ORDINARY COUNCIL MEETING

OPEN



KOUGA
local municipality
Good Governance through Service Excellence

DATE: 30 April 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: 30 April 2025	**UMHLA: 30 UTshazimpuzi 2025**	**DATUM: 30 April 2025**
TIME: 10:00	**IXESHA: 10:00**	**TYD: 10:00**
L. MAREE **SPEAKER**	**L. MAREE** **USOMLOMO**	**L. MAREE** **SPEAKER**

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

A G E N D A

1. **NOTICE OF MEETING**
2. **OPENING AND WELCOME**
3. **ABSENT WITH LEAVE**
4. **ABSENT WITHOUT LEAVE**
5. **PRESENTATIONS**

   None
6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**
7. **STATEMENTS OR COMMUNICATIONS BY THE SPEAKER**
8. **STATEMENTS OR COMMUNICATIONS BY THE EXECUTIVE MAYOR**

9. **DISCLOSURE OF INTEREST**

10. **STATUTORY MATTERS**

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

11.1 Minutes of a Mayoral Committee meeting held on 12 February 2025

Pages: 8 – 15

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

12.1 Minutes of a Special Council meeting held on 27 March 2025

Pages: 17 - 20

12.2 Minutes of an Ordinary Council meeting held on 31 March 2025

Pages: 21 - 52

13. **REPORTS OF COMMITTEES OF COUNCIL**

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

None

13.2 **KOUGA AUDIT COMMITTEE**

25/04/KAC1 Minutes of the Kouga Audit Committee

Pages: 55 - 99

25/04/KAC2 Audit Committee Charter

Pages: 100 - 124

13.3 **RULES & ETHICS COMMITTEE**

25/04/R&E1 Disciplinary Enquiry Held by Rules and Ethics Committee – Councillor Wayne Petersen

Pages: 126 - 129

13.4 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

None

13.5 **MUNICIPAL BY - LAWS AND POLICIES**

None

14. **REPORT BACK: MUNIMEC**

None

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

25/04/MM2 Council Resolutions as at 31 March 2025

Pages: 131 - 155

25/04/MM3 Adoption of the Code for Ethical Leadership in Local Government

Pages: 156 - 193

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

25/04/DMM13 Report on Liquor License Applications Received for the Period Between October 2024 and March 2025

Pages: 195 - 239

25/04/DMM14 Restructuring of The Mayoral Committee and The Section 80 Committees

Pages: 240 - 243

25/04/DMM15 Review of the Composition of the Section 79 Committees and Section 79A Committee

Pages: 244 - 247

17. **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).

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

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

25/04/FED3 Annual Funding Proposal: Humansdorp Museum Association

Pages: 251 - 277

25/04/FED4 Close-Out Report: 2024 J-Bay Summer Fun Events

Pages: 278 - 297

25/04/FED5 Close-Out Report: 2024 Calamari Festival and Three-Year Sponsorship Proposal

Pages: 298 - 310

25/04/FED15 Close-Out Report: 2024 Yellowwoods Jazz Festival

Pages: 311 - 322

25/04/FED16 Supply Chain Management: Disposal Management (Disposal of Slow-Moving Stock, Redundant Stock and Damaged Stock Items)

Pages: 323 - 326

25/04/FED17 Supply Chain Management: Quarterly Implementation Report for the 3rd Term of the 2024-2025 Financial Year ending 31 March 2025

Pages: 327 - 364

25/04/FED18 Monthly Budget Statements for the Period July 2024 to March 2025 and Financial State of Affairs of The Municipality as at 31 March 2025 (2024/25 Financial Year)

Pages: 365 - 419

25/04/FED19 Budget and Treasury: Withdrawals from Municipal Bank Account for the Quarter ended 31 March 2025

Pages: 420 - 425

25/04/FED20 2024/25 5th Adjustments Budget

Pages: 426 - 583

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

25/04/PD3 Request for Council's Final Approval to Enter into Encroachment Agreements with Residents with Properties Affected by Coastal Erosion: Development and Maintenance Management Plan for the Coastal Area of Cape St Francis Village

Pages: 585 - 597

25/04/PD4 Request for Council's In-Principle Approval to Donate Erven 1324 Kwanomzamo and 848 Patensie to the Department of Public Works

Pages: 598 - 604

25/04/PD5 Request for Council to Rescind Previous Resolution and Council's Authorization to Advertise and In-Principle Approval for the Alienation (Lease) of Erf 1259, Sea Vista – St Francis Bay Paddling Club

Pages: 605 - 611

25/04/PD6 Request for Council's In-Principle Approval for Alienation (Lease) of a Portion of Portion 125 of Farm 335, Humansdorp Rd (Oceanview)

Pages: 612 - 637

25/04/PD7 Request for Council's In-Principle Approval and Authorisation to Advertise: Alienation of a Portion of Erf 499, Portion of Erf 1 and a Portion of Portion 2 of Farm Zwartenbosch No 347, Humansdorp Rd

Pages: 638 – 812

25/04/PD8 Report: Request for Council's Final Approval: Tender for the Selling of Vacant Municipal Residential Erven Within the Kouga Municipal Area (Tender Notice 137 of 2021)

Pages: 813 - 829

25/04/PD9 Request for Council Final Approval for The Acquisition of Portion 23 of Farm 335, Humansdorp Rd to Develop a Homeless Centre

Pages: 830 - 858

25/04/PD11 Department: Planning & Development Progress Report: Review of Spatial Development Framework (MSDF) 2020

Pages: 859 - 924

25/04/PD12 Request for Council's In-Principle Approval for the Acquisition of Unregistered Erf 3777, Humansdorp

Pages: 925 - 948

25/04/PD13 Request for Council's Approval to Demolish the Building on Unregistered Erf 3291, Humansdorp (Kouga Cultural Centre)

Pages: 949 - 959

24/04/PD14 Rescind Previous Council Resolutions on Unregistered Erf 3298, Humansdorp and Request for Authorisation to Advertise and In-Principle Approval for the Donation of Erf 3298, Humansdorp to the Provincial Department of Education

Pages: 960 - 971

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

25/04/CSS17 Community Work Programme Policy (CWP)

Pages: 973 - 1005

19. **CLOSURE**

Distribution list:

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

CONFIRMATION OF MINUTES OF PREVIOUS MAYORAL MEETING

KOUGA
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MINUTES OF A MAYORAL COMMITTEE MEETING OF THE KOUGA MUNICIPALITY HELD IN THE COUNCIL CHAMBERS, JEFFREYS BAY ON WEDNESDAY, 12 FEBRUARY 2025 AT 14:06 PM

Present:

Councillors	H Bornman	(Executive Mayor)
	T Jantjes	(Executive Deputy Mayor)
	Ald B Williams	(Speaker)
	Ald D Benson	
	J Alexander	
	R Foley	(via Zoom)
	S Ruth	(via Zoom)
	L Maree	
Councillors as Observers	W Petersen	
	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)
	C de Kock	(Director: Civil & Water Services)
	L Ramakuwela	(Director: Planning & Development)
	L Opperman	(Manager: Legal Services)
	E Goliath	(Manager: Public Participation)
	M Basson	(Manager: Media & Communications)
	K Minnaar	(Chief of Staff)
	A Jonck	(Acting Manager: EE &Tourism)
	M Julius	(Senior Admin Officer: Committees)
	S Rautenbach	(Committee Officer)
	P Gunya	(Committee Officer)
	M Mitchell	(Committee Clerk)

1. **NOTICE OF MEETING**

The Executive Mayor read the notice convening the meeting in terms of Section 19 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) that a Mayoral Committee Meeting would be held on Wednesday, 12 February 2025 at 14:00 pm in the Council Chambers, Jeffreys Bay.

2. **OPENING AND WELCOME**

The Executive Mayor welcomed the Members of the Mayoral Committee, Municipal Manager, Directors, Observer Councillors and staff members. He requested Cllr Alexander to open the meeting with a prayer.

The Executive Mayor welcomed the newly appointed Chief of Safety, Mr Petersen, and emphasised that there will be a greater emphasis and priority on safety.

3. **ABSENT WITH LEAVE**

None

4. **ABSENT WITHOUT LEAVE**

None

5. **PRESENTATIONS**

None

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

None

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

The Executive Mayor congratulated the Municipal Manager, Directors, and staff on Jeffreys Bay's recognition as the third most popular holiday destination in the country.

The Executive Mayor thanked the CFO and Directors for their proactive approach to the budget discussions for the upcoming financial year. According to the Budget Steering Committee's terms of reference, the Executive Mayor indicated there is still work to be done regarding the current budget.

He urged the Municipal Manager and Directors to ensure that no line item was left unspent. The Executive Mayor stated that the Budget Steering Committee will oversee the monitoring of expenditures.

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 13 NOVEMBER 2024**

Resolved (12 February 2025)

1. That the minutes of the Mayoral Committee meeting held on 13 November 2024 be accepted.

Proposed: Cllr T Jantjes Seconded: Cllr L Maree

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

25/02/MM1 MAYORAL RESOLUTIONS AS AT 13 NOVEMBER 2024

The Speaker referred to page 20 and enquired about the progress on street names and social housing projects.

The Director: Planning and Development indicated that one-on-one sessions with Councillors would be scheduled for February, followed by training for all Councillors regarding street naming.

He referred to social housing and indicated that the progress was slow. He added that the Department of Economic Development Environmental Affairs and Tourism (DEDEAT) regarding Stormwater Management requested the service provider to submit environmental documentation. He indicated that the submission of documents was still awaited from the service provider.

The Executive Mayor stated that if the service provider does not respond, the project should be re-advertised due to necessity.

He requested that the Department: Civil and Water add statuses to the report on page 24.

Resolved (12 February 2025)

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**

25/02/DMM5 MEDIA AND COMMUNICATION: BRANDED CORPORATE CLOTHING

The Executive Mayor suggested that the sale of the corporate clothing be allowed some time and in two months, a follow-up report be submitted.

Resolved (12 February 2025)

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.

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

25/02/DMM11 OFFICE OF THE DEPUTY MUNICIPAL MANAGER: OFFICE OF THE EXECUTIVE MAYOR REPORT AS AT END DECEMBER 2025

Resolved (12 February 2025)

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.

25/02/DMM12 OFFICE OF THE DEPUTY MUNICIPAL MANAGER: PUBLIC PARTICIPATION REPORT AS AT END DECEMBER 2024

The Executive Mayor applauded the good work done by the Public Participation Section and indicated that Kouga's Public Participation processes are noticed nationally.

Resolved (12 February 2025)

1. That the Public Participation report for December 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

25/02/FED3 HANKEY MINI FRESH FOOD PRODUCE MARKET REPORT

Cllr Foley referred to page 73, which stated that Eskom indicated that the buildings should be demolished as they encroached on Eskom overhead lines and suggested that authorisation be secured from Eskom before proceeding.

Cllr Alexander mentioned that on page 72, regarding site observations and identified challenges, the site was marked as unsuitable for a fresh food produce market.

The Executive Mayor indicated that he believed that the site can be rescued.

Resolved (12 February 2025)

1. That the report be noted by the Committee.

2. That the Committee recommend to Council that the building structures be repurposed as part of the precinct plan for beautification of township entrances to promote Township Tourism.

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

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

The Executive Mayor stated that the festival was the largest sponsorship for the financial year, and it attracts international interest which boosts tourism.

Resolved (12 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.

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

25/02/FED5 TOURISM DESTINATION MARKETING REPORT: INCENTIVES, BUSINESS TRAVEL AND MEETINGS EXHIBITION 18-21 NOVEMBER 2024

Resolved (12 February 2025)

1. That the Committee notes the IBTM 2024 Tourism Destination and MICE Report.

25/02/FED6 CHINA INTERNATIONAL IMPORT EXPO 05-10 NOVEMBER 2024, SHANGHAI, CHINA: TOURISM DESTINATION MARKETING REPORT

The Chief Financial Officer stated that there was room for improvement in the marketing of local products moving forward.

Resolved (12 February 2025

1. That the China International Import Expo Report be noted.

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

25/02/FED7 QUARTER 2 - TOURISM AND DESTINATION MARKETING REPORT

Resolved (12 February 2025)

1. That Mayoral Committee notes the Quarter 2 report on Tourism and Destination Marketing.

25/02/FED8 QUARTER 2 LOCAL ECONOMIC DEVELOPMENT REPORT

Resolved (12 February 2025)

1. That the Quarter 2 report for the 2024_25 financial year ending 31 December 2024 on implementation of the Economic Development activities be noted.

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

25/02/FED12 WRITE-OFF IN RESPECT OF IRRECOVERABLE ARREAR DEBTS – EQUITABLE SHARE

Cllr Jantjes requested that all applicants for equitable share be informed that the process was still undergoing verification.

The CFO noted that the registration process for indigents was progressing slowly. He stated that he is currently working to identify areas that qualify as indigent, and upon completing the investigation, a report will be submitted to the Council.

Resolved (12 February 2025)

1. That the EQS Irrecoverable Debt write-off report for the month of December 2024 be noted.

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

25/02/FED14 CAPITAL ITEMS TO BE DISPOSED (CONDEMNED ASSETS)

The Executive Mayor stressed the importance of maintaining a clean audit and the tracking of audit reports at Management level.

The CFO stated that the Audit Action Plan was submitted to Council for approval. The plans were proofread and incorporated into one document. He indicated that the Auditor General stressed the importance of disposing of capital items.

Resolved (12 February 2025)

1. That the disposal of the condemned/redundant assets listed in Annexure A be approved by Council.

2. That the condemned/redundant assets listed in Annexure A be removed from the Asset Register.

3. That the condemned/redundant assets listed in Annexure A be disposed of in terms of the Supply Chain Management Policy through a public auction/donation.

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

25/02/FED18 ESTABLISHMENT OF BUDGET STEERING COMMITTEE AND TERMS OF REFERENCE

Resolved (12 February 2025)

1. That the establishment of the budget steering committee by the Executive Mayor be noted.

2. That the Mayoral Committee notes the terms of reference for the budget steering committee.

3. That the Terms of Reference be submitted to Council for approval.

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

25/02/FED19 2023/24 REVISED AUDIT ACTION PLAN

Resolved (12 February 2025)

1. That the 2023/24 Revised Audit Action Plan be noted, "Annexure A".

2. That the 2023/24 Revised Audit Action plan be submitted to Council for approval, "Annexure A".

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

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

25/02/PD2 PUBLIC PARTICIPATION WARD ACTION SHEET: PLANNING & DEVELOPMENT PORTFOLIO COMMITTEE AS AT END DECEMBER 2024

Resolved (12 February 2025)

1. That the public participation action sheets for period ending in December 2024 be noted by the Committee.

2. That actions sheets in Annexure A, be supported, actioned by all Directorates and that feedback be provided to the Public Participation Unit within 14 days upon receipt thereof.

3. That all Ward Committees provide comments to confirm the responses provided by the Directorate on the action sheets.

25/02/PD7 DEPARTMENT: TOWN PLANNING PROGRESS REPORT: Q2: 01 OCTOBER 2024 – 31 DECEMBER 2024

Resolved (12 February 2025)

1. That the content in the Town Planning Progress Report on land use applications, and the performance of Authorized Official and Municipal Planning Tribunal be noted.

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

13.3 **REPORTS BY THE CHAIRPERSON: ELECTRO-MECHANICAL**

25/02/EMS8 REPORT: ELECTRICAL DEPARTMENT PROJECTS PROGRESS REPORTS FOR THE PERIOD ENDING 31 DECEMBER 2024

Resolved (12 February 2025)

1. That the Committee members take note of the progress report on USIP expenditure to date on the Boskloof and Kwanomzamo projects.

25/02/EMS9 REPORT: ELECTRICAL DEPARTMENT INEP PROJECTS PROGRESS REPORTS FOR THE PERIOD ENDING 31 DECEMBER 2024

1. That Committee members take note of the electrical report for maintenance performed July to December 2024.

25/02/EMS10 REPORT: ELECTRICITY LOSSES REDUCTION PLAN AS FROM JULY 2024 UNTIL DECEMBER 2024

Resolved (12 February 2025)

1. That Council takes note of the progress of the Electricity Loss Reduction Plan.

2. That the Committee supports the establishment of an Energy Protection Team to manage metering and address illegal connections to reduce electricity losses.

25/02/EMS11 REPORT: REQUEST FOR APPROVAL TO REVIEW ELECTRICITY BY-LAW

Resolved (12 February 2025)

1. That the proposed draft reviewed By-law be referred to the next By-law and Policy workshop, and subsequently to the By-law and Policy Committee.

14. **CLOSURE**

The meeting adjourned at 15:15.

H BORNMAN
EXECUTIVE MAYOR

9 April 2025
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 THURSDAY, 27 MARCH 2025 AT 13:00 PM

PRESENT: Councillors	L Maree	(Speaker)
	H Bornman	(Executive Mayor)
	Ald D Benson	
	Ald B Williams	
	T Jantjes	
	W Gertenbach	
	H Murray	
	R Foley	
	F Heystek	
	S Ruth	
	C August	
	M Nicholls	
	M van Niekerk	
	J Alexander	
	G Stuurman	
	P Oliphant	
	M Yali	
	W van der Linde	
	K Ndzelani	
	N Ntshota	
	B Human	
	M Valgee	
	V Zana	
	E Mbuqu	
	M Mbandana	
	W Petersen	
	L Nkilishane	
Officials & Municipal Manager	C du Plessis	(Municipal Manager)
	D de Jager	(Deputy Municipal Manager)
	R Lorgat	(CFO)
	N Machelesi	(Director: Community Services)
	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)

R Swart (Acting Committee Officer)

1. **NOTICE OF MEETING**

The Municipal Manager 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 27 March 2025 at 10:00 a.m.

2. **OPENING AND WELCOME**

The Municipal Manager welcomed everyone present to the meeting.

3. **ABSENT WITH LEAVE**

None

4. **ABSENT WITHOUT LEAVE**

Cllr B Dhludhlu
Cllr V Gunuza
Cllr N Ntengwane

5. **PRESENTATIONS**

None

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

None

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**

None

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

25/03/MM9 ELECTION OF SPEAKER OF THE KOUGA MUNICIPAL COUNCIL

The Municipal Manager reported that he had received one nomination form proposing Cllr. L Maree for the position of Speaker.

The nomination was submitted by Alderman D Benson and seconded by Cllr S Ruth. He further confirmed that Cllr L Maree had accepted the nomination.

Cllr Zana requested that the resignation letter submitted by the previous Speaker be forwarded and enquired whether the vacancy had been formally declared. Additionally, he proposed that the Rules and Orders of Council be amended to align with all the requirements of virtual meetings.

The Municipal Manager confirmed that the resignation letter from the previous Speaker had been received and would be forwarded to Cllr Zana as requested. Regarding the amendment of the Rules and Orders, he suggested that the matter be discussed with the newly appointed Speaker because it was resolved by the Council that all future meetings will be conducted virtually.

Cllr Oliphant nominated Cllr N Ntshota for the position of Speaker

Cllr Nkilishane seconded the nomination.

The Municipal Manager requested that Cllr Oliphant fill in the nomination form in the Council Chambers together with the seconder of the nomination. He enquired whether Cllr Ntshota accepted the nomination.

Cllr Ntshota accepted the nomination.

Cllr Zana requested clarity in terms of the process of nominating a Speaker.

Cllr Human expressed dissatisfaction regarding conducting of virtual meetings.

The Municipal Manager reported that two nominations had been received and enquired whether there were any additional nominations.

Cllr Zana requested a five-minute caucus.

The Municipal Manager granted the caucus from 13:25 to 13:32.

Cllr Zana enquired whether the online voting process would ensure fairness and confidentiality. He requested that the resignation letter from the previous Speaker be forwarded. He further questioned whether the vacancy had been formally declared after the Speaker resigned. He emphasised that the Rules and Orders of Council need to be amended to align with the requirements of virtual meetings.

The Municipal Manager confirmed that the voting process would be conducted in secrecy and that confidentiality had been verified. He stated that the resignation letter had been received by both the Executive Mayor and himself.

Regarding the amendment of the Rules and Orders of Council, he requested that Cllr Zana discuss the matter with the newly appointed Speaker.

The Municipal Manager called for a vote for as follows:

In favour of Cllr L Maree: 17
In favour of Cllr N Ntshota : 10
Abstain: 0

He thereafter congratulated Cllr L. Maree on her appointment as the new Speaker of Kouga Local Municipality and formally handed over the proceedings of the meeting to her.

The Speaker thanked everyone who attended the meeting and voted. She announced that the next meeting will be held on 31 March 2025 at 10:00.

Resolved (27 March 2025)

1. That the Municipal Council elects Councillor Lorraine Maree as the Speaker of the Kouga Municipal Council, having followed the procedure set out in Schedule 3 of the Local Government: Municipal Structures Act 117 of 1998, as amended.

12. **CLOSURE**

The meeting closed at 13:39

_____ _____

L MAREE **DATE**

SPEAKER

MINUTES OF A VIRTUAL ORDINARY COUNCIL MEETING OF KOUGA MUNICIPALITY HELD ON MONDAY, 31 MARCH 2025 AT 10:00 AM

PRESENT: Councillors	L Maree	(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	
	G Stuurman	
	P Oliphant	
	M Yali	
	W van der Linde	
	K Ndzelani	
	N Ntshota	
	B Human	
	M Valgee	
	V Zana	
	E Mbuqu	
	L Nkilishane	
	W Petersen	
	Ald B Williams	
Officials & Municipal Manager	C du Plessis	(Municipal Manager)
	D de Jager	(Deputy Municipal Manager)
	N Swarts	(Acting CFO)
	N Machelesi	(Director: Community Services)
	J Du Toit	(Acting 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)
	M Basson	(Manager: Media & Communication)
	M Rossouw	(Manager: Administration & Auxiliary Services)
	M Julius	(Senior Admin Officer: Committees)

R Swarts	(Acting Committee Officer)
P Gunya	(Committee Officer)

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 31 March 2025 at 10:00 a.m.

2. **OPENING AND WELCOME**

The Speaker welcomed everyone present to the meeting and requested Ald Benson to open with a prayer.

3. **ABSENT WITH LEAVE**

Cllr V Gunuza	
R Lorgat	(CFO)
C de Kock	(Director: Civil & Water Services)

4. **ABSENT WITHOUT LEAVE**

Cllr M Mbandana
Cllr N Ntengwane

5. **PRESENTATIONS**

None

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Ald Benson congratulated Cllr Dhludhlu and his wife on their 20th wedding anniversary.

Cllr Petersen on behalf of the African National Congress (ANC) conveyed message of sympathy to the family of the former Municipal employee, Mr Tommy Jacobs, who had passed away.

Cllr August congratulated herself and her husband for becoming first-time great grandparents.

Cllr Alexander on behalf of the Democratic Alliance (DA) conveyed condolences to the family of the former Municipal employee, Oom Sanie, who passed away.

Cllr Foley congratulated the Speaker for being elected as a new Speaker of Council.

Cllr Stuurman congratulated the Historical Khoisan leaders, the House of Klaas and Chief Dawid Stuurman for leaving a huge footprint for playing a significant role in Khoisan history.

Cllr Zana raised a point of exigency. He wished to be afforded an opportunity to address Council on it. He indicated that he had tried to raise it at the Special Council meeting and requested that the Speaker include it as one of the items.

The Speaker indicated that the item would be discussed at the end of the open agenda.

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

Honorable Mayor and Members of the Council, Officials, Online Guests, and dear colleagues,

I am before you today with immense gratitude and a deep sense of responsibility as I accept the honor of serving as the Speaker of this esteemed council. I sincerely thank each and every one of you for placing your trust and confidence in me. This is not just a personal achievement but a commitment to uphold the values, integrity, and purpose of this council.

I recognize the challenges ahead, but I am also confident that with collaboration, respect, and dedication, we will serve our community with excellence. My promise to you is that I will lead with fairness, transparency, and an open heart, ensuring that every voice in this council is heard and valued.

Together, let us work toward progress, unity, and impactful decision-making for the benefit of those we serve. Once again, I am deeply honored, and I look forward to working alongside all of you to achieve our shared goals.

Thank you,

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

Speaker

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

Goeiemôre, Good morning, Molweni

As we move forward in our mission to best serve our community, it's important to recognize that change is an inevitable part of progress. At the national level, we are witnessing a historic moment with the **national budget being properly debated** for the first time in our history. This is a remarkable step forward in strengthening our democracy. It reflects a more inclusive and transparent approach to governance, and we should all be proud to be a part of this momentous change.

While change can be challenging, it also opens doors to new opportunities. We, too, must be adaptable and proactive as we adjust to the shifting government landscape and the financial realities that come with it. The recent proposed adjustments in the national budget bring with them both challenges and opportunities for us as a municipality. We must be wise stewards of the resources we are entrusted with and ensure that we continue to meet the needs of our residents, even in times of fiscal change.

This is not just about surviving change but thriving through it. By embracing these shifts, we can pave the way for innovation, collaboration, and a more efficient, effective municipality. It's an opportunity for us to rethink our priorities, optimize our resources, and find creative solutions to the issues that matter most to our community.

Council can be very pleased with the financial status of our municipality. It is encouraging to table our **Special Adjustments Budget** to Council today, as it reflects a clear alignment with our goals in the IDP and SDBIP.
We extend our gratitude to the Finance and Economic Development Department for their continued efforts in maintaining financial stability, building on the foundation of our well-deserved clean audit for Kouga Municipality.

Looking at our **2023-2024 Annual Report**, along with our adjusted IDP and SDBIP, it is incredible to reflect on the progress we have made on our four key priorities.

First, our **Roads Reseal Project**, launched on 23 January 2025, marks the largest single investment in infrastructure in the history of our municipality, significantly improving our road network.

Second, our **water infrastructure** upgrades have been substantial. The Kwanomzamo Wastewater Treatment Upgrade, valued at R42 million, has been completed. Additionally, the long-anticipated Gill Marcus Water Treatment Upgrade was finalized on March 28, further strengthening our water security.

Third, while we still have work ahead in **renewable energy**, ware actively pursuing Small-Scale Embedded Generation (SSEG) installations to make meaningful progress in the next financial year. A heartfelt thank you to the 7,000 residents who signed our petition against Eskom's proposed tariff increases.

Finally, on **customer satisfaction**, we have implemented various innovative solutions and technologies within our ICT sector, software applications which are the finest in the Country, well done to our IT Department under the office of the DMM.

Our First Thursday initiative, which continues to be an effective platform for addressing residents' concerns, remains a valuable outreach for our Municipality. We also look forward to publishing our Customer Service Charter—the first of its kind in the Eastern Cape—which will outline clear timeframes for all municipal services.

I am also pleased that our partnership with IGNITE is yielding positive results. Now more than ever before, we see a strong alignment of goals from our **IDP to our SDBIP** and across the organization. I look forward to us engaging on our IDP and providing feedback to our residents on the progress we have made as well as the challenges we encounter in April this year.

Speaker, I want to extend my gratitude to the Municipal Manager for sitting beside me during the past three compulsory **quarterly institutional meetings**. Together, we have addressed all staff members in Kouga Municipality, reinforcing our achievements, priorities, and most importantly, our values.
I also want to take this opportunity to remind Council of the values we must uphold on a daily basis. These are:

1. Service Excellence
2. Accountability and Transparency
3. Integrity and Professionalism
4. Efficiency and Effectiveness
5. Equity and Respect
6. Empathy and Compassion

As a collective, we have reviewed these principles, and I am pleased to affirm that following today's agenda, these will be our newly approved **values**, which will guide us as an institution moving forward.

I wish to extend my sincere gratitude to **Alderman Councillor Brenton Williams** for his dedicated service as the Speaker of Council. His leadership and commitment have been invaluable.

At the same time, I warmly congratulate **Councillor Lorraine Maree** on her election as the new Speaker of Council. We are confident that she will build on the strong foundation laid by Cllr Williams and will continue to guide Council forward.

As Mayor, together with Council, I assure her of our full support in this important role.

As we embrace this transition, following Cllr Maree's election as Speaker, I will be announcing potential **changes to my Mayoral Committee** in due course.

Lastly, I sincerely appreciate the **efforts of the administration** in putting together such a comprehensive and meaningful agenda. It offers valuable insight into the incredible work happening behind the scenes and reflects the professionalism and core values that define our organization. Your dedication does not go unnoticed

Change is inevitable, but how we navigate it defines us. With resilience, innovation, and a shared vision, we will embrace every challenge as an opportunity to grow stronger and serve better. Together, we will continue building a Kouga Municipality that is a **blueprint** of what a flourishing South Africa can look like.

Thank you

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**

Resolved (31 March 2025)

1. That the minutes of the Mayoral Committee Meeting held on 13 November 2024 be noted.

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

12.1 **MINUTES OF A SPECIAL COUNCIL MEETING HELD ON 17 JANUARY 2025**

Ald Williams proposed the following amendments: that "insurance" be changed to "assurance" on page 18 and that "gives" be changed to "gave" on page 20.

Cllr Dhludhlu on corrected the statement by Cllr Gunuza congratulating ANC students on page 17, he proposed that the sentence be changed to reflect all student who passed matric.

The Speaker indicated that it was the actual words from Cllr Gunuza.

Cllr Oliphant proposed that the Speaker withdraw her statement and listen to the recordings of the minutes and thereafter confirm that it was actual words of Cllr Gunuza.

The Speaker indicated that a follow up would be made by Administration.

Resolved (31 March 2025)

1. That the minutes of a Special Council meeting held on 17 January 2025 be approved.

Proposed: Cllr S Ruth Seconded: Cllr B Dhludhlu

12.2 **MINUTES OF AN ORDINARY COUNCIL MEETING HELD ON 29 JANUARY 2025**

Ald Williams proposed that "Grand – In – Aid" be corrected to "Grant – In – Aid" on page 31.

Resolved (31 March 2025)

1. That the minutes of an Ordinary Council meeting held on 29 January 2025 be approved.

Proposed: Cllr W Gertenbach Seconded: Cllr C August

12.3 **MINUTES OF A SPECIAL COUNCIL MEETING HELD ON 27 FEBRUARY 2025**

Resolved (31 March 2025)

1. That the minutes of a Special Council meeting held on 27 February 2025 be approved.

Proposed: Cllr M van Niekerk Seconded: Cllr F Heystek

13. **REPORTS OF COMMITTEES OF COUNCIL**

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

Cllr Oliphant expressed concern regarding the lack of reports from the SBDM representatives. He noted that it has become a recurring issue, with a lack of accountability. He requested that a formal resolution be taken to address the matter.

The Speaker reported that she would investigate matter.

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

Resolved (31 March 2025)

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

25/03/MPAC2 MUNICIPAL DEVELOPMENT FINANCE CIRCULAR: 3 OF 2024

Resolved (31 March 2025)

1. That the Municipal Development Finance Circular 3 of 2024 be noted.

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.

13.5 **MUNICIPAL BY - LAWS AND POLICIES**

25/03/BP1 PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM FRAMEWORK

Resolved (31 March 2025)

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

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

25/03/BP2 DRAFT 240 LITRE BIN MANAGEMENT POLICY

Resolved (31 March 2025)

1. That the Draft 240 Litre Bin Management Policy be approved by Council.

2. That the Draft 240 Litre Bin Management Policy be published on the Kouga Website.

25/03/BP3 REVISED PAUPER & SOCIAL BURIAL POLICY

Resolved (31 March 2025)

1. That the Reviewed Pauper & Social Burial Policy be approved by Council.

2. That the Reviewed Pauper & Social Burial Policy be published on the Kouga Website.

3. That the previously approved Pauper & Social Burial Policy be repealed and replaced by the reviewed Pauper & Social Burial Policy.

25/03/BP4 APPROVAL OF TERMS OF REFERENCE FOR THE MUNICIPAL BY-LAW AND POLICY REVIEW COMMITTEE

Resolved (31 March 2025)

1. That the Terms of Reference for the By-law and Policy Review ` Committee be approved.

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.
3. That the Terms of Reference be circulated internally and to the By-law and Policy Review Committee Members.

14. **REPORT BACK: MUNIMEC**

Cllr Oliphant enquired whether there had been any MUNIMEC meetings to which Kouga Municipality was invited but did not attend.

The Speaker responded that she would verify and provide a written reply.

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

25/03/MM1 COUNCIL RESOLUTIONS AS AT 29 JANUARY 2025

Cllr Human enquired about the following matters:

On page 177, he requested that the alignment on comments regarding petitions received from Kouga Local Clinics in 2023 be amended to be readable.

On page 179, he enquired on the progress on correspondence from the service provider regarding the disciplinary enquiry for Cllrs Oliphant and Petersen.

On page 183, he enquired about the scheduled date for a presentation by the Department of Civil and Water Services on current road conditions within the Municipality.

On page 192, he enquired regarding the community's view on the progress report on the Alienation of 98 wet erven in Kruisfontein.

On page 193, he requested clarification on the implications if the Council's offer to Teen Challenge S.A. for the purchase of a portion of Portion 4 of the Farm Zwartenbosch No. 347 was not accepted.

On page 195, he requested the status of the final eviction order regarding the unlawful dwellers at Aston Bay Caravan Park, as well as progress on the sale of the 98 wet erven.

On page 196, he enquired on the status of the disposal and transfer of pre-1994 municipal houses in Sea Vista.

On page 198, he requested clarification on the process concerning individuals leasing Erf 499.

On page 200, he enquired on the progress on the transfer of Provincial roads.

On page 202, he requested an update of the six houses in Patensie, including the issue of the missing contractor and the guarantees in place to ensure the houses would be rebuilt.

The Director: Planning and Development provided clarity on several matters. He stated that, regarding the sale of 98 wet erven, interested buyers were still willing to proceed despite the foundational challenges. He pointed out that all relevant requirements and recommendations had been communicated to them.

Concerning the application to purchase a portion of Portion 4 of the Farm Zwartenbosch No. 347 by Teen Challenge S.A., he explained that although Council had passed a resolution to sell the specific portion applied for, the applicant expressed interest in a different portion of the same property. He indicated that a meeting would be arranged to discuss the implications of their preference.

Regarding Erf 499, he confirmed that existing development plans were in place, and the administration remained open to engaging with interested parties to explore available options. He added that the Council resolution on the property remains valid.

Furthermore, an environmental study, subdivision, rezonings, and engineering designs would be undertaken, followed by an application for funding for infrastructure. He added that the method of disposal would depend on proposals received and could include leasing –, or outright sale, as previously recommended by the service provider.

On the 6 houses in Patensie, the Director: Planning and Development reported efforts to negotiate with the appointed contractor to commence work as an agent project. He pointed out that the issue was referred to the Provincial Department of Human Settlements and that the Municipality must formally request the Department to use one of the other appointed contractors to begin construction.

He added that a response from the Department is awaited, and the contractor under consideration was already involved in other Kouga housing projects.

On the disposal and transfer of pre-1994 municipal houses in Sea Vista, he noted that the process was nearing completion with departmental assistance.

The Municipal Manager responded on the matter of the relocation of unlawful dwellers at the Aston Bay Caravan Park, stating that although an eviction order had been granted by the Provincial Department of Public Works, it was not executed and has since lapsed.

On the matter of the transfer of provincial roads, he confirmed that negotiations with the Department of Provincial Roads were ongoing.

The Acting Director: Civil and Water Services provided an update on the reclamation process, stating that it remains underway with the Department of Transport.

He pointed out that a Memorandum of Understanding (MoU) had been submitted to request a permission to begin work on the roads while the process continues. He pointed out that for roads like the Da Gama and St Francis they were waiting for the signing of the MoU and that may take a while, but it was in process.

He further reported that, regarding the presentation on the current road conditions within the Municipality, the Department had received the investigation report from consultants and once the report has been reviewed, the Department would be able to present its findings to Council.

In respect to the litigation matter, Manager: Legal Services indicated that a full report on the litigation matter instituted against the Office of the MEC for CoGTA was in the confidential agenda and she requested permission to discuss it at that time.

Cllr Human indicated that he did not receive a confidential agenda. He requested that clarity in terms of Erven 394 in Jeugkamp regarding the transfer of the three houses where there were difficulties with transfers.

The Director: Planning and Development confirmed a conveyancer has already been appointed and they were in the finalising of transferring the three properties.

Cllr Petersen raised a concern regarding the issue of provincial roads. He recalled that when the matter was previously discussed in Council, he had suggested that Municipality should apply to the Provincial Government for the transfer of responsibility over all provincial roads within the Municipality's demarcated boundaries.

He expressed dissatisfaction with regard to the current approach of targeting only certain sections of provincial roads. He emphasised the importance of submitting an inclusive application that covers all provincial roads, as it would be in the best interest of both the community and the Provincial Government for the local municipality to take responsibility for maintaining all such roads.

The Municipal Manager reported that there was a Council resolution on the matter and if Council want to rescind the previous decision it may do so.

Resolved (31 March 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.

25/03/MM2 KOUGA MUNICIPALITY: 2023/24 ANNUAL REPORT

The Municipal Manager presented the item and informed Council that although the Annual Report includes the Audit Action Plan, there have been amendments made to it since its initial inclusion. He proposed that when considering the Annual Report, the Council should ensure that the final version of the Audit Action Plan as contained in the upcoming item would be incorporated into the report.

Cllr Gertenbach acknowledged the comments made by the Municipal Manager and noted that they would be taken into consideration during discussions in the MPAC meeting. He congratulated and expressed his appreciation to the Municipal Manager and the Administration on the preparation of a well-written Annual Report, which contributed to Kouga Municipality achieving a clean audit for the first time.

The Executive Mayor proposed that the amended Audit Action Plan be incorporated into the 2023/2024 Annual Report to ensure accuracy.

Cllr Dhludhlu seconded the proposal.

Resolved (31 March 2025)

1. That the 2023/24 Annual Report be adopted with the inclusion of the amended Audit Action Plan without reservation.

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.

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.

Proposed: H Bornman Seconded: B Dhludhlu

25/03/MM3 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: 2023/24 OVERSIGHT REPORT ON THE 2023/2024 ANNUAL REPORT**

Cllr Gertenbach congratulated the MPAC Chairperson and MPAC at large for overseeing this Annual Report and drafting of the Oversight Report.

Cllr Zana indicated that he had submitted himself as a speaker for all the items. He enquired in terms of recommendations by the MPAC 4.1 and 4.2 whether there was any plan in place to achieve what has been recommended and formalisation of informal settlements to provide acceptable service. He enquired on the latest development around the two recommendations.

The Manager: PMS with regard to the plans in place to curb the losses, he indicated that it was also highlighted in the draft SDBIP. He indicated that the recommendations of the MPAC Oversight report would have to be considered in the preparation of the SDBIP for the new financial year.

Cllr Zana requested that the SDBIP be corrected accordingly to accommodate the recommendations.

Cllr Dhludhlu indicated that the MPAC recommendations were for Council's adoption and not for only noting. He referred to page 709 to 710 for the recommendations to be adopted without reservations.

Resolved (31 March 2025)

1. That the 2023/24 Oversight Report on the 2023/24 Annual Report be adopted.

2. That Council approve the Annual Report without reservations.

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.

4. That the recommendations contained in the 2023/24 Oversight Report on the 2023/24 Annual Report be adopted as resolutions of Council.

   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.

Proposed: W Gertenbach Seconded: V Zana

25/03/MM4 **2024/25: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: AMENDMENT**

Resolved (31 March 2025)

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.

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.
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.

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.

Proposed: B Dhludhlu Seconded: Ald D Benson

25/03/MM5 **DRAFT 2025/26 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

Resolved (31 March 2025)

1. That the Draft 2025/26 Service Delivery and Budget Implementation Plan be noted.

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.

25/03/MM6 **TABLING OF THE DRAFT REVIEWED 2025/2026 INTEGRATED DEVELOPMENT PLAN (IDP)**

Cllr Human referred to page 953 and requested that his political party be amended to Patriotic Alliance (PA).

Cllr Gertenbach indicated that the information in the report needs to be updated. He referred to page 1121 regarding Ward three, he pointed out that the Ward has been changed it has been developed it is a much bigger Ward.

Ald Williams referred to page 941 in the last paragraph and stated that the content needs to be investigated.

At 11:26 Cllr Petersen raised a point of order, for Ald Williams using the word "white" because when he used the word, he is deemed racists.

The Speaker overruled the point of order as the word "white" reflected in the report Ald Williams read.

Ald Williams referred to page 984 and requested that the policies be looked at as the Honours policy was not included which might indicate that other policies were not included.

Cllr Dhludhlu referred to page 953 and indicated that his surname was not captured correctly and requested that the spelling of Cllr van der Linde's surname be corrected as well. He requested that the name of Cllr Stuurman be written in full on page 954.

At 11:28, Cllr Human raised a point of order that Cllr Dhludhlu address him as Councilor and not by his first name.

Cllr Zana requested clarity whether the IDP priorities were met in different wards in the previous financial year and if not, what needed to be done to rectify this.

The Municipal Manager noted the amendments as suggested would be made. He pointed out that the IDP process was in the stage that it must go public participation to give report back on all the priorities listed for every ward and they would give feedback on the progress on all those projects that have been listed. He alluded that some projects were easier to implement, and others were not easy to get finance.

Cllr Dhludhlu proposed that the recommendations be adopted.

The Executive Mayor seconded the proposal from Cllr Dhludhlu and requested that the Councillors be given time to submit other amendments in writing to the administration.

The Speaker indicated that the Councillors may write to her Office regarding amendments.

Resolved (31 March 2025)

1. That the Draft Reviewed 2025/2026 IDP with amendments attached as Annexure A to the Agenda be noted as it will serve as the basis for public participation during April/May 2025.

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.

Proposed: B Dhludhlu Seconded: H Bornman

25/03/MM7 ESTABLISHMENT OF BUDGET STEERING COMMITTEE AND TERMS OF REFERENCE

Resolved (31 March 2025)

1. That the Terms of Reference be approved.

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

25/03/DMM1 MEDIA AND COMMUNICATION: BRANDED CORPORATE CLOTHING

Resolved (31 March 2025)

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.

17. **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).

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

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

25/03/FED1 HANKEY MINI FRESH FOOD PRODUCE MARKET REPORT

Cllr Human expressed disappointment regarding the Hankey Mini Fresh Food Produce Market project and raised concerns about the lack of a

feasibility study. He pointed out the potential issues with Eskom regarding the location of the building beneath overhead power lines. He questioned the plans for reviving the market, especially when there were unspent funds that would be rolled over to the next financial year.

Cllr Zana shared the same sentiments as Cllr Human and recommended that no further money be invested in the project and suggested seeking a demolition certificate to remove the structure. He emphasised the need for a more suitable location with a proper feasibility study to ensure future success. He requested that a proper investigation to properly close the issue and prevent further risks.

The Acting CFO acknowledged the comments from the Councillors and indicated that the intention based on the recommendations was to repurpose the building.

He suggested that before any action taken was taken, the department was waiting for the Spatial Development Plan to determine the most effective way to repurpose the building for the community's benefit. He highlighted that at this stage the process was dependent on the finalisation of the Spatial Development Framework.

The Municipal Manager indicated that there were several factors which influenced the choice of site for the Hankey Mini Fresh Food Produce Market particularly the lack of suitable alternative sites. He proposed that before accepting the recommendation to demolish the structure, the department should submit a report to Council on the future of the market.

He pointed out that the report should include discussions with the Spatial Development Department to explore suitable alternative locations, if available. He requested that the report be provided as soon as possible for further consideration.

The Executive Mayor concurred with Cllr Zana proposal but suggested amending the recommendation. He indicated that instead of immediately approving the demolition, he proposed that Council receive a report outlining the best future use of the site, which could include various options such as repurposing the building.

He proposed that recommendation 10.2 be removed and replaced with a new recommendation for the department to present proposals for the future of the Hankey Mini Fresh Food Produce Market, allowing Council to make an informed decision based on the available options.

Cllr Petersen suggested that the Hankey Mini Fresh Food Produce Market would be more effective if it were in Jeffreys Bay, a popular tourist destination where tourists could buy produce directly from the vendors. He urged careful consideration be given to the project, stressing the importance of conducting a feasibility study.

Cllr Human seconded the proposal of the Executive Mayor.

Resolved (31 March 2025)

1. That the report be noted by Council.

2. That a report be submitted to Council with proposals regarding the future of the Hankey Fresh Food Market for Council to consider the best way forward.

25/03/FED2 **CHINA INTERNATIONAL IMPORT EXPO 05-10 NOVEMBER 2024, SHANGHAI, CHINA: TOURISM DESTINATION MARKETING REPORT**

The Executive Mayor tabled the report and pointed out that Local Kouga businesses received valuable exposure to the international market, which has already resulted in two to three groups of Chinese investors expressing interest. He indicated that the visit increased interest in Kouga Municipality from the Chinese market.

He requested that the LED department intensify efforts to identify and support more local businesses to participate in future visits to China. He commended the LED Department for an excellent job.

Cllr Human supported the Executive Mayor's remarks and emphasised prioritising local business participation over political attendance in international visits. He proposed that Kouga Municipality should host a Mini Expo to showcase local products and identify businesses suitable for international exposure, particularly to the Chinese market. He emphasised the need for the LED department to develop a clear programme to support local entrepreneurs.

Cllr Zana emphasised the importance to expose and develop Kouga to fight the high unemployment rate. He highlighted the potential of the Agricultural sector, particularly beef farming as a key opportunity for job creation and export to China. He suggested that the LED department focus on initiatives such as establishing abattoirs. He highlighted the need to showcase Kouga Municipality potential across sectors including Agriculture, Arts, and Culture. He pleaded with the LED department to provide a clear strategy that could position Kouga Municipality as a national model for local economic development and job creation.

Resolved (31 March 2025)

1. That the China International Import Expo report be noted.

25/03/FED3 QUARTER 2 LOCAL ECONOMIC DEVELOPMENT REPORT

Cllr Zana expressed appreciation for the efforts of the LED department. He highlighted that the organisation of local SMMEs was essential for enabling large-scale production and access to broader financial support not only from Kouga Municipality, but also external institutions. He stated that recognition should be given to local farmers in areas that involved in livestock farming.

He encouraged the Department to seek additional funding to better support cooperatives and emerging farmers.

The Executive Mayor agreed with the comments by Cllr Zana. He pointed out that it was agreed at the Mayoral Committee meeting that the LED department was really doing a wonderful work and it wanted Council to take note of the good work and massive progress that has been happening in the LED Department.

Resolved (31 March 2025)

1. That the Quarter 2 report for the 2024/25 financial year ending 31 December 2024 on implementation of the Economic Development activities be noted.

25/03/FED4 WRITE-OFF IN RESPECT OF IRRECOVERABLE ARREAR DEBTS – EQUITABLE SHARE

Cllr Human raised concern regarding the backlog of applications and requested an update on the status. He indicated only 2,500 applications were received out of the previous 7,500 listed on the indigent register, which affects the extent of debt that can be written off. He highlighted the complaints from community members who have not received communication regarding the outcome of their applications.

Cllr Zana requested clarification on whether the item had been submitted to the Bad Debt Committee for review and approval prior to being tabled in Council.

The Acting CFO clarified that the item relates to newly submitted applications and in total of 344 received so far. He pointed out that the current list reflects only those applications that have been verified and recommended for write-off.

He added that the remaining applications were still being processed. He assured that as the review progresses, the public would be kept informed about the status and progress of all applications.

Resolved (31 March 2025)

1. That the EQS Irrecoverable Debt write-off report for the month of December 2024 be noted.

25/03/FED5 CAPITAL ITEMS TO BE DISPOSED (CONDEMNED ASSETS)

Cllr Zana proposed that the redundant or unusable assets listed in the report be considered for donation to the local NPOs and NGOs. He enquired about assets from the Country Club and whether the assets were recent.

The Acting CFO confirmed that donations of redundant assets were possible. He indicated that following the previous council meeting resolution, Councillors have 30 days to submit items for donation to NGOs through the office of the Municipal Manager. NGOs would be given time to inspect and select donated items, after which the Council would be informed of which NGOs benefited.

Regarding the Country Club assets, the Acting CFO clarified that while the building was demolished, there were items which were still allocated to that building, therefore the assets in the list were found in other location but were just damaged.

Resolved (31 March 2025)

1. That the disposal of the condemned/redundant assets listed in Annexure A be approved by Council.

2. That the condemned/redundant assets listed in Annexure A be removed from the Asset Register.

3. That the condemned/redundant assets listed in Annexure A be disposed of in terms of the Supply Chain Management Policy through a public auction / donation.

25/03/FED6 2023/24 REVISED AUDIT ACTION PLAN

Ald Williams requested an update on page 99 regarding the status of the remaining months regarding the water bulk accounts. On page 101, he requested clarity regarding the columns that were not updated in the Audit Action Plan.

The Municipal Manager explained that more information would be collected in this regard, and he would provide Ald Williams with the detailed responses. He pointed out that one of the key concerns relates to the bulk meter readings and what the Municipality was being billed for by the Nelson Mandela Bay Metropolitan Municipality.

He highlighted that there were discrepancies between Kouga and the Nelson Mandela Bay Metropolitan Municipality in terms of readings.

He raised a concern that the readings were not taken every month, which adds to the challenge. He added that the CFO was currently in the process of arranging discussions and negotiations to address the issue. He stated that the goal was to ensure that when readings were taken Kouga Municipality would be present due to the struggle to reconcile the data properly, and it needs to be addressed as part of the Audit Action Plan. He confirmed that there were several discrepancies in the accounts.

The Speaker requested that the information be sent via email to Ald Williams.

The Executive Mayor emphasised the urgency of resolving the issue with the bulk water account. He indicated that despite being unresolved for years there was no progress. He pointed out that it was crucial that the Finance Department obtains detailed information from the Nelson Mandela Bay Metropolitan Municipality. He highlighted that it was important to keep receiving regular account updates and to put pressure on the Nelson Mandela Bay Metropolitan Municipality to correct the discrepancies especially since current charges were based on estimates, which may be unreasonably high.

The Speaker requested that the Administration update the Audit Action Plan on page 101.

Resolved (31 March 2025)

1. That the 2023/24 Revised Audit Action Plan as per Annexure A, be approved.

25/03/FED7 <u>2024/25 SPECIAL ADJUSTMENTS BUDGET</u>

Cllr Zana indicated that he was not in support of the Special Adjustment Budget item. He requested clarity from the Executive Mayor regarding the meaning of the term "Special Adjustment Budget".

The Municipal Manager explained that the allocations to the Municipality were received through the year. Therefore, in the Adjustment Budget Administration need to amend the allocation figures.

The Acting CFO added that the Adjustment Budget were done in accordance with section F, section 28 of the MFMA, although it is called a Special Adjustment Budget.

The Speaker called for a vote as follows:

In favour of the recommendations as tabled in the agenda: 16
Not in favour of the recommendations as tabled in the agenda: 8
Abstain: 0

Resolved (31 March 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 Special Adjustments Budget Report as set-out in the **"Annexure A"** on the following tables:
   - Table 7 (B1 Adjustments Budget Summary: page 7)
   - Table 8 (B2 Adjustments Budget Financial Performance (revenue and expenditure by standard classification): page 9)
   - Table 9 (B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote): page 11)
   - Table 10 (B4 Adjustments Financial Performance (revenue and expenditure by type): page 12)
   - Table 11 (B5 Adjustments Budget Capital Expenditure by vote and standard classification and funding source: page 14)
   - Table 12 (B6 Adjustments Budget Financial Position: page 15)
   - Table 13 (B7 Adjustments Budget Cash Flows: page 17)
   - Table 14 (B8 Cash backed reserves/accumulated surplus reconciliation: page 18)
   - Table 15 (B9 Asset Management: page 19), and
   - Table 16 (B10 Basic service delivery measurement: page 21)

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, **"Annexure C."**

4. That the Government Gazette No. 52142 be noted, **"Annexure D".**

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

25/03/FED8 DRAFT MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)-BUDGET FOR 2025/26 TO 2027/28 FINANCIAL YEARS

The Executive Mayor raised concern regarding the ANC's decision not to participate in the recent approval of the Special Adjustment Budget. He indicated that the Special Adjustment Budget was a benefit for the community as it addresses the important community development projects such as electrifying Loerie, constructing the Sea Vista access road, upgrading the Ramaphosa sewer pump station, and improving the Ramaphosa Village reservoir.

He expressed disappointment that the opposition did not appear to treat such impactful decisions with the seriousness they warrant. He acknowledged that each political party has the right to make its own choices and would not interfere in that process. He proposed that the item be approved and thereafter go out for public participation.

Cllr Zana indicated that it has been a consistent stance of the ANC throughout this term not to support the budget presented to Council, due to several ongoing concerns. He pointed out that as an opposition they have always advocated for a budget that was truly people-centred, the one that the average resident can understand and relate to through the IDP and community engagement processes.

He added that the community should be able to clearly see how Kouga's budget would directly impact and improve their lives. He stated that the distribution of funds must be balanced, rather than favouring certain areas excessively. He made an example if the budget was addressing infrastructure issues, it should be evident what specific developments such as roads, water systems, or other services were planned for each area.

He highlighted that this approach would help ensure that all communities benefit equally and were positioned for economic growth and improved service delivery. Therefore, based on the comments the opposition would not be supporting the item.

The Speaker called for a vote as follows:
In favour of the recommendations as tabled in the agenda: 16
Not in favour of the recommendations as tabled in the agenda: 8
Abstain: 0

Resolved (31 March 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 16 of the Local Government: Municipal Finance Management Act, Act 56 of 2003:

1.1.1 Approves the 2025/26 – 2027/28 Draft Annual Budget, as set out in the "**Annexure A"** on the following tables:

a) Consolidated Budget Summary [Table A1] [Page 23
b) Budgeted Financial Performance (revenue and expenditure by standard classification); [Table A2] [Page 25]
c) Budgeted Financial Performance (revenue and expenditure by municipal vote); [Table A3] [Page 27]
d) Budgeted Financial Performance (revenue by source and expenditure by type); [Table A4] [Page 28]
e) Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source. [Table A5] [Page 30]

1.1.2. That the budgeted financial position, budgeted cash flows, cash-backed reserves/accumulated surplus, asset management and basic service delivery targets be noted as set out in the following tables:

a) Budgeted Financial Position; [Table A6] [Page 32]
b) Budgeted Cash Flows; [Table A7] [Page 34]
c) Cash backed reserves and accumulated surplus reconciliation; [Table A8] [Page 35]
d) Asset management ; [Table A9] [Page 36]
e) Basic service delivery measurement. [Table A10] [Page 39]

1.1.3. That the tariffs be increased as follows, with effect from 1 July 2025:

Property rates	6%
Water	6.9%
Sanitation	6.9%
Refuse	6.5%
Electricity (average increase in electricity income)	12.74%
Environmental Management Fee	6.5%

a. Indicative tariffs for 2026/27 and 2027/28 will be increased as follows:

	2026/27	**2027/28**
Property rates	6%	6%

Water	6.9%	6.9%
Sanitation	6.9%	6.9%
Refuse	6.5%	6.5%
Electricity (average increase in electricity income)	5.36%	6.19%
Environmental Management Fee	6.5%	6.5%

1.1.4. That the Council approves "Annexure B" which regulates the format of the budget documentation as set out in Schedule A (version 6.9) of the Municipal Budget and Reporting Regulations. This includes the main Tables A1 - A10 as well as the supporting tables SA1 – SA38.

1.1.5. That the Council notes the 2025/26 Draft Capital Expenditure, "Annexure C".

1.1.6. That the Council approves the Draft tariffs, as reflected in "Annexure D", for public participation.

1.1.7. That the Council approves the Draft Budget-Related Policies, as reflected in"Annexure E", for public participation.

1.1.8. That the 2025/26 Draft Procurement Plan be approved "Annexure F".

1.1.9. That the mSCOA road map be approved. "Annexure G".

1.2. That the Draft Annual Budget be submitted to the National Treasury in both printed and electronic format and the relevant Provincial Treasury.

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

25/03/PD1 EXEMPTION OF HOUSE SHOPS (SPAZA SHOPS) APPLICATIONS FROM REQUIREMENT TO ADVERTISE IN LOCAL MEDIA AND VIA REGISTERED MAIL

Cllr Human opposed the item, noting that despite the President's call last year for all spaza shops to be compliant by the end of February, Kouga Municipality did not meet this deadline. He highlighted that spaza shops were required to follow a policy in place since 2018, but many have not adhered to it.

The Executive Mayor explained that if the Municipality were to close all spaza shops, it would impact communities that rely on these shops for essential food and other products at convenient locations. He indicated that instead the Municipality should be focused on ensuring these shops comply with all relevant health and safety regulations.

He added that regular inspections were conducted by Health and Safety Inspectors, in collaboration with Law Enforcement to ensure that spaza shops sell legal, non-expired products and have the necessary licenses. He highlighted that the only area where spaza shops were not compliant was in terms of building regulations, which was the reason this item was being brought forward.

Cllr Human emphasised that the Patriotic Alliance (PA) has been a strong advocate for spaza shop compliance. He emphasised that non-compliant spaza shops cannot be part of the community. He pointed out that the policy in question was adopted by the Council at Kouga Municipality, not by the PA, and it sets the standard for spaza shops.
He clarified that the PA has been pushing for compliance long before the President's announcement. He mentioned that he had consistently been raising the issue in portfolio meetings. He added that despite fines being issued, there has been no substantial action to ensure compliance. He reaffirmed his stance that spaza shops must become compliant, following the existing policies and regulations of Kouga Municipality, particularly in terms of building control.

Cllr Petersen raised a concern regarding the absence of a legislative framework for regulating structures. He emphasised that Council must operates within the law.

Cllr Zana raised a concern about the legal implications of the item whether it might oppose with the SPLUMA Act if notices were not served to the shops. He pointed out that the recommendations mention exemptions, and he sought clarification on whether this would not contravene with any laws. He emphasised that Council not to adopt a resolution that could conflict with other legislation. He asked for clarity on the applicable legal framework to ensure compliance.

The Executive Mayor explained that the purpose of the item was to make it easier for spaza shops to comply with building regulations. He pointed out that if the formal process, which involves advertising and complying with all land and building regulations, were followed, spaza shops would likely never comply.

Therefore, the item was intended to provide a simpler process for spaza shops to meet the necessary requirements. He added that the local government has the authority to amend its own laws. He highlighted that the aim was to make it as easy as possible for spaza shops to comply with legislation, as they cannot operate without meeting legal requirements. He pointed out that if the PA truly supports compliant spaza shops, they should agree with this item, as it simplifies the process for spaza shops to become compliant.

The Director: Planning and Development confirmed that Section 115 of SPLUMA allows the Municipality to exempt certain applications if

deemed necessary. He added that in this case, some applicants have struggled with advertising in the local paper, despite efforts and advice, which led to delays. He pointed out that to address the issue the Municipality decided to simplify the process. However, all applications would still need to be advertised and affected property owners would be contacted for consent or notification this process would ensure compliance with the law.

Cllr Petersen clarified the need for a legal framework to be in place, specifically through Council consent and consent use, which allows for a temporary departure from zoning regulations. He explained that although the zoning is residential, this temporary departure enables the process of legalising the structure. He added that under this framework, building plans can be submitted. Cllr Petersen emphasised that this process was legal and ensures that spaza shops operate within a lawful framework, providing a service to the community.

The Speaker called for a vote as follows:

In favour of the recommendations as tabled in the agenda: 16
Not in favour of the recommendations as tabled in the agenda: 7
Abstain: 0

Resolved (31 March 2025)

2. That land use applications for Consent Use to operate house shops from dwelling houses on properties zoned as Residential Zone 1, be exempted from provisions of sections 93 and 94 of the By-law regarding the requirement to publish a notice in the local media and serving notices by registered mail.

3. That the following public participation requirements be applicable to applications contemplated in paragraph 10.1 above: -

    - Written consent by abutting property owners.
    - Written comment by relevant ward councilors.
    - Erection of a site notice and submission of an affidavit in this regard by the applicant.

4. That the exemption be applicable to all applications submitted to date and submissions to be received from date of resolution.

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

25/03/CWS1 APPROVAL OF THE FINAL PROJECT IMPLEMENTATION PLAN (PIP) FOR THE 25/26 FINANCIAL YEAR MIG ALLOCATED GRANT FUNDING

Cllr Foley presented the item and indicated that the Department received the new DORA the previous week. He explained that there was a reduction of R 34 000. Therefore, an adjustment needs to be

made. He requested that an additional recommendation be added follows:

" That the expenditure value for the Queen Street Pumpstation upgrade be changed to R0.00 and the expenditure value of Arcadia Pumpstation be changed to R66 000".

Cllr Jantjes seconded the proposal.

Resolved (31 March 2025)

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

2. That the expenditure value for the Queen Street Pumpstation upgrade be changed to R0.00 and the expenditure value of Arcadia Pumpstation be changed to R66 000.

Proposed: R Foley Seconded: T Jantjes

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

25/03/EMS1 REPORT: CORRECTION OF ELECTRICAL TARIFFS, CONSUMER CATEGORY COMMERCIAL FOR THE 2024/25 FINANCIAL YEAR

The Deputy Executive Mayor presented the item to bring to Council's attention to the correction of electrical tariffs submitted to NERSA. He pointed out that although the tariffs were already submitted and the approved schedule received, it was noticed that some tariffs were incorrectly captured by NERSA. He pointed out that the background information was provided on page 788 and Table 1 and Table 2 detail the corrections.

Cllr Human sought clarification on item 7, which indicates potential financial losses if not rectified. He requested details on the current financial losses, the large tariff discrepancies, and how consumers were previously billed. Noting that 668 consumers were affected, he asked about the financial impact on both the consumers and Kouga Municipality. He also inquired how any losses would be recouped.

The Director: Electro – Mechanical Services clarified that the number of affected consumers was 58, not over 600 as initially reported. He indicated that many of the consumers were not billed for the correct kilo-volt-amperes (KVA) usage. He assured that the Municipality was in the process of installing the correct meters.

He pointed out that an accurate financial loss at this stage could not be provided but indicated that a later report would be submitted to Council, detailing the affected consumers and financial losses. He highlighted that once the item is approved, billing will begin with the correct tariff, and affected consumers will be notified in writing about the error and its correction.

Resolved (31 March 2025)

1. That Council approves the correction of the commercial tariffs for the 2024/25 financial year from R 68.30 p/kVA to R 391.11p/kVA in the ≤ 500V category and from R 62.84p/KVA to R 359.83 p/kVA in the >500V ≤ 66kV tariff category.

2. That Council note the comment from NERSA and approve immediate implementation.

19. **QUESTIONS SUBMITTED IN TERMS OF RULE 39 OF THE STANDING RULES & ORDERS**

25/03/MM8 **QUESTION POSED BY COUNCILLOR B. HUMAN IN TERMS OF RULE 39 OF THE STANDING RULES AND ORDERS FOR MEETINGS OF COUNCIL AND ALL ITS COMMITTEES**

Question:

"I am hereby requesting clarity from the CFO, Mr. Lorgat in terms of an item that appeared on the adjustment budget of 2023/2024. The demolition of the cultural centre at a cost of R1mil. A year later we still see the very same building standing. I want to know why the plan to demolish the cultural centre was abandoned and what is the future with the building".

Response:

An item was submitted to Special Council for permission to proceed with the demolishing of the building. On 27 February 2025, Council granted in principle approval for the demolishing of the building. A notice has been prepared for publication in the local media, inviting affected members of the community to provide comments on the intended demolition.

It is hereby confirmed that the plan to demolish the building has not been abandoned by the Directorate: Planning & Development. However, it is imperative to understand the implication of the proposed demolition from the community before final decision.

....

Cllr Human raised concerns regarding the demolition of the Kouga Cultural Centre.

He highlighted that a decision was made in June 2023 to sell the building not to demolish. However, the demolition process began in August 2023 without Council approval. He indicated that Council took decision in February 2025. He expressed dissatisfaction that the action was taken without a Council resolution. He pointed out issues with a non-responsive tender process. He noted unresolved commitments from the 2023 resolutions, including a report on the Kouga Cultural Centre status and insurance, which have not been provided.

He urged the administration to address these gaps. Additionally, he clarified that the item was originally scheduled for the January meeting, but due to administration misunderstanding of Rule 39, the item was not addressed. He emphasised that this meeting was the first time a councillor questions were being addressed and expressed confidence that administration was now aligned to provide answers. He felt that the issue had not been treated with due seriousness.

The Executive Mayor raised concern to introduce new questions or items during the discussion. He pointed out that the correct process must be followed for obtaining answers.

Cllr Human expressed dissatisfaction that the item presented lacks the detail and depth of his original question, which were quite extensive. He felt that administration had edited the item compared to how he had initially submitted it.

Cllr Petersen raised a procedural concern, stating that Cllr Human had submitted an item to Council, which should have been sent to the administration for a report and then brought back to Council. He enquired why the administration did not provide answers as expected. He believed the answers should have been presented in the current Council meeting, with proper communication to all Chief Whips so they could bring relevant speakers.

The Speaker indicated that any additional questions must be submitted in writing to the Speaker's office under the same rule.

The Director: Planning and Development clarified that the question in the agenda was the only one received. He pointed out that if there were any missed communications, they would check and provide a formal response at the next Council meeting.

He confirmed some issues have already been addressed, and further details would be provided.

Cllr Human indicated that for the sake of progress, he would step down on the item and allow the item to come back to the next meeting.

Resolved (31 March 2025)

1. That Council notes the question posed by Councillor Human and written response in respect of the Kouga Cultural Centre, Humansdorp.

2. That the question and response must reflect in the minutes of the meeting as per Rule 39.3 of the Standing Rules and Orders for meetings of Council and all its Committees.

20. **MOTION OF EXIGENCY BY CLLR V ZANA**

Cllr Zana raised a motion of exigency in accordance with Rule 30.1 of the Council Rules of Order. He pointed out that the motion addresses the current practice of holding virtual meetings. He highlighted the lack of clear guidance

in the standing rules. He indicated that a Council resolution was taken in 2021 that permitted the continuation of virtual meetings. Now that the national state of disaster has ended, and relying on Circular 18 of 2020 was no longer legally justifiable.

He alluded that the motion emphasises that physical meetings, which promote direct engagement, accountability, and transparency should resume and virtual meetings only used in exceptional circumstances. He mentioned that the ANC Caucus required an urgent review of the 2021 resolution. He highlighted challenges on voting virtual meetings. He further proposed recommendations as follows:

1. That an immediate resumption of physical meetings, with virtual options only for exceptional circumstances.

2. That a review of the Standing Rules and Order of Council to ensure alignment with post-disaster legislation be completed.

He urged the Council to consider the motion and review the standing rules to ensure compliance with current legal and democratic practices, while also acknowledging the growing public engagement through platforms like YouTube.

The Executive Mayor requested a caucus of 15 minutes.

The Speaker granted the caucus from 13:09.

The Executive Mayor stated that the DA caucus opposed the motion, highlighting that virtual Council meetings allow for live streaming and greater public access. He explained that virtual meetings help address the challenge of limited physical venue space, enabling broader public participation. He noted that since the COVID-19 pandemic, Zoom meetings have become standard practice. For example, Councillors with to other engagements can still attend virtually, which enhances flexibility.

He also pointed out that virtual meetings reduce costs, such as catering. He agreed that the Standing Rules and Orders of Council should be reviewed to formally incorporate provisions for virtual meetings.

Cllr Dhludhlu seconded the proposal from the Executive Mayor.

The Speaker requested that the matter be voted on.

The Speaker called for a vote as follows:
In favour of the recommendations as tabled in the agenda: 7
Not in favour of the recommendations as tabled in the agenda: 17
Abstain: 0

Cllr Zana expressed dissatisfaction regarding the counting of the vote.

The Speaker requested a recount, and the result were the same.

21. **CLOSURE**

The meeting closed at 13:42

_____ _____

L Maree **DATE**

SPEAKER

REPORTS OF COMMITTEES OF COUNCIL:

KOUGA
local Municipality
Good Governance through Service Excellence

KOUGA AUDIT COMMITTEE

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
KOUGA AUDIT COMMITTEE
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/KAC1**

MINUTES OF THE KOUGA AUDIT COMMITTEE

1. **Introduction**

The purpose of this item is to refer to Council the minutes of the Kouga Audit Committee held on 11 June 2024, 27 August 2024, 01 October 2024 and 11 December 2024 respectively.

2. **Background**

The confirmed minutes of the Kouga Audit Committee are referred to Council for noting.

3. **Discussion**

Council is advised that the Kouga Audit Committee held a meeting on 11 June 2024, 27 August 2024, 01 October 2024 and 11 December 2024. The minutes of the respective meetings are attached for ease of reference and marked as Annexures A, B, C, D. The matters arising schedule for the Kouga Audit Committee has been attached and is marked as Annexure E.

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 165 and 166 of the Local Government: Municipal Finance Management Act No. 56 of 2003.

6. **Legal Implications**

None

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Not applicable

8.2 **Director: Planning & Development**

Not applicable

8.3 **Director: Civil & Water Services**

Not applicable

8.4 **Director: Electro-Mechanical Services**

Not applicable

8.5 **Director: Community Services**

Not applicable

8.6 **Deputy Municipal Manager**

Not applicable

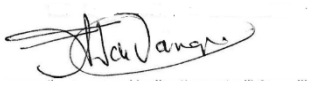
8.7 **Municipal Manager**

9. **Delegated Authority**

To Council for noting.

10. **Recommendations**

10.1 That the minutes of the Kouga Audit Committee meetings held on 11 June 2024, 27 August 2024, 01 October 2024 and 11 December 2024 respectively, as well as the Matters Arising Register be noted.

Item prepared by the: Kouga Audit Committee Chairperson: 

Annexure A:

MINUTES OF THE KOUGA AUDIT COMMITTEE MEETING HELD ON TUESDAY, 11 JUNE 2024 AT 10:00 AM IN THE COUNCIL CHAMBERS, JEFFREYS BAY

PRESENT	Mr G Billson	(Chairperson)
	Mr R Moodaley	(Member)
	Mr G Sarpong	(Member)
COUNCILLORS	Cllr H Bornman	(Executive Mayor)
	Cllr L Maree	(Portfolio Chairperson: Finance & Economic Development)
	Cllr B Dhludhlu	(MPAC: Chairperson)
OFFICIALS	Mr C du Plessis	(Municipal Manager)
	Mr D de Jager	(Deputy Municipal Manager)
	Mr R Lorgat	(CFO)
	Mr L Ramakuwela	(Acting Director: Planning & Development)
	Ms N Machelesi	(Director: Community Services)
	Mr T Madatt	(Director: Electro-Mechanical Services)
	Mr A Koegelenberg	(Manager: PMS)
	Mr I Fakir	(Manager: Risk & Internal Audit)
	Ms E Symington	(Acting Manager: Expenditure)
	Ms L Opperman	(Manager: Legal Services)
	Mr S Abrahams	(Manager: Budget & Treasury)
	Ms M Rossouw	(Manager: Administration & Auxiliary Services)
	Ms N Mqutyulwa	(Risk & Internal Audit: Intern)
	Ms M Julius	(Senior Admin Officer: Committees)
	Mr S Sidjiyo	(Committee Officer)
	Ms N Mazibuko	(Scribe)
STAKEHOLDERS	Ms G Hammond	(Eastern Cape: Provincial Treasury)

1. **OPENING AND WELCOME**

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

2. **ATTENDANCE REGISTER**

Noted for circulation.

3. **APOLOGIES**

Ald B Williams	(Speaker)
Mr C de Kock	(Director: Civil & Water Services)

4. **CONFIRMATION OF AGENDA**

The Chairperson highlighted that the following items should have been included in the agenda:

- Audit Committee & Internal Audit Charters which were due for review.
- Reports on Unauthorised, Fruitless and Wasteful Expenditure
- Deviations Report
- 2024/25 Draft Budget

5. **DECLARATION OF INTEREST**

None.

6. **CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

6.1 **MINUTES OF THE KOUGA AUDIT COMMITTEE MEETING HELD ON 28 MARCH 2024**

The Chairperson referred to page 10, the last paragraph on the Matters Arising register, and requested that the comments be included as a resolution.

On page 15, he enquired whether a copy of the property portfolio was available.

In response, the Manager: Risk & Internal Audit stated that a report which contained a list of all the Municipal rental properties served at the previous Audit Committee meeting.

The Chairperson indicated that the report was not as detailed as the Audit Committee had requested in outlining the occupancy dates, rental dates, and the status of the properties.

Resolved (11 June 2024)

1. That the Minutes of the Kouga Audit Committee Meeting held on 28 March 2024 be approved with amendments.

Proposed: Mr G Sarpong Seconded: Mr R Moodaley

7. **REPORT BY THE MUNICIPAL MANAGER**

The Municipal Manager highlighted that there has been no major crisis or anything that could affect the Municipality's operations. Discussions have been held with Top Management to ensure that matters were addressed accordingly before the beginning of the new financial year.

8. **MATTERS FOR DISCUSSION**

8.1 **MATTERS ARISING REGISTER**

24/06/KAC1 MATTERS ARISING REGISTER AS AT MAY 2024

The Chairperson requested an update on all outstanding actions from Internal Audit, especially on the '*Summary of Internal Audit findings including detail findings listing'*.

The Manager: Risk & Internal Audit stated that an email communication was sent to all Directorates on their respective listing of findings and a tailored tracker was generated to simplify the process for Directorates to indicate their readiness for testing.

He added that not all responses have been received from Directorates.

The Chairperson expressed concerns that the Internal Audit findings were not being addressed accordingly as there was no significant progress in mitigating risks that have been identified.

Mr Moodaley noted that the majority of the findings relate to the Budget and Treasury section and recommended that the focus be shifted to ensuring the controls in the Budget and Treasury findings are effectively implemented.

The Manager: Risk & Internal Audit highlighted that there were efforts to ring-fence reviews to ensure that several reviews were tested simultaneously, however, the process was dependent on the readiness of a Directorate for testing. He added that the resource constraints within the Internal Audit section need to be considered.

The Chairperson requested an update on the Fraud Risk Register.

The Manager: Risk & Internal Audit stated that feedback was received from the Department of Cooperative Governance and Traditional Affairs (CoGTA) in May 2024 on the shortcomings of the draft Fraud Risk Register. Engagements would be held with the various Directorates on the identified shortcomings. Once the shortcomings had been addressed, an updated Fraud Risk Register will be re-submitted to CoGTA.

The Chairperson enquired whether the timeline was still reasonable.

The Manager: Risk & Internal Audit confirmed that the timeline for July 2024 was still reasonable.

The Chairperson enquired whether the Risk & Internal Audit Manager has been included in the Top Management meetings.

In response, the Manager: Risk & Internal Audit stated an invitation was extended to him by the Municipal Manager to the Top Management meetings.

The Chairperson proposed a standard resolution to read that the matters arising register, once updated and after each meeting, be submitted to Council for consideration.

The Committee seconded the proposal.

The Chairperson referred to page 32 and requested clarity on the comments made under *'status of the case'*.

In response, the Manager: Legal Services clarified that the report reflects ongoing matters that the Municipality has instituted.

The Chairperson further enquired whether the claims were financial.

The Manager: Legal Services confirmed that the claims were not primarily financial but mostly for compliance.

Mr Moodaley questioned the reasons for defending cases if there were no financial implications.

The Manager: Legal Services stated that most instituted cases were independent matters and were a result of non-compliance to the Municipal By-laws, therefore, there were no monetary benefits.

Resolved (11 June 2024)

1. That the Matters Arising Register as at May 2024 be submitted to Council for noting.

8.2 **AUDITOR GENERAL UPDATE**

None.

8.3 **INTERNAL AUDIT**

24/06/KAC2 DRAFT INTERNAL AUDIT PLAN 2024/25

The Chairperson requested clarity on the reasons for the decrease in estimated hours for the upcoming years.

The Manager: Risk & Internal Audit highlighted that the decrease was due to follow-up reviews that would be conducted and that there were hopes that the established recommendations would require samples that were not extensive.

He added that adjustments could be made to the hours as and when required.

Mr Moodaley referred to the total estimated hours of 4 535 on page 39 and enquired whether the figure meant that there were full-time resources available to implement the Audit plan.

In response, the Manager: Risk & Internal Audit highlighted that there were human resource constraints within the Internal Audit section.

Mr Sarpong highlighted that the estimated hours outlined in the Audit plan were unrealistic as the hours were decreased and capacity was increased.

Resolved (11 June 2024)

1. That the Draft Internal Audit Plan 2024/25 be approved.

24/06/KAC3 **SUMMARY OF INTERNAL AUDIT FINDINGS SUMMARY AS AT 20 MAY 2024 AND INTERNAL AUDIT FINDINGS DETAILED LISTINGS AS AT 20 MAY 2024**

The Chairperson noted that only 3 items were tested and implemented out of 94 significant findings for the last two years and raised concerns that the Internal Audit findings were not taken seriously by management.

The Manager: Risk & Internal Audit explained that the process involved the Internal Audit section requesting Directorates to indicate their readiness for testing and acknowledged that the figures reflected in the report were not satisfactory.

He added that the intended goal was to have no more than 30 items ready for testing.

The MMC: Finance & Economic Development noted that Infrastructure & Engineering was presented as one directorate and requested that it be separated to ensure that the relevant findings were sent to the correct directorate.

The Manager: Risk & Internal Audit stated that separate trackers were developed for the Infrastructure & Engineering directorate, however, the information was presented jointly.

Resolved (11 June 2024)

1. That the Summary of Internal Audit Findings Summary as at 20 May 2024 and Internal Audit Findings Detailed Listings as at 20 May 2024 be noted.

24/06/KAC4 **PROGRESS VS ACTUAL AUDIT COMMITTEE PLAN AS AT 20 MAY 2024**

Resolved (11 June 2024)

1. That the Progress vs Actual Audit Committee Plan as at 20 May 2024 be noted.

24/06/KAC5 **REVIEW OF CONTROLS OVER THE MANAGEMENT OF COMMUNITY SERVICES TOOLS AND EQUIPMENT (2023/24)**

The Chairperson referred to page 56 of the *Management Action Plan/Comment* that states "that management does not agree with the finding" and requested clarity based on the comment.

The Manager: Risk & Internal Audit explained that management did not agree with the root cause which was subsequently updated.

The Chairperson referred to page 60 on the *Inadequate physical control over tools and equipment* review and noted that the finding that security was on the Municipal premises during working hours and not at night. He questioned whether the finding could be a security requirement.

The Municipal Manager highlighted that security availability has a financial cost to the Municipality as there are continuous need for security visibility. The cost of repair and replacement was weighed against the need for security.

The Chairperson referred to page 61 on the new *assets not timeously barcoded* review and enquired whether there was a challenge in addressing the issue of barcodes.

The CFO confirmed that the process of allocating temporary barcodes for new assets was still in place. However, he added that there were plans to discontinue the process of allocating temporary barcodes for new assets.

Resolved (11 June 2024)

1. That the Review of controls over the Management of Community Services Tools and Equipment (2023/24) be noted.

24/06/KAC6 **REVIEW OF CONTROLS OVER INCOME FROM MUNICIPAL PROPERTIES (2023/24)**

The Manager: Risk & Internal Audit highlighted the documentation challenges during review especially in retrieving the relevant information which resulted in sample information being used, regardless of extensions being provided for submissions, and that the Manager: Assets & Investments has committed to implement strict controls to ensure that findings were complete.

The Chairperson questioned whether the condition of the property was considered during the review.

In response, the Manager: Risk & Internal Audit referred to the finding on page 85 *(B.1.3)* which relates to the safeguarding and maintenance of the properties, and highlighted that the review was not focused on the condition of the properties.

Mr Moodaley enquired whether the properties were insured against any damage.

The Manager: Risk & Internal Audit stated that insurance was not included in the scope of the review.

Resolved (11 June 2024)

1. That the Review of Controls Over Income from Municipal Properties (2023/24) be noted.

24/06/KAC7 **INSTITUTIONAL PERFORMANCE MANAGEMENT REPORTING PROCESS REVIEW (2023/24)**

The Chairperson enquired about the new PMS that would be implemented and how it would impact the Performance Management section.

The Manager: PMS stated that the evaluation process for the new Performance Management System was underway.

Resolved (11 June 2024)

1. That the Institutional Performance Management reporting Process Review (2023/24) be noted.

24/06/KAC8 **KOUGA LOCAL MUNICIPALITY: INTERNAL AUDIT CHARTER**

Resolved (11 June 2024)

1. That the Kouga Local Municipality: Internal Audit Charter be noted.

24/06/KAC9 **AUDIT COMMITTEE CHARTER**

Resolved (11 June 2024)

1. That the Audit Committee Charter be noted.

8.4 **AUDIT COMMITTEE WORKPLAN**

24/06/KAC10 **KOUGA AUDIT COMMITTEE WORKPLAN**

The Manager: Risk & Internal Audit declared that the Internal Audit activities were organisationally independent as required by

standard 1110 of the International Standards for the Practice of Internal Auditing.

Resolved (11 June 2024)

1. That the Kouga Audit Committee Workplan be noted.

8.5 **FINANCE REPORTS**

24/06/KAC11 AUDIT ACTION PLAN FOR 2022/23: AUDIT REPORT

Resolved (11 June 2024)

1. That the Audit Action Plan for 2022/23 be noted.

24/06/KAC12 MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY TO MARCH 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 MARCH 2024 (2023/24 FINANCIAL YEAR)

The Chairperson referred to page 152 and enquired about the anticipated end date for the *Revenue Adjusted Budget.*

The CFO confirmed that there were expectations to exceed the budget.

The Chairperson referred to page 156 of the *Contracted Services* and enquired whether the lack of spending on some of the services was a result of the delay in the execution of capital projects.

The CFO explained that capital projects were budgeted for during the planning phase of the capital budget.

The Chairperson referred to page 158 on the *Repairs and Maintenance* and enquired whether there was a delay in maintenance schedules or low maintenance required considering the decrease in costs.

The CFO highlighted that maintenance was ongoing as multiple invoices were received, however, the maintenance issues should be resolved before year-end.

The Chairperson referred to page 184 and questioned whether there was a risk of losing the grants due to unspent funds.

The CFO stated that there were plans to fully spend funds except for the Water Services Infrastructure Grant (WSIG) as there was a delay in the implementation of the grant.

Resolved (11 June 2024)

1. That the Monthly Budget Statements for the period July to March 2024 and the financial state of affairs of the Municipality as at 31 March 2024 (2023/24 Financial Year) be noted.

24/06/KAC13 **KOUGA AUDIT COMMITTEE (KAC): UNAUTHORISED EXPENDITURE FOR 2022/23 AUDIT REPORT**

Resolved (11 June 2024)

1. That the Kouga Audit Committee: Unauthorised Expenditure for 2022/23 Audit Report be noted.

24/06/KAC14 **KOUGA AUDIT COMMITTEE (KAC): FRUITLESS AND WASTEFUL EXPENDITURE FOR 2022/23 AUDIT REPORT**

Resolved (11 June 2024)

1. That the Kouga Audit Committee: Fruitless and Wasteful Expenditure for 2022/23 be noted.

24/06/KAC15 **SUPPLY CHAIN MANAGEMENT: S36 DEVIATIONS FOR THE 1ST & 2ND QUARTER OF FINANCIAL YEAR INCLUDING APRIL 2024 OF THE 4TH QUARTER**

Resolved (11 June 2024)

1. That the Supply Chain Management: S36 Deviations for the 1st & 2nd Quarter of Financial Year including April 2024 of the 4th Quarter be noted.

24/06/KAC16 **DRAFT MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)-BUDGET FOR 2024/25 TO 2026/27 FINANCIAL YEARS**

The Chairperson requested confirmation whether the Budget was approved.

The CFO confirmed that the budget was approved by Council.

The Chairperson referred to page 253 and noted that an annual deficit was budgeted for. He enquired whether there were plans to obtain a zero-based budget.

The CFO confirmed that there are plans in place such as the long-term financial plan that was approved by Council. The budget has been adjusted in accordance with the long-term financial plan and has subsequently been implemented through the budget processes.

Resolved (11 June 2024)

1. That the Draft Medium-Term Revenue and Expenditure Framework (MTREF)-Budget for 2024/25 to 2026/27 Financial Years be noted.

8.6 **PERFORMANCE MANAGEMENT**

None.

8.7 **RISK MANAGEMENT**

24/06/KAC17 KOUGA RISK REGISTER AS AT 22 MAY 2024

The Manager: Risk & Internal Audit highlighted that the risk register required more engagement with the various Directorates as some actions related to dates that have lapsed. He emphasised that there was a need to ensure that the register was updated accordingly.

He added that Directorates should be providing inputs on their risk mitigation actions to the Audit Committee.

The Chairperson questioned how the delay in updating the risk register has affected the process of finalising the 2024/25 Internal Audit plan.

In response, the Manager: Risk & Internal Audit stated that the high risks areas of the Municipality were used, however, the actions to mitigate the risks have not been provided.

The Chairperson enquired on a date when engagements with management will be held to update the register.

The Manager: Risk & Internal Audit stated that the target date was the end of July 2024.

Resolved (11 June 2024)

1. That the Kouga Risk Register as at 22 May 2024 be noted.

8.8 **CORPORATE SERVICES REPORTS**

24/06/KAC18 SUBMISSION OF AMENDED POLICY REGISTER

The Chairperson noted that the future review dates in the report were historical and enquired whether a plan was in place to review the policies.

In response, the Manager: Administration & Auxiliary Services stated that an SOP has been developed to assist with the flow of policies from their approval date to uploading on the Municipal website and that a tender has been advertised for a new system which will include a module for Policy Management for the entire Municipality.

She added that the Registry Officer has circulated a live spreadsheet for the relevant Directorates to update the status of their respective policies.

The Chairperson proposed that an 'action' column be added to the register to outline the status and progress of each policy and enquired whether the anticipated system would contain the draft Municipal policies or the management of policies.

The Manager: Administration & Auxiliary Services confirmed that the system contains both the draft policies and their management thereof.

Resolved (11 June 2024)

1. That the Policy Register be noted.

24/06/KAC19 **ORGANISATIONAL STRUCTURE REVIEW: 2024/2025**

The Deputy Municipal Manager highlighted that the Organogram was submitted to the Office of the MEC for inputs and that major changes were made to the Civil & Water Services department reporting structure as well as to the job titles in the Planning and Development department.

He added that there was a decrease in the number of positions in the Finance and Economic Development department to align the functionality of tasks.

The Chairperson suggested that a table that outlines the proposed positions in terms of the total number of new vacant positions be included.

Resolved (11 June 2024)

1. That the Organisational Structure Review: 2024/25 be noted.

8.9 ICT REPORTS

24/06/KAC20 **ICT STEERING COMMITTEE MINUTES OF A MEETING HELD IN DECEMBER 2023**

Resolved (11 June 2024)

1. That the ICT Steering Committee Minutes of a meeting held in December 2023 be noted.

24/06/KAC21 **ICT STEERING COMMITTEE MINUTES OF A MEETING HELD IN MARCH 2024**

Resolved (11 June 2024)

1. That the ICT Steering Committee Minutes of a meeting held in March 2024 be noted.

24/06/KAC22 **DIGITAL SERVICES STRATEGIC PROJECTS AND PROGRESS REPORT**

The Chairperson requested an update on the current status of replacing the old servers.

In response, the Deputy Municipal Manager stated that there has been major progress where sites have been migrated to the new Software-defines Wide Area Network (SD-WAN) to improve network connectivity at various Municipal buildings.

He added that new infrastructure and software have been introduced such as the DMS and SAMRAS systems that are used by the Finance department, the Committee Services web-based system, and the Performance Management Systems.

He highlighted that a new PABX telephone system was also implemented and that the migration of data and information on the cloud backup server has commenced and should be fully implemented by September 2024.

Resolved (11 June 2024)

1. That the Digital Services Strategic Projects and progress report be noted.

24/06/KAC23 **QUARTER THREE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN IMPLEMENTATION PERFORMANCE REPORT**

The Chairperson referred to page 15 on the *expenditure of Capital Budget provisions for capital projects* KPI and questioned the reasons for the increased capital budget if the target was not achieved.

In response, the Municipal Manager stated that the only conditional grant where there was uncertainty about spending was the WSIG and that the other capital expenditure was on internal funds such as housing projects.

The Chairperson referred to page 18 on the *Non-distribution electricity losses* KPI and requested clarity on whether there was a calculation error in the actual targets from quarter 1 to quarter 3.

The Director: Electro-Mechanical Services clarified that there have been challenges with the calculations and that engagements between the Revenue and Electrical departments were in progress to address the matter as there were usually variances that were not aligned.

The Chairperson referred to page 28 on the *Number of FTE jobs created through EPWP* KPI and enquired whether the target was not achieved for quarter 3.

The CFO explained that there was confusion about the meaning of the KPI as a result the target was set incorrectly, however, the target was adjusted in the Adjustment Budget.

The Chairperson referred to page 34 on the *Indigents as per indigent register with access to free basic services* KPI and enquired about how the target achievement was measured.

The CFO stated that the Indigent Register was used to ensure that benefits were allocated to the correct beneficiaries monthly.

Resolved (11 June 2024)

1. That the Quarter Three Service Delivery and Budget Implementation Plan Implementation Performance report

9. **MATTERS TO BE ESCALATED**

That the Internal Audit findings be discussed at Top Management level to ensure that findings are addressed accordingly by Directorates.

10. **IN COMMITTEE MEETINGS**

None.

11. **DATE OF NEXT MEETING**

27 August 2024 – Special Audit Committee meeting.

10 September 2024

The meeting adjourned at 12:12



13 January 2025

MR G BILLSON
CHAIRPERSON

pp George Sarpong

DATE

Annexure B:

MINUTES OF A VIRTUAL SPECIAL KOUGA AUDIT COMMITTEE MEETING HELD ON TUESDAY, 27 AUGUST 2024 AT 11:00 AM

PRESENT	Mr G Billson	(Chairperson)
	Mr G Sarpong	(Member)
COUNCILLORS	Cllr B Dhludhlu	(Chairperson: MPAC)
	Cllr J Alexander	(MMC: Corporate & Communication Services)
OFFICIALS	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)
	Ms L Opperman	(Manager: Legal Services)
	Mr A Koegelenberg	(Manager: PMS)
	Mr I Fakir	(Manager: Risk & Internal Audit)
	Mr S Abrahams	(Manager: Budget & Treasury)
	Mr N Swarts	(Manager: Assets & Investments)
	Ms C Groenewald	(Acting Manager: SCM)
	Ms E Symington	(Acting Manager: Expenditure)
	Ms S Mpumela	(Internal Auditor)
	Ms N Mqutyulwa	(Intern: Internal Audit)
	Ms M Julius	(Senior Admin Officer: Committees)
	Mr S Sidjiyo	(Committee Officer)
STAKEHOLDERS	Ms G Hammond	(Eastern Cape Provincial Treasury)
	Mr M Ngwadla	(Eastern Cape Provincial Treasury)
	Ms S Budaza	(Eastern Cape Provincial Treasury)
	Ms S Thompson	(Eastern Cape Provincial Treasury)
	Ms M van der Mescht	(Altimax)

1. **OPENING AND WELCOME**

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

2. **ATTENDANCE REGISTER**

Noted for circulation.

3. **APOLOGIES/LEAVE OF ABSENCE**

Cllr H Bornman (Executive Mayor)

4. **CONFIRMATION OF AGENDA**

The agenda was confirmed without any additional items.

5. **DECLARATION OF INTEREST**

None

6. **MATTERS FOR DISCUSSION**

24/08/KAC1 AFS REVIEW – ALTIMAX

Ms van der Mescht presented the reviewed Annual Financial Statements (AFS) for the year ended 30 June 2024 to the Committee. The presentation outlined the methodology for the review, non-compliance findings, and other findings. 35 non-compliance findings and 29 other findings were raised. The presentation further detailed areas to improve the accuracy of the financial statements.

The Chairperson gave thanks and enquired if management agreed with the findings and whether all the recommended changes would be made. He questioned if any of the findings had been repeat findings from the previous year.

Ms van der Mescht responded that there had not been a focus on comparison to previous findings.

The Chairperson enquired to the Manager: Budget and Treasury if the recommendations based on the findings could be implemented in time.

Cllr Dhludhlu raised a correction regarding the remuneration of Councillors and indicated that the grouping of part-time and full-time Councillors was inaccurate as Section 79 Chairpersons although part-time were renumerated differently.

Ms van der Mescht advised that the amendment as requested by Cllr Dhludhlu was permitted.

The CFO highlighted that in the coming year, the legislation would require Municipalities to prepare the financial statements on the mSCOA data strings and not per vote number or mapping. He added that the Municipality decided that while moving over to Caseware, concurrently prepare the financial statements using the mSCOA data strings, which caused the preparation of AFS to be a sizable exercise.

The CFO further stated that he could not guarantee that 100% of the findings could be implemented in time for submission. However, he highlighted that materiality was considered and non-compliance issues were corrected. Other findings were addressed based on informed decisions. Nonetheless, the department hoped to address all the findings.

The Chairperson thanked the CFO and acknowledged that converting to Caseware had been a mammoth task.

Ms van der Mesch acknowledged the complexity of changing over the system.

Mr Sarpong enquired if nothing was stuck in the system when trial balances were imported during the migration to Caseware.

The CFO confirmed that the balance sheet lines and income statements were checked, and tied up, however, at the lower level the detail might have changed due to reclassification.

He further added that work had been completed following the submission of the AFS to Altimax. The Supply Chain and Expenditure sections were complete, but one or two issues remained for Budget & Treasury. For Revenue, work still needed to be done but this would be completed timeously. He further confirmed that the submission deadline of 31 August 2024 would be met.

The Chairperson appreciated Altimax for the comprehensive review of the AFS.

At 12:15 Ms van der Mesch was excused from the meeting.

24/08/KAC2 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Resolved (27 August 2024)

1. That the Annual Financial Statement for the year ended 30 June 2024 be noted and amended accordingly.

24/08/KAC3 2023/24 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: ANNUAL PERFORMANCE REPORT

The Manager: PMS introduced the item. He highlighted that the overall average score for the institution was 78.94% compared to 78.76% in the previous year and Top Management was consulted.

The Chairperson enquired if there were any disputes regarding Portfolios of Evidence(POE) or results claimed without supporting POEs.

The Manager: PMS confirmed that POEs had been received for all indicators and have subsequently been submitted to the Auditor General (AG). He added that the finance linked POEs would be submitted after the audit process.

The Chairperson enquired whether any changes would be affected after the audit process.

The Manager: PMS responded that he could not confirm, however, if changes were applicable this would be made in time for the January 2025 submission to Council.

The Chairperson enquired whether only one KPA was removed in terms of the SDBIP amendment.

The Manager: PMS responded that many changes were made to the SDBIP but only one KPA regarding the development of precinct plans had been removed as it was unfunded. The KPA regarding job creation was not removed but amended.

The Chairperson gave thanks. He announced that the next meeting would be taking place on the 1st of October and not on 10 September as previously scheduled.

The CFO stated that the AG intended to attend the next Audit Committee meeting to present the Audit Strategy, and enquired if a different date could be provided before the October meeting.

The Chairperson advised that the CFO and the Manager: Risk & Internal Audit liaise on the matter and inform the Committee accordingly.

Resolved (27 August 2024)

1. That the 2023/24 Service Delivery and Budget Implementation Plan: Annual Performance Report be noted.

7. **DATE OF NEXT MEETING**

1 October 2024.

8. **CLOSURE**

The Chairperson thanked everyone for their contribution and declared the meeting closed.

The meeting adjourned at 12:26

MR G BILLSON
CHAIRPERSON

25 MARCH 2025.
DATE

Annexure C:

MINUTES OF THE KOUGA AUDIT COMMITTEE MEETING HELD ON TUESDAY, 01 OCTOBER 2024 AT 10:00 AM, IN THE COUNCIL CHAMBERS, JEFFREYS BAY

PRESENT	Mr G Billson	(Chairperson)
	Mr G Sarpong	(Member)
	Mr D de Lange	(Member)
COUNCILLORS	Cllr H Bornman	(Executive Mayor)
	Ald B Williams	(Speaker)
	Cllr L Maree	(MMC: Finance & Economic Development)
	Cllr J Alexander	(MMC: Corporate & Communication Services)
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 T Madatt	(Director: Electro-Mechanical Services)
	Ms L Opperman	(Manager: Legal Services)
	Mr I Fakir	(Manager: Risk & Internal Audit)
	Ms C Groenewald	(Acting Manager: SCM)
	Mr N Swarts	(Manager: Assets & Investments)
	Mr C Tyani	(Internal Auditor)
	Ms S Mpumela	(Internal Auditor)
	Ms N Mqutyulwa	(Risk & Internal Audit: Intern)
	Ms C Prinsloo	(Legal Officer)
	Mr S Sidjiyo	(Committee Officer)
	Ms R Swart	(Committee Clerk)

1. **OPENING AND WELCOME**

The Chairperson welcomed everyone present, read the notice convening the meeting, and extended a hearty welcome to the new Audit Committee member, Mr de Lange.

2. **ATTENDANCE REGISTER**

Noted for circulation.

3. **APOLOGIES**

Cllr B Dhludhlu
Mr L Ramakuwela (Director: Planning & Development)
Eastern Cape Provincial Treasury

4. **CONFIRMATION OF AGENDA**

The agenda was confirmed without amendments. However, the Chairperson raised concerns about the following missing reports:

- Audit Committee and Internal Audit Charter
- 2024/25 Draft Budget

The CFO further clarified that there were no unauthorised, irregular, or fruitless expenditures to report.

5. DECLARATION OF INTEREST

None of the Kouga Audit Committee members had anything to declare.

6. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

6.1 MINUTES OF THE KOUGA AUDIT COMMITTEE MEETING HELD ON 11 JUNE 2024

Resolved (01 October 2024)

1. That the Minutes of the Kouga Audit Committee Meeting held on 11 June 2024 be approved.

   Proposed: Mr G Billson Seconded: Mr G Sarpong

7. REPORT BY THE MUNICIPAL MANAGER

The Municipal Manager highlighted that the Municipality was implementing three system upgrades, including a new document management system for the Town Planning department. He added that the existing system would be maintained while efforts would be made to resolve issues with the new system.

He further indicated that the audit process was proceeding smoothly, with no significant issues reported. He highlighted the progress in filling critical vacancies and the challenge of budget constraints to fill more positions.

At 10:17 the Municipal Manager was excused from the meeting.

8. MATTERS FOR DISCUSSION

8.1 MATTERS ARISING REGISTER

24/10/KAC1 MATTERS ARISING REGISTER AS AT JUNE 2024

The Chairperson enquired about the inclusion of a status column on the Status Capital Projects.

In response, the CFO indicated that what was required was a status update next to each capital project in the Section 71 report. However, it was impractical to obtain a status update at the end of the month due to timeframes. He suggested that a quarterly report on the status of Capital Projects would be submitted to the Audit Committee.

The Manager: Risk and Internal Audit was requested to engage and follow up with CoGTA to understand the placement of the fraud and forensic function within the Municipality and provide feedback in the next meeting.

The Chairperson requested that the last communication dates and the ongoing follow-ups be included in the matters arising register as an indication of action taken.

Resolved (01 October 2024)

1. That the Matters Arising Register as at June 2024 be submitted to Council for noting.

8.2 **AUDITOR GENERAL UPDATE**

None.

8.3 **INTERNAL AUDIT**

24/10/KAC2 INSTITUTIONAL KEY PERFORMANCE INDICATORS REVIEW 2024/2025

Mr de Lange enquired about the impact of the performance appraisal for the last quarter for the Senior Management and whether it would be done on the old system.

The Deputy Municipal Manager highlighted that it would be done on the old system as it was not captured on the new system.

The Speaker referred to page 38 and questioned the reasons for the non-completion of annual targets. He further requested an explanation of the Internal Audit comments regarding the summary of findings for good performance indicators.

In response, the Manager: Risk and Internal Audit explained that the KPIs were assessed according to National Treasury's framework for managing programme performance information. He added that performance would not achieve the intended outcome if KPIs are worded incorrectly, and he emphasised the importance of correct wording to avoid misinterpretation and ensure compliance with audit standards.

The Internal Audit was requested to review Annexure C on page 38 for any possible ambiguities, adjust where applicable, and submit to the relevant sections.

Resolved (01 October 2024)

1. That the Institutional Key Performance Indicators review 2024/2025 be noted.

24/10/KAC3 **SUPPLY CHAIN MANAGEMENT QUARTER 4 REVIEW 2023/2024**

Mr de Lange requested feedback on how the findings were dealt with as there was a potential for irregular expenditure with the issues raised.

The Acting Manager: Supply Chain Management responded that feedback could not be provided timeously to the Internal Audit due to preparations of financial statements and clash of deadlines for the finalisation of the report.

The Manager: Internal Audit added that the raised findings and the response thereof would be incorporated as part of the follow-up process to determine if the root cause of the findings still existed or not.

On page 48, the Speaker requested a high-level overview and the reasons for the weak overall rating on processes and control framework.

In response, the Manager: Internal Audit stated that at the time of review, the report had findings with significant high impact, monetary implication, and potential irregular expenditure. However, the other findings related to scope limitations, and all contributed to the overall report rating which was weak.

The Speaker raised concerns about the six months turnaround time and the findings with significant high impact not receiving timeous response and attention.

The Chairperson proposed that the Internal Audit reports be submitted to the Municipal Manager for action or intervention with the relevant department or management to respond to Internal Audit requests where responses or information is not provided.

The Committee raised concerns about the lack of understanding of Service Level Agreement (SLA) processes among departments which indicated a control weakness.

The CFO highlighted that a centralised approach to SLA management was being considered to ensure compliance and timely execution. He further added that additional positions for contract management would be added to address the current vacancies and improve oversight.

The Chairperson indicated that the absence of SLAs poses a risk of not receiving expected services from providers and the potential of paying for services that were not delivered at the expected level. He added that SLAs should clearly outline service expectations to mitigate risks.

The Acting Manager: Supply Chain Management requested that Internal Audit consider the Civil and Water Services tenders during the sampling process.

The Committee requested that the Internal Audit reports consistently indicate responsible persons and target dates for accountability purposes.

Resolved (01 October 2024)

1. That the Supply Chain Management Quarter 4 review 2023/2024 be noted.

2. That the Internal Audit reports be submitted to the Municipal Manager for action or intervention with the relevant department or management to respond to Internal Audit requests where responses or information is not provided.

3. That the Internal Audit reports consistently indicate responsible persons and target dates for accountability purposes.

24/10/KAC4 **UPDATE ON INTERNAL AUDIT FINDINGS TRACKER**

The Speaker referred to page 61 and raised concerns about the total number of Internal Audit findings still awaiting response from directorates.

The Chairperson indicated that over the last number of meetings, the Audit Committee raised concerns that Internal Audit findings were not being effectively addressed. He further enquired if there was a merit in reconsidering the summary listing.

The Manager: Internal Audit responded that the Internal Audit's first objective was to understand the directorates' sentiments towards the 42 findings. He added that if after the receipt of responses from Directors on the 42 findings, it turned out that directorates were ready for testing, Internal Audit would go ahead with testing. However, if directorates are not ready for testing, the merits of the findings would be considered.

The Chairperson proposed that Internal Audit meets with management to assess the status of the 42 findings and provide a report at the next Audit Committee meeting on the status of the findings and management's responses.

Mr de Lange enquired if the findings in the AG audit plan and the internal audit findings were Key Performance Indicators in the performance contracts of Senior Management.

In response, the Deputy Municipal Manager indicated that the KPI was not included in the Performance Agreements of Senior Managers.

The Committee proposed that the Internal Audit and AG findings be included as a Key Performance Indicator (KPI) in the Performance Agreements of Senior Management.

Resolved (01 October 2024)

1. That the update on the Internal Audit findings tracker be noted.

2. That the Internal Audit meets with management to assess the status of the 42 findings and provide a report at the next Audit Committee meeting on the status of the findings and management's responses.

3. That the Internal Audit and AG findings be included as a Key Performance Indicator (KPI) in the Performance Agreements of Senior Management.

24/10/KAC5 **PROGRESS VS ACTUAL AUDIT COMMITTEE PLAN AS AT 10 SEPTEMBER 2024**

Mr de Lange noted that there was no audit for ICT and enquired about the reasons.

In response, the Manager: Risk and Internal Audit indicated that there were no internal special skills to perform any ICT reviews, if the need arises the service would be outsourced. He added that during this current financial year, an assessment would be conducted to determine what would be required and the budget.

The Chairperson proposed an in-committee discussion with Internal Audit and ICT to assess the inclusion of ICT audits in the internal audit plan, considering the recent cyber threats.

Resolved (01 October 2024)

1. That the progress vs actual Audit Committee Plan as at 10 September 2024 be noted.

2. That an in-committee discussion with Internal Audit and ICT be held to assess the inclusion of ICT audits in the internal audit plan, considering the recent cyber threats.

8.4 **FINANCE REPORTS**

24/10/KAC6 **KOUGA AUDIT COMMITTEE: AUDIT ACTION PLAN FOR 2022/23 AUDIT REPORT**

Mr de Lange referred to page 68 and enquired about the progress on the debt reduction plan for water and electricity.

The CFO responded that all three plans were submitted to the Council for approval and were being implemented.

Resolved (01 October 2024)

1. That the Kouga Audit Committee notes the audit action plan for the 2022/23 financial year.

24/10/KAC7 **MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY TO MAY 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS OF 30 JUNE 2024 (2023/24 FINANCIAL YEAR)**

On page 82, Mr de Lange enquired about the reasons for some unspent budgets for repairs and maintenance.

The CFO responded that the budget for electrical infrastructure, and facilities was unspent as there was no detailed plan. However, some of the budgets were in case something happens, and if no expenditure is incurred the funds become available.

Resolved (01 October 2024)

1. That the 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.

24/10/KAC8 **SUPPLY CHAIN MANAGEMENT: ANNUAL IMPLEMENTATION REPORT FOR THE 2023-2024 FINANCIAL YEAR ENDING 30 JUNE 2024**

Resolved (01 October 2024)

1. That the Supply Chain Management: Annual Implementation report for the 2023/2024 Financial year ending 30 June 2024 be noted.

8.5 **PERFORMANCE MANAGEMENT**

The Committee requested that the latest performance information always be included in the KAC meeting agenda.

8.6 RISK MANAGEMENT

24/10/KAC9 KOUGA RISK REGISTER UPDATE

Mr de Lange enquired about the ICT Risk Register.

The Manager: Risk and Internal Audit responded that an ICT Risk Register was developed, however, the register still needed to be revived and updated.

The Committee proposed that the ICT Risk Register be included in the future Audit Committee agenda packs, updated with dates and mitigating action plans.

The Speaker raised concerns about the items which were submitted without the item template. He further requested that all relevant reports submitted to the Audit Committee include the item template as per the SOP.

Resolved (01 October 2024)

1. That the Kouga Risk Register be noted.

2. That the ICT Risk Register be included in the future Audit Committee agenda packs, updated with dates and mitigating action plans.

3. That all relevant reports submitted to the Audit Committee include the item template as per the SOP.

8.7 CORPORATE SERVICES REPORTS

The Committee reviewed the current status of policies, including the last signed date and due dates for review. The Chairperson emphasised that the policy register must be kept up to date.

It was further requested that the Policy Register be submitted as a standard report to the Kouga Audit Committee.

The Committee requested that the standard overtime report be included in the agenda for the next KAC meeting.

The Office of the Deputy Municipal Manager was requested to circulate the existing Ethics Policies, Codes of Conduct, and Disciplinary Codes to the Audit Committee members for review.

24/10/KAC10 CRITICAL VACANCY REPORT

Resolved (01 October 2024)

1. That the report be noted.

2. That the Deputy Municipal Manager circulate the existing Ethics Policy, Codes of Conduct and Disciplinary Codes to the Audit Committee members for review.

8.8 **ICT REPORTS**

24/10/KAC11 ICT STEERING COMMITTEE MINUTES OF A MEETING HELD IN MAY 2024

Resolved (01 October 2024)

1. That the ICT Steering Committee Minutes of a meeting held in May 2024 be noted.

24/10/KAC12 DIGITAL SERVICES STRATEGIC PROJECTS AND PROGRESS REPORT

Resolved (01 October 2024)

1. That the report be noted.

9. **MATTERS TO BE ESCALATED**

That the Internal Audit findings be discussed at Top Management level to ensure that findings are addressed accordingly by Directorates.

10. **IN COMMITTEE MEETINGS**

None.

11. **DATE OF NEXT MEETING**

26 November 2024

The meeting adjourned at 12:14.

MR G BILLSON
CHAIRPERSON

20/12/2024
DATE

Annexure D:

MINUTES OF THE KOUGA AUDIT COMMITTEE MEETING HELD ON TUESDAY, 11 DECEMBER 2024 AT 09:59 AM, IN THE COUNCIL CHAMBERS, JEFFREYS BAY

PRESENT	Mr D de Lange	(Acting Chairperson)
	Mr G Sarpong	(Member)
COUNCILLORS	Ald B Williams	(Speaker)
	Cllr L Maree	(MMC: Planning and Development)
	Cllr B Dhludhlu	(Chairperson: Municipal Public Accounts Committees)
OFFICIALS	Mr C du Plessis	(Municipal Manager)
	Ms L Opperman	(Acting Deputy Municipal Manager)
	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 and Development)
	Mr I Fakir	(Manager: Risk & Internal Audit)
	Ms A Koegelenberg	(Manager: Performance Management System)
	Ms C Groenewald	(Acting Manager: SCM)
	Mr N Swarts	(Manager: Assets & Investments)
	Mr C Tyani	(Internal Auditor)
	Ms S Mpumela	(Internal Auditor)
	Ms N Mqutyulwa	(Risk & Internal Audit: Intern)
	Ms M Rossouw	(Manager: Administration & Auxiliary Services)
	Ms J Thomas	(Manager: Human Resources)
	Mr B Faulkner	(Snr Officer Div Specialist)
	Ms N Swarts	(Assets)
	Mr M Goduka	(Manager: Information Technology)
	Mr S Abrahams	(Manager: BTO)
	Ms M Julius	(Snr Admin Officer: Committees)
	Ms S Rautenbach	(Committee Officer)
	Ms R Swart	(Committee Clerk)
STAKEHOLDERS		
	Ms G Hammond	(Eastern Cape Provincial Treasury)

1. **OPENING AND WELCOME**

The Municipal Manager opened the meeting. He indicated that the Chairperson of the Audit Committee, Mr G Billson had passed away and a moment of silence was observed in remembrance of Mr G Billson.

The Municipal Manager indicated that an Acting Chairperson be elected for the duration of the Audit Committee.

Mr G Sarpong nominated Mr D de Lange who accepted the nomination.

Mr de Lange took the chair and congratulated Kouga Local Municipality on receiving a clean audit for the 2023/24 financial year.

Mr de Lange suggested that in future, the Kouga Audit Committee agenda be separated into two parts, confidential agenda and open agenda. This will be discussed with the Municipal Manager.

2. ATTENDANCE REGISTER

Noted for circulation.

3. APOLOGIES

Cllr H Bornman	(Executive Mayor)
Cllr L Maree	(MMC Finance)
Cllr J Alexander	(MMC Corporate and Communication Services)
Mr D de Jager	(Deputy Municipal Manager)
Mr R Lorgat	(Chief Financial Officer)

4. CONFIRMATION OF AGENDA

The agenda was confirmed without amendments.

5. DECLARATION OF INTEREST

None of the Kouga Audit Committee members had anything to declare.

6. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

6.1 MINUTES OF THE KOUGA AUDIT COMMITTEE MEETING HELD ON 1 OCTOBER 2024

Cllr Dhludhlu indicated that he applied for leave of absence from the meeting of 1 October 2024 and requested that his name be added under Apologies/Leave of absence.

The Acting Chairperson requested that the discussion be included under item 24/10/KAC5, as a recommendation. "That an in-committee discussion with Internal Audit and ICT be held to assess the inclusion of ICT audits in the internal audit plan, considering the recent cyber threats."

The Speaker referred to page 13 and emphasised that all reports submitted to the Audit Committee must include the item template as per the Standard Operating Procedure (SOP) requirements.

In response the Municipal Manager indicated that there is no reasonable explanation why the items cannot adhere to the SOP. He requested that the Internal Audit items be guided by the SOP.

The Acting Chairperson concluded that the item templates as indicated in the SOP will be adhered to and that a discussion will be held outside the meeting regarding the signatures on items.

The Acting Chairperson requested that the existing Ethics Policies, Codes of Conduct and Disciplinary Codes be distributed to the Audit Committee members for review, as discussed under Corporate Service Reports after the meeting and that the discussion be added as a recommendation in the minutes.

Resolved (11 December 2024)

1. That the Minutes of the Kouga Audit Committee Meeting held on 1 October 2024 be approved with amendments.

   Proposed: Mr G Sarpong Seconded: Mr D de Lange

7. **REPORT BY THE MUNICIPAL MANAGER**

None

8. **MATTERS FOR DISCUSSION**

8.1 **MATTERS ARISING REGISTER**

24/12/KAC1 MATTERS ARISING REGISTER AS AT OCTOBER 2024

The Acting Chairperson referred to the Fraud Risk Register and suggested that Municipality investigate the possibility of establishing a Risk Management Committee. The framework for a Risk Management Committee could be obtained from CoGTA.

In response, the Municipal Manager indicated that Fraud Risk Management is currently the responsibility of the Office of the Deputy Municipal Manager in consultation with the Office of the Municipal Manager due to the sensitivity of the matters and confidentiality.

The MPAC Chairperson suggested that a workshop be scheduled regarding Risk Management.

The Speaker enquired if a Risk register is in place and indicated that the action sheet be updated.

The Municipal Manager indicated that a Risk Register is available.

8.2 **AUDITOR GENERAL UPDATE**

None.

8.3 **INTERNAL AUDIT AND RISK MANAGEMENT**

24/12/KAC2 INTERNAL AUDIT REPORT: REVIEW OF CONTROLS OVER ASSET ALIENATION (IMMOVABLE PROPERTY)(2024/25)

The Speaker enquired on the formulation of resolutions on Internal Audit reports. The resolutions are only for noting, however, the report contained four recommendations. The Speaker enquired if the Audit Committee would take note of the report and refer items to Council for noting.

The Chairperson indicated recommendations in the report are for information or advice to the Head of Departments. Not all recommendations of Internal Audit are accepted by Head of Departments, therefore the Audit Committee takes note of the report.

Resolved (11 December 2024)

1. That the report be noted.

24/12/KAC3 MUNICIPAL BUILDING SECURITY PROCESS REVIEW (2024/25)

The Speaker stated that the matter regarding the non-functioning of surveillance cameras be addressed by Management and be added as a recommendation.

The Acting Chairperson indicated that a proper plan be in place, indicating the responsible officer and timeframe in the report.

The Acting Chairperson referred to finding B.1.1 and enquired if there was only one copy available and if any Backup Policy is in place.

Ms S Mpumela, Internal Auditor, indicated that only one copy was available, but a new system was implemented to retrieve information.

The Speaker enquired regarding the expired dates indicated on the estimate's completion date.

The Internal Audit explained that the dates are provided by Management, and the role of Internal Audit is then to advise Management and verification of actions.

The Municipal Manager indicated that it is not always possible to adhere to the target dates due to budget constraints and different challenges.

The Acting Chairperson suggested that a plan of action be implemented to assist with tracking of completion dates.

Mr G Sarpong suggested that management action plans be reviewed before the reports are submitted to the Audit Committee to indicate more recent progress.

Resolved (11 December 2024)

1. That the report be noted.

24/12/KAC4 UPDATE ON INTERNAL AUDIT FINDINGS SUMMARY

Resolved (11 December 2024)

1. That the update on the Internal Audit findings summary be noted.

24/12/KAC5 PROGRESS VS ACTUAL AUDIT COMMITTEE PLAN AS AT 20 NOVEMBER 2024

The Manager: Internal Audit requested that Departments communicate if they experience challenges with deadlines.

Resolved (11 December 2024)

1. That the progress vs actual Audit Committee Plan as at 20 November 2024 be noted.

24/12/KAC6 KOUGA RISK REGISTER AS AT 31 OCTOBER 2024

The Manager: Internal Audit stated that risk owners must provide an overview on the status of the identified risks and indicate the tracking process used to monitor and measure progress. A column will be added to the document to indicate the status of the risks identified.

Resolved (11 December 2024)

1. That the Kouga Risk Register as 31 October 2024 be noted.

24/12/KAC7 KOUGA ICT RISK REGISTER AS AT 31 OCTOBER 2024

Resolved (11 December 2024)

1. That the Kouga ICT Risk Register as 31 October 2024 be noted.

8.4 **FINANCE REPORTS**

24/10/KAC8 MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY TO SEPTEMBER 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS OF 30 SEPTEMBER 2024 (2024/25 FINANCIAL YEAR)

The Acting Chairperson enquired if any revenue enhancement plan and strategies are in place with regards to debtors' reduction and indicated that a report be submitted to the next meeting. He indicated that a report be tabled to the next meeting indicating the outstanding debt (amount) owed by Councillors and staff members.

The Acting Chairperson requested that in future, the agenda be separated into a confidential agenda and an open agenda.

Resolved (11 December 2024)

1. That the 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.

2. That a Debtors Reduction Plan be submitted to the next Audit Committee meeting.

3. That a report be tabled to the Audit Committee indicating the outstanding debt (amount) owed by Councillors and staff members.

24/12/KAC9 MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY TO OCTOBER 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS OF 31 OCTOBER 2024 (2024/25 FINANCIAL YEAR)

The Acting Chairperson enquired regarding the high security costs as indicated in the contracted services spreadsheet.

The Manager: Budget and Treasury explained that security was outsourced and a contracted service.

The amount on the Adjustment Budget increased and the expenditure was more than anticipated, however, a plan is in place to reduce the cost of security services.

Resolved (11 December 2024)

1. That the 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.

24/12/KAC10 OVERTIME REPORT: SEPTEMBER & OCTOBER 2024

The Acting Chairperson enquired if overtime was paid as guided by legislation and whether controls were in place with regards to payment of overtime to monitor overtime expenditure.

The Municipal Manager indicated that budget limitations are in place in all Departments.

Resolved (11 December 2024)

1. That the Kouga Audit Committee note the overtime report for salaries for the month of September & October 2024.

24/12/KAC11 **SUPPLY CHAIN MANAGEMENT: QUARTERLY IMPLEMENTATION REPORT FOR THE 1ST TERM OF THE 2024/2025 FINANCIAL YEAR ENDING 30 SEPTEMBER 2024**

The Acting Chairperson enquired if there are any tenders of concern that could possibly end up as irregular expenditure.

The Supply Chain Manager indicated that there are no tenders of concern.

On page 211, Deviations, the Acting Chairperson referred to renting of office space and enquired if other options were explored, rather than renting. He urged the Municipality to be cautious of deviations. He suggested testing the market as much as possible and for it to provide the best evidence to the Auditor General.

The Supply Chain Manager indicated that the market was tested with regards to renting office space, however, no other options are available.

Resolved (11 December 2024)

1. That the report submitted to the Kouga Audit Committee, be noted.

8.5 **PERFORMANCE MANAGEMENT**

24/12/KAC12 **2024/25 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: PROGRESS UP TO THE QUARTER ENDING 30 SEPTEMBER 2024**

The Acting Chairperson enquired if any contract management controls were in place to ensure effectiveness.

The Acting Manager: Supply Chain Management responded that a excel register is in place, but SCM was currently looking into implementing contract management software to assist the process.

Resolved (11 December 2024)

1. That the Quarter 1 institutional performance report on progress made with the implementation of the 2024/25 Service Delivery and Budget Implementation Plan be noted.

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 to ensure achievement of the annual performance targets and that such corrective actions be submitted to the relevant Portfolio Committees.

8.6 **CORPORATE SERVICES REPORTS**

24/12/KAC13 CRITICAL VACANCY REPORT

Resolved (11 December 2024)

1. That the report be noted.

24/12/KAC14 JOB EVALUATION REPORT

Resolved (11 December 2024)

1. That the report be noted.

24/12/KAC15 REPORT: REVIEW OF THE ORGANOGRAM

Resolved (11 December 2024)

1. That the report be noted.

24/12/KAC16 SUBMISSION OF THE AMENDED POLICY REGISTER

The Acting Chairperson enquired why the Delegations Register was not reviewed for the current Council.

The Acting Deputy Municipal Manager responded that the Delegations Register was approved by Council.

The Manager: Administration & Auxiliary Services indicated that a new Service Provider had been appointed to develop a policy and bylaw module which would assist.

The Acting Chairperson suggested that the Corporate Governance and ICT policy be kept up to date.

He enquired if the Policy for Spaza/house shops was reviewed.

The Director: Community Services stated that the policy would be reviewed in 2025.

She indicated that all inspections were completed and all spaza shops were captured on a database. A period of six months was granted in terms of compliance. All permits and building plans need to be complaint before Environment Health certificates could be issued.

The Acting Chairperson enquired regarding the Audit Committee Policy and the Manager: Internal Audit responded that the Audit Committee Policy/Charter will be circulated to the Audit Committee members.

Resolved (11 December 2024)

1. That the report be noted.

2. That the Audit Committee Policy/Charter be circulated.

8.7 **ICT REPORTS**

24/12/KAC17 ICT STEERING COMMITTEE MINUTES OF A MEETING HELD IN MAY 2024

Resolved (11 December 2024)

1. That the ICT Steering Committee Minutes of a meeting held in May 2024, be noted.

24/10/KAC18 DIGITAL SERVICES STRATEGIC PROJECTS AND PROGRESS REPORT

The Acting Chairperson commended the Department for the uptime.

Resolved (11 December 2024)

1. That the report be noted.

9. **MATTERS TO BE ESCALATED**

None

10. **IN COMMITTEE MEETINGS**

None

11. **DATE OF NEXT MEETING**

25 March 2025.

The Acting Chairperson requested that the Auditor General Management letter and Audit Report be forwarded to the Audit Committee Members.

The meeting adjourned at 13:22.

MR D DE LANGE
ACTING CHAIRPERSON

25 MARCH 2025.
DATE

Annexure E:

MATTERS ARISING REGISTER: KOUGA AUDIT COMMITTEE									
MEETING DATE	**NUMBER**	**ITEM NO**	**ITEM DESCRIPTION**	**RESOLUTION**	**ACTION TAKEN**	**CURRENT STATUS**	**TARGET DATE**	**RESPONSIBLE OFFICIAL**	**CURRENT STATUS COMPLETED NOT COMPLETE IN PROGRESS ON GOING**
07-Dec-23	**1**	**Rolled Over**	**SUMMARY OF INTERNAL AUDIT FINDINGS INCLUDING DETAIL FINDINGS LISTING**	That significant findings such as the 71 awaited responses from directorates be discussed with the relevant Directorates That Internal Audit meets with management to assess the status of the 42 findings and provide a report at the next Audit Committee meeting on the status of the findings and management's responses.	The updated tracker was resubmitted to the directorate for which the 10 responses were outstanding to allow for the directorate to indicate readiness for testing by indicating either yes or no. Two responses were subsequently received . There are now 8 outstanding responses to which this matter refers.	In progress	02-Dec-24	Internal Audit & BTO	In Progress

	2	**23/12/KAC9**	**MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2023 TO SEPTEMBER 2023 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 30 SEPTEMBER 2023 (2023/24 FINANCIAL YEAR)**	That a 'status' column be included on the Status of Capital Programmes	This matter was raised at Top Management. Directors will be providing progress updates to the Mayor monthly on Capital Expenditure. This information will be included as a separate report to the Audit Committee thereafter but will not be included in the Monthly Section 71 Reports due to constricted reporting deadlines. The Capital Expenditure Report will be prepared quarterly and submitted to Audit Committee.	Report will be prepared from 3rd quarter onwards	31-Mar-25	Chief Financial Officer	In Progress
	3		**MATTERS ARISING REGISTER AS AT DECEMBER 2023**	That Fraud Risk Register be included for the next Kouga Audit Committee meeting.	A virtual meeting took place on 31 October 2024 at 10:00 am. The meeting was attended by the Manager Internal Audit & Risk from Kouga Local Municipality and the Deputy Director : Security & Anti-Corruption Services. The Manager Internal Audit & Risk mentioned that he would quote the International	In progress	20/1/2024	Municipal Manager & Manager : Internal Audit	In Progress
28-Mar-24	**4**	**24/03/KAC14**	**KOUGA RISK REGISTER AS AT 07 FEBRUARY 2024**	That a Fraud Prevention Plan be instituted.					

					Standards for the Professional Practice of Internal Auditing and used the standards as the basis to outline what can be and what cannot be expected of Internal Audit in so far as it relates to forensic activities. The updated organogram of Kouga Local Municipality was flighted on the screen and the meeting participants engaged on each section, annexure by annexure and the following departments were excluded from the discussion : Planning & Development, Civils & Water and Electromechanical Services. The Cogta representative suggested that a multi-disciplinary approach be followed. He mentioned that this approach is already being followed at other local municipalities. This would require two or three departments having a role to play in the forensics cycle. The Cogta representative mentioned that he would engage with he's senior as well as				

					National and will revert with feedback. The Cogta representative asked if the municipality would consider creating a posting on the organogram for a "forensic internal auditor" The latest feedback received from the Cogta representative was subsequently discussed at a meeting with Audit Committee members.				
01-Oct-24	5		**MATTERS ARISING REGISTER AS AT OCTOBER 2024**	That all relevant reports submitted to the Audit Committee include the item template as per the SOP.				All Directorates & Committee Services	
	6			That the existing Ethics Policies, Codes of Conduct, and Disciplinary Codes be circulated to the Audit Committee members for review.	All documents circulated	Completed	Immediate	DMM	
	7		**PERFORMANCE MANAGEMENT**	That the latest performance information be included in future KAC meeting agenda packs.	Performance Reports submitted quarterly after submission to Counicil			Manager: PMS	
	8			That the Internal Audit and AG findings be included as a Key Performance Indicator (KPI) in the Performance	Audittor General findings included as Key Performance Indicator for 2024/25 SDBIP review				

				Agreements of Senior Management.					
11-Dec-24	9		**MINUTES OF THE KOUGA AUDIT COMMITTEE MEETING HELD ON 1 OCTOBER 2024**	That an in-committee discussion with Internal Audit and ICT be held to assess the inclusion of ICT audits in the internal audit plan, considering the recent cyber threats	Discussions have taken place with the ICT Manager on the ICT assurance requirement. In assessing the possible ICT review that could be included in the audit plan. The ICT manager ICT mentioned that he would like a maturity assessment to be performed. The audit committee members can discuss this further in line with this matter that was raised.	In progress	25-Mar-25	Manager Internal Audit & Manager: CT, Audit committee	
	10	24/12/KAC1	**MATTERS ARISING REGISTER AS AT DECEMBER 2024**	The framework for a Risk Management Committee could be obtained from CoGTA.	The Risk Management framework was obtained and circulated to senior management.	Completed	n/a	Manager: Internal Audit	
	11	24/12/KAC3	**MUNICIPAL BUILDING SECURITY PROCESS REVIEW (2024/25)**	That the matter regarding the non-functioning of surveillance cameras be addressed by Management.	1. Humansdorp main building camera system NVR has been replaced 2. Humansdorp vehicle park at fire station cameras have been repaired and are now streaming to ICC 3. Humansdorp vehicle park electric fence was repaired but damaged again, it will be repaired in the next financial year. 4. Humansdorp Traffic Department camera system NVR has been replaced	1,2,4,6 - Completed 3,5,7 - In Progress	3 - May 2025 5 - 2025/26 7 - 2025/26	Director: Community Services/ Manager: Fleet Dept	1,2,4,6 COMPLETED 3,5,7 IN PROGRESS

					5. Humansdorp Library CCTV system will be addressed in the next financial year. 6. J Bay main building downstairs, external CCTV system is streaming to ICC. 7. J Bay main building upstairs, CCTV system needs to be upgraded before been linked to ICC and is in progress.				
	12			That the management action plans be reviewed before the reports are submitted to the Audit Committee to indicate more recent progress.	Management is required to indicate their readiness for follow up testing on a regular basis. Should managment implement a control prior to a date reflected in a report, it will be reflected as such in the internal audit follow up tracker summary and will be tested by Internal Audit.	Completed	n/a	Manager: Internal Audit	
	13	**24/12/KAC6**	**KOUGA RISK REGISTER AS AT 31 OCTOBER 2024**	A column will be added to the document to indicate the status of the risks identified	A progress to date column was added to the risk register that indicates the status of the risks identified.	Completed	n/a	Manager: Internal Audit	
	14	**24/10/KAC8**	**MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY TO SEPTEMBER 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS OF 30 SEPTEMBER 2024**	That the KAC agenda be separated into a confidential agenda and an open agenda.	Confidential agendas can be prepared in event of confidential items being tabled.	Completed	n/a	Manager: Internal Audit & Committee Services	
	15			That a Debtors Reduction Plan be submitted to the next Audit Committee meeting.	Report included in Agenda	Completed	n/a	CFO	

	16		**(2024/25 FINANCIAL YEAR)**	That a report be tabled to the Audit Committee indicating the outstanding debt (amount) owned by Councillors and staff members.	Report included in Agenda	Completed	n/a	CFO	
	17	**24/12/KAC16**	**SUBMISSION OF THE AMENDED POLICY REGISTER**	That the Audit Committee Policy/Charter be circulated to the Audit Committee members.	The Audit Committee Charter was circulated to the Audit Committee Members	Completed	n/a	Manager: Internal Audit	
	18			That the Auditor General Management letter and Audit Report be forwarded to the Audit Committee Members	Management Letter and Audit Report forwarded to Audit Committee Members	Completed	n/a	CFO	

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
KOUGA AUDIT COMMITTEE
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/KAC2**

AUDIT COMMITTEE CHARTER

1. **Introduction**

The purpose of this item is to submit the Audit Committee Charter to Council for consideration and approval.

2. **Background**

The Charter details the Audit Committee's roles and responsibilities, authority as well as the requirements for its composition and meeting procedures.

3. **Discussion**

The Audit Committee charter is aligned to the best practices of the Institute of Internal Auditors.

4. **Financial Implications**

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

5. **Applicable Legislation**

As per section 166(1) of the Municipal Financial Management Act 56 of 2003, each municipality and each municipal entity must have an audit committee.

6. **Legal Implications**

Should Council approve the Charter, the Audit Committee must conduct its business in line with the provisions of the approved Charter.

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**

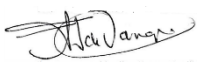
Recommendation supported.

9. **Delegated Authority**

To Council for approval.

10. **Recommendations**

10.1 That Council approves the Audit Committee Charter.

Item prepared by the: Kouga Audit Committee Chairperson: 

AUDIT COMMITTEE CHARTER

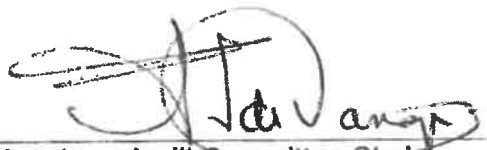
KOUGA
local municipality
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Document Control Sheet

Title of Report	:	*Audit Committee Charter*
Type of Report	:	*Charter*
Document Number	:	

SIGNING OF THE ORIGINAL DOCUMENT

This charter is approved by the signatories listed below whom, by signing this document, confirm their acceptance of its content and authorize the implementation/adoption thereof.



Signature: Audit Committee Chairperson — Date: 7/4/2025



Signature: Municipal Manager — Date: 7/4/2025

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1 General Definitions

In this Audit Committee Charter, unless the context indicates otherwise, a word or expression to which a meaning has been given, has the same meaning: –

Accounting Officer:	means the Municipal Manager/Chief Executive Officer, referred to in section 60 of the Act
Act:	means the Municipal Finance Management Act (MFMA) 56 of 2003
Committee:	means the Audit Committee (AC) Committee established in terms of Section 166 of the Act
Chief Audit Executive (CAE):	means the Head of the Internal Audit Unit of the municipality
Chief Financial Officer (CFO):	means the employee designated in terms of section 80(2) (a) of the Act
Local Municipality:	means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality
Employee:	means a person in the employ of the Local Municipality
External Auditors:	means the Auditor – General South Africa (AGSA)
Internal Audit Function:	means in-house or outsourced internal auditors

2 Legislation

The following legislation is observed and associated with the Audit Committee:

- The Constitution of the Republic of South Africa, Act 108 of 1996 as mended, [Chapter 10, Section 195(1) (a)-(i) and Chapter 7, Section 152(1)(a) -(e) and 152(2)]
- Local Government Municipal Systems Act: Municipal Planning Performance Management Regulations (Gazette 22605) (Regulation Gazette 7146) 24 August 2001 (S14(2) Not applicable for entities
- Local Government: Municipal Structure, Act 117of 1998 as amended, [Section 79(1)(a) -(c) and Section 79(2)(a)-(f)]
- Local Government: Municipal Finance Management Act, Act 56 of 2003 [Section 166]

3 Introduction

This Charter sets out the specific responsibilities of the Kouga Local Municipality (Kouga) Audit Committee (the Committee) as required by the Municipal Finance Management Act, No 56 0f 2003 (MFMA), Local Government: Municipal Planning and Performance Management Regulations, No 796 of 2001 (the Regulations), as well as the King IV Report on Corporate Governance for South Africa 2016 which became effective in respect of financial years starting on or after 1 April 2017. The charter provides a framework within which the Committee should operate.

This Charter sets out the specific responsibilities laid down in the Act, Regulations, MFMA Circular 65 dealing with Internal Audit and Audit Committees, as well as those responsibilities delegated by the Council to the Audit Committee. The Charter also details the manner in which the Audit Committee will operate.

This charter is intended to be used as a basis for:

- Preparing the audit committee's annual work plan
- Setting the agenda for meetings
- Requesting skills and expertise
- Making recommendations to the accounting officer and municipal council
- Assessing the audit committee's performance by its members, municipal Council, Management, Auditor-General and Internal Auditors; and
- Contributions and participation at meetings.

4 Overall purpose and objective

The use of an audit committee increases the assurance stakeholders can place on the governance of a Municipality as a result of the independent oversight aspect thereof.

The Committee will assist the Council in fulfilling its oversight responsibilities in helping to ensure high quality financial and performance management reporting as well as effective internal control thereby supporting the Council and Management of Kouga in the achievement of the Municipality's objectives. The charter is used to guide the activities of the Audit Committee of the Municipality/. The Audit Committee charter sets out the authority, roles and responsibilities,

4.1 Specific Objectives

To this end the following objectives have been set:

a) The Committee shall assist Management in their evaluation of the adequacy and efficiency of the financial reporting process, the system of internal control and management of financial risks, the audit process and the Municipality's process for monitoring compliance with laws and regulations and its own code of business conduct.

b) The Committee shall initiate such measures as in its opinion may best serve to enhance the reliability, integrity and objectivity of internal and external reporting (financial statements and performance management) as well as the adequacy and efficiency of any other aspect of Kouga Municipality's operations.

c) The Committee shall assist the Council through oversight and advice on implementing effective performance management systems that complement service delivery.

d) In performing its duties, the Committee will maintain effective working relationships with the Council, Management and the Internal and External auditors.

e) To perform his or her role effectively each committee member will obtain an understanding of the detailed responsibilities of committee membership as well as the Municipality's business operations and risks.

5 Authority

The Committee is established and authorised by the Municipality to perform any activity within its terms of reference and has all the authority vested in it by MFMA and Local Government: Municipal Planning and Performance Management Regulations.

In discharging its responsibilities, the audit committee will have unrestricted access to members of management, employees, and relevant information it considers necessary to discharge its duties. The committee also will have unrestricted access to records, data, and reports.

The committee is entitled to receive any explanatory information that it deems necessary to discharge its responsibilities. The Municipality's management and staff should cooperate with audit committee requests.

The committee may engage independent counsel and/or other advisors it deems necessary to carry out its duties.

The committee is empowered to preapprove all auditing and non-audit services performed by internal auditors.

Facilitate any disagreements between management and the external auditor regarding financial reporting.

5.1 Communication

The Committee has, inter alia, the authority to communicate directly with the Council, Municipal Manager, members of Senior Management, advisors, consultants and employees and to deal directly with the External and Internal auditors and any external parties it deems necessary.

The committee expects that any such communication will be direct, open and complete.

5.2 Advice

The Committee is authorised to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise should this be considered necessary. Any such appointments should be made subject to the approval of the Council (in consultation with the Municipal Manager) and the approved procurement procedures.

5.3 Other

a) The Committee is authorised within the scope of its responsibilities to:

- Investigate any matters within its powers
- Be provided with the resources that it needs to investigate such matters
- Have full access to all information that is required to execute its mandate
- Safeguard all information supplied to it within the ambit of the law.

The Committee should assist the Council in carrying out its functions; however, it does not relieve the Councilors of any of their responsibilities. The Committee must play an objective and independent oversight role and should not intrude into the management of the daily operations of Kouga. The Committee may investigate any matter it deems necessary for the performance of its duties and the exercise of it powers. The Audit Committee will not perform any management functions or assume any management responsibilities as this could prejudice its objectivity. It will make recommendations to the Council/Board in respect of the activities which form part of its terms of reference / responsibilities.

6 Organisation

6.1 Membership

King IV's report states that all members of the Audit Committee should be independent, non-executive members.

a) The Committee must consist of at least three persons of whom collectively (not necessarily individually) should have:

- None may be in the employment of Kouga Municipality
- Private and public-sector experience;
- An understanding of service delivery priorities;
- Good governance and/or financial management experience;
- An understanding of the role of the Council/Board and councilors/board members;
- An understanding of local government;
- Familiarity with risk management practices;
- An understanding of internal controls;
- An understanding of major accounting practices and public-sector reporting requirements;
- An understanding of public sector reforms;
- Familiarity with legislation applicable to Municipalities/Municipal Entities;
- An understanding of the roles and responsibilities of internal and external auditors;
- An understanding of the treatment of allegations and investigations;
- An understanding of the performance management system; and
- An understanding of legal and information and communication technology

b) The Chairperson must be independent, knowledgeable of the status of the position and have the requisite business experience, as well as financial and leadership skills, and must have the ability to preside over meetings and to direct the discussions along constructive lines.

b) If the Chairperson of the Committee is absent from a specific meeting of the Committee, the members present must elect a chairperson from the members present to act as chairperson for that meeting.

c) The Chairperson and members of the Audit Committee must be appointed on contract and be remunerated in accordance with the contracts concluded with the Municipality, as approved by Council.

d) The municipality should arrange for periodic and staggered rotation of its membership.

e) Each member will be deemed to spend a total of eleven (11) hours on preparation and research per committee meeting.

f) Members will also be paid a travel allowance at the rates in line with SARS guidelines.

g) Remuneration for ad hoc tasks undertaken by committee members such as attending performance reviews, reviewing financial statements etc. will be in line with the rates approved by Council.

h) The termination of the services of an Audit Committee member will be in accordance with the signed contract between the member and the authorised delegate of the Municipality. In terms of the contract, both parties are required to provide 30 days' notice in writing of termination of service.

i) The Council must concur with any premature termination of the services of a person serving on the Audit Committee.

j) In the event of a vacancy occurring amongst the members of the committee, the Municipality must fill that vacancy as soon as practicable. The Chairperson of the Audit Committee shall also evaluate the effectiveness of the Audit Committee members on an annual basis.

6.2 Conflict(s) of Interest

a) Audit Committee members should adhere to the organizations code of conduct and any values and ethics established by the organization. It is the responsibility of audit committee members to disclose any conflict of interest or appearance of a conflict of interest to the committee. If there is any question as to whether audit committee member(s) should recuse themselves from a vote, the committee should vote to determine whether the member should recuse himself or herself.

6.3 Meetings

6.3.1 Meetings

b) The Municipality must provide secretariat services for the Committee.

c) Committee meetings are to be held once every quarter (i.e. at least four times per annum). Further meetings may, however, be held upon request from any member of the Committee and the Internal or External auditors should they consider this necessary.

d) A formal agenda will be sent to all those who are to attend at least seven (7) days before such a meeting together with any relevant information.

e) The following persons are to attend Audit Committee meetings on the invitation of the Chairperson of the Audit Committee:

- The Municipal Manager or as represented by a nominated officer
- The Deputy Municipal Manager
- The Chief Financial Officer
- Heads of Departments of the Kouga Municipality
- Representatives of the Auditor-General or the duly appointed representatives
- The Chief Audit Executive or the duly authorised representatives of the outsourced / co-sourced Internal Audit Service Provider
- The Compliance and Risk Officer and Legal Advisor
- The Performance Management Officer
- The Chairperson of MPAC.
- Provincial Treasury
- Provincial Department of Cooperative Governance & Traditional Affairs

f) The Internal and External auditors may be invited to make presentations to the Audit Committee as appropriate.

g) The Audit Committee may also invite such other persons, as it deems necessary from time to time, to attend and report at its meetings.

6.3.2 Quorum

A quorum for any meeting will be 50 percent of the members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

6.3.3 Minutes

a) The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

b) Formal minutes of meetings are to be kept and must be signed by the Chairperson.

c) Copies of minutes of meetings must be distributed to the Council.

6.3.4 Voting rights

All Committee members shall be entitled to vote.

7 Roles and Responsibilities

7.1 Responsibilities related to an organisation

The Audit Committee must review and evaluate the manner in which the organisation carries out its responsibilities with regard to the following:

a) Financial management and reporting practices

b) Financial reporting

c) Internal controls and the management of risks

d) Compliance with laws, regulations and ethics and

e) Performance management.

7.1.1 Financial management and reporting practices

a) The Audit Committee must amongst others, review the following:

- The effectiveness of the internal control systems
- The effectiveness of the Internal Audit function
- The risk areas of the organization's operations that are to be covered in the scope of internal and external audits
- The adequacy, reliability and accuracy of the financial information provided to Management and other users of such information
- Any accounting and auditing concerns identified as a result of internal and external audits
- The organization's compliance with legal and regulatory provisions
- The activities of the Internal Audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of Management to specific recommendations
- Where relevant, the independence and objectivity of the external auditors.

b) The Audit Committee must also communicate and discuss any significant concerns that may arise relating to the financial statements with the Municipal Manager, Management of the Municipality, the Internal Auditors and the External Auditors.

7.1.2 Financial reporting

a) The Committee must monitor the integrity of the financial statements of the Municipality, including its annual report and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgments which they contain.

b) The Committee shall review and challenge where necessary:

- The consistency of, and any changes to, accounting policies both on a year-on-year basis and across the organisation
- The methods used to account for significant or unusual transactions where different approaches are possible
- Whether the Municipality has followed appropriate accounting standards and made appropriate estimates and judgments taking into account the views of the External Auditors
- The clarity of disclosure in the organization's financial reports and the context in which statements are made and
- All material information presented with the financial statements such as the operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management).

7.1.3 Internal Controls and the Management of Risks

a) King IV's report states that whether the governance of risk is delegated to the Audit Committee, the Audit Committee should oversee the management of financial and other risks that affect the integrity of external reports issued by the municipality.

b) The Municipality can respond to risk through various mechanisms such as avoidance, transfer, accepting and managing of the risk. When the Municipality elects to manage the risk, it will require control activities to support the management of the risk to within tolerable levels.

c) The Accounting Officer must ensure that a risk assessment is conducted annually, identifying emerging risks of the organisation. A risk management strategy, which includes a fraud prevention plan, must be used to direct the internal audit effort and priority, and to determine the skills required of personnel to improve controls and to manage these risks.

d) Internal Audit is responsible for providing independent assurance that Management has identified the Municipality's risks and has responded effectively. Internal Audit may also play an advisory and consulting role to Management regarding risk management matters.

e) The Audit Committee must understand the organization's major risk areas. It should monitor the control process and the adequacy of the systems of internal control by reviewing internal and external audit reports.

f) In doing so, the Committee should:

- Be continually aware of the current areas of greatest financial risk and ensuring that Management are effectively managing the risks and regularly reviewing the Fraud Prevention Plan
- Ensure that effective systems of accounting and internal control are established and maintained to manage financial risks
- Satisfy itself as regards the integrity and prudence of management control systems, including the review of policies and /or practices
- Ensure that the Municipal Manager and Council are aware of any matters that might have a significant impact on the financial state of affairs of the organisation
- Have oversight over the role of the Internal Audit function in the risk management process. (This role is detailed in the Internal Audit Charter of the Municipality.)

g) The Committee shall:

- Keep under review the effectiveness of the Municipality's internal controls
- Review and recommend disclosures on matters of risk in the Annual Financial Statements
- Review and approve the statements to be included in the Annual Report concerning internal controls and risk management
- Provide regular feedback to the Accounting Officer on the adequacy and effectiveness of risk management in the Municipality, including recommendations for improvement
- Ensure that the Internal and External Audit Plans are aligned to the risk profile of the Municipality
- Monitor risk management within the Municipality. Ongoing monitoring is also built into the normal, recurring operating activities of the Municipality, and is performed on a real-time basis in order to react dynamically to changing conditions and become ingrained in the Municipality. The Committee should conduct an

independent review of whether the risk management strategy is producing sustainable outcomes as originally envisaged. This will ensure that risk management continues to be applied at all levels and across the Municipality.

h) Furthermore, in terms of the National Treasury Guidelines on risk management, in discharging its oversight responsibilities relating to risk management, the Audit Committee:

- Gains thorough understanding of the risk management policy, risk management strategy, risk management implementation plan, and fraud risk management policy of the institution to enable them to add value to the risk management process when making recommendations to improve the process
- Reviews and critiques the risk appetite and risk tolerance, and recommends this for approval by the Accounting Authority / Officer
- Reviews the completeness of the risk assessment process implemented by Management to ensure that all possible categories of risks, both internal and external to the institution, have been identified during the risk assessment process
- This includes an awareness of emerging risks pertaining to the institution
- Reviews the risk profile and management action plans to address the risks
- Reviews of the adequacy of adapted risk responses
- Monitors the progress made with the management action plan
- Reviews the progress made with regards to the implementation of the risk management strategy of the institution
- Facilitates and monitors the coordination of all assurance activities implemented by the institution

Reviews the process implemented by Management in respect of fraud prevention and ensures that all fraud related incidents have been followed up appropriately.

7.1.4 Compliance with Laws, Regulations & Ethics

a) The Audit Committee must ensure that the Management of the Municipality has the necessary checks and balances in place to ensure that there is compliance with pertinent laws and regulations, that it is conducting its affairs ethically, and that it is maintaining effective controls against possible conflicts of interest and fraud.

b) The Committee must review the organization's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.

7.1.5 Responsibilities related to the Internal Audit Function

a) The Audit Committee should have oversight of the Internal Audit function by:

- Reviewing the Internal Audit function and evaluating whether this function is performed satisfactorily
- Evaluating whether Management demonstrates and stimulates the necessary respect for the internal control structures, and
- Overseeing the total Internal Audit function to ensure that:
    - The Internal Audit performance goals are achieved
    - Risks are identified
    - Specific issues requiring attention are highlighted, and
    - The cost of auditing within the organisation is minimised.
- Reviewing and approving the internal audit charter at least annually. The charter should be reviewed to ensure that it accurately reflects the internal audit activity's purpose, authority and responsibility, consistent with the mandatory guidance of the IIA's Internal Professional Practices Framework and the scope and nature of assurance and consulting services, as well as changes in the financial, risk management, and governance processes of the organization and reflects developments in the practice of internal auditing.
- Advising council about increases and decreases to requested resources to achieve the internal audit plan. Evaluate whether any additional resources are needed permanently or should be provided through outsourcing.

b) The Audit Committee should ensure that the Internal Audit function performs its responsibilities efficiently and effectively by:

- Reviewing the organisational structure and the competence and qualifications of the employees of the Internal Audit function, including reviewing and concurring with the appointment and dismissal of the Chief Audit Executive (or outsourced / co-sourced Internal Audit Service Provider)

- Reviewing the results of quality assurance reviews undertaken on the Internal Audit function, when available
- Reviewing the annual plans and budgets of the Internal Audit function to ensure that the plans address the high-risk areas and that adequate resources are available
- Reviewing audit results and the action plans of Management
- Requesting details of audit projects
- Reviewing the effectiveness of the Internal Audit function
- Ensuring that the work of Internal Audit is appropriately coordinated with that of External Audit to ensure little or no duplication of work and coverage
- Receiving and reviewing quarterly progress reports submitted by the Internal Audit function
- Reviewing the annual Risk Assessment process and the prioritization of major risks identified
- Monitoring and reviewing the effectiveness of the organization's Internal Audit function in the context of the organization's overall risk management system
- Reviewing promptly all reports on the organisation from the Internal Auditors
- Reviewing and monitor Management's responsiveness to the findings and recommendations of the Internal Auditors, and

  Meeting the Chief Audit Executive at least twice a year, without Management being present, to discuss their remit and any issues arising from the internal audits carried out. In addition, the Chief Audit Executive shall be given the right of direct access to the Chairman of the Audit Committee and to the Committee members.

7.1.6 Responsibilities related to the External Audit Function performed by the Auditor General

a) The Audit Committee must:

- Have oversight of the terms of engagement, including any engagement letter issued at the start of each audit
- Ensure that there are no restrictions or limitations placed on the External Auditors
- Review External Audit plans, results, scope, materiality, quality and contents of financial information and the action plans of Management

- Review the External Auditors' findings and observations as presented in the final management letter and the adequacy of Management's responses
- Review the subsequent implementation of agreed improvements
- Consider significant disagreements, if any, between the External Auditors and Management
- Consider material unresolved accounting and auditing problems
- Ensure direct access by the External Auditors to the Chairperson of the Audit Committee and to the Committee members
- Review the summary of unadjusted differences for material or contentious issues, submitted by the External Auditors and the action taken thereon (this should be issued to the Committee with the draft Annual Financial Statements)
- Monitor the External Auditor's compliance with relevant ethical and professional guidance
- Review the fees and other expenses to be paid to the External Auditors
- Meet regularly with the External Auditors, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the External Auditor at least once a year, without Management being present, to discuss their remit and any issues arising from the audit, and
- Review the findings of the audit with the External Auditor. This shall include, but not be limited to, the following:
    - A discussion of any major issues which arose during the audit
    - Any accounting and audit judgments, and
    - Levels of errors identified during the audit.

b) The Committee must also review the effectiveness of the audit by:

- Reviewing any representation letter(s) requested by the External Auditor before they are signed by Management, and
- Reviewing the management letter and Management's response to the External Auditor's findings and recommendations.

c) The Committee must consider the independence of the External Auditors, specifically with regards to the level of non-audit services provided.

7.1.7 Reporting Responsibilities

a) The Committee Chairman shall report formally to the Council on its proceedings after each meeting on all matters within its duties and responsibilities.

b) The Committee must make whatever recommendations to the Council it deems appropriate on any area within its remit where action or improvement is needed.

c) The Committee must ensure the Council is aware of matters which may significantly impact the financial condition or affairs of the Municipality.

d) The Committee must compile a report to stakeholders on its activities to be included in the organisation's Annual Report.

7.1.8 Other Responsibilities

7.1.8.1 Performance Management

a) The Committee must review reports from Internal Audit and the Auditor-General in respect of performance management and make recommendations to Management.

b) The Committee must:

- Review the quarterly reports on performance management information submitted to it by Internal Audit
- Review the organization's performance management systems, focusing on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by the Council are concerned, and
- Review the report from the Senior Performance Officer on performance management and consider this during Audit Committee meetings.

7.1.8.2 Integrated Sustainability Reporting

a) The Committee must:

- Review the Executive Authority's actions under Economic, Social and Environmental Performance - "Triple Bottom Line"
- Review annually the report of the Council on the nature and the extent of its social, transformation, ethical, safety, health and environmental management policies and practice.

7.1.8.3 Guidance and assistance

a) The Audit Committee must provide strategic guidance and assistance to the Council and Municipal Manager of the organisation in dealing with the following:

- Risk management
- King IV recommends that the Audit Committee discloses significant matters considered by it in relation to the Annual Financial Statements and how these were addressed by the Committee.
- Reports of the External Auditors
- Follow-up action by the Management of the organisation on these reports.

b) The Committee must:

- Have access to sufficient resources in order to carry out its duties, including access to the organization's secretariat for assistance as required
- Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members
- Give due consideration to laws and regulations, the provisions of the King Code and the requirements of the Municipal Finance Management Act and Treasury Regulations, as appropriate
- Be responsible for co-ordination of the Internal and External Auditors, and
- Oversee any investigation of activities which are within its terms of reference.

c) The Audit Committee must also report and make recommendations to the Municipal Manager, but the Municipal Manager retains responsibility for implementing such recommendations.

d) The Audit Committee must advise the municipal Council, the political office-bearers, the Accounting Officer and the Management staff of the Municipality on matters relating to:

- Internal financial control and internal audits
- Risk management
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting and information
- Performance management
- Effective governance

- Compliance with the Municipal Finance Management Act, the annual Division of Revenue Act and any other applicable legislation
- Performance evaluation and
- Any other issues referred to it by the Municipality.

e) The Audit Committee must respond to the Council on any issues raised by the Auditor-General in the audit report.

f) The Audit Committee may request such investigations into the financial affairs of the Municipality as it deems necessary (e.g. to respond to concerns of the Council).

g) The Audit Committee must perform such other functions as may be prescribed by the Council.

8 Review and Approval

This charter is recommended by members of the Audit Committee and approved by the Council. The charter will be reviewed annually, and amendments may be proposed when necessary.

RULES AND ETHICS

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KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
RULES AND ETHICS COMMITEE
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/R&E1**

DISCIPLINARY ENQUIRY HELD BY RULES AND ETHICS COMMITTEE – COUNCILLOR WAYNE PETERSEN

1. **Introduction**

The purpose of this item is to advise Council on the outcome of the disciplinary enquiry held by the Rules and Ethics Committee on 12 March 2025.

2. **Background**

The Office of the Speaker referred Councilllor Petersen to the Rules and Ethics Committee for contravening the Code of Conduct for Councillors.

The Office of the Speaker investigated the alleged contraventions and referred the matter for further investigation. The investigation was conducted by the appointed Initiator and was presented to the Rules and Ethics Committee.

The following charges was brought against Councillor Petersen in contravening item 2(a-b) of Schedule 7 of the Code of Conduct:

Charge 1 - On 8 November 2024 during a Virtual Council Meeting, chaired by The Speaker, Councillor Petersen behaved in a disruptive manner to the extent that he disregarded the authority of the Speaker. At 12h11 he was informed that the Speaker will refer his conduct to the Rules and Ethics Committee. His aforesaid conduct is a violation of Item 2 of Schedule 7 to the Local Government: Municipal Structures Act (Hereinafter referred to as "The Structures Act")

Charge 2 - On 13 December 2024 during a Virtual Council Meeting, chaired by The Speaker, Councillor Petersen behaved in a disruptive manner to the extent that he disregarded the authority of the Speaker. At 11h43 he was informed that the Speaker will refer his conduct to the Rules and Ethics Committee. His aforesaid conduct is a violation of Item 2 of Schedule 7 to the Local Government: Municipal Structures.

Charge 3 - On 13 December 2024 during a Virtual Council Meeting, chaired by The Speaker, Councillor Petersen behaved in a disruptive manner to the extent that he disregarded the authority of the Speaker. At 13h42 he was informed that the Speaker will refer his conduct to the Rules and Ethics Committee. His aforesaid conduct is a violation of Item 2 of Schedule 7 to the Local Government.

3. **Discussion**

In terms of item 16 of Schedule 7 of the Local Government: Municipal

Structures Act 117 of 1998 (as amended) outlines the following: **Investigation of breach –**

(1) A Municipal Council may –

(a) investigate and make a finding on any alleged breach of a provision this Code; or

(b) Establish a special committee –

(i) to investigate and a make a finding on any alleged breach of a provision; and

(ii) to make appropriate recommendations to the council

(2) If the Council or a special committee finds that a Councillor has breached a provision of this Code, the Council may –

(a) Issue a formal warning to the Councilllor;

(b) Reprimand the Councillor;

(c) Request the MEC for local government in the province to suspend the Councillor for a certain period;

(d) **Fine the councillor;** or

(e) Request the MEC to remove the Councilllor from office.

(3) The Speaker must inform the MEC for local governement in the province within 14 days of the finding and sanction decided on by the Council.

The Act furthermore stipulates in Item 16(4)(a), that any Councillor who has been warned, reprimanded or fined in terms of sub item (2) may within 14 days of having been notified of the decision of Council appeal to the MEC for local government in writing setting out the reasons on which the appeal is based. A copy of the appeal must be provided to the council by the MEC.

The proposed findings and sanctions by the Rules and Ethics Committee is therefore brought for Council's consideration as follow:

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.

4. **Financial Implications**

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

Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

Local Government: Municipal Structures Act 117 of 1998, as amended.

Promotion of Administrative Justice Act 3 of 2000.

The Policy on Standing Rules and Procedures with regard to Disciplinary Matters against Kouga Municipal Councillors as approved by Council.

6. **Legal Implications**

The Policy on Standing Rules and Procedures with regard to Disciplinary Matters against Kouga Municipal Councillors provides that the finding of the Committee and the recommendations on a sanction must be submitted to the Council at its first possible meeting and that Council decides on the sanction after consideration of the recommendation of the Committee.

In terms of Section 16(3), the Speaker must inform the MEC for local government within 14 days of the finding and sanction decided on by council.

Section 16 (4) (a) Any councillor who has been warned, reprimanded, or fined in terms of sub item (2) may within 14 days of having been notified of the decision of Council appeal to the MEC for local government in writing setting out the reasons on which the appeal is based.

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

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

10.2.1 That in respect of –

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

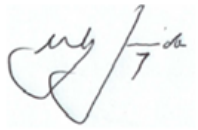
Charge 2 –Guilty – A fine equal to 50% of one month's remuneration of non-executive Councillor in Kouga Municipality after deductions.

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

10.3 That in respect of charge 1 to 3, the deductions will be implemented and processed over three (3) months from November 2025 –January 2026.

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

Approved by the Chairperson of Rules and Ethics Committee:



_____

Councillor W Van der Linde

REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER

KOUGA
local municipality

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/MM2**

COUNCIL RESOLUTIONS AS AT 31 MARCH 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**

Supported

8.3 **Director: Civil & Water Services**

In support of the item.

8.4 **Director: Electro-Mechanical Services**

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.	requesting feedback on the Clinic Petition on 03 December 2024, 10 December 2024, 17 December 2024, 24 December 2024, 07 January 2025 and 13 January 2025. To date we have not receive any formal response from the DOH. On 15 January 2025, the Office of the Speake forwarded the petition to mrs Gouws to review and to request a response from the relevant department. Follow-ups was made between 20 January and 04 March 2025. This serves to respond to the Petition that was forwarded to the department . I	Response received from Department of Health. (Ms Nokwe)	Office of the Speaker	**COMPLETE**
			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. On tht 10 April 2025, the Speaker's Office received correspondence from the Service Provider that the papers have been served on the Respondent.	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. On 20 March 2025, the office of the Speaker received correspondence from the Office of the MEC notifying /informing the Speaker's Office of Cllr Petersen's appeal that was lodged with the MEC. Legal services department forwarded a corresponse to the office of the MEC regarding the appeal.Matter is ongoing.	Matter referred to Legal Services Department	Office of the Speaker	**ON GOING**
30-Jul-24	**24/07/MM4**	**2024/25: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: AMENDMENT**	That the Municipal Manager oversees the quarterly submission of departmental progress reports to the respective Portfolio Committees on the implementation of the Service Delivery and Budget Implementation Plan.	SDBIP reports are submitted by Directors	SDBIP reports are submitted by Directors	MM	**ON-GOING**

			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**
13-Dec-24	**24/12/R&E1**	**DISCIPLINARY ENQUIRY HELD BY RULES AND ETHICS COMMITTEE – COUNCILLOR WAYNE PETERSEN**	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. On 20 March 2025, the office of the Speaker received correspondence from the Office of the MEC notifying /informing the Speaker's Office of Cllr Petersen's appeal that was lodged with the MEC. Legal services department forwarded a corresponse to the office of the MEC regarding the appeal.			**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**
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			Completed

			That a workshop be scheduled for all Councillors on the 2nd draft 2023/24 Annual Report.	In Process of making arrangements for the workshop			2023/24 Annual Report adopted by Council on 31 March 2025, No further action required
31-Mar-25	25/03/MM1	**COUNCIL RESOLUTIONS AS AT 29 JANUARY 2025**	That the action sheet be tabled at Top Management for discussion and Actioning.				
	25/03/MM2	**KOUGA MUNICIPALITY: 2023/24 ANNUAL REPORT**	That the 2023/24 Annual Report be adopted with the inclusion of the amended audit action plan without reservation	Amended Audit Action Plan included			Completed
			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.	Notice prepared for publication on 10 February 2025, 2023/24 Annual Report published on Municipal Web site on 2 April 2025			Completed
			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.	2023/24 Annual Report submitted to BTO on 1 April 2025 for uploading to National Treasury Portal, Submission to COGTA on 1 April 2025 and submission to AG on 4 April 2025			Completed
	25/03/MM3	**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: OVERSIGHT REPORT ON THE 2023/2024 ANNUAL REPORT**	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.	Notice prepared for publication on 10 February 2025, 2023/24 Oversight Report and 2023/24 Annual Report published on Municipal Web site on 2 April 2025			Completed
			That the recommendations contained in the 2023/24 Oversight Report on the 2023/24 Annual Report be adopted as resolutions of Council. 1.4.1 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. 1.4.2. That the formalization of informal settlements be prioritized to provide acceptable services to such settlements and to reduce illegal connections to the electrical network. 1.4.3 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.				
	25/03MM4	**2024/25: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: AMENDMENT**	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.	Published on Municipal Web site on 2 April 2025			Completed
			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.				In Progress
			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				Not complete
	25/03/MM5	**DRAFT 2025/26 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**	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.	Submitted to BTO on 1 April 2025 for uploading to the National Treasury Portal			Completed
	25/03/MM6	**TABLING OF THE DRAFT REVIEWED 2025/2026 INTEGRATED DEVELOPMENT PLAN (IDP)**	That the Draft Reviewed 2025/2026 IDP with amendments attached as Annexure A to the Agenda be noted as it will serve as the basis for public participation during April/May 2025.				
			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.				

	25/03/MM8	**STANDING RULES AND ORDERS FOR MEETINGS OF COUNCIL AND ALL ITS COMMITTEES**	That the question and response must reflect in the minutes of the meeting as per Rule 39.3 of the Standing Rules and Orders for meetings of Council and all its Committees.				
	25/03BP1	**PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM FRAMEWORK**	That the Performance Management and Development System Framework be published on the Kouga Website.	Published on web site on 4 April 2025			Completed
	25/03/MPAC2	**MUNICIPAL DEVELOPMENT FINANCE CIRCULAR: 3 OF 2024**	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.				

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
31-Mar-25	25/03/DMM1	MEDIA AND COMMUNICATION: BRANDED CORPORATE CLOTHING	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.	Communication compiled and distributed to inform all employes of the 50% discount on all branded corporate clothing, available exclusively to our employees.		Media and Communication Manager: Monique Basson	
	25/03/BP4	APPROVAL OF TERMS OF REFERENCE FOR THE MUNICIPAL BY-LAW AND POLICY REVIEW COMMITTEE	That the Terms of Reference be circulated internally and to the By-law and Policy Review Committee Members.	Terms of Reference has been circulated	Complete		

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 is part of Budget-related Policies and will follow process for final approval with the Final Budget	CFO	COMPLETED
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.	Close-out Report included in the Agenda	Completed	CFO	COMPLETED
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 signed and first disbursement of R100 million received	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.	The consultant EAS was appointed and have fully deployed to determine all road classifications, road conditions and the catagorising thereof. Panel inspections concluded at the end of 14 March with the packageing of data per Ward as an required outcome.	The packageing of data as per the panel inspections which concluded on 14 March 2025 is concluded is being packaged and finalised. This will be presented to Civil & Water Engineers towards the end of March upon which a fomal briefing session will be scheduled as soon as the work by EAS has been scrutiniesed and approved. 12 April - Data set finalised.	Director Civil & Water Services	**IN-PROGRESS**
29-Jan-25	**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 May 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 May 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 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**
31-Mar-25	**25/03/FED1**	**HANKEY MINI FRESH FOOD PRODUCE MARKET REPORT**	That a report be submitted to Council with proposals regarding the future of the Hankey Fresh Fruit Market for Council to consider the best way forward.	Report to be prepared	In Progress	CFO	**IN-PROGRESS**
	25/03/FED5	**CAPITAL ITEMS TO BE DISPOSED (CONDEMNED ASSETS)**	That the disposal of the condemned/redundant assets listed in Annexure A be approved by Council.	No action required	Not applicable	Not applicable	NO ACTION REQUIRED
			That the condemned/redundant assets listed in Annexure A be removed from the Asset Register.	Assets removed from Fixed Asset Register	Completed	CFO	COMPLETED
			That the condemned/redundant assets listed in Annexure A be disposed of in terms of the Supply Chain Management Policy through a public auction / donation	The public auction is planned for the last week of May 2025.	In Progress	CFO	IN-PROGRESS
	25/03/FED6	**2023/24 REVISED AUDIT ACTION PLAN**	That the 2023/24 Revised Audit Action plan as per Annexure A, be approved.	The Plan is being implemented by FED, CWS and EMS	In Progress	CFO	IN-PROGRESS
	25/03/FED7	**2024/25 SPECIAL ADJUSTMENTS BUDGET**	That the Adjustments Budget be submitted to National Treasury in both printed and electronic format and the relevant Provincial Treasury.	Submitted to National and Provincial Treasury	Completed	CFO	COMPLETED
	25/03/FED8	**DRAFT MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)-BUDGET FOR 2025/26 TO 2027/28 FINANCIAL YEARS**	That the Draft Budget be submitted to National Treasury in both printed and electronic format and the relevant Provincial Treasury.	Submitted to National and Provincial Treasury	Completed	CFO	COMPLETED

COMMUNITY SERVICES: ACTION SHEET - COUNCIL							
MEETING	**ITEM NO**	**ITEM DESCRIPTION**	**RESOLUTION**	**ACTION TAKEN**	**PROGRESS**	**RESPONSIBLE OFFICIAL**	**CURRENT STATUS** COMPLETED NOT COMPLETE IN PROGRESS ON GOING NO ACTION REQUIRED
30-Jan-24	**24/01/CSS2**	**REVISED PREVENTION OF PUBLIC NUISANCE AND KEEPING OF ANIMALS BY-LAW**	That the approved Prevention of Public Nuisance and Keeping of Animals By-Law be workshopped, after the public participation process, with Councillors before its resubmission to Council.	The By-Law was submitted to the Policy Workshop 18-Mar-25	The revised Prevention of Public Nuisance and Keeping of Animals By-Law is currently with the Legal Department and is proceeding to public participation	Manager: Safety and Security/ Manager: Waste and Environmental Management	**IN PROGRESS**
31-Mar-25	**25/03/BP2**	**DRAFT 240 LITRE BIN MANAGEMENT POLICY**	That the Draft 240 Litre Bin Management Policy be published on the Kouga Website.	The Draft 240 Litre Bin Management Policy was Emailed 14-Apr-25, Media/IT to upload on the Kouga Website.	IT confirmed that the Policy is loaded on the Kouga Website 14-Apr-25.	Manager: Waste and Environmental Management	**COMPLETED**
	25/03/BP3	**REVISED PAUPER & SOCIAL BURIAL POLICY**	That the Reviewed Pauper & Social Burial Policy be published on the Kouga Website. That the previously approved Pauper & Social Burial Policy be repealed and replaced by the reviewed Pauper & Social Burial Policy.	The Reviewed Pauper & Social Burial Policy was Emailed 14-Apr-25, Media/IT to upload on the Kouga Website.	IT confirmed that the Policy is loaded on the Kouga Website 14-Apr-25.	Manager: Waste and Environmental Management	**COMPLETED**

PLANNING & DEVELOPMENT: ACTION SHEET - COUNCIL

MEETING DATE	ITEM NO	ITEM DESCRIPTION	RESOLUTION	ACTION TAKEN	PROGRESS	RESPONSIBLE OFFICIAL	CURRENT STATUS COMPLETED NOT COMPLETE IN PROGRESS ON GOING NO ACTION REQUIRED
30-May-19	19/05/PD6	PUBLIC WORKS PROPERTIES TO BE TRANSFERRED TO KOUGA MUNICIPALITY	That Council accepts the following erven from Public Works and that they are added to the asset register of Kouga Municipality: Farm 448 portion 15 — Uitenhage RD Pellsrus: 677; 678; 733; 751 ; 753; 794;812 826; 854; 862 Humansdorp: 1 968 Thomhill: 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 Qeqeberha on 27 February 2024 to discuss current status and progress on the transfer of land between Kouga Municipality and Public Works. Public Works indicated that they are still awaiting signature of the MEC. We also resolved to meet regulary until these matters are concluded (11/03/2024). The matter on outstanding donations was raised at the IGR on 2 April 2024 requesting the Director-General at Provincial Public Works to assist in expiditing the conclusion of transfer process (15 April 2024). On 14 May 2024 our Department met in telephonic meeting with the HOD and Regional Director to discuss progress of the bulk transfer of properties to Kouga. They undertook to submit a formal submission to the Head Office and provide the municipality with feedback in due course. (16 May 2024) Our Department are still awaiting feedback from Public Works and will do a follow-up during the week of 17 June 2024. (12/06/2024) We received written correspondence on 12 July and a copy of a letter that was sent to Chief Director of Public Works requesting that the bulk transfer of properties to Kouga Municipality be finalised. (12/07/024) Awaiting the transfer of properties based on the commitment from Public Works in July 2024. (12/08/24) Received commnication from Department of Human Settlements to confirm whether the properties to be transfered to Kouga Municipality are not part of a human settlement project in order for them to advise Public Works who are working on finalising the transfer of the properties to the Municipality (14/10/2024) **The Department of Public Works has confirmed that Human Settlements Department has appointed a conveyance attorney to transfer the residential properties to the beneficiaries and the non-residential erven to Kouga Municipality (26/11/2024). The Department is awaiting finalisation by Department of Human Settlements (14/04/2025)**	Manager: L&PA	In Progress
			That Kouga Human Settlement Department proceed with the transfers of these erven to the owners of the properties as soon as registration to Kouga has been completed	Awaiting Transfer of properties by Public Works.		Manager:LP	
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 beneficiaries. (11/03/2024) It is anticipated 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). Comments received from National Treasury. Item will be submitted to Portfolio Committe for finalisation (09/04/2025)**	Manager: L&PA	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 assist to the outstanding EIA authorisation awaiting feedback from DEDEA. Draft response received from consultants on 16 January 2024. Consolidated response sent to DEDEAT on 05 Feb 2024. latest follow up was sent to DEDEAT on 5 April 2024. To date we have not received any response. **8/06/2024 . A site visit was requested by DEDEA together with Department of Human Settlemts. the visit is scheduled to take place on 06 August 2024. (15/07/2024) A meeting was held with the DEDEA on 7 August 2024. The Department requested additional information in order to consider granting permision to proceed with Phase 1. (12/08/2024). The Consultant responsible for the Sea Breeze Development (FLISP and Social Housing) submitted the required information to DEDEAT on 9 October 2024. Correspondence were received back from DEDEAT requesting the submission of amendment report. Consultant in process to submit. Bosch Projects currently engaging Civil & Water**	Dir:PDT / Manager: Human Settlements	ongoing
			That the plans scrutiny and approval fees be dealt with on the same basis as BNG/RDP housing projects.	The resolution will be implemented upon submission of Building plans for the development. Ongoing, project is still on planning phase.Resolution will be actioned during project commencement. We had a meeting with Bosch Projects (SP) who was appointment to determine floodline determination for FLISP/Social Housing. Bosch Projects (SP) complete floodline determination was completed by 21 August 2023.	the resolution will be implemented upon submission of Building plans for the development. Ongoing, project is still on pre-planning phase.Resolution will be actioned during project commencement.	Dir:PDT / Manager Human Settlements	ongoing
	20/05/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 enforcebl and a way was seek to have it enacted in a "by-law" or within the town planning scheme. Council has granted permision to proceed with amendment of the ILUS. Notices already published for I&A to register in January 2024. The department is finalising the draft by-laws. The draft by-law was refered to Legal Depatment for comments. (15/07/2024). The by-law will be submitted to the next Policy Workshop, (09/08/2024). **The draft bylaws was submitted to the Policy Workshop on 10 October 2024. (14/10/2024). By law to be refered to the next Policy Portfolio then Council for permision to proceed with public participation.(28/11/2024). The bylaw will be submiyed to the Policy Portfolio & Council for permision to proceed with public participation (07/04/2025)**	Dir: PDT / Manager P&D	In Progress
26-Jun-20	20/06/PD4	DEVELOPMENT PROPOSAL: PRECINCT PLAN FOR Erf 8783: OCEAN VIEW, JEFFREYS BAY	That the precinct plan and development proposal of Erf 8783 Ocean be subject to public participation.	Proposal received from consultant and to be discussed internally. Item will be submitted as part of Quarter 2 Portfolio Committee report.	Erf 8783 Ocean View is to be included in the Review of the SDF. 12.07.2024. Meeting was held with the appointed service provider on 4 September 2024 to discuss the draft layout plan and it was agreed that the muncipality will provide inputs on that needs to be incorporated. The layout will then be tabled to Portfolio Committee for in-principle approval. (14/10/2024) Session to provide inputs for amendments on the draft layout plan have been scheduled for the week of 2 December 2024. (26/11/24). **Service provider still working on the draft plan (09/01/2025) Amendments was done on the draft layout plan and needs to be included in the SDF Review and taken for public participation (06/04/25)**	Dir: PDT	In Progress
			That the registration of Erf 8783, Ocean View to Kouga Municipality be continued and concluded.	Transfer in progress	This erf was subdivided from erf 335 portion 125 Humansdorp RD as part of the Ocean View low-cost housing development. The erf is currently zoned as "Authority Zone. The SG Diagram and Regulation 38 Certifcate to be submitted, the transfer process is ongoing.	Manager: Legal Services	In Progress
11-Dec-20	20/12/PD8	APPROVAL FOR THE COMMENCEMENT TO DRAFT "AESTHETICAL AND HERITAGE BUILDING BY-LAW" FOR THE ST FRANCIS BAY VILLAGE AND CANALS, SANTAREME, HARBOUR PRECINCT, CAPE ST FRANCIS, OYSTER BAY, SEA VISTA TOWN, ST FRANCIS BAY LIGHT INDUSTRIAL AREA IN THE KOUGA LOCAL MUNICIPALITY AREA IN TERMS OF SECTION 13 OF THE MSA,2000: OBJECTIONS RECEIVED	That 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.				
31-Mar-21	21/03/PD1	TRANSFER OF RESIDENTIAL SITE: HISTORIC CONDITION OF SALE: ERF 1331 PELLSRUS: PIENAAR FAMILY	That Council grant approval for the closure of a public open space with regard to the subdivided erf contemplated in (a) and that transfer herein be dependent on the formal closure of the public open space.	Gazetting of 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 2025 (06/03/25). Application undergoing public participation. 10/04/25**	Director: PDT/ Manager: LPA	In Progress
	21/03/PD3	Application to Purchase a Portion of Erf 552 Sea Vista (Mr. M. Johansens)	That the applicant be responsible and carry the cost for the closure of public open space and subdivision of erf 552.	Power of Attorney was granted to the applicant to enable him to bring land use application.	POA was provided to applicant. Awaiting application from applicant. It was indicated that Mr. Johansens is out of the country. Follow up will was done on 2 February 2024 with no sucess reaching applicant. Made contact with former Councillor Rheeder in an attempt to obtain contact details and whereabout of Mr. Johansens (11/04/2024) Still no success in making contact with the applicant. (12/08/2024) During our continued endeavour to make contact with Mr. Johansens it was established that he disposed his property to Tuswa Nocamagu Haynes who has address in the United States of America. We have been trying to reach Ms. Haynes on the available phone number but no success thus far to enquire whether she want to proceed with the process started by previous land owner. It is recomended that the resolution be rescinded considering it is a different owner.(14/10/2024) Managed to get hold of the person on the telephone number provided on the Ovvio system however the person indicated that she is not Ms. Tuswa Nocamagu Haynes. (26/11/24). An item will be submitted to Council to rescind the resolution (09/01/2025) **An item will be submitted to next Portfolio Committee to close the application (06/04/25)**	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
	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 beneficearies. (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)**(Duplicate)	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 (09/04/2025)**	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 on 17 April to discuss the way forward in respect of their application (10/04/25)**	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

31-May-21	21/07/PD9	APPOINTMENT OF KOUGA MUNICIPALITY AS AN IMPLEMENTING AGENT FOR THE CONSTRUCTION OF INTERNAL SERVICES FOR THE HANKEY 990 HOUSING PROJECT	That the interest accumulated from the grant funding be ringfenced for future Human Settlements projects.	To be confirmed	Awaitng confirmation if money can be reinfenced.	CFO	In progress
			That monthly, quarterly and annual expenditure reports with supporting documentation be reported to Council and ECDHS; and	Expenditure report was submitted to the Department of Human Settlements (Province) on 17 July 2023	A new expenditure report will be submitted by the end of September 2023. Montly report is submitted to PDoHS on a monthly basis in respect interest incurred on grant funding. The interest incurred on the grant funding received from the PDoHS amounts to **R 1 538 530.76 as of 02 February 2024.** Rudcor Engineering was appointed by KLM on 18 March 2024. Project is in progress(10/06/2024). The appointed Contractor is performing well and within timeframe. The project is on-going and Contractor is currently busy with construction of roads .(11 July 2024). Project is on-going and good progress on site. It is anticipated that the contractor will complete phase 2 by the end of November 2024. **The PDoHS approved additional funding to commence with phase 3 of the project. 07/03/2025. PMU is currently busy to finalise the appointment of a Service Prvider for phase 3 of the projects. 10/04/2024**	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 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 (10/04/25)**	Director:PDT/ Manager L&P	In progress
	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. Item was placed on April Portfolio Committee meeting to rescind previous council resolution. (10/04/2025)**	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. **No rezoning required anymore. (14/04/25)**	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. **Properties will no longer be disposed. (14/04/25)**	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 beneficearies. (11/03/2024) It is anticipated 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). Received comments back from Provincial Treasury and item will be tabled to next Portfolio Committee Meeting (14/10/25)** (Duplicate)	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 Settlements and Municipalities in SBD to discuss TOR of appointed conveyancs. 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 (06/04/25)**	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 transferred 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) **Transfer of the properties in progress (14/04/25)**	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 draft recieved. Appointment was made for design control guidelines. 07/03/2025. Department is in the process of appointing consultants for subdivision and environmetal studies. 10/04/25	Jw	In Progress
			That Council authorizes the Department Planning & Development to proceed with the rezoning of a portion of Portion 1 of the Farm Humansdorp No.499 from "Agricultural Zone 1" to "Special Zone" to accommodate the intended uses for an" Integrated Industrial Development Zone" as previously described.				
			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 (10/04/25)**	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 provincial 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). **Disposal and transfer completed10/04/2025**	Manager: Legal Services	Completed
	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 (11/04/25)**	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 presentted 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 Aleanation Strategy (06/03/25) **Alienation Strategy has been compiled (14/04/25)**	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. New site has been identified and process has started to acquire erf 335 portion 23, Humansdorp RD.	Three alternative sites has been identified and will be tabled to LEC in February 2024 to get comments and inputs from service departments. Item will be presented to next Portfolio Committee Meeting for consideration. (11/03/2024). Three alternative sites was tabled to the LEC Meeting to obtain comments and recommend to Council. (15 April 2024) An item was taken to the May Portfolio Meeting with the options. (16 May 2024) Item was tabled to the Portfolio Meeting but was withdrawn to investigate other potential land parcels (12/06/2024) Negotiations is underway with owner of potential property for homeless shelter with meeting scheduled for 13 August. (12/08/2024). A service provider has been appointed to provide a valuation report which will be tabled to Council for consideration (14/10/2024). Valuations refered to the Office of the MM for consideration. 27/11/2024. Budget requested to acquire an alternastive property. (09/01/2025) An item for the aquisition of the property will be submitted to the next Portfolio Committee (06/03/25) **It was tabled at the April Portfolio Committee Meeting for approval to purchase Erf 335 portion 23. (14/04/25)**	Manager: L&PA	In progress
			That in terms of Reg 6(a) and (b) of the MATR and Policy on disposal of immovable Assets, Council grant authorization to the Accounting Officer to advertise the intended alienation of the immovable property herein.			Manager: L&PA	
			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	
			That public participation process and stakeholder engagement be embarked on after which an agreement be concluded.			Manager: L&PA	
			That a Service Level Agreement (SLA) be concluded with the successful NPO for the funding of the Shelter.			Manager: L&PA	
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 will 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	Act. Manager: Human Settlements	On-going
			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.		TOR was send to SCM for the appointment of contractors for the construction of 6 houses. Meeting will take place on the 28th of September with SCM.Tender was advertised and Virtual Bid Clarification meeting were held on 23 October 2023. The tender closes on 13 November 2023. Currently evaluating bids with Supply Chain.Appointment of Service Provider will be done by end of January 2024. Bid for the construction of six (6) houses in Patensie was awarded by BAC on **31 January 2024.** It is anticipated that Contractor will start construction of houses once contract is signed. Appointed Contractor currently busy with the submission of building plans and the enrolement of the project to the NHBRC. 11 April 2024. Contractor to start with demolition of current structures before end of May. Construction of houses will commence first week in June 2024. **(09 May 2024).** The appointed contractor experienced some challenges in respect of the submission of building plans. However, this matter is resolved and construction of these houses will commence soon, once building plans are approved. (11 July 2024). Project is currently underway. (12/08/2024) . All building plans for this project is approved, however the appointed contractor is not performing and a decision was taken to terminate the appointment. Human Settlements Section will laise 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). KLM submitted request to PDoHS to finalise the project. 10/04/25		
	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	The Department of Public Works manages state entity immovable assests: The user department which in this case is the Department of Health is required to submit a request the Department of Publics Works for the acquisition of property. **The Department of Health and the Rotary Club have been informed to forward request for acquisition to the Deaprtment of Public Works, as acceptance of property by the DPW through acqusition must follow neccesary procedures and approval from DPW relavant commitees. (14/04/2024).**	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	TOR was send to SCM for the appointment of contractors for the construction of 6 houses. Meeting wil take place on the 28th of September with SCM.Tender was advertised and Virtual Bid Clarification meeting were held on 23 October 2023. The tender closes on 13 November 2023. Currently evaluating bids with Supply Chain.Appointment of Service Provider will be done by end of January 2024. Bid for the construction of six (6) houses in Patensie was awarded by BAC on **31 January 2024**. It is anticipated that Contractor will start construction of houses once contract is signed. Appointed Contractor currently busy with the submission of building plans and the enrolement of the project to the NHBRC. 11 April 2024. Contractor to start with demolition of current structures before end of May. Construction of houses will commence first week in June 2024. **(09 May 2024).** The appointed contractor experienced some challenges in respect of the submission of building plans. However, this matter is resolved and construction of these houses will commence soon, once building plans are approved. (11 July 2024). Project is currently underway. (12/08/2024) . All building plans for this project is approved, however the appointed contractor is not performing and a decision was taken to terminate the appointment. Human Settlements Section will laise 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). KLM submitted request to PDoHS to	Act Manager Human Settlem	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	Final draft received from the service provider. Awaiting discussion with service departments. 10/04/2025	Manager P&D	In progress
			That, before the SDF is circulated for public review, Councillors are workshopped on SPLUMA, the Spatial Development Framework, guides compiled, and the impact that it has on spatial planning and development.	Compilation of Terms of Reference for the appointment of a service provider.		Manager P&D	In progress
	23/06/PDT16	REQUEST FOR COUNCIL TO RESCIND COUNCIL RESOLUTION-21/09/PDT9, GRANT AUTHORISATION TO TAKE TO PUBLIC PARTICIPATION THE INTENTION OF COUNCIL TO ALIENATE ERF 3291, HUMANSDORP (KOUGA CULTURAL CENTRE)	That Council rescind previous council resolution, 21/09/PD9.	Item was presented to the June 2023 Council Meeting	**An item will be tabled to the May Council for final approval. (14/04/2025)**	Manager L&P	In progress
			That the market related value for the immovable properties contemplated in be confirmed through independent or alternatively the latest municipal valuation.	In the process to appoint professional valuer	**Service Provider was appointed and completed the market related valuation report. (14/04/25)**	Manager L&P	Completd
			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	**Professional valuer appointed and section 14 comments received. (14/04/25)**	Manager L&P	Completed
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.	**A draft Land Alienation Strategy has been developed and will be submitted to next Portfolio Committee Meeting. (14/04/25)**	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, T**he conveyance attorney corresponded with our department on 3 April 2025 with issue relating to the original subdivision of the property and conditions in the title deed relating to lease hold. (14/04/25)**	Manager L&P	In progress
	23/08/PD8	ALLOCATION OF STREET AND AREA NAMES: VARIOUS GOVERNMENT SUBSIDISED HOUSING PROJECT: KRUISFONTEIN AND PELLSRUS	That the applicant obtains the necessary land use rights by submitting an application for temporary departure to the Town Planning 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
			That the Infrastructure and Engineering Directorate erect the street and area names in accordance with the approved street and area names.		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) **The new street names and numbers was sent to relevant departments for updating purposes. (14/04/25)**	Manager L&P	In progress
	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 will meet with Red Lions to discuss a way forward and to finalise the application. 10/04/2025**	Manager L&P	In Progress
			That Council authorises the Accounting Officer to obtain the market-related rental valuation for consideration.	Quotations to be obtained and requisition to be prepared. **The appointment of service provider was hold back awaiting the outcome of negotiations.** (11/03/2024)	Service Provider to be appointed and cost be recovered from the applicant.	Manager L&P	In Progress
			That Council authorises the Accounting Officer to obtain the services of a registered professional to submit building plans for approval.	Quotations to be obtained and requisition to be prepared. **The appointment of service 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 volume of decisions taken recently and instructions. Awaiting lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (10/04/25)**	Manager L&P	In Progress

	23/12/PD6	ALIENATION (LEASE) OF ERF 1567, PELLSRUS	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 to expidite same, being mindful of the large volume of decisions taken recently and instructions. Awaiting lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/04/25)**	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. Awaiting 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/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 quotations have been sent to potential service providers (06/03/25)**	Manager L&P	In progress
			That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 to expidite same, being mindful of the large volume of decisions taken recently and instructions. Awaiting lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/04/25)**	Manager L&P	In progress
	23/12/PD13	ALIENATION OF ERF 137, PELLSRUS (LIZO PATRICK LETSEKHA)	That Council authorises the Accounting Officer to enter into a Deed of Sale for the purpose of transferring the said property.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)		Manager L&P	In progress
			That the property be transferred through the Extended Enhance Discount Benefit Scheme (EEDBS) which makes provision for properties 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 (06/04/25)**	Manager L&P	In progress
14-Dec-23	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 (06/04/25)**	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. Awaiting lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/04/25)**	Manager L&P	In progress
	23/12/PD17	LEASE OF A PORTION OF ERF 164, JEFFREYS BAY FOR A HIGH TELECOMMUNICATIONS MAST – (MTN TOWER/INSRI BASE STATION)	That an annual escalation be included in the lease agreement.	Final approval received from Council. Instruction was given to legal services to attend to the transfer of property. (11/03/2024)	Instruction was given and our Legal Services is busy preparing long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (12/08/2024) Discussions was held between our department and Legal Services in respect of outstanding lease agreements on 10 September 2024 to expidite same, being mindful of the large volume of decisions taken recently and instructions. Awaiting lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (10/04/25)**	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 (10/04/25)**	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. Awaiting lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/04/25)**	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 wans 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	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. Awaiting lease agreement (09/01/2025) **Legal services in the process to provide draft lease agreement (06/04/25)**	Manager L&P	In progress
	23/12/PD31	AMENDMENT OF KOUGA LOCAL MUNICIPALITY LAND USE SCHEME, 2021	That the Council approve the establishment of a Project Committee, comprising of the following persons: i) The Municipal Manager ii) Manager: Legal Services iii) Director: Planning & Development (or representative) iv) Director: Civil & Water Services (or representative) v) Director: Community Services (or representative) vi) Environmental Officer vii) Manager Town Planning viii) Other members to be co-opted as needed.	A letter has been sent to the MEC Cogta, informing him of the Municipality's intention to amend the Land Use Scheme. Futrthermore, media notice informing the public of the municipal intention to amend its Land Use Scheme was published. The department is to publish a seconf notice.12/02/2024	Notices published January 2024. Draft to be presented at the Policy Workshop 10/08/2024. The proposed amendments presented at the Policy Workshop. The item will be table to Policy Committee and Council for Public participation. (27/11/2024). **Awaiting comments from appointed service provider on the draft amendments. 09/01/2025**	Manager: TP	In progress
	23/12/PD32	REQUEST FOR COUNCIL'S FINAL APPROVAL: A PORTION OF PORTION 4 OF THE FARM ZWARTENBOSCH NO. 347: TEEN CHALLENGE SA (NEW NAME SALVATION SOUTH AFRICA KOUGA)	That Council grant authorisation to the Accounting Officer to enter into a Deed of Sale with the Salvation SA Kouga	Final approval had been received from Council	A terms of reference for a 7-day notice have been prepared to appoint a service provider to commence with subdivision and rezoning. (12/07/2024) The applicant made contact with our department indicating that they are going to do the subdivision and rezoning themselves. (14/10/24) It was resolved that the standing resolution be implemented. 09/01/2025 **The applicant has requested for a meeting on way forward (06/04/25)**	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 amendments were presented at the Policy Workshop. The department will seek final comments from Legal Department then submision to Council for permision to proceed with public participation. 27/11/2024. **Draft amendments refered to Legal Department for comments. 10/03/2025.**	Manager P&D	In progress
			That a notice be published informing the public of the Kouga Municipality's intention to amend the Kouga Local Municipality Spatial Planning and Land Use Management By-Law, 2016	Notice to be published in March 2024		Manager: Legal	In Progress
	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 (06/04/25)**	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

28-Feb-24			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 (06/04/25)**	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 (06/04/25)**	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 (06/4/25)**	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. 14/04/2025**	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 (14/04/25)**	Manager L&P	In progress
	24/03/PD11	REQUEST FOR COUNCIL'S FINAL APPROVAL FOR ALIENATION (LEASE) OF ERF 1567, PELLSRUS	That Council authorizes the Accounting Officer to enter into long-term lease agreement with Lilungelo Lomntwana Jbay Training Centre 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 (14/04/25)**	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 A**pplicant recently submitted the site development plan for Electrical Motor Charging Facility in order for the LEC members to comment on the proposal, once comments is solicit an item will be tabled to Council. (26/11/2024) Item approved by Council in Dec. lease agreement to be finalised (09/01/2025) -**See duplication - Line 161	Manager L&P	In progress
			That an escalation be included in the lease agreement.	Final approval was obatined.		Manager L&P	In progress
	24/03/PD17	REQUEST FOR FINAL APPROVAL FROM COUNCIL TO DISPOSE AND TRANSFER: ERF 2593, SEA VISTA (ANNIE DANIELS)	That Council authorizes the Accounting Officer to enter into a Deed of Sale for the disposal of the property.	Item was tabled for in-principle approval at December 2023 Council Meeting	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024) Disposal and transfer in progress (09/01/2025) **Transfer in progress (14/04/25)**	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) **Disposal and transfer completed (14/04/25)**	Manager L&P	Completed
	24/03/PD19		That the town planning processes be finalized for the portion of Erf 873, Jeffreys Bay and that the cost be for the applicant.	Final approval was obatined.	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024) Disposal and transfer in progress. (09/01/2025) **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 14/04/25)**	Manager L&P	In progress
			That Council authorises the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said portion of the property.		**Draft Deed of Sale has been prepared. (14/04/25)**	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
27-Mar-24	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** (See duplication - Line 139)	Manager L&P	In progress
			That the building plans and rezoning be finalized, and the costs be for the account of the applicant.	Final approval was obatined.	**Costs to be reflected on the agreement.**	Manager L&P	In progress
	24/03/PD23	REQUEST FOR COUNCIL'S FINAL APPROVAL: DISPOSAL (PURCHASE) OF A PORTION OF ERF 164 (A PORTION OF ROAD RESERVE VERGE IN DROMMEDARIS STREET) TO CONSOLIDATE WITH ERF 269, JEFFREYS BAY	That town planning process be finalized and all other administrative costs be for the account of the applicant	Item was tabled for in-principle approval at December 2023 Council Meeting	Item was submitted to Council for final approval 27 March 2024 and final approval was granted. (15 April 2024) The department in the process to finalise subdivision, consolidation and rezoning whereafter the disposal and transfer process will commence (12/06/2024). The applicant was provided with a power of attorney and in the process of appointing a service provider for subdivision and rezoning. 27/11/2024. Awaiting land use application from the applicant. 09/01/2025 **Still awaiting land use application from applicant (14/04/25)**	Manager L&P	In progress
			That Council authorises the Accounting Officer to enter into a Deed of Sale for the disposal of the property	Final approval was obatined.	To be done after TP approval.	Manager L&P	In progress
	24/03/PD24	REQUEST FOR COUNCIL'S FINAL APPROVAL: ALIENATION (RIGHT-TO-USE) OF A PORTION OF ERF 164, JEFFREYS BAY	That town planning process be finalized and all other administrative costs be for the account of the applicant	Final approval had been received from Council	Legal Department to be informed of the annual escalation. Legal Services in the process to draft long-term lease agreement (12/06/2024) Awaiting draft lease agreement from Legal Services. (09/01/2025) **Still awaiting lease agreement (14/04/25)**	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. 14/04/2025**	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 (14/0425)**	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 received 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 (14/04/25)**	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. 14/04/2025**		
			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. 14/04/2025**	Manager L&P	In progress
31-May-24	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 (14/04/25)**	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 (14/04/25)**	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	
	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 (14/04/25)**	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 (14/04/25)**	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 (14/04/25)**	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 approval will be submitted to next Council Meeting (12/08/24). Final approval obtained from Council. Awaiting finalisation of lease agreement. 09/01/2025 **Still awaiting draft lease agreement (14/04/25)**	Manager: L&P	
			That an annual escalation be included in the lease agreement.	Item for in-principle approval was tabled to May Council Meeting.		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 (14/04/25)**	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 (14/04/25)**	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 appointment 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 of Sale/Donation contemplated herein.	To be actioned	Deed of donation in progress.	Manager: L&P	
			That a draft layout plan for Erf 9932 be submitted to the next Planning & Development Portfolio Committee for further debate on land use 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 (14/04/25)**	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 (14/04/25)**	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 (14/04/25)**	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

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
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.	Tender advertised.	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. **14 April 2025:** Tenders advertised 09 April 2025	PMU Manager	COMPLETED
27-Feb-25	25/02/CWS20	Jeffreys Bay: The Fountains Industrial Park: Development Charges	That the ESA be amended to incorporate the above resolution by Council.		**04 March 2025.** Amendment of ESA in progress.	Manager Water and Sanitation	Completed
			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
31-Mar-25	25/03CWS1	APPROVAL OF THE FINAL PROJECT IMPLEMENTATION PLAN (PIP) FOR THE 25/26 FINANCIAL YEAR MIG ALLOCATED GRANT FUNDING	That the final Project Implementation Plan for MIG projects for the 25/26 FY be approved by Council.		**12 April** - Final PIP was approved by council	Manager PMU	Completed
			That the expenditure value for the Queen Street Pumpstation upgrade be changed to R0.00 and the expenditure value of Arcadia Pumpstation be changed to R66 000.		**12 April** - Both Queen street and Arcadia pumpstations are receiving new Clearview fence, upgraded security measures (lights, camera's and beams)	Manager PMU	Completed

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 **04/04/2025**	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. **04/04/2025**	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 **04/04/2025**	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. **04/04/2025**	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. **04/04/2025**	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 2025, upon completion the site (Thoksville) will be Kouga's and we will require funding to further electrify the area. **04/04/2025**	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. **04/04/2025**	Acting Manager Electrical Mr. M Mangembe	**ON-GOING**
31-Mar-25	**25/03/EMS1**	**REPORT: CORRECTION OF ELECTRICAL TARIFFS, CONSUMER CATEGORY COMMERCIAL FOR THE 2024/25 FINANCIAL YEAR**	That Council approves the correction of the commercial tariffs for the 2024/25 financial year from R 68.30 p/kVA to R 391.11p/kVA in the ≤ 500V category and from R 62.84p/KVA to R 359.83 p/kVA in the >500V ≤ 66kV tariff category. That Council note the comment from NERSA that the tariff be immediatly immpelented.	Traiffs has been corrected and affected consumers notifed in writting regarding the corrected.	Account been issued	Acting Manager Electrical Mr. M Mangembe	

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE MUNICIPAL MANAGER
OPEN
DATE: 30 APRIL 2025
ITEM NO:**25/04/MM3**

ADOPTION OF THE CODE FOR ETHICAL LEADERSHIP IN LOCAL GOVERNMENT

1. **Introduction**

The purpose of this item is for Council to consider and adopt the Code for Ethical Leadership in Local Government, as required in terms of the SALGA Joint Circular No. 1 2024, attached as Annexure A.

2. **Background**

The Minister of Co-operative Governance and Traditional Affairs in partnership with the Ethics Institute, South African Local Government and the Moral Regeneration Movement embarked on the Local Government Ethical Leadership Initiative to develop a Code of Code for Ethical Leadership in Local Government as envisaged in the Local Government Anti-Corruption Strategy under joint circular no 1 of 2024 signed on 09 October 2024.

3. **Discussion**

The Circular provides a brief overview of the development and approval process of the Code for the Ethical Leadership in Local Government (the Code) and further requires that the council resolves on the adoption of the Code within 60 days from date of the Circular.

The Code aims to give effect to the spirit of the South African Constitution and create an environment where the legislative and regulatory framework can thrive. The Code does not replace the existing legislative and policy provisions, but rather enhances them. The Code applies to both political and administrative municipal leaders.

The Code focuses on what needs to be done in order to have a well governed, efficient, effective, and ethical leadership in local government. It is also serves as a tool for the community to hold their municipal leaders accountable. It is believed that the Code will inspire the local government leaders to serve the communities in the spirit intended in our Constitution.

The Code for the Ethical Leadership in Local Government is attached hereto and marked as Annexure B.

4. **Financial Implications**

Completed by BTO	Not applicable
Project Description	
Ukey no.	
Budgeted Amount	

Amount spent and committed to date	
Amount Available	
Comment	

5. **Applicable Legislation**

The Constitution of the Republic of South Africa 108 of 1996;
Preventing and Combatting of Corrupt Activities Act 12 of 2004;
The Local Government: Municipal Structures Act 117 of 1998, as amended
The Local Government: Municipal Systems Act 32 of 2000; as amended
Local Government: Municipal Finance Management Act 56 of 2003;
Supply Chain Management Policy to comply with the prescribed framework;
Local Government Anti – Corruption Strategy

6. **Legal Implications**

Should the Council adopt this Code for the Ethical Leadership in Local Government, it will become a Code of the Kouga Municipality to be institutionalized by the municipality for implementation by the municipal leaders.

7. **Other Implications**

None.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Noted

8.2 **Director: Planning & Development**

Supported

8.3 **Director: Civil & Water Services**

Item supported.

8.5 **Director: Electro-Mechanical Services**

Noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Noted.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That Council take note of the Joint Circular No 1 of 2024 issued by the Minister of Cooperative Governance and Traditional Affairs and the South African Local Government Association.

10.2 That Council adopt the Code for the Ethical Leadership in Local Government.

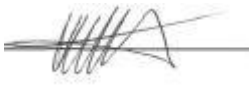
10.3 That the Kouga Municipality put measures in place to institutionalize the Code in the municipality and provide timeframes for the measures identified.

10.4 That the Code for Ethical Leadership be published on the Kouga Municipality website.

10.5 That the resolution taken by Council on the Code for Ethical Leadership in Local Government be communicated to the MEC responsible for local government, Department of Cooperative Governance, and the South African Local Government Association.



Item prepared by: Manager: Legal Services



Item approved by the: Deputy Municipal Manager:



Item endorsed by the: Municipal Manager

ANNEXURE A

Joint Circular 1 of 2024 - Code for Ethical Leadership in Local Government

MINISTRY
COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION
SALGA
Inspiring service delivery

Reference: 16/1/2/2

JOINT CIRCULAR NO 1 2024
ISSUED BY:

FROM:
MR VELENKOSINI HLABISA, MP: MINISTER OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS; AND

CLLR BHEKI STOFILE, PRESIDENT: SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION

TO ALL

EXECUTIVE MAYORS AND MAYORS;
SPEAKERS; AND
MUNICIPAL MANAGERS.

SUBJECT: ADOPTION OF THE CODE FOR ETHICAL LEADERSHIP IN LOCAL GOVERNMENT

1. The Summit on Ethical Leadership in Local Government was convened on 01 March 2024 at Birchwood Hotel and Conference Centre, in Gauteng Province where, amongst others, the Code for Ethical Leadership in Local Government was launched.

2. The Code was developed through the Local Government Ethical Leadership Initiative (LGELI) which is a partnership between The Ethics Institute (TEI), the Department for Cooperative Governance (DCoG), the South African Local Government Association (SALGA), and the Moral Regeneration Movement (MRM). LGELI was established specifically to develop the Code for Ethical Leadership in Local Government as required by the Local Government Anti-Corruption Strategy.

3. A copy of the full version as well as the summary version of the Code is attached for ease of reference. The Code is the outcome of a five-year process that commenced in October 2019.

4. The development process commenced in 2021 with discussion sessions in each of the provinces to better understand the ethical challenges that local government leaders face. Following this, a national survey of local government ethical leadership was conducted in municipalities. This research informed the development of a draft

Code of Ethical Leadership in Local Government. The following year this draft was taken back to the provinces and consulted with both local government leaders and members of civil society. After an Exposure Draft was released for comment in June 2023, comments were incorporated, and the Code was finalised in October 2023.

5. The Code aims to give effect to the spirit of the South African Constitution and create an environment where the existing legislative and regulatory framework can thrive. The Code does not replace the existing legislative and policy provisions, but rather enhances them. The Code applies to both political and administrative municipal leaders.

6. It is different from the Code of Conduct for Councillors, and the Code of Conduct for Municipal Staff Members in that those codes govern personal behaviour, whereas this is a governance code, similar to the King Code for Corporate Governance. As such it gives guidance to local government leaders on how to navigate those issues that have the biggest impact on ethical governance in municipalities to create well governed and effective organisations.

7. For the Code to have impact it must become a prominent feature of municipal discourse. It can only achieve its objective if it is adopted by the municipalities throughout the country, and if municipal leaders implement the principles of the Code consistently.

8. In this regard, as part of setting the tone for an ethical culture, we request that:

    8.1 Municipal Councils adopt the Code for Ethical Leadership in Local Government and send the council resolution to the MEC responsible for local government, DCoG and SALGA; and

    8.2 Municipalities put in place measures to immediately institutionalise the Code at the municipality and the timeframe over which this will take place.

9. It will be appreciated if your response to this request can reach us within sixty (60) days from the date of signature of this Circular.

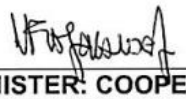
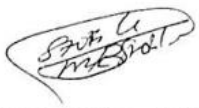
10. Measures to institutionalise the Code may include distributing a copy of the Code to all municipal leaders and placing the code on the website of municipality including the Code on meeting agendas to discuss its practical implementation, and training and awareness will also be key.

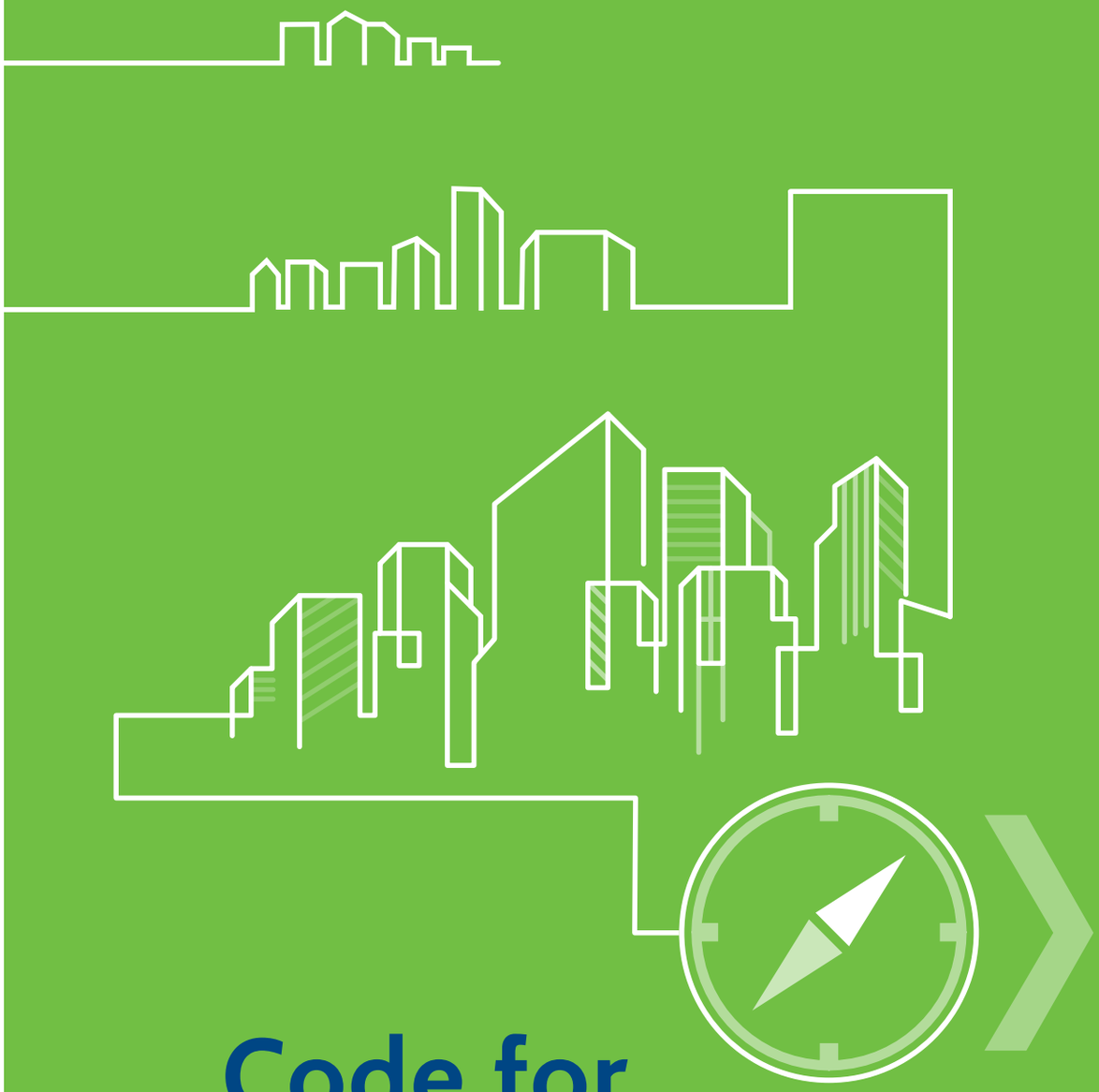
11. The Ethics Institute, DCoG and SALGA has provided training on the Code to municipal functionaries commencing June 2024. Further details of the training will be furnished to municipalities through provincial CoGTAs and SALGA.

12. Your office is welcome to contact Mr Elphus Ndou, Director: Anti-Corruption on (012) 334 4953 or email: elphusn@cogta.gov.za, or Mr Michael Chauke, Specialist: Inclusive Governance and Councillor Welfare on 0760617598, or email: mchauke@salga.org.za for more information related to this matter.

13. We look forward to our collective journey towards ethical leadership in local government.

With kind regards,

MR VELENKOSINI HLABISA, MP	**CLLR BHEKE STOFILE**
	
MINISTER: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS	**PRESIDENT: SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION**
DATE: 09/10/2024	DATE: 08 August 2024



Code for Ethical Leadership in Local Government

THE ETHICS INSTITUTE

An initiative of The Ethics Institute in partnership with:

cooperative governance
Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION
SALGA
Inspiring service delivery

moral regeneration movement



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2023

Messages of commitment

November 2023

Father Smangaliso Mkhatshwa

Chair of the Local Government Ethical Leadership Initiative (LGELI) advisory committee, and chair of the Moral Regeneration Movement.

The journey to develop the Code for Ethical Leadership in Local Government commenced in earnest in November 2020 when the LGELI Advisory Committee had its first meeting. It was clear that there is a need for a document to guide municipal leaders on building ethical and effective organisations. The Advisory Committee has been steadfast in its position that this should be a moral rather than a legal document. We envisage that this Code will guide conversations on the spirit and practice of ethical leadership in local government, and impact positively on the lives of communities. I wish to thank the members of the Advisory Committee, as well as the Working Group for their dedication to the project.

Ms Thembi Nkadimeng

Minister of CoGTA

The Department of Cooperative Governance fully supports the development of the Code for Ethical Leadership in Local Government. The Code is in line with the strategic objectives of the Local Government Anti-Corruption strategy which puts specific emphasis on ethical leadership. In our view, the Code will contribute towards addressing some of the governance challenges at municipalities, especially the prevalence of unethical conduct by leadership at various levels. The Code was developed through a collaborative effort and there was extensive consultation with all key stakeholders. It is only through collaboration that we can win the fight against corruption and ensure the promotion of ethics in municipalities. Moving forward, it will be key to put measures in place to ensure that the Code is institutionalised in municipalities.

Cllr Bheke Stofile

President of SALGA

For good governance and service delivery to prevail, upholding ethical behaviour by public officials and councillors is fundamental. To improve good governance and work towards realising the goals of the Constitution and the White Paper on Local Government, it is crucial to establish an ethical framework for social and economic growth at the local level.

The Code for Ethical Leadership in Local Government is a vital component of inculcating such a culture of ethical and servant leadership in the sector. As a partner of the Local Government Ethical Leadership Initiative, SALGA is fully committed to drive the implementation of the Code.

Prof Deon Rossouw

CEO of The Ethics Institute

Ethics is the cornerstone of safe, just, and prosperous communities. It is therefore imperative that leaders in local government should lead with personal integrity. However, personal integrity cannot be legislated. It depends on the personal commitment of leaders to put the interest of the communities that they serve before their personal interests. It is our hope that this Code will inspire our local government leaders to serve our local communities in the spirit intended in our Constitution.

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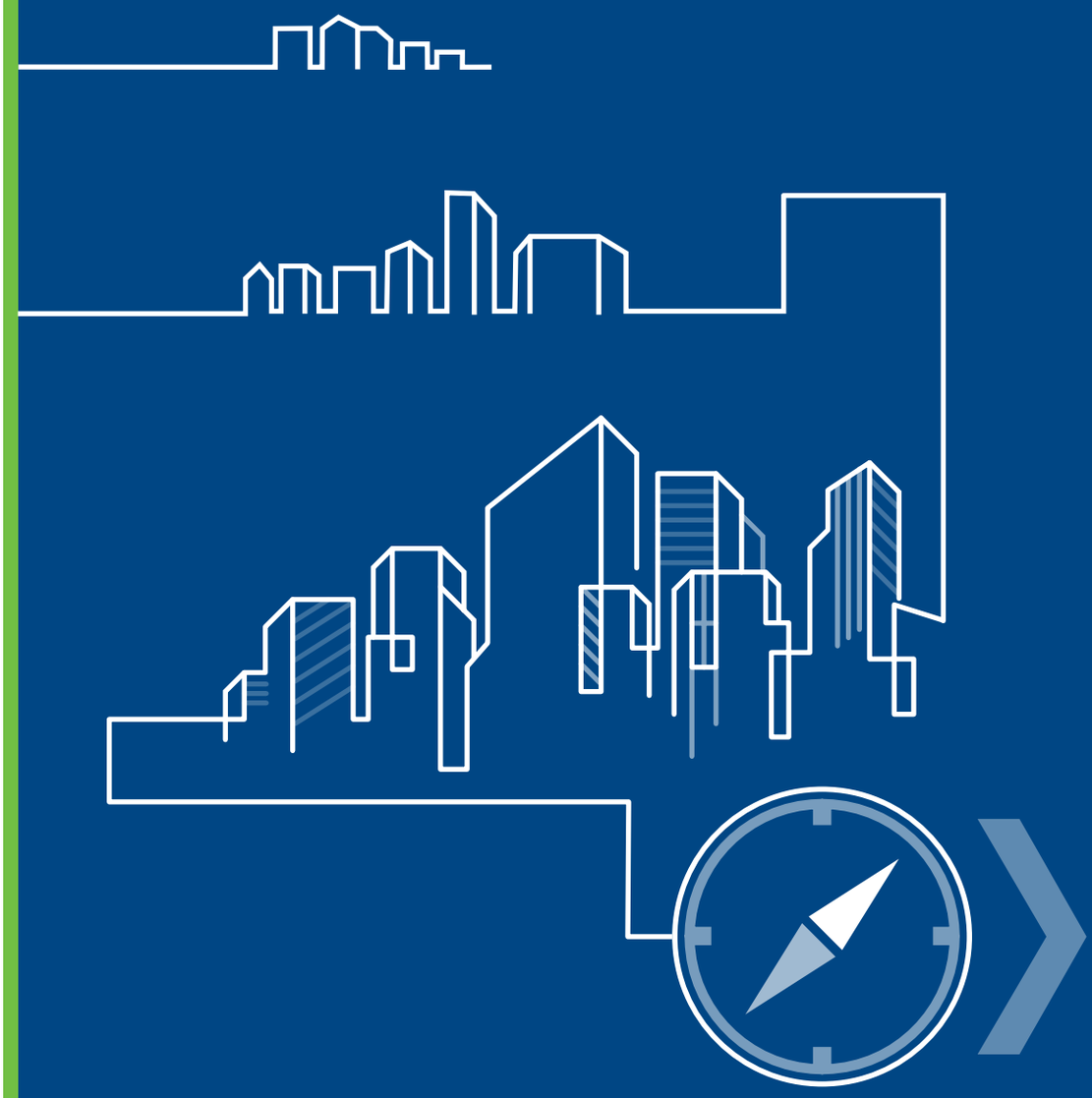
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Introduction

1. Background to the Code

The Constitution of the Republic of South Africa (1996) envisions a local sphere of government that is 'democratic and accountable' and will 'ensure the provision of services to communities in a sustainable manner'.

The White Paper on Local Government (1998) not only sets out the vision for democratic local government, but also envisions the type of political leadership required to achieve that vision – a political leadership which:

- Provides community-wide leadership and vision
- Constantly builds its capacity to make policy judgements
- Is accountable and transparent
- Builds partnerships and coalitions
- Represents the diversity of interests
- Demonstrates value for money

The National Development Plan 2030 envisions a society which has zero tolerance for corruption, with an empowered citizenry who hold leaders to account and 'leaders who act with integrity and have high ethical standards'.

This is taken further in the National Anti-Corruption Strategy 2020-2030 that sets 'ethical leadership' as one of its seven strategic objectives, and envisages an 'ethical, transparent and accountable state, business and civil society sectors in which those in positions of power and authority act with integrity'.

The absolute importance of ethical leadership – specifically in local government – is further elaborated on by the Local Government Anti-Corruption Strategy (2015) which envisions a local government sector where:

- Leadership is unquestionably committed to high ethical standards, service delivery and good governance;
- A sense of openness and accountability defines the relationship with the citizens;
- Robust governance and oversight processes are institutionalised and resourced;
- A professional ethical culture is embedded; and
- Corruption incidents are dealt with justly and decisively.

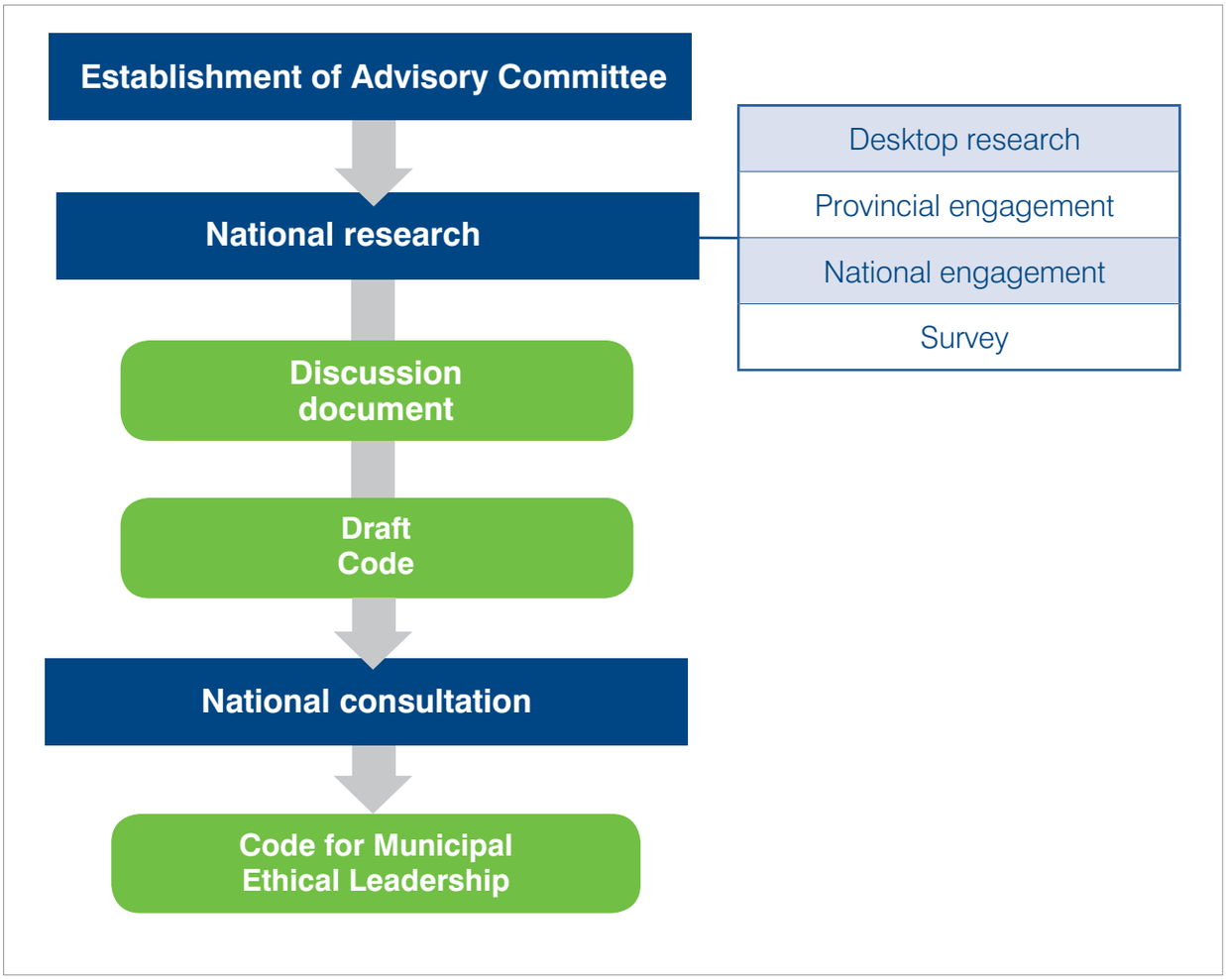
The Local Government Anti-Corruption Strategy goes beyond merely wishing for improved ethical leadership, and sets out a plan for a structured national dialogue to determine 'Values and principles for ethical governance in municipalities'. It stipulates that the process should culminate in a widely consulted document that specifies not only abstract values, but specifically how to operationalise good governance and ethical leadership in practice.

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The Local Government Ethical Leadership Initiative (LGELI) was therefore established to give effect to this part of the Local Government Anti-Corruption Strategy. It is a partnership between The Ethics Institute (TEI), the Department for Cooperative Governance (DCoG), the South African Local Government Association (SALGA), and the Moral Regeneration Movement (MRM), and it was set up specifically to develop the *Code for Ethical Leadership in Local Government.*

The Code was developed as part of a five-year project which commenced in 2020. The first year saw the establishment of the LGELI Advisory Committee to guide the project. During 2021, extensive research was conducted in all nine provinces to better understand issues surrounding municipal ethical leadership. From this, a draft code was developed that was taken back to the provinces in 2022 for consultation.

The process is summarised in the graphic below:



2. Purpose

The purpose of the Code is to give guidance to local government leaders on how to navigate those issues that have the biggest impact on ethical governance in municipalities based on the research. There are certain behaviours that are destructive to ethical governance, and should be avoided, and others that are supportive of ethical governance, and should be promoted.

3. How does this Code differ from the Municipal Codes of Conduct?

The Municipal Structures Amendment Act (3 of 2021) sets out the Code of Conduct for Councillors, and the Municipal Systems Act (32 of 2000) sets out the Code of Conduct for Municipal Staff Members.

While these codes contain vital principles of general conduct, they are predominantly a list of *do's and don'ts* that councillors and staff members have to abide by in terms of their personal conduct. As the names say, they are codes of conduct.

While the Code for Ethical Leadership in Local Government contains some elements of personal conduct, it is predominantly about the role that leaders should play to ensure ethical and effective municipalities. So instead of being a code of personal conduct, it is a governance code, similar to the King Code for Corporate Governance. It guides leaders on how to create well-governed and effective organisations.

4. Who does the Code apply to?

The Code sets out principles that should be applied by anybody who finds themselves in a municipal leadership role. At the political level this includes councillors and traditional leaders, and at the administrative level it includes municipal managers and all other managers. The spirit and intent should, however, be filtered down to all municipal officials.

Since the Code guides leaders on the ethical principles required to create healthy organisations, it applies both at the individual and collective levels. Each leader must personally decide to live the spirit and principles of the Code. The outcomes will, however, only be achieved if leaders also live and implement these principles as a collective. For that reason, councils are encouraged to formally adopt the Code through a council resolution.

The Constitution specifies that the municipality consists of three components: the council, the administration and the community. Since the community is included in the definition of a municipality, the Code also sets out how communities can support the spirit and principles of the Code.

There are a host of other role-players, for example, political parties, business, and service providers, who are not necessarily governed by municipal legislation and codes, but who also have a significant impact on the ethical culture in municipalities. These too should be guided by the spirit of the Code.

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5. Will the Code be enforceable?

The Code sets out the spirit and intent with which legislation and regulations should be implemented in local government. Neither spirit, nor intent can be legally enforced. Instead, it requires personal commitment. Leaders will either choose to abide by the Code, or they will not.

For example: one can put legislation in place to ensure that appointments are made. However, if people have bad intentions, they will find a way of complying with the law but still not appointing the best person. To ensure the spirit of the law is implemented requires good intent and moral commitment.

Our experience through the consultative process that was followed to produce this Code convinced us that there are enough good leaders who want to do the right thing – even when no one is watching.

Leaders will hold themselves accountable to the Code, but will also informally hold other leaders to its spirit and principles. In the same way, communities can expect their leaders to abide by the Code, and hold them to account.

The Code can also guide the spirit of the law. The Local Government: Municipal Structures Amendment Act (Act 3 of 2021) specifies that the Speaker of Council 'is responsible for the ethics and accountability of the municipal council'. While the Speaker is not expected to hold councillors accountable to this Code, it may give the Speaker guidance when considering the spirit of ethical leadership. This will be easier in a municipality where Council has chosen to adopt the Code.

6. Who will promote the Code?

The Code will be promoted, institutionalised, and supported by the project partners. The impact of the Code will be monitored and evaluated over time by DCoG and SALGA.

At the same time, the success of the Code depends on individual municipal leaders and community stakeholders. It is envisaged that they in turn will promote and support the Code by living it and sharing it in their sphere of influence.

7. Acknowledgement to King IV

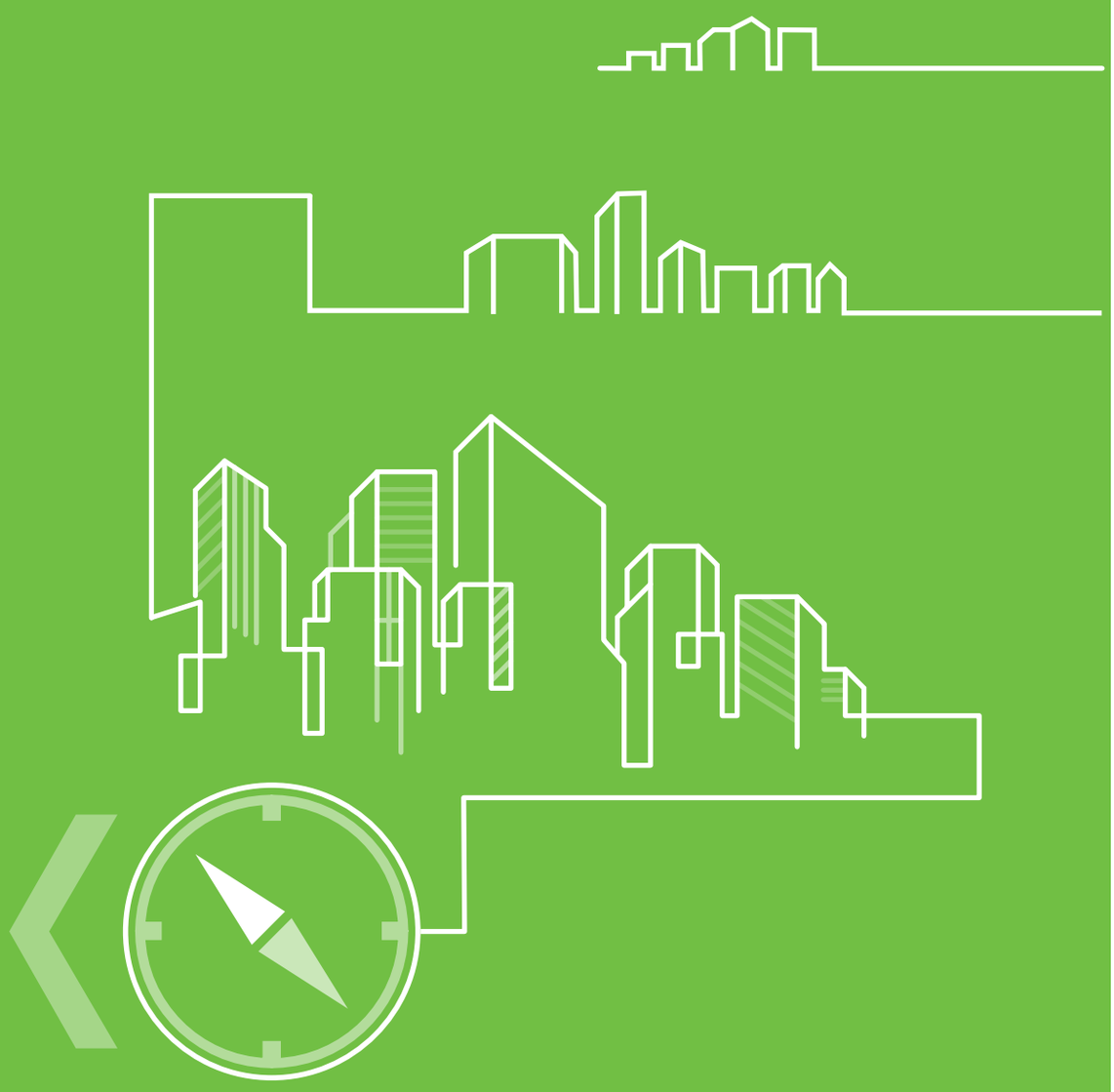
The King Report on Corporate Governance for South Africa (2016) (King IV) is now in its fourth iteration and has matured significantly since it was first released in 1994. It sets out 16 principles to assist governing bodies and organisations in achieving good governance outcomes.

The Code for Ethical Leadership in Local Government has leaned strongly on many of the foundational aspects that have been developed by the King Committee, and especially in the following respects:

The Code:

- Follows King IV's example of an *outcomes-based approach* for a governance code. This means that governance is not an end in itself, but a tool for delivering specific outcomes. The test of effectiveness is in whether these have been achieved.
- Adopts a *principle-based* (rather than a rules-based) approach to corporate governance. This approach requires leaders to mindfully apply the principles of the Code (in the intended spirit), rather than mindlessly complying with rules. *Mindful application* of codes of governance is about achieving the benefit of good governance in the interest of the municipality and applying the Code as a way of adding value and not as a compliance burden that adds no value.
- Embraces the understanding as advocated by King IV of seeing governance as a *holistic and integrated* set of arrangements.
- Adopts the idea that all of the principles set out in the Code are *collectively* required in order to work towards good governance.

