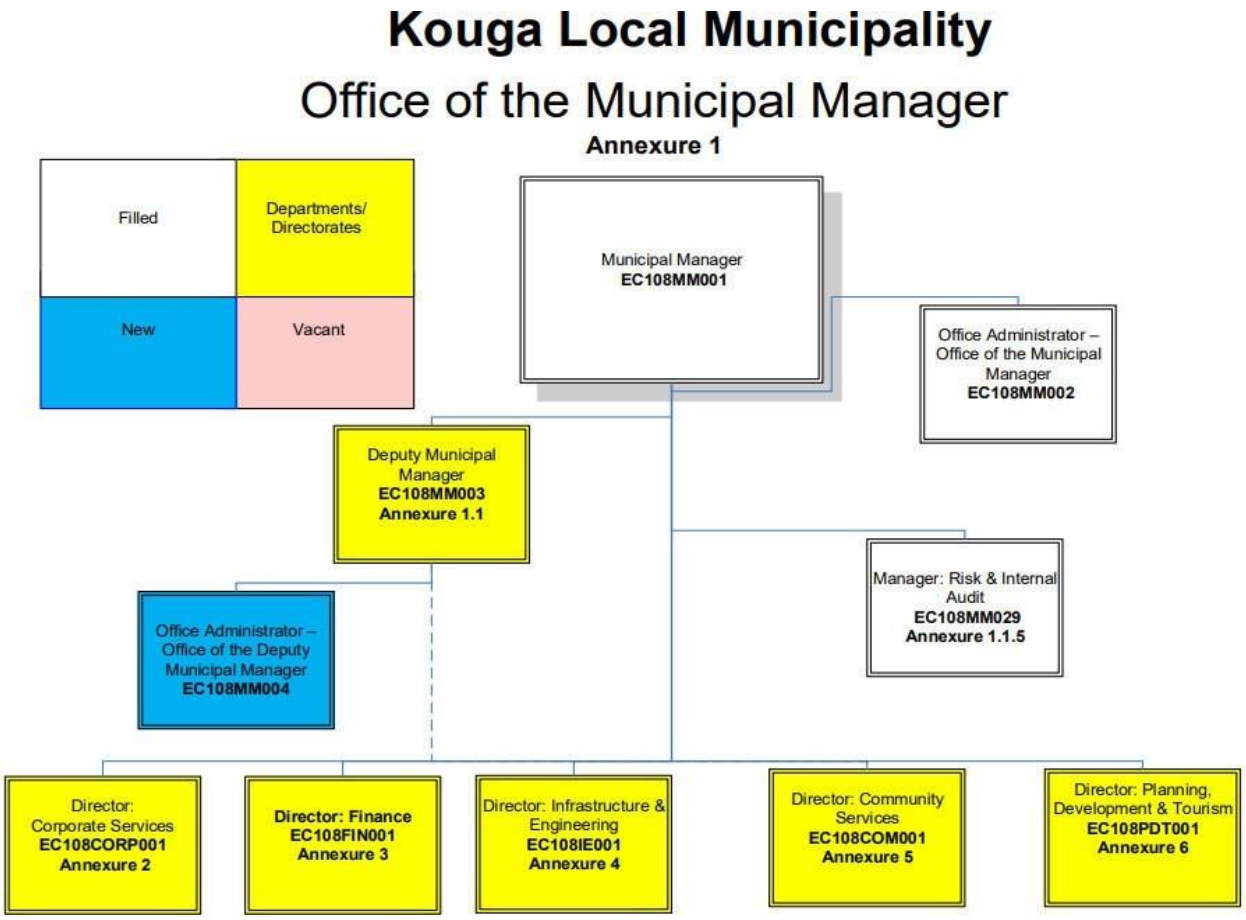
Corporate & Communication Services Portfolio	Committee Members	Alternate Members	Functions
Chairperson 	Cllr J Alexander		Administration / Auxiliary Services Legal Services Human Resources Media & Communication ICT
	Ald D Benson		
	Cllr M van Niekerk	Cllr L Maree	
	Cllr H Murray	Cllr B Dhludhlu	
	Cllr 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

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 G: RECOMMENDATIONS OF THE AUDIT COMMITTEE

ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2024 KOUGA LOCAL MUNICIPALITY

OBJECTIVE

The purpose of this report is to present the Audit Committee's annual report in carrying out its oversight responsibilities for the financial year ended 30 June 2024.

TERMS OF REFERENCE

The mandate of the Audit Committee is legislated in terms of section 166 of the Municipal Finance Management Act, 2003 (MFMA) which requires the Audit Committee to advise the Accounting Officer and Council on matters relating to:

- Internal financial control and internal audits
- Risk management and Compliance
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting and information
- Performance management and evaluation
- Effective governance
- Compliance with the Municipal Finance Management Act 56 of 2003, the annual Division of Revenue Act and any other applicable legislation and
- Any issues referred to it by the council.

The Audit and Risk Committee is also required to fulfil the functions of a Performance Management Committee constituted in terms of sections 38 and 41 of the Municipal Systems Act No 32 of 2000 and Regulation 14(2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001:

Review and advise in terms of the provisions of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006.

The MFMA also requires the Audit Committee to review the Annual Financial Statements, respond to Council on matters raised by the Auditor General of South Africa (AGSA) and carry out investigations into the financial affairs of the municipality.

The Audit Committee assists Council in fulfilling its oversight responsibilities in helping to ensure high quality financial and performance management reporting as well as effective internal control.

COMPOSITION OF THE AUDIT AND RISK COMMITTEE AND ATTENDANCE

The Audit Committee comprises three independent members. The Committee is required to meet at least four times per annum as per its approved terms of reference. The following persons also have standing invitations to all committee meetings:

- The Executive Mayor,
- the Municipal Manager,
- the Chief Financial Officer,
- the Director: Administration, Monitoring & Evaluation,
- the Director: Infrastructure, Planning & Development,
- the Director: LED, Tourism & Creative Industries,
- the Director: Social Services,
- the Manager: Performance Management,
- the Manager: Risk and Internal Audit,
- the Auditor General and representatives from Provincial Treasury and COGTA.

Both the Internal and External Auditors have unrestricted access to the Audit Committee.

During the 2023/2024 financial year, the Audit Committee held meetings as set out below:

Name of members	**Appointed**	**Total number of meetings 2023 – 2024**
Mr Gregory Billson Chairperson	**13 December 2021**	**4 Meetings – All attended**
Mr G Sarpong	**28 July 2023**	**4 Meetings – All attended**
Mr D De Lange	**28 August 2024.**	**1**
Mr Moodaley	**29 July 2022**	**4 Meetings – All attended**

Dates of meetings were as follows:

- 7 December 2023

- 28 March 2024
- 11 June 2024
- 28 August 2024

AUDIT COMMITTEE RESPONSIBILITIES

The Committee confirms that it has complied with its responsibilities set out in the Audit and Risk Committee Charter and details of these responsibilities are detailed below:

1. INTERNAL FINANCIAL CONTROL AND INTERNAL AUDIT

1.1 Internal Financial Control

The Audit Committee have reviewed the expertise, resources and experience of Kouga Local Municipalities finance department. During the financial year there were no significant changes to the staff establishment.

The CFO is competent in respect of his expertise and experience, with the Finance Department functioning adequately and within its mandate.

The Auditor General did not identify any material non-compliance to selected legislation nor deficiencies in internal controls in respect of the 2023/2024 financial year.

1.2 Internal Audit

The Internal Audit function is independent of management. The Audit Committee is satisfied that the Internal Audit team possess the required qualifications and are competent to carry out their role.

The Internal Audit Unit was not fully staffed in terms of the approved organisational structure.

Due to Internal Audit staff vacancies, the necessary resources were not available to execute the entire approved internal audit plan.

Internal Audit, through the execution of the Internal Audit plan approved by the audit committee, identify various weaknesses where recommendations are set out to mitigate these identified risks.

All noted findings by Internal Audit are required to be captured on an Internal Audit findings tracker for follow up and review.

Management was unable to demonstrate that all Internal Audit findings have been adequately addressed.

It is critical that noted Internal Audit findings are agreed to with management, with recommended actions implemented by all relevant personnel to ensure risks are mitigated.

It is critical that management review, consider and implement Internal Audit recommendations to mitigate identified risks. Failing to do so increases the risk of fraud, repeat findings by the Auditor General and other material consequences. Failing to address Internal Audit findings, negates the efforts of the Internal Audit Unit.

Internal Audit function.

Although not all Internal Audit findings have been addressed, the Municipality received a clean audit outcome indicating that the administrative and control environment is operating effectively.

The Audit Committee have noted that no restrictions or limitations were placed on the Internal Audit team in the execution of their mandate.

The Chief Audit Executive has access to the Chairperson of the Audit Committee at any time.

Internal Audit has prepared a three-year rolling strategic internal audit plan and an annual internal audit plan and budget. The plan addresses the high-risk areas identified in consultation with management and indicates the scope of each audit.

Internal Audit were able to complete most of the Internal Audit plan for the year with limited roll overs of planned Internal Audits being necessary.

The Audit Committee received the Internal Audit reports whereafter constructive discussions with management on the findings reported by Internal Audit took place during the quarterly Audit Committee meetings.

The Internal Audit findings tracker should be monitored on an ongoing basis, where findings are considered, recommendations to mitigate risk are tested and confirmed to have been implemented, to ensure the risk environment within which the municipality operates is optimized and improved on an on-going basis.

The Audit Committee reviewed the Internal Audit Charter and the Audit Committee Charter. The charters were both approved and signed by the Municipal Manager and the Audit Committee Chairperson.

Audit Committee Work Plan

The Audit and Risk Committee has adopted a detailed work plan that provides the details of all reports required for each quarter enabling the committee to perform its mandate effectively as outlined in legislation as well as in the Audit Committee Charter.

The work plan forms the basis of the Audit and Risk Committee's quarterly agenda.

The following agenda items have not always been included for review at these scheduled meetings, resulting in the Audit Committee only being able to review such at six monthly or longer intervals. It is critical that all set agenda items are available for review to allow the Audit Committee to carry out their oversight responsibilities in respect of the agreed Audit Committee Charter:

- Irregular fruitless and wasteful and Unauthorised expenditure report

- SCM contract management report

- Fraud prevention plan

- ICT governance reports

- Disaster recovery plan

2. RISK MANAGEMENT AND COMPLIANCE

The Kouga Local Municipality Risk Management Maturity has improved. A risk register has been compiled with identified process owners and target dates for completion.

The risk management committee are responsible for the establishment of the risk management policy, risk management framework together with the risk management strategy and the preparation of the risk register. The committee remain responsible for:

• Identification of root causes associated with the identified risks

• Consequences of the risk ensuring that they are aligned to the root cause

• Identification of actual controls currently in place that mitigates the identified risk

• An assessment of the perceived control effectiveness

• Assess mitigating action plans to further address the residual risk exposure and

• Review the logic of the risk register

Consideration should continue to be given to the capacity and resources within Internal Audit to provide council with a reasonable level of assurance that all risks are being identified and actioned. Consideration should be given to establish a Risk Management Committee with an independent chairperson to take responsibility for enterprise risk management within the institution which will further enhance the risk maturity of the municipality. This may however require additional Internal Audit staff resources.

3. FINANCIAL REPORTING

The Audit Committee reviewed and discussed the unaudited annual financial statements for the 2023/24 financial year with management. An external service provider, Altimax, was appointed to provide an independent technical review of the financial statements at 30 June 2024.

This process included consideration of the adequacy, reliability and accuracy of financial reporting and information, ensuring it is consistent with applicable accounting standards and is compliant with the legal framework. The accounting policies and disclosures made by management were also reviewed during this process.

The Audit Committee recommended certain amendments before submission to the AGSA for audit purposes. The financial statements were submitted to the Auditor General within the prescribed time frame as determined by the MFMA.

4. PERFORMANCE MANAGEMENT AND EVALUATION

The Service Delivery and Budget Implementation Plan (SDBIP) report is used by the municipality as the monitoring tool to compare actual performance to targeted performance. This report is subject to Internal Audit scrutiny during their quarterly audits and is a standing item on the Audit and Risk Committee's agenda where performance targets are monitored.

It is important that performance information is up to date to allow the Audit Committee to consider actual performance in relation to the quarters being reviewed, allowing for the identification of any problem areas in good time.

Material losses were incurred on electricity and water services in the 2023/2024 financial year amounting to R44,4 million (2022/2023 R40,1 million) and R34,1 million (2022/2023 R19,5 million) respectively. The losses are monitored in the quarterly meetings of the Audit and Risk committee where strategies to reduce losses are reported on.

The Auditor General did not identify any material findings on the reported performance information for basic Infrastructure and service delivery.

No annual performance evaluations for S56 managers were conducted during the reporting period.

5. EFFECTIVE GOVERNANCE

Attendance of the Audit Committee quarterly meetings by senior management is generally good. Provincial Treasury, COGTA, the Auditor General and Chairperson of MPAC should be encouraged to attend the Audit Committee meetings.

A disciplinary committee is in place, where the municipality have had no instances requiring the review thereof by the disciplinary committee. Further management have confirmed that there have been no noted instances of fraud requiring investigation.

APPRECIATION

The achievement of a clean audit outcome is a significant achievement for the municipality. It requires the commitment and dedication of Council, Management, personnel and all oversight structures to an ethical environment, a clean administration and high service delivery standards.

On behalf of the Audit Committee, I would like to extend our sincere appreciation to the Council, Management, the Internal Auditors and the Auditor-General South Africa for their assistance and support during the financial year under review.

Daniel J de Lange

Audit Committee Chairperson

20 January 2025

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Public Private Partnerships Entered into during Year 2023/24	
Name and Description of Project	**Name of Partner(s)**
Centerton Sports Field minor upgrades	Kouga Windfarms
Irrigation at Hankey Sports Filed	Gamtoos Irrigation Board
Youth Development	SAKHE Family Care
Tourism	Eastern Cape Tourism Agency
Agricultural Support and Rural Development	Department of Rural Development and Agrarian Reform

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

Capital Project	Budget	Actual	Variance %
Water			
Piped Reticulation St Francis Bay	41 500	22 500	54.22%
Replace 250mm Water Main Canal Road St Francis Bay	17 507	15 357	87.72%
Replace Main Water Line Sout River Bridge Crossing	66 125	66 125	100%
St Francis Bay Boreholes	2 608 695	2 372 480	90.95%
Ground Water Development in Kouga	869 565	0	0%
Paradise Beach Water Tower	9 772 639	7 357 615	75.29%
Mimosa Street Pipeline Replacement	12 836 056	8 480 926	66.07%
Construction of Civil Services Donkerhoek	3 000 000	0	0%
Humansdorp Groundwater Supply	2 800 000	2 162 590	77.24%
Sanitation/Sewerage			
New bypass Sewer Rising Main and Pumpstations Jeffreys Bay	323 486	160 023	49.47%
Upgrade Loerie Sewer Pumpstation	80 188	77 118	96.17%
Upgrade Weston WWTW	430 645	430 645	100%
Design Upgrade Sewer Pipe Ocean View	50 000	50 000	100%
Upgrade KwaNomzamo WWTW	6 988 570	6 988 570	100%
Design La Mer Rising Sewer Main	65 000	65 000	100%
Upgrade Hankey Sewer Infrastructure	12 633 750	12 633 750	100%
KwaNomzamo Sewer Pumpstation	551 027	0	0%
Hankey WWTW	5 155 634	364 052	7.06%
La Mer Sewer Rising Main	9 000 000	1 618 535	17.98%
Electricity			
Generator	43 565	39 922	91.64%
Bulk 66kV Overhead Lines	1 371 165	1 371 165	100%
Ocean View1250 Electrification	3 555 651	3 1077 721	87.40%

Capital Project	Budget	Actual	Variance %
Electrification Ocean View	1 146 184	1 077 187	93.98%
Electrical Oil Circuit breaker replacement	5 000 000	0	0%
Housing			
Hankey 990 Phase 2	17 147 249	800 286	4.67%
Hankey 990 Phase 3	4 510 553	471 854	10.46%
Refuse removal			
Skip Trucks	1 800 000	1 567 341	86.52%
Skip Bins	400 000	378 530	94.63%
Roads and Stormwater			
St Francis Bay Neville Road reconstruction	13 043	13 043	1005
St Francis Bay Anne Avenue to Ralph Road Reconstruction	43 478	0	0%
Aston to Paradise Beach Causeway	86 957	86 957	100%
Paradise Beach Botha Street Stormwater	10 435	10 435	100%
Upgrading Kouga Gravel Roads	3 339 130	3 339 130	100%
St Francis Bay Canal Bridge	2 608 696	2 601 965	99.74%
Plate Compactor	23 000	23 000	100%
Economic development			
Township Support	100 000	0	0%
Ward Development	750 000	727 234	96.96%
Sports, Arts & Culture			
Upgrade Loerie Sports Facilities	5 296 905	5 296 905	100%
Paving Main Beach	1 800 000	1 266 321	70.35%
Upgrading various sports facilities	1 919 609	1 265 327	65.92%
Environment			
Grass Cutter	200 000	198 680	99.34%
Health			
None			
Safety and Security			
Fire Services Vehicle	3 000 277	2 893 047	96.43%
Operations Room Equipment	569 423	327 103	57.44%
ICT and Other			
Computer Equipment DMM	1 635 000	1 222 211	74.75%
FMG Intern Laptops	130 435	130 435	100%
Computer Equipment	170 000	147 523	86.78%
Computer Equipment	80 000	24 586	30.73%
Computer Equipment	20 000	0	0%
Projector	20 000	19 172	95.86%

APPENDIX O: CAPITAL PROJECTS

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: 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 of Community Safety/SAPS	• Satellite police station for Ward 1 • Collaboration with municipal law enforcement to maximise safety in wards • Gangsterism at schools and townships • Involvement of SA Army • Establishment of community police forums • Enforcement of non-compliance of liquor on and off consumption in townships
Department of Education	• Overcrowding at all Kouga Schools • Need for Kouga FET College • Future use of unused (2) school sites in Jeffreys Bay
Department of Sports, Arts and Culture	• Maintenance of sports fields (Backlogs) and new facility for cricket in ward 4 & 5 • Construction of inclusive multi-purpose sports centres in Ward 4, 6, 7 and 14. • Library in Andrieskraal, Ward 1,10 & 14 • Wi-fi for all libraries

DEPARTMENT	PROJECT DESCRIPTION
Department of Health	• Staffing of clinics in Ward 1,2, 4, 5, 9, 13 &14 • New clinics or extension to existing ones in ward 2 & 6 • Mobile more clinics in ward 4 (Kruisfontein and Die Berg) & ward 14
Department of Land Reform and Rural Development	• Release and or lease of state and municipal land for commonage and emergency farming in ward 1,4,7,9,10 and 14 • Comprehensive rural development programme for Ward 4, 7, 9, 10, 14 • Land for housing for farming community in Andrieskraal (Ward 9 & 10) • Outstanding land claims in Ward 13 and 9

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

NATIONAL DEVELOPMENT PILLARS	NATIONAL AND PROVINCIAL PRIORITIES	MUNICIPAL PRIORITIES
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

Table of Contents

The reports and statements set out below comprise the audited annual financial statements presented to the Municipal Council:

	Page
General Information	2 - 3
Abbreviations	4
Accounting Officer's Report	5
Statement of Financial Position	6
Statement of Financial Performance	7
Statement of Changes in Net Assets	8
Cash Flow Statement	9
Statement of Comparision for Budget and Actuals	10 - 12
Accounting Policies	13 - 41
Notes to the Audited Annual Financial Statements	42 - 110

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.

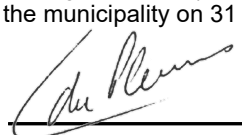
I have reviewed the municipality’s cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, I am satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 %**

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

Audited Annual Financial Statements for the year ended 30 June 2024

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
Audited Annual Financial Statements for the year ended 30 June 2024

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

Audited Annual Financial Statements for the year ended 30 June 2024

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.

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

Audited Annual Financial Statements for the year ended 30 June 2024

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
Audited Annual Financial Statements for the year ended 30 June 2024

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.

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.

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..

Kouga Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2024

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

Audited Annual Financial Statements for the year ended 30 June 2024

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

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)

	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
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**

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

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**

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**

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

	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

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

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:

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

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

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

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

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

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:

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

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
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 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

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

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

Audited Annual Financial Statements for the year ended 30 June 2024

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

Audited Annual Financial Statements for the year ended 30 June 2024

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.

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

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

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

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
Audited Annual Financial Statements for the year ended 30 June 2024

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**

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

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

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

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

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

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

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

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
Audited Annual Financial Statements for the year ended 30 June 2024

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**

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

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

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
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	-

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
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**

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

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**

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

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 %**

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

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**

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
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**

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)		
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
Audited Annual Financial Statements for the year ended 30 June 2024

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:

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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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....

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

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)

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**

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	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: 31 MARCH 2025
ITEM NO: **25/03/MM3**

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT ON THE 2023/2024 ANNUAL REPORT

1. **Introduction**

This item serves to table to Council the Oversight Report in respect of the 2023/24 Annual Report. The Oversight Report is attached hereto as Annexure A.

2. **Background**

A draft annual report was submitted to MPAC for scrutiny with the financial statements included. MPAC has scrutinized the contents of the Draft Annual Report in the presence of senior management.

3. **Discussion**

MPAC has concluded that the annual report as presented reflect an accurate picture of the activities and financial picture of Kouga Municipality for the 2023/24 financial year. It recommends that the Annual Report be adopted by Council without reservations.

4. **Financial Implications**

Completed by BTO -	No financial implications
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

The Municipal Public Accounts Committee was established by Council in terms of the provisions of Section 79A (1) of the Local Government Municipal Structures Act, 117 of 1998 to amongst others consider the Annual Reports of Kouga Municipality and prepare and submit oversight reports on such annual report to Council as required in terms of the provisions of Section 129 of the Local Government Municipal Finance Management Act, 56 of 2003.

Section 129 of the MFMA provides as follows:

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

(a) has approved the annual report with or without reservations.

(b) has rejected the annual report; or

(c) has referred the annual report back for revision of those components that can *be revised.*

(2) The accounting officer must-

(a) attend council and *council committee meetings where the annual report is discussed, for the purpose of responding to questions* concerning *the report;* and

(b) submit copies of the minutes of those meetings to the Auditor-General, the relevant provincial treasury and *the provincial department responsible for local government* in *the province.*

(3) The accounting officer must in accordance with section 21 A of the Municipal Systems Act make public an *oversight report referred to in subsection (1) within* seven *days of its adoption.*

(4) The National Treasury may issue guidelines on-

(a) *the* manner *in which municipal councils should* consider *annual reports* and *conduct public hearings;* and

(b) *the functioning* and *composition of any public accounts or oversight committees established by the council to assist it to consider* an *annual report.*

(5) *No guidelines issued in terms of subsection (4) are* binding on *a municipal council unless adopted by the council.*

(6) *This section, with the necessary modifications as the context may require, is also applicable if only components of the annual report were tabled in terms of* section *127(3).*

6. **Legal Implications**

None

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Municipal Manager**

That the recommendations from MPAC be supported.

9. **Delegated Authority**

The Oversight Report must be adopted by Council.

10. **Recommendations**

10.1 That the 2023/24 Oversight Report on the 2023/24 Annual Report be adopted.

10.2 That Council approve the Annual Report without reservations.

10.3 That the Accounting Officer, in accordance with Section 21A of the Local Government: Municipal Systems Act, No. 32 of 2000, as amended, make public an Oversight Report, within seven days of its adoption.

10.4 That the recommendations contained in the 2023/24 Oversight Report on the 2023/24 Annual Report be adopted as resolutions of Council.

10.4.1 That the Water Services Authority develop a program of action to ensure that all water service points are measured by meters including community water taps.

10.4.2. That the formalization of informal settlements be prioritized to provide acceptable services to such settlements and to reduce illegal connections to the electrical network.

10.4.3 That reporting as per Appendices F, H and O in the Annual Report be improved upon to be fully compliant with the provisions of MFMA Circular 63 for the 2024/25 Annual Report.

Item noted by MPAC Chairperson 

KOUGA
local municipality
Good Governance through Service Excellence



MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

OVERSIGHT REPORT

2023/24 ANNUAL REPORT

CONTENTS

	Page No
Foreword by the Chairperson	3 – 4
THE ANNUAL REPORT 2023/2024	5
SUBMISSION OF THE DRAFT ANNUAL REPORT	5
MEETINGS AND WORK SESSIONS	6
PUBLIC PARTICIPATION ORGANISATIONAL PERFORMANCE	6 7-8
THE AUDITOR GENERAL REPORT	8-9
MPAC RECOMMENDATION REGARDING T H E ANNUAL REPORT	9-10

ANNEXURES

ANNEXURE A	MFMA Circular 32 (Oversight Report)
ANNEXURE B	MFMA CIRCULAR 63
ANNEXURE C	MPAC Work Plan: 2024/2025
ANNEXURE D	Minutes of MPAC meetings held during the Annual Report Oversight Period 2024/2025

OVERSIGHT REPORT TO BE PRESENTED TO COUNCIL ON 27th March 2025

FOREWORD BY CHAIRPERSON OF THE MUNICIPAL PUBLIC ACCOUNT COMMITTEE

Introduction

In a Constitutional democracy, one of the fundamental premises is the doctrine of separation of powers. The authority of the government is divided into three interdependent entities, the Executive, the Legislature, and the Judiciary. Local government, and in particular, its municipal Council, has both legislative and executive powers. It therefore requires that to reinforce the doctrine of separation of powers in Council, the Municipal Public Accounts Committee is created to exercise oversight.

In its simplest definition, oversight means making sure something is done correctly.
In this context, MPAC is not a watchdog but a statutory council body, it does not police the Municipality. It should, however, not be underestimated or underappreciated. It serves to, inter alia, identify weaknesses, inaccuracies, and ambiguity, laud achievements and ensure accountability, and report these directly to Council. This provides additional credibility and confidence to Council and the community of the exercise of executive and administrative functions, and to assist in achieving and maintaining good governance in the municipality.

It also enforces accountability by making recommendations to remedy anomalies and improve the Municipality to the benefit of the community it serves. Of equal importance is the recognition of the higher common objective of working with the administration to achieve the best value for the community it serves.

An Annual Report is one of the key instruments reflecting transparent governance and accountability, or the lack thereof. It is a post-financial document which provides an overview of the process of financial and non-financial performance in respect of the previous financial year - in this case the 2023/2024 financial year.

The format of the 2023/2024 Annual Report was derived from the MFMA Circular 63. In the instance of Kouga Local Municipality, the Annual Report is arranged per Directorate to allow an easier oversight process.

This is the first year of this MPAC Committee's term led by a returning chairperson. Most of the challenges experienced during the previous term relevant to the Annual Reporting and Institutional Performance were resolved, but some of them remain despite several attempts to rectify as reflection in the Action Plans.

It should be appreciated that the compilation of the Draft Annual Report is a team effort, where all the different entities of the Municipality had to make a definite contribution. To coordinate all the contributions MPAC needs to convene several meetings to ensure that the contents of the Annual Report is acceptable and correct.

The following difficulties were experienced by MPAC:

- *Difficulty in adherence to the* MPAC *set calendar due to unforeseen and unavoidable circumstances,*
- *Insufficient training by SALGA for serving* MPAC *members due to very short notices received, this year in particular SALGA sent an invitation for the training to take place in East London but factoring the travelling and accommodation costs for 12 committee members does not make that a viable option.*
- *A letter to SALGA has been sent requesting localized training as the invitation has been extended to Cllrs serving in the Finance Portfolio to also learn.*
- *A virtual platform wherein Kouga councillors should be made available to cllrs that are unable participate due to the short notice given.*
- *Numerous typo errors and incorrect calculations leading to incorrect figures in the Annual Report have substantially reduced but exist.*

Every Director, and eventually the Municipal Manager and Council, should take responsibility for and pride in presenting their submission for inclusion in the Annual Report. The Municipal Managers and Directors reacted on this call in that the quality of the Annual Report improved dramatically this year and MPAC had the joy to scrutinize such a proudly presented Annual Report in compiling our Oversight Report.

The Annual Report is not only a document to satisfy the prescriptions of the MFMA, but it is also the document where the proud achievements of the Municipality should be highlighted.
Council has appointed Cllr Bryan Dhludhlu as Chairperson of the Kouga Municipal Public Accounts Committee at a Council meeting held on the 28th July 2023 as per item 23/07/MM6.

The matters mentioned in the Auditor-General's Management Report dated 27th February 2024 and the reports of the Kouga Audit Committee, were highlighted in the workshop presented by Mr Christo Welsh in the AG-SA presentation on the 28th of November 2024.

Sincere thanks to the Councillors and additional members who assisted with their valuable inputs and support.

Councillor C. August
Councillor W. Gertenbach
Councillor M. Nicholls
Councillor M. Mbandana
Councillor W. van der Linde
Public representatives:

Councillor H. Murray
Councillor F. Heystek
Councillor P. Oliphant
Councillor L. Nkilishane
Councillor B. Human
Ms Leonie Mostert
Advocate A.Klopper

Cllr B. Dhludhlu
MPAC Chairperson



THE ANNUAL REPORT 2023/2024

The MFMA (Circular 32, Attached as **Annexure A)** directs that the Annual Report must be arranged according to predetermined draft reports and time schedules. The different draft Annual Reports must also be subjected to Public Participation. During oversight MPAC should determine if these draft reports and time schedules were adhered to and that Public Participation was allowed.

1. SUBMISSION OF THE DRAFT ANNUAL REPORT

According to the provision of the MFMA (Circular 32, Attached as **Annexure A),** the different drafts of the Annual Report should be considered by MPAC, and tabled and resolved at meetings of the Municipal Council on or before specified dates, after which it should be advertised for public comments.

In terms of the provisions of MFMA Circular 63 (Attached as **Annexure B)**

The first draft of this 2023/2024 Annual Report was duly tabled and noted at the meeting of the Municipal Council held on 25th of September 2024 .

MPAC is satisfied that the correct procedures and timelines were followed during the preparation and submission of the 2023/2024 Annual Report.

2. MEETINGS AND WORK SESSIONS

Once the different drafts of the Annual Report were resolved by Council, it was up to MPAC to scrutinize the consecutive Reports and propose corrections and ask for outstanding information. These corrections and outstanding information were then evaluated and processed at the next meeting.

2.1 Meetings/work sessions of MPAC, in collaboration with the different Directorates, were held on:

- 25th September 2024
- 28th November 2024
- 28th January 2025
- 28th February 2025.

MPAC is satisfied that the correct procedures and timelines were followed during the scrutinization of the 2023/2024 Annual Report.

The Process Plan and the Minutes of the MPAC meetings during the evaluation of the Annual Report are attached **(Annexure C and D)**

2.2 PUBLIC PARTICIPATION

The final draft of the 2023/2024 Annual Report was made available to the Public after it was approved by Council. Hard copies of the Report were made available to the public at the Municipal Office, Public Libraries and the Report was also available on the Municipal Website.

The notice calling public comment and inputs was published on 6th February 2025 Page 7 in the Kouga Express, social media and was also published on the Municipal Website and Notice Boards. The closing date for comments and/or inputs was set at 12:00 on 19th February 2025.

It was agreed in the committee sitting of the 25th September 2024 that this platform would be used as in the prior year other than a roadshow as public members only filed questions about service delivery items. No comments from the public were received at confirmed by administration on the MPAC sitting of the 28th of February 2025.

3. ORGANISATIONAL PERFORMANCE

Oversight is the process where the overall performance of an organization is evaluated to make recommendations as to how the performance can be improved. So often, however, oversight involves concentrating on **unsatisfactory negative** issues and tends to ignore the, sometimes important, **highlights** and commendable achievements. It is also a fact that only a small percentage of Kouga Residents go into the trouble of reading the Annual Report which makes it necessary to allude to the highlights of the previous year.

These highlights will be acknowledged in the Oversight Report and recommendations will be made to Council to improve unsatisfactory performance.

A lot of emphasis is also placed on unsatisfactory financial issues (Audit Report), not that it is not important, but there are other components of service delivery that also needs to be highlighted. For this reason, the organizational performance oversight will deal with both these issues separately. The municipality must be commended in curbing the overtime.

3.1 2023/2024 PERFORMANCE OF THE MUNICIPALITY

3.1.1 Financial Health

It is noted, as reported in the Auditor General's Report, that the overall financial position of the municipality is healthy due to a Clean Audit outcome, Kouga’s first ever.

3.1.2 Audit Outcome

The Municipality achieved a clean audit outcome for the first in its history which marks a significant achievement. The financial statements of the Municipality, the performance report had no material mis statements, and there was full compliance with legislation.

Congratulations are in order and as per Auditor General's Report, the objective is to keep up the good work and maintain the new level of performance.

3.1.3 Level of Assurance

Areas of Improvement

It is noted that improvement was observed by the Auditor General in the functioning of the Audit Committee, MPAC Committee and that Council should acknowledge this.

Maintaining the status quo

- Senior management must adhere to the new performance reporting system.
- The Municipal Manager needs to maintain effectiveness of the performance management unit, prudent financial management, effective service delivery and good governance.
- The Mayor and Mayoral executive need to execute constant and effective oversight to ensure that the municipality keeps the momentum and addresses any potential risks whilst fulfilling the needs of the residents.

3.1.4 Risk Areas

3.1.4.1 Areas of Reduced Risk

MPAC takes note of the reduced risk in supply chain management processes and management should be congratulated on this positive outcome.

4. MPAC RECOMMENDATION REGARDING THE ANNUAL REPORT

Council resolves that:

After having fully considered the 2023/2024 *Annual Report of the Kouga Municipality and representations thereon, adopts the Annual Report without any reservations:*

4.1 That the Water Services Authority develop a program of action to ensure that all water service points are measured by meters including community water taps.

4.2 That the formalization of informal settlements be prioritized to provide acceptable services to such settlements and to reduce illegal connections to the electrical network.

4.3 That reporting as per Appendices F, H and O in the Annual Report be improved upon to be fully compliant with the provisions of MFMA Circular 63 for the 2024/25 Annual Report.

END

NATIONAL TREASURY

MFMA Circular No 32

Municipal Finance Management Act No. 56 of 2003

The Oversight Report

Introduction

This circular aims to provide councillors with practical guidance in financial governance and to assist in maintaining oversight within the broader governance context.

It focuses on the oversight process that councils must follow when considering the annual report and how to deal with the *Oversight Report* by encouraging continuous improvement and promoting accountability to stakeholders.

Please read this circular in conjunction with the following circulars:

- MFMA Circular 11 - Annual Reporting Guidelines - 14 January 2005
- MFMA Circular 18 - New Accounting Standards - 23 June 2005
- MFMA Circular 28 - Budget Content and Format - 12 December 2005

Background

Council is vested with the responsibility to oversee the performance of their respective municipality, as required by the Constitution, the Municipal Finance Management Act (MFMA) and Municipal Systems Act (MSA). This oversight responsibility of council is particularly important for the process of considering annual reports.

The MFMA and MSA recognise that council has a critical role to play to ensure better performance by municipal departments and entities. There now exists an explicit linkage between the strategic goals, set by council through the IDP, which are translated into the budget, and the delivery of those goals, which is reported in the Annual Report. It is important for council to ensure that the budget gives effect or expression to priorities contained in the IDP. A good budget will lay a basis for better oversight and cement the contracts between the executive/council, the administration and the public.

The MFMA gives effect to financial management reforms that place greater service delivery responsibilities on managers and makes them more accountable for performance. Whilst, in the first instance it is left to the mayor or the Executive Committee to resolve any performance failures, ultimately the council is vested with the power and responsibility to oversee both the executive and administration. Oversight occurs at various levels in a municipality and is explained in the following table:

Financial governance framework applicable to local government

	Responsible for	Oversight over	Accountable to
Council	Approving policy and budget	Executive Mayor or Committee	Community
Executive Mayor or Committee	Policy, budgets, outcomes, management of/oversight over municipal manager	Municipal Manager	Council
Municipal Manager	Outputs and implementation	The Administration	Executive Mayor or Committee
Chief Financial Officer and Senior Managers	Outputs and implementation	Financial Management and Operational Functions	Municipal Manager

Separation of roles

The separation of roles between the council and administration is intended to strengthen the oversight function of councillors. Good governance and effective oversight and accountability are predicated on there being this separation of functions. It is fundamental for the achievement of the objects for local government in the Constitution relating to a democratic and accountable system of local government. Council oversees the performance of the administration through council and committee meetings. The mayor provides the link between the council and administration and is responsible for regular monitoring and for tabling reports before the council. Therefore, the administration is responsible for the day-to-day operations. This separation avoids conflict of interest and a "referee/player" situation arising and is similar to the role played by Parliament.

The MFMA further assumes a separation between councillors serving on the executive (i.e. mayor or executive committee) and non-executive councillors. This separation is vital to ensure council maintains oversight for the performance of specific responsibilities and delegated powers to the mayor or executive committee.

The MFMA gives council a number of financial management tasks to fulfil its oversight role. The adoption of an ''Oversight Report" is one such task. The diagramme on the following page illustrates the various oversight intervention points from the adoption of the Integrated Development plan (IDP), Budget, Annual Report and Oversight Report.

What is in an annual report?

Each municipality and each municipal entity must prepare an annual report for each financial year in accordance with the MFMA and MSA. The purpose of the annual report is:

- to provide a record of the activities of the municipality or entity;
- to provide a report on performance in service delivery and against the budget;
- to provide information that supports the revenue and expenditure decisions made; and
- to promote accountability to the local community for decisions made.

Annual reports are the key reporting instruments for municipalities to report against the performance targets and budgets outlined in their strategic plans. Annual reports are therefore required to contain information on service delivery and outcomes, in addition to financial statements. It is meant to be a backward-looking document, focusing on performance in the financial year that has just ended. It must demonstrate how the budget was implemented and the results of service delivery operations for that financial year.

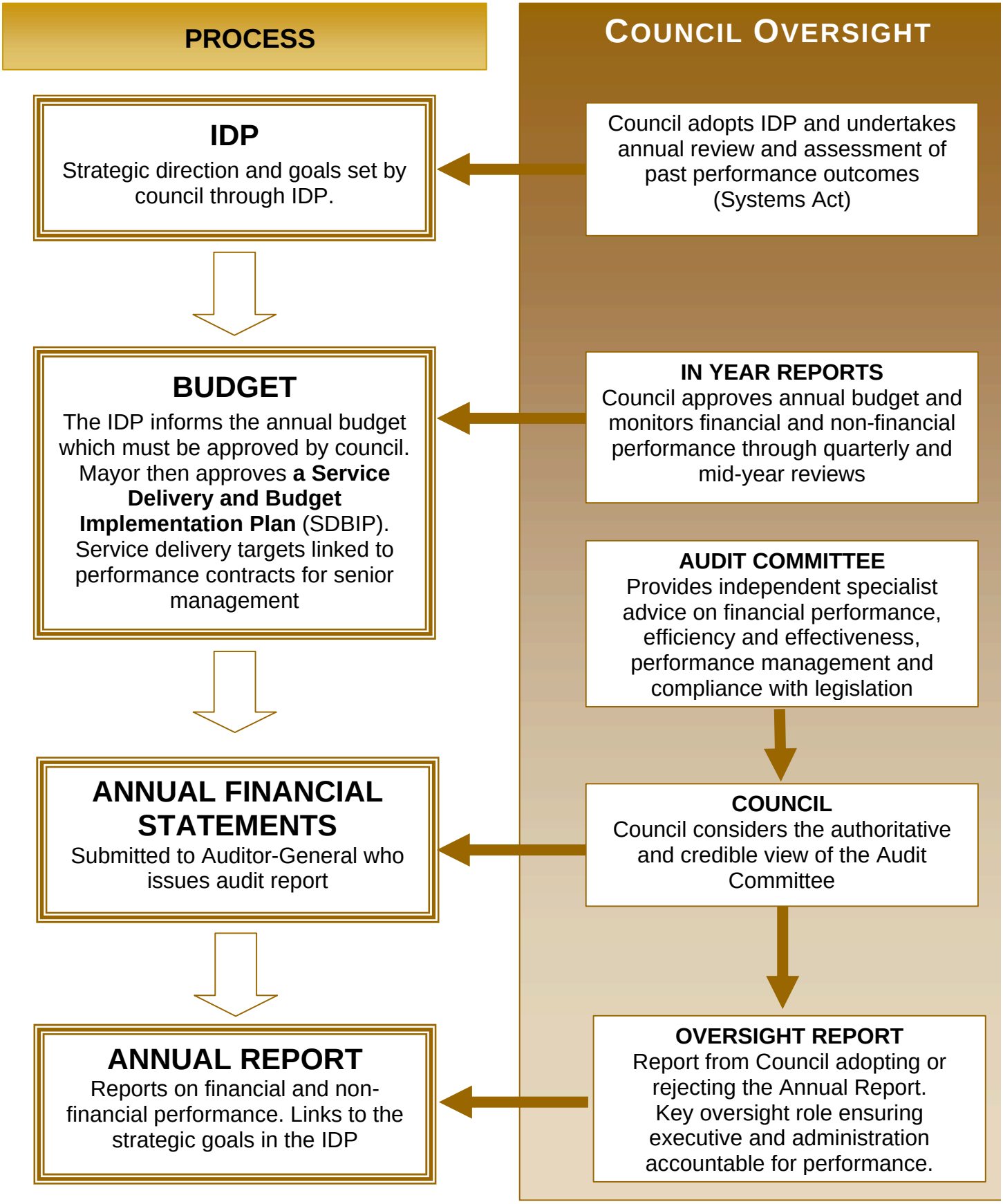
When tabled, the annual report should include four main components, each of which has an important function in promoting governance and accountability. The main components are:

- The annual performance report as required by section 46 of the MSA.
- Annual Financial Statements submitted to the Auditor-General;
- The Auditor-General's audit report on the financial statements in terms of section 126(3) of the MFMA; and
- The Auditor-General's audit report on performance in terms of section 45(b) of the MSA.

Other components required to be included in the annual report are set out in the MFMA section 121 and the MFMA Circular No 11 issued 14 January 2005.

Annexure C contains guidance on the matters that should be considered and lists the components of the annual report with a checklist of questions that might be asked by councillors when considering these components and the overall report.

Financial Governance in Practice – Council Oversight



What is the oversight report?

The oversight report is the final major step in the annual reporting process of a municipality. Section 129 of the MFMA requires the council to consider the annual reports of its municipality and municipal entities and to adopt an "oversight report" containing the council's comments on each annual report.

The oversight report must include a statement whether the council:

- has approved the annual report, with or without reservations;
- has rejected the annual report; or
- has referred the annual report back for revision of those components that can be revised.

The oversight report is thus clearly distinguished from the annual report. The annual report is submitted to the council by the accounting officer and the mayor and is part of the process for discharging accountability by the executive and administration for their performance in achieving the goals set by council. **The oversight report is a report of the municipal council** and follows consideration and consultation on the annual report by the council itself. Thus the full accountability cycle is completed and the separation of powers is preserved to promote effective governance and accountability.

Annexure A sets out a recommended structure for an oversight report and draft resolutions to adopt the report.

Managing the process and forming committees

The processes for council oversight of the IDP, budget, annual report and preparing an oversight report may be complex for many councils, in particular where resources to support the functioning of the council are limited. For example, reviewing an annual report within full council meetings may not be practicable and may restrict the effectiveness of the analysis and discussions. Thus councils need to establish appropriate mechanisms to enable all councillors and the public to fully digest and discuss the annual report contents.

Once the annual report is tabled the council effectively has two months in which to consider the report, invite public submissions and to finalise its oversight report. Given there are a number of steps and many stakeholders the review can be made more manageable if a committee process is established breaking it down into more easily managed parts.

It is recommended that councils consider the establishment of an **oversight committee** under sections 33 and 79 of the Municipal Structures Act 1998. This committee and, if needed, sub-committees could be responsible for the detailed analysis and review of the *annual report* and then drafting an *oversight report* that may be taken to full council for discussion. Such a committee may receive and review representations made by the public and also seek inputs from other councillors and council portfolio committees.

The oversight committee should be made up of only non-executive councillors and representatives of the community and can be formed each year to deal with the annual report. Municipal officials cannot be members of an oversight committee as this would pose a conflict of interest. Assistance from the municipality's Audit Committee in the review process is also recommended as a major source of independent specialist advice.

All meetings of Council and the oversight committee at which an annual report is considered must be open to the public and a reasonable time must be allowed for discussion of any written submissions received and for members of the community and organs of state to address the meetings. Representatives of the Auditor-General are entitled to attend and to speak at any meetings held to discuss the annual report. Timely notice of meetings should be given to enable representations to be made. Making representations to the oversight committee should not necessarily preclude

representations by the same individuals to the full council as this promotes transparency in the process.

At the same time that the committee is analysing the report in detail, other councillors should also be conducting their own review of the report. This can include discussions with constituents, ward committees and ward representatives to encourage inputs and comments and to prepare for the full council meeting that considers the annual report and oversight report.

Questions raised with the administration by council or the committee may be taken on notice by the accounting officer and responses subsequently provided to the committee process. Ideally however, questions should be responded to immediately during the committee meetings to avoid delays. The top management team may assist the accounting officer if needed. If the executive or the accounting officer and administration are unable to respond immediately to questions raised at committee or council meetings, then the committee or council may rightfully conclude that the executive and administration have not performed satisfactorily and may not understand the report that they have tabled.

When enquiring on matters in the annual reports from municipal entities, issues of commercial confidence may arise. In such cases the council should make a judgement as to whether the information is essential to determine a conclusion on the annual report and whether it may be necessary to meet in private. Such a step must be taken with caution in order not to weaken the democratic and transparency objectives of the annual reporting process.

Municipalities should take into account all costs of the various mechanisms (oversight committee and other meetings) for reviewing the annual report and preparing an oversight report. The cost needs to be balanced against the need for transparency, good governance practice and accountability, the capacity of the municipality and the need for an effective process within the time allowed.

Timing considerations

Annexure B provides the key steps in the annual reporting process as required by the MFMA. Note that no later than two months from the date of tabling, council must consider the annual report and adopt an oversight report. Also the annual report must be made public immediately after it is tabled and the public invited to submit representations. To assist with this process a municipal finance management “calendar” will be published in the near future.

Councils are encouraged to effectively use the time permitted under the MFMA (two months from when report tabled) for consideration in order to achieve a quality and acceptable annual report and strive for approval of a report that meets the provisions of the MFMA and MSA. Municipalities are encouraged to review the report immediately upon it being tabled so that steps to obtain additional information and amendments can be taken to facilitate completion of the oversight report within the timetable provided. The process for consideration may involve an initial review and analysis that seeks inputs from the community, Audit Committee and the administration, to be followed by a further review of the report, additional information and representations received. When any additional information is required the administration should promptly provide this.

The MFMA provides that if all the components of the annual report are not completed on time, then those components that are available must be tabled and considered and a written explanation be submitted to council as to why components are delayed and when they will be tabled. In such cases an oversight report may be completed and the report approved, but this should be with reservations or referred back for completion when the missing components are tabled, no more than two months later. In any case the components that have been tabled must be published and open for public representations and, where required, the oversight report amended when the remaining components are tabled.

Understanding the annual report and determining conclusions

A mechanism that facilitates better understanding of the annual report by **all** councillors is essential, as the MFMA requires that **Council, and not the executive or administration,** comment on the annual report and arrive at a decision.

To facilitate consideration of the annual report in its entirety the council should obtain the views of the Audit Committee, which is charged with providing council with, among other matters as prescribed, an authoritative and credible view of the financial position of the municipality or entity, its efficiency and effectiveness, performance management and the level of compliance with the MFMA, Division of Revenue Act (DORA) and other relevant legislation.

In order to approve the annual report without reservations, Council should be able to agree that the information contained in the report is a fair and reasonable record of the performance of the municipality and properly accounts for the actions of the municipality in the financial year reported upon. Approval means that the executive and administration have discharged in full, their accountability for decisions and actions and that their performance meets the criteria set by performance objectives and measures and is also acceptable to the community.

Should the Council have reservations on any matter in the report then these reservations should be outlined in the oversight report and the executive and administration should address these as determined by council.

A conclusion that the report is approved without reservations is the preferred outcome from the process. However, this conclusion should not be an outcome of only cursory examination of the report but should be as a result of a rigorous analysis by councillors with inputs from the public and other stakeholders.

Although the accounting officer is required to attend all meetings where the report is discussed to respond to questions, it is incumbent on **all councillors** to fully understand the report in order to identify matters that may require further information from the accounting officer.

Staff performance bonuses

To promote continuous improvement in the performance of the municipality and entities, it is strongly recommended that council reward performance in a manner that is commensurate with achievement of policy outcomes. Therefore, the payment of performance bonuses should be measurable with the extent of outcomes achieved. In some instances, performance bonuses were paid even though performance could not be measured. If the level of acceptance cannot be achieved then it follows that the performance of the administration has not met the objectives approved in the IDP, Budget and Service Delivery and Budget Implementation Plans. Where reservations exist, the seriousness of such should be taken into account before considering any part-payment of bonuses.

Municipal Entities

Where municipalities have one or more municipal entities, separate annual reports from the municipality and each of the entities will be tabled in council. Only the annual financial statements will be consolidated in the municipality report. Although each of the annual reports is to be considered by council it would be impractical to complete multiple oversight reports. It is recommended that council adopt one oversight report that provides comments on each of the annual reports. In this way council is able to reinforce the important linkages between the municipality and its entities, their close interrelationship in the provision of services and that performance of the municipality is an outcome of performance by the municipal administration and all the entities.

Conclusion

Municipalities and municipal entities are required to table in council by 31 January an annual report for the previous financial year. Councils must consider the reports and adopt an oversight report by 31 March. This circular outlines the importance of the annual report in ensuring effective democratic and accountable local government and provides guidance on the manner in which the reports should be considered.

The MFMA provides that the National Treasury may issue guidelines on the manner of consideration of annual reports and the functioning and composition of any public accounts or oversight committee. Until such guidelines are issued, councils and boards of entities are encouraged to consider and implement this circular.

The challenge facing councillors is to utilise their strategic plans, budget documents and annual reports to improve oversight and to hold municipal departments and entities and the executive to account for their performance.

Further enquiries on this circular may be directed to the MFMA helpline email address below.

Abbreviations

AFS	Annual Financial Statements
MFMA	Municipal Finance Management Act, No. 56, 2003
MSA	Municipal Systems Act, No. 32, 2000
SDBIP	Service Delivery and Budget Implementation Plans (s 53 MFMA)
DORA	Division of Revenue Act for the relevant budget year.
IDP	Integrated Development Plan

Other information relating to annual reporting for municipalities may be found in:

- MFMA Circulars 11 and 18.
- Performance Management Guide for Municipalities, DPLG, 2001. www.dplg.gov.za - go to “documents” then “general publications”
- Introductory Guide to MFMA, Updated Edition – August 2004.
- On SDBIP, refer to MFMA Circulars 13 and 19.

Contact

National Treasury

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Website	***www.treasury.gov.za /mfma***

T. Pillay
Chief Director: Local Government
15 March 2006

ANNEXURE A

Structure and Contents of the Oversight Report –

The Oversight Report should contain:

1. Title and reference to the year under review.

2. Resolutions and statement required by MFMA s129(1) (see recommended resolutions below).

3. Summaries of comments and conclusions on the annual report of the **municipality** referred to in the resolutions, including one or more of the following:
   (i) Summary of reservations, if approved with reservations and actions to be taken by the executive and administration to resolve reservations.
   (ii) Summary of components required to be revised, if referred back for revision and actions to be taken by the executive and administration to provide revisions and the date for these to be submitted.
   (iii) Summary of reasons for rejection of the report, if report is rejected and what other action should be taken by the executive and administration.
   (iv) In cases where only components of the annual report are submitted by the mayor detail those components and restrict comments to this effect. Include a statement listing the outstanding components and estimated timeframe for these to be tabled and considered by council.

4. Summaries of comments and conclusions on the annual reports of **each municipal entity** referred to in the resolutions, including one or more of the following:
   (i) Summary of reservations, if approved with reservations and actions to be taken by the executive and administration or the entity to resolve reservations.
   (ii) Summary of components required to be revised, if referred back for revision and actions to be taken by the executive and administration or the entity to provide revisions and the date for these to be submitted.
   (iii) Summary of reasons for rejection of the report, if report is rejected and what other action should be taken by the executive, administration and the entity.
   (v) In cases where only components of the annual report are submitted by the chairman detail those components and restrict comments to this effect. Include a statement listing the outstanding components and estimated timeframe for these to be tabled and considered by the board of directors.

5. Annexures to the report should provide the following –
   (i) Summary of the process followed in the review, including:
      - Copies of minutes of meetings of committee.
      - Summary of written representations submitted by the public, auditor-general and other spheres of government.
      - Responses to questions provided by the accounting officer.
   (ii) Other information as may be needed to support the conclusions in the resolutions, for example, outcomes of large infrastructure / capital projects and programmes.

Resolutions and Statement

The statement required in the oversight report by section 129(1) of MFMA, should be in the form of a council resolution to record both the adoption of the oversight report and the comments of council on the report.

The resolutions should, as a minimum, state:

Council resolves that:

1. The Council having fully considered the annual report of the municipality and representations thereon, adopts the oversight report; and
2. (*insert one of the following as appropriate*)
   - Council approves the annual report without reservations; or
   - Council approves the annual report with reservations as included in the comments in the oversight report pages xx to xx; or
   - Council refers the annual report back for revisions of the components listed on pages xx to xx of the oversight report; or
   - Council rejects the annual report of the municipality for the reasons summarised in pages xx to xx of the oversight report.
3. (*Where further action or revisions are required in the resolutions*): Council requests the Mayor (Executive Mayor) to report to Council on the actions required as a result of these resolutions by <date to return to Council>.

Where the annual reports of municipal entities are also considered additional resolutions should be adopted to refer to the municipal entities –

Council resolves that :

1. The Council having fully considered the annual report of the municipal entity <name> and representations thereon, adopts the oversight report; and
2. (*insert one of the following as appropriate*)
   - Council approves the annual report without reservations; or
   - Council approves the annual report with reservations as included in the comments in the oversight report pages xx to xx; or
   - Council refers the annual report back for revisions of the components listed on pages xx to xx of the oversight report; or
   - Council rejects the annual report of the municipal entity <name> for the reasons summarised in pages xx to xx of the oversight report.
3. (*Where further action or revisions are required in the resolutions*): Council requests the municipal entity to report to Council on the actions required as a result of these resolutions by <date to return to Council>.

ANNEXURE B

Steps in the Annual Reporting processes

The following outlines the major steps in the annual reporting process indicating responsibilities and dates prescribed in the MFMA and MSA.

Prescribed Dates	Actions	MFMA (MSA)	Responsibility of
31 August	Submit municipality's AFS to Auditor-General	S126(1)(a)	Municipal Manager
31 August	Submit municipal entity AFS to parent municipality and to Auditor-General	S126(2)	Municipal Entity Accounting Officer
30 September	Submit consolidated AFS to Auditor-General (municipalities and entities)	S126(1)(b)	Municipal Manager
31 October and quarterly thereafter	Auditor-General submits to Parliament and the provincial legislature names of any municipalities, which have failed or continue to fail to submit AFS.	S133(2)	Auditor-General
Within three months of receiving AFS (30 November or 31 December)	Audit report returned to Municipal Manager	S126(3)	Auditor-General
On receipt of audit report	Municipality must address any issues raised by the Auditor-General and prepare action plans to address issues and include these in annual report. Provide copy of report to Audit Committee.	S131(1)	Municipal Manager. Mayor must ensure compliance by municipality
31 December	Entity submits annual report to Municipal Manager	S127(1)	Municipal Entity Accounting Officer
31 January	Annual Reports of municipality and entities tabled in Council	S127(2)	Mayor
Immediately after annual report is tabled	Annual report made public and local community invited to submit representations	S127(5)(a) (MSA) - S21A and B	Municipal Manager
Immediately after annual report is tabled	Annual report submitted to Auditor-General, relevant provincial treasury and provincial department responsible for local government in the province.	S127(5)(b)	Municipal Manager
When meetings held to discuss the annual report	Attend meetings to respond to questions concerning the report	S129(2)(a)	Accounting Officer of municipality and entity
Following meetings to discuss the annual report	Submit copies of minutes of the meetings to the Auditor-General, provincial treasury and provincial department responsible for local government	S129(2)(b)	Accounting Officer of municipality and entity
Within two months of report being tabled (31 March)	Council to have considered the annual report and adopted an oversight report	S129(1)	Council
Within seven days of adoption of oversight report	Make public the oversight report	S129(3) S21A-MSA	Accounting Officer
Within seven days of adoption of oversight report	Submit to the provincial legislature, the annual report of municipality and entities and the oversight reports on those annual reports.	S132(1) & (2)	Accounting Officer
As necessary	Monitor compliance with submission of reports to provincial legislature	S132(3)	MEC for local government in the province
Within 60 days of receiving annual reports	Report to provincial legislature any omissions by municipalities in addressing issues raised by the Auditor-General.	S131(2)	MEC for local government in the province
Annually	Report to Parliament on actions taken by MEC's for local government to address issues raised by Auditor-General on municipal and entity AFS	S134	Cabinet member responsible for local government

Notes:

- MFMA section 133 provides for consequences of non-compliance with provisions relating to the submission of AFS and tabling of annual reports.
- All dates shown are the latest permissible in terms of the applicable legislation, earlier compliance is preferable.

ANNEXURE C

Checklist for considering the annual report

The MFMA provides that the purpose of the annual report of a municipality or a municipal entity for each financial year is:

- to provide a record of activities;
- to provide a report on performance against the budget; and
- to promote accountability to the local community for decisions made throughout the year.

The MSA provides that an annual *performance report* must be prepared for each financial year to report on the performance of the municipality and each external service provider, compared with targets set for performance.

The annual report requirements are provided in Chapter 12 of the MFMA, sections 45 and 46 of the MSA and the annual Division of Revenue Act.

The following checklist summarises what must be included in the annual report and is designed to support and guide councillors and officials. It should be noted however, that this list is not exhaustive and from time to time other information requirements may be prescribed. Consideration must also be given to specific circumstances and conditions in which other questions may be appropriate. Councillors and officials are encouraged to make suggestions to enhance this checklist and send these to the National Treasury.

Council should verify that the required information is contained in the annual report and then consider the relevance and accuracy of information accordingly. The checklist provides guidance on how matters could be considered.

The oversight committee and the full council may use this checklist as a means to organise the report and to manage requests for additional information. The questions suggested may be used by all councillors to gain clarification on contents of reports and also to verify compliance with the MFMA and MSA. Responses to many of these questions should be provided by the accounting officer of the municipality and/or municipal entities.

Note that the views of the Audit Committee and the findings of the Auditor-General are primary sources of information to assist council in determining a decision on the annual report.

Information required to be included in annual reports	**Council Considerations and Questions**
Financial Matters	***Financial reporting matters to be considered***
The annual financial statements (AFS) for the municipality and, if applicable, consolidated statements (with all entities) as submitted to the Auditor-General	Where the municipality has sole or effective control of a municipal entity, consolidated financial statements are required. The AFS are to be in the form as required by the applicable accounting standards. MFMA Circular 18 with annexures, 23 June 2005, provides guidelines on the new accounting standards for municipalities. *Have the required standards been met – refer audit report and report of audit committee for views on this?*
	The above applies also to the AFS of municipal entities.
The Auditor-General's reports on the financial statements of the municipality and the entities	*Is the audit report included in the annual report as tabled?* *If not, when will the audit report be tabled?* *What are causes of the delays?* *What actions are being taken to expedite the report?*
	The above applies also to the AFS of municipal entities.
Any explanations that may be necessary to clarify issues in connection with the financial statements	The accounting standards require that notes accompany the statements to provide explanations of issues and matters reported. Refer also points below on information in notes to AFS. *Taking into consideration the audit report and the audit committee comments, is sufficient explanation of financial issues contained in the notes to the statements?*
	The above applies also to the AFS of municipal entities.
An assessment by the accounting officer on any arrears on municipal taxes and service charges, including municipal entities	*Has an adequate assessment been included?* *Is there sufficient explanation of the causes of the arrears and of actions to be taken to remedy the situation?* *Is any other action required to be taken?*
	The above applies also to the AFS of municipal entities.
Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports	The conclusions of the annual audit may be either – ▪ an unqualified audit opinion with or without management issues, which means that the financial statements are acceptable; ▪ a qualified audit opinion setting out reasons for qualification, which means that certain issues need to be addressed before an unqualified opinion can be achieved; or ▪ the auditor will disclaim the statements and not offer an opinion. In this case there may be serious financial issues to be addressed. The objective of the municipality should be to achieve an unqualified audit opinion. *Taking into account the audit report, audit opinion and the views of the audit committee, council should consider:* ▪ *To what extent does the report indicate serious or minor financial issues?* ▪ *To what extent are the same issues repeated from previous audits?* ▪ *Is the action proposed considered to be adequate to effectively address the issues raised in the audit report?* ▪ *Has a schedule of action to be taken been included in the annual report, with appropriate due dates?* Note that actions taken on audit issues are to be reported to the provincial legislature, the MECs for local government and finance to report on any omissions by municipalities in addressing issues. Council should confirm that the audit report has been forwarded to the MECs.
	The above applies also to the AFS of municipal entities.

An assessment by the municipality's accounting officer of the municipality's performance against measurable performance objectives for revenue collection from each revenue source and for each vote in the approved budget	The budget of the municipality must contain measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the IDP (MFMA s17(3)(b)). The accounting officer must include these objectives in the annual report and report on performance accordingly. *Has the performance met the expectations of council and the community?* *Have the objectives been met?* *What explanations have been provided for any non-achievement?* *What was the impact on the service delivery and expenditure objectives in the budget?* Council should comment and draw conclusions on performance and explanations provided.
An assessment by the municipal entity's accounting officer of the entity's performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and the municipality	Agreements between the municipality and its entities for service delivery are to include measurable performance objectives. This will include measures of services delivered to the community, financial targets, expenditure targets etc. The entity's annual report must include an assessment by the accounting officer, of performance against these objectives. In order to show the linkage between the entity and the municipality, the report of the municipality should also include the performance of entities. *Has the performance met the expectations of council and the community?* *Have the performance objectives been met?* *What explanations have been provided for any non-achievement?* *What was the impact on the service delivery and expenditure objectives in the budget?* Council should comment and draw conclusions on performance and explanations provided.
Any information as determined by the municipality, the entity or its parent municipality	Review any other information that has been included in regard to the AFS.
	The above applies also to the AFS of municipal entities.
Recommendations of the audit committee in relation to the AFS and audit reports of the municipality and its entities	*Have the recommendations of the audit committee in regard to the AFS been adequately addressed by the municipality and/or the entity?* *What actions need to be taken in terms of these recommendations?* Conclusions on these recommendations and the actions required should be incorporated in the oversight report.

Allocations received and made	***Considerations***
Allocations received by and made to the municipality	The report should disclose: ▪ Details of allocations received from another organ of state in the national or provincial sphere. ▪ Details of allocations received from a municipal, entity or another municipality. ▪ Details of allocations made to any other organ of state, another municipality or a municipal entity. ▪ Any other allocation made to the municipality under Section 214(1)(c) of the Constitution. *Have these allocations been received and made?* *Does the audit report confirm the correctness of the allocations received in terms of DORA and provincial budgets?* *Does the audit report or the audit committee recommend any action?* Council should comment and draw conclusions on information and explanations provided.

Allocations received by and made to the municipal entity	The report should disclose: ▪ Details of allocations received from any municipality or other organ of state. ▪ Details of any allocations made to a municipality or other organ of state. ▪ Other information as may be prescribed. *Have these allocations been received and made?* *Does the audit report confirm the correctness of the allocations received in terms of DORA and provincial budgets?* *Does the audit report or the audit committee recommend any action?* Council should comment and draw conclusions on information and explanations provided.
Information in relation to the use of allocations received	Section 123 of the MFMA and MFMA guidance circular 11, require that the municipality provide information per allocation received per vote and include: ▪ The current year and details of spending on all previous conditional grants, for the previous two financial years. Information is to be provided per vote. (For example, municipalities must report on all transfers received from provincial housing departments for housing subsidy grants for three financial years, and indicate how such funds were spent, and for what projects. ▪ Information stating whether the municipality has complied with the conditions of the grants, allocations in terms of section 214(1)(c) of the Constitution and allocations received from other than another organ of state. Where there is non-compliance, details of the reasons for non-compliance are to be provided. ▪ Information on whether allocations under the DORA were delayed or withheld and the reasons advanced for this. This information is required on all allocations excluding the municipality's portion of the equitable share and where prescribed otherwise by the nature of the allocation. The Auditor-General will ensure that the audit process includes a proper assessment (and reconciliation) on all national grants received by a municipality. Council should consider this aspect of the audit report and comments by the audit committee on the use of allocations received. *Council should be satisfied that –* ▪ *the information has been properly disclosed;* ▪ *conditions of allocations have been met; and* ▪ *that any explanations provided are acceptable.* The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.
Information in relation to outstanding debtors and creditors of the municipality and entities	Municipalities and entities are reminded of the requirement to include, in their annual financial statements, amounts owed to them and persistently delayed beyond 30 days, by national or provincial departments and public entities. It is also a requirement to report on whether the municipality or entity has met its statutory commitments, including the payment of taxes, audit fees, and contributions for pension and medical aid funds. *Council should be satisfied that –* ▪ *the information has been properly disclosed;* ▪ *conditions of allocations have been met; and* ▪ *also that any explanations provided are acceptable.* The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.

Disclosures in notes to AFS	***Considerations relating to section 124***
Information relating to benefits paid by municipality and entity to councillors, directors and officials	Information on the following items is to be included in the notes to the annual report and AFS: • salaries, allowances and benefits of political office bearers, councillors and boards of directors, whether financial or in kind; • any arrears owed by individual councillors to the municipality or entity for rates and services, which at any time were outstanding for more than 90 days, including the names of councillors; • salaries allowances and benefits of the municipal manager, CEO of a municipal entity, CFO and every senior manager; • contributions for pensions and medical aid; • travel, motor car, accommodation, subsistence and other allowances; • housing benefits and allowances; • overtime payments; • loans and advances, and; • any other type of benefit or allowance related to staff. *Council should be satisfied that –* • *the information has been properly disclosed;* • *conditions of allocations have been met; and* • *that any explanations provided are acceptable.* The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.

Municipal Performance	***Considerations***
The annual performance reports of the municipality and entities	Section 46, MSA requires municipalities to submit a performance report reflecting the performance of the municipality and each service provider, a comparison of the performance with targets set for the previous year and measures taken to improve performance. The report must form part of the annual report. Questions that may be considered are – *Has the performance report been included in the annual report?* *Have all the performance targets set in the budgets, SDBIP, service agreements etc, been included in the report?* *Does the performance evaluation in the annual report compare actual performance with targets expressed in the budgets and SDBIP approved for the financial year?* *In terms of key functions or services, how has each performed? Eg. have backlogs for water, sanitation and electricity been reduced? What are the refuse collection volumes, library usage statistics etc?* *To what extent has performance achieved targets set by council?* *Is the council satisfied with the performance levels achieved?* *Is the community satisfied with performance? Has a customer satisfaction survey been undertaken and, if so, how do the results align with the annual report contents? What were the outcomes of public consultation and public hearings?* *What actions have been taken and planned to improve performance?* *Is the council satisfied with actions to improve performance?* *Did the targets set in the budgets, SDBIP agree with the targets set in the performance contracts of the municipal manager and each senior manager?* *Does the report evaluate the efficiency of mechanisms applied to deliver the performance outcomes?* *Taking into account the audit report and opinion and the views of the audit committee, is performance considered to be efficient and effective?* *To what extent have actions planned for the previous year been carried over to the financial year reported upon?* *Have any actions planned in the reported year been carried over to the current or future years? If so are any explanations been provided by the municipal manager and are these satisfactory?*

	Council should comment and draw conclusions on information and explanations provided.
Audit reports on performance	Section 45, MSA requires that the Auditor-General must audit the results of performance measurements, as part of the internal auditing processes and annually. *Have the recommendations of internal audit been acted on during the financial year?* *Have recommendations by internal audit and/or the auditor-general been included in action plans to improve performance in the following year?*
Performance of municipal entities and municipal service providers	The annual report of the municipality should provide an assessment of the performance of the municipal entities and all contracted service providers. This is in addition to the separate annual reports of the entities. The report should evaluate the effectiveness of these services and whether alternative mechanisms should be considered. *Is the council satisfied with the evaluation and conclusions of the municipality?* *What other actions are considered necessary to be taken by the accounting officers?*
For municipal entities – an assessment of the entity's performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and municipality	This is the separate report of the municipal entity and should contain details of service delivery agreements with the municipality and the performance measures therein. Council should consider similar issues to that outlined above for municipal performance to determine a view on the performance of municipal entities. *To what extent were the objectives and performance measures of the entity aligned to the overall strategic objectives of the municipality and its IDP?* *Is the report of the municipal entity consistent with the conclusions on performance evaluation by the municipality?* *What specific actions should be taken by the entity and the municipality to improve performance?*

General information	***The following general information is required to be disclosed in the annual report.***
Relevant information on municipal entities	The municipality should disclose all information relating to the municipal entities under the sole or effective control of the municipality. Information to be disclosed includes names and types of entities, members of the board, addresses and contact details for entities, the purpose of the entity, the functions and services provided, the type and term of service level agreements with the entities.
The use of any donor funding support	*What donor funding has the municipality received?* *Have the purposes and the management agreements for the funding been properly agreed upon?* *Have the funds been used in accordance with agreements?* *Have the objectives been achieved?* *Has the use of funds been effective in improving services to the community?* *What actions need to be taken to improve utilisation of the funds?*
Agreements, contracts and projects under Private-Public-Partnerships	Information similar to the details of municipal entities should be provided. Council should ensure that all details have been supplied.
Service delivery performance on key services provided	This may be a high level summary, in addition to detailed information on performance, which sets out overall performance under the strategic objectives of the municipality. Overall results on the strategic functions and services should be summarised. This should cover all services whether provided by the municipality,

	entities or external mechanisms. Council may draw conclusions on the overall performance of the municipality. This information may be found in an executive summary section of the annual report and or in statistical tables.
Information on long-term contracts	Details of all long-term contracts including levels of liability to the municipality should be included. Council should ensure all information is correctly supplied.
Information technology and systems purchases and the effectiveness of these systems in the delivery of services and for ensuring compliance with statutory obligations	Details of significant IT activities should be outlined indicating the effectiveness of the IT projects and the quality of IT services. Council should consider how effectively the IT services support and facilitate performance of the municipality and whether value for money has been obtained. Details of any future IT proposals should be summarised. Council should comment and draw conclusions on the information provided.
Three year capital plan for addressing infrastructure backlogs in terms of the Municipal Infrastructure Grant (MIG) framework	A summary of the long-term capital plans and how these address the backlogs of services in the municipality should be provided. This should include details of types and scale of backlogs, projected cost implications, strategies to address the backlogs and plans proposed and/or approved. The summary here should cross reference to the performance reports in the annual report and also will be highlighted in the coming budgets. Council should consider whether the plans appropriately address the backlogs and are consistent with the strategic policy directions of council and needs of the community.

Other considerations recommended	
Timing of reports	*Was the report tabled in the time prescribed?* *Has a schedule for consideration of the report been adopted?*
Oversight committee or other mechanism	*What mechanisms have been put in place to prepare the oversight report?* *Has a schedule for its completion and tabling been adopted?*
Payment of performance bonuses to municipal officials	Refer to Section 57 MSA as amended. Bonuses based on performance may be awarded to a municipal manager or a manager directly accountable to the municipal manager after the end of the financial year and only after an evaluation of performance and approval of such evaluation by the municipal council. Preferably such evaluation should be considered along with the annual report. The basis upon which performance is evaluated for payment of bonuses should be reconciled with the municipal performance reported in the annual report. *Have bonuses been paid based on achievements of agreed outputs and after consideration of the annual report by council?* *If so has a proper evaluation of performance been undertaken?* *Was the evaluation approved by council?* *Does the performance evaluation align and reconcile with the performance reported in the annual report? If not, what reasons have been given for non-reporting of the basis of evaluation in the annual report?* *Are the payments justified in terms of performance reported in the annual report?* Conclusions and comments on the evaluation and payment of performance bonuses of council should be included in the oversight report.

NATIONAL TREASURY

MFMA Circular No. 63

Municipal Finance Management Act No. 56 of 2003

Annual Report - update

The aim of this circular is to provide guidance to municipalities and municipal entities on the new Annual Report Format and its contents. Information included in the New Annual Report will better inform in a standardised framework how municipalities and municipal entities have performed, by providing information of a financial and non-financial nature in one document.

This project has been undertaken over a two-year period jointly with representatives from the Presidency, National Department of Cooperative Governance, sector departments, provincial departments and municipalities.

The Annual Report content will assist municipal councillors, municipalities, municipal entities, residents, oversight institutions and other users of Annual Reports with information and progress made on service delivery. It must align with the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in year reports. The contents will also assist with the annual audits.

These reports should be used as a decision making tool by the municipalities.

Every municipality and municipal entity must prepare an annual performance report which must form part of the Annual Report for each financial year in accordance with the Municipal Systems Act 2000 (MSA) section 46, and the Municipal Finance Management Act 2003 (MFMA) section 121.

The purpose of the Annual Report is:

- to provide a record of the activities of the municipality or entity during the financial year to which the report relates;
- to provide a report on performance in service delivery and budget implementation for the financial year;
- to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity; and
- to reduce the additional reporting requirements that will otherwise arise from Government Departments, monitoring agencies and financial institutions.

With the above in mind, the goals of the new Annual Report Format are to achieve the following:

- standardise reporting to enable municipalities / municipal entities to submit comparable Annual Reports;
- align financial and non-financial reporting in the Annual Report;
- create a standardised reporting structure that will enhance comprehensive oversight, meaningful evaluation and improved understanding of service delivery output;

- ensure the standardisation of terminology used in Annual Reports; and
- support the internal and external audit process.

The objective is to provide guidance to municipalities / municipal entities for the preparation of the Annual Report so as to improve on the quality of Annual Reporting. The following legislative requirements were considered during the review process.

- The Constitution (1996),
- Local Government: Municipal Structures Act (1998) (MsA),
- Local Government: Municipal Systems Act (2000), (MSA),
- Local Government: Municipal Planning and Performance Regulations (2001),
- Local Government: Municipal Finance Management Act (2003) (MFMA),
- Local Government: Municipal Systems Amendment Act (2003),
- Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (2006),
- MFMA Circular 11 (Annual Report Guidelines),
- MFMA Circular 13 (SDBIP),
- MFMA Circular 32 (Oversight Report),
- Municipal Public Accounts Committee Guidelines

It is important to note that this circular should be read in conjunction with the previous *Circular 11: Annual Report: Guidelines*. This circular should be carefully followed by municipalities and municipal entities to ensure compliance with the above-mentioned legislation and any amendments thereto. In implementing the changes early adoption of new processes and procedures will be required and is encouraged.

Overview

MFMA reforms include ensuring transparency and accountability for the fiscal and financial affairs of municipalities and municipal entities through in-year and Annual Reporting. Real transparency and accountability can only be achieved where there is a clear link between the strategic objectives agreed with the community, the IDP, the Budget, SDBIP, service delivery agreement with any municipal entity, performance agreements of senior management and officials, in-year reports covering financial and non-financial information, such as MFMA Sections 71, 72 & 74 and MSA Section 41 among others, annual financial statements, annual performance report and the Annual Report.

All these form one process to ensure that the actual performance is reported against what was planned and contained in the IDP. In this way the Annual Reporting is a backward-looking process of financial and non-financial performance for the financial year just ended. It is therefore a post-financial year document. The budget, which is fed by the information obtained from the Annual Report, is forward looking and therefore a pre-financial year document:

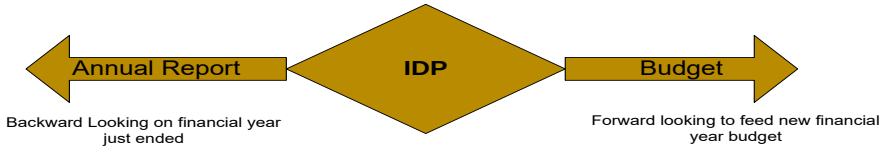


FIGURE 1: ANNUAL REPORT PURPOSE

Annual Reports must be aligned with the planning documents and municipal budget for the year reported on. This means that the IDP, budget, SDBIP, in-year reports, annual performance report and Annual Report should have similar and consistent information to facilitate understanding and to enable the linkage between plans and actual performance.

The above can only occur if municipalities set appropriate key performance indicators and performance targets with regards to the development of priorities and objectives in its IDP and outcomes (MSA S41). This requires an approved budget together with a resolution of approving measurable performance objectives for revenue from each source and each vote in the budget (MFMA, S24). It is recommended that a municipality limits its performance targets not to exceed five, for every strategic objective as identified in the IDP to make monitoring and evaluation more manageable.

Another key aspect of the reform in combining the relevant information into the New Annual Report Format will assist municipalities streamline their operations and processes through combined committees, reduce costs, time and effort. There will be a limited need for municipalities to have different committees to deal with financial and non-financial related matters.

Content of the Annual Report

Sections 121(3) and (4) of the MFMA sets out the framework relating to the content of the annual reports for both municipalities and municipal entities. These include:

- the annual financial statements of the municipality/entity and if municipality has municipal entities, consolidated annual financial statements as submitted to the Auditor-General for audit;
- the audit report of the Auditor-General in terms of both section 126(3) of the MFMA and section 45(b) of the MSA;
- municipality's annual performance report as per section 46 of the MSA;
- assessment of any arrears on municipal taxes and service charges;
- assessment of municipality's performance against measurable performance objectives for revenue collection from each revenue source and for each vote in the municipality's approved budget;
- particulars of corrective action taken or to be taken on issues raised in audit reports;
- explanations to clarify issues on financial statements;
- any other information determined by the municipality/entity including recommendations made by the audit committee and any other information as may be prescribed.

In addition to the above, section 46 of the Local Government: Municipal Systems Act, as amended, provides for the following information to be included in the municipality's Annual Report:

- a performance report reflecting performance of both the municipality or any service provider during the financial year to which the annual report relate including development and service delivery priorities and performance targets for the next financial year;
- GRAP compliant financial statements;
- An audit report on the financial statements and the annual performance report referred to in the MSA section 46;
- Other reporting requirements in terms of other legislation;

- An annual performance report to form part of the municipality's Annual Report in terms of Chapter 12 of the MFMA.

Additional disclosure requirements:

- Municipalities and entities are reminded of the requirement to include, in their annual financial statements, amounts owed to them and persistently delayed beyond 30 days, by national or provincial departments and public entities.
- It is also a requirement to report on whether the municipality or entity has met its statutory commitments, including the payment of taxes, levies, audit fees, and contributions for pension and medical aid funds.
- As part of the monitoring of national and provincial allocations reconciliation will be undertaken to ensure all amounts are correctly reported.
- Information in the New Annual Report Format is requested in terms of S74 of the MFMA.

Municipal and municipal entity reporting process

An understanding of the revised municipal reporting process flow is imperative to ensure that detailed information from various reports is subtracted to compile a comprehensive Annual Report. A flow chart, which explains how the information from various reports feeds into other reports, is provided in Figure 2 as the Municipal Reporting Flowchart. By implementing the guidelines proposed in this flow chart a number of reports within municipalities can be consolidated and information therein used to finalise the Annual Report on a timely basis. This will ensure the compilation of fewer reports which include only relevant and required information.

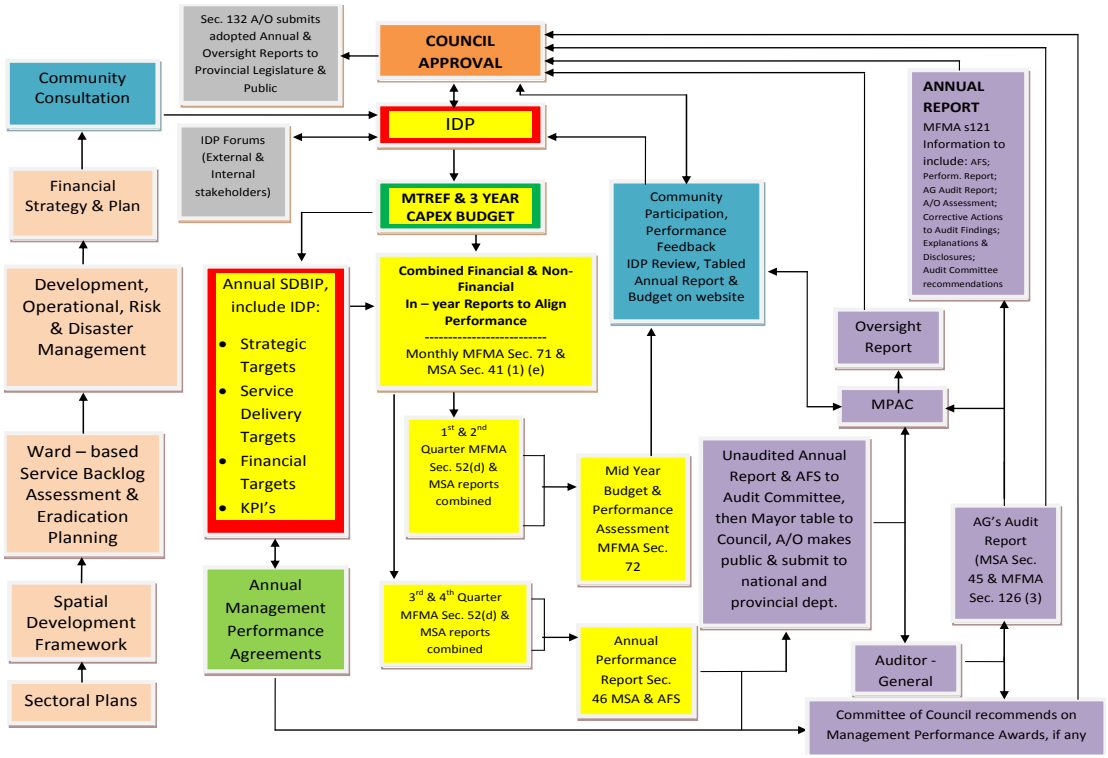


FIGURE 2: MUNICIPAL REPORTING FLOWCHART

A narrative of the reporting and accountability cycle follows:

- Chapter 5 of the LG: Municipal Systems Act sets the Integrated Development Planning process and requires that each municipal council must adopt an IDP.
- The IDP sets out the vision and objectives / goals and development plans of a municipality (including the objectives agreed with any municipal entity reflected in the multi-year business plan and service delivery or other agreements with the entity – MFMA Section 87). It is presented to Council who adopts it and undertakes an annual review and assessment of performance.
- The IDP informs the budget. The budget sets out the revenue raising and expenditure plan for approval by Council.
- The budget informs the SDBIP which lay the basis for the performance agreements of the Municipal Manager and senior management.
- The IDP review is informed by changing policy imperatives and circumstances – described in an accompanying performance evaluation. The evidence of this is obtained from the mid-year Budget and Performance Review (documents presented to Council) in terms of section 72 of the MFMA and also in the Annual Report in terms of section 121 (Annual financial and performance reports) tabled to Council.
- The consolidated year-to-date unaudited report, that includes the unaudited Annual Financial Statements as well as the MSA section 46 performance report are submitted to:
  - the Auditor-General who issues an audit report on financial and non-financial audits undertaken simultaneously,
  - the Oversight Committee (Municipal Public Accounts Committee) in terms of the MFMA section 129 to perform its oversight and community consultation function and report to council, and
  - to the committee of council that will perform its function on the performance agreements entered into with the senior management and report to council on the recommended performance awards, in any.
- Annual reports provide feedback on the implementation of performance in relation to the IDP, budget and SDBIP in terms of the performance measurement system.
- Council adopts an oversight report based on outcomes highlighted in the Annual Report and actual performance.
- An audit committee provides independent specialist advice on financial and non-financial performance and governance and also submits its report to council.
- The Accounting Officer will also report to council on arrear municipal taxes & services charges, performance for revenue collection, corrective actions to issues raised in the audit report and explanations in connection with the AFS.

An explanation of the interrelationship between municipal reports follows:

Sectoral plans, spatial development framework, ward based planning and financial strategy feed into the IDP.

The IDP informs the budget, SDBIP and in-year reports.

The SDBIP and in-year (MFMA S71 & MSA S41e) reports become annexures to the Quarterly reports. The First and Second Quarter Reports is synonymous with the mid-year budget and performance report and should provide quarterly and accumulative information.

Monthly reports to be submitted to the mayor and treasuries (MFMA S71(1)(MSA S41(e)) on a monthly basis which then rolls into the S52(d) & S41(e) quarterly reports and culminates into providing information to be included in the mid-year budget and performance report (MFMA S 72(1)).

The Four Quarterly Reports, which is the annual performance report, is synonymous with the Unaudited Annual Report. It contains the financial statements, derived from the in-year reports. This information should be available by the end of July and signed off by the audit committee & tabled to council by the end of August.

The unaudited Annual Report is used to feed information to the next year's IDP. The un-audited Annual Report is sent through in August to departments, National Treasury for records and the Auditor-General for auditing. It is also submitted to the MPAC for oversight verification and community consultation together with council.

The unaudited Annual Report is also submitted to a committee of council to verify performance by senior management in terms of the performance agreement entered into with the municipality. It is expected that the same committee deals with financial and non-financial performance.

The Auditor-General submits the audited report to the Accounting Officer by the end of November for municipalities without entities and December for municipalities with entities. The audited Annual Report is then submitted to Council and the MPAC for finalising its oversight report, the Audit Committee to finalise its report.

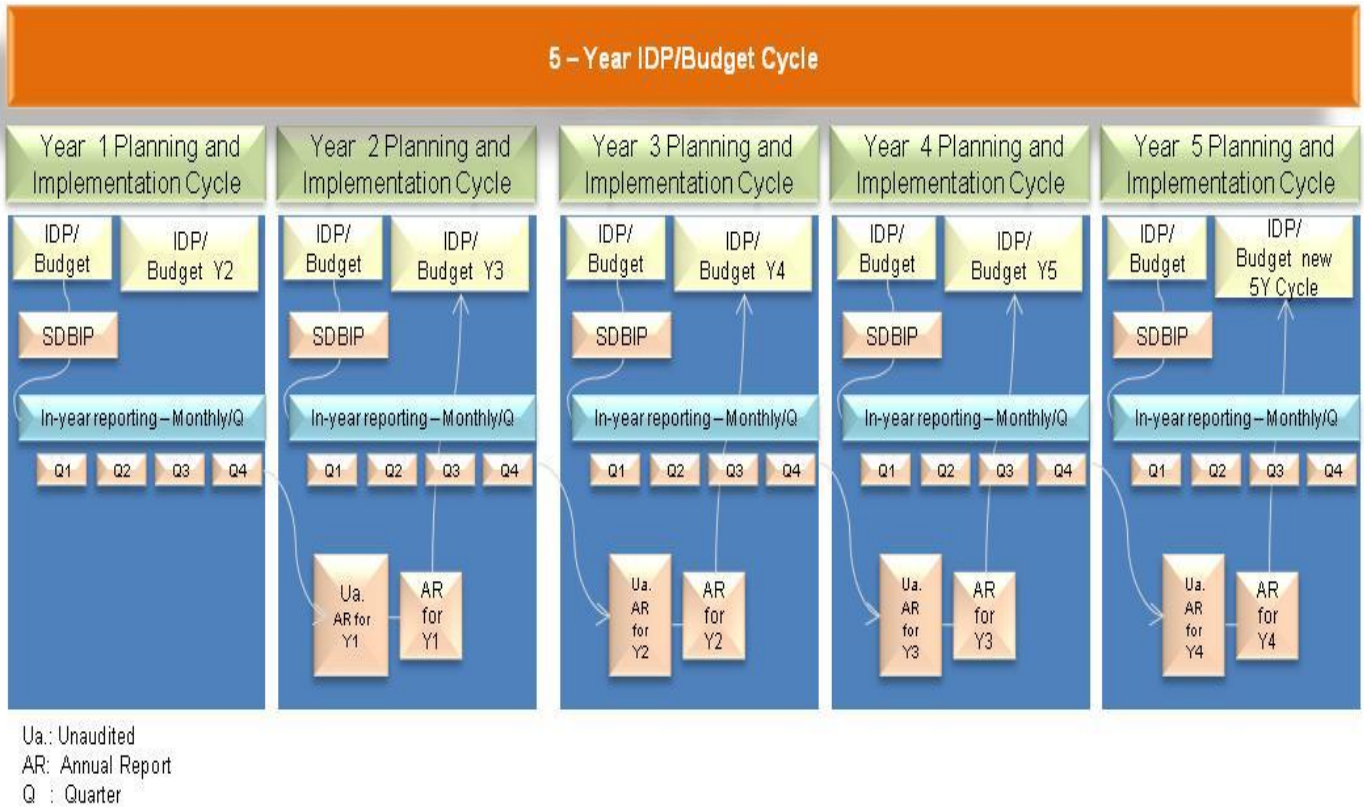
The accounting officer to report on actions on issues raised in the audit report & explanations on matters related to the AFS, as well as the committee dealing with performance to enable it to report to council on recommendations on performance awards, if any.

Public overview of the unaudited Annual Report and participation in the IDP/Budget process should occur simultaneously. This process should be complete by December when Council is responsible for concluding the Annual Report and matters related to that financial year, noting that five months would have already elapsed.

The audited Annual Report must be submitted to Treasuries, DCoG and sector departments by the end of December and is also used to inform the mid-year assessment processes and IDP reviews.

Due to the importance of the relationship and linkages to other planning and reporting processes, a planning and reporting overview is provided in Fig 3. This overview has been compiled against the backdrop of a 5-year IDP/Budget planning, implementation, monitoring and reporting framework. The intention of this section is not to comprehend all of the legislative and regulatory detail of each process, but to provide a general framework.

FIGURE 3: 5 YEAR IDP/BUDGET CYCLE



It is necessary that municipalities derive maximum benefit from their efforts in submitting reports. Such benefits are typically obtained in the form of being able to compare and benchmark themselves against each other and to learn from the feedback mechanisms.

The Annual Report process flow provides a framework for municipalities and entities to follow in completing various reports within each financial year cycle. It is recommended that Municipal Managers study this process flow and ensure that reports are submitted timeously. If the process flow is followed, municipalities should be able to provide an unaudited Annual Report in **August of each year**, which is consistent with the MFMA.

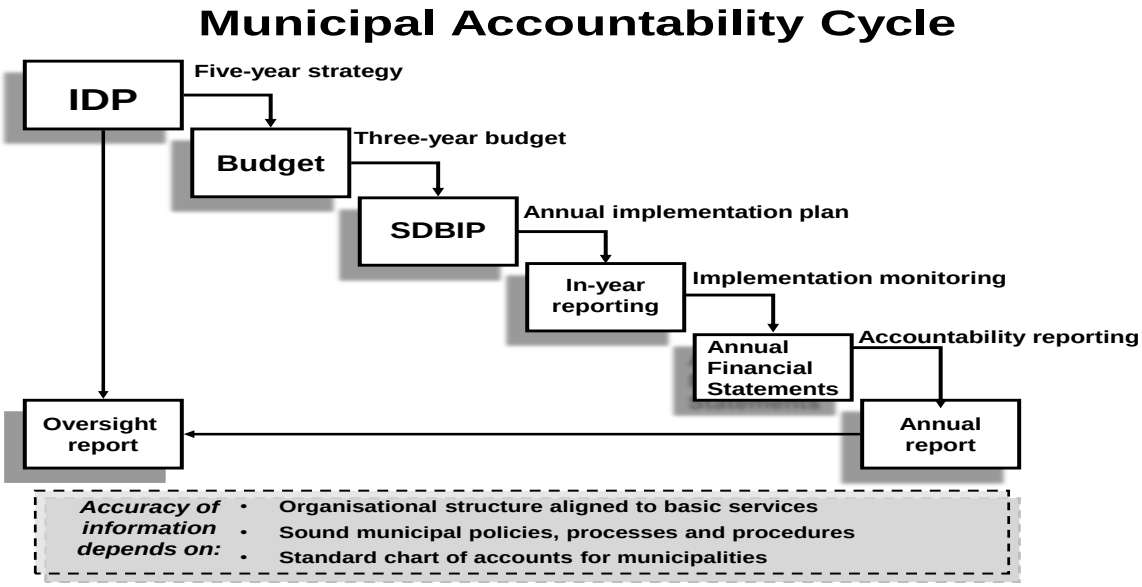
As explained above, an unaudited Annual Report is compiled from the Four Quarterly Reports that includes all information required within the Annual Report. The document should be the result of a rigorous in-year audit process conducted by a municipality's Internal Audit Unit and must be included in the Internal Audit annual plan and submitted to the Auditor General for auditing.

One of the advantages of compiling an unaudited Annual Report in August is that it can be used to influence the strategic objectives indicated in the IDP for the next financial year as well as the budgetary requirements related to each Vote.

An unaudited Annual Report submitted in August will further provide a municipality/municipal entity with an opportunity to review the functional areas that received attention during the current financial year and take the necessary corrective actions to align the IDP and budget to other priority areas needing attention.

Council monitors financial and non-financial performance through quarterly and mid-year reports produced by the administration and tabled in Council. Note that the mid-year report is a

consolidation of the first two quarter reports. By following this framework, IDP and Budget planning and development, SDBIP development, performance management and in-year reporting can be implemented as required by legislation. The following flowchart indicates the overview of the Municipal accountability cycle.



Timelines for producing the Annual Report

The Annual Report of a municipality and every municipal entity must be tabled in the municipal council on or before 31 January each year (MFMA S127). In order to enhance oversight functions of Councils, please note that this must be interpreted as an outer deadline; hence municipalities must submit the Annual Reports as soon as possible after year end, namely, August. The entire process is concluded in the first or second week of December for all municipalities, the same year in which the financial year ends and not a year later, as is currently the case. The activities, implications, process/role-player and timeframes are described below for ease of reference and implementation. It is expected that effective management of performance will also result from this change.

Activity	Legislation and Guidance	Process Owner Role Player	Timeframe
Consideration of next financial year's Budget and IDP process plan. In-year reporting formats should ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the beginning of the Budget / IDP implementation period.	MSA S41(1)(e)	MM Assisted by other s56 managers & the CFO	July
Implementation and monitoring of approved Budget and IDP through	MSA S41(1)(e)	MM Assisted by	

Activity	Legislation and Guidance	Process Owner Role Player	Timeframe
the approved SDBIP commences (In-year financial reporting and quarterly performance reports).		other s56 managers & The CFO	July
Finalise 4th quarter report of previous financial year	MFMA S52(d)	MM Assisted by other s56 managers & CFO	
Submit draft previous financial year Annual Report and evidence to Internal and the Auditor General including annual financial statements and financial and non-financial information[1].	Submission of annual financial statements as per section 126(1) of the MFMA. Additional step, a draft Annual Report is prepared. Annual Performance report needs to be included as per section 46 of the MSA.	MM & CFO	
Municipal entities submit draft Annual Reports to MM.		Entity AO & CEO	
Submit Annual Report including annual financial statements and Annual Performance Report to the Combined Audit/Performance Committee.	Joint Committee assessing both financial and non-financial performance advances accountability and expedites corrective measures	MM & CFO	July/August
Combined Audit/Performance committee considers unaudited Annual Report of municipality and entities (where relevant).		Audit and Performance Audit Committee	August
Mayor tables the unaudited Annual Report in Council.	The Annual Report submitted complies with the requirements of Section 121(3)(a-k). Information on pre-determined objectives to be included. Note that it is unaudited and will not include any of the Auditor-Generals reports as	Mayor	
Municipality submits Annual Report including final annual financial statements and annual performance report to		CFO	

[1] *Note that the annual performance report and the annual financial statements form part of an Annual Report.*

Activity	Legislation and Guidance	Process Owner Role Player	Timeframe
Auditor-General for auditing purposes – due 31 August. Council to submit unaudited tabled annual report to MPAC for vetting and verification of councils' directive on service delivery & the committee to evaluate senior managers' performance against agreement entered into.	the auditing thereof will still be in progress. (Municipalities with Municipal entities to submit a consolidated Unaudited Annual Report by September)		August
Commencement of IDP analysis of institutional, services and infrastructure provision, backlogs and priorities. Unaudited Annual Report as submitted to Auditor-General to be used as input into the IDP strategic phase process and community verification & input by MPAC on reported performance. Such information includes that of various entities incorporated into the information of the parent entity.	If the above process is followed, the unaudited Annual Report can add value to the IDP/Budget planning process for the next year as well as oversight by MPAC on the reported deliverables by communities and achievements targets reached.	Council	
Auditor-General audits the unaudited Annual Report and submit an audit report to the accounting officer for the municipality / municipal entity.	Section 126(3)(b) require the Auditor- General to submit an audit report within three months after receipt of statements from the municipality.	Auditor-General	November for municipalities without entities & December for municipalities with entities
Annual Report and oversight report process for adoption to be used as input into public participating meetings for the IDP review process.	Section 127,128,129 and 130	Council	September November

Activity	Legislation and Guidance	Process Owner Role Player	Timeframe
The Auditor-General's reports are issued during the period of Oct/Nov. Once the AG audit reports have been issued no further changes are allowed as the audit process is completed	Section 129, 130 and 131. Tabling the audited Annual Report within 5 or 6 months after the end of the financial year. Section 75 for publication on website.	MM	November/December
Mayor tables audited Annual Report and financial statements to Council		Mayor	
Audited Annual Report is made public, e.g. posted on municipality's website.		IT Director Accounting officer	
Oversight committee finalises assessment on Annual Report. This must be concluded within 7 days of receipt of AGs report. Council is expected to conclude on this matter before going on recess in December.		Oversight Committee	
Council adopts Oversight report.	The entire process, including oversight reporting and submission to provincial legislators is completed in December and not in March the following year.	Council	December
Oversight report is made public.		MM	
Oversight report is submitted to Legislators, Treasuries and DCoG		Mayor	

In the past, Annual Reports for the financial year were produced late and the objective of an Annual Report was lost. Corrective decisions were only taken two years after the event that was reported, slowing down service delivery and impacting negatively on accountability. With the introduction of improvements in in-year reporting, establishment of new Oversight Committees of Council, regularity and performance audits, the need to streamline the Annual Report process has become urgent.

In future, all municipalities and municipal entities are required to prepare and submit their draft Annual Reports to the Auditor-General by 31 August each year. Municipalities are encouraged to implement or phase-in the requirements of the new Annual Report by 2013/14 financial year. This will require new internal processes mentioned above to be accommodated. It is envisaged that this will also provide an opportunity to raise and address challenges experienced in terms of the required content and ensure a smooth transition towards the 2013/14 financial year. These Annual Reports should include all information required to be included in an Annual Report, including financial statements and information related to performance. Municipalities are further reminded that the new Annual Report format makes adequate provision for performance information,

therefore there will be no need to submit a separate performance report for auditing purposes as the Annual Report submitted to the Auditor-General will contain the relevant information for audit.

Failure to table accurate and quality information in the Annual Report will be considered a breach of the MFMA and MSA.

Format of the Annual Report

Municipalities and municipal entities are requested to adopt the following format for an Annual Report. The details are described briefly below with further information and guidance addressed in the Format.

- Chapter 1: Mayor's Foreword and Executive Summary;
- Chapter 2: Governance;
- Chapter 3: Service Delivery Performance;
- Chapter 4: Organisational Development Performance;
- Chapter 5: Financial Performance;
- Chapter 6: Auditor General's Findings;
- Appendices; and
- Volume II: AFS

Chapter 1: Mayor's Foreword and Executive Summary

In terms of Section 52(a) of the MFMA, the Mayor of a municipality must provide general political guidance over the fiscal and non-financial affairs of the municipality.

It is the responsibility of the Mayor / Executive Mayor to provide a political overview of the performance of the municipality. The foreword compiled by the Mayor / Executive Mayor should be the first item included in the Annual Report.

The aim of Chapter 1 is to provide an introduction and overview of the municipality / municipal entity to the reader. This chapter provides the key decision-makers – both on political and administrative level – with the opportunity to provide an overview of the functions, geographical area and performance of the specific municipality / municipal entity.

Content to be included:

1.1 Mayor's Foreword

The foreword compiled by the Mayor / Executive Mayor should include information related to the following topics:

- Strategic alignment to Provincial and Growth and Development Strategy.
- Corrective actions taken to ensure that strategic objectives as stipulated in the IDP were achieved.
- Methods used / implemented to improve public participation and accountability.
- Statement of corrective actions whereby service delivery can be improved.

1.2 Municipal Manager Foreword

The Municipal Managers foreword provides an opportunity to the Municipal Manager to give a public account, guidance and advice on the administrative performance of a municipality / entity. Inclusive in this foreword should be information pertaining to:

- Functions and Powers of the municipality / entity in relation to Section 155/156 of the Constitution and Chapter 3 of the MSA.
- Entities related to the municipality and the sharing of power with these entity/ies.
- Sector departments and the sharing of functions between the municipality / entity and sector departments.
- A statement on the previous financial year's audit opinion.
- A short statement on the current financial health of the municipality / entity based on new budget formats as required by Treasury Regulations No 31804.
- Information related to the revenue trend by source including borrowings undertaken by the municipality.
- The internal management changes in relation to Section 56/57 managers.
- Risk assessment, including the development and implementation of measures to mitigate the top 5 risks.

1.3 Municipal Overview

This section provides an overview on how municipalities as separate legal entities function based on its relationship with other political structures, office bearers, administration and the community. Information on the demographics, economic growth, population, growth and development structure of the municipality should be reported including the outcomes both success and not so successful initiatives embarked upon.

Chapter 2: Governance

To ensure accountability and governance arrangements are in place, Section 121(2)(c) of the MFMA supports the requirements of Section 18(1)(d) of the MSA: information on matters of governance should be communicated to communities. This should, according to Sections 65(1)(a) of the MFMA and 46 of the MSA be undertaken through the compilation and publication of the Annual Report. The purpose of such an annual report is to promote accountability to communities for decisions taken by the Council and matters relating to administrative structures, throughout a financial year. Nine major characteristics should be applied within the political and administrative structures of a municipality / municipal entity to ensure good governance:

- *Participation:*
  Participation could be either direct or through legitimate intermediate institution or representatives.
- *Rule of law:*
  Good governance requires legal frameworks that are enforced impartially.
- *Transparency:*
  Transparency means that stakeholders are provided with information on why decisions were made that directly affect them.
- *Responsiveness:*
  Good governance requires that institutions and processes try to serve all stakeholders with a responsible timeframe.
- *Consensus oriented:*

Good governance requires mediation of the different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved.

- *Equity and inclusiveness:*
  Society's well being depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups to have opportunities to improve or maintain their well-being.
- *Effectiveness and efficiency:*
  Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal.
- *Accountability:*
  Accountability is a key requirement of good governance. Accountability cannot be enforced without transparency and the rule of law.
- *Sustainability:*
  Sustainability is the capacity to endure, how systems remain diverse and productive over time. It is the potential for long-term improvements, which in turn also depends on the responsible use of natural resources

With the above requirements in mind, information included in this chapter is divided into four sections:

- Component A: Governance Structures
  - Political Governance Structure
  - Administrative Governance Structure
- Component B: Intergovernmental Relations
  - Intergovernmental Relations\
- Component C: Public Accountability and Participation
  - Public Meetings
  - IDP Participation and Alignment
- Component D: Corporate Governance
  - Risk Management
  - Anti-corruption and fraud
  - Supply Chain Management
  - By-laws
  - Websites
  - Public Satisfaction on Municipal Services
  - All municipal oversight committees

Chapter 3: Service Delivery Performance (Performance Report Part I)

Chapter 3 focuses on service delivery on a service-by-service basis. It considers municipal performance derived from IDP objectives, translated into the SDBIP and presents data on Community needs and resource deployment. Some indicators are offered for some services as a basic set of key comparative data to be amassed from all relevant municipalities and other services are left for municipalities to address entirely as they consider appropriate.

The service delivery issues must be structured, captured and reflected under each priority as contained in the IDP to allow for easy comparisons on achievements against budget and SDBIP.

The purpose of the chapter is to demonstrate to the reader, in terms of service delivery, what is being achieved and what remains outstanding. It leads to the basic questions concerning the adequacy of the efforts made by the municipality, the creativity applied and the basic standards of living that apply. There is a focus on informal settlements and the distribution of free basic services. Further information on subsidisation of the poor and other benefits accruing to indigent households should also be provided. A summary of the relevant progress achieved on the relevant outcomes for local government as required by national and provincial spheres. Introductions and conclusions are left for completion by municipalities but notes are provided to identify some key issues of relevance to all communities about the way in which the municipalities are working for them. This data will also help gather a broad picture of municipal activity across the country.

Some of the material in the Annual Report format set out at Chapter 3 will not apply to all municipalities but there will be very many variations. It is, therefore, left to individual municipalities to delete aspects in Chapter 3 that is not relevant to the municipality.

Some Municipalities are using performance scorecard to manage performance of different functions. These must be aligned to the SDBIP requirements that provide a standardised mechanism to enable comparisons and benchmarking. This information must be captured in this chapter to enhance the service level information.

Chapter 4: Organisational Development Performance (Performance Report Part II)

This chapter addresses information pertaining to the implementation of an effective performance management system, organisational development and performance of a municipality / municipal entity. Such information is required to identify skills gaps and plans for the development of such skills.

Moreover, public sector information across all three spheres of government is required to improve service delivery across the public sector. Therefore, Public Service Regulations (2001), Chapter 1, Part III J.3: from 1 April 2001, require Annual Reports to include information on planning, service delivery, organisation, job evaluation, remuneration, benefits, personnel expenditure, affirmative action, recruitment, promotions, termination of services, performance management, skills development, injury on duty, labour relations, leave and discharge due to ill-health, etc.

In order to measure the outcome of effective organisational development the following is highlighted:

- organisational structure enhancement;
- increased accountability;
- increased participation in problem solving, goal setting and new ideas; and
- identifying and development of skills needed to perform

Improving an organisational performance has a number of positive spin-offs. Changed attitudes bring with it a higher awareness of responsible use of municipal / municipal entity assets. Changed employee attitudes may further lead to the reduction in absenteeism and monies lost due to absenteeism. A skilled workforce will lead to enhanced processes and procedures which may cause less injuries and subsequent limits on financial loss as well as improve productivity.

In relation to the above, the content of this chapter include:

- Component A: Introduction to the municipal workforce (Total Employment, to include staff turnover. This could indicate a stable or unstable institution).

- Component B: Managing the municipal workforce Levels on reporting should be broken down to MM & Section 56, top management, assistant managers, supervisors, etc and not pay levels as there is no consistency among municipalities.
- Component C: Capacitating the municipal workforce.
- Component D: Managing the municipal workforce expenditure.

Chapter 5: Financial Performance

Sound financial management practices are essential to the long-term sustainability of municipalities. They underpin the process of democratic accountability. Weak or opaque financial management practices and reports result in misdirected and under-utilisation of resources. The key objective of the Municipal Finance Management Act (2003) (MFMA) is to modernise municipal financial management. Effective municipal financial management has interrelated components:

- planning and budgeting
- asset and liability management
- revenue and expenditure management
- supply chain management
- other financial management
- accounting and reporting, and
- oversight & operational continuity

Each of these components contribute to ensuring that government financial expenditure is developmental, effective and efficient and that municipalities / municipal entities are held accountable for the effective management of their funds.

The aim of this chapter is to provide an overview of the financial performance of the municipality / municipal entity thorough measuring of results. It further provides an opportunity for planning, so as to ensure that future budgetary allocations are brought in line with IDP and functional area activities and outputs.

Information included in this chapter is divided into the following framework:

- Component A: Statement of Financial Performance
- Component B: Spending against Capital Budget
- Component C: Cash flow Management and Investment
- Component D: Other Financial Matters

Chapter 6: Auditor-General Audit Findings

The MSA S45 states that the results of performance measurement in terms of S41(1)(c) must be audited annually by the Auditor-General. Section 41(1)(c) states that the auditing should take place with regard to each of those development priorities and objectives and against key performance indicators and targets to monitor, measure and review municipal performance at least once per annum.

The new Annual Report Format is inclusive of the annual financial statements and performance reports which must be submitted to the Auditor-General for assessment in August of each year.

Besides the Auditor-Generals Report, which cannot be amended by the municipality, information pertaining to the following is to be included in the chapter on the Auditor-General report:

This chapter provides an overview of the Auditor-General Report of the previous financial year. Specific topics that should receive attention include:

- Detail on issues raised during the previous financial year;
- Remedial action taken to address the above and preventative measures.

Appendices Descriptions

The following information must be completed and added to the Annual Report to ensure that it complies with the requirements of various legislations. The content of these appendices are described below.

Appendix A: Councillors; Committee Allocation and Council Attendance

This Appendix relates to Chapter 1 of the Format and requires the compilation of a complete list of all Councillors, the party they belong to and the ward which they represent. Information pertaining to the number of Council meetings attended by each of the Councillors also needs to be provided.

Appendix B: Committee and Committee Purpose

This Appendix also relates to information required to be included in Chapter 1 of the Format. A list of all Committees of Council, the purpose of each Committee and the names of Councillors serving on them. It also requires the inclusion of information related to the attendance of each Councillor.

Appendix C: Third Tier Administrative structure

The organogram of the administrative structure of the municipality / municipal entity is to be included under Appendix C.

Appendix D: Functions of Municipality/Entity

The appendix covers what constitutes the municipal functions, municipality to indicate which function is applicable to it or their entity. In case of a local municipality it can also discuss functions performed by the District and vice versa.

Appendix E: Ward Reporting

Information on the functions of ward committees, the sector of community representation and reports submitted by each of these committees must be provided. The appendix can be expanded to include a brief feedback of the operations and functions of individual wards, challenges experienced and measures taken to address them.

Appendix F: Ward Information

This appendix relates to ward information, the following information is required; ward name (number),where under each ward the seven largest project in the current year is listed together with their start date, end date, their total value and progress. Information on the top four delivery priorities per wards as these may differ in different wards.

Appendix G: Recommendations of the Municipal Audit Committee

This appendix relates to all meetings of the audit committee held together with its recommendations, those that have been adopted and those not.

Appendix H: Long term Contracts and Public Private Partnership

Information related to the largest projects, agreements and contracts. Information related to Public Private Partnerships (PPP) in the municipality and its duration. Specific detail pertaining to the responsible departments for managing and implementing the roll-out of these projects is to be provided. The duration and monetary value of the projects, agreements or contracts should also be included.

Appendix I: Municipal Entity/Service Provider Performance Schedule

This statement should include no more than the top four priorities indicators as articulated in the IDP. Note that all must be funded within approved budget provision.

Appendix J: Disclosure of Financial Interest

This Appendix relates to financial disclosures of senior managers and other section S56 officials. The financial interest disclosure is required even if posts were occupied for part of the year.

Appendix K: Revenue Collection Performance

Appendix K (i): Revenue Collection Performance by Vote

This Appendix relates to information on revenue collected by votes, based on prior year and current year actual collections.

Appendix K (ii): Revenue Collection Performance by Source

This Appendix relates to information on revenue collected by source, based on prior year and current year actual collections. Information by ward may also assist decision makers on the extent of indigent households and need for further support or policy changes.

Appendix L: Conditional Grants Received: Excluding MIG

This Appendix relates to all conditional grants received in the current year, excluding the Infrastructure Grants, indicating adjustments budget and the actual, showing percentage variances of the two and also indicating any major conditions applied by Donors on each grant, if applicable.

Appendix M: Capital Expenditure – New & Upgrade/ Renewal Programmes: Including MIG

Appendix M(i): Capital Expenditure – New Assets Programme

This Appendix relates to all capital expenditure relating to the new asset programme, showing the actual of the prior year, the adjusted budget and actual expenditure in the current year.

Appendix M(ii): Capital Expenditure – Upgrade/Renewal Programme

This Appendix relates to all capital expenditure relating to upgrade/renewal programme, showing the actual of the prior year, the adjusted budget and actual expenditure in the current year.

Appendix N: Capital Programme by Project current year

This Appendix relates to all capital projects in the current financial year, indicating the adjusted budget, actual in the current year and the variance between the two.

Appendix O: Capital Programme by project by Ward current year

This Appendix relates to all capital projects per ward in the current financial year, and indicates if work was completed or not.

Appendix P: Service Connection Backlogs at Schools and Clinics

This Appendix relates to all backlogs in schools and clinics, the name and location of the schools and clinics is required, this information is provided to assist the national and provincial departments improve planning, budgeting and implementation.

Appendix Q: Service Backlogs Experienced by the Community where another Sphere of Government is Responsible for Service Provision

This Appendix relates to all service backlogs experienced by the community where another sphere of government is responsible for providing the service, this information is provided to assist the national and provincial departments improve planning, budgeting and implementation.

Appendix R: Declaration of Loans and Grants Made by the Municipality

This Appendix relates to the list of all organisation or person in receipt of loans and grants from the municipality, to state the nature of the projects funded and conditions attached to such projects together with the rand value.

Appendix S: Declaration of Returns not Made in due Time under MFMA s71

This Appendix relates to all monthly budget statement not made in time as required by s71 of the MFMA. This information is critical for municipalities and oversight institutions so that early detection of problems can be made and corrective action taken sooner.

Appendix T: National and Provincial Outcome for local government

This Appendix covers information not addressed in any of the other areas of the Annual Report, relating to municipal powers and functions that can be used by the National and Provincial Spheres to monitor and evaluate service delivery performance. This should indicate the progress to date, numbers and percentage achieved.

Volume II: Annual Financial Statements

Section 67(1)(a)(iv) states that audited financial statements for the financial year must be reported on. Financial statements to be displayed within the municipal/municipal entity Annual Report include:

- Summary of operating results presented by the CFO, including
  - Operating revenue
  - Operating expenditure
  - Operating results per service
  - Capital expenditure and financing
  - External loans, investments and cash

- Statement of financial position
- Statement of financial performance
- Statement of changes in net assets
- Cash-flow statement
- Accounting policies
- Notes to financial statements

Financial statements of all entities of the municipality should be included in this section.

Conclusion

It is expected that all municipalities and municipal entities use the new Annual Report Format to compile and submit their Annual Reports on time. The Annual Report, including the unaudited AFS must be submitted simultaneously to the Auditor-General and a copy forwarded to the National Treasury, the relevant Provincial Treasury and Cooperative Governance departments. This circular will assist municipalities achieve quality and relevant reporting, reduce duplication of reports, enhance governance and promote accountability.

All comments on this circular and the new Annual Report Format must be forwarded to the email below. The new Annual Report Format and accompanying spreadsheets is located under Guidelines and can be downloaded from the MFMA website. The National Treasury will, as circumstances require, update the formats from time to time, in consultation with other departments. You may also contact Mr. Buti Chuma at the National Department of Cooperative Governance on telephone 012 395 4688 or email butic@cogta.gov.za for MSA related matters.

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TV Pillay
Chief Director: MFMA Implementation
26 September 2012

MPAC OVERSIGHT ON CIRCULAR 63 COMPLIANCE: 2023/24 ANNUAL REPORT

	FINANCIAL MANAGEMENT COMPLIANCE MANAGEMENT MODULE QUESTIONS	Y/N	COMMENT
1	Did the municipality and every municipal entity prepare an annual report for each financial year and did the council deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control within nine months after the end of each financial year?	Y	Submitted to Council on 29 January 2025 Item number 25/01/MM3
2	Was the annual report submitted to the Auditor-General, together with the annual financial statements by, the 31st August and where applicable a consolidated annual report by the 30th September if there was an entity?	Y	Submitted through the National Treasury Reporting Portal by the Kouga Budget and Treasury Office
3	Has the annual report of the municipality and entities, or the completed components of the annual report and the oversight reports been submitted to provincial legislatures within seven days of the oversight report being adopted by council?	N	Oversight report only due by end March 2025 whereafter submissions will be made. Draft Annual Report submitted to the Auditor General and EC COGTA
4	Does Chapter 1 of the annual report include; - The Mayor's/Executive mayor's foreword, - The Accounting Officer's foreword, and - municipal/municipal entity overview?	Y	Page 6
5	Does Chapter 2 of the annual report include the Governance Structures, both Political and Administrative?	Y	Page 21
6	Does Chapter 2 of the annual report include details of Intergovernmental relations?	Y	Page 27
7	Does Chapter 2 on Governance in the annual report include details on all public accountability and public participation meetings and the IDP participation & alignment?	Y	Page 28
8	Does Chapter 2 on Governance in the annual report address risk management issues?	Y	Page 47

	FINANCIAL MANAGEMENT COMPLIANCE MANAGEMENT MODULE QUESTIONS	Y/N	COMMENT
9	Does Chapter 2 of the annual report address anti-corruption and fraud?	Y	Page 48
10	Does Chapter 2 on Governance in the annual report address supply chain management issues?	Y	Page 48
11	Does Chapter 2 on Governance in the annual report address By-laws?	Y	Page 75
12	Does Chapter 2 on Governance in the annual report address the website(s) where information is available?	Y	Page 77and also on Document cover page
13	Does Chapter 2 on Governance in the annual report share information on public satisfaction on municipal services?	Y	Page 78
14	Does Chapter 2 in the annual report address the municipal oversight committees?	Y	Page 80
15	Does Chapter 3 in the annual report demonstrate the service delivery that has been achieved and service delivery that is outstanding?	Y	Page 81
16	In Chapter 3 of the annual report, are the service delivery issues structured, captured and reflected under each priority as contained in the IDP to allow for easy comparisons on achievements against budget and SDBIP?	Y	Page 81
17	Does Chapter 4 of the annual report provide information pertaining to the implementation of an effective performance management system, organisational development and performance of the municipality/municipal entity?	Y	Page 294
18	Does Chapter 4 of the annual report provide information on planning, service delivery, organisation, job evaluation, remuneration, benefits, personnel expenditure, affirmative action, recruitment, promotions, termination of services, performance management, skills development, injury on duty, labour relations, leave and discharge due to ill-health?	Y	Page 281

	FINANCIAL MANAGEMENT COMPLIANCE MANAGEMENT MODULE QUESTIONS	Y/N	COMMENT
19	Does Chapter 4 of the annual report provide information to identify skills gaps and plans for the development of such skills?	Y	Page 288
20	Does Chapter 5 of the annual report on financial performance include information divided into the following framework: a) Statement of Financial Performance b) Spending against Capital budget c) Cash Flow Management and Investment, and d) Other Financial Matters?	Y	Page 300
21	Does Chapter 6 of the annual report include the Auditor-General's Report as submitted by the Auditor-General?	Y	Page 315
22	Does Chapter 6 of the annual report include details on issues raised during the previous financial year by the Auditor-General?	Y	Page 321
23	Does Chapter 6 of the annual report include remedial action taken to address issues raised during the previous financial year by the Auditor-General and preventative measures?	Y	Page 331
24	Is an Appendix A on Councillors; Committee allocation and council attendance included?	Y	Page 332
25	Is an Appendix B on Committee and Committee purpose included, listing all committees of the council, the purpose of each committee and the names of councillors serving on them and the attendance of each councillor?	Y	Page337
26	Does Appendix C include an organogram of the administrative structure?	Y	Page 341
27	Is an Appendix D included that outlines what constitutes a municipal function and the applicable functions of the municipality?	Y	Page 342
28	Is an Appendix E on Ward reporting included with information on the functions of ward committees, the sector of community representation, reports submitted by each of these committees challenges experienced and measures taken to address them?	Y	Page 343

	FINANCIAL MANAGEMENT COMPLIANCE MANAGEMENT MODULE QUESTIONS	Y/N	COMMENT
29	Is an Appendix F on Ward information included, which outlines the name/number of the ward, listing the seven largest projects in each ward with start and end dates, their total value, progress and information on the top four delivery priorities per ward?	Y	Page 343(Must be improved upon to comply with Circular 63 requirements)
30	Is an Appendix G included on recommendations of the audit committee, those adopted, those that were not adopted and the meetings held?	Y	Page 344
31	Is an Appendix H included on information relating to the largest projects, agreements and contracts and any Public, Private Partnerships?	Y	Page 350 (Can be improved on to fully comply with Circular 63 requirements)
32	Does Appendix I include a municipal entity/service provider performance schedule from the top four priority indicators in the IDP?	Y	Page 350
33	Is an Appendix J included with senior managers' disclosures of financial interest?	Y	Page 350
34	Is an Appendix K included on Revenue collection by votes and by source based on prior year and current year actual collections?	Y	Page 350
35	Is an Appendix L included on Conditional Grants received (excluding MIG) received during the year indicating adjustments budget and the actual, showing percentage variances and any major conditions applied by donors on each grant?	Y	Page 352
36	Is an Appendix M included on capital expenditure (a) on new assets programme, and (b) on upgrade/renewal programmes showing the actual of the prior year, the adjusted budget and actual expenditure in the current year?	Y	Page 352
37	Is an Appendix N included on all capital projects in the current financial year, indicating the adjusted budget, actual in the current year and the variance?	Y	Page 353

	FINANCIAL MANAGEMENT COMPLIANCE MANAGEMENT MODULE QUESTIONS	Y/N	COMMENT
38	Is an Appendix O included on all capital projects per ward in the current financial year and if the work was completed or not?	Y	Page 355 (Not as detailed as required by Circular 63)
39	Is an Appendix P included on service connection backlogs at schools and clinics which also provides the relevant names and locations?	Y	Page 357
40	Is an Appendix Q included with all service backlogs experienced by the community, where another sphere of government is responsible for providing the service?	Y	Page 357
41	Is an Appendix R included which lists all organisations or persons in receipt of loans and grants; stating the nature of the projects funded, conditions attached and the rand value?	Y	Page 358
42	Is an Appendix S included listing all monthly MFMA S71 budget statements not submitted in time?	Y	Page 359
43	Is an Appendix T included for powers and functions not covered in other sections of the annual report?	Y	Page 359
44	Have all components of the audited financial statements, as signed by the Auditor General of South Africa, been included in the annual report in Volume 2?	Y	Page 360
45	At the end of the most recent financial year, immediately after the annual report was tabled in Council, was the annual report: - made public and the local community invited to make representations, and - submitted to the Auditor General of South Africa, provincial treasury and the provincial department responsible for local government?	Y	Notice for publication of Annual Report prepared for publication on 8 February 2025. Copies of the Draft Annual Report was submitted to the Auditor General and EC COGTA. Invitation to attend the meeting of Council on 29 January 2025 was also extended to the Auditor General and EC COGTA
46	Did all municipal entities submit their annual report for the financial year to the Municipal Manager of the parent municipality within 6 months after the end of the financial year?		Not applicable

	FINANCIAL MANAGEMENT COMPLIANCE MANAGEMENT MODULE QUESTIONS	Y/N	COMMENT
47	Did the mayor table the annual report of the municipality and any entity, in council within seven months after the end of the financial year?	Y	Submitted to Council on 29 January 2025 Item number 25/01/MM3
48	If the report was not submitted within seven months of the financial year end, did the Mayor submit to Council written explanations why the annual report was not submitted within seven months, setting out the reasons for the delay, together with components of the annual report that were ready?		Not applicable
49	If applicable, were the outstanding components of the annual report subsequently submitted to Council? Upload proof		Not Applicable
50	Are executive councillor's and municipal officials precluded from being members of the MPAC or Oversight committees?	Y	
51	Did Council adopt the oversight report containing the council's comments on the annual report, within two months after the annual report was tabled in Council?	N	Oversight Report only due by end March 2025
52	Did the oversight report state an opinion on the annual report?	Y	
53	Did the Accounting Officer attend Council and council committee meetings where the annual report was discussed and were copies of the minutes of the meetings submitted to the Auditor General of South Africa, Provincial Treasury and the Provincial Department responsible for local government?	N	Minutes can only be submitted after the meeting of Council on 29 January 2025 and after the March 2025 meeting of Council
54	Was the oversight report made public within seven days of its adoption, by displaying the documents: (i) at the municipal head offices, satellite offices and libraries, (ii) the municipality's official website, (iii) by notifying the community of the place where detailed particulars of the oversight report can be obtained?	N	Oversight Report only due by end March 2025

	FINANCIAL MANAGEMENT COMPLIANCE MANAGEMENT MODULE QUESTIONS	Y/N	COMMENT
55	Were the public and organs of state allowed a fair opportunity to give inputs to the annual report?	Y	Notice published 8 February 2025 inviting inputs and representations on the Draft 2023/24 Annual Report



MPAC Chairperson

Kouga Local Municipality

MPAC Recommendation

That the Municipal Manager implement measures to ensure that the Annual Report fully complies with the provisions of MFMA Circular 63: **APPENDIX F: WARD INFORMATION** relevant to the following:

a) Capital Projects per Ward indicating the 5 largest capital projects per Ward inclusive of start date, end date and total value of the project.

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in Year 2023/24				R' 000
No.	**Project Name and detail**	**Start Date**	**End Date**	**Total Value**
1.	Road re-sealing projects multi wards 2/8/11/12 & 13	July 2023	June 2024	R9 468 520
2.	Mimosa Street pipeline replacement ward 8	30 Aug 2023	R/over applied for	R14 740 89
3.	Structural repairs to the paradise beach water tower W12 r/over	29 Sept 2023	30 Aug 2024	R8 913 753
4.	St Francis bay borehole development ward 12 rollover	15 Jan 2024	30 Aug 2024	R3 000 000
5.	St Francis bay bridge repair ward 12 project completed	1 Oct 2023	30 March 2024	R2 992 258
6.	Spatial Planning, Land, Human Settlements, Environmental management across all wards - ongoing			

b) Details of the level of basis services per Ward indicating the number of Households within the urban edge in the Ward with access to water, sanitation, electricity and refuse removal and the total number of households within the urban edge in the Ward.

Basic Service Provision				
Detail	**Water**	**Sanitation**	**Electricity**	**Refuse**
Households with minimum service delivery	100%	100%	100%	100%
Households without minimum service delivery	0	0	0	0
Total Households*	107 014 (2022 Census)	107 014 (2022 Census)	107 014 (2022 Census)	107 014 (2022 Census)

c) Details of the 4 top service delivery priorities per Ward for the year and progress made during the year with each of these priorities.

