



KOUGA

local municipality

Good Governance through Service Excellence

Cape St Francis, Hankey, Humansdorp, Jeffreys Bay, Loerie, Oyster Bay,
Patensie, St Francis Bay, Thornhill



2023/24 ANNUAL REPORT



33 Da Gama Road Jeffreys Bay

Telephone: 042-2002200

Web: www.kouga.co.za

E-Mail: registry@kouga.gov.za

TABLE OF CONTENT		
CHAPTER 1		6
1.1	Mayor's Foreword	6
1.2	Municipal Manager's Foreword	9
1.3	Municipal Overview	12
1.3.1	Service Delivery Overview	14
CHAPTER 2: GOVERNANCE		19
COMPONENT A: GOVERNANCE STRUCTURES		21
2.1	Political Governance Structure	21
2.1.1	Executive Mayor, Deputy Mayor, Speaker and Mayoral Committee	22
2.1.2	Ward Councillors	22
2.1.3	Proportional Representative Councillors	23
2.1.4	Allocation of Seats in Council	24
2.1.5	Committees	24
2.2	Administrative Governance Structure	26
COMPONENT B: INTER-GOVERNMENTAL RELATIONS		27
2.3	Inter-Governmental Relations	27
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION		28
2.4	Public Meetings	28
2.4.1	Special Programmes	30
2.4.2	Communication	33
2.4.2.1	Internal Communication	33
2.4.2.2	External Communication	34
2.5	IDP Participation and Alignment	37
COMPONENT D: CORPORATE GOVERNANCE		46
2.6	Risk Management	46
2.7	Anti-Corruption and Fraud	48
2.8	Supply Chain Management	48
2.9	By-Laws	72
2.10	Websites	73
2.11	Public Satisfaction on Municipal Services	75
2.12	Municipal Oversight Committees	76
CHAPTER 3: SERVICE DELIVERY PERFORMANCE		77
COMPONENT A: OVERVIEW OF PERFORMANCE		77
3.	Institutional Scorecard	77
3.1	Summary of achievements per Key Performance Area	78
3.1.1	KPA 1: Infrastructure and Basic Service Delivery	78
3.1.2	KPA 2: Institutional Development and Transformation	82
3.1.3	KPA 3: Local Economic Development	82
3.1.4	KPA 4: Financial Viability and Management	83
3.1.5	KPA 5: Good Governance and Public Participation	84
COMPONENT B: INSTITUTIONAL PERFORMANCE: COGTA INDICATORS		84
COMPONENT C: INDIVIDUAL PERFORMANCE		88
COMPONENT D: INFRASTRUCTURE AND BASIC SERVICE DELIVERY		89
3.2	Provision of Water	89
3.3	Sanitation Provision	91

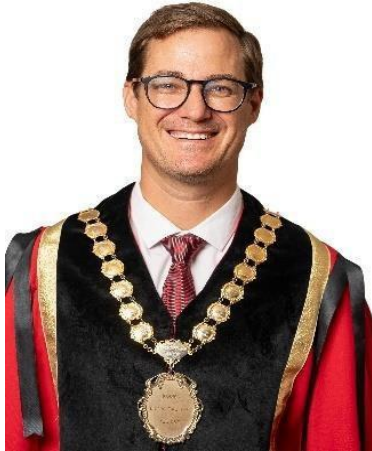
3.4	Provision of Electrical Services	92
3.5	Roads and Stormwater Services	101
3.6	Municipal Infrastructure Grant Implementation	108
3.7	Water Services Infrastructure Grant Implementation	111
3.8	Municipal Disaster Relief Grant Implementation	114
3.9	Extended Public Works Programmes	116
3.10	Municipal Workshop	117
COMPONENT E: COMMUNITY AND SOCIAL SERVICES		122
3.11	Waste and Environmental Management	122
3.11.1	Waste Management	122
3.11.2	Refuse Collection	123
3.11.3	Landfill Management	128
3.11.4	Waste Minimization	128
3.11.5	Environmental Management	130
3.11.6	Keep Kouga Green	131
3.11.7	Greenest Municipality	131
3.11.8	Keep Kouga Clean	132
3.11.9	Tree Management/Plot Clearing	133
3.11.10	Environmental Protection	135
3.11.11	Pollution Control	135
3.11.12	Biodiversity Protection	136
3.11.13	Coastal Management	137
3.11.14	Climate Change	140
3.11.15	Environmental Activities: Clean-Up Campaigns	145
3.12	Environmental Health	146
3.13	Libraries, Museums and Community Facilities	161
3.13.1	Libraries	161
3.14	Parks and Open Spaces	162
3.14.1	Sports, Recreation and Community Halls	165
3.15	Cemeteries	170
3.16	Fire Services and Disaster Management	173
3.16.1	Fire Services	173
3.16.2	Disaster Risk Management	177
3.16.3	Lifesaving Services	179
3.17	Safety and Security	180
3.17.1	Traffic Law Enforcement	180
3.17.2	Registration and Licensing/Driver's license/Vehicle Testing	182
3.17.3	Security Services	183
3.17.4	Law Enforcement	184
COMPONENT F: PLANNING AND DEVELOPMENT		185
3.18	Spatial and Land Use Management	185
3.18.1	Kouga Spatial Development Framework	185
3.18.2	Precinct Plans	186
3.18.3	Appeals Authority	187
3.18.4	Land Use Management	188
3.18.5	GIS Working Group	203
3.18.6	Building Control	208

COMPONENT G: LOCAL ECONOMIC DEVELOPMENT		215
3.19	Local Economic Development	215
3.19.1	Economic Development	216
3.19.2	Tourism	222
3.19.3	Museums	231
3.19.4	Events	232
COMPONENT H: LAND AND PROPERTY ADMINISTRATION		249
3.20	Land and Property Administration	249
COMPONENT I: HUMAN SETTLEMENTS		263
3.21	Human Settlements	263
COMPONENT J: CORPORATE SERVICES		269
3.22	Overview of Corporate Services	269
3.22.1	Targets and Achievements	270
3.22.2	Call Centre Statistics	274
COMPONENT K: LEGAL SERVICES		274
3.23	Legal Services	274
COMPONENT L: INFORMATION COMMUNICATION TECHNOLOGY		277
3.24	ICT Governance	277
CHAPTER 4: ORGANIZATIONAL DEVELOPMENT PERFORMANCE		278
COMPONENT A: INTRODUCTION TO THE MUNICIPAL WORKFORCE		279
4.1	Headcount Statistics	279
4.1.1	Headcount Statistics: Human Resources	279
4.1.2	Headcount Statistics per Section	280
4.2	Vacancy Rate	280
4.3	Staff Turnover	281
4.4	Acting Appointments	281
COMPONENT B MANAGING THE MUNICIPAL WORKFORCE		282
4.5	Service Statistics	282
4.5.1	Leave Statistics	283
4.6	Human Resource Policies and Plans	283
4.7	Occupational Health and Safety	284
4.8	Disciplinary Matters	284
COMPONENT C CAPACITATING THE MUNICIPAL WORKFORCE		285
4.9	Workplace Capacity Development	285
4.9.1	Skills Development Expenditure	286
COMPONENT D MANAGING MUNICIPAL WORKFORCE EXPENDITURE		287
4.10	Workforce Expenditure	287
COMPONENT E: EMPLOYMENT EQUITY		289
4.11	Employment Equity	289
COMPONENT F: PERFORMANCE MANAGEMENT		291
CHAPTER 5: FINANCIAL PERFORMANCE		297
COMPONENT A: FINANCIAL PERFORMANCE		297
5.1	Financial Health Overview	297
5.2	Statement of Financial Performance	297
5.3	Statement of Financial Position	298
5.4	Financial Indicators	301
5.5	Capital Charges to Operational Expenditure	302

5.6	Borrowed Funding of Capital Expenditure	302
5.7	Debt Servicing Costs to Operating Expenditure	302
5.8	Current Ratio	303
5.9	Liquidity Ratio	304
5.10	Annual Debtors Collection Rate	305
5.11	Cost Coverage	305
5.12	Employee Costs as % of Total Operating Expenditure	306
5.13	Repairs and Maintenance as % of Total Operating Expenditure	307
5.14	Repairs and Maintenance as % of Book Value of PPE	307
5.15	Own Revenue Generation	308
5.16	Capital Budget Spending	309
5.17	Financial Viability and Management	309
5.18	Arrears in Property Rates and Service Charges	310
COMPONENT B: OTHER FINANCIAL MATTERS		311
5.18	Financial Policies	311
CHAPTER 6: AUDITOR GENERAL'S FINDINGS		312
6.1	Auditor General Report: 2023/24 Financial Year	312
6.2	Auditor General Report: 2022/23 Financial Year	318
6.3	Audit Corrective Action Plan	328
APPENDICES		334
APP: A	Councillors, Committee Allocation and Council Attendance	334
APP: B	Committee and Committee by Purpose	339
APP: C	Third Tier Administrative Structure	343
APP: D	Functions of the Municipality	344
APP: E	Ward Reporting	345
APP: F	Ward Information	345
APP: G	Recommendations of the Audit Committee	346
APP: H	Long Term Contracts and Public Private Partnerships	352
APP: I	Municipal Entity/Service Provider Performance Schedule	352
APP: J	Disclosure of Financial Interest	352
APP: K	Revenue Collection Performance	352
APP: K(i)	Revenue Collection Performance by Vote	352
APP: K(ii)	Revenue Collection Performance by Source	353
APP: L	Conditional Grant Expenditure (Excl MIG)	354
APP: M	Capital Budget Expenditure	354
APP: N	Capital Programme by Project Current Year	355
APP: O	Capital Project by Ward	357
App: P	Service Backlogs at Schools and Clinics	359
App: Q	Service backlogs where other Spheres of Government is responsible for Service Delivery	359
APP: R	Declaration of Loans and Grants made by the Municipality	360
APP: S	Declarations of Returns not made in due time MFMA s71	361
APP: T	National and Provincial Outcomes for Local Government	361
APP: U	Annual Financial Statements	362

CHAPTER 1

1.1 MAYOR'S FOREWORD



It is my distinct honour to present the Annual Report for the 2024/2025 financial year as the Executive Mayor of Kouga Municipality.

This financial year has been marked by significant advancements and improvements in our commitment to delivering superior services to our residents. Our administration has focused on four key priorities: enhancing road infrastructure, improving water infrastructure, advancing our renewable energy strategy and improving our customer care services.

Kouga Municipality is responsible for 26.5% of the roads within our region, a responsibility that presents considerable challenges, especially with roads falling outside our jurisdiction. Despite this, we have maintained proactive communication with the Provincial Government to transfer responsibility for the main roads of Kouga towns to us. In this financial year, we have successfully resealed, rehabilitated, and tarred close to 10KM with a cost of over R20 million with 3 587m² worth of potholes repaired.

We are pleased to have launched the Roads Reseal Project on the 23rd of January 2025, unveiling the largest single investment in infrastructure to date. This monumental R200 million resealing and rehabilitation project aims to upgrade 150 km of road.

Our efforts to improve our water infrastructure have been fruitful. The KwaNomzamo WWTW was upgraded at a cost of close to R42,36 million.

The 18-month initiative has increased the plant's capacity and removed barriers hindering the progression of the KwaNomzamo 400 housing project.

The much-anticipated upgrade of the Gill Marcus Water Treatment Works (WTW) in Humansdorp was also completed on the 28th March 2025, marking a major milestone in Kouga Municipality's efforts to ensure sustainable access to clean water.

The project, valued at nearly R5 million, introduced advanced borehole water treatment capabilities to the facility, a necessary enhancement due to the growing demand for drinkable water in the Gill Marcus area. This includes Kruisfontein, 7de Laan, Maak 'n Las, Donkerhoek, Mooi Uitsig, Hopeville, Ext 391, Arcadia, Moerasrivier, Graslaagte, and Vaaldam, communities that were previously last in line to receive water from previous current reticulation system.

The upgraded WWTW, incorporating advanced technologies, will enhance treatment efficiency, supporting new residential areas and addressing housing demands in the growing economy.

Our renewable energy strategy took a step in the right direction with approval of our EIA for our proposed 20-megawatt solar plant.

I am immensely proud of the 7000 residents who signed our petition to keep the ESKOM tariff rates increase, lowered as far as possible, thank you.

We are actively exploring the SSEG installation route and hope to make tangible progress in the next financial year.

Enhancing customer satisfaction remains a key priority. The "First Thursday" initiative continues to be an effective platform for addressing residents' concerns, and we are encouraged by the positive community engagement.

I am also pleased that we are at the advanced stages of publishing our Customer Service Charter, the first of its kind in the Eastern Cape. This document will detail and list timeframes for all services at Kouga Municipality.

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

I am also pleased about several other significant achievements in this financial year.

We are thrilled that Kouga has won the Provincial Greenest Municipality Award, reaffirming our commitment to sustainable development and environmental conservation.

We are boosting service delivery across the region with the recent acquisition of 60 new vehicles, representing a total investment of close to R60 million. We are proud to report that 97% of our fleet is in excellent working condition.

Another milestone is receiving our first clean audit, a significant achievement highlighting our unwavering commitment to financial sustainability. The clean audit signifies that the municipality demonstrated credible and reliable financial and performance reporting, with all expenditure properly accounted for. It reflects a strong financial position, underscored by zero instances of irregular, fruitless, wasteful, or unauthorized expenditure – a distinction achieved by very few municipalities nationwide.

This is not just a milestone for Kouga Municipality; it is a victory for our communities. It assures our residents that every rand is spent prudently, with their best interests at heart.

Furthermore, we are pleased to have launched a corruption hotline in line with our zero-tolerance stance on fraud and corruption.

We must strive to provide dignity to the poorest within our community. Informal settlements across the Kouga region are set to be upgraded at a combined cost of more than R100 million.

The implementation of this project will see nine informal communities with over 3 000 households be provided with decent basic services, such as water, electricity, sanitation, and waste management.

The resumption of the 1500 housing project in OceanView represents a major achievement for our municipality and the residents of Jeffreys Bay. Although not a municipal project, we are closely overseeing its progress to ensure its successful completion.

Whilst the financial year was marked with significant progress, I am not oblivious to the number of challenges that still exist.

During February 2024 and 2025, I visited every ward in our municipality to see firsthand the progress we have made and the existing challenges we still face. One issue stands out: the rise in crime, including gangsterism, robberies, abalone poaching, and damage to municipal infrastructure.

Whilst this trend is not unique to Kouga, nor is crime prevention a Local Government responsibility, we are working hard to address this:

- Last year we held a very successful Safety Summit and since established a Safety Forum comprising key role players across the region.
- We've recently requested permission to demolish all derelict buildings across our municipality, which are hotspots for criminal activity.
- We have applied to the Department of Justice to establish a Municipal Court in Kouga to deal with smaller issues, so that the Humansdorp Court can prosecute criminals more efficiently.
- A report will be delivered to the Department of Education and SAPS on the rise of gangsterism in some of our schools where urgent interventions are required.
- Our budget for Safety and Security has now tripled in the past three years which will assist us in installing additional CCTV cameras and upgrading our Incident Command Centre, increasing Law Enforcement Officers, Boots on the Ground etc.

I therefore encourage all residents to work together to report crime and keep our communities safe.

The increased levels of vagrants in our region, land invasion and lack of funding for capital projects remain challenges that we are working towards.

I extend my deepest gratitude to the Kouga Municipality Executive and Officials for their tireless efforts to improve the lives of our residents. Your dedication and commitment to serving our community are truly commendable.

Together, we continue to strive for service excellence and ensure that Kouga Municipality remains a thriving and resilient municipality, a blueprint of what a flourishing South Africa can look like.

Thank you

A handwritten signature in black ink, appearing to read 'H. Bornman', enclosed within a large, loopy oval shape.

H. Bornman
Executive Mayor, Kouga Municipality

1.2 MUNICIPAL MANAGER'S FOREWORD AND OVERVIEW



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

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

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

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

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

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

The Debt servicing cost was a very low 0.01:1

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

REVENUE TREND: Revenue from property rates increased by R 20,688,267 or 7.97% from the previous year with the impact of increased occupation certificates for new buildings being issued translating to stronger growth in rates revenue. Total exchange revenue increased by R77,170,868 or 13% mainly due to the strong growth in electricity sales revenue increasing by R73,898,571 or 12.44%. Non-exchange revenue decreased by R19,809,254 mainly due to fines, penalties and forfeits

reducing from R 101,635,779 to R40,083,846. Total revenue increased by 4,56% or R57,361,614.

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

SERVICES: Kouga's commitment to growth and improved service delivery led to several significant capital projects in new roads and resealing, improvements in water and sewer systems, housing development and fleet procurements.

R3,339,130 was spent on converting gravel to tar roads and R 21,300,000 was spent on resealing 9.5 km of roads in Kouga Municipality.

The Mimosa Street 315mm new watermain upgrading and road reinstatement was instrumental in solving the constraints of water supply to parts of Jeffreys Bay. Multiyear funded projects are in progress to improve the rehabilitation of the wastewater plants in Kwanomzamo and Hankie.

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

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

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

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

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

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

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

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



CHARL DU PLESSIS

MUNICIPAL MANAGER

1.3 MUNICIPAL OVERVIEW

VISION: Service Excellence through Good Governance

MISSION:

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

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

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

Kouga is characterized by vast differences in population density from one area to the next. These variations have an impact on the cost-of-service delivery, while migration to the urban areas place additional pressure on the existing infrastructure of these high-density areas.

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

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

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

TOPOGRAPHY AND CLIMATE Kouga is largely an urban area, with three main topographical regions. The coastal region stretches from the Van Staden's River in the east to the Tsitsikamma River in the west. This zone includes the towns of Jeffreys Bay, St

Francis Bay, Cape St Francis and Oyster Bay. The coast serves as a major tourism attraction.

The Gamtoos River Valley is characterized by wide, fertile flood plains associated with low-lying land. Steep and less-fertile slopes flank the Valley. The towns of Hankey, Patensie, Loerie and Thornhill are focal points of this high-potential agricultural region.

The Humansdorp area, including Kruisfontein, is characterized by moderate slopes in the south, with steeper slopes towards the north and northwest.

The four main rivers in the area – the Kromme, Seekoei, Kabeljauws and Gamtoos – are tidal rivers. Dams constructed above the tidal zone in the Kromme River and Gamtoos River are significant sources of water supply. Ground water is another major component of domestic water supply. Aquifers are also utilized in the agricultural sector for irrigation.

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

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

ECONOMY The Kouga Local Municipality increased its GDP from R 9.51 billion in 2012 to R 16.7 billion in 2022, or 34.09%, of the R 49 billion GDP of the Sarah Baartman District Municipality. This represents a rise in the Sarah Baartman's share of the GDP from 33.60% in 2012.

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

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

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

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

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

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

1.3.1 SERVICE DELIVERY OVERVIEW

DIRECTORATE: OFFICE OF THE DEPUTY MUNICIPAL MANAGER

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

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

DIRECTORATE: ELECTRO-MECHANICAL SERVICES

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

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

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

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

DIRECTORATE: PLANNING AND DEVELOPMENT

Human Settlements

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

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

- The Department received funds for the upgrading of the following Informal Settlements:
 - Polar Park (257) Informal Settlement
 - Polar Park (553) Informal Settlement
 - Shukushukuma 93 Informal Settlement
 - Bungalows 103 Informal Settlement
 - Donkerhoek 363 Informal Settlement

- Ocean View 1250 Informal Settlement
 - No R10 Informal settlement (191)
 - Thornhill 160 Informal Settlement
 - Cyril Ramaphosa 278 Informal Settlements.
- The unlocking of formal Housing projects, which includes the following Projects:
 - Hankey 990 (919)
 - Ocean View 1500 (Phase 1 & Phase 2)
 - Appointment of service providers (GAP Infrastructure Corporation)
 - Appointment of contractors for Hankey 990 housing project.
 - Appointment of contractor for Ocean View 1500 housing project.
 - Development of the Informal settlements survey application (SURVEY 123)
 - Appointment of Kouga Local Municipality as Implementing Agent for the Informal Settlement Upgrading Programme
 - Re-imbursement of Sixteen Million, Three Hundred and Twenty-Seven Thousand,
 - The appointment of two (2) contractors for the construction of 568 top-structures in the Ocean View Housing Project (Phase 1 and Phase 2)
 - The appointment of LM Contractors for the Construction of 300 Top-structures in Hankey as a Phase 1.
 - The appointment of RUDCOR Engineering for the installation of Internal services as Phase 2 in the Hankey 990 Housing Project
 - Human Settlements transition to digital data collection which includes Electrical data collection, Monitoring & Demolishing, Relocating and site pegging

Building Control

- 1954 Building plan applications were received in the 2023/24 financial year. This represents 0.8% increase compared to plans received for the 2022/23 financial year
- Of the 1954 plans received in the financial year, a total of 914 (53.78%) were approved.
- A total proposed new and additional building area of 159253m² at an estimated value of R 1.59 billion was approved for construction by Kouga Municipality in the 2023–24 financial year. This represents a 9.1% growth (in rand value)
- A total amount of R 4,888,383.16 in building plan application fees was received for the 2023/24 financial year.
- A total of 770 OCs were issued in 2023/24 against 742 in 2022/23 (a 3.6% increase), where an estimated R 631,865,450 in 2023/24 was spent by built environment stakeholders against R 577,002,050 spent in 2022/23 (a 8.7% increase). A total of 91635m² of building area was added in 2023/2024 against 84692m² in 2022/23 (a 8.7% increase).
- A total of 2514 site inspections were conducted in the 2023/24 Financial year compared to 2410 (4.1% increase) in the previous financial year.
- 794 Foundation inspections
- 633 Drainage inspections 897 Final inspection
- 70 Re-inspections of foundations
- 12 Re-inspections of drainage

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

Town Planning

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

Land and Properties

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

CHAPTER 2: GOVERNANCE

Governance is the processes and culture that guides the activities of the municipality beyond its basic legal obligations. Good governance ensures the proper utilization of all state resources for its citizens thus ensuring sustainable development. Political leaders and the heads of administration have a responsibility to the communities they serve to ensure good governance. Good governance in local government is when elected political leaders:

- Act with the highest ethical standards.
- Understand their role and the role of others.
- Foster trusting and respectful relationships.
- Show a commitment to risk management.

- Engage in effective strategic planning.
- Follow a transparent and accountable decision-making process.
- Make good decisions that promote the interests of the community they serve.
- Understand and abide by the law.
- Commit to continuous improvement.
- Have sound judgement.

Good governance is essential as it supports Council to make decisions and to act in the best interests of the community.



Good Governance is Accountability. - Accountability is a fundamental requirement of good governance. Local government has an obligation to report, to explain and to be answerable for the decisions it has made on behalf of the community it represents and serves.

Good Governance is Transparency. - People should be able to follow and understand the decision-making process. This means that they can clearly see how and why a decision was made – what information, advice, and consultation a Council considered, and which legislative requirements a Council followed.

Good Governance is being Law-Abiding. - Decisions must be consistent with relevant legislation and be within the powers of local government.

Good Governance is Responsive. - Local government should always try to represent and serve the needs of the entire community while balancing competing interests in a timely, appropriate, and responsive manner.

Good Governance is being Equitable. - A community's wellbeing depends on all its members feeling that their interests have been considered by their municipality in the decision-making process. All groups, particularly the most vulnerable, should have opportunities to participate in the decision-making process.

Good Governance is being Participatory and Inclusive. - Anyone affected by, or interested in, a decision should have the opportunity to participate in the decision-making process. Participation can happen in several ways – community members may be provided with information or asked for their opinion via a public participation process.

Good Governance is being Effective and Efficient. - Local government should implement decisions and follow processes that make the best use of the available people, resources, and time, to ensure the best possible results for their community.

Good Governance is Consensus Oriented. - Wherever possible, good governance involves considering the different views and interests in a municipality to reach a majority position on what is in the best interests of the whole community, and how it can be achieved.

COMPONENT A: GOVERNANCE STRUCTURES

2.1 POLITICAL GOVERNANCE STRUCTURE

Kouga is a Category C Local Municipality with an Executive Mayoral System where powers are vested in the Executive Mayor elected by the Council. The Executive Mayor has appointed a Mayoral Committee to which he delegated certain responsibilities.

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

KOUGA MUNICIPALITY LEADERSHIP



KOUGA EXECUTIVE MAYOR
Cllr Hattingh Berman
pamayorkouga.gov.za



KOUGA DEPUTY MAYOR
Cllr Timothy Jantjes
tjantjeskouga.gov.za



KOUGA SPEAKER
Alderman Brenton Williams
paspeakerekouga.gov.za



KOUGA
local municipality
Good Governance through Service Excellence

MAYORAL COMMITTEE



CIVIL AND WATER SERVICES
Cllr Reinhardt Foley
rfoleykouga.gov.za
085 757 8808



COMMUNITY AND SAFETY SERVICES
Alderman Daniel Benson
dbensonekouga.gov.za
075 766 4816



CORPORATE AND COMMUNICATION SERVICES
Cllr Jaques Alexander
jalexanderekouga.gov.za
062 286 2604



ELECTRO AND MECHANICAL SERVICES
Cllr Timothy Jantjes
tjantjeskouga.gov.za
084 415 9020



FINANCE AND ECONOMIC DEVELOPMENT
Cllr Lorraine Marais
ward12ekouga.gov.za
075 198 8525



PLANNING AND DEVELOPMENT
Cllr Shona Ruth
sruthekouga.gov.za
078 072 8598

2.1.2 WARD COUNCILLORS

WARD COUNCILLORS



WARD 1
Sea Vista, Lower Golf Course,
Oyster Bay, Leubos
& surrounding farms

Nazuko Ntshato
075 759 8802
nntshatokoug.gov.za

Ward Office Address:
Cnr of Geelbek & Steenbras
Street, Sea Vista Community
Hall, Sea Vista



WARD 2
Pellurus, Madiba Bay &
Aston Bay

Henry Murray
062 795 8806
hmurrayekoug.gov.za

Ward Office Address:
4 Solomon Mahlangu Road,
Tokyo Sexwale,
Jeffreys Bay



WARD 3
Lower Wavecrest & Kabeljauws

Willem Gertenbach
082 460 5580
wgertenbachekoug.gov.za

Ward Office Address:
Maple Crescent, Upper
Wavecrest,
Jeffreys Bay



WARD 4
Kruisfontein, Jeugkamp, Die
Berg, Ext 591 "North Side", 7de
Laan, Maak 'n Las, Gill Marcus,
Mooi Uitsig, Hopeville &
Donkerhoek

Jacques Alexander
062 286 2604
jalexanderskoug.gov.za

Ward Office Address:
7de Laan (blue library),
Humansdorp



WARD 5
Arcadia, Ba-Blok, Ext 591 "South
Side", Vaalidam & Johnsons
Ridge

Melanie Biko
083 800 7345
mbikoekoug.gov.za

Ward Office Address:
92 Jacob Street, Arcadia,
Humansdorp



WARD 6
Kwanomzama, Vergenoeg,
Humansdorp
Town "East Side" & Boskloof

Kholile Ndzelani
075 545 8659
kndzelaniekoug.gov.za

Ward Office Address:
458 Nanto Street,
Kwanomzama,
Humansdorp



WARD 7
Loerie, Mendplaas, Rooidrasi,
Thornhill, Langmore &
surrounding Farms

Eric Mbuqu
079 490 0260
embuqukoug.gov.za

Ward Office Address:
Mahayo Drive, Katrina Felix
Community Hall,
Thornhill



WARD 8
Upper Wavecrest

Reinhardt Foley
085 757 8808
rfoleyekoug.gov.za

Ward Office Address:
Maple Crescent, Upper
Wavecrest,
Jeffreys Bay



WARD 9
Hankey Town, Phillipsville,
Rosedale, Kleinfontein, Ou
Hankey, Stofwalk, Silvertown,
Smartie Town, Sewende Laan,
Centerton & Ext 3

Cynthia August
081 557 5595
caugustekoug.gov.za

Ward Office Address:
5 Vuyo Katoo Street, Centerton
Hankey



WARD 10
Ramaphosa Village, Patensie
Town, Andrieskraal,
Cockscomb, Kwagga &
surrounding farms

Masingathi Mbandana
065 041 6785
mmbandanaskoug.gov.za

Ward Office Address:
254 Tiger Street, Ramaphosa
Village,
Patensie



WARD 11
Jeffreys Bay Central, C-Place
& The Sands

Fanle Heystak
082 855 9164
fheystekoug.gov.za

Ward Office Address:
16 Woltemade Street, Municipal
Building, Room 5



WARD 12
St. Francis Bay, Cape St
Francis
& Paradise Beach

Lorraine Maree
075 198 8525
ward12ekoug.gov.za

Ward Office Address:
Municipal Office, Assisi Drive,
St Francis Bay



WARD 13
Weston, Centerton, Patensie
Town & surrounding farms

Vuyani Zana
071 857 5601
vzanaskoug.gov.za

Ward Office Address:
156 Citwa Street, Weston,
Hankey



WARD 14
Tokyo Sexwale
& Ocean View

Mzwandile Yali
075 557 4195
myaliekoug.gov.za

Ward Office Address:
2 Solomon Mahlangu Street,
Pellurus



WARD 15
Panorama, Humansdorp Town
"West Side", Upper Golf Course,
Arcadia, Moerasrivier, Graslaagte
& surrounding areas

Timothy Jantjes
084 413 9020
tjantjeskoug.gov.za

Ward Office Address:
Municipal Office, Main Street,
Humansdorp

2.1.3 PROPORTIONAL REPRESENTATIVE COUNCILLORS

 Hattingh Bornman Executive Mayor - DA	 Brenton Williams Speaker - DA	 Daniel Benson PR Councillor - DA
 Shena Ruth PR Councillor - DA	 Marthina Van Niekark PR Councillor - DA	 Bryan Dhludlu PR Councillor - DA
 Gregory Shurman PR Councillor - DA	 Wayne Petersen PR Councillor - ANC	 Phumile Oghant PR Councillor - ANC
 Nomalungelo Ntengwane PR Councillor - ANC	 Vuyolazi Gumiso PR Councillor - ANC	 Margaret Valjee PR Councillor - ANC
 Basil Human PR Councillor - PA	 Linoye Nkikshane PR Councillor - EFF	 Willemus van de Linde PR Councillor -FF Plus

2.1.4 ALLOCATION OF SEATS IN COUNCIL

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

2.1.5 COMMITTEES

The Council established several Committees to enable it to deliver on its constitutional mandate.

Section 80 Committees - The following Portfolio Committees have been established in terms of Section 80 of the Municipal Structures Act to assist the Mayor and the Mayoral Committee:

- a. Community and Safety Services Portfolio Committee
- b. Civil & Water Services Portfolio Committee
- c. Finance and Economic Development Portfolio Committee
- d. Corporate & Digital Services Portfolio Committee
- e. Planning and Development Portfolio Committee
- f. Electro-mechanical Portfolio Committee

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

The Mayoral Committee has wide ranging delegations except for the powers provided to Council in terms of Section 160 (2) of the Constitution of the Republic of South Africa, 1996.

The following functions may not be delegated by a Municipal Council:

- The passing of by-laws
- The approval of budgets
- The imposition of rates and other taxes, levies, and duties

- The raising of loans.

The Mayoral Committee makes recommendations for approval by Council on such matters.

Section 79 Committees - In addition, Council has established the following Committee in terms of Section 79 of the Municipal Structures Act:

- Municipal Public Accounts Committee - The Municipal Public Accounts Committee which is made up of non-executive Councillors ensures that the Administration is held accountable for the management of municipal funds and assets, and to ensure the efficient and effective utilisation of council resources. The Committee also considers the Annual Report and makes recommendations to Council on the Annual Report by submission of an Oversight Report. The Committee's Oversight Report is published separately in accordance with the Municipal Finance Management Act.
- Rules and Ethics Committee - The Rules and Ethics Committee is a Disciplinary Committee established in terms of Schedule 7, Section 14(1)(b) of the Code of Conduct for Councillors, which states that a Municipal Council may: "(b) establish a special committee- (i) to investigate and make a finding on any alleged breach of this Code; and (ii) to make appropriate recommendations to the council."
- Municipal By-Laws and Policy Committee - The Municipal By-Laws and Policy Committee ensures the review of Municipal by-laws and policies, and the development of new by-laws and policies.
- Monitoring and Evaluation Committee - The Monitoring and Evaluation Committee is established to assist the Municipal Council by focusing on implementation of the IDP and its alignment to the SDBIP.

Statutory Committees

Administrative Committees - Council has also established administrative committees as follows:

- Audit/Performance Audit Committee
- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee.

The Audit Committee is established in terms of Section 166 of the Municipal Finance Management Act. It is an independent external committee, which provides an oversight, compliance, and advisory function.

The Municipal Supply Chain Management Regulations requires a committee system for competitive bids, consisting of a Bid Specification, a Bid Evaluation, and a Bid Adjudication Committee.

The Bid Specification Committee compiles the specifications for all goods or services procured by the municipality.

2.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

In terms of the MFMA section 60(b), the Municipal Manager is the Accounting Officer and must provide guidance on compliance with this Act to political structures, political office bearers, and officials of the municipality.

As head of administration, the Municipal Manager ensures that the municipality is managed in accordance with all legislation applicable to local government. He undertakes various administrative responsibilities in relation to Council such as advising the political structures and political office bearers of the municipality; managing the communications between the municipality's administration and its political structures and office bearers; and carrying out the decisions of the political structures and political office bearers of the municipality. In addition, he is responsible for the human resources of the municipality ensuring that the municipality has the requisite human resources who are functioning at an optimal level to enable it to deliver on its mandate.

As the Accounting Officer, the Municipal Manager is responsible for general management of municipal finances, including asset and liability management, revenue and expenditure management and budget implementation. In his role as Accounting Officer, he must also assist the Executive Mayor in performing the budgetary functions assigned to the Mayor in terms of Chapters 4 and 7; and provide the Executive Mayor with the administrative support, resources and information necessary for the performance of those functions.

There are five Directorates which report to the Municipal Manager. Each Directorate is responsible for a Service Cluster (Key Performance Area) with some overlapping responsibilities:

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



**Municipal Manager
C du Plessis**



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



**Chief Financial Officer:
R Lorgat**



**Director Community
Services : N Machelesi**



**Director Infrastructure and
Engineering: C de Kock**



**Acting Director Planning
and Development:
L Opperman**

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

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

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

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 PUBLIC MEETINGS

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

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

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

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

2.4.1 SPECIAL PROGRAMMES

PROGRAMME	DATE
Youth Summit. The Special Programmes Unit in conjunction with different sector departments hosted a successful Youth Summit. The summit was attended by young people all over Kouga Municipality from the 15 Wards as well as organization working directly with the youth.	30/06/2023
Mandela Day. On the 18th of July 2023, the SPU in conjunction with the Office of the Executive Mayor celebrated Mandela Day, which included a Coding competition for the youth, planting trees at Kruisfontein Primary and a visit to the paediatric ward at Kouga Partnership Hospital.	18/07/2023
Mentoring a Girl-Child at Work. The SPU in Partnership with Kouga Municipality Female employees hosted a mentor a girl child at work, the learners were from Jeffreys Bay Comprehensive High School and Humansdorp Senior Secondary School from Gr8 - Gr11	29/08/2023
Kouga Most Powerful Women. The SPU embarked on the second annual Kouga Powerful woman Competition to show appreciation to females in the different communities of Kouga who go above and beyond to empower their communities and exceed within their respective disciplines.	30/08/2023
Rainbow Village Disabled awareness day. The SPU partnered with Rainbow School to host a successful family fun day for the whole family. The objective was aimed at an educational awareness programme regarding children living with disabilities.	09/09/2023
Youth Disabled Climate Change Programmes. The SPU in conjunction with Community Services had a beach cleanup and Marine Climate change educational programmes for the Boy scholars of Rainbow school educating them on Marine Climate change and how they can make a difference.	15/09/2023
Substance abuse and gangsterism Campaign with external stakeholders. The Special Programmes Unit partnered with DOJ,	26/09/2023

PROGRAMME	DATE
DOC, SAPS and the Anti-Gang Unit to conduct a substance abuse and anti-gangsterism programmes for the community members of Hankey.	
Youth Policy. The revised Youth Policy was approved at an Ordinary Council meeting on the 27th of October 2023. The SPU will now establish a dedicated Youth Forum that, amongst others, formulates specific plans and strategies relating to youth development.	27/10/2023
Kouga Prayer Day. The Mayor's Office in conjunction with the SPU conducted an interdenominational thanksgiving for rain at Mentors Kraal.	29/10/2023
First Thursdays. The Mayor's Office Launched the "First Thursday" initiative – bringing open, accessible, transparent, and accountable government to all residents across the region – Another first of its kind in the Eastern Cape.	02/11/2023
Elderly Awareness. The SPU partnered with NBPAM NOP to conduct an Elderly appreciation breakfast, the elderly present were given an education awareness on various topics such as Alzheimer's disease, elderly rights, domestic violence and social grants.	04/11/2023
Anti-substance abuse and gangsterism campaign. The Special Program Unit partnered with Correctional services and SAPS Gang unit to conduct an anti-Substance abuse and gangsterism campaign in Patensie. All community members were educated regarding substance that are addictive and warned against drugs and involvement of gangsterism.	13/11/2023
Men for Change Campaign. SAHKE Family Development and Special Program Unit embarked on a Men for change campaign as a buildup program to the 16 days of Activism. Men were challenged to be the change they want to see in the community and to raise boys with a mentality to protect woman and children.	22/11/2023
Services on wheels. The Special Program Unit partnered with other sister government stakeholders to render services on wheels to the community. Taking the services of Dept. of Health, SASSA, Legal AID, Home Affairs and others to the community.	30/11/2023
World Aids Day. The SPU in collaboration with other sister government departments as well as NPO'S and NGO'S within the Kouga Municipality hosted a successful World aids day as well as addressing other social ills and did an awareness campaign on elderly rights as well GBV.	06/12/2023
Services on Wheels. The SPU and other government departments rendered services on wheels to the community in Loerie ensuring that the community is well informed what services the government departments render and assisted those who are in need of their services.	07/12/2023
Handover of ECD Centre. SPU in partnership with Kouga windfarm conducted a handover of an ECD centre to ensure that early childhood development can take place in a structure that is safe and secure for development of the children.	08/12/2023

PROGRAMME	DATE
GVB Rapid Response Campaign. SAPS and the SPU collaborated and conducted a successful GBV rapid response awareness campaign to the community. Victims of GBV shared their testimonies and encouraged the community to speak up against GBV and to report it to the SAPS ASAP and availed themselves as a safe place to seek help and encouragement.	08/12/2023
16 Days of Activism. SAPS and the SPU partnered to end off 16 days of activism by educating the community about all types of abuse, how to apply for a protection order, the importance of reporting any type of violence.	11/12/2023
Vegetables Distribution. The SPU, through a Mayoral Initiative, distributed fresh A-grade Vegetable to various soup kitchen with Kouga municipality that was donated by Wildeklawer. 2 tons of vegetables have been distributed thus far benefitting over 30 local NGO's across the region.	08/01/2024
Stakeholder engagement with Social Development MEC. The SPU attended a great stakeholder's engagement with the MEC of Dept. of Social Development. Patensie Primary School and Patensie Agricultural School were visited and all school challenges were highlighted and discussed as well as a distribution of school cloths and sanitary towels.	17/01/2024
Vegetables Distribution. The SPU distributed fresh A-grade Vegetable to various soup kitchen with Kouga municipality that was donated by Wildeklawer.	18/01/2024
Scholar Leadership Programme. The SPU in partnership with Jeffreysbay Comprehensive High School coordinated another successful leader's camp for the scholar leadership of 2024. The children were motivated and encouraged to develop their leadership skills and to make a positive impact in their school and community.	30/01/2024
Graduation of Care Workers. The SPU partnered with SAKHE family development for the graduation of the health care workers who will assist families all over Kouga to take care of patients at home and to be a helping hand for the Dept. of health in different clinics over Kouga as well as the hospital.	31/01/2024
Back-to-School. The Special Program Unit has led, as part of a mayoral initiative, a back-to-school program. The program will see the executive Mayor visit the high schools within the Kouga region.	12 – 20 /02/2024
Vegetable distribution to soup kitchens, ECD centres and Old Age Club. Special Program Unit facilitated the distribution of fresh A-grade vegetables to soup kitchens in the Gamtoos area. This is a mayoral initiative supported by the Wildeklawer farm in Barkley East.	05,12,26 /02/2024
Kehl University German Study Visit. Kehl University from Germany was hosted by Kouga Municipality for their annual excursion to our municipality. The University's Public Management degree program, led by SPU, took place on the 22nd+23rd February 2024	22-23 /02/2024

PROGRAMME	DATE
Humansdorp 175th Birthday – Reopening of Museum. In commemoration of Humansdorp's 175th anniversary, the Mayor's Office, alongside LED and various external partners, orchestrated the grand reopening of the Humansdorp Heritage Museum	12/03/2024
First Thursday. The second First Thursday for 2024 took place in Humansdorp, bringing open, accessible and transparent government to all residents within the Kouga region.	04/04/2024
PickMe App launch. The Special Programs Unit (SPU), in collaboration with the Mayor's Office, is actively supporting the launch of the PickMe Application, spearheaded by Mr. Attie Retief. PickMe endeavours to empower both employed and unemployed individuals as well as businesses by offering them a platform to showcase their skills.	15/04/2024
Vegetable Distribution. Through a Mayoral Initiative, the Special Programmes Unit (SPU) distributed fresh A-grade vegetables donated by Wildeklaar Farm from Barkley East to various daycares, primary schools, and soup kitchens within Kouga	May and June 2024
Youth Month Fashion Show: Celebrating Legacy and Inspiring the Future. The Special Programmes Unit (SPU), in partnership with the Leadership Experience and various other stakeholders, presented a dynamic fashion show in celebration of Youth Month.	14/06/2024

2.4.2 COMMUNICATION

2.4.2.1 INTERNAL COMMUNICATION

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

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

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

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

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

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

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

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

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

The money accumulated is reverted back to the budget.