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A. Code for Ethical Leadership in Local Government

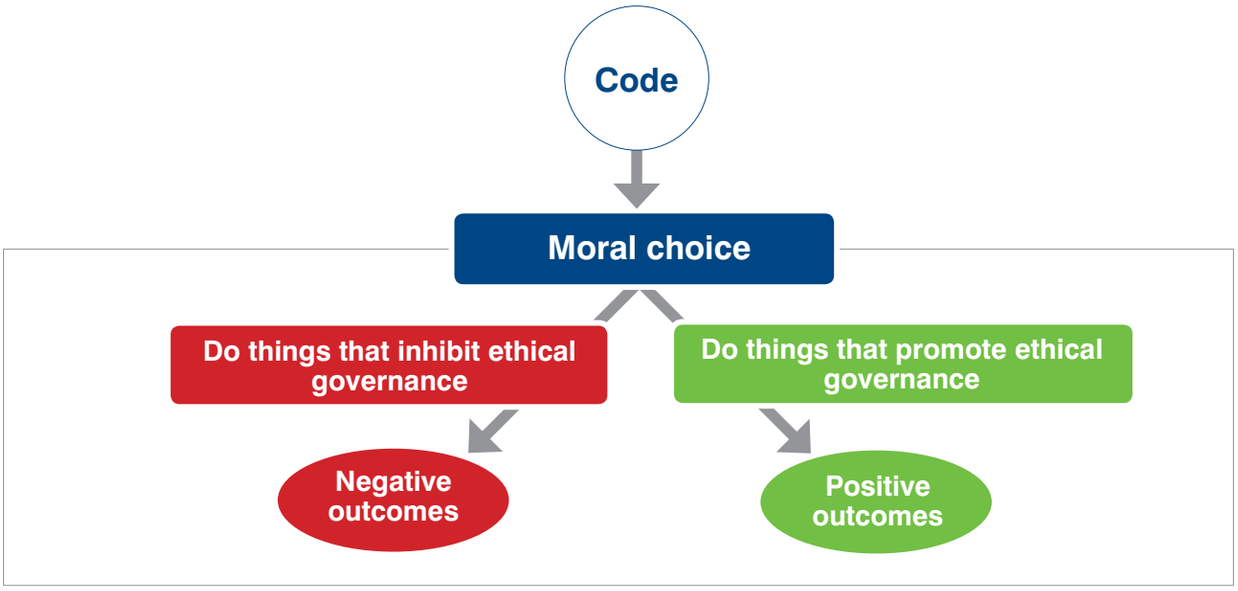
1. Rationale – Key to the Code

Ethical leadership is an absolute prerequisite for successful developmental local government as envisaged by the Constitution. The truth, however, is that neither ethics, nor leadership can be legislated or externally enforced. It is an individual choice.

It is the premise of this Code that the majority of leaders in local government are ethical people, who want to do the right thing. At the same time, the research has clearly shown that leading ethically in local government can be very difficult, and that there are certain practices that undermine ethical leadership (making it more difficult) and others that empower ethical leadership (making it easier).

This Code therefore aims to be a tool to help municipal leaders navigate this challenging terrain. It clarifies what practices have been proven by the research to undermine ethical governance, and should therefore be avoided, and what practices are enabling, and should be pursued.

It is not a case of minimally complying with the Code that will lead to good outcomes, but also the spirit and intent with which it is done. At the end of the day, it is a moral choice by the individual leader, as well as the municipal leadership as a collective.



This Code aims to give effect to the spirit of the Constitution and create an environment where the existing legislative and regulatory framework can thrive, by setting out the following in relation to ethical leadership in local government:

- The outcomes: What is it that we want to achieve?
- The spirit: What is our core consideration?
- The principles: What must be done to achieve the outcomes?

This Code has been developed for municipal leaders who want to be part of the solution – who want to build a better local government and a better South Africa.

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2. Graphic overview



The spirit of the Constitution and local government legislation underpins the Code.

3. OUTCOMES of ethical municipal leadership

The test of the successful implementation of the Code will be in whether the outcomes have been achieved. The outcomes are the positive effects which the municipality will experience as a result of ethical municipal leadership.

OUTCOMES: What do we want to achieve?

An ethical culture | **Well-functioning municipality** | **Trust**

Through the mindful application of the spirit and principles of ethical leadership, municipal leaders will contribute towards the following outcomes being achieved within their municipalities:

- Ethical culture

- Ethical leadership builds an ethical culture in the municipality as a workplace. This means that the systems and the culture make it easier for people to behave in the right way, rather than the wrong way, and people do the right things whether they are being watched or not.
- Ethical leadership promotes ethics in the community. Leaders are not just responsible for delivering services, but also strive to promote healthy community relations, social cohesion, and positive societal values within their communities.

- Well-functioning municipality

- The National Development Plan emphasises that meeting our transformation agenda requires functional municipalities and a capable machinery at a local level that can create safe, healthy and economically sustainable areas where citizens and people can work, live and socialise.
- A well-functioning municipality is characterised by governance systems and processes that provide direction, create policy clarity, and ensure oversight and accountability. The right people are appointed and resources are used fairly and wisely.
- This leads to the developmental and sustainable provision of services to all citizens especially the most vulnerable – in fulfilment of the Constitutional mandate of local government.

- Trust

- Ethical leadership creates trust between the municipality and all its stakeholders, as well as trust that its leaders are able to fulfil their roles and responsibilities, and are morally committed to this task.

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4. SPIRIT of ethical municipal leadership

SPIRIT OF ETHICAL MUNICIPAL LEADERSHIP:
What is our core consideration?

Leading in the long-term sustainable interest of the municipality and all its communities.

In whose interest do municipal leaders lead?

The foundational question of municipal leadership (against which all other questions are measured) is whose interests one considers when making decisions. In other words: *In whose interest do we lead?*

Municipal leaders should lead in the long-term, sustainable interest of the municipality and all its communities.

What does this mean for leaders?

Leaders should ask themselves the question:

- ✓ Is what we are doing in the long-term sustainable interest of the municipality and all its communities?
- ✓ Am I considering the long-term, sustainable interest of the municipality and all its communities above personal, political and factional interests?
- ✗ If not, that course of action would not be in line with ethical leadership and should not be pursued.

The above does not mean that the interests of other stakeholders should be ignored. Good governance means balancing the legitimate interests of all material stakeholders with the best interest of the municipality. Where interests are in conflict, leaders should carefully consider them, always keeping in mind their core mandate.

5. PRINCIPLES of ethical municipal leadership

The principles indicate what municipal leaders should do to achieve the desired outcomes. The spirit of ethical municipal leadership (as a core consideration) should always guide how the principles are implemented.

The principles are mutually reinforcing, and all contribute collectively to achieving the outcomes.

PRINCIPLES: How do we achieve what we want?

An ethical municipal leader:

1. Sets the tone for an ethical culture.
2. Follows a community-centred approach to governance.
3. Respects the boundary between the political and administrative spheres of the municipality.
4. Ensures the appointment of staff who have competence and integrity.
5. Ensures the appropriate level of competence, integrity, and diversity on committees and oversight structures.
6. Deals fairly and decisively with ethics transgressions and poor performance.
7. Engages respectfully and constructively with other leaders.

Principle 1: An ethical municipal leader sets the tone for an ethical culture

Unpacking the issue

Ethics is about doing what is good and right, balancing one's own interests with the interest of others.

In the organisational context, ethics refers to values that guide the organisation in its interaction with its stakeholders. Ethical action is therefore to achieve what is good, right and lawful both for the municipality, and for the community.

Ethical leadership goes beyond simply acting ethically oneself. It also means setting an ethical tone in one's environment and positively impacting the ethical culture, both in the municipality and the community.

An ethical culture is one where it is easier for people to do the right thing rather than the wrong thing.

As leaders, we create culture by what we do, and by what we do not do. Even if we allow others to set an unethical tone, we are busy creating a culture (but a negative one). It is therefore the responsibility of every municipal leader to always try to positively influence the ethical culture in their communities and municipalities.

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Practical Implementation

An ethical municipal leader:

i. **Leads by example – living the values of ethical municipal leadership**
The following values are key to the spirit and execution of ethical municipal leadership and each municipal leader should aspire to integrate these into their character:

- **Integrity** – consistently living in an honest and upright manner doing what one says.
- **Community centredness** – living the values of Ubuntu and Batho Pele to engage with communities meaningfully and respectfully, and objectively considering their long-term sustainable interests above personal, party-political or factional considerations.
- **Accountability** – holding oneself accountable, accounting to stakeholders for one's decisions and actions, and fairly holding others accountable for their decisions and actions.
- **Diligence** – working hard at achieving objectives, doing so to the best of one's abilities, and continuously striving to improve one's knowledge.
- **Courage** – standing strong in one's convictions, and standing up for what is right, especially when the above values are being compromised.

ii. **Ensures compliance with the spirit and letter of the legislative and regulatory framework**

- As part of ensuring a well-governed entity, municipal leaders strive to know and understand the municipal regulatory framework, abide by it, and ensure that others abide by it.
- Municipal leaders use the law to protect and improve governance and service delivery, and not to maliciously drive political agendas. The law must not be weaponised in bureaucratic wars.
- Municipal leaders act ethically beyond mere legal compliance, and as a minimum, abide by the relevant municipal Code of Conduct.
- Municipal leaders avoid conflicts of interest, and manage unavoidable conflicts in a way that builds trust.

iii. **Ensures that the ethics of the municipality is governed and managed in a way that results in an ethical culture**

- They ensure the establishment of ethics structures and capacity as set out in the Municipal Integrity Management Framework.
- They clarify ethical expectations of councillors and officials.

iv. **Promotes civic ethics in the community**

- Ethical leaders are not just responsible for delivering services, but should also strive to promote healthy community relations, social cohesion, and positive societal values.

Pitfalls that inhibit good governance

Councillors and officials sometimes ask for, or accept party-political, or personal donations or funding from people or companies who are suppliers to the municipality. There is a serious risk that this could cause those involved to put the interest of the supplier before that of the community, which would be a conflict of interest. It means that one cannot be objective in the best interest of the community, and places one's integrity at risk.

How other stakeholders support this principle

- Council should:
    - Formally adopt the Code for Ethical Leadership in Local Government through a council resolution.
    - Set an ethical tone in all their deliberations and committee meetings.

- Political parties should:
    - Advocate the importance of abiding by the Code to the councillors that they deploy, and hold them to account should they not abide by it.
    - Continuously emphasise the importance of setting the tone and that ethical leadership should be the non-negotiable 'way' in which they lead. Ethical leadership should be the core focus of training conducted by parties.
    - Avoid accepting funding from companies or individuals who are service providers to the municipality, as this could lead to conflicts of interest.

- Municipal trade unions / labour leaders should:
    - Assist in building an ethical culture for a well-functioning, trusted municipality.
    - Ensure that municipal leaders are encouraged to live by the Code.

- Business partners and service providers should deal openly and transparently with municipalities and municipal leaders, and avoid giving donations where this could potentially lead to a conflict of interest.

- Communities should support the spirit of ethical leadership. As much as communities expect leaders to be ethical, they should similarly strive to abide by high ethical standards, and not put unreasonable demands that pressurise councillors into unethical conduct. They should engage respectfully with all municipal stakeholders.

Principle 2: An ethical municipal leader follows a community-centred approach to governance

Unpacking the issue

The Municipal Integrity Management Framework says that communities must be acknowledged as the owners of municipalities and are therefore entitled to transparent and accountable government.

The community elects leaders (councillors) to represent their interests in the municipality. There is therefore a responsibility on all municipal leaders to put the interest of the community first, actively engage with them to understand their needs and give them feedback on the work of the municipality. Community engagement is the foundation of participatory democracy.

Practical Implementation

An ethical municipal leader:

i. Places the interest of the community first

- Where personal, party-political or factional interests are in clear conflict with the community's interests, municipal leaders should stand up for the community's interests and put them first.

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ii. Consults meaningfully with communities

- Councillors should have frequent engagement with communities, not just during elections. These engagements should be meaningful in that councillors should listen and be responsive to the community's needs.
- They should build constructive relationships with the community and seek out opportunities for engaging with civil society.
- Officials should similarly engage with communities to get a sense of realities on the ground.
- Councillors should aim to be a source of civic education, informing communities of their rights and responsibilities as citizens, and how to access services in all of government.
- Councillors should help communities think of their long-term sustainable interest and balancing that with short-term needs.
- Officials should advise councillors appropriately and timeously to ensure accurate communication with communities.

iii. Is open and truthful with communities

- Councillors should be thoughtful about not making commitments to communities that cannot be kept – especially during campaigning. They should always give honest feedback on what is possible (in line with municipal budgets) and manage community expectations.
- Leaders should proactively give the community information about issues that concern them.

iv. Is responsive to communities

- Councillors should give feedback to communities on their concerns.
- Officials should constructively support councillors to address community concerns, as far as it is lawful, sustainable and not at odds with the municipality's Integrated Development Plan (IDP).

v. Ensures the prudent use of resources

- Leaders should always ensure that the resources of the municipality are used prudently, with long-term thinking in mind, and in the sustainable interest of the municipality and all its communities.

vi. Considers the interests of everyone in the community, not just those who voted for them

- Councillors should be careful of unfairly favouring their party members or constituencies where opportunities and services are meant for the whole community (for example, the allocation of local labour opportunities or housing).
- This does not mean that they cannot promote the specific needs of their wards and constituencies, especially when their needs are neglected.

vii. Aspires to a shared, inclusive vision for the community

- Leaders should aim to bring together diverse role players and interest groups to formulate and realise a shared vision.

viii. Where required, builds coalitions in the best interest of the community

- Where required, councillors should seek to negotiate coalition agreements which are in the best interest of the municipality and centred on what is best for the community. Coalition agreements should focus on achieving stability in the municipality and ensuring sustainable service delivery.
- Coalition agreements should be made transparent so that communities can hold municipal leaders to account.

Pitfalls that inhibit good governance

The fact that councillors and senior municipal officials all have five-year terms, means that they want to achieve as much as they can in this timespan. Ethical leadership, however, also considers the long-term sustainability of the municipality and its long-term financial health. Being prudent in the short term will likely put the municipality in a better position to provide services in the long term. Achievement of short-term objectives should not be done at the expense of the long-term sustainability and financial health of the municipality.

An example of short-term thinking is the creation of positions that are not actually required. Unnecessary positions should not be created as these are expensive to fund, and detrimental to the community in the long run.

How other stakeholders support this principle

- Communities should actively participate in municipal engagements.
    - They should do so constructively and in good faith, and should aim to educate themselves on the functioning of municipalities.
    - They should ask for feedback, and require their councillors to account to them.
    - They should hold municipal leaders to the spirit and principles set out in the Code.
    - The destruction of property is never in the interest of the municipality or the community, and should never be promoted or condoned.

- Municipal trade unions / labour leaders should ensure the interests of their members are balanced with community interests.

- Political parties should inculcate community-centredness in councillors.

- DCoG and SALGA should assist with civic education of communities and leaders.

Principle 3: An ethical municipal leader respects the boundary between the political and administrative spheres of the municipality

Unpacking the issue

The political sphere (council) and the administrative sphere (officials) of the municipality have different functions. Councillors are responsible for the governance of the municipality. That means that they should set the strategic objectives (through the IDP) and the policy framework for the municipality, and provide oversight.

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Municipal officials (under the leadership of the municipal manager and senior managers) are responsible for the practical implementation of the objectives and policies, and for reporting to council.

Many ethical challenges in municipalities occur at the political–administrative interface, and this frequently leads to the politicisation of the administration. It is crucial that the administration be driven by professional values to ensure that it can effectively fulfil the mandate of the municipality.

Practical Implementation

An ethical municipal leader:

i. Respects the principle of separation of powers

Councillors set the strategic objectives and the policy framework for the municipality. They also provide oversight through appropriate structures. Outside of that, councillors should guard against being overly involved in operational matters of the municipality. They should work at an arm's length with municipal officials (following due process) to address community needs and service delivery, in line with the IDP.

They do not interfere in the administration and *specifically* not in the appointment of officials below section 56 managers, nor in tendering or procurement processes.

ii. Actively guards against politicising or factionalising the administration

- Officials should be apolitical in the execution of their duties.
- Councillors must assist in building the apolitical culture in the administration.

iii. Works in a constructive spirit with the other sphere of the municipality (i.e., council or administration)

Officials should implement the IDP and the policies that are set by council in a constructive and supportive spirit. They should communicate proactively to councillors where there are challenges with implementation, to allow councillors to inform communities accordingly.

They should not abuse the political–administrative boundary to avoid accounting to councillors, and should not let their own political affiliations interfere with doing their work professionally.

They should remain within the confines of the law and the restrictions of the IDP and sustainability considerations.

Pitfalls that inhibit good governance

Councillors might be required to engage with the administration to ensure service delivery. They, however, sometimes overstep this, which leads to interference. It is important to keep a clear distinction between these two concepts:

Interference: Sometimes councillors want to get involved in operational matters of the municipality where they should not be involved. The most destructive areas of such interference are where councillors try to influence Supply Chain Management (SCM) and tender outcomes, as well as the appointment of staff

below the level of section 56 managers. This can be done by interfering directly, or by utilising deployees in the administration. Councillors should create a positive ethical environment where the SCM and appointment policies can be applied fairly and objectively.

The Councillor Code of Conduct prohibits a councillor from interfering in the administration of the municipality, unless the council has given the councillor a mandate. It is a criminal offence for a councillor to attempt to improperly influence municipal officials, and this is punishable by a fine or imprisonment of up to two years.

Engagement: At other times councillors might want to follow up with the administration to ensure municipal responsiveness to community needs. There might be very legitimate reasons for this engagement, but at the same time it might place officials under pressure to bypass procedures or work schedules. To manage these pressures, council should, in consultation with the municipal manager, determine a procedure for engagement between councillors and officials. It should be made clear that the communication between councillors and officials should be to hold officials accountable to legitimate expectations and not to give instructions. Councillors should never require officials to bypass procedures, or to behave in a manner that is not in line with legislation, the IDP, policies or procedures.

How other stakeholders support this principle

Political parties should avoid becoming overly involved in the running of municipalities.

Council should set clear boundaries and specify a process for engagement between councillors and officials in service delivery matters to ensure responsiveness to community concerns.

Municipal Public Accounts Committees (MPACs) should play an oversight role to ensure that there is no political interference in the administration.

Principle 4: An ethical municipal leader ensures the appointment of staff who have competence and integrity

Unpacking the issue

The appointment of strong, ethical leadership and staff can lay the foundation for a successful organisation. On the flipside, the appointment of unsuitable leaders and staff is one of the causal factors of unethical and unprofessional cultures in organisations.

The appointment of people who are too closely politically aligned to incumbent political leaders can be equally problematic in the long run. Politics is by its nature unstable (due to running in five-year cycles) and one would want to avoid bringing this instability into the administration. Ideally, leaders should aim to appoint apolitical, professional officials into the municipality.

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Practical Implementation

An ethical municipal leader:

i. Ensures the appointment of the best possible staff (with competence and integrity) to fulfil the mandate of the municipality.

- Councillors should ensure the appointment of a municipal manager and s56 managers who have the competence (considering the set competence requirements and their track record) and experience to fulfil their duties, as well as the integrity to build trust with staff, councillors and communities.
- They should ensure a robust and fair recruitment process to fill the above positions, including conducting pre-employment background checks, as well as competency assessments.
- Staff who have been dismissed for misconduct must not be appointed before the expiry of the prescribed sanction period.
- Similarly, the management team of the municipality should ensure the appointment of staff who have competence and integrity.

ii. Avoids politicising the administration through staff appointments.

- Political party office-bearers must not be appointed into the administration.
- Councillors should not attempt to influence the appointment of staff at any level below that of s56 managers.
- Councillors should develop policies to distinguish between appointment of officials to political offices and those who are appointed into administrative offices in the municipality. The policy should clearly stipulate that those who are in administrative offices should not be political deployees.

iii. Strives to ensure stability in the management team of the municipality.

- Once a competent management team is employed, leaders should, as far as possible, aim to maintain stability in the team.
- The practice of dismissing staff with every political change in council should be avoided. This is more attainable when professional, rather than political staff were appointed in the first place.

Pitfalls that inhibit good governance

Aside from destructive deployment practices, positions are sometimes created within the staff establishment of the municipality that are not necessary, or people are appointed to positions that do not exist in the staff establishment.

At other times, and perhaps because inappropriate people have been appointed, external consultants are used to perform the work that staff members should be able to perform.

All of these practices are extremely wasteful and deplete resources that should be used for service delivery.

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How other stakeholders support this principle

The DCoG should maintain an up-to-date database of officials who have been dismissed for misconduct.

Provincial departments for cooperative governance should assess whether senior officials comply with the minimum competency requirements, and should take action where they do not.

Principle 5: An ethical municipal leader ensures the appropriate level of competence, integrity, and diversity on committees and oversight structures

Unpacking the issue

The municipal environment is highly complex in terms of legislation, regulation and budgets. Governance and oversight in this complex environment requires not only personal integrity, but also a very specific combination of technical skills and experience that is built over time.

There may be some councillors who, though they have the required integrity, do not (yet) have the specific skill set required to provide oversight of complex municipal governance processes and budgets. Should they be responsible for providing oversight, it will likely mean that the best interest of the municipality and its communities will not be served. This means that councils need to apply their minds to remedy the situation to ensure proper oversight.

Similarly, committees within the administration, such as recruitment and selection committees, or tender committees, should be comprised of officials who have the required competence and integrity.

Practical Implementation

An ethical municipal leader:

i. **Selects the strongest possible candidates (considering their competence and integrity) onto committees and oversight structures.**

ii. **Co-opts external expertise onto committees and oversight structures where the internal technical expertise is insufficient.**
    - In council, the first prize is for political parties to ensure that councillors are capable, thus avoiding extra expense of external experts.
    - Councillors should ask themselves if they would trust MPAC and the audit committee to oversee their personal finances. The community deserves at least the same standard of oversight.

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iii. Ensures an appropriate mix of skills and diversity on committees.

- Strong committees have diverse and appropriate skill sets that contribute to the effectiveness of the committee.
- Diversity (for example, in political, racial, cultural, gender and age terms) should be considered in the composition of committees.
- Committees might also include a minority of councillors who are still developing their governance skills and experience. The number of such members needs to be balanced with the need for the committee to still fulfil its functions effectively in the interest of the community.

iv. Ensures stability on committees to allow for committee members to mature and gain experience.

Pitfalls that inhibit good governance

Sometimes those with the appropriate competence and integrity are overlooked in favour of those who may be politically more favourable. The same would apply for officials – people who are more likely to toe the line may be preferred over those who may have the required skills.

How other stakeholders support this principle

Council should ensure that committee members are trained on their responsibilities.

Political parties should:

- As far as possible, and with due regard to the democratic process:
  - field councillors with competence and integrity.
  - ensure a diverse set of skills and competencies amongst councillors. (This can be done especially among proportional representation councillors.)

Principle 6: An ethical municipal leader deals fairly and decisively with ethics transgressions and poor performance

Unpacking the issue

The overall focus of ethical leadership should be to proactively ensure a supportive ethical culture and strong governance environment, where performance is high, and transgressions are less likely to occur. Transgressions will, however, still occur in most organisations and should be dealt with decisively. Failure to deal with transgressions creates a culture of impunity where people think that they can get away with misconduct without consequences. A culture of poor performance can similarly arise when performance issues are not addressed. At the same time, discipline and performance management should not be abused to fight personal or political battles.

Practical Implementation

An ethical municipal leader:

i. **Ensures that the spirit and process with which disciplinary cases are adjudicated is:**
   - **Fair**
   - **Independent, and**
   - **Timely**

   This will require setting out specific policies and procedures for dealing with discipline or consequence management. Such policies should stipulate processes for ensuring that investigations and disciplinary matters relating to municipal leaders are dealt with independently. At the very least, independent external oversight should be involved.

   There should be access to competent capacity for conducting investigations and managing disciplinary processes, including well-functioning disciplinary boards.

ii. **Ensures that sub-standard performance is addressed timeously and fairly.**
   - Performance management should aim to develop employees, while holding them accountable for executing their duties and achieving their objectives.
   - Continued underperformance should be dealt with fairly and decisively.

iii. **Ensures that personal and political considerations do not trump the best interest of the municipality and all its communities in discipline and performance management.**

iv. **Deals decisively with conflicts of interest.**

   This includes the development of policies and procedures to deal with conflicts of interest, including:
   - Managing the information from conflicts of interest disclosure processes.
   - Conducting lifestyle audits when it is observed that a person's lifestyle appears excessive for their income.
   - Taking action when conflicts are discovered.

v. **Ensures that audit findings are addressed.**
   - Findings of both internal auditors and the Auditor-General of South Africa must be dealt with in a timely and decisive manner.
   - The importance of material irregularities should be escalated to the highest priority.
   - Mechanisms should be institutionalised to prevent recurrence of negative findings.

Pitfalls that inhibit good governance

One of the biggest challenges is to investigate and discipline people who are viewed as 'powerful' or 'connected', and to do so through a process that is trusted to be objective and independent. It frequently happens that disciplinary processes have predetermined outcomes because they are not independently dealt with.

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To ensure trust with the community, all disciplinary processes for senior leaders should be dealt with independently and include external oversight.

How other stakeholders support this principle

Political parties should consistently hold the councillors they deploy into municipalities accountable for their actions.

Council committees should ensure strong oversight and accountability.

Municipal trade unions / labour leaders should constructively support the principle of fair, independent and timely discipline and performance management processes.

Communities should hold political parties and representatives to account.

Principle 7: An ethical municipal leader engages respectfully and constructively with other leaders

Unpacking the issue

In any professional environment there are likely to be differences with others. These are likely to be worse in an environment where people are on different sides of the political spectrum. In many municipal environments there have been incidents of personal, factional or political differences that have led to chaotic and sometimes violent scenes in council chambers. When the community sees these scenes, it breaks down the trust they have in municipal leadership. It also creates an environment where the important work of council cannot continue.

Differences should be dealt with maturely so that they do not detract from the work of the municipality. This is also applicable in the administrative sphere.

Practical Implementation

An ethical municipal leader:

i. **Aspires to reciprocal relationships of trust and integrity with each other.**
   - Even though they are on different sides of the political spectrum, councillors should treat each other with respect.
   - Leaders' dealings should be honest and above board to ensure an atmosphere of mutual trust in the interest of the municipality and its communities.
   - They should remain professional and committed when they have differences with others – remaining committed to acting in the best interest of the municipality and its communities.

ii. **Ensures that personal, political and factional differences do not get in the way of doing the work of the municipality in the interest of the community.**

- Councillors should constructively participate in council meetings – especially when there are differences of opinion.
- They should keep in mind that they are setting an example to communities about how to engage with conflict. Communities are also watching how their councillors are spending the time they are being paid for to do the work of the community.

How other stakeholders support this principle

Political parties should emphasise to their deployed councillors the importance of professionalism in the conduct of their roles and responsibilities. They should take action against councillors who act disrespectfully towards others.

Municipal trade unions / labour leaders should ensure that labour disputes are resolved with respect for people and property.

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Local Government
ETHICAL LEADERSHIP
Initiative

This Code for Ethical Leadership in Local Government (LGELI) was developed as part of the Local Government Ethical Leadership Initiative – a partnership between The Ethics Institute (TEI), the Department for Cooperative Governance (DCoG), the South African Local Government Association (SALGA), and the Moral Regeneration Movement (MRM).

The Code was developed by the LGELI Working Group under the guidance of the LGELI Advisory Committee, which consists of *ex officio* members of the partner organisations, as well as other societal leaders.

Advisory Committee:

- Father Smangaliso Mkhatswha (MRM) (Chairperson)
- Ms Mirjam van Donk (Deputy-Chair)
- Prof Deon Rossouw (TEI)
- Dr Kevin Naidoo (DCoG)
- Mr Rio Nolutshungu (SALGA)
- Prof Samododa Fikeni
- Ms Busisiwe Mavuso
- Mr Roelf Meyer
- Justice Yvonne Mokgoro

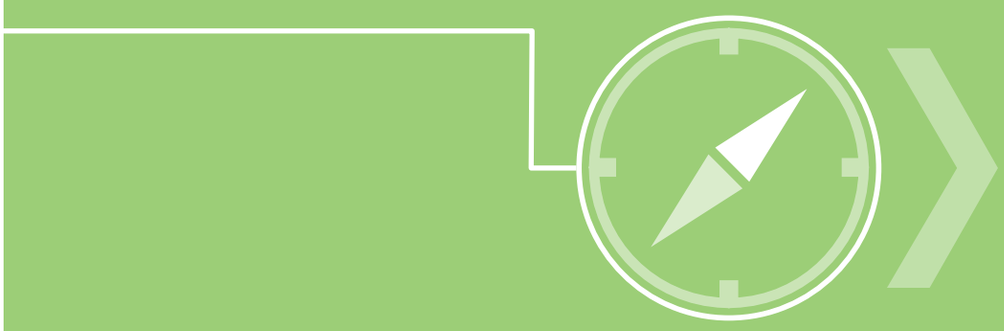
Working Group:

- Mr Kris Dobie (TEI)
- Ms Fatima Rawat (TEI)
- Mr Wayne McComans (DCoG)
- Mr Elphus Ndou (DCoG)
- Mr Elvis Selowa (DCoG)
- Mr Ndivhuho Malimagovha (SALGA)
- Mr Michael Chauke (SALGA)
- Mr Collen Rammule (SALGA)
- Mr Seth Mazibuko (MRM)
- Ms Mamusa Mbalula (MRM)

Provincial Champions:

- We wish to acknowledge the role played in each of the provinces by committed public servants in the offices of premiers, provincial departments of cooperative government, provincial SALGA staff, as well as representatives of the Moral Regeneration Movement in provinces.

Notes



Please visit the website www.tei.org.za/lgeli

- **to download the Code**
- **to find out about training opportunities for councillors and officials**
- **for the latest developments on the Code.**

For more information on the Code and its implementation, contact:

lgeli@tei.org.za



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The Ethics Institute (TEI) is an independent institute producing original thought leadership and offering a range of organisational ethics-related services and products.

REPORTS BY THE OFFICE OF THE DEPUTY MUNICIPAL MANAGER

KOUGA
local municipality

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE DEPUTY MUNCIPAL MANAGER
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/DMM13**

REPORT ON LIQUOR LICENSE APPLICATIONS RECEIVED FOR THE PERIOD BETWEEN OCTOBER 2024 AND MARCH 2025

1. **Introduction**

The purpose of this item is to report to Council on the liquor license applications received and responded on in line with the provisions of the applicable legislation.

2. **Background**

The Municipal Council is reminded that the authority to process liquor license applications has been delegated by the Council to the Deputy Municipal Manager under Council Resolution 24/12/MM3.

3. **Discussion**

The Council is advised that the following liquor license applications were received between October 2024 and March 2025. The applications were processed, and the outcome was forwarded to the respective Ward Councillor, the applicant and the Eastern Cape Liquor Board:

- Ultimate Club
- Jbay Primary Supporters Club
- The Lagoon
- Fountains Mall
- The Kitchen
- Black Hog Brewery
- Jbay Liquors
- Aletta Klaasen
- Felix Tavern
- Emathebeni Tavern
- Ripple Hill
- Wyworrie Micro Artisan Café
- Havana Sports bar
- Kudu Kaya
- Jbay Bru Co
- Bre Bross Grill
- Gavin Sushi
- Ntsiki's Tavern
- The Harbours Clubhouse
- Koneni Bottle Store
- Vuvu's Tavern
- Wine Shop
- New Brezz Sports bar

All above applications were circulated to the Advisory Committee for internal service department comments and the outcomes is marked as **Annexure A**.

4. **Financial Implications**

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

5. **Applicable Legislation**

The Constitution of the Republic of South Africa 108 of 1996;
Eastern Cape Liquor Act 10 of 2003;
Eastern Cape Liquor Regulation 2024;
Kouga Local Municipality By-Law on the sale of liquor and the regulating of trading hours for licensed undertakings and matters incidental thereto.

6. **Legal Implications**

None.

7. **Other Implications**

None.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Not applicable.

8.2 **Director: Planning & Development**

Not applicable.

8.3 **Director: Civil & Water Services**

Not applicable.

8.4 **Director: Electro-Mechanical Services**

Not applicable.

8.5 **Director: Community Services**

Not applicable.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Not applicable.

9. **Delegated Authority**

Deputy Municipal Manager. The report is for Council to note the report.

10. **Recommendations**

10.1 That Council notes the report on the liquor license applications received.

Item prepared by: Manager: Legal Services



Item approved by the: Deputy Municipal Manager:



Item endorsed by the: Municipal Manager



ANNEXURE A

LIQUOR LICENSE APPLICATIONS

Date	Ward	Applicant	Public Participation	Status	Comments received by internal service departments	Outcome
12 Aug 2024	12	The Kitchen - SFB	Yes	Finalised	**Law Enforcement:** An inspection was conducted, and it was found that the premises is zoned for business. The application for liquor license can therefore be supported. **Traffic Services:** The premises as zoned for business have been inspected and can be supported. Ample parking available and no traffic congestion can be foreseen as the restaurant is located within a centre. **Environmental Health:** The premises was in a generally hygienic condition, and all environmental health related outstanding requirements were communicated with the person in charge. The application of a liquor license is supported as the business operated is a small-scale restaurant within a business zoned premises and complies with majority of environmental health requirements.	**Application supported.**

					Fire Services: The premises as zoned for business have been inspected and can be supported on the conditions as indicated to the owner. **Town Planning: Erf 3590, Sea Vista (The Kitchen):** Application is supported. It is noted that the application relates on-site consumption in existing Restaurant on a property zoned **Business Zone 2** in terms of the Scheme. From land use perspective, the sale of liquor for on-site consumption in restaurant is permitted. **Building Control** - **Erf 3590 Sea Vista – Supported** There are approved plans for the establishment. **Public Participation** - No minutes of consultative meeting with the public (report) submitted in terms of section3(2) of the By-Law on the Sale of Liquor and the Regulating of Trading Hours for Licensed Undertakings and matters incidental thereto.	
06 Sept 2024	2	The Lagoon	Yes	Finalised	**Law Enforcement:** The department has no objection; therefore, the application is supported. **Traffic Services:** -Traffic department can support the application as there is sufficient access to parking and traffic will not have influence on the flow as it is an existing premises. **Environmental Health:** -Inspection conducted at premises on 12 September 2024. Generally clean & hygienic conditions observed, however, outstanding requirements from an environmental health point of	**Application not supported.**

					view were communicated with the person in charge. Based on the above, the application can be supported on condition that outstanding requirements as well as compliance with relevant departments are met. **Fire Services:** -Inspection conducted at premises on 10 September 2024. It is noted that the premises is used for mixed use, business and residential on 1st floor. -Fire department can for now not support the application due to following: -Signage is not in accordance with SANS 1186 to indicate position of fire protection equipment and exits. -Fire hose reel at the back of building near the LPG installation has last been serviced in 2018 and in poor condition. -Electric plug socket broken and exposing wires in the kitchen requiring repairs. LPG emergency shut-off valves to have visible signage in the kitchen. Also recommend that a manual fire alarm in accordance with SANS 10039 be installed soon as per requirements of SANS 10400 PART T section or A1 occupancy. (Entertainment/public assembly). **Town Planning: Erf 1490, Aston Bay (At The Lagoon):** Application is <u>supported.</u> Whilst the type of license required is not indicated, it is noted that the application relates to existing Restaurant in a property zoned **Business Zone 2** in terms of the Scheme. From land use perspective, the sale of	

					liquor on the subject property is generally allowed subject to satisfaction of scheme provisions, and other municipal and legislative requirements. **Building Control**: **Erf 1490 Aston Bay – Not Supported.** Deviated from the approved drawings. Applicant to comply with Town Planning and service department requirements before submitting a building plan to Building Control. **Public Participation –** Minutes of meeting submitted held on 15 August 2024**.**	
13 Sept 2024	11	Teighlyn Loggenberg – ULTIMATE CLUB	Yes	Finalised	**Law Enforcement:** An inspection was conducted on 01 October 2024. Numerous transgressions were observed, i.e. fire safety compliance, building regulations, etc. Therefore, the application is **not supported.** **Traffic Services:** Traffic department **cannot support** the application as there is insufficient access to parking and traffic will have an influence on the flow. **Environmental Health**: The premises is not open for the public yet. - Lighting: Is sufficient - Ventilation: Is sufficient - Waste management: There is an area designated for the storage of refuse bins and a refuse bin on site. This area needs to be cleaned up as there is dog litter and other materials laying around which can create a health nuisance.	**Application not supported.**

					- Ablution facilities: There are two separate toilets and one urinal for the public (all unisex), however there are no hand wash basins for the washing of hands. There is a separate staff toilet and basin to use for the staff. - Disability access & facilities: There are no facilities catered for disabled persons with regards to access to the premises and disabled toilets. - Application **cannot be supported** as a few structural deviations; fire safety concerns and certain parts of SANS 10400 were observed. **Fire Services**: Inspection conducted at proposed premises for club on 1 October 2024 and the following observations were made at time of inspection: • On OVVIO it is not clear the zoning of property whether business or industrial. • As per photo, it is believed that someone is living on the property which looks to be an illegal structure attached to the building and the boundary. This matter to be investigated by building control and town planning. • The proposed division to be used as club Ultimate do not have any fire protection equipment at the time of inspection, only a sign that indicate a fire extinguisher. General observation of the entire building indicates that fire safety compliance is not on standard. • Main entrance and exit for proposed club Ultimate is a ramp which is of concern should need arise for emergency exiting as there are no handrails and surface may be slippery if	

					wet. There is a secondary exit on the side behind gates that requires to be open during operation as the club require to have at least two exit points. • If the premises will be used for a permanent club/ A1 occupancy then it requires to have manual fire alarm which produce an audible and visual alarm as per section 4.31 of SANS 10400 PART T, fire protection requirements. At this stage, it is **not recommended for support** due to above mentioned observations that need to be addressed. It is also my recommendation that the owner of building submit updated fire protection plan for approval according to current occupancies and the proposed club. Section A25 of SANS 10400 indicates that when there is change of occupancy a new plan needs to be submitted in accordance with the requirements of new occupancy. **Town Planning: Erf 21, Jeffreys Bay - 27 St Croix Street (Club Ultimate)** - Erf 21 Jeffreys Bay is masked by cadastral layer indicated as Erf 9939, which suggests that there was some consolidation on Erf 21 with the abutting Erf 22. This consolidation was however not registered at Deeds Office and therefore Erf 9939 is legally non-existent. - Town Planning is satisfied that zoning applicable on Erf 21 Jeffreys Bay is Business Zone 2, <u>which permits a land use(s) relating to sale of liquor for purposes of 'on and off consumption'</u>.	

					- Generally, the land use would not be in conflict with the zoning and therefore supportable. However, no sufficient information is provided regarding area to be used for this purpose and as such no determination can be made regarding compliance of the development parameters applicable for the specific land use in conjunction with other existing uses on the property, and such determination can only be made with consideration of building plans for change of use. - Town planning Department has no objection subject to a compliant building plan being approved first, which plans must show full compliance with development parameters in terms of the lad use scheme. **Building Control**: Not Supported. Deviated from the approved drawing. Applicant to comply with Town Planning and other service department comments before submitting a building plan application to Building Control. **Public Participation:**	

					4. LIQUOR LICENSE/S: 4.1. Liquor licence/s: Intension of registration (Form 1 21 - 27 St. Croix Street (cnr. of St. Croix & St. Fra 6330 - **Noted with a point that public is adequately ca** (3 x near-by churches where pointed out Wavepoint,	
23 Sept 2024	11	Gerrie Pretoruis JBAY Primary Supporters Club	Yes	Finalised	**Law Enforcement**: This department can **support** the application on condition that all relevant departments' requirements are met. **Traffic Services**: Traffic department can **support** the application as there is sufficient access to parking and traffic will not have influence on the flow as it is an existing premises. **Environment Health**: The premises complies to the general health and hygiene standards. - Lighting: Is sufficient - Ventilation: Is sufficient - Waste management: Is in place - Ablution facilities: Adequate ablution facilities and all are in good working order. - Disability access & facilities: There is a toilet for disabled persons at the hall. Disabled persons are allowed to park next to the hall inside the school for ease of access. No designated disabled parking outside the school. - Therefore, this department can **support** the application.	**Application supported**

					Fire Services: Inspection conducted at premises on 2 October 2024, and the following was confirmed: The clubhouse and the hall to be used for functions only. No alcohol will be kept on site for storage. The application can be **supported** on the following conditions: • Fire equipment to be kept in annual serviced condition and clear of obstructions. • The fire extinguisher at the hall's kitchen to be relocated from behind the door as it is not visible. Excess LPG to be removed from the kitchen. Not allowed to have more than 19kg in the kitchen. **Public Participation**: Liquor license/s: (Form 2A [Reg 3(1)] application for a liquor trading registration certificate…) – Jeffreys Bay Primary Supporters Club – ERF # 6352 St. Francis Street (Goedehoop & St. Francis Street), Jeffreys Bay, 6330 - **Form 2 Notice** **SUPPORTED via WhatsApp poll**	
3 Oct. 2024	01	Black Hog Brewery	Yes	Finalised	**Law Enforcement**: The premises is located within the industrial area of St Francis Bay. No onsite consumption will take place, only the manufacturing of alcohol to be delivered to businesses. Therefore, the application can be **supported.** **Traffic Services:** There are parking bays within the premises, but additional parking is not necessary, as the premises will only be used for brewing purposes, and not onsite consumption. Therefore, the application can be **supported.**	**Application supported**

					Environmental Health: The premises are set to be operational for brewing of malt beer only, and not for onsite and offsite sales. Brewed products are to be sold directly to pubs as per the person in charge. The overall structure is a storage unit, in the industrial area of SFB. General hygienic requirements were complied with, with brewing process conducted through a pipe system with minimum contact with brewing products. Access for people with disabilities was not available. The person in charge has indicated that he will not employ people and will be the only employee. No onsite and offsite sales will be conducted. Items to be delivered to clients. Therefore, application can be **supported** on condition that no change in operations takes place. **Fire Services**: According to OVVIO the premises are zoned industrial 1. The portion used will only be for manufacturing of beer or brewing, no flammable spirits will be on site. The fire department can **support** the following conditions: A CO2 fire extinguisher to be installed in the room with approved signage with a 1m all-round clearance as there are machinery and electrical DB board in the room. If structural changes to be made to the existing portion to be used the owner/tenant to submit building plan for approval. **Town Planning**: Application is **supported**. Whilst the type of license required is not indicated, it is noted that the application relates to production of alcohol (small-scale brewery) in industrial building on a property zoned **Industrial Zone 1** in terms of the	

					Scheme. From land use perspective, a small-scale brewery is considered consistent primary rights (being Industry) as per applicable zoning. As such the application is supported subject to compliance with development parameters in the Scheme and other municipal and legislative requirements. **Building Control:** Supported on condition that the applicant will submit a building plan application to Building Control for the deviation from the approved building plan. **Public Participation**: No minutes of consultative meeting with the public (report) submitted in terms of section3(2) of the By-Law on the Sale of Liquor and the Regulating of Trading Hours for Licensed Undertakings and matters incidental thereto.	
26 Sept. 2024		JBay Liquors		Finalised	**Law Enforcement:** The premises as zoned for business can be supported. No safety/security issues have been reported in the past. **Traffic Services**: The premises as zoned for business can be supported. Equinox Mall has adequate parking and no vehicular overcrowding can be anticipated. **Environmental Health**: The premises zoned for business can be **supported.** Premises complies with the general health and hygiene standards, i.e. ventilation & lighting is sufficient, adequate ablution facilities as the toilets in the mall to be used, waste management is in place & there is disability access and facilities for disabled persons.	**Application supported**

					Fire Services: Existing liquor shop with additions currently being done. New building plans have been submitted and in circulation already. Fire have checked and supported. All existing fire equipment in serviceable condition. The fire department can **support** on condition that all fire equipment existing and the new equipment as per plan for additions to be maintained in serviceable condition. **Town Planning**: Application is <u>supported.</u> Whilst the type of license required is not indicated, it is noted that the application relates to existing liquor shop in Equinox Mall, which is zoned **Business Zone 2** in terms of the Scheme. From land use perspective, the sale of liquor on the subject property is generally allowed subject to satisfaction of scheme provisions, and other municipal and legislative requirements. **Building Control:** Supported. Building plan submitted and approved. Applicant to submit an inspection request with the relevant documentation to Building Control to obtain an occupation certificate. **Public Participation**: R 4.3 Liquor license/s: (Form 2A [Reg 3(1)] application for a liquor trading registration certificate…)) – JBay Liquor (Pty) Ltd. Expansion – Shop 5B Equinox Mall, St. Francis Street, Jeffreys Bay, 6330 - **Form 1 Registration** **SUPPORTED via WhatsApp Poll**	
15 Oct 2024	14	Sabelo Zoya	Yes	Finalised	**Law Enforcement:** OVVIO indicates property is zoned as Residential 1, and that the owner is Kouga	**Application not supported**

					Municipality. Application for on & off consumption is **not supported**, since the property is not zoned as business. **Traffic Services:** Application is **not supported** for on & off consumption. No parking for customers is available, which could cause congestion of traffic. **Environmental Health:** Inspection conducted on Friday 18 October 2024 revealed that the property does not comply with Parts S, U & O of SANS 10400, and the zoning is residential, which does not allow the applicant to conduct business from a residentially zoned property. Application is **not supported**. Inspection conducted on Friday 18 October 2024 revealed that the property does not comply with Parts S, U & O of SANS 10400, and the zoning is residential, which does not allow the applicant to conduct business from a residentially zoned property. Application is **not supported**. Inspection conducted on Friday 18 October 2024 revealed that the property does not comply with Parts S, U & O of SANS 10400, and the zoning is residential, which does not allow the applicant to conduct business from a residentially zoned property. Application is **not supported**. **Fire Services**: An inspection on Thursday 17 October 2024 indicated the following: 1. OVVIO indicates property as zoned residential 1 and the Kouga Municipality as the owner. 2. Already a shop operating.	

					Fire department **cannot support** application in accordance with information received indicating on/off consumption, whether on or off consumption there require to be applied for consent to operate and a building/ fire plan be submitted indicating the usage and compliance to building and fire safety regulations. **Town Planning**: Application is **not supported**. The subject property is zoned Residential Zone 1, where sale of liquor on the property may only be undertaken with approved Consent Use or Temporary Departure in terms of the By-Law / Scheme. Available records reflect that there is no approval for Consent Use or Temporary Departure, and as such the property has no existing rights to facilitate any sale of liquor. **Building Control**: Application is **Not Supported**. No record of building plan applications on Ovvio nor in the archives. A building plan will need to be formally submitted to consider approval. It is noticed on Ovvio that erf 7359 JB belongs to the Municipality and not to the person doing the application. **Public Participation**: The ward committee **disapprove** the request on Emacetheni bottle store due to that area is not a safe place people are driving recklessly there are shooting happening in that area the bottle store will create more crime it will not assist the community in anything.	
16 Oct 2024	13	Ripple Hill Hotel	Yes	Finalised	**Law Enforcement**: An inspection was conducted and revealed the premises is an existing business operational as a hotel. No complaints or safety	**Application supported**

					concerns have been encountered in the past; therefore, application can be **supported.** **Traffic Services:** The inspection conducted revealed that the business in use is a hotel and is an existing hotel for years. Ample parking space and the application is therefore **supported.** **Environmental Health Services**: Lighting: Complies with lighting requirements. Ventilation: Complies with ventilation requirements. Waste management: Compliant. There is a designated refuse storage area. Refuse is stored in wheelie bins pending removal from municipality. Ablution facilities: Adequate ablution facilities. Disability access & facilities: There are no disabled access ramps or disabled toilets (building was approved as such). General health and hygiene: Premises complies to general health and hygiene standards and the application can be **supported.** **Fire Services**: OVVIO ZONING – RESIDENTIAL ZONE 3; A1- OCCUPANCY (ENTERTAINMENT AND PUBLIC ASSEMBLY) An inspection was conducted at premises on 25 October 2024 and the fire department can **support** as per the following conditions: All fire extinguishers to be serviced within 30 days and kept in an annual serviced condition as per legislative requirements. A manual fire alarm that produces audible and visual alarm be installed with BAR/Restaurant as per section 4.31 of SANS 10400 Part T as per requirements for A1 occupancy. If usage is in line with town planning land use scheme. **Town Planning**: Application for sale of liquor for on-site consumption is **supported**. Although the property	

					is zoned Residential Zone 3 in terms of Kouga Local Municipality Land Use Scheme, 2021 (the Scheme), the application is understood to relate to existing hotel where sale of alcohol particularly for on-site consumption is permitted. - Sale of liquor for off-site consumption is however **not permitted** on Residential Zone 3 and therefore not supported without any appropriate approval is in terms of Section 108 of the Spatial Planning & Land Use Management By-law, Kouga Municipality, 2016 read with the Scheme. **Building Control**: Application for sale of liquor for on-site consumption is **not supported**. No record of approved building Plans available. No record of building plan applications submitted on OVVIO in the past 20 years. **Public Participation**: Ward Committee Meeting held on 10 October 2024 - Ripple Hill Hotel Applied for off sale. • Mr Mantla Supports the application with the Committee at large. No minutes of consultative meeting with the public (report) submitted in terms of section3(2) of the By-Law on the Sale of Liquor and the Regulating of Trading Hours for Licensed Undertakings and matters incidental thereto.	
18 Oct 2024	8	WyWorrie – L Coetsee	Yes	Finalised	**Law Enforcement:** The premises inspected has never had any safety concerns / complaints. From a safety point of view, application can be **supported.** **Traffic Services:** The premises as zoned for business can be **supported.** Enough parking space within Da	**Application was not supported.**

					Gama Road and no traffic congestion can be envisaged. **Environmental Health Services:** Lighting: Complies with lighting requirements. Ventilation: Complies with ventilation requirements. Waste management: Compliant. There is a designated area for the storage of refuse and refuse are stored in wheelie bins. Ablution facilities: Adequate ablution facilities. Disability access & facilities: There are no disabled access ramps or disabled toilets (building was approved as such) General health and hygiene: Premise complies to general health and hygiene standards. Application is **supported.** **Fire Services:** OVVIO ZONING – BUSINESS 1; A1 - OCCUPANCY (ENTERTAINMENT AND PUBLIC ASSEMBLY) An inspection was conducted at premises on 25 October 2024 and the fire department can **support** as per the following conditions: The Fire extinguisher to be serviced within 30 days and kept in an annual serviced condition as per legislative requirements. A manual fire alarm that produces audible and visual alarm be installed with BAR/Restaurant as per section 4.31 of SANS 10400 Part T as per requirements for A1 occupancy. If usage is in line with town planning land use scheme. **Town Planning**: Application for on-site consumption is supported. However, offsite consumption is **not supported**.	

					Approval is required in terms of Section 108 of the Spatial Planning & Land Use Management By-law, Kouga Municipality, 2016 for offsite consumption. **Building Control**: This application is **not supported**. Unauthorised additions and alterations were observed. The building is being used for a purpose other than the purpose shown on the approved plans with the plan number 0176-04-05, approved 18 November 2004. The previous approval indicated offices. Upon inspection, however, it was observed that the premises were being used not only as office space but as a space where persons gather to eat, drink, or participate in other recreation. This indicates that the building is possibly being used for a purpose which causes a change in the class of occupancy as contemplated in the regulations. The most current occupancy certificate, which corresponds to plan number 0176-04-05, was issued on February 10, 2005. Building plans must be submitted for approval. **Public Participation**: Meeting held on **18 October 2024**, where premises is situated. The Chairperson explained to everyone what the meeting is all about and explained that we have received the application for a liquor license from Wy Worry restaurant, and that we have come together to sign the public feedback form in support of the application. The Chairperson asked feedback from the residents to see how they feel about the application and the feedback was very positive, and everyone that attended the meeting supports the application.	

22 Oct 2024	11	Havana Sports bar	Yes	Finalised	**Law Enforcement**: The premises as zoned for business can be **supported.** It is an established business, and no safety / security issues have been encountered in the past. **Traffic Services**: The premises as zoned for business can be **supported.** Da Gama Road has adequate parking, and no vehicular overcrowding can be anticipated. **Environmental Health Services**: Lighting: Complies with lighting requirements. Ventilation: Complies with ventilation requirements. Waste management: Compliant. Refuse is stored in bins at a designated area at the back of the premise, pending removal. Ablution facilities: Adequate ablution facilities. Disability access & facilities: There are no disabled access ramps. Premise is accessed via a stairway. No disabled toilets (building was approved as such) General health and hygiene: Premise complies to general health and hygiene standards. Application is **supported.** **Fire Services:** OVVIO ZONING – BUSSINESS 2; A1 – OCCUPANCY (ENTERTAINMENT AND PUBLIC ASSEMBLY) An inspection was conducted at premises on 25 October 2024 and the fire department **can support** as per with the following conditions: All fire extinguishers to be serviced within 30 days and kept in an annual serviced condition as per legislative requirements. A manual fire alarm that produces audible and visual alarm be installed with BAR/Restaurant as per section 4.31 of SANS 10400 Part T as per requirements for A1 occupancy. The fire hose reel at back exit be	**Application was not supported.**

					serviced and rendered compliant as the current supply pipe is not compliant. The rear exit to be indicated as an emergency exit with approved signage, this door to be kept open when premises is occupied. The travel path external to be kept clear of obstructions. **Town Planning**: Application for sale of liquor for onsite consumption is supported. The property is zoned Business Zone 2 in terms of Kouga Local Municipality Land Use Scheme, 2021 (the Scheme). Sale of alcohol for on-site consumption in an existing a Place of Entertainment is permitted as or right. **Building Control**: This application is **not supported**. Unauthorized internal alterations were observed. Building plans must be submitted for approval. Final as-builts must depict the reality of the entire premises. The most current occupancy certificate dates back to 23 May 2008; Corresponding plan numbers are 0536-06-07 (plan missing from archives, owner must provide) and 0102-07-08. Water seepage observed at deck roof. Roofs must be durable and must not allow the penetration of rainwater or any other surface water to its interior. **Public Participation**: Ward Committee Meeting held on 08 October 2024 -Form 8 Transfer - Ward 11 committee decided to **support** since the liquor application was a transfer. Taking into consideration the feedback from the various relevant internal Kouga department and the potential future amendment of the decision.	

30 Oct 2024	10	M van der Watt	Yes	Finalised	**Town Planning:** Application is **not supported**. - The subject property is zoned Residential Zone 1, where sale of liquor on the property may only be undertaken with approved Consent Use or Temporary Departure in terms of the By-Law / Scheme. - Available records reflect that there is no approval for Consent Use or Temporary Departure, and as such the property has no existing rights to facilitate any sale of liquor. **Building Control: Not supported**: Application for sale of liquor for on-site consumption is **not supported**. - No record of approved building Plans available. - No record of building plan applications submitted on OVVIO in the past 20 years. **Law Enforcement:** Application for liquor for liquor license is **supported**, as the safety inspection revealed no safety concerns. **Traffic Services**: The inspection conducted revealed that the premises have enough parking space, and the application is therefore **supported.** **Environmental Health:** Premise does comply with all relevant environmental health requirements. The liquor licence application is **supported** subject to compliance with all relevant requirements of the local authority or any other applicable legislation.	**The application was not supported.**

					Fire Services: KUDU KAYA VENUE, YSRIVIER FARM– ON CONSUMPTION - FARM 12 ONVERWACHT PORTION 56 - OVVIO ZONING – AGRICULTURAL - A1- OCCUPANCY (ENTERTAINMENT AND PUBLIC ASSEMBLY) - An inspection was conducted at premises on Monday 4 November 2024 and the fire department can **support** as per the following conditions: - At least one 4.5kg DCP of a 5kg CO2 fire extinguisher be installed with approved signage and kept in an annual serviced condition as there is none. - A designated emergency assembly point be indicated on the premises. - An emergency plan with relevant contact numbers be visible at the venue. - A Manual fire alarm which produces audible and visual alarm be installed as per section 4.31 of SANS 10400 Part T requirement for A1 occupancy. - Town planning to confirm if consent use or portion have been rezoned for the purpose of a venue. **Public Participation:**	

					Mr. Van der Merwe failed to explain how the community will benefit. He also failed to discuss the safety of the community with a liquor bar or shop and accommodation will become a gangster spot to discuss their business without interference. The consent of the community is not important to Merwe. He used most of his coworkers to sign the letter in order to get the license some of them even signed twice and process was not handled the right way half of the community put their names on the list thinking that they signed the attendance register and the same lists are used of which is not legal. Church members were not involved to get their views and concern about the liquor bar.	
12 Nov 2024	11	Gerrie Pretorius obo Jbay Bru Co.	Yes	Finalised	**Law Enforcement**: An application for liquor license is **supported**, as the inspection revealed no safety concerns. **Traffic Services**: The inspection conducted revealed that the premises has enough parking space, and the application is therefore **supported.** **Environmental Health:** Lighting & Ventilation: Complies with lighting & ventilation requirements. - Waste management: Compliant. Premises has a designated refuse storage area with wheelie bins. - Ablution facilities: Adequate ablution facilities. - Disability access & facilities: There is a disabled access ramp, no disabled toilet at the premises. - General health and hygiene: Premise complies to general health and hygiene standards.	**The application was not supported.**

					- The application is **supported.** **Fire Services:** Premises zoned as Business 1 according to OVVIO. Note that there have been Land use application lodge and building plan submission. An inspection was conducted at the said premises on 19 November 2024. This is an existing restaurant, and the fire department can **support** with the following conditions only: - Fire protection plan to be submitted with building plan submission in accordance requirements for A1 occupancy, the current application do not have a fire plan submission which deem the building plan application already as unsupported by our department. - Existing fire protection equipment to be serviced before end of November 2024 and kept in an annual serviced condition. - Signage to be placed near LPG shut-off valves for it to be visible. - New owners to apply for Annual flammable storage certificate for LPG more than 100kg on the premises as per fire services bylaw and SANS 10087. Manual fire alarm to be installed which produce audible and visual alarm as per fire protection requirements for A1 occupancies, SANS 10400 Part T section 4.31.	

					Building Control: Not Supported. - No building plan in the archive and nothing on the OVVIO. - The applicant has to submit a building plan to building control for approval. **Town Planning**: Application is supported. - The subject property is zoned Business Zone 1 where a restaurant is permitted in terms of the Scheme. - Sale of liquor for on-site consumption in existing restaurant is generally allowed subject to satisfaction of scheme provisions. **Public Participation**: No minutes of consultative meeting with the public (report) submitted in terms of section3(2) of the By-Law on the Sale of Liquor and the Regulating of Trading Hours for Licensed Undertakings and matters incidental thereto read together with Section22(2)(d)(i) of the Eastern Cape Liquor Act 10 of 2003.	
12 Nov 2024	14	E Sukula – Bre Bros Co.	Yes	Finalised	**Law Enforcement:** An inspection conducted revealed that the premises is in the industrial area of Pellsrus. No safety issues have previously been noted in this specific area; therefore, the application can be **supported.** **Traffic Services:** The inspection conducted revealed that the premises has sufficient parking space, and the application is therefore **supported.**	**The application is not supported.**

					Environmental Health: Lighting & Ventilation: Insufficient lighting & ventilation. - Waste management: No designated refuse storage area. There is a wheelie bin available for the storage of refuse only. - Ablution facilities: Adequate ablution facilities. Newly fitted toilets at the premises. - Disability access & facilities: There is a wooden obstruction at the entrance of the premises which makes it difficult for disabled persons to access the premises. There is also no disabled toilet. - General health and hygiene: It is noted in the application that the premises is to be used as a restaurant and not only to sell liquor, therefor it needs to comply to Regulation 638. Currently the kitchen and the premises does not comply to this regulation. Therefore, the application is **not supported.** **Fire Services:** Premises zoned as Industrial 1 according to OVVIO. - An inspection conducted revealed the following and the application **cannot be supported**. - Fire protection equipment not up to standard and overdue service for more than 2 years. - Alternative exit door not compliant with standards and not readily accessible. - Internal constructions are mostly of combustible timber.	

					- Tripping hazard at main entrance and exit. - No manual fire alarm system as per section 4.31 of SANS 10400 Part T. - Recommendation to lodge consent use application with town planning and submit building plan for approval, inclusive of fire plan in accordance requirements of A1 occupancy. **Building Control: Not supported** - No building plan in the archive and nothing on OVVIO. - The applicant has to submit a building plan to Building Control for approval. **Town Planning**: Application is **<u>supported.</u>** - The subject property is zoned **Business Zone 1** where a restaurant is permitted in terms of the Scheme. - Sale of liquor for on-site consumption in existing restaurants is generally allowed subject to satisfaction of scheme provisions. **Public Participation**: No minutes of consultative meeting with the public (report) submitted in terms of section3(2) of the By-Law on the Sale of Liquor and the Regulating of Trading Hours for Licensed Undertakings and matters incidental thereto read together with Section22(2)(d)(i) of the Eastern Cape Liquor Act 10 of 2003.	

22 Nov 2024	12	Gavin Sushi	YES	Finalised	**Law Enforcement:** An inspection conducted revealed that the premises is in the CBD of St Francis Bay, and has been in existence, with recent renovations completed. No safety issues have previously been noted in this specific area; therefore, the application can be **supported.** **Traffic Services:** The inspection conducted revealed that the premises have sufficient parking space, and the application is therefore **supported.** **Environmental Health:** An inspection was conducted on 13 November 2024, together with the Fire department & Building Control. The application is **supported** as the general hygiene requirements and SANS 10400 requirements are complied with. **Fire Services**: A final compliance inspection was conducted at the premises on 13 November 2024. Premises is zoned correctly and meet the fire protection requirements accordingly for A1 occupancy. The application is therefore **supported.** **Town Planning:** Application is **supported.** - The subject property is zoned **Business Zone 2** where a restaurant is permitted in terms of the Scheme. - Sale of liquor for on-site consumption in a restaurant is generally allowed subject to satisfaction of scheme provisions. **Building Control:** Application **not supported** - Final inspection carried out 13 November 2024 and failed, reasons:	**The application is not supported.**

					- 1. Final as-built drawings must be submitted for approval. - 2. Outstanding documentation: completion certificates. **Public Participation:** 1. **Opening and welcoming** Chairman Maree gave a word of welcome to everyone in attendance 2. **Introduction and scope of meeting by the Owner** The meeting was introduced as a public consultation, informing the public of an application to expand the liquor trading area to the existing liquor trading license. The scope of the meeting was discussed with the following outcome: - No objections noted from the Kouga Municipality Ward 12 Committee - No objections noted from the surrounding businesses and owners respectively - No objections noted from the public/property owners in the surrounding area All attendees were therefore in favour of the application to expand the liquor trading area.	
17 Jan 2025	14	Ntsiki's Place	Yes	Finalised	**Law Enforcement** - An inspection conducted on 21 January 2025 revealed that the premises are in a residential area. The application can only be supported once approval from Town Planning is obtained & the necessary building plans submitted at Building Control. **Traffic Services** - The inspection conducted on 21 January 2025 revealed that the premises have insufficient parking space, and the application is therefore **not supported.** **Environmental Health** - An inspection was conducted on 23 January 2025 and revealed that the premises is in a residential area and is non-compliant with SANS 10400 (Parts O, S & U). The application is **not supported** as the applicant must first provide proof of consent use approval / rezoning from Town Planning, together with an Occupation Certificate from Building	**The application was not supported.**

					Control stating that all the necessary departmental requirements were met. **Fire Services** - An inspection was conducted at the premises on 21 January 2025. As per OVVIO the premises are zoned for residential and will require a consent application at town planning to operate but town planning can confirm. - Fire department can only support once the following is in place: - Approval from town planning - The owner to install fire door in the fire wall between the tavern and the residential dwelling space, the current door not a fire door. - Owner to install at least one 4.5kg DCP fire extinguisher with approved signage. **Town Planning** - The application is **not supported**. - The subject property is zoned Residential Zone 1, where sale of liquor on the property may only be undertaken with approved Consent Use or Temporary Departure in terms of the By-Law / Scheme. - Available records reflect that there is no approval for Consent Use or Temporary Departure, and as such the property has no existing rights to facilitate any sale of liquor. **Building Control** - This application is **not supported.** - Unauthorized structures were identified on the premises.	

					- There are currently no approved building plans or occupancy certificates available in the municipal archives and records. - Based on available records, it has been established that Erf 3555 of Sea Vista is property of Kouga Local Municipality, rather than the applicant. **Public Participation** **NTSIKI'S PLACE – 7TH AVENUE SEA VISTA** **10 NOVEMBER 2024** On the 10th of November 2024 the Ward Committees organised a public meeting as required by Liquor Board. The people agreed that they want the tavern there and they stated their reasons why. Some of those reasons are: 1. The other taverns are far from them and they are robbed when coming back 2. The applicant is always assisting in the community when they do not have food. 3. The applicant assisted one family with burial when they had nothing There was one lady who objected to the opening of a tavern there stating that when those houses were built they agreed that no one will have a tavern because the yards are too small. She suggested that the applicant must open a food outlet. She left the meeting without signing the attendance register.	
27 Jan 2025	12	The Harbour Club	Yes	Finalised	**<u>Law Enforcement:</u>** Inspection was conducted on 3 February 2025, and it was found that the clubhouse. will only be used by residents. No law enforcement issues have been encountered in	**The application is not supported.**

					the past, nor can any be foreseen in the future; therefore, the application can be supported. **Traffic Services:** The clubhouse is to be used by residents staying in the accommodation. Parking is sufficient and there is no traffic impact at the location, and the application is therefore supported. **Fire Services:** Fire safety can support on condition that a Manual fire alarm that produce visual and audible alarm be installed in the club as per requirements of SANS 10400 PART T OF 2024 for A1 occupancies. (Section 4.31) **Town Planning:** The application is **not supported.** Although the property is zoned Special, the use of the property is primarily for residential purposes. Available records do not reflect any specific land use rights which accommodate the sale of liquor on the property. **Building Control:** This application is not **supported**. There are approved building plans on record with Occupation Certificates issued in 2024 but deviations have been identified from the approved building plans. **Public Participation**: The meeting was introduced as a public consultation engagement, informing the public of an application for a new liquor trading license for	

					liquor to be sold. It will thus not be for public sale. There were no objections received from surrounding businesses and owners respectively and also no objections from the public.	
03 Feb 2025	9	Koneni Bottle Store	Yes	Ongoing	**Law Enforcement**: Can **support** on condition that the relevant departments' requirements are in place. The property is within the central business area. **Traffic Services**: Designated parking may be of concern for the premises and the application can be **supported** if the parking requirements are met in terms of land use requirements for the building. **Environmental Health**: An inspection was done on 11 February 2025 to check compliance with health and hygiene requirements and standards as per the National Environmental Health Norms and Standards for premises, SANS 10400 and to ensure compliance with the Businesses Act 71 of 1991. Premise does comply with all relevant environmental health requirements. The approval of liquor license application is **supported** subject to compliance with all relevant requirements of the local authority or any other applicable legislation. **Fire Services**: An inspection together with Mr. Floors from Law Enforcement was conducted at the premises on 10 February 2025. We could not gain access to check fire compliance inside as the person with contact details provided did not answer at all. Contacted three times. - According to OVVIO there was an attempt for a land use application and building plan	**The application was not supported.**

					submitted but all was closed. Town Planning and Building Control to confirm status. - Can **support** if the following requirements are adhered to: - According to the unapproved plan the identified space for the bottle store is less than 200m², at least 1x 4.5kg DCP fire extinguisher with approved signage in serviceable condition as per requirement for a F2 occupancy. - Fire wall to the underside of the roof covering between the bottle store and the adjacent occupancy. **Building Control**: The application is **not supported**. - Deviations from the approved drawings were discovered on site. - The applicant must ensure compliance with Town Planning and Service Departments' requirements prior to or during submission of the building plan application to Building Control Department for consideration/approval. **Town Planning:** The application is **supported** (in principle). - The property is zoned Business Zone 2 and noted to be currently developed with shops, which	

					may include the sale of liquor for off-site consumption. - Whilst the zoning permits the sale of liquor for off-site consumption, compliance with development parameters (including parking) per Kouga Local Municipality Land Use Scheme, 2021, may only be confirmed with submission of building plans. **Public Participation:** A public meeting was held within 100metres of premises for which application has been received for the liquor outlet on 29 January 2025. The residents objected to the application received for a liquor outlet. The Committee should note that no written objections were received from the residents.	
11 Feb 2025	14	Wine Shop	Yes	Ongoing	**Law Enforcement:** The business is already operational, and from a law enforcement point of view, no safety issues have been encountered recently. Therefore, the application is **supported.** **Traffic Services:** Parking is not a major concern, as most people accessing this business are on foot, people residing in the Pellsrus area. The application is **supported.** **Environmental Health:** An inspection conducted revealed that some of the requirements were adhered to, but no waste storage facility was observed, and a lack of maintenance on the inside as well as the premises is not accessible for persons with disabilities. The application can be **supported** on	**The application is not supported.**

					condition that the mentioned be attended to and that the operation of a liquor outlet falls within the land use rights. **Fire Services:** An inspection was conducted at the above-mentioned premises on 17 February 2025. The shop is already in operation. There is one fire extinguisher with approved signage and in serviceable condition which will be sufficient for the floor area as the requirements are 1/200m² of floor area for a small shop (F2 occupancy). Application can be **supported** if the operation of this shop falls within the land use parameters (Town Planning to confirm if acceptable or if consent/ rezoning application is needed). **Building Control:** The application is **not supported.** - No record of building plans in the archives. - No record of building plan applications submitted on the Ovvio Portal. - Building plans to be formally submitted to Building Control to ensure compliance with the NBR. **Town Planning:** The application is **not supported.** - The subject property (Erf 6803, Jeffreys Bay) is zoned Industrial Zone 1 in terms of Kouga Local Municipality Land Use Scheme, 2021, which does not permit a liquor store (shop) for sale of products not produced on the property as a primary right. - There is no available record for land use approval which facilitates the sale of liquor (for off-site consumption) on the property.	

					Public Participation: Ward Committee meeting held on 07 February 2025, the chairperson reported that the office has received a liquor license application from Mr. Pengfie Huang. It was indicated that the Wine Shop is already in existence, but a transfer of ownership is applied for. The Committee resolved to support the liquor license application.	
21 Feb 2025	6	Vuvu's Tavern	Yes	Ongoing	**Law Enforcement**: Inspection was conducted on 24 February 2025. It should be noted that various complaints have been attended to regarding this property by not adhering to operating times and selling it to minors. SAPS can confirm the complaints received and attended to. Application for liquor license is **not supported**. **Traffic Services**: Application does not have a traffic flow impact and there are parking spaces and **can be supported** if other complaints are in place. **Environmental Health**: An inspection was done on 24 February 2025 to verify and enforce compliance with the applicable legislation, and the following were found: - General unclean, unhygienic and unsatisfactory conditions were observed. - Foul odors were present in seating areas and toilet areas. - Evidence of smoking inside of the premises was noted, e.g. cigarette buds in toilets and sitting areas. - Insufficient ventilation and lighting. - Basic Environmental Health requirements were not met. Therefore, the application for liquor license is **not supported**.	**The application was not supported.**

					Fire Services: The following observations made at the time of inspection are of concern and require to be addressed **before support** can be considered: - Existing fire extinguishers to be serviced and signage to be visibly positioned to indicate the location of extinguishers. - This tavern has been known to have more than 50 occupants during the evenings; therefore, they require a second emergency exit as per the requirement for A1 occupancy. - There were various exposed electrical wiring and improper fire doors between vehicle garage and tavern. - Require Manual fire alarm that produce audible and visual alarm as per section 4.31 of SANS 10400 PART T. - Proper separation between storage area and other space as per building regulation requirements and Fire protection requirements. **Building Control**: The application is **not supported.** - There are no available copies of approved plans or occupancy certificates found in Municipal archives in respect to building work observed on site. This suggests that all structures on the property are unauthorized and were built without Municipal approval unless the owner can provide evidence to the contrary.	

					- A possible boundary encroachment was observed on site, as structures appear to extend beyond the property boundary. This is considered unlawful unless there is proof of permission for such encroachments. **Town Planning**: The application is **not supported**. - The subject property is zoned Residential Zone 1, where sale of liquor on the property may only be undertaken with approved Consent Use or Temporary Departure in terms of the By-Law / Scheme. - Available records reflect that there is no approval for Consent Use or Temporary Departure, and as such the property has no existing rights to facilitate any sale of liquor. **Public Participation**: A ward committee was held on 06 February 2025, the Councillor (Chairperson) presented the application. The Chairperson added that it is an already operating outlet and that the application is only for a transfer of ownership. The ward committee members agreed that since the Tavern has already been operating for a long time, the liquor board has a right to change ownership, because it is not a new tavern that he wants to open.	
13 March 2025	14	New Brezz Sportsbar	Yes	Finalised	**Law Enforcement**: There are numerous complaints for this tavern, records can be drawn from OVVIO re: disturbance complaints. The tavern is situated next to a daycare and CMR office. The application cannot be **supported.**	**The application was not supported.**

					Traffic Services: There is no designated parking for customers, vehicles are parked everywhere, which could lead to traffic congestion. Therefore, the application is **not supported.** **Environmental Health:** The following concerns were noted during an inspection conducted 17 March 2024: - The premises is zoned residential, and no consent use approval could be provided. The owner of the premises is staying directly above the sports bar. - The findings were as follows: - Lighting & Ventilation: Sufficient - Ablution facilities: There is ablution facilities available designated by male and female. The urinals in the men's toilet need maintenance. Out of the two available urinals, only one can properly flush and is in working order. - Premises is non-compliant with Parts S & U of SANS 10400. - General health and hygiene: The toilets are dirty. The ceiling, floor, walls, and hand wash basin in the men's toilet are not properly cleaned. Based on the above, the application is **not supported.** **Fire Services:** Inspection conducted at the above-mentioned premises where there is a Tavern/ Sports bar in operation with a residential dwelling on top of it on Monday 17 March 2025. - The following concerns were observed during our inspection:	

					- Premises according to OVVIO is residential zoned. - Only entrance/ exit to 1st floor dwelling is through the tavern (storage area) which is of great concern should a fire occur downstairs in tavern or storage area. - Door between garage and storage/ habitable area is not a fire rated door. - Only one fire extinguisher installed in tavern behind the enclosed counter which is not accessible and installed very high with no signage. - No manual fire alarm in accordance with SANS 10400 PART T section 4.31. - Although most people visiting will be on foot, there is no parking identified or location for parking. The fire department **can't support** the application in the current operational state, the above comments need to be addressed first. **Building Control:** This application is **not supported.** - Unauthorized structures were identified on the premises. - Building plans were approved in the year 2000 for a residential house, but they have deviated from it and never obtained an Occupation Certificate. - Applicant should formally submit a new building plan indicating all deviations from previous	

					approved plans and in accordance with the National Building Regulations SANS 10400. **Town Planning:** The application is **not supported**. - The subject property is zoned Residential Zone 1, where sale of liquor on the property may only be undertaken with approved Consent Use or Temporary Departure in terms of the By-Law / Scheme. - Available records reflect that there is no approval for Consent Use or Temporary Departure, and as such the property has no existing rights to facilitate any sale of liquor. **Public Participation**: A ward committee meeting was held on 11 March 2025, the chairperson conveyed to the committee members that a notice of intention to apply for a transfer certificate of registration for a liquor license was received. The chairperson reported that the applicant is Mr. Isai Mapumba that is residing at house number 3 Albert Luthuli Street, Tokyo Sexwale. The meeting accepted and approved the application.	

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE DEPUTY MUNCIPAL MANAGER
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/DMM14**

RESTRUCTURING OF THE MAYORAL COMMITTEE AND THE SECTION 80 COMMITTEES

1. **Introduction**

The purpose of this item is to inform the Municipal Council of the restructuring of the Mayoral Committee, and as a result the Chairpersons of the Section 80 Committees.

2. **Background**

Due to the election of Councillor Lorraine Maree as the Speaker of Council, at a Special Council meeting, held 27 March 2025, a vacancy occurred on the Mayoral Committee previously selected by the Executive Mayor, and which resulted in the filling of the vacancy on the Mayoral Committee and the restructuring of the portfolios held by the members of the Mayoral Committee.

Councillor Maree also served as a member of the Section 80 Committees, and as a result of the election to the office of Speaker, vacancies have been created on the Committees on which Cllr Maree served.

3. **Discussion**

It must be noted that the Mayoral Committee is not a Committee of Council, but a Committee appointed by the Executive Mayor in terms of Section 60(1)(a) of the Local Government: Municipal Structures Act No. 117 of 1998, as amended.

Section 80 Committees may not in number exceed the number of members of the Mayoral Committee. The Council approves the section 80 Committee members, but the Executive Mayor appoints members to the Mayoral Committee and the specific portfolio for each member to the Mayoral Committee.

Section 60 of the Municipal Structures Act provides that the mayoral committee may be as many Councillors as may be necessary for effective and efficient governance provided that no more than 20% of the Councillors or 10 Councillors (whichever is the least) are appointed.

Kouga Municipal Council consists of 30 elected Councillors and therefore we are limited to 6 mayoral committee members and therefore 6 section 80 committees.

4. **Financial Implications**

Completed by BTO -	Financial implications will be in line with the provisions of the upper limits as published in the Government Gazette.
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	

5. **Applicable Legislation**

The Local Government: Municipal Structures Act 117 of 1998, as amended.

6. **Legal Implications**

Should the Council resolve on the recommendations below, the Section 80 Committees will be composed as per the Council resolution.

7. **Other Implications**

None

8. **Comments by Directorates:**

The recommendations for this item do not require comments from the Directors.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That the Council notes the announcement of the Mayoral Committee as follows:

Corporate and Communication Services Portfolio	-	Cllr M Nicholls
Planning and Development Portfolio	-	Cllr T Jantjes
Electro-Mechanical Services Portfolio	-	Cllr J Alexander
Community and Safety Services Portfolio	-	Cllr D Benson
Civil and Water Services Portfolio	-	Cllr R Foley
Finance and Economic Development Portfolio	-	Cllr S Ruth

10.2 That Council resolve to compose the Section 80 Committees as follows, in exclusion of the Community and Safety Portfolio Committee as said committee is not affected by the restructuring:

Corporate & Communication Services Portfolio Committee:

Committee Members	Alternate members:
Chairperson: Cllr M Nicholls	Cllr B Dhludhlu
Cllr D Benson	Cllr S Ruth
Cllr M van Niekerk	Cllr T Mbuqu
Cllr H Murray	
Cllr G Stuurman	
Cllr V Gunuza	
Cllr N Ntshota	
Cllr B Human	
Cllr W van der Linde	
Cllr L Nkilishane	

Planning and Development Portfolio Committee:

Committee Members	Alternate members:
Chairperson: Cllr T Jantjes	Cllr M Nicholls
Cllr M van Niekerk	Cllr J Alexander
Cllr R Foley	Cllr V Zana
Cllr C August	
Cllr G Stuurman	
Cllr M Yali	
Cllr W Petersen	
Cllr B Human	
Cllr W van der Linde	
Cllr L Nkilishane	

Civil & Water Services Portfolio Committee:

Committee Members	Alternate members:
Chairperson: Cllr R Foley	Cllr B Williams
Cllr B Dhludhlu	Cllr M Nicholls
Cllr S Ruth	Cllr M Mbandana
Cllr W Gertenbach	
Cllr J Alexander	
Cllr V Zana	
Cllr P Oliphant	
Cllr B Human	
Cllr W van der Linde	
Cllr L Nkilishane	

Electro-Mechanical Services Portfolio Committee:

Committee Members	Alternate members:
Chairperson: J Alexander	Cllr B Dhludhlu
Cllr S Ruth	Cllr H Murray
Cllr B Williams	Cllr M Yali
Cllr W Gertenbach	
Cllr M Nicholls	
Cllr M Mbandana	
Cllr Ntshota	
Cllr B Human	
Cllr W van der Linde	
Cllr L Nkilishane	

Finance & Economic Development Portfolio Committee:

Committee Members	Alternate members:
Chairperson: Cllr S Ruth	Cllr H Murray
Cllr B Williams	Cllr R Foley
Cllr B Dhludhlu	Cllr W Petersen
Cllr F Heystek	
Cllr W Gertenbach	
Cllr P Oliphant	
Cllr M Yali	
Cllr B Human	
Cllr W van der Linde	
Cllr L Nkilishane	

Item prepared by: Manager Administration & Auxiliary Services

Item approved by: The Deputy Municipal Manager

Item supported by: The Municipal Manager:

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
OFFICE OF THE DEPUTY MUNCIPAL MANAGER
OPEN
DATE: 30 APRIL 2025
ITEM NO:**25/04/DMM15**

REVIEW OF THE COMPOSITION OF THE SECTION 79 COMMITTEES AND SECTION 79A COMMITTEE

1. **Introduction**

The purpose of the item is to request the Council to review the composition of members of the current Section 79, and Section 79A Committees.

Council has established the following Section 79 Committees and Section 79A Committee:

Section 79 Committees:

- The Disciplinary Committee (Rules and Ethics Committee)
- The Municipal By-laws and Policies Committee
- The Monitoring and Evaluation Committee

Section 79A Committee:

- The Municipal Public Accounts Committee

2. **Background**

The vacancy in the office of the Speaker has been filled by Cllr Maree, who was also served as a member on the Section 79 Committees, and which resulted in a need to review the existing Section 79, and Section 79A committees, especially where the said Councillor Maree served as a member of the Committee. In addition to this, Councillor Nicholls has been elected as a member of the Mayoral Committee by the Executive Mayor, and which affected the Councillors' membership of Section 79, and Section 79A Committees on which the Councillor served.

3. **Discussion**

Council is requested to consider the amendment to the proportional representation for each Section 79 Committee and Section 79A Committee is in line with Council representation as follows:

The allocation of seats for members will be 6 (six) DA Councillors, 2 (two) ANC Councillors, 1 (one) EFF Councillor, 1 (one) PA Councillor and 1 (one) FFP Councillor.

It must be noted that the following Councillors are excluded from being a member of the MPAC (Section 79A Committee):

a. Executive Mayor
b. Executive Deputy Mayor (if applicable)

c. Speaker
d. Whip
e. Members of the Mayoral Committee

It must further be noted that Municipal officials are excluded from being members of and MPAC (Section 79A Committee).

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 Local Government: Municipal Structures Act 117 of 1998, as amended.

In order to efficiently and effectively exercise the powers and functions of the municipality a Committee system is herewith proposed as envisaged in Section 33 of the mentioned Structures Act, which reads as follows:

"***33***. *Criteria for establishment of committees.- A municipality may establish a committee provided for in this Act if-*

(a) the municipality is of a type that is empowered in terms of this Act to establish a committee of the desired kind;
(b) the establishment of the committee is necessary, taking into account-
(i) the extent of the functions and powers of the municipality;
(ii) the need for the delegation of those functions and powers in order to ensure efficiency and effectiveness in their performance; and
(iii) the financial and administrative resources of the municipality available to support the proposed committee; and
(c) in the case of the establishment of an executive committee, the municipality has more than nine councilors."

All Committees of the Municipal Council must be fairly (proportionally) representative of all (political) parties and interests.

6. **Legal Implications**

Should the Council resolve on the recommendations below, the Section 79, and Section 79A Committees will be composed as per the Council resolution.

7. **Other Implications**

None

8. **Comments by Directorates:**

The recommendations for this item do not require comments from the Directors.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That Council resolves that the chairpersons for the respective Section 79 committees and Section 79(A) committee be elected as follows:

10.1.1 That Cllr ……be elected as chairperson of the Disciplinary Committee (Rules and Ethics Committee).

10.1.2 That Cllr …… be elected as chairperson of Municipal By-laws and Policy Committee (MBPC).

10.1.3 That Cllr …… be elected as chairperson of Monitoring and Evaluation Committee(M&E).

10.1.4 That Cllr ……be elected as chairperson of Municipal Public Accounts Committee (MPAC).

10.2 That Council resolve on the composition of members for the respective Section 79 committees as follows:

Disciplinary Committee (Rules and Ethics Committee):

Committee Members
Chairperson : Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……

Municipal By-laws and Policy Committee:

Committee Members
Chairperson : Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……

Cllr……
Cllr……
Cllr……
Cllr……

Monitoring and Evaluation Committee:

Committee Members
Chairperson : Cllr……..
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……

10.3 That Council resolve on the composition of members for the Section 79(A) committee as follows:

Municipal Public Accounts Committee:

Committee Members
Chairperson : Cllr……..
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……
Cllr……

Item prepared by: Manager Administration & Auxiliary Services

Item approved by: The Deputy Municipal Manager

Item supported by: The Municipal Manager:

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

KOUGA
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REPORTS BY THE EXECUTIVE MAYOR

KOUGA
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REPORTS BY THE PORTFOLIO CHAIRPERSON: FINANCE AND ECONOMIC DEVELOPMENT

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KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/FED3**

ANNUAL FUNDING PROPOSAL: HUMANSDORP MUSEUM ASSOCIATION

1. Introduction

This item seeks Council's approval and financial support for the Humansdorp Museum Association to continue operating the Shell Museum and the Humansdorp Museum. Funding is requested for the 2024/2025 to 2026/2027 financial years to ensure the long-term preservation of the region's cultural heritage, including the upkeep of heritage sites, provide enriching educational experiences, and enhance community engagement through these valuable institutions.

2. Background

The Humansdorp Museum Association, established in 1985, is a non-profit organization dedicated to preserving the natural and cultural heritage of the region. It operates the Shell Museum in Jeffrey's Bay and the Humansdorp Museum, offering unique collections and educational programs to the public. The Association also plays a crucial role in safeguarding local heritage by undertaking the upkeep of significant heritage sites within the region.

3. Discussion

The continued operation and development of the Humansdorp Museum Association and its two museums, the Shell Museum in Jeffrey's Bay and the Humansdorp Museum, are crucial for preserving the rich cultural heritage of the Kouga region.

By supporting the Association, the Council will:

- Ensure the long-term preservation of valuable artifacts, conduct vital research, and maintain important heritage sites throughout the Kouga region.
- Foster a deeper connection between residents and their local history through educational programs, community outreach initiatives, and engaging museum exhibits.
- Attract visitors to the region, boosting local economies and showcasing the unique cultural identity of the Kouga area.
- Provide valuable learning experiences for students and researchers, fostering a deeper understanding of local history and culture.

3.1 Funding Request

The Humansdorp Museum Association requests annual funding from the Kouga Municipality for the 2024/2025 to 2026/2027 financial years to support the following:

- Cover essential expenses such as staff salaries, utilities, and maintenance of museum facilities.
- Ensure the proper preservation and conservation of valuable artifacts through specialized equipment and materials.
- Develop and deliver engaging educational programs for schools, community groups, and the general public.
- Conduct research on local history, document oral histories, and publish findings to enhance public understanding of the region's heritage.
- Maintain and preserve significant heritage sites within the Kouga region, ensuring their long-term accessibility and appreciation.
- Organize community events, workshops, and volunteer programs to engage residents in heritage preservation activities.

3.2 **Financial Projections**

A detailed budget outlining the proposed use of funds is cited in Annexure A.

3.3 **In-Kind Support**

In addition to financial support, the Council can consider providing the following in-kind support:

- Facilitate collaboration between the Association and other relevant departments within the Municipality (e.g., tourism, community services) to maximize the impact of heritage preservation efforts.
- Assist in promoting the museums and their activities through municipal media channels, such as social media and local publications.

3.4 **Conclusion**

Supporting the Humansdorp Museum Association is an investment in the future of the Kouga region. By preserving our rich cultural heritage, we strengthen community identity, enhance tourism opportunities, and create a more vibrant and engaging environment for all residents.

- **Annexure A**: Humansdorp Museum Association Funding Proposal and Budget Projection
- **Annexure B**: Budget Verification

4. **Financial Implications**

Completed by BTO -	
Project Description	Humansdorp Museum
Ukey no.	20240710995845
Budgeted Amount	R300 000.00
BTO Signature	KOUGA MUNICIPALITY 2025-01-22 BUDGET &TREASURY
DATE	22-01-2025

Amount spent and committed to date	R0.00
Amount Available	R300 000
Comment	

5. **Applicable Legislation**

Funds transferred to external organisations or bodies must comply with section 67 of the MFMA, Act 56 of 2003:

(1) Before transferring funds of the municipality to an organisation outside any sphere of government otherwise than in compliance with a commercial or other business transaction, the accounting officer must be satisfied that the organisation or body-

(a) has the capacity and has agreed-

(i) to comply with any agreement with the municipality;

(ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;

(iii) to report at least monthly to the accounting officer on actual expenditure against such transfer; and

(iv) to submit its audited financial statements for its financial year to the accounting officer promptly;

(b) implements effective, efficient, and transparent financial management and internal control systems to guard against fraud. theft and financial mismanagement; and

(c) has in respect of previous similar transfers complied with all the requirements of this section.

(2) If there has been a failure by an organisation or body to comply with the requirements of subsection (1) in respect of a previous transfer, the municipality may despite section 1(c) make a further transfer to that organisation or body provided
that-

(a) subsection (1)(a) and (b) is complied with, and

(b) the relevant provincial treasury has approved the transfer.

(3) The accounting officer must through contractual and other appropriate mechanisms enforce compliance with subsection (1).

6. **Legal Implications**

Should the Council approve the recommendation herein, and resolve accordingly, a funding agreement must be entered into stipulating the terms and conditions in terms of which the funding herein is availed and setting out

the use of the intended funding. An agreement to this effect becomes binding on the Parties to the Agreement.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Recommendation supported.

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Item noted and 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**

Supported.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That Council approves funding allocation of R 300,000-00 (Three Hundred Thousand Rand) only, VAT-inclusive for 2024/2025 with a 5% increase for the 2025/2026 financial year and the 2026/2027 financial year respectively.

10.2 That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with the Humansdorp Museum Association, in accordance with the funding allocated in recommendation 10.1 above.

Item prepared by the Acting Manager EDT: 

Item approved by the Chief Financial Officer: 

Item endorsed by the Municipal Manager: 

Item noted by Portfolio Chairperson: 

Annexure A:

Humansdorp Museum Association Funding Proposal and Budget Projection

Funding Proposal **2025 - 2027**	

Association Details:

Business Name: Humansdorp Museum Association
171 – 989 NPO

Address: 46 Voortrekker Street
Humansdorp
6300

Contact numbers: 082 852 4056 or 083 380 0574

Contact Persons:

Name: Theo Vosloo
Position: Chairman
Cell: 084 585 4002
Landline: 042 296 0001
Email: voslootheo@gmail.com

Name: Hester Marx
Position: Secretary
Cell: 076 246 3720
Email: geelhoutboom@igen.co.za

Name: Petro Meyer
Position: Treasurer
Cell: 082 852 4056
Email: petro.meyer@telkomsa.net

Executive Summary

The Humansdorp Museum Association appreciates the continued support from the Kouga Municipality, which plays a pivotal role in preserving local heritage and providing enriching experiences for visitors. Without this support, the association would struggle to maintain its operations and fulfil its educational mission.

The Humansdorp Museum Association is seeking funding from the Kouga Local Municipality for the 2024/2025 to 2026/2027 FYs to sustain its operations and enhance visitor experiences at its two museums: the **Shell Museum** in Jeffrey's Bay and the **Humansdorp Museum**.

This funding is crucial for maintaining high-quality educational programs and ensuring public access to these cultural institutions. In April 2024, the association successfully relocated the Humansdorp Museum to a new premises, marking a significant milestone in its mission to provide an engaging historical experience.

The association expresses profound gratitude to all who contributed to this transition, particularly Mr. Charl du Plessis, whose steadfast support was instrumental throughout the process.

The association operates primarily through the dedication of **volunteers**, who generously offer their time and expertise, enabling the museums to function efficiently. Their contributions are vital to the ongoing success of the museums, and they deserve recognition for their invaluable service.

In December, both museums experienced a record number of visitors (1051) and income (R38 100), despite the predominantly excellent weather that encouraged beach outings. The kiosk was operated by one of the shell ladies, in accordance with the agreement established with the municipality during the museum's expansion. The kiosk is attracting additional sales as visitors to the kiosk do not always coincide with those visiting the museum.

Donations are continuously received at both museums, including a nail clipper that spent an extended time in the ocean and is now adorned with shells, a television set, a comprehensive collection of Khoisan artifacts, and a vast assortment of books. Each contribution is received with heartfelt gratitude.

General Description

The Humansdorp Museum Association was founded in 1985 to preserve the natural and cultural heritage of the town and surrounding areas. It is a non-profit organization that is managed by a committee of volunteers and the Association employs museum supervisors /officers at each of the museums:

The association was registered as a non-profit organization on June 23, 2016, with registration number 171-989 NPO. One of the founding members, Mrs. Hester Marx, is still a valuable member of the committee and share vast amounts of knowledge and information about the town and surrounding areas.

The Shell Museum showcases a diverse collection of seashells and coastal life exhibits, while the Humansdorp Museum focuses on local artifacts related to natural and cultural history.

Vision and Mission Statement

Vision to be leading cultural and educational institutions that preserves and promotes the natural and cultural heritage of Humansdorp, Jeffreys Bay and the surrounding areas.

The association's mission is to preserve and promote the natural and cultural heritage of Humansdorp and the surrounding areas. It does this through a variety of activities, including:

- Collecting and preserving artifacts and specimens
- Conducting research on the natural and cultural history of the area
- Educating the public about the natural and cultural heritage of the area
- Providing access to its collections and research facilities to students and scholars

Organizational Structure

The association boasts a committed team of volunteers and staff. Committee members oversee museum operations and program development, while museum supervisors manage daily activities including admissions and visitor inquiries.

Strength and Weaknesses

Shell Museum

Strengths:

- Unique collections, excellent location, dedicated management.
- The area showcasing marine life was updated during November 2024 with interesting new displays that was favourable received by visitors.

Weaknesses:

- Limited space
- Aging display cabinets.

Humansdorp Museum

Strengths:

- Excellent location
- Interesting collections
- Committed staff

Weaknesses: Limited space as current exhibitions can be expanded with artefacts currently stored in a container at the premises.

Objectives for 2025 -2027

From 2025 - 2027, the objectives of the Humansdorp Museum Association are expected to evolve significantly to enhance their mission of preserving and promoting the local cultural and natural heritage. The following areas highlight potential developments in their objectives:

Enhanced Stewardship: The association will continue to prioritize responsible stewardship of its collections and expand this objective to include more comprehensive conservation practices. Adopting new technologies for artifact preservation and implementing sustainability initiatives to protect both collections and the environment.

Inclusion and Community Engagement: The focus on creating a welcoming environment, with an emphasis on actively engaging diverse community groups. This will involve:

- **Recording Oral Histories**: Expanding efforts to document and share local stories from various cultural backgrounds.

  Transcribing previously recorded histories is a critical process that enhances the accessibility and usability of historical documents. This involves converting audio, video, or handwritten records into text format, which can then be incorporated into various displays and platforms for broader public engagement.

- **Inclusive Programming**: Developing programs specifically designed for underrepresented groups, ensuring that all community members feel valued.

A special educational event was recently organized at the Shell Museum, specifically designed for individuals who are visually impaired, allowing them to engage with various shells through tactile exploration. This innovative program provided participants with the unique opportunity to touch and feel an array of shell specimens, fostering a deeper understanding of their textures, shapes, and sizes. A trained facilitator guided attendees through the experience, offering descriptive insights about each shell's origin, ecological significance, and the role they play in marine ecosystems. This hands-on approach not only enhances sensory engagement but also promotes inclusivity by making the museum's educational resources accessible to everyone.

Dynamic Educational Offerings: Education will remain a cornerstone of the association's mission, and currently include but will be expanded in future:

The Shell Museum hosts a monthly meeting specifically designed for shell enthusiasts, providing a vibrant platform for individuals passionate about marine life and shell collecting to come together. These gatherings offer participants the opportunity to share their experiences, discuss recent finds, and exchange knowledge about various shell species and collecting techniques. Each meeting often features guest speakers, workshops, or presentations that delve into topics such as the ecological significance of shells, conservation efforts, and the art of shell crafting.

Interactive Learning Experiences:

Traditional display cases often limit interaction with artifacts. However, interactive display cases enable visitors to manipulate objects digitally or through touch, enhancing their understanding of the items on display. This approach allows for a more dynamic presentation of artifacts while maintaining their safety. Various projects have been identified for implementation i.e. display of first street lights in Humansdorp.

Partnerships with Educational Institutions: Collaborating with schools and universities for curriculum-based programs and more research opportunities.

*An engaging interaction with Professor François Durand, (prominent **palaeontologist** and **ecologist** at the **University of Johannesburg)** has resulted in a generous donation of scientific posters that vividly depict various species of garden snails and other molluscs. These posters serve as valuable educational resources, showcasing the intricate anatomy and diverse characteristics of these fascinating creatures. The donation not only enriches our understanding of molluscan biology but also enhances the visual appeal of our educational displays. By incorporating these scientifically accurate illustrations, we aim to foster greater awareness and appreciation for the ecological roles that garden snails and their relatives play in our environment. This*

A special educational event was recently organized at the Shell Museum, specifically designed for individuals who are visually impaired, allowing them to engage with various shells through tactile exploration. This innovative program provided participants with the unique opportunity to touch and feel an array of shell specimens, fostering a deeper understanding of their textures, shapes, and sizes. A trained facilitator guided attendees through the experience, offering descriptive insights about each shell's origin, ecological significance, and the role they play in marine ecosystems. This hands-on approach not only enhances sensory engagement but also promotes inclusivity by making the museum's educational resources accessible to everyone.

Dynamic Educational Offerings: Education will remain a cornerstone of the association's mission, and currently include but will be expanded in future:

The Shell Museum hosts a monthly meeting specifically designed for shell enthusiasts, providing a vibrant platform for individuals passionate about marine life and shell collecting to come together. These gatherings offer participants the opportunity to share their experiences, discuss recent finds, and exchange knowledge about various shell species and collecting techniques. Each meeting often features guest speakers, workshops, or presentations that delve into topics such as the ecological significance of shells, conservation efforts, and the art of shell crafting.

Interactive Learning Experiences:

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collaboration exemplifies the importance of academic partnerships in advancing scientific knowledge and promoting biodiversity education.

Certain artifacts showcased, and information available in the museums align with school curricula, particularly focusing on traditional musical instruments and the history of Humansdorp and Jeffreys Bay. These connections enhance educational experiences by integrating local heritage into classroom learning, allowing students to engage with their cultural history through tangible objects and narratives.

Research Development: The association place great emphasis on research initiatives that not only advance local historical knowledge but also engage the community in participatory research projects. This includes:

- **The Humansdorp Library: A Gateway to Local Heritage and Research**

  The Humansdorp Museum proudly boasts a continuously growing library that serves as a vital resource for both the local community and visitors interested in exploring the rich cultural heritage of the region. This expanding collection includes a diverse array of books, historical documents, and reference materials that cover various aspects of local history, natural sciences, and genealogy. By providing access to these resources, the museum not only enhances educational opportunities but also fosters a deeper understanding of the area's past. The library is designed to be an inviting space for research and learning, encouraging individuals of all ages to engage with their heritage. The library is an integral part of the museum's mission to preserve and celebrate the unique stories of the Humansdorp community.

- **Publishing Findings**:

  The Humansdorp Museum is actively engaged in the dissemination of knowledge through its regular publication in genealogy newsletters, which serve as a vital resource for individuals interested in tracing their family histories. These newsletters feature a wealth of information, including research tips, success stories, and insights into local historical records that can aid genealogists in their quest for ancestral connections. The commitment to sharing knowledge through these newsletters not only enhances the museum's educational mission but also strengthens community ties by connecting individuals with shared interests in genealogy and local history.

  The Humansdorp Museum Association holds the copyrights for two publications: "Sea Shells of Jeffreys Bay" and "Groei en Bloei of Humansdorp." Recently, the association updated the "Sea Shells" publication and printed 100 new copies. Looking ahead, there is an exciting opportunity to publish a history of Jeffreys Bay in the coming years, as significant research has already been conducted by committee members.

- **Monthly Workshops**:

  Humansdorp Museum offers monthly workshops dedicated to enhancing research on family histories provide an invaluable platform for individuals seeking to uncover their ancestral roots. These interactive sessions are designed to cater to participants of all skill levels, from beginners to seasoned genealogists, and focus on practical strategies for navigating various genealogical resources. Each workshop typically covers a range of topics, including effective search techniques, record analysis, and the use of online databases. Participants engage in hands-on activities that allow them to apply what they learn in real-time, fostering a supportive environment where they can ask questions and share insights. By bringing together a community of family history enthusiasts, these workshops not only empower individuals to make meaningful discoveries about their lineage but also promote the exchange of knowledge and experiences among participants.

- **Collaborative Efforts**

  Collaboration with local organizations, businesses, and other cultural institutions is expected to grow. The association will focus on:

  - **Joint Events**:

    *Currently, the Association is actively participating in the annual **Heritage Awareness Weekend** and **International Museum Day** at the Fountains Mall, a significant event that celebrates cultural heritage and promotes public engagement with museums. These events provide an excellent opportunity for the museum to showcase its diverse collections and educational programs, highlighting the importance of preserving local history. Visitors to the Fountains Mall can engage with knowledgeable staff and volunteers who are passionate about heritage conservation. The event not only raises awareness about the museum's offerings but also fosters community involvement, encouraging individuals to appreciate and connect with their cultural roots.*

Tourism Promotion: The association will intensify its efforts to promote tourism by:

- **Leveraging Digital Marketing**:

  *The Association is excited to announce the recent launch of a new website for the **Shell Museum**, enhancing its online presence and accessibility to visitors. This website serves as a comprehensive resource, providing information about the museum's extensive collection of over 2500 shell species, upcoming events, and educational programs. It aims to engage shell enthusiasts and the public alike, offering insights into the unique marine life represented in the museum.*

*In addition, the website for the **Humansdorp Museum** is set to be completed soon, promising to further enrich the digital landscape of local heritage. This forthcoming site will feature detailed information about the museum's exhibits, historical artifacts, and community initiatives, making it easier for individuals to connect with their local history.*

Together, these online platforms will play a crucial role in promoting awareness and appreciation of the rich cultural and natural heritage found within the region.

Preservation of Heritage Sites: Efforts to maintain local heritage sites will continue, with:

- **Regular Maintenance Programs**:

  *The Association is currently responsible for overseeing the monthly maintenance of the **Duine Street** and **Pells Cemeteries**, ensuring that these important historical sites are preserved and respected. Regular maintenance activities involve mowing lawns, controlling weeds, and ensuring that grave markers are in good condition. By actively managing these cemeteries, the Association plays a crucial role in honouring the memories of those interred there while also fostering a sense of community connection to local heritage.*

- **Community Involvement**: Engaging volunteers in preservation activities, fostering a sense of ownership among locals.

  The long-term objectives include integrating additional heritage sites into the regular maintenance program. By collaborating closely with the community, the association aims to play an integral role in the preservation of local heritage and prevent vandalism.

These evolving objectives reflect the Humansdorp Museum Association's commitment to adapting and growing in response to community needs and changing circumstances while continuing to fulfil its mission of preserving cultural heritage.

Market Analysis

Target Market

The core audience for the Humansdorp Museum Association includes **local families**, particularly those with children, as well as **holiday visitors** to Jeffrey's Bay. This demographic

is crucial for fostering community engagement and promoting educational experiences that resonate with both residents and tourists.

Marketing Strategies

The association is committed to creating a welcoming and inclusive environment for people of all ages, abilities, and backgrounds. The museums strive to appeal to a broad cross-section of the community, regardless of race, education, or economic status. This is achieved through a variety of initiatives, such as:

- Offering free admission to school groups.
- Providing educational programs that are tailored to the needs of different learners.
- Hosting events and exhibitions that celebrate the diversity of the community.
- Making the museums accessible to people with disabilities

Evolving Funding Strategy for 2025

By 2027, the funding strategy of the Humansdorp Museum Association is expected to evolve significantly to enhance financial sustainability and operational efficiency. Here are the key changes anticipated in their funding approach:

Increased Reliance on Diverse Funding Sources

- **Municipal Funding and Exploration of Additional Grants**

  The association will continue to request assistance from Kouga Municipality for annual operational costs but also plans to actively seek out targeted funding for capital projects from cultural, educational, and heritage preservation organizations, broadening its funding base beyond municipal support.

Enhanced Community Engagement

- **Local Sponsorships**: The association aims to establish partnerships with local businesses for sponsorship opportunities, which could provide both financial support and promotional benefits for the businesses involved.
- **Fundraising Events**: Organizing community fundraising events will become a priority, leveraging local interest and participation to generate additional revenue.

Increased Admission Fees and Sales

- **Reviewing Pricing Strategies**: Following a successful increase in admission fees in the previous year, the association may consider further adjustments based on visitor feedback and market conditions. This could include tiered pricing for special events or exhibits.
- **Curios and Merchandise Sales**: Expanding the range of items available for sale in the museums' gift shops will be a focus. This includes promoting unique local crafts and souvenirs that resonate with visitors.

Digital Marketing and Online Fundraising

- **Leveraging Online Platforms**: The association plans to enhance its online presence through targeted social media campaigns and crowdfunding initiatives. This will help reach a broader audience and attract potential donors interested in supporting cultural heritage.
- **Membership Programs**: Maintaining the membership program offering exclusive benefits could encourage community members and frequent visitors to contribute financially while fostering a sense of ownership in the museums.

Budget Monitoring and Financial Planning

- **Rigorous Budget Oversight**: The association will continue its practice of detailed budget monitoring to ensure that all financial resources are utilized effectively. Regular reviews will help adjust strategies as needed based on actual performance versus projections.

  Implementing more sophisticated financial management tools for better tracking of income and expenses. Currently all financial information is compiled utilizing Excel but a dedicated financial package to be obtained during the next year to streamline reporting.
- **Conservative Revenue Projections**: Maintaining a conservative approach to revenue projections, particularly for keepsake sales, will be essential in navigating economic uncertainties while ensuring financial stability.

Capital Project Funding

- **Targeted Fundraising**: With plans to enhance the Humansdorp Museum further, the association will actively seek targeted funding. This may involve specific grant applications or fundraising campaigns focused on this capital project.

  Through these strategic changes, the Humansdorp Museum Association aims to strengthen its financial foundation by 2027, ensuring that it can continue to provide high-quality educational programs and preserve local heritage effectively.

The association is committed to creating a welcoming and inclusive environment for people of all ages, abilities, and backgrounds. The museums strive to appeal to a broad cross-section of the community, regardless of race, education, or economic status.

A detailed budget, for the years 2025 – 2027 outlining all expense items, has been prepared and is attached.

Projected capital expenditure schedule also included.

Humansdorp Museumvereniging

Income and Expenses for year ending 30/06/2025

(Actual to Dec 2024)	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
Income	**7,751**	**283,682**	**15,205**	**10,683**	**13,223**	**40,376**	**14,422**	**310,062**	**12,262**	**9,738**	**7,559**	**7,004**	**731,969**
Entrance Fees - Humansdorp	455	310	220	150	810	830	400	300	500	600	700	800	6,075
Entrance Fees - Shell Museum	3,450	2,895	6,065	3,560	4,340	15,615	5,000	3,000	3,500	4,000	2,000	2,000	55,425
Kouga Munisipality	0	0	0	0	0	0		300,000	0	0	0	0	300,000
Interest Received	701	2,659	3,015	2,853	2,478	2,276	2,022	3,262	3,262	3,138	2,859	2,704	31,231
Membership Fees	0	100	0	80	20	0	0	500	0	0	0	0	700
Donations	730	220	1,095	0	0	0	2,000	0	0	0	0	0	4,045
Sale of Erf 2408 Humansdorp	0	274,693	0	0	0	0	0	0	0	0	0	0	274,693
Keepsakes	2,415	2,805	4,810	4,040	5,575	21,655	5,000	3,000	5,000	2,000	2,000	1,500	59,800
Expenses	**21,852**	**38,283**	**27,302**	**38,051**	**55,783**	**50,220**	**58,309**	**58,299**	**34,017**	**28,530**	**52,013**	**30,347**	**493,006**
Advertising	0	0	1,303	1,515	197	334	1,000	500	1,000	500	1,000	500	7,849
Accounting Software	0	0	0	0	0	0	0	350	350	350	350	350	1,750
Assessment Rates - Humansdorp	0	0	0	0	-3,814	0	0	0	0	0	0	0	-3,814
Bankcharges	142	117	212	181	164	614	450	230	230	250	230	230	3,050
Books and Artifacts	970	968	106	0	0	150	1,685	600	1,000	600	1,000	200	7,279
Cleaning - Humansdorp	143	0	176	103	0	0	200	200	200	200	200	20	1,442
Cleaning - Shell	0	50	40	239	2,550	0	200	200	200	200	200	200	4,079
Computer Costs - Humansdorp	0	0	0	0	0	0	0	0	880	0	0	880	1,760
Computer Costs - Shell	450	0	0	0	450	0	0	800	0	0	800	0	2,500
Depreciation	90	90	90	90	90	90	90	90	90	90	90	90	1,080
Festivals	0	0	0	667	1,535	84	350	350	2,500	350	350	3,000	9,186
First Aid	0	0	0	124	0	0	25	25	25	25	25	25	274
Garden Services - H/Dorp	0	0	0	270	150	650	650	650	650	650	650	650	4,970
Garden Services - Shell	0	0	0	0	0	0	0	0	250	0	0	250	500
Heritage Projects	680	680	680	680	680	680	720	720	720	720	720	720	8,400
Heritage Projects - Museums	0	0	0	0	0	0	15,000	0	0	0	20,000	0	35,000
Insurance - Compensation Comm	0	0	0	0	0	0	0	0	0	0	1,400	0	1,400
Internet - Humansdorp	200	200	200	150	150	150	250	250	250	250	250	250	2,550
Internet - Shell	0	0	0	0	0	0	0	0	0	0	0	0	0
Keepsakes	2,747	1,299	2,594	2,551	4,205	13,691	3,500	2,100	3,500	1,400	1,400	1,050	40,037
Leave Pay	0	0	0	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	9,846
Licence - Humansdorp	0	0	0	0	0	0	0	0	0	0	300	0	300

Licence - Shell		0	0	0	0	0	0	0	0	0	0	300	0	300
Membership Fees		0	0	0	0	0	0	600	0	0	0	0	0	600
Printing and Stationery - Humansc		135	0	183	0	0	0	200	200	200	200	200	200	1,518
Printing and Stationery - Shell		459	120	514	320	86	639	350	350	350	350	350	350	4,238
Refreshments - Humansdorp		0	0	222	178	0	0	250	950	250	250	250	250	2,600
Refreshments - Shell		68	629	775	354	403	200	250	1,000	250	250	250	250	4,679
Re-zoning Costs - Erf 2408		0	0	0	0	0	0	0	8,000	0	0	0	0	8,000
Repairs and Maintenance - Humar		0	15,650	161	120	2,367	0	600	600	600	600	600	600	21,898
Repairs and Maintenance- Shell		0	0	0	0	4,857	3,188	600	600	600	600	600	600	11,645
Salaries -Humansdorp		8,315	11,995	11,570	9,230	6,900	10,305	6,900	6,400	6,720	7,040	7,040	6,720	99,135
Salaries -Shell		7,125	6,147	8,133	11,620	6,410	16,380	10,315	5,760	6,815	6,870	7,065	6,595	99,235
Security - Humansdorp		0	0	0	0	25,744	0	70	4,570	70	70	70	70	30,664
Security - Shell		0	0	0	0	0	0	70	11,070	70	70	70	70	11,420
Seminar and training		0	0	0	0	606	0	0	300	300	300	300	300	2,106
Small Asset Write Off		0	0	0	8,136	0	0	8,500	6,000	500	500	500	500	24,636
Telephone - Humansdorp		50	50	50	100	100	100	200	200	200	200	200	200	1,650
Telephone - Shell		150	150	150	150	150	150	200	200	200	200	200	200	2,100
Travel Costs		0	0	0	0	600	0	2,000	2,000	2,000	2,000	2,000	2,000	12,600
Unemplyment Insurance Fund		128	138	143	179	109	221	190	140	153	161	159	133	1,854
Wages - Hdorp		0	0	0	0	0	900	600	600	600	750	600	600	4,650
Wages - Shell		0	0	0	0	0	600	1,200	1,200	1,200	1,440	1,200	1,200	8,040
Profit (Loss) for month		**-14,101**	**245,399**	**-12,097**	**-27,368**	**-42,560**	**-9,844**	**-43,887**	**251,764**	**-21,755**	**-18,792**	**-44,454**	**-23,343**	**238,963**
PROJECTED CASH FLOW														
Cash on Hand	19913							1,026	52,790	31,035	32,243	32,790	34,447	34,447
Call Account 1	297455							258,785	185,223	186,355	167,362	123,091	98,664	98,664
Call Account 2	53735							69,428	69,856	70,283	70,711	72,414	72,842	72,842
	371103	**0**	**0**	**0**	**0**	**0**	**0**	**329,239**	**307,869**	**287,673**	**270,317**	**228,295**	**205,953**	**205,953**
Investment - Erf 4208 Humansdorp									**276,396**	**278,099**	**279,802**	**281,505**	**283,208**	**283,208**

Humansdorp Museumvereniging

Income and Expenses for year ending 30/06/2026

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
Income	**13,901**	**10,692**	**13,167**	**15,735**	**334,782**	**32,272**	**17,514**	**10,917**	**13,960**	**12,744**	**9,449**	**8,232**	**493,365**
Entrance Fees - Humansdorp	1,060	1,060	1,060	1,060	1,060	3,180	2,120	1,060	1,060	1,060	1,060	1,060	15,900
Entrance Fees - Shell Museum	4,770	2,650	4,240	6,890	4,240	14,840	5,300	3,180	4,240	4,240	2,120	2,120	58,830
Kouga Munisipality	0	0	0	0	320,000	0	0	0	0	0	0	0	320,000
Interest Received	2,771	2,742	2,567	2,485	3,652	3,652	3,594	3,477	3,360	3,244	3,069	2,952	37,565
Membership Fees	0	0	0	0	0	0	1,200	0	0	0	0	0	1,200
Donations	0	0	0	0	0	0	0	0	0	1,000	0	0	1,000
Keepsakes	5,300	4,240	5,300	5,300	5,830	10,600	5,300	3,200	5,300	3,200	3,200	2,100	58,870
Expenses	**30,555**	**28,532**	**38,014**	**30,827**	**102,338**	**42,973**	**37,132**	**28,075**	**33,011**	**30,232**	**33,931**	**27,871**	**463,492**
Advertising	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Accounting Software	350	350	350	350	350	350	350	370	370	370	370	370	4,300
Bankcharges	230	230	250	270	230	650	500	250	250	280	250	250	3,640
Books and Artifacts	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Cleaning - Humansdorp	200	200	200	200	300	200	200	200	200	200	200	300	2,600
Cleaning - Shell	210	210	210	210	3,000	200	210	210	210	210	210	210	5,300
Computer Costs - Humansdorp	900	0	0	900	0	0	900	0	0	900	0	0	3,600
Computer Costs - Shell	0	920	0	0	920	0	0	920	0	0	920	0	3,680
Depreciation	90	90	90	90	90	90	90	90	90	90	90	90	1,080
Garden Services - H/Dorp	650	650	650	650	650	650	700	700	700	700	700	700	8,100
Garden Services - Shell	250	0	0	270	0	0	0	0	270	0	0	270	1,060
Heritage Projects	700	700	700	700	700	700	750	750	750	750	750	750	8,700
Heritage Projects - Museums	0	0	0	0	70,000	0	0	0	0	0	0	0	70,000
Insurance - Compensation Comm	0	0	0	0	0	0	0	0	0	0	1,500	0	1,500
Internet - Humansdorp	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Internet - Shell	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Keepsakes	3,710	2,968	3,710	3,710	4,081	7,420	3,710	2,240	3,710	2,240	2,240	1,470	41,209
Leave Pay	950	950	950	950	950	950	950	950	950	950	950	950	11,400
Licence - Humansdorp	0	0	0	0	0	0	0	0	0	0	320	0	320
Licence - Shell	0	0	0	0	0	0	0	0	0	0	320	0	320
Membership Fees	0	0	0	0	0	0	700	0	0	0	0	0	700

Festivals	350	350	4,500	350	350	350	350	350	350	350	3,500	350	11,500
First Aid	30	30	30	30	30	30	30	30	30	30	30	30	360
Printing and Stationery - Humans	320	320	320	320	320	320	320	320	320	320	320	320	3,840
Printing and Stationery - Shell	320	320	320	320	320	320	320	320	320	320	320	320	3,840
Refreshments - Humansdorp	300	300	1,300	300	300	300	300	300	300	300	300	300	4,600
Refreshments - Shell	350	350	1,350	350	350	350	350	350	350	350	350	350	5,200
Re-loction Costs - Humansdorp	0	0	0	0	0	0	0	0	0	0	0	0	0
Repairs and Maintenance - Huma	700	700	700	700	700	700	700	700	700	700	700	700	8,400
Repairs and Maintenance- Shell	700	700	700	700	700	700	700	700	700	700	700	700	8,400
Salaries -Humansdorp	6,900	6,300	6,600	6,900	6,000	8,900	6,600	6,400	7,040	7,360	6,720	7,040	82,760
Salaries -Shell	6,350	6,135	6,260	6,485	6,030	14,310	11,205	6,020	6,485	5,795	6,260	6,485	87,820
Security - Humansdorp	70	70	70	70	70	70	70	80	80	80	80	80	890
Security - Shell	70	70	70	70	70	70	70	80	80	80	80	80	890
Seminar and training	0	0	0	0	0	0	1,500	0	0	1,000	0	0	2,500
Small Asset Write Off	0	0	3,000	0	0	0	0	0	3,000	0	0	0	6,000
Telephone - Humansdorp	130	130	130	130	130	130	140	140	140	140	140	140	1,620
Telephone - Shell	200	200	200	200	200	200	215	215	215	215	215	215	2,490
Travel Expenses	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Unemplyment Insurance Fund	150	139	144	152	137	243	192	140	151	152	146	151	1,898
Wages - Humansdorp	1,125	900	960	1,200	960	480	720	960	960	1,200	960	960	11,385
Wages - Shell	600	600	600	600	750	640	640	640	640	800	640	640	7,790
Profit (Loss) for month	**-16,654**	**-17,840**	**-24,847**	**-15,091**	**232,444**	**-10,701**	**-19,618**	**-17,158**	**-19,051**	**-17,488**	**-24,482**	**-19,639**	**29,873**

PROJECTED CASH FLOW													
Cash on Hand	34,447	17,793	4,953	10,106	9,014	41,458	30,757	21,139	23,980	24,929	27,442	32,960	33,320	33,320
Call Account 1	98,664	99,240	94,786	65,157	34,722	236,178	237,635	229,033	210,431	191,596	172,644	143,517	124,273	124,273
Call Account 2	72,842	73,291	73,740	74,190	74,639	75,088	75,537	75,986	76,436	76,885	77,334	77,783	78,232	78,232
	205,953	**190,324**	**173,479**	**149,453**	**118,375**	**352,724**	**343,929**	**326,158**	**310,847**	**293,410**	**277,420**	**254,260**	**235,826**	**235,826**
Investment - Erf 4208 Humansdorp	**283,208**	**284,955**	**286,701**	**288,448**	**290,194**	**291,941**	**293,687**	**295,434**	**297,180**	**298,927**	**300,673**	**302,419**	**304,166**	**304,166**

Humansdorp Museumvereniging

Income and Expenses for year ending 30/06/2027

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
Income	**14,060**	**10,260**	**12,935**	**15,610**	**354,785**	**33,325**	**18,605**	**10,735**	**13,985**	**11,640**	**9,265**	**8,010**	**513,214**
Entrance Fees - Humansdorp	1,130	1,130	1,130	1,130	1,130	3,400	2,250	1,130	1,130	1,130	1,130	1,130	16,950
Entrance Fees - Shell Museum	5,050	2,800	4,500	7,300	4,500	15,730	5,600	3,380	4,500	4,500	2,250	2,250	62,360
Kouga Munisipality	0	0	0	0	340,000	0	0	0	0	0	0	0	340,000
Interest Received	2,280	1,830	1,705	1,580	2,955	2,955	2,955	2,855	2,755	2,630	2,505	2,380	29,384
Membership Fees	0	0	0	0	0	0	1,200	0	0	0	0	0	1,200
Donations	0	0	0	0	0	0	1,000	0	0	0	0	0	1,000
Keepsakes	5,600	4,500	5,600	5,600	6,200	11,240	5,600	3,370	5,600	3,380	3,380	2,250	62,320
Expenses	**33,215**	**110,895**	**36,040**	**36,190**	**35,100**	**46,593**	**39,600**	**30,349**	**36,550**	**33,311**	**36,741**	**30,625**	**505,209**
Advertising	430	430	430	430	430	430	430	430	430	430	430	430	5,160
Accounting Fees	370	370	370	370	370	370	370	400	400	400	400	400	4,590
Bankcharges	280	280	280	280	350	600	550	280	280	300	280	280	4,040
Books and Artifacts	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Cleaning - Humansdorp	300	300	300	300	400	300	300	300	300	300	300	400	3,800
Cleaning - Shell	300	300	300	300	3,200	300	350	350	350	350	350	350	6,800
Computer Costs - Humansdorp	930	0	0	930	0	0	930	0	0	930	0	0	3,720
Computer Costs - Shell	0	950	0	0	950	0	0	950	0	0	950	0	3,800
Depreciation	90	90	90	90	90	90	90	90	90	90	90	90	1,080
Garden Services - H/Dorp	700	700	700	700	700	700	730	730	730	730	730	730	8,580
Garden Services - Shell	280	0	0	280	0	0	0	0	280	0	0	280	1,120
Heritage Projects	750	750	750	750	750	750	800	800	800	800	800	800	9,300
Heritage Projects - Museums	0	80,000	0	0	0	0	0	0	0	0	0	0	80,000
Insurance - Compensation Comm	0	0	0	0	0	0	0	0	0	0	1,500	0	1,500
Internet - Humansdorp	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Internet - Shell	0	0	0	0	0	0	0	0	0	0	0	0	0
Keepsakes	3,920	3,150	3,920	3,920	4,340	7,868	3,920	2,359	3,920	2,366	2,366	1,575	43,624
Leave Pay	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	12,360
Licence - Humansdorp	0	0	0	0	0	0	0	0	0	0	340	0	340
Licence - Shell	0	0	0	0	0	0	0	0	0	0	340	0	340
Membership Fees	0	0	0	0	0	0	740	0	0	0	0	0	740
Festivals	400	400	4,800	400	400	400	400	400	400	400	3,500	400	12,300

First Aid		40	40	40	40	40	40	40	40	40	40	40	480
Printing and Stationery - Humansd		340	340	340	340	340	340	340	340	340	340	340	4,080
Printing and Stationery - Shell		340	340	340	340	340	340	340	340	340	340	340	4,080
Refreshments - Humansdorp		320	320	320	320	320	320	320	320	320	320	320	3,840
Refreshments - Shell		350	350	350	350	350	350	350	350	350	350	350	4,200
Re-loction Costs - Humansdorp		0	0	0	0	0	0	0	0	0	0	0	0
Repairs and Maintenance - Humar		750	750	750	750	750	750	750	750	750	750	750	9,000
Repairs and Maintenance- Shell		750	750	750	750	750	750	750	750	750	750	750	9,000
Salaries -Humansdorp		7,360	6,720	7,040	7,040	6,720	9,360	6,720	7,000	8,050	7,700	7,350	7,700	88,760
Salaries -Shell		6,910	6,660	6,790	7,045	6,545	15,845	11,320	6,290	6,795	7,045	7,045	6,790	95,080
Security - Humansdorp		80	80	80	80	80	80	80	90	90	90	90	90	1,010
Security - Shell		80	80	80	80	80	80	80	90	90	90	90	90	1,010
Travelling Expenses		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Seminar and training		0	0	0	0	0	0	2,000	0	0	1,500	0	0	3,500
Small Asset Write Off		0	0	0	3,500	0	0	0	0	3,500	0	0	0	7,000
Telephone - Humansdorp		150	150	150	150	150	150	170	170	170	170	170	170	1,920
Telephone - Shell		215	215	215	215	215	215	230	230	230	230	230	230	2,670
Unemplyment Insurance Fund		0	0	0	0	0	0	0	0	0	0	0	0	0
Wages - Humansdorp		1,200	960	1,275	1,020	1,020	510	1,020	1,020	1,275	1,020	1,020	1,275	12,615
Wages - Shell		800	640	800	640	640	875	700	700	700	700	700	875	8,770
Profit (Loss) for month		**-19,155**	**-100,635**	**-23,105**	**-20,580**	**319,685**	**-13,268**	**-20,995**	**-19,614**	**-22,565**	**-21,671**	**-27,476**	**-22,615**	**8,005**
PROJECTED CASH FLOW														
Cash on Hand	33,320	14,165	3,530	5,425	-315,155	4,530	6,262	10,267	10,653	8,088	11,417	8,941	1,326	1,326
Call Account 1	124,273	124,894	35,066	10,112	310,158	311,455	297,751	274,048	255,244	236,340	212,312	188,158	173,879	173,879
Call Account 2	78,232	78,624	79,015	79,406	79,672	65,888	66,279	66,671	67,062	67,453	67,844	68,235	68,626	68,626
	235,826	**217,683**	**117,611**	**94,943**	**74,675**	**381,873**	**370,293**	**350,985**	**332,958**	**311,881**	**291,572**	**265,334**	**243,831**	**243,831**
Investment - Erf 4208 Humansdorp	**304,166**	**304,166**	**304,166**	**304,166**	**304,166**	**304,166**	**304,166**	**304,166**	**304,166**	**304,166**	**304,166**	**304,166**	**304,166**	

Humansdorp Museumvereniging

Motivation of Expenses for Financial Years 2025 / 2027		2024/2025 R	2025/2026 R	2026/2027 R
Advertising Costs A small promotional item is handed out to schools and groups that visit the museums. The articles are hand made by the museum officers and not expensive. Only paper, cellophane bags and glue required. Flyers are printed for distribution at the Tourist Office and accommodation establishments. Printed t-shirts supplied to museum officers. Poster allowance for annual exhibition in the Mall.		7,849	4,800	5,160
Cleaning Costs - Humansdorp General cleaning materials		1,442	3,600	3,720
Cleaning Costs - Shell Museum General cleaning materials and annual carpet cleaning in November		4,079	3,680	6,800
Computer Costs - Humansdorp Museum Replacement cartridges for printer		1,760	3,600	3,720
Computer Costs - Shell Museum Replacement cartridges for printer - colour printer		2,500	3,680	3,800
Festivals		9,186	11,500	12,300
September - Heritage Expo at the Mall	4,000			
May and June - Youth Day Puppet Shows at each of the museums as well as surprice packets for attendees	3,000			
August - Womens Day Attendees from Pellsrus spoiled with tea and refreshments	3,000			
First Aid Provision for plasters/ headache tablets/ Detol /rubber gloves		274	360	480
Garden Services Humansdorp Trimming and removing dead shrubs and trees at Humansdorp Museum on an annual basis Grass cutting every second week and cleaning of flower beds once a month		4,970	8,100	8,580
Garden Services Shell Museum The Grass Barber cleans the flower beds in from of the museum before the holidays if required		500	1,060	1,120
Heritage Projects Monthly cleaning of the Duine Street and Pells Cemetery in Pellsrus to ensure that it is kept clean and well maintained by The Grass Barber.		8,400	8,700	9,300
Heritage Projects - Museums **Projects for 2024/2025** The following projects are currently delayed due to the need for a security upgrade, specifically the installation of a perimeter fence. - Move of the oxwagon from Hankey		35,000	70,000	80,000

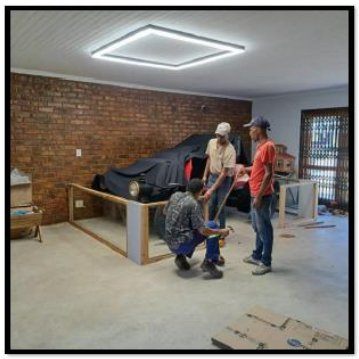
- Move of the wagon tracks				
- Move of the "koekepan" (this item is made from aluminium)				
The anticipated move of the above items with proper display areas and signage	20,000			
Installation of glass partitioning to protect displays, small display cabinets and lettering	15,000			
Projects for 2025/2026:				
Additional cabinets for displays at Humansdorp Museum in anticipation of moving				
to the adjacent property				
Projects 2026/2027				
The melamine components of the cabinets in the shell museum need to be replaced.				
Insurance		1,400	1,500	1,500
Workmens Compensation Insurance for staff				
Keepsakes		40,037	41,209	43,624
Small mementos sold by the museum in the form of fridge magnets, keyrings, books and shell cards. The Humansdorp Museum Association has the copy write of the "Sea Shells of Jeffreys Bay" as well as "Die Groei en Bloei van Humansdorp".				
Membership Fees		600	700	740
South African Museum Association				
Shell Collectors SA				
Repairs and Maintenance - Shell Museum		11,645	8,400	9,000
Unspecified budget for general maintenance replacement of globes / painting				
Repairs and Maintenance - Humansdorp Museum		21,898	8,400	9,000
Unspecified budget for general maintenance replacement of globes / painting				
Salaries - Humansdorp		99,135	82,760	88,760
One full time employee - C Potgieter				
Part Time as required - S Hammond				
Salaries - Shell Museum		99,235	87,820	95,080
Working 3 days per week - E Gelderblom				
Working 2 days per week - S Hammond				
Working Saturdays and one additional day per month - M Janse van Rensburg				
Security - Humansdorp		30,664	890	1,010
Security Bars on all windows	25,744			
Additional Beams	4,500			
Activation of Olarm to ensure that alarm can be activated from cell phone (5 Months)	420			
Security - Shell Museum		11,420	890	1,010
Installation of security Cameras	11,000			
Activation of Olarm to ensure that alarm can be activated from cell phone (5 Months)	420			
Small Assets Written Off		24,636	6,000	7,000
Inverter for the Humansdorp Museum	6,500			
Card Machine for Humansdorp Museum	799			
Small Stove for Humansdorp Museum	487			
Stand for Planter	350			
Robot Vacuum Cleaner - Humansdorp Museum	6,000			
Robot Vacuum Cleaner - Shell Museum	6,000			
Cell Phone for Humansdorp Museum	2,500			
Provision for small items	2,000			
Wages Humansdorp		4,650	11,385	12,615
Cleaner for one day per week				
Wages Shell Museum		8,040	7,790	8,770
Cleaner for one day per week				

add_circle

Heritage Project at Humansdorp Museum

Installing glass panels to secure displays





Glass panels to protect vintage car

Displays updated in Shell Museum





Learners with special needs

Bringing the ocean to the learners – finding shells in sea sand





Visually Impaired Visitors

Mission to make museums assessable to all





Annexure B:

Budget Verification

KOUGA MUNICIPALITY
2025-01-22
BUDGET &TREASURY

VS-F03RS - Cost allocation

Local Authority: KOUGA — KOUGA MUNICIPALITY
Financial Year: 2024
Unique internal key: 20240710995845
Cost allocation: 10173277250000

Opening Balance
Actual Balance
Shadow Balance
Balance Total
Provisional Costs
Amended Budget: 300000.00
Available: 300000.00
VAT Indicator (V02): CE (V03): CE
Locked onto
Asset ID
Job-costing type
Unallocated Job Budget

Function: 301
Planning and Development
Economic
N.T.Item: 3900 NT Cashflow Item
Interest Expense - External Bo
UKey Closed?: N
Associated Cost Code Closed?: N

Vote/Subvote	PLANNING AND DEVELOPMENT:TOURISM	
Item	Social Assistance:Grant In Aid	Expenditure:Transfers and Subsidies:Operational:Monetary Allocations:Households:Social Security Payments:Social IE0110020020040020020800000000000000
Function	Core Function:Finance	Function:Finance and Administration:Core Function:Finance FX0050010040000000000000000000000000
Project	Humansdorp Museum	Operational:Typical Work Streams:Tourism:Tourism Development PO0030460030000000000000000000001054
Fund	Property Rates:Levies	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies FD0010010010090010020000000000000000
Region	EC108 Kouga:Whole of the Municipality	Regional:Regional Identifier:Local Government by Province:Eastern Cape:District Municipalities:DC10 Sarah RX0020030010020010040090300000000000
Costing	Default	Costing:Default CO0030000000000000000000000000000000
Own	TOURISM	OV000006000401

KOUGA local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
DATE: 30 APRIL 2025
ITEM NO: **25/04/FED4**

CLOSE-OUT REPORT: 2024 J-BAY SUMMER FUN EVENTS

1. Introduction

This item is to submit the event close-out report on the annual 2024 J-Bay Summer Fun Events hosted in Jeffreys Bay by Jeffreys Bay Tourism in partnership with Kouga Local Municipality from 15-31 December 2024.

2. Background

The primary objective was to stage a fully inclusive Summer Fun Festival, free of charge to the community, while ensuring:

- Live video feeds to social media platforms for destination marketing.
- Accessibility for disabled individuals and families.
- Promotion of "Tourism for All" with dedicated parking, amenities, and beach access aids.

The success of the festival relied on the collective effort of various committees and individuals, demonstrating a strong spirit of community collaboration.

3. Discussion

Jeffreys Bay Tourism, in collaboration with LC Events, successfully concluded the 2024 J-Bay Summer Fun events, marking one of the most successful festive season campaigns in recent years. This report provides a detailed overview of events, their impact, and financial implications.

Impact and Success

The 2024 J-Bay Summer Fun events were a resounding success, achieving their primary goal of attracting tourists and providing free, inclusive entertainment for the community. The diverse program of events, ranging from the festive "Opening of the Season" to the spectacular New Year's Eve "Beachfront Bash," drew significant crowds and positive feedback. The launch of the "Christmas Lights Route" added a unique and engaging element to the festive season, encouraging community participation and creating a festive atmosphere throughout Jeffreys Bay.

The high attendance at events like the "Music and Picnic in the Park" and the "Taste of Local" demonstrated the program's ability to cater to a wide range of interests and demographics, reinforcing Jeffreys Bay as a premier holiday destination.

Publicity and Community Engagement

The events garnered extensive publicity through a multi-faceted approach, including live video feeds to social media platforms, traditional media coverage, and word-of-mouth. This strategy significantly enhanced destination marketing, showcasing Jeffreys Bay's vibrant atmosphere and diverse offerings.

Community engagement was a cornerstone of the program, with events designed to be inclusive and accessible to all, including disabled individuals and families. The involvement of local artists, businesses, and volunteers fostered a strong sense of community spirit and ownership. The successful "Christmas Lights Route" further highlighted the community's enthusiasm and participation.

Job Creation

The J-Bay Summer Fun events created significant direct employment opportunities, with a total of 315 man-days generated. This employment was distributed across various events, utilizing 75 local businesses and talent. The program prioritized the use of local artists and service providers, providing them with valuable exposure and financial support. This focus on local talent not only boosted the local economy but also provided a platform for artists to showcase their skills and build their careers.

Financial Summary

The 2024 J-Bay Summer Fun events were executed with a total expenditure of R403,729.39, significantly below the initially estimated budget of R803,000.00. This efficient use of resources was achieved through strategic planning and the invaluable support of local businesses and individuals. Key financial highlights include:

- **Total Expenditure:** R403,729.39
- **Initial Budget:** R803,000.00
- **Savings Achieved:** R399,270.61
- **Cash Sponsorship:** R3,000.00 (Fountains Mall)
- **In-Kind Sponsorships and Discounts:** R50,000.00 (Various local businesses)
- **Total Sponsorship:** R53,000.00

Significant cost savings were realized across several event components. The project received a combination of cash and in-kind sponsorship.

Conclusion

The 2024 J-Bay Summer Fun events were a testament to the power of community collaboration and strategic planning. The program successfully achieved its objectives of promoting tourism, engaging the community, and boosting the local economy. The overwhelming positive feedback and high attendance at events underscore the program's success. The collaboration between Jeffreys Bay Tourism, LC Events, and the Kouga Municipality was instrumental in the event's success. We express our sincere gratitude to all involved and look forward to building on this success in future years. To continue to grow and improve these events, more funding will be required.

Please refer to **Annexures A and Annexure B** attached for a comprehensive overview.

4. **Financial Implications**

Completed by BTO -	
Project Description	Kouga Mayoral Summer Festival

Ukey no.	20240710994881
Budgeted Amount	R400 000
BTO Signature	KOUGA MUNICIPALITY 2025-03-10 BUDGET &TREASURY
DATE	10-03-2025
Amount spent and committed to date	R
Amount Available	R0.00
Comment	

5. **Applicable Legislation**

Funds transferred to external organisations or bodies must comply with section 67 of the MFMA, Act 56 of 2003:

(1) Before transferring funds of the municipality to an organisation outside any sphere of government otherwise than in compliance with a commercial or other business transaction, the accounting officer must be satisfied that the organisation or body-

(a) has the capacity and has agreed-

(i) to comply with any agreement with the municipality;

(ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;

(iii) to report at least monthly to the accounting officer on actual expenditure against such transfer; and

(iv) to submit its audited financial statements for its financial year to the accounting officer promptly.

(b) implements effective, efficient, and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement; and

(c) has in respect of previous similar transfers complied with all the requirements of this section.

(2) If there has been a failure by an organisation or body to comply with the requirements of subsection (1) in respect of a previous transfer, the municipality may, despite subsection (1)(c) make a further transfer to that organisation or body provided that-

(a)subsection (1)(a) and (b) is complied with, and

(b)the relevant provincial treasury has approved the transfer.

(3) The accounting officer must through contractual and other appropriate mechanisms enforce compliance with subsection (1).

6. **Legal Implications**

The Municipality must ensure that beneficiaries have complied with their contractual duties, as required by the MFMA. Failure to comply with the MFMA may result in the transaction being classified as unauthorised, irregular, or fruitless and wasteful expenditure, and which may pose a risk to the financial audit qualifications of the Municipality.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

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 Council note the 2024 J-Bay Summer Fun Events Closeout Report.

Item prepared by the Acting Manager EDT: A Jonck

Item approved by the Chief Financial Officer:

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

ANNEXURE A

JBAY SUMMER FUN 2024 (ANNEXURE A)

Uitgawes:

Project	Estimated	Actual
Opening of the season	R107,000.00	R58,724.89
Meet and greet	R3,000.00	R900.00
Art exhibition	R5,000.00	R1,000.00
Taste of Local / Christmas Carols	R100,000.00	R32,210.00
Music and picnic in the park	R78,000.00	R39,778.00
Beachfront bash	R295,000.00	R178,291.50
Other	R20,000.00	R19,000.00
Safety Officer	R15,000.00	R0.00
Public Liability	R20,000.00	R0.00
Security	R20,000.00	R0.00
Coordinator	R50,000.00	R35,000.00
Marketing	R50,000.00	R38,825.00
Branding - stage area	R20,000.00	R0.00
Branding - gazebos, feathers etc	R20,000.00	R0.00
Total	**R803,000.00**	**R403,729.39**

Borg Inkomste:

KONTANT BORG		
FOUNTAINS MALL		R3,000.00

Afslag en of borgskappe

BORGE:		
FOUNTAINS MALL		R10,000.00
MR PELLS HOUSE		R2,000.00
MTE TENTS		R20,000.00
SMHART		R10,000.00
RE SOUND		R8,000.00

KOUGA RHINO SANCTUARY		R8,000.00
TAPAS		R250.00
VIDA VERDE		R200.00
BP		R100.00
RELAY		R7,500.00
FAN JAN PRODUCTIONS		R2,000.00
MINISTRY OF SOUND		R5,000.00
KOUGA EXPRESS		R2,000.00
Z SPORTS		R2,000.00
NEIGHBOURHOOD WATCHES		
		R77,050.00

ANNEXURE B

Annexure B

INFORMATION REQUIERD BY KOUGA

	Local business used	Mandays(Jobs) created
OPENING OF THE SEASON - 14 December 2024	17	78
ARTS EXHIBITION OPENING - 17 December 2024	3	8
Taste of local - 21 December 2024	12	53
MUSIC AND PICNIC IN THE PARK - 28 December 2024	12	54
Beachfront bash - 31 December 2024	19	74
PRE LAUNCH - TEATER BY DIE SEE - KAMPHOER	12	48
TOTAL	75	315

FEEDBACK : SOCIAL MEDIA DECEMBER 2024: ANNEXCURE C

- We've reached a total of 504 200 viewers and added 330 new members and the number of followers are now on 18 311.
- Gender wise the split between the genders remains on an average of 70% women and 30% men.
- Most of our viewers are from the Eastern Cape, with the Western Cape coming in second and Gauteng and Free State as third and fourth.
- Our city viewers are mostly from PE, Cape Town, Stellenbosch, Pretoria, Bloemfontein.
- When it comes to countries, SA is by far our best viewers, then the UK, USA and Australia.

It was interesting to note that videos are by far viewed more than the reels we've included this year. This reflects well in the number of views for the Skydivers compared to the average reel that attracted less than 2000 viewers.

On average the feedback was all very positive and taken into account the number of visitors who wanted to stay longer than the period they've initially booked the New Year's Bash was one of the highlights.

Of the New Year's Bash the Fun Run, Fire Dancer and Fireworks were the most popular events of the New Year's Eve in terms of feedback from the public.

Below are the posts that did the best during the December holidays ...



Book your tandem jump with @skydivejeffreysbay #skydiving #jeffreysbayadrenaline
29 Dec 2024

Post reach
197,509



Thank you to each and everyone who contributed to and attended a very successful and enjoyable Opening of the Season event last night. And a special thank you to Apex Synergy for covering the...
16 Dec 2024

Post reach
33,087



Dit was baie lekker 🍇 Thank you to everyone who joined us in the park, all our performers, and vendors. #picnic #musicinthepark #dorpvandrome #jeffreysbaytourism
30 Dec 2024

Post reach
20,966



📣 🎉 Mammas en Pappas, bring die kleingoed, want Bester, die Renoster wag geduldig tot 28 Desember om 18:30, om hulle te vermaak. MUSIC AND PICNIC IN THE PARK 📍 Noorsekloofpark, o...
23 Dec 2024

Post reach
19,546

	🎅 🚗 Die kinders sal die liggietoer geweldig geniet, so as jy nie meer weet hoe om hulle besig te hou nie, gaan ry gerus ń entjie. https://www.google.com/maps/d/viewer?... 19 Dec 2024	Post reach 18,044
	Kom kuier by die Werf @fountains_mall 21 Dec 2024	Post reach 16,926
	🌴 **JBAY SUMMER FUN 2024 – YOUR FESTIVE SEASON ADVENTURE AWAITS!** 🏄 Mense, die lewe in Jeffreysbaai gaan 'n lied wees hierdie vakansie! Check out the **JBay Summer Fun**... 29 Nov 2024	Post reach 15,026
	The Jbay Summer Fun 5km Beach Fun Run was fun indeed. Thank you to all our participants, we hope to see you again next year 🏃‍♀️🏃 #funrun #beachrun #jeffreysbaytourism #jeffreysbay... Fri, 3 Jan	Post reach 8,253
	Adam Tas het 'n spesiale uitnodiging vir jou vir die 21ste Desember! Hy kom kuier in Jeffreysbaai! Moet dit nie misloop nie 🎁🏄 21 Desember om 21:00 by Die Werf, Fountains Mall. Gratis... 19 Dec 2024	Post reach 7,798
	📣 Make sure you don't miss this event on 28 December from 17:00! Free entrance 👏👏 #summerfun #jeffreysbay #picnicinthepark #KougaTourism #familytime #familyfun 22 Dec 2024	Post reach 7,171
	This was a hard and challenging year for many so come join us on New Year's Eve to end it with a bang 🎆🏄 #jeffreysbay #KougaTourism #SummerFun #NewYearsEve #NewYearsEveBash 27 Dec 2024	Post reach 6,864
	🎄✨ **THE WAIT IS OVER! DISCOVER THE MAGIC OF CHRISTMAS LIGHTS IN JEFFREYS BAY**! Building on it's popularity from last year, we've created another special interactiv... 13 Dec 2024	Post reach 6,810
	Can you believe! Just 2 weeks left before the holiday season officially kicks off 😱🤦🏄🎆 1 Dec 2024	Post reach 6,752
	Just a reminder of what's still to come 🏄🎆😴 #kougatourism #summerfun #summervibes #jeffreysbay #familytime 24 Dec 2024	Post reach 5,945
	To all our locals and visitors, may your festive season be filled with joy, laughter, and unforgettable moments by the sea. Thank you for making JBay your home or holiday destination this year. Merr... 20 Dec 2024	Post reach 5,847
	📣 Pak jou mandjie, kombers/stoel en bring die kinders saam vir 'n heerlike aandjie uit. 🎶 Die musiekvertonings begin vanaf 16:30. Verskeie stalletjies asook die Jeffreys Bay Car Boot Sale met hope... 21 Dec 2024	Post reach 5,782

FEEDBACK : SUMMER SEASON 2024 re accommodation and business growth (Annexure D)

1. General questions:

- **Local jobs created and man days utilised**

  Detail attached in separate annexure . For the rest of the businesses in town Jeffreys Bay Tourism do not have any reliable input.

- **Were there higher numbers of international visitors or domestic tourists during the festive season?**

  Jeffreys Bay Tourism can only report on our walk-in tourism traffic. Kouga Municipality do have access to the accommodation platform and it is suggested that the platform be utilised as it will provide more accurate information. With regard to day visitors, it appears that there were many from surrounding towns visiting Jeffreys Bay. Few international tourists book through our office (mostly online), so it is difficult to confirm. There was however a slight increase in numbers visiting the office compared to the 2023 season and a definite increase in domestic guests between Christmas and New Year.

- **How satisfied were guests with the festive decorations, themed events, or special services during the season?**

  It appears, from Social Media reports, that the majority of guests were pleasantly surprised and very happy with the festive season efforts (see mail re social media). Our Christmas Lights Tour was very popular and we've received good reviews. Our Summer Fun programme in general, was very well received.

- **Were there any specific sectors (e.g., retail, entertainment, travel) that saw significant growth or decline?**

  In general, from word of mouth, it appears that an average growth between 8 to 12% were experienced and the spend per capita increased as the holiday season progressed. Exact figures cannot be measured by Jeffreys Bay Tourism

- **What was the overall economic impact of the festive season on your local economy?**

  Factually, this cannot be measured by Jeffreys Bay Tourism. As previously reported, temporary jobs were created with a growth between 8 and 12%. From the beginning of the season till about the 20th Dec there were still many accommodation vacancies available and some businesses expressed concern. From around the 23rd there was a significant increase in numbers.

- **How much did the festive season contribute to local businesses?**

  On average there has been ± 8 to12% growth

2. Events:

- **Utilization of local businesses for events that happened in your area per event**

  Information attached asa seperte annexure.

3. Accommodation facilities:

- **Bed nights occupied.**

  It is recommended that the software Nightsbridge or any similar platforms be utilised

- **What was the occupancy rate for your accommodation facility during the festive season compared to regular periods?**

  Please refer to the abovementioned. All facilities / products are not registered with Jeffreys Bay Tourism; therefore, we will not be able to provide reliable and accurate information. Jeffreys Bay Tourism did request our registered facilities to provide information, but the feedback is very slow and at the moment not reliable.

- **Did the number of bookings during the festive season increase or decrease compared to previous years? By what percentage?**

  Accommodation platforms will provide more accurate information. We've experienced a significant increase in late accommodation requests after Christmas. Very few could be accommodated due to lack of available space, but also because of prices that guests were willing to pay. Quite a number of guests booked till around the 27th Dec and then decided to stay till year end, but could not be accommodated on short notice.

- **How far in advance did customers book accommodations for the festive season? Was there an increase in early bookings?**

  Please refer to the abovementioned. There were no real increase in early bookings, but a large increase in late bookings.

- **Was there a noticeable difference in the length of stay during the festive period?**

  Apart from the Caravan Park very few guests booked for longer than 7 days; mostly 3 – 5 days.

4. Local Businesses: **(note : only one business sample was used so information cannot be generalised)**

- **Did you're spending this season increase or decrease compared to previous years? If so, by what percentage?**

Company spenditure did increase through the forward buy in of extra merchandise and product FMC goods for the 2024 December holiday season. It is too early to get any financial figures and percentages.

- How much of your total annual revenue is generated during the festive season?

  18.45%

- Did the festive season affect your business's profitability? If so, by how much?

  Yes, by 9.2%

- Did businesses in your industry experience an overall boost in sales or revenue during the festive period?

  Yes

5. Any suggestions / comments for the future?

   Jeffreys Bay Tourism recommend that Kouga Municipality in cooperation with the three Tourism NPC's, start developing and acquire software which will provide more accurate information. During one of the KBF network functions, Professor Houdini, from NMB University, recommended that the tourism sector can make use of his IT facilities, in conjunction with the Tourism Department, to conduct satisfaction surveys and research to assist with more reliable information. This will also support their post graduate students to obtain practical exposure.

Shell Museum Complex
17 Da Gama Street
Email : info@jeffreysbaytourism.org
Tel : +27 42 293 2923

31 January 2025

TOURISM & EVENTS REPORT: DECEMBER 2024

JEFFREYS BAY TOURISM

1. **Introduction / Executive Summary**
   Jeffreys Bay Tourism in co-operation with LC EVENTS capped off one of the most successful 2024 Summer Fun campaigns in recent years.

2. **Background**
   Our purpose as the organizers was to stage a fully inclusive Summer Fun Festival FREE of charge to the whole community and to ensure that:
   - Events had planned live video feeds to all our social media platforms to encourage destination marketing,
   - Events were disabled and family "friendly"
   - Tourism or access for all was well presented with disabled parking spaces, bathroom amenities and the use of the water wheelchair and the beach chair on the beach.

   Many different people, subdivided into various committees & projects under the auspices of Jeffreys Bay Tourism, coming together completely and selflessly, was immensely humbling. There aren't enough words to thank the Events Manager & Coordinator Leilani Coetsee from LC EVENTS, the Jeffreys Bay Tourism team, Kouga Municipality team, and every person who agreed to help and pull off one of the most successful Jeffreys Bay holiday campaigns.

3. **Discussion**
   The aim was to organize and host the "Jbay Summer Fun 2024" programme. The timeline of our festive season was from 14 Dec 2024 to 31 Dec 2024. Our strategy was to host a signature event during our Festive High Season which will attract tourists and visitors alike to our main beach area and promenade and provide entertainment for the locals as well as tourists free of charge. The inclusive event

that we hosted included local artists and residents. A number of local businesses and stakeholders were brought together under the leadership of Jeffreys Bay Tourism and LC Events. It was initiated with great success by involving a group of dedicated local individuals who simply wanted to come together and make a difference; bringing the spirit of Christmas to Jeffreys Bay. Collectively, there was a single goal: To promote Jeffreys Bay and the Kouga Region as THE destination of choice through a series of fun family events leading up to New Year's Eve.

4. Financial Implications

TOTAL FUNDED VALUE	R400 000.00
Project Description	JEFFREYS BAY TOURISM SUMMER FUN DECEMBER 2024
Period	14 December 2024 to 31 December 2024
Amount spent and committed to date	A full financial breakdown is attached as Annexure A
Amount Available	
Comment	The total funded amount was fully utilized. It needs to be mentioned that in order to stage an event again as big as December 2024, we will certainly need a far bigger amount of funding. We relied heavily on local individuals and companies to assist us either free of charge or charging us minimum fees to pull off such a big event. This 2025 signature event will need to be planned well in advance, and the funds transfer need to be transfer early in the year to secure artists.

5. Directorates Involved / Meetings Held

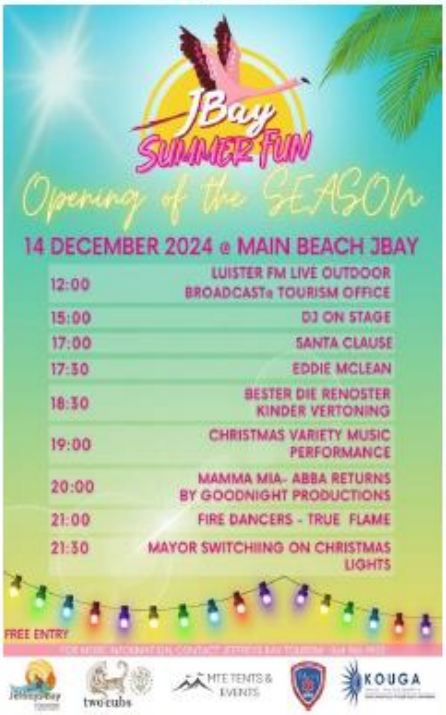
- Kyle Minnaar – Financial assistance arrangements & invites to Mayco and VIPs from the Municipality on the 14th and 31st Dec 2024.
- Carla Schoeman Kritzinger and Dione Kloppers for the assistance with the event on the 16th of December 2024 by welcoming guests
- Anene Jonck - Assisting in all aspects of the event
- Heidi Halgryn
- Lorelle Campher
- Director Nomvula Machelezi – The Community service department assisted us in the arrangements and also allowed us to utilize her offices for Opening of the Season and New Years Eve. Director Machelezi supported in whichever way was possible.
- Christa Venter and Rochelle Ludick - assistance with the arrangements of dustbins, tables, chairs. Also assisted us with the layout of the terrain and promenade as well as procuring the Newton Hall.
- Harriet from the Newton Hall
- Nomvundo Blom and Darryl - their assistance as Health Inspectors with our stalls and COA's.
- All the officials from the Law Enforcement, Traffic and Boots on the Ground for the security and arrangements in town.
- Fire Brigade - assistance and their expo at our events.
- Chief Dewald Barnard for all the security arrangements and assisting with all safety matters.

- Director Theo Madatt, Mandla and Clinton from the Electrical Department, who assisted with the electricity at the park, and the connection of our lights in the park for the event and subsequent removal thereof.
- Media Liaison: Monique – Media assistance and assistance with branding, marketing as well as all the articles
- Rieg and Adi for the coverage of the events with beautiful photos and videos

6. **Tourism Information** – Statistics attached regarding job creation and utilization of local business

THE 5-STAGED EVENTS INFORMATION

1. The **Opening of the Season** event, held on the 14th of December at the main beach amphitheater, was the catalyst for the campaign. A live Christmas concert, photos with Santa, local music performances an ABBA performance, fire dancers and the switching on off the lights were greeted with much cheer and enjoyment as Mayor Hattingh Bornman officially declared the holiday season OPEN. Approximately 1500 to2000 People attended.











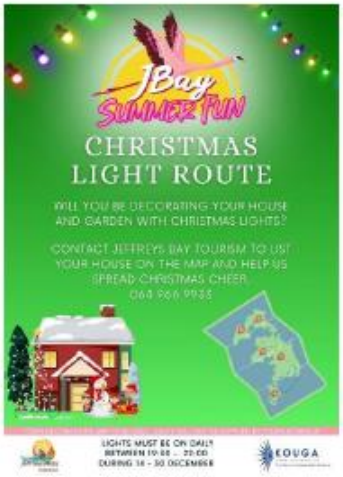








2. The "**Christmas Lights Route**" was launched on the 14th of December with great excitement. Before the launch, locals who opted to decorate their homes with Christmas lights were invited to sign up to be added to a convenient virtual map. This map could be used by both locals and visitors for a leisurely drive, allowing them to enjoy the festive decorations with family or friends. Thank you to each person who chose to add their home to the map. It is your individual contribution that made this campaign such a huge success.



3. **Arts Exhibition by Kouga Arts Society – 17 to 21 December 2024**
The Art exhibition was a first ever event for Jeffreys Bay Tourism and the visitors appreciated the works on display. Deputy Mayor Timothy Jantjes opened the exhibition on the 17th of December. Various pieces of 28 local artists were showcased and sold.













4. The **TASTE OF LOCAL** - 21 Dec 2024
   This event took place on 21 December 2024 at the Fountains Mall (THE WERF). Hosted by JBay Tourism, LC EVENTS and The Fountains Mall. This event was a new event that we took on to create a Family vibe and was well sponsored by the Fountains Mall. We staged a taste of local craft rum and wine, many stalls and for the first time a car boot sale which were well received. The Harmony brass band from Humansdorp was part of the festivities and Santa Clause welcomed visitors. Adam Tas a national well-known artist was the main performer and many tourist and local residents with families attend.















5. **The second "Music and Picnic in the Park" event took place on the 28 of December.**
   The venue was Equilibrium Park (Noorsekloof). Perfect weather enticed families to bring their blankets or chairs and picnic baskets to settle in for an evening of wholesome togetherness and entertainment. Approximately **1 500 to 2000** people attended this free event in the park. The event was jam-packed with something for everyone to enjoy: the Spekboom Labyrinth, food trucks, live musical entertainment. There was an overwhelmingly positive response. "Encore!" was the word on everyone's lips! Thank you to each and every person who had a hand in this fantastic initiative. This event was on request of the public. This will be a standard event in future, and we will add a signature artist for 2025, to attract an even bigger crowd of people to the park.













6. The 31 December - **NEW YEARS EVE** lineup.

This included a 5km fun run on the beach at 9 am on the 31 Dec 2024, followed by the modelling competition to crown the different categories of Mr and Miss JBay Summer Fun (judged by Boss models)and thereafter a stunning show your voice talent show competition. The New Year's Eve music line up included special guests Zadine Mc Carthy, Gerrit de Jager, E JAY, TINO, Fire dancers and the unexpected dance crew further enhanced the festivities, all while families could enjoy the main beach attractions.

Dolphin Beach was packed with a lineup stretching from as early as 08:00 in the morning (fun run registration) all the way through to midnight. Crowds could enjoy live musical performances. **The New Year was ushered in with the climax of the Summer Fun Events, a jaw droppingly amazing professional fireworks show.** We estimated that there was approximately between 12000 and 15000 people attending the music festival and the fireworks. The boardwalk was jam packed with people all the way from Je'Vista to the NSRI tower.





















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If it weren't for the individuals who helped with all the arrangements, or the locals who volunteered in whichever capacity, or the lovely holidaymakers and residents who came to enjoy it all, this would not have been possible. A special thank you to the Kouga Municipal Management team for trusting us with this year-end project. We hope that each and every visitor enjoyed their stay.

DIRECT JOB CREATION THROUGH THE EVENTS:

Our main aim was creating direct jobs (man days) for the duration of the event. Indirect job creation will take time to measure.

By utilizing mostly our local talent and artists, we ensured that it will give them the platform and much needed exposure to build a name for themselves in the market. (Annexure B)

- Our support of our local artists and organizations, gave them a financial injection and support to expand themselves
- Exposure to our local talent and businesses and organizations.
- The whole community benefitted as our events was free of charge
- The social media exposure that was achieved, contributed to Jeffreys Bay as being a preferred and safe holiday destination.

Compare pre- post event advertising, social media engagement

Facebook & Social Media Statistics:

See report attached (Annexure C)

In conclusion, I would like to thank the Kouga Municipality, and their staff for the massive opportunity to arrange and host this signature event during our festive season. The organizing and management of the events was intense, but thrilling for everyone involved.

Our team was thrilled and very proud, to pull off such a huge event with the limited time and budget, at our disposal and are already looking forward stage an even bigger show case event for 2025.

Deon Freemantle
Chairman
Jeffreys Bay Tourism
&
Tom Bouwer
Vice Chairman
Jeffreys Bay Tourism

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/FED5**

CLOSE-OUT REPORT: 2024 CALAMARI FESTIVAL AND THREE-YEAR SPONSORSHIP PROPOSAL

1. Introduction

This item is to submit the event close-out report on the annual 2024 Calamari Festival hosted in St Francis Bay from 20 to 28 September 2024 and seeking Council's continued partnership and support for the following 3 years.

2. Background

The Calamari Festival celebrates St. Francis's rich maritime heritage and status as South Africa's 'Calamari Capital.' Designed to boost the local economy and tourism, the festival highlights unique culinary traditions and promotes sustainable fishing practices, extending the tourist season and fostering community pride.

3. Discussion

3.1 2024 Calamari Festival Close-out Report

Impact and Success

The 2024 Calamari Festival significantly contributed to the Greater St. Francis area's vibrancy and economic health. The successful launch of the "Calamari Route" and the high attendance at various events demonstrated the festival's appeal. The festival's strategic timing during school holidays and Heritage Day maximized visitor numbers, extending the tourist season and boosting local business activity. The fully booked sporting events, particularly the Golf and Bowls tournaments, are a testament to the festival's drawing power.

Publicity and Community Engagement

The festival garnered extensive publicity through targeted advertising in traditional and new media, influencer collaborations, and media engagement, including an SABC feature. The Calamari Cook-Off, featuring celebrity chef Justin Bonello, proved exceptionally popular and highlighted local culinary talent. Community engagement was a key focus, with events like the Sea Vista choir performance, charity fundraisers for FOSTER and Heart of a Woman, and a kids entrepreneurial market. The local community's participation and the victory of a Sea Vista resident in the Cook-Off underscored the festival's community-centric approach.

Job Creation

The festival garnered extensive publicity through targeted advertising in traditional and new media, influencer collaborations, and media engagement, including an SABC feature.

The Calamari Cook-Off, featuring celebrity chef Justin Bonello, proved exceptionally popular and highlighted local culinary talent. Community engagement was a key focus, with events like the Sea Vista choir performance, charity fundraisers for FOSTER and Heart of a Woman, and a kids' entrepreneurial market. The local community's participation and the victory of a Sea Vista resident in the Cook-Off underscored the festival's community-centric approach.

Financial Summary

The total expenditure for the 2024 Calamari Festival was R322,123-00. The Kouga Municipality's sponsorship of R200,000-00 was crucial to the festival's success. This contribution was allocated to key areas such as live entertainment, insurance, marketing, tent and equipment rentals, safety, website development, celebrity chef engagement, wages, and sundries. A detailed breakdown of expenses is provided in the closeout report in Annexure A, attached, demonstrating transparent and responsible financial management.

Conclusion

The 2024 Calamari Festival was a resounding success, achieving its objectives of boosting tourism, stimulating the local economy, and celebrating the region's culinary heritage. The festival's success is a testament to the effective partnership between St. Francis Tourism and the Kouga Municipality. We are grateful for the Council's support and look forward to building on this success at future festivals.

3.2 **3-year Sponsorship Proposal**

Partnership Opportunity

The Calamari Festival presents a valuable partnership opportunity for the Kouga Municipality to further enhance the region's economic and cultural landscape. Building on the success of the 2024 festival, the 2025-2028 proposals outline a strategic plan to elevate the event, attract a broader audience, and solidify St. Francis as a premier tourism destination. The proposed multi-year sponsorship allows for long-term planning, ensuring the festival's sustainability and growth.

Benefits and Rights

As the main sponsor, the Kouga Municipality will receive prominent branding across all festival materials, including media, posters, brochures, and advertisements. A dedicated space for municipal branding and marketing initiatives will be provided during the festival. The municipality will also get the

opportunity to enter a team in the Calamari Cook-Off, enhancing community engagement and visibility. The Municipality will be provided with tickets to key events for their own use.

Socio-Economic Benefits

The Calamari Festival generates significant socio-economic benefits for the Kouga region. It stimulates local businesses, creates employment opportunities, and promotes sustainable fishing practices. The festival enhances community pride and fosters a sense of cultural identity.

The proposed enhancements for 2025, such as the Calamari Culinary Expo and the record attempt for the largest calamari dish, will further elevate the festival's appeal and attract a wider audience.

Financial Implication

For the 2025 festival, we request a sponsorship contribution of R 750,000.00. This funding will support key aspects of the event, including live entertainment, marketing, infrastructure, and event organization. The requested amount is detailed in the financial breakdown within the proposal. A multi-year commitment for 2026 - 2028 will be discussed in further proposals.

Conclusion

St Francis Tourism is confident that the 2025-2027 Calamari Festivals will further enhance the region's reputation and contribute to its economic prosperity. We look forward to continuing our successful partnership with the Kouga Municipality and making the Calamari Festival a legacy for the St. Francis area. We urge the Council to approve the presented sponsorship proposal and join us in making this vision a reality.

Please refer **to Annexure A and Annexure B** attached for a comprehensive overview.

4. **Financial Implications**

Completed by BTO -	
Project Description	Calamari Festival
Ukey no.	20240710994876
Budgeted Amount	R200 000
BTO Signature	KOUGA MUNICIPALITY 2025-03-10 BUDGET &TREASURY
DATE	

Amount spent and committed to date	R200 000
Amount Available	R0.00
Comment	

5. **Applicable Legislation**

Funds transferred to external organisations or bodies must comply with section 67 of the MFMA, Act 56 of 2003:

(1) Before transferring funds of the municipality to an organisation outside any sphere of government otherwise than in compliance with a commercial or other business transaction, the accounting officer must be satisfied that the organisation or body-

(a) has the capacity and has agreed-

(i) to comply with any agreement with the municipality;

(ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;

(iii) to report at least monthly to the accounting officer on actual expenditure against such transfer; and

(iv) to submit its audited financial statements for its financial year to the accounting officer promptly;

(b) implements effective, efficient, and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement; and

(c) has in respect of previous similar transfers complied with all the requirements of this section.

(2) If there has been a failure by an organisation or body to comply with the requirements of subsection (1) in respect of a previous transfer, the municipality may despite subsection (1)(c) make a further transfer to that organisation or body provided that-

(a) subsection (1)(a) and (b) is complied with, and

(b) the relevant provincial treasury has approved the transfer.

(3) The accounting officer must through contractual and other appropriate mechanisms enforce compliance with subsection (1).

6. **Legal Implications**

The Municipality must ensure that beneficiaries have complied with their contractual duties, as required by the MFMA. Failure to comply with the MFMA may result in the transaction being classified as unauthorised, irregular, or fruitless and wasteful expenditure, and which may pose a risk to the financial audit qualifications of the Municipality.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Recommendations supported.

8.2 **Director: Planning & Development**

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 Council note the 2024 Calamari Festival Close-out Report.

10.2 That Council approves funding allocation of R 200,000-00 (Two Hundred Thousand Rand) only, VAT-inclusive for the 2025/2026 FY for the Calamari Festival with a 5% increase for the 2026/27 and the 2027/28 financial years respectively.

10.3 That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with St Francis Tourism, in accordance with the funding allocated in recommendation 10.2 above.

Item prepared by the Acting Manager EDT: A Jonck

Item approved by the Chief Financial Officer: L FF

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure A:

2024 Closeout Report

ST FRANCIS TOURISM
Reg No: 263-004 NPO

20 February 2025

Kouga Municipality
Attention : Lorelle Campher
Events Management Officer

REPORT ON CALAMARI FESTIVAL 2024

DESCRIPTION AND INTRODUCTION

Event Concept: The Calamari Festival, a nine-day event in the Greater St Francis area, celebrated the local culinary heritage centred on calamari, aiming to boost tourism and local economy.

Purpose: To enhance the area's economic health, community pride, and establish it as a premier destination for culinary and cultural tourism through the introduction of the "Calamari Route."

Target Audience: Culinary enthusiasts, cultural tourists, families, and international visitors.

Key Events: Included a Calamari Culinary Cook-off with celebrity chef, live performances, Wine Festival and the launch of the Calamari Route.

Economic Impact: Anticipated to attract over 10,000 attendees, significantly benefiting local businesses and stakeholders. Job creation will be approximately 100 over the 9-day period.

Community Engagement: Engages local communities in celebrating their maritime and culinary traditions.

Educational Focus: Raises awareness on sustainable fishing practices and the ecological significance of the local marine environment.

Long-Term Vision: Aims to establish the festival as a landmark event, promoting sustainable practices within the local seafood industry.

Strategic Dates: Coincides with public and private school holidays and includes Heritage Day, maximizing potential visitor attendance. Scheduled from 20 to 28 September 2024, leveraging mild spring weather to attract visitors during a typically quieter tourist period.

BACKGROUND OF THE FESTIVAL

The Calamari Festival, inspired by the rich maritime heritage of the greater St Francis area, is strategically designed to revitalize the local economy by promoting its seafood industry, particularly calamari. The festival was conceived to extend the tourist season by scheduling it during a traditionally quieter time, thereby attracting visitors when the economic activity is typically lower.

ST FRANCIS TOURISM
Reg No: 263-004 NPO

The following events will formed part of the Calamari Classic and Festival for 2024
- Calamari Classic Golf Tournament (St Francis Bay Golf Club)
- Calamari Classic Bowls Tournament (St Francis Bowls Club)
- Calamari Festival 2024 (St Francis Tourism)
- Calamari Half Marathon (St Francis Runners)
- Calamari Tops Wine Festival (St Francis Tourism & Tops Liquor Store)
- Heart of A Women charity event
- Local Art Exhibition at St Francis Art Gallery
- A Dune Walk
- Wildflower Festival with FOSTER
- Art from Trash Competition with local schools

The sporting events attracted participants from all over the Eastern Cape, Western Cape, Gauteng and KZN. The Golf and bowls events were fully booked. We sure have a winning strategy with the uniqueness of the "Calamari" element. The Calamari Cook Off – our major event at the festival proved to be very popular with celebrity chef Justin Bonello from Braai Master.
At least two events were hosted as fundraisers for local charities (FOSTER & Heart of a Women).

MARKETING PLAN

- Advertising: Targeted advertising in traditional (Kouga Express / PE Express / Herald / Info Ads / St Francis Chronicle) and new media platforms (St Francis Today – online newsletter), as well as social media platforms through both paid and organic content.
- Influencer Collaborations: Partnerships were formed with tourism influencers to promote the festival and Calamari Route through blogs and vlogs.
- Media Engagement: SABC filmed the festival and did a feature on the Calamari Route.

COMMUNITY INVOLVEMENT AND JOB CREATION

- With Heritage Day during the Calamari Festival, we decide to host our Calamari Cook-Off on 24 September (National Braai Day). Chef Justin Bonello demonstrated to attendees how to "braai" our local culinary expert product.
- We involved the local Sea Vista choir to perform during the celebrations.
- This year one of our local Sea Vista ladies won the Cook-Off – after entering for the 3rd time. Aunty Lau's business successfully exploded after her exposure via the Calamari Festival.
- The local community benefitted with both the charity events.
- A Kids entrepreneurial market was hosted during the festival where kids could sell their products to the attendees.
- A total of 19 local businesses were involved with hosting events around the Calamari Festival creating job opportunities.
- We used the services of 15 local businesses for logistics, infrastructure, security, entertainment etc during the festival, this is about 70% of our total spend.
- 10 Casual workers were employed by us during our events.

ST FRANCIS TOURISM
Reg No: 263-004 NPO

FINANCES

Breakdown of actual expenses:

Live entertainment and MC	R 14440
Sound Equipment	R 12650
Generator	R 6000 – Sponsored
Big Screen TV	R 8625
Stage	R 5000 – Sponsored
Advertising, printing and design	R 28823
Website	R 9328
Insurance	R 8895
Site preparation & Clean-up	R 780
Security & Guards	R 15000
Toilet rental	R 19378
Liquor License	R 3500
Tents and Equipment rental	R105454 – R30000 sponsored
Photographers	R 5000
Sundries	R 7388
Wages	R 17221
Safety Officer	R 21100
SAMRO License	R 6000
Celebrity Chef	R 27541
Total	**R 322123**

PROPOPOSAL

Our vision to build on the various sporting events and to provide a fun festival for young and old brought along the additions to create a weeklong programme to encourage visitors to book accommodation and visit the other sites and establishments in and around St Francis.

From the inaugural Calamari Festival Kouga Municipality played a major role in the funding of the event. We appreciate this partnership to make this a premier event in the Eastern Cape and the South African Events Calendar.

The funding received from Kouga Municipality were utilised accordingly:

Live entertainment and MC	R 14440
Insurance	R 8895
Marketing	R 28823
Tents and Equipment rental	R 75454
Safety Officer	R 16000
SAMRO License	R 6000
Website	R 5000
Celebrity Chef	R 27541
Wages	R 17221
Sundries	R 626
Total	**R 200000**

ST FRANCIS TOURISM
Reg No: 263-004 NPO

Kouga municipality were the main sponsor of the event. Kouga branding featured on all media, posters, brochures and advertisements.

Kouga Municipality branding was displayed during the festival at the main festival tent.

Tickets for the following events was issued to Kouga Municipality:
Calamari Tops Wine Festival
Uncle Nick's Dinner & Dance
Calamari Cook Off day
Kurt Darren Live with dinner
Family Fun Day with live music

Money raised with the Calamari Festival helps to promote the greater St Francis area and Kouga as the destination of choice for visitors via various platforms. It also subsidises the shortfall of the grand in aid we receive from Kouga Municipality to run our tourism office.

We want to express our heartfelt thanks to the departments who were involved and assisted us with our Festival in 2024. This festival will not be able to thrive without the tremendous support from Kouga.

We look forward to the next Calamari Festival in partnership with Kouga Municipality.

Please do not hesitate to contact me if you have any questions.

Tourism regards

JSvdWesthuizen

Hantie van der Westhuizen
Office Manager, St Francis Tourism

Annexure B:
2025 – 2027 Sponsorship Proposal

ST FRANCIS TOURISM
Reg No: 263-004 NPO

ANNEXURE A

FUNDING PROPOSAL CALAMARI FESTIVAL 2025

DESCRIPTION AND INTRODUCTION

Event Concept: The Calamari Festival, a nine-day event in the Greater St Francis area, celebrates the local culinary heritage centred on calamari, aiming to boost tourism and local economy.

Purpose: To enhance the area's economic health, community pride, and establish it as a premier destination for culinary and cultural tourism through the introduction of the "Calamari Route."

Target Audience: Culinary enthusiasts, cultural tourists, families, and international visitors.
Timing and Location: Scheduled from +-September 20 to 28, 2025, leveraging mild spring weather to attract visitors during a typically quieter tourist period.

Key Events: Includes a Calamari Culinary Expo, live cultural performances, workshops, and a record attempt for the largest single dish of calamari.

Economic Impact: Anticipated to attract over 10,000 attendees, significantly benefiting local businesses and stakeholders. Job creation will be approximately 100 over a 9-day period.

Community Engagement: Engages local communities in celebrating their maritime and culinary traditions.

Educational Focus: Raises awareness on sustainable fishing practices and the ecological significance of the local marine environment.

Long-Term Vision: Aims to establish the festival as a landmark event, promoting sustainable practices within the local seafood industry.

Strategic Dates: Coincides with public and private school holidays and includes Heritage Day, maximizing potential visitor attendance.

BACKGROUND OF THE FESTIVAL

The Calamari Festival, inspired by the rich maritime heritage of the Greater St Francis area, is strategically designed to revitalize the local economy by promoting its seafood industry, particularly calamari. The festival was conceived to extend the tourist season by scheduling it during a traditionally quieter time, thereby attracting visitors when the economic activity is typically lower.

ST FRANCIS TOURISM
Reg No: 263-004 NPO

The following events will form part of the Calamari Classic and Festival for 2025
- Calamari Classic Golf Tournament (St Francis Bay Golf Club)
- Calamari Classic Bowls Tournament (St Francis Bowls Club)
- Calamari Festival 2025 (St Francis Tourism)
- Calamari Half Marathon (St Francis Runners)
- Calamari Tops Wine Festival (St Francis Tourism & Tops Liquor Store)

The sporting events always attract participants from all over the Eastern Cape, Western Cape, Gauteng and KZN. The Golf and bowls events are already fully booked. We sure have a winning strategy with the uniqueness of the "Calamari" element. The Calamari Cook Off – our major event at the festival proves to be very popular.
Entry fees will be donated to our local NSRI Station 21 in support of their commitment and hard work.

MARKETING PLAN

- Advertising: Utilizes targeted advertising in traditional and new media platforms, as well as social media platforms through both paid and organic content.
- Influencer Collaborations: Partnerships with tourism influencers to promote the festival through blogs and vlogs.
- Media Engagement: Proactive engagement with local and national media for extensive coverage before, during, and after the festival.

FINANCES

Breakdown of budgeted expenses:	
Live entertainment and MC	R 250000
Generator	R 10000
Big Screen TV	R 10000
Advertising, printing and design	R 200000
Insurance	R 10000
Site preparation & Clean-up	R 3500
Security & Guards	R 15000
Toilet rental	R 25000
Liquor License	R 3500
Tents and Equipment rental	R 110000
Photographers	R 6500
Sundries	R 10000
Wages	R 30000
Safety Officer	R 25000
SAMRO License	R 6000
Website	R 5000
Celebrity Activations	R 50000
Event Organiser	R 60000
Total	**R 829500**

ST FRANCIS TOURISM
Reg No: 263-004 NPO

PROPOSAL

With the huge success of the 6 previous editions of The Calamari Festival we are sure that we have found our 'niche' Festival for the St Francis area and that this can become the next "Oyster" Festival. The vision is to build on the various sporting events and to provide a fun festival for young and old. Additions to the weeklong programme to encourage visitors to book accommodation and visit the other sites and establishments in and around St Francis.

From the inaugural Calamari Festival Kouga Municipality played a major role in the funding of the event. We do hope to continue and build on this partnership to make this a premier event in the Eastern Cape and the South African Events Calendar.

It will be highly appreciated if Kouga Municipality can support this event with an amount of R 750 000.00

Live entertainment and MC	R 250000
Insurance	R 10000
Marketing (media partner & OOH)	R 180000
Tents and Equipment rental	R 110000
Safety Officer	R 25000
SAMRO License	R 6000
Website	R 5000
Celebrity Activations	R 50000
Wages	R 30000
Event organiser	R 60000
Sundries	R 10000
Operational (Security, toilets ect)	R 14000
Total	**R 750000**

Kouga municipality will be the main sponsor of the event. Kouga branding will feature on all media, posters, brochures and advertisements.

There will be space for Kouga Municipality branding during the festival and a space/platform for Kouga Municipality to use for marketing or a municipal initiative. Kouga Municipality is also welcome to enter a team into the Calamari Cook Off.

Money raised with the Calamari Festival helps to promote the greater St Francis area and Kouga as the destination of choice for visitors via various platforms. It also subsidises the shortfall of the grand in aid we receive from Kouga Municipality to run our tourism office.

Please do not hesitate to contact me if you have any questions.

Tourism regards

Hantie van der Westhuizen
Office Manager, St Francis Tourism

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/FED15**

CLOSE-OUT REPORT: 2024 YELLOWWOODS JAZZ FESTIVAL

1. **Introduction**

This item is to submit the event close-out report on the 2024 Yellowwoods Jazz Festival hosted in Hankey from 14 – 15 June 2024.

2. **Background**

In 2022, Gamtoos Tourism identified the need for a flagship event in the Gamtoos Valley and submitted an expression of interest to the Economic Development and Tourism Department. Recognizing the potential to revitalize a once-popular community asset, Gamtoos Tourism subsequently developed a proposal to revive the Yellowwoods Jazz Festival. This proposal sought financial support from the Council to fund the event. The proposal was successfully approved in the 2023/2024 financial year, paving the way for the festival's revival.

3. **Discussion**

The Yellowwoods Jazz Festival's revival in 2024 was a success, contributing to both economic and community growth. The event directly created 130 jobs and prioritized local service providers, injecting revenue into the Gamtoos Valley. Furthermore, through development programs like the music workshop and rugby clinic, the festival provided valuable skills and inspiration to local Gamtoos Valley and extended Kouga residents.

However, the event resulted in a financial loss and the event is considered financially unsustainable.

Impact and Success:

The festival attracted visitors from the Kouga region and Nelson Mandela Bay Metro. The event featured live entertainment from artists like Clint Brink, Stephanie Baartman, Unathi, Dumza Mswana, and Don Vino, along with local artists and the NMMU steel band.

Social and Economic Impact:

- **Music Development Workshop:** A 3-day workshop for 32 local artists (brass & marimba) was conducted by Nelson Mandela University Music Department.

- **Rugby Clinic:** A rugby clinic for 42 local youth was facilitated by 4 SA Rugby Legends (Kwagga Boucher, Braam van Straaten, Robbie Kempson & Charl Marais).
- **Legends Evening:** A Legends evening with SA Rugby Legends was hosted in collaboration with Tolbos Restaurant.
- **Local Artist Showcase:** Seven local artists performed at the festival.
- **Local Vendor Support:** One local food vendor was provided with complimentary exhibition space.
- **Volunteer Engagement:** 23 volunteers assisted with setup and breakdown.
- **Local Accommodation and Transport:** Artists were accommodated at local establishments, and local transport services were used.
- **Shuttle Service:** Discussions were held with the Humansdorp Taxi Association for shuttle services.
- **Social Media Marketing:** Social media pages were created, with assistance from Kouga Municipality and other tourism organizations.
    - Facebook: 332 followers
    - Instagram: 104 followers
    - X: 6 followers
    - TikTok: 22 followers
- **Job Creation:** 130 jobs were created over the two days.
- **Ticket Sales:**
    - Online: 42 adult tickets (June 14), 96 adult tickets (June 15), 48 children's tickets (June 14).
    - At the door: 5 adult tickets (June 14), 19 adult tickets (June 15).

Financial Summary:

The 2024 Yellowwoods Jazz Festival incurred a total expenditure of R1,729,795.00, as detailed in the breakdown provided by Gamtoos Tourism. This expenditure covered all aspects of the festival, including stage and sound, infrastructure, live entertainment, artist accommodations, safety, marketing, and developmental programs.

In addition to the direct expenses, the festival benefited from significant in-kind services provided by various Kouga Municipality departments. The total cost of these in-kind services was R46073,27, which included:

- **Civil and Water Department Contributions:**
    - Grading and leveling of excess gravel road: R0.00
    - Filling holes with cement on the low water bridge: 1 bag cement, R144.47
    - Painting low water bridge: 1 x 5L yellow paint, R104.80

- **Fire & Safety Section Contributions:**
    - Conducted final event site inspection for safety compliance.
    - Assisted with SANS-approved signage for tents, indicating fire extinguishers and exits.
    - Hankey on-duty crews provided visibility patrols around the event area.

- Inspection, confirmation letter and population certificate where needed, fee charges = R449.00

- **Parks and Amenities Contributions:**
  - **Material Procurement:**
    - Procurement of materials for fence installation: R23,585.00
    - Procurement of materials for ablution facility repairs: R21,790.00

  - **Labour:**
    - 16 workers provided shift work from June 11th to 13th, 2024. (Labor cost pending update).
    - Installation of the fence and repairs to the ablution facilities were completed by internal maintenance teams.
- **Media and Communication:**
  - Extensive social media and media support.

The combined financial investment, including both direct expenditure and in-kind services, demonstrates Kouga Local Municipality's significant resources dedicated to the successful revival of the Yellowwoods Jazz Festival. Gamtoos Tourism therefor acknowledges the invaluable support of the Kouga Municipality, and all municipal departments involved.

Gamtoos Tourism incurred a financial loss hosting the festival, as their expenses exceeded their budgeted funds. This resulted in outstanding payments to a few service providers. Gamtoos Tourism has confirmed that they are actively communicating with all affected service providers and have established arrangements to settle the remaining balances owed.

Gamtoos Tourism acknowledges the invaluable support of Kouga Municipality, whose contributions were instrumental to the festival's success.

Please refer to **Annexure A** and **Annexure B** attached for an overview of the closeout report.

4. **Financial Implications**

Completed by BTO -	
Project Description	Yellowwoods Jazz Festival
Ukey no.	20220707986879
Budgeted Amount	R500 000
BTO Signature	KOUGA MUNICIPALITY 2025-03-10 BUDGET &TREASURY

Date	
Amount spent and committed to date	
Amount Available	
Comment	

5. **Applicable Legislation**

Funds transferred to external organisations or bodies must comply with section 67 of the MFMA, Act 56 of 2003:

(1) Before transferring funds of the municipality to an organisation outside any sphere of government otherwise than in compliance with a commercial or other business transaction, the accounting officer must be satisfied that the organisation or body-

(a) has the capacity and has agreed-

(i) to comply with any agreement with the municipality;

(ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;

(iii) to report at least monthly to the accounting officer on actual expenditure against such transfer; and

(iv) to submit its audited financial statements for its financial year to the accounting officer promptly;

(b) implements effective, efficient, and transparent financial management and internal control systems to guard against fraud. theft and financial mismanagement; and

(c) has in respect of previous similar transfers complied with all the requirements of this section.

(2) If there has been a failure by an organisation or body to comply with the requirements of subsection (1) in respect of a previous transfer, the municipality may

(1)(c) make a further transfer to that organisation or body provided that-

(a) subsection (1)(a) and (b) is complied with, and

(b) the relevant provincial treasury has approved the transfer.

(3) The accounting officer must through contractual and other appropriate mechanisms enforce compliance with subsection (1).

6. **Legal Implications**

The Municipality must ensure that beneficiaries have complied with their contractual duties, as required by the MFMA. Failure to comply with the MFMA may result in the transaction being classified as unauthorised, irregular, or fruitless and wasteful expenditure, and which may pose a risk to the financial audit qualifications of the Municipality.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Report noted.

8.4 **Director: Electro-Mechanical Services**

Item noted.

8.5 **Director: Community Services**

Noted

8.6 **Deputy Municipal Manager**

Item noted.

8.7 **Municipal Manager**

Report noted.

9. **Delegated Authority**

Portfolio Committee

10. **Recommendations**

10.1 That Council note the close-out report.

10.2 That the Council do not fund the Yellowoods Jazz Festival in the current format due to the event being considered financially unsustainable.

10.3 That Council will consider any other event in the Gamtoos area that meets the event compliance criteria and that is financially viable.

Item prepared by the Acting Manager EDT: A Jonck

Item approved by the Chief Financial Officer:

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure A:

2024 Yellowwoods Jazz Festival Closeout Report

01 July 2024

TO: KOUGA MUNICIPALITY
ATTENTION: LORELLE CAMPHER

Dear Lorelle

YELLOWWOODS JAZZ FESTIVAL : REPORT BACK

Gamtoos Tourism would again like to thank Kouga Municipality for the funding support in order to revive and re-establish the Yellowwoods Jazz Festival as a community asset for the community of Hankey and the broader Gamtoos Valley.

It was great to host Kouga Municipality's MACO, councilors, management and staff at Yellowwoods Park.

Introduction and Description
In 2022 Gamtoos Tourism made an expression of interest to the Kouga Municipality LED & Tourism Department to establish a flagship event in the Gamtoos Valley. It was the vision of former Executive Mayor Hendricks to revive and re-establish the jazz festival at Yellowwoods Park. It was thus the ideal way to establish a flagship event for the Gamtoos Valley, and it being a drawcard to attract visitors to the area.

The first revival Yellowwoods Jazz Festival was hosted by Gamtoos Tourism on 14 & 15 June 2024 at Yellowwoods Park in Hankey.

The program included Live Entertainment from Local and National Jazz artists (Clint Brink, Stephanie Baartman, Unathi, Dumza Mswana, Full Cream Milk, Holly Rey, Basadi Women of Jazz, Swing City & Don Vino). It also included the NMMU steel band, local artists and the Music Development workshop learners showcasing their talent.

Social and Economic impact

1. A 3-day Music Development workshop session was hosted, co-ordinated and facilitated for 32 local artists (brass & marimba) by the Nelson Mandela University Music Department. Performance items learned by local artists formed part of the festival lineup on Friday 14 June.
2. A rugby clinic for the local youth was hosted at Laerskool Gamtoosvallei and 42 learners took part in the event facilitated by 4 SA Rugby Legends (Kwagga Boucher, Braam van Straaten, Robbie Kempson & Charl Marais).
3. A Legends evening with SA Rugby Legends was hosted in collaboration with Tolbos Restaurant.

4. Expression of Interest was advertised to attract local artists to use the Jazz festival platform to showcase their talent. Nine Local artists showed interest and only seven showed up to perform.
5. Expression of Interest was advertised to attract local food vendors to exhibit at the festival, only one vendor showed interest and he was given complimentary exhibition space to sell his food.
6. Expression of Interest was advertised for volunteers to assist at Yellowwoods Park with set-up, breakdown assistance needed. There were 23 volunteers assisting during the festival.
7. All artists were accommodated at local Gamtoos Tourism members' establishments
8. Transport for the Music Development Workshop was done by local transport service providers
9. In support of the local businesses, discussions were held with Humansdorp Taxi Association, to make use of their taxi's to shuttle the festival goers from Philipsville Sportsgrounds to Yellowwoods Park.
10. Social media pages, specifically for Yellowwoods Jazz Festival, were set-up on Facebook, Instagram, X and TikTok. Social media marketing was done by Gamtoos Tourism in order to save on expenses. Assistance and re-sharing on other pages were done by Kouga Municipality, Kouga Tourism, Jeffreys Bay Tourism, St Francis Tourism.
    Follower numbers:
    a. Facebook : 332
    b. Instagram : 104
    c. X : 6
    d. TikTok : 22
11. A total of 130 jobs were created over the Friday and Saturday of the festival.
12. Quicket tickets sold online:
    a. 42 x ADULTS - 14th June 2024 (R50)
    b. 96 x ADULTS - 18 AND OVER - 15th June 2024 (R200)
    c. 48 x CHILDREN - 14th June 2024 (R0)
13. Quicket tickets sold at the door:
    a. 5 x Door ADULTS - 14th June 2024 (R50)
    b. 19 x Door ADULTS - 18 AND OVER - 15th June 2024 (R200)
14. Visitors to the festival were mostly from the Kouga region and Nelson Mandela Bay Metro.

Kindly find breakdown of event expenses below:

Breakdown of Event Expenses	AMOUNT
Stage & Sound	338 675.00
Infrastructure	191 691.00
Generators	53 720.00
Live Entertainment	536 797.00
Artists Transport, Accommodation, Meals	203 316.00
Safety & Security	93 793.00
Insurance	11 863.00
Design, Advertising, Printing	12 077.00
Liquor Licence	7 525.00
Shuttle Services	51 000.00
Music Development Project	73 082.00
Rugby Legends Clinic	38 100.00
Sundries	42 840.00
VIP complimentary & meals	39 155.00
Volunteer meals	9 321.00
Complimentary Tickets	18 700.00
Quicket	8 140.00
Total	1 729 795.00

Gamtoos Tourism is in the process of sourcing funding from private and government stakeholders for the 2025 festival.

As a Jazz Festival is a niche market, the vision going forward is to rather in future host a music festival. By hosting a music festival a broader base of music lovers can and will be attracted. The mission is to build on more developmental projects, sporting events (including soccer and netball clinics), and to provide a family fun festival for young and old. Through hosting extra activities to the festival it would encourage visitors to book accommodation to stay for the weekend, and visit attractions and establishments around the Gamtoos Valley and Kouga.

Reimagined Yellowwoods Music Festival: A Two-Day Family Celebration with National Headliners (2025) with Integrated Camping Options & Local Artist Platform

Building on the success of the 2024 Yellowwoods Jazz Festival, Gamtoos Tourism proposes a revamped two-day family-friendly event. This is to optimize the camping experience in the beautiful Gamtoos Valley. This proposal includes integrated camping options around Hankey for a complete festival package and a platform for local artists through the "Open Mic" platform on the Sunday.

Focus on Affordability, Sustainability, and Choice:

- **Transparent Fee Structure:** A modest entry fee will be charged to cover the costs of professional service providers to keep the standard created at the 2024 festival, book drawcard national artists, and maintain a high-quality festival experience.
- **Additionally, separate fees will be applied for:**
    - Picnic baskets and coolers containing non-alcoholic beverages. This fee contributes to festival operations and waste management.
    - Coolers containing alcoholic beverages. This fee will be higher than the non-alcoholic fee and will support better control of alcohol consumption while still allowing visitors a choice in what they bring. A smaller onsite bar will be available for those who prefer to purchase alcoholic beverages onsite.
    - Bookable braai stands in a designated and controlled area (limited availability, charcoal only).
- All fees will be clearly communicated in all marketing materials.

Camping Integration:

- **Partner with Campsites and Local Schools:** Establish partnerships with campgrounds, caravan parks and local schools around Hankey to offer a variety of camping options for out-of-town visitors. These campsites will be bookable directly through the festival website as part of a package deal.
- **Package Options:** Create festival ticket packages that include varying levels of camping options and picnic/braai and beverage options (e.g., basic tent sites, powered caravan sites, glamping options). This allows visitors to choose the level of comfort and type of festival experience that suits their needs and budget.
- **Shuttle Service (Optional):** Consider offering a shuttle service between the festival venue and partnered campsites for added convenience, especially for those without personal transport.

Local Artist Platform: Open Mic Stage

- **Local Talent Showcase:** Dedicate a stage for open mic performances by talented artists residing in Kouga, Sarah Baartman District, and Nelson Mandela Metro.
- **Application Process:** Artists can apply to perform on the open mic stage through a designated application process on the festival website or app. Selection will be based on criteria ensuring a diverse and high-quality showcase.
- **Non-Paid Performance Opportunity:** Open mic participation is a non-paid performance opportunity but provides valuable exposure to a wider audience and festival industry professionals.

National Headliners & Family Fun (Both Days):

- **National Lineup:** Secure a **prime national lineup** of popular artists across various genres to perform throughout both festival days.
- **Family-Friendly Activities:** Incorporate activities throughout the weekend suitable for all ages, like face painting, bouncy castles, a dedicated kids' zone with age-appropriate music and entertainment.

Day 1 & Day 2:

- **National Headliners:** Enjoy electrifying performances by the national lineup throughout both days.
- **Open Mic Stage:** Witness and support local talent from Kouga, Sarah Baartman District, and Nelson Mandela Metro during dedicated open mic slots.
- **Braai and Food Stalls:** Offer designated braai areas with charcoal available for purchase on both days. Complement this with other high-quality food vendors offering diverse cuisine.
- **Local Artisans Market:** Create a platform for local artists and crafters to showcase and sell their work throughout the weekend.

Enhanced Festival Experience (Both Days):

- **Bookable Braai Stands (Limited Availability):** Due to a limited number of braai areas within the festival venue, booking in advance of the festival date is required. Charcoal will be the only fuel permitted for use in the braai areas.

Marketing and Promotion:

- Emphasize the **family-friendly atmosphere**, **prime national lineup on both days**, **transparent fee structure** with details about picnic baskets, beverages (alcoholic and non-alcoholic with separate costs, highlighting the higher fee for alcoholic beverages) and braai stands, the variety of food options, the **reasonable entry fee, integrated camping options** with details about partnered campsites and package deals, the **local artist platform through the open mic stage**, and the availability of **bookable braai stands (limited availability, charcoal only)** in all marketing and promotional materials.
- Implement the previously outlined marketing and promotion strategies to reach a wider audience for both events.

We would like to thank Kouga Municipality for in kind support before, during and after the festival. Without the assistance of the various Kouga municipal departments, the festival would have not been able to take place.

As Kouga Municipality was the main sponsor of the event, Kouga branding featured at the Yellowwoods Park as well as on all media, posters, pamphlets and advertisements.

Please do not hesitate to contact me if you have any questions.

Kind regards

Wernich Cronje
Chairman

Post Festival Feedback

From: YOLANDA MAJOVA <yolandamajova1@gmail.com>
To: Hannes <hannes@yellowwoodsjazzfestival.co.za>

Good Afternoon

We hope more of such events will be at Hankey in the future. Very well planned
And i loved how time was adheres too,even the celebrities were on time and thats very rare to find...Well done .

Yes there things to work on like alcohol was too much expensive ..i hope next time there will be things like bring your own cooler box then paying for it maybe and at the bar there wasnt much options to choose from which really sucked and also please consider the area when it comes to ticket cost because alot of people wanted to come but the tickets were too expensive for them.

Other then that we thank you for such a concert ,,,The performance were too perfect.

From: Foster, George (Dr) (Summerstrand Campus South) <George.Foster@mandela.ac.za>
Sent: Thursday, June 20, 2024 9:25:03 AM

Dear Lorelle and Hannes,
I just wanted to send you guys a short note to congratulate you on a successful jazz festival, and to thank you for including us in the music workshop. We had a fun time working with the guys, and already there were requests about studying music. This shows that we have created a channel so band members can get access to further education and networking. We look forward to further engagements in this regard.
Thanks again for all your efforts!
Regards,
George
Dr George Foster
Senior Lecturer: Brass
Programme Leader: Music Diploma Studies
Department of Music and Performing Arts Nelson Mandela University

From: Clint Brink Bookings <bookings@clintbrink.co.za>
Sent: Tuesday, June 25, 2024 9:13 AM

Goeie môre Nichola
I trust this mail finds you all well. Thank you so much for your transparency and your consideration and trust in me.
It was an honour being able to serve in the capacity that was required of me. I was able to get a small glimpse of the challenges you face on an infrastructure, support base & social upliftment level. As I have personally mentioned to Lorelle & Anene , I am here to serve where I can.
My wife and I have a heart to help empower, up skill and mentor through our skill set and experience : Holistic health & wellness (mental / emotional / physical / financial / spiritual) , Creative arts (acting / music) , Personal development (men & women workshops / couples relationship workshops)
I look forward to hearing from you soon.
God bless

CEO - On The Brink Productions Pty Ltd
Actor | Musician | Producer

Annexure B

MEDIA AND COMMUNICATION: YELLOWWOODS JAZZ FESTIVAL

YELLOWWOODS JAZZ FESTIVAL MEDIA AND COMMUNICATION			
MAY 2024			
DATE	**ACTION TO BE TAKEN**	**PLATFORM OF COMMUNICATION**	**KLM FACEBOOK REACH/COST**
14 May 2024 – 15 June 2024	Advertisement	KLM Digital Screen	
14 May 2024 – 15 June 2024	Advertisement	KLM Facebook Page Cover Photo	
16 May 2024	Video	KLM Facebook Page	
19 May 2024	Article ***Revive, rejoice, and support the soul of the Gamtoos Valley***		4 105
23 May 2024	Applications	KLM Facebook Page	8 811
25 May 2024	Advertisement	KLM Facebook Page	
25 May 2024	Applications	KLM Facebook Page	
28 May 2024	Event Entry	KLM Facebook Page	2 676
28 May 2024	Article ***Family fun at the Yellowwoods Jazz Festival***	KLM Facebook Page	3 659
29 May 2024	Article ***Celebrate South African Jazz Legends***	KLM Facebook Page	1 929
29 May 2024	Duma Maswana	KLM Facebook Page	3 159
29 May 2024 – 14 June 2024	Two-week feature page on Algoa FM's Website and three Facebook posts	Algoa FM – Website Algoa FM – Facebook Page	R15 384.00
29 May 2024 – 14 June 2024	20 x 30 seconds live reads between 09:00 and 19:00	Algoa FM	R90 892.13
30 May 2024	15 x 8 Advertisement	Kouga Express	R8 625.00
30 May 2024	Press Release	Kouga Express	Added Value
30 May 2024	Article	KLM Facebook Page	2 567
	The soulful sounds of Cape Town comes to Yellowwoods		
30 May 2024	Algoa FM radio interview announcement	KLM Facebook Page	6 170
31 May 2024	Radio Interview	Algoa FM – five minutes with Kayce (between 12:00 and 15:00)	Added Value
31 May 2024	Algoa FM Interview	KLM Facebook Page	
31 May 2024	Unathi Nkayi	KLM Facebook Page	
31 May 2024	Unathi Nkayi - Video	KLM Facebook Page	
31 May 2024	Don Vino	KLM Facebook Page	
31 May 2024	Article ***Food, music, and good company***	KLM Facebook Page	
31 May 2024	Advertisement	KLM Facebook Page	
01 June 2024	Advertisement	KLM Facebook Page	
01 June 2024	Advertisement	KLM Facebook Page	
02 June 2024	Advertisement	KLM Facebook Page	
03 June 2024	Advertisement	KLM Facebook Page	
04 June 2024	Video	KLM Facebook Page	
05 June 2024	Advertisement	KLM Facebook Page	
05 June 2024	Oasis FM radio interview announcement	KLM Facebook Page	3 890
06 June 2024	Radio Interview	Oasis FM Oasis FM Facebook Page Kouga Municipality Facebook Page	R7 185.62
06 June 2024	20 x 8 Advertisement	Kouga Express	R11 500.00
06 June 2024	Advertisement	KLM Facebook Page	
08 June 2024	Advertisement	KLM Facebook Page	
08 June 2024	Article ***Revive, rejoice, and support the soul of the Gamtoos Valley***	KLM Facebook Page	
11 June 2024	Programme	KLM Facebook Page	
11 June 2024	Programme	KLM Facebook Page	
12 June 2024	Video ***Executive Mayor Hattingh Bornman***	KLM Facebook Page	8 801
13 June 2024	Programme	KLM Facebook Page	
14 June 2024	Photos Music Workshop	KLM Facebook Page	6 856
15 June 2024	Programme	KLM Facebook Page	2 892
15 June 2024	Video ***Fun at the Yellowwoods Jazz Festival***	KLM Facebook Page	4 107
15 June 2024	Video ***Fun at the Yellowwoods Jazz Festival***	KLM Facebook Page	6567
15 June 2024	Photos	KLM Facebook Page	9 719
18 June 2024	Photos	KLM Facebook Page	9 754

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/FED16**

SUPPLY CHAIN MANAGEMENT: DISPOSAL MANAGEMENT (DISPOSAL OF SLOW-MOVING STOCK, REDUNDANT STOCK AND DAMAGED STOCK ITEMS)

1. **Introduction**

The purpose of this item is to report to Council with regards to Section 40 Disposal Management of the Supply Chain Management Policy. This report provides a summary of Slow Moving, Redundant and Damaged Stock for the 24/25 Financial period ending 31 January 2025.

2. **Background**

In terms of clause 6 of the Supply Chain Management Policy, the Council must maintain oversight over the implementation of this policy to ensure that the Accounting Officer implements all Supply Chain Management activities in accordance therewith.

The report that are presented necessitated that SCM section applies section S40 of the Disposal Management section outlined in the Supply Chain Management Policy. Therefore, Slow Moving and Redundant Stock must be managed at guided by Section 40 of SCM Policy (Disposal Management).

In relation to disposal management, Section 40 of the Municipality's Supply Chain Management Policy stipulates the procedure to be followed when disposing an asset, below is a procedure to be followed:

Section 40 Disposal Management:

1) In terms of section 14 of the Act, the Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a capital asset needed to provide minimum level of basic municipal services.

2) A Municipality may transfer ownership or otherwise dispose of capital asset other than one contemplated in subsection (1), but only after the Council, in a meeting open to the public:

   a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
   b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.

According to Section 40, subsection 4(c)" Movable assets are sold either by way of written price quotations, a competitive bidding process, or by public auction at the highest offered price, provided such price is market related."

This report seeks approval of council to write-off of inventory, that would be inventory listed on the aforesaid **Tables**. The inventory in question has satisfied the following requirements:

I. The inventory has expired and is redundant.
II. The inventory is of a specialised nature and has become outdated due to introduction of upgraded and more effective products.
III. The inventory cannot be used for the purpose for which it was originally intended for.
IV. The inventory is damaged and has been rendered useless.

After approval of this request by Council, the SCM section would be expected to update its inventory registry/records/database for the purpose of proper management and record keeping. All the identified stock be removed from the shelves or from bins and be kept aside till the Assets Section comes and collect them for auctioning. There were no stock damages.

3. **Discussion**

The various tables with regards to the above mentioned are reflected below:

TABLE 1: SLOW MOVING STOCK ITEMS

Stock Item	Description	Last Issue/ Rec	Quantity	Value
05-077	Wooden Handle Axe	Issue-31/10/2019	2	R 54,49
05-080	Wooden Handle Slasher	Issue-28/12/2015	3	R 611.26
			TOTAL	**R 665.75**

TABLE 2: REDUNDANT STOCK ITEMS

Stock Item	Description	Last Issue/ Rec	Quantity	Value
02-524	Valve Avk 400mm	Issue-15/05/2018	2	R 82 657.92
02-523	Valve Avk 350mm	Issue- 08/08/2016	5	R 195 693.08
02-550	Valve Avk 450mm	Rec-11/04/2005	1	R 59 750.00
02-551	Valve Avk Plain Ended 450mm	Rec-11/04/2005	1	R 59 610.00
			TOTAL	**R 397711.00**

Considering that any stock item that has not been issued by Stores Section on a minimum of three previous financial years by Stores. Those stock items allocated in those bins must be regarded as redundant stock items.

Slow Moving Stock: The items as listed in Table 1 has been substituted with polypropylene handles.

Redundant Stock: The items as listed in Table 2 no longer has a viable demand. The maximum size of upvc piping at stores is 315mm.

4. **Financial Implications**

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

5. **Applicable Legislation**

Local Government: Municipal Finance Management Act 56 of 2003
Municipal Supply Chain Regulations, Gazette No. 27636 dated 30 May 2005
Kouga Municipality: Supply Chain Management Policy, as approved by Council.

6. **Legal Implications**

None

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Recommendation supported.

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**

Item noted.

8.7 **Municipal Manager**

Noted.

9. **Delegated Authority**

Council.

10. **Recommendations**

10.1 That the report for the Section 40 Disposal management of slow-moving stock and redundant stock and damaged stock as the end of Financial Year be submitted to Council for approval for the 2024/2025 Financial year.

10.2 That the redundant and slow-moving stock, as reflected in Table 1 and 2 above, amounting to **R 398 376.75 (Excluding Vat**) be disposed of through a public auction.

Item prepared by the Manager SCM:

Item approved by the Chief Financial Officer:

Item endorsed by the Municipal Manager:

Item noted by the Portfolio Councillor:

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/FED17**

SUPPLY CHAIN MANAGEMENT: QUARTERLY IMPLEMENTATION REPORT FOR THE 3RD TERM OF THE 2024-2025 FINANCIAL YEAR ENDING 31 MARCH 2025

1. **Introduction**

The purpose of this item is to report on the Supply Chain Management activities for the third quarter of the 2024/ 2025 Financial Year starting 01 January 2025 and ending 31 March 2025.

2. **Background**

In terms of clause 6 of the Supply Chain Management Policy, the Council must maintain oversight over the implementation of this policy to ensure that the Accounting Officer implements all Supply Chain Management activities in accordance therewith.

3. **Discussion**

The 3rd Quarterly Supply Chain Management Report is attached as "**Annexure A".**

4. **Financial Implications**

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

5. **Applicable Legislation**

Municipal Supply Chain Regulations, Gazette No. 27636 dated 30 May 2005

6. **Legal Implications**

None

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Recommendation supported.

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**

Item noted.

8.6 **Deputy Municipal Manager**

Item noted.

8.7 **Municipal Manager**

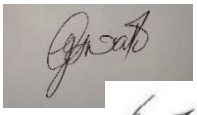
Item noted.

9. **Delegated Authority**

Council

10. **Recommendations**

10.1 That the report be submitted to Council for approval as per the reporting requirements for the third quarter of the 2024/2025 Financial year starting 01 January 2025 and ending 31 March 2025.

Item prepared by the Manager SCM: 

Item approved by the Chief Financial Officer:

Item endorsed by the Municipal Manager:

Item noted by the Portfolio Councillor:

"Annexure A":
A. Compliance and Reporting

1. National Treasury Centralised Supplier Database

The municipality is registered on the National Treasury Centralised Supplier database, with the supplier number **MAAA0214163**. The centralised database and the Municipal Supply Chain Database are used to vet companies that are doing business with the municipality, in checking their compliance for doing business with the state.

2. Bid Committees

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

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

The number of meetings held for the 3rd quarter is reflected in Tables below:

Table 2a: Bid Specification Meetings:

No. of meetings held in January 2025	**Cancelled**
2 (Formal Tenders)	None
4 (Informal Tenders)	None
No. of meetings held in February 2025	**Cancelled**
2 (Formal Tenders	None
4 (Informal Tenders)	None
No. of meetings held in March 2025	**Cancelled**
2 (Formal Tenders)	None
12 (informal Tenders)	None

Table 2b: Bid Evaluation Meetings

No. of Meetings held in January 2025	**Cancelled.**
9 (Formal Tenders)	2 Chairperson (C. Grootboom & C. Venter) not available
4 (Informal Tenders)	1 Cancelled- Project manager- (H Hammes) not available
No. of Meetings held in February 2025	**Cancelled**
16 (Formal Tenders)	2 Item Representative (M. Els Gerber) not available) Chairperson (M. Mangembe) not available
4 (Informal Tenders)	0
No. of Meetings held in March 2025	**Cancelled**
Formal Tenders – 13	3 Item Rep (N. Prinsloo) and Chairperson (J. Du toit) not available) Chairperson (C. Venter) Not available Chairperson (A. Botha) Not available
12 (Informal Tenders)	None

Table 2c: Bid Adjudication Committee Meetings

No. of Meetings held in January 2025	**Cancelled**
2	None
No. of Meetings held in February 2025	**Cancelled**
2	None
No. of Meetings held in March 2025	**Cancelled**
3	None

3. Training: Supply Chain/Stores Section

There was no other training sessions held during the month of January 2025.
In February, some officials attended class for MFMA training.
An informal virtual session was held for record management
Manager SCM attended Report Writing training held on 05 March 2025.

4. Monthly / Weekly Reports

Weekly reports are submitted to the Chief Financial Officer.
Monthly Deviation reports are submitted in terms of the SCM policy for the procurement of goods and services.
Monthly reports are submitted through the Chief Financial Officer to the various committees and where required, to Council. These reports are submitted in terms of Paragraph 6 of the Supply Chain Policy.

5. SCM Policy Implementation changes

There was no policy changes implemented for the period 01 January 2025 to 31 March 2025.

6. Advertisements

The following table reflects the nineteen (19) informal tenders (7day notice) and the seven (7) formal tenders (competitive bids) advertised for the period.

Informal tenders

Tender Notice	Tender Description	Date of Advertisement
Notice 4 of 2025	Request for Quote (RFQ): Hiring of mulching and shredding equipment and staff to perform mulching and shredding of vegetation on public spaces and private plots in and around Jeffreys bay, St Francis Bay and Humansdorp	14 January 2025
Notice 12 of 2025	Request for Quote (RFQ): Refurbishment of trailer mounted cherry picker	17 January 2025
Notice 13 of 2025	Request for Quote (RFQ): Supply and delivery of personal protective clothing for Kouga municipal workshop	17 January 2025

Tender Notice	Tender Description	Date of Advertisement
Notice 18 of 2025	Request for Quote (RFQ): Engine overhaul and body refurbishment of Isuzu LDV	24 January 2025
Notice 26 of 2025	Request for Quote (RFQ): Complete Engine overhaul and of Hino Super Engine	10 February 2025
Notice 12 of 2025	Request for Quote (RFQ): Supply and delivery and Off-loading of Solar LED Streetlights with cameras	12 February 2025
Notice 31 of 2025	Request for Quote (RFQ): Facilitation of various training interventions	19 February 2025
Notice 36 of 2025	Request for Quote (RFQ): Body refurbishment of various LDV's	28 February 2025
Notice 34/2025	Request for Quote (RFQ): Tourism Trade Show Stand – World Travel Market 2025	5 March 2025
Notice 38/2025	Request for Quote (RFQ): Procurement of Heavy-Duty Led Module Floodlight Fittings	5 March 2025
Notice 39/2025	Request for Quote (RFQ): Procurement of 6m3 Skips for Drop Off Sites and Informal Areas	5 March 2025
Notice 41/2025	Request for Quote (RFQ): Body Refurbishments of Light Delivery Vehicle	5 March 2025
Notice 43/2025	Request for Quote (RFQ): Supply and Delivery of Grass Cutting Equipment	12 March 2025
Notice 44/2025	Request for Quote (RFQ): Appointment of a Service Provider to Plant Vegetation on Dunes	14 March 2025
Notice 45/2025	Request for Quote (RFQ): Supply and Delivery of a New Original Shantui Bulldozer Radiatior	13 March 2025

Tender Notice	Tender Description	Date of Advertisement
Notice 49/2025	Request for Quote (RFQ): Repairs to DBS 643 Cc, FLF 753 EC and FIP 574 EC Cherry Picker Truck and Prepare for their Annual COF tests	17 March 2025
Notice 50/2025	Request for Quote (RFQ): Supply and Delivery of Bell TLB 315 SL, 4x4 Parts	19 March 2025
Notice 56/2025	Request for Quote (RFQ): Supply, Delivery, Assembling and Installation of Office Furniture	25 March 2025
Notice 58/2025	Request for Quote (RFQ): Supply and Delivery of Various Sizes Vehicle Batteries Until 30 June 2025	28 March 2025

Formal tenders

Tender Notice	Tender Description	Date of Advertisement
Notice 1/2025	Appointment of two panels of contractors for the ad-hoc repair, replacement, upgrading and maintenance of civil engineering services (panel 1) and building maintenance (panel 2) in the Kouga area for a period of three years	17 January 2025
Notice 2/ 2025	Appointment of a Professional Service Provider to develop a new human settlements sector plan	17 January 2025
Notice 23/ 2025	Appointment of Professional Service Provider for the supply, delivery and off-loading of 2piece Conti-suits for a period of three (3) years	17 February 2025

Tender Notice	Tender Description	Date of Advertisement
Notice 25/ 2025	Supervisory Control and Data Acquisition (SCADA)	18 February 2025
Notice 37/2025	Hardware Supply, Delivery, Installation and Maintenance Equivalent to the Current Biometric Access System for a Period of Three (3) Years	14 March 2025
Notice 48/2025	Supply And Implementation of a Remote Automated Meter Reading System with Meter Audits and Bulk Meter Installation for a Period of Three (3) Years	20 March 2025
Notice 66/2025	Supply and Delivery of One Extended Cab 4x4 LLDV for the Fire Department	1 April 2025

7. Tender Clarification Meetings.

The table below reflects the clarification meetings held during this period.

Tender Notice	Tender Description	Date of Meeting
Notice 12 of 2025	RFQ- Refurbishment of Trailer Mounted Cherry Picker	23 January 2025
Notice 01 of 2025	Appointment of two Panels of Contractors for the Ad-hoc repair, Replacement Upgrading and Maintenance of Civil Engineering Services (Panel 1) and Building Maintenance (Panel 2) in the Kouga Area for a period of three years	28 January 2025

Tender Notice	Tender Description	Date of Meeting
Notice 02 of 2025	Appointment of a Professional Service Provider to Develop a New Human Settlements Section Plan	29 January 2025
Notice 18 of 2025	RFQ- Engine Overhaul and Body Refurbishment of Isuzu LDV	30 January 2025
Notice 34 of 2025	RFQ: Tourism Trade Show Stand – World Travel Market 2025	10 Mar 2025
Notice 36 of 2025	RFQ: Body Refurbishment of Various Isuzu LDV'S	07 Mar 2025
Notice 41 of 2025	RFQ: Body Refurbishment of Light Delivery Vehicles	10 Mar 2025
Notice 49 of 2025	RFQ: Repairs to DBS643EC, FLF753EC and FJP574EC Cherry Picker Truck and Prepare for their annual COF test	26 Mar 2025
Notice 37 of 2025	Hardware Supply, Delivery, Installation and Maintenance of the Current Biometric Access System for a Period of Three (3) Years	25 Mar 2025
Notice 52 of 2025	(RFQ): Appointment of an Urban Designer/ Architect to Develop Architectural Design Guidelines for The Jeffreys Bay Central Business District	31 Mar 2025

8. Seven Day Notices (Price Quotations) Awarded

The tables below reflect the Sixteen (16) informal notice awarded that was done for the period.

January 2025.

Notice & Description	Service Provider	Date Of Award	Amount/ Cancelled	Workdays-Completion of Evaluation
Notice 245 of 2024 - Supply, Delivery and Installation (Where required) of Agricultural Livestock Equipment	Avile Amakhomazi Projects	08 January 2025	Various rates	17 Working days (include shutdown)
Notice 250 of 2024 - Supply & Delivery of Transmission Gum Poles for Kouga Wastewater, Water Purification Treatment Works & Others	Heico Project Management 1 (Pty) Ltd	15 January 2025	Various Rates	19 Working days (include shutdown-actual is 2)
Notice 244 of 2024: Appointment for Supply and Delivery of a New Original Shantui Bulldozer Radiator	SKV Group (Pty) Ltd	24 January 2025	R 95 000.00	26 Working days (include shutdown-actual is 8)
Notice 4/2025- Hiring of Mulching and Shredding Equipment	Nu Plant Projects (Pty) Ltd	30 January 2024	Various Rates	3 Working days

February 2025

Notice & Description	Service Provider	Date Of Award	Amount/ Cancelled	Workdays-Completion of Evaluation
Notice 12 of 2025 – Refurbishment of a trailer mounted cherry picker	Phakamisa Fleet Services (Pty) Ltd	25 Feb 2025	R89 033.00	17 Working days
Notice 13 of 2025 – Supply and Delivery of personal protective clothing for Kouga Municipal Workshop	Premier Pipe Supply (Pty) Ltd	14 Feb 2025	R10 754.89	13 Working days
Notice 18 of 2025: Engine Overhaul and Body Refurbishment of Isuzu LDV.	Phakamisa Fleet Services (Pty) Ltd	14 Febr 2025	R158 000.80	5 Working days
Notice 27/2025- Supply, Delivery and Offloading of Solar LED Streetlights with Cameras	Memotek Trading CC	28 Febr 2025	R9 182.64	5 Working days

March 2025

Notice & Description	Service Provider	Date Of Award	Amount/ Cancelled	Workdays-Completion of Evaluation
RFQ Notice 36/2025- Body Refurbishment of Various Isuzu LDV's	Sky Metro Equipment (Pty) Ltd	19 March 2025	Pricing Schedule 1: FKM 533 EC-R78 004.50 Pricing Schedule 2: FKM 884 EC-R97 704.00	3 Working Days

Notice & Description	Service Provider	Date Of Award	Amount/ Cancelled	Workdays-Completion of Evaluation
RFQ Notice 38/2025- Procurement of Heavy-Duty LED Module Floodlight Fittings	Brakell Enterprises (Pty) Ltd	26 March 2025	Price is per unit	7 Working Days
RFQ Notice 39/2025- Procurement of 6m Skips for Drop off Sites and Informal Areas	Nu-Plant Project CC	18 March 2025	Price is per unit	2 Working Days
RFQ Notice 34/2025- Tourism Trade Show Stand-World Travel Market 2025	Scan Display Solutions (Pty) Ltd	26 March 2025	R291 415.12	6 Working Days
RFQ Notice 41/2025-Body Refurbishment of Light Delivery Vehicle	Sky Metro Equipment (Pty) Ltd	24 March 2025	Pricing Schedule 1: FKM 545 EC-R48 900.00 Pricing Schedule 2: FKM 556 EC-R48900.00 Pricing Schedule 3: FKM 571 EC-R48 900.00	4 Working Days
RFQ Notice 45/2025- Supply and Delivery of a New Original Shantui Bulldozer Radiator	Memotek Trading CC	27 March 2025	R89 991.64	3 Working Days

Notice & Description	Service Provider	Date Of Award	Amount/ Cancelled	Workdays- Completion of Evaluation
RFQ Notice 44/2025- Appointment of a Service Provider to Plant Vegetation on Dunes	Libistax (Pty) Ltd	27 March 2025	R242 500.00	2 Working Days
RFQ Notice 50/2025- Supply and Delivery of Bell TLB 315 SL 4X4 Parts	Phakamisa Fleet Services (Pty) Ltd	02 April 2025	R212 792.78	3 Working Days

9. Competitive bids Awarded/ Cancelled for the Period

The tables below reflect the seven (7) competitive bids awarded was done for the period.
A total of three (3) appointments was made during the month of March 2025 and all are still in the cooling off period Notice 217, 202 of 2024 and 02 of 2025.

January 2025

Notice & Description	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 195 of 2024: Appointment of a Service Provider to Render Media Monitoring Services for a period of three Years	KTM Knowledge Solutions (Pty) Ltd	21 January 2025	R 9 999.25	8 Workdays
Notice 206 of 2024: Electrification of 169 Units in Jeffreys Bay, Phase 1 and 2	Zingo 110 t/a Scheyisa Powerlines CC	27 January 2025	R 3 941 161.21	21 Workdays
Notice 216 of 2024: Appointment of Service Provider for the Street Cleaning Project in the Kouga Municipal	Vosloo A.N.J t/a Infinity Landscaping and Maintenance	27 January 2025	Various Rates	7 Workdays

Notice & Description	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Area (Jeffreys Bay) for a period of twelve Months				
Notice 170 of 2024: Appointment of a Service Provider to Provide Interpreting, Translation and Editing Services for a period of 12 months	Banafrica 1 Foreign Languages and Transport Agency	29 January 2025	Various rates	15 Workdays
Notice 235 of 2024: Appointment of a Professional Service Provider for the Review of the Coastal Management Programme	Coastal and Environmental Services (Pty) Ltd	29 January 2025	R 907 442.00	25 Workdays

February 2025

Notice & Description	Service Provider	Date of Award	Amount/ Cancelled	Workdays-Completion of Evaluation
Notice 197 of 2024: Supply and Deliver Fire Fighting Uniform and Specialized Personal Protective Equipment for Kouga Municipality Fire and Rescue Service for A Period of 3 Year	Platinum Suppliers (Pty) Ltd	07 Feb 2025	Various Rates	66 workdays
Notice 202 of 2024: Appointment of a Service Provider for the Supply, Delivery and Offloading of Stationery for a period of three years	-Cassims - Iyanzi (Pty) Ltd - Avile Amakhomazi Projects (Pty) Ltd	28 Feb 2025	Various Rates	72 Workdays

March 2025- None

10. Section 36 Deviations in terms of SCM Policy

Deviations for the months of January to March 2025 as follows:

- January amounted to **R 2 325 375.71**
- February amounted to **R 2 224 017.36**
- March amounted to **R 11 575 483.15**

REFER TO DETAILED BREAKDOWN:
TABLE 10A, 10B and 10C BELOW

11. Progress – Requisitions Report

Please note: that the total below excludes the purchases done through the inventory section.

Table 11a

MONTHLY SCM REQUISITIONS REPORT FOR THE MONTH ENDING 31 JANUARY 2025					
DIRECTORATE	**TOTAL NUMBER OF REQUISITIONS RECEIVED**	**TOTAL NUMBER OF REQUISITIONS FINALISED WITHIN 5 DAYS**	**TOTAL NUMBER OF REQUISITIONS NOT FINALISED WITHIN 5 DAYS**	**REASONS - BY SCM**	**REASONS - BY USER DEPARTMENT**
Civil & Water	64	57	7	inclusive of weekend & public holiday (6)	Query 1 not resolved in time
Community Services	93	86	7	inclusive of weekend (5),	budget exceeded (1), items available at stores (1)
DMM	93	88	5	inclusive of weekend, delayed approvals (3)	I budget exceeded (1), Query (1)
MM & Mayors	19	19	0	0	0
Electro - Mechanical: Electrical	49	48	1	0	I budget exceeded (1),

Electro - Mechanical: Workshop	134	124	10	inclusive of weekend, delayed approvals (10)	0
Finance & Economic Development	43	43	0	0	0
Planning & Development	15	12	3	inclusive of weekend, delayed approvals (2)	Cancelled by end user
TOTALS	**510**	**477**	**33**	**26**	**7**

Table 11b

MONTHLY SCM REQUISITIONS REPORT FOR THE MONTH ENDING 28 FEBRUARY 2025					
DIRECTORATE	**TOTAL NUMBER OF REQUISITIONS RECEIVED**	**TOTAL NUMBER OF REQUISITIONS FINALISED WITHIN 5 DAYS**	**TOTAL NUMBER OF REQUISITIONS NOT FINALISED WITHIN 5 DAYS**	**REASONS - BY SCM**	**REASONS - BY USER DEPARTMENT**
Civil & Water	59	51	8	inclusive of weekend & public holiday (4)	rejected motivation/Query 4
Community Services	91	84	7	inclusive of weekend (1)	budget exceeded (2), items available at stores (1) rejected motivation/ Query (1)
DMM	83	66	17	inclusive of weekend, delayed approvals (7)	budget exceeded (6), Query (4)
MM & Mayors	24	23	1	0	End user adjusted quote after approval
Electro - Mechanical: Electrical	38	29	9	inclusive of weekend, delayed approvals (7)	budget exceeded (2),

Electro - Mechanical: Workshop	67	64	3	inclusive of weekend, delayed approvals (3)	0
Finance & Economic Development	70	60	10	inclusive of weekend, delayed approvals (3)	Budget queries (7)
Planning & Development	21	17	4	inclusive of weekend/ delayed approvals-2	Queries/ motivation (2)
TOTALS	**453**	**394**	**59**	**27**	**32**

Table 11c

MONTHLY SCM REQUISITIONS REPORT FOR THE MONTH ENDING 31 MARCH 2025					
DIRECTORATE	**TOTAL NUMBER OF REQUISITIONS RECEIVED**	**TOTAL NUMBER OF REQUISITIONS FINALISED WITHIN 5 DAYS**	**TOTAL NUMBER OF REQUISITIONS NOT FINALISED WITHIN 5 DAYS**	**REASONS - BY SCM**	**REASONS - BY USER DEPARTMENT**
Civil & Water	63	63	0	0	0
Community Services	60	58	2	0	budget exceeded (2),
DMM	84	83	1	0	Query not resolved in time (1)
MM & Mayors	16	16	0	0	0
Electro - Mechanical: Electrical	26	23	3	inclusive of weekend	Query not resolved in time (2)
Electro - Mechanical: Workshop	100	97	3	0	budget exceeded (3)

Finance & Economic Development	46	37	9	inclusive of weekend, delayed approvals (9)	0
Planning & Development	11	9	2	0	Query not resolved in time (2)
TOTALS	**406**	**386**	**20**	**10**	**10**

12. Report on the Balance of Stock at hand at Stores for the period.

This tables below shows movement of stock the Stores Section has received from various suppliers as procured by Stores Section and stock issued to various directorate for the period dated 1 March 2025 to 31 March 2025.

Please note that a quarterly stocktaking took place on 25 January 2025.