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	**Priority Name and Detail**	**Progress During Year**
1.	FLISP housing project in Ocean View ward 14	Stagnant
2.	RDP Construction in Ocean View ward 14	Still on progress
3.	Water losses reduction program	7.2% reduction from a 10% target achieved
4.	Storm water master plan	Still on progress



MPAC Chairperson
Cllr Bryan Dhludhlu
Kouga Local Municipality

DAY	MONTH	YEAR	REPORTS TO BE TABLED	DEPARTMENT	SECTION	RESPONSIBLE PERSON
N/A	July	2024	None			
20	August	2024	Section 52 report for the 4th Quarter of the previous financial year	Finance	BTO	Manager: BTO
25	September	2024	Report on confirmation of AFS and Draft Annual Report submitted to AG for prior year	Finance	BTO	Manager: BTO
			Section 71 report	Finance	BTO	Manager: BTO
			Draft Annual report	MM	PMS	Manager: PMS
			4th quarter Performance report for the previous financial year (Draft Annual Performance Report)	MM	PMS	Manager: PMS
N/A	October	2024	None			
27	November	2024	Section 52 report for the current year	Finance	BTO	Manager: BTO
			1st quarter Performance report for the current year	MM	PMS	Manager: PMS
			Report on implementation of recommendations from prior year (FY 2022_23) oversight report	MM	MM	MM
			Draft Annual report - I&E	MM	PMS	Manager: PMS
N/A	December	2024	None			
28	January	2025	Review/confirm implementation of annual action plan/audit plan	Finance	BTO	Manager: BTO
			Draft Annual report - Community Services	MM	MM	Manager: PMS
			Submission of Audit Report	Finance	BTO	Manager: BTO
			Section 71 report	Finance	BTO	Manager: BTO
25	February	2025	Section 52 report for the current year	Finance	BTO	Manager: BTO
			2nd quarter Performance report for the current year	MM	PMS	Manager: PMS

			Progress of action plan/audit plan	Finance	BTO	Manager: BTO
			Draft Annual report - Corporate Services & PDT	MM	PMS	Manager: PMS
28	February	2025	Special MPAC Meeting - Draft Annual report - Finance and office of the MM	MM	PMS	Manager: PMS
11	March	2025	Special Meeting for Compilation of oversight report on AR for the prior year			
			Report on unauthorised, irregular, wasteful expenditure	Finance	SCM/Expenditure	Manager: SCM, Manager: Expenditure
N/A	April	2025	None			
27	May	2025	Section 52 report for the current year	Finance	BTO	Manager: BTO
			3rd quarter Performance report for the current year	MM	PMS	Manager: PMS
			Progress of action plan/audit plan	Finance	BTO	Manager: BTO
N/A	June	2025	None			

MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON TUESDAY, 20 AUGUST 2024 AT 10:00 IN THE COUNCIL CHAMBERS, JEFFREYS BAY

Present: Committee Members	Cllr B Dhludhlu	(Chairperson)
	Cllr W Gertenbach	
	Cllr M Mbandana	
	Cllr C August	*(Attended via Zoom)*
	Cllr H Murray	*(Attended via Zoom)*
	Cllr F Heystek	*(Attended via Zoom)*
	Cllr W van der Linde	*(Attended via Zoom)*
Officials:	Mr D de Jager	(Deputy 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)
	Ms L Opperman	(Manager: Legal Services)
	Mr A Koegelenberg	(Manager: PMS)
	Ms M Julius	(Senior Admin Officer: Committees)
	Mr S Sidjiyo	(Committee Officer)
	Ms M Mitchell	(Committee Clerk)
Stakeholders:	Adv A Klopper	(Public Representative)
	Ms L Mostert	(Public Representative)

1. **OPENING AND WELCOME**

The Chairperson welcomed all members present and those who connected virtually. He read the notice convening the meeting and opened 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**

Cllr M Nicholls	
Cllr L Nkilishane	
Cllr P Oliphant	
Mr C du Plessis	(Municipal Manager)
Mr L Ramakuwela	(Director: Planning & Development)

3.2 **ABSENT WITHOUT APOLOGY**

Cllr B Human

4. **PRESENTATIONS**

None

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

5.1 **CONFIRMATION OF MINUTES OF PREVIOUS MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON 21 MAY 2024**

Resolved (20 August 2024)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 21 May 2024 be accepted.

Proposed: Cllr W Gertenbach Seconded: Cllr W van der Linde

6. **MATTERS FOR DISCUSSION**

24/08/MPACC1 MPAC RESOLUTIONS AS AT 21 MAY 2024

Resolved to Recommend (20 August 2024)

1. That the updated Action Sheets reflecting outstanding resolutions of MPAC as at 21 May 2024 be noted.

24/08/MPACC2 2023/24 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: PROGRESS UP TO THE QUARTER ENDING 31 MARCH 2024

Adv Klopper referred to page 15 and raised a concern about the comments from the leading department on the percentage of the Municipal fleet in serviceable condition. He further requested an update on the shortage of staff in the Town Planning section.

In response, the CFO indicated that the matter of the Municipal fleet in serviceable condition has since been resolved from the SCM side.

The Director: Electro-Mechanical Services added that some of the delays were caused by the absence of the Manager: Fleet and the high number of breakdowns received daily. He further highlighted that the department was drafting a Fleet Policy that would ensure proper handling of the Municipal fleet by drivers.

Regarding the shortage of staff in the Town Planning section, the Deputy Municipal Manager stated that the new organogram was approved by Council and would come into effect on 1 September 2024. He added that a critical vacancy list was identified by departments and the recruitment processes would commence in due course.

The Chairperson referred to page 15 and sought clarity about the expenditure on WSIG funding.

In response, the Director: Civil and Water Services indicated that there were delays in some projects funded by WSIG, and expediting notices were issued to the affected service provider. However, the department was managing the process.

The CFO highlighted that the latest expenditure on WSIG was at 73,14%.

Resolved to Recommend (20 August 2024)

1. That the Quarter 3 institutional performance report on progress made with the implementation of the 2023/24 Service Delivery and Budget Implementation Plan be considered by the Municipal Public Accounts Committee with the purpose of making recommendations to Council in this regard.

24/08/MPACC3 **MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY TO MAY 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 30 JUNE 2024 (2023/24 FINANCIAL YEAR)**

The Chairperson referred to page 65 and questioned the costs associated with the disconnection of electricity.

The CFO responded that for prepaid electricity the disconnections were done internally. However, for conventional electricity, a service provider was appointed to administer the disconnections.

Adv Klopper enquired about which party incurs the expenses when a conventional consumer is disconnected.

In response, the CFO stated that the consumer gets charged for unblocking.

Cllr Mbandana sought clarity about the budget surplus and the water debt to the Nelson Mandela Bay Metropolitan Municipality (NMBMM). He further enquired about the commentary from the National and Provincial Treasury regarding the liquidity ratio.

In response, the CFO highlighted that the surplus was dependent on how the budget was spent and he added that the capital expenditure was low at year end. Regarding the outstanding debt to the NMBMM, the CFO indicated that it was a contingency liability, and it was disclosed as such in the financial statements. He further stated that there were ongoing legal processes with NMBMM, and once resolved the outstanding amount would be settled.

Additionally, the CFO stated that the Council adopted a long-term financial plan, all budget-related policies were amended, and the assumptions were brought into the budget process. He added that the plan is to reach a cost coverage that would ensure the financial ratios meet the National Treasury requirements.

Resolved to Recommend (20 August 2024)

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

2. The Executive Mayor's report on the implementation of the budget and the financial state of affairs of the municipality, in accordance with Section 52(d) of the MFMA be noted.

3. 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 informed the Committee about the receipt of a letter from an unsuccessful bidder which requested MPAC to initiate an investigation on the matter. He highlighted that there were no expenses incurred by Kouga Municipality following the awarding of the tender, and advised the Committee that the Administration was investigating the matter and would respond accordingly to the Complainant.

He further urged the Committee members to allow the administration processes to be completed.

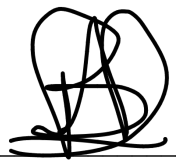
8. **DATE OF NEXT MEETING**

25 September 2024

9. **CLOSURE**

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

The meeting adjourned at 10:42



CLLR B DHLUDHLU
CHAIRPERSON

26 September 2024
DATE

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

MINUTES OF A VIRTUAL MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON THURSDAY 28 NOVEMBER 2024 AT 10:00

Present: Committee Members	Cllr B Dhludhlu	(Chairperson)
	Cllr F Heystek	
	Cllr C August	
	Cllr M Nicholls	
	Cllr P Oliphant	
	Cllr B Human	
	Cllr L Nkilishane	
	Cllr W Gertenbach	
	Cllr W van der Linde	
	Cllr G Stuurman	
Officials:	Mr C du Plessis	(Municipal Manager)
	Mr D de Jager	(Deputy Municipal Manager)
	Mr R Lorgat	(Chief Financial Officer)
	Ms N Machelesi	(Director: Community Services)
	Mr C de Kock	(Director: Civil & Water Services)
	Mr L Ramakuwela	(Director: Planning & Development)
	Mr A Koegelenberg	(Manager: PMS)
	Ms L Opperman	(Manager: Legal Services)
	Ms M Julius	(Senior Admin Officer: Committees)
	Mr S Mitchell	(Committee Clerk)
	Ms R Swart	(Committee Clerk)
Stakeholders:	Adv A Klopper	(Public Representative)
	Ms L Mostert	(Public Representative)

1. **OPENING AND WELCOME**

   The Chairperson welcomed all members present. He read the notice convening the meeting and requested Cllr Gertenbach to open the meeting with prayer.

   Cllr Oliphant expressed concerns regarding Cllr Stuurman attendance, questioning the absence of formal communication about his involvement.

   Cllr Human emphasised the importance of establishing formal protocols, asserting that any replacements should be officially recorded by the council.

   The Chairperson indicated that Cllr Stuurman would refrain from participating in the meeting until his status is formally confirmed, and requested that Cllr Stuurman be excused until his membership is officially established.

2. **DECLARATION OF INTERES**

   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 T Madatt (Director: Electro-Mechanical Services)

3.2 **ABSENT WITHOUT APOLOGY**

Cllr M Mbandana
Cllr H Murray

4. **PRESENTATIONS**

None

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

5.1 **CONFIRMATION OF MINUTES OF PREVIOUS MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON 25 SEPTEMBER 2024**

Ms Mostert enquired about strategies to address illegal power connections in informal settlements and requested updates on current initiatives. Additionally, she sought clarification regarding the indigent numbers referenced in the report.

The Municipal Manager indicated that he was unable to provide the figures at that moment but would retrieve the information from the finance department.

Resolved (28 November 2024)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 25 September 2024 be accepted.

Proposed: Cllr F Heystek Seconded: Cllr C August

6. **MATTERS FOR DISCUSSION**

24/11/MPACC1 MPAC RESOLUTIONS AS AT 25 SEPTEMBER 2024

The Chairperson highlighted that the physical copies for the Councillors listed on page 13 had not been collected and encouraged them to retrieve their copies to avoid unnecessary waste.

Resolved to Recommend (28 November 2024)

1. That the updated Action Sheets reflecting outstanding resolutions of MPAC as of 25 September 2024 be noted.

24/11/MPACC2 2023/24 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: PROGRESS UP TO THE QUARTER ENDING 30 SEPTEMBER 2024

Cllr Gertenbach expressed concerns about the bulk electricity purchase exceeding the initial quarter's percentage and

inconsistencies in residential properties benefiting from refuse collection services.

The Chairperson referred to page 21, raising concerns about the low percentages observed in rental income and fines.

In response, the Municipal Manager indicated that adjustments to the figures would occur after a six-month period, contingent upon economic activity and developments in the housing sector.

The Director: Community Services noted the inconsistencies and stated that the refuse collection figures in the adjustment budget need to be revised to show correct numbers.

The Chairperson stated that the prioritisation of road improvements must be addressed, particularly with regard to the connections between smaller towns and larger towns.

Resolved to Recommend (28 November 2024)

1. That the Quarter 1 operational and institutional performance report on progress made with the implementation of the 2023/24 Service Delivery and Budget Implementation Plan be interrogated by MPAC for purposes of recommendations in this regard for submission to Council be considered.

2. That Directorates ensure that corrective actions are discussed and agreed on at the level of the Portfolio Committees in respect of all Key Performance Indicators where set targets for the reporting period have not been achieved in order to ensure achievement of the annual performance targets and that such corrective actions be submitted to MPAC.

24/11/MPACC3 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT ON THE DRAFT: 2023/24 ANNUAL REPORT**

The Chairperson posed a question regarding the prioritization of road improvements, particularly emphasising the necessity of enhancing transportation links between rural communities and larger municipalities.

The Director: Civil and Water clarified that the prioritisation of roads is determined by their condition, as assessed through a visual condition index, rather than the geographical location.

The Chairperson requested that the cost estimates for road repairs be updated to reflect current figures for accuracy.

The Director: Civil and Water Services consented to update the figures in accordance with the most recent evaluations.

Ms. Mostert suggested collaborating with the Performance Manager to address the numerous questions and discrepancies in

the Annual Report, recommending the compilation of necessary information for review.

She further, pointed out inconsistencies in the population census data and job seeker statistics, recommending updated comparisons and modifications to the Annual Report. While she recognised advancements in road conditions, she expressed concerns regarding the effects of weather on repair initiatives, discrepancies in staff training data, and the accuracy of public meeting documentation.

The Chairperson emphasised the necessity for the Fleet Department to prioritise ongoing training for personnel regarding the proper maintenance and operation of vehicles, aiming to minimise both maintenance expenses and the incidence of accidents.

Ms. Mostert referenced page 200, expressing concerns regarding the status of expired municipal property leases and the ambiguity surrounding their renewal.

In response, the Municipal Manager indicated that lease agreements undergo regular reviews, and certain agreements may not be renewed for particular reasons, while continuous efforts are made to manage these agreements efficiently.

The Manager: Legal reported challenges in contract management post-execution. A contracts manager has been appointed, and two positions have been established in the Land & Property department to assist with lease agreements.

The Chairperson highlighted the necessity for the committee to rectify
discrepancies in the portfolio allocations for each serving Councillor, thereby ensuring accurate representation in reports.

Resolved to Recommend (28 November 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.

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

24/11/MPACC4 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) INVESTIGATION OUTCOME

Cllr van der Linde expressed dissatisfaction with the manner in which the investigation was handled, stating that there was a lack of proper Committee involvement.

The Chairperson stated that the Committee had reached a decision based on prior discussions, despite objections from some members.

Resolved to Recommend (28 November 2024)

1. That the formal investigation outcome be noted.

9. **DATE OF NEXT MEETING**

28 January 2025

10. **CLOSURE**

The Chairperson thanked the Committee members and officials for their contributions and urged continuous communication regarding the annual report.

The meeting adjourned at 11:44



29 January 2025

CLLR B DHLUDHLU
CHAIRPERSON

DATE

MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON THURSDAY 28 JANUARY 2025 AT 10:00

Present: Committee Members	Cllr B Dhludhlu	(Chairperson)
	Cllr F Heystek	
	Cllr C August	
	Cllr M Nicholls	
	Cllr H Murray	
	Cllr B Human	
	Cllr L Nkilishane	
	Cllr W Gertenbach	
	Cllr W van der Linde	
Officials:	Mr C du Plessis	(Municipal Manager)
	Mr D de Jager	(Deputy Municipal Manager)
	Mr R Lorgat	(Chief Financial Officer)
	Ms N Machelesi	(Director: Community Services)
	Mr C de Kock	(Director: Civil & Water Services)
	Mr L Ramakuwela	(Director: Planning & Development)
	Mr T Madatt	(Director: Electro-Mechanical Services)
	Mr A Koegelenberg	(Manager: PMS)
	Ms L Opperman	(Manager: Legal Services)
	Ms M Julius	(Senior Admin Officer: Committees)
	Mr S Rautenbach	(Committee Officer)
	Ms R Swart	(Committee Clerk)
Stakeholders:	Ms L Mostert	(Public Representative)

1. **OPENING AND WELCOME**

The Chairperson welcomed all members present. He read the notice convening the meeting and requested Ms L Mostert 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**

Cllr M Mbandana	
Adv A Klopper	(Public Representative)

3.2 **ABSENT WITHOUT APOLOGY**

Cllr P Oliphant

4. **PRESENTATIONS**

None

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

5.1 **CONFIRMATION OF MINUTES OF PREVIOUS MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON 28 NOVEMBER 2024**

Resolved (28 January 2025)

1. That the minutes of the Municipal Public Accounts Committee meeting held on 28 November 2024 be accepted.

Proposed: Cllr B Human Seconded: Cllr F Heystek

6. **MATTERS FOR DISCUSSION**

25/01/MPACC1 MPAC RESOLUTIONS AS AT 28 NOVEMBER 2024

Resolved to Recommend (28 January 2025)

1. That the updated Action Sheets reflecting outstanding resolutions of MPAC as of 28 November 2024 be noted.

25/01/MPACC2 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT ON THE DRAFT: 2023/24 ANNUAL REPORT

Cllr Gertenbach expressed concern about the delayed receipt of financial statements, which hinders Council members' timely review. He suggested implementing measures to provide financial data earlier, allowing sufficient time for review before meetings.

In response, the CFO, confirmed that the timing of financial reports will remain unchanged for the near future. For the December 2025 Council meeting, which will be in recess, the agenda will be distributed before November 30th, resulting in some items being excluded. The recent Special Council meeting was called for specific purposes, and only the notice item will be included in the January 2025 agenda.

It is noted that, regardless of Council members' review of the reports, no financial changes can be made, as they meet established standards and have been validated by the Auditor General through audited financial statements. Annual audited financial statements, along with the Audit Action Plan and Audit Report, must be submitted to the Council by January 31st for compliance with applicable legislation and regulations, a process that will continue to be upheld.

Ms Mostert referenced age 58 and noted that the ratings presented in the table did not align with the comment on the page.

The Municipal Manager clarified that the Member of the Executive Council (MEC) conducts individual evaluations of Managers, fostering collaboration among IDP colleagues. There were concerns regarding the effectiveness of IDP evaluations in the Eastern Cape relative to other areas. The existing evaluation process is under review to ensure it aligns with the municipality's requirements.

Ms Mostert highlighted the significance of having clear information in the annual report and the need for accessible commentary for the public.

Cllr Human suggested that a clear and brief commentary be prepared to accompany the Annual Report to enhance public understanding.

In response, the CFO noted that a significant portion of the input can be presented. Upon review, he determined that this matter does not impact the historical data but should only be used as a reference. Therefore, management is requested to update the file accordingly.

The Chairperson commended the department for attaining a clean audit for the first time in many years, attributing this success to the cooperative efforts of multiple departments and the MPAC Committee.

Ms Mostert expressed her gratitude to all individuals in Kouga who have contributed to making a positive impact.

Resolved to Recommend (28 January 2025)

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.

25/01/MPACC3 **MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2024 TO DECEMBER 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 DECEMBER 2024 (2024/25 FINANCIAL YEAR)**

Cllr Heystek referenced page 358, which indicated a reduction of R46,839 million in overdue consumer debt, reflecting a 0.01% decrease since June 2024. He enquired if the situation was still unchanged or if there had been any progress in recovering these debts.

In response, the CFO indicated that achieving a 95% collection rate would lead to a 5% rise in last year's outstanding accounts, allowing for a comprehensive revision of the debtors' ledger. Half of these debts, totalling around R260 million, are residents of the Gamtoos Valley region. Concerns regarding insufficient water management in Gamtoos Valley prompted a recommendation to assess all cancelled accounts using smart metering technology, which could improve water usage oversight and the upkeep of debtor records, thereby facilitating better management of repayments.

Cllr Heystek enquired about the progress of the smart metering implementation.

The Director: Civil and Water Services announced that the initiative seeks to implement smart meters in five towns. The primary goals of this initiative are to enhance the monitoring of water usage and efficiently manage the debtors' accounts. Ongoing discussions with service providers are focused on ensuring optimal practices in both installation and data collection.

The Chairperson voiced concern about the persistent problem of insufficient facilities for granting motorcycle licenses in Kouga. He observed that the Municipality's existing grade B status limits its operational abilities compared to nearby municipalities that have achieved grade A status.

The Director: Community Services confirmed that an application has been submitted to the relevant department, and a response was awaited.

Resolved to Recommend (28 January 2025)

1. That the Section 71 Report for December 2024 be noted.

25/01/MPACC4 **2023/2024 AUDITED ANNUAL FINANCIAL STATEMENTS, AUDITOR-GENERAL'S AUDIT REPORT AND AUDIT ACTION PLAN**

Cllr Gertenbach enquired about the availability of the Annual Report for public viewing.

The Municipal Manager confirmed that the Annual Report will be made public, with a notice published on the municipal website and copies available at Municipal offices.

The Manager: Performance Management System stated that after the Council meeting on 29 January 2025, a notice will be issued by 8 February 2025, followed by 21 days for input. Thereafter the annual report will be printed, shared, and be made available online.

He stated that MPAC decided when public meetings happen. No public meetings were scheduled last year and therefore no public input on the annual report was received.
The report must be available on the website and at certain locations. Those who cannot attend can ask their ward Councillor to share their views with the Council about the Annual Report.

The Chairperson stated that the Committee is required to hold at least one physical roadshow each year, which involves a site visit. To streamline this process, members are requested to submit a written request detailing the specific site they wish to visit, according to MPAC's reports.

Resolved to Recommend (28 January 2025)

1. That the 2023/2024 Audited Annual Financial Statements be noted. Refer to "(Annexure A)".

2. That the 2023/2024 Auditor-General's Audit Report be noted. Refer to "(Annexure B)".

3. That the 2023/2024 Audit Action Plan be noted. Refer to "(Annexure C)".

9. **DATE OF NEXT MEETING**

25 February 2025

10. **CLOSURE**

The Chairperson thanked the Committee members and officials for their contributions and urged continuous communication regarding the annual report.

The meeting adjourned at 10:55



04.03.2025

CLLR B DHLUDHLU
CHAIRPERSON

DATE

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 31 MARCH 2025
ITEM NO:**25/03/MM4**

2024/25: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: AMENDMENT

1. **Introduction**

The proposed amendments to the 2024/25 Service Delivery and Budget Implementation Plan are herewith submitted for consideration by Council.

The proposed amendments are deemed necessary following the January 2025 adjustments budget and the proposed amendment is subject to compliance with the provisions of MFMA Circular 129 dated 10 December 2024.

2. **Background**

The 2024/25 Service Delivery and Budget Implementation Plan was approved by the Executive Mayor on 24 June 2024.

3. **Discussion**

With the appointment of Ignite Consult for the provisioning and maintenance of an electronic performance management system, as part of the scope of work to be done, both the Institutional Top Layer Service Delivery and Budget Implementation Plan was reviewed in consultation with Political Leadership and Senior Management.

The SDBIP review resulted in several Key Performance Indicators being reworded to align with the requirements of the new performance management system and several KPI's were added in line with the requirements of the Auditor General and National Treasury, that the SDBIP should be service delivery orientated.

All proposed amendments to the 2024/25 SDBIP is indicated in the SDBIP and reasons for change are indicated under each changed KPI in line with the requirements of MFMA Circular 129.

The principle applied in the proposals for the amendment of the SDBIP is that underperformance in quarters 1 and 2 does not justify changed targets to ensure achievement, but rather that adjustments in targets be considered where the funding for the project has been adjusted and/or where circumstances has changed to the extent that targets need to be adjusted.

The financial information included in the SDBIP has been updated following the adjustments budget, inclusive of financial forecasting in line with the prior year's baselines and trends.

Adjustments to the SDBIP for the 2024/25 year shall have a result that the individual performance plans of the Municipal Manager and other Senior Managers be adjusted accordingly through an addendum to performance agreements.

The adjustment of performance plans shall be affected on approval of the amended 2024/25 SDBIP and shall be applicable as from date of 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	

5. **Applicable Legislation**

MFMA Circular 129 dated 10 December 2024 provides as follows regarding adjustments to the Service Delivery and Budget Implementation Plan:

"***7.2. Adjustments to the SDBIP***

Municipalities adjust KPIs during the financial year, generally following adjustments budgets under Section 28 of the MFMA. While these KPI adjustments may be necessary to respond to unforeseen circumstances, underperformance of revenue or policy changes, some municipalities use this process to manipulate original KPIs to avoid accountability for underperformance. This practice undermines transparency, as original KPIs are excluded from Section 52(d) reports or Annual Performance Reports (APRs), compromising the municipal council's role to exercise oversight, and limiting stakeholders' ability to assess actual performance against initial KPIs and targets.

Adjustments to KPIs are driven by either external or internal factors. External factors include but are not limited to, significant changes in external circumstances, unforeseeable or unavoidable expenditure referred to in Sections 28(2)(c) and 29, national policy developments or changes to nationally prescribed indicators. Internal factors include, adjustments budgets as contemplated in Section 28(2) (a, b, d, e, and f), wording errors and poorly defined KPIs.

7.3. Criteria for adjusting KPIs in the SDBIP

The following criteria outline the conditions under which a municipality may amend the KPIs in the SDBIP during the financial year:

Internal Factors

- *Only KPI targets may be adjusted due to under-collection of revenue or reprioritisation of funds, in terms of the council-approved adjustments budget referred to in Section 28(2) (a, e & d) of the MFMA.*
- *Only KPI targets may be adjusted during the financial year, in line with Section 28(2)(b), to account for additional funding or resources that have become available during the financial year, enabling the revision or acceleration of spending programme already prioritised in the IDP.*
- *KPI description may be revised to correct errors in the wording. An explanation for the correction must accompany the revision.*
- *KPIs may be adjusted to align with changes in municipal circumstances or emergencies, provided these adjustments remain consistent with the strategic objectives and priorities outlined in the IDP. The reasons for these changes must be clearly explained in the revised SDBIP.*

External Factors

- *KPIs may be adjusted in response to amendments to legislation, government policies, or frameworks introduced by national or relevant provincial departments, affecting original KPIs. The related legislation or policy must be referenced and documented as evidence for the change.*
- *KPIs may be changed to respond to natural disasters, unforeseeable or unavoidable expenditures referred to in Sections 28(2)(c) and 29 of the MFMA. The reasons for these changes must be adequately justified.*
- *KPIs may change because of revisions to nationally prescribed indicators as contemplated by the applicable legislation or circular. An explanation for these KPI revisions must be articulated in the SDBIP, referencing the relevant legislation, framework or circular.*

Cross-cutting Conditions

- *Municipalities must reflect all KPI changes in their SDBIPs and APRs, providing clear and justifiable reasons for each change and detailing the process followed*
- *Both the original and revised KPIs must continue to be reported on in the Section 52(d) of the MFMA and the APR for accountability and transparency*
- *KPI changes are prohibited during the fourth quarter of the financial year (April – June). Only KPI changes in relation to natural disaster or*

unavoidable or unforeseen expenditure will be permitted during the fourth quarter of the financial year

7.4. Alignment of the adjustments budget and adjustments to the SDBIP

When a municipality adjusts its KPIs during the financial year, it must align the changes with the provisions of Section 28 of the MFMA and the Municipal Budgeting and Reporting Regulations (MBRR). The table below outlines the different types of adjustments budgets and their linkage to SDBIP adjustments:

Types of adjustments budget	*Timeframes*	*Sections of MFMA and MBRR*	*SDBIP KPIs in-year changes*
Adjustments due to under-collection of revenue	*Anytime*	*S.28(2)(a)*	*Only changes to KPI targets are allowed*
Main adjustments budget	*February – after the tabling of the mid-year budget assessment and performance Only one adjustments budget referred to in Section 23(1) except S.28(2)(b)*	*S.28(2) (b, d & f) Reg. 23(1&2)*	*Allows for amendments to the SDBIP to address underperformance or realignment with revised priorities and allocations. This is subjected to the conditions outlined above*
Additional funds from national / provincial government	*60 days after the approval of the relevant national / provincial adjustments budget*	*S.28(2)(b) Reg. 23(3)*	*Only changes to KPI targets are allowed*
Unforeseen and unavoidable expenditure	*Within 60 days of expenditure being incurred*	*S.28(2)(c), 29(3) & 32 Reg. 23(4), 71 & 72*	*KPIs may be adjusted to reflect changes in resources or priorities caused by*

			these expenditures
Roll-over of municipal funds	*Before 25 August*	*S.28 (2)(e), Reg. 23(5)*	*Linked to revisions of the SDBIP to include projects and targets funded by rolled-over amounts*
Authorisation of unauthorised expenditure	*During main adjustments budget in February. After tabling of the annual report for that year (7 months after the financial year end)*	*S. 28(g), 32, 127(2) Reg. 23(6)*	*No changes to KPIs are allowed*

All SDBIP adjustments must be tabled and approved in council.

National Treasury further discourages excessive or unjustified KPI revisions during the financial year as such practices distort municipal performance monitoring and reporting."

Section 1 of the Local Government: Municipal Finance Management Act No.56 of 2003, defining the SDBIP as a detailed plan approved by the Mayor of a municipality in terms of section 53 (1)(c) (ii) for implementing the municipality's delivery of municipal services and its annual budget.

Section 54(1)(c) of the Local Government: Municipal Finance Management Act No.56 of 2003.

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:**

Item noted.

8.2 **Director: Planning & Development**

Item 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**

The Executive Mayor.

10. **Recommendations**

10.1 That in terms of the provisions of the Local Government Municipal Finance Management Act, 56 of 2003, Circular 129, the amended 2024/25 Service Delivery and Budget Implementation Plan be noted.

10.2 That in terms of the provisions of Section 54(3) of the Local Government Municipal Finance Management Act, 56 of 2003, the amended 2024/25 Service Delivery and Budget Implementation Plan be made public by publication on the Municipal website.

10.3 That the Municipal Manager affects the required changes to the performance plans of Senior Managers to ensure that the performance plans are aligned to the amended 2024/25 Service Delivery and Budget Implementation Plan targets for implementation with effect 1 April 2025.

10.4 That the addendum to the Performance Agreements of Senior Managers following the amendment of the 2024/25 Service Delivery and Budget Implementation Plan, be submitted to Council.

Item prepared by the: Manager PMS 

Item endorsed by the Municipal Manager: 

KOUGA
local municipality
Good Governance through Service Excellence

Service Delivery & Budget Implementation Plan Amendment

2024/2025

TABLE OF CONTENTS

1.	Introduction	3
2.	Implementation	3
2.1	Reporting and Oversight	4
3.	Income Budgets	5
3.1	Revenue by Source	5
3.2	Revenue by Vote	6
4	Expenditure Budgets	7
4	Operating Expenditure by Vote	7
4.2	Operating Expenditure by Type	8
5.	Capital programmes	7
5.1	Capital Programmes: 2023/24	7
6	Institutional Service Delivery Implementation Plan	15

1. INTRODUCTION

The Service Delivery and Budget Implementation Plan (SDBIP) gives effect to the IDP and the budget of the municipality. It is an expression of the objectives of the Municipality in quantifiable outcomes that will be implemented by the administration for the financial period from 1 July 2024 to 30 June 2025 (the Municipal financial year).

It includes the service delivery targets and performance indicators for each quarter which is linked to the performance agreements of senior management. It therefore facilitates oversight over financial and non-financial performance of the municipality and allows the Municipal Manager to monitor the performance of the Directors, the Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality as a whole.

The primary objective of the Service Delivery and Budget implementation Plan is to detail the implementation of the IDP and budget of Kouga Municipality by setting in year quarterly targets for each of the annual targets as set out in the Integrated Development Plan.

The secondary objective is to reduce to writing the objectives of the organization and in doing so, clarifying the required performance levels, and allocating accountability to officials which in turn allows oversight of overall institutional performance.

The layers of this document will see the objectives reported by the following listed components as well as the comparisons to the Organizational Performance and in turn linked to the individual Directors and their activities within their votes.

The major components of the SDBIP are:

- Monthly projections of budgeted income and actual income per vote and per activity.
- Monthly projections of budgeted operating expenditure against actual per vote and per activity
- Capital budget expenditure.
- Quarterly projections of service levels in non-financial targets.

2. IMPLEMENTATION

The Service Delivery and Budget Implementation Plan (SDBIP) gives effect to the implementation of the IDP and the budget and as such it calls for stringent oversight to ensure that the objectives of Council for the year is achieved, and corrective actions can be implemented in good time where required.

2.1 Reporting and Oversight

To enable and facilitate oversight over the performance of the Institution and the Directorates, the following reporting requirements shall be adhered to:

- Monthly progress reports on the implementation of the SDBIP shall be submitted as follows:
  - The Municipal Manager to the Executive Mayoral Committee in so far as it relates to those Key Performance Indicators where the Municipal Manager is listed as the project Driver.
  - Directors to the relevant Portfolio Committee in so far as it relates to those Key Performance Indicators assigned to the Director as Program Driver, provided that where any Portfolio Committee does not meet monthly, reports shall be submitted on a bi-monthly basis.
- Submissions on monthly performance progress reports shall also be submitted to the Office of the Municipal Manager by the Directors within ten (10) working days of the end of each month.
- The Portfolio Councillor shall after the submission of the Departmental SDBIP Implementation Performance Report to the Portfolio Committee make a submission to the Executive Mayor on the performance of the Directorate on the implementation of the SDBIP.
- Quarterly progress reports on the overall implementation of the SDBIP shall be submitted to Council and the Performance Audit Committee.
- The quarterly Institutional SDBIP Implementation Reports must be submitted by Ward Councillors at Ward Committee level for discussion on a quarterly basis.

3.1 Revenue by Source

3. Income Budget

Description	Budget Year 2024/25													
	Original Budget	Adjusted Budget	July-Budget	August-Budget	September-Budget	October-Budget	November-Budget	December - Budget	January -Budget	February-Budget	March-Budget	April-Budget	May-Budget	June-Budget
R thousands														
Revenue														
Exchange Revenue	**667,935**	**771,689**	**66,154**	**77,983**	**83,848**	**69,811**	**69,083**	**65,412**	**66,237**	**70,244**	**78,940**	**59,471**	**70,144**	**(5,636)**
Service charges - Electricity	381,991	425,559	34,135	34,844	38,949	19,653	34,140	42,980	30,886	37,666	42,447	37,429	38,082	34,346
Service charges - Water	82,323	138,057	8,459	22,606	28,254	30,569	14,388	10,533	16,718	13,087	17,231	2,665	12,516	(38,969)
Service charges - Waste Water Management	64,086	76,014	8,416	7,554	6,606	7,238	7,837	3,499	7,913	7,307	7,550	7,545	7,617	(3,070)
Service charges - Waste management	71,123	62,146	6,957	5,763	5,767	5,774	5,886	428	5,611	5,608	5,600	5,606	5,615	3,531
Sale of Goods and Rendering of Services	9,533	9,533	800	1,253	694	868	990	503	738	846	612	248	844	1,137
Agency services	4,554	4,554	359	482	480	455	470	402	431	447	–	633	–	398
Interest earned from Receivables	32,335	32,335	3,046	3,158	3,238	3,507	3,658	4,740	1,745	3,524	2,883	3,373	3,382	(3,919)
Interest earned from Current and Non Current Assets	13,998	15,498	1,402	1,669	1,493	1,453	1,290	1,446	1,433	1,308	1,471	1,631	1,626	(724)
Rental from Fixed Assets	3,187	3,187	2,320	378	(2,012)	126	149	604	427	204	230	146	116	499
Licence and permits	2,851	2,851	254	274	271	271	273	275	215	247	191	192	207	182
Operational Revenue	1,955	1,955	7	1	108	(104)	2	2	119	2	725	2	139	952
Non-Exchange Revenue	**724,686**	**589,213**	**165,001**	**23,342**	**22,508**	**21,443**	**23,673**	**87,611**	**23,383**	**22,041**	**78,697**	**23,221**	**22,632**	**75,660**
Property rates	297,076	298,309	81,393	20,129	19,062	19,415	19,253	19,992	19,181	19,799	19,640	20,794	20,048	19,604
Fines, penalties and forfeits	143,343	43,859	1,027	1,874	198	85	110	52	(36)	39	33	40	29	40,409
Licence and permits	11,772	11,772	1,696	1,446	1,103	924	1,584	1,655	1,426	488	377	381	334	358
Transfer and subsidies - Operational	202,153	210,105	80,557	(467)	712	1,543	2,222	64,941	1,127	1,221	50,886	1,561	357	5,443
Interest	5,510	5,510	255	347	347	522	488	955	485	469	475	428	469	270
Operational Revenue	64,831	19,658	73	13	1,087	(1,045)	17	16	1,200	24	7,286	17	1,395	9,576
Total Revenue (excluding capital transfers and contributions)	**1,392,621**	**1,360,902**	**231,155**	**101,325**	**106,356**	**91,254**	**92,755**	**153,022**	**89,620**	**92,285**	**157,637**	**82,692**	**92,777**	**70,024**

3.2 Revenue by Vote

Description	Original Budget	Adjusted Budget	July-Budget	August-Budget	September-Budget	October-Budget	November-Budget	December-Budget	January-Budget	February-Budget	March-Budget	April-Budget	May-Budget	June-Budget
R thousands														
Revenue by Vote														
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	0	0		0	0	0	0	0	0	0	0	0	0	0
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1,114,752	1,114,749	1,741,902	49,965	(1,553,611)	57,484	51,972	46,000	44,269	59,876	133,306	51,489	201,656	230,441
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	446,890,292	454,924,153	152,611,625	20,688,788	22,338,960	17,616,729	19,743,282	81,019,468	(26,724,967)	20,181,528	65,178,312	21,064,739	20,807,944	40,397,746
Vote 4 - COMMUNITY SERVICES	276,782,448	167,855,190	10,980,534	9,615,640	7,478,951	8,276,132	9,499,603	4,101,049	25,285,601	8,547,776	6,610,955	7,637,994	6,174,421	63,646,535
Vote 5 - CIVIL AND WATER SERVICES	314,670,516	349,428,557	18,052,450	33,092,777	35,109,716	44,980,869	31,066,344	23,262,511	73,079,023	32,742,429	34,499,611	21,514,377	28,795,366	(26,766,914)
Vote 6 - ELECTROMECHANICAL SERVICES	409,586,232	444,756,187	34,112,275	34,818,250	38,897,330	21,196,040	34,318,856	44,050,251	35,572,638	40,125,383	44,994,247	38,232,365	40,910,146	37,528,406
Vote 7 - PLANNING AND DEVELOPMENT	77,392,432	111,631,634	1,705,115	3,576,610	1,578,991	2,480,849	2,717,494	1,690,207	1,869,299	2,677,514	79,695,083	2,138,996	2,478,772	9,022,704
Total Revenue by Vote	**1,526,436,672**	**1,529,710,470**	**219,203,900**	**101,842,030**	**103,850,336**	**94,608,103**	**97,397,550**	**154,169,486**	**109,125,862**	**104,334,507**	**231,111,513**	**90,639,959**	**99,368,305**	**124,058,918**

4. EXPENDITURE – BUDGET

4.1 Operating Expenditure by Vote

	Original Budget	Adjusted Budget	July-Budget	August-Budget	September-Budget	October-Budget	November-Budget	December-Budget	January-Budget	February-Budget	March-Budget	April-Budget	May-Budget	June-Budget
Expenditure by Vote														
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	31,455,549	31,803,357	49,695,803	1,425,490	(44,323,933)	0	1,482,733	1,312,359	1,262,966	1,708,240	3,803,177	1,468,951	5,753,177	6,574,388
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	128,954,984	126,252,527	197,281,712	5,658,889	(175,956,537)	6,510,477	5,886,132	5,209,784	5,013,704	6,781,349	15,097,800	5,831,420	22,838,883	26,098,913
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	141,868,640	136,835,165	45,903,557	6,222,914	6,719,263	5,298,879	5,938,518	24,369,584	(8,038,517)	6,070,337	19,604,774	6,335,995	6,258,754	12,151,107
Vote 4 - COMMUNITY SERVICES	386,593,941	290,666,194	19,014,425	16,650,909	12,950,915	14,331,351	16,449,973	7,101,575	43,785,774	14,801,744	11,447,850	13,226,322	10,691,927	110,213,430
Vote 5 - CIVIL AND WATER SERVICES	316,288,360	329,019,525	16,998,062	31,159,931	33,059,067	42,353,677	29,251,855	21,903,820	68,810,705	30,830,046	32,484,596	20,257,789	27,113,518	(25,203,542)
Vote 6 - ELECTRO/MECHANICAL SERVICES	466,160,410	507,837,226	38,950,516	39,756,622	44,414,249	24,202,335	39,186,397	50,298,024	40,618,006	45,816,481	51,375,910	43,654,970	46,712,549	42,851,167
Vote 7 - PLANNING AND DEVELOPMENT	34,151,831	38,579,064	589,275	1,236,050	545,688	857,363	939,146	584,123	646,016	925,329	27,542,029	739,221	856,645	3,118,180
Total Expenditure by Vote	**1,505,473,715**	**1,460,993,058**	**368,433,350**	**102,110,804**	**(122,591,288)**	**93,554,082**	**99,134,755**	**110,779,269**	**152,098,655**	**106,933,527**	**161,356,136**	**91,514,667**	**120,225,454**	**175,803,642**

4.2 Operating Expenditure by Type

Description	Budget Year 2024/25													
	Original Budget	Adjusted Budget	July-Budget	August-Budget	September-Budget	October-Budget	November-Budget	December -Budget	January -Budget	February-Budget	March-Budget	April-Budget	May-Budget	June-Budget
R thousands														
Revenue														
Expenditure By Type														
Employee related costs	471,742,544.00	482,971,117.00	37,172,957.37	37,409,639.64	38,951,728.67	37,607,278.72	58,692,406.47	38,429,683.31	42,009,037.52	39,057,053.86	39,392,287.49	39,177,007.97	39,209,224.00	35,862,811.96
Remuneration of councillors	15,594,271.00	15,594,271.00	1,128,868.35	1,229,828.38	1,924,709.39	1,266,531.60	1,266,531.60	1,266,167.14	1,267,004.66	1,227,639.83	1,241,125.90	1,267,369.12	1,267,369.12	1,241,125.90
Bulk purchases - electricity	386,298,799.00	413,349,115.00	47,294,894.27	47,755,694.17	36,488,413.19	35,418,907.30	25,023,443.76	30,549,723.25	32,398,376.69	29,698,736.45	27,936,743.56	31,101,125.80	24,002,180.14	45,680,876.42
Inventory consumed	109,018,859.00	104,695,155.00	4,372,445.10	11,055,762.10	8,262,964.81	5,044,510.98	9,673,114.64	9,679,594.43	11,995,808.77	8,781,884.30	6,426,897.63	7,567,362.32	9,916,744.38	11,918,065.54
Debt impairment	158,245,804.00	59,135,994.00	4,927,999.50	4,927,999.50	4,927,999.50	4,927,999.50	4,927,999.50	4,927,999.50	4,927,999.50	4,927,999.50	4,927,999.50	4,927,999.50	4,927,999.50	4,927,999.50
Depreciation and amortisation	117,798,047.00	117,798,047.00	-	-	29,443,129.63	9,814,376.55	9,814,376.56	9,815,300.14	9,814,376.56	9,814,376.56	9,814,376.56	9,814,376.56	-	19,653,357.85
Interest	17,403,856.00	13,001,708.00	(4,089,223.46)	(2,352,933.60)	(3,111,877.60)	2,468,609.02	1,845,770.51	14,177,279.58	2,130,779.71	1,888,029.28	2,238,987.18	688,879.36	1,645,994.69	(4,528,586.68)
Contracted services	125,372,260.00	145,758,939.00	594,252.43	5,541,419.05	9,988,498.89	11,042,003.41	16,537,648.47	16,049,216.91	8,007,271.28	11,260,285.42	14,068,239.84	12,916,731.23	15,115,641.59	24,637,730.48
Transfers and subsidies	400,000.00	400,000.00	55,555.56	-	-	-	-	-	-	166,666.67	-	-	55,555.56	122,222.22
Irrecoverable debts written off	9,358,812.00	10,078,049.00	-	-	3,492,111.03	-	-	4,006,528.67	-	-	2,579,409.31	-	-	-
Operational costs	94,240,463.00	98,210,663.00	3,361,811.83	8,152,258.30	13,090,010.67	8,603,275.23	9,573,607.20	8,163,741.67	9,425,657.44	5,062,299.99	6,669,938.09	13,317,963.90	6,839,364.47	5,950,734.20
Total Expenditure	**1,505,473,715.00**	**1,460,993,058.00**	**94,819,560.95**	**113,719,667.55**	**143,457,688.19**	**116,193,492.31**	**137,354,898.72**	**137,065,234.61**	**121,976,312.13**	**111,884,971.86**	**115,296,005.07**	**120,778,815.76**	**102,980,073.45**	**145,466,337.40**

5. CAPITAL EXPENDITURE

5.1 CAPITAL PROGRAMME 2024/25

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25
CIVIL & WATER SERVICES			
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176,117
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500,000
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137,788
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	1,121,050
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	52,608
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508,696
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconst	1,615,427
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Caus	6,478,261
ROADS AND STORMWATER	DBSA	ROADS INFRASTRUCTURE	43,478,261
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastru	424,348
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANV	80,500

SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29,169,586
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200,000
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508,609
SEWERAGE	Internal	HANKEY WWTW	5,331,662
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	4,763,577
SEWERAGE	DOHS	Phase 1 Upgrade of Thornhill Sewer Treatment Works	331,320
SEWERAGE	DOHS	Kruisfontein Bulk Sewer -Link Line	1,395,837
SEWERAGE	DOHS	Kwanomzamo Bulk Sanitation -Pump Station & Rising	4,511,687
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	140,000
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer ri	20,000
SEWERAGE	DOHS	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULA	167,175
SEWERAGE	DOHS	Ramaphosa Sewer Pump Station Upgrade	75,391
WATER	DOHS	New Reservoir Ramaphosa	659,674
WATER	DOHS	Humansdorp: Upgrading of informal settlements in K	8,118,775
WATER	DOHS	Thornhill : Upgrading of Informal Settlement	1,399,200
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	8,940,388

WATER	Internal	JILL MARCUS WATER SUPPLY	4,347,000
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637,410
WATER	WSIG	RETICULATION REPLACE PIPELINES	3,478,260
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis	80,000
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100,000
WATER	DOHS	New Reservoir on Pnt 2 of the Farm Thornhill	2,440,926
WATER	DOHS	Kruisfontein Bulk Water -Gill Marcus Reservoir & P	3,196,225
WATER	WSIG	PARADISE BEACH WATER TOWER	2,021,548
WATER	DOHS	Kwanomzamo Bulk Water : New Pipeline	3,047,557
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3,575,354
WATER	DOHS	Patensie: Upgrading of Informal Settlement (Cyril	2,629,602
WATER	DOHS	Jeffreys Bay: Upgrading of Oceanview Informal Sett	3,469,565
WATER	DOHS	Humansdorp: Upgrading of Kruisfontein Settlement	1,898,033
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3,000,000
			154,227,417

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25
COMMUNITY SERVICES			
FIRE SERVICES	District	Fire Services - Vehicle (DISTRICT)	1,391,304
LAW ENFORCEMENT	Internal	Computer Equipment	242,320
			1,633,624
OFFICE OF THE DMM			
ADMINISTRATION SERVICES	Internal	Furniture and Equipment	90,000
COUNCIL	Internal	Furniture and Equipment	150,000
DEPUTY MUNICIPAL MANAGER	Internal	Furniture and Equipment	150,000
HUMAN RESOURCES	Internal	Furniture and Equipment	80,000
INFORMATION TECHNOLOGY (ICT)	Internal	Computer Equipment	1,412,789
LEGAL SERVICES	Internal	Furniture and Equipment	50,000
			1,932,789
FINANCE AND ECONOMIC DEVELOPMENT			
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	377,517
LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100,000

REVENUE	Internal	FURNITURE &EQUIPMENT REV STAFF	106,453
REVENUE	Internal	Computer Equipment	22,477
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	385,414
			991,861
PLANNING AND DEVELOPMENT			
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 2	16,346,963
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 3	4,208,993
LAND AND PROPERTY ADMINISTRATION	Internal	Procurement of Homeless Shelter Property	1,400,000
			21,955,956
ELECTO & MECHANICAL SERVICES			
FLEET AND WORKSHOP	Finance Lease	Vehicle	51,005,878
METERING & REVENUE	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4,251,567
METERING & REVENUE	MIG	DESIGN: HIGH MAST LIGHTS	100,000
METERING AND REVENUE	DOHS	Computer Equipment (UISP FUNDING)	217,391
METERING AND REVENUE	DOHS	Kwanomzamo Bulk Electrical - Boskloof Secondary Fe	18,347,420
METERING AND REVENUE	DOHS	Electricity Transfer from NMBM to KLM	62,198
METERING AND REVENUE	DOHS	Apiesdraai Pump Station	1,980,261

METERING AND REVENUE	DOHS	Thornhill : Upgrading of Informal Settlement	1,270,400
METERING AND REVENUE	DOHS	Jeffreys Bay: Upgrading of Oceanview Informal Sett	655,434
METERING AND REVENUE	DOHS	Oceanview Substation Upgrade	9,913,043
METERING AND REVENUE	Internal	Electrical Oil circuit breakers replacement circuit breakers replacement with vacuum SCADA ready breakers	5,000,000
			92,803,592
OFFICE OF THE MM			
RISK AND INTERNAL AUDIT	Internal	Furniture and equipment	28,000
			28,000
		Total	**273,573,239**

6. INSTITUTIONAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~15~~ 1	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	~~*Achieve water quality compliance as per SAN 241:2015 by 30 June 2025*~~ *95% of water samples comply with SANS241 micro biological indicators {(Number of water samples that comply with SANS241 indicators/Number of water samples tested)x100}*	**Output**	~~*Percentage of drinking water samples complying to SANS241 (Annual Target)*~~ % of water samples compliant	94.5%	95%	95%	95%	95%	95%	95%	CWS
Reason for Change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation, baseline inserted.														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~I6~~ 2	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	~~*Limit water network losses to less than 35% measured annually*~~ Limit unaccounted water to less than 35% as at 30 June 2025 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (incl free basic water) / Number of Kilolitres Water Purchased or Purified × 100}	**Outcome**	~~*Percentage of water losses at 30 June 2025*~~ % unaccounted water	~~45%~~ 39%	<35%	<35%	-	-	-	<35%	CWS
Reason for Change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation, baseline corrected.														
~~I11~~ 3	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	~~*Green Drop compliance*~~ Achieve a 50% Green Drop compliance for the 2024/25 financial year	**Output**	*% Green Drop compliance*	19%	**75%**	50%				50%	CWS
Reason for Change	SDBIP KPI amended to ensure clarity in interpretation.														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~I12~~ 4	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	~~*Achieve water quality compliance (Blue Drop Compliance)*~~ Achieve a 70% Blue Drop Compliance for the 2024/25 financial year	**Output**	*% Blue Drop Compliance*	64.95%	75%	70%	~~70%~~	~~70%~~	~~70%~~	70%	CWS
Reason for Change	SDBIP KPI amended to ensure clarity in interpretation. Target is an annual target and targets for quarter 1, 2 and 3 removed.														
~~I7~~ 5	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	~~*households with access to potable water*~~ Number of formal residential properties that receive piped water that is connected to the municipal water infrastructure network and billed for the service as at 30 June (Reg 796)	**Output**	~~*Number of formal residential with access to potable water (Based on Residential Account Holders)*~~ Number of formal residential properties which are billed for water	~~24 500~~ 18 442	~~24 488~~ 18 442	~~24 488~~ 18 442	~~24 488~~ 18 442	~~24 488~~ 18 442	~~24 488~~ 18 442	~~24 488~~ 18 442	CWS
Reason for Change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation, baseline corrected, and quarterly targets corrected to align with financial system information.														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
6	IBSD	Facilitate the sustainable incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Complete the upgrade of Kwanomzamo, Loerie and Phillipsville Sport Facilities by 30 June 2025	**Output**	Number of upgrades completed	0	3	3	-	-	-	3	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
7	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Restore the existing roads and stormwater infrastructure for Nevil Road , Anne Avenue to Ralph Road , Botha Street and Seekoei Cause Way by 30 June 2025	**Output**	Number of projects completed	0	4	4	-	-	-	4	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
8	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Complete the planning for the upgrade of gravel roads in Kouga by 30 June 2025	**Output**	*Tender completed*	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
9	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint a service provider for the rehabilitation and reseal of surfaced roads and stormwater in Kouga by 30 June 2025	**Output**	Service provider appointed	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
10	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Reseal and rehabilitate 5.2 km of roads by 30 June 2025	**Output**	Number of kilometres of road resealed and rehabilitated	0	5.2	5.2	-	-	-	5.2	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
11	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Complete the construction of Phase 1 of the La Mer Sewer Rising Main by 31 December 2024	**Output**	Project completed	0	1	1	-	1	-	-	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
12	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Complete the refurbishment of the Hankey WWTW by 31 March 2025	**Output**	Project completed	0	1	1	-	-	1	-	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
13	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Spend 95% of the budget approved for the upgrade of the Kwanomzamo WWTW by 30 June 2025	**Output**	% of budget spent	0	95	95	30	60	80	95	
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
14	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Complete the planning for the beach sewer pumpstation by 30 June 2025	**Output**	Tender completed	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
15	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Construction of 3 new boreholes in St Francis Bay by 30 June 2025	**Output**	Number of boreholes constructed	0	3	3	-	-	-	3	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
16	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Upgrade of Jill Marcus Water Treatment Plant by 31 December 2024	**Output**	*Project completed*	0	1	1	-	1	-	-	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
17	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Replace water main in Mimosa Street by 30 June 2025	**Output**	*Project completed*	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
18	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Spend 95% of the budget allocated for the provision of basic services in Donkerhoek and Humansdorp by 30 June 2025	**Output**	% of the budget spent	0	95	95	-	10	70	95	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~18~~ 19	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	~~*Number of formal residential households with access to sanitation services*~~ Number of formal residential properties connected to the municipal wastewater sanitation/sewerage network for sewerage service (inclusive of septic tanks), irrespective of the number of water closets (toilets) and billed for the service as at 30 June (Reg 796)	**Output**	~~*Number of formal residential households with access to sanitation services (Based on Residential Account Holders)*~~ Number of residential properties which are billed for sewerage	~~24 500~~ 14 893	~~24 500~~ 14 893	~~24 500~~ 14 893	~~24 500~~ 14 893	~~24 500~~ 14 893	~~24 500~~ 14 893	~~24 500~~ 14 893	CWS
Reason for Change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation, baseline corrected and quarterly targets corrected to align with financial system information.														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
20	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint contractor for Phase 1 of the upgrade of the Thornhill Sewer Treatment Works by 30 June 2025	**Output**	Contractor appointed	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
21	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint contractor for the upgrade of the Kruisfontein Bulk Sewer Outfall (Link line) by 30 June 2025	**Output**	Contractor appointed	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
22	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint contractor for the construction of the Kwanomzamo pump station and rising main by 30 June 2025	**Output**	Contractor appointed	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
23	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint contractor for Upgrade the Kwanomzamo bulk water pipeline by 30 June 2025	**Output**	Contractor appointed	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
24	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint contractor for Construction the Gill Marcus Reservoir and feeder line for the Kruisfontein Bulk Water Supply by 30 June 2025	**Output**	Contractor appointed	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
25	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint contractor for the construction of a reservoir on portion 2 of the Farm Thornhill by 30 June 2025	**Output**	Contractor appointed	0	1	1	-	-	-	1	CWS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
26	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint contractor for the construction the Ramaphosa Reservoir in Patensie by 30 June 2025	**Output**	Contractor appointed					-	-	1	CWS
Reason for change		New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives													
27	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint contractor for the upgrading of the Apiesdraai Pump Station in Oceanview by 30 June 2025	**Output**	Contractor appointed	0	1	1	-	-	-	1	CWS
Reason for change		New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives													

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint Consultant for the design of the street re-instatement and stormwater infrastructure for Ketse Street, Nanto Street, Meyer Street and Mountain Road by 30 June 2025	**Output**	Consultant appointed	0	1	1	-	-	-	1	CWS
Reason for change		Additional KPI added following adjustments budget													
	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint Consultant for the design of the reinstatement of the Philip Street low level water crossing bridge by 30 June 2025	**Output**	Consultant appointed	0	1	1	-	-	-	1	CWS
Reason for change		Additional KPI added following adjustments budget													

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint Consultant for the reinstatement of Shirley Street by 30 June 2025	**Output**	Consultant appointed	0	1	1	-	-	-	1	CWS
Reason for change	Additional KPI added following adjustments budget														
	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Appoint Consultant for the re-instatement of Da Gama Road in the Kabeljouws area and stormwater re-instatement by 30 June 2025	**Output**	Consultant appointed	0	1	1	-	-	-	1	CWS
Reason for change	Additional KPI added following adjustments budget														
	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**		Appoint Consultant for the George Road re-instatement of embankment, water and stormwater network by 30 June 2025	**Output**	Consultant appointed	0	1	1	-	-	-	1	CWS
Reason for change	Additional KPI added following adjustments budget														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
28	GGPP	To render integrated community services to enhance community development in general and promote a clean and safe environment	**Establish and maintain a robust safety and security framework for municipal assets, protecting critical infrastructure, resources and information**	SO4	Review and submit the Public Safety Plan to Council 31 December 2024	Output	Public Safety Plan Submitted	0	1	1	-	1	-	-	CS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Service Delivery Objectives														
29	GGPP	To render integrated community services to enhance community development in general and promote a clean and safe environment	**Adherence to and implementation of effective and efficient governance processes**	SO4	Review and submit the Disaster Management Plan to Portfolio Committee by 31 May 2025	Output	Disaster Management Plan reviewed and submitted to the Portfolio Committee	1	1	1	-	-	1	-	CS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~I4~~ 30	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	~~*Households for which refuse is removed once per week*~~ Number of residential properties for which refuse is removed once per week and billed for the service as at 30 June 2025	Output	~~*Number of formal residential properties for which refuse is removed once per week (Based on Residential Account Holders)*~~ Number of residential properties which are billed for refuse removal	~~24 488~~ 18 172	~~24 488~~ 18 172	~~24 488~~ 18 172	~~24 488~~ 18 172	~~24 488~~ 18 172	~~24 488~~ 18 172	~~24 488~~ 18 172	CS
Reason for Change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation, baseline corrected, and quarterly targets corrected to align with financial system information.														
31	GGPP	Adherence to and implementation of effective and efficient governance processes	Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive local economies, sustainable and decent employment		Appoint Consultant for the review of the Coastal Management Programme by 31 March 2025	Output	Number of Consultants appointed for the review of the Coastal Management Programmes	0	1	1	-	-	1	-	CS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
32	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**		Spend 90% of the capital budget allocated for computers equipment for Operations Room by 30 June 2025 ((Total Actual Training Expenditure/ Total personnel Budget) x100))	**Output**	% budget spent	0	90	90	20	40	60	90	CS
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
33	IBSD	To render integrated community services to enhance community development in general and promote a clean and safe environment	**Establish and maintain a robust safety and security framework for municipal assets, protecting critical infrastructure, resources and information**	**SO4**	*Establish a Kouga Community Safety Forum*	**Output**	*Number of Kouga Community Safety Forums established by 31 December 2024*	New	**1**	1	-	1	-	-	CS

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
34	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	Provide excellent, sustainable service delivery to all residents		Spend 90% of the allocated capital budget for ICT by 30 June 2025 {(Total actual capital expenditure /Total capital amount budgeted) x100}	**Output**	% budget spent	0	**90**	90	-	50	-	90	DMM
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
35	MTID	To transform the institution into high performance organisation with a skilled and diverse workforce.	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	**SO8**	Review the HR Strategy and Plan and submit to Local Labour Forum by 30 May 2025	**Output**	HR Strategy and Plan reviewed and submitted to Local Labour Forum by 30 May 2024	0	**1**	1	-	-	-	1	DMM
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~MT4~~ 36	MTID	To transform the institution into high performance organisation with a skilled and diverse workforce.	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	SO8	*Spend 90% of Skills Development Training Budget*	Output	*%Expenditure of Skills Development Training Budget*	86%	90%	90%	10%	25%	45%	90%	DMM
Reason for change	KPI Changed to ensure alignment with the prescribed indicators (Reg 796)														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~MT5~~ 37	MTID	To transform the institution into high performance organisation with a skilled and diverse workforce.	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	SO8	~~*Limit the vacancy rate to less than 10% of funded posts*~~ Limit vacancy rate to 10% of funded posts by 30 June 2025 {(Number of funded posts vacant divided by budgeted funded posts) x100}	Output	~~*Staff Vacancy Rate*~~ (Number of funded posts vacant divided by budgeted funded posts) x100	2.4%	**10%**	10%	~~10%~~	~~10%~~	~~10%~~	10%	DMM
Reason for change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation, target changed to annual target														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
38	MTID	To transform the institution into high performance organisation with a skilled and diverse workforce.	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	SO8	Review the Workplace Skills Plan and submit plan to the LGSETA by 30 April 2025	Output	Workplace Skills Plan submitted to LGSETA by 30 April 2025	1	**1**	1	-	-	-	1	DMM
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives and legislative compliance														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~MTS~~ 39	MTID	To transform the institution into high performance organisation with a skilled and diverse workforce.	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	SO8	~~*The number of people from employment equity target groups employed*~~ Report on the number of people from previously disadvantaged groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	Output	~~*Number of appointments made in the top three layers of employment in compliance with the Employment Equity Plan*~~ Number of reports on the EE Candidates employed in the three highest levels of management and report submitted to the Municipal Manager quarterly	1 ~~4~~	**1** ~~3~~	4	1	1	1	1	DMM
Reason for change	KPI redefined to ensure clarity in interpretation and to ensure reporting to Department of Labour.														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~I10~~ 40	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	~~*total electricity losses*~~ Limit unaccounted electricity to less than 18% as at 30 June 2025 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated) × 100} (rolling twelve month average)	**Output**	~~*Percentage total electricity losses*~~ % unaccounted electricity	14.79%	**<16%**	<18%	>18%	>18%	<18%	<18%	ETM
Reason for change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation, target decreased for reason that no dedicated funding is available to fully address the matter														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
41	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Purchase 40 vehicles to replace redundant vehicles by 30 June 2025	**Output**	Number of vehicles purchased	0	**40**	40	-	-	-	40	ETM
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
42	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Provide electricity connections in Ocean View to 169 beneficiaries by 30 June 2025	**Output**	Number of electricity connections provided	0	**169**	169	-	-	-	169	DTM
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
43	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Complete the installation of the SCADA system by 30 June 2025	**Output**	% of the system installed	0	**100**	100	-	-	-	100	DTM
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
44	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Complete the upgrade of the Ocean View substation by 30 June 2025	**Output**	Project completed	0	**1**	1	-	-	-	1	DTM
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
45	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Complete the upgrade of the Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder Line and Substation by 30 June 2025	**Output**	Project completed	0	**1**	1	-	-	-	1	DTM
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~I9~~ 46	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	~~*households with access to electricity*~~ Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June (Reg 796)	Output	~~*% of households with access to electricity (Based on Residential Account Holders)*~~ Number of formal residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas)	~~100%~~ 19 471	~~100%~~ 19 471	~~100%~~ 19 471	~~100%~~ 19 471	~~100%~~ 19 471	~~100%~~ 19 471	~~100%~~ 19 471	ETM
Reason for change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation, baseline corrected, and quarterly targets corrected to align with financial system information.														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
47	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Provide free basic water to indigent households in terms of the approved tariffs earning up to R4360 per household as at 30 June 2025	**Outcome**	Number of indigent households receiving free basic water	5 592	**5 592**	5 592	5 592	5 592	5 592	5 592	FED
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
48	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Provide free basic electricity to indigent households in terms of the approved tariffs earning up to R4360 as at 30 June 2025	**Outcome**	Number of indigent households receiving free basic electricity	9 917	**9 917**	9 917	9 917	9 917	9 917	9 917	FED
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
49	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Provide free basic sanitation to indigent households in terms of the approved tariffs earning up to R4360 as at 30 June 2025	**Outcome**	Number of indigent households receiving free basic sanitation	4 627	**4 627**	4 627	4 627	4 627	4 627	4 627	FED
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
50	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Provide free basic refuse removal to indigent households in terms of the approved tariffs earning up to R4360 as at 30 June 2025	**Outcome**	Number of indigent households receiving free basic refuse removal	5 895	**5 895**	5 895	5 895	5 895	5 895	5 895	FED
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
51	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	**SO1**	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2025	**Outcome**	% of debt coverage	0	**45**	45	-	-	-	45	FED
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives and legislative compliance														
F8	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	**SO1**	*Cost coverage*	**Output**	*Cash/Cost coverage ratio (Annual Target)*	0.06:1	**0.75:1**	0.25:1	-	-	-	0.25:1	FED

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~F12~~ 54	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	~~Submit Annual Financial Statements to the Auditor General by 31 August~~ Submit the approved financial statements for 2023/24 to the Auditor-General by 31 August 2024	Output	~~*Number of Annual Financial Statements Submitted to the Auditor General by 31 August*~~ Approved financial statements for 2023/24 submitted to the AG	1	**1**	1	1	-	-	-	FED
Reason for change	KPI redefined to ensure clarity in interpretation														
~~F14~~ 55	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*Creditor Payments*	Output	*% Creditors payment paid within 30 days of receipt of a compliant invoice*	100%	**95**	~~90~~ 95	~~90~~ 95	~~90~~ 95	~~90~~ 95	~~90~~ 95	FED
Reason for change	KPI redefined, target increased														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~L1~~ 56	LED	To manage and promote financial services	Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive local economies, sustainable and decent employment	SO6	~~*Create number of work opportunities through EPWP*~~ The number of FTE's created through the EPWP programme by 30 June 2025	Output	*Number of temporary work opportunities created through Public Employment Programmes (EPWP)* Number of FTE's created through the EPWP programme	134	**500**	~~300~~ 400	~~50~~ 80	~~50~~ 110	~~100~~ 110	~~100~~ 110	
Reason for change	Target increased														
~~F9~~ 57	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*Current ratio* Current ratio of 1:1 for the 2024/25 financial year (Current assets/Current liabilities)	Output	*Current ratio ~~(current assets/current liabilities) (Annual Target)~~*	0.95:1	**1.5:1**	~~0.9:1~~ 1:1	-	-	-	~~0.9:1~~ 1:1	FED
Reason for change	KPI redefined, target increased														
~~F10~~ 58	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	~~*Liquidity ratio*~~ Liquidity ratio of 0.5:1 for the 2024/25 financial year (Cash and cash equivalents/Current liabilities)	Output	*Liquidity ratio ~~(Annual Target)~~*	0.04:1	**0.6:1**	~~0.2:1~~ 0.5:1				~~0.2:1~~ 0.5:1	FED
Reason for change	KPI redefined, target increased														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~F13~~ 59	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	~~Submit Final Budget to Council for approval by legislated deadline~~ Submit Final Budget to Council for approval by 31 May 2025	Output	~~*Number of Final Annual Budgets approved by Council by the legislated deadline*~~ Final Annual Budget submitted	1	**1**	1	-	-	-	1	FED
Reason for change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation														
~~F13~~ 60	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	~~Submit adjustments Budget to Council for approval by legislated deadline~~ Submit Adjustments Budget to Council for approval by the end of February 2025	Output	~~*Number of Adjustments Budgets approved by Council by the legislated deadline*~~ Adjustments Budget submitted to Council	1	**1**	1	-	-	1	-	FED
Reason for change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~G1~~ 61	GGPP	To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution	Adherence to and implementation of effective and efficient governance processes	SO7	~~*Obtain and maintain a unqualified audit opinion on Annual Financial Statements*~~ Obtain and maintain a unqualified audit opinion on Annual Financial Statements for the 2024/25 financial year	Output	~~*Number of Unqualified Audits achieved on the Annual Financial Statements*~~ Audit opinion received on the Annual Financial Statements for 2024/25	1	**1**	-	-	-	-	-	MM
Reason for change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation														
62	GGPP	To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution	Adherence to and implementation of effective and efficient governance processes	SO7	Compile a Risk Based Audit Plan (RBAP) and submit to the Audit Committee by 30 June 2025	Output	RBAP submitted to the Audit Committee	0	**1**	1	-	-	-	1	MM
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~G9~~ 63	GGPP	To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution	Adherence to and implementation of effective and efficient governance processes	SO7	~~*Review and prioritize Risk Register*~~ Compile a strategic risk register and submit to the Audit Committee by 31 May 2025	Output	~~*Number of Risk Registers reviewed by 30 June 2025*~~ Strategic risk report submitted to the Audit Committee	1	**1**	-	-	-	-	1	MM
Reason for change	SDBIP KPI and Unit of measurement amended to ensure clarity in interpretation														
~~F2~~ 64	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	~~Capital expenditure against internally funded capital budget provisions~~ The percentage of the municipal capital budget spent on capital projects as at 30 June 2025	Output	~~*Percentage expenditure against capital budget provisions for internally funded projects*~~ % of the municipal capital budget spent	55.48%	**90%**	90%	~~10%~~ 5	~~40%~~ 40	~~60%~~ 75	~~90%~~ 90	MM
Reason for change	KPI redefined to ensure clarity in interpretation.														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~MT3~~ 66	MTID	Facilitate the sustainable incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents	**To manage and provide planning services in order to ensure the economic upliftment, growth and development of the municipal area**	**SO3**	~~*Submit revised Municipal Spatial Development Framework to Council*~~ Submit the First Draft revised Spatial Development Framework (SDF) to Council by 30 June 2025	**Output**	~~*Number of revised of the Spatial Development Framework completed by 30 June 2025*~~ First Draft Spatial Development Framework submitted to Council	1	**1**	1	-	-	-	1	PD
Reason for change		KPI redefined to ensure clarity in interpretation.													

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
67	MTID	Facilitate the sustainable incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents	**To manage and provide planning services in order to ensure the economic upliftment, growth and development of the municipal area**	**SO3**	Complete the audit on the Municipal Owned Land (anomalies) and submit to Council by 30 June 2025	**Output**	Audit Report submitted to Council	0	**1**	1	-	-	-	1	PD
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
68	MTID	Facilitate the sustainable incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents	**To manage and provide planning services in order to ensure the economic upliftment, growth and development of the municipal area**	**SO3**	Service 477 sites in Hankey 990 Phase 2 by 30 June 2025	**Output**	Number of sites serviced	0	**477**	477	-	-	-	477	PD
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
69	MTID	Facilitate the sustainable incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents	**To manage and provide planning services in order to ensure the economic upliftment, growth and development of the municipal area**	**SO3**	Complete Service Level Agreement for the servicing of 113 sites Hankey 990 Phase 3 by 30 June 2025	**Output**	Service Level Agreement concluded	0	**1**	1	-	-	-	1	PD
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														
70	MTID	Facilitate the sustainable incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents	**To manage and provide planning services in order to ensure the economic upliftment, growth and development of the municipal area**	**SO3**	Submit and review Land Disposal Policy to Council by 30 June	**Output**	Land Disposal Policy reviewed	0	**1**	1	-	-	-	1	PD
Reason for change	New Additional Key Performance Indicator included to ensure SDBIP Alignment with Budget and Service Delivery Objectives														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~L2~~	~~LED~~	~~To manage and promote financial services~~	~~Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive local economies, sustainable and decent employment~~	~~SO6~~	~~Spend 90% of EPWP Grant funding~~	~~Output~~	~~*% Expenditure of the EPWP grant funding received*~~	~~100%~~	~~90%~~	~~90%~~	~~5%~~	~~40%~~	~~70%~~	~~90%~~	~~FED~~
Reason for change	KPI removed, EPWP target included as job opportunities created through the EPWP programme SDBIP reference number 56														
~~L4~~	~~LED~~	~~To manage and promote financial services~~	~~Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive local economies, sustainable and decent employment~~	~~SO6~~	~~*Days from the point of advertising to BAC award per 80/20 procurement process*~~	~~Output~~	~~*Average number of days from the point of advertising to BAC award per 80/20 procurement process*~~	~~New~~	~~90~~	~~90~~	~~90~~	~~90~~	~~90~~	~~90~~	~~FED~~
Reason for change	Cascaded down to Departmental SDBIP														
F1	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	Operating expenditure against total budget	Output	*Percentage of operating expenditure against total budget (excluding non-cash items)*	89.5%	**90%**	90%	22.5%	45%	67.5%	90%	FED

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
F3	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	Capital grant expenditure	Output	*Percentage of capital expenditure against Capital grant funding received (Conditional Grants received by 1 July 2024)*	100%	**90%**	90%	5%	45%	75%	90%	MM
F4	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	FMG Grant funding expenditure	Output	*% Expenditure of the FMG grant funding received*	100%	**90%**	90%	5%	40%	70%	90%	FED
F5	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*Cash and cash equivalent*	Output	*Percentage change in cash and cash equivalent (short term) between approved budget versus actual (Annual Target)*	New	**50%**	5%	-	-	-	5%	FED
Reason for change	Previous year ended on R143 mil on cash and cash equivalent initial target set at R43 million, target revised to realistic level														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~F6~~	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*expenditure on remuneration*	Output	*Percentage of total operating expenditure on remuneration (Excluding Councillors and non-cash items) (Annual Target)*	34%	**35%**	35%	-	-	-	35%	DMM
F7	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*Revenue Growth excluding capital grants*	Output	*Percentage of Revenue Growth excluding capital grants (Annual Target)*	New	**CPIX + 0.5%**	CPIX + 0.5%				CPIX + 0.5%	FED
F11	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1		Output	*% Revenue collected against revenue raised on municipal service accounts*	95%	**95%**	95%	95%	95%	95%	95%	FED

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~G10~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Functional performance audit measured by means of meetings where the Audit Committee dealt with performance reports*~~	~~Output~~	~~*Number of meetings where the Audit Committee considered Institutional Performance Reports*~~	~~4~~	~~2~~	~~2~~	-	~~1~~	-	~~1~~	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														
~~G11~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Submit Final Annual Report and Oversight Report to Council before legislated deadlines*~~		~~*Number of Final Annual Report and Oversight Report to Council before legislated deadlines*~~	~~1~~	~~1~~	~~1~~	-	-	~~1~~	-	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														
~~G12~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Approval of IDP/Budget Process Plan by 31 August*~~	~~Output~~	~~*Number of IDP/Budget Process Plans approved by Council by 31 August*~~	~~1~~	~~1~~	~~1~~	~~1~~	-	-	-	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~G13~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Submit the Draft IDP to Council by 31 March 2025*~~	~~Output~~	~~*Number of Draft IDP submitted to Council by 31 March 2025*~~	~~1~~	~~1~~				~~1~~		
Reason for change	Cascaded down to Departmental SDBIP														
~~G14~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Submit the final reviewed IDP to Council by 30 June 2025*~~	~~Output~~	~~*Number of IDP's approved by Council 30 June 2025*~~	~~1~~	~~1~~	~~1~~	~~1~~	~~-~~	~~-~~	~~-~~	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														
I1	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	Capital Grant Funding Expenditure	Output	*% Expenditure of MIG Capital Grant funding*	100%	90%	90%	5%	45%	75%	90%	CWS
I2	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	Capital Grant Funding Expenditure	Output	*% Expenditure of WSIG Capital Grant funding*	100%	90%	90%	5%	45%	75%	90%	CWS

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
I3	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Capital Grant Funding Expenditure	**Output**	*% Expenditure of DMRE Capital Grant funding*	100%	90%	90%	5%	45%	75%	90%	ETM
~~I15~~	~~IBSD~~	~~To manage and ensure the provision of basic municipal services and the reduction of backlogs~~	~~**Provide excellent, sustainable service delivery to all residents**~~	~~**SO2**~~	~~*Ensure Indigent Resident have access to Basic Service*~~	~~**Output**~~	~~*% of residents as per the Indigent Register with access to free basic Services*~~	~~100%~~	~~**90%**~~	~~90%~~	~~90%~~	~~90%~~	~~90%~~	~~90%~~	~~CWS/ ETM /CS~~
Reason for change		KPI split into different basic services. New SDBIP reference numbers 47 = Water, 48 = Electricity, 49 = Sanitation, 50 = Refuse													
I16	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	*Repairs and Maintenance*	**Output**	*% Expenditure of repairs and maintenance budget provisions*	New	**85%**	80%	10%	40%	70%	80%	CWS/ ETM/ CS/DMM
MT1	MTID	To render integrated community services to enhance community development in general and promote a clean and safe environment	**Establish and maintain a robust safety and security framework for municipal assets, protecting critical infrastructure, resources and information**	**SO4**	*Ensure 75% of emergency response time is within 15min from when called received to areas where service is available*	**Output**	*% Response time for fire and emergency incidents*	75%	**75%**	75%	75%	75%	75%	75%	CS

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	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~G2~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Institutional SDBIP approved by the Executive Mayor within 28 days after Annual Budget Approval*~~	~~Output~~	~~*Number of days for the approval of the Institutional SDBIP by the Executive Mayor after annual budget approval*~~	~~28~~	~~28~~	~~28~~	~~28~~	-	-	-	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														
~~G3~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Timeous development and conclusion of Section 57 Performance Agreements*~~		~~*% of signed Section 57 Manager Performance Agreements by 31 July 2024*~~	~~100%~~	~~100%~~	~~100%~~	~~100%~~	-	-	-	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														
~~G4~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Timeous development and conclusion of Section 57 Performance Agreements*~~		~~*% of signed Section 56Manager Performance Agreements by 31 July 2024*~~	~~100%~~	~~100%~~	~~100%~~	~~100%~~	-	-	-	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~G5~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Formal evaluation of the performance of Section 57 Employees*~~		~~*Number of formal performance evaluations conducted per Section 57 Employee*~~	~~4~~	~~2~~	~~1~~	-	-	~~1~~	-	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														
~~G6~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Formal evaluation of the performance of Section 56 Employees*~~	~~Output~~	~~*Number of formal performance evaluations conducted per Section 56 Employee*~~	~~4~~	~~2~~	~~1~~	~~-~~	~~-~~	~~1~~	~~-~~	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														
~~G7~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Informal evaluation of the performance of Section 57 Employees*~~	~~Output~~	~~*Number of informal performance evaluations conducted per Section 57 Employee*~~	~~2~~	~~2~~	~~1~~	-	~~1~~	-	~~1~~	~~MM~~
Reason for change	Cascaded down to Departmental SDBIP														

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2024/25 TARGET	Q1	Q2	Q3	Q4	
~~G8~~	~~GGPP~~	~~To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution~~	~~Adherence to and implementation of effective and efficient governance processes~~	~~SO7~~	~~*Informal evaluation of the performance of Section 56 Employees*~~	~~Output~~	~~*Number of informal performance evaluations conducted per Section 56 Employee*~~	~~2~~	~~2~~	~~1~~	-	~~1~~	-	~~1~~	~~MM~~
Reason for change		Cascaded down to Departmental SDBIP													

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 31 MARCH 2025
ITEM NO:**25/03/MM5**

DRAFT 2025/26 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

1. **Introduction**

The various Municipal Finance Management Act Circulars require that the draft Service Delivery and Budget Implementation Plan be submitted to the National Treasury immediately after a draft budget has been submitted to Council.

It is not regarded prudent to make a submission to National Treasury prior to submission to Council and the Draft 2025/26 Service Delivery Plan is thus submitted to Council for information.

The Draft 2025/26 Service Delivery and Budget Implementation Plan is attached hereto as Annexure "A".

The MFMA Circular 126 is attached as Annexure "B".

2. **Background**

The Ignite Consult was appointed to assist with Strategic Planning for the 2025/26 year and the remainder of the Integrated Development Plan period which expires on 30 June 2027.

The Strategic Planning sessions resulted in a Draft Institutional Scorecard for the period 1 July 2025 to 30 June 2027 captured in the Integrated Development Plan.

3. **Discussion**

The Draft 2025/26 SDBIP is based on the Draft Institutional Scorecard for the period 1 July 2025 to 30 June 2027 specifically setting out implementation targets to be achieved during the 2025/26 year.

Capital Project related targets are not included in the Draft 2025/26 SDBIP and are dependent on final budget approval.

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**

National Treasury Budget Circulars require the submission of a draft SDBIP to National Treasury with the submission of the draft budget.

In terms of Section 53 of the Municipal Financial Management Act (MFMA), the SDBIP is defined as a detailed plan approved by the mayor of a municipality for implementing the municipality's delivery of municipal services, and its annual budget.

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:**

Item 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**

Supported.

9. **Delegated Authority**

The Executive Mayor.

10. **Recommendations**

10.1 That the Draft 2025/26 Service Delivery and Budget Implementation Plan be noted.

10.2 That in terms of the provisions of National Treasury MTREF Circular 126, the Draft 2025/26 Service Delivery and Budget Implementation Plan be submitted to National Treasury with the Draft 2025/26 Budget.

Item prepared by the: Manager PMS



Item endorsed by the Municipal Manager:



KOUGA
local municipality
Good Governance through Service Excellence

DRAFT
Service Delivery & Budget Implementation Plan

2025/2026

TABLE OF CONTENTS

1.	Introduction	3
2.	Implementation	3
2.1	Reporting and Oversight	4
3	Revenue by Source and Type	5
4	Operating Expenditure by Vote and Type	6
5	Capital programmes	7
6	Institutional Service Delivery Implementation Plan	8

1. INTRODUCTION

The Service Delivery and Budget Implementation Plan (SDBIP) gives effect to the IDP and the budget of the municipality. It is an expression of the objectives of the Municipality in quantifiable outcomes that will be implemented by the administration for the financial period from 1 July 2025 to 30 June 2026 (the Municipal financial year).

It includes the service delivery targets and performance indicators for each quarter which is linked to the performance agreements of senior management. It therefore facilitates oversight over financial and non-financial performance of the municipality and allows the Municipal Manager to monitor the performance of the Directors, the Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality as a whole.

The primary objective of the Service Delivery and Budget implementation Plan is to detail the implementation of the IDP and budget of Kouga Municipality by setting in year quarterly targets for each of the annual targets as set out in the Integrated Development Plan.

The secondary objective is to reduce to writing the objectives of the organization and in doing so, clarifying the required performance levels, and allocating accountability to officials which in turn allows oversight of overall institutional performance.

The layers of this document will see the objectives reported by the following listed components as well as the comparisons to the Organizational Performance and in turn linked to the individual Directors and their activities within their votes.

The major components of the SDBIP are:

- Monthly projections of budgeted income and actual income per vote and per activity.
- Monthly projections of budgeted operating expenditure against actual per vote and per activity
- Capital budget expenditure.
- Quarterly projections of service levels in non-financial targets.

2. IMPLEMENTATION

The Service Delivery and Budget Implementation Plan (SDBIP) gives effect to the implementation of the IDP and the budget and as such it calls for stringent oversight to ensure that the objectives of Council for the year is achieved, and corrective actions can be implemented in good time where required.

2.1 Reporting and Oversight

To enable and facilitate oversight over the performance of the Institution and the Directorates, the following reporting requirements shall be adhered to:

- Progress reports on the implementation of the SDBIP shall be submitted as follows:
  - The Municipal Manager to the Executive Mayoral Committee in so far as it relates to those Key Performance Indicators where the Municipal Manager is listed as the project Driver.
  - Directors to the relevant Portfolio Committee in so far as it relates to those Key Performance Indicators assigned to the Director as Program Driver, provided that where any Portfolio Committee does not meet monthly, reports shall be submitted on a bi-monthly basis.
- The Portfolio Councillor shall after the submission of the Departmental SDBIP Implementation Performance Report to the Portfolio Committee make a submission to the Executive Mayor on the performance of the Directorate on the implementation of the SDBIP.
- Quarterly progress reports on the overall implementation of the SDBIP shall be submitted to Council and the Performance Audit Committee.
- The quarterly Institutional SDBIP Implementation Reports must be submitted by Ward Councillors at Ward Committee level for discussion on a quarterly basis.

3. Revenue by Vote and type

MONTHLY CASH FLOWS	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework
R thousand	**July**	**August**	**Sept.**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Budget Year 2025/26**
Cash Receipts By Source													
Property rates	36 921	17 457	18 905	18 696	49 894	49 914	19 009	19 644	19 333	20 495	19 235	19 972	309 473
Service charges - electricity revenue	56 040	37 900	55 686	42 779	45 572	95 343	19 962	39 534	42 300	45 363	45 623	18 205	544 308
Service charges - water revenue	18 205	7 018	15 204	16 300	13 529	14 762	21 591	14 610	18 464	19 842	18 583	6 679	184 788
Service charges - sanitation revenue	9 495	7 963	7 563	7 453	7 744	7 412	8 752	7 717	10 019	8 404	10 453	5 305	98 279
Service charges - refuse revenue	8 509	6 587	6 679	6 592	6 604	6 574	6 591	6 573	6 570	6 586	6 568	6 533	80 968
Rental of facilities and equipment	211	180	180	224	208	744	617	288	380	320	272	198	3 821
Interest earned - external investments	401	480	654	621	871	609	2 753	1 208	1 757	2 587	2 307	2 025	16 273
Fines, penalties and forfeits	16	19	22	18	77	102	71	14	102	59	93	39	633
Licences and permits	6 496	3 707	2 583	2 778	2 545	2 027	5 188	3 114	1 754	1 145	1 929	1 527	34 792
Agency services	380	380	380	380	380	380	380	380	380	380	380	380	4 554
Transfers and Subsidies - Operational	68 393	5 238	1 103		1 124	68 393		1 124	69 019			–	214 394
Other revenue	3 508	9 237	2 050	5 396	9 144	4 437	4 237	6 420	5 359	2 791	1 690	17 517	71 786
Cash Receipts by Source	**208 573**	**96 166**	**111 007**	**101 237**	**137 691**	**250 698**	**89 150**	**100 625**	**175 436**	**107 972**	**107 133**	**78 381**	**1 564 068**
Transfers and subsidies - capital (monetary allocations)	19 793	10 719	19 793		17 719	19 793		10 719	28 653			–	127 188
Borrowing long term/refinancing									100 000			–	100 000
Total Cash Receipts by Source	**228 366**	**106 884**	**130 800**	**101 237**	**155 410**	**270 491**	**89 150**	**111 344**	**304 089**	**107 972**	**107 133**	**78 381**	**1 791 255**

4. Expenditure by vote and type

MONTHLY CASH FLOWS	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework
R thousand	**July**	**August**	**Sept.**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Budget Year 2025/26**
Cash Payments by Type													
Employee related costs	(37 187)	(37 187)	(37 187)	(37 187)	(65 187)	(37 187)	(37 187)	(37 187)	(37 187)	(37 187)	(37 187)	(65 187)	(502 243)
Remuneration of councillors	(1 332)	(1 332)	(1 332)	(1 332)	(1 332)	(1 332)	(1 332)	(1 332)	(1 332)	(1 332)	(1 332)	(1 332)	(15 988)
Finance charges	(298)	(298)	(3 015)	(298)	(298)	(2 957)	(298)	(298)	(2 843)	(298)	(298)	(8 070)	(19 267)
Bulk purchases - Electricity	(60 730)	(60 571)	(50 384)	(40 004)	(39 281)	(39 242)	(41 464)	(39 296)	(35 693)	(38 701)	(36 499)	(54 046)	(535 911)
Other materials	(3 669)	(13 764)	(3 111)	(22 831)	(5 650)	(5 946)	(3 085)	(11 924)	(9 749)	(8 305)	(8 605)	(6 197)	(102 836)
Contracted services	(2 434)	(6 055)	(9 355)	(14 075)	(14 581)	(13 182)	(8 455)	(10 565)	(11 472)	(17 577)	(20 392)	(30 822)	(158 964)
Transfers and grants - other					(400)			(550)				–	(950)
Other expenditure	(6 726)	(11 397)	(28 807)	(10 454)	(18 350)	(14 259)	(12 840)	(11 625)	(16 401)	(13 611)	(16 612)	(34 987)	(196 070)
Cash Payments by Type	**(112 375)**	**(130 603)**	**(133 191)**	**(126 181)**	**(145 079)**	**(114 106)**	**(104 661)**	**(112 777)**	**(114 678)**	**(117 011)**	**(120 924)**	**(200 641)**	**(1 532 229)**
Capital assets	(1 311)	(32 451)	(6 939)	(28 009)	(18 567)	(28 132)	(5 005)	(40 672)	(23 686)	(43 276)	(14 479)	(17 677)	(260 204)
Repayment of borrowing	(1 115)	(1 115)	(3 199)	(1 115)	(1 115)	(3 199)	(1 115)	(1 115)	(3 199)	(1 115)	(1 115)	(5 471)	(23 990)
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**(114 802)**	**(164 170)**	**(143 329)**	**(155 306)**	**(164 762)**	**(145 437)**	**(110 781)**	**(154 565)**	**(141 563)**	**(161 403)**	**(136 518)**	**(223 789)**	**(1 816 423)**
NET INCREASE/(DECREASE) IN CASH HELD	**113 564**	**(57 286)**	**(12 529)**	**(54 069)**	**(9 352)**	**125 054**	**(21 631)**	**(43 221)**	**162 526**	**(53 430)**	**(29 385)**	**(145 409)**	**(25 168)**

Cash/cash equivalents at the month/year begin:	170 463	284 027	226 742	214 212	160 143	150 791	275 845	254 214	210 993	373 520	320 089	290 704	170 463
Cash/cash equivalents at the month/year end:	284 027	226 742	214 212	160 143	150 791	275 845	254 214	210 993	373 520	320 089	290 704	145 295	145 295

5. Capital programmes

Capital programmes for the 2025/26 year shall be included following the approval of the 2025/25 budget.

6. INSTITUTIONAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2025/26

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
1	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	*95% of water samples comply with SANS241 micro biological indicators {(Number of water samples that comply with SANS241 indicators/Number of water samples tested)x100}*	Output	% of water samples compliant	94.5%	95%	95%	95%	95%	95%	95%	CWS
2	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	Limit unaccounted water to less than 35% as at 30 June 2026 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (incl free basic water) / Number of Kilolitres Water Purchased or Purified × 100}	Outcome	% unaccounted water	39%	<35%	<35%	-	-	-	<35%	CWS

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
3	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Achieve a 65% Green Drop compliance for the 2025/26 financial year	**Output**	*% Green Drop compliance*	19%	**75%**	65%%				65%	CWS
4	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Achieve a 70% Blue Drop Compliance for the 2024/25 financial year	**Output**	*% Blue Drop Compliance*	64.95%	75%	75%				75%	CWS
5	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Number of formal residential properties that receive piped water that is connected to the municipal water infrastructure network and billed for the service as at 30 June (Reg 796)	**Output**	Number of formal residential properties which are billed for water	18 442	18 442	18 442	18 442	18 442	18 442	18 442	CWS
10	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Reseal and rehabilitate 25 km of roads by 30 June 2026	**Output**	Number of kilometres of road resealed and rehabilitated	0	150	25	-	-	-	25	CWS

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
14	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	Complete the beach sewer pumpstation by 30 June 2026	Output	Tender completed	0	1	1	-	-	-	1	CWS
19	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	Number of formal residential properties connected to the municipal wastewater sanitation/sewerage network for sewerage service (inclusive of septic tanks), irrespective of the number of water closets (toilets) and billed for the service as at 30 June (Reg 796)	Output	Number of residential properties which are billed for sewerage	14 893	14 893	14 893	14 893	14 893	14 893	14 893	CWS
20	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	Complete Phase 2 of the upgrade of the Thornhill Sewer Treatment Works by 30 June 2026	Output	Project completed	0	1	1	-	-	-	1	CWS

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
30	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	Number of residential properties for which refuse is removed once per week and billed for the service as at 30 June 2026	Output	Number of residential properties which are billed for refuse removal	18 172	18 172	18 172	18 172	18 172	18 172	18 172	CS
31	GGPP	Adherence to and implementation of effective and efficient governance processes	Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive local economies, sustainable and decent employment		Review of the Coastal Management Programme by 30 June 2026	Output	Coastal Management Programmes reviewed	0	1	1	-	-	1	-	CS

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
36	MTID	To transform the institution into high performance organisation with a skilled and diverse workforce.	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	SO8	*Spend 90% of Skills Development Training Budget*	Output	*%Expenditure of Skills Development Training Budget*	86%	90%	90%	10%	25%	45%	90%	DMM
37	MTID	To transform the institution into high performance organisation with a skilled and diverse workforce.	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	SO8	Limit vacancy rate to 10% of funded posts by 30 June 2026 {(Number of funded posts vacant divided by budgeted funded posts) x100}	Output	(Number of funded posts vacant divided by budgeted funded posts) x100	2.4%	**10%**	10%				10%	DMM

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
38	MTID	To transform the institution into high performance organisation with a skilled and diverse workforce.	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	SO8	Review the Workplace Skills Plan and submit plan to the LGSETA by 30 April 2026	Output	Workplace Skills Plan submitted to LGSETA by 30 April 2026	1	1	1	-	-	-	1	DMM
39	MTID	To transform the institution into high performance organisation with a skilled and diverse workforce.	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	SO8	Report on the number of people from previously disadvantaged groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	Output	Number of reports on the EE Candidates employed in the three highest levels of management and report submitted to the Municipal Manager quarterly	4	4	1	1	-	-		DMM

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
40	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Limit unaccounted electricity to less than 16% as at 30 June 2026 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated) × 100} (rolling twelve month average)	**Output**	% unaccounted electricity	14.79%	**<16%**	<16%	>16%	>16%	<16%	<16%	ETM

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
46	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June (Reg 796)	**Output**	Number of formal residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas)	19 471	19 471	19 471	19 471	19 471	19 471	19 471	ETM
47	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Provide free basic water to indigent households in terms of the approved tariffs earning up to R4360 per household as at 30 June 2025	**Outcome**	Number of indigent households receiving free basic water	5 592	**5 592**	5 592	5 592	5 592	5 592	5 592	FED

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
48	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Provide free basic electricity to indigent households in terms of the approved tariffs earning up to R4360 as at 30 June 2025	**Outcome**	Number of indigent households receiving free basic electricity	9 917	**9 917**	9 917	9 917	9 917	9 917	9 917	FED
49	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Provide free basic sanitation to indigent households in terms of the approved tariffs earning up to R4360 as at 30 June 2025	**Outcome**	Number of indigent households receiving free basic sanitation	4 627	**4 627**	4 627	4 627	4 627	4 627	4 627	FED
50	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Provide free basic refuse removal to indigent households in terms of the approved tariffs earning up to R4360 as at 30 June 2026	**Outcome**	Number of indigent households receiving free basic refuse removal	5 895	**5 895**	5 895	5 895	5 895	5 895	5 895	FED

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
51	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2026	Outcome	% of debt coverage	0	**45**	45	-	-	-	45	FED
54	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	Submit the approved financial statements for 2024/25 to the Auditor-General by 31 August 2025	Output	Approved financial statements for 2024/25 submitted to the AG	1	**1**	1	1	-	-	-	FED
55	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*Creditor Payments*	Output	*% Creditors payment paid within 30 days of receipt of a compliant invoice*	100%	**95**	95	95	95	95	95	FED

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
56	LED	To manage and promote financial services	Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive local economies, sustainable and decent employment	SO6	The number of FTE's created through the EPWP programme by 30 June 2025	Output	*Number of temporary work opportunities created through Public Employment Programmes (EPWP)* Number of FTE's created through the EPWP programme	134	**500**	400	80	100	110	110	
57	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*Current ratio* Current ratio of 1:15 for the 2025/265 financial year (Current assets/Current liabilities)	Output	*Current ratio*	0.95:1	**1.9:1**	0.9:1	-	-	-	0.9:1	FED
58	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	Liquidity ratio of 0.55:1 for the 2025/6 financial year (Cash and cash equivalents/Current liabilities)	Output	*Liquidity ratio~~)~~*	0.04:1	**0.6:1**	0.5:1				0.5:1	FED

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
59	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	Submit Final Budget to Council for approval by 31 May 2026	Output	Final Annual Budget submitted	1	**1**	1	-	-	-	1	FED
60	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	Submit Adjustments Budget to Council for approval by the end of February 2026	Output	Adjustments Budget submitted to Council	1	**1**	1	-	-	1	-	FED
61	GGPP	To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution	Adherence to and implementation of effective and efficient governance processes	SO7	Maintain a Unqualified audit opinion on Annual Financial Statements for the 2024/25 financial year	Output	Audit opinion received on the Annual Financial Statements for 2024/25	1	**1**	-	-	-	-	-	MM

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
62	GGPP	To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution	Adherence to and implementation of effective and efficient governance processes	SO7	Compile a Risk Based Audit Plan (RBAP) and submit to the Audit Committee by 30 June 2026	Output	RBAP submitted to the Audit Committee	0	**1**	1	-	-	-	1	MM
63	GGPP	To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution	Adherence to and implementation of effective and efficient governance processes	SO7	Review the strategic risk register and submit to the Audit Committee by 31 May 2026	Output	Strategic risk report submitted to the Audit Committee	1	**1**	-	-	-	-	1	MM
64	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	The percentage of the municipal capital budget spent on capital projects as at 30 June 2026	Output	% of the municipal capital budget spent	55.48%	**90%**	85%	5	40	75	85	MM

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
69	MTID	Facilitate the sustainable incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents	**To manage and provide planning services in order to ensure the economic upliftment, growth and development of the municipal area**	**SO3**	Service 113 sites Hankey 990 Phase 3 by 30 June 2026	**Output**	Number of sites serviced	0	**0**	113	-	-	-	113	PD
F1	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	**SO1**	Operating expenditure against total budget	**Output**	*Percentage of operating expenditure against total budget (excluding non-cash items)*	89.5%	**90%**	90%	22.5%	45%	67.5%	90%	FED
F3	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	**SO1**	Capital grant expenditure	**Output**	*Percentage of capital expenditure against Capital grant funding received (Conditional Grants received by 1 July 2025)*	100%	**90%**	90%	5%	45%	75%	90%	MM

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
F4	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	FMG Grant funding expenditure	Output	*% Expenditure of the FMG grant funding received*	100%	**90%**	90%	5%	40%	70%	90%	FED
F5	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*Cash and cash equivalent*	Output	*Percentage change in cash and cash equivalent (short term) between approved budget versus actual (Annual Target)*	New	**50%**	5%	-	-	-	5%	FED
F6	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*expenditure on remuneration*	Output	*Percentage of total operating expenditure on remuneration (Excluding Councillors and non-cash items) (Annual Target)*	34%	**35%**	36%	-	-	-	36%	DMM

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
F7	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*Revenue Growth excluding capital grants*	Output	*Percentage of Revenue Growth excluding capital grants (Annual Target)*	New	**CPIX + 0.5%**	CPIX + 0.5%				CPIX + 0.5%	FED
F8	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1	*Cost coverage*	Output	*Cash/Cost coverage ratio (Annual Target)*	0.06:1	**0.6:1**	0.5:1	-	-	-	0.5:1	FED
F11	MFVM	To manage and provide financial foundation, maximize	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	SO1		Output	*% Revenue collected against revenue raised on municipal service accounts*	95%	**95%**	95%	95%	95%	95%	95%	FED
I1	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	SO2	Capital Grant Funding Expenditure	Output	*% Expenditure of MIG Capital Grant funding*	100%	90%	90%	5%	45%	75%	90%	CWS

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
I2	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Capital Grant Funding Expenditure	**Output**	*% Expenditure of WSIG Capital Grant funding*	100%	90%	90%	5%	45%	75%	90%	CWS
I3	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Capital Grant Funding Expenditure	**Output**	*% Expenditure of DMRE Capital Grant funding*	100%	90%	90%	5%	45%	75%	90%	ETM
	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	Capital Grant Funding Expenditure	**Output**	*% Expenditure of MDRG Capital Grant funding*	100%	90%	90%	5%	45%	75%	90%	CWS
I16	IBSD	To manage and ensure the provision of basic municipal services and the reduction of backlogs	**Provide excellent, sustainable service delivery to all residents**	**SO2**	*Repairs and Maintenance*	**Output**	*% Expenditure of repairs and maintenance budget provisions*	New	**85%**	85%	10%	40%	75%	85%	CWS/ ETM/ CS/D MM

SDBIP REF	NATIONAL STRATEGIC LINK	MUNICIPAL STRATEGIC LINK			MUNICIPAL PLANNED DELIVERY						2024/2025 QUARTERLY TARGETS				Directorate
	National Key Performance Area	Predetermined Objective	Strategic Objective	SO Ref	Key Performance Indicator	Indicator Type	Unit of Measurement	Baseline	MEDIUM TERM TARGET 2024-2027	2025/26 TARGET	Q1	Q2	Q3	Q4	
MT1	MTID	To render integrated community services to enhance community development in general and promote a clean and safe environment	**Establish and maintain a robust safety and security framework for municipal assets, protecting critical infrastructure, resources and information**	SO4	*Ensure 75% of emergency response time is within 15min from when called received to areas where service is available*	Output	*% Response time for fire and emergency incidents*	75%	**75%**	75%	75%	75%	75%	75%	CS

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 31 MARCH 2025
ITEM NO:**25/03/MM6**

TABLING OF THE DRAFT REVIEWED 2025/2026 INTEGRATED DEVELOPMENT PLAN (IDP)

1. **Introduction**

The purpose of the item is to table the Draft Reviewed 2025/2026 IDP as prescribed in the Local Government: Municipal Systems Act 32 of 2000 and the Local Government: Municipal Finance Management Act 56 of 2003. The overall objective being to request Council's to note the Draft Reviewed 2025/2026 IDP as it will serve as a basis for further public consultation and participation during April/May 2025.

2. **Background**

On 31 August 2024, Council adopted a IDP and Budget Timetable in compliance with the requirements of Section 21(b) of the Local Government: Municipal Finance Management Act 56 of 2003, which stipulates that:

"The mayor of a municipality must at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for-;

(i) the preparation, tabling and approval of the annual budget;

(ii) the annual review of –

(a) the integrated development plan in terms of Section 34 of the Municipal Systems Act; and

(b) the budget-related policies;

(iii) the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and

(iv) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii)."

"Section 34 of the Local Government: Municipal Systems Act 32 of 2000 further states that a municipal council must review its integrated development plan:

(i) annually in accordance with an assessment of its performance measurements; and

(ii) to the extent that changing circumstances so demand."

In compliance with the above, Kouga Municipality has embarked on a review to further develop its IDP and Budget towards the 2024/2025 financial year in accordance with the requirements set out in the Local Government: Municipal Systems Act 32 2000 the Local Government: Municipal Planning and Performance Management Regulations, 2001 and the Local Government: Municipal Finance Management Act 56 of 2003.

Annual revisions allow each municipality to expand upon or refine plans and strategies, to include additional issues and to ensure that these plans and strategies inform institutional and financial planning. The review and amendment of the IDP thus, further develops the IDP and ensures that it remains relevant to the critical challenges facing the Municipality.

Section 16 of the Local Government: Municipal Systems Act 32 of 2000 stipulates that:

"(1) A municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose –

(a) encourage and create conditions for, the local community to participate in the affairs of the municipality, including in –

(i) the preparation, the implementation and review of its integrated development plan."

3. **Discussion**

Accordingly, Kouga Municipality embarked on community engagements following the Community Based Planning (CBP) methodology with all the 15 wards from 01 October 2024 to 04 November 2024. These engagements were facilitated as part of the first round of public participation towards the annual review of the IDP. The overall objectives of these engagements were:

- To provide feedback on progress made with respect to existing projects and share information on future projects; and

- Afford community an opportunity to review IDP ward priorities and reprioritise where necessary.

The outcomes of the above process were documented and form part of the draft 2025/2026 IDP attached as **Annexure A** to the Agenda.

Exposition of facts - process undertaken

The section below specifies key activities and sessions that have been undertaken to date towards the annual review of the 2025/2026 IDP. These included the following:

(Summary of the IDP & Budget Time Schedule – key milestones)

DELIVERABLE AND PROCESS MANAGEMENT	DATE
Development of IDP & Budget Time Schedule including internal consultations with key stakeholders	July 2024
COUNCIL MEETING: Adoption of the IDP & Budget Time Schedule	28 August 2024
Advertise/ make public the adopted Time Schedule	September 2024
Submit the adopted Time Schedule to the MEC for Local Government	September 2024
IDP Awareness" Know Your IDP Campaign"	6 – 27 September 2024
First round of public participation with all the 15 Wards: ▪ To provide feedback on progress made on existing projects and share information on future projects; and ▪ To afford the community an opportunity to review ward priorities and make further submissions	01 October 2024 – 04 November 2024
IGR Coordination Engagement: Align provincial & national programmes to the IDP Priorities	22-24 October 2024
Produce an updated situational analysis Chapter of the IDP (informed by new trends, sources of information and new information from Directorates)	March 2025
Mid-year budget and performance assessment visit	29 January 2025
A budget Process plan outlining the 2025/26 draft operating and capital budget inputs, legislation and requirements and engagement schedule is circulated to all directors	06 January 2025
Review tariffs and budget policies	18 February 2025
Setting up of Key Performance Indicators and targets linked to the municipal strategic objectives including predetermined objectives	31 March 2025
Finalisation of the draft IDP and Budget	April 2025
Integration of sector plans and institutional programmes	March 2025
Tabling of the Draft IDP and Budget in Council	27 March 2025

Key guiding parameters

The process of reviewing the IDP was undertaken within the framework of International, National, Provincial and District policies and legislation. The key guiding parameters include *inter alia*:

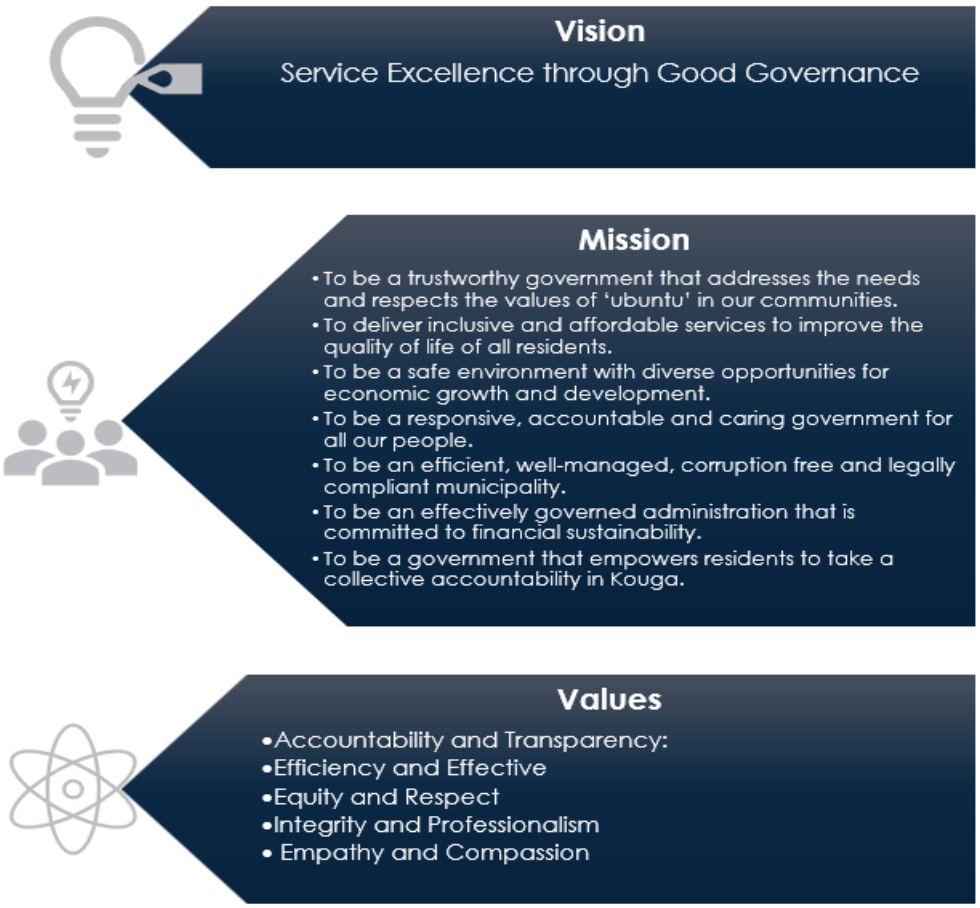
a) Global Policy Directive – Sustainable Development Goals (SDGs);
b) Africa Strategy 2063;
c) National Policy Directive -12 Government Outcomes;
d) National Policy Directive – National Spatial Development Perspective (NSDP);

e) National Policy Directive – National Development Plan (NDP): Vision 2030;
f) Local Government Back to Basics Strategy;
g) Provincial Policy Directive – Eastern Cape's Strategic Plan (ESP).
h) Sarah Baartman District Municipality's Integrated Development Plan.

Strategic thrust

The strategic thrust of Kouga Municipality is diagrammatically represented below:

Vision, Mission & Strategic Goals



Annual Review of the IDP

The Kouga Municipality's 2022-2027 IDP (including any subsequent reviews) will continue to be the guiding developmental framework, and the information contained in this document will not be discarded. The annual review of the IDP document must continue to be more strategic by focusing on implementation. This means focusing on achieving targets, adjusting resources for delivery, re-committing municipal resources to annual deliverables and monitoring the key deliverables.

4. **Financial Implications**

Completed by BTO -	As per Draft Budget MTREF 2025/26 Annexure A
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	

5. **Applicable Legislation**

Chapter 5 of the Local Government: Municipal Systems Act, No. 32 of 2000

6. **Legal Implications**

None

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 Draft Reviewed 2025/2026 IDP attached as Annexure A to the Agenda be noted as it will serve as the basis for public participation during April/May 2025.

10.2 That immediately after the Draft Reviewed 2025/2026 IDP is tabled in Council, the Accounting Officer of the Municipality must in accordance with Section 21A of the Municipal Systems Act –

- make public the Draft Reviewed 2025/26 IDP;
- invite the local community to submit comments and inputs in connection with the Draft Reviewed IDP; and
- Convene Ward-Based Sessions(meetings) in all 15 wards to provide further opportunity for engagement on proposals emanating from the Draft Reviewed 2025/26 IDP and the Multi-Year Budget.

Item prepared by: Manager IDP 

Item approved by the: Municipal Manager: 

Item endorsed by the Municipal Manager: 

ANNEXURE: A

KOUGA
local municipality
Good Governance through Service Excellence



DRAFT REVIEW INTEGRATED DEVELOPMENT PLAN:

2025-2026

TABLE OF CONTENTS

LIST OF ABBREVIATIONS....3
2025/2026 IDP REVIEW NOTE....6
FOREWORD BY THE EXECUTIVE MAYOR....7
INPUT FROM THE MUNICIPAL MANAGER....10
STRUCTURE OF THE IDP 2025-2026....13
CHAPTER 1: EXECUTIVE SUMMARY....15
1.1 INTRODUCTION....15
1.2 FOCUS OF THE KOUGA MUNICIPALITY'S IDP FOR THE 2025/2026 FINANCIAL YEAR....15
1.3 LEGISLATIVE FRAMEWORK....16
1.4 ALIGNMENT OF PLANS....20
1.5 LINKAGE BETWEEN IDP, BUDGET, PERFORMANCE MANAGEMENT, AND RISK MANAGEMENT....26
1.6 PROCESS FOLLOWED IN DRAFTING THE IDP....26
CHAPTER 2: SITUATIONAL ANALYSIS....44
2.1 INTRODUCTION....44
2.2 KOUGA MUNICIPALITY AT A GLANCE....48
2.3 DEMOGRAPHIC OVERVIEW....49
2.4 SOCIAL REALITIES (ANALYSIS)....53
2.5 KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION....68
2.6 KPA: INSTITUTIONAL ARRANGEMENTS....88
KPA: BASIC SERVICE DELIVERY....101
2.7 WATER....101
2.8 SANITATION/SEWERAGE....111
2.9 ENERGY....120
2.10 WASTE MANAGEMENT AND ENVIRONMENTAL MANAGEMENT....129
2.11 ROADS....138
2.12 STORMWATER MANAGEMENT....141
2.13 ENVIRONMENTAL MANAGEMENT....143
2.14 SOCIAL DEVELOPMENT....148
2.15 LIBRARIES....151
2.16 TRAFFIC LAW ENFORCEMENT AND COMMUNITY SAFETY....153
2.17 FIRE SERVICES AND DISASTER MANAGEMENT....158
2.18 SPORTS, RECREATION AND COMMUNITY HALLS....162
2.19 CARAVAN PARKS AND CAMPING....165
2.20 BEACHES....168
2.21 CEMETERIES....168
2.22 ECONOMIC REALITIES....170
KPA: LOCAL ECONOMIC DEVELOPMENT....180
2.23 ECONOMIC DEVELOPMENT....180
KPA: FINANCIAL VIABILITY AND MANAGEMENT....210
2.24 SUPPLY CHAIN MANAGEMENT....210
KPA: SPATIAL PLANNING, LAND, HUMAN SETTLEMENTS AND ENVIRONMENTAL MANAGEMENT....211
2.25 SPATIAL ANALYSIS....211
2.26 INTEGRATED HUMAN SETTLEMENTS/HOUSING....222
2.27 LAND AND PROPERTY ADMINISTRATION....232
2.28 COMMUNITY NEEDS (ANALYSIS)....235
CHAPTER 3: STRATEGIC GOALS AND INTERGOVERNMENTAL ALIGNMENT....257
3.1 INTRODUCTION....257
3.2 ORGANISATIONAL SWOT ANALYSIS....258
3.3 VISION, MISSION AND VALUES....259
3.4 KEY DEVELOPMENT CHALLENGES....261

3.5 STRATEGIC POLICY DIRECTIVE 263
3.6 STRATEGIC FOCUS AREAS 272
3.7 KEY PERFORMANCE AREAS RATING AS PER THE MEC ASSESSMENT....277
CHAPTER 4: PROGRAMMES AND PROJECTS 285
4.1 MUNICIPAL CAPITAL PROJECTS 285
4.2 MUNICIPAL UNFUNDED PROGRAMMES/PLANS/STRATEGY IN ACTION....288
4.3 PROJECTS OF OTHER GOVERNMENT SPHERES OF STATE IMPLEMENTED IN KOUGA MUNIPALITY 320
4.4 LIST OF NATIONAL PROJECTS IMPLEMENTED BY PRIVATE SECTOR WITHIN THE KOUGA MUNICIPALITY 330
CHAPTER 5: SECTOR PLANS....332
5.1 HIGH LEVEL SPATIAL DEVELOPMENT FRAMEWORK....332
5.2 DISASTER MANAGEMENT....342
5.3 INTEGRATED VELD FIRE MANAGEMENT PLAN 349
5.4 AIR QUALITY MANAGEMENT PLAN....350
5.5 SEEKOEI ESTUARY MANAGEMENT PLAN 350
5.6 INTEGRATED WASTE MANAGEMENT PLAN....351
5.7 CLIMATE CHANGE STRATEGY....351
5.8 COASTAL MANAGEMENT....353
5.9 LOCAL ECONOMIC DEVELOPMENT PLAN 355
CHAPTER 6: FINANCIAL MANAGEMENT....357
6.1 EXECUTIVE SUMMARY 357
6.2 OPERATING REVENUE FRAMEWORK 359
6.3 OPERATING EXPENDITURE FRAMEWORK 364
6.4 CAPITAL EXPENDITURE....368
6.5 ANNUAL BUDGET TABLES 369
6.6 OVERVIEW OF ANNUAL BUDGET PROCESS....385
6.7 ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN....386
6.8 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS 387
6.9 OVERVIEW OF BUDGET RELATED POLICIES 389
6.10 OVERVIEW OF BUDGET ASSUMPTIONS....397
6.11 OVERVIEW OF BUDGET FUNDING 399
6.12 EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES 408
6.13 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY....409
6.14 COUNCILLORS AND EMPLOYEE BENEFITS....410
6.15 MONTHLY TARGETS FOR REVENUE EXPENDITURE AND CASH FLOW 411
6.16 ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS- DIRECTORATES 413
6.17 LEGISLATION COMPLIANCE STATUS 413
6.18 CAPITAL EXPENDITURE DETAILS 415
CHAPTER 7: PERFORMANCE MANAGEMENT....417
7.1 INTRODUCTION....417
7.2 OVERVIEW OF PERFORMANCE MANAGEMENT SYSTEM....417
7.3 THE SDBIP CONCEPT: A PRACTICAL PERSPECTIVE 418
7.4 ROLE-PLAYERS IN PERFORMANCE MANAGEMENT....418
7.5 PERFORMANCE REPORTING 419
7.6 INDIVIDUAL PERFORMANCE....421
7.7 AUDIT OUTCOMES....422
7.8 IMPLEMENTATION OF MFMA CIRCULAR 88, ADDENDUM 3 OF 20 DECEMBER 2021....422
7.9 MUNICIPAL SCORECARD....423
APPENDICES 428
Appendix 1: Ward Based Plans 428
Appendix 2: Implementation of MFMA Circular 88, Addendum 3 of 2021 429

LIST OF ABBREVIATIONS

ABBREVIATION	INTERPRETATION
AQMP	Air Quality Management Plan
AR	Asset Register
ART	Anti-Retroviral Treatment
CBP	Community Based Planning
CBD	Central Business District
CDW	Community Development Worker
CSTB	Cape Saint Francis Bay
CFO	Chief Financial Officer
COGTA	Department of Co-operative Governance and Traditional Affairs
CMP	Coastal Management Programme
DDM	District Development Model
DMP	Disaster Management Plan
DORA	Division of Revenue Act
DEA	Department of Environmental Affairs
DHSD	Department of Health and Social Development
DOARD	Department of Agriculture and Rural Development
DOE	Department of Education
DoE	Department of Energy
DPWRI	Department of Public Works, Roads and Infrastructure
EE	Employment Equity
EAP	Employee Awareness Program
ECD	Early Childhood Development
EHP	Emergency Housing Project
EM	Executive Mayor
EPWP	Expanded Public Works Programme
GDP	Gross Domestic Product
FPA	Fire Protection Association
HR	Human Resources
HSP	Human Settlement Plan
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IHRP	Integrated Human Resources Plan
INEP	Integrated National Electrification Programme
ISDF	Integrated Strategic Development Framework
KLM	Kouga Local Municipality

ABBREVIATION	INTERPRETATION
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LM	Local Municipality
LGSETA	Local Government Sector Education and Training Authority
MAYCO	Mayoral Committee
MPAC	Municipal Public Accounts Committee
MFMA	Municipal Finance Management Act (Act no. 56 of 2000)
MIG	Municipal Infrastructure Grant
MEC	Member of Executive Council
MM	Municipal Manager
MSA	Municipal Systems Act (Act no 32 of 2000)
MSR	Municipal Staff Regulations
MTREF	Medium Term Revenue & Expenditure Framework
NDP	National Development Plan
NDPG	Neighbourhood Development Program Grant
NERSA	National Energy Regulator of South Africa
NT	National Treasury
PDP	Provincial Development Plan
PMS	Performance Management System
P-MTSF	Provincial Medium-Term Strategic Framework
PSDF	Provincial Spatial Development Framework
PSP	Provincial Strategic Plan
PPP	Public Private Partnership
PT	Provincial Treasury
R	Rand (currency)
SALGA	South African Local Government Association
SCM	Supply Chain Management
SCOA	Standard Chart of Accounts
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SDI	Spatial Development Initiative
SEZ	Special Economic Zone
SPLUMA	Spatial Planning Land Use Management Act
SPIs	Strategic Integrated Projects
SPU	Special Programmes Unit
SO	Strategic Objective
SONA	State of the Nation Address
SOPA	State of the Province Address

ABBREVIATION	INTERPRETATION
SODA	State of the District Address
STATSSA	Statistics South Africa
SWOT	Strength, Weaknesses, Opportunities, Threats
SHRA	Social Housing Regulatory Authority
TMT	Top Management Team
VAT	Value Added Tax
WTW	Water Treatment Works
WWTW	Wate Water Treatment Works
WSP	Workplace Skills Plan

2025/2026 IDP REVIEW NOTE

The third review of the 2022/2027 5th Generation Integrated Development Plan (IDP) will play a crucial role in updating the Municipality's five-year plan. It will also inform the Municipal Medium-Term Revenue and Expenditure Framework (MTREF) and the Service Delivery and Budget Implementation Plan (SDBIP) for the 2025/2026 financial year. Therefore, it is essential to read this review in conjunction with the plan that the municipal Council adopted on May 31, 2022, as well as any subsequent reviews and amendments. Please note that this review does not constitute a new IDP.

FOREWORD BY THE EXECUTIVE MAYOR



It is my greatest privilege on behalf of Kouga Municipality and in my capacity as Executive Mayor of Kouga Municipality to present to you the municipality's Integrated Development Plan (IDP) for the cycle 2022 to 2027.

The IDP provides the strategic framework for a municipality to fulfil its mandate and apply its budget.

It is a five-year document that is drawn up in partnership with communities and other spheres of government. Reviewed annually, it enables a municipality to do short, medium, and long-term planning to meet communities' needs, with due consideration of those projects being implemented by district, provincial, and national governments.

The IDP and Budget will be externally focused, driven by community needs and geared towards meeting community aspirations gleaned from stakeholder consultations and engagements throughout the past months. It will, furthermore, continue to be guided by narratives that provide strategic focus areas. These are:

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

These strategic focus areas are underscored by our internal priorities which include:

1. To incrementally implement our renewable energy strategy.
2. The resurfacing of our road infrastructure.
3. The repair and upgrading of all wastewater treatment plants in Kouga Municipality to achieve a minimum of 70% Green Drop report.
4. To Improve customer services by achieving a 95% achievement of turnaround times according to the approved Customer Service Charter.

Whilst we still have a lot of work ahead of us, I am immensely proud of the progress we have made thus far which include several recent achievements.

We are pleased to have launched the Roads Reseal Project on the 23rd of January, unveiling the largest single investment in infrastructure to date. This monumental R200 million resealing and rehabilitation project aims to upgrade 150 km of road.

We are thrilled that Kouga has won the Provincial Greenest Municipality Award, reaffirming our commitment to sustainable development and environmental conservation.

We are boosting service delivery across the region with the recent acquisition of 60 new vehicles, representing a total investment of close to R60 million. We are proud to report that 97% of our fleet is in excellent working condition.

Another milestone is receiving our first clean audit, a significant achievement highlighting our unwavering commitment to financial sustainability

Furthermore, we are pleased to have launched a corruption hotline in line with our zero-tolerance stance on fraud and corruption.

We must strive to provide dignity to the poorest within our community. Informal settlements across the Kouga region are set to be upgraded at a combined cost of more than **R100 million.**

The implementation of this project will see nine informal communities with over 3 000 households be provided with decent basic services, such as water, electricity, sanitation, and waste management.

This will help to address the ongoing dependence of informal areas on the bucket system – which we are committed to removing entirely.

I trust that this IDP will stimulate the municipality's partnership with communities, the private sector, and other spheres of government for us to achieve our goals.

Together we are more, when we unite against the deterioration and destruction of our physical, cultural, structural, and moral assets, and can seize the potential we hold to be the best Municipality in South Africa.

The Council would like to thank all residents, ward committees, sector departments and stakeholder groups who actively participated in the compilation of Kouga's IDP.

I would also like to thank our ward councillors for facilitating the meetings in their wards and the municipal administration who prepared the new document in accordance with legislation and the Council's new mandate.

We look forward to building on our relationship with all stakeholders and continually improving on the municipality's planning processes so that, together, we can achieve our vision of Service Excellence Through Good Governance.

Let us all collaborate on our shared future, showcasing Kouga Municipality as a blueprint of what a flourishing South Africa can look like.

Hon. Cllr Hatting Bornman



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EXECUTIVE MAYOR

INPUT FROM THE MUNICIPAL MANAGER



The Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning budgeting, management, and decision-making processes in a municipality. The IDP therefore ultimately enhances integrated service delivery and development, and promotes sustainable, integrated communities. The IDP compels local communities to do proper panning which aim is to support the service delivery needs of communities and to ensure equitable and sustainable development.

The five-year Integrated Development Plan sets the vision, strategic objectives and the implementation thereof for the Kouga Municipality. The newly elected council has decided that the vision and mission should remain. This is a sign that we do things differently and better and again gives us the opportunity, for the next 5 years, to plan in a manner which will benefit the greater Kouga area and also to adhere to our constitutional mandate to deliver a basket of services to the communities of Kouga.

After 2023 the environment has drastically changed. As we get back to normality from Covid-19 pandemic lockdowns, the external environment has brought its new challenges in the form of constant and severe electricity loadshedding. With it, the challenge to be able to maintain water and sewer services have become major hurdles. As we enter 2025 Kouga Municipalities has to continue on the strategic direction it set after its latest review of its 5-year IDP. Good progress has been made with the implementation of its IDP while achieving its first clean audit opinion during the 2023/24 financial year.

Good service provision is now fundamentally dependent on its ability to provide its own electricity solutions. As such, Kouga Municipality's short-, medium- and long-term strategies to solve its energy crisis have become important elements in its revised IDP.

Following a strategic review led by the Mayor in November 2023 and reconfirmed in November 2024, it was decided that the strategic direction of Kouga Municipality will have to be adjusted to respond to the current climate and challenges that Kouga Municipality is facing. The following four strategic targets are key focus points for the remainder of the term of council that will contain two more budget cycles.

- The resealing of Kouga Municipality surfaced roads is a priority that could no longer be postponed and needs immediate intervention. Kouga Municipality's roads program will see an infusion of R 200 mil loan funding for resealing of roads in Kouga Municipality in the next two financial years. A roads master plan

was completed, and the intention is to implement the recommendations in this roads master plan to improve the quality of surfaced roads in Kouga Municipality.

- The second strategic target is to incrementally implement its renewable energy strategy with its main objective of avoiding load shedding and saving money on expensive Eskom electricity tariffs. The main project of this strategy is the construction of a 20 MW solar plant in Humansdorp.
- The third strategic target is the repair and upgrading of all wastewater treatment plants in Kouga Municipality to achieve a minimum of 70% Green Drop compliance score.
- The fourth strategic objective is to improve customer services by achieving a 95% achievement of turnaround times according to the approved Customer Service Charter.

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

The organisational structure of the municipality is reviewed annually. As the administration it is our responsibility to make things happen and to create an enabling environment that supports local democracy and enhance service delivery. In our efforts we will ensure that all available resources are optimally utilized and that value for money is achieved. The municipality is still continuing to inculcate a leadership culture of professionalism, a high work ethic, dedication and discipline.

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



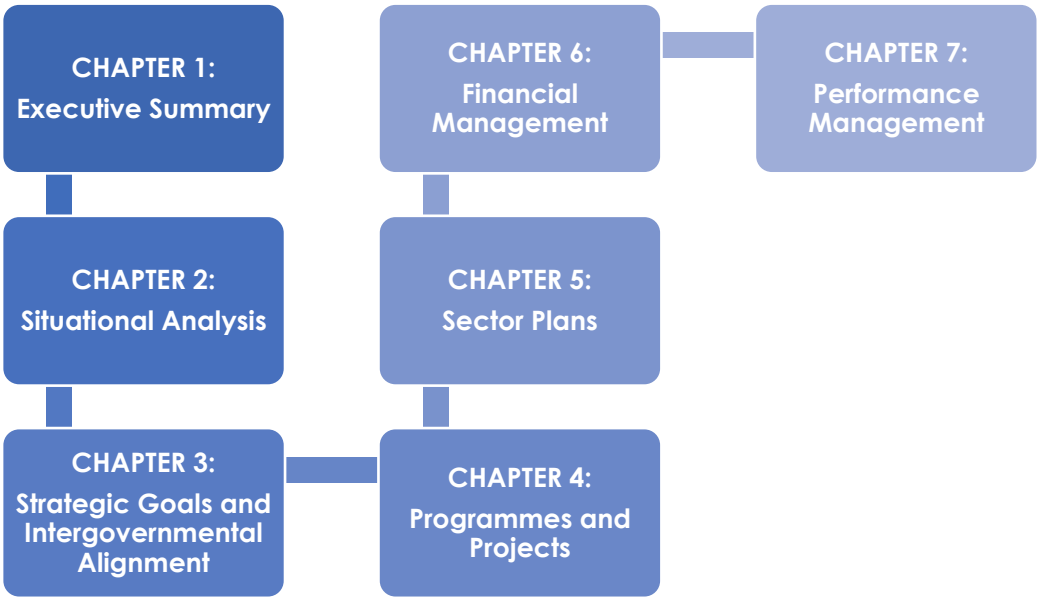
CHARL DU PLESSIS
MUNICIPAL MANAGER

STRUCTURE OF THE IDP 2025-2026

This document outlines the review of the Kouga Municipality's Integrated Development Plan (IDP) for the current planning and implementation time frames of 2022/ 2027 and considers the 2025/2026 budget cycle. The document must be read in conjunction with the approved 5-year IDP and the comprehensive suite of the municipal-wide sector plans. This review does not present a total overhaul of what has been planned and/or implemented during the current five-year period.