2.4.2.2 EXTERNAL COMMUNICATION

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

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

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

Responsibilities include the following:

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

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

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

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

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

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

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

The municipality secured 15 front pages in the Kouga Express for the same period, the community newspaper with the widest reach in the region, as well as nationally through News24 and Netwerk24.

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

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

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

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

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

- Drought.
- Service Delivery Highlights.
- Integrated Development Plan.
- Kouga Mayor's Cup
- Women's Month.
- Tourism/Heritage Month.

- State of the Municipality Address.
- Intergovernmental Relations
- Equitable Shares
- First Thursday
- Foot and Mouth Disease
- External Events.
- National/International Days.

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

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

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

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

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

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

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

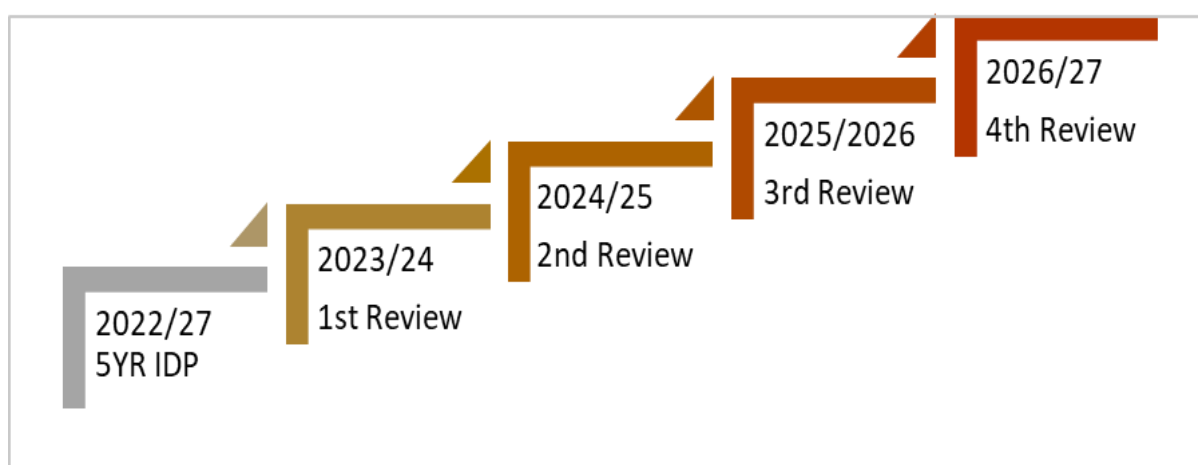
2.5 IDP PARTICIPATION AND ALIGNMENT

Strategic development of the Kouga Municipality is driven by the IDP, that requires a comprehensive planning process and the involvement of different stakeholders who are internal and external. Such a process must be properly organised and prepared. An inherent part of the IDP process is the annual and medium-term revenue and capital expenditure framework (MTREF) which is based upon the key performance areas set out in the IDP.

The annual Service Delivery and Budget Implementation Plan (SDBIP) ensures that the

municipality implements programmes and projects based on the IDP targets and associated budgets. The performance of the municipality is reported in Quarterly and Mid-yearly Performance Assessment Reports, as well as in the Annual Report.

A clear distinction must also be made between the main IDP which is compiled every five years (or if a new council comes into power within the five-year period and does not accept the previous council's IDP) and the annual review of the IDP. The annual review is not a replacement of the five-year IDP, and its purpose is not to interfere with the long-term strategic orientation of the municipality. The annual review reflects and reports on progress made concerning the five-year strategy (and strategic goals) and proposes adjustments to the strategy, if necessary, because of changing internal and external circumstances that impact the appropriateness of the IDP.



The Integrated Development Plan of the municipality was adopted on 31 May 2022. The Municipality conducted ward clustered meetings in all 15 wards, where sessions were conducted with Ward Councillors and their Committee Members, furthermore engagements were held with different stakeholders, i.e. religious groups, Business sector, SMMEs, Ratepayers Association, etc. See below the schedule of the meetings as held:

Table: Ward Clustered Meetings

WARD	DATE	TIME	In Attendance	VENUE	WARD COUNCILLOR
Ward 1	09 October 2023	18h00	Ward Committee Members Ward Councillor Municipal Officials	Sea Vista Community Hall	Cllr N Ntshota
Ward 4	11 October 2023	18h00	Ward Committee Members Ward Councillor Municipal Officials	KwaNomzamo Community Hall	Cllr J Alexander
Ward 5					Cllr M Biko
Ward 6					Cllr K Ndzelani
Ward 15					Cllr T Jantjes

WARD	DATE	TIME	In Attendance	VENUE	WARD COUNCILLOR
Ward 2	17 October 2023	18h00	Ward Committee Members Ward Councillors Municipal Officials	Pellsrus Community Hall	Cllr H Murray
Ward 14					Cllr M Yali
Ward 3	18 October 2023	18h00	Ward Committee Members Ward Councillors Municipal Officials	Jeffreys bay Golf Cours	Cllr W Gertenbach
Ward 8					Cllr R Foley
Ward 11					Cllr F Heystek
Ward 12	01 November 2023	18h00	Ward Committee Members Ward Councillors Municipal Officials	Newton Hall	Cllr L Maree
Ward 7	21 October 2023	10h00	Ward Committee Members Ward Councillors Municipal Officials	Vusumzi Community Hall	Cllr E Mbuqu
Ward 9					Cllr C August
Ward 10					Cllr M Mbandana
Ward 13					Cllr V Zana
Stakeholders	23 October 2023	18h00	Meeting called off.	Pellsrus Hall	Executive Mayor: Cllr H Bornman
Stakeholders	24 October 2023	18h30	Religious, Sport, NGOs, NPOs, Tourism	Kruisfontein Civic	Executive Mayor: Cllr H Bornman
Stakeholders	25 October 2023	18h00	Emerging Farmers, Traditional Leaders	Dan Sani Hall	Executive Mayor: Cllr H Bornman

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

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

DATE	WARD	TIME	COUNCILLOR PRESENT	STAFF PRESENT	WARD COMMITTEE/ STAKEHOLDERS	TOTAL
09/10/2023	Ward 1	18h00	1	14	7	22
11/10/2023	Ward 4	18h00	3	29	22	54
	Ward 5					
	Ward 6					
	Ward 15					

17/10/2023	Ward 2	18h00	2	10	17	29
	Ward 14					
18/10/2023	Ward 3	18h00	3	10	15	28
	Ward 8					
	Ward 11					
21/10/2023	Ward 7	10h00	1	15	22	38
	Ward 9					
	Ward 10					
	Ward 13					
23/10/2023	Stakeholders	18h00	Meeting Cancelled			
24/10/2023	Stakeholders	18h30	4	12	10	26
25/10/2023	Stakeholders	18h00	1	4	13	18
01/11/2023	Ward 12	18h00	1	3	10	14
TOTAL NUMBER OF ATTENDANCE						229

The following Key Performance Areas have been identified by the Kouga Municipality.

1. Basic Services and Infrastructure
2. Local Economic Development
3. Municipal Financial Viability and Transformation
4. Good Governance and Public Participation
5. Institutional Transformation
6. Spatial Planning, Land Use, Human Settlements, Environmental Management

Overall, KPA ratings

Each Key Performance Area was allocated an overall rating within the following context:

Levels of performance	Scores	Performance description	Action required
Low	1-33%	Poor	Immediate and intensive intervention
Medium	34-66%	Satisfactory	Minimum support required
High	67-100%	Good	Benchmarking

The table below displays comparative ratings of the municipality over a three-year period:

KPAs	Ratings 2021/2022 IDP Review	Ratings 2022/2023 IDP Review	Ratings 2023/2024 IDP Review
KPA 1: Service Delivery & Infrastructure Planning	High	High	Medium
KPA 2: Financial Planning & Budgets	High	High	High
KPA 3: Local Economic Development	High	High	High

KPAs	Ratings 2021/2022 IDP Review	Ratings 2022/2023 IDP Review	Ratings 2023/2024 IDP Review
KPA 4: Good Governance & Public Participation	High	High	Medium
KPA 5: Institutional Arrangements	High	Medium	Low
KPA6: Spatial Planning, Land Use, Human Settlements, Environmental Management	High	Medium	High
Overall Rating	High	High	Medium

The municipality received an overall medium rating from the Office of the MEC.

MEC Comments/Findings

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

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	ITEM DESCRIPTION	COMMENTS BY MEC	ACTION TAKEN	LEADING DEPARTMENT	CURRENT STATUS
KPA 1	Spatial Planning, Land, Human Settlements and Environmental Management	The municipality must expedite the development of an Air Quality Management Plan (AQMP) as contemplated in Section 15(2) of the National Environmental Management: Air Quality Act, No.39 of 2004.	The municipality is currently busy with the Procurement Process for the Air Quality Management Plan at Bid Adjudication Level for the appointment of a Service Provider to commence with the Baseline Air Quality Assessment. The Baseline Report will be submitted to DEDEAT upon receipt. A Project Steering Committee will be established to assist all internal directorates and external departments of government.	Planning & Development/ Community Services & Safety	In progress
KPA 1	Spatial Planning, Land, Human Settlements and Environmental Management	The municipality must develop a plan to address land degradation and enhance revitalization.	The municipality is the process to review the MSDF and policies on biodiversity conservation, environmental protection, climate change, water management, poverty reduction, capacity building and social protection.	Planning & Development	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop Rural Road Asset Management System (RRAMS).	Municipality in collaboration with the District is in process of conducting an assessment and updating the current Roads Master Plan.	Civil & Water	In progress

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	ITEM DESCRIPTION	COMMENTS BY MEC	ACTION TAKEN	LEADING DEPARTMENT	CURRENT STATUS
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop a storm water master plan.	The existing 2015 Stormwater Master Plan to be updated. Budget provision to be made in the FY 2024/25.	Civil & Water	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must establish a coordinated forum for roads and transport planning with support from the Department of Transport as per agreement solicited between the two parties in April 2023.	Municipality commenced with the Public Participation on the establishment of a Co-ordinated Roads and Transport Forum in support of the Provincial Department as agreed.	Civil & Water	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must prioritise budgeting for non-motorised facilities	The municipality has flagged the need for non-motorised facilities for 2025/26	Electro & Mechanical Services	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop a plan for Coastal Zone Management and establish municipal Coastal Committees	Coastal Management Plan/Programme was adopted in Council 2020. The Municipality is part of the District and Provincial committee and has an Environmental Monitoring Committee in place.	Community Services & Safety	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must reflect on existence of a Waste Management Plan as contemplated in Section 11 of the National Environmental Management Act (NEMWA), No. 59 of 2008.	The Municipality has an adopted IWMP which is currently being reviewed, and Mamadi & Company is the appointed consultants.	Community Services & Safety	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must appoint a designated waste management officer	Christa Venter is the appointed Waste Management Officer as from 2019.	Community Services & Safety	Completed
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop a budgeted trade effluent policy.	The Directorate of Community Services and Civil & Water has prioritised the development of a budgeted trade policy in 2024/2025.	Community Services & Safety Civil and Water	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop an Integrated Community Safety Forum.	To be established after 1 July 2024.	Community Services & Safety	Completed

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	ITEM DESCRIPTION	COMMENTS BY MEC	ACTION TAKEN	LEADING DEPARTMENT	CURRENT STATUS
KPA 2	Service Delivery and Infrastructure Planning	The municipality must establish an Integrated Community Safety Plan.	The Kouga Integrated Community Safety Plan was adopted by Council on 28 October 2022.	Community Services & Safety	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must ensure that that the disaster vulnerability and risk assessment reports inform the Spatial Development Plan.	The Directorate Community Services and Safety will ensure that inputs are provided during the Reviewal of the Municipal Spatial Development Framework.	Planning & Development/Community Services& Safety/Municipal Manager	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must incorporate emergency procurement measures into the Disaster Management Plan.	The Emergency Procurement Measures is fully implemented into the Municipal Disaster Management Plan as required in terms of the MFMA.	Community Services & Safety	Completed
KPA 2	Service Delivery and Infrastructure Planning	The IDP must reflect on existence of Disaster Management by-laws.	The Disaster Management Plan was adopted in Council on 31st May 2023 and due to be reviewed by June 2024.	Community Services & Safety	Completed
KPA 2	Service Delivery and Infrastructure Planning	The IDP must reflect on existence if the Fire Services tariffs that are implemented and reviewed periodically.	Fire Services has been determined and forms part of the budget tariff's structure.	Community Services & Safety/Finance & Economic Development	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop a plan to address veld and forest fires, oil spillages and floods.	An Oil Spills Contingency Plan has been developed and has been endorsed by the Minister for the Department of Forestry, Fisheries and Environment. The Plan was also approved in Council in 2021.	Community Services & Safety	Completed
KPA 2	Service Delivery and Infrastructure Planning	The municipality must provide current statistics on electricity backlogs.	100% all registered erven have access to electricity or already have an electrical connection. Illegal settlements not on registered erven are excluded and cannot form part of the backlog for electricity.	Electro & Mechanical Services	Completed

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	ITEM DESCRIPTION	COMMENTS BY MEC	ACTION TAKEN	LEADING DEPARTMENT	CURRENT STATUS
KPA 2	Service Delivery and Infrastructure Planning	The municipal IDP reflect on alternative sources of renewable energy.	The municipality has already started with a Renewable energy project to mitigate loadshedding and to reduce the load from the national grid. Project has an IDP Ref. No. IE99 and is at an advanced stage. Environmental Approval has been granted on 10 November 2023 for the construction of a 20MW plant.	Electro & Mechanical Services	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must reflect a summary of water planning and current requirements per sector (housing, agriculture, mining, tourism) in accordance with the Water Service Development Plan (WSDP).	The municipality went out on a Consultant Roster tender that makes provision for the update of the WSDP. The process is currently at BEC.	Civil & Water	In progress
KPA 2	Service Delivery and Infrastructure Planning	The municipality must develop infrastructure maintenance plans.	The municipality went out on Consultant Roster tender that makes provision for the update of the Infrastructure Maintenance Plans. The process is currently at BEC.	Civil & Water	In progress
KPA 3	Financial Planning & budget	The municipality must expedite approval of water and electricity loss reduction plan by Council.	The Electricity and the Water loss reduction plan is currently being finalized and will be submitted to Council for approval.	Civil & Water/Electro& Mechanical Services	In progress
KPA 3	Financial Planning & budget	The municipality must reflect on the annual review of indigent register.	The municipality continuously reviews the indigent register - a reminder will be sent to all indigents, three months before the end of the relevant financial year, informing all beneficiaries to apply for such benefits in each consecutive calendar year. The process will be detailed in a SOP. The Municipality does have Indigent Drives throughout the year where the Municipality goes to the relevant communities to register new indigents.	Finance & Economic Development	On-going
KPA 4	Local Economic Development	The IDP situational analysis must reflect available	The municipality in the process to review the LED Strategy which will detail the	Finance & Economic Development	In progress

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	ITEM DESCRIPTION	COMMENTS BY MEC	ACTION TAKEN	LEADING DEPARTMENT	CURRENT STATUS
		economic opportunities	key opportunities within Kouga		
KPA 4	Local Economic Development	The municipality must clearly indicate its comparative and competitive advantages of the locality.	The Municipal area has many advantages - international surfing beaches, blue flag beaches, borders on the Baviaanskloof, St Francis Bay being a key holiday destination for both national and international tourists - this will be reflected in the IDP.	Finance & Economic Development	In progress
KPA 4	Local Economic Development	The municipality must indicate mechanisms for business expansion, retention of existing businesses and attraction of further investments.	The municipality in the process to review the LED Strategy which will detail the mechanisms for business expansion, retention of existing businesses and attraction of further investments.	Finance & Economic Development	In progress
KPA 5	Good Governance and Public Participation	The municipality must develop public participation and communication strategies.	Completed and adopted by Council	Corporate & Communication Services	Completed
KPA 5	Good Governance and Public Participation	The municipal IDP must reflect social cohesion programmes.	A dedicated special programmes unit led by the Office of the Executive Mayor lead the unit. A list of the projects will find expression in the 2024/2025 Reviewed IDP.	Corporate & Communication Services	Completed
KPA 5	Good Governance and Public Participation	The municipality must engage in inter-municipal planning programmes.	IGR sessions take place every quarter. 2023 has seen the municipality recorded the highest participation from sector departments ever known.	Corporate & Communication Services/Finance & Economic Development	Completed
KPA 5	Good Governance and Public Participation	The municipality must establish an institutionalised compliant management system.	Completed - the Call Centre is fully operational, and reporting is done through monthly Portfolio Committees	Corporate & Communication Services	Completed
KPA 5	Good Governance and Public Participation	The municipality must develop and adopt fraud prevention policy and plan.	The Fraud Prevention Policy and Plan was drafted for consultation and approval by Council.	MM Office	In progress
KPA 5	Good Governance and Public Participation	The municipality must indicate whether council and its structures are convened according to the	Yes, there is an Annual Calendar for all meetings of Council and other Structures that are closely monitored by the Office of the Speaker.	Corporate & Communication Services	Completed

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	ITEM DESCRIPTION	COMMENTS BY MEC	ACTION TAKEN	LEADING DEPARTMENT	CURRENT STATUS
		adopted council calendar.			
KPA 5	Good Governance and Public Participation	The municipality must reflect on the existence and functionality of the Municipal Public Accounts Committee (MPAC)	MPAC appointed and is functional.	MM Office	Completed
KPA 5	Good Governance and Public Participation	The municipal IDP must reflect audit opinions for the past 3 years.	The municipality will include all opinions for the past three years into the 2024/2025 IDP	Finance & Economic Development	In progress
KPA 5	Good Governance and Public Participation	The municipal IDP must reflect the legal management system (litigation register)	The municipality does have an updated Litigation register that reflects on the Legal Management System.	Corporate & Communication Services	Completed
KPA 5	Good Governance and Public Participation	The municipality must reflect the findings on predetermined objectives and compliance issues.	Audit Corrective Action Plan has been prepared and is in process to be implemented	MM Office	In progress
KPA 5	Good Governance and Public Participation	The municipality must reflect on implementation of Performance Management below Section 56 Managers.	Performance Agreements for staff has been developed	Human Resources	On-going
KPA 5	Good Governance and Public Participation	The municipal IDP must indicate capacity building programmes targeting women, disabled people and youth.	All these programmes including capacity building targeting woman, disabled people and youth has been captured in the Work Skills Plan	Corporate & Communication Services	Completed
KPA 6	Institutional Arrangements	The municipality must put in place mechanisms for proper management of satellite offices.	The municipality has appointed Area Engineers to assist with proper management of satellite offices in so far of the rendering of services are concerned.	Corporate & Communication Services	Completed
KPA 6	Institutional Arrangements	The municipality must indicate the filled and vacant posts per department.	The Municipality is in the process to address the filled and vacant post per department for inclusion into the 2024/ 2025 reviewed IDP	Corporate & Communication Services	Completed
KPA 6	Institutional Arrangements	The municipal IDP must reflect on compliance with Occupation Health and Safety measures.	The Municipality are in the process of reviewing the OHS policy	Corporate & Communication Services	In progress

ASSESSMENT OF THE IDP 2023/2024 ACTION SHEET					
KPA	ITEM DESCRIPTION	COMMENTS BY MEC	ACTION TAKEN	LEADING DEPARTMENT	CURRENT STATUS
KPA 6	Institutional Arrangements	The municipal IDP must indicate critical and scarce skills that remains a challenge to the municipality.	The municipality has adopted a scarce and critical skills policy, that has been prioritised for reviewal and is also reflected in the Work Skills Plan	Corporate & Communication Services	Completed
KPA 6	Institutional Arrangements	The municipal IDP must reflect on the availability of Human Resource policies.	The municipality is in a process of reviewing several Human Resources policies that must go to the Policy Committee before the end of February 2025	Corporate & Communication Services	In progress
KPA 6	Institutional Arrangements	The municipal IDP must reflect on the establishment and functionality of structures (Local Labour Forum and Disciplinary Hearings) that discuss matters of mutual interest between Employee.	There is no LLF as SAMWU has dismally failed to elect shop stewards.	Corporate & Communication Services	On-going
KPA 6	Institutional Arrangements	The municipality must reflect on strategies for employee wellness.	The strategies of the Employee wellness as per policy and programme remains a priority that the municipality will maintain.	Corporate & Communication Services	On-going
KPA 6	Institutional Arrangements	The municipality IDP must reflect the Disaster Recovery Plan and its implementation.	The municipality has prioritised the need for a Disaster Recovery Plan. The Plan was approved on 23 October 2023 for implementation.	Corporate & Communication Services	Completed

COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

Risk management is as much about identifying opportunities as avoiding or mitigating losses. It is a logical and systematic process of establishing the context, analysing, evaluating, treating, monitoring, and communicating risks associated with any activity, function, or process, in a way that enables an organisation to minimise losses and maximise opportunities.

The drive for local government transformation with limited resources has tended to force municipalities into taking a less conservative approach to service delivery with a proportional increase in their risk exposure. Ongoing local government reforms have provided a broad administrative framework for further improvements to occur. These

include more stringent corporate governance requirements, greater flexibility and a focus on results and accountability.

Risk management trends and components already overlap with those of internal auditing, performance management, programme and project management, financial management, change management, customer care, communication, etc. and require incremental inclusion in current and future plans of the entire organisation.

The management of risk by implication is a managerial function, even though individual sections, departments and directorates differ in their exposure and reaction to risks and thus departments, sections and individuals form a vital part of the overall risk management process within the Municipality.

In our continuously changing governance environment, it is imperative that Council remains updated on key changes and challenges and how this affects the operation of business in today's environment.

National Treasury Public Sector Risk Management Framework affirms that no organization has a luxury of functioning in a risk-free environment and public institutions are especially vulnerable to risk associated with fulfilling their mandates.

The table below indicate the top five risks within the Municipality:

	Risk	Root Causes
1	Water Security	1. Drought 2. Increase in demand for water 3. Limited allocations from Water supply sources (boreholes, fountains & supply from surrounding earthen dams) 4. Vandalism & theft (inadequate scope) 5. Lack of adequate human resources
2	Lack of sufficient capacity of bulk infrastructure (Elec, water, sewerage). Too many residents- too small treatment capacity.	1. Lack of planning for informal developments occurring in Kouga 2. Unavailability of master plans on certain types of infrastructure (water & wastewater) 3. Lack of integration in planning and development (housing and infrastructure)
3	Financial sustainability of Kouga Local Municipality	1. Above CPIX increase in inflations for goods & services 2. Reprioritization of capital expenditure due to drought 3. Generation of operating deficits (non-cash items) 4. Lack of full enforcements of agency agreements (Fire Services) 5. Incompleteness of revenue (lack of data / outdated data)

	Risk	Root Causes
4	Inaccurate performance information reporting	1. Portfolios of evidence not provided 2. Portfolios of evidence provided too late 3. Performance reported too late 4. Inadequate portfolios of evidence provided 5. Technical indicator descriptions not developed for KPIs.
5	Housing Backlog	1. Insufficient suitable land 2. Inadequate bulk infrastructure 3. Housing Setup Plan (outdated almost 12 years outdated) 4. Rural Urban immigration 5. Lack of verified data on informal settlements

2.7 ANTI-CORRUPTION AND FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimise the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identifies supply chain measures to be enforced to combat fraud and corruption, favouritism, and unfair and irregular practices. Section 115(1) of the MFMA states that the Accounting Officer must take steps to ensure mechanisms and separation of duties in supply chain management system to minimise the likelihood of corruption and fraud.

The Anti-Corruption Strategy and Fraud Prevention strategy were both approved on the 1 August 2017.

2.8 SUPPLY CHAIN MANAGEMENT

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

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

National Treasury Centralised Supplier Database

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

Bid Committees

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

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

Training: Supply Chain/Stores Section

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

Monthly/ Weekly Reports

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

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

SCM Policy Implementation changes

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

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

Informal Tenders (7day Notices/ RFQ's)

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

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 162 / 2023	Supply and Delivery of Lifesaving Equipment	23 August 2023	n/a	1 September 2023	Bayzen Trading (Pty) Ltd	12 September 2023	R147 021.75	5 Working days
Notice 163 / 2023	Supply and Delivery of Lifesaving Uniforms	23 August 2023	n/a	1 September 2023	Bayzen Trading (Pty) Ltd	12 September 2023	R198 227.80	5 Working days
Notice 164 / 2023	Supply, Delivery and Installation of CAT6A Network Points	23 August 2023	n/a	1 September 2023	Sky Metro Equipment (Pty) Ltd	13 September 2023	R147 021.75	6 Working days
Notice 172 / 2023	Supply, Delivery and Off-loading of Disaster Relief items	1 September 2023	n/a	12 September 2023	Daniels Engineering & Manufacturing Pty Ltd Bayzen Trading (Pty) Ltd	4 October 2023	Various Rates	13 Working days
Notice 173 / 2023	Supply and Delivery of Branded Corporate Wear for a period of 12 Months	15 September 2023	n/a	27 September 2023	Daniels Engineering and Manufacturing (Pty) Ltd Bayzen Trading (Pty) Ltd	10 November 2023	Various Rates	24 Working days
Notice 174 / 2023	Supply and Delivery of Branded Promotional Items for a period of 12 Months	15 September 2023	n/a	27 September 2023	Kasomsi Trading Infinity Printing and Technology Marcopolo Mzansi Suppliers Erdman Trading and Projects Daniels Engineering and Manufacturing Cassim's	2 November 2023	Various Rates	22 Working days
Notice 181 / 2023	Appointment of Professional Service Provider to perform Environmental Impact Assessment for expansion of Kwanomzamo and Humansdorp Town Cemeteries	8 September 2023	n/a	19 September 2023	Ayampa Sustainable Projects Pty Ltd	1 November 2023	R196 600.00	30 Working days
Notice 182 / 2023	Media Monitoring for a period of twelve months	14 September 2023	n/a	27 September 2023	KTM Knowledge Solutions	31 October 2023	R 9 999.25	15 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 197 / 2023	Refurbishment of Nissan UD 290 (DWV246 EC) Refuse Compactor and Major Service on Mechanical Parts	29 September 2023	6 October 2023	13 October 2023	Cancelled	20 October 2023	Cancelled	n/a
Notice 198 / 2023	Refurbishment of Nissan UD 290 (DWV246 EC) Refuse Compactor and Major Service on Mechanical Parts	29 September 2023	6 October 2023	13 October 2023	Cancelled	20 October 2023	Cancelled	Working days
Notice 203 / 2023	Supply, delivery and off-loading of festive lights	5 October 2023	n/a	13 October 2023	Memotek trading	31 October 2023	Various rates	8 Working Days
Notice 215 / 2023	Refurbishment of Nissan UD 290 (DWV246 EC) Refuse Compactor and Major Service on Mechanical Parts	20 October 2023	27 October 2023	3 November 2023	Phakamisa Fleet Services Pty Ltd	9 November 2023	R199 600.00	3 Working days
Notice 216 / 2023	Refurbishment of Nissan UD 330 Refuse Compactor and Major Service on Mechanical Parts	20 October 2023	27 October 2023	3 November 2023	Phakamisa Fleet Services Pty Ltd	9 November 2023	R198 860.00	3 Working days
Notice 217 / 2023	Supply, Delivery and Off-loading of Two Medium Pressure Low Volume 600L Firefighting Units	23 October 2023	n/a	1 November 2023	Memotek Trading CC	21 November 2023	R 95 013.00	12 Working days
Notice 223 / 2023	Supply and Delivery of Broom 35 Vacuum Pump parts for Sewerage trucks, Related fittings and couplers	1 November 2023	n/a	10 November 2023	Rencor Engineering (Pty) Ltd Memotek Trading	4 December 2023	Various Rates	14 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 225 / 2023	Refurbishment of Suction Truck UD 70 Repairs to Suction tank and complete Repaint of Truck	30 October 2023	3 November 2023	10 November 2023	Phakamisa Fleet Services	22 November 2023	R147 855.50	7 Working Days
Notice 226 / 2023	Supply and Delivery of Personal Protective Clothing to Kouga Municipal Workshop	1 November 2023	n/a	10 November 2023	SRNC Enterprises (Pty) Ltd Heico Project Management (Pty) Ltd	1 December 2023	Various Rates	14 Working days
Notice 227 / 2023	Supply and Delivery of Wheelie Bins	1 November 2023	n/a	10 November 2023	Memotek Trading CC	27 November 2023	R199 979.39	10 Working days
Notice 231 / 2023	Supply and Collection of 6m Skip Binds for period of three months to Jeffreys Bay, St. Francis Bay, Oyster Bay and Paradise Beach	8 November 2023	n/a	17 November 2023	Nu Plant Project CC	1 December 2023	Various Rates	9 Working Days
Notice 232 / 2023	Alien Vegetation Control at Public Private Slots	8 November 2023	n/a	17 November 2023	Mesrazest Pty Ltd Ndimthembile Trading (Pty) Ltd	19 December 2023	Various Rates	19 Working Days
Notice 243 / 2023	Appointment of a Professional Service Provider for the EIA Process and Extension of Lorie Cemetery	22 November 2023	n/a	4 December 2023	Cancelled	n/a	n/a	n/a
Notice 246 / 2023	Hiring of Mulching and Shredding Equipment and staff to perform mulching and shredding on Public, Open Spaces and Private Plots in and around Jeffreys Bay, St Francis Bay and Humansdorp	22 November 2024	n/a	1 December 2023	LAQ Solutions- contracted terminated 2 nd Bidder Award- Nu Plant Cc	7 December 2023	Various Rates	3 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 23 / 2024	Appointment of Service Provider for individual Screening for a period of Twelve months	29 January 2024	n/a	8 February 2024	Cancelled	27 February 2024	n/a	n/a
Notice 28 / 2024	Supply, Delivery and Off-loading of Three-phase Electricity Bulk Meters CT/VT Connect	6 February 2024	n/a	15 February 2023	Cancelled	24 February 2024	n/a	n/a
Notice 33 / 2024	Supply, Delivery and Off-loading of 6 Cubic Meter Skip Bins for Drop Off Sites and Informal Areas	9 February 2024	n/a	20 February 2024	Mesrazest (Pty) Ltd	11 March 2024	R277 725.00	11 Working days
Notice 39 / 2024	Re- Advertisement of a Professional Service Provider for an EIA Process Expansion of Lorie Cemetery	21 February 2024	26 February 2024	4 March 2024	Ikamva Consulting CC	16 April 2024	R215 050.00	25 Working days
Notice 47 / 2024	Refurbishment of a Nissan UD Tipper truck, Engine and body	27 February 2024	1 March 2024	8 March 2024	Phakamisa Fleet Services	12 March 2024	R247 825.00	1 Working days
Notice 48 / 2024	Supply, Delivery and Installation of Alarm Backup Power Pack Units	8 March 2024	n/a	19 March 2024	Bessie Projects CC- Contract terminated	29 April 2024	R102 154.50	22 Working days
Notice 52 / 2024	Skip Truck Hire for Collection of Skip Bins for Jeffreys Bay, St. Francis Bay and Oyster Bay for a period of Three (3) months	5 March 2024	n/a	14 March 2024	Nu Plant CC	20 March 2024	Various Rates	3 Working days
Notice 59 / 2024	Supply, Delivery and Installation of Office Furniture (CFO)	8 March 2024	n/a	19 March 2024	A& G Trading and Maintenance	5 April 2024	Various Rates	8 Working days
Notice 60 / 2024	Hiring of Construction Machinery to Provide Blading Maintenance	22 March 2024	n/a	4 April 2024	Primat Construction	8 May 2024	Various Rates	22 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	on Gravel roads in the Gamtoos Valley as and when required.							
Notice 65 / 2024	Supply, Delivery and Off-loading of Grass Cutting Machinery	19 March 2024	n/a	28 March 2024	Lonmaq Projects Pty Ltd t/a Supamix DIY EL Avile Amakhosi Projects	15 April 2024	Various Rates	3 Working days
Notice 70 / 2024	Supply, Delivery and Installation of Carpets at Municipal Office at 33 Da Gama Road, Jeffreys Bay	26 March 2024	n/a	8 April 2024	Top Carpets and Designer Blinds t/a Fashion Flooring	15 April 2024	R 880.00	4 Working days
Notice 71 / 2024	Accident Repairs on Sanitation Truck UD90 DXM 914 EC	25 March 2024	28 March 2024	5 April 2024	Phakamisa Fleet Services	12 April 2024	R122 877.50	3 Working days
Notice 73 / 2024	Supply, Delivery and Off-Loading of Disinfectant Black Dip for a period of 12 months	2 April 2024	n/a	11 April 2024	Take 5 Construction and Projects CC	23 April 2024	R 454.25	7 Working days
Notice 76 / 2024	Mechanical Repairs to Refuse Compactor DWN 714 EC	4 April 2024	10 April 2024	16 April 2024	Phakamisa Fleets Services	2 May 2024	R228 482.00	8 Working days
Notice 77/ 2024	Body Repairs to Toyota Firefighting Tanker BLH 197 EC	4 April 2024	10 April 2024	16 April 2024	Phakamisa Fleet Services	7 May 2024	R101 000.00	12 Working days
Notice 84 / 2024	Supply, Delivery and Installation of Office Furniture to KLM	10 April 2024	n/a	19 April 2024	Mudau Picture Framers t/a Framefun Thuthuka Office Supplies Workstation Office Furniture	3 May 2024	Various Rates	8 Working days
Notice 89/ 2024	Body Repairs of a Hino 4X4 Firefighting Truck DVS 430EC	22 April 2024	25 April 2024	2 May 2024	Phakamisa Fleet Services	21 May 2024	R 86 500.00	11 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 90 / 2024	Refurbishment of Firefighting Trailer HTD 760 EC	22 April 2024	25 April 2024	2 May 2024	Phakamisa Fleet Services	10 May 2024	R 39 850.03	5 Working days
Notice 91 / 2024	Mechanical Repairs to Dennis Fire Truck DVS 234EC	24 April 2024	29 April 2024	6 May 2024	Phakamisa Fleet Services	21 May 2024	R97 347.50	8 Working days
Notice 97 / 2024	Supply, Delivery and Off-loading of LED Capacitive Touch Tablet and table	24 April 2024	n/a	6 May 2024	Memotek Trading CC	8 May 2024	R35 815.95	1 Working days
Notice 26 / 2024	Supply, Delivery and Off-Loading of Branded Corporate Items	30 April 2024	n/a	10 May 2024	Cassim's Baycon Pty Ltd Kukhanue Buchele Alucente Pty Ltd Madau Picture framers t/a Framefun	24 May 2024	Various Rates	9 Working days
Notice 98/ 2024	Supply, Delivery and Off-Loading of Festive Lights	2 May 2024	n/a	13 May 2023	No bids Received	n/a	n/a	n/a
Notice 111 / 2024	Supply, Delivery and Off-Loading of Refuse Bins to Kouga Municipality	17 May 2024	n/a	28 May 2024	Mesrazest (Pty) Ltd	13 June 2024	R157 584.50	9 Working days
Notice 112 / 2024	Appointment of Service Provider to plant vegetation on Dunes	17 May 2024	n/a	28 May 2024	Mesrazest (Pty) Ltd Inceba Zazhe Projects (Pty) Ltd	13 June 2024	R 92 736.00 R42 520.00	10 Working days
Notice 113 / 2024	Re- Advertisement: Supply, Delivery and Off-loading of Festive lights	21 May 2024	n/a	31 May 2024	No bids received	n/a	n/a	n/a
Notice 116 / 2024	Supply, Delivery and Installation of Identification Boards and other signage for Kouga Wastewater, Water Purification Treatment	21 May 2024	n/a	31 May 2024	Avile Amakhozi Projects Pty Ltd	12 June 2024	Various Rates	4 Working days

Tender Notice	Tender Description	Date of Advert	Date of Clarification / Site Meeting	Closing Date	Service Provider	Date Of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Works and others							
Notice 134 / 2024	Subdivision, Closure and Rezoning of Public Open Space of a Portion of Erf 170 Jeffreys Bay to Private Open Space	21 June 2024	28 June 2024	5 July 2024	In progress	n/a	n/a	In progress
Notice 137 / 2024	Appointment of Service Provider for the Review of 2023/2024 Annual Financial Statements of Kouga Municipality	21 June 2024	n/a	5 July 2024	In progress	n/a	n/a	In progress