Table 12a

STOCK BALANCING REPORT- JANUARY 2025						
DATE	**BALANCE**		**ISSUES**	**RECEIPTS**	**JNL/RETURN**	**BALANCE**
01/01/2025	23,177,172.08					23,177,172.08
02/01/2025	23,177,172.08	5	20,747.05	8,700.00		23,165,125.03
03/01/2025	23,165,125.03	0				23,165,125.03
06/01/2025	23,165,125.03	23	245,527.42			22,919,597.61
07/01/2025	22,919,597.61	17	72,244.63	13,000.00	23,279.12	22,883,632.10
08/01/2025	22,883,632.10	25	117,112.92		984.26	22,767,503.44
09/01/2025	22,767,503.44	23	258,247.40		1,646.69	22,510,902.73
10/01/2025	22,510,902.73	8	23,668.27		6,209.91	22,493,444.37
13/01/2025	22,493,444.37	27	154,014.27	285,648.10	535.18	22,625,613.38
14/01/2025	22,625,613.38	15	92,782.30		774.51	22,533,605.59
15/01/2025	22,533,605.59	17	63,575.78			22,470,029.81
16/01/2025	22,470,029.81	16	51,130.56	85,098.00	206.50	22,504,203.75
17/01/2025	22,504,203.75	14	61,376.00	24,600.00	2,740.86	22,470,168.61
20/01/2025	22,470,168.61	22	71,313.87	6,940.80	1,311.15	22,407,106.69
21/01/2025	22,407,106.69	21	203,096.75	17,772.00		22,221,781.94
22/01/2025	22,221,781.94	14	67,445.59	314,580.00	1,233.04	22,470,149.39
23/01/2025	22,470,149.39	12	69,225.18	81,879.00		22,482,803.21
24/01/2025	22,482,803.26	11	24,251.43	78,963.50		22,537,515.33
27/01/2025	22,537,515.33	13	125,139.15			22,412,376.18
28/01/2025	22,412,376.18	13	122,129.55		5,624.06	22,295,870.69
29/01/2025	22,295,870.69	12	86,927.61	103,454.40		22,312,397.48
30/01/2025	22,312,397.48	7	61,770.09		24,035.20	22,274,662.59
31/01/2025	22,274,662.59	0		132,571.00		22,407,233.59
		315	**1,991,725.82**	**1,020,635.80**	**68,580.48**	

Table 12b

STOCK BALANCING REPORT- FEBRUARY 2025						
DATE	**BALANCE**		**ISSUES**	**RECEIPTS**	**JNL/RETURN**	**BALANCE**
03/02/2025	22 407 233,59	23	76 829,63			22 330 403,96
04/02/2025	22 330 403,96	1	11 663,30			22 318 740,66
05/02/2025	22 318 740,66	32	171 936,20	710 623,37		22 857 427,83
06/02/2025	22 857 427,83	12	67 131,72		394,30	22 790 690,41
07/02/2025	22 790 690,41	9	31 987,28		401,82	22 759 104,95
10/02/2025	22 759 104,95	17	272 344,93	179 688,00	141,48	22 666 589,50
11/02/2025	22 666 589,50	16	83 861,42			22 582 728,08
12/02/2025	22 582 728,08	16	71 764,44		994,00	22 511 957,64
13/02/2025	22 511 957,64	15	103 386,35		1 291,20	22 409 862,49
14/02/2025	22 409 862,49	15	105 587,47	176 034,60	8 810,59	22 489 120,21
17/02/2025	22 489 120,21	18	187 633,08		8 234,82	22 309 721,95
18/02/2025	22 309 721,95	17	212 188,26		1 366,31	22 098 900,00
19/02/2025	22 098 900,00	17	37 039,70			22 061 860,30
20/02/2025	22 061 860,30	14	46 694,96	70 966,00	638,10	22 086 769,44
21/02/2025	22 086 769,44	15	66 093,13			22 020 676,31
24/02/2025	22 020 676,31	28	211 865,50	161 227,22		21 970 038,03
25/02/2025	21 970 038,03	12	32 468,27	46 777,50	17 392,32	22 001 739,58
26/02/2025	22 001 739,58	18	79 197,78	93 296,00	649,98	22 016 487,78
27/02/2025	22 016 487,78	16	44 633,16	470 592,00	25 892,79	22 468 339,41
28/01/2025	22 468 276,41	7	30 660,61	24 501,00		22 462 116,80
		318	**1 944 967,19**	**1 933 705,69**	**66 207,71**	

Table 12c

STOCK BALANCING REPORT- MARCH 2025						
DATE	**BALANCE**		**ISSUES**	**RECEIPTS**	**Jnl/Return**	**BALANCE**
03/03/2025	22 462 116,80	11	88 968,78		40,23	22 373 188,25
04/03/2025	22 373 188,25	3	6 975,61	549 747,00	9 923,15	22 925 882,79
05/03/2025	22 925 882,79	17	79 745,56	952 446,80		23 798 584,03
06/03/2025	23 798 584,03	14	84 436,87	244 548,00	1 777,94	23 960 473,10
07/03/2025	23 960 473,10	12	46 642,47	43 300,00	186,00	23 957 316,63
10/03/2025	23 957 316,63	15	48 266,86			23 909 049,77
11/03/2025	23 909 049,77	5	12 455,60	15 340,00		23 911 934,17
12/03/2025	23 911 934,17	14	486 917,04	473 899,00		23 898 916,13
13/03/2025	23 898 916,13	12	62 908,25	133 893,00		23 969 900,88
14/03/2025	23 969 900,88	7	31 704,67	22 500,00	3,36	23 960 699,57
17/03/2025	23 960 699,57	12	108 424,88			23 852 274,69
18/03/2025	23 852 274,69	16	54 848,74	3 421,60		23 800 847,55
19/03/2025	23 800 847,55	16	108 233,91	202 945,85	1 216,53	23 896 776,02
20/03/2025	23 896 776,02	0				23 896 776,02
21/03/2025	23 896 776,02	0				23 896 776,02
24/03/2025	23 896 776,02	34	117 485,60			23 779 290,42
25/03/2025	23 779 290,42	17	406 424,38	514 009,25		23 886 875,29
26/03/2025	23 886 875,29	6	15 826,70	167 700,28		24 038 748,87

STOCK BALANCING REPORT- MARCH 2025						
DATE	**BALANCE**		**ISSUES**	**RECEIPTS**	**Jnl/Return**	**BALANCE**
27/03/2025	24 038 748,87	7	26 712,93	276 780,15		24 288 816,09
28/03/2025	24 288 816,09	11	113 922,15	180 956,52		24 355 850,46
31/03/2025	24 355 850,46	12	69 162,55			24 286 687,91
		241	**1 970 063,55**	**3 781 487,45**	**13 147,21**	

13. SCM Management component for 01 January 2025 – 31 March 2025.

The section started for the third quarter with a total staff complement of 12 permanent staff members, 5 interns and 8 vacancies. Mrs. Z. Rawana resigned and left employment on the 28 February 2025, leaving the permanent employees at 11 and 9 vacancies.

Below details depicts the detail of the officials:

- Mrs. C. Groenewald- Manager Supply Chain Management

SUPPLY CHAIN MANAGEMENT	**STORES**
Mrs. C. Groenewald (Permanent)	Mr. E. Felix (Permanent)
Mrs. N. Goeda (Permanent)	Mr. Delaino Domingo (Permanent)
Mrs Z. Rawana (Permanent – resigned 28 Feb 2025)	Mr. D. Volontiya (Permanent)
Ms. A. Smith (Permanent)	Mr. F. Msolo (Permanent)
Ms. A. Gorden (Permanent)	Ms. S Raco (intern) ended January 2025
Ms. N. Mandeka (Permanent)	
Ms. A. Lloyd (Permanent)	
Mr. A. Kolyt (Permanent)	
Mr. B Qingane (Intern-ended January)	
Ms. S. Malusi (Intern)	
Mr. R. Matthee (Intern)	
Ms. S. Tebekana (Intern – started Feb 2025)	

TABLE 10A DEVIATIONS – JANUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
24-25/ CW8	07-Jan-25	Civil & Water Engineering Services	Roads & Stormwater	Nu-Plant Projects	Yes	Emergency cleaning of stormwater pond	R71 932,50	03-Jan-25	31-Jan-25	S36 (1)(a)(v)	Req No: 167613 Order No: 239818
24-25/ CW2	29-Jan-25	Civil & Water Engineering Services	Water	Q Point Group	No	Sampling, transportation, analysis and certificates of Water and Wastewater Treatment works throughout Kouga Local Municipality: **Amount spent reflected in next column on approved deviation.**	R653 506,75	18-Oct-24	21-Oct-24	S36 (1)(a)(i)	Req No: 166052 Order No: 239787

TABLE 10A DEVIATIONS – JANUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
23-24/ CW40	09-Jan-25	Civil & Water Engineering Services	Civil	Rudcor Engineering	No	**23-24 Approved deviation:** Appointment of a contractor for the construction of internal streets and stormwater infrastructure for Hankey Housing Development (Phase 2). Total Deviation amount- R17677321,20 Amount paid is reflected in next column	R561 381,19	01-Mar-24	14-Mar-24	S36 (1)(a)(i) i; iv; v	Req No: 167147 Order No: 239410
24-25/ COMM2	20-Jan-25	Community Services	Waste & Environmental Health	National Health Laboratory Services	No	Approved Deviation- Laboratory Tests: Water Samples- 1 June 2024-30 June 2025. **Amount spent reflected in next column**	R20 899,76	01-Aug-24	14-Nov-24	S36 (1)(a)(i)	Req No: 97803 Order No: 239476

TABLE 10A DEVIATIONS – JANUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
23-24/ DMM3	Jan-25	Office of DMM	Legal	Billett Gouws	Yes	Legal Services – Labour Matters various 23-24 **Approved Deviation Amount spent reflected in next column**	R303 359,16	29-Feb-24	07-Mar-24	S36 (1)(a)(v)	Req Nos: 158196,158193,158198,158164, 158184, 158186,158187, 158175, 158181, 158188, 158199, 158200 Order Nos: 239817, 239606, 239187, 239607,239602,239603, 239604, 239567, 239568

TABLE 10A DEVIATIONS – JANUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
23-24/ DMM35	19-Nov-24	Office of DMM	legal	CW Malan Jeffreys Bay	Yes	Legal Services - 23-24 **Approved Deviation**	R116 175,59	07-May-24	08-May-24	S36 (1)(a)(v)	Req No: 158163, 158180, 158197 Order No: 239593, 239595, 239677
24-25/ DMM14	Jan-25	Office of DMM	Legal Services	McWilliams & Elliot Inc	No	Legal Opinion - Legal implications on Council recommendations: **Approved Deviations**	R18 041,20	12-Sep-24	23-Sep-24	S36 (1)(a)(v)	Req 158176, Order No: 239590

TABLE 10A
DEVIATIONS – JANUARY 2025

DEV NO:	DATE RECEIVED	DIRECTORATE	SECTION	SUPPLIER	SUPPLIER LOCAL	NATURE OF GOODS/ SERVICE	VALUE	DATE OF REQUEST ON FORM	DATE APPROVED BY MM	SECTION 36 REF	NOTES
24-25/ EM15 A	01-Dec-24	Electro-Mechanical	Mechanical	Flash Electrical	Yes	**Approved Deviation**: Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spent monthly: Expenditure reflected in next column	R265 668,40	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	Req No: 168321, 168319, 16832, 168326, 168331, 168332,169329, 168330, 168333, 168336,167343, 168344 Order No: 239321, 239318, 239353, 239483, 239506, 239507, 239503, 2239504, 239494, 239633, 239723, 239725

TABLE 10A
DEVIATIONS – JANUARY 2025

DEV NO:	DATE RECEIVED	DIRECTORATE	SECTION	SUPPLIER	SUPPLIER LOCAL	NATURE OF GOODS/ SERVICE	VALUE	DATE OF REQUEST ON FORM	DATE APPROVED BY MM	SECTION 36 REF	NOTES
24-25/ EM15 A	01-Dec-24	Electro-Mechanical	Mechanical	Flash Electrical	Yes	**Approved Deviation**: Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spent monthly: Expenditure reflected in next column	R265 668,40	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	Req No: 168321, 168319, 16832, 168326, 168331, 168332,169329, 168330, 168333, 168336,167343, 168344 Order No: 239321, 239318, 239353, 239483, 239506, 239507, 239503, 2239504, 239494, 239633, 239723, 239725

TABLE 10A
DEVIATIONS – JANUARY 2025

DEV NO:	DATE RECEIVED	DIRECTORATE	SECTION	SUPPLIER	SUPPLIER LOCAL	NATURE OF GOODS/ SERVICE	VALUE	DATE OF REQUEST ON FORM	DATE APPROVED BY MM	SECTION 36 REF	NOTES
24-25/ EM15 B	01-Dec-24	Electro-Mechanical	Mechanical	International Metal Processing Pty Ltd	Yes	**Approved Deviation:** Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spent monthly: Expenditure reflected in next column	R33 706,50	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	Req No: 168306 Order No: 239314
24-25/ EM15 C	01-Dec-24	Electro-Mechanical	Mechanical	Northfield Engineering	Yes	**Approved Deviation:** Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spent reported monthly: Expenditure reflected in next column	R15 036,26	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	Req No: 168328,168327 Order No: 239755, 239763
						Total	**R 2 325 375.71**				

TABLE 10B DEVIATIONS - FEBRUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
24-25/ PD3	29-Jan-25	Planning and Development	Land and Property	Mshwau Holdings	No	Demolition of Kouga Cultural Centre and Discarding of building Material	R948 280,00	28-Jan-25	14-Feb-25	S36 (1)(a)(v)	Req No: 163354 Order No:240035
24-25/ DMM24	30-Jan-25	Office of DMM	IT	Mars Technology	No	Speech to text software for committee services	R9 059,77	31-Jan-25	06-Feb-25	S36 (1)(a)(v)	Req No: 162875 Order No: 239891
24-25/ DMM25	12-Feb-25	Office of DMM	DMM - Wards	Red Ant Security	No	Relocation & eviction services	R184 000,00	17-Jan-25	14-Feb-25	S36 (1)(a)(i)	Req No: 158743 Order No: 240082
24-25/ COMM2	17-Feb-25	Community Services	Waste & Environmental Health	National Health Laboratory Services	No	Approved Deviation- Laboratory Tests: Water Samples- 1 June 2024-30 June 2025. **Amount spent**	R16 197,79	01-Aug-24	14-Nov-24	S36 (1)(a)(i)	Req No: 97807 Order No: 240161

TABLE 10B DEVIATIONS - FEBRUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
						reflected in next column					
23-24/ DMM3	Feb-25	Office of DMM	Legal	Billett Gouws	Yes	Legal Services –Labour Matters various 23-24 **Approved Deviation**	R82 544,50	29-Feb-24	07-Mar-24	S36 (1)(a)(v)	Req Nos: 158189,158162 Order No: 240130,240129
23-24/ DMM35	Feb-25	Office of DMM	Legal	CW Malan Jeffreys Bay	Yes	Legal Services - 23-24 **Approved Deviation**	R13 800,00	07-May-24	08-May-24	S36 (1)(a)(v)	Req No: 158167 Order No: 240125
23-24/ CW37	24-Feb-25	Civil & Water Engineering Services	Civil	Primat Constructio n	Yes	**Approved Deviation**: Implementatio n of the St Francis Bay Emergency Bridge Repairs- Total R2 53 137,69 - Two deviation	R61 554,24	01-Feb-24	09-Feb-24	S36 (1)(a)(v)	Req No: 168611 Order No: 232219

TABLE 10B DEVIATIONS - FEBRUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
						issued previous financial year last deviation amount was R539 558,88 refer req 153461-order 232219-retention amount reflected in next column.					
24-25/ EM15 A	Feb-25	Electro-Mechanical	Mechanical	Flash Electrical	Yes	**Approved Deviation:** Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spend will be reported monthly: Expenditure	R766 376,07	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	Req No: 166056,166057,166053,166055,166058,168339,166060,168338,166068,166069,166081,168349,159095,166063,166075 &15909,

TABLE 10B DEVIATIONS - FEBRUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
						reflected in next column					168347,168359, 168354, 168351, Order No:23923, 239908, 239880, 239901, 239976, 240049, 240100, 240118, 240137,240126, 240098,240216, 240297,240269, 240268, 240267
24-25/ EM15 B	Feb-25	Electro-Mechanical	Mechanical	IMP	Yes	**Approved Deviation:** Maintenance & refurbishment	R132 082,55	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	Req No: 168340, 168352,168360,168361,168

TABLE 10B DEVIATIONS - FEBRUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
						of electrical & mechanical pumpstations & switchgear for KLM. Amount spend will be reported monthly: Expenditure reflected in next column					362 Order No 240115, 240263, 240264, 240265,240266
24-25/ EM15 C	Feb-25	Electro-Mechanical	Mechanical	Northfield Engineering	Yes	**Approved Deviation:** Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spend will be reported monthly: Expenditure	R10 122,44	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	Req No:160099, Order No: 240336,

TABLE 10B DEVIATIONS - FEBRUARY 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
						reflected in next column					
						TOTAL	**R2 224 017,36**				

TABLE 10 C DEVIATIONS - MARCH 2025											
DEV NO:	**DATE RECEIVED**	**DIRECTORATE**	**SECTION**	**SUPPLIER**	**SUPPLIER LOCAL**	**NATURE OF GOODS/ SERVICE**	**VALUE**	**DATE OF REQUEST ON FORM**	**DATE APPROVED BY MM**	**SECTION 36 REF**	**NOTES**
24-25/ DMM26	13-Mar-25	Office of DMM	DMM - Wards	Red Ant Security	No	Relocation & eviction services-February 2025	R172 500,00	17-Jan-25	14-Feb-25	S36 (1)(a)(i)	Req No: 158771 Order No: 240751
24-25/ DMM1	25-Mar-25	Office of DMM	Administration	Bambelela Property Development	Yes	Approved Rental of Office space for 3 years-(Rental of office space-April 2025 Expenditure	R440 254,50	28-Jun-24	12-Jul-24	S36 (1)(a)(v)	Req No: 170079 Order No: 240945

						reflected in next column					
24-25/ COMM2	19-Mar-25	Community Services	Waste & Environmental Health	National Health Laboratory Services	No	Approved Deviation- Laboratory Tests: Water Samples- 1 June 2024-30 June 2025. **Amount spent reflected in next column**	R25 485,01	01-Aug-24	14-Nov-24	S36 (1)(a)(i)	Req No: 97813 Order No: 240840
24-25/ COMM3	13-Mar-25	Community Services	Waste & Environmental Health	Ten to Nine	No	Pauper Burials	R18 400,00	17-Feb-25	17-Mar-25	S36 (1)(a)(i)	Req No: 97808 Order No: 240750
23-24/ CW40	11-Mar-25	Civil & Water Engineering Services	PMU Unit	Rudcor Engineering	No	**23-24 Approved deviation:** Appointment of a contractor for the construction of internal streets and stormwater infrastructure for Hankey Housing Development (Phase 2). Total Deviation amount- R17677321,20 Amount paid is	R590 271,69	01-Mar-24	14-Mar-24	S36 (1)(a)(i) i; iv; v	Req No: 169325 Order No: 240649

						reflected in next column					
24-25/ CW9	11-Mar-25	Civil & Water Engineering Services	PMU Unit	Summertree Civils	Yes	**Lamer Pumstation: Completion of Outstanding work on Lamer Pumpstation to Jeffreys Bay WTW:** Appointment of Contractor for completion of Contract Notice 16 of 2024 - Contractor terminated	R2 545 216,30	28-Feb-25	11-Mar-25	S36 (1)(a)(v)	Req No: 168615 Order No: 240612
24-25/ CW10	17-Mar-25	Civil & Water Engineering Services	PMU Unit	LRC Civils	Yes	**Seekoei Estuary Causeway Reconstruction:** Appointment of Contractor for Emergency Repairs to Seekoei Estuary using MDRG Funds on a reduced scope.	R7 036 312,99	11-Mar-25	17-Mar-25	S36 (1)(a)(i)	Req No: 168618 Order No: 240733

						intention to re-instate full work scope at a later stage with new submission.					
24-25/ EM15 A	Mar-25	Electro-Mechanical	Mechanical	Flash Electrical	Yes	**Approved Deviation:** Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spent will be reported monthly: Expenditure reflected in next column	R264 774,84	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	n/a
24-25/ EM15 B	Mar-25	Electro-Mechanical	Mechanical	IMP	Yes	**Approved Deviation:** Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spent will be reported monthly: Expenditure	R146 633,13	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	n/a

						reflected in next column					
24-25/ EM15 C	Mar-25	Electro-Mechanical	Mechanical	Northfield Engineering	Yes	**Approved Deviation:** Maintenance & refurbishment of electrical & mechanical pumpstations & switchgear for KLM. Amount spent will be reported monthly: Expenditure reflected in next column	R335 634,69	12-Nov-24	26-Nov-24	S36 (1)(a)(v)	n/a
						TOTAL	**R11 *575* 483,15**				

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/FED18**

MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2024 TO MARCH 2025 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 MARCH 2025 (2024/25 FINANCIAL YEAR)

1. **Introduction**

The purpose of this report is to comply with Section 71 and 52(d) of the Municipal Finance Management Act (MFMA), read together with Regulation 28 of the Municipal Budget and Reporting Regulations as promulgated in the Government Gazette No 32141 of 17 April 2009, which requires that specific financial particulars be reported on and in the formats prescribed.

2. **Background**

MFMA Accountability cycle begins with the preparation and approval of the IDP, MTREF and SDBIP, which is followed by in year reporting, Annual Financial Statements, Annual Audit (Audit Report) and Annual and Oversight Reports. The MFMA legislates what must be reported on, by when, and the Municipal Budget and Reporting Regulations prescribes the format of the reports.

In accordance with Section 71(1) of the MFMA, the Accounting Officer must by no later than 10 working days after the end of each month, submit to the Mayor of the Municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.

In accordance with Section 52(d) of the MFMA, the Executive Mayor must within 30 days of the end of each quarter submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality.

In accordance with regulation 28 of the MBRR, the monthly budget statements of a Municipality must be in the format specified in Schedule C and include all the required tables, charts, and explanatory information, considering any guidelines issued by the Minister in terms of section 168(1) of the Municipal Management Finance Act".

3. **Discussion**

The monthly budget statement report provides a balance and consolidated financial performance overview to assist the Executive Mayor in his oversight role.

The report complies with Schedule C of the Municipal Budget and Reporting Regulations (MBRR), the following detailed schedules are attached for the period, ending 31 March 2025:

"**Annexure A"** – Financial Overview

"**Annexure A1**" – Operating Revenue and Expenditure Performance

"**Annexure A2**" - Capital Budget Performance

"**Annexure A3**"- Projected Cash Flow Statement

"Annexure A4" – Municipal Monthly Budget Tables

"Annexure A5"- Analysis of Municipality's Statement of Financial Performance

i. Overview of Outstanding Consumer Debtors
ii. Overview of Creditors position
iii. Grants receipts and Expenditure
iv. Councillors & Employee benefits
v. Key performance Indicators

4. **Financial Implications**

Completed by BTO -	As stipulated in the report. Refer to **"Annexure A"**
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

- Section 71 and 52(d) of the Local Government: Municipal Finance Management Act No. 56 of 2003.

- Local Government: Municipal Budget and Reporting Regulations, 17 April 2009.
- Local Government: Municipal Finance Management Act: Municipal Regulations on a Standard Chart of Accounts (mSCOA), 22 April 2014.

6. **Legal Implications**

The report relates to Section 71 and 52(d) of the Municipal Finance Management Act (MFMA) and Regulation 28 of the Municipal Budget and Reporting Regulations (MBRR). Failure to report may result in non-compliance to the legislative provisions set out in sections 71 and 52(d) of the MFMA.

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**

Noted.

8.4 **Director: Electro and Mechanical Services**

Item noted.

8.5 **Director: Community Services**

Noted.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Noted.

9. **Delegated Authority**

To be noted by Council

10. **Recommendations**

10.1 That the Council notes the report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.

10.2 That the Executive Mayor's report on the implementation of the budget and the financial state affairs of the municipality, in accordance with section 52(d) of the MFMA be noted.

10.3 That the monthly budget statements submission to Provincial Treasury as stipulated in Section 71(1) of the MFMA, be noted.

11. **Municipal Manager's Quality Certificate**

I, Charl Du Plessis, Municipal Manager of Kouga Local Municipality hereby certify that the monthly budget statements have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act, and that monthly budget statements are consistent with the Integrated Development Plan of the Municipality.
Print Name: Charl Du Plessis
Municipal Manager of Kouga Local Municipal

Signature……

Date…… 14 April 2025……..

Item prepared by the Manager Budget and Treasury:

Item approved by the Chief Financial Officer:

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

"ANNEXURE A"

1. FINANCIAL OVERVIEW

This report provides a balanced and consolidated financial performance overview to assist the Executive Mayor in his oversight role.

An analysis of the financial position and performance was undertaken to determine the relative financial strength and liquidity of the Municipality. This was complemented by analysing the cash flow position, the investment portfolio, ratios, the operating, and capital budget performance for the months of March 2025, to facilitate an informed assessment of the relative liquidity and financial position of the Municipality.

The financial performance highlights are as follows:

- Operating revenue amounted to R 991,262 million, whilst operating expenditure amounted to R1,125,471 million, resulting in an operating deficit of R 134,210.
- Capital expenditure constituted 42.15% of the 2024/25 Approved Adjusted Capital Budget.
- Overdue consumer debts decreased by R 136,224 million (-34.94%) since June 2024.
- An amount of R 49,960 million is owing to creditors, 100.58% which is current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.

The municipality's investment portfolio has increased by R 143,653,944 (100%) since June 2024, from R 143,659,131 to R 287,313,075.

Below is an analysis of the Investment Portfolio as at 31 March 2025.

	Balance as at 30 June 2024	Invested	Interest	Withdrawals	Adjustments	Balance as at 31 March 2025
Standard Bank	26,516,585	-	1,401,228	8,378,539		19,539,274
ABSA	22,795,366	18,966,265	1,980,730	11,438,447	590	32,303,324
Nedbank	22,593,059	20,509,206	1,443,639	25,000,000		19,545,904
RMB	22,735,812	32,194,174	1,185,713	36,589,518		19,526,181
INVESTEC	22,771,482	20,336,093	1,433,939	25,000,000		19,541,514
Total	**117,412,304**	**92,005,739**	**7,445,248**	**106,406,505**	**590**	**110,456,197**
INVESTMENT	**Balance as at 30 June 2024**	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 31 March 2025**
General Account	78,621,419	26,852,739	6,232,497	58,945,893	590	52,760,172
Conditional Grants	18,234,929	65,153,000	-	34,542,849	-	48,845,081
Housing Funds	20,555,956		1,212,751	12,917,764	-	8,850,944
Total	**117,412,304**	**92,005,739**	**7,445,248**	**106,406,505**	**590**	**110,456,197**
	Balance as at 30 June 2024	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 31 March 2025**
Cheque Accounts FNB 52540020791	10,314,768			(9,745,101)		569,667
Cheque Accounts FNB 52540033304	8,553,427	8,811,668				17,365,095
Cheque Accounts FNB 62682103591	3,833			(3,833)		-
Cheque Accounts FNB 63022194441	7,374,799	3,364,620				10,739,419
Cheque Accounts ABSA 4114176482	-	8,454,624				8,454,624
Cheque Accounts ABSA 4114114771	-	134,394,134				134,394,134
Cheque Accounts ABSA 4114176474	-	883,846				883,846
Cheque Accounts ABSA 4114176490		4,450,093				4,450,093
	26,246,827	**160,358,985**	**-**	**(9,748,934)**	**-**	**176,856,878**
Total	**143,659,131**	**252,364,724**	**7,445,248**	**96,657,571**	**590**	**287,313,075**

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

Cash backed Reserves

Bank Balances and Cash	R 176,856,878
Short-term Investment Deposits	R 110,456,197
	R 287,313,075

Application of Cash

Unspent Conditional Grants	R 57,247,836
Unspent borrowings (DBSA)	R100,000,000
Operational commitments	R 21,882,808
Outstanding Creditors Liability	R 49,958,631
	R 229,089,275
Cash Reserves exceed commitments:	**R 58,223,800**

The cash backed reserves exceed commitments at this stage by an amount of R 58,223,800.

It should be noted that the excess of reserves over commitments as at 31 March 2025, is mainly due to an amount of R 48,166 million in respect of the Equitable Share allocation received on 26 March 2025, but not yet fully spent. These funds are already committed towards spending in the 2024/25 operating budget.

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

Ratio	Actuals as at 30 June 2023	Actuals as at 30 June 2024	MFMA Circular 71 Norms	Actuals as at 31 March 2024	Approved Adjusted Budget 2024/25	Actuals as at 28 February 2025	Actuals as at 31 March 2025
Current Ratio	0.91:1	91:1	1.5:1 to 2:1	1.69:1	1.04:1	1.04:1	1.54:1
Liquidity Ratio	0.40:1	0.49:1		1.12:1	0.60:1	0.40:1	0.85:1
Cost Coverage (Excluding unspent conditional grants)	0.98 Months	1.19 Months	1 Month to 3 Months	1.56 Months	1.61 Months	1 Month	2.38 Months
Debtors Collection Rate	86.71%	91.01%	95%	85.62%	95%	88.88%	90.81%
Capital Expenditure	94.66%	71.38%	95%	40.85%	95%	37.01%	42.15%

"ANNEXURE A1"

1. OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD JULY 2024 TO MARCH 2025.

1.1 Summary Statement of Financial Performance

Description	Budget Year 2024/25					
R thousands	Original Budget	Adjusted Budget	Monthly Actual	Year TD Actual	Year TD Budget	YTD Variance
Revenue						
Total Revenue (excluding capital transfers and contributions)	1 392 621	1 360 902	124 241	991 262	1 020 677	(29 415)
Total Expenditure	1 505 474	1 460 993	259 250	1 125 471	1 095 364	30 108
Surplus/(Deficit)	(112 853)	(100 091)	(135 010)	(134 210)	(74 687)	(59 523)

The statement of financial performance reflects an operating deficit of R134,210 million at this stage.

1.2 Revenue

Main revenue sources for 2024/25

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Revenue			
Exchange Revenue			
Service charges - Electricity	425 559	311 621	73,23%
Service charges - Water	138 057	80 903	58,60%
Service charges - Waste Water Management	76 014	49 243	64,78%
Service charges - Waste management	62 146	43 905	70,65%
Sale of Goods and Rendering of Services	9 533	4 530	47,52%
Agency services	4 554	–	0,00%
Interest earned from Receivables	32 335	18 259	56,47%
Interest earned from Current and Non-Current Assets	15 498	9 549	61,62%
Rental from Fixed Assets	3 187	3 348	105,07 %
Licence and permits	2 851	1 680	58,93%
Operational Revenue	1 955	4 046	206,92 %
Non-Exchange Revenue			
Property rates	298 309	237 030	79,46%
Fines, penalties and forfeits	43 859	828	1,89%
Licence and permits	11 772	8 236	69,96%
Transfer and subsidies - Operational	210 105	200 361	95,36%
Interest	5 510	2 084	37,82%
Operational Revenue	19 658	15 639	79,55%
Total Revenue (excluding capital transfers and contributions)	**1 360 902**	**991 262**	**72,84%**

Reasons for major over-/under-recovery per revenue source

In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material. Below is an explanation for variances above 10% of the budgeted amount and actual amounts.

- **Service charges – Water**
  As at 31 March 2025, the municipality recognized 58.60% of water revenue, compared to the budget.

- **Sale of Goods and Rendering of Services**
  The sale of goods and services relates to various sources of rendering of services such as application fees for land usage, building plan fees, cemeteries' fees and removal of restrictions fees etc. These revenue sources are influenced by community demands.

- **Agency Services**
  Agency services relate to the Department of Transport, commission received by the municipality as an acting agency for the collection of motor registration licences, drivers' licences and other vehicle permits. The commission is then influenced by the revenue collected on behalf of the Department of Transport.

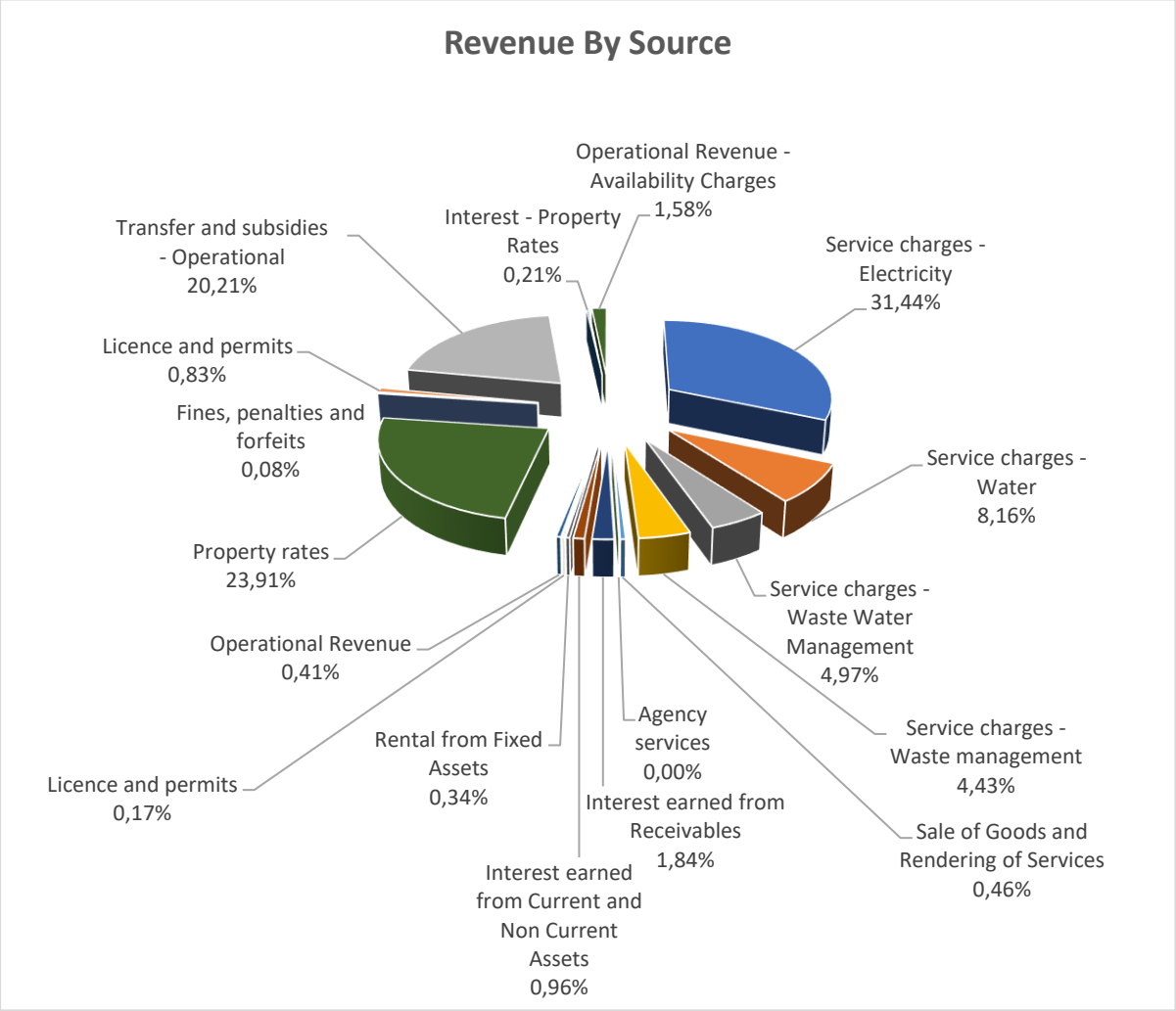
- **Rental from Fixed Assets**
  This relates to the rental of municipal buildings, community halls, caravan parks and camping sites, and other municipal facilities. The revenue is influenced by the extent of rental agreements and seasonal demands.

- **Operational revenue (Exchange Revenue)**
  The other revenue relates to various sources of operating revenue such as staff recovery, insurance refunds and skills development levy refunds.
  The operational revenue is largely influenced by Augmentation fees amounting to R 0,884 million, recognized during this reporting period, against no budget provision, as well as the Skills development levy refunds where a higher than anticipated refunds were received.

- **Fines, Penalties and Forfeits**
  The fines, penalties and forfeits budget mostly relate to speeding camera fines and the high budget is mainly due to the accounting for traffic fines issued in line with the Generally Recognised Accounting Practice (GRAP) requirements. The actual traffic fines issued revenue recognition is done on yearly basis at this stage.

- **Transfer and subsidies - Operational.**
  As at 31 March 2025, the municipality has recognized 95.36% of operational transfer and subsidies revenue, compared to the budget. This is due to the Equitable Share allocation amounting to R 48,166 million received in March 2025.

- **Operational revenue (Non-Exchange Revenue)**
  Operational revenue: non-exchange revenue relates to the availability charges for electricity, water and wastewater management.



1.3 Expenditure

Main expenditure types for 2024/25

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Expenditure By Type			
Employee related costs	482 971	308 320	63,84%
Remuneration of councillors	15 594	11 797	75,65%
Bulk purchases - electricity	413 349	326 694	79,04%
Inventory consumed	104 522	78 215	74,83%
Debt impairment	59 136	–	0,00%
Depreciation and amortisation	117 798	88 349	75,00%
Interest	13 002	5 578	42,90%
Contracted services	146 032	73 829	50,56%
Transfers and subsidies	400	14	3,58%
Irrecoverable debts written off	10 078	167 151	1658,57%
Operational costs	98 111	65 524	66,79%
Total Expenditure	**1 460 993**	**1 125 471**	**77,03%**

Reasons for major over-/under expenditure per type

In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material. Below is an explanation for variances above 10% of the budgeted amount and actual amounts.

- **Bulk purchases – electricity**
  The bulk purchases – electricity reflects a 79.04% expenditure, compared to the approved budget.

- **Inventory consumed.**
  Inventory consumed includes the following expenditure items:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
Inventory Consumed: Consumables	3 918 656	1 871 605	47,76%
Inventory Consumed: Materials and Supplies	41 901 676	24 869 622	59,35%
Inventory Consumed: Fuel & Oil	19 771 072	15 005 133	75,89%
Inventory Consumed: Bulk Water Purchases	38 930 751	36 468 765	93,68%
Total	**104 522 155**	**78 215 125**	**74,83%**

- **Debt impairment**
  At this stage, the municipality recognises the debt impairment at the end of the financial year, rather than monthly.

- **Finance charges**
  Finance charges currently recognised relate to the finance lease for vehicles and is based on the finance lease amortisation schedule. This includes interest charged on the DBSA loan and the first instalment is due on 30 June 2025.

- **Contracted Services**
  Contracted services mostly relate to outsourced work, in relation to the maintenance of municipal infrastructure assets and includes consultation fees. Please refer to the next page for the breakdown of contracted services costs.

- **Transfers and subsidies**
  Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organisations, in line with the Council approved grant-in-aid policy.

- **Irrecoverable debts written off.**
  Debts are written off upon Council approval. An amount of R 167 million has been written off as at 31 March 2025.

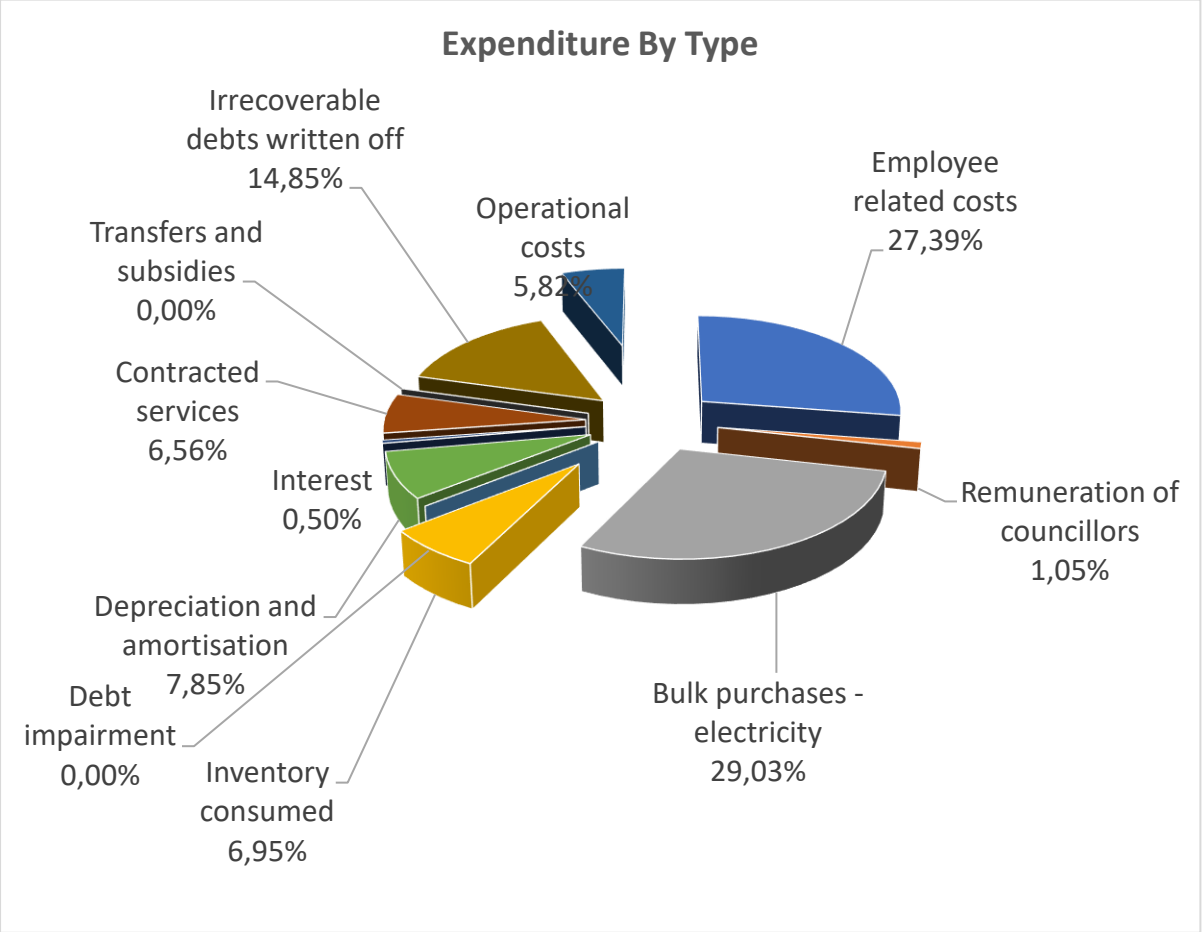
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
Aloe Cup	80,000	78,000	97.50%
Air quality Management	250,000	112,870	45.15%
Amanzi Challenge National Tournament	300,000	300,000	100.00%
Animal Care	508,000	-	0.00%
Audit of Municipal Land & Properties	1,294,000	225,271	17.41%
Burial Services	76,400	42,500	55.63%
Calamari Festival	200,000	200,000	100.00%
Catering Services	755,479	359,360	47.57%
Clean up Operation	623,004	287,168	46.09%
Clearing and Grass Cutting Services	1,440,000	783,469	54.41%
Conducting of feasibility studies (EIA)	2,200,000	586,990	26.68%
Connection/Dis-connection:Electricity	580,000	-	0.00%
Consultants and Professional Services	10,106,985	2,313,487	22.89%
Destination Marketing and Promotion	670,000	167,302	24.97%
Drivers Licence Cards	500,000	313,156	62.63%
Dune Stabilisation	1,969,000	488,677	24.82%
Electrification of Informal Settlement	3,550,000	-	0.00%
Electricity Generation Project	470,000	88,317	18.79%
Environmental protection	800,000	-	0.00%
Employee Wellness	160,644	155,600	96.86%
ED STRATEGY - roll-out	100,000	-	0.00%
Event Promoters	99,996	25,878	25.88%
Family Challenge	700,000	866,522	123.79%
Heritage Restoration	200,000	-	0.00%
Internal Auditors	200,000	29,000	14.50%
KLTO	905,000	283,198	31.29%
Laboratory Services:Water	709,000	358,146	50.51%
Legal Advice and Litigation	1,000,000	813,043	81.30%
Legal Cost:Collection	1,300,000	790,529	60.81%
Maintenance of Buildings and Facilities	7,625,140	3,963,962	51.99%
Maintenance of Electrical Infrastructure	1,000,000	890,501	89.05%
Maintenance of Equipment	858,800	229,196	26.69%
Maintenance of Vehicles	39,429,408	23,138,375	58.68%
Mscoa Alignment	283,136	245,893	86.85%
Media Monitoring	120,004	77,110	64.26%
Occupational Health and Safety	900,000	583,782	64.86%
Other Contracted Services	9,577,900	3,204,733	33.46%
PGA Golf Tournament	275,000	-	0.00%
Personnel and Labour	18,181,150	11,020,401	60.61%
Precinct Plans Project Hankey and St Francis Bay C	100,000	-	0.00%
Private Plots_Alien Vegetation Control	400,000	226,171	56.54%
Qualification Verification	400,000	43,445	10.86%
Restricted Water Flow	400,000	-	0.00%
Revision of SDF	300,000	63,900	21.30%
Security Services	10,407,733	8,098,237	77.81%
SA Longboard Championship	300,000	300,000	100.00%
Special Rating Area	2,159,735	1,244,158	57.61%
Summer Festival	500,000	461,734	92.35%
Tourism &Travel Trade Show	482,000	375,275	77.86%
Township Events	300,000	58,153	19.38%
Transport Services	195,704	53,443	27.31%
Valuer	17,438,721	9,482,862	54.38%
WSL Music Festival	200,000	-	0.00%
WTM Africa, Indaba, Meetings Africa, Educationals,	550,000	124,394	22.62%
Winterfest	1,700,000	-	0.00%
Yellow Wood Annual Jazz Festival	200,000	-	0.00%
	146,031,939	**73,829,208**	**50.56%**

- **Other Expenditure**

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
Achievements and Awards	2,177,701	1,405,094	64.52%
Advertising, Publicity and Marketing	4,370,317	2,215,356	50.69%
Bank Charges	800,000	958,527	119.82%
Bargaining Council	4,619,580	-	0.00%
Cellular Contract (Subscription and Calls)	4,031,889	2,748,226	68.16%
Claims paid to Third Parties	200,000	137,047	68.52%
External Audit Fees	4,500,000	3,973,881	88.31%
External Computer Service:Internet Charge	5,400,000	6,785,535	125.66%
Hire Charges	7,349,662	4,246,555	57.78%
Insurance Claims	1,000,000	497,796	49.78%
Insurance Underwriting:Premiums	3,844,283	3,606,369	93.81%
Leases:Furniture and Office Equipment	4,068,744	1,951,978	47.97%
Leases:Other Assets	4,041,468	4,041,343	100.00%
Motor Vehicle Licence and Registrations	1,644,488	597,163	36.31%
Other	1,230,788	246,997	20.07%
Postage/Stamps/Franking Machines	2,661,000	1,195,080	44.91%
Registration Fees:Professional and Regulatory Bodies	525,112	103,473	19.70%
Registration Fees:Seminars, Conferences, Workshops	2,327,682	1,029,249	44.22%
Remuneration to Ward Committees	2,862,000	1,518,000	53.04%
Riparian Levies	7,911,471	7,013,815	88.65%
Signage	1,136,216	224,400	19.75%
Skills Development Fund Levy	4,202,076	3,104,162	73.87%
Software Licences	11,475,000	8,894,352	77.51%
Storage of Files (Archiving)	199,600	52,459	26.28%
Supplier Development Programme	100,000	-	0.00%
Third Party Vendors	3,550,000	2,056,310	57.92%
Travel and Subsistence	4,908,130	2,167,654	44.16%
Uniform and Protective Clothing	3,859,338	2,401,716	62.23%
Vehicle Tracking	804,742	718,710	89.31%
Workmen's Compensation Fund	2,288,376	1,632,467	71.34%
	98,110,663	**65,523,715**	**66.79%**



1.4 Repairs and Maintenance

Below is an analysis of actual repairs and maintenance expenditure, compared to the 2024/25 Approved Adjusted Budget.

Item Description	Budget Year 2024/25		
	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
Repairs and Maintenance by Expenditure Items			
Employee related costs	156 532 538	65 682 051	41,96%
Other materials	29 353 864	15 777 351	53,75%
Contracted Services	50 127 348	26 171 452	52,21%
Other expenditure	6 912 250	4 321 291	62,52%
Total	**242 926 000**	**111 952 146**	**46,08%**

It is to be noted that actual repairs and maintenance expenditure constituted 46,08% of the 2024/25 Approved Adjusted Budget.

1.5. Trading Services Performance

1.5.1. Electricity

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Revenue			
Exchange Revenue			
Service charges - Electricity	425 559	311 621	73.23%
Interest earned from Receivables	2 214	1 668	75,35%
Operational Revenue	–	206	0,00%
Non-Exchange Revenue			
Transfer and subsidies - Operational	1 990	4 654	233,89%
Operational Revenue	10 103	8 046	79,64%
Total Revenue (excluding capital transfers and contributions)	**439 865**	**326 195**	**74,16%**
Expenditure By Type			
Employee related costs	25 959	14 047	54,11%
Bulk purchases - electricity	413 349	326 694	79,04%
Inventory consumed	9 985	6 937	69,48%
Debt impairment	13 434	–	0,00%
Depreciation and amortisation	8 909	10,360	116,28%
Contracted services	15 892	6 681	42,04%
Irrecoverable debts written off	3 571	277	7,77%
Operational costs	4 644	2 514	54,14%
Total Expenditure	**495 743**	**367 511**	**74,13%**
Surplus/(Deficit)	**(55 878)**	**(41 316)**	

1.5.1.1 Revenue

- The electricity service charges revenue reflects 73.23% of budget as at 31 March, and this is in line with the projected budget ratio of 75% as at 31 March 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the electricity availability charges.

1.5.1.2 Expenditure

- the bulk electricity reflects 79.04% of budget expenditure as at 31 March 2025.

1.5.1.3 Net surplus/deficit of electricity ratio

- Electricity reflects a deficit of R 41,316 million as at 31 March 2025 and the deficit amount equates to 12.67%, compared to the revenue. The adjusted budget deficit for the 2024/25 amount to R 55,878million and equates to 12.70%, compared to total revenue.

1.5.2 Water

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	YearTD Actual	%
Revenue			
Exchange Revenue			
Service charges - Water	138 057	80 903	58,60%
Interest earned from Receivables	15 537	8 535	54,93%
Operational Revenue	–	678	
Non-Exchange Revenue			
Transfer and subsidies - Operational	21 487	17 694	82,35%
Operational Revenue	6 352	5 086	80,06%
Total Revenue (excluding capital transfers and contributions)	**181 433**	**112 895**	**62,22%**
Expenditure By Type			
Employee related costs	28 298	21 219	74,99%
Inventory consumed	49 394	43 822	88,72%
Debt impairment	6332	–	0,00%
Depreciation and amortisation	17 074	11,984	70,19%
Contracted services	4 680	1 378	29,44%
Irrecoverable debts written off	1 683	88 599	5263,97%
Operational costs	1 577	1,075	68,21%
Total Expenditure	**109 037**	**168 077**	**154,15%**
Surplus/(Deficit)	**72 396**	**(55 182)**	

1.5.2.1 Revenue

- The water service charges revenue reflects 58.60% of budget as at 31 March 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the water availability charges.

1.5.2.2 Expenditure

- Inventory consumed includes a budget amount of R 38,931 million for the bulk water purchases and the expenditure amount of R 36,469million (93.68% of budget).

1.5.2.3 Net surplus/deficit of water ratio

- The water reflects a deficit of R 55,182 million as at 31 March 2025 and equates to 48,88% of total revenue.

1.5.3 Waste Water Management

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Revenue			
Exchange Revenue			
Service charges - Waste Water Management	76 014	49 243	64,78%
Interest earned from Receivables	5 673	3 140	55,34%
Non-Exchange Revenue			
Transfer and subsidies - Operational	13 673	11 844	86,62%
Operational Revenue	3 204	2 508	78,28%
Total Revenue (excluding capital transfers and contributions)	**98 565**	**66 735**	**67,71%**
Expenditure By Type			
Employee related costs	26 614	18 801	70,64%
Inventory consumed	12 132	6 763	55,74%
Debt impairment	3 353	–	0,00%
Depreciation and amortisation	32 226	21 400	66,41%
Contracted services	7 395	1 555	21,02%
Irrecoverable debts written off	891	28 761	3 226,62%
Operational costs	7 666	5 068	66,10%
Total Expenditure	**90 277**	**82 348**	**91,22%**
Surplus/(Deficit)	**8 287**	**(15 613)**	

1.5.3.1 Revenue

- The wastewater service charges revenue reflects 64.78% of budget as at 31 March, and this is in line with the projected budget ratio of 75% as at 31 March 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the wastewater availability charges.

1.5.3.2 Expenditure

- At this stage, the municipality recognises the debt impairment at the end of the financial year, rather than on the monthly basis.

1.5.3.3 Net surplus/deficit of wastewater management ratio

- The waste water management revenue reflects a deficit of R 15,613 million as at 31 March 2025 and equates to 23.40% of total revenue. This deficit is largely influenced by the Irrecoverable debts written off amounting to R28,761million. Council approved a surplus adjusted budget of R 8,287 million for the 2024/25 financial year.

1.5.4. Waste Management

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	YearTD Actual	%
Revenue			
Exchange Revenue			
Service charges - Waste management	62 146	43 905	70,65%
Sale of Goods and Rendering of Services	9	–	
Interest earned from Receivables	8 560	4 660	54,45%
Non-Exchange Revenue			
Transfer and subsidies - Operational	24 319	21 409	88,03%
Total Revenue (excluding capital transfers and contributions)	**95 034**	**69 974**	**73,63%**
Expenditure By Type			
Employee related costs	38 643	30 798	79,70%
Inventory consumed	8 154	6 263	76,63%
Debt impairment	2 793	–	
Depreciation and amortisation	3 195	1 989	62,23%
Interest			
Contracted services	15 653	7 518	48,03%
Transfers and subsidies			
Irrecoverable debts written off	742	48 135	6483,55%
Operational costs	3 807	2 194	57,63%
Losses on Disposal of Assets			
Other Losses			
Total Expenditure	**72 987**	**96 896**	**132,76%**
Surplus/(Deficit)	**22 046**	**(26,922)**	

1.5.4.1 Revenue

- The waste service charges revenue reflects 70.65% of budget as at 31 March, and this is in line with the projected budget ratio of 75% as at 31 March 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- It must be noted that the waste management is the combination of waste services and environmental management services.

1.5.4.2 Expenditure

- At this stage, the municipality recognises the debt impairment at the end of the financial year, rather than monthly.

1.5.4.3 Net surplus/deficit of waste management ratio

- The waste management revenue reflects a deficit of R 26,922 million as at 31 March 2025 and equates to 38.47% of total revenue. This deficit is largely influenced by the Irrecoverable debts written off amounting to R48,135 million. Council approved a surplus adjusted budget of R 22,046 million for the 2024/25 financial year.

1.6 Cost Containment Measures

The main purpose of the Municipal Cost Containment Regulations, 2019 is to ensure that the resources of the municipality are used effectively, efficiently, and economically by the implementation of cost containment measures. Cost containment measures policy was approved by Council on 30 June 2023.

Description	Budget Year 2024/25			
	Adjusted Budget	YearTD Actual	YearTD Budget	YTD Variance
R Thousands				
1. Temporary Appointments, Contractual Appointments, Unemployed Graduates and Experiential Learners	17,656	10,945	13,242	(2,298)
2. Travel claims	4,861	2,140	3,646	(1,506)
4. Overtime	20,000	14,971	15,000	(29)
5. Catering Costs	705	323	529	(207)
6. Events, Advertising and sponsorships	5,055	2,855	3,791	(936)
7. Attendance of Conferences, Seminars & Workshops	2,280	1,008	1,710	(702)
8. Municipal Workshops, Retreats, Strategic Sessions and Internal training	2,068	101	1,551	(1,449)
9. Projects /Programme Launches	–	–	–	–
10. Essential User Scheme	**2,161**	**2,161**	**2,161**	**–**
Total	**54,786**	**34,502**	**41,630**	**(7,128)**

A comparison of the year-to-date actuals to the adjusted budget reflects savings, amounting to R 7,128 million as at 31 March 2025.

1.7 Unauthorised Expenditure by Directorate

Below is an assessment table for the unauthorised expenditure in terms of MFMA requirements and National Treasury MFMA Circular No. 68 guidelines.

Description	Budget Year 2024/25			Actuals as at 31 March 2025			
R thousands	Approved Adjusted Budget-Operating	Approved Adjusted Budget-Capital Budget	Appproved Adjusted Budget 2024/25	Operating Expenditure	Capital Actuals	Total Expenditure	Unathorised Expenditure
Expenditure by Vote							
Civil & Water Services	329,020	167,517	496,536	326,646	45,451	372,097	–
Community Services	290,682	1,634	292,316	218,788	209	218,997	–
Electro & Mechanical Services	507,837	88,835	596,673	378,009	64,639	442,648	–
Finance and Economic Development	136,835	992	137,827	72,789	413	73,202	–
Office of the DMM	128,858	1,933	130,790	88,084	1,176	89,260	–
Office of the MM	29,212	28	29,240	20,819	–	20,819	–
Planning and Development	38,549	21,956	60,505	20,338	7,363	27,700	–
Total Expenditure by Vote	**1,460,993**	**282,894**	**1,743,887**	**1,125,471**	**119,251**	**1,244,722**	-

No unauthorised expenditure reported for the period ended 31 March 2025.

"Annexure A2"

1. CAPITAL BUDGET PERFORMANCE

1.1 Summary Capital Expenditure and Funding

The capital expenditure as at 31 March 2025, constituted 42.15% of approved adjusted capital budget and the funding is broken down as follows:

- Grant funding is 36.09% of approved grant funding budget.
- Borrowing funding is53.98% of approved borrowing funding budget.
- Internally generated funds are 36.95% at this stage.

Capital budget by municipal vote for 2024/25.

Vote Description	Budget Year 2024/25			
	Original Budget	Adjusted Budget	Year TD Actual	%
R thousands				
Multi-Year expenditure appropriation				
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	28	–	0,00%
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 933	1 176	60.85 %
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	992	413	41.66 %
Vote 4 - COMMUNITY SERVICES	1 391	1 634	209	12.79 %
Vote 5 - CIVIL AND WATER SERVICES	80 868	167 517	45 451	27.13 %
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	88 835	64 639	72.76 %
Vote 7 - PLANNING AND DEVELOPMENT	–	21 956	7 363	33.53 %
Total Capital Multi-year expenditure	**150 362**	**282 894**	**119 251**	**42.15 %**

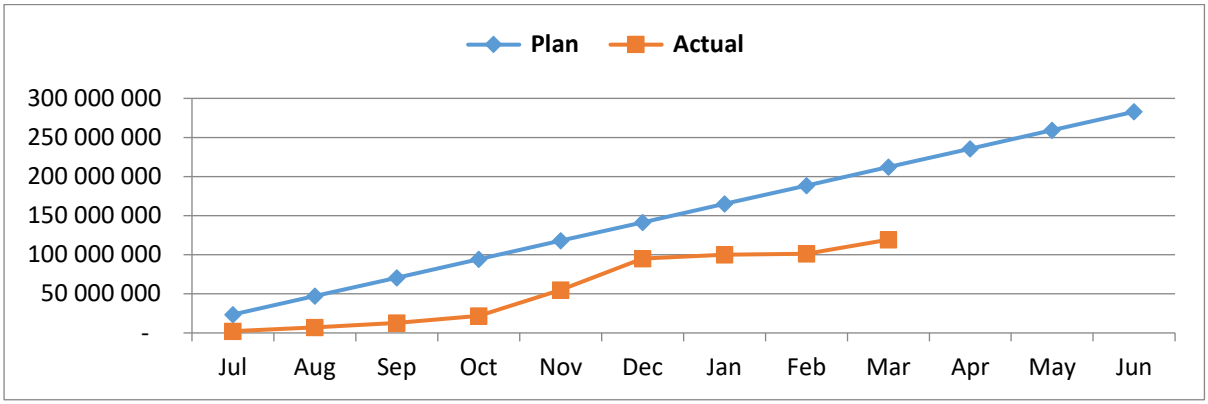
The capital expenditure as at 31 March 2025, constituted 42.15% of approved adjusted capital budget.

The capital expenditure is broken down per directorate as follows:

- Office Of the Municipal Manager is 0% of R 0,028 million budget.
- Office Of the Deputy Municipal Manager is 60.85% of R 1,933 million budget.
- Finance And Economic Development is 41.66% of R 0,992 million budget.
- Community Services is 12.79% of R 1,634 million budget.
- Civil & Water Services 27.13% of R 167,517million budget.
- Electro and Mechanical Services is 72.76% of R 88,835 million budget.
- Planning And Development is 33.53% of R 21,956 million budget.

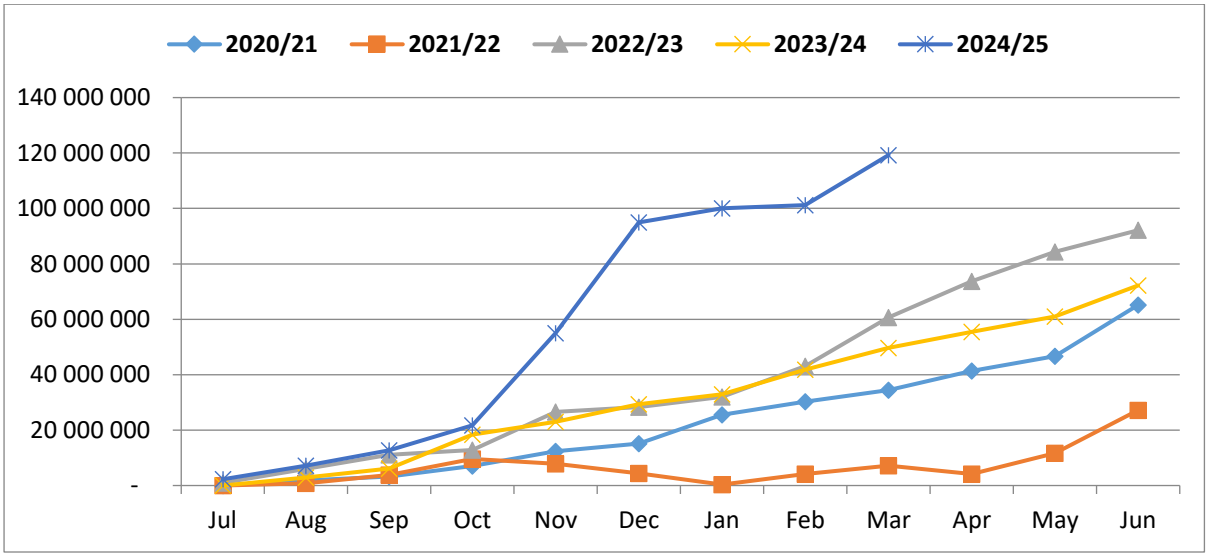
1.2 Monthly capital expenditure

The graph below reflects the municipality's monthly capital expenditure to date measured against the 2024/25 current budget.



Capital expenditure trend over the current- and past two years.

The graph below shows the municipality's capital expenditure trend for 2020/21, 2021/22, 2022/23, 2023/24 and 2024/25.



Status of capital programmes/projects in the Municipality as at 31 March 2025.

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
CIVIL AND WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176 117	132 088	75,00%
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137 788	102 894	74,68%
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	1 121 050	201 102	17,94%
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	264 570	52,91%
PROJECT MANAGEMENT UNIT (PMU)	UISP	Electricity Transfer from NMBM to KLM	62 198	-	
ROADS AND STORMWATER	Borrowing	ROADS INFRASTRUCTURE IN KOUGA	43 478 261	-	0,00%
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508 696	496 841	97,67%
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1 615 427	1 570 161	97,20%
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	101 225	1,56%
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424 348	414 935	97,78%
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	52 608	-	0,00%
ROADS AND STORMWATER	MDRG	Re-instatement of Sherley Street	1 608 696	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Mountain Road and upgrade of stormwater culvert	1 565 217	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Da Gama Road in the Kabeljous area and stormwater infrastructure re-instatement	1 086 957	-	
ROADS AND STORMWATER	MDRG	George Road, Re-instatement of Embankment, Water & Stormwater network	782 609	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Phillip Street low level water crossing bridge	1 173 913	-	
ROADS AND STORMWATER	MDRG	Sea Vista Access ring road damaged pavement layers	800 000	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Ketse Street and stormwater infrastructure	1 186 957	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Nanto Street and stormwater infrastructure	1 339 130	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Meyer Street and stormwater infrastructure	1 047 826	-	
SEWERAGE	UISP	Apiesdraai Pump Station	1 980 261	506 905	25,60%
SEWERAGE	UISP	Phase 1 Upgrade of Thornhill Sewer Treatment Works	331 320	-	0,00%
SEWERAGE	UISP	Kruisfontein Bulk Sewer -Link Line	1 395 837	230 108	16,49%
SEWERAGE	UISP	Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	4 511 687	533 404	11,82%
SEWERAGE	UISP	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	167 175	166 306	99,48%

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
CIVIL AND WATER SERVICES					
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508 609	-	0,00%
SEWERAGE	Internal	HANKEY WWTW	5 331 662	883 270	16,57%
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	4 763 577	3 898 272	81,83%
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	51 300	63,73%
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29 169 586	21 375 501	73,28%
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200 000	147 670	73,84%
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	140 000	-	0,00%
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer rising main	20 000	5 808	29,04%
WATER	UISP	Ramaphosa Village New Reservoir	735 065	-	
WATER	UISP	Kwanomzamo Bulk Water : New Pipeline	3 047 557	3 700 383	121,42%
WATER	UISP	Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	3 196 225	540 860	16,92%
WATER	DOHS-FOIS	Humansdorp: Upgrading of informal settlements in Kwanomzamo (Bungalows, Polar Parks & Shukushukuma)	8 118 775	-	0,00%
WATER	DOHS-FOIS	Jeffreys Bay: Upgrading of Oceanview Informal Settlements	4 125 000	-	0,00%
WATER	DOHS-FOIS	Patensie: Upgrading of Informal Settlement (Cyril Ramaphosa)	2 629 602	-	0,00%
WATER	DOHS-FOIS	Humansdorp: Upgrading of Kruisfontein Settlement (Donkerhoek)	1 898 033	-	0,00%
WATER	DOHS-FOIS	Thornhill : Upgrading of Informal Settlement	1 399 200	-	0,00%
WATER	UISP	New Reservoir on Pnt 2 of the Farm Thornhill	2 440 926	574 659	23,54%
WATER	Internal	JILL MARCUS WATER SUPPLY	4 347 000	3 110 115	71,55%
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	817 187	27,24%
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637 410	-	0,00%
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	8 940 388	2 568 062	28,72%
WATER	WSIG	RETICULATION REPLACE PIPELINES	3 478 260	-	0,00%
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis Bay	80 000	75 904	94,88%
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100 000	64 000	64,00%
WATER	WSIG	PARADISE BEACH WATER TOWER	2 021 548	1 737 069	85,93%
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3 575 354	1 180 639	33,02%
			167 516 616	**45 451 237**	**27,13%**

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
COMMUNITY SERVICES					
FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1 391 304	-	0,00%
LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	242 320	208 874	86,20%
			1 633 624	**208 874**	**12,79%**
ELECTRO/MECHANICAL SERVICES					
ELECTRICITY	UISP	Oceanview Substation Upgrade	9 913 043	2 562 184	25,85%
ELECTRICITY	UISP	Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	18 347 420	9 767 724	53,24%
ELECTRICITY	UISP	Computer Equipment (UISP FUNDING)	217 391	-	0,00%
ELECTRICITY	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4 251 567	1 303 321	30,66%
ELECTRICITY	Internal	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	-	0,00%
ELECTRICITY	MIG	DESIGN: HIGH MAST LIGHTS	100 000	-	0,00%
FLEET AND WORKSHOP	Finance Lease	Vehicle	51 005 878	51 005 878	100,00%
			88 835 299	**64 639 107**	**72,76%**
FINANCE AND ECONOMIC DEVELOPMENT					
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	377 517	375 922	99,58%
LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100 000	-	0,00%
REVENUE	Internal	Office Furniture	106 453	30 044	28,22%
REVENUE	Internal	Computer Equipment	22 477	-	0,00%
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	385 414	7 210	1,87%
			991 861	**413 176**	**41,66%**
OFFICE OF THE MUNICIPAL MANAGER					
RISK AND INTERNAL AUDIT UNITY	Internal	Furniture & Equipment	28 000	-	0,00%
			28 000	**-**	**0,00%**
OFFICE OF THE DEPUTY MUNICIPAL MANAGER					
ADMINISTRATION AND AUXILIARY SERVICES	Internal	Foyer - Furniture & Equipment	90 000	-	0,00%
COUNCIL	Internal	Ward Offices - Furniture & Equipment	150 000	-	0,00%
HUMAN RESOURCES	Internal	Furniture & Equipment	80 000	6 400	8,00%
INFORMATION TECHNOLOGY	Internal	Computer Equipment	1 412 789	1 169 614	82,79%
LEGAL SERVICES	Internal	Furniture & Equipment	50 000	-	0,00%
OFFICE OF THE DMM	Internal	DMM Office furniture	150 000	-	0,00%
			1 932 789	**1 176 014**	**60,85%**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	Internal	HOMELESS SHELTER	1 400 000	-	0,00%
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 2	16 346 963	7 362 512	45,04%
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 3	4 208 993	-	0,00%
			21 955 956	**7 362 512**	**33,53%**
		Total	**282 894 145**	**119 250 921**	**42,15%**

"Annexure A3"

1. PROJECTED CASH FLOW STATEMENT FOR THE 2024/25 FINANCIAL YEAR

1.1 Projected Cash Flow Statement as at 31 March 2025

The purpose of the cash flow statement is to compare the cash inflows (receipts) with the cash outflows (payments), so as to ascertain the adequacy of the cash inflows to cover the cash outflows.

Table C7 Monthly Budget Statement – Cash Flow – M09 March 2025

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		362,726	287,458	288,628	22,098	229,359	216,471	12,888	6%	288,628
Service charges		255,325	761,922	823,774	55,888	441,764	617,831	(176,067)	-28%	823,774
Other revenue		16,788	93,666	115,947	26,376	305,502	86,960	218,542	251%	115,947
Transfers and Subsidies - Operational		184,436	202,153	210,105	48,411	201,984	157,578	44,406	28%	210,105
Transfers and Subsidies - Capital		1,586	123,443	140,736	23,574	73,120	97,513	(24,393)	-25%	140,736
Interest		914,663	13,998	15,498	413	9,549	11,623	(2,074)	-18%	15,498
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771,377	(1,356,179)	(1,460,241)	(15,340)	(961,607)	(1,095,181)	(133,574)	12%	(1,460,241)
Interest		–	(16,159)	(11,097)	(1,581)	(6,496)	(8,322)	(1,827)	22%	(11,097)
Transfers and Subsidies		–	(400)	(400)	–	–	(300)	(300)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2,506,902**	**109,901**	**122,951**	**159,839**	**293,177**	**84,174**	**(209,003)**	**-248%**	**122,951**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(83,038)	(116,362)	(231,888)	(20,708)	(137,274)	(166,926)	(29,651)	18%	(231,888)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83,038)**	**(116,362)**	**(231,888)**	**(20,708)**	**(137,274)**	**(166,926)**	**(29,651)**	**18%**	**(231,888)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	100,000	–	–	75,000	(75,000)	-100%	100,000
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	(1,938)	(12,248)	–	12,248	0%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**100,000**	**(1,938)**	**(12,248)**	**75,000**	**87,248**	**116%**	**100,000**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,423,864**	**(6,461)**	**(8,937)**	**137,193**	**143,654**	**(7,752)**			**(8,937)**
Cash/cash equivalents at beginning:		175,550	43,665	143,659		143,659	143,659			143,659
Cash/cash equivalents at month/year end:		2,599,414	37,204	134,722		287,313	135,907			134,722

"Annexure A4"

1. MUNICIPAL MONTHLY BUDGET TABLES

1.1 MONTHLY BUDGET TABLES

The seven main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section of the report. These tables set out the Municipality's 2024/25 budget performance for the period of March 2025 and are to be noted. Each table is accompanied by explanatory notes.

Table C1 Monthly Budget Statement Summary – M09 March 2025

R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Financial Performance									
Property rates	280,203	297,076	298,309	20,291	237,030	223,732	13,299	6%	298,309
Service charges	607,369	599,522	701,777	49,873	485,672	526,332	(40,660)	-8%	701,777
Investment revenue	12,962	13,998	15,498	413	9,549	11,623	(2,074)	-18%	15,498
Transfers and subsidies - Operational	198,630	202,153	210,105	48,425	200,361	157,578	42,782	27%	210,105
Other own revenue	110,770	279,872	135,214	5,239	58,649	101,411	(42,762)	-42%	135,214
Total Revenue (excluding capital transfers and	**1,209,934**	**1,392,621**	**1,360,902**	**124,241**	**991,262**	**1,020,677**	**(29,415)**	**-3%**	**1,360,902**
Employee costs	398,878	471,743	482,971	29,366	308,320	362,228	(53,908)	-15%	482,971
Remuneration of Councillors	14,976	15,594	15,594	1,244	11,797	11,696	101	1%	15,594
Depreciation and amortisation	102,539	117,798	117,798	9,817	88,349	88,349	(1)	-0%	117,798
Interest	10,038	17,404	13,002	663	5,578	9,751	(4,173)	-43%	13,002
Inventory consumed and bulk purchases	454,301	495,318	517,871	41,514	404,909	388,403	16,506	4%	517,871
Transfers and subsidies	920	400	400	12	14	300	(286)	-95%	400
Other expenditure	327,630	387,217	313,357	176,635	306,504	234,637	71,868	31%	313,357
Total Expenditure	**1,309,281**	**1,505,474**	**1,460,993**	**259,250**	**1,125,471**	**1,095,364**	**30,108**	**3%**	**1,460,993**
Surplus/(Deficit)	**(99,347)**	**(112,853)**	**(100,091)**	**(135,010)**	**(134,210)**	**(74,687)**	**(59,523)**	**80%**	**(100,091)**
Transfers and subsidies - capital (monetary allocations)	85,140	133,816	179,527	7,937	55,766	134,645	(78,879)	-59%	179,527
Transfers and subsidies - capital (in-kind)	18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**	**(138,402)**	**-231%**	**79,436**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**	**(138,402)**	**-231%**	**79,436**
Capital expenditure & funds sources									
Capital expenditure	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**
Capital transfers recognised	3,157	116,362	158,792	15,137	57,302	119,094	(61,792)	-52%	158,792
Borrowing	–	34,000	94,484	–	51,006	70,863	(19,857)	-28%	94,484
Internally generated funds	89,757	–	29,618	2,870	10,943	22,214	(11,271)	-51%	29,618
Total sources of capital funds	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**
Financial position									
Total current assets	266,448	213,837	293,425		354,829				293,425
Total non current assets	2,312,828	2,369,948	2,477,924		2,343,730				2,477,924
Total current liabilities	293,952	225,392	282,905		338,573				282,905
Total non current liabilities	243,291	270,953	366,975		391,708				366,975
Community wealth/Equity	**2,042,032**	**2,087,440**	**2,121,469**		**1,968,278**				**2,121,469**
Cash flows									
Net cash from (used) operating	2,506,902	109,901	122,951	159,839	293,177	84,174	(209,003)	-248%	122,951
Net cash from (used) investing	(83,038)	(116,362)	(231,888)	(20,708)	(137,274)	(166,926)	(29,651)	18%	(231,888)
Net cash from (used) financing	–	–	100,000	(1,938)	(12,248)	75,000	87,248	116%	100,000
Cash/cash equivalents at the month/year end	**2,599,414**	**37,204**	**134,722**	**–**	**287,313**	**135,907**	**(151,406)**	**-111%**	**134,722**

Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	73,375	12,584	9,312	8,194	7,315	6,668	36,688	172,925	327,061
Creditors Age Analysis									
Total Creditors	50,247	156	31	18	48	16	400	(957)	49,959

Explanatory notes to Table C1 – Monthly Budget Summary

The aim of the Budget Summary is to provide a concise overview of the actual budget performance from all of the major financial perspective (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the actual amounts spent compared to the monthly budget projections within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance.

Table C2 Monthly Budget Statement – Financial Performance (standard classification) – M09 March 2025

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
Revenue - Functional										
Governance and administration		**489,309**	**590,750**	**499,299**	**69,851**	**385,640**	**374,474**	11,166	3%	**499,299**
Executive and council		46	142	142	–	53	106	(54)	-50%	142
Finance and administration		489,263	590,608	499,157	69,851	385,588	374,368	11,220	3%	499,157
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**51,001**	**87,286**	**120,969**	**2,233**	**34,279**	**90,727**	(56,448)	-62%	**120,969**
Community and social services		2,415	2,460	3,365	23	3,220	2,523	697	28%	3,365
Sport and recreation		7,682	11,504	11,504	475	8,550	8,628	(78)	-1%	11,504
Public safety		1,792	1,857	1,857	5	20	1,393	(1,373)	-99%	1,857
Housing		35,790	68,969	101,747	1,722	21,499	76,310	(54,812)	-72%	101,747
Health		3,322	2,496	2,496	7	989	1,872	(883)	-47%	2,496
Economic and environmental services		**48,168**	**56,136**	**61,166**	**2,410**	**27,491**	**45,875**	(18,383)	-40%	**61,166**
Planning and development		8,375	10,252	10,252	1,084	6,087	7,689	(1,601)	-21%	10,252
Road transport		16,518	19,972	32,160	356	5,698	24,120	(18,421)	-76%	32,160
Environmental protection		23,276	25,912	18,755	970	15,706	14,066	1,640	12%	18,755
Trading services		**724,595**	**792,266**	**858,995**	**57,684**	**599,617**	**644,246**	(44,629)	-7%	**858,995**
Energy sources		398,034	409,585	444,755	35,462	327,394	333,566	(6,172)	-2%	444,755
Water management		156,102	177,913	202,542	8,489	119,371	151,907	(32,536)	-21%	202,542
Waste water management		106,410	123,062	133,183	10,501	96,501	99,887	(3,386)	-3%	133,183
Waste management		64,049	81,707	78,516	3,233	56,351	58,887	(2,535)	-4%	78,516
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,313,073**	**1,526,437**	**1,540,430**	**132,178**	**1,047,028**	**1,155,322**	**(108,294)**	**-9%**	**1,540,430**
Expenditure - Functional										
Governance and administration		**328,779**	**362,481**	**366,409**	**24,127**	**229,672**	**274,427**	(44,755)	-16%	**366,409**
Executive and council		57,143	61,996	61,189	4,190	42,220	45,891	(3,671)	-8%	61,189
Finance and administration		271,580	299,963	304,803	19,929	187,366	228,223	(40,856)	-18%	304,803
Internal audit		57	523	418	7	86	313	(227)	-73%	418
Community and public safety		**104,281**	**140,104**	**138,745**	**9,751**	**82,472**	**104,058**	(21,586)	-21%	**138,745**
Community and social services		9,188	13,952	13,796	806	7,134	10,347	(3,213)	-31%	13,796
Sport and recreation		52,608	75,205	72,073	5,685	42,650	54,055	(11,405)	-21%	72,073
Public safety		28,701	33,254	33,342	2,063	21,990	25,007	(3,017)	-12%	33,342
Housing		5,817	9,703	11,670	613	5,082	8,753	(3,671)	-42%	11,670
Health		7,968	7,991	7,863	585	5,616	5,897	(281)	-5%	7,863
Economic and environmental services		**126,118**	**288,532**	**198,200**	**12,465**	**103,574**	**148,649**	(45,075)	-30%	**198,200**
Planning and development		27,163	32,149	37,410	2,599	19,129	28,057	(8,928)	-32%	37,410
Road transport		86,718	246,274	151,912	9,480	80,521	113,934	(33,413)	-29%	151,912
Environmental protection		12,237	10,109	8,878	386	3,925	6,658	(2,734)	-41%	8,878
Trading services		**743,328**	**714,357**	**757,639**	**212,907**	**709,749**	**568,229**	141,520	25%	**757,639**
Energy sources		426,149	453,172	494,191	36,370	366,334	370,643	(4,309)	-1%	494,191
Water management		161,924	108,542	109,037	92,807	168,077	81,778	86,299	106%	109,037
Waste water management		103,926	88,779	90,277	33,053	82,348	67,708	14,640	22%	90,277
Waste management		51,329	63,864	64,133	50,676	92,991	48,100	44,891	93%	64,133
Other		**6,775**	–	–	–	**3**	–	**3**		–
Total Expenditure - Functional	3	**1,309,281**	**1,505,474**	**1,460,993**	**259,250**	**1,125,471**	**1,095,364**	**30,108**	**3%**	**1,460,993**
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**	**(138,402)**	**-231%**	**79,436**

Explanatory notes to Table C2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

The standard classification refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities report their operations in one common format, to facilitate comparison across all municipalities.

Table C3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote – M09 March 2025

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1,687	1,115	1,115	403	1,703	836	867	103.7%	1,115
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		449,050	446,890	454,924	69,385	389,528	341,193	48,334	14.2%	454,924
Vote 4 - COMMUNITY SERVICES		148,611	276,782	167,855	4,941	86,970	125,891	(38,921)	-30.9%	167,855
Vote 5 - CIVIL AND WATER SERVICES		274,288	314,671	361,609	19,252	214,894	271,206	(56,312)	-20.8%	361,609
Vote 6 - ELECTRO/MECHANICAL SERVICES		398,035	409,586	444,756	35,498	327,753	333,567	(5,815)	-1.7%	444,756
Vote 7 - PLANNING AND DEVELOPMENT		41,392	77,392	110,171	2,698	26,180	82,628	(56,448)	-68.3%	110,171
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1,313,063**	**1,526,437**	**1,540,430**	**132,178**	**1,047,028**	**1,155,322**	**(108,294)**	**-9.4%**	**1,540,430**
Expenditure by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		27,222	31,456	31,803	1,903	21,842	23,852	(2,010)	-8.4%	31,803
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		114,919	128,955	126,253	8,742	87,038	94,310	(7,272)	-7.7%	126,253
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		133,949	141,869	136,835	8,486	72,789	102,626	(29,837)	-29.1%	136,835
Vote 4 - COMMUNITY SERVICES		218,052	386,594	290,666	64,842	218,788	217,999	789	0.4%	290,666
Vote 5 - CIVIL AND WATER SERVICES		348,309	316,288	329,020	135,034	326,646	246,764	79,882	32.4%	329,020
Vote 6 - ELECTRO/MECHANICAL SERVICES		442,656	466,160	507,837	37,541	378,010	380,878	(2,868)	-0.8%	507,837
Vote 7 - PLANNING AND DEVELOPMENT		23,509	34,152	38,579	2,702	20,359	28,934	(8,575)	-29.6%	38,579
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1,308,616**	**1,505,474**	**1,460,993**	**259,250**	**1,125,471**	**1,095,364**	**30,108**	**2.7%**	**1,460,993**
Surplus/ (Deficit) for the year	2	**4,447**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**	**(138,402)**	**-230.8%**	**79,436**

Explanatory notes to Table C3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

The purpose of the format in which the monthly budget reporting table is represented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Directors concerned.

Operating revenue and expenditure are thus presented by "vote". A "vote" is defined as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

Table C4 Monthly Budget Statement – Financial Performance (revenue and expenditure) – M09 March 2025

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
Revenue										
Exchange Revenue		670,815	667,935	771,689	53,251	527,084	578,767	(51,683)	-9%	771,689
Service charges - Electricity		380,376	381,991	425,559	33,243	311,621	319,169	(7,548)	-2%	425,559
Service charges - Water		109,873	82,323	138,057	7,669	80,903	103,543	(22,640)	-22%	138,057
Service charges - Waste Water Management		59,633	64,086	76,014	5,089	49,243	57,011	(7,768)	-14%	76,014
Service charges - Waste management		57,488	71,123	62,146	3,873	43,905	46,610	(2,704)	-6%	62,146
Sale of Goods and Rendering of Services		7,442	9,533	9,533	727	4,530	7,150	(2,620)	-37%	9,533
Agency services		3,615	4,554	4,554	–	–	3,416	(3,416)	-100%	4,554
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		21,854	32,335	32,335	1,424	18,259	24,251	(5,992)	-25%	32,335
Interest earned from Current and Non Current Assets		12,962	13,998	15,498	413	9,549	11,623	(2,074)	-18%	15,498
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		3,550	3,187	3,187	273	3,348	2,390	958	40%	3,187
Licence and permits		2,368	2,851	2,851	167	1,680	2,138	(458)	-21%	2,851
Operational Revenue		11,654	1,955	1,955	374	4,046	1,466	2,579	176%	1,955
Non-Exchange Revenue		539,119	724,686	589,213	70,990	464,178	441,910	22,268	5%	589,213
Property rates		280,203	297,076	298,309	20,291	237,030	223,732	13,299	6%	298,309
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		40,084	143,343	43,859	323	828	32,894	(32,066)	-97%	43,859
Licence and permits		7,421	11,772	11,772	343	8,236	8,829	(593)	-7%	11,772
Transfer and subsidies - Operational		198,630	202,153	210,105	48,425	200,361	157,578	42,782	27%	210,105
Interest		5,519	5,510	5,510	391	2,084	4,133	(2,049)	-50%	5,510
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	64,831	19,658	1,217	15,639	14,744	895	6%	19,658
Gains on disposal of Assets		(56)	–	–	–	–	–	–		–
Other Gains		7,318	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and		**1,209,934**	**1,392,621**	**1,360,902**	**124,241**	**991,262**	**1,020,677**	**(29,415)**	**-3%**	**1,360,902**
Expenditure By Type										
Employee related costs		398,878	471,743	482,971	29,366	308,320	362,228	(53,908)	-15%	482,971
Remuneration of councillors		14,976	15,594	15,594	1,244	11,797	11,696	101	1%	15,594
Bulk purchases - electricity		351,702	386,299	413,349	31,238	326,694	310,012	16,682	5%	413,349
Inventory consumed		102,599	109,019	104,522	10,276	78,215	78,391	(176)	0%	104,522
Debt impairment		87,369	158,246	59,136	–	–	44,352	(44,352)	-100%	59,136
Depreciation and amortisation		102,539	117,798	117,798	9,817	88,349	88,349	(1)	0%	117,798
Interest		10,038	17,404	13,002	663	5,578	9,751	(4,173)	-43%	13,002
Contracted services		93,766	125,372	146,032	10,597	73,829	109,523	(35,694)	-33%	146,032
Transfers and subsidies		920	400	400	12	14	300	(286)	-95%	400
Irrecoverable debts written off		62,860	9,359	10,078	158,051	167,151	7,559	159,593	2111%	10,078
Operational costs		81,923	94,240	98,111	7,987	65,524	73,203	(7,679)	-10%	98,111
Losses on Disposal of Assets		1,713	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1,309,281**	**1,505,474**	**1,460,993**	**259,250**	**1,125,471**	**1,095,364**	**30,108**	**3%**	**1,460,993**
Surplus/(Deficit)		**(99,347)**	**(112,853)**	**(100,091)**	**(135,010)**	**(134,210)**	**(74,687)**	**(59,523)**	**0**	**(100,091)**
Transfers and subsidies - capital (monetary allocations)		85,140	133,816	179,527	7,937	55,766	134,645	(78,879)	**(0)**	179,527
Transfers and subsidies - capital (in-kind)		18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**			**79,436**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**			**79,436**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**			**79,436**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**			**79,436**

Explanatory notes to Table C4 – Budgeted Financial Performance (revenue and expenditure)

The Financial Performance Budget is required to be approved concurrently by revenue source and expenditure type, so as to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the monthly results, the monthly budget-to-date projections, and the original budget, so as to assess performance.

Table C5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding) – M09 March 2025

EC108 Kouga - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) -

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		71	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1,129	–	1,933	25	1,176	1,450	(274)	-19%	1,933
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		810	–	992	6	413	744	(331)	-44%	992
Vote 4 - COMMUNITY SERVICES		3,914	1,391	1,634	–	209	1,225	(1,016)	-83%	1,634
Vote 5 - CIVIL AND WATER SERVICES		50,070	80,868	167,517	8,096	45,451	125,637	(80,186)	-64%	167,517
Vote 6 - ELECTRO/MECHANICAL SERVICES		167	68,103	88,835	9,221	64,639	66,626	(1,987)	-3%	88,835
Vote 7 - PLANNING AND DEVELOPMENT		(23)	–	21,956	658	7,363	16,467	(9,104)	-55%	21,956
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**56,138**	**150,362**	**282,866**	**18,007**	**119,251**	**212,149**	**(92,898)**	**-44%**	**282,866**
Single Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		39	–	28	–	–	21	(21)	-100%	28
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		–	–	–	–	–	–	–		–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		11	–	–	–	–	–	–		–
Vote 4 - COMMUNITY SERVICES		1,557	–	–	–	–	–	–		–
Vote 5 - CIVIL AND WATER SERVICES		35,111	–	–	–	–	–	–		–
Vote 6 - ELECTRO/MECHANICAL SERVICES		58	–	–	–	–	–	–		–
Vote 7 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	36,777	–	28	–	–	21	**(21)**	**-100%**	28
Total Capital Expenditure	3	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**
Capital Expenditure - Functional Classification										
Governance and administration		**2,644**	**34,000**	**54,101**	**31**	**52,804**	**40,576**	12,228	30%	**54,101**
Executive and council		336	–	300	–	–	225	(225)	-100%	300
Finance and administration		2,270	34,000	53,773	31	52,804	40,330	12,474	31%	53,773
Internal audit		39	–	28	–	–	21	(21)	-100%	28
Community and public safety		**9,879**	**1,391**	**21,947**	**658**	**7,363**	**16,460**	(9,098)	-55%	**21,947**
Community and social services		6,562	–	–	–	–	–	–		–
Sport and recreation		506	–	–	–	–	–	–		–
Public safety		2,810	1,391	1,391	–	–	1,043	(1,043)	-100%	1,391
Housing		–	–	20,556	658	7,363	15,417	(8,054)	-52%	20,556
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**29,125**	**9,670**	**66,646**	**83**	**3,284**	**49,984**	(46,701)	-93%	**66,646**
Planning and development		14	500	3,497	38	701	2,623	(1,922)	-73%	3,497
Road transport		28,869	9,170	63,149	45	2,583	47,362	(44,778)	-95%	63,149
Environmental protection		242	–	–	–	–	–	–		–
Trading services		**51,267**	**105,300**	**140,200**	**17,234**	**55,801**	**105,150**	(49,349)	-47%	**140,200**
Energy sources		5,703	34,103	37,829	9,221	13,633	28,372	(14,739)	-52%	37,829
Water management		21,197	29,008	53,770	895	14,369	40,328	(25,959)	-64%	53,770
Waste water management		22,809	42,190	48,600	7,118	27,799	36,450	(8,652)	-24%	48,600
Waste management		1,557	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**
Funded by:										
National Government		347	54,997	72,328	5,953	31,357	54,246	(22,889)	-42%	72,328
Provincial Government		–	59,973	85,073	9,183	25,945	63,804	(37,859)	-59%	85,073
District Municipality		2,810	1,391	1,391	–	–	1,043	(1,043)	-100%	1,391
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		**3,157**	**116,362**	**158,792**	**15,137**	**57,302**	**119,094**	**(61,792)**	**-52%**	**158,792**
Borrowing	6	–	34,000	94,484	–	51,006	70,863	(19,857)	-28%	94,484
Internally generated funds		89,757	–	29,618	2,870	10,943	22,214	(11,271)	-51%	29,618
Total Capital Funding	7	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**

Explanatory notes to Table C5 – Budgeted Capital Expenditure by vote, standard classification and funding

Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

Table C6 Monthly Budget Statement – Financial Position – M09 March 2025

EC108 Kouga - Table C6 Monthly Budget Statement - Financial Position -						
Description	Ref	2023/24	Budget Year 2024/25			
R thousands		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		143,659	43,640	170,463	287,313	170,463
Trade and other receivables from exchange transactions		58,750	77,030	59,899	(61,367)	59,899
Receivables from non-exchange transactions		26,651	29,014	26,651	13,548	26,651
Current portion of non-current receivables		–	–	–	–	–
Inventory		22,450	18,598	22,623	25,423	22,623
VAT		12,790	45,445	12,790	87,772	12,790
Other current assets		2,149	109	999	2,139	999
Total current assets		**266,448**	**213,837**	**293,425**	**354,829**	**293,425**
Non current assets						
Investments		–	–	–	–	–
Investment property		250,794	262,608	250,794	250,794	250,794
Property, plant and equipment		2,061,616	2,106,737	2,226,712	2,092,958	2,226,712
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		419	603	419	(21)	419
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**2,312,828**	**2,369,948**	**2,477,924**	**2,343,730**	**2,477,924**
TOTAL ASSETS		**2,579,276**	**2,583,785**	**2,771,349**	**2,698,559**	**2,771,349**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		11,144	23,564	38,274	(1,923)	38,274
Consumer deposits		31,660	29,060	31,660	34,035	31,660
Trade and other payables from exchange transactions		143,222	124,413	143,395	115,835	143,395
Trade and other payables from non-exchange transactions		38,791	–	0	57,248	0
Provision		54,427	48,355	54,868	54,427	54,868
VAT		14,707	(0)	14,707	78,951	14,707
Other current liabilities		–	–	–	–	–
Total current liabilities		**293,952**	**225,392**	**282,905**	**338,573**	**282,905**
Non current liabilities						
Financial liabilities		12,231	11,333	120,843	160,648	120,843
Provision		133,995	140,468	137,347	133,995	137,347
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		97,065	119,151	108,785	97,065	108,785
Total non current liabilities		**243,291**	**270,953**	**366,975**	**391,708**	**366,975**
TOTAL LIABILITIES		**537,243**	**496,345**	**649,880**	**730,281**	**649,880**
NET ASSETS	2	**2,042,032**	**2,087,440**	**2,121,469**	**1,968,278**	**2,121,469**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2,036,273	2,087,440	2,121,469	1,962,519	2,121,469
Reserves and funds		5,759	–	–	5,759	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2,042,032**	**2,087,440**	**2,121,469**	**1,968,278**	**2,121,469**

Explanatory notes to Table C6 – Budgeted Financial Position

i. The table represents Assets less Liabilities as Community Wealth. The order of items within each group is also aligned to the convention of showing items in order of liquidity, i.e. assets readily converted to cash or liabilities immediately required to be met from cash appear first.

ii. Any movement on the Budgeted Financial Performance or the Capital Budget will invariably impact on the Budgeted Financial Position.
For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end.

Similarly, the collection rate assumption informs the budget provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as

compliance assessment is directly informed by forecasting the statement of financial position.

Table C7 Monthly Budget Statement – Cash Flow – M09 March 2025

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		362,726	287,458	288,628	22,098	229,359	216,471	12,888	6%	288,628
Service charges		255,325	761,922	823,774	55,888	441,764	617,831	(176,067)	-28%	823,774
Other revenue		16,788	93,666	115,947	26,376	305,502	86,960	218,542	251%	115,947
Transfers and Subsidies - Operational		184,436	202,153	210,105	48,411	201,984	157,578	44,406	28%	210,105
Transfers and Subsidies - Capital		1,586	123,443	140,736	23,574	73,120	97,513	(24,393)	-25%	140,736
Interest		914,663	13,998	15,498	413	9,549	11,623	(2,074)	-18%	15,498
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771,377	(1,356,179)	(1,460,241)	(15,340)	(961,607)	(1,095,181)	(133,574)	12%	(1,460,241)
Interest		–	(16,159)	(11,097)	(1,581)	(6,496)	(8,322)	(1,827)	22%	(11,097)
Transfers and Subsidies		–	(400)	(400)	–	–	(300)	(300)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2,506,902**	**109,901**	**122,951**	**159,839**	**293,177**	**84,174**	**(209,003)**	**-248%**	**122,951**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(83,038)	(116,362)	(231,888)	(20,708)	(137,274)	(166,926)	(29,651)	18%	(231,888)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83,038)**	**(116,362)**	**(231,888)**	**(20,708)**	**(137,274)**	**(166,926)**	**(29,651)**	**18%**	**(231,888)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	100,000	–	–	75,000	(75,000)	-100%	100,000
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	(1,938)	(12,248)	–	12,248	0%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**100,000**	**(1,938)**	**(12,248)**	**75,000**	**87,248**	**116%**	**100,000**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,423,864**	**(6,461)**	**(8,937)**	**137,193**	**143,654**	**(7,752)**			**(8,937)**
Cash/cash equivalents at beginning:		175,550	43,665	143,659		143,659	143,659			143,659
Cash/cash equivalents at month/year end:		2,599,414	37,204	134,722		287,313	135,907			134,722

Explanatory notes to Table C7 – Budgeted Cash Flow Statement

i. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.

ii. It reflects the expected cash inflows versus outflows that are likely to result from the implementation of the budget.

"Annexure A5"

1. ANALYSIS OF THE MUNICIPALITY'S STATEMENT OF FINANCIAL POSITION

In this section the Municipality's Debtors, Creditors and Investments will be analysed. These components have a significant impact on the Municipality's financial position.

1.1. Overview of outstanding Consumer Debtors (Inclusive of VAT)

Below is an analysis of the outstanding consumer debtors as at 31 March 2025, compared to the position as at 30 June 2024.

Debtors' Age Analysis (Inclusive of VAT) as at 31 March 2025

Description	Budget Year 2024/25								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	23,627	4,200	3,447	2,971	2,787	2,593	9,921	40,374	89,918
Trade and Other Receivables from Exchange Transactions - Electricity	34,754	2,260	1,672	1,286	1,047	915	3,866	13,038	58,836
Receivables from Non-exchange Transactions - Property Rates	21,954	2,300	1,894	1,719	1,423	1,276	11,645	29,476	71,688
Receivables from Exchange Transactions - Waste Water Management	11,551	1,829	1,091	985	935	806	3,479	15,901	36,577
Receivables from Exchange Transactions - Waste Management	8,282	1,328	731	658	620	569	3,098	20,836	36,123
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	3,619	263	260	303	313	340	2,711	40,766	48,575
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(30,412)	404	219	271	190	169	1,968	12,534	(14,657)
Total By Income Source	**73,375**	**12,584**	**9,312**	**8,194**	**7,315**	**6,668**	**36,688**	**172,925**	**327,061**
Debtors Age Analysis By Customer Group									
Organs of State	1,707	539	392	414	287	231	1,915	7,174	12,659
Commercial	10,378	552	369	355	330	322	1,161	7,516	20,984
Households	61,286	11,493	8,550	7,424	6,698	6,114	33,606	158,222	293,393
Other	4	1	1	1	1	1	5	12	25
Total By Customer Group	**73,375**	**12,584**	**9,312**	**8,194**	**7,315**	**6,668**	**36,688**	**172,925**	**327,061**

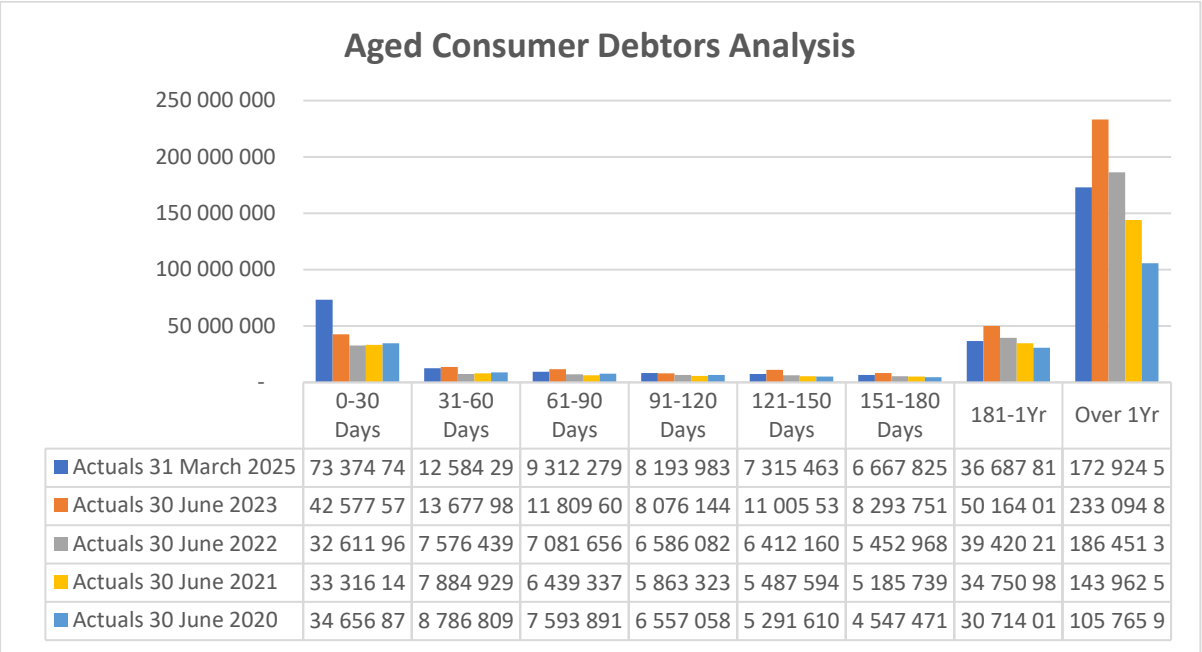
Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2024

Description	Budget Year 2023/24								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	16,926	4,991	3,560	2,947	2,757	3,342	23,674	81,485	139,681
Trade and Other Receivables from Exchange Transactions - Electricity	30,100	2,656	1,822	1,523	1,227	1,205	3,967	12,087	54,588
Receivables from Non-exchange Transactions - Property Rates	20,688	2,926	2,041	1,917	1,656	1,607	12,274	25,329	68,439
Receivables from Exchange Transactions - Waste Water Management	8,472	1,630	1,289	1,139	1,069	1,426	5,337	31,828	52,190
Receivables from Exchange Transactions - Waste Management	6,656	1,404	1,250	1,181	1,129	1,384	5,914	45,009	63,925
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1,047	293	312	353	395	688	4,539	65,856	73,483
Recoverable unauthorised, irregular, fruitless and w asteful expenditure	–	–	–	–	–	–	–	–	–
Other	(30,180)	448	401	356	365	371	2,128	17,423	(8,688)
Total By Income Source	**53,707**	**14,348**	**10,675**	**9,416**	**8,597**	**10,023**	**57,833**	**279,018**	**443,618**
Debtors Age Analysis By Customer Group									
Organs of State	1,405	559	416	572	440	360	2,688	4,873	11,312
Commercial	7,621	589	366	362	305	260	1,475	6,618	17,596
Households	44,677	13,199	9,892	8,482	7,852	9,403	53,664	267,524	414,692
Other	4	1	1	1	1	1	6	4	18
Total By Customer Group	**53,707**	**14,348**	**10,675**	**9,416**	**8,597**	**10,023**	**57,833**	**279,018**	**443,618**

The analysis indicates that from 30 June 2024 to 31 March 2025, the overdue debts have decreased by R 136,224 million from R 389,910 million to R 253,686 million, as follows:

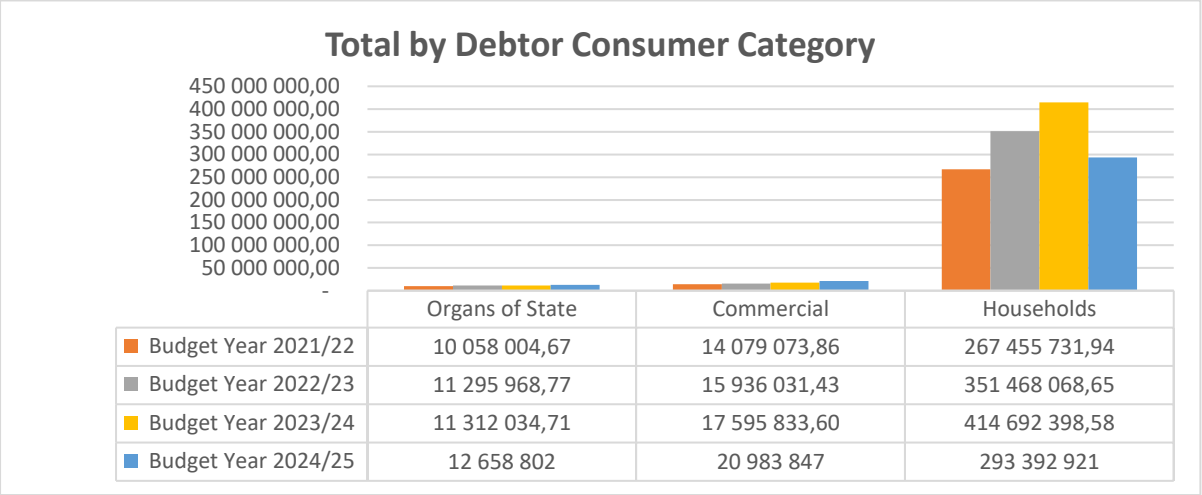
R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-24**	**31-Mar-25**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	122,756	66,291	(56,465)
Trade and Other Receivables from Exchange Transactions - Electricity	24,488	24,083	(405)
Receivables from Non-exchange Transactions - Property Rates	47,751	49,734	1,983
Receivables from Exchange Transactions - Waste Water Management	43,719	25,026	(18,692)
Receivables from Exchange Transactions - Waste Management	57,269	27,841	(29,428)
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	72,437	44,956	(27,481)
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	21,492	15,755	(5,737)
Total By Income Source	**389,910**	**253,686**	**(136,224)**
Debtors Age Analysis By Customer Group			
Organs of State	9,907	10,952	1,045
Commercial	9,975	10,606	631
Households	370,015	232,107	(137,909)
Other	14	22	8
Total By Customer Group	**389,910**	**253,686**	**(136,224)**

Graphical Analysis of consumer debtors



	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1Yr	Over 1Yr
Actuals 31 March 2025	73 374 74	12 584 29	9 312 279	8 193 983	7 315 463	6 667 825	36 687 81	172 924 5
Actuals 30 June 2023	42 577 57	13 677 98	11 809 60	8 076 144	11 005 53	8 293 751	50 164 01	233 094 8
Actuals 30 June 2022	32 611 96	7 576 439	7 081 656	6 586 082	6 412 160	5 452 968	39 420 21	186 451 3
Actuals 30 June 2021	33 316 14	7 884 929	6 439 337	5 863 323	5 487 594	5 185 739	34 750 98	143 962 5
Actuals 30 June 2020	34 656 87	8 786 809	7 593 891	6 557 058	5 291 610	4 547 471	30 714 01	105 765 9

Graphical Analysis of consumer debtors (total by Debtor Consumer Category)



	Organs of State	Commercial	Households
Budget Year 2021/22	10 058 004,67	14 079 073,86	267 455 731,94
Budget Year 2022/23	11 295 968,77	15 936 031,43	351 468 068,65
Budget Year 2023/24	11 312 034,71	17 595 833,60	414 692 398,58
Budget Year 2024/25	12 658 802	20 983 847	293 392 921

1.2 Overview of Creditors position

Below is an analysis of the status of the major creditors.

Description	Budget Year 2024/25								
R thousands	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type									
Bulk Electricity	35,824	–	–	–	–	–	–	–	**35,824**
Bulk Water	3,416	(220)	14	18	18	16	42	(1,021)	**2,282**
PAYE deductions	5,724								**5,724**
VAT (output less input)									**–**
Pensions / Retirement deductions									**–**
Loan repayments									**–**
Trade Creditors	5,283	376	17	–	30	–	358	65	**6,129**
Auditor General									**–**
Other									**–**
Total By Customer Type	**50,247**	**156**	**31**	**18**	**48**	**16**	**400**	**(957)**	**49,959**

The above amounts represent invoices still to be paid. The major creditors as at 31 March 2025 are as follows:

Eskom	R 35,824 million
NMBM	R 2,282 million
PAYE	R 5,724 million
Other Creditors	R 6,129 million
Total	**R 49,959 million**

It must be noted that the Eskom amount of R 35,824million, represents the current account for March 2025, which was due on 23 April 2025.

It is to be noted that the SARS amount of R 5,724million, represents the current account for March 2025 which was paid on 04 April 2025.

1.3 Allocation and Grants receipts and expenditure for the 2024/25 financial year

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M09 March 2025.

Description	Budget Year 2024/25							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
RECEIPTS:								
Operating Transfers and Grants								
National Government:	197,710	197,710	48,411	197,696	197,710	14	0%	197,710
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	48,166	192,656	192,664	8	0%	192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Sched	1,495	1,495	-	1,495	1,495	-	0%	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	-	1,723	1,723	-	0%	1,723
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,828	245	1,822	1,828	6	0%	1,828
Provincial Government:	2,050	9,952	-	2,955	9,952	6,997	70.31%	5,498
Humam Settlement Grant	-	6,997	-	-	6,997	6,997	100.00%	3,448
Library grant	2,050	2,955	-	2,955	2,955	-	0.00%	2,050
District Municipality:	2,393	2,393	-	2,497	2,393	(105)	-4.37%	2,393
Environmental health subsidy	2,393	2,393	-	2,497	2,393	(105)	-4.37%	2,393
Other grant providers:	-	50	-	-	50		-	50
Departmental Agencies and Accounts	-	50	-	-	50	50	100.00%	50
Total Operating Transfers and Grants	202,153	210,105	48,411	203,149	210,105	6,956	3.31%	205,601
Capital Transfers and Grants								
National Government:	52,874	63,325	21,684	63,331	63,325	(6)	0%	63,325
Municipal Disaster Relief Grant	-	12,180	12,180	12,180	12,180	-	0%	12,180
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	2,586	2,586	2,586	2,586	-	0%	2,586
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,618	4,662	34,624	34,618	(6)	0%	34,618
Water Services Infrastructure Grant	13,941	13,941	2,256	13,941	13,941	-	0%	13,941
Provincial Government:	68,969	75,655	2,343	9,790	75,655	65,866	87%	75,655
Human Settlement Grant	68,969	75,655	2,343	9,790	75,655	65,866	87%	75,655
District Municipality:	1,600	1,600	-	-	1,600		0%	1,600
Fire Services Subsidy	1,600	1,600	-	-	1,600	1,600	100%	1,600
Total Capital Transfers and Grants	123,443	138,980	24,027	73,120	140,580	65,860	47%	140,580
TOTAL RECEIPTS OF TRANSFERS & GRANTS	325,596	349,085	72,438	276,269	350,685	72,816	20.76%	346,182

Below is an analysis of the spending associated with the grants as at 31 March 2025:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M09 March 2025.

Description	Budget Year 2024/25							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance%	Full Year Forecast
R thousands								
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	**197,710**	**197,710**	**48,425**	**196,073**	**196,440**	**368**	**0**	**197,710**
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	48,166	192,656	192,656	–	0%	192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Sched	1,495	1,495	96	786	1,121	335	30%	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	56	1,421	1,292	(129)	-10%	1,723
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,828	108	1,209	1,371	161	12%	1,828
Provincial Government:	**2,050**	**9,952**	**–**	**3,455**	**8,203**	**4,747**	**0**	**9,952**
Human Settlement Grant	–	6,997	–	500	5,248			6,997
Library grant	2,050	2,955	–	2,955	2,955	–		2,955
District Municipality:	**2,393**	**2,393**	**–**	**832**	**2,393**	**1,560**	**0**	**2,393**
Environmental health subsidy	2,393	2,393	–	832	2,393	1,560	65%	2,393
Other grant providers:	**–**	**50**	**–**	**30**	**50**	**20**		**50**
Departmental Agencies and Accounts	–	50	–	30	50			50
Total operating expenditure of Transfers and Grants:	**202,153**	**210,105**	**48,425**	**200,391**	**207,086**	**6,695**	**155%**	**210,105**
Capital expenditure of Transfers and Grants								
National Government:	**52,874**	**80,874**	**6,215**	**34,768**	**60,655**	**25,888**	**0.43**	**80,874**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	2,586	1,434	1,499	1,940	441	23%	2,586
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,618	4,851	23,822	25,964	2,142	8%	34,618
Water Services Infrastructure Grant	13,941	21,109	(122)	6,476	15,832	9,355	59%	21,109
Municipal Disaster Relief Grant	–	22,561	52	2,971	16,921	13,950	82%	22,561
Provincial Government:	68,969	**94,750**	**1,722**	**20,998**	**71,063**	**50,064**	**70%**	**94,750**
Human Settlement	68,969	94,750	1,722	20,998	71,063	50,064	70%	94,750
District Municipality:	**1,600**	**1,600**	**–**	**–**	**1,600**	**1,600**		**1,600**
Fire Services Subsidy	1,600	1,600	–	–	1,600	1,391		1,600
Total capital expenditure of Transfers and Grants	**123,443**	**177,224**	**7,937**	**55,766**	**133,318**	**77,552**	**58%**	**177,224**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**325,596**	**387,329**	**56,362**	**256,157**	**340,404**	**84,247**	**25%**	**387,329**

Note: The equitable share allocation is utilised to fund indigent household's subsidies granted to qualifying households, with the remainder being used to support the Municipality's operations.

Grants received from National Government.

DORA Operating Grants

Financial Management Grant (FMG)
The purpose of this grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R 1,723,000
Amount of Grant Received:	R 1,723,000
Expenditure to date:	R 1,421,253
Unspent as at 31 March 2025:	R 301,747

The spending of the grant amounted to 82.49% as at 31 March 2025, compared to the amount of the grant received.

Expanded Public Works Programme (EPWP)
The purpose of this grant is to provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive methods can be maximised.

DORA Allocation:	R 1,495,000
Amount of Grant Received:	R 1,495,000
Expenditure to date:	R 806,517
Unspent as at 31 March 2025:	R 688,483

The spending of the grant amounted to 53.95% as at 31 March 2025, compared to the amount of the grant received.

DORA Capital Grants

Municipal Infrastructure Grant (MIG)
The purpose of this grant is to provide specific capital finance for eradicating basic municipal infrastructure backlogs.

DORA Allocation:	R 36,446,000
Amount of Grant Received:	R 36,446,000
Expenditure to date:	R 25,031,540
Unspent as at 31 March 2025:	R 11,414,460

The spending of the grant amounted to 68.68% as at 31 March 2025, compared to the amount of the grant received.

Integrated National Electrification Programme (INEP)
The purpose of this grant is to implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure.

DORA Allocation:	R 2,586,000
Current Year Receipts:	R 2,586,000
Prior Year Unspent:	R 686,303
Expenditure to date:	R 1,498,820
Unspent as at 31 March 2025:	R 1,773,483

The spending of the grant amounted to 45.80% as at 31 March 2025, compared to the amount of the grant received.

Water Services Infrastructure Grant

The purpose of this grant is to provide specific capital finance for projects to accelerate backlog reduction in municipal infrastructure and provide interim, intermediate water and sanitation supply that ensures provision of services to identified and prioritised communities, including through spring protection and groundwater development and support drought relief projects.

DORA Allocation:	R 13,941,000
Current Year Receipts:	R 13,941,000
Prior Year Unspent:	R 7,167,886
Amount of Grant Received:	**R 21,108,886**
Expenditure to date:	R 6,476,205
Unspent as at 31 March 2025:	R 14,632,681

The spending of the grant amounted to 30.68% as at 31 March 2025, compared to the amount of the grant received.

Municipal Disaster Response Grant

The purpose of the grant is to provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act. This grant provides funding for responding to and providing response and relief measures for unforeseeable and unavoidable disasters where municipalities are unable to cope with the effects of the disaster from own resources.

Prior Year Unspent:	R 10,380,741
Current Year Receipts:	R 12,180,000
Expenditure to date:	R 2,970,638
Unspent as at 31 March 2025:	R 19,590,104

The spending of the grant amounted to 13.17% as at 31 March 2025, compared to the amount of the grant received.

Other Conditional Grants

Conditional Grant	Prior Year Unspent	Current Year Receipts	Interest	Expenditure	%	Unspent as at 31 March 2025
Human Settlement Grant	20,555,956	8,833,703	955,973	21,498,750	70.85%	8,846,881

1.4 Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M09 March 2025.

Summary of Employee and Councillor remuneration	Budget Year 2024/25							
	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands							%	
	B	C						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	10,414	10,414	832	7,959	7,810	149	2%	10,414
Pension and UIF Contributions	–	–	–	–	–	–		–
Medical Aid Contributions	–	–	12	101	–	101		–
Motor Vehicle Allowance	3,503	3,503	282	2,679	2,627	52	2%	3,503
Cellphone Allowance	1,678	1,678	118	1,058	1,258	(201)	-16%	1,678
Housing Allowances	–	–	–	–	–	–		–
Sub Total - Councillors	**15,594**	**15,594**	**1,244**	**11,797**	**11,696**	**101**	**1%**	**15,594**
Senior Managers of the Municipality								
Basic Salaries and Wages	9,681	9,681	591	5,362	7,261	(1,899)	-26%	9,681
Pension and UIF Contributions	123	123	1	14	93	(78)	-85%	123
Medical Aid Contributions	56	56	–	3	42	(39)	-93%	56
Performance Bonus	1,798	1,798	–	159	1,348	(1,189)	-88%	1,798
Motor Vehicle Allowance	2,196	2,196	205	1,715	1,647	68	4%	2,196
Cellphone Allowance	11	11	1	9	8	1	12%	11
Other benefits and allowances	5	5	0	1	4	(3)	-86%	5
Sub Total - Senior Managers of Municipality	**13,870**	**13,870**	**798**	**7,262**	**10,402**	**(3,140)**	**-30%**	**13,870**
Other Municipal Staff								
Basic Salaries and Wages	295,150	307,084	20,720	183,163	230,313	(47,150)	-20%	307,084
Pension and UIF Contributions	38,991	40,624	3,131	27,522	30,468	(2,947)	-10%	40,624
Medical Aid Contributions	19,915	20,842	1,872	15,718	15,631	87	1%	20,842
Overtime	29,255	29,335	(282)	21,638	22,001	(363)	-2%	29,335
Performance Bonus	26	26	–	–	20	(20)	-100%	26
Motor Vehicle Allowance	12,091	12,182	887	7,926	9,136	(1,210)	-13%	12,182
Cellphone Allowance	59	59	–	2	44	(42)	-95%	59
Housing Allowances	1,308	1,467	59	511	1,100	(589)	-54%	1,467
Other benefits and allowances	37,715	39,121	1,525	29,672	29,341	331	1%	39,121
Long service awards	–	–	–	243	–	243		–
Post-retirement benefit obligations	23,361	18,361	656	14,662	13,771	892	6%	18,361
Sub Total - Other Municipal Staff	**457,873**	**469,101**	**28,568**	**301,058**	**351,826**	**(50,768)**	**-14%**	**469,101**
Total Parent Municipality	**487,337**	**498,565**	**30,610**	**320,117**	**373,923**	**(53,806)**	**-14%**	**498,565**
TOTAL SALARY, ALLOWANCES & BENEFITS	**487,337**	**498,565**	**30,610**	**320,117**	**373,923**	**(53,806)**	**-14%**	**498,565**
TOTAL MANAGERS AND STAFF	**471,743**	**482,971**	**29,366**	**308,320**	**362,228**	**(53,908)**	**-15%**	**482,971**

1.5. Key performance indicators

The table below reflects the key performance indicators as per the 2024/25 Budget and the associated performance to date.

Borrowing Management		Actuals as at 30 June 2021	Actuals as at 30 June 2022	Actuals as at 30 June 2023	Actuals as at 30 June 2024	Approved Adjusted Budget 2024/25	Actuals as at 31 March 2025
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.13%	1.04%	0.32%	1.37%	1.80%	1.58%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	76.13%	82.34 %
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.01	0.01	0.00	0.01	0.02	0.02
Liquidity							
Current Ratio	Current assets / current liabilities	1.07	0,51	0.91	0.91:1	1.04:1	1.54:1
Liquidity Ratio	Monetary assets / current liabilities	0.34	0,15	0.40	0.49:1	0.60:1	0.85:1
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	94.41 %	94.32 %	86.71 %	91.01 %	95%	90.81 %

Other indicators		Actuals as at 30 June 2021	Actuals as at 30 June 2022	Actuals as at 30 June 2023	Actuals as at 30 June 2024	Approved Adjusted Budget 2024/25	Actuals as at 31 March 2025
Cost coverage	(Cash and cash equivalents - Unspent Conditional Grants - Overdraft) + Short term investment)/monthly fixed operational expenditure excluding (depreciation, amortisation, provision for bad debts, impairment and loss on disposal of assets)	0.65	0.36	0.98	1.19 Months	1.61 Months	2.38 Months
Employee Costs	Employee Costs / Total Operating Expenditure	34.22%	31,69%	29.47%	30.46%	33.06%	27.39 %
Capital Expenditure	Capital Expenditure / Capital Budget	71.67%	123,92 %	94.66%	71.38%	95%	42.15 %
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	6.99%	4,32%	3.86%	4.15%	16.59%	9.95 %
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	3.33%	2,26%	2.32%	2.64%	10.88%	5.35 %
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	77.14%	77,76%	77.74%	77.02%	84.56%	79.79 %

The above table is discussed in detail below.

1.1. Borrowing Management

1.1.1. Capital charges to Operating Expenditure.

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as percentage of Total Operating Expenditure.

Capital charges/Total Operating Expenditure to date.

The ratio is 1.58% as at 31 March 2025, compared to the approved adjusted budget ratio of 1.80%.

Borrowed funding of capital expenditure.

This ratio indicates the proportion of borrowed funding to actual capital expenditure to date (excluding transfers and grants). The ratio also indicates the extent of capital expenditure being financed from borrowed funding compared to own and other funding sources, excluding transfers and grant funded expenditure.

The ratio is determined as follows:

Capital expenditure funded from Borrowings/Total Capital Expenditure to date (excluding transfers and grants)

As at 31 March 2025, the ratio indicates 82.34% of borrowed funding, compared to total expenditure to date, excluding transfers and grants.

1.1.2. Debt Servicing Costs to Operating Revenue Ratio

This ratio indicates the proportion of debt servicing costs (interest and principal paid on borrowing) to actual operating revenue to date.

The ratio is determined as follows:

Debt Servicing Costs/Operating Revenue

As at 31 March 2025, the ratio indicates 0.02, compared to the approved adjusted budget of 0.02.

1.1.3. Current ratio

The Ratio assesses the Municipality's ability to meet its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables etc.).

The ratio is determined as follows:

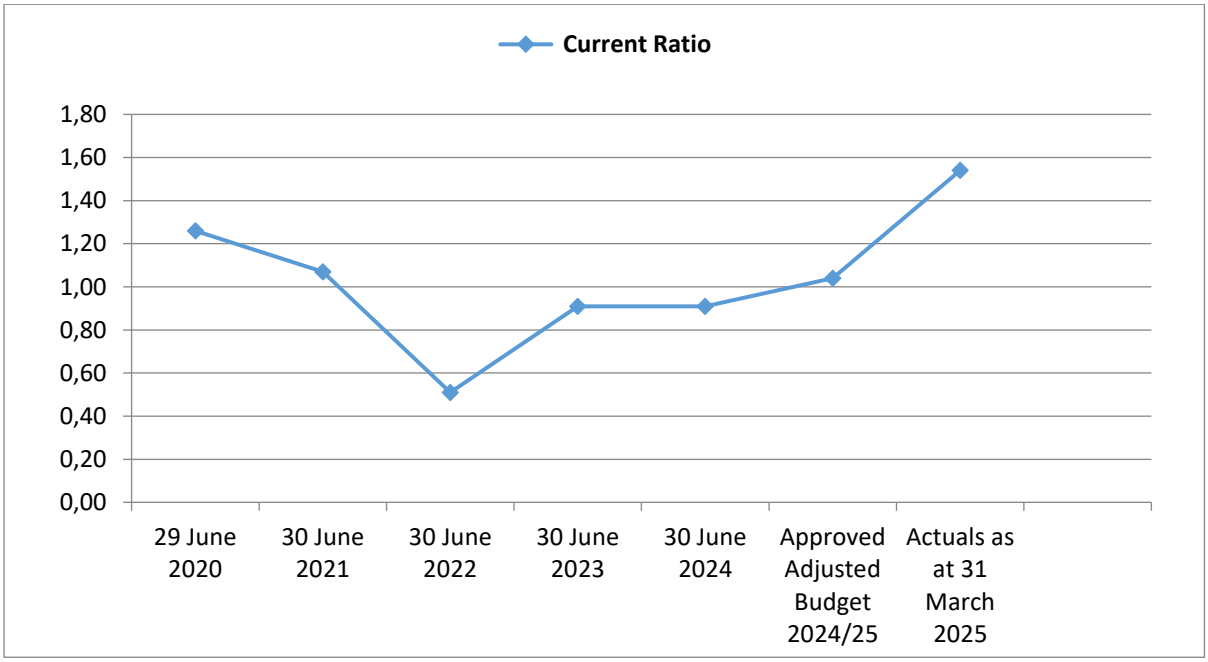
Current assets/Current liabilities

The ratio as at 31 March 2025 was 1.54:1, compared to the approved adjusted budget ratio of 1.04:1. The calculation of the current ratio, includes an adjustment of R 167 million for the reversal of bad debt provision on the debtors. Trade and other receivables were sitting with a credit balance of R 61 million prior the adjustment.

In terms of the MFMA Circular No. 71, the norm is 1.5:1 to 2:1

The higher the current Ratio, the stronger the Municipality's financial capacity to meet its current obligations.

A ratio of below 1:1 would suggest that the Municipality would be unable to meet all of its current obligations as and when they fall due.



1.1.4. Liquidity Ratio

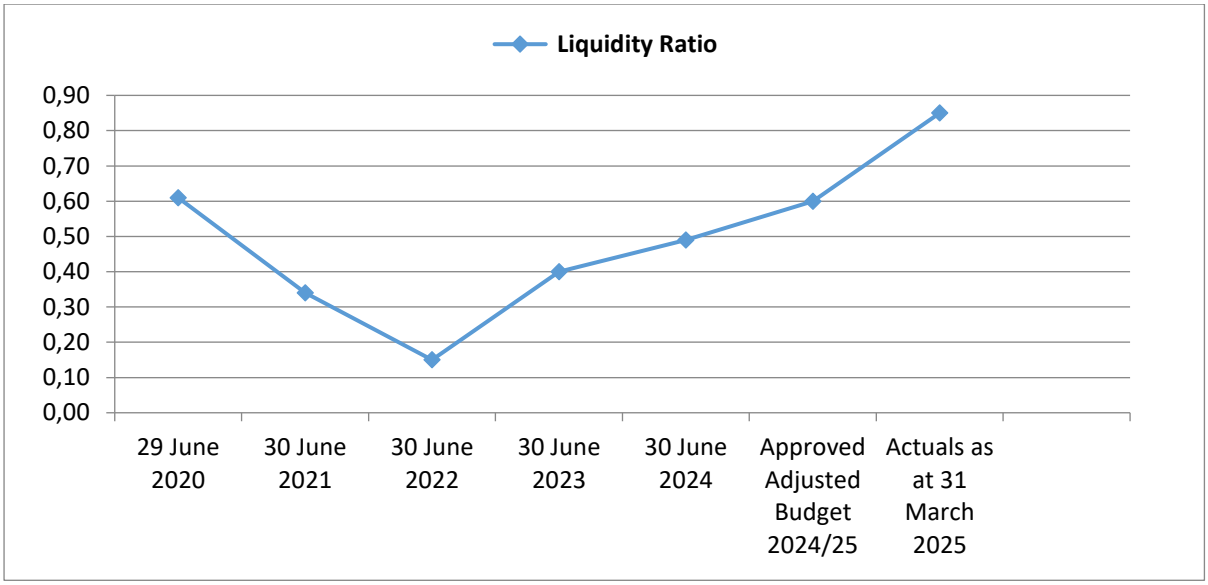
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 31 March 2025 was 0.85:1 compared to the approved budget ratio of 0.60:1.

The liquidity ratio is of the utmost importance to measure the financial liquidity and sustainability of the municipality.


Liquidity Ratio
0,90
0,80
0,70
0,60
0,50
0,40
0,30
0,20
0,10
0,00
29 June 2020
30 June 2021
30 June 2022
30 June 2023
30 June 2024
Approved Adjusted Budget 2024/25
Actuals as at 31 March 2025

1.2. Revenue Management

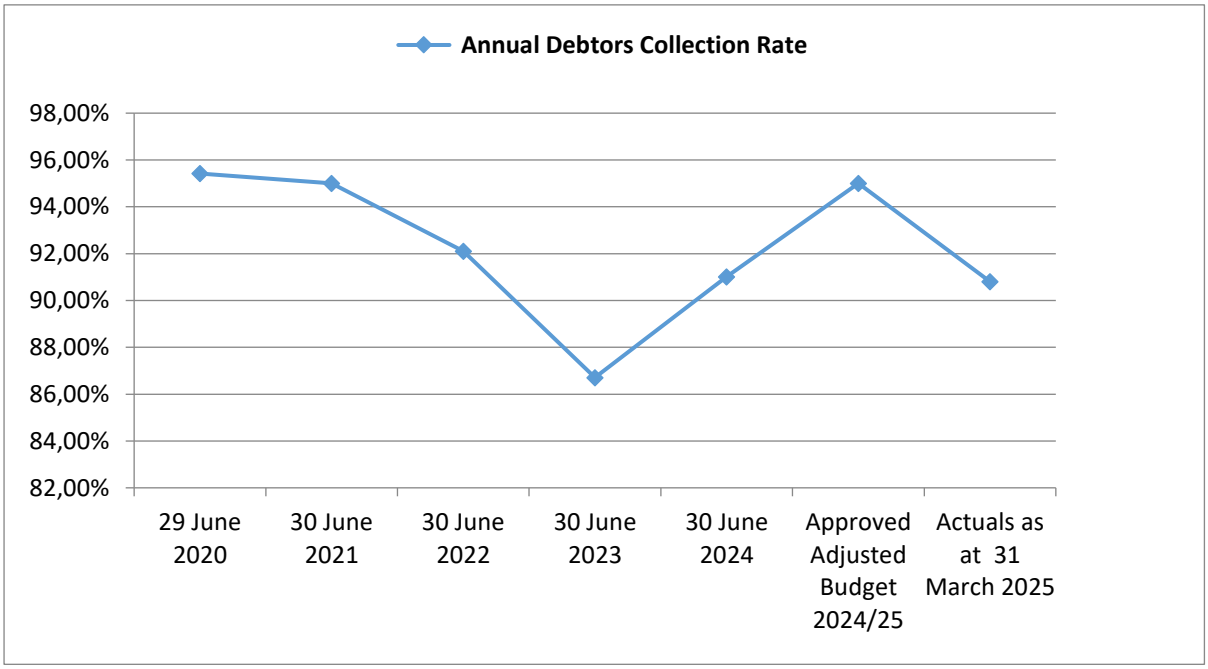
1.2.1. Annual Debtors Collection Rate

This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

The ratio to determine the percentage collection rate is as follows:

Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100

The average collection rate as at 31 March 2025 was 90.81%, compared to the approved adjusted budget collection rate of 95%. The actual collection rate for March is 108.54%.



1.3. Other indicators

1.3.1. Cost coverage

The Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue, during that particular month.

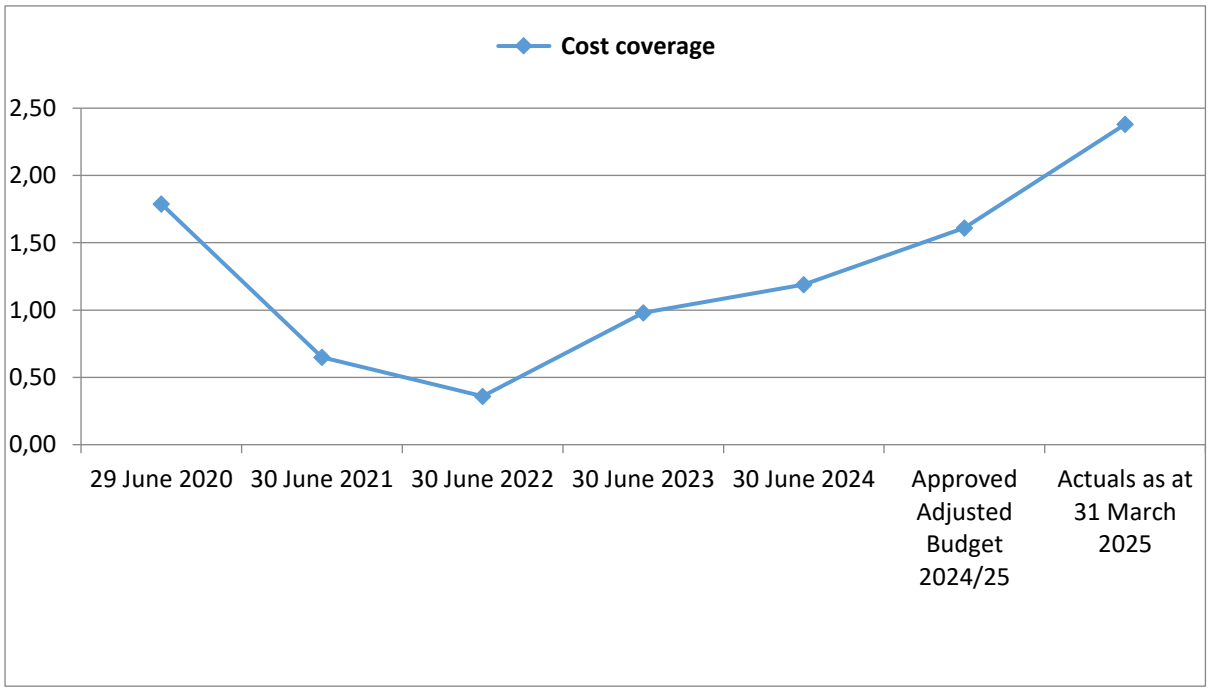
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure but rather reserved for Grant related expenditure.

The ratio is determined as follows:

Cash and cash equivalents – unspent conditional grants – overdraft + short-term investments/ monthly fixed operational expenditure excluding (depreciation, amortisation, provisions for bad debts, impairment and loss on the disposal of assets)

As at 31 March 2025, the Ratio was 2.38 months, compared to the approved adjusted budget ratio of 1.61 months. The cost coverage ratio of 2.38 months is largely influenced by an amount of R 100,000 million received at end of March 2025 from the Development Bank of South Africa (DBSA) for the first instalment of the R 200 million loan, otherwise, the ratio could have been 1.35 months.

In terms of MFMA Circular No. 71, the norm is 1 month to 3 months.



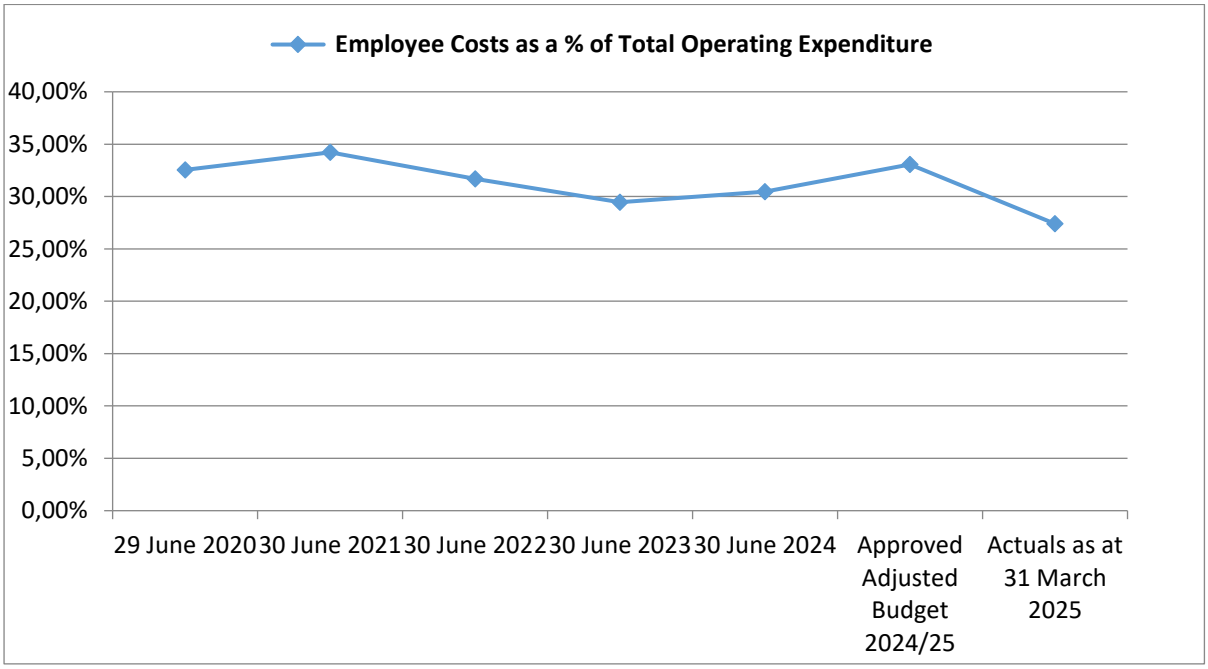
1.3.2. Employee costs as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the employment of human resources.

The ratio is determined as follows:

Employee Costs to date/Total Operating Expenditure to Date

As at 31 March 2025, Employee Related Costs constituted 27.39% of the Total Operating Expenditure, compared to the approved adjusted budget ratio 33.06%.



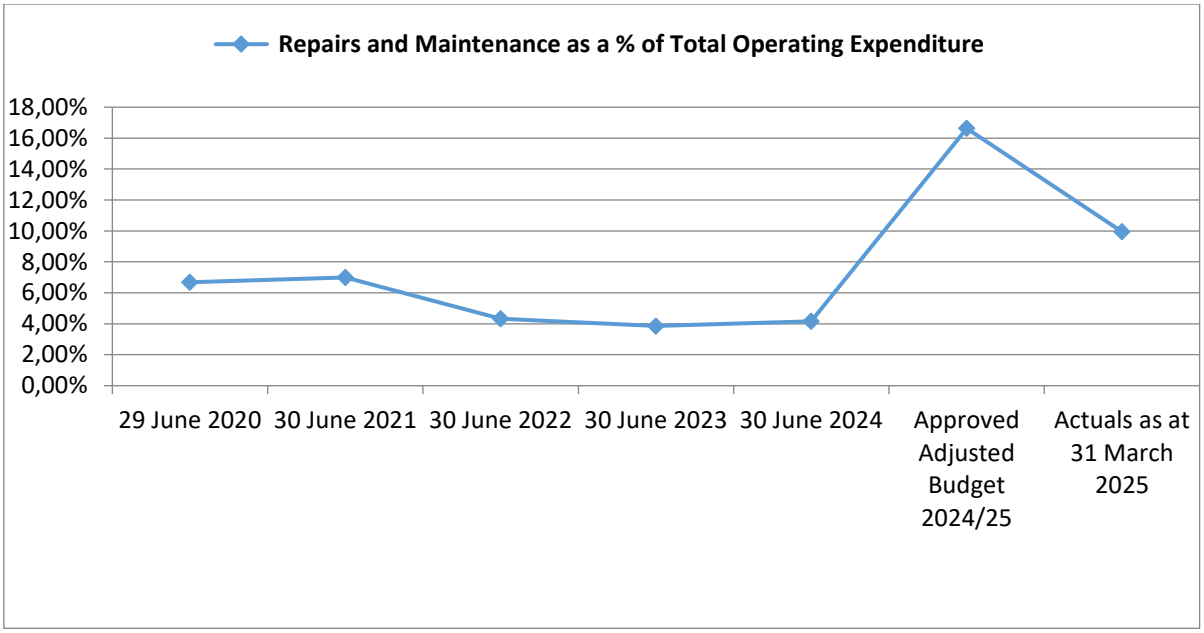
1.3.3. Repairs and Maintenance as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the repairs and maintenance of its assets.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Total Operating Expenditure to date

As at 31 March 2025, the ratio was 9.95%, compared to the approved adjusted budget ratio of 16.63%.



1.3.4. Repairs and Maintenance as a % of the book value of Property, Plant and Equipment (PPE)

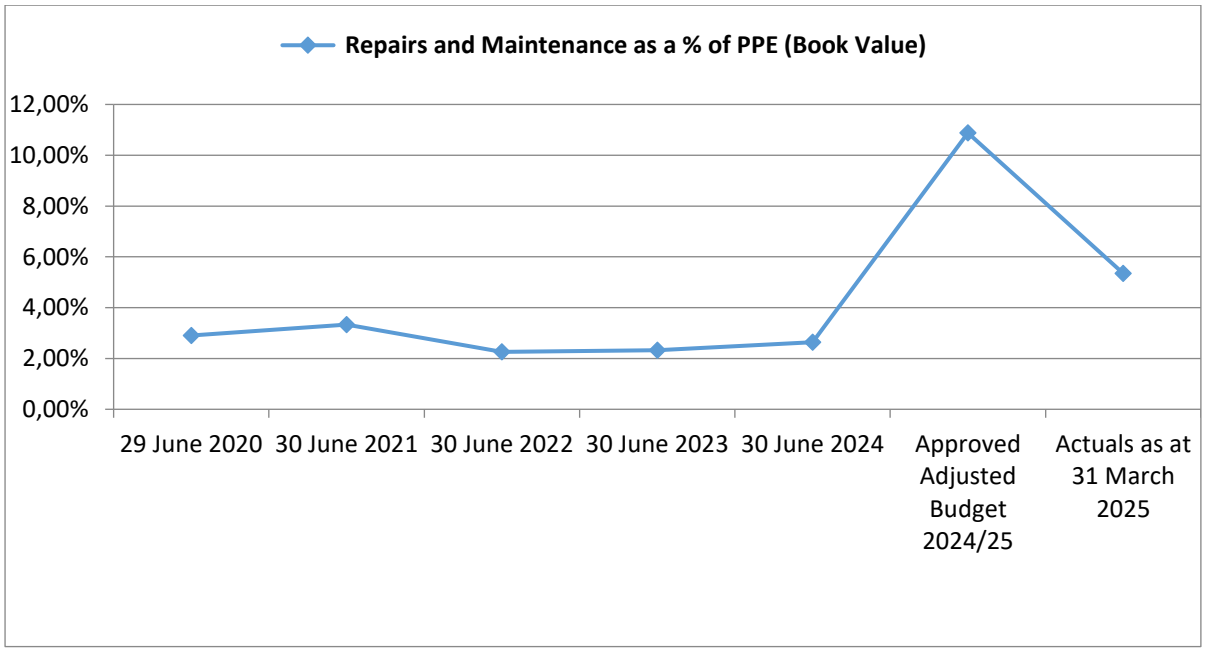
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Book value of PPE to date

As at 31 March 2025, repairs and maintenance expenditure constituted 5.35% of the book value of PPE, compared to the approved adjusted budget ratio of 10.88%.

In terms of the MFMA Circular No.71, the norm is 8%.



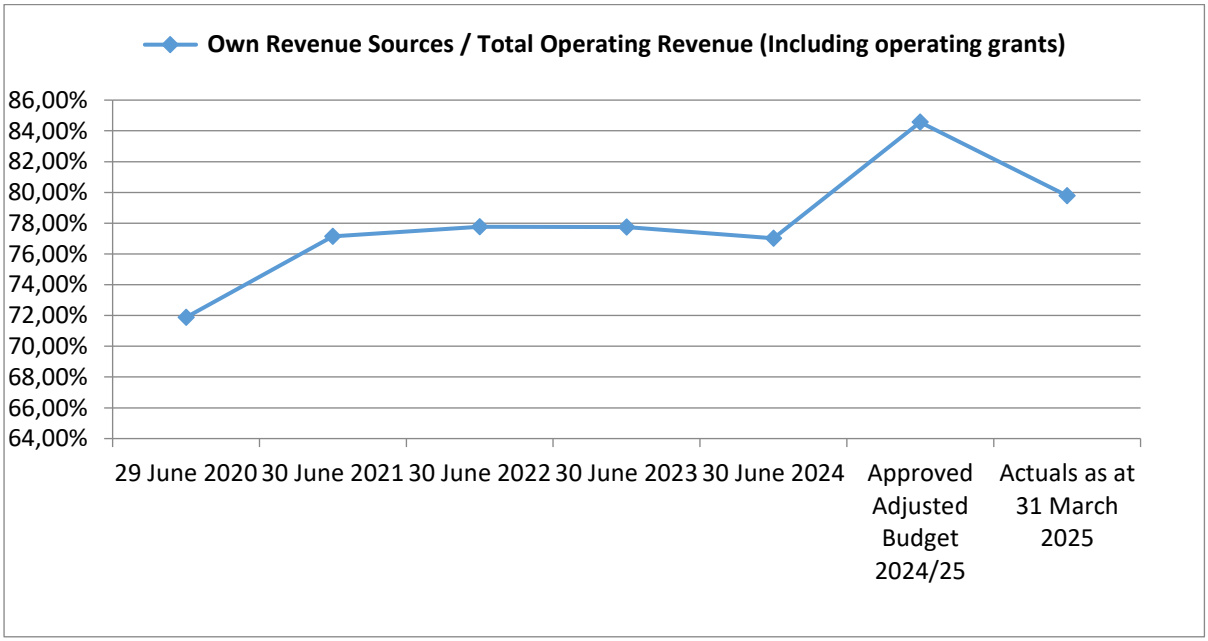
Own Revenue Generation

This ratio measures the extent to which the Municipality has control over its revenue sources, i.e., what percentage of its revenue is generated locally. The higher the ratio, the less reliant a Municipality is on Provincial and National Government to support its operations.

The ratio is determined as follows:

Own Revenue Sources / Total Operating Income (includes operating grants)

As at 31 March 2025, the Municipality's own revenue sources constituted 79.79% of its total Operating Income, compared to the approved adjusted budget ratio of 84.56%.



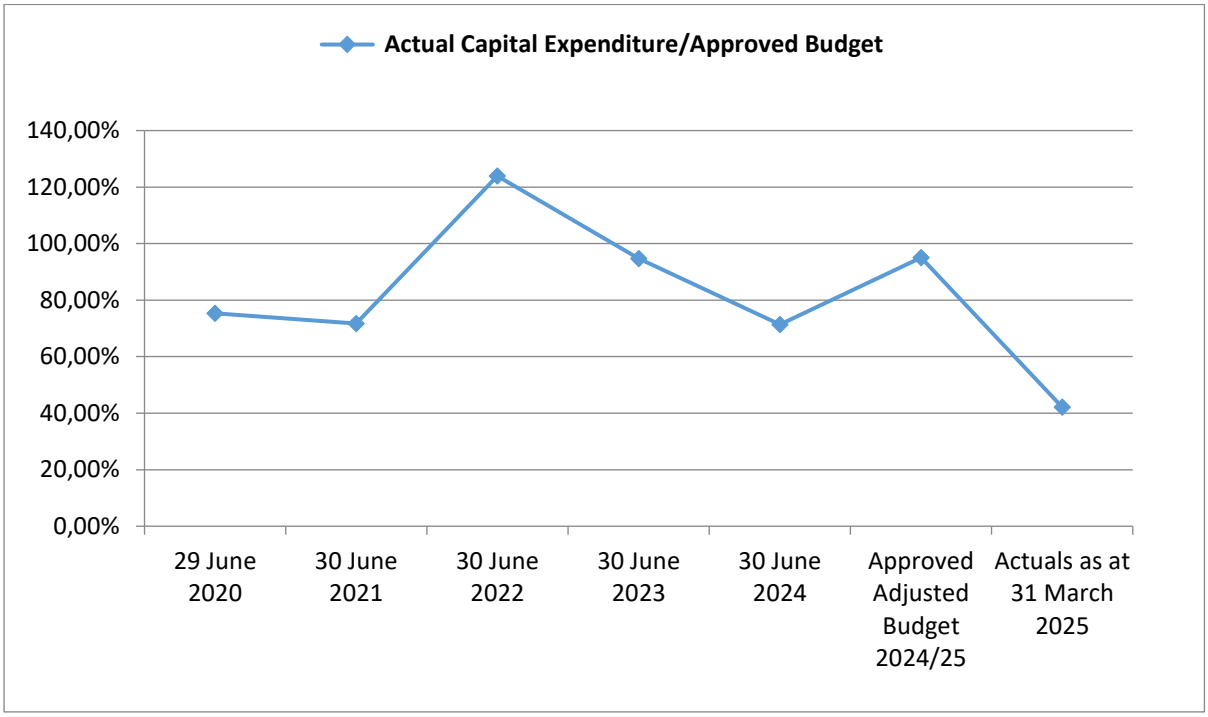
1.3.5. Capital Budget Spending

This ratio assesses the level of actual capital spending, compared to the budgeted capital expenditure.

The ratio is determined as follows:

Actual Capital spending / Approved Capital Budget

The actual spending as at 31 March 2025 amounted to 42.15%, compared to the approved adjusted budget ratio of 95%.



KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/FED19**

BUDGET AND TREASURY: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 31 MARCH 2025

1. **Introduction**

The purpose of this report is to report on specific withdrawals from the municipal bank account in terms of the Municipal Finance Management Act, No. 56 of 2003.

2. **Background**

Section 11(4) of the MFMA**:**

"The Accounting Officer of a Municipality must within 30 days after the end of each quarter –
a) table in the Municipal Council a consolidated report of all withdrawals made in terms of subsection 1(b) to (j)during that quarter; and
b) submit a copy of the report to the relevant provincial treasury and the Auditor-General".

3. **Discussion**

The report provides specific withdrawals from the municipal back account and attached as "**Annexure A"** the withdrawals from municipal bank account for the quarter ended 31 March 2025.

The following information should be noted for the quarter ended 31 March 2025:

Section 11(1)(b): Expenditure that were authorised in terms of section 26(4) of the MFMA

No withdrawals.

Section 11(1) (c): Unforeseeable and unavoidable expenditure

No withdrawals.

Section 11(1) (d): Withdrawals in respect of Trust, and so forth

No withdrawals.

Section 11(1) (e): Third party payment of monies received on behalf of a person or state body.

As per attached "**Annexure A"**

Section 11(1) (f): Monies erroneously deposited into the municipal bank account.

No withdrawals.

Section 11(1) (g): Guarantees, sureties and security deposits refunded

No withdrawals.

Section 11(1) (h): Cash management and investment

As per attached "**Annexure A"**

Section 11(1) (i): Increased expenditure in terms of section 31 of MFMA

No withdrawals.

Section 11(1) (j): Other purposes as prescribed

No withdrawals.

4. **Financial Implications**

Completed by BTO -	As stipulated in the report. Refer to "**Annexure A"**
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

Section 11(4) of the Municipal Finance Management Act, 56 of 2003.

6. **Legal Implications**

Compliance with Municipal Finance Management Act 56 of 2003.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Recommendations supported.

8.2 **Director: Planning & Development**

Noted

8.3 **Director: Civil & Water Services**

Report 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**

To be noted by Council

10. **Recommendations**

10.1 That the Council notes the withdrawals that were made in terms of section 11(1) (b) to (j) of the MFMA for the quarter ended 31 March 2025; and

10.2 That the report accordingly be submitted to the Provincial treasury and Auditor-General as determined by section 11(4) (b) of the MFMA.

Item prepared by the Manager Budget and Treasury: 

Item approved by the Chief Financial Officer: 

Item endorsed by the Municipal Manager: 

Item noted by Portfolio Chairperson: 

"Annexure A":

PROVINCIAL TREASURY Withdrawals from Municipal Bank Accounts in accordance with section 11(1)(b) to (j)		
NAME OF MUNICIPALITY:	**KOUGA LOCAL MUNICIPALITY (EC108)**	
QUARTER ENDED:	**31 March 2025**	
MFMA section 11(1) Only the accounting officer or the chief financial officer of the municipality acting on the written authority of the accounting officer may withdraw money or authorize the withdrawal of money from any of the municipality's bank accounts, and may do so only-	**Amount**	**Reason for withdrawal**
(b) to defray expenditure authorized in terms of section 26(4)	R 0.00	
(c) to defray unforeseeable and unavoidable expenditure authorized in terms of section 29(1)	R 0.00	
(d) in the case of a bank account opened in terms of section 12, to make payments from the account in accordance with subsection (4) of that section	R 0.00	
(e) to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state, including – i. money collected by the municipality on behalf of that person or organ of state by agreement; or ii) any insurance or other payments received by the municipality for that person or organ of state	R 15 394 059,70	Motor registration transaction fees.

(f) to refund money incorrectly paid into a bank account	R 0.00	
(g) to refund guarantees, sureties and security deposits	R 0.00	
(h) for cash management and investment purposes in accordance with section 13	R 287 313 074,51	Transferred to investment accounts (Call Accounts).
(i) to defray increased expenditure in terms of section 31; or	R 0.00	
(j) for such other purposes as may be prescribed	R 0.00	
(4) the accounting officer must within 30 days after the end of each quarter –	**Name and Surname:**	C. Du Plessis
a) table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1) (b) to (j) during that quarter; and	**Municipal Manager**	
b) submit a copy of the report to the relevant provincial treasury and the Auditor-General	**Date:**	
Telephone Nr.	**Fax Nr.**	**E-mail**
042 – 200 2055	0865224251	zgongqoba@kouga.gov.za
The completed form must be submitted within 30 days after the end of each quarter to Provincial Treasury and Auditor General.		

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO:**25/04/FED20**

2024/25 5TH ADJUSTMENTS BUDGET

1. **Introduction**

The purpose of the report is to seek Council approval for the 2024/25 Adjustments Budget, prepared in compliance with Section 28(2)(b) of the Municipal Finance Management Act and Regulation 23 (3) of the Municipal Budget and Reporting Regulations.

2. **Background**

Section 28 of the Municipal Finance Management Act (MFMA), stipulates the following:

28. (1) A municipality may revise an approved annual budget through an adjustments budget. (2) An adjustments budget-

a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
e) may authorise the spending of funds that were unspent at the end of the past financial year where the under spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
f) may correct any errors in the annual budget; and
g) may provide for any other expenditure within a prescribed framework.

Section 28(3) states that an adjustments budget must be in a prescribed form.

Regulation 23 (3) of the Municipal Budget and Reporting Regulations, states that if a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the

relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.

It should be noted that the Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations regulate the format of the budget documentation as set out in Schedule B – **"Annexure B"** of the Municipal Budget and Reporting Regulations. This includes the main Tables B1 – B10 as well as the supporting tables SB1 – SB20.

3. **Discussion**

The 2024/25 5th Adjustments Budget was prepared in compliance with the Government Gazette No. 52381, dated 25 March 2025.

The 2024/25 Adjustments Budget Documents are attached as follows:

- 2024/25 Adjustments Budget Report – **"Annexure A"**
- 2024/25 Adjustments Budget Schedule B – **"Annexure B"**
- 2024/25 Detailed Capital Programme – **"Annexure C"**
- The Government Gazette No. 52381 - **"Annexure D"**

4. **Financial Implications**

Completed by BTO -	As stipulated in the report. Refer to **"Annexure A"**
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
BTO Signature	

5. **Applicable legislation**

- Section 28 of the Local Government: Municipal Finance Management Act No. 56 of 2003.
- Local Government: Municipal Budget and Reporting Regulations, 17 April 2009
- Local Government: Municipal Finance Management Act: Municipal Regulations on a Standard Chart of Accounts (mSCOA), 22 April 2014

6. **Legal Implications**

Compliance with Section 28 of the Local Government: Municipal Finance Management Act No. 56 of 2003 and Regulation 23 of the Local Government: Municipal Budget and Reporting Regulations.

7. **Other Implications**

None.

8. **Comments by Directorates**

8.1 **Chief Financial Officer**

Report noted.

8.2 **Director: Planning and Development**

Supported.

8.3 **Director: Community Services**

Supported.

8.4 **Director: Civil and Water Services**

Supported.

8.5 **Director: Electro and Mechanical Services**

Supported.

8.6 **Deputy Municipal Manager**

Supported.

8.7 **Municipal Manager**

Supported.

9. **Delegation Authority**
To be approved by Council

10. **Recommendations**

10.1 That the Executive Mayor recommends that the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in

conjunction with Section 28 of the Local Government: Finance Management Act, Act No 56 of 2003, approves the 2024/25 Adjustments Budget Report as set-out in the **"Annexure A"** on the following tables:

- Table 7 (B1 Adjustments Budget Summary: page 8)
- Table 8 (B2 Adjustments Budget Financial Performance (revenue and expenditure by standard classification): page 10)
- Table 9 (B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote): page 12)
- Table 10 (B4 Adjustments Financial Performance (revenue and expenditure by type): page 13)
- Table 11 (B5 Adjustments Budget Capital Expenditure by vote and standard classification and funding source: page 15)
- Table 12 (B6 Adjustments Budget Financial Position: page 16)
- Table 13 (B7 Adjustments Budget Cash Flows: page 18)
- Table 14 (B8 Cash backed reserves/accumulated surplus reconciliation: page 19)
- Table 15 (B9 Asset Management: page 20), and
- Table 16 (B10 Basic service delivery measurement: page 22)

10.2 That the Council approves the **"Annexure B"** which regulates the format of the budget documentation as set out in Schedule B (Version 6.8) of the Municipal Budget and Reporting Regulations. This includes the main Tables B1 – B10 as well as the supporting tables SB1 – SB20.

10.3 That the Detailed Capital Programme be noted, **"Annexure C".**

10.4 That the Government Gazette No. 52381 be noted, **"Annexure D".**

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

Item prepared by the Manager Budget & Treasury:

Item approved by the Chief Financial Officer:

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

"ANNEXURE A"

2024/25 5th ADJUSTMENTS BUDGET OF

KOUGA LOCAL MUNICIPALITY

30 APRIL 2025

KOUGA
local municipality
Good Governance through Service Excellence

Copies of this document can be viewed:

- At www.kouga.gov.za

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1. EXECUTIVE MAYOR'S REPORT

1.1. Summary of reasons for the 2024/25 5th Adjustments Budget

In accordance with Section 28 of the Municipal Finance Management Act, Act No 56 of 2003 (MFMA), stipulates that –

(1) A municipality must revise its approved annual budget through an adjustments budget.

(2)(b) To appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.

(2)(e) To authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected rollovers when the annual budget for the current year was approved by the Council.

(3) An adjustments budget must be in a prescribed format.

(4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2)(b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.

In terms of the Municipal Budget and Reporting Regulations (MBRR), regulation 23, sub regulation (3), if a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.

The adjustments budget was prepared in compliance with the Government Gazette No. 52381, dated 25 March 2025.

The Government Gazette No. 52381 is attached as **"Annexure D".**

1.1.1 The Executive Mayor recommends that the Council approves the 2024/25 5th Adjustments Budget.

2. 2024/25 ADJUSTMENTS BUDGET RESOLUTIONS

2.1. Approval of the 5th Adjustments Budget

2.1.1. The Executive Mayor recommends that the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Municipal Finance Management Act, Act No 56 of 2003, approves the 2024/25 Adjustments Budget as set-out in the following tables:

Table 7 (B1 - Adjustments Budget Summary: page 8)

Table 8 (B2 - Adjustments Budget Financial Performance (revenue and expenditure by standard classification): page 10)

Table 9 (B3 - Adjustments Budget Financial Performance (revenue and expenditure by municipal vote): page 12)

Table 10 (B4 - Adjustments Budget Financial Performance (revenue and expenditure by type): page 13)

Table 11 (B5 - Adjustments Budget Capital Expenditure by vote, standard classification and funding source: page 15)

Table 12 (B6 - Adjustments Budget Financial Position: page 16)

Table 13 (B7 - Adjustments Budgeted Cash Flows: page 18)

Table 14 (B8 - Cash backed reserves/accumulated surplus reconciliation: page 19)

Table 15 (B9 Asset Management : page 20)

Table 16 (B10 Basic Service Delivery Measurement: page 22)

3. EXECUTIVE SUMMARY

3.1. Compliance with the Municipal Finance Management Act.

The adjustments budget is prepared in compliance with Section 28(2)(b) of the Municipal Finance Management Act and Regulation 23(3) of the Municipal Budget and Reporting Regulations.

3.2. Compliance with the Municipal Budget and Reporting Regulations.

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations regulate the format of the budget documentation as set out in Schedule B – **"Annexure B"** of the Municipal Budget and Reporting Regulations. This includes the main Tables B1 – B10 as well as the supporting tables SB1 – SB20.

4. HIGH LEVEL OPERATING ADJUSTMENTS BUDGET

4.1. Operating Revenue Adjustments Budget

Table1: High Level Summary of Operating Revenue by Source

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Revenue					
Exchange Revenue					
Service charges - Electricity	381 991	425 559	–	–	425 559
Service charges - Water	82 323	138 057	–	–	138 057
Service charges - Waste Water Management	64 086	76 014	–	–	76 014
Service charges - Waste Management	71 123	62 146	–	–	62 146
Sale of Goods and Rendering of Services	9 533	9 533	–	–	9 533
Agency services	4 554	4 554	–	–	4 554
Interest earned from Receivables	32 335	32 335	–	–	32 335
Interest earned from Current and Non Current Assets	13 998	15 498	–	–	15 498
Rental from Fixed Assets	3 187	3 187	–	–	3 187
Licence and permits	2 851	2 851	–	–	2 851
Operational Revenue	1 955	1 955	568	568	2 523
Non-Exchange Revenue					
Property rates	297 076	298 309	–	–	298 309
Surcharges and Taxes	–	–	–	–	–
Fines, penalties and forfeits	143 343	43 859	–	–	43 859
Licences or permits	11 772	11 772	–	–	11 772
Transfer and subsidies - Operational	202 153	210 105	616	616	210 720
Interest	5 510	5 510	–	–	5 510
Operational Revenue	64 831	19 658	–	–	19 658
Total Revenue (excluding capital transfers and contributions)	**1 392 621**	**1 360 902**	**1 184**	**1 184**	**1 362 086**

The operating revenue was adjusted as follows:

Grant Name	Narration	Adjustments
Skills Development Refund	Additional funds received	567,998
DEDEAT Funds		516,799
Environmental Health Subsidy	Additional funds received	104,592
MIG Admin fees	Correction of error	-5,600
Total		**1,183,789**

The transfers and subsidies – capital decreased by R 1,611 million, due to the following adjustments:

Grant Name	*Narration*	*Adjustments*
INEP	*Government Gazette No.52381*	*-1,617,000*
MIG	*Correction of error*	*5,600*
	Total	***1,611,400***

4.2. Operating Expenditure Adjustments Budget

Table 2: High Level Summary of Operating Expenditure by Type

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Expenditure By Type					
Employee related costs	471 743	482 971	(3 261)	(3 261)	479 710
Remuneration of councillors	15 594	15 594	–	–	15 594
Bulk purchases - electricity	386 299	413 349	–	–	413 349
Inventory consumed	109 019	105 196	48	48	105 244
Debt impairment	158 246	59 136	(167 151)	(167 151)	(108 015)
Depreciation and amortisation	117 798	117 798	–	–	117 798
Interest	17 404	13 002	–	–	13 002
Contracted services	125 372	145 572	763	763	146 335
Transfers and subsidies	400	400	–	–	400
Irrecoverable debts written off	9 359	10 078	167 151	167 151	177 229
Operational costs	94 240	97 897	1 223	1 223	99 120
Losses on disposal of Assets	–	–	–	–	–
Other Losses	–	–	–	–	–

Total Expenditure	**1 505 474**	**1 460 993**	**(1 227)**	**(1 227)**	**1 459 766**

The following adjustments were made in operating expenditure:

Department	Narration	Amount
Water	Salary budget reduction	-3,260,870
Skills Development	LGSETA Training	567,998
Environmental Management Fee (EMF)	DEDEAT Grant Expenditure	462,303
Administration	Top-up rental of Woltemade Building	790,000
Human Resources	Top-up SALGA bargaining council levy	213,828
Total		**1,226,741**

4.3. High Level Summary Operating Budget

Table 3: High Level Summary of Operating Revenue and Expenditure

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Total Revenue	1 526 437	1 540 430	(428)	(428)	1 540 002
Total Expenditure	1 505 474	1 460 993	(1 227)	(1 227)	1 459 766
Surplus/ (Deficit) for the year	**20 963**	**79 436**	**799**	**799**	**80 236**

5. HIGH LEVEL CAPITAL ADJUSTMENTS BUDGET

5.1. Capital Adjustments Budget per Vote

Table 4: High Level Capital Budget Expenditure by Vote

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Capital expenditure - Vote					
Multi-year expenditure *to be adjusted*					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	28	–	–	28
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 933	–	–	1 933
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	992	–	–	992
Vote 4 - COMMUNITY SERVICES	1 391	1 634	–	–	1 634
Vote 5 - CIVIL AND WATER SERVICES	80 868	167 517	(21 734)	(21 734)	145 782
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	88 835	(1 406)	(1 406)	87 429
Vote 7 - PLANNING AND DEVELOPMENT	–	21 956	–	–	21 956
Capital multi-year expenditure sub-total	**150 362**	**282 894**	**(23 140)**	**(23 140)**	**259 754**

The Civil and Water Services capital budget decreased by R 21,734 million.

The Electro and Mechanical Services capital budget decreased by R 1,406 million, due to the reduced Integrated National Electrification Programme Grant (INEP) as per the Government Gazette No. 52381, dated 25 March 2025.

Please refer to **"Annexure C"** for a detailed Capital Programme.

5.2. Capital Budget by Funding Source

Table 5: High Level Capital Budget Expenditure by Funding Source

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Funded by:					
National Government	54 997	72 328	(1 401)	(1 401)	70 927
Provincial Government	59 973	85 073	–	–	85 073
District Municipality	1 391	1 391	–	–	1 391
Transfers recognised - capital	**116 362**	**158 792**	**(1 401)**	**(1 401)**	**157 391**
Borrowing	34 000	94 484	(21 739)	(21 739)	72 745
Internally generated funds	–	29 618	–	–	29 618
Total Capital Funding	**150 362**	**282 894**	**(23 140)**	**(23 140)**	**259 754**

5.3. High Level Capital and Operating Budget Summary

Table 6: High Level Summary of Capital and Operating Budget

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Total Expenditure	1 505 474	1 460 993	(1 227)	(1 227)	1 459 766
Total Capital Funding	150 362	282 894	(23 140)	(23 140)	259 754
Surplus/ (Deficit) for the year	**1 655 835**	**1 743 887**	**(24 367)**	**(24 367)**	**1 719 520**

6. ADJUSTMENTS BUDGET TABLES

The ten main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section. These tables set out the Municipality's 2024/25 Special Adjustments Budget to be considered for approval by Council. Each table is accompanied by explanatory notes.

Table 7 (B1- Adjustments Budget Summary)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Financial Performance					
Property rates	297 076	298 309	–	–	298 309
Service charges	599 522	701 777	–	–	701 777
Investment revenue	13 998	15 498	–	–	15 498
Transfers recognised - operational	202 153	210 105	616	616	210 720
Other own revenue	279 872	135 214	568	568	135 782
Total Revenue (excluding capital transfers and contributions)	**1 392 621**	**1 360 902**	**1 184**	**1 184**	**1 362 086**
Employee costs	471 743	482 971	(3 261)	(3 261)	479 710
Remuneration of councillors	15 594	15 594	–	–	15 594
Depreciation & asset impairment	117 798	117 798	–	–	117 798
Interest	17 404	13 002	–	–	13 002
Inventory consumed and bulk purchases	495 318	518 545	48	48	518 593
Transfers and subsidies	400	400	–	–	400
Other expenditure	387 217	312 683	1 986	1 986	314 669
Total Expenditure	**1 505 474**	**1 460 993**	**(1 227)**	**(1 227)**	**1 459 766**
Surplus/(Deficit)	(112 853)	(100 091)	2 411	2 411	(97 680)
Transfers and subsidies - capital (monetary allocations)	133 816	179 527	(1 611)	(1 611)	177 916
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**20 963**	**79 436**	**799**	**799**	**80 236**
Share of surplus/ (deficit) of associate	–	–	–	–	–
Surplus/ (Deficit) for the year	**20 963**	**79 436**	**799**	**799**	**80 236**
Capital expenditure & funds sources					
Capital expenditure	150 362	282 894	(23 140)	(23 140)	259 754
Transfers recognised - capital	116 362	158 792	(1 401)	(1 401)	157 391
Borrowing	34 000	94 484	(21 739)	(21 739)	72 745
Internally generated funds	–	29 618	–	–	29 618
Total sources of capital funds	**150 362**	**282 894**	**(23 140)**	**(23 140)**	**259 754**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Financial position					
Total current assets	213 837	293 351	23 839	23 839	317 191
Total non current assets	2 369 948	2 477 924	(23 140)	(23 140)	2 454 784
Total current liabilities	225 392	282 831	(100)	(100)	282 731
Total non current liabilities	270 953	366 975	–	–	366 975
Community wealth/Equity	**2 087 440**	**2 121 469**	**799**	**799**	**2 122 268**
Cash flows					
Net cash from (used) operating	138 815	174 061	695	695	174 756
Net cash from (used) investing	(116 362)	(231 888)	23 140	23 140	(208 748)
Net cash from (used) financing	(22 478)	84 736	–	–	84 736
Cash/cash equivalents at the year end	**43 641**	**170 567**	**23 835**	**23 835**	**194 402**
Cash backing/surplus reconciliation					
Cash and investments available	43 640	170 463	23 939	23 939	194 402
Application of cash and investments	21 279	163 457	24 999	24 999	188 457
Balance - surplus (shortfall)	**22 362**	**7 006**	**(1 061)**	**(1 061)**	**5 945**
Asset Management					
Asset register summary (WDV)	2 369 948	2 477 924	(23 140)	(23 140)	2 454 784
Depreciation	117 798	117 798	–	–	117 798
Renewal and Upgrading of Existing Assets	97 563	160 445	(10)	(10)	160 435
Repairs and Maintenance	228 381	242 311	(3 261)	(3 261)	239 050
Free services					
Cost of Free Basic Services provided	66 720	61 419	–	–	61 419
Revenue cost of free services provided	7 249	353	–	–	353
Households below minimum service level					
Water:	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–
Energy:	–	–	–	–	–
Refuse:	–	–	–	–	–

Explanatory notes to Table 7 B1 – Adjustments Budget Summary

1. The aim of the Adjustments Budget Summary is to provide a concise overview of the proposed Adjustments Budget from all of the major financial perspectives (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance). The table provides an overview of the amounts to be approved by Council within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance,

as well as the Municipality's commitment to eliminating basic service delivery backlogs.

Table 8 (B2 - Adjustments Budget Financial Performance (revenue and expenditure by standard classification))

Standard Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Revenue - Functional					
Governance and administration	**590 750**	**499 299**	**568**	**568**	**499 867**
Executive and council	142	142	–	–	142
Finance and administration	590 608	499 157	568	568	499 725
Internal audit	–	–	–	–	–
Community and public safety	**87 286**	**120 969**	**105**	**105**	**121 074**
Community and social services	2 460	3 365	–	–	3 365
Sport and recreation	11 504	11 504	–	–	11 504
Public safety	1 857	1 857	–	–	1 857
Housing	68 969	101 747	–	–	101 747
Health	2 496	2 496	105	105	2 601
Economic and environmental services	**56 136**	**61 166**	**511**	**511**	**61 677**
Planning and development	10 252	10 252	(6)	(6)	10 246
Road transport	19 972	32 160	–	–	32 160
Environmental protection	25 912	18 755	517	517	19 272
Trading services	**792 266**	**858 995**	**(1 611)**	**(1 611)**	**857 384**
Energy sources	409 585	444 755	(1 617)	(1 617)	443 138
Water management	177 913	202 542	–	–	202 542
Waste water management	123 062	133 183	6	6	133 188
Waste management	81 707	78 516	–	–	78 516
Other	**–**	**–**	**–**	–	**–**
Total Revenue - Functional	**1 526 437**	**1 540 430**	**(428)**	**(428)**	**1 540 002**
Expenditure - Functional					
Governance and administration	**362 481**	**366 409**	**1 572**	**1 572**	**367 981**
Executive and council	61 996	60 989	–	–	60 989
Finance and administration	299 963	305 003	1 572	1 572	306 574
Internal audit	523	418	–	–	418
Community and public safety	**140 104**	**138 745**	**–**	**–**	**138 745**
Community and social services	13 952	13 796	–	–	13 796
Sport and recreation	75 205	72 073	–	–	72 073
Public safety	33 254	33 342	–	–	33 342
Housing	9 703	11 670	–	–	11 670
Health	7 991	7 863	–	–	7 863

Standard Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Economic and environmental services	**288 532**	**198 200**	**462**	**462**	**198 662**
Planning and development	32 149	37 410	–	–	37 410
Road transport	246 274	151 912	–	–	151 912
Environmental protection	10 109	8 878	462	462	9 340
Trading services	**714 357**	**757 639**	**(3 261)**	**(3 261)**	**754 378**
Energy sources	453 172	494 191	–	–	494 191
Water management	108 542	109 037	(3 261)	(3 261)	105 776
Waste water management	88 779	90 277	–	–	90 277
Waste management	63 864	64 133	–	–	64 133
Other	**–**	**–**	**–**	–	**–**
Total Expenditure - Functional	**1 505 474**	**1 460 993**	**(1 227)**	**(1 227)**	**1 459 766**
Surplus/ (Deficit) for the year	**20 963**	**79 436**	**799**	**799**	**80 236**

Explanatory notes to Table 8 B2 – Adjustments Budget Financial Performance (revenue and expenditure by standard classification)

1. The "standard classification" refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities approve a budget in one common format, to facilitate comparison across all municipalities.

Table 9 (B3 - Adjustments Budget Financial Performance (revenue and expenditure by municipal vote))

Vote Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Revenue by Vote					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1 115	1 115	568	568	1 683
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	446 890	454 924	–	–	454 924
Vote 4 - COMMUNITY SERVICES	276 782	167 855	621	621	168 477
Vote 5 - CIVIL AND WATER SERVICES	314 671	361 609	–	–	361 609
Vote 6 - ELECTRO/MECHANICAL SERVICES	409 586	444 756	(1 617)	(1 617)	443 139
Vote 7 - PLANNING AND DEVELOPMENT	77 392	110 171	–	–	110 171
Total Revenue by Vote	**1 526 437**	**1 540 430**	**(428)**	**(428)**	**1 540 002**
Expenditure by Vote					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	31 456	31 803	–	–	31 803
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	128 955	126 253	1 572	1 572	127 824
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	141 869	136 835	–	–	136 835
Vote 4 - COMMUNITY SERVICES	386 594	290 666	462	462	291 128
Vote 5 - CIVIL AND WATER SERVICES	316 288	329 020	(3 261)	(3 261)	325 759
Vote 6 - ELECTRO/MECHANICAL SERVICES	466 160	507 837	–	–	507 837
Vote 7 - PLANNING AND DEVELOPMENT	34 152	38 579	–	–	38 579
Total Expenditure by Vote	**1 505 474**	**1 460 993**	**(1 227)**	**(1 227)**	**1 459 766**
Surplus/ (Deficit) for the year	**20 963**	**79 436**	**799**	**799**	**80 236**

Explanatory notes to Table 9 B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

1. The purpose of the format in which the Adjustments Budget is presented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Directors concerned. Operating revenue and expenditure are thus presented by "vote", A "vote" is defined as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

Table 10 (B4 - Adjustments Budget Financial Performance (revenue and expenditure))

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Revenue					
Exchange Revenue					
Service charges - Electricity	381 991	425 559	–	–	425 559
Service charges - Water	82 323	138 057	–	–	138 057
Service charges - Waste Water Management	64 086	76 014	–	–	76 014
Service charges - Waste Management	71 123	62 146	–	–	62 146
Sale of Goods and Rendering of Services	9 533	9 533	–	–	9 533
Agency services	4 554	4 554	–	–	4 554
Interest	–	–	–	–	–
Interest earned from Receivables	32 335	32 335	–	–	32 335
Interest earned from Current and Non-Current Assets	13 998	15 498	–	–	15 498
Dividends	–	–	–	–	–
Rent on Land	–	–	–	–	–
Rental from Fixed Assets	3 187	3 187	–	–	3 187
Licence and permits	2 851	2 851	–	–	2 851
Operational Revenue	1 955	1 955	568	568	2 523
Non-Exchange Revenue					
Property rates	297 076	298 309	–	–	298 309
Surcharges and Taxes	–	–	–	–	–
Fines, penalties and forfeits	143 343	43 859	–	–	43 859
Licences or permits	11 772	11 772	–	–	11 772
Transfer and subsidies - Operational	202 153	210 105	616	616	210 720
Interest	5 510	5 510	–	–	5 510
Fuel Levy	–	–	–	–	–
Operational Revenue	64 831	19 658	–	–	19 658
Gains on disposal of Assets	–	–	–	–	–
Other Gains	–	–	–	–	–
Discontinued Operations	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**1 392 621**	**1 360 902**	**1 184**	**1 184**	**1 362 086**
Expenditure By Type					
Employee related costs	471 743	482 971	(3 261)	(3 261)	479 710
Remuneration of councillors	15 594	15 594	–	–	15 594
Bulk purchases - electricity	386 299	413 349	–	–	413 349
Inventory consumed	109 019	105 196	48	48	105 244
Debt impairment	158 246	59 136	(167 151)	(167 151)	(108 015)
Depreciation and amortisation	117 798	117 798	–	–	117 798
Interest	17 404	13 002	–	–	13 002
Contracted services	125 372	145 572	763	763	146 335
Transfers and subsidies	400	400	–	–	400
Irrecoverable debts written off	9 359	10 078	167 151	167 151	177 229
Operational costs	94 240	97 897	1 223	1 223	99 120
Losses on disposal of Assets	–	–	–	–	–

Other Losses	–	–	–	–	–
Total Expenditure	**1 505 474**	**1 460 993**	**(1 227)**	**(1 227)**	**1 459 766**
Surplus/(Deficit)	**(112 853)**	**(100 091)**	**2 411**	**2 411**	**(97 680)**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Transfers and subsidies - capital (monetary allocations)	133 816	179 527	(1 611)	(1 611)	177 916
Transfers and subsidies - capital (in-kind)	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**20 963**	**79 436**	**799**	**799**	**80 236**
Income Tax	–	–	–	–	–
Surplus/(Deficit) after income tax	20 963	79 436	799	799	80 236
Share of Surplus/Deficit attributable to Joint Venture	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	20 963	79 436	799	799	80 236
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–
Intercompany/Parent subsidiary transactions	–	–	–	–	–
Surplus/ (Deficit) for the year	**20 963**	**79 436**	**799**	**799**	**80 236**

Explanatory notes to Table 10 B4 – Adjustments Budget Financial Performance (revenue and expenditure)

1. The Financial Performance Adjustments Budget is required to be approved concurrently by revenue source and expenditure type, to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the annual results and the Adjustments Budget, to assess performance.

2. The operating revenue (excluding capital transfers and contributions) increased by R 1,184 million.

3. The transfers and subsidies – capital decreased by R 1,611 million, mainly due to the reduction in Integrated National Electrification Programme Grant (INEP) as per the Government Gazette.

Table 11 (B5 - Adjustments Capital Expenditure Budget by vote, standard classification, and funding source)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Capital expenditure - Vote					
Multi-year expenditure *to be adjusted*					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	28	–	–	28
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 933	–	–	1 933
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	992	–	–	992
Vote 4 - COMMUNITY SERVICES	1 391	1 634	–	–	1 634
Vote 5 - CIVIL AND WATER SERVICES	80 868	167 517	(21 734)	(21 734)	145 782
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	88 835	(1 406)	(1 406)	87 429
Vote 7 - PLANNING AND DEVELOPMENT	–	21 956	–	–	21 956
Total Capital Expenditure - Vote	**150 362**	**282 894**	**(23 140)**	**(23 140)**	**259 754**
Capital Expenditure - Functional					
Governance and administration	**34 000**	**54 101**	**–**	**–**	**54 101**
Executive and council	–	300	–	–	300
Finance and administration	34 000	53 773	–	–	53 773
Internal audit	–	28	–	–	28
Community and public safety	**1 391**	**21 947**	**–**	**–**	**21 947**
Community and social services	–	–	–	–	–
Sport and recreation	–	–	–	–	–
Public safety	1 391	1 391	–	–	1 391
Housing	–	20 556	–	–	20 556
Health	–	–	–	–	–
Economic and environmental services	**9 670**	**66 646**	**(21 739)**	**(21 739)**	**44 907**
Planning and development	500	3 497	(15)	(15)	3 482
Road transport	9 170	63 149	(21 724)	(21 724)	41 425
Environmental protection	–	–	–	–	–
Trading services	**105 300**	**140 200**	**(1 401)**	**(1 401)**	**138 799**
Energy sources	34 103	37 829	(1 406)	(1 406)	36 423
Water management	29 008	53 770	(637)	(637)	53 133
Waste water management	42 190	48 600	642	642	49 242
Waste management	–	–	–	–	–
Other	–	–	–	–	–
Total Capital Expenditure - Functional	**150 362**	**282 894**	**(23 140)**	**(23 140)**	**259 754**
Funded by:					
National Government	54 997	72 328	(1 401)	(1 401)	70 927
Provincial Government	59 973	85 073	–	–	85 073
District Municipality	1 391	1 391	–	–	1 391
Transfers recognised - capital	**116 362**	**158 792**	**(1 401)**	**(1 401)**	**157 391**
Borrowing	34 000	94 484	(21 739)	(21 739)	72 745
Internally generated funds	–	29 618	–	–	29 618
Total Capital Funding	**150 362**	**282 894**	**(23 140)**	**(23 140)**	**259 754**

Explanatory notes to Table 11 B5 – Adjustments Capital Expenditure Budget by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

Table 12 (B6 - Adjustments Budget Financial Position)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
ASSETS					
Current assets					
Cash and cash equivalents	43 640	170 463	23 939	23 939	194 402
Trade and other receivables from exchange transactions	77 030	59 899	–	–	59 899
Receivables from non-exchange transactions	29 014	26 651	–	–	26 651
Current portion of non-current receivables	–	–	–	–	–
Inventory	18 598	22 549	(100)	(100)	22 450
VAT	45 445	12 790	(0)	(0)	12 790
Other current assets	109	999	–	–	999
Total current assets	**213 837**	**293 351**	**23 839**	**23 839**	**317 191**
Non current assets					
Investments	–	–	–	–	–
Investment property	262 608	250 794	–	–	250 794
Property, plant and equipment	2 106 737	2 226 712	(23 140)	(23 140)	2 203 572
Biological assets	–	–	–	–	–
Living and non-living resources	–	–	–	–	–
Heritage assets	–	–	–	–	–
Intangible assets	603	419	–	–	419
Trade and other receivables from exchange transactions	–	–	–	–	–
Non-current receivables from non-exchange transactions	–	–	–	–	–
Other non-current assets	–	–	–	–	–
Total non current assets	**2 369 948**	**2 477 924**	**(23 140)**	**(23 140)**	**2 454 784**
TOTAL ASSETS	**2 583 785**	**2 771 275**	**699**	**699**	**2 771 975**
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Financial liabilities	23 564	38 274	–	–	38 274
Consumer deposits	29 060	31 660	–	–	31 660
Trade and other payables from exchange transactions	124 413	143 322	(100)	(100)	143 222
Trade and other payables from non-exchange transactions	–	0	(0)	(0)	0
Provisions	48 355	54 868	–	–	54 868
VAT	(0)	14 707	–	–	14 707
Other current liabilities	–	–	–	–	–
Total current liabilities	**225 392**	**282 831**	**(100)**	**(100)**	**282 731**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Non-current liabilities					
Financial Liabilities	11 333	120 843	–	–	120 843
Provisions	259 620	246 133	–	–	246 133
Long term portion of trade payables	–	–	–	–	–
Other non-current liabilities	–	–	–	–	–
Total non-current liabilities	**270 953**	**366 975**	**–**	**–**	**366 975**
TOTAL LIABILITIES	**496 345**	**649 806**	**(100)**	**(100)**	**649 706**
NET ASSETS	**2 087 440**	**2 121 469**	**799**	**799**	**2 122 268**
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	2 087 440	2 121 469	799	799	2 122 268
Funds and Reserves	–	–	–	–	–
Other	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**2 087 440**	**2 121 469**	**799**	**799**	**2 122 268**

Explanatory notes to Table 12 B6 – Adjustments Budget Financial Position

1 The table represents Assets Less Liabilities as Community Wealth. The order of items within each group is also aligned to the convention of showing items in order of liquidity, e.g., assets readily converted to cash or liabilities immediately required to be met from cash appear first.

2 Any movement on the Adjustments Budgeted Financial Performance or the Capital Adjustments Budget will invariably impact on the Adjustments Budgeted Financial Position. For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption informs the budget provision for debt impairment, which in turn impacts on the provision for bad debts. These budgets and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is directly informed by forecasting the statement of financial position.

3 The cash flow position requires close and ongoing monitoring.

Table 13 (B7 - Adjustments Budgeted Cash Flow Statement)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property rates	287 458	288 628	–	–	288 628
Service charges	761 922	823 774	–	–	823 774
Other revenue	93 666	115 947	222	222	116 169
Transfers and Subsidies - Operational	202 153	210 105	616	616	210 720
Transfers and Subsidies - Capital	123 443	140 736	(1 611)	(1 611)	139 125
Interest	13 998	15 498	–	–	15 498
Dividends	–	–	–	–	–
Payments					
Suppliers and employees	(1 327 265)	(1 409 131)	1 468	1 468	(1 407 663)
Finance charges	(16 159)	(11 097)	–	–	(11 097)
Transfers and Grants	(400)	(400)	–	–	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**138 815**	**174 061**	**695**	**695**	**174 756**
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE	–	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–
Payments					
Capital assets	(116 362)	(231 888)	23 140	23 140	(208 748)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(116 362)**	**(231 888)**	**23 140**	**23 140**	**(208 748)**
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	(22 478)	(15 264)	–	–	(15 264)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(22 478)**	**84 736**	**–**	**–**	**84 736**
NET INCREASE/ (DECREASE) IN CASH HELD	**(24)**	**26 908**	**23 835**	**23 835**	**50 743**
Cash/cash equivalents at the year begin:	43 665	143 659	–	–	143 659
Cash/cash equivalents at the year-end:	43 641	170 567	23 835	23 835	194 402

Explanatory notes to Table 13 B7 – Adjustments Budgeted Cash Flow Statement

1. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.

2. It reflects the expected cash in-flows versus the cash out-flows that is likely to result from the implementation of the Budget.

3. The municipality will have to maintain its efforts of enforcing strict cash flow management and monitoring on an ongoing basis.

Table 14 (B8 - Cash backed reserves/accumulated surplus reconciliation)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
Cash and investments available					
Cash/cash equivalents at the year end	43 641	170 567	23 835	23 835	194 402
Other current investments > 90 days	(1)	(104)	104	104	–
Non-current assets - Investments	–	–	–	–	–
Cash and investments available:	**43 640**	**170 463**	**23 939**	**23 939**	**194 402**
Applications of cash and investments					
Unspent conditional transfers	–	0	(0)	(0)	0
Unspent borrowing	–	50 000	25 000	25 000	75 000
Statutory requirements	(45 445)	1 917		–	1 917
Other working capital requirements	18 369	56 672	(1)	(1)	56 672
Other provisions	48 355	54 868	–	–	54 868
Long term investments committed	–	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–	–
Total Application of cash and investments:	**21 279**	**163 457**	**24 999**	**24 999**	**188 457**
Surplus(shortfall)	**22 362**	**7 006**	**(1 061)**	**(1 061)**	**5 945**

Explanatory notes to Table 14 B8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The table assesses the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

2. As part of the budgeting and planning guidelines that informed the compilation of the 2024/25 Adjustments Budget, the end objective was to ensure that the budget is funded as required in accordance with section 18 of the MFMA.

3. The available cash and investments amount increased by R 23,939 million, from R 170,463 million to R 194,402 million.

4. The funding cash surplus decreased by R 1,061 million, from R 7,006 million to R 5,945 million.

Table 15 (B9 - Asset Management)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
CAPITAL EXPENDITURE					
Total New Assets *to be adjusted*	**52 798**	**122 449**	**(23 130)**	**(23 130)**	**99 319**
Roads Infrastructure	150	43 707	(21 724)	(21 724)	21 983
Storm water Infrastructure	–	–	–	–	–
Electrical Infrastructure	3 755	4 352	(1 406)	(1 406)	2 945
Water Supply Infrastructure	11 975	17 101	(637)	(637)	16 463
Sanitation Infrastructure	1 527	81	637	637	718
Infrastructure	**17 407**	**65 240**	**(23 130)**	**(23 130)**	**42 110**
Community Facilities	–	1 400	–	–	1 400
Community Assets	**–**	**1 400**	**–**	**–**	**1 400**
Computer Equipment	**–**	**2 280**	**–**	**–**	**2 280**
Furniture and Office Equipment	**–**	**1 032**	**–**	**–**	**1 032**
Machinery and Equipment	**–**	**100**	**–**	**–**	**100**
Transport Assets	**35 391**	**52 397**	**–**	**–**	**52 397**
Total Renewal of Existing Assets *to be adjusted*	**250**	**15 771**	**–**	**–**	**15 771**
Storm water Infrastructure	–	10 591	–	–	10 591
Electrical Infrastructure	–	5 000	–	–	5 000
Water Supply Infrastructure	250	180	–	–	180
Infrastructure	**250**	**15 771**	**–**	**–**	**15 771**
Total Upgrading of Existing Assets *to be adjusted*	**97 313**	**144 673**	**(10)**	**(10)**	**144 663**
Roads Infrastructure	8 596	8 602	–	–	8 602
Storm water Infrastructure	424	424	–	–	424
Electrical Infrastructure	30 348	28 323	–	–	28 323
Water Supply Infrastructure	16 783	57 046	–	–	57 046
Sanitation Infrastructure	40 663	48 520	5	5	48 525
Infrastructure	**96 813**	**142 915**	**5**	**5**	**142 919**
Community Facilities	–	–	–	–	–
Sport and Recreation Facilities	500	1 759	(15)	(15)	1 744
Community Assets	**500**	**1 759**	**(15)**	**(15)**	**1 744**
Total Capital Expenditure *to be adjusted*					
Roads Infrastructure	8 746	52 309	(21 724)	(21 724)	30 585
Storm water Infrastructure	424	11 016	–	–	11 016
Electrical Infrastructure	34 103	37 674	(1 406)	(1 406)	36 268
Water Supply Infrastructure	29 008	74 326	(637)	(637)	73 689
Sanitation Infrastructure	42 190	48 600	642	642	49 242
Infrastructure	**114 470**	**223 926**	**(23 125)**	**(23 125)**	**200 800**
Community Facilities	–	1 400	–	–	1 400
Sport and Recreation Facilities	500	1 759	(15)	(15)	1 744
Community Assets	**500**	**3 159**	**(15)**	**(15)**	**3 144**
Computer Equipment	**–**	**2 280**	**–**	**–**	**2 280**
Furniture and Office Equipment	**–**	**1 032**	**–**	**–**	**1 032**

Machinery and Equipment	**–**	**100**	**–**	**–**	**100**
Transport Assets	**35 391**	**52 397**	**–**	**–**	**52 397**
TOTAL CAPITAL EXPENDITURE *to be adjusted*	**150 362**	**282 894**	**(23 140)**	**(23 140)**	**259 754**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
R thousands					
ASSET REGISTER SUMMARY - PPE (WDV)					
Roads Infrastructure	518 821	512 755	15	15	512 770
Storm water Infrastructure	28 084	50 504	–	–	50 504
Electrical Infrastructure	209 400	183 742	(1 406)	(1 406)	182 336
Water Supply Infrastructure	421 782	396 397	(637)	(637)	395 760
Sanitation Infrastructure	495 636	408 781	642	642	409 423
Solid Waste Infrastructure	(15 087)	13 699	–	–	13 699
Information and Communication Infrastructure	72	–	–	–	–
Infrastructure	1 658 709	1 565 877	(1 386)	(1 386)	1 564 491
Community Assets	59 161	54 202	(15)	(15)	54 187
Investment properties	262 608	250 794	–	–	250 794
Other Assets	112 819	263 380	(21 739)	(21 739)	241 641
Intangible Assets	603	419	–	–	419
Computer Equipment	5 110	5 356	–	–	5 356
Furniture and Office Equipment	(12 500)	(7 853)	–	–	(7 853)
Machinery and Equipment	6 323	5 597	–	–	5 597
Transport Assets	65 778	106 214	–	–	106 214
Land	211 337	233 939	–	–	233 939
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**2 369 948**	**2 477 924**	**(23 140)**	**(23 140)**	**2 454 784**
EXPENDITURE OTHER ITEMS					
Depreciation & asset impairment	117 798	117 798	–	–	117 798
Repairs and Maintenance by asset class	**228 381**	**242 311**	**(3 261)**	**(3 261)**	**239 050**
Roads Infrastructure	52 369	53 692	–	–	53 692
Storm water Infrastructure	2 120	1 520	–	–	1 520
Electrical Infrastructure	30 806	35 060	–	–	35 060
Water Supply Infrastructure	32 198	37 538	(3 261)	(3 261)	34 277
Sanitation Infrastructure	38 483	43 844	–	–	43 844
Coastal Infrastructure	–	1 150	–	–	1 150
Infrastructure	155 976	172 804	(3 261)	(3 261)	169 543
Community Facilities	40 224	40 047	–	–	40 047
Sport and Recreation Facilities	1 340	1 340	–	–	1 340
Community Assets	41 564	41 387	–	–	41 387
Operational Buildings	4 187	4 154	–	–	4 154
Other Assets	4 187	4 154	–	–	4 154
Machinery and Equipment	694	594	–	–	594
Transport Assets	25 960	23 373	–	–	23 373
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	**346 179**	**360 109**	**(3 261)**	**(3 261)**	**356 848**
Renewal and upgrading of Existing Assets as % of total capex	*64,9%*	*56,7%*			*61,8%*
Renewal and upgrading of Existing Assets as % of deprecn"	*82,8%*	*136,2%*			*136,2%*
R&M as a % of PPE	*9,6%*	*9,8%*			*9,7%*

Renewal and upgrading and R&M as a % of PPE	*13,8%*	*16,3%*			*16,3%*

Explanatory notes to Table 15 B9 – Asset Management

1. The table provides a summarised version of the capital programme divided into new assets and renewal of existing assets; and reflects the relevant asset categories. The associated repairs and maintenance and depreciation are also reflected. It also provides an indication of the resources deployed for maintaining and renewing existing assets, as well as the extent of asset expansion.

Table 16 (B10 - Basic service delivery measurement)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
Household service targets					
Water:					
Piped water inside dwelling	–	–	–	–	–
Piped water inside yard (but not in dwelling)	–	–	–	–	–
Using public tap (at least min.service level)	–	–	–	–	–
Other water supply (at least min.service level)	–	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–	–
Using public tap (< min.service level)	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–
No water supply	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**	**–**
Sanitation/sewerage:					
Flush toilet (connected to sewerage)	–	–	–	–	–
Flush toilet (with septic tank)	–	–	–	–	–
Chemical toilet	–	–	–	–	–
Pit toilet (ventilated)	–	–	–	–	–
Other toilet provisions (> min.service level)	–	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–	–
Bucket toilet	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–
No toilet provisions	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**	**–**
Energy:					
Electricity (at least min. service level)	–	–	–	–	–
Electricity - prepaid (> min.service level)	–	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–	–
Electricity (< min.service level)	–	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–	–
Other energy sources	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–
Total number of households	–	–	–	–	–

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
Refuse:					
Removed at least once a week (min.service)	–	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–	–
Removed less frequently than once a week	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–
Using own refuse dump	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–
No rubbish disposal	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**	**–**
Households receiving Free Basic Service					
Water (6 kilolitres per household per month)	21 232 488	21 487 061	–	–	21 487 061
Sanitation (free minimum level service)	14 212 728	13 673 095	–	–	13 673 095
Electricity/other energy (50kwh per household per month)	5 584 548	1 989 710	–	–	1 989 710
Refuse (removed at least once a week)	25 690 656	24 269 252	–	–	24 269 252
Informal Settlements	–	–	–	–	–
Cost of Free Basic Services provided (R'000)					
Water (6 kilolitres per indigent household per month)	21 232	21 487	–	–	21 487
Sanitation (free sanitation service to indigent households)	14 213	13 673	–	–	13 673
Electricity/other energy (50kwh per indigent household per month)	5 585	1 990	–	–	1 990
Refuse (removed once a week for indigent households)	25 691	24 269	–	–	24 269
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	–	–	–	–	–
Total cost of FBS provided	66 720	61 419	–	–	61 419
Highest level of free service provided					
Property rates (R'000 value threshold)	–	–	–	–	–
Water (kilolitres per household per month)	–	–	–	–	–
Sanitation (kilolitres per household per month)	–	–	–	–	–
Sanitation (Rand per household per month)	–	–	–	–	–
Electricity (kw per household per month)	–	–	–	–	–
Refuse (average litres per week)	–	–	–	–	–
Revenue cost of free services provided (R'000)					
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	7 249	353	–	–	353
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–
Municipal Housing - rental rebates	–	–	–	–	–
Housing - top structure subsidies	–	–	–	–	–
Other	–	–	–	–	–
Total revenue cost of subsidised services provided	**7 249**	**353**	**–**	**–**	**353**

Explanatory notes to Table 16 B10 – Basic Service Delivery Measurement

1. Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

7. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, Charl Du Plessis, Municipal Manager of the Kouga Local Municipality, hereby certify that the 2024/25 Adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the Municipality.

Print Name __**Mr. Charl Du Plessis**_____

Municipal Manager of Kouga Local Municipality EC108

Signature:…… ……..

Date:……17 April 2025…….....