This document consists of 7 chapters, including the Foreword by the Mayor and Overview by the Municipal Manager. The seven chapters outline the following:

Figure 1: IDP Outline



CHAPTER	CONTENT
CHAPTER 1: EXECUTIVE SUMMARY	**Chapter 1** contains a general introduction and background information including the planning process that has been followed to produce the reviewed 2025/2026 IDP. This chapter also provides the key guiding parameters considered in developing the document.
CHAPTER 2: SITUATIONAL ANALYSIS	**Chapter 2** provides the situational analysis of Kouga Municipality. This chapter gives a brief description of the area, demographic and socio-economic indicators

CHAPTER	CONTENT
	including summaries of current issues, i.e., infrastructure, social services, land, housing and the environment.
CHAPTER 3: STRATEGIC FRAMEWORK	**Chapter 3** focuses on the Municipal Vision as the primary vehicle that outlines the intention of Kouga Municipality. It further focuses on the strategic framework of the Kouga Municipality, outlining the Strategic Framework, key government priorities and Key Performance Areas. This chapter also addresses the strategies which flow mainly from the analysis presented in Chapter 2, combined with input from the public participation processes.
CHAPTER 4: PROGRAMMES AND PROJECTS	**Chapter 4** outlines the municipal developmental priorities by indicating all the unfunded projects/programmes and operational plans. It further highlights programmes and projects from other organs of state including national projects implemented in the Kouga Municipal area.
CHAPTER 5: SECTOR PLANS	**Chapter 5** deals with the summaries of Kouga Municipality's existing sector plans and the importance of sector planning in the IDP process. This Chapter focuses on the development plan of the Kouga Municipality, outlining the proposed projects, development and spatial Implications, and its alignment to the budget, as well as Intergovernmental relations.
CHAPTER 6: FINANCIAL PLANNING	**Chapter 6** deals with the medium- and long-term financial plan. It elaborates on financial planning, funding, expenditure, budget projections and long-term sustainability of the municipality. The chapter provides detail of how the strategic plans of the KLM will be funded.
CHAPTER 7: PERFORMANCE MANAGEMENT	**Chapter 7** focuses on the key elements of the Kouga Municipality's Performance Management System. It takes the strategic framework and financial plan into implementation mode and clarifies the roles and responsibilities of stakeholders while ensuring accountable and improved service delivery. It furthermore elaborates on the performance management process, which is a comprehensive implementation plan with measurable performance objectives.

CHAPTER 1: EXECUTIVE SUMMARY

1.1 INTRODUCTION

According to the Municipal Systems Act, No.32 of 2000 (MSA) all municipalities are obligated to prepare a five-year Integrated Development Plan (IDP) to be reviewed annually within the 5-year period.

The Integrated Development Plan is an instrument that provides guidance on budgeting and decision-making, considering input from all the relevant stakeholders, with the goal of promoting sustainable development within the municipality. Efficient integrated development planning makes provision for socio-economic development of an entire area. With that said, Kouga Council has delegated the responsibility to develop the IDP to the Executive Mayor in accordance with provisions of the Municipal Systems Act.

The core function of the municipality is summed up in the vision: "Service Excellence through Good Governance", which also continues to be the focal point of the 2024/2025 review IDP. For the success of the vision, it is vital to link, integrate and co-ordinate all strategic and implementation plans for the municipality, as well as align them with national, provincial and district and neighbouring municipal development plans and planning requirements.

Developmental local government is enhanced through focused and robust interaction with other spheres of government. The plan also seeks to integrate and balance the economic, ecological and social pillars of sustainability without compromising effective service delivery. In view of the commitment to the local agenda, it is imperative that there must be institutional capacity and know-how, as both are required to implement and coordinate the efforts needed across sectors and spheres of Government.

1.2 FOCUS OF THE KOUGA MUNICIPALITY'S IDP FOR THE 2025/2026 FINANCIAL YEAR

This Integrated Development Plan (IDP) lays the foundation for socio-economic, infrastructural, and organizational growth in the upcoming financial years. The objectives of this IDP include:

- Establishing the IDP as the primary framework for coordinating an integrated response to the current challenges faced by Kouga.
- Fostering enhanced public participation through active community engagement.
- Improving the strategic framework.
- Developing an Economic Development Strategy to serve as a crucial driver for socio-economic transformation.
- Implementing long-term infrastructure planning to support sustainable growth.

1.3 LEGISLATIVE FRAMEWORK

Municipalities function within an extensive legislative and policy framework that provides prescripts and guidelines for municipal actions per constitutional obligations. Furthermore, local government must be cognisant of and partake in a system of intergovernmental service delivery. In this regard, the Kouga Municipality realises that to promote the local agenda, the municipal budget, programmes and projects must be aligned with higher-order regulatory, developmental and institutional policy directives.

1.3.1 The Constitution of the Republic of South Africa, 1996

Chapter 7 of the Constitution of South Africa is focused on Local Government including the establishment thereof, the executive and legislative authority, as well as the right of local government to govern on its own initiative, which should be in line with national and provincial legislation.

The Constitution is a crucial component of the legal system of South Africa and of the legal-institutional framework within which development must take place. The Constitution of the Republic of South Africa, 1996 (Section 152) puts in place a vision for Developmental Local Government (DLG) and contains the following objectives:

- To provide democratic and accountable government for local communities.
- To ensure the provision of services to communities in a sustainable manner.
- To promote social and economic development.
- To promote a safe and healthy environment.
- To encourage the participation of communities and community organisations in the affairs of local government.

The right of the municipality to exercise its own powers in order to perform its functions is the basis on which this IDP 2023/2024 is drawn up. It is meant to give strategic guidance to Kouga Municipality by giving structure to the administrative, budgeting and planning processes. A municipality must strive, within its financial and administrative capacity, to achieve its key objectives and perform developmental duties.

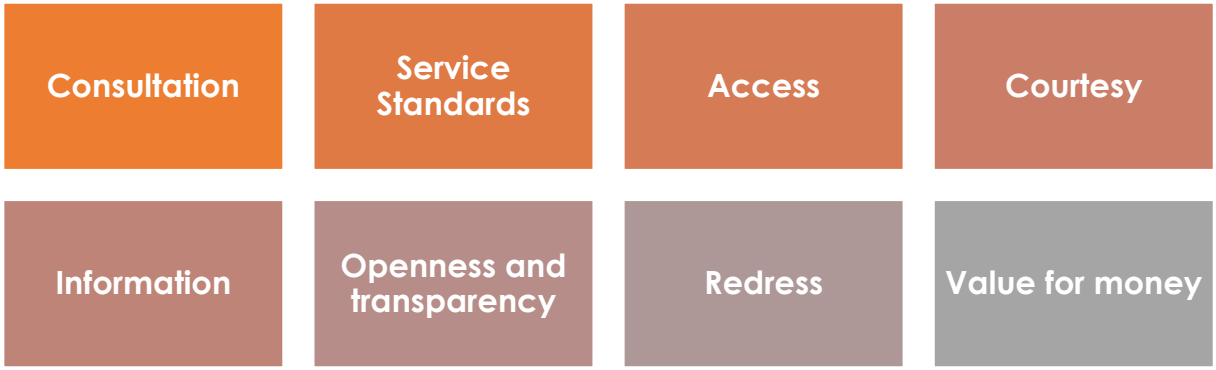
Section 153 of the Constitution sets out the following as the key developmental duties of the municipality

To structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and to participate in national and provincial development programs.

1.3.2 The White Paper on Transforming Public Service, 1997

As the sphere of government closest to the people, municipalities are the focal point of public service delivery. The White Paper on Transforming Public Service Delivery, 1997 (better known as the Batho Pele White Paper) promotes mechanisms to enable the state machinery to optimise the provision of services to all citizens. The Batho Pele White Paper spells out eight principles for transforming public service delivery and is explained in detail below:

Figure 2:Batho Pele Principles



1.3.3 The White Paper on Local Government, 1998

According to the Local Government: White Paper on Local Government, 1998, developmental local governance should ultimately result in the following outcomes:

- The provision of household infrastructure and services.
- The creation of liveable, integrated cities, towns and rural areas.
- The local economic development.
- Community empowerment and redistribution.

To achieve these outcomes, the Local Government: White Paper on Local Government, 1998 puts forward three interrelated approaches that can assist municipalities to fulfil their developmental mandate:

- Integrated development planning.
- Performance management.
- Working together with local citizens and partners.

Regarding public participation, the Local Government: White Paper on Local Government, 1998 stipulates that municipalities should encourage civil society participation through:

- Forums initiated within or outside municipalities to allow organised formations to initiate policies and/or influence policy formulation, as well as participate in monitoring and evaluation activities.
- Structured stakeholder participation in certain council committees.

- Participatory budgeting initiatives aimed at linking community priorities to capital investment programmes.
- Focus-group participatory action research to generate detailed information about a wide range of specific needs and values.
- Support for the organisational development of associations in poor, marginalised areas where the skills and resources for participation may be less developed.
- Integrated development planning is therefore central to realising the developmental local government vision. It is viewed as a mechanism to enable prioritisation and integration in municipal planning processes and to strengthen the links between the developmental (external) and institutional (internal) planning processes.

1.3.4 Local Government: Municipal Systems Act, No 32 of 2000 (MSA)

Sections 28 and 29 of the MSA specify that:

- each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption, and review of its IDP; and
    - ✧ that the process must be in accordance with a predetermined programme specifying timeframes for the different steps.

1.3.5 Local Government: Municipal Planning and Performance Management Regulations, 2001

The Local Government: Municipal Planning and Performance Management Regulations, 2001 set out the following minimum requirements for an Integrated Development Plan:

- Regulation 2 (1) states that the municipality's IDP must at least identify:
    - ✧ The institutional framework, which must include an organogram required for the implementation of the Integrated Development Plan and addressing the internal transformation.
    - ✧ Any investment initiatives in the municipality.
    - ✧ Any development initiatives in the municipality, including infrastructure, physical, social, and institutional development.
    - ✧ All known projects, plans, and programmes to be implemented within the municipality by any organ of the state; and
    - ✧ The key performance indicators set by the municipality.

- Regulation 2 (2) states that an IDP may:
    - ✧ Have attached to it maps, statistics, and other appropriate documents; or
    - ✧ Refer to maps, statistics, and other appropriate documents that are not attached, provided they are open for public inspection at the offices of the municipality.
    - ✧ Regulation 2 (3) sets out matters/issues that must be reflected in the financial plan that must form part of the integrated development plan.
    - ✧ Regulation 2 (4) states that a spatial development framework reflected in the municipality's integrated development plan must:

- Give effect to the principles contained in chapter 1 of the Development Facilitation Act, 1995 (Act 67 of 1995).
- Set out objectives that reflect the desired spatial form of the municipality.
- Contain strategies and policies regarding the manner in which to achieve the above, which strategies and policies must:
  - indicate desired pattern of land use within the municipality.
  - address the spatial reconstruction of the municipality; and
  - provide strategic guidance in respect of the location and nature of development within the municipality.
- Set out basic guidelines for a land-use management system.
- Set out a capital investment framework for the development programme within a municipality.
- Contain a strategic assessment of the environmental impact of the spatial development framework.
- Identify programmes and projects for the development of land within the municipality.
- Be aligned to the spatial development frameworks reflected in the integrated development plans of the neighbouring municipalities.
- Indicate where public and private land development and infrastructure investment should take place.
- Delineate the urban edge; and
- Identify areas where strategic intervention is required and must indicate areas where priority spending is required.

1.3.6 Municipal Finance Management Act, No 56 of 2003 (MFMA)

Chapter 4 and Section 21(1) of the Municipal Finance Management Act, no 56 of 2003 (MFMA) stipulates that the mayor of a municipality must at least 10 months before the start of the budget year, table in the municipal council a schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act. The elected Council is the ultimate IDP decision-making authority.

1.3.7 Spatial Planning and Land Use Management Act, No. 16 of 2013 (SPLUMA)

This Act was promulgated on 5 August 2013 and has replaced several other Acts, whereas it was deemed that various laws governing land use give rise to uncertainty about the status of municipal spatial planning and land use management systems and procedures and frustrate the achievement of cooperative governance and the promotion of public interest. It was resolved that informal and traditional land use development processes are poorly integrated into formal systems of spatial planning and land use management and that spatial planning is insufficiently underpinned and supported by infrastructural investment.

The objects of the Act, as defined in Section 3, are to:

- Provide for a uniform, effective, and comprehensive system of spatial planning and land use management for the Republic.
- Ensure that the system of spatial planning and land use management promotes social and economic inclusion.
- Provide for development principles and norms and standards.
- Provide for the sustainable and efficient use of land.
- Provide for cooperative government and intergovernmental relations amongst the national, provincial, and local spheres of government; and
- Redress the imbalances of the past and ensure that there is equity in the application of spatial development planning and land use management systems.

SPLUMA requires that planning be done following 5 overarching development principles as outlined in Section 7 of the Act. The IDP process is regarded as the main organising tool, encouraging municipalities to identify key delivery targets, such as land development objectives in identifying key service targets, taking development, policy and transformation objectives and imperatives into account. Municipalities are required to collaborate with other spheres of government, ensure transversal partnering between its internal departments, and create an opportunity for local communities to participate.

1.4 ALIGNMENT OF PLANS

1.4.1 Introduction

To maximise the benefit of investments, strategic interventions and actions of all spheres of government, it is critical that there is policy alignment between national, provincial, district and local government in order to collaboratively achieve development goals. Whilst the IDP is developed by local government it must represent an integrated inter-governmental plan based upon the involvement of all three spheres of government.

This IDP was drafted, taking the various plans listed below into consideration, by ensuring alignment, inclusivity, and involvement by all spheres of government. These plans include:

- ✧ Sustainable Development Goals (SDGs)
- ✧ National Key Performance Areas (NKPAs)
- ✧ National Outcomes (NOs)
- ✧ Provincial Strategic Plan; and
- ✧ Sarah Baartman District Development Plan (One Plan).

1.4.2 Sustainable Development Goals (SDGs)

The Sustainable Development Goals, also known as the Global Goals (2015), are a universal call to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. These seventeen goals include climate change, economic inequality, innovation, sustainable consumption, peace, and justice. The goals are interrelated, and often, one success involves solving problems that are more broadly related to another.

Figure 3: Sustainable Development Goals (SDGs)



The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice.

The 17 Goals are all interconnected, and to leave no one behind, it is important that we achieve them all by 2030.

1.4.3 National Government's Outcomes

National Government has agreed on 12 outcomes as a key focus of work and published these as annexures to the Medium-Term Strategic Framework. The outcomes are as follows:

Figure 4: National Outcomes

Outcome 1: Improved quality of basic education	**Outcome 2**: A long and healthy life for all South Africans.	**Outcome 3**: All people in South Africa are and feel safe.	**Outcome 4**: Decent employment through inclusive economic growth.
Outcome 5: A skilled and capable workforce to support an inclusive growth path.	**Outcome 6**: An effective, competitive and responsive economic infrastructure network.	**Outcome 7**: Vibrant, equitable and sustainable rural communities with food security for all.	**Outcome 8**: Sustainable human settlements and improved quality of household life.
Outcome 9: A responsive, accountable, effective and efficient local government system.	**Outcome 10**: Environmental assets and natural resources that are well protected and continually enhanced.	**Outcome 11**: Create a better South Africa and contribute to a better and safe Africa and World.	**Outcome 12**: A efficient and effective and development orientated public service and an empowered, fair and inclusive citizenship.

1.4.4 Areas of Interface: National, Provincial, District and National Government

a) National Development Plan (NDP) – Vision 2030

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

The Key Focus Areas of the Plan are illustrated in the figure below:

Figure 5: National Key Focus Areas



Outcome 9(A responsive, accountable, effective and efficient local government) Identifies 7 Critical Outputs:

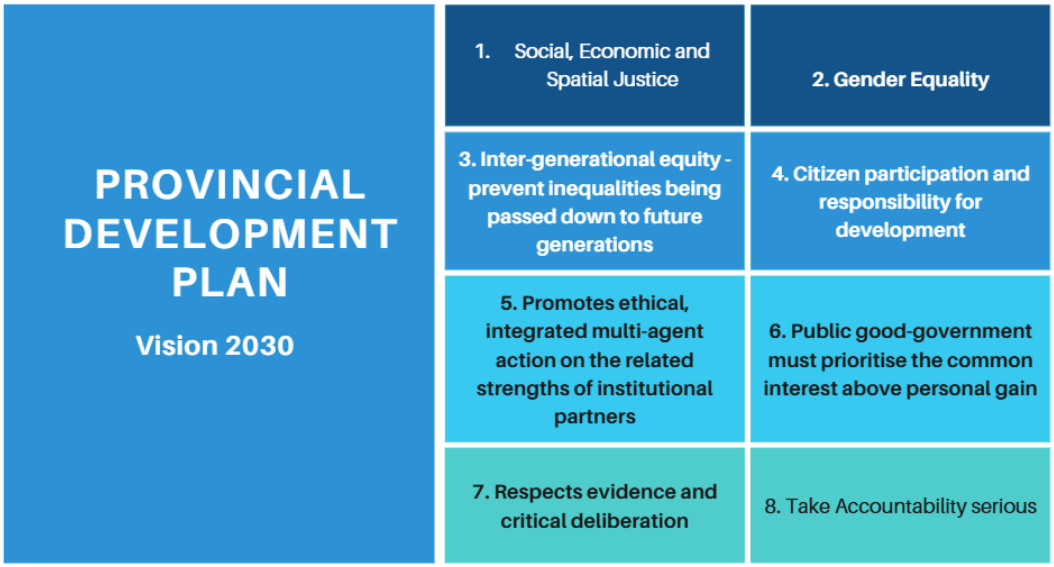
Figure 6: Outcome 9 Critical Outputs

Outcome 9: A responsive, accountable, effective and efficient local government - 7 Critial Outputs						
Output 1: Implement a differentiated approach to municipal financing, planning and support	**Output 2:** Improving Access to Basic Services	**Output 3:** Implementation of the Community Work Programme	**Output 4:** Actions supportive of the human settlement outcomes	**Output 5:** Deepen democracy through a refined Ward Committee model	**Output 6:** Administrative and financial capability	**Output 7:** Single Window Coordination

b) Provincial Development Plan – Vision 2030

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

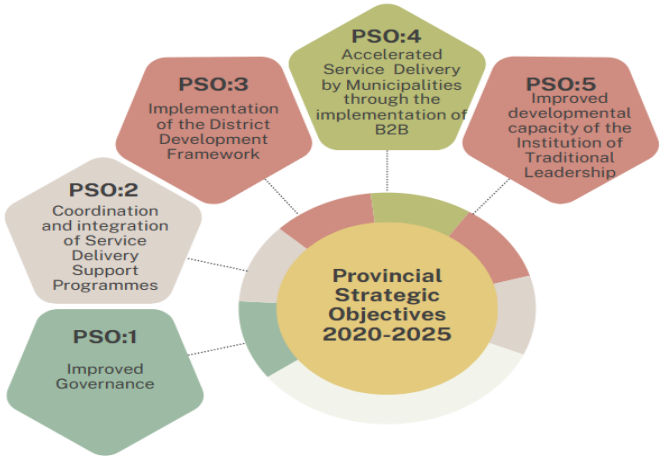
Figure 7: PDP-Vision 20230 Principles



The PDP is designed to deal with the spread and incidence of poverty and unemployment in the Eastern Cape Province as well as the spatial inequality between different regions.

The Provincial Strategic Plan 2015-2020 on 15 March 2015 comprises of the following key strategic objectives:

Figure 8: Provincial Strategic Objectives 2020-2025



c) Sarah Baartman District Development Model

In his State of the Nation Address (SoNA) in 2019, President Cyril Ramaphosa stated that it is time for government to break free from the silo mentality of functioning and introduced a new strategy called the District Development Model (DDM). The DDM was subsequently approved by cabinet on August 21st, 2019. The District Development Model (DDM) is an operational model for strengthening cooperative governance in the development of a capable and ethical developmental state.

The district "One Plan," brings together the knowledge and technical efforts of all spheres of government to produce an overall strategy for growth and development of our district.

Purpose

The purpose of the Sarah Baartman District DDM One Plan is:

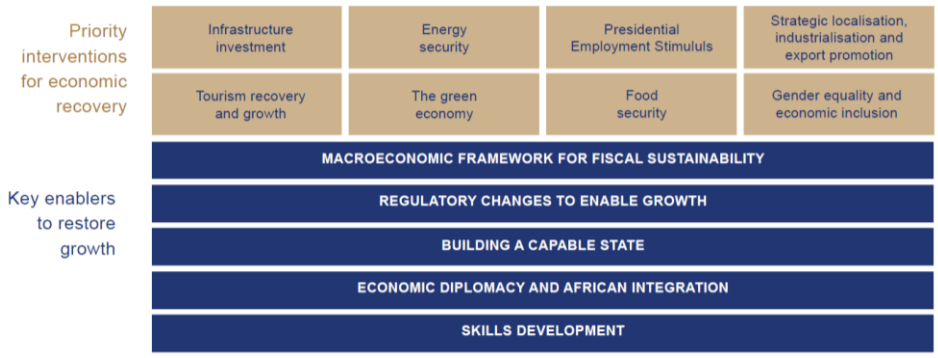
- ✧ To give effect to the District Development Model (DDM) approved by Cabinet as a practical method to improve service delivery and development impact in the Sarah Baartman District Municipality space, through integrated planning, budgeting, and delivery, by all three spheres of government, working together with stakeholders and communities.
- ✧ To localise and synergise the National Development Plan (NDP), the Medium-Term Strategic Framework (MTSF), National Spatial Development Framework (NSDF), Integrated Urban Development Framework (IUDF) and key national and provincial sector policies/strategies/plans with socio-economic and spatial development logic of the Sarah Baartman District Municipality.
- ✧ To express a coherent and predictable government approach in relation to these key priorities through a Long-Term Strategic Framework (One Plan) for growth and development of the Sarah Baartman District Municipality space that is co-produced by all three spheres of government together with stakeholders and communities.
- ✧ To enable a programmatic Intergovernmental Relations approach in relation to Sarah Baartman District Municipality through implementation of the One Plan that will serve as an impact performance framework, tracking the commitments and spending of national and provincial sector departments and the Sarah Baartman District Municipality, according to the shared vision and desired future development of Sarah Baartman District Municipality and its people:

    - o To create an environment which is conducive for investment.
    - o To stabilize governance and financial management practices in the Sarah Baartman District.

1.4.5 National Economic Reconstruction and Recovery Plan

The Economic Reconciliation and Recovery Plan aims to build a new economy and unleash South Africa's true potential. The overarching goal of the plan is to create sustainable, resilient and inclusive economy.

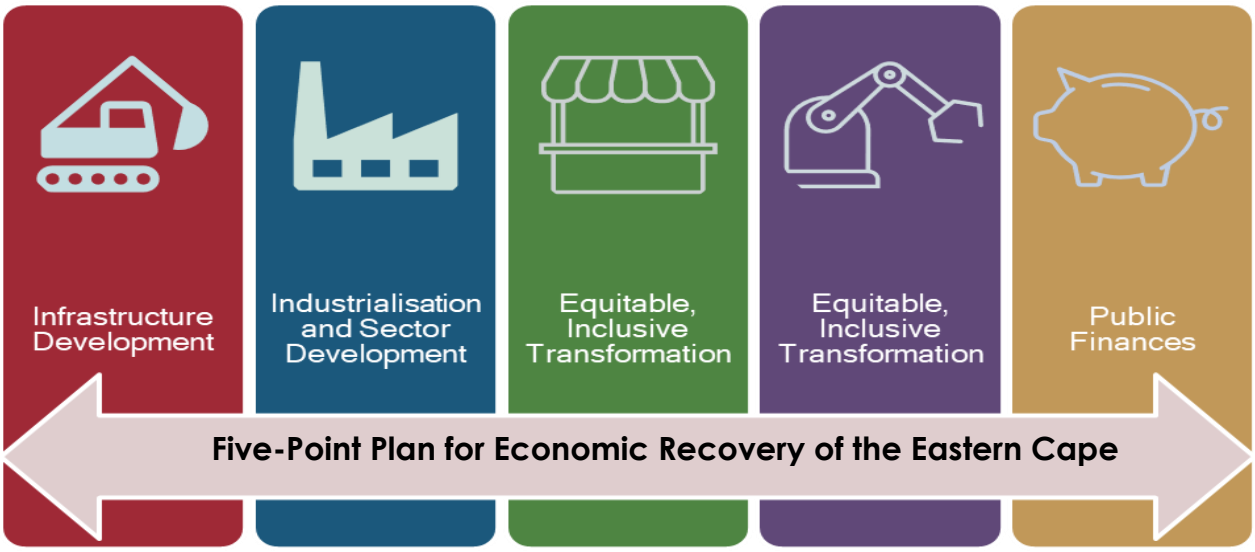
Figure 9:National Economic Reconstruction and Recovery Plan



1.4.6 Five-Point Plan for Economic Recovery of the Eastern Cape

Five -Point Plan built on the objectives of economic growth and job creation.

Figure 10:Five-Point Plan for Economic Recovery of the Eastern Cape



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

The Municipality's performance is documented in the Quarterly and Mid-yearly Performance Assessment Reports, as well as the Annual Report.

Risk Management is a vital component of the municipality's internal processes. It is a systematic approach to identifying, evaluating, and addressing risks continuously, ensuring that potential risks do not adversely affect the service delivery capacity of the Kouga Local Municipality. Effective risk management provides reasonable assurance that the institution will successfully achieve its objectives set out in the IDP.

Risk Management:

In accordance with Section 62 (1)(c)(i), "the accounting officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient, and transparent systems of financial and risk management and internal control."

- The **IDP** sets the Municipality's objectives (strategic plan).
- The **Budget** allocates available funds to meet the objectives of the IDP.
- The **Service Delivery Implementation Plan (SDBIP)** measures performance in attaining the objectives set out in the IDP and budget.
- The annual performance in achieving the objectives in the IDP and Budget is reported in the Municipality's Annual Report.

1.6 PROCESS FOLLOWED IN DRAFTING THE IDP

1.6.1 Five-Year Cycle of the IDP

The Municipal System Act regulates the preparation of an IDP process plan to ensure compliance with certain minimum requirements and quality standards of the IDP process, and that proper coordination between spheres of government occurs during this process.

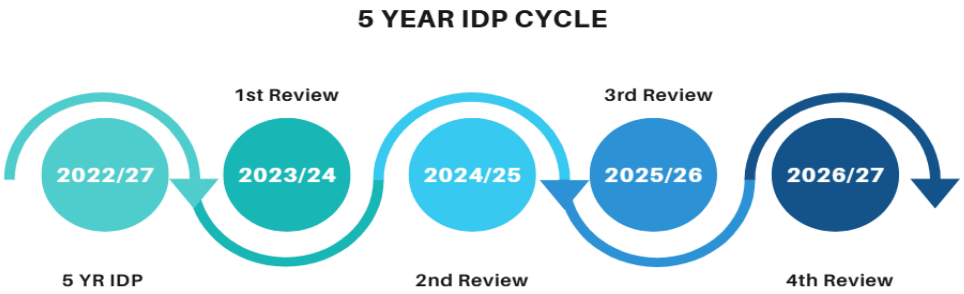
The preparation of the process plan, which essentially is the IDP process set in writing, requires adoption by Council and includes the following:

- A programme specifying the timeframes for the different planning phases.
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities and other role players in the IDP drafting process.
- An indication of the organisational arrangements for the IDP process.

The Process Plan for the Kouga Local Municipality was approved on 22 August 2022, (Council Resolution 22/08/PDT13) which included all the different processes and timeframes to be followed.

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 years and does not accept the previous council's IDP) and the annual review of the IDP. The annual review is not a replacement of the five-year IDP, and its purpose is not to interfere with the long-term strategic orientation of the municipality. The annual review reflects and reports on progress made concerning the five-year strategy (and strategic goals) and proposes adjustments to the strategy, if necessary, because of changing internal and external circumstances that impact the appropriateness of the IDP.

Figure 11:5 Year IDP Cycle



The Municipal Systems Act regulates the preparation of an IDP process plan to ensure compliance with certain minimum quality standards of the IDP process and that proper coordination between and within spheres of government during this process.

The preparation of a process plan, which essentially is the IDP process set in writing, requires adoption by the council and includes the following:

- A programme specifying the timeframes for the different planning steps.
- Appropriate mechanisms, processes, and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process.
- An indication of the organisational arrangements for the IDP process

The Process Plan and Time Schedule for Kouga Municipality was adopted on 28 August 2024. This Process Plan outlines the development process for the 2025/2026 IDP and Budget.

By the provisions of the Process Plan, the IDP was drafted and further developed through the process detailed below:

Table 1:IDP/BUDGET & MSDF TIME SCHEDULE OF KEY DEADLINES/PROCESS PLAN FOR REVIEW OF 2024/2025 FOR IMPLEMENTATION 2025/2026 FINANCIAL YEAR

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
			JULY 2024			
1.	**Monthly Budget Statements**	MFMA - Sec 71(1)	**Reporting:** Submit Monthly report on the budget for the period ending 30 June 2024 within 10 working days to the Executive Mayor.	CFO	MFMA Section 71 Report	12 July 2024
2.	**Capital Adjustments Budget - rollovers**	MFMA - Sec28(2)(e) (a) MBRR - Reg 23(5)	**Deadline for departments' application for rollovers**: Commence with the preparation of Capital Adjustments Budget for the 2024/2025 Financial year.	CFO	Memo circulated to all Directorates on adjustments to the budget process.	19 July 2024
3.	**MSDF**	Sections 20 and 21 of SPLUMA read with sections 23 to 35 of the Municipal Systems Act.	**Policy Context**, **Vision Directives** Gazette-Notice of Intent. **Status Quo:** Spatial Challenges & Opportunities.	Director: Planning and Development	Draft policy report submitted.	July 2024
4.	**Quarterly Financial Performance Reports**	MFMA - Sec 52(d)MFMA - Sec 71(1)MBRR - Reg 29	**Reporting:** Submit a Quarterly report for the period ending 30/06/2024 on the implementation of the budget and financial state of affairs of the municipality to Council.	CFO	Council Resolution	30 July 2024
5.	**IDP/Budget 2025/26**	MFMA S21	Prepare IDP & Budget Time Schedule, including internal consultations with key stakeholders.	IDP, Planning & Budget Offices	Draft Time Schedule	July 2024
6.	**Performance Management**	MSA S56&S57	**Performance Agreements: 2024/25** Finalise Performance Agreements of Municipal Manager and Manager reporting to the Municipal Manager: - Submit to MEC	Municipal Manager	Signed agreements and Proof of website publication	July 2024

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
			- Publicise within 14 days (incl. placing on the municipal website.			
7.	**IDP/Budget 2025/26**	N/a	Submit Draft IDP/Budget Time Schedule to PT for comment.	BTO	Proof of submission	31 July 2024
8.	**Reporting: SDBIP 2023/24**	MPPMR 27(4)(d) and (e)	Quarterly SDBIP performance progress report for 4th Quarter of 2023/24 and finalise Annual Performance Evaluation.	MM	Proof of Submission to Council	31 July 2024
AUGUST 2024						
9.	**Reporting: SDBIP 2023/24**	MFMA S75(2) MSA 21(b)	Place 4th Quarter Performance Report 2023/24 on the website (must be placed on website not later than 5 days) after its tabling in the council or on the date on which it must be made public, whichever occurs first).	Manager: PMS	Notice on website	August 2024
10.	**MSDF**	Sections 20 and 21 of SPLUMA read with sections 23 to 35 of the Municipal Systems Act.	**Phase 4: Spatial Concepts & Strategies** Spatial concept diagrams & descriptions.	Director: Planning and Development	Draft report	August-September 2024
11.	**MSDF**	Sections 20 and 21 of SPLUMA read with sections 23 to 35 of the Municipal Systems Act.	**Phase 5: Draft Spatial Development Framework** Functional regions Action Areas.	Director: Planning and Development	Draft report	August - September 2024
12.	**Provincial IDP Assessments**	MSA s31(a)	Provincial IDP Annual Assessment Session on Final IDP by Provincial COGTA.	Provincial COGTA	Assessment Report on the IDP	12 – 26 August 2024
13.	**Monthly Budget Statements**	MFMA - Sec 71(1)	Submit Monthly report on the budget for period ending 31 July 2024 within 10 working days to Executive Mayor.	CFO	MFMA Section 71 Report	14 August 2024

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
14.	**Budget: Adjustment Budget 2024/25**	MFMA - Sec 28(2)(e)MBRR - Reg 23 (1) (5)	**Budget:** Council approves 2024/25 Capital Roll-Over Budget (to be approved by 25 August 2024).	CFO	Council Resolution	23 August 2024
15.	**IDP/Budget 2025/26**	MFMA S21(1)(b)	**COUNCIL MEETING:** Approval of the IDP, MSDF & Budget Time Schedule.	Council	Council Resolution	28 August 2024
16.	**Budget and IDP Steering Committee**	MBRR Reg 4 (1)	Establishment of the Budget and IDP Steering Committee.	Executive Mayor	Budget and IDP Steering Committee Established	28 August 2024
17.	**Budget 2025/26**	MFMA S17(3)	Determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after considering strategic objectives.	CFO	Revenue projections and proposed rate and service charges and drafts initial allocations	August - October
18.	**Budget 2025/26**	MFMA S17(3) (j)	Engages with Provincial and National sector departments on sector specific programs for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc.)	CFO	Summary of inputs from Provincial and National sectors.	28 February 2025
19.	**Annual Repot & Annual Financial Statements**	MFMA S126 (1)(a) MSA S46 (1) (2)	**Annual Report & AFS** Submit Annual Financial Statement (AFS) and Annual Performance Report to the AG	Budget & MM Office	Proof of submission/ acknowledgment of receipt	31 August 2024
			SEPTEMBER 2024			
20.	**Monthly Budget Statements**	(b) MFMA Section 71(1)	Reporting: Submit Monthly report on the budget for period ending 31 August 2024 within 10 days working days to the Executive Mayor.	CFO	MFMA Section 71 Report	13 September 2024
21.	**IDP/Budget 2025/2026**	MFMA – Sec 75 (2) MSA- S21A & 21B	**Public Notification:** Place advertisement to notify the public of the approved Time Schedule on website, local	IDP Office	Advertisement/ Notice	September 2024

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
			newspaper and notice boards.			
22.	**IDP/Budget 2025/2026**	MSA S32(1)(b)(i)	Submit the adopted Time Schedule to the MEC for Local Government & PT.	IDP Office	Proof of submission/ acknowledgment of receipt	September 2024
23.	**IDP/Budget 2025/2026**	N/A	IDP Awareness: "Know your IDP" Campaign.	IDP Office	Attendance Registers/Awareness Programme	6-27 September 2024
24.	**Alignment**	MSA 29(3)	District IDP Rep Forum.	IDP Office	Alignment of processes	September 2024
			OCTOBER 2024			
25.	**Monthly Budget Statements**	MFMA Section 71(1)	Submit Monthly report on the budget for period ending 30 September 2024 within 10 days working days to Executive Mayor.	CFO	MFMA Section 71 Report	14 October 2024
26.	**Quarterly Financial Performance Reports**	MFMA - Sec 52(d) MFMA - Sec 71(1) MBRR - Reg 29	Submit Quarterly report for period ending 30 September 2024 on implementation of the budget and financial state of affairs of the municipality to Council.	CFO	Council Resolution	30 October 2024
27.	**Budget and IDP Steering Committee**	MBRR Reg 4 (1)	1st Budget & IDP Steering Committee Meeting.	Executive Mayor	Meeting outcomes/resolution	October 2024
28.	**Reporting: SDBIP 2024/25**	MPPMR 14(1)(a) and (b)1	**Reporting: SDBIP 2024/25** Quarterly SDBIP performance report for 1st Quarter 2024/25 to Council.	Office of the Municipal Manager (PMS Unit)	SDBIP performance report noted	October 2024
29.	**Review of Performance by MPAC**	MFMA Circular 63 MSA S126(1)(a) MFMA S129	Moderate Performance Evaluation Reports preparation for Council.	MPAC Council	Moderated Reports and adopted by Council	December 2024
30.	**IDP/Budget 2025/2026**	MSA-S29 (1) (b)(i)	**First round of public participation with all the 15 ward committees:** ▪ To provide feedback on progress made on existing projects and	IDP Office & ALL Directors	Determine and assess current level of development and the emerging challenges, opportunities and priority issues	October 2024

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
			share information on future projects; and ▪ To afford the ward committees an opportunity to review ward priorities and make further submissions			
31.	**Budget 2025/2026**	MFMA s 35, 36, 42; MTBPS	Accounting officer does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials	Municipal Manager	Policies reviewed	October 2024
32.	**Alignment**	MSA29 (1) (iii)	**IGR Coordination Engagements:** Align provincial & national programmes to IDP priorities	IDP Office & Executive Mayor's Office	Priority Alignment	22-24 October 2024
NOVEMBER 2024						
33.	**Publication of quarterly financial performance reports**	MFMA – 75(2)	Place 2024/25 First Quarter Performance Reports on municipal website	Manager: BTO	Website publication	4 November 2024
34.	**Monthly Budget Statements**	MFMA Section 71(1	Submit Monthly report on the budget for period ending 31 October 2024 within 10 days working days to Executive Mayor	CFO	MFMA Section 71 Report	14 November 2024
35.	**STRATEGIC PLANNING SESSION:**	N/A	Determine the 2024/2025 strategic objective	Council/MM/Deputy/ MM Councillors and Directors	Reviewed strategic intent	November 2024
36.	**MSDF**	Sections 20 and 21 of SPLUMA read with sections 23 to 35 of the Municipal Systems Act	**Phase 6:** Consultation workshops, **Stakeholder Engagement report**, Gazette notice for publication	Director: Planning and Development	Stakeholder Engagement report	November 2024 – January 2025

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
37.	**IDP/Budget 2025/2026**	Not applicable	Capture and refine all community inputs from the needs analysis process and sector engagement.	IDP Office	Refined list of priorities	November 2024
38.	**Review of budget-related policies**	MFMA – Sec21 MBRR – Part 3	Policy workshop	Councillors/MM/DMM/ Directors and Managers	Reviewed Budget-Related Policies.	21 November 2024
39.	**Submission of 2024/25 Adjustments Budget inputs by Directorates**	MFMA – Sec 28	Receive inputs from Directorates for 2024/25 Adjustments Budget	All Directorates	Directorate Adjustments budget inputs	29 November 2024
			DECEMBER 2024			
40.	**Monthly Budget Statements**	MFMA Section 71(1	Submit Monthly report on the budget for period ending 30 November 2024 within 10 days working days to Executive Mayor	CFO	MFMA Section 71 Report	13 December 2024
41.	**IDP/Budget 2025/2026**	MFMA Guidelines	**Budget Alignment**: Check with National, Provincial & District Municipality for any adjustments to projected allocations for the next three years	Budget Office	Budget Alignment	December 2024
			JANUARY 2025			
42.	**2025/26 Draft Annual Budget.**	MFMA, MBRR and mSCOA regulations	A budget process plan outlining the 2025/26 draft operating and capital budget inputs, legislation requirements and engagement schedule is circulated to all directorates	Budget Office	Budget strategy with high level estimates	6 January 2025
43.	**Monthly Budget Statements**	MFMA Section 71(1	Submit Monthly report on the budget for period ending 31 December 2024 within 10 days working days to Executive Mayor	CFO	MFMA Section 71 Report	15 January 2025
44.	**Quarterly Financial Performance Reports**	MFMA - Sec 52(d) MFMA -	Submit Quarterly report for period ending 31 December 2024 on implementation of the	CFO	Council Resolution	29 January 2025

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
		Sec 71(1) MBRR - Reg 29	budget and financial state of affairs of the municipality to Council			
45.	**Mid-Year Budget and Performance Assessment**	MFMA S72	Prepare and submit Mid-Year Budget and Performance Assessment Report to Executive Mayor, Provincial Treasury and National Treasury	MM, CFO and All Directors	MFMA Section 72 Report	25 January 2025
46.	**Mid-Year Budget and Performance Assessment**	MFMA S72	Submit Mid-Year Budget and Performance Assessment Report to Council	MM, CFO and All Directors	Council	29 January 2025
47.	**SDBIP 2024/25 Amendments:**	MFMA S54(1)	**Amend/revise 2024/25SDBIP:** Directorates to submit current year SDBIP amendments to MM's Office (PMS Unit).	All Directorates	SDBIP amendments	January 2025
48.	**Budget 2024/25: Adjustment Budget**	MFMA S28	Executive Mayor tables adjustments budget for approval by Council MFMA Section 28.	Executive Mayor	Approved adjustments budget	29 January 2025
49.	**Section 56/57 Managers' half-yearly evaluations for 2024/25**	MSA S56 of 57	Conduct mid-year evaluations.	MM & Executive Mayor	Performance evaluated	January-March 2025
50.	**Section 56/57 Managers' yearly evaluations for 2024/25**	MSA S56 of 57	Conduct Annual 2023/2024 performance evaluation	MM & Executive Mayor	Performance evaluated	January-March 2025
51.	**Annual Report 2023/2024**	MFMA S121	Table Draft AR & AFS: Mayor tables draft AR & AFS.	Executive Mayor	Approved Draft AR & AFS	25 January 2025
52.	**Submission of 2025/26 Draft Annual Budget inputs by Directorates.**	MFMA – Sec 16	Receive inputs from Directorates for 2025/26 Draft Annual Budget.	All Directorates	Draft budget inputs	27 January 2025
53.	**Submission of 2025/26 Draft Tariff inputs by Directorates.**	MFMA – Sec 16	Receive inputs from Directorates for 2025/26 Draft Tariffs.	All Directorates	Draft inputs submitted	31 January 2025
FEBRUARY 2025						
54.	**Publication of quarterly financial performance reports**	MFMA – 75(2)	Place 2024/25 Second Quarter Performance Reports on municipal website.	Manager: BTO	Website publication	3 February 2025

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
55.	**Publication of Mid-Year Budget and Performance Assessment**	MFMA – 75(2)	Make public the Mid-Year Budget and Performance Report on municipal website.	Manager: BTO	Website publication	3 February 2025
56.	**Monthly Budget Statements**	MFMA Section 71(1	Submit Monthly report on the budget for period ending 31 January 2025 within 10 days working days to Executive Mayor.	CFO	MFMA Section 71 Report	14 February 2025
57.	**Publication of the approved 2024/25 Adjustments Budget**.	MFMA – Sec 28(7)	Make public the approved 2024/25 Adjustments Budget on municipal website.	Manager: BTO	Website publication	3 February 2025
58.	**IGR Coordination Engagements**	MSA29 (1) (iii)	Align provincial & national programmes to IDP priorities	IDP Office & Executive Mayor's Office	Priority Alignment	11-13 February 2025
59.	**SDBIP 2024/25 Amendments:** Amend SDBIP following adjustment budget	MFMA S54 (1) (c)	Submit amendments to the SDBIP following adjustment budget	PMS Manager	Council Resolution	February 2025
60.	**Submission of tabled Adjustments Budget to National & Provincial Treasury (within 10 working days after tabling to Council)**	MFMA S28 MBRR Reg. 24 & 27	Submit tabled adjustments budget	MM &CFO	Proof of submission (NT GoMun Upload)	February 2025
61.	**Provincial Treasury Assessment Meeting on Mid-year Performance**	MFMA S (4) & S5(2)	Mid-Year Engagement	MM &CFO	Assessment outcomes	11 February 2025
62.	**IDP and Budget Steering Committee.**	Compliance on Legislative Requirements	**2nd Budget and IDP Steering Committee Meeting:** Directors present priority issues/proposed projects	IDP& Budget Steering Committee	Develop objectives for priority issues and determine programmes to achieve strategic intent including the development of the Strategic Scorecard	February 2025
63.	**IDP/Budget 2025/26**	MSA S26 (a)	Review / confirm the Municipal Vision, Mission, Strategic Goals and Values	IDP& Budget Steering Committee	Budget strategy with high level estimates	February 2025

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
64.	**SDBIP 2025/26**	MFMA S53 (1) (b)	Co-ordinate the development of draft 2025/26 SDBIP One on one with all Directorates to confirm KPIs and performance targets	PMS Office	Draft SDBIP	February 2025
65.	**Draft Annual Budget 2025/26**	MFMA S75, 87 &68	**Tariff Workshop**: Review tariffs	CFO	Budget guidelines	18 February 2025
66.	**Alignment**	MSA S 29 (3)	District IDP Forum: Workshop with all SBDM Local Municipalities on IDP alignment	IDP Office	Alignment of priorities	February 2025
			MARCH 2025			
67.	**Monthly Budget Statements.**	MFMA Section 71(1)	Submit Monthly report on the budget for period ending 28 February 2025 within 10 days working days to Executive Mayor	CFO	MFMA Section 71 Report	14 March 2025
68.	**Tabling of the Draft IDP, Budget, Tariffs, Budget Related Policies and SDBIP in Council.**	MFMA – Sec16(2) MSA – Sec 25 MBRR – Part 3	Council to consider and adopt the Draft IDP, Budget, Tariffs, Budget-Related Policies and SDBIP (at least 90 days before the start of the budget year)	Executive Mayor	Approved Draft IDP, Budget, Tariffs, Budget-Related Policies and SDBIP	27 March 2025
69.	**Council adopts Annual & Oversight Report by 31 March MFMA Section 129(1)**	MFMA S129 (1)	Annual & Oversight Report to table to Council	MM & Executive Mayor	Oversight report approved	March 2025
70.	**Adopted Annual Report including Oversight Report made public within seven days of adoption MFMA Section 129(3) & MSA Section 21A**	MFMA S 129 (3) & MSA Section 21 (A)	Annual Report & Oversight Report to be made public in newspaper	MM and PMS Manager		27 March 2025
71.	**Within seven days of adoption of Annual & Oversight Report submit to Provincial Legislature and relevant MECs**	MFMA S 129 (3) & MSA Section 21 (A)	Documents to be submitted	MM		1 April 2025

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
72.	**SDBIP 2025/26**	MFMA S53 (1) (b)	Setting up of Key Performance Indicators and targets linked to the municipal strategic objectives including predetermined objectives	PMS Office	Draft SDBIP	31 March 2025
73.	**Provincial IDP Managers Forum**	MSA S31	Legal compliance.	IDP Office	Incorporate programmes and projects in the IDP	March 2025
74.	**Integration of sector plans and institutional programmes**	MSA S41	To inform the review and updating of IDP and Institutional SDBIP.	IDP Office, MM and All Directors		March 2025
			APRIL 2025			
75.	**Publication of approved Draft IDP/Budget and the relevant documentation.**	MFMA – Sec 22(a) MSA – Sec 21A	Advertise the Draft IDP, Budget, SDBIP and other required documents and provide least 21 days for public comments and submissions.	IDP OFFICE	Adverts and Municipal website Notices	April 2025
76.	**Submission of the Draft IDP and Budget Documents.**	MFMA S 22 (b), MSA S 32(1), MBRR – Reg. 20	Submit the Draft IDP, Budget and SDBIP to National and Provincial Treasury, prescribed national or provincial organs of state.	IDP/Budget Office/MM	Proof of submission (Emails and NT GoMun Upload)	April 2025
77.	**Monthly Budget Statements**	MFMA Section 71(1	Submit Monthly report on the budget for period ending 31 March 2025 within 10 days working days to Executive Mayor.	CFO	MFMA Section 71 Report	14 April 2025
78.	**Quarterly Financial Performance Reports**	MFMA - Sec 52(d) MFMA - Sec 71(1) MBRR - Reg 29	Submit Quarterly report for period ending 31 March 2025 on implementation of the budget and financial state of affairs of the municipality to Council.	CFO	Council Resolution	30 April 2025
79.	**Budget and Benchmark Assessments**	MSA 31 (a) (b) & (c)	To monitor the budget process and ensure that timeframes and compliance issues are met	IDP Office, MM and All Directors	Assessment Report	11 April 2025
80.	**IDP/Budget**	MPPR Reg. 15	**Second round of public participation:**	ALL		April/May 2025

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
			❖ Invite public comments on Draft IDP Review and Budget including engagements with all the 15 ward committees. ❖ To provide feedback on current and future IDP projects as proposed by wards; and ❖ To create an opportunity for further inputs on key highlights & proposals from the Draft Budget		Incorporate programmes and projects in the IDP	
81.	**District IDP Representative Forum**	MSA29 (3)	Legal compliance	IDP Office		April 2025
MAY 2025						
82.	**Publication of quarterly financial performance reports**	MFMA – 75(2)	Place 2024/25 Third Quarter Performance Reports on municipal website	Manager: BTO	Website publication	5 May 2025
83.	**IGR Co-ordination Engagements**	MSA S 29 (1) (iii)	Align provincial & national programmes to IDP	Sector Departments, IDP Office, MM and All Directors	Sector Alignment	13-15 May 2025
84.	**Monthly Budget Statements**	MFMA Section 71(1)	Submit Monthly report on the budget for period ending 30 April 2025 within 10 days working days to Executive Mayor	CFO	MFMA Section 71 Report	15 May 2025
85.	**District IDP Representative Forum**	MSA S29 (3)	Workshop with SBDM on IDP Alignment	IDP Office	Alignment of IDP	21 May 2025
86.	**Approval of the Final IDP, Budget, Tariffs and Budget Related Policies in Council.**	MFMA – Sec24	Council meeting to adopt final IDP, Budget and Budget Related Policies (at least 30 days before the start of the budget year)	Council	Approved IDP, Budget, Tariffs and Budget-Related Policies	29 May 2025
JUNE 2025						
87.	**Publication of approved Final IDP/Budget and the**	MFMA – Sec 22 & 75	Place the IDP, Budget, all Budget-Related documents and all Budget-Related	IDP/Budget Office	Website publication	3 June 2025

Nr.	PROCESS	LEGISLATIVE REQUIREMENT	ACTIVITY	RESPONSIBILITY	OUTPUT	TIMEFRAME
	relevant documentation	MSA – Sec 21A & 21B	Policies on the municipal website			
88.	**Submission of the Final IDP and Budget Documents**	MBRR Reg. 20 (2) & MFMA S24 (3)	Submit approved IDP, Budget to National and Provincial Treasuries and the relevant organs of state and departments	IDP/Budget Office/MM	Proof of submission (Emails and NT GoMun Upload)	June 2025
89.	**Monthly Budget Statements**	MFMA Section 71(1	Submit Monthly report on the budget for period ending 31 May 2025 within 10 days working days to Executive Mayor	CFO	MFMA Section 71 Report	13 June 2025
90.	**SDBIP 2025/2026**	MFMA S53 (1) (b) & MSA S57	Finalisation and submission of draft 2025/26 SDBIP and annual performance agreements by Municipal Manager to the Executive Mayor	MM	Approved SDBIP and annual performance agreements	June/July 2025
91.	**SDBIP 2025/2026**	MFMA S53	Executive Mayor approves the 2025/2026 SDBIP and annual performance agreements of the Municipal Manager and Senior Managers within 28 days after the approval of the IDP and budget	Executive Mayor	Approved SDBIP and annual performance agreements	June/July 2025
92.	**SDBIP 2025/2026**	MSA S53 (3) (b)	Submit the approved SDBIP and performance agreements to MEC Local Government within 14 days after approval	MM/ IDP/ Budget Office	Approved SDBIP and annual performance agreements	July 2025

Data Collection

Both qualitative and quantitative data were gathered to provide a firm foundation for the review of the 2025/2026 IDP. Quantitative data is information about quantities; that is, information that can be measured and written down in numbers. Qualitative data is categorical measurements expressed through natural language description. Internal and external data sources were used.

Municipal Strategic Briefing

To confirm the strategy and action plan for the remaining portion of the Council's term of office, the Political Leadership and Management Team convened a strategy formulation workshop for the Municipality on 25-27 November 2024. The outcomes of this will be incorporated into the 2025/26 Integrated Development Plan.

1.6.2 The IDP and Ward Plans

The **fifteen (15**) ward plans, include:

- A consensus on priorities for the relevant ward(s).
- Implementation plans.

Ward plans help to ensure that the IDP is more targeted and relevant to addressing the priorities of all groups, including the most vulnerable. These plans provide Ward Committees with a systematic planning and implementation tool to perform their roles and responsibilities. They form the basis for dialogue between the municipality and Ward Committees regarding the identification of priorities and budget requests and will also be used by Ward Committees for ongoing monitoring and evaluation throughout the year. The information is however on a detail level attached to this document as **Appendix 1**.

1.6.3 Ward Development Fund

The following requirements are outlined in Section 16 of the Municipal Systems Act and are mandatory for municipalities to follow in order to promote community involvement in municipal activities. According to this, "A municipality must foster a culture of municipal governance that combines a system of participatory governance with formal representative government. To achieve this, the municipality must encourage and facilitate local community participation in municipal affairs, such as in:

- The preparation, implementation and review of its IDP
- The establishment, implementation and review of its performance management system

- The monitoring and review of its performance, including the outcomes and impact of such performance
- The preparation of its budget
- Strategic decisions relating to the provision of municipal services

Municipalities must also contribute to building the capacity of the local community to enable it to participate in the affairs of the municipality and use its resources and annually allocate funds in its budget as may be appropriate for implementation its IDP.

Kouga Municipality acknowledges the reality that development issues converge at ward level and therefore has embarked on deliberate determination to empower Ward Committees in setting of budget priorities though the allocation of a Ward Development Fund. This determination will underpin the setting of priorities and the social development intervention of each ward throughout the implementation period of the 5th Generation IDP. This innovative systematic approach to budgeting will enable the equitable distribution of resources and the establishment of an infrastructure and socio-economic development footprint across the ward boundaries.

1.6.4 Community Participation

Stakeholder and community engagements to determine and undertake development priorities, form the cornerstone of the IDP. During the month of October 2023, the Municipality conducted ward clustered meetings with all 15 wards where all relevant stakeholders were also invited to partake in the process. The first round of the of the engagements focused on providing feedback on all ward priorities.

1.6.5 IDP Public Participation Process

The IDP is about determining stakeholder and community needs and priorities that need to be addressed to contribute to the improvement of the quality of life of residents within the municipal area. Various stakeholders and sectors were involved during the drafting of the 6IDP.

Each municipal council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan.

The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the processes.

A municipality must give notice to the local community of particulars of the process it intends to follow.

On 28 August 2024, Council Resolution C24/08/MM6) the 3rd Review IDP/Budget Process Plan (Time Schedule) for the financial year 2025/26.

The Process Plan also made provision for compliance timeframes of the financial reporting cycles as well as performance management.

1.6.5.1 IDP/Budget Community Engagements

The Municipality held several ward meetings across all 15 wards, engaging Ward Councillors, their Committee Members, and the broader community. Below is the schedule of the meetings that were conducted:

Table: IDP Community Meetings

DATE	WARD	TIME	VENUE	WARD COUNCILLOR
01 October 2024	Ward 14	18h00	Toyko Sexwale Sports Field	Cllr M Yali
02 October 2024	Ward 13	18h00	Weston Community Hall, Hankey	Cllr V Zana
03 October 2024	Ward 13	18h00	Vusumzi Landu Community Hall	Cllr V Zana
	Ward 9			Cllr C August
07 October 2024	Ward 10	18h00	Andrieskraal Hall	Cllr M Mbandana
08 October 2024	Ward 12	18h00	St Francis Bowing Club	Cllr L Maree
09 October 2024	Ward 12	18h00	Paradise Beach Church	
14 October 2024	Ward 3	18h00	Newton Hall	Cllr W Gertenbach
	Ward 8			Cllr R Foley
	Ward 11			Cllr F Heystek
15 October 2024	Ward 15	18h00	Humansdorp, Hotel	Cllr T Jantjies
16 October 2024	Ward 7	18h00	Thornhill Hall	Cllr E Mbuqu
21 October 2024	Ward 5	18h00	Kruisfontein Civic	Cllr M Nicholls
	Ward 15			Cllr T Jantjies
23 October 2024	Ward 2	18h00	Pellsrus Hall	Cllr H Murray
24 October 2024	Ward 1	18h00	Sea Vista Hall	Cllr N Ntshota
29 October 2024	Ward 7	18h00	Loerie Hall	Cllr E Mbuqu
30 October 2024	Ward 2	14h00	Aston Bay Hall	Cllr H Murray
30 October 2024	Ward 6	18h00	KwaNomzamo Community Hall	Cllr K Ndzelani
	Ward 15			Cllr T Jantjies
	Ward 1			Cllr N Ntshota
31 October 2024	Ward 4	18h00	Christian Assemblies Church	Cllr J Alexander
04 November 2024	Ward 1	18h00	Oyster Bay Hall	Cllr N Ntshota

1.6.5.2 Know Your IDP Campaign

From September 6 to September 27, 2024, the Municipality launched a "Know Your IDP Campaign" involving all 15 Ward Committees. The purpose of the campaign was to educate the ward committees about the Integrated Development Plan (IDP) process and clarify their roles within that process.

1.6.6 Community Development Workers

The Community Development Worker Programme (CDW) is a national programme established in 2003 and championed by COGTA. The Kouga Municipality has 6 Community Development Workers, and they are a very important link between the Ward Councillor and the community. Historically, some areas have been without CDWs for several years, and engagements with COGTA to rectify this are ongoing. The role of the CDW is to act as catalysts between Community and Government by informing communities of the basket of government services at their disposal, while informing Government of Community needs.

There is currently a total of 6 Community Development Workers deployed across the Kouga Municipality, there is a need for more CDWs to be assigned to other wards that do not have any. Below is a list of all the CDWs within the Kouga Municipality:

Nr	Initial & Surname	Ward	Town/Area
1.	P Sibenu	1	Sea Vista
2.	L Stuurman	4	Humansdorp
3.	S Windwogel	5	Arcadia (Humansdorp)
4.	M Aweries	7	Thornhill
5.	J Dichabe	10	Patensie
6.	NM Makwethu	14	Ocean View (Jeffreys Bay)

1.6.7 Implementation of the IDP

The Service Delivery and Budget Implementation Plan (SDBIP) ensures that the KLM implements programmes and projects based on the IDP targets and the approved budget. The performance of the municipality is reported on, in the Quarterly and Mid-yearly Performance Assessment Reports as well as in the Annual Report.

CHAPTER 2: SITUATIONAL ANALYSIS

SECTION A: MUNICIPAL PROFILE

2.1 INTRODUCTION

This chapter offers a thorough synopsis of the situation analysis or development profile of the municipality. Section A and Section B are the two sections into which the chapter is divided into.

The municipal overview is covered in **Section A**, while the current state of the municipality is examined in **Section B**.

The IDP Analysis phase focuses on the following:

- A municipal-wide analysis of current reality, and challenges that still needs to be addressed and further identify interventions;
- A summary of levels of development across the municipal area; and
- Key development issues emerging from the community needs, trends and SWOT analysis.

This analysis is based on existing policy documents, inputs from members of the community, sector departments, internal documents including reports, and will be undertaken under the following areas:

- Socio-economic
- Spatial and Environmental
- Infrastructure
- Community needs
- Institutional
- Financial

The purpose of undertaking a municipal status quo analysis is to ensure that decisions are based on people's priority needs, knowledge on available and accessible resources; as well as proper information and understanding of the dynamics influencing development in the Municipality.

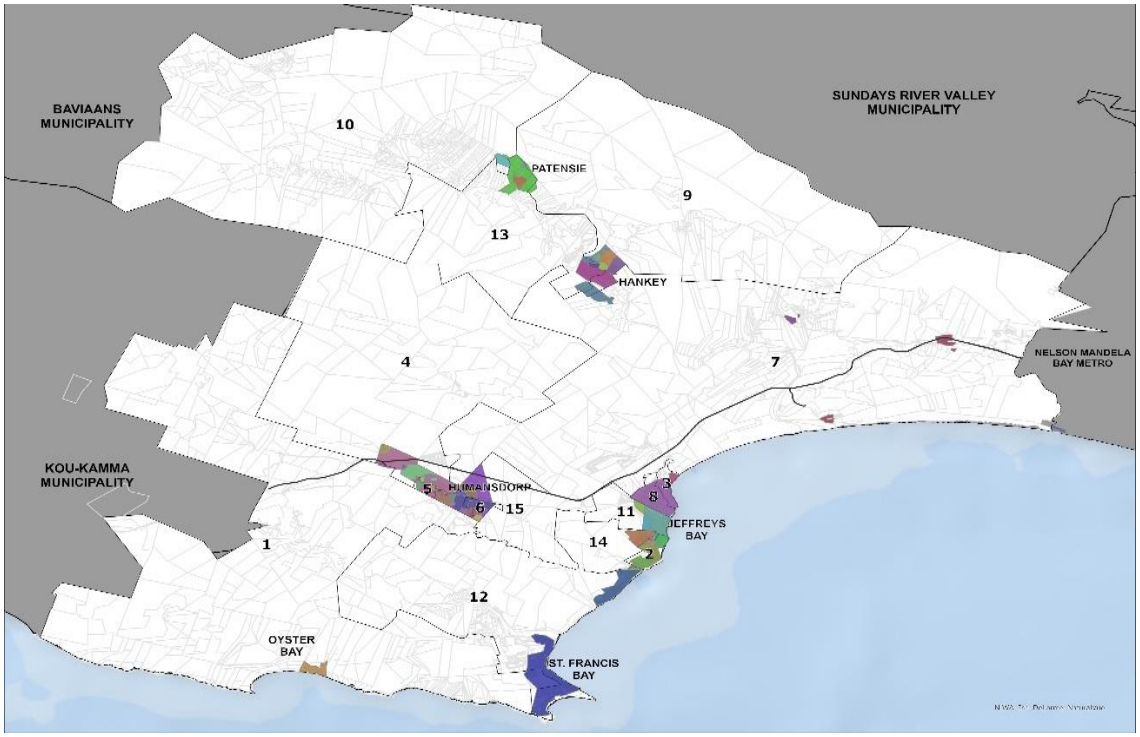
Kouga Municipality is however challenged with up-to-date baseline information that speaks to current service levels in the different development categories.

2.1.1 Geographic Location

The Kouga Local Municipality is a Category B municipality and is also one of seven local municipalities located within Sarah Baartman District Municipal area in Eastern Cape Province. It consists of nine towns, namely, Jeffreys Bay, Humansdorp, St Francis Bay, Cape St Francis, Oyster Bay, Patensie, Hankey, Loerie and Thornhill, as well as various smaller settlements and agricultural nodes.

It also encompasses the coastal region and the fertile Gamtoos Valley, which happens to be the gateway to the famous Baviaanskloof wilderness area.

Map 1: Municipal Locality Map



2.1.2 Physical Environment

Climate: The area is classified as a subtropical and is situated in an intermediate zone between the summer and winter rainfall zones of the country, with annual precipitation between 400 and 650mm along the cost and in the Humansdorp area with slightly lower rainfalls in the Gamtoos River Valley. Climatic conditions along the coast and Humansdorp inland areas are moderate with harsher minimum and maximum temperature extreme in Gamtoos Valley.

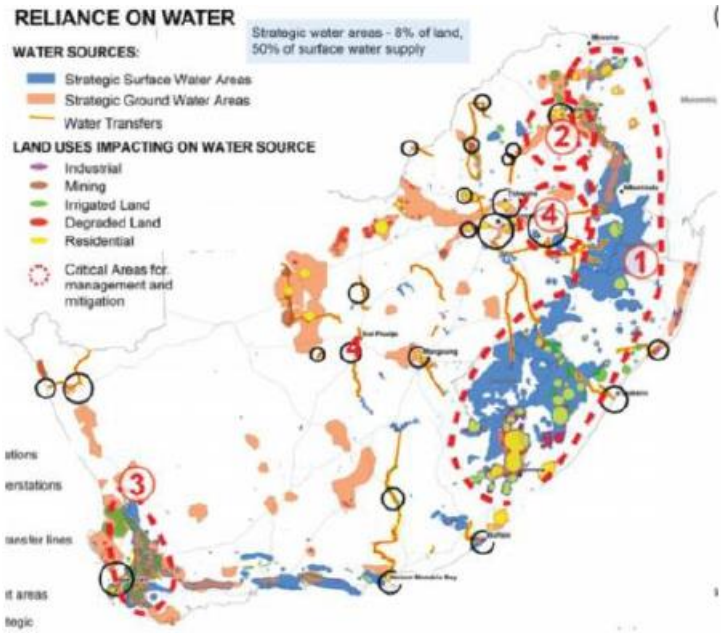
Climate Change: Is indeed having an impact on the Kouga Municipality, rising temperatures and changing rainfall patterns are affecting the region's ecosystems, agriculture, and water resources. The municipality is experiencing increased frequency

and intensity of extreme weather events such as drought, heatwaves, and heavy rainfall, which can lead to flooding. These changes are putting pressure on the natural environment, agriculture, and infrastructure in Kouga. For example, droughts can result in water shortages, affecting both residents and agriculture. Rising sea levels also pose a threat to coastal areas, including erosion and the potential loss of infrastructure.

The municipality is taking steps to mitigate and adapt to these changes, such as implementing water conservation measures, promoting renewable energy sources, and raising awareness about climate change.

Water Resource: The following are the main drainage features:

- **Van Staden River on the eastern boundary of the KLM.**
- **Gamtoos River with a drainage area of approximately 34000km² and an annual runoff of 90million m³.**
- **Kabeljous River which is 33km in length with a catchment area of 238km².**
- **Seekoei River which forms the second biggest drainage feature.**
- **Major dams Mpofo and Churchill supply water to the KLM and NMBM.**



The municipality has increased the supply of water from groundwater sources through the development of borehole fields.

Coastal Management: The Sarah Baartman District Municipality (SBDM) has developed a Coastal Management Programme (CMPr) to guide the integrated management of the coastal zone within the district. The coastline of the SBDM is ˜320km long and includes 4 coastal Local Municipalities, namely Koukamma, Kouga, Sundays River Valley, and Ndlambe. The 1km buffer inland from the high-water mark of the sea is used as the landward boundary. In addition, a catchment management approach has been adopted in this CMPr, where a catchment area has been designated for each LM, considering topography, land cover, and physical boundaries.

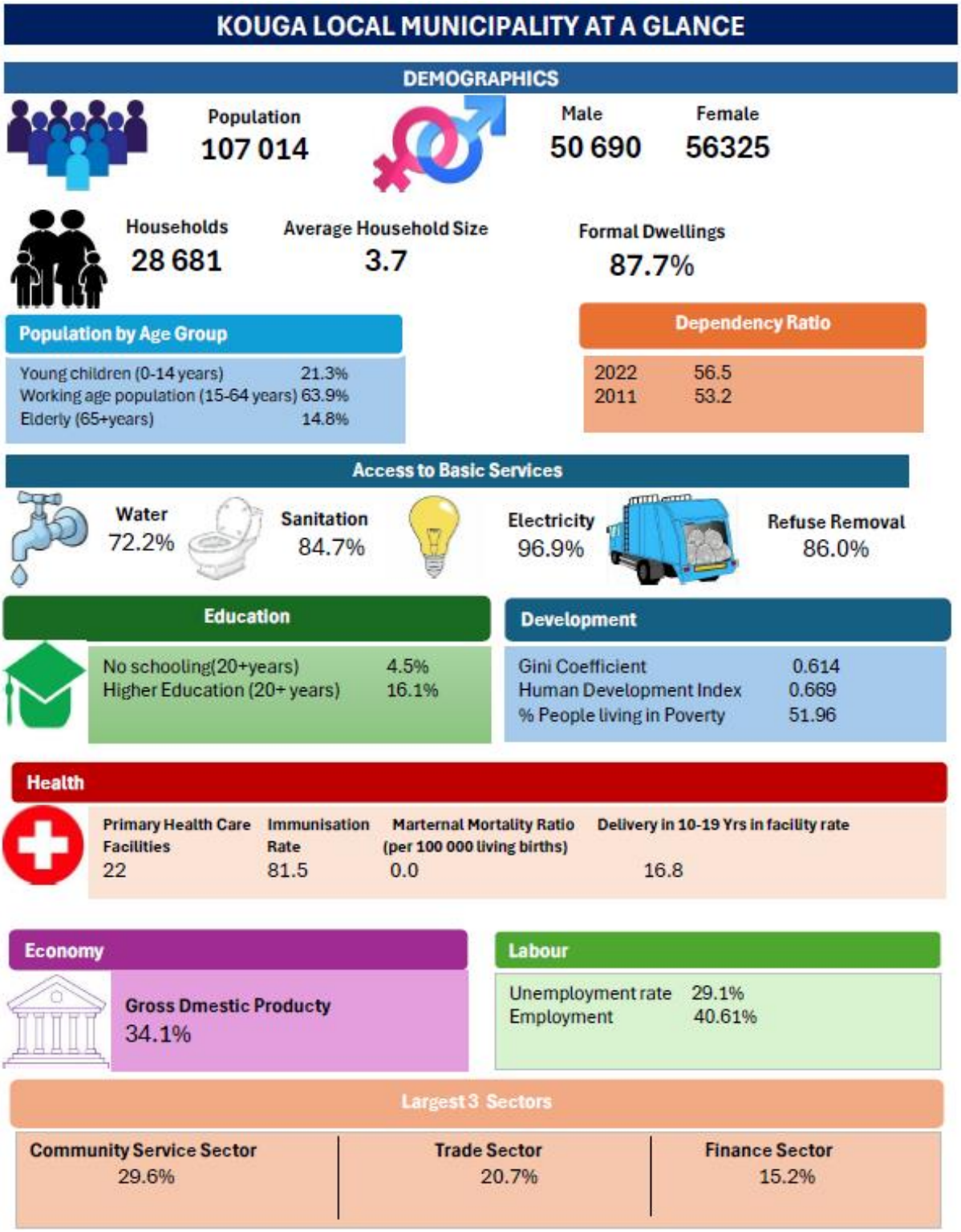
Coastal management in KLM is of great importance due to its extensive coastline and the vulnerability of coastal areas to various environmental factors. The municipality recognises the need to protect and sustainably manage its coastal resources to ensure their long-term viability.

Natural Environment: The natural environment of KLM is incredibly diverse and offers a range of ecosystems and natural attractions. The municipality is blessed with beautiful coastal areas, including pristine beaches and estuaries, where visitors can enjoy swimming, surfing, fishing, and other water activities. The coastline is also home to unique marine life, such as dolphins and whales, making it a popular spot for marine wildlife enthusiasts.

Inland, KLM is characterised by rugged mountains, valleys, and fertile plans. The Baviaanskloof Nature Reserve, a UNESCO World Heritage Site, is a prominent feature of the municipality. It is known for its breathtaking landscapes, rare plant species, and diverse animal life, including Cape Mountain Zebra, Kudu and various bird species.

2.2 KOUGA MUNICIPALITY AT A GLANCE

Figure 12: Kouga Municipality's Demographics



2.3 DEMOGRAPHIC OVERVIEW

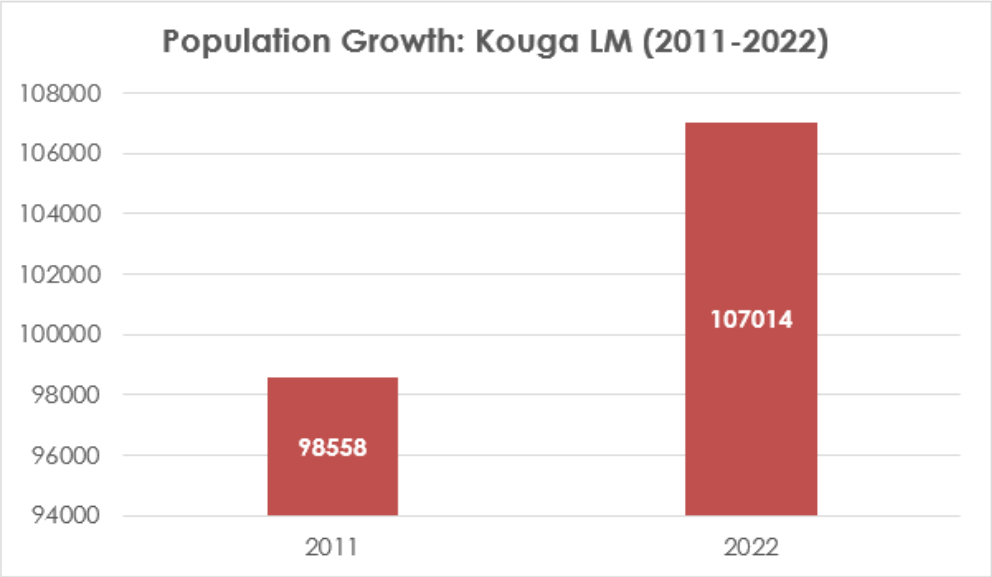
The Kouga Municipality area is made up of socially, historically, culturally, economically diverse communities. The area seen a rapid growth of urbanisation in recent and the trend is anticipated to grow in view of planned developments in the Kouga area. Humansdorp and Jeffreys Bay are the two primary urban settlements where the main retail and commercial activities are concentrated.

2.3.1 Population Distribution

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

Figure 13 shows the total population by census years, 2011-2022. Overall, the results indicate the population size of the municipality increased by 8.5%. The total population increased from 98 558 in 2011 to 107 014 in 2022.

Figure 13: Population Size



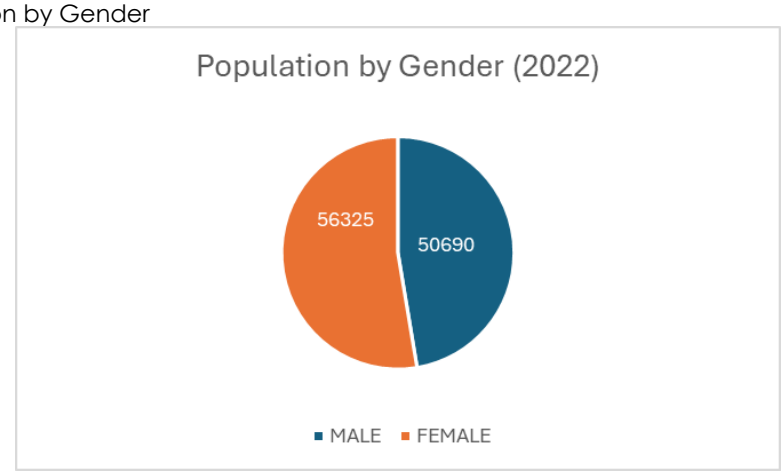
Source: StatsSA, Census, 2022)

Growth Rate: The increase suggests a moderate population growth trend.	**Overall Growth:** The population increased from 98,558 in 2011 to 107,014 in 2022. This represents a growth of 8,456 people over 11 years
Possible contributing factors: Natural population increases (births exceeding deaths). Migration into Kouga LM is due to economic opportunities or improved living conditions.	**Implications:** Increased Demand for Services: More residents mean higher demand for housing, education, healthcare, and infrastructure. **Economic Growth Potential:** A larger population may contribute to a growing labour force and market expansion.

	Urban Planning Needs: The municipality may need to address urbanization, transport, and resource management.

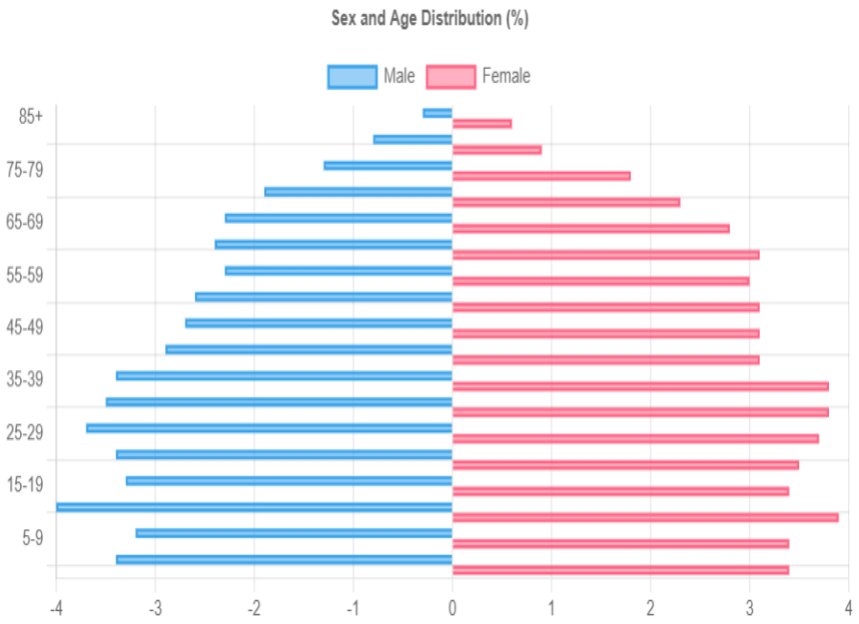
2.3.2 Population By Gender

Figure 14: Population by Gender



2.3.3 Distribution of population by Gender and Age Group, Census 2022

Figure 15: Distribution of population by Gender and Age Group, Census 2022



Source: StatsSA, Census, 2022

In 2022, Kouga's population gender break was relatively split between female 56 325 (52,6 percent) and male 50690 (47,4 percent).

Gender Distribution: The population is divided into male (blue) and female (red) categories.	**General Trend:** The population pyramid suggests a higher life expectancy for females, as they outnumber males in older age brackets
Age Distribution: Younger age groups (5-19) have a larger male population, while older age groups (especially 55+) show a higher proportion of females.	**Balanced Youth Population:** The distribution among younger groups (5-39 years) appears relatively balanced between genders.

2.3.4 Age Distribution

The table presents age distribution data for 2011 and 2022, highlighting changes in population groups and dependency ratios.

Table 2: Age Distribution

Year	Children: 0-14 Years	Working Age: 15-65 Years	Aged 65+	Dependency Ratio (per 100)
2011	26 402	64 331	7 824	53,2
2022	22 765	63 383	15 865	56,5

Key Observations:

Decrease in Children (0-14 years)
- In 2001, there were 26 402 children, which dropped to 22 765 in 2022.
- This indicates a decline in birth rates or a shift in demographic patterns.

Slight Decrease in the Working-Age Population (15-65 years)
- The working-age group declined from 64 331 in 2011 to 63 383 in 2022.
- This could be due to aging or lower growth population growth.

Significant increase in Aged Population (65+)
- The elderly population nearly doubled, rising from 7 824 in 2011 to 15 865 in 2022.
- This suggests improved life expectancy or an aging population trend.

Rise in Dependency Ratio
- The dependency ratio increased from 53.2 in 2011 to 56.5 in 2022.
- A higher ratio means that there are more dependents (children and elderly) for every 100 working-age individuals, indicating a growing economic burden on the workforce.

Source: StatsSA, Census, 2022

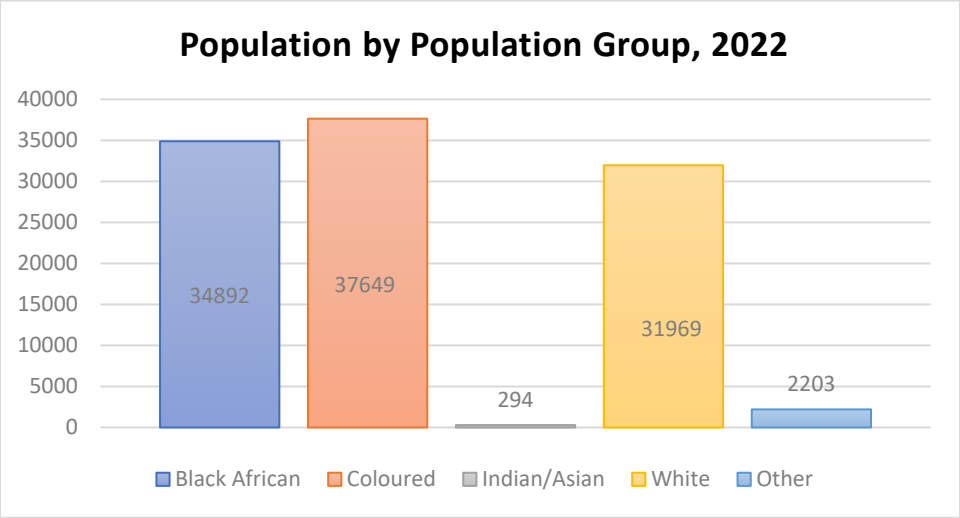
Overall, the data suggests that the population is aging, with fewer children being born and more people living longer. A shrinking working-age population relative to dependents could impact economic growth, social services, and healthcare systems.

This shift may necessitate adjustments in policies related to workforce expansion, retirement planning, and social security to effectively accommodate these demographic changes.

2.3.5 Population by Population Group

This chart displays the distribution of population groups in Kouga LM for 2022.

Figure 16: Population by Population Group



Source: StatSA, Census 2022

Largest Population Group – Coloured (37,649 people). This is the largest group in Kouga LM. It represents a significant portion of the population.	**Black African Population (34,892 people)** The second largest group, closely following the Coloured population.
White Population (31,969 people) The third-largest group, showing a relatively high number compared to national trends.	**Indian/Asian Population (294 people)** The smallest group indicating a minimal presence in the area.
Other Population (2,203 people) This category includes individuals who do not fit into the standard classifications.	

2.3.6 Households Dynamics

	2022	2011
Households	28 681	29 447
Average household size	3.7	3.3
Female headed households	*n/a	35.4%
Formal dwellings	84.7%	76.1%
Housing owned	*n/a	51.7%

*information not available

The number of households decreased by 2.6% while the household size increased from 3.3 in 2011 to 3,7 in 2022.

2.4 SOCIAL REALITIES (ANALYSIS)

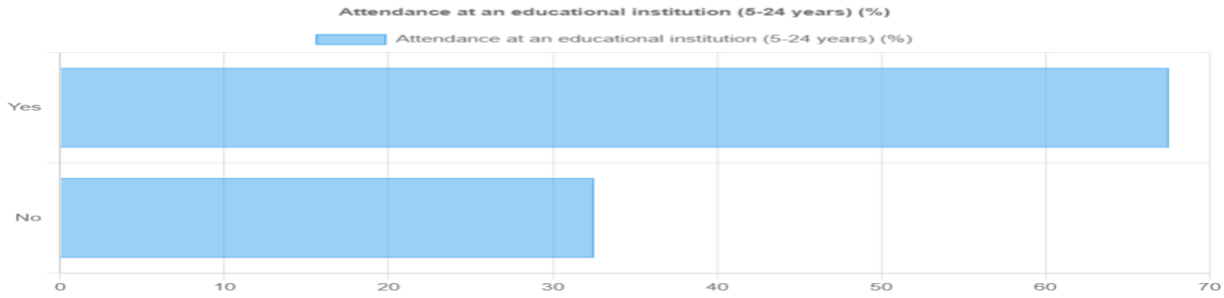
2.4.1 EDUCATION

2.4.1.1 Introduction

Education improves job opportunities and helps maintain and accelerate overall development. It expands the range of available options that a person can choose from to create opportunities for a fulfilling life. The educational level of the population affects well-being also through an indirect positive effect on health and life expectancy.

2.4.1.2 Attendance at educational Institutions (5-24 year) (%)

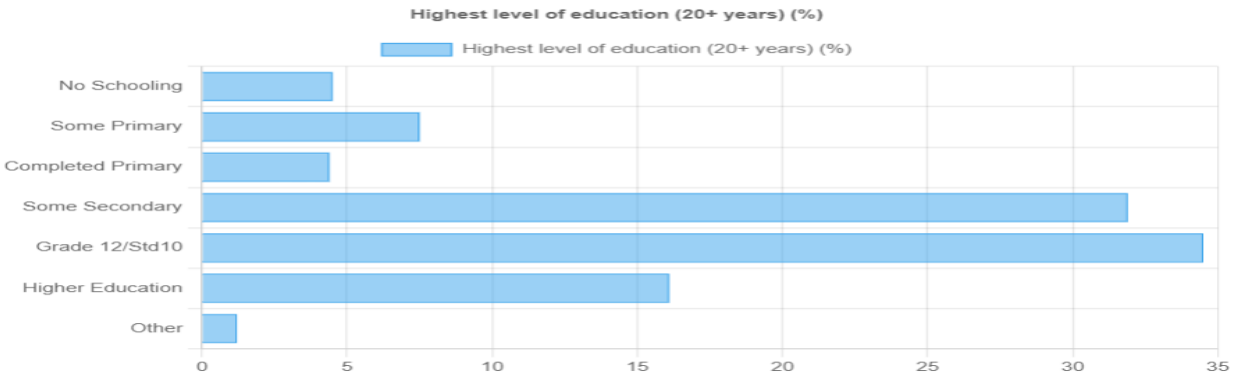
Figure 17: Attendance at education institution (5-24 year) %



According to **figure 17**, 67.5% of learners aged 5 to 24 years are attending educational institutions whereas 32.5% of learners in the same age group are not attending any educational institutions.

2.4.1.3 Highest level of Education (20+ years) (%)

Figure 18: Highest level of Education (20+years)



The highest level of education in the Kouga municipal area is Grade 12(34.5%) amongst the age group of 20+ years and the second highest level is Some Secondary (31.9%) with the no schooling at 4.5% of no schooling in the area.

2.4.2 HEALTH

The Eastern Cape Provincial Department of Health together with the private sector provides health services within the Kouga municipal area. Good health is crucial in achieving and maintaining a high quality of life.

The information provided by the Department of Health as detailed in this section, pertains only to public sector health care institutions. Any privately provided facilities or services are not reflected herein.

2.4.2.1 Healthcare Facilities

Kouga municipality has a range of primary health care facilities which includes 10 fixed clinics, 3 EMS Services and 3 mobile clinics of which services the farming areas, including 2 District hospital.

Table 3: Healthcare Facilities

Primary Health care Clinics - Fixed (10)	Condom Distribution Site (1)	Primary Healthcare Clinics non-fixed (mobile/satellite) (3)	Number of District Hospitals (2)	Emergency Health Services (EHS) (2)
Andrieskraal		Loerie	Humansdorp	Provincial
Humansdorp		Patensie	PZ Meyer	LM
Kruisfontein		Suurbron		
Loerie				
Masakhane				
Pellsrus				
Sea Vista				
Thornhill				
Weston				
Imizamo Yethu (Patensie)	Kouga Sub-District Primary Distribution Site			

Source: Department of Health, 2023

A total of 1 Sessional Doctor and 1 full time for the clinics and 38 professional nurses plus 2 Community Services have been employed by the Department of Health to render health services to patients attending the primary healthcare facilities in the Kouga Municipal area.

2.4.2.2 HIV/AIDS and TB Treatment and Care

Table 4: Antiretroviral Treatment

Health Indicator	SBDM	Kouga
ART adult remain on ART end of period	32 129	6742
ART child under 15 years remain on ART end of period	739	177

Source: Department of Health, 2023

2.4.2.3 Child and Maternal Health

Table 5:Childcare and Maternal Health

Health Indicator	SBDM	Kouga
Immunisation	88,2%	104.3%
Malnutrition	3.2%	1.3%
Neonatal mortality rate	9.1%	17.3%
Low birth weight	17.8%	13.8%

Source: Department of Health, 2023

Immunisation protects both adults and children against preventable infectious diseases.

Malnutrition, which refers to a condition whereby an individual does not receive adequate amounts or alternately receives an excessive amount of nutrients.

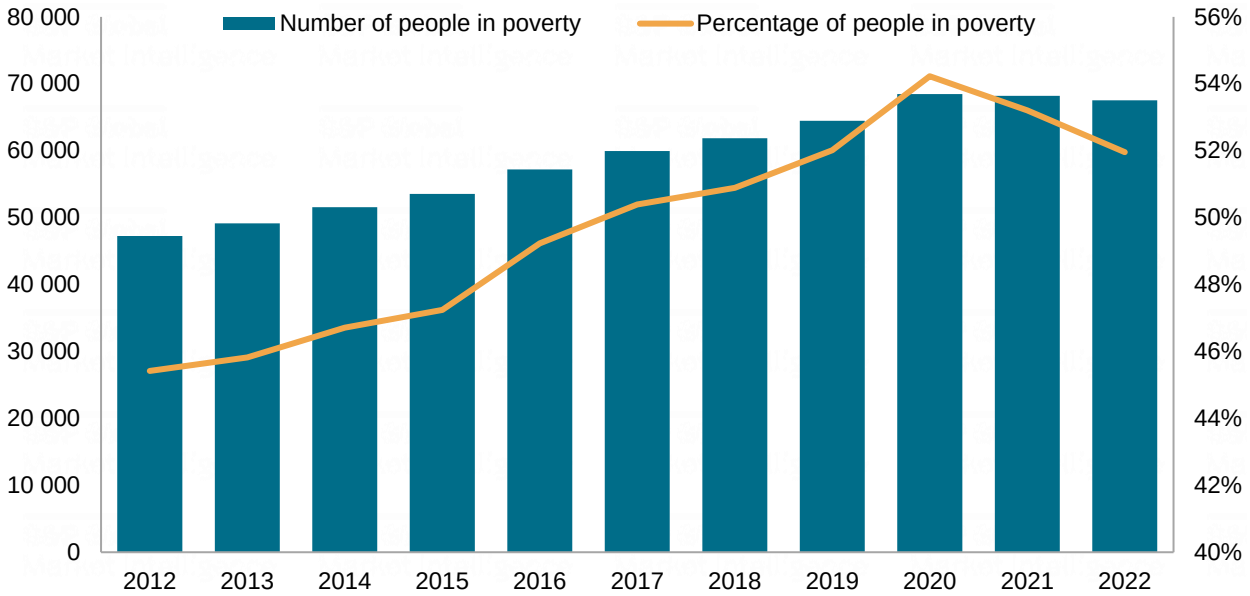
Neonatal mortality rate, the neonatal period (or the first 28 day of life) represents the most vulnerable time for a child's survival. The neonatal mortality rate is the number of neonates dying before reaching the age of 28 days, per 1000 births, in a given year.

Low birth weight is defined as weight at birth of less than 2500grams and can be associated with a range of short- and long-term consequences.

2.4.3 POVERTY AND INCOME

The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. These variables measures the number of individuals living below that particular level of consumption for the given area and is balanced directly to the official upper poverty rate as measured by StatsSA.

Chart 1: Number and percentage of people living in poverty - Kouga Local Municipality, 2012-2022 [Number percentage]



Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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Using the upper poverty level as a guide, Kouga Local Municipality had 67 500 impoverished individuals in 2022, 42.95% more than the 47 200 in 2012. Between 2012 and 2022, the proportion of the population living in poverty rose from 45.42% to 51.96%, a rise of -6.54 percentage points.

Table 6:Percentage of people living in poverty by population group - Kouga, 2012-2022 [Percentage]

	African	White	Coloured
2012	61.0%	0.8%	50.2%
2013	61.1%	0.9%	50.7%
2014	61.7%	1.0%	51.8%
2015	62.0%	1.0%	52.3%
2016	64.4%	1.3%	54.2%
2017	66.1%	1.5%	54.8%
2018	67.1%	1.7%	54.4%
2019	69.0%	2.2%	54.6%
2020	71.6%	3.0%	56.5%
2021	70.7%	3.0%	54.6%
2022	**69.1%**	**3.0%**	**52.9%**

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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Applying the upper poverty line criteria, the African demographic group had the highest percentage of impoverished individuals in 2022 - 69.1% of the total population. As evidenced by the shift from 0.77% in 2012 to 2.98% in 2022, the percentage of White people living in poverty fell by -2.65 percentage points. Compared to 50.24% in 2012, 52.90% of people who identified as Coloured lived in poverty in 2022.

2.4.3.1 Household Income

The number of households is categorised into predefined income groups or brackets. The total household gross disposable income is the result of adding up all forms of payments in kind, gifts, sales of handmade goods, pensions from retirement programs, income from unofficial sector activities, subsistence income, etc. Keep in mind that the income distribution includes income tax.

Income levels range from R0 to R2,400 year to R2,400,000+ annually. A household might consist of one person living alone or a collection of people who share housing and provide food and other necessities for survival. These income groups do not account for inflation creep; households naturally move "up" in the brackets over time, even if their actual income remains unchanged.

Table 7:Households by income category - Kouga, Sarah Baartman, Eastern Cape and National Total, 2022 [Number Percentage]

	Kouga	Sarah Baartman	Eastern Cape	National Total	Kouga as % of district municipality	Kouga as % of province	Kouga as % of national
0-2400	2	7	141	1,260	29.8%	1.51%	0.17%
2400-6000	31	109	1,780	14,500	28.5%	1.75%	0.22%
6000-12000	216	762	13,900	107,000	28.3%	1.55%	0.20%
12000-18000	479	1,720	32,000	242,000	27.9%	1.50%	0.20%
18000-30000	1,880	7,090	126,000	914,000	26.5%	1.49%	0.21%
30000-42000	2,810	11,200	182,000	1,290,000	25.2%	1.54%	0.22%
42000-54000	2,720	11,400	181,000	1,270,000	23.8%	1.50%	0.21%
54000-72000	3,980	17,200	252,000	1,820,000	23.1%	1.58%	0.22%
72000-96000	4,310	18,600	243,000	1,860,000	23.2%	1.78%	0.23%
96000-132000	4,350	18,600	221,000	1,860,000	23.4%	1.97%	0.23%
132000-192000	4,320	18,200	213,000	1,930,000	23.7%	2.03%	0.22%
192000-360000	5,590	21,300	231,000	2,350,000	26.3%	2.42%	0.24%
360000-600000	3,960	13,700	139,000	1,630,000	28.8%	2.84%	0.24%
600000-1200000	3,400	10,700	93,300	1,240,000	31.9%	3.65%	0.27%
1200000-2400000	1,680	5,140	39,900	565,000	32.6%	4.20%	0.30%
2400000+	395	1,090	7,260	111,000	36.2%	5.44%	0.36%
Total	**40,100**	**157,000**	**1,980,000**	**17,200,000**	**25.6%**	**2.03%**	**0.23%**

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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According to estimates, 6.49% of Kouga Local Municipality households in 2022 made less than R30,000 annually. This figure is approximately half of what it was in 2012. With a total of 5 590 households, the income category 192000–360000 has the most, followed by the 96000–132000 income category with 4 350 households. There are just 2.1 households in the income range of 0–2400.

2.4.3.2 Annual total personal income

Personal income is an even broader concept than labour remuneration. Personal income includes profits, income from property, net current transfers and net social benefits.

Annual total personal income is the sum of the total personal income for all households in a specific region. The definition of income is the same as used in the income brackets (Number of Households by Income Category), also including the income tax. For this variable, current prices are used, meaning that inflation has not been taken into account.

Table 8:Annual total personal income - Kouga, Sarah Baartman, Eastern Cape and National Total [Current Prices, R billions]

	Kouga	Sarah Baartman	Eastern Cape	National Total
2012	5.7	19.7	210.1	2,525.0
2013	6.4	21.8	229.0	2,729.4
2014	7.1	23.9	248.1	2,938.2
2015	7.7	26.1	268.4	3,180.0
2016	8.4	28.3	287.0	3,413.6
2017	9.3	31.1	310.2	3,662.1
2018	10.1	33.8	332.2	3,913.0
2019	10.8	36.0	349.0	4,111.6
2020	10.7	35.7	340.5	4,009.8
2021	11.8	39.7	379.8	4,425.4
2022	12.8	43.4	420.6	4,812.5
Average Annual growth				
2012-2022	*8.45%*	*8.19%*	*7.19%*	*6.66%*

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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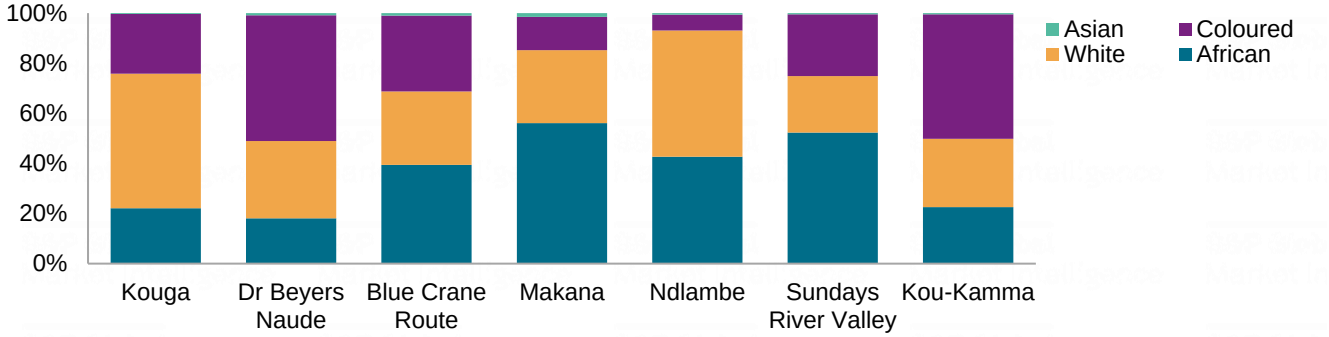
From 2012 to 2022, Kouga Local Municipality experienced an average annual growth rate of 8.45% (from R 5.7 billion to R 12.8 billion), exceeding the average annual growth rates of Sarah Baartman (8.19%) and Eastern Cape Province (7.19%). Compared to Kouga Local Municipality, South Africa's average yearly growth rate was lower, at 6.66% (from R 2.52 trillion to R 4.81 trillion).

Chart 1:Annual total personal income by population group - Kouga and the rest of Sarah Baartman [Current Prices, R billions]



Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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In 2022, Kouga Local Municipality's total personal income was estimated to be R 12.8 billion. The White population group earned R 6.89 billion, or 23.82% of the total personal income, compared to the African population group's R 2.84 billion, or 53.71%. Only 22.13% and 0.34% of the total personal income went to the African and Asian ethnic groupings, respectively.

2.4.3.3 Social Grants

The Kouga municipal area has a total of 39 597 grant dependents due to the high levels of poverty within the municipality. The details of the various grants are depicted in the tables below:

Local Office	Local Office Key	Grant Type		Number Of Beneficiaries	Number Of Children	Estimated Amount	Number Of Grants
HUMANSDORP	290200	Old Age Grant		20		R44 200	20
			> 75 Years	7		R15 470	7
		Disability Grant	Permanent Disability	3		R6 570	3
		Grant-In-Aid		2		R1 060	2
		Child Support Grant	(1 Year)		1	R530	1
			(3 Years)		1	R530	1
			(4 Years)		1	R530	1
			(9 Years)		1	R530	1
			(12 Years)		1	R530	1
			(13 Years)		1	R530	1
			(14 Years)		1	R530	1
			(15 Years)		2	R1 060	2
			(16 Years)		2	R1 060	2
			(17 Years)		3	R1 590	3
		Total		**32**	**14**	**R74 720**	**46**
			Grand Total (Estimated Monthly Total multiplied by 12)			**R896 640**	

Source: DSD_SASSA, 2025

Local Office	Local Office Key	Grant Type		Number Of Beneficiaries	Number Of Children	Estimated Amount	Number Of Grants
HUMANSDORP INSTITUTION	280200	Old Age Grant		7		R15 470	7
			> 75 Years	22		R48 620	22
		Total		**29**	**0**	**R64 090**	**29**
			Grand Total (Estimated Monthly Total multiplied by 12)			**R769 080**	

Source: DSD_SASSA, 2025

Table 9: Social Grant Statistics

Local Office	Local Office Key	Grant Type		Number Of Beneficiaries	Number Of Children	Estimated Amount	Number Of Grants
HUMANSDORP LOCAL OFFICE	260100	Old Age Grant		6,783		R14 990 430	6,783
			> 75 Years	2,229		R4 926 090	2,229
		Disability Grant	Permanent Disability	2,265		R4 960 350	2,265
			Temporary Disability	380		R832 200	380
		Foster Care Grant			579	R683 220	579
		Grant-In-Aid		665		R352 450	665
		Care Dependency Grant			356	R188 680	356

Local Office	Local Office Key	Grant Type		Number Of Beneficiaries	Number Of Children	Estimated Amount	Number Of Grants
		Child Support Grant	(< 1 Year)		946	R501 380	946
			(1 Year)		1,397	R740 410	1,397
			(2 Years)		1,472	R780 160	1,472
			(3 Years)		1,528	R809 840	1,528
			(4 Years)		1,526	R808 780	1,526
			(5 Years)		1,397	R740 410	1,397
			(6 Years)		1,483	R785 990	1,483
			(7 Years)		1,419	R752 070	1,419
			(8 Years)		1,352	R716 560	1,352
			(9 Years)		1,488	R788 640	1,488
			(10 Years)		1,532	R811 960	1,532
			(11 Years)		1,517	R804 010	1,517
			(12 Years)		1,621	R859 130	1,621
			(13 Years)		1,701	R901 530	1,701
			(14 Years)		1,658	R878 740	1,658
			(15 Years)		1,580	R837 400	1,580
			(16 Years)		1,635	R866 550	1,635
			(17 Years)		1,513	R801 890	1,513
		Total		**12,322**	**27,700**	**R40 307 440**	**40,022**
					Grand Total (Estimated Monthly Total multiplied by 12)	**R483 689 280**	

Source: DSD_SASSA, 2025

2.4.4 SAFETY AND SECURITY

The National Development Plan acknowledges that there are significant social and economic underpinnings to crime and violence, making it more than merely a security concern.

It is not sufficient to view addressing problems as the exclusive responsibility of the criminal justice system; rather, all government departments, especially those operating within the social and economic clusters, must be involved. All South Africans shall live in a safe and secure environment as a result of these departments carrying out their individual and joint legal duties.

According to South Africa's 2013 National Security Strategy, security is the maintenance and promotion of peace, stability, development, and prosperity using state power." It also entails presenting the state's authority and maintaining its territorial integrity, as well as safeguarding our people and ensuring that they are free from terror and want."

But the level of crime in South Africa affects not just the lives of its people but also the country's economy as a whole.

Growth is impeded as investment and capital accumulation are discouraged by crime. It has the power to thwart social and economic progress if it is not taken seriously.

2.4.4.1 Crime Statistics

There are 6 police stations in the Kouga area namely Humansdorp, St Francis Bay, Jeffreys Bay, Hankey, Patensie and Thornhill. The following criminal statistics were recorded for the periods 2021 – 2023:

CONTACT CRIMES (CRIMES AGAINST THE PERSON)



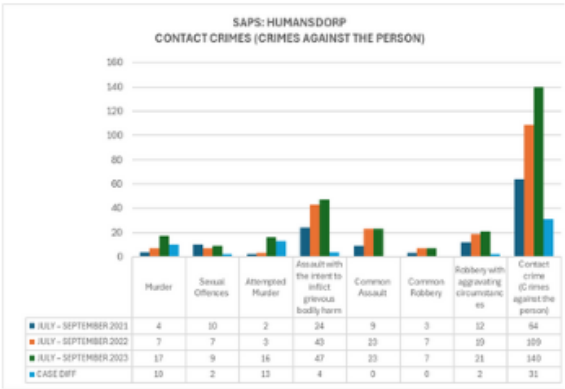
	Murder	Sexual Offences	Attempted Murder	Assault with the intent to inflict grievous bodily harm	Common Assault	Common Robbery	Robbery with aggravating circumstances
JULY - SEPTEMBER 2021	5	7	0	18	19	0	17
JULY -SEPTEMBER 2022	2	11	2	22	21	5	21
JULY - SEPTEMBER 2023	4	11	1	21	18	1	13
CASE DIFF	2	0	-1	-1	-3	-4	-8



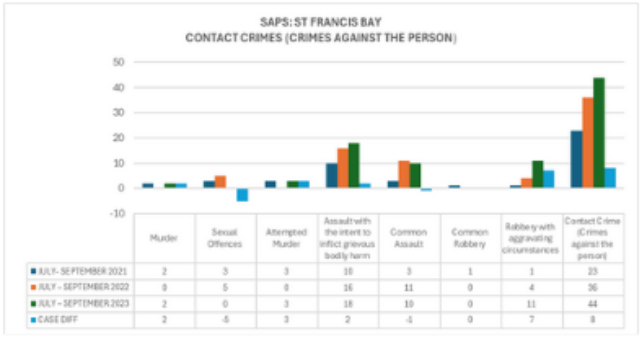
	Murder	Sexual Offences	Attempted Murder	Assault with the intent to inflict grievous bodily harm	Common Assault	Common Robbery	Robbery with aggravating circumstance s	Contact crime (Crimes against the person)
JULY - SEPTEMBER 2021	0	0	0	13	8	1	2	24
JULY – SEPTEMBER 2022	1	1	2	12	11	1	4	32
JULY – SEPTEMBER 2023	0	1	0	6	4	3	0	14
CASE DIFF	-1	0	-2	-6	-7	2	-4	-18



	Murder	Sexual Offences	Attempted Murder	Assault with the intent to inflict grievous bodily harm	Common Assault	Common Robbery	Robbery with aggravating circumstances	Contact Crime (Crimes against the person)
JULY - SEPTEMBER 2021	1	4	0	13	17	1	0	36
JULY – SEPTEMBER 2022	1	5	1	14	13	2	1	37
JULY – SEPTEMBER 2023	2	1	0	17	13	4	2	39
CASE DIFF	1	-4	-1	3	0	3	1	2



	Murder	Sexual Offences	Attempted Murder	Assault with the intent to inflict grievous bodily harm	Common Assault	Common Robbery	Robbery with aggravating circumstanc es	Contact crime (Crimes against the person)
JULY - SEPTEMBER 2021	4	10	2	24	9	3	12	64
JULY – SEPTEMBER 2022	7	7	3	40	23	7	19	109
JULY – SEPTEMBER 2023	17	9	16	47	23	7	21	140
CASE DIFF	10	2	13	4	0	0	2	31



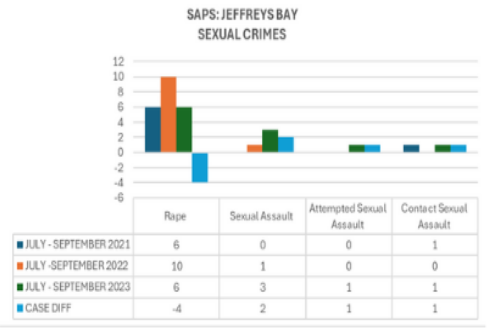
	Murder	Sexual Offences	Attempted Murder	Assault with the intent to inflict grievous bodily harm	Common Assault	Common Robbery	Robbery with aggravating circumstances	Contact Crime (Crimes against the person)
JULY- SEPTEMBER 2021	2	3	3	10	3	1	1	23
JULY – SEPTEMBER 2022	0	5	0	16	11	0	4	36
JULY – SEPTEMBER 2023	2	0	3	18	19	0	11	44
CASE DIFF	2	-5	3	2	-1	0	7	8



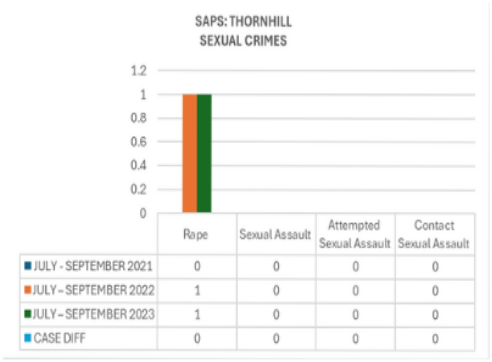
	Murder	Sexual Offences	Attempted Murder	Assault with the intent to inflict grievous bodily harm	Common Assault	Common Robbery	Robbery with aggravating circumstances	Contact crime (Crimes against the person)
JULY - SEPTEMBER 2021	3	1	1	28	13	0	3	55
JULY – SEPTEMBER 2022	5	0	3	31	11	3	6	67
JULY – SEPTEMBER 2023	2	1	1	34	21	5	7	71
CASE DIFF	-3	-7	-2	3	10	2	1	4

Source: SAPS: Crime Statistics, 2023

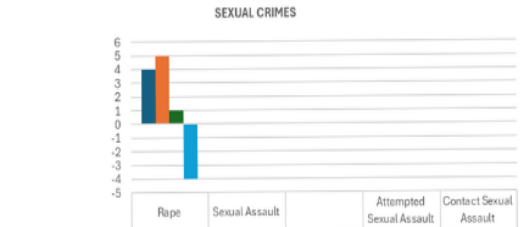
SEXUAL CRIMES



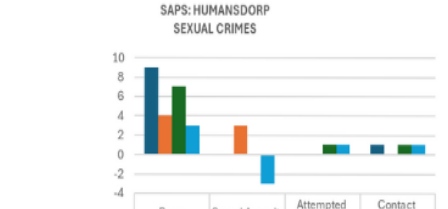
	Rape	Sexual Assault	Attempted Sexual Assault	Contact Sexual Assault
JULY - SEPTEMBER 2021	6	0	0	1
JULY -SEPTEMBER 2022	10	1	0	0
JULY - SEPTEMBER 2023	6	3	1	1
CASE DIFF	-4	2	1	1



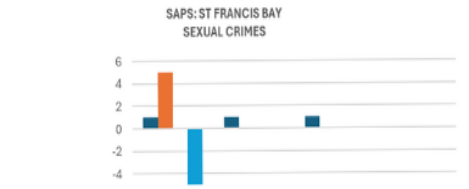
	Rape	Sexual Assault	Attempted Sexual Assault	Contact Sexual Assault
JULY - SEPTEMBER 2021	0	0	0	0
JULY – SEPTEMBER 2022	1	0	0	0
JULY – SEPTEMBER 2023	1	0	0	0
CASE DIFF	0	0	0	0



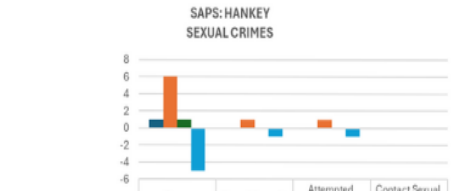
	Rape	Sexual Assault		Attempted Sexual Assault	Contact Sexual Assault
JULY - SEPTEMBER 2021	4	0		0	0
JULY – SEPTEMBER 2022	5	0		0	0
JULY – SEPTEMBER 2023	1	0		0	0
CASE DIFF	-4	0		0	0



	Rape	Sexual Assault	Attempted Sexual Assault	Contact Sexual Assault
JULY - SEPTEMBER 2021	9	0	0	1
JULY – SEPTEMBER 2022	4	3	0	0
JULY – SEPTEMBER 2023	7	0	1	1
CASE DIFF	3	-3	1	1



	Rape	Sexual Assault	Attempted Sexual Assault	Contact Sexual Assault
JULY- SEPTEMBER 2021	1	1	1	0
JULY – SEPTEMBER 2022	5	0	0	0
JULY – SEPTEMBER 2023	0	0	0	0
CASE DIFF	-5	0	0	0

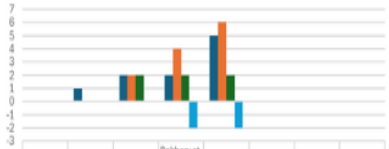


	Rape	Sexual Assault	Attempted Sexual Assault	Contact Sexual Assault
JULY - SEPTEMBER 2021	1	0	0	0
JULY – SEPTEMBER 2022	6	1	1	0
JULY – SEPTEMBER 2023	1	0	0	0
CASE DIFF	-5	-1	-1	0

Source: SAPS: Crime Statistics, 2023

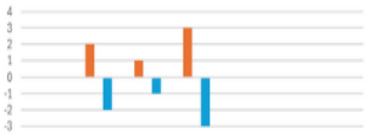
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY

SAPS: JEFFREYS BAY
SOME SUB-CATEGORIES OF AGGREVATED ROBBERY



	Carjacking	Robbery at residential premises	Robbery at non-residential premises	TRIO Crime	Robbery of cash in transit	Bank robbery	Truck hijacking
JULY - SEPTEMBER 2021	1	2	2	5	0	0	0
JULY -SEPTEMBER 2022	0	2	4	6	0	0	0
JULY - SEPTEMBER 2023	0	2	2	2	0	0	0
CASE DIFF	0	0	-2	-2	0	0	0

SAPS: THORNHILL
SOME SUB-CATEGORIES OF AGGREVATED ROBBERY



	Carjacking	Robbery at residential premises	Robbery at non-residential premises	TRIO CRIME	Robbery of cash in transit	Bank robbery	Truck hijacking
JULY - SEPTEMBER 2021	0	0	0	0	0	0	0
JULY - SEPTEMBER 2022	0	2	1	3	0	0	0
JULY - SEPTEMBER 2023	0	0	0	0	0	0	0
CASE DIFF	0	-2	-1	-3	0	0	0

SAPS: PATENSIE
SOME SUB-CATEGORIES OF AGGREVATED ROBBERY



	Carjacking	Robbery at residential premises	Robbery at non-residential premises	TRIO CRIME	Robbery of cash in transit	Bank robbery	Truck hijacking
JULY - SEPTEMBER 2021	0	0	0	0	0	0	0
JULY - SEPTEMBER 2022	0	0	1	1	0	0	0
JULY - SEPTEMBER 2023	0	0	1	1	0	0	0
CASE DIFF	0	0	0	0	0	0	0

SAPS: HUMANSDORP
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY



	Carjacking	Robbery at residential premises	Robbery at non-residential premises	TRIO CRIME	Robbery of cash in transit	Bank robbery	Truck hijacking
JULY - SEPTEMBER 2021	0	1	4	5	0	0	0
JULY - SEPTEMBER 2022	0	2	2	4	0	0	0
JULY - SEPTEMBER 2023	0	3	8	11	0	0	0
CASE DIFF	0	1	6	7	0	0	0

SAPS: ST FRANCIS BAY
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY



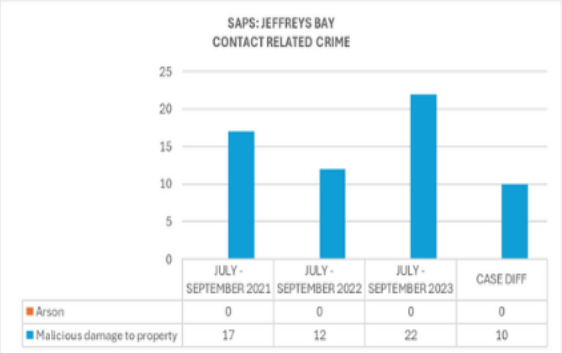
	Carjacking	Robbery at residential premises	Robbery at non-residential premises	TRIO	Robbery of cash in transit	Bank robbery	Truck hijacking
JULY - SEPTEMBER 2021	0	1	0	1	0	0	0
JULY - SEPTEMBER 2022	0	0	1	1	0	0	0
JULY - SEPTEMBER 2023	0	0	1	1	0	0	0
CASE DIFF	0	0	0	0	0	0	0

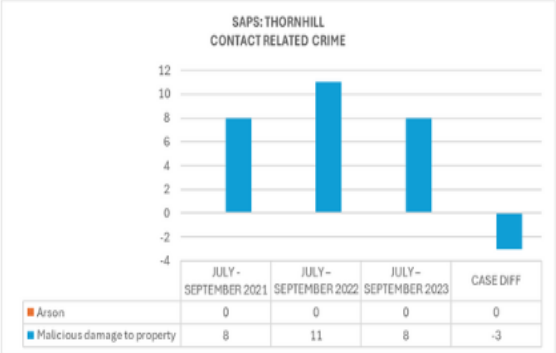
SAPS: HANKEY
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY

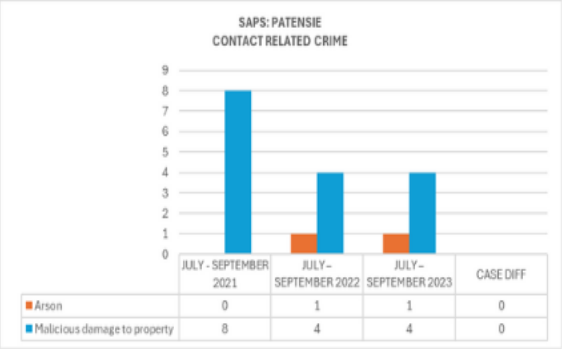


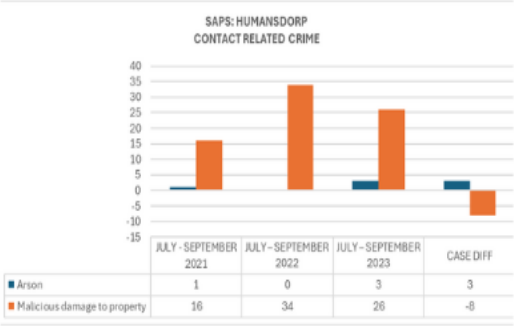
	Carjacking	Robbery at residential premises	Robbery at non-residential premises	TRIO CRIME	Robbery of cash in transit	Bank robbery	Truck hijacking
JULY - SEPTEMBER 2021	0	2	0	2	0	0	0
JULY - SEPTEMBER 2022	0	1	0	1	0	0	0
JULY - SEPTEMBER 2023	1	0	0	1	0	0	0
CASE DIFF	1	-1	0	0	0	0	0

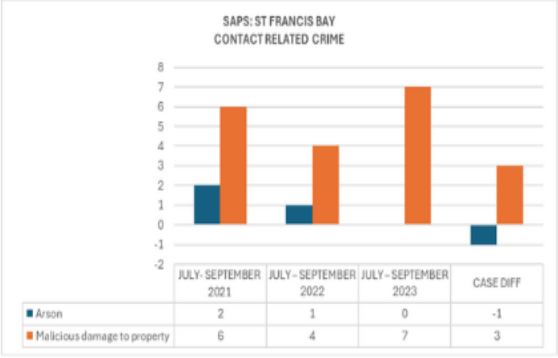
CONTACT RELATED CRIMES

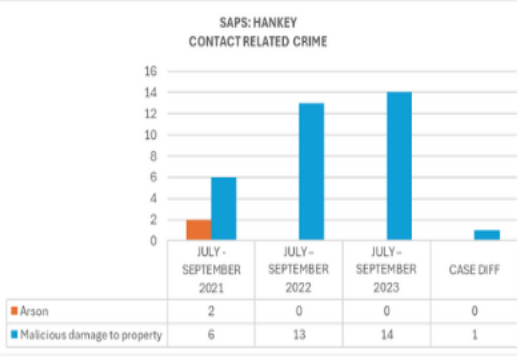












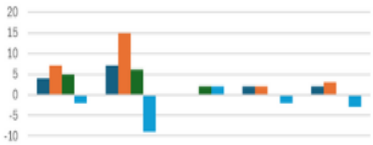
PROPERTY RELATED CRIMES

SAPS: JEFFREYS BAY
PROPERTY RELATED CRIMES



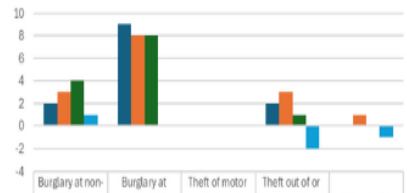
	Burglary at non-residential premises	Burglary at residential premises	Theft of motor vehicle and motorcycle	Theft out of or from motor vehicle	Stock theft
JULY - SEPTEMBER 2021	33	44	0	6	0
JULY -SEPTEMBER 2022	14	43	1	20	0
JULY - SEPTEMBER 2023	18	35	2	16	0
CASE DIFF	4	-8	1	-4	0

SAPS: THORNHILL
PROPERTY RELATED CRIMES



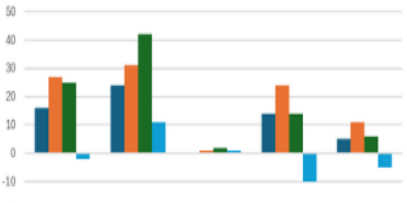
	Burglary at non-residential premises	Burglary at residential premises	Theft of motor vehicle and motorcycle	Theft out of or from motor vehicle	Stock theft
JULY - SEPTEMBER 2021	4	7	0	2	2
JULY – SEPTEMBER 2022	7	15	0	2	3
JULY – SEPTEMBER 2023	5	6	2	0	0
CASE DIFF	-2	-9	2	-2	-3

SAPS: PATENSIE
PROPERTY RELATED CRIME



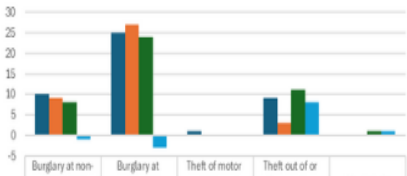
	Burglary at non-residential premises	Burglary at residential premises	Theft of motor vehicle and motorcycle	Theft out of or from motor vehicle	Stock theft
JULY - SEPTEMBER 2021	2	9	0	2	0
JULY – SEPTEMBER 2022	3	8	0	3	1
JULY – SEPTEMBER 2023	4	8	0	1	0
CASE DIFF	1	0	0	-2	-1

SAPS: HUMANSDORP
PROPERTY RELATED CRIMES



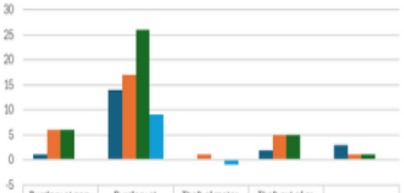
	Burglary at non-residential premises	Burglary at residential premises	Theft of motor vehicle and motorcycle	Theft out of or from motor vehicle	Stock theft
JULY - SEPTEMBER 2021	16	24	0	14	5
JULY - SEPTEMBER 2022	27	31	1	24	11
JULY - SEPTEMBER 2023	25	42	2	14	6
CASE DIFF	-2	11	1	-10	-5

SAPS: ST FRANCIS BAY
PROPERTY RELATED CRIMES



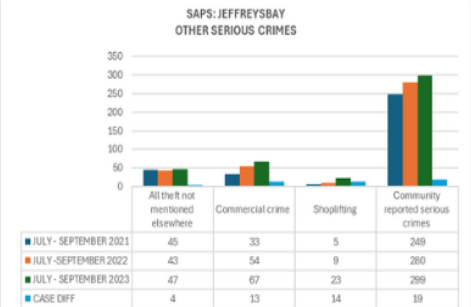
	Burglary at non-residential premises	Burglary at residential premises	Theft of motor vehicle and motorcycle	Theft out of or from motor vehicle	Stock theft
JULY- SEPTEMBER 2021	10	25	1	9	0
JULY - SEPTEMBER 2022	9	27	0	3	0
JULY - SEPTEMBER 2023	8	24	0	11	1
CASE DIFF	-1	-3	0	8	1

SAPS: HANKEY
PROPERTY RELATED CRIMES

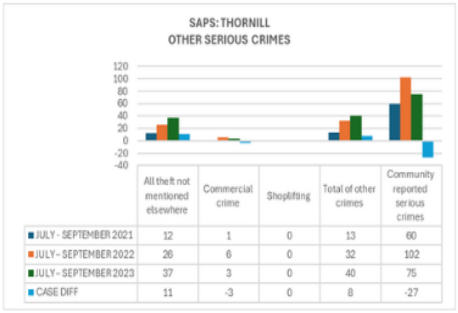


	Burglary at non-residential premises	Burglary at residential premises	Theft of motor vehicle and motorcycle	Theft out of or from motor vehicle	Stock theft
JULY - SEPTEMBER 2021	1	14	0	2	3
JULY - SEPTEMBER 2022	6	17	1	5	1
JULY - SEPTEMBER 2023	6	26	0	5	1
CASE DIFF	0	9	-1	0	0

OTHER SERIOUS CRIMES



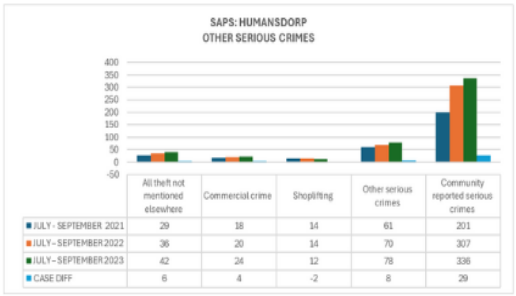
	All theft not mentioned elsewhere	Commercial crime	Shoplifting	Community reported serious crimes
JULY - SEPTEMBER 2021	45	33	5	249
JULY -SEPTEMBER 2022	43	54	9	260
JULY - SEPTEMBER 2023	47	67	23	299
CASE DIFF	4	13	14	19



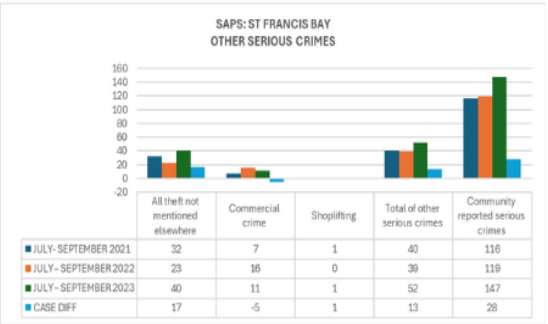
	All theft not mentioned elsewhere	Commercial crime	Shoplifting	Total of other crimes	Community reported serious crimes
JULY - SEPTEMBER 2021	12	1	0	13	60
JULY - SEPTEMBER 2022	26	6	0	32	102
JULY - SEPTEMBER 2023	37	3	0	40	75
CASE DIFF	11	-3	0	8	-27



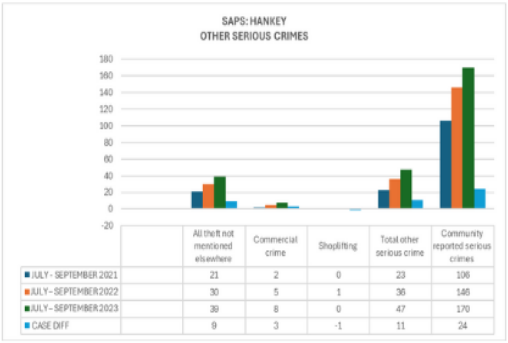
	All theft not mentioned elsewhere	Commercial crime	Shoplifting	Other serious crimes	Community serious crime
JULY - SEPTEMBER 2021	17	4	0	21	78
JULY - SEPTEMBER 2022	20	2	0	22	79
JULY - SEPTEMBER 2023	34	6	0	40	97
CASE DIFF	14	4	0	18	18



	All theft not mentioned elsewhere	Commercial crime	Shoplifting	Other serious crimes	Community reported serious crimes
JULY - SEPTEMBER 2021	29	18	14	61	201
JULY - SEPTEMBER 2022	36	20	14	70	307
JULY - SEPTEMBER 2023	42	24	12	78	336
CASE DIFF	6	4	-2	8	29

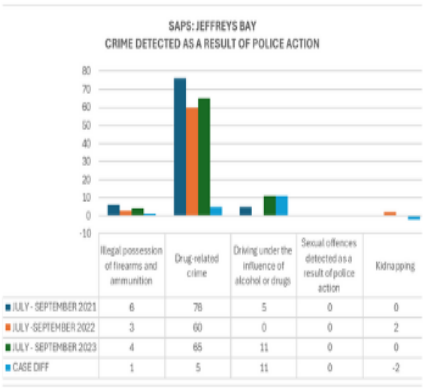


	All theft not mentioned elsewhere	Commercial crime	Shoplifting	Total of other serious crimes	Community reported serious crimes
JULY- SEPTEMBER 2021	32	7	1	40	116
JULY - SEPTEMBER 2022	23	16	0	39	119
JULY - SEPTEMBER 2023	40	11	1	52	147
CASE DIFF	17	-5	1	13	28



	All theft not mentioned elsewhere	Commercial crime	Shoplifting	Total other serious crime	Community reported serious crimes
JULY - SEPTEMBER 2021	21	2	0	23	106
JULY - SEPTEMBER 2022	30	5	1	36	146
JULY - SEPTEMBER 2023	39	8	0	47	170
CASE DIFF	9	3	-1	11	24

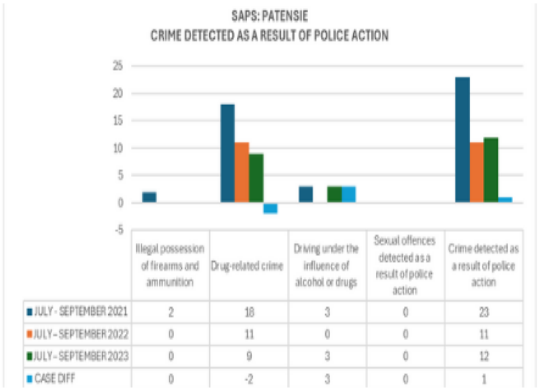
CRIME DETECTED AS A RESULT OF POLICE ACTION



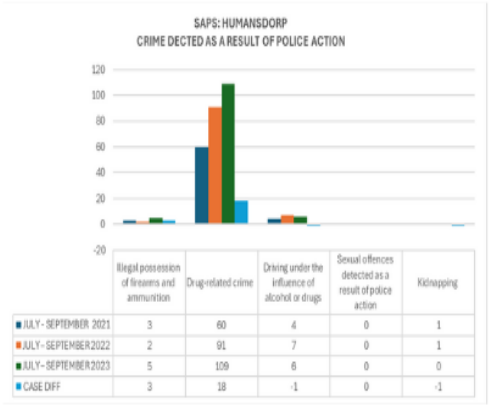
	Illegal possession of firearms and ammunition	Drug-related crime	Driving under the influence of alcohol or drugs	Sexual offences detected as a result of police action	Kidnapping
JULY - SEPTEMBER 2021	6	78	5	0	0
JULY -SEPTEMBER 2022	3	60	0	0	2
JULY - SEPTEMBER 2023	4	65	11	0	0
CASE DIFF	1	5	11	0	-2



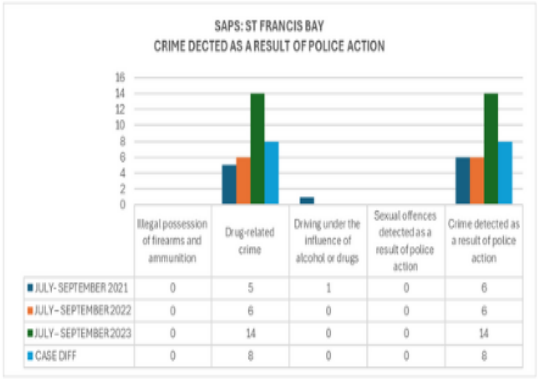
	Illegal possession of firearms and ammunition	Drug-related crime	Driving under the influence of alcohol or drugs	Sexual offences detected as a result of police action	Crime detected as a result of police action	Kidnapping
JULY - SEPTEMBER 2021	0	10	1	0	11	0
JULY - SEPTEMBER 2022	0	10	0	0	10	1
JULY - SEPTEMBER 2023	0	3	0	0	3	0
CASE DIFF	0	-7	0	0	-7	-1



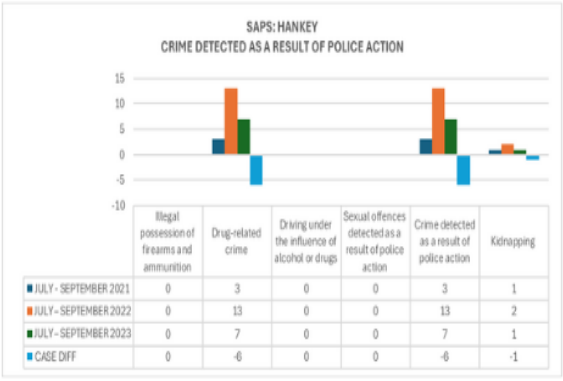
	Illegal possession of firearms and ammunition	Drug-related crime	Driving under the influence of alcohol or drugs	Sexual offences detected as a result of police action	Crime detected as a result of police action
JULY - SEPTEMBER 2021	2	18	3	0	23
JULY - SEPTEMBER 2022	0	11	0	0	11
JULY - SEPTEMBER 2023	0	9	3	0	12
CASE DIFF	0	-2	3	0	1



	Illegal possession of firearms and ammunition	Drug-related crime	Driving under the influence of alcohol or drugs	Sexual offences detected as a result of police action	Kidnapping
JULY - SEPTEMBER 2021	3	60	4	0	1
JULY - SEPTEMBER 2022	2	91	7	0	1
JULY - SEPTEMBER 2023	5	109	6	0	0
CASE DIFF	3	18	-1	0	-1



	Illegal possession of firearms and ammunition	Drug-related crime	Driving under the influence of alcohol or drugs	Sexual offences detected as a result of police action	Crime detected as a result of police action
JULY - SEPTEMBER 2021	0	5	1	0	6
JULY - SEPTEMBER 2022	0	6	0	0	6
JULY - SEPTEMBER 2023	0	14	0	0	14
CASE DIFF	0	8	0	0	8



	Illegal possession of firearms and ammunition	Drug-related crime	Driving under the influence of alcohol or drugs	Sexual offences detected as a result of police action	Crime detected as a result of police action	Kidnapping
JULY - SEPTEMBER 2021	0	3	0	0	3	1
JULY - SEPTEMBER 2022	0	13	0	0	13	2
JULY - SEPTEMBER 2023	0	7	0	0	7	1
CASE DIFF	0	-6	0	0	-6	-1

Note: Statistics from the South African Police Services for the 2024-2025 period will be included in the final IDP to be approved in May 2025.