Competitive bids Awarded/ Cancelled for the Period

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

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 55 / 2023 Contract S1	Supply, Delivery and Off-loading of Water fittings for period of Two years	12 April 2023	n/a	15 May 2023	n/a	n/a	Cancellation	n/a
Notice 55 / 2023 Contract S2	Supply, Delivery and Off-loading of Valves and Pipes for period of Two years	12 April 2023	n/a	15 May 2023	Wesflo Take Note Trading 245 SA Water Products Platinum Suppliers Premier Pipe Supply Irrigation Equipment Supply Intaka bolt RCH Trading	15 August 2023	Various rates	32 Workdays
Notice 55 / 2023	Supply, Delivery and Off-loading of Black Polythene	12 April 2023	n/a	22 May 2023	Blackfama House (Pty) Ltd	29 September 2023	R 1020.00 per unit of 1000	78 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Contract S3	Refuse bags for a period of Two Years							
Notice 55 / 2023 Contract S4	Supply, Delivery and Off-loading of Disinfectant Dip for a period of Two Years (Green Dip-only)	12 April 2023	n/a	22 May 2023	Take 5 Construction and Projects	31 August 2023	R333.50	52 Workdays
Notice 55 / 2023 Contract S5	Supply, Delivery and Off-loading of Tyres and Tubes for a period of Two Years	12 April 2023	n/a	15 May 2023	Siyaya Corporation Tiximate Five Ways Enterprises Cassim's Malas Pty Ltd	21 August 2023	Various Rates	33 Workdays
Notice 67 / 2023	Recycling and Collection of Recyclable Waste in KLM for a 12 Month period (initially advertised for 36 months)	21 April 2023	2 & 3 May 2023 (2 nd meetings scheduled due to load shedding/ connection problems)	22 May 2023	Joubert MJ t/a Xtreme Recycling	9 October 2023	No cost	70 Workdays
Notice 69 / 2023	Supply, Delivery and Off-loading of Water Treatment Chemicals for a period ending 30 October 2023	18 April 2023	26 April 2023	18 May 2023	Metsi Water Solutions Kingship Management Services and Supplies M Way Investments	15 August 2023	Various Rates	13 Workdays
Notice 76 / 2023	Appointment of Professional Service Providers to perform Professional Electrical Engineering Services for a period of Three Years	12 May 2023	22 May 2023	12 June 2023	Hamsa Consulting Engineers Pty Ltd Asca consulting Engineers / Vokon Afrika Consulting CVW Consulting Engineers Pty Ltd IX Infrastructure Excellence Clinkscapes Maughan- Brown Pty Ltd Bosch Projects	1 November 2023	Various Rates	71 Workdays
Notice 84 / 2023	Supply and Delivery of Two (2) New Diesel One Ton High	9 June 2023	19 June 2023	10 July 2023	CD Freight and Logistics (Pty) Ltd	29 September 2023	R1 731 720.01	42 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Rise 4x4 LDV for the Fire Department							
Notice 86 / 2023	Supply, Delivery and Off-loading of Electrical Requirements for a period of Two Years	23 June 2023	n/a	31 July 2023	Powercomm Solutions (Pty) Ltd Kader Technologies (Pty) Ltd Actom Electrical Products a Division of Actom (Pty) Ltd Premier Pipe Supply (Pty) Ltd Artivolt (Pty) Ltd Platinum Suppliers (Pty) Ltd Randela Africa Industries (Pty) Ltd Averge Technologies (Pty) Ltd Obhejane Trading (Pty) Ltd Memotek Trading CC Maboneng Electrical Distributors (Pty) Ltd	21 November 2023	Various Rates	54 Workdays
Notice 90 / 2023	Support and Maintenance of Telephone Systems for KLM	12 May 2023	19 May 2023	23 June 2023 (Closing date extended from 12 June 2023)	Sky Metro Equipment (Pty) Ltd/ Upstream Security (Pty) Ltd – Joint Venture	18 December 2023	Various Rates	126 Workdays
Notice 91 / 2023	Appointment of SP for GIS Planning System in KLM for a period of Three years	12 May 2023	18 May 2023	12 June 2023	Esri South Africa	17 August 2023	Various Rates	16 Workdays
Notice 97 / 2023	Provision of Internet Services, 0365 Licences, Migration of old 0365 to new Services & Azure Active Directory Deploy additional services for a period of 36 months	15 June 2023	26 June 2023	28 July 2023 (Closing date extended from 17 July 2023)	Vodacom Pty Ltd	6 November 2023	6 November 2023	35 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 98 / 2023	Appointment of Service Provider to Perform External Compliance Audits for Humansdorp and Hankey landfill Sites	19 May 2023	31 May 2023	19 June 2023	Gibb Environmental	17 August 2023	R 27600.00	22 Workdays
Notice 99 / 2023	Appointment of contractor for the Replacement of Existing Water Main Intake in Mimosa Street Jeffreys Bay	12 May 2023	23 May 2023	12 June 2023	Ibhabhathane Trading	17 August 2023	Various Rates	30 Workdays
Notice 101 / 2023	Appointment of Service Provider to develop a change management implementation plan for a continuous Development plan over a period of three years	9 June 2023	19 June 2023	10 July 2023	n/a	16 August 2024	cancelled	n/a
Notice 102 / 2023	Appointment of a Suitably Qualified Professional Service Provider (PSP) for the Design and Implementation of the Oceanview Collector Sewer	19 May 2023	29 May 2023	19 June 2023	VST Consulting Engineers (Pty) Ltd	10 November 2023	R 746 348.85	82 Workdays
Notice 103 / 2023	Structural Repairs to Paradise Beach Elevated Water Tower at KLM	23 May 2023	2 June 2023	23 June 2023	Jongoware WRR Master Specialist Joint Venture	29 September 2023	R9 049 915.80	55 Workdays
Notice 105 / 2023	Supply, Delivery and Off-loading of Road Marking Paint for a period of Two Years	19 May 2023	n/a	19 June 2023	Deefour (Pty) Ltd	28 August 2023	Various Rates	24 Workdays
Notice 122 / 2023	Appointment of Service Provider for Basic Assessment Report for the Development	21 June 2023	7 July 2023	24 July 2023	n/a	13 September 2023	Cancelled	29 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	of Farm 499 Humansdorp Rd & Portion 4 of Farm 346 Humansdorp Rd							
Notice 123 / 2023	Appointment of Service Provider for the Design, Supply, Delivery and Installation, training & maintenance of an electronic committee web-based management and workflow system	21 June 2023	29 June 2023	20 July 2023	n/a	15 September 2023	Cancelled	40 Days
Notice 126 / 2023	Electrification of 259 Houses at Kruisfontein in Humansdorp	23 June 2023	5 July 2023	24 July 2023	VE Reticulation (Pty) Ltd	15 September 2023	R4 200204.80	27 Workdays
Notice 127 / 2023	Supply and Delivery of mobile handsets including Voice, Data and SMS Package for a period of 24 months	15 June 2023	27 June 2023	17 July 2023	Mobile telephone Networks (Pty) Ltd	6 November 2023	Various Rates	60 Workdays
Notice 131 / 2023	Supply and Install of Fencing in the Kouga Municipal Area for a period of 3 years	21 June 2023	4 July 2023	20 July 2023	In progress	n/a	n/a	In progress
Notice 133 / 2023	Resealing and Maintenance of Roads within the Kouga Area for a period of Three Years- Phase2	17 July 2023	26 July 2023	17 August 2023	Primat Construction	10 November 2023	Various Rates	35 Workdays
Notice 134 / 2024	Appointment of a Suitably Qualified Professional Service Provider for the Weston Wastewater Treatment Work including the Sewer	21 June 2023	3 July 2023	20 July 2023	Bosch Projects (Pty) Ltd	6 November 2023	R1 145241.30	56 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Reticulation Network							
Notice 135 / 2023	Appointment of Service Provider for the Supply and Installation of paving on Portion of Erf 170, Jeffreys Bay	23 June 2023	10 July 2023	24 July 2023	Vitsha Trading & Ibala Consulting Joint Venture	6 November 2023	R1 749552.50	58 Workdays
Notice 136 / 2023	Guarding Services, Alarm Systems, CCTV Cameras Services for a period of Three years	22 September 2023	5 October 2023	23 October 2023	G4S Secure Solutions (SA) (Pty) Ltd Exec Ops Pty Ltd	5 April 2024	Various Rates	79 Workdays
Notice 142 / 2023	Supply, Delivery , Installation and Maintenance of an ink Jet Plotter (Lease option) for a period of Two Years	13 July 2023	20 July 2023	15 August 2023	Sky Metro Equipment (Pty) Ltd	18 December 2023	Various rates	53 Workdays
Notice 146 / 2023	Appointment of a Service Provider for the Review/ Recovery of VAT, Apportionment and application thereof for a contract duration of 36 months	24 July 2023	3 August 2023	24 August 2023	Maximum Profit Recovery	20 October 2023	Various rates	14 Workdays
Notice 152 / 2023	Electrical Maintenance and Construction work for a Period of three years	8 August 2023	17 & 18 August 2023	8 September 2023	Scheyisa powerlines Phakamihle Trading Eya Bantu Professional Services	20 March 2024	Various rates	117 Workdays
Notice 175 / 2023	Supply, Delivery and Installation of hired Units for live Vehicle Tracking/ Fleet Management/ Stolen Vehicle Response with ongoing training and support and	13 September 2023	27 September 2023	13 October 2023	CTrack Fleet Solutions (Pty) Ltd	14 November 2023	Various rates	4 Workdays

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

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	WTPPM, St. Francis WWTW, Admin Building at 24 month Operation and Maintenance Period							
Notice 187 / 2023	Appointment of a Service Provider to Develop an Air Quality Management Plan for Kouga Municipality	18 September 2023	3 October 2024	18 October 2023	Godwana Environmental International	11 March 2024	R 380 109.50	91 Workdays
Notice 188 / 2023	Appointment of a Professional Service Provider for the Design and Implementation for the Refurbishment of the Hankey WWTW and the Kwanomzamo Sewer Pump Station	18 September 2023	2 October 2023	18 October 2023	Royal Mndawe Holdings	24 November 2023	Various Rates	12 Workdays
Notice 191 / 2023	Appointment of a Legal Services Providers for a period of three years	9 October 2023	16 October 2023	23 November 2023 (Closing date extended from 8 November 2023)	n/a	n/a	Cancelled	n/a
Notice 192 / 2023	Supply, Delivery and Off-loading of LED Streetlights replacing 125Watt and 250Watt Mercury Vapour Conventional HID& CIF Streetlight Luminaire	22 September 2023	n/a	31 October 2023 (closing date extended from 23 October 2023)	Obhejane Trading Pty Ltd	18 December 2023	Various Rates	19 Workdays
Notice 193 / 2023	Supply, Delivery and Off-loading of Miniature Substation and Distribution Transformers for a period of three years.	22 September 2023	n/a	23 October 2023	Actom Electrical Products Jocastro (Pty) Ltd	16 February 2024	Various Rates	67 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
Notice 199 / 2023	Appointment of Service Provider to render Advertising services in broadcast (radio) media and other related services for a period of one (1) year	9 October 2023	16 October 2023	17 November 2023 (Closing date from 8 November 2023)	Commuter FM Buzz Projects	19 March 2024	Various rates	20 Workdays
Notice 200 / 2023	Supply, Delivery and Off-loading of 11/22KV Ring Main units and Bulk metering units with spare loads/ parts for a period of three years	9 October 2023	17 October 2023	8 November 2023	Jocastro Western Cape Pty Ltd TGood South Africa Pty Ltd ABB South Africa Pty Ltd WJ Milne Electrical t/a Milne Electrical	26 April 2024	Various Rates	87 Workdays
Notice 210 / 2023	Appointment of Turnkey Contractor to construct six (6) low-cost Housing projects in Patensie	13 October 2023	23 October 2023	13 November 2023	Mavukamavusi Projects (Pty) Ltd	16 February 2024	R1 080 000.00	52 Workdays
Notice 211 / 2023	Appointment of a Service provider to provide Banking services to Kouga Municipality for a period of Five years	13 October 2023	1 November 2023	14 December 2023	ABSA Bank Ltd	15 May 2024	Various Rates	80 Workdays
Notice 212 / 2023	Supply, Delivery of new plant and vehicles on operational lease with a push and pull residual value at the end of term per item over a period of 36 months	13 October 2023	24 October 2024	13 November 2023	Sky Metro Equipment Pty Ltd MDZ Fleet Solutions (Pty) Ltd Zeda Car Leasing (Pty) Ltd t/a Avis Fleet	30 May 2024	Various Rates	65 Workdays
Notice 219 / 2023 Contract I&E 1/2023	Supply, Delivery and Off-loading of Water Treatment Chemicals and gasses within Kouga Municipality for	31 October 2023	9 November 2023	4 December 2023	International Metal Processing Protea Chemical Deefour (Pty) Ltd	19 March 2024	Various Rates	53 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	a period of 3 years							
Notice 219 / 2023 Contract I&E 2/2023	Supply, Delivery and Off-loading of Bitumen Products, Emulsions, Cold Asphalt and Road Patches within Kouga Municipality for a period of 3 years	31 October 2023	9 November 2023	4 December 2024	Wynford Civils & Development Lonmaq Projects Pty Ltd t/a Supamix DIY EL	5 April 2024	Various rates	36 Workdays
Notice 222 / 2023	Appointment of a Service Provider for the period for the review of the Kouga Municipal Spatial Development Framework	27 October 2023	n/a	27 November 2023	Maswana JV Pty Ltd	16 April 2024	R 244 950.00	72 Workdays
Notice 230 / 2023	Supply, Delivery and Installation, Commissioning and maintenance of variable speed drive	3 November 2023	13 November 2023	4 December 2023	Greenro Solutions (Pty) Ltd	16 Feb 2024	Various rates	38 Workdays
Notice 1 / 2024	Appointment of a Service Provider to provide cleaning services for a period of 36 months	19 January 2024	31 January 2024	29 February 2024	Mavukamavusi (Pty) Ltd	26 April 2024	R 270.00	8 Workdays
Notice 2/2024: Contract S1 of 2024	Supply, Delivery and Off-Loading of Oil and Grease for a period of Two Years	19 January 2024	n/a	26 February 2024	Durban Lubricants	14 June 2024	Various Rates	61 Workdays
Notice 2 / 2024: Contract S2 of 2024	Supply, Delivery and Off-Loading of Protective Clothing for a period of Two Years	19 January 2024	n/a	26 February 2024	Premier Pipe Supply Ptemier Attraction 528 t/a ZJS Distributors Cassim's Twaz Group Elcarbo Industrial Supplies Cape	11 June 2024	Various rates	50 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
					Linot Developers			
Notice 3 / 2024	Management of Short- Term Insurance for Kouga Municipality a period of Three years	4 March 2024		4 April 2024	n/a	In Progress	n/a	In Progress
Notice 4 / 2024	Appointment of a Service Provider to Develop a Change Management Plan for Continuous Development Plan over a period of Three Years	29 January 2024	6 February 2024 (Cancelled at clarification)	n/a cancelled at clarification meeting	n/a	n/a	n/a	n/a
Notice 5 / 2024	Appointment of a Service Provider for the provision of a Secure Off-Site Storage Facility and to render Document Management Services for a period of Three (3) years.	19 January 2024	30 January 2024	19 February 2024	Metrofile	20 March 2024	Various rates	5 Workdays
Notice 6 / 2024	Appointment of Service Provider for Rendering of Employee Assistance Programme and Medical Surveillance for a period of Three 3 years	19 January 2024	29 January 2024	29 February 2024	cancelled	10 April 2024	n/a	24 Workdays
Notice 7 / 2024	Supply, Delivery, Installation and training and Maintenance of a web- based Electronic Records Document and Workflow System including a Committee Management Module for a	29 January 2024	5 February 2024	29 February 2024	Objection Period	n/a	n/a	31 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Period of 36 months							
Notice 16 / 2024	Augmentation of Sewer Rising Mains from Lamer Pump Station to Jeffreys Bay Wastewater Treatment Works- Phase 1	24 January 2024	1 February 2024	23 February 2023	Lupha Enterprises (Pty) Ltd	8 April 2024	R 9 392 485.53	18 Workdays
Notice 19 / 2024	Appointment of Service Provider for the Supply and Delivery of one 7000L Water Tanker for the Fire Department	29 January 2024		29 February 2024	Sky Metro Equipment (Pty) Ltd	26 April 2024	R1 498 952.55	20 Workdays
Notice 24 / 2024	Appointment of a Professional Service Provider to assemble a multi-disciplinary team of Professionals to conduct a full feasibility Study and Develop a Business Plan together with conceptual designs for Erf 499, Humansdorp and Portion 21 of Farm 347 of Humansdorp RD	2 February 2024	13 February 2024	4 March 2024	Urban Econ Developments Economics Pty Ltd	28 May 2024	R 589 306.00	18 Workdays
Notice 35 / 2024	Appointment of a Service Provider to render services in Aerial Photography, Videography and aerial videography and other related services for a period of three (3) years	13 February 2024	21 February 2024	14 March 2024	Integrated Aerial Systems (Pty) Ltd	28 May 2024	Various rates	37 Workdays
Notice 36 / 2024	Supply, Installation, Commissioning and Maintenance of a Performance	13 February 2024	20 February 2024	14 March 2024	Objection Period	n/a	n/a	34 Workdays

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Management System for a period of Three 3 years							
Notice 37 / 2024	Design, Build and Commissioning of the upgrade to the Gill Marcus Water Treatment Works	16 February 2024	27 February 2024	18 March 2024	International Metal Processing	24 June 2024	R4 999 050.00	46 Workdays
Notice 43 / 2024	Supply and Delivery of Laptop Devices for a period of Two 2 Years	18 March 2024	27 March 2024	22 April 2024	n/a	n/a	n/a	In progress
Notice 44 / 2024	Refurbishment of the Hankey Wastewater Treatment Works	26 February 2024	5 March 2024	17 April 2024	Imvu Construction	28 June 2024	R4 894 931.00	17 Workdays
Notice 55 / 2024	Request for Proposals for the development and Sale Offer of erf 873 Jeffreys Bay (Jeffreys Bay Golf Course)	6 March 2024	Cancelled at Clarification meeting	n/a	n/a	n/a	n/a	n/a
Notice 56 / 2024	Provision of Long- Term Loan Facility of R200 000 000.00 to Finance Infrastructure Projects for Kouga Municipality	18 March 2024	26 March 2024	3 May 2024	No bids received	n/a	n/a	n/a
Notice 79 / 2024	Supply, Installation and Servicing of Portable Fire Protection Equipment and manual Fire Alarm Systems for a period of 36 Months	10 April 2024	19 April 2024	13 May 2024	Cancellation	30 May 2024	n/a	8 Working Days
Notice 85 / 2024	Appointment of a Service provider to conduct Job Evaluation and JE Dispute	24 April 2024	2 May 2024	7 June 2024	n/a	In progress	n/a	In progress

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
	Mechanism for continuous Development for a period of three (3) years							
Notice 81/2024	Appointment of a Suitable Qualified Service Provider for the Institutional Mechanical Infrastructure Services for a period of three (3) years	26 April 2024	13 May 2024	27 May 2024	n/a	In progress	n/a	In progress
Notice 96 / 2024	Construction of Civil Services for 2023 Erven in Donkerhoek, Humansdorp gravel streets and Bulk & Internal water Reticulation Network	26 April 2024	3 May 2024	13 May 2023	n/a	In progress	n/a	In progress
Notice 101 / 2024	Appointment of Service Provider for Individual Screening of Candidates for a period of 3 years	8 May 2024	16 May 2024	10 June 2024	n/a	In progress	n/a	In progress
Notice 110 /2024	St Francis Bay Groundwater Development of three Boreholes	17 May 2024	28 May 2024	18 June 2024	n/a	In progress	n/a	In progress
Notice 81/2024 Contract S3/2024	Supply, Delivery and Off-loading of Water Fittings for a period of three 3 years.	24 May 2024	n/a	24 June 2024	n/a	In progress	n/a	In progress
Notice 108/2024 Contract S4/2024	Supply, Delivery and Off-loading of Water Meters for a period of three 3 years.	24 May 2024	n/a	24 June 2024	n/a	In progress	n/a	In progress
Notice	Upgrade of Boskloof Substation and New	27 May 2024	5 June 2024 2 nd meeting was arranged	Not closed	n/a	In progress	n/a	In progress

Tender Notice	Tender Description	Date of Advert	Date of Clarification/ Site Meeting	Closing Date	Service Provider	Date of Award	Amount/ Cancelled	Workdays Completion of Evaluation
117/ 2024	Kwanomzamo Bulk Supply for Kouga Municipality		to include bidders with CIDB grading of 6 EP PE on 2 July 2024					
Notice 118 / 2024	Upgrade of Oceanview Substation Switchgear for Kouga Municipality	27 May 2024	5 June 2024	27 June 2024	n/a	In progress	n/a	In progress
Notice 123 / 2024	Appointment of a Panel of Professional Resource Teams (Built Environment) for the feasibility of various Municipal Projects for a period of 36 months	10 June 2024	21 June 2024 Meeting changed to 24 June due to Zoom capacity only 100 participants	In progress	n/a		n/a	In progress
Notice 124 / 2024	Hiring of Portable Polyethylene VIP Chemical Toilets for a period of three (3) years	12 June 2024	28 June 2024	In progress	n/a		n/a	In progress
Notice 125 / 2024	Provision of Life saving Services to Kouga Municipality for a period of 36 Months	12 June 2024	28 June 2024	In progress	n/a		n/a	In progress
Notice 129/2022	Appointment of Service Provider to render Advertising Services in Print media to KLM	n/a	n/a	n/a	Sondlo & Knopp Advertising	13 March 2023	Various Rates	n/a award made after termination of initial appointed SP.

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

NOTICE & DESCRIPTION	SERVICE PROVIDER	DATE OF AWARD	AMOUNT/ CANCELLED
Notice 222/2019 Re-instatement of Full Scope of Work on Tender & Variation: Plant, Design and Build for the upgrade and Refurbishment of the Kwanomzamo Wastewater Treatment Plant.	Lektratek Water Technology	12 September 2023	R 36 993 818.62 (total re-instatement value)
Variation-Notice 156/2022 Variation on Electrification of subeconomic houses- Oceanview Phase 1	VE Reticulation Pty Ltd	4 October 2023	R 247 812.36
Notice 175/2022 Re-instatement of Full Scope of Work on Tender & Upgrading of 66KV Overhead line between Melkhout- Mian intake Substation Jeffreys Bay	VE Reticulation Pty Ltd	18 October 2023	R 2 999 987.08 (total re-instatement value)
Variation-Notice 175/2022 Upgrading of 66KV Overhead line between Melkhout- Mian intake Substation Jeffreys Bay	VE Reticulation Pty Ltd	18 October 2023	R521 454.00
Variation-Notice 126/2022 Resealing and Maintenance of Roads for period of three years	Imvula Roads and Civils Pty Ltd	8 November 2023	R3 472 505.80
Variation-Notice 122/2019 Appointment of Contractor for the upgrading of Loerie Sports facility	LRC Civils	24 January 2024	R 1 547 736.80
Variation-Notice 235/2021 Appointment of Consultant for the upgrading of Loerie Sports facility	Bosch Projects	21 February 2024	R 158 668.95
Variation-Notice 47/2021 Hankey Sanitation Upgrade: Installation of new sewage gravity network- final re-measurement	LRC Civils	21 February 2024	R 399 131.58
Variation-Notice 155/2021 Humansdorp Ground Water Supply phase 1	Ikhono Techni	20 March 2024	R 1 000 515.80
National Treasury Transversal contract- RT57 Supply and Delivery of 6m³ Skip Truck	Isuzu Motors Pty Ltd	23 April 2024	R 1 790 942 .49
Variation- Notice 194/2020 Appointment of Suitably Qualified Professional Service Provider for the design and Administering of the upgrade Gravel Roads in KLM	JG Afrika Pty Ltd	10 May 2024	R 762 760.11
Variation- Notice 88 of 2021 Upgrading of Gravel Roads	Scribante Construction	19 June 2024	R 205 546.73
Variation- Notice 135 of 2023 Supply and Install Paving of Portion of Erf 170 of Jeffreys Bay	Vitsha Trading & Ibala Consulting Joint Venture	19 June 2024	R 275 789.21

Annual Stocktaking

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

Section 36 Deviations in terms of SCM Policy

A Total of value of the deviations for the financial year amounts to R 59 016 289.58
Please note that this is not the figure as reported in the Annual Financial Statements reflects the amount that was paid for the financial year.

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

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

2.9 BY-LAWS

Gazetted By-Laws is reflected in the schedule below:

No	Bylaw Name	Date Gazetted	Gazette Number
1	Aerodrome By-law	27-Dec-06	No.1643
2	Funeral parlour, cemeteries and crematoria by-law	27-Dec-06	No.1643
3	Fencing and fencing by-law	27-Dec-06	No.1643
4	Impoundment of animals' by-law	27-Dec-06	No.1643
5	Public amenities by-law	28-Feb-07	No.1678
6	Roads and traffic by-law	27-Dec-06	No.1643
7	Sporting facilities by-law	27-Dec-06	No.1643
8	Stormwater management by-law	27-Dec-06	No.1643
9	Commonage By-law	28-Feb-07	No.1678
10	Prevention of public nuisances and keeping of animals' by-law	28-Feb-07	No.1678
11	Outdoor advertising and signage by-law	28-Feb-07	No.1678
12	Street trading by-law	28-Feb-07	No.1678
13	Solid waste disposal by-law	28-Feb-07	No.1678

No	Bylaw Name	Date Gazetted	Gazette Number
14	Community Fire Safety by-law	11-Jul-22	No.4769
15	Water Supply and Sanitation Services By-Law	28-Feb-07	No.1678
16	Liquor trading hours by-law	11-Nov-13	No.3070
17	Spatial planning and land-use management by-law	04-Mar-16	No.3609
18	Environmental Health by-law	11-Nov-13	No.3070
19	Property Rates by-law	29-Dec-17	No.3978
20	Customer care, Credit control and debt collection by-law	01-Oct-18	No. 4123
21	Standing Rules of Order By-law	22-Oct-18	No.4134
22	Electricity and SSEG by-law	22-Feb-21	No.4512
23	Toll parking areas By-law	11-Dec-02	No.952
23	Amended Outdoor advertising and signage By-law	28-Mar-22	No.4714
24	Wayleave By-law	26-Dec-22	No.4860
25	Waste Management By-law	13-Mar-23	No.4895
26	By-laws relating to land invasion and the management and control of informal settlements	22-May-23	No.4926

2.10 WEBSITES

The official website of Kouga Municipality (www.kouga.gov.za) is one of the most important communication tools available to the municipality. It is updated regularly and used to disseminate a wide variety of information to both internal and external stakeholders. This includes residents, business owners, non-profit organizations, and employees.

Information uploaded includes, but are not limited to, reports and documents which municipalities are legally required to make public, such as the Integrated Development Plan (IDP) and the Medium-Term Revenue and Expenditure Framework (MTREF), as well as quarterly and monthly finance reports which are compiled and published in accordance with the Municipal Finance Management Act (MFMA) and Division of Revenue Act (DORA).

Tender advertisements, notices and vacancies are also published on the website to ensure a wide a reach as possible. Other information placed on the website includes municipal contact numbers and media releases, as well as events and photos.

Application and registration forms can also be downloaded from the website.

The following documents must appear on the website after approval:

- Annual Report.
- Integrated Development Plan.
- Service Delivery Budget Implementation Plan.
- Performance Agreements of S57 and S56 Managers.
- List of disposed assets.
- Supply Chain Contracts.
- Long-term Borrowing Contracts.
- Public Private Partnership Agreements.
- Service Delivery Agreements.
- Section 52(d) Reports for the Fourth Quarter.

Documents Published on the Municipal Website		Yes/No	Date Published
1	Annual Budget 2024/2025	YES	03 June 2024
2	Final IDP 2024/2025	YES	28 June 2024
3	All budget policies	YES	Various dates
4	All service delivery agreements	NO	N/A
5	All long-term borrowing contracts	YES	Various dates
6	All SCM contracts above R100 000 per quarter	YES	Various dates
7	Public-private partnership agreements	N/A	N/A
8	Service Delivery and Budget Implementation Plan (Amendment): 2023/2024	YES	30 April 2024
9	Performance Agreements 2023/24: Senior Managers	YES	25 March 2024
10	2022/2023 Annual Report	YES	03 April 2024
11	2021 Employment Equity Plan	YES	22 February 2022
12	General Valuation 2023/2027	YES	06 February 2023

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

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES



The customer satisfaction survey is conducted towards the end of each financial year i.e., around May/June.

Through an integrated strategy to improve on the previous year's participation and responses, the customer satisfaction survey was conducted through various platforms (i.e., printed forms, Facebook-, WhatsApp- and Internet links) to ensure that a more users of municipal services participate.

With the Public Satisfaction survey conducted as reported in the 2022/23 Annual Report, 397 surveys were completed and submitted by the different wards. It was evident that the approach where notices were published, and survey forms being made available at all municipal offices did not achieve the desired result, especially in the Gamtoos Valley areas.

It is worth noting that the new initiative to make use of other forms of communication, e.g., social media platforms yielded a 28% increase (from 397 to 550) in customer responses to the survey as opposed to the previous surveys. Residents were urged to make use of the survey to evaluate the municipality and to suggest areas of improvement. Participation was entirely voluntary. The closing date for the survey was 15 March 2024.

Customer Satisfaction Survey, this includes an online survey at:

English

<https://arcg.is/05DeP4>



Afrikaans

<https://arcg.is/0vqj4K>



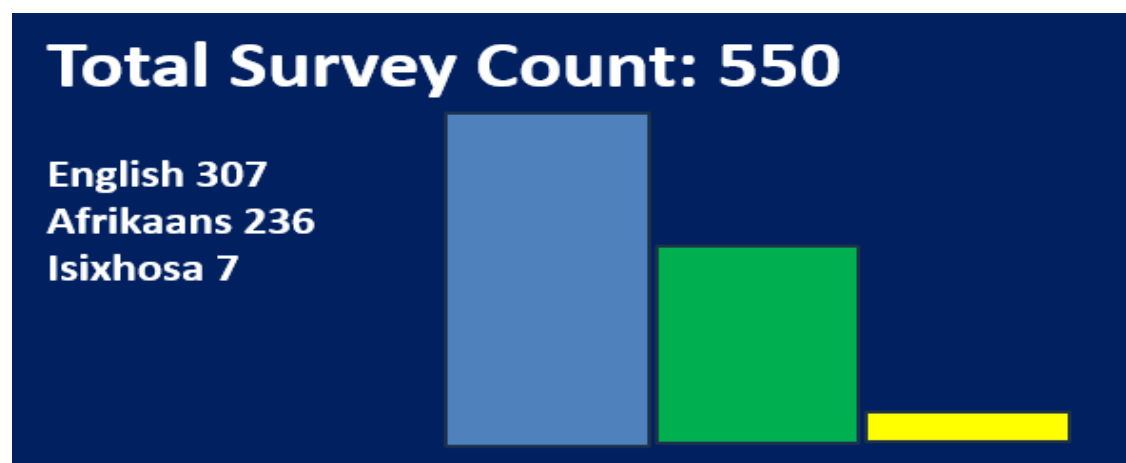


isiXhosa

<https://arcg.is/1H0qrK0>



The Satisfaction Survey indicated that 75% of respondents were satisfied with the overall service delivery experience by Kouga Local Municipality and the way the municipality is governed.



2.12 MUNICIPAL OVERSIGHT COMMITTEES

Section 79 Committees - Council established the following Committee in terms of Section 79 of the Municipal Structures Act:

- Municipal Public Accounts Committee - The Municipal Public Accounts Committee which is made up of non-executive Councillors ensures that the Administration is held accountable for the management of municipal funds and assets, and to ensure the efficient and effective utilisation of council resources. The Committee also considers the Annual Report and makes recommendations to Council on the Annual Report by submission of an Oversight Report. The Committee's Oversight Report is published separately in accordance with the Municipal Finance Management Act.

- b. Rules and Ethics Committee - The Rules and Ethics Committee is a Disciplinary Committee established in terms of Schedule 7, Section 14(1)(b) of the Code of Conduct for Councillors, which states that a Municipal Council may: "(b) establish a special committee- (i) to investigate and make a finding on any alleged breach of this Code; and (ii) to make appropriate recommendations to the council."
- c. Municipal By-Laws and Policy Committee - The Municipal By-Laws and Policy Committee ensures the review of Municipal by-laws and policies, and the development of new by-laws and policies.
- d. Monitoring and Evaluation Committee - The Monitoring and Evaluation Committee is established to assist the Municipal Council by focusing on implementation of the IDP and its alignment to the SDBIP.

Statutory Committees

Administrative Committees

Council has also established administrative committees as follows:

- a. Audit/Performance Audit Committee
- b. Bid Specification Committee
- c. Bid Evaluation Committee
- d. Bid Adjudication Committee.

The Audit Committee is established in terms of Section 166 of the Municipal Finance Management Act. It is an independent external committee, which provides an oversight, compliance, and advisory function.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

COMPONENT A: OVERVIEW OF PERFORMANCE

3. INSTITUTIONAL SCORECARD

From the 2023/24 Institutional Scorecard

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

Key Performance Area	Number of KPI's 2023/24	Number of KPI's Achieved 2023/24	Percentage Achievement 2023/24	Comment	2021/22 Score	2022/23 Score	2023/24 Score
and Transformation							
KPA 3: Local Economic Development	7	6	85.71%		75%	60%	85.71%
KPA 4: Financial Viability and Management	6	5	83.33%	Revenue Collection of 91.01% against 92% target	60%	75%	83.33%
KPA 5: Good Governance and Public Participation	3	3	100%		88.8%	50%	100%
Overall Institutional Performance	38	30	79.94%		78.76%	61.9%	79.94%

3.1 SUMMARY OF ACHIEVEMENTS PER KEY PERFORMANCE AREA

3.1.1 KPA 1 INFRASTRUCTURE AND BASIC SERVICE DELIVERY

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
1	Cp9, cp17-00, cp19003 Cp19004 Cp19005 Cp78001 Cp78002 Cp78003 Cp78004 Cp78005 Cp56001 Cp72002 Cp98012 Cp98013	% Expenditure of Capital budget provision for capital projects (Inclusive of adjustments up to 31 December 2023)	95%	90%	62.8%	The procurement processes to implement capital projects have been fast tracked and most tenders have been awarded. Completion anticipated for the 2024/25 year.
1.1		% Expenditure of Capital budget provision for capital projects newly listed with the January	New	50%	26.09%	At the time of the adjustments budget allocation most of the planning processes had to be completed prior to procurement of construction.

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
		2024 Adjustments Budget				The procurement processes to implement capital projects has been fast tracked and most tenders have been awarded. Completion anticipated for the 2024/25 year
2	I&E 003	% Water Losses between water purchased/produced and water sold/ accounted for.	54%	<35%	39.8%	The baseline was established at the beginning of the FY based on historic figures and set as 47%. A reduction target of 10 % was provided. A reduction of 7.2 % was achieved. Note that the program to further reduce water losses remain in place for the year 2024/25. A further directive from the Auditor General resulted in that an official Water Losses Reduction Program was brought to life and is reported monthly. This program is strongly supported by the Manager Water Services Authority.
3		% of Households with access to basic level of water (Based on availability fees on service accounts)	New	100%	100%	None
4		% of Households with access to basic level of Sanitation (Based on availability fees on service accounts)	New	100%	100%	None
5	CP19004	% of DMRE grant funding by 30 June 2024	100%	95%	90.17%%	Roll over application submitted project scheduled for completion during 2024/25. Additional funding allocated with the adjustments budget to support basic service provision to support the relocation of residents.
6	cp19003 Cp19004 Cp19005 Cp78001 Cp78002 Cp78003 Cp78004 Cp78005 Cp56001 Cp72002	% MIG grant funding expenditure by 30 June 2024	100%	95%	100%	None

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
7		% of Formal Households with access to basic level of electricity (Based on availability fees on service accounts)	New	100%	100%	None
8		% Non-distribution Electricity losses	7.3%	Less than 15%	14.7%	Non-technical losses at 6.7%.
9	CP19003	% Expenditure of EEDSM funding by 30 June 2024	New	95%	100%	None
10		% Expenditure of WSIG grant funding	New	95%	76%	Notice to expedite pressure testing was issued to the contractor for the Mimosa pipeline which was causing delays. Project will be completed during the 2024/25 year. Additional works at the Paradise Beach tower was commissioned (introduction of pressure reducing valve) to deal with the unexpected high pipe break failures experienced in Paradise Beach. Project will be completed during the 2024/25 year
11		% Of municipal fleet in serviceable condition	95%	90%	90%	None
12	I&E 004	% SANS compliance for drinking water across all parameters	97.93%	90%	January – December 2023 (Microbiological Acute Health) = 92.10% (Chemical Chronic Health > 99.9%) (Chemical Aesthetic) = 93.86% (Chemical Operational) = 93.67% January – June 2024 (Microbiological Acute Health) = 91.25% (Chemical Acute Health)= >99.9% (Chemical Chronic Health >99.9%) (Chemical Aesthetic)=93.99% (Chemical Operational)=85.25%	None

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

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
		solid waste removal fees on service accounts)				

3.1.2 KPA2 INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

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

3.1.3 KPA 3 LOCAL ECONOMIC DEVELOPMENT

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

NO	IDP REF	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET	ACTUAL ACHIEVEMENT	COMMENT AND CORRECTIVE ACTIONS
						Critical vacancies have been budgeted for, and vacancies will be filled in the 2024/25 year.