Municipal adjustments budgets & supporting tables

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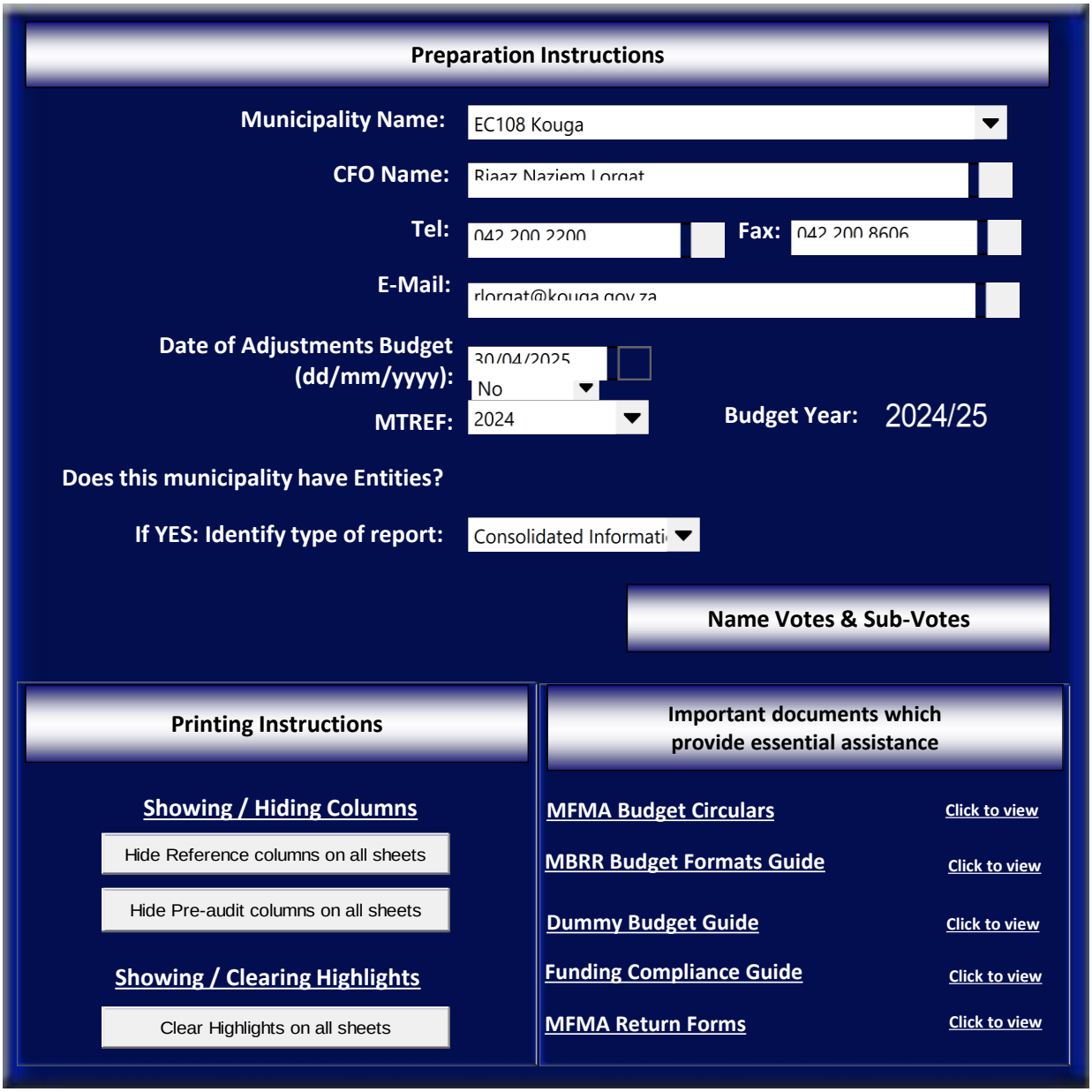


national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Contact details:

Kgomotso Baloyi
National Treasury
Tel: (012) 315-5866
Electronic submissions:
LG Upload Portal


Preparation Instructions
Municipality Name:
EC108 Kouga
CFO Name:
Riaaz Naziem Lorgat
Tel:
042 200 2200
Fax:
042 200 8606
E-Mail:
rlorgat@kouga.gov.za
Date of Adjustments Budget (dd/mm/yyyy):
30/04/2025
No
MTREF:
2024
Budget Year:
2024/25
Does this municipality have Entities?
If YES: Identify type of report:
Consolidated Informati
Name Votes & Sub-Votes
Printing Instructions
Showing / Hiding Columns
Hide Reference columns on all sheets
Hide Pre-audit columns on all sheets
Showing / Clearing Highlights
Clear Highlights on all sheets
Important documents which provide essential assistance
MFMA Budget Circulars
Click to view
MBRR Budget Formats Guide
Click to view
Dummy Budget Guide
Click to view
Funding Compliance Guide
Click to view
MFMA Return Forms
Click to view

Organisational Structure Votes		Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	**Vote 1**	**OFFICE OF THE MUNICIPAL MANAGER**	
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAG	1,1	Municipal Manager	1.1 - Municipal Manager
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	1,2	Performance Management	1.2 - Performance Management
Vote 4 - COMMUNITY SERVICES	1,3	Integrated Development	1.3 - Integrated Development
Vote 5 - CIVIL AND WATER SERVICES	1,4	Risk and Internal Audit	1.4 - Risk and Internal Audit
Vote 6 - ELECTRO/MECHANICAL SERVICES	1,5	[Name of sub-vote]	
Vote 7 - PLANNING AND DEVELOPMENT	1,6	[Name of sub-vote]	
Vote 8 - [NAME OF VOTE 8]	1,7	[Name of sub-vote]	
Vote 9 - [NAME OF VOTE 9]	1,8	[Name of sub-vote]	
Vote 10 - [NAME OF VOTE 10]	1,9	[Name of sub-vote]	
Vote 11 - [NAME OF VOTE 11]	1.10	[Name of sub-vote]	
Vote 12 - [NAME OF VOTE 12]	**Vote 2**	**OFFICE OF THE DEPUTY MUNICIPAL MANAGER**	
Vote 13 - [NAME OF VOTE 13]	2,1	Deputy Municipal Manager	2.1 - Deputy Municipal Manager
Vote 14 - [NAME OF VOTE 14]	2,2	Executive Council	2.2 - Executive Council
Vote 15 - [NAME OF VOTE 15]	2,3	Administrative Office Of The Executive Mayor / Speaker	2.3 - Administrative Office Of The Executive Mayor / Speaker
	2,4	Administration and Auxiliary Services	2.4 - Administration and Auxiliary Services
	2,5	Communications	2.5 - Communications
	2,6	Human Resources Management	2.6 - Human Resources Management
	2,7	Information Communication Technology (Ict)	2.7 - Information Communication Technology (Ict)
	2,8	Legal Services	2.8 - Legal Services
	2,9	Strategic Projects	2.9 - Strategic Projects
	2.10	[Name of sub-vote]	
	Vote 3	**FINANCE AND ECONOMIC DEVELOPMENT**	
	3,1	Chief Financial Officer	3.1 - Chief Financial Officer
	3,2	Assets; Funding And Investments Management	3.2 - Assets; Funding And Investments Management
	3,3	Budget And Treasury	3.3 - Budget And Treasury
	3,4	Expenditure	3.4 - Expenditure
	3,5	Revenue	3.5 - Revenue
	3,6	Supply Chain Management	3.6 - Supply Chain Management
	3,7	Economic Development And Tourism	3.7 - Economic Development And Tourism
	3,8	[Name of sub-vote]	
	3,9	[Name of sub-vote]	
	3.10	[Name of sub-vote]	
	Vote 4	**COMMUNITY SERVICES**	
	4,1	Director:Community Services	4.1 - Director:Community Services
	4,2	Disaster Management And Fire Services	4.2 - Disaster Management And Fire Services
	4,3	Parks And Community Amenities	4.3 - Parks And Community Amenities
	4,4	Safety And Security	4.4 - Safety And Security
	4,5	Waste And Environmental Management	4.5 - Waste And Environmental Management
	4,6	[Name of sub-vote]	
	4,7	[Name of sub-vote]	
	4,8	[Name of sub-vote]	
	4,9	[Name of sub-vote]	
	4.10	[Name of sub-vote]	
	Vote 5	**CIVIL AND WATER SERVICES**	
	5,1	Director:Civil and Water Services	5.1 - Director:Civil and Water Services
	5,2	Management and Administration	5.2 - Management and Administration
	5,3	Roads and Stormwater	5.3 - Roads and Stormwater
	5,4	Project Management Unit (Pmu)	5.4 - Project Management Unit (Pmu)
	5,5	Sanitation	5.5 - Sanitation
	5,6	Sewerage	5.6 - Sewerage
	5,7	Wastewater Treatment Works (WWTW)	5.7 - Wastewater Treatment Works (WWTW)
	5,8	Water	5.8 - Water
	5,9	Water Treatment Works (WTW)	5.9 - Water Treatment Works (WTW)
	5.10	Water Services Authority (WSA)	5.10 - Water Services Authority (WSA)
	Vote 6	**ELECTRO/MECHANICAL SERVICES**	
	6,1	Director:Electro/Mechanical Services	6.1 - Director:Electro/Mechanical Services
	6,2	Management and Administration	6.2 - Management and Administration
	6,3	Electrical:Kouga	6.3 - Electrical:Kouga
	6,4	Electrical:Humansdorp	6.4 - Electrical:Humansdorp
	6,5	Electrical:St Francis Bay / Cape St Francis / Oyster Bay	6.5 - Electrical:St Francis Bay / Cape St Francis / Oyster Bay
	6,6	Renewable, Control and Special Projects	6.6 - Renewable, Control and Special Projects
	6,7	Fleet and Workshop	6.7 - Fleet and Workshop
	6,8	Mechanical	6.8 - Mechanical
	6,9	[Name of sub-vote]	
	6.10	[Name of sub-vote]	
	Vote 7	**PLANNING AND DEVELOPMENT**	
	7,1	Director:Planning and Development	7.1 - Director:Planning and Development
	7,2	Building Control	7.2 - Building Control
	7,3	Human Settlement	7.3 - Human Settlement
	7,4	Land and Property Administration	7.4 - Land and Property Administration
	7,5	Town and Regional Planning	7.5 - Town and Regional Planning
	7,6	[Name of sub-vote]	
	7,7	[Name of sub-vote]	
	7,8	[Name of sub-vote]	
	7,9	[Name of sub-vote]	
	7.10	[Name of sub-vote]	
	Vote 8	**[NAME OF VOTE 8]**	
	8,1	[Name of sub-vote]	
	8,2	[Name of sub-vote]	
	8,3	[Name of sub-vote]	
	8,4	[Name of sub-vote]	
	8,5	[Name of sub-vote]	
	8,6	[Name of sub-vote]	
	8,7	[Name of sub-vote]	
	8,8	[Name of sub-vote]	
	8,9	[Name of sub-vote]	
	8.10	[Name of sub-vote]	
	Vote 9	**[NAME OF VOTE 9]**	
	9,1	[Name of sub-vote]	
	9,2	[Name of sub-vote]	
	9,3	[Name of sub-vote]	
	9,4	[Name of sub-vote]	
	9,5	[Name of sub-vote]	
	9,6	[Name of sub-vote]	
	9,7	[Name of sub-vote]	
	9,8	[Name of sub-vote]	
	9,9	[Name of sub-vote]	
	9.10	[Name of sub-vote]	
	Vote 10	**[NAME OF VOTE 10]**	
	10,1	[Name of sub-vote]	
	10,2	[Name of sub-vote]	
	10,3	[Name of sub-vote]	
	10,4	[Name of sub-vote]	
	10,5	[Name of sub-vote]	
	10,6	[Name of sub-vote]	
	10,7	[Name of sub-vote]	
	10,8	[Name of sub-vote]	
	10,9	[Name of sub-vote]	
	10.10	[Name of sub-vote]	
	Vote 11	**[NAME OF VOTE 11]**	
	11,1	[Name of sub-vote]	
	11,2	[Name of sub-vote]	

Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
11,3	[Name of sub-vote]	
11,4	[Name of sub-vote]	
11,5	[Name of sub-vote]	
11,6	[Name of sub-vote]	
11,7	[Name of sub-vote]	
11,8	[Name of sub-vote]	
11,9	[Name of sub-vote]	
11.10	[Name of sub-vote]	
Vote 12	**[NAME OF VOTE 12]**	
12,1	[Name of sub-vote]	
12,2	[Name of sub-vote]	
12,3	[Name of sub-vote]	
12,4	[Name of sub-vote]	
12,5	[Name of sub-vote]	
12,6	[Name of sub-vote]	
12,7	[Name of sub-vote]	
12,8	[Name of sub-vote]	
12,9	[Name of sub-vote]	
12.10	[Name of sub-vote]	
Vote 13	**[NAME OF VOTE 13]**	
13,1	[Name of sub-vote]	
13,2	[Name of sub-vote]	
13,3	[Name of sub-vote]	
13,4	[Name of sub-vote]	
13,5	[Name of sub-vote]	
13,6	[Name of sub-vote]	
13,7	[Name of sub-vote]	
13,8	[Name of sub-vote]	
13,9	[Name of sub-vote]	
13.10	[Name of sub-vote]	
Vote 14	**[NAME OF VOTE 14]**	
14,1	[Name of sub-vote]	
14,2	[Name of sub-vote]	
14,3	[Name of sub-vote]	
14,4	[Name of sub-vote]	
14,5	[Name of sub-vote]	
14,6	[Name of sub-vote]	
14,7	[Name of sub-vote]	
14,8	[Name of sub-vote]	
14,9	[Name of sub-vote]	
14.10	[Name of sub-vote]	
Vote 15	**[NAME OF VOTE 15]**	
15,1	[Name of sub-vote]	
15,2	[Name of sub-vote]	
15,3	[Name of sub-vote]	
15,4	[Name of sub-vote]	
15,5	[Name of sub-vote]	
15,6	[Name of sub-vote]	
15,7	[Name of sub-vote]	
15,8	[Name of sub-vote]	
15,9	[Name of sub-vote]	
15.10	[Name of sub-vote]	

EC108 Kouga - Contact Information

A. GENERAL INFORMATION

Municipality	EC108 Kouga	Set name on 'Instructions' sheet
Grade	0	*1 Grade in terms of the Remuneration of Public Office Bearers Act.*
Province	EC EASTERN CAPE	
Web Address	www.kouga.gov.za	
E-mail Address	0	

B. CONTACT INFORMATION

Postal address:	
P.O. Box	P O Box 21
City / Town	JEFFREYS BAY
Postal Code	6330
Street address	
Building	Kouga Municipality
Street No. & Name	33 Da Gama Road
City / Town	JEFFREYS BAY
Postal Code	6330
General Contacts	
Telephone number	042 200 2200
Fax number	042 200 8606

C. POLITICAL LEADERSHIP

Speaker:		**Secretary/PA to the Speaker:**	
ID Number	6,61124E+12	ID Number	9,20706E+12
Title	Mr	Title	Ms
Name	Brenton Williams	Name	Noyise Khwanla
Telephone number	042 200 2021	Telephone number	042 200 2021
Cell number	083 5496795	Cell number	738310999
Fax number	086 529 7923	Fax number	086 529 7923
E-mail address	paspeaker@kouga.gov.za	E-mail address	paspeaker@kouga.gov.za

Mayor/Executive Mayor:		**Secretary/PA to the Mayor/Executive Mayor:**	
ID Number	820209 5010 082	ID Number	9,50126E+12
Title	Mr	Title	Ms
Name	Chris Hattingh Bornman	Name	Yolanda Jordan
Telephone number	042 200 2021	Telephone number	43 200 2021
Cell number	084 240 5226	Cell number	794514211
Fax number	086 529 7923	Fax number	086 529 7923
E-mail address	pamayor@kouga.gov.za	E-mail address	pamayor@kouga.gov.za

Deputy Mayor/Executive Mayor:		**Secretary/PA to the Deputy Mayor/Executive Mayor:**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

D. MANAGEMENT LEADERSHIP

Municipal Manager:		**Secretary/PA to the Municipal Manager:**	
ID Number	671015 5014 085	ID Number	830923 0220 086
Title	Mr	Title	Mrs
Name	Charl du Plessis	Name	Joezay Reed
Telephone number	042 200 2046	Telephone number	042 200 2046
Cell number	083 300 0126	Cell number	067 106-2225
Fax number	086 521 4099	Fax number	086 521 4099
E-mail address	cduplessis@kouga.gov.za	E-mail address	jreed@kouga.gov.za

Chief Financial Officer		**Secretary/PA to the Chief Financial Officer**	
ID Number	8202175222086	ID Number	6812270093083
Title	Mr	Title	Ms
Name	Riaaz Nazlem Lorgat	Name	Avis Meyer
Telephone number	042 200 2045	Telephone number	042 200 2045
Cell number	084 845 4470	Cell number	081 339 6465
Fax number	0	Fax number	0
E-mail address	rlorgat@kouga.gov.za	E-mail address	ameyer@kouga.gov.za

Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	830303 5059 088	ID Number	800520 5376 081
Title	Mr	Title	Mr
Name	Shukree Abrahams	Name	Zandisile Gongqoba
Telephone number	0422002200	Telephone number	0422002200
Cell number	083 265 4372	Cell number	0812199498
Fax number	0	Fax number	0
E-mail address	sabrahams@kouga.gov.za	E-mail address	zgongqoba@kouga.gov.za

Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	9,30111E+12	ID Number	9312115353088
Title	Mrs	Title	Mr
Name	Leliethu Swapi	Name	Nkosinathi Mbangi
Telephone number	0422002200	Telephone number	0422002200
Cell number	078 951 7178	Cell number	078 906 6894
Fax number	0	Fax number	0
E-mail address	lswapi@kouga.gov.za	E-mail address	nmbangi@kouga.gov.za

Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	9510270452088	ID Number	0
Title	Ms	Title	0
Name	Asiphe Bontshi	Name	0
Telephone number	0422002200	Telephone number	0
Cell number	082 781 3293	Cell number	0
Fax number	0	Fax number	0
E-mail address	abontshi@kouga.gov.za	E-mail address	0

Official responsible for submitting financial information	**Official responsible for submitting financial information**

ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

EC108 Kouga - Table B1 Adjustments Budget Summary - 30/04/2025

Description	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
Financial Performance											
Property rates	297 076	298 309	–	–	–	–	–	–	298 309	313 303	330 535
Service charges	599 522	701 777	–	–	–	–	–	–	701 777	737 170	826 857
Investment revenue	13 998	15 498	–	–	–	–	–	–	15 498	12 809	13 385
Transfers recognised - operational	202 153	210 105	–	–	–	–	616	616	210 720	211 994	223 454
Other own revenue	279 872	135 214	–	–	–	–	568	568	135 782	138 785	148 862
Total Revenue (excluding capital transfers and	**1 392 621**	**1 360 902**	**–**	**–**	**–**	**–**	**1 184**	**1 184**	**1 362 086**	**1 414 062**	**1 543 093**
Employee costs	471 743	482 971	–	–	–	–	(3 261)	(3 261)	479 710	487 140	513 366
Remuneration of councillors	15 594	15 594	–	–	–	–	–	–	15 594	16 345	17 163
Depreciation & asset impairment	117 798	117 798	–	–	–	–	–	–	117 798	123 884	129 229
Interest	17 404	13 002	–	–	–	–	–	–	13 002	23 398	26 938
Inventory consumed and bulk purchases	495 318	518 545	–	–	–	–	48	48	518 593	576 437	656 443
Transfers and subsidies	400	400	–	–	–	–	–	–	400	400	400
Other expenditure	387 217	312 683	–	–	–	–	1 986	1 986	314 669	288 521	299 758
Total Expenditure	**1 505 474**	**1 460 993**	**–**	**–**	**–**	**–**	**(1 227)**	**(1 227)**	**1 459 766**	**1 516 126**	**1 643 297**
Surplus/(Deficit)	(112 853)	(100 091)	–	–	–	–	2 411	2 411	(97 680)	(102 064)	(100 204)
Transfers and subsidies - capital (monetary allocations	133 816	179 527	–	–	–	–	(1 611)	(1 611)	177 916	127 188	57 374
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers &	**20 963**	**79 436**	**–**	**–**	**–**	**–**	**799**	**799**	**80 236**	**25 123**	**(42 830)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**20 963**	**79 436**	**–**	**–**	**–**	**–**	**799**	**799**	**80 236**	**25 123**	**(42 830)**
Capital expenditure & funds sources											
Capital expenditure	150 362	282 894	–	–	–	–	(23 140)	(23 140)	259 754	241 033	49 890
Transfers recognised - capital	116 362	158 792	–	–	–	–	(1 401)	(1 401)	157 391	110 598	49 890
Borrowing	34 000	94 484	–	–	–	–	(21 739)	(21 739)	72 745	130 435	–
Internally generated funds	–	29 618	–	–	–	–	–	–	29 618	–	–
Total sources of capital funds	**150 362**	**282 894**	**–**	**–**	**–**	**–**	**(23 140)**	**(23 140)**	**259 754**	**241 033**	**49 890**
Financial position											
Total current assets	213 837	293 351	–	–	–	–	23 839	23 839	317 191	352 013	330 566
Total non current assets	2 369 948	2 477 924	–	–	–	–	(23 140)	(23 140)	2 454 784	2 571 932	2 515 734
Total current liabilities	225 392	282 831	–	–	–	–	(100)	(100)	282 731	338 131	327 872
Total non current liabilities	270 953	366 975	–	–	–	–	–	–	366 975	438 424	414 666
Community wealth/Equity	**2 087 440**	**2 121 469**	**–**	**–**	**–**	**–**	**799**	**799**	**2 122 268**	**2 147 391**	**2 103 762**
Cash flows											
Net cash from (used) operating	138 815	174 061	–	–	–	–	695	695	174 756	196 156	107 340
Net cash from (used) investing	(116 362)	(231 888)	–	–	–	–	23 140	23 140	(208 748)	(241 033)	(49 890)
Net cash from (used) financing	(22 478)	84 736	–	–	–	–	–	–	84 736	79 699	(24 785)
Cash/cash equivalents at the year end	**43 641**	**170 567**	**–**	**–**	**–**	**–**	**23 835**	**23 835**	**194 402**	**229 224**	**207 755**
Cash backing/surplus reconciliation											
Cash and investments available	43 640	170 463	–	–	–	–	23 939	23 939	194 402	229 224	207 755
Application of cash and investments	21 279	163 457	–	–	–	–	24 999	24 999	188 457	144 072	116 607
Balance - surplus (shortfall)	**22 362**	**7 006**	**–**	**–**	**–**	**–**	**(1 061)**	**(1 061)**	**5 945**	**85 153**	**91 148**
Asset Management											
Asset register summary (WDV)	2 369 948	2 477 924	–	–	–	–	(23 140)	(23 140)	2 454 784	2 571 932	2 515 734
Depreciation	117 798	117 798	–	–	–	–	–	–	117 798	123 884	129 229
Renewal and Upgrading of Existing Assets	97 563	160 445	–	–	–	–	(10)	(10)	160 435	72 864	22 990
Repairs and Maintenance	228 381	242 311	–	–	–	–	(3 261)	(3 261)	239 050	228 320	240 952
Free services											
Cost of Free Basic Services provided	66 720	61 419	–	–	–	–	–	–	61 419	69 915	75 227
Revenue cost of free services provided	7 249	353	–	–	–	–	–	–	353	7 647	8 068
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–	–

EC108 Kouga - Table B2 Adjustments Budget Financial Performance (functional classification) - 30/04/2025

Standard Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	6	7	8	9	10	11	12		
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		**590 750**	**499 299**	**–**	**–**	**–**	**–**	**568**	**568**	**499 867**	**509 378**	**535 780**
Executive and council		142	142	–	–	–	–	–	–	142	148	155
Finance and administration		590 608	499 157	–	–	–	–	568	568	499 725	509 230	535 625
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**87 286**	**120 969**	**–**	**–**	**–**	**–**	**105**	**105**	**121 074**	**94 255**	**20 187**
Community and social services		2 460	3 365	–	–	–	–	–	–	3 365	2 486	2 515
Sport and recreation		11 504	11 504	–	–	–	–	–	–	11 504	12 252	13 048
Public safety		1 857	1 857	–	–	–	–	–	–	1 857	1 874	1 892
Housing		68 969	101 747	–	–	–	–	–	–	101 747	75 030	–
Health		2 496	2 496	–	–	–	–	105	105	2 601	2 613	2 733
Economic and environmental services		**56 136**	**61 166**	**–**	**–**	**–**	**–**	**511**	**511**	**61 677**	**39 587**	**42 145**
Planning and development		10 252	10 252	–	–	–	–	(6)	(6)	10 246	10 839	11 529
Road transport		19 972	32 160	–	–	–	–	–	–	32 160	8 631	9 192
Environmental protection		25 912	18 755	–	–	–	–	517	517	19 272	20 117	21 424
Trading services		**792 266**	**858 995**	**–**	**–**	**–**	**–**	**(1 611)**	**(1 611)**	**857 384**	**898 030**	**1 002 355**
Energy sources		409 585	444 755	–	–	–	–	(1 617)	(1 617)	443 138	469 935	542 872
Water management		177 913	202 542	–	–	–	–	–	–	202 542	201 314	217 402
Waste water management		123 062	133 183	–	–	–	–	6	6	133 188	141 844	151 622
Waste management		81 707	78 516	–	–	–	–	–	–	78 516	84 937	90 458
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**1 526 437**	**1 540 430**	**–**	**–**	**–**	**–**	**(428)**	**(428)**	**1 540 002**	**1 541 249**	**1 600 467**
Expenditure - Functional												
Governance and administration		**362 481**	**366 409**	**–**	**–**	**–**	**–**	**1 572**	**1 572**	**367 981**	**359 493**	**372 843**
Executive and council		61 996	60 989	–	–	–	–	–	–	60 989	64 853	66 883
Finance and administration		299 963	305 003	–	–	–	–	1 572	1 572	306 574	294 243	305 511
Internal audit		523	418	–	–	–	–	–	–	418	398	449
Community and public safety		**140 104**	**138 745**	**–**	**–**	**–**	**–**	**–**	**–**	**138 745**	**145 522**	**151 964**
Community and social services		13 952	13 796	–	–	–	–	–	–	13 796	14 331	14 956
Sport and recreation		75 205	72 073	–	–	–	–	–	–	72 073	78 127	81 461
Public safety		33 254	33 342	–	–	–	–	–	–	33 342	34 943	36 726
Housing		9 703	11 670	–	–	–	–	–	–	11 670	9 753	10 088
Health		7 991	7 863	–	–	–	–	–	–	7 863	8 368	8 732
Economic and environmental services		**288 532**	**198 200**	**–**	**–**	**–**	**–**	**462**	**462**	**198 662**	**196 024**	**211 938**
Planning and development		32 149	37 410	–	–	–	–	–	–	37 410	30 448	31 988
Road transport		246 274	151 912	–	–	–	–	–	–	151 912	155 478	169 696
Environmental protection		10 109	8 878	–	–	–	–	462	462	9 340	10 098	10 254
Trading services		**714 357**	**757 639**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**754 378**	**815 087**	**906 552**
Energy sources		453 172	494 191	–	–	–	–	–	–	494 191	538 626	616 555
Water management		108 542	109 037	–	–	–	–	(3 261)	(3 261)	105 776	117 274	123 457
Waste water management		88 779	90 277	–	–	–	–	–	–	90 277	94 544	99 274
Waste management		63 864	64 133	–	–	–	–	–	–	64 133	64 643	67 265
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**1 505 474**	**1 460 993**	**–**	**–**	**–**	**–**	**(1 227)**	**(1 227)**	**1 459 766**	**1 516 126**	**1 643 297**
Surplus/ (Deficit) for the year		**20 963**	**79 436**	**–**	**–**	**–**	**–**	**799**	**799**	**80 236**	**25 123**	**(42 830)**

EC108 Kouga - Table B2 Adjustments Budget Financial Performance (functional classification) - B - 30/04/2025

Standard Classification Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousand	1	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Revenue - Functional												
Municipal governance and administration		**590 750**	**499 299**	**–**	**–**	**–**	**–**	**568**	**568**	**499 867**	**509 378**	**535 780**
Executive and council		142	142	–	–	–	–	–	–	142	148	155
Mayor and Council		–	–	–	–	–	–	–	–	–	–	–
Municipal Manager, Town Secretary and Chief		142	142	–	–	–	–	–	–	142	148	155
Finance and administration		590 608	499 157	–	–	–	–	568	568	499 725	509 230	535 625
Administrative and Corporate Support		473	473	–	–	–	–	–	–	473	495	517
Asset Management		1 000	1 000	–	–	–	–	–	–	1 000	1 000	1 000
Finance		445 890	453 924	–	–	–	–	–	–	453 924	467 447	491 425
Fleet Management		2	2	–	–	–	–	–	–	2	2	2
Human Resources		500	500	–	–	–	–	568	568	1 068	500	500
Information Technology		–	–	–	–	–	–	–	–	–	–	–
Legal Services		–	–	–	–	–	–	–	–	–	–	–
Marketing, Customer Relations, Publicity and Media		–	–	–	–	–	–	–	–	–	–	–
Property Services		–	–	–	–	–	–	–	–	–	–	–
Risk Management		–	–	–	–	–	–	–	–	–	–	–
Security Services		142 743	43 258	–	–	–	–	–	–	43 258	39 786	42 181
Supply Chain Management		–	–	–	–	–	–	–	–	–	–	–
Valuation Service		–	–	–	–	–	–	–	–	–	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Governance Function		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**87 286**	**120 969**	**–**	**–**	**–**	**–**	**105**	**105**	**121 074**	**94 255**	**20 187**
Community and social services		**2 460**	**3 365**	**–**	**–**	**–**	**–**	**–**	**–**	**3 365**	**2 486**	**2 515**
Aged Care		–	–	–	–	–	–	–	–	–	–	–
Agricultural		–	–	–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		409	409	–	–	–	–	–	–	409	435	463
Child Care Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Halls and Facilities		–	–	–	–	–	–	–	–	–	–	–
Consumer Protection		–	–	–	–	–	–	–	–	–	–	–
Cultural Matters		–	–	–	–	–	–	–	–	–	–	–
Disaster Management		–	–	–	–	–	–	–	–	–	–	–
Education		–	–	–	–	–	–	–	–	–	–	–
Indigenous and Customary Law		–	–	–	–	–	–	–	–	–	–	–
Industrial Promotion		–	–	–	–	–	–	–	–	–	–	–
Language Policy		–	–	–	–	–	–	–	–	–	–	–
Libraries and Archives		2 051	2 956	–	–	–	–	–	–	2 956	2 051	2 051
Literacy Programmes		–	–	–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–	–	–
Population Development		–	–	–	–	–	–	–	–	–	–	–
Provincial Cultural Matters		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		**11 504**	**11 504**	**–**	**–**	**–**	**–**	**–**	**–**	**11 504**	**12 252**	**13 048**
Beaches and Jetties		8 791	8 791	–	–	–	–	–	–	8 791	9 362	9 970
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–	–	–
Community Parks (including Nurseries)		–	–	–	–	–	–	–	–	–	–	–
Recreational Facilities		2 713	2 713	–	–	–	–	–	–	2 713	2 890	3 078
Sports Grounds and Stadiums		–	–	–	–	–	–	–	–	–	–	–
Public safety		**1 857**	**1 857**	**–**	**–**	**–**	**–**	**–**	**–**	**1 857**	**1 874**	**1 892**
Civil Defence		–	–	–	–	–	–	–	–	–	–	–
Cleansing		–	–	–	–	–	–	–	–	–	–	–
Control of Public Nuisances		–	–	–	–	–	–	–	–	–	–	–
Fencing and Fences		–	–	–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		1 857	1 857	–	–	–	–	–	–	1 857	1 874	1 892
Licensing and Control of Animals		–	–	–	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		–	–	–	–	–	–	–	–	–	–	–
Pounds		–	–	–	–	–	–	–	–	–	–	–
Housing		**68 969**	**101 747**	**–**	**–**	**–**	**–**	**–**	**–**	**101 747**	**75 030**	**–**
Housing		68 969	101 747	–	–	–	–	–	–	101 747	75 030	–
Informal Settlements		–	–	–	–	–	–	–	–	–	–	–
Health		**2 496**	**2 496**	**–**	**–**	**–**	**–**	**105**	**105**	**2 601**	**2 613**	**2 733**
Ambulance		–	–	–	–	–	–	–	–	–	–	–
Health Services		2 496	2 496	–	–	–	–	105	105	2 601	2 613	2 733
Laboratory Services		–	–	–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable		–	–	–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**56 136**	**61 166**	**–**	**–**	**–**	**–**	**511**	**511**	**61 677**	**39 587**	**42 145**
Planning and development		**10 252**	**10 252**	**–**	**–**	**–**	**–**	**(6)**	**(6)**	**10 246**	**10 839**	**11 529**
Billboards		–	–	–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		–	–	–	–	–	–	–	–	–	–	–
Central City Improvement District		–	–	–	–	–	–	–	–	–	–	–
Development Facilitation		–	–	–	–	–	–	–	–	–	–	–
Economic Development/Planning		–	0	–	–	–	–	–	–	0	–	–
Regional Planning and Development		–	–	–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and		8 424	8 424	–	–	–	–	–	–	8 424	8 929	9 465
Project Management Unit		1 828	1 828	–	–	–	–	(6)	(6)	1 822	1 910	2 064
Provincial Planning		–	–	–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–	–	–
Road transport		**19 972**	**32 160**	**–**	**–**	**–**	**–**	**–**	**–**	**32 160**	**8 631**	**9 192**
Public Transport		–	–	–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		8 104	8 104	–	–	–	–	–	–	8 104	8 631	9 192
Roads		11 868	24 056	–	–	–	–	–	–	24 056	–	–
Taxi Ranks		–	–	–	–	–	–	–	–	–	–	–
Environmental protection		**25 912**	**18 755**	**–**	**–**	**–**	**–**	**517**	**517**	**19 272**	**20 117**	**21 424**
Biodiversity and Landscape		–	–	–	–	–	–	–	–	–	–	–
Coastal Protection		–	–	–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–	–	–
Nature Conservation		2 237	2 237	–	–	–	–	–	–	2 237	2 383	2 537
Pollution Control		23 675	16 518	–	–	–	–	517	517	17 035	17 734	18 887
Soil Conservation		–	–	–	–	–	–	–	–	–	–	–
Trading services		**792 266**	**858 995**	**–**	**–**	**–**	**–**	**(1 611)**	**(1 611)**	**857 384**	**898 030**	**1 002 355**
Energy sources		**409 585**	**444 755**	**–**	**–**	**–**	**–**	**(1 617)**	**(1 617)**	**443 138**	**469 935**	**542 872**
Electricity		409 585	444 755	–	–	–	–	(1 617)	(1 617)	443 138	469 935	542 872
Street Lighting and Signal Systems		–	–	–	–	–	–	–	–	–	–	–
Nonelectric Energy		–	–	–	–	–	–	–	–	–	–	–
Water management		**177 913**	**202 542**	**–**	**–**	**–**	**–**	**–**	**–**	**202 542**	**201 314**	**217 402**
Water Treatment		–	–	–	–	–	–	–	–	–	–	–
Water Distribution		177 913	202 542	–	–	–	–	–	–	202 542	201 314	217 402
Water Storage		–	–	–	–	–	–	–	–	–	–	–
Waste water management		**123 062**	**133 183**	**–**	**–**	**–**	**–**	**6**	**6**	**133 188**	**141 844**	**151 622**
Public Toilets		–	–	–	–	–	–	–	–	–	–	–
Sewerage		123 062	133 183	–	–	–	–	6	6	133 188	141 844	151 622
Storm Water Management		–	–	–	–	–	–	–	–	–	–	–
Waste Water Treatment		–	–	–	–	–	–	–	–	–	–	–
Waste management		**81 707**	**78 516**	**–**	**–**	**–**	**–**	**–**	**–**	**78 516**	**84 937**	**90 458**
Recycling		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Disposal (Landfill Sites)		81 707	78 516	–	–	–	–	–	–	78 516	84 937	90 458
Solid Waste Removal		–	–	–	–	–	–	–	–	–	–	–
Street Cleaning		–	–	–	–	–	–	–	–	–	–	–
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–	–	–

Standard Classification Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		5	6	7	8	9	10	11	12			
R thousand	1	A	A1	B	C	D	E	F	G	H		
Forestry		–	–	–	–	–	–	–	–	–	–	–
Licensing and Regulation		–	–	–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–	–	–
Tourism		–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	**1 526 437**	**1 540 430**	**–**	**–**	**–**	**–**	**(428)**	**(428)**	**1 540 002**	**1 541 249**	**1 600 467**

Standard Classification Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		5	6	7	8	9	10	11	12			
R thousand	1	A	A1	B	C	D	E	F	G	H		
Expenditure - Functional												
Municipal governance and administration		**362 481**	**366 409**	**–**	**–**	**–**	**–**	**1 572**	**1 572**	**367 981**	**359 493**	**372 843**
Executive and council		61 996	60 989	–	–	–	–	–	–	60 989	64 853	66 883
Mayor and Council		27 833	26 372	–	–	–	–	–	–	26 372	29 329	29 926
Municipal Manager, Town Secretary and Chief		34 163	34 617	–	–	–	–	–	–	34 617	35 524	36 957
Finance and administration		299 963	305 003	–	–	–	–	1 572	1 572	306 574	294 243	305 511
Administrative and Corporate Support		50 790	48 643	–	–	–	–	790	790	49 433	49 953	53 540
Asset Management		12 217	11 431	–	–	–	–	–	–	11 431	9 689	10 187
Finance		117 757	113 224	–	–	–	–	–	–	113 224	110 494	114 167
Fleet Management		11 437	12 094	–	–	–	–	–	–	12 094	11 797	12 289
Human Resources		26 277	24 202	–	–	–	–	782	782	24 984	27 871	28 068
Information Technology		20 983	23 796	–	–	–	–	–	–	23 796	21 327	21 425
Legal Services		2 028	2 227	–	–	–	–	–	–	2 227	2 279	2 531
Marketing, Customer Relations, Publicity and Media		3 950	3 548	–	–	–	–	–	–	3 548	4 050	4 156
Property Services		–	–	–	–	–	–	–	–	–	–	–
Risk Management		–	–	–	–	–	–	–	–	–	–	–
Security Services		42 630	53 658	–	–	–	–	–	–	53 658	44 324	46 100
Supply Chain Management		11 894	12 179	–	–	–	–	–	–	12 179	12 458	13 050
Valuation Service		–	–	–	–	–	–	–	–	–	–	–
Internal audit		523	418	–	–	–	–	–	–	418	398	449
Governance Function		523	418	–	–	–	–	–	–	418	398	449
Community and public safety		**140 104**	**138 745**	**–**	**–**	**–**	**–**	**–**	**–**	**138 745**	**145 522**	**151 964**
Community and social services		**13 952**	**13 796**	**–**	**–**	**–**	**–**	**–**	**–**	**13 796**	**14 331**	**14 956**
Aged Care		–	–	–	–	–	–	–	–	–	–	–
Agricultural		–	–	–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		3 638	3 638	–	–	–	–	–	–	3 638	3 557	3 699
Child Care Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Halls and Facilities		–	–	–	–	–	–	–	–	–	–	–
Consumer Protection		–	–	–	–	–	–	–	–	–	–	–
Cultural Matters		–	–	–	–	–	–	–	–	–	–	–
Disaster Management		1 840	1 751	–	–	–	–	–	–	1 751	1 901	1 965
Education		–	–	–	–	–	–	–	–	–	–	–
Indigenous and Customary Law		–	–	–	–	–	–	–	–	–	–	–
Industrial Promotion		–	–	–	–	–	–	–	–	–	–	–
Language Policy		–	–	–	–	–	–	–	–	–	–	–
Libraries and Archives		8 474	8 407	–	–	–	–	–	–	8 407	8 874	9 292
Literacy Programmes		–	–	–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–	–	–
Population Development		–	–	–	–	–	–	–	–	–	–	–
Provincial Cultural Matters		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		**75 205**	**72 073**	**–**	**–**	**–**	**–**	**–**	**–**	**72 073**	**78 127**	**81 461**
Beaches and Jetties		23 557	20 919	–	–	–	–	–	–	20 919	24 442	25 430
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–	–	–
Community Parks (including Nurseries)		38 172	37 562	–	–	–	–	–	–	37 562	39 669	41 543
Recreational Facilities		5 558	5 578	–	–	–	–	–	–	5 578	5 723	5 898
Sports Grounds and Stadiums		7 918	8 015	–	–	–	–	–	–	8 015	8 293	8 591
Public safety		**33 254**	**33 342**	**–**	**–**	**–**	**–**	**–**	**–**	**33 342**	**34 943**	**36 726**
Civil Defence		–	–	–	–	–	–	–	–	–	–	–
Cleansing		–	–	–	–	–	–	–	–	–	–	–
Control of Public Nuisances		–	–	–	–	–	–	–	–	–	–	–
Fencing and Fences		–	–	–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		33 254	33 342	–	–	–	–	–	–	33 342	34 943	36 726
Licensing and Control of Animals		–	–	–	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		–	–	–	–	–	–	–	–	–	–	–
Pounds		–	–	–	–	–	–	–	–	–	–	–
Housing		**9 703**	**11 670**	**–**	**–**	**–**	**–**	**–**	**–**	**11 670**	**9 753**	**10 088**
Housing		9 703	11 670	–	–	–	–	–	–	11 670	9 753	10 088
Informal Settlements		–	–	–	–	–	–	–	–	–	–	–
Health		**7 991**	**7 863**	**–**	**–**	**–**	**–**	**–**	**–**	**7 863**	**8 368**	**8 732**
Ambulance		–	–	–	–	–	–	–	–	–	–	–
Health Services		7 991	7 863	–	–	–	–	–	–	7 863	8 368	8 732
Laboratory Services		–	–	–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable		–	–	–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**288 532**	**198 200**	**–**	**–**	**–**	**–**	**462**	**462**	**198 662**	**196 024**	**211 938**
Planning and development		**32 149**	**37 410**	**–**	**–**	**–**	**–**	**–**	**–**	**37 410**	**30 448**	**31 988**
Billboards		–	–	–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		2 603	2 591	–	–	–	–	–	–	2 591	2 774	2 831
Central City Improvement District		–	–	–	–	–	–	–	–	–	–	–
Development Facilitation		–	–	–	–	–	–	–	–	–	–	–
Economic Development/Planning		2 549	3 921	–	–	–	–	–	–	3 921	2 468	2 540
Regional Planning and Development		–	–	–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and		22 730	23 752	–	–	–	–	–	–	23 752	20 728	21 918
Project Management Unit		4 267	7 146	–	–	–	–	–	–	7 146	4 478	4 699
Provincial Planning		–	–	–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–	–	–
Road transport		**246 274**	**151 912**	**–**	**–**	**–**	**–**	**–**	**–**	**151 912**	**155 478**	**169 696**
Public Transport		–	–	–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		136 702	34 386	–	–	–	–	–	–	34 386	39 261	41 402
Roads		109 571	117 526	–	–	–	–	–	–	117 526	116 218	128 295
Taxi Ranks		–	–	–	–	–	–	–	–	–	–	–
Environmental protection		**10 109**	**8 878**	**–**	**–**	**–**	**–**	**462**	**462**	**9 340**	**10 098**	**10 254**
Biodiversity and Landscape		–	–	–	–	–	–	–	–	–	–	–
Coastal Protection		–	–	–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–	–	–
Nature Conservation		24	24	–	–	–	–	–	–	24	24	24
Pollution Control		10 085	8 854	–	–	–	–	462	462	9 316	10 074	10 230
Soil Conservation		–	–	–	–	–	–	–	–	–	–	–
Trading services		**714 357**	**757 639**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**754 378**	**815 087**	**906 552**
Energy sources		**453 172**	**494 191**	**–**	**–**	**–**	**–**	**–**	**–**	**494 191**	**538 626**	**616 555**
Electricity		453 172	494 191	–	–	–	–	–	–	494 191	538 626	616 555
Street Lighting and Signal Systems		–	–	–	–	–	–	–	–	–	–	–
Nonelectric Energy		–	–	–	–	–	–	–	–	–	–	–
Water management		**108 542**	**109 037**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**105 776**	**117 274**	**123 457**
Water Treatment		–	–	–	–	–	–	–	–	–	–	–
Water Distribution		108 542	109 037	–	–	–	–	(3 261)	(3 261)	105 776	117 274	123 457
Water Storage		–	–	–	–	–	–	–	–	–	–	–
Waste water management		**88 779**	**90 277**	**–**	**–**	**–**	**–**	**–**	**–**	**90 277**	**94 544**	**99 274**
Public Toilets		–	–	–	–	–	–	–	–	–	–	–
Sewerage		88 779	90 277	–	–	–	–	–	–	90 277	94 544	99 274
Storm Water Management		–	–	–	–	–	–	–	–	–	–	–
Waste Water Treatment		–	–	–	–	–	–	–	–	–	–	–
Waste management		**63 864**	**64 133**	**–**	**–**	**–**	**–**	**–**	**–**	**64 133**	**64 643**	**67 265**
Recycling		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Disposal (Landfill Sites)		63 864	64 133	–	–	–	–	–	–	64 133	64 643	67 265
Solid Waste Removal		–	–	–	–	–	–	–	–	–	–	–
Street Cleaning		–	–	–	–	–	–	–	–	–	–	–
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–	–	–
Forestry		–	–	–	–	–	–	–	–	–	–	–
Licensing and Regulation		–	–	–	–	–	–	–	–	–	–	–

Standard Classification Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	6	7	8	9	10	11	12		
R thousand	1	A	A1	B	C	D	E	F	G	H		
Markets		–	–	–	–	–	–	–	–	–	–	–
Tourism		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	**1 505 474**	**1 460 993**	**–**	**–**	**–**	**–**	**(1 227)**	**(1 227)**	**1 459 766**	**1 516 126**	**1 643 297**
Surplus/ (Deficit) for the year		**20 963**	**79 436**	**–**	**–**	**–**	**–**	**799**	**799**	**80 236**	**25 123**	**(42 830)**

EC108 Kouga - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 30/04/2025

Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
[Insert departmental structure etc]			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1 115	1 115	–	–	–	–	568	568	1 683	1 143	1 172
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		446 890	454 924	–	–	–	–	–	–	454 924	468 447	492 425
Vote 4 - COMMUNITY SERVICES		276 782	167 855	–	–	–	–	621	621	168 477	172 696	183 442
Vote 5 - CIVIL AND WATER SERVICES		314 671	361 609	–	–	–	–	–	–	361 609	345 068	371 088
Vote 6 - ELECTRO/MECHANICAL SERVICES		409 586	444 756	–	–	–	–	(1 617)	(1 617)	443 139	469 936	542 875
Vote 7 - PLANNING AND DEVELOPMENT		77 392	110 171	–	–	–	–	–	–	110 171	83 959	9 465
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**1 526 437**	**1 540 430**	**–**	**–**	**–**	**–**	**(428)**	**(428)**	**1 540 002**	**1 541 249**	**1 600 467**
Expenditure by Vote	1											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		31 456	31 803	–	–	–	–	–	–	31 803	32 681	34 019
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		128 955	126 253	–	–	–	–	1 572	1 572	127 824	131 727	136 388
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		141 869	136 835	–	–	–	–	–	–	136 835	132 641	137 404
Vote 4 - COMMUNITY SERVICES		386 594	290 666	–	–	–	–	462	462	291 128	297 086	309 998
Vote 5 - CIVIL AND WATER SERVICES		316 288	329 020	–	–	–	–	(3 261)	(3 261)	325 759	337 874	361 327
Vote 6 - ELECTRO/MECHANICAL SERVICES		466 160	507 837	–	–	–	–	–	–	507 837	552 042	630 533
Vote 7 - PLANNING AND DEVELOPMENT		34 152	38 579	–	–	–	–	–	–	38 579	32 074	33 629
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**1 505 474**	**1 460 993**	**–**	**–**	**–**	**–**	**(1 227)**	**(1 227)**	**1 459 766**	**1 516 126**	**1 643 297**
Surplus/ (Deficit) for the year	2	**20 963**	**79 436**	**–**	**–**	**–**	**–**	**799**	**799**	**80 236**	**25 123**	**(42 830)**

EC108 Kouga - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - B - 30/04/2025

Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
[Insert departmental structure etc]			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
1.1 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–
1.2 - Performance Management		–	–	–	–	–	–	–	–	–	–	–
1.3 - Integrated Development		–	–	–	–	–	–	–	–	–	–	–
1.4 - Risk and Internal Audit		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		**1 115**	**1 115**	–	–	–	–	**568**	568	1 683	**1 143**	**1 172**
2.1 - Deputy Municipal Manager		142	142	–	–	–	–	–	–	142	148	155
2.2 - Executive Council		–	–	–	–	–	–	–	–	–	–	–
2.3 - Administrative Office Of The Executive Mayor / Speaker		–	–	–	–	–	–	–	–	–	–	–
2.4 - Administration and Auxiliary Services		473	473	–	–	–	–	–	–	473	495	517
2.5 - Communications		–	–	–	–	–	–	–	–	–	–	–
2.6 - Human Resources Management		500	500	–	–	–	–	568	568	1 068	500	500
2.7 - Information Communication Technology (Ict)		–	–	–	–	–	–	–	–	–	–	–
2.8 - Legal Services		–	–	–	–	–	–	–	–	–	–	–
2.9 - Strategic Projects		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		**446 890**	**454 924**	–	–	–	–	–	–	454 924	**468 447**	**492 425**
3.1 - Chief Financial Officer		118 695	130 892	–	–	–	–	–	–	130 892	124 368	129 497
3.2 - Assets; Funding And Investments Management		1 000	1 000	–	–	–	–	–	–	1 000	1 000	1 000
3.3 - Budget And Treasury		15 721	17 221	–	–	–	–	–	–	17 221	14 595	15 387
3.4 - Expenditure		313	313	–	–	–	–	–	–	313	327	342
3.5 - Revenue		311 161	305 498	–	–	–	–	–	–	305 498	328 157	346 199
3.6 - Supply Chain Management		–	–	–	–	–	–	–	–	–	–	–
3.7 - Economic Development And Tourism		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
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Vote 4 - COMMUNITY SERVICES		**276 782**	**167 855**	–	–	–	–	**621**	621	168 477	**172 696**	**183 442**
4.1 - Director:Community Services		–	–	–	–	–	–	–	–	–	–	–
4.2 - Disaster Management And Fire Services		1 857	1 857	–	–	–	–	–	–	1 857	1 874	1 892
4.3 - Parks And Community Amenities		16 201	17 106	–	–	–	–	–	–	17 106	17 121	18 100
4.4 - Safety And Security		150 847	51 362	–	–	–	–	–	–	51 362	48 417	51 372
4.5 - Waste And Environmental Management		107 878	97 530	–	–	–	–	621	621	98 151	105 284	112 078
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Vote 5 - CIVIL AND WATER SERVICES		**314 671**	**361 609**	–	–	–	–	–	–	361 609	**345 068**	**371 088**
5.1 - Director:Civil and Water Services		–	–	–	–	–	–	–	–	–	–	–
5.2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
5.3 - Roads and Stormwater		11 868	24 056	–	–	–	–	–	–	24 056	–	–
5.4 - Project Management Unit (Pmu)		1 828	1 828	–	–	–	–	(6)	(6)	1 822	1 910	2 064
5.5 - Sanitation		–	–	–	–	–	–	–	–	–	–	–

Vote Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
5.6 - Sewerage		123 062	133 183	–	–	–	–	6	6	133 188	141 844	151 622
5.7 - Wastewater Treatment Works (WWTW)		–	–	–	–	–	–	–	–	–	–	–
5.8 - Water		177 913	202 542	–	–	–	–	–	–	202 542	201 314	217 402
5.9 - Water Treatment Works (WTW)		–	–	–	–	–	–	–	–	–	–	–
5.10 - Water Services Authority (WSA)		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		**409 586**	**444 756**	**–**	**–**	**–**	**–**	**(1 617)**	(1 617)	443 139	**469 936**	**542 875**
6.1 - Director:Electro/Mechanical Services		–	–	–	–	–	–	–	–	–	–	–
6.2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
6.3 - Electrical:Kouga		409 585	444 755	–	–	–	–	(1 617)	(1 617)	443 138	469 935	542 872
6.4 - Electrical:Humansdorp		–	–	–	–	–	–	–	–	–	–	–
6.5 - Electrical:St Francis Bay / Cape St Francis / Oyster Bay		–	–	–	–	–	–	–	–	–	–	–
6.6 - Renewable, Control and Special Projects		–	–	–	–	–	–	–	–	–	–	–
6.7 - Fleet and Workshop		2	2	–	–	–	–	–	–	2	2	2
6.8 - Mechanical		–	–	–	–	–	–	–	–	–	–	–
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Vote 7 - PLANNING AND DEVELOPMENT		**77 392**	**110 171**	**–**	**–**	**–**	**–**	**–**	–	110 171	**83 959**	**9 465**
7.1 - Director:Planning and Development		–	–	–	–	–	–	–	–	–	–	–
7.2 - Building Control		–	–	–	–	–	–	–	–	–	–	–
7.3 - Human Settlement		68 969	101 747	–	–	–	–	–	–	101 747	75 030	–
7.4 - Land and Property Administration		–	0	–	–	–	–	–	–	0	–	–
7.5 - Town and Regional Planning		8 424	8 424	–	–	–	–	–	–	8 424	8 929	9 465
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Vote 8 - [NAME OF VOTE 8]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote 9 - [NAME OF VOTE 9]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote 10 - [NAME OF VOTE 10]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
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Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
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Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
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Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
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Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
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Vote Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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Total Revenue by Vote	2	**1 526 437**	**1 540 430**	**–**	**–**	**–**	**–**	**(428)**	(428)	1 540 002	**1 541 249**	**1 600 467**
Expenditure by Vote	1											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		**31 456**	**31 803**	**–**	**–**	**–**	**–**	**–**	–	31 803	**32 681**	**34 019**
1.1 - Municipal Manager		25 026	25 841	–	–	–	–	–	–	25 841	26 027	27 080
1.2 - Performance Management		3 304	2 953	–	–	–	–	–	–	2 953	3 482	3 659
1.3 - Integrated Development		2 603	2 591	–	–	–	–	–	–	2 591	2 774	2 831
1.4 - Risk and Internal Audit		523	418	–	–	–	–	–	–	418	398	449
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Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		**128 955**	**126 253**	**–**	**–**	**–**	**–**	**1 572**	1 572	127 824	**131 727**	**136 388**
2.1 - Deputy Municipal Manager		383	402	–	–	–	–	–	–	402	384	385
2.2 - Executive Council		25 464	23 949	–	–	–	–	–	–	23 949	26 880	27 393
2.3 - Administrative Office Of The Executive Mayor / Speaker		2 368	2 422	–	–	–	–	–	–	2 422	2 449	2 533
2.4 - Administration and Auxiliary Services		47 486	45 690	–	–	–	–	790	790	46 480	46 471	49 881
2.5 - Communications		3 950	3 548	–	–	–	–	–	–	3 548	4 050	4 156
2.6 - Human Resources Management		26 277	24 202	–	–	–	–	782	782	24 984	27 871	28 068
2.7 - Information Communication Technology (Ict)		20 983	23 796	–	–	–	–	–	–	23 796	21 327	21 425
2.8 - Legal Services		2 028	2 227	–	–	–	–	–	–	2 227	2 279	2 531
2.9 - Strategic Projects		16	16	–	–	–	–	–	–	16	17	18
		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		**141 869**	**136 835**	**–**	**–**	**–**	**–**	**–**	–	136 835	**132 641**	**137 404**
3.1 - Chief Financial Officer		2 933	3 232	–	–	–	–	–	–	3 232	3 493	3 624
3.2 - Assets; Funding And Investments Management		12 217	11 431	–	–	–	–	–	–	11 431	9 689	10 187
3.3 - Budget And Treasury		28 888	20 668	–	–	–	–	–	–	20 668	18 585	18 022
3.4 - Expenditure		8 206	8 174	–	–	–	–	–	–	8 174	8 600	9 014
3.5 - Revenue		61 079	65 494	–	–	–	–	–	–	65 494	64 140	67 480
3.6 - Supply Chain Management		11 894	12 179	–	–	–	–	–	–	12 179	12 458	13 050
3.7 - Economic Development And Tourism		16 652	15 657	–	–	–	–	–	–	15 657	15 675	16 027
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Vote 4 - COMMUNITY SERVICES		**386 594**	**290 666**	**–**	**–**	**–**	**–**	**462**	462	291 128	**297 086**	**309 998**
4.1 - Director:Community Services		2 887	2 537	–	–	–	–	–	–	2 537	2 991	3 101
4.2 - Disaster Management And Fire Services		35 504	35 453	–	–	–	–	–	–	35 453	37 254	39 101
4.3 - Parks And Community Amenities		86 931	83 782	–	–	–	–	–	–	83 782	90 172	94 067
4.4 - Safety And Security		179 332	88 044	–	–	–	–	–	–	88 044	83 585	87 501
4.5 - Waste And Environmental Management		81 940	80 850	–	–	–	–	462	462	81 312	83 084	86 228
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Vote Description *[Insert departmental structure etc]* R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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Vote 5 - CIVIL AND WATER SERVICES		**316 288**	**329 020**	**–**	**–**	**–**	**–**	**(3 261)**	(3 261)	325 759	**337 874**	**361 327**
5.1 - Director:Civil and Water Services		2 321	2 292	–	–	–	–	–	–	2 292	2 419	2 523
5.2 - Management and Administration		2 808	2 741	–	–	–	–	–	–	2 741	2 941	3 078
5.3 - Roads and Stormwater		109 571	117 526	–	–	–	–	–	–	117 526	116 218	128 295
5.4 - Project Management Unit (Pmu)		4 267	7 146	–	–	–	–	–	–	7 146	4 478	4 699
5.5 - Sanitation		4 614	6 507	–	–	–	–	–	–	6 507	4 685	4 755
5.6 - Sewerage		84 166	83 770	–	–	–	–	–	–	83 770	89 859	94 519
5.7 - Wastewater Treatment Works (WWTW)		–	–	–	–	–	–	–	–	–	–	–
5.8 - Water		108 542	109 037	–	–	–	–	(3 261)	(3 261)	105 776	117 274	123 457
5.9 - Water Treatment Works (WTW)		–	–	–	–	–	–	–	–	–	–	–
5.10 - Water Services Authority (WSA)		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		**466 160**	**507 837**	**–**	**–**	**–**	**–**	**–**	–	507 837	**552 042**	**630 533**
6.1 - Director:Electro/Mechanical Services		1 552	1 552	–	–	–	–	–	–	1 552	1 619	1 689
6.2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
6.3 - Electrical:Kouga		453 172	494 191	–	–	–	–	–	–	494 191	538 626	616 555
6.4 - Electrical:Humansdorp		–	–	–	–	–	–	–	–	–	–	–
6.5 - Electrical:St Francis Bay / Cape St Francis / Oyster Bay		–	–	–	–	–	–	–	–	–	–	–
6.6 - Renewable, Control and Special Projects		–	–	–	–	–	–	–	–	–	–	–
6.7 - Fleet and Workshop		11 335	12 094	–	–	–	–	–	–	12 094	11 797	12 289
6.8 - Mechanical		102	–	–	–	–	–	–	–	–	–	–
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Vote 7 - PLANNING AND DEVELOPMENT		**34 152**	**38 579**	**–**	**–**	**–**	**–**	**–**	–	38 579	**32 074**	**33 629**
7.1 - Director:Planning and Development		1 995	1 993	–	–	–	–	–	–	1 993	2 084	2 178
7.2 - Building Control		475	275	–	–	–	–	–	–	275	497	520
7.3 - Human Settlement		9 703	11 670	–	–	–	–	–	–	11 670	9 753	10 088
7.4 - Land and Property Administration		2 533	3 904	–	–	–	–	–	–	3 904	2 451	2 522
7.5 - Town and Regional Planning		19 446	20 736	–	–	–	–	–	–	20 736	17 289	18 321
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Vote 8 - [NAME OF VOTE 8]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote 9 - [NAME OF VOTE 9]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote Description *[Insert departmental structure etc]* R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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Vote 10 - [NAME OF VOTE 10]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote 11 - [NAME OF VOTE 11]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote 12 - [NAME OF VOTE 12]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote 13 - [NAME OF VOTE 13]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote 14 - [NAME OF VOTE 14]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Vote Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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Vote 15 - [NAME OF VOTE 15]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
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Total Expenditure by Vote	2	**1 505 474**	**1 460 993**	**–**	**–**	**–**	**–**	**(1 227)**	(1 227)	1 459 766	**1 516 126**	**1 643 297**
Surplus/ (Deficit) for the year	2	**20 963**	**79 436**	**–**	**–**	**–**	**–**	**799**	799	80 236	**25 123**	**(42 830)**

EC108 Kouga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue												
Exchange Revenue												
Service charges - Electricity	2	381 991	425 559	–	–	–	–	–	–	425 559	441 963	511 351
Service charges - Water	2	82 323	138 057	–	–	–	–	–	–	138 057	148 066	158 801
Service charges - Waste Water Management	2	64 086	76 014	–	–	–	–	–	–	76 014	80 955	86 217
Service charges - Waste Management	2	71 123	62 146	–	–	–	–	–	–	62 146	66 186	70 488
Sale of Goods and Rendering of Services		9 533	9 533	–	–	–	–	–	–	9 533	10 095	10 689
Agency services		4 554	4 554	–	–	–	–	–	–	4 554	4 850	5 166
Interest		–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		32 335	32 335	–	–	–	–	–	–	32 335	34 757	37 376
Interest earned from Current and Non Current Assets		13 998	15 498	–	–	–	–	–	–	15 498	12 809	13 385
Dividends		–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		3 187	3 187	–	–	–	–	–	–	3 187	3 385	3 595
Licence and permits		2 851	2 851	–	–	–	–	–	–	2 851	3 037	3 234
Operational Revenue		1 955	1 955	–	–	–	–	568	568	2 523	1 976	1 998
Non-Exchange Revenue												
Property rates		297 076	298 309	–	–	–	–	–	–	298 309	313 303	330 535
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		143 343	43 859	–	–	–	–	–	–	43 859	40 423	42 855
Licences or permits		11 772	11 772	–	–	–	–	–	–	11 772	12 537	13 352
Transfer and subsidies - Operational		202 153	210 105	–	–	–	–	616	616	210 720	211 994	223 454
Interest		5 510	5 510	–	–	–	–	–	–	5 510	5 813	6 133
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		64 831	19 658	–	–	–	–	–	–	19 658	21 913	24 464
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**1 392 621**	**1 360 902**	**–**	**–**	**–**	**–**	**1 184**	**1 184**	**1 362 086**	**1 414 062**	**1 543 093**
Expenditure By Type												
Employee related costs		471 743	482 971	–	–	–	–	(3 261)	(3 261)	479 710	487 140	513 366
Remuneration of councillors		15 594	15 594	–	–	–	–	–	–	15 594	16 345	17 163
Bulk purchases - electricity		386 299	413 349	–	–	–	–	–	–	413 349	462 520	535 135
Inventory consumed		109 019	105 196	–	–	–	–	48	48	105 244	113 917	121 308
Debt impairment		158 246	59 136	–	–	–	–	(167 151)	(167 151)	(108 015)	68 948	74 887
Depreciation and amortisation		117 798	117 798	–	–	–	–	–	–	117 798	123 884	129 229
Interest		17 404	13 002	–	–	–	–	–	–	13 002	23 398	26 938
Contracted services		125 372	145 572	–	–	–	–	763	763	146 335	114 607	116 678
Transfers and subsidies		400	400	–	–	–	–	–	–	400	400	400
Irrecoverable debts written off		9 359	10 078	–	–	–	–	167 151	167 151	177 229	11 686	12 866
Operational costs		94 240	97 897	–	–	–	–	1 223	1 223	99 120	93 281	95 326
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**1 505 474**	**1 460 993**	**–**	**–**	**–**	**–**	**(1 227)**	**(1 227)**	**1 459 766**	**1 516 126**	**1 643 297**
Surplus/(Deficit)		**(112 853)**	**(100 091)**	**–**	**–**	**–**	**–**	**2 411**	**2 411**	**(97 680)**	**(102 064)**	**(100 204)**
Transfers and subsidies - capital (monetary allocations)		133 816	179 527	–	–	–	–	(1 611)	(1 611)	177 916	127 188	57 374
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**20 963**	**79 436**	**–**	**–**	**–**	**–**	**799**	**799**	**80 236**	**25 123**	**(42 830)**
Income Tax		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		20 963	79 436	–	–	–	–	799	799	80 236	25 123	(42 830)
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		20 963	79 436	–	–	–	–	799	799	80 236	25 123	(42 830)
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		**20 963**	**79 436**	**–**	**–**	**–**	**–**	**799**	**799**	**80 236**	**25 123**	**(42 830)**

EC108 Kouga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Capital expenditure - Vote												
Multi-year expenditure *to be adjusted*	2											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		–	1 933	–	–	–	–	–	–	1 933	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	992	–	–	–	–	–	–	992	–	–
Vote 4 - COMMUNITY SERVICES		1 391	1 634	–	–	–	–	–	–	1 634	1 391	1 391
Vote 5 - CIVIL AND WATER SERVICES		80 868	167 517	–	–	–	–	(21 734)	(21 734)	145 782	232 328	39 427
Vote 6 - ELECTRO/MECHANICAL SERVICES		68 103	88 835	–	–	–	–	(1 406)	(1 406)	87 429	7 313	9 072
Vote 7 - PLANNING AND DEVELOPMENT		–	21 956	–	–	–	–	–	–	21 956	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	3	**150 362**	**282 866**	**–**	**–**	**–**	**–**	**(23 140)**	**(23 140)**	**259 726**	**241 033**	**49 890**
Single-year expenditure *to be adjusted*	2											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	28	–	–	–	–	–	–	28	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–
Vote 4 - COMMUNITY SERVICES		–	–	–	–	–	–	–	–	–	–	–
Vote 5 - CIVIL AND WATER SERVICES		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		–	–	–	–	–	–	–	–	–	–	–
Vote 7 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**–**	**28**	**–**	**–**	**–**	**–**	**–**	**–**	**28**	**–**	**–**
Total Capital Expenditure - Vote		**150 362**	**282 894**	**–**	**–**	**–**	**–**	**(23 140)**	**(23 140)**	**259 754**	**241 033**	**49 890**
Capital Expenditure - Functional												
Governance and administration		**34 000**	**54 101**	**–**	**–**	**–**	**–**	**–**	**–**	**54 101**	**–**	**–**
Executive and council		–	300	–	–	–	–	–	–	300	–	–
Finance and administration		34 000	53 773	–	–	–	–	–	–	53 773	–	–
Internal audit		–	28	–	–	–	–	–	–	28	–	–
Community and public safety		**1 391**	**21 947**	**–**	**–**	**–**	**–**	**–**	**–**	**21 947**	**1 391**	**1 391**
Community and social services		–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–
Public safety		1 391	1 391	–	–	–	–	–	–	1 391	1 391	1 391
Housing		–	20 556	–	–	–	–	–	–	20 556	–	–
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**9 670**	**66 646**	**–**	**–**	**–**	**–**	**(21 739)**	**(21 739)**	**44 907**	**158 281**	**13 845**
Planning and development		500	3 497	–	–	–	–	(15)	(15)	3 482	7 847	5 135
Road transport		9 170	63 149	–	–	–	–	(21 724)	(21 724)	41 425	150 435	8 709
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		**105 300**	**140 200**	**–**	**–**	**–**	**–**	**(1 401)**	**(1 401)**	**138 799**	**81 360**	**34 655**
Energy sources		34 103	37 829	–	–	–	–	(1 406)	(1 406)	36 423	7 313	9 072
Water management		29 008	53 770	–	–	–	–	(637)	(637)	53 133	54 772	–
Waste water management		42 190	48 600	–	–	–	–	642	642	49 242	19 275	25 582
Waste management		–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**150 362**	**282 894**	**–**	**–**	**–**	**–**	**(23 140)**	**(23 140)**	**259 754**	**241 033**	**49 890**
Funded by:												
National Government		54 997	72 328	–	–	–	–	(1 401)	(1 401)	70 927	43 963	48 499
Provincial Government		59 973	85 073	–	–	–	–	–	–	85 073	65 243	–
District Municipality		1 391	1 391	–	–	–	–	–	–	1 391	1 391	1 391
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**116 362**	**158 792**	**–**	**–**	**–**	**–**	**(1 401)**	**(1 401)**	**157 391**	**110 598**	**49 890**
Borrowing		34 000	94 484	–	–	–	–	(21 739)	(21 739)	72 745	130 435	–
Internally generated funds		–	29 618	–	–	–	–	–	–	29 618	–	–
Total Capital Funding		**150 362**	**282 894**	**–**	**–**	**–**	**–**	**(23 140)**	**(23 140)**	**259 754**	**241 033**	**49 890**

EC108 Kouga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - B - 30/04/2025

Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Capital expenditure - Municipal Vote												
Multi-year expenditure appropriation	2											
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–
1.1 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–
1.2 - Performance Management		–	–	–	–	–	–	–	–	–	–	–
1.3 - Integrated Development		–	–	–	–	–	–	–	–	–	–	–
1.4 - Risk and Internal Audit		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANA		–	1 933	–	–	–	–	–	–	1 933	–	–
2.1 - Deputy Municipal Manager		–	150	–	–	–	–	–	–	150	–	–
2.2 - Executive Council		–	150	–	–	–	–	–	–	150	–	–
2.3 - Administrative Office Of The Executive Mayor / Spea		–	–	–	–	–	–	–	–	–	–	–
2.4 - Administration and Auxiliary Services		–	90	–	–	–	–	–	–	90	–	–
2.5 - Communications		–	–	–	–	–	–	–	–	–	–	–
2.6 - Human Resources Management		–	80	–	–	–	–	–	–	80	–	–
2.7 - Information Communication Technology (Ict)		–	1 413	–	–	–	–	–	–	1 413	–	–
2.8 - Legal Services		–	50	–	–	–	–	–	–	50	–	–
2.9 - Strategic Projects		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	992	–	–	–	–	–	–	992	–	–
3.1 - Chief Financial Officer		–	–	–	–	–	–	–	–	–	–	–
3.2 - Assets; Funding And Investments Management		–	378	–	–	–	–	–	–	378	–	–
3.3 - Budget And Treasury		–	–	–	–	–	–	–	–	–	–	–
3.4 - Expenditure		–	–	–	–	–	–	–	–	–	–	–
3.5 - Revenue		–	129	–	–	–	–	–	–	129	–	–
3.6 - Supply Chain Management		–	385	–	–	–	–	–	–	385	–	–
3.7 - Economic Development And Tourism		–	100	–	–	–	–	–	–	100	–	–
		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–	–
Vote 4 - COMMUNITY SERVICES		1 391	1 634	–	–	–	–	–	–	1 634	1 391	1 391
4.1 - Director:Community Services		–	–	–	–	–	–	–	–	–	–	–
4.2 - Disaster Management And Fire Services		1 391	1 391	–	–	–	–	–	–	1 391	1 391	1 391
4.3 - Parks And Community Amenities		–	–	–	–	–	–	–	–	–	–	–
4.4 - Safety And Security		–	242	–	–	–	–	–	–	242	–	–
4.5 - Waste And Environmental Management		–	–	–	–	–	–	–	–	–	–	–
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Vote 5 - CIVIL AND WATER SERVICES		80 868	167 517	–	–	–	–	(21 734)	(21 734)	145 782	232 328	39 427
5.1 - Director:Civil and Water Services		–	–	–	–	–	–	–	–	–	–	–
5.2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
5.3 - Roads and Stormwater		9 170	63 149	–	–	–	–	(21 724)	(21 724)	41 425	150 435	8 709
5.4 - Project Management Unit (Pmu)		500	1 997	–	–	–	–	(15)	(15)	1 982	7 847	5 135
5.5 - Sanitation		–	–	–	–	–	–	–	–	–	–	–
5.6 - Sewerage		42 190	48 600	–	–	–	–	642	642	49 242	19 275	25 582
5.7 - Wastewater Treatment Works (WWTW)		–	–	–	–	–	–	–	–	–	–	–
5.8 - Water		29 008	53 770	–	–	–	–	(637)	(637)	53 133	54 772	–
5.9 - Water Treatment Works (WTW)		–	–	–	–	–	–	–	–	–	–	–
5.10 - Water Services Authority (WSA)		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		68 103	88 835	–	–	–	–	(1 406)	(1 406)	87 429	7 313	9 072
6.1 - Director:Electro/Mechanical Services		–	–	–	–	–	–	–	–	–	–	–
6.2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
6.3 - Electrical:Kouga		34 103	37 829	–	–	–	–	(1 406)	(1 406)	36 423	7 313	9 072
6.4 - Electrical:Humansdorp		–	–	–	–	–	–	–	–	–	–	–
6.5 - Electrical:St Francis Bay / Cape St Francis / Oyster		–	–	–	–	–	–	–	–	–	–	–
6.6 - Renewable, Control and Special Projects		–	–	–	–	–	–	–	–	–	–	–
6.7 - Fleet and Workshop		34 000	51 006	–	–	–	–	–	–	51 006	–	–
6.8 - Mechanical		–	–	–	–	–	–	–	–	–	–	–
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Vote 7 - PLANNING AND DEVELOPMENT		–	21 956	–	–	–	–	–	–	21 956	–	–
7.1 - Director:Planning and Development		–	–	–	–	–	–	–	–	–	–	–
7.2 - Building Control		–	–	–	–	–	–	–	–	–	–	–
7.3 - Human Settlement		–	20 556	–	–	–	–	–	–	20 556	–	–
7.4 - Land and Property Administration		–	1 400	–	–	–	–	–	–	1 400	–	–
7.5 - Town and Regional Planning		–	–	–	–	–	–	–	–	–	–	–
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Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
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Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
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Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
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Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
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Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
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Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
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Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
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Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
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Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
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Capital multi-year expenditure sub-total		**150 362**	**282 866**	**–**	**–**	**–**	**–**	**(23 140)**	(23 140)	259 726	**241 033**	**49 890**
Capital expenditure - Municipal Vote	2											
Single-year expenditure appropriation												
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	**28**	–	–	–	–	–	–	28	–	–
1.1 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–
1.2 - Performance Management		–	–	–	–	–	–	–	–	–	–	–
1.3 - Integrated Development		–	–	–	–	–	–	–	–	–	–	–
1.4 - Risk and Internal Audit		–	28	–	–	–	–	–	–	28	–	–
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Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANA		–	–	–	–	–	–	–	–	–	–	–
2.1 - Deputy Municipal Manager		–	–	–	–	–	–	–	–	–	–	–
2.2 - Executive Council		–	–	–	–	–	–	–	–	–	–	–
2.3 - Administrative Office Of The Executive Mayor / Spea		–	–	–	–	–	–	–	–	–	–	–
2.4 - Administration and Auxiliary Services		–	–	–	–	–	–	–	–	–	–	–
2.5 - Communications		–	–	–	–	–	–	–	–	–	–	–
2.6 - Human Resources Management		–	–	–	–	–	–	–	–	–	–	–
2.7 - Information Communication Technology (Ict)		–	–	–	–	–	–	–	–	–	–	–
2.8 - Legal Services		–	–	–	–	–	–	–	–	–	–	–
2.9 - Strategic Projects		–	–	–	–	–	–	–	–	–	–	–
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Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–
3.1 - Chief Financial Officer		–	–	–	–	–	–	–	–	–	–	–
3.2 - Assets; Funding And Investments Management		–	–	–	–	–	–	–	–	–	–	–
3.3 - Budget And Treasury		–	–	–	–	–	–	–	–	–	–	–
3.4 - Expenditure		–	–	–	–	–	–	–	–	–	–	–
3.5 - Revenue		–	–	–	–	–	–	–	–	–	–	–
3.6 - Supply Chain Management		–	–	–	–	–	–	–	–	–	–	–
3.7 - Economic Development And Tourism		–	–	–	–	–	–	–	–	–	–	–
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Vote 4 - COMMUNITY SERVICES		–	–	–	–	–	–	–	–	–	–	–
4.1 - Director:Community Services		–	–	–	–	–	–	–	–	–	–	–
4.2 - Disaster Management And Fire Services		–	–	–	–	–	–	–	–	–	–	–
4.3 - Parks And Community Amenities		–	–	–	–	–	–	–	–	–	–	–
4.4 - Safety And Security		–	–	–	–	–	–	–	–	–	–	–
4.5 - Waste And Environmental Management		–	–	–	–	–	–	–	–	–	–	–
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Vote 5 - CIVIL AND WATER SERVICES		–	–	–	–	–	–	–	–	–	–	–
5.1 - Director:Civil and Water Services		–	–	–	–	–	–	–	–	–	–	–
5.2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
5.3 - Roads and Stormwater		–	–	–	–	–	–	–	–	–	–	–
5.4 - Project Management Unit (Pmu)		–	–	–	–	–	–	–	–	–	–	–
5.5 - Sanitation		–	–	–	–	–	–	–	–	–	–	–
5.6 - Sewerage		–	–	–	–	–	–	–	–	–	–	–
5.7 - Wastewater Treatment Works (WWTW)		–	–	–	–	–	–	–	–	–	–	–
5.8 - Water		–	–	–	–	–	–	–	–	–	–	–
5.9 - Water Treatment Works (WTW)		–	–	–	–	–	–	–	–	–	–	–
5.10 - Water Services Authority (WSA)		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		–	–	–	–	–	–	–	–	–	–	–
6.1 - Director:Electro/Mechanical Services		–	–	–	–	–	–	–	–	–	–	–
6.2 - Management and Administration		–	–	–	–	–	–	–	–	–	–	–
6.3 - Electrical:Kouga		–	–	–	–	–	–	–	–	–	–	–
6.4 - Electrical:Humansdorp		–	–	–	–	–	–	–	–	–	–	–
6.5 - Electrical:St Francis Bay / Cape St Francis / Oyster		–	–	–	–	–	–	–	–	–	–	–
6.6 - Renewable, Control and Special Projects		–	–	–	–	–	–	–	–	–	–	–
6.7 - Fleet and Workshop		–	–	–	–	–	–	–	–	–	–	–

Vote Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
6.8 - Mechanical		–	–	–	–	–	–	–	–	–	–	–
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Vote 7 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–
7.1 - Director:Planning and Development		–	–	–	–	–	–	–	–	–	–	–
7.2 - Building Control		–	–	–	–	–	–	–	–	–	–	–
7.3 - Human Settlement		–	–	–	–	–	–	–	–	–	–	–
7.4 - Land and Property Administration		–	–	–	–	–	–	–	–	–	–	–
7.5 - Town and Regional Planning		–	–	–	–	–	–	–	–	–	–	–
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Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
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Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
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Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
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Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
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Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
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Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
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Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
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Capital single-year expenditure sub-total		–	28	–	–	–	–	–	–	28	–	–
Total Capital Expenditure		**150 362**	**282 894**	–	–	–	–	**(23 140)**	(23 140)	259 754	**241 033**	**49 890**

EC108 Kouga - Table B6 Adjustments Budget Financial Position - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
ASSETS												
Current assets												
Cash and cash equivalents		43 640	170 463	–	–	–	–	23 939	23 939	194 402	229 224	207 755
Trade and other receivables from exchange transactio	1	77 030	59 899	–	–	–	–	–	–	59 899	59 899	59 899
Receivables from non-exchange transactions	1	29 014	26 651	–	–	–	–	–	–	26 651	26 651	26 651
Current portion of non-current receivables		–	–	–	–	–	–	–	–	–	–	–
Inventory		18 598	22 549	–	–	–	–	(100)	(100)	22 450	22 450	22 450
VAT		45 445	12 790	–	–	–	–	(0)	(0)	12 790	12 790	12 812
Other current assets		109	999	–	–	–	–	–	–	999	999	999
Total current assets		**213 837**	**293 351**	**–**	**–**	**–**	**–**	**23 839**	**23 839**	**317 191**	**352 013**	**330 566**
Non current assets												
Investments		–	–	–	–	–	–	–	–	–	–	–
Investment property		262 608	250 794	–	–	–	–	–	–	250 794	250 794	250 794
Property, plant and equipment		2 106 737	2 226 712	–	–	–	–	(23 140)	(23 140)	2 203 572	2 320 720	2 264 522
Biological assets		–	–	–	–	–	–	–	–	–	–	–
Living and non-living resources	1	–	–	–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–	–	–
Intangible assets		603	419	–	–	–	–	–	–	419	419	419
Trade and other receivables from exchange transactio		–	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactio		–	–	–	–	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–	–
Total non current assets		**2 369 948**	**2 477 924**	**–**	**–**	**–**	**–**	**(23 140)**	**(23 140)**	**2 454 784**	**2 571 932**	**2 515 734**
TOTAL ASSETS		**2 583 785**	**2 771 275**	**–**	**–**	**–**	**–**	**699**	**699**	**2 771 975**	**2 923 945**	**2 846 300**
LIABILITIES												
Current liabilities												
Bank overdraft		–	–	–	–	–	–	–	–	–	–	–
Financial liabilities		23 564	38 274	–	–	–	–	–	–	38 274	63 059	80 242
Consumer deposits		29 060	31 660	–	–	–	–	–	–	31 660	31 660	31 660
Trade and other payables from exchange transactions		124 413	143 322	–	–	–	–	(100)	(100)	143 222	173 396	145 513
Trade and other payables from non-exchange transac		–	0	–	–	–	–	(0)	(0)	0	–	–
Provisions		48 355	54 868	–	–	–	–	–	–	54 868	55 309	55 749
VAT		(0)	14 707	–	–	–	–	–	–	14 707	14 707	14 707
Other current liabilities		–	–	–	–	–	–	–	–	–	–	–
Total current liabilities		**225 392**	**282 831**	**–**	**–**	**–**	**–**	**(100)**	**(100)**	**282 731**	**338 131**	**327 872**
Non current liabilities												
Financial Liabilities	1	11 333	120 843	–	–	–	–	–	–	120 843	175 758	133 789
Provisions	1	259 620	246 133	–	–	–	–	–	–	246 133	262 666	280 877
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		–	–	–	–	–	–	–	–	–	–	–
Total non current liabilities		**270 953**	**366 975**	**–**	**–**	**–**	**–**	**–**	**–**	**366 975**	**438 424**	**414 666**
TOTAL LIABILITIES		**496 345**	**649 806**	**–**	**–**	**–**	**–**	**(100)**	**(100)**	**649 706**	**776 554**	**742 538**
NET ASSETS	2	**2 087 440**	**2 121 469**	**–**	**–**	**–**	**–**	**799**	**799**	**2 122 268**	**2 147 391**	**2 103 762**
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		2 087 440	2 121 469	–	–	–	–	799	799	2 122 268	2 147 391	2 103 762
Funds and Reserves		–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY		**2 087 440**	**2 121 469**	**–**	**–**	**–**	**–**	**799**	**799**	**2 122 268**	**2 147 391**	**2 103 762**

EC108 Kouga - Table B7 Adjustments Budget Cash Flows - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		287 458	288 628	–	–	–	–	–	–	288 628	303 161	319 834
Service charges		761 922	823 774	–	–	–	–	–	–	823 774	860 320	963 513
Other revenue		93 666	115 947	–	–	–	–	222	222	116 169	110 502	85 380
Transfers and Subsidies - Operational	1	202 153	210 105	–	–	–	–	616	616	210 720	211 994	223 454
Transfers and Subsidies - Capital	1	123 443	140 736	–	–	–	–	(1 611)	(1 611)	139 125	127 188	57 374
Interest		13 998	15 498	–	–	–	–	–	–	15 498	12 809	13 385
Dividends		–	–	–	–	–	–	–	–	–	–	–
Payments												
Suppliers and employees		(1 327 265)	(1 409 131)	–	–	–	–	1 468	1 468	(1 407 663)	(1 407 212)	(1 530 389)
Finance charges		(16 159)	(11 097)	–	–	–	–	–	–	(11 097)	(22 206)	(24 811)
Transfers and Grants	1	(400)	(400)	–	–	–	–	–	–	(400)	(400)	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**138 815**	**174 061**	**–**	**–**	**–**	**–**	**695**	**695**	**174 756**	**196 156**	**107 340**
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–
Payments												
Capital assets		(116 362)	(231 888)	–	–	–	–	23 140	23 140	(208 748)	(241 033)	(49 890)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(116 362)**	**(231 888)**	**–**	**–**	**–**	**–**	**23 140**	**23 140**	**(208 748)**	**(241 033)**	**(49 890)**
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	100 000	–	–	–	–	–	–	100 000	100 000	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–
Payments												
Repayment of borrowing		(22 478)	(15 264)	–	–	–	–	–	–	(15 264)	(20 301)	(24 785)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(22 478)**	**84 736**	**–**	**–**	**–**	**–**	**–**	**–**	**84 736**	**79 699**	**(24 785)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(24)**	**26 908**	**–**	**–**	**–**	**–**	**23 835**	**23 835**	**50 743**	**34 822**	**32 665**
Cash/cash equivalents at the year begin:	2	43 665	143 659	–	–	–	–	–	–	143 659	194 402	175 089
Cash/cash equivalents at the year end:	2	43 641	170 567	–	–	–	–	23 835	23 835	194 402	229 224	207 755

EC108 Kouga - Table B8 Cash backed reserves/accumulated surplus reconciliation - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3		4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Cash and investments available												
Cash/cash equivalents at the year end	1	43 641	170 567	–	–	–	–	23 835	23 835	194 402	229 224	207 755
Other current investments > 90 days		(1)	(104)	–	–	–	–	104	104	–	–	–
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**43 640**	**170 463**	**–**	**–**	**–**	**–**	**23 939**	**23 939**	**194 402**	**229 224**	**207 755**
Applications of cash and investments												
Unspent conditional transfers		–	0	–	–	–	–	(0)	(0)	0	–	–
Unspent borrowing		–	50 000	–	–	–	–	25 000	25 000	75 000	–	–
Statutory requirements		(45 445)	1 917	–	–	–	–		–	1 917	1 917	1 895
Other working capital requirements	2	18 369	56 672					(1)	(1)	56 672	86 846	58 962
Other provisions		48 355	54 868	–	–	–	–	–	–	54 868	55 309	55 749
Long term investments committed		–	–					–	–	–	–	–
Reserves to be backed by cash/investments		–	–					–	–	–	–	–
Total Application of cash and investments:		**21 279**	**163 457**	**–**	**–**	**–**	**–**	**24 999**	**24 999**	**188 457**	**144 072**	**116 607**
Surplus(shortfall)		**22 362**	**7 006**	**–**	**–**	**–**	**–**	**(1 061)**	**(1 061)**	**5 945**	**85 153**	**91 148**

References

1. Must reconcile with the Adjustments Budget Cash Flow and Adjustements Budget Financial Position

2. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)

3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

4. Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not

5. Increases of funds approved under MFMA section 31

6. Adjustments approved in accordance with MFMA section 29

7. Adjustments to transfers from National or Provincial Government

8. Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2))(b); projected savings (section 28(2)(d)); error correction

9. G = B + C + D + E + F

10. Adjusted Budget H = (A or A1/2 etc) + G

Other working capital requirements												
Debtors		106 045	86 550							86 550	86 550	86 550
Creditors due		124 413	143 222							143 222	173 396	145 513
Total Other working capital requirements		(18 369)	(56 672)							(56 672)	(86 846)	(58 962)
Debtors collection assumptions:												
Balance outstanding - debtors		106 045	86 550							86 550	86 550	86 550
Estimate of debtors collection rate		100,67%	112,25%							112,22%	111,24%	108,70%
Long term investments committed												
Balance (Insert description; eg sinking fund)												
Bankers Acceptance Certificate		–	–							–	–	–
Deposit Taking Institutions		–	–							–	–	–
Bank Repurchase Agreements		–	–							–	–	–
Derivative Financial Assets		–	–							–	–	–
Guaranteed Endowment Policies (Sinking)		–	–							–	–	–
Listed/Unlisted Bonds and Stocks		–	–							–	–	–
Municipal Bonds		–	–							–	–	–
National Government Securities		–	–							–	–	–
Negotiable Certificate of Deposits: Banks		–	–							–	–	–
Unamortised Debt Expense		–	–							–	–	–
Unamortised Preference Share Expense		–	–							–	–	–
Interest Rate Swaps		–	–							–	–	–
Total Long term investments committed		–	–							–	–	–
Reserves to be backed by cash/investments												
Housing Development Fund		–	–							–	–	–
Capital replacement		–	–							–	–	–
Self-insurance		–	–							–	–	–
Compensation for Occupational Injuries and Diseases		–	–							–	–	–
Employee Benefit		–	–							–	–	–
Non-current Provisions		–	–							–	–	–
Valuation		–	–							–	–	–
Investment in associate account		–	–							–	–	–
Capitalisation		–	–							–	–	–
Total Reserves to be backed by cash/investments		–	–							–	–	–

EC108 Kouga - Table B9 Asset Management - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		7	8	9	10	11	12	13	14			
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets *to be adjusted*	1	**52 798**	**122 449**	–	–	–	–	**(23 130)**	**(23 130)**	**99 319**	**168 169**	**26 901**
Roads Infrastructure		150	43 707	–	–	–	–	(21 724)	(21 724)	21 983	150 435	8 709
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		3 755	4 352	–	–	–	–	(1 406)	(1 406)	2 945	7 313	9 072
Water Supply Infrastructure		11 975	17 101	–	–	–	–	(637)	(637)	16 463	6 475	–
Sanitation Infrastructure		1 527	81	–	–	–	–	637	637	718	2 055	5 000
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		**17 407**	**65 240**	–	–	–	–	**(23 130)**	**(23 130)**	**42 110**	**166 278**	**22 782**
Community Facilities		–	1 400	–	–	–	–	–	–	1 400	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**–**	**1 400**	–	–	–	–	–	–	**1 400**	**–**	**–**
Heritage Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Computer Equipment		**–**	**2 280**	–	–	–	–	–	–	**2 280**	**–**	**–**
Furniture and Office Equipment		**–**	**1 032**	–	–	–	–	–	–	**1 032**	**–**	**–**
Machinery and Equipment		**–**	**100**	–	–	–	–	–	–	**100**	**–**	**–**
Transport Assets		**35 391**	**52 397**	–	–	–	–	–	–	**52 397**	**1 891**	**4 119**
Land		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Total Renewal of Existing Assets *to be adjusted*	2	**250**	**15 771**	–	–	–	–	**–**	**–**	**15 771**	**100**	**–**
Roads Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	10 591	–	–	–	–	–	–	10 591	–	–
Electrical Infrastructure		–	5 000	–	–	–	–	–	–	5 000	–	–
Water Supply Infrastructure		250	180	–	–	–	–	–	–	180	100	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		**250**	**15 771**	–	–	–	–	**–**	**–**	**15 771**	**100**	**–**
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Heritage Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Computer Equipment		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Machinery and Equipment		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Transport Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Land		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Total Upgrading of Existing Assets *to be adjusted*	2a	**97 313**	**144 673**	–	–	–	–	**(10)**	**(10)**	**144 663**	**72 764**	**22 990**
Roads Infrastructure		8 596	8 602	–	–	–	–	–	–	8 602	–	–
Storm water Infrastructure		424	424	–	–	–	–	–	–	424	–	–
Electrical Infrastructure		30 348	28 323	–	–	–	–	–	–	28 323	347	–
Water Supply Infrastructure		16 783	57 046	–	–	–	–	–	–	57 046	48 198	–
Sanitation Infrastructure		40 663	48 520	–	–	–	–	5	5	48 525	17 219	20 582
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		**96 813**	**142 915**	–	–	–	–	**5**	**5**	**142 919**	**65 764**	**20 582**
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		500	1 759	–	–	–	–	(15)	(15)	1 744	7 000	2 407
Community Assets		**500**	**1 759**	–	–	–	–	**(15)**	**(15)**	**1 744**	**7 000**	**2 407**
Heritage Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Computer Equipment		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Machinery and Equipment		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Transport Assets		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Land		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		**–**	**–**	–	–	–	–	–	–	**–**	**–**	**–**
Total Capital Expenditure *to be adjusted*	4											
Roads Infrastructure		8 746	52 309	–	–	–	–	(21 724)	(21 724)	30 585	150 435	8 709
Storm water Infrastructure		424	11 016	–	–	–	–	–	–	11 016	–	–
Electrical Infrastructure		34 103	37 674	–	–	–	–	(1 406)	(1 406)	36 268	7 660	9 072
Water Supply Infrastructure		29 008	74 326	–	–	–	–	(637)	(637)	73 689	54 772	–
Sanitation Infrastructure		42 190	48 600	–	–	–	–	642	642	49 242	19 275	25 582
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		**114 470**	**223 926**	**–**	**–**	**–**	**–**	**(23 125)**	**(23 125)**	**200 800**	**232 141**	**43 364**
Community Facilities		–	1 400	–	–	–	–	–	–	1 400	–	–
Sport and Recreation Facilities		500	1 759	–	–	–	–	(15)	(15)	1 744	7 000	2 407
Community Assets		**500**	**3 159**	**–**	**–**	**–**	**–**	**(15)**	**(15)**	**3 144**	**7 000**	**2 407**
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**2 280**	**–**	**–**	**–**	**–**	**–**	**–**	**2 280**	**–**	**–**
Furniture and Office Equipment		**–**	**1 032**	**–**	**–**	**–**	**–**	**–**	**–**	**1 032**	**–**	**–**
Machinery and Equipment		**–**	**100**	**–**	**–**	**–**	**–**	**–**	**–**	**100**	**–**	**–**
Transport Assets		**35 391**	**52 397**	**–**	**–**	**–**	**–**	**–**	**–**	**52 397**	**1 891**	**4 119**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL CAPITAL EXPENDITURE *to be adjusted*	4	**150 362**	**282 894**	**–**	**–**	**–**	**–**	**(23 140)**	**(23 140)**	**259 754**	**241 033**	**49 890**
ASSET REGISTER SUMMARY - PPE (WDV)	5											
Roads Infrastructure		518 821	512 755	–	–	–	–	15	15	512 770	522 583	508 931
Storm water Infrastructure		28 084	50 504	–	–	–	–	–	–	50 504	50 079	50 079
Electrical Infrastructure		209 400	183 742	–	–	–	–	(1 406)	(1 406)	182 336	181 703	183 462
Water Supply Infrastructure		421 782	396 397	–	–	–	–	(637)	(637)	395 760	593 121	708 849
Sanitation Infrastructure		495 636	408 781	–	–	–	–	642	642	409 423	374 872	389 856
Solid Waste Infrastructure		(15 087)	13 699	–	–	–	–	–	–	13 699	13 699	13 699
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		72	–	–	–	–	–	–	–	–	–	–
Infrastructure		1 658 709	1 565 877	–	–	–	–	(1 386)	(1 386)	1 564 491	1 736 059	1 854 877
Community Assets		59 161	54 202	–	–	–	–	(15)	(15)	54 187	58 043	53 450
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		262 608	250 794	–	–	–	–	–	–	250 794	250 794	250 794
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		112 819	263 380	–	–	–	–	(21 739)	(21 739)	241 641	239 332	68 064
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		603	419	–	–	–	–	–	–	419	419	419
Computer Equipment		5 110	5 356	–	–	–	–	–	–	5 356	3 075	3 075
Furniture and Office Equipment		(12 500)	(7 853)	–	–	–	–	–	–	(7 853)	(10 718)	(11 878)
Machinery and Equipment		6 323	5 597	–	–	–	–	–	–	5 597	5 487	5 477
Transport Assets		65 778	106 214	–	–	–	–	–	–	106 214	55 504	57 518
Land		211 337	233 939	–	–	–	–	–	–	233 939	233 939	233 939
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**2 369 948**	**2 477 924**	**–**	**–**	**–**	**–**	**(23 140)**	**(23 140)**	**2 454 784**	**2 571 932**	**2 515 734**
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		117 798	117 798	–	–	–	–	–	–	117 798	123 884	129 229
Repairs and Maintenance by asset class	3	**228 381**	**242 311**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**239 050**	**228 320**	**240 952**
Roads Infrastructure		52 369	53 692	–	–	–	–	–	–	53 692	43 945	47 767
Storm water Infrastructure		2 120	1 520	–	–	–	–	–	–	1 520	3 000	3 820
Electrical Infrastructure		30 806	35 060	–	–	–	–	–	–	35 060	30 431	31 896
Water Supply Infrastructure		32 198	37 538	–	–	–	–	(3 261)	(3 261)	34 277	35 881	37 553
Sanitation Infrastructure		38 483	43 844	–	–	–	–	–	–	43 844	40 225	42 041
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	1 150	–	–	–	–	–	–	1 150	1 000	1 000
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		155 976	172 804	–	–	–	–	(3 261)	(3 261)	169 543	154 481	164 077
Community Facilities		40 224	40 047	–	–	–	–	–	–	40 047	40 708	42 634
Sport and Recreation Facilities		1 340	1 340	–	–	–	–	–	–	1 340	1 431	1 431
Community Assets		41 564	41 387	–	–	–	–	–	–	41 387	42 139	44 065
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		4 187	4 154	–	–	–	–	–	–	4 154	4 201	4 215
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		4 187	4 154	–	–	–	–	–	–	4 154	4 201	4 215
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		694	594	–	–	–	–	–	–	594	699	710
Transport Assets		25 960	23 373	–	–	–	–	–	–	23 373	26 800	27 885
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources	6	–	–	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		**346 179**	**360 109**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**356 848**	**352 204**	**370 181**
Renewal and upgrading of Existing Assets as % of total capex		*64,9%*	*56,7%*							*61,8%*	*30,2%*	*46,1%*
Renewal and upgrading of Existing Assets as % of deprecn"		*82,8%*	*136,2%*							*136,2%*	*58,8%*	*17,8%*
R&M as a % of PPE		*9,6%*	*9,8%*							*9,7%*	*8,9%*	*9,6%*
Renewal and upgrading and R&M as a % of PPE		*13,8%*	*16,3%*							*16,3%*	*11,7%*	*10,5%*

EC108 Kouga - Table B10 Basic service delivery measurement - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling		–	–	–	–	–	–	–	–	–	–	–
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)		–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–	–	–
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	3,4	–	–	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		–	–	–	–	–	–	–	–	–	–	–
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–	–	–
Bucket toilet		–	–	–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–	–	–
Energy:												
Electricity (at least min. service level)		–	–	–	–	–	–	–	–	–	–	–
Electricity - prepaid (> min.service level)		–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–	–	–
Refuse:												
Removed at least once a week (min.service)		–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–	–	–
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		21 232 488	21 487 061	–	–	–	–	–	–	21 487 061	23 044 873	24 715 626
Sanitation (free minimum level service)		14 212 728	13 673 095	–	–	–	–	–	–	13 673 095	14 561 846	15 508 366
Electricity/other energy (50kwh per household per month)		5 584 548	1 989 710	–	–	–	–	–	–	1 989 710	6 461 316	7 475 748
Refuse (removed at least once a week)		25 690 656	24 269 252	–	–	–	–	–	–	24 269 252	25 846 754	27 526 792
Informal Settlements		–	–	–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per indigent household per month)		21 232	21 487	–	–	–	–	–	–	21 487	23 045	24 716
Sanitation (free sanitation service to indigent households)		14 213	13 673	–	–	–	–	–	–	13 673	14 562	15 508
Electricity/other energy (50kwh per indigent household per month)		5 585	1 990	–	–	–	–	–	–	1 990	6 461	7 476
Refuse (removed once a week for indigent households)		25 691	24 269	–	–	–	–	–	–	24 269	25 847	27 527
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–	–	–
Total cost of FBS provided		66 720	61 419	–	–	–	–	–	–	61 419	69 915	75 227
Highest level of free service provided												
Property rates (R'000 value threshold)		–	–	–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)		–	–	–	–	–	–	–	–	–	–	–
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		–	–	–	–	–	–	–	–	–	–	–
Electricity (kw per household per month)		–	–	–	–	–	–	–	–	–	–	–
Refuse (average litres per week)		–	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided (R'000)	17											
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		–	–	–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable		7 249	353	–	–	–	–	–	–	353	7 647	8 068
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		7 249	353	–	–	–	–	–	–	353	7 647	8 068

EC108 Kouga - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
REVENUE ITEMS:												
Non-exchange revenue by source												
Property rates												
Total Property Rates		304 325	298 662	–	–	–	–	–	–	298 662	320 950	338 603
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		7 249	353	–	–	–	–	–	–	353	7 647	8 068
Net Property Rates		**297 076**	**298 309**	**–**	**–**	**–**	**–**	**–**	**–**	**298 309**	**313 303**	**330 535**
Exchange revenue service charges												
Service charges - Electricity												
Total Service charges - Electricity		387 575	427 549	–	–	–	–	–	–	427 549	448 424	518 827
less Revenue Foregone (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–	–	–
less Cost of Free Basic Services (50 kwh per indigent household per month)		5 585	1 990	–	–	–	–	–	–	1 990	6 461	7 476
Net Service charges - Electricity		**381 991**	**425 559**	**–**	**–**	**–**	**–**	**–**	**–**	**425 559**	**441 963**	**511 351**
Service charges - Water												
Total Service charges - Water		103 556	159 544	–	–	–	–	–	–	159 544	171 111	183 517
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–	–	–
less Cost of Free Basic Services (6 kilolitres per indigent household per month)		21 232	21 487	–	–	–	–	–	–	21 487	23 045	24 716
Net Service charges - Water		**82 323**	**138 057**	**–**	**–**	**–**	**–**	**–**	**–**	**138 057**	**148 066**	**158 801**
Service charges - Waste Water Management												
Total Service charges - Waste Water Management		78 299	89 687	–	–	–	–	–	–	89 687	95 517	101 726
less Revenue Foregone (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–	–	–
less Cost of Free Basic Services (free sanitation service to indigent households)		14 213	13 673	–	–	–	–	–	–	13 673	14 562	15 508
Net Service charges - Waste Water Management		**64 086**	**76 014**	**–**	**–**	**–**	**–**	**–**	**–**	**76 014**	**80 955**	**86 217**
Service charges - Waste Management												
Total refuse removal revenue		77 400	74 025	–	–	–	–	–	–	74 025	78 837	83 961
Total landfill revenue		19 414	12 390	–	–	–	–	–	–	12 390	13 196	14 054
less Revenue Foregone (in excess of one removal a week to indigent households)		–	–	–	–	–	–	–	–	–	–	–
less Cost of Free Basic Services (removed once a week to indigent households)		25 691	24 269	–	–	–	–	–	–	24 269	25 847	27 527
Net Service charges - Waste Management		**71 123**	**62 146**	**–**	**–**	**–**	**–**	**–**	**–**	**62 146**	**66 186**	**70 488**
EXPENDITURE ITEMS												
Employee related costs												
Basic Salaries and Wages		304 832	316 765	–	–	–	–	(3 261)	(3 261)	313 504	308 730	324 917
Pension and UIF Contributions		39 115	40 748	–	–	–	–	–	–	40 748	41 072	43 126
Medical Aid Contributions		19 971	20 898	–	–	–	–	–	–	20 898	20 970	22 018
Overtime		20 000	20 000	–	–	–	–	–	–	20 000	23 186	24 345
Performance Bonus		21 262	22 007	–	–	–	–	–	–	22 007	22 250	23 287
Motor Vehicle Allowance		14 287	14 378	–	–	–	–	–	–	14 378	15 001	15 751
Cellphone Allowance		70	70	–	–	–	–	–	–	70	73	77
Housing Allowances		1 308	1 467	–	–	–	–	–	–	1 467	1 374	1 442
Other benefits and allowances		18 895	19 056	–	–	–	–	–	–	19 056	19 840	20 832
Payments in lieu of leave		–	–	–	–	–	–	–	–	–	–	–
Long service awards		3 608	2 108	–	–	–	–	–	–	2 108	3 880	4 141
Post-retirement benefit obligations		19 753	16 253	–	–	–	–	–	–	16 253	21 689	23 902
Entertainment		–	–	–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–	–	–
Acting and post related allowance		8 642	9 222	–	–	–	–	–	–	9 222	9 074	9 528
In kind benefits	4	–	–	–	–	–	–	–	–	–	–	–
sub-total		**471 743**	**482 971**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**479 710**	**487 140**	**513 366**
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–	–	–
Total Employee related costs	**1**	**471 743**	**482 971**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**479 710**	**487 140**	**513 366**
Depreciation & asset impairment												
Depreciation of Property, Plant & Equipment		117 212	117 212	–	–	–	–	–	–	117 212	123 298	128 642
Lease amortisation		586	586	–	–	–	–	–	–	586	586	586
Capital asset impairment		–	–	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	**1**	**117 798**	**117 798**	**–**	**–**	**–**	**–**	**–**	**–**	**117 798**	**123 884**	**129 229**
Bulk purchases												
Electricity Bulk Purchases		386 299	413 349	–	–	–	–	–	–	413 349	462 520	535 135
Total bulk purchases	**1**	**386 299**	**413 349**	**–**	**–**	**–**	**–**	**–**	**–**	**413 349**	**462 520**	**535 135**
Transfers and grants												
Cash transfers and grants		400	400	–	–	–	–	–	–	400	400	400
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–	–
Total transfers and grants		**400**	**400**	**–**	**–**	**–**	**–**	**–**	**–**	**400**	**400**	**400**
Contracted services												
Outsourced Services		38 288	51 032	–	–	–	–	667	667	51 699	32 083	32 324
Consultants and Professional Services		35 400	36 389	–	–	–	–	–	–	36 389	29 280	29 630
Contractors		51 685	58 151	–	–	–	–	96	96	58 247	53 244	54 723
Total contracted services		**125 372**	**145 572**	**–**	**–**	**–**	**–**	**763**	**763**	**146 335**	**114 607**	**116 678**
Operational Costs												
Collection costs		3 400	3 400	–	–	–	–	–	–	3 400	3 701	4 005
Contributions to 'other' provisions		561	547	–	–	–	–	–	–	547	561	561
Audit fees		4 500	4 500	–	–	–	–	–	–	4 500	4 500	4 500
Other Operational Costs												
Operating Leases		8 032	8 110	–	–	–	–	790	790	8 900	4 256	4 447
Operational Cost		77 747	81 340	–	–	–	–	433	433	81 773	80 263	81 813
Statutory Payments other than Income Taxes		–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
Total Operational Costs	**1**	**94 240**	**97 897**	**–**	**–**	**–**	**–**	**1 223**	**1 223**	**99 120**	**93 281**	**95 326**
Repairs and Maintenance by Expenditure Item	14											
Employee related costs		151 092	156 533	–	–	–	–	(3 261)	(3 261)	153 272	149 350	157 568
Inventory Consumed (Project Maintenance)		25 718	29 354	–	–	–	–	–	–	29 354	25 802	28 689
Contracted Services		47 396	50 677	–	–	–	–	–	–	50 677	48 952	50 428
Other Expenditure		4 175	5 747	–	–	–	–	–	–	5 747	4 216	4 268
Total Repairs and Maintenance Expenditure	**15**	**228 381**	**242 311**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**239 050**	**228 320**	**240 952**
Inventory Consumed												
Inventory Consumed - Water		41 931	38 931	–	–	–	–	–	–	38 931	45 491	48 789
Inventory Consumed - Other		67 088	66 265	–	–	–	–	48	48	66 313	68 427	72 519
Total Inventory Consumed & Other Material		**109 019**	**105 196**	**–**	**–**	**–**	**–**	**48**	**48**	**105 244**	**113 917**	**121 308**

EC108 Kouga - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		4	4	5	6	7	8	9	10	11		
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Trade and other receivables from exchange transactions												
Electricity		98 101	102 588	–	–	–	–	(3 848)	(3 848)	98 739	103 786	107 157
Water		179 213	188 457	–	–	–	–	(90 282)	(90 282)	98 176	187 151	187 693
Waste		101 793	107 838	–	–	–	–	(48 877)	(48 877)	58 961	107 379	107 609
Waste Water		69 868	68 399	–	–	–	–	(29 652)	(29 652)	38 747	67 679	67 946
Other trade receivables from exchange transactions		15 817	15 728	–	–	–	–	–	–	15 728	15 750	15 775
Gross: Trade and other receivables from exchange transact		**464 792**	**483 010**	**-**	**-**	**-**	**-**	**(172 659)**	**(172 659)**	**310 351**	**481 744**	**486 179**
Less: Impairment for debt	1	**(387 762)**	**(423 111)**	**-**	**-**	**-**	**-**	**172 659**	**172 659**	**(250 451)**	**(421 845)**	**(426 280)**
Impairment for Electricity		(64 745)	(68 550)	–	–	–	–	3 848	3 848	(64 702)	(69 748)	(73 119)
Impairment for Water		(155 918)	(175 274)	–	–	–	–	90 282	90 282	(84 992)	(173 989)	(174 556)
Impairment for Waste		(96 791)	(106 216)	–	–	–	–	48 877	48 877	(57 338)	(105 757)	(105 987)
Impairment for Waste Water		(64 565)	(66 636)	–	–	–	–	29 652	29 652	(36 984)	(65 915)	(66 183)
Impairment for other trade receivalbes from exchange trans		(5 742)	(6 435)	–	–	–	–	–	–	(6 435)	(6 435)	(6 435)
Total net Trade and other receivables from Exchange Trans		**77 030**	**59 899**	**-**	**-**	**-**	**-**	**-**	**-**	**59 899**	**59 899**	**59 899**
-												
Receivables from non-exchange transactions												
Property rates		97 227	96 403	–	–	–	–	(4 570)	(4 570)	91 833	93 817	94 510
Less: Impairment of Property rates		(84 551)	(91 037)	–	–	–	–	4 570	4 570	(86 467)	(88 451)	(89 145)
Net Property rates		**12 676**	**5 366**	**-**	**-**	**-**	**-**	**-**	**-**	**5 366**	**5 366**	**5 366**
Other receivables from non-exchange transactions		364 889	114 116	–	–	–	–	–	–	114 116	117 878	119 378
Impairment for other receivalbes from non-exchange transa		(348 550)	(92 830)	–	–	–	–	–	–	(92 830)	(96 593)	(98 092)
Net other receivables from non-exchange transactions		**16 339**	**21 286**	**-**	**-**	**-**	**-**	**-**	**-**	**21 286**	**21 286**	**21 286**
Total net Receivables from non-exchange transactions	1	**29 014**	**26 651**	**–**	**–**	**–**	**–**	**–**	**–**	**26 651**	**26 651**	**26 651**
Inventory												
Water												
Opening Balance		1 194	1 665	–	–	–	–	–	–	1 665	1 665	1 665
System Input Volume		**41 931**	**38 931**	**–**	**–**	**–**	**–**	**–**	**–**	**38 931**	**45 491**	**48 789**
Water Treatment Works		–	–	–	–	–	–	–	–	–	–	–
Bulk Purchases		41 931	38 931	–	–	–	–	–	–	38 931	45 491	48 789
Natural Sources		–	–	–	–	–	–	–	–	–	–	–
Authorised Consumption	12	**(41 931)**	**(38 931)**	**–**	**–**	**–**	**–**	**–**	**–**	**(38 931)**	**(45 491)**	**(48 789)**
Billed Authorised Consumption		**(41 931)**	**(38 931)**	**–**	**–**	**–**	**–**	**–**	**–**	**(38 931)**	**(45 491)**	**(48 789)**
Billed Metered Consumption		**(41 931)**	**(38 931)**	**–**	**–**	**–**	**–**	**–**	**–**	**(38 931)**	**(45 491)**	**(48 789)**
Free Basic Water		–	–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–	–
Revenue Water		(41 931)	(38 931)	–	–	–	–	–	–	(38 931)	(45 491)	(48 789)
Billed Unmetered Consumption		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Free Basic Water		–	–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–	–
UnBilled Authorised Consumption		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Unbilled Metered Consumption		–	–	–	–	–	–	–	–	–	–	–
Unbilled Unmetered Consumption		–	–	–	–	–	–	–	–	–	–	–
Water Losses		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Apparent losses		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Unauthorised Consumption		–	–	–	–	–	–	–	–	–	–	–
Customer Meter Inaccuracies		–	–	–	–	–	–	–	–	–	–	–
Real losses		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Leakage on Transmission and Distribution Mains		–	–	–	–	–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs		–	–	–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer M		–	–	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Water		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Closing Balance Water		**1 194**	**1 665**	**–**	**–**	**–**	**–**	**–**	**–**	**1 665**	**1 665**	**1 665**
Agricultural												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–
Issues	13	–	–	–	–	–	–	–	–	–	–	–
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Consumables												
Standard Rated												
Opening Balance		(225)	–	–	–	–	–	–	–	–	–	–
Acquisitions		4 353	3 969	–	–	–	–	24	24	3 992	5 061	4 404
Issues	13	(4 353)	(3 992)	–	–	–	–	–	–	(3 992)	(5 061)	(4 404)
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		**(225)**	**(24)**	**–**	**–**	**–**	**–**	**24**	**24**	**–**	**–**	**–**
Zero Rated												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–
Issues	13	–	–	–	–	–	–	–	–	–	–	–
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Finished Goods												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–
Issues	13	–	–	–	–	–	–	–	–	–	–	–
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Finished Goods		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Materials and Supplies												
Opening Balance		17 630	20 785	–	–	–	–	–	–	20 785	20 785	20 785
Acquisitions		36 064	42 025	–	–	–	–	525	525	42 550	35 886	39 399
Issues	13	(36 064)	(41 902)	–	–	–	–	(648)	(648)	(42 550)	(35 886)	(39 399)
Adjustments	14	–	–	–	–	–	–	–	–	–	–	–
Write-offs	15	–	–	–	–	–	–	–	–	–	–	–
Closing balance - Materials and Supplies		**17 630**	**20 908**	**–**	**–**	**–**	**–**	**(123)**	**(123)**	**20 785**	**20 785**	**20 785**
Work-in-progress												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Materials		–	–	–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–	–	–
Closing balance - Work-in-progress		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Housing Stock												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			4	5	6	7	8	9	10	11		
R thousands		A	A1	B	C	D	E	F	G	H		
Transfers		–	–	–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–	–
Closing Balance - Housing Stock		–	–	–	–	–	–	–	–	–	–	–
Land												
Opening Balance		–	–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–	–
Adjustments		–	–	–	–	–	–	–	–	–	–	–
Correction of Prior period errors		–	–	–	–	–	–	–	–	–	–	–
Closing Balance - Land		–	–	–	–	–	–	–	–	–	–	–
Closing Balance - Inventory & Consumables		**18 598**	**22 549**	**–**	**–**	**–**	**–**	**(100)**	**(100)**	**22 450**	**22 450**	**22 450**
Property, plant & equipment												
PPE at cost/valuation (excl. finance leases)		3 361 404	3 421 315	–	–	–	–	(23 140)	(23 140)	3 398 175	3 521 409	3 470 556
Leases recognised as PPE	2	(146)	38 325	–	–	–	–	–	–	38 325	38 325	38 325
Less: Accumulated depreciation		(1 254 521)	(1 232 928)	–	–	–	–	–	–	(1 232 928)	(1 239 015)	(1 244 359)
Total Property, plant & equipment	1	**2 106 737**	**2 226 712**	**–**	**–**	**–**	**–**	**(23 140)**	**(23 140)**	**2 203 572**	**2 320 720**	**2 264 522**
LIABILITIES												
Current liabilities - Borrowing												
Short term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		23 564	38 274	–	–	–	–	–	–	38 274	63 059	80 242
Total Current liabilities - Borrowing		**23 564**	**38 274**	**–**	**–**	**–**	**–**	**–**	**–**	**38 274**	**63 059**	**80 242**
Trade and other payables												
Trade and other payables from exchange transactions		124 413	143 322	–	–	–	–	(100)	(100)	143 222	173 396	145 513
Other trade payables from exchange transactions		–	–	–	–	–	–	–	–	–	–	–
Trade payables from Non-exchange transactions: Unspent conditi		–	0	–	–	–	–	(0)	(0)	0	–	–
Trade payables from Non-exchange transactions: Other		–	–	–	–	–	–	–	–	–	–	–
VAT		(0)	14 707	–	–	–	–	–	–	14 707	14 707	14 707
Total Trade and other payables	1	**124 413**	**158 029**	**–**	**–**	**–**	**–**	**(100)**	**(100)**	**157 929**	**188 103**	**160 220**
Non current liabilities - Financial liabilities												
Borrowing	3	11 333	120 843	–	–	–	–	–	–	120 843	175 758	133 789
Other financial liabilities		–	–	–	–	–	–	–	–	–	–	–
Total Non current liabilities - Financial liabilities		**11 333**	**120 843**	**–**	**–**	**–**	**–**	**–**	**–**	**120 843**	**175 758**	**133 789**
Non current liabilities - Long Term portion of trade payables												
Elelctricty Bulk Purchases		–	–	–	–	–	–	–	–	–	–	–
Payables and Accruals - General		–	–	–	–	–	–	–	–	–	–	–
Water Bulk Purchases		–	–	–	–	–	–	–	–	–	–	–
Municipal Debt Relief		–	–	–	–	–	–	–	–	–	–	–
Total Non current liabilities - Long Term portion of trade payable		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Provisions - non current												
Retirement benefits		119 151	108 785	–	–	–	–	–	–	108 785	110 246	111 923
List other major items												
Refuse landfill site rehabilitation		122 180	122 785	–	–	–	–	–	–	122 785	137 858	154 391
Other		18 289	14 562	–	–	–	–	–	–	14 562	14 562	14 562
Total Provisions - non current		**259 620**	**246 133**	**–**	**–**	**–**	**–**	**–**	**–**	**246 133**	**262 666**	**280 877**
CHANGES IN NET ASSETS												
Accumulated surplus/(Deficit)												
Accumulated surplus/(Deficit) - opening balance		2 071 563	2 036 273	–	–	–	–	–	–	2 036 273	2 122 268	2 146 592
GRAP adjustments		–	–	–	–	–	–	–	–	–	–	–
Restated balance		2 071 563	2 036 273	–	–	–	–	–	–	2 036 273	2 122 268	2 146 592
Surplus/(Deficit)		20 963	79 436	–	–	–	–	799	799	80 236	25 123	(42 830)
Transfers to/from Reserves		–	5 759	–	–	–	–	–	–	5 759	–	–
Depreciation offsets		–	–	–	–	–	–	–	–	–	–	–
Other adjustments		(5 086)	–	–	–	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	1	**2 087 440**	**2 121 469**	**–**	**–**	**–**	**–**	**799**	**799**	**2 122 268**	**2 147 391**	**2 103 762**
Reserves												
Housing Development Fund		–	–	–	–	–	–	–	–	–	–	–
Capital replacement		–	–	–	–	–	–	–	–	–	–	–
Self-insurance		–	–	–	–	–	–	–	–	–	–	–
Other reserves		–	–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–	–
Total Reserves	2	–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2 087 440**	**2 121 469**	**–**	**–**	**–**	**–**	**799**	**799**	**2 122 268**	**2 147 391**	**2 103 762**

EC108 Kouga - Supporting Table SB3 Adjustments to the SDBIP - performance objectives - 30/04/2025

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget
Vote 1 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Vote 2 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Vote 3 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Vote 4 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Vote 5 - vote name												
Function												
Sub-function												
insert measurables descriptions												
Sub-function												
insert measurables descriptions												
Sub-function												

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget
insert measurables descriptions												
Function Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Vote 6 - vote name Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Function Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Sub-function insert measurables descriptions												
Function And so on for the rest of the Votes												

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget

Description	Unit of measurement	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget

EC108 Kouga - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 30/04/2025

Description of financial indicator	Basis of calculation	2021/22	2022/23	2023/24	Budget Year 2024/25			Budget Year +1 2025/26	Budget Year +2 2026/27
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
Borrowing Management									
Credit Rating	Short term/long term rating	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%		
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				2,6%	1,9%	1,9%	2,9%	3,1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue				2,9%	2,1%	2,1%	3,1%	3,4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				100,0%	76,1%	48,8%	68,2%	0,0%
Safety of Capital									
Gearing	Long Term Borrowing/ Funds & Reserves				0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity									
Current Ratio	Current assets/current liabilities				94,9%	103,7%	112,2%	104,1%	100,8%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				94,9%	103,7%	0,0%	0,0%	0,0%
Liquidity Ratio	Monetary Assets/Current Liabilities				0,5	0,8	0,9	0,9	0,8
Revenue Management					32,2%	69,7%	78,2%	75,7%	71,5%
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing								
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)									
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				9,0%	8,0%	8,0%	7,7%	7,1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0,0%	0,0%	0,0%	0,0%	0,0%
Creditors Management									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash and Investments					285,1%	92,6%	81,2%	82,1%	77,1%
Other Indicators									
Electricity Distribution Losses (2)	Total Volume Losses (kW) Total Volume Losses (kW) non technical Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units purchased and generated								
Water Distribution Losses (2)	Bulk Purchase Water treatment works Natural sources Total Volume Losses (kℓ) Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units purchased and generated								
Employee costs	Employee costs/(Total Revenue - capital revenue)				33,9%	35,5%	35,2%	34,4%	33,3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)								
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				16,4%	17,8%	17,6%	16,1%	15,6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				9,1%	8,7%	8,7%	9,7%	9,6%
IDP regulation financial viability indicators									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)				0,0%	0,0%	0,0%	0,0%	0,0%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				2,1%	2,0%	2,0%	1,9%	1,7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				0,0	0,0	0,0	0,0	0,0

EC108 Kouga - Supporting Table SB5 Adjustments Budget - social, economic and demographic statistics and assumptions - 30/04/2025

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2021/22	2022/23	2023/24	Budget Year 2024/25	Budget Year 2024/25
						Outcome	Outcome	Outcome	Original Budget	Actual
Demographics										
Population			–	–	–	–	–	–	–	–
Females aged 5 - 14			–	–	–	–	–	–	–	–
Males aged 5 - 14			–	–	–	–	–	–	–	–
Females aged 15 - 34			–	–	–	–	–	–	–	–
Males aged 15 - 34			–	–	–	–	–	–	–	–
Unemployment			–	–	–	–	–	–	–	–
Monthly household income (no. of households)	1, 12									
No income			–	–	–	–	–	–	–	–
R1 - R1 600			–	–	–	–	–	–	–	–
R1 601 - R3 200			–	–	–	–	–	–	–	–
R3 201 - R6 400			–	–	–	–	–	–	–	–
R6 401 - R12 800			–	–	–	–	–	–	–	–
R12 801 - R25 600			–	–	–	–	–	–	–	–
R25 601 - R51 200			–	–	–	–	–	–	–	–
R52 201 - R102 400			–	–	–	–	–	–	–	–
R102 401 - R204 800			–	–	–	–	–	–	–	–
R204 801 - R409 600			–	–	–	–	–	–	–	–
R409 601 - R819 200			–	–	–	–	–	–	–	–
> R819 200			–	–	–	–	–	–	–	–
Poverty profiles (no. of households)										
< R2 060 per household per month	13		–	–	–	–	–	–	–	–
	2		–	–	–	–	–	–	–	–
Household/demographics (000)										
Number of people in municipal area			–	–	–	–	–	–	–	–
Number of poor people in municipal area			–	–	–	–	–	–	–	–
Number of households in municipal area			–	–	–	–	–	–	–	–
Number of poor households in municipal area			–	–	–	–	–	–	–	–
Definition of poor household (R per month)			–	–	–	-	-	-	-	-
Housing statistics	3									
Formal			–	–	–	-	-	-	-	-
Informal			–	–	–	-	-	-	-	-
Total number of households			-	-	-	-	-	-	-	-
Dwellings provided by municipality	4		–	–	–	-	-	-	-	-
Dwellings provided by province/s			–	–	–	-	-	-	-	-
Dwellings provided by private sector	5		–	–	–	-	-	-	-	-
Total new housing dwellings			-	-	-	-	-	-	-	-
Economic	6									
Inflation/inflation outlook (CPIX)						0,0%	0,0%	0,0%	0,0%	0,0%
Interest rate - borrowing						0,0%	0,0%	0,0%	0,0%	0,0%
Interest rate - investment						0,0%	0,0%	0,0%	0,0%	0,0%
Remuneration increases						0,0%	0,0%	0,0%	0,0%	0,0%
Consumption growth (electricity)						0,0%	0,0%	0,0%	0,0%	0,0%
Consumption growth (water)						0,0%	0,0%	0,0%	0,0%	0,0%
Collection rates	7									
Property tax/service charges						0,0%	0,0%	0,0%	0,0%	0,0%
Rental of facilities & equipment						0,0%	0,0%	0,0%	0,0%	0,0%
Interest - external investments						0,0%	0,0%	0,0%	0,0%	0,0%
Interest - debtors						0,0%	0,0%	0,0%	0,0%	0,0%
Revenue from agency services						0,0%	0,0%	0,0%	0,0%	0,0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2021/22	2022/23	2023/24	Budget Year 2024/25			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Energy:									
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Refuse:									
		Removed at least once a week	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–

Municipal in-house services	Ref.		2021/22	2022/23	2023/24	Budget Year 2024/25			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–

		No water supply	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	
		Sanitation/sewerage:										
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–	
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–	
		Chemical toilet	–	–	–	–	–	–	–	–	–	
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–	
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Bucket toilet	–	–	–	–	–	–	–	–	–	
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–	
		No toilet provisions	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	
		Energy:										
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–	
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–	
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–	
		Other energy sources	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	
		Refuse:										
		Removed at least once a week	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–	
		Using communal refuse dump	–	–	–	–	–	–	–	–	–	
		Using own refuse dump	–	–	–	–	–	–	–	–	–	
		Other rubbish disposal	–	–	–	–	–	–	–	–	–	
		No rubbish disposal	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	

Municipal entity services	Ref.		2021/22	2022/23	2023/24	Budget Year 2024/25			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
Name of municipal entity		***Water:***									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		***Sanitation/sewerage:***									
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		***Energy:***									

		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–	
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–	
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–	
		Other energy sources	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	
Name of municipal entity		***Refuse:***										
		Removed at least once a week	–	–	–	–	–	–	–	–	–	
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–	
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–	
		Using communal refuse dump	–	–	–	–	–	–	–	–	–	
		Using own refuse dump	–	–	–	–	–	–	–	–	–	
		Other rubbish disposal	–	–	–	–	–	–	–	–	–	
		No rubbish disposal	–	–	–	–	–	–	–	–	–	
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	
		Total number of households	–	–	–	–	–	–	–	–	–	

Services provided by 'external mechanisms'	Ref.		2021/22	2022/23	2023/24	Budget Year 2024/25			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
Names of service providers		***Water:***									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		***Sanitation/sewerage:***									
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		***Energy:***									
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		***Refuse:***									
		Removed at least once a week	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–

		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–		
		Total number of households	–	–	–	–	–	–	–	–	–		

Detail of Free Basic Services (FBS) provided			**Budget Year 2024/25**									**Budget Year +1 2025/26**	**Budget Year +2 2026/27**
			Original Budget	**Prior Adjusted**	**Accum. Funds**	**Multi-year capital**	**Unfore. Unavoid.**	**Nat. or Prov. Govt**	**Other Adjusts.**	**Total Adjusts.**	**Adjusted Budget**	**Adjusted Budget**	**Adjusted Budget**
Electricity	Ref.	***Location of households for each type of FBS***											
List type of FBS service		**Formal settlements - (50 kwh per indigent household per month Rands)**	5 584 548	1 989 710	–	–	–	–	–	–	1 990	6 461 316	7 475 748
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Informal settlements (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Other (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Total cost of FBS - Electricity for informal settlements	–	–	–	–	–	–	–	–	–	–	–
Water	Ref.	***Location of households for each type of FBS***											
List type of FBS service		**Formal settlements - (6 kilolitre per indigent household per month Rands)**	21 232 488	21 487 061	–	–	–	–	–	–	21 487	23 044 873	24 715 626
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Informal settlements (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Other (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Total cost of FBS - Water for informal settlements	–	–	–	–	–	–	–	–	–	–	–
Sanitation	Ref.	***Location of households for each type of FBS***											
List type of FBS service		**Formal settlements - (free sanitation service to indigent households)**	14 212 728	13 673 095	–	–	–	–	–	–	13 673	14 561 846	15 508 366
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Informal settlements (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Other (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Total cost of FBS - Sanitation for informal settlements	–	–	–	–	–	–	–	–	–	–	–
Refuse Removal	Ref.	***Location of households for each type of FBS***											
List type of FBS service		**Formal settlements - (removed once a week to indigent households)**	25 690 656	24 269 252	–	–	–	–	–	–	24 269	25 846 754	27 526 792
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Informal settlements (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Other (Rands)	–	–	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–	–	–
		Total cost of FBS - Refuse Removal for informal settlements	–	–	–	–	–	–	–	–	–	–	–

EC108 Kouga - Supporting Table SB6 Adjustments Budget - funding measurement - 30/04/2025

Description	Ref	MFMA section	2021/22	2022/23	2023/24	Medium Term Revenue and Expenditure Framewo				
R thousands			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2025/26	Budget Year +2 2026/27
Funding measures										
Cash/cash equivalents at the year end - R'000	1	18(1)b	–	–	–	43 641	170 567	194 402	229 224	207 755
Cash + investments at the yr end less applications - R'000	2	18(1)b	–	–	–	22 362	7 006	5 945	85 153	91 148
Cash year end/monthly employee/supplier payments	3	18(1)b	–	–	–	–	–	–	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	–	–	–	20 963	79 436	–	–	–
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)				0,0%	0,0%	0,0%	0,0%	0,0%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0,0%	0,0%	0,0%	83,1%	91,4%	0,0%	0,0%	0,0%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)				17,0%	5,7%	-10,5%	6,4%	6,3%
Capital payments % of capital expenditure	8	18(1)c;19				77,4%	82,0%	0,0%	0,0%	0,0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c				100,0%	76,1%	48,8%	68,2%	0,0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				101,2%	46,6%	46,3%	38,0%	20,7%
Current consumer debtors % change - incr(decr)	11	18(1)a							0,0%	0,0%
Long term receivables % change - incr(decr)	12	18(1)a							0,0%	0,0%
R&M % of Property Plant & Equipment	13	20(1)(vi)				9,6%	9,8%	9,7%	8,9%	9,6%
Asset renewal % of capital budget	14	20(1)(vi)				0,2%	5,6%	6,1%	0,0%	0,0%

References

1. Positive cash balances indicative of minimum compliance - subject to 2

2. Deduct applications (defined) from cash balances

3. Indicative of sufficient liquidity to meet average monthly operating payments

4. Indicative of funded operational requirements

5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

6. Realistic average cash collection forecasts as % of annual billed revenue

7. Realistic average increase in doubtful debt provision

8. Indicative of planned capital expenditure level & cash payment timing

9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing

10. Substantiation of National/Province allocations included in budget

11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high cap municipalities and later for other capacity classifications)

12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high cap municipalities and later for other capacity classifications)

13. Indicative of a credible allowance for repairs & maintenance of assets

14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan)

Macro CPIX target						6%	6%	6%	6%	6%
Total service charge revenue						965 011	1 069 998	–	–	–
Total service charge revenue - previous year								–	–	–
Provincial government gazetted allocations	–	–	–			71 019	104 702	105 219	77 080	2 050
National government DoRA allocations	–	–	–			260 957	280 887	279 270	257 999	274 562
Cash receipts from ratepayers						1 143 045	1 228 350	1 228 572	1 273 982	1 368 727
Ratepayer & Other revenue						1 375 338	1 343 620	–	–	–
Change in debtors									(0)	22

EC108 Kouga - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 30/04/2025

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F		
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**197 710**	**197 710**	**–**	**–**	**(6)**	**(6)**	**197 704**	**207 441**	**218 788**
Operational Revenue:General Revenue:Equitable Share		192 664	192 664	–	–	–	–	192 664	203 746	214 723
Operational:Revenue:General Revenue:Fuel Levy	3	–	–	–	–	–	–	–	–	–
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Agriculture Research and Technology		–	–	–	–	–	–	–	–	–
Agriculture, Conservation and Environmental		–	–	–	–	–	–	–	–	–
Arts and Culture Sustainable Resource Management		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Department of Environmental Affairs		–	–	–	–	–	–	–	–	–
Department of Tourism		–	–	–	–	–	–	–	–	–
Department of Water Affairs and Sanitation Masibambane		–	–	–	–	–	–	–	–	–
Emergency Medical Service		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand-side [Schedule 5B]		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 495	1 495	–	–	–	–	1 495	–	–
HIV and Aids		–	–	–	–	–	–	–	–	–
Housing Accreditation		–	–	–	–	–	–	–	–	–
Housing Top structure		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		1 723	1 723	–	–	–	–	1 723	1 785	2 001
Mitchell's Plain Urban Renewal		–	–	–	–	–	–	–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Natural Resource Management Project		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Operation Clean Audit		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant		–	–	–	–	–	–	–	–	–
Public Service Improvement Facility		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring - Seed Funding		–	–	–	–	–	–	–	–	–
Revenue Enhancement Grant Debtors Book		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–	–	–
Sport and Recreation		–	–	–	–	–	–	–	–	–
Terrestrial Invasive Alien Plants		–	–	–	–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Health Hygiene in Informal Settlements		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]		1 828	1 828	–	–	(6)	(6)	1 822	1 910	2 064
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Smart Connect Grant		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant		–	–	–	–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services		–	–	–	–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–	–	–	–
Traditional Leaders - Imbizion		–	–	–	–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Municipal Restructuring Grant		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Programme and Project Preparation Support Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**–**	**6 997**	**–**	**–**	**–**	**–**	**6 997**	**–**	**–**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		–	6 997	–	–	–	–	6 997	–	–
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance	4	–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance	5	–	–	–	–	–	–	–	–	–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
All Grants		–	–	–	–	–	–	–	–	–
Other grant providers:		–	50	–	–	–	–	50	–	–
Departmental Agencies and Accounts		–	50	–	–	–	–	50	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	6	**197 710**	**204 757**	**–**	**–**	**(6)**	**(6)**	**204 751**	**207 441**	**218 788**
Capital Transfers and Grants										
National Government:		**52 874**	**64 942**	**–**	**–**	**(1 611)**	**(1 611)**	**63 331**	**50 558**	**55 774**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		4 203	4 203	–	–	(1 617)	(1 617)	2 586	7 260	7 558
Municipal Infrastructure Grant [Schedule 5B]		34 730	34 618	–	–	6	6	34 624	36 298	39 216
Municipal Water Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Household Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Integrated City Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant [Schedule 4B]		–	12 180	–	–	–	–	12 180	–	–
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)		–	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant [Schedule 5B]		13 941	13 941	–	–	–	–	13 941	7 000	9 000
WIFI Connectivity		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F		
Aquaponic Project		–	–	–	–	–	–	–	–	–
Restition Settlement		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring Seed Funding		–	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**68 969**	**74 194**	**–**	**–**	**–**	**–**	**74 194**	**75 030**	**–**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		68 969	74 194	–	–	–	–	74 194	75 030	–
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
All Grants		–	–	–	–	–	–	–	–	–
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Transfer from Operational Revenue		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	6	**121 843**	**139 136**	**–**	**–**	**(1 611)**	**(1 611)**	**137 525**	**125 588**	**55 774**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**319 553**	**343 893**	**–**	**–**	**(1 617)**	**(1 617)**	**342 276**	**333 029**	**274 562**

EC108 Kouga - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 30/04/2025

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	2 A1	3 B	4 C	5 D	6 E	7 F		
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
Operating expenditure of Transfers and Grants										
National Government:		**122 334**	**123 777**	**–**	**–**	**(73)**	**(73)**	**123 704**	**129 166**	**135 178**
Operational Revenue:General Revenue:Equitable Share		117 425	118 801	–	–	–	–	118 801	123 602	129 241
Operational:Revenue:General Revenue:Fuel Levy	3	–	–	–	–	–	–	–	–	–
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Agriculture Research and Technology		–	–	–	–	–	–	–	–	–
Agriculture, Conservation and Environmental		–	–	–	–	–	–	–	–	–
Arts and Culture Sustainable Resource Management		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Department of Environmental Affairs		–	–	–	–	–	–	–	–	–
Department of Tourism		–	–	–	–	–	–	–	–	–
Department of Water Affairs and Sanitation Masibambane		–	–	–	–	–	–	–	–	–
Emergency Medical Service		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand-side [Schedule 5B]		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 495	1 495	–	–	–	–	1 495	–	–
HIV and Aids		–	–	–	–	–	–	–	–	–
Housing Accreditation		–	–	–	–	–	–	–	–	–
Housing Top structure		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		1 586	1 586	–	–	–	–	1 586	1 832	2 018
Mitchell's Plain Urban Renewal		–	–	–	–	–	–	–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Natural Resource Management Project		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Operation Clean Audit		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant		–	–	–	–	–	–	–	–	–
Public Service Improvement Facility		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring - Seed Funding		–	–	–	–	–	–	–	–	–
Revenue Enhancement Grant Debtors Book		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–	–	–
Sport and Recreation		–	–	–	–	–	–	–	–	–
Terrestrial Invasive Alien Plants		–	–	–	–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Health Hygiene in Informal Settlements		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]		1 828	1 895	–	–	(73)	(73)	1 822	3 733	3 919
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Smart Connect Grant		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant		–	–	–	–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services		–	–	–	–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–	–	–	–
Traditional Leaders - Imbizion		–	–	–	–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Municipal Restructuring Grant		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Programme and Project Preparation Support Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**0**	**6 997**	**–**	**–**	**462**	**462**	**7 459**	**0**	**0**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	462	462	462	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		0	6 997	–	–	–	–	6 997	0	0
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance	4	–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance	5	–	–	–	–	–	–	–	–	–
District Municipality:		**2 393**	**2 393**	**–**	**–**	**–**	**–**	**2 393**	**2 513**	**2 638**
All Grants		2 393	2 393	–	–	–	–	2 393	2 513	2 638
Other grant providers:		–	50	–	–	–	–	50	–	–
Departmental Agencies and Accounts		–	50	–	–	–	–	50	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	6	**124 727**	**133 216**	**–**	**–**	**389**	**389**	**133 606**	**131 679**	**137 816**
Capital Transfers and Grants										
National Government:		**54 997**	**72 328**	**–**	**–**	**(1 401)**	**(1 401)**	**70 927**	**43 963**	**48 499**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		3 655	4 252	–	–	(1 406)	(1 406)	2 845	6 313	6 572
Municipal Infrastructure Grant [Schedule 5B]		30 200	30 103	–	–	5	5	30 108	31 563	34 101
Municipal Water Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Household Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Integrated City Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant [Schedule 4B]		–	10 591	–	–	–	–	10 591	–	–
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)		–	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant [Schedule 5B]		12 123	18 356	–	–	–	–	18 356	6 087	7 826
WIFI Connectivity		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget A	Prior Adjusted 2 A1	Multi-year capital 3 B	Nat. or Prov. Govt 4 C	Other Adjusts. 5 D	Total Adjusts. 6 E	Adjusted Budget 7 F	Adjusted Budget	Adjusted Budget
Aquaponic Project		–	–	–	–	–	–	–	–	–
Restition Settlement		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring Seed Funding		–	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		9 020	9 027	–	–	–	–	9 027	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**59 973**	**85 073**	**–**	**–**	**–**	**–**	**85 073**	**65 243**	**–**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		59 973	85 073	–	–	–	–	85 073	65 243	–
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		**1 391**	**1 391**	**–**	**–**	**–**	**–**	**1 391**	**1 391**	**1 391**
All Grants		1 391	1 391	–	–	–	–	1 391	1 391	1 391
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	6	**116 362**	**158 792**	**–**	**–**	**(1 401)**	**(1 401)**	**157 391**	**110 598**	**49 890**
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		**241 089**	**292 008**	**–**	**–**	**(1 012)**	**(1 012)**	**290 996**	**242 277**	**187 707**

EC108 Kouga - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 30/04/2025

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			2	3	4	5	6	7		
R thousands		A	A1	B	C	D	E	F		
Operating transfers and grants:										
National Government										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		(5 046)	(5 046)	–	–	6	6	(5 040)	(3 695)	(4 065)
Conditions met - transferred to revenue		5 046	5 046	–	–	(6)	(6)	5 040	3 695	4 065
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	(6 997)	–	–	–	–	(6 997)	–	–
Conditions met - transferred to revenue		–	6 997	–	–	–	–	6 997	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	(50)	–	–	–	–	(50)	–	–
Conditions met - transferred to revenue		–	50	–	–	–	–	50	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		**5 046**	**12 093**	**–**	**–**	**(6)**	**(6)**	**12 087**	**3 695**	**4 065**
Total operating transfers and grants - CTBM	2	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Capital transfers and grants:										
National Government										
Balance unspent at beginning of the year		(10 373)	(18 235)	–	–	–	–	(18 235)	–	–
Current year receipts		(52 874)	(64 942)	–	–	1 611	1 611	(63 331)	(50 558)	(55 774)
Conditions met - transferred to revenue		63 247	83 177	–	–	(1 611)	(1 611)	81 566	50 558	55 774
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	(0)	–	–	0	0	(0)	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	(20 556)	–	–	–	–	(20 556)	–	–
Current year receipts		(68 969)	(74 194)	–	–	–	–	(74 194)	(75 030)	–
Conditions met - transferred to revenue		68 969	94 750	–	–	–	–	94 750	75 030	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Closing Balance		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		**132 216**	**177 927**	**–**	**–**	**(1 611)**	**(1 611)**	**176 316**	**125 588**	**55 774**
Total capital transfers and grants - CTBM		**–**	**(0)**	**–**	**–**	**0**	**0**	**(0)**	**–**	**–**
TOTAL TRANSFERS AND GRANTS REVENUE		**137 262**	**190 020**	**–**	**–**	**(1 617)**	**(1 617)**	**188 403**	**129 283**	**59 839**
TOTAL TRANSFERS AND GRANTS - CTBM		**–**	**(0)**	**–**	**–**	**0**	**0**	**(0)**	**–**	**–**

EC108 Kouga - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
Cash transfers to other municipalities												
Operational	1	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–	–
Cash transfers to Entities/Other External Mechanisms												
Operational	2	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–	–
Cash transfers to other Organs of State												
Operational	3	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–	–
Cash transfers to other Organisations												
Operational	4	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Organisations		–	–	–	–	–	–	–	–	–	–	–
Cash Transfers to Groups of Individuals												
Operational	4	400	400	–	–	–	–	–	–	400	400	400
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Groups Of Individuals:		**400**	**400**	**–**	**–**	**–**	**–**	**–**	**–**	**400**	**400**	**400**
TOTAL CASH TRANSFERS AND GRANTS	5	**400**	**400**	**–**	**–**	**–**	**–**	**–**	**–**	**400**	**400**	**400**
Non-cash transfers to other municipalities												
Operational	1	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–	–
Non-cash transfers to Entities/Other External Mechanisms												
Operational	2	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–	–
Non-cash transfers to other Organs of State												
Operational	3	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–	–
Non-cash transfers to other Organisations												
Operational	4	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS:		–	–	–	–	–	–	–	–	–	–	–
Non-cash transfers to Groups of Individuals												
Operational	4	–	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–	–
Total Non-Cash Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS	5	–	–	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS		**400**	**400**	**–**	**–**	**–**	**–**	**–**	**–**	**400**	**400**	**400**

EC108 Kouga - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 30/04/2025

Summary of remuneration	Ref	Budget Year 2024/25									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		10 414	10 414			–		–	–	10 414	0,0%
Pension and UIF Contributions		–	–			–		–	–	–	0,0%
Medical Aid Contributions		–	–			–		–	–	–	0,0%
Motor Vehicle Allowance		3 503	3 503			–		–	–	3 503	0,0%
Cellphone Allowance		1 678	1 678			–		–	–	1 678	0,0%
Housing Allowances		–	–			–		–	–	–	0,0%
Other benefits and allowances		–	–			–		–	–	–	0,0%
Sub Total - Councillors		**15 594**	**15 594**			**–**		**–**	**–**	**15 594**	
% increase			**0,0%**								**0,0%**
Senior Managers of the Municipality											
Basic Salaries and Wages		9 681	9 681	–		–		–	–	9 681	0,0%
Pension and UIF Contributions		123	123	–		–		–	–	123	0,0%
Medical Aid Contributions		56	56	–		–		–	–	56	0,0%
Overtime		–	–	–		–		–	–	–	0,0%
Performance Bonus		1 798	1 798	–		–		–	–	1 798	0,0%
Motor Vehicle Allowance		2 196	2 196	–		–		–	–	2 196	0,0%
Cellphone Allowance		11	11	–		–		–	–	11	0,0%
Housing Allowances		–	–	–		–		–	–	–	0,0%
Other benefits and allowances		5	5	–		–		–	–	5	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations		–	–	–		–		–	–	–	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		–	–	–		–		–	–	–	0,0%
In kind benefits	5	–	–	–		–		–	–	–	0,0%
Sub Total - Senior Managers of Municipality		**13 870**	**13 870**	**–**		**–**		**–**	**–**	**13 870**	
% increase			**0,0%**								**0,0%**
Other Municipal Staff											
Basic Salaries and Wages		295 150	307 084	–		–		(3 261)	(3 261)	303 823	2,9%
Pension and UIF Contributions		38 991	40 624	–		–		–	–	40 624	0,0%
Medical Aid Contributions		19 915	20 842	–		–		–	–	20 842	0,0%
Overtime		20 000	20 000	–		–		–	–	20 000	0,0%
Performance Bonus		19 464	20 209	–		–		–	–	20 209	0,0%
Motor Vehicle Allowance		12 091	12 182	–		–		–	–	12 182	0,0%
Cellphone Allowance		59	59	–		–		–	–	59	0,0%
Housing Allowances		1 308	1 467	–		–		–	–	1 467	0,0%
Other benefits and allowances		18 890	19 051	–		–		–	–	19 051	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations	5	23 361	18 361	–		–		–	–	18 361	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		8 642	9 222	–		–		–	–	9 222	0,0%
In kind benefits		–	–	–		–		–	–	–	0,0%
Sub Total - Other Municipal Staff		**457 873**	**469 101**	**–**		**–**		**(3 261)**	**(3 261)**	**465 841**	
% increase			**2,5%**								**0,0%**
Total Parent Municipality		**487 337**	**498 565**	**–**		**–**		**(3 261)**	**(3 261)**	**495 305**	**0,0%**
Board Members of Entities											
Basic Salaries and Wages		–	–	–		–		–	–	–	0,0%
Pension and UIF Contributions		–	–	–		–		–	–	–	0,0%
Medical Aid Contributions		–	–	–		–		–	–	–	0,0%
Overtime		–	–	–		–		–	–	–	0,0%
Performance Bonus		–	–	–		–		–	–	–	0,0%
Motor Vehicle Allowance		–	–	–		–		–	–	–	0,0%
Cellphone Allowance		–	–	–		–		–	–	–	0,0%
Housing Allowances		–	–	–		–		–	–	–	0,0%
Other benefits and allowances		–	–	–		–		–	–	–	0,0%
Board Fees		–	–	–		–		–	–	–	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations	5	–	–	–		–		–	–	–	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		–	–	–		–		–	–	–	0,0%
In kind benefits		–	–	–		–		–	–	–	0,0%
Sub Total - Board Members of Entities		**–**	**–**	**–**		**–**		**–**	**–**	**–**	
% increase			**0,0%**								**0,0%**
Senior Managers of Entities											
Basic Salaries and Wages		–	–	–		–		–	–	–	0,0%
Pension and UIF Contributions		–	–	–		–		–	–	–	0,0%
Medical Aid Contributions		–	–	–		–		–	–	–	0,0%
Overtime		–	–	–		–		–	–	–	0,0%
Performance Bonus		–	–	–		–		–	–	–	0,0%
Motor Vehicle Allowance		–	–	–		–		–	–	–	0,0%
Cellphone Allowance		–	–	–		–		–	–	–	0,0%
Housing Allowances		–	–	–		–		–	–	–	0,0%
Other benefits and allowances		–	–	–		–		–	–	–	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations	5	–	–	–		–		–	–	–	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		–	–	–		–		–	–	–	0,0%
In kind benefits		–	–	–		–		–	–	–	0,0%
Sub Total - Senior Managers of Entities		**–**	**–**	**–**		**–**		**–**	**–**	**–**	
% increase			**0,0%**								**0,0%**
Other Staff of Entities											
Basic Salaries and Wages		–	–	–		–		–	–	–	0,0%
Pension and UIF Contributions		–	–	–		–		–	–	–	0,0%
Medical Aid Contributions		–	–	–		–		–	–	–	0,0%

Summary of remuneration	Ref	Budget Year 2024/25									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
Overtime		–	–	–		–		–	–	–	0,0%
Performance Bonus		–	–	–		–		–	–	–	0,0%
Motor Vehicle Allowance		–	–	–		–		–	–	–	0,0%
Cellphone Allowance		–	–	–		–		–	–	–	0,0%
Housing Allowances		–	–	–		–		–	–	–	0,0%
Other benefits and allowances		–	–	–		–		–	–	–	0,0%
Payments in lieu of leave		–	–	–		–		–	–	–	0,0%
Long service awards		–	–	–		–		–	–	–	0,0%
Post-retirement benefit obligations	5	–	–	–		–		–	–	–	0,0%
Entertainment		–	–	–		–		–	–	–	0,0%
Scarcity		–	–	–		–		–	–	–	0,0%
Acting and post related allowance		–	–	–		–		–	–	–	0,0%
In kind benefits		–	–	–		–		–	–	–	0,0%
Sub Total - Other Staff of Entities		–	–	–		–		–	–	–	
% increase			0,0%								0,0%
Total Municipal Entities		–	–	–		–		–	–	–	0,0%
TOTAL SALARY, ALLOWANCES & BENEFITS		487 337	498 565	–		–		(3 261)	(3 261)	495 305	
% increase			2,3%								0,0%
TOTAL MANAGERS AND STAFF		471 743	482 971	–		–		(3 261)	(3 261)	479 710	1,7%

EC108 Kouga - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 30/04/2025

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote																
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		140	140	140	140	140	140	140	140	140	140	140	140	1 683	1 143	1 172
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	37 910	454 924	468 447	492 425
Vote 4 - COMMUNITY SERVICES		14 040	14 040	14 040	14 040	14 040	14 040	14 040	14 040	14 040	14 040	14 040	14 040	168 477	172 696	183 442
Vote 5 - CIVIL AND WATER SERVICES		30 134	30 134	30 134	30 134	30 134	30 134	30 134	30 134	30 134	30 134	30 134	30 134	361 609	345 068	371 088
Vote 6 - ELECTRO/MECHANICAL SERVICES		36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	443 139	469 936	542 875
Vote 7 - PLANNING AND DEVELOPMENT		9 181	9 181	9 181	9 181	9 181	9 181	9 181	9 181	9 181	9 181	9 181	9 181	110 171	83 959	9 465
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 334**	**1 540 002**	**1 541 249**	**1 600 467**
Expenditure by Vote																
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 651	31 803	32 681	34 019
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		10 653	10 652	10 652	10 652	10 652	10 652	10 652	10 652	10 652	10 652	10 652	10 653	127 824	131 727	136 388
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 403	11 404	136 835	132 641	137 404
Vote 4 - COMMUNITY SERVICES		24 261	24 261	24 261	24 261	24 261	24 261	24 261	24 261	24 261	24 261	24 261	24 262	291 128	297 086	309 998
Vote 5 - CIVIL AND WATER SERVICES		27 146	27 147	27 147	27 147	27 147	27 147	27 147	27 147	27 147	27 147	27 147	27 147	325 759	337 874	361 327
Vote 6 - ELECTRO/MECHANICAL SERVICES		42 320	42 320	42 320	42 320	42 320	42 320	42 320	42 320	42 320	42 320	42 320	42 320	507 837	552 042	630 533
Vote 7 - PLANNING AND DEVELOPMENT		3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	38 579	32 074	33 629
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		**121 649**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 651**	**1 459 766**	**1 516 126**	**1 643 297**
Surplus/ (Deficit)		**6 684**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 683**	**80 236**	**25 123**	**(42 830)**

EC108 Kouga - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) - 30/04/2025

Description - Standard classification	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional																
Governance and administration		**41 656**	**41 656**	**41 656**	**41 656**	**41 656**	**41 656**	**41 656**	**41 656**	**41 656**	**41 656**	**41 656**	**41 656**	**499 867**	**509 378**	**535 780**
Executive and council		12	12	12	12	12	12	12	12	12	12	12	12	142	148	155
Finance and administration		41 644	41 644	41 644	41 644	41 644	41 644	41 644	41 644	41 644	41 644	41 644	41 644	499 725	509 230	535 625
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**10 089**	**10 089**	**10 089**	**10 089**	**10 089**	**10 089**	**10 089**	**10 089**	**10 089**	**10 089**	**10 089**	**10 089**	**121 074**	**94 255**	**20 187**
Community and social services		280	280	280	280	280	280	280	280	280	280	280	280	3 365	2 486	2 515
Sport and recreation		959	959	959	959	959	959	959	959	959	959	959	959	11 504	12 252	13 048
Public safety		155	155	155	155	155	155	155	155	155	155	155	155	1 857	1 874	1 892
Housing		8 479	8 479	8 479	8 479	8 479	8 479	8 479	8 479	8 479	8 479	8 479	8 479	101 747	75 030	–
Health		217	217	217	217	217	217	217	217	217	217	217	217	2 601	2 613	2 733
Economic and environmental services		**5 140**	**5 140**	**5 140**	**5 140**	**5 140**	**5 140**	**5 140**	**5 140**	**5 140**	**5 140**	**5 140**	**5 140**	**61 677**	**39 587**	**42 145**
Planning and development		854	854	854	854	854	854	854	854	854	854	854	854	10 246	10 839	11 529
Road transport		2 680	2 680	2 680	2 680	2 680	2 680	2 680	2 680	2 680	2 680	2 680	2 680	32 160	8 631	9 192
Environmental protection		1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	19 272	20 117	21 424
Trading services		**71 449**	**71 449**	**71 449**	**71 449**	**71 449**	**71 449**	**71 449**	**71 449**	**71 449**	**71 449**	**71 449**	**71 449**	**857 384**	**898 030**	**1 002 355**
Energy sources		36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	36 928	443 138	469 935	542 872
Water management		16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	16 879	202 542	201 314	217 402
Waste water management		11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	11 099	133 188	141 844	151 622
Waste management		6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	6 543	78 516	84 937	90 458
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional		**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 333**	**128 334**	**1 540 002**	**1 541 249**	**1 600 467**
Expenditure - Functional																
Governance and administration		**30 666**	**30 665**	**30 665**	**30 665**	**30 665**	**30 665**	**30 665**	**30 665**	**30 665**	**30 665**	**30 665**	**30 667**	**367 981**	**359 493**	**372 843**
Executive and council		5 083	5 082	5 082	5 082	5 082	5 082	5 082	5 082	5 082	5 082	5 082	5 083	60 989	64 853	66 883
Finance and administration		25 549	25 548	25 548	25 548	25 548	25 548	25 548	25 548	25 548	25 548	25 548	25 549	306 574	294 243	305 511
Internal audit		35	35	35	35	35	35	35	35	35	35	35	35	418	398	449
Community and public safety		**11 563**	**11 562**	**11 562**	**11 562**	**11 562**	**11 562**	**11 562**	**11 562**	**11 562**	**11 562**	**11 562**	**11 563**	**138 745**	**145 522**	**151 964**
Community and social services		1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	13 796	14 331	14 956
Sport and recreation		6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	6 006	72 073	78 127	81 461
Public safety		2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	33 342	34 943	36 726
Housing		973	973	973	973	973	973	973	973	973	973	973	973	11 670	9 753	10 088
Health		655	655	655	655	655	655	655	655	655	655	655	655	7 863	8 368	8 732
Economic and environmental services		**16 555**	**16 555**	**16 555**	**16 555**	**16 555**	**16 555**	**16 555**	**16 555**	**16 555**	**16 555**	**16 555**	**16 556**	**198 662**	**196 024**	**211 938**
Planning and development		3 118	3 117	3 117	3 117	3 117	3 117	3 117	3 117	3 117	3 117	3 117	3 118	37 410	30 448	31 988
Road transport		12 659	12 659	12 659	12 659	12 659	12 659	12 659	12 659	12 659	12 659	12 659	12 659	151 912	155 478	169 696
Environmental protection		778	778	778	778	778	778	778	778	778	778	778	779	9 340	10 098	10 254
Trading services		**62 865**	**62 865**	**62 865**	**62 865**	**62 865**	**62 865**	**62 865**	**62 865**	**62 865**	**62 865**	**62 865**	**62 865**	**754 378**	**815 087**	**906 552**
Energy sources		41 183	41 183	41 183	41 183	41 183	41 183	41 183	41 183	41 183	41 183	41 183	41 183	494 191	538 626	616 555
Water management		8 815	8 815	8 815	8 815	8 815	8 815	8 815	8 815	8 815	8 815	8 815	8 815	105 776	117 274	123 457
Waste water management		7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	7 523	90 277	94 544	99 274
Waste management		5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	5 344	64 133	64 643	67 265
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional		**121 649**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 651**	**1 459 766**	**1 516 126**	**1 643 297**
Surplus/ (Deficit) 1.		**6 684**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 687**	**6 683**	**80 236**	**25 123**	**(42 830)**

EC108 Kouga - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 30/04/2025

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source																
Exchange Revenue																
Service charges - Electricity		35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	35 463	425 559	441 963	511 351
Service charges - Water		11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	11 505	138 057	148 066	158 801
Service charges - Waste Water Management		6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	6 335	76 014	80 955	86 217
Service charges - Waste Management		5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	5 179	62 146	66 186	70 488
Sale of Goods and Rendering of Services		794	794	794	794	794	794	794	794	794	794	794	794	9 533	10 095	10 689
Agency services		380	380	380	380	380	380	380	380	380	380	380	380	4 554	4 850	5 166
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	2 695	32 335	34 757	37 376
Interest earned from Current and Non Current Assets		1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 292	15 498	12 809	13 385
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		266	266	266	266	266	266	266	266	266	266	266	266	3 187	3 385	3 595
Licence and permits		238	238	238	238	238	238	238	238	238	238	238	238	2 851	3 037	3 234
Operational Revenue		210	210	210	210	210	210	210	210	210	210	210	210	2 523	1 976	1 998
Non-Exchange Revenue																
Property rates		24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	24 859	298 309	313 303	330 535
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	3 655	43 859	40 423	42 855
Licences or permits		981	981	981	981	981	981	981	981	981	981	981	981	11 772	12 537	13 352
Transfer and subsidies - Operational		17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	210 720	211 994	223 454
Interest		459	459	459	459	459	459	459	459	459	459	459	459	5 510	5 813	6 133
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	1 638	19 658	21 913	24 464
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue		**113 507**	**113 507**	**113 507**	**113 507**	**113 507**	**113 507**	**113 507**	**113 507**	**113 507**	**113 507**	**113 507**	**113 507**	**1 362 086**	**1 414 062**	**1 543 093**
Expenditure By Type																
Employee related costs		39 976	39 976	39 976	39 976	39 976	39 976	39 976	39 976	39 976	39 976	39 976	39 977	479 710	487 140	513 366
Remuneration of councillors		1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	15 594	16 345	17 163
Bulk purchases - electricity		34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	34 446	413 349	462 520	535 135
Inventory consumed		8 770	8 770	8 770	8 770	8 770	8 770	8 770	8 770	8 770	8 770	8 770	8 771	105 244	113 917	121 308
Debt impairment		–	–	–	–	–	–	–	–	–	–	–	(108 015)	(108 015)	68 948	74 887
Depreciation and amortisation		9 819	9 816	9 816	9 816	9 816	9 816	9 816	9 816	9 816	9 816	9 816	9 816	117 798	123 884	129 229
Interest		1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	13 002	23 398	26 938
Contracted services		12 195	12 195	12 195	12 195	12 195	12 195	12 195	12 195	12 195	12 195	12 195	12 195	146 335	114 607	116 678
Transfers and subsidies		33	33	33	33	33	33	33	33	33	33	33	33	400	400	400
Irrecoverable debts written off		14 769	14 769	14 769	14 769	14 769	14 769	14 769	14 769	14 769	14 769	14 769	14 769	177 229	11 686	12 866
Operational costs		8 260	8 260	8 260	8 260	8 260	8 260	8 260	8 260	8 260	8 260	8 260	8 262	99 120	93 281	95 326
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		(9 001)	(9 001)	(9 001)	(9 001)	(9 001)	(9 001)	(9 001)	(9 001)	(9 001)	(9 001)	(9 001)	99 014	–	–	–
Total Expenditure		**121 649**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 647**	**121 651**	**1 459 766**	**1 516 126**	**1 643 297**
Surplus/(Deficit)		**(8 142)**	**(8 139)**	**(8 139)**	**(8 139)**	**(8 139)**	**(8 139)**	**(8 139)**	**(8 139)**	**(8 139)**	**(8 139)**	**(8 139)**	**(8 144)**	**(97 680)**	**(102 064)**	**(100 204)**
Transfers and subsidies - capital (monetary allocations)		(14 826)	(14 826)	(14 826)	(14 826)	(14 826)	(14 826)	(14 826)	(14 826)	(14 826)	(14 826)	(14 826)	341 005	177 916	127 188	57 374
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(22 968)**	**(22 966)**	(22 966)	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**332 862**	**80 236**	**25 123**	**(42 830)**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**(22 968)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**332 862**	**80 236**	**25 123**	**(42 830)**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**(22 968)**	**(22 966)**	(22 966)	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**332 862**	**80 236**	**25 123**	**(42 830)**

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(22 968)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**(22 966)**	**332 862**	**80 236**	**25 123**	**(42 830)**

EC108 Kouga - Supporting Table SB15 Adjustments Budget - monthly cash flow - 30/04/2025

Monthly cash flows	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted
Cash Receipts By Source	1															
Property rates		24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	24 052	288 628	303 161	319 834
Service charges - electricity revenue		40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	40 246	482 952	498 953	577 289
Service charges - water revenue		14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	14 405	172 860	182 760	196 008
Service charges - sanitation revenue		7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	7 661	91 935	96 276	102 534
Service charges - refuse		6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	76 026	82 330	87 682
Service charges - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		305	305	305	305	305	305	305	305	305	305	305	305	3 665	3 892	4 134
Interest earned - external investments		1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 292	15 498	12 809	13 385
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		688	688	688	688	688	688	688	688	688	688	688	688	8 250	2 678	2 846
Licences and permits		2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	2 762	33 147	34 991	36 924
Agency services		380	380	380	380	380	380	380	380	380	380	380	380	4 554	4 850	5 166
Transfer receipts - operational		17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	17 560	210 720	211 994	223 454
Other revenue		5 546	5 546	5 546	5 546	5 546	5 546	5 546	5 546	5 546	5 546	5 546	5 546	66 553	64 090	36 310
Cash Receipts by Source		**121 233**	**121 233**	**121 233**	**121 233**	**121 233**	**121 233**	**121 233**	**121 233**	**121 233**	**121 233**	**121 233**	**121 233**	**1 454 790**	**1 498 786**	**1 605 566**
Other Cash Flows by Source																
Transfers receipts - capital		11 594	11 594	11 594	11 594	11 594	11 594	11 594	11 594	11 594	11 594	11 594	11 594	139 125	127 188	57 374
Contributions & Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	100 000	100 000	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
VAT Control (receipts)		3 161	3 161	3 161	3 161	3 161	3 161	3 161	3 161	3 161	3 161	3 161	3 161	37 931	36 947	7 647
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source		**144 321**	**144 321**	**144 321**	**144 321**	**144 321**	**144 321**	**144 321**	**144 321**	**144 321**	**144 321**	**144 321**	**144 321**	**1 731 846**	**1 762 921**	**1 670 588**
Cash Payments by Type																
Employee related costs		38 999	38 999	38 999	38 999	38 999	38 999	38 999	38 999	38 999	38 999	38 999	38 999	467 990	473 959	498 508
Remuneration of councillors		1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	15 594	16 345	17 163
Finance charges		925	925	925	925	925	925	925	925	925	925	925	925	11 097	22 206	24 811
Bulk purchases - Electricity		39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	39 613	475 351	531 898	615 406
Acquisitions - water & other inventory		8 184	8 184	8 184	8 184	8 184	8 184	8 184	8 184	8 184	8 184	8 184	8 184	98 203	99 494	106 571
Contracted services		13 589	13 589	13 589	13 589	13 589	13 589	13 589	13 589	13 589	13 589	13 589	13 589	163 068	128 667	130 938
Transfers and grants - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other		33	33	33	33	33	33	33	33	33	33	33	33	400	400	400
Other expenditure		15 621	15 621	15 621	15 621	15 621	15 621	15 621	15 621	15 621	15 621	15 621	15 621	187 455	156 849	161 804
Cash Payments by Type		**118 263**	**118 263**	**118 263**	**118 263**	**118 263**	**118 263**	**118 263**	**118 263**	**118 263**	**118 263**	**118 263**	**118 263**	**1 419 160**	**1 429 817**	**1 555 600**
Other Cash Flows/Payments by Type																
Capital assets		17 396	17 396	17 396	17 396	17 396	17 396	17 396	17 396	17 396	17 396	17 396	17 396	208 748	241 033	49 890
Repayment of borrowing		1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	15 264	20 301	24 785
Other Cash Flows/Payments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type		**136 931**	**136 931**	**136 931**	**136 931**	**136 931**	**136 931**	**136 931**	**136 931**	**136 931**	**136 931**	**136 931**	**136 931**	**1 643 172**	**1 691 151**	**1 630 275**
NET INCREASE/(DECREASE) IN CASH HELD		**7 390**	**7 390**	**7 390**	**7 390**	**7 390**	**7 390**	**7 390**	**7 390**	**7 390**	**7 390**	**7 390**	**7 390**	**88 674**	**71 770**	**40 313**
Cash/cash equivalents at the month/year beginning:		143 659	151 048	158 438	165 827	173 217	180 606	187 996	195 385	202 775	210 164	217 554	224 943	143 659	232 333	304 103
Cash/cash equivalents at the month/year end:		151 048	158 438	165 827	173 217	180 606	187 996	195 385	202 775	210 164	217 554	224 943	232 333	232 333	304 103	344 416

EC108 Kouga - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) - 30/04/2025

Description - Municipal Vote	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Multi-year expenditure appropriation	1															
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		161	161	161	161	161	161	161	161	161	161	161	161	1 933	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		83	83	83	83	83	83	83	83	83	83	83	83	992	–	–
Vote 4 - COMMUNITY SERVICES		136	136	136	136	136	136	136	136	136	136	136	136	1 634	1 391	1 391
Vote 5 - CIVIL AND WATER SERVICES		12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	145 782	232 328	39 427
Vote 6 - ELECTRO/MECHANICAL SERVICES		7 286	7 286	7 286	7 286	7 286	7 286	7 286	7 286	7 286	7 286	7 286	7 286	87 429	7 313	9 072
Vote 7 - PLANNING AND DEVELOPMENT		1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	1 830	21 956	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Multi-year expenditure sub-total	3	**21 644**	**21 644**	**21 644**	**21 644**	**21 644**	**21 644**	**21 644**	**21 644**	**21 644**	**21 644**	**21 644**	21 644	259 726	241 033	49 890
Single-year expenditure appropriation																
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		2	2	2	2	2	2	2	2	2	2	2	2	28	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - COMMUNITY SERVICES		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - CIVIL AND WATER SERVICES		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO/MECHANICAL SERVICES		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	3	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	2	28	–	–
Total Capital Expenditure	2	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**259 754**	**241 033**	**49 890**

EC108 Kouga - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification) - 30/04/2025

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital Expenditure - Functional																
Governance and administration		**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**4 508**	**54 101**	**–**	**–**
Executive and council		25	25	25	25	25	25	25	25	25	25	25	25	300	–	–
Finance and administration		4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	4 481	53 773	–	–
Internal audit		2	2	2	2	2	2	2	2	2	2	2	2	28	–	–
Community and public safety		**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**1 829**	**21 947**	**1 391**	**1 391**
Community and social services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		116	116	116	116	116	116	116	116	116	116	116	116	1 391	1 391	1 391
Housing		1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	20 556	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**3 742**	**3 742**	**3 742**	**3 742**	**3 742**	**3 742**	**3 742**	**3 742**	**3 742**	**3 742**	**3 742**	**3 742**	**44 907**	**158 281**	**13 845**
Planning and development		290	290	290	290	290	290	290	290	290	290	290	290	3 482	7 847	5 135
Road transport		3 452	3 452	3 452	3 452	3 452	3 452	3 452	3 452	3 452	3 452	3 452	3 452	41 425	150 435	8 709
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**11 567**	**11 567**	**11 567**	**11 567**	**11 567**	**11 567**	**11 567**	**11 567**	**11 567**	**11 567**	**11 567**	**11 567**	**138 799**	**81 360**	**34 655**
Energy sources		3 035	3 035	3 035	3 035	3 035	3 035	3 035	3 035	3 035	3 035	3 035	3 035	36 423	7 313	9 072
Water management		4 428	4 428	4 428	4 428	4 428	4 428	4 428	4 428	4 428	4 428	4 428	4 428	53 133	54 772	–
Waste water management		4 104	4 104	4 104	4 104	4 104	4 104	4 104	4 104	4 104	4 104	4 104	4 104	49 242	19 275	25 582
Waste management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional		**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**21 646**	**259 754**	**241 033**	**49 890**

EC108 Kouga - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Capital expenditure on new assets by Asset Class/Sub-class												
Infrastructure		**17 407**	**65 240**	**–**	**–**	**–**	**–**	**(23 130)**	**(23 130)**	**42 110**	**166 278**	**22 782**
Roads Infrastructure		150	43 707	–	–	–	–	(21 724)	(21 724)	21 983	150 435	8 709
Roads		150	43 707	–	–	–	–	(21 724)	(21 724)	21 983	150 435	8 709
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		3 755	4 352	–	–	–	–	(1 406)	(1 406)	2 945	7 313	9 072
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		3 655	4 252	–	–	–	–	(1 406)	(1 406)	2 845	6 313	6 572
LV Networks		100	100	–	–	–	–	–	–	100	1 000	2 500
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		11 975	17 101	–	–	–	–	(637)	(637)	16 463	6 475	–
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		6 957	13 925	–	–	–	–	(637)	(637)	13 287	50	–
Reservoirs		5 019	3 176	–	–	–	–	–	–	3 176	6 425	–
Pump Stations		–	–	–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		1 527	81	–	–	–	–	637	637	718	2 055	5 000
Pump Station		–	–	–	–	–	–	–	–	–	–	–
Reticulation		81	81	–	–	–	–	–	–	81	2 055	5 000
Waste Water Treatment Works		–	–	–	–	–	–	637	637	637	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–	–	–
Toilet Facilities		1 446	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**–**	**1 400**	**–**	**–**	**–**	**–**	**–**	**–**	**1 400**	**–**	**–**
Community Facilities		–	1 400	–	–	–	–	–	–	1 400	–	–
Halls		–	–	–	–	–	–	–	–	–	–	–
Centres		–	1 400	–	–	–	–	–	–	1 400	–	–
Crèches		–	–	–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Heritage assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Monuments		–	–	–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Other assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Workshops		–	–	–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	2 280	–	–	–	–	–	–	2 280	–	–
Computer Equipment		–	2 280	–	–	–	–	–	–	2 280	–	–
Furniture and Office Equipment		–	1 032	–	–	–	–	–	–	1 032	–	–
Furniture and Office Equipment		–	1 032	–	–	–	–	–	–	1 032	–	–
Machinery and Equipment		–	100	–	–	–	–	–	–	100	–	–
Machinery and Equipment		–	100	–	–	–	–	–	–	100	–	–
Transport Assets		35 391	52 397	–	–	–	–	–	–	52 397	1 891	4 119
Transport Assets		35 391	52 397	–	–	–	–	–	–	52 397	1 891	4 119
Land		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Living resources		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets *to be adjusted*	1	**52 798**	**122 449**	**–**	**–**	**–**	**–**	**(23 130)**	**(23 130)**	**99 319**	**168 169**	**26 901**

EC108 Kouga - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Capital expenditure on renewal of existing assets by Asset Class/Sub-class												
Infrastructure		**250**	**15 771**	**–**	**–**	**–**	**–**	**–**	**–**	**15 771**	**100**	**–**
Roads Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Roads		–	–	–	–	–	–	–	–	–	–	–
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	10 591	–	–	–	–	–	–	10 591	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	10 591	–	–	–	–	–	–	10 591	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	5 000	–	–	–	–	–	–	5 000	–	–
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		–	5 000	–	–	–	–	–	–	5 000	–	–
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		250	180	–	–	–	–	–	–	180	100	–
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–	–	–
Distribution		250	180	–	–	–	–	–	–	180	100	–
Distribution Points		–	–	–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Pump Station		–	–	–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Halls		–	–	–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Heritage assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Monuments		–	–	–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Other assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Workshops		–	–	–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Living resources		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets *to be adjusted*	1	**250**	**15 771**	**–**	**–**	**–**	**–**	**–**	**–**	**15 771**	**100**	**–**

EC108 Kouga - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure		**155 976**	**172 804**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**169 543**	**154 481**	**164 077**
Roads Infrastructure		52 369	53 692	–	–	–	–	–	–	53 692	43 945	47 767
Roads		52 369	53 692	–	–	–	–	–	–	53 692	43 945	47 767
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		2 120	1 520	–	–	–	–	–	–	1 520	3 000	3 820
Drainage Collection		1 620	1 320	–	–	–	–	–	–	1 320	2 500	3 320
Storm water Conveyance		500	200	–	–	–	–	–	–	200	500	500
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		30 806	35 060	–	–	–	–	–	–	35 060	30 431	31 896
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		20 656	25 525	–	–	–	–	–	–	25 525	21 346	22 402
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		6 000	5 385	–	–	–	–	–	–	5 385	5 520	5 769
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		1 200	1 200	–	–	–	–	–	–	1 200	1 045	1 092
LV Networks		2 950	2 950	–	–	–	–	–	–	2 950	2 519	2 633
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		32 198	37 538	–	–	–	–	(3 261)	(3 261)	34 277	35 881	37 553
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–	–	–
Pump Stations		620	620	–	–	–	–	–	–	620	670	720
Water Treatment Works		28 923	34 198	–	–	–	–	(3 261)	(3 261)	30 937	32 456	33 978
Bulk Mains		1 725	1 790	–	–	–	–	–	–	1 790	1 775	1 825
Distribution		930	930	–	–	–	–	–	–	930	980	1 030
Distribution Points		–	–	–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		38 483	43 844	–	–	–	–	–	–	43 844	40 225	42 041
Pump Station		6 600	7 820	–	–	–	–	–	–	7 820	6 600	6 600
Reticulation		950	2 387	–	–	–	–	–	–	2 387	1 020	1 090
Waste Water Treatment Works		27 583	29 872	–	–	–	–	–	–	29 872	29 225	30 931
Outfall Sewers		150	150	–	–	–	–	–	–	150	180	220
Toilet Facilities		3 200	3 616	–	–	–	–	–	–	3 616	3 200	3 200
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	1 150	–	–	–	–	–	–	1 150	1 000	1 000
Sand Pumps		–	–	–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–	–	–
Promenades		–	1 150	–	–	–	–	–	–	1 150	1 000	1 000
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**41 564**	**41 387**	**–**	**–**	**–**	**–**	**–**	**–**	41 387	**42 139**	**44 065**
Community Facilities		40 224	40 047	–	–	–	–	–	–	40 047	40 708	42 634
Halls		–	–	–	–	–	–	–	–	–	–	–
Centres		–	1 000	–	–	–	–	–	–	1 000	–	–
Créches		–	–	–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		1 336	336	–	–	–	–	–	–	336	336	336
Testing Stations		94	94	–	–	–	–	–	–	94	94	94
Museums		–	–	–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		3 130	3 130	–	–	–	–	–	–	3 130	3 047	3 186
Police		–	–	–	–	–	–	–	–	–	–	–
Parks		1 141	1 141	–	–	–	–	–	–	1 141	1 141	1 141
Public Open Space		34 523	34 345	–	–	–	–	–	–	34 345	36 091	37 877
Nature Reserves		–	–	–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		**1 340**	**1 340**	**–**	**–**	**–**	**–**	**–**	**–**	**1 340**	**1 431**	**1 431**
Indoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Outdoor Facilities		1 340	1 340	–	–	–	–	–	–	1 340	1 431	1 431
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Heritage assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Monuments		–	–	–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Other assets		**4 187**	**4 154**	**–**	**–**	**–**	**–**	**–**	**–**	4 154	**4 201**	**4 215**
Operational Buildings		**4 187**	**4 154**	**–**	**–**	**–**	**–**	**–**	**–**	**4 154**	**4 201**	**4 215**
Municipal Offices		3 432	3 799	–	–	–	–	–	–	3 799	3 446	3 460
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–
Building Plan Offices		650	250	–	–	–	–	–	–	250	650	650

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Workshops		–	–	–	–	–	–	–	–	–	–	–
Yards		105	105	–	–	–	–	–	–	105	105	105
Stores		–	–	–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		**694**	**594**	**–**	**–**	**–**	**–**	**–**	**–**	**594**	**699**	**710**
Machinery and Equipment		694	594	–	–	–	–	–	–	594	699	710
Transport Assets		**25 960**	**23 373**	**–**	**–**	**–**	**–**	**–**	**–**	**23 373**	**26 800**	**27 885**
Transport Assets		25 960	23 373	–	–	–	–	–	–	23 373	26 800	27 885
Land		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Living resources		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure to be adjusted	1	**228 381**	**242 311**	**–**	**–**	**–**	**–**	**(3 261)**	**(3 261)**	**239 050**	**228 320**	**240 952**

EC108 Kouga - Supporting Table SB18d Adjustments Budget - depreciation by asset class - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Depreciation by Asset Class/Sub-class												
Infrastructure		**104 182**	**104 182**	**–**	**–**	**–**	**–**	**–**	**–**	**104 182**	**109 850**	**114 767**
Roads Infrastructure		41 142	41 142	–	–	–	–	–	–	41 142	42 482	44 843
Roads		41 142	41 142	–	–	–	–	–	–	41 142	42 482	44 843
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		2 064	2 064	–	–	–	–	–	–	2 064	2 064	2 064
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		2 064	2 064	–	–	–	–	–	–	2 064	2 064	2 064
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		10 246	10 246	–	–	–	–	–	–	10 246	11 876	12 833
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		10 246	10 246	–	–	–	–	–	–	10 246	11 876	12 833
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		15 978	15 978	–	–	–	–	–	–	15 978	15 982	15 982
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–	–	–
Water Treatment Works		15 978	15 978	–	–	–	–	–	–	15 978	15 982	15 982
Bulk Mains		–	–	–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		32 101	32 101	–	–	–	–	–	–	32 101	34 795	36 394
Pump Station		–	–	–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		32 101	32 101	–	–	–	–	–	–	32 101	34 795	36 394
Outfall Sewers		–	–	–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		2 651	2 651	–	–	–	–	–	–	2 651	2 651	2 651
Landfill Sites		2 651	2 651	–	–	–	–	–	–	2 651	2 651	2 651
Waste Transfer Stations		–	–	–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**472**	**472**	**–**	**–**	**–**	**–**	**–**	**–**	**472**	**472**	**472**
Community Facilities		472	472	–	–	–	–	–	–	472	472	472
Halls		472	472	–	–	–	–	–	–	472	472	472
Centres		–	–	–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Heritage assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Monuments		–	–	–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Other assets		**1 314**	**1 314**	**–**	**–**	**–**	**–**	**–**	**–**	**1 314**	**1 314**	**1 314**
Operational Buildings		**1 314**	**1 314**	**–**	**–**	**–**	**–**	**–**	**–**	**1 314**	**1 314**	**1 314**
Municipal Offices		1 314	1 314	–	–	–	–	–	–	1 314	1 314	1 314
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Workshops		–	–	–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		586	586	–	–	–	–	–	–	586	586	586
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		586	586	–	–	–	–	–	–	586	586	586
Water Rights		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		586	586	–	–	–	–	–	–	586	586	586
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		3 937	3 937	–	–	–	–	–	–	3 937	4 141	4 344
Furniture and Office Equipment		3 937	3 937	–	–	–	–	–	–	3 937	4 141	4 344
Machinery and Equipment		1 474	1 474	–	–	–	–	–	–	1 474	1 484	1 494
Machinery and Equipment		1 474	1 474	–	–	–	–	–	–	1 474	1 484	1 494
Transport Assets		5 832	5 832	–	–	–	–	–	–	5 832	6 036	6 250
Transport Assets		5 832	5 832	–	–	–	–	–	–	5 832	6 036	6 250
Land		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Living resources		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Total Depreciation to be adjusted	1	**117 798**	**117 798**	**–**	**–**	**–**	**–**	**–**	**–**	**117 798**	**123 884**	**129 229**

EC108 Kouga - Adjustments Budget - capital expenditure on upgrading of existing assets by asset class - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class												
Infrastructure		**96 813**	**142 915**	**–**	**–**	**–**	**–**	**5**	**5**	**142 919**	**65 764**	**20 582**
Roads Infrastructure		8 596	8 602	–	–	–	–	–	–	8 602	–	–
Roads		8 596	8 602	–	–	–	–	–	–	8 602	–	–
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		424	424	–	–	–	–	–	–	424	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		424	424	–	–	–	–	–	–	424	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		30 348	28 323	–	–	–	–	–	–	28 323	347	–
Power Plants		–	–	–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–	–
MV Substations		29 565	28 323	–	–	–	–	–	–	28 323	347	–
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		783	–	–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		16 783	57 046	–	–	–	–	–	–	57 046	48 198	–
Dams and Weirs		–	–	–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–	–	–
Water Treatment Works		–	23 556	–	–	–	–	–	–	23 556	–	–
Bulk Mains		13 304	6 244	–	–	–	–	–	–	6 244	6 395	–
Distribution		3 478	25 224	–	–	–	–	–	–	25 224	41 802	–
Distribution Points		–	2 022	–	–	–	–	–	–	2 022	–	–
PRV Stations		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		40 663	48 520	–	–	–	–	5	5	48 525	17 219	20 582
Pump Station		8 742	7 161	–	–	–	–	–	–	7 161	13 037	10 554
Reticulation		2 197	1 596	–	–	–	–	–	–	1 596	1 328	10 028
Waste Water Treatment Works		29 723	39 763	–	–	–	–	5	5	39 768	2 855	–
Outfall Sewers		–	–	–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Community Assets		**500**	**1 759**	**–**	**–**	**–**	**–**	**(15)**	(15)	1 744	**7 000**	**2 407**
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Halls		–	–	–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		**500**	**1 759**	**–**	**–**	**–**	**–**	**(15)**	**(15)**	**1 744**	**7 000**	**2 407**
Indoor Facilities		–	–	–	–	–	–	–	–	–	–	–
Outdoor Facilities		500	1 759	–	–	–	–	(15)	(15)	1 744	7 000	2 407
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Heritage assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Monuments		–	–	–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–	–	–
Other assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–	–	–

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
Workshops		–	–	–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Living resources		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on upgrading of existing assets *to be adjusted*	1	**97 313**	**144 673**	**–**	**–**	**–**	**–**	**(10)**	**(10)**	**144 663**	**72 764**	**22 990**

EC108 Kouga - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 30/04/2025

Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal Code	Individually Approved Yes/No	Asset Class	Asset Sub-Class	GPS co-ordinates	Medium Term Revenue and Expenditure Framework					
								Budget Year 2024/25		Budget Year +1 2025/26		Budget Year +2 2026/27	
R thousand			3	6	4	4	5	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget
Parent municipality:													
List all capital programs/projects grouped by Municipal Vote													
Entities:													
List all capital programs/projects grouped by Municipal Entity													
Entity Name													
Project name													

EC108 Kouga - Supporting Table SB20 Not required - 30/04/2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	8 E	9 F	10 G	11 H		
Revenue By Municipal Entity												
Entity 1 total revenue									–	–		
Entity 2 total revenue									–	–		
Entity 3 (etc) total revenue									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
Total Operating Revenue	1	–	–	–	–	–	–	–	–	–	–	–
Expenditure By Municipal Entity												
Entity 1 total operating expenditure									–	–		
Entity 2 total operating expenditure									–	–		
Entity 3 etc. total operating expenditure									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
Total Operating Expenditure	2	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure By Municipal Entity												
Entity 1 total capital expenditure									–	–		
Entity 2 total capital expenditure									–	–		
Entity 3 etc. total capital expenditure									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
									–	–		
Total Capital Expenditure	2	–	–	–	–	–	–	–	–	–	–	–

"ANNEXURE C"

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Prior Adjusted Budget 2024/25	Adjustments	Adjusted Budget 2024/25
CIVIL AND WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176 117		176 117
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137 788		137 788
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	1 121 050		1 121 050
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	(15 073)	484 927
PROJECT MANAGEMENT UNIT (PMU)	UISP	Electricity Transfer from NMBM to KLM	62 198		62 198
ROADS AND STORMWATER	Borrowing	ROADS INFRASTRUCTURE IN KOUGA	43 478 261	(21 739 131)	21 739 130
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508 696		508 696
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1 615 427		1 615 427
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261		6 478 261
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424 348		424 348
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	52 608	15 073	67 681
ROADS AND STORMWATER	MDRG	Re-instatement of Sherley Street	1 608 696		1 608 696
ROADS AND STORMWATER	MDRG	Re-instatement of Mountain Road and upgrade of stormwater culvert	1 565 217		1 565 217
ROADS AND STORMWATER	MDRG	Re-instatement of Da Gama Road in the Kabeljous area and stormwater infrastructure re-instatement	1 086 957		1 086 957
ROADS AND STORMWATER	MDRG	George Road, Re-instatement of Embankment, Water & Stormwater network	782 609		782 609
ROADS AND STORMWATER	MDRG	Re-instatement of Phillip Street low level water crossing bridge	1 173 913		1 173 913
ROADS AND STORMWATER	MDRG	Sea Vista Access ring road damaged pavement layers	800 000		800 000
ROADS AND STORMWATER	MDRG	Re-instatement of Ketse Street and stormwater infrastructure	1 186 957		1 186 957
ROADS AND STORMWATER	MDRG	Re-instatement of Nanto Street and stormwater infrastructure	1 339 130		1 339 130
ROADS AND STORMWATER	MDRG	Re-instatement of Meyer Street and stormwater infrastructure	1 047 826		1 047 826
SEWERAGE	UISP	Apiesdraai Pump Station	1 980 261		1 980 261
SEWERAGE	UISP	Phase 1 Upgrade of Thornhill Sewer Treatment Works	331 320		331 320
SEWERAGE	UISP	Kruisfontein Bulk Sewer -Link Line	1 395 837		1 395 837
SEWERAGE	UISP	Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	4 511 687		4 511 687
SEWERAGE	UISP	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	167 175		167 175

"ANNEXURE C"

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Prior Adjusted Budget 2024/25	Adjustments	Adjusted Budget 2024/25
CIVIL AND WATER SERVICES					
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508 609		508 609
SEWERAGE	Internal	HANKEY WWTW	5 331 662		5 331 662
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	4 763 577		4 763 577
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500		80 500
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29 169 586	4 871	29 174 457
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200 000		200 000
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	140 000		140 000
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer rising main	20 000		20 000
WATER	UISP	Ramaphosa Village New Reservoir	735 065		735 065
WATER	UISP	Kwanomzamo Bulk Water : New Pipeline	3 047 557		3 047 557
WATER	UISP	Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	3 196 225		3 196 225
WATER	DOHS-FOIS	Humansdorp: Upgrading of informal settlements in Kwanomzamo (Bungalows, Polar Parks & Shukushukuma)	8 118 775		8 118 775
WATER	DOHS-FOIS	Jeffreys Bay: Upgrading of Oceanview Informal Settlements	4 125 000		4 125 000
WATER	DOHS-FOIS	Patensie: Upgrading of Informal Settlement (Cyril Ramaphosa)	2 629 602		2 629 602
WATER	DOHS-FOIS	Humansdorp: Upgrading of Kruisfontein Settlement (Donkerhoek)	1 898 033		1 898 033
WATER	DOHS-FOIS	Thornhill : Upgrading of Informal Settlement	1 399 200		1 399 200
WATER	UISP	New Reservoir on Pnt 2 of the Farm Thornhill	2 440 926		2 440 926
WATER	Internal	JILL MARCUS WATER SUPPLY	4 347 000		4 347 000
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000		3 000 000
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637 410		637 410
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	8 940 388		8 940 388
WATER	WSIG	RETICULATION REPLACE PIPELINES	3 478 260		3 478 260
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis Bay	80 000		80 000
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100 000		100 000
WATER	WSIG	PARADISE BEACH WATER TOWER	2 021 548		2 021 548
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3 575 354		3 575 354
			167 516 616	**(21 734 260)**	**145 782 356**

"ANNEXURE C"

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Prior Adjusted Budget 2024/25	Adjustments	Adjusted Budget 2024/25
COMMUNITY SERVICES					
FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1 391 304		1 391 304
LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	242 320		242 320
			1 633 624	**-**	**1 633 624**
ELECTRO/MECHANICAL SERVICES					
ELECTRICITY	UISP	Oceanview Substation Upgrade	9 913 043		9 913 043
ELECTRICITY	UISP	Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	18 347 420		18 347 420
ELECTRICITY	UISP	Computer Equipment (UISP FUNDING)	217 391		217 391
ELECTRICITY	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4 251 567	(1 406 087)	2 845 480
ELECTRICITY	Internal	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000		5 000 000
ELECTRICITY	MIG	DESIGN: HIGH MAST LIGHTS	100 000		100 000
FLEET AND WORKSHOP	Finance Lease	Vehicle	51 005 878		51 005 878
			88 835 299	**(1 406 087)**	**87 429 212**
FINANCE AND ECONOMIC DEVELOPMENT					
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	377 517		377 517
LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100 000		100 000
REVENUE	Internal	Office Furniture	106 453		106 453
REVENUE	Internal	Computer Equipment	22 477		22 477
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	385 414		385 414
			991 861	**-**	**991 861**
OFFICE OF THE MUNICIPAL MANAGER					
RISK AND INTERNAL AUDIT UNITY	Internal	Furniture & Equipment	28 000		28 000
			28 000	**-**	**28 000**

"ANNEXURE C"

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Prior Adjusted Budget 2024/25	Adjustments	Adjusted Budget 2024/25
OFFICE OF THE DEPUTY MUNICIPAL MANAGER					
ADMINISTRATION AND AUXILIARY SERVICES	Internal	Foyer - Furniture & Equipment	90 000		90 000
COUNCIL	Internal	Ward Offices - Furniture & Equipment	150 000		150 000
HUMAN RESOURCES	Internal	Furniture & Equipment	80 000		80 000
INFORMATION TECHNOLOGY	Internal	Computer Equipment	1 412 789		1 412 789
LEGAL SERVICES	Internal	Furniture & Equipment	50 000		50 000
OFFICE OF THE DMM	Internal	DMM Office furniture	150 000		150 000
			1 932 789	**-**	**1 932 789**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	Internal	HOMELESS SHELTER	1 400 000		1 400 000
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 2	16 346 963		16 346 963
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 3	4 208 993		4 208 993
			21 955 956	**-**	**21 955 956**
		Total	**282 894 145**	**(23 140 347)**	**259 753 798**



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Staatskoerant

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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

NATIONAL TREASURY

NO. 6038 **25 March 2025**

I, Enoch Godongwana, Minister of Finance, MP in my capacity as the Minister of Finance, hereby publish, in accordance with sections 18 and 19 of the Division of Revenue Act, 2024 (Act No. 24 of 2024) (DoRA) as amended by the Division of Revenue Amendment Act 2024 (DoRAA) (Act No. 48 of 2024), the attached Explanatory Memorandum and Schedules:

(a) The stopping ad re-allocation of conditional grants to municipalities made in terms of sections 18 and 19 of the DoRA as amended, and
(b) Technical adjustments to Schedule 6B grants (indirect conditional allocations to municipalities).

For ease of reference only and where applicable, the attached Schedules reflect the main allocations, correction of errors, first and second adjustments, and total adjusted allocations.



MR ENOCH GODONGWANA
MINISTER OF FINANCE, MP

Explanatory Memorandum to the Allocations set out in the attached Schedule

This Gazette is published in terms of the Division of Revenue Act, 2024, (Act No. 24 of 2024) (DoRA) as amended by the Division of Revenue Amendment Act, 2024 (Act No. 44 of 2024) (DoRAA) and provides information regarding the adjustment of allocations to municipalities in the 2024/25 fiscal year.

This is necessitated by the need for the stopping and re-allocation of conditional grants to municipalities and is in terms of sections 18 and 19 of DoRA, as amended.

ALLOCATION OF DISASTER FUNDS: IMMEDIATE RELIEF SCHEDULE 7B

The publication also gazettes the unallocated amount of R153.2 million against the total amount of R153.2 million from the Municipal Disaster Response Grant (MDRG) for the 2024/25 fiscal year. The allocation was for flood intervention measures in one municipality in Free State, two municipalities in Mpumalanga, thirteen municipalities in KwaZulu-Natal, and ten municipalities in the Western Cape Province. Funds amounting to R55.2 million for Western Cape were transferred to the affected municipalities on 12 February 2025 to assist them alleviate the impact of the disaster, and these funds are required to be gazetted within sixty days after the date of transfer. An amount of R97.9 million from this immediate response grant allocated to municipalities in Free State, KwaZulu-Natal and Mpumalanga will be transferred by mid-March 2025 to the affected municipalities to assist them address the effects of the floods.

STOPPING AND RE-ALLOCATION: SCHEDULE 4B AND 5B (DIRECT)

The stopping and re-allocation of conditional grants is done in terms of sections 18 and 19 of the 2024 DoRA, as amended, against municipalities that reported significant underperformance as at mid-year i.e., 31 December 2024, and non-compliance with the provisions of DoRA, including against conditional grants frameworks against their 2024/25 allocations.

The purpose of sections 18 and 19 of the 2024 DoRA is to be a cash management tool and to circumvent transferring more funds to municipalities that are sitting with unspent transferred funds, avoid fiscal dumping, address possible misappropriation of conditional grant funds, and support fast moving projects in-year with additional funding to accelerate the implementation of those projects and service delivery in those municipalities. The stopping of funds, however, does not imply that projects should stop, rather municipalities should reprioritise to accelerate against their committed, and implementation ready projects. Only projects that are moving very slowly or are not ready for implementation in the current year are affected by the stopping process as transferring more funds could lead to the misuse of conditional grants. It is also of no use to transfer funds to municipalities which will not fully spend the funds by year end.

The stopping and re-allocation process provides that municipalities that are showing accelerated performance could be considered for additional funding, and the ones that are under performing could have their funds stopped in the current year. These municipalities will be supported in future when their performance improves.

Ten capital grants are being affected by the stopping and re-allocation process namely; the Water Services Infrastructure Grant (WSIG 5B), Regional Bulk Infrastructure Grant (RBIG 5B), Public Transport Network Grant (PTNG), Urban Settlements Development Grant (USDG), Informal Settlements Upgrading Partnership Grant (ISUPG), Neighborhood Development Partnership Grant (NDPG 5B and 6B), Integrated National Electrification Programme (INEP 5B and 6B) grant, Municipal Infrastructure Grant (MIG), Rural Roads Asset Management Systems Grant (RRAMS), and the Integrated Urban Development Grant (IUDG).

From a capacity building perspective, the Energy Efficiency and Demand Side Management (EEDSM), the Expanded Public Works Programme (EPWP), the Infrastructure Skills Development Grant (ISDG), and the Programme and Project Preparation Support Grant (PPPSG) are the three capacity building grants affected by sections 18 and 19 of DoRA.

STOPPING AND RE-ALLOCATION: SCHEDULE 6B (INDIRECT)

The transferring officer responsible for administering INEP 6B, Smart Meters Grant (schedule 6B) and NDPG 6B are stopping and re-allocating funds between municipalities. While the implementation of this type of conditional grants, i.e., Schedule 6B (indirect) is done on behalf of municipalities by the Department of Mineral Resources and Energy and National Treasury's Neighbourhood Development Partnership Programme and Smart Meters Grant, stopping and re-allocation are only done to realign the allocations in the revised DoRA.

Municipalities do not directly receive funding under schedule 6B conditional grants, but rather that they receive the benefit from expenditure and work done on their behalf.

ALLOCATION OF UNALLOCATED FUNDS: SCHEDULE 6B (INDIRECT)

The publication also gazettes the allocation of the unallocated amount of R500 million from the Smart Meters Grant (SMG) for the 2024/25 fiscal year. The allocation is an indirect allocation to municipalities in the debt relief programme to assist them to achieve financial sustainability and improved management in municipal electricity/water services and generate pre-service cash. This will be achieved by enabling municipalities to implement bi-directional smart metering systems to identify and reduce technical distribution losses pertaining to the municipal electricity/water function and improve revenue collection, and sustainability of trading services.

Municipalities do not directly receive funding under the schedule 6B conditional grants but rather that they receive the benefit from expenditure and work done on their behalf.

ANNEXURE 1

SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES
(SCHEDULE 5, PART B)

(National and Municipal Financial Years)

Schedule 5B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Department of Minerals Resources and Energy (Vote 34)		Energy Effieciency Demand Side Management Grant		
		Column A		Column C
		2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
		R'000	R'000	R'000
EASTERN CAPE				
A	NMA Nelson Mandela Bay	7 000		7 000
B	EC102 Blue Crane Route	4 000	(1 200)	2 800
Total: Sarah Baartman Municipalities		**19 000**	**(1 200)**	**17 800**
B	EC124 Amahlathi	3 000		3 000
C	DC12 Amatole District Municipality			-
Total: Amatole Municipalities		**3 000**	**-**	**3 000**
B	EC145 Walter Sisulu	4 000		4 000
C	DC14 Joe Gqabi District Municipality			-
Total: Joe Gqabi Municipalities		**4 000**	**-**	**4 000**
Total: Eastern Cape Municipalities		**26 000**	**(1 200)**	**24 800**
FREE STATE				
B	FS161 Letsemeng	4 000	(4 000)	-
Total: Xhariep Municipalities		**4 000**	**(4 000)**	**-**
B	FS181 Masilonyana	4 000		4 000
B	FS185 Nala	5 000		5 000
C	DC18 Lejweleputswa District Municipality			-
Total: Lejweleputswa Municipalities		**9 000**	**-**	**9 000**
B	FS195 Phumelela	4 000		4 000
C	DC19 Thabo Mofutsanyana District Municipality	5 500		5 500
Total: Thabo Mofutsanyana Municipalities		**9 500**	**-**	**9 500**
Total: Free State Municipalities		**22 500**	**(4 000)**	**18 500**
GAUTENG				
A	EKU Ekurhuleni	7 000		7 000
A	JHB City of Johannesburg	7 000		7 000
A	TSH City of Tshwane			-
				-
B	GT421 Emfuleni	5 500		5 500
B	GT423 Lesedi	4 000		4 000
C	DC42 Sedibeng District Municipality	5 000		5 000
Total: Sedibeng Municipalities		**14 500**	**-**	**14 500**
Total: Gauteng Municipalities		**28 500**	**-**	**28 500**
KWAZULU-NATAL				
A	ETH eThekwini	7 000		7 000
B	KZN212 uMdoni	3 000	(1 800)	1 200
B	KZN216 Ray Nkonyeni	5 500		5 500
Total: Ugu Municipalities		**8 500**	**(1 800)**	**6 700**
				-
B	KZN223 Mpofana	3 000		3 000
B	KZN225 Msunduzi	5 000		5 000
C	DC22 uMgungundlovu District Municipality			-
Total: Umgungundlovu Municipalities		**8 000**	**-**	**8 000**
B	KZN241 eNdumeni	4 000		4 000
C	DC24 uMzinyathi District Municipality			-
Total: Umzinyathi Municipalities		**4 000**	**-**	**4 000**
B	KZN282 uMhlathuze	5 500		5 500
B	KZN286 Nkandla	3 000		3 000
C	DC28 King Cetshwayo District Municipality			-
Total: Uthungulu Municipalities		**8 500**	**-**	**8 500**
Total: KwaZulu-Natal Municipalities		**36 000**	**(1 800)**	**34 200**

Schedule 5B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Department of Minerals Resources and Energy (Vote 34)	Energy Effieciency Demand Side Management Grant		
	Column A		Column C
	2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
LIMPOPO			
B LIM355 Lepele-Nkumpi	5 000	(1 800)	3 200
Total: Capricorn Municipalities	**5 000**	**(1 800)**	**3 200**
B LIM362 Lephalale	4 000		4 000
C DC36 Waterberg District Municipality			-
Total: Waterberg Municipalities	**4 000**	**-**	**4 000**
B LIM472 Elias Motsoaledi	4 000		4 000
C DC47 Sekhukhune District Municipality			-
Total: Greater Sekhukhune Municipalities	**4 000**	**-**	**4 000**
Total: Limpopo Municipalities	**31 000**	**(1 800)**	**29 200**
MPUMALANGA			
B MP302 Msukaligwa	4 000	2 800	6 800
B MP303 Mkhondo	4 000	3 000	7 000
Total: Gert Sibande Municipalities	**12 000**	**5 800**	**17 800**
B MP312 Emalahleni		3 000	3 000
C DC31 Nkangala District Municipality	5 000		5 000
Total: Nkangala Municipalities	**5 000**	**3 000**	**8 000**
			-
Total: Mpumalanga Municipalities	**27 000**	**8 800**	**35 800**
NORTHERN CAPE			
B NC065 Hantam	4 000		4 000
C DC6 Namakwa District Municipality			-
Total: Namakwa Municipalities	**4 000**	**-**	**4 000**
B NC075 Renosterberg	2 000		2 000
C DC7 Pixley Ka Seme District Municipality			-
Total: Pixley Ka Seme Municipalities	**2 000**	**-**	**2 000**
B NC091 Sol Plaatje	5 000		5 000
C DC9 Frances Baard District Municipality	4 000		4 000
Total: Frances Baard Municipalities	**9 000**	**-**	**9 000**
B NC452 Ga-Segonyana	4 000		4 000
C DC45 John Taolo Gaetsewe District Municipality			-
Total: John Taolo Gaetsewe Municipalities	**4 000**	**-**	**4 000**
Total: Northern Cape Municipalities	**19 000**	**-**	**19 000**
NORTH WEST			
B NW373 Rustenburg	5 200		5 200
C DC37 Bojanala Platinum District Municipality			-
Total: Bojanala Platinum Municipalities	**5 200**	**-**	**5 200**
B NW383 Mafikeng	5 000		5 000
C DC38 Ngaka Modiri Molema District Municipality			-
Total: Ngaka Modiri Molema Municipalities	**5 000**	**-**	**5 000**
B NW396 Lekwa-Teemane	4 000		4 000
B NW397 Kagisano-Molopo	4 000		4 000
C DC39 Dr Ruth Segomotsi Mompati District Municipality			-
Total: Dr Ruth Segomotsi Mompati Municipalities	**8 000**	**-**	**8 000**
B NW403 City of Matlosana	5 000		5 000
C DC40 Dr Kenneth Kaunda District Municipality	4 000		4 000
Total: Dr Kenneth Kaunda Municipalities	**9 000**	**-**	**9 000**
Total: North West Municipalities	**27 200**	**-**	**27 200**
WESTERN CAPE			
A CPT City of Cape Town	7 000		7 000
B WC022 Witzenberg	3 500		3 500
B WC024 Stellenbosch	5 000		5 000
C DC2 Cape Winelands District Municipality			-
Total: Cape Winelands Municipalities	**8 500**	**-**	**8 500**
B WC034 Swellendam	3 000		3 000
C DC3 Overberg District Municipality			-
Total: Overberg Municipalities	**3 000**	**-**	**3 000**
			-
Total: Western Cape Municipalities	**18 500**	**-**	**18 500**
National Total	**235 700**	**-**	**235 700**

Schedule 5B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Department of Public Works and Infrastructure (Vote 13)			Expanded Public Works Programme for Municipalities		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
			R'000	R'000	R'000
EASTERN CAPE					
A	BUF	Buffalo City	2 314		2 314
A	NMA	Nelson Mandela Bay	3 480		3 480
B	EC101	Dr Beyers Naude	1 359		1 359
B	EC102	Blue Crane Route	1 280		1 280
B	EC104	Makana	1 202		1 202
B	EC105	Ndlambe	1 317		1 317
B	EC106	Sundays River Valley	1 232	(283)	949
B	EC108	Kouga	1 495		1 495
B	EC109	Kou-Kamma	1 258		1 258
C	DC10	Sarah Baartman District Municipality	1 200		1 200
Total: Sarah Baartman Municipalities			**16 137**	**(283)**	**15 854**
B	EC121	Mbhashe	1 989		1 989
B	EC122	Mnquma	1 610		1 610
B	EC123	Great Kei	1 207	(104)	1 103
B	EC124	Amahlathi	1 211	300	1 511
B	EC126	Ngqushwa	1 448		1 448
B	EC129	Raymond Mhlaba	2 983		2 983
C	DC12	Amatole District Municipality	1 878		1 878
Total: Amatole Municipalities			**12 326**	**196**	**12 522**
B	EC131	Inxuba Yethemba	1 454	300	1 754
B	EC135	Intsika Yethu	1 914		1 914
B	EC136	Emalahleni	1 756	1 800	3 556
B	EC137	Dr A.B. Xuma	1 792		1 792
B	EC138	Sakhisizwe	1 423		1 423
B	EC139	Enoch Mgijima	2 503		2 503
C	DC13	Chris Hani District Municipality	2 118		2 118
Total: Chris Hani Municipalities			**12 960**	**2 100**	**15 060**
B	EC141	Elundini	2 114		2 114
B	EC142	Senqu	1 620		1 620
B	EC145	Walter Sisulu	1 309		1 309
C	DC14	Joe Gqabi District Municipality	1 836		1 836
Total: Joe Gqabi Municipalities			**6 879**	**-**	**6 879**
B	EC153	Nquza Hill	1 593		1 593
B	EC154	Port St Johns	1 676		1 676
B	EC155	Nyandeni	1 661		1 661
B	EC156	Mhlontlo	1 966		1 966
B	EC157	King Sabata Dalindyebo	3 268		3 268
C	DC15	O.R. Tambo District Municipality	3 846		3 846
Total: O.R.Tambo Municipalities			**14 010**	**-**	**14 010**
B	EC441	Matatiele	3 880		3 880
B	EC442	Umzimvubu	2 656		2 656
B	EC443	Winnie Madikizela-Mandela	2 981		2 981
B	EC444	Ntabankulu	2 675		2 675
C	DC44	Alfred Nzo District Municipality	3 603		3 603
Total: Alfred Nzo Municipalities			**15 795**	**-**	**15 795**
Total: Eastern Cape Municipalities			**78 107**	**2 013**	**80 120**

Schedule 5B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Department of Public Works and Infrastructure (Vote 13)			Expanded Public Works Programme for Municipalities		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
FREE STATE					
A	MAN	Mangaung	1 839		1 839
B	FS161	Letsemeng	1 200	(190)	1 010
B	FS162	Kopanong	1 200	(347)	853
B	FS163	Mohokare	1 217	(295)	922
C	DC16	Xhariep District Municipality	1 241		1 241
Total: Xhariep Municipalities			**4 858**	**(832)**	**4 026**
B	FS181	Masilonyana	1 200		1 200
B	FS182	Tokologo	1 200	(360)	840
B	FS183	Tswelopele	1 335	600	1 935
B	FS184	Matjhabeng	1 460		1 460
B	FS185	Nala	1 200	600	1 800
C	DC18	Lejweleputswa District Municipality	1 322		1 322
Total: Lejweleputswa Municipalities			**7 717**	**840**	**8 557**
B	FS191	Setsoto	1 394	600	1 994
B	FS192	Dihlabeng	1 552	(1 164)	388
B	FS193	Nketoana	1 200	600	1 800
B	FS194	Maluti a Phofung	4 219	(1 564)	2 655
B	FS195	Phumelela	1 234		1 234
B	FS196	Mantsopa	1 279		1 279
C	DC19	Thabo Mofutsanyana District Municipality	1 913	600	2 513
Total: Thabo Mofutsanyana Municipalities			**12 791**	**(928)**	**11 863**
B	FS201	Moqhaka	1 299	(195)	1 104
B	FS203	Ngwathe	1 480		1 480
B	FS204	Metsimaholo	1 200		1 200
B	FS205	Mafube	1 200	(223)	977
C	DC20	Fezile Dabi District Municipality	1 200		1 200
Total: Fezile Dabi Municipalities			**6 379**	**(418)**	**5 961**
Total: Free State Municipalities			**33 584**	**(1 338)**	**32 246**
GAUTENG					
A	EKU	Ekurhuleni	9 920		9 920
A	JHB	City of Johannesburg	4 967		4 967
A	TSH	City of Tshwane	18 468		18 468
B	GT421	Emfuleni	3 869		3 869
B	GT422	Midvaal	1 619		1 619
B	GT423	Lesedi	1 214		1 214
C	DC42	Sedibeng District Municipality	1 222		1 222
Total: Sedibeng Municipalities			**7 924**	**-**	**7 924**
B	GT481	Mogale City	2 501	300	2 801
B	GT484	Merafong City	1 232		1 232
B	GT485	Rand West City	1 728	300	2 028
C	DC48	West Rand District Municipality	1 250		1 250
Total: West Rand Municipalities			**6 711**	**600**	**7 311**
Total: Gauteng Municipalities			**47 990**	**600**	**48 590**

Schedule 5B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Department of Public Works and Infrastructure (Vote 13)		**Expanded Public Works Programme for Municipalities**		
		Column A		**Column C**
		2024/25 Main allocation	**Adjustments-Stopping and re-allocation**	**2024/25 Adjusted allocation**
KWAZULU-NATAL				
A	ETH eThekwini	18 790		18 790
B	KZN212 uMdoni	1 249		1 249
B	KZN213 uMzumbe	1 400		1 400
B	KZN214 uMuziwabantu	1 497		1 497
B	KZN216 Ray Nkonyeni	3 255		3 255
C	DC21 Ugu District Municipality	2 864		2 864
Total: Ugu Municipalities		**10 265**	**-**	**10 265**
				-
B	KZN221 uMshwathi	1 760		1 760
B	KZN222 uMngeni	1 336		1 336
B	KZN223 Mpofana	1 267	300	1 567
B	KZN224 iMpendle	1 645		1 645
B	KZN225 Msunduzi	2 092		2 092
B	KZN226 Mkhambathini	1 541	(230)	1 311
B	KZN227 Richmond	1 410		1 410
C	DC22 uMgungundlovu District Municipality	1 889		1 889
Total: Umgungundlovu Municipalities		**12 940**	**70**	**13 010**
B	KZN235 Okhahlamba	2 657		2 657
B	KZN237 iNkosi Langalibalele	1 807		1 807
B	KZN238 Alfred Duma	2 471		2 471
C	DC23 uThukela District Municipality	1 685		1 685
Total:Uthukela Municipalities		**8 620**	**-**	**8 620**
B	KZN241 eNdumeni	1 561		1 561
B	KZN242 Nqutu	1 478		1 478
B	KZN244 uMsinga	3 287		3 287
B	KZN245 uMvoti	2 115		2 115
C	DC24 uMzinyathi District Municipality	5 349		5 349
Total: Umzinyathi Municipalities		**13 790**	**-**	**13 790**
B	KZN252 Newcastle	1 896		1 896
B	KZN253 eMadlangeni	1 331		1 331
B	KZN254 Dannhauser	1 770		1 770
C	DC25 Amajuba District Municipality	1 551		1 551
Total: Amajuba Municipalities		**6 548**	**-**	**6 548**
B	KZN261 eDumbe	1 482		1 482
B	KZN262 uPhongolo	1 990		1 990
B	KZN263 Abaqulusi	1 793		1 793
B	KZN265 Nongoma	2 307		2 307
B	KZN266 Ulundi	2 420		2 420
C	DC26 Zululand District Municipality	5 227		5 227
Total: Zululand Municipalities		**15 219**	**-**	**15 219**
B	KZN271 uMhlabuyalingana	2 452		2 452
B	KZN272 Jozini	3 674		3 674
B	KZN275 Mtubatuba	2 226		2 226
B	KZN276 Big Five Hlabisa	1 909		1 909
C	DC27 uMkhanyakude District Municipality	4 270		4 270
Total: Umkhanyakude Municipalities		**14 531**	**-**	**14 531**
B	KZN281 uMfolozi	2 099		2 099
B	KZN282 uMhlathuze	2 674	(237)	2 437
B	KZN284 uMlalazi	2 787		2 787
B	KZN285 Mthonjaneni	2 243		2 243
B	KZN286 Nkandla	2 477		2 477
C	DC28 King Cetshwayo District Municipality	4 040	300	4 340
Total: Uthungulu Municipalities		**16 320**	**63**	**16 383**
B	KZN291 Mandeni	1 815		
B	KZN292 KwaDukuza	1 589		1 589
B	KZN293 Ndwedwe	2 067		2 067
B	KZN294 Maphumulo	1 536	322	1 858
C	DC29 iLembe District Municipality	3 071		3 071
Total: iLembe Municipalities		**10 078**	**322**	**10 400**
				-
B	KZN433 Greater Kokstad	1 657		1 657
B	KZN434 uBuhlebezwe	1 620		1 620
B	KZN435 uMzimkhulu	2 471		2 471
B	KZN436 Dr Nkosazana Dlamini Zuma	1 832		1 832
C	DC43 Harry Gwala District Municipality	4 460		4 460
Total: Harry Gwala Municipalities		**12 040**	**-**	**12 040**
				-
Total: KwaZulu-Natal Municipalities		**139 141**	**455**	**139 596**

Schedule 5B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Department of Public Works and Infrastructure (Vote 13)			Expanded Public Works Programme for Municipalities		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
LIMPOPO					
B	LIM331	Greater Giyani	3 348	300	3 648
B	LIM332	Greater Letaba	1 874		1 874
B	LIM333	Greater Tzaneen	5 011		5 011
B	LIM334	Ba-Phalaborwa	1 769		1 769
B	LIM335	Maruleng	1 616		1 616
C	DC33	Mopani District Municipality	6 799		6 799
Total: Mopani Municipalities			**20 417**	**300**	**20 717**
B	LIM341	Musina	1 975	300	2 275
B	LIM343	Thulamela	3 683		3 683
B	LIM344	Makhado	2 560		2 560
B	LIM345	Collins Chabane	1 725		1 725
C	DC34	Vhembe District Municipality	5 114		5 114
Total: Vhembe Municipalities			**15 057**	**300**	**15 357**
B	LIM351	Blouberg	2 005		2 005
B	LIM353	Molemole	1 386		1 386
B	LIM354	Polokwane	6 117		6 117
B	LIM355	Lepele-Nkumpi	1 756		1 756
C	DC35	Capricorn District Municipality	2 773		2 773
Total: Capricorn Municipalities			**14 037**	**-**	**14 037**
B	LIM361	Thabazimbi	1 360	(408)	952
B	LIM362	Lephalale	1 311		1 311
B	LIM366	Bela-Bela	1 502		1 502
B	LIM367	Mogalakwena	1 610		1 610
B	LIM368	Modimolle-Mookgophong	1 641		1 641
C	DC36	Waterberg District Municipality	1 200		1 200
Total: Waterberg Municipalities			**8 624**	**(408)**	**8 216**
B	LIM471	Ephraim Mogale	1 549		1 549
B	LIM472	Elias Motsoaledi	2 609		2 609
B	LIM473	Makhuduthamaga	2 348	300	2 648
B	LIM476	Fetakgomo Tubatse	1 742		1 742
C	DC47	Sekhukhune District Municipality	10 676		10 676
Total: Greater Sekhukhune Municipalities			**18 924**	**300**	**19 224**
Total: Limpopo Municipalities			**77 059**	**492**	**77 551**
MPUMALANGA					
B	MP301	Chief Albert Luthuli	2 580		2 580
B	MP302	Msukaligwa	1 285		1 285
B	MP303	Mkhondo	2 004		2 004
B	MP304	Dr Pixley ka Isaka Seme	1 931		1 931
B	MP305	Lekwa	1 760	(1 320)	440
B	MP306	Dipaleseng	1 285		1 285
B	MP307	Govan Mbeki	1 597		1 597
C	DC30	Gert Sibande District Municipality	1 718	892	2 610
Total: Gert Sibande Municipalities			**14 160**	**(428)**	**13 732**
B	MP311	Victor Khanye	1 361	300	1 661
B	MP312	Emalahleni	3 193		3 193
B	MP313	Steve Tshwete	1 808		1 808
B	MP314	Emakhazeni	1 434		1 434
B	MP315	Thembisile Hani	2 217		2 217
B	MP316	Dr JS Moroka	2 155		2 155
C	DC31	Nkangala District Municipality	1 706		1 706
Total: Nkangala Municipalities			**13 874**	**300**	**14 174**
B	MP321	Thaba Chweu	1 608		1 608
B	MP324	Nkomazi	2 436		2 436
B	MP325	Bushbuckridge	3 149		3 149
B	MP326	City of Mbombela	5 117		5 117
C	DC32	Ehlanzeni District Municipality	1 389		1 389
Total: Ehlanzeni Municipalities			**13 699**	**-**	**13 699**
					-
Total: Mpumalanga Municipalities			**41 733**	**(128)**	**41 605**

Schedule 5B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Department of Public Works and Infrastructure (Vote 13)		Expanded Public Works Programme for Municipalities		
		Column A		Column C
		2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
NORTHERN CAPE				
B	NC061 Richtersveld	1 200	(161)	1 039
B	NC062 Nama Khoi	1 230	660	1 890
B	NC064 Kamiesberg	1 200		1 200
B	NC065 Hantam	1 213		1 213
B	NC066 Karoo Hoogland	1 200	(900)	300
B	NC067 Khai-Ma	1 200	(429)	771
C	DC6 Namakwa District Municipality	1 206		1 206
Total: Namakwa Municipalities		**8 449**	**(830)**	**7 619**
B	NC071 Ubuntu	1 200		1 200
B	NC072 Umsobomvu	1 200		1 200
B	NC073 Emthanjeni	1 200	(180)	1 020
B	NC074 Kareeberg	1 200		1 200
B	NC075 Renosterberg	1 200		1 200
B	NC076 Thembelihle	1 200		1 200
B	NC077 Siyathemba	1 200		1 200
B	NC078 Siyancuma	1 200	660	1 860
C	DC7 Pixley Ka Seme District Municipality	1 200	(91)	1 109
Total: Pixley Ka Seme Municipalities		**10 800**	**389**	**11 189**
B	NC082 !Kai !Garib	1 248		1 248
B	NC084 !Kheis	1 200	(900)	300
B	NC085 Tsantsabane	1 200	660	1 860
B	NC086 Kgatelopele	1 200		1 200
B	NC087 Dawid Kruiper	1 200		1 200
C	DC8 ZF Mgcawu District Municipality	1 251	(360)	891
Total: ZF Mgcawu Municipalities		**7 299**	**(600)**	**6 699**
B	NC091 Sol Plaatje	2 267	660	2 927
B	NC092 Dikgatlong	1 278		1 278
B	NC093 Magareng	1 242		1 242
B	NC094 Phokwane	1 200	(136)	1 064
C	DC9 Frances Baard District Municipality	1 274		1 274
Total: Frances Baard Municipalities		**7 261**	**524**	**7 785**
B	NC451 Joe Morolong	1 231		1 231
B	NC452 Ga-Segonyana	1 271		1 271
B	NC453 Gamagara	1 217		1 217
C	DC45 John Taolo Gaetsewe District Municipality	1 235		1 235
Total: John Taolo Gaetsewe Municipalities		**4 954**	**-**	**4 954**
Total: Northern Cape Municipalities		**38 763**	**(517)**	**38 246**
NORTH WEST				
B	NW371 Moretele	1 550	(232)	1 318
B	NW372 Madibeng	1 293		1 293
B	NW373 Rustenburg	1 572		1 572
B	NW374 Kgetlengrivier	1 209		1 209
B	NW375 Moses Kotane	1 359	(235)	1 124
C	DC37 Bojanala Platinum District Municipality	1 361	(1 020)	341
Total: Bojanala Platinum Municipalities		**8 344**	**(1 487)**	**6 857**
B	NW381 Ratlou	1 589		1 589
B	NW382 Tswaing	1 329		1 329
B	NW383 Mafikeng	1 550		1 550
B	NW384 Ditsobotla	1 213		1 213
B	NW385 Ramotshere Moiloa	1 812	660	2 472
C	DC38 Ngaka Modiri Molema District Municipality	2 291		2 291
Total: Ngaka Modiri Molema Municipalities		**9 784**	**660**	**10 444**
B	NW392 Naledi	1 203	(180)	1 023
B	NW393 Mamusa	1 516		1 516
B	NW394 Greater Taung	1 715		1 715
B	NW396 Lekwa-Teemane	1 200		1 200
B	NW397 Kagisano-Molopo	2 036		2 036
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	1 287		1 287
Total: Dr Ruth Segomotsi Mompati Municipalities		**8 957**	**(180)**	**8 777**
B	NW403 City of Matlosana	1 555		1 555
B	NW404 Maquassi Hills	1 314		1 314
B	NW405 JB Marks	2 177		2 177
C	DC40 Dr Kenneth Kaunda District Municipality	1 452	(330)	1 122
Total: Dr Kenneth Kaunda Municipalities		**6 498**	**(330)**	**6 168**
Total: North West Municipalities		**33 583**	**(1 337)**	**32 246**

Schedule 5B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Department of Public Works and Infrastructure (Vote 13)			Expanded Public Works Programme for Municipalities		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
WESTERN CAPE					
A	CPT	City of Cape Town	26 664		26 664
B	WC011	Matzikama	1 389		1 389
B	WC012	Cederberg	1 534		1 534
B	WC013	Bergrivier	1 436		1 436
B	WC014	Saldanha Bay	1 368		1 368
B	WC015	Swartland	1 593		1 593
C	DC1	West Coast District Municipality	1 282		1 282
Total: West Coast Municipalities			**8 602**	**-**	**8 602**
B	WC022	Witzenberg	1 559		1 559
B	WC023	Drakenstein	2 062		2 062
B	WC024	Stellenbosch	2 021		2 021
B	WC025	Breede Valley	1 895		1 895
B	WC026	Langeberg	1 645		1 645
C	DC2	Cape Winelands District Municipality	1 249		1 249
Total: Cape Winelands Municipalities			**10 431**	**-**	**10 431**
B	WC031	Theewaterskloof	1 563		1 563
B	WC032	Overstrand	1 898		1 898
B	WC033	Cape Agulhas	1 363		1 363
B	WC034	Swellendam	1 305		1 305
C	DC3	Overberg District Municipality	1 265		1 265
Total: Overberg Municipalities			**7 394**	**-**	**7 394**
B	WC041	Kannaland	1 255		1 255
B	WC042	Hessequa	1 236		1 236
B	WC043	Mossel Bay	1 967		1 967
B	WC044	George	1 966		1 966
B	WC045	Oudtshoorn	1 492		1 492
B	WC047	Bitou	1 474		1 474
B	WC048	Knysna	1 279		1 279
C	DC4	Eden District Municipality	1 545		1 545
Total: Eden Municipalities			**12 214**	**-**	**12 214**
B	WC051	Laingsburg	1 209		1 209
B	WC052	Prince Albert	1 200		1 200
B	WC053	Beaufort West	1 226		1 226
C	DC5	Central Karoo District Municipality	1 203	(240)	963
Total: Central Karoo Municipalities			**4 838**	**(240)**	**4 598**
					-
Total: Western Cape Municipalities			**70 143**	**(240)**	**69 903**
National Total			**560 103**	**-**	**560 103**

ANNEXURE 2

INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B)

(National and Municipal Financial Years)

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Mineral Resources and Energy (Vote 34)			Integrated National Electrification Programme (Municipal) Grant		
			Column A		Column C
			2024/25 Main allocation	Adjustments-Stopping and re-allocation	2024/25 Adjusted allocation
			R'000	R'000	R'000
EASTERN CAPE					
B	EC106	Sundays River Valley	495	2 000	2 495
B	EC108	Kouga	4 203	(1 617)	2 586
B	EC109	Kou-Kamma	6 462	(1 286)	5 176
C	DC10	Sarah Baartman District Municipality			-
Total: Sarah Baartman Municipalities			**11 160**	**(903)**	**10 257**
B	EC121	Mbhashe	9 029		9 029
B	EC122	Mnquma	1 152		1 152
B	EC124	Amahlathi	1 860		1 860
B	EC126	Ngqushwa	7 013		7 013
B	EC129	Raymond Mhlaba	409		409
C	DC12	Amatole District Municipality			-
Total: Amatole Municipalities			**19 463**	**-**	**19 463**
B	EC131	Inxuba Yethemba	6 322		6 322
B	EC135	Intsika Yethu	8 652		8 652
B	EC136	Emalahleni	44 431		44 431
B	EC137	Dr A.B. Xuma	38 126	(3 126)	35 000
B	EC138	Sakhisizwe	5 140		5 140
B	EC139	Enoch Mgijima	24 027		24 027
C	DC13	Chris Hani District Municipality			-
Total: Chris Hani Municipalities			**126 698**	**(3 126)**	**123 572**
B	EC141	Elundini	12 994	(4 000)	8 994
B	EC142	Senqu	2 115	(846)	1 269
B	EC145	Walter Sisulu	6 067		6 067
C	DC14	Joe Gqabi District Municipality			-
Total: Joe Gqabi Municipalities			**21 176**	**(4 846)**	**16 330**
B	EC153	Nquza Hill	18 162	7 069	25 231
B	EC154	Port St Johns	31 277		31 277
B	EC155	Nyandeni	17 850		17 850
B	EC156	Mhlontlo	13 836		13 836
B	EC157	King Sabata Dalindyebo	7 931		7 931
C	DC15	O.R. Tambo District Municipality			-
Total: O.R.Tambo Municipalities			**89 056**	**7 069**	**96 125**
B	EC441	Matatiele	26 648		26 648
B	EC442	Umzimvubu	22 728	1 500	24 228
B	EC443	Winnie Madikizela-Mandela	25 362		25 362
B	EC444	Ntabankulu	9 879	3 000	12 879
C	DC44	Alfred Nzo District Municipality			-
Total: Alfred Nzo Municipalities			**84 617**	**4 500**	**89 117**
Total: Eastern Cape Municipalities			**352 170**	**2 694**	**354 864**
FREE STATE					
B	FS163	Mohokare	3 900	(3 120)	780
C	DC16	Xhariep District Municipality			-
Total: Xhariep Municipalities			**3 900**	**(3 120)**	**780**
B	FS181	Masilonyana	17 790	(3 507)	14 283
B	FS183	Tswelopele	501		501
B	FS184	Matjhabeng	26 092	7 138	33 230
C	DC18	Lejweleputswa District Municipality			-
Total: Lejweleputswa Municipalities			**44 383**	**3 631**	**48 014**
B	FS193	Nketoana	7 183	(2 443)	4 740
C	DC19	Thabo Mofutsanyana District Municipality			-
Total: Thabo Mofutsanyana Municipalities			**7 183**	**(2 443)**	**4 740**
B	FS205	Mafube	23 236	(12 548)	10 688
C	DC20	Fezile Dabi District Municipality			-
Total: Fezile Dabi Municipalities			**49 055**	**(12 548)**	**36 507**
Total: Free State Municipalities			**104 521**	**(14 480)**	**90 041**
GAUTENG					
B	GT421	Emfuleni	-	539	539
B	GT422	Midvaal	29 888	5 836	35 724
B	GT423	Lesedi	23 519	2 720	26 239
C	DC42	Sedibeng District Municipality			-
Total: Sedibeng Municipalities			**53 407**	**9 095**	**62 502**
B	GT484	Merafong City	17 768		17 768
B	GT485	Rand West City	50 074		50 074
C	DC48	West Rand District Municipality			-
Total: West Rand Municipalities			**67 842**	**-**	**67 842**
Total: Gauteng Municipalities			**121 249**	**9 095**	**130 344**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Mineral Resources and Energy (Vote 34)			Integrated National Electrification Programme (Municipal) Grant		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
KWAZULU-NATAL					
B	KZN212	uMdoni	11 487		11 487
B	KZN213	uMzumbe	1 597	1 597	3 194
B	KZN214	uMuziwabantu	-		-
B	KZN216	Ray Nkonyeni	11 521	(3 659)	7 862
C	DC21	Ugu District Municipality			-
Total: Ugu Municipalities			**24 605**	**(2 062)**	**22 543**
					-
B	KZN221	uMshwathi	2 265		2 265
B	KZN222	uMngeni	14 620		14 620
B	KZN223	Mpofana	917		917
B	KZN224	iMpendle	14 773		14 773
B	KZN225	Msunduzi	4 971		4 971
B	KZN226	Mkhambathini	11 643		11 643
C	DC22	uMgungundlovu District Municipality			-
Total: Umgungundlovu Municipalities			**49 189**	**-**	**49 189**
B	KZN235	Okhahlamba	6 701		6 701
B	KZN237	iNkosi Langalibalele	11 851		11 851
B	KZN238	Alfred Duma	15 556	(4 556)	11 000
C	DC23	uThukela District Municipality			-
Total:Uthukela Municipalities			**34 108**	**(4 556)**	**29 552**
B	KZN241	eNdumeni	9 559		9 559
B	KZN242	Nqutu	16 474		16 474
B	KZN244	uMsinga	18 629		18 629
B	KZN245	uMvoti	13 811		13 811
C	DC24	uMzinyathi District Municipality			-
Total: Umzinyathi Municipalities			**58 473**	**-**	**58 473**
B	KZN252	Newcastle	22 344	(4 344)	18 000
B	KZN253	eMadlangeni	15 518	7 000	22 518
C	DC25	Amajuba District Municipality			-
Total: Amajuba Municipalities			**37 862**	**2 656**	**40 518**
B	KZN261	eDumbe	7 753		7 753
B	KZN262	uPhongolo	4 474	(898)	3 576
B	KZN263	Abaqulusi	5 518		5 518
B	KZN266	Ulundi	4 934		4 934
C	DC26	Zululand District Municipality			-
Total: Zululand Municipalities			**22 679**	**(898)**	**21 781**
B	KZN271	uMhlabuyalingana	13 533		13 533
B	KZN272	Jozini	7 801	(1 573)	6 228
B	KZN276	Big Five Hlabisa	8 777		8 777
C	DC27	uMkhanyakude District Municipality			-
Total: Umkhanyakude Municipalities			**30 111**	**(1 573)**	**28 538**
B	KZN282	uMhlathuze	9 850	(1 940)	7 910
B	KZN284	uMlalazi	4 021		4 021
B	KZN285	Mthonjaneni	8 184	(2 811)	5 373
B	KZN286	Nkandla	7 039		7 039
C	DC28	King Cetshwayo District Municipality			-
Total: Uthungulu Municipalities			**29 094**	**(4 751)**	**24 343**
B	KZN291	Mandeni	9 227	(7 727)	1 500
B	KZN292	KwaDukuza	18 523		18 523
B	KZN293	Ndwedwe	11 477	(1 198)	10 279
B	KZN294	Maphumulo	10 051		10 051
C	DC29	iLembe District Municipality			-
Total: iLembe Municipalities			**49 278**	**(8 925)**	**40 353**
					-
B	KZN433	Greater Kokstad	14 620	4 089	18 709
B	KZN434	uBuhlebezwe	4 216	(186)	4 030
B	KZN436	Dr Nkosazana Dlamini Zuma	5 504		5 504
C	DC43	Harry Gwala District Municipality			-
Total: Harry Gwala Municipalities			**24 340**	**3 903**	**28 243**
					-
Total: KwaZulu-Natal Municipalities			**359 739**	**(16 206)**	**343 533**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Mineral Resources and Energy (Vote 34)			Integrated National Electrification Programme (Municipal) Grant		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
LIMPOPO					
B	LIM331	Greater Giyani	18 029		18 029
B	LIM332	Greater Letaba	17 170	11 000	28 170
B	LIM333	Greater Tzaneen	23 930		23 930
B	LIM334	Ba-Phalaborwa	4 814	(1 926)	2 888
B	LIM335	Maruleng	5 848	4 000	9 848
C	DC33	Mopani District Municipality			-
Total: Mopani Municipalities			**69 791**	**13 074**	**82 865**
B	LIM343	Thulamela	14 617		14 617
B	LIM344	Makhado	12 506	9 089	21 595
B	LIM345	Collins Chabane	19 105		19 105
C	DC34	Vhembe District Municipality			-
Total: Vhembe Municipalities			**46 228**	**9 089**	**55 317**
B	LIM353	Molemole	21 930	(1 256)	20 674
B	LIM354	Polokwane	12 573	(5 029)	7 544
C	DC35	Capricorn District Municipality			-
Total: Capricorn Municipalities			**34 503**	**(6 285)**	**28 218**
B	LIM366	Bela-Bela	20 315		20 315
B	LIM367	Mogalakwena	12 976		12 976
B	LIM368	Modimolle-Mookgophong	10 231		10 231
C	DC36	Waterberg District Municipality			-
Total: Waterberg Municipalities			**43 522**	**-**	**43 522**
B	LIM471	Ephraim Mogale	614	(246)	368
B	LIM472	Elias Motsoaledi	17 544		17 544
B	LIM473	Makhuduthamaga	12 431	(2 061)	10 370
B	LIM476	Fetakgomo Tubatse	24 122		24 122
C	DC47	Sekhukhune District Municipality			-
Total: Greater Sekhukhune Municipalities			**54 711**	**(2 307)**	**52 404**
Total: Limpopo Municipalities			**248 755**	**13 571**	**262 326**
MPUMALANGA					
B	MP301	Chief Albert Luthuli	4 410	2 200	6 610
B	MP302	Msukaligwa	2 116		2 116
B	MP303	Mkhondo	31 272	(2 764)	28 508
B	MP304	Dr Pixley ka Isaka Seme	17 832	(2 396)	15 436
B	MP305	Lekwa	14 620		14 620
B	MP306	Dipaleseng	9 503	2 681	12 184
B	MP307	Govan Mbeki	32 240		32 240
C	DC30	Gert Sibande District Municipality			-
Total: Gert Sibande Municipalities			**111 993**	**(279)**	**111 714**
B	MP312	Emalahleni	26 026		26 026
B	MP313	Steve Tshwete	2 400		2 400
B	MP315	Thembisile Hani	3 587		3 587
B	MP316	Dr JS Moroka	1 391		1 391
C	DC31	Nkangala District Municipality			-
Total: Nkangala Municipalities			**33 404**	**-**	**33 404**
B	MP321	Thaba Chweu	1 237		1 237
B	MP324	Nkomazi	3 787		3 787
B	MP325	Bushbuckridge	4 093	(1 637)	2 456
B	MP326	City of Mbombela	42 765	9 089	51 854
C	DC32	Ehlanzeni District Municipality			-
Total: Ehlanzeni Municipalities			**51 882**	**7 452**	**59 334**
					-
Total: Mpumalanga Municipalities			**197 279**	**7 173**	**204 452**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Mineral Resources and Energy (Vote 34)			Integrated National Electrification Programme (Municipal) Grant		
			Column A		Column C
			2024/25 Main allocation	Adjustments-Stopping and re-allocation	2024/25 Adjusted allocation
NORTHERN CAPE					
B	NC065	Hantam	2 547		2 547
B	NC066	Karoo Hoogland	2 768	(1 017)	1 751
B	NC067	Khai-Ma	2 924	(971)	1 953
C	DC6	Namakwa District Municipality			-
Total: Namakwa Municipalities			**8 239**	**(1 988)**	**6 251**
B	NC072	Umsobomvu	2 436		2 436
B	NC074	Kareeberg	4 386		4 386
B	NC075	Renosterberg	2 347	2 089	4 436
C	DC7	Pixley Ka Seme District Municipality			-
Total: Pixley Ka Seme Municipalities			**9 169**	**2 089**	**11 258**
B	NC082	!Kai !Garib	7 573		7 573
B	NC085	Tsantsabane	13 494	(483)	13 011
C	DC8	ZF Mgcawu District Municipality			-
Total: ZF Mgcawu Municipalities			**21 067**	**(483)**	**20 584**
B	NC091	Sol Plaatje	-	4 500	4 500
B	NC092	Dikgatlong	-	4 589	4 589
B	NC094	Phokwane	10 526	(4 210)	6 316
C	DC9	Frances Baard District Municipality			-
Total: Frances Baard Municipalities			**10 526**	**4 879**	**15 405**
B	NC452	Ga-Segonyana	53 183		53 183
B	NC453	Gamagara	4 825		4 825
C	DC45	John Taolo Gaetsewe District Municipality			-
Total: John Taolo Gaetsewe Municipalities			**58 008**	**-**	**58 008**
Total: Northern Cape Municipalities			**107 009**	**4 497**	**111 506**
NORTH WEST					
B	NW372	Madibeng	25 184	8 554	33 738
B	NW373	Rustenburg	22 223	(1 252)	20 971
C	DC37	Bojanala Platinum District Municipality			-
Total: Bojanala Platinum Municipalities			**47 407**	**7 302**	**54 709**
B	NW384	Ditsobotla	4 000	(2 000)	2 000
B	NW385	Ramotshere Moiloa	2 213	(735)	1 478
C	DC38	Ngaka Modiri Molema District Municipality			-
Total: Ngaka Modiri Molema Municipalities			**6 213**	**(2 735)**	**3 478**
B	NW392	Naledi	26 191		26 191
B	NW394	Greater Taung	6 700		6 700
B	NW396	Lekwa-Teemane	10 528	(764)	9 764
C	DC39	Dr Ruth Segomotsi Mompati District Municipality			-
Total: Dr Ruth Segomotsi Mompati Municipalities			**43 419**	**(764)**	**42 655**
B	NW403	City of Matlosana	2 924	6 000	8 924
B	NW405	JB Marks	10 243		10 243
C	DC40	Dr Kenneth Kaunda District Municipality			-
Total: Dr Kenneth Kaunda Municipalities			**13 167**	**6 000**	**19 167**
Total: North West Municipalities			**110 206**	**9 803**	**120 009**
WESTERN CAPE					
B	WC011	Matzikama	1 851		1 851
B	WC012	Cederberg	13 469		13 469
B	WC013	Bergrivier	614		614
B	WC014	Saldanha Bay	23 361	(133)	23 228
B	WC015	Swartland	22 818		22 818
C	DC1	West Coast District Municipality			-
Total: West Coast Municipalities			**62 113**	**(133)**	**61 980**
B	WC023	Drakenstein	3 340		3 340
B	WC024	Stellenbosch	5 056	4 500	9 556
B	WC025	Breede Valley	14 620	(12 620)	2 000
B	WC026	Langeberg	2 925		2 925
C	DC2	Cape Winelands District Municipality			-
Total: Cape Winelands Municipalities			**25 941**	**(8 120)**	**17 821**
B	WC031	Theewaterskloof	5 913	(1 707)	4 206
B	WC032	Overstrand	19 334		19 334
B	WC034	Swellendam	4 975		4 975
C	DC3	Overberg District Municipality			-
Total: Overberg Municipalities			**30 222**	**(1 707)**	**28 515**
B	WC042	Hessequa	4 162		4 162
B	WC048	Knysna	15 760	(5 860)	9 900
C	DC4	Eden District Municipality			-
Total: Eden Municipalities			**19 922**	**(5 860)**	**14 062**
B	WC053	Beaufort West	7 310	(327)	6 983
C	DC5	Central Karoo District Municipality			-
Total: Central Karoo Municipalities			**7 310**	**(327)**	**6 983**
					-
Total: Western Cape Municipalities			**145 508**	**(16 147)**	**129 361**
National Total			**1 746 436**	**-**	**1 746 436**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

National Treasury (Vote 8)			Infrastructure Skills Development Grant		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
			R'000	R'000	R'000
EASTERN CAPE					
A	BUF	Buffalo City	11 000		11 000
A	NMA	Nelson Mandela Bay	13 800		13 800
Total: Sarah Baartman Municipalities			**24 800**	**-**	**24 800**
B	EC157	King Sabata Dalindyebo	6 000		6 000
Total: O.R.Tambo Municipalities			**6 000**	**-**	**6 000**
C	DC44	Alfred Nzo District Municipality	6 500		6 500
Total: Alfred Nzo Municipalities			**6 500**	**-**	**6 500**
Total: Eastern Cape Municipalities			**37 300**	**-**	**37 300**
GAUTENG					
A	JHB	City of Johannesburg	6 000	500	6 500
					-
Total: Gauteng Municipalities			**6 000**	**500**	**6 500**
KWAZULU-NATAL					
A	ETH	eThekwini	25 500		25 500
B	KZN238	Alfred Duma	4 000		4 000
Total:Uthukela Municipalities			**4 000**	**-**	**4 000**
Total: KwaZulu-Natal Municipalities			**29 500**	**-**	**29 500**
LIMPOPO					
B	LIM343	Thulamela	7 000	(1 500)	5 500
C	DC34	Vhembe District Municipality	4 800		4 800
Total: Vhembe Municipalities			**11 800**	**(1 500)**	**10 300**
Total: Limpopo Municipalities			**19 800**	**(1 500)**	**18 300**
MPUMALANGA					
B	MP307	Govan Mbeki	24 400		24 400
C	DC30	Gert Sibande District Municipality	14 500		14 500
Total: Gert Sibande Municipalities			**38 900**	**-**	**38 900**
C	DC32	Ehlanzeni District Municipality	3 365		3 365
Total: Ehlanzeni Municipalities			**3 365**	**-**	**3 365**
					-
Total: Mpumalanga Municipalities			**42 265**	**-**	**42 265**
NORTHERN CAPE					
B	NC091	Sol Plaatje	4 500		4 500
Total: Frances Baard Municipalities			**4 500**	**-**	**4 500**
C	DC45	John Taolo Gaetsewe District Municipality	5 000		5 000
Total: John Taolo Gaetsewe Municipalities			**5 000**	**-**	**5 000**
Total: Northern Cape Municipalities			**9 500**	**-**	**9 500**
NORTH WEST					
B	NW383	Mafikeng	3 000	(1 000)	2 000
Total: Ngaka Modiri Molema Municipalities			**3 000**	**(1 000)**	**2 000**
Total: North West Municipalities			**3 000**	**(1 000)**	**2 000**
WESTERN CAPE					
A	CPT	City of Cape Town	12 000	2 000	14 000
B	WC044	George	6 000		6 000
Total: Eden Municipalities			**6 000**	**-**	**6 000**
					-
Total: Western Cape Municipalities			**18 000**	**2 000**	**20 000**
National Total			**165 365**	**-**	**165 365**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Human Settlements (Vote 33)			**Informal Settlements Upgrading Partnership Grant**		
			Column A		**Column C**
			2024/25 Main allocation	**Adjustments- Stopping and re-allocation**	**2024/25 Adjusted allocation**
			R'000	**R'000**	**R'000**
EASTERN CAPE					
A	BUF	Buffalo City	304 707	(69 085)	235 622
A	NMA	Nelson Mandela Bay	361 684		361 684
B	EC101	Dr Beyers Naude			-
C	DC10	Sarah Baartman District Municipality	-		-
Total: Sarah Baartman Municipalities			**666 391**	**-**	**666 391**
Total: Eastern Cape Municipalities			**666 391**	**(69 085)**	**597 306**
FREE STATE					
A	MAN	Mangaung	302 002	(69 058)	232 944
B	FS161	Letsemeng			-
C	DC16	Xhariep District Municipality			-
Total: Xhariep Municipalities			**-**	**-**	**-**
Total: Free State Municipalities			**302 002**	**(69 058)**	**232 944**
GAUTENG					
A	EKU	Ekurhuleni	787 428	(55 622)	731 806
A	JHB	City of Johannesburg	739 714		739 714
A	TSH	City of Tshwane	641 212	90 000	731 212
B	GT421	Emfuleni			-
C	DC42	Sedibeng District Municipality			-
Total: Sedibeng Municipalities			**-**	**-**	**-**
Total: Gauteng Municipalities			**2 168 354**	**34 378**	**2 202 732**
KWAZULU-NATAL					
A	ETH	eThekwini	785 485	134 359	919 844
B	KZN212	uMdoni			-
C	DC21	Ugu District Municipality			-
Total: Ugu Municipalities			**-**	**-**	**-**
Total: KwaZulu-Natal Municipalities			**785 485**	**134 359**	**919 844**
WESTERN CAPE					
A	CPT	City of Cape Town	592 962	(30 594)	562 368
B	WC011	Matzikama			-
B	WC012	Cederberg			-
B	WC015	Swartland			-
C	DC1	West Coast District Municipality			-
Total: West Coast Municipalities			**-**	**-**	**-**
Total: Western Cape Municipalities			**592 962**	**(30 594)**	**562 368**
National Total			**4 515 194**	**-**	**4 515 194**

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			R'000	R'000		R'000	R'000
EASTERN CAPE							
B	EC101	Dr Beyers Naude	23 477	(39)			23 438
B	EC102	Blue Crane Route	15 999	(30)			15 969
B	EC104	Makana	27 858	(80)			27 778
B	EC105	Ndlambe	31 238	(109)			31 129
B	EC106	Sundays River Valley	39 150	(118)			39 032
B	EC108	Kouga	36 558	(112)			36 446
B	EC109	Kou-Kamma	17 256	(40)			17 216
C	DC10	Sarah Baartman District Municipality	-				-
Total: Sarah Baartman Municipalities			**191 536**	**(528)**	**-**	**-**	**191 008**
B	EC121	Mbhashe	70 329				70 329
B	EC122	Mnquma	73 457			7 000	80 457
B	EC123	Great Kei	12 436				12 436
B	EC124	Amahlathi	37 403				37 403
B	EC126	Ngqushwa	25 797				25 797
B	EC129	Raymond Mhlaba	45 699				45 699
C	DC12	Amatole District Municipality	493 511	(4 929)			488 582
Total: Amatole Municipalities			**758 632**	**(4 929)**	**-**	**7 000**	**760 703**
B	EC131	Inxuba Yethemba	18 225	-			18 225
B	EC135	Intsika Yethu	60 166	(10 000)		10 000	60 166
B	EC136	Emalahleni	38 891	-		10 000	48 891
B	EC137	Dr A.B. Xuma	44 827	-			44 827
B	EC138	Sakhisizwe	30 684	-			30 684
B	EC139	Enoch Mgijima	63 424	-			63 424
C	DC13	Chris Hani District Municipality	330 979	(3 350)			327 629
Total: Chris Hani Municipalities			**587 196**	**(13 350)**	**-**	**20 000**	**593 846**
B	EC141	Elundini	45 340				45 340
B	EC142	Senqu	54 789				54 789
B	EC145	Walter Sisulu	21 520				21 520
C	DC14	Joe Gqabi District Municipality	180 157	(1 781)			178 376
Total: Joe Gqabi Municipalities			**301 806**	**(1 781)**	**-**	**-**	**300 025**
B	EC153	Nquza Hill	63 812	10 000		8 000	81 812
B	EC154	Port St Johns	39 862	-			39 862
B	EC155	Nyandeni	71 339	-			71 339
B	EC156	Mhlontlo	51 631	-			51 631
B	EC157	King Sabata Dalindyebo	101 606	-			101 606
C	DC15	O.R. Tambo District Municipality	727 555	(7 230)			720 325
Total: O.R.Tambo Municipalities			**1 055 805**	**2 770**	**-**	**8 000**	**1 066 575**
B	EC441	Matatiele	57 584				57 584
B	EC442	Umzimvubu	54 199				54 199
B	EC443	Winnie Madikizela-Mandela	56 512				56 512
B	EC444	Ntabankulu	41 331				41 331
C	DC44	Alfred Nzo District Municipality	431 756	(4 266)			427 490
Total: Alfred Nzo Municipalities			**641 382**	**(4 266)**	**-**	**-**	**637 116**
Total: Eastern Cape Municipalities			**3 536 357**	**(22 084)**	**-**	**35 000**	**3 549 273**

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FREE STATE							
B	FS161	Letsemeng	27 354	(64)		(2 044)	25 246
B	FS162	Kopanong	23 431	(73)	(22 187)		1 171
B	FS163	Mohokare	23 776	(69)	(22 518)		1 189
C	DC16	Xhariep District Municipality			44 705		44 705
Total: Xhariep Municipalities			**74 561**	**(206)**	**-**	**(2 044)**	**72 311**
B	FS181	Masilonyana	26 717	(73)	(25 308)		1 336
B	FS182	Tokologo	18 587	(57)		(2 100)	16 430
B	FS183	Tswelopele	28 563	(37)			28 526
B	FS184	Matjhabeng	139 514	(441)			139 073
B	FS185	Nala	44 050	(106)			43 944
C	DC18	Lejweleputswa District Municipality			25 308		25 308
Total: Lejweleputswa Municipalities			**257 431**	**(714)**	**-**	**(2 100)**	**254 617**
B	FS191	Setsoto	54 722	(192)		(10 210)	44 320
B	FS192	Dihlabeng	44 678	(122)			44 556
B	FS193	Nketoana	28 966	(97)			28 869
B	FS194	Maluti a Phofung	198 403	(848)			197 555
B	FS195	Phumelela	23 868	(80)			23 788
B	FS196	Mantsopa	22 687	(56)			22 631
C	DC19	Thabo Mofutsanyana District Municipality					-
Total: Thabo Mofutsanyana Municipalities			**373 324**	**(1 395)**	**-**	**(10 210)**	**361 719**
B	FS201	Moqhaka	46 656	(81)			46 575
B	FS203	Ngwathe	48 656	(127)		(6 129)	42 400
B	FS204	Metsimaholo	51 791	(162)			51 629
B	FS205	Mafube	25 550	(70)	(24 203)		1 277
C	DC20	Fezile Dabi District Municipality			24 203		24 203
Total: Fezile Dabi Municipalities			**172 653**	**(440)**	**-**	**(6 129)**	**166 084**
Total: Free State Municipalities			**877 969**	**(2 755)**	**-**	**(20 483)**	**854 731**
GAUTENG							
B	GT421	Emfuleni	160 793	(395)			160 398
B	GT422	Midvaal	46 465	(122)			46 343
B	GT423	Lesedi	40 331	(55)			40 276
C	DC42	Sedibeng District Municipality	-				-
Total: Sedibeng Municipalities			**247 589**	**(572)**	**-**	**-**	**247 017**
B	GT484	Merafong City	77 320	(379)			76 941
B	GT485	Rand West City	116 549	(518)			116 031
C	DC48	West Rand District Municipality	-				-
Total: West Rand Municipalities			**193 869**	**(897)**	**-**	**-**	**192 972**
Total: Gauteng Municipalities			**441 458**	**(1 469)**	**-**	**-**	**439 989**

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KWAZULU-NATAL						
B KZN212	uMdoni	38 529				38 529
B KZN213	uMzumbe	39 542			1 500	41 042
B KZN214	uMuziwabantu	26 795				26 795
C DC21	Ugu District Municipality	182 877	91 869			274 746
Total: Ugu Municipalities		**287 743**	**91 869**	**-**	**1 500**	**381 112**
						-
B KZN221	uMshwathi	31 849	-			31 849
B KZN222	uMngeni	26 469	-			26 469
B KZN223	Mpofana	13 365	-			13 365
B KZN224	iMpendle	12 982	-			12 982
B KZN225	Msunduzi	231 752	(1 198)			230 554
B KZN226	Mkhambathini	18 159	-			18 159
B KZN227	Richmond	20 974	-			20 974
C DC22	uMgungundlovu District Municipality	117 200	(1 182)		10 000	126 018
Total: Umgungundlovu Municipalities		**472 750**	**(2 380)**	**-**	**10 000**	**480 370**
B KZN235	Okhahlamba	42 689			1 500	44 189
B KZN237	iNkosi Langalibalele	43 819				43 819
B KZN238	Alfred Duma	82 415				82 415
C DC23	uThukela District Municipality	191 529	(2 129)		(5 727)	183 673
Total:Uthukela Municipalities		**360 452**	**(2 129)**	**-**	**(4 227)**	**354 096**
B KZN241	eNdumeni	17 155				17 155
B KZN242	Nqutu	46 128				46 128
B KZN244	uMsinga	43 516				43 516
B KZN245	uMvoti	44 480				44 480
C DC24	uMzinyathi District Municipality	216 278	(2 141)			214 137
Total: Umzinyathi Municipalities		**367 557**	**(2 141)**	**-**	**-**	**365 416**
B KZN252	Newcastle	131 792	(663)			131 129
B KZN253	eMadlangeni	10 160	-			10 160
B KZN254	Dannhauser	24 921	-			24 921
C DC25	Amajuba District Municipality	46 744	(429)			46 315
Total: Amajuba Municipalities		**213 617**	**(1 092)**	**-**	**-**	**212 525**
B KZN261	eDumbe	20 507				20 507
B KZN262	uPhongolo	40 696				40 696
B KZN263	Abaqulusi	43 212				43 212
B KZN265	Nongoma	36 925			(2 049)	34 876
B KZN266	Ulundi	35 780			3 000	38 780
C DC26	Zululand District Municipality	259 542	(2 603)		6 000	262 939
Total: Zululand Municipalities		**436 662**	**(2 603)**	**-**	**6 951**	**441 010**
B KZN271	uMhlabuyalingana	40 541				40 541
B KZN272	Jozini	43 490				43 490
B KZN275	Mtubatuba	36 784				36 784
B KZN276	Big Five Hlabisa	24 436				24 436
C DC27	uMkhanyakude District Municipality	246 685	(2 446)			244 239
Total: Umkhanyakude Municipalities		**391 936**	**(2 446)**	**-**	**-**	**389 490**
B KZN281	uMfolozi	37 418				37 418
B KZN284	uMlalazi	57 042				57 042
B KZN285	Mthonjaneni	20 490				20 490
B KZN286	Nkandla	26 189				26 189
C DC28	King Cetshwayo District Municipality	196 496	(1 953)			194 543
Total: King Cetshwayo Municipalities		**337 635**	**(1 953)**	**-**	**-**	**335 682**
B KZN291	Mandeni	41 101				
B KZN292	KwaDukuza	60 549			(8 924)	51 625
B KZN293	Ndwedwe	34 473				34 473
B KZN294	Maphumulo	25 576				25 576
C DC29	iLembe District Municipality	221 550	(2 236)		(9 042)	210 272
Total: iLembe Municipalities		**383 249**	**(2 236)**	**-**	**(17 966)**	**363 047**
						-
B KZN433	Greater Kokstad	19 666			7 000	26 666
B KZN434	uBuhlebezwe	31 042			1 500	32 542
B KZN435	uMzimkhulu	59 593			(3 888)	55 705
B KZN436	Dr Nkosazana Dlamini Zuma	31 318				31 318
C DC43	Harry Gwala District Municipality	230 622	(2 280)			228 342
Total: Harry Gwala Municipalities		**372 241**	**(2 280)**	**-**	**4 612**	**374 573**
						-
Total: KwaZulu-Natal Municipalities		**3 623 842**	**72 609**	**-**	**870**	**3 697 321**

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LIMPOPO						
B LIM331	Greater Giyani	71 163				71 163
B LIM332	Greater Letaba	72 204			15 000	87 204
B LIM333	Greater Tzaneen	111 062				111 062
B LIM334	Ba-Phalaborwa	37 141				37 141
B LIM335	Maruleng	40 913			25 000	65 913
C DC33	Mopani District Municipality	524 667	(5 305)			519 362
Total: Mopani Municipalities		**857 150**	**(5 305)**	**-**	**40 000**	**891 845**
B LIM341	Musina	33 559			(3 000)	30 559
B LIM343	Thulamela	117 147				117 147
B LIM344	Makhado	105 490			20 000	125 490
B LIM345	Collins Chabane	96 519			20 000	116 519
C DC34	Vhembe District Municipality	594 505	(6 017)		(34 984)	553 504
Total: Vhembe Municipalities		**947 220**	**(6 017)**	**-**	**2 016**	**943 219**
B LIM351	Blouberg	51 769				51 769
B LIM353	Molemole	40 820				40 820
B LIM355	Lepele-Nkumpi	63 317			(24 145)	39 172
C DC35	Capricorn District Municipality	266 222	(2 659)		20 000	283 563
Total: Capricorn Municipalities		**422 128**	**(2 659)**	**-**	**(4 145)**	**415 324**
B LIM361	Thabazimbi	38 157	(199)		(11 151)	26 807
B LIM362	Lephalale	50 425	(258)		(14 220)	35 947
B LIM366	Bela-Bela	29 632	(123)		8 000	37 509
B LIM367	Mogalakwena	182 540	(1 092)			181 448
B LIM368	Modimolle-Mookgophong	54 550	(210)		10 000	64 340
C DC36	Waterberg District Municipality					-
Total: Waterberg Municipalities		**355 304**	**(1 882)**	**-**	**(7 371)**	**346 051**
B LIM471	Ephraim Mogale	48 796			15 000	63 796
B LIM472	Elias Motsoaledi	74 314			17 000	91 314
B LIM473	Makhuduthamaga	72 858			25 000	97 858
B LIM476	Fetakgomo Tubatse	109 304			18 000	127 304
C DC47	Sekhukhune District Municipality	548 555	(5 507)		(122 391)	420 657
Total: Greater Sekhukhune Municipalities		**853 827**	**(5 507)**	**-**	**(47 391)**	**800 929**
Total: Limpopo Municipalities		**3 435 629**	**(21 370)**	**-**	**(16 891)**	**3 397 368**
MPUMALANGA						
B MP301	Chief Albert Luthuli	110 913	(487)			110 426
B MP302	Msukaligwa	60 855	(257)		10 000	70 598
B MP303	Mkhondo	90 473	(500)			89 973
B MP304	Dr Pixley ka Isaka Seme	34 213	(82)			34 131
B MP305	Lekwa	33 151	(74)			33 077
B MP306	Dipaleseng	26 218	(67)	(5 000)		21 151
B MP307	Govan Mbeki	77 528	(110)			77 418
C DC30	Gert Sibande District Municipality			5 000		5 000
Total: Gert Sibande Municipalities		**433 351**	**(1 577)**	**-**	**10 000**	**441 774**
B MP311	Victor Khanye	28 420	(83)			28 337
B MP312	Emalahleni	139 733	(628)			139 105
B MP314	Emakhazeni	30 587	(54)		10 000	40 533
B MP315	Thembisile Hani	154 045	(710)			153 335
B MP316	Dr JS Moroka	145 289	(789)			144 500
C DC31	Nkangala District Municipality					-
Total: Nkangala Municipalities		**498 074**	**(2 264)**	**-**	**10 000**	**505 810**
B MP321	Thaba Chweu	54 897	(268)			54 629
B MP324	Nkomazi	262 071	(1 663)			260 408
B MP325	Bushbuckridge	437 117	(2 955)		16 732	450 894
B MP326	City of Mbombela	389 222	(2 530)			386 692
C DC32	Ehlanzeni District Municipality					-
Total: Ehlanzeni Municipalities		**1 143 307**	**(7 416)**	**-**	**16 732**	**1 152 623**
						-
Total: Mpumalanga Municipalities		**2 074 732**	**(11 257)**	**-**	**36 732**	**2 100 207**

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NORTHERN CAPE							
B	NC061	Richtersveld	7 759	(8)		5 000	12 751
B	NC062	Nama Khoi	16 322	(34)		(8 578)	7 710
B	NC064	Kamiesberg	8 017	(8)			8 009
B	NC065	Hantam	20 629	(15)			20 614
B	NC066	Karoo Hoogland	8 651	(9)		(3 457)	5 185
B	NC067	Khai-Ma	8 274	(9)		7 000	15 265
C	DC6	Namakwa District Municipality					-
Total: Namakwa Municipalities			**69 652**	**(83)**	**-**	**(35)**	**69 534**
B	NC071	Ubuntu	10 872	(18)		(2 190)	8 664
B	NC072	Umsobomvu	12 674	(18)		12 000	24 656
B	NC073	Emthanjeni	13 468	(20)		(5 720)	7 728
B	NC074	Kareeberg	8 582	(11)		6 000	14 571
B	NC075	Renosterberg	7 933	(6)		28 000	35 927
B	NC076	Thembelihle	10 216	(23)		(8 693)	1 500
B	NC077	Siyathemba	10 710	(15)		(4 278)	6 417
B	NC078	Siyancuma	26 620	(62)			26 558
C	DC7	Pixley Ka Seme District Municipality					-
Total: Pixley Ka Seme Municipalities			**101 075**	**(173)**	**-**	**25 119**	**126 021**
B	NC082	!Kai !Garib	25 477	(78)		(10 000)	15 399
B	NC084	!Kheis	21 662	(35)		(20 000)	1 627
B	NC085	Tsantsabane	17 331	(61)			17 270
B	NC086	Kgatelopele	8 610	(5)			8 605
B	NC087	Dawid Kruiper	28 687	(84)			28 603
C	DC8	ZF Mgcawu District Municipality					-
Total: ZF Mgcawu Municipalities			**101 767**	**(263)**	**-**	**(30 000)**	**71 504**
B	NC092	Dikgatlong	22 097	(65)			22 032
B	NC093	Magareng	22 258	(20)			22 238
B	NC094	Phokwane	39 975	(104)		(13 662)	26 209
C	DC9	Frances Baard District Municipality	-				-
Total: Frances Baard Municipalities			**84 330**	**(189)**	**-**	**(13 662)**	**70 479**
B	NC451	Joe Morolong	69 216	(408)			68 808
B	NC452	Ga-Segonyana	61 505	(368)		8 000	69 137
B	NC453	Gamagara	23 149	(37)		(13 314)	9 798
C	DC45	John Taolo Gaetsewe District Municipality					-
Total: John Taolo Gaetsewe Municipalities			**153 870**	**(813)**	**-**	**(5 314)**	**147 743**
Total: Northern Cape Municipalities			**510 694**	**(1 521)**	**-**	**(23 892)**	**485 281**
NORTH WEST							
B	NW371	Moretele	133 616	(793)			132 823
B	NW372	Madibeng	329 018	(2 095)			326 923
B	NW373	Rustenburg	275 611	(1 618)		(12 651)	261 342
B	NW374	Kgetlengrivier	39 532	(127)		(2 875)	36 530
B	NW375	Moses Kotane	174 483	(1 132)			173 351
C	DC37	Bojanala Platinum District Municipality					-
Total: Bojanala Platinum Municipalities			**952 260**	**(5 765)**	**-**	**(15 526)**	**930 969**
B	NW381	Ratlou	43 985				43 985
B	NW382	Tswaing	43 845				43 845
B	NW383	Mafikeng	71 906				71 906
B	NW384	Ditsobotla	42 499			(12 750)	29 749
B	NW385	Ramotshere Moiloa	43 211			9 398	52 609
C	DC38	Ngaka Modiri Molema District Municipality	345 927	(3 513)			342 414
Total: Ngaka Modiri Molema Municipalities			**591 373**	**(3 513)**	**-**	**(3 352)**	**584 508**
B	NW392	Naledi	28 257			8 000	36 257
B	NW393	Mamusa	27 723			(9 466)	18 257
B	NW394	Greater Taung	65 616				65 616
B	NW396	Lekwa-Teemane	24 658			(2 016)	22 642
B	NW397	Kagisano-Molopo	34 778			(8 976)	25 802
C	DC39	Dr Ruth Segomotsi Mompati District Municipa	159 483	(1 611)		20 000	177 872
Total: Dr Ruth Segomotsi Mompati Municipalities			**340 515**	**(1 611)**	**-**	**7 542**	**346 446**
B	NW403	City of Matlosana	112 804	(138)			112 666
B	NW404	Maquassi Hills	32 351	(87)			32 264
B	NW405	JB Marks	77 712	(222)			77 490
C	DC40	Dr Kenneth Kaunda District Municipality					-
Total: Dr Kenneth Kaunda Municipalities			**222 867**	**(447)**	**-**	**-**	**222 420**
Total: North West Municipalities			**2 107 015**	**(11 336)**	**-**	**(11 336)**	**2 084 343**