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

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

SECTION B: CURRENT SITUATION

This section aims at providing a detailed analysis on the state ofaffairs of the municipality. The analysis will be dealt with as per thesix (6) National Key Performance Areas.

2.5 KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Good Governance refers to a set of principles and practices that promote transparency, accountability, fairness, and effectiveness in decision making and management. It involves ensuring that the actions and decisions of those in power are ethical and in the best interests of the organisation or community.

Therefore, good governance includes elements such as the rule of the law, participation of citizens in decision-making, transparency in government operations, and effective and efficient service delivery.

2.5.1 Political Governance Structure

The Executive Council, which is presided over by the Executive Mayor, and the Municipal Manager, who serves as the administrative head, are the two separate but complementary governing bodies of Kouga Local Municipality.

Political Structure:

WARD COUNCILLORS



WARD 1
Sea Vista, Lower Golf Course, Oyster Bay, Leeubos & surrounding farms

Nozuko Ntshota
073 759 8802
nntshotaekouga.gov.za

Ward Office Address:
Cnr of Geelbek & Steenbras Street, Sea Vista Community Hall, Sea Vista



WARD 2
Pellsrus, Madiba Bay & Aston Bay

Henry Murray
062 795 8806
hmurrayekouga.gov.za

Ward Office Address:
4 Solomon Mahlangu Road, Tokyo Sexwale, Jeffreys Bay



WARD 3
Lower Wavecrest & Kabeljauws

Willem Gertenbach
082 460 3380
wgertenbachekouga.gov.za

Ward Office Address:
Maple Crescent, Upper Wavecrest, Jeffreys Bay



WARD 4
Kruisfontein, Jeugkamp, Die Berg, Ext 391 "North Side", 7de Laan, Maak 'n Las, Gill Marcus, Mooi Uitsig, Hopeville & Donkerhoek

Jaques Alexander
062 286 2604
jalexanderekouga.gov.za

Ward Office Address:
7de Laan (blue library), Humansdorp



WARD 5
Arcadia, Bo-Blok, Ext 391"South Side", Vaaldam & Johnsons Ridge

Melanie Biko
083 800 7345
mbikoekouga.gov.za

Ward Office Address:
92 Jacob Street, Arcadia, Humansdorp



WARD 6
Kwanomzamo, Vergenoeg, Humansdorp
Town "East Side" & Boskloof

Kholisile Ndzelani
073 343 8659
kndzelaniekouga.gov.za

Ward Office Address:
438 Nanto Street, Kwanomzamo, Humansdorp



WARD 7
Loerie, Mondplaas, Rooidraai, Thornhill, Longmore & surrounding Farms

Eric Mbuqu
079 490 0260
embuquekouga.gov.za

Ward Office Address:
Mohayo Drive, Katrina Felix Community Hall, Thornhill



WARD 8
Upper Wavecrest

Reinhardt Foley
083 737 8808
rfoleyekouga.gov.za

Ward Office Address:
Maple Crescent, Upper Wavecrest, Jeffreys Bay



WARD 9
Hankey Town, Phillipsville, Rosedale, Kleinfontein, Ou Hankey, Stofwolk, Silvertown, Smartie Town, Sewende Laan, Centerton & Ext 3

Cynthia August
081 357 3593
caugustekouga.gov.za

Ward Office Address:
3 Vuyo Katoo Street, Centerton Hankey



WARD 10
Ramaphosa Village, Patensie Town, Andrieskraal, Cockscomb, Kwagga & surrounding farms

Msingathi Mbandana
063 041 6785
mmbandanaekouga.gov.za

Ward Office Address:
254 Tiger Street, Ramaphosa Village, Patensie



WARD 11
Jeffreys Bay Central, C-Place & The Sands

Fanie Heystek
082 853 9164
fheystekekouga.gov.za

Ward Office Address:
16 Woltemade Street, Municipal Building, Room 3



WARD 12
St. Francis Bay, Cape St Francis & Paradise Beach

Lorraine Maree
073 198 8323
ward12ekouga.gov.za

Ward Office Address:
Municipal Office, Assisi Drive, St Francis Bay



WARD 13
Weston, Centerton, Patensie Town & surrounding farms

Vuyani Zana
071 857 5601
vzanaekouga.gov.za

Ward Office Address:
136 Citwa Street, Weston, Hankey



WARD 14
Tokyo Sexwale & Ocean View

Mzwandile Yali
073 337 4195
myaliekouga.gov.za

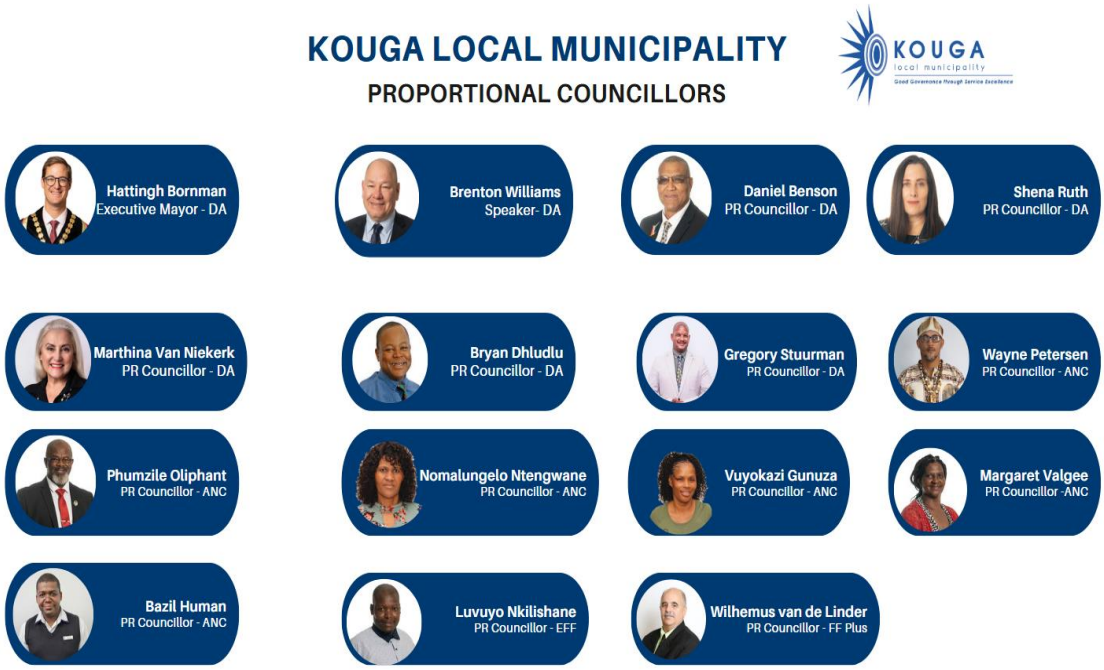
Ward Office Address:
2 Solomon Mahlangu Street, Pellsrus



WARD 15
Panorama, Humansdorp Town "West Side", Upper Golf Course, Arcadia, Moerasrivier, Graslaagte & surrounding areas

Timothy Jantjes
084 415 9020
tjantjesekouga.gov.za

Ward Office Address:
Municipal Office, Main Street, Humansdorp



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

The municipality of Kouga is dedicated to creating a culture of municipal governance that integrates a participatory governance system with formal representative government.

Kouga Council consists of a total of 30 Councillors, of which 15 are Ward and 15 Proportional Councillors.

The figure below depicts the Party Political and demographic representation of Councillors within the Kouga Local Municipality:

Figure 16: Kouga LM: Total Number of Seats

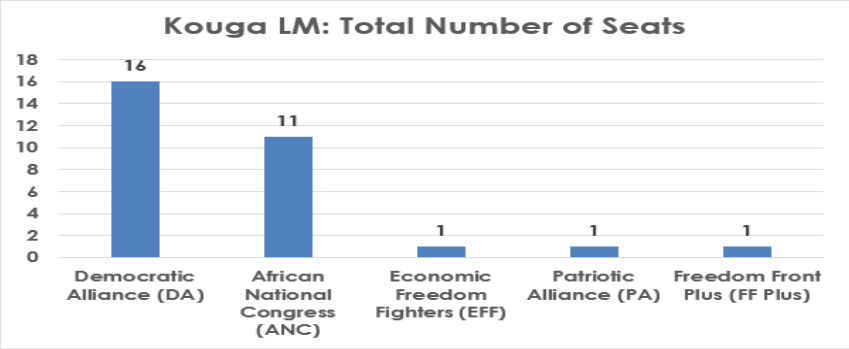
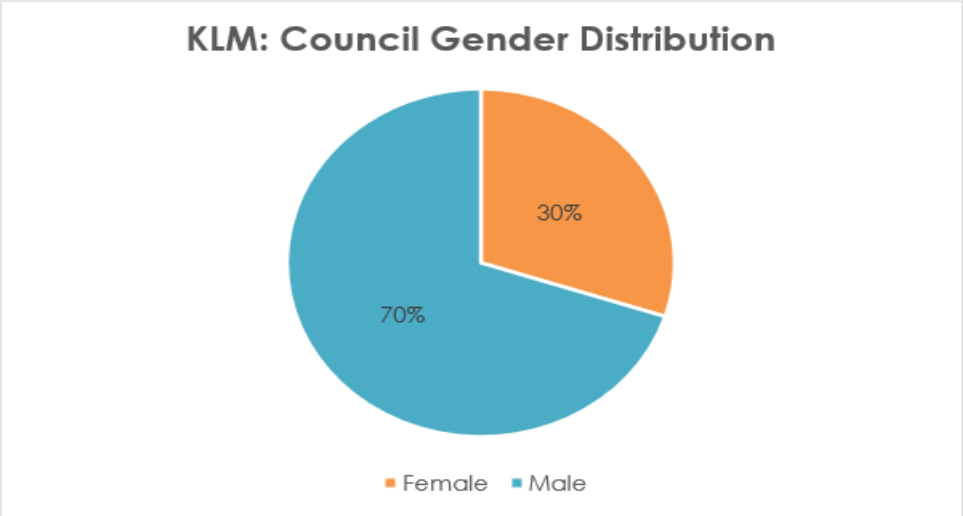


Figure 17: Council Gender Distribution



According to **Figure:17** women consist of 30% of the total number of councillors compared to the 70% that is enjoyed by their male counterpart, 2 of the 6 Council committees are chaired by women.

The political Governance structure with respect to key committees is fairly well established and functional, and is structured as follow:

- The Executive Mayoral Committee

The Portfolio Committees

The table below indicates all the Portfolio Committees established in terms of Section 80 of the Municipal Structures Act:

Table 10: KLM Portfolio Committees, 2024

CORPORATE & COMMUNICATION SERVICES	COMMUNITY & SAFETY SERVICES	PLANNING & DEVELOPMENT
Chairperson: Cllr J Alexander	**Chairperson: Ald D Benson**	**Chairperson: Cllr S Ruth**
Daniel Benson	Greg Stuurman	Martina v Niekerk
Martina v Niekerk	Cynthia August	Reinhardt Foley
Henry Murray	Fanie Heystek	Cynthia August
Greg Stuurman	Henry Murray	Greg Stuurman
Vuyokazi Batyi-Gunuza	Nomalungelo Ntengwane	Mzwandile Yali
Nozuko Ntshota	Kholisile Ndzelani	Wayne Petersen
Bazil Human	Bazil Human	Bazil Human
Wilhelmus van de Linde	Wilhelmus van de Linde	Wilhelmus van de Linde
Luvuyo Nkilishane	Luvuyo Nkilishane	Luvuyo Nkilishane
ALTERNATES:	**ALTERNATES:**	**ALTERNATES:**
Bryan Dhludhlu (A)	Shena Ruth	Lorraine Maree
Lorraine Maree	Jaques Alexander	Jaques Alexander

CORPORATE & COMMUNICATION SERVICES	COMMUNITY & SAFETY SERVICES	PLANNING & DEVELOPMENT
Thembekile Mbuqu	Margaret Valgee	Vuyani Zana
FINANCE & ECONOMIC DEVELOPMENT	**CIVIL & WATER SERVICES**	**ELECTRO & MECHANICAL SERVICES**
Chairperson: Cllr L Maree	**Chairperson: Cllr R Foley**	**Chairperson: Cllr T Jantjes**
Reinhardt Foley	Cynthia August	Shena Ruth
Bryan Dhludhlu	Shena Ruth	Lorraine Maree
Fanie Heystek	Willem Gertenbach	Willem Gertenbach
Willem Gertenbach	Jaques Alexander	Melanie Biko
Phumzile Oliphant	Vuyani Zana	Msingathi Mbandana
Mzwandile Yali	Phumzile Oliphant	Nozuko Ntshota
Bazil Human	Bazil Human	Bazil Human
Wilhelmus van de Linde	Wilhelmus van de Linde	Wilhelmus van de Linde
Luvuyo Nkilishane	Luvuyo Nkilishane	Luvuyo Nkilishane
ALTERNATES:	**ALTERNATES:**	**ALTERNATES:**
Henry Murray	Lorraine Maree	Bryan Dhludhlu (A)
Shena Ruth	Melanie Biko	Henry Murray
Wayne Petersen	Msingathi Mbandana	Mzwandile Yali

Source: KLM, 2024

Section 79 Committees:

In accordance with Section 79 of the Municipal Structures Act, Council has also formed the following committees:

i. Municipal Public Accounts Committee (MPAC)

The Committee is made up of non-executive Councillors with the responsibilities of ensuring that the Administration is held accountable for the management of municipal funds, assets and the efficient and effective management of council resources.
The MPAC is responsible for overseeing the financial affairs of the municipality. Its main roles and responsibilities include:

- **Financial Oversight:** MPAC is responsible for reviewing and monitoring the financial affairs of the municipality. This includes examining financial statements, budgets and expenditures to ensure compliance with relevant laws and regulations.

- **Auditing and Reporting:** MPAC conducts regular audits of the municipality's financial records to identify any irregularities or discrepancies. It prepares reports on its findings and recommendations for improvement. It also evaluates the findings and recommendations of the external audit report.

- **Risk Assessment:** MPAC is often involved in assessing financial risks and internal controls within the municipality. They identify potential risks an provide recommendations to mitigate those risks, ensuring the financial integrity of the municipality.

- **Transparency and Accountability:** MPAC promotes transparency and accountability in financial matters in financial matters. They aim to ensure that the municipality's financial resources are used efficiently, effectively, and in the best interest of the community.

- **Reporting and Recommendations:** MPAC prepares reports on their finding and recommendations, which are typically submitted to the municipal council. These reports provide valuable insights into the municipality's financial health and help guide decision making.

- **Stakeholder Engagement:** MPAC may engage with various stakeholders, such as municipal officials, finance department, and community members. They seek input, address concerns, and promote understanding of financial matters within the municipality.

ii. 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: "establish a special committee – (i) to investigate appropriate

iii. 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.

iv. Monitoring & Evaluation Committee

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

1.6.8 Municipal Public Accounts Committee (MPAC)

The Committee is made up of non-executive Councillors with the responsibilities of ensuring that the Administration is held accountable for the management of municipal funds, assets and the efficient and effective management of council resources.

The MPAC is responsible for overseeing the financial affairs of the municipality. Its main roles and responsibilities include:

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- **Reporting and Recommendations:** MPAC prepares reports on their finding and recommendations, which are typically submitted to the municipal council. These reports provide valuable insights into the municipality's financial health and help guide decision making.

- **Stakeholder Engagement:** MPAC may engage with various stakeholders, such as municipal officials, finance department, and community members. They seek input, address concerns, and promote understanding of financial matters within the municipality.

1.6.9 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: "establish a special committee – (i) to investigate appropriate

1.6.10 Municipal By-Laws and Policy Committee

The Municipal By-Laws and Policy Committee ensures the review of Municipal by-laws and policies, and the development of new by-laws and policies.

Statutory Committees

The following administrative committees has been established by Council:

- **Audit/Performance 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.

- **Bid Specification Committee:** compiles the specification for all goods and services procured by the municipality.

- **Bid Evaluation Committee:** evaluates bids in accordance with the specifications of a specific procurement, and the points system set out in the Supply Chain Management (SCM) Policy and Regulations and as prescribed in terms of the Preferential Procurement Policy Framework.

- **Bid Adjudication Committee:** considers reports and recommendations of the bid evaluation committee and makes a recommendation to the Accounting Officer to make the final award; or make recommendation to the Accounting Officer on how to proceed with the relevant procurement.

Audit Committee

The Audit Committee is an independent advisory body per Section 166(1) of the Municipal Finance Management Act no 56 of 2003 (MFMA). The Audit Committee also fulfils the functions of a Performance Management Audit Committee constituted in terms of Regulation 14(2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001.

Council Meetings Calendar

The tables below outline Council's and its Committees seatings as per the approved Council calendar:

Council meetings

Table 11: Council Meetings – 2024/25

Date of Meeting	Type of meeting	Meeting Assembled	
		Yes	No
30 July 2024	Ordinary Council	x	
23 August 2024	Special Council	x	
28 August 2024	Ordinary Council	x	
13 September 2024	Special Council	x	
30 October 2024	Ordinary Council	x	
8 November 2024	Special Council	x	
13 December 2024	Ordinary Council	x	
29 January 2025	Ordinary Council	x	
26 February 2025	Ordinary Council		
27 March 2025	Ordinary Council		
30 April 2025	Ordinary Council		
29 May 2025	Ordinary Council		
26 June 2025	Ordinary Council		

Source: KLM,2025

Mayoral Committee meetings

Table 12: Mayoral Committee Meetings – 2024/25

Date of Meeting	Type of meeting	Meeting Assembled	
		Yes	No
17 July 2024	Mayoral Committee	x	
15 August 2024	Mayoral Committee	x	
16 September 2024	Mayoral Committee	x	
16 October 2024	Mayoral Committee		x
13 November 2024	Mayoral Committee	x	
12 February 2025	Mayoral Committee		
9 April 2025	Mayoral Committee		
11 June 2025	Mayoral Committee		

Source: KLM,2025

Portfolio Committee Meetings

Table 13: Portfolio Committee Meetings – 2023/24

Date of Meeting	Type of meeting	Meeting Assembled	
		Yes	No
10 July 2024	**Corporate & Communication Services Portfolio Committee**	x	
6 August 2024		x	
3 September 2024		x	
8 October 2024			x
5 November 2024		x	
4 February 2025		x	
1 April 2025			
3 June 2025			
9 July 2024	**Finance and Economic Development Portfolio Committee**	x	
6 August 2024		x	
3 September 2024		x	
8 October 2024			x
5 November 2024		x	
4 February 2025		x	
1 April 2025			
3 June 2025			
9 July 2024	**Community and Safety Services Portfolio Committee**	x	
6 August 2024		x	
3 September 2024		x	
8 October 2024			x
5 November 2024		x	
4 February 2025		x	
1 April 2025			
3 June 2025			
9 July 2024	**Electro-Mechanical Services Portfolio Committee**	x	
7 August 2024		x	
4 September 2024		x	

Date of Meeting	Type of meeting	Meeting Assembled	
		Yes	No
9 October 2024			x
6 November 2024		x	
5 February 2025		x	
2 April 2025			
4 June 2025			
10 July 2024	**Civil & Water Services Portfolio Committee**	x	
7 August 2024		x	
4 September 2024		x	
9 October 2024			x
6 November 2024		x	
5 February 2025		x	
2 April 2025			
4 June 2025			
10 July 2024	**Planning & Development Portfolio Committee**	x	
7 August 2024		x	
4 September 2024		x	
9 October 2024			x
6 November 2024		x	
5 February 2025			
2 April 2025			
4 June 2025			

Source: KLM,2025

2.5.2 Administrative Governance

Administrative governance refers to the practices and processes involved in the management and administration of an organisation. It focuses on the efficient and effective implementation of policies, procedures, and decision-making to ensure the smooth functioning of the organisation.

In administrative governance, the emphasis is on the day-to-day operations, coordination, and control of resources within an organisation. It involves tasks such as planning, organising, staffing, directing, and controlling, all aimed at achieving the goals and objectives of the organisation.

Administrative governance plays a crucial role in ensuring that the organisation's resources are utilized optimally, that tasks are performed efficiently, and that policies and procedures are followed consistently.

Administration

The Municipal Manager is the head of the Administration. His primary responsibility is to serve as the chief custodian of service delivery and the implementation of political priorities. He is assisted by the Top Management Team (TMT), which comprises of the

Directors of six departments. The TMT is responsible for identifying and setting strategic interventions to improve service delivery; developing new initiatives based on feedback from political leadership, departments and local communities; and managing current priorities.

The Kouga Local Municipality is administered from the main offices situated in Jeffreys Bay with satellite offices in the following areas:

- Humansdorp;
- Hankey;
- St Francis Bay; and
- Patensie.



2.5.3 Municipal Functional Areas

Municipalities are mandated to implement National and Provincial policies related to socio-economic development and the political life of the Municipality, as established in the Constitution.

In the context of local government functions, district municipalities play a coordinating role and are responsible for the provision of bulk service infrastructure. The table below outlines the functions and roles of the Kouga Municipality as specified in Schedule 4, Part B of the Constitution of the Republic of South Africa, Act 108 of 1996.

Table 14: Municipal Powers and Functions

Municipal Powers and Function	
Amenities and Infrastructure	**Housing Development**
Electricity	All forms of Housing Development
Storm water management	Housing Administration
Street lighting	Spatial Development
Road maintenance	Urban Revival

Municipal Powers and Function	
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

2.5.4 Public Participation

Chapter 4 of the Local Government: Municipal Systems Act, No. 32 of 2000 deals with the development of a culture of community (public) participation, mechanisms, processes, and procedures for community participation, communication of information concerning community participation, public notice of council meetings, and communication between council and the local community. These mechanisms for public participation must also be appropriate for the:

- Preparation, implementation and review of the IDP.
- The establishment, implementation and review of the performance management system;

- Monitoring and review of the performance, including the outcomes and impact of such performance; and
- Preparation of the municipal budget.

2.5.4.1 Ward Committees

Ward Committees are an important component of local government as they are link between the councillor and the community.

The ward committee system is also said to play a critical role in giving meaning to the notion of "the people shall govern". This is so because local government is regarded as the level of government closest to the people and ward committees are just one way to ensure that citizens give input to the decisions that local councils make.

The main purpose of ward committees is to facilitate citizen participation in local government decision-making processes and ensure that the needs and concerns of the ward are effectively addressed.

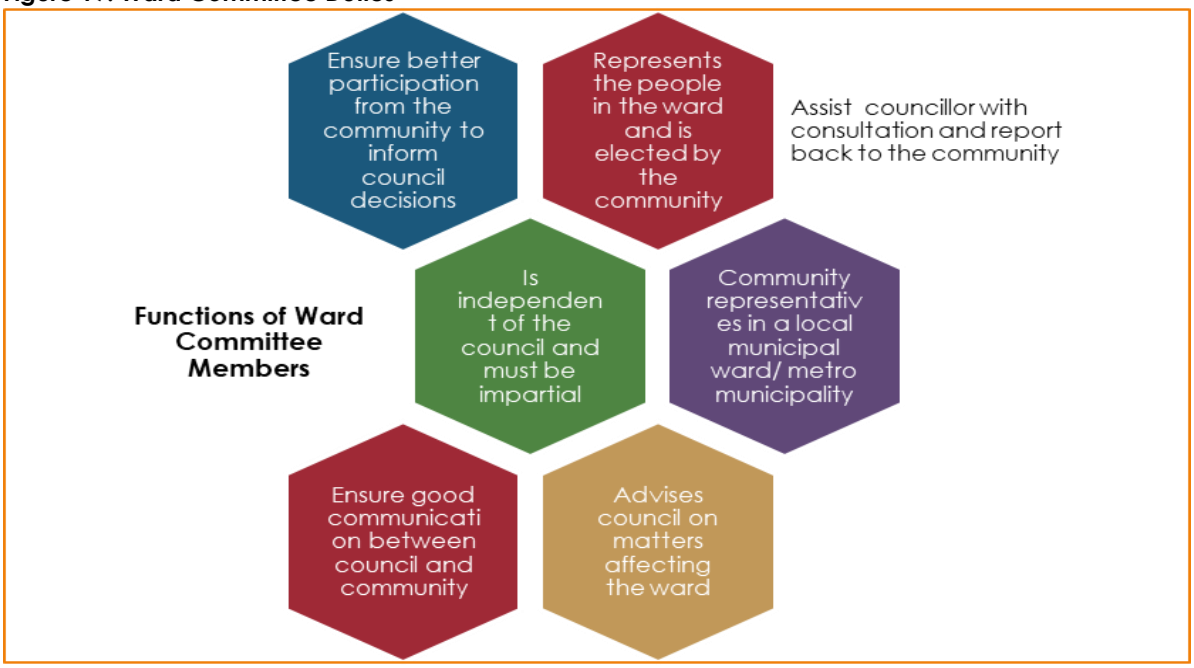
Ward committees often serve as link between the local government and the community. They gather feedback and suggestions from residents regarding local issues, advocate for their needs, and contribute to the development of policies and plans that reflect the priorities of the ward.

In addition to their advisory role, ward committees may also have responsibilities such as overseeing local projects, monitoring service delivery, and promoting development initiatives. The term of office ward committees is aligned to that of the municipal council.

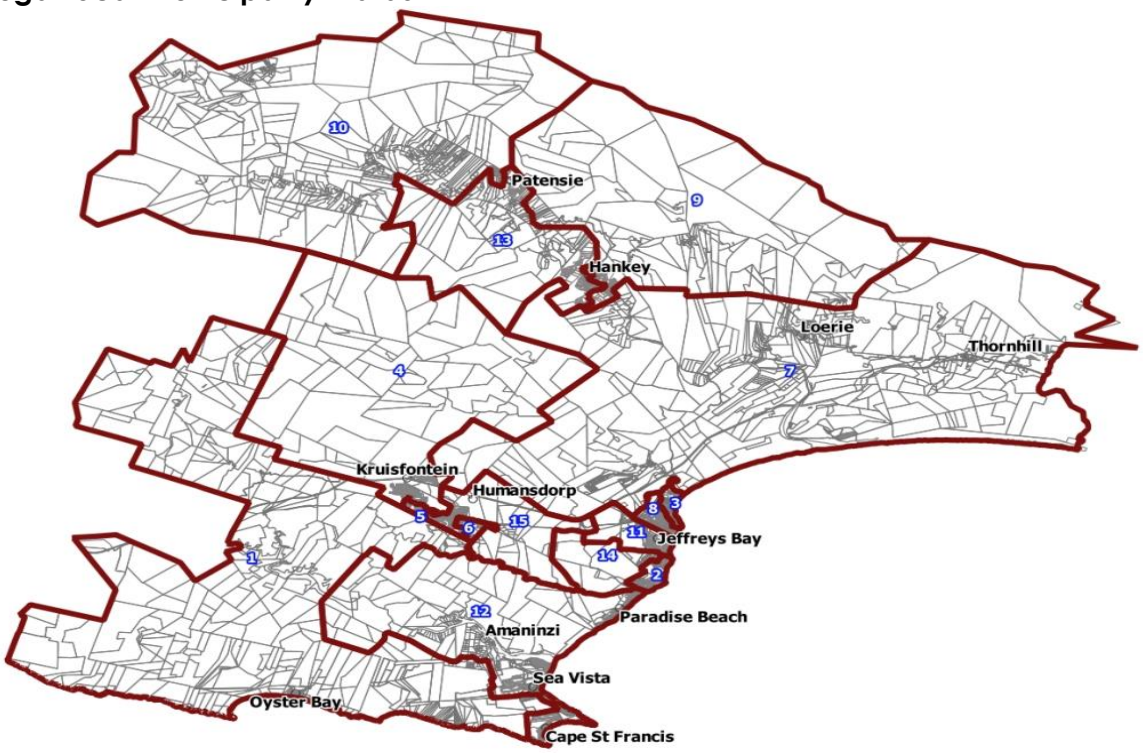
The Kouga Municipality believes in community participation and bringing services and government to the communities. To this extent, the Municipality has established fully equipped ward offices in all 15 wards. Ward assistants have been employed in all wards as support staff to the ward councillors. Chapter 4 of the Municipal Structures Act makes provision for the establishment of the Ward Committees as the structures to enhance participatory democracy.

Kouga Municipality has a Ward Committee system in place, which plays a crucial role in achieving the aims of local governance and democracy, as mentioned in the Constitution of 1996. A Ward Committee is independent of the Council and not politically aligned. The Ward Committees have been established for all 15 wards and induction trainings were conducted in the month of February 2022. Ward Committee meetings are held once a month. Outcomes of Ward Committee meetings are documented and referred to user departments for implementation. The figure below outlines the main duties of the Ward Committees:

Figure 19: Ward Committee Duties



Map 2 : Kouga Local Municipality Wards



Source: KLM, 2025

On any issue impacting the ward, a ward committee may submit suggestions to the ward councillor, who in turn may forward them to the municipal council, the executive committee, or the support committee.

The ward committee is recognized by the municipal council as the statutory structure that serves as a consultative body and communication channel for matters pertaining to the ward. These matters may include, but are not limited to:

- representing the community in the creation and execution of the Integrated Development Plan.
- fostering positive and harmonious relationships between the municipality and the community.
- handling all issues that impact and benefit the community.
- acting in the community's best interest; and guaranteeing the community's active participation in the municipality's budgetary process.

Moreover:

- Representatives from each ward comprise the ward committee.
- They are composed of people who in the ward represent different interests.
- The ward councillor presides over ward committees.
- They are intended to serve as an official avenue for contact and communication between local governments and communities.
- Through ward councillors, ward committees provide members of the community with a platform to voice their needs and opinions on matters that impact them personally, as well as to have their voices heard at the municipal level.
- Ward committees are advisory groups established in the context of civil society to help ward council members carry out their responsibilities in the most democratic way possible.

2.5.4.2 Functioning of Ward Committee

Support for ward committees varies by area, making it challenging to evaluate and quantify how well ward committees are performing. Ward committee functionality can be evaluated and measured using the following functionality indicators:

Normal Activities

- attendance of ward committee members at formal, scheduled meetings.
- attendance of ward committee members at formal, scheduled report-back meetings for the community and sector.
- ward committee members actively participate in ward-based development, monitoring, and evaluation.
- they also register complaints regarding operational service delivery and other matters.

Ad hoc Activities

- Members of the ward committee must participate in capacity-building and mandatory training programs.
- they must also attend and/or participate in other official forums from other tiers of government that have been authorised by the municipality.

The table below provides information on the establishment of ward committees and their functionality:

Ward	Committee established Yes/No	Committee functioning effectively Yes/No	Date of Meetings
1	YES	YES	05 February 2025 05 March 2025 09 April 2025 07 May 2025 04 June 2025
2	YES	YES	04 February 2025 04 March 2025 02 April 2025 06 May 2025 03 June 2025
3	YES	YES	06 February 2025 06 March 2025 03 April 2025 08 May 2025 05 June 2025
4	YES	YES	04 February 2025 04 March 2025 08 April 2025 06 May 2025 03 June 2025
5	YES	YES	11 February 2025 04 March 2025 08 April 2025 06 May 2025 10 June 2025
6	YES	YES	06 February 2025 06 March 2025 08 April 2025 07 May 2025 05 June 2025
7	YES	YES	06 February 2025 05 March 2025 03 April 2025 08 May 2025 09 June 2025
8	YES	YES	07 February 2025 07 March 2025 04 April 2025 09 May 2025

Ward	Committee established Yes/No	Committee functioning effectively Yes/No	Date of Meetings
			06 June 2025
9	YES	YES	06 February 2025
			06 March 2025
			08 April 2025
			06 May 2025
			05 June 2025
10	YES	YES	04 February 2025
			04 March 2025
			04 April 2025
			08 May 2025
			06 June 2025
11	YES	YES	04 February 2025
			04 March 2025
			08 April 2025
			06 May 2025
			03 June 2025
12	YES	YES	06 February 2025
			05 March 2025
			02 April 2025
			07 May 2025
			04 June 2025
13	YES	YES	04 February 2025
			04 March 2025
			01 April 2025
			05 May 2025
			06 June 2025
14	YES	YES	07 February 2025
			07 March 2025
			11 April 2025
			09 May 2025
			06 June 2025
15	YES	YES	04 February 2025
			04 March 2025
			01 April 2025
			06 May 2025
			03 June 2025

2.5.5 Intergovernmental Relations

Section 24 (1) and (2) of the Municipal Systems Act provides for the legislative Framework for the enhancement of co-operative governance in municipal planning. The Act states the following:

"(1) the planning undertaken by the municipality must be aligned with and complement the development plans and strategies of other of the affected municipalities and other organs of state to give effect to the principles of cooperative government contained in

Section 41of the Constitution. (2) municipalities must participate in national and provincial development programmes as required in Section 153(b) of the Constitution".

Kouga Municipality is dedicated to collaborating with all pertinent parties in the municipal region to address the issues that its communities face.

Intergovernmental Structures

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

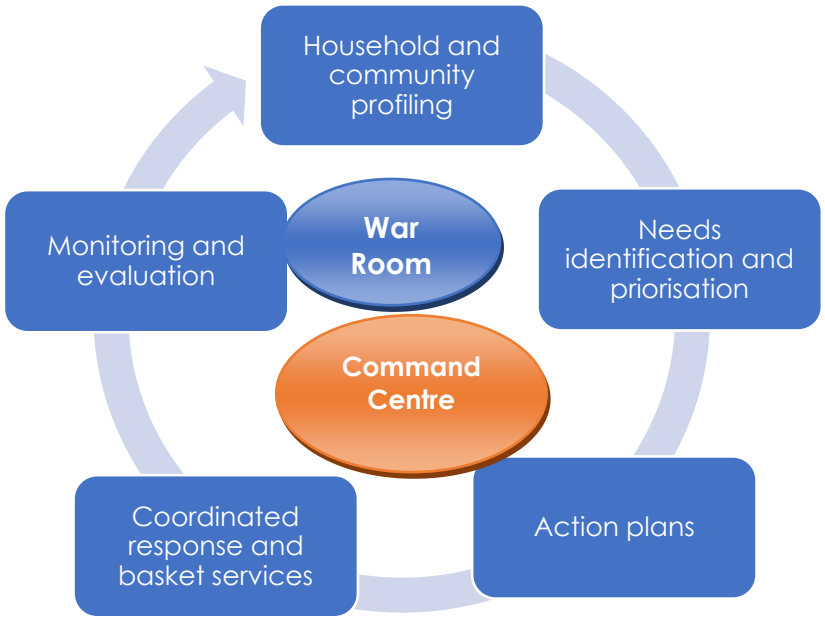
The municipality participates in the following intergovernmental structures:

Municipality's participation in IGR structures	District / Municipal Forms
▪ Premier's Coordinating Forum (PCF) ▪ District Coordination Forum (DCF) ▪ Mayor's and Municipal Manager's Forum ▪ Chief Financial Officer Forum ▪ Provincial LED and Tourism Forum ▪ Provincial Public Participation and Communication Forum ▪ Provincial IDP Manager's Forum ▪ Provincial Social Housing Forum ▪ Provincial Skills Development Forum ▪ Human Resource Management Forum ▪ Provincial Disaster Management Advisory Forum ▪ Provincial Roads and Public Works Forum ▪ Back to Basics ▪ Operation Masiphathisane ▪ SALGA BIGM partnership with Port Edward County ▪ NUSP Forum (**National Upgrading Support Program)**	▪ Municipal Managers Forums ▪ SALGA Working Groups ▪ District Coordinating Forum ▪ IDP Managers Forum ▪ LED Managers Forum

IGR Joint Programmes/Interventions
▪ Provincial Public Participation Workshops and Training Courses ▪ Back to Basics ▪ SALGA BIGM partnership with Port Edward County ▪ Operation Masiphathisane

2.5.5.1 Integrated Service Delivery Model

Figure 20: Integrated Service Delivery Model



The benefits of the ISDM are:

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

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

Back to Basics Approach

The Back-to-Basics programme driven by the Department of Cooperative Governance relates to the core services that local government needs to provide namely clean drinking water, sanitation, electricity and waste removal. It also includes other essential

services such as roads and shelter. The aim of the back-to-basics program is to ensure good governance. Municipalities are obliged to render these services and to create a safe, healthy and economically sustainable environment for their respective communities. The goal of the back to basics is to improve the functioning of municipalities to better serve communities by getting the basics right.

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

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

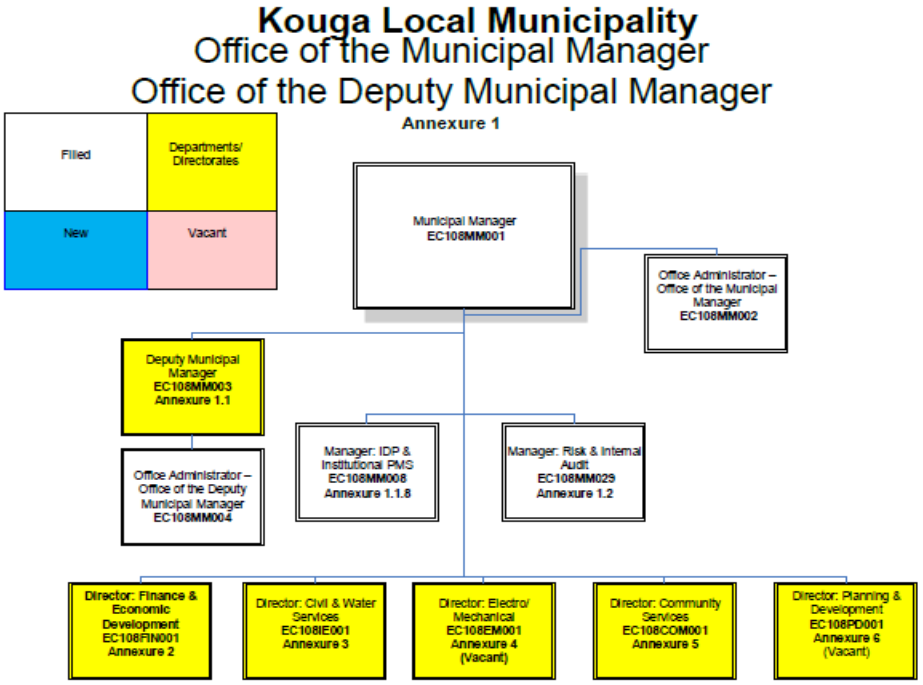
A further focus is on public participation and in this regard the following is highlighted.

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

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

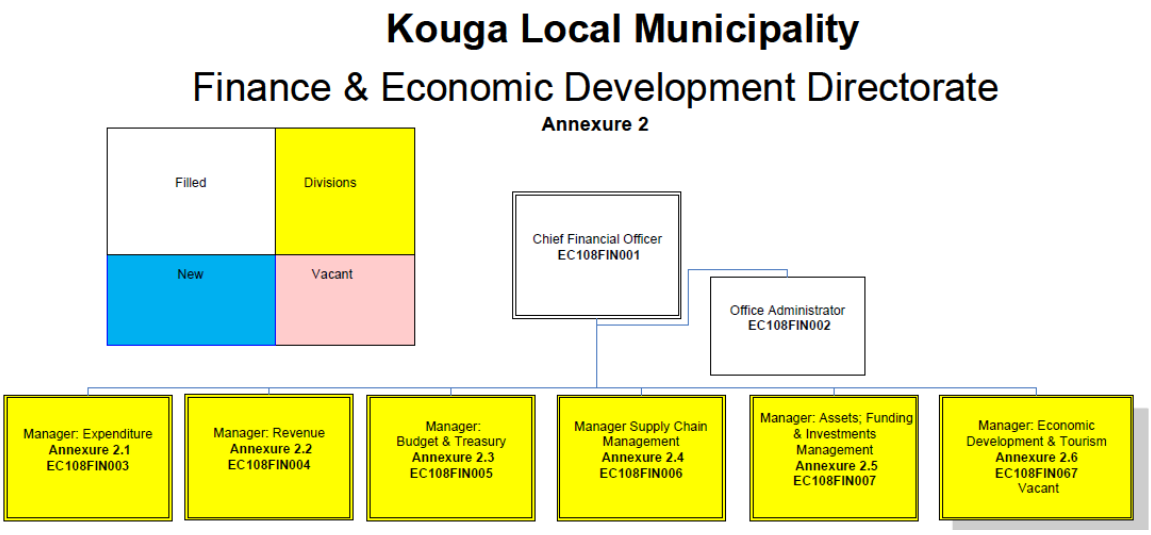
2.6 KPA: INSTITUTIONAL ARRANGEMENTS

2.6.1 Macro Structure



DIRECTORATE	FUNCTIONS
Office of the Municipal Manager	Integrated Development Planning, Performance Management, Risk Management, Internal Audit
Civil & Water Services	Water Distribution and Treatment, Roads, Wastewater Management
Finance and Economic Development	Revenue Management, Budget and Treasury, Supply Chain Management, Assets, Funding and Investment, Expenditure and Local Economic Development, Tourism
Electromechanical	Electricity Distribution and Maintenance, Mechanical inclusive of Fleet Management
Deputy Municipal Manager	Legal Advisory, Administration, Information Technology, Human Resources, Public Participation, Special Programmes, Communications, Political Services
Community Services	Solid Waste Management, Sport and Recreation, Traffic and Law Enforcement, Environmental Management
Development and Planning	Human Settlements, Property Management, Town Planning, Building Control & GIS

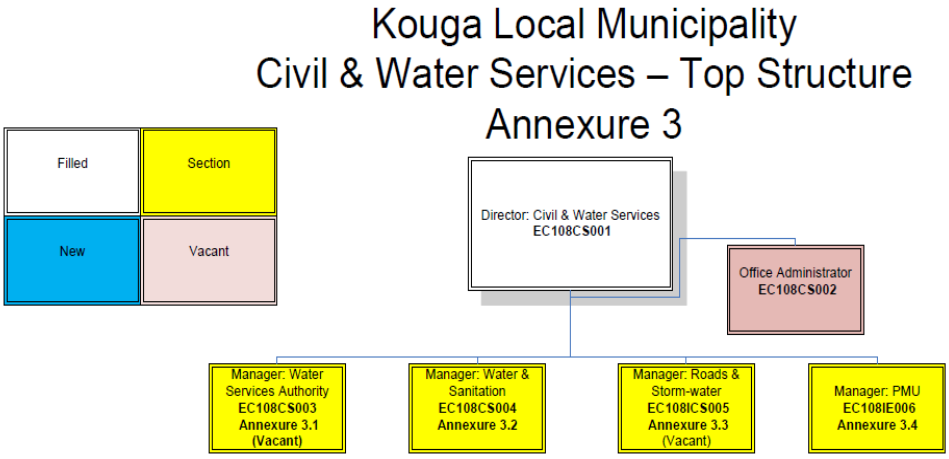
Directorate: Finance & Economic Development



The Finance & Economic Development Directorate comprises the following Divisions:

Position	Vacancy
Manager: Expenditure	Vacant
Manager: Revenue	Filled
Manager: Budget & Treasury	Filled
Manager: Supply Chain Management	Filled
Manager: Assets, Funding & Investments Management	Filled
Manager: Economic Development & Tourism	Vacant

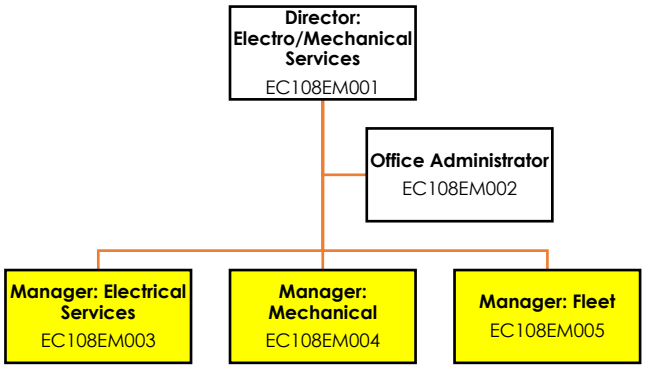
Directorate: Civil and Water



The Civil and Water Directorate comprises the following sections:

Position	Vacancy
Manager: Water Services Authority	Vacant
Manager: Water & Sanitation	Filled
Manager: Roads & Stormwater	Vacant
Manager: PMU	Filled

Directorate: Electromechanical

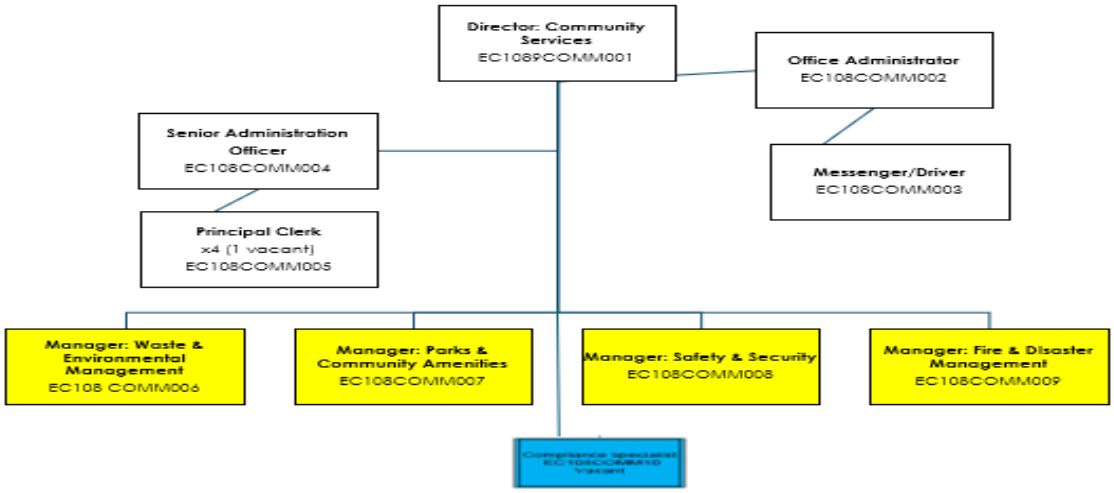


The Electromechanical section is comprises of the following Sections:

Position	Vacancy
Director: Electromechanical	Filled
Manager: Electrical Services	Vacant
Manager: Mechanical Services	Vacant
Manager: Fleet	Filled

Directorate: Community Services

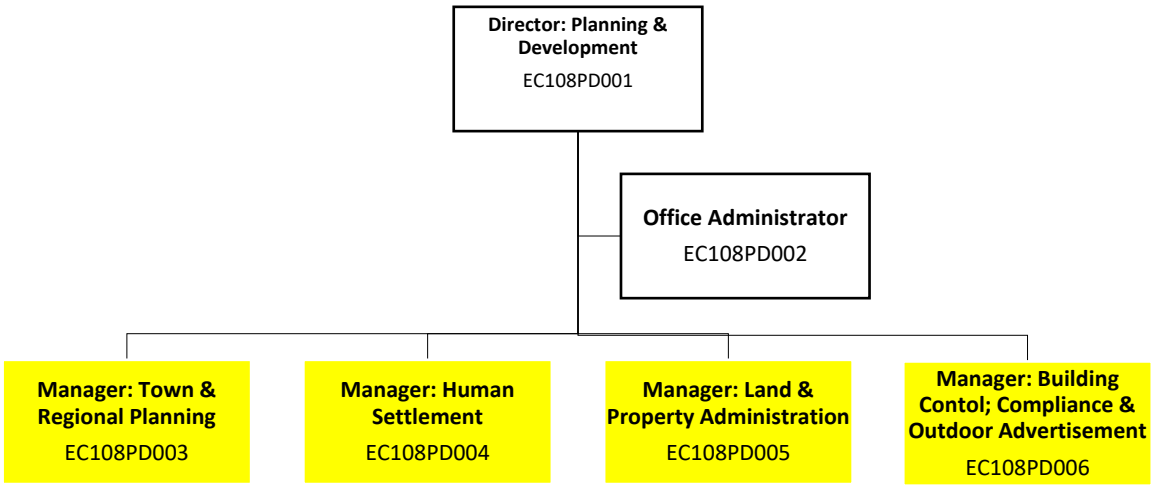




The Community Services comprises of the following sections:

Position	Vacancy
Manager: Waster & Environmental Management	Filled
Manager: Parks & Community Amenities	Filled
Manager: Safety & Security	Filled
Manager: Fire & Disaster Management	Filled
Compliance Specialist	Vacant

Directorate: Planning & Development



The Planning and Development Directorate comprises of the following Divisions:

Position	Vacancy
Director: Planning and Development	Filled
Manager: Town & Regional Planning	Filled
Manager: Human Settlement	Vacant
Manager: Land & Property Administration	Filled
Manager: Building Control; Compliance & Outdoor Advertisement	Filled

2.6.2 Municipal Capacity

The Municipal Systems Act, Section 67, requires municipalities to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective, and transparent personnel administration following the Employment Equity Act, 1998.

The Human Resources division comprises of Administration Services. This section is responsible for the following:

- Employee Benefits
- Occupational and Health and Safety
- Labour Relations
- Skills Development; and
- Organisational Development.

2.6.3 HR Policies and Plans

Policies and plans offer direction for equitable and uniform staff treatment, ensuring a consistent methodology in staff management.

The table below outlines Kouga Local Municipality's HR Policies and Plans:

Name of Policy/Plan	Date adopted or comment of failure to adopt
Employment Equity	28 August 2024
Code of Conduct for Employees	Schedule 2 of the Municipal Systems Act
Disciplinary Code and Procedures	Bargaining Council
Essential Services	25 July 2018
EAP	2024
Grievance Procedure	Bargaining Council
HIV/AIDS	Bargaining Council
Human Resource and Development	2023
ICT Disaster Recovery Policy	29 March 2018
ICT User Access Management Policy	27 October 2023
Acting Policy: Section 57 Managers	31 March 2021
Policy on Prevention and Elimination of Harassment in the Workplace	29 June 2022
Leave	10 October 2024
Overtime Policy	28 August 2020
Occupational Health and Safety	10 October 2024
Personal Protective Equipment Policy	10 October 2024
Official Housing Subsidy	Adopted at Bargaining Council level
Main Collective Agreement	Bargaining Council
Absenteeism and Reporting	30 April 2024
Internship Policy	30 April 2024
Training and Development Policy	30 April 2024

Significant progress is being made in adopting HR policies and procedures, and the municipality is on track to adopt at least two policies in each financial year.

2.6.3.1 Personnel

The municipality currently has a staff component of **925** permanent employees and 44 temporary officials, who together contribute individually and collectively towards achieving the municipality's objectives.

2.6.3.2 Injuries

An occupational injury refers to a personal injury, illness, or death that results from an accident occurring in the workplace. Compensation claims for these injuries are determined based on the severity of the injury or illness and can be expensive for a municipality. Occupational injuries can lead to a loss of man-hours, which in turn affects financial performance and productivity.

The table below provides the total number of injuries within the different directorates:

Directorate	Financial Year		
	2022/23	2023/24	2024/25
Office of the Municipal Manager	0	0	0
Office of the Deputy Municipal Manager	4	0	0
Civil and Water Services	17	21	8
Community Services	53	56	17
Electromechanical Services	6	3	5
Finance and Economic Development	8	11	4

2.6.3.3 Sick Leave

Directorate	Financial Year		
	2022/23	2023/24	2024/25
Office of the Municipal Manager & DMM	767.50	398	373.50
Planning and Development	210.50	126	174
Civil and Water Services	1427	769.50	
Community Services	2503	218	1597
Electromechanical Services	182	32	
Finance and Economic Development	135	84	493.50

2.6.3.4 Capacitating the municipal workforce

Section 68 (1) of the Municipal Systems Act states that municipality must develop its human resource capacity to a level that enables it to perform itsfunctions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose, the human resource capacity of amunicipality must comply with the Skills Development Act (SDA), 1998, and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

2.6.3.5 Skills Development

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1) (f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

The table below indicates the number of employees that received training in the year 2024/25:

Table 15: Skills Matrix

Financial Year 2024/2025					
Occupational Categories	**Gender**	**Number of Employees as the beginning of the financial year**	**Training provided within the financial year**		
			Learnerships	**Skills programmes & other short courses**	**Total**
MM and Directors	Female	0	0	0	0
	Male	0	0	0	0
Professionals	Female	0	0	4	4
	Male	0	0	2	2
Technicians	Female	0	0	0	0
	Male	0	0	8	8
Community and Personal Services workers	Male	0	0	6	6
	Female	0	0	18	18
Clerical and Administrative Workers	Male	0	0	7	7
	Female	0	0	4	4
Machine operators and drivers	Male	0	0	7	7
	Female	0	0	0	0
Labourers	Male	0	0	16	16
	Female	0	0	9	9
Subtotal	**Female**	**0**	**0**	**35**	**35**
	Male	**0**	**0**	**46**	**46**
Total		**0**	**0**	**81**	81

2.6.3.6 Municipal Finance Management Programme (MFMP)

In terms of Section 83 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the Accounting Officer, Senior Managers, the Chief Financial Officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcome based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 as per Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

The table below provides details of the financial competency development progress as required by the regulation:

Table 16: Financial Competency Development: Progress Report

Description	Total number of officials employed by municipality (Regulation 14(4) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4))	Total number of officials that meet prescribed competency levels (Regulation 14(4))
Financials Officials				
Accounting Officer	1	1	1	1
Chief Financial Officer	1	1	1	1
Senior Managers	5	5	5	5
Any other financial officials	-	-	-	-
Supply Chain Management officials				
Heads of supply chain management units	1	1	1	1
Supply chain management senior managers	1	1	1	1
Sub Total	2	2	2	2
Other officials for purpose of acting and succession planning				
Other Officials	-	-	-	-
Total	11	11	11	11

2.6.3.7 Skills Development Expenditure

Financial Year	Budget Expenditure	% Spent
2022/2023	R624 736	98%
2023/2024	R412 665	99%
2024/2025	R359 157	72%

2.6.3.8 Implications of the Local Government Municipal Regulations and Guidelines

On 20 September 2021, the National Minister promulgated the Local Government: Municipal Staffing Regulations and Guidelines – GN 890 and 891. These regulations has come into effect on 1 July 2022.

Scope of Application: Unless otherwise specified, the regulations apply to all municipalities and municipal staff below the management echelon, excluding senior managers and participants in the Community Work Programme (CWP) and Expanded Public Works Programme (EPWP).

In order to comply with the Municipal Staffing Regulations, the following actions must be taken:

- Review of staff establishment following the Integrated Development Plan (IDP) and elections.
- Staff determination, including the establishment of layers and span of control.
- Alignment of the Human Resources (HR) plan with the IDP and Budget.
- Ensure alignment with the IDP, Budget, Employment Equity (EE), Spatial Development Framework (SDF), and Workplace Skills Plan (WPSP).
- Revise the HR strategy and plan.
- Ensure job descriptions for all positions include required competencies.
- Link job descriptions to Key Performance Areas (KPAs) as per the prescribed list.
- Develop a strategy to fill vacant funded posts within six months.
- Conduct job evaluations.
- Address Public Office Bearers (Contracts).
- Implement a probation policy and assessment questionnaire, including competency assessment.
- Conduct readiness reviews.
- Perform skills audits.

2.6.3.9 Local Labour Forum

A Local Labour Forum (LLF) is a forum constituted of members representing the Employer (Councillors and Management) and members representing organised labour (SAMWU and IMATU) in a municipality. In terms of Clause 11.8 of the Main Collective Agreement a Local Labour Forum there should be equal representation from the trade unions and the employer.

The role of the LLF is to discuss and negotiate on matters of mutual interest pertaining to the workplace provided that the LLF may not negotiate on matters which has been reserved for exclusive bargaining at the Bargaining Council (SALGBC) and its divisions.

The LLF at Kouga Local Municipality has been inactive since 2021 when all SAMWU shop stewards was dismissed due to misconduct. As SAMWU has been the majority trade union in the municipality, the LLF was not properly constituted and could not sit as there was no elected SAMWU shop stewards. In 2024 both SAMWU and IMATU held shop stewards' elections and elected new shop stewards. In December 2024 the Human Resources Section facilitated a 2-day LLF workshop in which SALGA trained Councillors, Management as well as the newly elected SAMWU and IMATU shop stewards. With the newly elected shop stewards as well as the LLF training provided by SALGA, LLF meetings can now be reconvened as it would be properly constituted.

The following table indicates the scheduled meeting dates for the LLF:

MEETING	DATE OF MEETING
LLF	26 February 28 March 22 April 23 May

MEETING	DATE OF MEETING
	20 June 23 July 27 August 24 September 22 October 19 November

2.6.4 Risk Management

Risk management is the process of identifying, assessing and prioritising potential risks to minimise their impact on the organisation or project. It involves analysing potential risks, developing strategies to mitigate them, and implementing plans to monitor and control those risks. By effectively managing risks, the organisation can protect its assets, reputation, and overall success.

Risk management oversees and facilitates adequate enterprise-wide risk management processes and advises on risks and risk mitigation to ensure effective, efficient and economical use and safeguarding of resources.
The Municipality conducts risk assessments at a Strategic level, as part of embedding risk management processes into the municipal operations. Quarterly meetings are held with the Directors and Managers to discuss the progress of the mitigation action plans to address the risks that where identified.

The risk register outline risks faced by the municipality such as key economic, socioeconomic, financial and other external risks and the mitigation action plans to be implemented by the risk owners.

2.6.4.1 Legal mandate

Sections 62(1)(c)(i) and 95(c)(i) of the Municipal Finance Management Act requires the Accounting Officers to ensure that the municipality has and maintains an effective, efficient and transparent systems of risk management.

The following are the top five (5) strategic risks that have been identified:

No.	Risk	Related Strategic Objective
1	Water Security	Provide excellent, sustainable service delivery to all residents
2	Ageing Infrastructure	Provide excellent, sustainable service delivery to all residents

No.	Risk	Related Strategic Objective
3	Electricity losses	Provide excellent, sustainable service delivery to all residents
4	Bulk infrastructure capacity	Provide excellent, sustainable service delivery to all residents
5	Electricity Blackout	Provide excellent, sustainable service delivery to all residents

All of the risks reflected above are related to a service delivery strategic objective. As part of the risk management process (risk treatment), management have tasked risk actioners with the responsibility of ensuring that actions are developed with defined timeframes to address these risks. Risk Management monitors the progress made by risk owners in executing the actions. The mitigation action plan progress is reported to the audit committee during quarterly audit committee meetings.

2.6.5 Anti-Corruption Strategy and Fraud Prevention Plan

The Anti-Corruption Strategy and Fraud Prevention Plan has been developed as a result of the expressed commitment of Council to fight corruption. It is also an important contribution to the National Anti-Corruption Strategy and supplements both the Public Service Anti-Corruption Strategy and Local Government Anti-Corruption Strategy.

Section 83(c) of the Municipal Systems Act (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 the supply chain management system to minimise the likelihood of corruption and fraud.

The Anti-Corruption Strategy and Fraud Prevention Strategy were both approved on 1 August 2017.

2.6.6 By-Laws and Policies

Policies and by-laws serve as guiding instruments for the Council, administration, and communities, providing a framework for responsible local government within the municipal area.

The following by-laws have been approved by Council and Gazetted accordingly:

Key No	Bylaw Name	Date Gazetted	Gazette Number
1	Aerodrome By-law	27-Dec-06	No.1643

Key No	Bylaw Name	Date Gazetted	Gazette Number
2	Amended Outdoor advertising and signage By-law	28-Mar-22	No.4714
3	By-laws relating to land invasion and the management and control of informal settlements	22-May-23	No.4926
4	Customer care, Credit control and debt collection by-law	01-Oct-18	No. 4123
5	Commonage By-law	28-Feb-07	No.1678
6	Community Fire Safety by-law	11-Jul-22	No.4769
7	Environmental Health by-law	11-Nov-13	No.3070
8	Electricity and SSEG by-law	22-Feb-21	No.4512
9	Funeral parlour, cemeteries and crematoria by-law	27-Dec-06	No.1643
10	Fencing and fencing by-law	27-Dec-06	No.1643
11	Impoundment of animals' by-law	27-Dec-06	No.1643
12	Liquor trading hours by-law	11-Nov-13	No.3070
13	Outdoor advertising and signage by-law	28-Feb-07	No.1678
14	Public amenities by-law	28-Feb-07	No.1678
15	Prevention of public nuisances and keeping of animals' by-law	28-Feb-07	No.1678
16	Property Rates by-law	29-Dec-17	No.3978
17	Roads and traffic by-law	27-Dec-06	No.1643
18	Sporting facilities by-law	27-Dec-06	No.1643
19	Stormwater management by-law	27-Dec-06	No.1643
20	Street trading by-law	28-Feb-07	No.1678
21	Solid waste disposal by-law	28-Feb-07	No.1678
22	Spatial planning and land-use management by-law	04-Mar-16	No.3609
23	Standing Rules of Order By-law	22-Oct-18	No.4134
24	Toll parking areas By-law	11-Dec-02	No.952
25	Water Supply and Sanitation Services By- Law	28-Feb-07	No.1678
26	Wayleave By-law	26-Dec-22	No.4860
2	Waste Management By-law	13-Mar-23	No.4895

2.6.6.1 Reviewed Policies

It is Council's intention to develop a schedule of all policies and by-laws that will indicate an annual rotation plan for reviewing all policies and by-laws. This process will assist the municipality to be developmental and innovative in doing its business. The systems should be continuously updated to ensure that it supports the administration.

Table 17: Policies

Key No	Policy Name	Responsible Department	KLM Unit	Status
1.	Administration of immovable property	Assets	Finance	Draft adopted

Key No	Policy Name	Responsible Department	KLM Unit	Status
2.	Anti-Corruption Strategy and Fraud Prevention Policy 2015/17	Budget & Treasury	Finance	Approved
3.	Borrowing Policy	Budget & Treasury	Finance	Approved
4.	Cash Management and Investment Policy	Budget & Treasury	Finance	Approved
5.	Cemetery Management Policy	Parks	Community Services	Approved
6.	Corporate Governance ICT Policy	ICT	Office of the DMM	Approved
7.	Cost Containment Policy	Budget & Treasury	Finance	Approved
8.	Housing Allocation Policy	Human Settlement	PDT	To be developed
9.	Fixed Assets Policy	Assets	Finance	Approved
10.	Funding and Reserves Policy	Budget & Treasury	Finance	Approved
11.	ICT Charter	ICT	Office of the DMM	Approved
12.	ICT Disaster Recovery Policy	ICT	Office of the DMM	Approved
13.	ICT Risk Management Framework	ICT	Office of the DMM	Approved
14.	ICT Strategy	ICT	Office of the DMM	Approved
15.	ICT User Access Management Policy	ICT	Office of the DMM	Approved
16.	Indigent Support Policy	Revenue	Finance	Approved
17.	IT Policy	ICT	Office of the DMM	Approved
18.	Public Participation Policy	Public Participation	Office of the MM	Approved
19.	Ward Committee Policy	Public Participation	Office of the MM	Approved
20.	Media and Communication Policy	Communication	Office of the DMM	Approved
21.	Model SCM Policy for Infrastructure Procurement and Delivery Management	SCM	Finance	Approved
22.	National Treasury Standard for Infrastructure Procurement and Delivery Management	SCM	Finance	Approved
23.	Preferential Procurement Policy	SCM	Finance	Approved
24.	Property Rates Policy	Revenue	Finance	Approved
25.	Provision of doubtful debt a write-off of irrecoverable debt Policy	Revenue	Finance	Approved

Key No	Policy Name	Responsible Department	KLM Unit	Status
26.	Risk Management Policy	Budget & Treasury	Finance	Approved
27.	Supply Chain Management Policy	SCM	Finance	Approved
28.	Tariffs Policy	Revenue	Finance	Approved
29.	Virement Policy	Budget & Treasury	Finance	Approved
30.	Unallocated Revenue and Building Deposit Policy	Budget & Treasury	Finance	Approved
31.	SMME Development Policy	LED	Finance	Approved
32.	Grant in Aid	LED &Tourism	Finance	Approved
33.	Occupational Health and Safety Policy	Human Resources	Office of the DMM	Approved
34.	Leave Policy	Human Resources	Office of the DMM	Approved
35.	Recruitment Selection & Appointment Policy	Human Resources	Office of the DMM	Approved
36.	Personal Protective Equipment Policy	Human Resource	Office of the DMM	Approved
37.	Injury on duty policy	Human Resource	Office of the DMM	Approved
38.	Youth Policy	Special Programmes Unit	Office of the DMM	Approved
39.	Mayoral Fund Policy	Office of the Mayor	Office of the DMM	Approved
40.	Small-Scale Embedded Generation Policy (SSEG)	Electrical	Electro - Mechanical Services	Approved
41.	Kouga Telecommunication Mast	Planning & Development	Planning & Development	Approved

KPA: BASIC SERVICE DELIVERY

2.7 WATER

Kouga Municipality is a Water Services Authority (WSA) in terms of the Water Services Act 108 of 1997 and has a duty to all customers or potential customers in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water services that promote sustainable livelihoods and economic development.

Sections 12 and 13 of the Water Services Act 108 of 1997 place a duty on WSAs to prepare and maintain a Water Services Development Plan (WSDP).

The current WSDP was updated in November 2010 and approved, together with the 2010/2011 IDP by the Kouga Municipal Council. The municipality is in a process of reviewing this plan.

2.7.1 Highlights on Water Provision

The table below set out all highlights on water provision:

Highlight/s	Description
Kouga Municipality has constructed 4 additional Water treatment plants and upgraded Gill Marcus Plant from a 800kl/day design capacity to 3.5 Ml/day capacity.	Effective removal of heavy metals in Groundwater. Effective coagulation of particles and colour removal from raw surface water.
Improved water security by developing groundwater sources	Several new boreholes were developed across Kouga to improve our water supply and reduce our reliance on NMBM water
Improved and Efficient Water treatment Chemicals	Cost effective and more effective chemicals identified and implemented for surface water treatment
Kouga is currently one of the top 3 Municipalities in the Eastern Cape (Blue Drop Report 2023, with only the two metros' superseding their score of 64.59%)	Effective management of Water Treatment process. Restructuring and creating a dedicated section purely for the function of Water Services Authority

2.7.2 Challenges on Water Provision

The table below set out all challenges experience by the department on water provision:

Challenge/s	Action to Adress
Storage Capacity in KwaNomzamo.	Build additional storage facility to meet Human Settlements Guideline standards.
Humansdorp water quality deteriorate after high rainfall negatively impacts on raw water colour.	Better chemicals implemented to remove high turbidity through flocculation process. Increased response time by means of professional, dedicated personnel.
Loadshedding.	Loadshedding has several negative impacts on the water supply. - High cost to run boreholes and treatment plants on generators. - Reduced yield from boreholes - Potential damage to boreholes to frequent stop-start of pumping operation. - Damage to electrical equipment due to electrical surges caused by switching.

2.7.3 Current Water Situation

The towns Loerie, Thornhill, Jeffreys Bay, Aston Bay, Paradise Beach, Humansdorp and St Francis Bay receives potable water from the Nelson Mandela Metro Municipality. The water supply of Jeffreys Bay, Humansdorp and St Francis Bay are supplemented by subsurface (Ground/Borehole) water. The town of Oyster Bay is exclusively dependent on ground water obtained from boreholes and springs.

The Hankey and Patensie towns obtain raw water from the Kouga Dam through the canal system which is operated by the Gamtoos Irrigation Board on behalf of the Department of Water and Sanitation. Raw water is treated at the Patensie and Hankey water treatment works to potable water standard before distribution. A new borehole supplying Hankey with water has been equipped and piped to Hankey water treatment works to supplement supply from the Dam.

Kouga Local Municipality's Management area includes the following towns and Water Distributions Systems (WDS):

Town	WDS	Status
Hankey	Hankey WTW (New water treatment plant for groundwater and surface water treatment. Raw water received from Gamtoos Irrigation Board and boreholes)	Package plant status new. Original plant requires some attention.
Humansdorp	Humansdorp WTW (New water treatment plant for groundwater treatment). Old treatment plant for treating fountain water. Gill Marcus WTW – small package plant for treating surface water from dam.	Humansdorp Water Treatment works - old but functional. Ground Water Package Plant is New.
Jeffreys Bay	Jeffreys Bay WTW (original plant + Ground Water Package Plant)	Jeffreys Bay old plant in excellent functional condition scoring a 91% in the Blue Drop assessment. Ground Water Package Plant is New.
Loerie	Potable Water Supplied via NMBM Loerie Water Treatment Works	Water quality remains consistent with no major concerns
Patensie	Patensie WTW (Ground water supply + Surface water received from Kouga dam operated by Gamtoos Irrigation Board)	Good functional condition
St Francis Bay	New ground water batch plant constructed and currently being blended with potable water from the NMBM Churchill scheme	St. Francis Plant in new condition
Thornhill	Thornhill Water is supplied by Churchill Water scheme	No Plant required as treated water is received. Quality is being monitored and samples taken every second week to ensure quality water is delivered to the end user.
Oyster Bay	Oyster Bay Water Treatment works supplied by ground water and natural springs.	Water quality is constantly monitored. Water supply is sufficient to meet the current demand.

2.7.3.1 Water Service Levels

All residents on formal erven in the urban areas of Kouga municipality's management area have access to water service and free basic water (6kl) is provided to all registered indigent households.

Households in informal areas are provided with communal services as an intermediary measure. There are ±4 200 informal households in Kouga without any basic water or sanitation services (communal taps and ablution facilities).

Due to the physical location and topography around these settlements, it makes it very difficult to provide the necessary services, as these areas are often sloping away from the existing infrastructure and therefore not possible to service with water borne sanitation services. These areas are seldom formalized townships and therefore not allowed to be serviced with permanent services. It is also estimated that there might still be households on the farms in the rural areas with existing services below RDP standards, which can only be verified through a detail survey.

The table below give an overview of the water service delivery access profile of the municipality's management area:

Table 18:Water Service Levels -2022



Water Service Levels: 2022	Number	%
Piped (tap) water inside dwelling	20 698	72.2%
Piped (tap) water inside the yard	4 612	16.1%
Pipe (tap) water on community stand	2 765	9.6%
No access to piped water	606	2.1%

Source: StatSA, Census 2022

2.7.3.2 Infrastructure Development: Water

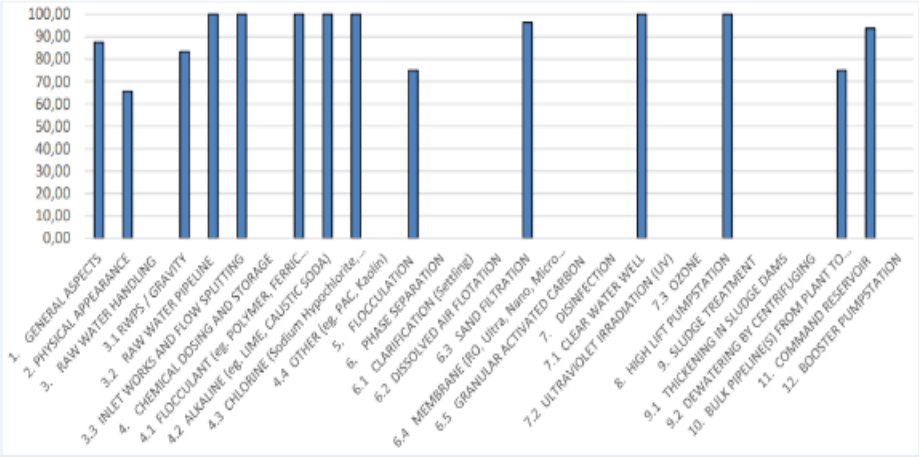
Town	Description											
	WTW (Hydraulic)			Bulk Water Needs			Reservoirs			Water Networks		
	Status	Year to upgrade	Cost (R)	Status	Year to upgrade	Cost (R)	Status	Year to upgrade	Cost (R)	Status	Year to upgrade	Cost (R)
Hankey	2.1Ml/d Good	2025/26	R1.5 mil	Good	2025/26	TBC	Good	2026/27	R6 mil	Poor	2024/26	R6.0 mil
Humansdorp	6.0 Ml/d Good	2024/25 (Gill Marcus)	R3.5 mil	Poor. Need 2.0Ml/d	2024/25	R6.0mil	Poor. Urgent	2024/25	R8.0mil	Poor	2024/30	R20.0 mil
Jeffreys Bay	7.9 Ml/d Good	2026/27	R3.0 mil	Poor. Need 2.0Ml/d	2025/26	R3.0mil	Good	2027/28	R10mil	Poor	2024/30	R50.0 mil
Loerie	N/A	N/A	N/A	Good	2024/25	R4.0mil	Good			Poor	2024/25	R1.0 mil
Patensie	2.0 Ml/d Poor	2025/26	R2.0 mil	Good	2025/26	TBC	Good	2025/26	R8.0mil	Poor	2024/28	R6.0 mil
St Francis Bay	1.9 Ml/d Good	2024/25	R1.0 mil	Poor. Need 1.0Ml/d	2024/25	R3.0mil	Average	2025/26	R10.0mil	Poor	2024/30	R20.0 mil
Thornhill	0.2 Ml/d N/A	2024/25	N/A	Good	2025/26	R0.3mil	Poor	2025/26	R6.0mil	Poor	2024/25	R1.0 mil
Oyster Bay	0.8 Ml/d Poor	2024/25	R2.5 mil	Good	2024/25	R1.0mil	Good	2028/29	R6.0mil	Poor	2024/26	R2.0 mil

2.7.3.3 Blue Drop Status

The Jeffreys Bay Water Treatment Works system was inspected to assess the condition and functionality of infrastructure and treatment processes on the ground, and to estimate the cost of restoration to full functionality. Jeffreys Bay Water Treatment Works: 76.9%

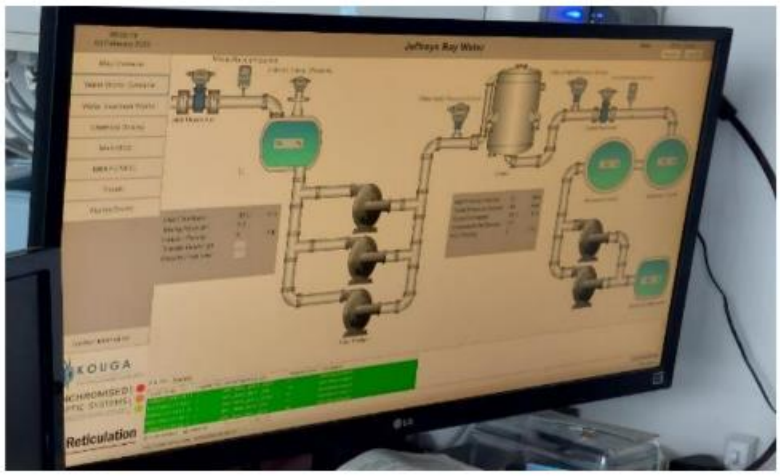
Performance Profile

The following process units were inspected and related according to the % score on the y-axis. Process units that score <50% are marked in red and need urgent intervention.



Source: Department of Water & Sanitation, Green Drop Watch Report, 2023

Process Flow Diagram



Note: Jeffreys Bay runs most of its administration systems through Scada - PFD is displayed on the wall as well

Source: Department of Water & Sanitation, Green Drop Watch Report, 2023

Condition Assessment Findings

Watch#	Process Unit Assessed	%TSA	Observations
1	**General aspects**	87.5	The Jeffreys Bay WTW has good administration in place on paper and on Scada. It is noted that a secondary pilot plant water purification process where the iron and manganese is removed from the water is being tested in a 6Ml/d plant. Based on preliminary results it would be possible to incorporate this plant into the existing plant and increase the design capacity to 10Ml/d.
2	**Physical appearance of plan**	65.6	The works itself is well fenced off with paving and enough area for circle turning and delivery of chemicals and other required equipment for the site. The works is not sign posted and the road leading to the works is a gravel road that could use attention if large vehicles need to reach the site. Also, the construction of the new works has left construction debris around the site which needs to removal.
3	**Run water handling**		Screens are in place; this could not be assessed but it is reported to be cleaned. Raw water from Boreholes abstracted from all areas (8 boreholes operated) monitored on the telemetric system. All pumps are operation however not all boreholes are in operation. A total of 8 are operational and some are not being used to replenish ground water levels. Boreholes yield is 55kl/s. Flow meters are in place but need to calibrate. Single flow channel in the inlet where floc can be added which then creates even split through maize walls.
	Raw water pumpstation/ gravity feed	83.3	
	Raw water pipeline	100.0	
	Inlet work	100.0	
4	**Chemical dosing and storage**		Poly-aluminium being used, and sufficient storage is available and used as required as per Scada monitoring analysis.
	Flocculant	100.0	
	Alkaline (e.g. Caustic Soda)	100.0	Sodium hydroxide/Caustic Soda is used to increase the pH to precipitate iron and manganese. The storage volume is sufficient for 30 days' consumption. Addition supply in a 1000l tank available
	Chlorine (Sodium Hypochlorite, gas, HTH) or Chlorine Dioxide	100.0	Disinfection is one with chorine gas. All back systems, switch over and scales are in place as well as safety equipment. Signage to this unit is well done and is an example of a good functioning system. All safety equipment and shower units are in place.
5	**Flocculation**	75.0	No flocculation was done at this time however the channels are in good condition and inducive to proper mixing and floc formation.
6	**Phase Separation**	n/a	Five pressure filters are installed. Two back wash pumps are installed and in working condition and interchangeable. 1 standby, 1 operating and another on standby. 100% standby backwash pumps available. Three air blowers. One in use, one out for repair and one standby. The Filters are enclosed however the system allows for even flow to the units based on the pipework.
	Sand Filtration	96.4	
7	**Disinfection**		Chlorine is dosed at the entry of the clear water wells. Flows through reservoir and then measured at the end of the tank, just before being pumped away to command reservoir
	Clear water well	100.0	
8	**High Lift Pump Station**	100.0	Two pumps are in place however these pumps to an elevated reservoir and then measured at the end of the tank, just before being pumped away to command reservoir

Watch#	Process Unit Assessed	%TSA	Observations
9	**Sludge Treatment**		No sludge dam in place and recycled water is returned to the works and sludge is deposited on an adjacent field
	Thickening in Sludge Dams	n/a	
10	**Bulk pipeline from plan to command reservoir**	75.0	Bulk lines are in good condition according to the process controllers. Additional lines are being added by the pilot study. Valve chamber in good condition however need to be covered
11	**Command reservoir**	93.7	Two reservoirs and elevated tank are fenced in the works and are secure and is monitored and operated by Scada system. Flow meters are in place and monitored and analysed
12	**Booster Pump Station**	n/a	None
Total		**91%**	

Source: Department of Water & Sanitation, Blue Drop Report, 2023

High risk areas OR Key Hardware Risks/ Defects

1. Commissioning of the pilot project to add 6Ml and closing of open pipe trenches which were left open during testing phase.
2. Repair to backwash systems and possible alternative solution to back up systems, especially on the air blowers.
3. Site at reservoirs to be cleared and landscaped post construction

2.7.3.4 Water: Capital Projects

Water: Capital Projects: 2023 - 2026								
Project Nr.	**Project**	**Area**	**Detailed Scope**	**Funding Source**	**23/24 Budget**	**24/25 Budget**	**25/26 Budget**	**Value**
WA001	St Francis Bay replacement of ageing pipe infrastructure	St Francis	Old and leaking asbestos cement water reticulation pipes to be replaced along Sea Glades Drive, Canal Road, and Lyme Road South with new pipelines.	CAPEX	R106,687.00	R100 000.00	R0.00	R15,059,602
WA002	Connect Kruisfontein Boreholes Humansdorp	Humansdorp	The Scope of Work entails the installation of pipework from newly developed boreholes to the water treatment works in Humansdorp. It also involves the crossing of the N2.	WSIG				R11,824,969.57
WA003	Kouga Water Master Plan	Kouga	Water Master Plan for all areas of Kouga LM.	CAPEX	R0.00			R919,195.00
WA004	Sout River new Suspension Bridge (Zeekoei)	St Francis Cape St Francis	The Scope of Works include the upgrading of the reconstruction of the Soutriver Bridge	CAPEX	R120,733.00	R100,000.00		R11,180,361
WA005	Repair leaked concrete water tower Paradise Beach	Paradise Beach	The Scope of Work entails structural repairs to the Paradise beach Water Tower, as well as	WSIG	R9,772,639.00	R0.00	R0.00	R9,772,639.00

Water: Capital Projects: 2023 - 2026								
Project Nr.	**Project**	**Area**	**Detailed Scope**	**Funding Source**	**23/24 Budget**	**24/25 Budget**	**25/26 Budget**	**Value**
			the replacing of pipework and the installation of a new fence.					
WA006	WSIG Drought Project	KLM						R57,400,000.00
WA007	Replace 250mm water main in Mimosa Street, Jeffreys Bay	Lower Wavecrest	The Scope of the project entails the replacing of the pipeline in Mimosa Street	WSIG	R12,836,056	R3,478,261	R0.00	R18,740,897.94
WA008	Consulting Services for development of boreholes	All areas	Consulting services for development of boreholes	WSIG	R1,000,000.00	R0.00	R0.00	R1,000,000.00
WA009	Humansdorp: Develop new Berg Dam	All areas	Investigation stage for the development of Die Berg Dam	WSIG	R0.00	R0.00	R0.00	R3,000,000.00
WA010								
WA011	Develop 3 additional boreholes	St Francis Bay	Develop 3 new boreholes	WSIG	R0.00	R0.00	R0.00	R8,000,000.00
WA012	St Francis Bay connect two boreholes	St Francis Bay	Connect 2 boreholes in St Francis	WSIG	R3,000,000.00	R0.00	R0.00	R3,000,000.00
WA013	Upgrade of WTW	All Areas	Refurbishment of WTW	Internal		R10,000,000.00	R7,500,000.00	R2,500,000.00
WA014	KwaNomzamo New Reservoir	KwaNomzamo	Construct new 2.5Ml reservoir	Internal		R3,000,000.00	R7,500,000.00	
WA015	Appointment of PSP for water quality monitoring.	Kouga						Rates based.
WA016	Upgrade Gill Marcus WTW	Gill Marcus	Upgrade treatment plant	Internal	R3,500,000.00			

2.8 SANITATION/SEWERAGE

Wastewater or sanitation services form part of the overall water services as defined in the Water Services Development Plan (WSDP). The WSDP is available from the directorate Civil & Water Services on request and through completion of a PAIA (Promotion of Access to Information Act) application. The municipality is in process to review its sewer master plan.

Kouga Municipality adopted a policy in 2015, that provides that acceptable standard for sanitation services be a waterborne system in all areas. Due to limited own capital funding for projects, bulk infrastructure upgrading/rehabilitation is mostly funded by grant funding. The backlog that presently exists at all Kouga Wastewater Treatment Plants in terms of over capacitation and ageing infrastructure, is 10,5Ml/Day.

2.8.1 Current Situation: Sanitation

Sewer is conveyed to the treatment facilities either by a water borne collector system or vacuum tanker service. Sewer services are available throughout the whole service area of the Kouga Municipality. Ensuring that sufficient treatment capacity is available for present and future demand is a key focus area for the municipality.

The municipality is also thriving to comply at its best to the Green Drop standards set out by the Department of Water and Sanitation.

2.8.2 Highlights on Wastewater Provision

The table below set out all highlights on wastewater provision:

Highlights	Description
Upgrade of KwaNomzamo Wastewater Treatment Works (Contractor is on Site)	Refurbishment of all vandalized components of the works
Refurbishment of Hankey WWTW	Procuring contractor to conduct works
Refurbishment of Jeffreys Bay WWTW to improve quality of effluent discharged into downstream environment	Substantial repairs to mechanical and electrical equipment have been completed to improve the quality of discharged effluent to the required standard.

2.8.3 Challenges on Wastewater Provision

The table below indicates the challenges on wastewater provision:

Challenges	Action to Address
Vandalism in all areas	Security audit conducted to address security shortfalls and prevent vandalism
Foreign objects discarded into sewer reticulation network	Creating community awareness and regular preventative jetting of pipelines.
Failing infrastructure	Upgrading of Lamer rising main, and

Lack of monitoring on the critical pumpstation sites.	Scada implemented. Live sump level monitoring as well as pump running times and pipeline pressures.

2.8.4 Sanitation Service Levels

Table 19: Sanitation Service Levels -2022



Sanitation Service Levels: 2022	Number	%
Flush toilet	24 302	84,7%
Chemical toilet	106	0,4%
Pit toilet	903	3,1%
Bucket toilet	2 568	9,0%
Other	255	0,9%
None	547	1,9%

Source: StatsSA, Census, 2022

2.8.5 Infrastructure Development: Sanitation

Town	Description							
	Sewer Reticulation				Wastewater Treatment Works			
	Condition	Year to upgrade	Cost (R)	Description	Condition	Year to upgrade	Cost (R)	Description
Hankey	Poor	2024/25	R15mil	Expand sewer network	Completely vandalised. 25% functional.	2023/24	R5.3m	Refurbishment of Hankey WWTW
Humansdorp	Poor	2024/30	R25mil	Expand sewer network	Mostly vandalised. 10% functional	2023/24	R43m	Refurbishment of Humansdorp WWTW
Jeffreys Bay	Average	2024/30	R40mil	Expand sewer network	90% functional	2023/24	Internal O&M budget	Repairs and maintenance of recycling pumps, dehydrator scheduled to be repaired
Loerie	Poor	2024/7	R9mil	Expand sewer network	Pond System			
St Francis Bay	Poor	2024/30	R50mil	Expand sewer network	SBR Tank system, 95% functional		Internal O&M budget	
Thornhill	Poor	2024/28	R18mil	Expand sewer network	Thornhill 60% functional due to vandalism	2023/24 &2024/25	Internal O&M Budget to be verified.	Refurbish all vandalised components at the works
Kruisfontein WWTW					80% functional	2023/24 &2024/25	Internal O&M Budget to be verified.	Refurbish all vandalised components at the works

2.8.6 Green Drop Status

The municipality was identified to have the following wastewater treatment systems in critical state and was advised by the Regulator to issue a Corrective Action Plans (CAPs) and ringfenced grant allocation to the identified systems. The following results were found following analysis of the CAPs and funds as submitted by the WSA during the period 1 April 2022 to 31 March 2023.

BASELINE:

WSI Name	WSI 2021 GD Score	WSI TSA Score	Toral VROOM Cost	WWTW Names (<31% score)	WWTWW 2021 GD Score
Kouga LM	19%	11%	R169,856,400	Hankey	20.4%
				Kruisfontein	16.8%
				Loerie	13.0%
				Humansdorp	9.4%
				St Francis Bay	23.7%
				Jeffreys Bay	19.6%
				Thornhill	16.6%

Source: Department of Water & Sanitation, Green Drop Watch Report, 2023

Watch Area 1: PLANNING - Corrective Action Plan to improve on the Green Drop Scores

PLANNING - Corrective Action Plan to improve the Green Drop Scores. A Green Drop Corrective Action Plan has been drafted, and the first CAP was submitted for all Plants at the end of February 2024 after the Drop summit held by DWS. WSA's were requested to draft a plan to mitigate the critical status due to scoring below 30%. KLM have since worked at improving the status of all WWTW as well as focusing on the short term less capital demanding projects as recommended by DWS. Process controllers are currently undergoing suitable training to increase KLM's capacity score. All plants have been classified on IRIS (Integrated Regulatory Information System). KLM is currently busy with sludge classification, and plant audits which was previously not done.

WSI Name	WWTW Name	Compliance Letters Issued	WSA Requested Support to develop the CAP	DWS Schedule Engagement with Non-response WSIs	Number of CAPs received by DWS	Date of CAPs receipt by DWS	CAP Implementation Status: Progress @ 31 March 2022	Quality of CAP
Kouga LM	Hankey	Yes	No	No engagement done. ECPO will review the submitted action plans and advise on the way forward w.r.t implementation of the action plans. ECPO will conduct a physical inspection to determine whether remedial actions are taken to address the deficiencies. C&WS in constant liaison with Department of Water and Sanitation Officials. Training scheduled to improve the current Green drop status.	1	Yes, 29/09/22	No Progress	Poor
	Kruisfontein	Yes	No		1		No Progress	Poor
	Loerie	Yes	No		1		No Progress	Poor
	Humansdorp	Yes	No		1		No Progress	Poor
	St Francis Bay	Yes	No		1		No Progress	Poor
	Jeffreys Bay	Yes	No		1		No Progress	Poor
	Thornhill	Yes	No		1		No Progress	Poor

Source: Department of Water & Sanitation, Green Drop Watch Report, 2023

Watch Area 2: IMPLEMENTATION - Securing of water services grants, funding, and appropriate resources to implement the CAP

None

Watch Area 3: INTERVENTION – Status and types of interventions by DWS

WSI Name	WWTW Name	Regulator's Compliance Monitoring and Enforcement Status	Action to follow and other comment
Kouga LM	Hankey	Issued non-compliance letter (s9(4) or 10; Issued NWA Notice (Pre-directive)	An updated notice is currently being drafted and will be routed to the delegated authority for signature. A telephonic engagement followed up with an email was sent to obtain further information w.r.t action plan.
	Kruisfontein	Issued non-compliance letter (s9(4) or 10; Issued NWA Notice (Pre-directive)	DWS will continue monitoring the system. The system is fairly new, and a follow-up was conducted, and no non-compliances were identified during the inspection and DWS will continue monitoring the system.
	Loerie	Issued non-compliance letter (S9(4) or 10	DWS will continue monitoring the system and engagement with water quality to determine issues of non-compliance.
	Humansdorp	Issued non-compliance letter (S9(4) or 10	A submission was drafted requesting support on court interdict and is currently waiting for approval from the delegated authority. A follow-up on the status of the submission will be done. Sever vandalism. An action plan was submitted and DWS found it unsatisfactory. An email was sent to LM requesting further information. A follow-up was conducted in September 2019.
	St Francis Bay	None	A follow-up inspection to be conducted. An audit was conducted on 20 October 2021 and a letter dated 19 November 2021 outlining the findings of the audit was sent to LM.
	Jeffreys Bay	Issued NWA Notice (Pre-directive)	A formal letter w.r.t to the action plans submitted. A directive will be followed-up to ensure issuance. A directive was drafted and submitted for comments and signature from delegated authority.
	Thornhill	Issued non-compliance letter (S9(4) or 10(4)	A formal letter w.r.t to the action plans submitted. A follow-up inspection is to be conducted. An audit was conducted on 21 October 2021 and a letter dated 19 November 2021 outlining the findings of the audit was sent to LM.

2.8.7 Sanitation: Capital Projects

Sanitation: Capital Projects – 2023/24 – 205/26 FY								
IDP Ref	**Project**	**Area**	**Detailed Scope**	**Funding Source**	**23/24 Budget**	**24/25 Budget**	**25/26 Budget**	**Value**
SAN001	Hankey Sanitation Phases 1-3	Hankey	Install sewer reticulation for Phillipsville, Old Hankey, Hankey and Hankey Town. Construct new sewer pump	MIG	R12,808,470.00	R0.00	R0.00	R62,158,560.00

Sanitation: Capital Projects – 2023/24 – 205/26 FY								
IDP Ref	**Project**	**Area**	**Detailed Scope**	**Funding Source**	**23/24 Budget**	**24/25 Budget**	**25/26 Budget**	**Value**
			station in Phillipsville and reconstruct Centerton pump station.					
SAN002	KwaNomzamo WWTW Upgrade	KwaNomzamo	Upgrade KwaNomzamo WWTW from 1.5ML to 3ML and refurbish plant. 2023/24 available budget is R12 227 572.42	MIG	R7,391,378.00	R28,431,630	R0.00	R42,360,556.91
SAN003	La Mer New Sewer Rising Main - Planning Stage	Whole of Jeffreys Bay area	The scope of the work entails the upgrading of the sewer rising main from La Mer pump station to the Jeffreys Bay WWTW with a 315mm diameter pipeline.	MIG	R208,695.00	R356,522.00	R3,478,261.00	R51,911,805
SAN004	Oceanview Sewer Pipe Upgrade - Planning Stage	Oceanview	The scope of the work entails the planning stage for the replacement of the 160 mm pipeline from the top of Oceanview to	MIG	R304,347.00	R417,391.00	R1,739,140	R5,500,000.00

Sanitation: Capital Projects – 2023/24 – 205/26 FY								
IDP Ref	**Project**	**Area**	**Detailed Scope**	**Funding Source**	**23/24 Budget**	**24/25 Budget**	**25/26 Budget**	**Value**
			the Oceanview Sewer Pump Station to eliminate the constant blockages at Kings College.					
SAN005	Refurbishment of Weston WWTW and new sewer reticulation- Planning Stage	Weston	The Scope of the Work entails the planning for the refurbishment of the Weston WWTW and the installation of a sewer reticulation network.	MIG	R430,645.00	R434,783.00	R4,347,826.00	R20,000,000.00
SAN006	Upgrading of Umzamowethu Sewer Reticulation	Oyster Bay	The Scope of the Works entails the Design for the upgrading of the Umzamowethu sewer reticulation	MIG	0	R1,500,000.00		R1,500,000.00
SAN007	New Bypass Sewer Main Beach pump Station - Design Stage	All of Jeffreys Bay area.	The Scope of Work entails the planning for the upgrading of the Beach Sewer Pump station and an installation of a new sewer pipe to a connection	CAPEX	R323,486.00	R0.00	R0.00	R1,916,463.86

Sanitation: Capital Projects – 2023/24 – 205/26 FY								
IDP Ref	**Project**	**Area**	**Detailed Scope**	**Funding Source**	**23/24 Budget**	**24/25 Budget**	**25/26 Budget**	**Value**
			point in the Sands. This will greatly reduce the sewage load on Sandkasteel and La Mer pump station.					
SAN008	Super Sucker Services for a period of three years	Kouga						Rates based.
SAN009	Hankey WWTW and KwaNomzamo Pump Station replacement.	Hankey & Humansdorp	Refurbish Hankey WWTW and KwaNomzamo Pump Station	CAPEX	R7,200,000.00	R0.00	R0.00	R7,200,000.00
SAN010	Request for Proposals - WWTW technology	Kouga	Opportunities to prospective developers to submit Proposals for Unique Processes, latest technology, best practices and equipment for the improvement of existing Wastewater Treatment Works					
SAN011	La Mer New sewer Rising Main	Jeffreys Bay	Upgrade Phase 1 of pipeline to WWTW	CAPEX	R9,700,000.00	R9,700,000.00		

Sanitation: Capital Projects – 2023/24 – 205/26 FY								
IDP Ref	**Project**	**Area**	**Detailed Scope**	**Funding Source**	**23/24 Budget**	**24/25 Budget**	**25/26 Budget**	**Value**
SAN012	Sanitation verification throughout Kouga	All areas	Verify all sanitation services and backlogs	Internal		R500,000.00		
SAN013	Jeffreys bay expand sewer reticulation network	Jeffreys Bay	Install new sewer reticulation	Internal		R5,000,000.00	R7,500,000.00	R2,500,000.00
SAN014	St Francis Bay expand sewer reticulation network	Jeffreys Bay	Install new sewer reticulation	Internal		R4,000,000.00	R4,500,000.00	R4,500,000.00
SAN015	Upgrade WWTW and on-site testing equipment	Kouga	Refurbish WWTW plants	Internal		R30,000,000.00	R20,000,000.00	R10,000,000.00
SAN016	Eradication of buckets in KwaNomzamo	Kouga	Install sewer reticulation to eradicate buckets	Internal		R5,000,000.00	R5,000,000.00	R5,000,000.00

2.9 ENERGY

Kouga Municipality is the registered electricity supply authority for the towns of Humansdorp, Jeffreys Bay, St. Francis Bay, Cape St. Francis, and Oyster Bay. In each of these towns, bulk electricity supply is sourced from the Eskom grid. Kouga Municipality is responsible for maintaining the internal distribution networks under NERSA's approved EC 108 licence.

The Municipality is responsible for constructing, operating, and maintaining the electrical distribution network, providing service delivery to residential, commercial, and industrial consumers within these towns. Additionally, the Municipality supplies and maintains street lighting and pump stations with electricity. The towns of Hankey, Patensie, and Loerie receive their electricity supply from Eskom, while Thornhill is supplied by the Nelson Mandela Metro Municipality.

2.9.1 Energy for Lighting



Energy for Lighting	Number	%
Electricity from mains	27 786	96,9%
Gas	26	0,1%
Paraffin	464	1,6%
Candles	265	0,9%
Solar	81	0,3%
Other	27	0,1

Source: StatsSA, Census, 2022

2.9.2 Highlights on Electricity

The table below set out all highlights on electricity:

Highlights	Description
Electrification	220 Houses in Humansdorp (Donkerhoek) 169 Housing program phase 2 in Oceanview. 200 Electrification program to informal settlement Ebumnyameni 250 Electrification program in Sea Vista
Energy Efficiency	Installation of 504 LED streetlights replacing old streetlights.
	Installation of variable speed drives at 16 pumpstations.
Bulk Infrastructure improvement	Procure material and 66kV structures to replace the pole structures with new steel structures.
Supply security	Upgrade Appiesdraai substation with an additional 3 150kVA transformer including switchgear.
	Replace the cable between Jeffreys bay main substation and Caltex miniature substation upgraded from 70mm to 120mm 11kV medium voltage cable.

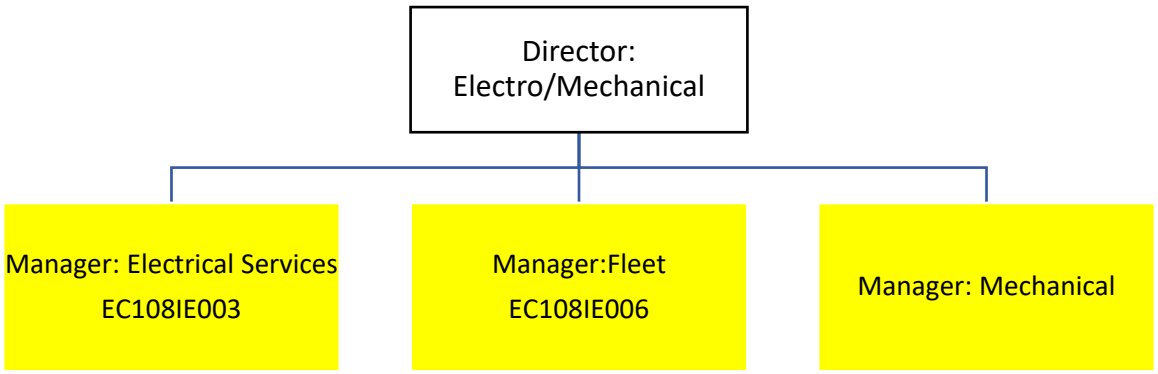
Highlights	Description
Pumpstation upgrading	Sewer pumpstations within Kouga has been upgraded with new pumps, one pumpstation connected to SCADA system for efficiency.
Fleet	Managing and maintaining 252 strong fleet, the department strive to maintain a 95% availability at all times.
	Acquiring new additions to the fleet and yellow plant through a three-year lease with the option to own agreement.
SCADA	Tender to equip our substations with SCADA to operate our substations remotely and accommodate renewable energy projects.
Substation Capacity creating	Boskloof substation in Humansdorp upgraded from the current 6.3mVA to 15mVA transformer capacity, a new 2km, 300mm cable installed and a second feeder overhead line constructed to KwaNomzamo.
	Oceanview substation upgrade, from 5.6mVA to 10mVA to accommodate future electrification projects.
Electrification	Tyoksville in Thornhill, a transformer with a metering unit installation project to electrify Tyoksville in the recent future.

2.9.3 Challenges on Electricity

The table below set out all challenges on electricity:

Challenges	Action to Address
Staff	Critical shortage with skilled and experienced staff. Technical as well as administrative. Metering which will improve revue management is also part of the department functions and can currently not be properly implemented.
Vehicles	Effective and efficient vehicles to perform the duties especially access to difficult terrain.
Training	Technology change constantly and staff need to be skilled to keep up with the latest technology and to be in compliance.
Vandalism and cable theft	Safety and security to be prioritized. Costly infrastructure damage occurs regularly resulting in extended power failures and environmental pollution.
Loadshedding	Critical to manage to prevent network damage, this requires great human resources, as a result, fatigue occur amongst staff. It also causes higher than average faults and network failures.
Regulatory requirements	The department is regulated and require the necessary regulatory requirements to be adhered to.
Office Accommodation	The department staff is scattered, proper coordination cannot be maintained due to staff separation.
Infrastructure development	Infrastructure does not receive the necessary upgrades due to budget allocations, higher budget allocations to be provided in order to upgrade networks.

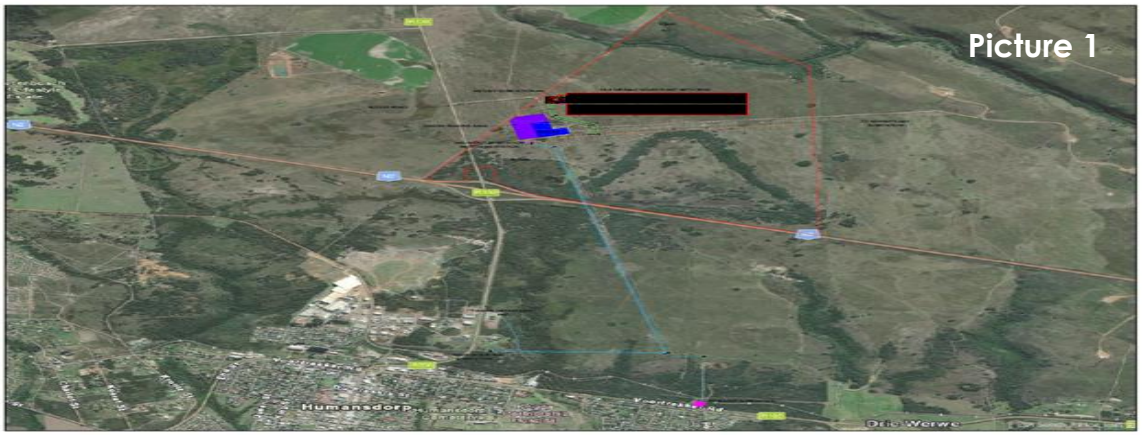
2.9.4 Staff: Electro/Mechanical Services



2.9.5 Renewable Energy

The Kouga Municipality has been a forerunner for the establishment of renewable energy projects, with specific reference to wind farms. Various projects are under construction or still subject to planning and bid processes in terms of the Renewable Energy Independent Power Producer Programme (REIPPP).

Kouga was granted approval for its Environmental Impact Assessment to commence with its own 20MW solar and battery storage plant (picture 1). The plant will be located next to Eskom's Melkhout substation next to the N2 north of Humansdorp. This location is strategic as it is next to the source supplying all Kouga towns managed under its licence. while the department will be preparing tenders for this project, we will be commencing with a comprehensive feasibility study for an additional 40MW hybrid connection, this includes various renewable sources like wind, biomass, hydrogen, solar and battery storage that will accumulate to a total of 60MW in renewable energy. These projects will contribute directly to the local grid reducing the energy consumption from the Eskom grid.

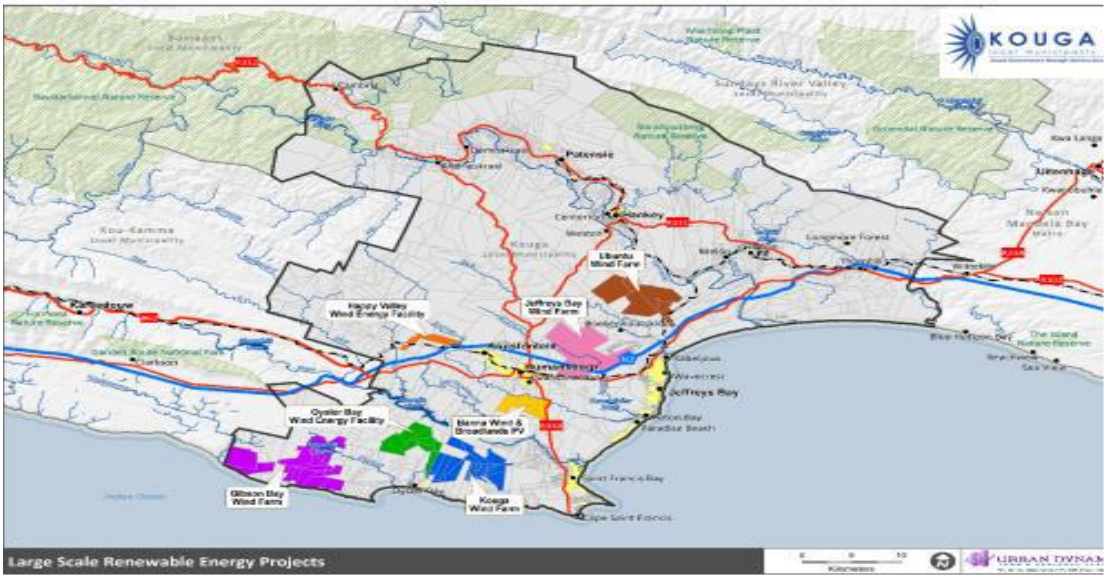


The municipality is also in the process of upgrading a public parking area in Jeffreys and construct parking area covered with Solar panels. This electricity generated will be pushed into the main office in Da Gama Street adjacent to the property (picture 2).



These projects currently contribute significantly to the economy in the province and to renewable energy provision towards the national grid. **Map 3** indicates existing and proposed projects.

Map 3: Existing and Proposed Energy Renewal Projects



It is noted that the following projects have received approval from the Department of Energy and are currently in operation or under construction:

- Jeffreys Bay Wind Farm (Between Humansdorp and Jeffreys Bay)
- Kouga Wind Farm (North-East of Oyster Bay)
- Gibson Bay Wind Farm (West of Oyster Bay)

2.9.6 Capital Projects: Electricity

IDP REF	UKEY	PROJECT DESCRIPTION	WARDS	APPROVED BUDGET 2024/25	DRAFT ANNUAL BUDGET 2025/26	DRAFT ANNUAL BUDGET 2026/27	DRAFT ANNUAL BUDGET 2027/28
ELEC001	20230707065758	Ocean View 1250 Electrification		4,251,567.00	7,260,000.00	7,558,000.00	5,000,000.00
ELEC002	20240131063889	Design: High Mast Lights		100,000.00	-	-	-
ELEC003	20240507060576	Electrical Oil circuit breakers replacement with vacuum SCADA compatible circuit breaker		5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
ELEC004	20240710994506	Vehicle		34,000,000.00	-	-	-
ELEC005	20240710994562	Oceanview Substation Upgrade		10,434,783.00	-	-	-
ELEC006	20240710994568	KwaNomzamo Bulk Electrical - Boskloof Secondary Fe		19,130,435.00	-	-	-
ELEC007	20240710994586	Electricity (INEP) TND 126/2023 DONKERHOEK		782,609.00	-	-	-
ELEC008	New	Substation security advance measures	2,3,4,5,6,8 11,12,14, 15	-	300,000.00	300,000.00	300,000.00
ELEC009	New	New overhead lines 66kv overhead lines (Jbay to Melkhout)	2,3,4,5,6,8 11,12,14, 15	-	10,000,000.00	10,000,000.00	10,000,000.00
ELEC010	New	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	2,3,4,5,6,8 11,12,14, 15	-	15,000,000.00	15,000,000.00	15,000,000.00
ELEC011	New	Cables from Saffery to KwaNomzamo 11kV	6,15	-	3,000,000.00	3,000,000.00	-
ELEC012	New	Two 5MV 22/11 transformer Humansdorp Main sub	4,5,6,15	-	2,500,000.00	2,500,000.00	2,500,000.00
ELEC013	New	Remove overhead lines in Humansdorp CBD	6,15	-	400,000.00	400,000.00	200,000.00
ELEC014	New	Auto reclosers 22 and 11kV	1,2,4,5,6, 12,14,15	-	4,000,000.00	2,000,000.00	1,000,000.00
ELEC015	New	Line sectors 22 & 11kV	1,2,4,5,6, 12,14,15	-	1,500,000.00	1,000,000.00	1,000,000.00

IDP REF	UKEY	PROJECT DESCRIPTION	WARDS	APPROVED BUDGET 2024/25	DRAFT ANNUAL BUDGET 2025/26	DRAFT ANNUAL BUDGET 2026/27	DRAFT ANNUAL BUDGET 2027/28
ELEC016	New	Protection upgrade	1,2,4,5,6, 12,14,15	-	2,500,000.00	2,500,000.00	1,000,000.00
ELEC017	20240131063889	High mast lights	1,2,4,5,7,9 10,13,14, 15	-	-	-	
ELEC018	New	Replace and extend streetlight poles Humansdorp	5,15	-	200,000.00	200,000.00	200,000.00
ELEC019	New	Two 3 150kVA 22/11 auto-transformer Cape St. Francis Main sub	1,2,4,5,6, 12,14,15	-	2,000,000.00	2,000,000.00	2,000,000.00
ELEC020	New	Two 5 000kVA Transformers	1,2,4,5,6, 12,14,15	-	3,000,000.00	3,000,000.00	3,000,000.00
ELEC021	New	Ring main units Isolator 22 & 11kV	1,2,4,5,6, 12,14,15	-	5,000,000.00	3,000,000.00	3,000,000.00
ELEC022	New	Replace cable feeding Santerene link	1,2,4,5,6, 12,14,15	-	500,000.00	500,000.00	-
ELEC023	New	Eskom intersection replace overhead	12	-	1,500,000.00	2,000,000.00	-
ELEC024	New	Streetlights St. Francis Bay	12	-	200,000.00	200,000.00	-
ELEC025	New	11kV cable installation between waterworks substation and Lifestyle development	3,8,11	-	5,000,000.00	2,000,000.00	1,000,000.00
ELEC026	New	Appiesdraai & Paradise Substation	2,12	-	3,500,000.00	2,500,000.00	1,000,000.00
ELEC027	New	Replace Cable in Pellsrus	2	-	2,000,000.00	-	-
ELEC028	New	Solar lights	2,3,4,5,6,8 11,12,14 15	-	300,000.00	300,000.00	300,000.00
ELEC029	New	Containers Storage	2,3,4,5,6,8 11,12,14, 15	-	700,000.00	500,000.00	-
ELEC030	New	Smart metering project	2,3,4,5,6,8 11,12,14	-	10,000,000.00	10,000,000.00	10,000,000.00

IDP REF	UKEY	PROJECT DESCRIPTION	WARDS	APPROVED BUDGET 2024/25	DRAFT ANNUAL BUDGET 2025/26	DRAFT ANNUAL BUDGET 2026/27	DRAFT ANNUAL BUDGET 2027/28
			15				
ELEC031	New	AMR Metering system	2,3,4,5,6,8 11,12,14 15	-	1,000,000.00	2,000,000.00	1,000,000.00
ELEC032	20240507060576	Protection Scada network protection	2,3,4,5,6,8 11,12,14, 15	-	5,000,000.00	5,000,000.00	5,000,000.00
ELEC033	New	Overhead line switchgear 22 & 11kV	1,2,4,5,6, 12,14,15	-	2,000,000.00	2,000,000.00	-
ELEC034	New	Miniature substations 22 & 11kV	2,3,4,5,6,8 11,12,14, 15	-	5,000,000.00	3,000,000.00	3,000,000.00
ELEC035	New	Reconstruct Humansdorp existing overhead network	4,5,6,15		5,000,000.00	5,000,000.00	5,000,000.00
ELEC036	New	Transformers pole mount 22 & 11kV 50; 100; 200; 315 & 500kVA	2,3,4,5,6,8 11,12,14, 15	-	3,000,000.00	4,000,000.00	4,000,000.00
ELEC037	New	Renewable Energy Projects	1,2,4,5,6 12,14,15	-	6,000,000.00	10,000,000.00	10,000,000.00
ELEC038	New	Refuse Truck refurbishment	Municipal Wide	-	800,000.00	-	-
ELEC039	New	Procurement of electrical & mechanical pumps for mechanical pumpstations	Municipal Wide	-	3,000,000.00	4,050,000.00	5,872,500.00
ELEC040	New	New Workshop	Municipal Wide	-	5,000,000.00	2,000,000.00	1,000,000.00
ELEC041	New	Tools		-	300,000.00	300,000.00	300,000.00
ELEC042	New	Tools		-	100,000.00	100,000.00	100,000.00
ELEC043	New	Procurement of a four-post hydraulic lift		-	80,000.00	-	-
ELEC044	New	Procurement of diagnostic machine		-	200,000.00	-	-

2.9.7 Mechanical Projects

Pump stations are essential to the municipality's operations as they ensure the continuous conveyance of sewage from one station to another for final processing at the treatment plant. Over the years, our pump stations have been severely neglected, resulting in significant restoration costs. The operation of these stations is dependent on processing the material fed into them; if the input does not meet the required criteria or size, it can cause damage to the equipment.

A major challenge has been the rise in vandalism at our pump stations, particularly due to their remote locations. The risks associated with pump station failures in Kouga far exceed those of many other operational issues. Therefore, ensuring the optimal functioning of these systems is critical.

In response, we have invested in a SCADA program, which has connected four of our pump stations to a smart monitoring system, allowing for 24/7 remote surveillance. This system is crucial for early detection of faults or vandalism, eliminating the need for on-site monitoring and significantly reducing overtime costs.

Additionally, we have implemented Variable Speed Drives (VSD) at various pump stations as part of the first phase of a broader project. As funding becomes available, we plan to expand this initiative. The VSDs ensure that pump sets start with a low current load, gradually increasing, which reduces strain on the network and helps prevent damage from overloads.

Ongoing maintenance activities will be expanded throughout Kouga to improve the quality of wastewater being transported to our natural environment. We have appointed a panel of contractors for a three-year period to support the maintenance efforts, providing expert advice and specialized services.

Upcoming projects include:

- Replacement of old, damaged pumps and motors, and the installation of new pumps at sewer pump stations.
- Refurbishment of electrical kiosks and panels.
- Equipping sewer pump stations with SCADA systems to enhance operational efficiency.

2.9.8 Fleet

The Fleet Department plays a vital support role in ensuring that all vehicles are well-maintained and that fleet policies are strictly adhered to in order to prevent damage and misuse of the municipality's valuable resources. Our mission is to expand the current fleet of Kouga Municipality, enabling all departments to meet their objectives and deliver exceptional services to all residents within the Kouga jurisdiction. We strive to minimize incidents and the severity of emergencies or accidents involving municipal vehicles through regular maintenance, service, and timely repairs, thereby maintaining a high standard of service delivery to the community.

In line with this, annual inspections are carried out by sending vehicles for Certificate of Fitness (COF) checks to ensure compliance with the National Road Traffic Act (93 of 96) and occupational health and safety regulations.

The Fleet Department recognizes that failing to maintain roadworthy vehicles would have a detrimental impact on service delivery. With a team of fourteen employees—six of whom are office-based—we are dedicated to the upkeep and efficient operation of Kouga Municipality's fleet and plant. Our daily operations ensure that the fleet of 274 vehicles is in optimal condition, guaranteeing the availability of vehicles for emergencies. This also includes conducting risk assessments, planning for the continuity of essential services, and identifying strategies to mitigate the potential impacts of emergencies.

The Fleet Department is proud to report that, during the 2023-2024 financial year, between 86% and 95% of all municipal vehicles were consistently operational, even amidst challenging conditions such as staff shortages, with only three technicians responsible for maintaining the fleet. This translates to an average of 84 vehicles per technician. Despite these challenges, all goals set for the 2023-2024 financial year were successfully achieved.

2.9.9 Proposed Projects: Fleet

PROJECT	COST/ BUDGET	BUDGET SPEND TO DATE	START DATE	DETAILED STATUS/ PROGRESS TO DATE	RELEVANCE TO SERVICE DELIVERY
Generator	R 310 000.00	R 306 400.25	20/07/2023	Generator had been delivered an installed.	During loadshedding production can continue in the workshop and municipal yard
4x4 Ldv'S Land Cruisers	R3 000 277.00	R 1 731 720.01	04/04/2023	Vehicles had been delivered.	Fire-fighting purposes.
New vehicle tracker tender	R 942 637.00	R 225 058.00	03/08/2023	C- Track had been appointed.	Monitoring of municipal vehicles.
Procurement of new vehicles	Hire charges	N/A	19/08/2023	Tender had closed in the BEC phase.	Sufficient vehicles to render services, no vehicles no service delivery
1000 L diesel bowser	R 70 000.00	R 70 000.00	03/08/2023	The trailer had been delivered.	For refuelling of all generators and yellow plant such as Bulldozer, landfill compactor.
Refurbishment of refuse compactors x 2	R 2 000 000.00	R 306 085.00	19/09/2023	Upgrading of two refuse compactors tender notice 197/2023 nearly completed.	Better service delivery to community, and to prolong the life expectancy of the refuse compactors

2.10 WASTE MANAGEMENT AND ENVIRONMENTAL MANAGEMENT

The strategic objective of the Waste and Environmental Management Section is that all the communities of Kouga Municipality live in a clean and healthy environment that is maintained and managed in a sustainable manner.

The Waste and Environmental Management Department in Kouga is responsible for Integrated Waste Management, implementing environmentally sustainable resource use and pollution control practices and Environmental Health Services (mainly preventive health services and are therefore largely protecting public health and preventing health hazards, risks, and diseases).

Key aspects of the section's responsibilities are as follows:

- **Waste Collection, Disposal and Recycling:** The section provides waste collection and disposal services, promoting the separation of recyclable materials from general waste and promoting the implementation of the waste hierarchy.

- **Landfill Management:** Ensuring proper landfill management, the section implements measures to minimize environmental contamination and maintains compliance with waste disposal regulations.

- **Education and Awareness:** The section conducts educational campaigns to raise awareness among employees, customers, and the community about climate change, waste minimization, recycling, responsible waste disposal practices, environmental health and environmental responsibilities.

- **Environmental Protection:** The section works to protect and preserve natural resources. This includes initiatives to maintain biodiversity, manage protected areas, and promote sustainable natural resource use.

- **Nature Conservation:** the conservation movement focuses on protecting species from extinction, maintaining and restoring habitats, enhancing ecosystem services, and protecting biological diversity.

- **Green Initiatives:** By encouraging green practices, such as promoting eco-friendly products, reducing single-use plastics, tree planting and the removal of alien vegetation, the section aims to minimize the ecological footprint in Kouga.

- **Environmental Compliance and reporting**: The section ensures adherence to environmental laws and regulations, collaborating with the local, district, provincial and national authorities, and environmental organizations to enforce responsible environmental practices. Regularly reporting on environmental performance and waste management.

- **Pollution Control:** Monitoring and controlling emissions to air, water and soil. Implementing measures to reduce and manage pollution from industrial and commercial activities.

- Climate Change mitigation and adaptation.

- **Innovation and Improvement:** Continuously seeking new and innovative ways to improve waste management and reduce environmental impacts.

- **Collaboration and Partnerships:** Working with other organisations, governments and stakeholders to improve waste and environmental practices and policies. Participating in industry groups and initiatives focused on sustainability and environmental stewardship.

- **Environmental / Municipal Health Services:** The section is responsible for water quality – ensuring safe and clean water, monitoring and managing surface and groundwater quality and addressing contamination and pollution issues.

- Health surveillance of premises, pauper burials, exhumations and reburials, surveillance and prevention of communicable diseases, vector control, evaluation of cemeteries, mortuaries, and funeral undertakers' premises, business registration, hawker programs.

- **Food safety:** The Environmental Health section is responsible for inspecting food establishments to ensure compliance with health standards.

- **Hazardous material management**: Overseeing the safe storage, use and disposal of hazardous materials. Providing training and resources for hazardous material handlers.

- **Public Health Education and Promotion:** Informing the public about environmental health risks and prevention strategies.

- Municipalities play a vital role in animal care through various services and regulations to ensure the well-being of animals and public health. Key responsibilities include:

- **Animal Control and Welfare:** The Waste and Environmental Department facilitate and work with law enforcement and animal welfare organisation to manage stray animal populations.

- Monitoring and managing outbreaks of animal diseases, such as Rabies, African Swine Flu or Foot-and-Mouth disease. Educating the public about zoonotic diseases (diseases that can be transmitted from animals to humans).

- **Wildlife Management:**
  - Addressing issues related to urban wildlife, such as raccoons, coyotes, and birds.
  - Implementing measures to reduce human-wildlife conflicts.
  - Protecting and conserving local wildlife habitats.

The Waste and Environmental Department work in collaboration with veterinary services, non-profit organizations, National and Provincial Departments.

Kouga Waste and Environmental Management Section actively contributes to a cleaner, greener and more sustainable environment by implementing effective integrated waste management strategies, addressing climate change and ensuring healthy communities.

2.10.1 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.

Description of Activities

The refuse collection functions of the municipality are administered as follows:



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 20: 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 21: Waste Collection Equipment

AREA SERVICED	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

2.10.2 Access to Refuse Removal/ Waste Management

Table 22: Access to Refuse Removal



Refuse Disposal 2024	Number	%
Removed by local authority at least once a week	24 652	86,0%
Removed by local authority less often	234	0.8%
Communal waste removal	198	0,7%
Communal container/central collection point	2 522	8,8%
Own refuse dump	332	1,2%
No Waste Disposal	561	2,0%

Source: Statsa_Census, 2022

Most households in Kouga have access to waste removal at least once a week by the municipality, 86,0% in terms of a weekly door to door collection programme collected by the municipality and others are receiving a communal skip collection weekly. The waste is transported to licensed landfill sites in Humansdorp and Hankey which comply with the National Environmental Management Act (NEMA).