3.1.4 KPA 4 FINANCIAL VIABILITY AND MANAGEMENT

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

3.1.5 KPA 5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

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

COMPONENT B: INSTITUTIONAL PERFORMANCE AS PER COGTA INDICATORS

KPA 1: ORGANIZATIONAL DEVELOPMENT AND INSTITUTIONAL TRANSFORMATION

	Indicator Name	Total number of people planned for the year	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1.	Vacancy rate for all approved budgeted posts	3%	3%	3.2%	
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	5	83%	The filling of the post of Director Planning and Development has been a challenge with the municipality embarking on the third round of recruitment to fill the post

3.	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skills development training course within the FY	2	2	100%	
4.	Percentage of Managers in Technical Services with a professional qualification	3	3	100%	
5.	Level of PMS effectiveness in the DM (DM to report)	To be reported by the Sarah Baartman District Municipality			
6.	Level of effectiveness of PMS in the LM (LM to report)	Performance Management currently rolled out all staff			
7.	Percentage of staff that have undergone a skills audit (Including competency profiles) within the current 5-year term	874	874	100%	
8.	Percentage of Councillors who attended a skills development training within the current 5-year term	29	29	100%	
9.	Percentage of staff complement with a disability	1,5%	1,5%	1,5%	
10.	Percentage of female employees	35%	35%	35%	

11.	Percentage of employees that are aged 35 or younger	25%	25%	25%	
12.	Adoption and implementation of a HRD including a Workplace Skills Plan	Yes	yes	Completed	

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

	Indicator Name	Target set for the year	Achievement level for the year (Absolute figure)	Achievement percentage during the year
1.	% of Ward Committees established	100%	100% (15 ward committees)	100%
	Indicator Name	Target set for the year	Achievement level for the year (Absolute figure)	Achievement percentage during the year
2.	% of Ward Committees that are functional	100%	100% (15 ward committees)	100%
3.	Existence of an effective system to monitor CDW's	The CDW's are administered through the Office of the Speaker and the Public Participation Officer meet monthly with CDW's to track progress and receive submissions by CDW's.		
4.	Existence of an effective Strategy	Clustered Sub-Committee Strategy is implemented.		
5.	Effective structural meetings	All Muni-Mec meetings are attended. 9 local IGR contact sessions were hosted by KLM in the 2023/2024 financial year.		
6.	Existence of an effective communication strategy	Communication Strategy in place and communication is effective.		
7.	Number of Mayoral Imbizo's conducted	The Executive Mayors Office initiated several public engagement meetings including recently launched walk in sessions.		

8.	Existence of a fraud prevention mechanism	Anti-Corruption and Fraud Prevention Policy approved by Council 1 August 2017

HUMAN SETTLEMENTS AND TOWN PLANNING COGTA INDICATORS FOR 2023/24 ANNUAL REPORT

	Indicator Name	Total Number of household/ customers expected to benefit	Estimated backlogs (actual Numbers)	Target set for the year under review 2024/25	Number of households/ customers reached during the financial year	Achievement percentage during the year
1.	% of households living in informal settlements	13.5%	3814	868	3000	34%
	Indicator Name	Total Number of household/ customers expected to benefit	Estimated backlogs (actual Numbers)	Target set for the year under review 2024/25	Number of households/ customers reached during the financial year	Achievement percentage during the year
2.	% of informal settlements that have been provided with basic services	95%	5%	190	750	79%
3.	Existence of an Effective Indigent Policy	Yes				
4.	Existence of an	Kouga Municipality Spatial Development Framework, 2021 – approved Revision of SDF in process.				

	approved SDF	

COMPONENT C: INDIVIDUAL PERFORMANCE

The Performance Management Section administers Institutional Performance and Individual Performance to the level of the Municipal Manager and Directors reporting directly to the Municipal Manager.

The purpose of the performance management section is to prepare the Institutional Service Delivery and Budget Implementation Plan and to provide Councillors and Top Management with performance reports to allow oversight and timeous corrective action where it is evident that set institutional targets may not be achieved.

In compliance with the legislative provisions does the Integrated Development Plan for the year under review form the basis of the Institutional Service Delivery and Budget Implementation Plan. The Institutional Service Delivery and Budget Implementation plan forms the basis for the individual performance agreements of the Municipal Manager and Directors.

Departmental Service Delivery and Budget Implementation Plans are developed to monitor performance in support of the achievement of Institutional Targets. The Departmental Service Delivery and Budget Implementation Plans forms the basis for performance agreements at the line manager and first line supervisory levels, but selected targets from the Departmental Service Delivery and Budget Implementation Plans may be included as operational targets for Directors.

Performance agreements are concluded annually before 31 July and performance reviews for the Municipal Manager and Directors must be conducted on a quarterly basis with the annual performance review conducted by an Evaluation Panel appointed in terms of the Performance Management Regulations consisting of the following members:

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

Performance bonuses are only paid after evaluation and only on approval of the evaluation results by Council and the adoption of the annual report for the period under review subject to affordability.

The roll-out of performance to levels below Senior Management as required in terms of the provisions of Section 34 of the Local Government Municipal Staff Regulations, R890

dated 20 September 2021 has been implemented with effect 1 July 2023.

Performance reviews for staff below the level of senior management is conducted by the immediate supervisor of the incumbent with performance results submitted for consideration by Departmental Moderation Committees followed by submissions to the Institutional Performance Moderation Committee.

COMPONENT D: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

3.2 PROVISION OF WATER

The Constitution of South Africa assigns the responsibility of ensuring access to water services to Local Government. Furthermore, the Water Services Act entrusts the local municipality with provision of affordable, efficient, effective on-going water services which is sustainable. The Directorate Civil and Water Services envisages an area that is supported by an efficient and well-maintained service infrastructure network, which allows all citizens and stakeholders access to a growing base of innovative, safe, reliable, and affordable services. Service delivery requires the provision of new services as well as the maintenance of existing services.

The Present Water Consumer Quantities are:

TOWN	RESIDENTIAL ERVEN 2023/24	INSTITUTIONAL /COMMERCIAL/ INDUSTRIAL NUMBER OF ERVEN 2023/24	TOTAL No OF ERVEN 2023/24
Humansdorp	7 522	378	7 900
Jeffreys Bay (incl. Aston Bay, Pellsrus, Ocean View and Paradise Beach)	13 194	1 426	14 620
St Francis Bay	3 484	50	3 534
Cape St Francis	819	3	822
Oyster Bay	559	13	572
Hankey	2 674	84	2 758
Patensie	784	67	851
Loerie	471	13	484
Thornhill	491	13	504
TOTAL	29 998	2 074	32 045

Key Stakeholders - The towns of Hankey and Patensie obtain raw water from the Kouga Dam via the canal system which is operated by the Gamtoos Water on behalf of the Department of Water and Sanitation. Raw water is treated at the Patensie and Hankey water treatment works to potable standards before distribution. A new borehole supplying Hankey with water has been equipped and piped to the Hankey water treatment works to supplement supply from the Kouga dam. A new package plant was installed in Hankey which can remove iron and manganese from the groundwater.

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

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

Level and Standard in Water Services - All the consumers within the Kouga Municipality receive water services at or above RDP standards (access to communal water standpipe in informal areas within 200m distance) Based on the Service Level Policy of Kouga to provide higher level of service, first order of assessment indicates that Kouga requires R82 million to service and provide house connections to all residents in informal settlements once formalized (excluding Bulk). Our Regional Bulk Infrastructure Programme for water services requirement is estimated to be R 652 million.

Kouga Municipality is committed and endeavours to conform to the norms and standards of SANS 241 and blue drop requirements with regards to water quality.

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

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

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

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

It was required to continue with Water shedding in the towns of Patensie and Hankey since 2017, to ensure usage remain within the restricted quota. The water is provided to residents via the reticulation system for 6 hours in the morning and 6 hours in the afternoon only.

Although the water supply situation has improved, water collection stations remain in place (JoJo tanks) and water is distributed by means of water trucks to the communities when needed.

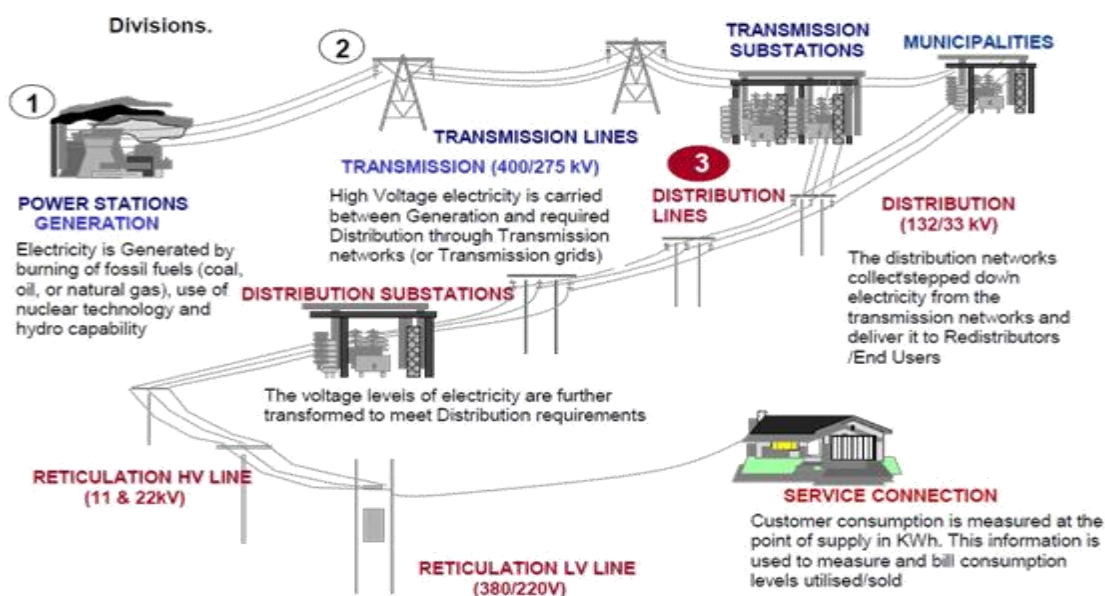
3.3 SANITATION PROVISION

The policy of Kouga LM, adopted during 2015, provides that the minimum acceptable standard for sanitation services will be a waterborne system in all areas. Due to the limited own capital funding for projects, bulk infrastructure upgrading/ rehabilitation is mostly funded by grant funds.

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

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

3.4 PROVISION OF ELECTRICAL SERVICES



The Kouga Municipality is the registered supply authority managing the electricity supply to the following towns Humansdorp, Jeffreys Bay, St Francis Bay, Cape St Francis, and Oyster Bay, with a bulk meter supply point taken from the Eskom grid. Maintaining the internal distribution networks is the responsibility of Kouga Municipality.

The Municipality's role is to construct, operate, and maintain the distribution network for electricity service delivery to residential, commercial, and industrial consumers within the towns we manage, in addition this includes street lighting and supplying to all internal infrastructure pump stations, etc. with electricity. Hankey, Patensie and Loerie are supplied with electricity by Eskom, while Thornhill is supplied with electricity by the Nelson Mandela Municipality.

Table 2: The present consumer quantities for electricity are:

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

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

Note: Total excludes vacant erven.

The key factors in the service delivery strategies are to maintain a high standard of service and to ensure that electricity is available to all commercial properties, households (both formal and informal), in addition new development within acceptable norms prescribed the ERA of 2006.

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

Level and Standards in Electricity Services - Quality assurance is a standard requirement for Kouga's electrical network. The objective is for the levels and standards for the provision of the electricity services, to be compliant with the requirements of the National Energy Regulator (NER) and the quality of service and supply standards of NRS 047 & 048. Annual reports in this regard were submitted to NER based on information obtained from data loggers installed at various locations in the network.

Electricity is made available to all potential consumers in the areas for which the Municipality is permitted to supply in terms of its licence conditions and demarcating. The target is revised annually in accordance with the demand informed by our human settlements master planning or town planning's SDP that that navigate our development target.

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

LED streetlight installations totalling 693, the high wattage mercury vapour streetlighting was replaced to lower the energy consumption and assist the national

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

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

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

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

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

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

The procurement and installation of a 1,6MVA transformer for Cape St. Francis, Main Intake. The increasing load required an additional transformer to be installed to assist with the security of supply to the area.

The supply and installation of a 500kVA Miniature Substation at the Harbour in St. Francis Bay. The development of industry in the surrounding areas elevated the need for this installation due to increased load requirements emanating from the area.

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

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

Table 3: Annual Performance as per Key Performance Indicator in Electricity Services

	Indicator name	Total number of household / customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the 2023_24FY	Percentage achievement during the year
1	Households with access to electricity services	24 001	0	169 (368 targeted but only 169 funded)	169	100%
2	Indigent households with access to basic electricity services	7623	0	300	305	+100%
3	Indigent households with access to free energy sources	0	0	0	0	0%

Major Challenges

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

Remedial Actions

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

- Through the acquirement of SCAA, appoint additional suitably qualified staff to monitor quality supply and level of services and enforce methods to rectify any deficiencies in the electrical supply.
- The appointment of a service provider to manage, investigate and prevent meter tampering and overall meter management which will contribute to enhancing the revenue.

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

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

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

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

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

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

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

Projects completed during the 2023/24 financial year.

- Installation of Variable Speed Drives to critical high energy consumption pumpstations, eight pumpstations where completed.
- Sewer pumpstations upgraded with new pumps.
- Two sewer pumpstations connected to SCADA system for improved efficiency.

Insert 1: SCADA dashboard recording levels

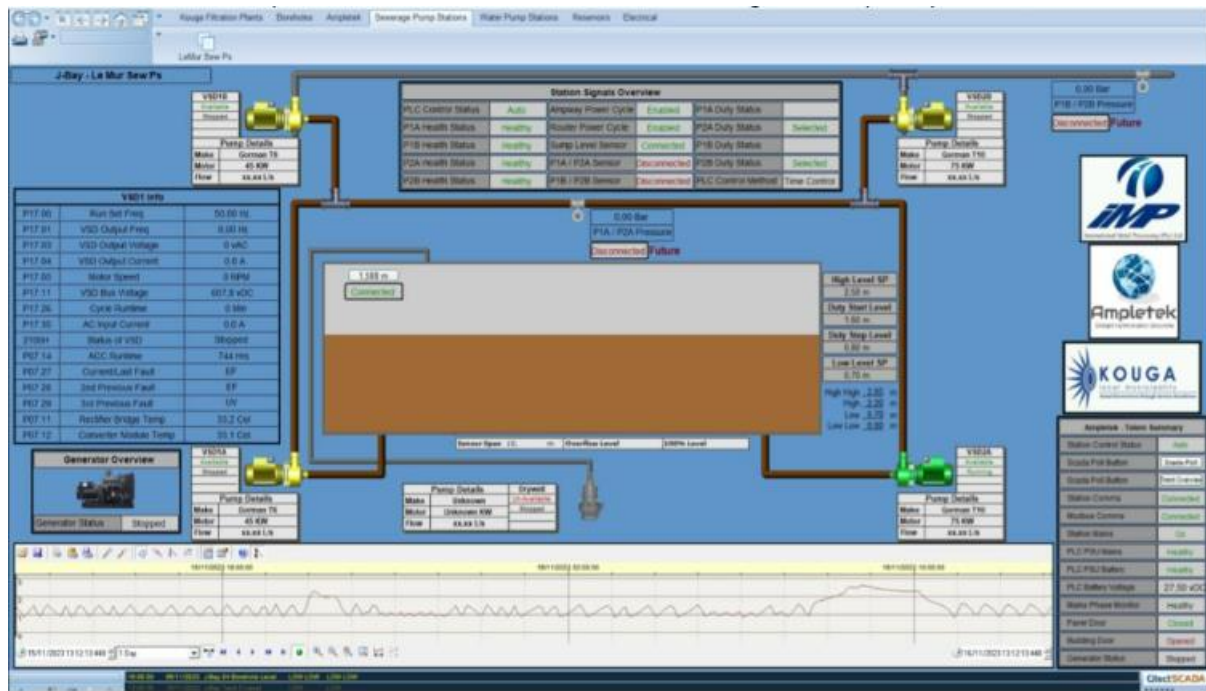


Table 5: List of pumpstations

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

Table 6: Projected savings

Project No.	Project name	Price per kWh (can be modified by the municipality, if required) incl. VAT	Planned simple payback period in years	kWh savings per year

no	description	ZAR/kWh	years	kWh
1	Replace Pumps STAR-DELTA with VSD's	1,7300	8,7	89 790

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

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

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

Ward	Pumpstation	Cost
2,3,8,11,12,14	4A Pumpstation	R359,000.00
	Rotating missing - to be replaced T10 Pump set 2	R350,000.00
	Delivery pipes to be welded/ cracks	R7,000.00
	Outside lights to be fixed	R2,000.00
	Sump to be cleaned	
2,3,8,11,12,14	4B Pumpstation	R138,627.71
	Sump to be cleaned	
	Pump set 1 to be removed, rusted and damaged	R129,627.71
	Delivery pipes to be welded/ cracks	R7,000.00
	Outside lights to be fixed	R2,000.00
	Water tap to be installed	
2,12,14	Aapiesdaai Pumpstation	R752,498.23
	NRV to be replacedx2	R81,861.31

Ward	Pumpstation	Cost
	Outside lights to be fixed (internal)	R2,000.00
	Sump to be cleaned	
	Pump set 1	R231,336.12
	Pump set 2 running	
	Pump set 4 possible casing replacement	R381,649.49
	Pump set 4 running (Warranty claim not approved)	R55,651.31
5	Arcadia Pumpstation	R249,527.64
	Refurbishment of vandalised pumpstation complete	R249,527.64
14	Cormorant Pumpstation	R20,000.00
	T10 Service exchange	R225,000.00
	NRV to be replaced	R81,861.31
	Sump wall to be removed	R20,000.00
14	Dolphin drive Stormwater	R41,405.04
	Supply 5.5kw Evak pump	R41,405.04
9	Ext 3 Pumpstation	R1,126,000.00
	Sump wall to be erected	
	Panel to be refurbished	R314,000.00
	VSD installation to be done	R112,000.00
	Kwanomzamo Pumpstation	R709,293.31
15-May-24	Refurbishment of vandalised pumpstation: Supply new 29kw Robot	R265,717.05
15-May-24	Refurbishment of vandalised pumpstation: Smart lock dry chamber	R119,420.14
15-May-24	Refurbishment of vandalised pumpstation: Panel, Supply & Install pumps, Cable work	R249,789.28
15-May-24	Refurbishment of vandalised pumpstation: Supply n& install Clearview fencing	R74,366.84
	Kabeljous Pumpstation	R7,000.00

Ward	Pumpstation	Cost
	Outside lights to be fixed	R7,000.00
	La-Ida Pumpstation	R1,014,000.00
	New Panel required	R314,000.00
	Generator required	R700,000.00
	La-Mer Pumpstation	R350,000.00
	New rotating unit T10 including casing	R350,000.00
	Loerie Pumpstation	R225,000.00
	New 13kw robot submersible (incl. installation)	R100,000.00
	New Panel	R125,000.00
	Long Island Pumpstation	R150,000.00
	New 2.6kw Robot	R25,000.00
	New Panel	R125,000.00
	Queen street Pumpstation	R265,303.41
	Refurbishment of vandalised pumpstation complete	R265,303.41
	Stofwolk Pumpstation	R189,780.77
4-Apr-24	Repairs to pumpstation - Vandalised - Complete	R189,780.77
	Oyster Row Pumpstation	R314,000.00
	New Panel	R314,000.00
	Sandkasteel Pumpstation	R40,251.71
28-Nov-23	Auto switch repair	R1,186.80
12-Jul-23	Test pump no 2, Fault find on auto	R2,558.75
21-Dec-23	Repair & Install 13kw Submersible, Repair panel pump 1 & 2	R36,506.16
	St Francis Bay WWTW	R104,000.00
24-Oct-23	T4 Rotary & Thrust plate x 2	R104,000.00
	Tecoma Pumpstation	R21,223.02
10-Oct-23	Temp pump	R939.55

Ward	Pumpstation	Cost
31-Oct-23	Install 2 x 6kw Robot pumps	R7,451.77
24-Jan-24	Repair 6kw Robot submersible	R12,831.70
	Thornhill WWTW	R191,219.88
28-Nov-23	Strip & Test 2,2kw motor	R8,688.32
13-Feb-24	Repairs to 2,2 Hydrostat	R12,109.50
25-Apr-24	Fit new pump & motor for raw sewerage (standby pump)	R96,740.53
8-May-24	2 x Compressor 100L + single phase protection	R42,256.26
23-May-24	Supply & install new pressure pump for Thornhill WWTW	R31,425.27
	Transvia	R34,552.91
6-Mar-24	Transvia Borehole, replace cable & motor	R34,552.91
	Trevor Manual Pumpstation	R34,021.60
30-Oct-23	Repair 6kw Grundfos sub pump	R18,809.40
26-Oct-23	Install temp pump (Tecoma) & Adapters	R2,380.50
24-Jan-24	Repair 6kw Robot submersible	R12,831.70
	Vergenoeg Pumpstation	R88,396.12
7-Sep-23	Install pump & call out	R4,696.58
1-Dec-23	Repair 21kw ABS Pump & Panel installation	R44,711.23
1-Dec-23	Repair 10kw Robot (Pump 2) & Installation	R34,639.91
29-Feb-24	Install 22kw Robot & Temp adaptor chain, Repair panel	R4,348.40
	Zwartenbosch	R11,194.19
15-Mar-24	Repairs to vandalised pump	R11,194.19

3.5 ROADS AND STORMWATER SERVICES

The following sources was referenced for information on road infrastructure:

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

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

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

Levels and Standard in Roads Maintenance Services - The condition of roads in the Greater Kouga Municipal area deteriorated rapidly over the past few years due to ageing infrastructure, increase traffic volumes, insufficient funding for maintenance and the impact of flooding over the past few years.

The standard of roads maintenance in all areas in the Kouga is the same whether it's re- gravelling or resealing or pothole repair. Due to the lack of a pavement management system, visual inspection of tarred roads is performed to prioritize the reseal of tarred roads in all wards.

Low level road maintenance services are done through complaints register kept at each Administrative Unit. High level maintenance and repairs are determined through community participation at budget meetings.

The various levels and standards of the road network under the jurisdiction of the Municipality are reflected in the tables below.

Paved Road Length (km) per Surface Type by Town

Town	Flexible	Block	Concrete	Total
Cape St. Francis	10.11	0.62	0.00	10.73
Hankey	12.69	2.03	0.00	14.72
Humansdorp	41.08	5.39	0.00	46.46
Jeffreys Bay	159.71	3.52	0.17	163.40
Loerie	1.96	0.00	0.00	1.96
Oyster Bay	2.89	0.06	0.15	3.10
Patensie	12.54	0.47	0.21	13.23
St. Francis Bay	45.62	0.53	0.00	46.15
Thornhill	2.19	0.00	0.00	2.19

Town	Flexible	Block	Concrete	Total
Total	288.79	12.62	0.53	301.94

Unpaved Road Length (km) per Surface Type by Town

Town	Gravel	Earth	Track	Total
Cape St. Francis	3.24	0.00	0.00	3.24
Hankey	14.87	0.12	0.03	15.02
Humansdorp	65.25	0.13	0.24	65.62
Jeffreys Bay	17.43	0.00	0.09	17.52
Loerie	4.55	0.00	0.37	4.92
Oyster Bay	6.00	0.00	0.08	6.08
Patensie	1.07	0.00	0.00	1.07
St. Francis Bay	2.48	0.00	0.21	2.69
Thornhill	3.44	0.00	0.00	3.44
Total	118.33	0.26	1.01	119.60

The tables below are a summary of the conditions of surfaced roads in Kouga Municipality

Condition Category (VCI) of Flexible Road Length (km)

Town	<i>Flexible Road Length (km) per Condition Category (VCI) by Town</i>					<i>Total Length (km)</i>
	<i>Very Good</i>	<i>Good</i>	<i>Fair</i>	<i>Poor</i>	<i>Very Poor</i>	
Cape St. Francis	2.10	3.47	4.47	0.08	0.00	10.11
Hankey	1.32	5.30	5.26	0.29	0.00	12.16
Humansdorp	11.20	13.88	13.60	2.19	0.00	40.87
Jeffreys Bay	77.77	62.70	18.29	0.91	0.00	159.67
Loerie	0.44	0.36	1.15	0.00	0.00	1.96
Oyster Bay	0.00	1.66	1.23	0.00	0.00	2.89
Patensie	1.30	3.27	5.89	2.04	0.00	12.48
St. Francis Bay	19.05	20.75	5.66	0.03	0.00	45.49
Thornhill	1.54	0.53	0.12	0.00	0.00	2.19
Total	114.71	111.90	55.67	5.54	0.00	287.82

Condition Category (VCI) of Block Road Length (km)

Town	Block Road Length (km) per Condition Category (VCI) by Town					Total Length (km)
	Very Good	Good	Fair	Poor	Very Poor	
Cape St. Francis	0.00	0.53	0.09	0.00	0.00	0.62
Hankey	0.00	0.96	0.93	0.15	0.00	2.03
Humansdorp	0.00	2.16	2.82	0.00	0.00	4.98
Jeffreys Bay	0.00	0.53	2.91	0.00	0.00	3.44
Oyster Bay	0.00	0.06	0.00	0.00	0.00	0.06
Patensie	0.00	0.14	0.33	0.00	0.00	0.47
St. Francis Bay	0.18	0.13	0.22	0.00	0.00	0.53
Total	0.18	4.50	7.30	0.15	0.00	12.13

Condition Category (VCI) of Concrete Road Length (km)

Town	Concrete Road Length (km) per Condition Category (VCI) by Town					Total Length (km)
	Very Good	Good	Fair	Poor	Very Poor	
Jeffreys Bay	0.17	0.00	0.00	0.00	0.00	0.17
Oyster Bay	0.00	0.00	0.13	0.02	0.00	0.15
Patensie	0.00	0.06	0.05	0.10	0.00	0.21
Town	Concrete Road Length (km) per Condition Category (VCI) by Town					Total Length (km)
	Very Good	Good	Fair	Poor	Very Poor	
Total	0.17	0.06	0.17	0.13	0.00	0.53

The table below is a summary of the condition of Unpaved Roads

Town	Unpaved Road Length (km) per Condition Category (VCI) by Town					Total Length (km)
	Very Good	Good	Fair	Poor	Very Poor	
Cape St. Francis	0.00	0.00	1.17	1.57	0.50	3.24
Hankey	0.00	0.05	2.81	10.72	1.16	14.74
Humansdorp	0.00	0.32	5.49	39.99	16.06	61.87
Jeffreys Bay	0.00	0.00	6.01	10.20	1.05	17.26

Loerie	0.00	0.00	0.00	3.01	1.41	4.42
Oyster Bay	0.00	0.00	0.09	4.83	1.08	6.00
Patensie	0.00	0.00	0.00	0.45	0.00	0.45
St. Francis Bay	0.00	0.22	1.01	1.25	0.18	2.66
Thornhill	0.00	0.00	0.44	3.00	0.00	3.44
Total	0.00	0.59	17.03	75.04	21.43	114.08

The table below is a summary of funding spent on upgrading gravel roads.

Cost of Construction/Maintenance		
Year	New	Gravel - Tar
2020/21	R0.00	R1,999,917.40
2021/22	R0.00	R16,687,134.19
2022/23	R0.00	R13,185,340.00
2023/24	R0.00	R3,339,130.00

During the 2023/2024 financial year R21,300,000 including VAT was allocated for road resealing on the operating budget.



Patensie: Johnny Ferreira Road reseal



Jeffreys Bay: Tulip Street resealing

The following summary of highlights that was undertaken and completed under the project:

REF,	ROAD NAME	WARD	LENGTH (m)
A1	JOHNNY FERREIRA ROAD	13	1 293.20
A2	SANDILE MJACU AVENUE	13	445.81
A3	KAREE AVENUE	8	288.43
A4	PETAL STREET	11	443.10
A5	DISA AVENUE	11	374.87
A6	TULIP AVENUE	11	845.70
A7	WILDPLUM CRESCENT	8	351.63
A8	BEECH AVENUE	8	201.66
A9	ANGELWINGS CRESCENT	11	662.97
A10	NERITA STREET	11	259.92
A11	OMDRAAI STREET	11	74.30
A12	COWRIE STREET	11	197.39
A13	JOEY FOURIE DRIVE	12	549.41
A14	DIRK FOURIE DRIVE	12	676.17
A15	JACANA DRIVE	2	487.17
A16	FINCH ROAD	2	130.86
A17	JEFFREYS STREET	11	907.64
A18	AZALEA ROAD	11	489.84
A19	BARRACUDA ROAD	12	408.45
A20	LORSTAN AVENUE	12	380.00
			9 468.52

- Length of roads resealed = 9.5 km
- Potholes repaired = 3,587m²

Further to the above Capital Municipal Infrastructure Grant (MIG) funding to the amount of R13,285,340.80 including VAT was allocated for the consulting fees and construction of the upgrading of various gravel roads to surfaced roads in Kouga area.

Annual Performance Service as per Key Performances Indicators regarding Roads

Indicator name	Total number of household/ customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (Actual numbers)	Number of Households/ customers reached during the FY	% of achievement during the year
Percentage of households without access to gravel or graded roads	Nil	Nil	Nil	Nil	Nil
Percentage of road infrastructure requiring upgrade	20.1%	83.57km	Nil	Nil	Nil
Percentage of planned new road infrastructure actually constructed	Nil	83.57 km	km	Nil	100%
Percentage of capital budget reserved for road upgrading and maintenance effectively used	Nil	*R 389.3 Million (Estimated amount adjusted to compensate for inflation)	Nil	Nil	Nil

Major challenges in Road Maintenance and Remedial Action:

Like most local authorities throughout our country, road repair and maintenance remain a challenge due to budgetary constraints, terrain, aging road and storm water infrastructure, poor sub-surface conditions, and ever-increasing traffic volumes.

The Kouga Municipality utilizes own funds for the maintenance and repair of Provincial roads located within our town boundaries.

Cost of Backlog Eradication

Town	Preventative Maintenance	Rehabilitation	Special Maintenance	Grand Total
Cape St. Francis	1 244 688.75	17 267 068.70	3 200 061.80	21 711 819.25
Hankey	783 846.75	16 248 673.70	7 896 019.30	24 928 539.75
Humansdorp	7 062 720.75	49 176 031.45	21 014 245.90	77 252 998.10
Jeffreys Bay	47 221 444.50	79 380 971.40	78 787 400.55	205 389 816.45

Town	Preventative Maintenance	Rehabilitation	Special Maintenance	Grand Total
Loerie	342 274.50	2 928 427.00	395 104.30	3 665 805.80
Oyster Bay	121 022.25	1 728 935.20	2 417 623.35	4 267 580.80
Patensie	1 202 689.50	21 440 267.80	3 006 703.02	25 649 660.32
St. Francis Bay	8 022 594.38	19 463 227.30	35 868 396.55	63 354 218.23
Thornhill	635 098.20	2 370 545.40		3 005 643.60
Grand Total	66 636 379.58	210 004 147.95	152 585 554.77	429 226 082.30

3.6 MUNICIPAL INFRASTRUCTURE GRANT IMPLEMENTATION

This report outlines how Kouga Municipality effectively and efficiently managed the PMU, specifically in alignment with the principles and objectives underpinning the design of the programme as contained in the MIG Policy Framework.

The Municipality confirms that the operational outcomes of the PMU did:

- Acknowledge and adhere to all aspects including all principles, objectives, sector conditions and outcomes contained within the MIG Guideline Document and the MIG Policy Framework Document.
- Ensure adherence to the Labour-Intensive objectives as detailed in the Expanded Public Works Framework Document and the Code of Good Practice for Special Public works.
- Since the programme is aimed at subsidising capital costs to the poor, priority was given to meeting the basic infrastructure needs. The programme was also aligned to cater for bulk infrastructure for new housing developments.
- Since the programme is aimed at subsidising capital costs to the poor, priority was given to meeting the basic infrastructure needs. The programme was also aligned to cater for bulk infrastructure for new housing developments.

Background - The programme is entering its sixteenth year of implementation this year. The MIG is the municipal funding arrangement which combined the existing capital grants for municipal infrastructure into a single consolidated grant.

The following positions as per the "Guide for the Establishment of a Project Management Unit (PMU) by municipalities" were filled to perform the different Functions within the unit:

- PMU Manager (Full time)
- PMU Contracts Officer (Full time)
- PMU Technician (Contracts basis)
- PMU Administrator (Vacant)
- Account (Vacant)

- Secretary (Vacant)
- Data Capturer (Full-Time)

It should be noted that not all operational responsibilities/outputs as highlighted in the guide could be achieved.

Data forms part of the KPI of the Directorate: Infrastructure and Engineering in terms of targets for the directorate.

Monthly and Quarterly reports are given to council on statistics and performance.

Part 3: What are the results and who benefited?

Project Description	Project Status	Beneficiaries (h/h)	Job Creation	Informal /Accredited Training	SMME's Utilized
2023/24 Projects					
Upgrading of the Sanitation System in Old Hankey	99 % complete	3300	34	2	10
Upgrading of Gravel Roads in Kouga Phase 1	100 % complete	225003			
Upgrading/Improve ment of Sport Facilities within Kouga region – Loerie	100% complete	22 5003	28	1	7
Kwanomzamo WWTW	25% complete		4	0	6
2023/24 Rollover Projects: None.					
Project Description	Project Status	Beneficiaries (h/h)	Job Creation	Informal Training	SMME's Utilized
2022/23 Projects					
N/A					

The above table illustrates the projects implemented and still under construction for the 2022/2023 financial year. The figures reflected above are at the time of the report and will increase as the project progress. Some of the Projects are multi-year Projects.

Objectives as set out in the business plans were mostly achieved when projects were implemented.

Conclusion - The MIG programme is aimed at the following:

- 1) To provide a basic level of service to the people.
- 2) To target the poor and alleviate poverty.

Implementation costs can be justified, and many people benefited from the programme and their living conditions were directly and indirectly improved by providing them sufficient bulk infrastructure to continuously assure them at least the basic level of service.

All activities of this programme should continue because it is assisting the municipality with huge bulk infrastructure challenges and provide basic service delivery to the community.

The above table illustrates the projects implemented and still under construction for the 2023/2024 financial year. The figures reflected above are at the time of the report and will increase as the project progress. Some of the Projects are multi-year Projects.

Objectives as set out in the business plans were mostly achieved when projects were implemented.

The MIG programme is aimed at the following:

- To provide a basic level of service to the people.
- To target the poor and alleviate poverty.

Implementation costs can be justified, and many people benefited from the programme and their living conditions were directly and indirectly improved by providing them sufficient bulk infrastructure to continuously assure them at least the basic level of service.

All activities of this programme should continue because it is assisting the municipality with huge bulk infrastructure challenges and provide basic service delivery to the community.

The following new projects were registered on MIG:

Phillipsville Sports Facility Upgrade	R11 393 193.75
Purchasing of Solid Waste vehicles	R21 878 885.01

New sewer pump station Hankey



New Loerie Sports Facility



*Kwanomzamo WWTW
Refurbishment*



3.7 WATER SERVICES INFRASTRUCTURE GRANT IMPLEMENTATION

WDS provided R30M of WSIG funding for emergency implementation on drought projects.

The expenditure was as follows:

Project	Budget (Incl. VAT)	Expenditure (Incl. VAT)	Available (Incl. VAT)	Expenditure to Date (%)	Comments
Mimosa Street Pipeline Replacement	Original: R18,740,897.94 Revised: R14,740,897.94	R10 568 508.20	R4 192 957.43	72%	This a multi-year project for completion in 24/25. Roll-over also required.
Structural Repairs to the Paradise Beach water Tower	R11,238,534.37	R8 913 753.20	R2 324 781.65	79%	Roll-over required.
St Francis Borehole Development	Original: R0.00 Revised: R3,000,000.00	R2 268 553.16	R731 446.84	76%	Roll-over required.
Consulting Services for Groundwater development	Original: R0.00 Revised: R1,000,000.00	R1 000 000.00	R0.00	100%	Project successfully completed.

The following projects were implemented:

Mimosa Street Pipeline Replacement:

Consultant appointed: MJM Consulting Engineers

Contractor appointed: Ibhabhatane Trading CC

Contract value: R17 934 862.94

Time of completion: 12 Months

Commencement date: 30 August 2023

Scope of work: The project comprises the construction of the new 315mm diameter uPVC water main in Mimosa Street starting in Noorsekloof Road where it will

connect to existing lines. It continues the full length of Mimosa Road, approximately 2300m. The road reinstatement has also commenced and approximately 760m of the 2200m road surface has been resealed.

Progress to Date: The Contractor commenced with the execution of the works and installed approximately 1530m of 315mm Ø pipe out of the designed 2340m and also installed the entire 486m of 160mm Ø pipe. The reinstatement of the road surface has also commenced and approximately 750m of the ±2000m has been completed. The Contractor has completed approximate 75% of the work and is well on track to complete the works within the three remaining months of the construction period.

A roll-over application will be required for The Mimosa Street Water Main.



New Water Main in Mimosa Street

Structural Repairs to the Paradise Beach Water Tower

Consultant appointed: Lukhozi Consulting Engineers

Contractor appointed: Jangoware WKK Master Specialists JV

Contract value: R9 049 915.80

Time of completion: 6 Months (Extension to the end of August 2024)

Commencement date: 29 September 2023

Scope of work:

- Concrete repairs with cementitious products on all external concrete surfaces of the PBEWT with spalling, cracks and/or exposed reinforcement.
- Replacing pipework straps with new hot dipped galvanized straps to match existing.
- Replacing pipework bolts with new hot dipped galvanized bolts.
- Painting all pipework to provide adequate rust protection.
- Wrap all couplings, adapters, straps and bolts with Denso tape or similar approved product.
- Replacing all handrails with new GRP (fibreglass) handrails
- Providing and allowing access to telecommunication
- Personnel for the temporary removal or relocation of existing telecommunication services.

- Supply and erection of new security fence
- Supply and commissioning of a generator as per the specifications.

Progress to date: The appointment of Jangoware WKK Master Specialists JV was finalised on the 29th of September 2023.

Major Works completed to date:

- Concrete repair work: 95%
- Pipe replace/refurbish: 70%
- Valve replace/refurbish: 75%
- Fencing: 100%

Variation Order for additional works was approved by BAC on 17 July 2024 and revised programme will include these items to be completed by end of August 2024.

A roll-over will be required for this project.



New pumps installed at the Paradise Beach Water Tower

Equip and Connect two boreholes in St Francis

Contractor appointed: CCST
 Contract value: R3 000 000.00
 Time of completion: 3 Months
 Commencement date: 15 January 2024



Progress to date: The Contractor is on site and has complete the original scope of works. Additional works are being identified and will be completed by end of August 2024. The only outstanding item is the supply and installation of the custom-built generator.

A roll-over will be required for this project.

Consulting Services for Groundwater Development

Service provider: Zutari
 Contract value: R1 000 000.00
 Time for completion: 3 Months

Progress to date: Studies for Thornhill, Hankey and Loerie groundwater development has already been completed. The study for Humansdorp/St Francis area is complete and the full scope of works was successfully completed, and the funding fully spent.

3.8 MUNICIPAL DISASTER RELIEF GRANT IMPLEMENTATION

The breakdown for the MDRG R3m funded projects are as follows:

Project	Budget (Incl. VAT)	Expenditure (Incl. VAT)	Savings (Incl. VAT)	Expenditure (%)	Comments
St Francis Bridge Emergency repairs	R3,000,000.00	R2 992 258.61	R7 741.39	99.7%	Project successfully completed



The details of the project are as follows

Consultant appointed: MJM Consulting Engineers

Contractor appointed: Primat Construction

Contract value: R2 660 257.04 (Including V.O. No. 1)

Time of completion: 3 Months (Including 1 month extension of time)

Commencement date: 1 October 2023

Scope of works: The project comprises of the permanent repairs to emergency works done to temporary fixed the St Francis Bay bridge to make it accessible for the community following the damage caused by flooding in December 2022.