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WESTERN CAPE							
B	WC011	Matzikama	24 210	(74)			24 136
B	WC012	Cederberg	17 598	(36)			17 562
B	WC013	Bergrivier	16 298	(24)			16 274
B	WC014	Saldanha Bay	22 126	(18)		(5 795)	16 313
B	WC015	Swartland	29 332	(30)			29 302
C	DC1	West Coast District Municipality					-
Total: West Coast Municipalities			**109 564**	**(182)**	**-**	**(5 795)**	**103 587**
B	WC022	Witzenberg	25 630	(35)			25 595
B	WC025	Breede Valley	39 790	(87)			39 703
B	WC026	Langeberg	25 096	(44)		3 795	28 847
C	DC2	Cape Winelands District Municipality					-
Total: Cape Winelands Municipalities			**90 516**	**(166)**	**-**	**3 795**	**94 145**
B	WC031	Theewaterskloof	30 320	(66)			30 254
B	WC032	Overstrand	25 165	(33)			25 132
B	WC033	Cape Agulhas	17 101	(16)			17 085
B	WC034	Swellendam	13 184	(25)			13 159
C	DC3	Overberg District Municipality					-
Total: Overberg Municipalities			**85 770**	**(140)**	**-**	**-**	**85 630**
B	WC041	Kannaland	11 217	(18)			11 199
B	WC042	Hessequa	15 246	(18)			15 228
B	WC043	Mossel Bay	27 563	(56)			27 507
B	WC045	Oudtshoorn	24 733	(64)			24 669
B	WC047	Bitou	22 874	(56)			22 818
B	WC048	Knysna	28 582	(95)			28 487
C	DC4	Eden District Municipality					-
Total: Eden Municipalities			**130 215**	**(307)**	**-**	**-**	**129 908**
B	WC051	Laingsburg	6 919	(3)			6 916
B	WC052	Prince Albert	8 032	(7)			8 025
B	WC053	Beaufort West	15 643	(12)		2 000	17 631
C	DC5	Central Karoo District Municipality					-
Total: Central Karoo Municipalities			**30 594**	**(22)**	**-**	**2 000**	**32 572**
							-
Total: Western Cape Municipalities			**446 659**	**(817)**	**-**	**-**	**445 842**
National Total			**17 054 355**	**-**	**-**	**-**	**17 054 355**

Schedule 4B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Human Settlements (Vote 33)			**Urban Settlements Development Grant**		
			Column A		**Column C**
			2024/25 Main allocation	**Adjustments- Stopping and re-allocation**	**2024/25 Adjusted allocation**
EASTERN CAPE			**R'000**	**R'000**	**R'000**
A	BUF	Buffalo City	535 365	90 000	625 365
A	NMA	Nelson Mandela Bay	635 473	(67 476)	567 997
B	EC101	Dr Beyers Naude			-
B	EC102	Blue Crane Route			-
C	DC10	Sarah Baartman District Municipality	-		-
Total: Sarah Baartman Municipalities			**1 170 838**	**-**	**1 170 838**
Total: Eastern Cape Municipalities			**1 170 838**	**22 524**	**1 193 362**
FREE STATE					
A	MAN	Mangaung	530 611	(65 000)	465 611
B	FS161	Letsemeng			-
B	FS162	Kopanong			-
C	DC16	Xhariep District Municipality			-
Total: Xhariep Municipalities			**-**	**-**	**-**
Total: Free State Municipalities			**530 611**	**(65 000)**	**465 611**
GAUTENG					
A	EKU	Ekurhuleni	1 383 500	(63 084)	1 320 416
A	JHB	City of Johannesburg	1 953 667	(33 974)	1 919 693
A	TSH	City of Tshwane	1 126 600	(70 000)	1 056 600
B	GT421	Emfuleni			-
C	DC42	Sedibeng District Municipality			-
Total: Sedibeng Municipalities			**-**	**-**	**-**
Total: Gauteng Municipalities			**4 463 767**	**(167 058)**	**4 296 709**
KWAZULU-NATAL					
A	ETH	eThekwini	1 498 083	159 534	1 657 617
B	KZN212	uMdoni			-
B	KZN216	Ray Nkonyeni			-
C	DC21	Ugu District Municipality			-
Total: Ugu Municipalities			**-**	**-**	**-**
Total: KwaZulu-Natal Municipalities			**1 498 083**	**159 534**	**1 657 617**
WESTERN CAPE					
A	CPT	City of Cape Town	1 041 825	50 000	1 091 825
B	WC011	Matzikama			-
C	DC1	West Coast District Municipality			-
Total: West Coast Municipalities			**-**	**-**	**-**
Total: Western Cape Municipalities			**1 041 825**	**50 000**	**1 091 825**
National Total			**8 705 124**	**-**	**8 705 124**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Cooperative Governance (Vote 3)	Integrated Urban Development Grant			
	Column A			Column C
	2024/25 Main allocation	Adjustments- Correction of Errors - Gazette No. 51233	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
	R'000	R'000	R'000	R'000
GAUTENG				
B GT481 Mogale City	151 939	522	(20 000)	132 461
C DC48 West Rand District Municipality				-
Total: West Rand Municipalities	**151 939**	**522**	**(20 000)**	**132 461**
Total: Gauteng Municipalities	**151 939**	**522**	**(20 000)**	**132 461**
KWAZULU-NATAL				
B KZN216 Ray Nkonyeni	86 218	522	-	86 740
Total: Ugu Municipalities	**86 218**	**522**	**-**	**86 740**
				-
B KZN282 uMhlathuze	151 498	940		152 438
C DC28 King Cetshwayo District Municipality				-
Total: King Cetshwayo Municipalities	**151 498**	**940**	**-**	**152 438**
				-
Total: KwaZulu-Natal Municipalities	**237 716**	**1 462**	**-**	**239 178**
LIMPOPO				
B LIM354 Polokwane	413 544	522		414 066
C DC35 Capricorn District Municipality				-
Total: Capricorn Municipalities	**413 544**	**522**	**-**	**414 066**
Total: Limpopo Municipalities	**413 544**	**522**	**-**	**414 066**
MPUMALANGA				
B MP313 Steve Tshwete	80 989	(8 252)	6 000	78 737
C DC31 Nkangala District Municipality				-
Total: Nkangala Municipalities	**80 989**	**(8 252)**	**6 000**	**78 737**
				-
Total: Mpumalanga Municipalities	**80 989**	**(8 252)**	**6 000**	**78 737**
NORTHERN CAPE				
B NC091 Sol Plaatje	75 229	627	-	75 856
C DC9 Frances Baard District Municipality				-
Total: Frances Baard Municipalities	**75 229**	**627**	**-**	**75 856**
Total: Northern Cape Municipalities	**75 229**	**627**	**-**	**75 856**
WESTERN CAPE				
B WC023 Drakenstein	60 815	731	7 000	68 546
B WC024 Stellenbosch	64 495	(2 194)		62 301
C DC2 Cape Winelands District Municipality				-
Total: Cape Winelands Municipalities	**125 310**	**(1 463)**	**7 000**	**130 847**
B WC044 George	60 837	6 582	7 000	74 419
Total: Eden Municipalities	**60 837**	**6 582**	**7 000**	**74 419**
				-
Total: Western Cape Municipalities	**186 147**	**5 119**	**14 000**	**205 266**
National Total	**1 145 564**	**-**	**-**	**1 145 564**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

National Treasury (Vote 8)			Neighbourhood Development Partnership Grant		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
			R'000	R'000	R'000
EASTERN CAPE					
A	BUF	Buffalo City	55 655	(18 000)	37 655
A	NMA	Nelson Mandela Bay	17 213		17 213
B	EC155	Nyandeni	1 000	(400)	600
C	DC15	O.R. Tambo District Municipality			-
Total: O.R.Tambo Municipalities			**1 000**	**(400)**	**600**
Total: Eastern Cape Municipalities			**73 868**	**(18 400)**	**55 468**
FREE STATE					
A	MAN	Mangaung	42 042	(2 000)	40 042
B	FS161	Letsemeng			-
C	DC16	Xhariep District Municipality			-
Total: Xhariep Municipalities			**-**	**-**	**-**
Total: Free State Municipalities			**42 042**	**(2 000)**	**40 042**
GAUTENG					
A	EKU	City of Ekurhuleni	165 945		165 945
A	JHB	City of Johannesburg	110 723	3 972	114 695
A	TSH	City of Tshwane	112 742	4 000	116 742
B	GT421	Emfuleni	5 000	(5 000)	-
B	GT422	Midvaal	10 000		10 000
B	GT423	Lesedi	4 500	8 500	13 000
C	DC42	Sedibeng District Municipality	-		-
Total: Sedibeng Municipalities			**19 500**	**3 500**	**23 000**
B	GT481	Mogale City	61 286	20 360	81 646
B	GT484	Merafong City	-		-
B	GT485	Rand West City	20 000	(2 281)	17 719
C	DC48	West Rand District Municipality	64 367	(25 884)	38 483
Total: West Rand Municipalities			**145 653**	**(7 805)**	**137 848**
Total: Gauteng Municipalities			**554 563**	**3 667**	**558 230**
KWAZULU-NATAL					
A	ETH	eThekwini	152 635	(8 000)	144 635
B	KZN216	Ray Nkonyeni	40 000	(15 000)	25 000
C	DC21	Ugu District Municipality	-		-
Total: Ugu Municipalities			**40 000**	**(15 000)**	**25 000**
B	KZN225	Msunduzi	20 000		20 000
C	DC22	uMgungundlovu District Municipality	-		-
Total: Umgungundlovu Municipalities			**20 000**	**-**	**20 000**
B	KZN238	Alfred Duma	2 000		2 000
C	DC23	uThukela District Municipality	-		-
Total:Uthukela Municipalities			**2 000**	**-**	**2 000**
B	KZN252	Newcastle	20 000		20 000
C	DC25	Amajuba District Municipality	-		-
Total: Amajuba Municipalities			**20 000**	**-**	**20 000**
Total: KwaZulu-Natal Municipalities			**234 635**	**(23 000)**	**211 635**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

National Treasury (Vote 8)	Neighbourhood Development Partnership Grant		
	Column A		Column C
	2024/25 Main allocation	Adjustments-Stopping and re-allocation	2024/25 Adjusted allocation
LIMPOPO			
B LIM343 Thulamela	16 425		16 425
C DC34 Vhembe District Municipality			-
Total: Vhembe Municipalities	**16 425**	**-**	**16 425**
B LIM354 Polokwane	44 984		44 984
C DC35 Capricorn District Municipality	-		-
Total: Capricorn Municipalities	**44 984**	**-**	**44 984**
B LIM476 Fetakgomo Tubatse		47 718	47 718
C DC47 Sekhukhune District Municipality			-
Total: Greater Sekhukhune Municipalities	**-**	**47 718**	**47 718**
Total: Limpopo Municipalities	**61 409**	**47 718**	**109 127**
MPUMALANGA			
B MP325 Bushbuckridge	20 659	8 401	29 060
B MP326 City of Mbombela	20 000	(10 000)	10 000
C DC32 Ehlanzeni District Municipality	-		-
Total: Ehlanzeni Municipalities	**40 659**	**(1 599)**	**39 060**
			-
Total: Mpumalanga Municipalities	**40 659**	**(1 599)**	**39 060**
NORTHERN CAPE			
B NC087 Dawid Kruiper	30 000	(10 000)	20 000
C DC8 ZF Mgcawu District Municipality	-		-
Total: ZF Mgcawu Municipalities	**30 000**	**(10 000)**	**20 000**
B NC452 Ga-Segonyana	1 000	23 004	24 004
C DC45 John Taolo Gaetsewe District Municipality	-		-
Total: John Taolo Gaetsewe Municipalities	**1 000**	**23 004**	**24 004**
Total: Northern Cape Municipalities	**31 000**	**13 004**	**44 004**
NORTH WEST			
B NW373 Rustenburg	12 500	(1 920)	10 580
C DC37 Bojanala Platinum District Municipality	-		-
Total: Bojanala Platinum Municipalities	**12 500**	**(1 920)**	**10 580**
B NW383 Mafikeng	2 000	(800)	1 200
C DC38 Ngaka Modiri Molema District Municipality	-		-
Total: Ngaka Modiri Molema Municipalities	**2 000**	**(800)**	**1 200**
B NW403 City of Matlosana	26 162	(15 670)	10 492
B NW405 JB Marks	5 000		5 000
C DC40 Dr Kenneth Kaunda District Municipality	-		-
Total: Dr Kenneth Kaunda Municipalities	**31 162**	**(15 670)**	**15 492**
Total: North West Municipalities	**45 662**	**(18 390)**	**27 272**
WESTERN CAPE			
A CPT City of Cape Town	160 237		160 237
B WC022 Witzenberg	-		-
B WC023 Drakenstein	30 000	(10 000)	20 000
B WC026 Langeberg	1 000	(1 000)	-
C DC2 Cape Winelands District Municipality	-		-
Total: Cape Winelands Municipalities	**31 000**	**(11 000)**	**20 000**
B WC044 George	5 000		5 000
B WC048 Knysna	10 477	10 000	20 477
C DC4 Eden District Municipality	-		-
Total: Eden Municipalities	**15 477**	**10 000**	**25 477**
			-
Total: Western Cape Municipalities	**206 714**	**(1 000)**	**205 714**
National Total	**1 290 552**	**-**	**1 290 552**

Schedule 5B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

National Treasury (Vote 8)			Programme and Project Preparation Support Grant		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
			R'000	R'000	R'000
EASTERN CAPE					
A	BUF	Buffalo City	15 000		15 000
A	NMA	Nelson Mandela Bay	15 000		15 000
B	EC101	Dr Beyers Naude			-
C	DC10	Sarah Baartman District Municipality	-		-
Total: Sarah Baartman Municipalities			**30 000**	**-**	**30 000**
Total: Eastern Cape Municipalities			**30 000**	**-**	**30 000**
FREE STATE					
A	MAN	Mangaung	10 000		10 000
B	FS161	Letsemeng			-
C	DC16	Xhariep District Municipality			-
Total: Xhariep Municipalities			**-**	**-**	**-**
Total: Free State Municipalities			**10 000**	**-**	**10 000**
GAUTENG					
A	EKU	City of Ekurhuleni	112 126	(36 000)	76 126
A	JHB	City of Johannesburg	39 234	26 000	65 234
A	TSH	City of Tshwane	84 480		84 480
B	GT421	Emfuleni			-
C	DC42	Sedibeng District Municipality			-
Total: Sedibeng Municipalities			**-**	**-**	**-**
Total: Gauteng Municipalities			**235 840**	**(10 000)**	**225 840**
KWAZULU-NATAL					
A	ETH	eThekwini	40 000		40 000
B	KZN212	uMdoni			-
C	DC21	Ugu District Municipality			-
Total: Ugu Municipalities			**-**	**-**	**-**
					-
Total: KwaZulu-Natal Municipalities			**40 000**	**-**	**40 000**
WESTERN CAPE					
A	CPT	City of Cape Town	70 000	10 000	80 000
B	WC011	Matzikama			-
C	DC1	West Coast District Municipality			-
Total: West Coast Municipalities			**-**	**-**	**-**
					-
Total: Western Cape Municipalities			**70 000**	**10 000**	**80 000**
National Total			**385 840**	**-**	**385 840**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Transport (Vote 40)	Rural Roads Asset Management Systems Grant		
	Column A		Column C
	2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
	R'000	R'000	R'000
EASTERN CAPE			
B EC139 Enoch Mgijima			-
C DC13 Chris Hani District Municipality	3 624	613	4 237
Total: Chris Hani Municipalities	**3 624**	**613**	**4 237**
B EC444 Ntabankulu			-
C DC44 Alfred Nzo District Municipality	2 570	(771)	1 799
Total: Alfred Nzo Municipalities	**2 570**	**(771)**	**1 799**
Total: Eastern Cape Municipalities	**17 749**	**(158)**	**17 591**
FREE STATE			
B FS196 Mantsopa			-
C DC19 Thabo Mofutsanyana District Municipality	2 699	619	3 318
Total: Thabo Mofutsanyana Municipalities	**2 699**	**619**	**3 318**
B FS205 Mafube			-
C DC20 Fezile Dabi District Municipality	2 455	(324)	2 131
Total: Fezile Dabi Municipalities	**2 455**	**(324)**	**2 131**
Total: Free State Municipalities	**10 126**	**295**	**10 421**
GAUTENG			
B GT423 Lesedi			-
C DC42 Sedibeng District Municipality	2 733	619	3 352
Total: Sedibeng Municipalities	**2 733**	**619**	**3 352**
KWAZULU-NATAL			
B KZN216 Ray Nkonyeni			-
C DC21 Ugu District Municipality	2 988	(896)	2 092
Total: Ugu Municipalities	**2 988**	**(896)**	**2 092**
			-
B KZN245 uMvoti			-
C DC24 uMzinyathi District Municipality	2 559	(768)	1 791
Total: Umzinyathi Municipalities	**2 559**	**(768)**	**1 791**
B KZN266 Ulundi			-
C DC26 Zululand District Municipality	2 653	(796)	1 857
Total: Zululand Municipalities	**2 653**	**(796)**	**1 857**
B KZN276 Big Five Hlabisa			-
C DC27 uMkhanyakude District Municipality	2 945	646	3 591
Total: Umkhanyakude Municipalities	**2 945**	**646**	**3 591**
Total: KwaZulu-Natal Municipalities	**27 137**	**(1 814)**	**25 323**
LIMPOPO			
B LIM345 Collins Chabane			-
C DC34 Vhembe District Municipality	2 524	619	3 143
Total: Vhembe Municipalities	**2 524**	**619**	**3 143**
B LIM368 Modimolle-Mookgophong			-
C DC36 Waterberg District Municipality	2 393	619	3 012
Total: Waterberg Municipalities	**2 393**	**619**	**3 012**
Total: Limpopo Municipalities	**12 682**	**1 238**	**13 920**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Transport (Vote 40)	Rural Roads Asset Management Systems Grant		
	Column A		Column C
	2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
MPUMALANGA			
B MP326 City of Mbombela			-
C DC32 Ehlanzeni District Municipality	2 639	619	3 258
Total: Ehlanzeni Municipalities	**2 639**	**619**	**3 258**
			-
Total: Mpumalanga Municipalities	**7 683**	**619**	**8 302**
NORTHERN CAPE			
B NC453 Gamagara			-
C DC45 John Taolo Gaetsewe District Municipality	2 226	619	2 845
Total: John Taolo Gaetsewe Municipalities	**2 226**	**619**	**2 845**
Total: Northern Cape Municipalities	**14 908**	**619**	**15 527**
NORTH WEST			
B NW385 Ramotshere Moiloa			-
C DC38 Ngaka Modiri Molema District Municipality	2 851	619	3 470
Total: Ngaka Modiri Molema Municipalities	**2 851**	**619**	**3 470**
B NW397 Kagisano-Molopo			-
C DC39 Dr Ruth Segomotsi Mompati District Municipality	2 743	(823)	1 920
Total: Dr Ruth Segomotsi Mompati Municipalities	**2 743**	**(823)**	**1 920**
Total: North West Municipalities	**11 008**	**(204)**	**10 804**
WESTERN CAPE			
B WC034 Swellendam			-
C DC3 Overberg District Municipality	2 974	(892)	2 082
Total: Overberg Municipalities	**2 974**	**(892)**	**2 082**
B WC053 Beaufort West			-
C DC5 Central Karoo District Municipality	2 156	(322)	1 834
Total: Central Karoo Municipalities	**2 156**	**(322)**	**1 834**
			-
Total: Western Cape Municipalities	**13 709**	**(1 214)**	**12 495**
National Total	**120 646**	**-**	**120 646**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Water and Sanitation (Vote 41)	Regioinal Bulk Infrastructure Grant			
	Column A			Column C
	2024/25 Main allocation	DoRAA Adjustments - Gazette No. 52142	Adjustments-Stopping and re-allocation	2024/25 Adjusted allocation
	R'000	R'000	R'000	R'000
EASTERN CAPE				
A BUF Buffalo City				-
A NMA Nelson Mandela Bay	250 000		(91 589)	158 411
B EC145 Walter Sisulu				-
C DC14 Joe Gqabi District Municipality	50 000		(10 000)	40 000
Total: Joe Gqabi Municipalities	**50 000**	**-**	**(10 000)**	**40 000**
Total: Eastern Cape Municipalities	**707 935**	**-**	**(101 589)**	**606 346**
FREE STATE				
B FS163 Mohokare	16 161		(7 000)	9 161
C DC16 Xhariep District Municipality				-
Total: Xhariep Municipalities	**16 161**	**-**	**(7 000)**	**9 161**
B FS191 Setsoto	143 951		(20 000)	123 951
B FS192 Dihlabeng				-
Total: Thabo Mofutsanyana Municipalities	**143 951**	**-**	**(20 000)**	**123 951**
B FS201 Moqhaka				-
B FS203 Ngwathe	60 000		7 000	67 000
Total: Fezile Dabi Municipalities	**60 000**	**-**	**7 000**	**67 000**
Total: Free State Municipalities	**220 112**	**-**	**(20 000)**	**200 112**
KWAZULU-NATAL				
B KZN266 Ulundi				-
C DC26 Zululand District Municipality	214 000		217 247	431 247
Total: Zululand Municipalities	**214 000**	**-**	**217 247**	**431 247**
B KZN286 Nkandla				-
C DC28 King Cetshwayo District Municipality	214 744		(20 000)	194 744
Total: Uthungulu Municipalities	**214 744**	**-**	**(20 000)**	**194 744**
Total: KwaZulu-Natal Municipalities	**428 744**	**-**	**197 247**	**625 991**
MPUMALANGA				
B MP301 Chief Albert Luthuli	268 508		(13 335)	255 173
B MP302 Msukaligwa	90 000		(10 000)	80 000
Total: Gert Sibande Municipalities	**358 508**	**-**	**(23 335)**	**335 173**
B MP312 Emalahleni				-
B MP313 Steve Tshwete	75 000		(25 585)	49 415
Total: Nkangala Municipalities	**75 000**	**-**	**(25 585)**	**49 415**
B MP321 Thaba Chweu	28 738		(16 238)	12 500
B MP325 Bushbuckridge	30 000		(10 500)	19 500
Total: Ehlanzeni Municipalities	**63 738**	**-**	**(26 738)**	**37 000**
				-
Total: Mpumalanga Municipalities	**497 246**	**-**	**(75 658)**	**421 588**
WESTERN CAPE				
B WC023 Drakenstein	600 000	(225 000)		375 000
B WC024 Stellenbosch				-
Total: Cape Winelands Municipalities	**600 000**	**(225 000)**	**-**	**375 000**
B WC044 George	294 000			294 000
B WC045 Oudtshoorn				-
Total: Eden Municipalities	**294 000**	**-**	**-**	**294 000**
Total: Western Cape Municipalities	**894 000**	**(225 000)**	**-**	**669 000**
National Total	**3 852 383**	**(225 000)**	**-**	**3 627 383**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Water and Sanitation (Vote 41)			Water Services Infrastructure Grant		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
			R'000	R'000	R'000
EASTERN CAPE					
B	EC101	Dr Beyers Naude	20 200	5 000	25 200
B	EC102	Blue Crane Route	13 816	(2 450)	11 366
B	EC105	Ndlambe	32 600	5 000	37 600
B	EC106	Sundays River Valley	16 000	4 676	20 676
B	EC109	Kou-Kamma	15 000	(4 466)	10 534
Total: Sarah Baartman Municipalities			**131 357**	**7 760**	**139 117**
B	EC139	Enoch Mgijima			-
C	DC13	Chris Hani District Municipality	83 600	5 000	88 600
Total: Chris Hani Municipalities			**83 600**	**5 000**	**88 600**
B	EC145	Walter Sisulu			-
C	DC14	Joe Gqabi District Municipality	60 610	15 000	75 610
Total: Joe Gqabi Municipalities			**60 610**	**15 000**	**75 610**
B	EC444	Ntabankulu			-
C	DC44	Alfred Nzo District Municipality	109 000	(27 760)	81 240
Total: Alfred Nzo Municipalities			**109 000**	**(27 760)**	**81 240**
Total: Eastern Cape Municipalities			**562 092**	**-**	**562 092**
FREE STATE					
B	FS161	Letsemeng	15 287	(2 000)	13 287
B	FS162	Kopanong	15 000	(13 000)	2 000
B	FS163	Mohokare	15 930	(13 930)	2 000
Total: Xhariep Municipalities			**46 217**	**(28 930)**	**17 287**
B	FS181	Masilonyana	15 224	6 000	21 224
B	FS182	Tokologo	22 109	(15 000)	7 109
B	FS184	Matjhabeng	17 968	5 000	22 968
B	FS185	Nala	17 379	5 938	23 317
Total: Lejweleputswa Municipalities			**89 636**	**1 938**	**91 574**
B	FS191	Setsoto	20 008	(13 008)	7 000
B	FS192	Dihlabeng	18 832	13 000	31 832
B	FS193	Nketoana	20 000	13 000	33 000
B	FS194	Maluti a Phofung	37 510	10 000	47 510
B	FS196	Mantsopa	10 896	6 000	16 896
Total: Thabo Mofutsanyana Municipalities			**126 868**	**28 992**	**155 860**
B	FS201	Moqhaka	17 971	(13 000)	4 971
B	FS204	Metsimaholo	24 361	12 000	36 361
B	FS205	Mafube	15 000	(3 000)	12 000
Total: Fezile Dabi Municipalities			**68 238**	**(4 000)**	**64 238**
Total: Free State Municipalities			**330 959**	**(2 000)**	**328 959**
GAUTENG					
B	GT422	Midvaal	32 599		32 599
B	GT423	Lesedi	19 354	(2 000)	17 354
Total: Sedibeng Municipalities			**51 953**	**(2 000)**	**49 953**
Total: Gauteng Municipalities			**246 742**	**(2 000)**	**244 742**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Water and Sanitation (Vote 41)		Water Services Infrastructure Grant		
		Column A		Column C
		2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
KWAZULU-NATAL				
B KZN216	Ray Nkonyeni			-
C DC21	Ugu District Municipality	100 000	15 000	115 000
Total: Ugu Municipalities		**100 000**	**15 000**	**115 000**
				-
B KZN225	Msunduzi	70 000	(15 000)	55 000
C DC22	uMgungundlovu District Municipality	100 000		100 000
Total: Umgungundlovu Municipalities		**170 000**	**(15 000)**	**155 000**
B KZN245	uMvoti			-
C DC24	uMzinyathi District Municipality	85 000	(30 000)	55 000
Total: Umzinyathi Municipalities		**85 000**	**(30 000)**	**55 000**
B KZN252	Newcastle	70 000	15 000	85 000
C DC25	Amajuba District Municipality	85 000	15 000	100 000
Total: Amajuba Municipalities		**155 000**	**30 000**	**185 000**
B KZN266	Ulundi			-
C DC26	Zululand District Municipality	100 000	55 434	155 434
Total: Zululand Municipalities		**100 000**	**55 434**	**155 434**
B KZN282	uMhlathuze	60 000	(21 400)	38 600
C DC28	King Cetshwayo District Municipality	100 000	(6 500)	93 500
Total: Uthungulu Municipalities		**160 000**	**(27 900)**	**132 100**
B KZN294	Maphumulo			-
C DC29	iLembe District Municipality	100 000	(10 000)	90 000
Total: iLembe Municipalities		**100 000**	**(10 000)**	**90 000**
				-
B KZN436	Dr Nkosazana Dlamini Zuma			-
C DC43	Harry Gwala District Municipality	100 000		100 000
Total: Harry Gwala Municipalities		**100 000**	**-**	**100 000**
				-
Total: KwaZulu-Natal Municipalities		**1 070 000**	**17 534**	**1 087 534**
LIMPOPO				
B LIM335	Maruleng			-
C DC33	Mopani District Municipality	47 998	(47 998)	-
Total: Mopani Municipalities		**47 998**	**(47 998)**	**-**
B LIM345	Collins Chabane			-
C DC34	Vhembe District Municipality	78 605	20 000	98 605
Total: Vhembe Municipalities		**78 605**	**20 000**	**98 605**
B LIM354	Polokwane	76 000	20 000	96 000
C DC35	Capricorn District Municipality	107 000	27 998	134 998
Total: Capricorn Municipalities		**183 000**	**47 998**	**230 998**
B LIM362	Lephalale	39 147	(39 147)	-
B LIM366	Bela-Bela	45 000	29 147	74 147
B LIM367	Mogalakwena	46 000	33 963	79 963
Total: Waterberg Municipalities		**130 147**	**23 963**	**154 110**
B LIM476	Fetakgomo Tubatse			-
C DC47	Sekhukhune District Municipality	43 963	(43 963)	-
Total: Greater Sekhukhune Municipalities		**43 963**	**(43 963)**	**-**
Total: Limpopo Municipalities		**483 713**	**-**	**483 713**
MPUMALANGA				
B MP304	Dr Pixley ka Isaka Seme	51 106	2 500	53 606
B MP305	Lekwa			-
Total: Gert Sibande Municipalities		**171 106**	**2 500**	**173 606**
B MP311	Victor Khanye	25 000	(6 089)	18 911
B MP312	Emalahleni	25 000	(2 500)	22 500
B MP314	Emakhazeni	26 125	(7 000)	19 125
Total: Nkangala Municipalities		**151 125**	**(15 589)**	**135 536**
B MP325	Bushbuckridge	40 000	(10 000)	30 000
B MP326	City of Mbombela			-
Total: Ehlanzeni Municipalities		**120 239**	**(10 000)**	**110 239**
				-
Total: Mpumalanga Municipalities		**442 470**	**(23 089)**	**419 381**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Water and Sanitation (Vote 41)	Water Services Infrastructure Grant		
	Column A		Column C
	2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
NORTHERN CAPE			
B NC062 Nama Khoi	10 000	(5 000)	5 000
B NC066 Karoo Hoogland	20 000	(4 000)	16 000
Total: Namakwa Municipalities	**57 200**	**(9 000)**	**48 200**
B NC071 Ubuntu	20 000	6 000	26 000
B NC072 Umsobomvu	5 000	(2 500)	2 500
B NC073 Emthanjeni	31 000	(5 373)	25 627
B NC076 Thembelihle	12 059	(6 030)	6 029
B NC077 Siyathemba	10 000	(3 000)	7 000
Total: Pixley Ka Seme Municipalities	**78 059**	**(10 903)**	**67 156**
B NC085 Tsantsabane		6 174	6 174
B NC086 Kgatelopele	30 000	30 318	60 318
B NC087 Dawid Kruiper	11 233	(2 000)	9 233
Total: ZF Mgcawu Municipalities	**41 233**	**34 492**	**75 725**
B NC093 Magareng	20 000	5 000	25 000
B NC094 Phokwane	25 000	12 000	37 000
Total: Frances Baard Municipalities	**45 000**	**17 000**	**62 000**
B NC451 Joe Morolong	60 000	(4 000)	56 000
B NC452 Ga-Segonyana	31 000	(6 200)	24 800
B NC453 Gamagara	15 000	(3 000)	12 000
Total: John Taolo Gaetsewe Municipalities	**106 000**	**(13 200)**	**92 800**
Total: Northern Cape Municipalities	**327 492**	**18 389**	**345 881**
NORTH WEST			
B NW373 Rustenburg	70 000	(25 000)	45 000
B NW375 Moses Kotane	80 000	(25 000)	55 000
Total: Bojanala Platinum Municipalities	**225 000**	**(50 000)**	**175 000**
B NW397 Kagisano-Molopo			-
C DC39 Dr Ruth Segomotsi Mompati District Municipality	75 000	20 000	95 000
Total: Dr Ruth Segomotsi Mompati Municipalities	**75 000**	**20 000**	**95 000**
B NW403 City of Matlosana	50 000	(8 000)	42 000
B NW404 Maquassi Hills	30 000	20 000	50 000
B NW405 JB Marks	49 996	18 000	67 996
Total: Dr Kenneth Kaunda Municipalities	**129 996**	**30 000**	**159 996**
Total: North West Municipalities	**429 996**	**-**	**429 996**
WESTERN CAPE			
B WC013 Bergrivier	10 000	10 000	20 000
Total: West Coast Municipalities	**20 000**	**10 000**	**30 000**
B WC031 Theewaterskloof	5 000	(2 300)	2 700
B WC032 Overstrand	8 000	(2 075)	5 925
B WC033 Cape Agulhas	10 000	(7 700)	2 300
Total: Overberg Municipalities	**33 000**	**(12 075)**	**20 925**
B WC044 George	4 000	(2 200)	1 800
B WC045 Oudtshoorn	12 000	(2 480)	9 520
B WC047 Bitou	12 000	(2 920)	9 080
B WC048 Knysna	10 000	(994)	9 006
Total: Eden Municipalities	**47 000**	**(8 594)**	**38 406**
B WC051 Laingsburg	14 209	1 835	16 044
Total: Central Karoo Municipalities	**29 209**	**1 835**	**31 044**
			-
Total: Western Cape Municipalities	**144 209**	**(8 834)**	**135 375**
National Total	**4 037 673**	**-**	**4 037 673**

Schedule 5B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Transport (Vote 40)	Public Transport Network Grant			
	Column A			Column C
	2024/25 Main allocation	DoRAA Adjustments - Gazette No. 52142	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
	R'000	R'000	R'000	R'000
EASTERN CAPE				
A BUF Buffalo City				-
A NMA Nelson Mandela Bay	339 948	(150 000)		189 948
Total: Eastern Cape Municipalities	**339 948**	**(150 000)**	**-**	**189 948**
FREE STATE				
A MAN Mangaung	266 686		(99 000)	167 686
Total: Free State Municipalities	**266 686**	**-**	**(99 000)**	**167 686**
GAUTENG				
A EKU Ekurhuleni	749 530			749 530
A JHB City of Johannesburg	1 135 471	(150 000)	(258 000)	727 471
A TSH City of Tshwane	804 327			804 327
				-
Total: Gauteng Municipalities	**2 689 328**	**(150 000)**	**(258 000)**	**2 281 328**
KWAZULU-NATAL				
A ETH eThekwini	921 411		(670 000)	251 411
B KZN224 iMpendle				-
B KZN225 Msunduzi	50 000			50 000
Total: Umgungundlovu Municipalities	**50 000**	**-**	**-**	**50 000**
Total: KwaZulu-Natal Municipalities	**971 411**	**-**	**(670 000)**	**301 411**
LIMPOPO				
B LIM354 Polokwane	267 249		(100 000)	167 249
B LIM355 Lepele-Nkumpi				-
Total: Capricorn Municipalities	**267 249**	**-**	**(100 000)**	**167 249**
Total: Limpopo Municipalities	**267 249**	**-**	**(100 000)**	**167 249**
NORTH WEST				
B NW373 Rustenburg	254 763		258 000	512 763
B NW374 Kgetlengrivier				-
Total: Bojanala Platinum Municipalities	**254 763**	**-**	**258 000**	**512 763**
Total: North West Municipalities	**254 763**	**-**	**258 000**	**512 763**
WESTERN CAPE				
A CPT City of Cape Town	2 499 316		(474 871)	2 024 445
B WC043 Mossel Bay				-
B WC044 George	184 733		250 000	434 733
Total: Eden Municipalities	**184 733**	**-**	**250 000**	**434 733**
Total: Western Cape Municipalities	**2 684 049**	**-**	**(224 871)**	**2 459 178**
National Total	**7 473 434**	**(300 000)**	**(1 093 871)**	**6 079 563**

ANNEXURE 3

ALLOCATIONS-IN-KIND TO MUNICIPALITIES
(SCHEDULE 6, PART B)

(National and Municipal Financial Years)

Schedule 6B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Mineral Resources and Energy (Vote 34)			Integrated National Electrification Programme (Eskom)		
			Column A		Column C
			2024/25 Main allocation	Adjustments-Stopping and re-allocation	2024/25 Adjusted allocation
			R'000	R'000	R'000
EASTERN CAPE					
A	BUF	Buffalo City	74 550	(3 107)	71 443
A	NMA	Nelson Mandela Bay			-
B	EC104	Makana	435	33	468
B	EC105	Ndlambe	785	(56)	729
B	EC106	Sundays River Valley	13 508	311	13 819
B	EC108	Kouga	543	(543)	-
B	EC109	Kou-Kamma	6 845	543	7 388
C	DC10	Sarah Baartman District Municipality	-		-
Total: Sarah Baartman Municipalities			**22 116**	**288**	**22 404**
B	EC121	Mbhashe	23 612	-	23 612
B	EC122	Mnquma	15 601	-	15 601
B	EC123	Great Kei	652	(72)	580
B	EC124	Amahlathi	35 518	(91)	35 427
B	EC126	Ngqushwa	667	-	667
B	EC129	Raymond Mhlaba	20 053	-	20 053
C	DC12	Amatole District Municipality			-
Total: Amatole Municipalities			**96 103**	**(163)**	**95 940**
B	EC135	Intsika Yethu	11 712	-	11 712
B	EC136	Emalahleni	1 874	(435)	1 439
B	EC137	Dr A.B. Xuma	4 143	(92)	4 051
B	EC138	Sakhisizwe	13 737	(1 214)	12 523
B	EC139	Enoch Mgijima	31 409	(8 902)	22 507
C	DC13	Chris Hani District Municipality			-
Total: Chris Hani Municipalities			**62 875**	**(10 643)**	**52 232**
B	EC141	Elundini	16 495	490	16 985
B	EC142	Senqu	1 917	(515)	1 402
C	DC14	Joe Gqabi District Municipality			-
Total: Joe Gqabi Municipalities			**18 412**	**(25)**	**18 387**
B	EC153	Nquza Hill	14 535	-	14 535
B	EC154	Port St Johns	5 847	1 245	7 092
B	EC155	Nyandeni	56 669	8 526	65 195
B	EC156	Mhlontlo	26 308	-	26 308
B	EC157	King Sabata Dalindyebo	61 600	9 395	70 995
C	DC15	O.R. Tambo District Municipality			-
Total: O.R.Tambo Municipalities			**164 959**	**19 166**	**184 125**
B	EC441	Matatiele	31 415	(6 127)	25 288
B	EC442	Umzimvubu	5 707	(1 802)	3 905
B	EC443	Winnie Madikizela-Mandela	19 677	-	19 677
B	EC444	Ntabankulu	14 068	2 413	16 481
C	DC44	Alfred Nzo District Municipality			-
Total: Alfred Nzo Municipalities			**70 867**	**(5 516)**	**65 351**
Total: Eastern Cape Municipalities			**509 882**	**-**	**509 882**
FREE STATE					
A	MAN	Mangaung	2 947	(2 010)	937
B	FS161	Letsemeng	65		65
B	FS162	Kopanong	33		33
B	FS163	Mohokare	33		33
C	DC16	Xhariep District Municipality			-
Total: Xhariep Municipalities			**131**	**-**	**131**
B	FS181	Masilonyana	33		33
B	FS182	Tokologo	33		33
B	FS183	Tswelopele	65		65
B	FS184	Matjhabeng	14 121	(10 534)	3 587
B	FS185	Nala	49		49
C	DC18	Lejweleputswa District Municipality			-
Total: Lejweleputswa Municipalities			**14 301**	**(10 534)**	**3 767**
B	FS191	Setsoto	7 163	3 177	10 340
B	FS192	Dihlabeng	371	(73)	298
B	FS193	Nketoana	65		65
B	FS194	Maluti a Phofung	19 368	(11 780)	7 588
B	FS195	Phumelela	147	176	323
B	FS196	Mantsopa	11 450	(6 817)	4 633
C	DC19	Thabo Mofutsanyana District Municipality			-
Total: Thabo Mofutsanyana Municipalities			**38 564**	**(15 317)**	**23 247**
B	FS201	Moqhaka	13 717	(2 586)	11 131
C	DC20	Fezile Dabi District Municipality			-
Total: Fezile Dabi Municipalities			**13 717**	**(2 586)**	**11 131**
Total: Free State Municipalities			**69 660**	**(30 447)**	**39 213**

Schedule 6B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Mineral Resources and Energy (Vote 34)			Integrated National Electrification Programme (Eskom)		
			Column A		Column C
			2024/25 Main allocation	Adjustments-Stopping and re-allocation	2024/25 Adjusted allocation
GAUTENG					
A	EKU	Ekurhuleni	24 030	(8 543)	15 487
A	JHB	City of Johannesburg	23 819	2 216	26 035
A	TSH	City of Tshwane	1 502	648	2 150
					-
B	GT421	Emfuleni	47	11 896	11 943
C	DC42	Sedibeng District Municipality			-
Total: Sedibeng Municipalities			**47**	**11 896**	**11 943**
B	GT481	Mogale City	26 459	(6 912)	19 547
B	GT484	Merafong City	434	362	796
B	GT485	Rand West City	3 274	333	3 607
C	DC48	West Rand District Municipality			-
Total: West Rand Municipalities			**30 167**	**(6 217)**	**23 950**
Total: Gauteng Municipalities			**79 565**	**-**	**79 565**
KWAZULU-NATAL					
A	ETH	eThekwini	300	(300)	-
B	KZN212	uMdoni	32 975	(6 115)	26 860
B	KZN216	Ray Nkonyeni	4 230	1 276	5 506
C	DC21	Ugu District Municipality			-
Total: Ugu Municipalities			**37 205**	**(4 839)**	**32 366**
					-
B	KZN221	uMshwathi	300	(240)	60
B	KZN225	Msunduzi	30 098	(14 008)	16 090
B	KZN227	Richmond	3 105	(3 105)	-
C	DC22	uMgungundlovu District Municipality			-
Total: Umgungundlovu Municipalities			**33 503**	**(17 353)**	**16 150**
B	KZN235	Okhahlamba	10 737	13 909	24 646
B	KZN237	iNkosi Langalibalele	10 279	7 576	17 855
B	KZN238	Alfred Duma	17 480	(11 252)	6 228
C	DC23	uThukela District Municipality			-
Total:Uthukela Municipalities			**38 496**	**10 233**	**48 729**
B	KZN244	uMsinga	3 831	99	3 930
B	KZN245	uMvoti	929	1 217	2 146
C	DC24	uMzinyathi District Municipality			-
Total: Umzinyathi Municipalities			**4 760**	**1 316**	**6 076**
B	KZN252	Newcastle	1 269	631	1 900
B	KZN253	eMadlangeni	4 881	(2 723)	2 158
B	KZN254	Dannhauser	1 942	(601)	1 341
C	DC25	Amajuba District Municipality			-
Total: Amajuba Municipalities			**8 092**	**(2 693)**	**5 399**
B	KZN261	eDumbe	7 830	2 882	10 712
B	KZN262	uPhongolo	900	(900)	-
B	KZN263	Abaqulusi	1 366	(114)	1 252
B	KZN265	Nongoma	4 141	(3 803)	338
B	KZN266	Ulundi	9 935	(1 794)	8 141
C	DC26	Zululand District Municipality			-
Total: Zululand Municipalities			**24 172**	**(3 729)**	**20 443**
B	KZN271	uMhlabuyalingana	66 281	791	67 072
B	KZN272	Jozini	65 614	16	65 630
B	KZN275	Mtubatuba	2 400	(1 850)	550
B	KZN276	Big Five Hlabisa	19 323	(5 338)	13 985
C	DC27	uMkhanyakude District Municipality			-
Total: Umkhanyakude Municipalities			**153 618**	**(6 381)**	**147 237**
B	KZN281	uMfolozi	12 765	13 841	26 606
B	KZN282	uMhlathuze	2 492	13 168	15 660
B	KZN284	uMlalazi	35 331	(27 082)	8 249
B	KZN285	Mthonjaneni	3 997	73	4 070
B	KZN286	Nkandla	300	(300)	-
C	DC28	King Cetshwayo District Municipality			-
Total: King Cetshwayo Municipalities			**54 885**	**(300)**	**54 585**
B	KZN291	Mandeni	10 217	5 958	16 175
B	KZN292	KwaDukuza	14 201	15 969	30 170
B	KZN294	Maphumulo	27 012	(19 334)	7 678
C	DC29	iLembe District Municipality			-
Total: iLembe Municipalities			**51 430**	**2 593**	**54 023**
					-
B	KZN433	Greater Kokstad	81	394	475
B	KZN434	uBuhlebezwe	738	151	889
B	KZN435	uMzimkhulu	924	3 886	4 810
B	KZN436	Dr Nkosazana Dlamini Zuma	10 137	17 022	27 159
C	DC43	Harry Gwala District Municipality			-
Total: Harry Gwala Municipalities			**11 880**	**21 453**	**33 333**
					-
Total: KwaZulu-Natal Municipalities			**418 341**	**-**	**418 341**

Schedule 6B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Mineral Resources and Energy (Vote 34)			Integrated National Electrification Programme (Eskom)		
			Column A		Column C
			2024/25 Main allocation	Adjustments-Stopping and re-allocation	2024/25 Adjusted allocation
LIMPOPO					
B	LIM331	Greater Giyani	11 106	(2 006)	9 100
B	LIM332	Greater Letaba	2 097	334	2 431
B	LIM333	Greater Tzaneen	19 389	(13 073)	6 316
B	LIM334	Ba-Phalaborwa	2 038	(1 796)	242
B	LIM335	Maruleng	1 750	1 949	3 699
C	DC33	Mopani District Municipality			-
Total: Mopani Municipalities			**36 380**	**(14 592)**	**21 788**
B	LIM341	Musina	1 464	301	1 765
B	LIM343	Thulamela	25 470	1 694	27 164
B	LIM344	Makhado	19 550	(7 252)	12 298
B	LIM345	Collins Chabane	11 719	888	12 607
C	DC34	Vhembe District Municipality			-
Total: Vhembe Municipalities			**58 203**	**(4 369)**	**53 834**
B	LIM351	Blouberg	4 304	1 039	5 343
B	LIM353	Molemole	4 218	5 922	10 140
B	LIM354	Polokwane	41 312	3 122	44 434
B	LIM355	Lepele-Nkumpi	39 385	1 578	40 963
C	DC35	Capricorn District Municipality			-
Total: Capricorn Municipalities			**89 219**	**11 661**	**100 880**
B	LIM361	Thabazimbi	1 496		1 496
B	LIM362	Lephalale	16 934	(121)	16 813
B	LIM366	Bela-Bela	77	67	144
B	LIM367	Mogalakwena	23 474	1 538	25 012
B	LIM368	Modimolle-Mookgophong	385	(67)	318
C	DC36	Waterberg District Municipality			-
Total: Waterberg Municipalities			**42 366**	**1 417**	**43 783**
B	LIM471	Ephraim Mogale	9 372	(125)	9 247
B	LIM472	Elias Motsoaledi	8 303	1 703	10 006
B	LIM473	Makhuduthamaga	13 160	3 175	16 335
B	LIM476	Fetakgomo Tubatse	5 908	1 130	7 038
C	DC47	Sekhukhune District Municipality			-
Total: Greater Sekhukhune Municipalities			**36 743**	**5 883**	**42 626**
Total: Limpopo Municipalities			**262 911**	**-**	**262 911**
MPUMALANGA					
B	MP301	Chief Albert Luthuli	4 385	(130)	4 255
B	MP302	Msukaligwa	19 316	18 552	37 868
B	MP303	Mkhondo	27 002	(13 244)	13 758
B	MP304	Dr Pixley ka Isaka Seme	422	195	617
B	MP305	Lekwa		50	50
B	MP307	Govan Mbeki	253	(21)	232
C	DC30	Gert Sibande District Municipality			-
Total: Gert Sibande Municipalities			**51 378**	**5 402**	**56 780**
B	MP313	Steve Tshwete	84	1 096	1 180
B	MP315	Thembisile Hani	59 640	(38 090)	21 550
B	MP316	Dr JS Moroka	9 512	824	10 336
C	DC31	Nkangala District Municipality			-
Total: Nkangala Municipalities			**69 236**	**(36 170)**	**33 066**
B	MP321	Thaba Chweu	423	2 271	2 694
B	MP324	Nkomazi	19 938	4 673	24 611
B	MP325	Bushbuckridge	51 824	9 999	61 823
B	MP326	City of Mbombela	34 965	13 825	48 790
C	DC32	Ehlanzeni District Municipality			-
Total: Ehlanzeni Municipalities			**107 150**	**30 768**	**137 918**
					-
Total: Mpumalanga Municipalities			**227 764**	**-**	**227 764**
NORTHERN CAPE					
B	NC065	Hantam	5 178		5 178
B	NC066	Karoo Hoogland	242		242
B	NC067	Khai-Ma	2 083	(574)	1 509
C	DC6	Namakwa District Municipality			-
Total: Namakwa Municipalities			**7 503**	**(574)**	**6 929**
B	NC078	Siyancuma	302		302
C	DC7	Pixley Ka Seme District Municipality			-
Total: Pixley Ka Seme Municipalities			**302**	**-**	**302**
B	NC082	!Kai !Garib	1 177	513	1 690
B	NC085	Tsantsabane	11 984	61	12 045
C	DC8	ZF Mgcawu District Municipality			-
Total: ZF Mgcawu Municipalities			**13 161**	**574**	**13 735**
B	NC091	Sol Plaatje		966	966
B	NC092	Dikgatlong	8 200	362	8 562
B	NC093	Magareng	966	(966)	-
B	NC094	Phokwane	11 454		11 454
C	DC9	Frances Baard District Municipality			-
Total: Frances Baard Municipalities			**20 620**	**362**	**20 982**
B	NC451	Joe Morolong	47 971	(362)	47 609
B	NC452	Ga-Segonyana	81 698		81 698
B	NC453	Gamagara	16 301		16 301
C	DC45	John Taolo Gaetsewe District Municipality			-
Total: John Taolo Gaetsewe Municipalities			**145 970**	**(362)**	**145 608**
Total: Northern Cape Municipalities			**187 556**	**-**	**187 556**

Schedule 6B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

Department of Mineral Resources and Energy (Vote 34)			Integrated National Electrification Programme (Eskom)		
			Column A		Column C
			2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
NORTH WEST					
B	NW371	Moretele	26 585	1 089	27 674
B	NW372	Madibeng	16 019	27 042	43 061
B	NW373	Rustenburg	28 049	(8 621)	19 428
B	NW374	Kgetlengrivier	190	92	282
B	NW375	Moses Kotane	21 193	11 007	32 200
C	DC37	Bojanala Platinum District Municipality			-
Total: Bojanala Platinum Municipalities			**92 036**	**30 609**	**122 645**
B	NW381	Ratlou	18 332	(3 844)	14 488
B	NW382	Tswaing	8 799	2 831	11 630
B	NW383	Mafikeng	61 295	(4 909)	56 386
B	NW384	Ditsobotla	8 770	(71)	8 699
B	NW385	Ramotshere Moiloa	23 180	17 247	40 427
C	DC38	Ngaka Modiri Molema District Municipality			-
Total: Ngaka Modiri Molema Municipalities			**120 376**	**11 254**	**131 630**
B	NW392	Naledi	190	12	202
B	NW393	Mamusa	190	233	423
B	NW394	Greater Taung	81 688	(15 197)	66 491
B	NW396	Lekwa-Teemane	13 284	(7 248)	6 036
B	NW397	Kagisano-Molopo	8 554	5 076	13 630
C	DC39	Dr Ruth Segomotsi Mompati District Municipality			-
Total: Dr Ruth Segomotsi Mompati Municipalities			**103 906**	**(17 124)**	**86 782**
B	NW403	City of Matlosana	3 141	1 755	4 896
B	NW404	Maquassi Hills	5 434	3 725	9 159
B	NW405	JB Marks	472	228	700
C	DC40	Dr Kenneth Kaunda District Municipality			-
Total: Dr Kenneth Kaunda Municipalities			**9 047**	**5 708**	**14 755**
Total: North West Municipalities			**325 365**	**30 447**	**355 812**
WESTERN CAPE					
A	CPT	City of Cape Town	81 325	2 514	83 839
B	WC011	Matzikama	135		135
B	WC012	Cederberg	16 018	(4 934)	11 084
B	WC014	Saldanha Bay	2 602	5 056	7 658
B	WC015	Swartland	296	685	981
C	DC1	West Coast District Municipality			-
Total: West Coast Municipalities			**19 051**	**807**	**19 858**
B	WC022	Witzenberg		35	35
B	WC023	Drakenstein	3 448	(3 334)	114
B	WC024	Stellenbosch		24	24
B	WC025	Breede Valley	532	(435)	97
C	DC2	Cape Winelands District Municipality			-
Total: Cape Winelands Municipalities			**3 980**	**(3 710)**	**270**
B	WC031	Theewaterskloof	4 649	2 079	6 728
C	DC3	Overberg District Municipality			-
Total: Overberg Municipalities			**4 649**	**2 079**	**6 728**
B	WC041	Kannaland	104	(44)	60
B	WC042	Hessequa	68	3 722	3 790
B	WC047	Bitou	5 798	(5 368)	430
C	DC4	Eden District Municipality			-
Total: Eden Municipalities			**5 970**	**(1 690)**	**4 280**
					-
Total: Western Cape Municipalities			**114 975**	**-**	**114 975**
National Total			**2 196 019**	**-**	**2 196 019**

Schedule 6B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

National Treasury (Vote 8)			Neighbourhood Development Partnership Grant (Technical Assistance)		
			Column A		Column C
			2024/25 Main allocation	Adjustments-Stopping and re-allocation	2024/25 Adjusted allocation
			R'000	R'000	R'000
EASTERN CAPE					
A	BUF	Buffalo City	1 000	(1 000)	-
A	NMA	Nelson Mandela Bay	2 000	(2 000)	-
B	EC155	Nyandeni	1 000	(1 000)	-
B	EC156	Mhlontlo	-		-
B	EC157	King Sabata Dalindyebo	1 000	268	1 268
C	DC15	O.R. Tambo District Municipality	-		-
Total: O.R.Tambo Municipalities			**2 000**	**(732)**	**1 268**
B	EC441	Matatiele	-		-
B	EC442	Umzimvubu	-		-
B	EC443	Winnie Madikizela-Mandela	1 500	(1 500)	-
B	EC444	Ntabankulu	-		-
C	DC44	Alfred Nzo District Municipality	-		-
Total: Alfred Nzo Municipalities			**1 500**	**(1 500)**	**-**
Total: Eastern Cape Municipalities			**6 500**	**(5 232)**	**1 268**
FREE STATE					
A	MAN	Mangaung	500	(500)	-
B	FS184	Matjhabeng	1 500	(1 500)	-
C	DC18	Lejweleputswa District Municipality	-		-
Total: Lejweleputswa Municipalities			**1 500**	**(1 500)**	**-**
B	FS194	Maluti a Phofung	1 000	(1 000)	-
C	DC19	Thabo Mofutsanyana District Municipality	-		-
Total: Thabo Mofutsanyana Municipalities			**1 000**	**(1 000)**	**-**
B	FS204	Metsimaholo	1 500	(1 500)	-
C	DC20	Fezile Dabi District Municipality	-		-
Total: Fezile Dabi Municipalities			**1 500**	**(1 500)**	**-**
Total: Free State Municipalities			**4 500**	**(4 500)**	**-**
GAUTENG					
A	EKU	Ekurhuleni	6 000	(6 000)	-
A	JHB	City of Johannesburg	4 500	(4 500)	-
A	TSH	City of Tshwane	4 500	(4 500)	-
B	GT421	Emfuleni	100	(100)	-
B	GT422	Midvaal	100	(100)	-
B	GT423	Lesedi	2 000	(1 900)	100
C	DC42	Sedibeng District Municipality	-		-
Total: Sedibeng Municipalities			**2 200**	**(2 100)**	**100**
B	GT481	Mogale City	17 790	2 235	20 025
B	GT485	Rand West City	100	(100)	-
C	DC48	West Rand District Municipality	100	(100)	-
Total: West Rand Municipalities			**17 990**	**2 035**	**20 025**
Total: Gauteng Municipalities			**35 190**	**(15 065)**	**20 125**
KWAZULU-NATAL					
A	ETH	eThekwini	1 500	(1 400)	100
B	KZN216	Ray Nkonyeni	1 000	(1 000)	-
C	DC21	Ugu District Municipality	-		-
Total: Ugu Municipalities			**1 000**	**(1 000)**	**-**
B	KZN225	Msunduzi	1 000	(535)	465
C	DC22	uMgungundlovu District Municipality	-		-
Total: Umgungundlovu Municipalities			**1 000**	**(535)**	**465**
B	KZN238	Alfred Duma	2 000	(404)	1 596
C	DC23	uThukela District Municipality	-		-
Total:Uthukela Municipalities			**2 000**	**(404)**	**1 596**
B	KZN252	Newcastle	100	100	200
C	DC25	Amajuba District Municipality	-		-
Total: Amajuba Municipalities			**100**	**100**	**200**
B	KZN292	KwaDukuza	19 100	30 550	49 650
C	DC29	iLembe District Municipality	-		-
Total: iLembe Municipalities			**19 100**	**30 550**	**49 650**
Total: KwaZulu-Natal Municipalities			**24 700**	**27 311**	**52 011**

Schedule 6B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

National Treasury (Vote 8)	Neighbourhood Development Partnership Grant (Technical Assistance)		
	Column A		Column C
	2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
LIMPOPO			
B LIM343 Thulamela	800	674	1 474
B LIM345 Collins Chabane	2 000	(2 000)	-
C DC34 Vhembe District Municipality	-		-
Total: Vhembe Municipalities	**2 800**	**(1 326)**	**1 474**
B LIM354 Polokwane	1 000	(1 000)	-
C DC35 Capricorn District Municipality	-		-
Total: Capricorn Municipalities	**1 000**	**(1 000)**	**-**
B LIM476 Fetakgomo Tubatse	1 500	12 000	13 500
C DC47 Sekhukhune District Municipality	-		-
Total: Greater Sekhukhune Municipalities	**1 500**	**12 000**	**13 500**
Total: Limpopo Municipalities	**5 300**	**9 674**	**14 974**
MPUMALANGA			
B MP312 Emalahleni	100	1 521	1 621
B MP315 Thembisile Hani	1 500	(1 500)	-
C DC31 Nkangala District Municipality	-		-
Total: Nkangala Municipalities	**1 600**	**21**	**1 621**
B MP324 Nkomazi	1 500	(1 500)	-
B MP325 Bushbuckridge	2 000	(1 700)	300
B MP326 City of Mbombela	500	(500)	-
C DC32 Ehlanzeni District Municipality	-		-
Total: Ehlanzeni Municipalities	**4 000**	**(3 700)**	**300**
			-
Total: Mpumalanga Municipalities	**5 600**	**(3 679)**	**1 921**
NORTHERN CAPE			
B NC082 !Kai !Garib	1 500	(700)	800
B NC087 Dawid Kruiper	2 000	(2 000)	-
C DC8 ZF Mgcawu District Municipality	-		-
Total: ZF Mgcawu Municipalities	**3 500**	**(2 700)**	**800**
B NC091 Sol Plaatje	100	(100)	-
C DC9 Frances Baard District Municipality	-		-
Total: Frances Baard Municipalities	**100**	**(100)**	**-**
B NC452 Ga-Segonyana	2 000	(2 000)	-
C DC45 John Taolo Gaetsewe District Municipality	-		-
Total: John Taolo Gaetsewe Municipalities	**2 000**	**(2 000)**	**-**
Total: Northern Cape Municipalities	**5 600**	**(4 800)**	**800**
NORTH WEST			
B NW371 Moretele	100	(100)	-
B NW373 Rustenburg	100	(100)	-
C DC37 Bojanala Platinum District Municipality	-		-
Total: Bojanala Platinum Municipalities	**200**	**(200)**	**-**
B NW383 Mafikeng	2 000	(2 000)	-
C DC38 Ngaka Modiri Molema District Municipality	-		-
Total: Ngaka Modiri Molema Municipalities	**2 000**	**(2 000)**	**-**
B NW403 City of Matlosana	100	(100)	-
B NW405 JB Marks	100	241	341
C DC40 Dr Kenneth Kaunda District Municipality	-		-
Total: Dr Kenneth Kaunda Municipalities	**200**	**141**	**341**
Total: North West Municipalities	**2 400**	**(2 059)**	**341**
WESTERN CAPE			
A CPT City of Cape Town	3 000		3 000
B WC023 Drakenstein	500	(500)	-
B WC026 Langeberg	1 000	(1 000)	-
C DC2 Cape Winelands District Municipality	-		-
Total: Cape Winelands Municipalities	**1 500**	**(1 500)**	**-**
B WC044 George	500	(50)	450
B WC048 Knysna	100	(100)	-
C DC4 Eden District Municipality	-		-
Total: Eden Municipalities	**600**	**(150)**	**450**
			-
Total: Western Cape Municipalities	**5 100**	**(1 650)**	**3 450**
National Total	**94 890**	**-**	**94 890**

Schedule 6B
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

National Treasury (Vote 8)	Smart Meters Grant		
	Column A		Column C
	2024/25 Main allocation	Adjustments- Stopping and re-allocation	2024/25 Adjusted allocation
	R'000	R'000	R'000
EASTERN CAPE			
B EC104 Makana		74 581	74 581
C DC10 Sarah Baartman District Municipality	-		-
Total: Sarah Baartman Municipalities	**-**	**74 581**	**74 581**
Total: Eastern Cape Municipalities	**-**	**74 581**	**74 581**
FREE STATE			
B FS192 Dihlabeng		49 963	49 963
C DC19 Thabo Mofutsanyana District Municipality			-
Total: Thabo Mofutsanyana Municipalities	**-**	**49 963**	**49 963**
Total: Free State Municipalities	**-**	**49 963**	**49 963**
LIMPOPO			
B LIM366 Bela-Bela		50 127	50 127
B LIM368 Modimolle-Mookgophong		50 128	50 128
C DC36 Waterberg District Municipality			-
Total: Waterberg Municipalities	**-**	**100 255**	**100 255**
Total: Limpopo Municipalities	**-**	**100 255**	**100 255**
MPUMALANGA			
B MP312 Emalahleni		99 995	99 995
C DC31 Nkangala District Municipality			-
Total: Nkangala Municipalities	**-**	**99 995**	**99 995**
Total: Mpumalanga Municipalities	**-**	**99 995**	**99 995**
NORTHERN CAPE			
B NC091 Sol Plaatje		101 725	101 725
C DC9 Frances Baard District Municipality			-
Total: Frances Baard Municipalities	**-**	**101 725**	**101 725**
Total: Northern Cape Municipalities	**-**	**101 725**	**101 725**
NORTH WEST			
B NW374 Kgetlengrivier		23 033	23 033
C DC37 Bojanala Platinum District Municipality			-
Total: Bojanala Platinum Municipalities	**-**	**23 033**	**23 033**
B NW392 Naledi		50 448	50 448
C DC39 Dr Ruth Segomotsi Mompati District Municipality			-
Total: Dr Ruth Segomotsi Mompati Municipalities	**-**	**50 448**	**50 448**
Total: North West Municipalities	**-**	**73 481**	**73 481**
Unallocated	**500 000**	**(500 000)**	**-**
National Total	**500 000**	**-**	**500 000**

ANNEXURE 4

ALLOCATIONS TO MUNICIPALITIES FOR IMMEDIATE DISASTER RESPONSE (SCHEDULE 7, PART B)

(National and Municipal Financial Years)

Schedule 7B
ALLOCATIONS OF UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE

Cooperative Governance (Vote 3)	Municipal Disaster Response Grant			
	Column A			Column C
	2024/25 Main allocation	Adjustments - Gazette No. 52142	Adjustments	2024/25 Adjusted allocation
	R'000	R'000	R'000	R'000
EASTERN CAPE				
A BUF Buffalo City		44 600		44 600
A NMA Nelson Mandela Bay		53 999		53 999
Total: Eastern Cape Municipalities	**-**	**98 599**	**-**	**98 599**
FREE STATE				
B FS184 Matjhabeng			10 000	10 000
C DC18 Lejweleputswa District Municipality				-
Total: Lejweleputswa Municipalities	**-**	**-**	**10 000**	**10 000**
Total: Free State Municipalities	**-**	**-**	**10 000**	**10 000**
KWAZULU-NATAL				
A ETH eThekwini		8 015		8 015
B KZN212 uMdoni		14 853		14 853
B KZN213 uMzumbe		23 700		23 700
B KZN216 Ray Nkonyeni		22 760		22 760
C DC21 Ugu District Municipality		15 500		15 500
Total: Ugu Municipalities		**76 813**	**-**	**76 813**
C DC23 uThukela District Municipality			6 900	6 900
Total:Uthukela Municipalities	**-**	**-**	**6 900**	**6 900**
B KZN242 Nqutu			5 100	5 100
B KZN244 uMsinga		3 203		3 203
B KZN245 uMvoti			6 400	6 400
C DC24 uMzinyathi District Municipality			6 525	6 525
Total: Umzinyathi Municipalities	**-**	**3 203**	**18 025**	**21 228**
B KZN252 Newcastle		5 500		5 500
C DC25 Amajuba District Municipality				-
Total: Amajuba Municipalities	**-**	**5 500**	**-**	**5 500**
B KZN261 eDumbe			6 800	6 800
B KZN263 Abaqulusi			5 400	5 400
B KZN266 Ulundi			5 505	5 505
C DC26 Zululand District Municipality			9 085	9 085
Total: Zululand Municipalities	**-**	**-**	**26 790**	**26 790**
B KZN271 uMhlabuyalingana			5 275	5 275
C DC27 uMkhanyakude District Municipality				-
Total: Umkhanyakude Municipalities	**-**	**-**	**5 275**	**5 275**
B KZN281 uMfolozi			5 300	5 300
B KZN285 Mthonjaneni			4 250	4 250
B KZN286 Nkandla			5 000	5 000
C DC28 King Cetshwayo District Municipality				-
Total: Uthungulu Municipalities	**-**	**-**	**14 550**	**14 550**
B KZN291 Mandeni			5 181	
C DC29 iLembe District Municipality				-
Total: iLembe Municipalities	**-**	**-**	**5 181**	**5 181**
				-
Total: KwaZulu-Natal Municipalities	**-**	**93 531**	**76 721**	**170 252**

Schedule 7B
ALLOCATIONS OF UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE

Cooperative Governance (Vote 3)	Municipal Disaster Response Grant			
	Column A			Column C
	2024/25 Main allocation	Adjustments - Gazette No. 52142	Adjustments	2024/25 Adjusted allocation
MPUMALANGA				
B MP303 Mkhondo			6 500	6 500
C DC30 Gert Sibande District Municipality				-
Total: Gert Sibande Municipalities	**-**	**-**	**6 500**	**6 500**
B MP315 Thembisile Hani			4 700	4 700
C DC31 Nkangala District Municipality				-
Total: Nkangala Municipalities	**-**	**-**	**4 700**	**4 700**
				-
Total: Mpumalanga Municipalities	**-**	**-**	**11 200**	**11 200**
NORTHERN CAPE				
B NC062 Nama Khoi		24 444		24 444
C DC6 Namakwa District Municipality		8 556		8 556
Total: Namakwa Municipalities	**-**	**33 000**	**-**	**33 000**
Total: Northern Cape Municipalities	**-**	**33 000**	**-**	**33 000**
WESTERN CAPE				
A CPT City of Cape Town			17 544	17 544
B WC012 Cederberg			6 100	6 100
B WC014 Saldanha Bay			590	590
B WC015 Swartland			9 241	9 241
C DC1 West Coast District Municipality				-
Total: West Coast Municipalities	**-**	**-**	**15 931**	**15 931**
B WC022 Witzenberg			3 612	3 612
B WC023 Drakenstein			1 976	1 976
B WC024 Stellenbosch			6 000	6 000
B WC025 Breede Valley			7 266	7 266
B WC026 Langeberg			2 848	2 848
C DC2 Cape Winelands District Municipality				-
Total: Cape Winelands Municipalities	**-**	**-**	**21 702**	**21 702**
B WC048 Knysna			114	114
C DC4 Eden District Municipality				-
Total: Eden Municipalities	**-**	**-**	**114**	**114**
Total: Western Cape Municipalities	**-**	**-**	**55 291**	**55 291**
				-
National Total	**-**	**225 130**	**153 212**	**378 342**

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REPORTS BY THE PORTFOLIO CHAIRPERSON: PLANNING AND DEVELOPMENT

KOUGA
local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/PD3**

REQUEST FOR COUNCIL'S FINAL APPROVAL TO ENTER INTO ENCROACHMENT AGREEMENTS WITH RESIDENTS WITH PROPERTIES AFFECTED BY COASTAL EROSION: DEVELOPMENT AND MAINTENANCE MANAGEMENT PLAN FOR THE COASTAL AREA OF CAPE ST FRANCIS VILLAGE

1. Introduction

The purpose of this item is to request Council's in-principle approval to enter into encroachment agreements with property owners affected by coastal erosions in line with the final Basic Assessment Report on the Development and Maintenance Management Plan for the Coastal Area of Cape St Francis Village. ****See annexure "A".**

2. Background

The village of Cape St Francis is located in a dynamic coastal area; where physical forces of wind, waves, and currents drive the form and function of the coastal environment. Development in dynamic areas disrupts and modifies the 'natural' coastal processes, resulting in management issues associated with shifting sand and coastal erosion.

Typical problems that require ongoing management and maintenance are sand inundation of landward structures and infrastructure, coastal erosion and undercutting of roads, parking areas and infrastructure, access issues, etc. Human-induced change and ad-hoc management approaches to address these issues create further management problems and often result in negative environmental and social impacts.

3. Discussion

The Municipality appointed an environmental specialist to conduct a Basic Assessment Report on the Development and Maintenance Management Plan for the Coastal Area of Cape St Francis Village.

The Report and Record of Decision (ROD) suggested a stabilization zone of 10m in front of private properties to protect them from sand inundation is retained. The EMMP includes a monitoring plan, and an approach of adaptive management is recommended. ****See annexure "B"**

The Municipality was the applicant in this regard, and activities can only be implemented on property that is owned by the Municipality. The Municipality will be responsible for all activities identified in the Basic Assessment Report.

The Report allows for a 10m area in front of private erven to be stabilized. The Municipality will enter into an encroachment agreement with the relevant private landowners. They will need to pay an encroachment fee, and these funds will be ring-fenced for ongoing maintenance of the 10m zone.

Regarding encroachment by private landowners beyond the 10 m zone (e.g. by planting gardens and lawns and erecting structures), the municipality will be responsible for removing gardens and lawns, but the private landowner will need to remove any hard structures/features. The Municipality will deal with this by means of issuing a notice to the relevant landowner in terms of contravening the Building Regulations which will order the person to remove structures from public open space. If the landowner does not respond, the Municipality will remove the structure and claim costs.

4. **Financial Implications**

Completed by BTO -	
Project Description	Land Valuations & surveyor & planning services
Ukey no.	20210710001552
Budgeted Amount	R750 000.00
Amount spent and committed to date	R309 152.20
Amount Available	R440 847.80
Comment	No comment
Completed by BTO -	KOUGA MUNICIPALITY BUDGET &TREASURY

5. **Applicable Legislation**

Local Government: Municipal Finance Management Act 56 of 2003
Municipal Asset Transfer Regulations
Clause 14 of the Kouga Municipal Disposal of Immovable Assets Policy of 2020, as approved by Council.

6. **Legal Implications**

Should the Council resolve on the recommendations herein, written Encroachment Agreements need to be entered into, and the appropriate encroachment fee is payable.

All costs pertaining to an encroachment shall be borne by the encroacher.

The Encroachment fee is payable annually.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Recommendation supported.

8.3 **Director: Civil & Water Services**

Item appreciated. Council to take note of possible future cost implications for the establishment and maintenance of the 10 m encroachment on municipal owned properties.

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 Council **grant in-principle approval** to enter into encroachment agreements with affected private property owners in the Coastal Area of Cape St Francis Village in line with the conditions contained in the Basic Assessment Report.

10.2 That Council authorizes the Accounting Officer to advertise the intended alienation (lease) of the immovable property.

10.3 That Section 14 comments be obtained before disposal of the properties.

10.4 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 prepared by the: The Manager: Land & Property Administration

Item approved by the: Director Planning & Development

Item endorsed by the: Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure “A”



Annexure "B”

Mr.R. Casoojee
041 5085800
0664868376
Riyadh.casoojee@dedea.gov.za
Ref: EC08/C/LN1&3/M/32-2022

Province of the EASTERN CAPE
ECONOMIC DEVELOPMENT, ENVIRONMENTAL AFFAIRS & TOURISM

The Municipal Manager
Kouga Municipality
33 Da Gama Road
Jeffreys Bay
6330

Attention: Mr. Charl du Plessis Email: cduplessis@kouga.co.za

APPLICATION FOR AUTHORISATION IN TERMS OF SECTION 24 OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, ACT 107 OF 1998 TO UNDERTAKE A LISTED ACTIVITY AS SCHEDULED IN THE ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 2014: PROPOSED MAINTENANCE MANAGEMENT PLAN FOR THE COASTAL AREA OF CAPE ST FRANCIS VILLAGE, KOUGA MUNICIPALITY

1. With reference to the above-mentioned application (Ref No. EC08/C/LN1&3/M/32-2022), please be advised that the Department has decided to grant authorisation as set out in the attached Environmental Authorisation. The Authorisation Notice and reasons for the decision are attached herewith.
2. In terms of Regulation 4(2) of the Environmental Impact Assessment Regulations, 2014, you are instructed to notify all registered interested and affected parties, in writing and within fourteen (14) calendar days of the date of this letter, of the Department’s decision in respect of your application as well as the provisions regarding the making of appeals that are provided for in the 2014 Appeal Regulations.
3. The written notification referred to above must -
   3.1. Specify the date on which the Environmental Authorisation was issued;
   3.2. Inform interested and affected parties of the appeal procedure provided for in the Appeal Regulations published in GN R993 of 8 December 2014 in terms of Section 44 read together with Section 43 of the National Environmental Management Act, Act 107 of 1998; and
   3.3. Advise interested and affected parties that a copy of the Environmental Authorisation and reasons for the decision will be furnished on request.
4. Should you decide to appeal, you must submit your appeal to the appeal administrator, as indicated in the table contained in point 3 below, and serve a copy of the appeal to the applicant, if not the appellant, any registered interested and affected party and any organ of state with interest in the matter within twenty (20) days as described in Regulation 4 of the National Appeal Regulations, 2014. .
5. Any appeal against the decision contained in this Authorisation must be addressed in writing, to the MEC for Economic Development, Environmental Affairs & Tourism (hereinafter referred to as “the MEC”) in terms of Regulation 4(1) of the NEMA Appeal Regulations 2014 and within 20

(twenty) days after the appellant has been notified in terms of paragraphs 2 and 3, of the decision.

Only appeals on environmental grounds can be considered. All appeals should be accompanied by relevant supporting documentation.

6. An Appeal Submission must be made on a form obtainable from the Departmental Appeal Administrator and/or the Departmental website on www.dedea.gov.za or relevant Regional Office; and
7. The Appellant must also serve a copy of the appeal to the regional office that processed the application.
8. The address to which the **original** of such appeal and any other documents pertaining to the appeal must be mailed is outlined below. Please note that originals may also be delivered per hand or courier.

Department	Economic Development, Environmental Affairs & Tourism
Attention	General Manager: Environmental Affairs
Postal Address	Private Bag X0054, **BHISHO**, 5605
Hand delivery	Old Safety and Liaison Building (Global Life Complex) Opposite Engen Garage, Bhisho, 5605
In order to facilitate efficient administration of appeals **copies** of the notice of intention to appeal and any subsequent appeal documentation must also be submitted via email as follows:	
Manager: Mr S. Gqalangile - Environmental Impact Management per e-mail:	Siyabonga.Gqalangile@dedea.gov.za
CC: Ms Phumeza Gxala – Admin support for Mr Gqalangile	Phumeza.Gxala@dedea.gov.za

9. In the event that an appeal is lodged with regard to this Authorisation, the listed activities described in this Authorisation may not commence prior to the resolution of the appeal and prior to the Department's written confirmation of compliance with all conditions that must be met before construction can commence, whichever event is the latter.

DAYALAN GOVENDER
DEPUTY DIRECTOR: ENVIRONMENT AFFAIRS
SARAH BAARTMAN/NMB REGION
DATE: 18 April 2023

CC: Dr. Belinda Clark – CEN Integrated Environmental Management Unit
Email: tikkapox1@gmail.com

Province of the
EASTERN CAPE
ECONOMIC DEVELOPMENT, ENVIRONMENTAL AFFAIRS & TOURISM

Mr.R. Casoojee
041 5085800
0664868376
Riyadh.casoojee@dedea.gov.za
Ref: EC08/C/LN1&3/M/32-2022

Environmental Authorisation

AUTHORISATION NOTICE REGISTER NUMBER	Provincial Ref No: EC08/C/LN1&3/M/32-2022 Neas Ref No: ECP/EIA/0001292/2022
LAST AMENDED	Not applicable
HOLDER OF AUTHORISATION	Kouga Local Municipality
LOCATION OF ACTIVITY	Public open space and property managed by the Kouga LM in the village of Cape St Francis Erven 761, 477, 348, 171, 178, 179, 234, 832, and 1997

DEFINITIONS:

The following definitions are applicable to this Environmental Authorisation:

"Audit" – as used in the context of this Environmental Authorisation refers to an audit of compliance with conditions contained in this Environmental Authorisation and the requirements / stipulations of a Construction and / or Operational Environmental Management Programme and not to an Environmental Audit undertaken in terms of an accredited environmental management system by a certified environmental management systems auditor.

"Commencement" – In the context of this Environmental Authorisation and in order to effect the Environmental Authorisation commencement as used in Condition 3.3.1 refers to the commencement of any one routine maintenance activity and / or emergency repair works that are to be carried out in terms of the Environmental Authorisation and the approved EMMP.

"EAP" – Environmental Assessment Practitioner represented by CEN Integrated Environmental Management Unit.

"EIA regulations" – These are the 2014 Environmental Impact Assessment Regulations as amended and published in Government Notice R324 of 07 April 2017 in terms of Chapter 5 of the National Environmental Management Act, Act 107 of 1998 as amended.

"EMMP" - refers to the Maintenance Management Plan within the document titled "Integrated Environmental and Maintenance Management Plan for the Coastal Area of the Cape St. Francis Village, Kouga Local Municipality" dated December 2022 as prepared by CEN Integrated Environmental Management Unit and attached to the FBAR as Appendix F, which serves as both an Environmental Management Programme(EMPr) and a Maintenance Management Plan.

"FBAR" - Final Basic Assessment Report titled "A Development and Maintenance Management Plan for the Coastal Area of Cape St Francis Village, Kouga Local Municipality" dated December 2022 as prepared by CEN Integrated Environmental Management Unit.

"NEMA" – National Environmental Management Act, Act 107 of 1998.

"The Department" – The Department of Economic Development, Environmental Affairs and Tourism, Eastern Cape Province.

1. Decision

The Department is satisfied, on the basis of information available to it and subject to compliance with the conditions of this Environmental Authorisation that Kouga Local Municipality should be allowed to undertake the activity specified below. Details regarding the basis on which the Department reached this decision are set out in Section 4 of this Environmental Authorisation.

2. Activities and regulations for which authorisation has been granted

By virtue of the powers conferred on it by the National Environmental Management Act, Act 107 of 1998 and the NEMA Environmental Impact Assessment Regulations, 2014 as amended, the Department hereby authorises Kouga Local Municipality being the legal or natural person who has applied for this Authorisation, with the following contact details:

Name	**Kouga Local Municipality**		
Address	**33 Da Gama Road Jeffreys Bay 6330**		
Telephone	**042 200 2141**	**Fax**	**N/A**
Cell	**0671141329**	**Email**	**cduplessis@kouga.co.za**
Contact Person	**Mr. Charl de Plessis**		

To undertake the following activity (hereafter referred to as "the activity"), in terms of the scheduled activities or activities listed in the table below:

Detailed description of activity
The applicant wishes to engage in development, dune management, demolition and maintenance activities in various locations in the Cape St. Francis area. The below is a summary of activities which are further detailed in the FBAR and EMMP. **Development Activities:** 1. Develop a new parking area at the Triangular Erf (a section of Erf 486) at the intersection of Seal Point Boulevard and President Reitz Road: a. The carpark will be landscaped, and informative signage to highlight the biodiversity and cultural/heritage importance of the area will be erected. Grass-block paving is recommended for stormwater control. 2. Upgrade existing parking areas: a. Upgrade and maintain the Main Beach Carpark - Paving of Main Beach Carpark

b. Upgrade and maintain 3 existing gravel carparks along the Wildside - address erosion, pave with grass block pavers if possible, and erect signage.
c. Upgrade and maintain 2 existing parking areas at Shearwater Drive.

3. Erect 2 new ablution facilities at 2 parking areas on the Wildside, and one at the end of St Francis Drive. Ablution facilities to include toilets and washbasins only and will have a maximum footprint of 80m^2.
4. Erect signage:
   a. At the new parking lot at the triangular erf – informative signage showcasing the biodiversity and rich cultural heritage of the area.
   b. At areas identified in the BAR to direct traffic and pedestrians to beach access points along the coast.
5. Access and Boardwalks:
   a. Development of public boardwalks and formal access paths to the beach in identified areas i.e. Main Beach, Barcelona Place, Meeinlaan, Stavenissee, De Jonge Thomas, Drake Place, Cape St Francis Resort, and Shearwater Drive.
   b. Development of a public boardwalk in the 10 m stabilised zone in front of residences along the Main Beach. The boardwalk will enable controlled access from residences to beach access points as above and will be for the use of private residences and the public.
   c. Upgrade and maintain the existing stairway to the beach at the northern end of Seal Point Boulevard.
   d. Demarcate the boundary of identified access ways to the beach that are going to be 'sand walkways' to control foot traffic.
6. Demarcate off-street parking in road reserves along Seal Point Boulevard.
7. Erect a 'wall of remembrance' and prevent further ad hoc erection of public benches near the carpark on the corner of Seal Point Blvd and St. Francis Way.

Dune Management Intervention Activities

1. Removal of excess sand that presents a risk of slumping.
2. Removal of vegetation in areas (as a result of the need to move excess sand).
3. Removal of sand from landward structures and infrastructure (e.g. carparks, sand toppling onto properties).
4. Establish a suitable dune profile along the base of the dune to remedy the impact of private landowners stabilising a large area of the dune.
5. Decommissioning informal and illegal access paths through public open space.
6. Stabilise a 10 m zone in front of houses along Main Beach to protect properties from sand inundation. The application is for 10 m, but with the option of extending the buffer zone to a maximum of 30 m if medium to long term monitoring shows that the combination of dune management measures are not effective at preventing sand inundation. This will need to be addressed in ongoing monitoring, reporting and discussion with relevant parties.
7. Removal of illegal gardens and structures in public open space (beyond the 10 m stabilisation zone).
8. Rehabilitation of decommissioned areas.
9. Stabilise areas in the dune at risk of slumping/erosion – brush packing/planting

10. Add sand fences

Erosion Protection:

1. Erosion protection along Seal Point Boulevard – Upgrading current erosion protection measures used along Seal Point Boulevard.

Maintenance Activities: (To be carried out as per the EMMP section 6 and any other applicable sections)

1. Keep sand out of Main Beach Carpark, and the septic tank to the left of the ablution block for maintenance.
2. Maintenance of parking areas (e.g. sand removal, trimming vegetation).
3. Carparks along Wildside – stormwater management, demarcation, signage.
4. Maintenance of boardwalks and walkways, including stabilisation of the area around these structures and keeping sand off.
5. Rehabilitate areas where footpaths, gardens, lawns, structures etc in dunes have been decommissioned.
6. Irrigation of rehabilitated/stabilised areas.
7. Sand fences – maintain, shift if necessary.
8. Ablution blocks – maintain, clean and service.
9. Maintaining existing trails/cycle ways
10. Erecting and maintaining signs
11. Ongoing maintenance of erosion protection measures, and adaptive management if needed by using bigger boulders.
12. Maintain the 10 m stabilisation zone through active planting and using silt fences.
13. Ongoing sand removal from landward areas where required (inform by monitoring)

Demolition/Decommissioning Activities (To be carried out as per the EMMP section 6 and any other applicable sections)

1. Removal of lawns and gardens created by private landowners in public open space.
2. Removal of structures/infrastructure illegally placed in public open space by private landowners.
3. Decommissioning illegal/informal walkways and footpaths to the beach
4. Decommissioning informal / illegal trails and footpaths, and preventing access to these areas along the Wildside– formal FOSTER trails will be maintained.
5. Remove obstacles placed along roadsides by private people to prevent access/parking.

A timeline with phases has been suggested to implement the various activities. The Kouga LM will review annual budgets and monitoring reports prior to moving to the next stage in the plan to make sure there are sufficient resources to implement the full extent of the activity, to monitor the consequences, and to respond if any issues are noted. The envisioned timeline is 10 years with yearly phases. Please refer to FBAR for information pertaining to the phasing of such.

Works planned but excluded from this Environmental Authorisation 1. Boulder Beach – improve condition of the access road to the beach and implement proper drainage crossing to allow for flow under all conditions. This will be subject to a separate Basic Assessment and WULA.	
Listed Activities in terms of the NEMA EIA Regulations 2014 as contained in the amended application form:	
LN1: GNR. 327 Activity 15	The development of structures in the coastal public property where the development footprint is bigger than 50 square metres
LN1: GNR. 327 Activity 18	The planting of vegetation or placing of any material on dunes or exposed sand surfaces of more than 10 square metres, within the littoral active zone, for the purpose of preventing the free movement of sand, erosion or accretion excluding where- (i) the planting of vegetation or placement of material relates to restoration and maintenance of indigenous coastal vegetation undertaken in accordance with a maintenance management plan
LN1: GNR. 327 Activity Activity 19	The infilling or depositing of any material of more than 10 cubic metres into, or the dredging, excavation, removal or moving of soil, sand, shells, shell grit, pebbles or rock of more than 10 cubic metres from a watercourse; but excluding where such infilling, depositing, dredging, excavation, removal or moving— (b) is for maintenance purposes undertaken in accordance with a maintenance management plan;
LN1: GNR. 327 Activity 19A	The infilling or depositing of any material of more than 5 cubic metres into, or the dredging, excavation, removal or moving of soil, sand, shells, shell grit, pebbles or rockof more than 5 cubic metres from— (i) the seashore; (ii) the littoral active zone, an estuary or a distance of 100 metres inland of the high-water mark of the sea or an estuary, whichever distance is the greater; or (iii) the sea; — but excluding where such infilling, depositing, dredging, excavation, removal or moving— (b) is for maintenance purposes undertaken in accordance with a maintenance management plan
LN1: GNR. 327 Activity 27	The clearance of an area of 1 hectares or more, but less than 20 hectares of indigenous vegetation, except where such clearance of indigenous vegetation is required for— (ii) maintenance purposes undertaken in accordance with a maintenance management plan
LN1: GNR. 327 Activity 54	'The expansion of facilities: (iii) within the littoral active zone (v) if no development setback exists, within a distance of 100 metres inland of the high-water mark of the sea or an estuary, whichever is the greater

	in respect of: (c) embankments (d) rock revetments or stabilising structures including stabilising walls (e) infrastructure or structures where the development footprint is expanded by 50 square metres or more
LN3: GNR. 324 Activity 12	The clearance of an area of 300 square metres or more of indigenous vegetation. a. Eastern Cape iii. Within the littoral active zone or 100 metres inland from the high water mark of the sea, whichever distance is the greater, excluding where such removal will occur behind the development setback line on erven in urban areas; iv. Outside urban areas, within 100 metres inland from an estuarine functional zone; or v. On land, where, at the time of the coming into effect of this Notice or thereafter such land was zoned open space, conservation or had an equivalent zoning

At the locality defined in the Table below, and hereafter referred to as "the property":

District	Sarah Baartman
Municipal Area	Kouga Local Municipality
Farm Name	N/A
Farm Number and Portion	N/A
Erf Number and Township Extension or Suburb	Public open space and property managed by the Kouga LM in the village of Cape St Francis Erven 761, 477, 348, 171, 178, 179, 234, 832, and 1997
Co-ordinates of development footprint	Please refer to attached Appendix 1, an excerpt from the Screening Tool Report.
Physical address	Various.

This Environmental Authorisation is granted subject to the conditions set out below.

3. Conditions

The Department of Economic Development, Environmental Affairs and Tourism may from time to time review this Environmental Authorisation and on good grounds and after written notice to the holder thereof, suspend or amend such Environmental Authorisation.

5.8 In the event that an appeal is lodged with regard to this Authorisation, the listed activities described in this Authorisation may not commence prior to the resolution of the appeal and prior to the Department's written confirmation of compliance with all conditions that must be met before construction can commence, whichever event is the latter.

RIYADH CASOOJEE
ENVIRONMENTAL OFFICER: EIM
SARAH BAARTMAN/NMB REGION
DATE: 18/04/2023

DAYALAN GOVENDER
DEPUTY DIRECTOR: ENVIRONMENT AFFAIRS
SARAH BAARTMAN/NMB REGION
DATE: 18 April 2023

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO:**25/04/PD4**

REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL TO DONATE ERVEN 1324 KWANOMZAMO AND 848 PATENSIE TO THE DEPARTMENT OF PUBLIC WORKS

1. **Introduction**

The purpose of this item is to request Council's in principle approval to donate Erven 1324 Kwanomzamo and 848, Patensie to Department of Public Works and Infrastructure regularise to accommodate existing clinics.

2. **Background**

In February 2019, the Council approved the subdivision and surveying of Erven 1324, Humansdorp (Kwa-Nomzamo) and 843, Patensie to accommodate existing clinics at the cost of the Department of Public Works (**Annexure A**). The resolution, however, did not indicate permission to transfer these to the Department of Public Works.

The clinics were built on municipal land, and the intention is to rectify the current situation. The attached location plan (**Annexure "B"**) indicates the areas that are occupied by the clinics and other land uses.

3. **Discussion**

A request (**Annexure "C"**) was received from The Department of Public Works, for Council to consider transferring Erven 1324, Humansdorp (Kwa Nomzamo) and 848, Patensie to the Eastern Cape Provincial Department.

Erf 1324, Humansdorp (Kwa Nomzamo) is currently zoned "Institutional Zone 1, and measures approximately 3520m^2 in extent. The property comprises residential units and a clinic with a small portion of the clinic building transversing over Erf 1983 Kwa-Nomzamo, currently zoned 'Public Open Space Zone 1".

Erf 848 Patensie measures approximately 2647m^2 in extent. It was zoned Authority Zone before the scheme was adopted in 2021. After the Town Planning Scheme adoption in 2021, Erf 848 Patensie is now zoned "Community Zone" and comprises of a clinic and community hall.

Erf 1324, Humansdorp (Kwa-Nomzamo) needs to be consolidated with the adjacent erf because the existing building is over both Erven 1324 and 1983 Kwa-Nomzamo.
The transfer will also ensure that the Department of Public Works take account of these properties. Due diligence was performed in accordance with Council

Resolution 19/02/PDT3, and it can be confirmed that the Municipality does not need the identified erven for minimum basic services.

4. **Financial Implications**

Completed by BTO -	Not Applicable
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	No financial implications to Council.

5. **Applicable Legislation**

Municipal Finance Management Act 56 of 2003
Municipal Asset Transfer Regulations
Kouga Municipal Disposal of Immovable Assets Policy of 2020, as approved by Council.

6. **Legal Implications**

Should the Council rescind the previous Council resolution, said resolutions shall become null and void. It is of importance to confirm that the resolutions to be rescinded have in no way been implemented yet. If it has been implemented, the permission of the third party must be obtained or the resolution should be rescinded by way of a judicial review.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Recommendation supported.

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 Council note and consider the report and **grants in-principle approval** for the alienation of Erven 1324, Humansdorp (Kwa-Nomzamo) and 848 Patensie to the Department of Public Works and Infrastructure by way of a donation subject to:

10.1.1 That Erf 1324 Humansdorp be subdivided from the residential units.

10.1.2 That Erf 1324 Humansdorp be consolidated with a portion of the adjacent erf, erf 1983 due to the building been built over both Erf 1324 and Erf 1983.

10.1.3 That the existing entrance road to Kwa-Nomzamo also transverses Erf 1983 and a "road reserve" must be created over Erf 1983.

10.1.4 That Erf 848 Patensie be subdivided from the municipal building (community hall).

10.2 That Council confirms that land will not be required for provision of basic municipal services in the future.

10.3 That Council grants permission for the closure of a portion of the Public Open Space (Erf 1983 Humansdorp) to allow the proposed consolidation.

10.4 That Council grant authorisation to the Accounting Officer to advertise the intention to donate for public participation process.

10.5 That the Department Public Works be liable for all surveying costs regarding the subdivision, consolidation and rezoning of Erf 1324 in Humansdorp and Erf 848 Patensie.

10.6 That the Department Public Works be liable for all costs related to the transfer of properties contemplated herein.

Item prepared by the: The Manager: Land & Property Administration 

Item approved by the: Director Planning & Development 

Item endorsed by the: Municipal Manager: 

Item noted by Portfolio Chairperson: 

Annexure "A"

EXTRACT OF ORDINARY COUNCIL MEETING HELD ON 28 FEBRUARY 2019

19/02/PDT3 APPLICATION FOR APPROVAL: APPOINTMENT OF A LAND SURVEYOR: SUB-DIVISION OF ERF 1324 IN KWANOMZAMO AND ERF 848 PATENSIE TOWNSHIPS FOR CLINIC PURPOSES;

Resolved (28 February 2019)

1. That the subdivision and appointment of a service provider for the surveying of the Erf 1324, Kwanozamo and Erf 848 Patensie, be approved.

2. That, the appointment of professional service providers be in accordance with Council Supply Chain Policy, be approved.

3. That the Department of Public Works be liable for all and any costs derived from the transfers, be supported.

4. That the Department of Public Works also be liable for all surveying costs regarding the Subdivision of Erf 1324 in Kwanomzamo and Erf 848 Patensie Townships for Clinic purposes, be supported.

Annexure "B"

ERF 1324, KWANOMZAMO:



ERF 848: PATENSIE:



Annexure "C"

Province of the
EASTERN CAPE
PUBLIC WORKS & INFRASTRUCTURE

IMMOVABLE ASSET MANAGEMENT: SARAH BAARTMAN REGION
Department of Public Works • Ford House Building • Albany Road • Port Elizabeth • Eastern Cape
Private Bag X0004 • Port Elizabeth • 6000 • REPUBLIC OF SOUTH AFRICA
Tel: +27(041) 3909045. Email: Noxolo.Ngqunge@ecdpw.gov.za

Date: 21 July 2021
Reference: 11/5/2/1/(2)
Enquiries: Noxolo Mthathi

The Municipal Manager
Kouga Municipality
P.O. Box 21
JEFFREYS BAY
6330

Dear Sir

PROPOSED TRANSFER OF LAND IN VARIOUS TOWNSHIPS WITHIN THE KOUGA MUNICIPALITY AREA TO THE EASTERN CAPE PROVINCIAL GOVERNMENT

The Department of Public Works and Infrastructre conducted a land audit of all state-owned properties as well as buildings which have a provincial state domestic function i.e. schools and clinics, situated within the Kouga Municipality.

During the investigation it was established that a number of schools and clinics have been built on land which has been set aside for health and educational purposes during the establishment of townships. All these properties are according to the Municipal Zoning Scheme, zoned for health and institutional purposes. The land however, still forms part of the underlying land on which the townships were developed and which is owned by the Kouga Municipality.

During the investigation, all clinics which are now under the control of the Department of Health were also identified.

Details of the properties on which clinics are situated, are as follows:

TOWN / TOWNSHIP	FACILITY	PROPERTY DESCRIPTION
Humansdorp	KwaNomzamo Clinic	Erf 1324, Humansdorp
Patensie	Imizamo Yethu Clinic	Erf 848, Patensie

In order for the Department of Public Works and Infrastructure to account for these properties, it is important that the land parcels be transferred to the Eastern Cape Provincial Government.

The Department of Public Works and Infrastructure has a custodial authority to facilitate the acquisition of immovable assets required for state domestic functions on behalf of the Eastern Cape Provincial Government Department. You are therefore requested to indicate whether your Council will be prepared to consider the transfer

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/PD5**

REQUEST FOR COUNCIL TO RESCIND PREVIOUS RESOLUTION AND COUNCIL'S AUTHORIZATION TO ADVERTISE AND IN-PRINCIPLE APPROVAL FOR THE ALIENATION (LEASE) OF ERF 1259, SEA VISTA – ST FRANCIS BAY PADDLING CLUB

1. **Introduction**

The purpose of this item is to request Council to rescind previous resolution and to obtain Council's in-principle approval for the alienation (lease) of Erf 1259, Sea Vista to St Francis Paddling Club represented by Mr. Charles Jonsson for a period of 9 years and 11 months.

2. **Background**

An in-principle approval was taken on 30 September 2021 for closure, rezoning and disposal of erven 887, 1259 and 2496(Resolution 21/09/PD16). However, it was decided not to proceed with this process but to preserve these public open spaces.

3. **Discussion**

An application was received to use Erf 1259, Sea Vista to house the Paddling Club's canoes and to run their weekly time trials, races, and development program attached as **Annexure "A"**.

The Club consists of 178 members has been in operation for the last 9 years from the Quays, however, the owner has since sold the property, and the applicant had to vacate the property.

Land parcel information and aerial image indicating the location of the property is attached as **Annexure "B"**. The leading department considered and discussed the option in the application letter with the applicant and it was concluded that the best option would be Erf 1259, Sea Vista due to it's size and proximity to a place or recreation.

The property is zoned as Transport Zone and registered in the name of Creative Landscapers Pty Ltd. The property technically belongs to Kouga Municipality as this is zoned for public road purposes.

The Section 14 process was concluded and is attached below with aerial image and land parcel information of the property as **Annexure "C"**.

4. **Financial Implications**

Completed by BTO -	
Project Description	Land Valuations & surveyor & planning services
Ukey no.	20210710001552
Budgeted Amount	R750 000.00
Amount spent and committed to date	R309 152.20
Amount Available	R440 847.80
Comment	No comment
Completed by BTO -	KOUGA MUNICIPALITY BUDGET &TREASURY

5. **Applicable Legislation**

Municipal Finance Management Act 56 of 2003
Municipal Asset Transfer Regulations
Kouga Municipal Disposal of Immovable Assets Policy of 2020, as approved by Council.

6. **Legal Implications**

Should the Council rescind the previous Council resolution, said resolutions shall become null and void. It is of importance to confirm that the resolutions to be rescinded have in no way been implemented yet. If it has been implemented, the permission of the third party must be obtained or the resolution should be rescinded by way of a judicial review.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Recommendation supported.

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 Council **rescind resolution 21/09/PD16** and **grant in-principle approval** for the alienation (lease) of Erf 1259, Sea Vista, to the St. Francis Bay Paddling Club represented by Mr. Charles Jonsson for a period of 9 years and 11 months.

10.2 That Council authorizes the Accounting Officer to advertise the intended alienation of the immovable property.

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

10.4 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 prepared by the: The Manager: Land & Property Administration

Item approved by the: Director Planning & Development

Item endorsed by the: Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure "A"

St Francis Bay Paddling Club

Tel: 0826025705 Email: charles@bullgroup.biz

26 April 2023.

Right of Use of a Public Open Space for the St Francis Paddling Club.

Dear Lorraine,

As you are no doubt aware the land at The Quays, on which the St Francis Paddling Club has housed our canoes and run our weekly time trials, races, and Development Program from for the past 9 years, has been sold, which leaves us as a Club of 178 members, mostly St Francis residents, homeless.

For obvious reasons we now need to find an alternative space to relocate to, again, for obvious reasons, this space needs to be on the canals. To this end we have established that there are a few suitable Public Open Spaces / Public Places, any of which would suit our requirements. These are, in no order of preference :

1. The POS that adjoins erf 627 at the end of Canal Road at the Cove
2. The Erf 1259 the POS between erfs 740 and 1262 on the seaward side of the Greek Taverna in Mayotte Close
3. Erf 1279 at the Small Boat Harbour, below the demarcated trailer park currently not being used for anything by the Riparian's

Another option would be to better use the current Riparian's space at SBH by digging into the bank separating the top car park and the lower launch site, by putting in a retaining wall with a wooden deck over the top as this space in approx. 30meters long, 6 meters deep, and 2 odd meters high, perfect for our requirements. This simply makes better use of the current space and doesn't take away any part of the car park, trailer park or grass picnic area.

Our current storage accommodates 120 canoes, which if correctly done would require about 120 sqm of under cover / shade and additional space for future expansion and possibly a small Clubhouse from which to do races, run our Academy Program and hold our weekly time trials. We have also discussed the possibility of sharing this space with the St Francis Runners Club as they too will be inconvenienced by the development of The Quays as they run their weekly time from that site too.

We are hosting for the 3rd time, in May and June 2023, both the EC and SA Champs of the Canoe Marathon Champs, this year it also includes SUP (Stand Up Paddleboards) SA Champs and on the same Sunday after SA Champs, we host the SA Surfski Trials to select a team to go to World Champs. We have 4 paddlers from Sea Vista currently on an intensive course as they are going shortly on an exchange program to Germany, a truly life changing and enriching experience for them.

St Francis Bay
Paddling Club

Tel: 0826025705 Email: charles@bullgroup.biz

It is time for us to have a place to call Home !.

Please let me know what additional information you require from myself and or the SFPC and I will happily oblige.

Kindest Regards

Charles Jonsson.

Annexure "B"



Land Parcel

14 Mar 2025 11:11

Erf	1259 of Sea Vista	**Zoning: Financials**	PUBOS
Address	Street Unknown	**Zoning**	Kouga Municipality Land Use Scheme - Transport Zone 1
SG Number	C03400140000125900000	**Land Usage: Financials**	
Municipality	Kouga	**Ward: Financials**	Kouga 12
Township/Holding: Title Deed	Sea Vista	**Ward: Demarcation Board**	Kouga 12
Suburb: Financials	St Francis Bay - Canals (Non Riparian) (70001)	**Sources**	Deeds Office, Surveyor General, Financials
Centroid	34.14866766686335S 24.837544262868324E	**Effective**	
Sectional Title	No		
Extent	3194sqm		
Extent (SG)	2383sqm		
Extent (Title Deed)	3194 SQM		

Title Deeds

Owner	Title Deed	Share	Purchased	Registered	Price (Alpha)	New No
Creative Landscapers Pty Ltd (70/6327/07)	T21562/1977	0.0000		25 Aug 1977	R	
Creative Landscapers Pty Ltd	T21562/1977	0.0000		25 Aug 1977		T4625/1988

Properties

Unit	26 Digit Code	Owner(s) and Id(s)	Scheme	Scheme Number
0	C03400140000125900 00000000	Creative Landscapers Pty Ltd (70/6327/07)		

Current Municipal Information

Valuation Date	Valuation Category	Valuation Category Tariff	Market Value	Extent
		Type PSI	1000	0

Annexure "C"

ERF	AREA	LAND USE SCHME	BUILDING CONTROL	DEPARTMENTS
1259	**SEA VISTA**	Zoning is reflected on OVVIO system as "Open Space Zone 1". No objection to the proposed lease. Applicants must obtain appropriate land use rights in terms of SPLUM By-law and closure of POS, if applicable, to be done.	Supported on condition that if structures are erected the applicant must first comply with Town Planning and service department's comments before submitting a building plan application to Building Control for approval.	**CS (Environmental Health):** No objection on condition that land use is in compliance and use of property won't become a nuisance to the surrounding neighbors.

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/PD6**

REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL FOR ALIENATION (LEASE) OF A PORTION OF PORTION 125 OF FARM 335, HUMANSDORP RD (OCEANVIEW)

1. **Introduction**

The purpose of this item is to request Council's final approval for the lease of a portion of Portion 125 of Farm 335, Humansdorp RD (Oceanview) to Impact Centre (275-968 NPO).

2. **Background**

The applicant was granted a 3-year short-term lease agreement for Erf 7293, Jeffreys Bay (Oceanview). However, the property is located next to a business zoned property allocated for a Tshisanyama, hence the request as Portion 125 of Farm 335, Humansdorp RD (Oceanview) is ideally located opposite Kings College school. A copy of the signed lease agreement is attached as **Annexure "A"**.

3. **Discussion**

The request is for the lease of Municipal property, a portion of Portion 125 of Farm 335, Humansdorp RD (Oceanview) to Impact Centre (275-968 NPO) for a community centre as there are no such facilities in the area of Oceanview.

The Centre will be a communicational platform for:

- Leadership Development
- Business Skills and Youth Entrepreneurship Development [Villa Vy House]
- Computer skills development
- Mentorship and Discipleship Programs/@homes
- After-Care School Program
- Football, Basketball, Netball programs
- Home visits/ evangelism
- Sunday School /Children Church Programs

A copy of the application is attached for ease of reference and marked as **Annexure "B".

A copy of the Locality Map is further attached as **Annexure "C"**.

It should be noted that this land will not be used as a conventional church but seeks to address the challenges faced by the public, i.e. Leadership Development, Business Skills and Youth Entrepreneurship development, Computer skills development, Mentorship and Discipleship Programs/@homes,

After school program, Home visits/ evangelism and Sunday School / Children Church programs.
The valuation report for Erf 7293, Jeffreys Bay is attached as **Annexure "D"**.
Power of Attorney attached as **Annexure "E"**.
Section 14 comments for Erf 7293, Jeffreys Bay attached as **Annexure "F"**.

4. **Financial Implications**

Completed by BTO -	
Project Description	Land Valuations & surveyor & planning services
Ukey no.	20210710001552
Budgeted Amount	R750 000.00
Amount spent and committed to date	R309 152.20
Amount Available	R440 847.80
Comment	No comment
Completed by BTO -	KOUGA MUNICIPALITY BUDGET &TREASURY

5. **Applicable Legislation**

Municipal Finance Management Act No. 56 of 2003
Municipal Asset Transfer Regulations, 2008
Spatial Planning and Land Use Management Act No. 13 of 2013
Kouga, Spatial Planning and Land Use Management By-law, 2016
Policy and Procedures for the Disposal of Immovable Assets, 2020, as approved by Council.
Leasing Policy for Municipally Owned Immovable Property, 2020, as approved by Council.

6. **Legal Implications**

Should the Council resolve to approve the recommendations herein, the Administration may proceed with advertising the Council's intention to alienate the immovable property by way of a lease for public comment and/or objections.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Recommendation supported.

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 Council **grant in-principle approval** for the lease of a portion of portion 125 of Farm 335, Humansdorp RD (Oceanview) for 9 years and 11 months to Impact Centre (275-968 NPO) with restrictive conditions in respect of the land usage for the sole purposes of social care uses.

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

10.3 That Council grant authorisation to the Accounting Officer to advertise the intention to alienate the subject property

10.4 That Council considers the market-related rental valuation in line with the provisions of the approved Asset and Disposal Policy of Council for Social Care uses.

Item prepared by the: The Manager: Land & Property Administration

Item approved by the: Director Planning & Development

Item endorsed by the: Municipal Manager:

Item noted by Portfolio Chairperson:

ANNEXURE "A"

KOUGA
local municipality
Good Governance through Service Excellence

LEASE AGREEMENT

Entered into by and between

KOUGA MUNICIPALITY (EC108)

A municipality as contemplated in Section 2 of the Local Government: Municipal Systems Act No.32 of 2000, and herein duly represented by the Municipal Manager, and who is duly authorised thereto;

Mr. Charl du Plessis with identity number: 671015 5014 085

(hereinafter referred to as the **Lessor**)

and

IMPACT CENTRE (275-968 NPO)

Registration number: 2022/423525/08

A non-profit company duly incorporated in terms of the applicable laws and the Republic of South Africa, herein represented by a director, who is duly authorised thereto:

Mr. Ngaziwa Alfred Jongile with identity number 770503 5601 084, currently residing at 16 Garnaal Street, Pellsrus, Jeffreys Bay, 6330

(hereinafter referred to as the **Lessee**)

RECORDAL:

A. The Lessor is the registered owner of erf 7293 Jeffreys Bay including any existing buildings erected thereon, if any (the **Property**).

B. The Lessee desires leasing the Property from the Lessor for the purposes of operating a church and related activities; and,

C. The Lessor agrees to let the Property to the Lessee, who voluntarily agrees to lease the Property from the Lessor, subject to the terms and conditions contained in this lease agreement (the **Agreement**); and,

D. The Lessee acknowledges and agrees that this Agreement shall be subject to the Lessor's policies and applicable legislation of the Republic of South Africa; and,

E. The Lessee acknowledges further that the Property subject to the agreement is a vacant erf with no municipal service connections and which service connections, if installed, shall be for the account of the Lessee.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

1.1. In this Agreement, unless clearly inconsistent with or otherwise indicated by the context –

1.1.1. **"Agreement"** or **"Lease Agreement"** means this written Lease Agreement which contains the terms and conditions applicable to the relationship between the parties including all duly incorporated annexures and addendums.

1.1.2. **"Applicable laws"** means, in relation to a Party, all and any of the following:

1.1.2.1. statutes and subordinated legislation and common law;

1.1.2.2. regulations, ordinances, and by-laws;

1.1.2.3. directives, codes of practice, circulars, municipal policies, guidance notices, judgments and decisions of any competent authority, or any governmental, inter-governmental or supranational agency, body, department or regulatory, self-regulatory or other authority or organisation; and

1.1.2.4. other similar provisions.

1.1.3. "**Building**" means any structures or buildings erected, or to be erected, on the Property whether the structure is permanent or temporary;

1.1.4. "**Business Day**" means a day, other than a Saturday, a Sunday or a *Gazetted* public holiday in the RSA, and in the event that a day referred to in terms of this Agreement should fall on a day which is not a Business Day, then the relevant date shall be extended to the next succeeding Business Day;

1.1.5. "**Commencement Date**" means the date contemplated in clause 4.1. and on which date the terms of this Agreement shall come into effect and bind the parties hereto;

1.1.6. "**Church**" means a place of worship;

1.1.7. "**Council**" means the Municipal Council of Kouga Local Municipality;

1.1.8. "**Lease period**" means the period stipulated in clause 4.2;

1.1.9. "**Lessee**" refers to the tenant as cited in the cover page hereof who shall let the property in accordance with the conditions herein from the lessor, whose contact details are as follows:

1.1.9.1. Mobile: 071 182 3718

1.1.9.2. E-mail: alfredjongile2003@yahoo.com

1.1.9.3. Website: www.impactchurch.com

1.1.10. "**Lessor**" refers to the landlord and property owner as cited on the cover page hereof, who is Kouga Local Municipality.

1.1.11. "**Parties**" means, collectively, the Lessor and the Lessee and "Party" shall mean either of them as the context may indicate;

1.1.12. "**Property**" means the immovable property belonging to the Lessor to be leased by the Lessee in return for rental, as more fully described in the valuation certificate attached hereto marked **Annexure A**, the contents of which is incorporated herein as if specifically traversed;

1.1.13. "**Rates**" means the assessment rates payable on the Property and includes other charges payable by the Lessor to the local authority but excludes charges for water, electricity, gas, or other services;

1.1.14. "**RSA**" means the Republic of South Africa;

1.1.15. "**Signature Date**" means the date upon which this Agreement is signed last in time by one of the Parties; and

1.1.16. "**Social Purpose**" means 'social use' as defined in the 'Leasing Policy for Municipality Owned Immovable Property', which refers to the creation of temporary places of assembly (i.e. churches, creches, sports facilities, etc.) for the benefit of the community.

1.1.17. "**Termination Date**" means on the third anniversary of the Lease Agreement, being 3 (three) years from the Commencement Date, on which date the Agreement comes to an end, subject to the provisions of clause 5.

1.1.18. "**VAT**" means value-added tax or similar taxes charged and levied and any other indirect tax additionally imposed; and

1.1.19. "**Annum**" or "**anniversary**" or "**Year**" means a period of 12 (twelve) consecutive months starting on the date on which this Agreement comes into effect or any anniversary of that date.

2. INTERPRETATION

2.1. In this Lease Agreement, unless clearly inconsistent with or otherwise indicated by the context –

2.1.1. any reference to the singular includes the plural and *vice versa;*

2.1.2. any reference to natural persons includes legal persons and *vice versa;*

2.1.3. any reference to a gender includes the other genders; and

2.1.4. references to any enactment shall include references to such enactment as it may, after the Signature Date, from time to time be amended, supplemented or re-enacted.

2.2. Where appropriate, meanings ascribed to defined words and expressions in clause 1, shall impose substantive obligations on the Parties.

2.3. The clause headings in this Agreement have been inserted for convenience only and shall not be taken into account in for the purposes of interpretation.

2.4. In the interpretation of this Agreement, the *contra proferentum* rule of interpretation shall not apply (this Agreement being the product of negotiations between the Parties), nor shall this Agreement be construed in favour of, or against, any Party by reason of the extent to which any Party, or its professional advisors, participated in the preparation of this Agreement.

2.5. The use of the word "including" followed by a specific example or examples shall not be construed or interpreted as limiting the general scope of the wording preceding it, and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording and/or such specific example or examples.

2.6. Any provision imposing a restraint, prohibition or restriction on the Lessee shall be so construed that the Lessee is not only bound to comply therewith, but is also obliged, to the extent reasonably possible, to procure that the same restraint, prohibition or restriction is observed by everybody occupying or entering the Property or any part thereof through, under, by arrangement with or at the invitation of, the Lessee, including its subsidiaries and the directors, members, officers, employees, agents, customers and invitees of the Lessee.

2.7. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the RSA and be subject to any Applicable Laws.

3. PROPERTY DESCRIPTION AND LETTING

3.1. The Lessor lets the Property to the Lessee who voluntarily leases from the Lessor the immovable property described as Erf 7293 Jeffreys Bay, situate in area known as Oceanview, in extent, 1660 square metres, subject to the terms and conditions of this Lease Agreement from the Commencement Date.

3.2. The Lessee understands and agrees that in order to operate a business on the property described herein the Lessee may need to obtain the required consent from the relevant authority. Should the Lessee in any way operate the intended business on the leased premises in the absence of the required consent, if any, the Lessor shall cancel this Agreement with immediate effect.

3.3. The Lessee is agreeable to lease the Property described in 3.1. above and shall take occupation of the property on the commencement date to execute the duties and obligations in terms of this agreement.

4. COMMENCEMENT AND DURATION

4.1. This Agreement shall commence on the Signature Date hereof.

4.2. The Agreement shall subsist for a period of 3 (three) years from commencement date and shall terminate with immediate effect upon expiry of this lease period, and at which event the Lessee shall vacate and grant the Lessor vacant occupation of the Property, unless terminated prior thereto by giving the other Party 3 (three) months' written notice.

5. TEMPORARY LEASE AFTER TERMINATION DATE

Signatory initials:

5.1. Without prejudice to any rights that the Lessor may have in law, in the event of any continued occupation of the Property by the Lessee notwithstanding the termination or cancellation, and without the Parties having concluded a formal agreement extending the terms hereof in writing (which must be signed by both the Lessee and the Lessor), for any reason whatsoever, and irrespective of any oral discussions, representations, negotiations and correspondence that may have been exchanged between the Parties -

5.1.1. the Lessee shall be deemed to lease the Property on a temporary basis, subject to all the terms and conditions contained in this Agreement (except for clause 4, which shall be excluded) provided that either Party shall be entitled to terminate any such temporarily extended occupation by giving 1 (one) month's written notice of termination to the other Party; and

5.1.2. the Lessee further agrees that, in such circumstances, that it shall be liable for all charges payable in respect of this Agreement.

6. RENTAL AND OTHER CHARGES

6.1. The Parties agree that a monthly rental amount shall be payable by the Lessee to the Lessor, and which rental shall be in the amount of R 330.00 (three hundred and thirty Rand only) excl. VAT), a fair market value as per **Annexure A**.

6.2. Rental shall escalate on the anniversary date of this Agreement with an amount equal to the percentage fixed in accordance with the prevailing Consumer Price Index (CPI) at the date of the anniversary of this Agreement.

6.3. The Lessee acknowledges that it shall –

6.3.1. be liable for all costs relating to the connection of services, service fees and any other costs associated with the Lease Agreement;

6.3.2. cause a municipal service account to be opened in respect of this Property, with the reasonable assistance of the Lessor; and,

6.3.3. it shall be liable for the payment of all electricity and water consumption, refuse removal services, and all service charges levied by any local or governmental authority in respect of the Property, failing which the Lessee will be in breach of this Agreement.

6.4. The Parties acknowledge and agree that the Lessor will be liable to pay VAT on the services and other amounts payable pursuant to this agreement.

6.5. The Parties agree that the monthly rental amount shall be payable monthly in advance, on or before the 7th day of each and every month, during the

existence of this Agreement, and which date shall be the due date for payment of services rendered in the month immediately preceding.

6.6. It shall be the responsibility of the Lessee to advise the Revenue Department of the Kouga Municipality of its occupancy and make the required arrangements for the municipal services account to be directed to it as the Lessee.

6.7. The Lessee shall pay to the Lessor the agreed rental amounts contained in this clause, free of any deductions, directly at the cashiers at the Lessor's main building, or alternatively into the following municipal bank account:

Bank:	First National Bank
Account Holder:	Kouga Municipality
Account Number:	5254 0033 504
Branch Code:	210 515
Reference:	Erf 7293 JB – Impact Centre

6.8. The Parties agree that it shall remain the responsibility of the Lessee to provide the Lessor with such proof of payment on a monthly basis, and which proof of payment can be sent to the Assets Department of the Lessor, at the following email address: nswarts@kouga.gov.za.

7. PURPOSE AND IMPROVEMENTS

7.1. The Parties agree that the property shall be used solely for the purposes of opening and running a general goods store and for no other purpose whatsoever, unless prior written consent has been obtained from the Lessor.

7.2. The Parties understand that for purposes of the implementation of the intended use herein, certain improvements will have to be affected after the planning and design phase has been completed, and which improvement may include, but is not limited to, the erection and installation of certain temporary and/or permanent structures to accommodate the intended purpose.

7.3. The Lessee confirms and agrees that any costs directly and/or indirectly related to any and all improvements, repair work, erection of structures and any other building work effected on the leased premises for the intended occupation of the Property will be for their own cost, and further that the Lessee shall have no claim against the Lessor for any reimbursement of these costs, not during the existence of the agreement and not at or after the expiry of this agreement.

7.4. The Lessee confirms that no structures erected on the Property shall be occupied or used for the intended purpose prior to the Lessor's Building Control section approving and certifying that the premises is safe for use by issuance of an Occupation Certificate as required by the applicable national building regulations and standards.

7.5. The Lessor does not warrant that the Lessee will be granted any licence, permit, or consent which may be required or be necessary for carrying on of the intended purpose or use of the Property.

7.6. The Lessee shall be responsible for obtaining the necessary permits required to trade.

8. DUTIES AND RESPONSIBILITIES OF THE LESSEE

8.1. The Lessee shall be responsible to maintain the Property and always keep it in a clean and tidy state during the existence of the agreement.

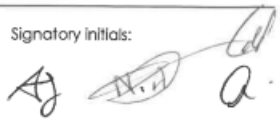
8.2. The Lessee accepts that the risk and accountability for the property herein transfers to the Lessee on the signature date.

8.3. The Lessee, its employees, representatives, agents, consultants, contractors or any other person entering the Property, with or without the authorisation of the Lessee, shall not have any claim against the Lessor, its employees, officials, agents or representatives for any reason whatsoever or howsoever arising and the Lessee hereby indemnifies and holds the Lessor harmless against any and all loss, liability, damage or expense of whatever nature arising from or in connection with this Agreement in respect of any of the employees, representatives, agents, consultants, contractors or any other person entering the Property, with or without the authorisation of the Lessee and any other invitees of the Lessee. The Lessee further indemnifies the Lessor again all third-party claims of infringement of patent, trademark or industrial design rights arising from intended use of the Property.

8.4. The Lessee shall not be entitled to cede or assign any of its rights and obligations under this Agreement, or to sublet or give up possession of the Property, in whole or in part to any third party without the express written consent of the Lessor, however the Lessor shall be entitled to cede or assign any, or all, of its obligations under this Agreement without the consent of the Lessee.

8.5. The Lessee shall not erect buildings, structures, and/or fences on the property without prior written consent or approval of the Lessor or make any improvements, alterations or additions and no such buildings shall be erected in contravention with the applicable Building Standards and Regulations, Town Planning Scheme or other applicable legislation.

8.6. The Lessee shall ensure that a suitable fence, as approved by the local authority, be erected on the premises, enclosing the property described herein, as and when necessary.



8.7. The Lessee shall be responsible to take out adequate third-party and public liability insurance in respect of the property and shall provide the Lessor with proof of same within 7 (seven) days from date of signature of this Agreement.

8.8. The Lessee shall be responsible for taking out its own comprehensive insurance in respect of all buildings or structures erected on the property, and additional insurance in respect of any other goods and equipment kept, stored or brought onto the property.

8.9. The Lessee shall ensure that dangerous or explosive items is not stored on the property.

9. RIGHTS OF THE LESSOR

9.1. The Lessor, through its officials, employees or authorized representatives, has the right of entry to the property or any buildings (if any) thereon for purposes of inspection or for any other lawful purpose and the Lessee shall render full cooperation to this end, including provision of keys under its control, if any.

9.2. The Lessor reserves the right, where necessary, to take occupation of the property let, or a portion thereof, and/or to cancel the lease agreement in its entirety where the property is required for Lessor's operational purposes or in the interest of the community or for any reason necessitating the cancelation hereof.

9.3. Any improvements to the leased premises effected by the Lessee and which the Lessor wishes to retain shall revert to the Lessor free of compensation at the expiry of the lease period or on the termination of this Lease Agreement. Where such improvements are not required by Council, the Lessee shall at its own costs and within a period not exceeding 3 (three) months remove such improvements to the satisfaction of the Lessor, unless otherwise agreed by both parties. Should the Lessee fail to so remove the improvements, the Lessor shall be at liberty to remove same, and for which direct and/or indirect costs the Lessee shall be solely responsible.

10. EXCLUSION OF LIABILITY

10.1. Neither the Lessor nor any of its directors, agents, employees or servants shall be liable for –

10.1.1. personal injury to or the death of any person or the loss of or damage to any property of whatever nature in the buildings or on the Property, howsoever arising or caused, save by reason of the wilful default or gross negligence of the Lessor or of any of the said persons or otherwise;

10.1.2. any failure or suspension of, or any interruption in, the supply of water, electricity, gas, district cooling, air-conditioning, heating, telecommunication service or any other amenity or service to the Buildings or Property or any part of the Property, whatever the cause may be;

10.1.3. any breakdown of, or interruption in the operation of, any machinery, plant, equipment, installation, or system situated in or on, or serving the Property or any part of the Property, including any, geyser, boiler, burglar alarm, or security installation or system, whatever the cause may be; or

10.1.4. any interruption of, or interference with, the enjoyment or beneficial occupation of the Property or any part thereof caused by any building operations or other works to the Property, whether by the Lessor or by anybody else.

10.2. For the purposes of clause 10.1.1, "*personal injury to or death of any person or of loss of or damage to any property*" shall include loss of profits, consequential damages or any damage to stock in trade, equipment, machines, raw materials, papers or other articles kept in the Buildings or on the Property (whether the property of the Lessee or that of anyone else) by rain, hail, lightning or fire or by reason of riots, strikes, state's enemies or as a result of theft or burglary, with or without forceful entry, or through any cause whatsoever.

10.3. The Lessee hereby indemnifies the Lessor and its directors, agents, employees and servants against any claim of whatever nature which may be made against any of them arising out of any of the foregoing occurrences.

10.4. The Lessee hereby undertakes to compensate the Lessor for any damage caused to the Buildings or Property.

11. THE LESSOR'S RIGHT TO INSPECT THE PROPERTY AND REVIEW OF THE LEASE

11.1. The Lessor, or its duly authorised agents, shall be entitled to inspect the Property on a Business Day and at a reasonable time during the subsistence of the Lease.

11.2. The Lessor may review this Lease periodically and may terminate or cancel the Lease Agreement in the case of non- or underperformance of the Lessee.

11.3. The Lessor reserves the right, where necessary, to resume occupation of the Buildings or Property, or any portion thereof, and to cancel this Lease Agreement in its entirety where such Buildings or Property is required for operational purposes or in the interest of the community or for any reason necessitating the cancellation thereof.

12. BREACH AND SETTLEMENT OF DISPUTES

12.1. Should any Party (the defaulting Party) commit a breach of any provision of this Agreement and fail to remedy such beach within 10 (ten) days from date of written notice from the other Party (the aggrieved Party) calling upon it to do so, the aggrieved Party shall without prejudice to any other rights available in law, have the right to either:

12.1.1. to cancel this Agreement; or

12.1.2. to take whatsoever action deemed necessary to enforce its rights under this Agreement; but,

in either event claim such damages as it may have suffered as a result of such breach of contract and hold the defaulting Party liable for any costs and expenses incurred as a result of or in connection with the default, calculated on an attorney and own client scale.

12.2. The Lessor may at any time terminate this Agreement by giving reasonable written notice to the Lessee if the Lessee is liquidated or otherwise insolvent. In this event, termination will be without compensation to the Lessee, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Lessor.

12.3. If any dispute or difference of any kind whatsoever arises between the Lessor and the Lessee in connection with or arising out of this Agreement, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

12.4. If, after 20 (twenty) days, the Parties have failed to resolve their dispute or difference by such mutual consultation, then either the Lessor or the Lessee may give notice to the other party of its intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other Party.

12.5. Should it not be possible to settle or resolve a dispute by means of mediation, it may be referred to a forum in South Africa with applicable jurisdiction.

12.6. Notwithstanding any reference to mediation and/or court proceedings herein,

12.6.1. the Parties shall continue to perform their respective obligations under this Agreement unless they otherwise agree; and

12.6.2. the Lessor shall pay the Lessee any monies due.

13. NOTICES AND DOMICILIA

13.1. Each Party chooses as its *domicilium citandi et executandi* its address set out in this for all purposes arising out of or in connection with this Lease at which address all the processes and notices arising out of or in connection with this Lease, its breach or termination may validly be served upon or delivered to the Party.

13.2. For the purpose of the Lease, the Parties' respective addresses and *domicilium* address, facsimile and email address shall be –

13.2.1. the Lessor: For attention Municipal Manager at

33 Da Gama Road, Jeffreys Bay, 6330;

13.2.2. the Lessee: For attention Mr. K.A. Jongile

16 Garnaal Street, Pellsrus, Jeffreys Bay, 6330

or at such other address in the RSA, not being a post office box or poste restante, of which the party concerned may notify the others in writing.

13.3. Any notice given in terms of the Lease shall be in writing and shall –

13.3.1. if delivered by hand be deemed to have been duly received by the addressee on the date of delivery; and

13.3.2. if delivered by recognised courier service be deemed to have been received by the addressee on the first Business Day following the date of such delivery by the courier service concerned.

13.4. Notwithstanding anything to the contrary contained in this clause 13, a written notice or other communication actually received by a Party shall be adequate written notice or communication to it notwithstanding that the notice was not sent or delivered to its chosen address.

14. GENERAL AND MISCELLANEOUS PROVISIONS

Applicable laws and policies

14.1. This agreement is subject to -

14.1.1. the Local Government: Municipal Finance Management Act 56 of 2003, and the Regulations issued thereunder;

14.1.2. any policies lawfully adopted by the Kouga Municipal Council.

Signature by Lessor

14.2. This Lease Agreement shall only take effect and become binding upon the Lessor when signed by the Lessor, failing which the Lessee may not claim existence of a lease from negotiations having been conducted or concluded in regard thereto or by reason of this Lease having been drafted or signed by the Lessee.

14.3. If the Lessee takes occupation of the Property before this Agreement has commenced, the Lessor shall be entitled to require the Lessee to vacate the Property by giving the Lessee 7 (seven) days written notice to that effect.

Enforcement by Lessor

14.4. Should the Lessee fail to carry out any of its obligations under this Lease then, without prejudice to any of the Lessor's rights, the Lessor shall be entitled at its discretion to enforce or to carry out the same on behalf of the Lessee, both during and after the termination of this Agreement, and to recover from the Lessee the cost and expense thereof.

14.5. The Lessee shall have no claim against the Lessor, or defence to any claim by the Lessor, arising out of any act or omission on the part of the Lessor connected with effecting, or attempting to effect, such compliance, regardless of whether the Lessor has undertaken to affect such compliance; the Lessor failing to do so properly, or at all.

Cession of Lease by Lessor

14.6. The Lessor shall have the right at any time to cede, transfer and assign any or all of its rights and obligations in terms of this Lease Agreement to any company, close corporation or other person, juristic or otherwise, and the Lessee, upon being notified of such cession shall be bound to recognize the cessionary as the Lessor under this Lease.

Warranty of Authority

14.7. Each Party warrants to the other Party that it has power, authority and legal right to sign and perform the Lease and that this Lease has been duly authorised by all necessary actions of its directors and constitutes valid and binding obligations on it in accordance with the terms of this Lease.

Independent Advice

14.8. Each of the Parties acknowledges that it has been free to secure independent legal advice as to the nature and effect of all of the provisions of this Lease and that it has either taken such independent legal advice or dispensed with the necessity of doing so. Further, each of the Parties acknowledges that all of the provisions of this Lease and the restrictions herein contained are fair and

reasonable in all the circumstances and are part of the overall intention of the Parties in connection with this Lease.

Implementation and Good Faith

14.9. The Parties undertake to do all such things, perform all such acts and take all steps to procure the doing of all such things and the performance of all such acts, as may be necessary or incidental to give or be conducive to the giving of effect to the terms, conditions and import of this Lease.

14.10. The Parties shall at all times during the continuance of this Lease observe the principles of good faith towards one another in the performance of their obligations in terms of this Lease. This implies, without limiting the generality of the foregoing, that they will –

14.10.1. at all times during the term of this Lease act reasonably, honestly and in good faith;

14.10.2. perform their obligations arising from this Lease diligently and with reasonable care; and

14.10.3. make full disclosure to each other of any matter that may affect the execution of this Lease.

Further Assurances

14.11. The Parties agree to perform any further acts and to execute and deliver any further documents which may be necessary or appropriate to carry out the purposes and the implementation of this Lease.

Whole Agreement

14.12. This Agreement constitutes the whole agreement between the Parties as to the subject matter hereof and no agreement, representations or warranties between the Parties other than those set out herein are binding on the Parties.

Variation and waiver

14.13. No addition to or variation, consensual cancellation or novation of this Lease (including a variation or cancellation of this clause) and no waiver of any right arising from this Lease, or its breach or termination shall be of any force or effect unless reduced to writing and signed by all the Parties or their duly authorised representatives.

Relaxation

14.14. No latitude, extension of time or other indulgence which may be given or allowed by the Lessor to the Lessee in respect of the performance of any obligation hereunder or enforcement of any right arising from this Agreement and no single or partial exercise of any right by the Lessor shall under any circumstances be construed to be an implied consent by the Lessor or operate

as a waiver or a novation of, or otherwise affect any of the Lessor's rights in terms of or arising from this Lease or estop the Lessor from enforcing, at any time and without notice, strict and punctual compliance with each and every provision or term hereof.

Severability

14.15. Every provision in this Agreement which is not essential in law to this Agreement to be legal and binding, shall be deemed separate and severable from the remaining provisions of this agreement, which shall remain in full force and effect.

14.16. Any provision found to be invalid and/or unenforceable by a competent court shall, notwithstanding such invalidity and/or enforceability, the remaining provisions of this agreement shall remain in full force and effect.

Costs

14.17. Save as otherwise expressly stated herein, each Party is responsible for its own costs incurred in the negotiation, drafting and settlement of this Lease Agreement.

14.18. All costs, including attorney and own client costs, incurred by one Party arising out of the breach of any provisions of this Lease Agreement by the other Party, shall be borne by the Party in breach.

15. AUTHORITY AND SIGNATORIES

15.1. Each Party hereto warrants their authority and capacity to enter into and conclude this legally binding Agreement.

15.2. The Lessor annexes hereto proof of authority, attached and incorporated hereto as **Annexure B**.

SIGNED at **JEFFREYS BAY** on this the 22ND day of NOVEMBER **2022**.

For and on behalf of
THE KOUGA LOCAL MUNICIPALITY

Witness

Witness

Signatory: **Mr. Charl du Plessis**
Capacity: Municipal Manager
Who warrants his authority hereto

SIGNED at JEFFREYS BAY on this the 23 day of JANUARY 2023 ~~2022~~.

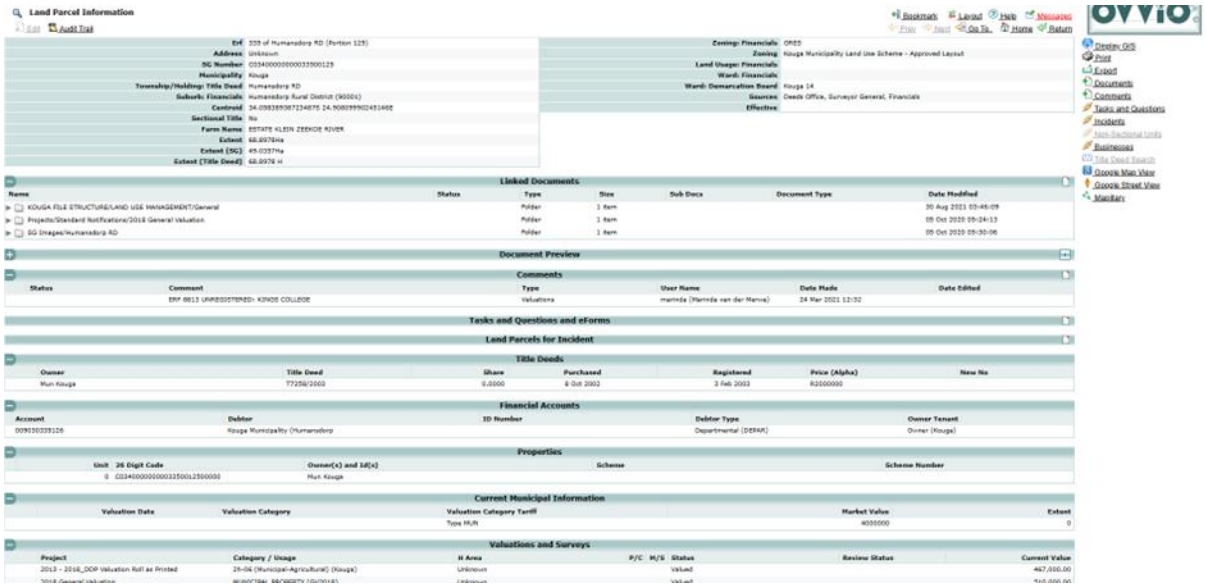
Witness

Witness

Signatory: **Mr. J.B. Jongile**
Capacity: Director
Who warrants his capacity hereto

ANNEXURE B


A PORTION OF PORTION 125 OF FARM 335,
HUMANSDORP RD


Land Parcel Information
Linked Documents
Document Preview
Comments
Tasks and Questions and eForms
Land Parcels for Incident
Title Deeds
Financial Accounts
Properties
Current Municipal Information
Valuations and Surveys

ANNEXURE C

IMPACT CENTRE SOUTH AFRICA Jeffreys Bay – VISION 2022

BACKGROUND

Young people and Kids are the future leaders of tomorrow. Their experiences in the community, at school and the community are all interconnected and require our support and investments. They require adequate investment not just finances but time, respect and leadership skills. Despite this majority of them are pulled away by substance abuse, HIV & AIDS, teenage Pregnancy, Drugs and gang groups. So what we can do to prepare them for the future?

A lot of opportunities exist in working with young people and Kids. This include providing more constructive contact with adults who can help them guide their talents into useful and satisfying paths; opportunities to participate in community activities that they and adults value, especially giving service to others; special help with particularly difficult problems ranging from disabilities, substance addiction, to adjustment in dysfunctional families; and providing learning opportunities for career development.

VISION

Reaching kids, youth and young adults in the community of Jeffrey's Bay with the Hope and Love of Jesus

MISSION

To raise a generation of young leaders and world changers, peace makers in their communities and schools.

PROGRAM

1. Leadership Development
2. Business Skills and youth entrepreneurship development [Villa Vy House]
3. Computer skills development
4. Mentorship and Discipleship Programs/@homes
5. After school program

6. Football , Basket Ball, Netball programs
7. Home visits/ evangelism
8. Sunday school / children church programs

ACTIVITIES

Youth , Kids , Young adults Camps ,

a. Youth Fest Activities
b. Funda –Fundisa programs [after school care]
c. Holiday programs for children
d. Church services
e. High school & Primary School Ministry

BENEFICIARIES

1) Youth and Young Adults
2) Kids
3) Community
4) Schools
5) Parents

CONTACT DETAILS

Director IMPACT CENTRE SOUTH AFRICA : Alfred Jongile

Email : alfredjongile2003@yahoo.com

Phone : 0711823718

ANNEXURE "D"

VALUATION REPORT FOR ERF 7293, JEFFREYS BAY

ANNEXURE A

EVERGREEN VALUERS Pty Ltd
Year Round Meticulous

PROPERTY DESCRIPTION:
ERF 7293 JEFFREYS BAY, EASTERN CAPE (Vacant land) 1660m²

This one-page certificate has been prepared on instruction received from Kouga Municipality as represented by **Sedrick Groofboom.**



DEFINITION OF MARKET RENTAL:
Market Rent is the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion

I the undersigned L Ferreira consider this valuation to be a true reflection and a fair assessment of the subject property as on the date of valuation.

R330.00
(Three Hundred and Thirty Rand Only) - per month

L. Ferreira
Professional Valuer
(SACPVP Reg. No.: 7007/2)

Date: 16 November 2022

Covers

This one-page valuation certificate has been prepared on the basis that full disclosure of all information and factors which may affect the valuation should have been made available to ourselves and we cannot accept any liability or responsibility whatsoever for the valuation if any information was withheld.

We have assumed that the property and its value are unaffected by any statutory notice and that neither the property nor its condition, current use or intended use is or will be unlawful.

Neither the valuer, nor Evergreen Valuers (Pty) Ltd, have any interest in the property or any other properties which would affect the statements of values contained in this valuation report. All figures quoted are exclusive of Value Added Tax.

Annexure "E"

POWER OF ATTORNEY

ANNEXURE B

Impact Church
SOUTH – AFRICA

Extract from a special board meeting held on 28 May 2022

RESOLVED 28 May 2022

That if be noted that Pastor Alfred Jongile be authorised to sign the lease agreement in respect of **erf 7293** Jeffrey's Bay **(Ocean View)** on behalf of the Youth Impact Centre as one of the Board Members

Board Members:

Alfred Jongile

Thandisizwe Mahlyoli

Annemieke Jongile

Reaching kids, youth and young adult in the community of Jeffreys bay with hope & love of Jesus

c: 071 182 3718 | e: alfredjongile2003@yahoo.com
www.impactchurch.com

ANNEXURE "F"

Section 14 comments from service departments

ERF	AREA	LAND USE SCHEME	BUILDING CONTROL	MANAGEMENT
Erf 7263	Jeffreys Bay (Oceanview)	Developer must obtain land use rights (Consent Use) for business development under existing zoning.	Building Plans to be submitted after land use authorization	**T.P**: Supported **Assets**: Supported subject to compliancy and all regulations and being considered. **BC**: Submit building plan and get occupation certificate. **Tech**: supported subject to SDP being submitted (consider 5-meter boundary distances) **HS:** Supported

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO**: 25/04/PD7**

REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL AND AUTHORISATION TO ADVERTISE: ALIENATION OF A PORTION OF ERF 499, PORTION OF ERF 1 AND A PORTION OF PORTION 2 OF FARM ZWARTENBOSCH NO 347, HUMANSDORP RD

1. **Introduction**

The purpose of this item is to request Council's in-principle approval and authorisation to advertise for the alienation of a portion of Erf 499 Humansdorp, Portion Erf 1 and a portion of Portion 2 of Farm Zwartenbosch No 347, Humansdorp RD.

2. **Background**

An application was received from Woodlands Dairy for the expansion of the Dairy with specific reference to a solar plant. Maarschalk & Partners, as the official appointed agent made application for the following:
1. Portion of Erf 1 Humansdorp, area ±8,85 hectares
2. Portion of erf 499 Humansdorp, area ±4,52 hectares
3. Portion 2 of the farm Zwartenbosch No. 347, area 30,7994 hectares
See annexure "A".

3. **Discussion**

The subject properties forms part of the land identified for the development of an Eco Industrisl Park in Humansdorp. The Municpality appointed urban Econ to conduct a feasibility study for the development of an Eco Industrial Park. The Study recommends that ±12Ha shall be required for the proposed Woodlands Dairy solar plant, **See annexure "B".** Although the application is for approximately 40Ha, it is recommended that the extent to be considered for allienation be ±12Ha in line with the recommendation of the Feasibility Study.

The Study further recommends that the remiander of the study area be rezoned to Industrial Zone 1 in line with the Kouga Intergrated Land Use Scheme. The Municpality is in the process of appointing a service provider to conduct environmental studies for the proposed industrial uses.

Section 14 process to obtain comments from service departments have been completed and included as **Annexure "C"**

4. **Financial Implications**

Completed by BTO -	
Project Description	Land Valuations & surveyor & planning services

Ukey no.	20210710001552
Budgeted Amount	R750 000.00
Amount spent and committed to date	R309 152.20
Amount Available	R440 847.80
Comment	No comment
Completed by BTO -	KOUGA MUNICIPALITY BUDGET &TREASURY

5. **Applicable Legislation**

Municipal Finance Management Act 56 of 2003
Municipal Asset Transfer Regulations
Kouga Municipal Disposal of Immovable Assets Policy of 2020

6. **Legal Implications**

Should the Council resolve to approve the recommendations herein, the Administration may proceed with advertising the Council's intention to alienate the immovable property by way of a lease for public comment and/or objections.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Recommendation supported.

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 Council notes the Feasibility Study and Business Plan together With Conceptual Designs for Erf 499, Humansdorp and Portion 1 & 2 of Farm 347 of Humansdorp Road.

10.2 That Council **grant in-principle approval** for the alienation of Portion of Erf 1, a portion of Portion 2 of Farm Zwartenbosch No. 347, Humansdorp RD and a portion of Erf 499, Humansdorp (±12Ha) as recommended in the Feasibility Study.

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

10.4 That Council authorises the Accounting Officer to obtain the market related rental for the property.

10.5 That Council authorizes the Accounting Officer to advertise Council's intention to alienate the properties contemplated herein.

Item prepared by the: The Manager Land & Property Administration

Item approved by the: Director Planning & Development

Item endorsed by the: Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure "A"

MAPINC
PROFESSIONAL LAND SURVEYORS

Maarschalk & Partners Incorporated

Cadastral & Sectional Title Specialists | Topographical & Engineering Surveyors | Town Planning, Rezoning & Subdivision Consultants

Our Ref: L103C
Your Ref:

15 September 2023

FOR ATTENTION: MR CHARL DU PLESSIS **Email:** eduplessis@kouga.gov.za

MUNICIPAL MANAGER
KOUGA MUNICIPALITY
PO BOX 21
JEFFREYS BAY
6330

Dear Sir

APPLICATION : ALIENATION OF LAND AND PURCHASE OF PORTIONS OF ERF 1 AND ERF 499 HUMANSDORP AND PORTION 2 OF THE FARM ZWARTEBOSCH NO. 347 KOUGA MUNICIPALITY ADMINISTRATIVE DISTRICT HUMANSDORP

Reference is made to the meeting held at your office dated 7 September 2023 between yourself, Mr Lawrence Ramakuwela and writer regarding above mentioned application.

Enclosed please find sketch plan, reference 1&499HD dated September 2023

We act on behalf of Woodlands Dairy.

BACKGROUND:

As you are aware, Woodlands Dairy approached Kouga Municipality, (Mr. Theo Madatt) a while ago regarding the expansion of the Dairy with specific reference to a solar plant.

We, Maarschalk & Partners, as the official appointed agent do hereby make application for the following:

1. a Portion of Erf 1 Humansdorp, area ±8,85 hectares
2. a Portion of erf 499 Humansdorp, area ±4,52 hectares
3. Portion 2 of the farm Zwartebosch No. 347

MOTIVATION:

- Woodlands Dairy is one of the major property owners in the Kouga Area and therefore make a big contribution towards the property rates.
- Woodlands give work to more than 165 people in the community and 80% of them stay in the Humansdorp area.

- Woolworth's, one of the biggest listed companies in our country and a major client of Woodlands Dairy, informed them that their "Carbon footprint" has to be reduced by 50% by 2030 and if not achieved, if could possibly jeopardize their supply agreement and penalties will be implemented.
- Theft (stealing of electric/copper cables and stainless-steel tanks) from the adjoining property is quite a big problem and the intensity increases.
- Quite a big section of the land to the west (now applying to purchase) is overgrown with thick bush, is not maintained, which makes it a big/dangerous fire hazard.
- Seeing that the two portions of Erven 1 and 499 Humansdorp do not have proper access to existing roads will result in the problem solved.
- An access road to the west of the existing factory will solve a big problem in the future where cranes sometimes needed to hoist big stainless-steel tanks.
- Stormwater will be harvested coming from the natural stream/valley.
- Woodlands Dairy will be on full capacity in the next 3-5 years with water usage and needs to increase their capacity.
- Seeing that a lot of big trucks do not have sufficient turning circled would help to solve this problem.
- All the properties will be consolidated into one erf when this process can be finalized.
- Woodlands Dairy is the biggest single factory in South Africa that receives milk on one site.

THE WAY FORWARD

- Alienate and purchase Portions of Erven 1 and 499 Humansdorp and Portion 2 of the farm Zwartebosch No. 347, coloured in green, blue and yellow on the attached sketch plan.

PROCESS FORWARD:

1. Obtain consent from Council to purchase Portions of Erven 1 and 499 Humansdorp and Portion 2 of the farm Zwartebosch No. 347, coloured green, blue and yellow on the attached sketch plan.
2. After the decisions are finalized, formal application will be lodged in terms of SPLUMA.

Since this is an urgent matter, it would be greatly appreciated if you could table this for discussion at your earliest meeting regarding Alienation of Municipal Properties.

Kindly note that our client, Woodlands Dairy, is responsible for our costs which includes all applications, surveys, consolidations, and correspondence.

If need be, we can have a meeting to clarify any issues.

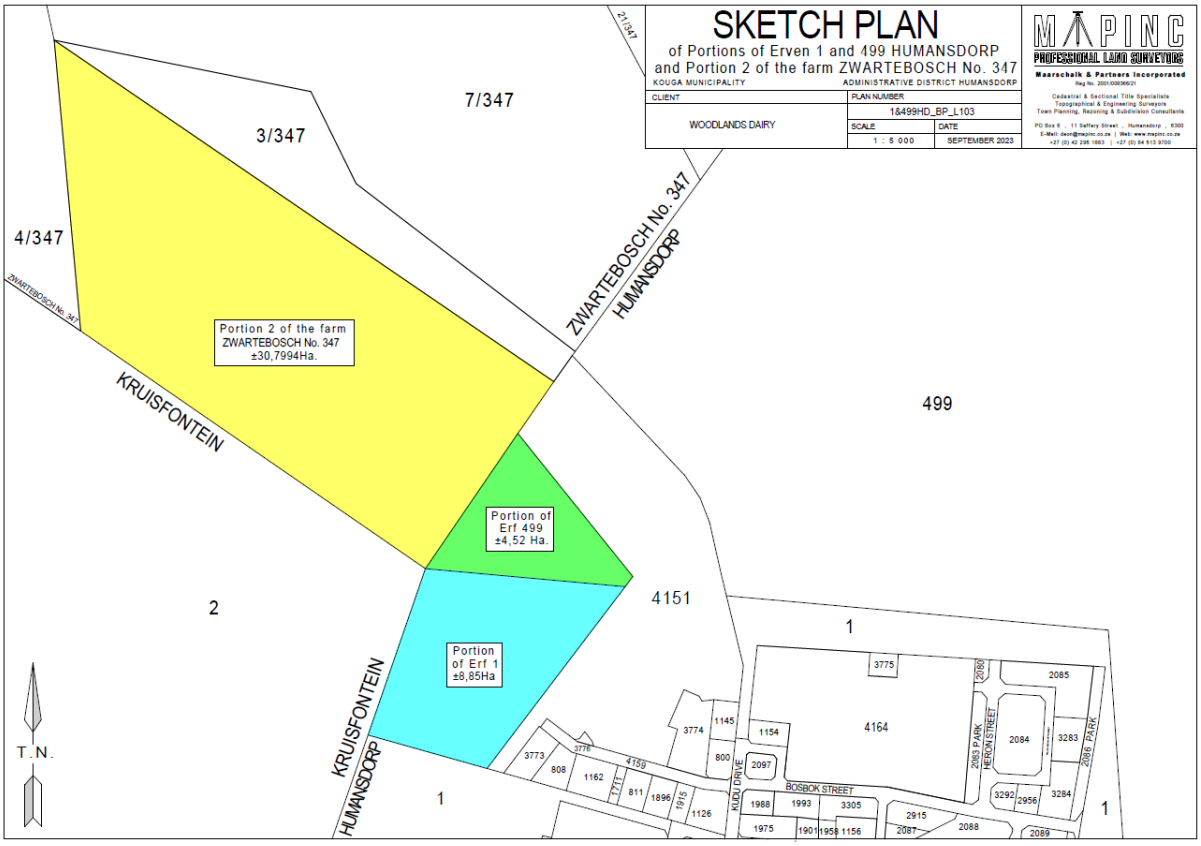
Waiting to hear from you.

Yours faithfully
MAARSCHALK & PARTNERS INC.



ST Maarschalk


Property Search
May 13, 2024 Version
4/347
3/347
7/347
21/347
2/347
347/2
499
1
Woodlands Dairy
600ft
24.783 -34.008 Degrees


SKETCH PLAN
of Portions of Erven 1 and 499 HUMANSDORP
and Portion 2 of the farm ZWARTEBOSCH No. 347
KOUGA MUNICIPALITY
ADMINISTRATIVE DISTRICT HUMANSDORP
CLIENT
WOODLANDS DAIRY
PLAN NUMBER
1&499HD_BP_L103
SCALE
1 : 5 000
DATE
SEPTEMBER 2023
MAPINC
PROFESSIONAL LAND SURVEYORS
Maarschalk & Partners Incorporated
7/347
3/347
4/347
21/347
ZWARTEBOSCH No. 347
HUMANSDORP
KRUISFONTEIN
Portion 2 of the farm
ZWARTEBOSCH No. 347
±30,7994Ha.
Portion of
Erf 499
±4,52 Ha.
Portion
of Erf 1
±8,85Ha
499
4151
2
1
T.N.
BOSBOK STREET
KUDU DRIVE
HERON STREET
2083 PARK
2088 PARK
4164

Erf	1 of Humansdorp	**Zoning: Financials**	PUBOS
Address	Unknown	**Zoning**	Kouga Municipality Land Use Scheme - Open Space Zone 1
SG Number	C03400050000000100000	**Land Usage: Financials**	
Municipality	Kouga	**Ward: Financials**	Kouga 4
Township/Holding: Title Deed	Humansdorp	**Ward: Demarcation Board**	Kouga 15
Suburb: Financials	Kwanomzano (30002)	**Sources**	Deeds Office, Surveyor General, Financials
Centroid	34.029127198892615 24.770609535306345E	**Effective**	
Sectional Title	No		
Extent			
Extent (SG)			
Extent (Title Deed)	800 DUM		
Warning:	The spatial data is invalid.		

Linked Documents

Comments

Tasks and Questions and eForms

Land Parcels for Incident

Title Deeds

Owner	Title Deed	Share	Purchased	Registered	Price (Alpha)	New No
Mun Kouga	T5522/1902	0.0000		6 Jun 1902	R	
Oorgangsraad-Humansdorp	T5522/1902	0.0000		6 Jun 1902	SECT 16	T74868/2008
Mun Humansdorp	T5522/1902	0.0000		6 Jun 1902		T36874/1995

Financial Accounts

Properties

Current Municipal Information

Valuations and Surveys

Project	Category / Usage	H Area	P/C	M/S	Status	Review Status	Current Valu
Interim Valuation 2011-01	Unknown (As Per MPRA)	Unknown			Valued		44,205,000.0
2008 GV (from TruVal data)	Sect 8(2)(h) - Municipal (As Per MPRA)	CENTRAL			Valued		44,363,000.0
2013 - 2018_DDP Valuation Roll as Printed	2h-05 (Municipal-Public Open Spaces (P.O.S.)) (Kouga)	Unknown			Valued		1,000.0
2018 General Valuation	MUNICIPAL PROPERTY (GV2018)	Unknown			Valued		1,000.0
SV3 (2018-2023)	MUNICIPAL PROPERTY (GV2018)	Unknown			Valued		1,000.0
2023 General Valuation	MUNICIPAL PROPERTIES 2023 (2023 General Valuation)	Unknown			Valued		1,000.0

A portion of erf 1, Humansdorp

Land Parcel Information

Bookmark Layout Help Messag

Edit Audit Trail

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Erf	499 of Humansdorp	**Zoning: Financials**	AGRIC
Address	Unknown	**Zoning**	Kouga Municipality Land Use Scheme - Authority Zone
SG Number	C03400050000049900000	**Land Usage: Financials**	
Municipality	Kouga	**Ward: Financials**	
Township/Holding: Title Deed	Humansdorp	**Ward: Demarcation Board**	Kouga 15
Suburb: Financials	Humansdorp (30003)	**Sources**	Deeds Office, Surveyor General, Financials
Centroid	34.01806978701065S 24.78194676277873E	**Effective**	
Sectional Title	No		
Extent	376.3013Ha		
Extent (SG)	368.5911Ha		
Extent (Title Deed)	376.3013H		

Linked Documents

Comments

Tasks and Questions and eForms

Land Parcels for Incident

Title Deeds

Owner	Title Deed	Share	Purchased	Registered	Price (Alpha)	New No
Mun Kouga	T5522/1902	0.0000		6 Jun 1902	SECT 16	
Mun Kouga	T74868/2008	0.0000			TRANSFER BY ENDORSEMENT	
Mun Humansdorp	T5522/1902	0.0000			Unknown	T36874/1995
Oorgangsraad-Humansdorp	T5522/1902	0.0000			SECT 16	T74868/2008

Financial Accounts

Properties

Current Municipal Information

Valuations and Surveys

Project	Category / Usage	H Area	P/C	M/S	Status	Review Status	Current Valu
Interim Valuation 2011-01	Unknown (As Per MPRA)	Unknown			Valued		4,807,000.0
2008 GV (from TruVal data)	Sect 8(2)(h) - Municipal (As Per MPRA)	CENTRAL			Valued		4,810,000.0
2013 - 2018_DDP Valuation Roll as Printed	2h-04 (Municipal-Public Roads) (Kouga)	Unknown			Valued		3,400,000.0
2018 General Valuation	MUNICIPAL PROPERTY (GV2018)	Unknown			Valued		3,800,000.0
2023 General Valuation	MUNICIPAL PROPERTIES 2023 (2023 General Valuation)	Unknown			Valued		4,140,000.0

A portion of 499, Humansdorp

Land Parcel Information

Edit | Audit Trail

Bookmark | Layout | Help | Message

Prev | Next | Go To.. | Home | Retu

Erf	347 of Humansdorp RD (Portion 2)
Address	Human Street
SG Number	C03400000000034700002
Municipality	Kouga
Township/Holding: Title Deed	Humansdorp RD
Suburb: Financials	Humansdorp Rural District (90001)
Centroid	34.012876103065255 24.763921338049034E
Sectional Title	No
Farm Name	ZWARTEBOSCH
Extent	35.9583Ha
Extent (SG)	33.8275Ha
Extent (Title Deed)	35.9583 H

Zoning: Financials	AGRIC
Zoning	Kouga Municipality Land Use Scheme - Agriculture Zone
Land Usage: Financials	
Ward: Financials	
Ward: Demarcation Board	Kouga 15
Sources	Deeds Office, Surveyor General, Financials
Effective	

Linked Documents

Name	Status	Type	Size	Sub Docs	Document Type	Date Modified
Projects/Standard Notifications/2018 General Valuation		Folder	1 item			05 Oct 2020 05:24:14

Document Preview

Comments

Tasks and Questions and eForms

Land Parcels for Incident

Title Deeds

Owner	Title Deed	Share	Purchased	Registered	Price (Alpha)	New No
Mun Kouga	T5522/1902	0.0000		6 Jun 1902	R	
Mun Humansdorp	T5522/1902	0.0000		6 Jun 1902		T36874/1995
Oorgangsraad-Humansdorp	T5522/1902	0.0000		6 Jun 1902	END	T74868/2008

Financial Accounts

Properties

Current Municipal Information

Valuations and Surveys

Project	Category / Usage	H Area	P/C	M/S	Status	Review Status	Current Valu
Original Values before 2008 GV (Samras 1 Jun 2009)	Unknown (As Per MPRA)	Unknown			Valued		180,000.0
2013 - 2018_DDP Valuation Roll as Printed	2h-06 (Municipal-Agricultural) (Kouga)	Unknown			Valued		308,000.0
2018 General Valuation	MUNICIPAL PROPERTY (GV2018)	Unknown			Valued		680,000.0
2023 General Valuation	MUNICIPAL PROPERTIES 2023 (2023 General Valuation)	Unknown			Valued		1,080,000.0

Portion 2 of the Farm Zwartenbosch No 347, Humansdorp

Annexure "B".

Section 14 comments by the Directorates

ERF NO	ZONING	SPATIAL DEVELOPMENT FRAMEWORK	LAND USE SCHEME	BUILDING CONTROL	DEPARTMENT COMMENTS
PTN of Erf 1 want to acquire 8.85Ha Ptn of Erf 499 - want to acquire 4.52Ha Ptn of 2 of Farm 347 Zwartenbosch 30,	Open Space 1 Agriculture Zone Agriculture Zone	In terms of the SDF Erf 499 is earmarked as a "solid waste site" alienating a portion of Erf 499 will have negative impact on waste management (499 supported) for Kouga Municipality. PTN 2 of the Farm 347 is earmarked for industrial purposes (the area around PTN 2 is declared "agricultural industry"- the applicant did not specify the proposed use- if the proposed use is agri-industrial the alienation of PTN 2 is supported. Alienation of Portion of Erf 499 is not supported. Regarding PTN 2 of the Farm 347 the	Proposed alienation supported on condition that: 1. There are no other development initiatives envisaged by Council in terms of spatial planning on the subject properties. 2. All processes be followed, and that new owner/developer obtain appropriate land use rights in terms of Kouga Municipality SPLUM By-law.	Applicant to comply with TP and other service department requirements before submitting building plans for approval.	**CW:** In support, however it is the owner's responsibility to contact the Civil and Water department for water and sewerage connections. **CS:** Erf 1 is zoned as POS. No selling of POS by the KM is one of the strategic goals of KLM's Climate Change Strategy. Not supported for Erf 1. The applicant might be subject to an EIA before commencing with any activity. **H.S**: No objection as land is not needed for future housing development **LS**: (1) Unsolicited

		applicant should be clear about the proposed use. An application for park closure will be required for Erf 1.			bid. (2) Note dissent between SDF and land use - solid waste disposal compared to food / drink preparation and packing business. (3) Note whether SDF comment has been addressed with further information.

Notice No: 24/2024



February 2025

FEASIBILITY STUDY, BUSINESS PLAN & CONCEPTUAL DESIGNS FOR ERF 499 AND SURROUNDS, HUMANSDORP RD

Final Report

Submitted by:

URBAN-ECON DEVELOPMENT ECONOMISTS

109 CAPE ROAD, MOUNT CROIX,

PORT ELIZABETH

URBAN-ECON
Development Economists

KOUGA local municipality
Good Governance through Service Excellence

THE WORKPLACE AGENCY

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1 Introduction

The Kouga Municipality has appointed a multidisciplinary team of Urban-Econ Development Economist to undertake an independent property feasibility study to investigate the potential development of municipal land in Humansdorp. The subject property, owned by the municipality, spans approximately 400 hectares and is strategically located adjacent to the N2 Highway, just outside the Central Business District (CBD) of Humansdorp. Although currently zoned for agricultural use under the Kouga Integrated Land Use Scheme, the site is earmarked for mixed-use development with a focus on industrial activities, as outlined in the Kouga Spatial Development Framework of 2020. The property also houses a municipal dumping site and borders Woodlands Dairy, one of South Africa's largest dairy producers.

Humansdorp, situated within the Kouga Municipality in South Africa's Eastern Cape Province, is located approximately 90 km southwest of Gqeberha and benefits from its proximity to the N2. This strategic positioning makes it an ideal location for economic expansion and industrial development.

In response to multiple investor proposals to lease or purchase portions of the property for industrial purposes, the municipality seeks to formalise a structured approach to its development. The study will evaluate the feasibility of establishing an industrial hub, supported by a comprehensive business and concept plan. The proposed precinct aims to bolster the competitiveness of the Kouga Municipality, providing an enabling environment for local businesses to thrive in global markets.

Key sectors identified for the development include renewable energy, manufacturing, agriculture, and complementary activities such as commercial and residential components. The feasibility study will assess market demand, infrastructure requirements, conceptual designs, projected usage, and financial viability. It also involves preparing an institutional framework, marketing strategy, management and operational plans, and an implementation roadmap.

The findings in this final draft report will guide the municipality's next steps, ensuring that the proposed industrial hub aligns with the region's long-term economic and social goals.

1.1 Purpose of the Study

As part of its strategic development initiatives, the Kouga Municipality has undertaken this comprehensive assessment to establish the need, viability, infrastructure requirements, product offerings, potential market support, forecast usage, conceptual designs, and costs associated with the proposed industrial hub in Humansdorp. The primary objective of this study is to evaluate these elements to support the development of a competitive industrial precinct that aligns with the municipality's broader economic goals.

Specific objectives of the study include:

- Gauging the need and viability for the development of the proposed industrial hub.
- Assessing the infrastructure requirements necessary to support the industrial hub.
- Identifying the product offerings and packaging needed to attract investment and support local businesses.
- Evaluating potential market support and forecast usage to ensure sustainability.
- Developing conceptual designs and estimating costs for the proposed development.

The feasibility study conducted for this project includes comprehensive analysis and recommendations, an institutional and marketing plan, a management and operational plan report, a financial plan, and an implementation plan for the site. These elements are critical to advancing relevant development proposals, with follow-up activities contingent on the outcomes of the feasibility study.

The scope of the project encompassed a technical assessment of the current infrastructure available in the targeted areas and the effective usage of the identified resources across both sites, linked as one node. It included reviewing the proposed sites and providing recommendations concerning zoning, ownership, infrastructure requirements, accessibility, EIA, Water Use Applications, and Planning. Existing data available for project intervention on the potential to develop climate-resilient economic development were reviewed. A desktop review of the economic potential of the sites for industrial use was conducted.

A market potential analysis was performed, describing development prospects and niche market focus for the sites. This included analysing current industrial market conditions and constraints, identifying the main target industries, providing short- and long-term market outlooks, and estimating market size and potential. Additionally, trends affecting the market and how market needs would be served were described. The project assessed opportunities for the marketing and promotion of business opportunities, evaluated development opportunities for community participation and investor attraction, and estimated the economic growth projected from the proposed industrial node. Related opportunities to be included in the business plan were identified, as well as business and industrial linkages with the coastal corridor.

Feasible business opportunities for implementation as part of the business plan were determined, and value-added industrial activities benefiting the local community were identified. Community consultations and surveys were conducted to assess the social impact of the proposed interventions. A realistic timeline for the proposed activities was outlined, and barriers and challenges that could hinder the project's sustainability were identified. Governance and capacity issues critical for project implementation and sustainability were analysed. Stakeholder mapping and engagements were undertaken, and consultation workshops were conducted.

Finally, a financial model and plan were developed, covering short, medium, and long-term aspects (capital expenditure, operational expenditure, cash flow projection, risk analysis, identifying potential funders, and revenue generation). Conceptual designs (artist impressions) of the proposed development were created. Urban-Econ Development Economists was appointed by the Kouga Local Municipality to conduct a full feasibility study and develop a business plan with conceptual designs for Erf 499 and its surroundings on Humansdorp Road. This document constitutes the first section of the final report for the study.

1.2 Study Area

The Kouga Municipality has identified a site for the proposed development, situated just outside Humansdorp in the Eastern Cape Province of South Africa. Humansdorp is located approximately 90 kilometres southwest of Gqeberha (formerly Port Elizabeth). Its strategic position near the N2 Highway offers excellent transport links to major cities such as Port Elizabeth and Cape Town, as well as to nearby coastal towns like Oyster Bay and St Francis Bay. As a prominent hub within the Kouga region, Humansdorp is well-known for its agricultural and industrial activities, particularly dairy production and manufacturing.

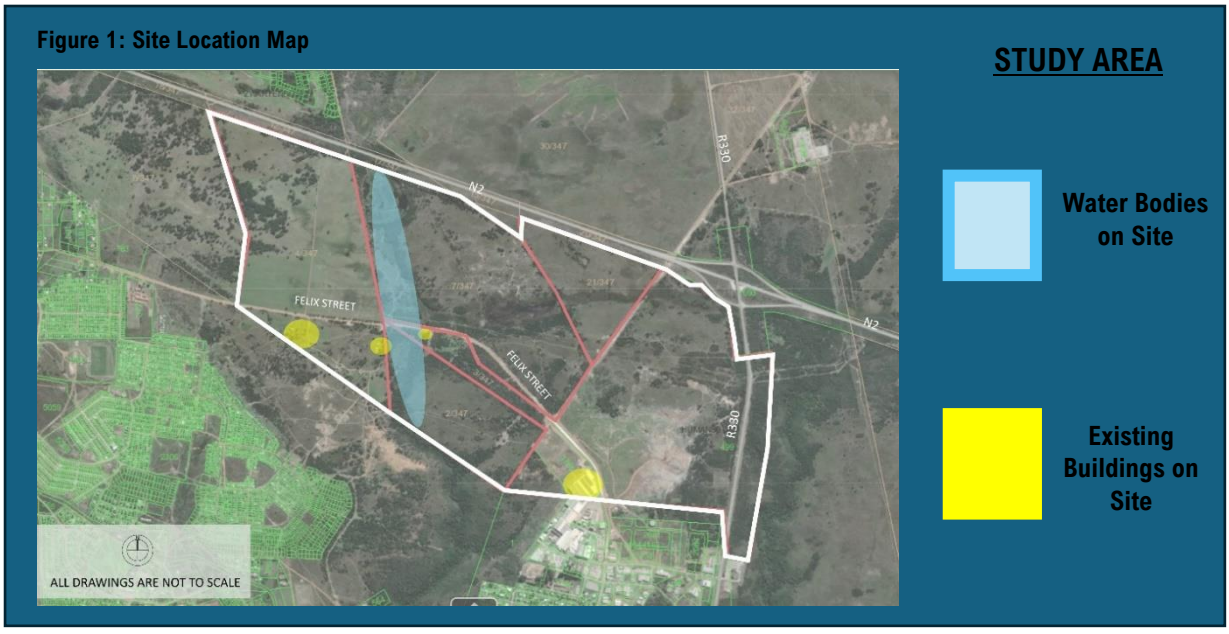
The identified site lies to the east of the Kruisfontein suburb, extending from the industrial area and Woodlands Dairy in the south to the N2 Highway in the north. It is bounded by the traffic and fire department building in the west. The site incorporates critical regional infrastructure, positioning it as an ideal location for development. A notable feature of the area is the existing landfill in the southeast corner, occupying a substantial portion of the site.

The site is accessible via the tarred R330 road, which provides direct access to the N2 Highway, ensuring efficient transportation and logistics. Additionally, Felix Street, a gravel road, connects the industrial area of Humansdorp with Kruisfontein, further improving accessibility within the region. This combination of strategic positioning and robust infrastructure highlights the site's potential to foster economic development and regional integration.

Humansdorp has been identified as the primary focus area for this study, with the Kouga Local Municipality serving as the wider secondary study area.

The primary focus will be to evaluate the potential uses of the site located in Humansdorp next to Kruisfontein. The secondary study area, encompassing the broader Kouga Local Municipality, will provide additional context by assessing regional trends, economic activities, and demographic factors that may influence the development. This dual focus ensures a comprehensive understanding of both the local and wider implications of the proposed development. Refer to figure 4 for a more detailed site location.

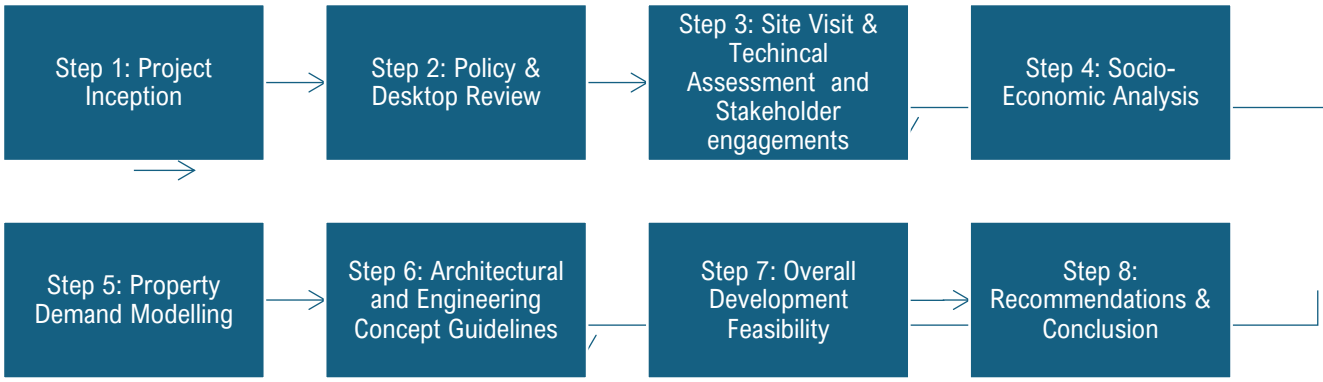
Figure 1: Site Location Map



1.3 Methodology

This section outlines the approach used to assess the feasibility of an eco-industrial park in Kouga Local Municipality. A combination of primary data from stakeholder consultations and secondary data from municipal plans, environmental reports, and market studies was utilised. Key factors such as site suitability, infrastructure, potential tenants, and sustainability were evaluated in line with regional development goals. This methodology ensures a comprehensive assessment of the project's viability.

Figure 2: Methodology Layout



1.3.1 Project Inception

In the initial phase of the project, the scope and objectives were established and finalised. This phase involved clarifying aspects related to the project methodology, information sharing, timelines, and expected outcomes. A stakeholder database was compiled in collaboration with the client, identifying key informants for the study. These informants included members of the client's technical team and notable stakeholders within the local business and household community.

1.3.2 Policy and Desktop Review

During this phase, an overview of existing and relevant spatial policies, frameworks, and documentation related to the properties/sites was conducted. Plans that impact development initiatives within the identified study area were reviewed, including the Municipal Spatial Development Framework, Integrated Development Plan, Precinct Plans, Local Economic Development Plan, Environmental Management Plan, Infrastructure Master Plans, Site Development Plans, Building Permits, and Building Plans. This review identified factors influencing future development within the municipality and specific site locations, and incorporated aspects that supported interpreting the spatial vision of the broader region.

1.3.3 Site Visit & Technical Assessment

A detailed spatial analysis and market area delineation were conducted to confirm the study area, identifying primary and secondary zones. The Urban-Econ team carried out site visits to gain a comprehensive understanding of market dynamics, evaluating factors such as the existing urban fabric, community facilities, road infrastructure, public transport systems, surrounding land uses, and overall neighbourhood quality.

Primary data was collected to support demand modelling and socio-economic analysis, ensuring a data-driven approach to planning. Additionally, the technical team, comprising architects and engineers, conducted site inspections with municipal assistance to assess facilities and infrastructure for the proposed redevelopment. These evaluations covered historical site use, location, current zoning and authorisations, existing operations, infrastructure condition, and the status of on-site and bulk connections.

Stakeholder engagements are integral to this process. The project team will conduct one-on-one consultations with key sector stakeholders to gather valuable insights and ensure alignment with strategic objectives. Following these initial engagements, broader consultations will be held with multiple stakeholders and groups. These sessions will involve presenting the findings and seeking input to refine the redevelopment plans, ensuring that the project aligns with community needs and sector priorities.

1.3.4 Socio-Economic Analysis

The socio-economic analysis involved two components: the economic profile and stakeholder engagements. The economic profile analysis provided data on the economic base, stability, growth trends, and prospects, using indicators such as economic milieu, sectoral performance, and economic growth. Stakeholder meetings and workshops were hosted to gather feedback and opinions from community members and key stakeholders. The socio-demographic profile offered an overview of social factors, including population growth, household size, age profiles, education levels, access to services, income analysis, tenure status, employment rates, and transport modes. This profile informed land uses and preferences of the population.

1.3.5 Property Demand Modelling

Market potential calculations for various development typologies were conducted. The outcome was a quantified net effective market demand in relation to competing facilities and viable market focus for redevelopment. Demand modelling sectors including industrial/manufacturing, renewable energy, agriculture, retail, residential, medical, education, office, and recreation/sports. Informants such as commercial letting agents, residential leasing agents, student accommodation brokers, and local business representatives were engaged to identify key drivers for each potential land use. The demand profile markets, market size, expenditure profiles, purchase power, market growth, and projections.

1.3.6 Architectural and Engineering Concept Guidelines

Proposed concepts and components for the development were formulated based on the outcomes of the market analysis. Recommendations, key factors, and requirements were integrated into the overall concept designs, addressing optimal commercial space allocation, infrastructure needs, facility placement, parking and security requirements, revenue generation opportunities, and additional infrastructure upgrades.

The architectural conceptual design process involved crafting a spatial development and urban design framework that considered natural systems, heritage and cultural landscapes, bulk infrastructure upgrades, necessary regulations, and problem identification. This framework aimed to balance the practical and aesthetic aspects of the development while aligning with strategic goals.

Architects will be guided by preliminary and high-level environmental assessments to inform their designs. These assessments will help identify areas of interest, such as ecologically sensitive zones, optimal land uses, and areas suitable for specific activities. This approach will ensure that environmental considerations are integral to the planning process.

Key areas of interest identified through this process will shape the final precinct plan for the property, ensuring the proposed development aligns with environmental sustainability, market demands, and the broader spatial development objectives of the Kouga Municipality.

1.3.7 Overall Development Feasibility

The property feasibility assessment evaluated the overall viability of individual sectors proposed for the development, focusing on their market demand, operational sustainability, and alignment with strategic objectives. Each sector was analysed to determine its feasibility in terms of infrastructure requirements, potential revenue generation, and compatibility with the broader development framework.

The feasibility study considered various timeframes for implementation, identifying sectors that could be activated in the short, medium, and long term. Industries with immediate market demand and lower infrastructure requirements, such as light manufacturing and logistics, were prioritised for early development. Sectors requiring more extensive preparation, such as renewable energy installations and larger-scale industrial projects, were earmarked for phased rollouts over a longer horizon.

Recommendations were developed for each sector, outlining critical steps to achieve feasibility and ensure sustainable operations. These include:

- **Short-Term Opportunities:** Focus on industries with immediate market readiness, leveraging existing infrastructure and minimal upgrades.
- **Medium-Term Opportunities**: Develop sectors that require moderate investment in infrastructure and align with regional growth trajectories.
- **Long-Term Opportunities:** Plan for high-capital projects that necessitate significant preparation, regulatory compliance, and phased implementation.

The assessment also highlighted interdependencies among sectors, recommending an integrated approach to ensure synergies between industries and maximise the precinct's economic potential. The final feasibility report provides a clear roadmap for phasing the development, balancing immediate economic returns with long-term strategic goals. This phased approach ensures that all sectors contribute effectively to the success of the proposed precinct.

1.3.8 Conclusions & Recommendations

In the final phase, data collected from previous phases was analysed and synthesised. The Net Effective Demand (NED) was interpreted into a niche market segment, defining the size and quantity of facilities needed for viable development. Recommendations included the ideal size and land use budget, market segmentation, future demand, target market, and cash flow projections. A concluding presentation was delivered to the client, summarising findings and addressing key project questions and objectives. The final phase included the preparation of a close-out report and the transfer of all project information to the client.

1.4 Report Outline

The following section outlines the format for the rest of the report.

2	**Policy and Programme Review**	Reviews relevant policies and programmes, including the National Development Plan, ERRP, INES, IPAP, Re-Imagined Industrial Strategy, National Masterplans, District Development Model, and PEDS. Ensures alignment with national and provincial goals.
3	**Study Area Overview**	Section provides a thorough examination of the area under consideration, focusing on both the geographical and economic factors that shape its development. The section also identifies key challenges and opportunities that need to be addressed to foster growth and development in the region.
4	**Pre-Feasibility Analysis**	Chapter includes the identification of feasibility indicators and criteria essential for evaluating the potential of the proposed industrial hub. It also incorporates a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis and a multi-criteria decision-making model to assess the strategic viability of the project.
5	**Stakeholder Engagement and Site Analysis**	Key stakeholders, including community representatives and officials, were consulted to align priorities and address concerns. A site analysis, coupled with a preliminary environmental assessment, identified potential buildable focus areas, ensuring sustainable and compliant development. This process highlights opportunities while addressing challenges for informed decision-making.
6	**Case Studies**	**Case Studies** are presented, focusing on successful industrial park developments. This section highlights key success factors and lessons learned from these case studies, providing valuable insights to guide the design and development of the industrial hub in the study area.
7	**Market Potential Analysis**	This section is divided into several subsections, each analysing the viability of different industrial sectors in the region. It evaluates the potential of sectors such as renewable energy, agriculture (with a focus on citrus and dairy industries), seafood processing (calamari), recycling facilities, commercial spaces, warehousing, residential developments, and educational infrastructure.
8	**Overall Development Feasibility**	The overall development feasibility will assess the viability of each sector, aligning market demand, infrastructure needs, and strategic goals. It will outline phased implementation, investment potential, and sector integration to ensure sustainable growth.
9	**Recommendations and Conclusion**	The conclusion will summarise key findings, zoning plans, phased implementation, and the eco-industrial hub's economic, social, and environmental benefits. It will highlight private sector roles, sustainability, and long-term growth.

2 Policy and Programme Review

The following chapter sets out a selection of key policies and strategies relevant to the South African industrial environment and the manufacturing sector more broadly, which will have a direct bearing on the future development of the Humansdorp industrial hub. The key strategic thrusts, areas of focus, and interventions that impact either industrial parks or the broader manufacturing sector are identified and explored. The policy and programme review is important as the actions and interventions outlined in the Humansdorp Master Plan will need to be aligned with the objectives, aims, and timelines set by these policy documents. This alignment is crucial because these documents play an integral role in guiding the development of the manufacturing sector and industrial parks more broadly.

2.1 National Development Plan

The National Development Plan (NDP) serves as a long-term strategic blueprint for South Africa, aiming to eliminate poverty and reduce inequality by 2030. The latest version of the NDP underscores the significance of the manufacturing sector, highlighting its natural strength in capital-intensive industries. The plan emphasizes that future growth will be driven by expanding the labour contribution within these sub-industries.

However, to realise this growth, several challenges facing the South African manufacturing sector must be addressed:

- Electricity availability and rapidly increasing electricity prices
- Inefficient logistics infrastructure
- Poor quality telecommunications
- High transport and fuel costs
- Lack of necessary skills
- Volatile exchange rate and overvalued currency
- Restrictive labour laws and other regulatory burdens, especially for SMMEs

To tackle these challenges, the NDP recommends improving competitiveness, advancing up the manufacturing value chain, and competing in mid-skill manufacturing and service areas, as well as niche markets with lower economies of scale. This is to be achieved through the following interventions:

- Labour-market reforms aimed at promoting employment, particularly for young people.
- Promoting productivity gains and facilitating new entry by firms
- Conducting research and development (R&D) with a focus on innovation

To stimulate manufacturing, the NDP provides the following suggestions:

- Ensure growth in the share of dynamic products with potential for domestic linkages.
- Leverage public and private procurement to promote localisation and industrial diversification.
- Intensify R&D support for product development, innovation, and commercialisation.
- Explore approaches to buffer manufacturers from the effects of currency volatility.
- Strengthen network infrastructure and skills supply, and control administered prices.

For the development of the Humansdorp industrial hub, these guidelines are particularly relevant. The hub can benefit from labour-market reforms to attract young talent, productivity improvements to increase efficiency, and R&D initiatives to foster innovation. By aligning with the NDP's strategies, the Humansdorp industrial hub can position itself as a competitive player in the South African manufacturing landscape, driving local economic growth and contributing to the national development goals.

2.2 South African Economic Reconstruction and Recovery Plan

The Economic Reconstruction and Recovery Plan (ERRP) outlines the interventions required for South Africa to recover from the economic impacts of the COVID-19 pandemic. The plan aims to mobilise resources and implement measures that foster a sustainable recovery while unlocking latent growth potential.

The ERRP addresses several critical issues exacerbated by the pandemic, including low economic growth, declining per capita incomes, stagnant investment, and high levels of inequality, poverty, and unemployment. The plan also responds to challenges such as credit rating downgrades and fiscal constraints.

A central priority of the ERRP is "Industrialisation through Localisation," which focuses on supporting specific sectors, particularly in economically depressed areas, through infrastructure investments. The strategic objectives of this initiative include:

- Reducing the reliance on imported intermediate and finished goods.
- Enhancing the efficiency of local producers
- Developing export-competitive sectors to expand the reach of South African-made products both continentally and internationally

Key value chains prioritised by the ERRP include construction, Agri-processing, healthcare, basic consumer goods, capital goods (such as equipment and industrial inputs for infrastructure projects), and transport rolling stock, with a focus on automobile and rail assembly.

To address the challenges of illegal imports, strict enforcement measures will be implemented to support the local manufacturing industry. Inclusivity will be a core component, aimed at enhancing competitiveness and resilience while building a robust production base for export markets.

The ERRP will also focus on boosting SMME participation in the manufacturing value chain by:

- Accelerating the involvement of township and rural enterprises
- Increasing SMME participation in the production of light and fast consumer goods
- Supporting SMMEs in high-demand minerals beneficiation, such as chrome and ferrochrome
- Revitalising dormant industrial production infrastructure

Furthermore, the state will enhance its focus on local procurement, using competition policies to ensure fair pricing and support for local businesses.

2.3 Integrated National Export Strategy (INES)

The South African Integrated National Export Strategy (INES) aims to enhance the country's capacity to export a diverse range of value-added goods and services to global markets. The strategy seeks to improve South Africa's export performance by fostering a better trade and business environment and boosting the competitiveness of companies and sectors through targeted marketing to major export destinations.

The INES focuses mainly on:

- Diversifying the South African export basket to include more value-added goods and services (product diversification)
- Developing new markets, with a focus on Africa and other emerging regions (market diversification)
- Expanding the exporter base by integrating into local, regional, and global value chains (supplier diversification)

The strategy is implemented through six strategic pillars, each with specific action plans, as detailed below:

Table 1: INES STRATEGIC PILLARS AND ACTION PLANS

Strategic Pillar	Action Plans
Improving The Export Environment and Competitiveness	• Develop a legislative framework for INES implementation. • Promote national export vision and targets. • Strengthen current and develop new comparative advantages. • Ensure policy co-ordination across government
Strengthening The National Export Institutional Framework	• Streamline and enhance the Export Council • Align activities with Team Exports South Africa • Establish connections with private-sector organisations
Increasing Demand for South African Goods and Services	• Improve market access. • Develop export capacity in sectors including advanced manufacturing, aerospace, Agri-processing, automotive, and more. • Enhance South Africa's presence in African and emerging markets
Increasing Export Capacity and Performance Through (NEDP)	• Enhance export culture with awareness workshops and awards. • Improve information provision through publications and trade portals. • Develop the Global Exporter Passport Initiative • Establish Export Village framework
Strengthening Export Promotion Mechanisms	• Boost government-private sector collaboration. • Increase awareness of export instruments • Enhance monitoring and branding. • Promote "Proudly South African" products. • Expand market penetration
Enhancing Exporter Incentives and Financing	• Maintain and adapt export marketing and investment assistance. • Conduct feasibility study on an Export-Import Bank • Review and improve export incentives. • Improve access to finance and reduce export credit insurance costs
	Source: dtic (2015)

2.4 Industrial Policy Action Plan (IPAP)

Policy Review for the Eco-Industrial Park in Kouga: Industrial Policy Action Plan (IPAP) 2024

The **Industrial Policy Action Plan (IPAP)** has evolved to reflect the changing dynamics of South Africa's industrial and economic landscape, now aligning more closely with green technologies, value-chain integration, and the African Continental Free Trade Agreement (AfCFTA). The overarching aim remains to boost the economy's productive capacity, enhance manufacturing competitiveness, and encourage sustainable industrial growth.

Key Updates from the 2024 IPAP Review

- **Green Industrialisation**: Emphasis has shifted towards leveraging South Africa's renewable energy potential and promoting green manufacturing to align with global decarbonisation trends.
- **Digital and Technological Innovation**: New initiatives include promoting industrial digitisation and adopting emerging technologies to boost productivity and competitiveness across sectors.
- **Export Expansion**: Strengthened policies aim to enhance South Africa's role in the AfCFTA, using regional trade to grow industrial exports.
- **Cluster Development**: Continued revitalisation of industrial parks, such as those in rural areas, is prioritised. The aim is to create interconnected manufacturing ecosystems to attract investment and foster local employment.

Key Challenges and Strategic Priorities

- Persistent issues such as energy reliability, logistics inefficiencies, and skills mismatches remain critical barriers to industrial growth.
- Policies now incorporate more robust responses to global economic shocks, including diversifying industrial outputs and strengthening local value chains.

Relevance to Kouga's Eco-Industrial Hub

For the eco-industrial park in Kouga, IPAP 2024 offers tailored opportunities:

- Sectoral Focus: Renewable energy, agro-processing, and green construction materials align with Kouga's regional strengths.
- Funding and Incentives: New funding channels under the Green Economy Masterplan can help drive sustainable industrial projects.
- Localisation: The park can leverage public procurement localisation strategies to secure contracts and grow its manufacturing base.

These updated strategies and frameworks present an opportunity for the Kouga Municipality to integrate sustainable and technologically advanced practices, strengthening its position as a regional industrial hub.

2.5 South Africa's Re-Imagined Industrial Strategy

South Africa's re-imagined industrial strategy focuses on fostering industrial development and creating jobs through collaboration with the private sector. It aims to address infrastructure challenges while boosting the country's global competitiveness.

Key Infrastructure Priorities

- Ensuring reliable and cost-effective energy supply.
- Developing robust water systems and waste management solutions.
- Improving transport logistics and reducing rail and port costs.
- Allocating broadband spectrum to lower data costs.

Strategic Pillars- The strategy identifies five key drivers of growth:

- **Industrialisation**: Developing masterplans for priority industries such as automotive, textiles, and renewable energy.
- **Investment and Infrastructure**: Encouraging private sector investment and expanding critical infrastructure.
- **Innovation**: Promoting the digital economy and advancing technological development.
- **Integration**: Strengthening regional trade through the African Continental Free Trade Area.
- **Inclusion**: Supporting township revitalisation, small businesses, and empowerment of youth, women, and black entrepreneurs.

Priority Sectors- Key industries identified as critical to South Africa's industrial growth include:

- Automotive, chemicals, and renewable energy industries.
- Agriculture and agro processing.
- Mining and mineral beneficiation.
- Tourism.
- High-tech industries such as ICT, health, and defence.
- Creative industries.
- Oceans economy.

Spatial and Industrial Interventions- The **Industrial Parks Revitalisation Programme (IPRP)** is a cornerstone of the strategy. It focuses on:

- Upgrading infrastructure such as roads, electricity, and water systems.
- Ensuring compliance with environmental and waste management regulations.
- Developing surrounding areas into sustainable industrial clusters.

Other measures include establishing Special Economic Zones (SEZs), youth enterprise hubs, and township business centres, all guided by structured action plans and budgets. This strategy underscores inclusivity and sustainability, aiming to position South Africa as a leader in industrial innovation and growth.

2.6 Dtic's Industrial Parks Revitalisation Programme

The **Industrial Parks Revitalisation Programme (IPRP)**, initiated in 2015, aligns with the Department of Trade, Industry, and Competition's (dtic) regional industrial development strategy. It aims to stimulate economic growth in underdeveloped areas by enhancing infrastructure and governance within state-owned industrial parks, particularly those located in historically disadvantaged regions and former homelands.

IPRP Programme Objectives

- Modernise industrial parks nationwide.
- Foster industrialisation while driving rural and township economies.
- Encourage black industrialists to establish operations in these parks.

Phased Approach- The IPRP revitalisation framework comprises five phases:

- **Security Infrastructure**: Upgrading fencing, lighting, electrical systems, and critical structures.
- **Regulatory Compliance**: Addressing waste management, water treatment, and renewable energy needs.
- **Engineering Upgrades**: Constructing and enhancing roads, bulk water supplies, and sewage systems.
- **Electrical and Structural Expansion**: Developing top structures and improving electricity systems.
- **Land Development**: Creating sustainable industrial clusters on vacant land.

Achievements and Progress

- 30 industrial parks across South Africa have been identified for revitalisation.
- R757.6 million has been allocated for Phases 1 and 2, with Phase 1 generating approximately 65,000 jobs.
- In the Eastern Cape, R187.9 million has supported the revitalisation of Vulindlela, Komani, and Dimbaza Industrial Parks, accounting for 24.8% of IPRP expenditure to date.

Township Development

Townships often suffer from underinvestment, poor infrastructure, and limited economic opportunities. The dtic applies a **district development model** to unlock industrial opportunities in these areas by:

- Identifying economic potential and support mechanisms.
- Addressing challenges hindering industrial growth.
- Promoting localised industrialisation and economic integration.

Eco-Industrial Integration

In partnership with the **United Nations Industrial Development Organization (UNIDO)**, the dtic incorporates eco-industrial principles through the **Global Eco-Industrial Park Programme (GEIPP)**, which focuses on:

- Enhancing infrastructure and operational synergies.
- Promoting sustainable production practices to reduce waste and emissions.
- Raising awareness about eco-industrial benefits among park tenants.
- Encouraging responsible spatial planning and social development.

Potential for Kouga's Eco-Industrial Hub

The IPRP's principles and eco-industrial focus provide a robust framework for the development of Kouga's proposed eco-industrial hub. This initiative could integrate renewable energy, sustainable production, and collaborative infrastructure to position Kouga as a leading example of inclusive and environmentally conscious industrial growth.

2.7 Kouga Economic Development Strategy

The Economic Development (ED) Strategy for Kouga is a comprehensive short-, medium-, and long-term plan designed to address the economic crisis within both the local and national contexts. It aims to identify and leverage Kouga's comparative advantages to foster inclusive economic growth, alleviate poverty and inequality, and improve livelihoods for both current and future generations.

This review assesses the key policy elements of the Strategy, evaluates its alignment with national and global economic trends, and provides recommendations for refining and implementing the proposed interventions.

Key Policy Considerations

1. Inclusive and Sustainable Growth

The Strategy prioritises inclusive economic growth by ensuring stakeholder efforts are aligned for maximum impact. This approach acknowledges the importance of integrating both private and public sector contributions to drive development while building on previous efforts and strategies. The emphasis on dialogue with private sector leaders enhances its focus and implementation effectiveness.

2. Sector-Specific Focus for Economic Growth

The Strategy identifies Kouga's key economic strengths—agriculture, ocean economy, and nature-based industries. Historically, these sectors have demonstrated resilience and the potential for expansion. The focus on retaining large exporting businesses and promoting high-growth sectors such as aquaculture, fishing, food processing, and tourism is in line with national and global trends favouring sustainable industries.

3. Job Creation and Investment Promotion

A fundamental component of the Strategy is employment creation through:

- Retaining and expanding existing businesses.
- Attracting new industrial investors by improving the enabling environment.
- Strengthening local enterprises and supporting SMMEs to access broader markets.
- Enhancing vocational and tertiary education to build a skilled workforce.

This policy direction aligns with South Africa's broader economic transformation objectives by fostering job opportunities and promoting enterprise development.

4. Addressing Economic and Environmental Challenges

The Strategy acknowledges external factors that have worsened the local economy since 2019, such as:

- The COVID-19 pandemic and its economic repercussions, including job losses and business closures.
- Load-shedding and tax policy changes that have weakened consumer confidence.
- Global trends such as climate change, increasing extreme weather events, and technological advancements like AI and the Internet of Things (IoT).

These factors necessitate adaptive policy measures to enhance economic resilience and climate adaptation strategies.

Strategic Interventions and Enablers

The Strategy emphasises targeted interventions to enhance economic competitiveness. Recommended strategic enablers include:

- **Infrastructure Development**: Industrial and tourism infrastructure, fibre network expansion, and improved water security to attract investment and support businesses.
- **Business Environment Enhancement**: Reduction of regulatory burdens, streamlining business processes, and fostering innovation.
- **Sustainable Development**: Promoting green energy, responsible property development, and sustainable agriculture to ensure long-term economic viability.
- **Stakeholder Collaboration**: Establishing a coordinated framework for government, private sector, and community collaboration to ensure effective policy implementation.

Alignment with International Best Practices

Global economic strategies emphasise building on existing strengths rather than overhauling economic systems. Kouga's focus on key sectors such as agriculture, manufacturing (including agri-processing), tourism, and the ocean economy aligns with international best practices. The Strategy also highlights the importance of positioning Kouga as a competitive region to attract foreign and domestic investment, a key driver for integrating into global value chains and fostering technological advancement.

Policy Recommendations

1. **Enhancing Policy Implementation**: Establish measurable targets and performance indicators for monitoring progress across strategic sectors.
2. **Strengthening Investment Attraction**: Develop specific incentives for industrial investors and ensure Kouga's regulatory framework is investor-friendly.
3. **Adapting to Climate and Technological Changes**: Introduce sustainability policies and programmes to support businesses in transitioning to climate-resilient and technology-driven operations.
4. **Upskilling the Workforce**: Expand access to vocational training and tertiary education tailored to industry needs.
5. **Improving Public-Private Partnerships**: Leverage collaborative approaches to infrastructure development, innovation hubs, and market access support for SMMEs.

Conclusion

The ED Strategy for Kouga is well-structured, addressing the key challenges and opportunities within the local and national economic landscape. Its focus on leveraging Kouga's unique strengths, fostering investment, and building resilience aligns with best practices for regional economic growth. To maximise its impact, a strong implementation framework, robust investment incentives, and adaptive measures for climate and technological changes must be prioritised.

2.8 Provincial Economic Development Strategy (PEDS)

The **Eastern Cape's Provincial Economic Development Strategy (PEDS)** is a comprehensive plan aimed at driving the province's long-term growth and development. It identifies key sectors and opportunities that can accelerate the province's economic trajectory. The strategy focuses on maximising growth potential and addressing critical factors, referred to as **economic enablers**, which must be in place to fully realise these opportunities.

Key Economic Enablers Identified in PEDS- To ensure the success of the proposed development initiatives, PEDS highlights several crucial enablers, including:

- **Critical skills supply.**
- **Broadband ecosystem**
- **Environmental protection and management**
- **Economic infrastructure**
- **Business enterprise support**
- **Investment attraction and export promotion**
- **Innovation and R&D**
- **Development finance**

Investment attraction and export promotion, in particular, play a significant role in stimulating the growth of the manufacturing sector and boosting exports in the Eastern Cape.

Key Dimensions to Unlocking Growth- To enhance the province's competitiveness, PEDS identifies two critical dimensions for unlocking its full potential:

- **An Investment Promotion Strategy** tailored to the province's specific strengths and needs.
- **High-quality economic infrastructure** that supports both foreign and domestic investment, ensuring the province is an attractive destination for businesses.

High-Potential Sectors and Sub-Sectors- PEDS also identifies targeted sectors with the most significant growth potential, investment attraction capabilities, and export opportunities. These sectors are particularly relevant for the development of the **Kouga Eco-Industrial Hub**.

Initiatives to Unlock Growth Potential- PEDS outlines both **short- and long-term initiatives** to unlock the latent growth potential of these sectors. Key initiatives include:

- **Agri-industry:** Establishing agro-industrial clusters, developing Agri-parks, promoting investment in key Agri-sectors such as red meat and aquaculture.
- **Light Manufacturing:** Strengthening the Non-Automotive Manufacturing Cluster, encouraging local procurement, revitalising industrial parks, and supporting distressed manufacturing companies.

Infrastructure Initiatives- To underpin these sectoral initiatives, PEDS stresses the need for enabling economic infrastructure. Some of the key interventions include:

- Small town development programmes
- Upgrading rural gravel roads
- N2 Wild Coast Road development

These infrastructure upgrades are designed to support industrial growth and enhance the Eastern Cape's manufacturing capacity, laying the foundation for sustainable economic development in the region. In the context of the **Kouga Eco-Industrial Hub**, the implementation of these strategies will create a robust environment for industrialisation, driving job creation and fostering sustainable economic growth.

2.9 Provincial Spatial Development Framework Review (PSDF)

The **Provincial Spatial Development Framework (PSDF)** for the Eastern Cape provides a strategic approach to managing the province's spatial development. It highlights both challenges and opportunities in the region's growth, aiming to promote sustainable development and address spatial issues such as migration, informal settlements, and climate change impacts. The PSDF identifies key spatial issues that need to be considered in planning:

- **Inward and outward migration**: This creates shifts in the population and can result in imbalances in infrastructure and services.
- **Urban sprawl and informal settlements**: Rapid, unregulated growth can strain public resources and services.
- **Climate change impacts**: Changes in climate can lead to land use changes and require adjustments in spatial planning.
- **Urban and rural space competition**: Balancing space for rural development with urban growth remains a challenge.

Several large-scale developments outlined in the PSDF have significant potential to reshape the Eastern Cape's spatial landscape, particularly in regions like Kouga, where strategic initiatives could support long-term growth.

Key developments relevant to Kouga's spatial development include:

- **Kouga Region**: The Kouga area is increasingly being identified for growth within broader regional planning frameworks, and future expansions may position Kouga as a more significant metropolitan area. With improved infrastructure and service delivery anticipated in the coming years, this transformation could foster increased economic activity, employment, and investment in the region.
- **Kouga Agri-Hub**: As part of the **Agri-Parks Programme**, the development of an **Agri-Hub** in Kouga is a possibility. This initiative aims to boost agricultural production, agro-processing, and rural industrialisation, which could complement the industrial development within the Kouga region. Such hubs often facilitate the integration of various agricultural value chains, from production to processing, and can drive local economic growth while creating job opportunities.
- **Small Town Regeneration**: The PSDF's small-town regeneration strategy focuses on strengthening local economies through the promotion of unique sectors and features that can serve as catalysts for development. For Kouga, this approach could focus on leveraging its coastal and agricultural assets, fostering local industries, and improving infrastructure to support sustainable growth in smaller towns within the municipality.

These key developments provide an opportunity for Kouga to grow into a more prominent industrial hub in the Eastern Cape. Enhanced transportation infrastructure, regional growth initiatives, and the development of agricultural and industrial sectors will support Kouga's transformation, creating a more dynamic and integrated spatial economy.

2.10 Kouga Spatial Development Framework (2020)

The Kouga Spatial Development Framework (SDF) serves as a strategic guide for land use and development within the Kouga Municipality, encompassing areas such as Jeffreys Bay, Humansdorp, St Francis Bay, and others. The SDF aims to promote sustainable growth, economic development, and efficient service delivery. A central objective of the SDF is to facilitate economic opportunities that lead to job creation.

By designating areas for industrial development and encouraging investment, the framework aims to reduce unemployment and improve the quality of life for residents. The SDF emphasizes the importance of environmental sustainability in all development projects. It incorporates environmental guiding principles to ensure that growth does not compromise the region's natural assets. This includes the protection of critical biodiversity areas and the implementation of eco-friendly practices in industrial activities.

Figure 3:The Kouga Spatial Development Framework indicating the desired spatial form of the Humansdorp area. The site for the project is largely described by purple which indicates Industrial uses.

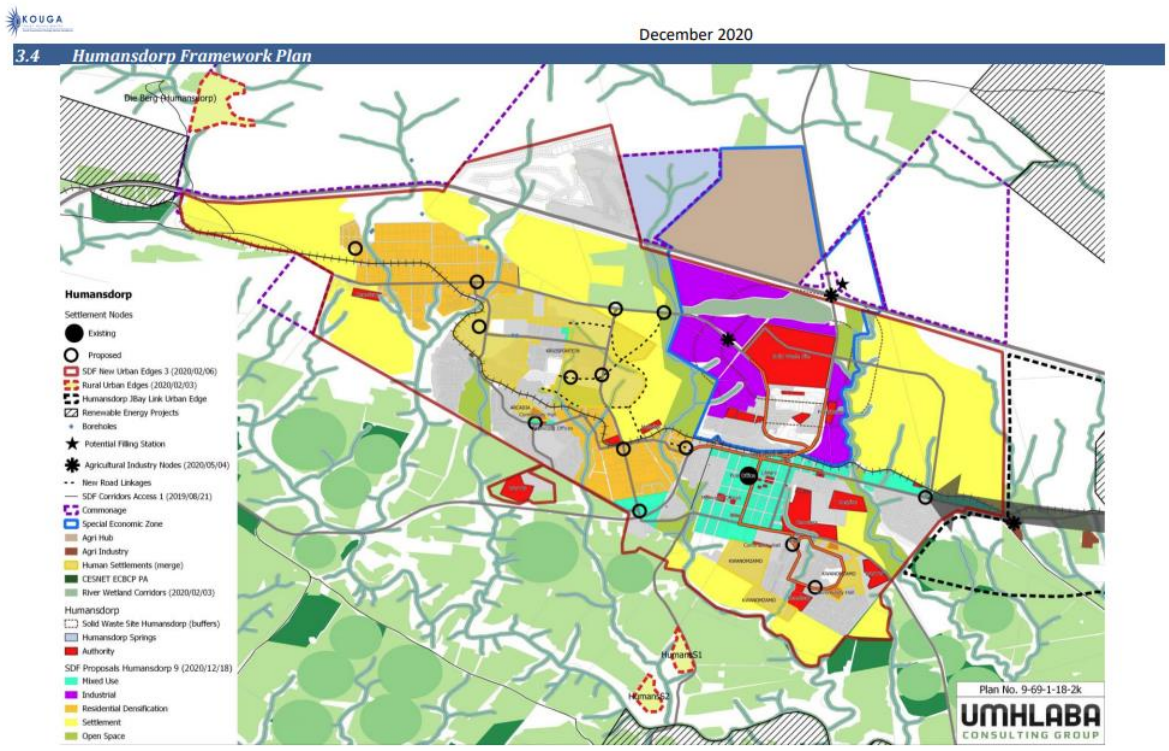


Figure 23: Humansdorp Desired Spatial Form

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A key focus is on revitalizing the Humansdorp Central Business District (CBD) to enhance its role as a hub for industrial and economic activities. In August 2023, the Kouga Council approved the Humansdorp Central Business District Local Spatial Development Framework, targeting the rejuvenation of the CBD.

The plan's objectives include:

- **Economic Revitalization**: Positioning the CBD as a strategic investment node to attract investors, businesses, residents, and visitors.
- **Industrial Development**: Identifying the CBD as a primary area for industrial growth, particularly in the energy sector, to stimulate economic activity and job creation.
- **Infrastructure Improvements**: Proposing enhancements such as widened walkways, cycle lanes, CCTV surveillance, informal trading facilities, a waste recycling centre, a new taxi rank, and traffic lights.
- **Environmental and Aesthetic Upgrades**: Implementing landscaping and maintenance initiatives to create a more appealing urban environment.
- **Service Assessments**: Conducting a stormwater management plan and a high-level sanitation study to ensure adequate service delivery.

2.11 Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act 16 of 2013)

The Spatial Planning and Land Use Management Act (SPLUMA), Act 16 of 2013, is a key piece of legislation in South Africa that establishes a framework for spatial planning, land use management, and development control across the country. It provides guidelines and principles to ensure equitable and sustainable land use while addressing social, economic, and environmental considerations.

The key principles of SPLUMA

- **Spatial Justice**: Addressing past spatial imbalances by ensuring equitable access to land and development opportunities.
- **Sustainability**: Promoting land use practices that protect the environment, mitigate climate change, and ensure long-term sustainability.
- **Efficiency**: Optimizing land use and infrastructure to minimize resource waste.
- **Good Governance**: Transparent, accountable, and participatory decision-making in land use and planning.
- **Spatial Resilience**: Supporting developments that adapt to climate change and other socio-economic challenges,

With new industrial developments, the following is to be considered:

- **Integrated Development**: SPLUMA mandates that new developments align with Municipal Spatial Development Frameworks (SDFs). These frameworks guide land use decisions and ensure that development is consistent with local needs and priorities.
- **Zoning and Land Use Applications**: Developers must apply for land use changes through Municipal Planning Tribunals (MPTs), which evaluate proposals based on environmental, social, and economic impacts. Zoning Regulations: Industrial developments must comply with zoning regulations outlined in municipal land use schemes. These schemes designate specific areas for industrial use to minimize conflicts with residential or environmentally sensitive areas.

- **Public Participation**: SPLUMA emphasizes stakeholder engagement, requiring developers to consult communities and other affected parties during the planning process.
- **Infrastructure and Services**: Developers must ensure that necessary infrastructure (e.g., roads, water, and electricity) is provided and compatible with municipal plans.
- **Environmental Impact Assessments (EIAs):** Industrial projects often require EIAs under SPLUMA and related legislation (e.g., NEMA). These assessments evaluate the potential environmental impacts and propose mitigation measures.
- **Strategic Siting**: Industrial developments are encouraged to be located in areas with adequate infrastructure and away from environmentally sensitive zones or residential areas to minimize negative externalities.
- **Economic Growth:** SPLUMA supports industrial developments that promote local economic growth and job creation while ensuring compliance with environmental and social standards.

The following is to be considered with regard to the Environment:

- **Sustainable Development:** SPLUMA integrates environmental considerations into all planning and development decisions, ensuring that land use practices minimize ecological harm and promote sustainability.
- **Environmental Protection**: Developments near ecologically sensitive areas, such as wetlands, rivers, or conservation zones, must comply with stringent regulations, including EIAs and alignment with biodiversity frameworks.
- **Climate Change Resilience**: Municipal plans must consider climate change adaptation and resilience, requiring developers to incorporate sustainable practices (e.g., energy efficiency, and water conservation).
- **Mitigation of Pollution**: Industrial and large-scale developments are required to implement measures that reduce pollution, waste, and emissions as part of their compliance with environmental standards.

2.12 The National Building Regulations and Building Standards Act (Act 103 of 1977)

The National Building Regulations and Building Standards Act (Act 103 of 1977) governs construction and building standards in South Africa. The regulations ensure that all structures, including new industrial developments, are safe, sustainable, and aligned with local and national development frameworks.

The Purpose of the Regulations are:

- **Safety**: Ensures buildings are structurally sound and safe for occupants and the public.
- **Health**: Mandates adequate ventilation, sanitation, and lighting.
- **Sustainability**: Encourages energy efficiency, water conservation, and environmentally friendly construction.
- **Uniformity**: Establishes consistent building standards nationwide while allowing for regional adjustments.

Key Provisions for New Industrial Developments include:

- Approval of Building Plans:
- Compliance with SANS Standards: Building regulations reference the South African National Standards (SANS), particularly SANS 10400: A comprehensive guide covering safety, fire protection, energy efficiency, accessibility, and other critical areas. SANS 204: Specific to energy efficiency in buildings, applicable to large industrial facilities.
- Zoning and Land Use
- Structural Integrity and Fire Safety
- Accessibility and Ventilation
- Energy Efficiency and Sustainability
- Waste and Hazardous Material Management

Key Environmental Considerations include:

- Environmental Authorizations.
- Stormwater Management.
- Green Building Initiatives.

2.13 National Environmental Management Act, 1998 (Act 107 of 1998)

The National Environmental Management Act (NEMA), 1998 (Act 107 of 1998), provides the legal framework for environmental governance in South Africa. It aims to promote sustainable development, regulate environmental management, and ensure that economic growth, including industrial development, occurs in harmony with environmental protection.

The Core Principles of NEMA are;

- **Sustainable Development**: Economic activities must be balanced with environmental protection, ensuring that development meets present needs without compromising future generations.
- **Precautionary Approach:** Activities with uncertain but potentially significant environmental impacts must be carefully managed or avoided.
- **Public Participation**: Communities and stakeholders must be actively involved in environmental decision-making processes.
- **Integrated Environmental Management**: Environmental considerations must be integrated into all phases of development, from planning to execution.

Key Requirements for New Industrial Developments include:

- Environmental Impact Assessments (EIAs).
- Environmental Authorizations.
- Compliance with Listed Activities.
- Mitigation Measures.
- Environmental Management Programmes (EMPrs).
- Public Participation.

Environmental Considerations for Industrial Development include:

- Air Quality Management.
- Water Use Licensing.
- Waste Management.
- Biodiversity and Ecosystem Protection

2.14 Synthesis

The development of an eco-industrial park in the Kouga Municipality aligns well with various national and provincial policies aimed at promoting sustainable economic growth, job creation, and infrastructure development. Nationally, both the Industrial Park Revitalisation Programme (IPRP) and the Cities Support Programme (CSP) focus on revitalising industrial spaces, enhancing infrastructure, attracting investment, and creating local employment. These objectives are directly applicable to Kouga's industrial landscape and align with the aims of establishing an eco-industrial hub (National Treasury, 2024).

The Eastern Cape's Provincial Economic Development Strategy (PEDS) further supports this by emphasizing the need for high-quality infrastructure, investment attraction, and sector diversification, particularly in industries like Agri-processing, automotive, and light manufacturing. These are sectors that would benefit from an eco-industrial park in the region, fostering both local economic growth and export potential (DEDEAT, 2017). Similarly, the Eastern Cape Provincial Industrial Development Strategy highlights the importance of expanding infrastructure, innovation capabilities, and green industries—principles central to the concept of an eco-industrial park. This strategy also underlines the need for diversification and expansion, both of which are crucial for sustainable development.

The Provincial Spatial Development Framework (PSDF) also supports the vision for a sustainable eco-industrial park by identifying strategic infrastructure projects like the N2 Wild Coast Toll Road, which will improve connectivity and access to markets. The PSDF's focus on small-town regeneration and developing regions into economic hubs further strengthens the case for establishing an eco-industrial park in Kouga, contributing to both regional economic growth and sustainability (PSDF, 2024).The Kouga Spatial Development Framework (2020) is the key spatial planning document for the municipality and for the town of Humansdorp specifically. This is a document that is frequently updated and responds to the changing needs of the people and developmental needs of the area.

The natural environment in South Africa is controlled by the National Environmental Management Act, of 1998 (Act 107 of 1998). This allows for a balance between the appropriate conservation of the natural environment and the developmental needs of the country. This is undertaken by creating methodologies for identification, approval processes and management of land that is environmentally sensitive.

Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act 16 of 2013) and the National Building Regulations and Building Standards Act (Act 103 of 1977) are key national acts and supporting regulations that control the development of land and building of structures in South Africa. There are specific aspects of these acts that focus on new industrial development and environmental aspects.

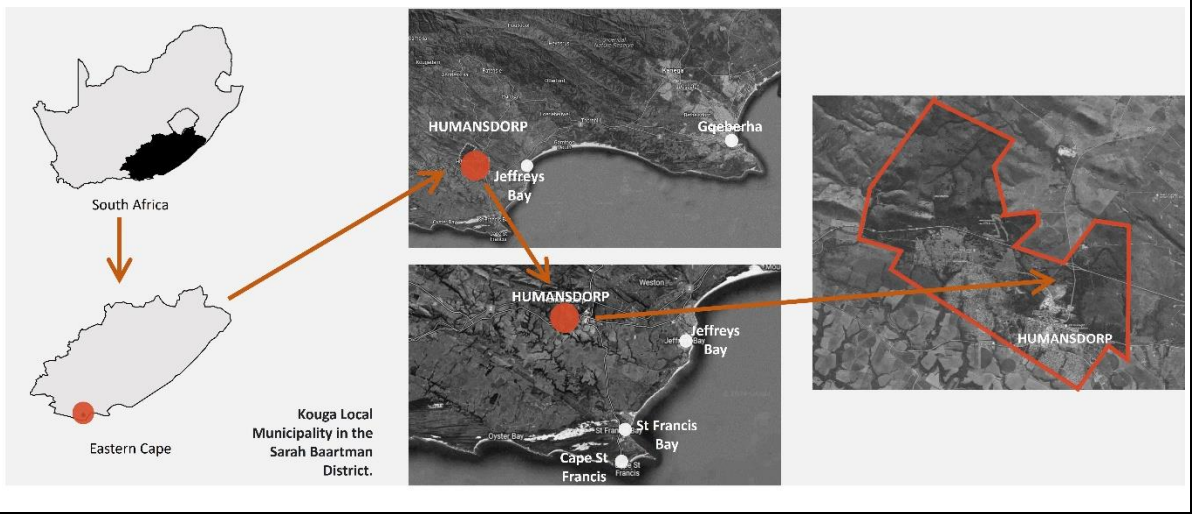
Overall, the development of an eco-industrial park in Kouga aligns with key national and provincial policy objectives, making it a strategic initiative that supports sustainable industrial growth, infrastructure development, and regional economic revitalisation.

3 Study Area Overview

This section provides a comprehensive analysis of the Kouga Local Municipality, focusing on key factors that shape the region's development and potential. It includes an **Economic Overview**, highlighting the primary industries and employment trends; **Demographic Information**, which covers population growth, town sizes, and socio-economic dynamics. These subsections together offer a holistic view of the area's current trends and future prospects.

Humansdorp has been identified as the primary focus area for this study, with the Kouga Local Municipality serving as the wider secondary study area. The primary focus will be to evaluate the potential uses of the site located in Humansdorp next to Kruisfontein. The secondary study area, encompassing the broader Kouga Local Municipality, will provide additional context by assessing regional trends, economic activities, and demographic factors that may influence the development. This dual focus ensures a comprehensive understanding of both the local and wider implications of the proposed development.

Figure 4: The Site Location in the Kouga Local Municipality to the north of the town of Humansdorp.



3.1 Demographic Overview

The following section presents a detailed socio-economic snapshot of the Kouga Local Municipality, with a focus on population growth, town sizes, and unemployment rates. The analysis highlights key demographic trends that may influence the municipality's future urbanisation and economic development, particularly in relation to shifts in population centres and their economic potential.

Table 2: Demographic Overview Of KLM, SBDM, 2023

	Humansdorp/ KwaNomzamo	Jeffreys Bay	St Francis Bay/ Cape St Francis	Kouga Local Municipality	Sarah Baartman District Municipality
Population 2023	31 786	29 715	5 788	108 047	537 707
Population 2011 Census	28 994	27 105	5 280	98 556	450 585
Growth Rate (2001-2011)	3,15%	4,84%	9,72%	3,04%	1,36%
Unemployment Rate	22,70%				29,70%
Source: Quantec: Standardised Regional (2024)					

Key Insights:

- **Town Size Dynamics:** Humansdorp, including the adjacent KwaNomzamo area, remains the largest population centre within the Kouga Municipality, with a total population of 31,786 in 2023. However, Jeffreys Bay, known for its residential and tourism appeal, is rapidly closing in with a population of 29,715. Notably, Jeffreys Bay has a higher growth rate of 4.84%, compared to Humansdorp's 3.15%, indicating that it is on track to surpass Humansdorp as the main population hub in the municipality. This shift is likely driven by Jeffreys Bay's reputation as a global surfing destination, along with increased residential development and economic opportunities in the area.
- **Smaller Towns:** St Francis Bay and Cape St Francis are much smaller population centres, with a combined population of 5,788 in 2023. Despite their size, these towns have seen significant growth, with a rate of 9.72% between 2001 and 2011, making them some of the fastest-growing areas in Kouga. The area's appeal is largely due to its high-end residential properties and tourism-related activities, such as water sports and nature reserves.
- **Municipal and District Comparison:** The overall population of the Kouga Local Municipality grew from 98,556 in 2011 to 108,047 in 2023, reflecting a healthy growth rate of 3.04%. This growth outpaces the broader Sarah Baartman District Municipality, which grew at a slower rate of 1.36%. Kouga's growth is driven by its diverse economy, which includes agriculture, tourism, and manufacturing, as well as its attractiveness as a residential area, particularly for people relocating from other parts of South Africa.

- **Employment Landscape:** While Kouga enjoys relatively steady population growth, the unemployment rate across the municipality is 22.70%. This rate, while concerning, is notably lower than the Sarah Baartman District Municipality's unemployment rate of 29.70%. The lower unemployment rate in Kouga is a positive sign, but it still highlights the need for job creation, particularly in the expanding urban centres like Jeffreys Bay and Humansdorp. Economic development in these areas could be supported by sectors such as tourism, small-scale manufacturing, and renewable energy projects.

The demographic data therefore suggests that Kouga Local Municipality is experiencing steady growth, with Jeffreys Bay on course to become the dominant urban centre, surpassing Humansdorp in the coming years. This growth presents both opportunities and challenges, particularly in managing urban development, infrastructure, and employment opportunities. The relatively lower unemployment rate in Kouga compared to the broader district points to a more resilient local economy, though further economic diversification and development will be necessary to support its growing population. The municipality's potential for tourism, along with its strategic location within the Sarah Baartman District, makes it a key area for future development in the Eastern Cape.

3.2 Economic Overview

The Kouga Local Municipality's economy is driven primarily by the tertiary sector, similar to trends seen across the broader Sarah Baartman District and the Eastern Cape. In 2023, Kouga's total Gross Value Added (GVA) at constant prices stood at R7.8 billion, contributing 26.9% of the Sarah Baartman District's GVA. However, Kouga's overall GVA growth rate over the past decade (2013-2023) has been negative at -0.99%, reflecting broader economic challenges faced within the region.

Table 3: Economic Overview Kouga LM, SBDM and Eastern Cape, 2023

	Eastern Cape	Sarah Baartman	Kouga Municipality
Total GVA (R, millions; Constant 2023 Price)	R 332 405,484	R 29 109,06	R 7 834,694
GVA Growth Rate (2013- 2023)	-0,58%	-0,83%	-0,99%
Employment Growth Rate (2013-2023)	-1,43%	-1,65%	-1,97%
Primary Sector			
GVA (R, millions)	R 7 184,644	R 2 456,473	R 649,78
Contribution to total GVA	2,16%	8,44%	8,29%
GVA Growth Rate (2013- 2023)	0,95%	1,07%	1,06%
Employment	973 959	110 283	28 078
Contribution to total employment	8,42%	28,36%	28,51%
Employment Growth Rate (2013-2023)	2,50%	2,32%	2,44%
Secondary Sector			
GVA (R, millions)	R 55 089,486	R 5 219,609	R 1 360,583
Contribution to total GVA	16,57%	17,93%	17,37%
GVA Growth Rate (2013- 2023)	-1,10%	0,77%	-0,32%
Employment	128 609	12 702	3 377
Contribution to total employment	13,20%	11,52%	12,03%
Employment Growth Rate (2013-2023)	0,65%	1,82%	0,86%
Tertiary Sector			
GVA (R, millions)	R 270 131,354	R 21 432,978	R 5 824,331
Contribution to total GVA	81,27%	73,63%	74,34%
GVA Growth Rate (2013- 2023)	0,96%	0,83%	1,33%
Employment	763 342	66 305	16 696
Contribution to total employment	78,38%	60,12%	59,47%
Employment Growth Rate (2013-2023)	1,49%	1,36%	2,06%
Source: Quantec: Standardised Regional (2024)			

The **Primary Sector**, which includes agriculture, forestry, and fishing, plays a significant role in Kouga, contributing **8.29%** of the total GVA, higher than the provincial average of 2.16%. The sector has seen positive growth, with a GVA growth rate of **1.06%** between 2013 and 2023. Employment in the primary sector is also strong, accounting for **28.51%** of Kouga's total employment, with a notable employment growth rate of **2.44%** over the same period.

The **Secondary Sector**, which includes manufacturing, electricity, water, and construction, represents **17.37%** of Kouga's total GVA. Although this sector contributes a significant portion of the local economy, it has faced a decline, with a GVA growth rate of **-0.32%** over the past decade. Employment in this sector accounts for **12.03%** of the total, with minimal employment growth at **0.86%** between 2013 and 2023. Despite these challenges, the manufacturing and construction industries continue to provide essential economic support, particularly in urban areas like Humansdorp and Jeffreys Bay.

The **Tertiary Sector** dominates Kouga's economy, contributing **74.34%** of the municipality's GVA in 2023. This sector, which includes finance, trade, transportation, and government services, grew at **1.33%** between 2013 and 2023. It is also the largest employer, accounting for **59.47%** of total employment, with employment growth of **2.06%** over the decade. The tourism industry, bolstered by Kouga's coastal towns like Jeffreys Bay, plays a significant role in the tertiary sector's success, attracting both domestic and international visitors, and driving demand for services in hospitality, retail, and real estate.

Table 4: Kouga LM GVA Contribution by Sector, 2023

	2023 Millions(R)	(2023)	Growth Rate (2022-2023)	Growth Rate (2013-2023)
Primary Sector	R649 780	8,29%	-4,06%	-0,41%
Agricultural, Forestry and Fishing	R646 711	8,25%	-4,08%	-0,42%
Mining and Quarrying	R3 069	0,04%	-1,10%	-0,11%
Secondary Sector	R1 360 583	17,37%	2,21%	0,22%
Manufacturing	R914 459	11,67%	4,01%	0,39%
Electricity, Gas and Water	R136 622	1,74%	-1,17%	-0,12%
Construction	R309 502	3,95%	-1,37%	-0,14%
Tertiary Sector	R5 824 331	74,34%	1,51%	0,15%
Wholesale and Retail Trade	R1 207 304	15,41%	-2,32%	-0,23%
Transportation and Storage	R350 882	4,48%	4,71%	0,46%
Finance and Insurance	R1 949 537	24,88%	1,10%	0,11%
General Government	R725 711	9,26%	5,98%	0,58%
Community, social and personal services	R1 412 183	18,02%	1,08%	0,11%

Source: Quantec: Standardised Regional (2024

3.2.1.1 Primary Sector Dynamics:

In 2023, the Primary Sector contributed R649.78 million to the economy, making up 8.29% of Kouga's total GVA. The sector is dominated by Agriculture, Forestry, and Fishing, which alone accounted for R646.71 million (8.25% of GVA). Despite its significance in terms of GVA, the sector saw a decline of -4.08% between 2022 and 2023, and -0.42% over the decade (2013–2023), highlighting ongoing challenges such as fluctuating weather patterns and market access issues.

Mining and Quarrying represents a small fraction of the sector, contributing just R3.07 million or 0.04% to GVA. This subsector experienced a contraction of -1.10% from 2022 to 2023 and a decade-long decline of -0.11%, reflecting its marginal role in the local economy.

The Primary Sector plays a more substantial role in employment, accounting for 28.51% of total jobs within Kouga. The sector saw a positive employment growth rate of 2.44% from 2013 to 2023, making it a key source of livelihood despite its declining economic output.

3.2.1.2 Secondary Sector Breakdown:

The Secondary Sector contributed R1.36 billion to the economy in 2023, accounting for 17.37% of Kouga's total GVA. This sector is crucial for industrial development and job creation, with three major industries:

- Manufacturing is the largest contributor to the secondary sector, generating R914.46 million or 11.67% of total GVA in 2023. Manufacturing showed resilience with a 4.01% growth from 2022 to 2023 and a 0.39% growth over the decade. It is primarily focused on food processing and small-scale industrial production, which supports both local consumption and export.
- Construction, which contributed R309.50 million or 3.95% of GVA in 2023, plays a significant role in infrastructure development, particularly in the housing and commercial property markets. Despite its importance, the construction industry has been facing challenges, reflected in a -1.37% decline in GVA from 2022 to 2023 and a -0.14% drop over the decade.
- Electricity, Gas, and Water accounted for R136.62 million or 1.74% of total GVA, but this industry saw a -1.17% decline in 2022–2023 and a -0.12% contraction over the decade, partly due to infrastructure limitations and rising energy costs.

In terms of employment, the secondary sector contributed 12.03% of total jobs in Kouga. Manufacturing remains the largest employer in this sector, providing crucial jobs for the local population. However, overall employment in the sector grew modestly by 0.86% from 2013 to 2023, indicating slower job creation relative to other sectors.

3.2.1.3 Tertiary Sector Breakdown:

The Tertiary Sector dominates Kouga's economy, contributing R5.82 billion or 74.34% of the total GVA in 2023. This sector encompasses a range of service-based industries that are vital for economic stability and growth. The key industries within this sector include:

- Finance and Insurance, which contributed R1.95 billion (24.88% of GVA) in 2023, making it the largest industry in this sector. Despite its size, it experienced only modest growth of 1.10% from 2022 to 2023, reflecting the steady demand for financial services, banking, and insurance in Kouga.
- Wholesale and Retail Trade is the second-largest contributor to the tertiary sector, generating R1.20 billion (15.41% of GVA). However, this industry has faced contraction, with a -2.32% decline in GVA between 2022 and 2023, as well as a -0.23% drop over the last decade, indicating reduced consumer spending and increased competition from outside the region.
- Community, Social, and Personal Services is another significant industry, contributing R1.41 billion (18.02% of GVA) in 2023. This industry provides essential services such as healthcare, education, and social work, which are vital for the well-being of Kouga's population. The sector grew by 1.08% in 2022–2023, demonstrating its steady expansion in response to rising demand for social services.
- General Government services, which include public administration and defence, contributed R725.71 million or 9.26% of GVA in 2023. This subsector experienced robust growth, with a 5.98% increase from 2022 to 2023, driven by higher public spending on infrastructure and social services.

- Transportation and Storage is a growing industry within the tertiary sector, contributing R350.88 million or 4.48% of GVA in 2023. It has shown strong growth, with a 4.71% increase in GVA from 2022 to 2023, reflecting Kouga's strategic location as a logistical hub for trade and tourism.

The Tertiary Sector also plays a crucial role in employment, accounting for 59.47% of jobs in Kouga. The sector saw a solid employment growth rate of 2.06% between 2013 and 2023, with key industries such as finance, retail, and public services providing much-needed job opportunities for the local population.

In summary, Kouga's economy is heavily reliant on its tertiary sector, particularly in finance, retail, and public services. The secondary sector, driven by manufacturing and construction, contributes significantly but faces challenges in sustaining growth. Meanwhile, the primary sector remains an important source of employment, especially in agriculture, despite its declining GVA contribution. To ensure long-term economic sustainability, Kouga will need to continue investing in industrial diversification, infrastructure, and service-based industries that support job creation and economic resilience.