2.10.3 Highlights on Waste and Environmental Management

The table below sets out all highlights on waste and environmental management:

Highlights	Description
Climate Change Strategy implementation	Tree planting, education and awareness
Public open spaces were cleared and beautified in partnership with "Dorp van Drome", Patensie Pronk, Woodlands, JBAY Surfers, community groups and schools is ongoing.	Partnerships

Highlights	Description
Recycling introduced in schools, blue flag beaches, all events and shopping centres	Implementation of waste minimization strategy
Mandela Day 18 July 2024 – clean ups in Humansdorp, Pellsrus and main Beach Jeffreys Bay	Community involvement with cleaning up beaches
International Coastal Clean Up - 21 September 2024	Community involvement with cleaning up beaches
World Environmental Day 5 June 2024	Education and awareness
The Waste Management section procured 5 skips for designated areas for litter and waste disposal	Service delivery to areas where no door-to-door waste collection is taking place
Private plot Clearing, ongoing	Alien invasive clearing (water conservation)
The Cape St Francis dune management plan approved by MEC, DEDEA.	Coastal and dune management compliance
Launching of e- Waste Recycling in collaboration with eWASA	Waste minimisation
Kouga Municipality awarded Blue Flag Beach status for Dolphin Beach and Cape St Francis	
Sculpture of Dolphin Tail unveiled at Kitchen Windows	Tourism enhancement
The section participated in the activities of Arbor day and planted several trees and the Milkwood Tree trail was launched.	Keep Kouga Green
Dorp van Drome in collaboration with Kouga municipality received an award from Lottoland for the construction of a boardwalk in Jeffreys Bay	Partnerships
Procurement of new fleet (Waste compactors, TLB and skip trucks)	Address service delivery
Noorsekloof declared as a nature reserve	

2.10.4 Challenges on Waste Management

The table below set out all challenges on waste and environmental management:

Challenges	Action to Address
Illegal dumping	War on Waste, law enforcement
Ageing infrastructure (fleet)	Procurement of new fleet
Non - compliance with Landfill licenses – sites not fenced	External request for funding
Humansdorp Landfill site cell nearing full capacity	External request for funding for new cell
Burning of waste	Education and awareness
Lack of environmental awareness and understanding of the impact thereof	Education and awareness
Lack of security at landfills with number of waste pickers growing	Fencing of sites

Challenges	Action to Address
Rapidly growing population • Growing per capita waste disposal from rising income and consumption levels • Pervasive throw away culture of disposal and illegal dumping	Fleet procurement, filling of vacancies
Lack of recycling facilities	Partnership to introduce drop off/recycling centres
Animal farming in residential areas. (Outbreak of diseases, Foot and Mouth disease affected job security)	Introduction of a pound, education and awareness
Spaza shops and Taverns not adhering to municipal by laws.	Education and awareness and registration of all Spaza shops

2.10.5 Waste Management Awareness Programmes/Projects

Project	Description
Operation Coca- Maak Skoon	- Affording residents the opportunity to get rid of unwanted items and waste - Include white goods, electronics and furniture
Clean-ups	- Beach clean-ups with communities and interested groups and in collaboration with DFFE
Waste Minimisation	- A total of 68 896 tonnes of waste were collected from July 2023 to June 2024. - 3098 tons of waste recycled during this period of which most were paper and plastic. - Continue recycling programmes in collaboration with Woodlands Dairy at Bread and Milk Shops in Jeffreys Bay. - Vending machines where residents can place their recyclables and receive "moola" in return on their phones. - Schools recycling program at Jbay recycling

2.10.6 Waste Minimisation

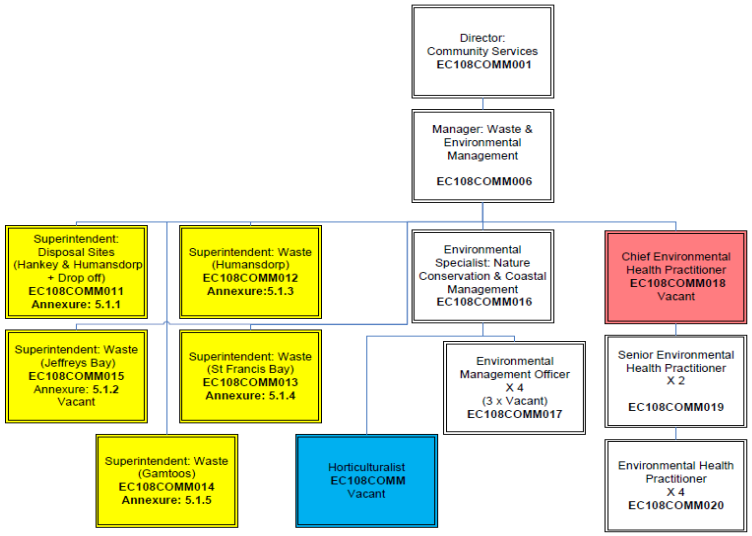
The various waste management options can be placed in an order known as the Waste Management Hierarchy which reflects the relative sustainability of each. One of the key principles underlying waste management policy is to ensure that waste is dealt with as high up the Waste Management Hierarchy as possible. 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 centres. 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

2.10.7 Waste Management Employees



Note: Christa Venter is the appointed Waste Management Officer as from 2019.

2.10.8 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.

2.10.9 Proposed Capital Projects: Waste and Environmental Management

Sanitation: Capital Projects – 2023/24 – 205/26 FY							
IDP Ref	**Project**	**Area**	**Detailed Scope**	**Funding Source**	**24/25 Budget**	**Draft 25/26 Budget Requirement**	**26/27 Budget**
WM001	Community Services purchase of Specialized waste vehicles	Kouga	Purchasing of specialized waste vehicles through the MIG Grant Funding for Community Services	MIG		R 3, 000,000	
WM001	Community Services purchase of Specialized waste vehicles	Kouga	Purchasing of specialized waste vehicles through the MIG Grant Funding for Community Services	MIG		R 450 000	
WM002	Procurement of skip bins		Capital	KM		R 15,000,000	
WM003	Fencing of Humansdorp landfill	H/dorp	Compliance with waste license	KM		R 10,000,000	
WM004	New cell development Humansdorp landfill	H/dorp	Compliance with waste license	KM		R2,500,000	
WM005	Implementation of Coastal Management plans (Oyster Bay, Cape St Francis, St Francis, Jeffreys Bay)	Coastal Towns		KM		R 700,000 R 3,000,000	
WM006	Extension of Boardwalk in Jeffreys Bay/St Francis	J/bay SFB		KM		R 6,000,000	
WM007	EPWP beneficiaries	Kouga	Keep Kouga clean and green. Community based program	DEDEA		R 400,000	
WM008	Alien invasive plant removal	Kouga	SMME's to remove invasive plants for climate change mitigation	KM		R 500,000	
WM009	Coastal management	Coastal Towns	Maintenance of infrastructure in collaboration with Civil and Water	KM		R 1,000,000	
			Rock revetment (St Francis, Paradise, Jeffreys bay)			R 200,000	
			Implement geo -containers for erosion			R 500,000	
			Dune restoration – sandbags, brush-packing			R 500,000	
WM010	Air quality monitoring	Kouga	Installation of air quality monitoring stations			R 300,000	
WM011	Education and awareness	Kouga	Ward competitions			R 300,000	
WM12	Water quality monitoring	Kouga	Installation of boreholes				

2.11 ROADS

The municipality has the mandate from Government to perform all relevant services regarding roads and stormwater in those areas included within its jurisdiction. There are roads that are still the responsibility of Province.

The Pavement management System compiled in 2017 is due to be revised and will be provided for in future financial years. Unfortunately, due to the extent of backlogs in resurfacing and upgrading and financial constraints, headway in eradicating these backlogs is not progressing as may be required but regarded as sufficient for purpose.

There are more than 30km of provincial main roads within the urban edges of Drakenstein. Maintenance of these roads is dependent on the provision of the required subsidy by the Provincial Government, being a shared responsibility.

The principle to update all the different master plans every 3-5 years and to align the different master plans with the 20-year growth plan and Spatial Development Framework remains.

The municipality is process of updating its Pavement Management System (PMS and the system is used as a network level tool.

Due to ageing of current infrastructure the focus has shifted from only upgrading roads from gravel to paved, and now also includes rehabilitation, resealing and maintenance projects funded out of capital funding.

2.11.1 Backlogs, Maintenance and Rehabilitation

The tables below show the current condition of roads per different category including the maintenance needs per town:

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	2,1	3,5	4,5	0,1	0,0	**10,1**
Hankey	1,3	5,3	5,3	0,3	0,0	**12,2**
Humansdorp	11,2	13,9	13,6	2,2	0,0	**40,9**
Jeffreys Bay	77,8	62,7	19,3	0,9	0,0	**159,7**
Loerie	0,4	0,4	1,2	0,0	0,0	**2,0**
Oyster Bay	0,0	1,7	1,2	0,0	0,0	**2,9**
Patensie	1,3	3,3	5,9	2,0	0,0	**12,5**
St. Francis Bay	19,0	20,7	5,7	0,0	0,0	**45,5**
Thornhill	1,5	0,5	0,1	0,0	0,0	**2,2**
Total	**114,7**	**111,9**	**55,7**	**5,5**	**0,0**	**287,8**

Paved Road Length (km) per Surface Type by Town

Town	Flexible	Block	Concrete	Total
Cape St. Francis	10,1	0,6	0,0	10,7
Hankey	12,7	2,0	0,0	14,7
Humansdorp	41,1	5,4	0,0	46,5
Jeffreys Bay	159,7	3,5	0,2	163,4
Loerie	2,0	0,0	0,0	2,0
Oyster Bay	2,9	0,1	0,1	3,1
Patensie	12,5	0,5	0,2	13,2
St. Francis Bay	45,6	0,5	0,0	46,1
Thornhill	2,2	0,0	0,0	2,2
Total	**288,8**	**12,6**	**0,5**	**301,9**

Unpaved Road Length (km) per Surface Type by Town

Town	Gravel	Earth	Track	Total
Cape St. Francis	3,2	0,0	0,0	**3,2**
Hankey	14,9	0,1	0,0	**15,0**
Humansdorp	65,3	0,1	0,2	**65,6**
Jeffreys Bay	17,4	0,0	0,1	**6,1**
Loerie	4,5	0,0	0,4	**4,9**
Oyster Bay	6,0	0,0	0,1	**6,1**
Patensie	1,1	0,0	0,0	**1,1**
St. Francis Bay	2,5	0,0	0,2	**2,7**
Thornhill	3,4	0,0	0,0	**3,4**
Total	**118,3**	**0,3**	**1,0**	**119,6**

Flexible Road Length (km) of Maintenance Needs per Town

Town	Rehabilitation	Special Maintenance	Preventative Maintenance	Total
Cape St. Francis	1,9	3,7	0,8	**6,3**
Hankey	1,4	3,5	4,6	**9,6**
Humansdorp	6,8	5,8	9,0	**21,6**
Jeffreys Bay	8,2	11,3	23,6	**43,1**
Loerie	0,4	0,5	0,3	**1,2**
Oyster Bay	0,7	0,0	1,4	**2,2**
Patensie	3,2	4,3	1,1	**8,7**
St. Francis Bay	2,3	4,2	16,	**22,5**
Thornhill	0,0	0,6	0,0	**0,6**
Total	**24,9**	**34,0**	**56,9**	**115,8**

2.11.2 Overview on the Level of Streets and Stormwater Services

Different road sections require different types of maintenance varying from routine and normal heavy rehabilitation. Possible project types range from routine maintenance (e.g. patching), to normal maintenance (resurfacing) through to heavy rehabilitation (e.g. thick overlays and reconstruction).

With limited financial resources available it is important that these funds be spent at the right place at the right time to ensure optimum use of funds. The use of PMS is generally accepted as essential for determining the maintenance and upgrading needs/programmes for pavements in a network of roads.

These programmes provide a good assessment of the total funds required to meet the maintenance needs of the network and, in most cases, of the type of maintenance required. The needs of individual projects should, however, be verified by further investigation to allow for additional unrecorded factors.

The total length of the paved network is 294.4km with an estimated replacement value of R2,738,709,178 for paved roads and R67,381,509 for the 126.5km length of unpaved roads. The average condition of the network can be rated as poor, with 63% of the surfacing and 57% of the structure in poor to very poor category. Roads that have been upgraded from gravel to paved roads in the 2023/24 financial year are 460m.

2.11.3 Highlights on Roads

The table below set out the highlights on roads:

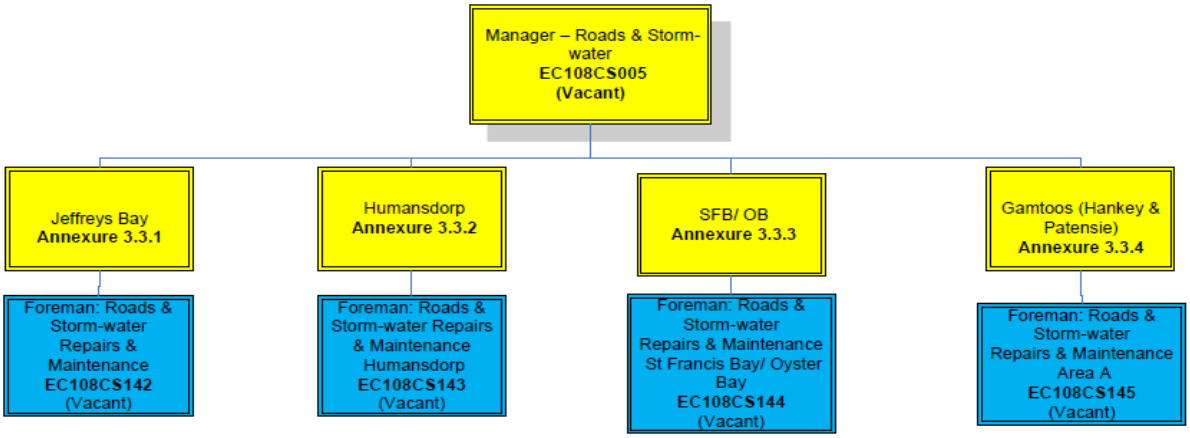
Highlights	Description
Kouga Gravel Raads Phase 2	- Completed stormwater channel in Coetzee Street - Upgrade Goeda Street to Asphalt surface – asphalt completed and busy with ancillary roadworks such as stormwater channels - Upgrade Silinga Street to Asphalt surface – asphalt completed and busy with ancillary roadworks such as stormwater channels.

2.11.4 Challenges on Roads

The table below set out all challenges on roads:

Challenges	Action to Address
The Roads and Stormwater Division is critically understaffed	The organizational structure to be reviewed and suitably budgeted for.
The vehicles, plant and equipment utilized for transport and carting of staff and materials is dilapidated.	A review of the efficiency of vehicles, plant and equipment traditionally used is to be undertaken and adequately budgeted for.

2.11.5 Employees: Roads and Stormwater



2.11.6 Capital Projects: Roads

IDP Ref	Project	Area	Detailed Scope	Funding Source	23/24 Budget	24/25 Budget	25/26 Budget	Value
R001	Gravel Roads Phase 2	Kouga	Road list to be finalized.	MIG	R3,339,130.00	R15,499,817	R11,887,947	R30,726,894.00
R002	Roads Reseal project in Kouga LM Phase 1		Roads that will be resealed includes:	CAPEX/ OPEX	R10,000,000.00	R50,000,000.00	R150,000,000.00	R210,000,000.00
R003	Roads Reseal project in Kouga LM: Phase 2		Reseal of roads, pothole repairs, construction of speedhumps, installation of kerbs, etc.	OPEX	R0.00			Rates based.
				TOTAL	**R13,339,130.00**	**R55,499,817.00**	**R161,887,947.00**	**R240,726,894.00**

2.12 STORMWATER MANAGEMENT

Stormwater maintenance is done by operations department. Maintenance on stormwater is done in warmer months to prevent damage during the rainy season.

Stormwater network comprises of piped systems and open drainage channels. The drainage system is a fair condition with some instances of poor conditions. There are still some areas where there are no formal drainage networks, and this causes flooding during winter. In general, the remedial measures for the existing storm water drainage system have been based on conventional stormwater management practices.

Conveyances

Generally underground concrete pipes or rectangular culverts; or open channels where these are the primary existing conveyance system for the town. Where high peak flows

or where channels are the primary existing conveyance system for the town, lined trapezoidal channels were selected with suitable linings dependent on flow velocities.

Flood lines were determined for each town/village located in close proximity to a river or stream with a catchment area exceeding 1km. The flood line studies were completed for the following reasons:

i) To comply with the legal requirements of:
   - Section 144 of the National Water Act No.36 of 1998
   - The Land Use Planning Ordinance of Eastern Cape

ii) To establish if any parts of the existing towns/villages or any future developments are exposed to a flood risk

iii) To determine if any stormwater drainage system discharges are below flood levels that may impact on that systems discharge capacity.

iv) Ascertain if detailed flood line studies need to be undertaken for any of the towns/village

Legislation Stormwater Management should comply with is as follows:

- The Constitution of South Africa (1996)
- National Environmental Management Act (1998)
- Environmental Impact Assessment Regulations (2010)
- Kouga Local Municipality Storm Water Management By-Laws
- National Heritage Resources Act (1999)
- Integrated Coastal Management Act (2008)
- National Water Act No 36 of 1998
- Guidelines For Human Settlement Planning and Design

In 1975, the statutory requirement for the insertion of the 1 in 50-year flood lines on the layout plans for proposed townships as a pre-requisite for approval was introduced as Section 169A of the Water Act, 1956 (Act 54 of 1956).

The Storm water Master plan compiled in 2015 by Hatch Goba Consulting Engineers (Pty) Ltd, appointed by the Department of Corporative Governance (COGTA), is planned to be reviewed, with the first phase in the 2024/25 financial year. This review addressed the entire length of storm water system and include the confirmation of flood lines. The Masterplan also identified 56 problem areas of focus, ranging in severity from low to very high in terms of flood risk.

A process of reviewing the risks areas identified in this report, and prioritising which projects need to enter the planning stage must be undertaken and agreed by Council. The maintenance of stormwater assets in good working order is critical to reduce flood

risks. It is recommended that a stormwater asset maintenance management system be developed and implemented. To bring conformity to the structural and hydraulic design of stormwater infrastructure, it is proposed that Stormwater Standard Details and Stormwater Design Standards be developed. The principle to update all the different master plans every 2 - 3 years and to align the different master plans with a 20-year growth plan and Spatial Development Framework should be adhered to.

2.12.1 Highlights on Stormwater Drainage

The table below set out the highlights on stormwater drainage:

Highlights	Description
Kouga Gravel Roads Phase 2	Completed the installation of stormwater channel in Booysen Street

2.12.2 Challenges on Stormwater Drainage

The table below set out all challenges on stormwater drainage:

Challenges	Action to Address
The Roads and Stormwater Division is critically understaffed	The organisational structure to be reviewed and suitably budgeted for.
The vehicles, plant and equipment utilized for transport and carting of staff and materials is dilapidated.	A review of the efficiency of vehicles, plant and equipment traditionally used is to be undertaken and adequately budgeted for.

2.13 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.

2.13.1 Keep Kouga Green

The Keep Kouga Green campaign was launched on 07-Feb-20 at Nico Malan High School, Humansdorp. 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 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.

2.13.2 Objectives of Keep Kouga Green

- 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.

2.13.3 Keep Kouga Clean

Kouga Municipality embarked on Operation Coca – Maak Skoon for the residents of Kouga as part of the Keep Kouga Clean program. During the annual programme, the

residents are allowed to place unwanted goods on the pavement for collection by the Municipality. The Municipality also identifies central areas where skip bins are placed for Garden refuse and builders' rubble. Part of the program is 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 is also 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.

2.13.4 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.

2.13.5 Pollution Control

Sarah Baartman District Municipality has embarked on development of a District Wide Environmental Pollution Control plan and other environmental management Strategies.

Pollution Control is the process of reducing or eliminating the release of pollutants (contaminates, usually human – made) into the environment. It is regulated by various environmental agencies that establish limits for the discharge of pollutants into the air, water, and land. A wide variety of devices and systems have been developed to control air and water pollution and solid waste.

Air pollution control can be divided into two categories: the control of particulate emissions and the control of gaseous emissions.

Environmental Management and Environmental Health share this mandate due to the nature of contaminants that affect people and the environment. Pollution cases that have been reported were pertaining to sewage spills and illegal dumping have been referred to the relevant department.

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.

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.

2.13.6 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.

2.13.7 Municipal Health Services (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:



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.

2.14 SOCIAL DEVELOPMENT

Local Government should exercise their powers and functions to have a maximum impact on social development of communities. Meeting the basic needs of the poor and grow the local economy. Local Government has an interest in attracting investment based on promotion the comparative advantages of the area for competitive industries, as well as supporting the growth of local enterprises. This will put Local Government in a position to leverage private sector resources for development and create and sustain humane, equitable and viable communities.

Slow economic growth has an impact on communities finding sustainable ways to meet their social economic and material needs and improve the quality of the lives. The municipality has established a Special Programme Unit which is housed in the office of the Executive Mayor.

The Special Programmes Unit (SPU) is responsible for facilitating and mainstreaming issues of designated groups within the department and Municipality. Amongst other responsibilities is to conduct advocacy and awareness on legislative frameworks.

2.14.1 SPU Programmes and Interventions

Programme/Intervention	Date
Youth Month Fashion Show: The Special Programmes Unit (SPU), in partnership with the Leadership Experience and various other stakeholders, presented a dynamic fashion show in celebration of Youth Month on Friday, 14 June 2024. The fashion show provided youth with a platform to exhibit their creativity and passion for fashion. As part of the programme, participating youth also engaged in a leadership initiative, which included workshops focused on spiritual, mental, emotional, physical, and financial wellbeing and growth.	14 June 2024
Celebrating Women in Kouga: We all should owe this responsibility to appreciate and respect all women present in our lives. They are the best blend of teachings and affections. In celebrating women's month, SPU within the Executive Mayor's office facilitated a women's network program, where women from all over Kouga who was nominated for their induvial greatness and massive impact in the different towns within our beautiful Kouga region. The night was filled with inspirational and motivational speakers reminding women how powerful and phenomenal they are.	30 August 2024

Programme/Intervention	Date
The night consisted of fellowship, entertainment and great friendships that were formed out of the program. Women connected and engaged in great conversation how to make a more empowering impact together in Kouga to leave their communities better than what they found them.	
Oyster Bay Development Program: SPU facilitated a skills development program aimed at equipping women within Kouga. Partnering with skilled knitters, we trained woman of Oyster Bay on how to sew manually. This initiative is imperative as it upskills women and motivates them to make an impactful change within their personal lives. These basic skills will unlock some of the economic challenges encountered by our communities. It equips the women with the skills and confidence needed for them to occupy senior roles. Therefore, SPU's focus regarding this project, was to enable woman who want to progress, the opportunity to engage in developmental activities that gives them access to higher job levels or to become entrepreneurs using their new set of skills. This is SPU's second skills development program as such. Among these newly talented ladies, one has committed herself to take it a step further, she will make a design out of fabric and sell to local schools.	10 October 2024
Donation at Hospice St Francis in Humansdorp: SPU managed to secure a R25 000 donation from Hollywood Foundation to Hospice in St Francis for October Cancer Month. SPU partnered with Hollywood Foundation as the vision and aim were aligned regarding tackling various social issues that are affecting Kouga residents by offering them hope through a meaningful contribution. The mutual goal was to provide hope to our local stakeholders who invest in helping those suffering with cancer within the communities and by working together to bring about sustainable impact. The aim is to empower our communities by showing our appreciation. Hospice received R10 000 for adult diapers and a R15 000 grant for medical supplies and equipment that they were lacking.	29 October 2024
Kehl University German Study Visit: Kehl University in Germany was hosted for their annual excursion to our municipality. Prof Gert arrived with 18 Bachelor students from their Public Management degree programme. The aim is to broaden the German students' horizons and compare South African administrations and municipalities with German administrations and municipalities. Kehl University feels that Kouga Municipality is very well suited for this, as it tackles the challenges of modern administration in a crisis-ridden world very dynamically. Kouga Municipality in February 2023 made such a good impression on the students that three of them applied for a three-month internship with KLM. Kehl university specifically trains around 400 students every year, most of whom work in local and regional administrations after graduating. Kehl University has an excellent reputation for being a mayor's forge.	20 - 21 April 2025

Programme/Intervention	Date
Kouga Working World Exhibition Launch: The Working World Exhibition alongside SPU and the Mayor's Office, is excited to host an empowering event designed to equip learners for the evolving world of work on the 10th and 11th of April 2025. The Working World Exhibition is South Africa's most comprehensive career guidance platform, delivering an interactive and impactful experience to school-leaving youths. For 2025, the Exhibition will be held at Mentors Kraal in Jeffreys Bay as this Exhibition will be taking place in Kouga, the Municipality has been approached as a partner. The exhibition offers invaluable resources, including expert-led seminars on careers in demand, bursary opportunities, and entrepreneurship pathways, while also providing learners with the official Workbook – endorsed by the Department of Education – as part of their Life Orientation curriculum. Over the past 25 years, the event has attracted a total of 360 000 visitors, including 12 963 attendees and 77 exhibiting entities at the February 2024 exhibition held in Gqeberha. With an average annual attendance of 15 000 visitors, the exhibition specifically targets learners aged 16 to 19, as well as 200 Life Orientation teachers and headmasters each year.	10 – 11 April 2025
67 Minutes of Madiba Day in Kouga: Let's Get Involved: SPU in conjunction with Community Services, encourage the Kouga residence to take part in a clean-up and waste management awareness campaign across Kouga on the 18th of July, for 67 minutes on Mandela Day. Various beautification programs will be conducted in the different wards, alongside environmental, waste and EHP's, such as removing dumping sites, litter picking, painting of varies buildings and bus stops, cutting of grass cleaning of community parks, planting of trees, as well as maintenance work.	July 2025
Mayoral Leadership Program: In Kouga there has been an observed increase in youth involved in gangsterism and substance abuse. This trend is often linked to the absence of fathers and positive male role models in their lives. Addressing this social issue requires a collaborative effort from all stakeholders and the community at large. Under the banner of Keep Kouga Caring/Developed, it is important to emphasize our commitment to the holistic well-being and development of our children and youth. The municipality, in partnership with community members and stakeholders, will work together to assist and tackle the underlying causes of these challenges faced by our youth. This project will also seek to develop young leaders who are prospective employees and politicians for Kouga Municipality.	September
Big Walk for Cancer: The Special Programmes Unit in partnership with various relevant stakeholders will host a first-of-its kind ''Kouga Walk for Cancer'' campaign in October.	4 October 2025

Programme/Intervention	Date
This campaign aims to educate the public about cancer. Cancer awareness month encourage the public to get cancer screenings, which increases the likelihood of an early diagnosis.	
SPU Nutrition Program – Ongoing: Within the borders of Kouga municipality there are a small number of soup kitchens and feeding facilities within the different wards to help relieve the hunger and poor caregivers from some of the burden of worry when they are unable to provide enough food for themselves and their children. SPU, through a Mayoral Initiative, distributed fresh A-grade vegetables to various daycares, an old age NPO and soup kitchens within Kouga that was donated by Wildeklawer farm from Barkley East. The executive Mayor donated fresh A-Grade vegetables to NPOs within Kouga to assist vulnerable communities during the course of the year of 2024. With the humbled support from Wildeklawer farm, Executive Mayor alongside SPU assisted 11 beneficiaries who were partaking in a Christmas feed such as Soup kitchens, schools, clinics, NPO's working with elderly, youth, children and women.	2024-2026

2.15 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.

2.15.1 Strategic Objectives

- 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.

2.15.2 Information 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, NB 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.

2.15.3 Library Usage Statistics

	Data Element	22/23	23/24	Sources
Average number of library visits per library	(1) Total Number of Library Visits	44 125	41362	Community Services
	(2) Count of Municipal Libraries	14	14	Community Services
	Circulation of Books	90 955	81 507	Community Services
	Total Registered Members of the library	243 209	273 681	Community Services

2.15.4 Highlights on Libraries

Highlights	Description
The six winners of the event went to Paterson to represent Kouga Municipality in Sarah Baartman District. The Municipality had winners in the following: Afrikaans reading position 2 IsiXhosa reading position 2 Poetry position 2	Kouga Municipality Library Services hosted the International Literacy Day event for all the Libraries in Kouga in Sea Vista Community Hall
Sea Vista Library won the best Display in Sarah Baartman District	All Libraries in SBDM had a competition for Display and the theme was 'LITERATURE INFUSED WITH 30yrs OF DEMOCRACY'

2.15.5 Challenges on Libraries

Challenges	Action to Address
Computers are outdated and needs to be replaced	To budget funds for procuring the computers
Staff shortages in still a big challenge, 2 DSRAC Librarians resigned and are not replaced, and they left a gap in library services	To employ Librarian for Jeffreys Bay and Humansdorp Libraries and a Library Assistant for Loerie Library

2.15.6 Current Status of Libraries

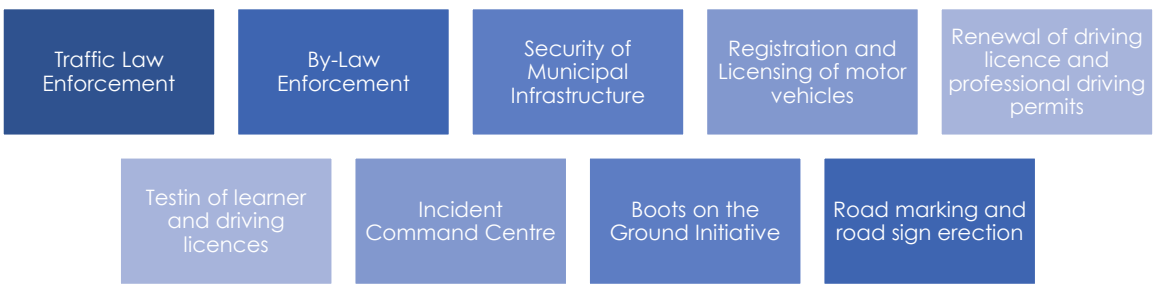
LIBRARIES		
WARD	NAME	CONDITION
1	Sea vista	In Use
11	Jeffreys bay	In Use
4	Kruisfontein	In Use
9	Hankey N	In Use
9	Hankey S	In Use
15	Humansdorp	In Use
4	7nde Laan	In Use
6	Ukhanyiso	In Use
7	Loerie	In Use
7	Thornhill	In Use
10	Mbuyiseli Nkosinkulu	In Use
10	Patensie	In Use
13	N.B Mathodlana	In Use
14	Tokyo Sexwale	In Use

2.16 TRAFFIC LAW ENFORCEMENT AND COMMUNITY SAFETY

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.

Kouga Municipality is committed in the creation of an environment that is conducive to economic and social growth and development within the Kouga municipal area through effective law enforcement and community safety programmes. Creating a safe and secure Kouga with low crime levels where all can work and play in harmony.

2.16.1 Traffic Law Enforcement and Community Safety: Services



2.16.2 Highlights on Law Enforcement and Community Safety

The table below set out the highlights on Law Enforcement and Community Safety:

Highlights	Description
Partnerships with Neighbourhood watches	The gradual establishment of neighbourhood watches in all wards assists in the monitoring and prevention of crime.
Boots on the ground initiative	The Boots on the ground staff assists Law Enforcement in their duties and concentrate in known hot spot areas. Assist with visible policing.
Interaction with external law enforcement role players and community stakeholders	Regular joint operations with the SAPS and other role players by Traffic and Bylaw Enforcement have yielded success in crime prevention
Incident Command Centre	The ICC assists Kouga Law Enforcement and other Law enforcement role players with monitoring for incidents and assists with real time information through CCTV footage.
New fleet procured	New fleet was acquired (traffic and by law enforcement vehicles)
Scholar patrols	The traffic department in conjunction with Provincial Road Safety assists with the establishment and monitoring of scholar patrols at schools in the area.
Illegal Dog Breeding Campaigns	Regular campaigns are held with animal protection stakeholders to kerb illegal dog breeding
Kouga Community Safety Forum established	A safety summit was held on the 2nd of October 2024 to initiate the establishment of the Kouga safety forum
Public Safety Plan Reviewed	Council approved on 30 October 2024
Training of candidates (Law Enforcement, Traffic Officers, Security Officers, Peace Officers and Boots on the Ground)	Training of officers to better capacity in the department is ongoing
Joint operations	Spaza shop policing – Food borne illness. The Law Enforcement were in cooperation with Environmental Health Department as well as SAPS involved in Inspecting Spaza shops throughout the Kouga area. Summonses were issue and expired goods were confiscated
Roadblocks	Public safety (SAPS)

2.16.3 Challenges on Law Enforcement and Community Safety

Challenges	Action to Address
Security of municipal buildings (pump stations, transfer stations, sport fields, etc	Assessment of the security of all Municipal buildings and infrastructure were completed, and remedies are addressed with the relevant departments (Ongoing surveillance and monitoring).

Challenges	Action to Address
Illegal squatters and street children	Ongoing law enforcement, social department involvement
Crime/community safety, Gangsterism	Drug abuse awareness campaigns.
Stray Animals	Roaming animals – Privately owned pound proposals invited as interim solution.
Theft and vandalism of municipal property, goods and assets (cable theft etc.)	Municipal property, goods and assets are being protected by internal and external security. Law enforcement also conduct special patrols to monitor municipal infrastructure. All the above is supported by CCTV camera monitoring. Regular meetings with SAPS.
Poaching, lawlessness	Ongoing policing. Involvement of Department of Forestry and Fisheries is critical for the curbing of poaching.
Public Transport Management	Regular meetings with Taxi operators, SAPS and Dept of Justice and Provincial departments
Intergovernmental support	IGR

2.16.4 Camera Roll Out Plan

2026/ 2027												
		LPR CAMERA @ R 130 000		PTZ CAMERA @ R 160 000		3 BULLET @ 130 000		SELFCONTAINED SOLAR CAMERA W/4G @ R 60 000				
UNITS	TOTAL	TOTAL PER WARD	WARD	UNITS	TOTAL	UNITS	TOTAL	UNITS	TOTAL	UNITS	TOTAL	TOTAL PER WARD
1	R40 000,00	R430 000,00	WARD 1	1	R130 000,00		R0,00		R0,00		R0,00	R130 000,00
	R0,00	R520 000,00	WARD 2		R0,00		R0,00	1	R100 000,00		R0,00	R520 000,00
	R0,00	R360 000,00	WARD 3		R0,00	1	R160 000,00	3	R360 000,00		R0,00	R360 000,00
	R0,00	R390 000,00	WARD 4		R0,00	1	R160 000,00	2	R240 000,00		R0,00	R390 000,00
1	R40 000,00	R280 000,00	WARD 5		R0,00		R0,00	2	R240 000,00		R0,00	R280 000,00
	R0,00	R510 000,00	WARD 6	1	R130 000,00		R150 000,00	2	R240 000,00		R0,00	R510 000,00
1	R40 000,00	R310 000,00	WARD 7		R0,00	1	R160 000,00	1	R120 000,00		R0,00	R310 000,00
1	R40 000,00	R240 000,00	WARD 8		R0,00	1	R160 000,00		R0,00		R0,00	R240 000,00
1	R40 000,00	R190 000,00	WARD 9	1	R130 000,00		R150 000,00		R0,00		R0,00	R190 000,00
	R0,00	R250 000,00	WARD 10		R0,00		R150 000,00	1	R100 000,00		R0,00	R250 000,00
	R0,00	R150 000,00	WARD 11		R0,00		R150 000,00		R0,00		R0,00	R150 000,00
	R0,00	R270 000,00	WARD 12		R0,00		R150 000,00		R0,00		R0,00	R270 000,00
	R0,00	R250 000,00	WARD 13	1	R130 000,00		R150 000,00	1	R100 000,00		R0,00	R250 000,00
	R0,00	R150 000,00	WARD 14		R0,00	1	R150 000,00	1	R130 000,00		R0,00	R150 000,00
	R0,00	R150 000,00	WARD 15	1	R130 000,00		R150 000,00		R0,00		R0,00	R150 000,00
	R0,00	R184 000,00	ICC	24	R100 800,00	1	R150 000,00		R0,00	4	R240 000,00	R164 000,00
TOTAL BUDGET REQUESTED		**R4 634 000,00**										**R4 314 000,00**

2.16.5 Proposed Projects: Traffic Law Enforcement and Community Safety

IDP Ref	Project	Area	Detailed Scope	Funding Source	25/26 Draft Budget requirement
TEL01	Transport Forums Establishment	Municipal wide	Transport forum to be established by 31 March 2025	KLM	N/A
TEL02	Taxi By-Law Developed by 30 June 2025	Municipal wide	Referred the next policy workshop	KLM	N/A

IDP Ref	Project	Area	Detailed Scope	Funding Source	25/26 Draft Budget requirement
TEL03	CCTV Cameras installation (Internal Infrastructure and Wards)	Municipal wide	Installation of CCTV cameras throughout the Kouga municipal area is an ongoing project	KLM	R2 600 000
TEL04	External Stakeholder Cameras integration with the Incident Command Centre (ICC)	Municipal wide	External stakeholders are engaged to integrate their cameras to widen crime monitoring footprint	KLM	N/A
TEL05	Public Safety Projects implementation	Municipal wide	Education and Awareness Training Illegal Squatter Management	KM	Operational

2.17 FIRE SERVICES AND DISASTER MANAGEMENT

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 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 fortunate to be 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.

The Kouga Fire Department is dedicated to serving our community with swift and quality services. Our mission is to protect lives, properties, and the environment by effectively suppressing fires, rescuing individuals, and mitigating hazards.

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.

The municipality 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 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.

2.17.1 Highlights on Fire and Disaster Services

The table below sets out all highlights on Fire and Disaster Services:

Highlights	Description
Fire Safety Activities	A comprehensive series of fire safety inspections are conducted over the past year to ensure the safety and compliance of various properties and at events within Kouga and various awareness, education and evacuation programmes are also conducted to the public in general.
Partnerships and interrelations	Partnerships with Working on Fire, Sarah Baartman West Fire Protection Association and good relations with the public has been established.
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.
Urban Search and Rescue	Two of Kouga's firefighters have been selected for the Eastern Cape Urban Search and Rescue Team.
Procurement of firefighting vehicle	A 1 x 7000-liter water tanker was procured to complement the current firefighting vehicles.

2.17.2 Challenges on Fire and Disaster Services

The table below sets out all challenges for Fire and Disaster Services:

Challenges	Action to Address
Making of open fires, leaving cooking devices unattended	Ongoing education and awareness
Ageing infrastructure (fleet)	Procurement of new fleet
Fires on landfill sites	Proper control on landfill sites
No spaces between informal structures	To be addressed with Building Control
Access roads to informal settlements	To be addressed with Town planning (proper spatial planning)
Machine bay Jeffreys Bay	Alternative storage needs to be found for tyre storage
Staff shortages	To appoint senior firefighters for Hankey, St. Francis Bay and a disaster official.
Protective uniform	To avail more budget to acquire protective uniform for firefighters
Flood- related incidents in Sea Vista informal settlement	Civil and Water Services to plan accordingly
Non-attendance of disaster management advisory forum and interdepartmental meetings	Get the involvement of top management

2.17.3 Disaster Management

Kouga Local Municipality, faces 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. The municipality is committed to enhancing community disaster resilience and ensuring timely, effective responses in times of need.

2.17.4 Disaster Management Highlights

The table below sets out all highlights on Disaster Management:

Highlights	Description
Integrated Institutional capacity for Disaster Risk Management	***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*** Kouga Municipality established the Disaster Management Advisory Forum, that meets quarterly. The Kouga Local Municipal Interdepartmental Disaster Risk Management Committee were revived.
Disaster Risk Assessment	Sarah Baartman District Municipality initiated the process of updating the Disaster Risk Assessment, which includes all local municipalities.
Disaster Risk Reduction	The Disaster Management Framework is in place, and the Disaster Management Plan has been reviewed.
Response and Recovery	Disaster Management teams have been activated to a state of alert and readiness for all occurring events.

Highlights	Description
Assessment, classification, declaration and review of disasters and disastrous incidents	Initial damage assessments were conducted for various disaster related incidents and 10million funding was allocated to Kouga Municipality after declaration of state of disaster for reconstruction and rehabilitation.

2.17.5 Fire and Disaster Management Challenges

The table below sets out all challenges for Fire and Disaster Services:

Challenges	Action to Address
Making of open fires, leaving cooking devices unattended	Ongoing education and awareness
Ageing infrastructure (fleet)	Procurement of new fleet
Fires on landfill sites	Proper control on landfill sites
No spaces between informal structures	To be addressed with Building Control
Access roads to informal settlements	To be addressed with Town planning (proper spatial planning)
Machine bay Jeffreys Bay	Alternative storage needs to be found for tyre storage
Staff shortages	To appoint senior firefighters for Hankey, St. Francis Bay and a disaster official.
Protective uniform	To avail more budget to acquire protective uniform for firefighters
Flood- related incidents in Sea Vista informal settlement	Civil and Water Services to plan accordingly.
Non-attendance of disaster management advisory forum and interdepartmental meetings	Get the involvement of top management.

2.17.6 Awareness Programmes/Projects

Project	Description
Youth Upskilling Program	A new initiative focused on training youth in lifesaving skills is underway. This program aims to develop local lifeguards and enhance community preparedness.
Fire ball and smoke detector awareness program	Kouga Fire Services in conjunction with SBDM identified these programs to be executed during awareness programs at informal settlements.

2.17.7 Projects: Fire and Disaster Management

IDP Ref	Project	Area	Detailed Scope	Funding Source	25/26 Draft Budget requirement
FDM01	Fire Station	Kouga	Ward 1-Oysterbay Not Started Request for funding submitted to SBDM	SBDM	R 2, 000,000
FDM02	Fire Station	Kouga	Ward 7-Thornhill Not Started Request for funding submitted to SBDM	SBDM	R 2, 500 000
FDM03	Procurement of 2 x quadbikes	Ward 11 &12	Wards 11&12 Not Started Budget to be made available	KM	R 420 000 CAPEX
FDM04	Procurement of Jet Boat	Ward 11	Ward 11 Not Started Budget to be made available	KM	R650 000 CAPEX
FDM05	Procurement of Jet ski	Ward 12	Ward 12 Not Started Budget to be made available	KM	R385 000 OPEX

2.18 SPORTS, RECREATION AND COMMUNITY HALLS

The provision of various community and social services within the municipality is administered as follows and includes:



2.18.1 Highlights on Sports Development

The following table outlines all highlights on Sport Development:

Highlights	Description
Two (2) Sport fields are currently being upgraded through MIG Funding.	KwaNomzamo Sports Field (Ward 15) and Loerie Sport Field (Ward 7) have been approved by MIG funding and are nearing their end date, handover for these facilities is end April (Loerie) and end May (KwaNomzamo). [Loerie Sport field has been completed and handed over to Community Services.] [KwaNomzamo Sport field – in progress (Netball Court refurbishment and Rugby, Soccer, Netball Poles outstanding)
MIG Funding was just approved for Phillipsville Sports field to be upgraded in the 24/25 financial year	Phillipsville Sports field to be upgraded in the 24/25 financial year. **[Consultant appointed, currently at design stage]**
Establishment of a Sports Council	Sports Council elected in August 2024
Partnership with Local Organisations and Local Schools	During January 2024 meeting Secondary/ Primary Schools in terms of sharing training facilities and starting legacy projects. Forming Partnership with Irrigation Water Board, Windfarm assisting with upgrading of sports fields. [Partnership formed with Jeffreys Bay Wind farm to refurbish Centerton Sport Field in Hankey as well as partnership formed with Sports for Youth Project for the refurbishment of the Sea Vista Sport Field]

2.18.2 Challenges on Sports Development

The following table outlines all the challenges on Sport Development:

Challenges	Action to Address
There are not enough facilities for all sporting codes in Kouga Municipality.	Identify open spaces that can be used to accommodate our different sporting codes [3 Open spaces identified for training purposes, 2 in Jeffreys Bay and 1 in Hankey]
Due to the lack of funds very little, and in most cases, no support is given to the minor sport codes e.g. Boxing, Darts, Tennis, Pool, etc	Establishment of new Sports Council to address the needs of these sporting codes that has been left out. [Sport Council elected August 2024]
Vandalism has a huge impact on the sporting facilities.	Constant communication with the sporting community to take responsibility of their area and to make sure that they look after their facility. Going into partnerships with the community to sustain the facility to ensure that they take responsibility.

Challenges	Action to Address
	Appointing caretakers to assist with the safety of our facilities. [Education and awareness session was held with the Kouga Sporting Communities in February 2024]
45% of our sport facilities is either not in use due to vandalism or under construction currently	Apply through MIG funding to upgrade more sport facilities. [Loerie Sport Field completed] [Phillipsville has been approved – design phase] [KwaNomzamo has been approved – in progress]

2.18.3 Current Status on Sports and Hall Facilities

KOUGA LOCAL MUNICIPALITY			
SPORT FIELDS			
WARD	NAME	CONDITION	COMMENTS
1	Sea Vista Sport Field	In Use	Good condition
2	Pellsrus Sport field	In Use	Good condition
4	Kruisfontein Sport Complex	In Use	Funding request 2024/2025 for fence to be replaced
4	Red Lions Sport Field	Out of Use	
5	Vaaldam Sport Field	Out of Use	
7	Thornhill Sport Field	In Use	Needs irrigation system
7	Loerie Sport Field	Under construction	Completed in good condition
9	Phillipsville Sport Field	In Use	Minor Upgrading was done in 2023/2024. MIG funding approved for 24/25. - currently in the design phase.
10	Patensie Sport Field	In Use	Needs irrigation system
13	Weston Sport Field	Not yet handed over to Community Services	The Sport field has not been handed over to Community Services
13	Centerton Sport Field	Out of Use	In discussion with Windfarm to assist with upgrading - refurbished and handed over in October 2024
14	Tokyo Sexwale Stadium	In Use	Good condition
15	KwaNomzamo Sport Field	Under construction	Completion of Project end May 2024 – Not completed still in progress due to outstanding Netball court, rugby, soccer, netball poles.
15	Swallows Sport Field	Out of Use	
15	Country Club	Out of Use	

COMMUNITY HALLS			
WARD	NAME	CONDITION	COMMENTS
5	Kruisfontein Civic Centre	In Use	Good condition
6	KwaNomzamo Hall	In Use	Good condition
6	Vergenoeg Hall	Demolished	This hall had a structural damage
15	Country Club	Demolished	Burnt and Vandalized by the Community members
2	Pellsrus Hall	In Use	Good condition
2	Aston Bay Hall	In Use	Managed by the Rates Payer
11	Newton Hall	In Use	Good condition
14	Tokyo Sportfield Hall	In Use	Good condition
1	Sea Vista Hall	In Use	Good condition
1	Oyster Bay	In Use	Managed by the Rates Payer
9	Vusumzi Landu Hall	In Use	Good condition
13	Weston Hall	In Use	Good condition
10	Patensie Hall	In Use	Good condition
7	Loerie Hall	In Use	Good condition
7	Thornhill Hall	In Use	Good condition
10	Andrieskraal Hall	In Use	Good condition

2.19 CARAVAN PARKS AND CAMPING

The identification of land, planning and co-ordination of all cemetery management activities throughout the Kouga (17 cemeteries with 8 active cemeteries). Control of all existing sport facilities

Strategic Objective

- The Communities have access to caravan parks and resorts which are well managed and maintained.
- Description of activities
- The maintenance of all Council Caravan Parks and Resorts
- To identify needs and respond to customer complaints to ensure customer satisfaction.
- Reconciliations of bookings and invoices.
- Reservations and bookings

2.19.1 Highlights on Caravan Parks

The following table outlines all highlights on Caravan Parks

Highlights	Description
Marketing Strategy	Caravan Parks - Marketing Strategy Developed and workshopped to Councilors on the 13 April 2024
Pellsrus Caravan Park	Pellsrus Caravan Park fully functional after it was closed to host homeless people during COVID19
Maintenance	4 x Caravan Parks (Pellsrus Caravan Park, Jeffreys Bay Caravan Park, Gamtoos Mouth and Yellowwoods) are maintained and upgraded on yearly basis

2.19.2 Challenges on Caravan Parks

The following table outlines all the challenges on Caravan Parks

Challenges	Action to Address
Vandalism at Gamtoos Mouth Caravan Park and Yellowwoods	Security Cameras are to be installed.

2.19.3 PARKS AND OPEN SPACES

The establishment and maintenance of public open spaces within the Kouga area.

Strategic Objective

The Communities have access to Public Open Spaces and Gardens which are well managed and maintained.

2.19.4 Description of Activities



2.19.5 Highlights on Parks and Open Spaces

The following table outlines all highlights on Parks and Open Spaces

Highlights	Description
Procurement of grass cutting equipment	Procurement of grass and bush clearing equipment: ▪ 6 x Kudu Engines ▪ 22 x side cutters ▪ 4 x Chain Saws
Clearing of Open Spaces	Clearing of 59 x Public Open spaces / Alien vegetation to prevent crime and to maintain a safe environment for all.
Master Plan	Master Plan for the Maintenance Public Open Spaces Developed by 26 September 2023
Upgrades	Upgrading of the Parks for Recreational purposes ▪ Pellsrus Park upgraded (work included painting of umbrellas and chairs including concrete bollards, install 2 x ablution containers (male/female) installation of lights, installation of notice boards. ▪ Yellowwoods Parks ablutions upgraded (works included: Painting, upgrading of the showers, toilets, tiling, installation of toilet cistern, hand basins, ceiling and electrical works and fixing swings and bush clearing was done, installation of notice boards) ▪ Patensie Park (installation of steel doors and painting of ablution blocks) ▪ Pellsrus 220 Park. Work included (creating playpark out of tyres and other recyclable material, painting playpark equipment, maintaining the garden planting more of plants) ▪ General maintenance of park in Johnson ridge & Pelikaan Street, (cutting of grass and general cleaning)

2.19.6 Challenges on Parks and Open Spaces

The following table outlines all the challenges for Parks and Open Spaces

Challenges	Action to Address
Open spaces that belong to Department of Education / Public works	MM to arrange for these open spaces to be signed over to KLM and open spaces can be re-designed in Play parks / bicycle tracks / more practicing open spaces for sports
Budget shortages	Not enough budget available to beautify identified open spaces into play parks and to maintain the beautification of the playpark
Increased Vandalism	Get community, Ward Councillor and ward assistants involved in terms of take ownership of the open sites
Continuous dumping in Parks and open spaces	Have regular awareness sessions with the sporting code players and communities.

2.20 BEACHES

Communities have access to clean beaches with clean facilities that are well maintained. Due to vandalism of our facilities, especially after hours, cameras are being installed in all hotspot areas.

2.20.1 Highlights on Beaches

The following table outlines all highlights on Beaches

Highlights	Description
Upgrades	A total of 26 toilets were upgraded in St Francis Bay, Jeffrey's Bay and the GV area.

2.20.2 Challenges on Beaches

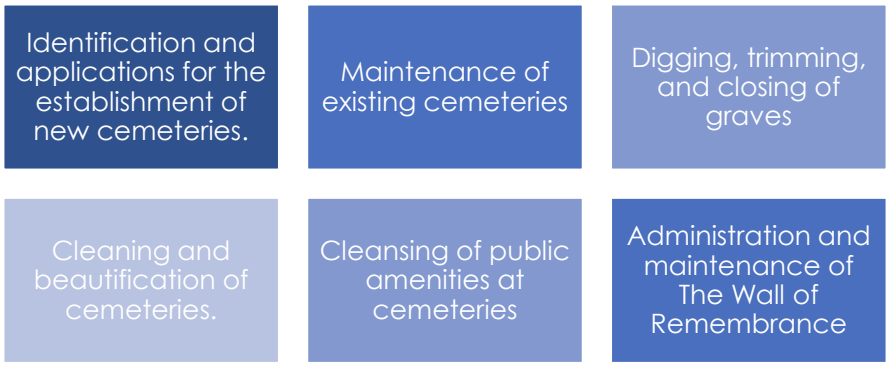
The following table outlines all the challenges on Beaches

Challenges	Action to Address
Vandalism	Budget provisions for Security Cameras on all ablution facilities

2.21 CEMETERIES

The identification of land, planning and co-ordination of all cemetery management activities throughout the Kouga (17 cemeteries with 8 active cemeteries). Control of all existing sport facilities.

2.21.1 Description of Activities



2.21.2 Highlights on Cemeteries

The following table outlines all highlights on Cemeteries

Highlights	Description
EIA Application / New Cemeteries	EIA Application approved for the following Cemeteries: ▪ Thornhill Cemetery ▪ Hankey Cemetery ▪ Patensie Cemetery
EIA Application submitted for the extension of the Humansdorp & KwaNomzamo Cemeteries to the Department of Environmental Affairs for approval	▪ Humansdorp Town Cemetery ▪ KwaNomzamo Cemetery ▪ Loerie Cemetery
Cemetery Maintenance	Cleaning, maintaining existing and closed cemeteries

2.21.3 Challenges on Cemeteries

The following table outlines all the challenges on Cemeteries

Challenges	Action to Address
Fencing of new and old Cemeteries to curb vandalism and stray animals	Budget provisions for Fencing of Cemeteries.

2.21.4 Current Status on 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
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	Almost Full Congregational Church Cemetery used
Ramaphosa	10	None	None	None	None	Full
Patensie Town	10	75	99	65	14	Full

Area	Ward	Burials Per Year 2020/21	Burials Per Year 2021/22	Burials Per Year 2022/23	Burials Per Year 2023/24	Available Space
Patensie Town					57	New Patensie Cemetery
Thornhill Private Land	7	9	8	10	6	Full
Thornhill Cemetery					0	New Thornhill Cemetery
Loerieheuwel	7	22	19	20	19	Almost Full

2.22 ECONOMIC REALITIES

By spatially comparing Kouga Local Municipality with its neighbouring localities, Sarah Baartman District Municipality, Eastern Cape Province, and South Africa, one can gain perspective on the locality's economic situation.

Since the Kouga Local Municipality is interconnected with Sarah Baartman, the Eastern Cape Province, South Africa, and the rest of the world, having accurate economic data is more important than ever for informed planning decisions. In order for the municipality to establish and carry out policies that will promote the social and economic development of the residents and businesses within the municipality, respectively, information is required.

2.22.1 Gross Domestic Product By Region (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over one year, plus taxes and minus subsidies.

Table 23:Gross domestic product (GDP) - Kouga, Sarah Baartman, Eastern Cape and National Total, 2012-2022 [R billions, Current prices]

	Kouga	Sarah Baartman	Eastern Cape	National Total	Kouga as % of district municipality	Kouga as % of province	Kouga as % of national
2012	9.5	28.3	287.2	3,566.4	33.6%	3.3%	0.27%
2013	10.4	30.7	309.6	3,868.6	34.0%	3.4%	0.27%
2014	11.2	33.0	330.8	4,133.9	34.1%	3.4%	0.27%
2015	12.1	35.3	354.1	4,420.8	34.1%	3.4%	0.27%
2016	12.9	37.9	379.0	4,759.6	34.2%	3.4%	0.27%
2017	13.8	40.3	403.4	5,078.2	34.2%	3.4%	0.27%
2018	14.3	41.7	420.9	5,363.2	34.2%	3.4%	0.27%
2019	14.7	43.1	437.2	5,625.2	34.1%	3.4%	0.26%
2020	14.5	42.5	430.3	5,568.0	34.0%	3.4%	0.26%
2021	15.8	46.5	472.9	6,208.8	34.0%	3.3%	0.25%
2022	16.7	49.0	501.0	6,628.6	34.1%	3.3%	0.25%

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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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%.

Table 24:Gross domestic product (GDP) - Kouga, Sarah Baartman, Eastern Cape and National Total, 2012-2022 [Annual percentage change, Constant 2010 prices]

	Kouga	Sarah Baartman	Eastern Cape	National Total
2012	2.5%	1.9%	1.9%	2.4%
2013	2.0%	1.6%	1.4%	2.5%
2014	1.0%	1.1%	0.8%	1.4%
2015	0.7%	0.8%	0.9%	1.3%
2016	0.3%	0.2%	0.8%	0.7%
2017	1.2%	1.4%	0.5%	1.2%
2018	1.0%	0.9%	1.1%	1.6%
2019	-0.4%	-0.3%	0.1%	0.3%
2020	-5.9%	-6.1%	-5.8%	-6.0%
2021	3.9%	4.3%	4.9%	4.7%
2022	1.3%	1.4%	2.1%	1.9%
Average Annual growth 2012-2022	***0.48*%**	***0.48*%**	***0.64*%**	***0.92*%**

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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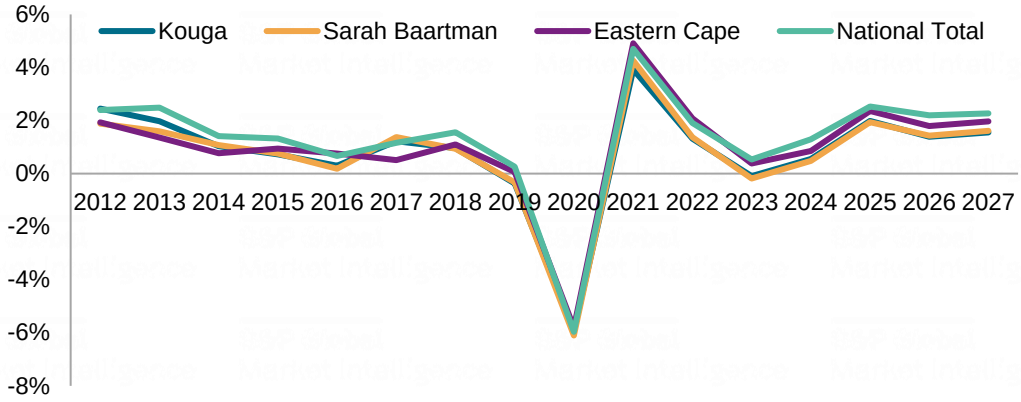
The GDP growth rate for the Kouga Local Municipality in 2022 was 1.31%, which is lower than the GDP growth rate for the Eastern Cape Province, which was 2.08%, but higher than the GDP growth rate for South Africa, which was 1.91%. The longer-term average growth rate for Kouga (0.48%) is marginally lower 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%.

2.22.2 Economic Growth Focus

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%.

Chart 2:Gross domestic product (GDP) - Kouga, Sarah Baartman, Eastern Cape and National Total, 2012-2027 [Average annual growth rate, constant 2010 prices]



Source: South Africa Regional eXplorer v2443.
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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.

Table 25:Gross domestic product (GDP) - regions within Sarah Baartman District Municipality, 2012 to 2027, share and growth

	2027 (Current prices)	Share of district municipality	2012 (Constant prices)	2027 (Constant prices)	Average Annual growth
Kouga	22.59	*33.96%*	11.84	13.11	***0.68%***
Dr Beyers Naude	8.20	*12.32%*	4.48	4.54	***0.09%***
Blue Crane Route	4.09	*6.14%*	2.16	2.36	***0.58%***
Makana	12.02	*18.07%*	6.07	6.90	***0.86%***
Ndlambe	10.87	*16.35%*	5.70	6.27	***0.64%***
Sundays River Valley	3.88	*5.83%*	1.88	2.19	***1.03%***
Kou-Kamma	4.88	*7.34%*	2.36	2.76	***1.05%***

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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2.22.3 Gross Added Value by Region (GVA-R)

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.
The Gross Value Added (GVA) of each region is compared to the Kouga Local Municipality's in the summary table below.

Table 26:Gross value added (GVA) by broad economic sector - Kouga Local Municipality, 2022 [R billions, current prices]

	Kouga	Sarah Baartman	Eastern Cape	National Total	Kouga as % of district municipality	Kouga as % of province	Kouga as % of national
Agriculture	1.7	4.8	11.2	187.6	*35.4%*	*15.2%*	*0.91%*
Mining	0.0	0.5	1.5	483.3	*1.7%*	*0.5%*	*0.00%*
Manufacturing	1.5	4.0	64.8	813.1	*38.6%*	*2.4%*	*0.19%*
Electricity	0.2	0.6	9.1	192.8	*38.4%*	*2.4%*	*0.11%*
Construction	1.1	2.3	11.7	146.6	*49.4%*	*9.7%*	*0.77%*
Trade	3.2	7.9	75.3	807.5	*40.8%*	*4.3%*	*0.40%*
Transport	0.7	2.1	23.9	451.4	*35.2%*	*3.1%*	*0.17%*
Finance	2.4	6.8	80.9	1,386.9	*35.0%*	*2.9%*	*0.17%*
Community services	4.6	16.5	174.1	1,483.6	*27.9%*	*2.6%*	*0.31%*
Total Industries	**15.5**	**45.3**	**452.5**	**5,952.7**	***34.2%***	***3.4%***	***0.26%***

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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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.

2.22.4 Historical Economic Growth

The transport sector's GVA had Kouga's highest average annual growth rate between 2022 and 2012, at 2.36%. The banking sector has the second-highest average annual growth rate among all industries, at 2.11% annually. With an average annual growth rate of -3.12%, the construction industry outperformed the electrical sector, which had the lowest average annual growth rate of -3.93%. With an annual growth rate of 1.27% from 2021, all industries saw overall positive growth in 2022.

Table 27:Gross value added (GVA) by broad economic sector - Kouga Local Municipality, 2012, 2017 and 2022 [R millions, 2010 constant prices]

	2012	2017	2022	Average Annual growth
Agriculture	871.5	991.9	1,041.8	**1.80**%
Mining	4.6	4.4	4.3	**-0.72**%
Manufacturing	1,078.8	1,075.5	1,008.5	**-0.67**%
Electricity	169.7	130.0	113.7	**-3.93**%
Construction	1,183.3	1,174.1	862.0	**-3.12**%
Trade	2,367.0	2,416.5	2,337.8	**-0.12**%
Transport	563.3	634.7	711.5	**2.36**%
Finance	1,551.8	1,686.6	1,912.3	**2.11**%
Community services	3,258.1	3,450.7	3,550.7	**0.86**%
Total Industries	**11,048.1**	**11,564.4**	**11,542.6**	**0.44%**

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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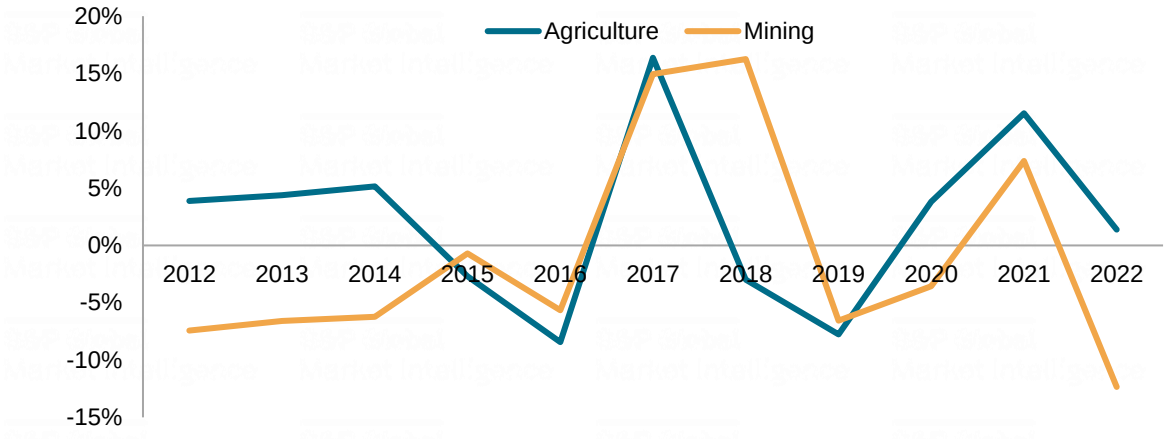
2.22.5 Primary Sector

The mining and agricultural industries make up the two main economic sectors that comprise the primary sector. The average growth rate in the GVA for each of these sectors in Kouga Local Municipality between 2012 and 2022 is shown in the following chart.

Chart 3:Gross value added (GVA) by primary sector - Kouga, 2012-2022 [Annual percentage change]



Source: South Africa Regional eXplorer v2443.
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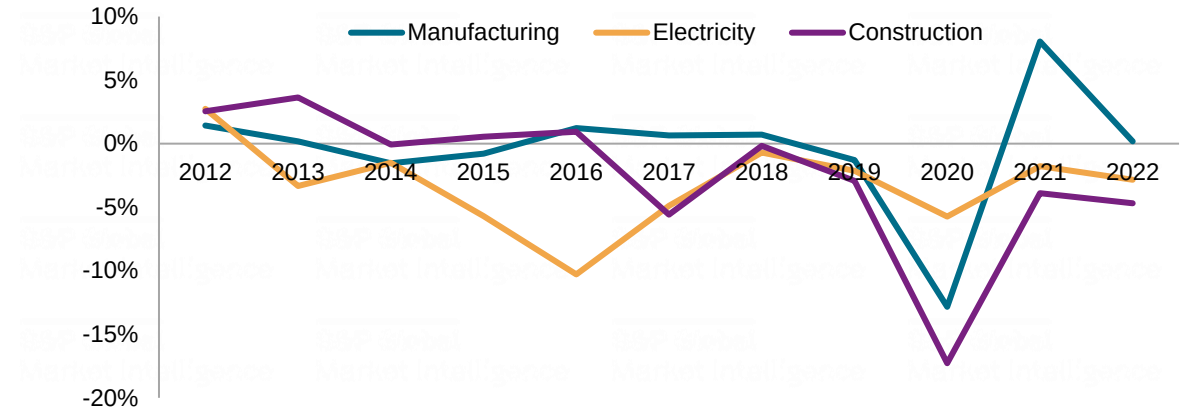
With an average growth rate of 16.4% between 2012 and 2022, the agriculture industry saw the strongest positive growth in 2017. In 2018, the mining industry experienced its highest growth rate of 16.3%. The mining sector reached its lowest point of growth in 2022 at -12.3%, while the agricultural sector recorded the lowest growth for the period during 2016 at -8.4%. The mining and agriculture industries are both typically characterized by growth that is erratic over time.

2.22.6 Secondary Sector

Three major economic sectors make up the secondary sector: manufacturing, power, and construction. The average growth rates in the GVA for various sectors in Kouga Local Municipality between 2012 and 2022 are shown in the following chart.

Chart 4: Gross value added (GVA) by secondary sector - Kouga, 2012-2022 [Annual percentage change]



Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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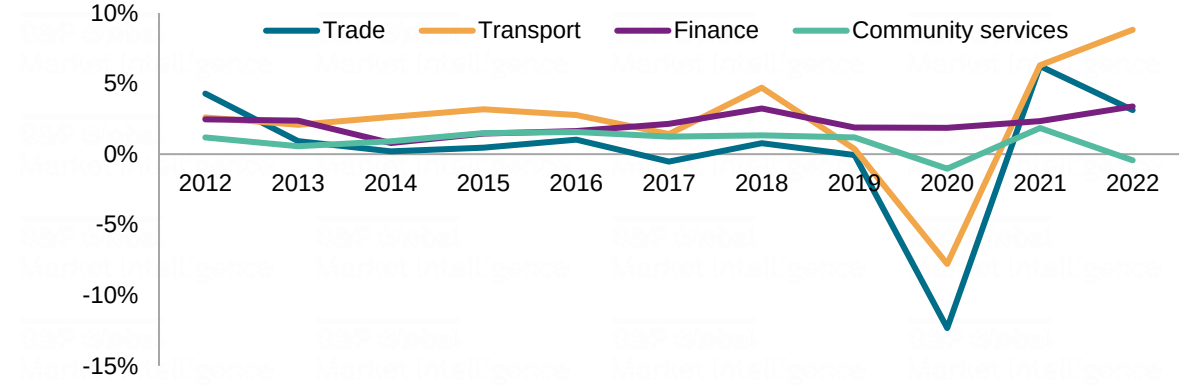
With a growth rate of 8.0% in 2021, the manufacturing sector had the strongest positive growth between 2012 and 2022. 2013 saw the construction industry increase at its fastest rate ever, 3.6%. The construction sector likewise had the lowest growth rate in 2020, with a negative growth rate of -17.3%, which is larger than that of the manufacturing sector. The manufacturing sector saw its lowest growth rate in 2020, at -12.8%. The electrical industry grew at its fastest rate of 2.7% in 2012 and at its slowest rate of -10.3% in 2016.

2.22.7 Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in Kouga Local Municipality from 2012 to 2022.

Chart 5: Gross value added (GVA) by tertiary sector - Kouga, 2012-2022 [Annual percentage change]



Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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With a growth rate of 6.2%, the trade sector saw the strongest positive increase in 2021. In 2022, the transportation sector experienced its highest growth rate of 8.8%. In 2022, the finance industry grew at the fastest pace of 3.4%, while in 2014, it grew at the slowest rate of 0.8%. In 2020, the trade sector grew at the slowest rate -12.3%. The government makes up the majority of the community services sector, which grew at its fastest pace of 1.9% in 2021 and at its slowest rate of -1.0% in 2020.

2.22.8 Sector Growth Forecast

The GVA projections are predicated on anticipated growth rates that come from two sources: national industry forecasts and estimates of historical growth rates. Thus, the projections are based in part on the idea that areas with strong recent performance are likely to continue doing so (and vice versa), and in part on the idea that areas with significant industries that are anticipated to grow quickly in the national economy such as finance and telecommunications are likely to do well (and vice versa). The emphasis switches from historical growth rates to national level industry growth rates as the target year gets closer to the base year (2010).

Table 28:Gross value added (GVA) by broad economic sector - Kouga Local Municipality, 2022-2027 [R millions, constant 2010 prices]

Sector	2022	2023	2024	2025	2026	2027	Average Annual growth
Agriculture	1,041.8	1,055.0	1,069.3	1,086.4	1,104.8	1,122.1	***1.50***%
Mining	4.3	4.0	3.9	3.9	3.9	4.0	***-1.72***%
Manufacturing	1,008.5	992.4	990.5	1,007.4	1,014.3	1,023.6	***0.30***%
Electricity	113.7	108.6	107.2	107.9	109.0	110.5	***-0.56***%
Construction	862.0	884.2	919.2	938.7	960.6	983.0	***2.66***%
Trade	2,337.8	2,362.5	2,346.1	2,406.1	2,398.0	2,407.8	***0.59***%
Transport	711.5	722.7	733.8	753.1	773.2	792.6	***2.18***%
Finance	1,912.3	1,932.0	1,968.5	2,027.8	2,087.1	2,144.1	***2.31***%
Community services	3,550.7	3,487.7	3,480.4	3,512.5	3,552.1	3,598.6	***0.27***%
Total Industries	**11,542.6**	**11,549.0**	**11,619.0**	**11,843.9**	**12,003.1**	**12,186.4**	***1.09***%

Source: South Africa Regional eXplorer v2443.
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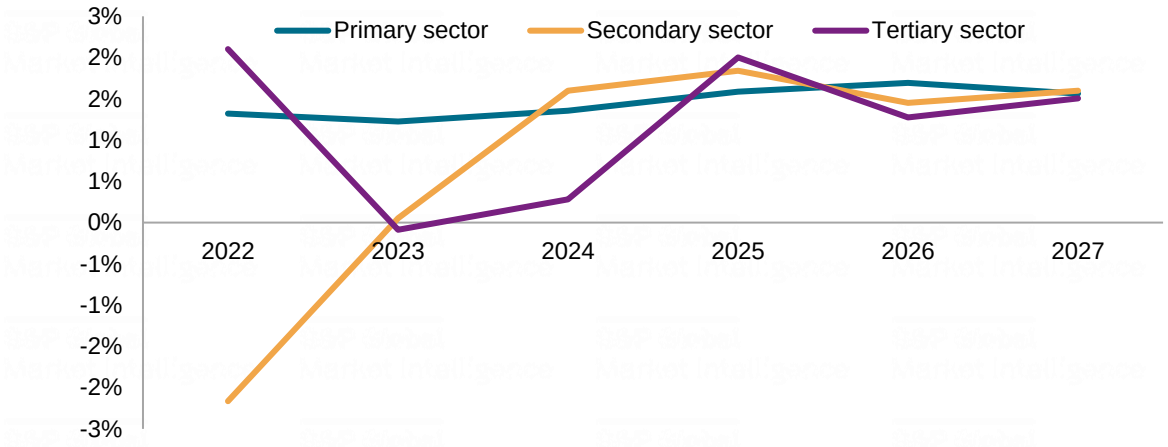
The construction sector is expected to grow fastest at an average of 2.66% annually from R 862 million in Kouga Local Municipality to R 983 million in 2027. The community services sector is estimated to be the largest sector within the Kouga Local Municipality in 2027, with a total share of 29.5% of the total GVA (as measured in current prices), growing at an average annual rate of 0.3%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of -1.72%.

Chart 6:Gross value added (GVA) by aggregate economic sector - Kouga Local Municipality, 2022-2027 [Annual growth rate, constant 2010 prices]



Source: South Africa Regional eXplorer v2443.
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The Primary sector is expected to grow at an average annual rate of 1.48% between 2022 and 2027, with the Secondary sector growing at 1.31% on average annually. The Tertiary sector is expected to grow at an average annual rate of 0.99% for the same period.

2.22.9 Labour

Everyone who is of working age (after a particular age and under retirement) and engaged in the labour force is defined as those who are actively seeking employment or are employed. The economically active population (EAP) is another name for this group. Students, retirees, stay-at-home parents, inmates in jails or comparable facilities, those in occupations or professions with undisclosed income, and discouraged workers who are jobless are not included.

Table 29:Working age population in Kouga, Sarah Baartman, Eastern Cape and National Total, 2012 and 2022 [Number]

	Kouga		Sarah Baartman		Eastern Cape		National Total	
	2012	2022	2012	2022	2012	2022	2012	2022
15-19	7,620	8,040	38,100	36,800	744,000	699,000	5,010,000	5,100,000
20-24	10,200	9,200	50,400	42,600	761,000	591,000	5,410,000	4,580,000
25-29	11,300	13,300	48,700	52,600	634,000	672,000	5,220,000	5,210,000
30-34	8,660	13,700	36,000	53,300	441,000	690,000	4,220,000	5,600,000
35-39	6,630	11,400	28,500	48,700	315,000	577,000	3,470,000	5,220,000
40-44	5,850	8,640	25,700	37,700	273,000	404,000	2,950,000	4,060,000
45-49	5,320	6,280	24,000	26,700	268,000	288,000	2,590,000	3,240,000
50-54	4,400	4,760	21,600	21,800	269,000	249,000	2,240,000	2,710,000
55-59	3,880	4,390	18,200	19,900	234,000	242,000	1,850,000	2,340,000
60-64	3,600	4,390	15,100	18,000	195,000	237,000	1,490,000	1,970,000
Total	**67,500**	**84,100**	**306,000**	**358,000**	**4,130,000**	**4,650,000**	**34,500,000**	**40,000,000**

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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In Kouga, there were 84 200 people of working age in 2022, having grown at a 2.24% average annual rate since 2012. During that same period, the Eastern Cape Province's working-age population increased at a rate of 1.18% annually, whereas the population of Sarah Baartman District Municipality increased at a rate of 1.57% annually. The number of South Africans in working age climbed from 34.5 million in 2012 to 40 million in 2022, an annual growth of 1.51%.

Total employment

An essential component of estimating unemployment is employment data. Furthermore, patterns in employment across various sectors and industries typically point to important structural shifts in the economy. Productivity, earnings per worker, and other economic indicators are computed using employment data.

Total employment consists of two parts: employment in the formal sector, and employment in the informal sector

Table 30:Total employment - Kouga, Sarah Baartman, Eastern Cape and National Total, 2012-2022 [numbers]

	Kouga	Sarah Baartman	Eastern Cape	National Total
2012	32,500	140,000	1,240,000	14,000,000
2013	33,700	145,000	1,270,000	14,400,000
2014	35,800	153,000	1,340,000	15,000,000
2015	37,400	160,000	1,400,000	15,500,000
2016	38,400	164,000	1,430,000	15,800,000
2017	38,900	165,000	1,440,000	16,000,000
2018	38,900	165,000	1,440,000	16,200,000
2019	38,800	163,000	1,430,000	16,200,000
2020	36,900	153,000	1,350,000	15,400,000
2021	35,700	147,000	1,300,000	14,800,000
2022	37,700	156,000	1,370,000	15,300,000
Average Annual growth				
2012-2022	*1.49*%	*1.09*%	*1.05*%	*0.92*%

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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37 700 people were employed by Kouga in 2022, which represents 24.19% of all jobs in the Sarah Baartman District Municipality (156 000), 2.75% of all jobs in the Eastern Cape Province (1.37 million), and 0.25% of all jobs in South Africa (15.3 million). From 2012 to 2022, Kouga's employment grew at an average yearly rate of 1.49%.

Table 31:Total employment per broad economic sector - Kouga and the rest of Sarah Baartman, 2022 [Numbers]

	Kouga	Dr Beyers Naude	Blue Crane Route	Makana	Ndlambe	Sundays River Valley	Kou-Kamma	Total Sarah Baartman
Agriculture	9,300	2,220	347	1,590	3,890	9,290	7,000	33,639
Mining	7	4	1	2	17	1	1	33
Manufacturing	3,010	3,620	1,250	2,800	1,450	1,290	1,770	15,200
Electricity	97	32	11	28	12	38	101	318

	Kouga	Dr Beyers Naude	Blue Crane Route	Makana	Ndlambe	Sundays River Valley	Kou-Kamma	Total Sarah Baartman
Construction	3,510	1,840	653	2,020	2,080	1,220	1,790	13,122
Trade	7,640	5,050	2,330	4,610	3,480	3,510	3,710	30,327
Transport	1,570	1,910	549	1,380	727	708	866	7,714
Finance	3,340	2,420	1,070	3,040	1,910	1,200	1,500	14,496
Community services	6,290	3,930	1,890	6,350	3,710	2,760	2,910	27,845
Households	2,940	1,790	859	2,330	1,940	1,800	1,500	13,151
Total	**37,700**	**22,800**	**8,960**	**24,200**	**19,200**	**21,800**	**21,200**	**155,846**

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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Within its local municipality, Kouga Local Municipality employs 37,700 people. Moreover, Kouga Local Municipality has the greatest employment rate in Sarah Baartman District Municipality. Blue Crane Route local municipality, which employs 8 960 people overall, is the one with the fewest workers compared to the other sections of Sarah Baartman District Municipality.

With a total of 9 300 employed individuals, or 24.7% of all jobs in Kouga Local Municipality, the agriculture sector was the economic sector with the highest number of jobs in 2022. Compared to the other industries, the trade industry employs the second most people, with a total of 7, 640 (20.3%). In Kouga Local Municipality, the industry with the fewest employees is mining, employing 6.69 (0.0%), followed by the power sector, which employs 97.3 (0.3%).

Unemployment

The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

Unemployment rate (official definition) - Kouga, Sarah Baartman, Eastern Cape and National Total, 2012-2022 [Percentage]

	Kouga	Sarah Baartman	Eastern Cape	National Total
2012	16.2%	18.3%	28.9%	25.1%
2013	16.7%	18.8%	29.6%	25.2%
2014	16.4%	18.6%	29.4%	25.2%
2015	16.1%	18.3%	29.2%	25.5%
2016	17.1%	19.5%	30.5%	26.4%
2017	19.1%	21.8%	32.9%	27.2%
2018	20.9%	23.6%	35.0%	27.4%
2019	23.6%	26.5%	38.0%	28.4%
2020	26.9%	30.4%	41.5%	30.3%
2021	30.4%	34.2%	44.9%	33.6%
2022	**29.1%**	**32.8%**	**43.8%**	**33.7%**

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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According to the official definition of unemployment, Kouga Local Municipality's unemployment rate was 29.06% in 2022—a rise of 12.8 percentage points. Compared to

Sarah Baartman, Kouga Local Municipality has a lower unemployment rate. When Kouga Local Municipality's unemployment rate was compared to the Eastern Cape Province, it was less than the latter's 43.77% rate. South Africa's unemployment rate increased by -8.58 percentage points from 25.15% in 2012 to 33.73% in 2022.

KPA: LOCAL ECONOMIC DEVELOPMENT

2.23 ECONOMIC DEVELOPMENT

2.23.1 Introduction

Local Economic Development (LED) is the process by which partners from public, business and non-governmental sectors work together to create an enabling environment and better conditions for sustainable economic growth and employment generation. The aim is to improve the quality of life for all.

The key principles underpinning LED, according to the Department of Local Government, are as follows:

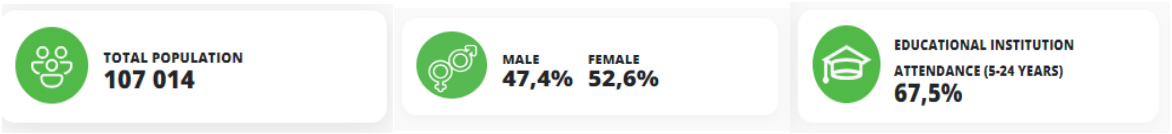
- LED strategies must prioritise job creation and poverty alleviation
- LED must target previously disadvantaged people, marginalised communities, black economic empowerment, SMMEs and enterprise development in order to ensure an inclusive economy where all can participate fully in the economic life 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.

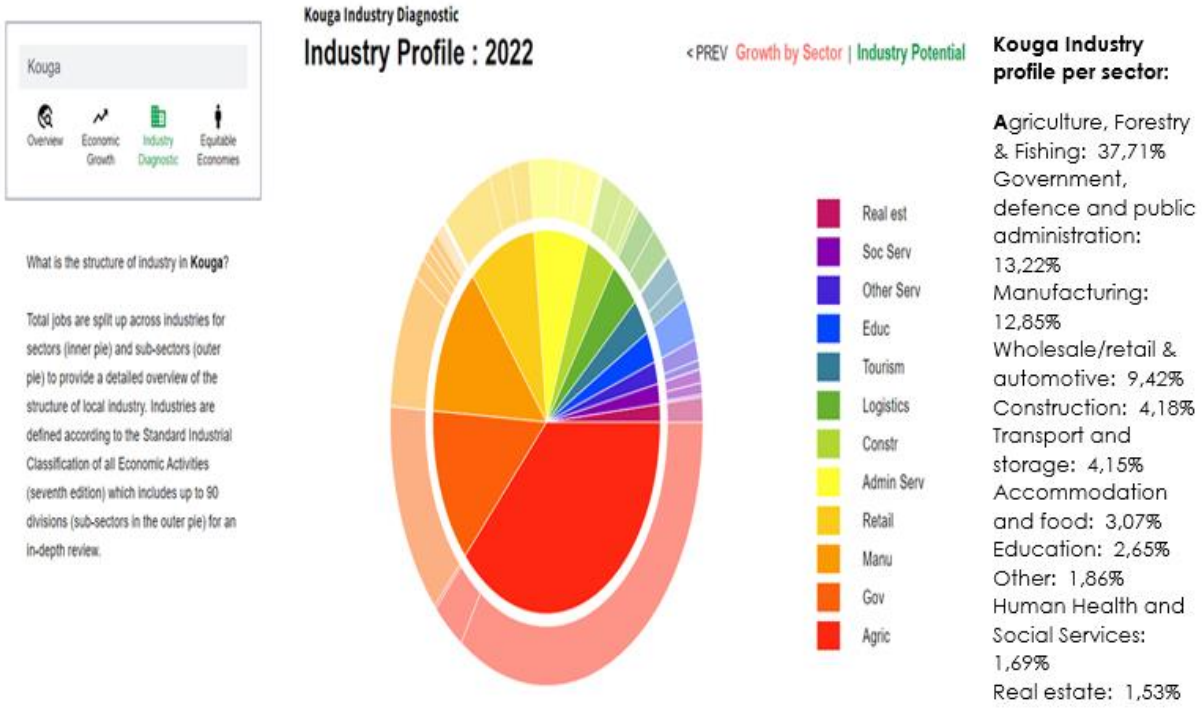
Effective LED strategies encompass the generation of informed local responses to local problems, aligned with broad overall development guidelines by provincial and national spheres.

2.23.2 ECONOMIC DEVELOPMENT PROFILE

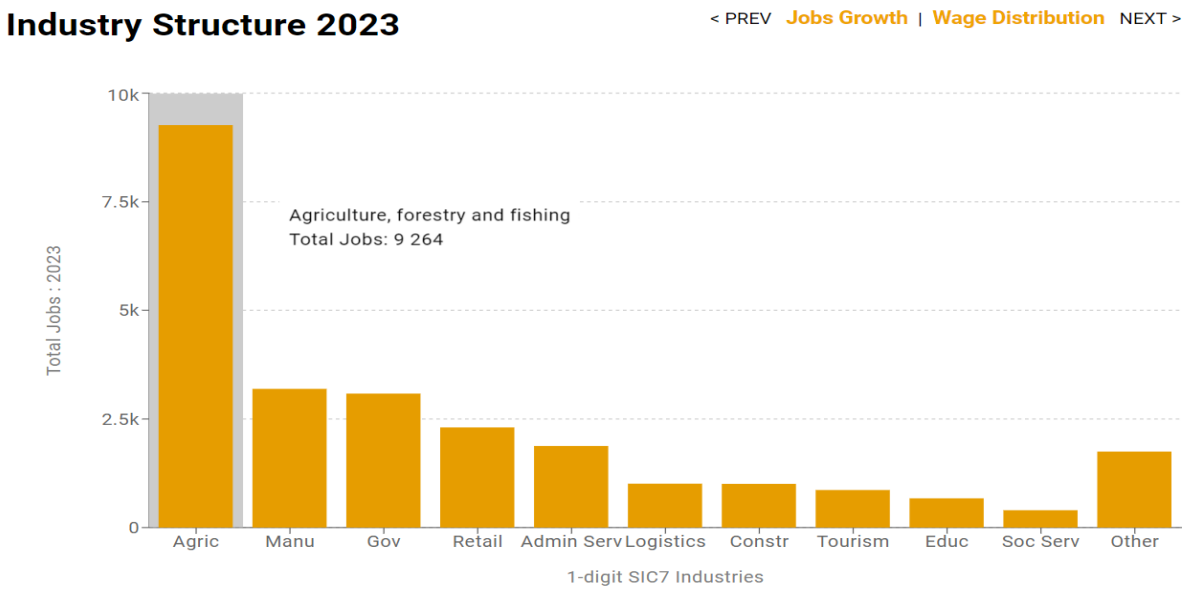
The Kouga Municipal area is made up of socially, historically, culturally, economically diverse communities. The area has experienced a rapid growth of urbanisation in recent years and the trend is anticipated to grow in view of the planned developments in the Kouga Area. Humansdorp and Jeffreys Bay are the two primary urban settlements where the main retail and commercial activities are concentrated.

Kouga 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.



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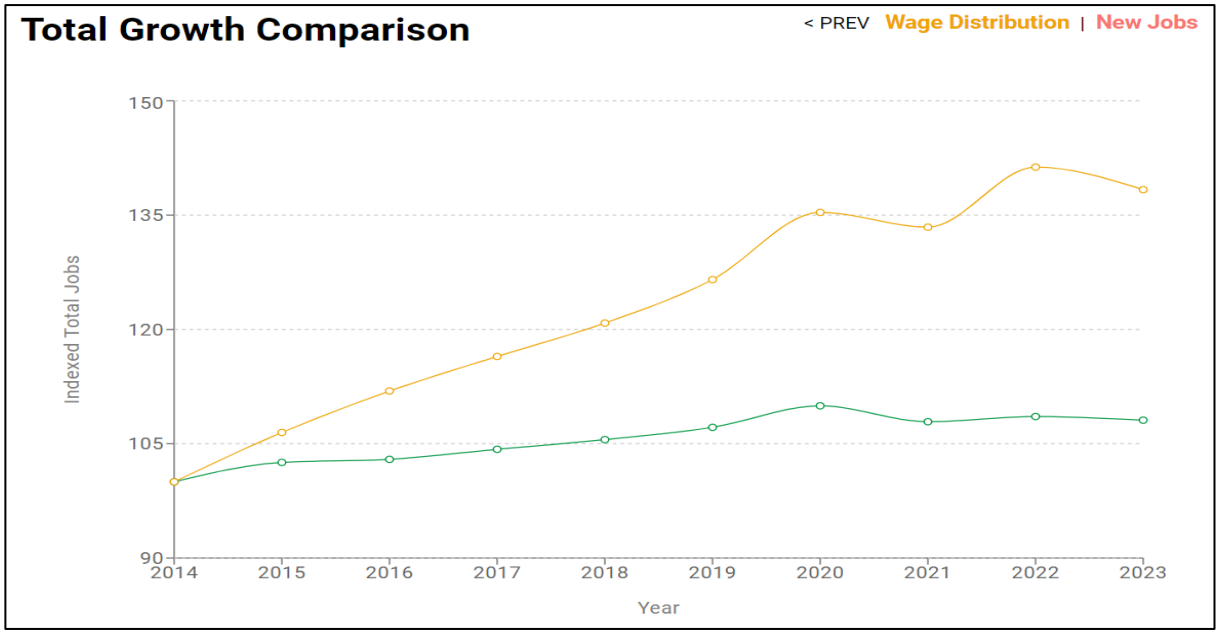


Indexed total jobs shows the relative performance of Kouga region against the National growth. It can also be interpreted as the total percentage change in jobs from the starting year by simply subtracting 100. Getting positioned above the 'national' benchmark implies that this local economy is pulling ahead from the rest of the country.

2.23.3 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 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.

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.

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.

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.

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.

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.

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.

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.

The population of Thornhill makes up 2.3% of the Kouga population. The key economic driver within the town is agriculture and tourism.

2.23.4 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.

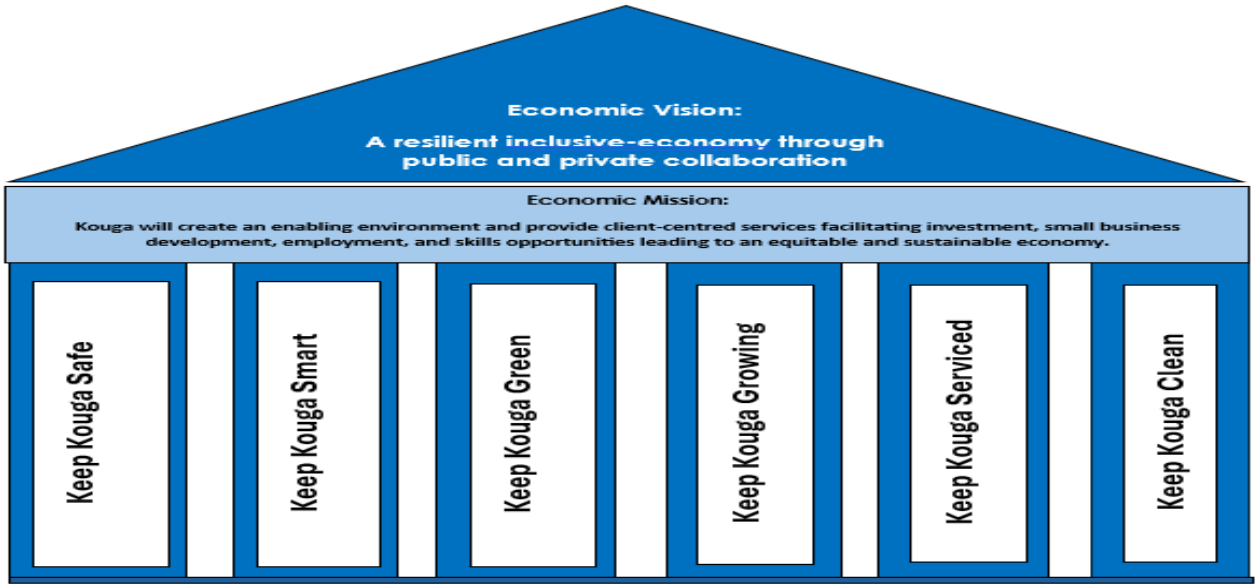
The Economic vision is linked to the strategic objectives.

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:



2.23.5 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.

Collaboration

Job creation is driven by private enterprises, but the public sector must create a favourable economic environment. Inclusive economic growth will depend on how well all stakeholders can work together to implement the economic development strategy.

Climate Change

The relationship between economic development and climate change is often contentious and complex. Climate Change have 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.

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

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 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

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 labour market to adapt to new high-growth, tradable sectors, while remaining an attractive destination for businesses that offer employment opportunities.

2.23.6 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.

2.23.7 General Economic Areas

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.

2.23.8 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

The following ***strategies*** has been identified to address the key challenges and opportunities within the sector:

i. 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.

ii. 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.

2.23.9 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

The following strategies has been identified to address the key challenges and opportunities within the sector:

i. 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.

ii. 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.

iii. 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.

iv. 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.

2.23.10 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

The following ***strategies*** has been identified to address the key challenges and opportunities within the sector:

i. 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.

ii. 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.

iii. 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.

2.23.11 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

The following ***strategies*** has been identified to address the key challenges and opportunities within the sector:

i. 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.

ii. 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.

2.23.12 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

The following ***strategies*** has been identified to address the key challenges and opportunities within the sector:

i. 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.

ii. 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.

iii. 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.

iv. 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.

2.23.13 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

The following ***strategies*** has been identified to address the key challenges and opportunities within the sector:

i. *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.

ii. *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.

iii. *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.

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.

2.23.14 Economic Development 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 LiaisonCorrectional ServicesCommunity	X			General
ED9	Review Spatial Development Framework	9, 11	Keep Kouga Growing	Local Municipality Business Sector Community	X			General

REF #	STRATEGY	SUSTAINABLE GOAL #	MUNICIPAL PILLAR	Stakeholders	S-T	M-T	L-T	Economic Sector
				COGTA Treasury				
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

REF #	STRATEGY	SUSTAINABLE GOAL #	MUNICIPAL PILLAR	Stakeholders	S-T	M-T	L-T	Economic Sector
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

REF #	STRATEGY	SUSTAINABLE GOAL #	MUNICIPAL PILLAR	Stakeholders	S-T	M-T	L-T	Economic Sector
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

REF #	STRATEGY	SUSTAINABLE GOAL #	MUNICIPAL PILLAR	Stakeholders	S-T	M-T	L-T	Economic Sector
ED36	Facilitate the development of a large, structured establishment (5-star Hotel)	8,11	Keep Kouga Growing	Local Municipality			X	Tourism

KPA: FINANCIAL VIABILITY AND MANAGEMENT

The Municipality must ensure effective revenue management in the current economic climate. Containing outstanding debtors is critical for financial viability through strict credit control measures.

2.24 SUPPLY CHAIN MANAGEMENT

The purpose of this report is to assist the 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) 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 function in accordance with the SCM Policy:

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

Monthly reports are submitted through the Chief Financial Officer to various committees and, where required, the 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 7-day 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.

Annual Stocktaking
The annual stock count takes place annually before the end of the financial year.

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

The staff complement is 11permanent staff, 2 interns ,2 officials still in their probationary period and 5 vacancies due to the merger of 2 posts.

KPA: SPATIAL PLANNING, LAND, HUMAN SETTLEMENTS AND ENVIRONMENTAL MANAGEMENT

2.25 SPATIAL ANALYSIS

The Municipal Systems Act (Act 32 of 2000) created the first requirement that a municipality establish an SDF. An SDF is a fundamental part of an IDP, according to the Act. The MSA Regulations go one step further, outlining the components of an SDF and drawing a connection between it and a local land use management system. Guide Plans and Structure Plans were the spatial planning instruments in use in South Africa prior to the MSA. One of the biggest shortcomings of the latter was that they failed to connect planning to a municipality's actual budget.

However, by mandating that an SDF provide a "capital investment framework for the municipality's development programs," the MSA clarifies the link between an SDF and the IDP as well as the Municipal Budget.

The Land Use Planning Act (Act 3 of 2014) and the Spatial Planning and Land Use Management Act (Act 16 of 2013) increased the status and role of SDFs. While LUPA offers additional guidelines on the procedure that Municipalities should adhere to while creating their SDF, SPLUMA specifies what should be included in the SDF.

Section 22(1) of the SPLUMA, which states that a Municipal Planning Tribunal or any other authority obliged to make a land development decision, cannot make a decision that is contradictory with an SDF, is arguably one of the most important parts of the law

regarding the legal standing of SDFs. The Act's provision provides the SDF a status. Beyond merely serving as a directive, which is the SDF's standing with respect to the MSA. Development proposals that do not comply with the SDF can no longer be approved by municipalities unless there are "site specific" factors to support them.

Before approving an application, SPLUMA mandates that the SDF be changed if there are no "site specific" factors to support an "inconsistent development."

The connection between other sector strategies and an SDF It is essential that the SDF and other sector strategies be integrated. The spatial requirements of these plans must serve as a guide for the SDF, which must then spatially reflect the locations where these requirements will be satisfied. Understanding the current state of the municipality's infrastructure and any gaps in it is necessary for all of this to take place. Furthermore, the SDF must address the expense of building the necessary infrastructure to cover any deficits in the short- and medium-term.

2.25.1 Biophysical Environment

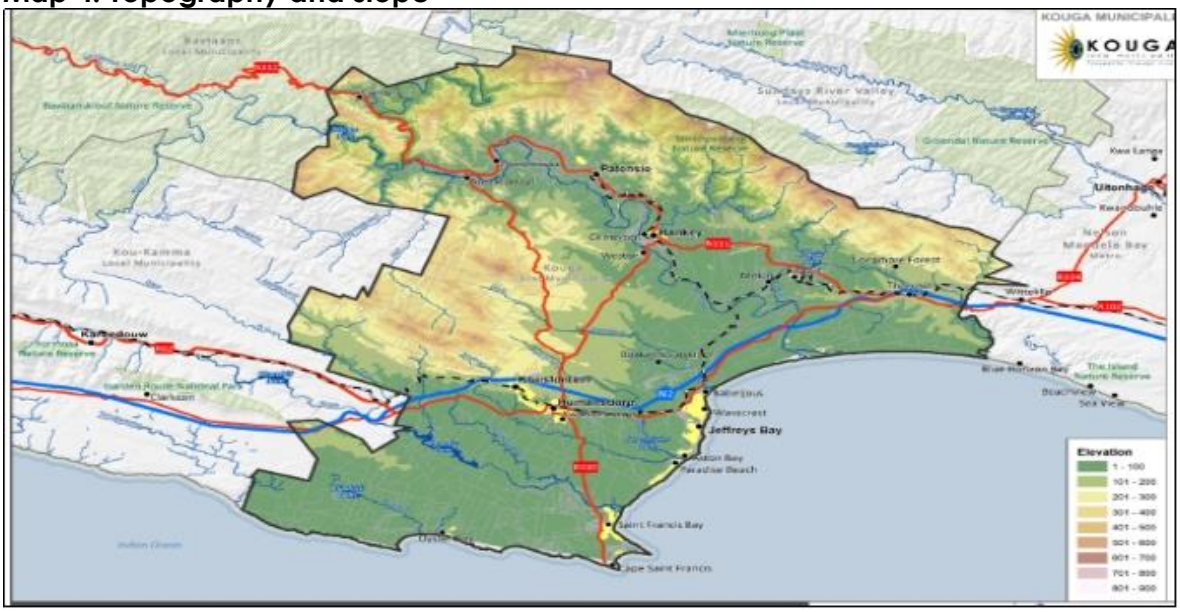
Climate: Climate within the study area differs between the 3 main geographical features, i.e., Coastal Region, Humansdorp and the Gamtoos River Valley.

The area is classified as subtropical and is situated in an intermediate zone between the summer and winter rainfall zones of the country, with annual precipitation between 400 and 650mm along the coast and in the Humansdorp area with slightly lower rainfalls in the Gamtoos River Valley.
Climatic conditions along the coast and Humansdorp inland areas are moderate with harsher minimum and maximum temperature extremes in the Gamtoos Valley. Summer temperatures in the Gamtoos Valley average between a maximum of 28° to an average minimum of 15° with winter maximum and minimums approximately 19° and 9° respectively.

Temperatures along the coast vary from an average maximum of 19.8° to average minimum of 14.5°. The prevailing wind direction is generally westerly to south-westerly with equally dominantly easterly winds during the summer month. Hot, dry berg winds from the interior occur towards the end of winter. Light frost might occur during winter in high-lying areas.

2.25.2 Topography and slope

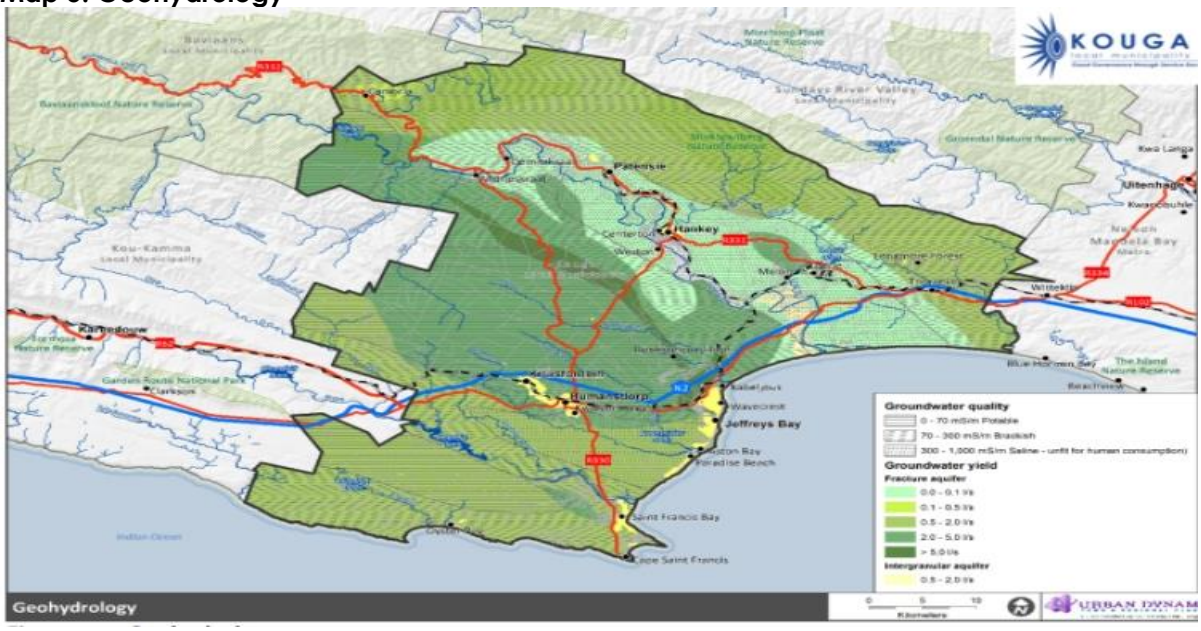
Map 4: Topography and slope



Source: Kouga SDF, 2020

The Elands Mountains to the north rise from the river Valley to a height of over a thousand metres above main sea level. The region's mountain areas add scenic value and character to the region, which contributes to Kouga being one of South Africa's premier tourist destinations.

Map 5: Geohydrology

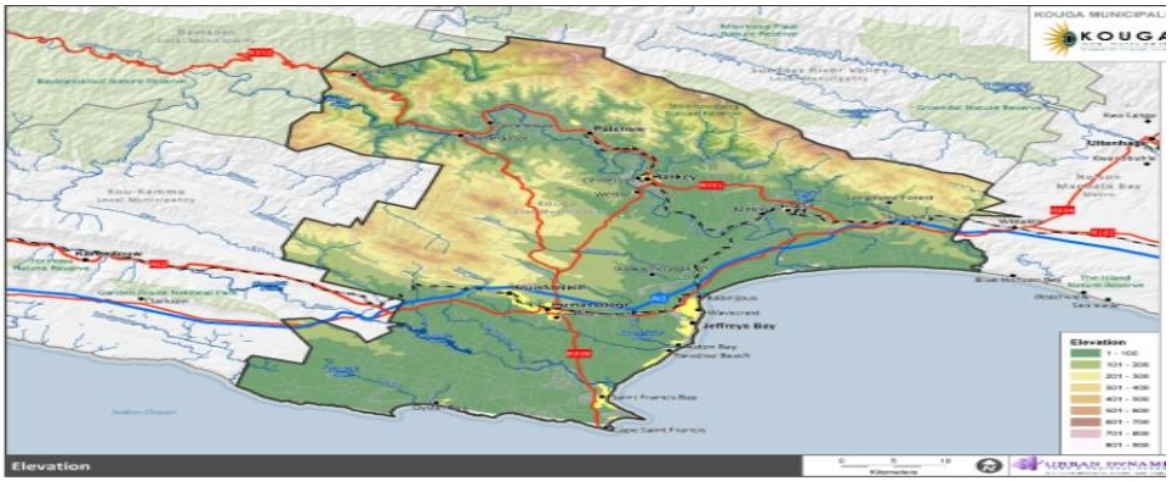


Source: Kouga SDF, 2020

The municipality recently increased the supply of water from groundwater sources through the development of borehole fields. The protection of these water resources has become a municipal priority.

These areas are situated in a central band across the municipality. Highlighted in dark green in map below:

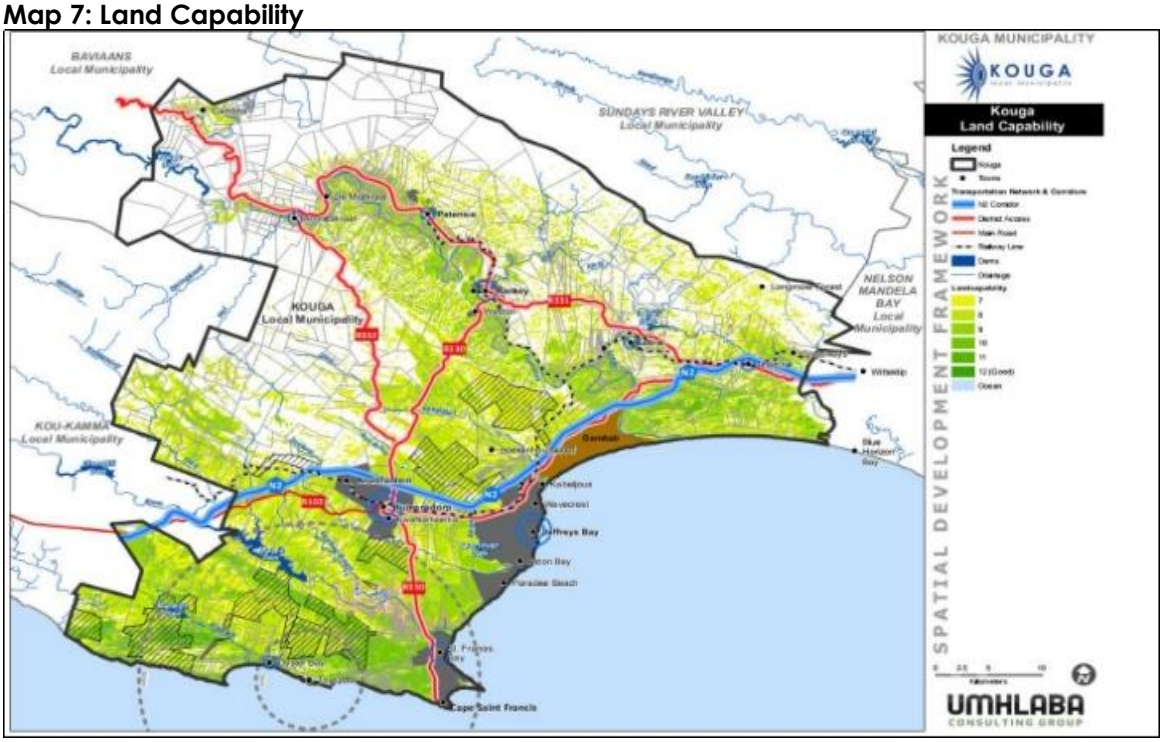
Map 6: Elevation



Source: Kouga SDF 2020

2.25.3 Land Capability Map

Map 7: Land Capability

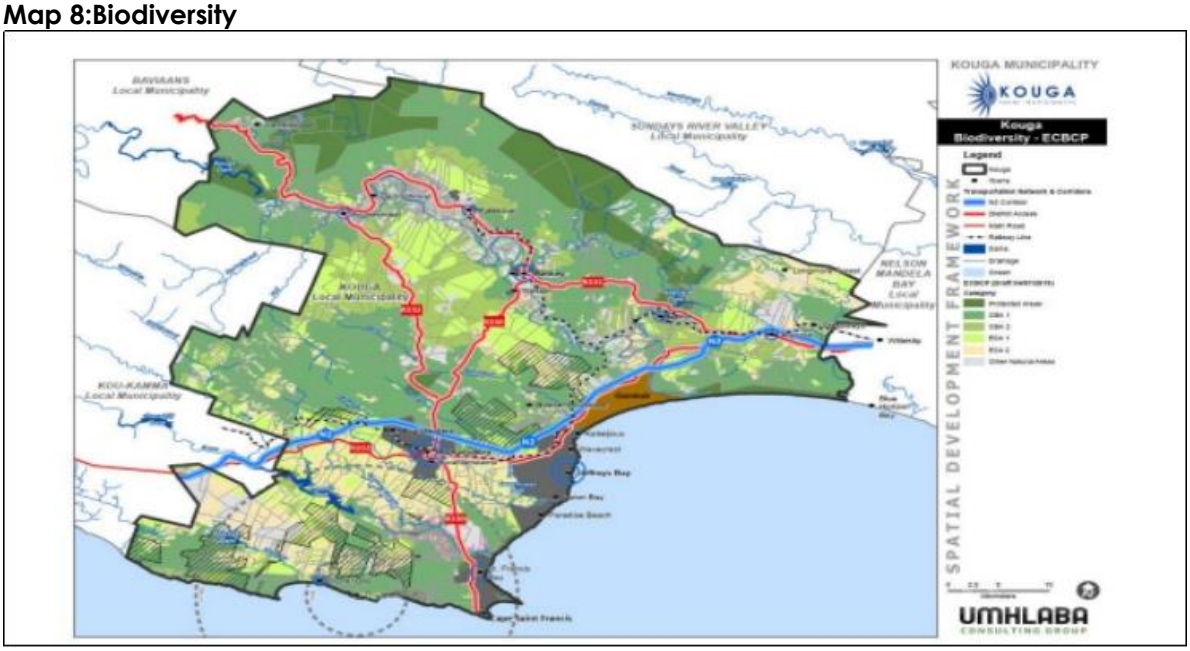


Source: Kouga SDF 2020

2.25.4 Biodiversity

The Eastern Cape Biodiversity Conservation Plan (ECBCP) biodiversity conservation status is reflected on the map below:

Map 8:Biodiversity



Source: Kouga SDF 2020

2.25.4.1 Protected Areas

Map 9: Protected Areas



Source: Kouga SDF 2020

2.25.5 Coastal Management

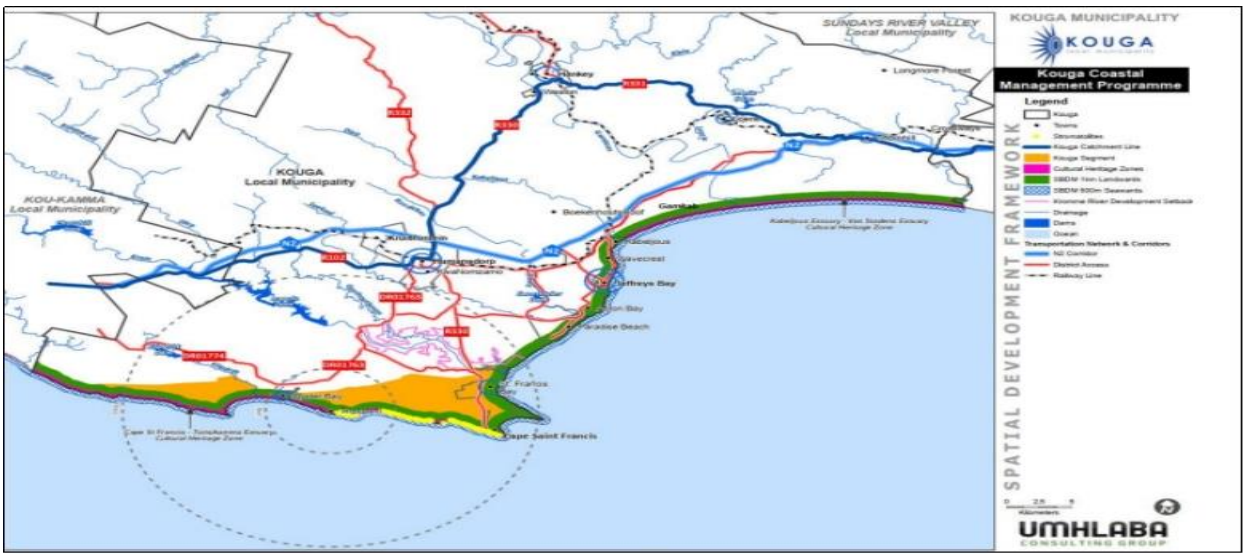
The Sarah Baartman District Municipality (SBDM) has developed a Coastal Management Programme (CMPr) to guide the integrated management of the coastal zone within the district. The CMPr is structured to be a coherent municipal policy directive for coastal zone management which is consistent with relevant legislation, available programs, and policies It includes a 'Vision' for the management of the SBDM coastal zone including the sustainable use of coastal resources, objectives for the coastal zone, priorities, and strategies, as well as performance indicators to measure progress. The coastline of the SBDM is ~320 KLM long, and includes 4 coastal LMs – Koukamma, Kouga, Sundays River Valley and Ndlambe LMs. The 1 KLM buffer inland from the high-water mark of the sea is used as the landward boundary of the study area. In addition, a catchment management approach has been adopted in this CMPr, where a catchment area has been designated for each LM considering topography, land cover and physical boundaries. The intention is to incorporate activities within the catchment that have bearing on what happens at the coast and to consider these in integrated coastal management planning. The seaward extent of the study area is 500m seawards of the high-water mark of the sea, however where important attributes occur beyond this distance, they are included in the program.

Nine principles have been identified for the SBDM coastal zone; these are:

- Approach coastal zone management holistically, using a 'catchment' approach that considers the inter-relationships of people and ecosystems.
- Conserve natural, archaeological, cultural and heritage resources.
- Prevent pollution and maintain a clean, healthy environment.
- Promote sustainable and responsible economic development and natural resource utilization.
- Create an informed and resilient community and place, where people have consideration for one another and their environment.
- Preserve and respect 'sense of place' where the unique character and its intrinsic value is appreciated.
- Promote collective responsibility for coastal zone management by the public and government.
- Ensure equitable access to the coastal zone and freedom of movement for the whole community.
- Prioritise safe use of the coastal zone for all people.

The 'catchment area' of the segments is also shown in the image, as activities within the catchment have bearing on what happens at the coast (for e.g., poor waste management in the catchment may impact on the coastal zone).

2.25.6 Coast Management Programme



Source: Kouga SDF 2020



Source: Kouga SDF 2020

Threatened ecosystems in the catchment of the Kouga LM coastal zone.

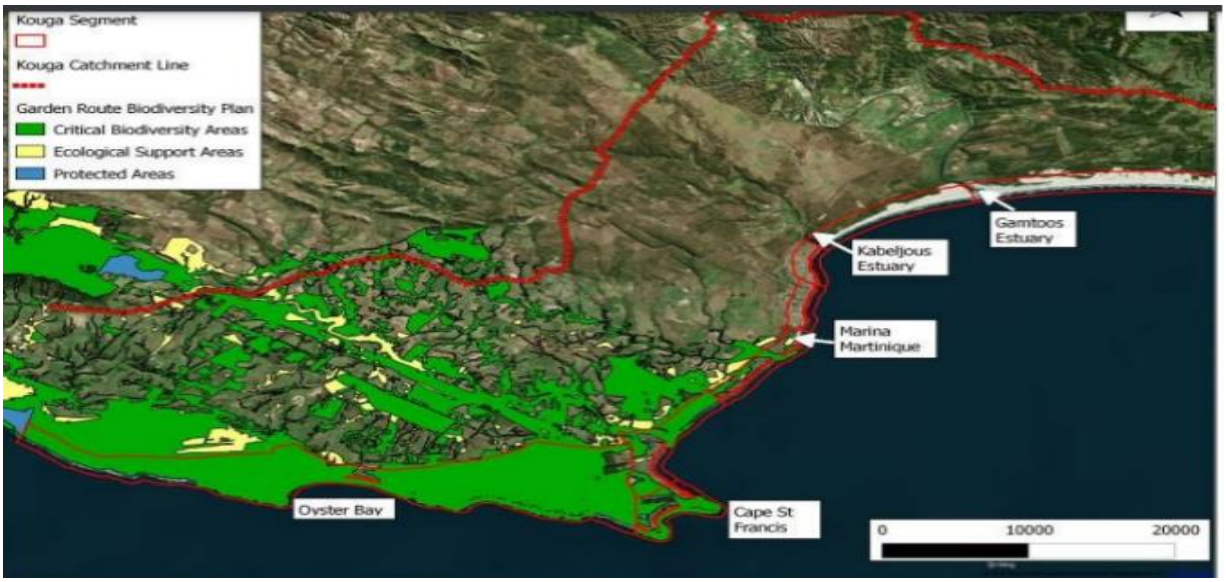
Map 10:Threatened ecosystem



Vegetation types in the Kouga LM coastal zone (VERGMAP,2018)



Critical Biodiversity Area and Ecological Support Areas I the Kouga LM coastal zone



2.25.7 Coastal Pollution

Coastal pollution includes effluent runoff, seepage, or discharge, solid waste, air emissions, lighting, and noise and vibrations.

Effluent runoff, seepage and discharge can be via diffuse overland flow or groundwater seepage, or from point sources discharges (e.g., stormwater outlets or wastewater treatment plant outfalls). Pollution along the coastline is a function of activities in the catchment area and not just the area directly adjacent thereto.

Predominant land use types in the catchment of the Kouga LM are agriculture (cultivation and dairy), urban development in coastal nodes or towns, and natural or secondary natural areas. Associated pollutants are nutrients and bacteria from farming and domestic sewage, pesticides and insecticides from cultivated lands, high sediment loads from erosion in the catchment, litter and rubble from urban areas, and hydrocarbons from vehicles along access corridors. Sewage discharge also contains hormones and other pharmaceuticals.

2.25.8 Built Environment

Kromme River Estuary: The CAPE project has identified the lower Kromme River Valley as a priority corridor for the movement of plants and animals between the Kareedouw and Tsitsikama Mountain ranges and the coast. Consequently, every effort should be made to manage future development within this environmentally sensitive area. An audit of the current development, building plan approvals, planning and environmental authorisations needs to be undertaken.

Existing development outside the urban edge: There is a trend toward the development of small rural settlements, estates, resorts or nature reserves outside the urban edges. These developments tend to result in the creation of permanent residential units as opposed to resort or holiday accommodation. Current planning approaches restrict this type of development due to the potential negative impact on the limited agricultural and environmental resources of the area. These developments can, if sensitively approached, create additional housing accommodation without the need for the municipality to provide the normal municipal services beyond road access to the entrance and contribute to the municipal rates base. An audit also needs to be undertaken of the developments along the Gamtoos River, which have historically been based on the development of resorts, which have, over time provided permanent accommodation as opposed to short term tourism accommodation.

Thuyspunt: The Thuyspunt site, west of Cape St Francis has been acquired by ESKOM for possible future power generation purposes. As a result, the Kouga Coast Sub-Regional Structure Plan was prepared based on the need to maintain the viability of the Thuyspunt site for possible future nuclear power generation. The Kouga Municipality SDF takes into cognisance the spatial impact of this megaproject in the pipeline and a phased approach towards state of readiness is thus required from a forward planning point of view should this project become a reality.

Settlement Pattern and Hierarchy: Settlement hierarchy and Nodal Development refers to the distribution of urban nodes and settlements throughout the study area and their locational characteristics.

Table 32: Settlement Pattern and Hierarchy

NODES	AREAS
PRIMARY NODES	Humansdorp
	Jeffreys Bay
SECONDARY NODES	Hankey
	Patensie
	St Francis Bay / Cape St Francis
RURAL NODES	Oyster Bay
	Loerie
	Thornhill
OTHER NODES	Matjiesfontein
	Melon
	Longmore Forest Village
	Cambria
	Andrieskraal

Challenges

The biggest challenges are the lack of bulk infrastructure. The Provincial Department of Human Settlements assisted the municipality to address some of the challenges and as a result thereof the municipality had applied for funding for the top structures of the following projects, namely:

1. Hankey 728 (990)
2. Patensie 278
3. Weston 196
4. Arcadia 139

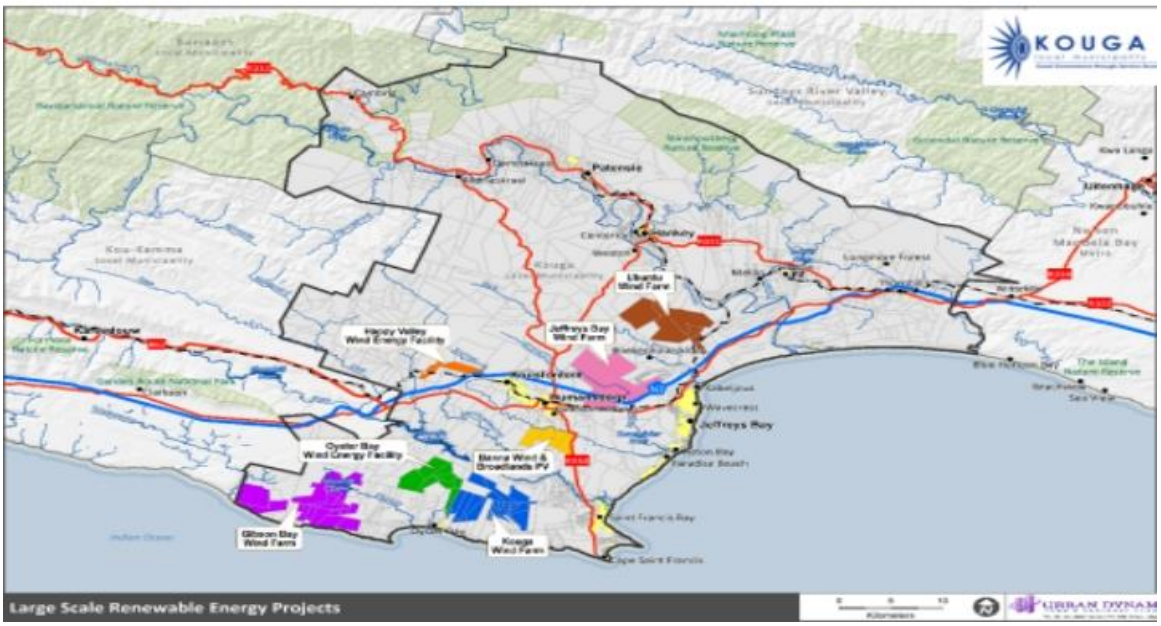
Renewable Energy Projects: The Kouga Municipality has been the forerunner for the establishment of renewable energy projects, with specific reference to wind farms. Various projects are under construction or still subject to planning and bid processes in terms of the Renewable Energy Independent Power Producer Programme (REIPPP).

These projects currently contribute significantly to the economy in the province and to renewable energy provision towards the national grid.

The following diagram indicates existing and proposed projects. It is noted that the following projects have received Department of Energy approval and are currently in the operation or under construction:

1. Jeffreys Bay Wind Farm (Between Humansdorp and Jeffreys Bay)
2. Kouga Wind Farm (North-East of Oyster Bay)
3. Gibson Bay Wind Farm (West of Oyster Bay)

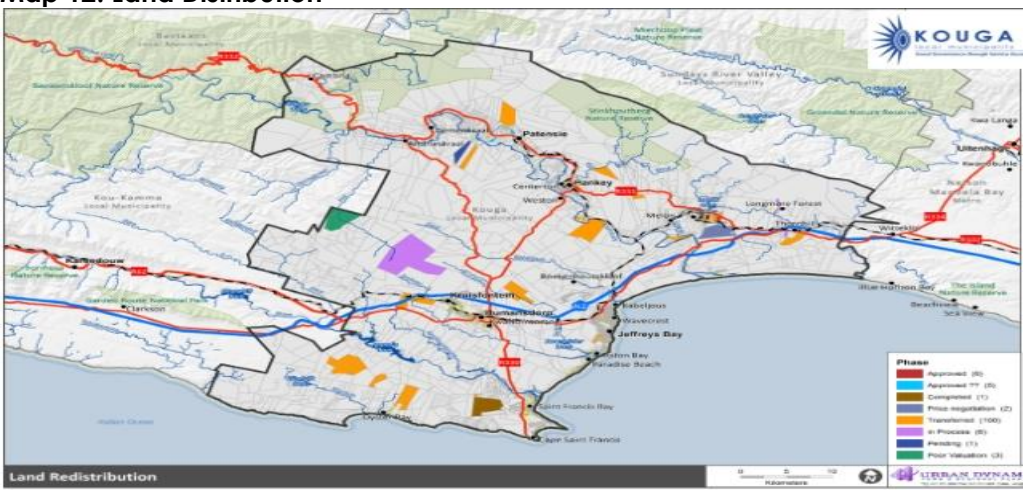
Map 11:Renewable Energy Projects



Land distribution: The Department of Rural Development has compiled an Area Based Plan for the Sarah Baartman District Municipal Area (2008). An Area Based Plan essentially is a sector plan that seeks to address land related issues at a municipal level. Fundamentally the plan seeks to integrate land reform into the municipal planning

process wherein identified projects are supported during and post implementation phases to ensure sustainability.

Map 12: Land Distribution



2.26 INTEGRATED HUMAN SETTLEMENTS/HOUSING

The Human Settlements Division under the Department of Planning and Development is responsible for the development of Sustainable Integrated Human Settlements within the Kouga Municipal Areas. Kouga Municipality applied for pre-planning funding for 10 Human Settlements Projects in 2009. Out of the 10 x Human Settlements Projects, the PDoHS assisted the Kouga Local Municipality with bulk services assistance to unlock some of the Projects that was approved in 2009, namely Pellsrus 220, Kruisfontein 391and Ocean View 1500 (services).

The Provincial Department of Human Settlements appointed Kouga Municipality as Implementing Agent for the Hankey 990 Housing Projects (Services) and for the Upgrading of Informal Settlements (Permanent Services and Bulk-linked services).

Housing Projects that are currently in the Implementing phase are Ocean View 1500 (Phase 1 – 200 top-structures and phase 2 -368 top-structures). In respect of the Upgrading of Informal Settlements Programme, the following Informal Projects form part of the Upgrading Programme:

- Shukushukuma 93
- Polar Park 553
- Polar Park 257
- Bungalows 103
- Donkerhoek 663
- Thornhill 160
- Patensie 278
- No R10 (226)
- Ocean View 1250

2.26.1 Problem Statement

The rapid population growth contributed to a high increase in demand for housing in KLM area. The major challenge that the municipality is experiencing is rapid urbanization which result in housing delivery process not meeting the housing demand recorded on the municipal housing database and this also results in a lot of challenges such as land invasions, mushrooming of informal settlements. Lack of bulk services is a major contributor to the slow delivery of housing opportunities.

2.26.2 Access to Housing



Type	Number	%
Formal dwellings	24 301	84,7%
Traditional dwellings	236	0,8%
Informal dwellings	4 070	14,2%
Other	74	0,3%

Source: StatsSA, Census, 2022

The majority of households or 84,7% in Kouga currently resided in formal dwellings, and 14,2% lives in informal dwelling.

2.26.3 Highlights on Human Settlements

The following table outlines all highlights on Human Settlement:

Highlights	Description
Pellsrus 220	Successful completion of the Pellsrus 220 Housing Project
Kruisfontein 391	Successful completion of the Kruisfontein 391 Housing Project
Ocean View 1500	Successful Installation of internal services and completion of roads infrastructure.
Ocean View 1500 (200) Housing Project	Appointment of Contractor for the construction of first 200 Top-structures as phase 1 in Ocean View.
Ocean View 1500 (468) Housing Project	Appointment of CDC as Implementing Agent for the construction of 368 Top-structures as phase 2 in Ocean View.
Hankey 990 (Services)	Appointment as Implementing Agent for the installation of internal services in Hankey 990 Housing Project.
Donation of PPC land	PPC donated land in Hankey for the construction of houses.
Implementing Agent (ISUP)	Municipality appointed as Implementing Agent for the installation of permanent services with an estimated value of R68.9 million) and for the installation of bulk-linked services with an estimated value of R83 million rand.
Land Donation – Farm Geelhoude Farm	The Farm Geelhoude was purchased by HDA for KLM.

Highlights	Description
Land Donation – Farm Klaarenfontein	The Farm Klaarenfontein was purchased by HDA for KLM for the construction of houses.
Social Housing and FLISP	Own Haven was appointed for the construction of Social and FLISP houses in Jeffreys Bay as a first pilot project within the Sarah Baartman District.

2.26.4 Challenges on Human Settlements

The housing department is experiencing a lot of challenges that affects the delivery of housing such as:

Challenges	Action to Address
Lack of Bulk Infrastructure	Working group between different Departments has been established to ensure that the successful implementation of all Human Settlements Projects and to do forward planning.
Land invasion	KLM Human Settlements are monitoring Informal Settlements on a daily basis to ensure that no municipal land is invaded. Land Invasion by-law will be reviewed to ensure appropriate action are taken against transgressors.
Security of tenure	All low-cost houses will be transferred to approved beneficiaries to promote ownership.
Land shortage	HDA will be approached to assist with the purchase of privately owned land to address the housing backlog.
EIA compliance	Forward planning to be undertaken and to submit to environmental authorization timeously to prevent delays in housing deliveries.