Four recently identified flood damaged projects received R10.55M MDRG funding on 22 March 2023 and construction works will be completed in the 2024/25 financial year.

The breakdown for the MDRG R10.55 funded projects are as follows:

Project	Budget (Incl. VAT)	Expenditure (Incl. VAT)	Available (Incl. VAT)	Expenditure (%)	Comments
Aston Bay to Paradise Beach - Seekoei Estuary Causeway Reconstruction	R7 550 000	R100 000	R7 450 000	1%	PSP appointed. Contractor appointment to be finalized.
Paradise Beach - Botha Street Stormwater Infrastructure Upgrade	R500 000	R12 000	R488 000	2%	PSP and Contractor appointed.
St Francis Bay - Nevil Road Reconstruction	R600 000	R14 998	R585 002	2%	PSP and Contractor appointed.
St Francis Bay - Anne Avenue to Ralph Road Reconstruction	R1 900 000	R49 999	R1 850 001	3%	PSP and Contractor appointed.

3.9 EXTENDED PUBLIC WORKS PROGRAMME

Kouga Municipality entered into an agreement with the Department of Roads and Public Works to spend the full integrated grant funding and creating the targeted FTE's. This effort follows clause 3.1.6 of the Protocol Agreement signed between the Minister responsible for Public Works, The MEC of Roads and Public Works, Eastern Cape, the Mayor of Kouga Local Municipality, to specify the institutional structures that will oversee, monitor, and report on progress in implementing the EPWP and achieving the EPWP targets; and 3.1.7, to provide for mutual assistance and support in respect of the programmes and initiatives of the EPWP.

The total grant received was R2,321,000.00. Expenditure was 100%.

The following activities are being undertaken by EPWP workers:

- Patching of Potholes and Cleaning of Stormwater infrastructure within Kouga Region.
- Waste Management, including litter picking.

Beneficiaries: All wards within the following regions are benefitting in EPWP incentive grant as per the activities described above, namely

- Jeffreys Bay
- Humansdorp
- St Francis
- Gamtoos Valley

181 casuals are currently employed under the EPWP programme. Our EPWP Casuals were trained recently on Basic Financial Literacy and the training was reported on EPWP-Reporting System.

- Kouga LM has overachieved both their 2023/24 work opportunity and FTE Targets.

- Kouga LM has overachieved on its target in terms of Youth Employment (116% vs 55%) and Women employment (64% vs 60%).
- Kouga LM is training and reporting on training of participants on projects.
- Kouga LM is implementing and reporting on projects in the Infrastructure, Social and Environmental Sectors.
- Kouga LM is complying to Ministerial Determination issue i.e. Minimum Wage Rate of R121, 28.

The total grant received by Kouga Local Municipality in the 2022/ 2023 financial year was R2,321,000.00 which been spend on 11 Incentive Grant Projects, as submitted in the 2023/24 Business Plan.

In total, Kouga Local Municipality managed to create the following number of work opportunities in the 2023/2024 financial year.

Year	EPWP Projects	Jobs created through EPWP projects
2019/20	9	368
2020/21	9	398
2021/22	9	301
2022/23	11	318
2023/24	7	418

Spending Schedule: - The Extended Public Works Programme Incentive Grant Funds received for the 2023/24 financial year were spent as follows:

MONTH	AMOUNT
July 2022	R0.00
August 2022	R0.00
September 2022	R264 393.00
October 2022	R264 393.00
November 2022	R136 232.00
December 2022	R136 232.00
January 2023	R264 393.00
February 2023	R264 393.00
March 2023	Internal funding
April 2023	Internal funding
May 2023	Internal funding

MONTH	AMOUNT
June 2023	Internal funding

Total Amount spend from Incentive Grant - R 1,175,000.00. The current expenditure rate is at 100%.

3.10 MUNICIPAL WORKSHOP

Vision: To upgrade, maintain and improve the organisations fleet efficiently and ensure the highest standards of service delivery for the community of Kouga's benefit.

Mission: To see service delivery thrive through the efforts of the Fleet department and the application of our fleet policy. Support all departments by achieving our goals rendering excellent service towards all communities within the Kouga jurisdiction.

Prevention - The fleet section aims to reduce incidents, severity of emergencies and accidents with council vehicles through proper maintenance, regular services of vehicles and fault repairs on all vehicles so that a high standard of service delivery towards the community can be achieved. Annual inspections are done by sending vehicles for Certificate of Fitness (COF) to comply with the requirements of the National Road Traffic act of 93 of 96 and occupational health and safety regulations.

The Fleet department is a support section and understands the fact that if the fleet section can't achieve its goal to keep all vehicles in a roadworthy condition it will have a devastating effect on service delivery

Main functions of the fleet section are as follows.

- To see to it that financial and management controls are operating effectively.
- All hiring of vehicles for sections and oversee all purchasing of new vehicles.
- To enforce the fleet policy.
- Monitor access to fleet vehicles that it is properly authorized and not operated by unauthorized users.
- All logbooks are reviewed once a month as to give accurate reports.
- To see that the fleet is properly maintained and inspected on a regular basis according to the fleet policy.
- That fleet vehicles are protected against damages, theft and abuse.
- See that all fleet vehicles are licensed once a year and that all trucks are sent for Certificate of fitness according to traffic regulations.
- Adequate monitoring of fleet usage/cost of fleet.
- Monitoring the fuel usage of each vehicle and small plant.
- Adequate monitoring of the tracker system.
- To give adequate reports regarding all cost for maintaining vehicles.

Preparedness - The fourteen (14) employees, of which six (6) are office bound and strive to do their utmost best towards the service and up keeping of Kouga Municipality's fleet and plant. Our day- to-day service helps to keep the two hundred and thirty (254) vehicles in a proper running condition so that in the event of an emergency, there will always be enough vehicles in a roadworthy condition. This may include conducting risk assessments (likelihood and severity), planning for the continued availability of essential services and identifying ways to mitigate the potential impacts of an emergency.

Fleet department is proud to state that during 2023 - 2024 financial year between 86% and 95% of all municipal vehicles had been in operational condition continuously under difficult conditions such as staff shortages only three technicians to work on 254 vehicles which is an average of 84 vehicles per technician. All challenges that were encountered by the fleet department during the 2023 - 2024 financial year could be successfully accomplished.

Key Challenges

- Upgrading the workshop to a higher level of proficiency by sending staff on training courses.
- All mechanical staff needs to be sent for a refresher course.
- Although some staff were appointed there are still positions available on the organogram that needs to be funded so that the required staff can be appointed. This is getting critical that staff be appointed to lighten the workload on the three technicians that must service 254 vehicles. Also, less work will be contracted out should the staff compliment be addressed.

Recommended Solutions

- Adequate budget needs to be made available for the upgrading of infrastructure and the staff component in the fleet section.
- If the vacant positions can be filled, the fleet section could be much more effective and productive.
- To enlarge the floor capacity of the workshop and properly enclose.

Legal requirements - In terms of Section 84(1) (j) of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), the Kouga Municipality is responsible for the functions mentioned below:

- Coordination of the standardisation of infrastructure, vehicles, equipment and procedures.
- Training of mechanical technicians.

The Fleet department of Kouga Municipality is responsible to ensure the roadworthiness of all Municipal vehicles so that it can comply with the requirements of the National Road traffic act 93 of 96, and occupational health and safety regulations.

Daily operations - During 2023/2024 this service handled a total of 5269 incidents, this comes to an average of 439 job cards opened and completed per month, which includes servicing and repairing of vehicles, repairing COF faults, and doing preventative maintenance as well as fitment of tyres and tyre repairs.

FLEET MAINTENANCE REPORT 1 JULY 2023 TO 30 JUNE 2024	JULY TO DECEMBER 2023	JANUARY TO JUNE 2024	TOTAL
Workshop job cards opened	1297	1363	2660
Service provider job cards opened	543	485	1028
Tyre job cards opened [procured]	221	185	406
Tyre job cards opened [repaired]	471	479	950
Job cards opened for 2nd hand tyres	95	130	225
Tyres procured	463	359	822
2 nd hand tyres still usable fitted for various reasons – used for spare wheels	102	150	252
Tubes procured	6	3	9
Tubes amount procured	R968.84	R338.16	R1,357.00
Tyres amount procured	R1 395 083.64	R1 137 740.67	R2,532,824.31
Tyres repaired	472	465	937
Tubes repaired	0	0	0
Vehicles license amount paid	R528 281.00	R511 177.40	R1,039,458.40
COF amount paid	R6 342.00	R1 410.00	R7,752.00
Hired vehicles amount paid	R851 994.78	R689 997.97	R1,541,992.75
Requisitions to SCM	870	833	1703
Orders received	781	736	1517
Orders amount paid to s/provider	R4 424 886.17	R4 146 451.40	R8,571,337.57
Fuel usage vehicles, small plant, generators and vouchers 01 July 2023 to 30 June 2024	R12 069 563.57	R11 670 042.28	R23,739,605.85

DEPT.	COST/ BUDGET	BUDGET SPEND TO DATE	PROJECT	RELEVANCE TO SERVICE DELIVERY
Fleet	R 310 000.00	R 306 400.25	Generator 	During loadshedding production can continue in the workshop and municipal yard
Fleet	R3 000 277.00	R 1 731 720.01	4x4 Ldv'S Land Cruisers	Fire-fighting purposes.

DEPT.	COST/ BUDGET	BUDGET SPEND TO DATE	PROJECT	RELEVANCE TO SERVICE DELIVERY
				
Fleet	R 942 637.00	R 225 058.00	New vehicle tracker tender	Monitoring of municipal vehicles.
Fleet	Hire charges	N/A	Procurement of new vehicles 	Sufficient vehicles to render services, no vehicles no service delivery
Fleet	R 70 000.00	R 70 000.00	1000 L diesel bowser 	For refuelling of all generators and yellow plant such as Bulldozer, landfill compactor.
Fleet	R 2 000 000.00	R 306 085.00	Refurbishment of refuse compactors x 2 	Better service delivery to community, and to prolong the life expectancy of the refuse compactors

Engine rebuilds:



Engine rebuild Fire Truck (Water Tanker)



Engine rebuild Suction Tanker

Vehicles refurbished:



Old skip truck complete body, suspension, and brake overall.

Total cost for refurbishment R 65 000.00

Cost for new truck R 1 400 000.00

Two Nissan one-ton LDV's body, engine and suspension overhaul.

Total cost for refurbishment R29 000.00

Replacement cost for two new vehicles R900 000.00



Refuse compactor, complete body, and interior of cab overhaul.

Major service to engine, gearbox, suspension, and brakes.

Refurbishment cost R 198 000.00.

Replacement cost for a new truck R 2 900 000.00

Old firefighting trailer completely overhauled new pump and motor fitted.

Repair cost R40 000.00.

Replacement cost R110 000.00



Old John Deere tractor that was in very bad condition refurbished.

Engine, body, and electrical components overhauled.

Refurbishment cost R27 000.00

Replacement cost R 480 000.00

Tractor was not utilized, stood broken, after repairs had been done tractor is now working in GV assisting with potholes.

Accident damaged sanitation truck repaired.
Entire cab was replaced with a new cab.
Repair cost R112 000.00
Replacement value R 1 400 000.00



COMPONENT E: COMMUNITY AND SOCIAL SERVICES

3.11 WASTE AND ENVIRONMENTAL MANAGEMENT

3.11.1 WASTE MANAGEMENT

To align the waste management function with the National Environmental Management Act (NEMA), IDP, SDBIP of zero waste to landfill sites. Kouga Municipality's Waste and Environmental Management Department has changed its approach to waste management.

A paradigm shift needed to understand that waste is not "rubbish", but a resource or a raw material. This requires a 'full cycle' approach to waste management, with waste products becoming input materials to other value chains. An increased focus on activities that will lead to waste minimization and waste diverted away from landfill sites. It focuses on improved modes of collection, Infrastructure, recycling, and production partnerships and aims to change behaviour and create awareness.

Kouga Municipality's Waste and Environmental Management Department is taking the lead in changing course, however, the public's participation in waste minimization initiatives is key to the program's success. Waste and Environmental Management is committed to implementing waste minimization and recycling projects across Kouga Municipality area; however, communities also need to be mobilized to sort waste at a household level to reduce waste going to landfills. Waste and Environmental Management developed the following practical criteria to commence the changing course program:

- Do away with the culture of abundance - change the way we do things within the constraints of limited resources.
- Increase productivity – doing more with less and managing our resources effectively, including landfill airspace, human capital, budget, and others.
- Develop measurable output indicators, which address the desired outcomes in the IDP.
- Utilize an integrated approach to ensure co-ordination of programs and to work towards greater impact, working with all departments within Kouga Municipality with various responsibilities.
- Develop Ward by Ward, based remodelling program, to align with the changing course.

3.11.2 REFUSE COLLECTION

The planning, control and alignment of all refuse collection and transportation services that provides for specific waste management measures, is aligned to the norms and standards in terms of the National Environmental Management Act and Integrated Waste Management Plan.

Strategic Objectives

That communities enjoy a clean and healthy environment that is managed and maintained in a sustainable manner.

Description of Activities

The refuse collection functions of the municipality are administered as follows:

- Waste Avoidance
- Waste Stream Composition
- Waste Characterization Results
- Domestic and Commercial Refuse Removal
- Waste disposal and landfill management.
- Residential areas, both formal and informal in the larger towns (Humansdorp) are serviced twice weekly and the other towns (Jeffreys Bay, Hankey, Patensie, St Francis, Cape St Francis, Oyster Bay, Lorie, Thornhill) are serviced once a week.
- The table below indicates areas serviced once a week by Kouga Municipality.

TABLE: AREAS SERVICED FOR ROUND-COLLECTED REFUSE

Jeffreys Bay	Humansdorp	Oyster Bay	Patensie
Aston Bay	KwaNomzamo	Sea Vista	Hankey
Pellsrus	Vaal dam	St Francis Bay	Lorie
Paradise Beach	Arcadia		Thornhill

Residential areas, both formal and informal in the larger towns (Humansdorp) are serviced twice weekly and the other towns (Jeffreys Bay, Hankey, Patensie, St Francis, Cape St Francis, Oyster Bay, Lorie, Thornhill) are serviced once a week.

Refuse Collection is done three times a week at all commercial businesses.

Equipment for Round Collected Refuse (RCR) is Compactor trucks and skip trucks, skip bins for informal areas and the collection of illegal dumping is done with TLB's and Tipper trucks.

TABLE: WASTE COLLECTION EQUIPMENT

AREA SERVICED	2023/2024 EQUIPMENT
Jeffreys Bay	3 x Compactor Trucks 3 Ton Truck/ Skip Truck/TLB/Tipper Waste Skip Truck
Humansdorp	2 x Compactor Trucks TLB/Tipper/Skip truck

AREA SERVICED	2023/2024 EQUIPMENT
Gamtoos Valley	1 x Compactor Truck TLB/Tipper
St Francis Bay	1 x Compactor Truck

WEEKLY REFUSE REMOVAL PROGRAMME

DAY	ST FRANCIS BAY: AREA
MONDAY	Phillipa Place to Otters Landing, St Francis Bay, and Cape St Francis (Business + Domestic)
TUESDAY	Shore Rd to Diana Crescent, Assisi Drive to Lyme Rd (Domestic refuse)
WEDNESDAY	Cape St Francis, St Francis Bay, and Cape St Francis (Business + Domestic)
THURSDAY	Oyster Bay (Domestic, shops and Industrial area)
FRIDAY	Sea Vista domestic, businesses and shops, Harbour, Links

DAY	GAMTOOS VALLEY: AREA
MONDAY	Patensie, Hankey, Weston (Business)
TUESDAY	Gamtoos mouth, Thornhill, Crossways, Nulaid, Loerie (Business + Domestic).
WEDNESDAY	Old Hankey, Phillipsville Ext 4, Rosedale, Plakkerskamp Domestic, Business
THURSDAY	Patensie town, (Business + farms).
FRIDAY	Ramaphosa village, Centerton, Silvertown

DAY	JEFFREYS BAY: AREA
MONDAY	Mimosa Str, Corner Koraal & Dolly Varden, The View, Island Vibe, Aston Bay Restaurant, Shop & Flats, All Streets in Paradise beach. St. Francis Str, Usave, De Reyger Str, Jeffreys Str, Schelde Str, Diaz Road, Oosterland Str, Beverland Str, Da Gama Road, Goedehoop Str, Salamander Str, Drommedaris Str, Woltemade Str, Gelderland & Industrial area. Caltex, Policlinic, Mc Donalds The Sands, Vrieskas, & Flats, Poplar Str, Flats in Pepper Str, Flame Str, Da Gama Road, Philadelphia & Brander view Flats, Spar, Ozzies, Elder Str, Cabana beach flats, Pink Cafe, Chemist & flats, KFC, Kospot, Amalia, BP garage, Shop in Sable Str, JBay Caravan Park, Sandkasteel flats.
TUESDAY	Wavecrest East: Tulip Str, Strelitzia Str, Da Gama Road, Azalea Str, Gazelle Str, Impala Str, Sable Str, Oribi Str, Ash Str, Mopanie Str, Broodboom Str, Olive Str, Myrtle Str, Acorn Str, Broom Str, Lilac Str, Karee Str, Salie Str, Doringboom Str, Beach Ave, Wildplum Str, Maiden hair, Linden Seetuin, Beefwood Str, Redbud Str, Kiaat Str, Naboom Str, Marcela Str, Rooikrans, Planetree Str.

DAY	JEFFREYS BAY: AREA
	CBD Area & C-Place: De Reyger Str, Schelde Str, Oosterland Str, Beverland Str, Da Gama Road, Goedehoop Str, Salamander Str, Drommedaris Str, Jeffreys Str, Woltemade Str, Gelderland Str, Sea view, Solen Str, Sea Urchin, Combrink, Koning Str, Ancilea Str, Nautilus Str, Kersie single, Omdraai Str, Nerita Str, Angelwing Str, Patel Str, Cowrie Str, Alikruik Str, Mossel Str, Dresden Str, Kwagga Str, Takbok Str, Gesiggie Str, Periwinkle Str, Berry Str, Trumpet Str, Lantern Str, Koraal Str, Patella Str, Dolly Varden, Butterfly Str, St.Francis Str Flats. Wavecrest East: Corner St. Francis 7 Diaz Road, Aandblom Str, Lilac Str, Lobelia Str, Protea Str, Corner Dogwood & Blombos Str, Medler Str, Silvertree, Dombea Str, Red heart, Boegoe Str, Camphertree Str, Kruisbessie Str, Saffron Str, Da Gama Road, Koedoe Str, Cherry Str, Impala Str, Sable Str, Heide Laan, Verbena Str, De Reyger flats, Uys Str, Rottendam, Vriesland Str.
WEDNESDAY	Jeffreysrus, Corner Koraal & Dolly Varden, The View, Island vibe, Ocean view: Vali Moosa, Blade Nzimande, Zwelinzima Vavi, Oscar Mpetha, Dulcie September, Winnie Mandela, Beyers Naude, Kgalema Mothlanta Aston Bay: All Streets St. Francis Str, Usave, De Reyger Str, Jeffreys Str, Schelde Str, Diaz Road, Oosterland Str, Beverland Str, Da Gama Road, Goedehoop Str, Salamander Str, Drommedaris Str, Woltemade Str, Gelderland & Industrial Area Ocean View: Jacob Zuma Str, Adelaide Tambo Str, Albert Luthuli Str, Baleka Mbethe Str, Griffith Mxenge Str, Henry Fazie Str, Fort Calata Str, Sparrow Mkhonto Str, Ocean View drive. Caltex, Polyclinic, Mc Donalds, Dirk Ellis, The Sands, Vrieskas, Business & flats, Poplar Str, Flats in Pepper Str, Flame Str, Da Gama Road, Philadelphia & Brander view flats, Spar, Ozzies, Elder Str, Cabana beach flats, Pin Cafe, Chemist & flats, KFC, Kospot, Amala, BP Garage, Shop in Sable Str, JBay Caravan park, Sandkasteel flats, Ocean view: Griffiths Mxenge, Harry Gwala Str, Beyers Naude Str, Vali Moosa Str, Jeff Radebe Str, Ocean View Drive.
THURSDAY	Wavecrest: Mimosa Str, Boerboom Str, Walnut Str. Redwood Str, Poplar Str, Dr AD Keet Str, Wattle Str, Annaboom Str, Siprus Str, Nell van der Poll, Sprinkle Str, Cassine Str, Essenhout Str, Combretum Str, Sage Str, Patroon Str, Hawthorn Str, Gum Str, Hakea Str, Rina van der Merwe, Woltemade Str, Oleander Str, Red Current Str, Tamarisk Str, Palm Str. Leadwood Str, Wilger Str, Sering Str, Dr.BB Keet Str, Thunder tree Str, Maple Str, Kina Str, Deodoro Str, Dogwood Str, Korsakoff Str, Snowdrop Str, Blackballer Str, Appelblaar Str, Euphorbia Str, Kruisbessie Str, Camphortree Str, Lotus Str, Monkey bread Str, Blackwood Str, Magnolia Str, Flamboyant Str, Aalwyn Str, Geelhout Str, Cassia Str, Zyta Str,

DAY	JEFFREYS BAY: AREA
	Kokerboom Str, Waratah Str, Torchwood Str, Sekelbos Str, Wildevy Str, Fevertree Str, Olienhout Str, Seetuin Str, Jacaranda Str, Holy Cres, Swarthaak Str, Keyappel Str, Kameeldoring Str, Camelfoot Str, Pride of India Str, Dr AD Keet. Bottlebrush Str, Berry Str, Bakeout Str, Syringe Str, Parasol Str, Ordeal Str, Bushwillow Str, Sycamore Str, Wonder boom Str, Waxtree Str, Firethorn Str, Chinaberry Str, Caffa Str, Pride of India Str, Sequin Str, Tristan Str, Oleander Str, St. Olive Str, Keurboom Str, Franscina Str, Tecoma Str, Lourier Str, Polyfoam Str, Platan Str, Ebony Str, Dr Mike Herholdt Str, Mimosa Str, Acasia Str, Spekboom Str. Kabeljous: Christiaan Str, Melkhout Str, Kabeljous Road, Elm Str, Kabeljous restaurant.
FRIDAY	Pellsrus: Johnny Lombard Str, Tornyn Str, Tongvis Str, Kapenaar Str, Steenbras Str, Stompkop Str, Roman Str, Tunney Str, Dolfyn Str, Whale Str, Sloloman Mahlangu Str, Seekoei Str, Jay Naidoo Str, Chris Hani Str, Joe Slovo Str, Albert Luthuli Str, Cyril Ramaphosa Str, Rolohlahla Mandela Str, Galjoen Str, Tuna Str, Knorhaan Str, Seekat Str, Garnaal Str, Sole Str, Haring Str, Klipvis Str, Strepies Str, Oliver Tambo Str, Robert Dennis Str, Elsie Jacobs Str, Siena Brown Str, Sarah Baartman Str, Galjoen Str, Trevor Manuel Str, Sparrow Mkonto Str. St. Francis Str, Usave, De Reyger Str, Jeffreys Str, Schelde Str, Diaz Road, Oosterland Str, Beverland Str, Da Gama Road, Goedehoop Str, Salamander Str, Drommedaris Str, Woltemade Str, Gelderland & Industrial area, Lungile Tshabalaza Str, Matthew Goniwe Str, Govan Mbeki Str, John Dube Str, Marina Ave, Mazantsi Ave, Mkuseli Koliti Str, Steve Tswetwe Str, Steve Biko Str. Pellsrus: 220 New Houses Caltex, Policlinic, Mc Donalds, Dirk Ellis, Vrieskas Business & flats, Poplar Str, Flats in Pepper Str, Flame Str, Da Gama Road, Philadelphia & Brander view, Spar, Ozzies, Elder Str, Cabana beach flats, Pink Cafe, Chemist & flats, KFC, Kospot, Amala, bp garage, Shop in Sable Str, JBay Cravan park, Sandkasteel, flats, Pellsrus: Daggaraad Str, Duineweg, Rob Str, Mossel Str, Garnaal Str, Snoek Str, Calamari Str, Manta Str, Seeleeu Str, Makriel Str, Klipvis Str, Streepies Str, Galjoen Str.

DAY	HUMANSDORP: AREA
MONDAY	West side of Town, Melt Melville Business in Voortrekker Weg, Panorama, Main Street, Kynoch, Koelkor, Midas, Jet, Saverite, Motolek, Midas, Spar, 95 on Main, Kouga Kitchen, Madida House, Hospital, Country Club, Nico Malan, and Arcadia Shopping Centre
TUESDAY	East side of town, Boskloof, Ambulance Boblok, Graslaagte, St Patrics School, Pep Stores, Mr Price, Mzingisi School, Lungiso, Trade Value, P.Z. Meyer Hospital, All Shops and Taverns in KwaNomzamo and Moeras Rivier formal houses
WEDNESDAY	KwaNomzamo, Main Street, Kekkel and Kraai, Old Mutual Building, Engine, Spar, Kruisfontein School and Kruisfontein and Vaaldam household refuse
THURSDAY	Maak n Laas, 7 de Laan, Donkerhoek, Gill Marcus, Johnson Ridge, Arcadia- Graslaagte School, Clinic Koelkor, Midas, Jet, Saverite, Motolek, Midas, Spar, 95 on Main, Kouga Kitchen, Madida House, Hospital, Country Club, Nico Malan, Kooperasie, All Shops and Taverns in KwaNomzamo and Arcadia Shopping Centre. Pola Park, Golf Course and Old Arcadia household refuse.
FRIDAY	West Side of Town, Mat Melville, Engine, Main Street, Kynoch, East of town and Spar, P. Z. Meyer Hospital and Arcadia Shopping Centre.

Business, Commercial and Other Waste Collection - Waste is collected from businesses weekly in all towns. Some of the main commercial centers in Humansdorp are serviced twice a week, businesses in these areas have limited space for waste storage. Other commercial businesses in Jeffreys Bay receives a three times collection a week.

Waste is removed from schools and retirement villages weekly and Humansdorp Hospital three times per week, excluding health care risk waste (HCRW) (medical waste). HCRW is collected and disposed of by the private sector.

Illegal dumping spots have been identified and a program is in place to eradicate and beautify these spots.

Kouga Municipality's Waste and Environmental Section attended a workshop hosted by the Department of Fisheries, Forestry and Environment on 23 February 2024 at the Sarah Baartman District Municipality to participate in the development of a waste economy masterplan for South Africa. Kouga Municipality participate in the National and Provincial waste forums and during this quarter new waste legislation was discussed. South Africa's waste management legislation is not only aimed at addressing "top-level" challenges but also has its focus on the challenges that face waste management in local government companies operating in the industry.

Some of these challenges are:

- Costs of waste management are not appreciated by consumers and Industry.
- Lack of recycling facilities

- Landfill disposal is free due to the site not fenced and treatment costs are high.
- Too few compliant waste management facilities hinder the safe disposal of waste Streams.

Community Works Programme and Expanded Public Works Programme - Kouga Municipality benefits from both the CWP and EPWP government's key programs aimed at providing poverty and income relief through temporary work opportunities for the unemployed. The municipality had appointed 152 EPWP under the Keep Kouga Green Project that was funded by DEDEA for R 5 million. The project was implemented and completed within the project's time limits. DFFE also contributed to EPWP by contracting with 180 beneficiaries for 12 months. The program's main objective is to provide a safety net to poor, unemployed and under-employed people by providing them with regular and predictable work (opportunities) enabling them to earn a monthly wage as per EPWP rates.

3.11.3 LANDFILL MANAGEMENT

Waste volume received for the period July 2023 to June 2024

HANKEY

The table below indicates the waste received from July 2023 – June 2024, in m³.

Jul-23	Aug-23	Sept-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
1 872m ³	2 467m ³	2 482m ³	4 234m ³	2 049m ³	1 220m ³	2 222m ³	2 127m ³
Mar-24	Apr-24	May-24	Jun-24	Total			
1 238m ³	1 239m ³	985m ³	816m ³	22 996m ³			

HUMANSDORP

The table below represents a summary of waste landfilled for the Period July 2023- June 2024 in m³.

Jul-23	Aug-23	Sept-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
13 502m ³	14 300m ³	14 371m ³	14 732m ³	15 926m ³	13 806m ³	15 218m ³	16 045m ³
Mar-24	Apr-24	May-24	Jun-24	TOTAL			
14 657m ³	14 580m ³	14 605m ³	15 218m ³	171 994m ³			

3.11.4 WASTE MINIMIZATION

The various waste management options can be placed in an order known as the Waste Management Hierarchy which reflects the relative sustainability of each. One of the key principles underlying waste management policy is to ensure that waste is dealt with as high up the Waste Management Hierarchy as possible. Since all waste disposal options have some impact on the environment, the only way to avoid impact is not to produce waste in the first place, and waste reduction is therefore at the top of the hierarchy. Re-use, followed by recovery techniques (recycling, composting and generating energy from waste) follow, while disposal to landfill or by incineration, the worst options, are at the bottom of the hierarchy.

The following recycling initiatives were undertaken:

- Recycling with “In God's Hands - Patensie”, JBay recycling
- Recycling Station at Supertubes Park/Cape St Francis
- Humansdorp Recycling Centre
- From 2019 to date, we constantly refined the recording of the waste received as well as recycled to align with the National Waste Information system. Recycling is done at the tip face of the landfill site and recyclables are taken to the recycling facility at the Humansdorp landfill site.
- e – Waste Recycling
- October is earmarked for e-Waste International Recycling Day. Kouga Municipality launched e-Waste recycling and participated in several round table discussions by sharing information with Kouga Municipality Business forum and residents to encourage businesses and residents to implement the producer pay principal by taking back all e-waste to producers or retailers or the Kouga Municipality recycling centers. Kouga Municipality has partnered with eWASA (EPR Waste Association of South Africa) to develop an integrated plan with various Strategies to divert electronic waste from landfill disposal and manage it more effectively. The main goal of the initiative is to promote recycling of Electrical and Electronic Equipment (EEE), Lighting and Paper and Packing and prescribe measures for collection, temporary storage, recovery, re-furbishing, and recycling of e-waste. Containers have been placed at the St Francis, Paradise Beach, and Humansdorp Landfill drop-off zone.
- As part of waste management services, the municipality procured 250 wheelie bins for Kouga residents and have been distributed to residents and business in the Kouga Municipal Area.
- Paradise Beach Drop Off
- St Francis Bay And Ocean View Drop-Off Sites
- Recycling At St Francis Airfield
- International Day of Zero Waste
 - The day was introduced to make people aware of the amount of valuable material that is discarded and to encourage people to reduce, reuse, recycle and think of what they do with waste.
- Recycling Vending Machine
 - A Project in Collaboration with Woodland's Dairy.
- Events Recycling
- Zero Plastic Bags

TABLE: RECYCLING HUMANSDORP JULY 2023 TO JUNE 2024

	LEVEL 2 - Major Waste Type	LEVEL 3 - Specific Waste Type	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	Total
	Name	Name	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton	Ton
GENERAL WASTE	E-WASTE	Mixed WWWE	0.1	0.4	0.0	0.0	0.1	0.0	0.0	0.1	0.0	0.1	0.1	0.2	1.1
	Constructi on and demolitio n waste	Bricks	0.0	7.9	15.3	8.1	27.1	6.9	2.7	6.6	17.8	5.6	20.7	25.0	143.6
	Organic Waste	Food waste	0.0	0.0	0.0	0.0	0.0	4.0	0.7	1.9	3.2	2.1	1.3	9.4	22.5
	Paper	Newsprint and magazines	0.0	0.0	0.3	0.0	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.6
		Brown grades	132.7	111.8	103.9	111.4	196.1	119.8	140.6	147.8	107.8	108.8	198.7	98.6	1578.0
		White grades	8.2	11.3	12.3	16.1	7.0	13.0	18.2	16.7	21.0	9.0	16.7	7.5	157.0
		Mixed grades	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4
	Plastic	Polyethylen e Terephthalat e (PET)	11.7	11.2	17.2	16.2	17.4	15.5	23.5	18.2	17.6	36.5	26.2	20.3	231.5
		HDPE	27.5	27.4	30.2	51.4	45.7	39.1	57.8	46.6	43.2	47.8	52.9	42.4	512.0
		Polyvinyl chloride (PVC)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		Low-density polyethylen e (LDPE)	6.3	0.0	10.6	6.2	3.4	2.5	0.0	0.0	0.0	0.0	0.0	0.0	28.9
		Polypropyl ene (PP)	0.0	0.0	1.8	0.0	0.0	0.0	0.0	0.0	0.0	1.9	0.0	0.0	3.7
		Polystyrene (PS)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		Other	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	3.8	0.0	3.9
	Glass		18.6	14.0	82.3	6.1	29.7	6.9	1.8	2.2	27.5	2.8	28.4	21.4	241.8
	Metals	Ferrous metal	10.3	10.9	11.9	11.2	13.4	6.9	10.4	11.7	15.2	11.3	20.5	14.3	148.1
		Non-Ferrous metal	1.2	1.5	1.7	1.0	2.1	1.5	2.0	1.5	1.1	1.2	6.7	1.9	23.4
	Other		0.1	0.1	0.1	0.0	0.0	0.4	0.5	0.0	0.0	0.1	0.1	0.0	1.4
			216.7	196.4	287.6	228.2	342.3	216.5	258.4	253.3	254.3	227.1	376.3	240.9	3098.1

3.11.5 ENVIRONMENTAL MANAGEMENT

Environmental resource management is the management of the interaction and impact of human societies on the environment. Environmental resources management aims to ensure that ecosystem services are protected and maintained for future human generations, and also maintain ecosystem integrity through considering ethical, economic, and scientific (ecological) variables. Environmental resource management tries to identify factors affected by conflicts that arise

between meeting needs and protecting resources. It is thus linked to environmental protection, sustainability and integrated landscape management.

Kouga Municipality Strives to have zero impact on the environment throughout its operations.

The long-term vision is to manage, protect and sustainably use the natural assets of all Kouga areas, in partnership with the relevant communities, to preserve and ensure the continued existence of our rich biodiversity and its associated ecological processes and services of our environment.

3.11.6 KEEP KOUGA GREEN

The Keep Kouga Green campaign was launched on 07-Feb-2023 at Nico Malan High School, Humansdorp and has continued during 2023/24.

The purpose of Keeping Kouga Green is to offset Greenhouse gases emitted by human activities that can range from complex industrial production processes to simply driving a car.

The projects include awareness campaigns regarding green communities to planting trees and beautifying the environment. The trees planted will absorb carbon dioxide from the atmosphere and provide health benefits, as well as environmental benefits, such as water and air quality preservation, and biodiversity protection. The Keep Kouga Green campaign is to mitigate and adapt to Climate Change.

The campaign seeks to establish a way to raise awareness about climate change and how to respond to global warming. It focuses on communities by promoting positive environmental behaviour and facilitating sustainable growth within communities.

The Objective of Keep Kouga Green is to:

- Improve climate change adaptation through minimization of biodiversity loss and planting of indigenous trees,
- Encourage use of greener technologies to mitigate against environmental degradation, protection, and enhancement of ecosystems,
- Restoration, enhancing, protecting and rehabilitation of open spaces,
- Maximize measures towards pollution mitigation,
- Recycling initiatives.

Kouga Municipality has initiated a Green Waste Strategy under the of Keep Kouga Clean and Green. The purpose of the Strategy is to mitigate CO₂ emissions and other greenhouse gas emissions, while reducing the green waste going to landfill. Projects such as Composting and Biochar production have materialized from this Strategy.

3.11.7 GREENEST MUNICIPALITY

The Objective of Keep Kouga Green is to:

- Improve climate change adaptation through minimization of biodiversity loss and planting of indigenous trees,
- Encourage use of greener technologies to mitigate against environmental degradation, protection, and enhancement of ecosystems,

- Restoration, enhancing, protecting and rehabilitation of open spaces,
- Maximize measures towards pollution mitigation,
- Recycling initiatives.

Kouga Municipality has initiated a Green Waste Strategy under the of Keep Kouga Clean and Green. The purpose of the Strategy is to mitigate CO2 emissions and other greenhouse gas emissions, while reducing the green waste going to landfill. Projects such as Composting and Biochar production have materialized from this Strategy.

3.11.8 KEEP KOUGA CLEAN

Kouga Municipality embarked on Operation Coca – Maak Skoon for the residents of Kouga as part of the Keep Kouga Clean program. The program started on 16 October and continued until 21 October 2023. The residents were allowed to place unwanted goods on the pavement for collection by the Municipality. The Municipality also identified central areas where skip bins were placed for Garden refuse and builders' rubble. Part of the program was Road marking, compliance and enforcement inspections by the Environmental Health Practitioners and Law Enforcement. Grass cutting, bush clearing and removal of unwanted goods in all areas was conducted. Traffic services conducted Road marking and painted a total 47 Roads during the operation and covered all the areas.

Jeffreys Bay, South Africa is home to approximately 50 362 people (United Nations 2022). This population is expected to generate 5 657 kg of plastic waste per day (based on the South African average waste generation; IUCN, EA-QUANTIS 2020). Considering that Jeffreys Bay is a coastal town, and if 5% of plastic waste in South Africa ends up in rivers or the oceans (IUCN, EA-QUANTIS 2020), up to 283 kgs of plastic waste may enter the ocean from Jeffreys Bay daily.

The Kouga Municipality is taking action to address the waste pollution issue in Jeffreys Bay. As part of this initiative, we have consulted *Sustainable Seas Trust*, a non-governmental organization based in Gqeberha, on how to intercept plastic waste in stormwater systems by installing litter traps at Dolphin Beach stormwater outlet.

Several beach clean ups took place during the second quarter.

International Coastal Cleanup 2023 took place on Saturday 19 September. Below are photos of young and old participating:



3.11.9 TREE MANAGEMENT/PLOT CLEARING

TREE MANAGEMENT/PLOT CLEARING

Overgrown plots have been a challenge in all Kouga areas and create health and fire risks. The department started with a private plot clearing program to reduce the risk.

A Bush Clearing Policy was adopted in 2021, and it includes the clearing of private plots. The Community Services Department is inundated with complaints from residential areas of overgrown private plots posing a fire, safety and security or health risk. The policy covers operational management principles, procedures, and processes on public and privately-owned land for the following purposes only:

- Control and elimination of fire hazards.
- Combating and control of vegetation is a verified fire hazard and other threatening danger.
- To protect and avoid communities that is surrounded by natural overgrown bush areas that endanger the communities.

Compliance notices are served to the landowners by registered post and by email as a courtesy where such information is provided in the municipal database. Very few landowners responded to the notices and the Department identified high priority risk areas of privately owned properties as phase one for clearing by SMME's.

Part of Waste and Environmental Management scope of work is to ensure residents follow the proper channels when removing protected trees due to damage to Infrastructure or for maintenance purposes. Therefore, to ensure compliance with legislation, Waste and Environmental Management assists residents to obtain the permits from DFFE when they want to remove or prune protected trees. Site inspections were conducted at multiple locations for residents that wanted to prune Milkwood trees.