4 Industry Prioritisation and Preference Assessment

The selection of industries for potential land uses by Kouga Local Municipality was guided by a structured evaluation process using a Prioritisation Matrix. This matrix assessed each industry's feasibility and alignment with specific indicators to ensure sustainable development.

The evaluation considered factors such as employment generation, the role of key local industries, economic value addition, market demand and growth potential, community and social impact, and alignment with strategic goals. This comprehensive approach enabled the identification of land uses that could optimise socio-economic benefits while addressing local needs.

4.1 Preference Indicators

To assess the viability of proposed land uses, key criteria were applied across several domains. Market viability was determined by evaluating the demand for each industry's end product, the competitiveness of the market, and investor sentiment regarding the long-term potential and sustainability of the industry. Financial viability was centred on ensuring that the selected land uses offered sustainable cash flow and an attractive return on investment (ROI) for stakeholders.

Economic viability played a pivotal role, with industries being assessed for their potential to create jobs, stimulate local economic growth, and enhance property values. Social impacts were also considered, with particular attention given to the benefits these industries could bring to local communities, such as improved livelihoods, educational opportunities, and social cohesion. Lastly, the assessment examined risk levels and technical feasibility, ensuring selected land uses had manageable risks and were compatible with the site's zoning, infrastructure, and physical attributes.

4.2 Other Industries Considered

Several industries were evaluated during the selection process but were ultimately not prioritised. For instance, small-scale artisanal crafts were considered for their cultural and community benefits but were deemed less viable due to limited economic scalability and lower potential for widespread job creation.

Tourism-related developments were explored given Humansdorp's proximity to natural attractions; however, the seasonal nature of tourism and strong competition from neighbouring towns posed challenges to its feasibility. Similarly, industries focused on retail expansion were examined but did not align closely with strategic goals aimed at fostering broader economic growth and resilience.

These considerations informed the rigorous approach taken to ensure the final selection of industries and land uses aligns with local needs, strategic objectives, and sustainable development principles.

The following criteria was used to identify the possible industries that could be included in the potential land uses and could find benefit from the land while at the same time create a positive impact for the local community of Humansdorp and the wider Kouga region:

Table 5: Prioritisation Matrix for Proposed Development

Heading	Criteria	Description
Employment Generation	**Local Job Opportunities**	Prioritise industries that drive employment for local residents.
	Labour-Intensive Sectors	Focus on sectors with potential for labour-intensive operations to boost job creation.
Key Local Industries	**Economic Role**	Identify industries that significantly contribute to Humansdorp's economy.
	Economic Integration	Support industries that enhance or integrate with existing sectors, such as agriculture, renewable energy, or agro processing.
Economic Value Addition	**Value Chain Development**	Target industries that foster upstream and downstream business activities.
	Economic Diversification	Consider sectors that reduce reliance on singular industries.
Market Demand and Growth Potential	**Demand Alignment**	Select industries with strong market demand and sustainable growth potential.
	Strategic Advantage	Focus on industries aligned with local resources and regional/national goals.
Community and Social Impact	**Skills and Livelihoods**	Prioritise industries that enhance skills, education, and community well-being.
Alignment with Strategic Goals	**Eco-Industrial Objectives**	Ensure industry selection supports the eco-industrial hub vision and sustainability.
	Revenue Growth	Target industries that contribute to municipal revenue

4.3 Selected Land Uses

Based on the prioritisation process, the following industries and land uses were shortlisted for more rigorous market research and feasibility testing:

1. **Citrus** – Recognised for its robust export market, integration with existing agricultural practices, and potential to stimulate value chains.
2. **Dairy** – Selected due to its strong local economic impact, ability to generate substantial employment, and alignment with regional strengths.
3. **Ocean Economic Sector** – Prioritised for its international demand and opportunities for value-added processing, which enhance the seafood sector such as the calamari industry.
4. **Education** – Chosen for its critical role in building skills, improving livelihoods, and fostering long-term socio-economic development.
5. **Warehousing and Storage** – Identified for its importance in supporting logistics, enabling efficient supply chains, and complementing industrial growth and allowing for possible manufacturing.
6. **Residential Property** – Selected to address housing demand and improve living standards, catering to population growth and urban development.
7. **Commercial Property** – Included for its potential to attract business investment, diversify the economy, and generate municipal revenue.
8. **Green (Renewable) Energy** – Highlighted for its alignment with sustainability goals, capacity to reduce energy costs, and role in creating green jobs while promoting environmental stewardship.
9. **Green Economy (Recycling Facility)** – Chosen for its environmental impact, ability to foster a circular economy, and contribution to job creation in waste management and material recovery.

The detailed analysis for the selected industries will follow in subsequent sections to show the possible opportunities.

5 Stakeholder Engagements

A series of one-on-one stakeholder meetings were conducted with key role players across the industries identified in the Prioritisation Matrix for Industry Selection in the study area. These engagements provided critical insights into trends within their respective sectors at local, national, and, where applicable, international levels. Particular attention was given to export-driven industries such as calamari and citrus, which play a significant role in linking the region to global markets.

Discussions centred on opportunities for value addition, improving industry practices, and creating sustainable employment. Stakeholders were also encouraged to explore ways to collaborate with other industries to adopt greener and more environmentally friendly practices. This focus aligns with the overarching goal of establishing an eco-industrial hub in Humansdorp that supports innovation and sustainability.

Once preliminary concept designs are formalised, further consultations will be held with local communities and influential groups, such as the Kouga Business Forum. These follow-up engagements will ensure alignment with community goals, strengthen stakeholder buy-in, and incorporate additional inputs to refine the project.
Key stakeholders and businesses consulted include:



Figure 5: Stakeholders Consulted

This multi-faceted engagement process ensures the project is shaped by robust industry expertise, community aspirations, and sustainability objectives, laying a solid foundation for impactful and inclusive development. Stakeholder feedback will be discussed in detail in later sections of the report.

5.1 Preliminary Stakeholder Feedback

Engagements with stakeholders highlight the significant economic potential of Kouga Local Municipality, with Humansdorp at its core. The municipality's strategic location along key transport routes and its proximity to the coast position it to capitalise on sectors such as agriculture, renewable energy, and manufacturing.

Kouga's strong agricultural base, particularly in citrus, dairy, and fishing, provides a solid foundation for economic development. Additionally, the increasing demand for warehousing and storage solutions presents further opportunities to support growth. Combined with the growing focus on sustainability and the expansion of green industries like renewable energy and recycling, Kouga is well-placed to attract investment, create jobs, and drive long-term economic growth that benefits the entire region.

Critical Infrastructure Challenges:

Despite its potential, the region faces critical infrastructure challenges that impede development:

- **Poor road conditions**: These hinder connectivity and economic activity, affecting logistics and access to markets.
- **High bulk service fees**: At approximately R79,000 per house, these costs restrict property development in Humansdorp and smaller towns, creating barriers to addressing housing needs.

Housing and Property Development Needs

Stakeholders have identified significant demand for housing solutions to meet the needs of the growing population:

- **Affordable housing**: There is a demand for homes priced below R1,000,000, particularly those with 2–3 bedrooms and quality finishes.
- **Bachelor units**: These are required to accommodate young professionals and workers employed in local wind farms and other industries.

Educational System Gaps

Education and skills development were highlighted as critical areas requiring improvement:

- **Overcrowding in schools**: Schools in Kruisfontein and Humansdorp are overcrowded, necessitating an urgent expansion of educational infrastructure.
- **Vocational training centres**: Stakeholders emphasised the need for training programmes tailored to local industries such as agriculture, construction, green energy, and fishing. These centres could provide practical skills aligned with regional economic opportunities.

Economic Opportunities

Several areas were identified as key economic opportunities for the municipality:

- **Storage and warehousing**: There is strong demand for facilities ranging from 40 to 500 square metres.
- **Skills training**: Investment in training for farming, welding, hospitality, and niche fields such as mushroom cultivation could create jobs and enhance local expertise.

Renewable Energy Prospects

The renewable energy sector presents a promising avenue for growth:

- **Solar energy**: With limited expansion in wind energy, attention has shifted to solar projects, such as the Woodlands Dairy solar initiative.
- **Infrastructure investments**: Developing cold storage and warehousing facilities could further support

Conclusion

The stakeholder feedback highlights both challenges and opportunities for Kouga Local Municipality. Addressing infrastructure deficits, housing needs, and educational gaps will be essential to unlocking the region's economic potential. By leveraging its strategic location, natural resources, and commitment to sustainability, Kouga can position itself as a hub for agriculture, renewable energy, and industry, fostering inclusive growth and long-term

6 Environmental and Spatial Analysis

The following section represents the results of the high-level screening for environmental sensitivity of the proposed site for relevant environmental themes associated with the project classification. At this stage, this is a high level screening that gives broad insight into the possible environmental aspects of the site. Going forward, it is the duty of the EAP to ensure that the environmental themes provided by the screening tool are comprehensive and complete for the project. Further, these themes are to be verified by a site demarcation exercise as to their applicability and the extent of the boundary lines.

The spatial data contained in the National Web-Based Environmental Screening Tool used to generate this report has been collected as accurately as possible. Although the greatest care has been taken to ensure that the data is up to date and spatially accurate, the Department of Environmental Affairs and its entities give no warranty, express or implied, as to the accuracy, reliability, utility, or completeness of this data. The spatial information used for pre-screening purposes, which in turn is used to generate the National Web-Based Screening Environmental Tool report, is collected from various sources, therefore its correctness cannot be guaranteed, and it can change over time without notice.

The information provided in this report is not intended to be used as a substitute for specific advice from a specialist. It is advised that property owners should not act (or refrain from acting) based upon the information without independently verifying the data contained in the report and it is recommended that you obtain professional advice regarding your particular facts and circumstances.

A summary of the Screening Tool Sensitivity Report highlights Very High and High Sensitivity for the following:

- Agriculture theme.
- Animal species theme.
- Aquatic biodiversity Theme.
- Archaeological and Cultural Heritage theme.
- Palaeontology theme.
- Terrestrial Biodiversity theme.

It highlights Medium and Low Sensitivity for the following:

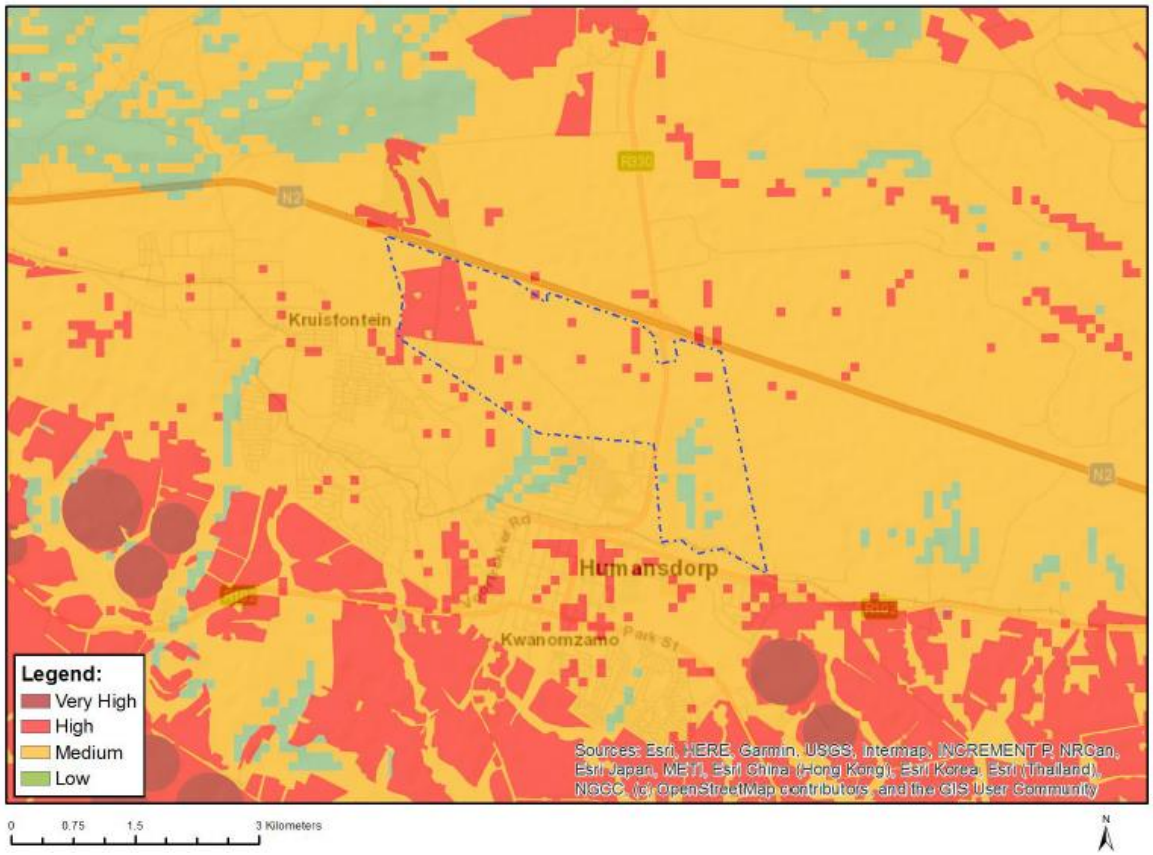
- Civil Aviation theme.
- Defence theme.
- Plant species theme.

Following on the above, it is anticipated that, if there is any substantial development to this site, that a number of specialist studies would need to be undertaken. These would be undertaken as follows:

- **Landscape / Visual Impact Assessment (VIA):** This would be undertaken by a landscape and VIA specialist. The intention of this would be to assess the impact of the development on the larger context with specific regard to its visibility.
- **Archaeological, Palaeontology and Cultural Heritage Impact Assessment:** This would be undertaken by a Heritage Practitioner to identify and assess the significance of any Archaeological, Palaeontological and built environment heritage elements on the site. If this is understood to be significant, then an appropriate application to the relevant heritage authority would need to be made.
- **Terrestrial Biodiversity Impact Assessment:** This is a specialized study that evaluates the potential impacts of proposed developments or activities on terrestrial ecosystems, habitats, and species. It is a key component of Environmental Impact Assessments (EIAs) required under South Africa's National Environmental Management Act (NEMA) and associated regulations.
- **Aquatic Biodiversity Impact Assessment:** This is a specialized study conducted to evaluate the potential effects of proposed developments or activities on aquatic ecosystems, such as rivers, wetlands, lakes, estuaries, and other water bodies. It is a critical part of Environmental Impact Assessments (EIAs) required under the National Environmental Management Act (NEMA) and related legislation in South Africa.
- **Plant and Animal Species Assessment**: This is a specialized study conducted to identify and evaluate the presence, distribution, and ecological significance of plant and animal species within a proposed development site or project area. This assessment is typically undertaken as part of an Environmental Impact Assessment (EIA) or other environmental management processes to ensure biodiversity conservation and compliance with environmental regulations.
- **Socio-Economic Impact Assessment:** A Socio-Economic Impact Assessment (SEIA) evaluates the potential social and economic effects of a proposed project, policy, or development on individuals, communities, and the broader economy. It is an integral part of decision-making processes, often included in Environmental Impact Assessments (EIAs) or feasibility studies, to ensure that projects are designed and implemented in ways that are socially and economically beneficial while minimizing adverse effects.

A REVIEW OF THE KEY SENSITIVITIES FROM THE SCREENING SENSITIVITY TOOL REPORT IS AS FOLLOW:

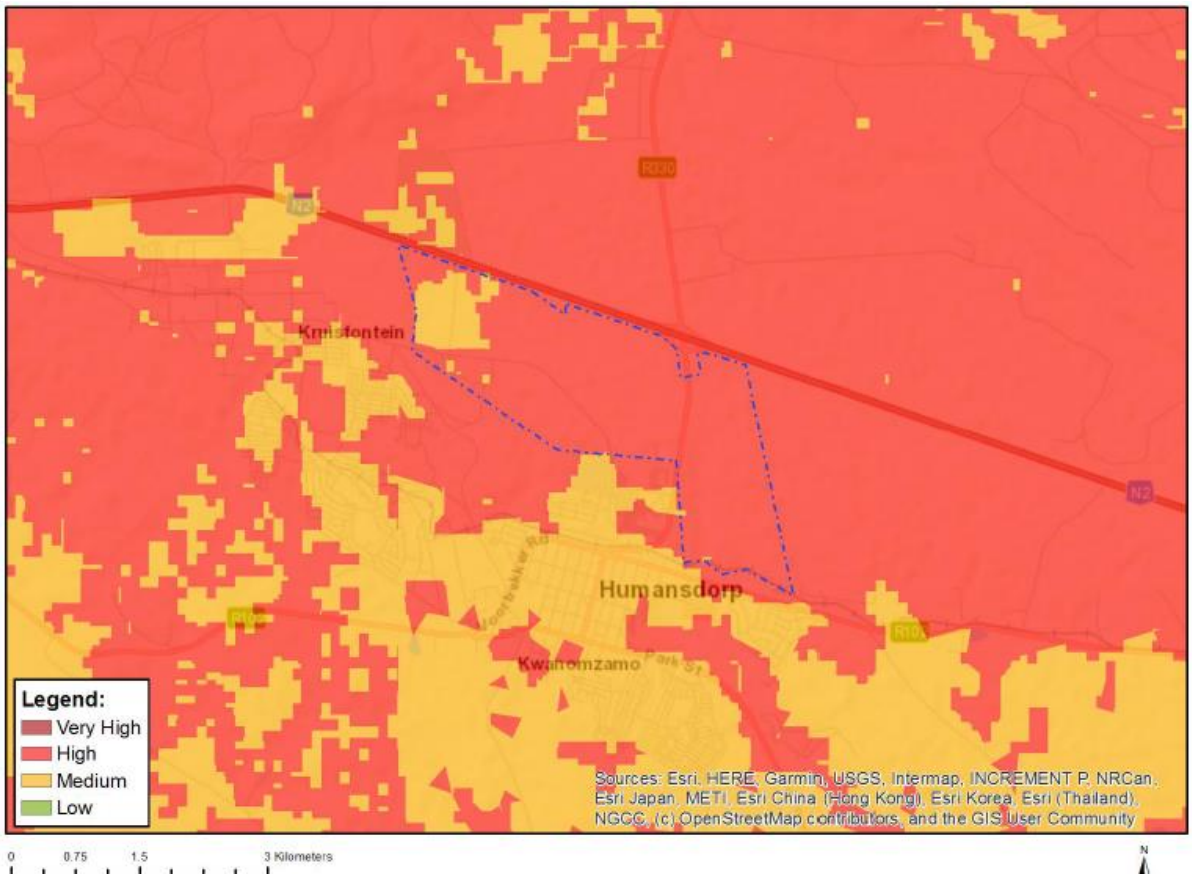
Figure 6: Agriculture Theme Sensitivity



This indicates limited scattered agricultural land over the site with a larger area to the extreme west. It is noted that from site visits it is apparent that most of these areas are historical and no longer in use.

Looking at historical aerial photos of the site, there is no evidence that the 'old lands' have been ploughed in the last 10 years, which means they would be considered virgin soil (i.e. falls within the definition of Indigenous vegetation) and EIA listed activities would be applicable. These areas would have low biodiversity sensitivity but possibly high agricultural sensitivity. The quarry/disposal site could possibly fall under being transformed, but additional listed activities could apply to develop a waste disposal site.

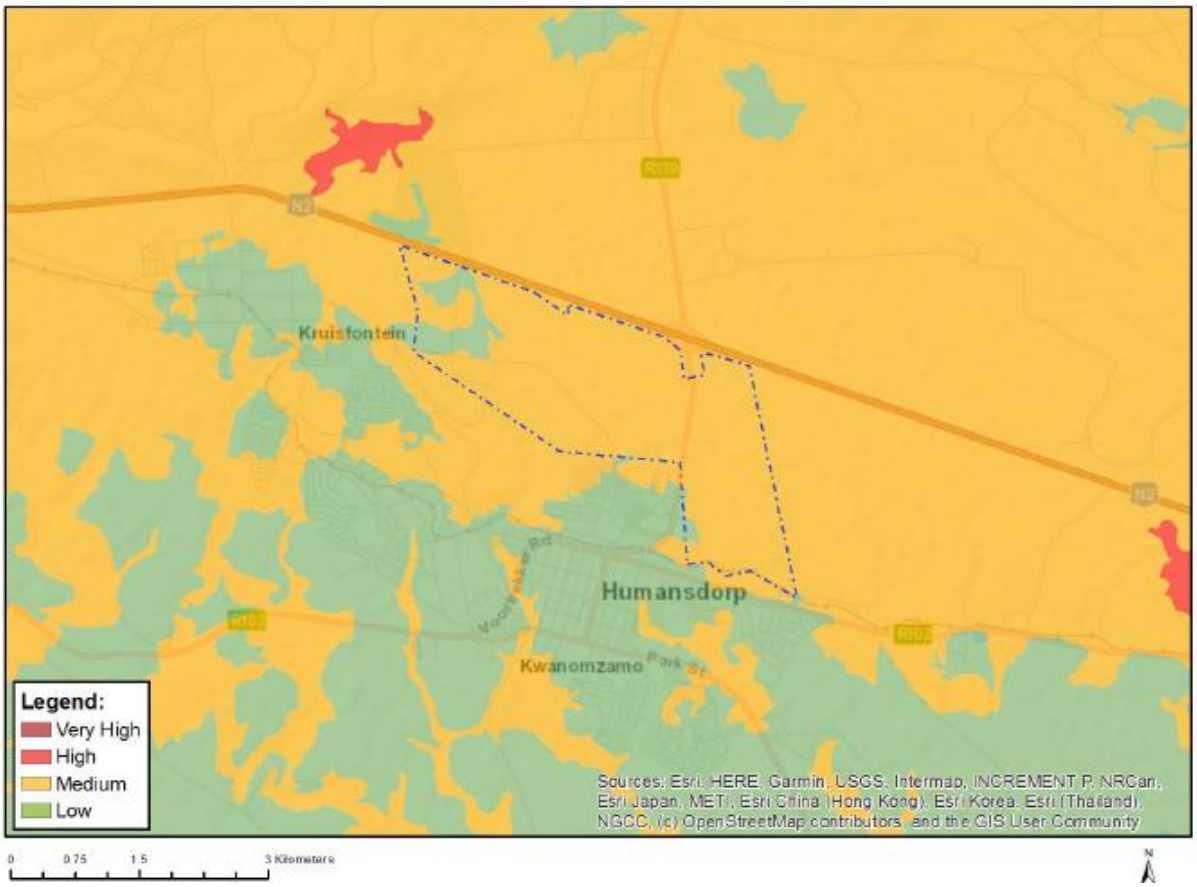
Figure 7: Animal Species Theme Sensitivity



Agricultural areas or old lands may have a high agricultural sensitivity, and development therein could trigger additional agricultural assessment. High-value agricultural areas can be no-go areas. Other areas indicate possible old quarries and gravel borrow pits, including a waste disposal site in the middle of the site.

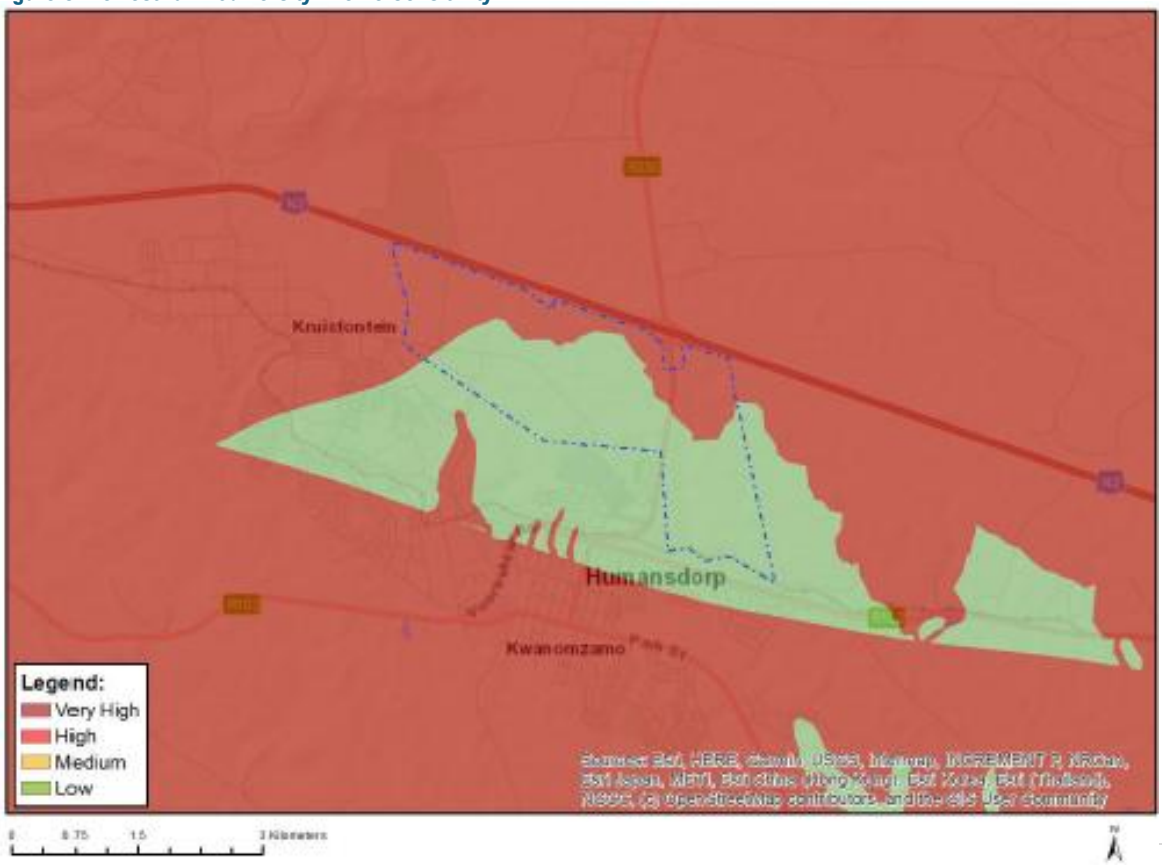
It is noted that the whole site is considered "High" for the Animal Species theme. Several bird species were flagged (usually a problem for renewable energy projects but would depend on the scale of the project and buffers may be required around any high-risk bird nesting sites if present in the surrounding area. Would potentially require an avifaunal specialist assessment. Several animal species are flagged, and sensitive species are unlikely, but possibly transient in the thicket areas around watercourses. The Golden Mole and several insects are possible but would require further screening.

Figure 9: Plant Species Theme Sensitivity



This identifies the site as medium with some "low" areas. Numerous plant species were flagged, some are unlikely, but several could potentially be present. Further analysis of distribution records would be required, and a detailed on-site survey would be required to confirm with confidence.

Figure 8: Terrestrial Biodiversity Theme Sensitivity.

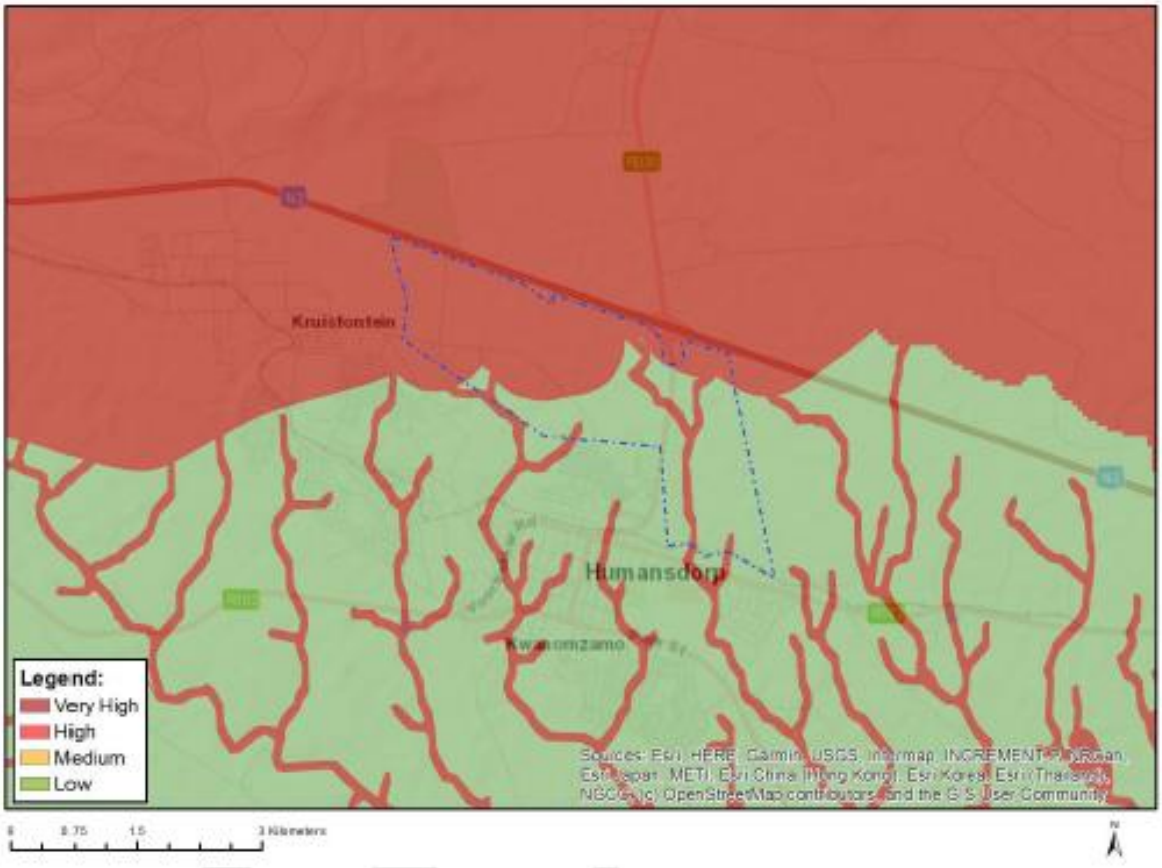


This map indicates the site as being partially graded as “high” to the north and “ low” to the south. This aligns with the initial site visits where it was apparent that large sections of the site (mostly to the south) were degraded, not indigenous and covered in exotic trees. Some of the areas to the north could be flagged as Critical Biodiversity Areas (CBAs).

Figure 10:Typical view of the site with large portions of exotic bush and tree growth alongside open grass areas.

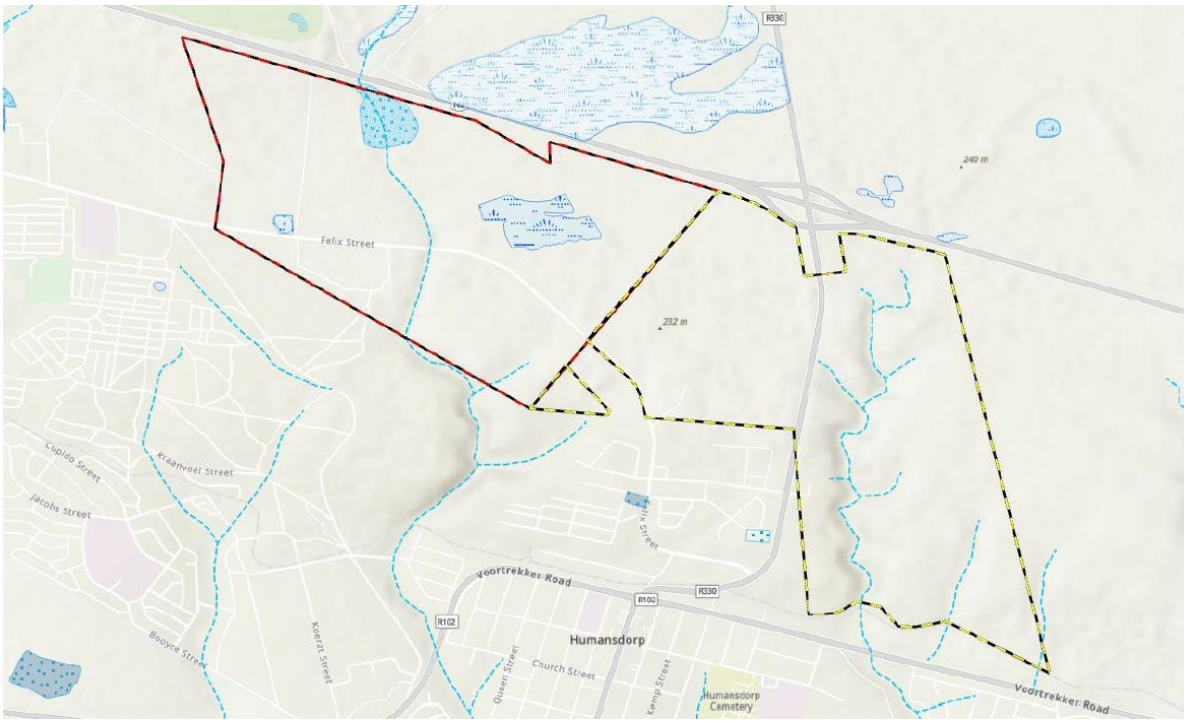


Figure 11: Biodiversity Theme Sensitivity.



This is a key sensitivity that relates to water, water bodies and the associated natural context. It is identified as “high” to the north and “low” to the south with water courses clearly identified.

Figure 10: Initial identification of Water Bodies on the site



There are several watercourses across the site and some wetlands and dams. These will need buffers that are a minimum 32m on watercourses. Linear infrastructure often needs to cross watercourses, so construction of crossings could trigger additional listed activities and would need aquatic specialists.

Any activity within 500 m of wetlands would need a Water Use License and aquatic assessment but does not necessarily exclude these areas. Would recommend incorporating it into open space if it was a non-industrial type of development. Dams could be suitable for stormwater retention, but wetlands would be a no-go.

The large waterbody on the N2 looks to be a dam but would have a wetland function as well. The area indicated as wetland (central) should require verification, and possibly may require by an aquatic specialist to confirm with certainty.

6.1 Palaeontology, Archaeological And Cultural Heritage Theme Sensitivity

Figure 11: Palaeontology Theme Sensitivity.

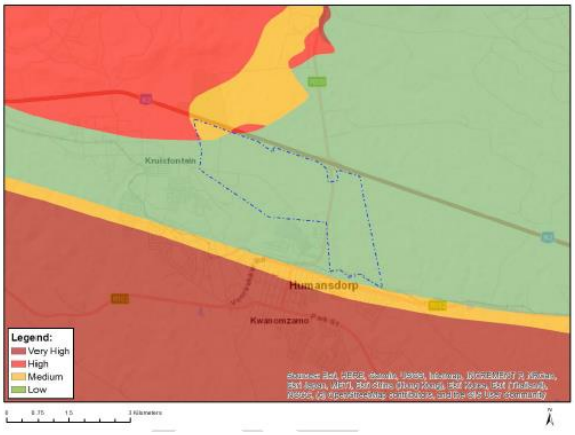
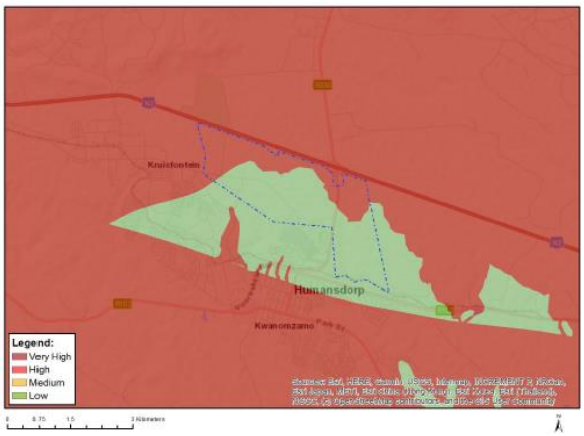


Figure 12: Archaeology and Cultural Heritage Theme Sensitivity.



These are aspects of a heritage nature and, although identified in the Screening as “high” as very localised and limited. These would need to be identified, and their significance assessed.

Figure 15: Archaeological And Cultural Heritage Theme Sensitivity

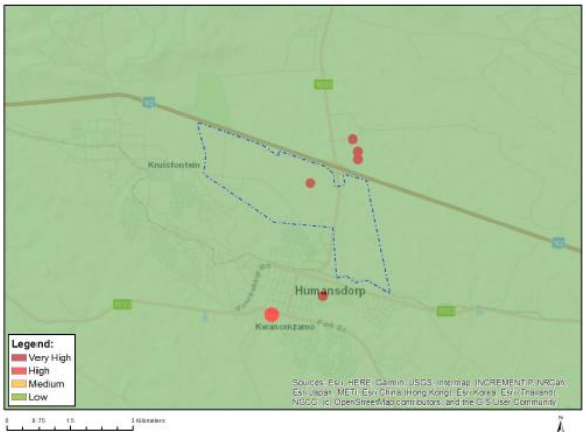
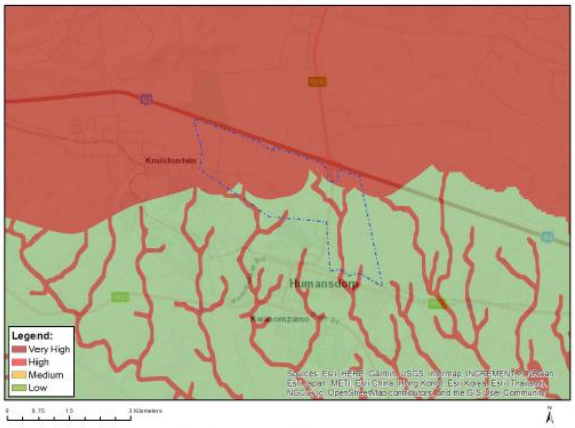


Figure 16: Aquatic Biodiversity Theme Sensitivity



6.2 Potential Listed Activities as per NEMA

In South Africa, listed notices in the context of the National Environmental Management Act (NEMA) refer to regulations that specify certain activities or developments that require environmental assessment before they can proceed. These activities are listed under various NEMA Regulations and are often categorized as either activities that require an Environmental Impact Assessment (EIA) or activities that require a Basic Assessment (BA).

These listed activities are considered to have the potential to cause significant environmental impacts, either individually or cumulatively, and therefore must undergo a formal process to evaluate their possible effects on the environment. These would need to be identified by the environmentalist as part of the Environmental process.

6.3 Summary of Environmental Aspects

It is apparent from the above that the site does have some sensitivities as identified by the Environmental Screening Tool. These relate largely to critical biodiversity, agriculture and water bodies (including wetlands). Various processes of identification and management are described in NEMA, and this will need to be undertaken to inform the detailed design. At this preliminary stage, these high-level comments have been considered and form part of the site Spatial Analysis and approach to the works, as elaborated on further below.

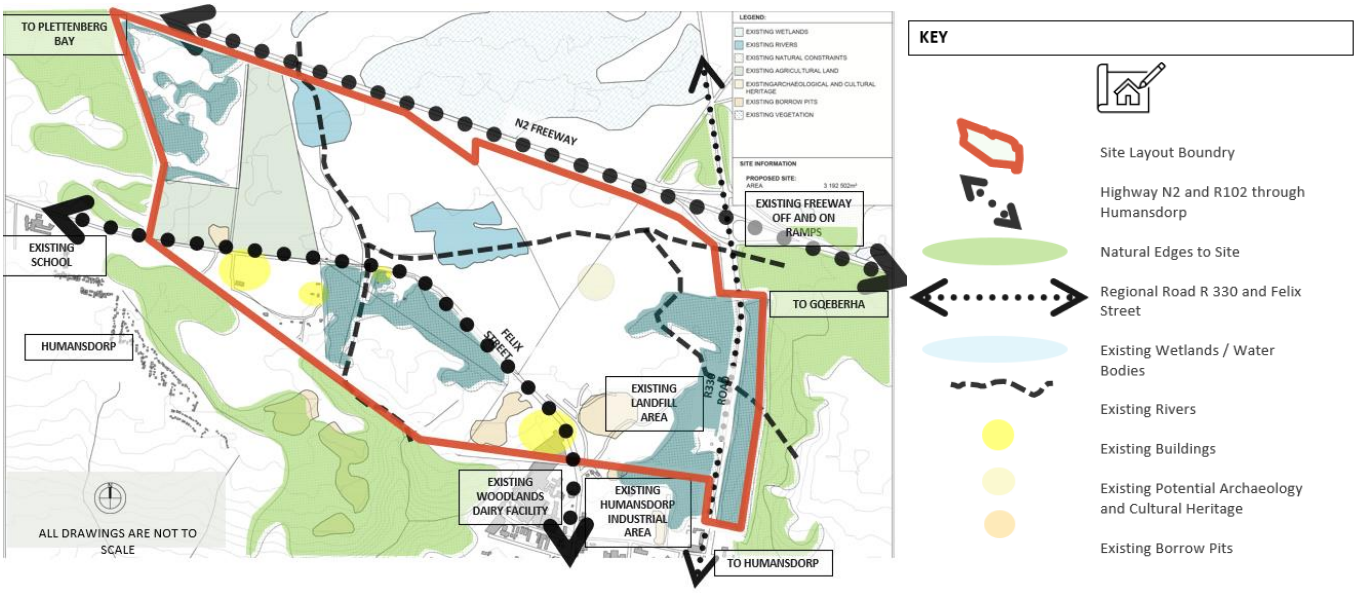
6.4 Consolidated Spatial Analysis Of The Site

The above high-level environmental assessment of the site from the Environmental Screening Tool was incorporated into other site aspects and summarised in an analysis of the existing site. , from this, high-level proposal for the creation of developable areas or "focus areas" was created. These are areas where possible development could take place. Taken This process is illustrated below:

6.4.1 STEP 1: ANALYSIS OF THE EXISTING SITE:

The first step below highlights possible constraints, obstacles and restrictions such as water bodies, wetlands, borders, and other obstacles that would hinder development based on the Environmental Screening Tool and other aspects of the site.

Figure 13: Analysis of the Existing Site



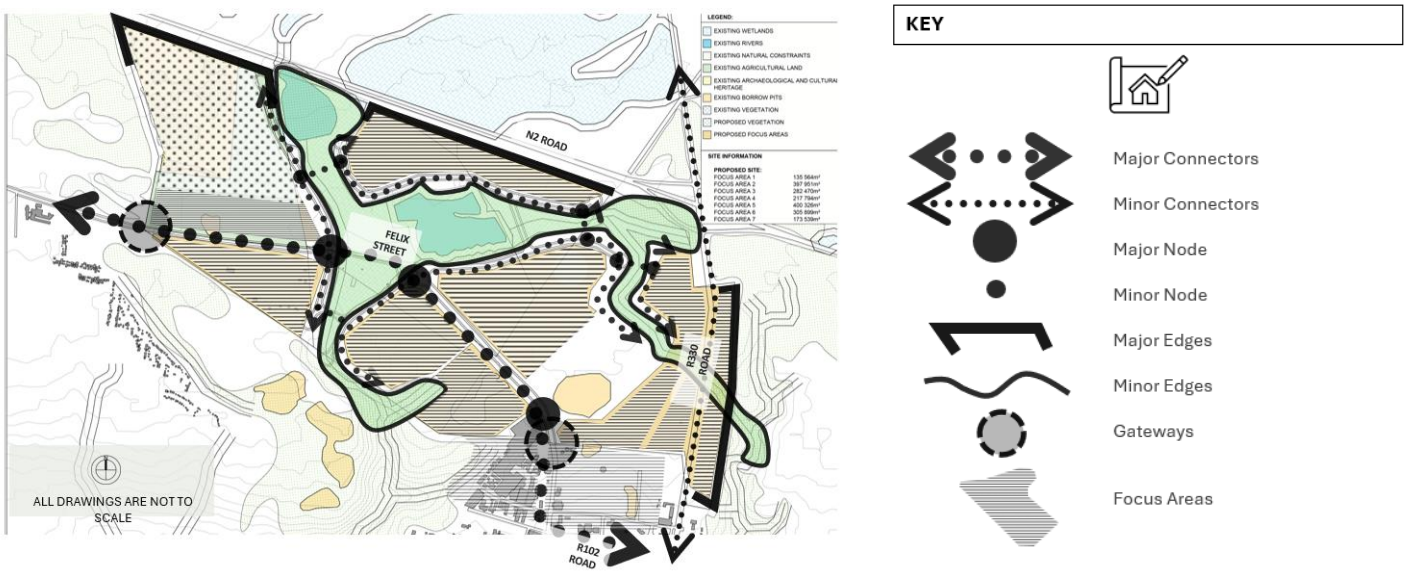
Key aspects of this are noted as:

- **Site boundaries:** The site is bounded by the N2 freeway to the north and the town of Humansdorp to the south. To the east, the R330 road (that is a primary access to Humansdorp) and a steep change in the level edge of the site. To the west, the site ends on an Erf boundary and a change in property ownership and use.
- **Environmental aspects:** These are elaborated on above and are indicated in the analysis of the existing site.
- **Access:** The site is currently accessible from the south from the existing Humansdorp industrial area and from the west. This is the established road that runs through the site known as Felix Street. This is the key current movement through the site. There are also other minor vehicular routes and pedestrian routes through the site.
- **Existing use on the site:** The site is currently partially used. The main use is the large existing municipal landfill site to the central south west side of the site. There are other more minor uses including informal animal grazing and limited small-scale farming.

6.4.2 STEP 2: IDENTIFICATION OF POSSIBLE DEVELOPABLE LAND:

The next step undertaken was to identify the possible developable land located on the property and highlight its access to potential access points and roads. These possible developable areas were then divided into usable "focus areas" that will service specific industries and therefore could require potentially different zoning and building requirements.

Figure 14: Possible Development Zones



6.4.3 STEP 3: CREATION OF FOCUS AREAS AND CREATION OF A SPATIAL CONCEPT

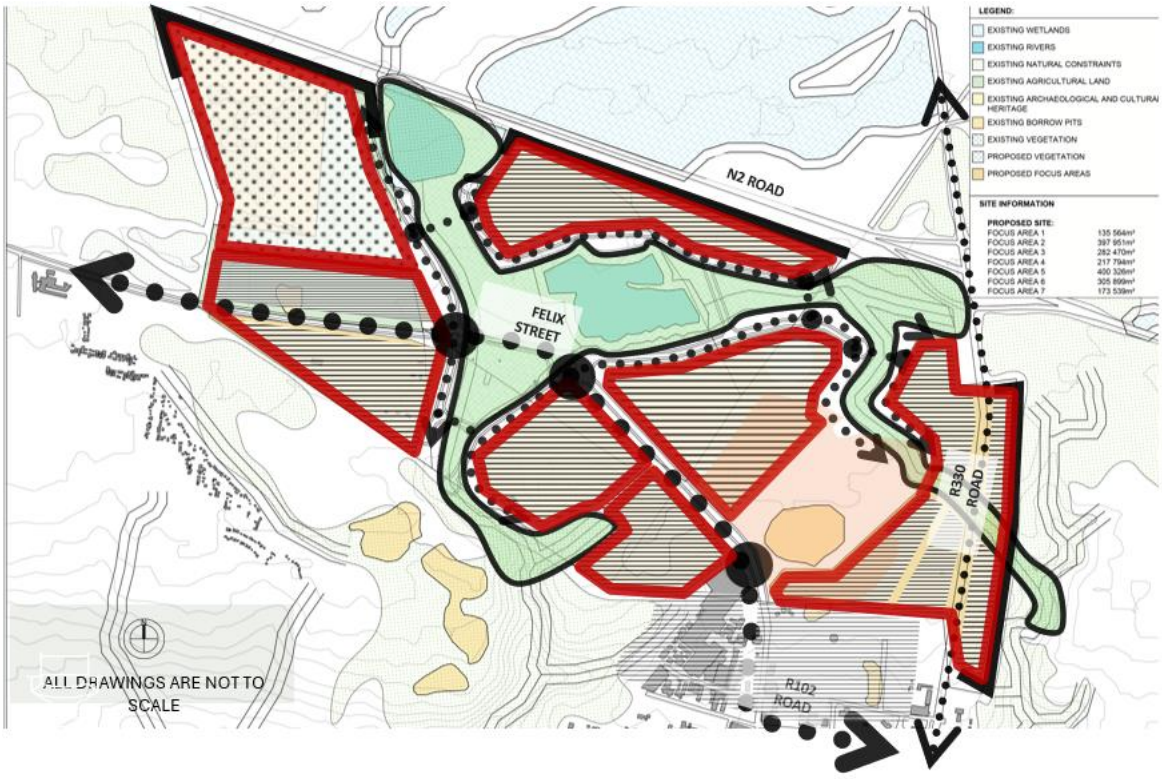
This stage considered the project from two positions:

1. The development of an overarching "Development Concept" and,
2. The development of Focus Areas that responded to specific uses and possible tenants.

The Development Concept is for a phased mixed-use development of socio-economic development that is a series of Focus Areas that centre onto a regenerative, environmentally driven "Green Heart" that is the primary organiser and connector. This is created by:

- **A strong urban design framework**: This is a structure as described in the images of this report.
- **A central green environmental system:** Rather than considering the environmental aspects as a hindrance, this is envisioned to become the attractive central space of the proposal.
- **Felix Road:** Felix Road is the key connector and becomes a "boulevard" that is both vehicle and pedestrian-friendly.

Figure 15:SPATIAL CONCEPT



In addition to the above, the site was also considered as a series of Focus Areas available for development. This was developed by defining usable areas, and based on preliminary stakeholder engagement and industry identification analysis as to assigning each of these focus areas to a specific purpose or industry. This allows for clustering similar industries together in a way that would not negatively affect another neighbouring cluster but rather to enhance each other. This is through the promotion of a Circular Economy and the overall organising and connecting nature of the central green spaces.

6.5 Synthesis

This is a complex site with a range of factors that impact on its nature, its appearance and its usefulness for development. Many of these aspects relate to the site's environmental conditions. There are several of these and require for the extent and significance of the various environmental themes to be verified by detailed on-site verification. There is processes as described by NEMA that allow for this.

The proposed development of the site responds to this as well as the other aspects of the site, notably the access and movement through the site.

This development allows for several developable areas and though this a key conceptual approach to the works is elaborated on.

From this, industry engagement and a detailed review of existing and possible uses, a series of Focus Areas are proposed, for development over several stages. This is elaborated on further in the report.

7 Case Studies

Eco-industrial parks (EIPs) represent a growing global trend aimed at creating industrial ecosystems that reduce environmental impact, enhance resource efficiency, and foster sustainable development. This section presents an analysis of successful EIP models from both South Africa and around the world, providing key insights that can inform the development of the proposed Eco-Industrial hub in Humansdorp, Eastern Cape. The selected case studies illustrate diverse approaches to integrating sustainability with industrial growth, showcasing parks that are not only environmentally conscious but also economically viable and socially responsible.

In selecting these case studies, several factors were considered. First, the diversity of industries within the parks was key, ensuring that the case studies covered a broad spectrum of sectors relevant to Humansdorp's proposed eco-industrial hub, such as renewable energy, agriculture, manufacturing, and waste management. Second, the geographical location and scale of each park were considered, focusing on both small rural areas and larger, more established industrial hubs to highlight strategies that could be adapted to a small-town setting. Third, the environmental sustainability and success in reducing ecological footprints were crucial criteria, ensuring that the lessons drawn could help guide the park towards its sustainability goals. Lastly, the degree of innovation in governance, infrastructure, and stakeholder engagement was analysed, as these factors contribute significantly to the long-term success of such initiatives.

By examining these case studies, the report aims to identify best practices, challenges, and opportunities that will guide the planning and development of an eco-industrial hub in Humansdorp, helping the town leverage its agricultural base and rural advantages to create a sustainable industrial hub.

7.1 International Case Studies

International case studies are invaluable in shaping the development of eco-industrial hubs, as they provide real-world examples of sustainable practices, innovative solutions, and lessons learned from different contexts. By examining successful projects worldwide, Humansdorp can gain insights into strategies that align environmental sustainability with industrial growth. These case studies also highlight the importance of adapting global best practices to local conditions, ensuring that the proposed eco-industrial hub is both practical and effective in addressing regional challenges and opportunities.

Table 6: International Case Studies

	Name	Description & Main Industry	Lessons Learned	Relevance to Kouga Municipality
KALUNDBORG SYMBIOSIS	**Kalundborg Eco-Industrial Park (Denmark)**	Focuses on industrial symbiosis where industries exchange by-products and share resources. Main industries: energy, chemicals, and biotechnology.	Long-term industry partnerships and clear regulatory frameworks are key to sustainability.	**Humansdorp could promote collaboration, especially in agriculture and renewable energy, using by-products for energy.**
PIP	**Dahej Industrial Park (India)**	Petroleum and chemicals hub with practices in water recycling, waste management, and energy optimisation.	Investment in green infrastructure and engaging local communities aligns environmental and business goals.	**Humansdorp can adopt eco-friendly infrastructure, particularly in waste management and green technologies for local industries.**
PAEB BIZERTA FREE ZONE	**Bizerte Business Park (Tunisia)**	Integrates environmental sustainability across sectors like electronics, textiles, and agriculture. Focuses on renewable energy and green technologies.	A clear governance structure and local collaboration attracts sustainable businesses.	**Humansdorp can adopt Bizerte's focus on governance and local collaboration to attract businesses committed to sustainability.**

7.2 National Case Studies

Domestic case studies play a crucial role in guiding the development of eco-industrial hubs by showcasing solutions that are specifically tailored to local conditions. They highlight successful projects within similar regulatory, economic, and cultural environments, offering practical insights into overcoming challenges unique to South Africa. Learning from these examples allows Humansdorp to adopt proven strategies that align with national priorities, such as job creation, resource efficiency, and community engagement, while fostering regional collaboration and sustainability.

Table 7: National Case Studies

	Name	Description & Main Industry	Lessons Learned	Relevance to Kouga Municipality
COEGA	**Coega Special Economic Zone (SEZ)**	Focuses on advanced manufacturing in automotive, aerospace, and renewable energy sectors, with environmental initiatives like energy efficiency, water conservation, and waste minimisation.	Collaboration with universities and research institutions fosters innovation and skills development, benefiting local communities.	**The Coega model is highly relevant to Humansdorp as it demonstrates how a Special Economic Zone (SEZ) can operate effectively. If the Kouga Local Municipality adopts the SEZ model, they can follow Coega's example by partnering with educational institutions to drive innovation, economic growth, and social development.**
GAUTENG THE OR TAMBO SEZ Special Economic Zone	**OR Tambo International Airport Special Economic Zone**	Focuses on sustainable manufacturing, renewable energy, and waste-to-energy projects, with shared infrastructure for energy and waste management.	Strong public-private partnerships and continuous stakeholder engagement are key to resource efficiency and sustainability.	**Relevant for Humansdorp due to its focus on renewable energy and waste-to-energy technologies, which could attract green investment.**
dube tradeport SPECIAL ECONOMIC ZONE	**Dube TradePort Special Economic Zone (South Africa)**	Focuses on logistics, agribusiness, and renewable energy, with an emphasis on reducing carbon footprints through advanced waste management and energy-efficient systems.	Successful logistics infrastructure and integration of agribusiness and eco-friendly technologies are crucial for park success.	**Humansdorp could benefit from a focus on agricultural exports and eco-friendly technologies, even without a major port.**

8 Market Potential Analysis

Understanding the growth potential and challenges of specific industries is essential for making informed decisions. This chapter explains how the market potential of several industries, including citrus, dairy, calamari, warehousing, housing, and more, was analysed. Although each industry has unique characteristics, the same structured approach was used for all, ensuring consistent and practical results.

Analysis Process Overview:

1. Identifying Industry Trends

The analysis began by looking at both national and regional trends to understand growth patterns, opportunities, and challenges in each industry. This step placed each industry's performance in the wider market context and identified areas for development.

2. Conducting Value Chain Analysis

The value chains for each industry were mapped out, identifying key activities, gaps, and areas for improvement. This process provided a complete picture of how value is created and where efficiencies could be introduced to boost productivity and competitiveness.

3. Engaging Stakeholders

Engaging with local stakeholders was a crucial step. Consultations were held with industry leaders, businesses, and other key players in the Kouga region. These discussions validated findings, provided deeper insights into specific challenges, and supported the development of practical recommendations suited to local needs.

4. Demand Modelling

Using the information gathered, demand models were developed to assess the feasibility and impact of potential initiatives. These models included factors like market size, growth prospects, and consumer behaviour, ensuring the analysis was realistic and data-driven.

5. Final Recommendations

Tailored recommendations were provided for each industry. These focused on value-added initiatives to maximise opportunities, address gaps, and improve overall performance. Practical strategies were prioritised to support sustainable growth and competitiveness.

By applying this structured approach across various industries, a thorough and comparable analysis of market potential was achieved. Combining trend analysis, value chain mapping, stakeholder input, demand modelling, and actionable recommendations, this process offers a solid framework for identifying and enhancing growth opportunities in the Kouga region.

8.1 Agriculture – Citrus Industry

The following section provides an overview of the citrus industry, the value chain and market potential demand for the industry's inclusion in a potential eco-industrial hub.

The citrus industry was selected as a priority for development based on its proven contribution to local employment and its alignment with key economic drivers in the region. Citrus farming in the Gamtoos Valley provides substantial employment opportunities, from cultivation and harvesting to packaging and logistics, fostering job creation in labour-intensive processes. This industry integrates seamlessly with existing economic sectors such as agriculture and agro processing, strengthening the regional economy. Furthermore, citrus farming enhances the local value chain by supporting upstream suppliers, like nurseries and equipment manufacturers, and downstream activities such as cold storage and export logistics, thereby promoting economic diversification.

The decision also aligns with market demand and strategic regional goals. The Eastern Cape's status as a leading citrus producer, coupled with growing global demand for high-quality exports, underscores the market potential for expansion. The Gamtoos Valley's unique climatic and geographic advantages make it an ideal location for citrus cultivation, with access to major export ports enabling efficient supply chain management. By prioritising this industry, the development supports the eco-industrial hub's sustainability objectives and ensures long-term revenue growth through increased exports and enhanced agricultural productivity, making citrus a cornerstone of regional economic development.

8.1.1 National Trends

The citrus industry in South Africa stands as a cornerstone of the nation's agricultural sector, demonstrating robust growth, significant export contributions, and profound socio-economic impact. Employing approximately 140,000 individuals across farm, packhouse, and downstream operations, the sector provides essential livelihood opportunities, particularly in rural areas, driving local economies in regions such as Limpopo, the Eastern Cape, and Mpumalanga. This labour force underpins a sector that not only contributes extensively to employment but also strengthens the broader rural economy, acting as a significant engine of growth and development. (Citrus Growers Association of Southern Africa , 2024)

South Africa's citrus industry has achieved international acclaim, establishing itself as a world leader in both citrus production and research. Exporting to 119 countries, the nation is the second largest global exporter of citrus fruit and holds the title of the largest citrus exporter in the Southern Hemisphere.

Within the industry's specialised categories, South Africa is the leading exporter of grapefruit, the third-largest exporter of both oranges and lemons, and ranks fifth in soft citrus exports. The largest area of citrus cultivation is found in Limpopo, covering 39,634 hectares, followed by the Eastern Cape with 24,681 hectares and the Western Cape with 19,332 hectares. Combined, these regions support the majority of the citrus production that fuels the industry's substantial export volumes.

Logistically, South African citrus exports are distributed through major ports including Durban, Cape Town, Ngqura (Coega), and Gqeberha. In 2023, a total of over 2.23 million pallets and 111,619 containers of citrus were shipped from these ports. Durban remains the leading port, handling 47.6% of all pallets and containers, followed by Cape Town at 26.4% and Ngqura with 13.3%. This port distribution reflects the strategic importance of coastal infrastructure in supporting export efficiency and ensuring global market reach. (Citrus Growers Association of Southern Africa , 2024)

The sector's continued success is largely attributed to its investment in innovation and quality. The industry dedicates R180 million annually to citrus research, reinforcing South Africa's reputation as a leader in citrus science and technology. This commitment to research ensures that South African citrus remains competitive on the global stage, adhering to evolving market standards and consumer preferences. Additionally, the industry invests R60 million each year in the development of black growers and human capital, underscoring its dedication to inclusivity and sustainable development within the agricultural sector.

In summary, the citrus industry in South Africa not only contributes substantially to the nation's economy but also supports rural livelihoods and drives socio-economic advancement. Its achievements in export growth, research, and inclusive development position the sector as a vital component of South Africa's agricultural landscape, and its role in international markets continues to expand, further solidifying the country's status as a key player in global citrus production.

8.1.2 Regional Dynamics

The Eastern Cape is one of South Africa's leading citrus-producing regions, contributing approximately 25% of the country's total citrus area. The province's strategic location, favourable climate, and access to major export ports make it a vital component of South Africa's citrus industry, particularly as demand for exports continues to grow. Within the Eastern Cape, the **Gamtoos Valley** stands out as a significant production area, with 7,404 hectares dedicated to citrus, representing around 30% of the Eastern Cape's citrus production and 7.42% of the national total. (Cirtus Growers Association of Southern Africa, 2024)

The Gamtoos Valley, located within the Kouga Municipality, benefits from an ideal climate for citrus cultivation, with abundant sunshine and mild winters. The region's proximity to the Kouga Dam and the Gamtoos River provides essential irrigation, though water scarcity remains a challenge. This area is the second-largest citrus producer in the Eastern Cape after the Sundays River Valley, which accounts for around 60% of the province's citrus production.

Citrus farming in the Gamtoos Valley is crucial to the local economy, providing employment opportunities and contributing to community livelihoods. However, the region's agricultural productivity depends heavily on efficient water management and modern irrigation techniques to sustain yields, particularly as droughts threaten water availability.

The Eastern Cape's citrus exports are facilitated by the nearby ports of **Ngqura (Coega)** and **Gqeberha (Port Elizabeth)**, which handle around 25.6% of South Africa's citrus exports. In 2022, the Eastern Cape exported approximately 572,067 pallets of citrus, with the Gamtoos Valley contributing a substantial share. These ports offer direct access to international markets, allowing the region to export citrus efficiently to destinations such as the Netherlands, China, and Russia.

The logistics chain is crucial to maintaining fruit quality from the Gamtoos Valley to export markets. After harvest, citrus is processed in local packhouses for cold storage, packaging, and quality assurance before being transported to the ports. Efficient road networks and well-equipped port facilities are essential to minimise delays, keeping citrus fresh and competitive in global markets.

Growth Potential and Sustainability Goals

The Eastern Cape's citrus industry, including the Gamtoos Valley, is targeting expansion to meet the growing global demand. In 2022, South Africa produced 164 million cartons of citrus, with a goal of reaching 260 million cartons in the coming years by 2032. Achieving this target will require an additional growth rate of around 10 million cartons per year, putting pressure on existing infrastructure, water resources, and storage capacities. (Cirtus Growers Association of Southern Africa, 2024)

As production expands, the focus on sustainability intensifies. The Gamtoos Valley is adopting eco-friendly practices, such as integrated pest management and water-efficient irrigation, to align with environmental standards in export markets. Sustainable water usage and soil management are particularly vital, given the valley's limited water resources.

The Gamtoos Valley plays a strategic role in the Eastern Cape and South Africa's citrus industry, contributing significantly to the country's export-driven agricultural economy. As the region continues to expand its citrus output, addressing water scarcity, infrastructure needs, and sustainability practices will be critical. The Gamtoos Valley's proximity to key export ports, combined with its high-quality produce, positions it as a valuable asset in South Africa's citrus supply chain, driving economic growth and providing stability for local communities. Through continued investment in sustainable practices and infrastructure, the Gamtoos Valley is well-positioned to strengthen its presence in global citrus markets. (Cirtus Growers Association of Southern Africa, 2024)

8.1.3 Value Chain Analysis

South Africa is the world's second largest citrus producers, exporting significant volumes to global markets. The citrus value chain is complex and involves multiple stages, each contributing to the efficiency, quality, and market success of the final product. This chapter will explore each step in the value chain, from planting to export, highlighting the processes, technologies, and strategies that underpin South Africa's citrus industry. (Citrus Growers Association of Southern Africa , 2024)

Figure 16: Citrus Value Chain Summary



8.1.3.1 Planting and Preparation of Citrus Trees

The value chain begins with the careful selection and planting of citrus trees. This stage involves choosing varieties that are best suited to South Africa's climate and soil conditions. Citrus varieties such as oranges, lemons, limes, and grapefruits are common, with each type having specific requirements for soil nutrients, irrigation, and sunlight.

- Land Preparation: Farmers prepare the land by ensuring it is cleared, fertilised, and irrigated to support optimal growth conditions. Soil testing is often conducted to determine the best nutrient mix, ensuring a balanced environment that promotes tree health and fruit quality.
- Tree Nursery and Planting: The citrus seedlings are typically sourced from certified nurseries to ensure they are disease-free. Once planted, they are monitored closely to ensure they establish strong root systems. This stage also includes the setup of irrigation systems, essential for maintaining moisture levels in the often-hot South African climate.
- Pest and Disease Management: From the start, farmers implement pest and disease control measures. Integrated pest management (IPM) techniques are common, combining biological control methods with minimal pesticide use to protect the environment and fruit quality.

This early stage requires patience, as citrus trees take time to mature before they bear fruit. Regular maintenance and monitoring are critical to set a strong foundation for healthy fruit production in the coming years.

8.1.3.2 Fruit-Bearing Stage

After two to three years, citrus trees begin to bear fruit. During this period, the trees require specialised care to ensure high-quality yields.

- Pruning and Shaping: To ensure maximum sun exposure and airflow, trees are pruned and shaped. Pruning encourages stronger branches, which are better suited to support heavy fruit loads and reduces the risk of disease by improving airflow.
- Irrigation and Fertilisation: Farmers adjust irrigation schedules and fertilisation based on the needs of the growing fruit. This helps ensure the development of fruit that is juicy, flavourful, and of marketable size. Precision agriculture tools, such as soil moisture sensors, are increasingly used to optimise water usage.
- Fruit Quality Monitoring: During this stage, farmers monitor fruit quality, checking for size, colour, and flavour. Early detection of any issues allows farmers to adjust their care practices, accordingly, maximising the yield and ensuring that only the best fruit proceeds along the value chain.

This stage of the value chain is crucial, as it directly impacts the quality and quantity of the final harvest. Careful management during the fruit-bearing stage is essential to produce citrus that meets both local and international market standards.

8.1.3.3 Harvesting

When the fruit reaches the desired maturity, it is harvested. Citrus harvesting in South Africa involves a combination of manual labour and mechanisation, depending on the farm's resources and the terrain.

- Manual Harvesting: Workers carefully pick the fruit by hand to avoid damage, particularly for premium varieties that are sensitive to bruising. Skilled labour is essential here, as improper handling can reduce the fruit's market value.
- Use of Specially Designed Tractors: On larger farms, specially designed tractors are used to transport harvested fruit from the fields to the packhouses. These tractors are equipped to handle delicate citrus fruit, minimising bruising and maintaining quality during transport.

The timing of the harvest is essential; picking fruit too early or too late can negatively affect its sweetness, texture, and shelf life. Harvesting is often coordinated with market demands to ensure that fruit reaches consumers at its peak quality.

8.1.3.4 Processing at Local Packhouses

After harvesting, the fruit is taken to local packhouses for further processing. This stage involves preparing the citrus for export by ensuring it meets stringent quality standards.

- Cold Storage: Upon arrival, the fruit is placed in cold storage to halt the ripening process and extend shelf life. Temperature control is critical, as it helps maintain the fruit's freshness from the farm to its final destination.
- Grading and Sorting: Packhouses use automated sorting machines to grade the fruit based on size, colour, and quality. Only fruit that meets export standards is selected for further processing. Lower-grade fruit is often diverted to local markets or used for juice production.
- Packaging and Labelling: The selected fruit is then carefully packed into boxes or crates, designed to protect it during transit. Packaging is labelled with essential information, including the country of origin, variety, and weight, to comply with import regulations in the destination markets.

This stage is critical for ensuring that the fruit reaches international markets in excellent condition. Quality control at the packhouse determines which fruit is suitable for export and which will remain for domestic consumption.

8.1.3.5 Transportation to Ports

Once packaged, the citrus fruit is transported by road to major export ports, primarily Port Elizabeth Harbour and the Ngqura Port (Coega), both located along South Africa's eastern coast.

- Logistics and Supply Chain Management: Efficient logistics are crucial for maintaining the fruit's freshness. Transportation schedules are planned meticulously to minimise delays, and refrigerated trucks are often used to maintain cold chain integrity.
- Compliance with Export Regulations: Transport to the ports also involves ensuring that all necessary export documentation is prepared. South African citrus exporters must comply with strict phytosanitary requirements, especially for markets like the European Union.

8.1.3.6 Export and Distribution

The final step in the citrus value chain is the export of the fruit to international markets. South African citrus is in demand in countries such as the Netherlands, China, and Russia, where it is prized for its quality and flavour.

- Loading onto Ships: The fruit is carefully loaded onto refrigerated ships, ensuring that it remains fresh during the journey. Shipping companies and port authorities work together to streamline this process, minimising the time the fruit spends outside of controlled conditions.
- Global Distribution: Once the citrus arrives at its destination port, it is distributed to retailers, wholesalers, and processing facilities. In many cases, the fruit undergoes additional inspection to ensure it complies with local standards.
- Marketing and Brand Recognition: South African citrus exporters often work with international distributors to build brand recognition. The reputation of South African citrus for quality and sustainability helps create demand and strengthens the country's position in global markets.

Successful exports not only support the industry financially but also help promote South Africa's agricultural sector on the global stage.

8.1.4 Key Areas of Value Addition Identified by Stakeholders:

Stakeholders in the South African citrus industry have identified a pressing need for expanded infrastructure to support the sector's growth and global competitiveness, with a particular focus on cold storage capacity and local processing facilities. Enhanced cold storage options, alongside dedicated plants for juicing and cattle feed production, are seen as crucial investments to meet export requirements, improve resource efficiency, and generate new revenue opportunities.

8.1.4.1 Additional Cold Storage Facilities

A primary area for expansion is cold storage facilities. With new EU regulations requiring storage temperatures as low as -2°C, the industry needs additional infrastructure to ensure compliance and maintain access to key markets. Currently, cold storage options are limited. Stakeholders have identified Humansdorp as an ideal location for an additional cold storage facility, which would support the citrus industry in the region while offering broader logistical advantages for exports. It was suggested that CO_2-based cold storage technology could be a sustainable and cost-effective solution. This type of technology is not only more environmentally friendly but also offers operational cost savings, making it a worthwhile long-term investment. Additionally, given the complementary seasonal peaks, this facility could serve both the citrus and calamari industries, ensuring efficient use and optimising resources throughout the year.

8.1.4.2 Juicing Plant

Alongside cold storage, there is significant interest in establishing a dedicated juicing plant in Humansdorp. At present, processing options in the region are limited, resulting in dependence on external facilities and potentially higher operational costs. A local juicing plant would enable the production of a range of value-added products, including citrus juices, essential oils, and extracts, all of which are in high demand both domestically and internationally. By increasing local processing capacity, the industry would not only boost self-sufficiency but also open new revenue streams, providing economic resilience and growth opportunities for local citrus growers.

8.1.4.3 Cattle Feed Factory

The development of a cattle feed factory was also highlighted as a promising investment, which could utilise citrus by-products such as peels and pulp to create animal feed. This type of facility would address two key needs: reducing waste from citrus production and generating a profitable product for the livestock industry. By transforming citrus waste into cattle feed, the industry could reduce its environmental footprint while simultaneously generating additional revenue. This approach aligns with the principles of a circular economy, enhancing the sustainability of citrus production and contributing positively to the agricultural sector. The feasibility of this cattle feed factory will be discussed in the following chapter on the dairy industry.

In summary, stakeholders emphasised that addressing these infrastructure needs—through expanded cold storage, a new juicing plant, and a cattle feed factory—would significantly benefit the South African citrus industry. These investments would not only improve compliance with export regulations but also create new opportunities for growth, enhance local resource utilisation, and strengthen the economic stability of the region.

8.1.5 Market Potential

The South African citrus industry is on a trajectory of robust growth, with current exports at **164 million cartons** and an ambitious target of **260 million cartons by 2032**. This target reflects a **5.25% annual growth rate** and underscores the increasing global demand for South African citrus. Within this framework, the Gamtoos Valley in the Kouga Municipality, Eastern Cape, plays a pivotal role, contributing approximately **30% of the Eastern Cape's citrus exports** and **7.68% of South Africa's total citrus exports**. Plans for expansion in this region align well with national goals, positioning Gamtoos Valley to meet an anticipated rise in demand.

The tables below show the projected growth in citrus export volumes from **2023 to 2032** for both South Africa and Gamtoos Valley, represented in **cartons, pallets, and containers**.

Table 8: Projected Growth for South Africa (2023–2032)

Year	Citrus Cartons (millions)	Citrus Pallets (millions)	Citrus Containers
2023	164.00	2.523	126 154
2024	172.62	2.656	132 781
2025	181.68	2.795	139 757
2026	191.23	2.942	147 099
2027	201.28	3.097	154 827
2028	211.85	3.259	162 961
2029	222.98	3.430	171 522
2030	234.69	3.611	180 533
2031	247.02	3.800	190 017
2032	260.00	4.000	200 000
Source: Citrus Growers Association- Industry Statistics (2024) & Urban Econ Development Economist			

Since **Gamtoos Valley contributes approximately 7.68%** to South Africa's citrus exports, its growth projections are shown below.

Table 9: Projected Growth for Gamtoos Valley (2023–2032)

Year	Citrus Cartons	Citrus Pallets	Citrus Containers
2023	12 595 200	193 772	9 689
2024	13 256 891	203 952	10 198
2025	13 953 344	214 667	10 733
2026	14 686 385	225 944	11 297
2027	15 457 936	237 814	11 891
2028	16 270 021	250 308	12 515
2029	17 124 770	263 458	13 173
2030	18 024 422	277 299	13 865
2031	18 971 338	291 867	14 593
2032	19 968 000	307 200	15 360
Source: Citrus Growers Association- Industry Statistics (2024) & Urban Econ Development Economist			

8.1.5.1 Cold Storage Requirements

As the demand for citrus exports grows, so does the need for additional warehouse space to support the storage and logistics of these volumes. The Gamtoos Valley currently requires warehouse capacity for approximately 193,772 pallets annually, equivalent to approximately 216,549 m² of warehouse and cold storage facilities in the area. With the projected increases, new facilities will be essential to manage the rising demand and ensure efficient handling, particularly given the requirements for cold storage in compliance with international standards.

By 2032, the Gamtoos Valley will require cold storage facilities with a capacity for approximately 307,000 pallets to support increased export volumes. This equates to around 343,309 m² of warehouse and cold storage facilities. Cold storage facilities must be capable of reaching -2°C, a necessary feature for compliance with stringent EU regulations, which represent the majority of export destinations. Ensuring these cold storage needs are met will be critical to maintaining export quality and fulfilling international market demands.

Currently, there is a potential shortfall of 126,760 m² of warehouse and cold storage space over the next 10 years. Humansdorp will aim to capture 20% of this total growth in the short term, equating to 25,352 m², and 40% in the long term, equating to 50,704 m². This strategic focus will position Humansdorp to address the region's evolving needs and support the growing citrus export market.

8.1.5.2 Need for a Juicing Plant in Gamtoos Valley

Globally, roughly one-third of all citrus production is processed for juicing. However, in South Africa, this proportion is significantly lower, with 99% of citrus exports directed toward fresh produce markets. The remaining produce is sold domestically or discarded, with only a minimal fraction processed at juicing facilities. This underutilisation of citrus by-products represents a significant loss of potential revenue and economic opportunity.

Establishing a **juicing plant in Gamtoos Valley** would address this gap, creating value from citrus waste that would otherwise be discarded. This plant could process lower-grade or surplus fruit, producing juices, essential oils, and citrus extracts. Such products are in demand both locally and internationally, offering a way to capture additional revenue streams while enhancing sustainability in the industry. By turning waste into value-added products, a new juicing plant would contribute to economic resilience in Gamtoos Valley, providing a direct benefit to local growers and the wider citrus industry.

As South Africa's citrus export target progresses toward **260 million cartons by 2032**, the infrastructure to support this growth—specifically, cold storage facilities and a juicing plant in Gamtoos Valley—becomes increasingly essential. These developments would not only enhance the efficiency and profitability of the local citrus industry but also ensure that the region can meet rising demand sustainably and effectively. With careful planning and investment, Gamtoos Valley can continue to thrive as a key contributor to South Africa's citrus success.

8.1.5.3 Citrus Juicing Plant Space Requirements

The space needed for a citrus juicing plant depends on its capacity, ranging from small-scale operations to large industrial facilities. Small plants processing 1–2 tonnes of citrus per hour (~2,000–4,000 litres of juice daily) require approximately 800–1,500 m², housing compact processing lines, minimal storage, and basic waste management systems. These plants typically serve local or regional markets with fresh juice production.

Medium-scale plants, with capacities of 5–10 tonnes per hour (~10,000–20,000 litres daily), require 3,000–5,000 m² to accommodate larger semi-automated processing lines, dedicated cold storage for raw materials and finished products, and waste facilities to repurpose peels into by-products like animal feed. These facilities are ideal for regional supply chains or small-scale exports.

Large-scale plants, capable of processing over 20 tonnes of citrus per hour (~40,000+ litres daily), require 8,000–12,000 m². These industrial facilities feature fully automated processing lines, extensive refrigerated storage, and advanced utilities like water recycling and waste-to-energy systems. They often produce both fresh juice and secondary products, catering to international markets.

Table 10: Juicing Plant Space Requirements

Scale	Capacity (Tonnes of Citrus/Hour)	Daily Output (Litres of Juice)	Facility Size (m²)	Key Features
Small-Scale	1–2	2,000–4,000	800–1,500	Compact processing line, basic storage, minimal waste handling.
Medium-Scale	5–10	10,000–20,000	3,000–5,000	Semi-automated, cold storage, waste repurposing for by-products.
Large-Scale	20+	40,000+	8,000–12,000	Fully automated, advanced utilities, extensive refrigerated and packaging areas.

8.1.6 Synthesis

The Gamtoos Valley is uniquely positioned to support the growing demands of South Africa's citrus export industry through targeted infrastructure investments. With citrus exports projected to reach 260 million cartons by 2032, the development of cold storage facilities capable of handling 126 760 m² of new storage space will ensure compliance with stringent EU regulations and maintain product quality for international markets. This infrastructure is not only necessary but also feasible, given the steady growth in citrus supply and the region's proven capacity to meet increasing demand.

Similarly, the establishment of a juicing plant offers a transformative opportunity for the region. By processing surplus and lower-grade citrus into value-added products such as juices, essential oils, and extracts, this facility would unlock new revenue streams, reduce waste, and enhance sustainability. These developments align with the growing supply projections, which make such investments economically viable and strategically sound.

By addressing these critical needs, the Gamtoos Valley can solidify its role as a cornerstone of South Africa's citrus industry. Strategic investments in cold storage and processing capabilities will enable the region to grow sustainably, meet international demand, and enhance the economic resilience of local producers and the broader agricultural economy.



Citrus Recommendations:

- **Cold Storage: 126 760 m²** additional cold room space by 2032 (-2°C storage)
- **Juicing Plant Development:** Capable of handling increase in citrus supply (800m²- 12 000m²)
- **Citrus Cattle Feed Factory:** Capable of produce between 547 500 kg- 5 475 000 kg (1%-10%) (500m²-5000m²)

8.2 Agriculture – Dairy Industry

The following section provides an overview of the dairy industry, the value chain and market potential demand for the industry's inclusion in a potential eco-industrial park.

The dairy industry was selected for inclusion based on its critical role in supporting local employment and economic stability in the Kouga Local Municipality. Dairy farming, particularly through the large population of Jersey and Friesian cows, drives the region's agricultural economy, with Woodlands Dairy at the centre as a major processor and employer. Supporting around 1,700 jobs, Woodlands Dairy anchors the local economy, making it a vital player in both direct employment and agricultural infrastructure. The presence of a key processor, producing high-quality products under well-known brands, ensures the region's continued leadership in dairy production and its integration with broader supply chains. (Milk South Africa , June 2024) (Woodlands Dairy, 2025)

This sector's inclusion also aligns with long-term growth potential and sustainability objectives. While recent challenges such as the foot-and-mouth disease outbreak have impacted production, recovery efforts are underway, positioning the dairy sector for future growth as demand gradually increases. The region's established infrastructure, strong market presence, and commitment to supporting local farmers make dairy a strategic component in the eco-industrial hub. Furthermore, the industry's ability to innovate, coupled with its contribution to South Africa's dairy exports, ensures that dairy farming will continue to support both local livelihoods and regional economic growth, reinforcing its place as a cornerstone of Kouga's agricultural and economic landscape.

8.2.1 National Trends

The South African dairy industry has undergone significant changes in recent years, reflecting both structural shifts within the industry and broader economic pressures. This section reviews the key trends in the number of milk producers, milk production volumes, regional production dynamics, and milk prices.

Decline in Dairy Producers

The number of milk producers in South Africa has been steadily declining over the years. Between January 2018 and January 2024, the number of producers dropped by approximately 35%, from 1,365 to 882 producers. More recently, there was a 1.0% decrease in producers from January 2023 to January 2024, as the industry continues to consolidate. This trend is likely driven by economic challenges, operational costs, and competitive pressures, leading smaller producers to exit the industry. (Milk South Africa , June 2024)

Herd Size and Milk Yield

The table below highlights the distribution of milk production and average herd sizes across South Africa's provinces. The Western Cape, Eastern Cape, and KwaZulu-Natal dominate the dairy industry, contributing the vast majority of milk production in the country.

Table 11: Milk Production and Herd Size by Province

Province	% of Total Milk Production	Average Herd Size (Cows)
Western Cape	29.3%	581
Eastern Cape	28.5%	1 285
KwaZulu-Natal	28.0%	931
Mpumalanga	4.1%	620
Free State	4.0%	741
Gauteng	4.0%	765
Northwest	1.7%	167
Limpopo	0.4%	709
Northern Cape	0.0%	0
Total	**100.0%**	**797 (weighted average)**
		Source: Milk South Africa- LACTO Report

The Eastern Cape, Western Cape, and KwaZulu-Natal are the most significant provinces in dairy production, collectively contributing 85.8% of the national output.

- Eastern Cape: The leading province, producing 28.5% of South Africa's milk, with the highest average herd size of 1,285 cows. This large herd size supports its role as a key dairy-producing region.
- Western Cape: Contributes 29.3% of total milk production with an average herd size of 581 cows. Although herd sizes are smaller than in the Eastern Cape, the Western Cape's well-developed dairy infrastructure helps sustain its high production levels.
- KwaZulu-Natal: Represents 28.0% of milk production with an average herd size of 931 cows, making it a major player in the dairy industry.

These provinces benefit from favourable climate conditions, established infrastructure, and proximity to major markets, which collectively enhance their milk production capabilities.

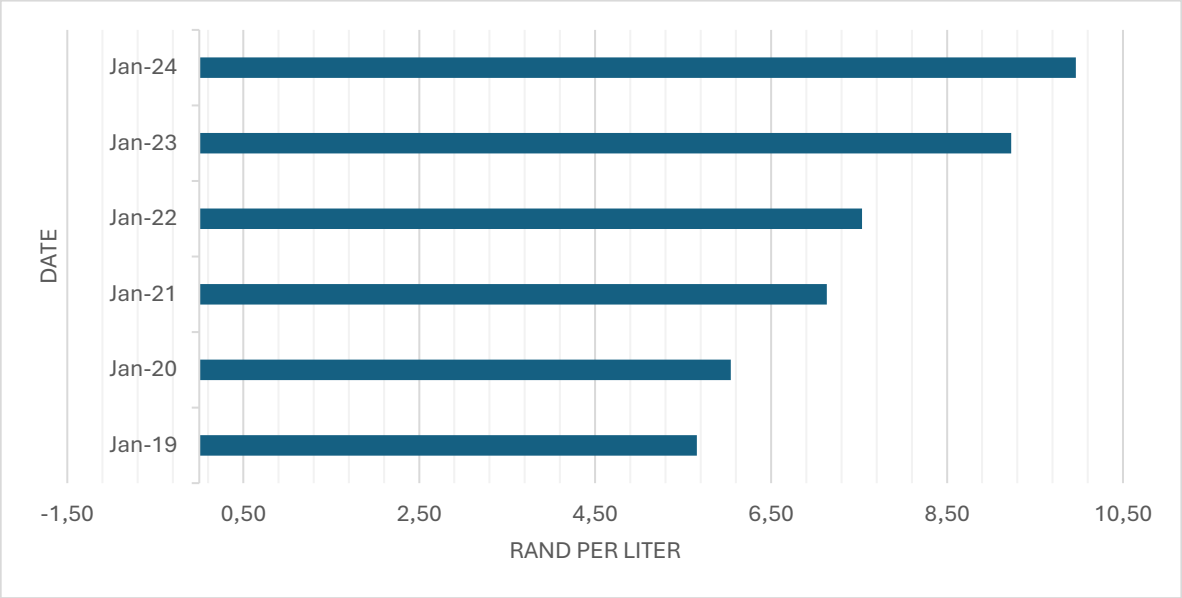
Production Trends and Market Demand

South Africa's annual unprocessed milk production has shown a steady upward trend over time, though recent years have seen subdued growth. In 2023, unprocessed milk production totalled approximately 3,339,272 tonnes, reflecting a slight decrease of 0.32% from the previous year. Lower retail sales and economic pressures within the value chain have contributed to this slowdown. The reduction in disposable income for many consumers has impacted retail sales volumes, leading to reduced demand for dairy products. Despite these challenges, the first quarter of 2024 has shown a modest recovery, with unprocessed milk purchases increasing by 2.67%, partially due to the additional day in February during the leap year. (Milk South Africa , June 2024)

Milk Prices

The price of milk in South Africa has seen a steady increase over recent years, reflecting inflationary pressures and rising production costs. In real 2024 prices, the price per litre of milk increased from R5.66 in February 2019 to R9.96 in February 2024, marking a significant rise over this five-year period. This increase has added further strain on consumers already affected by economic challenges, contributing to a decline in retail demand for milk.

Figure 17: Milk Prices 2013-2024



In conclusion, South Africa's dairy industry is primarily concentrated in the Eastern Cape, Western Cape, and KwaZulu-Natal, where favourable conditions and larger herd sizes support high production levels. Despite a reduction in the number of producers, these coastal regions continue to underpin the majority of milk output, highlighting their essential role in sustaining the national dairy supply. The regional variations in herd sizes and production emphasise the importance of targeted support and infrastructure to bolster and stabilise the industry amid ongoing economic challenges. (Milk South Africa , June 2024)

8.2.2 Regional Dynamics

The Kouga Local Municipality, located in the Eastern Cape, holds a pivotal role in South Africa's dairy industry. The region around Humansdorp is heavily invested in dairy farming, with around 50,000 Jersey and Friesian cows supporting milk production. Most of this milk supplies Woodlands Dairy, the area's largest processor and a key driver of the local economy. As the major employer in Humansdorp, Woodlands Dairy supports around 1,700 jobs, anchoring the area's agricultural infrastructure and dairy-based economy. (Woodlands Dairy, 2025)

Founded in 1995 as a small packaging facility for milk from Woodlands Farm, Woodlands Dairy has since expanded into one of South Africa's leading UHT (ultra-high temperature) milk producers, marketed under its well-known FIRST CHOICE® brand. It also produces private label dairy products for prominent retailers like SPAR and Woolworths. (Woodlands Dairy, 2025)

In recent years, demand for dairy products in South Africa has been relatively flat, reflecting pressures on consumer spending and broader economic challenges. However, demand is now showing signs of a gradual recovery, which could benefit producers and processors in regions like Kouga.

The region's dairy industry has recently faced challenges from an outbreak of foot and mouth disease, which impacted milk production levels. While recovery efforts are underway, it may take farmers nearly two years to fully restore production capacity. This outbreak has highlighted the region's dependence on a stable and resilient dairy sector.

Woodlands Dairy remains committed to supporting local farmers through this challenging period. Its wide product range, including long-life milk, cheeses, yoghurts, and dairy-based desserts, continues to be a staple in South African households and is distributed across Africa. Woodlands Dairy's reputation for product innovation and quality solidifies its influence within the Eastern Cape and positions it as a leader in the broader South African dairy industry.

8.2.3 Value Chain Analysis

The value chain analysis for the average farmer in the Humansdorp dairy industry outlines the essential steps in the production and distribution of dairy products, from the breeding of cows to the retail sale of processed milk. This process is integral to the success of the region's dairy sector, with each step contributing to the overall value added to the final product. (Milk South Africa , June 2024)

Figure 18: Dairy Value Chain Summary



8.2.3.1 Breeding and Calving

The foundation of any successful dairy farm lies in selective breeding. Farmers focus on producing high-quality milk-producing calves by selecting genetically superior bulls and cows. Breeding programmes are designed to maximise milk yield, cow health, and longevity. Farmers in Humansdorp typically invest in reputable breeds such as Holstein and Jersey for their high milk production and disease resistance. Proper breeding and calving management ensure a steady flow of productive animals to maintain the farm's milk supply.

8.2.3.2 Raising Calves and Heifers

Once calves are born, the next stage involves raising them to join the milking herd at maturity. Calves are initially fed a nutrient-rich diet, including colostrum from the mother, followed by milk or milk replacer, and a transition to solid feed as they grow. Farmers provide controlled environments with proper housing and healthcare to ensure calves grow healthy and strong. After reaching maturity at approximately 18 months, heifers are integrated into the milking herd, contributing to the farm's milk production capacity.

8.2.3.3 Milk Production

Once the cows reach full maturity, they begin their role in milk production. Milking is typically carried out twice daily, ensuring a consistent supply of milk. Farmers place a strong emphasis on the health of their cows, as this directly impacts milk yield and quality. This involves monitoring feed, providing proper veterinary care, and managing the cows' environment. A healthy and productive milking herd ensures that the farmer can consistently meet the demand for milk.

8.2.3.4 Milk Collection and Storage

After milking, the milk is immediately stored in large, refrigerated storage tanks on the farm to preserve its freshness. Farmers ensure that the milk undergoes quality checks, including testing for somatic cell count, bacterial load, and other quality parameters. These quality tests are essential for maintaining the standards required by processors, such as Woodlands Dairy. The milk is kept at optimal temperatures (below 4°C) to prevent spoilage and contamination.

8.2.3.5 Transportation to Processing Plant

Once the milk is collected and stored on the farm, it is transported to the Woodlands Dairy processing plant. Refrigerated trucks are used for this purpose, ensuring that the milk remains fresh during transit. Transportation is typically a daily operation, with trucks collecting milk from various farms in the region, including those in Humansdorp. Timely transportation is crucial to maintaining the quality of the milk and meeting the processing plant's production schedules.

8.2.3.6 Processing at Woodlands Dairy

At the processing plant, the milk undergoes several key processes, including pasteurisation and UHT (Ultra High Temperature) treatment. Pasteurisation ensures the milk is free from harmful pathogens, while UHT treatment extends the shelf life of the milk, making it suitable for longer storage and transportation. The milk is also subjected to quality testing at this stage to ensure that it meets the required standards. Any milk that does not meet these standards is rejected or sent for further processing into other dairy products.

8.2.3.7 Packaging

Once processed, the milk is packaged under well-known brands such as FIRST CHOICE® and private labels. The packaging process involves filling the milk into containers that are sealed to prevent contamination. Various packaging options, such as cartons, plastic bottles, and sachets, are used based on market demand. Packaging plays a key role in branding and consumer appeal, and it is important for farmers and processors to ensure that the packaging is durable and attractive while also preserving the milk's quality.

8.2.3.8 Distribution

After packaging, the dairy products are distributed to retailers across South Africa. This stage involves a network of wholesalers, distributors, and retail chains. Dairy products are typically delivered to stores in refrigerated trucks to ensure that they remain fresh until they reach consumers. Distribution is an ongoing process, with products being sent to supermarkets, convenience stores, and local retailers in various regions. Farmers rely on a consistent distribution network to ensure that their milk reaches the market and generates sales.

8.2.3.9 Retail Sale

The final step in the dairy value chain is the sale of products to consumers. Dairy products, such as milk, cheese, yoghurt, and other processed items, are sold to end consumers through retail outlets. The consumer is the ultimate value recipient in the chain, with demand driven by factors such as product quality, price, and brand preference. Consumers purchase dairy products in stores based on factors such as freshness, price, and nutritional value, and their purchasing decisions influence the entire supply chain, from the farmer to the processor to the retailer.

8.2.4 Key Areas of Value Addition Identified by Stakeholders

During stakeholder meetings, several potential areas of value addition were identified by industry participants, with a particular focus on enhancing the sustainability and efficiency of the local dairy and agricultural sectors.

The dairy industry's demand for milk and other dairy products has largely been met through the services provided by Woodlands Dairy, a key player in the local market. However, stakeholders from the citrus industry proposed an innovative approach to addressing feed supply issues for livestock. They suggested the establishment of a cow feed factory that could utilise waste products from the citrus industry. This initiative would not only help create a more sustainable feed source for dairy farmers but also reduce waste by converting it into a valuable resource, thereby promoting circular economic practices. The proposed factory could help diversify the local agricultural value chain while offering a cost-effective solution to livestock feed shortages.

Woodlands Dairy, while satisfied with its current operations, clarified that they are not in need of additional warehouse or factory space at their existing premises, as the current facilities adequately support their production needs. However, they expressed a keen interest in expanding their operations by acquiring the adjacent land with a view to building a solar power plant. As per discussions held on 04/11/2024, the company would require approximately 10 hectares of flat land to install a solar farm capable of generating 5.5 MW of power. Woodlands Dairy has already applied for land on Portion 2 of Farm Zwartenbosch No. 347, which covers an area of 30.799 hectares.

Although this area is larger than what is ultimately needed, it has been deemed necessary due to the presence of sloping terrain that is unsuitable for solar installation. Many parts of the land have slopes leading towards a valley, which limits the potential for the solar farm. Therefore, in line with the company's energy needs, Woodlands Dairy has requested an amendment to the land use plan to include this area, while also considering two additional portions: Erf 499 (4.52 hectares) and Erf 1 (8.85 hectares). The acquisition and development of this land for a solar power plant will not only help reduce the company's reliance on Eskom but also contribute to enhancing environmental sustainability by generating renewable energy.

These discussions highlight the potential for collaboration between industries to drive innovation, improve sustainability, and create additional value within the local economy. The proposed initiatives reflect a growing recognition of the need for integrated, resource-efficient solutions that benefit multiple stakeholders and support long-term development goals.

8.2.5 Market Potential

These sections outline the demand for a potential feed factory/ The market potential for the proposed feed factory is based on the current feed demand in the Kouga region and the factory's ability to replace a portion of the feed with an alternative product derived from citrus waste.

8.2.5.1 Understanding the Feed Demand

To begin, there was established that each dairy cow in the Kouga region requires 15 kg of feed per day. This amounts to 5,475 kg of feed per cow annually. With approximately 50,000 dairy cows in the region, the total annual feed requirement for the region is 273,750,000 kg. This provides a comprehensive view of the feed demand within the region, establishing the total market size for the feed industry.

8.2.5.2 Identifying the Feed Replacement Opportunity

It was assumed that 20% of the total feed required could be replaced with feed produced from citrus waste. Based on the total feed required in the region (273,750,000 kg), 20% of this feed equates to 54,750,000 kg. This is the portion of the total feed market that could be supplied by the proposed feed factory, which would use citrus waste as a primary feed ingredient.

This 20% replacement is based on the availability of citrus waste as a local byproduct, which is expected to provide a cost-effective and sustainable alternative to traditional feed sources like molasses.

8.2.5.3 Target Market Share and Revenue Goals

The next step was to calculate the market share that the feed factory aims to capture. With 54,750,000 kg of feed identified as replaceable with citrus waste, the factory's goal is to target just 1% of this feed market. By capturing 1% of the market, the factory would aim for an annual market size of R2,190,000. This revenue target is based on the average cost of similar feed products (such as molasses), which is estimated at R4.00 per kg.

The analysis concludes that there is a viable market opportunity for the feed factory, with the total market size for feed in the Kouga region amounting to R1,095,000,000. After applying the assumption that 20% of the feed can be replaced by citrus waste, the adjusted market size for the citrus waste-based feed would be R219,000,000.
By targeting just 1% of this adjusted market, the factory could generate R2,190,000 in annual revenue. This modest market share target represents a realistic and achievable entry point for the factory, allowing for sustainable growth while supporting the local dairy industry.

The assumptions made are based on the availability of citrus waste, the existing demand for dairy feed, and the factory's capacity to meet a small but significant portion of that demand. With this in mind, the project demonstrates strong potential to succeed while providing economic and environmental benefits to the region.

Table 12: Space and Capacity Requirements for Cattle Feed Factory

Scale	Annual Production (kg)	Facility Size (m²)	Key Features	Example
Small-Scale	~547,500	500–1,000	Basic equipment, small-scale storage, simple process layout.	Local feed mills in South Africa using agricultural by-products like citrus peels.
Medium-Scale	~2,000,000	2,000–3,000	Expanded storage, batching areas, and medium throughput equipment.	Citrus pellet factories in Spain near citrus processing plants for regional feed markets.
Large-Scale	~5,475,000	3,000–5,000	Fully automated systems, large silos, advanced raw material storage, and climate-controlled areas.	Feed plants in the U.S./Europe processing agricultural by-products for large market areas.

8.2.6 Synthesis

The proposed feed factory and solar farm development both present clear market potential in the Humansdorp area, driven by the existing demand from the dairy sector and the commitment of key industry players like Woodlands Dairy.

The feed factory would address the critical need for sustainable and cost-effective livestock feed, while also contributing to the circular economy by utilising waste products from the citrus industry. The project is expected to support the local dairy industry's growth by stabilising feed costs and improving the sustainability of farming operations.

Together, these initiatives align with the broader goals of enhancing the sustainability, resilience, and competitiveness of the local agricultural and dairy industries, and offer substantial economic and environmental benefits to the region.



Dairy Recommendations

- **Feed Factory:** Provides sustainable, cost-effective feed, contributing to the circular economy and supporting local dairy growth. (capacity of ~5 475 000 kg) (500-m² 5000m²)
- **Solar Farm:** 5,5 MW Solar farm on 10 Hectares for Woodlands Dairy
- There was no new direct value add identified for dairy products due to Woodlands wide range of products.

8.3 Ocean Economy- Calamari Industry

The following section provides an overview of the Calamari industry, the value chain and market potential demand for the industry's inclusion in a potential eco-industrial park.

The calamari industry was selected for inclusion due to its significant contribution to the local economy of the Kouga Local Municipality and its potential for growth. Port St Francis, one of South Africa's few privately owned ports, serves as the base for around 40 calamari fishing vessels that supply several local companies, such as Balobi Fisheries, providing employment to residents from surrounding towns like Humansdorp and Oyster Bay. The industry supports a crucial local workforce and contributes to regional economic activities through its fishing, packaging, and export operations. The focus on exporting to Europe and the Middle East at higher prices, despite challenges in the local market, highlights the value of this industry within global supply chains. (SASMIA, 2024)

The calamari sector is also strategically aligned with the eco-industrial hub's goals of creating sustainable and diversified economic opportunities. The region's established infrastructure, with efficient cold storage and transport facilities, positions the calamari industry for continued success and expansion. By maintaining a high export price and sustaining a dedicated workforce, the calamari industry plays a vital role in the region's economic resilience. Moreover, the industry's reliance on eco-friendly fishing methods and its ability to generate high-value exports further solidify its potential to contribute to economic diversification and long-term sustainability.

8.3.1 National Trends

The South African calamari industry, specifically the squid jig sector, has been operating as a fully commercial venture since 1985, with its primary base in the Eastern Cape. Fishing activities are concentrated between Plettenberg Bay and Port Elizabeth, providing significant employment opportunities in this region. The sector is dominated by Small, Medium, and Micro Enterprises (SMMEs), with 79 rights-holding entities operating a fleet of 123 vessels, employing 2,451 crew members. Additionally, three listed companies participate in the sector but hold less than 20% of the available permits, highlighting the strong presence of smaller entities. (SASMIA, 2024)

The capital-intensive nature of the industry has prompted continuous investment in vessel upgrades. Since the 1990s, the sector has shifted from ice to freezer vessels, with over 90% of these vessels being built locally, thus supporting the South African boat-building industry. The replacement cost of the current fleet is estimated at R1.5 billion, with a single 30-man freezer vessel costing approximately R20 million.

Employment within the squid sector is highly labour-intensive, with each squid being hand-caught. In addition to the 2,451 crew members on board, around 550 land-based staff are employed, collectively supporting between 15,000 and 20,000 individuals. The labour component is regulated through the Statutory Council for the Squid Industry (SCSI), which ensures fair wages and working conditions for all employees. Crew members are remunerated based on individual catches, though these may vary from year to year. (SASMIA, 2024)

The sector has undergone significant transformation, particularly post-1994, with black ownership increasing from 33% in 2001 to 62% by 2013. This transformation process is ongoing, with further advancements expected following the completion of the latest Fishing Rights Allocation Process. Concurrently, the sector has seen a consolidation of rights-holding companies, reducing from 127 in 2000 to 79 in 2020.

Export-driven, the squid sector markets 99% of its catch internationally, primarily to Europe and the Far East. The species *Loligo Reynaudii*, common to the Mediterranean and Japan, is in high demand in these regions. Export prices for South African squid are three to four times higher than the cost of importing cheaper species for local consumption. The labour-intensive hand-catching method employed in South Africa is viable due to the higher prices achieved in international markets, as opposed to cheaper, mechanised squid harvesting methods used elsewhere. (SASMIA, 2024)

Overall, the calamari industry in South Africa remains a robust and evolving sector, shaped by transformation, technological advancements, and its strong export focus.

8.3.2 Regional Dynamics

Within the study area of Kouga Local Municipality the calamari industry only operates out of Port St Francis one of South Africa's few privately owned and operated port. It is from here that around 40 calamari fishing vessels operate out of and supplying several local companies such as Balobi Fisheries employing people from several small surrounding towns such as Humansdorp and Oyster Bay.

The fishing vessel fleets operate between Port Alfred up until Plettenberg bay with the main focus area being from Gqeberha until Tsitsikamma. The calamari are caught by hand with the use of hand lines and all members of the crew are expected to participate in the fishing when at sea. The calamari are then packed and blast frozen while on ships and then packaged into boxes once on lands and then transported from Port St Francis by land to Port Eizabeth harbour from where it is then exported to Europe and the middle east. The calamari are sold for more than R200 rand per Kg in the export market. While the local market only pays R80 per kg as the taste and texture of local calamari is not preferred by the local market even though it is of a higher quality. The ships generally stay on sea for around 21 days at a time.

8.3.3 Value Chain Analysis

The following chapter provides an overview of a typical calamari value chain in the Kouga area operating out of Port St Francis. (SASMIA, 2024)

Figure 19: Calamari Value Chain Summary



To develop an in-depth value chain analysis for the calamari industry, it would need to break down the various stages from the point of production to the final market. The value chain encompasses all activities involved in creating, transporting, and delivering the product to the consumer, focusing on each step's value addition, cost structure, and strategic importance. Below is a draft framework of the value chain analysis for the calamari industry based on the information provided:

8.3.3.1 Input and Resource Acquisition:

The first stage, Input and Resource Acquisition, begins with crew and vessel preparation. Here, crew members undergo specific training and certification to meet the demands of calamari fishing, ensuring they are equipped with necessary skills, safety knowledge, and permits. Legal compliance is achieved by securing fishing permits, which involve regulatory procedures, fees, and adherence to quotas. Sourcing fuel, equipment, and essential supplies for vessels, such as lights and handlines, plays a significant role in efficiency and sustainability, impacting both cost and value addition.

8.3.3.2 Fishing Operations (Production):

In the Fishing Operations or production stage, calamari are caught at sea using handlines and lights, a selective method that helps minimize bycatch and supports sustainable fishing practices. Once caught, calamari are immediately cleaned, sorted, and blast-frozen on the vessel, which preserves freshness and maintains quality for export upon arrival at the port.

8.3.3.3 Transportation and Storage (Post-harvest Handling):

The next step, Transportation and Storage, involves post-harvest handling where the catch is offloaded at Port St Francis and swiftly transported to nearby warehouses. Efficient handling and transportation maintain the cold chain's integrity, ensuring product freshness. Warehouses in Sea Vista and Port St Francis serve as key distribution points where calamari are stored under strict temperature control, sorted as necessary, and prepared for packaging.

8.3.3.4 Packaging and Cold Storage (Value Addition):

The Packaging and Cold Storage stage adds value by ensuring product quality. Calamari are packed into specialized boxes that preserve them during long-term storage and shipping, while branding and labelling may be added to meet international export standards. Following packaging, the product is stored in advanced cold storage containers that uphold quality throughout transportation and storage.

8.3.3.5 Distribution and Export (Logistics):

Distribution and Export include land transport to Port Elizabeth Harbour, where cold storage containers are trucked to the port. Logistical planning is essential here to maintain the cold chain and meet regulatory standards. Once at the port, containers are loaded onto vessels for export, primarily to European markets. Efficient port operations and collaboration with international shipping companies are crucial to avoid delays and safeguard product quality.

8.3.3.6 Marketing and Retail (Final Sale):

In the final stage, Marketing and Retail, the calamari reach European markets where it complies with EU food safety regulations and traceability standards. The product is distributed to wholesalers, supermarkets, and restaurants, with value added through quality assurance, sustainable sourcing certifications, and distinctive branding.

8.3.4 Key Areas of Value Addition Identified by Stakeholders:

Stakeholders in the calamari industry have proposed several initiatives to address the challenges of fluctuating production levels and an ageing workforce. Firstly, they recommend the establishment of a 2,000-ton cold storage facility operating at -20°C and compliant with Hazard Analysis Critical Control Point (HACCP) standards. This facility would primarily serve as overflow storage during high-catch seasons, ensuring adequate capacity when production exceeds typical levels. The HACCP certification would allow the facility to meet food safety standards, making it suitable for handling perishable seafood and maintaining industry compliance.

In addition to the cold storage proposal, stakeholders emphasised the need for a skills development and trade school focused on training new staff to replace the ageing workforce. This school would provide essential training in key areas such as fishing, health and safety, engine repair, cooking, and maritime roles like captains and watchmen. Currently, the sector faces difficulties attracting young, skilled workers, as many lack the required skills or a clear pathway into the industry.

The proposed school would bridge this gap, offering targeted training to equip young people with the necessary skills to enter the maritime field. Stakeholders have also committed to providing practical training opportunities, offering placements on their ships where trainees could gain hands-on experience. Despite spatial limitations, each of the more than 100 ships in the fleet could accommodate one trainee per year for an approximately 21-day practical session. This initiative would not only strengthen the workforce but also provide an invaluable pathway for youth to secure long-term employment within the maritime industry.

8.4 Market Potential

This chapter provides an in-depth analysis of the market potential for cold storage facilities required to support the calamari industry in St Francis. The demand model examines current and projected storage needs based on historical production data, expected catch volumes, and the share of production handled by St Francis-operated vessels. By comparing these storage requirements with the existing capacity in the region, this analysis identifies the need for additional storage under different catch scenarios and assesses the feasibility of expanding facilities to meet demand fluctuations.

8.4.1.1 Current Market Conditions

In 2023, the total national production of calamari was recorded at 4,658 tons, with St Francis contributing 1,620 tons, representing 34.78% of the overall production. Over the past decade, the calamari industry has experienced significant variability in annual catch levels, with a maximum of 13,444 tons in 2018 and a minimum of 2,664 tons in 2013, resulting in an average catch of 7,752 tons. This fluctuation reflects the volatility in production, highlighting the potential range of storage demand that depends on annual production trends.

8.4.1.2 Baseline Catch Scenario

The baseline catches scenario forecasts the storage requirements based on an expected steady increase in production by St Francis vessels, reaching 1,969 tons by 2027. The corresponding storage space needs and available capacity under this scenario are illustrated in Table 7.1.

Baseline Catch Scenario - Estimated Warehouse Space Requirements and Availability (2023–2027)

Table 13: Baseline Catch Scenario

Year	Baseline Catch Scenario (Tons)	Required Storage Space (m²)	Available Storage Space (m²)	Net Effect (m²)
2023	1 620	2 160	3 246	+1 086
2024	1 701	2 268	3 246	+978
2025	1 786	2 382	3 246	+864
2026	1 876	2 501	3 246	+745
2027	1 969	2 626	3 246	+620
				Source: SASMIA 2024

In this scenario, the storage capacity exceeds demand, starting with a surplus of 1,086 m² in 2023, gradually decreasing to 620 m² by 2027. The existing cold storage facilities in St Francis, with a total area of 3,246 m², are therefore sufficient to meet the storage needs of the baseline catch without requiring additional investments in storage capacity.

8.4.1.3 High Catch Scenario

The high catch scenario considers the potential for increased production levels, with St Francis vessels capturing up to 2,810 tons in 2023 and reaching 3,415 tons by 2027. Table 7.2 provides a summary of the required storage space under this scenario.

High Catch Scenario - Estimated Warehouse Space Requirements and Availability (2023–2027)

Table 14: High Catch Scenario

Year	High Catch Scenario (Tons)	Required Storage Space (m²)	Available Storage Space (m²)	Net Effect (m²)
2023	2 810	3 746	3 246	-500
2024	2 950	3 934	3 246	-688
2025	3 098	4 130	3 246	-884
2026	3 253	4 337	3 246	-1 091
2027	3 415	4 554	3 246	-1 308
				Source: SASMIA 2024

Under the high catch scenario, the demand for storage space exceeds available capacity, with a deficit of 500 m² in 2023, increasing to 1,308 m² by 2027. This indicates a need for additional storage facilities to accommodate overflow in high-catch years. If such years occur frequently, it may be viable to invest in expanded cold storage to handle these periods of increased production.

8.4.1.4 Low Catch Scenario

In the low catch scenario, production volumes are expected to remain below the baseline, with St Francis vessels only achieving 557 tons in 2023, gradually increasing to 677 tons by 2027. The storage requirements and capacity for this scenario are outlined in Table 7.3.

Low Catch Scenario - Estimated Warehouse Space Requirements and Availability (2023–2027)

Table 15: Low Catch Scenario

Year	Low Catch Scenario (Tons)	Required Storage Space (m²)	Available Storage Space (m²)	Net Effect (m²)
2023	557	742	3 246	+2 504
2024	585	779	3 246	+2 467
2025	614	818	3 246	+2 428
2026	645	859	3 246	+2 387
2027	677	902	3 246	+2 344
				Source: SASMIA

In low-catch years, the storage capacity remains significantly underutilised, with a large surplus of over 2,300 m² projected by 2027. This scenario suggests that no additional storage investment is necessary, as existing facilities can comfortably accommodate these lower production levels.

Analysis of Current Warehouse Capacity

The current cold storage capacity in St Francis totals 3,246 m², provided by Balobi, Ukaqala Trading, and Komicx Products. While this capacity meets the requirements for the baseline and low-catch scenarios, it falls short under high-catch conditions, particularly in years when production exceeds baseline levels.

8.4.2 Synthesis

This analysis highlights that the existing cold storage capacity in St Francis is sufficient to meet the needs of the calamari industry under baseline and low-catch scenarios. However, in high-catch years, there is a clear deficit in storage space, with the required capacity surpassing availability by up to 1,308 m² by 2027. To address this potential shortfall, stakeholders have proposed a new 2,000-ton cold (2667m²) storage facility, which would operate at -20°C and meet Hazard Analysis Critical Control Point (HACCP) standards. This facility would primarily serve as overflow storage during high-catch seasons, providing additional capacity when demand peaks.

However, the investment in new storage capacity should be carefully evaluated, as it may not be sustainable if reliant solely on the income from calamari production, given the inconsistency of high-catch years. For a more sustainable approach, stakeholders might consider diversification strategies or shared-use models to maximise the utility of any new facility.

In addition, stakeholders have emphasised the importance of workforce development to sustain industry operations. A proposed trade school would offer training in key skills such as fishing, health and safety, engine repair, and other maritime roles, addressing the sector's ageing workforce and providing young people with career pathways in the maritime industry. The combination of skilled workforce development and potential storage expansion could support the long-term sustainability of the calamari industry in St Francis.



Conclusion and Recommendation

- A **2,000-ton** cold storage operating at -20°C facility (2667m²) will handle **seasonal overflow** but isn't feasible as a standalone facility.
- **Combining citrus and calamari** warehousing could create a more efficient solution.
- This approach ensures a balanced strategy that supports the long-term sustainability of cold storage infrastructure for the St. Francis calamari industry.

8.5 Green Energy Industry

The following section provides an overview of the renewable energy industry, the value chain and market potential demand for the industry's inclusion in a potential eco-industrial park.

The renewable energy industry was selected for inclusion due to its critical role in driving both local economic growth and national energy security. Kouga Municipality, located in the Eastern Cape, has become a key hub for wind energy development, benefiting from favourable wind conditions and strategic national policies that support renewable energy initiatives. With several large wind farms already operational, such as the Jeffreys Bay, Kouga, and Oyster Bay Wind Farms, the region plays a pivotal part in South Africa's renewable energy landscape, contributing significantly to the national grid. The expansion of these facilities not only supports sustainable energy production but also creates jobs and attracts investment to the local economy, stimulating growth in the region.

Kouga's ongoing commitment to renewable energy is evident through its planned solar farm, which will complement the existing wind power infrastructure and further diversify the municipality's energy portfolio. This project enhances local energy resilience, reduces dependence on the national grid, and provides a steady, sustainable power supply for residents and businesses. Furthermore, Kouga's alignment with national energy policies, such as Eskom's recent grid allocation rules and financial support mechanisms like the Energy Resilience Fund, positions the municipality for continued success in the renewable energy sector. By fostering a supportive environment for future investments, Kouga is well-positioned to strengthen its role as a leader in clean energy and contribute to South Africa's long-term energy goals. (GreenCape, 2024)

8.5.1 National Trends

In 2023, South Africa's renewable energy sector saw substantial developments, driven by new policy changes, government initiatives, and a continued focus on addressing the country's energy crisis. These developments reflect a significant shift in both the public and private sectors, setting the stage for a future with a more diversified and sustainable energy mix.

One of the most notable changes in early 2023 was the implementation of the new Preferential Procurement Regulation for 2022, which replaced the 2017 regulation overturned by the Constitutional Court. This new regulation significantly alters ownership and local content requirements for renewable energy projects, depending on the energy offtake or equipment purchaser. These adjustments are expected to stimulate local participation in renewable energy development and to provide a clearer framework until the introduction of the new Public Procurement Bill.

In February, President Cyril Ramaphosa declared a national state of disaster due to widespread power outages caused by supply shortages, which severely impacted the country's economic and social activities. Although this declaration was revoked two months later due to public backlash and lawsuits from civic organisations, it highlighted the urgency of addressing South Africa's electricity supply issues.

This heightened the need for accelerated action to diversify energy sources, with renewable energy positioned as a key part of the solution.

March 2023 saw the Department of Mineral Resources and Energy (DMRE) request bids for Battery Energy Storage Systems (BESS) under the IPP Procurement Programme. A total of 513 MW of energy storage capacity was sought, underscoring the importance of energy storage in stabilising the grid and integrating intermittent renewable energy sources, like wind and solar. This marked a significant step toward advancing energy storage solutions as a core component of South Africa's renewable energy strategy.

In April, following Cabinet approval, the Electricity Regulations Act (ERA) was amended to remove the requirement for generation licences for renewable energy projects. This change simplified the process for project development by requiring facilities to merely register with the National Energy Regulator of South Africa (NERSA). This reform is expected to encourage faster development of renewable energy projects by lowering regulatory barriers and streamlining the process for developers.

A major milestone came in May, when the DMRE announced the upcoming Bid Window 7 and 8 of the Renewable Energy Independent Power Producers Procurement Programme (REIPPPP). These rounds, which aim to procure up to 10 GW of renewable energy, represent a significant step forward in South Africa's commitment to expanding renewable energy capacity. These efforts are particularly important as the country faces an energy crisis, with renewable energy seen as a key driver for future energy security.

In June, Eskom briefed the industry on new grid allocation rules designed to address existing grid constraints. These changes aim to improve the integration of new renewable energy projects into the national grid, particularly in areas with limited transmission capacity. Eskom's role in facilitating grid connection and strengthening infrastructure is critical to accommodating the rapid growth in renewable energy capacity expected in the coming years.

In July, Eskom launched two key initiatives: the Energy Resilience Fund and the Energy One Stop Shop. These programmes aim to support the private sector in overcoming the financial and administrative challenges associated with renewable energy projects, further encouraging private investment in the sector. At the same time, Eskom signed South Africa's first virtual wheeling agreement with Vodacom in August, allowing Vodacom to access renewable energy from remote generation sites via Eskom's grid. This is a significant step in promoting the use of power purchase agreements (PPAs) and wheeling solutions, providing more flexibility for private businesses to secure renewable energy.

In September, Eskom received a R4 billion loan offer from a German bank to expand its transmission network in the Western and Northern Cape, two regions critical for renewable energy generation, particularly from wind and solar sources. This investment in transmission infrastructure is crucial to ensure that renewable energy generated in these areas can be efficiently delivered to the national grid.

October saw the launch of the cross-border standard offer programme by Eskom, which enables the procurement of power from neighbouring countries. This programme enhances regional energy cooperation and addresses South Africa's energy shortage by securing additional electricity from the Southern African Development Community (SADC) region. (GreenCape, 2024)

November saw another key milestone with the unveiling of the Hex Battery Energy Storage System (BESS) by Eskom. This system, with a capacity of 1,440 MWh per day, is the first large-scale BESS in South Africa and Africa, supported by 60 MW of solar PV capacity. The Hex BESS is designed to alleviate pressure on the national grid, making it easier to integrate large-scale renewable energy projects and providing grid stability.

In December, the DMRE launched the REIPPPP Bid Window 7, seeking 1,800 MW of solar PV and 3,200 MW of wind power. This announcement further solidifies the government's commitment to expanding renewable energy capacity, with additional rounds of procurement expected to follow.

Amid these developments, the government has emphasised key priorities, as outlined by the National Energy Coordination and Management (NECOM) in 2023. These include making it easier for the private sector to invest in new energy sources, fast-tracking the addition of new power generation from wind, solar, gas, and battery storage, and transforming the energy sector to ensure long-term energy security. (GreenCape, 2024)

With these legislative and policy developments, South Africa's renewable energy sector is expected to grow rapidly in the coming years. By early 2024, the end of load shedding marked a significant achievement in the country's energy journey, providing hope that the ongoing energy crisis may soon be alleviated. The potential market for large-scale renewable energy, energy storage, and component manufacturing in South Africa is estimated to reach R468 billion by 2030, creating a wealth of opportunities for investors, developers, and manufacturers. As the government continues to focus on renewable energy as a cornerstone of its energy strategy, South Africa is poised to become a leader in the renewable energy sector in Africa and globally.

8.5.2 Regional Dynamics

The Eastern Cape, particularly the Kouga Municipality area, has become a key region in South Africa's renewable energy landscape, significantly contributing to the nation's energy diversification efforts. Situated along a wind-rich coastal stretch, the Kouga area offers high wind speeds and favourable topography, making it ideal for wind energy projects. As South Africa's national policies increasingly support renewable energy, Kouga's role in the sector has solidified, establishing it as a vital hub for wind power.

Kouga Municipality is home to several prominent wind farms that collectively make up a significant portion of the country's wind energy capacity. These include the Jeffreys Bay Wind Farm, Kouga Wind Farm, and Oyster Bay Wind Farm. The Jeffreys Bay Wind Farm, one of the largest in the region, has an installed capacity of 138 MW and powers nearly 100,000 households. The nearby Kouga Wind Farm and Oyster Bay Wind Farm further reinforce the area's role in renewable energy, with each facility contributing to local electricity needs and providing excess capacity to the national grid. (GreenCape, 2024)

These wind farms have stimulated the local economy, created jobs and drawn investment to the Kouga area. Initiated through the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP), these projects also integrate community upliftment initiatives. The REIPPPP model requires developers to allocate a portion of project ownership to community trusts, fostering local economic participation and reinvestment back into Kouga.

Additionally, the wind farms in Kouga align well with Eskom's recent grid allocation rules, designed to address grid constraints, and facilitate the integration of renewable energy into the national infrastructure. The R4 billion loan Eskom secured from a German bank to expand the transmission network in the Western and Northern Cape is crucial for future grid infrastructure investments that could support further capacity integration in Kouga, enabling the municipality to expand its renewable energy contributions.

In addition to its successful wind energy initiatives, Kouga Municipality is also planning to establish a solar farm that will connect directly to the local grid. This new solar project will further diversify the region's renewable energy portfolio, offering a steady supply of electricity during daylight hours and complementing the output from local wind farms. By feeding directly into the local grid, the solar farm will enhance energy stability for the municipality, reduce dependence on Eskom's national grid, and provide a sustainable power source that can meet the needs of local residents and businesses. This initiative aligns with Kouga's commitment to renewable energy and supports South Africa's broader objectives of expanding clean, reliable, and decentralised energy solutions.

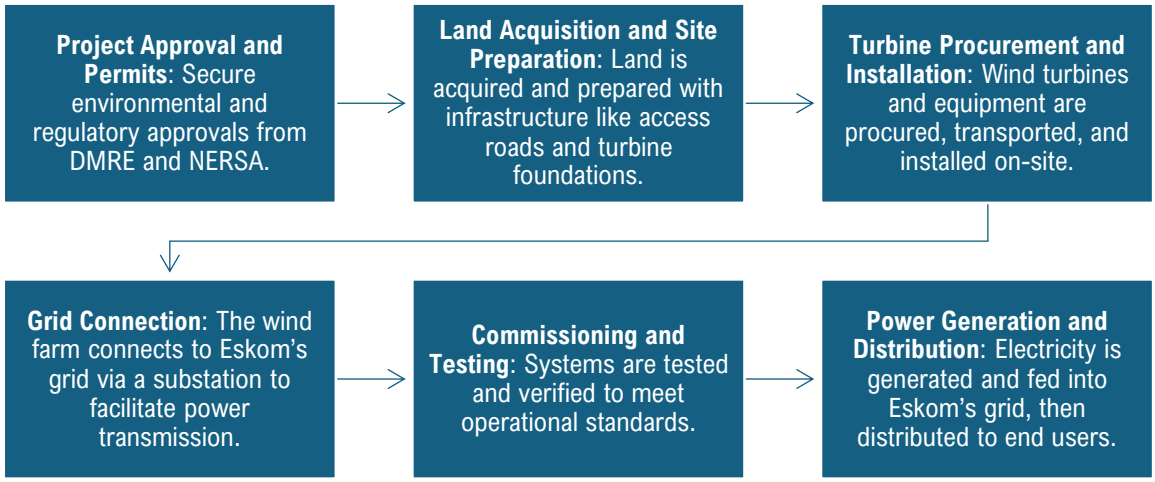
Eskom's recent Energy Resilience Fund and Energy One Stop Shop also offer regulatory and financial support for developers, potentially benefiting future wind energy investments in Kouga. With streamlined assistance to overcome regulatory barriers, Kouga's potential to attract new wind and solar projects continues to grow, supporting both local economic benefits and energy security objectives.

Kouga Municipality's expanding renewable energy infrastructure plays an essential role in meeting South Africa's national goals, as outlined by the National Energy Coordination and Management (NECOM), which prioritises making it easier for the private sector to invest in renewable energy. Fast-tracking wind energy installations in regions like Kouga strengthens South Africa's resilience against energy shortages while serving as a model for large-scale renewable energy development across Africa.

8.5.3 Value Chain Analysis

The Kouga Municipality in the Eastern Cape Province is recognised for its renewable energy initiatives, including large-scale wind farms contributing to South Africa's energy mix. This chapter provides an in-depth look at the value chain of a wind farm in Kouga Municipality that supplies electricity to end users via the Eskom grid. Each stage from project approval to end-user distribution is explored to illustrate the intricate processes involved in bringing clean energy to consumers.

Figure 20: Green Energy Value Chain Summary



8.5.3.1 Project Approval and Regulatory Compliance

The establishment of a wind farm begins with rigorous planning and securing of regulatory approvals. The project's feasibility is initially assessed through wind resource studies and environmental impact assessments (EIAs), which measure factors like wind speed, environmental sensitivity, and proximity to existing transmission infrastructure. The environmental assessments, a requirement by the Department of Mineral Resources and Energy (DMRE) and the Department of Environmental Affairs, ensure that the project aligns with national sustainability goals and regional ecological considerations.

Once the feasibility study is positive, developers must secure a generation license from the National Energy Regulator of South Africa (NERSA). This step is critical to ensuring that the wind farm adheres to regulatory standards and complies with both local and national electricity generation policies. Additionally, alignment with the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) may be required if the project seeks public procurement support. Approval from local authorities in Kouga Municipality is also necessary for site preparation and construction permits.

8.5.3.2 Land Acquisition and Site Preparation

After regulatory compliance, the next phase involves acquiring land for wind farm development. Typically, land is leased from private landowners or municipalities under long-term agreements. Site preparation involves building access roads, preparing turbine foundations, and establishing electrical infrastructure, such as substations and transmission lines. In the Kouga region, particular attention is given to terrain compatibility, as this can impact installation and maintenance operations.

Site preparation also includes logistical planning to manage the transportation of large turbine components, often from international suppliers, and coordinating their delivery to the site.
This logistical phase requires careful planning to minimise environmental impact and address the challenges of transporting oversized components through rural areas.

8.5.3.3 Procurement and Installation of Turbines

Wind turbine procurement is a critical component of the wind farm's capital expenditure. Turbines are typically sourced from specialised manufacturers, and their specifications are chosen based on the project's energy production goals and site-specific wind patterns. A standard turbine assembly includes the tower, nacelle (housing the generator and other essential components), and rotor blades.

Once the equipment is on-site, installation involves erecting the towers, mounting nacelles, and attaching blades. This process requires specialised cranes and expertise due to the precision required in positioning each component. Electrical cabling is then installed, linking each turbine to a central substation within the wind farm.

8.5.3.4 Grid Connection and Transmission Infrastructure

With turbines installed, the wind farm must connect to Eskom's transmission network. This involves constructing a substation that steps up the voltage to match Eskom's transmission grid. The substation is crucial for transforming the generated electricity from medium to high voltage, suitable for long-distance transmission to Eskom's centralised grid infrastructure.

Grid integration is a complex process, particularly in areas like Kouga, where transmission capacity may be limited. Eskom's transmission planning division assesses available capacity to ensure the system can accommodate the additional load from the wind farm. This step is vital for stable integration and minimises the risk of network congestion, which could limit the efficiency and effectiveness of electricity distribution.

8.5.3.5 Commissioning and Testing

Before full-scale operation, the wind farm undergoes a commissioning phase where each turbine and supporting system is tested. Engineers conduct operational tests on individual turbines, the substations, and the communication systems linking the wind farm to Eskom's control centres. This stage confirms that all equipment is functioning optimally and meeting South Africa's grid code standards.

Operational tests also involve safety checks, simulating various scenarios to ensure the wind farm can handle grid fluctuations. The testing phase is critical to prevent unexpected outages and optimise the energy output from the wind farm. Once all systems pass the commissioning tests, the wind farm is formally connected to Eskom's grid.

8.5.3.6 Energy Generation and Distribution

In the operational phase, the wind farm generates electricity through the kinetic energy captured by the turbines. This electricity is transformed into high-voltage power at the substation and fed into Eskom's grid. The electricity generated by Kouga's wind farms can supply power to thousands of homes and businesses across South Africa.

Eskom's distribution network plays a crucial role in transporting the generated power from Kouga to end-users nationwide. Eskom's grid management oversees the real-time distribution of electricity, ensuring consistent supply and adjusting power distribution based on demand fluctuations.

8.5.3.7 End-User Supply and Consumption

Electricity generated by the Kouga wind farm reaches end-users through Eskom's grid, following the national distribution framework. Households, businesses, and industries benefit from the clean energy generated by Kouga's wind farms, contributing to South Africa's carbon reduction goals. The increased supply of renewable energy also strengthens energy security, reducing dependency on coal-fired power plants and the associated environmental impact.

For end-users, the wind energy supplied through Eskom contributes to a more reliable and sustainable power system. In a region affected by energy shortages, the renewable contribution from Kouga's wind farm not only meets demand but also supports grid stability, aiding Eskom's efforts to reduce load shedding and enhance service quality.

8.5.4 Key Areas of Value Addition Identified by Stakeholders:

The recent stakeholder feedback from the Kouga Wind Farm Community Trust provided a focused assessment of the renewable energy sector's local challenges and opportunities for community development. With the Kouga region's grid capacity now fully utilised, there are no major wind energy expansion plans on the horizon apart from one new farm being built near Tsitsikamma. Stakeholders highlighted that while Eskom continues its gradual shift from coal to renewable energy, the preference leans more towards solar, with significant new development efforts targeting regions like Mpumalanga rather than Kouga. This current trend limits the potential for further wind farm projects in the area and has created challenges for long-term growth in Kouga's renewable energy contributions.
The group also discussed the feasibility of establishing local manufacturing facilities to produce wind turbine components, considering the potential community benefits of industrial expansion. However, they recognised that setting up factories would be impractical due to the lack of sustained demand. The financial costs of building such facilities are substantial, and with only sporadic project opportunities in the area, investing in local turbine manufacturing would not be economically viable. Additionally, constraints such as foreign patent restrictions on wind turbine technology and the limited market demand make it unlikely that Kouga could develop a profitable local production sector for turbine parts.

In light of these limitations, stakeholders expressed strong support for redirecting focus towards other forms of community development, particularly skills training that would align with Kouga's economic landscape. They advocated for a skills development centre to provide training in fields relevant to the region, such as farming, welding, hospitality, and niche areas like mushroom cultivation and greenhouse management. By investing in value-added skills that are sustainable and suited to the local context, the community could build economic resilience and create diverse employment opportunities that do not rely solely on the wind energy sector.
Finally, attendees underscored the importance of government involvement in infrastructure development to support both community growth and attract larger business investments. The group suggested that government funding could be directed towards essential infrastructure projects, like cold storage facilities and warehouses, which could anchor local economic activities and attract smaller businesses to Kouga. The Kouga Wind Farm Community Trust also indicated its willingness to participate in partnerships or funding initiatives, positioning itself as a potential stakeholder in projects that bolster local development. By focusing on infrastructure that addresses core community needs, stakeholders hope to create an economic environment that draws investment and fosters sustainable growth in the region.

Woodlands Dairy, while satisfied with its current operations, clarified that they are not in need of additional warehouse or factory space at their existing premises, as the current facilities adequately support their production needs. However, they expressed a keen interest in expanding their operations by acquiring the adjacent land with a view to building a solar power plant. As per discussions held on 04/11/2024, the company would require approximately 10 hectares of flat land to install a solar farm capable of generating 5.5 MW of power. Woodlands Dairy has already applied for land on Portion 2 of Farm Zwartenbosch No. 347, which covers an area of 30.799 hectares.

Although this area is larger than what is ultimately needed, it has been deemed necessary due to the presence of sloping terrain that is unsuitable for solar installation. Many parts of the land have slopes leading towards a valley, which limits the potential for the solar farm. Therefore, in line with the company's energy needs, Woodlands Dairy has requested an amendment to the land use plan to include this area, while also considering two additional portions: Erf 499 (4.52 hectares) and Erf 1 (8.85 hectares). The acquisition and development of this land for a solar power plant will not only help reduce the company's reliance on Eskom but also contribute to enhancing environmental sustainability by generating renewable energy.

This feedback reflects a practical approach to regional development, given the current constraints on wind energy expansion. Stakeholders are committed to pursuing initiatives that support long-term economic resilience, recognising both the limits and the strengths of Kouga's renewable energy contributions while focusing on skills, infrastructure, and collaborative partnerships that can enhance the community's prospects.

8.5.5 Market Potential

This analysis examines the potential for establishing a manufacturing facility in the Kouga Municipality focused on producing components for wind turbines or solar energy systems. The Kouga region, known for its active role in South Africa's renewable energy sector, has successfully integrated multiple wind farms into the national grid through partnerships with Eskom. However, with local grid capacity already maximised and no significant plans for new wind or solar energy installations—except for a limited expansion near Tsitsikamma—this analysis evaluates whether a component manufacturing facility in Kouga would be viable or sustainable in the current and foreseeable market conditions.

8.5.5.1 Current Market Conditions and Limitations

Grid Capacity Constraints: The Kouga region's grid infrastructure has reached its capacity, meaning there is no room for additional energy projects unless significant upgrades are made. While Eskom has explored renewable energy solutions to reduce reliance on coal, national renewable development is increasingly focused on solar installations and projects located in other regions, such as Mpumalanga. This trend, combined with the fully utilised grid in Kouga, indicates that further expansion of wind or solar farms in the area is unlikely in the near term. Consequently, there is limited market demand for locally produced wind turbine or solar component parts within the Kouga region.

Limited Sustainable Demand for Components: Given the minimal future growth in local renewable energy installations, demand for wind turbine or solar parts in Kouga would be limited to periodic maintenance and the relatively rare replacement of parts for existing wind farms. Unlike regions with more substantial development activity, Kouga does not have a continuous or high-volume demand for renewable energy components that would justify establishing a manufacturing facility. Producing components locally for just one or two projects would be economically unfeasible, as the fixed costs of setting up and maintaining a factory would far outweigh the revenue generated from intermittent orders.

Challenges with Local Manufacturing Feasibility: Manufacturing components for renewable energy systems, especially wind turbines, typically requires substantial investment in specialised equipment, technical expertise, and access to raw materials. Moreover, due to patent restrictions and proprietary technologies used in many turbine designs, securing rights to manufacture parts locally would require navigating licensing agreements with international corporations—adding further complexity and costs. The absence of a stable pipeline of projects in Kouga further weakens the business case for local production, as it limits the facility's ability to achieve the economies of scale needed to remain profitable over time.

8.5.5.2 Alternative Opportunities: Focus on Skills Development

While a manufacturing facility for renewable energy components may not be feasible, there is strong interest from the Kouga community in a skills development centre tailored to the region's needs. During recent stakeholder engagements, the community highlighted the value of developing a skills school that could offer training in areas relevant to local economic activities, such as welding, construction, agriculture, and hospitality. By providing education and training in these fields, a skills development centre would help build a local workforce equipped with practical skills that align with the area's industries and would promote sustainable economic growth.

Such a facility would not only address community needs but would also create employment and entrepreneurial opportunities beyond the renewable energy sector. The development of local talent could support small businesses, enhance Kouga's tourism and agriculture sectors, and improve resilience in the local economy. This community-driven interest presents a viable alternative investment opportunity that aligns with Kouga's resource availability and economic landscape.

Based on the current market conditions and grid constraints, establishing a manufacturing facility for wind turbine or solar plant components in Kouga Municipality does not present a sustainable or economically viable opportunity. The limited demand for renewable energy components, combined with the lack of ongoing project pipelines, does not justify the substantial upfront investment required for such a facility.

Instead, the community's strong interest in a skills development school offers a more promising avenue for investment. A skills centre, with training programmes tailored to local industries, could foster a skilled workforce that supports a diverse range of sectors within Kouga. This approach aligns with the region's economic needs, has strong community backing, and presents a sustainable development opportunity that can contribute to Kouga's long-term growth and resilience. Further details of the proposed skills school model and educational strategy will be explored in the subsequent educational section.

8.5.5.3 Solar Farm Development: Market Demand and Strategic Importance

The demand for a solar power plant has been clearly articulated by Woodlands Dairy, which has expressed strong interest in purchasing the land adjacent to its current facility for the purpose of building a 5.5 MW solar farm. The company has already applied for a 30.799-hectare portion of land, with a requirement for approximately 10 hectares of flat, suitable land for the solar plant's construction. Woodlands Dairy is committed to this development, and its decision to secure the land signals their long-term investment in sustainability and reducing reliance on the national grid.

The solar farm development is not only a response to the increasing energy costs and unreliable power supply from Eskom but also a strategic move to enhance Woodlands Dairy's environmental footprint. The proposed solar plant will provide a renewable energy source for the company, significantly reducing its operational costs and reliance on Eskom. This is a crucial step towards making the dairy industry in the region more sustainable and resilient in the face of fluctuating energy prices and power outages.

With Woodlands Dairy having the required funds to facilitate the construction of the new solar plant and a long-standing presence in the town, it is highly unlikely that the company will relocate or close down any time soon. The company's commitment to the area, combined with its established operations and financial capacity, makes the solar farm project both feasible and strategically beneficial. Woodlands Dairy's interest in the land next to its facility, along with its plans to invest in renewable energy, underscores the growing demand for sustainable and cost-effective energy solutions in the local agricultural sector.

8.5.6 Synthesis

In assessing the feasibility of establishing a renewable energy component manufacturing facility in Kouga Municipality, this analysis highlights significant challenges, primarily due to limited, unsustainable demand. With Kouga's grid capacity already met and no substantial expansion projects anticipated, the region lacks the long-term demand necessary to support a manufacturing facility. Additionally, the high initial costs associated with specialised manufacturing equipment, along with complex licensing requirements for proprietary turbine technology, further undermine the economic viability of such an enterprise.

Given these constraints, it is clear that a manufacturing facility for wind or solar energy components is neither a practical nor financially sound investment for Kouga. Instead, the community's proposal for a skills development school presents a far more feasible and impactful alternative. This approach aligns with local economic conditions and responds directly to community needs, offering a sustainable path to economic growth by equipping residents with versatile, high-demand skills across various industries. By focusing on workforce development, Kouga can leverage its resources to foster resilience and long-term prosperity in a way that a manufacturing facility alone could not achieve.

The solar farm development, backed by Woodlands Dairy's serious interest in purchasing the adjacent land and its financial capability, provides a strong indication of the feasibility of this project. With its long-standing history in the town and a commitment to sustainability, Woodlands Dairy is unlikely to relocate, making this solar plant a long-term, strategic investment in the region's energy future.



Renewable Energy Recommendation:

- **Solar Farm**: **5,5 MW** Solar farm on 10 Hectares for Woodlands Dairy
- **Energy Demand and Green Energy Opportunities**: Although there's no demand for a wind component factory, future facilities will require more energy. Integrating rooftop solar panels can make these developments more sustainable and cost-efficient, aligning with the region's green energy goals.

8.6 Green Economy - Recycling Facility Industry

Incorporating the recycling industry into the development plan for Kouga Municipality is crucial for enhancing environmental sustainability and reducing reliance on landfills. With a significant portion of waste being recyclable, developing a recycling sector can help address waste management challenges, minimise the environmental impact of landfills, and contribute to a cleaner, more sustainable environment. This approach would support broader sustainability objectives at both national and global levels.

Furthermore, the recycling industry presents important economic opportunities for Kouga. By expanding recycling infrastructure and engaging with local sectors, the municipality can stimulate economic growth, create employment, and attract investment. This initiative can promote a circular economy, reduce waste management costs, and provide long-term financial benefits, contributing to the region's overall social and economic development.

8.6.1 National Trends

The recycling industry in South Africa is shaped by a complex system of national, provincial, and local government regulations, supported by various industry associations and extended producer responsibility (EPR) organisations. The national Department of Forestry, Fisheries, and the Environment (DFFE) serves as the overarching authority for waste management in the country. The DFFE's Chemicals and Waste Management branch ensures the implementation and enforcement of waste management policies, including regulations concerning chemicals and waste management authorisations, directives, and agreements. (GreenCape, 2018)

8.6.1.1 Provincial and Local Government Roles

Each province in South Africa has a designated authority responsible for waste management within its borders. For instance, in the Western Cape, the Department of Environmental Affairs and Development Planning (DEA&DP) oversees the provincial waste management efforts, ensuring that policies and legislation are enforced. Local municipalities are constitutionally mandated to handle waste collection, removal, storage, and disposal for households. These municipalities may also regulate waste management through bylaws, either managing the services directly or outsourcing them to the private sector.

The City of Cape Town's Solid Waste Management Department (CCT: SWMD) is an example of a local government entity tasked with waste management within the city's boundaries. Alternative waste treatment, such as recycling, is considered a municipal support activity and is aimed at diverting waste from landfills, as per the National Environmental Management Waste Act (NEMWA) and the National Waste Management Strategy (NWMS).

8.6.1.2 Producer Responsibility Organisations (PROs)

In South Africa, recycling efforts are further supported by industry-funded associations, some of which also function as Producer Responsibility Organisations (PROs). These non-profit companies are created by producers or other entities to support the implementation of relevant EPR schemes. The PROs ensure that waste materials are diverted from landfills and that sustainable end markets for recycled materials are developed. As of November 2021, sectors such as paper, packaging, lighting, and electronics are required to register and comply with EPR schemes.

8.6.1.3 The Waste Sector in South Africa

The 2018 State of Waste Report (SoWR) provides an overview of the waste management landscape in South Africa. According to the report, South Africa generated approximately 108 million tonnes of waste in 2017, including both general and hazardous waste. Of this, about 20.4 million tonnes were recovered for recycling, which represents a relatively low recycling rate of 19% for total waste. However, excluding ash waste, South Africa achieved a more favourable recycling rate of 34% for non-ash waste.

Despite significant efforts and regulations to promote recycling, challenges such as incomplete data collection and underutilised waste management systems persist. Many municipalities lack functional weighbridges or the capacity to accurately collect and report waste disposal data. Nonetheless, the DFFE continues to use these estimates to inform high-level policy decisions and to guide waste management strategies. (GreenCape, 2018)

8.6.1.4 National Waste Management Strategy (NWMS) and Targets

The National Waste Management Strategy (NWMS) is a key instrument in South Africa's waste management framework. It sets ambitious targets for waste diversion and waste management improvements across the country. According to the NWMS, South Africa aims to divert 40% of waste from landfills within five years, 55% within ten years, and 70% within 15 years. The ultimate goal is to achieve Zero-Waste to landfill beyond 2035.

8.6.1.5 Waste Economy Master Plan

The DFFE is also developing a Waste Economy Master Plan, which serves as a strategic guide for managing waste in South Africa. This master plan is informed by various national policies and frameworks, such as the Sustainable Development Goals (SDGs), the National Development Plan (NDP), and the Chemicals and Waste Economy Phakisa action plans. The goal of the master plan is to provide a comprehensive roadmap for waste management that aligns with South Africa's broader environmental and economic objectives.

8.6.2 Regional Dynamics

The Eastern Cape's recycling industry plays a crucial role in diverting waste from landfills, generating economic value, and supporting sustainability efforts across the region. With a total available waste volume of approximately 495,939 tons annually, around 62% of this waste (306,007 tons) has the potential to be recycled. This industry provides a market value of about R524.24 million annually, indicating significant economic opportunities within the sector. Recycling activities in the Eastern Cape target a range of materials, including paper, glass, metal packaging, plastics, and e-waste.

Table 16: Eastern Cape Recycling Industry

EC Recycling Potential (Per major recyclable group)	Available Waste (Tons p.a.)	% of Total Available	Potential to Be Recycled (Tons p.a.)	% Recycle of Available	Recyclers Value p.a. (Rand Mil)	% of Total Available Value	Value per Ton (Rand/ Ton)
High-quality paper	24 036	4,85%	16 344	68%	39,23	7,48%	24
Paper other	89 074	17,96%	60 570	68%	54,08	10,32%	893
Corrugated cardboard	41 002	8,27%	27 882	68%	6,69	1,28%	240
Non-corrugated cardboard	6 221	1,25%	42 303	68%	20,31	3,87%	480
Glass	111 696	22,52%	46 354	42%	27,26	5,20%	588
Metal packaging	56 555	11,40%	42 246	75%	115,08	21,95%	2724
Plastic PET	4 383	0,88%	28 928	66%	118,89	22,68%	411
Plastic PE-HD	57 969	11,69%	16 173	28%	53,18	10,14%	3288
Plastic PVC	12 725	2,57%	1 196	9%	3,59	0,68%	3
Plastic PE-LD	53 727	10,83%	17 622	33%	65,13	12,42%	3696
Plastic PP	26 864	5,42%	3 976	15%	15,41	2,94%	3876
Plastic polystyrene	7 069	1,43%	566	8%	1,7	0,32%	3
E-waste	4 618	0,93%	1 847	40%	3,69	0,70%	2
Totals	**495 939**	**100,00%**	**306007**	62%	**524,24**	**100,00%**	**16228**

Source: (GIBB 2024)

8.6.2.1 Key Materials in the Recycling Chain

- **Most Common Waste**: Glass is the most abundant waste type, with an available volume of 111,696 tons per annum, making up 22.52% of the total available waste. However, only 42% of this waste is currently recyclable, limiting its potential in this category.
- **High-Value Waste**: Among recyclable materials, **plastic PE-HD** (High-Density Polyethylene) and **plastic PP** (Polypropylene) stand out for their high resale values, with R3,288 and R3,876 per ton, respectively. Although these materials are less common than glass, they offer a higher return on investment due to their demand in manufacturing.

8.6.2.2 Major Role Players in the Eastern Cape Recycling Industry

The regional recycling industry is supported by various stakeholders, including:

- **Municipal Waste Management Services**: Local municipalities manage initial waste collection and provide infrastructure for sorting and aggregation.
- **Buy-Back Centres**: These centres purchase recyclable materials from waste pickers and smaller collectors, playing a key role in aggregating recyclables for processing.
- **Recycling Facilities**: Processing plants transform collected recyclables into reusable raw materials, such as plastic pellets or metal sheets.
- **Manufacturers**: Companies that use recycled raw materials in their production processes, creating products like packaging, containers, and construction materials.
- **Informal Sector**: Waste pickers and small-scale recyclers are vital to the industry, especially in rural and underserved areas.

8.6.2.3 Overview of Key Recyclable Materials

- **Paper**: Various types of paper, including high-quality and corrugated cardboard, constitute a significant portion of recyclable materials. Together, these types of paper represent nearly 32% of the total available waste. Despite lower value per ton compared to metals or plastics, their high volume provides steady income.
- **Metal Packaging**: This category has a high recycling rate (75% of available waste) and a substantial market value, reaching R115.08 million annually.
- **Plastics**: Plastics like PE-HD, PET, and PP are high-value materials, although they vary in recyclability. For instance, only 28% of PE-HD is recyclable due to processing limitations, while PET achieves a high recycling rate of 66% of available waste, making it one of the most valuable materials in terms of revenue generation.
- **E-Waste**: Electronic waste contributes minimally to the total waste volume but presents a growing area of interest. Although its recycling rate is around 40%, its high toxicity and complexity necessitate specialised processing.

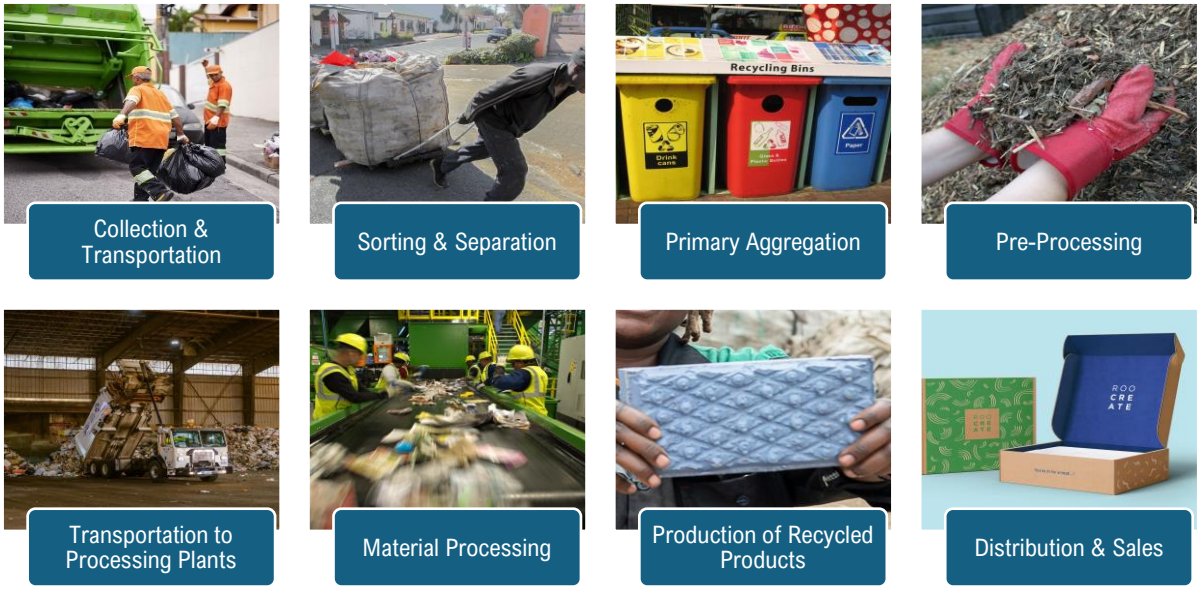
8.6.2.4 Conclusion

The recycling industry in the Eastern Cape, particularly in areas like Kouga, has significant economic potential, especially with high-value plastics and metals. However, achieving full potential depends on addressing challenges in collection, processing capacity, and market demand for recycled materials. Enhanced infrastructure, better integration of informal waste pickers, and investment in local processing facilities could further strengthen this industry. The data shows that with the right strategic focus, recycling in the Eastern Cape could deliver both environmental and economic benefits.

8.6.3 Value Chain Analysis

The Kouga Local Municipality, encompassing towns such as Humansdorp, Jeffrey's Bay, and St. Francis Bay, is exploring the development of its recycling industry as a means to support economic growth, reduce waste, and promote sustainable practices. This chapter examines each stage of the recycling value chain within the Kouga area, highlighting the processes, stakeholders, and opportunities for improvement. (GreenCape, 2018)

Figure 21: Recycling Value Chain



8.6.3.1 Collection and Transportation

In Kouga, waste collection is managed by municipal services and private companies. Refuse collection trucks gather mixed waste from residential and commercial sources throughout the municipality. These vehicles transport waste to designated landfills or transfer stations, with minimal separation occurring at the point of collection.

- **Stakeholders**: Municipal waste management services, private waste collection companies.
- **Challenges**: Mixed waste limits efficiency in sorting; lack of source separation.
- **Opportunities**: Promoting separation at source through public awareness campaigns.

8.6.3.2 Sorting and Separation

Upon arrival at landfill sites near towns like Humansdorp, waste pickers play a critical role in manually sorting valuable recyclables (such as plastics, metals, and glass) from general waste. Although informal, this activity is essential for recycling in the municipality, as it provides an initial level of material recovery.

- **Stakeholders**: Informal waste pickers, landfill management.
- **Challenges**: Informal sorting can be unsafe and inefficient; inconsistent material quality.
- **Opportunities**: Formalising waste pickers' roles through cooperatives, safety training, and provision of protective equipment.

8.6.3.3 Primary Aggregation

The sorted recyclables are sold to local buy-back centres or small recycling hubs where materials are aggregated into larger quantities. This process prepares the recyclables for transport to more specialised facilities outside Kouga, enabling a more consistent flow of materials into the recycling chain.

- **Stakeholders**: Local buy-back centres, small-scale recyclers.
- **Challenges**: Lack of formal aggregation facilities within Kouga; limited volumes collected.
- **Opportunities**: Establishing more buy-back centres to increase accessibility for waste pickers and residents.

8.6.3.4 Pre-Processing

Once materials reach these centres, they are cleaned, shredded, or compacted into forms suitable for transportation. Pre-processing increases material purity, consistency, and value, making them more viable for sale to larger recycling plants.

- **Stakeholders**: Local or regional recycling facilities, buy-back centres.
- **Challenges**: Pre-processing facilities are limited in Kouga, creating dependency on regional plants.
- **Opportunities**: Developing basic pre-processing facilities to support local recycling growth.

8.6.3.5 Transportation to Processing Plants

Pre-processed materials are then transported to larger recycling plants, often located in industrial hubs such as Port Elizabeth. Logistics companies provide transportation services, helping to maintain a steady supply of recyclable materials.

- **Stakeholders**: Logistics companies, regional recycling plants.
- **Challenges**: High transportation costs and emissions; limited local processing capacity.
- **Opportunities**: Partnering with regional plants to reduce costs or invest in local processing capabilities.

8.6.3.6 Material Processing

At industrial recycling plants, materials undergo further processing. Plastic is melted into pellets, metals are melted and purified, and glass is crushed into cullet. These materials are then transformed into secondary raw materials that are ready for use in manufacturing.

- **Stakeholders**: Industrial recycling plants.
- **Challenges**: Lack of facilities within Kouga; dependency on external processing infrastructure.
- **Opportunities**: Encouraging investment in a local processing facility to increase Kouga's recycling output and reduce transport dependency.

8.6.3.7 Production of Recycled Products

Processed materials are sold to manufacturers who produce a wide range of finished products. These may include packaging, bottles, construction materials, and textiles, depending on the type of recyclable material.

- **Stakeholders**: Manufacturers of recycled goods.
- **Challenges**: Fluctuations in demand for recycled products; competition with virgin materials.
- **Opportunities**: Expanding local demand for recycled materials by promoting sustainable business practices within Kouga.

8.6.3.8 Distribution and Sales

The final recycled products are distributed to markets through wholesalers, retailers, and export channels. These products meet the demand for sustainable goods among businesses and consumers, closing the recycling loop.

- **Stakeholders**: Distributors, retailers, exporters.
- **Challenges**: Market volatility affecting demand for recycled products.
- **Opportunities**: Developing partnerships with local businesses to integrate recycled materials into the supply chain.

8.6.4 Key Areas of Value Addition Identified by Stakeholders:

One of the most significant areas is the development of a formal recycling centre near the main landfill in Humansdorp. This centre could streamline material sorting, aggregation, and processing, reducing the need for transportation to distant facilities and creating local employment. However, Woodlands Dairy, the largest industry in Humansdorp and a direct neighbour to the proposed site, has raised concerns about potential fumes generated by recycling operations.

Given their position in the food industry, Woodlands Dairy emphasised the critical importance of air quality, fearing that fumes from certain recycling processes could compromise the health, safety, and quality of their dairy products. To address this, stakeholders have recommended that any recycling methods employed avoid fume-generating processes, focusing instead on clean, mechanical recycling technologies that minimise environmental impact. By implementing these considerations, the Kouga recycling centre can meet industry needs while respecting the requirements of key local businesses.

The recycling industry in Kouga has a well-established value chain, but it faces several challenges due to its reliance on informal sorting, lack of local processing facilities, and the high cost of transporting materials. To strengthen the value chain, the municipality could explore initiatives to formalise waste picker roles, improve aggregation points, and attract investment in local processing infrastructure. These actions would support economic growth, job creation, and sustainability within Kouga, helping to position the municipality as a leader in regional recycling efforts.

8.6.5 Market Potential

The proposed recycling plant in Kouga Municipality has strong feasibility potential, largely due to the steady supply of waste from the area's growing population and the high value of certain recyclable materials. Kouga, with a population of 108,047 and representing 1.49% of the Eastern Cape's population, generates waste volumes that are projected to rise in line with its annual population growth rate of 3.04%. This increasing waste stream creates a substantial, renewable supply of raw materials for the recycling industry, which a local plant could capitalize on.

Table 17: Kouga Recycling Industry Overview

EC Recycling Potential (Per major recyclable group)	Available Waste (Tons p.a.)	% of Total Available	Potential to Be Recycled (Tons p.a.)	% Recycle of Available	Recyclers Rand Value p.a.	% of Total Available Value	Value per Ton (Rand/ Ton)
High-quality paper	359	5%	244	68%	5 862	0,11%	24
Paper other	1 331	18%	905	68%	808 340	14,64%	893
Corrugated cardboard	613	8%	417	68%	100 005	1,81%	240
Non-corrugated cardboard	93	1%	632	68%	303 457	5,50%	480
Glass	1 669	23%	693	42%	407 333	7,38%	588
Metal packaging	845	11%	631	75%	1 719 799	31,15%	2 724
Plastic PET	66	1%	432	66%	1 77 683	3,22%	411
Plastic PE-HD	866	12%	242	28%	794 708	14,39%	3 288
Plastic PVC	190	3%	18	9%	54	0,00%	3
Plastic PE-LD	803	11%	263	33%	973 357	17,63%	3 696
Plastic PP	401	5%	59	15%	230 311	4,17%	3 876
Plastic polystyrene	106	1%	8	8%	25	0,00%	3
E-waste	69	1%	28	40%	55	0,00%	2
Totals	7 412	100%	4573	62%	**5 520 988**	100,00%	**16 228**

Source: (GIBB 2024)

Among the waste types, several materials stand out in terms of volume and economic return. **Metal packaging** is the most profitable material, representing 11% of available waste in Kouga and recyclable at a rate of 75%. At a value of R2,724 per ton, metal packaging alone contributes approximately R1,719,799 annually to the potential revenue stream, or 31.15% of the total recyclers' value. Similarly, **Plastic PE-LD** (Low-Density Polyethylene) and **Plastic PE-HD** (High-Density Polyethylene) also present high resale values at R3,696 and R3,288 per ton, respectively. Together, these plastics add significant value, with **Plastic PE-LD** contributing about R973,357 (17.63% of total value) and **Plastic PE-HD** contributing around R794,708 (14.39%).

Paper products, especially "other paper" (excluding high-quality paper), represent a large portion of Kouga's waste stream at 18% of total waste. With a recycling rate of 68% and a resale value of R893 per ton, other paper has an annual recyclers' value of R808,340, accounting for 14.64% of total potential revenue. **Glass** also contributes significantly, comprising 23% of the waste stream and recyclable at 42%. Valued at R588 per ton, glass adds approximately R407,333 (7.38%) to the total recyclers' revenue.

In total, Kouga's waste has a recyclers' potential value of approximately R5,520,988 per year if processed at optimal recycling rates. This is based on the total available waste (7,412 tons annually) and assumes that 62% of this material can be effectively recycled. If Kouga's recycling plant is able to operate at maximum efficiency and recover 100% of the recyclable materials, it would generate substantial revenue while reducing the environmental impact of waste sent to landfills.

Recycling facilities designed to process **7,412+ tonnes of waste annually** vary in size and complexity depending on their capacity, level of automation, and waste types handled. Small-scale facilities (2,000–3,000 m²) typically rely on manual sorting and basic equipment, processing up to 10,000 tonnes annually. Medium-scale facilities (5,000–8,000 m²) incorporate semi-automated systems and handle between 10,000–30,000 tonnes annually. Large-scale facilities (10,000–15,000 m²) are highly automated, capable of processing 50,000+ tonnes annually, and feature advanced utilities like waste-to-energy systems.

Table 18: Space Estimate Table

Scale	Annual Capacity (Tonnes)	Daily Capacity (Tonnes)	Facility Size (m^2)	Key Features	Typical Areas Used
Small-Scale	7,500–10,000	20–30	2,000–3,000	Manual sorting, basic balers/compactors, limited storage.	Such facilities serve community-level recycling needs and have minimal infrastructure.
Medium-Scale	10,000–30,000	30–80	5,000–8,000	Semi-automated sorting, industrial equipment, significant storage.	These plants balance efficiency with moderate costs and serve municipalities or medium-sized cities.
Large-Scale	50,000+	150+	10,000–15,000	Fully automated systems, advanced utilities, diverse material handling zones.	Large cities or metropolitans

8.6.6 Synthesis

In conclusion, a recycling plant in Kouga focusing on high-value materials such as metal packaging, various plastics (particularly PE-LD and PE-HD), and paper products could be feasible under the right conditions. The demand model suggests that, if the plant operates efficiently and key factors such as waste supply, infrastructure, and market conditions align, the plant could generate significant revenue.

However, the feasibility and profitability of the plant are not guaranteed under all conditions. Challenges such as fluctuating market prices for recyclables, inconsistent waste supply, and the need for adequate infrastructure could impact the plant's success. Therefore, while the concept holds potential, its feasibility will depend on ensuring these critical conditions are met for the plant to operate efficiently and sustainably.



Recycling Recommendations

- Build a **recycling plant capable** of handling more than **7,412 tons of waste annually (2000m² - 23000m²)**
- **Efficient operations** could lead to a significant reduction in landfill waste, supporting **economic growth** and **sustainability** in Kouga.

8.7 Commercial Property Industry

The following section provides an overview of the commercial spaces industry, the value chain and market potential demand for the industry's inclusion in a potential industrial park.

Including the commercial property industry in the development plans for Kouga Municipality is crucial for fostering balanced economic growth and revitalising underdeveloped areas like Humansdorp. The shift in commercial focus to Jeffrey's Bay has left Humansdorp with significant gaps in its retail and service infrastructure, undermining its role as a central hub for the surrounding population. By investing in the commercial property sector, Humansdorp can recover its position as an economic driver for the municipality. This will not only meet the growing demand for commercial services but also reduce the leakage of local expenditure to neighbouring areas, providing opportunities for new business ventures and attracting investment.

Furthermore, the commercial property market in Kouga offers substantial growth potential, with a total demand of R7.6 billion. Services, in particular, dominate the market and account for over half of the demand, indicating the importance of improving retail and service infrastructure in underdeveloped areas. By addressing the investment needs in commercial property, the municipality can ensure more balanced economic growth, reduce reliance on Jeffrey's Bay, and support the sustainability of local businesses. Revitalising Humansdorp's commercial sector would lead to increased job creation, improved business opportunities, and a more robust local economy, ultimately enhancing the region's long-term economic resilience.

8.7.1 National Trends

As of June 2023, South Africa's formal retail shopping centre stock stood at approximately 23.3 million square metres. Since 2020, over 700,000 square metres of retail space have been added across 48 new centres, reflecting a compound annual growth rate (CAGR) of 0.8% per annum. While this is slower than the 2.0% annual growth recorded during the 2010s and slightly below the country's population growth of 1.0% per annum, it represents a positive outcome given the challenges posed by the COVID-19 pandemic. Looking ahead, 23 centres are under construction, set to contribute an additional 300,000 square metres, while 78 proposed centres—exceeding 1.4 million square metres—are in various stages of planning. Many of these proposals have been delayed for years, reflecting a cautious market sentiment, though the diversity of influencing factors suggests varied outlooks for individual projects. (SAPOA, 2024) (Rode Publications, 2024)

The scale and nature of new retail developments vary by location. In metropolitan areas and larger cities, the average size of shopping centres under construction has declined significantly. Current projects in metros average 8,700 square metres, 40% smaller than completions since 2020, while those in large cities average 10,200 square metres, representing a 51% reduction. This shift indicates a preference for convenience-oriented retail to complement existing large-format malls. In contrast, developments in smaller towns are growing in size as developers prioritise nodal dominance, creating larger centres designed to attract national retail brands and consolidate catchment areas.

Retail stock remains concentrated in metropolitan areas, which account for 67% of the country's retail floor space, or 17.6 million square metres. Cities contribute 12.7% of the total, with the remainder distributed across large towns, smaller towns, and rural settlements. Metros also exhibit the highest retail space per capita, at 691 square metres per 1,000 people, compared to 539 square metres in cities and 406 square metres in large towns. However, when retail space is compared to gross value added (GVA), metros, cities, and large towns display similar ratios, suggesting that retail provision is generally in line with economic activity.

Shopping centre types follow predictable patterns based on settlement size. Metros host a higher proportion of large-format centres, with 26% of retail gross lettable area (GLA) in Super Regional and Regional malls. Smaller formats, such as Small Regional, Community, and Neighbourhood centres, collectively account for about 65% of metro retail space. Cities, while lacking Super Regional malls, still feature a third of their retail space in centres larger than 25,000 square metres. Large towns exhibit a similar trend, often driven by the desire for dominance within local catchment areas and the ability to attract national tenants. (SAPOA, 2024) (Rode Publications, 2024)

The pace and focus of retail development have shifted. Between 2020 and 2023, metros accounted for the majority of new completions, reflecting developers' preference for perceived lower-risk markets during periods of subdued economic growth. However, the current pipeline of new centres under construction is concentrated in cities and towns, which account for 75% of projects. The overall retail development pipeline, totalling 1.7 million square metres across 101 centres, has seen a reduction in average project size compared to earlier periods. Of this pipeline, only 18% is under construction, with most projects expected to complete by the end of 2024, while the remainder remains in various planning stages.

Growth in smaller settlements is particularly notable, with rural towns expected to see retail floor area expand by 6.2%, compared to just 0.3% for metros and 0.9% for cities. Mpumalanga, Limpopo, and KwaZulu-Natal are leading this growth, accounting for two-thirds of new developments in smaller settlement types. Towns such as Vryburg, Thohoyandou, and Vryheid are set to experience significant transformations. For example, Vryburg's retail space will triple with the completion of two new malls, likely shifting consumer spending from traditional central business districts to modern suburban developments. (SAPOA, 2024)

The evolving trends in South Africa's retail sector highlight a dynamic shift in development priorities. While large metropolitan areas remain dominant, growth is increasingly focused on smaller towns and rural areas. This reflects developers' efforts to align supply with regional demand and capture opportunities in underserved markets, despite broader economic challenges. The next few years will likely see a more balanced distribution of retail developments across the country, with smaller settlements playing a key role in driving sector growth.

8.7.2 Regional Dynamics

Humansdorp once held the position as the commercial hub of the Kouga Municipality, catering to the needs of the local population and serving as a critical centre for trade and services. However, since 2012, Jeffrey's Bay has experienced rapid urbanisation and commercial expansion, primarily driven by the establishment of Fountains Mall and several other shopping centres. This growth has shifted the primary demand for commercial services and retail activity away from Humansdorp to Jeffrey's Bay, which is now the dominant commercial node in the municipality. (Quantec, 2024)

Despite this shift, Humansdorp remains vital as a service centre for a significant portion of the Kouga population. However, the redirection of commercial focus has led to underinvestment in its retail and commercial property infrastructure, leaving it struggling to keep pace with modern demands.

The overall commercial demand in the Kouga Municipality amounts to R7.6 billion, with a breakdown as follows:

- Services dominate the market, contributing R4.19 billion (55.03% of the total demand). They account for the highest trading density (57,029 m² GLA) and per-person expenditure (R32,938).
- Non-durable goods follow, representing R2.06 billion (27.09%), with a trading density of 57,226 m² GLA and per-person spending of R17,171.
- Durable goods and semi-durable goods are smaller contributors, at R681 million (8.95%) and R679 million (8.92%), respectively. These categories show lower trading densities (58,548 m² and 46,033 m² GLA) and per-person expenditures (R5,044 and R5,338).

Leakage figures indicate that 10-20% of local expenditure in key categories flows out of the area, highlighting potential opportunities for further investment in localised commercial developments. While Jeffrey's Bay has captured the lion's share of growth and investment, there is untapped potential to revitalise Humansdorp's commercial property sector, ensuring it remains a key economic driver and supports balanced development within the Kouga Municipality.

8.7.3 Value Chain Analysis

This chapter provides a detailed analysis of the value chain for commercial property development, highlighting the critical stages involved—from land acquisition and planning to revenue generation and portfolio management. By examining each phase within the context of Kouga's unique socio-economic and environmental landscape, this analysis aims to outline a sustainable and impactful approach to commercial property development in the region.

Figure 22: Commercial Property Value Chain Summary



8.7.3.1 Land Acquisition

The first step in developing commercial property within Kouga Local Municipality involves securing strategically located land. Towns such as Humansdorp, Jeffreys Bay, and St. Francis Bay offer prime opportunities, driven by their growing populations and increasing economic activity. This stage includes a comprehensive evaluation of zoning regulations, land-use plans, and infrastructure availability to ensure alignment with commercial development objectives. Negotiations with landowners focus on securing favourable terms, while factoring in site preparation and potential infrastructure upgrades.

8.7.3.2 Planning & Design

The planning phase is underpinned by detailed market research to assess the demand for commercial space within Kouga. This includes analysing population trends, economic activity, and local business needs. Design work is tailored to balance functionality with aesthetic appeal, ensuring adherence to local regulations and sustainability principles. Features such as solar energy systems, water-saving technology, and natural ventilation are integrated to align with the region's eco-conscious development agenda.

8.7.3.3 Approvals & Permits

Securing the necessary approvals and permits is a critical phase that requires close engagement with municipal authorities. This involves obtaining zoning clearances, building permits, and environmental impact assessments. Stakeholder engagement during this stage is essential to address community concerns, ensuring the project garners local support while adhering to regulatory requirements.

8.7.3.4 Construction & Development

The construction phase prioritises the use of local contractors and suppliers to support Kouga's economic development and minimise logistical challenges. Phased construction allows for flexibility in adapting to changing market demands, while strict oversight ensures adherence to timelines and budget constraints. This approach ensures the delivery of high-quality commercial property aligned with regional needs.

8.7.3.5 Marketing & Pre-Leasing

Effective marketing is essential to attract tenants before project completion. Emphasising the building's location, sustainability features, and potential to serve as a local economic hub enhances its marketability. Collaboration with local real estate agents is key to securing anchor tenants, such as national retailers or government offices, which in turn attracts smaller tenants and drives leasing momentum.

8.7.3.6 Leasing & Property Management

Once operational, leasing and property management become critical to the building's success. Lease agreements are structured to reflect local economic realities, and comprehensive property management services, including security, maintenance, and tenant support, are provided. Building strong tenant relationships fosters long-term retention and ensures stable occupancy levels.

8.7.3.7 Revenue Generation

Revenue is primarily derived from rental income, supplemented by additional streams such as parking fees, advertising spaces, and event hosting. Operational efficiencies, achieved through energy-saving systems and proactive maintenance, contribute to cost savings. Periodic upgrades are implemented to maintain the building's competitiveness in Kouga's evolving commercial landscape.

8.7.3.8 Exit or Portfolio Management

Decisions regarding the retention or sale of the property depend on market dynamics and long-term investment strategies. Retaining the property offers consistent rental income, while a strategic sale can leverage heightened demand for commercial space in the region. Ongoing market analysis and alignment with Kouga's development plans ensure optimal value extraction from the property over time.

8.7.4 Market Potential

Kruisfontein, a key residential area within Humansdorp in the Kouga Municipality, demonstrates a substantial demand for commercial property. The total population of Kruisfontein is 13,809, representing approximately 43% of Humansdorp's population and 13% of the entire Kouga Municipality's population. Below is a detailed analysis of the market demand and supply dynamics in Kruisfontein, based on the data provided:

8.7.4.1 Demand Analysis

The primary commercial demand in Kruisfontein is segmented as follows:

- **Durable Goods**: Demand for durable goods stands at **892 m²**, supported by an expenditure of R52.2 million. This category represents 8.95% of the total demand. The trading density is estimated at **58,548 R/m² GLA**, with a per-person expenditure of **R3,783**.
- **Semi-Durable Goods**: Semi-durable goods account for **1,319 m²** of demand, supported by R60.7 million in expenditure (8.92% of total demand). The trading density is **46,033 R/m² GLA**, with a per-person expenditure of **R4,396**.
- **Non-Durable Goods**: This segment reflects significant demand, amounting to **2,993 m²**, with an expenditure of R171.2 million. Non-durable goods constitute 27.09% of the total demand. The trading density is **57,226 R/m² GLA**, with a per-person expenditure of **R12,401**.
- **Services**: Services dominate the demand profile, accounting for **5,630 m²** with expenditure reaching R321.1 million (55.03% of total demand). The trading density is **57,029 R/m² GLA**, with a per-person expenditure of **R23,251**.

The total effective demand for commercial property in Kruisfontein is estimated at **10,833 m²**, supported by total expenditure of R605.3 million.

8.7.4.2 Supply Analysis

The existing commercial property supply in Kruisfontein includes:

- **USAVE**: **2,170 m²**
- **Warehousing Buildings**: **3,930 m²**
- **Other Smaller Buildings**: **2,842 m²**
- **Non-Commercial Deductions**: **-894.2 m²**

The total commercial supply in Kruisfontein amounts to **8,047.8 m²**.

Net Effective Demand

Comparing the current demand of **10,833 m²** to the supply of **8,047.8 m²**, Kruisfontein exhibits a net effective demand of **2,786 m²**. This indicates a shortfall in commercial property supply, particularly for non-durable goods and services, which dominate the local expenditure profile.

Key Insights and Recommendations

- **Growth Opportunities**: The unmet demand highlights significant opportunities for new commercial developments in Kruisfontein, particularly in sectors like services and non-durable goods, which demonstrate the highest demand.
- **Targeted Investments**: With a net effective demand of 2,786 m², targeted investments in retail centres or mixed-use developments could address the supply gap and support the growing population's needs.
- **Balancing Commercial Growth**: Expanding the retail and service infrastructure in Kruisfontein will not only meet local demand but also relieve pressure on neighbouring nodes like Jeffrey's Bay, contributing to more balanced commercial growth within the municipality.

This model underlines Kruisfontein's potential as a secondary commercial hub in Humansdorp, warranting focused investment to bridge the current supply-demand gap.

8.7.5 Synthesis

Kruisfontein, as a growing residential area within Humansdorp in the Kouga Municipality, presents a strong case for strategic commercial property investment. While Humansdorp historically served as the commercial hub of the region, the rapid expansion of Jeffrey's Bay, with the development of Fountains Mall and other commercial spaces, has shifted the economic focus. This shift has resulted in underinvestment in Humansdorp's commercial infrastructure, including Kruisfontein, despite its sizable population and evident demand.

The analysis reveals a significant **net effective demand of 2,786 m²** for commercial property in Kruisfontein. This demand is primarily driven by the dominance of **services (55.03%)** and **non-durable goods (27.09%)**, which together account for over 80% of the market's total expenditure. Current commercial supply, however, falls short of meeting this demand, reflecting a substantial gap in infrastructure.

This unmet demand signals opportunities for developers and stakeholders to invest in retail centres, service hubs, and mixed-use developments. Addressing the supply shortfall in Kruisfontein would not only improve local access to essential goods and services but also strengthen Humansdorp's position as a secondary commercial node. Such investment could counterbalance the commercial dominance of Jeffrey's Bay, fostering more equitable and sustainable development across the Kouga Municipality.



Commercial Recommendation:

- To meet Kruisfontein's commercial needs, a total of **2,786 m²** of new commercial property is required.
- The breakdown is as follows:
  - **Services: 1,100 m²**
  - **Non-Durable Goods: 900 m²**
  - **Durable Goods: 400 m²**
  - **Semi-Durable Goods: 386 m²**

8.8 Warehousing and Storage Property Industry

The following section provides an overview of the warehouse industry, the value chain and market potential demand for the industry's inclusion in a potential eco-industrial park.

The expansion of warehousing and storage facilities in the Kouga region is essential to meet the growing demand driven by both local businesses and expanding industries. Areas such as Humansdorp and St Francis Bay currently face a significant shortage of appropriate storage options, which is stifling the growth of various sectors, particularly manufacturing and logistics. Stakeholder feedback highlights an urgent need for larger and more specialized facilities to accommodate the demands of emerging industries, such as the proposed cow feed and juicing plants. Developing new warehouses, especially those linked to cold storage for sectors like fishing, would directly support local economic growth, create job opportunities, and improve the efficiency of transport and logistics operations.

Furthermore, the demand for smaller storage units is also on the rise, as businesses and individuals seek compact spaces for personal or commercial use. The development of smaller storage options would offer a steady stream of rental income, making it an attractive investment opportunity. By strategically locating new warehousing and storage facilities in areas such as Humansdorp and St Francis Bay, and improving local infrastructure, the region could address its current deficiencies and provide critical support for the expanding industrial and logistical landscape. This would not only enhance local business capabilities but also attract investment, further fostering economic development in the Kouga region.

8.8.1 National Trends

The warehousing and storage sector in South Africa is experiencing robust growth, driven by the expanding freight and logistics market, rapid adoption of e-commerce, and evolving consumer and business needs. The sector aligns closely with the freight and logistics market, which is projected to grow from $13.79 billion in 2024 to $19.9 billion by 2030, at a compound annual growth rate (CAGR) of 6.29%. This growth underscores the increasing demand for modern, efficient warehousing and storage solutions across various industries. (SAPOA, 2024)

E-commerce is a significant driver of this demand, with the market expected to expand at a CAGR of 11.89% between 2023 and 2027. This rapid growth calls for advanced storage and distribution centres to manage high volumes of goods. For instance, M24 Logistics' state-of-the-art 30,000 sq. m facility in Montague Gardens is tailored to serve major e-commerce players, SMEs, and B2B merchants, showcasing the need for technologically advanced warehousing. Similarly, the Courier, Express, and Parcel (CEP) segment is seeing remarkable growth, driven by rising consumer expectations for faster and more reliable delivery services. Innovations such as PUDO's 1,100 smart lockers and Pargo's extensive pickup network of over 3,000 retail and spaza shops highlight the increasing reliance on smaller, decentralised storage units that are critical for last-mile delivery in both urban and remote areas. (Mordor Intelligence , 2024)

South Africa's National Development Plan (NDP) and the National Infrastructure Plan 2050 also play a crucial role in driving warehousing growth, with over ZAR 6 trillion (USD 0.35 trillion) allocated to energy and transportation infrastructure by 2040. Enhanced road networks, which dominate the country's freight transportation, will improve connectivity and reduce logistical bottlenecks, further supporting the warehousing sector. Additionally, the logistics landscape is embracing technology, with platforms like inDrive.Freight enabling users to negotiate delivery costs directly with drivers, illustrating a shift toward flexible, customer-centric logistics solutions. This technological evolution is expected to increase the demand for adaptable warehousing facilities catering to diverse needs, from large-scale operations to individual packages. (Horizon Grand View Research , 2024)

The sector is also witnessing a shift towards smaller, decentralised storage units strategically located closer to end consumers to enable faster and more efficient deliveries. The rise in demand for cold chain solutions is another key trend, as temperature-sensitive goods like fresh produce and pharmaceuticals require specialised facilities to maintain quality and meet regulatory standards. Developers such as Africa Logistics Properties and Improvon are addressing these needs through speculative development, ensuring that future demand is met with adequate supply. (Mordor Intelligence , 2024)

Despite challenges such as infrastructure bottlenecks and economic fluctuations, opportunities like the African Continental Free Trade Agreement (AfCFTA) promise to drive sector growth. By promoting intra-African trade and streamlining logistics, AfCFTA is expected to boost demand for regional storage hubs and warehousing facilities.

South Africa's warehousing and storage sector is well-positioned for sustained growth, bolstered by increasing freight volumes, the e-commerce boom, and strategic investments in infrastructure. From large-scale distribution centres to smaller, decentralised units, the sector is evolving to meet the dynamic needs of modern economies and is set to become a cornerstone of the country's economic development.

8.8.2 Regional Dynamics

In the Kouga region, the availability of warehousing and storage units is extremely limited, particularly in smaller towns such as Humansdorp and St Francis Bay. These areas currently offer only minimal storage and warehouse options, with the existing facilities largely inadequate to meet the growing demand from both local businesses and industries. While there is some warehousing available in Jeffreys Bay, the town's industrial area is not ideally located near major road networks, limiting its accessibility for transport and logistics operations. This industrial zone is mostly occupied by mechanics and similar service-based industries, and there is very little manufacturing activity within the area. As such, the region faces a significant gap in the availability of appropriate storage and warehousing for sectors that require more specialised facilities.

Both Humansdorp and St Francis Bay specifically face a pressing need for larger warehousing and storage units to accommodate a variety of industries. Stakeholder feedback highlights the critical shortage of facilities in the region, particularly as local businesses expand and new industrial projects, such as a proposed cow feed plant and a juicing plant, come online. According to an industry stakeholder involved in the logistics sector, there is an urgent

need for additional storage capacity to support the growing transportation and manufacturing activities. This stakeholder emphasised that while the region's warehouses are currently stretched thin, expanding the warehousing footprint could help alleviate this strain and provide local businesses with the space they need to grow.

The demand for storage is not limited to traditional warehousing. The region is also experiencing a surge in the need for small storage units, particularly for individuals and businesses in need of compact spaces. One real estate expert, specialising in property development in Humansdorp, noted that there is a growing interest in small storage units ranging from 300 to 500 square metres, as well as garage-sized units between 40 and 60 square metres. These units would not only meet local demand for personal and business storage but also offer a steady stream of rental income, providing an attractive opportunity for investors in the area.

Moreover, feedback from a local transport operator revealed a need for additional warehousing linked to logistics infrastructure. This stakeholder noted that new industrial developments in the region, particularly in sectors like agriculture and manufacturing, would require more storage for packaging materials and finished goods. In addition to warehousing, there is potential for specialised storage, such as cold storage facilities for the local fishing industry. The local fishing sector, particularly around St Francis Bay, is reliant on cold storage to maintain the quality of its catch before it is exported, and expansion in this area could boost both local economic growth and export potential.

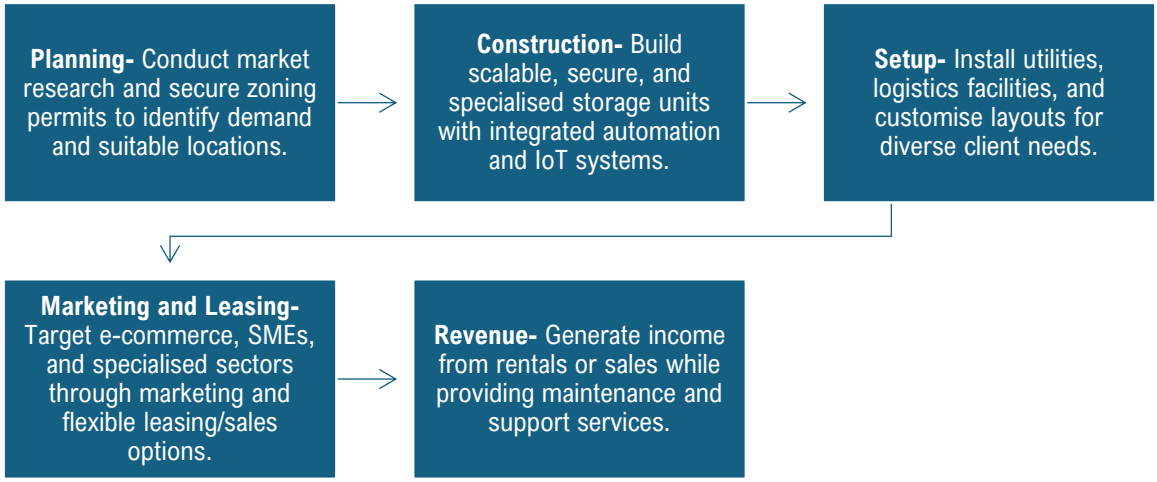
Given the absence of sufficient warehousing and storage options, stakeholders have recommended that new facilities be developed in strategic locations around Humansdorp and St Francis Bay. The development of additional warehouse space, particularly for cold storage and small to medium-sized units, could play a pivotal role in addressing the current shortages. Moreover, improvements to local infrastructure, particularly road networks connecting key industrial areas to transport hubs, would help ensure that new warehouses are accessible to businesses and logistics operators.

In conclusion, both Humansdorp and St Francis Bay are in urgent need of expanded warehousing and storage facilities. This demand is driven by the growing number of industrial developments, including manufacturing and logistics operations, as well as the seasonal needs of local residents and businesses. Addressing this gap through the development of modern, accessible, and flexible warehousing solutions would significantly contribute to the region’s economic development, providing both local businesses and investors with new opportunities for growth and profit.

8.8.3 Value Chain Analysis

A typical storage or warehousing facility is a vital component of modern logistics and supply chains, designed to efficiently manage the storage, handling, and distribution of goods. These facilities cater to a diverse range of industries, including retail, manufacturing, e-commerce, and specialised sectors such as healthcare and agriculture. While the design and features of a facility may vary depending on its intended purpose, several core characteristics define a standard warehousing setup.

Figure 23: Warehousing Value Chain Summary



8.8.3.1 Site and Location

Warehousing facilities are often strategically situated near major transport links such as highways, railways, ports, or airports. Proximity to key distribution networks minimises transit times and costs, ensuring efficient goods movement. Urban warehousing, including decentralised storage units, caters to the growing demand for last-mile delivery, a crucial factor in the success of e-commerce businesses. Rural locations may prioritise larger facilities to handle bulk goods or agricultural produce.

8.8.3.2 Facility Design and Layout

Modern storage facilities are typically designed with flexibility in mind to accommodate various goods and tenant needs. Key features include high ceilings to maximise vertical storage space, reinforced flooring for heavy loads, and clear span structures to allow the use of forklifts and automated systems.

Facilities may also include temperature-controlled zones for perishable or sensitive items and secure compartments for high-value goods. Loading docks, parking bays, and staging areas for vehicles are integral, supporting smooth operations for inbound and outbound logistics.

8.8.3.3 Technology Integration

Advanced technology plays a crucial role in enhancing the efficiency and security of modern warehouses. Warehouse Management Systems (WMS) enable real-time inventory tracking, ensuring accurate stock levels and minimising errors.

Automation, such as conveyor belts, robotic pickers, and IoT-enabled sensors, optimises the flow of goods and reduces manual labour. Security features, including CCTV, biometric access control, and alarm systems, safeguard stored items and maintain operational integrity.

8.8.3.4 Customisation and Scalability

Storage facilities are often built with modular designs, allowing for easy expansion or reconfiguration. This scalability ensures that the facility can adapt to changing market demands, such as seasonal increases in goods or long-term business growth.

Customisation options are also available for tenants, with dedicated zones, bespoke shelving systems, and unique handling requirements tailored to specific industries. For example, e-commerce warehouses might prioritise rapid picking and packing stations, while a cold storage facility would focus on maintaining strict temperature controls.

8.8.3.5 Sustainability Features

Sustainability is increasingly important in warehousing design. Many facilities incorporate energy-efficient systems such as LED lighting, solar panels, and smart climate controls to reduce environmental impact and operating costs. Rainwater harvesting and waste management systems are also commonly included, aligning with global efforts to minimise carbon footprints.

8.8.3.6 Operational Efficiency

Efficiency is at the heart of warehousing operations. From optimised layouts that reduce movement times to advanced logistics software, every aspect of a facility is designed to streamline processes. Efficient facilities contribute directly to reduced operational costs and improved service delivery for clients.

8.8.3.7 Renting and Revenue Generation

Most storage facilities are either rented to tenants or sold outright. Leasing options can range from short-term rentals for temporary overflow to long-term contracts for established businesses. Renters often benefit from bundled services, such as facility maintenance, security, and utilities.

Revenue generation is also supported through value-added services, including pick-and-pack operations, freight forwarding, and inventory management. These services allow businesses to operate seamlessly while relying on the facility for logistical support.

8.8.3.8 Conclusion

A typical storage or warehousing facility is far more than a simple structure to house goods. It is a highly integrated system of location, design, technology, and operations aimed at meeting the needs of a dynamic marketplace. Whether serving as a regional distribution hub, a decentralised last-mile delivery point, or a specialised storage centre, such facilities are indispensable in enabling efficient and sustainable supply chain solutions.

8.8.4 Market Potential

Humansdorp, situated in the Kouga region of the Eastern Cape, is witnessing a rising demand for storage units and warehousing space, primarily driven by industrial growth and expansion. The limited availability of such facilities in the region has created a gap that is becoming more pronounced with the ongoing development of industrial projects, including the proposed eco-industrial park. This chapter aims to analyse the demand for storage and warehousing in Humansdorp, assess the impact of current and future industrial activities, and recommend suitable storage unit sizes that can meet the growing needs of both businesses and residents.

8.8.4.1 Current Warehousing and Storage Landscape

At present, Humansdorp's storage and warehousing infrastructure is insufficient to meet the demand from local industries. While there are some existing facilities, such as those in the town's industrial area, these are primarily occupied by service-based industries, including mechanics, and are not well suited for the growing needs of manufacturing and logistics sectors. Furthermore, these existing spaces are not strategically located in proximity to major road networks, which limits their accessibility and potential for growth.

The need for warehousing is further exacerbated by the influx of new businesses and projects within the area, such as the upcoming eco-industrial park. Given that the current warehouse capacity is just below what is required, there is a clear gap that, if not addressed, could hinder the region's economic potential. To meet the needs of new industries, as well as expanding businesses, there is a pressing demand for additional storage and warehousing options.

8.8.4.2 Demand Drivers and Industrial Impact

The growing demand for warehousing and storage in Humansdorp can be attributed to several factors:

- **Industrial Expansion**: The development of the eco-industrial park and other proposed manufacturing plants, such as the cow feed and juicing plant, will significantly increase the need for storage space. These businesses will require substantial storage for raw materials, packaging, and finished goods. This demand will be further compounded by the expansion of logistics operations, such as the proposed truck stop and wholesale diesel refilling station for regional fleets.
- **Increase in Local Manufacturing**: As new manufacturing operations emerge, particularly in the agricultural, logistics, and food production sectors, the need for large-scale warehousing to house equipment, machinery, and inventory will rise. This will include cold storage facilities to support the local fishing industry and other temperature-sensitive goods.
- **Growth in Seasonal and Personal Storage**: Given Humansdorp's location as a gateway to various holiday destinations, there is increasing demand for storage units catering to seasonal equipment, such as boats, caravans, and other recreational items. Local stakeholders have identified this as an untapped market, with opportunities to develop storage specifically designed for holidaymakers and residents with limited space at home.
- **Residential Demand and Business Expansion**: As the residential areas of Humansdorp continue to grow, especially towards the Arcadia side, there is an associated increase in the demand for storage units, as

residents and small businesses require space for personal and commercial goods. There is also a notable demand for smaller, garage-sized units (40-60 sqm), which would cater to the storage needs of local workers and small businesses.

8.8.4.3 Forecasted Demand for Storage and Warehousing

Based on stakeholder consultations and observed trends, the demand for storage units and warehousing in Humansdorp is expected to increase significantly in the coming years, particularly as new industries come online. The forecasted demand can be broken down as follows:

- **Small Warehousing**: There is a high demand for small warehousing spaces ranging from 300-500 sqm. These units are ideal for small businesses involved in manufacturing, logistics, and retail. The demand is driven by businesses that require storage for raw materials, finished products, and equipment, as well as the need for flexibility and lower rental costs.
- **Medium to Large Warehousing**: Larger warehouse spaces, ranging from 1,000 sqm to 5,000 sqm, will be needed to support the industrial sector, including food production, agriculture, and cold storage for the fishing industry. Given the growing number of manufacturing plants and warehouses, businesses involved in high-volume production will require substantial storage for their inventory and operational needs.
- **Specialised Storage**: Cold storage units, particularly those capable of handling temperature-sensitive goods such as calamari, will be in high demand, especially from the fishing and agriculture industries. These facilities should ideally cater to EU export standards, with the capacity to store between 800 and 2,000 tons of goods.
- **Seasonal and Personal Storage Units**: With increasing demand from local residents and holidaymakers, the development of smaller storage units for seasonal items is also essential. These units could range from 40-60 sqm, offering convenient storage for boats, caravans, and other recreational equipment.

8.8.5 Recommendations for Storage Unit Sizes

To effectively meet the growing demand for storage and warehousing in Humansdorp, the following unit sizes are recommended:

- **Small Units (40-60 sqm)**: These units would cater to local businesses and residents with more modest storage needs. This includes small retailers, tradespeople, and seasonal storage for personal use.
- **Medium Units (300-500 sqm)**: These are suitable for small and medium-sized businesses, particularly those in manufacturing and logistics, who need to store raw materials, packaging materials, or finished goods.
- **Large Units (1,000-5,000 sqm)**: Large-scale warehousing is necessary to accommodate the needs of industrial businesses, including those involved in food production, agriculture, and logistics. These units would support high-volume production, bulk storage, and distribution requirements.
- **Cold Storage Units (800-2,000 tons capacity)**: The development of cold storage facilities with the capacity to store perishable goods, particularly for the fishing industry, is critical. These units should meet export standards, ensuring the quality and safety of goods before shipment.

The Kouga region faces a total demand for warehousing of 179,413 m². However, this demand is primarily driven by high-income individuals, defined here as those earning more than R153,601 per month. Based on the assumption that only 12% of households fall within this income bracket, the effective demand is significantly reduced, focusing on a select segment of the population.

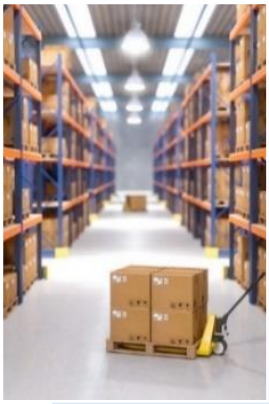
Long-Term Demand In the long term, we expect the demand to be tailored to the 12% of households that can afford to utilize warehousing space. Given that there are 32,621 households in total within the Kouga region, this 12% equates to roughly 3,914 high-income households. The storage requirement per household is estimated at 5.5 m², translating to a total high-income storage demand of approximately 23030.63 m².

Short-Term Demand For the short-term, the target market is more aggressive, capturing 30% of the long-term high-income demand. This approach allows for a faster penetration of the market, with an estimated storage requirement of 6,909 m², which is 30% of the total high-income demand. This approach will help establish warehousing services while catering to the growing demand of high-income individuals seeking secure storage solutions for their belongings.

By focusing on high-income individuals in the short-term and expanding services to capture greater portions of the market in the long-term, warehousing providers can align their offerings with the specific demands of the region while ensuring a sustainable business model. The strategic targeting of 30% of the high-income segment initially offers a solid foundation for future growth and market penetration.

8.8.6 Synthesis

In conclusion, the demand for storage units and warehousing in Humansdorp is poised to rise in response to the growing industrial activities and residential development in the area. The increasing number of businesses, particularly in the manufacturing, logistics, and fishing sectors, will require additional storage capacity. It is essential to develop a variety of storage unit sizes to meet the diverse needs of both commercial and residential clients. By investing in modern warehousing facilities, including cold storage and flexible small to medium-sized units, Humansdorp can address its current storage shortfall, support local business growth, and capitalise on new opportunities arising from the industrial expansion in the region.



Warehousing Recommendations:

- Short Term- +-7 000m²- Medium Term - 23 000 m²
- Develop **diverse storage unit sizes** to meet business and residential needs. **Small Units (40-60 sqm)** up to **Large Units (1,000-5,000 sqm)**
- Focus on **cold storage** facilities to support the fishing industry.
- Invest in **flexible warehousing solutions** to accommodate the growing industrial sector and seasonal demands.

8.9 Residential Property Industry

The following section provides an overview of the residential industry, the value chain and market potential demand for the industry's inclusion in a potential eco-industrial park.

The residential property market in the Kouga region is experiencing consistent growth, with housing supply increasing over the years. Despite this growth, demand continues to outstrip supply, especially for affordable housing, highlighting a pressing need for more housing options. There is also a growing demand for middle-income properties, reflecting the rise of a more diverse socio-economic group in the area. While high-income housing remains a smaller segment, its demand continues to grow, particularly in certain sought-after areas.

However, the supply of high-income homes is concentrated in specific towns, limiting options for potential buyers in other parts of the region. The ongoing demand for housing across all income levels indicates the need for further development, particularly in affordable and middle-income housing sectors. Expanding residential property offerings would not only meet the growing population's needs but also stimulate economic growth, attract investment, and ease pressure on the local housing market.

8.9.1 National Trends

The residential property market in South Africa is a vital indicator of the nation's economic health, reflecting key financial and demographic trends that shape its broader economic trajectory. In recent years, the property market has been influenced by several significant factors, including the global economic environment, local socio-political issues, and shifts in demographic patterns. While challenges persist, the South African residential property market has displayed resilience, with various trends offering insight into the country's economic outlook.

Globally, the economic recovery post-Covid-19 has been marked by high inflation and rapid interest rate hikes, as central banks attempt to manage the fallout from the pandemic. While interest rates were initially slow to rise in response to inflationary pressures, central banks have since acted quickly to counter these economic challenges. This has placed a strain on household affordability, particularly in the property sector, where the cost of borrowing has increased.

In South Africa, the economy has faced several hurdles that have dampened growth. These include ongoing power supply issues, primarily related to Eskom, which continues to affect industrial output and overall economic stability. Additionally, high unemployment rates and political uncertainty remain significant concerns. These factors have contributed to slower economic growth, which in turn has affected the performance of the residential property market.

However, despite these challenges, South Africa's property market has shown considerable stability. Transaction volumes have steadied, and house price growth, while slower than in previous years, has remained positive. High-end properties have largely held their value, while mid-range homes have experienced stronger growth. The lower end of the market, however, continues to struggle, with many properties in this segment remaining outside the reach of traditional bank financing.

The South African residential property market is dominated by freehold homes, which make up over 80% of the total number of properties, though they account for only 65% of the market's total value. Sectional title homes and estate properties, while a smaller portion of the market, represent a greater share of the value. For instance, sectional title homes make up 12% of the total number of properties but account for 15% of the market's value. Estates, meanwhile, contribute 7% to the total number of homes and 20% to the market's value.

In terms of property values, a small percentage of higher-end homes contribute significantly to the market's total worth. Around 18% of residential properties are valued at R1.5 million or more, and these homes account for over half of the total property value. Conversely, a larger proportion of homes—42%—are valued below R500,000, contributing just 11% of the total value. This disparity highlights the concentration of wealth in fewer, higher-value homes, while the majority of residential properties fall into the lower-value category.

One of the more notable trends in the South African residential property market in recent years has been the movement of people to coastal regions, often referred to as "semi-migration." This trend has gained momentum as more South Africans embrace remote work, allowing them to live further away from traditional business hubs. In the past, the majority of people in South Africa's major cities were required to live within close proximity to their workplaces. However, as remote work has become more widely accepted, individuals and families have increasingly opted to move to the coast, seeking a better quality of life, more affordable housing, and access to natural beauty and leisure opportunities.

Though the rate of migration to coastal areas has slowed in recent years, the trend is far from over. The Western Cape, for example, continues to see a significant influx of people, particularly from Gauteng and KwaZulu-Natal, as more individuals and families seek to relocate to areas that offer a relaxed lifestyle, without the need to be physically close to an office. This shift has had a noticeable impact on the residential property market, particularly in coastal towns, where demand for properties has increased, driving up prices in certain areas.

The migration to the coast has also had broader implications for the housing market, with new areas seeing growth in residential development. However, this has also led to challenges in terms of infrastructure, with local governments needing to adapt to increased demand for services, such as schools, healthcare, and transportation. Additionally, the demand for property in these areas is often driven by higher-income individuals, which has resulted in a rise in the value of properties in these regions, further widening the gap between coastal and inland property values.

Overall, while the South African residential property market faces a range of economic and political challenges, it has shown resilience in the face of these pressures. The market remains stable, with strong demand in certain segments, particularly for higher-value properties. However, the increasing trend of semi-migration to coastal areas, driven by remote work and lifestyle preferences, is likely to continue shaping the market in the coming years. As the economy stabilises and remote work becomes more entrenched in the national workforce, the shift towards coastal living may increase, leading to new patterns in property demand and development. The ability of the market to adapt to these changing trends will be key to its long-term stability and growth. (Lighstone, 2024)

8.9.2 Regional Dynamics

The Kouga region's property market exhibits steady growth, with significant trends in housing supply and demand shaping its dynamics. Houses or brick structures on separate stands (D1) dominate the market, growing from 18,652 units in 2011 to 24,793 units in 2023. This housing type caters primarily to low- and middle-income groups, reflecting a preference for spacious living environments. In contrast, flats in blocks (D3) have seen a decline, dropping from 565 units in 2011 to 388 in 2023, indicating limited demand or investment in this segment. Townhouses and cluster homes (D4), associated with higher-income households, have steadily increased, from 388 units in 2011 to 730 units in 2023, with most of these developments concentrated in the upmarket areas of Jeffrey's Bay and St Francis Bay. These areas remain popular for their appeal to affluent buyers and as lifestyle destinations. (Lighstone, 2024)

Table 19: Kouga Housing Need

Kouga	%	2023	2028
01: No income	15,02%	4 899	5 204
02: R 1-R 4 800	3,58%	1 169	1 242
03: R 4 801-R 9 600	5,98%	1 952	2 074
04: R 9 601-R 19 200	16,31%	5 322	5 654
05: R 19 201-R 38 400	20,86%	6 804	7 228
06: R 38 401-R 76 800	15,36%	5 010	5 323
07: R 76 801-R 153 600	10,05%	3 278	3 482
08: R 153 601-R 307 200	7,32%	2 387	2 536
09: R 307 201-R 614 400	3,54%	1 155	1 227
10: R 614 401-R 1 228 800	1,13%	370	393
11: R 1 228 801-R 2 457 600	0,51%	167	178
12: R 2 457 601 or more	0,33%	107	114
Total	100%	32 621	34 656
			Source Quantec Standardise Regional Service (2023)

Overall, the total housing supply has grown from 19,604 units in 2011 to 25,912 in 2023, with a compound annual growth rate of approximately 2.5%. However, demand continues to outpace supply. In 2023, the total housing demand stood at 32,621 units and is projected to rise to 34,656 by 2028. Low-income housing forms the largest portion of this demand, growing from 25,155 units in 2023 to an expected 26,725 units in 2028. Middle-income demand is also on the rise, increasing from 5,665 units to 6,019 units over the same period. High-income demand, though smaller in scale, is also projected to grow modestly, rising from 1,800 units in 2023 to 1,912 units by 2028. However, the supply of high-income homes is primarily concentrated in Jeffrey's Bay and St Francis Bay, reinforcing these areas as the region's high-value property hubs.

Table 20: NED Housing Kouga

Kouga Market Gap Summary		
	2023	**2028**
Low	25 155	26 725
Middle	5 665	6 019
High	1 800	1 912
	32 621	34 656
SUPPLY	25 912	
NED	**6 709**	**8 744**
		Source: Urban Econ 2024

The region faces a persistent supply-demand gap, with a net effective deficit (NED) of 6,709 units in 2023 expected to widen to 8,744 units by 2028. Addressing this gap requires strategic interventions, particularly to boost affordable housing supply. Informal dwellings, both in backyards and squatter settlements, remain a significant component of the housing landscape, with over 5,000 units recorded in 2023. This indicates affordability constraints and underscores the need for formalisation initiatives to improve living conditions and infrastructure for low-income households.

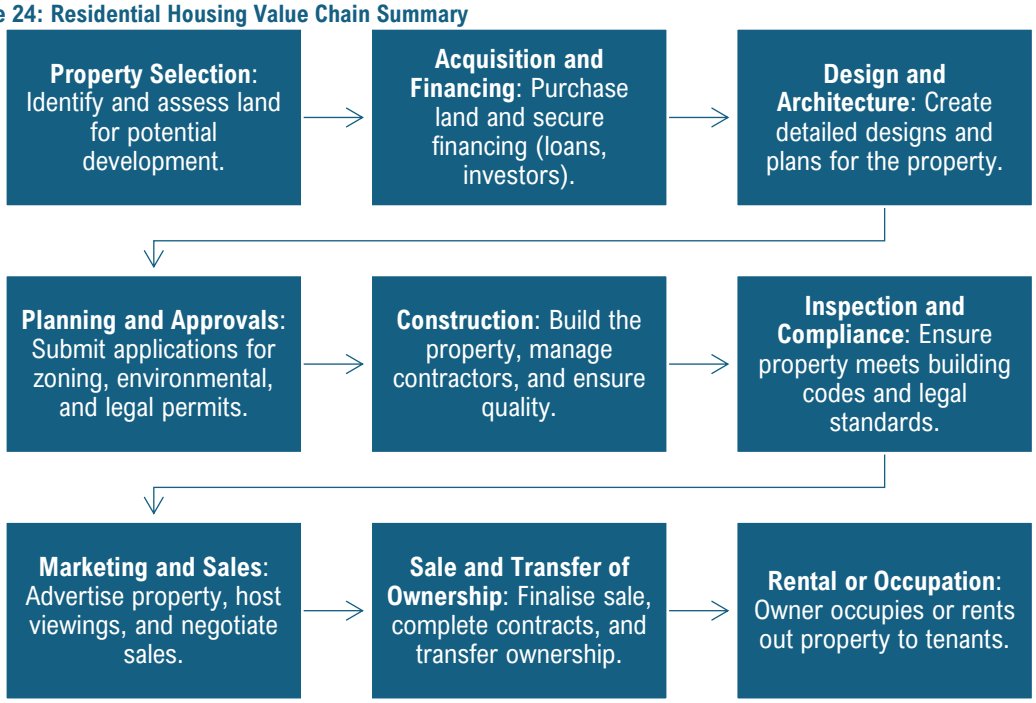
To meet the region's housing needs, the supply of low-cost homes (D1) must be prioritised through public-private developments. Regularising informal housing can also provide better services and integrate these dwellings into the formal housing market. Additionally, increasing the supply of flats (D3) and townhouses (D4) will cater to the growing middle- and high-income segments, further diversifying the housing stock. Sustainable building practices should also be incorporated to align with Kouga's eco-industrial hub initiatives in Humansdorp, fostering a balance between development and environmental conservation.

In conclusion, while the Kouga property market continues to grow, it faces challenges in affordability and supply-demand imbalances. With strategic interventions to expand low-income housing, formalise informal settlements, and strengthen infrastructure, the region has the potential to address these challenges and support inclusive and sustainable growth.

8.9.3 Value Chain Analysis

The residential property industry in South Africa is a dynamic and multifaceted sector, with a complex value chain that involves multiple stakeholders and stages. This value chain analysis aims to provide an overview of the key processes involved in residential property development, from land selection through to ownership or tenancy. The analysis also highlights the critical factors that influence each stage of the chain and the challenges faced by industry players in the South African context.

Figure 24: Residential Housing Value Chain Summary



8.9.3.1 Property Selection

The value chain begins with the selection of land or property for residential development. Developers typically assess a range of factors when choosing a location, including proximity to key amenities, transportation networks, and urban areas, as well as access to basic services such as water, electricity, and sanitation. In South Africa, where there is significant demand for housing in both urban and peri-urban areas, site selection is critical to meeting market needs. Developers must also consider the zoning regulations and potential for future development in the area, ensuring that the property is suitable for residential use.

- **Key Factors**: Location, infrastructure access, zoning laws, demand trends.
- **Challenges**: Availability of well-located land, cost of land in high-demand areas.

8.9.3.2 Acquisition and Financing

Once a piece of property has been identified, the next step is acquisition, which involves purchasing or leasing the land. This phase often requires significant financing, which can come from a combination of bank loans, private investors, or equity partners. In South Africa, financing options are crucial as many developers face constraints in terms of access to capital, particularly in a volatile economy with high interest rates.

The acquisition process also includes legal checks to ensure that the land title is clear and that the property can be developed as planned.

- **Key Factors**: Securing financing, land title verification, cost of acquisition.
- **Challenges**: High interest rates, access to credit, legal complexities.

8.9.3.3 Planning and Approvals

Before construction can begin, the development project must go through a series of planning and approval processes. In South Africa, this involves obtaining permits and approvals from municipal authorities. These include zoning permits, environmental impact assessments (EIAs), and compliance with local building codes. The approval process can be time-consuming and is often subject to delays due to bureaucratic inefficiencies or opposition from local communities. Developers must navigate this regulatory landscape to ensure that the project can proceed smoothly.

- **Key Factors**: Zoning, environmental regulations, municipal approval processes.
- **Challenges**: Bureaucratic delays, community opposition, regulatory changes.

8.9.3.4 Design and Architecture

With planning approvals in place, the design phase begins. Architects and urban planners work together to create detailed designs for the residential property. These designs must balance aesthetics, functionality, safety, and environmental sustainability while complying with local building codes. In South Africa, where there is a diverse range of housing needs, from affordable housing to luxury estates, design flexibility is essential. The design phase also involves creating infrastructure plans, including roads, utilities, and drainage systems, ensuring that the development will integrate seamlessly with the surrounding area.

- **Key Factors**: Design aesthetics, functionality, regulatory compliance, sustainability.
- **Challenges**: Design costs, balancing market demands with regulations, sustainability considerations.

8.9.3.5 Construction

The construction phase is where the physical development of the property takes place. Builders and contractors are hired to execute the plans, and materials are sourced. The construction process in South Africa is often complex, given the country's challenges in supply chain logistics, skilled labour shortages, and fluctuating material costs. The construction timeline can also be affected by factors such as weather conditions, labour strikes, and availability of resources. Quality control is critical to ensure that the development meets safety standards and is delivered on time and within budget.

- **Key Factors**: Contractor management, material sourcing, construction timelines.
- **Challenges**: Labour shortages, material cost inflation, project delays.

8.9.3.6 Inspection and Compliance

Once construction is completed, the property undergoes a series of inspections to ensure that it complies with building codes and local regulations. In South Africa, the municipal authorities carry out inspections to check for compliance with safety standards, zoning laws, and environmental regulations. Any issues or deficiencies identified during the inspection must be rectified before the property can be legally sold or occupied. The compliance phase is crucial to ensure that the development is fit for purpose and legally viable.

- **Key Factors**: Safety standards, regulatory compliance, legal requirements.
- **Challenges**: Delays in inspections, additional costs for rectifications, meeting stringent compliance requirements.

8.9.3.7 Marketing and Sales

Once the property is fully built and approved, the marketing and sales phase begins. Developers or real estate agents market the property to potential buyers, using a variety of channels such as online platforms, print advertising, and show houses. In South Africa, where affordability is a key issue for many buyers, the marketing strategy must appeal to the target demographic, whether first-time buyers, investors, or families seeking to upgrade their homes. Sales teams work closely with buyers to negotiate prices and close deals. This phase can be impacted by market conditions, interest rates, and the overall economic environment.

- **Key Factors**: Target market, advertising channels, negotiation strategies.
- **Challenges**: Market saturation, economic fluctuations, changing consumer preferences.

8.9.3.8 Sale and Transfer of Ownership

Once a buyer is found, the property is sold, and ownership is transferred. This involves the signing of contracts, completing financial transactions, and registering the property with the Deeds Office. In South Africa, property registration is a crucial step in ensuring that the new owner has clear title to the property. The sale process also includes any necessary legal documentation, such as conveyancing, which ensures that the transaction is legally binding and properly recorded.

- **Key Factors**: Contract negotiation, property registration, financial transactions.
- **Challenges**: Delays in property transfer, legal and registration costs, financing issues.

8.9.3.9 Rental or Occupation

After the property is sold, the new owner may choose to occupy it themselves or rent it out. If the property is rented, property management companies or landlords handle tenant acquisition, leasing agreements, rent collection, and property maintenance. In South Africa, the rental market is significant, particularly in urban areas where demand for rental housing remains high. For families who choose to occupy the property, the house becomes their primary residence. The decision to rent or occupy depends on individual circumstances, including financial considerations and long-term housing needs.

- **Key Factors**: Tenant acquisition, lease agreements, property maintenance, family occupation.
- **Challenges**: Tenant turnover, rent arrears, property management costs.

8.9.4 Key Areas of Value Addition Identified by Stakeholders

Stakeholder highlighted a shift in residential preferences within Humansdorp, noting that many residents are moving out of Kruisfontein into Humansdorp Proper, particularly towards the Arcadia side and older parts of town. However, she stressed that the high bulk services fees in Kouga, approximately R79,000 per house, are a significant barrier to new developments, limiting the availability of much-needed accommodation. She explained that a reduction in these fees could potentially stimulate a property development boom in the region.

The current demand in Humansdorp is for houses priced under R1,000,000, with buyers preferring properties featuring three bedrooms, 1.5 to two bathrooms, and possibly a garage. Open-plan layouts, traditional or conventional architectural styles, tiled roofs, and high-quality finishes with curb appeal are especially sought after. Freestanding houses are more popular than flats, although sectional titles might work if levies are kept low. Gradwell also pointed out a growing need for housing aimed at single individuals, particularly due to workers in the wind farm sector and young professionals returning to the area. Bachelor units could fetch up to R5,500 per month, reflecting the unmet demand in this segment.

Rental prices in Humansdorp range from R7,000 to R9,000 for a three-bedroom house, R6,000 to R7,000 for a two-bedroom, and around R5,000 for a one-bedroom unit. In Kruisfontein, rentals are lower, ranging from R500 for a room to R8,000 for a three-bedroom house, with average rents between R3,000 and R5,000. Development density is also a consideration, with Humansdorp accommodating up to 20 units per hectare, while Kruisfontein could support up to 50 units per hectare for more affordable housing options.

In addition to residential properties, Gradwell emphasized the substantial demand for storage and small warehousing spaces in the area. She recommended developing units ranging from 300 to 500 sqm for warehousing and smaller garage-sized units of 40 to 60 sqm to address this gap.

To align with these needs, future developments should prioritize freestanding houses with two to three bedrooms in Humansdorp, focusing on affordability and quality. Including bachelor units could tap into the growing demand from single professionals. Efforts to reduce bulk services fees could make these projects more feasible and stimulate local economic growth. Additionally, the development of storage and small warehousing units offers a promising opportunity to cater to an underserved market while generating steady rental income.

The residential property industry in South Africa involves a complex series of stages, each of which presents unique challenges and opportunities. From land acquisition and financing to construction, marketing, and ultimately ownership or tenancy, the value chain is influenced by a wide range of factors, including economic conditions, regulatory requirements, and market demand. While the industry faces several obstacles, including high construction costs, regulatory inefficiencies, and access to financing, there are also significant opportunities for growth, particularly in areas with rising demand for housing. As South Africa continues to experience demographic shifts, economic instability, and a growing demand for housing, the residential property industry will remain a critical sector of the economy.

8.9.5 Market Potential

The demand analysis for additional residential accommodation in Kruisfontein, Humansdorp, has been conducted to identify current and future housing needs across various income groups. The methodology involved analysing income-group-specific demand, current supply levels, and projected growth over five years. The findings are summarised below, with a detailed breakdown provided in accompanying tables.

8.9.5.1 Income Group Demand Breakdown

Below is a detailed table illustrating the housing demand across income groups in Humansdorp for 2023 and the projected demand for 2028.

Table 21: Housing Need per Income

Income Group (Annual)	Category	% Demand (2023)	Units (2023)	Units (2028)	Change (2023-2028)
No income	Low	10.85%	1 086	1 154	+68
R1 – R4,800	Low	3.71%	371	395	+24
R4,801 – R9,600	Low	6.16%	616	655	+39
R9,601 – R19,200	Low	15.67%	1 568	1 666	+98
R19,201 – R38,400	Low	21.61%	2 163	2 298	+135
R38,401 – R76,800	Low	17.82%	1 784	1 895	+111
R76,801 – R153,600	Middle	11.72%	1 173	1 247	+74
R153,601 – R307,200	Middle	8.01%	802	852	+50
R307,201 – R614,400	High	3.45%	346	367	+21
R614,401 – R1,228,800	High	0.43%	43	46	+3
R1,228,801 – R2,457,600	High	0.26%	26	27	+1
R2,457,601 or more	High	0.30%	30	31	+1
Source: Quantec Standardised Regional Service (2023)					

The housing demand in Humansdorp is heavily skewed towards low-income households, which collectively account for **76.82%** of the total demand in 2023, equivalent to **7,588 units**, with a projected increase to **8,063 units** by 2028. Within this category, the **R19,201 – R38,400** group is the largest sub-segment, representing 21.61% of the demand in 2023 (2,163 units), followed closely by the **R38,401 – R76,800** group, which contributes **17.82% (1,784 units)**. Both groups are expected to grow steadily, reflecting increasing housing needs in the lower-income brackets. While all sub-categories in the low-income range show moderate growth, the **R9,601 – R19,200** and **R38,401 – R76,800** groups are projected to experience the largest absolute increases, **adding 98 units** and **111 units**, respectively, by 2028.

The middle-income category, which includes households earning between **R76,801 – R307,200**, represents a smaller share of demand, accounting for **19.73%** in 2023 (**1,975 units**) and projected to grow to **2,099 units by 2028. The R76,801 – R153,600** bracket is the dominant sub-group within this category, making up 11.72% of the total demand (1,173 units in 2023), with a moderate increase of 74 units expected by 2028. The **R153,601 – R307,200** group also shows potential, with an anticipated increase of 50 units during the same period. This highlights a gradual rise in demand for slightly higher end housing options, reflecting upward economic mobility within the middle-income population.

The high-income category, comprising households earning above **R307,201**, accounts for the smallest share of demand, at just **3.45% in 2023 (445 units**), with a slight increase to 471 units projected by 2028. Within this segment, the **R307,201 – R614,400** group dominates, making up the majority of high-income demand **(346 units in 2023)**, while the ultra-high-income brackets (**R614,401 and above**) remain negligible, contributing less than **1%** collectively. This indicates a limited but stable market for luxury housing developments catering to a niche audience.

These observations underscore the need for a balanced housing strategy, with a strong focus on affordable housing for low-income groups, alongside moderate provisions for middle-income households and limited high-income developments.

8.9.5.2 Supply vs Demand Summary

In 2023, the total housing demand in Humansdorp was estimated at 10,009 units, while the total supply was 7,573 units, resulting in a **Net Effective Demand (NED)** of 2,436 units. By 2028, demand is projected to grow to 10,633 units, therefore if the supply is to remain stagnant it would increase the NED to 3,061 units.

Table 22: NED Humansdorp Residential Property

Category	2023	2028
Low-income Demand	7 589	8 063
Middle-income Demand	1 975	2 099
High-income Demand	444	472
Total Demand	10 009	10 633
Supply	7 573	7 573
Net Effective Demand (NED)	2 436	3 061
		Source: Urban Econ 2024

The analysis indicates a persistent housing shortage in Kruisfontein, with a NED of 2,436 units in 2023, projected to increase to 3,061 units by 2028. The bulk of this unmet demand arises from the low- and middle-income groups, underscoring the critical need for affordable housing solutions. Addressing this shortfall will require strategic investments in residential development, with a focus on expanding low-cost housing options and enhancing infrastructure to meet the growing demand.

8.9.6 Synthesis

The housing demand in Humansdorp reflects a clear socio-economic divide, with the majority of demand stemming from low-income households, which collectively account for nearly 77% of the total housing needs in 2023. This trend is expected to continue through 2028, driven by population growth and economic factors that will likely sustain demand for affordable housing across various sub-income groups within the low-income category. Of particular importance are the R19,201 – R38,400 and R38,401 – R76,800 income groups, which are projected to experience notable increases in housing demand, highlighting the pressing need for cost-effective housing solutions within these income ranges.

The middle-income sector, though smaller in comparison, shows a steady demand for housing, especially within the R76,801 – R153,600 and R153,601 – R307,200 brackets. This segment is expected to grow moderately by 2028, suggesting that while the majority of the market is concentrated in the low-income groups, there is also a significant demand for housing solutions catering to those with higher earnings. These middle-income groups should not be overlooked in housing development plans, as they represent a crucial part of the community that will drive economic growth in the region.

The high-income segment, though representing a small portion of the overall demand, is still an important market, particularly for luxury developments. However, the relatively low demand for this segment points to a more limited need for upscale housing, with potential growth remaining minimal in comparison to the other income categories.

In summary, the housing demand breakdown for Humansdorp indicates that the primary focus should be on providing affordable housing options for low-income households, with additional attention to catering to the needs of middle-income groups. The high-income market, while smaller, should be considered for niche, high-end developments. This demand analysis highlights the need for a balanced, inclusive approach to housing development that addresses the diverse socio-economic needs of the population, ensuring sustainable growth and a well-rounded housing portfolio for the future.



Residential Recommendations:

- Based on demand Kruisfontien will need to build an additional **2 436 accommodation** units split between:
  - **Lower-Cost Housing**: 1 847 Units
  - **Middle Income Housing**: 481 Units
  - **Other Housing**: 108 Units
- Additionally, the municipality should **reduce bulk services fees** to improve project viability and affordability

8.10 Educational

The following section provides an overview of the educational industry, the value chain and market potential demand for the industry's inclusion in a potential eco-industrial park.

The education sector in the Kouga region plays a critical role in shaping the local economy and social development. There is an increasing demand for quality educational facilities across all levels, with a particular focus on improving access to primary, secondary, and tertiary education. As the population grows and diversifies, the need for educational infrastructure that can cater to a wider range of students, including those in remote and underserved areas, has become more apparent.

At the same time, there is a need for more specialised skills development, particularly in fields that support local industries, such as agriculture, manufacturing, and technology. The education system is evolving to meet these demands, but continued investment is needed to enhance resources, teaching quality, and accessibility. Strengthening the education sector will not only contribute to the region's social development but also create a skilled workforce that can support the area's economic growth and attract further investment.

8.10.1 National Trends

South Africa's education system has undergone significant transformation since the end of apartheid, reflecting the country's commitment to providing equitable and quality education to all learners. The Department of Basic Education (DBE) plays a central role in steering the education landscape, guided by key legislation such as the National Education Policy Act of 1996, the South African Schools Act of 1996, and the Employment of Educators Act of 1998. These laws laid the foundation for a unified system, promoting universal access to education while seeking to address historical inequities in the sector. (CAPS, 2023)

The education system in South Africa is governed by a complex set of policies aimed at promoting inclusion, diversity, and excellence. The DBE's strategic priorities focus on improving learning outcomes, increasing retention rates, and enhancing the quality of education at all levels. One of the department's significant initiatives is the Second Chance Matric Programme, which seeks to support learners who have failed to meet the National Senior Certificate (NSC) requirements. The programme is expected to double the number of subject passes, improving matriculation rates in the coming years.

Another important policy tool is the distribution of educational materials. The DBE's commitment to improving literacy and numeracy is evident through initiatives such as the distribution of over 60 million workbooks to learners in Grades R to 9. This initiative ensures that learners, especially in under-resourced schools, have access to critical learning materials, thus contributing to improved academic performance across the country.

A cornerstone of South Africa's educational reforms has been the emphasis on teacher development. The Funza Lushaka Bursary Programme is central to addressing teacher shortages, particularly in critical subjects such as mathematics, science, and inclusive education. This programme offers financial support to prospective teachers, with the aim of increasing the number of qualified educators in areas where they are most needed. (CAPS, 2023)

Furthermore, the South African Council for Educators (SACE) oversees the professional development of teachers, ensuring they maintain high ethical standards and are equipped with the skills necessary to navigate an evolving educational environment. This includes ongoing training and support in teaching methods, curriculum delivery, and new educational technologies.

Language policy in South Africa's schools has been another focal point of reform. Historically, many African languages were marginalized in the education system. However, with the introduction of the Incremental Introduction to African Languages Strategy in 2013, the DBE has made strides in increasing the use of African languages in schools. This strategy includes the introduction of previously underrepresented languages, such as Khoi, Nama, and San languages, as well as the inclusion of South African Sign Language as the 12th official language.

These measures aim to promote linguistic diversity and cultural inclusivity, ensuring that learners can access education in their mother tongues, which in turn enhances comprehension and learning outcomes.

School attendance has significantly improved since the advent of democratic South Africa. As of 2022, an estimated 14.5 million individuals between the ages of 5 and 24 were attending school, with participation rates particularly high in the early years of schooling. This reflects the government's efforts to provide universal access to education, particularly for children in previously disadvantaged communities.

However, challenges remain, especially in terms of retention rates. While attendance is high at younger ages, dropout rates increase as learners grow older, particularly after the age of 15. This trend highlights issues such as the need for improved career guidance, teenage pregnancy, and socio-economic factors that contribute to early school leaving. Addressing these issues is key to ensuring that more learners make it to the end of their secondary education, thus increasing the number of matriculants.

Despite significant progress, disparities remain in the quality of education between different regions of South Africa. Educational outcomes in rural provinces such as the Eastern Cape, Limpopo, and Mpumalanga continue to lag behind those in more urbanized areas. The urban-rural divide is particularly evident in access to resources, such as qualified teachers, school infrastructure, and learning materials.

Furthermore, race and socio-economic status continue to play a role in determining educational success. Historically, white, and Indian/Asian populations have had better access to quality education, while black African and coloured populations often face greater challenges in accessing and completing education. Efforts to address these disparities have been ongoing, with targeted interventions aimed at improving education in disadvantaged communities, particularly in the rural areas.

In line with its inclusive approach, the South African education system places significant emphasis on supporting disadvantaged learners. The National School Nutrition Programme (NSNP) is one such initiative, providing daily

meals to millions of learners in schools. This initiative helps to ensure that students are well-nourished, which in turn supports their academic performance and overall well-being.

Additionally, the DBE has introduced various social support systems aimed at addressing the broader challenges that learners face. This includes access to psychological support, particularly for learners facing mental health challenges, as well as career guidance and mentorship to help them navigate their educational journeys.

South Africa's education system has made notable strides since the end of apartheid, with significant improvements in access, enrolment, and language inclusivity. However, there are still ongoing challenges related to quality of education, disparities between regions, and retention rates. The DBE's comprehensive approach to tackling these challenges through strategic policies, teacher development, and targeted support programmes is key to building a more equitable education system for all South Africans. As the country continues to address these issues, the ultimate goal remains to ensure that all learners, regardless of background, have the opportunity to achieve their full potential.

8.10.2 Regional Dynamics

The Eastern Cape Education Department operates within a diverse and complex educational landscape, characterised by significant challenges and opportunities. With its expansive geographic area and socio-economic disparities, the province faces substantial obstacles in providing quality education for its population. Kouga Municipality, as part of the Eastern Cape, mirrors many of these broader trends while exhibiting unique educational dynamics.

At the provincial level, the Eastern Cape accounts for 4,261,466 individuals across various education levels. Of these, a significant proportion, 349,919 people, report having no formal schooling. While the province has 13,624 pre-school learners, the numbers increase substantially at the primary and secondary levels, indicating a large youth population in need of education services. Over two million learners are enrolled in secondary education (Grades 10 to 12), making this the largest segment within the education system. However, the transition to higher education reveals a steep decline, with only 238,005 diploma and 178,811 degree-level students. The smallest cohort is represented by those pursuing postgraduate qualifications, with 50,810 individuals across the province. (CAPS, 2023)

In Kouga Municipality, a similar educational progression is observed. The data for 2023 indicates that approximately 7,545 residents have no schooling, while 195 are in pre-school education. The primary school enrolment stands at 16,998, growing steadily each year and projected to reach 23,179 by 2033. The secondary school population is also substantial, with 13,856 learners in Grades 8 and 9 and 56,216 in Grades 10 to 12. However, the transition into higher education is much more limited, with only 6,536 individuals pursuing diploma qualifications and 4,808 enrolled in degree programmes. By 2033, these figures are expected to increase marginally to 8,913 and 6,557, respectively. Postgraduate education remains the least accessed, with only 1,892 students in 2023, projected to rise to 2,581 over the next decade.

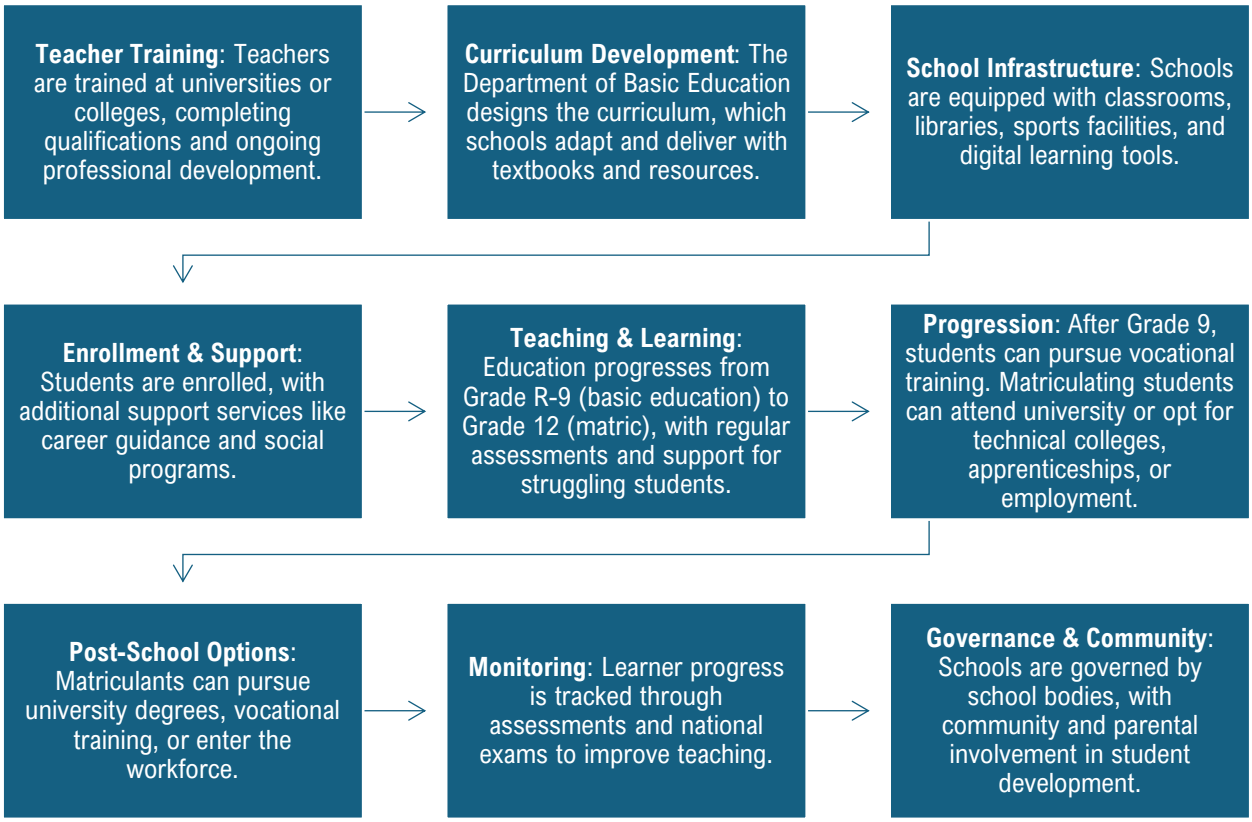
The disparity between secondary and higher education enrolments highlights systemic issues such as limited access to post-secondary institutions and barriers to continuing education. These trends are compounded by infrastructural challenges, resource limitations, and socio-economic factors that constrain educational attainment.