2.26.5 Informal Settlements Services Profile

Service Points				
Settlement	No. of Structures	No. of Water Points	No. of Toilets	No. of Structures Electrified
Jeffreys Bay				
Chris Hani	51			51
No R10	226			226
Transit Camp	214			163
New Rest	68			68
Ebumnyameni	695			200
London	467			0
Humansdorp (KRUISFONTEIN)				
Donkerhoek	363			363
Hopeville	200			200
Mooiuitsig	300			300
Humansdorp (KWANOMZAMO)				
Shukushukuma	93			93
Polar Park	257			257
Bangalows	103			103
Polar Park (Sewer)	304			0
Beda Street	41			0
Golf Course	400			400
Lower Golf course	153			153
Golf course G Numbers	128			128

Service Points				
Settlement	No. of Structures	No. of Water Points	No. of Toilets	No. of Structures Electrified
Hankey (Weston)				
Weston	94			94
HANKEY				
Silvertown	257			257
Stofwolk	110			110
Sewende Laan	26			26
Mountain View	100			0
St Francis Bay				
Sea Vista	1208			0
Oyster Bay				
Umzamawethu	88			0
Patensie				
Cyril Ramaphosa	979			203
Thornhill				
Loerie				
Loerieheuwel	204			

2.26.6 KLM Housing Demand and Intervention

The current Housing Demand in Kouga according to beneficiaries captured on the National Housing Needs Register (NHNR) is 17309. Kouga Local Municipality is in the process of unlocking a number of Housing Projects namely the Kruisfontein 2109, Hankey 990, Ocean View 1500, Arcadia 139, Weston 196 and the Weston Mud-houses 126. To unlock these projects, bulk infrastructure challenges need to be addressed and the Environmental approval needs to be expedited.

Kouga Municipality was recently appointed by the Provincial Department of Human Settlements for the upgrading of Informal Settlements and 9 projects are currently listed on the business plan. To elevate the demand for Housing a new paradigm shift by Department of Human Settlements to rather focus on the upgrading of Informal Settlements and to give the current occupiers security of tenure on sites currently being occupied and also to provide permanent services to these beneficiaries.

2.26.7 KLM Housing Backlog

The current housing backlog in Kouga is 17309, and this number will reduce significantly once we kickstart with the implementation of the approved housing projects. The current approved housing projects will cater for 5060 housing opportunities which will reduce the backlog significantly.

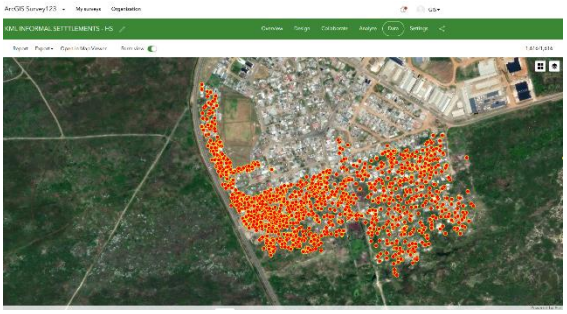
2.26.8 Current Housing Projects

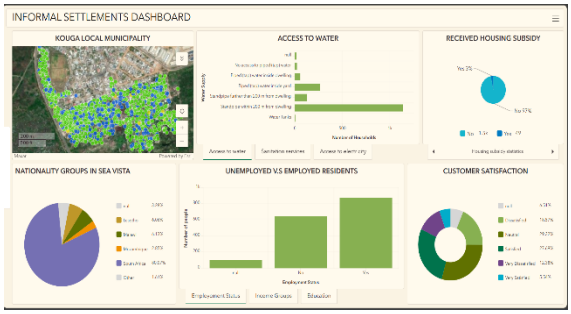
The Municipality is currently busy with several housing projects, namely, the Hankey 990 (services), Ocean View 1500 (200) and Ocean View 1500 (368). An application was submitted to PDoHS for the construction of 911 top-structures in Hankey and application also for the augmentation of bulk services in Weston 196 Housing Project.

The Provincial Department of Human Settlement appointed LM Developments for Three Hundred (300) top structures to the estimate value of 49.2 million as phase 1.

2.26.9 Informal Settlements Data Collection

The Department of Human Settlement has swiftly moved from paper-based data collection to digital platform by utilizing Survey123 app, to capture all the necessary data or information of the households/dwellers within the informal settlements of Kouga region. The aim of adopting this platform is to enhance the quality and lifespan of the information that has been captured.





2.26.10 Human Settlement Status Quo

PROJECT NAME	PROGRESS REPORT
HANKEY 990 (SERVICES)	▪ Rudcor Engineering was appointed on 19 April 2024 ▪ Rudcor Engineering appointed for Phase 2 for R17,7M for Roads & Stormwater (95% of the contract) and limited Water & Sanitation Network. ▪ JG Afrika require addendum to their existing contract to ring fence Phase 2 for R1,6M - Site Supervision services
HANKEY 990 (Top-Structures) 300	▪ LM Developments was appointed for construction of 300 houses as phase 1 of the Hankey 990 project in May 2024. ▪ Approved budget for project is R 49.8 million ▪ MJM Consulting Engineers appointed as PSP. ▪ 288 beneficiaries already approved on HSS. ▪ Beneficiary process on-going.
Weston 196 Housing Projects	▪ Funding for the Augmentation of Bulk Infrastructure is approved. ▪ Total budget amounts to R 23.3 million ▪ Scope includes the refurbishment of the WWTW. ▪ Imvu Construction was appointed. ▪ Beneficiary verification and administration is on-going
Mountain View Informal Settlement	▪ Informal Settlement will form part of the Hankey 990 housing project. ▪ Informal settlements is classified as unformalized informal settlement.
Stofwolk Informal Settlements	▪ Qualifying beneficiaries will form part of the Hanky 990 Housing Project ▪ Informal settlements are classified as unformalized informal settlement.
Sewende Laan Informal Settlement	▪ Qualifying beneficiaries will be accommodated in the Hankey 990 Project. ▪ Non-qualifying beneficiary to be relocated to TRA. ▪ Informal settlements are classified as unformalized informal settlement.
PATENSIE 278	▪ Funding approved by the PDoHS in respect of the UISP programme. ▪ Funding approved for a reservoir.

PROJECT NAME	PROGRESS REPORT
	▪ Funding approved is R 5.2 million ▪ Sewer pumpstation to be upgraded to a total cost of R 600 000
Patensie Rectification	▪ PDoHS will start with the assessing of the houses in January 2025.
Patensie Informal Settlement	▪ Human Settlements will be verified (Survey 123) all dwellers in this informal settlement to ensure that they meet the minimum qualification criteria. ▪ All informal dwellers will be captured on the NHNR. ▪ KLM approaches HDA to assist with the procurement of additional land, since the demand is higher than the available land
LOERIEHEUWEL 199	▪ Only 174 top-structures constructed. ▪ Human Settlements Section will start in January 2025 with verification process and then apply to PDoHS for phase 3 of project to complete outstanding units.
LOERIEHEUWEL 74	▪ Only 52 top-structures constructed. ▪ Human Settlements Section will start in January 2025 with verification process and then apply to PDoHS for phase 3 of project to complete outstanding units.
Loerieheuwel Rectification	▪ PDoHS has already started with the assessing of the houses
Loerieheuwel Informal Settlement	▪ Unformalized Informal Settlement. ▪ Eskom electrified some of the informal structures.
Thornhill 390	▪ Greenfields project. ▪ Bulk infrastructure challenges prevent this project from moving forward.
Thornhill 160 Informal Settlement	▪ KLM appointed as Implementing Agent for the Upgrading of Informal Settlement at a cost of R 3 695 581.03 ▪ Appointment of KLM as IA for Bulk Linked Services at total cost of R 8.9 million ▪ Bulk-linked services include the following activities: o New reservoir Thornhill at total cost of R 5 771 780.00 ▪ Upgrade of Thornhill Sewer Treatment Works and Electricity Transfer from NMBM to KLM at a total cost of R 3 131 800.00 ▪ Lukhozi Consulting Engineers appointed.
Thornhill (Los Angelos) 197	▪ Unformalized Informal Settlement.
Ocean View 1500 (568)	▪ Uphala Construction (368 top-structures) and Imvu Construction (200 top-structures) was appointed May 2024 ▪ Site Establishment completed ▪ Building plans approved ▪ Contractor on-site ▪ CLO appointed ▪ PSC elected ▪ Beneficiary list completed
Pellsrus 220	▪ 218 Houses completed ▪ houses outstanding ▪ Appointment of Conveyancer outstanding
Pellsrus Destitute 23	▪ GIC appointed to attend to town planning processes
Galjoen str 53	▪ GIC appointed to attend to town planning processes.
London (80ha)	▪ Land Availability Agreement was issued to KLM on 9 July 2024. ▪ Town Planning Activities currently underway. ▪ CVW appointed as Consulting Engineer for the provision of electricity. ▪ Zutari (PTY)Ltd appointed for the formalization of Ocean View extension, engineering designs for all civil services and contract management & site supervision for phase 1 of implementation.
No R10 Informal Settlement - 226	▪ Informal Settlement included in the UISP upgrading ▪ Informal dwellers to be relocated. ▪ An amount of R 1 339 648.12 was approved for this Settlement; however, money will be used for the planning activities on 80 hectares. ▪ Settlement is not a formalised settlement.
Ebumnyameni - 795	▪ Settlement forms part of the Ocean View 1500 layout.

PROJECT NAME	PROGRESS REPORT
	▪ Area not pegged by land-surveyor due to the current settlement. ▪ Plan is to relocate current dwellers to unlock the remainder of the project.
Transit Camp 234	▪ Dwellers in this TRA will be relocated to 80 hectares ▪ Approved beneficiaries in TRA will be allocated houses ▪ Site has been earmarked for Social Housing ▪ Relocation is priority in this settlement
Kruisfontein 2500 (391)	▪ 391 Houses constructed ▪ 99 properties transferred ▪ 292 transfers outstanding ▪ Township establishment to be concluded ▪ GIC indicates that they will assist with EIA application for remainder of 2500 project. ▪ General Plan in place ▪ Beneficiary process on-going for remainder of project
Kruisfontein 219	▪ All houses completed ▪ No transfers yet ▪ Kouga to apply to PDoHS to be appointed as IA to expedite and concluded transfer process ▪ Township establishment to be concluded
KRUISFONTEIN 208	▪ Project reduced with 98 top structures. ▪ Only 110 top-structures build ▪ 98 beneficiaries in this project were accommodated in the Kruisfontein 391 project. ▪ No transfers yet ▪ Kouga to apply to PDoHS to be appointed as IA to expedite and concluded transfer process ▪ Township establishment to be concluded
ARCADIA 139	▪ General Plan are in place ▪ EIA has lapsed ▪ Engineering design to be completed ▪ This project will be unlocked with the grant funding received by the PDoHS in respect of the UISP. ▪ Internal Water & Sewer Networks exist, into which this project can connect. ▪ Once EIA is approved and the Engineering designs are finalised KLM Human Settlements will apply for the top-structures.
Donkerhoek 663 (234)	▪ The Donkerhoek 234 Informal Settlements is part of the remainder of the Kruisfontein 2500 Housing Project. ▪ Settlement was included in the UISP program of which Kouga was appointed as IA for the installation of permanent services as well as Bulk-Linked Services. ▪ The budget approved in respect of the permanent services amounts to R 5.4 million, whilst the budget approved for bulk-linked services amounts to R 11 million rand. ▪ Projects included under this appointment includes the following. ▪ Kruisfontein Bulk water – Gill Marcus Reservoir & Feeder lines. ▪ Zutari is appointed as consultants for this project. ▪ The following activities in respect of the appointment is already completed, namely Design drawings, specifications, tender drawings and tender documentation
Hopeville 200	▪ All town planning activities concluded. ▪ Verification in terms of Survey 123 to be undertaken in 2025.
KwaNomzamo 400	▪ KwaNomzamo 400 is a formal housing project, which will benefit from the UISP grant. ▪ Layout is approved and prospective beneficiaries are residing of pegged sites.

PROJECT NAME	PROGRESS REPORT
	▪ Once's EIA approval is granted, KLM will apply for top-structures.
Geelhoudte Housing Project	▪ GIC Consultants appointed by PDoHS to attend to pre-planning studies on site ▪ Urban Dynamics appointed to attend to for layout plan. ▪ Environmentalist busy with 24G application
Polar Park 257,	▪ KLM appointed as IA for permanent and bulk-linked services. ▪ The budget approved in respect of the permanent services amounts to R 5.9 million, whilst the budget approved for bulk-linked services for all KwaNomzamo Settlements amounts to R 34.4 million. ▪ Engineering Advise and Services and CVW Electrical Consultants has been appointed. ▪ The appointment of Engineering Advise and Services includes the following. ▪ KwaNomzamo Bulk Water Main ▪ KwaNomzamo Pump Station and Rising Main. ▪ The appointment of CVW Electrical Consultants includes the following. ▪ KwaNomzamo Boskloof Sub-Station ▪ Progress up to date both water and sewer. ▪ Inception stage 100% ▪ Preliminary Design Stage 100% ▪ Detailed Design Stage 85% ▪ Tender Documentation and Procurement 75%
Bungalows 103	▪ Settlement was included in the UISP program of which Kouga was appointed as IA for the installation of permanent services as well as Bulk-Linked Services. ▪ The budget approved in respect of the permanent services amounts to R 5.9 million, whilst the budget approved for bulk-linked services for all KwaNomzamo Settlements amounts to R 34.4 million. ▪ Two appointments have been made in the KwaNomzamo Settlements, namely Engineering Advise and Services and CVW Electrical Consultants.
Shukushukuma 93	▪ Settlement was included in the UISP program of which Kouga was appointed as IA for the installation of permanent services as well as Bulk-Linked Services. ▪ The budget approved in respect of the permanent services amounts to R 5.9 million, whilst the budget approved for bulk-linked services for all KwaNomzamo Settlements amounts to R 34.4 million. ▪ Two appointments have been made in the KwaNomzamo Settlements, namely Engineering Advise and Services and CVW Electrical Consultants.
Polar Park Sewer 296	▪ Settlement will be relocated to the Geelhoudte Development. ▪ Doesn't form part of the UISP project. ▪ Survey 123 to be undertaken to ensure all dwellers are captured on the NHNR for inclusion in formal projects.
Beda Street 51	▪ Settlement will be relocated to the Geelhoudte Development. ▪ Doesn't form part of the UISP project. ▪ Settlement will be relocated to the Geelhoudte Development. ▪ Doesn't form part of the UISP project. ▪ Survey 123 to be undertaken to ensure all dwellers are captured on the NHNR for inclusion in formal projects. Survey 123 to be undertaken to ensure all dwellers are captured on the NHNR for inclusion in formal projects.
Sea Vista 2000	▪ Project block due to land and bulk infrastructure challenges. ▪ Possible inclusion in the new business plan for the UISP programme ▪ HDA in process to transfer land to Kouga, but due to sensitivity of the land only a small portion will be utilized for Human Settlements development.

PROJECT NAME	PROGRESS REPORT
Sea Vista Informal Settlement (Malema, Cosovo & Zwelitsha)	▪ Possible inclusion in the new business plan for the UISP programme. ▪ Application letter already submitted to PDoHS ▪ Survey 123 is on-going in this Settlement. ▪ Anticipated completion date for Survey 123 is January 2025. ▪ Marking of informal structures underway. ▪ Anticipated completion date is end of December 2024.
Oyster Bay	▪ Possible inclusion in the new business plan for the UISP programme. ▪ Survey 123 verification to be undertaken in 2025.

2.26.11 National Housing Needs Register

The Kouga Local Municipality are using the National Housing Needs Register (NHNR) to determine the housing need with the Municipality. Before reflecting of the housing demand within the Kouga Local Municipality, it must be highlighted that the Municipality has a number of Informal Settlements within its jurisdiction area. The Table below indicated the number of informal settlements.

INFORMAL SETTLEMENTS IN KOUGA

	KRUISFONTUIN			OCEAN VEIW			THORNHILL			OYSTER BAY	
1	DONKERHOEK	363		EBUMNYAMENI	795		TJOKS	160		UMZAMAWETHU	34
2	MOOI UITSIG	300		LONDON	493		UPPER	147		UPPER	60
3	HOPEVILLE	200		NO TEN RAND	226		OUTSIDE BOUNDARY	50			94
4	98	98		TRIAGLE	108			357		SEA VISTA	
		961		POLICE CAMP	20		HANKEY			SFB 1/5	1275
	KWANOMZAMO			TRA	234		MOUNTAIN VIEW	100			1275
5	SHUKUSHUKUMA	93		CHRIS HANI	51		STOFWOLK	110		1.OYSTER BAY	94
6	POLA PARK	257			1927		7DE LAAN	26		2.SEA VISTA	1295
7	BUNGLOWS	103		WESTON				236		3.KRUISFONTUIN	961
8	G-COURSE 153	153		LOWER	100		PATENSIE			4.KWANOMZAMO	1605
9	KW 400	400		UPPER	100		BLOCK A	403		5.OCEAN VIEW (JBAY)	1927
10	SEWER LINE	296			200		BLOCK B	369		6.WESTON	200
11	BEDA STR	51		LOERIE			BLOCK C	226		7.LOERIE	253
12	UPPERG-COURSE	148		LOWER (PLUS 10)	147			998		8.THORNHILL	357
13	LOWER G-COURSE	54		UPPER (PLUS 10)	76					9.HANKEY	236
14	EMERGENCY HOUSES	50			223					10.PATENSIE	1058
		1605								TOTAL:	7986

Based on the table there are thirty-five (350 informal settlements in Kouga LM, with an estimate number of Seven Thousand Nine Hundred and Eighty-Six Thousand (7986) informal structures. This number only related to informal structures and back yard dwellers are excluded. Through the National Housing Needs Register (NHNR) the Municipality is aiming to give an accurate number of its demand. For this reason, the Human Settlement Section of the Municipality are embarking on a campaign where they are visiting all Wards within the Municipality to ensure that prospective beneficiaries are left out.

APPLICATION FOR LEVEL 1 ACCREDITATION

The Municipality was identified by the Provincial Department of Human Settlements for Level 1 Accreditation, which will allow the Municipality to implement certain functions of behalf of the Provincial Department of Human Settlements.

This will include the following functions, namely, Housing subsidy Application, Housing Subsidy Administration, Housing Subsidy Management and Beneficiary Administration. This will allow the Municipality to better plan new housing projects.

2.26.12 Spatial Representation

OCEAN VIEW 1500 HOUSING PROJECT



PELLSRUS 220



KRUISFONTEIN 2500



ARCADIA 139



HANKEY 990 HOUSING PROJECT



WESTON 196 HOUSING PROJECT



PATENSIE 278 HOUSING PROJECT



GLAJOEN STREET 51 & TREVOR MANUEL 23



THORNHILL 390



KWANOMZAMO 400



INFORMAL PROJECTS - ISUP

NO R10 INFORMAL SETTLEMENT



OCEAN VIEW 1250 INFORMAL SETTLEMENT



BUNGALOW 103



SHUKUSHUKUMA 93



POLAR PARK 257



POLAR PARK 553



DONKERHOEK 463



2.27 LAND AND PROPERTY ADMINISTRATION

2.27.1 Land and Properties

The Land and Property Division under the Department of Planning and Development is responsible for the management and administration of municipal owned land and properties. The Municipality owns 835 land parcels which includes land zoned for business, residential, community, industrial, agriculture, resort, transport and public open space.

The Department is furthermore responsible for processing applications for municipal land in line with relevant legislation. The Municipality may dispose of its municipal assets after it was confirmed through a Section 14 process that the land is not required by the Municipality for provision of basic services. Municipality can dispose of land through a number of ways which includes permanent disposal, short-term or long-term lease and right-to-use. It is important to note that the disposal of land within a municipal environment is highly regulated with many steps which the Council needs to comply with and can take considerable time for applications to be processed.

Problem Statement

Even though the Municipality owns a significant amount of land it faces challenges, as there is a shortage of land for the construction of government subsidized housing in certain towns, land for commonage use and agriculture including land for community uses (churches).

There are scenarios where some towns have become land locked, and which necessitate the Municipality to enter into negotiations to acquire land from private owners or other spheres of government.
The Municipality has embarked on the process to develop a Land Management Strategy in order to set out clear plans for the available land but also to identify and plan for the acquisition of land where the Municipality experience shortages.

2.27.2 Highlights on land and Properties

The following table outlines all highlights of Land and Properties:

Highlights	Description
Acquisition of PPC land	PPC donated land in Hankey for the construction of houses.
Land Acquisition – Farm Geelhoute Farm	The Farm Geelhoute was purchased by HDA for KLM.
Land Acquisition – Farm Klaarefontein	The Farm Klaarefontein was purchased by HDA for KLM for the construction of houses.
Availing a portion of portion 125 of the Farm Zee Koei River No. 335, Humansdorp RD for Social Housing and FLISP Project	Social Housing and FLISP

Highlights	Description
Survey of properties	CoGTA are providing assistance to KLM by availing surveyors to re-survey boundaries of municipal owned and RDP properties where pegs are missing or where there are boundary disputes.
Disposal of land for development purposes	Expansion of Dairy Factory constructing Yachts Retirement Village
Implementing land audit outcomes – Tender 93/2022	Appointed a service provider to address anomalies in the asset register.
Securing assets	Fencing of God's Acre, Sea Vista
Tender 137/2021 – Selling of vacant residential erven	Four estate agents appointed to administer the selling of vacant residential erven. A number of successful disposals and transfers have been recorded.
Donation of land for community projects	Construction of special needs school and safe houses, Kruisfontein
Approval of land for Early Childhood Development Centres	Council entered into long-term lease with ECD's across the different towns in the municipality

2.27.3 Challenges in Land and Properties

The Land and Properties Department is experiencing a lot of challenges that affect service delivery:

Challenges	Action to Address
Shortage of land for community uses (churches, creches, schools)	The council has granted in-principle approval for the disposal of available community zoned properties and will dispose on a competitive basis.
Discrepancies in the asset register in terms of ownership.	A service provider has been appointed to address the anomalies that highlighted.
Shortage of land for communal purposes	Commonage management plans will be drafted for the available land whilst the Municipality are also exploring land owned by the District, Provincial and National Government.
Shortage of land shortage for human settlements	HDA will be approached to assist with the purchase of privately owned land to address the housing backlog.
Applicants receiving leases but fail to start the development	Prospective lessees will be required to be vetted for feasibility by the Local Economic Development Department prior to approval of application.
Disposing of land without having clear plan	The Department is in the process to develop a Land Management Strategy to compile clear plan on each municipal property
Maintenance and repair of Municipal houses	The Department has drafted a Maintenance Plan in order to conduct routine maintenance of municipal houses and to enhance these assets.

2.27.4 Planned Projects in Land and Properties

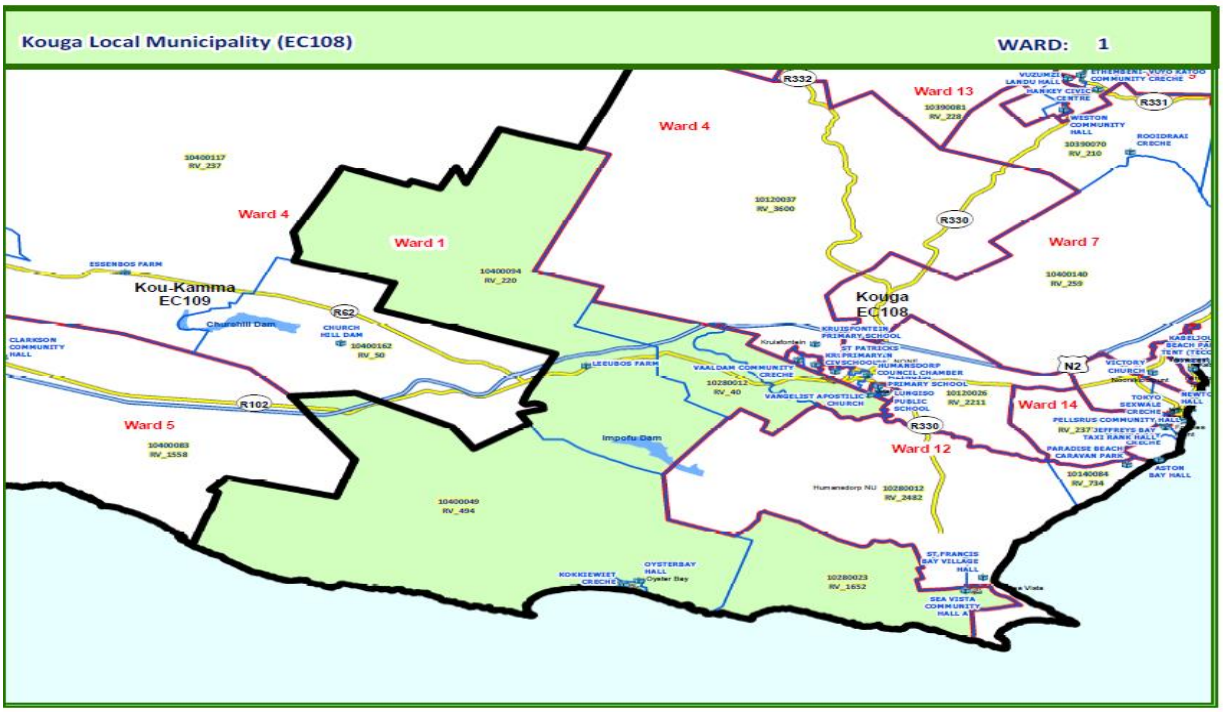
The Department has also identified the following projects:

WARD	PROJECT DESCRIPTION	PROPOSED BUDGET
1 &12	Creation of a Business Hub on Erf 2346, Sea Vista and a portion of portion 72 of Farm 746, Humansdorp RD (depending on the Taxi Association relocation)	R300 000,00
1	Repairs of the delipidated buildings on the Sea Vista Taxi Rank	R200,000.00
1	Grid and levelling of space identified for taxis at the current Taxi Rank	R35,000.00
12	Feasibility of Erf 3143, Sea Vista	R50,000.00
1	Possible relocation of Sports field to Erf 1078, Sea Vista (depending on confirmation by SAPS that they are not	R500,000.00
1	Fencing of Informal Settlement portion 97 of Farm 746, Humansdorp RD	R8,000,000.00
12	Ward Councillor office on Erf 2293, Sea Vista (St Francis Drive)	R100,000.00
2 &14	Finalization of precinct plan and PSP services on Erf 8783, Jeffreys Bay (Oceanview) – Ward 14	R120,000.00
2	Repairs of house on Erf 826, Pellsrus (initially identified as a Ward Councillor office)	R150,000.00
14	Precinct plan for a portion of portion 125 of Farm 335, Humansdorp RD – Community Zone use	R50,000.00
4, 5, 6 & 15	Subdivision and rezoning of a portion of portion 8 of Farm 347, Humansdorp RD – EEDBS application submitted - Ward 4	R3,000,000.00
15	Improvement and Fencing of Taxi Rank	R50,000.00
5	Safe House facility on Erf 1566, Kruisfontein (fencing)	R100,000.00
15	Activation of Affordable Housing project on a portion of Erf 499, Humansdorp (opposite Boskloof), Layout plan already drafted	R80,000.00 (PSP services)
3, 8 & 11	Ward Councillor office on Erf 6175, Jeffreys Bay (Kabeljauws)	R100,000.00
9	Business Hub on Erven 3010 and 3011, Hankey (ideally located at Taxi Rank, Clinic and Ward Councillor office)	R500,000.00 (fencing)
13	Ward - Affordable Housing on a portion of Erf 17,Hankey	R2,000,000.00
10	Acquisition of land for Human Settlements purposes	R80,000,000.00 (HDA Application)
7	Acquisition and formalization of a portion of portion 6 of Farm 452, Uitenhage RD	R1,000,000.00 (PSP Services)

2.28 COMMUNITY NEEDS (ANALYSIS)

2.28.1 Ward Profile

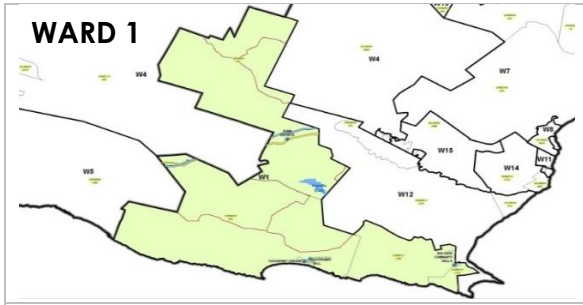
Kouga Local Municipality consists of 15 wards.



Note: The status on ward priorities is indicated in three different colours and is explained below:

Colour	Description
	Complete
	In progress
	Not completed/District, Provincial or National Competency

2.28.2 Ward Priorities



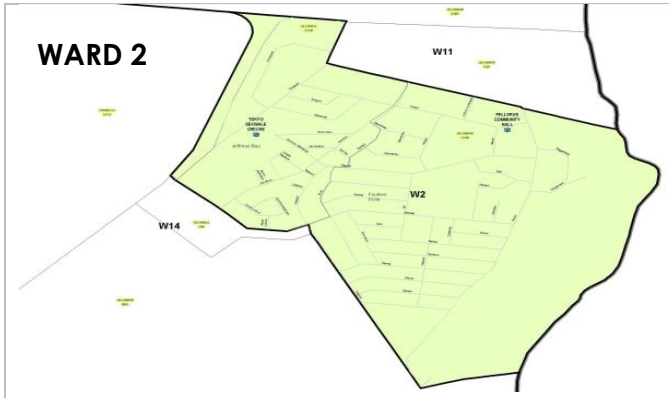


Cllr N Ntshota

Ward 1 consists of the following areas: Oyster Bay, Sea Vista, Umzamowethu, Leeubos, Lower Golf course and surrounding farm areas. The Ward is a very diverse area with different socio-economic characteristics.

Ward1: Development Priorities

IDP REF.	WARD PRIORITY	STATUS	BUDGET LINKAGE			
			2023/24	2024/25	2025/26	2026/27
IDP-W1/05	Formalization of informal settlement					
IDP-W1/07	Rehab Centre for drug and substance abuse –Sea Vista					
IDP-W1/06	Youth Development Centre-Sea Vista					
IDP-W1/14	Disabled Centre – Sea Vista					
IDP-W1/12	Shelter for Scholars					
IDP-W1/19	High Mast Lights – Lower Golf Course		**R87 000**	**R100 000**	**R1m**	**R1m**
IDP-W1/08	Fixing of houses (leakage and water issues when raining)					
IDP-W1/17	Renovation of RDP Houses					
IDP/W1/03	Stray Animals					
IDP-W1/16	Illegal Dumping site					
IDP-W1/18	Fire Station					
IDP-W1/20	Overgrown erven					
IDP-W1/11	CCTV Cameras					
IDP-W1/01	Stormwater Drainage					
IDP-W1/04	Fixing of roads and installation of speed humps (Fixing of gravel roads)					
IDP-W1/02	Waterborne Sewer System – Oyster Bay					
IDP-W1/15	Fountain catchment areas to be upgraded, maintained and safeguarded from stray animals (Oysterbay)					
IDP-W1/13	Promotion of SMMEs					
IDP-W1/09	Skills Development for Youth and Career Expo					





Cllr H Murray

Jeffrey's Bay is situated right near the tip of Southern-most Africa in the Eastern Cape province. It sits at the gateway of the beautiful Garden Route – the famous route between Port Elizabeth (Nelson Mandela Bay) and Cape Town. From Jeffreys Bay, this scenic road winds through the beautiful Tsitsikama forest, Nature's Valley, and the seaside towns of Plettenberg Bay and Knysna. Due to this prime situation, Jeffrey's Bay provides travellers with an ideal base from which to explore the enchanting east coast of South Africa.

Ward 2 is one of the Jeffreys bay ward which includes ***Pellsrus, Madiba Bay, Marina Martinique, and Aston Bay.***

Ward 2: Development Priorities

IDP REF.	WARD PRIORITY	STATUS	BUDGET LINKAGE			
			2023/24	2024/25	2025/26	2026/27
IDP-W2/01	Upgrading of storm water and sewer system					
IDP-W2/02	Youth Development					
IDP-W2/03	Upgrade of Estuary					
ID-W2/04	Installation of Camera Systems (Garnaal and Duine Road and inside)					
IDP/W2/05	Upgrading of gravel roads (Phase 2)					
IDP-W2/06	Streetlights (Solar Panel lights)					
IDP-W2/07	Improvement of existing health facilities					
IDP-W2/08	Business Park for SMME's					
IDP-W2/09	Athletic running track					
IDP-W2/10	Neighbourhood watches					
IDP-W2/11	Beach boardwalk and disabled ramp					
IDP-W2/12	Capacity workshop for existing SMME's					
IDP-W2/13	Upgrading of sport field					
IDP-W2/14	Safety committee forum					
IDP-W2/15	Business partnership					
IDP-W2/16	Workshop training for vulnerable groups					
IDP-W2/17	NPO's and NGO's development					
IDP-W2/18	Indoor sport centre					
	Upgrading of Cormorant sewerage pumpstation					





Cllr W Gertenbach

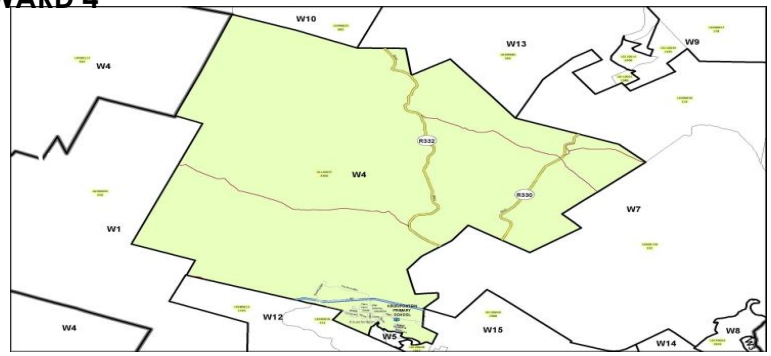
The town of Jeffreys Bay is bordered on both sides by nature reserves and rivers. The Kabeljous Estuary in the Kabeljous Nature Reserve is known as one of the best-preserved estuaries in the Eastern Cape, and every year the flamingos return to spend the summer here.

For the nature lovers, there are wonderful hiking trails in Kabeljous Nature Reserve as well as in the Noorsekloof Nature Reserve. Wavecrest is a rather large suburb in Jeffreys Bay, taking up a huge chunk of the area.

Ward 3: DEVELOPMENT PRIORITIES

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W3/01	Resealing of 1km road: Kiepersol Street					
IDP-W3/02	Providing of curbing for internal roads					
IDP-W3/03	Take over of Da Gama Road					
IDP-W3/04	Maintenance of internal roads (potholes) and stormwater infrastructure					
IDP-W3/05	Replacement of Mimosa water-pipe					
IDP-W3/06	Street names for the new ward extension					
IDP-W3/07	Boardwalks along beaches					
IDP-W3/08	Walkways along da Gama Road					
IDP-W3/09	Wi-fi					
IDP-W3/10	Sustainable electrical bulk supply		R4 530 000			
IDP-W3/11	3 Safety Cameras in the Ward					

WARD 4





Cllr J Alexander

Ward 4 is located in the southwest part of Kouga Local Municipality. It consists of Kruisfontein, Jeugkamp, Die Berg, Ext 391-Northside, 7de Laan, Maak 'n Las, Gill Marcus, Mooi-uitsig, and Donkerhoek. The extent of the ward is 308.4 square kilometres. The oldest hand rung bell can be found at the historic United Congregational Church that was built in 1839.

The surrounding beautiful mountains can offer day hikes, bike rides and unforgettable adventures. The community in Kruisfontein and Die Berg use to be small scale crop and cattle farmers.

Ward 4: DEVELOPMENT PRIORITIES

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W4/01	High Mast Lights					
	Upgrading of all lights in Gill Marcus					
IDP-W4/02	Upgrading, tarring, or paving of roads (Freezier, Aalwyn, Tolbos, Aandblom, Besembos, Suiderkant, Bloulelie, Pendoring, Fynbos, and Suikerbos					
IDP-W4/03	Containerize toilets					
IDP-W4/04	Land for livestock farming and agriculture					
IDP-W4/05	SMME Development					
IDP-W4/06	Street names					

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W4/07	Land tenureship					
IDP-W4/08	Animal Impoundment Centre					
IDP-W4/09	MPCC opposite graveyard/community hall					
IDP-W4/11	Restoration and Rehab Centre					
IDP-W4/12	Access road (N2 and internal link roads)					
IDP-W4/13	Clinic					
IDP-W4/14	Agri-school					
IDP-W4/15	Water connection for agriculture in Kruisfontein					
IDP-W4/16	Mini Skip Bins					
IDP-W4/18	Recycling					
	Installation of CCTV Camaras in strategic places					
	Upgrading of playparks in Gill Marcus with decent fencing					

WARD 5





Cllr M Nicholls

Ward 5 is located in Humansdorp one of the 9 towns in Kouga Local Municipality. It consists of Arcadia, Bo-Blok, Van Lingen Park, Ext 391-South Side, Vaaldam and Johnson's Ridge. The extent of the Ward is 1.7 square kilometres with a population of 6643

Ward 5: DEVELOPMENT PRIORITIES

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W5/01	Storm water					
IDP-W5/02	Safety and security					
IDP-W5/03	Paving of side-walks					
IDP-W5/04	Restoration of Old age home					
IDP-W5/05	Waterborne sewer system for Johnson-ridge, Prins Street and Bo-blok					
IDP-W5/06	Visible Policing					
IDP-W5/07	Streetlights					
IDP-W5/08	Housing FLISP					
IDP-W5/10	Bulk Infrastructure Services					
IDP-W5/11	Restoration of playgrounds					
IDP-W5/12	Land (Kruisfontein Civic Multipurpose Centre)					



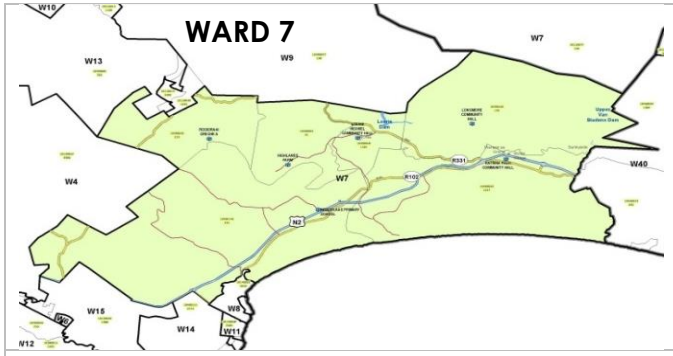


Cllr K Ndzelani

Ward 6 is located in Humansdorp within the Kouga Local Municipality. It consists of KwaNomzamo Eastside, Vergenoeg, Shukushukuma, Humansdorp Town, Boskloof and Phola Park. The extent of the Ward is 1.1 square kilometres with a population of 7395.

Ward 6: DEVELOPMENT PRIORITIES

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W6/01	High Mast Lights – Lower Golf Course					
IDP-W6/02	Street Names					
IDP-W6/03	Land					
IDP-W6/04	Beautification of entrance					
IDP-W6/05	CCTV Cameras					
IDP-W6/07	Street Names					
IDP-W6/11	Stormwater Drainage					
IDP-W6/12	Sport field development					
IDP-W6/13	Upgrading of KwaNomzamo Waste Water Treatment Plant					
IDP-W6/14	Clinic					
IDP-W6/15	Convert Hall into Multi-purpose Centre					
IDP-W6/16	Upgrading of Gravel Road					
IDP-W6/17	Eradication of Bucket System					
IDP-W6/18	Development of informal settlements					
IDP-W6/19	Unfinished housing projects					



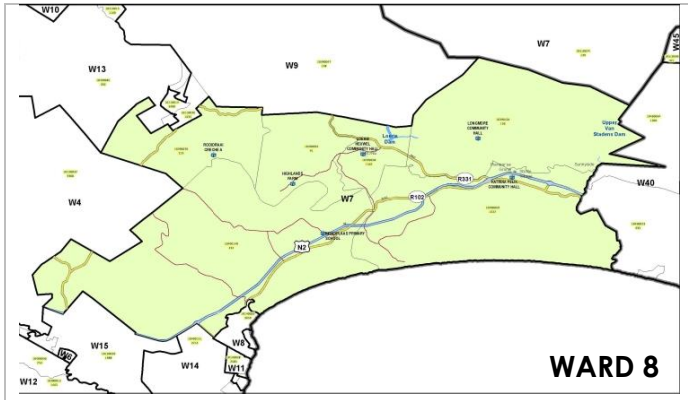


Cllr E Mbuqu

Ward 7 consists of Loerie, Thornhill & Gamtoos Mouth. **Loerie** Apart from hosting the annual Naartjie Festival which, obviously, naartjies are the main attraction, but visitors are also able to sample a variety of vegetables and food and enjoy music from the stage, the small town of Loerie has an interesting history.

Ward 7: DEVELOPMENT PRIORITIES

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W7/01	Land for cemetery, commonage and housing					
IDP-W7/02	Job Creation					
IDP-W7/03	Bulk Infrastructure (Thornhill New reservoir, Upgrade of WWTW)					
IDP-W7/04	High School					
IDP-W7/05	Skills Development Programmes					
IDP-W7/06	Construction and rectification of houses					
	Upgrading of Informal Settlements					
IDP-W7/07	Upgrading of roads					
IDP-W7/08	Need for Sport field and playparks					
IDP-W7/09	Streetlights					
IDP-W7/10	Night Clinic					
IDP-W7/11	Abet School for Adults					
IDP-W7/12	Mobile Police Station					
IDP-W7/13	Rehabilitation Centre					
IDP-W7/14	Fire Station					





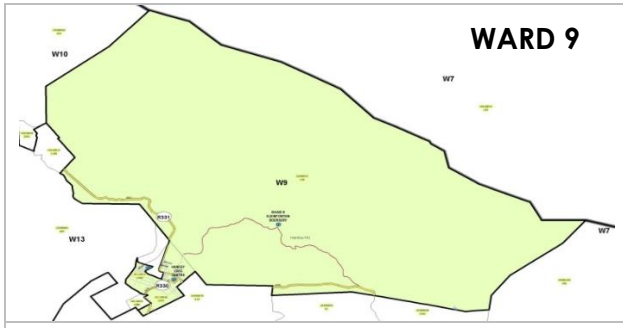
Cllr R Foley

Wavecrest is a rather large suburb in Jeffreys Bay, taking up a huge chunk of the area. Property investment in a holiday home in Wavecrest is a brilliant opportunity to make your investment work for you. When you are not enjoying the peace and tranquillity of a coastal getaway, rent out your holiday home to earn extra income or let the property pay for itself. The suburb was established in the mid-1970s and is almost 90% developed.

Ward 8 is located is centre of Kouga LM. It consists of Upper Wavecrest. 8 square kilometres and 799.1 people per square kilometre.

Ward 8: Development Priorities

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W8/01	Replacement of old asbestos water pipes (Burst pipes only)					
IDP-W8/03	Pedestrian walkways in Noorsekloof, Seetuin, Dogwood and Myrtle Street					
IDP-W8/04	Upgrading and resealing of Myrtle Street					
IDP-W8/07	Internal sewer reticulation for Salie, Doornboom, Blombos, Silvertree, North Dogwood, Blackwood, Campher Tree, Pink Oak and Wildplum Streets					
IDP-W8/08	Entertainment for the youth (BMX Bike track between Zoetelief & R101)					
IDP-W8/09	Solar Street lights (Noorsekloof, Dogwood, Beach house, Beefwood Park, Mimosa)					
IDP-W8/10	CCTV Cameras (Corner Noorsekloof, Da Gama, R102 & Jacaranda, Wavecrest from Sands)					
IDP-W/811	Old Age retirement centre (Investigate Private Public Partnership)					
IDP-W8/15	Upgrade of Noorsekloof Nature Reserve (wooden walkways, bush clearing to open walkways, signs in Da Gama and in Dogwood Road)					



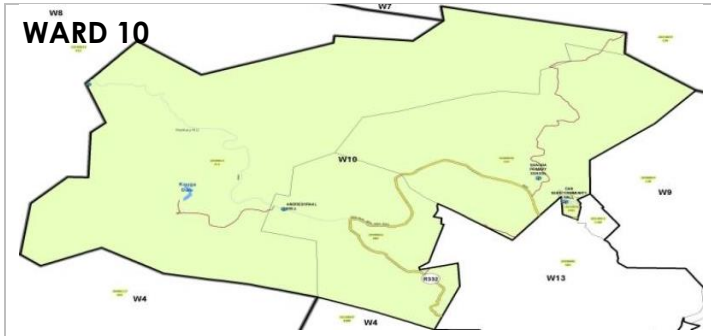


Cllr C August

Ward 9 is located in the Northeast part of Kouga Local Municipality. It consists of Phillipsville, Hankey Town, Rosedale, Kleinfontein, Old Hankey, Stofwolk, Silvertown, Smartietown and Ext 3. The extent of the ward is 319.6 square kilometres.

Ward 9: DEVELOPMENT PRIORITIES

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W9/01	Water security (New Boreholes, package plant & new generator)					
IDP-W9/02	Fencing of existing graveyards					
IDP-W9/03	Clinic and ambulance service					
IDP-W9/04	Safety and Security					
IDP-W9/05	Land for livestock farming					
IDP-W9/01	Upgrading of gravel roads					
IDP-W9/02	Rehabilitation Centre					
IDP-W9/03	Land for churches					
IDP-W9/04	SMME Development for locals					
IDP-W9/05	Need for Social Housing and First Home Finance (FHF)					
IDP-W9/06	Stormwater drainage system					
IDP-W9/07	Redevelopment of Yellow Woods					
IDP-W9/08	Multipurpose Centre					
IDP-W9/10	Maintenance of R333 link road					
IDP-W9/12	Refurbishment of heritage assets					
IDP-W9/13	Upgrading of Old Sport field					
IDP-W9/14	Proper seating municipal facilities					





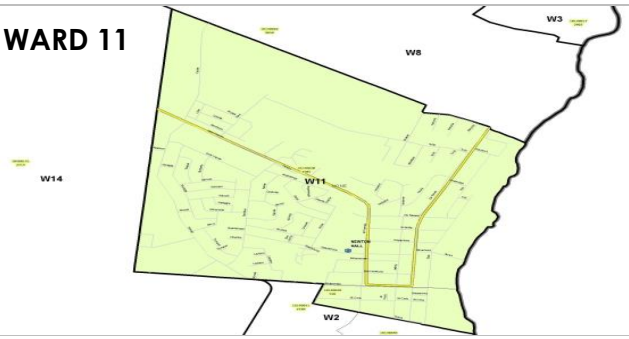
Cllr M Mbandana

Ward 10 is located in the northern point of Kouga. The extent of the ward is 478.5 square kilometres with a population of 6932. The Ward is surrounded by Citrus and host a striving Citrus Industry.

Ward 10: Development Priorities

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W10/01	Upgrading of Human Settlements (IRDP, Housing 278, Informal Settlements upgrading & Agri-village) Andrieskraal and Patensie					
IDP-W10/02	Land: Cemetery & Agricultural School (Andrieskraal)					
IDP-W10/03	Fencing of 1st graveyard and Ramaphosa					
IDP-W10/04	Sport field in Andrieskraal					
IDP-W10/05	Bulk Sewer Provision					
IDP-W10/06	Upgrading ambulance building					
IDP-W10/07	Creche: Andrieskraal					
IDP-W10/08	Streetlights					
IDP-W10/09	Chemical Toilets					
IDP-W10/10	Mobile Clinic					
IDP-W10/11	Speed Calming Measures					
IDP-W10/12	Resealing of Roads					
IDP-W10/13	Upgrade Kouga Dam					
IDP-W10/14	Water					
IDP-W10/15	Stormwater Drainage					
IDP-W10/16	Library between school and clinic: Patensie					
IDP-W10/17	Electrification for Shack Dwellers in Patensie					
IDP-W10/18	Upgrade Road 331					
IDP-W10/19	Wastewater Treatment Plant					
IDP-W10/20	Demarcation of areas for SMMEs (Support Centre)					
IDP-W10/21	Township Tourism					
IDP-W10/22	Graveyard Andrieskraal					

WARD 11





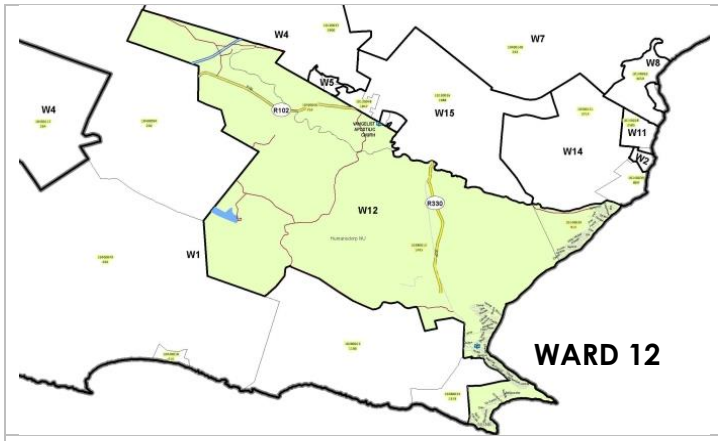
Cllr F Heystek

Ward 11 is located in the Northeast part of Kouga Local Municipality. It consists of Jeffreys Bay Central, C-Place and The Sands Jeffreys Bay Central, C-Place and The Sands. The extent of the ward is 3.6 square kilometres.

Ward 11: Development Priorities

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W11/01	Tarring of Dolley Varden Street to be entered into the list of streets for upgrading and tarring					
IDP-W11/02	Link the whole CBD with a broad pedestrian pavement					
IDP-W11/03	Sewer overflow at Koraal pumpstation to be re-assessed and fixed to minimise the smelling					
IDP-W11/04	Resealing of St Croix Street					
IDP-W11/05	CCTV Cameras for open spaces					
IDP-W11/06	Circle at the Dogwood and Koraal Street inter-section					
IDP-W11/07	General flow and future demand of sewer in Jeffreys Bay					
IDP-W11/08	Urgent upgrading of Koraal and La Mer sewer pumpstation					
IDP-W11/09	Playpark for main beach					
IDP-W11/10	Widening of Da Gama, Woltemade and St Francis Street					
IDP-W11/11	Pavement of St Francis Street					
IDP-W11/12	Prioritization of functioning and annual allocation of grant-in-aid to Kouga Sports Council					
IDP-W11/13	Pedestrian traffic lights at Da Gama and Woltemade					
IDP-W11/14	Ski-boat clubhouse and slipway					
IDP-W11/15	More attractive shops					
IDP-W11/16	Give street air with the right indigenous trees and other plants who don't attract the birds or make damage to the pavement					
IDP-W11/17	Redirect traffic to Neptunes terrace					

IDP-W11/18	Newer and disabled friendly accessible playparks and walkways to beaches and municipal buildings					
IDP-W11/19	New Streetlight circuit for the area including the upper Tulip Street area and Disa Street around the Jeffreys Bay Golf Course		-	R50 000		





Cllr L Mareé

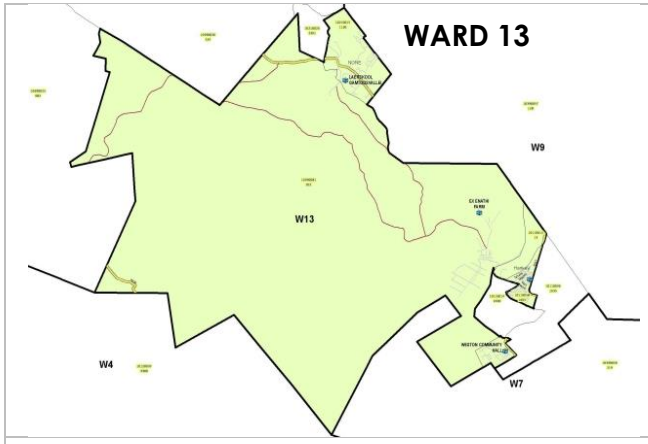
Ward 12 is situated in St Francis Bay and extends to Cape St Francis and includes the Paradise Beach areas. It is generally characterized by the unique sense of an exclusive paradise as well as suburban bliss seaside retreat.

The seaside village not only boasts glorious beaches, excellent water sports and a leisurely lifestyle, but also has safe, secluded homes, making it a uniquely styled town.

Ward 12: Development Priorities

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W12/01	Water security (2 boreholes and WTP completed)					
IDP-W12/02	Replacement of all old asbestos water pipelines (SFB, CFS & Paradise Beach)					
IDP-W12/03	Seekoei Estuary and Causeway					
IDP-W12/04	Resealing of Johan Muller, Protea, Derik (Paradise Beach) and Grand Camore					
IDP-W12/05	Leaking reservoir in Paradise Beach					
IDP-W12/06	Rock revetment, spit and dune management (Coastal Management Plan for CSF, SFB and Paradise to save the beaches					
IDP-W12/07	Restoration of the erosion of the main beach CFS (Seal Point Boulevard)					
IDP-W12/08	Harbour road plan to curb additional erosion					
IDP-W12/09	Repairs to erosion of Kromme riverbank adjacent to Shore Road between Canal Road intersection pumphouse					
IDP-W12/10	Fixing George and Anne Road after floods					
IDP-W12/11	Fixing of slipway in Paradise Beach (Botha Laan)					
IDP-W12/12	Law enforcement to curb stray animals, by-laws and crime					

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W12/13	Waterborne sewer system					
IDP-W12/14	Wastewater pump upgrading: Wastewater pumpstations upgrade with 2 pumps in each station (on-going project)					
IDP-W12/15	Replacement of all old asbestos water pipelines (SFB, CSF & Paradise Beach)					
IDP-W12/16	Law enforcement speeding (Speed calming measures at Tarragona, St Francis Drive, Lyme Road North & Da Gama (CSF), Johan Muller (Paradise Beach) Immergroen & Harmonie					
IDP-W12/17	Fixing of tar roads and tarring of gravel roads in CSF and Paradise Beach.					
IDP-W12/18	Tarring of access road between Paradise Beach and Humansdorp (Provincial)					
IDP-W12/19	Upgrading and maintenance of storm water drainage					
IDP-W12/20	Repair of the Paradise Causeway					
IDP-W12/21	Upgrading of water pipeline in Canal Road, Shore Road and Seaglades					
IDP-W12/22	Faster reaction time from municipality on reported complaints					
IDP-W12/23	Fixing of Seebries Avenue (road needs stormwater as the road is busy collapsing) (Paradise Beach)					
IDP-W12/24	3-Day turnaround of sewerage trucks for septic tank services					
IDP-W12/25	Maintenance of beach facilities (on-going project). Expansions of the ablution block at small boat harbour on canals (La Dique), and paving next to the facility to additional parking					
IDP-W12/26	Illegal signage					
IDP-W12/27	Upgrading of road to boat launching site at Kromme River Bridge					
IDP-W12/28	Missing Street names and signage					
	Upgrading of Canal Bridges					
	Paving of the grass area next to the ablution block at the small harbour to provide additional parking					
	Upgrading of Shore Road bridge railing					
	Grading of gravel road in Cape St Francis & Paradise Beach					
IDP-W12/29	Cycle lanes					





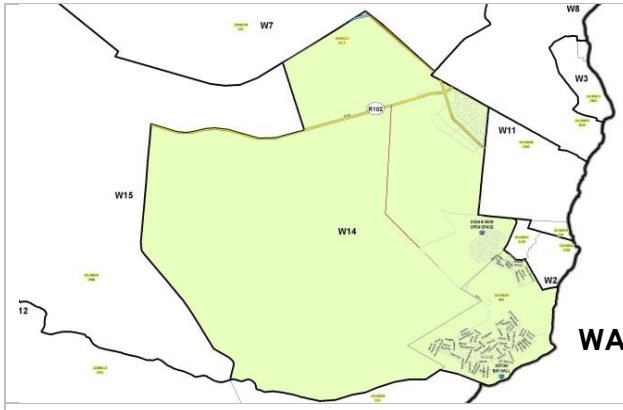
Cllr V Zana

Ward 13 consists of Hankey Weston, a portion of Centerton, Patensie Town, and surrounding farms. Situated where the Klein and Gamtoos rivers converge, Hankey is a small town. The Gamtoos River Valley is characterised by wide, fertile flood plains associated with low-lying land. Steep and less-fertile slopes flank the Valley.

The hubs of this high-potential agricultural region are the towns of Patensie and Hankey situated in the Gamtoos River Valley and offers significant services to its surroundings areas. The Gamtoos and Kromme are also two major water source supply for the Kouga area.

Ward 13: Development Priorities

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W13/01	Sewerage (Weston)					
IDP-W13/02	Streetlights (1 x High Mast Light for Weston and 1 for Vergenoeg)					
IDP-W13/03	Eradication of mud houses					
IDP-W13/04	Sport fields					
IDP-W13/05	Stormwater Drainage System (Madlwabinga Street)					
IDP-W13/06	Day Hospital					
IDP-W13/07	Land cemeteries (Identify new land)					
IDP-W13/08	Paving/Tar (Thangana Str.)					
IDP-W13/09	Indoor Sport Centre (Centerton)					
IDP-W13/10	Soetkloof Farm (land for commonage & agriculture)					
IDP-W13/11	Upgrading of RDP houses (Bad workmanship)					
IDP-W13/12	Ambulance Depot					
IDP-W13/13	Internet for Libraries					
IDP-W13/14	Church Sites					
IDP-W13/15	TVET College					



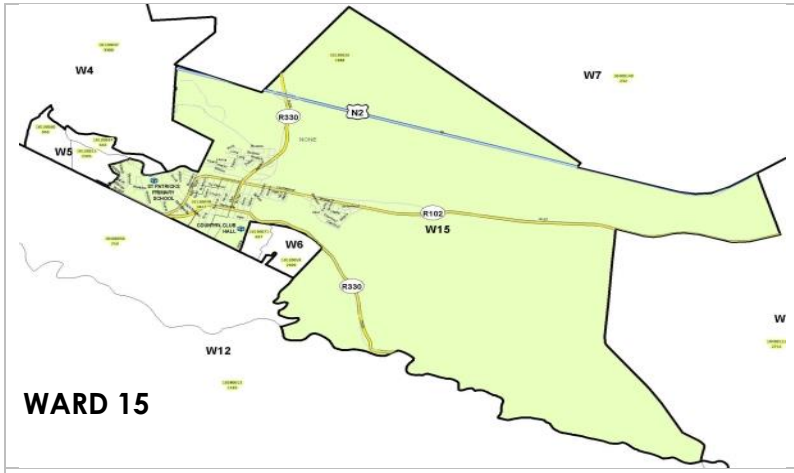


Cllr M Yali

Ward 14 is located in Jeffreys Bay south side of Kouga Local Municipality. It consists of Tokyo Sexwale and Ocean View. The extent of the Ward is 41.6 square kilometres with a population of 11 182.

Ward 14: Development Priorities

IDP REF.	Priority	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W14/01	Land for Ocean View Clinic					
IDP-W14/02	New Housing Project					
IDP-W14/03	Converting of illegal dumping areas into church sites					
IDP-W14/04	**Re-tarring of roads:** Cyril Ramaphosa & Solomon Mahlangu **Paving:** Griffits Mxenge, Zwelinzima Vavi, Sparrow Mkhonto, Blade Nzimande, Dulcie September, Vali Musa, Beyers Naude & Jeff Radebe.					
IDP-W14/05	Electrification of backyard dwellers					
IDP-W14/06	Multi-Purpose Centre					
IDP-W14/07	Land for Ocean View Library					
IDP-W14/08	Electrification of Informal Area (Ocean View)					
IDP-W14/09	Eradication of Bucket System					
IDP-W14/10	Investigate transit camps					





Cllr T Jantjes

Ward 15 is located is the centre of Kouga LM. It consists of Panorama, Arcadia, Graslaagte, Humansdorp Central, Westside, Moerasrivier, Boskloof and Upper Golf Course. 53 square kilometres and 126. 9 people per square kilometre.

Ward 15: Development Priorities

IDP Ref	Status	Status	Budget Linkage			
			2023/24	2024/25	2025/26	2026/27
IDP-W15/01	Eradication of bucket system					
IDP-W15/02	Safety – establishing neighbourhood watch, street committees, CCTV Cameras					
IDP-W15/03	Upgrading of roads (Gravel to Tar)					
IDP-W15/04	Bush clearing					
IDP-W15/05	Upgrading, cleaning and maintenance of sport field					
IDP-W15/06	Streetlights					
IDP-W15/07	Storm water drainage and flooding of roads and houses during heavy rains					
IDP-W15/08	Establish a business forum					
IDP-W15/09	Fixing of potholes					
IDP-W15/10	Local economic development					

2.28.3 Ward Priorities Per Sector Department

The tables below indicate community identified needs that are falls within the ambit of Sector Departments, the priorities have been assigned to the specific department:

SECTOR DEPARTMENT: DEPARTMENT OF AGRARIAN REFORM						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Agri-school facility	Provide agricultural skills and provide the necessary/ relevant qualification	Ward 4				

SECTOR DEPARTMENT: DEPARTMENT OF ARTS AND CULTURE						
PRIORITY	DESCRIPTION	WARD/ AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Refurbishment of heritage buildings and assets	Refurbishing of heritage buildings and assets	Ward 9				

SECTOR DEPARTMENT: DEPARTMENT OF COMMUNITY SAFETY						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Safety Committee Forum	Safety Committee Forum	Ward 2				
Safety and security	Curbing of Gangsterism at schools and communities Establishment of Neighbourhood Watches within both wards	Ward 5 Ward 9				
Mobile Police Station	Mobile Police Station	Ward 7				

SECTOR DEPARTMENT: DEPARTMENT OF CORPORATE GOVERNANCE AND TRADITIONAL AFFAIRS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Upgrading, tarring, or paving of roads	Municipality requires assistance with MIG funding	Ward 4				
Upgrading of treatment plant	Municipality requires assistance with MIG funding	Ward 6				
Upgrading of Old Sport Field	Upgrading of old sport field	Ward 9				
Resealing of the following streets: St Francis Drive Grand Camore Triton Da Gama	Resealing of streets	Ward 12				

SECTOR DEPARTMENT: DEPARTMENT OF CORPORATE GOVERNANCE AND TRADITIONAL AFFAIRS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Derik Johan Muller Boulevard						
Upgrading and grading of gravel roads in Cape St Francis Bay and Paradise Beach	Upgrading and grading of gravel roads in Cape St Francis and Paradise Beach	Ward 12				
Upgrading, cleaning & maintenance of sport fields	Upgrading, cleaning & maintenance of sport fields	Ward 15				

SECTOR DEPARTMENT: DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
SMME Development for locals	Create opportunities for small business owners including training on financial management.	Ward 9				

SECTOR DEPARTMENT: DEPARTMENT OF EDUCATION						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Shelter for Scholars	Shelter for Scholars	Ward 1				
Abet School for adults	Abet School for adults	Ward 7				
High School	High School	Ward 7				

SECTOR DEPARTMENT: DEPARTMENT OF ENVIRONMENTAL AFFAIRS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Rehabilitation of Dunes	Rehabilitation of Dunes	Ward 1				
Seekoei Estuary and Causeway	Intervention with regards to the odour experience in the area. Engagement between all affected stakeholders to address matter.	Ward 12				
Rock revetment, spit, and dune management	Rock revetment, spit and dune management	Ward 12				
Land cemeteries	Identify new land	Ward 13				

SECTOR DEPARTMENT: DEPARTMENT OF HEALTH						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Improvement of existing health facilities	Improvement of existing health facilities	Ward 2				
Clinic	Construction of a clinic	Ward 6				
Night Clinic	Provision of mobile health services. Availing of ambulance services within the area. The ambulance can be parked at a central point where it can arrive quickly at point of request.	Ward 7				
Clinic and ambulance services		Ward 9				
Mobile Clinic		Ward 10				
Ambulance Depot	Ambulance Depot	Ward 13				
Day Hospital	After hour health services are huge need within the area. The current situation is causing serious financial strain on the community as they have to attend hospital services.	Ward 13				

SECTOR DEPARTMENT: DEPARTMENT OF HUMAN SETTLEMENTS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Formalisation of informal settlement	Formalisation of informal settlement	Ward 1				
Housing FLISP	Provision Housing FLISP	Ward 5				
Eradication of Bucket System	Eradication of Bucket System	Ward 6 Ward 15				
Construction and rectification of houses	Construction and rectification of houses	Ward 7				
Need for Social and FLISP Housing	Need for Social and FLISP Housing	Ward 9				
Housing 278	Housing 278	Ward 10				
Illegal Shacks in Sea Vista	Illegal Shacks in Sea Vista	Ward 11				
New Housing Project	New Housing Project	Ward 14				

SECTOR DEPARTMENT: DEPARTMENT OF SOCIAL DEVELOPMENT						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Rehab Centre for drug and substance abuse	Establishment of a Rehab Centre for drug and substance abuse	Ward 1				
Youth Development Centre	Establishment of a Youth Development Centre	Ward 1				
Centre for the Differently abled persons	Centre for the Differently abled persons	Ward 1				
Rehabilitation Centre	Establishment of a Rehabilitation Centre	Ward 7 Ward 9				
Early Childhood Development Centre	Early Childhood Development Centre	Ward 9				

SECTOR DEPARTMENT: DEPARTMENT OF PUBLIC WORKS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Multi-Purpose Centre	Multi-Purpose Centre	Ward 9				

SECTOR DEPARTMENT: DEPARTMENT OF ROADS AND TRANSPORT						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Takeover of Da Gama Road	Takeover of Da Gama Road	Ward 3				
Access road (N2 and interlink roads)	Access road (N2 and interlink roads)	Ward 4				
Maintenance of R333 link road	Maintenance of R333 link road	Ward 9				
Upgrade Road R331	Upgrade Road R331	Ward 10				
Widening of Dama, Woltemade and St Francis Streets	Widening of Dama, Woltemade and St Francis Streets	Ward 11				
Upgrading of roads	Upgrading of roads	Ward 15				

SECTOR DEPARTMENT: DEPARTMENT OF LAND REFORM AND RURAL DEVELOPMENT						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Animal impoundment Centre	Animal impoundment Centre	Ward 4				
Land tenureship	Land tenure ship	Ward 4				
Land for livestock farming and agriculture	Land for livestock farming and agriculture	Ward 4				
Land for livestock farming	Land for livestock farming	Ward 9				
Agricultural School Land	Agricultural School Land	Ward 10				

SECTOR DEPARTMENT: DEPARTMENT OF PUBLIC WORKS						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Land (Kruisfontein Civic)	Land (Kruisfontein Civic)	Ward 5				

SECTOR DEPARTMENT: DEPARTMENT OF WATER AND SANITATION						
PRIORITY	DESCRIPTION	WARD/AREA	BUDGET YEAR			
			23/24	24/25	25/26	26/27
Upgrade Kouga Dam	Upgrade Kouga Dam	Ward 10				

CHAPTER 3: STRATEGIC GOALS AND INTERGOVERNMENTAL ALIGNMENT

3.1 INTRODUCTION

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

In the State of the Municipal Address (SOMA) the Executive Mayor mapped out the strategic direction for the 2024/2025 financial year.

The Executive highlighted the following ongoing key development priorities:

- Streamlining Customer Care: Kouga is committed to bringing open, accessible, transparent, and accountable government to all residents across the Kouga region.
- Roads
- Renewable energy
- ISUP

The municipality went through a 2-day strategic session where the strategy of the municipality was discussed in depth and a new way of taking forward the organisation was crafted by the political and administrative leadership of Kouga.

3.2 ORGANISATIONAL SWOT ANALYSIS



3.3 VISION, MISSION AND VALUES

The strategic deliberations led to council identifying the most critical challenges and agreed on a new vision and mission that will craft a new developmental path for the Kouga municipal area.

The Kouga vision is characterised by the following fundamental components:

- **Sustainability**
- **Shared vision,** all working together to forge partnerships with communities and other key stakeholders including sector departments.
- **Clean Governance**, where political and administrative leaderships uphold the principles of good governance.
- All of its **people living in dignity** with the desperate conditions of informal settlements in mind
- All **living in harmony** with the high degree of diversity in our communities in mind
- A **viable economy** able to create employment and wealth opportunities to all of its communities

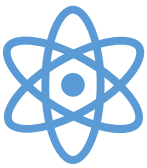


Vision: Service Excellence through Good Governance.



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.



Values:

- Accountability and Transparency: Taking responsibility for actions and decisions while being open and honest with our colleagues and the public.
- Efficiency and Effective: Developing systems and our staff and ensuring optimal use of resources to achieve the best outcomes timeously.
- Equity and Respect: Treating everyone fairly, with dignity, and fostering an inclusive environment.
- Integrity and Professionalism: Definition: Upholding strong moral principles and consistently delivering quality service.
- Empathy and Compassion: Understanding and addressing the needs of the community with care and kindness.

Kouga Municipality conforms and is committed to uphold the Batho Pele Principles as set out in the White Paper on Transformation on Public Services, 1995.



Goals:

The following goals have been identified for Kouga Municipality:

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

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

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

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

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

3.4 KEY DEVELOPMENT CHALLENGES

The Kouga Municipal Council has through numerous strategic engagements and platforms identified the most critical challenges and what the impact thereof is caring for the present and future sustainability of the municipality.

i) Infrastructure Developments

- Aging Infrastructure (Roads, Fleet)
- Insufficient & Dilapidated Sever Infrastructure
- Dysfunctional Pump Station
- Waste collection / Rehabilitation of landfill sites/ Sewerage Systems / Illegal Dumping / Waste Consumption
- Lack of Maintenance
- Capacity of Cemetries

ii) Information Management

- Poor / Lack of Records & Data
- Lack of Systems (Limited Electronics Automated Systems)
- Delays or Lack of accurate information / Clear guidelines received from departments.

iii) Organisational / Capacity Development

- Lack skills in most departments
- Staff issues / Low staff morales, Productivity
- Efficiency, discipline, staff retention, more position to be funded & staff having to work in dangerous conditions in certain departments
- Lack of Communication
- Lack of resources in most departments
- Lack of inter departmental cooperation
- Insufficient workshop & office spaces
- Staff employed on contract for extend period/ Temporary Staff (may not work on Machines / Drive Official Vehicles/ may not work overtime to address emergencies)
- Shortage of Management & Supervisors
- No proper strategy for some areas in place
- Change Management it's not being discussed

iv) Compliance

- Mayors' office having to attend escalated Public Queries, which are not being delt with timeously by other departments.
- Failure if directorates to adhere to provisions of the SOPs for legal services.

- Non-compliance with legislative provisions by Directorates posing a risk to the municipality.
- Submission from agents not complaint with legal requirements

v) Safety & Security

- Stray Animals
- Fire Risk is evidence in Satellite Offices
- Gangsterism / Theft / Vandalism

vi) Communication & Public Participation

- Inconsistent evaluation of public involvement in decision making
- Vast geographical spread of the wards (Impacts on the visibility & meaningful Public Participation of these communities.
- Reactive approach rather than a proactive approach
- Non responsiveness on the Social Media Communication Platform

vii) Climate change

- Draught
- Soil erosion

In addressing these challenges, the municipality believes that it will unlock economic development and also improve socio conditions.

The municipality developed eight (8) Strategic Focus Areas (SFAs) based on the National Key Performance Areas (KPAs) with 7 Strategic Objectives aligned to the SFAs:

Strategic Map:

SFA	KEY FOCUS AREA	SO	STRATEGIC OBJECTIVE
FIN	Financial Viability	SO1	Enhance financial management and effective utilisation of resources, thereby ensuring the long-term viability and sustainability of the organisation.
BSD	Basic Service Delivery	SO2	Provide excellent, sustainable service delivery to all residents.
SPLHSE	Spatial Planning, Land, Human Settlements and Environmental Management	SO3	Facilitate the sustainable incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents.
INST	Institutional Development Talent Management	SO4	Attract, develop and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance.
SS	Safety and Security	SO5	Establish and maintain a robust safety and security framework for municipal assets,

SFA	KEY FOCUS AREA	SO	STRATEGIC OBJECTIVE
			protecting critical infrastructure, resources, and information, while fostering a resilient and secure environment for the community.
LED	Tourism and Economic Development	SO6	Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive economies, sustainable and decent employment.
GOV	Good Governance	SO7	Adherence to implementation of effective and efficient governance processes

3.5 STRATEGIC POLICY DIRECTIVE

At several points during the IDP process, alignment with other tiers of government is required. The tool used to integrate and synchronize the IDP Process across many government sectors is alignment. How the District Municipality, the National and the Provincial Government can help the municipality meet its development goals must be made clear by the alignment process.

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

Kouga Municipality identified critical focus areas listed below at the beginning of the 2022-2027 IDP cycle and these focus areas still remain as a priority to the organisation:

Focus Areas	Narrative
	▪ Adopt a broad, integrated approach to improving the efficiency of "city" operations, the quality of life for its citizens, and growing the local economy. ▪ A smart city is a developed area that creates sustainable economic development and high quality of life by excelling in multiple key areas: Economy, Environment, Living, Mobility, People, Government.
	▪ Kouga is growing. ▪ Municipality has to keep pace by offering: ▪ Service delivery excellence ▪ Financially stability, ▪ Well-structured organization that is an enabler of a resilient economy
	▪ Deploys smart waste, disposal and monitoring solutions. ▪ Deals with more than just litter, waste collection and disposal. ▪ Manage pollution in both the air and all bodies of water as well as noise levels in neighbourhoods ▪ Provides humane sanitation services to all of its citizens and ensures that water to their taps is free of harmful

Focus Areas	Narrative
	bacteria and chemicals and meets acceptable standards. ▪ Creates clean, well-maintained public spaces that foster community pride, ▪ Builds a sense of public ownership and ▪ Deters anti-social behaviour such as vandalism and destruction of public spaces & facilities ▪ Harnesses technological innovation to measure safety e.g. Air pollution
	▪ Deliver services to our citizens, in an efficient, cost effective and timely manner and at a level of quality that residents can expect for the charges they pay. ▪ Success is based on: ▪ centralization of data and ▪ access to information at the click of a button, ▪ customer relationship management, ▪ strong communication systems and customer centricity ▪ correct organizational structure ▪ appropriately skilled personnel
	▪ its local development in the principles of green growth and equity: ▪ reducing waste ▪ expanding recycling – creating circular economic activities ▪ lowering emissions ▪ increasing housing density ▪ mixed land use and social mix practices in its planning systems ▪ housing and buildings are energy efficient and water saving ▪ expanding open space ▪ creating and preserving green spaces ▪ encouraging the development of sustainable local businesses ▪ generating energy through renewable sources
	A safe municipality engages in activities that enables municipality and security partners to better protect their citizens from a range of threats. It is an essential pillar supporting the development of smart cities.
	▪ To display kindness and concern for the well-being of the citizens of the Kouga Municipal area. ▪ The Municipality shows a caring attitude towards its residents.

The following four strategic targets are key focus points have been added to the above focus areas in order to enhance the municipality's strategic thrust for the remainder of the term of council that will contain three budget cycles.

- The resealing of Kouga Municipality surfaced roads is a priority that could no longer be postponed and needs immediate intervention. Due to the rapid deterioration of municipal surfaced roads after good rains received in 2023 there is a need to invest at least R 200 million in the resealing of 150 km surfaced roads over the next three years. A roads master plan was completed, and the intention is to implement the recommendations in this roads master plan to improve the quality of surfaced roads in Kouga Municipality.

- The second strategic target is to incrementally implement its renewable energy strategy with its main objective of avoiding load shedding and saving money on expensive Eskom electricity tariffs. The main project of this strategy is the construction of a 20 MW solar plant in Humansdorp.

- The third strategic target is the repair and upgrading of all wastewater treatment plants in Kouga Municipality to achieve a minimum of 70% Green Drop compliance score.

- The fourth strategic objective to improve customer services by achieving a 95% achievement of turnaround times according to the approved Customer Service Charter.

3.5.1 Strategic Alignment

The strategic alignment between the National, Provincial, District and Local Government KPA'S that guide the mandate of the municipality are listed, but not limited to, the following:

National Key Performance Area (NKPA)	National Outcome (NOC)	Sustainable Development Goals (SDG)	National Development Plan (NDP)	Provincial Strategic Objectives	Sarah Baartman District Municipality Objectives	Municipal Key Performance Area (MKPA)	
NKPA	**NOC**	**SDG**	**NDP**	**PSO**	**SBDM**	**MKPA**	
NKPA1	NOC1	SDG3	NDP4	PSO3	DMO1	KPA1	Basic Services and Infrastructure
NKPA2	NOC6	SDG4	NDP10	PSO4			
NKPA3	NOC7	SDG9	NDP16				
NKPA4	NOC8	SDG10					
NKPA5	NOC9	SDG12					
	NOC10						
	NOC11						
NKPA4	NOC4	SDG4	NDP1	PSO1	DMO3	KPA2	

National Key Performance Area (NKPA)	National Outcome (NOC)	Sustainable Development Goals (SDG)	National Development Plan (NDP)	Provincial Strategic Objectives	Sarah Baartman District Municipality Objectives	Municipal Key Performance Area (MKPA)	
NKPA	**NOC**	**SDG**	**NDP**	**PSO**	**SBDM**	**MKPA**	
	NOC5	SDG11	NDP3	PSO4			Local Economic Development
	NOC8						
NKPA1	NOC4	SDG8	NDP9	PSO4	DMO2	KPA3	Municipal Financial Viability and Transformation
NKPA4	NOC9		NDP10				
			NDP11				
NKPA2 NKPA1 NKPA5 NKPA1	NOC6	SDG8	NDP3	PSO2	DMO4	KPA4	Good Governance and Public Participation
	NOC10	SDG15	NDP7	PSO4			
	NOC12	SDG17	NDP13				
NKPA5	NOC5	SDG9	NDP11	PSO2	DMO5	KPA5	Municipal Transformation and Organisational Development
NKPA4	NOC4	SDG4	NDP1	PSO1	DMO3	KPA6	Spatial Planning

3.5.2 Key Government Priorities

Key Government priorities to be implemented in District against each of the six pillars:

Table 33:Key Government Priorities

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT			
PILLAR NAME	**NATIONAL/PROVINCIAL/MTSF PRIORITIES**	**EC PDP PRIORITIES**	**DISTRICT/ METRO PRIORITIES**
PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT	**Priority 3:** Education, Skills and Health **Priority 4:** Consolidating the Social Wage through Reliable and Quality Basic Services **Priority 6:** Social Cohesion and Safer Communities	**Goal (Impact Area) 4: Human Development** 1. Increase access to Early childhood development. 2. Improved quality of primary and secondary education for improved educational outcomes. 3. Increase skills for development of the province. 4. Improved health profile and health outcomes in communities. 5. Improve the safety of the people in the Eastern Cape.	1. Improve Service Delivery 2. Socio-economic upliftment

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT			
PILLAR NAME	**NATIONAL/PROVINCIAL/MTSF PRIORITIES**	**EC PDP PRIORITIES**	**DISTRICT/ METRO PRIORITIES**
		6. Promotion of Social Cohesion and moral regeneration. 7. Social Protection and Viable Communities.	
PILLAR 2: ECONOMIC POSITIONING	**Priority 2:** Economic Transformation and Job Creation	**Goal (Impact Area) 1: Innovative and Inclusive Growing Economy** 1. Stronger industry and enterprise support. 2. Rapid development of high-potential economic sectors. 3. Spatially balanced economic development, urban development and small-town revitalization. 4. Digital transformation and development of the ICT sector. 5. Goal (Impact Area) 3: Rural Development and an Innovative and High-Value Agriculture Sector 6. Sustainable community agriculture and diversified livelihoods. 7. Development of agricultural value chains. 8. Accelerate land reform and land rehabilitation programmes.	1. Job Creation 2. Local Economic Development
PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY	**Priority 5:** Spatial Integration, Human Settlements and Local Government	**Goal (Impact Area) 2: An Enabling Infrastructure Network** 1. Develop sustainable and integrated settlements. 2. Goal (Impact Area) 5: Environmental Sustainability 3. Safeguarding ecosystems and existing natural resources. 4. Respond to climate change and green	Spatial integration

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT			
PILLAR NAME	**NATIONAL/PROVINCIAL/MTSF PRIORITIES**	**EC PDP PRIORITIES**	**DISTRICT/ METRO PRIORITIES**
		technology innovations. 5. Improvement of environmental governance.	
PILLAR 4: INFRASTRUCTURE ENGINEERING	**Priority 2:** Economic Transformation and Job Creation **Priority 5:** Spatial Integration, Human Settlements and Local Government	**Goal (Impact Area) 2: An Enabling Infrastructure Network** 1. Build resilient economic infrastructure that promotes economic activity. 2. Universal access to basic infrastructure. 3. Sustainable energy and electricity provision. 4. Develop sustainable and integrated settlements. 5. Improve infrastructure planning, delivery, operations and maintenance.	Basic Service Delivery and Infrastructure
PILLAR 5: INTEGRATED SERVICE PROVISIONING	**Priority 4:** Consolidating the Social Wage through Reliable and Quality Basic Services	**Goal (Impact Area) 2: An Enabling Infrastructure Network** 1. Universal access to basic infrastructure.	Basic Service Delivery and Infrastructure
PILLAR 6: GOVERNANCE AND FINANCE	**Priority 1:** A Capable, Ethical and Developmental State **Priority 7:** A Better Africa and World	**Goal (Impact Area) 6: Capable Democratic Institutions** 1. Building the Capability of the State to deliver. 2. Transformed, Integrated and Innovative Service Delivery. 3. Instilling a culture of good corporate governance. 4. Build multi-agency partnerships.	1. Build Institutional Capacity & Financial Viability 2. Single window of co-ordination 3. Governance and Public Participation 4. Municipal Transformation and Organisational Development

3.5.3 Strategic Objectives aligned to Departmental Objectives

Strategic Alignment					
NKPA	**SO**	**Strategic Objective**	**Outcome**	**Directorate**	**Pre-Determined Objective**
MFVM	SO1	Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	The municipality aims to build a resilient financial foundation, maximize the effective use of financial resources, and sustain long-term viability	Finance & Economic Development	To manage and provide financial services to ensure financial viability, compliance and reporting.
BSD	SO2	Provide excellent, sustainable service delivery to all residents	All residents have equal access to essential municipal services	Civil & Water Services	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.
			150km worth of roads upgraded	Civil & Water Services	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.
			1 megawatt (phase 1), 20 megawatt (phase 2) and 40 megawatt (phase 3) projects realized and electrification of areas	Electromechanical Services	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.
			70% compliance with Green Drop requirements and 5 plants upgraded	Civil & Water Services	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.
MTID	SO2	Provide excellent, sustainable service delivery to all residents	Achievement of 95% of service charter timeframes	All Directorates	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs.
BSD	SO3	Facilitate the sustainable	Human settlements are established and managed to	Planning and Development	To manage and provide planning services in order to ensure the

Strategic Alignment					
NKPA	**SO**	**Strategic Objective**	**Outcome**	**Directorate**	**Pre-Determined Objective**
		incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents	be functional, resilient and contribute positively to the well-being and prosperity of the residents while respecting the principles of sustainability and inclusivity		economic upliftment, growth and development of the municipal area.
MTID	SO4	Establish and maintain a robust safety and security framework for municipal assets, protecting critical infrastructure, resources and information	Municipal infrastructure, resources, and information are effectively safeguarded against theft, physical damage, cyber-attacks, and unauthorized access	Office of the Deputy Municipal Manager	Ensure the safeguarding of municipal infrastructure and information through the implementation of appropriate safety measures
			Pro-active security measures minimize the risk of disruptions to essential services and operations, allowing municipal functions to proceed smoothly	Community Services	To render integrated community services to enhance community development in general and promote a clean and safe environment
			Emergency response plans are well-established and regularly tested, enabling a prompt and efficient response to incidents, which helps mitigate potential damages		
			Access control mechanisms are implemented effectively, preventing unauthorized individuals from gaining entry to sensitive areas and information	Office of the Deputy Municipal Manager	Ensure the safeguarding of municipal infrastructure and information through the implementation of appropriate safety measures
BSD	SO5	Establish and maintain a robust	Residents and stakeholders have confidence in the safety	Community Services	To render integrated community services to enhance community

Strategic Alignment					
NKPA	**SO**	**Strategic Objective**	**Outcome**	**Directorate**	**Pre-Determined Objective**
		safety and security framework fostering a resilient and secure environment for the community	and security of municipal assets, fostering a sense of well-being and trust in local governance		development in general and promote a clean and safe environment
LED	SO6	Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive local economies, sustainable and decent employment	The economic benefits generated by tourism are distributed among various sectors of the community and businesses, ensuring that a broad cross-section of the population participates in the local economy	Finance & Economic Development	To manage and promote financial services to ensure financial viability, compliance and reporting.
GGPP	SO7	Adherence to and implementation of effective and efficient governance processes	A foundation for effective and efficient governance that serves the best interests of the community, promotes accountability, and facilitates sustainable development, has been establish and is adhered to	Office of the Municipal Manager	To ensure that municipal services are administered with the objectives of local government as prescribed in Chapter 7 of the Constitution.
MTID	SO8	Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	A dynamic and capable municipal workforce that can effectively address current and future challenges, contribute to the municipality's success, and provide high-quality services to the community. This includes an established work environment that attracts top talent, nurtures professional growth, and maximizes the potential of its workforce	Office of the Deputy Municipal Manager	To transform the institution into high-performance organisation with a skilled and diverse workforce.

3.6 STRATEGIC FOCUS AREAS

a) KPA1: Basic Services and Infrastructure

Key Performance Area	KPA 1: Basic Services and Infrastructure
Strategic Goal	**Goal 1:** Provide quality, sustainable municipal infrastructure to consistently maintain and improve the needs of the people of Kouga
Strategic Objective	**SO2:** Provide excellent, sustainable service delivery to all residents. **SO5:** Establish and maintain a robust safety and security framework fostering a resilient and secure environment for the community
Key Focus Areas (KFAs)	**KFA 1:** Transport, Roads, Stormwater and Infrastructure **KFA 2:** Water, Sanitation Services and Infrastructure **KFA 3:** Electricity Supply, Efficiency and Infrastructure **KFA 4:** Project Management **KFA 5:** Equipment and Plant **KFA 6:** Solid Waste Management & Infrastructure **KFA 7:** Municipal & Public Facilities **KFA 8:** Safety and Security **KFA 9:** Disaster Management **KFA 10:** Emergency Management **KFA 11:** Traffic, Vehicle Licensing and Parking Control **KFA 12:** Municipal Law Enforcement **KFA 13:** Environmental Management & Climate Change **KFA 14:** Public Health **KFA 15:** Libraries **KFA 16:** Cemeteries
Outcome(s)/Impact	All residents have equal access to essential municipal services 150km worth of roads upgraded. 1 megawatt (phase 1), 20 megawatt (phase 2) and 40 megawatt (phase 3) projects realized and electrification of areas. 70% compliance with Green Drop requirements and 5 plants upgraded Residents and stakeholders have confidence in the safety and security of municipal assets, fostering a sense of well-being and trust in local governance
Strategic Risks	Water Security and Load Shedding. Lack of sufficient capacity of bulk infrastructure (Elec, water, sewerage). Too many residents- too small treatment capacity. Note:" Lack of" refers to land and illegal informal settlements that cannot be serviced by bulk due to, amongst other, location which makes it impossible to be connected to existing services roads, Stormwater, waste).

Municipal Function	Directorate: Civil & Water	Directorate: Electromechanical	Directorate: Community Services
Priority	Water Services Wastewater (Sewer) Stormwater Roads Buildings	Electricity Fleet	Environmental Management Community Amenities Protection Services Environmental Health Parks and Recreation
Predetermined Objectives	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs		

b) KPA2: Local Economic Development

Key Performance Area	KPA 2: Local Economic Development
Strategic Goal	**Goal 2:** Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
Strategic Objective	**SO6:** Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive economies, sustainable and decent employment.
Key Focus Areas (KFAs)	**KFA 24:** Tourism **KFA 25:** Arts and Culture **KFA 26:** Skills Development and Facilitation **KFA 27:** LED and Poverty Alleviation
Outcome/Impact	The economic benefits generated by tourism are distributed among various sectors of the community and businesses, ensuring that a broad cross-section of the population participates in the local economy.
Municipal Function	Directorate: Finance & Economic Development
Pre-determined Objectives	To manage and provide town planning services and ensure the economic upliftment and development in the municipal area

c) KPA3: Municipal Financial Viability and Transformation

Key Performance Area	KPA 3: Municipal Financial Viability and Transformation
Strategic Goal	**Goal 3:** Build financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency
Strategic Objective	**SO1:** Enhance financial management and effective utilisation of resources, thereby ensuring the long-term viability and sustainability of the organisation.
Key Focus Areas (KFAs)	**KFA 28:** Financial Legislation and Compliance **KFA 29:** Financial Management Policies

Key Performance Area	KPA 3: Municipal Financial Viability and Transformation
	KFA 30: Overview of Budget Assumptions **KFA 31:** Operating Revenue Framework **KFA 32:** Operating Expenditure Framework **KFA 33:** Capital Expenditure **KFA 34:** Annual Budget Tables **KFA 35:** Overview and Budget Funding **KFA 36:** Cash Flow Management **KFA 37:** Property Valuation and Property Management **KFA 38:** Information and Communication Technology (ICT) **KFA 39:** Revenue Strategies **KFA 40:** Supply Chain Management
Outcome/Impact	The municipality aims to build a resilient financial foundation, maximize the effective use of financial resources, and sustain long-term viability
Municipal Function	**Finance & Economic Development**
Pre-determined Objectives	To manage and provide financial services to ensure financial viability, compliance, and reporting

d) KPA4: Good Governance and Public Participation

Key Performance Area	KPA4: Good Governance and Public Participation
Strategic Goal	**Goal 4:** Create an enabling environment for active public participation and administrative culture characterized by accountability, transparency and efficiency
Strategic Objective	**SO7:** Adherence to implementation of effective and efficient governance processes
Key Focus Areas (KFAs)	**KFA 41:** Governance Structures **KFA 42:** Audit and Compliance **KFA 43:** Policies and By-laws **KFA 44:** Intergovernmental Relations **KFA 45:** Complaints Management **KFA 46:** SLAs and MOUs entered to **KFA 47:** Legal Services **KFA 48:** Municipal Court **KFA 49:** Communication (Internal and External) **KFA 50:** Marketing and Branding **KFA 51:** Social Cohesion
Outcome/Impact	A responsive municipality based on sound principles which embodies and embrace the rule of law, public participation, accountability and responsibility.
Municipal Function	**Office of the Municipal Manager**

Pre-determined Objectives	To render integrated community services to enhance community development in general and promote a clean and safe environment

e) Institutional Transformation

Key Performance Area	KPA5: Institutional Transformation
Strategic Goal	**Goal 5:** Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government.
Strategic Objectives	**SO8:** Attract, develop and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance.
Key Focus Areas (KFAs)	**KFA 52:** Organisational Structure **KFA 53:** HR Policies and other related documents **KFA 54:** Human Capital and Skills Development
Outcome/Impact	A dynamic and capable municipal workforce that can effectively address current and future challenges, contribute to the municipality's success, and provide high-quality services to the community. This includes an established work environment that attracts top talent, nurtures professional growth, and maximizes the potential of its workforce.
Municipal Function	**Office of the Deputy Municipal Manager**
Pre-determined Objectives	To transform the institution into a high-performance organization with a skilled and diverse work force

f) KPA6: Spatial Planning, Land Use, Human Settlements, Environment Management

Key Performance Area	KPA6: Spatial Planning, Land Use, Human Settlements, Environment Management
Strategic Goal	**Goal 2:** Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
Strategic Objectives	**SO3**: Facilitate the sustainable incorporation and effective management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents.
Key Focus Areas (KFAs)	**KFA 55:** Compliance **KFA 56:** Spatial Rational **KFA 57:** SPLUMA Implementation **KFA 58:** Access to Land and Human Settlements **KFA 59:** Air Quality Management **KFA 60:** Climate Change and Natural Environmental analysis

Key Performance Area	KPA6: Spatial Planning, Land Use, Human Settlements, Environment Management
Outcome/Impact	Creating a more rational territorial organization of land uses and the linkages between them, to balance demands for development with the need to protect the environment and to achieve social and economic development objectives.
Municipal Function	Planning and Development
Pre-determined Objectives	To manage and provide town planning services and ensure the economic upliftment and development in the municipal area.

3.7 KEY PERFORMANCE AREAS RATING AS PER THE MEC ASSESSMENT

The following Key Performance Areas have been identified by the Kouga Municipality.

1. Basic Services and Infrastructure
2. Local Economic Development
3. Municipal Financial Viability and Transformation
4. Good Governance and Public Participation
5. Institutional Transformation
6. Spatial Planning, 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.

3.7.1 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	Municipality commenced with the Public Participation on the establishment of a Co-ordinated Roads and Transport Forum in	Civil & Water	**In progress**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	ITEM DESCRIPTION	COMMENTS BY MEC	ACTION TAKEN	LEADING DEPARTMENT	CURRENT STATUS
		as per agreement solicited between the two parties in April 2023.	support of the Provincial Department as agreed.		
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
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	the Directorate of Community Services and Safety will ensure that inputs are provided during the	Planning & Development/Community Services&	In progress

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
		assessment reports inform the Spatial Development Plan.	Reviewal of the Municipal Spatial Development Framework.	Safety/Municipal Manager	
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**
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**

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 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**
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**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	ITEM DESCRIPTION	COMMENTS BY MEC	ACTION TAKEN	LEADING DEPARTMENT	CURRENT STATUS
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
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	The municipality must indicate whether council and	Yes, there is an Annual Calendar for all meetings of Council and	Corporate & Communication Services	Completed

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
	Public Participation	its structures are convened according to the adopted council calendar.	other Structures that are closely monitored by the Office of the Speaker.		
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**
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**

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	**ITEM DESCRIPTION**	**COMMENTS BY MEC**	**ACTION TAKEN**	**LEADING DEPARTMENT**	**CURRENT STATUS**
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 and Disciplinary Hearings) that discuss matters of mutual interest between Employee.	There is no LLF as SAMWU has dismally failed to elect shop stewards.	Corporate & Communication Services	**On-going**
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**

CHAPTER 4: PROGRAMMES AND PROJECTS

4.1 MUNICIPAL CAPITAL PROJECTS

4.1.1 DIRECTORATE: CIVIL AND WATER SERVICE

SECTION	UKEY NR	FUNDING DESCRIPTION	PROJECT NAME	AMENDED BUDGET 2024/25	2025/26 Draft Budget Inputs	2026/27Draft Budget Inputs
ROADS AND STORMWATER	20240826060961	BORROWINGS	ROADS INFRASTRUCTURE	43,478,261.00	130,434,783.00	
	20230707065827	MIG	UPGRADING KOUGA GRAVEL ROADS	52,608.00	13,478,101.74	10,337,345.83
	20240507060603	MDRG	St Francis Bay - Nevil Road Reconstruction	508,696.00	-	-
	20240507060606	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1,608,696.00	-	-
	20240507060609	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway	6,478,261.00	-	-
		Internal funds	Aston Bay to Paradise Beach - Seekoei Estuary Causeway		1,953,778.96	-
	20240507060612	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424,348.00	-	-
				52,550,870.00	**145,866,663.70**	**10,337,345.83**
		MIG	REFURBISHMENT OF ARCADIA STREET SPS	-	43,478.26	1,785,793.00
		MIG	REFURBISHMENT OF QUEEN STREET SPS	-	43,478.26	-
		MIG	INFRASTRUCTURE MANAGEMENT PLAN	-	1,661,217.39	1,785,793.00
SANITATION	20230808053926	INTERNAL	KWANOMZAMO SEWERAGE PUMP STATION	508,609.00	-	-
	20230808053929	INTERNAL	HANKEY WWTW	4,256,462.00	-	-
	20240131064018	INTERNAL	LA MER NEW SEWER RISING MAIN	6,338,777.00	-	-
	20230707065791	MIG	DESIGN: UPGRADING JEFFREYS BAY SEWER PIPE IN OCEANV	80,500.00	69,565.00	5,000,000.00
	20230707065794	MIG	UPGRADING KWANOMZAMO WWTW	29,169,586.00	6,763,811.30	-
	20230707065806	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200,000.00	86,957.00	80,000.00
	20240710994706	DOHS	Phase 1 Upgrade of Thornhill Sewer Treatment Works	553,739.00	N/A	
	20240710994709	DOHS	Kruisfontein Bulk Sewer -Link Line	1,997,391.00	N/A	
	20240710994712	WSIG	Beach Sewer Pump Station and New Sewer Bypass	1,287,831.00	200,000.00	5,427,753.96
	20240710994715	DOHS	KwaNomzamo Bulk Sanitation -Pump Station & Rising	7,304,348.00	N/A	
	20240710994718	DOHS	Envirosan Toilets (40 Units)	1,446,261.00	N/A	
	20240710994724	WSIG	Loerie Sewer Pump Station upgrade and new sewer ri	150,000.00	4,617,989.52	2,398,333.00
				53,293,504.00	**11,738,322.82**	**12,906,086.96**
	NEW	DOHS83	CW04/2024 - KwaNomzamo Bulk Sanitation	4,511,687.00	5,137,008.48	-
	NEW	DOHS83	CW02/24 - Kruisfontein Bulk Sewer	1,395,837.00	1,327,936.74	-

SECTION	UKEY NR	FUNDING DESCRIPTION	PROJECT NAME	AMENDED BUDGET 2024/25	2025/26 Draft Budget Inputs	2026/27Draft Budget Inputs
	NEW	DOHS83	EM117/24 - Oceanview Substation Upgrade	8,620,037.39	-	
	NEW	DOHS83	CW10/2024 - Oceanview Apiesdraai Pump Station	1,980,261.00	1,962,652.17	-
	NEW	DOHS83	Upgrade of Thornhill Sewer Treatment Works	331,320.00	1,846,906.43	
	NEW	DOHS83	Patensie Ramaphosa Sewer Pump Station Upgrade	75,391.00		-
	NEW	DOHS83 Internal Funds	CW04/2024 - KwaNomzamo Bulk Sanitation	-	3,350,968.69	-
	NEW	DOHS83 Internal Funds	CW02/24 - Kruisfontein Bulk Sewer	-	731,733.96	-
	NEW	Internal Funding	Loerie WWTW Upgrade - Appoint PSP	-		
	NEW	Internal Funding	Noorsekloof Sewer Appoint PSP	-		
WATER	20240131063929	INTERNAL	JILL MARCUS WATER SUPPLY	4,347,000.00	-	-
	20240131063932	INTERNAL	HUMANSDORP GROUNDWATER SUPPLY	637,410.00	-	-
	20240826060958	INTERNAL	Construction of Civil Services in Donkerhoek & Hum	3,000,000.00	500,000.00	
	20221121032316	WSIG	ST FRANCIS BAY: BOREHOLES	7,592,557.00	1,068,967.00	
	20240710994661	DOHS	KwaNomzamo Bulk Water : New Pipeline	6,521,739.00	N/A	
	20240710994664	DOHS	Kruisfontein Bulk Water -Gill Marcus Reservoir & P	6,782,609.00	N/A	
	20240710994667	WSIG	RETICULATION REPLACE PIPELINES	3,478,260.00	-	-
	20240710994670	WSIG	Replace Ageing Water Infrastructure in St Francis	150,000.00	100,000.00	-
	20230707065776	WSIG	PARADISE BEACH WATER TOWER	2,021,548.00	-	-
	20230707065779	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3,575,354.00	-	-
	20240710994676	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100,000.00	100,000.00	-
	20240710994679	DOHS	New Reservoir on Pnt 2 of the Farm Thornhill	5,018,940.00	N/A	-
				43,225,417.00	**1,768,967.00**	**-**
	NEW	DOHS83	CW03/2024 - KwaNomzamo Bulk Water	3,047,557.00	3,148,095.00	-
	NEW	DOHS83	CW01/24 - Kruisfontein Bulk Water	3,196,225.00	3,247,253.35	-
	NEW	DOHS83	CW05/24 - Thornhill New Reservoir	2,440,926.00	2,327,065.74	-
	NEW	DOHS83	Patensie New Reservoir Ramaphosa	659,674.00		-
	NEW	DOHS83 Internal Funds	CW03/2024 - KwaNomzamo Bulk Water	-	5,237,524.93	-
	NEW	DOHS83 Internal Funds	CW05/24 - Thornhill New Reservoir	-	389,294.40	-

4.1.2 DIRECTORATE: COMMUNITY SERVICES

SECTION	UKEY NR	FUNDING DESCRIPTION	PROJECT NAME	AMENDED BUDGET 2024/25	2025/26 Draft Budget Inputs	2026/27Draft Budget Inputs
PARKS & RECREATION	20240131064303	INTERNAL	PAVING OF MAIN BEACH	176,117.00	-	
	20240826060967	INTERNAL	Upgrading/Improvement of Sport Facilities within K	621,050.00	-	
	20240530050413	INTERNAL	UPGRADING LOERIE SPORTS FACILITIES	137,788.00	-	
	20240710994838	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500,000.00	173,913.04	9,233,211.96
				1,434,955.00	**173,913.04**	
WASTE MANAGEMENT		MIG	SPECIALISED WASTE MANAGEMENT VEHICLES	-	3,155,652.17	1,530,899.69

4.1.3 DIRECTORATE: ELECTROMECHANICAL SERVICES

UKEY NR	FUNDING DESCRIPTION	PROJECT NAME	AMENDED BUDGET 2024/25	2025/26 Draft Budget Inputs	2026/27Draft Budget Inputs
	MIG	DESIGN: NEW HIGH MAST LIGHTS	100000	6086956.52	4347826.087
NEW	DOHS83	EM118/24 - KwaNomzamo Bulk Electrical	15,954,278.26	-	
NEW	DOHS83	Electricity Transfer from NMBM to KLM	62,198.00	346,715.22	-

4.1.4 DIRECTORATE: HUMAN SETTLEMENTS

UKEY NR	FUNDING DESCRIPTION	PROJECT NAME	AMENDED BUDGET 2024/25	2025/26 Draft Budget Inputs	2026/27Draft Budget Inputs
NEW	DOHS68	KwaNomzamo - formalization of settlements	8,118,775.00	12,086,411.34	-
NEW	DOHS68	Kruisfontein - designs for services & construction & site supervision for Phase 1	1,898,033.00	2,801,782.28	-
NEW	DOHS68	Oceanview - formalization of Oceanview Ext	4,125,000.00	22,145,760.00	-
NEW	DOHS68	Thornhill - formalization of Tjoks 160	1,399,200.00	543,948.72	-
NEW	DOHS68	Patensie - formalization of Ramaphosa Village	2,629,602.00	2,953,938.87	-

4.2 MUNICIPAL UNFUNDED PROGRAMMES/PLANS/STRATEGY IN ACTION

4.2.1 Electro/Mechanical Services: Programmes/Plans/Strategy in Action

Programmes and Projects: Electro/Mechanical Services

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Basic Services and Infrastructure	Renewable energy Strategy	All	MM_002	X	X			
KPA 1: Basic Services and Infrastructure	Basic Services and Infrastructure	Bio-economy zone		MM_003			X		
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Establish fleet/mechanical workshop in Humansdorp	6	IE_42					

4.2.2 Directorate: Civil and Water Services Programmes/Plans/Strategy in Action

Programmes and Projects: Civil and Water Services

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Infrastructure Planning	Infrastructure Master Plans (Stormwater; Roads &Sewer)	All	I&E_001			X		
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Water loss reduction	All	I&E_003	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Water Quality Management	All	I&E_004	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Waste site licensing conditions	1,4,5,6, 9,13 & 15		X	X	X	X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Waste site rehabilitation	10&12		X	X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Construction of Reservoirs	1,4,67, 9,10 &12	IE_001			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	St Francis Bay – Install water borne sewer reticulation.	1&12	IE_003			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jeffreys Bay – Paradise Beach Install water borne sewer reticulation,	12	IE_004			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Loerie – Install water borne sewer reticulation	7	IE_005		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Oyster Bay – Install water borne sewer reticulation including Wastewater treatment works	1	IE_006			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade main sewer rising main from La Mer pump station to Wastewater treatment works	11	IE_007					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jeffreys Bay Wavecrest – Install Internal sewer reticulation	3,8&11	IE_008					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp – Industrial area new bulk outfall gravity sewer to Kruisfontein WWTW	4,5&15	IE_009					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Paradise beach Upgrade main bulk water supply line	12	IE_010					

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp - Kruisfontein replace aging water line	1,4,5,6 &15	IE_013			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp new main water rising main	1,4,5,6 &15	IE_014			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp KwaNomzamo new water reservoir 5Ml	1&6	IE_015			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Thornhill new water storage reservoir 2Ml	7	IE_016			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp Water treatment works new storage reservoir 5 Ml	1,4,5,6 &15	IE_017		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp -Kruisfontein new water storage reservoir (Jeugkamp/Kruisfontein proper) 5Ml	1,4,5,6 &15	IE_018		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Paradise Beach new bulk storage reservoir 5Ml	12	IE_019			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jeffreys Bay Wavecrest – Upgrade Beach sewer pump station and rising main	3,8&11	IE_020					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Loerie Upgrade sewer pump station and rising main	7	IE_021					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Thornhill -Upgrade wastewater treatment works (Additional capacity)	7	IE_022					

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade sewer pump stations St Francis Bay	1&12	IE_023					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jeffreys Bay – Upgrade wastewater treatment works Additional Clarifier	3,8&11 1	IE_025			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Paradise Beach New wastewater treatment works	12	IE_026			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp KwaNomzamo Upgrade/refurbish wastewater works	1,4,5,6 &15	IE_027			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp – Upgrade water treatment plant	1,4,5,6 &15	IE_028			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	St Francis Bay/Links expand existing RO plant at links to increase capacity to treat boreholes	12	IE_029		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp – Equip and connect 4 x existing boreholes near Melkhout to water treatment plant. Including pipeline	1,4,5,6 &12	IE_31			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jeffreys Bay – construct emergency overflow pond Koraal sewer pump station	11	IE_32					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade sewer lines all areas	Municipal wide	IE_33					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Hankey – Upgrade and expand water treatment plant to treat saline borehole water	9&13	IE_30					

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
		and increase treatment capacity							
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jeffreys Bay – Construct / upgrade existing main incoming 66KV line	2,3,8& 11	IE_34					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Develop water master plan	Municipal wide	IE_35					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Develop Sewer master plan	Municipal wide	IE_36					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Develop transport master plan	Municipal wide	IE_37					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade Provincial roads (Da Gama/Voortrekker/St Francis Drive)	3,8&11	IE_38					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade gravel roads to full surfaced roads	Municipal wide	IE_39					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade Stormwater as per Master Plan	Municipal wide	IE_40					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade Parking layout Main str Humansdorp	6	IE_41					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Isolation Valve Replacement	Municipal wide	IE_43					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Asbestos Cement Pipe Replacement	Municipal wide	IE_44					

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Installation of air valves on distribution mains	Municipal wide	IE_45					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Installation of Pressure Reducing Valves	Municipal wide	IE_46					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Repair and installation of telemetry systems, fencing installation of alarm systems and cameras in all pumpstations and WTW for Hdorp, SF, CSF, OB	1,4,5,6, 12 &15	IE_47					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Repair and installation of data logging devices	Municipal wide	IE_48					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Installation of Zone meters	Municipal wide	IE_49					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade of Humansdorp WTW to at least 10ML/day	1/4/5/ 6&15	IE_50					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Investigation/ Feasibility Study of Alternative Water Supply	Municipal wide	IE_51					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Construction of the Western Dam Pumpstation in Humansdorp	1&6	IE_52					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Construction of a Reservoir and Pumpstation at the NMBM to Humansdorp take off point	1,4,5,6 &15	IE_53					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade gravity raw water pipeline from the fountains in Humansdorp	1,4,5& 15	IE_54					

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Construction of an access pathway for repairs and maintenance of the Bulk Water Supply Pipeline from Humansdorp to Kruisfontein WTW	4,5&15	IE_55					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Finalization of Kruisfontein WTW	4&5	IE_57					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade/ formalise water supply infrastructure for Donkerhoek, Mooiuitsig, Vaaldam, KwaNomzamo new houses	4&5	IE_58					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade Boblok and Graslaagte Water Reticulation	4&5	IE_59					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Construction of Die Berg 50KL Reservoir and 1 KLM Rising Main	4	IE_60					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Construct 110mm pipeline Caravan Park in KwaNomzamo	6	IE_61					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade Oyster Bay WTW	1	IE_62					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Pipe replacement at the Kromme River Bridge	12	IE_63					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Installation of permanent standby generators at WTWs and Pumpstations	Municipal wide	IE_64					

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Installation of smart meters	Municipal wide	IE_65					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Reconstruction of Golf Course – KwaNomzamo Sewer Pumpstation	1&6	IE_66					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade of Vergenoeg Sewer Pumpstation	6	IE_67					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade/ Replacement of Kemp Street Sewer Pipeline	6&15	IE_69					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade/ Replacement of Matmelville to Queens Street Sewer PS	15	IE_70					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Eradication of buckets (H/Dorp, SFB, GV)	1,4,5,6, 7,9,10, 12&15	IE_71					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Eradication of conservancy tanks (H/Dorp, SFB, GV)	1,4,5,6, 7,9,10, 12&15	IE_72					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Eradication of Chemical toilets (H/Dorp, SFB, GV)	1,4,5,6, 7,9,10 &15	IE_73					
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Installation of permanent standby generators at WWTWs and Pumpstations	Municipal wide	IE_74			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Fencing and installation of alarm systems and cameras in all sewer pumpstations	Municipal wide	IE_75		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Completion of Weston WWTW in Hankey	13	IE_76		X	X	X	

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Construction of Weston Sewer Reticulation Network	13	IE_77		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade of Loerie WWTW	7	IE_78		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade Kruisfontein Stream Crossing	4&5	IE_79		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Construction of Die Berg Access Road	4	IE_80		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Provision of stormwater infrastructure Golf Course, Shukushukuma, Vergenoeg, Vaaldam, Town, KwaNomzamo etc	1,4,5, 6&15	IE_81		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Provision of stormwater infrastructure St Francis Bay and Cape St Francis	12	IE_82		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade/ Refurbish Humansdorp Depot/ Workshop	6&15	IE_83		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade/ Refurbish St Francis Depot/ Workshop	12	IE_84		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Capacity building and training	Municipal wide	IE_85		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Purchase of Software Applications for drawings and design	Municipal wide	IE_86		X	X	X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jbay fencing around Koraal Pump Station	11	IE_87		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade sewer pipes at Oceanview College	11	IE_88		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Install 5 PRV's in Jeffreys Bay and Paradise Beach	2,3,8,11,12&14	IE_89		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Emergency Overflow chamber at La Mer Sewer Pump Station	11	IE_90		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jeffreys Bay – Construct/upgrade existing main incoming 66KV line	11	IE_91		X	X		
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jeffreys Bay – New ring feed Paradise Beach/Aston Bay/Oceanview	2,12&14	IE_92		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp -KwaNomzamo 2nd 22kV Overhead line	1,4,5,6 &15	IE_93		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Jeffreys Bay Upgrade Main Electrical Substation	11	IE_94		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade Arcadia 22/11kV substation	4&5	IE_95		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrade Appiesdraai substation	2&14	IE_96		X	X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Develop Electrical master plan Kouga	Municipal wide	IE_98				X	

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Develop renewable energy plant	15	IE_99			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Installation of High mast lights	1,2,4,5, 6,7,9,1 0,14 &15	IE_100		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp CBD to KwaNomzamo replace 16 & 25mm cables with 120mm cables. Part of the Saffery Street upgrade to avail capacity to lower town.	6&15	IE_101		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	St. Francis Bay main intake from Eskom upgrade	12	IE_102		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	St. Francis Bay Load centre nr. 2 upgrades	12	IE_103		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp Main substation upgrade	15	IE_104			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Humansdorp MND upgrade from 11MVA to 15MVA	15	IE_105		X	X	X	
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	St. Francis Bay NMD upgrade from 5 to 8MVA	12	IE_106			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Green buildings installation of solar generation on our infrastructure plants sewer and water	Municipal wide	IE_107			X	X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Substation protection upgrades in Kouga	Municipal wide	IE_108			X	X	X
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Construction of a new Dam in the Die Berg Area	4	IE_109	X	X	X		
KPA1: Basic Services & Infrastructure	Basic Services and Infrastructure	Upgrading of Water related Infrastructure in Kruisfontein / Zwartenbosch Area	4	IE_110		X	X	X	
KPA 1: Basic Services and Infrastructure	Basic Services and Infrastructure	Upgrading of Water related Infrastructure in Kruisfontein and Swartenbosch Area.	All	MM_0024	X	X	X	X	X

4.2.3 Directorate Community Services: Programmes/Plans/Strategy in Action

Programmes and Projects: Community Services

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Waste Management	Climate Change Management Strategy	Ward All	WM_001			X		
SECTION: SOLID WASTE									
KPA1: Basic Services & Infrastructure	Waste Management	Integrated Waste Management Plan for Kouga Municipality reviewed every 3 years	Ward All	WM_002				x	
KPA1: Basic Services & Infrastructure	Waste Management	Education and awareness campaigns door to door	Ward All	WM_003	x	X	x	x	x

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Waste Management	Fencing of 2 operational sites, Humansdorp Hankey CAPEX	Ward 9,15	WM_004		X		X	
KPA1: Basic Services & Infrastructure	Waste Management	Installation of monitoring boreholes Humansdorp, Hankey, Patensie St Francis landfill sites CAPEX	Ward 1,4,5,6,9,10,12	WM_005	x	X	x	X	x
KPA1: Basic Services & Infrastructure	Waste Management	Implementation monitoring program for Humansdorp, Hankey, Patensie, St. Francis Bay and Papiesfontein landfill sites OPEX	Ward 1,4,5,6,9,10,12	WM_006		x	X	X	
KPA1: Basic Services & Infrastructure	Waste Management	Planning, design and approval for construction of lined landfill cells Humansdorp Hankey Landfill site CAPEX	Ward 4,9	WM_007			X	X	
KPA1: Basic Services & Infrastructure	Waste Management	Rehabilitation and closure permit applications for Patensie, St Francis Bay and Papiesfontein landfill site OPEX	Ward12	WM_008				X	
KPA1: Basic Services & Infrastructure	Waste Management	Construction of Lined landfill cells at Humansdorp and Hankey landfill sites. CAPEX	Ward 4,5,6 & 15	WM_009				X	
KPA1: Basic Services & Infrastructure	Waste Management	Planning, design and approval construction of stormwater management	Ward 9,15	WM_010				X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
		Humansdorp and Hankey Landfill sites CAPEX							
KPA1: Basic Services & Infrastructure	Waste Management	Construction of stormwater management system CAPEX	Ward All	WM_011					X
KPA1: Basic Services & Infrastructure	Waste Management	Eradication of illegal dumping spots OPEX	Ward All	WM_012	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Waste Management	Organic waste composting CAPEX	Ward All	WM_013	X				
KPA1: Basic Services & Infrastructure	Waste Management	Partnership with private sector for recycling	Ward All	WM_018	x	X	x	x	X
KPA1: Basic Services & Infrastructure	Waste Management	Develop 4 buy back centres (funded by DFFE)	Ward 1,6,9,14	WM_019		X			
KPA1: Basic Services & Infrastructure	Waste Management	Procurement of skips CAPEX	Ward 1,2,4,6,7,14	WM_020	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Waste Management	Reduction of illegal dumping and littering	Ward 1,2,4,6,7,9,10, 12,13,14,15	WM_021	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Waste Management	Procurement Tipper and TLB for Landfill sites, waste compaction, landfill space saving CAPEX	Ward 15	WM_022			X		
KPA1: Basic Services & Infrastructure	Waste Management	Repair of weighbridge OPEX	Ward 15	WM_023		X		X	

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Waste Management	Fencing Bio Fuel Composting CAPEX	Ward 15	WM_024				X	
KPA1: Basic Services & Infrastructure	Waste Management	Establishment of partnerships to keep Kouga Clean and Green	Ward All	WM_025	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Environmental Health	Water Quality Control	Ward All	EH_001	X	X	x	x	x
KPA 4: Governance and Public Participation	Environmental Management	Drought Mitigation	Ward All	EH_002	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Environmental Health	Illegal dumping eradication and beautification	Ward All	EH_003	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Environmental Health	Social Responsibility and community partnerships	Ward All	EH_004	X	X	X	X	X
KPA 4: Governance and Public Participation	Environmental Health	Ensuring a safe and healthy environment	Ward All	EH_005	X	X	X	X	X
KPA 2: Local Economic Development	Environmental Management	Climate Change Mitigation	Ward All	EH_006	X	X	X	X	X
KPA 2: Local Economic Development	Environmental Health	Animal management	Ward All	EH_007	X	X	X	X	X
KPA 2: Local Economic Development	Environmental Health	Plot clearing	Ward All	EH_008	X	X	X	X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Cemeteries	Development of Cemetery Management System	Ward All	PR_001	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Cemeteries	Upgrading and maintenance of existing and closed Cemeteries	Ward 2,3,4,5,6,7,8,9, 10,11,13,15	PR_002	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Cemeteries	Fencing of Cemeteries	Ward 7,9, 10,11,	PR_003			X	X	X
KPA 1: Basic Services and Infrastructure	Cemeteries	EIA Application Identify land – Loerie, KwaNomzamo and Humansdorp	Ward,6,7,15	PR_004		X	X		
KPA 1: Basic Services and Infrastructure	Cemeteries	Development of a Cemetery Management Policy	Ward All	PR_005		X			
KPA 1: Basic Services and Infrastructure	Cemeteries	Establishment of a Crematorium facility for Kouga	Ward 15	PR_006					X
KPA 1: Basic Services and Infrastructure	Cemeteries	Development of an implementation plan for the cemeteries	Ward 2,3,4,5,6,7,8,9, 10,11,13,15	PR_007				x	
KPA 1: Basic Services and Infrastructure	Environmental Management	Upgrading and maintenance of Public ablution facilities (beaches)	Ward 1,2,8,11,12	PR_008	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Environmental Management	Procurement of beach cleaning equipment (Tractor + Trailer	Ward 1, 11,12	PR_009			X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Upgrading and maintenance of Caravan Parks	Ward 2,7,9,11	PR_010	X	X	X	X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Environmental Management / Parks and Recreation	Construction of a Disabled access to beaches OPEX	Ward 2, 11, 12	PR_011	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Installation of an Electronic booking system – (All)	Ward All	PR_012		X	X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Development of a Marketing strategy for Caravan Parks	Ward 2,7,9,11	PR_013		X			
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Upgrading and maintenance of Community halls	Ward 1,2,5,6,7,9, 10,11,13,15	PR_014	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Feasibility study to develop community halls	Ward 3,4,6,8,14	PR_015				X	
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Construction of Community Halls	Ward 6,15	PR_016				X	
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Development of a Multi-Purpose Centre	Ward 15,2	PR_017				X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Procurement of Tables and chairs for community halls OPEX	Ward 1,2,5,6,7,9, 10,13,	PR_018			X		
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Fencing and securing of sports fields	Ward 4,9,10	PR_019			X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Convert public open spaces into training fields	Ward 1,4,5,6,9,10, 13,14,15	PR_020		X	X	X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Upgrading and maintenance of Clubhouse at sport fields	Ward 2,4,9,10,14	PR_021	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Upgrading of sport fields	Ward 1,2,4,5,6,7,9,10, 13,14,15	PR_022	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Procurement of bush and plot clearing equipment (Bossiekapper, mulcher, shredders) CAPEX	Ward 1,2,4,9,15	PR_023			X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Procurement of tree trimming equipment (Cherry picker, TLB, Tipper) CAPEX	Ward 1,2,4,9,15	PR_024			X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Eradication of alien vegetation (Public Open Spaces)	Ward All	PR_025	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Upgrading and maintenance of parks facilities for recreational purposes.	Ward All	PR_026	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Developing a Parks Management by-laws	Ward All	PR_027			X		
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Upgrading and maintenance of Libraries	Ward All	PR_028	X	X	X		
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Implement 12 x Library Programs Linked with Schools	Ward All	PR_029	X	X	X	X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Parks and Recreation	Revising of a Sports Committee Policy	Ward All	PR_030		X	X	X	X
KPA 1: Basic Services and Infrastructure	Disaster Management	Development of a Disaster risk management plan for Kouga Municipality	Ward All	FR_001		X			
KPA 1: Basic Services and Infrastructure	Disaster Management	Procurement of Mobile Disaster shelter	Ward All	FR_002	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Disaster Management	Establishment of satellite Fire Station **for Thornhill and** Oyster Bay CAPEX	Ward 1,7	FR_003	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Disaster Management	Drought Mitigation	Ward All	FR_004	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Disaster Management	Review and submit the Disaster Management Plan to Council, annually, by 30 June. May	Ward All	FR_005	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Disaster Management	Facilitate the Disaster Advisory Forum meetings on a quarterly basis	Ward All	FR_006	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Disaster Management	Development of a Disaster Risk Assessment Plan	Ward All	FR_007				x	
KPA 1: Basic Services and Infrastructure	Life Saving	Procurement of Lifesaving vehicle	Ward 1,3, 9,11,12	FR_008		X	X		

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Life Saving	Procurement of freestanding lifeguard towers CAPEX	Ward 1,12,11	FR_009		X	X		
KPA 1: Basic Services and Infrastructure	Life Saving	Procurement of Jet Rubber ducks CAPEX	Ward 11,12	FR_010			X	X	
KPA 1: Basic Services and Infrastructure	Life Saving	Procurement of disabled beach wheel chairs CAPEX	Ward 1,11,12	FR_011			X	X	
KPA 1: Basic Services and Infrastructure	Life Saving	Appointment of the Lifeguard service provider	Ward 1,11,12	FR_012		x			
KPA 1: Basic Services and Infrastructure	Fire Services	Establishment of satellite Fire Station for Thornhill and Oyster Bay CAPEX	Ward 1,7	FR_013			X	X	
KPA 1: Basic Services and Infrastructure	Fire Services	Procurement of a medium pumper fire fighting vehicle CAPEX	Ward All	FR_014		X	X		
KPA 1: Basic Services and Infrastructure	Fire Services	Procurement of voice logging and incident reporting system	Ward All	FR_015		X	X		
KPA 1: Basic Services and Infrastructure	Fire Services	Extension of incident command centre (ICC) CAPEX	Ward All	FR_016		X	X		
KPA 1: Basic Services and Infrastructure	Fire Services	Procurement of Reinforced Firefighting Hoses OPEX	Ward All	FR_017		X	X		
KPA 1: Basic Services and Infrastructure	Fire Services	Procurement of Fire Fighting Foam Concentrate OPEX	Ward All	FR_018		X	X		

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 1: Basic Services and Infrastructure	Fire Services	Procurement of a Mobile of firefighting Sliding Units OPEX	Ward All	FR_019		X	X		
KPA 1: Basic Services and Infrastructure	Fire Services	Procurement of Firefighting vehicles (4x4 single cab vehicles) CAPEX	Ward All	FR_020		X	X		
KPA 1: Basic Services and Infrastructure	Fire Services	Extension of fire station machine bay (Hankey) OPEX	Ward 9	FR_021		X	X		
KPA 1: Basic Services and Infrastructure	Fire Services	Development of an Integrated Fire Management Plan	Ward All	FR_022					x
KPA 1: Basic Services and Infrastructure	Fire Services	Conduct fire drills/ evacuation exercises on a monthly basis.	Ward All	FR_023					
KPA 5: Institutional Development and Transformation	Safety and Security	Procurement of new patrol vehicles	Ward All	SS_001	X	X	X		
KPA 5: Institutional Development and Transformation	Safety and Security	Reviewed and implement animal By Law	Ward All	SS_002		X			
KPA 5: Institutional Development and Transformation	Safety and Security	Establishment of animal pound	Ward All	SS_003				X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 5: Institutional Development and Transformation	Safety and Security	Roll out of safety equipment for Kouga area	Ward All	SS_004		X	X	X	
KPA 5: Institutional Development and Transformation	Safety and Security	Procurement of Smart Law Enforcement technology (Fitted to Law Enforcement vehicles (ANPR system) Officers – body ca) OPEX	Ward All	SS_005	X	X	X	X	X
KPA 5: Institutional Development and Transformation	Safety and Security	Procurement of patrol boat for Gamtoos and Krom River CAPEX	Ward All	SS_06	X	X	X	X	X
KPA 5: Institutional Development and Transformation	Safety and Security	Establish K53 Motorcycle test track and procuring related equipment CAPEX	Ward All	SS_07			X		
KPA 5: Institutional Development and Transformation	Safety and Security	Procurement of a drone CAPEX	Ward All	SS_08		X			
KPA 5: Institutional Development and Transformation	Safety and Security	Point clock system for security officers at identified municipal sites	Ward All	SS_009	X	X	X	X	
KPA 5: Institutional Development	Safety and Security	Procurement of Metal Detection system for Municipal site entrances	Ward All	SS_010	X	X	X	X	

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
and Transformation									
KPA 5: Institutional Development and Transformation	Safety and Security	Animal identification system and branding	Ward All	SS_011		X			
KPA 5: Institutional Development and Transformation	Safety and Security	Development of a Taxi Management By-Law	Ward All	SS_012		x			
KPA 5: Institutional Development and Transformation	Safety and Security	Establishment of a Transport Forum	Ward All	SS_013		x			
KPA 5: Institutional Development and Transformation	Safety and Security	Management and Monitoring of Taxi Ranks quarterly audits	Ward All	SS_014		x			
KPA 5: Institutional Development and Transformation	Safety and Security	Establishment of a Taxi Co-ordinating Structure (KLM/SAPS/Justice/Taxi Association/Provincial Traffic)	Ward 15	SS_015			x		
KPA 5: Institutional Development and Transformation	Safety and Security	Reviewing and submitting of the Safety Plan	Ward All	SS_016			x		
KPA 5: Institutional Development	Safety and Security	Establishment of the Kouga Community Safety Forum	Ward All	SS_018			x		

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
and Transformation									
KPA 5: Institutional Development and Transformation	Safety and Security	Upgrade the ICC (Incident Command Centre)	Ward 15	SS_019			x		
KPA 1: Basic Services and Infrastructure	Environmental Management	Oyster Bay Dune Rehabilitation	Ward 1	EM_002	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Environmental Management (Multi-disciplinary)	St Francis Spit management	Ward 1 & 12	EM_003	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Environmental Management	Number of trees planted	Ward All	EM_005	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Environmental Management	Number of Environmental Management Forum Meetings conducted	Ward All	EM_006	X	X	X	X	
KPA 1: Basic Services and Infrastructure	Environmental Management	Development Management Plans for nature reserves	Ward All	EM_007	X	X	X		
KPA 1: Basic Services and Infrastructure	Environmental Management	Monitoring of Recreational Waters Blue Flag beaches; Kromme River, Gamtoos River, Seekoei Estuary; Yellowwoods	Ward 2,3,7, 8,9,11,12	EM_008	X	X	X		
KPA 1: Basic Services and Infrastructure	Environmental Management	Develop Management Plans for Kromme River, Gamtoos River, Seekoei	Ward 3,7,8,11,12	EM_009		X	X	X	X

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
		Estuary and Kabeljouws Estuary							
KPA 1: Basic Services and Infrastructure	Environmental Management	Number of Environmental Management awareness campaigns conducted	Ward All	EM_010	X	X	X	X	X
KPA 1: Basic Services and Infrastructure	Environmental Management	Number of Municipal climate change strategy developed	Ward All	EM_011	X				
KPA 1: Basic Services and Infrastructure	Environmental Management	Develop EMF (Environmental Management Framework)	Ward All	EM_012			x		
KPA 1: Basic Services and Infrastructure	Environmental Management	Complete a Climate Change Baseline Study (Air Quality Assessment)	Ward All	EM_013			x		
KPA 1: Basic Services and Infrastructure	Environmental Management	Facilitate climate change educational programmes on an annual basis	Ward All	EM_014			x	x	x
KPA 1: Basic Services and Infrastructure	Environmental Management	Appointment of the panel of environmental specialist	Ward All	EM_015			x		
KPA 1: Basic Services and Infrastructure	Environmental Management	Development of Dune Management Plans from Kabeljouws to Paradise	Ward 2,3,8,11,12	EM_016		X	X		

Maintenance Management Plan for Dune Maintenance

	Activities	Action	Year
Development Activities	Develop a new parking area at the Triangular erf	• Rezoning erf and appoint service provider	2024/2025
	Carpark landscaping	• Appoint landscaping or surveying service provider	2024/2025

	Activities	Action	Year
	Erect Coastal informative signage	• Informative signages to highlight biodiversity and cultural heritage	2024/2025
	Upgrade existing coastal parking areas	• Upgrade and maintain the Main Beach; carpark-paving.(Cape St Francis, Jeffreys Bay, St Francis and Oyster Bay) • Upgrade and maintain 3 gravel carparks on Wildside • Pave with grass block pavers • Adress coastal erosion	
	Erect 2 ablution facilities at 2 parking areas on the Wildside and 1 at St Francis Drive	• Appoint a construction/building service provider	
	Erect signage to direct traffic and pedestrians to beach access points along the coast	• Select appropriate areas to erect signs	
	Access and boardwalks	• Development of coastal access points, new boardwalk design & direction (Jeffreys Bay, Paradise Beach, Aston Bay, St Francis, Cape St Francis)	
	Upgrade and maintain the existing stairway	• Draft a maintenance schedule	
	Demarcate the boundary of identified access ways to the beach	• Erect signage to direct access and no-go areas	
	Demarcate off-street parking in road reserves along Seal Point Boulevard	• Erect signage to direct off street parking	
	Boulder Beach: improve condition of access road and implement proper drainage crossing to allow for flow under all conditions	• Tar gravel road or carparks • Plan for storm water drainage	2025/2026
	Erect a remembrance wall to prevent further ad hoc erection of public benches	• Select an appropriate site/ area	
Dune management intervention	Removal of access sand that presents a risk of slumping	• Dune survey	
	Removal of sand from landward structures and infrastructure (e.g. Carparks and sand toppling on properties)	• (Cape St Francis, Jeffreys Bay, St Francis and Oyster Bay)	
	Establish a suitable dune profile along the base of the dune to remedy the impact of private landowners stabilizing a large area of the dune		
	Removal of illegal gardens and structures in open public space		

	Activities	Action	Year
	Rehabilitation of decommissioned areas		
	Stabilize areas in the dune at risk of slumping/ erosion- brush packing or planting	• Cape St Francis, Jeffreys Bay, Paradise Beach, Aston Bay, St Francis and Oyster Bay)	
	Erosion protection along seal point	• Construction of Rock Revetment	2024/2025
	Add sand fences	• Maintain 10m stabilization zone through planting and silt fencing	
Maintenance activities	Storm water management	• Have a storm water maintenance schedule/plan	
	Maintenance of carpark areas	• Sand removal and trimming vegetation	
	Ablution blocks- maintain, clean and service		

4.2.4 Directorate Planning and Development: Programmes/Plans/Strategy in Action

Programmes and Projects: Planning and Development

NATIONAL KPA	MUNICIPAL KFA	Project Name	Ward Nr.	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA1: Basic Services & Infrastructure	Spatial Planning and Development	Upgrading GIS and Integrated Land Use System	Ward All	PD_002	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Spatial Planning and Development	Manage Outdoor Advertising	Ward All	PD_004	X	X	X	X	X
KPA1: Basic Services & Infrastructure	Human Settlements	Farm Dwellers facilitation for Housing	Ward	IHS_002	X	X	X		
KPA1: Basic Services & Infrastructure	Human Settlements	Land identification for decanting of Sea Vista informal settlements	Ward 1 & 12	IHS_003	X	X	X		
KPA1: Basic Services & Infrastructure	Human Settlements	Development of Social Housing in Humansdorp	Ward 15	HIS_004	X	X	X	X	X

4.2.5 DIRECTORATE FINANCE AND ECONOMIC DEVELOPMENT: PROGRAMMES/PLANS/STRATEGY IN ACTION

Table 34: Programmes and Projects: Finance

NATIONAL KPA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 4: Municipal Financial Viability and Management	Financial Viability	Revenue Collection	ALL	FIN_001	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Financial Viability	Creditor's Payment	ALL	FIN_002	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Financial Viability	Audit Outcomes	ALL	FIN_003	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Financial Viability	Indigent Support	ALL	FIN_004	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Financial Viability	Procurement Planning	ALL	FIN_005	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Financial Viability	Budgeting	ALL	FIN_006	X	X	X	X	X
KPA 4: Municipal Financial	Financial Viability	Reduction of external interest	ALL	FIN_007	X	X	X	X	X

NATIONAL KPA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
Viability and Management									
KPA 4: Municipal Financial Viability and Management	Financial Viability	Functionality of Finance Management System	ALL	FIN_008	X	X	X	X	X
KPA 4: Municipal Financial Viability and Management	Financial Viability	Develop A Long-Term Financial Sustainability Plan	ALL	FIN_009	X	X	X	X	X
KPA 4: Good Governance and Public Participation	Service Delivery	Audit Corrective Action Plan	ALL	FIN__010	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	LED Special Purpose Entity	All wards	LED_001					
KPA 3: Local Economic Development	Local Economic Development	SMME development	All Wards	LED_002	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Corporate Social Responsibility	All Wards	LED_003					
KPA 3: Local Economic Development	Local Economic Development	Smart City	All Wards	LED_004					
KPA 3: Local Economic Development	Local Economic Development	Establishment of a LED projects SPV / Development entity	All Wards	LED_001					
KPA 3: Local Economic Development	Local Economic Development	Township Economy Development	Ward 2 & 14	LED_002	X	X	X	X	X

NATIONAL KPA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 3: Local Economic Development	Local Economic Development	Township Event	Ward 2 & 14	LED_003	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Heritage sites refurbishment and beautification	Ward 2 & 9	LED_005	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Installation of Tourism Signage	All wards	LED_006	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Hosting Annual Events: Yellow Woods Jazz Festival (hankey)	Ward 9 & 13	LED_007	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Hosting Annual Events: International Surf Competition	Ward 3,8 &11	LED_008	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Hosting Annual Events: PGA Championship	Ward 12	LED_009	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Hosting Annual Events: Amanzi Challenge	Ward 12	LED_010	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	LED incubation programme	All wards	LED_011	X	X	X		X
KPA 3: Local Economic Development	Local Economic Development	Establish Kouga as Events Capita: secure 1 new anchor event annually.	All wards	LED_012	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	To position Kouga as a events capital of South Africa	All Wards	LED_013	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Kouga Arts Development Program	All wards	LED_014	X	X	X	X	

NATIONAL KPA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 3: Local Economic Development	Local Economic Development	Business Retention & Expansion programme Annually	All Wards	LED_015	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Destination Marketing & Tourism Indaba	All wards	LED_016	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	SMME development	All Wards	LED_017		X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Investor's Conference / Seminar	All Wards	LED_018					
KPA 3: Local Economic Development	Local Economic Development	Functioning of the LED Forum	All wards	LED_019	X	X	X	X	X
KPA 3: Local Economic Development	Local Economic Development	Feasibility Study & Establishment of LED Special Purpose Vehicle	All Wards	LED_020					
KPA 2: Local Economic Development	Local Economic Development	Investment Hub	All	MM_017		X			

4.2.6 Directorate Corporate and Communication Services: Programmes/Plans/Strategy in Action

Table 35: Programmes and Projects: Corporate and Communication Services

NATIONAL KPA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
KPA 4: Good Governance and Public Participation	Service Delivery	Call Centre Job Card integration	All wards with municipal offices	Corp-Serv_001	X	X	X	X	X
KPA 4: Good Governance	Staff Wellness	Staff Clinic	All wards with municipal offices	Corp-Serv_002			X	X	X

NATIONAL KPA	MUNICIPAL KPA	Project Name	Ward Nr	Project Number	TARGET YEAR				
					22/23	23/24	24/25	25/26	26/27
and Public Participation									
KPA 2: Local Economic Development	Local Economic Development	SPU: Youth Council and youth development	All	MM_028	X	X	X	X	X
KPA 2: Local Economic Development	Local Economic Development	SPU: 16 Days of Activism Campaign	All	MM_032	X	X	X	X	X
KPA 2: Local Economic Development	Local Economic Development	SPU: HIV/AIDS Awareness and Council	All	MM_033	X	X	X	X	X
KPA 2: Local Economic Development	Local Economic Development	WDF: Operational x 15 wards (R50 000)	All	MM_036	X	X	X	X	X
KPA 2: Local Economic Development	Local Economic Development	WDF: Capital x 15 wards (R50 000)	All	MM_037	X	X	X	X	X

4.3 PROJECTS OF OTHER GOVERNMENT SPHERES OF STATE IMPLEMENTED IN KOUGA MUNIPALITY

DEPARTMENT OF SPORTS RECREATION, ARTS & CULTURE

ARTS & CULTURE

Town	Activities	Month	Budget
St Francis Bay KwaNomzamo _Humansdorp	Festival Auditions for Tsitsikamma Arts Festival	September 2024	R75 000

MUSEUM & HERITAGE

Town	Activities	Month	Budget
Patensie	School Outreach Programme - Role and importance of the museums in our communities	August	Null
Hankey	National symbols at Vukani Primary School promotion of I Am the flag in October	October	Null

LIBRARY & INFORMATION SERVICES

Town	Activities	Month	Budget
Kouga Area	Subsidy Grant	April 2024 -March 2025	R 2 050 000,00
Kouga Area	Provision of Library Material	Ongoing	Ongoing

SCHOOL SPORT – SCHOOLS THAT WILL BE ASSISTED

Town	Activities	Month	Budget
Kouga Area	Chigwell PS, Equipment and/or Attire	October	R12 833
Kouga Area	Loerieheuwel Combined Equipment and/or Attire		R12 833
Kouga Area	Patensie Agricultural HS, Equipment and/or Attire		R12 833
Kouga Area	Sea Vista PS, Equipment and/or Attire		R12 833
Kouga Area	Sandwater Farm School Equipment and/or Attire		R12 833
Kouga Area	Patensie PS, Equipment and/or Attire		R12 833

Town	Activities	Month	Budget
Kouga Area	Weston Junior Sec Equipment and/or Attire		R12 833

SCHOOL SPORT – LEAGUES TO BE SUPPORTED

Town	Activities	Month	Budget
Kouga Area	Chess interschool leagues	**May - September**	R 7 500
Kouga Area	Football interschool leagues		R17 500
Kouga Area	Netball interschool leagues		R 17 500
Kouga Area	Rugby interschool leagues		R 5 000
Kouga Area	Hockey interschool leagues		R 2 500
Kouga Area	Tennis interschool leagues		R 3 000

RECREATION

Town	Activities	Month	Budget
Humansdorp	Recreation Against Crime	June	R15 000
Hankey	Hub Festival	September	R15 000
Humansdorp	Community Recreation Festival	February 2024	R25 000

SPORT DEVELOPMENT

Town	Activities	Month	Budget
Thornhill	Kouga Football Tournament	September	R21 000
Kouga Area	Kouga Netball Association League	May – September	R93 000
Hankey	Hankey Netball Club Equipment and/or Attire	June – December	R23 000
Kouga Area	Mayoral Cups in preparation of Premiers Cup – U/19 (Netball, Football, Rugby 7's and Cricket	November	Null

DPARTMENT OF CORPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Gender Based Violence and Femicide

To reduce gender-based violence and femicide, human trafficking and child abuse within the district. This runs concurrent with teenage pregnancy and substance abuse.