PLOT CLEARING IN OYSTER BAY AND KABELJAUWS



OCEAN VIEW CLEANING OF SLOOT



STORMWATER CANAL CLEANING IN SANDS



STORMWATER CANAL CLEANING IN KABELJOU



3.11.10 ENVIRONMENTAL PROTECTION

3.11.11 POLLUTION CONTROL

Sarah Baartman District Municipality has embarked on development of a District Wide Environmental Pollution Control plan and other environmental management Strategies.

Pollution Control is the process of reducing or eliminating the release of pollutants (contaminates, usually human – made) into the environment. It is regulated by various environmental agencies that establish limits for the discharge of pollutants into the air, water, and land. A wide variety of devices and systems have been developed to control air and water pollution and solid waste.

Air pollution control can be divided into two categories: the control of particulate emissions and the control of gaseous emissions.

Environmental Management and Environmental Health share this mandate due to the nature of contaminants that affect people and the environment. Pollution cases that have been reported were pertaining to sewage spills and illegal dumping have been referred to the relevant department.

Beaches are cleaned constantly and further provide protection services to ensure discipline, but there is currently not enough capacity to do this on a full-time basis. Visits are seasonal and weather permitting.

Site inspection and selection for oil spill contingency training provided by the DFFE Oceans & Coasts branch:

Multiple sites were inspected with the DFFE O&C branch to look at all our beaches and estuaries within the Kouga area. The purpose was to visually assess the vulnerabilities of our beaches and estuaries in case of an oil spill. The goal is to include oil spill contingency plans for all our beaches and estuaries and to ensure that all relevant municipal staff are educated and trained on the procedures of an oil spill contingency plan.

3.11.12 BIODIVERSITY PROTECTION

The functions of biodiversity reside with the Department of Economic Development and Environmental Affairs as the municipality does not have capacity. The municipality supports the mission to conserve the rich biodiversity and promotes initiatives to proclaim protected areas in terms of NEMA: Protected Areas Act while enhancing ecotourism through our nature reserves.

Our mission is to conserve the rich biodiversity, diverse natural ecosystems, and cultural heritage characteristics of our environment through the implementation of management programs that have clearly defined management goals and objective for the enlightenment, enjoyment, and benefit of present and future generations.

Kouga Municipality has partnered with FOSTER to protect the nature reserves in Cape St Francis. Additional properties have been identified of high ecological and biodiversity importance and will be consolidated into the Erma Booyen Nature Reserve.

The MEC, Economic Development, Environmental Affairs and Tourism appointed Kouga Municipality as the managing authority of the Noorsekloof Nature Reserve and the municipality has partnered with Friend of Noorsekloof and community members to manage the reserve, with a public workshop held on June 2024. In addition, four (4) new nature reserves have been declared in Kouga, the Vorentoe Nature Reserve, Sand River, Kromensee and Thula Moya Private Nature Reserve.

The municipality has partnered with the J-Bay Surf Alliance to develop a 2km Marine Reserve from Bone Yard to Super Tubes beach as part of the 2 for 2 campaign which aims to create a 2km no take rock reserve for 2 years to allow marine life to recover.

REFERENCE	PERFORMANCE INDICATOR	REFERENCE	DATA ELEMENT	2021/22 ANNUAL	2022/23 ANNUAL	SOURCE
ENV4.11	Percentage of biodiversity priority area	ENV4.11(1)	(1) Total land area in hectares	198ha	198ha	Community Services

REFERENCE	PERFORMANCE INDICATOR	REFERENCE	DATA ELEMENT	2021/22 ANNUAL	2022/23 ANNUAL	SOURCE
	within the municipality		classified as "biodiversity priority areas"			
		ENV4.11(2)	(2) Total municipal area in hectares	241800ha	241800ha	Community Services/ IDP
ENV4.21	Percentage of biodiversity priority areas protected	ENV4.21(1)	(1) Area of priority biodiversity area in hectares which is protected	127ha	127ha	Community Services/ IDP
		ENV4.21(2)	(2) Total area identified as a priority biodiversity area in hectares	75ha	75ha	Community Services

3.11.13 COASTAL MANAGEMENT

Kouga Municipality has adopted a Coastal Management Plan in terms of the Integrated Coastal Management Act. Coastal Management is having an impact on various functions within the Municipality such as Planning & Development as well as Infrastructure and Engineering. The Sarah Baartman District Municipality has established a district Coastal & Environmental Management Committee, and the first meeting was on 28-Sep-22.

Kouga Municipality appointed a consultant in Oct-23 to develop a Maintenance Management Plan for the coastal area between the Kromme and Kabeljous. Several public participation workshops have taken place and a draft coastal processes specialist report, and a draft MMP recommendations report have been released for public review.

Climate Change Greenbook roll out initiatives in partnership with CSIR and Santam took place at SBDM, and indicators identified. The identified indicators demonstrate areas within the district that may experience substantial risk of climate change impacts.

- Agriculture – manage food insecurity.
- Biodiversity & Environment – the following are identified:
 - manage change in land-use,
 - rehabilitate degraded landscape.
 - stabilize sand dunes in coastal areas (setback lines).
 - manage loss of priority wetlands and river ecosystem.
 - manage alien clearing and
 - promoting greening
- Human settlement and human health – manage population growth and housing demand; improve municipal health services.
- Disaster management – manage disaster management – flooding, wildfires, etc.
- Infrastructure and water management – the following are identified:
 - manage drought.
 - manage drinking water quality in the district – testing and investing in water conservation measures.
 - measures to improve storm water management – poor drainage system.
 - improve water quality in municipal ecosystem – wetlands rehabilitation programs.
 - manage water and sanitation Infrastructure.
 - manage waste Infrastructure.
- Tourism and LED – the following are identified:
 - manage and maintain tourism attraction areas in the district – 7 wonders etc.
 - maintain and manage economic investments in the district – promoting SMMEs and external investors.

Blue Flag Status - The Blue Flag Program promotes sustainable development in freshwater and marine areas. It challenges local authorities and beach operators to achieve lofty standards in the four categories of: water quality, environmental management, environmental education, and safety. Over the years, the Blue Flag has become a highly respected and recognized eco-label working to bring together the tourism and environmental sectors at local, regional, and national levels.

Three beaches in the Kouga region have been awarded Blue Flag world-class status and the right to wave their Blue Flag Status on 3 November 2023.

Dolphin Beach in Jeffreys Bay, Cape St Francis Beach and Marina Martinique (a private beach), once again got the nod from the adjudicators to fly the blue flag.

Blue Flag Status is awarded for excellence in safety, amenities, cleanliness, and environmental standard.

Blue Flag Programs - Lifeguards' water safety education and awareness.

The Lifesaving Service section focuses on creating awareness through water safety programs towards schools and the community, providing training for locals, preventing, or reducing the risk of drownings, mitigating the severity of emergencies, emergency preparedness, rapid and effective response to emergency situations and post emergency assistance.

During November and December 2023, the lifeguards at Dolphin Beach did education and awareness campaigns around water safety with Jeffreys Bay Primary School. The lifeguards also did the same campaign in Hankey at Yellowwoods Nature Reserve with Hankey Primary School.

Cape St Francis Dune Management - Kouga Municipality undertook a Basic Assessment application for the maintenance and management of Cape St Francis Dunes. The application was submitted in terms of the EIA Regulations (as amended 07 April 2017) under the ambit of the National Environmental Management Act (No. 107 of 1998) as amended. On 18 April 2023, the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) issued an Environmental Authorization (EA) for the application (DEDEAT Reference EC08/C/LN1&3/M/32-2022).

Oyster Bay – Dune Rehabilitation - The Kouga Local Municipality in partnership with the Rate Payers Association appointed a consultant to develop a Maintenance Management Plan (MMP) for the dune systems in Oyster Bay. Implementation of the approved Plans commenced in 2019.

The MMP were developed to address the threat of dune encroachment onto properties and critical Infrastructure. The goal of the MMP is to stabilise the fore-dune systems by creating vegetated berms to trap the sand and eventually form stable vegetated berms.

The coastal habitat acts as a major ecological corridor and is of great importance for climate change adaptation as it is the first line of defence for landward areas from impacts of sea-level rise and storm surges.

To date berms have been created and brush packed with cleared alien invasive vegetation until such time that vegetation of the berms can commence. The implementation of the MMP has not been without its setbacks. The Kouga area has been declared a drought disaster area which has made revegetation efforts challenging since watering of the vegetation, especially in the initial stages is crucial for the success and survival rate of the planted vegetation. However, there has been success in getting pioneer grasses and other dune vegetation to take root on the fore-dunes.

In February 2019, the department commenced the removal of sand which were encroaching on Brander Street and adjacent properties in Oyster Bay. Approximately 80% of the dunes overrunning Brander Street have been pushed back, except for one dune where the Black Oyster birds were nesting. On several occasions the municipality has also removed sand that was encroaching on Brander Streer and adjacent properties in Oyster Bay

A public participation workshop for the development of a Public Launch Site was held in Oyster Bay on 30 April 2024. A draft launch site management plan has been developed and possible sites identified.

Seekoei Estuary Management - Waste and Environmental Management does water monitoring monthly at all estuaries within the municipal area as well as its Blue Flag

beaches to ensure safe water quality for the community and tourists. Microbiological and chemical water samples are taken. The artificial breaching of the estuary mouth commenced in June 2023 after NEMA Section 30A application was approved by the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT). The opening of the estuary mouth was clearly successful with respect to objectives set and the estuary remains open to date.

The MEC adopted the Estuary Management Plan for Seekoei in August 2019 and Kouga Municipality council also adopted the Management Plan in council. The municipality continues to manage the health of the Seekoei Estuary to ensure sustainability of the estuary. As of October 2023, the municipality has appointed a service provider (CEN) to review the EMP for the Seekoei Estuary, which is legally required to be reviewed every 5 years. Several public participation workshops have taken place, and a draft Situational Assessment Report for the Seekoei Estuary Management Plan has been released for public review.

3.11.14 CLIMATE CHANGE

Kouga Municipality has adopted a Climate Change Strategy, and the Strategy is aligned with the Sustainable Developmental Goals 2030; the National Climate Change Adaptation Strategy and the IDP. Priority areas has been identified and an implementation plan with resource allocation, costs and timeframes are being developed from the Strategy. Due to the importance of climate change adaptation and mitigation several workshops are planned, and climate change documents needs to be reviewed.

Kouga Municipality hosted a climate change workshop in partnership with Green Cape. This workshop series aims to enhance participants' understanding of the opportunities for, and challenges to the adoption of clean/green solutions in their contexts. It further seeks to accelerate green economic innovation and growth by showcasing the methods of overcoming barriers to green innovation.

The common vision of climate change adaptation and climate resilience for the municipality, and outlines priority areas for achieving this vision. The NCCAS's vision draws on South Africa's National Climate Change Response Policy (NCCRP) (DEA 2011), the National Development Plan (NDP) (NPC 2011), the National Strategy for Sustainable Development (NSSD) (DEA 2011b), the adaptation commitments included in its Nationally Determined Contributions (NDCs), sector adaptation plans, provincial adaptation plans and municipality adaptation plans. The NCCAS also serves as South Africa's National Adaptation Plan and fulfils South Africa's commitment to its international obligations as outlined in the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC).

Impact Of Climate Change - On Friday 15 September 2023, the South African Weather Service issued an alert for damaging winds that would continue into the weekend of 16-19 September 2023. Alerts were issued for gale-force winds with speeds of 60-70km/h and significant high waves of 5-7 meters. High waves, intense winds and the spring tide combined into a "perfect storm." A perfect storm is caused by a Strong low-pressure system, storm winds and spring tide coinciding.

Although the SAWS gave early warnings Kouga Municipality and its residents were not prepared for the huge storms and one person died, several properties and council Infrastructure were damaged. Not just areas being covered by water but also the speed at which the water waves are moving, which is a factor in their destructiveness occurred.

Kouga Municipality's coastline is under threat by coastal flooding, extreme erosion, storm surges, as well as sea-level rise. The storm surges affected municipal Infrastructure, private property as well public amenities, open spaces and the municipality needs to find ways to repair damages as soon as possible. The entire municipal coastline has been affected with areas such as Jeffreys Bay and St Francis being affected more than others.

Affected Municipal Infrastructure:

- Rock Revetments along Coastline
- Municipal Roads
- Ablution Facilities
- Community Halls
- Boardwalks and Walkways
- Public Parking
- Seekoei Estuary Causeway

Private Property

- Property Boundary Walls
- Structural Damage to Houses.
- Other
- Trees
- Flooding
- Park Areas - Braai Stands.

Precautionary measures were put in place where roads were closed, and warnings sent on social media.

Kouga Municipality requested the Department Economic Development Environmental Affairs and Tourism (DEDEA), the competent authority for environmental authorizations in terms of section 24 of NEMA, to issue a directive to the Kouga Municipality in terms of section 30A of NEMA. Such a directive is required in order that the Kouga Municipality may as a matter of urgency undertake the repairs on damaged Infrastructure and municipal and private property along the coastline.

It was requested to implement the following:

- Immediate installation of Sandbags on the beachfront.
- Opening of Municipal stormwater channels with TLB.
- Our engineering team needs to do work on the sewerage mainline to prevent blockages and spillages (Kabeljous to La Meyr); and
- Any other remedial work that will require immediate action.
- Please note the email below from Ms. Jackson and the Eastern Cape Forecasting Desk.

After the application DEDEA warned that the weather outlook demonstrated once again extreme weather conditions and a repeat of 15-17 September 2023 coastal storm surges.

A directive was given by DEDEA "to Action Preparatory Measures to secure municipal Infrastructure & coastal assets and municipal properties, where possible, areas that have already been severely damaged due to the 15-17 September storm events must be further protected to mitigate additional damages. Private properties adjacent to the municipal coastal properties which are likely to be affected by the predicted storm events must also action measures to curb/mitigate the impacts of the weather events."

On 18 September 2023 Kouga Municipality invited residents and businesses to assist with a clean up after the storm, people came in vast numbers to assist. Repairs and maintenance will continue to repair Infrastructure and to cost the damages.

Storm surges – and sea levels rising in future – are not going to go away so we need to be prepared for them.

ST FRANCIS MAIN BEACH AND LIFEGUARD STRUCTURE



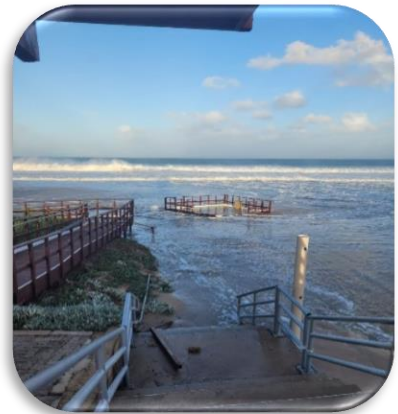
ST FRANCIS PUMP HOUSE – SERIOUS STRUCTURAL DAMAGE



FLOODED HOUSES – PELLSRUS, KWANOMZANO, SEA VISTA



CAPE ST FRANCIS



JBAY DOLPHIN BEACH

SEEKOEI CAUSEWAY



PARADISE BEACH



KABELJOUS



CLEAN UP AFTER THE STORM - 18-SEPT-23



Air Quality Management - In line with the National Environmental Management: Air Quality Act, Act 39 of 2004 requirements, the Kouga Local Municipality has initiated the development of an Air Quality Management Plan (AQMP). The primary objectives of this project are to determine the current state of air quality in the Kouga Local

Municipality and update air quality management planning measures to ensure that sustainable air quality management is provided as required by national legislation.

The process to develop the AQMP will include the following:

Develop a status quo (baseline) assessment to provide up to date information on air quality in the Local Municipality.

- Collect, analyse, and make recommendations on sources of air pollution in the municipality.
- Evaluate and make recommendations on the existing ambient air quality monitoring network.
- Model the dispersion of pollutants from listed industries.
- Prepare a geospatial risk assessment.
- Assess and make recommendations on the existing resources to fulfil air quality management responsibilities.
- Conduct public participation (Virtual and physical meetings) with interested and affected parties.

Develop an implementation plan to address the air quality challenges in affected areas.

3.11.15 ENVIRONMENTAL ACTIVITIES: CLEAN-UP CAMPAIGNS

CLEAN UP CAMPAIGNS - SURF SCHOOL KIDS CLEAN UP



School Projects - Training and Education - The Environmental Management Section has conducted several school education and awareness campaigns throughout the 2023/2024 fiscal year. The aim is to educate and spread awareness on environmental issues. As part of the Climate Change Strategy action plans, the department conducted a toolbox talk with EPWP workers at Pellsrus Community Hall in May. The toolbox talk was to educate EPWP workers on climate change and suggest practical ways to "Go Green at Work."

Education and awareness campaigns with schools during 2023/2024:

- Nelson Mandela Day cleanup
- World Wetlands Day
- Water Week
- Blue Flag education and awareness
- Spaza Shop Awareness

The Environmental Management section also conducted joint education and awareness campaigns with Environmental Health. On 11-12 of June 2024, these two sections hosted a Spaza Shop Workshop, where the owners were educated about waste management and illegal dumping and environmental hygiene.

Greening & Beautification Initiatives - The Department of Forestry, Fisheries and Environment donated two thousand trees to the municipality to supplement its greening initiatives. A total of fifty participants were appointed to conduct tree planting in Humansdorp. Trees were also donated to The Sands Residents as part of the greening initiative.

Kouga Municipality has a nursery in Humansdorp that was opened with the intention of supplementing the greening initiatives of the municipality, with the help from the Kooperasie, the municipality has managed to revive and beautify the nursery. The Kooperasie donated shade cloth and appointed workers to work at the nursery. The Kooperasie also contributed to the rehabilitation of Oyster Bay dunes by appointing workers and putting up sand traps.

3.12 ENVIRONMENTAL HEALTH

To improve the health status of communities through the identification, evaluation and control of critical factors that affect the physical, social, and mental well-being of communities.

Environmental Health Services are preventive health services and are therefore largely protecting public health and preventing health hazards/risks and diseases.

Functions of Environmental Health Services

- The functions of Environmental / Municipal Health Services for the Municipality are as follows:
- Water Quality Monitoring,
- Food Control,
- Waste Management: illegal dumping,
- Health Surveillance of premises,
- Pauper Burials: attending to applications for exhumations and reburials,
- Surveillance and Prevention of Communicable Diseases,
- Vector Control,
- Environmental Pollution Control, attending to complaints and health nuisances,
- Evaluation of Cemeteries, Mortuaries, and funeral undertakers' premises,
- Active Environmental Education Sessions and Awareness Campaigns/Programs,
- Business registration & hawkers programs

The above functions as rendered by the Municipality exclude Port Health, Malaria Control and Hazardous Substances which are functions and competency of the Eastern Cape Department of Health.

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN ENVIRONMENTAL HEALTH SERVICES

DESCRIPTION OF THE ACTIVITY AND ANALYSIS OF THE FUNCTION	ENVIRONMENTAL HEALTH	2022/23 NO. OF FACILITIES	2022/23 NO. OF VISITS	2023/24 NO. OF FACILITIES	2023/24 NO. OF VISITS
Surveillance of premises	Inspection and evaluation of food premises, milk farms and other facilities to ensure compliance to all Health Regulations and to ensure that products sold to the public is fit for consumption	820	2305		2479
Water Quality Monitoring	Water Quality Monitoring: Sampling of water for bacteriological and chemical analysis to ensure compliance with SANS 241 and to ensure that the water is fit for human consumption.	35 Sampling Points 12 X 35 Bacteriological Samples 4 X 35 Chemical Samples Additional Samples: 101	675	Sampling Points 12 X 35 Bacteriological Samples 4 X 35 Chemical Samples Failure: 70 Resamples	487

DESCRIPTION OF THE ACTIVITY AND ANALYSIS OF THE FUNCTION	ENVIRONMENTAL HEALTH	2022/23 NO. OF FACILITIES	2022/23 NO. OF VISITS	2023/24 NO. OF FACILITIES	2023/24 NO. OF VISITS
		Bacteriological Samples Failure Resamples: 14 samples			
Waste Management	Waste Management: identification of illegal dumping sites to ensure a clean and healthy environment.	12 Illegal Dumping Sites	24	8 Illegal Dumping Sites	8
Health Surveillance of Premises	Health Surveillance of Premises: Assessment of factors including ventilation, lighting, moisture, and approval of building plans to ensure safety.	213 Building Plans & Land Use Applications	213	137 Building Plans & Land Use Applications	137
Surveillance & Prevention of communicable diseases	Surveillance & Prevention of communicable diseases: Health and hygiene promotion to prevent communicable diseases and disease outbreaks.	Ongoing as per visit to facilities	Ongoing as per visit to facilities	Ongoing as per visit to facilities	Ongoing as per visit to facilities
Vector Control	Vector Control: Vector control of public health interest including the control of anthropoids, rodents, and other alternative hosts of diseases.	15 Facilities (Municipal Buildings)	10	Facilities (Municipal Buildings)	3
Environmental Pollution Control	Environmental Pollution Control: Identification of polluting agents and their sources to ensure hygienic working living and recreational environment, e.g.,	166 Notices Issued	Cleared by Owners: 22	125 Notices Issued	Cleared: 70

DESCRIPTION OF THE ACTIVITY AND ANALYSIS OF THE FUNCTION	ENVIRONMENTAL HEALTH	2022/23 NO. OF FACILITIES	2022/23 NO. OF VISITS	2023/24 NO. OF FACILITIES	2023/24 NO. OF VISITS
	management of overgrown plots.				
Disposal of the Dead	Disposal of the Dead: Manage, control and monitoring exhumations and reburial or disposal of human remains	8 Applications	8 Approved	18 Applications	18 Approved
Business Registration & Hawkers Program	Business Registration & Hawkers Program: Registration of all new businesses in terms of the Business Act, including hawkers.	53 Applications	33 Approved	22 Applications	13 Approved

Food Safety & Hygiene Program For Food Premises: August – September 2023 - Food Safety & Hygiene involves the handling, preparing, and storing of food or drink in a way that best reduces the risk of consumers becoming sick from food-borne disease. The principles of food safety that are in line with Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972 and related regulations aim to prevent food from becoming contaminated and causing food poisoning. The core principles of food safety and hygiene are keeping clean; separating raw and cooked; cooking thoroughly; keeping food at safe temperatures; and using safe water and raw materials.

The main purpose for conducting the Food Safety & Hygiene program was to provide health education & awareness to food handlers and employees at the food premises. This was also to ensure that the targeted personnel are provided with a thorough understanding of safe food preparation; serving practices; good housekeeping and general hygiene practices to ensure that they can work safely and protect customers from health risks due to contaminated food.

The Environmental Health Section of Kouga Municipality started the program by conducting a risk categorization of all food premises. Food premises were categorized in terms of high, medium, and minimal risk. This information would then advise on which food premises required urgent intervention and attention.

Following the risk categorization process, three food premises within Jeffreys Bay, Humansdorp, St Francis Bay and Gamtoos River Areas were selected from the high-risk category. These food premises were visited, and health & hygiene education and awareness was conducted on food safety. The education and awareness program

were then followed by a thorough inspection of the food premises and the finding were communicated with the persons in charge of the food premises visited.

A total number of thirteen (13) food premises were visited during the program as follows:

	NAME OF PREMISES	AREA	DATE	TIME
1.	Hankey Spar	Hankey	Monday 21 August 2023	09:00 – 10:00
2.	The Wright Cut Butchery			10:30 – 11:30
3.	Nanas Produkte			12:00 – 13:00
4.	Fish and Chips Basket	Humansdorp	Tuesday 22 August 2023	08:00 – 09:00
5.	Bilaal Take Aways			10:00 – 11:00
6.	African Pot 2			11:30 – 12:30
7.	St Francis Spar	St Francis Bay	Wednesday 23 August 2023	09:00 – 10:00
8.	22 Eatery			10:00 – 11:00
9.	Gavin's Sushi			11:30 – 12:30
10.	Ninas Real Food – Spar Centre	Jeffreys Bay	Thursday 24 August 2023	08:30 – 09:30
11.	Shoprite Pellsrus			10:00 – 11:00
12.	Oriental Cuisine			12:00 – 13:00
13.	Peoples Spaza Shop – Pellsrus		11 September 2023	10:00 – 11:00

Nelson Mandela University's 4th Year Environmental Health Students – Educational Tour – September 2023 - Environmental Health students from Nelson Mandela University visit the Municipality once a year for a weeklong practical tour in the field of Environmental Health. It has been a long-standing collaboration between the Municipality and the University, for more than fifteen years.



This year, the fourth-year students visited the Municipality from Monday, 18 September to Friday, 22 September 2023, with a total of nineteen students accompanied by one lecturer. As part of the students' in-service training, they come to the Municipality to get the necessary practical exposure.

The Environmental Health Practitioners together with the Nelson Mandela University lecturer take these students on day trips to different premises/facilities to introduce and give the students the necessary experience as to the scope of practice of environmental health, pertaining to Municipal Health services.

The students were exposed to some of the services the Municipality offers to the community, such as the waste / landfill site, wastewater treatment works, and water treatment works. They were also presented with discussions around waste management, occupational health and safety, climate change Strategies as well as drought mitigation. They were educated on the link between Environmental Health, in particular Municipal Health services, and other service delivery elements.

Health Education & Awareness Program At Schools In Line With World Environmental Health Day (Wehd) Drought Mitigation & Water Conservation 26 September 2023: -

World Environmental Health Day is commemorated annually on 26 September. The theme for this year's World Environmental Health Day is - Global Environmental Public Health: Standing up to protect everyone's Health each day. The campaign was aimed at educating the public about their responsibility in water conservation initiatives, raising awareness around the need to protect and conserve the country's water resources. Kouga Environmental Health celebrated this important campaign by visiting food handlers involved in the schools feeding scheme at several schools within the Kouga Municipal Area on 26 September 2023. The purpose of the program was to educate the Food Handlers involved with the schools feeding scheme on topics not only limited to water conservation and drought but also to general health and hygiene as well as food safety as follows:

IMPORTANCE OF WATER	PERSONAL HYGIENE	ENVIRONMENTAL HYGIENE
- Importance of water for life - Water conservation - Protection of our water sources - Link between water and health. - What is the meaning of drought and what the effects thereof are	- What is Personal Hygiene - Washing of Hands - When to Wash Hands - How to Wash Hands	- What is Environmental Hygiene - Cleaning & Sanitizing of surfaces and equipment

The following schools were visited during this period and a total of fifteen (15) food handlers were reached with the program.

DATE	AREA	WARD	SCHOOL
23 September 2023	Thornhill	7	Thornhill Combined
	Humansdorp	15	St Patrick's Primary School
	Tokyo Sexwale	14	Makukhanye Primary
	Oyster Bay	1	Sandwater Primary School

Joint Operation At Spaza Shops For Counterfeit Goods, Hygiene & Food Safety Compliance (R638 & Labelling Regulations) – October 2023 & February 2024 -

The Joint Operations were conducted by Environmental Health with the following internal departments as well as external stakeholders within the Kouga Municipal area:

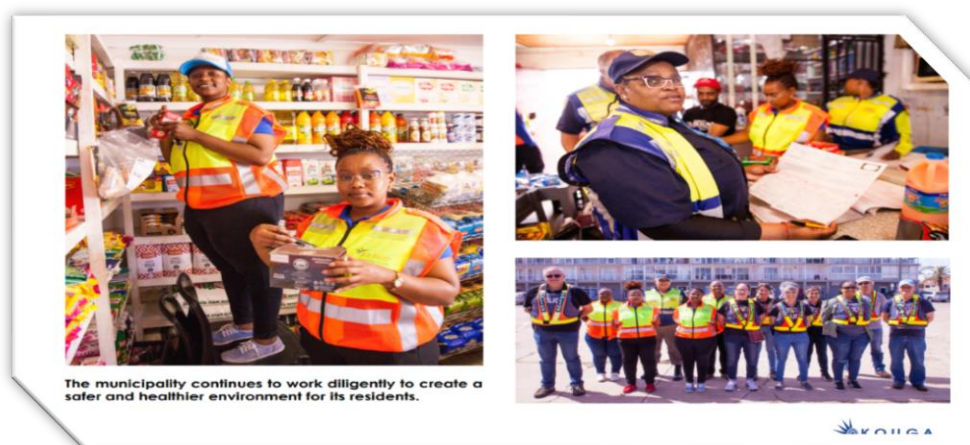
- Law Enforcement
- Fire & Safety
- Town Planning & Building Control
- Human Settlement
- South African Police Services
- Home Affairs

The main purpose of conducting the joint operations was to check on the Spaza Shops compliance with health and hygiene requirements in terms of Regulation R638, food safety compliance in terms of the Labelling Regulations that gives guidelines on the date markings, sale of food products past the expiration dates. The operation was also aimed at providing ongoing education and awareness relating to the sale of Counterfeit Goods by the SAPS specifically with the growing concerns of such conduct in other areas of within the country and as a necessary precautionary measure to avoid such conduct within the Kouga Municipal area. The other departments also checked compliance with their own legislative requirements such as land use and building compliance issues, fire safety, spaza shops operating from RDP houses and illegal emigrants.

The operations were conducted at shops within all areas of Kouga Municipality during the month of October - November 2023 as well as February 2024.

The following totals of shops were reached for each area covered:

DATE	AREA	WARD	NUMBER OF SHOPS
25 October 2023	Thornhill	7	4
27 October 2023	Jeffreys Bay	14 & 2	7
3 November 2023	Patensie	10	8
10 November 2023	Humansdorp	4 & 5	14
17 November 2023	Hankey	9 & 13	10
23 November 2023	Humansdorp	6 & 15	10
30 November 2023	Jeffreys Bay	14	9
30 November 2023	Sea Vista	1	8
14 February 2024	Thornhill & Loerie	7	8



Education & Awareness Program: Water Conservation, Food Safety & Hygiene For Schools' Feeding Schemes – November 2023 & February 2024:

-Water conservation is the practice of using water efficiently to reduce unnecessary water usage. It is important because fresh clean water is a limited resource, as well as a costly one. Food Safety & Hygiene on the other hand involves the handling, preparing, and storing of food or drink in a way that best reduces the risk of consumers becoming sick from food-borne disease. The principles of food safety that are in line with Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972 and related regulations aim to prevent food from becoming contaminated and causing food poisoning and these are keeping clean; separating raw and cooked; cooking thoroughly; keeping food at safe temperatures; and using safe water and raw materials.

The purpose of the program was to educate the Food Handlers involved with the schools feeding scheme on topics not only limited to water conservation and drought but also to general health and hygiene as well as food safety as follows:

IMPORTANCE OF WATER	PERSONAL HYGIENE	ENVIRONMENTAL HYGIENE
- Importance of water for life - Water conservation - Protection of our water sources - Link between water and health. - What is the meaning of drought and what the effects thereof are	- What is Personal Hygiene - Washing of Hands - When to Wash Hands - How to Wash Hands	- What is Environmental Hygiene - Cleaning & Sanitizing of surfaces and equipment

The following schools were visited during this period and a total number of fourteen (14) food handlers were reached with the program.

DATE	AREA	WARD	SCHOOL
1 November 2023	Hankey	13	Weston Junior
	Hankey	9	Hankey Primary
	Patensie	10	Patensie Primary
	Patensie	10	Masisebenze
28 February 2024	Jeffreys Bay	14	Jeffreys Bay Comprehensive
29 February 2024	Hankey & Patensie	9 & 10	Hankey Secondary
			Patensie Agricultural High

Traditional Circumcision Monitoring – Summer (December 2023/January 2024) -

Traditional male circumcision also commonly known as Ulwaluko and initiation into manhood, is an ancient initiation rite. The ritual is traditionally intended as a teaching institution to prepare young males, the initiates, for the responsibilities of manhood. In

South Africa, male circumcision is commonly performed for cultural and religious reasons among various ethnic groups.

The legality of male circumcision is primarily governed by the Children's Act 38 of 2005 and the National Health Act 61 of 2003. The Customary Initiation Act 2021 (Act No.2 of 2021) provides for the effective regulation of customary initiation practices; the responsibilities, roles and functions of the various role-players involved in initiation practices; the effective regulation of initiation schools and for the monitoring of the implementation of this Act and matters connected therewith.

The initiation ritual is commonly conducted during June or December. The period of seclusion that follows lasts about one month and all initiates are taken to specified initiation sites. Several deaths, penile amputations and health complications are normally reported during these initiation seasons. These deaths and complications are mostly as the result of incompetence on the part of traditional practitioners.

The Minister of Co-operative Governance and Traditional Affairs announced that traditional initiation season would officially open 03 November 2023. The season for all school going youths started 26 November 2023 as initially planned. Health screening, for these prospective initiates, at various health facilities within the Kouga Municipal Area commenced during October 2023. The Kouga Municipality region had a total of 203 initiates for the summer season. No deaths and/or injuries were reported for the summer season for Kouga Local Municipality.

The following sites were identified and used during this initiation season:

- Humansdorp initiation site
- Jeffreys Bay initiation site
- Weston initiation site
- Centerton initiation site
- Patensie initiation site
- St Francis Bay initiation site
- Oyster Bay Initiation Site
- Cambria Initiation site
- Thornhill Initiation Site
- Loerie Initiation Site

All sites were regularly monitored in conjunction with the Department of Health, and it can be proudly reported that no deaths, injuries, or any serious health incidents were experienced during the above season. The following challenges were however experienced:

- Water availability at Traditional Circumcision Sites in Hankey/Weston/Patensie area. Due to unavailability of water sources at these sites and scarcity of water in the area, water availability to initiation sites becomes a challenge.
- Unavailability of Personal Protective Equipment for Traditional Circumcision nurses and surgeons throughout the Kouga region.

The Summer traditional initiation season officially closed on 22 January 2024.

Joint Operation At Taverns To Check Compliance With Health And Hygiene Standards As Per The National Norms And Standards For Environmental Health – February 2024 - The operation was conducted by Environmental Health jointly with Law Enforcement. The purpose of the joint operation was to enforce compliance with the National Norms and Standards for Environmental Health, and adherence to waste management in the local taverns. It was to further educate the local tavern owners and employees on their roles when it comes to waste management, the importance of adhering to proper and adequate waste management systems, and the negative effects that noncompliance could have on the environment and community at large.

The operation was conducted at taverns within Wards 1 & 6 of Kouga Municipality. A total number of eight (8) taverns were inspected for each area covered:

DATE	AREA:	WARD:	NAME OF TAVERN:
13 February 2024	Sea Vista	1	- VIP Tavern - Dick's Tavern - Lulu's Tavern
	KwaNomzamo	6	- Diamond Lounge - 4Rand Tavern - Mangena Tavern - KwaNomzamo Tavern/Big Tavern

Education & Awareness Program – Schools: National Water Week Program: March 2024

The National Water Week campaign is an annual event aimed at educating the public about their responsibility in water conservation initiatives, raising awareness around the need to protect and conserve the country's scarce water resource. We all have a role and responsibility to play in ensuring the protection of our water resources for our current usage and, also for future generations. The purpose of the program was to raise awareness among learners and teachers on water conservation, sustainability, climate change and related matters. Also, to educate the learners, on, amongst other things:

- The importance of water for human beings, plants, animals, and the general environment in which people live in.
- Highlight how water and Infrastructure are linked and how important they are to life.
- To protect and save water as it is scarce and an important source of life.
- Highlight the crucial link between water and health with the objective of eradicating water-borne diseases like cholera, diarrhoea etc.
- To highlight the importance of protecting, rehabilitating, and improving water environments such as Streams, wetlands, waterways, and beaches by adopting and cleaning dirty rivers, Streams, wetlands, or watersheds in our areas.
- To highlight the importance of water harvesting as an alternative source for clean water during this drought season to meet the rising demand of water needs.

A total of eleven (11) schools were covered during this program.

DATE	AREA	WARD	SCHOOL
4 March 2024	Jeffreys Bay	14	Makukhanye Primary School
		2	Pellsrus Primary School
6 March 2024	Humansdorp	4	Kruisfontein Primary School
		15	St Patricks Primary School
		5	Graslaagte Primary School
7 March 2024	Loerie	7	Loerieheuwel Primary School Phumlile Primary School
	Hankey	9	Bodker Primary School
	12 March 2024	Sea Vista	1
14 March 2024	Oyster Bay	Sandwater Primary School	
		Kleinplaas Primary School	

Education & Awareness Program on Health, Safety And Hygiene Standards At Barbershops And Informal Beauty Salons – April 2024 -

Section 11 of the National Environmental Health Norms and Standards for Premises outlines the health, safety, and hygiene requirements for beauty salons. Barbershops and salons work in close/direct contact with clients, ensuring that hygienic practices are always upheld will reduce the risk of cross-infection and cross-contamination. The purpose of the program was to create awareness to salons and barbershops on the importance of adhering to environmental health and hygiene standards, and on the negative effects that noncompliance could have on the clients.

The following premises were visited during this period. A total of thirty-one (31) Barbershops/Salons were educated during this program.

DATE	AREA	WARD	PREMISES VISITED
15 April 2024	Hankey	9 & 13	- Top Class Salon - Flair beauty Salon - Thembi's Salon & Barber - Dayu's Salon - Azia Barbershop - Elvin's Barbershop
17 April 2024	Humansdorp Town & Arcadia	15 & 5	- M.I. Alfah - South Barbershop - Emma's Hair Salon - The Point Humi Dopebabaz - No Limits Barber - All is for God - Backstage Salon - Tawa Barbershop
	KwaNomzamo	15 & 6	- John Barber - Top Class - Joyce Salon - Mazinyo barber - KwaNomzamo Barbershop

DATE	AREA	WARD	PREMISES VISITED
			- Ndikumava Issa barbershop - Frankansah Salon - Sipho's Barber - AU Hair Beauty Salon - Carlos Hair Salon - Barbershop Amissi
	Sea Vista	1	- Frank Ansait Hair Salon - Barbershops - Issa Alvin Barber - Julis Salon
18 April 2024	Jeffreys Bay	14	- Uhuru Barber - Freddie's Barbershop - Christiana Beauty Salon - King Barber

Food Safety and Hygiene Program to Informal Food Traders at Schools In Compliance with Foodstuffs, Cosmetics and Disinfectants Act 54 Of 1972 (R638 & Labelling Regulations) – April 2024

Food safety and hygiene is about the safe handling, preparation, serving and storage of food in ways that will prevent food borne illnesses / food poisoning. The program was aimed at all informal food traders at schools, to protect the pupils from health risks due to contaminated food. Also, to ensure that the informal food traders are provided with a thorough understanding of safe food preparation, serving practices, good housekeeping, and general hygiene practices.

The program was also conducted to ensure compliance with Regulation 638, regulation governing the general hygiene requirements for food premises, transportation of food & related matters. The program was conducted at six (6) schools within Kouga Municipality during the month of April 2024.