The Kouga education system must address pressing issues such as overcrowding in schools, insufficient resources for practical and skills-based learning, and inadequate pathways for transitioning into higher education or the workforce. By focusing on these areas, the municipality can work towards bridging educational gaps and fostering socio-economic development in the region.

8.10.3 Value Chain Analysis

The education system plays a crucial role in shaping a child's academic journey and future prospects. The process of getting a child through school involves multiple interconnected steps, from the initial training of educators to the completion of their schooling. A comprehensive value chain analysis of this process reveals the various stages and stakeholders involved in guiding a child through their educational path. This includes not only the role of teachers and schools in delivering the curriculum but also the various educational options available to students, such as vocational training, matriculation, and university education. Understanding these stages and their interactions is key to evaluating the effectiveness and opportunities within the South African education system. (CAPS, 2023)

Figure 25: Education Value Chain Summary



8.10.3.1 Teacher Training and Preparation

The education system in South Africa begins with the training of teachers, which forms the foundation of the entire value chain. Teachers are typically trained at universities or teacher training colleges. These institutions offer degree and diploma programs that equip prospective educators with the skills necessary to teach at different levels. Teacher training includes theoretical knowledge of educational psychology, curriculum development, and pedagogy, as well as practical classroom experience.

Once trained, teachers are employed in schools and are responsible for delivering the curriculum to students. Their effectiveness directly impacts the quality of education received by the learners. The quality of teacher training is crucial in ensuring that children are taught by qualified educators who can effectively facilitate learning. Teachers are further supported by ongoing professional development and training to keep up with changes in the curriculum and teaching methodologies.

8.10.3.2 Early Childhood Development and Primary Education

The first formal stage of education in South Africa is Early Childhood Development (ECD), followed by primary education. Early childhood education typically includes Grade R (reception year), which serves as an introduction to the formal schooling system. Research has shown that early childhood education is a critical stage for cognitive and emotional development, laying the foundation for lifelong learning.

Primary education in South Africa spans from Grade 1 to Grade 7. This phase of education is aimed at equipping children with basic literacy, numeracy, and social skills. During these years, children are exposed to a broad curriculum that includes subjects such as language, mathematics, scienc e, and social studies. The role of teachers is essential in guiding children through these subjects, as foundational skills gained in primary school are critical to success in later educational stages.

8.10.3.3 Secondary Education and Pathways

Secondary education in South Africa is divided into two phases: the intermediate phase (Grades 8 and 9) and the senior phase (Grades 10 to 12). In Grade 9, students are required to make decisions regarding their future educational path. Students can either continue in the academic track, pursuing matriculation, or opt for vocational education and training (VET) courses, which focus on practical skills and preparation for entering the workforce.

The decision made at this stage significantly impacts the child's future. Students who continue in the academic stream work toward obtaining a National Senior Certificate (NSC) by the end of Grade 12. This certificate is a prerequisite for entry into university and is recognized both nationally and internationally.

Students who opt for VET are typically enrolled in technical schools or training institutions. These programs provide an alternative to traditional schooling, focusing on skills that are immediately applicable in the job market, such as plumbing, carpentry, and electrical work. Vocational education is an essential component of the education system as it prepares students for careers that are in high demand, often offering better opportunities for those who may not thrive in an academic environment.

8.10.3.4 Matriculation and University Education

The matriculation phase is the culmination of secondary schooling, where students prepare for and write their final exams. The National Senior Certificate (NSC) exams are typically written at the end of Grade 12 and are a determining factor in a student's eligibility for university admission. The NSC results are assessed based on performance in various subjects, including languages, mathematics, and science, with additional focus on the student's performance in elective subjects.

Students who pass their matric exams and meet the university entry requirements are eligible to apply for higher education at universities or other institutions of learning. Higher education institutions in South Africa offer a wide range of undergraduate and postgraduate programs, providing students with specialized knowledge and skills in fields such as engineering, medicine, law, and business.

University education opens up opportunities for advanced careers and professional development. However, the cost of university education can be prohibitive for many families, and some students may face challenges accessing higher education due to financial constraints or limited availability of spaces at universities.

8.10.3.5 Alternative Pathways After Matriculation

Not all students follow the traditional route to university education. Some may choose to enter the workforce immediately after completing their matric exams. This could involve seeking employment in fields such as retail, services, or technical professions, especially if they have gained practical experience through vocational training in high school.

Alternatively, students may opt for gap years, during which they take time off before deciding on their next steps. This can be an opportunity for travel, volunteering, or pursuing other interests, providing valuable life experiences that may influence future career choices.

The value chain of the education system also includes pathways to entrepreneurial endeavours. Students with the right skills and mindset may choose to start their own businesses after finishing school. The education system, especially vocational training, plays a key role in developing an entrepreneurial mindset among youth, equipping them with skills to create jobs rather than solely relying on employment.

8.10.4 Key Areas of Value Addition Identified by Stakeholders

Discussions with key stakeholders from the Kruisfontein and Humansdorp communities revealed substantial opportunities to enhance the local education system. These focus areas address overcrowding in schools, offer alternative educational pathways, and foster wider community development. Stakeholders emphasised the importance of vocational training and infrastructure improvements to meet both educational and economic demands.

Overcrowding in schools emerged as a critical challenge. Kruisfontein Primary School and Humansdorp High School are operating far beyond their designed capacities, with student numbers nearly doubling the original limits. This significant strain on resources highlights the urgent need for additional educational facilities, particularly those that offer skill-based programmes. Establishing a vocational training or trade school would alleviate these pressures by providing alternative learning options for students better suited to practical education than traditional academic routes.

Such an institution could also cater to local industries, with stakeholders identifying agriculture, construction, green energy, and fishing as sectors that would benefit from a skilled workforce. Suggested programmes include practical workshops, science laboratories, and advanced skills in areas like coding, robotics, and 3D printing, ensuring students are equipped for modern and emerging industries.

The integration of technology was another key area of value identified. Stakeholders proposed equipping schools with tablets, laptops, interactive whiteboards, and reliable WIFI, aligning with contemporary teaching practices. This investment would modernise education delivery, improve learning outcomes, and prepare students for competitive job markets.

Community engagement and collaboration were also highlighted as vital to the project's success. Stakeholders recommended working closely with local schools, agricultural organisations, and church networks to ensure widespread support and address concerns effectively. Additionally, prioritising the use of local labour and resources for construction would provide employment opportunities and contribute to economic upliftment within the region.

Security concerns were consistently noted, given challenges such as homelessness, drug abuse, and gang activity in the area. Stakeholders emphasised the importance of robust security measures, including fencing, security personnel, and planning for ongoing maintenance, to ensure the sustainability of the proposed facility. Complementary community facilities, such as gymnasiums, sports fields, and clinics, were also suggested to enhance overall community well-being alongside educational development.

In summary, stakeholder feedback underscored several priorities: tackling overcrowding, establishing a skills-focused institution, incorporating advanced technology, and fostering community participation. By addressing these areas, the proposed project has the potential to improve education outcomes while contributing to broader socio-economic development in the region.

The value chain analysis of the South African education system reveals a complex and interconnected process, from the initial training of teachers to the different post-school options available to students. Each stage in this chain contributes to the successful development of the child, equipping them with the necessary skills, knowledge, and experiences to pursue their chosen future, whether that involves further education, vocational training, or entering the workforce. Understanding the value chain allows for a deeper appreciation of the various factors influencing educational outcomes and highlights areas that need attention to improve the system for all learners. The challenges faced by South Africa's education system, such as unequal access to quality education, financial constraints, and unemployment, require coordinated efforts from all stakeholders to ensure that every child can successfully navigate their educational journey and achieve their potential.

8.10.5 Market Potential

The demand model for a skills development school in Humansdorp and surrounding areas highlights the pressing need for practical training to address both educational and community challenges. Stakeholder feedback, demographic growth, and local economic conditions all underscore the feasibility and importance of such an initiative. Below, key considerations are outlined, supported by data on student population growth and insights from stakeholder consultations.

Overcrowding in schools is one of the primary issues driving demand. Local schools, such as Kruisfontein Primary and Humansdorp High School, are operating far beyond their intended capacity. Kruisfontein Primary was designed for 500 students but now accommodates nearly 1,000. Similarly, Humansdorp High School serves over 2,000 students, more than double its capacity of 800. The strain on resources has resulted in compromised educational experiences, particularly for students who might benefit more from vocational and practical training.

A skills development school could provide a much-needed alternative for students who are better suited to non-academic pathways. The proposed curriculum would include training in key local industries such as agriculture, fishing, green energy, construction, and hospitality. Additional programs could cover cutting-edge fields like robotics, coding, and 3D printing, ensuring that students are prepared for modern workforce demands. Stakeholders emphasized the importance of short and long-term training options, catering to both immediate skill acquisition and comprehensive industry-specific expertise.

Demographic trends further illustrate the need for a skills development institution. The table below projects growth in student numbers across various educational levels in Humansdorp. The population increase, combined with limited capacity at existing institutions, highlights the escalating demand for alternative educational pathways.

Table 23: Education Level Humansdorp

Educational Level	2023	2028	2033	Growth Rate (%)
No Schooling	2 220	2 592	3 027	36.4%
Pre-School	57	67	78	36.8%
Primary School	5 001	5 840	6 819	36.4%
Secondary (Grade 8–9)	4 076	4 760	5 558	36.3%
Secondary (Grade 10–12)	16 538	19 312	22 552	36.4%
Higher Education (Diploma)	1 923	2 245	2 622	36.3%
Higher Education (Degree)	1 415	1 652	1 929	36.4%
Higher Education (Honours+)	557	650	759	36.3%
Total Students	**31 786**	**37 118**	**43 344**	**36.4%**
			Source: Quantec Standardised Regional Service (2023)	

These projections assume a growth rate of 3.15%, consistent with the historical population increase in Humansdorp from 2001 to 2011. This steady growth underlines the need for expanded educational infrastructure to meet future demands.

Stakeholder feedback also underscores the practical benefits of a skills development school. Stakeholders in the fisheries emphasized the need for maritime skills training, particularly in areas like fishing, engine repair, and crew management, to address a shortage of skilled workers in the fishing industry. Similarly, several educational stakeholders, highlighted the importance of vocational training to reduce overcrowding and equip students with skills for local industries, such as dairy farming, greenhouse management, and green energy.

The establishment of a skills development school is not only necessary but feasible. The project could leverage existing community resources, such as partnerships with local schools, churches, and industry stakeholders, to ensure broad support and engagement. Furthermore, integrating modern technologies, including interactive whiteboards, tablets, and Wi-Fi connectivity, would enhance the quality of education and attract students from outside the region. The use of local labour for construction and the prioritization of cost-saving energy measures would further align the project with community needs and economic realities.

While challenges such as security concerns, community tensions, and maintenance costs must be addressed, these obstacles are manageable with proper planning. Stakeholders recommended proactive community engagement through trusted networks, such as churches, and robust security measures to mitigate risks. Additionally, the economic impact of the school, including job creation during construction and increased employability for graduates, would contribute to the long-term sustainability of the project.

The data and stakeholder feedback strongly support the development of a skills school in Humansdorp. The institution would alleviate overcrowding, provide practical training tailored to local industries, and meet the needs of a growing student population. With thoughtful planning and community collaboration, this initiative has the potential to become a transformative project for the region, fostering economic growth and social development.

8.10.6 Synthesis

In conclusion, the establishment of a skills development school in Humansdorp is an essential step towards addressing the growing educational needs of the region. The demand for alternative educational pathways, driven by overcrowding in existing schools and the rising student population, is clear. With the projected growth of the student population (all education levels) reaching 43,344 by 2033, the need for expanded educational infrastructure is critical. The skills development school would not only reduce pressure on current institutions but also offer students the opportunity to acquire practical skills in key industries, ensuring they are equipped for future workforce demands.

It is projected that, by 2033, there will be an additional 11,558 students across various educational levels, further intensifying the need for space. The skills school would contribute to alleviating this pressure by offering specialized training and vocational options. Moreover, the school's focus on local industries such as agriculture, fishing, green energy, and construction would directly address skills gaps in the community, offering students a pathway to employment and helping to bolster the local economy.

Through careful planning and community involvement, this project has the potential to create a significant impact, both in terms of educational opportunities and economic development.



Education Recommendations:

- Expansion of Education Infrastructure: **Build new primary, secondary, and tertiary facilities** to accommodate the projected increase of 11,558 students by 2033.
- **Establish a Vocational Training College**: Focus on vocational training in agriculture, fishing, construction, green energy, and hospitality.
  Include modern courses in robotics, coding, and 3D printing to prepare students for emerging industries.
  Offer both short-term and long-term training to address immediate and specialised needs.

9 Demand Analysis Conclusion:

The demand analysis for the Kouga Local Municipality and Humansdorp highlights significant growth opportunities across key sectors, providing a solid foundation for economic development. The citrus industry presents a clear need for increased cold storage capacity, with a recommendation for an additional 126,760 m² by 2032, alongside a juicing plant and a citrus cattle feed factory to support the growing supply. For the dairy sector, the establishment of a feed factory (500m²- 5000m²) and a 5.5 MW solar farm are essential to sustain local dairy growth and promote circular economy practices. In the calamari industry, investments in cold storage should be made with a focus on steady, baseline production, ensuring sustainability despite fluctuating catch levels.

Renewable energy is identified as a key area for long-term economic growth, with the recommendation to invest in a vocational training college to support a skilled workforce, alongside green energy initiatives such as solar integration. A recycling plant is recommended to handle over 7,412 tons of waste annually, promoting sustainability and reducing landfill waste. The warehousing sector requires diversified storage options, including cold storage facilities for the fishing industry and flexible solutions for growing industrial demands.

In terms of commercial and residential needs, the municipality will require new developments, including 2,786 m² of commercial space in Kruisfontein and 2,436 residential units, with a focus on lower-cost and middle-income housing. Finally, significant investment in education infrastructure is needed, with new facilities and a vocational training college to support the projected increase in student numbers and emerging industry demands.

These recommendations collectively highlight the vast economic potential in Kouga and Humansdorp, driving both sustainability and long-term growth across various sectors.

Figure 26:Recommendation Summary



Agriculture- Citrus Industry:
- **Cold Storage**: 126 760 m² by 2032 (operating at -2°C)
- **Juicing Plant**: To handle increased citrus supply (800m²- 12 000m²)
- **Citrus Cattle Feed Factory**: Capacity of 547 500 kg - 5 475 000 kg (500m²- 5 000m²)



Agriculture -Dairy Industry:
- **Feed Factory**: ~5 475 000 kg capacity (500m²- 5 000m²)
- **Solar Farm**: 5.5 MW on 10 hectares for Woodlands Dairy



Ocean Economy - Calamari Industry:
- **Cold Storage**: Long-term investment for steady production
- New **2 000-ton cold storage facility**, operating at -20°C for seasonal overflow (2 667m²)



Green (Renewable) Energy:
- **Vocational Training College**: For workforce development
- **Green Energy**: Integrate rooftop solar panels in future developments
- Woodlands Dairy Solar Farm as metioned above



Green Economy- Recycling:
- **Recycling Plant**: Handle 7 412+ tons of waste annually **(** 2000m² - 23000m²**)**



Warehousing:
- **Storage Solutions**: Wide range of Small (40-60 m²) to large (1 000-5 000 m²) units



Commercial:
- **New Commercial Space**: 2 786 m² required for services and goods



Residential:
- **Accommodation Units**: 2 436 units, focusing on lower-cost and middle-income housing



Education:
- **Infrastructure**: Expand to accommodate 11 558 students by 2033
- **Vocational College**: Focus on agriculture, fishing, green energy, and modern courses

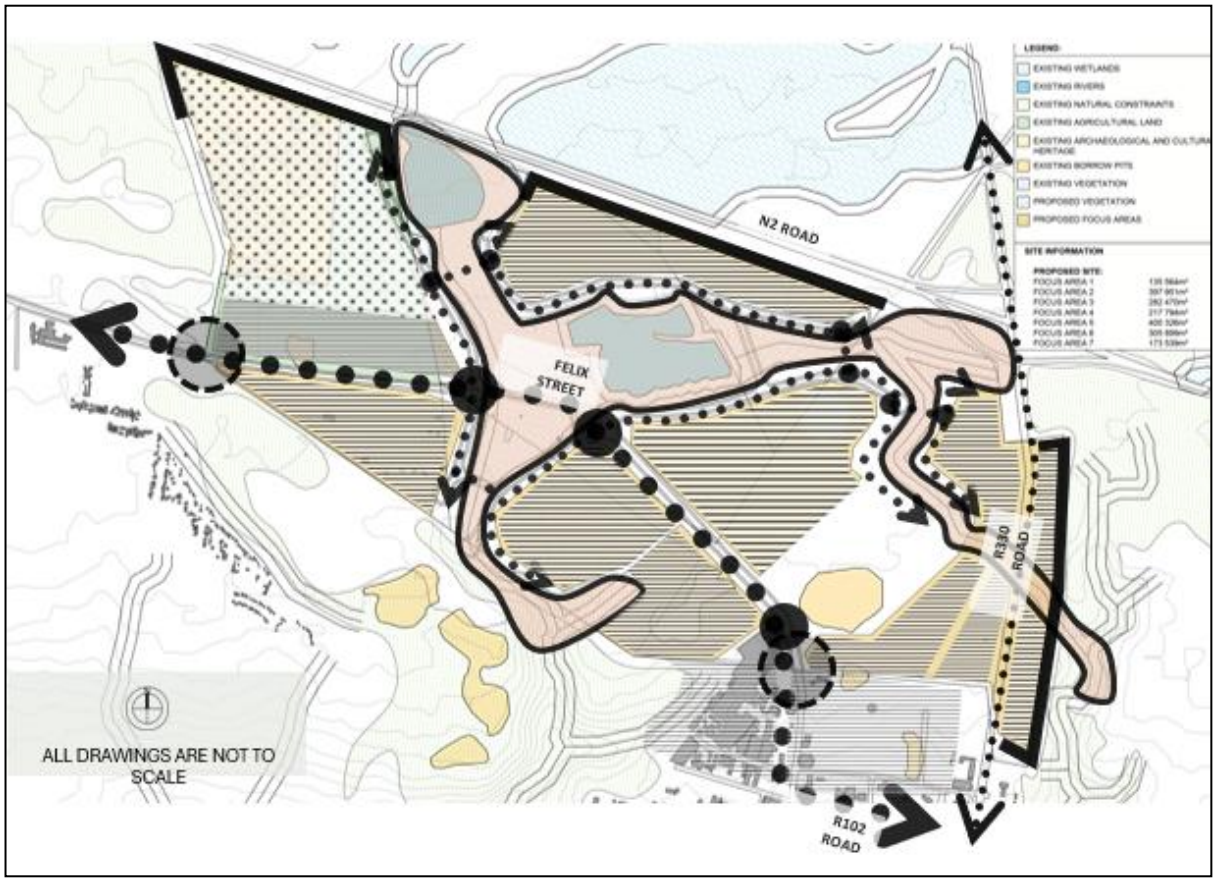
10 Development Concept

This chapter presents the proposed development concept for the site. This is as previously defined in the Consolidated Spatial Analysis of the Site, which is a result of a three-step process, namely:

1. Step 1: Analysis of the existing site.
2. Step 2: Identification of possible developable land.
3. Step 3: Creation of Focus Areas and creation of a Spatial Concept.

From this, proposed land use and development possibilities, are categorized into short-term, medium-term, and long-term initiatives. The projects span renewable energy, industrial facilities, inclusive human settlements, education infrastructure, and commercial development. These developments are carefully structured to drive regional economic growth, foster sustainable practices, and meet the rising demands of the local population.

Figure 27: Spatial Concepts



The proposed development of a large and complex site such as this site requires work to happen in a coordinated way and over an extended period of time. The coordination for this development is to be offered by a detailed Urban Design Development Framework that will be an extension of this report.

This Development Framework is to focus on the key spatial aspects including roads, erven, public space and nature areas. It also needs to provide clear guidelines as to the development that is to happen over time.

The development of the project unfolds over multiple phases, with each one strategically designed to address the growing needs of the community, businesses, and industries in the region. These phases focus on expanding infrastructure, housing, and educational opportunities, while fostering a robust economy that integrates commercial, industrial, and circular economy principles. This chapter outlines the key elements of each phase, expanding on the space requirements, funding, timeframes, and their anticipated impacts.

The phases envisioned for this development are:

- Phase 1: Initial Development
- Phase 2 :Expansion of Focus areas (FA 2 & 3)
- Phase 3: Education and Skills Development
- Phase 4: Inclusive Human Settlement
- Phase 5: Consolidation and Full Development

10.1 Phase 1: Initial Development

The first phase of the project focuses on laying the groundwork for sustainable industrial and commercial activities, energy production, and housing. These initial developments aim to provide essential infrastructure and attract both business investments and residents to the area.

Figure 28: Initial Development Layout

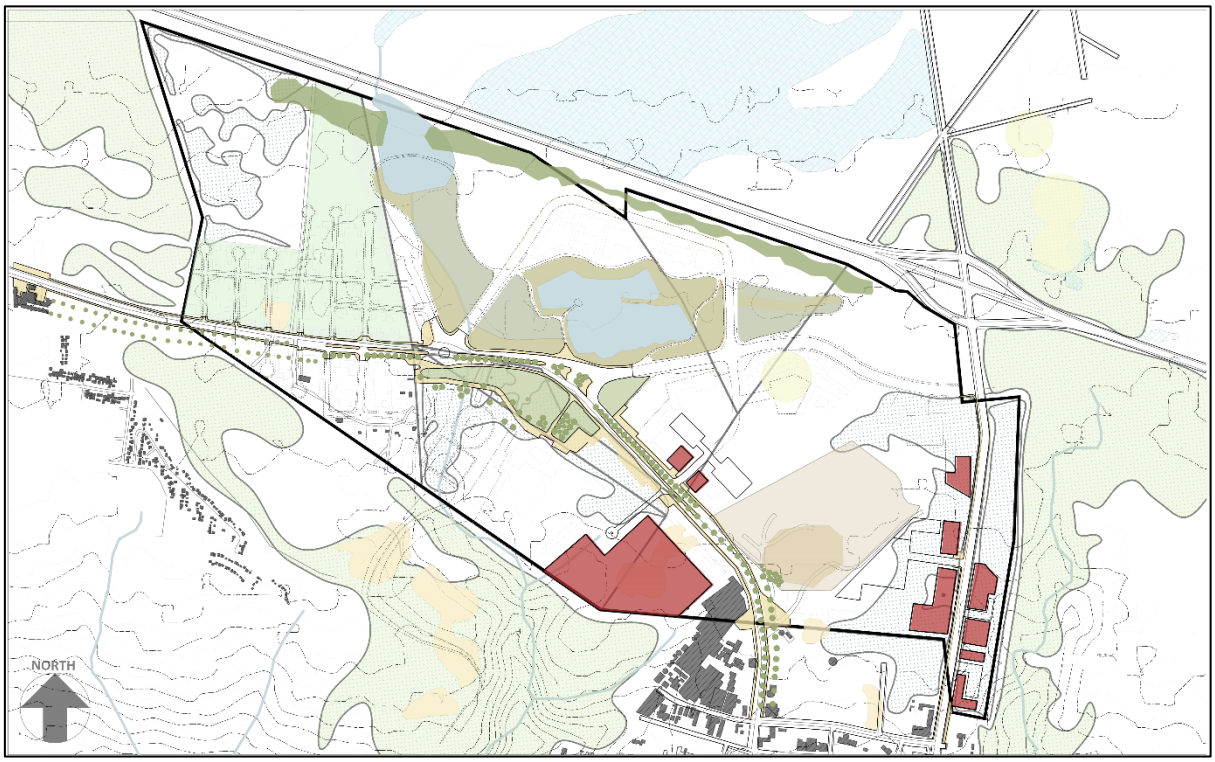
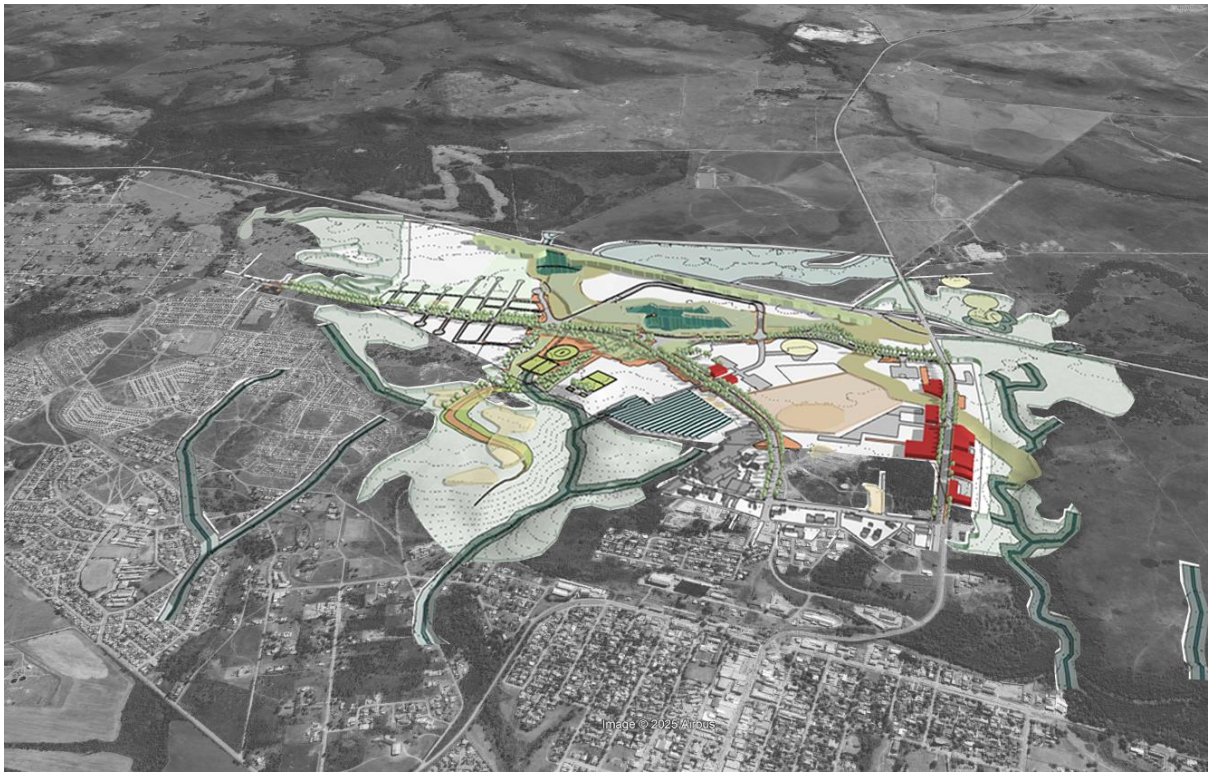


Figure 29:Initial Development Topography



10.1.1 Woodlands Expansion (Solar) - FA 1

A cornerstone of Phase 1 is the **Woodlands Expansion**, which introduces a **5.5 MW solar plant** on **100,000 m²** of land. This project is essential to providing sustainable energy for the entire development, supporting the vision of a green economy. The solar plant will be privately owned by **Woodlands** and funded through private investment. The plant will operate under a privately managed model, ensuring the consistent supply of renewable energy for industrial, commercial, and residential purposes. The development of the solar plant is scheduled for the short term, with its completion set to coincide with the early stages of development in other sectors.

10.1.2 Light Industrial & Commercial Developments - FA 2

In the second focus area, **light industrial and commercial developments** are planned, beginning with **temporary steel structure buildings**. These structures will occupy **5,000-10,000 m²** and serve businesses in warehousing, transport, logistics, and storage, offering functional and cost-effective spaces for short-term commercial use. The buildings will be semi-permanent, built using modular components or steel frames to ensure quick assembly and adaptability. While they are designed for short-term use, these structures are sturdy enough to support day-to-day industrial operations and will comply with all relevant regulations. KLM will manage the lease agreements for these structures, which will be privately funded.

In addition to these temporary structures, the **juicing plant** and **warehousing and storage facilities** will also be established in this phase. The **juicing plant** will require **800-1,500 m²**, producing a small-scale output of approximately **3,000L/day**. As the plant expands, its facilities can grow to accommodate larger operations. The **warehousing and storage** project will involve the development of **7,000 m²**, catering to the needs of high-income individuals. The storage units will range from **40-60 m²** for smaller storage needs to **1,000-5,000 m²** for larger businesses. This project is expected to meet about 30% of the demand in the Kouga region and will be privately owned and funded.

10.1.3 Cold Storage for Citrus & Calamari - FA 2

As part of the commercial expansion, **cold storage facilities** for citrus and calamari will be built. These facilities will cover **25,352 m²** for citrus storage, with no immediate plans for calamari storage. The citrus facility will aim to capture **20% of the market demand** for cold storage in the short term, with plans to grow that share to **40%** in the long term. This cold storage project will be privately owned and funded, positioned to meet growing demands in agricultural and seafood industries.

10.1.4 Circular Economy (Recycling Plant) - FA 3

The **recycling plant** is another key project within Phase 1. This facility will be located in the **Circular Economy** focus area and will cover **2,000 m²**, providing the necessary space to process **7,412+ tons of waste annually**. The recycling facility will focus on waste management and resource recovery, supporting the community's efforts towards sustainability. It will operate with basic manual sorting, balers, and compactors, with limited storage capacity. This project will be privately funded, with **KLM** holding the lease agreement. The plant is expected to grow as waste processing needs increase, and its development will proceed within the medium term.

10.2 Phase 2: Expansion of FA2 and FA3

Phase 2 is focused on expanding both the industrial and commercial sectors to accommodate growing business activities and increase processing capacity for the circular economy initiatives. These expansions will address the increasing demand for storage and waste management, as well as support the agricultural sector's need for expanded cold storage.

Figure 30: Expansion Layout

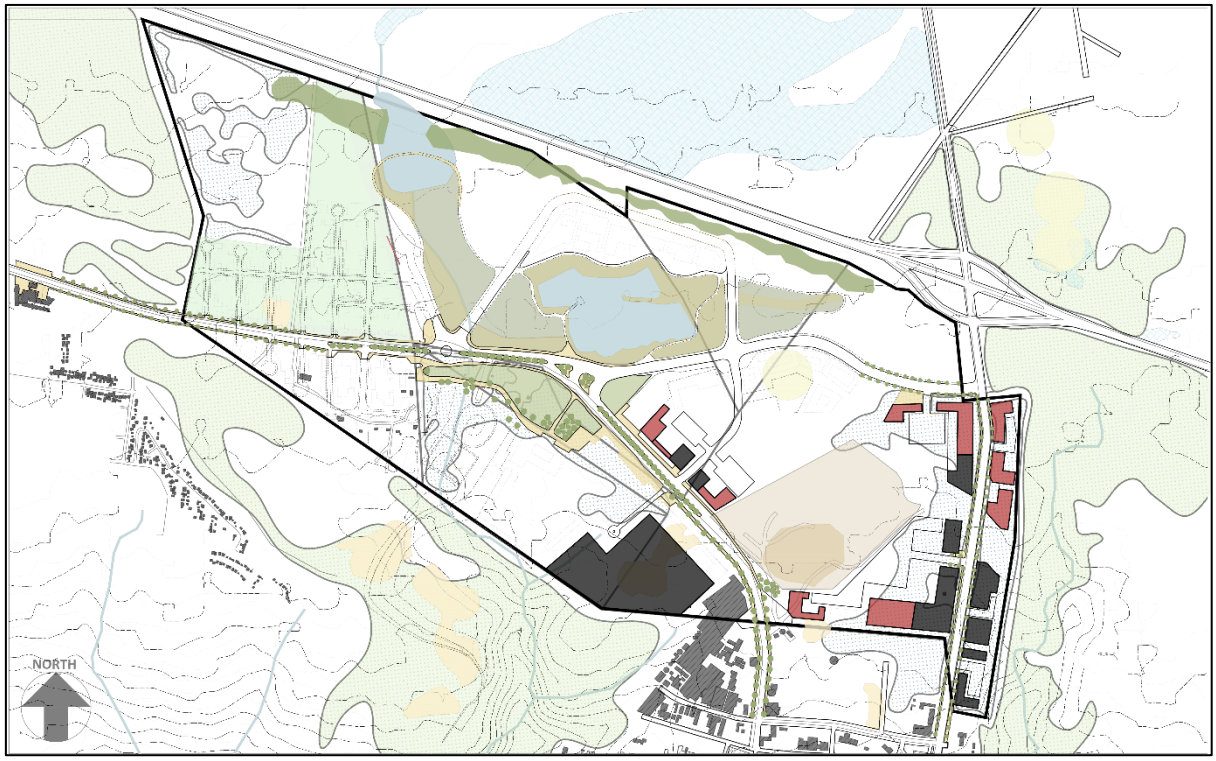
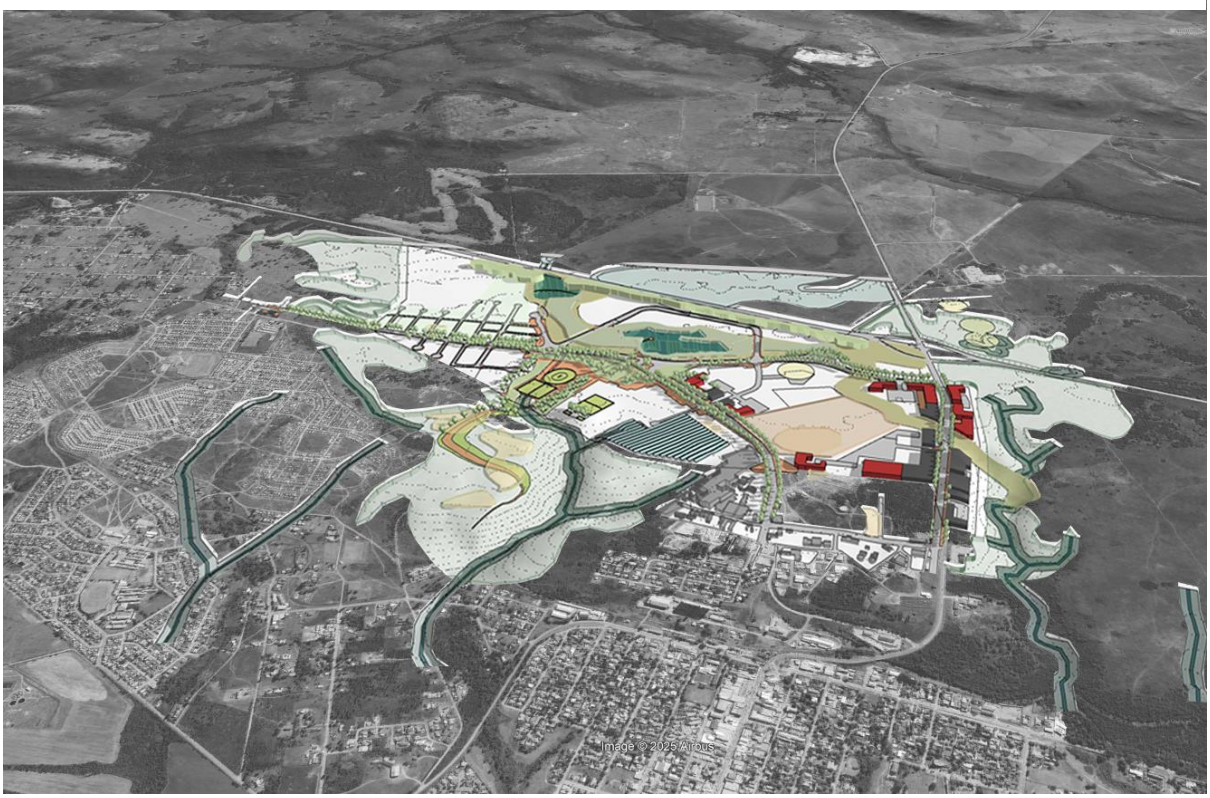


Figure 31:Expansion Topography



10.2.1 Light Industrial & Commercial (FA 2)

The expansion of **warehousing and storage** in **FA 2** will increase capacity by an additional **23,000 m²** to meet the increasing business and residential demands in the area. The **cold storage facilities** will also expand, with the citrus storage growing to **50,704 m²** and the calamari storage expanding to **2,667 m²**. These expansions are designed to meet growing demands from agricultural and seafood industries and are essential to keeping up with the projected growth in local production.

10.2.2 Circular Economy (FA 3)

The **recycling plant** will also expand in this phase, increasing its capacity to handle more waste and materials. The expansion will add **5,000 m²** to the facility, allowing for increased processing capacity and improving waste management. This development will enhance the sustainability of the region by promoting the recycling and repurposing of materials, further supporting the circular economy model.

10.3 Phase 3: Education & Skills Development

In Phase 3, the focus shifts to education and skills development. This phase will establish institutions to provide educational opportunities ranging from primary to higher education, aimed at equipping the future workforce with the skills required to thrive in industrial, commercial, and technological sectors.

Figure 33:Education Layout

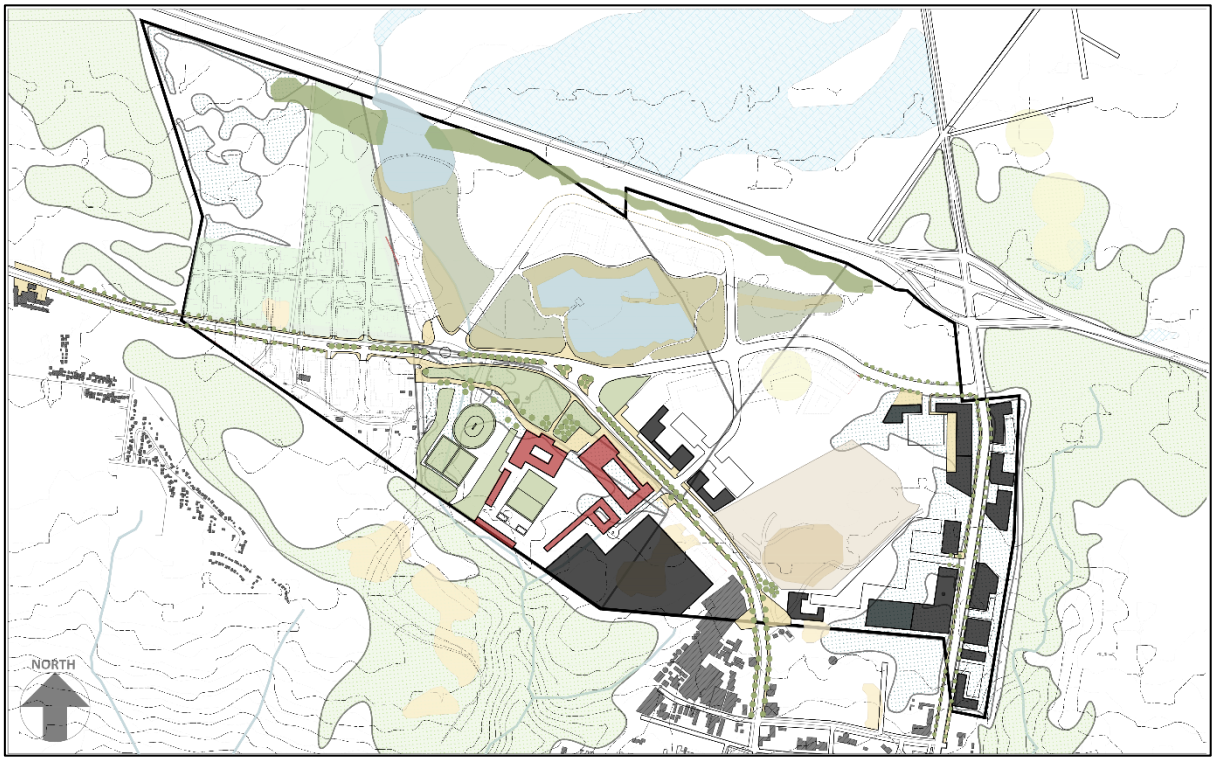
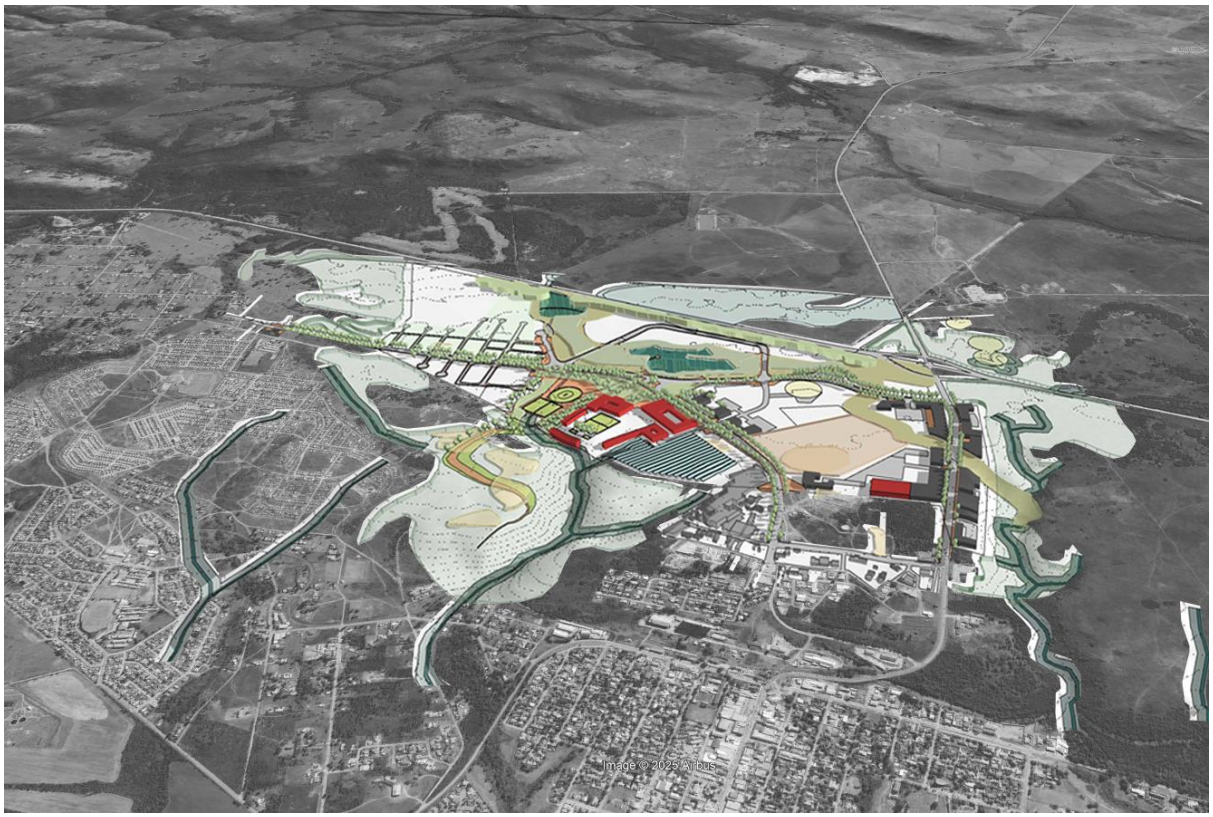


Figure 32: Education Topography



10.3.1 Industrial/Trade College (FA 7)

The development of an industrial/trade college will be a key element of this phase. The college will provide both primary, secondary, and higher education facilities on a site suited to house higher education institutions in an industrial park setting. With a capacity to accommodate 10,751 students, the college will offer courses at various levels, including primary school, secondary school, and vocational training (TVET/Trade). The educational institution will be funded and operated by a combination of government SETAs, private colleges, and the Education Department. The development will be split, with 36% allocated for primary school, 52% for secondary school, and 12% for higher education.

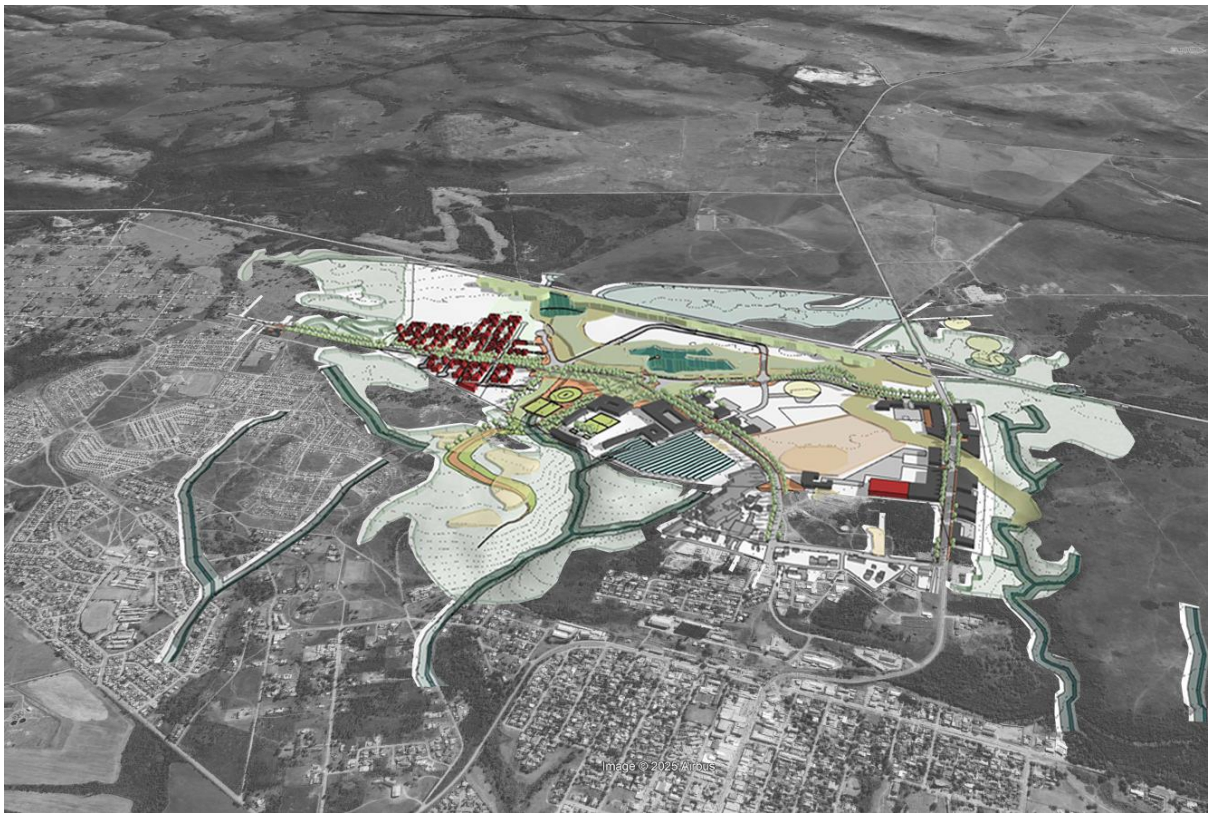
10.4 Phase 4: Inclusive Human Settlements

Phase 4 will see the development of inclusive human settlements, focusing on the creation of affordable housing and commercial spaces. The residential development will cater to various income groups, ensuring a mix of housing types to support the social and economic diversity of the community.

Figure 34:Inclusive Human Settlement Layout



Figure 35:Inclusive Human Settlement Topography



10.4.1 Inclusive Human Settlements (FA 5 & FA 6)

The inclusive human settlements project will involve the construction of **2,436 residential units**, with **75%** allocated to **lower-income housing** and **25%** to **middle-income housing**. The residential development will be privately owned and funded, ensuring affordable and accessible housing for a diverse community. The project will be completed in the short to medium term, responding to the demand for affordable housing in the region.

In addition to residential development, **commercial retail space** of **2,800 m²** will be developed to support the growing community. This retail space will be designed to accommodate businesses offering services and goods, with retail space breakdowns for **services (1,100 m²)**, **non-durable goods (900 m²)**, **durable goods (400 m²)**, and **semi-durable goods (386 m²)**. The development of retail space will be privately funded, with a medium-term timeframe for completion.

10.5 Phase 5: Consolidation & Full Development

The final phase of development focuses on the full expansion and consolidation of all sectors, with the completion of major infrastructure projects and the finalization of residential and commercial developments.

Figure 36: Consolidation Layout

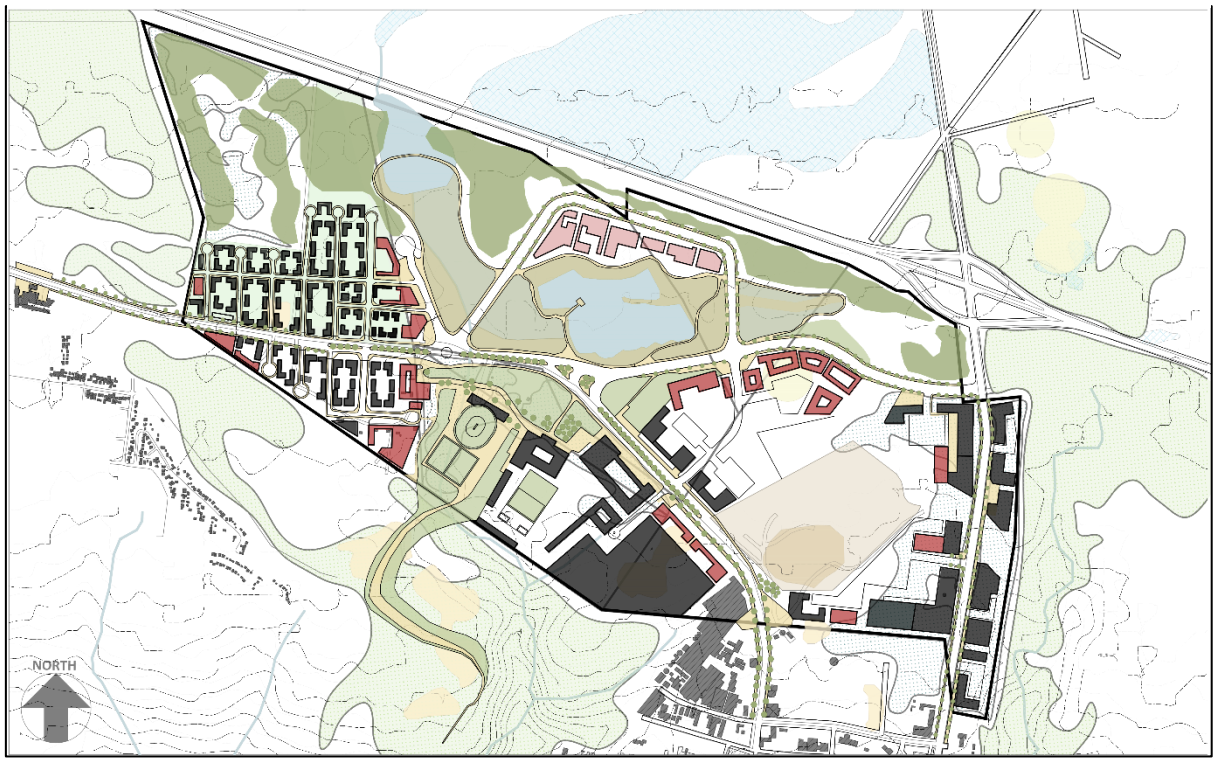
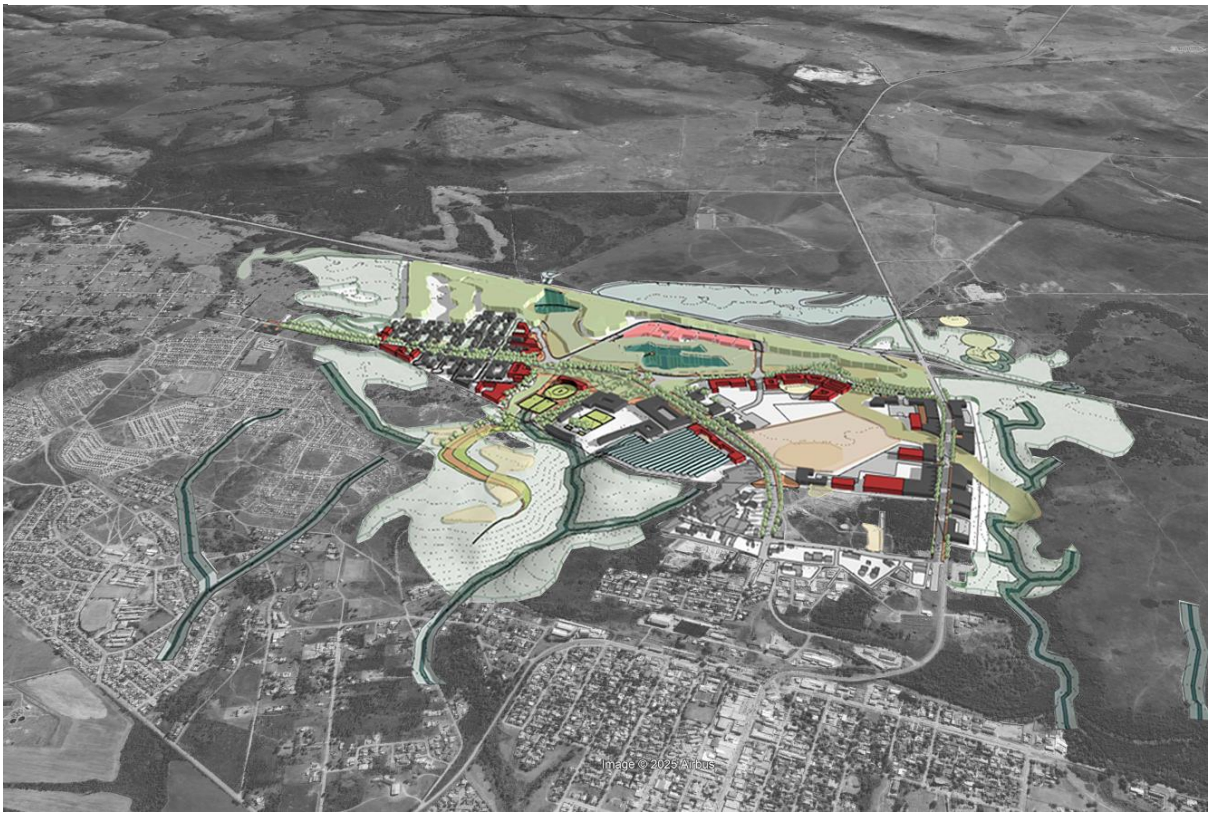


Figure 37: Consolidation Topography



10.5.1 Light Industrial & Commercial (FA 2)

In this phase, the **juicing plant** will undergo a **12,000 m² expansion**, increasing its capacity to accommodate larger-scale production. Similarly, the **warehousing and storage** facilities will receive a **final expansion of 23,000 m²**, ensuring the full capacity needed to meet both business and residential demand in the long term.

10.5.2 Industrial Facilities (FA 4)

The cattle feed factory will be constructed, with a 5,000 m² facility designed to meet the needs of the agricultural sector. The factory will serve 10% of the total market size for cattle feed in the region, with the potential for future expansions to meet full market demand.

10.5.3 Inclusive Human Settlements (FA 5 & FA 6)

The final **residential development** will complete the housing project, providing the remaining **2,436 units**, ensuring that the housing needs of the community are fully addressed. In addition, the **commercial retail space** will be expanded by **6,000 m²** to meet the long-term retail demands of the growing population. Both residential and commercial projects will be privately owned and funded, with long-term timeframes for their completion.

11 Land Rezoning and Disposal Process

The successful implementation of land development projects requires a well-structured process that ensures alignment with legal, environmental, and community requirements. This chapter outlines the systematic steps involved in the planning, approval, and execution of land use and development initiatives. Each step is critical to transforming identified land parcels into thriving spaces for industrial, commercial, residential, or mixed-use purposes. The process ensures that development goals are achieved efficiently, sustainably, and in accordance with regulatory frameworks. It is noted that some of these items can run concurrently but most require the approval of a previous process before the starting of the new process. There are also potential delays in some of these processes that would need to be considered

Table 24: Land Rezoning and Disposal Process

Step	Action	Description	Responsible Parties	Timeframe
1	**Initial Land Assessment**	Conduct a baseline assessment of the erven, including zoning, current use, and environmental considerations.	Town Planners, Environmental Specialists	~2-3 months
2	**Define Future Use**	Identify and document the intended future uses for each erf (e.g., juicing factory, residential, commercial).	Architect, Town Planners and then Municipal Development Committee	4 months and then ~1 month
3	**Subdivision Planning**	Create a detailed plan to subdivide each erf into portions tailored for specific land uses.	Town Planners	~2 months
4	**Rezoning Applications**	Submit rezoning applications to align current zoning with intended future uses.	Town Planners, Municipality	~3-6 months (depending on complexity)
5	**Environmental Authorization (EA)**	Undertake Environmental Impact Assessments for each erf to ensure compliance with environmental regulations. Conduct public participation processes to gather input and address concerns from the community.	Environmental Consultants and Specialist reports as needed.	~12-18 months
6	**Final Approvals**	Obtain approvals for rezoning and subdivision plans from relevant authorities.	Municipality, Local Government	~3-6 months
7	**Survey and Registration**	Survey and register each subdivided portion with the Deeds Office.	Land Surveyors, Municipality	~6 months
8	**Tender Documentation Preparation**	Draft Requests for Proposals (RFPs) for each portion, specifying intended use, requirements, and evaluation criteria.	Municipality Procurement Office	~6 months
9	**Marketing and Tender Process**	Advertise the RFPs, allowing prospective buyers to submit bids.	Municipality, Marketing Team	~2 months
10	**Evaluation and Award**	Evaluate proposals based on compliance, pricing, and alignment with intended use. Award tenders to successful bidders.	Evaluation Committee	~1-2 months
11	**Post-Tender Monitoring**	Monitor the development of the land portions to ensure compliance with the intended use.	Municipality Development Monitoring Team	Ongoing

The table below provides a comprehensive breakdown of the sequential actions required, responsible parties for each step, and the estimated timeframes for completion. From initial assessments to post-tender monitoring, the process ensures a thorough approach to addressing land suitability, environmental concerns, and stakeholder engagement. Each stage plays an essential role in mitigating risks, optimizing resources, and fostering community participation, ultimately laying the foundation for long-term sustainable growth and development.

The selection of an appropriate method for land disposal is a critical aspect of municipal asset management. This ensures that public land is utilized efficiently, transparently, and in a manner that supports strategic developmental goals. Various disposal methods are available to municipalities, each tailored to specific circumstances, legal requirements, and intended outcomes. The chosen method must align with regulatory frameworks, maximize public benefit, and meet the operational or developmental objectives of the municipality.

Table 25: Municipal Property Disposal Options

Method of Disposal	Description	Legal Requirements	Typical Uses
Public Auction	Property is sold to the highest bidder through an open bidding process.	Advertised in local media, complies with municipal asset disposal policy, and follows auction protocols.	Used for surplus land, buildings, or vacant plots.
Public Tender	Property is sold to the best bidder through a competitive sealed bid process.	Open tender process; evaluated against pre-set criteria.	Suitable for high-value land or strategic assets.
Direct Sale	Property is sold directly to a specific individual, business, or organisation.	Must demonstrate a public benefit or unique circumstance; requires council approval.	Often used for sales to non-profits or public projects.
Lease with Option to Buy	Municipality leases the property, granting the lessee the right to purchase it later.	Lease agreement outlines terms; complies with local government regulations.	Appropriate for businesses requiring trial periods.
Exchange or Barter	Property is exchanged for another property of equal or agreed value.	Requires valuation of both properties and council approval.	Often used for infrastructure projects or public benefits.
Donation	Property is transferred without monetary compensation, typically to a non-profit or public entity.	Must serve a clear public benefit and receive council approval.	Used for community projects or public facilities.
Public-Private Partnership (PPP)	Property is included in a development agreement with a private entity to achieve mutual goals.	Must comply with Municipal Finance Management Act (MFMA) regulations; requires feasibility study.	Common for long-term development projects.
Rezoning and Public-Private Development	Municipality rezones the property for industrial or SEZ use and collaborates with private developers.	Requires rezoning approval, compliance with SEZ regulations, and stakeholder engagement.	Ideal for converting land into industrial parks or SEZs.

The table above outlines the key methods of land disposal, providing details on their descriptions, legal requirements, and typical uses. From public auctions and tenders to public-private partnerships and direct sales, each method serves a unique purpose. Municipalities must evaluate factors such as public interest, land value, and potential economic impact when determining the most suitable approach. By strategically leveraging these disposal methods, municipalities can foster sustainable development, attract investment, and address community needs. The successful development of focus areas requires careful planning and alignment of land use with strategic objectives. A critical component of this process involves subdividing ERFs (land parcels) into specific portions tailored for different uses, ensuring their zoning aligns with the intended purpose. Rezoning is often required to facilitate these uses, and the choice of an operational ownership model and disposal method is key to ensuring sustainable and efficient use of the land. The following table provides an overview of land-use allocations, zoning requirements, operational models, and preferred disposal methods for various focus areas

Table 26: Land Disposal Recommendation

ERF (Focus Area)	Sub Portions (Land Use)	Rezoning Required	Operational Ownership Model	Disposal Method
ERF 1 (FA 1)- 5.5 MW Solar Plant		Rezoning to "Special Zone: Renewable Energy"	Privately Owned	Long-term lease to private entity (20 years)
ERF 2 (FA 2)	SP 1: Juicing Plant	Rezoning to "Industrial Zone 1"	Privately Owned	Sale of property to private companies/ developer through RFP Tender (Alternatively auction of property)
	SP 2: Warehousing and Storage	Rezoning to "Mixed-Use: Industrial and Commercial"	Privately Owned	
	SP 3: Cold Storage Facility (Citrus/Calamari)	Rezoning to "Industrial Zone 1"	Privately Owned	
ERF 3 (FA 3)- Recycling Plant		Rezoning to "Industrial Zone 2"	Public-Private Partnership (PPP)	Lease to private operator with municipal commitment (20 years)
ERF 4 (FA 4)- Cattle Feed Factory		Rezoning to "Industrial Zone 1"	Privately Owned	Sale of property to private developer through RFP Tender (Alternatively auction of property)
ERF 5 & ERF 6 (FA 5 &FA 6)	Residential Development	Rezoning to "Residential Zone 2"	Privately Owned	Sale through tender of individual plots to private developers or Social housing agencies
	New Commercial (Retail Space)	Rezoning to "Commercial Zone 1"	Privately Owned	Sale through tender of individual plots to retail developers
ERF 7 (FA 7)- Primary, Secondary, and Higher Education Facilities		Rezoning to "Institutional Zone"	Government/Private Education Partnerships	Direct allocation or concession to education entities

The table above highlights the alignment between zoning adjustments, operational ownership models, and disposal methods across different ERFs. From renewable energy projects and industrial facilities to residential developments and educational institutions, each land use is tailored to support specific economic, social, and environmental objectives. Properly structured ownership models, such as long-term leases, sales through RFP tenders, and public-private partnerships, ensure that land assets are managed responsibly while driving community development and investment. This integrated approach to land use planning and management fosters a balanced, sustainable framework for growth.

11.1 Utilising Expressions of Interest (EOI) for Market-Driven Land Allocation

When allocating land for development, municipalities traditionally use a Request for Proposal (RFP) process, where specific portions of land are predetermined for particular uses. While this method provides structure, it can also be restrictive, potentially limiting business interest and excluding innovative or alternative development opportunities.

A more flexible and market-driven approach is the Expression of Interest (EOI) method. Instead of rigidly defining how each portion of land should be used, an EOI allows businesses and investors to propose their own developments based on market demand, while still aligning with municipal strategic goals. This chapter outlines the advantages of the EOI approach and provides guidance on its implementation.

11.1.1 Advantages of the EOI Approach

Market Demand Testing

Using an EOI instead of an RFP allows the municipality to gauge real market interest before committing to specific zoning and infrastructure investments. Prospective developers can indicate their preferred land uses, ensuring that development aligns with actual business needs rather than predetermined assumptions.

Increased Business Participation

EOIs provide greater flexibility for businesses, as they are not constrained by pre-defined land use categories. This encourages broader participation, particularly from small and emerging enterprises that may have innovative development concepts not covered in an RFP.

Optimised Land Utilisation

With an EOI, respondents specify their required land size, infrastructure needs, and intended development. The municipality can then strategically allocate portions of land based on demand, ensuring optimal land use planning within designated focus areas.

Enhanced Economic Growth

By allowing businesses to propose developments rather than dictating them, EOIs promote economic inclusivity and diversified investment. This approach fosters public-private partnerships, stimulates entrepreneurial activity, and encourages innovative land uses.

11.1.2 Implementation of the EOI Approach

Advertising the EOI

The municipality should publicly advertise the EOI, much like a traditional tender or RFP. This can be done via:

- The municipality's official website
- Government procurement portals
- Business chambers and industry associations
- Public notices and media advertisements

11.1.3 Content of the EOI Document

An EOI should provide clear guidance on the process while allowing flexibility in proposals. Below is a recommended layout:

Expression of Interest (EOI) for Land Development in Kouga Local Municipality

1. Introduction

- Brief background on the municipality's development goals
- Objectives of the land development initiative
- Purpose of the EOI (market demand testing and land allocation planning)

2. Available Land and Focus Areas

- Description of available land parcels
- Identified focus areas (e.g., industrial, commercial, residential, tourism, agriculture)
- General infrastructure availability

3. Submission Guidelines

- Who can apply (businesses, developers, NGOs, cooperatives, etc.)
- **Required information:**
    - Proposed land use
    - Land size requirements
    - Infrastructure needs (e.g., roads, water, electricity)
    - Estimated investment value
    - Proposed timeline for development
    - Business credentials and past experience (if applicable)

4. Evaluation and Next Steps

- The municipality will review all EOIs to assess feasibility and alignment with strategic goals
- Potential applicants may be invited for discussions or formal proposals (RFPs may be issued for certain categories if needed)
- Timeline for feedback and land allocation decisions

5. Contact Information

- Municipal department handling the EOI process
- Submission deadline and process
- Email and phone contact details for queries

11.1.4 Conclusion

By shifting from a restrictive RFP model to an Expression of Interest (EOI) approach, the municipality can create a more dynamic, responsive, and inclusive development process. This allows businesses the freedom to propose tailored projects, ensures land is allocated in a market-driven manner, and supports sustainable economic growth in the region.

The EOI method provides an efficient way to test market appetite, maximise land use potential, and attract a diverse range of investors, ultimately leading to a more prosperous and well-planned municipality.

12 Conclusion

The feasibility study for the proposed eco-industrial hub in Kouga Local Municipality presents a strategic roadmap for sustainable economic development, balancing industrial growth, environmental responsibility, and social impact. Through a comprehensive analysis of land use potential, stakeholder input, and economic viability, the study provides a well-informed foundation for future development.

A key finding of the assessment is the necessity for a phased implementation approach, ensuring that short-term, medium-term, and long-term opportunities are realised in a structured and financially sustainable manner. Immediate opportunities include light industrial and logistics developments that require minimal infrastructure investment, while sectors such as renewable energy and large-scale manufacturing will be phased in over time to accommodate necessary regulatory and infrastructure upgrades. The zoning recommendations outlined in the study will facilitate this process, providing clear guidelines for land use allocation and supporting the integration of diverse industries within the hub.

The study highlights the importance of private sector participation, particularly in renewable energy, industrial operations, and residential developments, ensuring that investment potential is maximised while maintaining a balance between public and private interests. Public-private partnerships (PPPs) will play a crucial role in ensuring that key infrastructure is developed efficiently and sustainably, particularly in areas such as education and recycling initiatives.

Moreover, the socio-economic analysis underlines the hub's potential to drive employment, skills development, and economic diversification within the municipality. By prioritising industries that align with regional growth strategies, such as agro-processing, manufacturing, and renewable energy, the hub will create long-term economic resilience and support inclusive development.

Environmental considerations remain at the forefront of the redevelopment strategy, with sustainability principles embedded in the planning and design process. The integration of renewable energy projects, recycling initiatives, and eco-friendly infrastructure will enhance the hub's role in promoting green industrialisation, aligning with both local and national sustainability objectives.

Kouga Local Municipality will primarily serve as the landowner, overseeing the disposal of property for the development and management of specific facilities by suitable developers aligned with the municipality's land use goals and broader interests. Additionally, key partners such as the dtic and the Kouga Business Forum could play a crucial role in supporting and advancing the project.

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KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO:**25/04/PD8**

REPORT: REQUEST FOR COUNCIL'S FINAL APPROVAL: TENDER FOR THE SELLING OF VACANT MUNICIPAL RESIDENTIAL ERVEN WITHIN THE KOUGA MUNICIPAL AREA (TENDER NOTICE 137 OF 2021)

1. **Introduction**

The purpose of this report is to present to Council the tender report for the sale of municipal erven as advertised in Notice 137/2021 (EC108).

2. **Background**

The Council took a decision, 19/04/PD3, dated 30 April 2019 and 22/03/PDT3, dated 31 March 2023, to sell municipal erven at market related value.

Tenders were invited (Notices 103/2022 and 183/2022) for the purchase of the vacant municipal erven within the Kouga area and were allocated to the respective Estate Agent to receive bids on Kouga's behalf.

The Council resolved that the below properties be re-advertised or Offer to Purchasers (OTP) be received as it was not awarded in the first round of offers received as per **annexure "A".**

3. **Discussion**

Only bids below market value can be considered if they are from previously disadvantaged and first-time homeowners as per the provisions in the Policy.

It should be noted that SARS now requires 2 valuation reports and that Tender 137/2021 requested permission from the Council to utilize the General Valuations as listed in the advertisement below.

The leading department should inform the Estate Agents that there will be additional costs for valuations when accepting new bids until Tender 137/2021 expires.

4. **Financial Implications**

Completed by BTO -	
Project Description	Land Valuations & surveyor & planning services
Ukey no.	20210710001552
Budgeted Amount	R750 000.00
Amount spent and committed to date	R309 152.20
Amount Available	R440 847.80
Comment	No comment

Completed by BTO -		KOUGA MUNICIPALITY BUDGET &TREASURY	

5. **Applicable Legislation**

Municipal Finance Management Act No. 56 of 2003
Municipal Asset Transfer Regulations, 2008
Spatial Planning and Land Use Management Act No. 13 of 2013
Kouga, Spatial Planning and Land Use Management By-law, 2016
Policy and Procedures for the Disposal of Immovable Assets, 2020
Leasing Policy for Municipally Owned Immovable Property, 2020

6. **Legal Implications**

Should the Council approve the recommendation Deeds of Sale can be entered into with the successful bidders and the formal transfer of the immovable property may proceed.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Recommendation supported.

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 Council **grant final approval** and accept the bids in line with the provision of tender no. 137 of 2021

ERF NO	ZONING	TENDERER	TENDERED PRICE (EXCL. VAT)	MARKET PRICE	RESPONSIVE / NON-RESPONSIVE
Erf 488, Aston Bay	Residential	David Christo Bezuidenhout	R140,000.00	R140,000.00	**Responsive**
Erf 5429, Jeffreys Bay	Residential	Margaret Nomsa Mvimbeli	R150,000.00	R150,000.00	**Responsive**
Erf 1040, Humansdorp	Residential	EJ & E Albrecht	R150,000.00	R190,000.00	**Responsive (Below Market Value; FTHO) – 78,95% Of Mv**
Erf 4916, Jeffreys Bay	Residential	CE & K Didloft	R170,000.00	R160,000.00	**Responsive (FTHO)**

10.2 That where bids received are less than the market value, consideration of **not less than 75%** of the market value should be given for Previously Disadvantaged (PDI) and First Time Homeowners (FTHO) as described in our Policy and Procedures for the Disposal of Immovable Assets adopted 29 October 2020.

10.3 That the properties not allocated or not sold be re-advertised in line with the provisions of Tender Notice 137/2021.

10.4 That the leading department informs the Estate Agents regarding the additional costs for valuations when accepting new bids until Tender 137/2021 expires.

10.5 That Council grant authorization to the Accounting Officer to finalize the transfers of the properties to the successful bidders.

Item prepared by the: The Manager: Land & Property Administration

Item approved by the: Director Planning & Development

Item endorsed by the: Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure "A"

KOUGA MUNICIPALITY (EC 108)

LEC COMMITTEE MEETING

DATE: 13 MARCH 2025 **ITEM NO.: 25/03/LEC1**

TENDER EVALUATION REPORT: THE TENDER FOR THE PURCHASE OF VACANT MUNICIPAL RESIDENTIAL ERVEN WITHIN THE KOUGA MUNICIPAL AREA

1. Introduction

The purpose of this report is to present to the Land Evaluation Committee the tender report for the sale of municipal erven as advertised in Notice 137/2021 (EC108).

2. Background

Council took a decision, 19/04/PD3, dated 30 April 2019 and 22/03/PDT3, dated 31 March 2023, PROPOSED LAND SALES, to sell municipal erven at market related value.

Only bids below market value can be considered if they are from previously disadvantaged and first-time homeowners as per the provisions in our policy.

It should be noted that SARS now requires 2 valuation reports and that Tender 137/2021 requested permission from Council to utilize the General Valuations as listed in the advertisement below.

Permission is hereby requested from Council to make provision for the additional valuation reports for SARS as it was not known and communicated to the Estate Agents and Bidders at the time of consultations for these bids.

The leading department should inform the Estate Agents that there will be additional costs for valuations when accepting new bids until Tender 137/2021 expires.

Resolution:

KOUGA MUNICIPALITY (EC 108)

ORDINARY COUNCIL MEETING

PLANNING AND DEVELOPMENT

DATE: 30 APRIL 2019 **ITEM NO: 19/04/PD3**

PROPOSED LAND SALES

1. Introduction

Several erven have been identified through applications to be sold to members of the public.

Attached is the item which includes all the relevant information in compliance with the legislation:

- Erf number
- Extent
- Zoning
- Application
- Section 14 validation
- Previous Council resolutions of those erven previously tabled before Council
- Notices of those erven previously advertised. The erven not yet advertised will be advertised after Council.
- Maps and OVVIO verifications.

Council needs to approve the valuations of the erven in order for the tender notices to be placed – **refer to annexures contained in the Portfolio Committee meeting dated 2 April 2019 and Mayoral Committee meeting dated 16 April 2019.**

2. Recommendation

2.1 That the valuations of the erven contained in the item, which are based on the 2018 Municipal Valuation Roll, be approved.

2.2 That the proposed land sales already finalised and processed be accepted.

2.3 That the outstanding proposed land sales be advertised adhering to all legislative requirements and processes to be followed.

Item prepared by The Land Administrator

Item noted by the Portfolio Chairperson

22/03/PDT3	**IN- PRINCIPLE APPROVAL FOR DISPOSAL OF MUNICIPAL OWNED VACANT RESIDENTIAL ERVEN: ERF 13 AND ERF 752 ASTON BAY**
	Resolved (31 March 2022)
	1. That Council **grant in-principle approval** for the disposal of erf 13 and 752, situated in Aston Bay through competitive bidding process.

Tenders were invited in Notices 103/2022 and 183/2022 for the purchase of the vacant municipal erven within the Kouga area and were allocated to the respective Estate Agent to receive bids on Kouga's behalf:

KOUGA MUNICIPALITY (EC108)

NOTICE NO 103/2022

PUBLIC INVITATION FOR BIDDERS TO SUBMIT OFFERS FOR VACANT MUNICIPAL RESIDENTIAL ERVEN WITHIN THE KOUGA MUNICIPAL AREA

Notice is hereby given that tenders/offers are invited for the disposal of the vacant residential properties which will be available with the appointed panel of Estate Agents in line with the provisions of tender no. 137/2021.

Prospective buyers are directed to the appointed property estate agent, **Jada Prop (Pty) Ltd t/a Pam Golding Properties** with its principal place of business at 6A Jeffrey Street, Jeffreys Bay, 6330, herein represented by Jaco Bothma who have been instructed to list the following vacant municipal residential properties:

ERF		AREA	EXTENT	ZONING	VALUATION
1034	Humansdorp	Geelhout Avenue	1200m²	Residential	R190 000
1035	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
1036	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
1037	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
1038	Humansdorp	Geelhout Avenue	1327 m²	Residential	R210 000
5832	Jeffreys Bay	Koraal Street	707 m²	Residential	R180 000
5833	Jeffreys Bay	Koraal Street	706 m²	Residential	R180 000
5838	Jeffreys Bay	Kwagga Street	707 m²	Residential	R180 000
537	Aston Bay	Cormorant Close	606m²	Residential	R130 000
610	Aston Bay	Pelican Crescent	544m²	Residential	R120 000

Prospective buyers are directed to the appointed property estate agent, **Minou Estates (Pty) Ltd t/a Fine and Country** with its principal place of business at Shop G 94 A Fountains Mall, Jeffreys Bay, 6330, herein represented by Sandra Susan Coetzer who have been instructed to list the following vacant municipal residential properties:

1039	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
1040	Humansdorp	Geelhout Avenue	1192 m²	Residential	R190 000
1042	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
1043	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
5839	Jeffreys Bay	Kwagga Street	707 m²	Residential	R180 000
5408	Jeffreys Bay	Gesiggie Street	538 m²	Residential	R150 000
5304	Jeffreys Bay	Koraal Street	571 m²	Residential	R150 000
325	Aston Bay	Glenny Buchner Drive	339m²	Residential	R250 000
482	Aston Bay	Barbet Crescent	554m²	Residential	R120 000

Prospective buyers are directed to the appointed property estate agent, **Groenewald Ted t/a Hancke Realtors** with his principal place of business at 1 Doringkampfarm Street, Kabeljaauws, Jeffreys Bay, 6330, herein represented by Frederik Groenewald who have been instructed to list the following vacant municipal residential properties:

1044	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
1045	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
1046	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
1047	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
1048	Humansdorp	Geelhout Avenue	1200 m²	Residential	R190 000
6275	Jeffreys Bay	Kabeljouws	525 m²	Residential	R170 000
6276	Jeffreys Bay	Kabeljouws	522 m²	Residential	R170 000
509	Aston Bay	Jacana Drive	581m²	Residential	R130 000
225	Pellsrus	Garnaal Street	480 m²	Residential	R180 000
226	Pellsrus	Garnaal Street	503m²	Residential	R180 000

Prospective buyers are directed to the appointed property estate agent, **Arderne Properties t/a Pam Golding Properties** with its principal place of business at 56 Lyme Road, St Francis Bay, 6312, herein represented by Richard Henry Arderne who have been instructed to list the following vacant municipal residential properties:

1043	Sea Vista	Palma Road	1299 m²	Residential	R250 000
1047	Sea Vista	Majorca Crescent	907 m²	Residential	R180 000
1050	Sea Vista	Majorca Crescent	832 m²	Residential	R170 000
1051	Sea Vista	Majorca Crescent	832 m²	Residential	R170 000
1052	Sea Vista	Majorca Crescent	832 m²	Residential	R170 000
5429	Jeffreys Bay	Koraal Street	520 m²	Residential	R150 000
5820	Jeffreys Bay	Takbok Street	698 m²	Residential	R170 000
4916	Jeffreys Bay	Seetuin Road	736 m²	Residential	R160 000
533	Pellsrus	Garnaal Street	264 m²	Residential	R15 000
488	Aston Bay	Loerie Avenue	621m²	Residential	R140 000

All information should be obtained from the relevant estate agents including the submission of tenders/offers should be submitted with the relevant estate agent as directed above.

Further particulars are available at the office of the Directorate Planning, Development and Tourism: Municipal Offices, 16 Woltemade Street, Jeffreys Bay. Contact: Mr. S. Grootboom: 0422002168

MR. D DE JAGER
DEPUTY MUNICIPAL MANAGER

P.O. BOX 21
JEFFREYS BAY

6330

For Publication:

Kouga Express — **16 June 2021**
Municipal Notice Boards
Municipal Website

KOUGA
local municipality
Good Governance through Service Excellence

NOTICE

NOTICE NO. 183/2022
PUBLIC INVITATION FOR BIDDERS TO SUBMIT OFFERS FOR VACANT MUNICIPAL RESIDENTIAL ERVEN WITHIN THE KOUGA MUNICIPAL AREA

Notice is hereby given that tenders/offers are invited for the disposal of the vacant residential properties, erf 13 and 752 Aston Bay which will be available with the appointed panel of Estate Agent in line with the provisions of tender no. 137/2021.

Prospective buyers are directed to the appointed property estate agent, **Jada Prop (Pty) Ltd t/a Pam Golding Properties** with its principal place of business at 6A Jeffrey Street, Jeffreys Bay, 6330, herein represented by Jaco Bothma who have been instructed to list the following vacant municipal residential properties:

ERF	AREA	STREET ADDRESS	EXTENT	ZONING	VALUATION
13	Aston Bay	7 Glenny Buchner	375m²	Residential	R170 000
752	Aston Bay	34 Glenny Buchner	339m²	Residential	R240 000

All information should be obtained from the relevant estate agents including the submission of tenders/offers should be submitted with the relevant estate agent as directed above.

Further particulars are available at the office of the Directorate Planning, Development and Tourism: Municipal Offices, 16 Woltemade Street, Jeffreys Bay. Contact: Mr. S. Grootboom: 0422002168

MR. C. DU PLESSIS, MUNICIPAL MANAGER
P.O. BOX 21, JEFFREYS BAY, 6330

Council resolved that the below properties be re-advertised or offer to purchasers (OTP) be received as it was not awarded in the first round of offers received.

PROPERTIES RE-ADVERTISED/OFFERS TO BE RECEIVED:

ERF NO	LOCALITY	AREA	EXTENT	ZONING	MARKET PRICE
ERF 325	**ASTON BAY**	GLENNY BUCHNER DRIVE	339m²	Residential	R250,000.00
ERF 752	**ASTON BAY**	GLENNY BUCHNER DRIVE	399m²	Residential	R240,000.00
ERF 5839	**JEFFREYS BAY**	KWAGGA STREET	399m²	Residential	R180,000.00
ERF 5304	**JEFFREYS BAY**	KORAAL STREET	571m²	Residential	R150,000.00
ERF 5429	**JEFFREYS BAY**	KORAAL STREET	520m²	Residential	R150,000.00
ERF 4916	**JEFFREYS BAY**	SEETUIN ROAD	736m²	Residential	R160,000.00
ERF 1037	**HUMANSDORP**	GEELHOUT AVENUE	1200m²	Residential	R190,000.00
ERF 1039	**HUMANSDORP**	GEELHOUT AVENUE	1200m²	Residential	R190,000.00
ERF 1040	**HUMANSDORP**	GEELHOUT AVENUE	1192m²	Residential	R190,000.00
ERF 1046	**HUMANSDORP**	GEELHOUT AVENUE	1200m²	Residential	R190,000.00
ERF 488	**ASTON BAY**	LOERIE AVENUE	1200m²	Residential	R140,000.00

BIDS RECEIVED:

ERF NO	ZONING	TENDERER	TENDERED PRICE (EXCL. VAT)	MARKET PRICE	RESPONSIVE / NON-RESPONSIVE
ERF 488, ASTON BAY	Residential	David Christo Bezuidenhout	R140,000.00	R140,000.00	**RESPONSIVE**
ERF 5429, JEFFREYS BAY	Residential	Margaret Nomsa Mvimbeli	R150,000.00	R150,000.00	**RESPONSIVE**
ERF 1039, HUMANSDORP	Residential	Mucleli Ncana	R150,000.00	R190,000.00	**NON-RESPONSIVE (BELOW MARKET VALUE; NOT FTHO)**
ERF 1040, HUMANSDORP	Residential	Mucleli Ncana	R150,000.00	R190,000.00	**NON-RESPONSIVE (BELOW MARKET VALUE; NOT FTHO)**
ERF 1040, HUMANSDORP	Residential	EJ & E Albrecht	R150,000.00	R190,000.00	**RESPONSIVE (BELOW MARKET VALUE; FTHO)**
ERF 4916, JEFFREYS BAY	Residential	Astrotone 178 CC	R200,000.00	R160,000.00	**RESPONSIVE (NOT FTHO)**
ERF 4916, JEFFREYS BAY	Residential	CE & K Didloft	R170,000.00	R160,000.00	**RESPONSIVE (FTHO)**

TENDER SPECIFICATIONS:

15. Evaluation of offers

15.1 Offer/s that has been received and evaluated by the Estate Agent will be checked by the Municipality to ensure that an offer/s is in line with the conditions and intention of the tender, including special conditions which gives preference as follows:

15.1.1. Historically disadvantaged individuals

15.1.2. First time home buyers

15.1.3. Local residents

15.2. The offers must be evaluated on the following preference point system:

15.2.1. A bid wherein the sale of an asset shall not exceed R 500,000.00, shall be evaluated on the 80/20 preference point system, being:

15.2.1.1. Price: 80 points

15.2.1.2. Historically Disadvantaged Individual: 10 points

15.2.1.3. First time homeowner: 6 points

15.2.1.4. Locality: 4 points

15.2.2. A bid wherein the sale of an asset shall exceed R 500,000.00, shall be evaluated on the 90/10 preference point system, being:

15.2.2.1. Price: 90 points

15.2.2.2. Historically Disadvantaged Individual: 5 points

15.2.2.3. First time homeowner: 3 points

15.2.2.4. Locality: 2 points

PREFERENCE POINT SCORING:

ERF 488, ASTON BAY										
	Description: Price									
	Scoring:80/20 EXCL. VAT									
								Price	Preference Points	TOTAL
No:	Bidder	80.00	1	Price Tendered	Max Price			80.00	20.00	MAX POINTS SCORED
		1	2	3	4	5	6	7	8	
FORMULA						3-4/4	2-5	1*6		7+8+9
1	DC BEZUIDENHOUT	80.00	1	R140,000.00	R140,000.00	-	1.0	80.00	4.00	84.00

ERF 5429, JEFFREYS BAY										
	Description: Price Scoring:80/20 EXCL. VAT									
								Price	Preference Points	TOTAL
No:	Bidder	80.00	1	Price Tendered	Max Price			80.00	20.00	MAX POINTS SCORED
		1	2	3	4	5	6	7	8	
FORMULA						3-4/4	2-5	1*6		7+8+9
1	MN MVIMBELI	80.00	1	R150,000.00	R150,000.00	-	1.0	80.00	14.00	94.00

ERF 1039, HUMANSDORP										
	Description: Price									
	Scoring:80/20 EXCL. VAT									
								Price	Preference Points	TOTAL
No:	Bidder	80.00	1	Price Tendered	Max Price			80.00	20.00	MAX POINTS SCORED
		1	2	3	4	5	6	7	8	
FORMULA						3-4/4	2-5	1*6		7+8+9
1	M & N NCANA	80.00	1	R150,000.00	R190,000.00	0.21	0.8	80.00	14.00	77.16

ERF 1040, HUMANSDORP										
	Description: Price Scoring:80/20 EXCL. VAT									
								Price	Preference Points	TOTAL
No:	Bidder	80.00	1	Price Tendered	Max Price			80.00	20.00	MAX POINTS SCORED
		1	2	3	4	5	6	7	8	
FORMULA						3-4/4	2-5	1*6		7+8+9
1	M & N NCANA	80.00	1	R150,000.00	R190,000.00	0.21	0.8	80.00	14.00	77.16
1	EJ & E ALBRECHT	80.00	1	R150,000.00	R190,000.00	0.21	0.8	80.00	20.00	83.16

ERF 4916, JEFFREYS BAY										
Description: Price **Scoring:80/20 EXCL. VAT**										
								Price	**Preference Points**	**TOTAL**
No:	**Bidder**	**80.00**	**1**	**Price Tendered**	**Max Price**			**80.00**	**20.00**	**MAX POINTS SCORED**
FORMULA		**1**	**2**	**3**	**4**	**5** **3-4/4**	**6** **2-5**	**7** **1*6**	**8**	**7+8+9**
1	**ASTROTONE 178 CC**	80.00	1	R200,000.00	R160,000.00	**0.25**	1.3	100.00	4.00	104.00
2	**CE & K DIDLOFT**	80.00	1	R170,000.00	R160,000.00	**0.06**	1.1	85.00	20.00	105.00

4. Recommendation

4.1 It is recommended that the following responsive Bids be accepted:

ERF NO	ZONING	TENDERER	TENDERED PRICE (EXCL. VAT)	MARKET PRICE	RESPONSIVE / NON-RESPONSIVE
ERF 488, ASTON BAY	Residential	David Christo Bezuidenhout	R140,000.00	R140,000.00	**RESPONSIVE**
ERF 5429, JEFFREYS BAY	Residential	Margaret Nomsa Mvimbeli	R150,000.00	R150,000.00	**RESPONSIVE**
ERF 1040, HUMANSDORP	Residential	EJ & E Albrecht	R150,000.00	R190,000.00	**RESPONSIVE (BELOW MARKET VALUE; FTHO) – 78,95% OF MV**

ERF 4916, JEFFREYS BAY	Residential	CE & K Didloft	R170,000.00	R160,000.00	**RESPONSIVE (FTHO)**

4.2 It is recommended that where bids received are less than the market value, consideration of **not less than 75%** of the market value should be given for Previously Disadvantaged (PDI) and First Time Homeowners (FTHO) as described in our Policy and Procedures for the Disposal of Immovable Assets adopted 29 October 2020.

5.21 Plight of the poor

5.21.1 Whenever the plight of the poor shall be a consideration in any decision to be taken in respect of the acquisition, disposal or letting of immovable property, regard shall be given to:

i) the extent to which the needs of the poor are or have been addressed,

ii)the potential loss or benefit the poor can suffer or gain through the decision concerned and

iii)the financial resources available to address the needs of the poor.

5.22 First time home owners

5.22.1 Immovable property purchased from Council by a first-time homeowner shall not, without Council's written consent, be resold within a period of 5 years of the date of transfer unless it was acquired through a fair tender process. This stipulation must be included in the Deed of Sale where it is applicable.

The need to promote first time home ownership in previously disadvantaged communities is recognised. The main objective of this method is the promotion of first time home ownership in previously disadvantaged communities. Natural persons who had never owned a home.

4.3 It is also recommended that the properties/land not allocated or not sold, be re-advertised in line with the provisions of Tender Notice 137/2021.

PROPERTIES TO BE RE-ADVERTISED:

ERF NO	LOCALITY	AREA	EXTENT	ZONING	MARKET PRICE
ERF 325	**ASTON BAY**	GLENNY BUCHNER DRIVE	339m²	Residential	R250,000.00
ERF 752	**ASTON BAY**	GLENNY BUCHNER DRIVE	399m²	Residential	R240,000.00
ERF 5839	**JEFFREYS BAY**	KWAGGA STREET	399m²	Residential	R180,000.00
ERF 5304	**JEFFREYS BAY**	KORAAL STREET	571m²	Residential	R150,000.00
ERF 1039	**HUMANSDORP**	GEELHOUT AVENUE	1200m²	Residential	R190,000.00

4.4 That Council makes provision for the additional valuation costs for SARS as it was not known and communicated to the Estate Agents and Bidders at the time of consultations for these bids.

4.5 That the leading department informs the Estate Agents regarding the additional costs for valuations when accepting new bids until Tender 137/2021 expires.

4.6 That Council authorizes the delegated authority to finalize the transfers of the properties to the successful bidders.

KOUGA local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO**: 25/04/PD9**

REQUEST FOR COUNCIL FINAL APPROVAL FOR THE ACQUISITION OF PORTION 23 OF FARM 335, HUMANSDORP RD TO DEVELOP A HOMELESS CENTRE

1. **Introduction**

The purpose of this report is to request Council to acquire Portion 23 of Farm 335, Humansdorp RD for the development of a centre for the homeless people residing in Jeffreys Bay.

2. **Background**

In November 2022, Council granted an in-principle approval to develop a homeless centre on Erven 5772 and 6633 Jeffreys Bay (**See annexure "A**"). After careful consideration, the identified properties were deemed not suitable for the proposed facility due to location and size of the property. The Department was subsequently tasked to identify another portion which may be suitable for the proposed use.

3. **Discussion**

It has come to the attention of the municipality that there is an increasing number of homeless people within Jeffreys Bay. The presence of homeless individuals in town can lead to several challenges, which may include:

Public Health Concerns: Homelessness can lead to the spread of infectious diseases due to lack of access to hygiene facilities and medical care.

Safety Issues: Some community members may feel unsafe due to perceived or actual crime associated with homelessness, which can affect the overall sense of security in the area.

Economic Impact: Homelessness can deter tourism and local business by creating a perception of an unsafe or undesirable environment.

Resource Strain: Local services, such as shelters, food banks, and healthcare facilities, may become overwhelmed, leading to decreased support for both homeless individuals and the general population.

Social Stigma: The presence of homeless individuals can reinforce negative stereotypes and stigmas, leading to social division and discrimination within the community.

Environmental Concerns: Accumulation of litter, waste, and damage to public spaces can occur in areas where homeless individuals congregate, leading to environmental degradation.

A request was made to create a place through an NPOs for a secure centre area where people can be offered temporary accommodation, access to social welfare, and commit to the transition program.

The Department identified a property in Pellsrus, which is owned by the Congregational Church of Jeffreys Bay as an alternative site, namely Portion 23 of Farm 335, Humansdorp RD to establish a Shelter. The property is currently developed and comprises a structure which may be used as a centre immediately.

The municipality approached the church to negotiate the possibility of procuring the land and the existing buildings on the premises. The church was willing to sell the property to the municipality and it was agreed that the municipality would obtain a market related valuation.

Land parcel information and aerial image indicating the location of the property is attached as **Annexure "B"**.

The general municipal valuation as well as the market valuation was obtained and attached as **annexure "C"**.

4. **Financial Implications**

Completed by BTO -	
Project Description	Procurement of Homeless Shelter Property
Ukey no.	20250206074597
Budgeted Amount	R1,400,000.00
Amount spent and committed to date	NIL
Amount Available	R1,400,000.00
Comment	
Completed by BTO -	KOUGA MUNICIPALITY BUDGET &TREASURY

5. **Applicable Legislation**

Municipal Finance Management Act 56 of 2003
Municipal Asset Transfer Regulations
Kouga Municipal Disposal of Immovable Assets Policy of 2020, as approved by Council.

6. **Legal Implications**

Should the Council approve the recommendation the Accounting Officer may negotiate with the property owner and enter into Deed of Sale can be and attend to the formal transfer of the immovable property may proceed.

7. **Other Implications**

The municipality shall be responsible for the transfer costs relating to the formal transfer of the immovable property.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Item noted.

8.2 **Director: Planning & Development**

Recommendation supported.

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 Council **grant final approval** for the development of a centre for the homeless residing in Jeffreys Bay on Portion 23 of Farm Zeekoei River No. 335, Humansdorp RD.

10.2 That Council considers the average between the General Municipal Valuation of 2023 and the market-related valuation of R1,400,000.00 received from an independent valuer which amounts to **R1,075,000.00**, of which budgetary provisions were made.

10.3 That Council authorizes the Accounting Officer to enter into negotiations with the registered property owner, in line with the thresholds in 10.2 above, and submit and offer to the Seller, and enter into a Deed of Sale, should the Seller accept the offer to purchase.

10.4 That it be noted that once the property is transferred, an NPO be appointed to manage all administration in respect of the development of the property.

10.5 That the NPO establish an NPC to manage all aspects of the management of the centre, upon which an administrator of the Municipality has a permanent seat.

10.6 That a Service Level Agreement (SLA) be concluded with the successful NPO for the management of the centre.

Item prepared by the: The Manager: Land & Property Administration 

Item approved by the: Director Planning & Development 

Item endorsed by the: Municipal Manager: 

Item noted by Portfolio Chairperson: 

Annexure "A"

22/11/PDT14	REQUEST FOR COUNCIL AUTHORISATION FOR CONSOLIDATION, REZONING, SUBDIVISION AND IN-PRINCIPLE APPROVAL TO DEVELOP A SHELTER FOR THE HOMELESS ON ERVEN 5972 & PORTION OF 6633, JEFFREYS BAY	That the Council grant in-principle approval for the alienation of erven 5972 & portion of 6633, Jeffery's Bay.	Item submitted to Council	In-principle approval obtained.
		That Council grant authorization for the subdivision and rezoning of 5972 & portion of 6633, Jeffery's Bay for the purpose of developing a Homeless Shelter	Item submitted to Council	Council resolved on this matter.
		That Council authorise the commencement of a public participation process and stakeholder engagement	Received objections against the application	Leading department has identified alternative land on a portion of portion 125 of erf 335.
		That a call for proposals be published inviting NPO's / NGOs interested in establishing a Homeless Shelter on identified land parcel above	Call for proposals will follow after final approval of the application	In-principle approval obtained

Annexure "B"

Land parcel information and aerial image:

Portion 23 of Farm 335, Humansdorp RD (Pellrus)



Zoning information

Land Parcel

13 Mar 2025 13:41

Erf	335 of Humansdorp RD (Portion 23)	**Zoning: Financials**	99999
Address	35 Tornyn Street	**Zoning**	Kouga Municipality Land Use Scheme - Residential Zone 1
SG Number	C03400000000033500023	**Land Usage: Financials**	
Municipality	Kouga	**Ward: Financials**	
Township/Holding: Title Deed	Humansdorp RD	**Ward: Demarcation Board**	Kouga 14
Suburb: Financials	Kleinseekoeirivier (40009)	**Sources**	Deeds Office, Surveyor General, Financials
Centroid	34.05683460341392S 24.916641726484574E	**Effective**	
Sectional Title	No		
Farm Name	ESTATE KLEIN ZEEKOE RIVER		
Extent	1913sqm		
Extent (SG)	1915sqm		
Extent (Title Deed)	1913 SQM		

Title Deeds

Owner	Title Deed	Share	Purchased	Registered	Price (Alpha)	New No
Congregational Church-Jeffreys Bay	T408/1976	0.0000		15 Jan 1976	R	

Properties

Unit	26 Digit Code	Owner(s) and Id(s)	Scheme	Scheme Number
0	C03400000000033500 02300000	Congregational Church-Jeffreys Bay		

Current Municipal Information

Valuation Date	Valuation Category	Valuation Category Tariff	Market Value	Extent
			687000	0

Annexure "C"

General Valuation – 2023

Land Parcel

13 Mar 2025 13:40

Erf	335 of Humansdorp RD (Portion 23)	**Zoning: Financials**	99999
Address	35 Tornyn Street	**Zoning**	Kouga Municipality Land Use Scheme - Residential Zone 1
SG Number	C03400000000033500023	**Land Usage: Financials**	
Municipality	Kouga	**Ward: Financials**	
Township/Holding: Title Deed	Humansdorp RD	**Ward: Demarcation Board**	Kouga 14
Suburb: Financials	Kleinseekoeirivier (40009)	**Sources**	Deeds Office, Surveyor General, Financials
Centroid	34.05683460341392S 24.916641726484574E	**Effective**	
Sectional Title	No		
Farm Name	ESTATE KLEIN ZEEKOE RIVER		
Extent	1913sqm		
Extent (SG)	1915sqm		
Extent (Title Deed)	1913 SQM		

Valuations and Surveys

Project	Category / Usage	H Area			Status	Review Status	Current Value
Interim Valuation 2010-03	Unknown (As Per MPRA)	Unknown			Valued		1,039,000.00
2013 - 2018_DDP Valuation Roll as Printed	2q-01 (PBO-Churches) (Kouga)	Unknown			Valued		687,000.00
2018 General Valuation	PUBLIC BENEFIT ORGANISATIONS (GV2018)	Unknown			Valued		710,000.00
2023 General Valuation	PLACE OF PUBLIC WORSHIP 2023 (2023 General Valuation)	Unknown			Valued		750,000.00

Independent Market Related Valuation

DDP

Valuation Report

35 TORNYN STREET
PELLSRUS
JEFFREYS BAY

PORTION 23 ESTATE KLEIN ZEEKOE RIVER
NO. 335 HUMANSDORP RD
KOUGA MUNICIPALITY
EASTERN PROVINCE

Reference number
DDPCtnR3967

Purchase Order
237265



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1. CONTACT DETAILS

Client / Instructing Party	Kouga Local Municipality
Name	Marius Gysman
Title	Coordinator: Land, Property & Finance
Organisation	Kouga Local Municipality
Address	16 Woltemade Street Jeffreys Bay 6330
Phone	+27 (42) 200 2200
Fax	Not Provided
Mobile	+27 (81) 218 6787
Email	mgysman@kouga.gov.za
Website	www.kouga.gov.za

Valuer / Company	DDP Valuers (Pty) Ltd
Name	Antonie Oosthuizen
Title	Professional Valuer
Address	Modena Building, Suite 5, 4th Floor Bella Rosa Village 21d Durbanville Avenue Rosendal Bellville, 7530 South Africa
Phone	+27 (21) 910 2300 / 0800 060 200
Fax	+27 (86) 675 8237
Mobile	+27 (82) 480 4595
Email	antonie.oosthuizen@ddp.co.za
Website	www.ddp.co.za

2. SUMMARY OF KEY FACTS

Subject Property	Portion 23 Estate Klein Zeekoe River No. 335 Humansdorp RD Eastern Province
Physical Address	35 Tornyn Street Pellsrus
Registered Owner	Congregational Church Jeffreys Bay
Date of Inspection	17 October 2024
Effective Date of Valuation	17 October 2024
Method of Valuation	Market Approach (Comparable Sales)
Property Type	Residential dwelling
Erf Extent	1 913m^2
Improved Extent	Flat - 49m^2 House - 139m^2 (Not Acceptable Security)
Quality of Accommodation Offered	Flat – Average House – Fire Damage

3. INTRODUCTION

3.1. INSTRUCTION

Mr. Marius Gysman on behalf of Kouga Municipality has instructed DDP Valuers (Pty) Ltd to determine the fair market value of the property as described in this report.

3.2. PURPOSE OF VALUATION

The purpose of this valuation report is to determine the fair market value of the subject property as of the date of valuation acquisition purposes.

3.3. METHOD OF VALUATION

Market Approach

The market approach is based on comparing the subject asset with identical or similar assets (or liabilities) for which price information is available, such as a comparison with market transactions in the same, or closely similar, type of asset (or liability) within an appropriate time horizon.

The International Valuation Standards 2020 defines the sales comparison method as: "The comparable transactions method, also known as the guideline transactions method, utilises information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value."

3.4. DEFINITION OF OPEN MARKET VALUE

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion.

3.5. DATE OF INSPECTION

17 October 2024

3.6. EFFECTIVE DATE OF VALUATION

17 October 2024

3.7. INFORMATION SOURCES

South African Transfer Property Guide
Office of the Surveyor General
Deeds Office
Own Records
Various property professionals

3.8. ASSUMPTIONS

An assumption is made where it is reasonable for the valuer to accept that something is true without the need for specific investigation or verification. Any such assumption must be reasonable and relevant having regard to the purpose for which the valuation is required – refer to RICS Valuation Global Standards 2020 for examples of assumptions.

- This valuation report is based on the assumption that no onerous conditions exist on the title deed. Should any such onerous conditions exist, this office reserves the right to alter this valuation report accordingly.

3.9. SPECIAL ASSUMPTIONS

A special assumption is made by the valuer where an assumption either assumes facts that differ from those existing at the valuation date or that would not be made by a typical market participant in a transaction on that valuation date – refer to RICS Valuation Global Standards 2020 for examples of special assumptions.

- No special assumptions were made.

4. TITLE DEED INFORMATION

Deed Description	Portion 23 Estate Klein Zeekoe Rover No. 335 Humansdorp RD Eastern Province
LPI Codes	C03400000000033500023
Registered Owners	Congregational Church Jeffreys Bay
Erf Extent	1 913m²
Historical Purchase Price	Not Available
Historical Purchase Date	Not Available
Title Deed Numbers	T408/1976CTN
Date of Transfer	Not Available
Endorsements	None noted
Servitudes	None noted

5. ZONING INFORMATION AND LOCAL AUTHORITY VALUATION

Local Authority	Kouga Local Municipality	
Site Description	Portion 23 Estate Klein Zeekoe Rover No. 335 Humansdorp RD Eastern Province	
	Permissible	Actual
Zoning	Religious	Dwelling
General Valuation	R750 000.00	
Date of Implementation	01 July 2023	

6. LOCATION AND SITUATION

6.1. LOCATION

The subject property is located at 35 Tornyn Street, Pellsrus, on the corners of Prospect and Pell Streets and Prospect and Tornyn Streets with the entrance located in Prospect Street. Pellsrus is a lower-income suburb of Jeffreys Bay and also accommodates an industrial area. Jeffreys Bay is a well-known holiday destination and also host world surfing championships.

The subject property is predominantly surrounded by residential and industrial properties as well as vacant land.

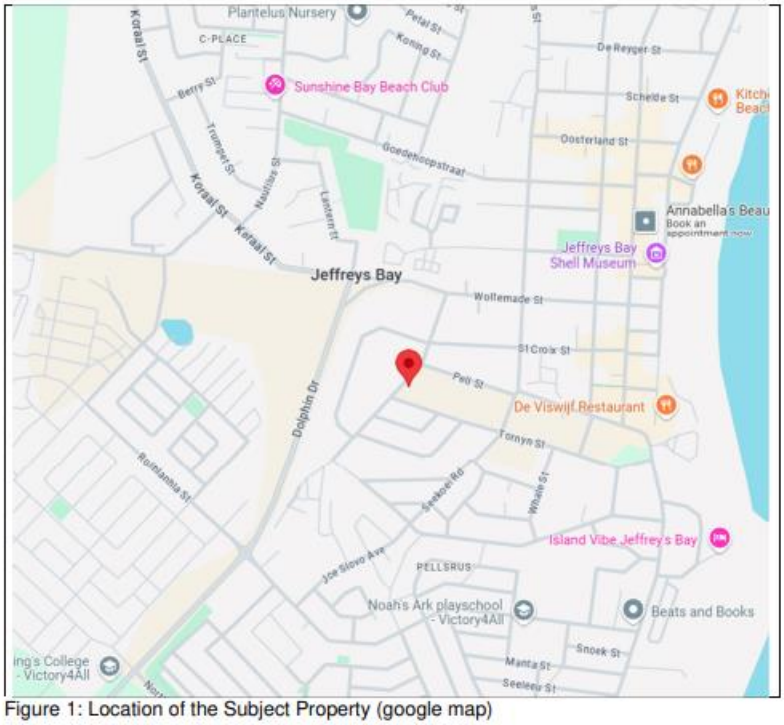


Figure 1: Location of the Subject Property (google map)



Figure 2: Aerial View of the Subject Property

6.2. ACCESS

The subject property is located at 35 Tornyn Street, Pellsrus with the entrance located in Prospect Street. It is easily accessible from the N2 Highway via the Jeffreys Bay Off Ramp. Continue in a southern direction with St. Francis Street which is the extension of the off ramp towards Jeffreys Bay. Turn right into Koraal Street which becomes Woltemade Street and then right into Prospect street. The subject property is located on the corners of Prospect and Pell Streets and Prospect and Tornyn Streets.

6.3. TOPOGRAPHY

The subject located on a triangular shaped stand with a level topography.

7. HIGHEST AND BEST USE[1]

([1]A term meaning the reasonable, probable, and permissible use that will support the highest present value, as of the effective date of valuation).

The highest and best use for the subject property is for Residential purposes based on the following value-forming attributes:

- The current improvements on the subject property;
- The location of the subject property and the surrounding area; and
- The existing zoning and use of the subject property.

8. DESCRIPTION OF IMPROVEMENTS

Structural Improvements
The structural improvements include a dwelling house with detached flat.

Main Dwelling:
The dwelling house is a plastered brick structure with asbestos roof and wood frame windows which offers an open patio, three bedrooms, two bathrooms, living room, kitchen and a laundry room. The main dwelling measures ±139m² in extent.

Note: *The main house has been damaged in a fire recently (December 2023) which damaged several rooms in the house and part of the roof. There are no electrical fittings and no ceiling in the passage as well as the areas damaged by the fire. Therefore the main house has not been included in this valuation.*

Flat:

The flat is a plastered brick structure with double pitched asbestos roof and wooden windows. It offers two bedrooms, one bathroom, living room and kitchen. It is in average condition with standard fittings and finishes with no visible damage or structural defects.

Site Improvements

The site improvements include a precast boundary wall which is in average condition.

Construction Material and Finishes

Roof	Asbestos Roof
Superstructure	Plastered and painted brick
Window frames	Wooden frames with glass insets
Floor covering	Ceramic tiles
Ceilings	Gypsum Board

Construction Areas

Areas, as noted below, have been concluded from a physical inspection, and measurements taken are as follows:

Type of Improvements	Gross Building Area	
Main Dwelling (NAS)	139	m²
Flat	49	m²
Total	49	m²

9. MARKET COMMENTARY

9.1. MACRO

Rode's Report (2024:2) states that listed property is back on the radar of investors and it was the best performer of the different asset classes in the first half of 2024. This comes after share prices of listed property funds ended the second quarter of 2024 with a great rally on optimism about the Government of National of Unity (GNU) and the hope that the local interest-rate-cutting cycle will start before the end of 2024. We must however be caution that with interest rates, the timing is always uncertain, and investors can easily get it wrong. However, Rode believes we are getting closer to a turn in the cycle. On 22 July, the odds of a first rate cut in the US in September were around 95%, with up to three cuts seen before the end of 2024, according to data from the CME Group. This is due to signs of a cooling US economy, which can be seen in the labour market. This, and moves by other Central Banks, makes us believe that a local rate cut is also likely before the end of the year, with more easing to follow in 2025. Of course, inflation will have to play along. The formation of the GNU, better power supply, and expectations of lower interest rates have led some economists (like the BER at Stellenbosch University) to upgrade their view of economic growth for 2025 to around 2%. This is an improvement from the roughly 1% expected in 2024 and implies a more favorable medium-term outlook for the property market. However, it is no time to become euphoric as SA faces many intractable obstacles to higher growth rates – systemic problems that will take a long time to solve. That said, the capital markets can and will react swiftly to a lower interest-rate regime. But then again, economists do not expect interest rates to fall drastically in the medium term.

9.2. MICRO

The subject property is located in Pellsrus, a middle-income suburb of Jeffreys Bay. Since the beginning of 2023, 19 properties were sold in this area with prices varying from R40 000.00 up to R2 150 000.00 for erven varying in size from 240m² to 4 283m².

9.3. RESIDENTIAL PROPERTY MARKET

According to Rode's Report (2024:2) house prices in South Africa are still growing at less than inflation amid a weak economy and elevated interest rates. Nominal house prices grew by 0,4% in the second quarter of 2024 compared to the second quarter of 2023, based on FNB data. This implies that prices in real terms have continued to fall significantly after deducting inflation. Regionally, houses sold the quickest in the Western Cape in the second quarter of 2024, with Gauteng at the opposite end of the spectrum. It is expected that house price growth will remain under pressure over the next few months.

However, there is the prospects that local interest rates are expected to start declining before the end of this year and move even lower in 2025. Economic growth is also seen to be somewhat better than before. However, do not expect a mini-boom like during the pandemic as the prime rate is not expected to fall as low, while many of South Africa's problems will take a long time to fix.

9.4. COMPARABLE SALES

The comparable sales listed below are comparable transactions located in close proximity to the subject property. These sales are noted as they all compare favourably with the subject property in terms of location, extent on offer, type of improvements, and location within secured estates. The necessary adjustments for time and market conditions will be made.

Comparable Sale One



Deed Description	Portion 137 Estate Klein Zeekoe River No. 335 Humansdorp RD
Address	Wedged between Pell and Tornyn Streets
Date of Sale	14 August 2023
Purchase Price	R2 150 000.00
Accommodation Offered	Residential
Erf Extent	4 283m²
Estimated Improved Extent	127.00m²
Additional Comments	
This comparable property is located directly adjacent to the subject property, wedged between Pell Street and Tornyn Street. The stand is much larger than the subject property with superior improvements, although the condition is inferior. Overall this comparable is superior to the subject property. It offers a single storey plastered brick building with double pitched asbestos roof.	

Comparable Sale Two



Deed Description	Erf 59 Pellsrus
Address	5 Rob Street
Date of Sale	31 January 2024
Purchase Price	R680 000.00
Accommodation Offered	Residential
Erf Extent	613m²
Estimated Improved Extent	195m²

Additional Comments

This comparable property is located less than 700 metres south-west of the subject property and predominantly surrounded by residential erven. It is a much smaller erf with larger improvements which is in similar condition. Overall this property is regarded as inferior to the subject property. It offers a single storey face brick house with asbestos roof and outbuilding.

DDP

Comparable Sale Three



Deed Description	Portion 79 Estate Klein Zeekoe River No. 335 Humansdorp RD
Address	Duine Road
Date of Sale	06 May 2024
Purchase Price	R1 250 000.00
Accommodation Offered	Residential
Erf Extent	657m²
Estimated Improved Extent	140m²

Additional Comments

This comparable property is located approximately 550m² east of the subject property. It is a much smaller stand with superior improvements in similar condition. Overall this comparable is regarded as inferior to the subject property. The improvements include a single storey plastered brick house with double pitched clay tile roof.

MAP INDICATING LOCALITY OF COMPARABLE SALES



9.5. ADDITIONAL RESEARCH

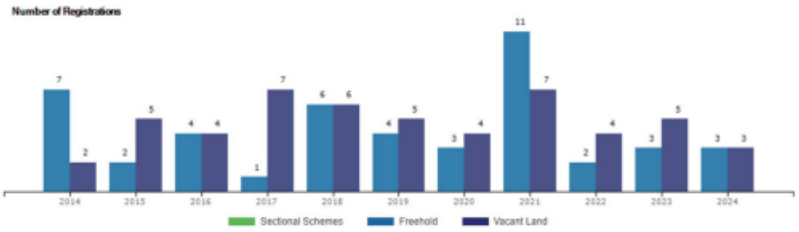
According to Property24.com there are currently only three properties in Pellsrus offered "For Sale". Two of them are residential properties, both in good condition on offer for R1 695 000.00 and R1 470 000.00, respectively. The third is a vacant land portion measuring 3 594m² in extent of which the price was not provided.

10. MOTIVATION

The registered sale transactions considered most comparable to the subject property are noted above. It is evident from the sales noted, that comparable transactions falling in this property category should achieve selling prices typically ranging between R680 000.00 and R2 150 000.00. This is considered a fair range, indicative of the selling prices achieved for properties with improvements measuring between 127m² and 195m² in extent with similar traits. When analysing the comparable sales noted above, it is possible to determine market norms in the area and adjustments will be made to determine a fair market value of the subject property.

All comparable sales are located at a similar address and within close proximity to the subject property. The major differences in value featured by the comparable sales are primarily represented by the extent of improvements, and the extent of the stands. Selling prices are influenced by a variety of these factors.

With reference to the graph below, it is evident that the number of sales transactions noted for the suburb indicates good consistency. Noted with this is an average supply and demand for these types of properties within Pellsrus.



11. VALUE SUMMARY

The following are important factors that need to be considered when determining the fair market value of the subject property:

- The popularity of the suburb and the lifestyle it offers;
- The easy access to major access routes and necessary amenities;
- The subject property offers limited accommodation and the main dwelling is not included in this valuation due to fire damage;
- The level gradient of the stand; and
- The stand size of the subject property.

The value of the subject property is considered a realistic and achievable value under current market conditions. It is, however, reliant on various factors, which will include:

- The anticipated time the property will remain on the market;
- Finding a qualified, suitably informed, willing purchaser; and
- Whether the purchaser can obtain adequate finance.

Therefore, based on the comparable sales, attributes of the subject property, and market norms in the surrounding area, we are of the opinion that the subject property will fall in the middle market segment with reference to the comparable sales noted above. After due consideration of the comparable sales listed, the condition, size, and location, as well as the current market conditions, the below value is considered market-related:

MARKET VALUE OF THE SUBJECT PROPERTY:
R1 400 000.00 (One Million Four Hundred Thousand Rand Only)

12. CONDITIONS AND RECOMMENDATIONS

This valuation is subject to the following conditions and recommendations:

12.1 This valuation report is based on the assumption that no onerous conditions exist on the title deed. Should any such onerous conditions exist, this office reserves the right to alter this valuation report accordingly.

12.2 The main dwelling was damaged by a fire and therefore was not included in this valuation.

DECLARATION

Having inspected the above-mentioned property and after taking due consideration of all the relevant factors, I **Antonie Oosthuizen** in my capacity as a **Professional Valuer**, consider the above valuation to be a true reflection and a fair assessment of the subject property's market value, as at the date of valuation.



Antonie Oosthuizen
Professional Valuer (South Africa)
SACPVP Reg. No. 7821

DATE: 17 October 2024

APPENDIX G: PHOTOGRAPHS



Front Elevation: Main Dwelling



Side Elevation: Main Dwelling



Interior: Main Dwelling



Bath Room: Main Dwelling



Main Dwelling: Fire Damage



Main Dwelling: Fire Damage



Exterior: Flat



Interior: Flat

CAVEATS

1. FULL DISCLOSURE

This valuation has been prepared on the basis that full disclosure of all information and factors that could affect the valuation ('all relevant factors') have been made to us. We accept no liability or responsibility whatsoever for the valuation if it should transpire that full disclosure of all relevant factors was not made.

2. THIRD-PARTY INVOLVEMENT

Where reliance was placed on information supplied by third parties in undertaking the evaluation, we have assumed such information to be substantially correct. We accept no liability or responsibility whatsoever for the valuation if it should transpire that the information supplied was substantially incorrect.

3. VALUATION STANDARD

This valuation has been prepared in accordance with the International Valuation Standards Committee requirements as adopted by the South African Council for the Property Valuers Profession and the South African Institute of Valuers.

4. FREEHOLD PROPERTY

In the case of freehold properties, we have inspected the relevant Title Deed documents when available. Whenever perusal of the Title Deed caused concern, we made specific reference to this in the Valuation Report. Where the Title Deeds were not available we have assumed that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances, or outgoings.

5. MORTGAGE BONDS, LOANS, OR OTHER CHARGES

The property has been valued as if wholly owned with no allowance made for any outstanding monies due in respect of mortgage bonds, loans, or other charges. No deductions have been made in our valuation for the cost of acquisition, such as legal or transfer fees, or the costs involved in the disposal of the assets.

6. CALCULATION OF AREAS

Where the client (or his/her representative) has provided all surface areas quoted within the Valuation Report, we assume such surface areas have been calculated in accordance with the SAPOA standard method of measurement. Where a valuer on-site measures the surface areas, the SAPOA standard method of measurement shall be employed.

7. PLANS

All plans included in the Valuation Report are supplied for identification and orientation only and are not necessarily to scale.

8. PROPERTY BOUNDARIES

The farm or property boundaries, as indicated to the Valuer by the instructing client or his appointed agent, or the boundaries as indicated by plans supplied by the client, are assumed to be the legal extent of the property. Any variation of these boundaries by extension or omission, and the resultant inclusion or omission of any improvements because of this or these variations, cannot, therefore, be regarded as the responsibility of the Valuer. We accept no liability or responsibility whatsoever for the valuation should it transpire that any boundaries were incorrectly pointed out.

9. OUTGOINGS

It is assumed, except where otherwise stated, that the property is subject to the normal property owner's outgoings and that there are no onerous restrictions or unusual covenants of which we have no knowledge. In preparing our valuation, we have formed our opinion of outgoings, having had reference to the various schedules of outgoings supplied by the client or a representative thereof.

10. STRUCTURAL CONDITION

The property has been valued in its existing state. In the event of its ownership or use changing in such a manner that the local authority will require the upgrading of the premises to comply with fire protection and other regulations, it may be necessary to reduce the valuation by the amount covering the cost of such compliance. We have had regard to the apparent state and condition of the property but have not carried out a structural survey, nor inspected those areas, which were covered, unexposed, or inaccessible, nor have we arranged for the testing of electrical, heating, or other services. The valuation assumes that the services and structures are in a satisfactory state of repair and condition unless otherwise stated in our report. The valuation further assumes that the improvements have been erected in accordance with the relevant Building and Town Planning Regulations as well as the Local Authority by-laws. We have not inspected woodwork or other parts of the structure, and we are therefore unable to report that such parts of the property are free from rot, beetle or other defects. We have assumed that no deleterious or hazardous materials or techniques were used in the construction of the property nor have since been incorporated.

11. CONTAMINATION

Our valuation assumes that a formal environmental assessment is not provided and further that the property is not environmentally impaired nor contaminated unless otherwise stated in our report.

12. VACANT LAND

No soil or substratum tests on the property have been undertaken and it is assumed that the property is suitable for the intended purpose, without having to provide excessive reinforcement to any structure built thereon.

13. STATUTORY NOTICE AND UNLAWFUL USE

We have assumed that the property and its value are unaffected by any statutory notice and that neither the property nor its condition, nor its use, nor its intended use, is or will be unlawful.

14. INDIVIDUAL PROPERTIES

The values reported are for the individual properties. No allowance is made for any premium, which may be applicable for an assembled portfolio of properties, nor is a discount allowed for any flooding of the market, which might exist if all, or a majority of the properties were offered for sale simultaneously.

15. CONFIDENTIALITY

This valuation is produced exclusively for the client and for the specific purposes to which it refers. It may be disclosed to other professional advisers assisting you in respect of that purpose. We accept no responsibility whatsoever to any parties other than yourselves who make use of this valuation.

DDP Group* values your privacy. Please note that by providing your personal information, you are giving DDP Group permission to process and store your personal information according to our PoPI Compliance Manual. The information that we process concerning our users is only used for the sole purpose that it is given. Your information will only be shared with third parties as mandated by legislation. If you have any objections or questions, please contact our Information Officer (io@ddp.co.za).

DDP Group accepts no liability for any loss, damages, and/or expenses of any nature which may arise as a result of, or which may be attributable directly or indirectly to information made available to us, or actions or transactions resulting therefrom. Please refer to our Privacy Policy for more information (https://ddp.co.za/legal/).

In the event of any changes to your personal information, you have an obligation to inform DDP Group within 30 days.

For more information regarding DDP Group, please refer to our website (https://ddp.co.za/legal/).

16. NON-PUBLICATION

Neither the whole nor any part of this valuation report or certificate, nor any reference thereto, may be included in any published document, circular, or statement, nor published in any way without the written approval of the Valuer, as to the form or context in which it may appear and acknowledgment that the Valuer is professional valuers.

17. INDEPENDENT VALUERS CLAUSE

Neither the Valuer nor any employee, have any present or contemplated interest in this or any other properties or any other interests, which could affect the statements or values, contained in this valuation report. The valuation enclosed herewith was therefore undertaken on a completely independent basis by a valuer employed the Valuer, a company that specializes in valuation and which does not trade in these assets.

18. VALUE ADDED TAX

All figures quoted are exclusive of Value Added Tax.

19. COURT CASES

Please note that if this report or any portions of the report are used in a court case, additional fees will be applicable.

20. LIABILITY

It is agreed that the maximum aggregate liability of DDP to the Client in respect of any loss or damage that may result from this engagement will be limited to a maximum of 300% of the fees paid or payable under this quotation.

Property Valuation Experts

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/PD11**

DEPARTMENT: PLANNING & DEVELOPMENT PROGRESS REPORT: REVIEW OF SPATIAL DEVELOPMENT FRAMEWORK (MSDF) 2020

1. **Introduction**

The purpose of this item is to present the Draft Municipal Spatial Development Framework Status Quo Report for adoption by Council.

2. **Background**

A Spatial Development Framework is a legally required component of the Municipality's Integrated Development Framework (IDP). It is required in terms of Section 26 (e) of the Municipal Systems Act (Act No. 32 of 2000). The municipality appointed Maswana JV Pty. (Ltd) to review the 2020 Municipal Spatial Development Framework MSDF on the 26 April 2024. Subsequently, a project steering committee (PSC) was established to overlook and guide the review process.

3. **Discussion**

An inception meeting was held with the service provider on the 26 June 2024, and the (PSC) approved the project methodology and milestones in terms of the Inception Report.

A Project Technical Committee (PTC) was tasked to provide technical inputs and guidance and assisting with tasks to ensure that the deliverables are met. Regular meetings were schedule to monitor progress.

In terms of Section 8 of the Spatial Planning and Land Use Management By-law: Kouga Municipality, 2016, the project committee must finalise the status quo report and submit it to the Council for adoption. The draft document was tabled before the PTC for input and discussion.

The Draft Status Quo Report is attached as **Annexure A**.

4. **Financial Implications**

Completed by BTO -	
Project Description	Kouga Municipal Spatial Development Framework Review
Ukey no.	20230707065909
Budgeted Amount	R 650 000-00 KOUGA MUNICIPALITY BUDGET &TREASURY
Amount spent and committed to date	R 138 450-00
Amount Available	R 511 550-00

Comment	

5. **Applicable Legislation**

- Spatial Planning and Land Use Management Act (16 of 2013).
- Kouga Local Municipal Spatial Planning and Land Use Management By-law, 2016.
- Municipal Systems Act, No.32 of 2000 (Chapter 5.)

6. **Legal Implications**

In terms of Section 20(3) of Spatial Planning and Land Use Management Act, Act 16 of 2013, a notice of the proposed spatial development framework review must be published in the Gazette and the media. Notice was sent to the MEC of COGTA. Notices were published in the local newspaper as well as in the Provincial Gazette.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Recommendation supported.

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 Council adopts the Draft Municipal Spatial Development Framework Status Quo Report.

Item prepared by the: Acting Manager Town & Regional Planning 

Item approved by the: Director Planning & Development 

Item endorsed by the: Municipal Manager: 

Item noted by Portfolio Chairperson: 

KOUGA

MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK

2024/2025

PHASE 2:

STATUS QUO REPORT

KOUGA local municipality
Good Governance through Service Excellence

Maswana GROUP OF COMPANIES

Maswana
GROUP OF COMPANIES

42 Buffelsfontein Road, Mount Pleasant
Port Elizabeth, 6070

PostNet Suite 66, Private Bag X0002
Sunridge Park, 6008

+27 87 821 3339

+27 82 801 7322

www.msjv.co.za
Maswana@msjv.co.za

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ABBREVIATIONS

COGTA	Department of Cooperative Governance and Traditional Affairs
DALRRD	Department of Agriculture, Land Reform and Rural Development
DDG	Deputy Director General
DDM	District Development Model
DEDEAT	Department of Economic, Development, Environmental Affairs and Tourism
DM	District Municipality
FPSU	Farmer Production Supporting Unit
EC	Eastern Cape Province
GIS	Geographic Information System
HOD	Head of Department
ICT	Information and Communication Technology
LM	Local Municipality (Kouga)
NGO	Non-Government Organisation
NSDF	National Spatial Development Framework
OTP	Office of the Premier
PDP	Provincial Development Plan
PSC	Project Steering Committee
MSDF	Municipal Spatial Development Framework
RSDF	Regional Spatial Development Framework
SACN	South African Cities Network
SALGA	South African Local Government Association
SDG(s)	Sustainable Development Goals
SEZ	Special Economic Zone
SOPA	State of the Province Address (EC Province)

GLOSSARY OF TERMS

Bioregional Planning

The bioregional approach is intended to simultaneously include many aspects of the natural and human life in a community. It will have a different emphasis depending on the conditions and location of the place.

Integrated Planning

In recent years, calls for cross-sectoral coordination and integrated planning approaches have echoed across different fields of planning. Internationally recognized, one of spatial planning's primary roles is to enhance the integration between sectors such as housing, transport, energy, and industry, and to integrate planning policy within the often-complex hierarchy of plans. It is therefore crucial that the approach to the preparation of a regional strategy must facilitate cross-sectoral analysis and institutional arrangements while also ensuring constant consideration of the various scales of planning, highlighting the links between policymaking and delivery at national, regional, and local scales.

Spatial Planning

Spatial planning is mostly recognized as a public sector function to influence the future spatial distribution of activities. The aim is to create a more rational territorial organization of land use and the linkages between them, to balance demands for development with the need to protect the environment, and to achieve social and economic objectives (Wegener, 1998). Spatial planning tries to coordinate and improve the impacts of other sectoral policies on land use, 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 function for promoting sustainable development and improving quality of life.

Sustainable Development

The planning system is facing up to some of the most important challenges of our time – climate change, economic restructuring, demographic shifts, housing affordability, and deep questions about the nature of our democracy. The acknowledgement of major global issues of environmental degradation and resource depletion, as well as the deterioration of living standards has contributed to the collective agreement that sustainability is no longer a minor developmental issue, but a trans-disciplinary challenge that must be placed at the forefront of the development agenda.

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1 INTRODUCTION

1.1 PURPOSE OF THE POLICY CONTEXT AND SITUATIONAL ANALYSIS REPORT

The purpose of this chapter is multifaceted, aiming to provide a comprehensive understanding and actionable insights into the current state and future direction of sustainable development. This chapter serves as a critical component of the Sustainable Development Framework (SDF), offering a detailed analysis of existing policies, statistical trends, and strategic opportunities. By doing so, it seeks to inform and guide policymakers, stakeholders, and the broader community in making informed decisions that foster sustainable development.

1.1.1 KEY OBJECTIVES

- **Alignment with Sustainable Development Goals (SDGs):** The chapter evaluates how current policies and practices align with the 17 SDGs. By mapping existing initiatives to these global goals, we identify gaps and opportunities for improvement. This alignment ensures that our strategies contribute to global efforts to eradicate poverty, enhance health and education, reduce inequalities, and promote economic growth while safeguarding the environment.
- **Incorporation of Bioregional Planning:** Recognizing the importance of local context, this chapter integrates the concept of bioregional planning. It examines how regional characteristics, including ecological, cultural, and economic factors, influence development policies. By adopting a bioregional perspective, we ensure that our strategies are tailored to the unique needs and potentials of different regions, fostering resilience and sustainability.
- **Adherence to Planetary Boundaries:** This chapter assesses how current development practices respect the nine planetary boundaries essential for maintaining Earth's stability and resilience. By identifying areas where boundaries are at risk of being transgressed, we propose necessary adjustments to policies and practices. This approach helps prevent environmental degradation and ensures that development is ecologically sustainable in the long term.
- **Data-Driven Analysis:** Utilizing robust statistical data, the chapter provides a detailed analysis of trends and patterns in various sectors relevant to sustainable development. This data-driven approach enhances the accuracy and reliability of our assessments, providing a solid foundation for decision-making.
- **Identification of Synergies and Trade-Offs:** Sustainable development often involves balancing competing interests and priorities. This chapter identifies synergies that can be leveraged to achieve multiple goals simultaneously, as well as trade-offs that need to be managed. By understanding these dynamics, we can develop more effective and balanced policies.
- **Policy Recommendations:** Based on the comprehensive analysis, this chapter offers actionable policy recommendations. These recommendations are designed to enhance the effectiveness of sustainable development initiatives, ensuring that they are equitable, efficient, and environmentally sound.

The policy and situational analysis is dedicated to advancing sustainable development by leveraging the interconnected concepts of the SDGs, bioregional planning, and planetary boundaries. Through this holistic approach, we strive to chart a course towards a resilient and sustainable future for all.

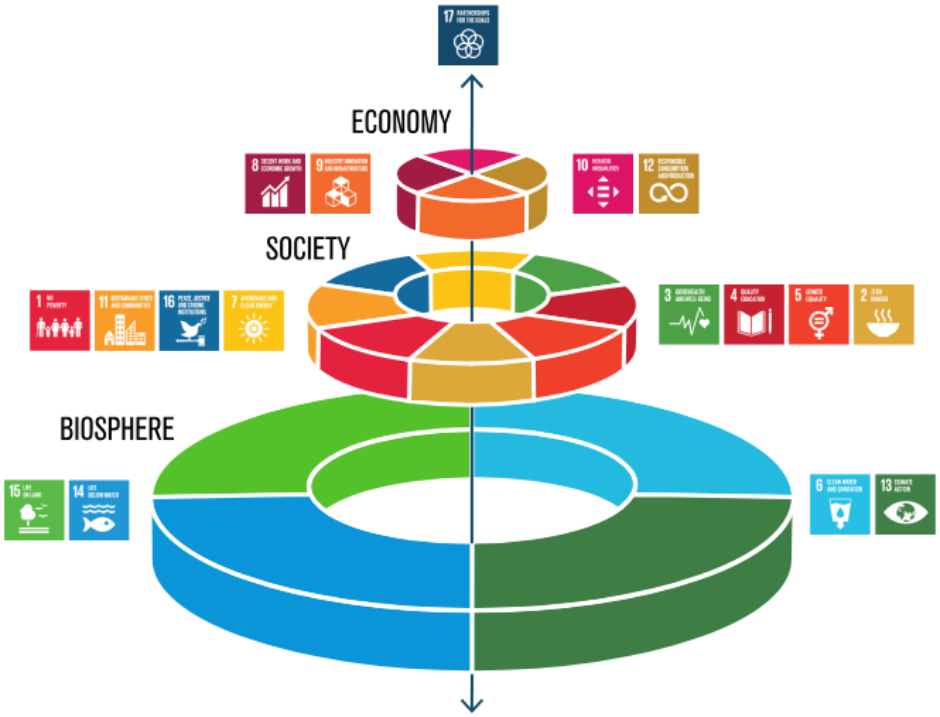


Figure 1: Localising the Sustainable Development Goals

2 DIRECTIVE ECOSYSTEM

The primary mandate and focus of MSDF is to ensure the implementation of broader spatial and strategic objectives (as reflected in the relevant national policies and legislation as well as the DSDF, PSDF and NSDF) at the local level. Thus, these plans serve as a means for the planning system to incentivise development in a way that meets a range of locally specific policy objectives while ensuring the "on the ground" manifestation and implementation of these spatial objectives. The figure below indicates the various policy and legislation objectives that must be reflected within the Kouga Municipality's jurisdiction.

2.1 MULTI-LEVEL POLICY ECOSYSTEM

Strategic and spatial planning is undertaken by the various spheres of government, creating a complex and intricate legislative environment that must be navigated to ensure alignment and expression of the strategic intent of each sphere takes place in a coordinated manner.

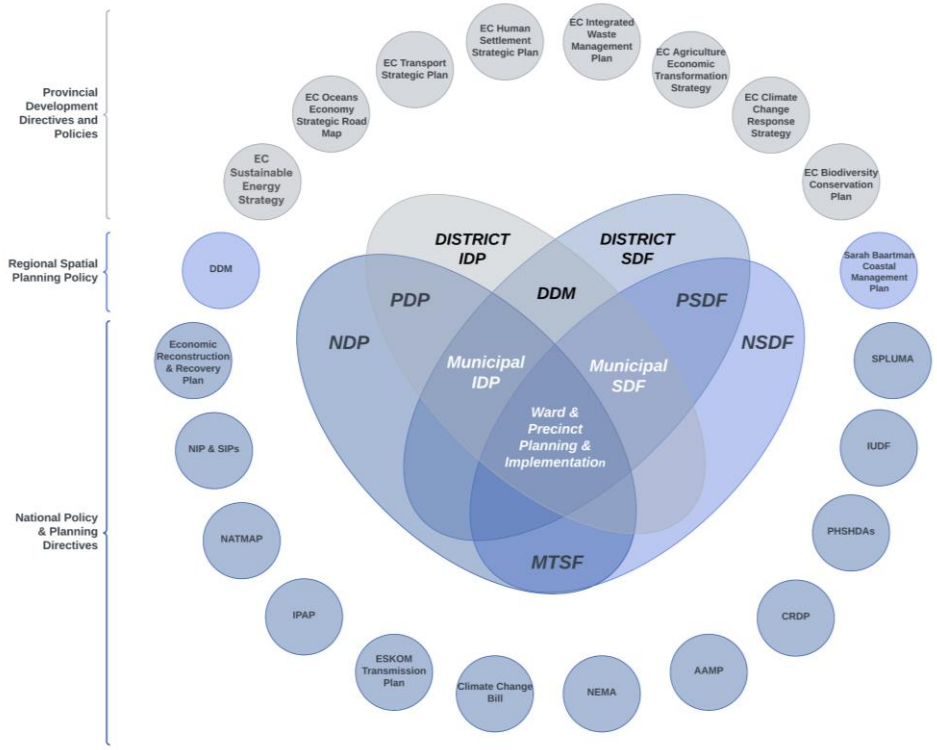


Figure 2: Policy directive ecosystem

2.2 REGIONAL AND CROSS-BOUNDARY DIRECTIVE IMPLICATIONS

2.2.1.1 SARAH BAARTMAN ONE PLAN (DISTRICT DEVELOPMENT MODEL)

The Sarah Baartman District Municipality DDM One Plan aims to implement the District Development Model (DDM) to enhance service delivery and development impact through integrated planning, budgeting, and execution by all government levels in collaboration with stakeholders and communities. It seeks to align and synergize key national and provincial policies, such as the National Development Plan (NDP) and Integrated Urban Development Framework (IUDF), with the district's socio-economic and spatial development goals. The plan provides a unified approach to these priorities through a Long-Term Strategic Framework, ensuring coherent governance and financial management, fostering an investment-friendly environment, and tracking performance and spending to meet the district's shared vision for future development.

The DDM One Plan is grounded in a Theory of Change with six transformation focal areas: People Development and Demographics, Economic Positioning, Spatial Restructuring and Environmental Sustainability, Infrastructure Engineering, Integrated Services Provisioning, and Governance and Management. These areas aim to improve the quality of life, attract investment, create jobs, and establish sustainable and integrated human settlements. The plan emphasizes holistic service delivery, efficient infrastructure investment, and effective governance to achieve the district's socio-economic and spatial transformation goals. The following table provides a summary of the DDM Focal Areas.

Table 1: Sarah Baartman One Plan Focal Area Summary

Sarah Baartman DDM Focal Areas	Description
People Development and Demographics	Aims to improve quality of life through understanding population dynamics and integrating skills development with economic, spatial, and governance transformations.
Economic Positioning	Focuses on creating a competitive, inclusive economy to attract investment and create jobs, informing sustainable spatial restructuring.
Spatial Restructuring and Environmental Sustainability	Develop efficient, sustainable spatial patterns to support a competitive economy and integrated human settlements, guiding infrastructure investment.

Infrastructure Engineering	Plans and invests in essential infrastructure to support economic needs and sustainable, integrated human settlements.
Integrated Services Provisioning	Delivers comprehensive human settlement, municipal, and community services in partnership with communities, transforming spatial patterns for sustainable settlements.
Governance and Management	Ensures effective, transparent planning and management to achieve spatial transformation goals through land development, management, and public land release.

2.2.1.2 DISTRICT & NEIGHBOURING SDF SPATIAL ELEMENTS AND TRENDS

Various spatial elements in the region have cross-boundary implications that require cooperation and alignment between the affected municipalities. The table below indicates the spatial concepts and elements of the neighbouring municipalities that have spatial implications for the Kouga Municipality.

Table 2: Regional spatial elements & trends

Spatial Element/Trend	Sarah Baartman DM	Koukamma	Sundays River Valley	Beyers Naude	Nelson Mandela Bay
N2 Corridor Development & Tourism route	◆	◆	◆	◆	◆
R62 Tourism & Trade route	◆				
R330 & R331	◆				◆
R332 Grootrivier Poort Tourism Route	◆	◆		◆	
Integrated coastal management plan	◆	◆			◆
Baviaans Mega Reserve (Planning domain & conservation area)	◆	◆			
Renewable energy generation	◆	◆			
Gamtoos Irrigation Board -Mpfo Dam	◆	◆			◆
Gamtoos Irrigation Board -Kouga Dam	◆	◆			◆
Lower Sundays River Water User Association - Darlington Dam	◆		◆		◆
Protect high-potential agricultural land (Dairy industry)	◆	◆			
Protect high-potential agricultural land (Forestry)	◆				◆
Migration to coastal areas	◆			◆	◆

2.2.1.3 DRAFT SARAH BAARTMAN SPATIAL DEVELOPMENT FRAMEWORK

The Draft Sarah Baartman SDF consists of a set of drivers aimed at stimulating sustainable development within the district. The below figure provides an outline of the strategic approach of the DSDF.

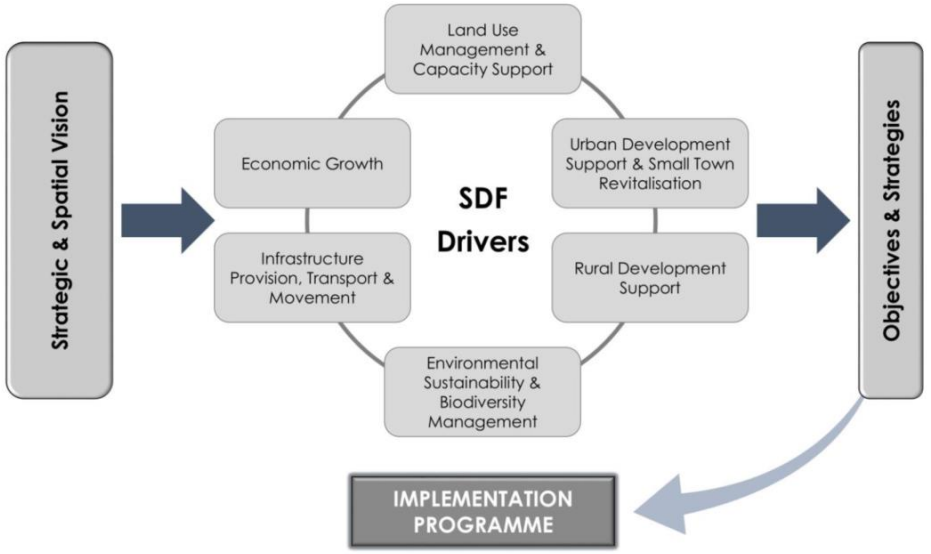


Figure 3: Draft Sarah Baartman SDF Strategic Approach

The main component to take note of in the draft DSDF, is the elevation of the status of St Francis, Cape St Francis, Jeffreys Bay and Humansdorp to future metropolitan nodes, as indicated by the figure below. This will have a direct impact on the amendment of the proposals to ensure growth between the nodes is promoted in support of the DSDF proposal.

Furthermore, the Kouga municipality falls within functional region 2, indicating coordination between Kouga and KouKamme municipalities must be strengthened.

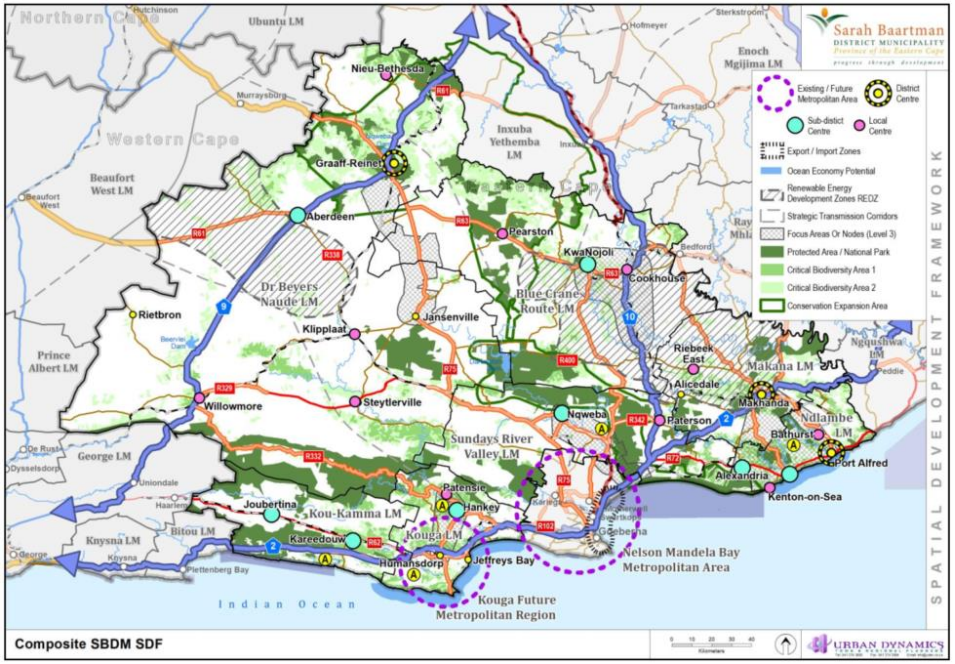


Figure 4: Draft Sarah Baartman SDF Composite Map

2.3 LOCAL POLICY & LEGISLATIVE LANDSCAPE

Various policies, plans and bylaws guide the implementation and spatial manifestation of development within the municipal area of the Kouga Municipality.

The table below indicates which municipal documents have an impact on spatial planning within the municipality, and the current status of the documents.

Table 3: Status of local policy and legislation

POLICIES IMPACTING SPATIAL PLANNING	
Administration of immovable property	Draft adopted
Housing Beneficiary Allocation Policy	Approved
Cemetery Management Policy	Approved
Emergency Housing Policy	To be developed
National Treasury Standard for Infrastructure Procurement and Delivery Management	Approved
Property Rates Policy	Approved
SMME Development Policy	Approved
Public Participation Policy	Approved
Densification Policy	Approved
BY-LAWS WITH SPATIAL IMPLICATIONS	
Spatial Planning & Land Use Management By-law	Approved
Integrated Land Use Scheme	Approved
Aerodrome By-law	Approved
Cemeteries and Crematoria By-law	Approved
Community Fire Safety By-law	Approved
Electricity By-law	Approved
Public Amenities By-law	Approved
Roads and Traffic By-law	Approved
Solid Waste Disposal By-law	Approved
Sporting Facilities By-law	Approved
Stormwater Management By-law	Approved
Water Supply and Sanitation By-law	Approved
Waste Management By-law	Approved
Street Trading By-law	Approved
Toll Parking Areas By-law	Approved
SECTOR PLANS	
Integrated Development Plan	Approved
Disaster Management Plan	Approved
Air Quality Management Plan	Being developed
Seekoei Estuary Management Plan	Reviewing
Integrated Waste Management Plan	Reviewing
Climate Change Strategy	Approved
Local Economic Develop Plan	Reviewing
Stormwater Master Plan	Reviewing
Electrical Master Plan	To be developed
Transportation Master Plan	To be developed
Human Settlement Plan	To be reviewed
Water Services Development Plan	To be reviewed
Heritage Plan	Approved
LOCAL SPATIAL DEVELOPMENT FRAMEWORKS (PRECINCT PLAN)	
Hankey Central Business District (CBD) LSDF	Draft
St Francis Bay Central Business District (CBD) LSDF	Draft
Jeffreys Bay Central Business District (CBD) Precinct Plan (LSDF)	Approved
Humansdorp CBD Precinct Plan	Approved

3 SITUATIONAL ANALYSIS

3.1 SOCIO-ECONOMIC LANDSCAPE

Socio-economic statistics provide greater insight into population trends within the municipal space, enabling strategies to be adjusted over time as the requirements of the shift with emerging trends.

3.1.1 DEMOGRAPHIC DISTRIBUTION

3.1.1.1 POPULATION GROWTH:

The population of Kouga Local Municipality increased from 98,588 in 2011 to 107,014 in 2022, reflecting an 8.5% growth over this period. This translates to an average annual growth rate of approximately 0.77%. This steady increase indicates a rising demand for residential spaces, infrastructure, and public services. Spatial planning must prioritize the development of new housing projects, transportation networks, and public facilities to accommodate the growing population.

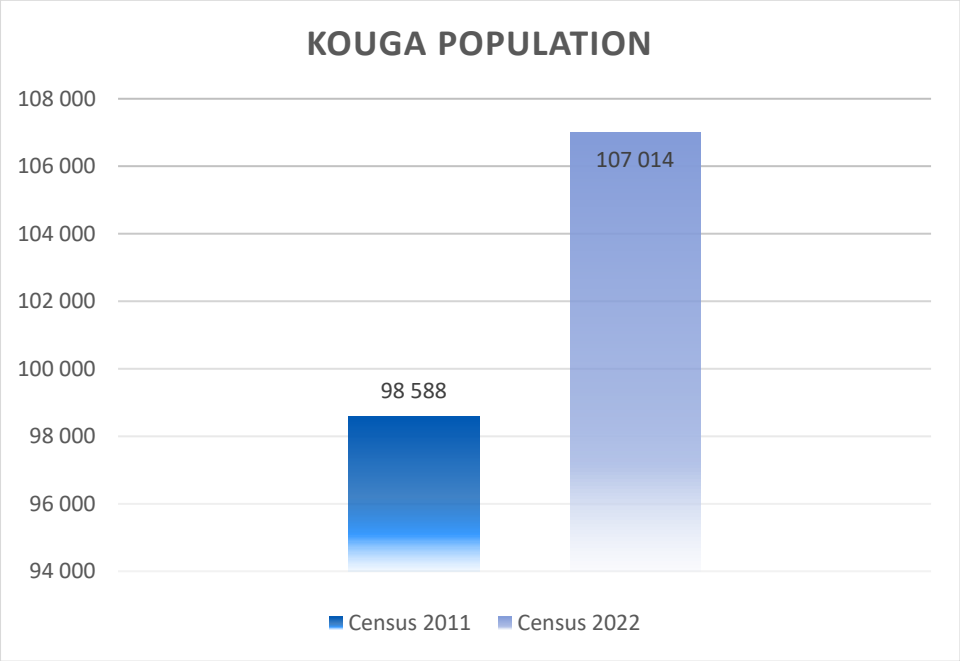


Figure 5: Kouga population growth

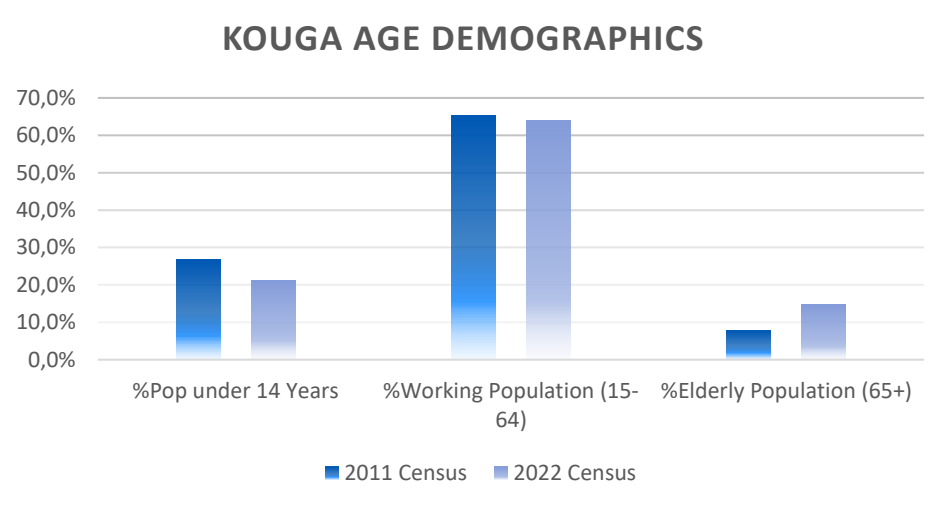


Figure 6: Kouga age demographics

3.1.1.2 AGE DISTRIBUTION:

The percentage of the population under 14 years decreased from 26.8% to 21.3%, while the working-age population (15-64 years) slightly declined from 65.3% to 63.9%. However, the elderly population (65+ years) nearly doubled from 7.9% to 14.8%. This ageing demographic requires a shift in spatial planning towards creating age-friendly environments, including healthcare facilities, recreational areas, and accessible housing for seniors. Planning must also consider the integration of intergenerational living spaces and support services for elderly care.

3.1.1.3 DEPENDENCY RATIO:

The dependency ratio in the Kouga Local Municipality increased from 53.2% in 2011 to 56.5% in 2022. The dependency ratio is a measure that compares the number of dependents (individuals under 14 years and over 65 years) to the working-age population (15-64 years). An increase in this ratio indicates that a larger proportion of the population is either too young or too old to work, placing more economic pressure on the working-age population to support the non-working groups.

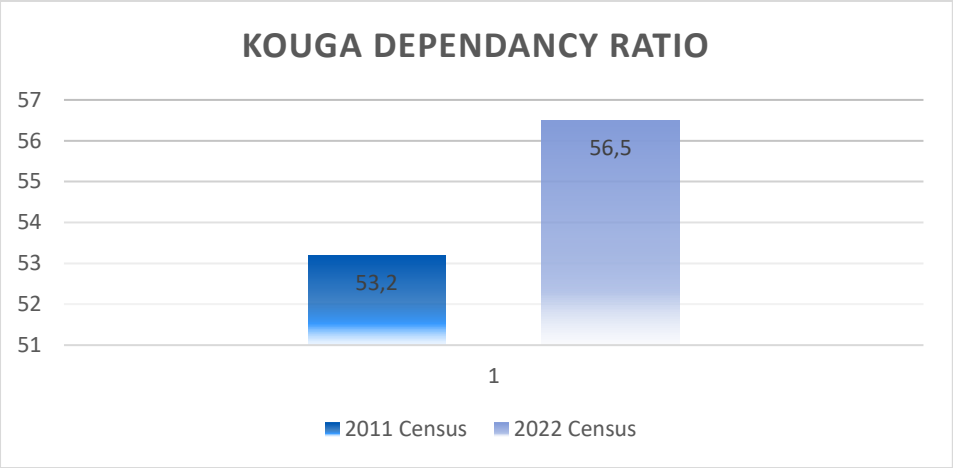


Figure 7: Kouga dependency ratio

3.1.1.4 HOUSEHOLD DYNAMICS:

The number of households decreased slightly from 29,447 in 2011 to 28,681 in 2022, but the average household size increased from 3.3 to 3.7. This change indicates a trend towards larger family units, possibly due to economic factors or cultural preferences. Housing interventions should focus on larger housing units and ensuring adequate community amenities, such as schools, parks, and healthcare services, to support these bigger households. Additionally, affordable housing initiatives may be necessary to address potential overcrowding issues.

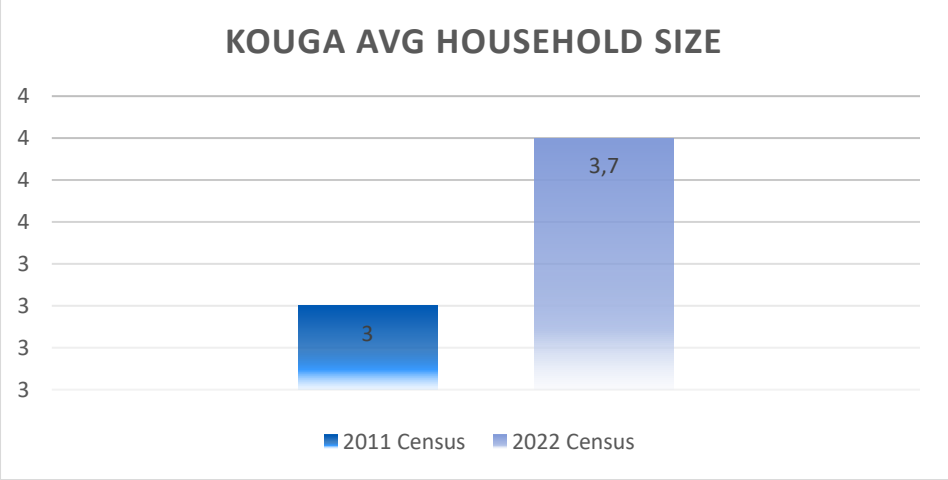


Figure 8: Average household size in Kouga

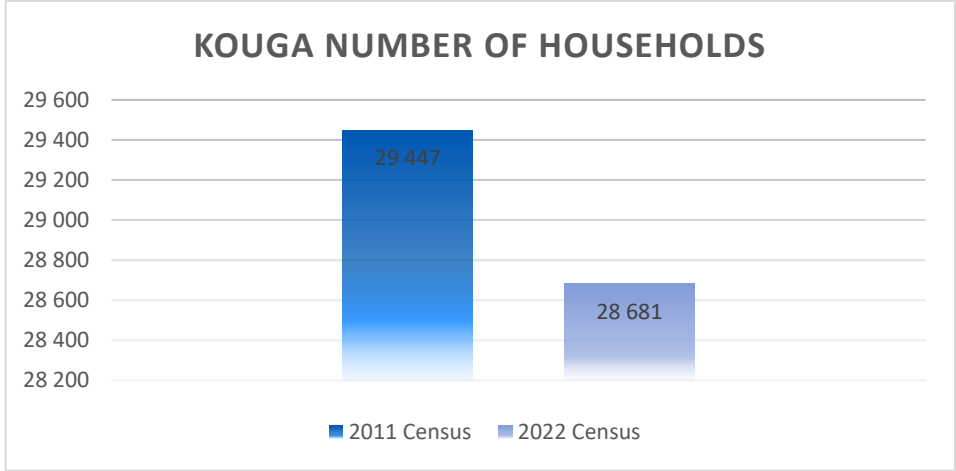


Figure 9: Number of households in Kouga

3.1.1.5 DWELLING TYPES:

The percentage of formal and informal dwellings in the Kouga Local Municipality changed significantly between the 2011 and 2022 censuses. This positive trend suggests successful efforts towards reducing informal settlements and increasing the availability of stable, permanent housing solutions. The increase in formal dwellings likely reflects governmental and municipal initiatives aimed at improving housing infrastructure, such as subsidized housing projects, upgrading informal settlements, and enforcing building regulations.

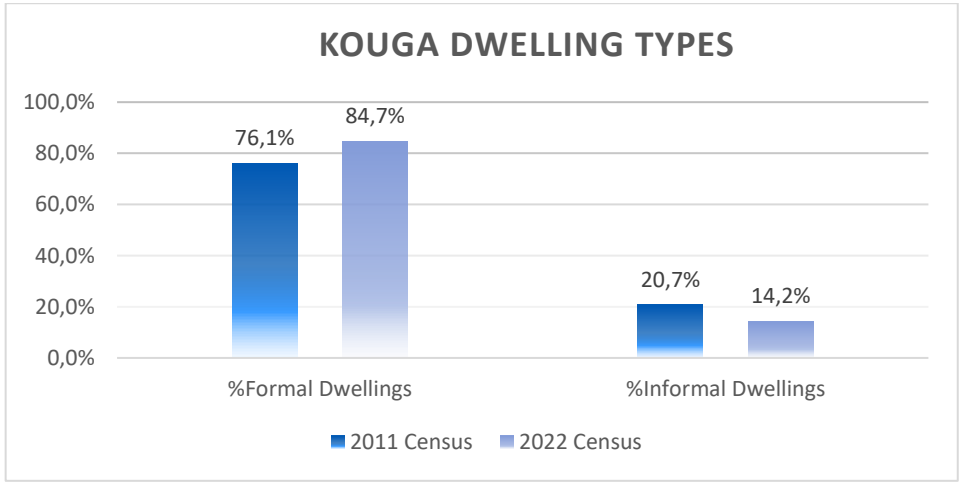


Figure 10: Dwelling type distribution in Kouga

3.1.1.6 EDUCATION LEVELS:

Educational attainment has improved since 2011 with 86,9% of the population seen as functionally literate. This progression indicates a more educated workforce, which can drive economic development. Spatial planning should incorporate the expansion of educational facilities, from primary schools to higher education institutions, and create learning hubs and vocational training centres to further enhance skills development.

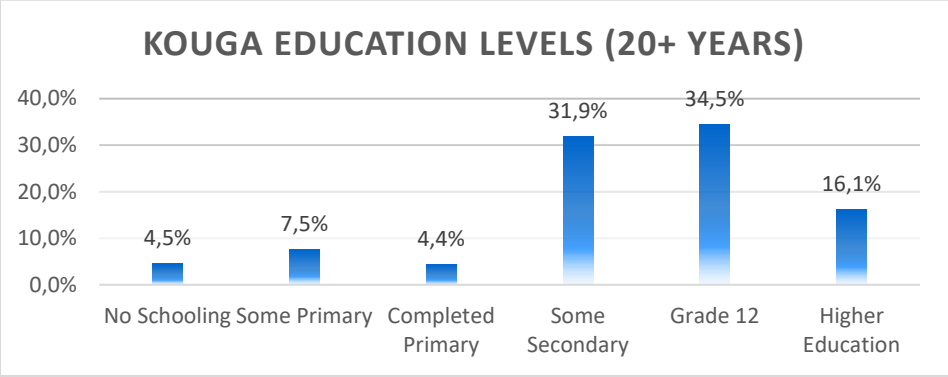


Figure 11: Education level in Kouga

3.1.2 ACCESS & QUALITY OF BASIC SERVICES

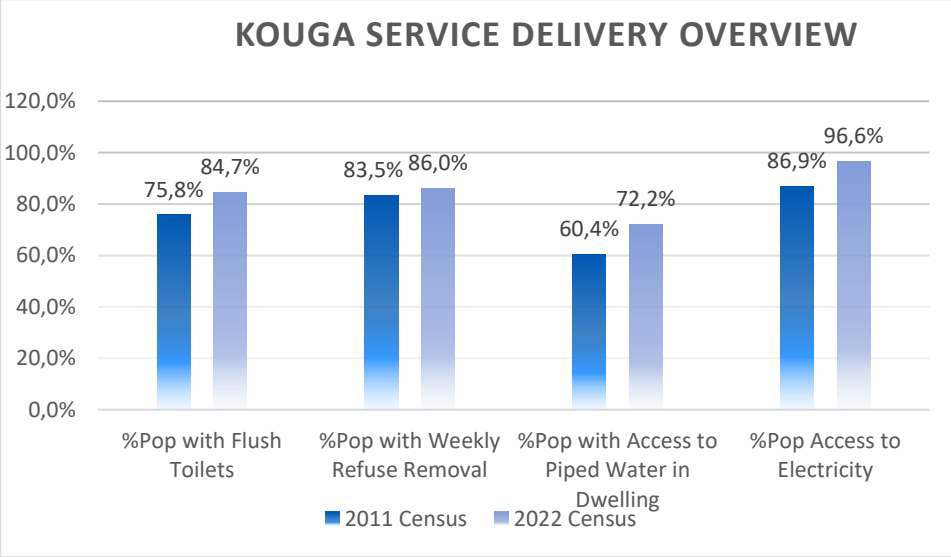


Figure 12: Accessibility of basic services in Kouga

3.1.2.1 ACCESS TO PIPED WATER:

Access to piped water is relatively high, with 72.2% having water inside their dwellings, 16.1% within the erf, and 9.6% on community stands. However, 2.1% still lack access to piped water. Ensuring universal access to clean water should be a priority.

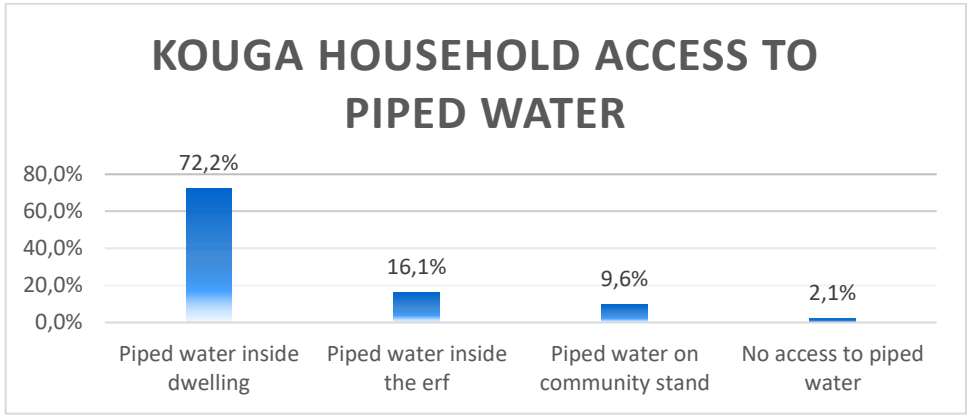


Figure 13: Accessibility of piped water in Kouga

3.1.2.2 SANITATION ACCESSIBILITY:

The high percentage of households with flush toilets indicates relatively good sanitation infrastructure. However, the significant reliance on bucket toilets (9.0%) and the 1.9% without any facilities highlight areas needing urgent improvement.

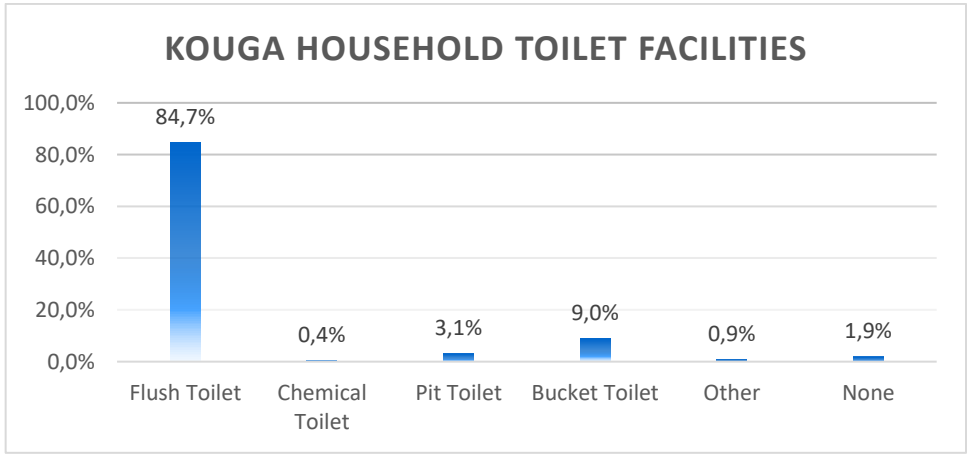


Figure 14: Accessibility of sanitation services in Kouga

3.1.2.3 REFUSE REMOVAL:

The high percentage of regular refuse removal by the local authority indicates effective waste management services for the majority of households. However, the 2.0% without any refuse removal service and the 8.8% relying on central collection points suggest areas where waste management infrastructure could be improved.

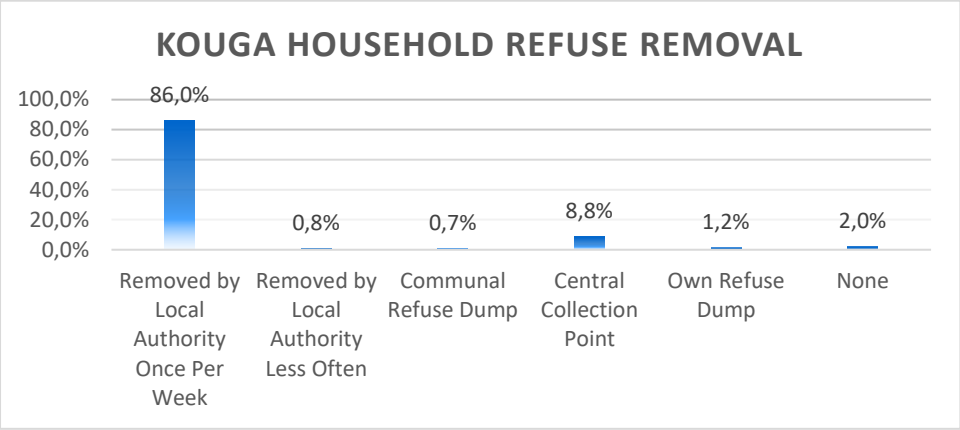


Figure 15: Accessibility of refuse removal services

3.1.3 ECONOMIC DISTRIBUTION

3.1.3.1 GROSS VALUE ADDED

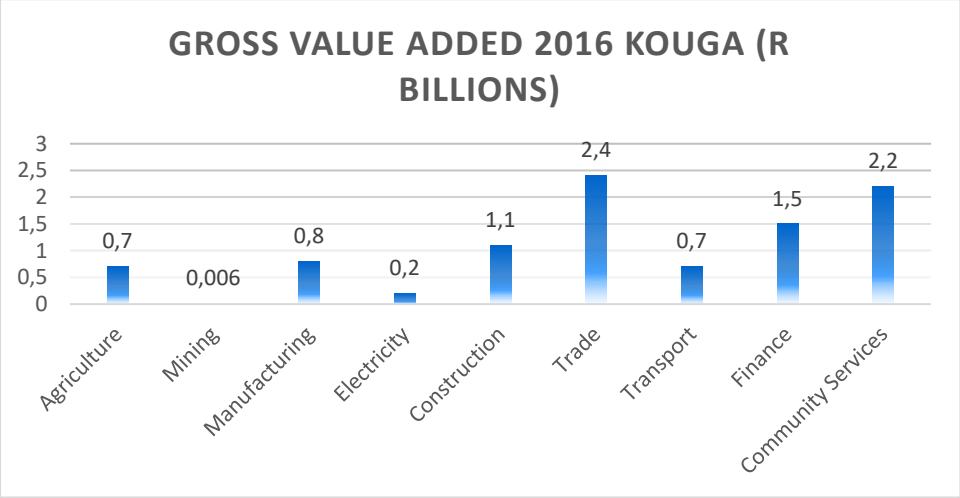


Figure 16: Sectoral performance of Kouga economy

In 2016, the Gross Value Added (GVA) for Kouga Municipality, reflecting the economic output across various sectors, showed significant contributions from agriculture, trade, and community services. Agriculture played a substantial role with a GVA of R 0.7 billion, highlighting the municipality's agricultural productivity. Trade also featured prominently with a GVA of R 2.4 billion, underscoring its importance as a commercial hub. Additionally, community services contributed R 2.2 billion to the GVA, indicating the municipality's investment in public services and welfare.

3.1.3.2 GROSS DOMESTIC PRODUCT

In 2016, Kouga Municipality contributed R10.5 billion to the broader Sarah Baartman District's GDP, representing 30% of the district's total economic output. The municipality experienced a steady growth trajectory over the decade preceding 2016, with an annual GDP growth rate averaging 4.25% from 2006 to 2016. However, the growth rate moderated in the subsequent five-year period, averaging 2.11% per year from 2016 to 2021. This indicates a slightly slower but still positive economic expansion post-2016, reflecting ongoing economic activities and development within Kouga Municipality despite the deceleration in growth rate.

3.1.3.3 TRESS INDEX AND LOCATION QUOTIENT

The Tress Index of 44.9 for Kouga Municipality suggests a moderate level of economic competitiveness and development compared to other regions. This index measures factors such as infrastructure, economic diversification, and investment attractiveness within the municipality. The Location Quotient (LQ) is a statistical measure used to assess the concentration or specialization of a particular industry or economic activity within a specific region relative to a larger reference area, typically a nation or a larger regional economy. In terms of the Kouga Municipality, the area shows a comparative advantage in agriculture, construction, and trade relative to national averages. This means that these sectors contribute significantly to the local economy and are potentially more productive or economically viable compared to the national average.

3.1.3.4 LABOUR FORCE PARTICIPATION RATE AND EMPLOYMENT

In 2016, Kouga Municipality had a labour force participation rate of 67.1%, slightly higher than the 65.6% recorded in 2006. However, the unemployment rate in Kouga increased from 13.4% in 2006 to 14.7% in 2016. This rise indicates challenges in matching the labour force with available job opportunities within the

municipality. The gap between the labour force participation rate and the unemployment rate narrowed over the decade, suggesting a less favourable outlook for employment conditions in Kouga.

In 2016, Kouga Municipality accounted for 39,700 employed individuals, constituting 23.37% of total employment within the Sarah Baartman District. This proportion marks Kouga as the primary economic centre within the district. The trade industry employed the largest workforce within the municipality, followed by the agriculture sector, aligning with their identified comparative advantages. Conversely, the mining and electricity sectors employed the fewest individuals in Kouga.

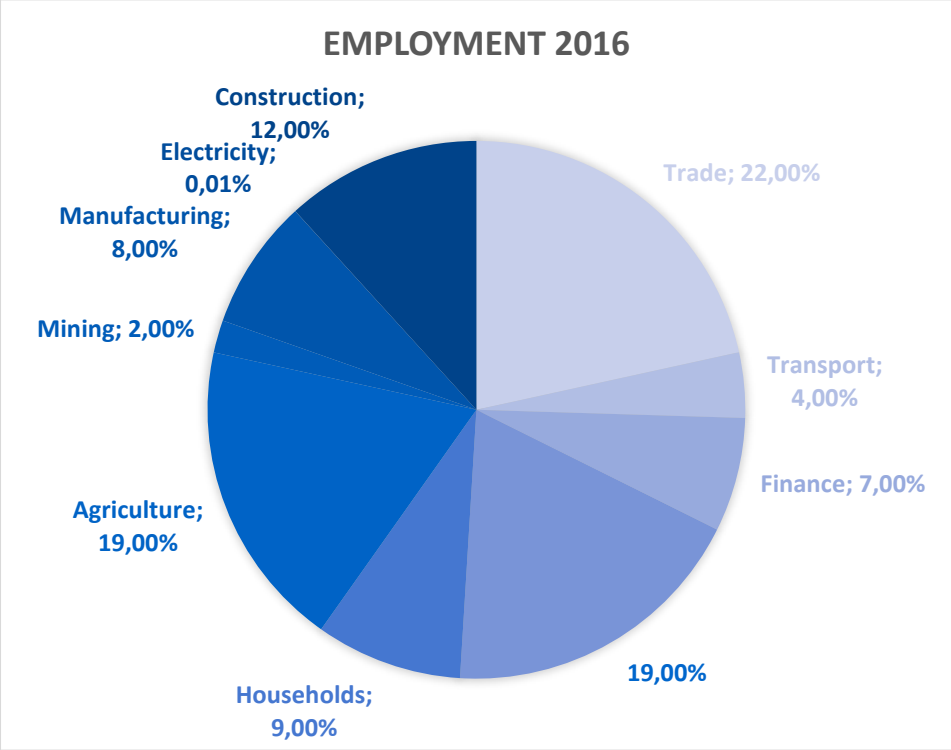


Figure 17: Employment distribution per sector

Formal employment in the municipality amounted to 73.33% of the workforce in 2016, predominantly within the agriculture sector. The trade industry reported the highest number of informal employees, although data on informal employment remains sparse or absent in several economic sectors. This distribution underscores the municipality's economic dynamics, highlighting key sectors and the predominance of formal employment in shaping its labour landscape.

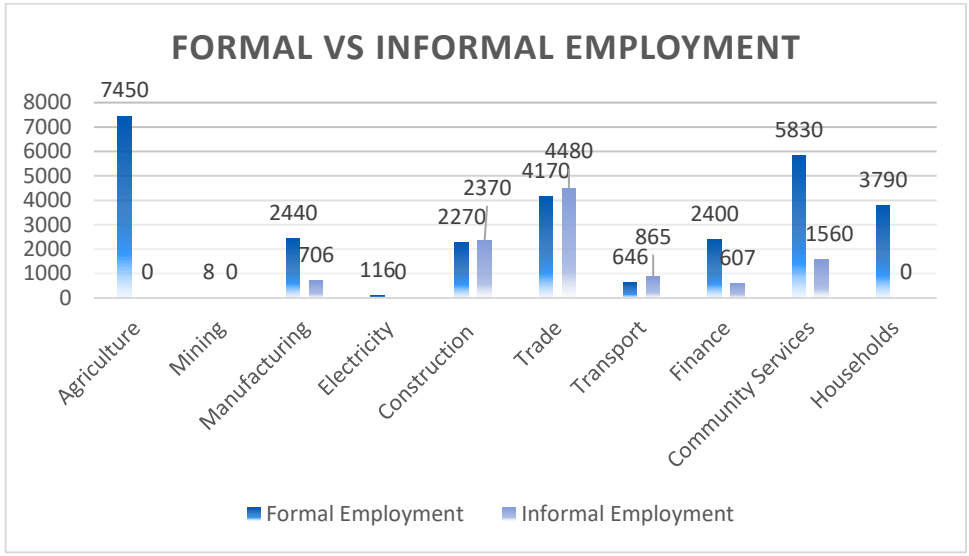


Figure 18: Informal and formal employment distribution per sector

3.1.3.5 INCOME AND EXPENDITURE

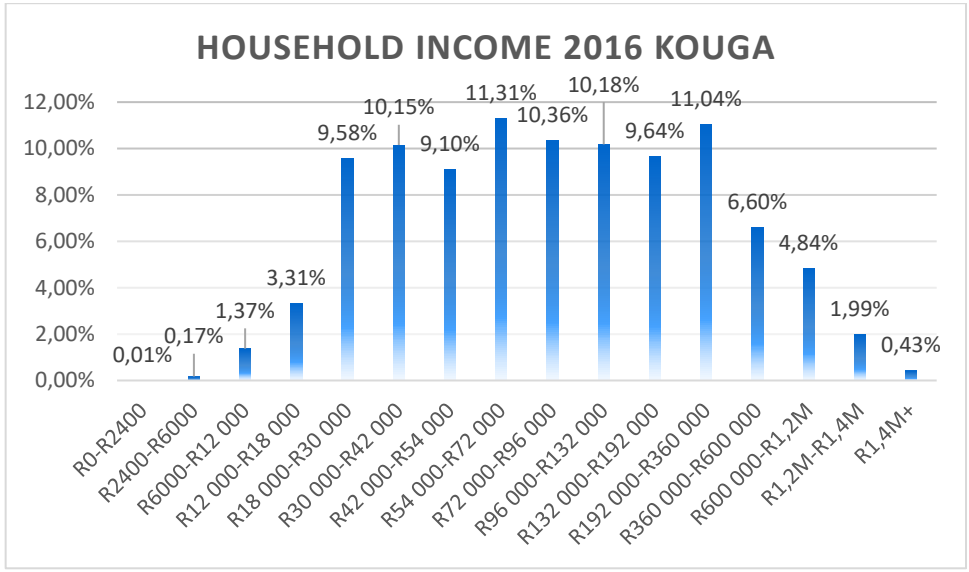


Figure 19: Income bracket distribution of Kouga households

In 2016, approximately 14.42% of households in Kouga Local Municipality were reported to have an annual income of R30,000 or less. This figure represents a notable decrease from the 33.41% recorded in 2006, indicating a significant reduction in households within this lower income bracket over the decade. Conversely, the category with annual incomes ranging from R54,000 to R72,000 housed the highest number of households in Kouga Municipality during the same period. This data highlights a shift in income distribution within the municipality, reflecting changes in economic conditions and household incomes over time.

3.1.3.6 HUMAN DEVELOPMENT INDEX (HDI)

In 2016, Kouga Local Municipality reported a Human Development Index (HDI) of 0.654, surpassing the HDI of 0.627 for the Sarah Baartman District, 0.596 for the Eastern Cape Province, and matching the national total HDI of 0.653 for South Africa as a whole. This indicates that Kouga Municipality achieved a higher level of human development relative to both its regional and national counterparts in 2016. However, despite Kouga's higher HDI, South Africa experienced a lower HDI overall during the same year. South Africa's HDI showed an average annual growth rate of 1.79%, which was higher than Kouga Municipality's growth rate of 1.49% over the same period. These figures underscore the municipality's comparative advantage in human development within the context of broader national trends as well as the district.

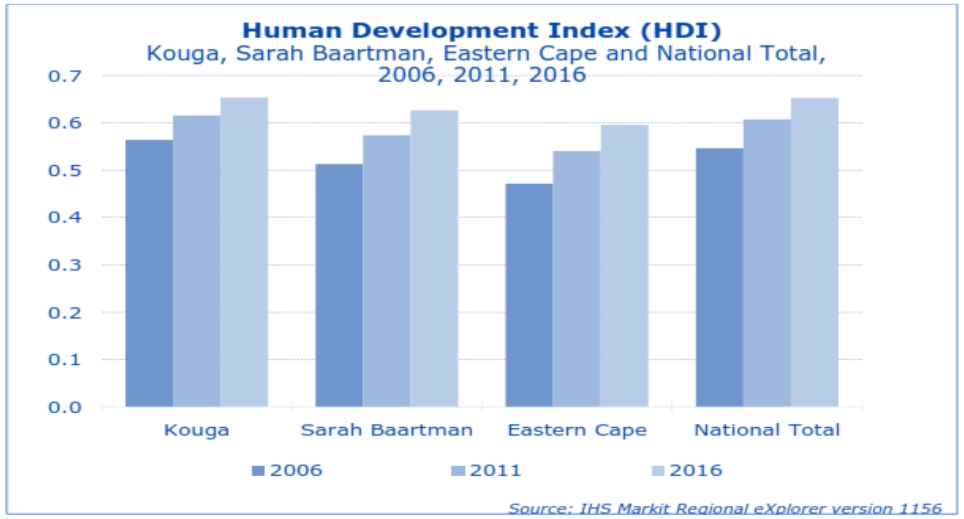


Figure 20: 2006-2016 Human Development Index of Kouga

3.1.3.7 GINI COEFFICIENT

The Gini coefficient serves as a measure of income distribution within a population, ranging from 0 to 1. A coefficient of 0 indicates perfect income equality, where every individual earns an identical income, while a coefficient of 1 signifies complete income inequality, where one person earns all income and others earn nothing. In 2016, Kouga Local Municipality recorded a Gini coefficient of 0.628, indicating an increase in income inequality over the preceding decade from 2006 to 2016. When contrasted with the national figure for South Africa, which stood at 0.628 in 2016, Kouga Local Municipality exhibited a higher level of income inequality.

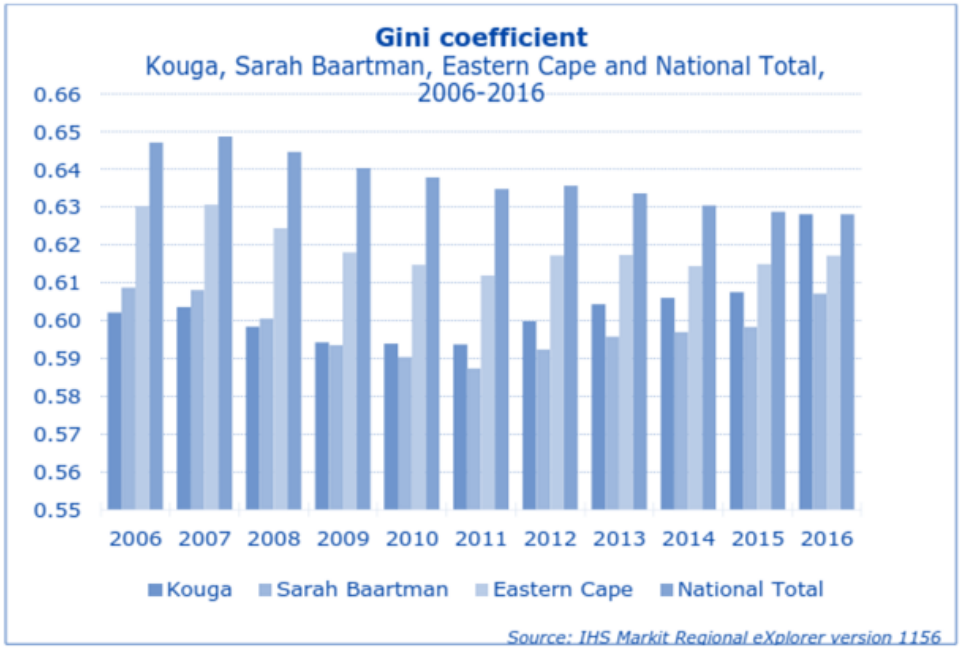


Figure 21: Kouga Gini coefficient

3.1.3.8 UPPER POVERTY LINE

The upper poverty line is defined by Stats SA as the level of consumption at which individuals can purchase both sufficient food and non-food items without sacrificing one for the other. In 2016, 52,500 people were living in poverty, using the upper poverty line definition, across Kouga Local Municipality - this is 32.25% higher than the 39 700 in 2006.

3.2 BUILT ENVIRONMENT LANDSCAPE

The built environment analysis provides insight into the current state of infrastructure and the possible challenges faced that hinder the sustainable growth of the Kouga municipality.

3.2.1 MOBILITY AND CONNECTIVITY INFRASTRUCTURE

3.2.1.1 ROAD INFRASTRUCTURE

The table and figure below, extracted from the Sarah Baartman IDP and draft SDF, provide a snapshot of the municipality's road conditions. The state of gravel roads within the municipality is concerning and necessitates urgent intervention. Increased maintenance or potential paving of these roads is essential. Although the paved roads are generally in satisfactory condition, recent rains have left many town roads in poor shape, necessitating more extensive refurbishment beyond simple pothole repairs.

Table 4: Road surface quality rating of Kouga road network

Condition of Road infrastructure	Very Good	Good	Fair	Poor	Very Poor	Total
Paved	20	48	27	4	0	291,8
Gravel/Unpaved	0	0	3	24	73	122,8

The primary roads connecting the municipality's towns are the R331, R332, R330, R331, R102, and the N2. These roads are crucial for providing urban-rural linkages that support the local economy and enable residents of smaller towns to access services in larger nodes such as Jeffreys Bay and Humansdorp. The R330 between Humansdorp and Hankey is currently undergoing refurbishment, which will facilitate travel between the northern parts of the municipality and Humansdorp. This refurbishment also includes the entry into Humansdorp from St Francis Bay, which has become problematic due to numerous potholes and road damage. The R102 is a critical road requiring upgrading due to heavy traffic, particularly between Jeffreys Bay and Humansdorp. The road's design is inadequate for the traffic load, creating unsafe driving conditions as commuters grow impatient, leading to numerous accidents.



Figure 22: Spatial distribution of very poor and poor quality roads in the Sarah Baartman District

A significant issue in the maintenance of roads within the municipality is the uncertainty surrounding road ownership, responsibility for maintenance, and authorization for refurbishing certain road sections. An in-depth study is required to clarify the ownership status of various roads within the municipality. The Kouga Municipality is in the process of requesting the transfer of certain provincial and district roads to municipal control. This transfer would enable the municipality to assume responsibility for the maintenance of these roads and allow for the refurbishment of necessary sections.

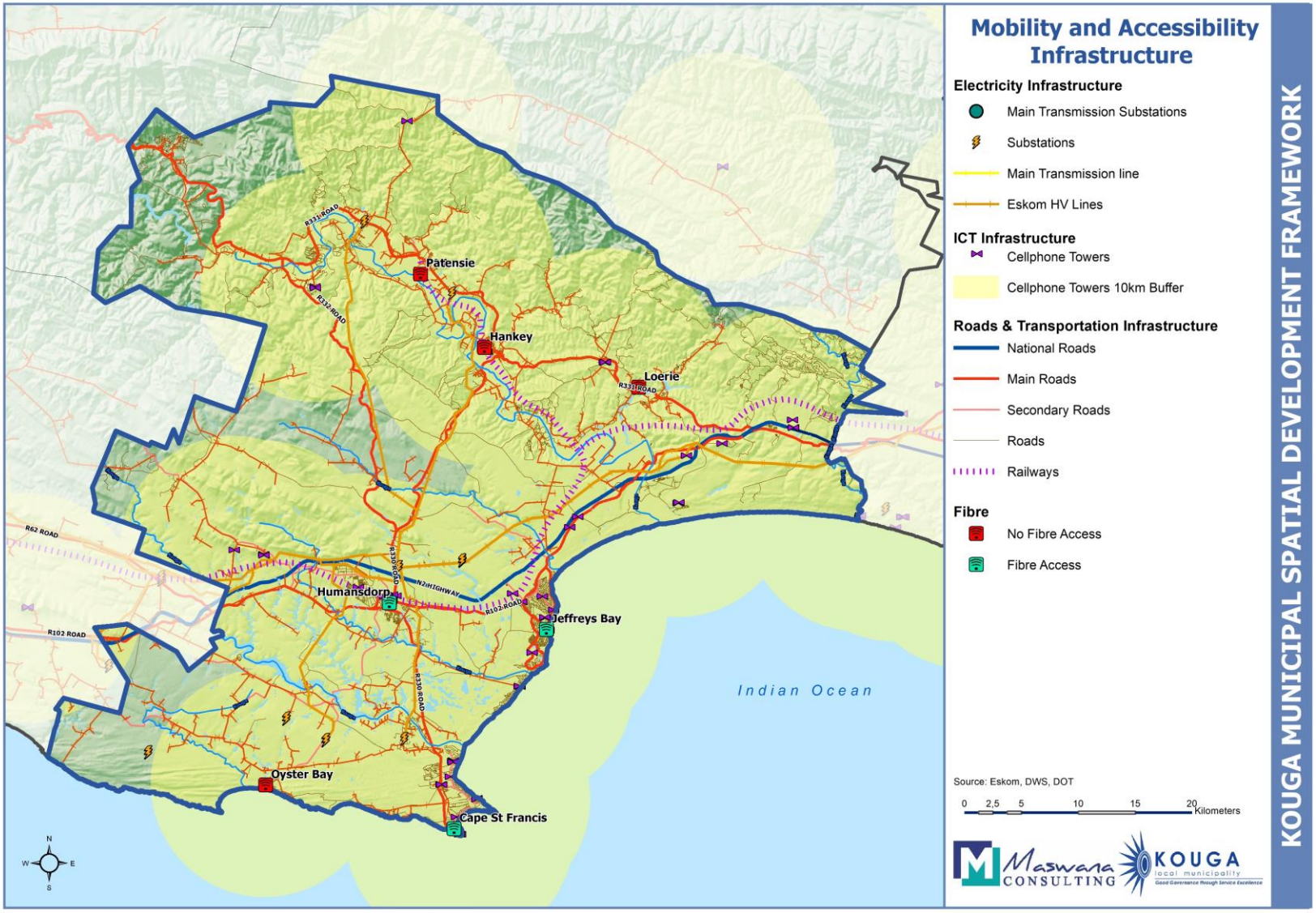
3.2.1.2 PUBLIC TRANSPORTATION

Public transportation within the municipality almost exclusively consists of private minibus taxis. Formal taxi ranks with ablution facilities and safe waiting areas for commuters are however required in many of the towns to support and help formalise the taxi industry. The only other form of public transport is the scholar transports that are provided by the various schools in the area and the Department of Basic Education.

3.2.1.3 ICT INFRASTRUCTURE AND CONNECTIVITY

Information and Communication Technology (ICT) is essential for the development of the Kouga Municipality, significantly driving economic growth and enhancing public services. High-speed internet connectivity attracts businesses, fosters entrepreneurship, and supports e-learning initiatives, which are crucial for local economic activity and skill development. Enhanced ICT infrastructure also facilitates e-government services, improves healthcare delivery through telemedicine, and supports public safety initiatives, contributing to better governance and quality of life for residents. Moreover, ICT infrastructure promotes community and social development by improving connectivity and social inclusion. It is also fundamental for smart city initiatives, optimizing resource management, energy use, and transportation for a more sustainable urban environment. By investing in fibre and ICT, Kouga Municipality can build a more connected, efficient, and resilient community, addressing both economic and social challenges while ensuring long-term sustainability.

Currently, only the major economic centres of Humansdorp, St Francis and Jeffreys Bay have access to fibre technology. To expand the availability of fibre technology the establishment of fibre infrastructure must be promoted, and prioritised for low-income areas.



Map 1: Mobility and Accessibility Infrastructure

3.2.2 WATER AND SANITATION

The towns of Loerie, Thornhill, Jeffreys Bay, Aston Bay, Paradise Beach, Humansdorp and St Francis Bay receive potable water from the Nelson Mandela Metro Municipality. The water supply of Jeffreys Bay, Humansdorp and St Francis Bay is supplemented by subsurface (Ground/Borehole) water. The town of Oyster Bay is exclusively dependent on groundwater obtained from boreholes and springs.

3.2.2.1 BLUE AND GREEN DROP ASSESSMENTS

3.2.2.1.1 BLUE DROPSCORES

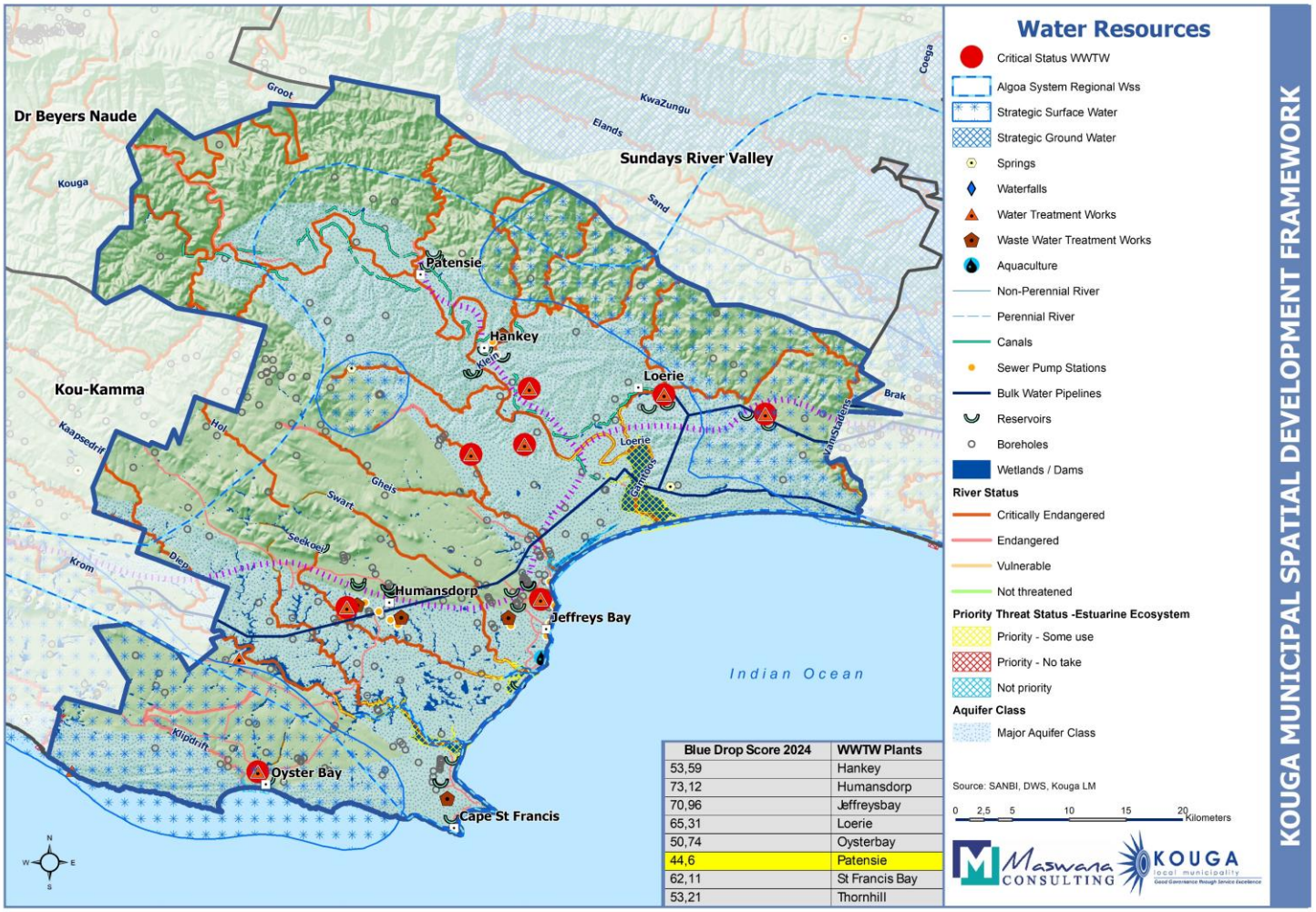
The 2022/2023 Blue Drop assessment conducted by DWS indicated that the average score of the water treatment works has improved from 51.83% in 2014 to 64.59% in 2023. The Patensie WTW (44.6%) is singled out as the only underperforming WTW in Kouga, where the rest of the WTWs received average scores ranging between 50 to 80%.

3.2.2.1.2 GREEN DROP SCORES

During the 2022/2023 Green Drop assessments, the WSA did not provide supporting documents to confirm design capacity figures, resulting in low confidence in the CRR ratings, which is further exacerbated by the lack of flow meter data. This presents a serious risk as the operational capacity of these WWTWs cannot be verified to show they are operating within the design parameters.

Due to a lack of effluent quality monitoring, all seven WWTWs received the highest risk rating for criteria C. Kouga municipality has been urged to implement compliance monitoring to ensure the final effluent does not present serious health risks to the environment and downstream communities

According to the Sarah Baarman District IDP, funding is required to increase the capacity of the sewer rising main Greater Jeffreys Bay. Funding is required to increase treatment capacity to accommodate future housing developments in Thornhill. Funding is required to increase treatment capacity to accommodate future housing developments in Loerie. Funding is also needed to Eradicate VIP/ Buckets in Weston Hankey.



Map 2: Kouga Water resource base

3.2.2.2 WATER SERVICE DEVELOPMENT PLAN 2010

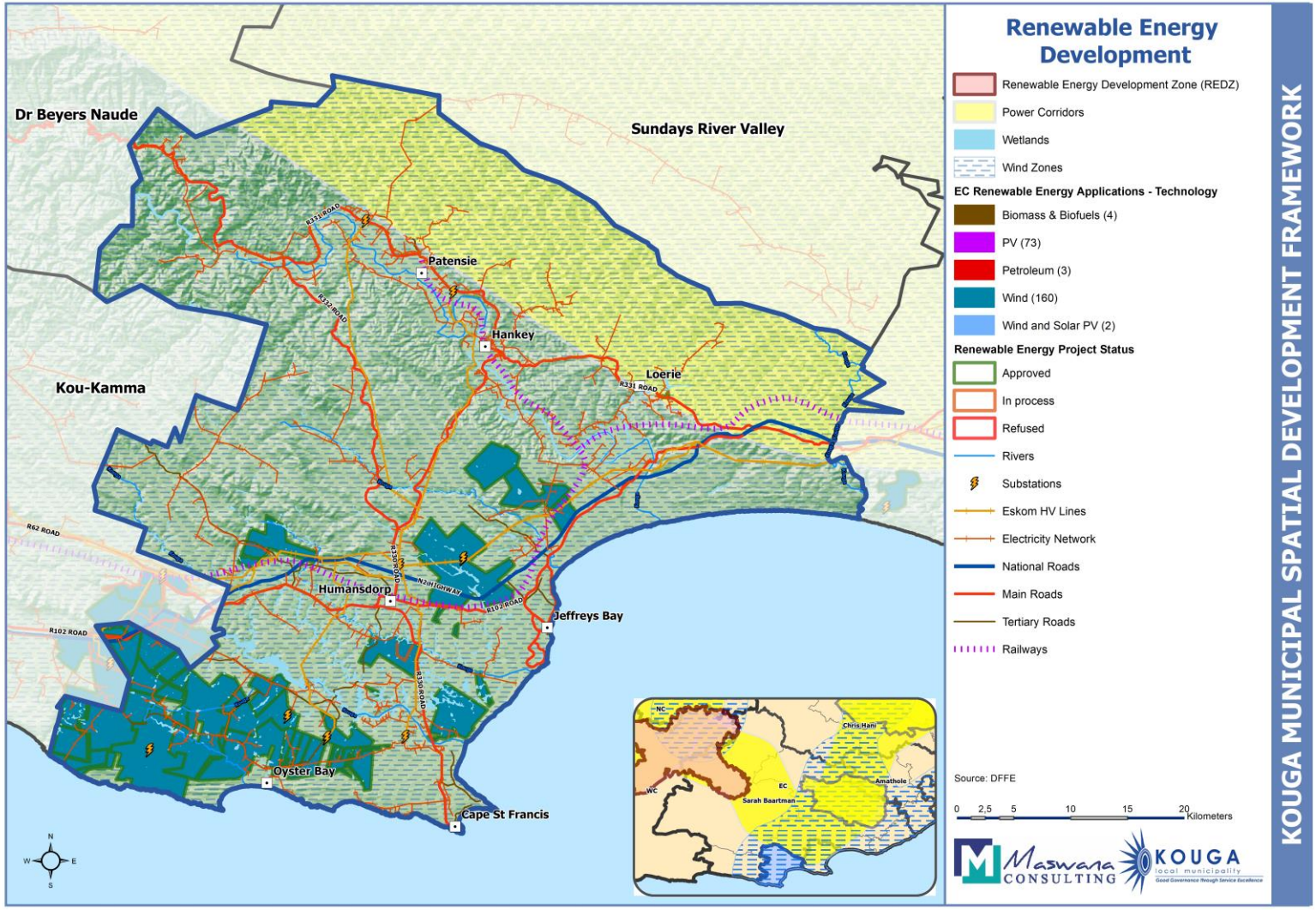
A Master Water Plan is currently being developed, as the 2010 document is no longer relevant due to changes in the demographic and infrastructure dynamics. Proposals of the Master Plan will be included once the document is approved for external use.

3.2.3 ELECTRICITY AND ENERGY

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 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).

Further development in Renewable Energy on a large scale will require the expansion and upgrading of Eskom's bulk infrastructure as the infrastructure is at full capacity. Numerous opportunities exist to promote small-scale solar and wind generation to feed into the municipal grid to make Kouga some of the first energy net-positive municipalities, which could in return subsidise the ever-increasing cost of electricity.



Map 3: Renewable energy development and electrical infrastructure distribution

3.2.4 HOUSING PROVISION AND TRENDS

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 x 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 were approved in 2009, namely Pellsrus 220, Kruisfontein 391and Ocean View 1500 (services). The Provincial Department of Human Settlements appointed Kouga Municipality as the Implementing Agent for the Hankey 990 Housing Projects (Services) and the Upgrading of Informal Settlements (Permanent Services). Housing Projects that are currently in the Implementing phase are Ocean View 1500 (Phase 1 – 200 top-structures and Phase 2 -468 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

The current housing backlog in Kouga is 17309, and this number will reduce significantly once the implementation of the approved housing projects commences. The current approved housing projects will cater for 5060 housing opportunities which will reduce the backlog significantly.

The following measures have been implemented to aid the roll-out of housing developments:

- Working group between different Departments has been established to ensure the successful implementation of all Human Settlements Projects and to do planning.
- Monitor informal settlements daily to ensure that no municipal land is invaded. Land Invasion by-laws will be reviewed to ensure appropriate action is taken against transgressors.
- All low-cost houses are transferred to approved beneficiaries to promote ownership.
- The HDA will be approached to assist with the purchase of privately owned land to address the housing backlog.
- Pro-active planning to be undertaken and to submit to environmental authorization timeously to prevent delays in housing deliveries.

3.2.5 LAND USE DISTRIBUTION AND TRENDS

The Kouga Municipality consist of numerous nodes and settlements, the table below indicates the nodal hierarchy of the Kouga Municipality versus the nodal hierarchy identified in the Draft Sarah Baartman Spatial Development Framework.

Table 5: Kouga and Sarah Baartman Nodal Hierachy

Kouga Node Hierarchy	Settlement	Sarah Baartman Draft SDF Hierachy	Settlement
Primary	Humansdorp Jeffreys Bay	**Future Metro**	Jeffreys Bay Humansdorp St Francis Bay Cape St Francis
Secondary	Hankey Patensie St Francis/Cape St Francis	**Sub District Centre**	Hankey
Rural	Oyster Bay Loerie Thornhill	**Local Centre**	Oyster Bay St Francis Bay Patensie
Other	Matjiesfontein Melon Longmore Forest Village Cambria Andrieskraal	**Sub-Local Centre**	Kruisfontein Cape St Francis

The figure below provides insight regarding the prominence of land use types within the settlements. Single residential properties are the most prominent land use, with 23,004 occurrences, followed by vacant plots with a total of 7056 that are still to be developed. Engineering services will require upgrading to effectively service future development.

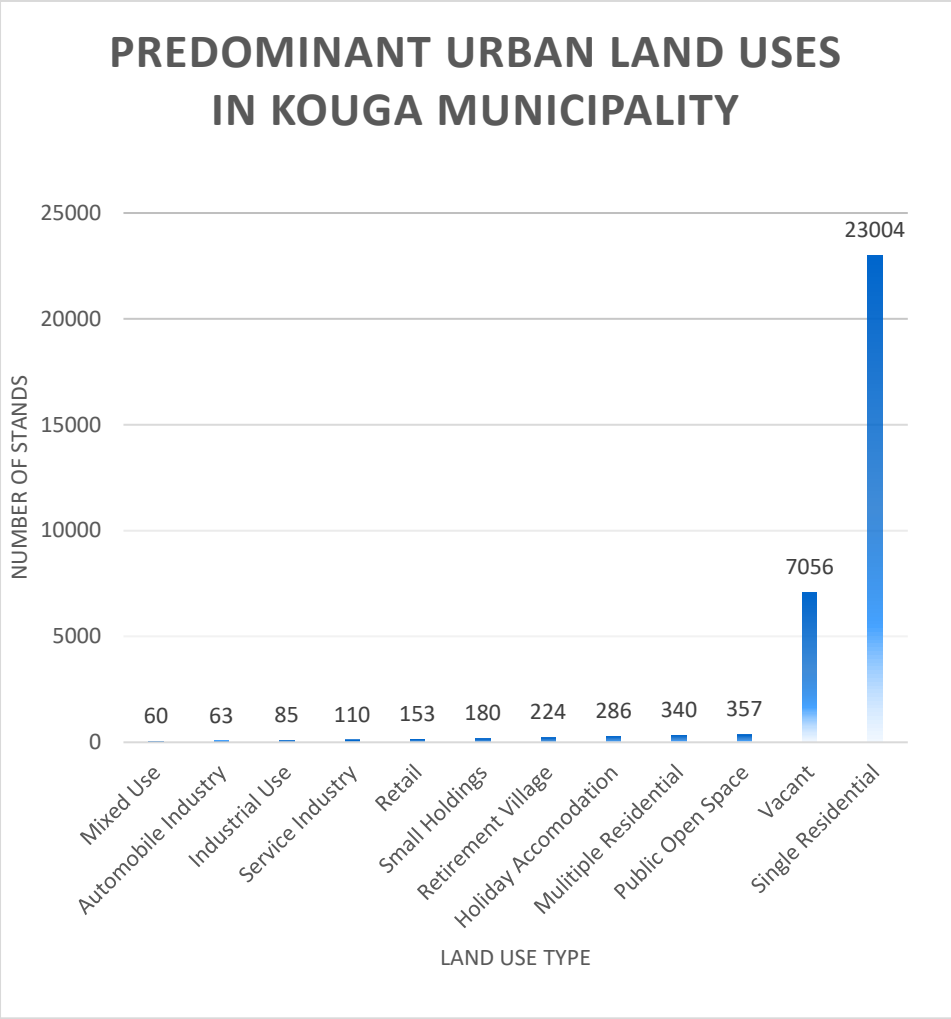


Figure 23: Predominant land use types within settlements

3.2.5.1 HUMANSDORP

Humansdorp serves as the traditional administrative capital of the municipality, hosting various government and municipal facilities that provide essential services to the residents of the Kouga Municipality. The town also features a range of educational institutions, reflecting its relatively large population.

The Central Business District (CBD) of Humansdorp is centred around Main Street, which hosts a variety of mixed land uses. The CBD extends along Voortrekker Road, Park Street, and the surrounding blocks to the east and west of Main Street. Beyond the CBD, a small commercial node near Graslaagte Primary School caters to the residents of Kruisfontein, complemented by scattered spaza shops and small retail properties throughout KwaNomzamo and Kruisfontein.

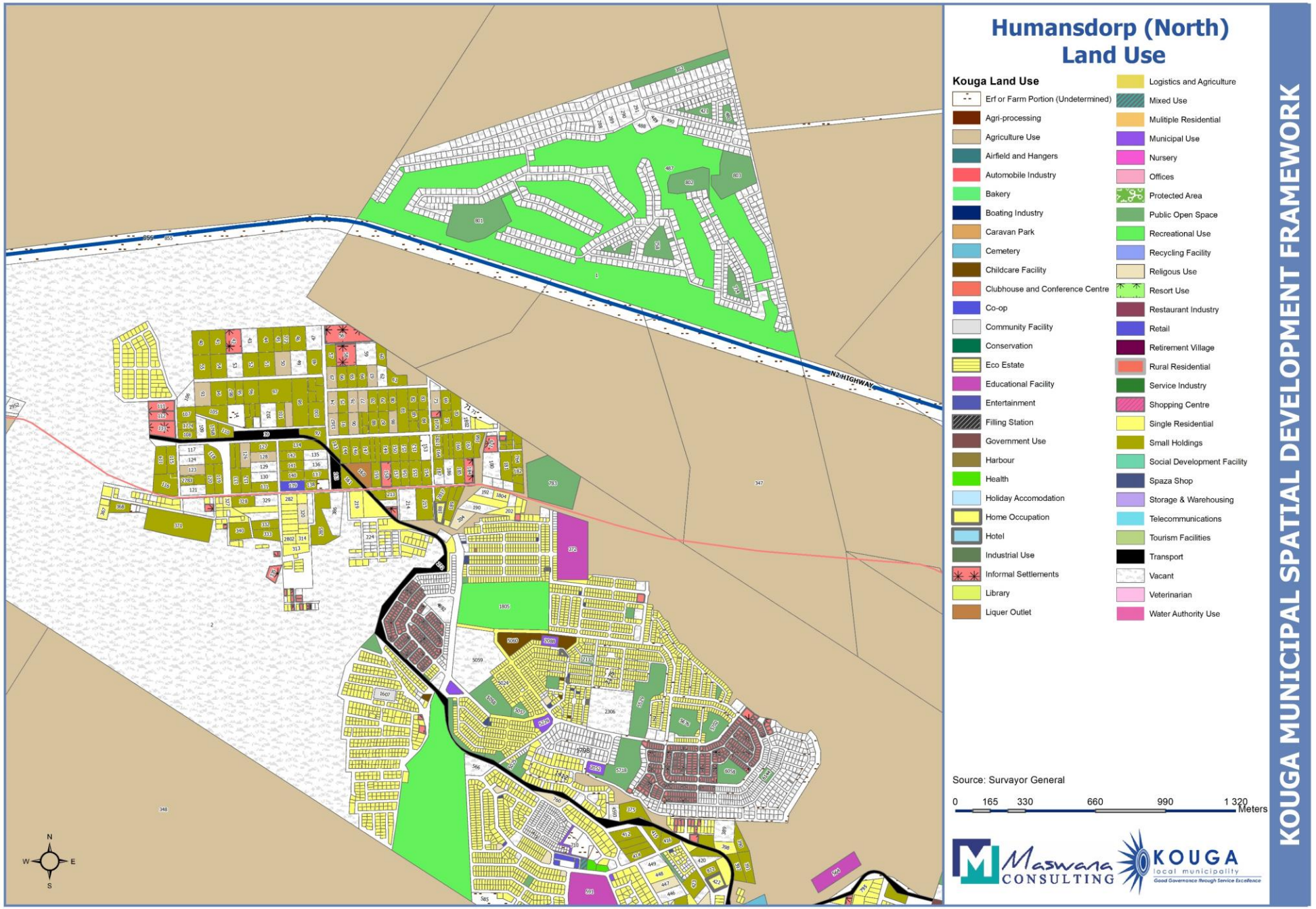
The largest industry identified through the land use survey is the automobile sector, indicating a competitive advantage for this industry within the town. The agro-processing industry follows, with most of the industrial area dedicated to this sector. However, the industrial area also contains a significant number of vacant plots, indicating a lack of demand for industrial development in the region.

Residential zoning in Humansdorp predominantly features single residential erven, a fact reflected in the town's land use. There is a notable shortage of multiple residential erven, with some properties zoned for business being developed for multiple residential purposes. The scarcity of affordable housing is evident in the extensive informal settlements around the lower-income areas of Kruisfontein and KwaNomzamo. Additionally, a significant portion of newly formalized residential land in Kruisfontein remains vacant, offering potential opportunities for the development of affordable housing or serviced stands to alleviate the pressure of informal and illegal dwellings in Humansdorp.

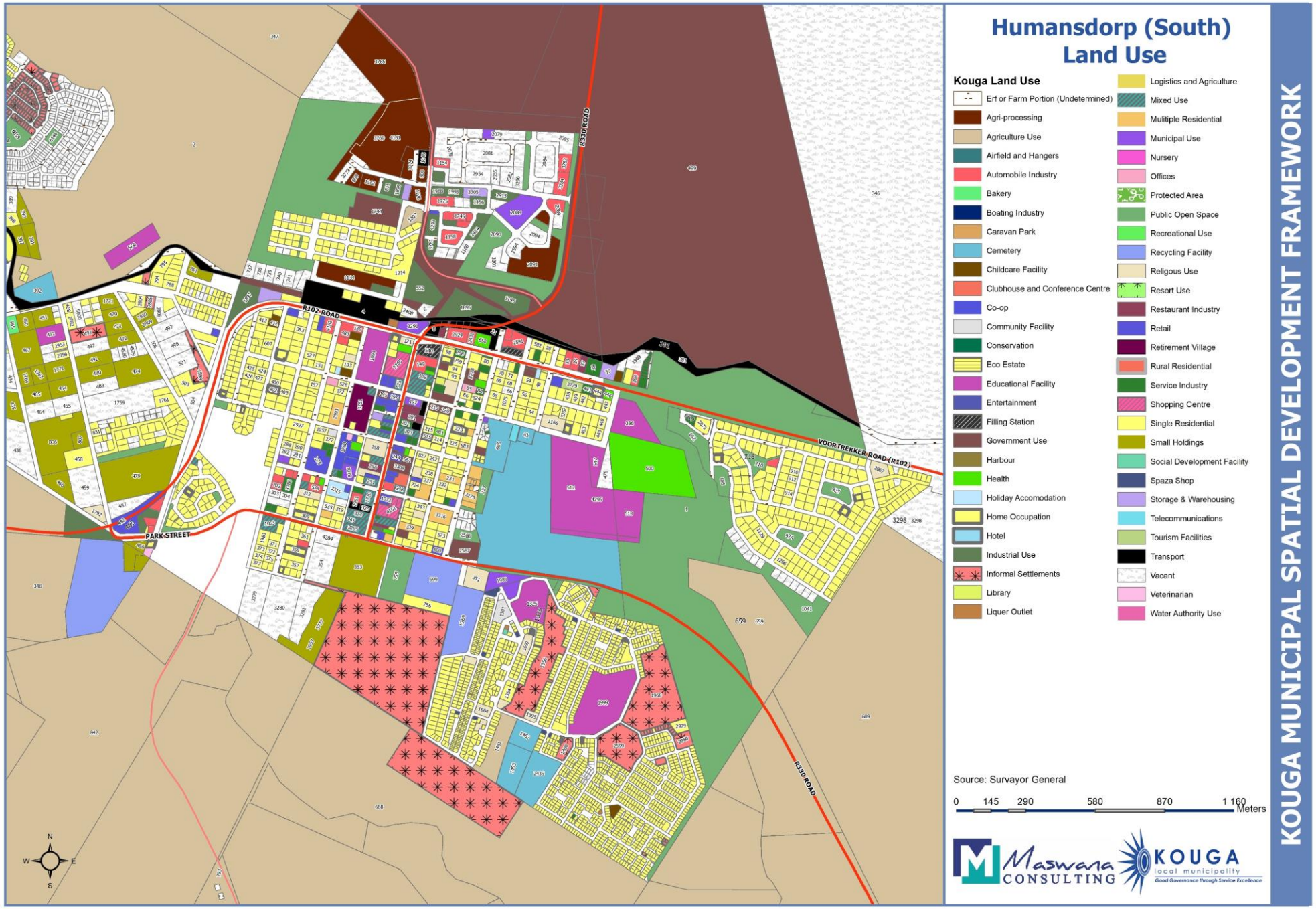
North of Humansdorp and in the area between the central town and Kruisfontein, smallholdings are prevalent. These smallholdings are primarily used for residential purposes and subsistence farming, with many still vacant. However, some are used for informal housing and lack the necessary services required for residential use.

Humansdorp features various leisure land use activities. The Zwartenbosch Golf Estate, a private golf course catering to higher-income individuals, has the potential to attract affluent investors to its residential properties, thereby expanding the town's tax base. Conversely, the former municipal sports grounds have been vandalized to the point of disuse and have been occupied by informal dwellings, as observed on Erf 1, Humansdorp.

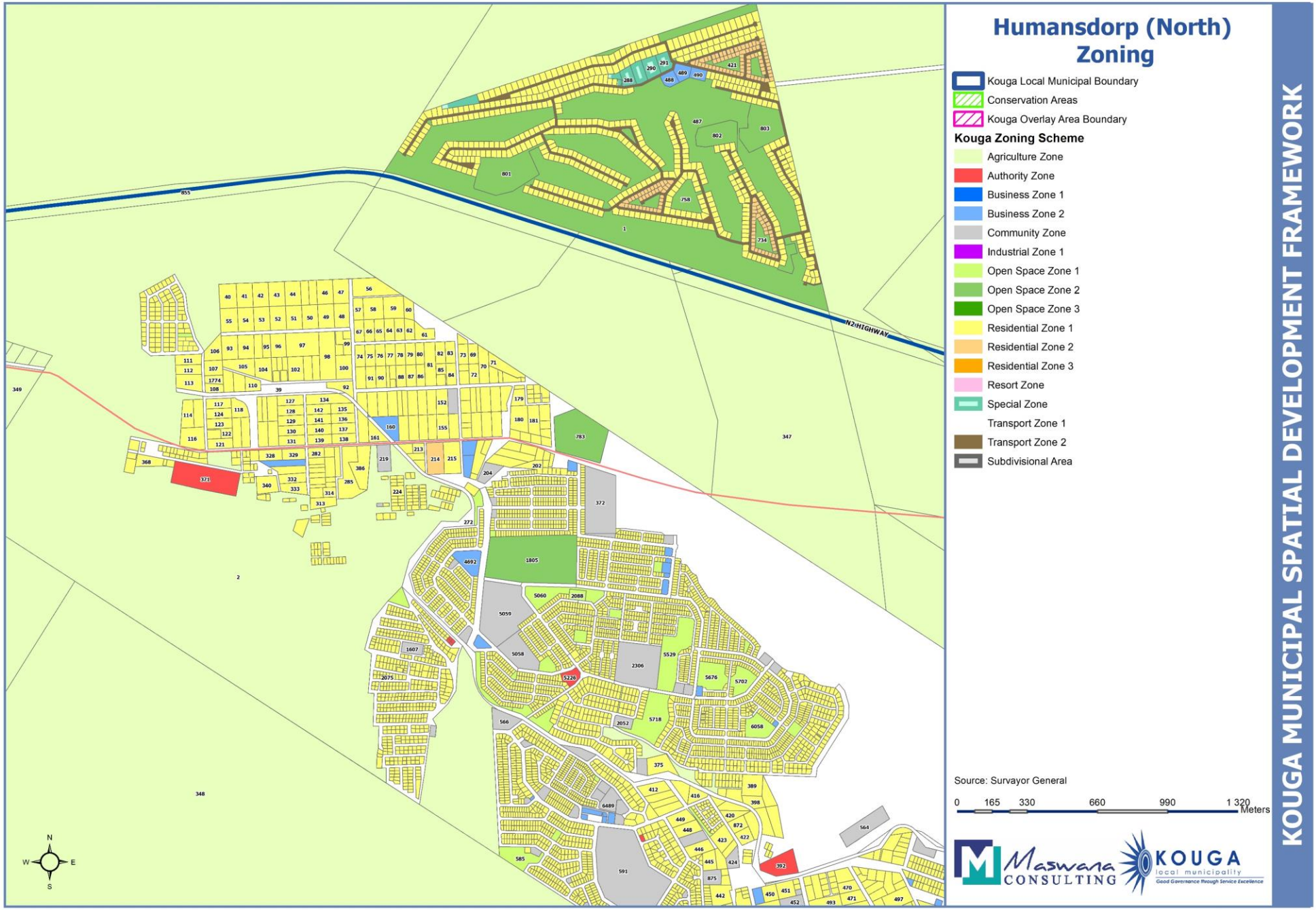
Erf 499 presents another challenge, as it is zoned for agriculture but includes a significant wetland area. The property is currently being used for wastewater treatment works (WWTW) alongside informal dwellings, which are both unsafe and illegal.



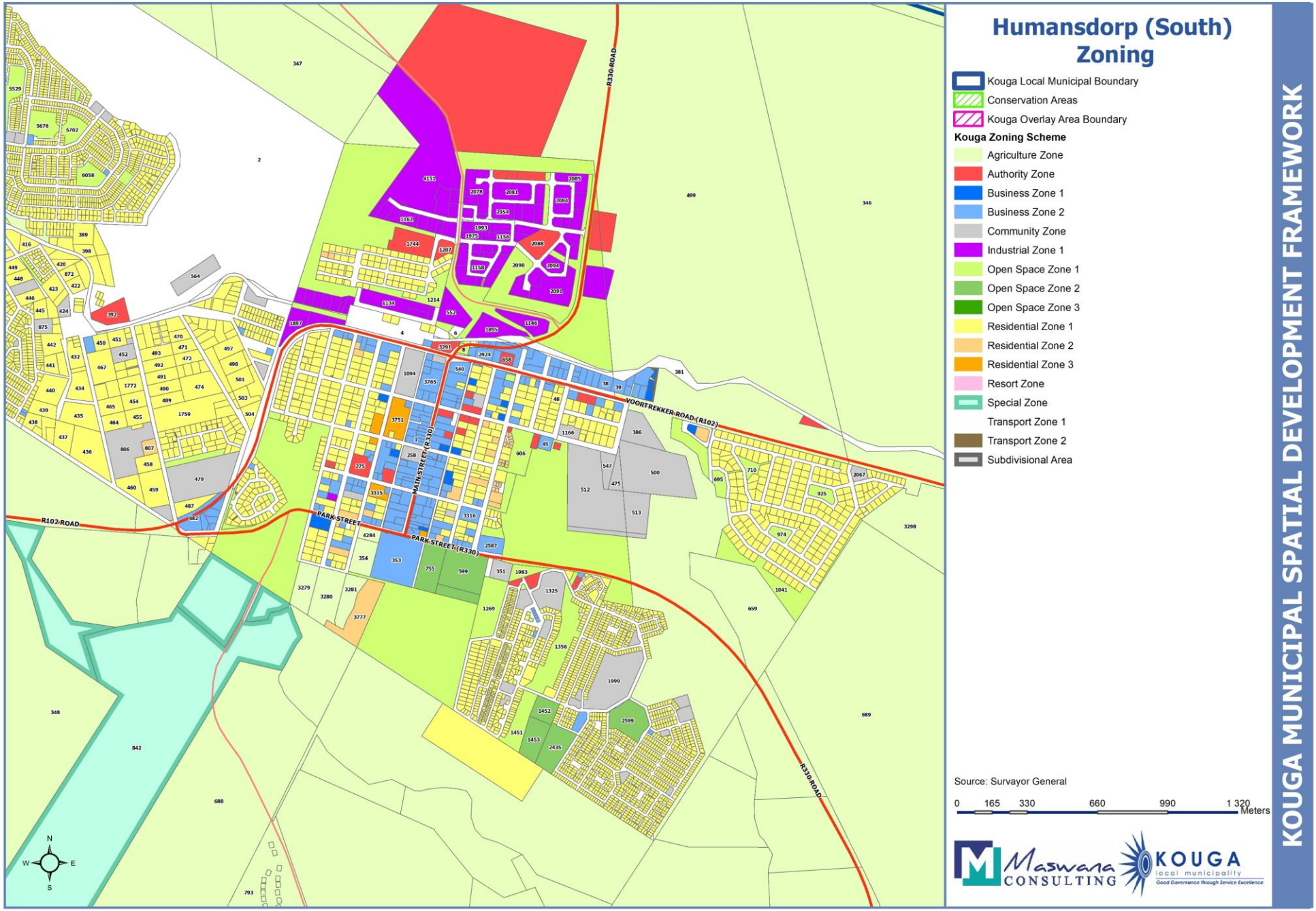
Map 4: Humansdorp (North) Land Use



Map 5: Humansdorp (South) Land Use



Map 6: Humansdorp (North) Zoning



Map 7: Humansdorp (South) Zoning

3.2.5.2 JEFFREYS BAY

Jeffreys Bay is predominantly recognized as a vacation destination and retirement town, characterized by a significant proportion of properties zoned for Residential Zone 1, utilized for single residential purposes and guest lodging. The presence of several large retirement villages and resorts reinforces this character. Additionally, multiple residential zoning is prevalent, especially along the coastal area, where higher-density residential developments are increasingly used for holiday accommodations. The number of undeveloped multiple residential zoned erven is decreasing, highlighting the growing focus on high-density developments and the need for more multiple residential properties, particularly for affordable housing in areas such as Pellsrus and Tokyo Sexwale.

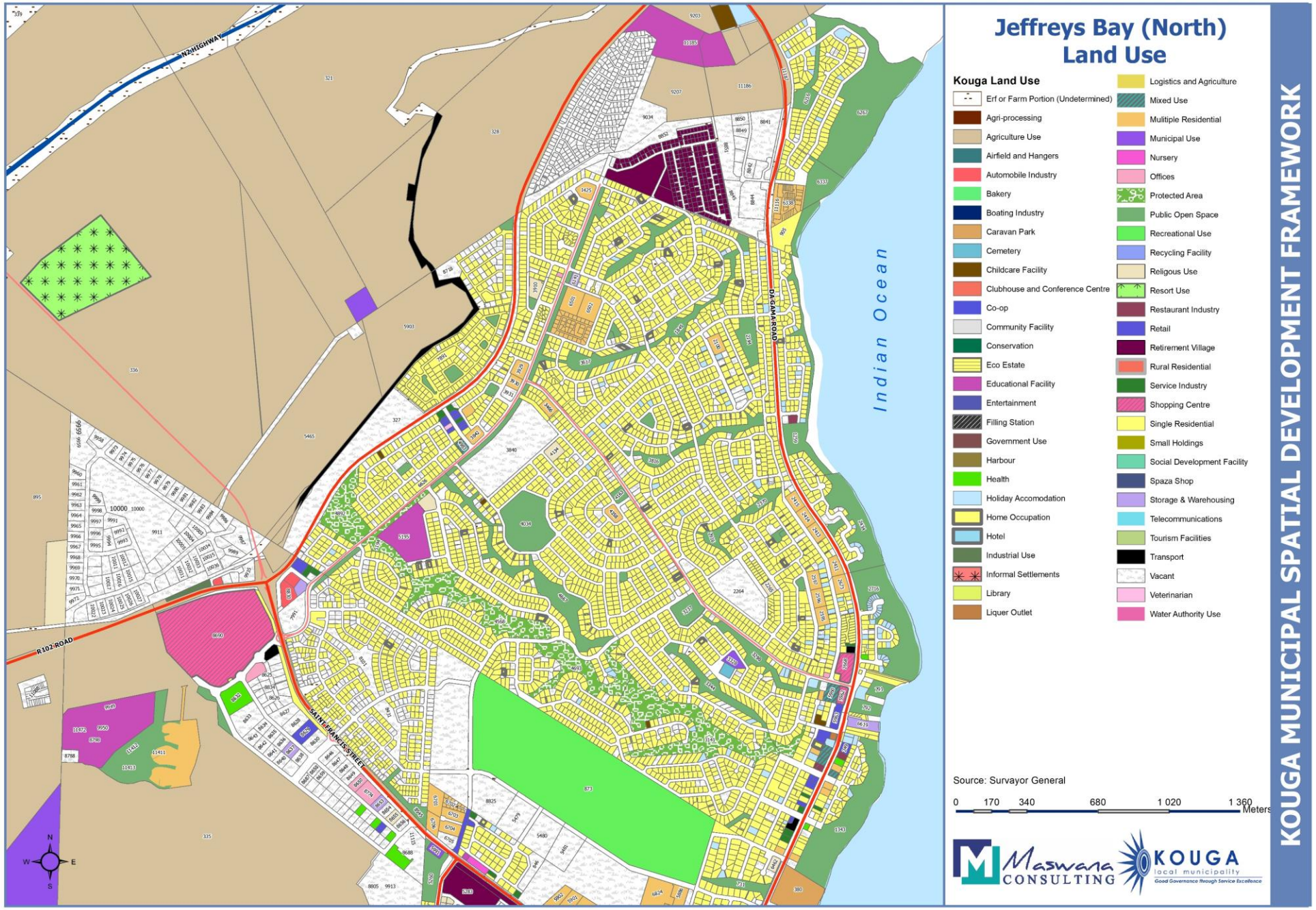
The Jeffreys Bay Central Business District (CBD) is located in the southern part of the town, in the vicinity of Da Gama Road, Woltemade Road, and St Francis Street. Da Gama Road and St Francis Street serve as corridors with smaller mixed-use nodes visible along them. The majority of business-zoned erven are utilized for retail purposes, catering to both permanent residents and tourists.