MUNICIPALITY	MAIN PLACE	SUB PLACE	WARD	PROJECT PHASE	BUDGET OF GOVERNMENT	PROJECT START DATE	PROJECT END DATE	NUMBER OF JOB CREATED
Kouga	Humansdorp	Humansdorp VSC		Existing	R151 152.00	04/01/2023	31/03/27	3
Kouga	Hankey	Hankey VSC		Existing	R150 000.00	04/01/2023	31/03/27	3
Kouga	Humansdorp	Humansdorp TADA		Existing		04/01/2023	31/03/27	3
Kouga	Hankey	Hankey SAPS	9	New				
Kouga	Humansdorp	Humansdorp SAPS	4	Existing				
Kouga	Jeffreys's Bay	Jeffrey's Bay SAPS	2	Existing				
Kouga	Patensie	Patensie SAPS	10	Existing				
Kouga	St Francis Bay	St Francis Bay SAPS	1	Existing				
Kouga	Thornhill	Thornhill SAPS	7	Existing				
Kouga	Humansdorp	Kruisfontein Primary School	5	Existing				
Kouga	Humansdorp	Graslaagte Primary School	5	Existing				
Kouga	Humansdorp	St Patricks Primary School	2	Existing				
Kouga	St Francis Bay	Sea vista Primary School	1	Existing				
Kouga	Humansdorp	Lungisa Primary School	6	Existing				
Kouga	Humansdorp	Mzingis Primary School	6	Existing				

CHILD POVERTY

To reduce child mortality and malnutrition through ensuring that all children have access to the nutritious food in the first 1000 days of their lives. To prevent malnutrition and child poverty through linking mothers with socio-economic programmes to promote food and nutrition security as well as sustainable livelihoods.

MUNICIPALITY	MAIN PLACE	SUB PLACE	WARD	PROJECT PHASE	BUDGET OF GOVERNMENT	PROJECT START DATE	PROJECT END DATE	NUMBER OF JOB CREATED
Kouga	Humansdorp	Elderly and Children Resort Soup Kitchen and Development Centre	5	Existing	R 476 933.70	04/01/2023	31/03/24	4

MUNICIPALITY	MAIN PLACE	SUB PLACE	WARD	PROJECT PHASE	BUDGET OF GOVERNMENT	PROJECT START DATE	PROJECT END DATE	NUMBER OF JOB CREATED
Kouga	Hankey	Simayeni Western Agricultural Coop	13	New	R 40 000	04/01/2023	31/03/24	0
Kouga	Humansdorp	Yonga Bakery	6	New	R198 000	04/01/2023	31/03/24	0

ACCESS TO GOVERNMENT

To improve access to Government Services according to Batho Pele principles through safe and security infrastructure and taking integrated services to the most rural areas on a regular basis.

MUNICIPALITY	MAIN PLACE	SUB PLACE	WARD	PROJECT PHASE	BUDGET OF GOVERNMENT	PROJECT START DATE	PROJECT END DATE	NUMBER OF JOB CREATED
Kouga	Hankey	DSD Hankey Service Delivery Point (SDP)	7	Planning	Lease	04/01/2024	31/03/2027	
Kouga	Humansdorp	DSD Kouga LSO/ DOE Circuit Office	15	Planning	Lease	04/01/2024	31/03/2027	
Kouga	Humansdorp	DSD Humansdorp SDP	15	Existing				

DEPARTMENT OF HUMAN SETTLEMENTS

Allocation per Municipality

MUNICIPALITY	No. of Projects (district)	No. of Projects (local)	Annual Allocation
Kouga Municipality		8	R 32 618 200.00
District Total Allocation	42		R 98 025 600.00

CURRENT PROJECTS:

Project Name Jeffreys Bay:	Unit/Sites	Estimated Budget	Status	23/24	24/25	25/26	Outer Years
Oceanview 1500	1500 (1183 sites)	R51,2m	1183 sites completed	R21m	R30m	R28,60m	R42,55m
Oceanview 200	200	+R28,5m	The Contractor is on site	R15m – R20m	R15m	R30m	
Oceanview 468	468	R 73,60m	Coega Dev Corp appointed implementing Agent.				
Oceanview 515	515	R82.40m	Kouga to connect sanitation line to the existing infrastructure				
Pellsrus 220	220	R 40,7m	218 houses are complete,				
Kruisfontein 2500 (391)	391	R66,6m	391 houses are complete				
Kruisfontein 2500 (400 ph2)	2109 (400-p2)	R74,0m	The project is in design stage. EIA approval is in progress				
Hankey 990 (919)	919	R32,0 m + R147,04m	The installation of internal services is in progress. Kouga to install pumps for houses construction to commence.	R12m R4m	R30m	R30m	R83,04m
Hankey Weston	700	R38,50m	ECHDS has gazetted funds for bulk infrastructure on 23/24 FY. Kouga to submit funds application ASAP. Houses to be constructed when infrastructure is completed.	R4m	R10m	R28,5m	
Hankey Weston 196 (Mud Structures)	196	R36,26m	Municipality is finalising pre-planning processes.				

Project Name Jeffreys Bay:	Unit/Sites	Estimated Budget	Status	23/24	24/25	25/26	Outer Years
			The beneficiary administration has commenced.				
Patensie 278	278	R51,43m	Municipality is finalising pre-planning processes. The beneficiary administration has commenced.	The finalisation of the GP and Engineering designs. WWT PLANT is still under the Dept of LG, in process.		On Going	Kouga
SEA VISTA 2 000, KwaNomzamo 400 and Thornhill 390	2790	-	1. The mentioned three (3) projects are affected by land and insufficient bulk infrastructure services.	1. Municipality to fast-track plans to address the bulks services challenges for all these projects.		On going	Kouga
DESTITUTE 25: Hankey 1 Oyster Bay 1 Jeffreys Bay 23	25	R3,50	There are 25 destitute beneficiaries that were identified and approved by the Dept.	Due to unavailability of serviced sites these beneficiaries should be integrated to the project in the area.		On Going	Kouga
Oyster Bay	-	-	No Project identified.	Due to unavailability of serviced sites the municipality should design other types of services. (New Technologies)		-	Kouga
Project 2022 - 2027		+ 444,07 MIL.	Six Projects almost ready for implementation	Work hard to achieve our goals			ECDHS Kouga

Upgrading Informal Settlement Programme

Name of Informal Settlements	Households	Progress	Comments
Patensie - Cyril Ramaphosa	103	Phase 1 activities are complete Municipality also contracted for Ph 2 & 3 Financial years 2021-2023 budget is R49 427 631 Claims not paid - R13,7m which is long overdue	Delayed payment by HDA All projects' constraints delayed appointment of contractors
Patensie - Cyril Ramaphosa	278		
Humansdorp – Shukushukuma	93		
Thornhill	160		

Name of Informal Settlements	Households	Progress	Comments
Humansdorp - Polar Park (KwaNomzamo)	257	Contractor – Baledi Re-Engineering appointed for Basic Services Land parcel for Polar Park KwaNomzamo 553 was purchased and paid on 8/09/22 amounting to R15,115 616,50 Bulk is a serious challenge in some towns like Humansdorp List of bulk infrastructure needs with multi-year cashflow projections was submitted to HDA on 31/1/23– procurement process is complete, project ready Current FY – R 54 730 000 ending June 2023 April 2023 – March 2024 – R 97 570 000 So far claims are for following items: ▪ Social Facilitation ▪ GIS Map per settlement ▪ Structure Count ▪ Cadastral description ▪ Alternative Services ▪ Electrification ▪ Wheelie Bins	Sarah Baartman DM not reported performance since appointed Delays by HDA in finalizing Kouga as an Implementing Agent as they are advanced with their progress Delayed in signing Implementing Protocol between HDA & Kouga LM Expenditure will improve now that contractor is on site
Jeffreys Bay - No R10	58		
Jeffreys Bay - Ocean View	1250		
Polar Park (KwaNomzamo Humansdorp)	553		
Humansdorp - Donkerhoek	234		

DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM

PROPOSED PROJECTS FOR 24/25

Project name	Assistance Required	FUNDING PROGRAM	STATUS
CR BOSBOEDERY FARM – Ward 7	ONE ANGUS BULL AND TEN HEIFERS (23/24)	LIS	RECOMMENDED FOR ONE BULL WAITING FOR DELIVERY
BANKKOP - Ward 7	DRILLING OF BOREHOLE (23/24) EIA 24/25	CASP	COMPLETED APPROVED
PAMPOENLAND - Ward 4	DRILLING AND TESTING OF BOREHOLE, SPRAYRACE AND HANDLING FACILITY EQUIPING OF BOREHOLE	CASP	COMPLETE WAITING OF UPDATED OF TRUST DEED WITH THE EXC LUSION OF GOVERNMENT OFFICIALS

FOOD SECURITY 2024/25

Project name	No of beneficiaries / ha	BUDGET
Households	91 For 283 applications	Waiting for budget allocation
Small holder vegetables	6 applications: 28ha (Hugh Bosman- 2ha, Lutiwise 10, Jonas 2ha, shalom gardens 2ha, Kruiskop 2, Gamtoos 10)	
FODDER	2Application: 21ha (Witteklip 11 – Ward 10 and Kruisfontein Ward 4 -10)	
Citrus	3 applications (Three Pence 9, Entabeni 10& Peter Family Trust 13) – 30ha	

ANTI POVERTY PLANS

MUNICIPALITY	PLANS
Kouga	Ward 5: Victory smallholder (arcadia) (in be supported by seedlings and fertilizer
	Ward 7: 44 household and 1 small holder will be supported by seeds& seedlings, poultry, piggery feed under food security. (Rooidraai, Loerie, Thorn hill,)
	Ward 14: 11 household will be supported by poultry and piggery feed under food security. (Sea vista, ocean view)

DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE

COVID 19 PROJECTS

NO	Name of Projects	Amount
1.	Humansdorp Hospital – Isolation Wards	R3 506 350,00
2.	Jeffreys Bay Library	R12 949 842, 15

DEPARTMENT OF TRANSPORT

ROAD MAINTENANCE

MUNICIPALITY	NAME OF PROJECT	ALLOCATED BUDGET			PROGRAMME/ PROJECT PROFILE & STATUS	NO OF JOBS CREATED/NO OF BENEFICIARIES			
		2024/25	2025/26	2026/27		Men	Women	Youth	People with Disabilities
KOUGA LM	Maintenance of provincial roads, through blading, grading and back patching.	**R 39 049 201,48**	**R 41 392 153,57**	**R 43 875 682,78**	Ongoing road maintenance with a length of 964,30km surfaced and gravel road network.	**22**	**10**	**15**	**0**

COMMUNITY BASED PROGRAMMES (EPWP) PROJECTS

PROJECT	PROJECT DESCRIPTION	NUMBER OF PARTICIPANTS	WOMEN	YOUTH	PWD	MEN	BUDGET 2024/25
Household Contractor	Maintenance and cleaning of roads through labour intensive methods.	265	54	0	27	54	R3 154 560
Scholar Transport Monitors	Monitoring of contracted scholar transport.	25	14	0	5	14	R 7 440 000
Supervisors	Supervision And Monitoring of Household Contractors.	18	02	0	8	02	R859 680
She Cleaners	Covid -19 response project in prevention of the spread of the virus	03	03	0	0	03	R89 280
Total work opportunities created in Kouga LM		331	272	71	01	40	R11 543 520

DEPARTMENT OF WATER & SANITATION

OVERVIEW OF INFRASTRUCTURE INVESTMENT 23/24 FY FUNDED WSIG 5B

Local Municipality	Implementing Agent (IA)	Project	Progress %	Affected Areas	Projects Cost (R)	Completely	Revised Completion
Kouga	Kouga LM	Replacement of the Existing Water Main in Mimosa Street, Jeffreys Bay	49%	Jeffreys Bay	R 9 356 879,38	30 Sept 2024	30 Sept 2024
Kouga	Kouga LM	Structural Repairs to the Paradise Beach Elevated Water Tower	51%	Paradise Beach	R 7 443 120, 62	30 April 2024	30 April 2024
Kouga	Kouga LM	Connection of two boreholes in St Francis Bay	0%	St Francis Bay	R 3 000 000, 00	30 June 2024	30 June 2024
Kouga	Kouga LM	Consulting Services for development of boreholes	70%	Humansdorp, Jeffreys Bay, St Francis	R 1000 000, 00	30 June 2024	30 June 2024

OVERVIEW OF APPROVED PROJECTS – 24/25FY – WSIG 5B – FUNDING LETTERS NOT RECEIVED YET

Local Municipality	Implementing Agent (IA)	Project	Affected Areas	Project Cost (R)
Kouga	Kouga LM	Replacement of the existing water reticulation in St Francis Bay	St Francis Bay	R 15 059 602,94
Kouga	Kouga LM	Upgrading of the Loerie sewer pumpstation and rising main	Loerie	R 8 094 521,24
Kouga	Kouga LM	St Francis bay groundwater treatment	St Francis Bay	R 7 999 995,00
Kouga	Kouga LM	Zeekoei River Bridge Crossing	St Francis Bay	R 11 180 361,36
Kouga	Kouga LM	Upgrading of beach sewer pumpstation and new rising main Jeffreys Bay	Jeffreys Bay	R 17 424 429,29

DROUGHT INTERVENTION

TOWN AFFECTED	DROUGHT INTERVENTION	COMMENTS
Jeffreys Bay	Equipping of BH's and Construction of WTW's to remove Iron and Manganese – R7,4M	Jeffrey's Bay: Additional GW 3.5Ml/day WTW's package plant completed – successfully remove Iron and Manganese
Humansdorp	Construction of WTW's to remove Iron and Manganese – R8,2M	Humansdorp: Additional GW 1,5Ml/day WTW's package plant completed - successfully remove Iron and Manganese
Kruisfontein	Groundwater Development – R21,9M	Successfully Completed
St Francis Bay	Drilling and Equipping of Boreholes and Construction of WTW's to remove Iron and Manganese – R9,5M	St Francis Bay: Additional GW 0.5Ml/day – BH's still to be connected – successfully remove Iron and Manganese
Hankey	Drilling and Equipping of Boreholes and Construction of WTW's to remove Iron and Manganese – R6.9M	Drilling not successful no additional water - WTW's package plant completed - successfully remove Iron and Manganese
Loerie	Drilling and Equipping of Boreholes - R1.9M	Loerie Additional GW 0,8Ml/day – BH's not equipped and connected due to budget constraints.
Thornhill	Drilling and Equipping of Boreholes - R1.6M	Drilling not successful – not significant additional water found

CACADU DEVELOPMENT AGENCY

Corporate Social Investment (CSI) Programme

Municipality	Town	Name of NPO	CDA Mandate Area	NPO Main Function	Amount Awarded
Kouga	Hankey	Ethembeni Community Organisation Project	Community Development	HIV/AIDS, Orphans and Vulnerable Care and Support Centre	T1. R30 000
Kouga	Humansdorp	Sakhe Singamadoda Youth Programme	Youth Development	Skills Development Programme	T2. R17 398

4.4 LIST OF NATIONAL PROJECTS IMPLEMENTED BY PRIVATE SECTOR WITHIN THE KOUGA MUNICIPALITY

Kouga Windfarms Key Projects – 2023/2024:

Enterprise Development

Projects	Town/Area	Budget
2 x Fishing Coops	Jeffreys Bay, Humansdorp, Hankey, Patensie	R600k
Textile Coop	Thornhill	R260k
Piggery	Kruisfontein	R1.6m
Cattle Farming	Kruisfontein	R500k

Wi-Fi Coop	Humansdorp	R600k

Socio-Economic Development

	Town/Area	Budget
Bursary	All Communities	R3.6m
After-School	Humansdorp, Oyster Bay, Hankey	R1m
Literacy & Numeracy	Oyster Bay, Sea Vista, Jeffreys Bay, Hankey	R200k
ECD Support	All Communities	R3m
Agric Scholarship	All Communities	R500k
High School Scholarship	All Communities	R650k
School Development	Thornhill	R4m
Environmental Internship	All Communities	R350k
Psychosocial Support	All Communities	R820kk
Graduate Development	All Communities	R1.2m
NGO/CBO Support	All Communities	R250k
Drought Mitigation	Sea Vista, Humansdorp, Oyster Bay	R3m
Wi-Fi Connectivity	Oyster Bay, Sea Vista, Humansdorp,	R1.7m
Food & Bev, Poultry, Drivers, Carpentry	Sea Vista/Oyster Bay/Humansdorp	R3.5m
Health Promotion	All Communities	R200k
Substance Abuse	All Communities (schools)	R300k
Palliative Care, Primary Health		
Additional Classrooms (paving)	Humansdorp, Oyster Bay	R1.7m
Special Support Fund (SRD)	All Communities	R1.5m

CHAPTER 5: SECTOR PLANS

5.1 HIGH LEVEL SPATIAL DEVELOPMENT FRAMEWORK

5.1.1 Introduction and Context

The Kouga Municipal (KLM) Spatial Development Framework (SDF) was approved by Council and gazetted on 18 March 2021, gazette no. 4523. The SDF seeks to influence the overall spatial distribution of current and future land use within Kouga to give effect to the vision, goals, and objectives of the municipal Integrated development Plan (IDP). While the KLM SDF is integral to a complete IDP, it is noted that the SDF is also an integrative instrument of municipal management

5.1.2 The KLM SDF aim to create the building block toward:

- A spatial vision for the future of the municipal.
- Implementation plans together with the necessary public sector resources to deliver them.
- A framework for private investment

5.1.3 Spatial Vision and Concept

This section sets out a vision and spatial concept for the spatial planning and land use management in the Kouga Municipal Area.

"Kouga is a municipal area where well protected natural resources provide economic opportunities and a framework within which a network of well-connected SMART settlements, with a unique town feel, provides social and economic opportunities for all residents.

This Vision is built on the following components:

1. A hierarchy of settlements
2. Networks – Mobility and Logistics
3. Protect natural resources/Integrated Environmental Management
4. Promoting Agriculture and Rural Development
5. Efficient functioning of settlements / Resilient, Inclusive, Smart and Sustainable Settlements

5.1.4 Spatial Principles

The following spatial principles inform future land use decisions in KLM SPLUMA Founding Principles

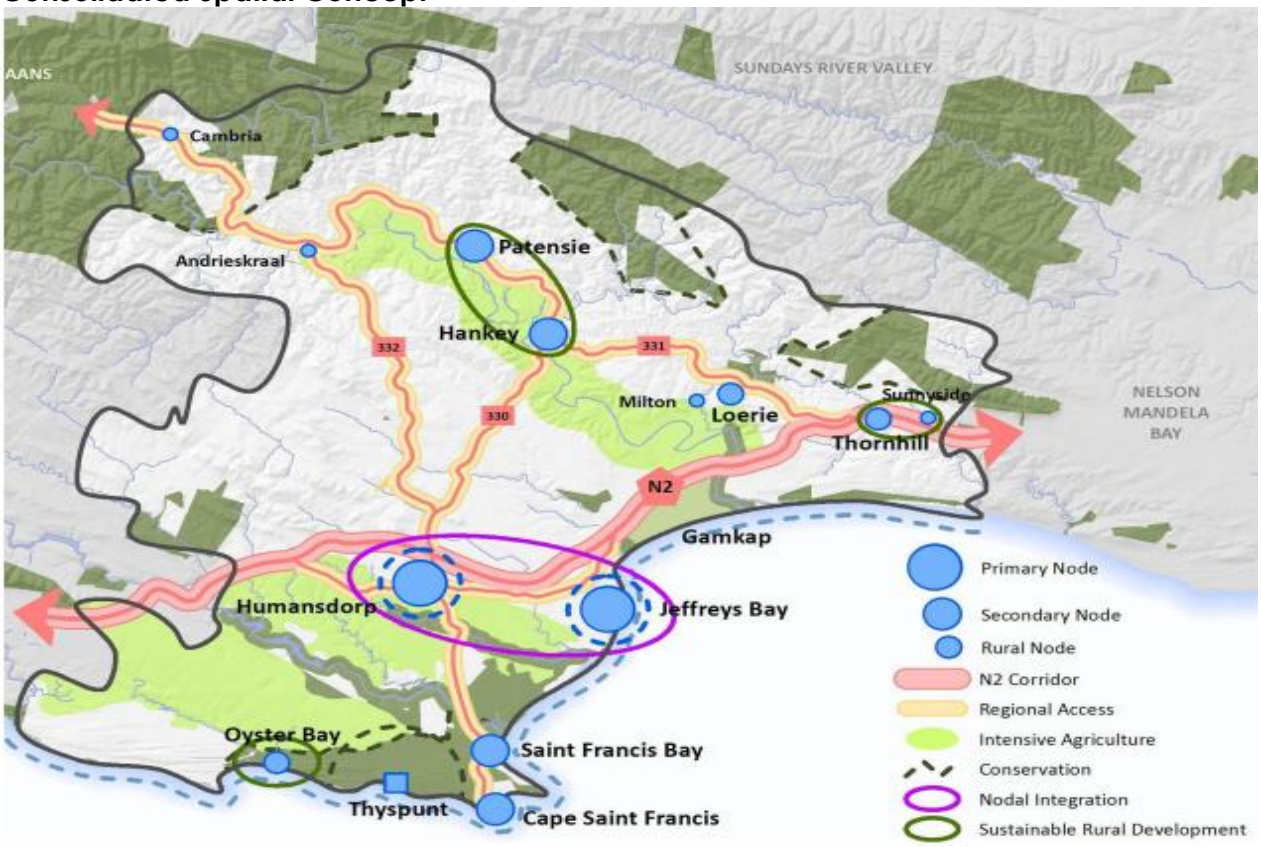
The Founding Principles will guide preparation, adoption and implementation of the Spatial Development Framework, policy formulation concerning spatial planning and development or use of land. These objectives include the redress of spatial injustices and the integration of social economic and environmental considerations and land use management.

The 5 Founding Principles set out in SPLUMA apply to the KLM SDF:

- Spatial Justice
- Spatial Sustainability
- Efficiency
- Spatial Resilience
- Good Administration

5.1.5 Consolidated Spatial Concept

Consolidated Spatial Concept



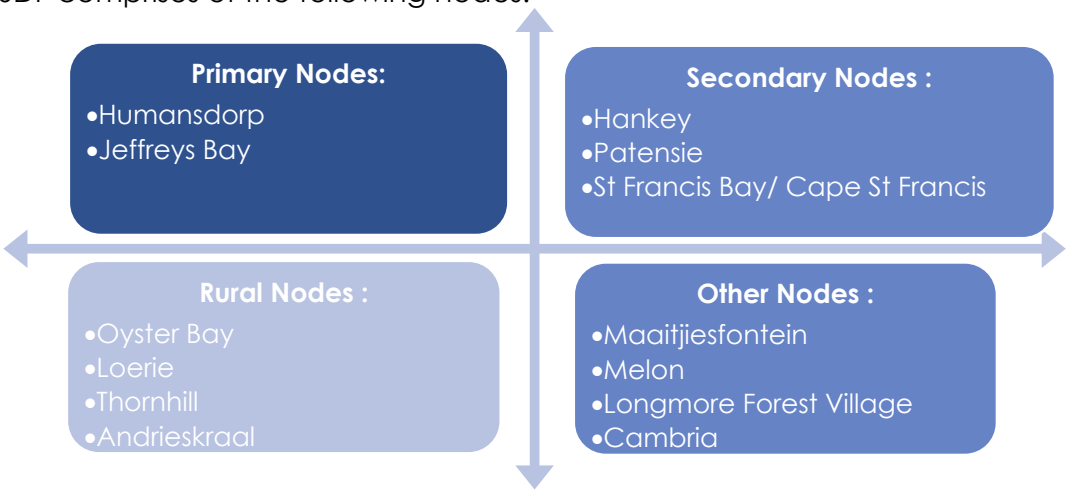
5.1.6 Municipal Spatial Framework

The municipal framework sets aside a large component of the area for the protection and management of natural areas and higher value agricultural land. The ecological and economic services that these areas provide enable the agricultural and tourism sectors to function effectively.

5.1.6.1 Municipal Spatial Plan



The SDF comprises of the following nodes:



Primary Node: Provide a social and economic anchor role in the surrounding area

Primary nodes reflect larger urban areas with strong administrative, financial and residential functions and components. Infrastructure is relatively well-developed with supporting social facilities and amenities. Future growth and investment should be prioritised in the primary nodes based on the potential to support local economic development, housing, job creation and sustainable infrastructure delivery.

Secondary Node: Strategically located to play an anchor role as a social service point and serve a large number of persons in their hinterland

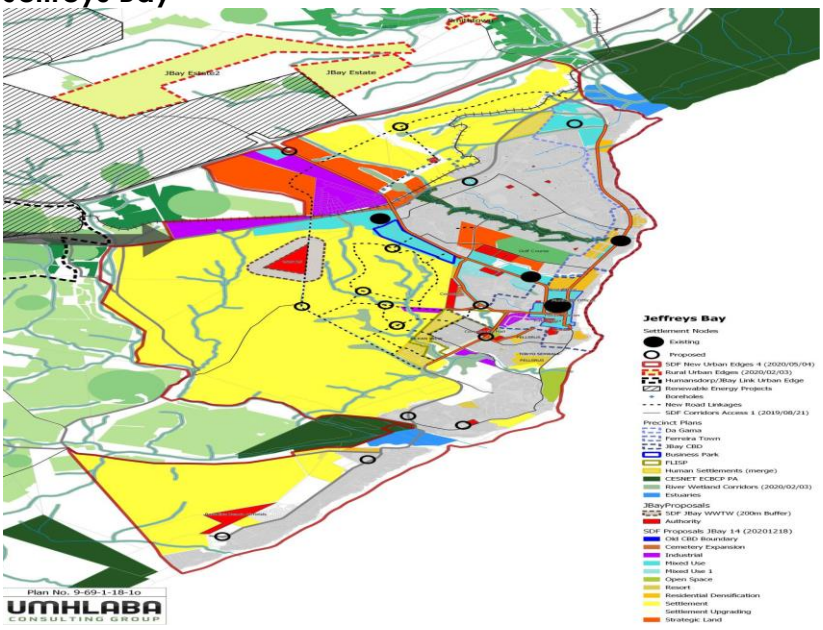
Secondary node has smaller administrative, financial and service functions though it supports strong residential components. Service delivery to the surrounding rural areas and agriculture industry play an important role. Investment and development of secondary nodes should be considered and aimed at provision of basic services and infrastructure to its residents.

Rural Nodes: Primarily serves the local population and niche economic activities e.g. tourism etc.

It is acknowledged that the rural nodes can fulfil an important function in rural upliftment and rural livelihood areas. Future expansion in the rural areas should be confined to these nodes but should be carefully assessed and investigated prior to large scale expansion and investment. Sustainability of bulk services should be a key considering factor, prior to further expansion and growth.

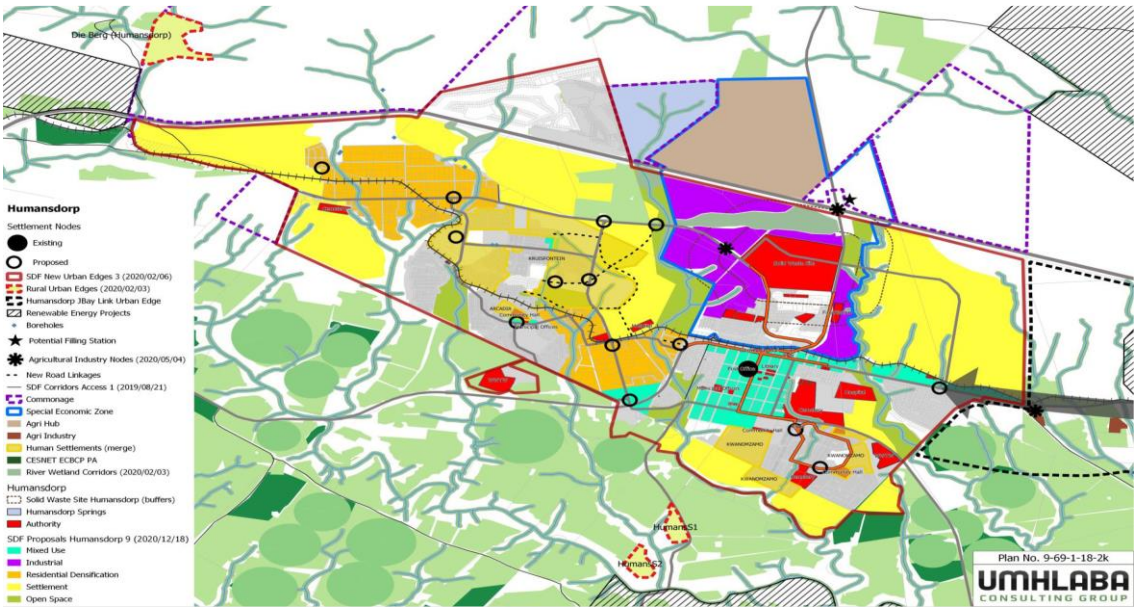
Other Nodes (Villages): These settlements have small formal service economy activities and provide a very limited service to the local

Jeffreys Bay



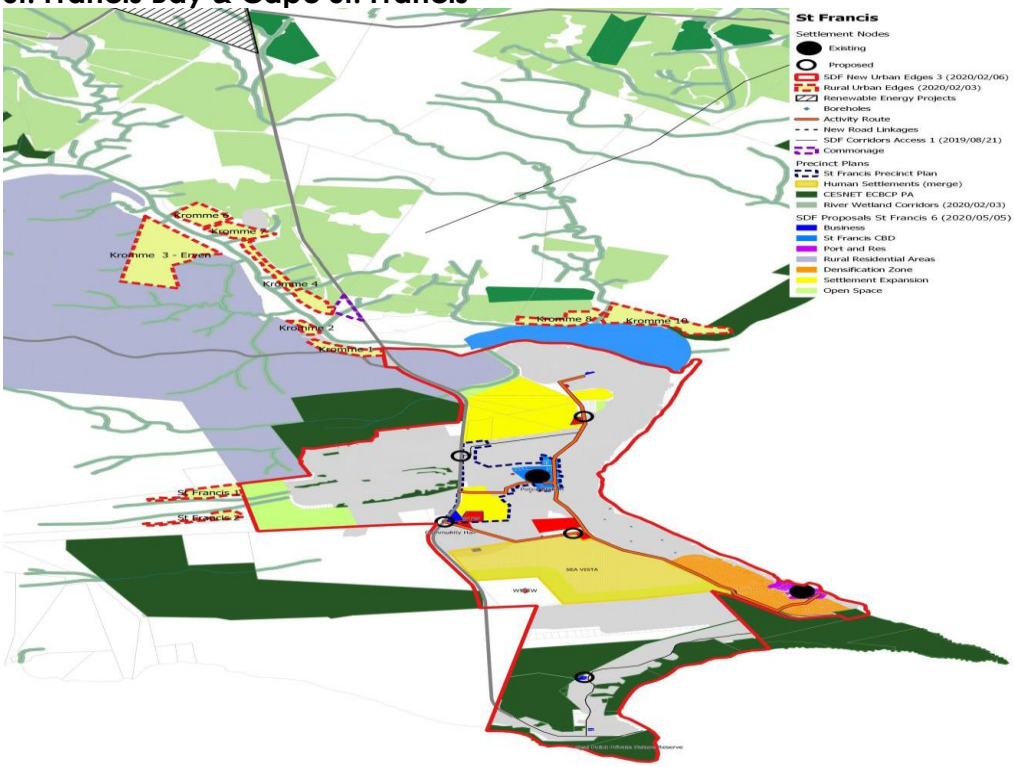
Proposed Projects	
1	Precinct Plan - The Central Business District (CBD)
2	Identify Land for the development of an integrated municipal campus/precinct – Feasibility studies etc.
3	Duine Road Realignment and Planning
4	Humansdorp Commercial Link to Jeffreys Bay
5	Identify land for the development of FLISP and Social Housing project implementation
6	Identify land for food gardens
7	Identify land for cemeteries
8	JBay Densification Policy
9	Precinct Plan - Da Gama/Kabeljous
10	Vacant Land Development Incentives (Link with the densification Policy)
11	Update the Humans Settlement Plan
12	Engage with NMBM re their Water Master Planning
13	Prepare a new Water Master Plan
14	Address sewer capacity shortfall as well as the upgrading of the 'in-series pump stations along the coast.
15	Prepare a stormwater master plan to address localised flooding
16	Upgrade De Gama Road (Provincial)
17	Upgrade St Francis Road Road (Provincial)
18	Upgrade Kanaal Road
19	Upgrade Mall Road
20	Prepare a regional waste management plan to address the need to relocate the Humansdorp Solid Waste Site.
21	Upgrade Electrical reticulation in Oceanview
22	LSDF Planning: Jeffreys Bay LASDF Planning – Can be undertaken as a whole or in component parts i.e North, Central, South and Paradise Beach
23	Precinct Plan - Koraal/Dolphin Street Precinct
24	Precinct Plan - Ferreira Town Precinct Plan (Supertubes)

Humansdorp



Proposed Projects	
1	Develop a gateway at the N2 Intersection (Create interaction with the route)
2	Agri Industry – Feasibility Study – This project will address the possibility of the location of intensive production to the north of the N2 as well as the expansion of the existing industrial area around the solid waste site to accommodate agri support, processing and storage associated with the agri-industry/HUB.
3	Upgrading and Redevelopment of the Magistrates Court – DPW
4	Prepare a regional waste management plan to address the need to relocate the Humansdorp Solid Waste Site.
5	Identify land for the development of FLISP and Social Housing project implementation
6	Integration of functions and upgrading of the municipal buildings
7	Identity land for food gardens
8	Identify land for cemeteries
9	Kruisfontein Densification and Intensification
10	Prepare a new Water Master Plan which addresses ground water protection (Land Use management Proposals)
11	Kruisfontein WWTW upgrading
12	Investigate a new bulk gravity sewer is proposed from the industrial area to Kruisfontein – To reduce demand on KwaNomzamo works
13	Prepare a stormwater management plan – Us ethe outcomes of the Kruisfontein Housing Specialist Studies (Flood line, drainage etc)
14	Upgrade gravel roads
15	Construction/upgrading of Felix Road to effectively integrate Kruisfontein.
16	Prepare a regional waste management plan to address the need to relocate the Humansdorp Solid Waste Site.
17	LSDF Planning: Humansdorp LSDF Planning
18	Solid Waste Site Precinct Planning to accommodate possible expansion areas. – Linked with the Regional Waste Site Project
19	Precinct Plan - The Central Business District (CBD)
20	Precinct Plan – Eastern Mixed-Use Zone
21	Precinct Plan - Kruisfontein West Densification proposals and incentives
22	Humansdorp Densification Policy and Areas
23	Precinct Plan – JBay-Humans Industrial Corridor
24	Prepare a Commonage management plan
25	Mapping – this map needs a legend and needs to highlight the commonage land
26	N2 – R102 Industrial Expansion Precinct Plan (Can be integrated with the solid waste site and N2 Gateway Precincts)
27	Precinct Plan - N2 Gateway Precincts)
28	Development of Erf 1983 Humansdorp for Business and Open Space purposes

St. Francis Bay & Cape St. Francis



Plan No. 9-69-1-18-3h

Proposed Projects	
1	Precinct Plan Sea Vista Entrance (Tarragona Road) Mixed Use
2	St Francis and Cape St Francis Densification Policy and Identification of densifications areas
3	Santareme Densification area
4	Transfer of Erf 400 from the Department of Public Works to Kouga Municipality
5	Development plan for Erf 554 - Rezoning of Erf 554 (St Francis Bay) for sporting facilities
6	Upgrade Cape St Francis ablution facilities
7	Upgrade the water supply suspension bridge to a more robust and sustainable arrangement
8	Prepare a Water
9	Upgrade WWTW
10	Prepare a sewer master plan and action plan.
11	Upgrade main gravity
12	Prepare a stormwater management plan which will address amongst other matters the stormwater runoff from behind Santareme.
13	General road maintenance
14	Identify Waste Dropoff Sites
15	Upgrade sections of the St Francis Bay electrical reticulation
16	Upgrade electrical reticulation in Sea Vista to avoid losses
17	Increase electrical capacity (Increase ESKOM's notified demand)
18	Prepare the St Francis and Sea Vista LSDF
19	St Francis CBD Precinct Planning
20	Homestead Rd and Sea Vista Planning

Hankey



Proposed Projects	
1	Prepare a densification policy for the Hankey
2	Upgrade the Water Supply Capacity in Hankey
3	Upgrade the conservancy tank system in the "Old Hankey" and the CBD/town areas if these are to be used for densification to accommodate housing
4	Connect the newly constructed Weston WWTW to eradicate the 'bucket system' – Dept Human Settlements
5	Prepare a storm water management plan for Hankey – Particularly to address flooding around Vukani High School
6	Upgrade the Hankey to Loerie (R400) route
7	Upgrade the gravel roads
8	Prepare the Hankey and Western LSDF – (Focused on the identification of additional land for human settlement)
9	Prepare the Hankey and Weston Main Road Corridor Precinct Plan
10	Prepare a Hankey Commonage Management Plan

5.1.7 District Directives and Abutting SDFs

KLM shares borders with Koukamma, Sundays River Valley, Beyers Naude (Old Baviaans LM Section) and Nelson Mandela Bay Municipalities and falls within the Sarah Baartman DM. Spatial Implications/Cross border issues requiring spatial alignment and administrative co-ordination are set out below:

Spatial Implications/Cross border issues

SBDM	Koukamma	Sundays River Valley	Beyers Naude	NMBM
Acknowledge the N2 coastal route	N2 Garden Route linkage between NMBM and the Western Cape, primarily a tourism route Langkloof alternative route key function for transport of produce to Western and Eastern Cape	N2 Development Corridor	N2 Development Corridor	N2 Development Corridor
Biodiversity Footprint	Coastal Management integrated with Koukamma Municipality and the Nelson Mandela Bay Municipality	Groendal		Coastal Management integrated with Koukamma Municipality and the Nelson Mandela Bay Municipality
Protected Areas Networks	Baviaans Mega Reserve Planning Domain and conservation area	Baviaans Mega Reserve Planning Domain and conservation area	Baviaans Mega Reserve Planning Domain and conservation area	
ID Renewable energy areas – Wind and Hydro	Wind Resource Area			

SBDM	Koukamma	Sundays River Valley	Beyers Naude	NMBM
Tourism Focus Area	Tourism routes between the Western Cape NMBM, Beyers Naude and Kouga Municipalities Baviaanskloof tourism route between Patensie and Willowmore in the Western Cape (gravel and 4x4 route). Tourism routes between the Western Cape and Kouga Municipalities (Langkloof) and the N2 via Humansdorp (tarred roads).	Grootrivier Poort Tourism Route – Only direct connection to SRV and Karoo	Tourism routes between the Western Cape NMBM, Beyers Naude and Kouga Municipalities. Baviaanskloof tourism route between Patensie and Willowmore in the Western Cape (gravel and 4x4 route).	Tourism routes between the Western Cape NMBM, Beyers Naude and Kouga Municipalities
Protect High Potential Agricultural Lands	Dairy Industry			
Protect Forestry Areas				Longmore Forest forestry area between Kouga Municipality and the NMBM
Protect Water Resources	National surface water Strategic Area Irrigation resource – Mpofu Dam	Drinking Water Resource Irrigation resource	Drinking Water Resource (Kouga Dam)	Cross Border - Drinking Water Resource Irrigation resource

5.1.8 Land use Management

5.1.8.1 Kouga Land Use Scheme

(a) The purpose of the Land Use Scheme is to:
(b) give effect to Section 25(1) and Section 26 of SPLUMA;
(c) function as a component of the Kouga SPLUM By-laws;
(d) promote harmonious and compatible land use patterns;
(e) promote aesthetic considerations;
(f) promote sustainable development and densification and promote a healthy environment that is not harmful to a person's health.

The Kouga Land Use Scheme was approved by Council and gazetted in March 2021, gazette no. 4525.

5.1.8.2 Municipal Planning Tribunal

Kouga Local Municipality established a stand-alone municipal planning tribunal, effective from November 2021. The appointed members of the MPT are as follows:

- Nick van Rensburg (Chairperson)
- Lawrence Ramakuwela (Deputy Chairperson)
- Jan Bester (External)
- Kreason Naidoo (External)
- Lee-ann Opperman (Internal)
- Nomvelo Siwela (Internal)
- Charles de Kock (Internal)
- Riaaz Lorgat (Internal)

5.1.8.3 Authorised Official

Director Planning & Development is appointed as Authorised Official.

5.1.8.4 Geographic Information System (GIS)

The Municipality has an operational integrated GIS office, which is currently using the ESRI system. The Municipality is currently using GIS to conduct surveys in informal settlements, digitising infrastructure data and also map creation for spatial projects.

5.2 DISASTER MANAGEMENT

The Disaster Management Act, 2002 is a legal instrument that provides coherent and transparent information with the aim to prevent and mitigate disasters and indicates how risk reduction measures are dealt with in the long-term as well as managing emergencies in the shorter term. It includes aspects of preparedness, response and recovery.

The Kouga Local Municipality has prepared a Disaster Management Plan in accordance with the requirements of the Disaster Management Act, 57 of 2002 (the Act) and Disaster Management Amendment Act, 16 of 2015.

i) Response

Immediate and effective response

What constitutes an integrated, coordinated, rapid and effective response? This can only be achieved through planning, implementation and exercise. A Technical Advisory Committee will be appointed by the Kouga Local Advisory Forum and a response policy will be drafted.

ii) Recovery

Post disaster impact assessments

After a disaster, the following disaster impact assessment activities will be undertaken, including an impact analysis relating to:

- ✧ Direct and indirect impact on communities;
- ✧ Social impact;
- ✧ Agricultural impact;
- ✧ Infrastructural impact, including critical infrastructure;
- ✧ Environmental impact; and
- ✧ Economic impact.

iii) Logistics

Whether during disaster response, or while implementing mitigation activities, the basic task of a logistics system is to deliver the appropriate supplies, in good condition, in the quantities required, and at the place and time they are needed.

Role of Logistics in Mitigation Activities

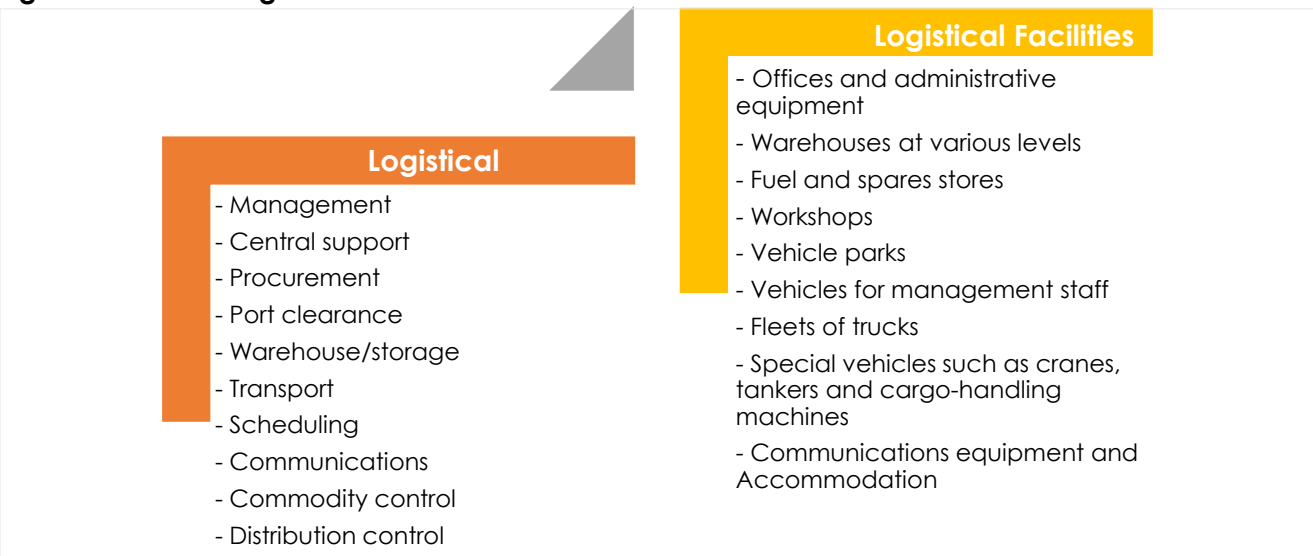
In this context, mitigation activities will be considered to include components such as preparedness, recovery and reconstruction.

Required Facilities and Equipment

The following function will form part of the logistical system, while several facilities will be required to support these functions:

Disaster Logistical Functions and Facilities

Figure 21:Disaster Logistical Functions and Facilities



iv) Risk Reduction: Risk reduction project proposals

Table 36:Risk Reduction Project Proposals

No	Hazard	Risk reduction project proposals
1	**Flooding**	**Physical planning:** poor physical planning causes flooding but where adequate drainage channels are constructed with ongoing maintenance the problem of flooding reduces. **Engineering & Construction:** engineering design and safety standards should be incorporated to assure structural integrity of buildings. **Economic Measures:** address flood related financial needs & investing in forecast-based financing of risk reduction and preparedness measures as climate changes might increase in the future. **Management & Institutional:** to achieve ideal flood forecasting and warning systems, cooperation involving stakeholders is necessary. For example, SA Weather Services can provide specific advisory services to local communities establishing flood warning systems. **Societal Measures:** traditional and indigenous practices of coping with floods are as important and vital as the modern approaches. Local knowledge approaches should be investigated as it is also the most valuable asset for flood management planning.
9	**Human and Animal Epidemic**	**Physical planning measures:** hospitals to draw up plans for managing epidemics. Train hospital staff for in an emergency or disaster to better

No	Hazard	Risk reduction project proposals
	Disease	contribute to the emergency response. Providing support for patient transport. **Engineering & construction measures:** ensure that effective repair & maintenance services aimed at avoiding functional collapse of the hospital. Train engineering & maintenance staff in infection prevention and control procedures. **Economic measures:** Logistics management & stockpiles of special supplies and equipment are needed in readiness. **Management & institutional measures:** developing Hospital Emergency Risk Management Programme-including measures to protect staff, patients & visitors from infections. Establish hospital emergency committee & Incident Command Group. **Societal measures:** developing strategies & programs to disseminate information the public is likely to need with a view to reducing risks during an emergency.
18	**Fire: Structural** **(Formal Settlements)** **Fire: Structural** **(Informal Settlements)**	**Physical planning measures:** develop a district-wide strategic framework for fire & burn prevention. **Engineering & construction measures:** smoke alarms provide an early warning system that alert people & permit time for an escape before a fire spreads, the implementation of this invention will reduce the risk of deaths in any form of settlements. **Economic measures:** prioritise funding & prevention training. **Management & institutional measures:** develop an information strategy & data collection system because an effective information strategy would support response planning & prevention, hazard identification & risk assessments. **Societal measures:** educational strategies for the public & communities with regards to fire awareness, safety & prevention.
4	**Road Incidents**	**Physical planning:** looking into the possibility of introducing safer travel choices. For example, rail has shown to be a safer form of travelling than motorized modes of travelling. **Engineering & Construction measures:** development of local road safety schemes that road safety engineers and urban designers can use in a wide range of measures to improve the safety of the road environment for all road users and to encourage increased use of streets as places that meet the needs of pedestrians, cyclists and public transport users. **Economic measures:** Speed enforcement detection devices can be effective in reducing RTA's and associated injuries. Appointing and

No	Hazard	Risk reduction project proposals
		training police for policing on roads can have a beneficial effect on road traffic facilities and crashes. **Management & Institutional measures:** Introduce proper land use planning, residential, commercial and industrial policies to be enforced. Develop a Road Traffic Accidents Response Strategy. **Societal measures:** enforce seatbelt wearing use as research has shown that seatbelts reduce the risk of death in a crash by approximately 60%. Safety education programmes for pedestrians. Driver training/ education programmes. Awareness, communication and collaboration are key to establishing and sustaining road safety efforts.
2	Drought	**Physical planning:** limit evaporation from swimming pools and other man-made water bodies through implementing appropriate physical planning measures and by-laws. Study and understand the impact of climate change on development. Promote awareness and cultivation of drought resistant crops. Build proper storage and preservation facilities by agricultural produce. **Engineering & Construction:** Monitor observation and production boreholes. Implement water pressure management systems to reduce water network losses. Finding and repairing underground water leaks (on going). **Economic Measures:** address drought related financial needs through operating budgets & forecast-based financing of risk reduction & preparedness measures. Introducing the stepped tariffs system of billing. Facilitate affordable and accessible insurance for emerging businesses and small-scale farming communities. **Management & Institutional Measures:** appoint a drought task team with a focus on establishing a multidisciplinary team of stakeholders and securing partnerships. Establish clear drought planning purposes and objectives. **Societal Measures:** capacitate rural & urban communities to identify areas where water losses and leakages can and do occur and provide an efficient reporting process. Develop awareness training and workshops in high-risk areas. Develop & inform communities of response actions to early warning systems.
7	Water Pollution	**Physical planning:** develop and maintain control measures for effective curbing of water pollution resulting from pollutants seeping into rusted galvanized iron pipes, flood/underground seepage of human and material wastes. **Economic measures:** Provide incentives for environmentally sound behaviour, raising revenue to help finance pollution control activities

No	Hazard	Risk reduction project proposals
		and ensuring that water quality objectives are achieved at the least possible (overall) cost to society. **Management & institutional measures:** develop a Water Pollution Control Compliance on Construction Sites for Resident Engineers Policy. Ensure compliance with this policy. Encouraging Adaptive practices such as organic farming and integrated pest management could help protect waterways. Develop Wastewater discharge regulations. **Societal measures:** developing intervention projects pertaining to environmental hazards are often more sustainable if they address the driving forces behind pollution at the community level.
3	**Fire (Veld)**	**Physical planning measures:** Fire response team working close to fire-fighting equipment. Ensure on-going testing of firefighting equipment. **Engineering & Construction measures:** Ensure that infrastructure within the perimeter of the veld fire should be inspected for damage and repaired if necessary. **Economic measures:** address veld fires/wildfires related financial needs through operating budgets & forecast-based financing of risk reduction & preparedness measures to ensure that resources will respond quickly. **Management & Institutional measures:** Ensure designated management staff are available for veld fires/wildfires response. Ensure that proactive fire management measures are undertaken as planned. Ensure standby operational on a roster basis. Establish agreements with a neighbouring estate whereby fires on the property are reported on the owner's behalf. Keep informed of fire weather conditions and forecasts. In terms of resources, fire response agreements should be in place-either with neighbouring estates that have sufficient resources to respond, or with a third-party agent. Societal measures: educate the public that open fires are only permitted in authorised fireplaces. Plan and make known escape routes for everyone on the ground and in the air. Restrict public access to the recently burnt areas if dangerous or ecologically sensitive. Post a lookout for danger and safety aspects.
8	**Illegal Uncontrolled** **Solid Waste Disposal**	**Physical planning:** good municipal solid waste management practices require collection of critical information which is not just for keeping the records up to date but used effectively for taking corrective measures as well as proper planning for the future. Establishment of landfill sites as well as street bins distribution to minimize illegal solid waste dumping. **Engineering & construction measures:** investment for bulk infrastructure development for the establishment of regional waste disposal sites and bulk waste transfer stations within the district.

No	Hazard	Risk reduction project proposals
		Economic measures: Implement and ensure the user pays principle is applied for waste management. **Management & institutional measures:** ensure rules & regulations governing waste management are always enforced. Preparing & implementing an IWMP & development of a framework for IDPs & ensuring that IWMPs inform the IDP Process. **Societal measures:** establishment of waste minimisation programmes, environmental education, and awareness campaigns and workshops.

v) Strategic Disaster Risk Reduction

Disaster risk reduction is the concept and practice of reducing disaster risks through systematic efforts to analyse and manage the causal factors of disasters, including through reduced exposure to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events. Disaster risk reduction, through proper planning and management is the new key driving principle in disaster management.

The Kouga Local Municipal follows a priority strategic approach to **disaster risk reduction**. This strategy aims to achieve the following objectives:

- To establish and incorporate the foundational guiding arrangements for disaster risk reduction in the Kouga Local Municipality.
- To increase awareness and knowledge of disaster risk reduction methods and opportunities.
- To inform the legal and institutional basis for efficient disaster risk reduction planning and implementation.
- To contribute towards the inclusion of disaster risk reduction into development policy, programmes and projects.
- To establish a strategic platform for public-private-sector.
- Co-operation in disaster risk reduction.
- To contribute to community resilience against threats and effects of disasters.

The following factors are important to ensure the effectiveness of implementing the strategic goals and initiatives:

- Political buy-in and support;
- Strategic leadership by management;
- Uniform standards supported by national policy and legislation;

- Stakeholders and responsible agencies need to accept responsibility and be held accountable for neglecting responsibilities in terms of disaster risk reduction;
- Capacity and awareness at local level;
- Appropriate systems and technologies;
- Private sector support;
- Optimising the use of resources: Using fewer resources to achieve more;
- The involvement and co-operation of non-governmental role players and historical information, to be inter alia gathered through indigenous knowledge, is of paramount importance.

The Disaster Management Centre / Office must establish mechanisms to ensure integration and joint standards of practice in the execution of disaster management policy.

5.3 INTEGRATED VELD FIRE MANAGEMENT PLAN

5.3.1 Status of the 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.

5.3.2 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.

5.4 AIR QUALITY MANAGEMENT PLAN

5.4.1 Status of the AQMP

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.

5.5 SEEKOEI ESTUARY MANAGEMENT PLAN

5.5.1 Status of the Seekoei Estuary Management Plan

Kouga Municipality is reviewing the Seekoei Estuarine Management Plan (EMP) for the Seekoei Estuary located (34° 5'8.25"S 24°54'15.21"E) in the Kouga Local Municipality, Eastern Cape which was gazetted in June 2019 by MEC Mlungisi Mvoko. This is the 5-year legislated review as per the National Estuarine Management Protocol published under the National Environmental Management: Integrated Coastal Management Act (Act 24 of 2008) requires that

the Plan is reviewed every 5 years. Kouga Local Municipality has therefore initiated the process of reviewing the EMP. A public participation process is required as part of the review of the EMP and was conducted on 21November 2023 terms of Section 53 of the NEM: ICM Act and Regulation 41 of GN R 982, 2014.

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.

5.6 INTEGRATED WASTE MANAGEMENT PLAN

5.6.1 Status of the Integrated Waste Management Plan

The Integrated Waste Management Plan was last approved during September 2015 and is now in process of being reviewed.

The formulation of the IWMP should include a review of the current status quo of waste management in the area and identification of gaps in the provision of waste services. This report is a situation analysis including, amongst other things, an analysis of waste types generated in the KLM, a description of current waste management services, and an indication of the number of households not receiving a waste collection service.

5.7 CLIMATE CHANGE STRATEGY

5.7.1 Status of the Climate Change Strategy

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).

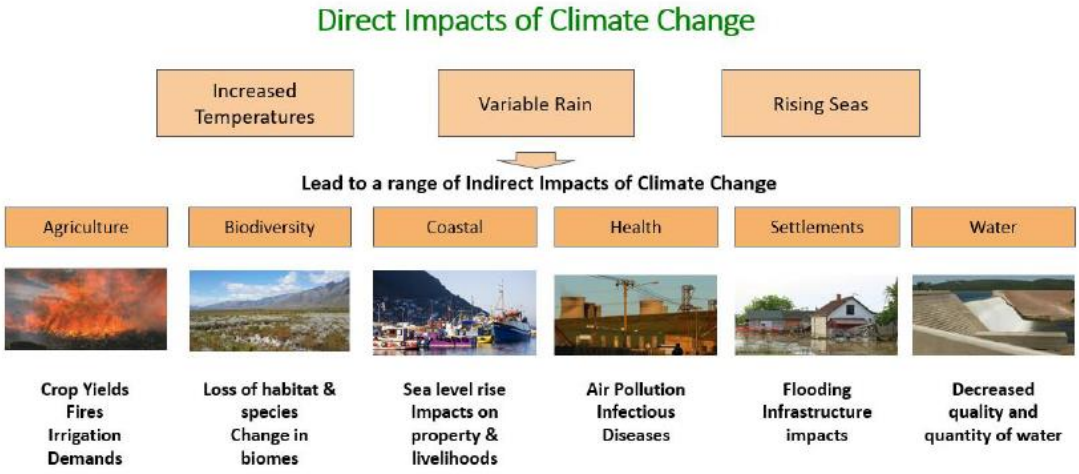
5.7.2 Objective of the Climate Change Strategy

The objectives of the Climate Change Strategy are the following:

- Provide directions for decision making related to climate change adaptation and mitigation projects to be prioritised.
- Informing staff of KLM as well as the public and especially relevant stakeholders about the impact of Climate Change and possible responses at the municipal level.
- Developing a basic Climate Change Risk and Vulnerability Assessment for Kouga that considers the local conditions in each town/ward.
- Reviewing the policies addressing Climate Change.
- stablishing a first Climate Change Strategy that can be integrated into the IDP and extended at a later stage.
- Establishing a Climate Change Committee with clear responsibilities to further drive the implementation of the Strategy.
- Implementing the first CC mitigation and adaptation measure in KLM.

In summary the present Climate Change Strategy outlines key climate change vulnerabilities that were identified through a Risk and Vulnerability Assessment and defines strategic adaptation responses.

5.7.3 Direct Impacts of Climate Change



5.8 COASTAL MANAGEMENT

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.

5.8.1 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.

5.8.2 Oyster Bay Dune Rehabilitation

The Kouga Local Municipality in partnership with the Rate Payers Association appointed a consultant to develop 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.

5.9 LOCAL ECONOMIC DEVELOPMENT PLAN

5.9.1 Status of the Local Economic Develop Plan

Council approved the draft Economic Development Plan on 25 January 2025.

5.9.2 Economic Development Strategy

The Economic Development 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.

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 6: FINANCIAL MANAGEMENT

This Chapter is linked to the National Key Performance Area, Financial Viability

6.1 EXECUTIVE SUMMARY

The key service delivery priorities, as reflected in the IDP, informed the development of the Budget, including the need to maintain and improve the Municipality's financial sustainability. It is also noted that cost containment measures are being implemented to curb costs and to improve operational efficiency.

National Treasury's MFMA Circulars No. 126,128 and 129 were used to guide the compilation of the 2025/26 Medium Term Revenue and Expenditure Framework (MTREF).

The Municipality faced the following significant challenges during the compilation of the 2025/26 MTREF:

- Maintaining an acceptable employee-related cost ratio.
- Increased costs associated with bulk electricity and water purchases, placing upward pressure on municipal tariff increases.
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure.
- Maintaining electricity and water losses at acceptable levels.
- Maintaining revenue collection rates at the targeted levels; and
- Maintaining an acceptable cost coverage ratio.

The following budgeting principles and guidelines directly informed the compilation of the 2025/26 MTREF:

- The priorities and targets relating to the key strategic focus areas, as outlined in the IDP.
- The level of property rates and tariff increases to consider the need to address maintenance and infrastructural backlogs.
- The level of property rates and tariff increases to ensure the delivery of municipal services on a financially sustainable basis.
- The need to enhance the municipality's revenue base.
- The municipality took a R 200 million loan with the Development Bank of South Africa (DBSA) for the rehabilitation of roads within the Kouga area.
- In accordance with Section 19 of the Municipal Finance Management Act, the relevant Directors must submit comprehensive reports in relation to new projects, inter alia; dealing with the total project costs, funding sources, future operating budget implications and associated tariff implications, before the Council finally approves the implementation of any new projects.

In view of the aforementioned, the following table represents an overview of the proposed 2025/26 Medium-term Revenue and Expenditure Framework:

Table 37:(Overview of the 2025/26 MTREF)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	Budget Year 2025/26	% Incr./Decr,	Budget Year 2026/27	% Incr./Decr,	Budget Year 2027/28	% Incr./Decr,
Revenue							
Total Revenue (excluding capital transfers and contributions)	1 360 902	1 468 315	7,89%	1 551 743	5,68%	1 631 809	5,16%
Total Expenditure	1 460 993	1 605 015	9,86%	1 669 224	4,00%	1 728 480	3,55%
Surplus/(Deficit)	(100 091)	(136 700)	36,58%	(117 481)	-14,06%	(96 671)	-17,71%
Total Capital Expenditure	273 573	260 204	-4,89%	65 670	-74,76%	14 947	-77,24%

Total operating revenue has increased by 7.89% or R 107,413 million for the 2025/26 financial year, compared to the 2024/25 Adjustments Budget.

For the two outer years, operational revenue increases by 5.68% and 5.16% respectively, resulting in a total revenue growth of R 270,906 million over the MTREF, when compared to the 2024/25 financial year.

Total operating expenditure for the 2025/26 financial year amounts to R 1,605 billion, resulting in a budgeted deficit of R 136,700 million. Compared to the 2024/25 Adjustments Budget, operational expenditure increased by 9.86% in the 2025/26 Budget.

For the two outer years, operational expenditure increases by 4.0% and 3.55% respectively. The 2026/27 and 2027/28 budgets reflect operating deficits of R 117,481 million and R 96,671 million respectively.

The major operating expenditure items for 2025/26 are employee related costs (32.68%), bulk electricity purchases (29.03%), depreciation (8.87%), contracted services (8.87%), inventory consumed (7.13%), operational costs (6.32%) and debt impairment (4.06%).

Funding for the 2025/26 Operating Budget is obtained from various sources, the major sources being service charges such as electricity, water, sanitation, environmental management fees and refuse collection (52.75%), property rates (21.79%), grants and subsidies received from National and Provincial Governments (14.60%).

To fund the 2025/26 Operating Budget, the following increases in property rates and service charges have been proposed, with effect from 1 July 2025:

Property rates - 6%
Water - 6.9%
Sanitation - 6.9%

Refuse - 6.5%
Electricity (average increase in income) - 12.74%
Environmental Management Fee - 6.5%

The capital budget of R 260,204 million for 2025/26 is R 13,369 million or 4.89% less than the 2024/25 Adjustments Budget.

The Capital Budget over the MTREF will be mostly funded from government grants and subsidies and borrowings, as the municipality has limited internal funding available.

6.2 OPERATING REVENUE FRAMEWORK

The continued provision and expansion of municipal services is largely dependent on the Municipality generating sufficient revenues. Efficient and effective revenue management is thus of vital importance in ensuring the ongoing financial sustainability of the Municipality. Furthermore, in accordance with the MFMA, expenditure must be limited to the realistically anticipated revenues.

The Municipality's revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard.
- Tariff Policies.
- Property Rates Policy.
- Indigent Policy and provision of free basic services.
- The level of property rates and tariffs increases must ensure financially sustainable service delivery.
- The level of property rates and tariff increases to consider the maintenance and replacement of infrastructure, including the expansion of services.
- Determining fully cost reflective tariffs for trading services.
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Water bulk tariff increases as approved by the Nelson Mandela Bay Metropolitan Municipality.
- Efficient revenue management, targeting a 95% annual collection rate for property rates and service charges.

The following table is a summary of the 2025/26 MTREF (classified by main revenue source):

Table 38:(Summary of main revenue sources)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Revenue				
Exchange Revenue				
Service charges - Electricity	425 559	479 524	505 275	536 566

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Service charges - Water	138 057	147 583	157 766	168 652
Service charges - Waste Water Management	76 014	81 259	86 866	92 860
Service charges - Waste Management	62 146	66 186	70 488	75 069
Sale of Goods and Rendering of Services	9 533	10 044	10 586	11 159
Agency services	4 554	4 554	4 554	4 554
Interest earned from Receivables	32 335	34 661	37 024	39 560
Interest earned from Current and Non-Current Assets	15 498	16 273	17 086	17 941
Rental from Fixed Assets	3 187	3 322	3 465	3 614
Licence and permits	2 851	2 856	2 860	2 865
Operational Revenue	1 955	1 955	1 955	1 955
Non-Exchange Revenue				
Property rates	298 309	319 920	339 115	359 462
Fines, penalties and forfeits	43 859	45 795	47 861	50 021
Licences or permits	11 772	12 545	13 371	14 255
Transfer and subsidies - Operational	210 105	214 394	224 359	222 295
Interest	5 510	5 841	6 192	6 563
Operational Revenue	19 658	21 605	22 920	24 417
Total Revenue (excluding capital transfers and contributions)	**1 360 902**	**1 468 315**	**1 551 743**	**1 631 809**

The following table illustrates the mix of main revenue sources, supporting the 2025/26 MTREF:

Table 39:(Mix of main revenue sources)

Description	Current Year 2024/25		2025/26 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	%	Budget Year 2025/26	%	Budget Year 2026/27	%	Budget Year 2027/28	%
Revenue								
Exchange Revenue								
Service charges - Electricity	425 559	31,27%	479 524	32,66%	505 275	32,56%	536 566	32,88%
Service charges - Water	138 057	10,14%	147 583	10,05%	157 766	10,17%	168 652	10,34%
Service charges - Waste Water Management	76 014	5,59%	81 259	5,53%	86 866	5,60%	92 860	5,69%
Service charges - Waste Management	62 146	4,57%	66 186	4,51%	70 488	4,54%	75 069	4,60%
Sale of Goods and Rendering of Services	9 533	0,70%	10 044	0,68%	10 586	0,68%	11 159	0,68%
Agency services	4 554	0,33%	4 554	0,31%	4 554	0,29%	4 554	0,28%
Interest earned from Receivables	32 335	2,38%	34 661	2,36%	37 024	2,39%	39 560	2,42%
Interest earned from Current and Non-Current Assets	15 498	1,14%	16 273	1,11%	17 086	1,10%	17 941	1,10%

Description	Current Year 2024/25		2025/26 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	%	Budget Year 2025/26	%	Budget Year 2026/27	%	Budget Year 2027/28	%
Rental from Fixed Assets	3 187	0,23%	3 322	0,23%	3 465	0,22%	3 614	0,22%
Licence and permits	2 851	0,21%	2 856	0,19%	2 860	0,18%	2 865	0,18%
Operational Revenue	1 955	0,14%	1 955	0,13%	1 955	0,13%	1 955	0,12%
Non-Exchange Revenue		0,00%		0,00%		0,00%		0,00%
Property rates	298 309	21,92%	319 920	21,79%	339 115	21,85%	359 462	22,03%
Fines, penalties and forfeits	43 859	3,22%	45 795	3,12%	47 861	3,08%	50 021	3,07%
Licences or permits	11 772	0,87%	12 545	0,85%	13 371	0,86%	14 255	0,87%
Transfer and subsidies - Operational	210 105	15,44%	214 394	14,60%	224 359	14,46%	222 295	13,62%
Interest	5 510	0,40%	5 841	0,40%	6 192	0,40%	6 563	0,40%
Operational Revenue	19 658	1,44%	21 605	1,47%	22 920	1,48%	24 417	1,50%
Total Revenue (excluding capital transfers and contributions)	**1 360 902**	**100,00%**	**1 468 315**	**100,00%**	**1 551 743**	**100,00%**	**1 631 809**	**100,00%**

In the 2024/25 financial year, rates and service charges amounted to R 1,000 billion. This increases to R 1,094 billion, R 1,160 billion and R 1,233 billion in the 2025/26, 2026/27 and 2027/28 financial years, respectively.

The major operating revenue sources for 2025/26 are electricity (32.66%), property rates (21.79%), operating grants & subsidies (14.60%), water (10.05%), waste water management (5.53%) and waste management (4.51%).

The following table provides a breakdown of the various operating grants and subsidies allocated to the Municipality over the medium term:

Table 40: (Operating Transfers and Grant Receipts)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
RECEIPTS:				
Operating Transfers and Grants				
National Government:	**197 710**	**208 936**	**218 788**	**216 724**
Operational Revenue: General Revenue: Equitable Share	192 664	203 746	214 723	214 723
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 495	1 495	–	–
Local Government Financial Management Grant [Schedule 5B]	1 723	1 785	2 001	2 001
Municipal Infrastructure Grant [Schedule 5B]	1 828	1 910	2 064	–
Provincial Government:	**9 952**	**2 955**	**2 955**	**2 955**
Library grant	2 955	2 955	2 955	2 955
Housing	6 997	–	–	–
District Municipality:	**2 393**	**2 503**	**2 616**	**2 616**

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Environmental Health Subsidy	2 393	2 503	2 616	2 616
Other Grant Providers:	**50**	**–**	**–**	**–**
Departmental Agencies and Accounts	50	–	–	–
Total Operating Transfers and Grants	**210 105**	**214 394**	**224 359**	**222 295**
Capital Transfers and Grants				
National Government:	**52 762**	**50 558**	**55 774**	**–**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4 203	7 260	7 558	–
Municipal Infrastructure Grant [Schedule 5B]	34 618	36 298	39 216	–
Water Services Infrastructure Grant [Schedule 5B]	13 941	7 000	9 000	–
Provincial Government:	**75 655**	**75 030**	**–**	**–**
Housing	75 655	75 030	–	–
District Municipality:	**1 600**	**1 600**	**1 600**	**1 600**
Fire Services	1 600	1 600	1 600	1 600
Total Capital Transfers and Grants	**130 017**	**127 188**	**57 374**	**1 600**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**340 122**	**341 582**	**281 733**	**223 895**

The Municipality is faced with the significant challenge of providing services with its limited financial resources. Against this background, the Municipality has undertaken the tariff determination process relating to property rates and service charges as follows:

6.2.1 Property Rates

Property rates fund the costs associated with the provision of general services, such as fire, library and roads and stormwater services.

The following provisions in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rateable value (Section 17(h) of the MPRA).
- An additional R85 000 rebate will be granted to registered indigents in terms of the Indigent Policy.
- If the usage of a property changes during a financial year, the rebate applicable will be reduced *pro rata* for the balance of the financial year.
- Residential properties with a market value up of R400 000 including the impermissible rate of R15 000.
- R 200 000 on one residential property, including the impermissible rate of R15 000, for Rate Payer 60 years and older with a gross household income not more than R15 000.00

A property rates increase of 6% in cents in the rand is proposed as from 1 July 2025.
The proposed property rates increase is mainly influenced by the following:

- Employee-related costs increased by 5.15%.
- Providing for debt impairment.

6.2.2 Sale of Water and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 88, 89, 91, 93 and 94, Municipalities are encouraged to review the level and structure of their water tariffs to ensure:

- Fully cost reflective water tariffs – tariffs should include the costs associated with bulk water purchases, the maintenance and renewal of purification plants, water networks and water reticulation expansion.
- Water tariffs are structured to protect basic levels of service; and
- Water tariffs are designed to encourage efficient and sustainable consumption.

A phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers.

A tariff increases of 6.9% is proposed as from 1 July 2025. The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 5.15%.
- The cost of bulk water purchases increased by 9%.
- Providing for debt impairment.

The water tariff structure is designed in such a manner that higher levels of water consumption are progressively charged at a higher rate.

6.2.3 Sale of Electricity and Impact of Tariff Increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity, a 12.74% increase in bulk costs for electricity was approved by Nersa. The Municipality is proposing a 12.74% increase on average consumer tariffs to offset the additional electricity bulk purchases costs, as from 1 July 2025. The proposed tariffs increase of 12.74% is subjected to the approval by Nersa.

The proposed tariff increases are mainly influenced by the following:

- Employee related costs increased by 5.15%.
- The cost of bulk electricity purchases increased by 12.74%.
- Repairs and maintenance of electricity infrastructure.
- Providing for debt impairment.

6.2.4 Sanitation and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 88, 89, 91, 93 and 94, Municipalities are encouraged to review the level and structure of their sanitation tariffs to ensure:

- Fully cost reflective sanitation tariffs – tariffs should include the costs associated with maintenance and renewal of treatment plants, sanitation networks and sanitation infrastructure expansion.
- Sanitation tariffs are structured to protect basic levels of service; and
- Sanitation tariffs are designed to encourage efficient and sustainable consumption.

A phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers.

A tariff increases of 6.9% is proposed as from 1 July 2025. The proposed tariff increase is mainly influenced by the following:

- Employee-related costs increased by 5.15%.
- Providing for debt impairment.

6.2.5 Refuse Collection and Impact of Tariff Increases

National Treasury has urged municipalities to ensure that refuse tariffs are fully cost reflective. The tariffs should consider the need to maintain a cash-backed reserve to cover the future costs of the rehabilitation of landfill sites. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers.

A tariff increases of 6.5% is proposed for refuse collection, as from 1 July 2025.

The proposed tariff increase is mainly influenced by the following:

- Employee-related costs increased by 5.15%.
- Providing for debt impairment

6.2.6 Environmental Management Fees and Impact of Tariff increases

A tariff increases of 6.5% is proposed for the environmental management fee, as from 1 July 2025.

6.3 OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2025/26 budget and MTREF is informed by the following:

- The funding of the budget over the medium-term is informed by the requirements of Section 18 and 19 of the MFMA.

- A balanced budget approach by limiting operating expenditure to operating revenue.

The following table is a high-level summary of the 2025/26 budget and MTREF (classified per main type of operating expenditure):

Table 41:(Summary of operating expenditure by standard classification item)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Expenditure				
Employee related costs	482 971	524 567	552 513	580 264
Remuneration of councillors	15 594	15 988	16 387	16 797
Bulk purchases - electricity	413 349	466 010	490 988	521 380
Inventory consumed	104 695	114 422	120 715	125352
Debt impairment	59 136	65 115	68 669	72 553
Depreciation and amortisation	117 798	142 422	146 083	141 974
Interest	13 002	20 106	25 695	21 945
Contracted services	145 759	142 440	132 241	130 512
Transfers and subsidies	400	950	950	950
Irrecoverable debts written off	10 078	11 487	12 180	12 952
Operational costs	98 211	101 508	102 803	103 801
Total Expenditure	**1 460 993**	**1 605 015**	**1 669 224**	**1 728 480**

The total operating expenditure increased by R 144,022 million (9.86%) from R 1,461 billion in 2024/25 to R 1,605 billion in 2025/26.

Below is a discussion of the main expenditure components.

Employee related costs

The 2025/26 budget provides for a general increase of 5.15%, based on the salary and wage collective agreement.

The total budget provision of R 524,567 million represents an increase of 8.61% over the 2025/26 budget. Employee related costs in the 2025/26 Budget, represent 32.68% of the total operating expenditure.

Remuneration of Councillors

The remuneration of Councillors is determined by the Minister of Co-operative Governance and Traditional Affairs, in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). There is no proclamation in terms of Remuneration of Councillors yet.

Debt Impairment

The provision for debt impairment and irrecoverable debts written off was determined based on a targeted annual collection rate of 95% for property rates and services charges. For the 2025/26 financial year this amounted to R 65,115 million (includes traffic fines debt impairment) and R 11,487 million, respectively. While this expenditure represents a non-cash flow item, it is considered in determining the total costs associated with the rendering of municipal services and the realistically anticipated revenues.

Depreciation and Asset Impairment

The provision for depreciation and asset impairment has been informed by the Municipality's Fixed Assets Register. The budget amounts to R 142,440 million for the 2025/26 financial year and equates to 8.87% of the total operating expenditure.

Bulk Electricity Purchases

The bulk purchases increased by 12.74% or R 52,661 million, compared to the 2024/25 adjustments budget. The Bulk electricity purchases constitute 29.03% of total operating expenditure for 2025/26

Inventory Consumed

Inventory consumed relates to the inventory items, such as bulk water purchases, material and supplies, consumables, printing and stationery, fuel, and oil etc., initially budgeted under bulk purchases and general expenses, being transferred to other materials. This is in line with the mSCOA requirements. The budget for 2025/26 amounts to R 114,422 million and equates to 7.13% of the total operating expenditure.

Contracted Services

In the 2025/26 financial year, the budget provision amounts to R 142,440 million and equates to 8.87% of the total operating expenditure.

Transfers and subsidies

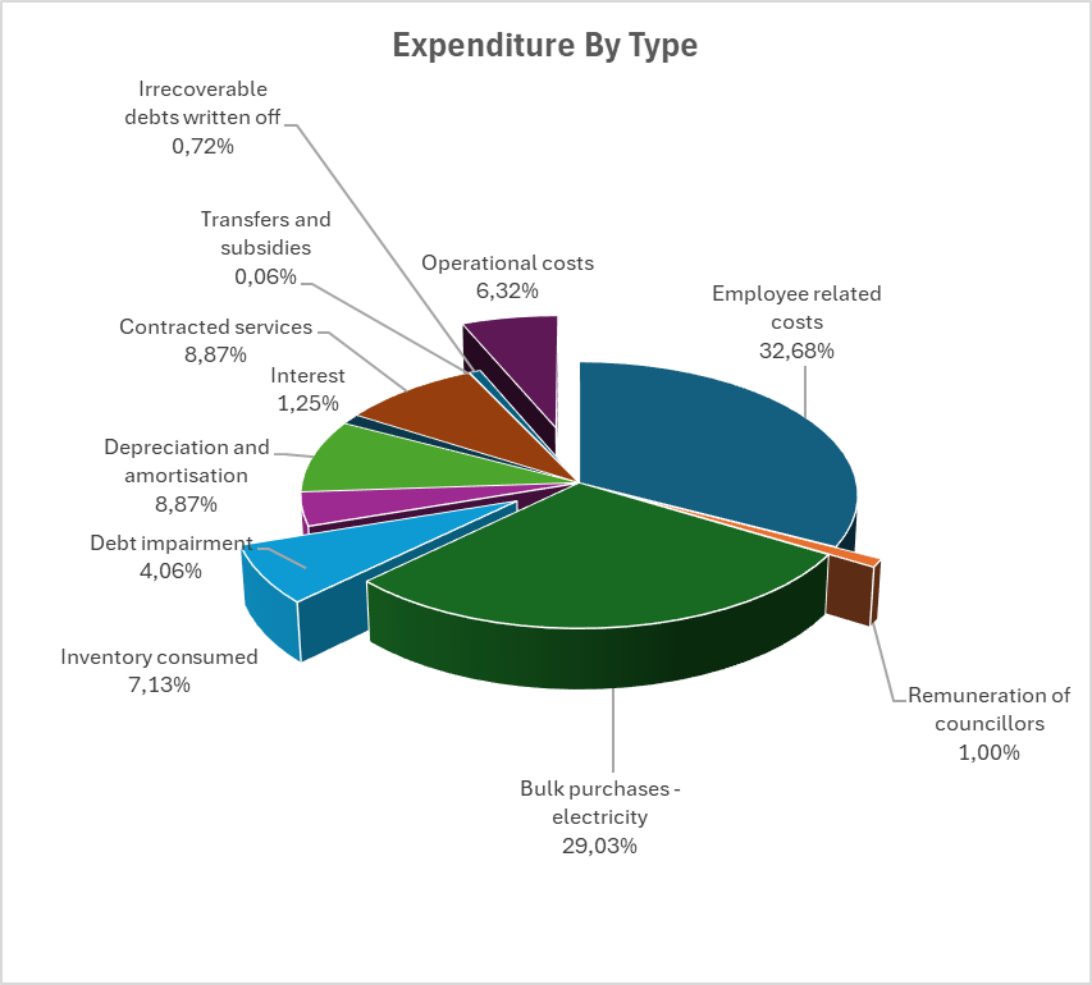
Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organizations, in line with the Council approved grant-in-aid policy. In the 2025/26 financial year, the budget provision amounts to R 0,950 million and equates to 0.06% of the total operating expenditure.

Operational Costs

Operational costs comprise of various line items relating to the daily operations of the municipality.
In the 2025/26 financial year, the budget provision amounts to R 101,508 million and equates to 6.32% of the total operating expenditure.

The graph below reflects the expenditure components of the budgeted statement of financial performance.

Figure 22: Main Operational Expenditure Categories for the 2025/26 Financial Year



6.3.1 Priority relating to repairs and maintenance

The repairs and maintenance expenditure in the 2025/26 financial year decreased by R 10,411 million or 4.30% compared to the 2024/25 Approved Adjustments Budget.

It is to be noted that repairs and maintenance constitute 14.45%, 14.44% and 14.47% of the total operating expenditure, for the 2025/26, 2026/27 and 2027/28 financial years, respectively.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

Table 42: (Repairs and maintenance per asset class)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Repairs and Maintenance by Asset Class	**242 361**	**231 950**	**241 047**	**250 078**
Roads Infrastructure	53 392	30 189	31 597	31 843
Storm water Infrastructure	1 620	1 620	1 780	1 790
Electrical Infrastructure	35 675	38 638	40 005	41 443
Water Supply Infrastructure	37 473	36 498	38 301	40 054
Sanitation Infrastructure	43 944	55 160	58 749	62 617
Coastal Infrastructure	1 150	2 500	2 400	2 200
Infrastructure	***173 254***	***164 605***	***172 832***	***179 948***
Community Facilities	40 047	31 137	32 641	34 198
Sport and Recreation Facilities	1 340	4 200	1 800	1 300
Community Assets	***41 387***	***35 337***	***34 441***	***35 498***
Operational Buildings	4 154	3 599	3 590	3 620
Other Assets	***4 154***	***3 599***	***3 590***	***3 620***
Licences and Rights	–	165	175	180
Intangible Assets	**–**	***165***	***175***	***180***
Computer Equipment	**–**	**335**	**335**	**335**
Machinery and Equipment	**594**	**1 367**	**1 598**	**1 661**
Transport Assets	**22 973**	**26 543**	**28 075**	**28 836**

For the 2025/26 financial year an amount of R 165,605 million (70.97%) of total repairs and maintenance will be spent on infrastructure assets.

6.3.2 Free Basic Services: Indigent Support

Indigent support assists indigent households that have limited financial ability to pay for municipal services. To qualify for free services, the households are required to register in terms of the Municipality's Indigent Policy, whilst the monthly household income may not exceed two state pensions. Details relating to free services, cost of free basic services, as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement).

The cost of the indigent support of the registered indigent households is largely financed by national government through the local government equitable share allocation, received in terms of the annual Division of Revenue Act.

6.4 CAPITAL EXPENDITURE

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 43:(2024/25 Medium-term capital budget per vote)

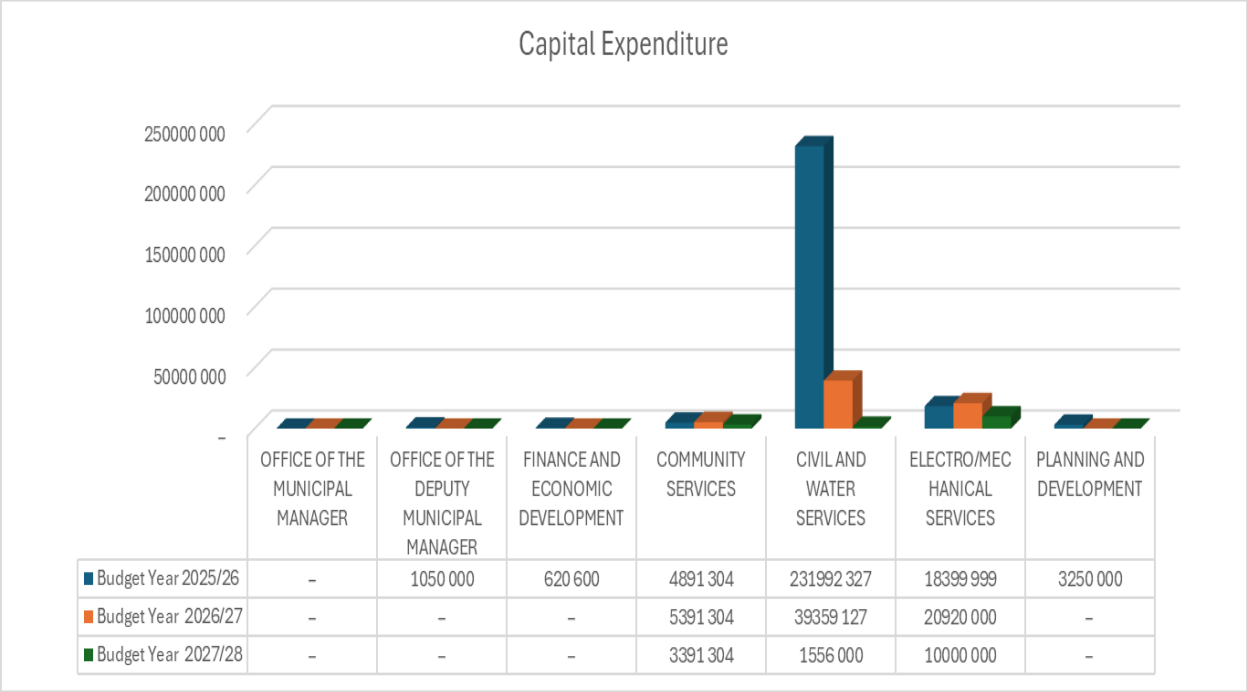
Vote Description	Current Year 2024/25		2024/25 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	%	Budget Year 2025/26	%	Budget Year 2026/27	%	Budget Year 2027/28	%
Capital expenditure - Vote								
Multi-year expenditure to *be appropriated*								
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	28	0,01%	–	0,00%	–	–	–	–

Vote Description	Current Year 2024/25		2024/25 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	%	Budget Year 2025/26	%	Budget Year 2026/27	%	Budget Year 2027/28	%
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1 933	0,71%	1 050	0,40%	–	0,00%	–	0,00%
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	992	0,36%	621	0,24%	–	0,00%	–	0,00%
Vote 4 - COMMUNITY SERVICES	1 634	0,60%	4 891	1,88%	5 391	8,21%	3 391	22,69%
Vote 5 - CIVIL AND WATER SERVICES	154 227	56,38%	231 992	89,16%	39 359	59,93%	1 556	10,41%
Vote 6 - ELECTRO/MECHANICAL SERVICES	92 804	33,92%	18 400	7,07%	20 920	31,86%	10 000	66,90%
Vote 7 - PLANNING AND DEVELOPMENT	21 956	8,03%	3 250	1,25%	–	0,00%	–	0,00%
Total Capital Expenditure - Vote	**273 573**	**100,00%**	**260 204**	**100,00%**	**65 670**	**100,00%**	**14 947**	**100,00%**

Civil and Water Services receives the highest allocation of R 231,992 million in 2025/26, which equates to 89.16%, followed by Electro/Mechanical Services at R 18,400 million (7.07%), Community Services at R 4,891 million (1.88%), Planning and Development at R 3,250 million (1.25%), Office of the Deputy Municipal Manager at R 1,050 million (0.40%) and Finance and Economic Development at R 0,621 million (0.24%) respectively.

The following graph provides a breakdown of the capital budget over the MTREF.

Figure 23: Capital Expenditure



6.5 ANNUAL BUDGET TABLES

The ten main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section. These tables set out the Municipality's 2025/26

Budget and MTREF to be considered for approval by the Council. Each table is accompanied by *explanatory notes*.

Table 44: (Table A1 - Budget Summary)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousands	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Financial Performance				
Property rates	298 309	319 920	339 115	359 462
Service charges	701 777	774 552	820 395	873 147
Investment revenue	15 498	16 273	17 086	17 941
Transfer and subsidies - Operational	210 105	214 394	224 359	222 295
Other own revenue	135 214	143 177	150 788	158 964
Total Revenue (excluding capital transfers and contributions)	1 360 902	1 468 315	1 551 743	1 631 809
Employee costs	482 971	524 567	552 513	580 264
Remuneration of councillors	15 594	15 988	16 387	16 797
Depreciation and amortisation	117 798	142 422	146 083	141 974
Interest	13 002	20 106	25 695	21 945
Inventory consumed and bulk purchases	518 044	580 432	611 702	646 733
Transfers and subsidies	400	950	950	950
Other expenditure	313 184	320 551	315 894	319 817
Total Expenditure	1 460 993	1 605 015	1 669 224	1 728 480
Surplus/(Deficit)	(100 091)	(136 700)	(117 481)	(96 671)
Transfers and subsidies - capital (monetary allocations)	168 808	127 188	57 374	1 600
Transfers and subsidies - capital (in-kind)	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	68 717	(9 512)	(60 107)	(95 071)
Share of surplus/ (deficit) of associate	–	–	–	–
Intercompany/Parent subsidiary transactions	–	–	–	–
Surplus/(Deficit) for the year	68 717	(9 512)	(60 107)	(95 071)
Capital expenditure & funds sources				
Capital expenditure	273 573	260 204	65 670	14 947
Transfers recognised - capital	149 471	110 598	49 890	1 391
Borrowing	94 484	130 435	–	–
Internally generated funds	29 618	19 172	15 780	13 556
Total sources of capital funds	273 573	260 204	65 670	14 947
Financial position				
Total current assets	291 083	268 084	284 141	305 350
Total non current assets	2 468 603	2 595 707	2 515 294	2 388 267
Total current liabilities	281 961	285 984	295 469	283 937
Total non current liabilities	366 975	465 849	452 116	452 902
Community wealth/Equity	2 110 750	2 111 957	2 051 850	1 956 779
Cash flows				
Net cash from (used) operating	163 238	159 026	113 671	74 157
Net cash from (used) investing	(222 567)	(260 204)	(65 670)	(14 947)
Net cash from (used) financing	84 736	76 010	(31 944)	(31 944)
Cash/cash equivalents at the year end	169 065	145 295	161 352	188 618
Cash backing/surplus reconciliation				
Cash and investments available	169 065	145 295	161 352	188 618
Application of cash and investments	163 457	137 541	147 025	156 069
Balance - surplus (shortfall)	5 608	7 755	14 327	32 549
Asset management				

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousands	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Asset register summary (WDV)	2 468 603	2 595 707	2 515 294	2 388 267
Depreciation	117 798	142 422	146 083	141 974
Renewal and Upgrading of Existing Assets	151 199	82 814	30 891	10 036
Repairs and Maintenance	242 361	231 950	241 047	250 078
Free services				
Cost of Free Basic Services provided	61 419	65 676	70 070	74 778
Revenue cost of free services provided	353	4 207	4 459	4 727
Households below minimum service level				
Water:	–	–	–	–
Sanitation/sewerage:	–	–	–	–
Energy:	–	–	–	–
Refuse:	–	–	–	–

Explanatory notes to Table A1 - Budget Summary

The aim of the Budget Summary is to provide a concise overview of the proposed budget from all 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 45: (Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Functional Classification Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Revenue - Functional				
Governance and administration	**499 299**	**530 834**	**560 055**	**579 076**
Executive and council	142	142	142	142
Finance and administration	499 157	530 692	559 914	578 935
Internal audit	–	–	–	–
Community and public safety	**122 430**	**95 151**	**21 075**	**21 971**
Community and social services	3 365	3 385	3 406	3 429
Sport and recreation	11 504	12 255	13 056	13 910
Public safety	1 857	1 870	1 883	1 898
Housing	103 208	75 030	–	–
Health	2 496	2 612	2 730	2 734
Economic and environmental services	**48 986**	**40 370**	**40 872**	**40 769**
Planning and development	10 252	10 839	11 529	10 033
Road transport	19 980	9 599	8 104	8 104
Environmental protection	18 755	19 932	21 239	22 633
Trading services	**858 995**	**929 147**	**987 114**	**991 592**
Energy sources	444 755	502 913	529 836	554 623
Water management	202 542	200 952	216 335	221 641

Functional Classification Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Waste water management	133 183	141 663	151 852	120 408
Waste management	78 516	83 619	89 091	94 921
Other	–	–	–	–
Total Revenue - Functional	**1 529 710**	**1 595 503**	**1 609 117**	**1 633 409**
Expenditure - Functional				
Governance and administration	**366 409**	**419 039**	**428 355**	**440 692**
Executive and council	61 189	66 561	68 597	71 078
Finance and administration	304 803	349 260	356 543	366 246
Internal audit	418	3 218	3 215	3 369
Community and public safety	**138 395**	**141 482**	**145 388**	**149 720**
Community and social services	13 796	12 289	12 829	13 045
Sport and recreation	72 073	73 671	74 141	76 283
Public safety	33 342	35 167	37 213	39 026
Housing	11 320	11 626	12 083	11 799
Health	7 863	8 729	9 122	9 567
Economic and environmental services	**198 550**	**189 410**	**202 195**	**201 258**
Planning and development	38 060	39 914	42 553	44 436
Road transport	151 612	141 166	151 666	149 202
Environmental protection	8 878	8 331	7 977	7 619
Trading services	**757 639**	**855 084**	**893 286**	**936 810**
Energy sources	494 191	552 947	579 414	614 630
Water management	109 037	121 164	127 044	127 980
Waste water management	90 277	109 169	112 439	117 431
Waste management	64 133	71 803	74 389	76 770
Other	–	–	–	–
Total Expenditure - Functional	**1 460 993**	**1 605 015**	**1 669 224**	**1 728 480**
Surplus/(Deficit) for the year	**68 717**	**(9 512)**	**(60 107)**	**(95 071)**

Explanatory notes to Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

The 'standard classification' refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities approve a budget in one common format, to facilitate comparison across all municipalities. It should be noted that the revenue by vote as reflected in this table, includes revenue attributable to capital grants.

Table 46:(Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Revenue by Vote				
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1 115	1 115	1 115	1 115
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	454 924	484 555	511 745	528 642
Vote 4 - COMMUNITY SERVICES	167 855	176 939	186 704	196 946
Vote 5 - CIVIL AND WATER SERVICES	349 429	346 021	370 251	342 049
Vote 6 - ELECTRO/MECHANICAL SERVICES	444 756	502 914	529 838	554 625
Vote 7 - PLANNING AND DEVELOPMENT	111 632	83 959	9 465	10 033
Total Revenue by Vote	**1 529 710**	**1 595 503**	**1 609 117**	**1 633 409**
Expenditure by Vote *to be appropriated*				
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	31 803	18 128	18 475	19 158
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	126 253	167 478	168 912	173 175
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	136 835	138 928	142 616	146 173
Vote 4 - COMMUNITY SERVICES	290 666	314 436	324 216	335 022
Vote 5 - CIVIL AND WATER SERVICES	329 020	341 308	360 569	362 805
Vote 6 - ELECTRO/MECHANICAL SERVICES	507 837	580 517	608 118	644 388
Vote 7 - PLANNING AND DEVELOPMENT	38 579	44 085	46 182	47 604
Total Expenditure by Vote	**1 460 993**	**1 604 880**	**1 669 089**	**1 728 325**
Surplus/(Deficit) for the year	**68 717**	**(9 377)**	**(59 972)**	**(94 916)**

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. The purpose of the format in which the budget is presented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, 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 47:(Table A4 - Budgeted Financial Performance (revenue and expenditure))

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Revenue				
Exchange Revenue				
Service charges - Electricity	425 559	479 524	505 275	536 566
Service charges - Water	138 057	147 583	157 766	168 652
Service charges - Waste Water Management	76 014	81 259	86 866	92 860
Service charges - Waste Management	62 146	66 186	70 488	75 069
Sale of Goods and Rendering of Services	9 533	10 044	10 586	11 159
Agency services	4 554	4 554	4 554	4 554

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Interest earned from Receivables	32 335	34 661	37 024	39 560
Interest earned from Current and Non Current Assets	15 498	16 273	17 086	17 941
Rental from Fixed Assets	3 187	3 322	3 465	3 614
Licence and permits	2 851	2 856	2 860	2 865
Operational Revenue	1 955	1 955	1 955	1 955
Non-Exchange Revenue				
Property rates	298 309	319 920	339 115	359 462
Fines, penalties and forfeits	43 859	45 795	47 861	50 021
Licences or permits	11 772	12 545	13 371	14 255
Transfer and subsidies - Operational	210 105	214 394	224 359	222 295
Interest	5 510	5 841	6 192	6 563
Operational Revenue	19 658	21 605	22 920	24 417
Total Revenue (excluding capital transfers and contributions)	**1 360 902**	**1 468 315**	**1 551 743**	**1 631 809**
Expenditure				
Employee related costs	482 971	524 567	552 513	580 264
Remuneration of councillors	15 594	15 988	16 387	16 797
Bulk purchases - electricity	413 349	466 010	490 988	521 380
Inventory consumed	104 695	114 422	120 715	125 352
Debt impairment	59 136	65 115	68 669	72 553
Depreciation and amortisation	117 798	142 422	146 083	141 974
Interest	13 002	20 106	25 695	21 945
Contracted services	145 759	142 440	132 241	130 512
Transfers and subsidies	400	950	950	950
Irrecoverable debts written off	10 078	11 487	12 180	12 952
Operational costs	98 211	101 508	102 803	103 801
Total Expenditure	**1 460 993**	**1 605 015**	**1 669 224**	**1 728 480**
Surplus/(Deficit)	**(100 091)**	**(136 700)**	**(117 481)**	**(96 671)**
Transfers and subsidies - capital (monetary allocations)	168 808	127 188	57 374	1 600
Surplus/(Deficit) after capital transfers & contributions	**68 717**	**(9 512)**	**(60 107)**	**(95 071)**
Surplus/(Deficit) after income tax	68 717	(9 512)	(60 107)	(95 071)
Surplus/(Deficit) attributable to municipality	68 717	(9 512)	(60 107)	(95 071)
Surplus/(Deficit) for the year	**68 717**	**(9 512)**	**(60 107)**	**(95 071)**

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

Revenue

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

2. Total revenue (excluding capital transfers and contributions) amounts to R 1,468 billion in 2025/26 and increases to R 1,632 billion in 2027/28.This represents a year-on-year increase of 7.89% for the 2025/26 financial year and increases of 5.68% for the 2026/27 financial year and increases of 5.16% for the 2027/28 financial year, respectively.

3. Revenue from property rates amounts to R 319,920 million in the 2025/26 financial year and increases to R 359,462 million in 2027/28, which amounts to 21.79% of the total operating revenue base of the Municipality.

4. Services charges relating to electricity, water, sanitation, environmental management and refuse collection constitute the biggest component of the total revenue base, amounting to R 774,552 million for the 2025/26 financial year and increasing to R 873,147 million in 2027/28. For the 2025/26 financial year services charges amount to 52.75% of the total revenue base.

5. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It is to be noted that the grants increased by 2.04% for 2025/26, increases by 4.65% for 2026/27 and decreased by 0.92% for 2027/28, compared to previous financial years.

Below a breakdown of property rates and service charges for 2025/26:

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	Budget Year 2025/26	Adjusted Budget	Budget Year 2025/26	Adjusted Budget	Budget Year 2025/26	Adjusted Budget
Revenue							
Exchange Revenue							
Service charges - Electricity	425 559	479 524	12,68%	505 275	5,37%	536 566	6,19%
Service charges - Water	138 057	147 583	6,90%	157 766	6,90%	168 652	6,90%
Service charges - Waste Water Management	76 014	81 259	6,90%	86 866	6,90%	92 860	6,90%
Service charges - Waste Management	62 146	66 186	6,50%	70 488	6,50%	75 069	6,50%
Property rates	298 309	319 920	7,24%	339 115	6,00%	359 462	6,00%
Total	**1 000 086**	**1 094 471**	**9,44%**	**1 159 510**	**5,94%**	**1 232 609**	**6,30%**

Table 48: (Table A5 - Budgeted Capital Expenditure by vote, standard classification, and funding source)

Vote Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Capital expenditure - Vote				
Multi-year expenditure to be appropriated				
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1 933	1 050	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	992	–	–	–
Vote 4 - COMMUNITY SERVICES	1 634	4 891	5 391	3 391
Vote 5 - CIVIL AND WATER SERVICES	154 227	231 992	39 359	1 556
Vote 6 - ELECTRO/MECHANICAL SERVICES	92 804	18 400	20 920	10 000
Vote 7 - PLANNING AND DEVELOPMENT	21 956	3 250	–	–
Capital multi-year expenditure sub-total	**273 545**	**259 584**	**65 670**	**14 947**
Single-year expenditure to be appropriated				
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	28	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	621	–	–
Vote 4 - COMMUNITY SERVICES	–	–	–	–
Vote 5 - CIVIL AND WATER SERVICES	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES	–	–	–	–
Vote 7 - PLANNING AND DEVELOPMENT	–	–	–	–
Capital single-year expenditure sub-total	**28**	**621**	**–**	**–**
Total Capital Expenditure - Vote	**273 573**	**260 204**	**65 670**	**14 947**
Capital Expenditure - Functional				
Governance and administration	**54 101**	**2 621**	**2 500**	**2 000**
Executive and council	300	–	–	–
Finance and administration	53 773	2 621	2 500	2 000
Internal audit	28	–	–	–
Community and public safety	**21 947**	**2 441**	**1 391**	**1 391**
Community and social services	–	50	–	–
Sport and recreation	–	–	–	–
Public safety	1 391	2 391	1 391	1 391
Housing	20 556	–	–	–
Health	–	–	–	–
Economic and environmental services	**55 993**	**150 839**	**21 101**	**–**
Planning and development	3 435	6 926	10 764	–
Road transport	52 558	143 913	10 337	–
Environmental protection	–	–	–	–
Trading services	**141 533**	**104 303**	**40 678**	**11 556**
Energy sources	41 798	18 400	20 920	10 000
Water management	53 040	59 549	2 066	56
San ia management	46 695	24 854	16 192	1 500
Waste management	–	1 500	1 500	–
Other	**–**	**–**	**–**	**–**
Total Capital Expenditure - Functional	**273 573**	**260 204**	**65 670**	**14 947**
Funded by:				

Vote Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
National Government	61 737	43 963	48 499	–
Provincial Government	86 343	65 243	–	–
District Municipality	1 391	1 391	1 391	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	**149 471**	**110 598**	**49 890**	**1 391**
Public contributions & donations				
Borrowing	94 484	130 435	–	–
Internally generated funds	29 618	19 172	15 780	13 556
Total Capital Funding	**273 573**	**260 204**	**65 670**	**14 947**

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification, and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

2. The capital programme is funded by national grants, borrowings and internally generated funds. For 2025/26, capital transfers totals R 110,598 million (42.50%) and amount to R 1,391 million for 2027/28 (9.31%). Borrowing amounts to R 130,435 million (50.13%) in the 2025/26 financial year. These funding sources are further discussed in detail in Section 2.6 (Overview of Budget Funding).

Table 49: (Table A6 - Budgeted Financial Position)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
ASSETS				
Current assets				
Cash and cash equivalents	169 065	145 295	161 352	188 618
Trade and other receivables from exchange transactions	59 899	59 899	59 899	59 899
Receivables from non-exchange transactions	26 651	26 651	26 651	26 651
Current portion of non-current receivables	–	–	–	–
Inventory	21 679	22 450	22 450	22 450
VAT	12 790	12 790	12 790	6 733
Other current assets	999	999	999	999
Total current assets	**291 083**	**268 084**	**284 141**	**305 350**
Non current assets				
Investments	–	–	–	–
Investment property	250 794	250 794	250 794	250 794

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Property, plant and equipment	2 217 391	2 344 495	2 264 082	2 137 055
Biological assets	–	–	–	–
Living and non-living resources	–	–	–	–
Heritage assets	–	–	–	–
Intangible assets	419	419	419	419
Trade and other receivables from exchange transactions	–	–	–	–
Non-current receivables from non-exchange transactions	–	–	–	–
Other non-current assets	–	–	–	–
Total non current assets	**2 468 603**	**2 595 707**	**2 515 294**	**2 388 267**
TOTAL ASSETS	**2 759 687**	**2 863 791**	**2 799 435**	**2 693 618**
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Financial liabilities	38 274	31 944	31 944	17 424
Consumer deposits	31 660	31 660	31 660	31 660
Trade and other payables from exchange transactions	142 452	143 222	143 222	143 222
Trade and other payables from non-exchange transactions	0	–	–	–
Provision	54 868	64 451	73 936	82 980
VAT	14 707	14 707	14 707	8 650
Other current liabilities	–	–	–	–
Total current liabilities	**281 961**	**285 984**	**295 469**	**283 937**
Non current liabilities				
Financial liabilities	120 843	203 183	171 239	153 815
Provision	137 347	139 560	139 560	139 560
Long term portion of trade payables	–	–	–	–
Other non-current liabilities	108 785	123 106	141 317	159 527
Total non current liabilities	**366 975**	**465 849**	**452 116**	**452 902**
TOTAL LIABILITIES	**648 937**	**751 834**	**747 585**	**736 839**
NET ASSETS	**2 110 750**	**2 111 957**	**2 051 850**	**1 956 779**
COMMUNITY WEALTH/EQUITY				
Accumulated surplus/(deficit)	2 110 750	2 097 457	2 037 350	1 942 279
Reserves and funds	–	14 500	14 500	14 500
Other	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**2 110 750**	**2 111 957**	**2 051 850**	**1 956 779**

Explanatory notes to Table A6 - Budgeted Financial Position

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

2. Any movement on the Budgeted Financial Performance or the Capital Budget will invariably impact on the Budgeted Financial Position. For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption informs the budget provision for debt impairment, which in turn impacts on the provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of

the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is directly informed by forecasting the statement of financial position.

Table 50: (Table A7 - Budgeted cash flow statement)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	288 628	309 473	328 041	347 723
Service charges	823 774	908 343	962 412	1 024 456
Other revenue	115 947	115 585	87 427	85 178
Transfers and Subsidies - Operational	210 105	214 394	224 359	222 295
Transfers and Subsidies - Capital	130 017	127 188	57 374	1 600
Interest	15 498	16 273	17 086	17 941
Dividends	–	–	–	–
Payments				
Suppliers and employees	(1 409 235)	(1 512 012)	(1 536 385)	(1 602 705)
Interest	(11 097)	(19 267)	(25 693)	(21 381)
Transfers and Subsidies	(400)	(950)	(950)	(950)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**163 238**	**159 026**	**113 671**	**74 157**
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	(222 567)	(260 204)	(65 670)	(14 947)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**(222 567)**	**(260 204)**	**(65 670)**	**(14 947)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	100 000	100 000	–	–
Increase (decrease) in consumer deposits	–	–	–	–
Payments				
Repayment of borrowing	(15 264)	(23 990)	(31 944)	(31 944)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**84 736**	**76 010**	**(31 944)**	**(31 944)**
NET INCREASE/ (DECREASE) IN CASH HELD	**25 406**	**(25 168)**	**16 057**	**27 266**
Cash/cash equivalents at the year begin:	143 659	**170 463**	**145 295**	**161 352**
Cash/cash equivalents at the year end:	**169 065**	**145 295**	**161 352**	**188 618**

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.

2. It reflects the expected cash inflows versus cash outflows that are likely to result from the implementation of the budget.

3. The cash position of the Municipality increases over the 2025/26 to 2027/28 period, from R 145,295 million to R 188,618 million.

4. Cash and cash equivalents amount to R 145,295 million as at the end of the 2025/26 financial year and increases to R 188,618 million in 2027/28.

Table 51:(Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Cash and investments available				
Cash/cash equivalents at the year end	169 065	145 295	161 352	188 618
Other current investments > 90 days	–	–	–	–
Non-current Investments	–	–	–	–
Cash and investments available:	**169 065**	**145 295**	**161 352**	**188 618**
Application of cash and investments				
Trade payables from non-exchange transactions: Unspent conditional Grants	0	–	–	–
Unspent borrowing	50 000	–	–	–
Statutory requirements	1 917	1 917	1 917	1 917
Other working capital requirements	56 672	56 672	56 672	56 672
Other provisions	54 868	64 451	73 936	82 980
Long term investments committed	–	–	–	–
Reserves to be backed by cash/investments	–	14 500	14 500	14 500
Total Application of cash and investments:	**163 457**	**137 541**	**147 025**	**156 069**
Surplus(shortfall)	**5 608**	**7 755**	**14 327**	**32 549**

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

2. The table assesses the funding levels of the budget by firstly forecasting the cash and investments at year-end and secondly reconciling the available funding to the liabilities/commitments that exist.

3. As part of the budgeting and planning guidelines that informed the compilation of the 2024/25 MTREF, the end objective of the medium-term framework was to ensure the budget is funded as required in accordance with section 18 of the MFMA.

4. It is to be noted that the budget moves from a funding surplus of R 7,755 million in 2025/26 to a funding surplus of R 32,549 million in 2027/28.

Table 52: (Table A9 - Asset Management)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
CAPITAL EXPENDITURE				
Total New Assets	**122 374**	**177 391**	**34 780**	**4 911**
Roads Infrastructure	43 707	143 913	10 337	–
Storm water Infrastructure	–	–	–	–
Electrical Infrastructure	4 352	12 400	10 920	–
Water Supply Infrastructure	17 025	8 241	100	20
Sanitation Infrastructure	81	870	6 500	1 500
Infrastructure	***65 164***	***165 423***	***27 857***	***1 520***
Community Facilities	1 400	–	–	–
Sport and Recreation Facilities	–	–	–	–
Community Assets	***1 400***	**–**	**–**	**–**
Computer Equipment	**2 280**	**2 050**	**2 500**	**2 000**
Furniture and Office Equipment	**1 032**	**–**	**–**	**–**
Machinery and Equipment	**100**	**50**	**–**	**–**
Transport Assets	**52 397**	**5 168**	**2 922**	**1 391**
Land	**–**	**4 700**	**1 500**	**–**
Total Renewal of Existing Assets	**5 180**	**2 398**	**3 752**	**36**
Electrical Infrastructure	5 000	–	–	–
Water Supply Infrastructure	180	2 311	1 966	36
Sanitation Infrastructure	–	87	1 786	–
Infrastructure	***5 180***	***2 398***	***3 752***	***36***
Total Upgrading of Existing Assets	**146 019**	**80 415**	**27 139**	**10 000**
Roads Infrastructure	8 602	–	–	–
Storm water Infrastructure	424	–	–	–
Electrical Infrastructure	28 323	6 347	10 000	10 000
Water Supply Infrastructure	58 316	48 998	–	–
Sanitation Infrastructure	48 595	23 897	7 906	–
Infrastructure	***144 260***	***79 242***	***17 906***	***10 000***
Community Facilities	–	1 000	–	–
Sport and Recreation Facilities	1 759	174	9 233	–
Community Assets	***1 759***	***1 174***	***9 233***	**–**
Total Capital Expenditure	**273 573**	**260 204**	**65 670**	**14 947**
Roads Infrastructure	52 309	143 913	10 337	–
Storm water Infrastructure	424	–	–	–
Electrical Infrastructure	37 674	18 747	20 920	10 000
Water Supply Infrastructure	75 521	59 549	2 066	56
Sanitation Infrastructure	48 676	24 854	16 192	1 500
Infrastructure	***214 605***	***247 063***	***49 515***	***11 556***
Community Facilities	1 400	1 000	–	–
Sport and Recreation Facilities	1 759	174	9 233	–
Community Assets	***3 159***	***1 174***	***9 233***	**–**
Computer Equipment	**2 280**	**2 050**	**2 500**	**2 000**
Furniture and Office Equipment	**1 032**	**–**	**–**	**–**
Machinery and Equipment	**100**	**50**	**–**	**–**
Transport Assets	**52 397**	**5 168**	**2 922**	**1 391**
Land	**–**	**4 700**	**1 500**	**–**
TOTAL CAPITAL EXPENDITURE - Asset class	**273 573**	**260 204**	**65 670**	**14 947**
ASSET REGISTER SUMMARY - PPE (WDV)	2 468 603	2 595 707	2 515 294	2 388 267
Roads Infrastructure	512 755	506 891	620 071	504 942
Storm water Infrastructure	50 504	50 079	50 079	49 789

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Electrical Infrastructure	183 742	155 312	156 950	156 049
Water Supply Infrastructure	396 397	623 057	621 602	664 200
Sanitation Infrastructure	408 781	366 652	365 599	363 215
Solid Waste Infrastructure	13 699	11 048	11 048	11 048
Infrastructure	***1 565 877***	***1 713 039***	***1 825 350***	***1 749 243***
Community Assets	54 202	98 525	98 525	98 525
Investment properties	250 794	250 794	250 794	250 794
Other Assets	254 060	237 921	46 778	(1 721)
Intangible Assets	419	419	419	419
Computer Equipment	5 356	6 524	10 974	10 474
Furniture and Office Equipment	(7 853)	1 141	405	342
Machinery and Equipment	5 597	5 913	5 643	5 499
Transport Assets	106 214	44 292	42 467	40 754
Land	233 939	237 139	233 939	233 939
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**2 468 603**	**2 595 707**	**2 515 294**	**2 388 267**
EXPENDITURE OTHER ITEMS				
Depreciation	117 798	142 422	146 083	141 974
Repairs and Maintenance by Asset Class	**242 361**	**231 950**	**241 047**	**250 078**
Roads Infrastructure	53 392	30 189	31 597	31 843
Storm water Infrastructure	1 620	1 620	1 780	1 790
Electrical Infrastructure	35 675	38 638	40 005	41 443
Water Supply Infrastructure	37 473	36 498	38 301	40 054
Sanitation Infrastructure	43 944	55 160	58 749	62 617
Coastal Infrastructure	1 150	2 500	2 400	2 200
Information and Communication Infrastructure	–	–	–	–
Infrastructure	***173 254***	***164 605***	***172 832***	***179 948***
Community Facilities	40 047	31 137	32 641	34 198
Sport and Recreation Facilities	1 340	4 200	1 800	1 300
Community Assets	***41 387***	***35 337***	***34 441***	***35 498***
Operational Buildings	4 154	3 599	3 590	3 620
Housing	–	–	–	–
Other Assets	***4 154***	***3 599***	***3 590***	***3 620***
Licences and Rights	–	165	175	180
Intangible Assets	**–**	***165***	***175***	***180***
Computer Equipment	**–**	**335**	**335**	**335**
Machinery and Equipment	**594**	**1 367**	**1 598**	**1 661**
Transport Assets	**22 973**	**26 543**	**28 075**	**28 836**
TOTAL EXPENDITURE OTHER ITEMS	**360 159**	**374 372**	**387 130**	**392 052**

Explanatory notes to Table A9 - Asset Management

1. The table provides a summarised version of the capital programme divided into new assets and renewal of existing assets; and reflects the relevant asset categories. The associated repairs and maintenance and depreciation are also reflected. It also provides an indication of the resources deployed for maintaining and renewing existing assets, as well as the extent of asset expansion.

2. National Treasury has suggested that municipalities should allocate at least 40% of their capital budget to the renewal/rehabilitation of existing assets, and allocations to repairs and maintenance should be 8% of PPE. In this regard the expenditure relating to the renewal/rehabilitation of existing assets amounts to 31.8% of the capital budget, whilst repairs and maintenance constitute 8.9% of PPE.

Table 53: (Table A10 - Basic Service Delivery Measurement)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2025/26	Adjusted Budget	Budget Year 2025/26
Household service targets				
Water:				
Piped water inside dwelling	–	–	–	–
Piped water inside yard (but not in dwelling)	–	–	–	–
Using public tap (at least min.service level)	–	–	–	–
Other water supply (at least min.service level)	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Using public tap (< min.service level)	–	–	–	–
Other water supply (< min.service level)	–	–	–	–
No water supply	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**
Sanitation/sewerage:				
Flush toilet (connected to sewerage)	–	–	–	–
Flush toilet (with septic tank)	–	–	–	–
Chemical toilet	–	–	–	–
Pit toilet (ventilated)	–	–	–	–
Other toilet provisions (> min.service level)	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Bucket toilet	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–
No toilet provisions	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**
Energy:				

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2025/26	Adjusted Budget	Budget Year 2025/26
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	**–**	**–**	**–**	**–**
Households receiving Free Basic Service				
Water (6 kilolitres per household per month)	21 487 061	22 969 668	24 554 575	26 248 841
Sanitation (free minimum level service)	13 673 095	14 616 538	15 625 079	16 703 210
Electricity/other energy (50kwh per household per month)	1 989 710	2 243 199	2 363 434	2 509 731
Refuse (removed at least once a week)	24 269 252	25 846 752	27 526 792	29 316 033
Informal Settlements	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)				
Water (6 kilolitres per **indigent** household per month)	21 487	22 970	24 555	26 249
Sanitation (free sanitation service to **indigent households**)	13 673	14 617	15 625	16 703
Electricity/other energy (50kwh per **indigent** household per month)	1 990	2 243	2 363	2 510
Refuse (removed once a week **for indigent households**)	24 269	25 847	27 527	29 316
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	–	–	–	–
Total cost of FBS provided	**61 419**	**65 676**	**70 070**	**74 778**
Highest level of free service provided per household				
Property rates (R value threshold)	–	–	–	–
Water (kilolitres per household per month)	–	–	–	–
Sanitation (kilolitres per household per month)	–	–	–	–
Sanitation (Rand per household per month)	–	–	–	–
Electricity (kwh per household per month)	–	–	–	–
Refuse (average litres per week)	–	–	–	–
Revenue cost of subsidised services provided (R'000)				
Property rates **(tariff adjustment)** (**impermissible values per section 17 of MPRA**)	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissible values in excess of section 17 of MPRA)**	353	4 207	4 459	4 727

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2025/26	Adjusted Budget	Budget Year 2025/26
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	**353**	**4 207**	**4 459**	**4 727**

Explanatory notes to Table A10 - Basic Service Delivery Measurement

Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

PART 2 – SUPPORTING DOCUMENTATION

6.6 OVERVIEW OF ANNUAL BUDGET PROCESS

The Budget process started in September 2024 after the approval of a timetable to guide the preparation of the 2025/26 to 2027/28 Operating and Capital Budgets.