DATE:	AREA:	WARD:	SCHOOLS VISITED:
15 April 2024	Hankey	13	• Vukani Primary School • Weston Junior Secondary School
16 April 2024	Thornhill	7	• Thornhill Combined School
18 April 2024	KwaNomzamo	6	• Mzingisi Primary School
	Jeffreys Bay	14	• Jeffreys Bay Comprehensive High School • Makukhanye Primary School

Health Education & Awareness Program On Illegal Dumping And Waste Management – April 2024 & May 2024

Environmental Health jointly with Environmental Management conducted the program following concerns about illegal dumping in different communities within the municipal area. The programs were also conducted in line with the War on Waste & Keep Kouga Clean campaigns. The programs were conducted for residents and Spaza Shop owners

within the communities by means of conducting door – to – door education and awareness as well as identifying, cleaning up and beautification of illegal dumping sites. The programs also aimed at achieving the following objectives:

- To create and raise awareness on the importance of adhering to proper and adequate waste management systems,
- To highlight the negative impacts of illegal dumping on the environment and human health,
- To encourage the community members to take ownership, responsibility, and greater care of their environments,
- To encourage recycling initiatives, and
- To enforce compliance with Kouga Municipality Waste Management By-Law, GN4895

The program was conducted at the following areas within the municipal area:

DATE	AREA	WARD	SPAZA SHOPS / COMMUNITY VISITED
22 April 2024	Hankey: Silvertown	9	- Friends Cash and Carry Shop - Jabulani Shop - Lucky Shop - Margo Shop - Brothers Tuck Shop 1 - Brothers Tuck Shop 2 - Christa Shop - Longyin Supermarket - Poenie Shop 1 - Poenie Shop 2 - Blue Corner Shop - Rico Shop - Albaraka Shop - Hosanna Shop - Silver Town Shop
30 April 2024	Jeffreys bay: Tokyo Sexwale	2 & 14	- Community Door to Door
15 May 2024	Humansdorp	5	- Community Door to Door
22 May 2024	Sea vista	1	- Community Door to Door

Environmental Health World Hand Hygiene Day Program For Early Childhood Development Centres (Ecdc's) & Schools – May 2024

-Celebrated annually on 5 May, World Hand Hygiene is a global advocacy day dedicated to maintaining a global profile on the importance of hand hygiene in health care and to bring people together in support of hand hygiene improvement worldwide.

World Hand Hygiene 2024, celebrated under the theme “Power of Hand Hygiene” aims at achieving the following objectives:

- **Strengthen learning approaches** to enable implementation of innovative and effective training to empower communities to improve hand hygiene with enhanced knowledge, skills, and behaviours.
- **Promote access** to innovative hand hygiene.
- **Raise awareness** about the importance of knowledge and learning on hand hygiene at the right time to prevent a range of infectious diseases.

The Environmental Health Section identified ECDC's within the municipal area to conduct health education and awareness around hand hygiene. The focus of the program was on the learners/children and care givers within the facilities.

The target groups were addressed on the following topics:

- What is hand hygiene?
- What are the benefits of hand hygiene to health and well-being?
- Demonstrations on the correct way of washing hands.

A total of 7 ECDC's and 2 Schools were reached with the program as follows:

DATE	NAME OF SCHOOL	WARD	AREA
9 May 2024	Masikhule Creche	6	KwaNomzamo
	Nkqubela Creche	6	KwaNomzamo
10 May 2024	Ithemba Family Support Centre	14	Jeffreys Bay
13 May 2024	Sakhisizwe Creche	13	Hankey
	Phillipsville Creche	9	Hankey
13 May 2024	Dinkie Dot Creche	5	Humansdorp
	Angels Day Care Centre	5	Humansdorp
22 May 2024	Baviaans Academy	10	Patensie
	Chigwell Primary School	13	Patensie

Food Safety & Hygiene Workshop For Spaza Shop Owners Within Kouga Municipality In Line With World Food Day: 11-12 June 2024

World Food Safety Day is celebrated annually on 7 June. The theme of World Food Safety Day 2024 is "Prepare for the unexpected" which aims to draw attention to food safety incidents. The theme underlines the importance of being prepared for food safety incidents, no matter how mild or severe they can be. Food safety incidents are situations where there is a potential or confirmed health risk associated with food consumption. A food incident can happen, for example, due to accidents, inadequate controls, food fraud or natural events. Being ready to manage food safety incidents requires dedicated efforts from everyone including food safety authorities, food business operators and consumers.

The workshop was initiated by the Environmental Health Section to actively educate and engage Spaza Shop owners on issues pertaining to food safety and hygiene. This was also aimed at intensifying the ongoing inspections/operations and at being proactive at safeguarding the health and well-being of the residents of Kouga and to prevent incidents relating to the consumption of unsafe food. The workshop was conducted with the following internal departments of the municipality:

- Law Enforcement
- Fire & Safety
- Building Control & Town Planning
- Environmental Management

As indicated above, the main purpose of the workshop was to educate and engage the owners on issues of food safety and hygiene in terms of Regulation R638 as well as the following topics and legislative requirements:

- Food labelling & packaging in terms of Regulation R146
- Regula inspections & Joint Operations
- Issuance of prohibition orders in terms of R638
- By – Law Enforcement and fines for non – compliances
- Fire Safety
- Building Control in terms of Structural requirements for buildings
- Land use compliance.

The Workshops were conducted for two days from the 11th to the 12th of June 2024 at Hankey: Vusumzi Landu Community Hall & Humansdorp: Kouga Council Chambers. Eighty (80) Spaza shops owners from all areas of the municipality attended the two-day workshop.

ANIMAL MANAGEMENT

Outbreak Of Foot And Mouth Disease (FMD) - On 30 April 2024 the National Veterinary Reference laboratory confirmed the presence of foot and mouth disease virus in a dairy herd located at Humansdorp in Kouga Municipality after the animals showed clinical signs of the disease and positive laboratory results confirmed the diagnosis.

The Department of Rural Development and Agrarian Reform Agriculture confirmed that farms in the Eastern Cape near Humansdorp have been placed into precautionary quarantine to contain an outbreak of foot-and-mouth disease (FMD). A concern to all is the number of roaming animals in the Kouga area. A meeting to discuss the branding/tagging of the animals took place with AGRI EC who advised that they would assist Kouga Municipality.

This needs to be explored and discussed with the local farmers. Unfortunately, the disease has spread, and it is now a disaster with all the farms and the milk producers' organizations affected. It was announced on 30-Jun-24 that 22 farms in the Kouga Municipality area were infected and placed under quarantine. Impact: Economic impact - Although a disease of low mortality, the global impact of foot and mouth disease (FMD) is colossal due to the vast numbers of animals affected.

This impact can be separated into two components: (1) direct losses due to reduced production and changes in herd Structure; and (2) indirect losses caused by costs of FMD control, poor access to markets and limited use of improved production technologies.



****Urgent need for an abattoir and cremation facility for animals and pets in Kouga.**

3.13 LIBRARIES, MUSEUMS AND COMMUNITY FACILITIES

3.13.1 LIBRARIES

Kouga Municipality Libraries provide the community of Kouga with access to educational, informational, and recreational material in general or for specific users regardless of race, gender, age, language, financial or educational status.

STRATEGIC OBJECTIVE

- To ensure that the communities of Kouga have access to facilities and resources that libraries offer.
- To develop skills, preserve and conserve their culture and natural heritage.
- Provision of a safe and free library service for reading and learning.
- Provision of free and guided access to knowledge and information to support formal and informal education.

The following information services are at the libraries:

- Computers for staff
- Computers for public
- Telephone Lines
- Internet Services

Helpdesk Computers, Network and Telephones - Out of fourteen libraries of Kouga Local Municipality, the computers and network connections of twelve are fully operational. Thornhill and Ukhanyiso Libraries both have working computers but no network connection. Seven Libraries have working telephones. Hankey North & South, Patensie, Loerie, Mbuyiseli Nkosinkulu, N.B. Mathodlana, Tokyo Sexwale, Ukhanyiso and Thornhill Libraries have no telephones.

Gamtoos Valley Telephone lines and internet in most Municipal Offices are not working due to connectivity problems in the entire GV Areas. The connectivity problem in the area is being addressed.

		REFERENCE	DATA ELEMENT	Q1 – Q4	SOURCES
HS3.6	Average number of library visits per library				
		HS3.6(1)	(1) Total Number of Library Visits	41 362	Community Services
		HS3.6(2)	(2) Count of Municipal Libraries	14	Community Services

Library Usage Statistics

		REFERENCE	DATA ELEMENT	2023/24	SOURCES
HS3.6	Average number of library visits per library				
		HS3.6(1)	(1) Total Number of Library Visits	41362	Community Services
		HS3.6(2)	(2) Count of Municipal Libraries	14	Community Services
			Circulation of Books	81 507	Community Services
			Total Registered Members of the library	273 681	Community Services

3.14 PARKS AND OPEN SPACES



The establishment and maintenance of public open spaces within the Kouga area.

STRATEGIC OBJECTIVE

Communities have access to Public Open Spaces and Gardens which are managed and maintained.

DESCRIPTION OF ACTIVITIES

- Mowing of Grass (Verges, Picnic Areas, Public Open Spaces, Play Parks, Municipal installations, and offices)
- Alien Vegetation/ Bush Clearing.
- Removal of debris.
- Beautification of open spaces, gardens, and entrances.
- Development of new play parks.
- Planting, Trimming, and felling of trees.

REFERENCE	PERFORMANCE INDICATOR	2023/24	SOURCE
C53.	Square meters of maintained public outdoor recreation space	185859,6 sq meters	Community Services
C54.	Number of municipality-owned community halls	13	Community Services

HIGHLIGHTS

- Procurement of grass and bush clearing equipment
 - (22 x side cutters, 4 x chain saw, 6 x lawn mower engines)
- Clearing of 59 x Public Open spaces/Alien vegetation to prevent crime and to maintain a safe environment for all.
- Master Plan for the Maintenance Public Open Spaces Developed by 26-Sept-23.
- General maintenance of Johnsonridge & Pelikaan Street Park.

PROCUREMENT OF GRASS CUTTING MACHINES

- 6 Engines
- 22 Side Cutters
- 4 Chain Saws

JEFFREYS BAY CARAVAN PARK PLAY PARK



PARTNERSHIPS

Kouga participated in activities initiated by different partners:

- Windfarm partnered with Parks to do minor upgrades at Centerton Sports field.
- The Irrigation Board partnered with Parks to do installation of irrigation water system at Hankey Sports field.
- Partnership with the different Sporting codes (Hankey Villagers/ Barbarians Rugby clubs) and Schools (Hankey Secondary and Primary School)

CENTERTON SPORTFIELD BOUNDARY WALL UPGRADING:



WATER IRRIGATION BOARD PARTNERED WITH PARKS TO INSTALL WATER IRRIGATION WATER SYSTEM AT HANKEY SPORTSFIELD



BARBARIANS RUGBY CLUB PARTNERED WITH PARKS TO LOOK AFTER THE PITCH AT PATENSIE SPORTS FIELD



CARAVAN PARKS AND CAMPING STRATEGIC OBJECTIVE

That Communities have access to caravan parks and resorts which are managed and maintained.

Description of activities:

- The maintenance of all Council Caravan Parks and Resorts
- To identify needs and respond to customer complaints to ensure customer satisfaction.
- Reconciliations of bookings and invoices.
- Reservations and bookings

CHALLENGES

- Vandalism at Gamtoos Mouth Caravan Park and Yellowwoods

SOLUTIONS

- Security Cameras are to be installed.

HIGHLIGHTS

- Renovating and beautifying the Parks for Recreational purposes
- Caravan Park - Electronic Booking System implemented on 12 January 2024.
- Caravan Parks - Marketing Strategy Developed and workshopped to Councillors on 15 April 2024.
- 4 x Caravan Parks (Pellsrus, Jeffreys Bay, Gamtoos Mouth and Yellowwoods) were maintained and upgraded.

GAMTOOS CARAVAN PARK UPGRADES



Yellowwoods Park Upgrades - The images below showcase the upgrades completed at Yellowwoods Park in Hankey, including the installation of new toilets, tiling and painting of all ablutions blocks, roof repairs, caretaker's house painting, addition of toilet set with basin to caretaker's house, installation of barbed wire, steel doors, and mesh on windows, bush clearing, and lighting enhancements.

FIXING OF THE ROOF AT YELLOWWOODS



3.14.1 SPORTS, RECREATION AND COMMUNITY HALLS

STRATEGIC OBJECTIVE

Communities have access to affordable sporting and community recreation facilities that are well-maintained and managed.

DESCRIPTION OF THE ACTIVITY

The provision of various community and social services within the municipality is administered as follows and includes:

- Control of all existing sport facilities
- Co-ordination of Sporting Codes
- Control of all existing community recreation facilities
- Maintenance programs for both sport & recreation facilities
- Marking of pitches
- Preparation for special events at all facilities.
- Identification and application for new facilities as the need arises.
- Handling of reservations
- Reconciliations
- Procurement of required amenity equipment.

REFERENCE	PERFORMANCE INDICATOR	2022/23	2023/24	SOURCE
C54.	Number of municipality-owned community halls	13	13	Community Services
HS3.5 (1)	(1) Sum of hours booked across all community halls in the period of assessment	7396	8576	Community Services
HS3.5 (2)	(2) Sum of available hours for all community halls in the period of assessment	13 000	13 000	Community Services

CHALLENGES

- Vandalism of Sport field Clubhouses is still a challenge.

SOLUTIONS

- Installing Security Cameras in all hotspot facilities.
- The Council is in the process of entering into custodianship with sport clubs for the upkeep and maintenance of the existing sport facilities.

HIGHLIGHTS

- Loerie Sports Field upgrading was completed, and final inspection done on 27 June 2024.
- Hosting of the Annual Mayoral Cup Program 1 March 2024.
- Springbok World Cup Player, Manie Libbok visited Kouga on 11 November 2024.
- Repairs and maintenance of Sport fields and Community Halls.

Mayoral Cup Launch - On the evening of 1 March 2024, all representatives from various sports attended. Our guest speaker was Mr. Micheal, the South African Marathon Athletic Coach.



The community and the Municipality's staff members provided excellent support for the games. Our Caretakers at the various sport fields were thoroughly prepared for the games and ensured that our venues were well-maintained and ready for use.

SPORTING CODE	DATE: PLAYOFFS	VENUE	DATE: FINALS	VENUE
RUGBY	N/A	N/A	6 April 2024	Kruisfontein Sports Field, Humansdorp
BOXING	N/A	N/A	13 April 2024	Jeffreys Bay, Comprehensive School
VOLLEYBALL	13 April 2024	Jeffreys Bay, Main Beach	13 April 2024	Jeffreys Bay, Main Beach
CHESS	8 & 9 March 2024	Newton Hall, Jeffreys Bay	12 & 13 April 2024	Newton Hall, Jeffreys Bay
GOLF	N/A	N/A	19 April 2024	St Francis Bay Golf Club, St Francis Bay
SOCCER	16, 17, 23 & 24 March 2024	Tokyo Stadium, Jeffreys Bay	20 April 2024	Tokyo Stadium, Jeffreys Bay
CRICKET	N/A	N/A	20 & 21 April 2024	Mentorskraal, Jeffreys Bay
MARATHON	N/A	N/A	20 April 2024	Jeffreys Bay, Main Beach
NETBALL	N/A	N/A	27 April 2024	Hankey Primary School, Hankey

SPORTING CODE	DATE: PLAYOFFS	VENUE	DATE: FINALS	VENUE
TENNIS	N/A	N/A	27 April 2024	St Francis Bay Tennis Club, St Francis Bay
8 BALL POOL	6 March 2024	N/A	27 April 2024	Jolly Dolphin/Sovereign/Havanna, Jeffreys Bay
DARTS	N/A	N/A	27 April 2024	Jolly Dolphin, Jeffreys Bay

Manie Libbok Visited Kouga On 11 November 2023, Manie Libbok, the Springbok World Cup Player visited his hometown Humansdorp as well as Fountains Mall, Jeffreys Bay.



Repairs and Maintenance of Community Halls

- Aston Bay Hall
 - Painting (Inside and Outside, tiling, ceiling and roof repaired + electrical works)
- Newton Hall
 - Painting (Inside and Outside)
- Pellsrus Hall
 - (Painting (Inside and Outside)
- Oyster Bay Hall
 - (Roof repaired, installation of ceiling and windows, painting)
- Loerie Hall
 - (Tiling, cleaning of roof, repairing + painting + installation of roof tiles, plumbing works)
- Thornhill Hall
 - (Painting (Inside and Outside, roof repairing, installation of a signboard)
- Sea Vista Hall
 - (Installation of windows, inside painting, replacements of toilets + handbasins, replacement of doors)
- Patensie Hall

Manufacturing + Installation of 7 install galvanized safety doors.

NEWTON HALL



Repairs and Maintenance of Sport fields

- Tokyo Sports Field
 - Painting (Inside and Outside + Grandstands)
- Hankey Phillipsville Sports Field
 - (Maintaining the pitch. Building and mounting of grandstands, installation of a welded mesh and wire)
- Pellsrus Sports Field
 - (Maintaining the pitch, repairing of Flood lights)
- Patensie Sport field
 - (Installation of safety gates, repair of ceiling, roof tiles & installation toilet seats)

Beaches and Ablution Facilities - Communities can enjoy clean beaches with well-maintained facilities. The municipality oversees the provision of different beach amenities, including cleaning ablution facilities and beach areas.

Due to vandalism of our facilities, especially after hours, cameras are being installed in all hotspot areas.

Highlights

A total of twenty-six toilets were upgraded in St Francis Bay, Jeffrey's Bay and the GV area.

JEFFREYS BAY MAIN BEACH WALKWAY



JEFFREYS BAY MAIN BEACH OUTSIDE PAINTING



REBUILDING OF WATERKANT STREET WALKWAY



3.15 CEMETERIES

The identification of land, planning and co-ordination of all cemetery management activities throughout the Kouga (17 cemeteries with eight active cemeteries).

STRATEGIC OBJECTIVE

Communities to have access to affordable and adequate cemetery services.

DESCRIPTION OF ACTIVITIES

- Identification and applications for the establishment of new cemeteries.
- Maintenance of existing cemeteries.
- Digging, trimming, and closing of graves.
- Cleaning and beautification of cemeteries.
- Cleansing of public amenities at cemeteries.
- Administration and maintenance of The Wall of Remembrance.

CHALLENGES

- Fencing of new and old Cemeteries to curb vandalism.

SOLUTIONS

- Budget provisions for Fencing of Cemeteries.

HIGHLIGHTS

- EIA Application submitted for the extension of the Humansdorp + KwaNomzamo Cemeteries to the Department of Environmental Affairs for approval.
- EIA Process at Loerie Cemetery Expansion is in progress (Service Provider conducted Specialist studies (Terrestrial, Biodiversity, Aquatic, Palaeontologist) in June 2024.
- Cleaning, maintaining of existing and closed cemeteries.

PATENSIE CEMETERY



C-PLACE CEMETERY



THORNHILL ROAD – BEFORE AND AFTER



STATUS QUO OF CEMETERIES

AREA	WARD	BURIALS PER YEAR 2020/21	BURIALS PER YEAR 2021/22	BURIALS PER YEAR 2022/23	BURIALS PER YEAR 2023/24	AVAILABLE SPACE
HUMANSDORP						
TOWN	15	192	274	212	193	Yes

AREA	WARD	BURIALS PER YEAR 2020/21	BURIALS PER YEAR 2021/22	BURIALS PER YEAR 2022/23	BURIALS PER YEAR 2023/24	AVAILABLE SPACE
KWANOMZAMO	6	77	106	88	98	Yes
GRASLAAGTE	15	None	None	None		Full
JEUGKAMP	4	None	None	None		Full
JEFFREYS BAY						
C-PLACE	11	191	205	171	155	Yes
DR BB KEET	8	None	5	2	1	Full
PELLSRUS DUINE WEG	2	None	None	None	None	Full
PELLSRUS ROMAN STR	2	None	None	None	None	Full
GAMTOOS VALLEY						
CENTERTON	9	2	5	5	None	Full
HANKEY TOWN	9	81	5	None	None	Full
MILTON CONGREGATIONAL CHURCH CEMETERY	9	111	24	None	None	Full
HANKEY TOWN NEW	9		110	117	102	New Hankey Cemetery
WESTON	13	4	6	4	None	Reaching Capacity Congregationa l Church Cemetery Used
RAMAPHOSA	10	None	None	None	None	Full
PATENSIE TOWN	10	75	99	65	14	Full
PATENSIE TOWN					57	New Patensie Cemetery
THORNHILL PRIVATE LAND	7	9	8	10	6	Reaching Capacity (4 Spaces Available)
THORNHILL CEMETERY					0	New Thornhill Cemetery
LOERIEHEUWEL	7	22	19	20	19	Reaching Capacity

AREA	WARD	BURIALS PER YEAR 2020/21	BURIALS PER YEAR 2021/22	BURIALS PER YEAR 2022/23	BURIALS PER YEAR 2023/24	AVAILABLE SPACE

3.16 FIRE SERVICES AND DISASTER MANAGEMENT

3.16.1 FIRE SERVICES



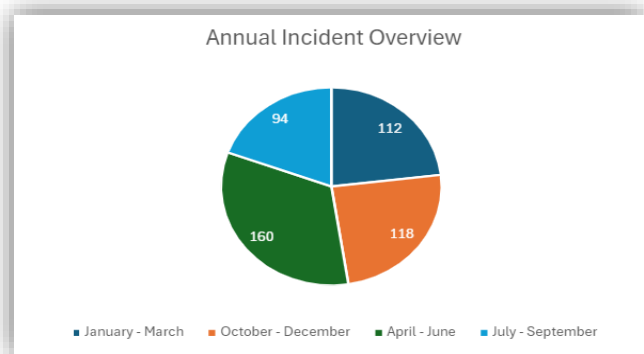
The Fire Services of Kouga Municipality provides professional coverage over 2,419 square kilometres, with headquarters in Humansdorp and satellite stations in Jeffreys Bay, St. Francis Bay, and Hankey.

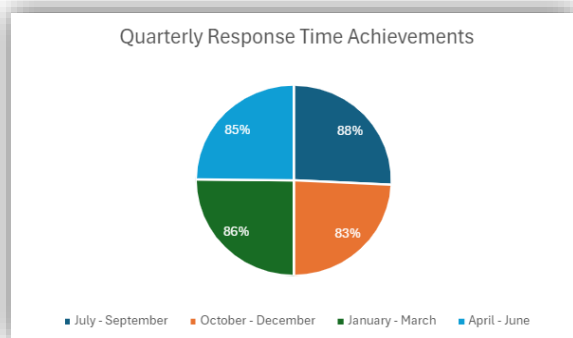
The service employs fifty-four (54) staff members, who are essential in delivering high-quality service. The most important asset the Kouga Municipal Fire Service has is its staff and it is through our staff that we are able to render a professional service of an excellent standard to the community.

The Fire Services is also fortunately equipped with excellent fire fighting vehicles and equipment to deal with our legislated function. The Service is working closely with the Fleet section and is constantly in the business of building and customizing vehicles to suit our operational needs and the topographical demand of our area, with this in view we are constantly evaluating and assessing to produce practical, yet efficient fire tenders within the Road traffic legislation to develop the ultimate fire tender.

OVERVIEW OF THE YEAR

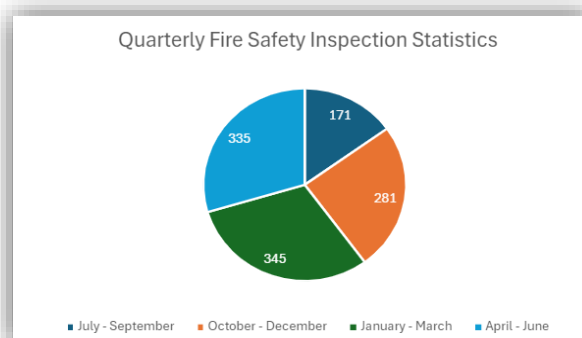
The Fire Services responded and attended to **484 incidents** during the year, whereby most of these incidents, especially veld fires increased during the summer season which highlights an influx of visitors to our area each year. Our commitment to protecting lives, properties, and the environment remained unwavering, and we are proud of our team's resilience and dedication. We look forward to continuing our mission of serving the Kouga community with excellence and care.





The Department demonstrated a Strong commitment to rapid response, ensuring that a high percentage of incidents were addressed within 15 minutes of receiving the call. These statistics highlight our continuous efforts to optimize response times and provide prompt assistance to the community.

A comprehensive series of fire safety inspections were conducted over the past year to ensure the safety and compliance of various properties and at events within our jurisdiction. Below is a detailed summary of the total fire safety inspections conducting each quarter.



The Kouga Fire Department is dedicated to enhancing community safety through proactive firefighting and evacuation drills, and comprehensive educational outreach. In the past year, we have engaged with a wide range of local institutions,

The section's community outreach and education efforts have successfully engaged a wide range of local institutions and facilities over the past year. By conducting firefighting and evacuation drills, as well as providing targeted educational sessions, we aim to enhance fire safety awareness and preparedness across the community. Our ongoing commitment to these initiatives helps ensure that individuals and organizations are equipped to manage emergencies effectively and maintain a safe environment for all.

Fire Season - We normally experience most fires between November and March due to intense heat, windy and dry conditions, which causes extreme fire behaviour and makes fires difficult to control. This period also highlights the fire prohibition period where no controlled fires are allowed.

Veld Fires - Veld fires are classified as vegetation fires of any size that occurs in fynbos, natural veld, plantations, crops, or invasive vegetation and had been identified as a critical risk to the community. As risks cannot be entirely prevented, effective evaluation and planning is necessary to minimize loss of life and property. Control measures include pre-incident planning, adequate fire services deployment and staffing, and effective emergency management techniques.

Draft Integrated Veld Fire Management Plan - An Integrated Fire Management Plan for the Kouga Municipality is in draft phase. This plan aims to Strategically set out several approaches that will result in more cost-effective and sustainable management of the benefits and threats of veld fires. Implementation of the Integrated Veld Fire Management Plan will result in healthier natural ecosystems; preservation of catchment areas; communities that are less at risk from fires; and a more cost-effective fire suppression program.

Interrelations - The Memorandum of Agreement between Kouga Municipality and Working on Fire is still in place until 2028 and the assistance with bush clearing and maintenance of fire breaks is ongoing.

Kouga Municipality is a registered member of the Sarah Baartman West Fire Protection Association (SBWFPA), and this organisation is continuously attempting to grow its membership and ensure that at least the members are compliant with the relative legislation, with the enforcement of its rules and regulations. It is also the intention to ensure that there is a coordinated and standardised approach to the management of veld fire risk within the Sarah Baartman district, such as the specifications and siting of firebreaks, equipment and training of members and improved communication amongst members.

The assistance and involvement of the community during incidents, whether its fires, floods, etc had become a norm and the Fire Services and all other firefighting agencies extend their sincere appreciation and gratitude for the selfless assistance by all.

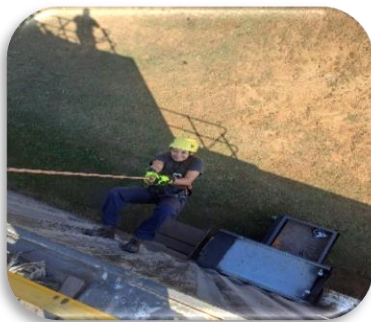
Training And Development - The Kouga Fire Department is committed to continuous training and development to ensure our staff are equipped with the necessary skills and knowledge to effectively serve our community. Over the past year, we have conducted specialized training programs for our team members across various essential areas. This report highlights the key training initiatives and the personnel who participated.

Vehicle Rescue & Extrication - This training focused on techniques and best practices for safely extricating individuals from vehicles involved in accidents. The participants, N. Fani, B. Wabanie, L. Nzimela, X. Mani enhanced their skills in handling various extrication tools and managing complex rescue scenarios.

Fire Prevention - The fire prevention training aimed to equip our staff with advanced knowledge and Strategies to prevent fires. The program covered fire safety inspections, risk assessments, and community education on fire prevention measures and J. van Dyk, A. Makoba, J. Barnard, S. Tshali participated.

Rope Rescue 1 & 2 - This intensive training covered fundamental and advanced rope rescue techniques. The participants, D. Lottering, R. Meintjies, J. Groep, M. Potgieter learned to perform rescues in challenging environments, including high-angle and confined space scenarios, ensuring they are prepared for any situation requiring rope access.

Disaster Management Information System (Ovvio) - Participants: M. Nxumalo, B. Botha, A. Brown, A. Savage Training on the Disaster Management Information System (OVVIO) focused on enhancing our team's ability to manage and respond to disasters efficiently. The participants gained expertise in using the OVVIO system to coordinate emergency responses, track resources, and analyse incident data.



Urban Search And Rescue - Two of our firefighters have been selected for the Eastern Cape Urban Search and Rescue Team. They will undergo extensive training which will be provided by the United Nations to empower and equip them for call up during Disastrous incidents in the province and country.



The ongoing training and development initiatives at the Kouga Fire Department are vital in maintaining a highly skilled and prepared workforce. By investing in specialized training programs, we ensure our staff can deliver exceptional service and respond effectively to emergencies. We are proud of our team's commitment to professional growth and their dedication to protecting and serving our community.

Procurement Of Firefighting Vehicle -

A 7000-liter water tanker was procured to complement the current firefighting vehicles.



3.16.2

DISASTER RISK MANAGEMENT



As the Kouga Local Municipality, we face increasing disaster risks, including severe storms and drought, that have devastating effects on our communities. Our Disaster Management section, mandated by the Disaster Management Act of 2002, serves the entire municipality. Guided by the Disaster Management Framework of 2005, we have adopted an integrated, multisectoral, and multidisciplinary approach to mitigate disaster impacts. Last year alone, we managed over thirty-five serious incidents, with two declared as disasters (floods and storm surges). We are committed to enhancing community disaster resilience and ensuring timely, effective responses in times of need.

Arrangements for the Development and Adoption of Integrated Disaster Risk Management Policy - In the past year, several important policies have been developed and reviewed, including the Kouga Local Municipality Flood Plan, the Disaster Management Plan, and the Disaster Management Framework. Additionally, a Power Outage Contingency Plan and Standard Operating Procedures for response and recovery have been established.

Arrangements for Stakeholder Participation and the Engagement of Technical Advice in Disaster Risk Management Planning and Operations - In the first quarter, we established the Disaster Management Advisory Forum, developing and adopting its terms of reference with stakeholder input. The forum has since met quarterly. We are also reviving the Kouga Local Municipal Interdepartmental Disaster Risk Management Committee, with terms of reference developed and internal departments identified for participation, expected to resume in the new fiscal year.

Our section has mobilized various government sectors, non-governmental organisations, and community-based organizations for disaster risk management planning. Participants include municipal departments, the National Department of Human Settlement, Social Development, SASSA, Law Enforcement, Agriculture, South African Police Service, Red Cross, and Old Mutual Foundation. We activated the JOC for floods, storm surges, and a recent Foot and Mouth Disease outbreak, establishing technical task teams for mitigation measures. Community participation through ward committees has been initiated, with sandbag demonstrations and distributions conducted in flood-prone areas. We are currently developing a Disaster Management Education, Training, and Awareness Strategy, with promotional items for awareness campaigns in procurement.

Disaster Risk Assessment - Sarah Baartman District Municipality has initiated the process of updating the Disaster Risk Assessment, which includes all local

municipalities. Hazard-specific risk assessments have been conducted, informing our Flood Management and Fire Management plans. Flood and fire risk areas have been identified and prioritized, with various recommended risk reduction measures currently being implemented.

Disaster Risk Reduction - The Disaster Management Framework is in place, and the Disaster Management Plan has been reviewed. Priority has been given to vulnerable communities, especially informal settlements. Fire education and awareness programs, sandbag demonstrations, and distributions were conducted. Flood-prone areas received Road refills, water escape route constructions, and storm drainage system cleanings. Standard Operating Procedures for disaster recovery are established, with clearly defined roles and responsibilities for relevant stakeholders and role-players.

Response And Recovery - Impact-based early warnings of weather events from the South African Weather Services have been sourced and disseminated to the public and business sector by the Disaster Management section through the Communication unit. Disaster Management teams have been activated to a state of alert and readiness for all occurring events.

Assessment, Classification, Declaration and Review - Initial damage assessments for the September storm surge and June flooding were conducted by the section in collaboration with various stakeholders. After verification by the Municipal Infrastructure Support Agent, a local state of disaster was declared. The application for disaster grant funding was successful, resulting in over ten million rand from the National Disaster Management Centre for reconstruction and rehabilitation. Implementation and monitoring of these projects and programs are currently underway.



Rehabilitation And Reconstruction - The National Department of Human Settlement is currently verifying and endorsing assistance for flood victims by providing building materials.

Disaster Response and Recovery - In terms of our response, the below table indicates data.

Disaster Occurrences

QUARTER	NATURE AND THE NUMBER OF INCIDENTS	NUMBER OF AFFECTED DWELLINGS OR STRUCTURE	NUMBER OF AFFECTED PEOPLE	NUMBER OF DISPLACED PEOPLE	ASSITANCE PROVIDED
1	2 Structural Fires	2	17	0	17 Blankets/ 17 Mattresses

2	8 Structural Fires and 1 Flooding	18	56	0	35 Blankets/ 35 Mattresses
3	8 Structural Fires and 1 Flooding	20	100	0	35 Blankets/ 35 Mattresses
4	4 Structural Fires and 1 Flooding	432	707	23	160 Blankets/ 160 Mattresses

3.16.3 LIFESAVING SERVICES



The Kouga Municipality's Lifeguard Services play an integral role in ensuring the safety and enjoyment of our beaches and surrounding water bodies throughout the year. As the seasonal period concluded, we reflect on the impactful efforts and achievements of our lifeguards and related programs.

Seasonal Operations

- Period of Service: The lifeguard contracts were active from November to April.
- Lifeguards were responsible for supervising beach safety, performing rescues, and assisting swimmers, surfers, and others in distress. Their presence was essential for preventing drownings and ensuring a safe environment for beachgoers.
- Safety Coverage: Services were provided across various water bodies, including beaches, lagoons, and dams, accommodating a significant influx of visitors and residents.

Key Achievements

- Effective supervision and timely rescue operations contributed to a notable reduction in drowning incidents.
- Positive feedback from users of the amphibious wheelchair, which allowed disabled visitors to enjoy a fulfilling beach experience.

Awareness Campaigns and Humanitarian Services

Water Safety Awareness:

- In-Season Campaigns: Lifeguards conducted regular water safety awareness campaigns on the beaches, educating the public on safe swimming practices and emergency procedures.
- Off-Season Initiatives: Outreach programs were held at local schools, promoting water safety and life-saving skills to the younger generation.

Humanitarian Services

- Amphibious Wheelchair: The use of the amphibious wheelchair enhanced the beach experience for disabled individuals, receiving commendations for its impact on inclusivity and accessibility.
- Youth Upskilling Program: A new initiative focused on training young people in lifesaving skills is underway. This program aims to develop future lifeguards and enhance community preparedness. Further details and outcomes will be reported upon completion.



The lifeguard services provided by the Kouga Municipality have been instrumental in ensuring a safe and enjoyable experience for all who visit our beaches and water bodies. As the seasonal period ends, we acknowledge the dedication and hard work of our lifeguards and look forward to continuing our efforts in water safety and community education. The ongoing youth training program and future awareness campaigns will further Strengthen our commitment to preventing drownings and enhancing public safety.

We thank our lifeguards for their invaluable contributions and dedication to promoting a safe aquatic environment for everyone.

3.17 SAFETY AND SECURITY

3.17.1 TRAFFIC LAW ENFORCEMENT

Safety



&



Security

Traffic Law Enforcement forms part of the Criminal Justice System in our Country, therefore our purpose as Dept of Safety and Security is to enhance and ensure safety on our Local Roads in the Kouga as well as ensuring that property of all residents is protected.

Overview - Traffic Law Enforcement plays a crucial role in promoting Road safety. By enforcing Traffic regulations and punishing offenders using guidelines promulgated in the National Road Traffic Act 93/1996, the Criminal Procedure Act 51/1977, and the National Land Transportation Act 5/2009.

Functions - The functions within the Dept include Scholar Patrols daily at all schools in the Municipal area.

Seeing that speed is at the core of Road Safety problems, we are making use of speed measurement equipment to measure the speed of Road users. Operational activities in the form of Joint operations and Roadblocks with role-players like SAPS are being performed in different areas within the jurisdiction of Kouga.

Traffic Control Activities

DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24
HANDWRITTEN FINES	2 602	4 296	6 146	7 098	8 292
PAID FINES	682	875	1 142	997	1 515
DISABLED PARKINGS	166	107	117	150	157
WARRANT OF ARRESTS	161	114	554	1 247	711
SPEED CAMERA (TOTAL CASES)	-	-	-	-	138 032

Total Accidents

HUMANSDORP	JEFFREYS BAY	THORNHILL	HANKEY	PATENSIE	ST FRANCIS BAY
267	339	63	51	43	96

Total Warrant Roadblocks: 76



Education & Awareness Campaigns

Scholar Patrol - Scholar patrol and Training was done at the following schools:

- Scholar Patrol Training and equipment were given to Graslaagte Primary School and Kleuter Zone Kleuterskool was visited by officer during August 2023.
- Makukhanye Primary School, and Kings College 30 January 2024.
- Graslaagte Primary School 10 April 2024.
- Patensie Primary 19 April 2024.
- Makukhanye Primary 16 April 2024.
- Mzingisi Primary 18 April 2024.
- Kings College, Jeffreys Bay 08 April 2024.

- Scholar patrol education and training (Pedestrian Crossing) was done on 15 May 2024 at Makukhanye Primary in Kwa Nomzamo, Humansdorp.
- Pedestrian Crossing was observed at Kings College, Jeffreys Bay on 12 June 2024.

3.17.2 REGISTRATION AND LICENSING/ DRIVERS LICENSE/ VEHICLE TESTING

Registration & Licensing - The vehicle Licensing acts as an agent for the Provincial Department of Transport. No person shall operate a vehicle on the Public Road with an unlicensed vehicle. All the functions are regulated in terms of the National Road Traffic Act of 93/1996.

The Functions include:

- Registration & Licensing of vehicles
- Duplicate Registration Certificates
- Temp/Spec Permits
- Application & Issuing of Roadworthy Certificates
- Issuing Police Clearance

DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24
HUMANSDORP					
DUPLICATE CERTIFICATES	177	273	207	260	394
SPECIAL PERMITS	23	13	19	19	18
TEMPORARY PERMITS	-14	22	39	33	41
SEARCH FEES	-	-	-	-	-
HANKEY					
DUPLICATES	12	16	11	38	15
SPECIAL PERMITS	1	3	6	-	-

Driving Licence Testing Centre (Dltc)

Overview - The Driving License Testing Centre functions through the application and issuing of Learners Licenses, Driving licenses, Professional Driving Licenses, and renewal of existing licenses. These services are rendered for Local residents as well as neighbouring Municipalities.

Hankey Driving License Centre functions through renewals and PRDP.