Jeffreys Bay hosts various educational facilities, predominantly located in the southern part of the town, indicating a higher population density in this region. This density can be attributed to the presence of the CBD, an industrial zone, and the nearby low-income precincts of Pellsrus and Tokyo Sexwale. Informal dwellings are also present in these lower-income regions, with the largest concentration on the Remainder of Portion 125 of Farm Klein Zeekoe River Estate 335 and Erf 9932, Jeffreys Bay.

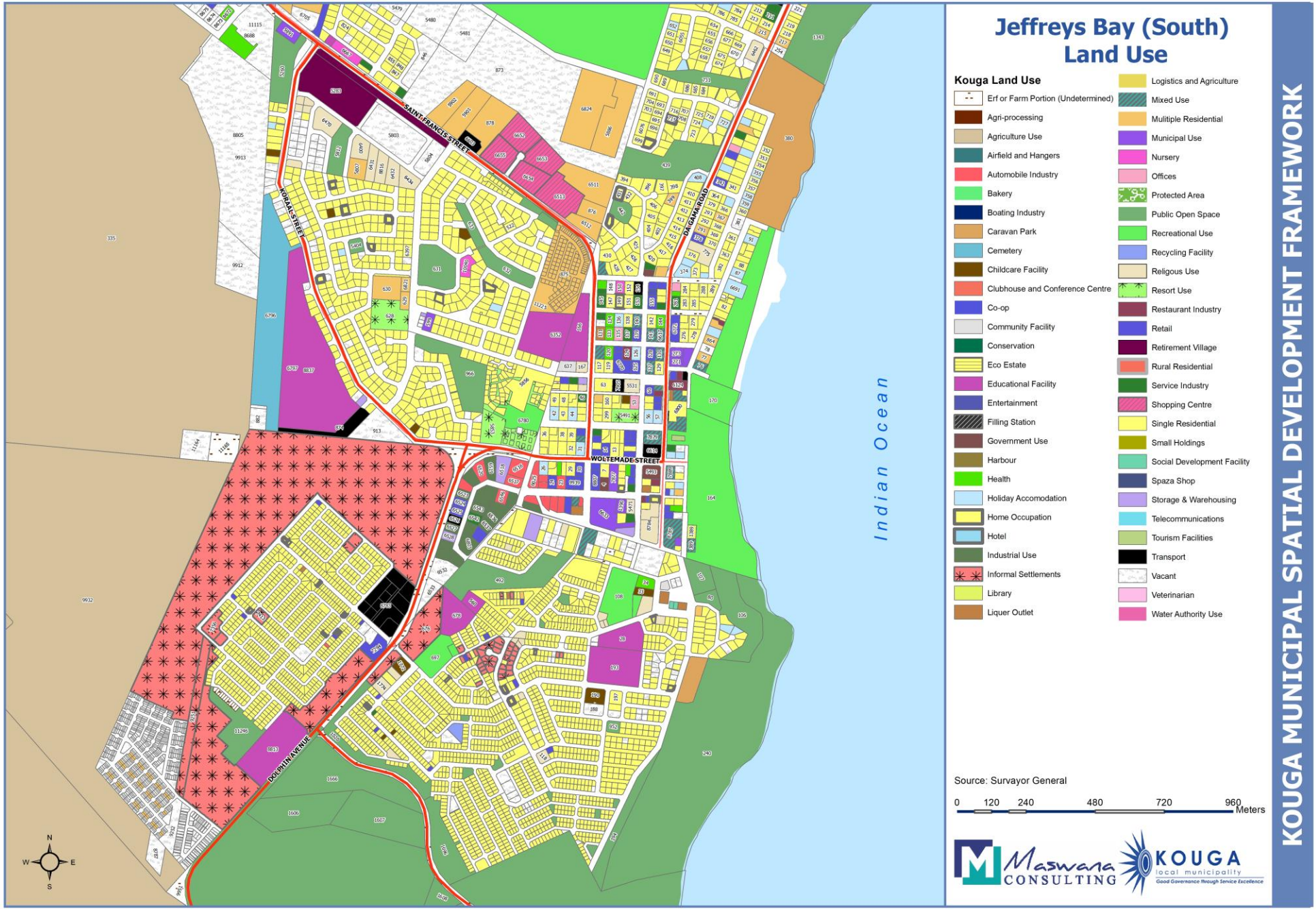
The town is well-serviced with green open spaces, featuring large public open areas, the Noorsekloof Conservation Area running through the town, and easily accessible beachfront. Recreational areas are predominantly located in the southern part of the town, with limited access in the Kabeljous and Wavecrest areas. The beachfront provides various recreational spaces for picnics and entertainment, while the golf course and sports grounds in Pellsrus and Tokyo Sexwale offer opportunities for sporting activities. However, the low-income areas lack public open spaces, possibly due to the encroachment of informal dwellers on properties designated for this purpose.

While the town still experiences high vacancy rates, particularly for single residential erven, there has been a noticeable decrease in vacant erven due to the semigration trend from the northern provinces that began after the Covid-19 pandemic. Conversely, high vacancy rates among commercial and industrial properties remain problematic, with many business and industrial-zoned properties in and around the Fountains Mall area struggling to develop. The Pellsrus area has minimal vacant residential erven, but a few business and community-zoned erven remain open, indicating a lack of development interest in the area. Additionally, some authority-zoned properties are left vacant and could be better utilized by the municipality or private investors. Large tracts of community and authority-zoned land in the Wavecrest area remain undeveloped and can be used for infill development or recreational purposes.

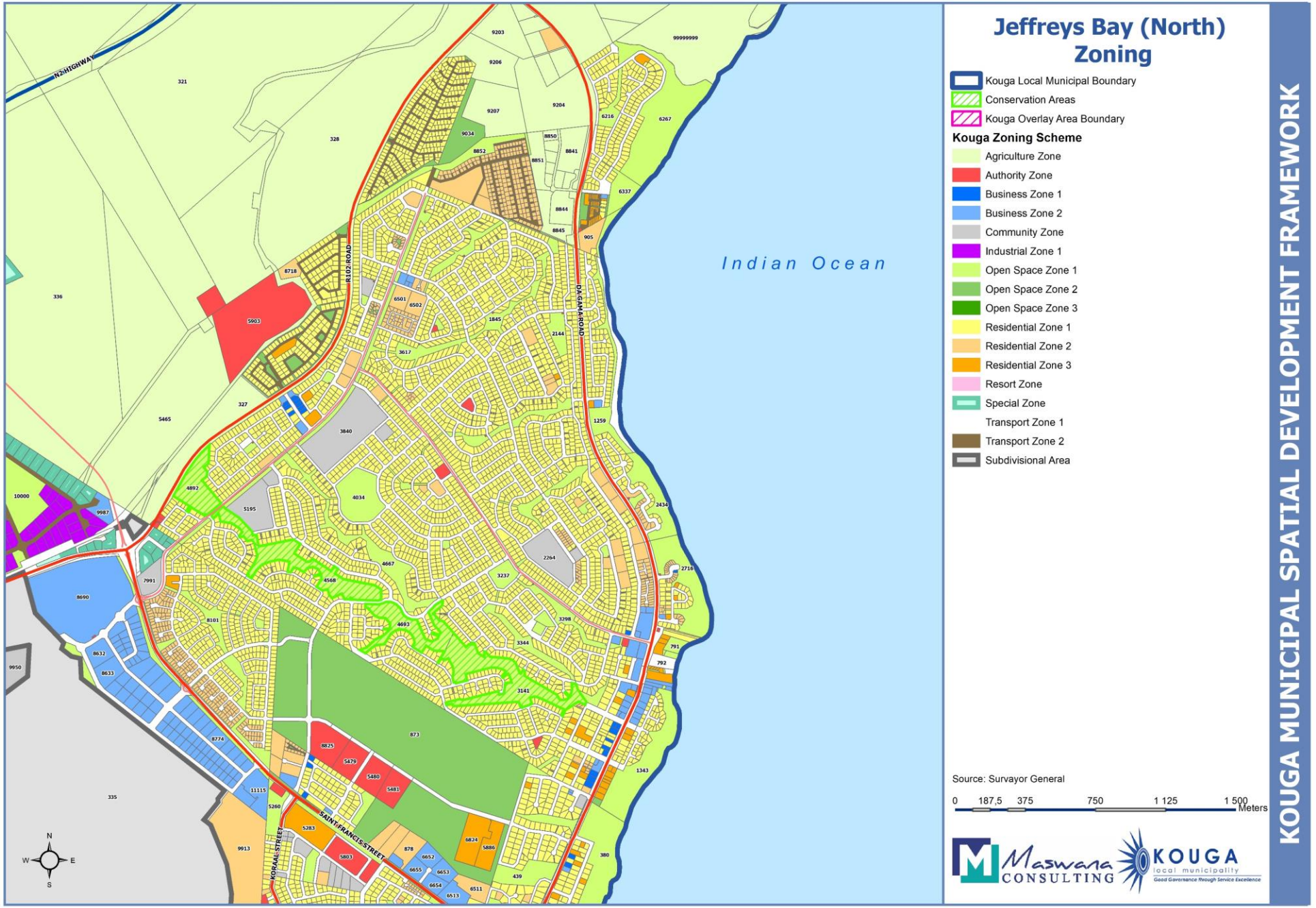
The properties along Da Gama Road, east of the Eden Glen Retirement Village, are mostly vacant and partially used by horse trainers for grazing and training. These properties are ideally located for mixed-use infill development and should be promoted as such. Furthermore, a large residential expansion has been planned west of Eden Glen along the R102, but no development has occurred to date.



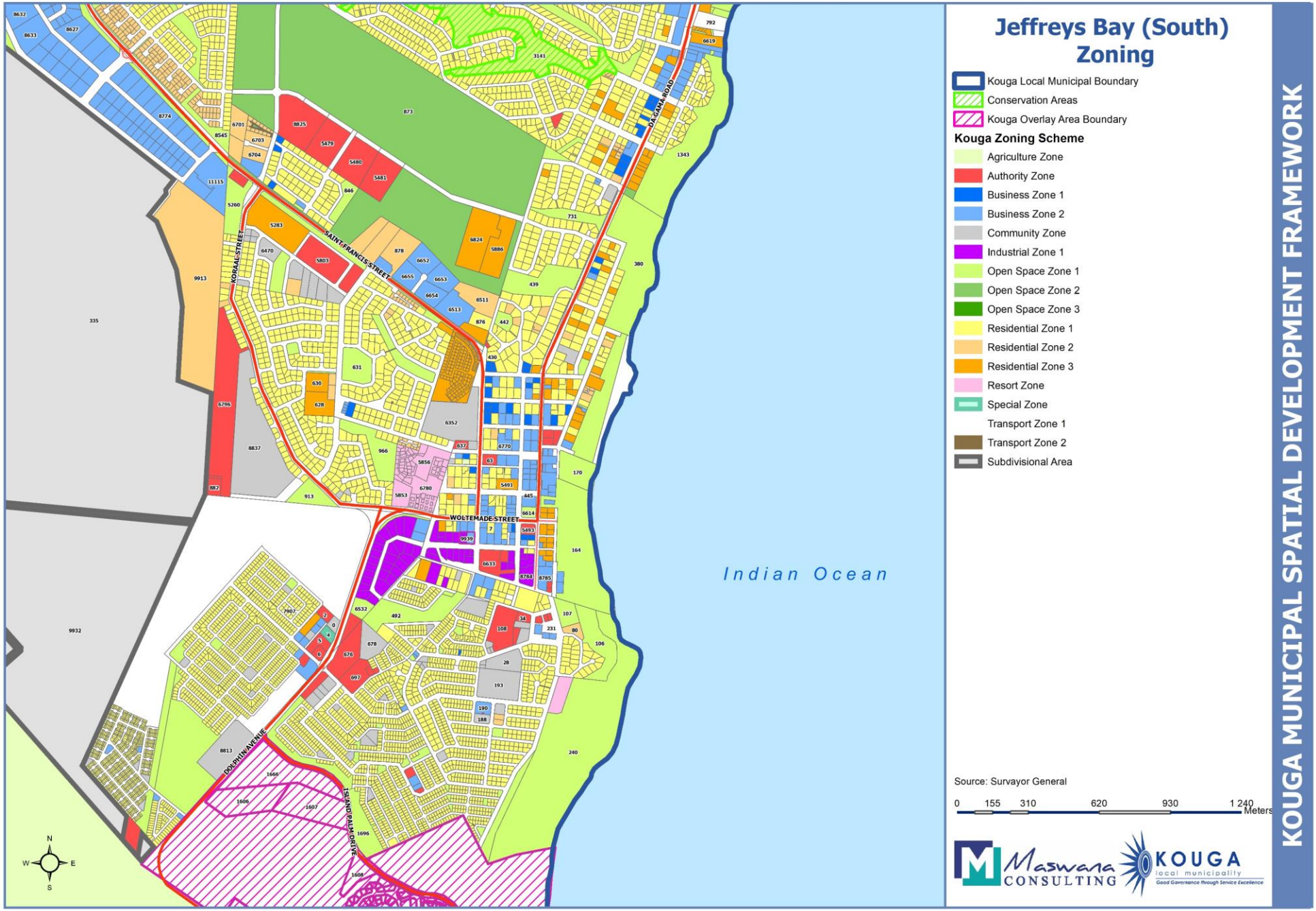
Map 8: Jeffreys Bay (North) Land Use



Map 9: Jeffreys Bay (South) Land Use



Map 10: Jeffreys Bay (North) Zoning



Map 11: Jeffreys Bay (South) Zoning

3.2.5.3 ST FRANCIS BAY

St Francis Bay, much like Cape St Francis, primarily consists of residential dwellings used as vacation homes, guest lodging, or future retirement properties. The southern part of the town contains the majority of the vacant erven within St Francis Bay. Most of the vacant erven in the northern and central parts of the settlement are located along major routes such as Lyme Road North and St Francis Drive, indicating a lack of demand for residential dwellings along these roads, as these properties are mainly zoned for single residential use.

Southwest of the existing developed area of St Francis Bay lies a significant tract of land suitable for infill development towards Cape St Francis. Furthermore, the vacant land between St Francis Drive and the R330 north of the Central Business District (CBD) presents another opportunity for infill development.

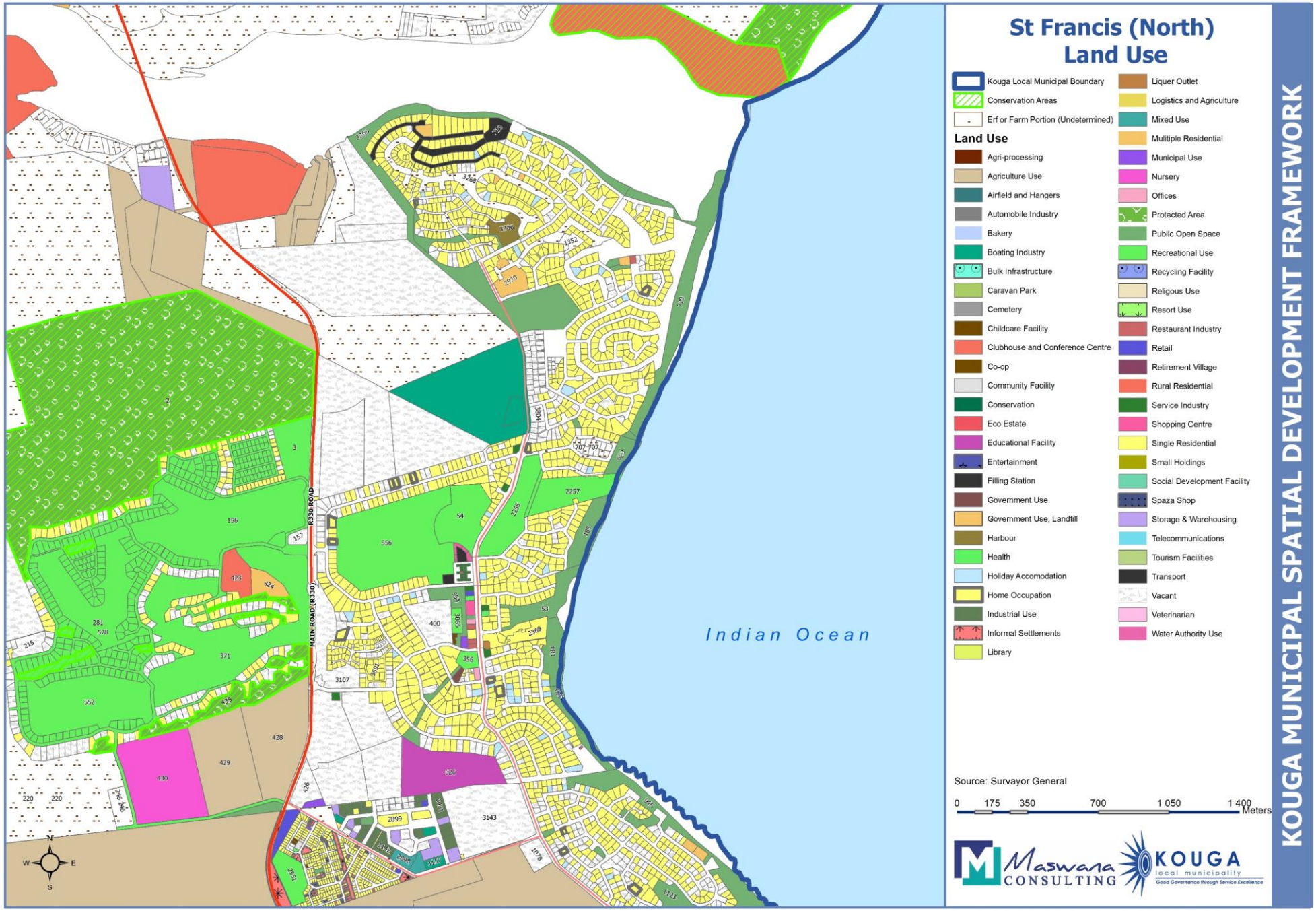
The industrial area of St Francis Bay primarily supports the boating industry and storage facilities, driven by the prevalence of boating leisure activities and holiday homes in the region. However, the industrial area lacks large parcels available for development, which may impede future light industrial expansion.

The Sea Vista low-income area of St Francis Bay predominantly comprises small single-residential homes, with a minority of households residing in informal dwellings. Most community land uses are centered around this area, with the two largest properties zoned for community use located nearby. One of these sites is currently utilized for a primary school, while the other remains vacant and could be better suited for commercial use.

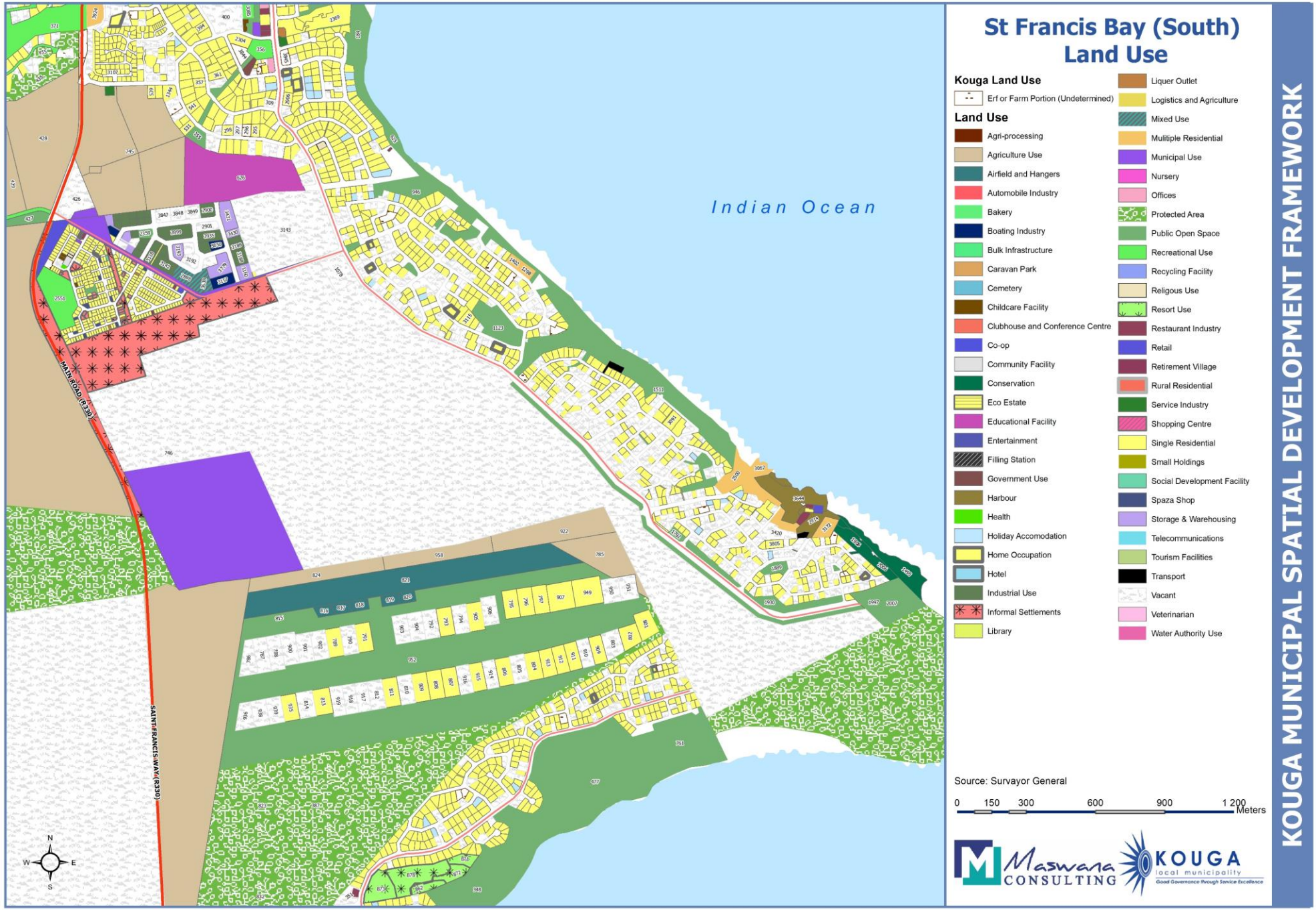
The St Francis Bay CBD is nearly fully developed, leaving limited room for further expansion. As the existing vacant residential erven are developed, there will be an increasing need for new commercial areas. Few properties outside of the CBD are zoned for business development, which places additional pressure on the CBD to meet the commercial needs of both St Francis Bay and Cape St Francis. Erf 400, currently vacant and zoned for commercial use, holds potential for CBD expansion.

St Francis Bay also boasts a substantial amount of land dedicated to leisure activities, particularly golfing, which serves as a major attraction along with the water canals in the northern part of the settlement. The St Francis Bay Port precinct is characterized by medium to high-density residential land uses, along with a diverse array of mixed-uses within the port area, supported by the special zonings applied to the erven.

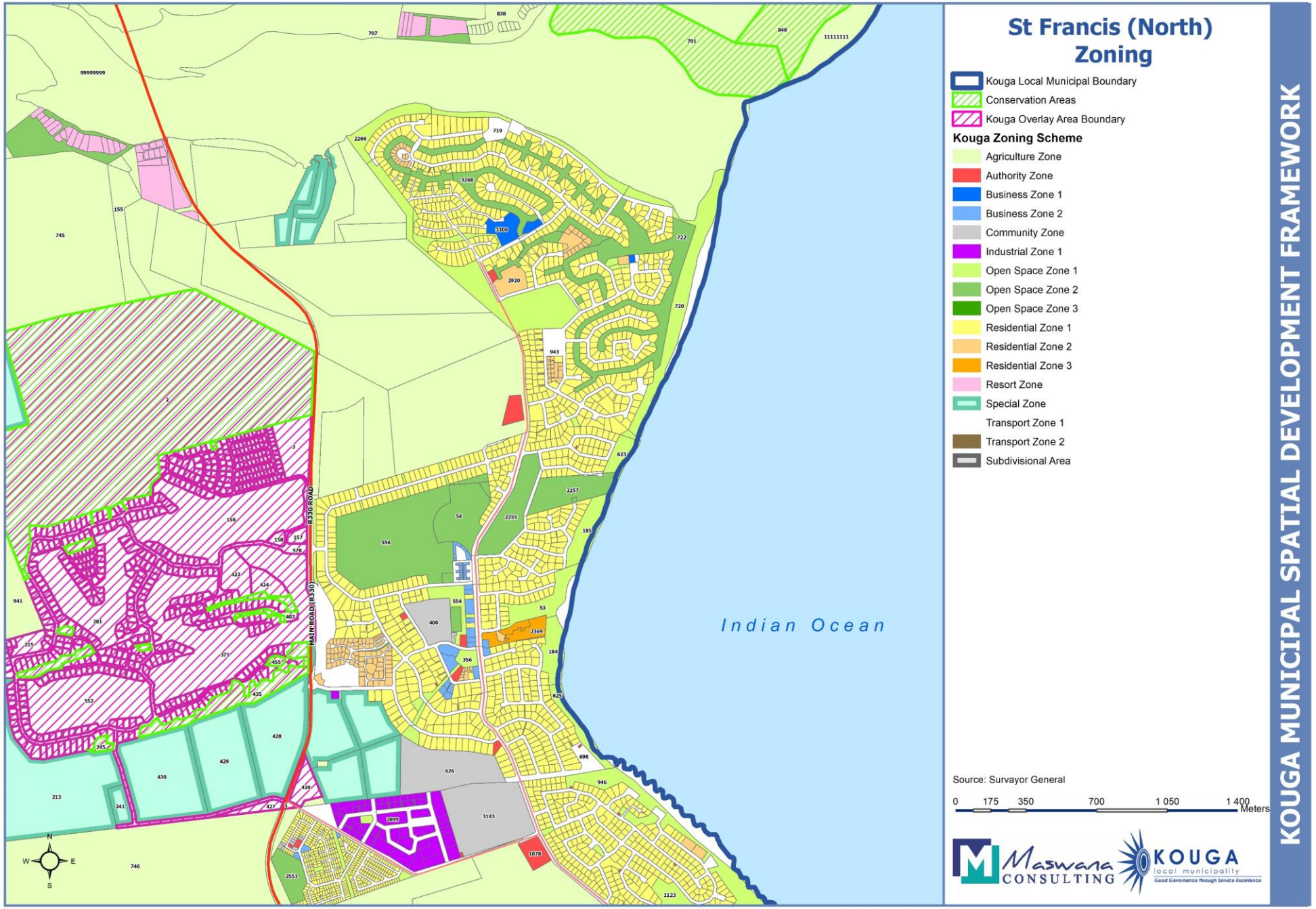
This spatial development framework will need to balance residential, commercial, industrial, and recreational land uses, ensuring sustainable growth and development for St Francis Bay.



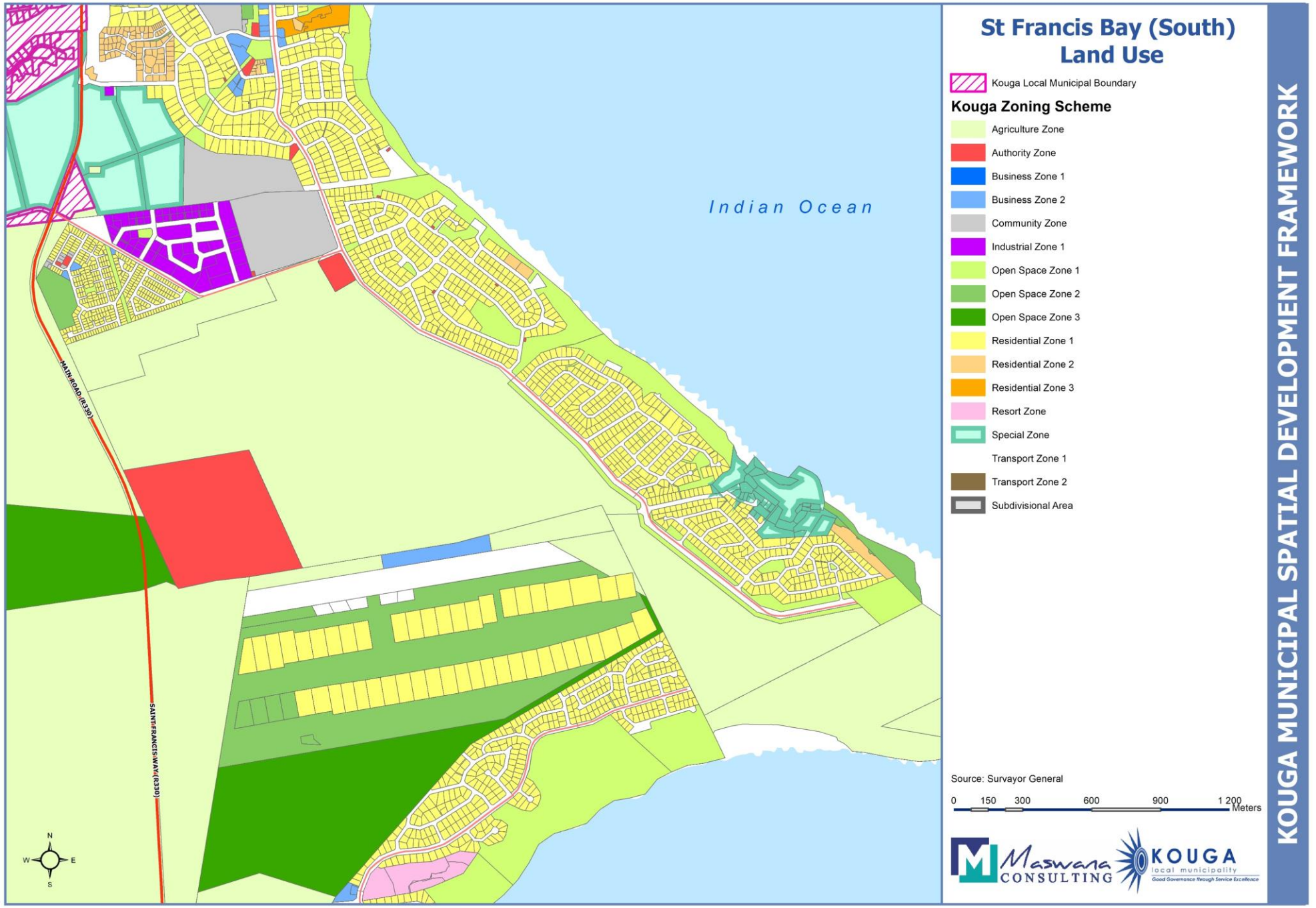
Map 12: St Francis Bay (North) Land Use



Map 13: St Francis Bay (South) Land Use



Map 14: St Francis Bay (North) Zoning



Map 15: St Francis Bay (South) Zoning

3.2.5.4 CAPE ST FRANCIS

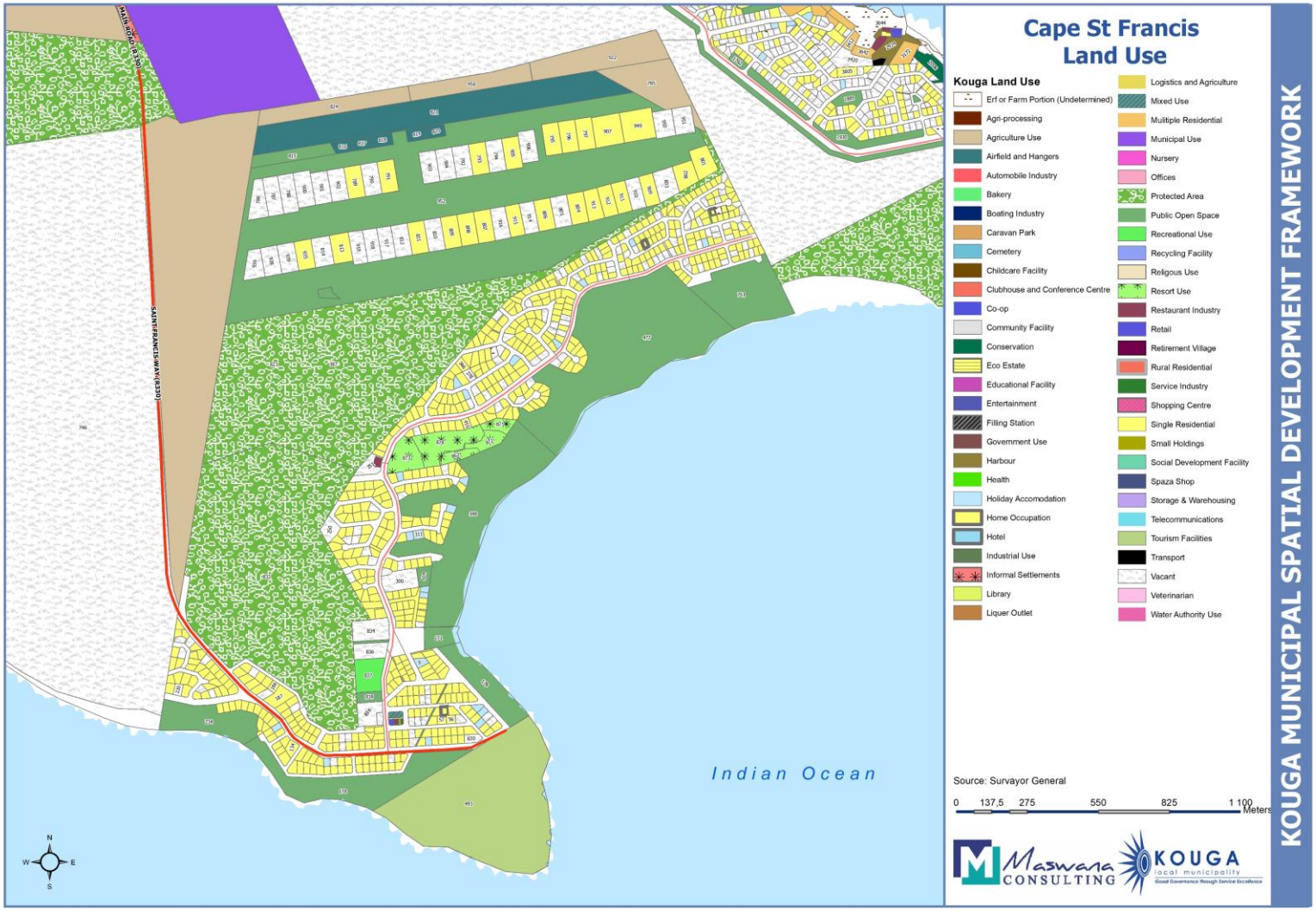
Cape St Francis is predominantly characterized by single residential dwellings, primarily utilized as retirement or vacation homes. This residential pattern is underscored by the limited availability of social services and businesses, a reflection of the low number of permanent residents throughout most of the year. The town's zoning predominantly falls under Residential Zone 1, designated for single residential dwellings.

Despite this predominance, there are areas zoned as Resort Zone and higher-density residential zones, which allow for a greater concentration of dwelling units. However, a significant number of these higher-density parcels remain undeveloped, indicating a current lack of demand for higher-density living within the town.

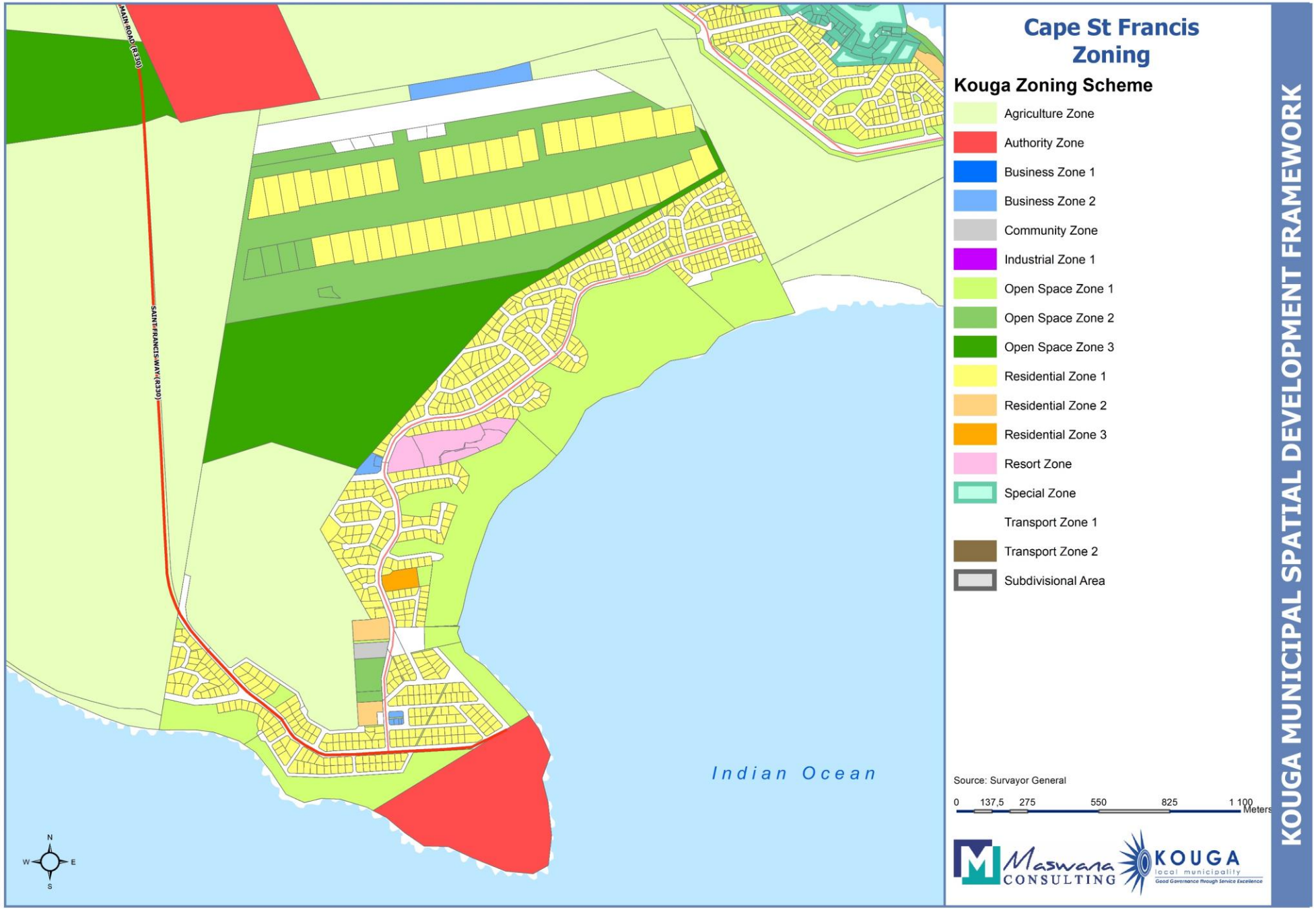
Commercial development within Cape St Francis is concentrated in two designated nodes, with only one of these nodes fully developed. Erf 351, which remains vacant, presents a potential site for further commercial activities.

It is important to note that large tracts of land surrounding Cape St Francis are classified as sensitive biodiversity areas. This designation restricts the town's potential for outward expansion, thus highlighting the necessity for prioritizing higher-density developments within the existing vacant erven before considering expansion into these ecologically sensitive zones.

This spatial development framework underscores the importance of a balanced approach to future development, ensuring that the growth of Cape St Francis aligns with both environmental conservation principles and the evolving needs of its residents.



Map 16: Cape St Francis Land Use



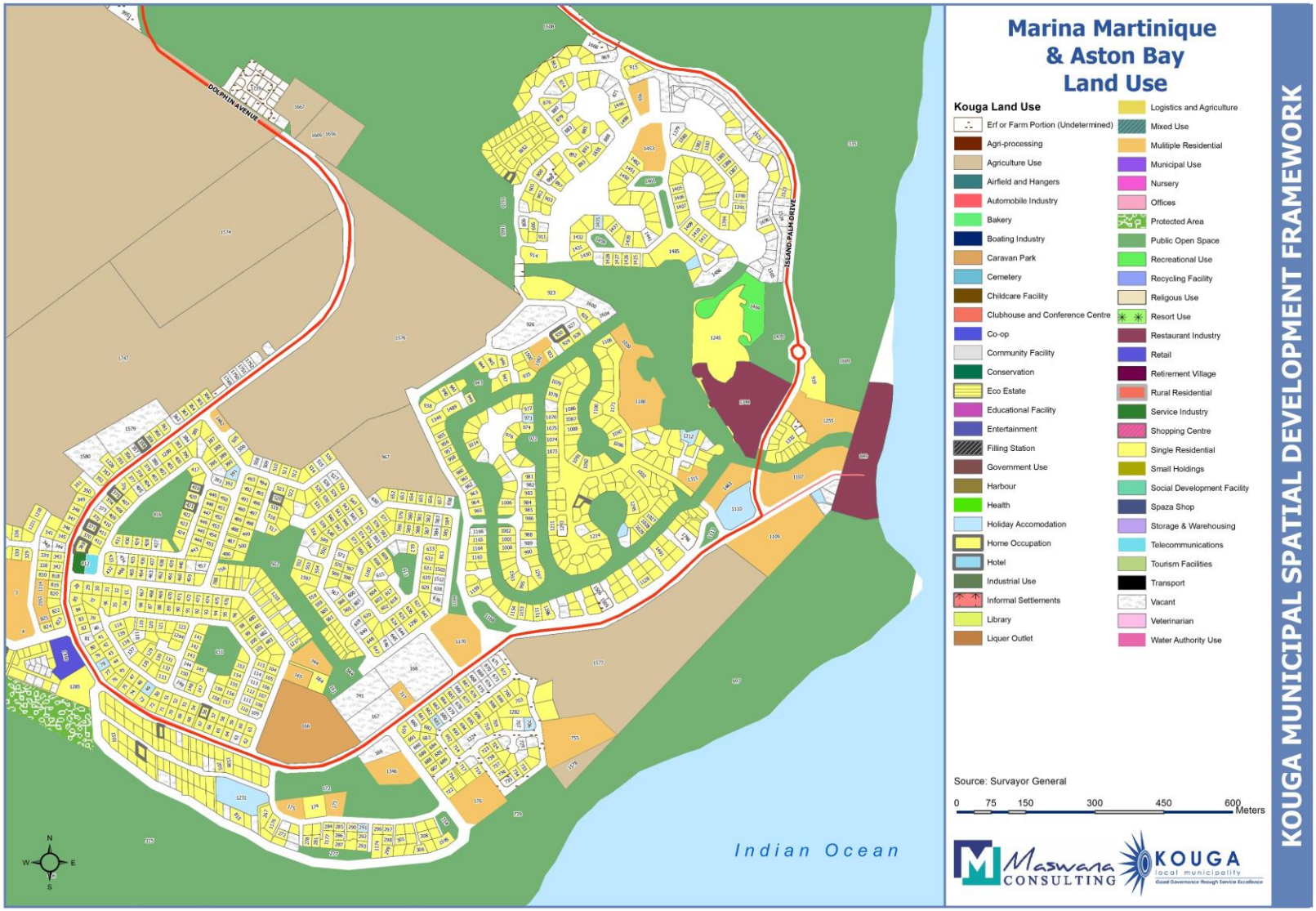
Map 17: Cape St Francis Zoning

3.2.5.5 MARINA MARTINIQUE & ASTON BAY

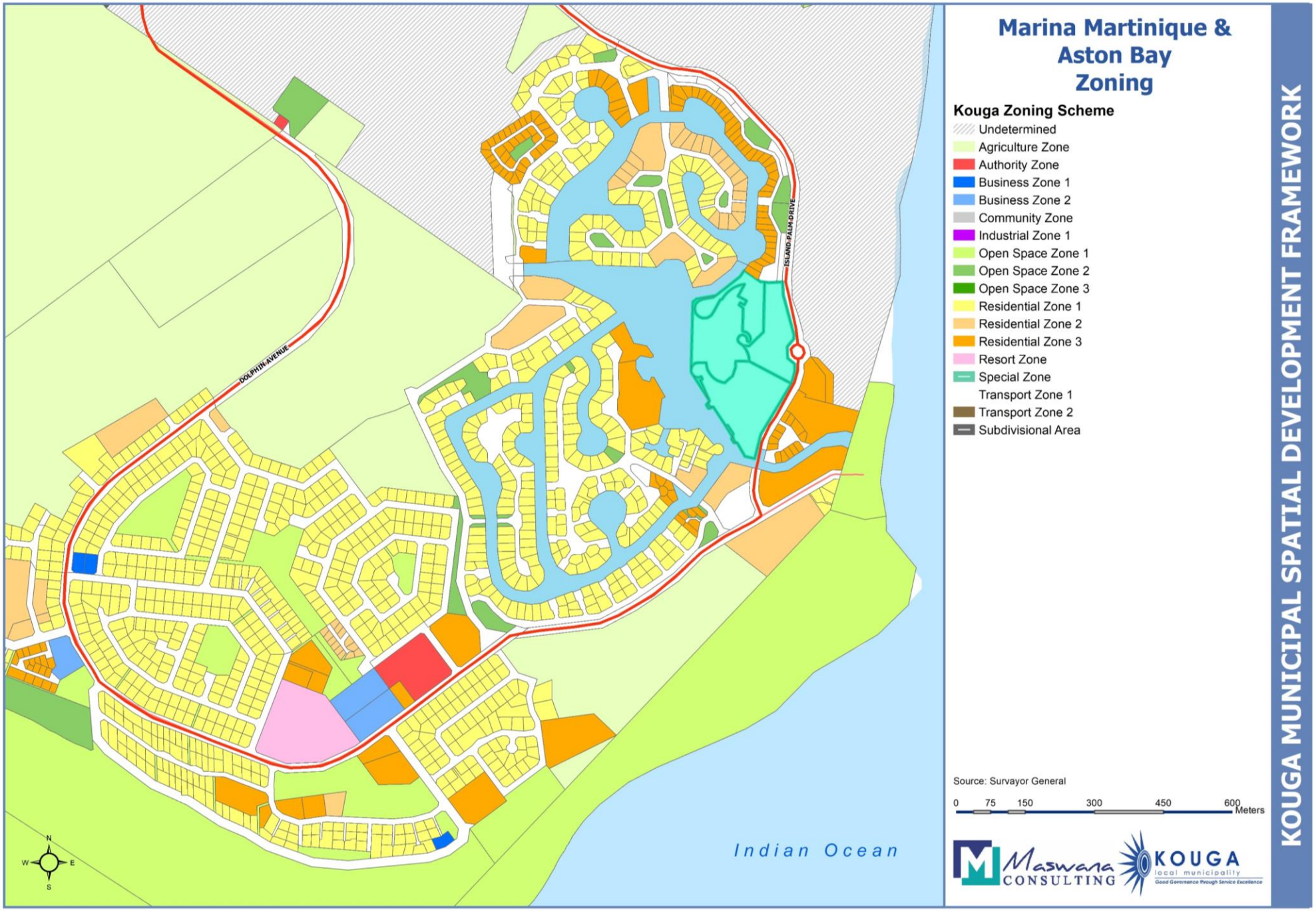
Marina Martinique is a high-income estate primarily centred around holiday accommodation and residential homes. The estate is predominantly closed to the public and focuses largely on its residential component, with few properties zoned for non-residential uses. Multiple residential zoning plays a significant role in the estate, with nearly a quarter of the properties designated for this purpose, although not all of these properties are utilized to their full potential. The few erven zoned for special use are designated for a restaurant and recreational activities, which are accessible to the public. The two restaurants, located on Erf 849 in Jeffreys Bay, cater to the higher-income residents of the area.

Aston Bay shares similarities with Marina Martinique, as it also focuses on residential land uses, with a significant proportion dedicated to guest lodging and vacation homes. However, Aston Bay includes some retail facilities that serve the local community. The only other business and authority-zoned erven in the settlement are currently vacant, indicating a lack of demand for further commercial properties.

Both precincts have numerous vacant residential erven, indicating that immediate residential expansion is unnecessary, especially considering the sensitive biodiversity surrounding these areas.



Map 18: Marina Martinique & Aston Bay Land Use



Map 19: Marina Martinique & Aston Bay Zoning

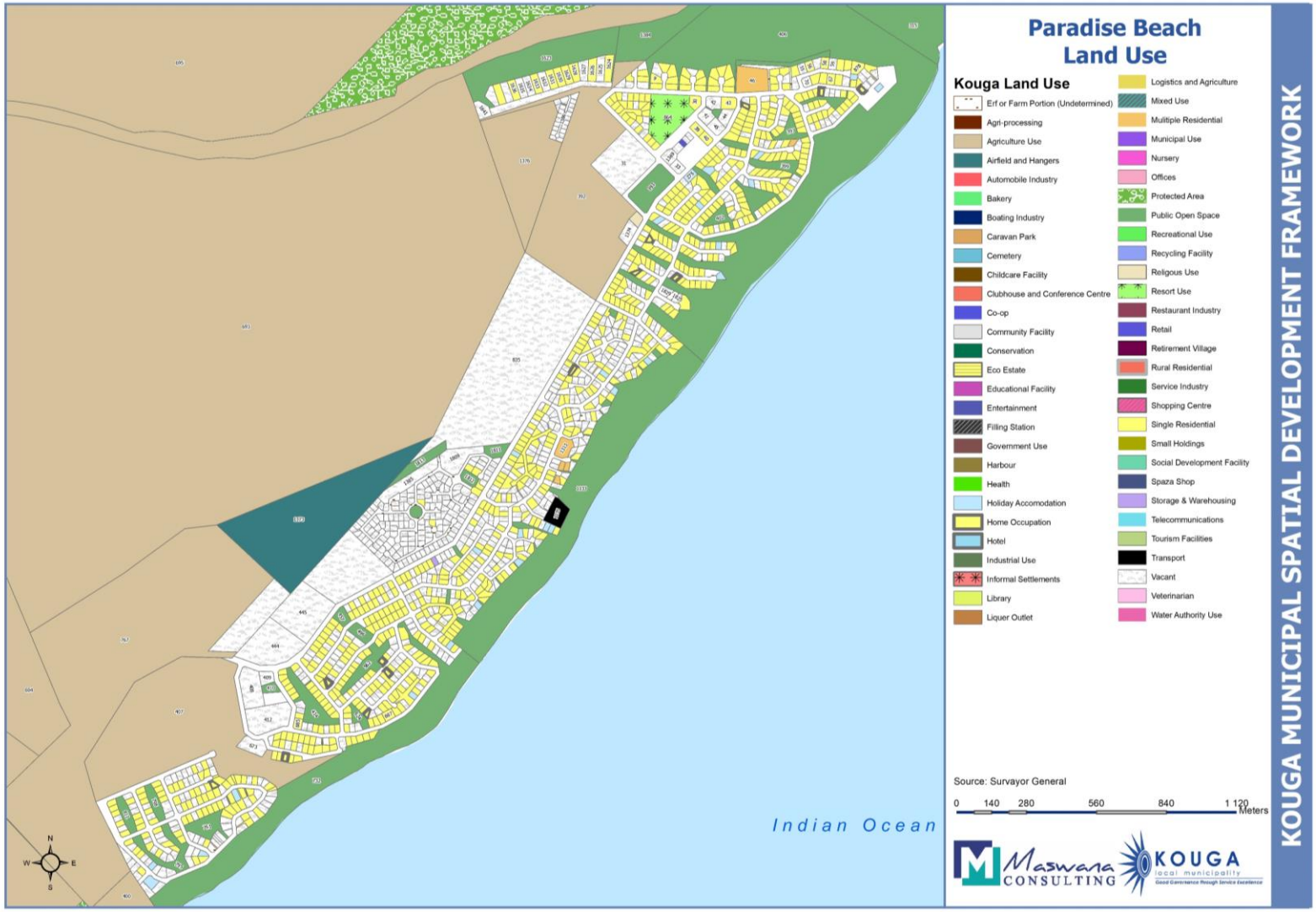
3.2.5.6 PARADISE BEACH

Paradise Beach, similar to Aston Bay, experiences a high rate of property vacancies for most of the year, with a significant portion of homes utilized as guest lodging or private holiday residences. This trend is reflected in the limited business development in the area, where only one of the several business-zoned erven has been developed as a retail store.

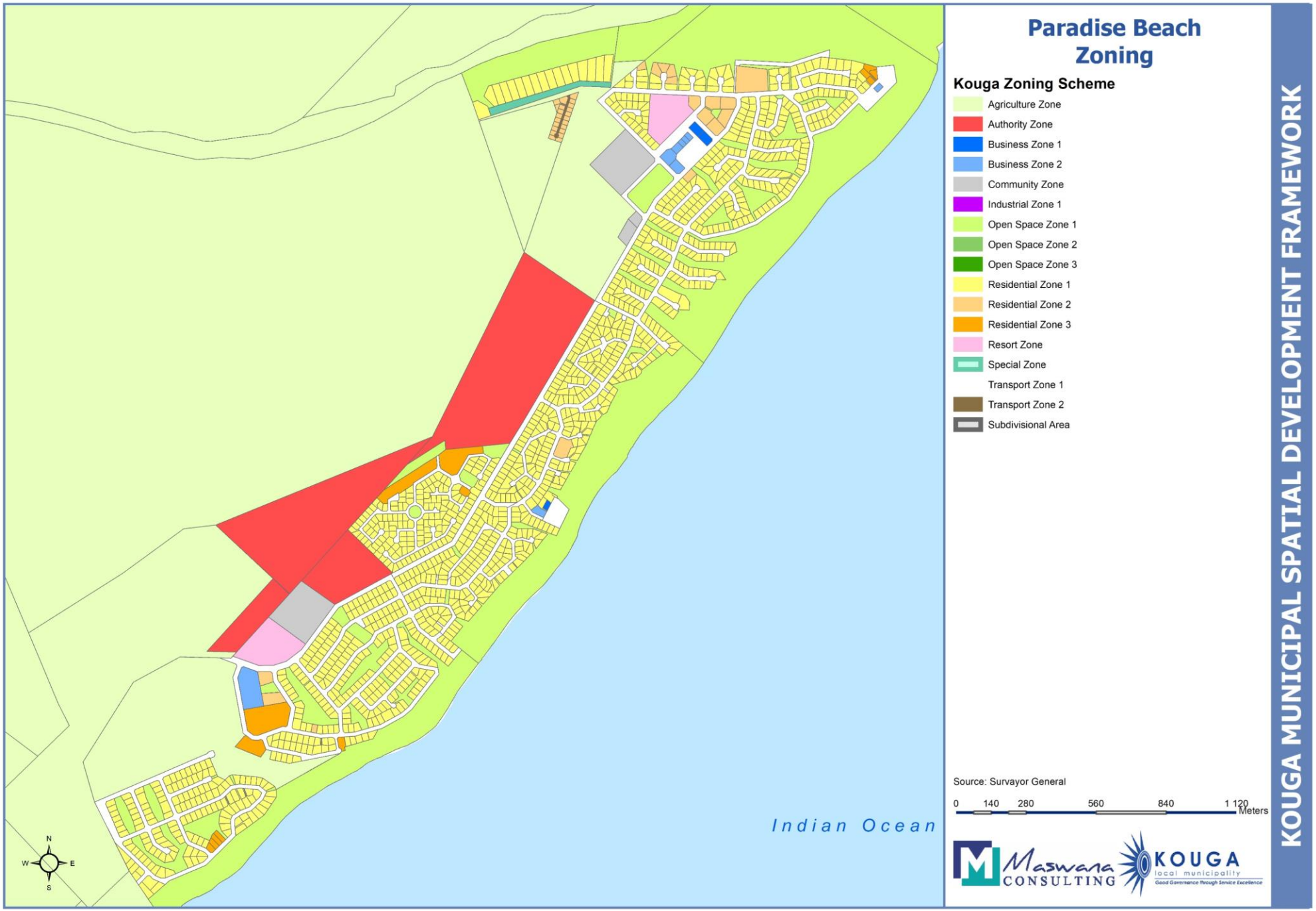
Paradise Beach likely has the highest proportion of vacant erven within the Kouga Municipality. The majority of these erven are zoned for Single Residential use, which reduces the immediate need for future residential expansion. Additionally, all the Residential Zone 3 erven remain undeveloped, indicating a lack of demand for higher residential densities. Although some Residential Zone 2 erven have been developed for higher densities, many of these erven still require development or are currently used for single residential purposes.

A notable trend in Paradise Beach is the dual use of many single residential dwellings as home occupation locations. This suggests a growing interest in living in the area while operating online businesses or small home enterprises, aligning with the work-from-home and semigration trends. As companies divest from large office buildings in major cities such as Gauteng and KwaZulu Natal, satellite offices run from residential homes in small coastal towns like Paradise Beach are becoming increasingly popular. This presents an opportunity for Paradise Beach to capitalize on this market by providing the necessary infrastructure to support home-based businesses and public workspaces.

Despite the evident zoning provisions for community facilities, there is a noticeable lack of such amenities in the settlement. Large vacant erven, such as Erf 445 and Erf 33, are zoned for community use and offer significant potential for development to benefit the community.



Map 20: Paradise Beach Land Use



Map 21: Paradise Beach Zoning

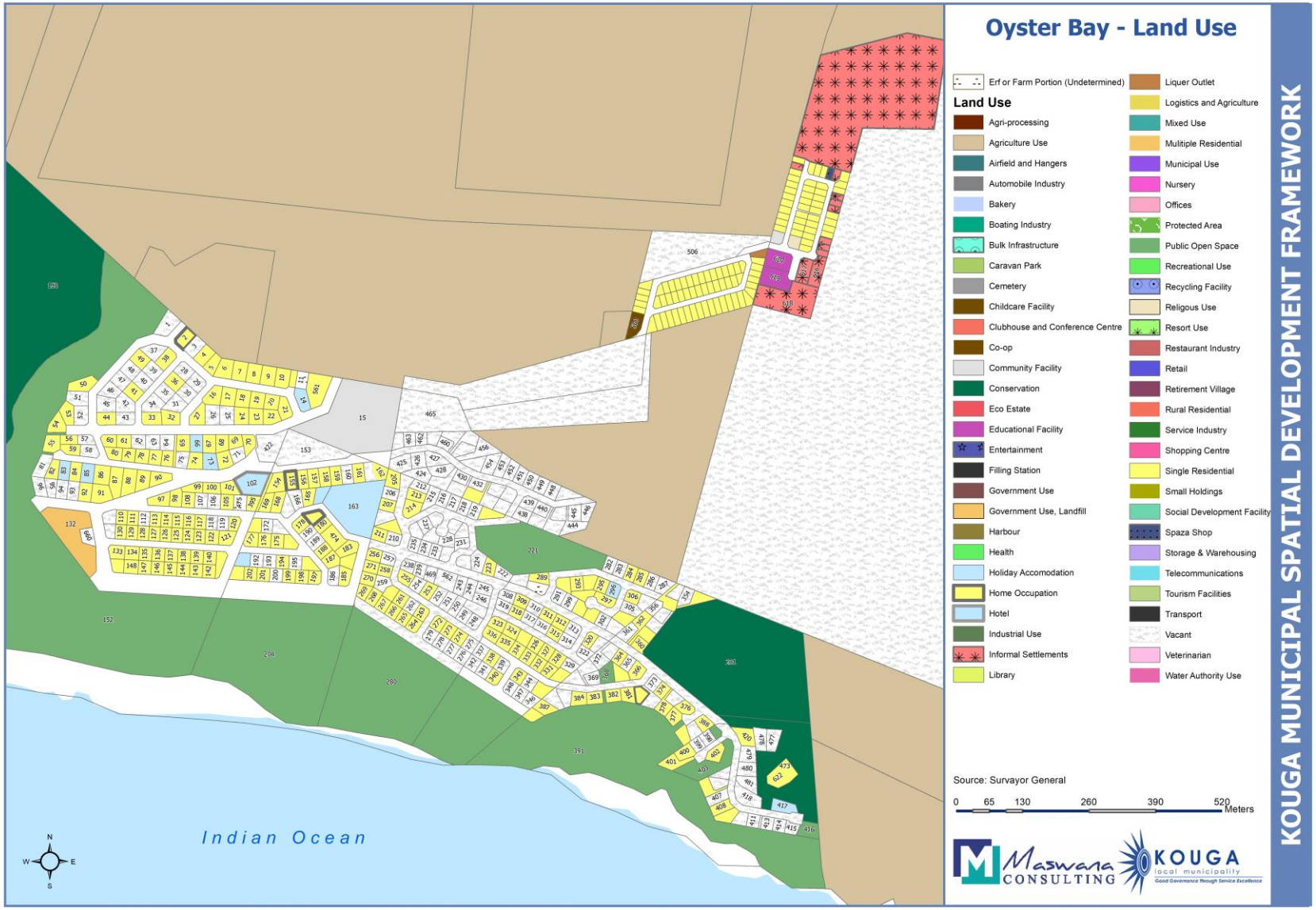
3.2.5.7 OYSTER BAY

Oyster Bay is a small community characterized predominantly by holiday homes and guest lodging facilities. The settlement is divided into two distinct sections: one dominated by low-density holiday homes, and the other primarily comprising low-income housing with numerous informal dwelling units. The low-income section also includes an educational facility and a spaza shop providing basic retail services.

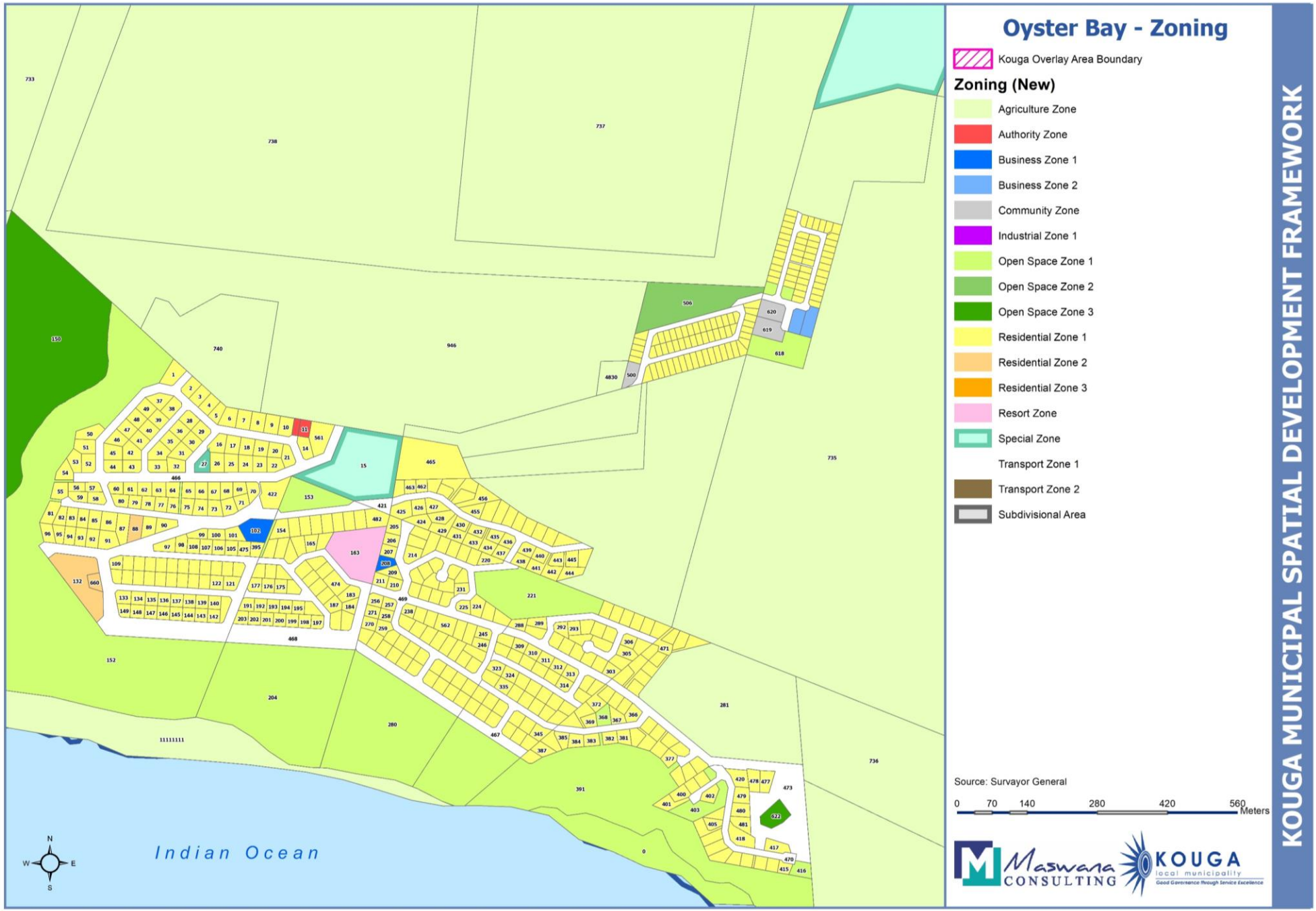
Despite the evident need for retail facilities, especially in lower-income areas where the majority of residents are permanent, there is a notable lack of investment in commercial development.

Although a limited number of business erven are available in the area, only one is currently utilized for business purposes. Erven 208, 617, and 616 remain either vacant or occupied by informal dwelling units.

Additionally, while there are several vacant properties in the low-density area of Oyster Bay, there is a notable shortage of erven in the low-income area. This has led to the proliferation of informal dwelling units on land not zoned for residential use. This situation underscores the urgent need for strategic development.



Map 22: Oyster Bay Land Use



Map 23: Oyster Bay Zoning

3.2.5.8 HANKEY

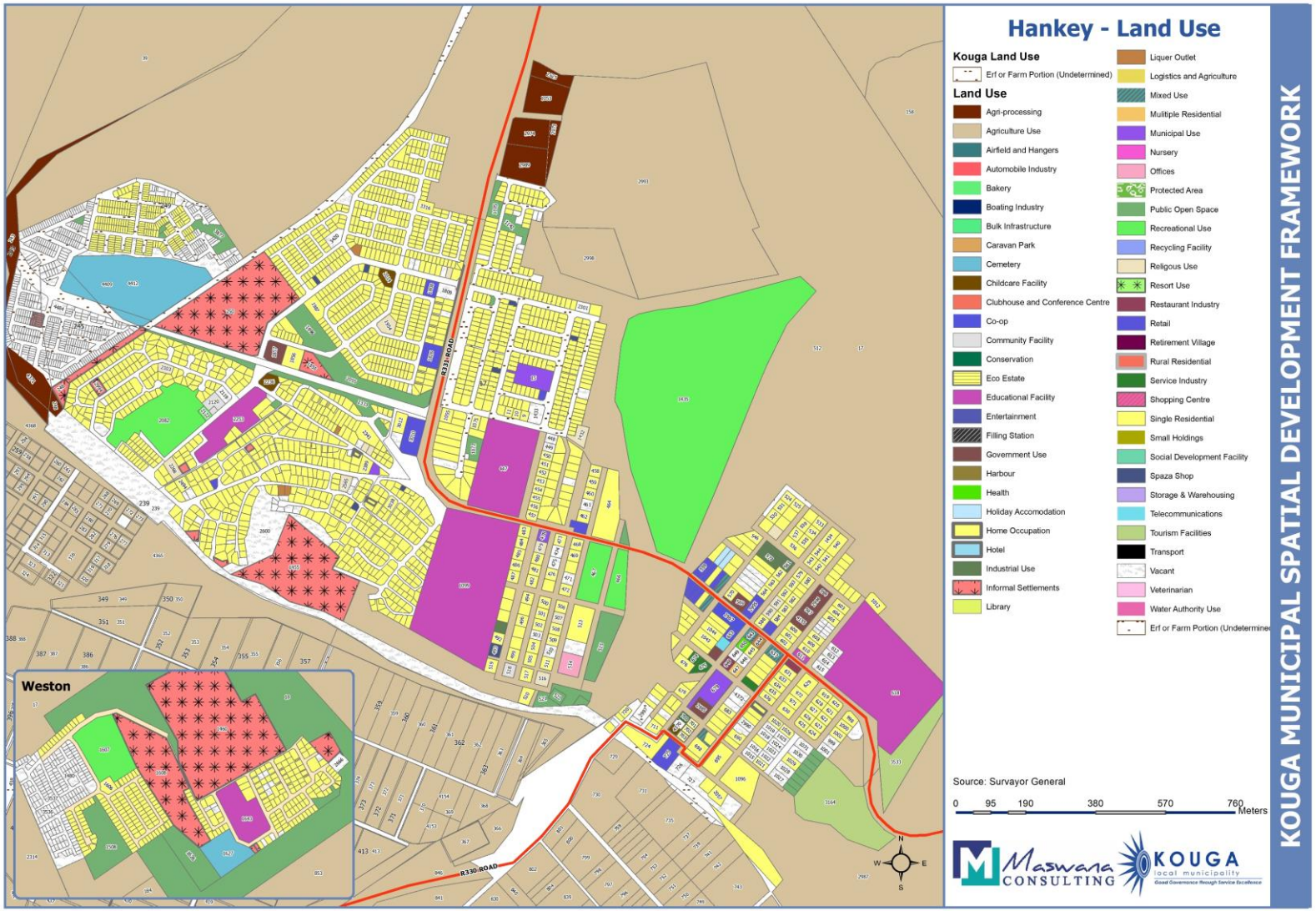
The Hankey settlement features a robust Central Business District (CBD) characterized by a diverse array of mixed uses, complemented by agri-processing facilities located in the northern areas of the settlement. The residential component of Hankey predominantly consists of single-residential dwellings, with only a few higher-density residential properties.

A notable challenge within the town is the presence of informal dwellings, which encroach upon various erven. Addressing this issue is crucial for orderly development and improved living conditions.

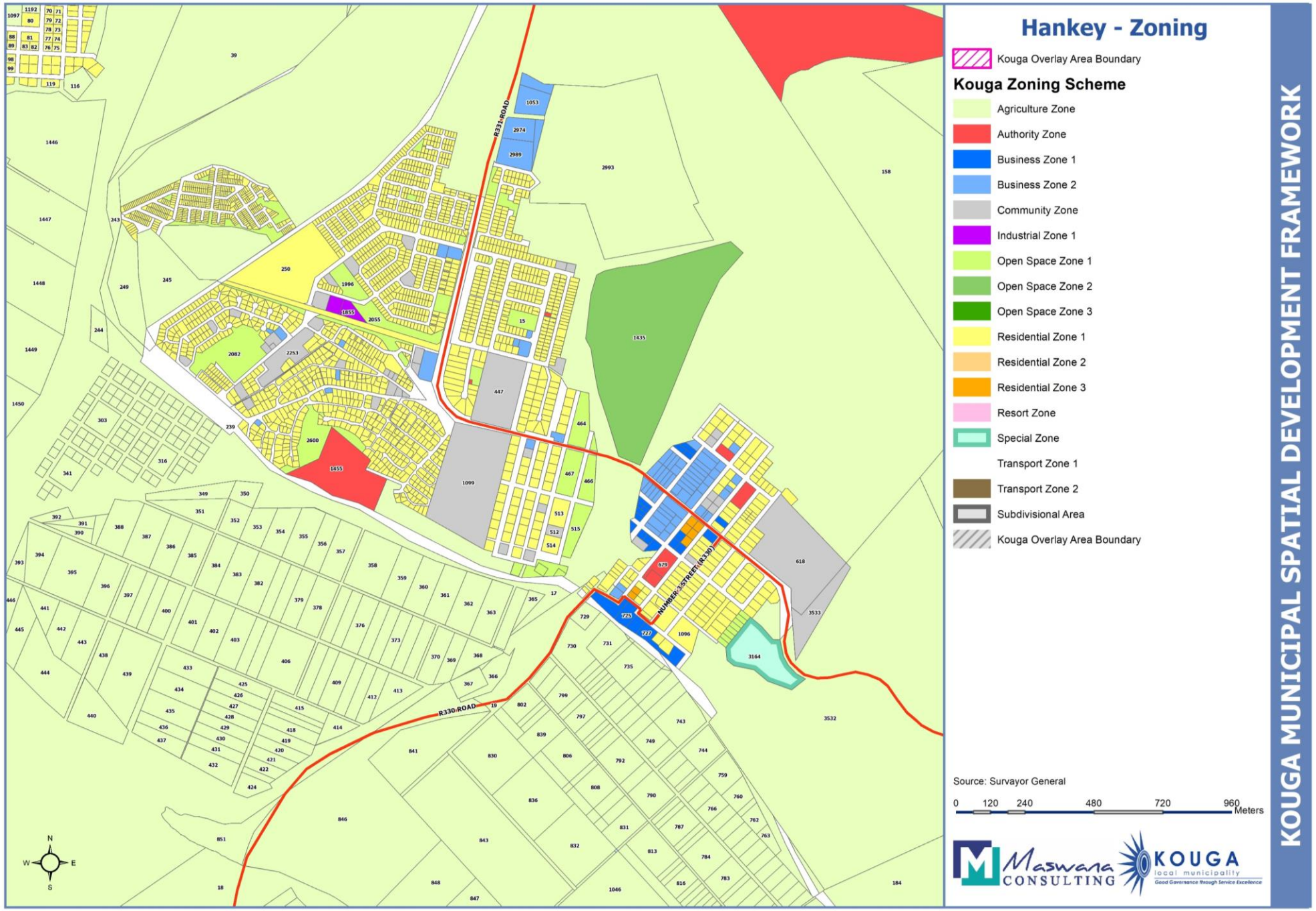
Despite the presence of business-zoned erven within the CBD, many of these are currently utilized for residential purposes, indicating a lack of demand for business developments and a greater need for additional residential erven. The same is evident with many of the community zonings which are used for single residential dwellings.

Hankey also possesses significant tracts of land dedicated to recreational and tourism activities. These areas present an opportunity to diversify the local economy. Further development of these recreational and tourism assets is essential to realize Hankey's full potential as a tourist destination.

This spatial development framework needs to recognise the importance of strategic planning which enhances Hankey's residential, commercial, and recreational sectors. By addressing the informal dwelling encroachments and leveraging the town's recreational and tourism assets, Hankey can achieve sustainable growth and economic diversification.



Map 24: Hankey Land Use



Map 25: Hankey Zoning

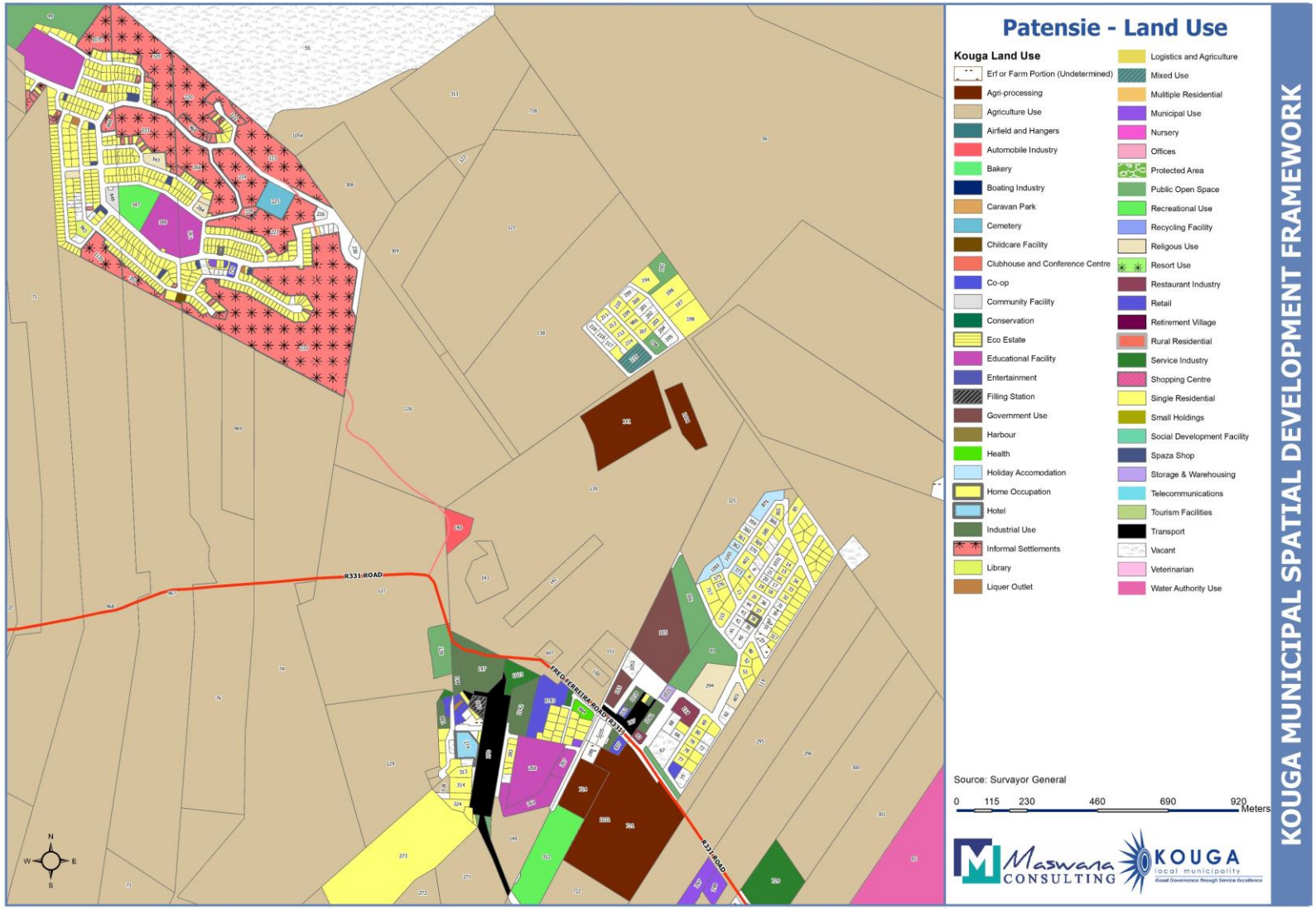
3.2.5.9 PATENSIE

Patensie is a farming community with its economy and residents centred around the surrounding agriculture and agro-processing facilities. The town is divided into two distinct areas: Noorshoek, which houses the majority of the population, and the Patensie Central Business District (CBD), which contains most of the businesses and a small residential component.

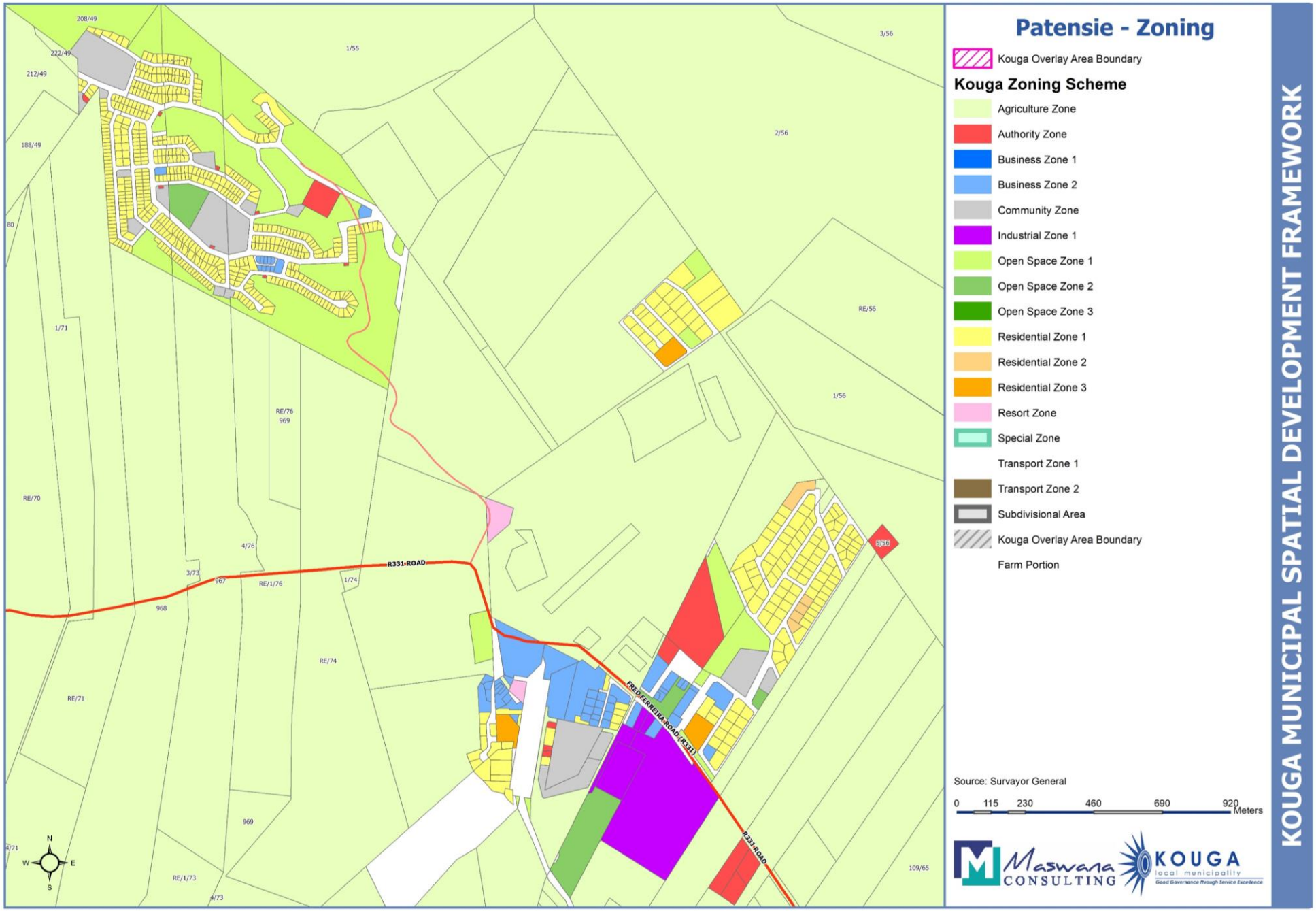
Noorshoek has a higher population density due to the smaller single residential erven and the expansion of informal dwellings encroaching on unsuitable land. The area includes several community-zoned properties, primarily used for religious activities, but also featuring a community facility, a library, and two educational institutions. Retail facilities within Noorshoek are limited, with most business zoned erven either vacant or repurposed, although spaza shops are present to meet the demand for basic goods.

The Patensie CBD precinct features a diverse range of land uses, including retail, industrial, and service industries, with agro-processing being the predominant activity. The main CBD area is surrounded by small residential neighbourhoods composed of single residential homes, some of which serve as guest lodging facilities.

Patensie as a whole has very few vacant properties, with most land zoned for residential or authority use, indicating a potential shortage of business erven, particularly near the CBD. In Noorshoek, the limited number of vacant residential erven is insufficient to accommodate the number of informal dwellers, highlighting the need for additional stands and affordable housing near the CBD.



Map 26: Patensie Land Use



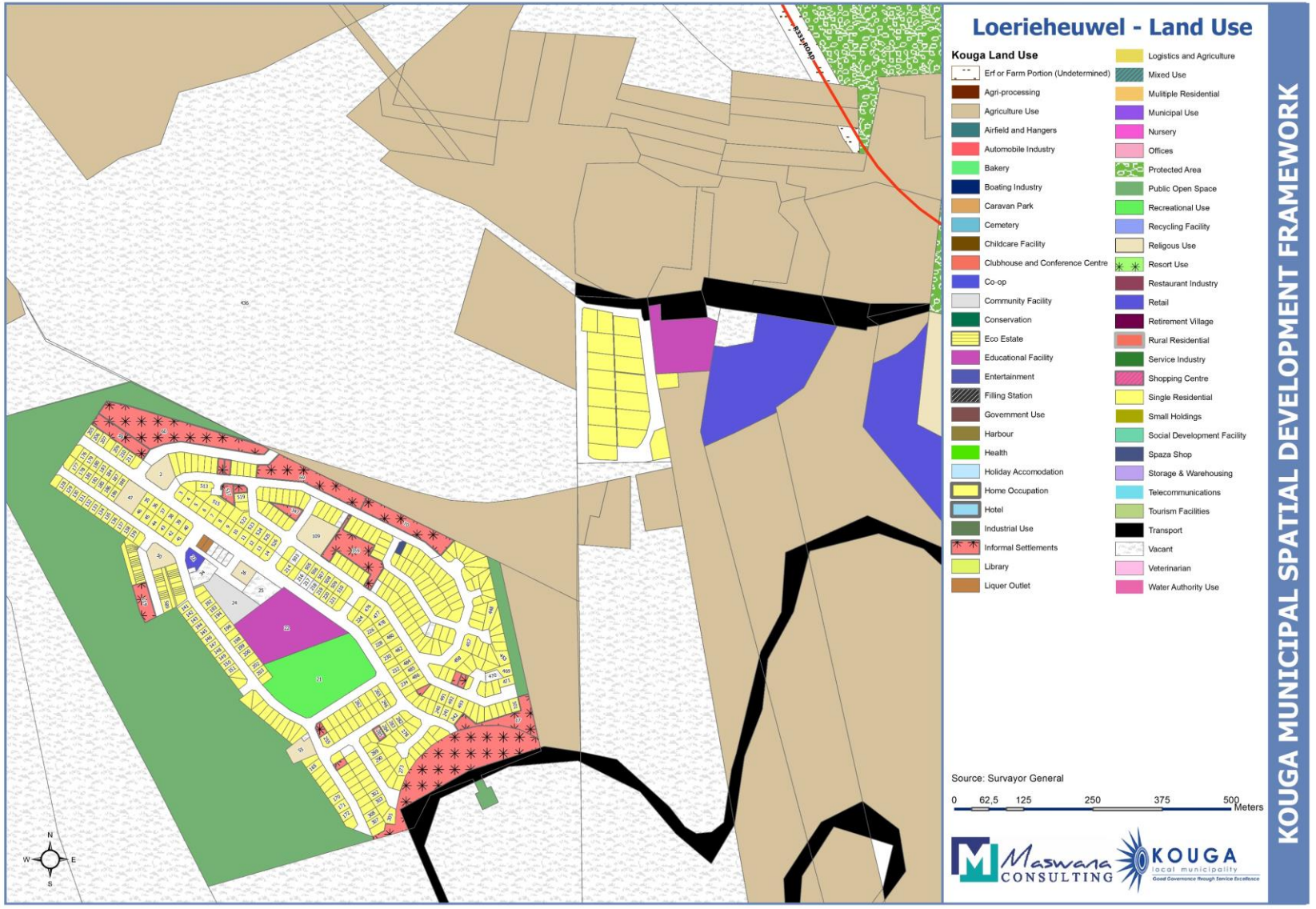
Map 27: Patensie Zoning

3.2.5.10 LOERIEHEUWEL

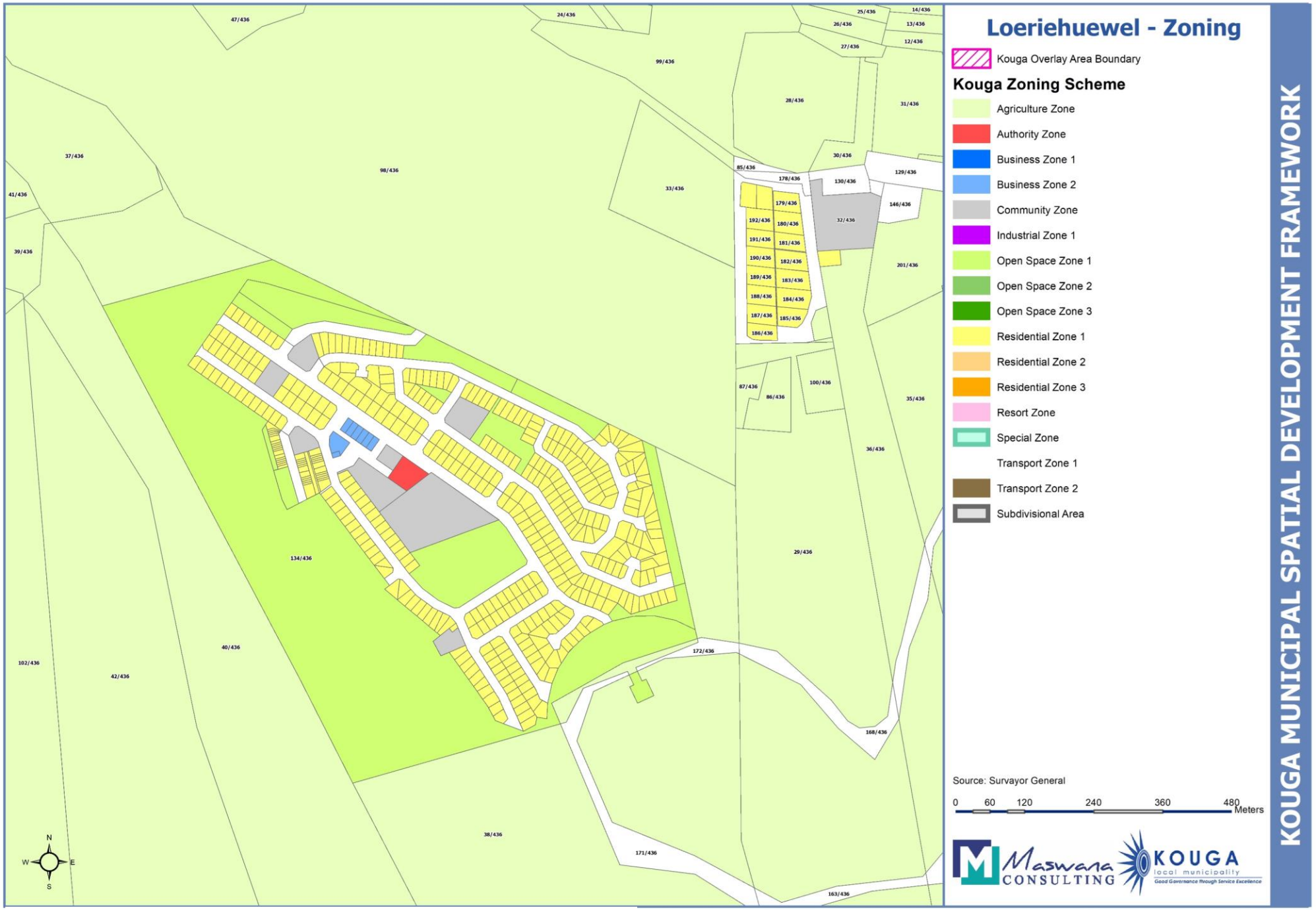
Loerieheuwel is a small community with limited economic activity, heavily reliant on the surrounding agricultural sector. The residential zoning is exclusively for single residential use, as reflected in the current land use. However, there is a notable shortage of housing, as evidenced by the presence of informal dwellings around the periphery of the settlement. Much of the public open space has been repurposed for informal housing, leaving residents with limited formal open space for recreation. The only designated area for recreational activities is the Loerieheuwel Sports Field.

The settlement has some vacant erven, but additional plots are needed to accommodate residential and potentially commercial uses. Currently, there is only one retail store within the town, with two additional stores located along the entrance road near the R331 junction, which is quite distant from most Loerieheuwel residents.

Loerieheuwel is served by a primary and a secondary school, meeting the educational needs of the community. However, the secondary school is situated far from the majority of residents. Opportunities for infill development are available between the eastern and western parts of the settlement, where underutilized agricultural land is present.



Map 28: Loerieheuwel Land Use



Map 29: Loerieheuwel Zoning

3.2.6 AGRICULTURE AND RURAL DEVELOPMENT

Significant parts of the municipality have land classified as having high and medium land capability The deeper soils, located on the coastal plain and along the Gamtoos River Valley are potentially the best soils for arable agriculture, while the coastal and central regions have high grazing capacity

The Sarah Baartman SDF and IDP reinforce the need to protect the dairy industry in the areas, as it's a large driver for rural development in the region.

The current crop and pasture activity is concentrated in the area south of the N2 and along the Gamtoos River.

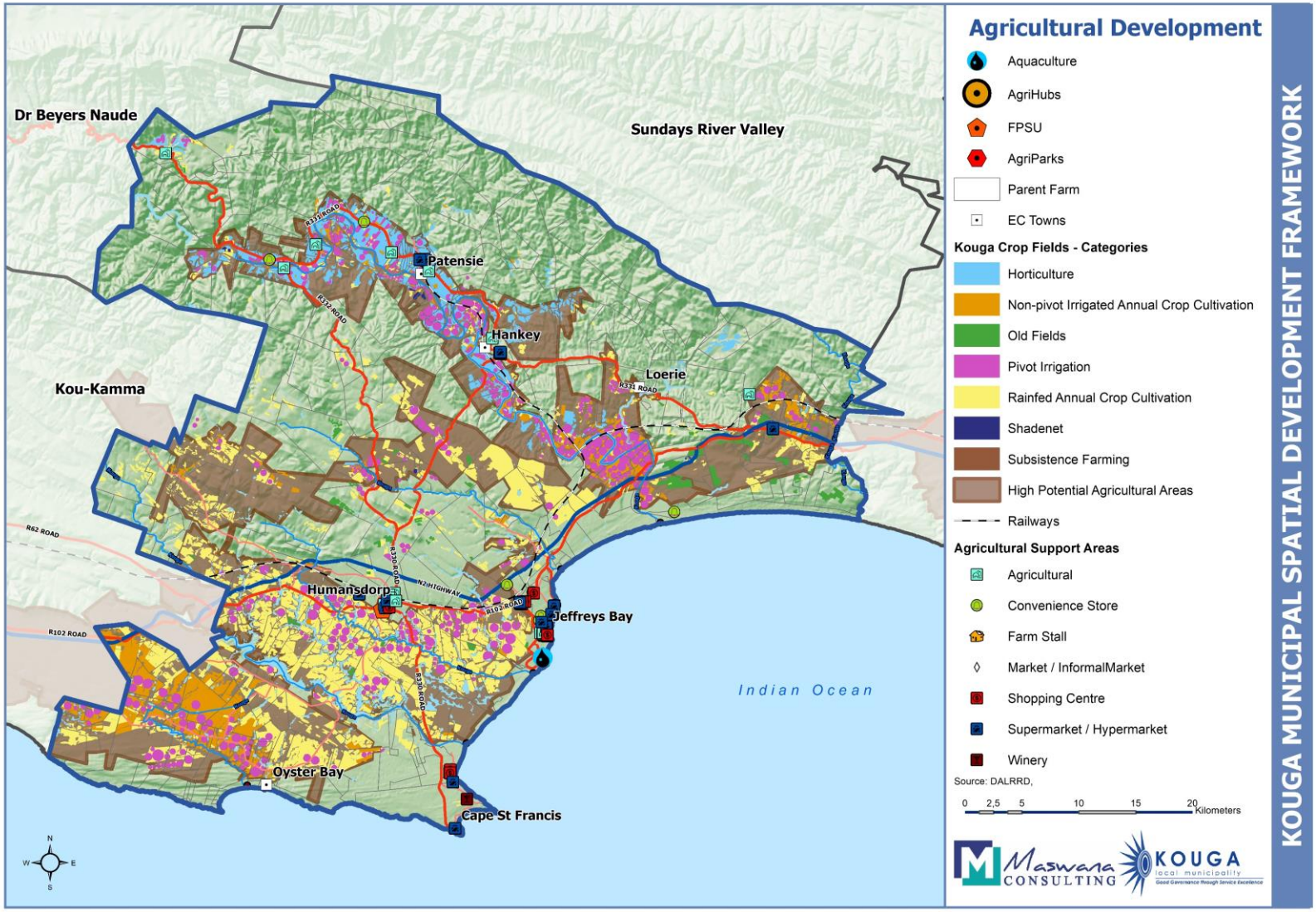
The irrigated orchard blocks mostly found in Gamtoos Valley, represent a significant investment in agricultural infrastructure and productivity.

The region's extensive agricultural areas also add scenic value and character to the region, which contributes to Kouga being one of South Africa's premier tourist destinations.

Water scarcity threatens agricultural production. (Vegetable production was cut by 60% because of the ongoing water scarcity)

The NSDF identifies the Kouga and Koukamma farming areas as being significant to National Food Security.

The agricultural land to the south of Humansdorp and the west of Jeffreys Bay is under pressure from human settlement development. Significant portions of land to the west of Jeffreys Bay fall within the urban edge and have not been used for agricultural purposes for some time, these areas are to be excluded from the Subdivision of Agricultural Land Act 70 of 1970.



Map 30: Agricultural Development within Kouga

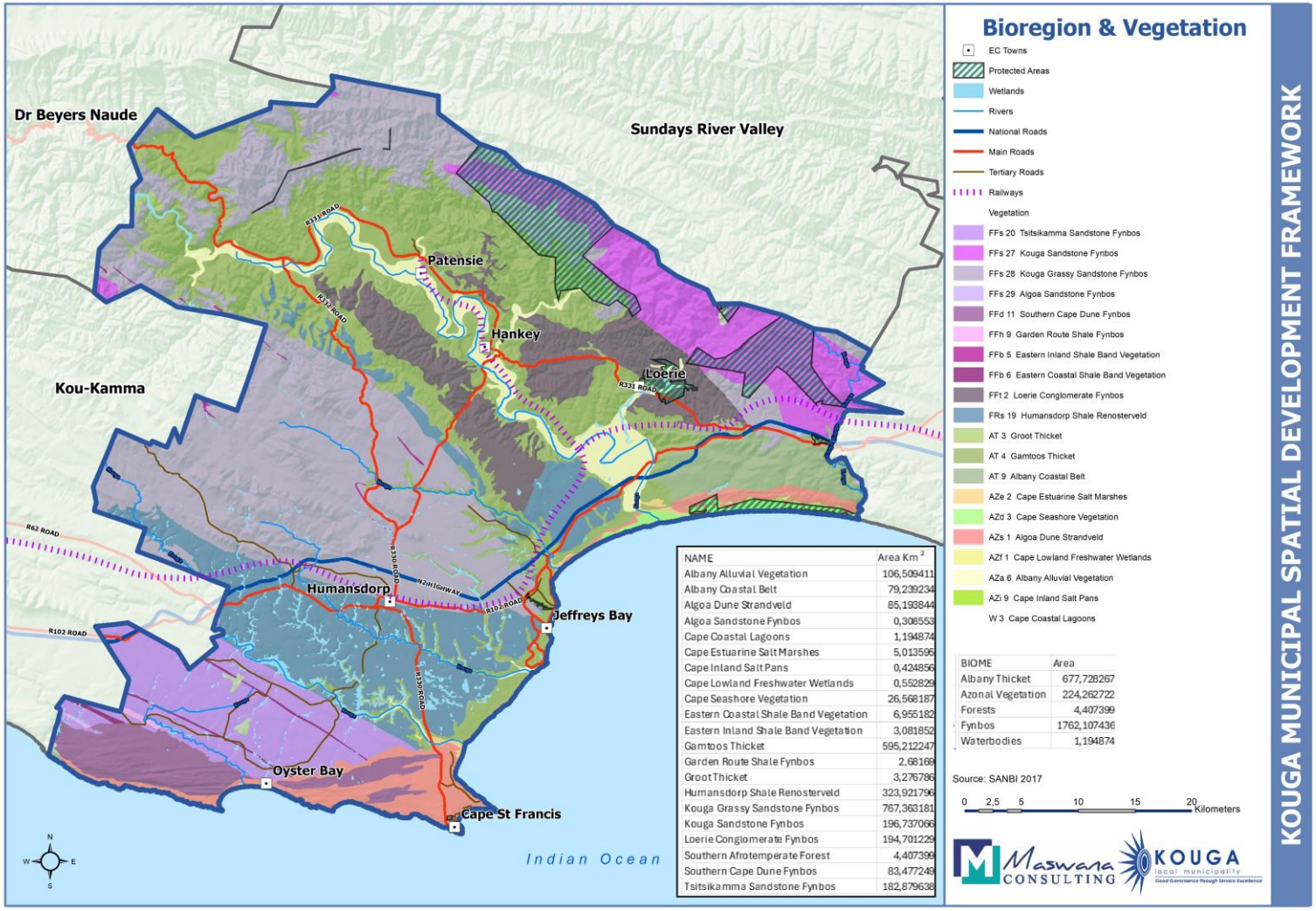
3.3 ENVIRONMENTAL LANDSCAPE

3.3.1 ECOLOGICAL INFRASTRUCTURE

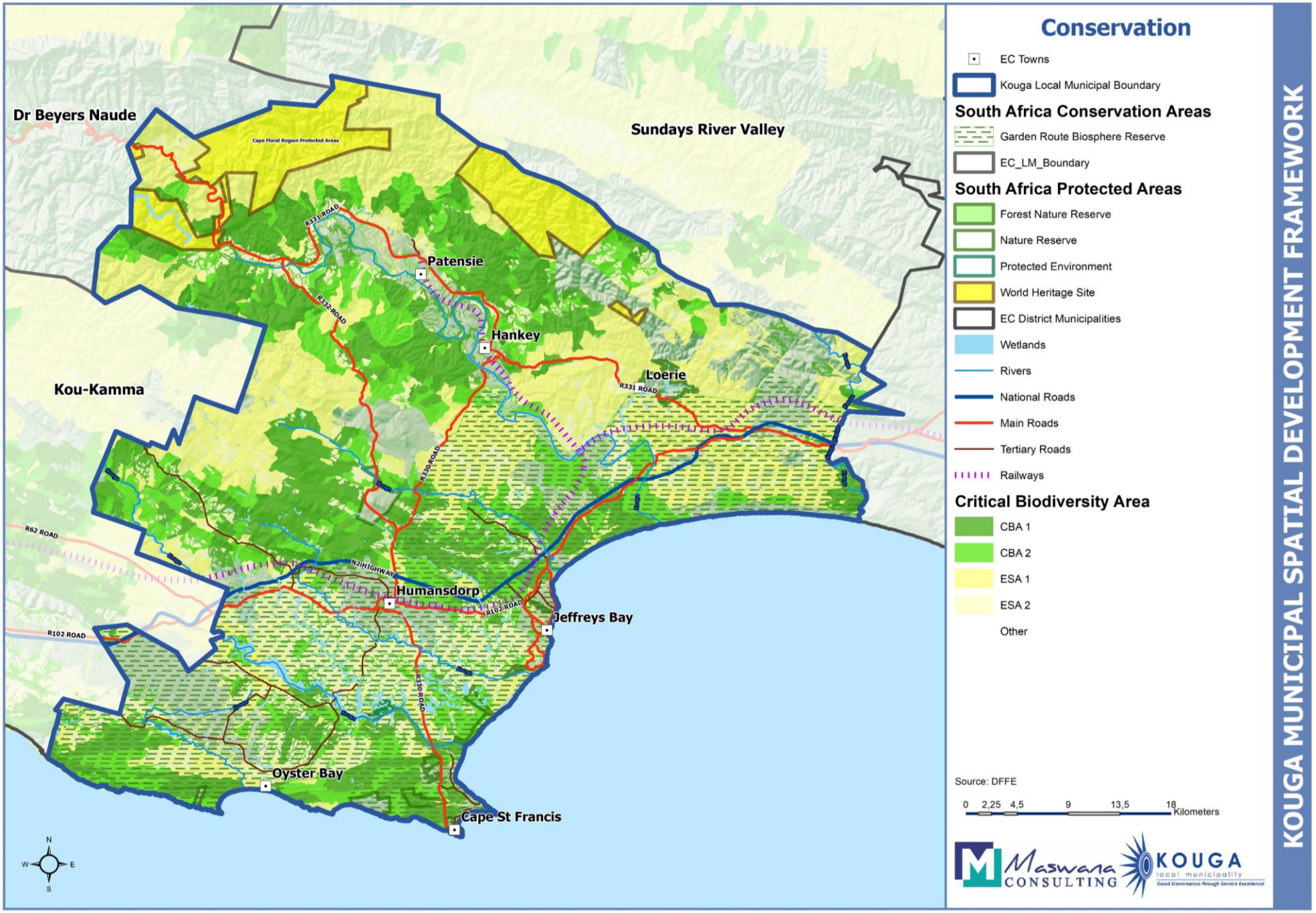
3.3.1.1 BIODIVERSITY & CONSERVATION

The Kouga Municipality encompasses a rich diversity of fauna and flora that supports various biomes creating an ideal environment for public and private nature reserves and conservation areas. The following nature reserves fall within the Kouga Municipality:

- Baviaanskloof Conservation Area
- Cape St Francis Nature Reserve
- Cape St Francis Proposed Conservancy
- Eastcot Private Nature Reserve
- Forest Reserve
- Gamtoos River Mouth Local Nature Reserve
- Guerna Wilderness Area
- Hankey Forest Reserve
- Irma Booysen Florareservaat
- Jumanji (Game Farm)
- Kabeljous River Natural Heritage Site
- Kabeljousriver Nature Reserve
- Kromme Island Estate Private Nature Reserve
- Loerie Dam Local Nature Reserve
- Lombardini Game Farm
- Longmore Forest Reserve
- Noorsekloof Local Nature Reserve
- Rebelsrus Private Nature Reserve
- Seal Bay Local Nature Reserve
- Seal Point Local Nature Reserve
- Seal Point Private Nature Reserve Seekoeirivier Nature Reserve
- State Land
- Thyspunt Natural Heritage Site Stinkhoutsberg Nature Reserve
- Swan Island Nature Reserve Thaba Manzi (Game Farm)
- Van Stadens Wild Flower Reserve
- Van Stadensberg Natural Heritage Site Yellowwoods Local Nature Reserve
- Vorentoe Nature Reserve and
- Thula Moya Nature Reserve



Map 31: Bioregion and Vegetation distribution within Kouga



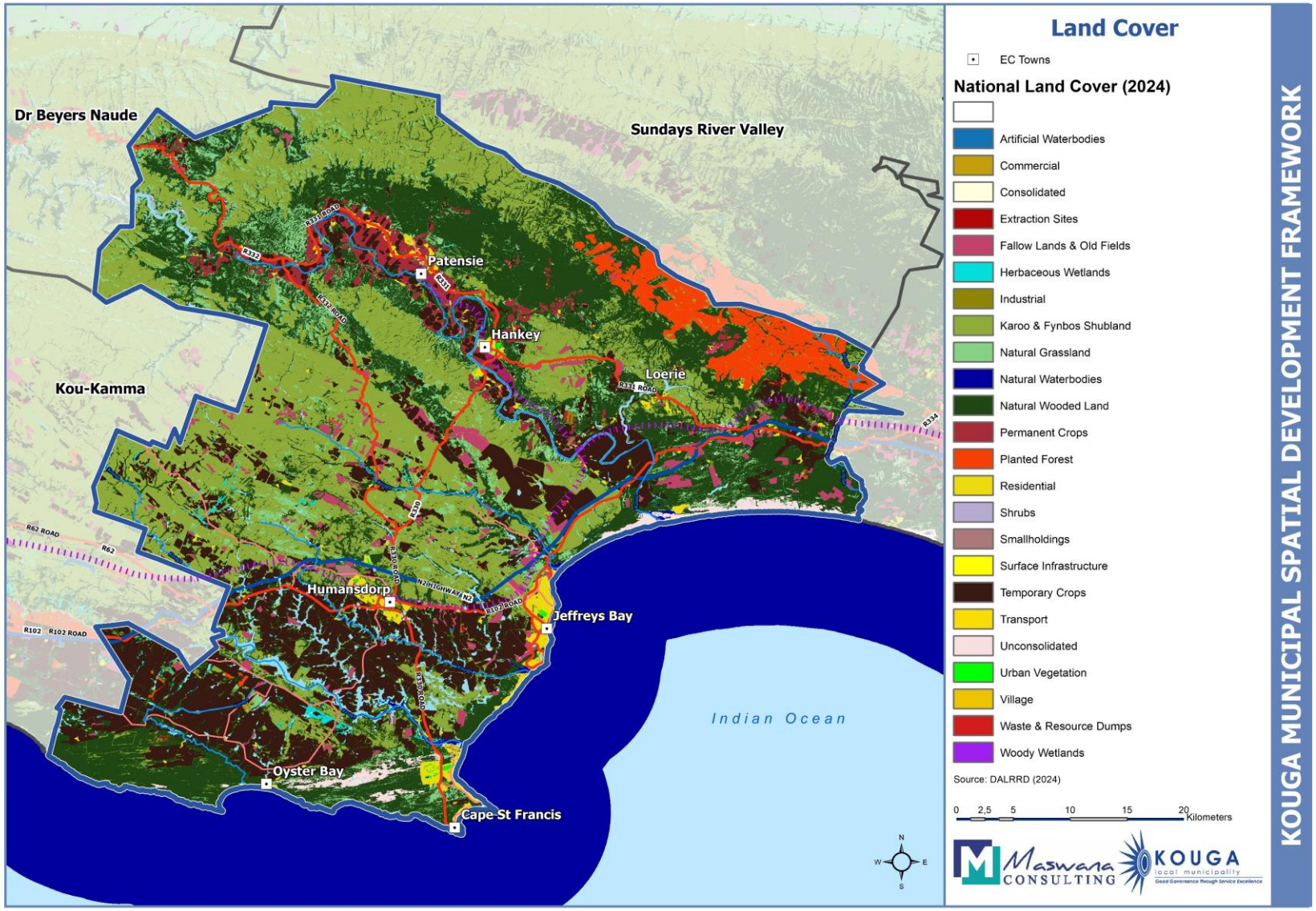
Map 32: Conservation and environmentally sentivie areas within Kouga

3.3.1.2 GEOLOGY & HYDROLOGY

The topography and terrain characteristics comprise 3 basic landscapes, i.e. river valleys, mountains, and coastal belts. The Gamtoos River Valley is the most prominent landscape feature in the study area and represents a major drainage pattern.

- The main drainage features of the study are:
- Van Stadens River on the eastern boundary of the KLM.
- Gamtoos River with a drainage area of approximately 34000km^2
- and an annual runoff of 90 million m^3.
- Kabeljous River which is 33km in length with a catchment area of 238km^2.
- Zeekoei River with a length of 36km and a catchment area of 250km^2.
- Kromme River which forms the second biggest drainage feature in the study area
- Major dams such as Mpofo and Churchill supply water to the Koukamma LM and NMBM.

The critical status of WWTW is a high risk for the status of rivers and estuaries as it has the potential to disrupt the ecological services and water quality of downstream settlements and tributaries. The distribution of geological and hydrology typically determines which land cover is feasible in various areas, as indicated by the map below.



Map 33: Land Cover distribution within Kouga

3.3.1.3 COASTAL MANAGEMENT

The Sarah Baartman District Municipality (SBDM) has developed a Coastal Management Programme (CMPr) to guide integrated management of the coastal zone within the District. The CMPr is structured to be a coherent municipal policy directive for coastal zone management which is consistent with relevant legislation, available programs and policies It includes a 'Vision' for the management of the SBDM coastal zone including the sustainable use of coastal resources, objectives for the coastal zone, priorities and strategies, as well as performance indicators to measure progress.

The coastline of the SBDM is 320 km long and includes 4 coastal LMs – Koukamma, Kouga, Sundays River Valley, and Ndlambe LMs. The 1km 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 a 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 a 'sense of place' where the unique character and its intrinsic value are 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

3.3.1.3.1 SEEKOEI ESTUARINE 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.

The main constraints highlighted by the situational analysis of the Seekoei Estuary Management Plan are:

- Development pressure, including increased sanitation inflow and transformation of land within the EFZ;
- Climate change: areas-specific climate change projections are not available, and many of the shifts are starting to emerge. There is currently not sufficient understanding of the impacts this may bring, or how to create resilience in the system;
- Reduction in regional sand budgets and coastal erosion – in the area between the Oyster Bay dune fields, St Francis Bay, and Jeffreys Bay;
- Municipal budget allocation and capacity constraints for implementing recommendations in the Seekoei EMP.

3.3.2 CLIMATE CHANGE AND VULNERABILITY MITIGATION

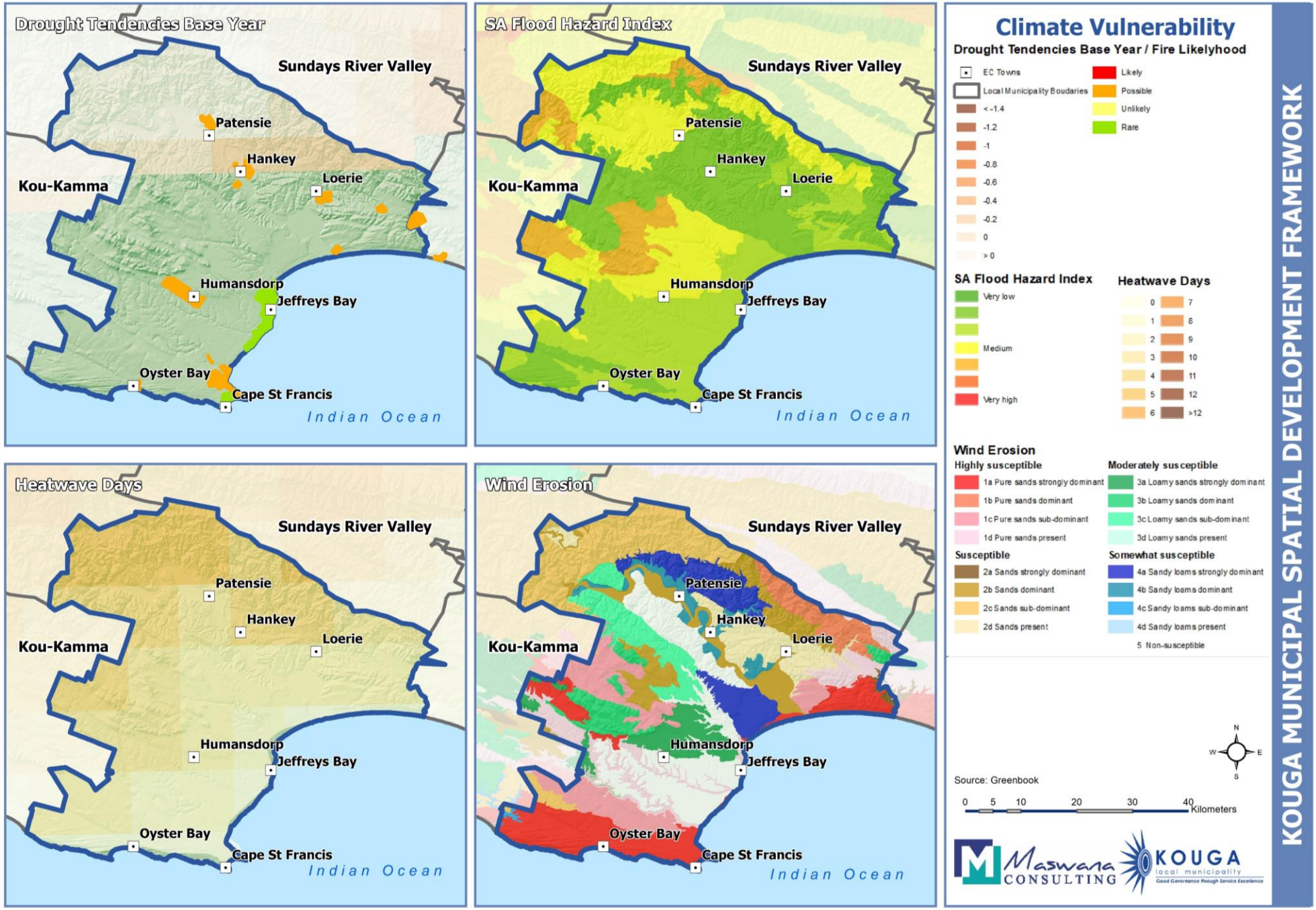
Climate change poses an immense risk to the Kouga municipality as it has been historically proven to be a drought-prone region, with high levels of rainfall variability leading to the depletion of dam levels ultimately impacting daily household, municipal and economic activity.

Increased temperatures will further exacerbate drought conditions as well as the likelihood and intensity of veld fires, posing major risks to the environment, infrastructure and human life.

Climate change also increases the likelihood of severe rainfall events and damaging storms, which will damage coastal infrastructure, and cause dune movement and coastal erosion. Extreme rainfall events increase the pressure on stormwater drainage systems. In cases where stormwater drainage systems are inadequate or fail, the extent of flood damage will be fast.

Climate change poses an indirect risk to the local economy as funding is required to repair damages caused by disasters, but also harms the tourism and hospitality industry due to attractions not being accessible during repair periods of roads and infrastructure.

KOUGA CLIMATE CHANGE STRATEGY TO BE PROVIDED



Map 34: Climate vulnerablity distribution within Kouga

4 OPPORTUNITY AND RISK IDENTIFICATION AND PRIORITISATION

The following tables and graphs provide the breakdown of the SWOT analysis and the prioritization of thereof for the Kouga Local Municipality, informed by policy directives and situational analysis.

4.1 STRENGTHS

Table 6: Strength distribution matrix

	WARDS														
STRENGTHS	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**
Natural Environment	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Surfing industry	◆	◆	◆					◆			◆	◆			
Sports Facilities		◆										◆			◆
Tourism & Hospitality Industry	◆	◆	◆	◆				◆			◆	◆	◆		
Nature Reserve/ Estuaries		◆					◆	◆				◆			
Vacant Developable Land		◆	◆	◆					◆			◆			
Seafront Infrastructure			◆								◆	◆			
Agriculture Industry				◆					◆		◆				
Tourist Attractions				◆					◆		◆	◆			
Education Facilities					◆	◆	◆				◆				
Commercial Hub						◆					◆	◆			◆
Health Facilities											◆				
Young Population				◆	◆	◆	◆							◆	◆
Windfarms	◆						◆								
Active NPO's/NGO's in the area							◆	◆							◆

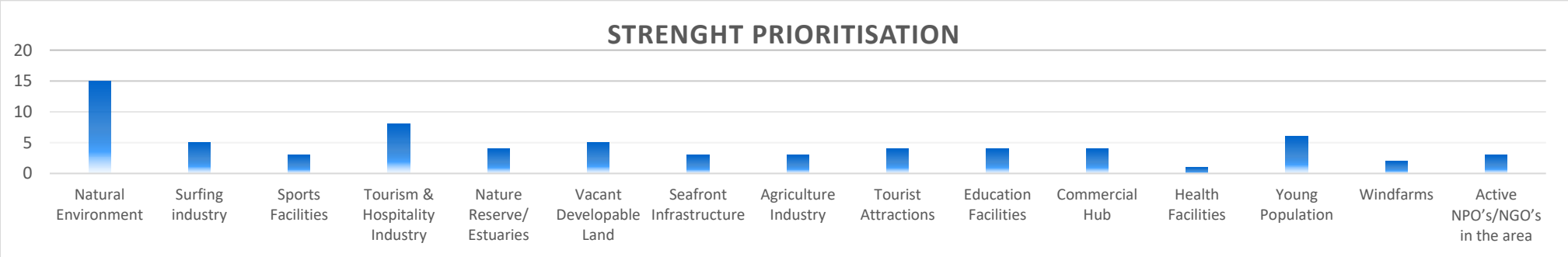


Figure 24: Strenght prioritisation

4.2 WEAKNESSES

Table 7: Weakness distribution matrix

	WARDS														
WEAKNESSES	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**
Stormwater Drainage	◆					◆						◆			◆
Road Conditions	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Tourist Marketing		◆													
Lack of Skills		◆													
Expansion of Informal Settlements				◆	◆	◆			◆		◆	◆	◆	◆	
Gangsterism				◆	◆	◆								◆	◆
Overpopulation of schools					◆	◆								◆	
Lack of land					◆	◆									
Illegal Land Uses				◆		◆							◆	◆	◆
Employment Opportunities				◆	◆	◆			◆	◆			◆	◆	
Lack of Sports, Recreation & Entertainment facilities						◆	◆	◆			◆				◆
Lack of health facilities								◆		◆		◆	◆	◆	
Lack of hawker's facilities								◆				◆			◆
Houses unconnected to a sewerage system	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Walkability	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆

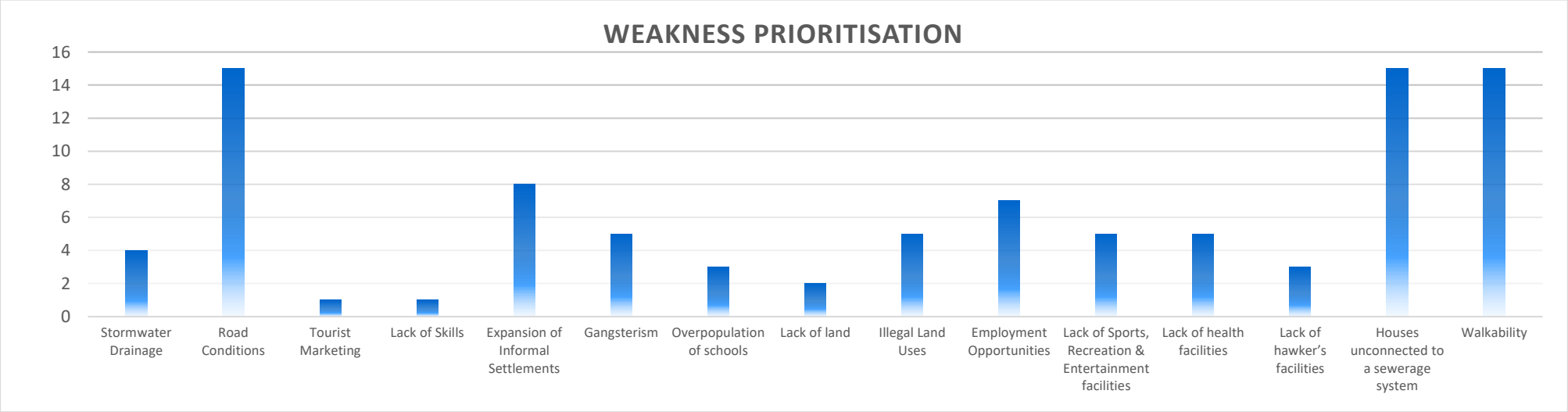


Figure 25: Weakness Prioritisation

4.3 OPPORTUNITIES

Table 8: Opportunity distribution matrix

	WARDS														
OPPORTUNITIES	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**
Skills/Youth Development Centres	◆	◆				◆	◆		◆	◆			◆	◆	◆
Development of Vacant Land		◆	◆								◆	◆			◆
Upgrading/Developing Sports and Recreation Facilities	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Nature Reserve/ Estuaries		◆						◆				◆			
Boreholes		◆		◆											
Takeover of Provincial Roads			◆					◆			◆				
Internet Access			◆		◆	◆							◆		
Upgrading of Bulk Infrastructure	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Expanding seafront/beach infrastructure			◆					◆			◆				
Recycling				◆			◆	◆						◆	◆
Specialised Schools Development				◆		◆	◆			◆					
Development of Community Facilities				◆			◆	◆						◆	◆
Direct N2 access				◆											
Heritage Building Restoration									◆						◆
Multi-purpose centres					◆	◆			◆					◆	
Revitalisation of CBD									◆		◆				◆
Supporting SMME business development						◆			◆		◆				◆
Affordable Housing projects						◆			◆		◆				◆
Train line Revitalisation											◆				◆
Fishing Industry							◆								
Renewable Energy	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Community Garden					◆	◆		◆							
Tourism Activities/ Facilities			◆	◆	◆	◆		◆	◆	◆		◆			
Old Age Retirement Centre								◆							◆

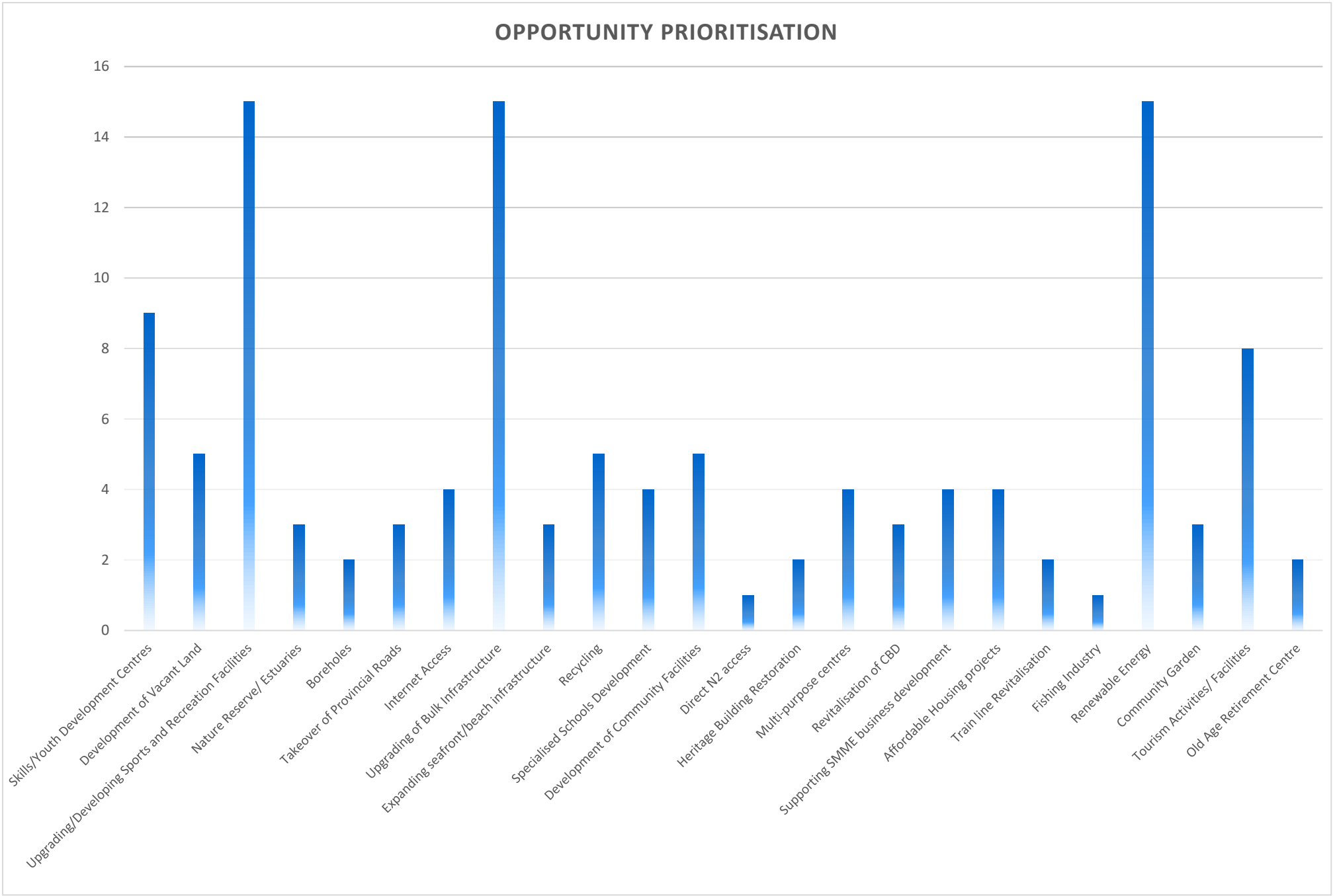


Figure 26: Opportunity prioritisation

4.4 THREATS

Table 9: Threat distribution matrix

	WARDS														
THREATS	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**
Dune Rehabilitation	◆											◆			
Illegal Dumping sites	◆											◆		◆	
Poor/Insufficient infrastructure	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Climate Change	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Population growth		◆		◆		◆		◆	◆		◆	◆		◆	◆
Affordable Housing Shortage		◆							◆	◆				◆	
Lack of N2 access				◆											
Poverty					◆									◆	
Vandalism/ Crime					◆	◆		◆			◆	◆	◆	◆	
Lack of Waterborne Sewer System	◆				◆		◆					◆		◆	
Lack of Education						◆	◆		◆				◆		
Health System						◆			◆	◆			◆	◆	
Older Population								◆							
Lack of social & security services/ facilities							◆		◆				◆	◆	

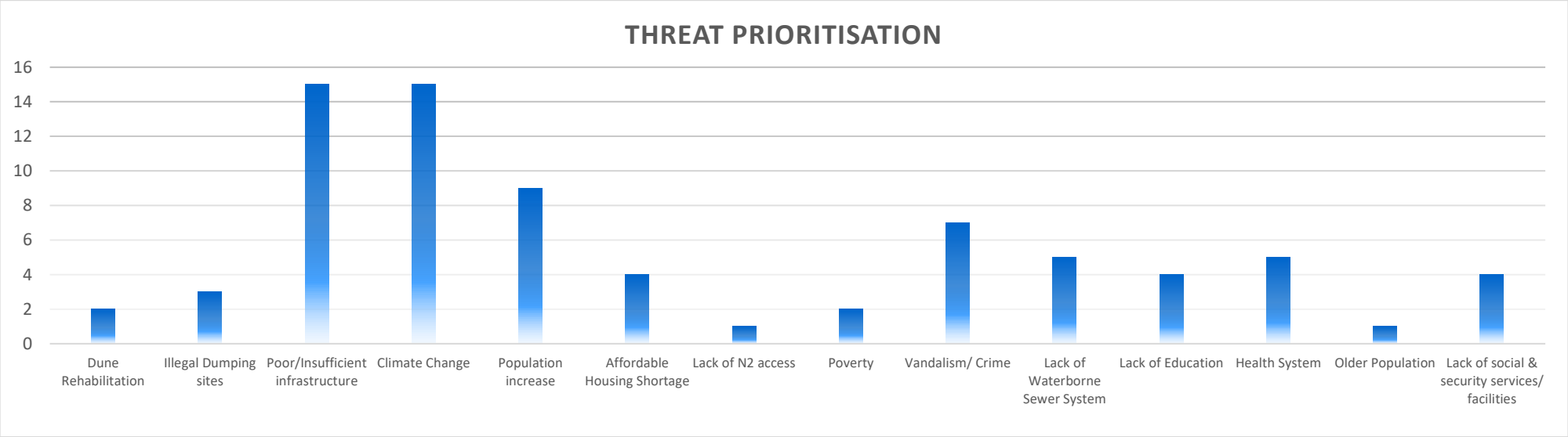


Figure 27: Threat Prioritisation

4.5 SWOT ANALYSIS SUMMARY

The following key observations are

- All wards have emphasised the natural environment and ecological infrastructure base as a major strength within the municipality
- The tourism and hospitality industry supported by the surfing industry and the natural environment of the municipality, has been highlighted as a key strength of the region.
- In addition to the above, the large youth population has been identified as a potential strength indicating that a large segment of the population will be able to participate in the economy.
- Wards 11 and 12 have the highest level of clustering of strengths, followed by wards 2, 4 and 7.

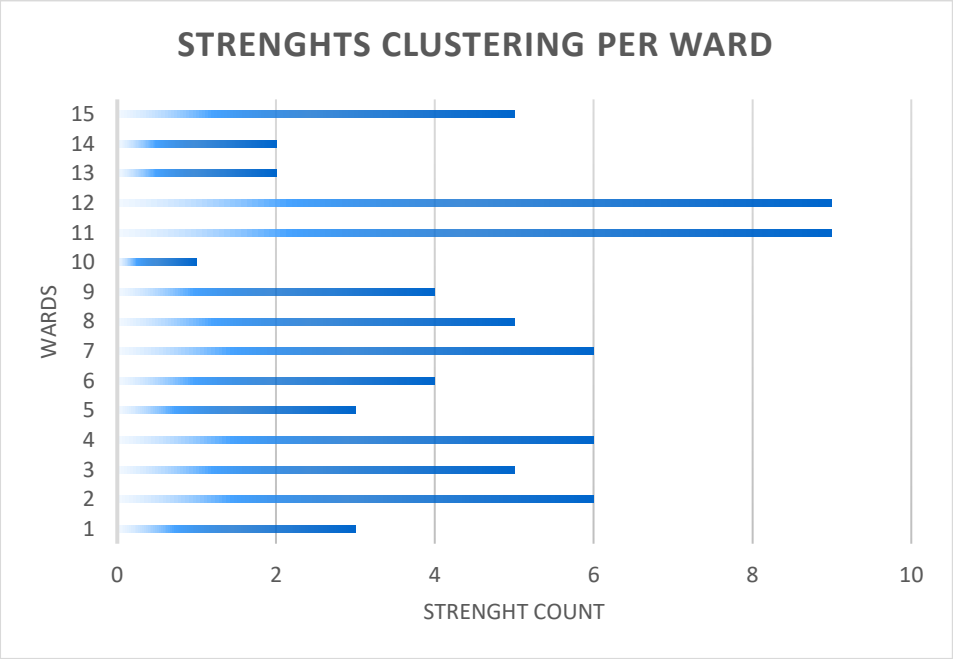


Figure 28: Strenght distribution per ward

- Road conditions and the walkability of settlements have been identified by all wards as major weaknesses hindering the accessibility of tourists as well as residents.
- Households and housing developments that are not connected to wastewater treatment infrastructure have been highlighted as a major weakness within the region.
- The expansion of informal settlements is aggravated by poverty and unemployment levels, which also contributes to the increasing number of households without access to basic services.
- Poverty levels have further increased the prominence of gangsterism, requiring intervention programmes to address poverty, job creation and crime prevention.
- The quality and accessibility of social services and facilities such as clinics and sports facilities are highlighted as community concerns.
- Wards 6 and 14 have the highest clustering of weaknesses followed by wards 5 and 15.

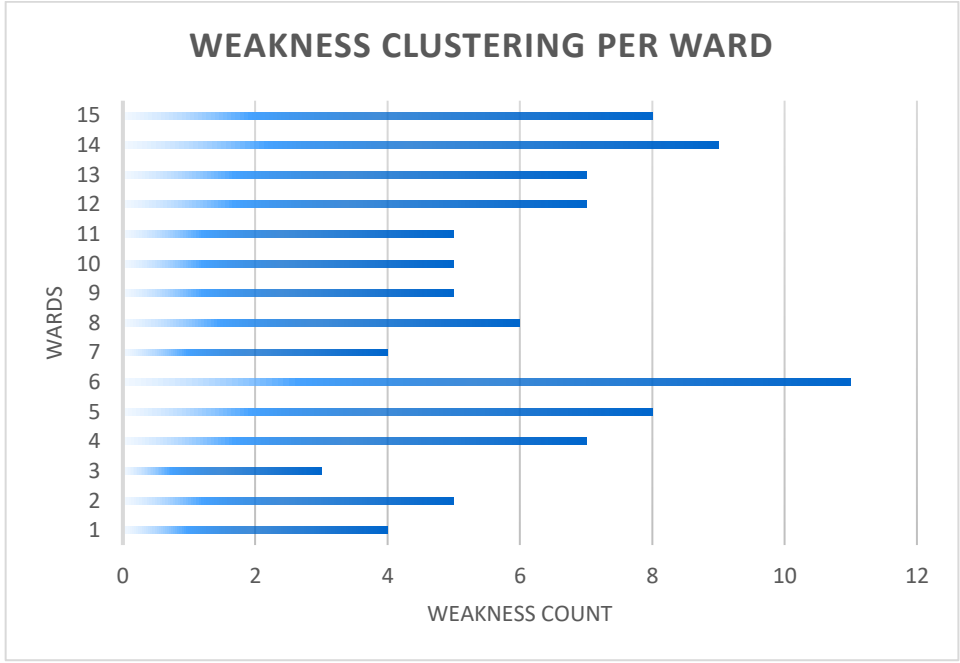


Figure 29: Weakness distribution per ward

- Upgrading. optimisation and expansion of bulk infrastructure encompass the majority of opportunities within the Kouga municipality as it unlocks development potential that has been hindered by the limited availability of bulk services.

- The upgrading of bulk infrastructure acts as a catalyst for the development of vacant land.
- Renewable energy has been highlighted as a prominent opportunity within the region but is currently limited by the lack of capacity on the electrical grid and substations.
- Further expansion of tourism activities and facilities would allow for the full exploitation of the remaining tourism potential.
- The large youth population supports the development and expansion of skill and youth incubators.
- Opportunities exist to establish circular economies that promote the recycling of waste products, which can be supported by skill incubators.
- The majority of opportunities are clustered in Ward 15, followed by Wards 6, 8, 9 and 11.

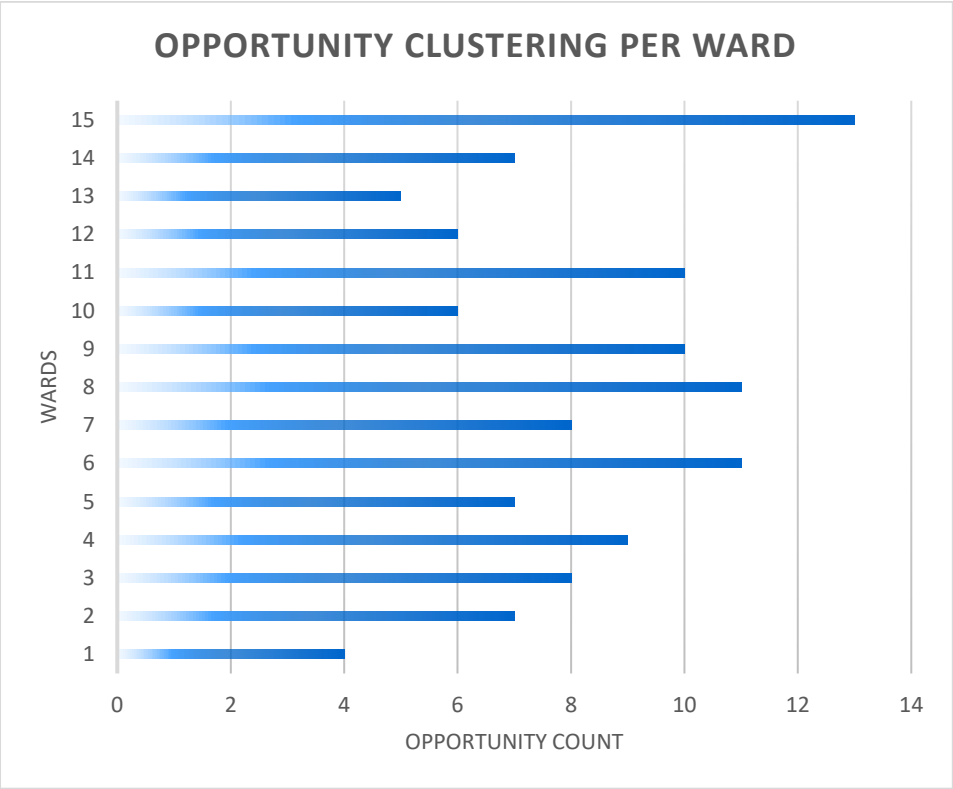


Figure 30: Opportunity distribution per ward

- The most pertinent threat has been identified as underperforming or insufficient infrastructure that hinders growth but is also facing increasing pressure stemming from migration and population growth.
- Along with bulk infrastructure, climate change has been identified as a major threat to the Kouga Municipality, as it increases pressure on water, sewer and stormwater infrastructure. Increasing sea levels, accompanied by extreme storms resulting in damaging waves and winds result in major damage to beachfront properties and infrastructure. The area is also prone to droughts, affecting the livelihoods of businesses and residents alike.
- Increasing levels of crime and vandalism are taking a toll on municipal infrastructure, resulting in the suboptimal functioning of crucial municipal services, and increasing costs related to maintenance.
- The majority of threats are clustered in Ward 14, followed by Wards 9 and 12.

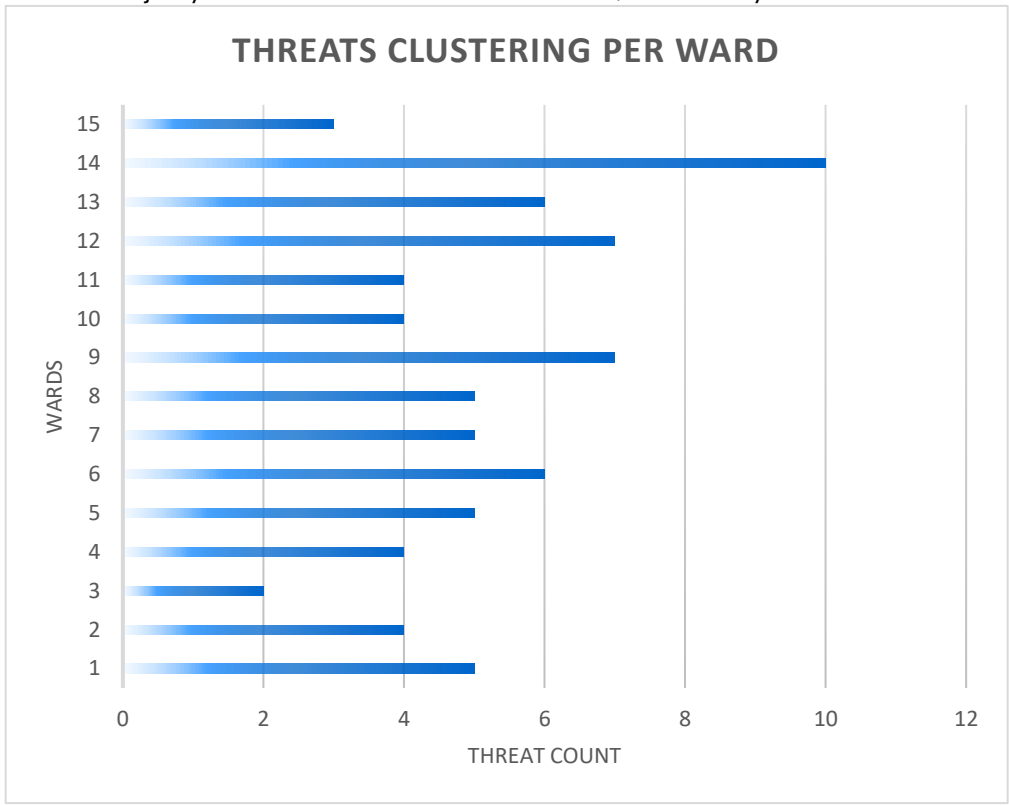


Figure 31: Threat distribution per ward

5 BIBLIOGRAPHY

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO**:25/04/PD12**

REQUEST FOR COUNCIL'S IN-PRINCIPLE APPROVAL FOR THE ACQUISITION OF UNREGISTERED ERF 3777, HUMANSDORP

1. **Introduction**

The purpose of this report is to request Council's in principle approval to acquire the unregistered Erf 3777, Humansdorp.

2. **Background**

The municipality was approached by the owners of Erven 3282 and 2957, Humansdorp (unregistered as Erf 3777, Humansdorp) to acquire the land parcel as **Annexure "A".**

3. **Discussion**

Erf 3777, Humansdorp is located next to an informal settlement (Upper Golf Course) on a portion of Erf 1 in Kwanomzamo. It measures approximately 3.2 Ha in extent. It is currently zoned Agriculture in terms of the Integrated Land Use Scheme and comprises several residential and farm buildings. The subject farm is situated within the urban edge and abuts the Humansdorp Central Business District.

An inspection was conducted by the department. Overall, the existing buildings are in usable condition. The property has a lot of potential for development due to its locality (within the urban edge) and the existing structures. In terms of the Spatial Development Framework, the property is earmarked for mixed use development. The property abuts Erf 353 Humansdorp which is earmarked for integrated human settlements. If approved, the property may be consolidated with Erf 353 Humansdorp to make the social housing project viable.

This report further seeks to request permission to enter into agreement with the Seller to obtain occupation of the property until the intended transfer process is concluded, in order to prevent further damage to the property.

Land parcel information and aerial image indicating the location of the particular property is attached as **Annexure "B"**.

A site verification was conducted by the department and is the assessment report attached as **Annexure "C"**.

A valuer was appointed to determine the current Market Related Valuation, and the report is attached as **Annexure "D"**.

4. **Financial Implications**

Completed by BTO -	
Project Description	Land Valuations & Surveyor & Planning services
Ukey no.	20210710001552
Budgeted Amount	Provision has been made in the new Financial Year 2025/26 for an amount of R5,000,000.00 for the acquisition of land.
Amount spent and committed to date	
Amount Available	
Comment	
Completed by BTO -	

5. **Applicable Legislation**

Municipal Finance Management Act 56 of 2003
Municipal Asset Transfer Regulations
Kouga Municipal Disposal of Immovable Assets Policy of 2020, as approved by Council.

6. **Legal Implications**

Should council resolve to acquire the property described herein and as per the resolutions below, the Accounting Officer will be authorized to enter into negotiations regarding the acquisition of the immovable land in within the parameters set for the purchase price.

It should be noted that the property described herein is unregistered, and the registration of the said property must be addressed in order for the transfer to be finalized. Depending on the final use of the property, the property may need to be rezoned to accommodate the intended use of the property.

7. **Other Implications**

The existence of any registered servitudes over the immovable property to be determined and considered.

Occupation of the property, prior to the transfer thereof may result in the municipality being required to compensate the seller for such occupation, based on a rental valuation until such time as the transfer is finalized.

There is a waterbody, a dam, present on the property described herein, and which must be considered in respect of any intended development of the property.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Recommendation supported.

8.3 **Director: Civil & Water Services**

Noted. Due to the location of the property, security measures to prevent further damage to the property to be taken note of. This might have a cost implication.

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**

Council

10. **Recommendations**

10.1 That Council grant **in-principle approval** for the acquisition of unregistered Erf 3777, Humansdorp.

10.2 That Council considers the market-related valuation of **R2,900,000.00** received from an independent valuer as purchase price for the property in 10.1.

10.3 That Council authorizes the Accounting Officer to enter into negotiations with the Seller and present an offer to purchase to the Seller with a provision for the beneficial occupation of the immovable property preceding the finalization of the intended transfer.

Item prepared by the: The Manager: Land & Property Administration

Item approved by the: Director: Planning & Development

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure "A"

Request from land owner

Our ref.: R Grove/Nortier

MUNICIPAL MANAGER
KOUGA MUNICIPALITY

Dear Mr Du Plessis

RE: PROPERTY OF LATE DR POTGIETER – HUMANSDORP

Abovementioned matter as well as our meeting at your offices on 5 August 2024 refers.

It is our instructions that our client in the interim furnished you with a valuation of the said property for consideration.

As a period of almost 2 months have lapsed since our previous meeting our client requested us to enquire from you as to a possible offer by the Kouga Municipality to purchase the said property.

Our client is in desperate need to resolve this matter urgently as they are suffering more and more damage daily.

We therefore herewith request you to urgently address the matter with the relevant roll-players of the Kouga Municipality and revert to us.

We trust that we can rely on your quick response herein. We are also open for further discussions.

We await your urgent reply.

Yours faithfully / Die uwe

Ronel Grové
Director/Attorney At Law
Office: +27 (0)60 572 5125
Mobile: +27 (0)83 389 1151
Email: ronel@rfgattorneys.co.za

13 Kemp Street, Unit 4
Cnr of Kemp & Du Plessis Street
Humansdorp, 6330
PO Box 35, Jeffreysbay, 6330

Annexure "B"
Land parcel information and aerial image:

Erven 3282 and 2957, Humansdorp (unregistered Erf 3777, Humansdorp)



Erf 3777, Humansdorp

Land Parcel

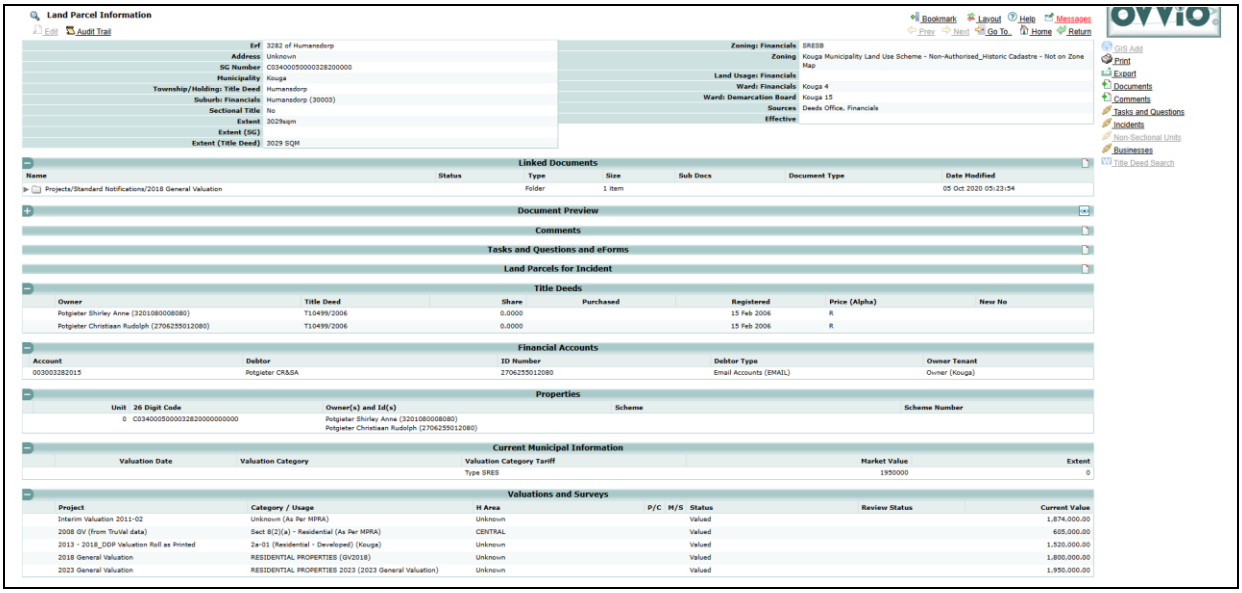
12 Mar 2025 10:52

Erf	3777 of Humansdorp	**Zoning: Financials**	
Address		**Zoning**	Kouga Municipality Land Use Scheme - Residential Zone 2
SG Number	C03400050000377700000	**Land Usage: Financials**	
Municipality	Kouga	**Ward: Financials**	
Township/Holding: Title Deed	Humansdorp	**Ward: Demarcation Board**	Kouga 15
Centroid	34.0365421130351S 24.76683372487812E	**Sources**	Surveyor General
Sectional Title	No	**Effective**	
Extent	3.1624Ha		
Extent (SG)	3.1624Ha		
Extent (Title Deed)			

Properties

Unit	26 Digit Code	Owner(s) and Id(s)	Scheme	Scheme Number
0	C03400050000377700 00000000			

ERF 3282, Humansdorp



Land Parcel Information

Edit | Audit Trail

Bookmark | Layout | Help | Messages | Prev | Next | Go To | Home | Return

Erf	3282 of Humansdorp
Address	Unknown
SG Number	C0340005000032820000
Municipality	Kouga
Township/Holding: Title Deed	Humansdorp
Suburb: Financials	Humansdorp (30003)
Sectional Title	No
Extent	3029sqm
Extent (SG)	
Extent (Title Deed)	3029 SQM

Zoning: Financials	SRESB
Zoning	Kouga Municipality Land Use Scheme - Non-Authorised_Historic Cadastre - Not on Zone Map
Land Usage: Financials	
Ward: Financials	Kouga 4
Ward: Demarcation Board	Kouga 15
Sources	Deeds Office, Financials
Effective	

OVVIO

GIS Add | Print | Export | Documents | Comments | Tasks and Questions | Incidents | Non-Sectional Units | Businesses | Title Deed Search

Linked Documents

Name	Status	Type	Size	Sub Docs	Document Type	Date Modified
Projects/Standard Notifications/2018 General Valuation		Folder	1 item			05 Oct 2020 05:23:54

Document Preview

Comments

Tasks and Questions and eForms

Land Parcels for Incident

Title Deeds

Owner	Title Deed	Share	Purchased	Registered	Price (Alpha)	New No
Potgieter Shirley Anne (3201080008080)	T10499/2006	0.0000		15 Feb 2006	R	
Potgieter Christiaan Rudolph (2706255012080)	T10499/2006	0.0000		15 Feb 2006	R	

Financial Accounts

Account	Debtor	ID Number	Debtor Type	Owner Tenant
003003282015	Potgieter CR&SA	2706255012080	Email Accounts (EMAIL)	Owner (Kouga)

Properties

Unit	26 Digit Code	Owner(s) and Id(s)	Scheme	Scheme Number
0	C0340005000032820000000000	Potgieter Shirley Anne (3201080008080) Potgieter Christiaan Rudolph (2706255012080)		

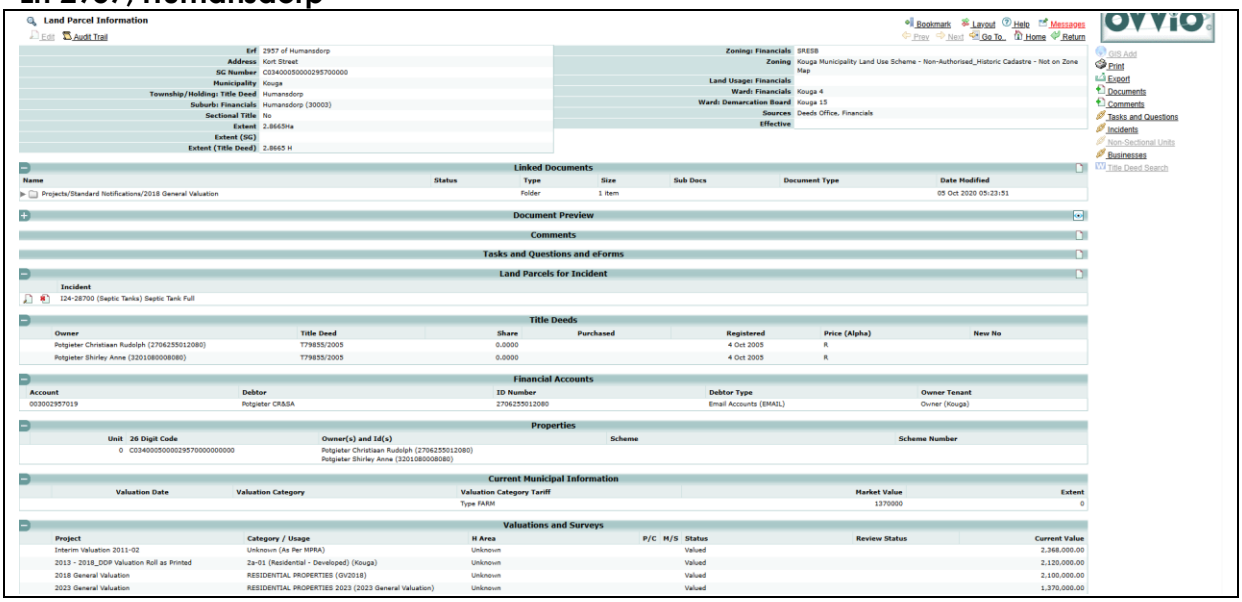
Current Municipal Information

Valuation Date	Valuation Category	Valuation Category Tariff	Market Value	Extent
		Type SRES	1950000	0

Valuations and Surveys

Project	Category / Usage	H Area	P/C	M/S	Status	Review Status	Current Value
Interim Valuation 2011-02	Unknown (As Per MPRA)	Unknown			Valued		1,874,000.00
2008 GV (from TruVal data)	Sect 8(2)(a) - Residential (As Per MPRA)	CENTRAL			Valued		605,000.00
2013 - 2018_DDP Valuation Roll as Printed	2a-01 (Residential - Developed) (Kouga)	Unknown			Valued		1,520,000.00
2018 General Valuation	RESIDENTIAL PROPERTIES (GV2018)	Unknown			Valued		1,800,000.00
2023 General Valuation	RESIDENTIAL PROPERTIES 2023 (2023 General Valuation)	Unknown			Valued		1,950,000.00

Erf 2957, Humansdorp



Land Parcel Information

Edit | Audit Trail

Bookmark | Layout | Help | Messages | Prev | Next | Go To | Home | Return

Erf	2957 of Humansdorp
Address	Kort Street
SG Number	C0340005000029570000
Municipality	Kouga
Township/Holding: Title Deed	Humansdorp
Suburb: Financials	Humansdorp (30003)
Sectional Title	No
Extent	2.8665Ha
Extent (SG)	
Extent (Title Deed)	2.8665 H

Zoning: Financials	SRESB
Zoning	Kouga Municipality Land Use Scheme - Non-Authorised_Historic Cadastre - Not on Zone Map
Land Usage: Financials	
Ward: Financials	Kouga 4
Ward: Demarcation Board	Kouga 15
Sources	Deeds Office, Financials
Effective	

OVVIO

GIS Add | Print | Export | Documents | Comments | Tasks and Questions | Incidents | Non-Sectional Units | Businesses | Title Deed Search

Linked Documents

Name	Status	Type	Size	Sub Docs	Document Type	Date Modified
Projects/Standard Notifications/2018 General Valuation		Folder	1 item			05 Oct 2020 05:23:51

Document Preview

Comments

Tasks and Questions and eForms

Land Parcels for Incident

Incident
I24-28700 (Septic Tanks) Septic Tank Full

Title Deeds

Owner	Title Deed	Share	Purchased	Registered	Price (Alpha)	New No
Potgieter Christiaan Rudolph (2706255012080)	T79855/2005	0.0000		4 Oct 2005	R	
Potgieter Shirley Anne (3201080008080)	T79855/2005	0.0000		4 Oct 2005	R	

Financial Accounts

Account	Debtor	ID Number	Debtor Type	Owner Tenant
003002957019	Potgieter CR&SA	2706255012080	Email Accounts (EMAIL)	Owner (Kouga)

Properties

Unit	26 Digit Code	Owner(s) and Id(s)	Scheme	Scheme Number
0	C0340005000029570000000000	Potgieter Christiaan Rudolph (2706255012080) Potgieter Shirley Anne (3201080008080)		

Current Municipal Information

Valuation Date	Valuation Category	Valuation Category Tariff	Market Value	Extent
		Type FARM	1370000	0

Valuations and Surveys

Project	Category / Usage	H Area	P/C	M/S	Status	Review Status	Current Value
Interim Valuation 2011-02	Unknown (As Per MPRA)	Unknown			Valued		2,368,000.00
2013 - 2018_DDP Valuation Roll as Printed	2a-01 (Residential - Developed) (Kouga)	Unknown			Valued		2,120,000.00
2018 General Valuation	RESIDENTIAL PROPERTIES (GV2018)	Unknown			Valued		2,100,000.00
2023 General Valuation	RESIDENTIAL PROPERTIES 2023 (2023 General Valuation)	Unknown			Valued		1,370,000.00

Annexure "C"

Observation of Property
Main Dwelling

Upon inspection of the property on 19 February 2025, it was vandalized to some degree, as some of the windows and doors were broken and removed.

This can be contributed to the informal settlement right next to the property and people getting access through the fence.

Besides the main house, a big shed and a second dwelling are located on the property.










WARNING
SMHART
RADIO ALARMS
24 HOUR SERVICE
0861 10 15 16











Broken fence, unauthorized entrance:





Shed:



Second Dwelling:







Please note this is a visual inspection therefor:

- Structural components concealed behind finished surfaces could not be inspected.
- Engineering or architectural services such as calculation of structural capacities, adequacy, or integrity was not part of our inspection.

Overall Condition assessment ratings:

The overall state of the building is not that bad, however substantial sections and components have deteriorated, might have suffered structural damage and require repairs.

However, the property has a lot of potential for development due to its locality (within the urban edge) and existing structures.

Annexure "D"

DDP

Valuation Certificate

This certificate has been prepared on instruction received from *Kouga Municipality* for a market related certificate.

Property description:

ERVEN 2957 AND 3282 HUMANSDORP

Definition of Market Value:

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

I the undersigned, Antonie Oosthuizen, consider this valuation to be a true reflection and a fair assessment of the subject property as on the date of valuation.

R2 900 000.00
(TWO MILLION NINE HUNDRED THOUSAND RAND ONLY)

Date: 17 October 2024

Antonie Oosthuizen
Professional Valuer
(SACPVP Reg. No.: 7821)

Brian Philander
Prof. Ass. Valuer
Reg. No: 5504/2

Brian Philander
Professional Associated Valuer
(SACPVP Reg. No.: (5504)

Our Ref.: DDPCtnR3970

CAVEATS

1. FULL DISCLOSURE

This valuation has been prepared on the basis that full disclosure of all information and factors that could affect the valuation ('all relevant factors') have been made to us. We accept no liability or responsibility whatsoever for the valuation if it should transpire that a full disclosure of all relevant factors was not made.

2. THIRD PARTY INVOLVEMENT

Where reliance was placed on information supplied by third parties in undertaking the evaluation, we have assumed such information to be substantially correct. We accept no liability or responsibility whatsoever for the valuation if it should transpire that the information supplied was substantially incorrect.

3. VALUATION STANDARD

This valuation has been prepared in accordance with the International Valuation Standards Committee requirements as adopted by the South African Council for the Property Valuers Profession and the South African Institute of Valuers.

4. FREEHOLD PROPERTY

In the case of freehold properties we have inspected the relevant Title Deed documents when available. Whenever perusal of the Title Deed caused concern, we made specific reference to this in the Valuation Report. Where the Title Deeds were not available we have assumed that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings.

5. MORTGAGE BONDS, LOANS OR OTHER CHARGES

The property has been valued as if wholly owned with no allowance made for any outstanding monies due in respect of mortgage bonds, loans or other charges. No deductions have been made in our valuation for the cost of acquisition, such as legal or transfer fees, or the costs involved in the disposal of the assets.

6. CALCULATION OF AREAS

Where the client (or his/her representative) has provided all surface areas quoted within the Valuation Report, we assume such surface areas have been calculated in accordance with the SAPOA standard method of measurement. Where a valuer on site measures the surface areas, the SAPOA standard method of measurement shall be employed.

7. PLANS

All plans included in the Valuation Report are supplied for the purpose of identification and orientation only and are not necessarily to scale.

8. PROPERTY BOUNDARIES

The farm or property boundaries, as indicated to the Valuer by the instructing client or his appointed agent, or the boundaries as indicated by plans supplied by the client, are assumed to be the legal extent of the property. Any variation of these boundaries by extension or omission, and the resultant inclusion or omission of any improvements because of this or these variations, cannot therefore be regarded as the responsibility of the Valuer. We accept no liability or responsibility whatsoever for the valuation should it transpire that any boundaries were incorrectly pointed out.

9. OUTGOINGS

It is assumed, except where otherwise stated, that the property is subject to the normal property owner's outgoings and that there are no onerous restrictions or unusual covenants of which we have no knowledge. In preparing our valuation, we have formed our opinion of outgoings, having had reference to the various schedules of outgoings supplied by the client or a representative thereof.

10. STRUCTURAL CONDITION

The property has been valued in its existing state. In the event of its ownership or use changing in such a manner that the local authority will require the upgrading of the premises to comply with fire protection and other regulations, it may be necessary to reduce the valuation by the amount covering the cost of such compliance. We have had regard to the apparent state and condition of the property but have not carried out a structural survey, nor inspected those areas, which were covered, unexposed or inaccessible, neither have we arranged for the testing of electrical, heating or other services. The valuation assumes that the services and structures are in a satisfactory state of repair and condition, unless otherwise stated in our report. The valuation further assumes that the improvements have been erected in accordance with the relevant Building and Town Planning Regulations as well as the Local Authority by-laws. We have not inspected woodwork or other parts of the structure, and we are therefore unable to repost that such parts of the property are free from rot, beetle or other defects. We have assumed that no deleterious or hazardous materials or techniques were used in the construction of the property nor have since been incorporated.

11. CONTAMINATION

Our valuation assumes that a formal environmental assessment is not provided and further that the property is not environmentally impaired nor contaminated, unless otherwise stated in our report.

12. VACANT LAND

No soil or substratum tests on the property have been undertaken and it is assumed that the property is suitable for the intended purpose, without having to provide excessive reinforcement to any structure built thereon.

13. STATUTORY NOTICE AND UNLAWFUL USE

We have assumed that the property and its value are unaffected by any statutory notice, and that neither the property nor its condition, nor its use, nor its intended use, is or will be unlawful.

14. INDIVIDUAL PROPERTIES

The values reported are for the individual properties. No allowance is made for any premium, which may be applicable for an assembled portfolio of properties, nor is a discount allowed for any flooding of the market, which might exist if all, or a majority of the properties were offered for sale simultaneously.

15. CONFIDENTIALITY

This valuation is produced exclusively for the client and for the specific purposes to which it refers. It may be disclosed to other professional advisers assisting you in respect of that purpose. We accept no responsibility whatsoever to any parties other than yourselves who make use of this valuation.

DDP Group* values your privacy. Please note that by providing your personal information, you are giving DDP Group permission to process and store your personal information according to our PoPI Compliance Manual. The information that we process concerning our users is only used for the sole purpose that it is given for. Your information will only be shared with third parties as mandated by legislation. If you have any objections or questions, please contact our Information Officer (io@ddp.co.za).

DDP Group accepts no liability for any loss, damages and/or expenses of any nature which may arise as a result of, or which may be attributable directly or indirectly from information made available to us, or actions or transactions resulting therefrom. Please refer to our Privacy Policy for more information (https://ddp.co.za/legal/).

In the event of any changes to your personal information, you have an obligation to inform DDP Group within 30 days.

For more information regarding DDP Group, please refer to our website (https://ddp.co.za/legal/).

16. NON-PUBLICATION

Neither the whole nor any part of this valuation report or certificate, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way without the written approval of the Valuer, as to the form or context in which it may appear and acknowledgement that the Valuer are professional valuers.

17. INDEPENDENT VALUERS CLAUSE

Neither the Valuer, nor any employee, have any present or contemplated interest in this or any other properties or any other interests, which could affect the statements or values, contained in this valuation report. The valuation enclosed herewith was therefore undertaken on a completely independent basis by a valuer employed the Valuer, a company which specializes in valuation and which does not trade in these assets.

18. VALUE ADDED TAX

All figures quoted are exclusive of Value Added Tax.

19. COURT CASES

Please note that if this report or any portions of the report are used in a court case, additional fees will be applicable.

20. LIABILITY

It is agreed that the maximum aggregate liability of DDP to the Client in respect of any loss or damage that may result from this engagement will be limited to a maximum of 300% of the fees paid or payable under this quotation.

KOUGA local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/PD13**

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

1. **Introduction**

The purpose of this item is to obtain Council's approval to demolish the Kouga Cultural Centre building on a portion of unregistered Erf 3291, Humansdorp.

2. **Background**

The Kouga Cultural Centre was constructed around 2002 for the promotion and development of tourism and cultural activities. The property has been vacant since November 2020 and has deteriorated significantly over the past few years.

3. **Discussion**

The Land and Property Administration Division conducted an assessment of the property in 2020, followed by a subsequent inspection in November 2024. The inspection revealed severe vandalism and confirmed that people are currently occupying the building. Additionally, it was noted that some existing services, including electrical wiring, remain on site. Structural issues such as cracks in both the internal and external walls were also identified. The building now poses a safety hazard and is considered structurally unsound, with the potential to collapse. A detailed report is attached as **Annexure "A"**.

The current condition of the building endangers the occupants as well as the public, thereby posing a significant liability to the municipality. It has reportedly become a hotspot for criminal activity, due to its prominent location at the intersection and entrance to Humansdorp. The structure reflects poorly on the municipality and demolishing the building would allow for the redevelopment of the site and improve the town's entrance appearance.

According to a valuation by Frans Errol Valuers, the current value of the structure is R340,000.00. However, the cost of securing the building already exceeds its current value. The valuer also estimates that the replacement cost of the structure exceeds R25 million (refer to **Annexure "B"**). Given the substantial investment required to bring the structure up to code and to ensure safety, rehabilitation is not considered a viable option.

The proposal is to demolish the building down to the slab level and secure the site. The department, further believes the current location is unsuitable for a facility of this nature. Access is currently via Voortrekker Road, a busy intersection that poses safety concerns for pedestrians. Additionally, there is no designated on-site parking for visitors. It is therefore recommended that an alternative property be identified for the development of a similar facility.

In 2023, Council granted in-principle approval to advertise the property for disposal (23/06/PDT16), subject to valuation and a call for development proposals to determine the most appropriate future use. The valuation indicates that the property's value would increase significantly once the existing structure is removed. This initiative will contribute to enhancing the character and appeal of the surrounding area.

Council's in-principle approval for the demolition was advertised for public comment. No objections were received. The proposal was also circulated internally, and no objections were raised by other departments.

4. **Financial Implications**

Completed by BTO -	
Project Description	Demolishing of the Kouga Cultural Centre and Removal of Building Material
Ukey no.	20240131064515
Budgeted Amount	R1,000,000.00
Amount spent and committed to date	KOUGA MUNICIPALITY 2025-02-17 BUDGET &TREASURY
Amount Available	R1,000,000.00
Comment	No financial implications to Council.

5. **Applicable Legislation**

National Building Regulations and Building Standards Act No. 103 of 1977

6. **Legal Implications**

Should the Council approve the recommendations herein, the accounting officer will be authorized to proceed with the demolition of the building/structure described herein.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Recommendation supported.

8.3 **Director: Civil & Water Services**

Item supported. Method statement of demolishing high end risk elements of the said building to ensure safety at all times.

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 Council notes the Assessment Report on the condition of the Cultural Centre building.

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

10.3 That Council grants approval for the demolishing of the building on unregistered Erf 3291, Humansdorp, also known as the Kouga Cultural Centre.

10.4 That an alternative property be identified for a similar facility.

Item prepared by the: Manager: Land & Property Administratio

Item approved by the: Director Planning & Development

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure "A"

ASSESSMENT REPORT

Exterior	**Remarks**	**Photo**
Walls	Common minor cracks were observed in the foundation walls. This implies that some structural movement of the building has occurred. Cracks of this type should be watched for any sign of additional movement.	
Windows	Windows were completely damaged, and in some instances, frames were removed. An important factor is that the window exteriors should be well-maintained to avoid rotting or water infiltration, housebreak -in and theft.	
Gates	There are two entrances and both gates are not locked to secure premises. This is a high-risk area for unauthorized access, and it should be prioritized.	
Garden	The area is not maintained.	
Fence	The concrete palisade fence is in good condition. Only a few broken posts must be replaced. This is a high safety risk area for unauthorized access and repairs should be prioritized.	
Interior	**Remarks**	**Photo**
Plumbing	Generally, all plumbing is in a very poor condition and major repairs need to be made to restore the items. We notice evidence of active leaks that must be repaired as well	
Drains	Generally, all drainage lids have been removed and must be replaced. This is a high safety risk area.	
Doors	Doors have been damaged and removed from frames. Major repairs are needed to restore the items.	

Roof Structure	The roof is badly damaged and therefore a new roof will be required. We did see evidence of active leaks (moist on the wall). Repairs to the roof should be prioritized.	
Parking Area	The parking area is gravel and is in a poor condition.	
Plaster	Plasters are falling off the walls and cracks indicate that repairs must be done.	
Frames	Generally, most of the windows and door frames have been removed. These have to be replaced as it presents a risk for house break-in and theft	
Flooring	The tiles are broken and there are cracks in the floor. The floor will need to be repaired.	
Roof/ceiling	The ceiling is damaged and will need to be repaired.	
Cupboards	Build in cupboards has been removed from walls.	
Electrical Infrastructure	All electrical wiring has been removed, the main switchboard has also been damaged and removed from the walls. All electrical repairs should be considered as important safety items as they present the risk of fire or shock. These items should receive high priority for action	
Burglar Bars	Generally, the burglar bars are in poor condition and need to be replaced. These also present a risk for break-in and theft.	

<u>Please note this is a visual inspection therefor</u>:

• Structural components concealed behind finished surfaces could not be inspected.

• Engineering or architectural services such as calculation of structural capacities, adequacy, or integrity was not part of our inspection.

Overall Condition assessment ratings:

The overall state of the building is bad, substantial sections and components have deteriorated badly, suffered structural damage or required renovations. There is a risk of imminent failure. The state of repair has a substantial impact on surrounding elements or creates a potential health or safety risk.

The building was even further destroyed in a fire that broke out in 2021/2022 after which a request was made for the demolishing of the building:





Conclusion

The latest assessment was conducted in November 2024. During the inspection, it was noted that there are people using the dilapidated structure as a place of habitation. This poses a big risk to the municipality. Most of the built-in furniture was removed.

The following assets that were on the inventory list could be verified:

- Fire Extinguisher (11937)
- Trellidor Gate (06799)
- Built-in Table (04421)

The following assets could not be verified.

- office table (11976)
- display cabinet ((11908)
- Cupboard Built In (04424)
- Cupboard Built In (04430)

There were a few broken chairs lying around without barcodes as well as a lawnmower.

Annexure B

Clive Errol Francis T/A CEF Valuations

VALUATION CERTIFICATE

FIXED PROPERTY: ERF 3291 HUMANSDORP, EASTERN CAPE PROVINCE (1886 m² & 3346 m²)

My client, Marius Gysman, on behalf of the Kouga Municipality, has requested a 1-Page Certificate of the Present Market Value of the subject property – Improvements only.



Market Value

Market Value can be defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.
(international definition – IVSC)

Taking into account all the aspects of the subject property the Market Value (Depreciation Method) of the **Improvements only (in its neglected and dilapidated state)** is concluded at:

R340 000 (Three Hundred and Forty Thousand Rand)

I the undersigned, Clive Errol Francis, consider this valuation to be a true reflection and a fair assessment of the subject property as at the effective date of valuation.

.....

Clive Errol Francis (SACPVP Reg. No. 5181/3)
Professional Associated Valuer
ND: Real Estate: Property Valuation

Caveats

This one-page valuation certificate has been prepared on the basis that full disclosure of all information and factors, which may affect the valuation should have been made available to ourselves and we cannot accept any liability or responsibility whatsoever for the valuation if any information was withheld.

We have assumed that the property and its value are unaffected by any statutory notice, and that neither the property nor its condition, current use or intended use, is or will be unlawful.

I, Clive Errol Francis have no interest in this property or any other properties which would affect the statements or values contained in this valuation report. All figures quoted are exclusive of Value Added Tax.

Clive Errol Francis T/A CEF Valuations – Cel: 083 663 2633 – valuerclive@outlook.com

Clive Errol Francis T/A CEF Valuations

VALUATION CERTIFICATE

FIXED PROPERTY: ERF 3291 HUMANSDORP, EASTERN CAPE PROVINCE (1886 m² & 3346 m²)

My client, Marius Gysman, on behalf of the Kouga Municipality, has requested a 1-Page Certificate of the **Present Market Value** of the subject property.



Market Value

Market Value can be defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.
(international definition – IVSC)

Taking into account all the aspects of the subject property the Market Value is concluded at:

R2 980 000 (Two Million Nine Hundred and Eighty Thousand Rand)
(See second page for additional information)

I the undersigned, Clive Errol Francis, consider this valuation to be a true reflection and a fair assessment of the subject property as at the effective date of valuation.

.....

Clive Errol Francis (SACPVP Reg. No. 5181/3)
Professional Associated Valuer
ND: Real Estate: Property Valuation

Caveats

This one-page valuation certificate has been prepared on the basis that full disclosure of all information and factors, which may affect the valuation should have been made available to ourselves and we cannot accept any liability or responsibility whatsoever for the valuation if any information was withheld.

We have assumed that the property and its value are unaffected by any statutory notice, and that neither the property nor its condition, current use or intended use, is or will be unlawful.

I, Clive Errol Francis have no interest in this property or any other properties which would affect the statements or values contained in this valuation report. All figures quoted are exclusive of Value Added Tax.

Clive Errol Francis T/A CEF Valuations – Cel: 083 663 2633 – valuerclive@outlook.com

Additional Information:

No comparable transactions were found in Humansdorp, however Business zoned 1 transactions were found in Jeffreys Bay. Selling rates ranged between R 517.97/m² and R 1 070.72/m².

The property was valued as two separate sections, these include the taxi rank section and the community centre section. The total extent of the subject property is 5232 m².

The taxi rank area covers an approximate extent of 1 886 m² (including a 40 m² ablution facility). The rate applicable to the land section is applied at R 700.00/m². This calculates to a market value of R1 320 200.00 for the land. The depreciated replacement cost applied, values the improvements at R96 600.00. Therefore, the value of this section would be R 1 320 200.00 plus R 96 600.00 equalling R1 416 800.00, rounded off to R1 420 000.00.

The community centre section has an approximate extent of 3 346 m² with an approximate 2600 m² building (basement 1300 m² and ground floor 1300 m²). Kindly note that the property is being occupied with homeless persons and was not fully inspected due to safety concerns. The rate applicable to the land section is applied at R 630.00/m². This calculates to a market value of R2 107 980.00 for the land. Due the neglected and dilapidated state of the structure, this structure would affiliate a negative effect on the market value. As such, the calculation below indicated that the demolition cost for this structure would be R 546 000.00. Therefore, the value of this section would be R 2 107 980.00 less R 546 000.00 equalling R 1 561 980.00, rounded off to R 1 560 000.00.

	Area (m²)	Rate/m²	Total
Community centre basement	1300,00	R 7 500,00	R 9 750 000,00
Community centre ground	1300,00	R 7 500,00	R 9 750 000,00
Sub-Total			R 19 500 000,00
Professional Fees			2 340 000,00
Demolition Cost			R 546 000,00
VAT (15%)		15%	R 3 357 900,00
TOTAL			R 25 743 900,00
SUGGESTED REPLACEMENT COST			R 25 740 000,00

Conclusion:

The market value of each section would be R 1 420 000.00 plus R 1 560 000.00, which equates to a total value of R 2 980 000.00.

Additional Photos:










KOUGA local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
PLANNING & DEVELOPMENT
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/PD14**

RESCIND PREVIOUS COUNCIL RESOLUTIONS ON UNREGISTERED ERF 3298, HUMANSDORP AND REQUEST FOR AUTHORISATION TO ADVERTISE AND IN-PRINCIPLE APPROVAL FOR THE DONATION OF ERF 3298, HUMANSDORP TO THE PROVINCIAL DEPARTMENT OF EDUCATION

1. **Introduction**

The purpose of this report is to seek approval of Council to rescind previous Council resolutions on unregistered Erf 3298, Humansdorp and grant in principle approval to donate the property to the Eastern Cape Department of Education for a new school.

Attached below as **Annexure "A"**, find application letter, details of the property and copies of communications between the Department and the municipality.

2. **Background**

At a Special Council meeting held on 19 December 2017, Council resolved (17/12/F12) to donate unregistered Erf 3298, Humansdorp (a portion of portion 4 of Farm 346, Rheeboksfontein, Humansdorp RD) to Stulting Primary School as well as Humansdorp Kooperasie annexed as **Annexure "B"**.

3. **Discussion**

According to the Department of Education, existing schools in Humansdorp are overpopulated. The Department motivates that another school will ease that burden and with the commitment from the Kouga Wind Farm Trust that they will continuously support the school by ensuring that teachers are appointed, maintenance of the buildings, etc. The school will be beneficial for the growth of the area.

If the immovable property is donated, transfer of the property must take place whereby the registered ownership of the property shall pass from the municipality to the Department of Education. It is therefore proposed that all costs relating to the intended transfer be for the Department of Education.

The application was circulated to the LAC for comments and there was no objection against the proposal. **(See Annexure C)**

4. **Financial Implications**

Completed by BTO -	
Project Description	Land Valuations & Surveyor & Planning services
Ukey no.	20210710001552 KOUGA MUNICIPALITY 2025-04-14 BUDGET &TREASURY
Budgeted Amount	R750 000.00
Amount spent and committed to date	R215 271.37
Amount Available	R436 297.80
Comment	No financial implications to Council.

5. **Applicable Legislation**

Municipal Finance Management Act 56 of 2003
Municipal Asset Transfer Regulations
Kouga Municipal Disposal of Immovable Assets Policy of 2020

6. **Legal Implications**

Should Council resolve on the recommendations, the resolution will be rescinded and the effect of the previous resolution becomes null and void.

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Recommendations supported.

8.2 **Director: Planning & Development**

Recommendation supported.

8.3 **Director: Civil & Water Services**

Item noted. Careful consideration towards the type of veldt (Renoster veldt) and alternatives in terms of setting off in leu of environmental concerns. Furthermore, the required Engineering Service Report will have to indicate options as to providing required services (water and sanitation) as current municipal services are limited.

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 Council **grants approval** to rescind previous Council resolutions on Erf 3298, Humansdorp (17/12/F12) and grants In-principle approval to donate Erf 3298, Humansdorp on which the new Boskloof Primary School will be constructed.

10.2 That Council grant authorization to the Accounting Officer to advertise the immovable property herein.

10.3 That Council confirms that the land is not needed to provide the minimum level of basic municipal services.

10.4 That the applicant be responsible for all development rights applications including the subdivision, rezoning and registration of Erf 3298, Humansdorp.

Item prepared by the: The Manager: Land & Property Administration

Item approved by the: Director: Planning & Development

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

Annexure "A"

Property Description – Unregistered Erf 3298, Humansdorp

Province of the
EASTERN CAPE
EDUCATION

Iphondo leMpuma Kapa: Isebe leMfundo
Provinsie van die Oos Kaap: Departement van Onderwys
Porafense Ya Kapa Botjhabela: Lefapha la Thuto

SARAH BAARTMAN DISTRICT: HUMANSDORP CMC
19 Heugh Street, HUMANSDORP, 6330 REPUBLIC OF SOUTH AFRICA:
Enquiries: **Ms SC Amsterdam . Tel: 042-291 0235, 061 191 6814. Email: simone.amsterdam@ecdoe.gov.za**
Website: www.eceducation.gov.za

Attention: 22nd July 2024

Office of The Executive Mayor

c/o Municipal Manager

Kouga Local Municipality

Vasco da Gama Rd, Jeffreys Bay

RE: APPLICATION FOR A LAND PARCEL ERF R102

Dear Executive Mayor,

The Department of Basic Education (DBE), Sarah Baartman district has for a number of years been in dire need of new additional schools to alleviate the overcrowding trend that has worsened over the years, particularly in the Humansdorp circuit of DBE. As you might be aware there are numerous displaced children in need of quality education. The existing schools Stulting and Mzingisi Primary, are already at maximum capacity and cannot accommodate further learners. DBE believes That establishing an English-medium school in the area will greatly benefit the community and provide a valuable resource for the children.

The district has thus, been approaching several stakeholders for assistance, to which a favorable consideration has been received from the Kouga Windfarm Community Development Trust (KWFCDT).

DBE in partnership with KWFCDT was considering the establishment of a new primary school initially in the KwaNomzamo community on a land parcel adjacent to Lungiso High School. Further due diligence has proved the inadequacy of the piece of land and alternative parcels have been identified in consultation with Kouga Local Municipality officials.

The one such piece of land is erf on R102 which DBE is thus requesting from KLM for purposes of building a new primary school. This public school will be overseen by the Sarah Baartman Education District.

On bchalf of thc Sarah Baartman District Director, wc kindly request that KLM considers this request, which will go a long way towards improving quality education in the district.

Sincerely
A.J. MBATANI
Circuit Manager

Cc Mr N. de Bruyn – DBE Sarah Baartman District Director
Mr Lawrence Ramakuwela - KLM Director: Town Planning and Development (Acting)

Title


4/346
32/346
RE/4/346
41/346
HUMANSDORP
3298
33/346
34/346
659
29/346
6/689

Annexure B (Previous Council Resolution)

MINUTES OF A SPECIAL COUNCIL MEETING OF THE KOUGA MUNICIPALITY HELD AT THE KOUGA COUNCIL CHAMBER (JEFFREYS BAY UNIT) ON TUESDAY, 19 DECEMBER 2017 AT 10:00

PRESENT: Councillors	HM Hendricks	(Speaker)
	EC van Lingen	(Executive Mayor)
	D Benson	
	H Bornman	
	B Williams	
	F Baxter	
	B Dhludhlu	
	FJ Campher	
	BF Rheeder	(Alderman)
	DM Nkomo	
	W Gertenbach	
	L Vorster	
	NS Botha	
	B Carstens	
	F Louw	
	D Biggs	
	W Coenraad	
	S. Jujwana	
	CS Mandeka	
	P Nkwalase	
	T Meleni	
	M Peters	
Officials	C du Plessis	(Municipal Manager)
	S Thys	(CFO)
	K Moodley	(Director: Corporate Services)
	D de Jager	(Manager: HR)
	H Hammes	(Acting Manager: Corporate Services)
	C Dreyer	(Manager: IDP)
	R van Heerden	(Manager: Income)
	L Opperman	(Manager: Legal Services)
	L Randall	(Media Liaison Officer)
	B Klopper	(Committee Services)

Stulting Primary School

i) That the land required by Stulting Primary School – erf 346 Portion

4 of Humansdorp – be donated to the school on condition of the erf swop from the Department of Education – erf 3840 Wavecrest (9,264Ha).

ii) That a Deed of Donation to the Department of Education be drawn up.

iii) That erf 346 portion to be sub-divided according to the extent required by the new school.

iv) That the Municipal Manager and the GIS Mapper meet with the Headmaster of Stulting to discuss the extent required including a sports field etc.

Farm 346 Portion 4 – Humansdorp Kooperasie

i) That the extent required by the Humansdorp Co-op be determined.

ii) That the sub-division and the re-zoning of farm 346 portion 4 be proceeded with.

iii) That the valuation be undertaken on the sub-divided portions.

iv) That the Municipal Manager, the Town Planner and the GIS Mapper conduct a site visit.

v) That the selling price be tabled before Council for final approval.

vi) That the portion be sold by means of open tender processes.

Annexure C

LAC COMMENTS

ERF	APPLICATION	SPATIAL DEVELOPMENT	LAND USE SCHEME	BUILDING CONTROL	MANAGEMENT
Erf 3298, Humansdorp	The Department of Basic Education is applying for land to establish a new additional school in the area.	The property is currently zoned as "agricultural". The property is included within the urban edge for future development. In terms of the SDF, it can be supported. The property must be rezoned to be a "Community Zone" in order for the Department of Education to use it as a place of instruction.	No objection	Supported on condition that the applicant complies with Town Planning and Service Department comments before submitting building plan application to Building Control for approval.	**COM SERV: Listed activities which may be applicable for the development of Erf 3298, Humansdorp.** **Listed activity 27 of listing notice 1;** The clearance of an area of 1 hectares or more, but less than 20 hectares of indigenous vegetation, except where such clearance of indigenous vegetation is required for— (i) the undertaking of a linear activity; or (ii) maintenance purposes undertaken in accordance with a maintenance management plan.

					Listed activity 28 of listing notice 1; Residential, mixed, retail, commercial, industrial or institutional developments where such land was used for agriculture, game farming, equestrian purposes or afforestation on or after 01 April 1998 and where such development: (i) will occur inside an urban area, where the total land to be developed is bigger than 5 hectares; or (ii) will occur outside an urban area, where the total land to be developed is bigger than 1 hectare; excluding where such land has already been developed for residential, mixed, retail, commercial, industrial or institutional purposes.

					Activity 12 of listing notice 3; The clearance of an area of 300 square metres or more of indigenous vegetation except where such clearance of indigenous vegetation is required for maintenance purposes undertaken in accordance with a maintenance management plan. **a. Eastern Cape** **i. Within any critically endangered or endangered ecosystem listed in terms of section** **52 of the NEMBA or prior to the publication of such a list, within an area that has** **been identified as critically endangered in the National Spatial Biodiversity Assessment 2004;**

					ii. Within critical biodiversity areas identified in bioregional plans; iii. Within the littoral active zone or 100 metres inland from the high water mark of the sea, whichever distance is the greater, excluding where such removal will occur behind the development setback line on erven in urban areas; iv. Outside urban areas, within 100 metres inland from an estuarine functional zone; or v. On land, where, at the time of the coming into effect of this Notice or there **ELECTRICAL:** Supported, in condition that the applicant needs to submit electrical engineering report, confirm required NMD and submit

					application to electrical department **C&W:** Do not have any objection against the proposed donation. Please note there is a municipal sewer line located along the western boundary of the site that will require a servitude to be registered. **ENVIRONMENTAL HEALTH:** the donation to DoE is supported**.** **LS** The property should be registered before it can be transferred. It is not recommended to sell unregistered properties, financial implications

REPORTS BY THE PORTFOLIO CHAIRPERSON: COMMUNITY & SAFETY SERVICES

KOUGA
local municipality
Good Governance through Service Excellence

KOUGA local municipality
Good Governance through Service Excellence

KOUGA MUNICIPALITY (EC 108)
ORDINARY COUNCIL MEETING
COMMUNITY & SAFETY SERVICES
OPEN
DATE: 30 APRIL 2025
ITEM NO: **25/04/CSS17**

COMMUNITY WORK PROGRAMME POLICY (CWP)

1. **Introduction**

The purpose of this report is to request Council to adopt the Community Work Programme (CWP) Policy as set out in Annexure A.

2. **Background**

The Community Work Programme (CWP) is a national public employment initiative designed to provide useful part-time work for unemployed or underemployed individuals, typically in marginalized or impoverished communities. It is often run or supported by government entities and local organizations. The program is directed by Cooperative Governance and Traditional Affairs (COGTA).

Below are some key features of the Community Work Programme (CWP):

- **Purpose**
  - Alleviate poverty and unemployment.
  - Offer a safety net by giving people regular, predictable work.
  - Provide services that benefit the community (like cleaning, maintenance, food gardening, care work, etc.).
- **Participants**
  - Targeted at unemployed adults, often prioritizing women, youth, and people with disabilities.
  - Workers are typically paid a stipend or wage for part-time work (e.g., 2 days a week).
- **Types of Work**
  - Environmental cleanup and beautification.
  - Building or fixing community infrastructure.
  - Support for schools, early childhood development, and healthcare centers.
  - Community food gardens and nutrition support.
- **Benefits**
  - Offers income support and dignity of work.
  - Helps build skills and work experience.
  - Strengthens local development and community resilience.

3. **Discussion**

The overall objective of the policy is to set out the key parameters of the framework for the CWP. This policy reflects past experiences and consultation with stakeholders, both government and non-government, on their aspirations for the program. This policy framework overviews key issues and discourses related to CWP's, based on existing literature from both the academic and consultant sector and the views of the National Task Team for the CWP. CWP

adopted a community development approach to improve service delivery, improve the lives of the vulnerable, poor and marginalized communities and to empower communities.

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 Local Government: Municipal Structures Act, 1998
The Local Government: Municipal Systems Act, 2000
The Skills Development Act, 1998
The Public Service Act ,1994
The Intergovernmental Relations Framework Act, 2005

6. **Legal Implications**

None

7. **Other Implications**

None

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

Report noted.

8.2 **Director: Planning & Development**

Supported

8.3 **Director: Civil & Water Services**

Noted.

8.4 **Director: Electro-Mechanical Services**

Item noted.

8.5 **Director: Community & Safety Services**

Item supported.

8.6 **Deputy Municipal Manager**

Noted.

8.7 **Municipal Manager**

Item supported.

9. **Delegated Authority**

Council.

10. **Recommendations**

10.1 That the Council adopts the Community Works Programme (CWP) Policy as required by the National Department of Cooperative Governance and Traditional Affairs as set out in Annexure A.

10.2 That the Council authorizes the MMC Community Services, to chair the Local Reference Committee (LRC).

Item prepared by the: Manager: Waste and Environmental Management

Item approved by the: Director: Community & Safety Services

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

cooperative governance
Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

cwp community work programme

COMMUNITY WORK PROGRAMME

POLICY (2025-2030)

APPROVED BY:



MR V HLABISA
MINISTER

DATE: 31/12/2024

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EXECUTIVE SUMMARY

The Community Work Programme (CWP) is a South African government programme managed by the Department of Cooperative Governance (DCOG) as its Programme 5, and which it implements jointly with stakeholders via local reference committees (LRCs).

CWP was initially a sub-programme of the Expanded Public Works Programme (EPWP). In 2007, it was piloted as a fully-fledged government programme through a Memorandum of Understanding (MOU) with the EPWP, and this arrangement was formalised in 2009. CWP was designed as an employment safety net, providing a temporary monthly stipend to income-constrained individuals for doing community work, while also offering them valuable experience and skills for future job opportunities.

It has become necessary to repurpose the CWP in view of external and internal challenges.

Externally, mention must be made of the impact of Covid-19, a series of natural disasters in various parts of the country, rampant electricity disruptions, the unchecked increase in the rate of unemployment and destitution, and the fact that CWP was previously not linked to macro-economic strategies such as the National Development Plan (NDP) and the Economic Reconstruction and Recovery Plan (ERRP).

Internally, it is essential to address the managerial and operational inefficiencies highlighted in successive Auditor-General of South Africa (AGSA) Reports. The Department is committed to decisively tackling issues such as inadequate institutional capacity, ineffective governance, and insufficient financial and asset management within the CWP.

In addition to these internal and external challenges, there is also the need to adhere to the good practice of continuous improvement.

The repurposed CWP seeks to address existing weaknesses while enhancing the impact of the temporary community work opportunities it provides. Its objectives include promoting nation-building and active citizenry, with a strong focus on fostering social cohesion, human dignity, and national pride. Additionally, it will promote a developmental strategy; increase and more effectively target participant enrolment; establishment of new partnerships and strengthen existing ones with public and private sector entities; ensure that community work is meaningful and integrated with skills development and entrepreneurship; streamline Programme management for efficiency; expedite service and infrastructure delivery support; and lead to sustainable livelihoods, vibrant communities, and positive Local Economic Development (LED) outcomes.

This Policy presents an overview of key requirements that will make the CWP effective and impactful. It also recommends an alternative operating model of delivery.

ABBREVIATIONS

AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
CIF	Community Innovation Fund
COGTA	National Department of Cooperative Governance & Traditional Affairs
CWP	Community Work Programme
DCOG	National Department of Cooperative Governance
EPWP	Expanded Public Works Programme
ERRP	Economic Reconstruction and Recovery Plan
IDP	Integrated Development Plan
IUDG	Integrated Urban Development Grant
LED	Local Economic Development
LRC	Local Reference Committee
MIG	Municipal Infrastructure Grant
MSIG	Municipal Systems Improvement Grant
NDP	National Development Plan
NGO	Non-Governmental Organisation
PFMA	Public Finance Management Act
RMO	Results Management Office
SOE	State Owned Entity

GLOSSARY

Community Innovation Fund	refers to a facility that invests in ideas by individuals, communities, organisations and businesses by providing them with financial support to develop and or implement creative solutions to local challenges or to enhance community well-being.
Community work	refers to legal, area-based offers of labour made available to income-constrained individuals especially from vulnerable groups and marginalised communities for a prescribed period. The Minister may, from time to time, change the number of years comprising the prescribed period. The initial prescribed period is two-and-a-half-years (thirty months).
District Development Model	refers to the “One Plan” blueprint to improve socio-economic conditions in an area and involving all spheres of government working together with participants, communities and other key stakeholders.
Formative evaluation	refers to an assessment or assessments conducted during a CWP life-cycle.
Implementing Agent	refers to an individual or entity with which DCOG enters into a remuneration-based agreement mainly to execute the whole or part of a CWP project. If, based on an informed assessment, DCOG is of the view that a municipality is fully capable of and adequately resourced to deliver a specific CWP project/s and thereby fulfil the role of a typical Implementing Agent (IA), then it may, at its sole discretion, forgo this option of appointing an external IA so long as such assessment and decision is not automatically transferred to another CWP project/s, which will require a separate assessment and decision.

Implementing Partner	refers to an individual or entity with which DCOG enters into a volunteer-based agreement mainly to help manage, equip and or finance the whole or part of a CWP project.
Income-constrained	refers to an individual with absolutely no income or whose only income is Child Support Grants and or any other public grant, but only where any one grant does not exceed R 1 000 per month.
Integrated Development Plan	refers to the overall approach every municipality has to use, and which shows how it intends to grow and develop the area over a five-year period.
Local Economic Development	refers to stakeholders in an area working together to improve the quality of life for the individuals and communities there by creating community work and business opportunities for them.
Local Reference Committee	refers to a forum made up of key stakeholders in an area that oversees and guides a CPW project or projects there. Who is regarded as a key stakeholder may vary, and will be determined, area by area or project by project. Following is not a prescribed or definitive list but examples of key stakeholders: ▪ Senior Municipal Official ▪ Ward Councillor ▪ Traditional Leader or Community Leader or Elder ▪ Representative from Neighbourhood Associations ▪ Project Implementer ▪ Non-Governmental Organisation Representative ▪ Local Business Representative ▪ Advocacy Group Representative ▪ Academic/Research Institution Representative ▪ Local Police or Safety Official ▪ Financial Institution Representative ▪ Health or Social Service Provider ▪ Media Representative

Marginalised community	refers to a category of settlement areas that the programme targets for inclusion or focus from time to time through Ministerial determination and based on prevailing government priorities and strategies. The following categories are targeted for the period 2025-2030: ▪ Rural areas (including but not limited to traditional areas); ▪ peri-urban areas; and, ▪ underserved townships, wards and precincts; and, informal settlements.
Minister	refers to the Minister of Cooperative Governance and Traditional Affairs.
Participant	refers to an individual that qualifies and is selected for community work on the following grounds: (i) is able to prove their South African citizenship; (ii) is aged between 18 and 60 years; (iii) is income-constrained; (iv) is selected after being subjected to the proper application of targeted participant categories; and (v) signs a contract agreeing and committing to specific conditions, responsibilities and obligations.
Participant exit strategy	refers to the following timing and manner in which those receiving stipends leave the programme: (i) Leaving the programme *voluntarily* applicable anytime during the prescribed period of participation for whatever reason but ideally to take up a more feasible and sustainable opportunity in the mainstream economy; (ii) Leaving the programme *compulsorily* applicable from 1 January 2025:

a. At the end of the month in which one reaches 60 years of age, irrespective of having completed the prescribed period of participation or not; and,
b. At the end of the prescribed period of participation for all others.

(iii) Leaving the Programme on an *ad hoc basis* applicable until 31 December 2025:

a. All those that are already aged 60 years and all those that will reach 60 years of age by 31 March 2025 must leave the programme by that date (31 March 2025);
b. All those that reach the age of 60 years after 31 March 2025 but before 1 January 2026 must leave the programme at the end of the month in which they reach 60 years of age;
c. All those that are currently under 60 years of age and will still be under 60 years of age by 31 December 2025 must leave the programme by that date (31 December 2025) but only if they have, by then (31 December 2025), been in the programme for 30 months or more;
d. All those that are currently under 60 years of age and will still be under 60 years of age by 31 December 2025 but have, by then (31 December 2025) not completed 30 months in the programme must leave the programme at the end of their 30th month of participation;

(iv) Once a participant leaves the Programme, whether voluntarily or compulsorily, they may not participate in the programme again

Project	refers to a CWP initiative that is delivered at one or more sites in a local or district municipality.
Project Exit Strategy	refers to the timing and manner in which a CWP initiative is Ended.

Site	refers to the main location in a municipality where a CWP project is implemented.
Stipend	for CWP, this refers to a fixed, regular payment made into a participant's bank account on a monthly basis, for community work rendered. The payment is tax exempt. Where applicable and viable, the cost of bank charges and funeral insurance as well as the interest rate on any savings will be negotiated in terms of a special dispensation with preferred service providers from time to time.
Sub-site	refers to subordinate locations in a municipality where a CWP project is implemented.
Summative evaluation	refers to an assessment conducted at the end of a CWP life-cycle
Targeted participant category	refers, at the first level, to the application of employment equity prescripts (that is, including specific proportions of Blacks, women, and people with disabilities); at the second level, to vulnerable groups; and, at the third level, to marginalised communities.
Targeted project category	Based on prevailing government priorities and strategies, the Minister may, from time to time, direct the Programme's focus to certain types of projects. The following are prioritised for the period 2025-2030: (i) Infrastructure operations and maintenance: • Cleaning cemeteries; • Cleaning, renovating and painting public buildings, bridges etc; and • Cleaning of illegal dump-sites. (ii) Agrarian revolution and food security: • Planting and maintaining food gardens. (iii) Health and safety: • Home-based Care; • Assisting creches and Early Childhood Development Centres; and

- Scholar patrols.

(iv) Environmental protection, including Green projects:

- Maintaining and repairing access roads, streets and pavements;
- Maintaining public parks; and
- Collecting bottles, plastics, cardboard etc.

(v) Early childhood development and adult basic education and training.

(vi) Tourism and retail.

Vulnerable group	refers to a category of participants that the Programme targets for inclusion or focus from time to time through Ministerial determination and based on prevailing government priorities and strategies. The following categories are targeted for the period 2025-2030: (i) School leavers, youth and young adults aged 18-40 years; and, (ii) Survivors of gender-based violence.

1. BACKGROUND

1.1. The CWP is a government initiative designed to provide regular, part-time work opportunities to income-constrained South African citizens mainly from vulnerable groups and marginalised communities.

1..2 To date, the programme has sought, at outcome level, to respond to the three main socio-economic challenges: poverty, unemployment and inequality. The problems associated with these include: high levels of unemployment; lack of access to basic services; underdeveloped infrastructure; skills gap and limited training opportunities; and, social exclusion and inequity.

1.3. CWP has, therefore, been trying to address these through various strategies that include the following: (a) regular work opportunities (where participants engage in community work on a predictable basis, typically for a few days each month, thereby providing them and their families with a source of income and stability); (b) community development (where the work performed often involves maintenance and improvement of public assets, services and infrastructure, thereby benefiting the community as a whole); skills development and training (which includes training components to help participants develop skills that enhance their employability and enable them to transition to other employment opportunities in the future); community empowerment and involvement (which promotes active community participation by involving local residents in projects that contribute to their own community's development and well-being); and, supplementing local efforts (where participants and communities augment municipality capacity and manpower).

1.4. Drawing on international experience and models, CWP was conceived of by the Second Economy Strategy Project (an initiative of the Presidency). After being piloted in 2007, it was officially launched as a scalable, government-funded, community-based programme in 2009. This was under the second phase of the EPWP.

1.5. In 2010, CWP was transferred to the Department of Cooperative Governance and Traditional Affairs (COGTA). And, in 2014, the Department of Cooperative Governance (DCOG) commenced managing it as Programme 5. This organisational change aimed to integrate CWP more effectively into COGTA's broader mandate of

supporting local government and community development initiatives. As it remains part of EPWP, CWP is required to contribute to EPWP's Phase 5 Business Plan which includes a target of five million work opportunities.

1.6. CWP currently operates across a large number of urban, peri-urban and rural communities located in areas across the country. And thousands of participants are engaged in part-time work in CWP-linked projects there. The work typically includes infrastructure maintenance, environmental projects and community services. A proportion of participants receive training.

1.7. To date, no comprehensive Impact Study has been conducted on the Programme. The data below is based mostly on the 2014 Implementation Study, which covered the period 2010-2013:

1.7.1. Approximately 1.5 million individuals have participated in CWP since 2009. For example, 171 945 individuals participated in 2013, and this rose to 217 749 in 2014. The programme fell short of its target of reaching 1 million participants by 2013.

1.7.2. There are approximately 255 000 participants currently in the Programme.

1.7.3. During the same fifteen-year period, approximately 800 000 individuals have received training through the Programme. This means that about 53 percent of participants have received some or other form of training.

1.7.4. As of 2024, approximately 30 000 CWP participants have successfully transitioned to mainstream employment.

1.7.5. As of 2024, CWP has benefitted approximately 2 500 communities across South Africa.

1.7.6 For the period 2009-2024, the government has invested over R12 billion, about half of which has been paid as stipends to participants. In 2013, the ratio was 65:35 percent stipends to non-stipend costs at site level.

1.8. In 2022, a management decision was made to repurpose the CWP with the intention to make it more efficient and impactful.

2. PROBLEM STATEMENT

2.1 CWP's revision is necessitated by external and internal factors that have a bearing on its effectiveness and efficiency.

2.2 DCOG cannot control the external factors but a revised CWP will help to mitigate these.

2.2.1. Although CWP was launched during a global economic crisis the situation does not seem to have improved since then. It's been a long-run of low economic growth.

2.2.2. South Africa's economy is heavily reliant on imported goods. The significant weakening of the Rand against the United States dollar from R 7. 90 in mid-2009 to R 19. 15 in mid-2024 has had an increasingly negative effect on the country's economic outlook in general. From 7.1 percent in mid-2009 to 6.8 percent in mid-2024, the country's high inflation rate has not shifted sufficiently. The period has been characterised by economic instability, which has limited the funds and resources made available CWP.

2.2.3. In mid-2009, South Africa's unemployment rate was approximately 23.8 percent and at the end of Q2, 2024 it was 33.5 percent. This is ominous: if "discouraged worker-seekers" were included in the official definition of "unemployed", the rate would be much higher. The most recent increase in the unemployment rate has not been a result of mass lay-offs but the labour force growth outpacing job growth. At the end of Q2, 2024, some 10.3 million individuals (35.2 percent) between the ages of 15 and 24 were not in employment, education or training. Not only is there unemployment but also underemployment and misemployment: not only is there skills deficits but also skills mismatches. In this milieu, programmes such as CWP take on added importance. It should therefore be revised to realise its full potential.

2.2.4. Since 2009, the country has been disrupted by natural disasters such as floods, droughts, or severe weather events that have damaged infrastructure, displaced communities, and diverted resources to emergency responses. Some of these were: 2010–2011 floods (Eastern Cape and KZN); 2012–2013

drought (central and northern regions); 2017 floods (Eastern Cape and KZN); 2018 storms (Gauteng and Western Cape); 2019–2020 fires (Western Cape); and, 2022 floods (KZN). These will influence the location and types of projects CWP undertakes.

2.2.5. Starting in 2020, Covid-19 has, besides limiting CWP's ability to carry out its activities effectively, resulted in the programme's resources being directed away from it. The pandemic also exposed the inequity that existed when it came to health, education and technology. Lockdowns and restrictions led to widespread business closures, reduced economic activity and a sharp increase in unemployment rates as many enterprises, especially small and medium ones, were forced to downsize or shut down.

2.2.6. In the last few years, "load-shedding" brought on by the inadequate maintenance of electricity infrastructure has been the main reason for the down-turn in the South African economy. It has impeded the delivery of public services and the implementation of CWP projects by creating logistical challenges and increasing the need for repairs and reconstruction.

2.2.7. Several laws, macro-economic plans and government strategies and priorities that have a bearing on CWP have been introduced or amended since 2009. The 2012 NDP sets out broad goals and priorities CWP should align with, in addressing poverty, unemployment, and inequality; and the 2020 Economic Recovery and Reconstruction Plan prescribes the types of projects CWP should be targeting. CWP must align with and contribute to the NDP's objective of creating 11 million new jobs by 2030 (2 million of which must be through public employment programmes). The programme is also required to align with and contribute to COGTA's vision of an "efficient and effective cooperative governance system that enables resilient, safe, sustainable, prosperous, cohesive, connected and climate- smart communities" as well as the department's commitment to "public participation and [a] people-centred approach". The 2018 amendment to the Social Assistance Act influences CWP's qualification criteria for participants; the 2019 amendment to the Promotion of Access to Information Act means that all information related to CWP must be accessible to the public; the 2020 amendment to the Municipal Structures Act, directs how municipality-based

government programmes like CWP must be implemented; the 2020 amendment to the Public Finance Management Act (PFMA), regulates the management and accountability of funds allocated to programmes like CWP; and, the 2020 amendment to the Disaster Management Act influences how the Programme responds to and recovers from natural and man-made disasters.

2.2.8. In 2009, South Africa's population was approximately 49 million people: in 2024, it is approximately 60 million people. This rapid growth affects community needs and priorities, requiring adjustments to CWP strategies and resource allocation.

2.3 DCOG can fix the internal problems associated with CWP and a repurposed Programme will help to control these.

2.3.1. Most of the internal problems were highlighted by successive AGSA Reports and also through feedback from stakeholders.

2.3.2. These mainly include design and implementing challenges.

3. PURPOSE AND GOALS

3.1 The purpose of the revised CWP is to enhance its efficiency and effectiveness by:

3.1.1. better targeting income-constrained individuals from vulnerable groups and marginalised communities and providing them with relevant experience, skills, knowledge and resources as well as properly aiding their transition into the mainstream economy.

3.1.2. empowering marginalised communities so that they are able to facilitate the delivery, maintenance and repair of public assets, services and infrastructure in their respective areas; and,

3.1.3. ensuring the Programme's sustainability and improved impact through partnerships with and additional resourcing from entities inside and outside the government.

3.2. Despite its revision, CWP's goals essentially remain the same:

3.2.1. Establish an income safety net for income-constrained individuals from vulnerable groups and marginalised communities;

3.2.2. Provide a temporary monthly stipend to them, particularly where normal work and business opportunities are either scarce or non-existent and where more sustainable and substantial income-generating opportunities will take time to implement;

3.2.3. Facilitate the social and economic inclusion, upliftment and empowerment of marginalised communities through LED projects;

3.2.4. Contribute to delivering, maintaining and repairing public assets, services and infrastructure; and,

3.2.5. Achieve developmental outcomes in general and improve community involvement in particular.

4. OBJECTIVES

To achieve its purpose and goals, CWP's objectives have been revised as follows:

4.1. To control participation and better target and recruit income-constrained individuals from vulnerable groups and marginalised communities and to ensure that for the last five-year period of the NDP (2026-2030) at least 500 000 participants will be enrolled (one cohort of 220 000 for the period 1 January 2026 to 30 June 2028 and another cohort of 280 000 for the period 1 July 2028 to 31 December 2030).

4.2. To ensure that at least ten percent of the total number of enrolled participants are properly trained annually.

4.3. To ensure that (in delivering, maintaining and repairing public assets, services and infrastructure) the participants', communities' and government's interests are protected and advanced; and, that communities are capacitated and prepared to assume control over public assets for their areas by 2030.

4.4. To smoothen the way for participants to enter the mainstream economy and to ensure that at least eighty percent of them are appropriately placed.

4.5. To facilitate the active involvement of at least 5 000 communities in their own development, upliftment and empowerment by 2030.

4.6. To ensure greater Programme impact by securing financial, technical, technological, material and human resources from other parties, inside and outside government; and, in doing so, to strive to supplement on at least a Rand for Rand basis what the fiscus allocates to the programme.

5. PRINCIPLES

The principles that underpin and guide CWP are:

5.1. Poverty Alleviation: One of the primary objectives of CWP is to alleviate poverty by offering an income safety net through community work to participants for a prescribed period.

5.2. Transformative Empowerment and Localised Procurement: The Programme seeks to empower marginalised individuals by providing meaningful community work and business experiences, enhancing self-worth, and promoting economic inclusion. It focuses on changing social, economic and political structures that perpetuate barriers to empowerment. And it emphasises agency, participation and ownership. Local sourcing (purchasing goods, services and materials from nearby producers, retailers and entrepreneurs) is promoted so that the financial benefits will be retained within the locale.

5.3. Human Dignity, National Pride and Social Cohesion: CWP emphasises a commitment to upholding the rights, values, and well-being of its participants, fostering a sense of belonging, unity, and solidarity, and building a more inclusive, just, and prosperous society.

5.4. Community Development: CWP is centered on community development, aiming to enhance public assets, services, and infrastructure particularly in rural, peri-urban and former Black township areas.

5.5. Sustainability and Inclusivity: The Programme aims to create sustainable livelihoods by providing opportunities for skills development and economic empowerment, thus enabling participants to contribute to LED. CWP promotes inclusivity by targeting marginalised communities with high unemployment rates and ensuring that it benefits especially marginalised individuals there.

5.6. Co-production and Partnerships: This entails involving participants, communities, and other stakeholders in CWP decision-making processes, Programme design, and implementation. This approach ensures that the Programme meets the actual needs and priorities of the communities it serves, fosters ownership among participants, and enhances its effectiveness and sustainability. Co-production also promotes empowerment and capacity building, as it encourages active engagement and participation, thus enabling marginalised individuals and marginalised communities to become agents of change in their own development processes. Partnerships leverage additional resources and expertise to maximise the impact of CWP.

5.7. Accountability, Transparency and Implementability: Effective governance, accountability mechanisms, transparency and an implementable Programme design are fundamental principles to ensure the efficient and equitable delivery and assessment of CWP.

5.8. Flexibility, Adaptability and Attrition Management: CWP recognises the diverse needs and circumstances of participants and communities, and therefore, it adopts flexible approaches to address these needs effectively. It also responds to individual needs. To minimise disruptions to livelihoods and maintain morale, participants are allowed to leave the programme any time before the end of the prescribed period and,

preferably, once they are equipped with the requisite skills, knowledge and experience and or to take up a work or business opportunity outside CWP.

5.9. Transiency: CWP is essentially designed as an interim, stop-gap measure to facilitate the transition of participants from unemployment, disempowered individuals with little or no access to work opportunities in the mainstream economy to employed, empowered individuals that have access to work opportunities in the mainstream economy. This is to ensure resource optimisation, accommodate new participants and realise sustainability of the Programme and participant livelihoods.

5.10. Continuous Improvement: CWP is committed to continuous learning and improvement, adapting strategies and interventions based on feedback, evaluation, and emerging socio-economic trends.

6. SCOPE

6.1. Mandate:

6.1.1. DCOG is CWP's custodian.

6.1.2. Based on CWP's historical operational and service delivery inefficiencies, it is essential that DCOG actively and meaningfully collaborates with resourceful stakeholders, including other government departments and private sector entities.

6.1.3. DCOG's control of CWP projects and assets should be for a limited duration only. Mechanisms and procedures should be developed to ensure that communities, once they are organised and equipped, assume this function.

6.1.4. Notwithstanding, DCOG should still ensure that CWP delivers on its responsibility in terms of Section 10 of the Constitution, which is to ensure every citizen's right to dignity.

6.2. Geographic:

6.2.1. CWP will apply to the whole of South Africa.

6.2.2. CWP projects will, however, be site based, ward based, local municipality based, or district municipality based.

6.2.3. A municipality may have one or more sites.

6.2.4. The programme will prioritise projects in marginalised communities, where there are large concentrations of unemployment and or low levels of LED.

6.3. Programme Design:

6.3.1. CWP will involve the government working together with communities and other key stakeholders. The emphasis will be on community identified, prioritised, driven, managed and owned projects.

6.3.2. To ensure consistency within government, the following must be established and resourced: a dedicated CWP Branch within DCOG, a dedicated CWP Office within each provincial administration and a dedicated CWP Unit/Administrative resource within each municipality.

6.3.3. CWP will not replace or compete with similar programmes run by other National Departments and State-Owned Entities (SOEs). Rather, it must partner on these and, where necessary and possible, fill in the opportunity gaps (e.g. carbon credits). Besides leveraging government and non-government implementing partners, it will also leverage other government and non-government programmes.

6.3.4. CWP must complement each municipality's IDP and other municipality service delivery plans.

6.3.5. CWP proposals must be based on developmental principles; sound business logic; and result in a social, economic and or environmental benefit.

6.3.6. To further the principles of Broad Based Black Economic Empowerment (BBBEE), CWP procurement shall be done in line with the Departments Procurement Policy.

6.3.7. The repurposed CWP will be characterised by modernised technological, information and other systems. This includes but is not limited to:

6.3.7.1. A web-based CWP Management System; and,

6.3.7.2. Goods and services for CWP should be procured from suppliers based in the local municipality or, failing that, district municipality or, failing that, province in which the relevant project is located.

6.4. Community Work:

6.4.1. Communities should initiate, manage and maintain CWP projects through the LRC.

6.4.2. Community work is temporary and supportive in nature. In other words, participants enlisted for community work must exit the Programme either during the prescribed period (if they are able to successfully transition to the mainstream economy that lies beyond CWP) or, if they remain in the Programme, then they must exit at the end of the prescribed period.

6.4.3. Community work is henceforth made available only to income-constrained South African citizens, especially from vulnerable groups and marginalised communities.

6.4.4. Any participant already enrolled in CWP prior to the commencement of this revised policy must leave the Programme in terms of the time and manner specified in the Participant Exit Strategy.

6.4.5. CWP is not intended to be a vehicle to create any and all kinds of community work and business opportunities. Rather, it focuses on particular areas and or sectors. The Minister may, from time to time, adjust these focus areas and or sectors.

6.4.6. Under this Programme, community work will be linked to civic needs. Here, “civic needs” refer to what civic amenity, public asset or municipal service is absent or what civic amenity, public asset or municipal service is present, but not being maintained or delivered to an acceptable standard. And, because these civic needs may vary, for example, from ward to ward or municipality to municipality then the community work required and undertaken will vary accordingly.

6.4.7. Community work must, as far as possible and feasible, also align with inter alia the municipality’s IDP and LED plans.

6.5. Legal:

6.5.1. CWP must comply with all the relevant legislation and government policies. In trying to maximise developmental impact and outcomes at community level, it must be guided mainly by the following:

6.5.1.1. Municipal Systems Act No.32 of 2000 in general but particularly the provisions relating to IDPs and enabling municipalities to move progressively towards the social and economic upliftment of local communities.

6.5.1.2. Basic Conditions of Employment Act No.75 of 1997 in general but particularly the provisions relating to maximum work hours and minimum rate of pay.

6.5.1.3. Skills Development Amendment Act No.37 of 2008 in general but particularly the provisions relating to increasing the quality and quantity of artisans and apprenticeships.

6.5.1.4. Co-operatives Amendment Act No.6 of 2013 in general but particularly the provisions relating to categories of primary co-operatives; and the accounting practices and requirements for co-operatives.

6.5.1.5. National Small Business Amendment Bill No.16 of 2023 in general but particularly the provisions relating to financial and non-financial support services to small enterprises; and enabling an equitable trading environment for small enterprises.

6.5.1.6. Broad Based Black Economic Empowerment Act No.43 of 2013 in general.

6.5.2. Compliance with certain provisions of current legislation tend to hamper CWP from achieving its intended impact and outcomes. Hence DCOG may, at some point, pursue enabling legislation for it.

6.5.3. Where possible and feasible, new Annual Performance Plan (APP) indicators may also be introduced to support the objectives of and enhance the effectiveness of the Programme.

7. STAKEHOLDER ROLES AND RESPONSIBILITIES

7.1. Department of Cooperative Governance:

7.1.1. As its custodian, DCOG is responsible for CWP's overall management.

7.1.2. Where possible and feasible, it will maximise CWP opportunities presented by the Municipal Infrastructure Grant (MIG), Municipal Systems Improvement Grant (MSIG), Integrated Urban Development Grant (IUDG) as well as other grants and subsidies.

7.1.3. It will actively seek partnerships with other government departments, spheres, State Owned Entities (SOEs) and private partners to leverage their respective sector programmes. This is to avoid duplication, overlapping and gaps: it is

possible that CWP could cut across any of these sectors, depending on the projects it approves.

7.1.4. It will have authority to allocate funds and donate assets to other entities, including community-based ones, whose objectives are aligned to CWP.

7.1.5. DCOG will be responsible for CWP policy making, policy design and policy oversight.

7.1.6. Through its partnerships with IAs, implementing partners and other stakeholders, DCOG will facilitate the entry of participants into the mainstream economy either as ready-to-work individuals or prospective entrepreneurs.

7.2. CWP National Branch:

7.2.1. The CWP Branch accounts to DCOG; and its Head (Deputy Director-General), to the Director-General of DCOG.

7.2.2. It will oversee CWP.

7.2.3. It is the CWP Branch's responsibility to contract with IAs (on a remunerated basis) and implementing partners (on a voluntary basis).

7.2.4. Under the leadership of its DDG, the CWP Branch will also be responsible for the policy formulation relating to CWP and all its activities.

7.2.5. Managing DCOG's transfer of funds and assets for CWP projects is also a CWP Branch responsibility.

7.2.6. The CWP Branch must develop and maintain a CWP funding framework.

7.2.7. It must also ensure effective programme coordination and implementation.

7.2.8. It is also responsible for monitoring CWP and reporting on it.

7.3. CWP Provincial Office:

7.3.1. The CWP Provincial Office will be led by a CWP Provincial Director / Senior Manager that reports to a line manager at the CWP National Branch.

7.3.2. The Provincial Office is responsible for coordinating CWP projects in the province as well as assisting the CWP Branch with its oversight function.

7.3.3. It also assists municipalities with managing and supporting LRCs.

7.3.4. The CWP Provincial Director / Senior Manager must work closely with the COGTA Provincial Office.

7.3.5. Working through and with the COGTA Provincial Director, the CWP Provincial Director / Senior Manager must actively seek partnerships with other

departments of the Provincial Administration and provincial SOEs to leverage their respective sector programmes.

7.4. CWP Municipal Unit:

7.4.1. CWP must be institutionalised at the local level through municipalities establishing dedicated CWP Municipal Units or dedicate a resource for CWP implementation and coordination.

7.4.2. Municipalities, through their CWP Units or dedicated resources, must ensure it complements the proposed projects with their respective municipal service delivery plans.

7.4.3. They must encourage community members to propose and trial innovative ideas to improve service delivery in their areas.

7.4.4. They must ensure an enabling environment for the success of CWP projects.

7.4.5. They must be represented on all LRCs in their jurisdictions.

7.5. Communities:

7.5.1. CWP is focused on improving the quality of life of communities. Communities should, therefore, play an important part in CWP project identification, acceptance, prioritisation, management and implementation.

7.5.2. It is preferred that a nominated community member be the Chairperson of the LRC in their area.

7.5.3. Communities must have representation on the Community Innovation Fund (CIF) where it exists.

7.6. LRCs:

7.6.1. LRCs will provide the following advisory, guiding and monitoring role:

7.6.6.1. Project proposals;

7.6.6.2. Suitability of projects for funding;

7.6.6.3. Design of sectoral projects;

7.6.6.4. Selection of participants;

7.6.6.5. IA operations;

7.6.6.6. Technical and financial performance of projects;

7.6.6.7. Development and implementation of procurement plan; and,

7.6.6.8. Asset verification

7.6.2. All LRCs must include stakeholder representation based on area or project. However, all LRCs must include a representative from the municipality and a representative from the community.

7.6.3. LRCs will report to the respective CWP Municipal Units.

7.7. Implementing Agents:

7.7.1. IAs are appointed by the CWP National Branch through a competitive bidding process that is regulated by the relevant legislation e.g. Public Finance Management Act No.1 of 1999, Preferential Procurement Policy Framework Act No.5 of 2000, Broad Based Black Economic Empowerment Act No.53 of 2003.

7.7.2. IAs are mainly responsible for project implementation of CWP on behalf of the Department.

7.7.3. IAs as part of their responsibilities are also expected to execute CWP in terms of the signed Service Level Agreement (SLA) with DCOG.

7.7.4. IAs must support the establishment, functioning and sitting of the LRC meetings on a quarterly basis.

7.7.5. They also determine and assist with the training needs of participants. The training provided must, wherever possible and feasible, be sector/industry recognised.

7.7.6. Where requested to do so, the IA will advise the CIF adjudication panel on the bankability of project proposals.

7.7.7. Unless and until these are handed over to another stakeholder to manage (whether through the termination of the project/s concerned, through the termination of its contract with DCOG, or through a policy or executive directive), IAs will be responsible for maintaining and safeguarding CWP assets in their possession as well as those CWP assets that are not, but ought to be, in their possession.

7.7.8. It is the responsibility of IAs to keep a Risk Register for every project.

7.8. Participants:

7.8.1. These are the direct “beneficiaries” of CWP. Their benefits from CWP are not limited to just earning a stipend.

7.8.2. Prospective participants must apply to the relevant LRC using DCOG recruitment guidelines to be considered. Successful participants are then selected and appointed by the CWP Municipal Unit.

7.8.3. Participants must honour their CWP obligations and responsibilities.

7.8.4. Participants are employed for a prescribed period only. They may leave the Programme at any time during the prescribed period. They will not be permitted to remain in the programme after the prescribed period.

7.8.5. It is the joint responsibility of municipalities, IAs and LRCs to ensure that, by the end of the prescribed period, participants are equipped with the necessary experience and skills to access the mainstream labour market (as workers) and economy (as business enterprises).

7.9. Implementing Partners:

7.9.1. Implementing partners are strategic partners sourced by DCOG. Although the main intention is to secure implementing partners from the private sector, these may also be government departments, spheres or entities.

7.9.2. Implementing partners are enlisted on a voluntary basis. The partnership may be formalised through a Memorandum of Understanding (MOU).

7.9.3. The type of assistance provided by implementation partners varies. They may help DCOG and or municipalities with capacity and resources (financial, technical, technological and or material).

7.9.4. The extent of the assistance provided by implementing partners also varies. Their role may be limited to: a single aspect of one project; multiple aspects of one project; one aspect of multiple projects; or more than one aspect of multiple projects. These may even extend across more than one district municipality or province.

7.10. National Departments and State-Owned Entities:

7.10.1. CWP is not expected to compete with or duplicate existing projects and programmes run by other government departments, spheres and or entities and neither is any of these expected to compete with CWP.

7.10.2. Determined on a project by project (or, programme by programme) basis, such government departments, spheres or entities may also fulfil the role of implementing partners.

8. GOVERNANCE

To ensure service delivery and development; economic and resources management; and, transparency and accountability, CWP must comply with all relevant legislation; government policies and guidelines; and sector charters and codes.

8.1. Risk Management:

8.1.1. CWP will strictly comply with the government's Risk Management Policy and Risk Management Framework. Moreover, a risk management culture in all spheres of government involved in the delivery of CWP will be promoted to improve transparency and accountability.

8.1.2. All relevant stakeholders must comply with COGTA's Enterprise Risk Management policies, wherever these are applicable.

8.1.3. Every project must have a "resilience" and "risk reduction" mechanism. Sustainability plans must include provision for identifying, testing and communicating contingency options to all stakeholders.

8.2. Change Management:

8.2.1. CWP must have the ability to alter its course to increase programmatic effectiveness and efficiency. It is also good practice to continually seek to improve. For CWP, this will be informed by the results of the Programme's accompanying Monitoring and Evaluation strategy.

8.2.2. It is the responsibility of IAs and municipalities to ensure that every project's processes, participants and technologies adapt to change during their life-cycle and that the desired impacts and outcomes are achieved.

8.2.3. An information-sharing, marketing and consultative campaign must be undertaken to get buy-in from all stakeholders, including the public at large. It can also serve to enlist CWP volunteers and champions as well as build partnerships.

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8.3. Monitoring & Evaluation:

8.3.1. CWP's Monitoring and Evaluation strategy must comply with the National Evaluation Policy Framework.

8.3.2. Structured along the lines of an Implementation Evaluation, there must be a Formative Evaluation, conducted after the end of the first cycle (on 30 June 2028). This must focus on progress and performance in regard to:

8.3.2.1. CWP

8.3.2.2. IAs

8.3.2.3. Participants

8.3.3. Structured along the lines of an Impact Evaluation, there must be a Summative Evaluation conducted after the end of the second cycle (on 31 December 2030). This must focus on establishing whether or not the programme should be discontinued, amended, or scaled up especially in light of the NDP having run its course by then.

8.4. Inspectorate:

8.4.1. An Inspectorate will be established within the CWP Branch.

8.4.2. This unit must comprise of members that are proficient in governance in general and the following disciplines in particular:

8.4.2.1. Risk Management

8.4.2.2. Change Management

8.4.2.3. Auditing

8.4.2.4. Monitoring and Evaluation

8.4.2.5. Investigative Management

8.4.3. This additional layer of checks and balances for CWP is mainly to:

8.4.3.1. Ensure that public money is well-spent and safe-guarded;

8.4.3.2. Ensure that public resources are used appropriately and in accordance with the applicable regulations and laws;

8.4.3.3. Maintain public trust and confidence and provide transparency to stakeholders;

8.4.3.4. Inform decision-making;

8.4.3.5. Improve the Programme’s efficiency and effectiveness; and,

8.4.3.6. Provide for adaptive learning, innovation and continuous improvement.

8.4.4. In carrying out its functions, the Inspectorate must be allowed to exercise a level of independence. This independence is crucial for maintaining impartiality and integrity in inspection processes.

9. TRANSITIONAL ARRANGEMENTS

9.1. Championed by the CWP National Branch housed at DCOG, the repurposed Programme will assist in addressing identified shortcomings and improve the efficiency and effectiveness of its work packages.

9.2. To ensure a smooth transition, a Results Management Office (RMO) has been established. The nature, scope and duration of its support will be determined by DCOG.

9.3. RMO will comprise staff recruited from outside DCOG that have skills, knowledge and or experience that are directly relevant to the nature and scope of CWP.

9.4. Before its disestablishment, the RMO must have delivered the following:

9.4.1. Advice and help in developing a CWP Implementation Plan

9.4.2. Advice and help in developing a Guide for Identifying, Appointing, Managing and Remunerating Participants.

9.4.3. Advice and help in developing a Guide for Training and Skilling Participants.

9.4.4. Advice and help in developing a Guide for Exiting Participants.

9.4.5. Advice and help in developing a Guide for Accepting Project Proposals.

9.4.6. Advice and help in developing or revising any other CWP-related guide, policy, plan or strategy e.g. Monitoring and Evaluation, Asset Control.

10. COMMENCEMENT

This Policy shall take effect on the day it is approved by the Minister.

11. REVIEW

11.1. The Summative Evaluation mentioned in provisions 8.3.3. above must be used to review CWP, especially its impact and whether or not it has achieved its intended outcomes. The findings of this evaluation will determine whether the Programme will continue as is, undergo minor or major changes, or be discontinued.