The timetable provides broad timeframes for the IDP and Budget preparation process. It allows for consultation with stakeholders, such as the elected public representatives, employees of the Municipality, Civil Society, State departments, business, and labour, during April/May 2025. The main aim of the timetable is to ensure that an IDP and a balanced Budget are tabled in March 2025. The Draft Budget and IDP will be tabled by the Executive Mayor at a Council meeting scheduled for 27 March 2025. After this meeting, it will be submitted to National and Provincial Treasury.

The budget consultation will take the form of series of public meetings in the various wards under the direction and leadership of the Executive Mayor and his Mayoral Committee. The inputs of the consultations will be considered, whilst the Executive Mayor will table the final IDP and Budget for consideration and approval at a Council meeting to be held on 29 May 2025.

The Service Delivery and Budget Implementation Plan is the mechanism that ensures that the IDP and the Budget is aligned.

6.6.1 IDP & Budget Timetable 2025/26 to 2027/28

The preparation of the 2025/26 to 2027/28 IDP and Budget were guided by the following schedule of key deadlines as approved by Council on 28 August 2024.

Activity	Date
IDP/Budget Schedule approved by Council	28 August 2024
Tabling of Draft IDP and Budget in Council	27 March 2025
Public Participation	During April and May 2025
Final adoption of IDP and Budget by Council	29 May 2025
Approval of SDBIP by Executive Mayor	26 June 2025

6.7 ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

The Integrated Development Plan (IDP) determines and prioritises the needs of the community.

The review of the IDP, in accordance with the Municipal Systems Act, was guided and informed by the following principles:

- Achievement of the five strategic priorities of the municipality.
- Focusing on service delivery backlogs and the maintenance of infrastructure.
- Addressing community priorities (needs) as identified in the IDP.

The review of the IDP focused on establishing measurable performance indicators and targets. These targets informed the preparation of the multi-year budget, as well as the Service Delivery and Budget Implementation Plan (SDBIP).

The 2025/26 to 2027/28 Operating and Capital Budgets were prepared in accordance with the IDP. The key strategic focus areas of the IDP are as follows:

- Municipal transformation and development
- Service delivery and infrastructure development.
- Local economic development
- Financial sustainability and viability
- Good governance and public participation

The budget consultation process will take the form of a series of meetings to be held throughout the municipal area with the elected public representatives, employees of the Municipality, Civil Society, business, labour, National and Provincial Governments on how the budget addresses the IDP priorities and objectives. The feedback flowing from these meetings will be referred to the relevant Directorates for their attention.

6.8 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Description of financial indicator	Basis of calculation	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
		Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Borrowing Management					
Credit Rating					
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1,9%	2,7%	3,5%	3,1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2,1%	3,0%	3,7%	3,3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	319,0%	680,4%	0,0%	0,0%
Safety of Capital					
Gearing	Long Term Borrowing/ Funds & Reserves	5,7%	9,6%	8,4%	7,9%
Liquidity					
Current Ratio	Current assets/current liabilities	1,0	0,9	1,0	1,1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1,0	0,9	1,0	1,1
Liquidity Ratio	Monetary Assets/Current Liabilities	0,6	0,5	0,6	0,7
Revenue Management					
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	95,0%	95,0%	95,0%	95,0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		156,4%	155,2%	155,3%	155,2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	22,9%	21,3%	20,2%	18,8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				
Creditors Management					
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))				
Creditors to Cash and Investments		84,3%	98,6%	88,8%	75,9%

Description of financial indicator	Basis of calculation	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
		Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Other Indicators					
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical				
	Total Volume Losses (kW) non-technical				
	Total Cost of Losses (Rand '000)				
	% Volume (units purchased and generated less units sold)/units purchased and generated				
Water Volumes: System input	Bulk Purchase				
	Water treatment works				
	Natural sources				
Water Distribution Losses (2)	Total Volume Losses (kℓ)				
	Total Cost of Losses (Rand '000)				
	% Volume (units purchased and generated less units sold)/units purchased and generated				
Employee costs	Employee costs/(Total Revenue - capital revenue)	35,5%	35,7%	35,6%	35,6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	36,6%	36,8%	36,7%	36,6%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	17,8%	15,8%	15,5%	15,3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9,6%	11,1%	11,1%	10,0%
IDP regulation financial viability indicators					
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	–	–	–
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	8,5%	7,8%	7,4%	6,3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	1,6	1,3	1,4	1,5

6.8.1 Performance indicators and benchmarks

6.8.1.1 Borrowing Management

Capital expenditure may be funded from capital grants, internal sources, and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. The following financial performance indicators formed part of the compilation of the 2025/26 MTREF:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing, compared to the total operating expenditure. The cost of borrowing amounts to 2.7% of total operating expenditure over the 2025/26 MTREF.

6.8.1.2 Liquidity

- The *current ratio* is a measure of the current assets divided by the current liabilities. The Municipality has set a benchmark limit of 1. For the 2025/26 MTREF, the current ratio is 0.9 in the 2025/26, 1.0 in the 2026/27 and 1.1 in the 2027/28 financial years.

- *The liquidity ratio* is a measure of the municipality's ability to utilize cash and cash equivalents to meet its current liabilities. A liquidity ratio of 1 should be maintained. For 2025/26 MTREF, the liquidity ratio is at 0,5:1. This represents a significant risk for the Municipality, as any under collection of revenue will result in financial challenges for the Municipality. As part of the medium-term financial planning objectives, this ratio must be maintained at a minimum of 1.

6.8.2 Basic social services package for indigent households

The Constitution stipulates that a municipality must structure and manage its administration, budgeting and planning to give priority to the basic needs of the community and to promote their social and economic development. The basic social package is an affirmation of the Municipality's commitment to push back the frontiers of poverty by providing social welfare to those residents who cannot afford to pay, because of adverse social and economic conditions.

6.9 OVERVIEW OF BUDGET RELATED POLICIES

The MFMA and the Budget and Reporting Regulations require budget-related policies to be reviewed, and where applicable, be updated on an annual basis.

6.9.1 Financial Management Policies

Several policies have been adopted by the Council. The policies govern the financial management functions of the Municipality, such as supply chain management, budget virements, credit control and debt collection, etc.

6.9.2 Review of Customer Care, Credit Control and Debt Collection Policy

5. 5 ACCOUNTS AND BILLING (Page 14)

5.5.8 Where incorrect debits were raised on services, the accounts under query will be rectified with corrective billing up to a maximum period of 3 months.

5.5.11 Adjustments made to the customer's services account, where the adjustment is in the municipality's favour, will be made for a maximum period of 3 months.

5.5.12 Where the customer caused the adjustment, for example: the by-passing of meters or supplied incorrect metering information, then the punitive measure will be an adjustment made for the preceding three years.

5.8.1 WATER LEAK REBATE (Page 15)

Charges due to water leaks on the account of a domestic consumer will be reduced by 90% of the excess (above average consumption) in respect of water and sewerage provided that the following conditions are applied:

- *Relief on a water leak will only be considered once within a 12-month cycle, which is from 1 July to 30 June each year.*
- *In the event of multiple leaks evidence would be provided and signed off for approval by the Municipal Manager or the CFO*

6.3 DISCONNECTION OF SERVICE(S) (Page 22)

6.3.2 Pending indigents will not be subjected to credit control measures as per 6.3.1 above. Outstanding debt prior approval will be collected via auxiliary payments through pre-paid purchases on a 70:30 ratio

6.3.8 No disconnections of services on a Friday

7.5 ARRANGEMENTS (Page 29)

New:

7.5.3 No accountholder will be allowed to enter into a new arrangement if an arrangement was dishonoured unless the person agrees to install a prepaid electricity meter, at their own cost, where the accountholder does not have a prepaid meter installed. Where the accountholder has a prepaid meter installed, a new arrangement can only be entered into if approved by the Chief Financial Officer. Where, the Chief Financial Officer does not approve the new arrangement, the account will be handed over for

collection to either an Attorney or a Debt Collection Agency appointed by the Municipality.

7.6 ARRANGEMENTS WILL BE CONCLUDED ON THE FOLLOWING BASIS BY CATEGORY TYPE: (Page 30)

7.6.1 Domestic Account Holders for first time defaulters

Total gross household income per month	***Initial down- payment***	***Minimum payment per month***
R0 to amount equal to two state pensions (Indigents)	*Minimum of R100*	*60 equal monthly Instalments plus current account*
amount from two state pensions to R8 000	*Minimum of R1000*	*48 equal monthly instalments plus current account*
R8 001 to R12000	*Minimum of R1500*	*36 equal monthly instalments plus current account*
R12000 and above	*Minimum of R2000*	*24 equal monthly instalments plus current Account*

7.6.2 Business Account Holders

7.6.2.2 A down payment of at least 25% or such other higher percentage as the Chief Financial Officer (CFO) may approve, of the amount in arrears including any fees or penalties or other charges owing plus the current account;

7.6.2.3 A maximum repayment period of 12 months with a minimum monthly repayment of R1 000 per month plus payment of the current account; if approved by the CFO or the person acting in that position in the absence of the CFO.

7.6.2.7 Where the account holder defaults on the arrangement entered into, the account will be handed over for collection to either an Attorney or a Debt Collection Agency appointed by the Municipality.

7.6.3 Churches, crèches, sports clubs, welfare and any other welfare or NGO's will be treated as follows:

7.6.3.2 A minimum down payment of R1 500.00 plus the current account;

7.6.3.3 Arrears to be paid within 24 equal instalments.

7.6.3.5 Where the account holder defaults on the arrangement entered into, the account will be handed over for collection to either an Attorney or a Debt Collection Agency appointed by the Municipality

6.9.3 Supply Chain Management Policy

A revised Supply Chain Management Policy was adopted by Council on 31 May 2024.

6.9.4 Property Rates Policy

Below are the changes per paragraph

1. DEFINITIONS (Page 6)

New:

"Protected area" *means an area that is or has to be listed in the register referred to in section 10 of the Protected Areas Act.*

"Protected Areas Act" means the National Environmental Management: Protected Areas Act, 2003,

5. CATEGORIES OF PROPERTY (Page 11)

e) Properties Own by Public Benefit Organisations (Change)

i) Protected Area (Change)

k) private open space / private open place ***(Deleted)***

Public Service Infrastructure ***(Deleted)***

9. EXEMPTIONS (Page 13)

c) Public Service Infrastructure

Properties categorized as Public Service Infrastructure will be 100% exempted from paying property rates as it's deemed to provide essential services to the community. (Change)

11. REBATES (Page 15)

Categories of properties

11.2 Change 30 September, to 31 October

12. APPLICATIONS FOR EXEMPTION/REBATES (Page 16)

All applications for exemption of tax or a rebate on tax must be considered by the Municipal Manager or his nominee. The application must reach the Municipality before end October of the financial year in which relief is sought. (Change)

18. LIABILITY FOR RATES (Page 19)

18.1 Residents may apply to pay their rates annually and such a request must be submitted to the Finance Directorate in writing and must be payable on or before 30 September of each year. (Change)

21. CORRECT RATING, OMISSIONS OR ERRORS (Page 21)

Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the Municipality or false information provided by the property owner concerned or a contravention of the permitted use applicable to the property concerned, the rates payable shall be appropriately adjusted for the period 12 months preceding the date from which the error or omission is detected.

6.9.5 Funding and Reserves Policy

There is only one change in the funding and reserve policy, paragraph 5, to include Adjustments Budgets and Annual Budget.

6.9.6 Cost Containment Policy

The Cost Containment Policy was reviewed and adopted by Council on 31 May 2023.

6.9.7 Cash Management and Investment Policy

The Cost Containment Policy was reviewed and adopted by Council on 31 May 2024.

6.9.8 Borrowing Policy

A revised Borrowing Policy was adopted by Council on 31 May 2024.

6.9.9 Budget Virement Policy

No major changes were made in the Virement policy however the following is worth noting

- References to the MFMA were corrected in terms of the sections used in the policy
- Paragraph 6, O and L were removed as it is covered under A
- An additional restriction was added to virements not being allowed in the first month of the financial year.

6.9.10 Budget Implementation and Management Policy

The only update on the policy was the correction of references to legislation.

6.9.11 Indigent Policy

DEFINITIONS AND ABBREVIATIONS:

UIF- Unemployment Insurance Fund
SARS- South African Revenue Services

SASSA-South African Social Security Agency

'Sub- Economic Area' means an area that is earmarked for Low Cost Housing or RDP Housing that is informal settlements and low-income housing areas.

owner', in relation to immovable property, means –

(e) If the owner is absent from the republic and address is known, a letter from an attorney must accompany the application to indicate that the applicant is using the property for beneficial use

4. QUALIFICATION CRITERIA

New:

4.6 The following child grants received by a household will be excluded from determining household income, provided proof of such grant is supplied by the applicant:

- *Foster Child Grant*
- *Care Dependency Grant*
- *Child Support Grant o*
- *Grant in Aid o*
- *Court Ordered Child Maintenance o*
- *Ward Committee Stipend o*
- *Disability Grant*

4.9 Property value :limit: The qualifying property for indigent subsidy either through Occupation or ownership may not exceed a property valuation of R 1 600 000.00

4.11 Registered owners of residential properties which have a municipal valuation of between R1.00 and R 400 000.00 in sub economic arears will be deemed to meet the indigent qualifying criteria

4.12 A child headed household where both parents are deceased and all occupants of the property are children of the deceased and are all under the legal age to contract for service and are considered as minors by law , presently the age 18 years , can apply for assistance ; ***Note: Income of the legal Guardian will be exempted .***

4.13 Family members occupying premises where proof can be submitted that the relevant account / property owner has absconded and the owner whereabouts is unknown, be granted subsidy. The abscondment must be reported to the police and the applicant/s must provide a police case number .

4.14 The indigent subsidy will not apply to the following property types or related factors –

- *Vacant stands;.*
- *Properties in the name of a Municipality;*
- *Applicant has more than one property;*
- *Applicant who is not a residential account holder; and*
- *Properties owned by the State or Government*

New

4.15 2 Non -Profitable organisations such as crèches, children homes, charity organizations are exempted from the income criteria , under par 4.3. Such institutions must be the owner of the property and must provide proof from SARS that proves that they are exempted from paying taxes / NPO certificate

5.10 Assistance on arrears

5.10.1 Upon registration as an indigent household or deemed indigent household, the arrears on the account of the applicant will be kept pending for a period of at least three (3) months after which it may be written off.

5.10.2 No interest may be calculated on the arrears as contemplated in 5.10.1

7.3 Application/Registration

7.3.5 The indigent status for a household will be valid as follows:

7.3.5.1 If the applicant is on pensionable age living with underage dependents, the indigent status will remain valid for 24 months. The municipality will review the application every 24 months by means of an ITC check and if status remain the same the status will automatically be renewed for 12 months after verification.

7.3.5.2 If the applicant is below 60 years, the indigent status is valid for 12 months. The Municipality will review the application every 12 months by means of an ITC check and if status is the same, the status will automatically be renewed for 12

6.9.12 Unallocated Revenue and Building Deposit Policy

A revised Unallocated Revenue and Building Deposit Policy was adopted by the Council on 31 May 2024.

6.9.13 Tariff Policy

A revised Tariffs Policy was adopted by the Council on 31 May 2024.

6.9.14 Asset Management Policy

The current approved Asset Management Policy was reviewed, and the following changes are proposed:

Asset Management Duties:

a. Shall ensure that complete records of assets items, tangible and intangible assets, are kept, verified and balanced regularly.

b. Shall ensure that all movable assets are properly tagged and accounted for.

c. Shall ensure that all locations are identified and properly tagged.

d. Shall maintain a location key map indicating all locations where movable assets are held.

e. Shall conduct an annual inventory by verifying all movable assets and compare this inventory with the department asset verification.

f. The asset verification report shall:

I. Reflect a complete list of all assets found during the verification.

II. Reflect whether appropriate records have been maintained reflecting what articles should have been found during the verification.

III. Reflect any discrepancies between the articles found during the verification and the complete record referred to the above.

g. Shall ensure that the Asset Management System is balanced monthly with the general ledger and with the financial statements.

h. Provide the Auditor- General or his personnel, on request, with the financial records relating to assets belonging to Council as recorded in the Fixed Asset Register.

i. Ensure that all audit queries are resolved in a timely manner.

j. Shall ensure that the relevant information relating to the calculation of depreciation is obtained from the Departments, including the estimated lifespan and residual value.

k. Shall ensure that depreciation calculations are provided to the Financial Department in the prescribed format.

l. Shall ensure that asset acquisitions are allocated to the correct asset location, and all the mSCOA segments.

m. Shall ensure that, before accepting obsolete or damaged asset or asset inventory item, a completed asset disposal form, countersigned by the CFO is presented.

n. Shall ensure that a verifiable record is kept of all obsolete, damaged, and unused asset or asset inventory items received from Department.

o. Shall compile a list of items to be auctioned in accordance with their guidelines in the Supply Chain Management (SCM) Policy.

p. Shall compile and circulate a list of unused moveable assets to enable other Departments to obtain items that are of use to them.

q. Shall ensure that the SCM Unit is notified of any auctioning or disposing of written-off asset or asset inventory items.

CATEGORY	**ASSET LIVE**
Infrastructure Assets:	
Electricity	
Sub stations	30 years

Landfill sites, buildings and other fixed property will be carried at cost or initial valued price less accumulated depreciation and impairment losses in the Financial Statements for its useful life, provided that the carrying amount exceeds the recoverable amount of the asset

The operational and capital budgets are the short to medium term financial

plan for implementing the capital asset management plans and managers shall budget for the executing of the approved maintenance plan.

6.9.15 Preferential Procurement Policy Framework

A revised Preferential Procurement Policy Framework was adopted by the Council on 31 May 2024.

6.10 OVERVIEW OF BUDGET ASSUMPTIONS

The municipal fiscal environment is influenced by a variety of macro-economic control measures. National Treasury provides guidelines on the ceiling of year-on-year increases in the total Operating Budget, whilst the National Electricity Regulator of South Africa (NERSA) regulates bulk electricity tariff increases. The Municipality's employee related costs are also influenced by collective agreements concluded in the South African Local

Government Bargaining Council. Various government departments also affect municipal service delivery through the level of grants and subsidies.

The following principles and guidelines directly informed the compilation of the Budget:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The need to enhance the municipality's revenue base.
- The level of property rates and tariff increases to consider the need to address maintenance and infrastructural backlogs, including the expansion of services.
- The level of property rates and tariff increases to ensure the delivery of services on a financially sustainable basis.
- No loan funding is available to support the Capital Budget at this stage.
- No growth in revenue sources has been provided for in view of current consumption trends in municipal services.
- No growth in property rates income has been provided for, in view of the depressed property market.

The Municipality faced the following significant challenges in preparing the 2025/26 – 2027/28 Budget:

- Maintaining an acceptable employee-related cost ratio.
- Increased costs associated with bulk electricity and water purchases, placing upward pressure on municipal tariff increases.
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure.
- Maintaining electricity and water losses at acceptable levels.
- Maintaining revenue collection rates at the targeted levels; and
- Maintaining an acceptable cost coverage ratio.

The multi-year budget is therefore underpinned by the following assumptions:

	2025/26	2026/27	2027/28
Income	%	%	%
Tariff Increases for water	6.9	6.9	6.9
Tariff Increases for sanitation	6.9	6.9	6.9
Tariff Increases for refuse	6.5	6.5	6.5
Property rates increase (decrease in cents in the rand for 2023/24)	6	6	6
Electricity tariff increase (on average)	12.74	15.74	15.74
Environmental Management Fee increase	6.5	6.5	6.5
Revenue collection rates (Property Rates and Service Charges)	95	95	95
Expenditure increases allowed	4.4	4.5	2.5
Salary increase	5.15	5.25	5.25
Increase in bulk purchase of electricity costs	12.74	5.36	6.19
Increase in bulk purchase of water costs	7	7	7

6.11 OVERVIEW OF BUDGET FUNDING

6.11.1 Medium-term outlook: operating revenue

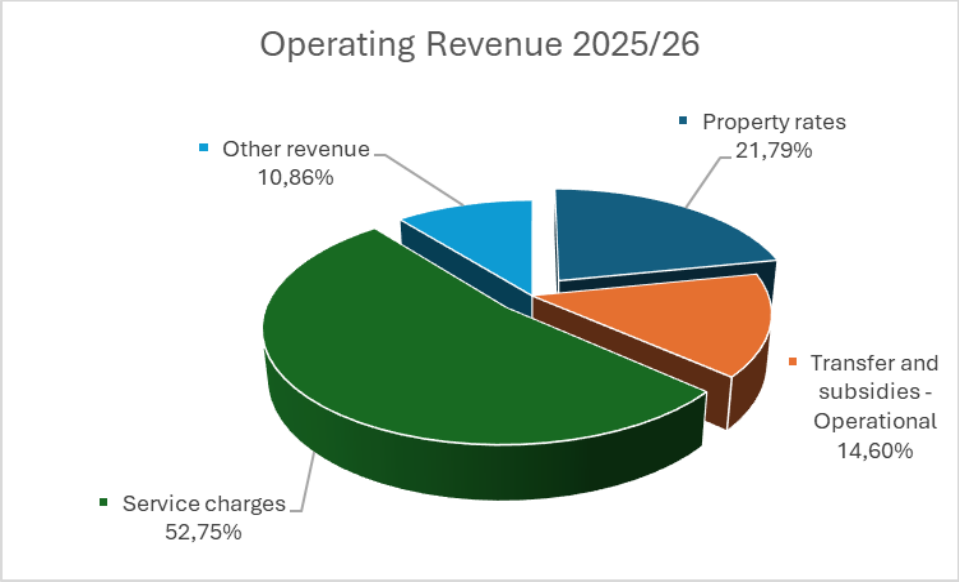
The following table provides a breakdown of operating revenue over the medium-term:

Table 54:(Breakdown of the operating revenue over the medium-term)

The following graph is a breakdown of the operational revenue per main category for the 2025/26 financial year.

Description	Current Year 2024/25		2025/26 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	%	Budget Year 2025/26	%	Budget Year 2026/27	%	Budget Year 2027/28	%
Revenue								
Property rates	298 309	21,92%	319 920	21,79%	339 115	21,85%	359 462	22,03%
Transfer and subsidies - Operational	210 105	15,44%	214 394	14,60%	224 359	14,46%	222 295	13,62%
Service charges	701 777	51,57%	774 552	52,75%	820 395	52,87%	873 147	53,51%
Other revenue	150 712	11,07%	159 449	10,86%	167 874	10,82%	176 905	10,84%
Total Revenue (excluding capital transfers and contributions)	**1 360 902**	**100,00%**	**1 468 315**	**100,00%**	**1 551 743**	**100,00%**	**1 631 809**	**100,00%**

Figure 24:Breakdown of operating revenue over the 2025/26 MTRE



Tariff determination is important in ensuring appropriate levels of revenue, to achieve a credible and funded budget. Operating revenue is mainly derived from service charges,

such as water, electricity, sanitation and refuse collection and disposal, property rates and operating grants.

The revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard.
- The Property Rates Policy.
- The level of property rates and tariffs increases must ensure financially sustainable service delivery.
- The level of property rates and tariff increases to consider maintenance and replacement of infrastructure, including the expansion of services.
- Determining fully cost reflective tariffs for trading services.
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Water bulk tariff increases as approved by the Nelson Mandela Bay Metropolitan Municipality.
- Efficient revenue management, targeting a 95% annual collection rate for property rates and service charges.
- Growth in the revenue base.

The principles guided the annual increases in property rates and tariffs charged to the consumer.

Property rates amount to R 319,920 million in the 2025/26 financial year and increase to R 359,462 million in 2027/28, representing 21.79% of the total operating revenue for the 2025/26 budget.

Services charges relating to electricity, water, sanitation, environmental management and refuse collection constitute the largest component of the revenue base, amounting to R 774,552 million in the 2025/26 financial year and increasing to R 873,147 million in 2027/28. For the 2025/26 financial year, services charges amount to 52.75% of the total revenue base.

Operational grants and subsidies amount to R 214,394 million, R 224,359 million and R 222,295 million for each of the respective financial years of the MTREF, or 14.60% of total operating revenue for 2025/26.

The table below provides investment particulars by type.

Table 55:(SA15 – Detail Investment Information)

Investment type	Current Year 2024/25	2024/25 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
R thousand				
Parent municipality				
Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank	117 412	148 652	123 484	139 541
Deposits - Public Investment Commissioners				

Investment type	Current Year 2024/25	2024/25 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Deposits - Corporation for Public Deposits				
Bankers' Acceptance Certificates				
Negotiable Certificates of Deposit - Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements - Banks				
Municipal Bonds				
Municipality sub-total	**117 412**	**148 652**	**123 484**	**139 541**
Entities				
Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank				
Deposits - Public Investment Commissioners				
Deposits - Corporation for Public Deposits				
Bankers' Acceptance Certificates				
Negotiable Certificates of Deposit - Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements - Banks				
Entities sub-total	–	–	–	–
Consolidated total:	**117 412**	**148 652**	**123 484**	**139 541**

Investments are anticipated to increase from R 117 412 million in 2025/26 to R 139 541 million in 2027/28.

6.11.2 Medium-term outlook: capital revenue

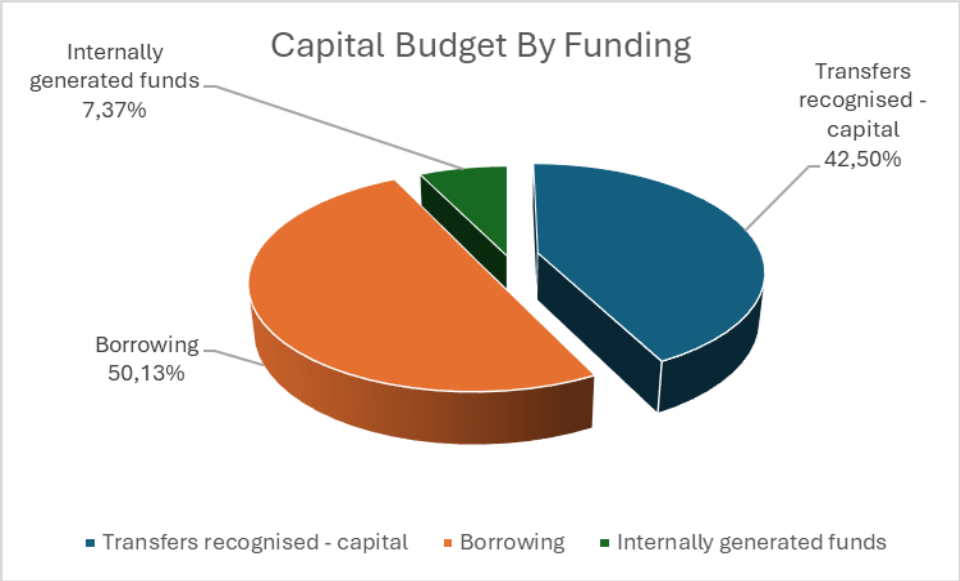
The following table provides a breakdown of the funding components of the 2025/26 medium-term capital programme:

Table 56: (Sources of capital revenue over the MTREF)

Vote Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	**Adjusted Budget**	**Budget Year 2025/26**	**Adjusted Budget**	**Budget Year 2025/26**
Funded by:				
National Government	61 737	43 963	61 737	43 963
Provincial Government	86 343	65 243	86 343	65 243
District Municipality	1 391	1 391	1 391	1 391
Transfers recognised - capital	**149 471**	**110 598**	**149 471**	**110 598**
Public contributions & donations				
Borrowing	94 484	130 435	94 484	130 435
Internally generated funds	29 618	19 172	29 618	19 172
Total Capital Funding	**273 573**	**260 204**	**273 573**	**260 204**

The above table is graphically represented as follows for the 2025/26 financial year.

Figure 25:Sources of Capital Revenue for the 2025/26 financial year



Capital Grants constitute 42.50% of the total funding sources, amounting to R 110,598 million, borrowings constitute 50.13% of the funding sources, amounting to R 130,435 million and the internally generated funds constitute 7.37%, amounting to R 19,172 million for the 2025/26 financial year.

The following table indicates the capital transfers and grant receipts:

Table 57: (Table SA 18 - Transfers and grant receipts)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
RECEIPTS:				
Operating Transfers and Grants				
National Government:	**197 710**	**208 936**	**218 788**	**216 724**
Operational Revenue: General Revenue: Equitable Share	192 664	203 746	214 723	214 723
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 495	1 495	–	–
Local Government Financial Management Grant [Schedule 5B]	1 723	1 785	2 001	2 001
Municipal Infrastructure Grant [Schedule 5B]	1 828	1 910	2 064	–
Provincial Government:	**9 952**	**2 955**	**2 955**	**2 955**
Library grant	2 955	2 955	2 955	2 955
Housing	6 997	–	–	–
District Municipality:	**2 393**	**2 503**	**2 616**	**2 616**
Environmental Health Subsidy	2 393	2 503	2 616	2 616
Other Grant Providers:	**50**	**–**	**–**	**–**
Departmental Agencies and Accounts	50	–	–	–
Total Operating Transfers and Grants	**210 105**	**214 394**	**224 359**	**222 295**
Capital Transfers and Grants				
National Government:	**52 762**	**50 558**	**55 774**	**–**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4 203	7 260	7 558	–

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Municipal Infrastructure Grant [Schedule 5B]	34 618	36 298	39 216	–
Water Services Infrastructure Grant [Schedule 5B]	13 941	7 000	9 000	–
Provincial Government:	**75 655**	**75 030**	**–**	**–**
Housing	75 655	75 030	–	–
District Municipality:	**1 600**	**1 600**	**1 600**	**1 600**
Fire Services	1 600	1 600	1 600	1 600
Total Capital Transfers and Grants	**130 017**	**127 188**	**57 374**	**1 600**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**340 122**	**341 582**	**281 733**	**223 895**

6.11.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining whether the budget is funded over the medium term. The table includes some specific features:

- Clear separation of receipts and payments within each cash flow category.
- Clear separation of capital and operating receipts from government; and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

Table 58: (Table A7 - Budgeted cash flow statement)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	288 628	309 473	328 041	347 723
Service charges	823 774	908 343	962 412	1 024 456
Other revenue	115 947	115 585	87 427	85 178
Transfers and Subsidies - Operational	210 105	214 394	224 359	222 295
Transfers and Subsidies - Capital	130 017	127 188	57 374	1 600
Interest	15 498	16 273	17 086	17 941
Dividends	–	–	–	–
Payments				
Suppliers and employees	(1 409 235)	(1 512 012)	(1 536 385)	(1 602 705)
Interest	(11 097)	(19 267)	(25 693)	(21 381)
Transfers and Subsidies	(400)	(950)	(950)	(950)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**163 238**	**159 026**	**113 671**	**74 157**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Payments				
Capital assets	(222 567)	(260 204)	(65 670)	(14 947)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**(222 567)**	**(260 204)**	**(65 670)**	**(14 947)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	100 000	100 000	–	–
Increase (decrease) in consumer deposits	–	–	–	–
Payments				
Repayment of borrowing	(15 264)	(23 990)	(31 944)	(31 944)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**84 736**	**76 010**	**(31 944)**	**(31 944)**
NET INCREASE/ (DECREASE) IN CASH HELD	**25 406**	**(25 168)**	**16 057**	**27 266**
Cash/cash equivalents at the year begin:	143 659	**170 463**	**145 295**	**161 352**
Cash/cash equivalents at the year-end:	**169 065**	**145 295**	**161 352**	**188 618**

For the 2025/26 MTREF, the cash and cash equivalents over the medium-term is anticipated to increase from R 169,065 million in 2025/26 million to R 188,618 million in 2027/28.

Table 59: (Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation)

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Cash and investments available				
Cash/cash equivalents at the year end	169 065	145 295	161 352	188 618
Other current investments > 90 days	–	–	–	–
Non-current Investments	–	–	–	–
Cash and investments available:	**169 065**	**145 295**	**161 352**	**188 618**
Application of cash and investments				
Trade payables from non-exchange transactions: Unspent conditional Grants	0	–	–	–
Unspent borrowing	50 000	–	–	–
Statutory requirements	1 917	1 917	1 917	1 917
Other working capital requirements	56 672	56 672	56 672	56 672
Other provisions	54 868	64 451	73 936	82 980
Long term investments committed	–	–	–	–
Reserves to be backed by cash/investments	–	14 500	14 500	14 500
Total Application of cash and investments:	**163 457**	**137 541**	**147 025**	**156 069**
Surplus(shortfall)	**5 608**	**7 755**	**14 327**	**32 549**

The purpose of Table A8 is to reflect the predicted cash and investments that are available at the end of a particular budget year and how these funds were used. A surplus would indicate that sufficient cash and investments were available to meet

commitments, whilst a shortfall would indicate inadequate cash and investments were available to meet commitments.

The available cash and investments amount to R 145,295 million in the 2025/26 financial year and increases to R 188,618 million in 2027/28. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) – no unspent grant funding is anticipated over the 2025/26 MTREF.

- R 50,000 million was unspent borrowing from previous financial year.

- The main purpose of the other working capital requirements is to ensure that sufficient funds are available to meet commitments as and when they fall due. A key challenge is often the mismatch between the timing of receipts from debtors and payments due to employees and creditors. High levels of non-payment by debtors will result in a greater requirement for working capital, ultimately causing cash flow challenges.

- The current provision relates to the employee-benefits liability for the pensions, long-service awards and leave which have been provided for.

It is concluded that the Municipality's cash backed, and accumulated surpluses reconciliation reflects surpluses of R 7,755 million, R 14,327 million and R 32,549 million for the 2025/26, 2026/27 and 2027/28 financial years, respectively.

It is to be noted that the 2025/26 MTREF is funded, when considering the funding requirements of section 18 and 19 of the MFMA. The cost coverage ratio is, 1.3 months, 1.4 months, and 1.5 months for the 2025/26, 2026/27 and 2027/28 financial years, respectively.

6.11.4 Funding Compliance Measurement

The National Treasury requires the Municipality to assess its financial sustainability against the different measures outlined below.

Description	MFMA section	Ref	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
			Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Funding measures						
Cash/cash equivalents at the year-end - R'000	18(1)b	1	169 065	145 295	161 352	188 618
Cash + investments at the yr endless applications - R'000	18(1)b	2	5 608	7 755	14 327	32 549
Cash year end/monthly employee/supplier payments	18(1)b	3	1,7	1,3	1,4	1,6
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	68 717	(9 512)	(60 107)	(95 071)

Description	MFMA section	Ref	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
			Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	5,5%	3,4%	(0,1%)	0,3%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	95%	95%	95%	95%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	5,9%	5,9%	5,9%	5,9%
Capital payments % of capital expenditure	18(1)c;19	8	81,4%	100,0%	100,0%	100,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	80,6%	66,8%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10		100,0%	100,0%	100,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	(18,4%)	0,0%	0,0%	0,0%
Long term receivables % change - incr(decr)	18(1)a	12	0,0%	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	9,8%	8.9%	9.6%	10.5%
Asset renewal % of capital budget	20(1)(vi)	14	1,9%	0,9%	5,7%	0,2%

Below is a discussion of the different measures.

6.11.4.1 Cash/cash equivalent position.

The forecasted cash and cash equivalents for the 2025/26 MTREF amounts to R 145,295 million, R 161,352 million and R 188,618 million for the respective financial years.

6.11.4.2 Cash plus investments less application of funds

For the 2025/26, 2026/27 and 2027/28 budgets, the available cash and investments exceed the application of funds by an amount of R 7,755 million, R 14,327 million and R 32,549 million, respectively.

6.11.4.3 *Monthly average payments covered by cash or cash equivalents.*

As part of the 2025/26 MTREF, the projected cash position causes the ratio to increase from 1.3 months to 1.6 months.

6.11.4.4 Surplus/deficit excluding depreciation offsets

For the 2025/26 MTREF the indicative outcome is a deficit of R 9,512 million, R 60,107 million and R 95,071 million, respectively. This is made up as follows:

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Adjusted Budget	Budget Year 2025/26
Revenue				
Surplus/(Deficit)	**(100 091)**	**(136 700)**	**(100 091)**	**(136 700)**

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Adjusted Budget	Budget Year 2025/26
Transfers and subsidies - capital (monetary allocations)	168 808	127 188	168 808	127 188
Total	**68 717**	**(9 512)**	**68 717**	**(9 512)**

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective, and therefore the first two measures in the table are critical.

6.11.4.5 Property Rates/services charge revenue as a percentage increase less macro inflation target

This is calculated by deducting the maximum macro-economic inflation target (which is currently 5.5%), to determine the real increase in revenue. The percentage growth totals 3.4%, -0.1% and 0.3% for the respective financial years of 2025/26 MTREF.

6.11.4.6 Cash receipts as a percentage of ratepayer and other revenue

The outcome is approximately 95.0% for the 2025/26 and 95.0% for the 2026/27 and 95.0% for the 2027/28 financial years.

6.11.4.7 Debt impairment expense as a percentage of billable revenue

The provision has been set at 5% for property rates and services, for 2025/26 and 5% for 2026/27 and 5% for the 2027/28 financial years, in line with the revenue collection trends.

6.11.4.8 Capital payments percentage of capital expenditure.

The purpose of this measure is to determine whether the timing of payments has been considered in forecasting the cash position.

6.11.4.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants, and contributions)

A budget provision of R 130,435 million for the rehabilitation of roads within Kouga has been made for the 2025/26 financial year.

6.11.4.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. All transfers are included in the budget.

6.11.4.11 Repairs and maintenance expenditure levels

The expenditure constitutes 8.9%, 9.6% and 10.5% of Property, Plant and Equipment respectively, over the 2024/25 MTREF, whilst National Treasury has suggested an 8% level.

6.12 EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

GRANTS RECEIVED

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
RECEIPTS:				
Operating Transfers and Grants				
National Government:	**197 710**	**208 936**	**218 788**	**216 724**
Operational Revenue: General Revenue: Equitable Share	192 664	203 746	214 723	214 723
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 495	1 495	–	–
Local Government Financial Management Grant [Schedule 5B]	1 723	1 785	2 001	2 001
Municipal Infrastructure Grant [Schedule 5B]	1 828	1 910	2 064	–
Provincial Government:	**9 952**	**2 955**	**2 955**	**2 955**
Library grant	2 955	2 955	2 955	2 955
Housing	6 997	–	–	–
District Municipality:	**2 393**	**2 503**	**2 616**	**2 616**
Environmental Health Subsidy	2 393	2 503	2 616	2 616
Other Grant Providers:	**50**	**–**	**–**	**–**
Departmental Agencies and Accounts	50	–	–	–
Total Operating Transfers and Grants	**210 105**	**214 394**	**224 359**	**222 295**
Capital Transfers and Grants				
National Government:	**52 762**	**50 558**	**55 774**	**–**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4 203	7 260	7 558	–
Municipal Infrastructure Grant [Schedule 5B]	34 618	36 298	39 216	–
Water Services Infrastructure Grant [Schedule 5B]	13 941	7 000	9 000	–
Provincial Government:	**75 655**	**75 030**	**–**	**–**
Housing	75 655	75 030	–	–
District Municipality:	**1 600**	**1 600**	**1 600**	**1 600**
Fire Services	1 600	1 600	1 600	1 600
Total Capital Transfers and Grants	**130 017**	**127 188**	**57 374**	**1 600**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**340 122**	**341 582**	**281 733**	**223 895**

GRANTS EXPENDITURE

GRANTS RECONCILIATION

Description	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
EXPENDITURE:				
Operating expenditure of Transfers and Grants				
National Government:	**197 710**	**208 936**	**218 788**	**216 724**
Operational Revenue: General Revenue: Equitable Share	192 664	203 746	214 723	214 723
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 495	1 495	–	–
Local Government Financial Management Grant [Schedule 5B]	1 723	1 785	2 001	2 001
Municipal Infrastructure Grant [Schedule 5B]	1 828	1 910	2 064	–
Provincial Government:	**9 952**	**2 955**	**2 955**	**2 955**
Library grant	2 955	2 955	2 955	2 955
Housing	6 997	–	–	–
District Municipality:	**2 393**	**2 503**	**2 616**	**2 616**
Environmental Health Subsidy	2 393	2 503	2 616	2 616
Other Grant Providers:	**50**	**–**	**–**	**–**
Departmental Agencies and Accounts	50	–	–	–
Total Operating expenditure of Transfers and Grants	**210 105**	**214 394**	**224 359**	**222 295**
Capital expenditure of Transfers and Grants				
National Government:	**52 762**	**50 558**	**55 774**	**–**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4 203	7 260	7 558	–
Municipal Infrastructure Grant [Schedule 5B]	34 618	36 298	39 216	–
Water Services Infrastructure Grant [Schedule 5B]	13 941	7 000	9 000	–
Provincial Government:	**75 655**	**75 030**	**–**	**–**
Housing	75 655	75 030	–	–
District Municipality:	**1 600**	**1 600**	**1 600**	**1 600**
Fire Services	1 600	1 600	1 600	1 600
Total Capital expenditure of Transfers and Grants	**130 017**	**127 188**	**57 374**	**1 600**
TOTAL EXPENDITURE OF TRANSFERS & GRANTS	**340 122**	**341 582**	**281 733**	**223 895**

6.13 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

The table below reflects the grants and allocations made by the Municipality. It includes grants-in-aid made in accordance with the Municipality's grants-in-aid policy and transfers to entities and other organisations to primarily support their operational expenditure.

ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

Description	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2024/25	Adjusted Budget	Budget Year 2024/25
Cash Transfers to Entities/Other External Mechanisms				
Various Organisations	*400*	*950*	*950*	*950*

Description	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2024/25	Adjusted Budget	Budget Year 2024/25
Total Cash Transfers To Entities/Ems'	***400***	***950***	***950***	***950***
TOTAL CASH TRANSFERS AND GRANTS	***400***	***950***	***950***	***950***
TOTAL TRANSFERS AND GRANTS	***400***	***950***	***950***	***950***

6.14 COUNCILLORS AND EMPLOYEE BENEFITS

DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS

Summary of Employee and Councillor remuneration	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Councillors (Political Office Bearers plus Other)				
Basic Salaries and Wages	10 414	10 879	11 151	11 429
Motor Vehicle Allowance	3 503	3 626	3 717	3 810
Cellphone Allowance	1 678	1 483	1 520	1 558
Sub Total - Councillors	**15 594**	**15 988**	**16 387**	**16 797**
Senior Managers of the Municipality				
Basic Salaries and Wages	9 681	9 436	9 932	10 453
Pension and UIF Contributions	123	11	11	12
Medical Aid Contributions	56	–	–	–
Performance Bonus	1 798	395	416	438
Motor Vehicle Allowance	2 196	655	690	726
Cellphone Allowance	11	–	–	–
Other benefits and allowances	5	0	0	–
Sub Total - Senior Managers of Municipality	**13 870**	**10 498**	**11 049**	**11 629**
Other Municipal Staff				
Basic Salaries and Wages	307 384	309 018	325 241	342 316
Pension and UIF Contributions	40 624	52 629	55 392	58 301
Medical Aid Contributions	20 842	28 847	30 361	31 955
Overtime	20 000	27 276	28 708	30 215
Performance Bonus	20 209	24 407	25 688	27 037
Motor Vehicle Allowance	12 182	13 359	14 061	14 799
Cellphone Allowance	59	–	–	–
Housing Allowances	1 467	951	1 001	1 053
Other benefits and allowances	19 051	28 803	30 315	31 907
Long service awards	–	1 583	1 666	1 753
Post-retirement benefit obligations	18 361	24 085	25 755	25 853
Acting and post related allowance	8 922	3 111	3 274	3 446
Sub Total - Other Municipal Staff	**469 101**	**514 069**	**541 464**	**568 636**
TOTAL SALARY, ALLOWANCES & BENEFITS	**498 565**	**540 554**	**568 900**	**597 061**
TOTAL MANAGERS AND STAFF	**482 971**	**524 567**	**552 513**	**580 264**

6.15 MONTHLY TARGETS FOR REVENUE EXPENDITURE AND CASH FLOW

MONTHLY CASH FLOWS	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework
R thousand	July	August	Sept.	October	Nov.	Dec.	Jan.	Feb.	March	April	May	June	Budget Year 2025/26
Cash Receipts By Source													
Property rates	36 921	17 457	18 905	18 696	49 894	49 914	19 009	19 644	19 333	20 495	19 235	19 972	309 473
Service charges - electricity revenue	56 040	37 900	55 686	42 779	45 572	95 343	19 962	39 534	42 300	45 363	45 623	18 205	544 308
Service charges - water revenue	18 205	7 018	15 204	16 300	13 529	14 762	21 591	14 610	18 464	19 842	18 583	6 679	184 788
Service charges - sanitation revenue	9 495	7 963	7 563	7 453	7 744	7 412	8 752	7 717	10 019	8 404	10 453	5 305	98 279
Service charges - refuse revenue	8 509	6 587	6 679	6 592	6 604	6 574	6 591	6 573	6 570	6 586	6 568	6 533	80 968
Rental of facilities and equipment	211	180	180	224	208	744	617	288	380	320	272	198	3 821
Interest earned - external investments	401	480	654	621	871	609	2 753	1 208	1 757	2 587	2 307	2 025	16 273
Fines, penalties and forfeits	16	19	22	18	77	102	71	14	102	59	93	39	633
Licences and permits	6 496	3 707	2 583	2 778	2 545	2 027	5 188	3 114	1 754	1 145	1 929	1 527	34 792
Agency services	380	380	380	380	380	380	380	380	380	380	380	380	4 554
Transfers and Subsidies - Operational	68 393	5 238	1 103		1 124	68 393		1 124	69 019			–	214 394
Other revenue	3 508	9 237	2 050	5 396	9 144	4 437	4 237	6 420	5 359	2 791	1 690	17 517	71 786
Cash Receipts by Source	**208 573**	**96 166**	**111 007**	**101 237**	**137 691**	**250 698**	**89 150**	**100 625**	**175 436**	**107 972**	**107 133**	**78 381**	**1 564 068**
Other Cash Flows by Source													
Transfers and subsidies - capital (monetary allocations)	19 793	10 719	19 793		17 719	19 793		10 719	28 653			–	127 188
Borrowing long term/refinancing									100 000			–	100 000
Total Cash Receipts by Source	**228 366**	**106 884**	**130 800**	**101 237**	**155 410**	**270 491**	**89 150**	**111 344**	**304 089**	**107 972**	**107 133**	**78 381**	**1 791 255**

MONTHLY CASH FLOWS	Medium Term Revenue and Expenditure Framework		
R thousand	Budget Year 2025/26	Budget Year 2026/27	Budget Year 2027/28
Cash Receipts By Source			
Property rates	309 473	328 041	347 723
Service charges - electricity revenue	544 308	573 548	609 068
Service charges - water revenue	184 788	197 538	211 168
Service charges - sanitation revenue	98 279	105 060	112 309
Service charges - refuse revenue	80 968	86 266	91 910
Rental of facilities and equipment	3 821	3 984	4 156
Interest earned - external investments	16 273	17 086	17 941
Fines, penalties and forfeits	633	667	704
Licences and permits	34 792	36 517	37 539
Agency services	4 554	4 554	4 554
Transfers and Subsidies - Operational	214 394	224 359	222 295
Other revenue	71 786	41 705	38 225
Cash Receipts by Source	**1 564 068**	**1 619 326**	**1 697 593**
Other Cash Flows by Source			
Transfers and subsidies - capital (monetary allocations)	127 188	57 374	1 600
Borrowing long term/refinancing	100 000	–	–
Total Cash Receipts by Source	**1 791 255**	**1 676 700**	**1 699 193**
Cash Payments by Type			
Employee related costs	(502 243)	(528 611)	(556 362)
Remuneration of councillors	(15 988)	(16 387)	(16 797)
Finance charges	(19 267)	(25 693)	(21 381)
Bulk purchases - Electricity	(535 911)	(564 636)	(599 587)
Other materials	(102 836)	(108 778)	(113 361)
Contracted services	(158 964)	(147 700)	(145 569)
Transfers and grants - other	(950)	(950)	(950)
Other expenditure	(196 070)	(170 272)	(164 972)
Cash Payments by Type	**(1 532 229)**	**(1 563 028)**	**(1 618 979)**
Other Cash Flows/Payments by Type			
Capital assets	(260 204)	(65 670)	(14 947)
Repayment of borrowing	(23 990)	(31 944)	(31 944)
Other Cash Flows/Payments	–	–	(6 057)
Total Cash Payments by Type	**(1 816 423)**	**(1 660 642)**	**(1 671 927)**
NET INCREASE/(DECREASE) IN CASH HELD	**(25 168)**	**16 057**	**27 266**
Cash/cash equivalents at the month/year begin:	170 463	145 295	161 352
Cash/cash equivalents at the month/year end:	145 295	161 352	188 618

6.16 ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS-DIRECTORATES

In terms of section 53 (1)(c)(ii) of the MFMA, the Service Delivery and Budget Implementation Plan (SDBIP) constitutes a detailed plan for implementing the Municipality's delivery of services and its annual budget, which must include the following:

(a) Monthly projections of

- Revenue to be collected, by source; and
- Operational and capital expenditure, by vote.

(b) Service delivery targets and performance indicators for each quarter.

In accordance with Section 53 of the MFMA, the Executive Mayor is required to approve the SDBIP within 28 days after the approval of the budget. Furthermore, the Executive Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators, as set out in the SDBIP, are made public within 14 days after the approval of the SDBIP.

The SDBIP gives effect to the IDP and Budget of the Municipality. It includes the service delivery targets and performance indicators for each quarter, which forms the basis for the performance agreements of the Directors. It therefore facilitates oversight over the financial and non-financial performance of the Municipality and allows the Municipal Manager to monitor the performance of the Directors, the Executive Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality.

The SDBIP relating to the 2025/26 financial year will be approved by the Executive Mayor during July 2025, following the approval of the Budget.

6.17 LEGISLATION COMPLIANCE STATUS

The following reflects the status of implementation of some of the key MFMA areas:

<u>IDP</u>

A revised 2025/26 IDP has been developed, was considered at a Council meeting held on 27 March 2025. The IDP includes specific deliverables that form the basis for the Budget and SDBIP. The final version of the revised 2025/26 IDP will be considered at a Council meeting scheduled for 31 May 2025.

<u>Budget</u>

The draft annual budget document has been developed taking the MFMA and National Treasury (NT) requirements into account. Budgets are being tabled and approved within the required legislated timeframes.

Annual Report

The Annual Report has been developed taking the MFMA and NT requirements into account. The 2023/24 Annual Report will be considered at a Council meeting scheduled for 27 March 2025.

Oversight Report

The Municipal Public Accounts Committee has considered the 2023/24 Annual report. Its Oversight Report will be considered at a Council meeting scheduled for 27 March 2025.

In-Year Reporting

The municipality submits the various reports required to the Executive Mayor, Council, and NT on an ongoing basis, in accordance with the MFMA.

Supply Chain Management Policy (SCM)

A Supply Chain Management Policy has been adopted and implemented in accordance with the MFMA and NT requirements.

All the required committee structures are in place. Whilst the municipality is working at making these new processes operate more efficiently and effectively, it is considered that the municipality is currently complying with the MFMA and NT guidelines.

Budget and Treasury

A Budget and Treasury Office has been established in accordance with the MFMA and NT requirements, consisting of a CFO and municipal officials reporting to the CFO.

Audit Committee

An Audit Committee has been established and meets on a quarterly basis.

Internal Audit Function

The Municipality's Internal Audit Function reports to the Municipal Manager and is operating in accordance with an audit plan.

In relation to the 2025/26 financial year and beyond, the municipality plans to focus on the following high priority areas:

- Maintaining its unqualified audit with no findings (Clean Audit Status).

- Further strengthening of the integration and linkages between the IDP, Budget, SDBIP and Annual Report.

Internship Programme

The municipality has a total of four Interns on the Municipal Financial Management Internship programme and is in the process of appointing the fifth intern before the end of May 2025 as required by the National Treasury.

Municipal Standard Chart of Accounts (mSCOA)

In accordance with the Municipal Regulations relating to mSCOA, municipalities were required to be compliant with the mSCOA classification framework by 1 July 2017. It is to be noted that the Municipality has been transacting on the mSCOA compliant financial system since July 2017.

6.18 CAPITAL EXPENDITURE DETAILS

PROJECT DESCRIPTION	FUNDING SOURCE	Draft Annual Budget 2025/26	Draft Annual Budget 2026/27	Draft Annual Budget 2027/28
CIVIL AND WATER SERVICES				
ROADS INFRASTRUCTURE IN KOUGA	DBSA-loan	130,434,783	-	
Humansdorp: Upgrading of informal settlements in Kwanomzamo (Bungalows, Polar Parks & Shukushukuma)	DOHS-FOIS	12,086,411	-	
Jeffreys Bay: Upgrading of Oceanview Informal Settlements	DOHS-FOIS	22,145,760	-	
Patensie: Upgrading of Informal Settlement (Cyril Ramaphosa)	DOHS-FOIS	2,953,939	-	
Humansdorp: Upgrading of Kruisfontein Settlement (Donkerhoek)	DOHS-FOIS	2,801,782	-	
Thornhill : Upgrading of Informal Settlement	DOHS-FOIS	1,814,348	-	
Storage Containers	Internal	200,000	100,000	20,000
Fencing and security (all pump stations as assets)	Internal	800,000	1,500,000	1,500,000
Machinery at WWTW and WTW facilities	Internal	450,000	180,000	36,000
Construction of Civil Services in Donkerhoek & Hum	Internal	800,000	-	
HUMANSDORP GROUNDWATER SUPPLY	Internal	547,000	-	
HANKEY WWTW	Internal	1,954,000		
UPGRADE OF PHILLIPSVILLE SPORTS FIELD	MIG	173,913	9,233,212	
UPGRADING KOUGA GRAVEL ROADS	MIG	13,478,102	10,337,346	
DESIGN: UPGRADING JEFFREYS BAY SEWER PIPE IN OCEANV	MIG	69,565	5,000,000	
UPGRADING KWANOMZAMO WWTW	MIG	6,763,811	-	
DESIGN: LA MER NEW SEWER RISING MAIN	MIG	86,957	80,000	
REFURBISHMENT OF ARCADIA STREET SPS	MIG	43,478	1,785,793	
REFURBISHMENT OF QUEEN STREET SPS	MIG	43,478	-	
INFRASTRUCTURE MANAGEMENT PLAN	MIG	1,661,217	1,785,793	
SPECIALISED WASTE MANAGEMENT VEHICLES	MIG	3,155,652	1,530,900	

PROJECT DESCRIPTION	FUNDING SOURCE	Draft Annual Budget 2025/26	Draft Annual Budget 2026/27	Draft Annual Budget 2027/28
Electricity Transfer from NMBM to KLM	UISP	346,715		
Phase 1 Upgrade of Thornhill Sewer Treatment Works	UISP	1,846,906	-	
Kruisfontein Bulk Sewer -Link Line	UISP	1,327,937	-	
Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	UISP	5,137,008	-	
Apiesdraai Pump Station	UISP	1,962,652	-	
Kwanomzamo Bulk Water : New Pipeline	UISP	3,148,095	-	
Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	UISP	3,247,253	-	
Ramaphosa Village Reservoir	UISP	4,097,544		
New Reservoir Ramaphosa	UISP	-	-	
New Reservoir on Pnt 2 of the Farm Thornhill	UISP	2,327,066	-	
Beach Sewer Pump Station and New Sewer Bypass	WSIG	200,000	5,427,754	
Loerie Sewer Pump Station upgrade and new sewer ri	WSIG	4,617,990	2,398,333	
ST FRANCIS BAY: BOREHOLES	WSIG	1,068,967		
Replace Ageing Water Infrastructure in St Francis	WSIG	100,000		
Replace Main Waterline Sout Rivier Bridge Crossing	WSIG	100,000		
		231,992,330	**39,359,130**	**1,556,000**
COMMUNITY SERVICES				
Fire Services - Vehicle (DISTRICT)	DISTRICT	1,391,304	1,391,304	1,391,304
Fencing Humansdorp Landfill Site	Internal	1,500,000	1,500,000	
Computer Equipment - Cameras and Infrastructure	Internal	1,000,000	2,500,000	2,000,000
Extension of Incident Command Centre	Internal	1,000,000		
		4,891,304	**5,391,304**	**3,391,304**
ELECTRO/MECHANICAL SERVICES				
OCEAN VIEW 1250 ELECTRIFICATION	INEP	6,313,043	6,572,174	-
Renewable Energy Projects	Internal	6,000,000	10,000,000	10,000,000
DESIGN: NEW HIGH MAST LIGHTS	MIG	6,086,957	4,347,826	
		18,400,000	**20,920,000**	**10,000,000**
FINANCE AND ECONOMIC DEVELOPMENT				
Revenue: vehicle	Internal	620,600	-	
		620,600	**-**	**-**
OFFICE OF THE DEPUTY MUNICIPAL MANAGER				
Computer Equipment	Internal	1,000,000	-	
Media: Cameras	Internal	50,000	-	
		1,050,000	**-**	**-**
PLANNING AND DEVELOPMENT				
Electronic Equipment	Internal	50,000	-	
Acquisition of Land	Internal	3,200,000	-	
		3,250,000	**-**	**-**
Total		**260,204,233**	**65,670,435**	**14,947,304**

CHAPTER 7: PERFORMANCE MANAGEMENT

7.1 INTRODUCTION

The PMS serves as a primary mechanism to monitor, review and improve the implementation of the Municipality is IDP and eventually the budget. The citizens of Kouga, like all other citizens in South Africa, have high expectations regarding service delivery by the Municipality. Elected representatives and the administration are continuously challenged to demonstrate that all levels of government are capable and committed to manage and utilise public resources in a way that will enhance economic growth and sustainability. This challenge is best illustrated through institutionalisation of mechanisms for performance management, monitoring and reporting.

7.2 OVERVIEW OF PERFORMANCE MANAGEMENT SYSTEM

Performance management can be defined as a strategic approach to management that equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques for regular planning, continuous monitoring, regular measurement and evaluation using municipal performance indicators. efficiency, effectiveness and efficiency goals.

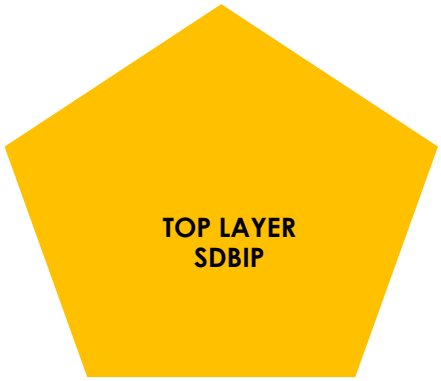
Performance indicators are measures of quantity, quality, time, durability and cost that are used to evaluate the production and delivery of products and the resulting effects. Therefore, efficiency is measured in terms of inputs, outputs, and outputs and outcomes of activities or processes.

Performance management is primarily guided by the relevant legislative frameworks and directed by top management and the council. The main legal framework for performance management is as follows:

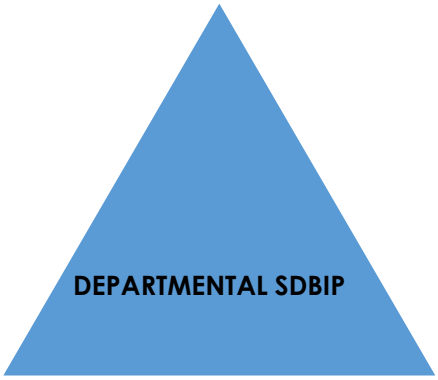
- The Constitution of South Africa 1996 (Act 108 of 1996) [Section 152 & 195 (1)].
- The Municipal Planning and Performance Management Regulations (No 796, 24 August 2001).
- The White Paper on Transforming Public Service Delivery (Batho Pele 1998).
- The Local Government: Municipal Structures Act, 1998 (No. 117 of 1998).
- Local Government: Municipal Systems Act, 2000 (No. 32 of 2000).
- The Municipal Financial Management Act (No. 56 of 2003).
- The Municipal Staff Regulations (No 890, 20 September 2021).

7.3 THE SDBIP CONCEPT: A PRACTICAL PERSPECTIVE

Figure 26: The SDBIP Concept



- Consolidated service delivery targets set by top management.
- Approved by the Executive Mayor.
- Tabled in Council for information and monitoring.
- Include high level information per ward.
- Revised targets approved by Council following approval of the adjustment estimate.
- Final SDBIP 14 days after approval of the budget.
- Approve SDBIP with 28 days after budget approval.
- Multi-year municipal scorecard.



- Provides more detail of each output for which top management is responsible.
- How the departments will implement the Top Layer SDBIP.
- Municipal Manager has access, but senior manager will use to hold middle-level and junior managers responsible for components of the SDBIP and targets.

7.4 ROLE-PLAYERS IN PERFORMANCE MANAGEMENT

The role-players that manage the performance management system of the municipality include the following:

Role Player	Role
Executive Mayor and Members of the Mayoral Committee	The Executive Mayor and the Members of the Mayoral Committee manage the development of the municipal PMS and oversee the performance of the Municipal Manager and the General Managers.
Council and Section 79 Committees	Section 79 Committees play an oversight role and consider reports from Council on the functioning of different portfolios and the impact on the overall objectives and performance of the municipality.
Internal Audit	The Internal Audit Services plays an internal performance auditing role, which includes monitoring the functioning of the PMS and compliance to legislative requirements. Its role is also to assist the municipality in validating the evidence provided by the General Managers in support of their performance achievements.

Role Player	Role
Performance Audit Committee	The committee monitors the quality and integrity of the Performance Management System, to ensure equity and consistency in the application of evaluation norms and standards. The committee further provides impartial recommendations on performance ratings to the Mayoral Committee, following the completion of objective appraisals.
Evaluation Panel	The Evaluation Panel evaluates the performance of Section 57 employees, including the Municipal Manager's performance, through approval of their final performance ratings.
Community	The community plans a role in the PMS through the IDP consultation processes which are managed by the Office of the speaker, working in close collaboration with the IDP and Public Participation.

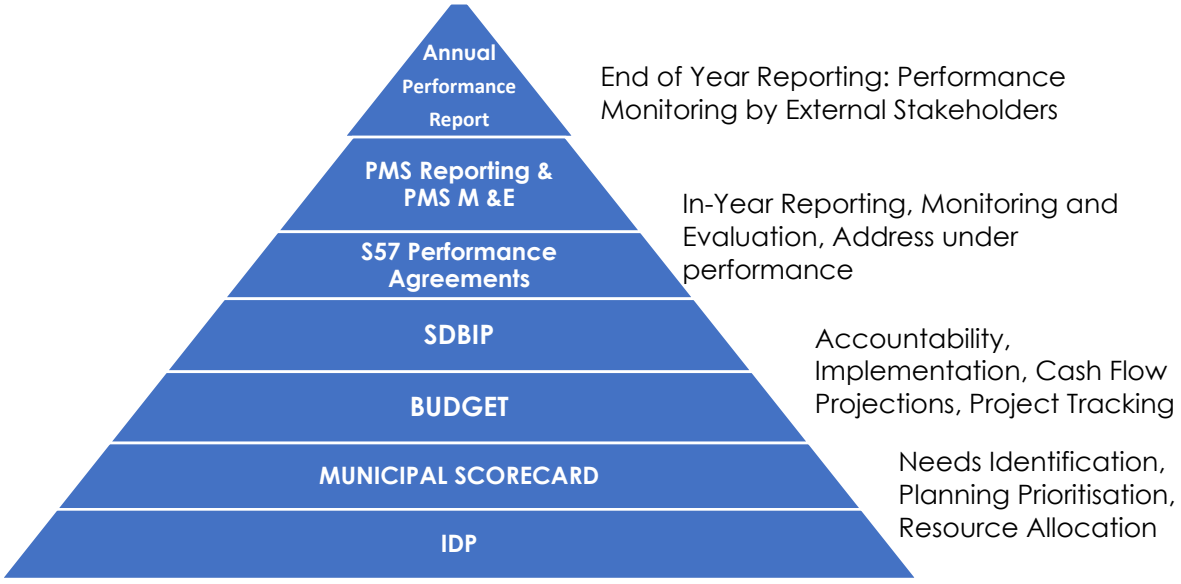
7.5 PERFORMANCE REPORTING

The legislative framework requires that the municipality should develop reports on particular intervals that must be submitted to various institutions for validation and monitoring. The table below outlines a summary of the reports that have been developed in the municipality.

REPORTS	DESCRIPTION
Monthly Reports	Monthly reports on the performance of the departments should be generated from the performance management system and submitted to the portfolio Councillor by the senior management team.
Quarterly Reports	Quarterly reports to report on the performance in terms of the TL SDBIP should be generated form the system and submitted to Council. This report should also be published on the municipal website
Mid-Year Assessment	The performance of the first 6 months of the financial year should be assessed and reported on in terms of section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary. The format of the report must comply with the section 72 requirements. This report must be submitted to the mayor for approval before 25 January of each year and published on the municipal website afterwards.
Annual Performance Report	The annual performance report must be completed by the end of August and submitted with the financial statements to the Auditor General (AG) of South Africa for auditing.

REPORTS	DESCRIPTION
Annual Reporting	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. Immediately after an annual report is tabled in the council, the accounting officer of the municipality must submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province. The meetings of a municipal council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, must be open to the public and any organ of the state.
Oversight report	The Municipal Public Accounts Committee must prepare an Oversight Report on the Annual Report and submit the Oversight Report to Council for consideration not later than 31 March each year. After adoption of the Oversight Report, the report is submitted to National Treasury, the Department of Cooperative Governance and Traditional Affairs and published on the Municipal Website.

Figure 27: Accountability Model



7.6 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 form 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 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.

7.7 AUDIT OUTCOMES

The table below depicts Kouga Municipality's audit findings:

Financial Year	Outcome
2020/21	Unqualified
2021/22	Unqualified
2022/23	Unqualified
2023/24	Clean

7.8 IMPLEMENTATION OF MFMA CIRCULAR 88, ADDENDUM 3 OF 20 DECEMBER 2021

The objective of Circular No. 88 is to enhance consistency and alignment in the planning, budgeting, and reporting processes of municipalities, while also streamlining reporting. The goal is to establish a unified set of performance indicators, which will be applied differently depending on the context, for all local governments.

In the 2021/22 financial year, the reporting on MFMA Circular No. 88 was piloted in all municipalities except metros. This pilot will continue through the 2025/26 financial year. During this pilot phase, all non-metro municipalities are required to include the performance indicators in a specific annexure to their Integrated Development Plans (IDPs) and Service Delivery and Budget Implementation Plans (SDBIPs). This annexure must clearly indicate the MFMA Circular No. 88 indicators relevant to the municipality at Tier 1 and Tier 2 levels of readiness.

For this pilot, the indicators listed in Appendix 2 (the outcomes template) will be monitored and reported on a quarterly and annual basis to the provincial departments of Cooperative Governance and Traditional Affairs (COGTAs) and the national Department of Cooperative Governance (DCoG). Throughout the pilot phase, municipalities other than metros will not be required to report the statutory Annual Performance Report (APR) as stipulated in MSA Section 46.

Kouga Municipality has been reporting on these indicators quarterly since the 2021/22 financial year. The DCoG aims for the piloting of MFMA Circular No. 88 indicators to eventually replace the Local Government: Planning and Performance Management Regulations of 2001.

7.9 MUNICIPAL SCORECARD

Strategic Alignment			Performance indicator		Baseline (Annual Performance of 2023/24 estimated)	Medium term target for 2026/27	Department
National KPA	Strategic Objective	Outcome					
OUTCOME INDICATORS FOR ANNUAL MONITORING							
MFVM	**(SO1)** Enhance financial management and the effective utilization of resources, thereby ensuring the long-term viability and sustainability of the organization	*The municipality aims to build a resilient financial foundation, maximize the effective use of financial resources, and sustain long-term viability*	*PI1.1*	*Percentage of operating expenditure against total budget (excluding non-cash items)*	89.50%	90.00%	*Financial and Development Services*
			PI1.2	*Percentage of capital expenditure against total budget*	93.00%	85.00%	*Office of the MM*
			PI1.3	*Percentage of total operating revenue to finance total debt (Total Debt (Borrowing) / Total operating revenue)*	0.0%	45.0%	*Financial and Development Services*
			PI1.5	*Percentage change in cash and cash equivalent (short term)*	0.00%	5.00%	
			PI1.6	*Percentage of total operating expenditure on remuneration*	35.00%	36.00%	*Office of DMM*
			PI1.7	*Percentage change in Gross Consumer Debtors' (Current and Non-current)*	10.00%	5.00%	*Financial and Development Services*
			PI1.8	*Percentage of Revenue Growth excluding capital grants*	6.00%	0.5% more than CPIX	
			PI1.9	*Percentage of net operating surplus margin (excluding depreciation)*	1.32%	1.50%	
			PI1.10	*Cash/Cost coverage ratio*	0.50	1.00	
			PI1.11	*Current ratio (current assets/current liabilities)*	0.95	0.90	
			PI1.12	*Trade payables to cash ratio*	1.19	1.00	
			PI1.13	*Liquidity ratio*	0.04	0.50	
BSD	**(SO2)** Provide excellent, sustainable service delivery to all residents	*All residents have equal access to essential municipal services*	*PI2.1*	*% of households utilising bucket sanitation system (StatsSA)*	9.0%		*Civil and Water Services*
			PI2.2	*% of households utilising chemical sanitation system (StatsSA)*	3.5%		
			PI2.3	*Number of residential properties for which refuse is removed once per week*	24 652	24 652	*Community Services*
			PI2.4	*Percentage utilisation rate of community halls*	38.6%	39.2%	
			PI2.5	*Average number of library visits per library*	3391	3429	
			PI2.8	*Frequency of water mains failures per 100 KMs of pipeline*	566		*Civil and Water Services*

Strategic Alignment			Performance indicator		Baseline (Annual Performance of 2023/24 estimated)	Medium term target for 2026/27	Department
National KPA	Strategic Objective	Outcome					
			PI2.9	*Percentage of drinking water samples complying to SANS241*	95.00%	95.00%	
			PI2.10	*Percentage of non-revenue water*	44.0%	35.00%	
			PI2.11	*Total water losses*	39.8%	35.00%	*Civil and Water Services*
			PI2.12	*Percentage increase in own water resources*	20.0%	85.00%	
			PI2.13	*% Blue Drop compliance*	64.6%	97%	
			PI2.14	*Number of WTW fully licensed*	7.00	9.00	
			PI2.15	*Number of dwellings provided with connections to mains electricity supply by the municipality*	19 471	(+5%) 20 400	*Electro and Mechanical Services*
			PI2.16	*% of households with access to electricity*	100.0%	100%	
BSD	**(SO2)** Provide excellent, sustainable service delivery to all residents	*150km worth of roads upgraded*	*PI2.17*	*Kilometers of existing roads rehabilitated*	0.0%	0.00	*Civil and Water Services*
			PI2.18	*Kilometers of existing roads resealed*	10.3		*Civil and Water Services*
BSD	**(SO2)** Provide excellent, sustainable service delivery to all residents	*1 megawatt (phase 1), 20 megawatt (phase 2) and 40 megawatt (phase 3) projects realized and electrification of areas*	*PI2.19*	*% Increase in renewable energy supply*	0.0%	20.0%	*Electromechanical Services*
			PI2.20	*Percentage of total electricity losses*	18.0%	16%	
BSD	**(SO2)** Provide excellent, sustainable service delivery to all residents	*70% compliance with Green Drop requirements and 5 plants upgraded*	*PI2.21*	*% Green Drop compliance*	19.0%	70%	*Civil and Water Services*
			PI2.22	*Number of WWTW fully licenced*	3.00	7.00	
			PI2.23	*Percentage of wastewater samples compliant to water use license conditions*	63.7%		
MTID	**(SO2)** Provide excellent, sustainable service delivery to all residents	*Achievement of 95% of service charter timeframes*	*PI2.24*	*Percentage of Service Charter timeframes achieved*	No statistics available	95%	*Corporate Services*
BSD	**(SO3)** Facilitate the sustainable incorporation and effective	*Human settlements are established and managed to be*	*PI3.1*	*Reduce informal settlement by 3*	10	3	*Planning and Development*
			PI3.2	*Number of informal settlements formalised*	1	3	*Planning and Development*

Strategic Alignment			Performance indicator		Baseline (Annual Performance of 2023/24 estimated)	Medium term target for 2026/27	Department
National KPA	Strategic Objective	Outcome					
	management of human settlements, to provide an equitable, inclusive, and resilient living environment that enhances the quality of life for all residents	*functional, resilient and contribute positively to the well-being and prosperity of the residents while respecting the principles of sustainability and inclusivity*					
MTID	**(SO4)** Establish and maintain a robust safety and security framework for municipal assets, protecting critical infrastructure, resources and information	*Municipal infrastructure, resources, and information are effectively safeguarded against theft, physical damage, cyber-attacks, and unauthorized access*	*PI4.1*	*Reduce cyber-attacks by 5%*	No statistics available	*5%*	*Corporate Services*
MTID	**(SO4)** Establish and maintain a robust safety and security framework for municipal assets, protecting critical infrastructure, resources and information	*Emergency response plans are well-established and regularly tested, enabling a prompt and efficient response to incidents, which helps mitigate potential damages*	*PI4.3*	*Ensure 75% of emergency response time is within 15min from when called received to areas where service are available*	75.00%	75.00%	*Community Services*
BSD			*PI5.1*	*Establish a Kouga Community Safety Forum*	0	1	*Community Services*

Strategic Alignment			Performance indicator		Baseline (Annual Performance of 2023/24 estimated)	Medium term target for 2026/27	Department
National KPA	Strategic Objective	Outcome					
	(SO5) Establish and maintain a robust safety and security framework fostering a resilient and secure environment for the community	*Residents and stakeholders have confidence in the safety and security of municipal assets, fostering a sense of well-being and trust in local governance*	*PI5.2*	*Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area*	1	1	
LED	**(SO6)** Create and facilitate a conducive environment, with core focus on tourism, that builds inclusive local economies, sustainable and decent employment	*The economic benefits generated by tourism are distributed among various sectors of the community and businesses, ensuring that a broad cross-section of the population participates in the local economy*	*PI6.2*	*Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)*	400	500	*Financial and Development Services*
			PI6.4	*Number of established Local Tourism Associations*	3	3	*Financial and Development Services*
			PI6.5	*Average number of days from the point of advertising to the letter of award per 80/20 procurement process*	120	90	*Financial and Development Services*
GGPP	**(SO7)** Adherence to and implementation of effective and efficient governance processes	*A foundation for effective and efficient governance that serves the best interests of the community, promotes accountability, and facilitates sustainable development, has been*	*PI7.1*	*Obtain and maintain a clean audit opinion*	1	1	*Office of the MM*

Strategic Alignment			Performance indicator		Baseline (Annual Performance of 2023/24 estimated)	Medium term target for 2026/27	Department
National KPA	Strategic Objective	Outcome					
		establish and is adhered to					
MTID	**(SO8)** Attract, develop, and retain a highly skilled and motivated workforce for the municipality, ensuring effective talent management practices that align with its objectives, promote innovation, and enhance overall municipal performance	*A dynamic and capable municipal workforce that can effectively address current and future challenges, contribute to the municipality's success, and provide high-quality services to the community. This includes an established work environment that attracts top talent, nurtures professional growth, and maximizes the potential of its workforce*	*PI8.3*	*Limit the vacancy rate to less than 10% of funded posts*	2.4%	10.0%	*Corporate Services*

APPENDICES

Appendix 1: Ward Based Plans

All Ward-Based Plans can be accessed through the links below and are also available on the municipal website at www.kouga.gov.za . Hard copies may be requested.

WBP WARD 1.docx
WBP WARD 2.docx
WBP WARD 3.docx
WBP WARD 4.docx
WBP WARD 5.docx
WBP WARD 6.docx
WBP WARD 7.docx
WBP WARD 8.docx
WBP WARD 10.docx
WBP WARD 9.docx
WBP WARD 11.docx
WBP WARD 12.docx
WBP WARD 13.docx
WBP WARD 14.docx
WBP WARD 15.docx

Appendix 2: Implementation of MFMA Circular 88, Addendum 3 of 2021

The following indicators are being reported on as a continuous pilot during the 2025/2026 financial year:

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	OUTPUT INDICATORS FOR QUARTERLY REPORTING	
EE1.11	Number of dwellings provided with connections to mains electricity supply by the municipality	
EE3.11	Percentage of unplanned outages that are restored to supply within industry standard timeframes	
EE3.21	Percentage of planned maintenance performed	
ENV3.11	Percentage of recognised informal settlements receiving basic waste removal services	
TR6.12	Percentage of surfaced municipal road lanes which has been resurfaced and resealed	
TR6.13	KMs of new municipal road network	
TR6.21	Percentage of reported pothole complaints resolved within standard municipal response time	
WS1.11	Number of new sewer connections meeting minimum standards	
WS2.11	Number of new water connections meeting minimum standards	
WS3.11	Percentage of callouts responded to within 48 hours (sanitation/wastewater)	
WS3.21	Percentage of callouts responded to within 48 hours (water)	
FD1.11	Percentage compliance with the required attendance time for structural firefighting incidents	
LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	
LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	
LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services	
LED3.11	Average time taken to finalise business license applications	
LED3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	
LED3.32	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission	
GG1.21	Staff vacancy rate	
GG1.22	Percentage of vacant posts filled within 6 months	
GG2.11	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	
GG2.12	Percentage of wards that have held a quarterly councillor-convened community meeting	
GG2.31	Percentage of official complaints responded to through the municipal complaint management system	
GG5.11	Number of active suspensions longer than three months	
FM1.11	Total Capital Expenditure as a percentage of Total Capital Budget	
FM1.12	Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	
FM1.13	Total Operating Revenue as a percentage of Total Operating Revenue Budget	
FM1.14	Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget	

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	OUTPUT INDICATORS FOR QUARTERLY REPORTING	
FM1.21	Funded budget (Y/N) (Municipal)	
FM3.11	Cash/Cost coverage ratio	
FM3.13	Trade payables to cash ratio	
FM3.14	Liquidity ratio	
FM4.31	Creditors payment period	
FM5.11	Percentage of total capital expenditure funded from own funding (Internally generated funds + Borrowings)	
FM6.12	Percentage of awarded tenders [over R200k], published on the municipality's website	
FM6.13	Percentage of tender cancellations	
FM7.11	Debtors payment period	
FM7.12	Collection rate ratio	

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	COMPLIANCE INDICATORS FOR QUARTERLY REPORTING	
C1	Number of signed performance agreements by the MM and section 56 managers	
C2	Number of ExCo or Mayoral Executive meetings held	
C3	Number of Council portfolio committee meetings held	
C4	Number of MPAC meetings held	
C6	Number of formal (minuted) meetings between the Mayor, Speaker and MM were held to deal with municipal matters	
C7	Number of formal (minuted) meetings - to which all senior managers were invited- held:	
C8	Number of councillors completed training	
C9	Number of municipal officials completed training	
C10	Number of work stoppages occurring	
C11	Number of litigation cases instituted by the municipality	
C12	Number of litigation cases instituted against the municipality	
C13	Number of forensic investigations instituted	
C14	Number of forensic investigations concluded	
C15	Number of days of sick leave taken by employees	
C17	Number of temporary employees employed	
C18	Number of approved demonstrations in the municipal area	
C19	Number of recognised traditional and Khoi-San leaders in attendance (sum of) at all council meetings	
C20	Number of permanent environmental health practitioners employed by the municipality	
C22	Number of Council meetings held	
C23	Number of disciplinary cases for misconduct relating to fraud and corruption	
C24	Number of council meetings disrupted	

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	COMPLIANCE INDICATORS FOR QUARTERLY REPORTING	
C25	Number of protests reported	
C26	R-value of all tenders awarded	
C27	Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations:	
C28	R-value of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations:	
C29	Number of approved applications for rezoning a property for commercial purposes	
C30	Number of business licenses approved	
C32	Number of positions filled with regard to municipal infrastructure	
C33	Number of tenders over R200 000 awarded	
C34	Number of months the Municipal Managers' position has been filled (not Acting)	
C35	Number of months the Chief Financial Officers' position has been filled (not Acting)	
C36	Number of vacant posts of senior managers:	
C38	Number of filled posts in the treasury and budget office:	
C40	Number of filled posts in the development and planning department	
C42	Number of registered engineers employed in approved posts	
C43	Number of engineers employed in approved posts:	
C44	Number of disciplinary cases in the municipality:	
C45	Number of finalised disciplinary cases:	
C47	Number of waste management posts filled:	
C49	Number of electricians employed in approved posts:	
C51	Number of filled water and wastewater management posts:	
C56	Number of customers provided with an alternative energy supply (e.g. LPG or paraffin or biogel according to supply level standards)	
C57	Number of registered electricity consumers with an embedded generation system	
C58	Total non-technical electricity losses in MWh (estimate)	
C59	Number of municipal buildings that consume renewable energy	
C61	Total number of chemical toilets in operation	
C63	Total volume of water delivered by water trucks	
C67	Number of paid full-time firefighters employed by the municipality	
C68	Number of part-time and firefighter reservists in the service of the municipality	
C69	Number of 'displaced persons' to whom the municipality delivered assistance	
C71	Number of procurement processes where disputes were raised	
C73	Number of structural fires occurring in informal settlements	
C74	Number of dwellings in informal settlements affected by structural fires (estimate)	
C76	Number of SMMEs and informal businesses benefitting from municipal digitisation support programmes rolled out directly or in partnership with other stakeholders	
C77	B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based	
C78	B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned	

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	COMPLIANCE INDICATORS FOR QUARTERLY REPORTING	
C79	B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement	
C84	Number of building plans submitted for review	
C86	Number of households in the municipal area registered as indigent	
C89	Number of meetings of the Executive or Mayoral Committee postponed due to lack of quorum	
C92	Number of agenda items deferred to the next council meeting	
C93	Number of awards made in terms of SCM Reg 32	
C94	Number of requests approved for deviation from approved procurement plan	
C98	Number of building plan applications approved	
C100	Quarterly salary bill of suspended officials	
C102	Number of incidents of improper disposal of medical waste responded to by the municipality	
C103	Number of notifiable medical condition investigations following the prescribed protocols	
C104	Number of foodborne disease outbreak investigations following the prescribed protocols	

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	OUTPUT INDICATORS FOR ANNUAL REPORTING	
ENV4.11	Percentage of biodiversity priority area within the municipality	
TR6.11	Percentage of unsurfaced road graded	
WS5.31	Percentage of total water connections metered	
GG3.12	Percentage of councillors who have declared their financial interests	
FM2.21	Cash backed reserves reconciliation at year end	
FM3.12	Current ratio (current assets/current liabilities)	
FM4.11	Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	
FM5.12	Percentage of total capital expenditure funded from capital conditional grants	
FM5.21	Percentage of total capital expenditure on renewal/upgrading of existing assets	
FM5.22	Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment	
FM5.31	Repairs and Maintenance as a percentage of property, plant, equipment and investment property	
FM7.31	Net Surplus /Deficit Margin for Electricity	
FM7.32	Net Surplus /Deficit Margin for Water	
FM7.33	Net Surplus /Deficit Margin for Wastewater	
FM7.34	Net Surplus /Deficit Margin for Refuse	

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	OUTCOME INDICATORS FOR ANNUAL REPORTING	
EE4.4	Percentage total electricity losses	
HS3.5	Percentage utilisation rate of community halls	
HS3.6	Average number of library visits per library	
HS3.7	Percentage of municipal cemetery plots available	
TR6.2	Number of potholes reported per 10kms of municipal road network	
WS3.1	Frequency of sewer blockages per 100 KMs of pipeline	
WS3.2	Frequency of water mains failures per 100 KMs of pipeline	
WS3.3	Frequency of unplanned water service interruptions	
WS4.1	Percentage of drinking water samples complying to SANS241	
WS4.2	Percentage of wastewater samples compliant to water use license conditions	
WS5.1	Percentage of non-revenue water	
WS5.2	Total water losses	
WS5.4	Percentage of water reused	
FD2.2	Fire Services function in accordance with prescribed requirements	
GG1.1	Percentage of municipal skills development levy recovered	
GG1.2	Top management stability	
GG2.1	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	
GG4.1	Percentage of councillors attending council meetings	
FM1.1	Percentage of expenditure against total budget	
FM2.1	Percentage of total operating revenue to finance total debt (Total Debt (Borrowing) / Total operating revenue)	
FM2.2	Percentage change in cash backed reserves reconciliation	
FM3.1	Percentage change in cash and cash equivalent (short term)	
FM4.1	Percentage change of unauthorised, irregular, fruitless and wasteful expenditure	
FM4.2	Percentage of total operating expenditure on remuneration	
FM4.3	Percentage of total operating expenditure on contracted services	
FM5.1	Percentage change of own funding (Internally generated funds + Borrowings) to fund capital expenditure	
FM5.2	Percentage change of renewal/upgrading of existing Assets	
FM5.3	Percentage change of repairs and maintenance of existing infrastructure	
FM7.1	Percentage change in Gross Consumer Debtors' (Current and Non-current)	
FM7.2	Percentage of Revenue Growth excluding capital grants	
FM7.3	Percentage of net operating surplus margin	

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	COMPLIANCE INDICATORS FOR ANNUAL REPORTING	
C5	Number of recognised traditional leaders within your municipal boundary	
C21	Number of approved environmental health practitioner posts in the municipality	
C31	Number of approved posts in the municipality with regard to municipal infrastructure:	
C37	Number of approved posts in the treasury and budget office	
C39	Number of approved posts in the development and planning department	
C41	Number of approved engineer posts in the municipality	
C46	Number of approved waste management posts in the municipality	
C48	Number of approved electrician posts in the municipality	
C50	Number of approved water and wastewater management posts in the municipality	
C52	Number of maintained sports facilities	
C53	Square meters of maintained public outdoor recreation space	
C54	Number of municipality-owned community halls	
C60	Total number of sewer connections	
C62	Total number of Ventilation Improved Pit Toilets (VIPs)	
C95	Number of residential properties in the billing system	
C96	Number of non-residential properties in the billing system	
C97	Number of properties in the valuation roll	
C101	Number of dismissals for fraud and corruption	

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	COMPLIANCE QUESTIONS FOR ANNUAL REPORTING	
Q1.	Does the municipality have an approved Performance Management Framework?	
Q2.	Has the IDP been adopted by Council by the target date?	
Q3.	Does the municipality have an approved LED Strategy?	
Q4.	What are the main causes of work stoppage in the past quarter by type of stoppage?	
Q5.	How many public meetings were held in the last quarter at which the Mayor or members of the Mayoral/Executive committee provided a report back to the public?	
Q6.	When was the last scientifically representative community feedback survey undertaken in the municipality?	
Q7.	What are the biggest causes of complaints or dissatisfaction from the community feedback survey? Indicate the top four issues in order of priority.	
Q8.	Please list the locality, date and cause of each incident of protest within the municipal area during the reporting period	
Q9.	Does the municipality have an Internal Audit Unit?	
Q10.	Is there a dedicated position responsible for internal audits?	
Q11.	Is the internal audit position filled or vacant?	

C88 CODE	DESCRIPTION	PRIORITY INDICATOR
	COMPLIANCE QUESTIONS FOR ANNUAL REPORTING	
Q12.	Has an Audit Committee been established? If so, is it functional?	
Q13.	Has the internal audit plan been approved by the Audit Committee?	
Q14.	Has an Internal Audit Charter and Audit Committee charter been approved and adopted?	
Q15.	Does the internal audit plan set monthly targets?	
Q16.	How many monthly targets in the internal audit plan were not achieved?	
Q17.	Does the Municipality have a dedicated SMME support unit or facility in place either directly or in partnership with a relevant role player?	
Q18.	What economic incentive policies adopted by Council does the municipality have by date of adoption?	
Q19.	Is the municipal supplier database aligned with the Central Supplier Database?	
Q20.	What is the number of steps a business must comply with when applying for a construction permit before final document is received?	
Q22	Please list the name of the structure and date of every meeting of an official IGR structure that the municipality participated in this quarter	
Q23.	Where is the organisational responsibility for the IGR support function located within the municipality (inclusive of the reporting line)?	
Q24.	Is the MPAC functional? List the reasons why if the answer is not 'Yes'.	
Q25.	Has a report by the Executive Committee on all decisions it has taken been submitted to Council this financial year?	

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 31 MARCH 2025
ITEM NO: **25/03/MM7**

ESTABLISHMENT OF BUDGET STEERING COMMITTEE AND TERMS OF REFERENCE

1. **Introduction**

The purpose of this report is to submit for approval the establishment of a Budget Steering Committee and the committee's terms of reference.

2. **Background**

The Executive Mayor of the Kouga Local Municipality has established a Budget Steering Committee with the purpose of assisting the Executive Mayor in discharging the legislated mandate in terms of the Local Government: Municipal Finance Management Act 56 of 2003 (the MFMA).

This Committee will act as an advisory and support structure to the Executive Mayor in providing a platform for the Executive Mayor to provide political guidance and to monitor progress made in the municipality's Integrated Development Plan (IDP) and its Budget process (as outlined in section 53 of the MFMA) and the Service Delivery Budget Implementation Plan (SDBIP).

In accordance with Regulation 4(1) of the Municipal Budget and Reporting Regulations (MBBR), the Mayor of a Municipality must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the Act.

3. **Discussion**

The Executive Mayor has established the budget steering committee in compliance with the Municipal Budget and Reporting Regulations and the committee consists of the below members in line with the requirements of Regulation 4 (2) of the MBRR.

a) Executive Mayor;
b) Chairperson of the Finance Portfolio;
c) Mayoral Committee Members;
d) Municipal Manager;
e) Chief Financial Officer;
f) All Senior Managers;
g) Manager: IDP; and
h) Manager: Budget and Treasury

The committee's Terms of Reference are attached as **"Annexure A".**

At a Mayoral Committee meeting held on 12 February 2025, the Committee recommended as follows:

10.1 That the establishment of the budget steering committee by the Executive Mayor be noted.

10.2 That the Mayoral Committee notes the terms of reference for the budget steering committee.

10.3 That the Terms of Reference be submitted to Council for approval.

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

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**

- Sections 53 of the Local Government: Municipal Finance Management Act No. 56 of 2003.
- Local Government: Municipal Budget and Reporting Regulations, 17 April 2009.

6. **Legal Implications**

The recommendations are in line with the provisions of Section 53 of the Municipal Finance Management Act (MFMA) and Regulations 4 of the Municipal Budget and Reporting Regulations (MBRR).

7. **Other Implications**

None.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Supported.

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Item supported.

8.4 **Director: Electro and Mechanical Services**

Item noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Supported.

8.7 **Municipal Manager**

Supported.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That the Terms of Reference be submitted to Council for approval.

Item prepared by the: Chief Financial Officer

Item approved by the Municipal Manager:

TERMS OF REFERENCE
BUDGET STEERING COMMITTEE
INDEX

Clause No.	Clause Description	Page No.
1	BACKGROUND	
2	COMPOSITION OF THE COMMITTEE	
3	ROLE OF THE BUDGET STEERING COMMITTEE	
4	RESPONSIBILITIES OF THE BUDGET STEERING COMMITTEE MEETING CHAIRPERSON	
5	RESPONSIBILITIES OF THE RESPONSIBILITIES PF THE BUDGET STEERING COMMITTEE MEMBERS	
6	RESPONSIBILITIES OF THE CFO/ MANAGER BUDGET & TREASURY OFFICE	
7	COMMITTEE ADMINISTRATION	
8	LIMITATION OF AUTHORITY	
9	QUORUM AND DECISION MAKING	
10	RECORD KEEPING	
11	CODE OF CONDUCT FOR MEMBERS	
12	PROCESS FOR MONITORING	
13	APPROVAL	

1. BACKGROUND

The Executive Mayor of the Kouga Local Municipality has established a Budget Steering Committee with the purpose of assisting the Executive Mayor in discharging the legislated mandate in terms of the Local Government: Municipal Finance Management Act 56 of 2003 (the MFMA).

This committee will act as an advisory and support structure to the Executive Mayor in providing a platform for the Mayor to provide political guidance and to monitor progress made in the municipality's Integrated Development Plan (IDP) and its Budget process (as outlined in section 53 of the MFMA) and the Service Delivery Budget Implementation Plan (SDBIP).

This Committee will also consider the long-term financial plan and budget related policies in line with the strategic objectives of the municipality.

2. COMPOSITION OF THE COMMITTEE

2.1 CHAIRPERSON

The chairperson of the Budget Steering Committee will be the Executive Mayor. In the absence of the Chairperson, the Committee may elect a Chairperson from the duly appointed member of this Committee, present at the meeting.

2.2 PRINCIPAL MEMBERS

The Budget Steering Committee shall comprise of the following Councilors and officials as prescribed in section 4 (2) of the Municipal Budget and Reporting Regulations:

Executive Mayor;
Chairperson of the Finance Portfolio;
Mayoral Committee Members;
Municipal Manager;
Chief Financial Officer;
All Senior Managers;
Manager: IDP; and
Manager: Budget and Treasury

2.3 CO-OPTION OF MEMBERS

Individuals may be co-opted onto the forum for their specialist expertise on a temporary or permanent basis at the discretion of the Chairperson.

2.4 SECRETARIAT

The office of the Deputy Municipal Manager shall provide secretariat/administrative support, but the Committee may appoint any other person to be the secretary of the Committee.

3. ROLE OF THE BUDGET STEERING COMMITTEE

The role of the Budget Steering Committee, approved by the Council, and guided by S53 of the MFMA, is as follows:

- Ensure compliance with budget related, relevant legislation, circulars and
- guidelines as promulgated from time to time (e.g DORA, MFMA, MTREF, MBRR);
- Recommend approval of, and monitor the municipality's budget process in liaison with other governance structures (e.g. IDP Steering Committee);
- Recommend approval of the municipality's annual budget;
- Ensure the departmental budget is aligned with the municipality's IDP and SDBIP;
- Recommend approval of adjustments to annual budgets and reallocation of resources after consultation with departments;
- Oversee the annual budget process, the Mid-Year Review process and the quarterly process;
- Formulate strategies for improving the municipality's financial position,
- Review the municipality's financial performance against departmental priorities and approved budgets;
- Review the municipality's capital budget plan against the SDBIP and approved budget;
- Direct the undertaking of specific financial analysis, as and when required;
- Develop a financial management strategy that reflects the priorities, outputs and outcomes of the municipality, while leaving senior management to determine resource demands within their areas of responsibility. Where resource decisions will have an impact at a whole of department level, such proposals must be presented to the Budget Steering Committee;
- Analyse revenue and expenditure projections (based on the mid-year budget and Performance assessment), revising budget related policies and considering local, provincial and national priorities;
- Review the preparation of the budget process plan by August each year before tabling to the Municipal Council;
- Ensure that the proposed budget, IDP revisions and budget policies are in Municipal Council by the end of March;
- Report to the Municipal Council on the progress made on the budgeting process quarterly;
- Ensure bi-monthly (once every two months) meetings of the Budget Steering Committee are held and are effective;
- Develop goals, objectives and key performance indicators for the committee for approval by the Municipal Council; and
- Assist with the review of the budget related information in the Annual Report and Financial Statements.

4. RESPONSIBILITIES OF THE BUDGET STEERING COMMITTEE CHAIRPERSON

The responsibilities of the Budget Steering Committee Chairperson are as follows:

- Set the agenda for each meeting in line with the standard agenda format;
- Ensures that agendas and supporting material is delivered to members at least three (3) to five (5) days prior to the meeting of the Committee;
- Receive Management Accounts/Monitoring Reports with the relevant supporting documentation prepared and submitted by the Manager Budget and Treasury/CFO, and other role players, where applicable, in the approved format;
- Ensure the purpose of each meeting is clear to members and the agenda is adopted at the beginning of each meeting;
- Ensure that the relevant Management Accounts/Monitoring Reports of the Manager Budget and Treasury/CFO and other role players, where applicable, are tabled and assessed;
- Ensure compliance with the MFMA, MSA and other relevant legislation;
- Sign off the approved minutes of meetings and
- Report to EXCO/MAYCO/Council.

5. RESPONSIBILITIES OF THE STEERING COMMITTEE MEMBERS

The individual Steering Committee members have the following responsibilities:

- Understand the goals, objectives, and desired outcomes of Budget Steering Committee;
- Ensure commitment and take a genuine interest in the Budget Steering Committee outcomes and overall success;
- Support the Chairperson in achieving the outcomes of the Committee;
- Ensure that the Committee is taking the appropriate decisions to achieve the outcomes and deliverables;
- Ensure that the approved municipal budget is aligned with the Municipality's relevant strategies, policies and the relevant plans;
- Actively participate in meetings through attendance, discussion, and review of reports, minutes, papers and other Steering Committee documents; and
- Deliver effectively on tasks assigned by the Chairperson.

6. RESPONSIBILITIES OF THE CFO/MANAGER BUDGET AND TREASURY

The CFO/Manager Budget and Treasury have the following responsibilities:

- Assist the Municipality, the Mayor and the Municipal Manager achieve the statutory requirements as per the MFMA and other relevant legislation;
- Ensure that the municipality budget is loaded accurately and timely on the municipality's financial system;
- Assist the Steering Committee members understand the goals, objectives, outputs, roles and responsibilities and desired outcomes of the budgeting process;
- Coordinate with the IDP Manager and other roles players to ensure alignment of the IDP and the SDBIP;
- Compile and report (Management Accounts) on the performance of the municipality against its budget including detailed reasons for variations above 10%;
- Keep abreast with the budgetary related legislation; and
- Provide all relevant supporting information to enable the Chairperson to approve and sign off on behalf of the Council on all outcomes/deliverables, where required.

7. COMMITTEE ADMINISTRATION

7.1 Meetings of the Committee

The Budget Steering Committee meetings will be convened once every two months and will be incorporated in the municipal schedule of meetings.

Meetings may be convened on an ad-hoc basis when required.

A meeting notice, together with an Agenda will be sent to members three (3) to five (5) business days in advance of a Steering Committee meeting. This Agenda will include the following:

- Notice of the upcoming meeting;
- Minutes of previous meeting;
- Management Accounts/Review progress reports, with the supporting documentation and
- Any other documents/information to be considered at the meeting.

7.2 MINUTES

At the meetings:

- Minutes of each meeting shall be taken by the secretariat in line with the standard adopted format for the municipality. If the secretariat is not available, then the chairperson shall delegate this responsibility to one of the attendees.

- All material reviewed or presented at the meeting shall be appropriately identified in the minutes and attached to the minutes;

- Decisions and recommendations, including dissenting opinions and abstentions, shall be accurately recorded in the minutes.

- One principal member should move for the adoption of the minutes, which should be seconded by another principal member;

- Actions arising from any meeting shall be noted in the minutes along with the name of the responsible person and due date and an action sheet shall be prepared for circulation and updating within 3 working days of the meeting; and

- At the request of a principal member of the meeting or at his/her own discretion, the chairperson may exclude co-opted members from the discussion of an agenda item, or even request that the individual excuse himself or herself from a meeting.

7.3 URGENT MATTERS

Regarding any matters requiring urgent attention, any member wishing to bring such a matter to the committee attention may propose the inclusion in the Agenda of the meeting prior to such adoption of the Agenda, and the Chairperson shall have the sole discretion to determine whether such item will serve on the Agenda or not.

Should an urgent and/or special meeting be required, the process to be followed in such an instance is as follows:

- Once the chairperson of the committee has determined that a matter is urgent the chairperson of the committee and members shall be notified thereof, and the committee secretariat shall convene an urgent meeting of the committee.
- All committee members shall be given notice of the meeting and no minimum notice period shall be required.
- Copies of relevant documents relating to the urgent matter or a summary thereof shall be forwarded to all committee members.
- All committee members are entitled to attend such urgent meeting.
- The committee shall decide regarding any such matter.

- The decision of the committee shall then be tabled at the next committee meeting for noting.
- The committee, in carrying out its responsibilities under these terms of reference is authorized to investigate any activity within its terms of reference.
- May, at its discretion, require other employees of the Municipality to attend meetings or parts of meetings.
- May consult with and seek any information it requires from any employee, and all employees shall be required to cooperate with any request made by the committee during its duties.

8. LIMITATION OF AUTHORITY

The Budget Steering Committees' responsibility and authority should be aligned to the Municipality's System of Delegation. Where there is misalignment, the System of Delegation prevails.

9. QUORUM AND DECISION MAKING

9.1 Quorum

A minimum number of fifty percent plus one of the Budget Steering Committee members is required for quorum and for the decision-making purposes.

9.2 Decisions

A decision carried by the majority of the members present at a meeting, shall be a decision of the committee provided the decision lies within the mandate/powers/constitution of the committee.

The chairperson may, at his/her discretion, refer any matter to the Finance Portfolio Committee/ Council for a decision.

10. RECORD KEEPING

All records generated by the Budget Steering Committee shall be kept on the premises of the Municipality. The minutes shall be retained for a minimum period of 5 years.

11. CODE OF CONDUCT FOR MEMBERS

To ensure good ethical practice, the chairperson and members of the forum shall:

- Always act in an ethical manner in accordance with the Code of Conduct for Municipal Staff and Code of Conduct for Councillors, respectively.

- Ensure that there is no conflict of interest, or declare their interest, in relation to any matter discussed by the Committee.

- Make every effort to attend all Budget Steering committee meetings and submit a formal apology prior to the scheduled date of a meeting of the Committee.
- At all times behave in a decent and professional manner during any sitting of the Committee.
- Non-compliance with this code of conduct of members must be escalated to the committee Chairperson.

12. PROCESS FOR MONITORING

The committee shall conduct self-evaluation of its performance and effectiveness at least once a year. The terms of reference shall be reviewed annually.

13. APPROVAL

The Budget Steering Committee's Terms of Reference were approved by Council on …… per Council Resolution Number……..

…… *Signature* ……...
Speaker/Mayor

Date……

REPORTS BY THE OFFICE OF THE DEPUTY MUNICIPAL MANAGER

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL
OFFICE OF THE DEPUTY MUNICIPAL MANAGER
OPEN
DATE: 31 MARCH 2025
ITEM NO:**25/03/DMM1**

MEDIA AND COMMUNICATION: BRANDED CORPORATE CLOTHING

1. Introduction

The purpose of this report is to recommend the sale of the remaining inventory at the Kouga Local Municipality Corporate Shop at a 50% discount to Municipal employees. This measure aims to expedite the clearance of mostly redundant stock and facilitate the closure of the Corporate Shop once all items are sold.

2. Background

The Corporate Shop was established in July 2021 by the Internal Communication department to serve as a branding initiative, offering Kouga Local Municipality-branded clothing to employees.

The clothing items were procured and resold to employees at cost, ensuring no profit was made. To make purchases more accessible, employees were allowed to pay for the items over one to three months by way of salary deductions.

To streamline operations, a stock management system was developed, enabling the administrator to track inventory through stock codes and descriptions, ensuring full accountability for the items.

The Corporate Shop holds approximately 421 clothing items with a total inventory value of R89 570.00. However, sales have significantly declined, with 174 items sold from October 2023 to November 2024, indicating that the remaining inventory is largely redundant and no longer meets employees' preferences or needs.

3. Discussion

The report below provides an overview of the inventory list as at 31 December 2024. ***Refer to Annexure A and 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**

Generally Recognized Accounting Practice (GRAP) Standards

6. **Legal Implications**

This will be treated as Stock items (inventory) and should be dealt with in line with the valuation criteria set out in the GRAP Standards.

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 supported.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Fully supported.

8.7 **Municipal Manager**

Supported.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That the remaining inventory of the Corporate Shop be sold to Municipal employees at a 50% discount, due to same being considered slow moving items.



Item prepared by the: Manager: Communication

Item approved by the: Deputy Municipal Manager 

Item endorsed by the: Municipal Manager 

Item noted by Portfolio Chairperson: Corporate & Communication 

KOUGA
local municipality
Good Governance through Service Excellence

MEDIA AND COMMUNCATION

BRADED CORPORATE CLOTHING (STOCK)

STOCK NUMBER	ITEM DESCRIPTION	SMALL	MEDIUM	LARGE	XLARGE	2X-XLARGE	3X-XLARGE	4X-XLARGE	5X-XLARGE	PRICE PER ITEM	TOTAL PRICE
BL007	BLOUSE S/S OXFORD (FORMAL) (BLUE)							4		R300,00	R1 200,00
BL008	BLOUSE S/S OXFORD (FORMAL) (BLUE)								6	R300,00	R1 800,00
BL015	BLOUSE L/S OXFORD (FORMAL) (BLUE)							2		R300,00	R600,00
BL016	BLOUSE L/S OXFORD (FORMAL) (BLUE)								3	R300,00	R900,00
BL031	BLOUSE L/S COTTON TWILL (FORMAL) (NAVY)							1		R320,00	R320,00
BL032	BLOUSE L/S COTTON TWILL (FORMAL) (NAVY)								2	R320,00	R640,00
BL055	BLOUSE TULIP (FORMAL) (WHITE)							7		R330,00	R2 310,00
BL056	BLOUSE TULIP (FORMAL) (WHITE)								8	R330,00	R2 640,00
BL072	BLOUSE S/S CLAYTON (FORMAL) (WHITE)								2	R320,00	R640,00
BL079	BLOUSE L/S CLAYTON (FORMAL) (WHITE)							1		R320,00	R320,00
BL080	BLOUSE L/S CLAYTON (FORMAL) (WHITE)								2	R320,00	R640,00
BW007	WESTFIELD BODY WARMER							4		R660,00	R2 640,00
BW008	WESTFIELD BODY WARMER								3	R660,00	R1 980,00
FL007	ENDURO FLEECE							3		R120,00	R360,00
GS015	GOLF SHIRT MENS							4		R180,00	R720,00
GS016	GOLF SHIRT MENS								2	R180,00	R360,00
JS006	BENTLEY PULL-OVER (NAVY)						2			R450,00	R900,00
JS007	BENTLEY PULL-OVER (NAVY)							2		R450,00	R900,00
JS008	BENTLEY PULL-OVER (NAVY)								1	R450,00	R450,00
JS015	BASIC JERSEY (NAVY)							1		R450,00	R450,00
SH006	SHIRT S/S OXFORD (FORMAL) (BLUE)						2			R300,00	R600,00
SH007	SHIRT S/S OXFORD (FORMAL) (BLUE)							3		R300,00	R900,00
SH008	SHIRT S/S OXFORD (FORMAL) (BLUE)								1	R300,00	R300,00
SH013	SHIRT L/S OXFORD (FORMAL) (BLUE)					5				R300,00	R1 500,00
SH014	SHIRT L/S OXFORD (FORMAL) (BLUE)						3			R300,00	R900,00
SH016	SHIRT L/S OXFORD (FORMAL) (BLUE)								1	R300,00	R300,00
SH021	SHIRT S/S COTTON TWILL (FORMAL) (NAVY)					2				R320,00	R640,00
SH022	SHIRT S/S COTTON TWILL (FORMAL) (NAVY)						4			R320,00	R1 280,00
SH024	SHIRT S/S COTTON TWILL (FORMAL) (NAVY)								12	R320,00	R3 840,00
SH029	SHIRT L/S COTTON TWILL (FORMAL) (NAVY)					5				R320,00	R1 600,00
SH030	SHIRT L/S COTTON TWILL (FORMAL) (NAVY)						6			R320,00	R1 920,00
SH031	SHIRT L/S COTTON TWILL (FORMAL) (NAVY)							7		R320,00	R2 240,00
SH032	SHIRT L/S COTTON TWILL (FORMAL) (NAVY)								7	R320,00	R2 240,00
SH033	SHIRT S/S DENIM	6								R250,00	R1 500,00
SH034	SHIRT S/S DENIM	10								R250,00	R2 500,00
SH038	SHIRT S/S DENIM						5			R250,00	R1 250,00
SH039	SHIRT S/S DENIM							6		R250,00	R1 500,00
SH041	SHIRT L/S DENIM	8								R250,00	R2 000,00
SH042	SHIRT L/S DENIM		3							R250,00	R750,00
SH047	SHIRT L/S DENIM							3		R250,00	R750,00
SH069	SHIRT S/S CLAYTON (FORMAL) (WHITE)					2				R320,00	R640,00
SH070	SHIRT S/S CLAYTON (FORMAL) (WHITE)						5			R320,00	R1 600,00
SH071	SHIRT S/S CLAYTON (FORMAL) (WHITE)							5		R320,00	R1 600,00
SH072	SHIRT S/S CLAYTON (FORMAL) (WHITE)								1	R320,00	R320,00

SH077	SHIRT L/S CLAYTON (FORMAL) (WHITE)					3				R320,00	R960,00
SH078	SHIRT L/S CLAYTON (FORMAL) (WHITE)						5			R320,00	R1 600,00
SH079	SHIRT L/S CLAYTON (FORMAL) (WHITE)							5		R320,00	R1 600,00
SH080	SHIRT L/S CLAYTON (FORMAL) (WHITE)								5	R320,00	R1 600,00
SH086	SHIRT S/S UNITY CHECK (BLUE)						5			R350,00	R1 750,00
SH087	SHIRT S/S UNITY CHECK (BLUE)							6		R350,00	R2 100,00
SH095	SHIRT L/S UNITY CHECK (BLUE)							1		R350,00	R350,00
SH096	SHIRT L/S UNITY CHECK (BLUE)								6	R350,00	R2 100,00
SH126	SHIRT L/S PIONEER CHECK (FORMAL) (NAVY)						3			R350,00	R1 050,00
SH127	SHIRT L/S PIONEER CHECK (FORMAL) (NAVY)							7		R350,00	R2 450,00
SH128	SHIRT L/S PIONEER CHECK (FORMAL) (NAVY)								1	R350,00	R350,00
TS001	T-SHIRT LADIES BARONNESS (NAVY)	1								R100,00	R100,00
TS002	T-SHIRT LADIES BARONNESS (NAVY)		3							R100,00	R300,00
TS004	T-SHIRT LADIES BARONNESS (NAVY)				3					R100,00	R300,00
TS005	T-SHIRT LADIES BARONNESS (NAVY)					7				R100,00	R700,00
TS006	T-SHIRT LADIES BARONNESS (NAVY)						14			R100,00	R1 400,00
TS007	T-SHIRT LADIES BARONNESS (NAVY)							11		R100,00	R1 100,00
TS008	T-SHIRT LADIES BARONNESS (NAVY)								15	R100,00	R1 500,00
TS013	T-SHIRT MENS BARONNESS (NAVY)					17				R100,00	R1 700,00
TS014	T-SHIRT MENS BARONNESS (NAVY)						11			R100,00	R1 100,00
TS015	T-SHIRT MENS BARONNESS (NAVY)							14		R100,00	R1 400,00
TS016	T-SHIRT MENS BARONNESS (NAVY)								19	R100,00	R1 900,00
TS021	T-SHIRT MENS V-NECK (WHITE)					1				R120,00	R120,00
TS033	T-SHIRT LADIES BARRONESS (WHITE)	1								R100,00	R100,00
TS034	T-SHIRT LADIES BARRONESS (WHITE)		1							R100,00	R100,00
TS038	T-SHIRT LADIES BARRONESS (WHITE)						3			R100,00	R300,00
TS039	T-SHIRT LADIES BARRONESS (WHITE)							5		R100,00	R500,00
TS040	T-SHIRT LADIES BARRONESS (WHITE)								5	R100,00	R500,00
TS043	T-SHIRT MENS BARRONESS (WHITE)			5						R100,00	R500,00
TS044	T-SHIRT MENS BARRONESS (WHITE)				18					R100,00	R1 800,00
TS045	T-SHIRT MENS BARRONESS (WHITE)					28				R100,00	R2 800,00
TS047	T-SHIRT MENS BARRONESS (WHITE)							20		R100,00	R2 000,00
TOTAL		**26**	**7**	**5**	**21**	**70**	**68**	**122**	**102**	**19980**	**89570**
COMBINED TOTAL ITEMS											**421**

ANNEXURE A

KOUGA local municipality
Good Governance through Service Excellence

MEDIA AND COMMUNICATION

BRANDED CORPORATE CLOTHING (SOLD)

DATE SOLD	STOCK NUMBER	ITEM DESCRIPTION	SMALL	MEDIUM	LARGE	XLARGE	2X-XLARGE	3X-XLARGE	4X-XLARGE	5X-XLARGE	PRICE PER ITEM	TOTAL PRICE
2023-10-02	TS011	T-SHIRT MENS BARONNESS (NAVY)			1						100	100
2023-10-02	SH034	SHIRT S/S DENIM		1							250	250
2023-10-02	SH028	SHIRT L/S COTTON TWILL (FORMAL) (NAVY				1					320	320
2023-10-02	SH068	SHIRT S/S CLAYTON (FORMAL) (WHITE)				1					320	320
2023-10-03	SH081	SHIRT S/S UNITY CHECK (BLUE)- S	1								350	350
2023-10-03	SH066	SHIRT S/S CLAYTON (FORMAL) (WHITE)		1							320	320
2023-10-03	SH034	SHIRT S/S DENIM		1							250	250
2023-10-03	TS003	T-SHIRT LADIES BARONNESS (NAVY)			1						100	100
2023-10-05	SH076	SHIRT L/S CLAYTON (FORMAL) (WHITE)				1					320	320
2023-10-05	SH005	SHIRT S/S OXFORD (FORMAL) (BLUE)					1				300	300
2023-10-16	BL054	BLOUSE TULIP (FORMAL) (WHITE)						1			330	330
2023-10-16	TS011	T-SHIRT MENS BARONNESS (NAVY)			1						100	100
2023-10-16	TS043	T-SHIRT MENS BARRONESS (WHITE)			1						100	100
2023-10-16	BL022	BLOUSE S/S COTTON TWILL (FORMAL) (NAVY)						1			320	320
2023-10-20	GS014	GOLF SHIRT MENS						1			180	180
2023-10-20	SH014	SHIRT L/S OXFORD (FORMAL) (BLUE)						1			300	300
2023-10-20	TS014	T-SHIRT MENS BARONNESS (NAVY)						2			100	200
2023-10-20	SH022	SHIRT S/S COTTON TWILL (FORMAL) (NAVY)						1			320	320
2023-10-23	SH089	SHIRT L/S UNITY CHECK (BLUE)	1								350	350
2023-10-23	TS043	T-SHIRT MENS BARRONESS (WHITE)			1						100	100
2023-10-23	SH089	SHIRT L/S UNITY CHECK (BLUE)	1								350	350
2023-10-26	SH089	SHIRT L/S UNITY CHECK (BLUE)	1								350	350
2023-10-26	SH033	SHIRT S/S DENIM	1								250	250
2023-10-26	SH033	SHIRT S/S DENIM	1								250	250
2023-10-30	SH005	SHIRT S/S OXFORD (FORMAL) (BLUE)				1					300	300
2023-11-02	TS033	T-SHIRT LADIES BARRONESS (WHITE)	1								100	100
2023-11-06	TS035	T-SHIRT LADIES BARRONESS (WHITE)			1						100	100
2023-11-06	TS003	T-SHIRT LADIES BARONNESS (NAVY)			1						100	100
2023-11-06	TS042	T-SHIRT MENS BARRONESS (WHITE)		1							100	100
2023-11-06	SH002	SHIRT S/S OXFORD (FORMAL) (BLUE)		1							300	300
2023-11-09	TS042	T-SHIRT MENS BARRONESS (WHITE)		1							100	100
2023-11-10	GS007	GOLF SHIRT LADIES							1		180	180
2023-11-10	TS042	T-SHIRT MENS BARRONESS (WHITE)		1							100	100
2023-11-16	SH089	SHIRT L/S UNITY CHECK (BLUE)	1								350	350
2023-11-16	TS033	T-SHIRT LADIES BARRONESS (WHITE)	1								100	100
2023-11-16	SH081	SHIRT S/S UNITY CHECK (BLUE)	1								350	350
2023-11-16	TS003	T-SHIRT LADIES BARONNESS (NAVY)			1						100	100
2023-11-16	TS035	T-SHIRT LADIES BARRONESS (WHITE)			1						100	100
2023-11-22	TS007	T-SHIRT LADIES BARONNESS (NAVY)							1		100	100
2023-11-22	TS029	T-SHIRT MENS V-NECK (NAVY)					1				120	120
2023-11-22	BL079	BLOUSE L/S CLAYTON (FORMAL) (WHITE)							1		320	320
2024-01-08	GS014	GOLF SHIRT MENS						1			180	180
2024-01-08	TS013	T-SHIRT MENS BARONNESS (NAVY)					1				100	100
2024-01-08	TS045	T-SHIRT MENS BARRONESS (WHITE)					1				100	100
2024-01-09	TS012	T-SHIRT MENS BARONNESS (NAVY)				1					100	100
2024-01-09	SH034	SHIRT S/S DENIM		1							250	250
2024-01-09	TS012	T-SHIRT MENS BARONNESS (NAVY)				1					100	100
2024-01-09	SH002	SHIRT S/S OXFORD (FORMAL) (BLUE)		1							300	300
2024-01-12	JS005	BENTLEY PULL-OVER (NAVY)					1				450	450
2024-01-12	GS007	GOLF SHIRT LADIES							1		180	180

2024-01-12	JS005	BENTLEY PULL-OVER (NAVY)					1				450	450
2024-01-15	SH002	SHIRT S/S OXFORD (FORMAL) (BLUE)		1							300	300
2024-01-18	SH033	SHIRT S/S DENIM	1								250	250
2024-01-18	TS042	T-SHIRT MENS BARRONESS (WHITE)		1							100	100
2024-01-18	TS042	T-SHIRT MENS BARRONESS (WHITE)		1							100	100
2024-01-23	JS002	BENTLEY PULL-OVER (NAVY)		1							450	450
2024-01-23	BL049	BLOUSE TULIP (FORMAL) (WHITE)	1								330	330
2024-01-23	SH033	SHIRT S/S DENIM	1								250	250
2024-01-25	BL049	BLOUSE TULIP (FORMAL) (WHITE)	1								330	330
2024-01-25	TS001	T-SHIRT LADIES BARONNESS (NAVY)	1								100	100
2024-02-01	BL007	BLOUSE S/S OXFORD (FORMAL) (BLUE)							1		300	300
2024-02-01	TS044	T-SHIRT MENS BARRONESS (WHITE)				1					100	100
2024-02-01	TS012	T-SHIRT MENS BARONNESS (NAVY)				1					100	100
2024-02-05	SH033	SHIRT S/S DENIM	1								250	250
2024-02-05	SH081	SHIRT S/S UNITY CHECK (BLUE)	1								350	350
2024-02-05	SH081	SHIRT S/S UNITY CHECK (BLUE)	1								350	350
2024-02-06	GS016	GOLF SHIRT MENS								1	180	180
2024-02-06	TS043	T-SHIRT MENS BARRONESS (WHITE)			1						100	100
2024-02-08	SH081	SHIRT S/S UNITY CHECK (BLUE)	1								350	350
2024-02-08	GS015	GOLF SHIRT MENS							1		180	180
2024-02-08	TS015	T-SHIRT MENS BARONNESS (NAVY)							1		100	100
2024-02-08	SH126	SHIRT L/S PIONEER CHECK (FORMAL) (NAVY)						1			350	350
2024-02-14	SH021	SHIRT S/S COTTON TWILL (FORMAL) (NAVY)					2				320	640
2024-02-14	TS012	T-SHIRT MENS BARONNESS (NAVY)				1					100	100
2024-02-15	GS007	GOLF SHIRT LADIES							2		180	360
2024-02-25	SH034	SHIRT S/S DENIM		1							250	250
2024-03-05	SH034	SHIRT S/S DENIM		1							250	250
2024-03-07	SH008	SHIRT S/S OXFORD (FORMAL) (BLUE)								1	300	300
2024-03-07	SH096	SHIRT L/S UNITY CHECK (BLUE)								1	350	350
2024-03-07	SH128	SHIRT L/S PIONEER CHECK (FORMAL) (NAVY)								1	350	350
2024-03-07	JK008	STRADFORD JACKET								1	830	830
2024-03-07	BW008	WESTFIELD BODY WARMER								1	660	660
2024-03-07	GS015	GOLF SHIRT MENS							1		180	180
2024-03-11	TS007	T-SHIRT LADIES BARONNESS (NAVY)							1		100	100
2024-03-11	SH034	SHIRT S/S DENIM		1							250	250
2024-03-11	GS015	GOLF SHIRT MENS							1		180	180
2024-03-11	TS007	T-SHIRT LADIES BARONNESS (NAVY)							1		100	100
2024-03-11	FL006	ENDURO FLEECE						1			120	120
2024-03-13	SH041	SHIRT L/S DENIM	1								250	250
2024-03-13	TS005	T-SHIRT LADIES BARONNESS (NAVY)					1				100	100
2024-03-13	TS037	T-SHIRT LADIES BARRONESS (WHITE)					1				100	100
2024-03-14	SH076	SHIRT L/S CLAYTON (FORMAL) (WHITE)				1					320	320
2024-03-14	SH038	SHIRT S/S DENIM						1			250	250
2024-03-14	TS004	T-SHIRT LADIES BARONNESS (NAVY)				1					100	100
2024-03-14	JS003	BENTLEY PULL-OVER (NAVY)			1						450	450
2024-03-15	TS037	T-SHIRT LADIES BARRONESS (WHITE)					1				100	100
2024-03-15	GS007	GOLF SHIRT LADIES							1		180	180
2024-03-15	TS005	T-SHIRT LADIES BARONNESS (NAVY)					1				100	100
2024-03-15	TS003	T-SHIRT LADIES BARONNESS (NAVY)			1						100	100
2024-03-15	TS036	T-SHIRT LADIES BARRONESS (WHITE)				1					100	100
2024-03-15	SH042	SHIRT L/S DENIM		1							250	250
2024-03-15	TS038	T-SHIRT LADIES BARRONESS (WHITE)						1			100	100
2024-03-15	TS006	T-SHIRT LADIES BARONNESS (NAVY)						1			100	100
2024-03-15	SH041	SHIRT L/S DENIM	1								250	250
2024-03-22	TS003	T-SHIRT LADIES BARONNESS (NAVY)			1						100	100
2024-03-22	TS035	T-SHIRT LADIES BARRONESS (WHITE)			1						100	100
2024-03-25	TS012	T-SHIRT MENS BARONNESS (NAVY)				2					100	200
2024-03-25	SH029	SHIRT L/S COTTON TWILL (FORMAL) (NAVY)					1				320	320
2024-03-26	SH041	SHIRT L/S DENIM	1								250	250

2024-04-08	SH034	SHIRT S/S DENIM		1							250	250
2024-04-08	TS043	T-SHIRT MENS BARRONESS (WHITE)			1						100	100
2024-04-08	TS004	T-SHIRT LADIES BARONNESS (NAVY)				1					100	100
2024-04-09	TS002	T-SHIRT LADIES BARONNESS (NAVY)		1							100	100
2024-04-09	JS003	BENTLEY PULL-OVER (NAVY)			1						450	450
2024-04-09	JK008	STRADFORD JACKET								1	830	830
2024-04-11	BW006	WESTFIELD BODY WARMER						1			660	660
2024-04-16	TS012	T-SHIRT MENS BARONNESS (NAVY)				2					100	200
2024-04-16	TS043	T-SHIRT MENS BARRONESS (WHITE)			3						100	300
2024-04-16	BW006	WESTFIELD BODY WARMER						1			660	660
2024-04-16	TS014	T-SHIRT MENS BARONNESS (NAVY)						2			100	200
2024-04-16	TS043	T-SHIRT MENS BARRONESS (WHITE)			1						100	100
2024-04-16	TS014	T-SHIRT MENS BARONNESS (NAVY)						5			100	500
2024-04-17	SH042	SHIRT L/S DENIM		1							250	250
2024-05-07	SH005	SHIRT S/S OXFORD (FORMAL) (BLUE)					1				300	300
2024-05-07	SH024	SHIRT S/S COTTON TWILL (FORMAL) (NAVY)								1	320	320
2024-07-04	GS015	GOLF SHIRT MENS							1		180	180
2024-07-04	TS015	T-SHIRT MENS BARONNESS (NAVY)							1		100	200
2024-07-04	FL007	ENDURO FLEECE							1		120	120
2024-07-11	TS036	T-SHIRT LADIES BARRONESS (WHITE)				1					100	100
2024-07-16	TS002	T-SHIRT LADIES BARONNESS (NAVY)		2							100	200
2024-07-16	SH033	SHIRT S/S DENIM	1								250	250
2024-07-23	BW006	WESTFIELD BODY WARMER						1			660	660
2024-07-23	TS002	T-SHIRT LADIES BARONNESS (NAVY)		1							100	100
2024-07-23	TS002	T-SHIRT LADIES BARONNESS (NAVY)		1							100	100
2024-07-29	BW006	WESTFIELD BODY WARMER - 3XL						1			660	660
2024-07-29	BW006	WESTFIELD BODY WARMER						1			660	660
2024-07-29	SH029	SHIRT L/S COTTON TWILL (FORMAL) (NAVY)					1				320	320
2024-07-29	BW007	WESTFIELD BODY WARMER							1		660	660
2024-07-29	GS015	GOLF SHIRT MENS							1		180	180
2024-07-29	TS016	T-SHIRT MENS BARONNESS (NAVY)								1	100	100
2024-07-29	TS001	T-SHIRT LADIES BARONNESS (NAVY)	1								100	100
2024-07-29	TS002	T-SHIRT LADIES BARONNESS (NAVY)		1							100	100
2024-08-12	GS015	GOLF SHIRT MENS							1		180	180
2024-08-26	SH045	SHIRT L/S DENIM					1				250	250
2024-08-26	BL015	BLOUSE L/S OXFORD (FORMAL) (BLUE)							1		300	300
2024-09-03	TS002	T-SHIRT LADIES BARONNESS (NAVY)		1							100	100
2024-09-03	TS003	T-SHIRT LADIES BARONNESS (NAVY)			1						100	100
2024-09-03	TS003	T-SHIRT LADIES BARONNESS (NAVY)			1						100	100
2024-09-03	TS003	T-SHIRT LADIES BARONNESS (NAVY)			1						100	100
2024-09-12	SH041	SHIRT L/S DENIM	1								250	250
2024-09-12	SH033	SHIRT S/S DENIM	1								250	250
2024-09-13	BL015	BLOUSE L/S OXFORD (FORMAL) (BLUE)							1		300	300
2024-09-19	TS045	T-SHIRT MENS BARRONESS (WHITE)					1				100	100
2024-09-19	TS033	T-SHIRT LADIES BARRONESS (WHITE)	1								100	100
2024-10-29	SH005	SHIRT S/S OXFORD (FORMAL) (BLUE)					1				300	300
2024-11-21	TS004	T-SHIRT LADIES BARONNESS (NAVY)				2				1	100	200
2024-11-26	SH024	SHIRT S/S COTTON TWILL (FORMAL) (NAVY)								1	320	320
2024-11-26	SH072	SHIRT S/S CLAYTON (FORMAL) (WHITE)								1	320	320
2024-11-26	BW008	WESTFIELD BODY WARMER								1	660	660
2024-11-26	SH016	SHIRT L/S OXFORD (FORMAL) (BLUE)								1	300	300
TOTAL			**26**	**26**	**23**	**20**	**18**	**25**	**22**	**14**	**37110**	**38910**
COMBINED TOTAL ITEMS SOLD												**174**