HUMANSDORP & HANKEY

DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24
LEARNERS APPLICATIONS	2 679	3 280	2 744	1 997	1890
APPLICANTS PASSED	1 959	2 394	1 690	431	527
RENEWALS	3 908	4 160	5 512	6 822	5927
LIGHT MOTOR VEHICLE TESTS	1 128	1 266	1 231	715	466
HEAVY MOTOR VEHICLE TESTS	2 260	2 010	766	847	900
APPLICANTS PASSED	2 508	2 374	1 038	675	694
ROADWORTHY TESTS	243	71	57	95	149

Vehicle Testing Station - The Vehicle Testing Station is responsible for Roadworthy Tests and assists in Traffic Law Enforcement operations.

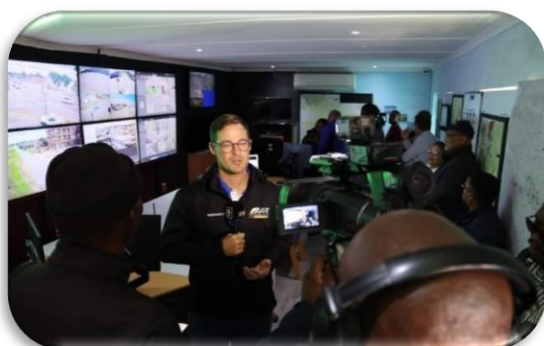
System Errors cause delays in performing transactions and present challenges.

3.17.3 SECURITY SERVICES

Cameras - A Total of eight (8) installations with twenty-nine (29) cameras were done for the 2023/24 at the following places:

- Pellsrus, Jeffreys Bay
- Beachfront, Jeffreys Bay
- Van Stadens Bridge
- Koekoepanne
- Jacaranda Street, Jeffreys Bay
- ICC Offices, Humansdorp
- Anchor Down
- Main Office, Jeffreys Bay

Our cameras were Instrumental in 11 arrests and the recovery of stolen goods to the value of R3 million.



12 April 2024: Incident Command Centre (ICC)

3.17.4 LAW ENFORCEMENT

By-Law Enforcement - The By-Law Section is responsible for various aspects and enforcing of all Municipal By-Laws.

By-Laws provide certainty to residents regarding what is permissible and what is not. By-Laws mandate certain actions in designated areas with penalties for non-Compliance.

Functions - Their functions include protecting Municipal Infrastructure in cooperation with SAPS and other Law Enforcement agencies.

Illegal Dog Breeding - Twenty-one (21) campaigns were executed for the 2023/24 fiscal year.

Illegal Squatters' Campaigns - A Total of thirty-two (32) Campaigns were executed for 2023/24.



Joint Operations - 158 Joint Operations were executed by the Traffic and Law Enforcement sections during the 2023/24.



COMPONENT F: PLANNING AND DEVELOPMENT

3.18 SPATIAL AND LAND USE MANAGEMENT

3.18.1 KOUGA SPATIAL DEVELOPMENT FRAMEWORK

The Council has approved the item for the review of the MSDF of 2020. Tenders have been called for and was awarded to Maswana Consulting. The project inception meeting was held on the 26 April 2024.

MSDF REVIEW: PROJECT TECHNICAL COMMITTEE.					
	Department.	Nominated Official For Ptc.	Email Address	Position.	Alternative Official.
1	PMU	Zirk Buys	zbuys@kouga.gov.za	PMU	Dir. T S
2.	Technical Services	Andre Botha	abotha@kouga.gov.za	Manager : technical Services	Dir. T S
3.	Electrical Dept.	Mandla Mangembe	mmangembe@kouga.gov.za	Acting manager EM	Dir.EM
4.	Environmental Section	Nomvelo Sivela	nsivela@kouga.gov.za	Environmental Officer	Christa Venter Manager: Waste and Environmental
5.	Traffic Department	Sean Williams	swilliams@kouga.gov.za	Superintendent: Traffic	Act. manager: Safety & Security
6.	Fire Services	H Van Rooyen	hvrooyen@kouga.gov.za	Divisional Officer for Fire Safety.	Manager: Fire & Safety: D Barnard.
7.	LED	Anene Jonck	ajonck@kouga.gov.za	Acting Manager: Economic Development & Tourism	CFO
8.	Financial Depart.	Neville Swarts	nswarts@kouga.gov.za	Manager: Assets & Funding	CFO
9.	IDP Manager	Thobeka Twani	ttwani@kouga.gov.za	Manager: IDP	Asanda Tebekana
10.	PMS.	Abrie Koegelenberg	akoegelenberg@kouga.gov.za	Manager:PM S	MM

11.	Town Planning	L Ramakuwela Kobus Marais E Van Biljon T Mphohoni	lramakuwela@kouga.gov.za. jmarais@kouga.gov.za evbiljon@kouga.gov.za tmphohoni@kouga.gov.za	Act.Director:PD D TP. CTP:LUMS TP.	Act Dir.PD
12.	Housing Department	Nico Prinsloo.	nprinsloo@kouga.gov.za	Acting Manager: Housing.	Act. Dir.PD
13.	GIS	Nwabisa Mali	nmali@kouga.gov.za	GIS	Act Dir. P D
14.	Matswana Consultants JV.	Casper Badenhorst Gisela Altona-Meier	casper@msjv.co.za.	Consultant.	

Scope Of Work Key project scope as identified in the TOR - Implementing a Sustainable Development pathway for the municipality. To prepare and identify a future spatial distribution of land uses (especially towards protecting areas for agriculture and tourism development).

Prepare future development proposals (through scenario planning)
To provide investment direction and confidence in the Municipality.
The MSDF needs to be aligned to the NSDF, NDP, EC PDP and the DALRRD SDF.

3.18.2 PRECINCT PLANS

Local Spatial Development Framework: Precinct Plans - St Francis Bay CBD and Hankey CBD Precinct Plans

Urban Dynamics EC were appointed as the service provider for the development of both the precinct plans for St Francis Bay CBD and Hankey CBD in February 2022. The main purpose of the precinct plan is to set a vision for the future development of the area and Urban Regeneration Strategy.

Project Implementation Plan (Project Phases, Action, Deliverables & Timeframes):

The service provider was given a period of 9 months to complete the project. The project is divided into 5 Phases.

Phase 1: Inception- this phase is 100% complete. The Project Inception Meeting was held virtually on 26 May 2022, Project Inception Report was presented to the Working Group/ Project Technical Steering Committee. A letter was sent to the MEC and a notice placed in the Newspaper indicating Kouga Municipality's intention to develop Precinct Plans for Both Hankey and St Francis Bay CBD's and calling for registration of I & AP.

Phase 2: Status Quo Analysis- This phase is 100% complete. Status Quo Report for both Hankey CBD and St Francis Bay CBD was presented to the Project Technical Steering Committee on 5 September 2022. All comments and inputs were considered. An updated and consolidated draft Status Quo report was shared with the Project Technical Steering Committee. Engagement with the Interested & Affected Parties

Meeting was scheduled for December 2022 and February 2023 - inputs and comments were incorporated into the First draft report for both Precinct Plans.

Phase 3: First Draft CBD Precinct Plan- This phase is 100% complete. The First Draft for both Hankey CBD and St Francis Bay CBD precinct plan is complete.

Phase 4: Public Participation- Public participation is to commence in quarter 1 of the 24/25 Financial year.

3.18.3 APPEAL AUTHORITY

The Land-Use Management Department received 8 appeals in terms of Section 136 of the Spatial Planning and Land Use Management By-Law (2016), during the 2023/2024 financial year.

There were four appeal assessment reports were finalised by the Delegated Official. The said reports served at an Appeal Authority meeting, chaired by the Executive Mayor, Hatting Bornman on 16 May 2024. A further Appeal Authority Meeting was held on 6 June 2024, whereafter decisions were taken by the Appeal Authority on four (4) appeals.

It should be noted that there are currently four (4) appeals being assessed by the Delegated Official whereafter the appeals will serve before the Appeal Authority for consideration and decision making.

Nr	Date Received	Appeal Description	Decision of the Appeal Authority
1.	19 October 2023	Erf 336, Jeffreys Bay - Application for Consent Use	The Appeal Authority upheld the appeal and revoked the decision of the Authorised Official.
2.	25 January 2024	Erf 430, Jeffreys Bay- Application for Removal of Restrictive Title Deed Conditions and Rezoning of Residential Zone 1 to Residential Zone 3	The Appeal Authority dismissed the appeal and confirmed the decision of the Municipal Planning Tribunal.
3.	25 January 2024	Erf 1246, Aston Bay- Application for Permanent Departure	The Appeal Authority dismissed the appeal and confirmed the decision of the Municipal Planning Tribunal.
4.	22 March 2024	Erf 3748, Jeffreys Bay – Application for Temporary Departure	The Appeal Authority dismissed the appeal and confirmed the decision of the Municipal Planning Tribunal.
5.	13 January 2024	Erf 1404 -Sea Vista-Application for Removal of Restrictive Title Deeds and Permanent Departure	Appeal currently being assessed by the Designated Official
	27 May 2024	Erf 201- Humansdorp – Application for Consent Use	Appeal currently being assessed by the Designated Official
	4 June 2024	Erf 2679- Jeffrey Bay- Application for Rezoning	Appeal currently being assessed by the Designated Official

	11 June 2024	Erf 3552- Jeffreys Bay Application for Rezoning	Appeal currently being assessed by the Designated Official

3.18.4 LAND USE MANAGEMENT AND ADMINISTRATION

All Land Use Management is done in accordance with legislation requirements e.g., Zoning Scheme Regulations, Kouga Spatial Planning and Land Use Management By-law, 2016, and other applicable legislation.

The land use management application process has also been converted to an online submission via the OVVO portal. All planning applications are captured on the land use application portal. The Town Planning Section can now monitor all the necessary processes that have to be followed for an application to be finalized and approved.

The following Land Use Management applications for 2023/2024 have been dealt with in terms of said legislation: The table underneath depict the number of applications received during the financial year.

	0 Site Development Plan Submission	0_2 Occupational Practice - Other Rights	0_4 Zoning Certificate	57 Not in Use - Other Applications	57(n) Site Development Plan Amendment	59 Sub- division application (Info 2 Erven)	59_1 Sub- division application (Info 3 - 250 Erven)	59-1-c Combined Application - Rezoning, Sub- Division, Departure (Info 3 - 250 Erven)	59-c Combined Application - Rezoning, Sub- Division, Departure (Info 2 Erven)	64 Extension of the validity period of an approval - fee to be determined
Amaninzi										
Aston Bay	1				1	1				
Crossways					1					
Hankey	2					1				
Humansdorp	3									
Humansdorp RD	5				1	2	1	2		
Jeffreys Bay	8				5	1				
Cape St Francis							1			
Oyster Bay										
Paradise Beach					2					
Patensie	1									
Pellrus										
Sea Vista	6					1				

	0 Site Development Plan Submission	0_2 Occupational Practice - Other Rights	0_4 Zoning Certificate	57 Not in Use - Other Applications	57(n) Site Development Plan Amendment	59 Sub-division application (Info 2 Erven)	59_1 Sub-division application (Info 3 - 250 Erven)	59-1-c Combined Application - Rezoning, Sub- Division, Departure (Info 3 - 250 Erven)	59-c Combined Application - Rezoning, Sub- Division, Departure (Info 2 Erven)	64 Extension of the validity period of an approval - fee to be determined
St Francis Links										
Uitenhage RD									2	
Loerieheuvel										
Kruisfontein	2					1				
Grand Total	28	0		0	10	7	2	2	2	

A total of 265 land-use applications was recorded for abovementioned period.

OFFICIAL RESOLUTION REGISTER: 1 July 2023 – 30 June 2024

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	Property description	Date submitted	Application type	Decision
1.	JL1920-00223	Erf 2080, Jeffreys Bay	20/08/2019	Application for Consent Use to operate a guest lodging facility	18/07/2023 Refused
2.	JL2021-00069	Erf 661, Sea Vista	28/09/2020	Application for Permanent Departure to relax building lines	18/07/2023 Refused
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	Property description	Date submitted	Application type	Decision
3.	JL2021-00165	Erf 776, Patensie	23/04/2021	Application for Consent Use to operate a liquor store	18/07/2023 Refused
4.	JL2122-00040	Erf 1468, Jeffreys Bay	05/09/2021	Application for Consent Use for an additional dwelling unit	17/08/2023 Approved
5.	JL2122-00117	Erf 1853, Sea Vista	21/02/2022	Application for Permanent Departure to relax building lines	29/09/2023 Approved
6.	JL2122-00129	Erf 351, Kaap St Francis	02/03/2022	Site Development Plan	17/08/2023 Refused
7.	JL2122-00185	Erf 3302, Jeffreys Bay	24/05/2022	Application for Consent Use for an additional dwelling unit	17/08/2023 Approved
8.	JL2122-00196	Erf 6629, Jeffreys	30/05/2022	Application for Permanent Departure to relax building	29/09/2023 Approved

		Bay		lines	
9.	JL2122-00194	Erf 105, Jeffreys Bay	31/05/2022	Site Development Plan	18/07/2023 Approved
10	JL2122-00198	Erf 1011 Aston Bay	02/06/2022	Application for Permanent Departure to relax coverage and relax building lines	18/07/2023 Approved
11	JL2223-00051	Erf 7898, Jeffreys Bay	29/09/2023	Application for Consent Use for an additional dwelling unit	29/09/2023 Approved
12	JL2223-00054	Portion 189 of Farm 328, Humansdorp RD	05/10/2022	Application for Permanent Departure to relax building lines	18/07/2023 Refused
13	JL2223-00060	Erf 886, Paradysstrand	17/10/2022	Application for Consent Use for a guest lodging facility	18/07/2023 Approved
14	JL2223-00061	Erf 336, Jeffreys Bay	17/10/2023	Application for Consent Use for a guest lodging facility	29/09/2023 Refused
15	JL2223-00068	Erf 8663, Jeffreys Bay	02/11/2022	Site Development Plan	17/08/2023 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	Property description	Date submitted	Application type	Decision
16	JL2223-00072	Erf 1027, Aston Bay	09/11/2022	Application for Permanent Departure to relax building lines	18/07/2023 Approved
17	JL2223-00087	Erf 5415, Jeffreys Bay	02/12/2022	Application for Permanent Departure to relax building lines	18/07/2023 Approved
18	JL2223-00095	Erf 1591, Sea Vista	20/01/2023	Application for Consent Use for an additional dwelling unit and Permanent Departure to relax building lines	18/07/2023 Approved
19	JL2223-00115	Erf 2341, Jeffreys Bay	20/02/2023	Application for Consent Use for an additional dwelling unit	17/08/2023 Approved
20	JL2223-00135	Erf 866., Jeffreys Bay	23/03/2023	Site Development Plan	17/08/2023 Approved
21	JL2223-00139	Erf 8218 Jeffreys Bay	05/04/2023	Application for Consent Use for Home Occupation	29/09/2023 Approved
22	JL2223-00158	Erf 8648, Jeffreys Bay	03/05/2023	Site Development Plan	29/09/2023 Approved
23	JL2223-00161	Portion 4 of farm 675	08/05/2023	Site Development Plan	29/09/2023 Approved

		Humansd orp RD			
24	JL2223- 00164	Portion 1 of Farm 686 Humansd orp RD	10/05/2023	Exemption: Water pipeline servitude	17/08/2023 Approved
25	SL2122- 00024	Erf 1371, Sea Vista	07/06/2022	Application for Permanent Departure to relax building lines	18/07/2023 Approved
26	SL2223- 00010	Erf 3306, Sea Vista	20/01/2023	Site Development Plan	19/09/2023 Approved
27	SL2223- 00011	Erf 3848, Sea Vista	22/02/2023	Site Development Plan	29/09/2023 Approved
28	SL2223- 00012	Erf 1983 & 1984, Sea Vista	03/03/2023	Exemption: Consolidation of Erf 1983 & Erf 1984, Sea Vista	17/08/2023 Approved
29	SL2223- 00016	Erf 635 & 636, Sea Vista	15/03/2023	Exemption: Consolidation of Erf 635 & 636, Sea Vista	17/08/2023 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	Property description	Date submitted	Application type	Decision
30	SL2223- 00021	Erf 3837, Sea Vista	14/04/2023	Site Development Plan	18/07/2023 Approved
31	SL2223- 00022	Erf 220, St Francis Links	14/04/2023	Application for Subdivision and Registration of servitude	11/09/2023 Approved
32	SL2223- 00024	Erf 3431, Sea Vista	03/05/2023	Site Development Plan	29/09/2023 Approved
33	SL2324- 00003	Erf 11 Sea Vista	02/08/2023	Site Development Plan	23/08/2023 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 2: 01 October 2023 – 31 December 2023					
	Application No.	Property description	Date submitted	Application type	Decision and Date
34	JL2021- 00134	Erf 3108, Jeffreys Bay	15/02/2021	Application for Permanent Departure to relax	06/10/2023 Approved
35	JL2021- 00193	Erf 8672, Jeffreys Bay	17/06/2021	Site Development Plan	18/10/2023 Approved
36	JL2122- 00113	Erf 1018, Jeffreys Bay	14/02/2022	Application for Consent Use for an additional dwelling unit	06/10/2023 Approved
37	JL2122- 00123	Erf 5258, Jeffreys Bay	25/07/2022	Application for Subdivision into two portions	05/12/2023 Approved
38	JL2122- 00156	Erf 3785, Jeffreys Bay	05/04/2022	Application for Consent Use for an additional dwelling unit	18/10/2023 Approved

39	JL2122-00195	Erf 6638, Jeffreys Bay	18/10/2023	Application for Consent Use for an outdoor shooting range	18/10/2023 Approved
	JL2122-00199	Erf 6618, Jeffreys Bay	03/06/2022	Application for Subdivision into two portions and Permanent Departure to relax building lines	30/11/2023 Approved

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 2 : 01 October 2023 – 31 December 2023

	Application No.	Property description	Date submitted	Application type	Decision and Date
40	JL2223-00010	Erf 1823, Jeffreys Bay	19/07/2022	Application for Permanent Departure to relax building lines	06/10/2023 Approved
41	JL2223-00019	962 of Humansdorp RD	09/08/2022	Application for Consent Use for an agricultural gin distillery	06/10/2023 Approved
42	JL2223-00040	Erf 2483, Jeffreys Bay	19/09/2022	Application for Permanent Departure to relax building lines	28/11/2023 Approved
43	JL2223-00043	Erf 2290, Jeffreys Bay	22/09/2022	Application for Consent Use for an additional dwelling unit	28/11/2023 Approved
44	JL2223-00052	Erf 5220, Jeffreys Bay	30/09/2022	Application for Consent Use for an additional dwelling unit	06/10/2023 Approved
45	JL2223-00058	Erf 3356, Sea Vista	11/10/2022	Application for Permanent Departure to relax building lines	12/12/2023 Approved
46	JL2223-00063	Erf 4064, Jeffreys Bay	19/10/2022	Application for Permanent Departure to relax building lines	24/11/2023 Approved
50	JL2223-00090	Erf 8711 and Erf 11169 Jeffreys Bay	12/12/2022	Exemption: Boundary shift between Erf 8711 and Erf 11169 Jeffreys Bay	12/10/2023 Approved
51	JL2223-00094	Erf 4807, Jeffreys Bay	19/01/2023	Application for Permanent Departure to relax building lines	06/10/2023 Approved

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 2 : 01 October 2023 – 31 December 2023

	Application No.	Property description	Date submitted	Application type	Decision and Date
52	JL2223-00117	Erf 1594, Jeffreys Bay	21/02/2023	Application for Consent Use for an additional dwelling unit	06/10/2023 Approved
53	JL2223-00129	Portion 103 of Farm 65	20/03/2023	Exemption: Subdivision of Agricultural land into two portions	05/12/2023 Approved
54	JL2223-00131	Erf 5856, Jeffreys Bay	22/03/2023	Application for Permanent Departure to relax building lines	18/10/2023 Approved
55	JL2223-00140	Erf 383, Oyster Bay	10/04/2023	Application for Permanent Departure to relax building lines	30/11/2023 Approved

56	JL2223-00154	Erf 492 Humansdorp	25/04/2023	Site Development Plan	10/10/2023 Approved
57	JL2223-00189	Portion 23 & Portion 44 of Farm 180, Humansdorp RD	06/06/2023	Exemption: Subdivision of Portion 23 and Subdivision of Portion 44	04/10/2023 Approved
58	JL2223-00190	Erf 5196, Jeffreys Bay	07/06/2023	Application for Permanent Departure to relax building lines	06/11/2023 Approved
59	JL2324-00002	Erf 459, Kruisfontein	11/07/2023	Site Development Plan	28/11/2023 Approved
60	JL2324-00029	Portion 93 & Portion 140 of Farm 335, Humansdorp RD	22/08/2023	Exemption: Consolidation of Portion 93 & Portion 140 of Farm 335	06/10/2023 Approved
61	JL2324-00030	Erf 1193 & Erf 1210, Sea Vista	23/08/2023	Exemption: Consolidation of Erf 1193 & 1210, Sea Vista	06/10/2023 Approved
62	JL2324-00047	Erf 4055, Erf 4056 & Erf 4057 Jeffreys Bay	26/09/2023	Exemption: Boundary shift between erven 4055 - 4057	06/10/2023 Approved
63	JL2324-00089	Erf 680 & Erf 681, Hankey	28/11/2023	Exemption: Consolidation of Erf 680 & Erf 681	05/12/2023 Approved
64	SL2122-00026	Erf 395, St Francis Links	29/06/2022	Application for Permanent Departure to relax building lines	06/11/2023 Approved
65	SL2223-00009	Erf 3299, Humansdorp	16/01/2023	Site Development Plan	06/11/2023 Approved
66	SL2324-00004	Erf 11, Sea Vista	28/08/2023	Application for Permanent Departure to relax parking bay provisions	09/11/2023 Approved
67	SL2324-00005	Erf 2199 & 2200, Sea Vista	22/09/2023	Exemption: Consolidation of Erf 2199 & Erf 2200	06/10/2023 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 3 : 1 January 2024 – 31 March 2024					
	Application No.	Property description	Date submitted	Application type	Decision and Date
68	JL1920-00148	Erf 269, Patensie	20/06/2020	Application for Temporary Departure for a telecommunication mast and Permanent Departure to relax building lines	17/01/2024 Approved
69	JL2122-00065	Erf 8755, Jeffreys Bay	14/10/2021	Application for Permanent Departure to relax building lines	29/01/2024 Approved

70	JL2122-00105	Portion 42 of Farm 746, Humansdorp RD	17/01/2024	Application for Consent Use for an additional dwelling unit	17/01/2024 Approved
71	JL2122-00133	Erf 5563, Jeffreys Bay	07/03/2022	Site Development Plan	21/02/2024 Approved
72	JL2122-00143	Erf 4017, Jeffreys Bay	22/03/2022	Application for Consent Use for an additional dwelling unit	09/01/2024 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 3: 1 January 2023 – 31 March 2023					
	Application No.	Property description	Date submitted	Application type	Decision and Date
73	JL2122-00161	Erf 3884, Jeffreys Bay	06/04/2022	Application for Permanent Departure to relax building lines and Consent Use for an additional dwelling unit	09/01/2024 Consent Use – Approved Departure – Refused
74	JL2122-00203	Erf 2580, Jeffreys Bay	08/06/2022	Application for Permanent Departure to relax building lines	12/02/2024 Refused
75	JL2223-00007	Erf 4324, Jeffreys Bay	13/07/2022	Application for Permanent Departure to relax building lines	21/02/2024 Approved
76	JL2223-00089	Portion 2 & Portion 13 of Farm 336, Humansdorp RD	09/12/2022	Exemption: Pipeline servitude	09/02/2024 Approved
77	JL2223-00108	Erf 56 & Erf 57, Crossways	08/02/2023	Exemption: Consolidation of Erf 56 & Erf 57, Crossways	19/01/2024 Approved
78	JL2223-00128	Erf 2969, Jeffreys Bay	20/03/2023	Application for Permanent Departure to relax building lines	09/01/2024
79	JL2223-00147	Erf 583, Paradise Beach	20/04/2023	Application for Consent Use for an additional dwelling unit	08/02/2024 Approved
80	JL2223-00175	Portion 1 of Farm 342, Humansdorp RD	22/05/2023	Exemption: Subdivision and Consolidation	19/01/2024 Approved
81	JL2223-00179	Erf 2765, Jeffreys Bay	23/05/2023	Application for Permanent Departure to relax building lines	21/02/2024 Approved
82	JL2223-00184	Erf 3053, Kruisfontein	30/05/2023	Application for Consent Use for a house shop	22/02/2024 Approved
83	JL2223-00197	Portion 1 of Farm 676, Humansdorp RD	23/06/2023	Application for Temporary Departure for renewable energy support structures	09/01/2024 Approved

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 3: 1 January 2023 – 31 March 2023

	Application No.	Property description	Date submitted	Application type	Decision and Date
84	JL2223-00200	Erf 3678 & Erf 3772, Sea Vista	27/06/2023	Exemption: Consolidation of Erf 3678 & Erf 3772, Sea Vista	17/01/2024 Approved
85	JL2324-00004	Erf 3098, Jeffreys Bay	12/07/2023	Application for Permanent Departure to relax building lines	29/01/2024 Approved
86	JL2324-00009	Erf 2254, Jeffreys Bay	20/07/2023	Application for Consent Use for an additional dwelling unit	17/01/2024 Approved
87	JL2324-00033	Erf 7703, Jeffreys Bay	02/09/2023	Application for Consent Use for sport facility	21/02/2024 Approved
88	SL2223-00025	Erf 3298, Sea Vista	10/05/2023	Application for Permanent Departure to relax building lines	29/01/2024 Approved
89	SL2223-00026	Erf 1859, Sea Vista	15/05/2023	Application for Consent Use for an additional dwelling unit	29/01/2024 Approved
90	SL2324-00001	Erf 2304, Sea Vista	04/07/2023	Site Development Plan	09/01/2024 Approved
91	SL2324-00002	Erf 780 & Erf 781, St Francis Links	17/07/2023	Exemption: Boundary shift	19/02/2024 Approved
92	SL2324-00009	Erf 1538 & Erf 3180, Sea Vista	09/10/2023	Exemption: Consolidation of Erf 1538 & Erf 3180, Sea Vista	19/02/2024 Approved
93	SL2324-00013	Erf 400, St Francis Links	20/12/2023	Application for Permanent Departure to relax building lines	14/02/2024 Approved

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 4 : 1 April 2024 – 30 June 2024

	Application No.	Property description	Date submitted	Application type	Decision and Date
94	JL2223-00032	Erf 201, Humansdorp	29/08/2022	Application for Consent Use for self-storage	02/05/2024 Refused

AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 4 : 1 April 2024 – 30 June 2024

	Application No.	Property description	Date submitted	Application type	Decision and Date
95	JL2223-00041	Erf 4634, Jeffreys Bay	21/09/2022	Application for Permanent Departure to relax building lines	17/04/2024 Approved
96	JL2223-00064	Erf 845, Cape St Francis	25/10/2022	Application for Permanent Departure to relax building lines	02/05/2024 Approved
97	JL2223-00132	Erf 1086, Jeffreys Bay	22/03/2023	Application for Permanent Departure to relax building lines	15/05/2024 Approved
98	JL2223-00133	Erf 1086, Jeffreys Bay	22/03/2023	Application for Consent Use for an additional dwelling unit	15/05/2024 Approved
99	JL2223-00136	Erf 3552, Jeffreys Bay	29/03/2023	Application for Permanent Departure to relax building lines	15/05/2024 Refused

100	JL2223-00168	Erf 6502, Jeffreys Bay	15/05/2023	Site Development Plan	28/06/2024 Approved
101	JL2324-00022	Erf 964, Paradise Beach	07/08/2023	Application for Permanent Departure to relax building lines	20/05/2024 Approved
102	JL2324-00026	Erf 4395, Jeffreys Bay	21/08/2023	Application for Permanent Departure to relax building lines	06/06/2024 Approved
103	JL2324-00028	Erf 1162, Aston Bay	21/08/2023	Application for Permanent Departure to relax building lines	17/04/2024 Approved
104	JL2324-00050	Erf 3880, Jeffreys Bay	29/09/2023	Application for Permanent Departure to relax building lines	11/04/2024 Approved
AUTHORISED OFFICIAL LAND USE DECISIONS: Quarter 4 : 1 April 2024 – 30 June 2024					
	Application No.	Property description	Date submitted	Application type	Decision and Date
105	JL2324-00053	Erf 6161, Jeffreys Bay	06/10/2023	Application for Consent Use for an additional dwelling unit	28/06/2024 Approved
106	JL2324-00077	Portion 5 of Farm 715, Humansdorp RD	13/11/2023	Site Development Plan	15/05/2024 Approved
107	JL2324-00078	Farm 675 Humansdorp RD	13/11/2023	Site Development Plan	15/05/2024 Approved
108	JL2324-00083	Erf 8632, Jeffreys Bay	20/11/2023	Site Development Plan	08/05/2024 Approved
109	JL2324-00102	Erf 3730, Jeffreys Bay	30/01/2024	Application for Permanent Departure to relax building lines	06/05/2024 Approved
110	JL2324-00118	Erf 8617 & Erf 8618, Jeffreys Bay	21/02/2024	Exemption: Consolidation of Erf 8617 & Erf 8618, Jeffreys Bay	12/04/2024 Approved
111	JL2324-00138	Erf 4554, Jeffreys Bay	26/03/2024	Application for Permanent Departure to relax building lines	17/04/2024 Approved
112	JL1819-00032	Erf 4163, Jeffreys Bay	26/03/2019	Application for Temporary Departure for cellular base station	22/08/2023 Refused
113	JL2122-00017	Erf 1128, Jeffreys Bay	28/07/2021	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29/08/2023 Approved
MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	Property description	Date submitted	Application type	Decision

114	JL2122-00138	Erf 922 & Erf 958 Cape St Francis	09/03/2022	Application for Rezoning Erf 922 from Agricultural Zone to Business Zone 2, Consolidation of Erf 922 and Erf 958 Cape St Francis and Subdivision of Consolidated erven into 41 portions. A road reserve and the remainder and access servitude over portion 62 of Farm 746.	27/07/2023 Approved
115	JL2122-00168	Erf 6772, Jeffreys Bay	21/04/2022	Application for Removal of Restrictive Title Deed Conditions	27/07/2023 Approved
116	JL2122-00187	Portion 14 of Farm 691, Humansdorp RD	25/05/2022	Application for Subdivision of Portion 14 into 3 portions	29/08/2023 Approved
117	JL2122-00204	Erf 112 Jeffreys Bay	13/06/2022	Rezoning from Residential Zone 3 to Business Zone 2	29/08/2023 Approved
118	JL2122-00213	Erf 6191, Jeffreys Bay	27/06/2022	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29/08/2023 Approved
119	JL2122-00218	Erf 36, Oyster Bay	29/06/2022	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29/08/2023 Removal – Approved Departure – Refused
120	JL2223-00027	JL2498, Jeffreys Bay	22/08/2022	Application for Consent Use for an additional dwelling unit and Permanent Departure to permit two self-catering units	22/08/2023 Application for Consent Use for an additional dwelling unit – Approved Permanent Departure to permit two self-catering units – Refused

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 1 : 01 July 2023 – 30 September 2023					
	Application No.	Property description	Date submitted	Application type	Decision
121	JL2223-00062	Erf 142, Humansdorp	18/10/2022	Application for Rezoning from Residential Zone 1 to Business Zone 2	22/08/2023 Approved
122	JL2223-00096	Erf 338, Cape St Francis	23/01/2023	Application for Consent Use for an additional dwelling unit and Removal of Restrictive Title Deed Conditions	29/08/2023 Approved
123	JL2223-00120	Portion 5 of Farm 715, Humansdorp RD	03/03/2023	Application for Permanent Departure: Renewable energy support structures, Subdivision – long term lease areas and exemption of servitudes	29/08/2023 Approved

124	JL2223-00121	Farm 675, Humansdorp RD	03/03/2023	Application for Permanent Departure: Renewable energy support structures, Subdivision – long term lease areas and exemption of servitudes	29/08/2023 Approved
125	JL2223-00122	Portion 1 of Farm 676, Humansdorp RD	03/03/2023	Application for Permanent Departure: Renewable energy support structures, Subdivision – long term lease areas and exemption of servitudes	29/08/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 1 : 01 July 2023 – 30 September 2023

	Application No.	Property description	Date submitted	Application type	Decision
126	JL2223-00142	688 of Humansdorp RD, 689 of Humansdorp RD (Portion 2), 868 of Humansdorp RD (Portion 1), 689 of Humansdorp RD (Portion 20)	11/04/2023	* Permanent Departure: Renewable Energy Facility * Long Term Lease areas * Servitudes on portions of : * Remainder Farm Geelhouteboom No. 688 * Remainder Portion 2 of Farm Diep Rivier No. 689 * Portion 20 of Farm Diep Rivier No. 689 * Portion 1 of Farm No. 868	22/08/2023 Approved
127	SL2122-00001	Erf 3160, Sea Vista	14/07/2021	Application for Temporary Departure to permit a telecommunication facility	29/08/2023 Approved
128	SL2223-00003	Erf 1220, Sea Vista	02/08/2022	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29/08/2023 Approved
129	SL2223-00015	Erf 11, Sea Vista	10/03/2023	Application for Removal of Restrictive Title Deed Conditions	27/07/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 2: 01 October 2023 – 31 December 2023

	Application No.	Property description	Date submitted	Application type	Decision
130	JL2122-00049	Erf 48, Cape St Francis	20/09/2021	Application for Removal of Restrictive Title Deed Conditions	30/11/2023 Approved
131	JL2122-00059	Erf 1246, Aston Bay	09/10/2021	Application for Permanent Departure to relax height restrictions	24/10/2023 Approved
132	JL2122-00060	Erf 3002, Jeffreys Bay	11/10/2021	Application for Consent Use for an additional dwelling unit	30/11/2023 Approved
133	JL2122-00200	Erf 570, Humansdorp	06/12/2022	Application for Rezoning from Residential Zone 1 to Residential Zone 2	20/11/2023 Refused

134	JL2223-00008	Erf 880, Humansdorp	15/07/2022	Application for Removal of Restrictive Title Deed Conditions	24/10/2023 Approved
135	JL2223-00031	Erf 1129, Jeffreys Bay	27/08/2022	Application for Removal of Restrictive Title Deed Conditions, Consent Use for an additional dwelling unit and Permanent Departure to relax building lines	30/11/2023 Approved
136	JL2223-00034	Erf 870, Kruisfontein	05/09/2022	Application for Removal of Restrictive Title Deed Conditions, Rezoning from Residential Zone 1 to Community Zone, Permanent Departure to relax building lines and Permanent Departure to relax parking bays required	24/10/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 2: 01 October 2023 – 31 December 2023					
	Application No.	Property description	Date submitted	Application type	Decision
137	JL2223-00037	339 of Humansdorp RD (Portion 3), 339 of Humansdorp RD (Portion 7), 339 of Humansdorp RD (Portion 459)	13/09/2022	Application for cancellation of road servitude, Subdivision of land, Rezoning from Transport Zone 2 to Industrial Zone 1 and Consolidation of land	30/11/2023 Approved
138	JL2223-00042	Erf 6093, Jeffreys Bay	21/09/2022	Application for Removal of Restrictive Title Deed Conditions and Rezoning from Residential Zone 1 to Business Zone 2	24/10/2023 Approved
139	JL2223-00074	Erf 308, Humansdorp	15/11/2022	Application for Amendment and/or deletion of conditions of approval	30/11/2023 Approved
140	JL2223-00097	Erf 1817, Sea Visa	23/01/2023	Application for Permanent Departure to increase maximum height	24/10/2023 Refused
141	JL2223-00119	Portion 3 of Farm 854	02/03/2023	Application rezoning of a portion of the subject property (±9,4ha) from agriculture zone to special zone and rezoning of the remaining extent to open space zone 3	24/10/2023 Approved
142	JL2223-00126	Erf 373, Cape St Francis	14/03/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	24/10/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 2: 01 October 2023 – 31 December 2023					
	Application No.	Property description	Date submitted	Application type	Decision
143	JL2223-00143	Erf 677 & Erf 678, Hankey	14/04/2023	Application for Consolidation of Erf 677 & 687, Hankey and Rezoning of Consolidated Erf from Residential Zone 1 to Business Zone 1	30/11/2023 Approved
141	JL2223-00150	Erf 2438, Jeffreys Bay	20/04/2023	Application for Permanent Departure to relax height restriction	30/11/2023 Approved
145	JL2324-00001	Erf 1404, Sea Vista	11/07/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	30/11/2023 Refused
146	JL2324-00014	Erf 6243, Jeffreys Bay	31/07/2023	Application for Removal of Restrictive Title Deed Conditions and Consent for an additional dwelling unit	30/11/2023 Approved
147	JL2324-00020	Erf 391, Sea Vista	03/08/2023	Application for Removal of Restrictive Title Deed Conditions and Consent for an additional dwelling unit	30/11/2023 Approved
148	SL2223-00005	Erf 423 – Erf 426, Sea Vista	14/08/2022	Application for Consolidation, Rezoning from Residential Zone 1 to Business Zone 2 and Consent Use for a Gymnasium	24/10/2023 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 3: 01 January 2024 – 31 March 2024					
	Application No.	Property description	Date submitted	Application type	Decision
149	JL2122-00053	Erf 963, Sea Vista	27/19/2021		21/06/2023 Refused
150	JL2122-00154	Erf 1 Crossways	05/04/2022	amendment of Subdivision Plan – Amendment of Conditions of Approval – Permanent Departure from Development Parameters	31/01/2024 Approved
151	JL2122-00164	Erf 111, Paradise Beach	13/04/2022	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	23/02/2024 Approved
152	JL2223-00003	Erf 3437, Sea Vista	05/07/2022	Application for Subdivision into two portions	31/01/2024 Approved
153	JL2223-00018	Erf 135 Cape St Francis	05/08/2022	Application for Removal of Restrictive Title Deed Conditions	31/01/2024 Approved

154	JL2223-00099	Erf 41 – Erf 45, Paradise Beach	24/01/2023	Application for Removal of Restrictive Title Deed Conditions and Consolidation of Land	31/01/2023 Approved
155	JL2223-00145	Erf 78, Sea Vista	18/04/2023	Application for Removal of Restrictive Title Deed Conditions	31/01/2024 Approved
156	JL2223-00186	Erf 3845, Sea Vista	05/06/2023	Application for Removal of Restrictive Title Deed Conditions and Rezoning of land from Residential Zone 1 to Business Zone 2	29/02/2024 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 3: 01 January 2024 – 31 March 2024					
	Application No.	Property description	Date submitted	Application type	Decision
157	JL2223-00191	Erf 3748, Jeffreys Bay	08/06/2023	Application for Temporary Departure to allow an animal establishment	31/01/2024 Refused
158	JL2223-00193	Erf 202, Aston Bay	13/06/2023	Application for Removal of Restrictive Title Deed Conditions	29/02/2024 Approved
159	JL2223-00195	Erf 354, Humansdorp	22/06/2023	Application for Rezoning of land from Agriculture Zone to Business Zone 1 and Consent Use for an institution	29/02/2024 Approved
160	JL2324-00007	Erf 1283, Jeffreys Bay	20/07/2023	Application for Removal of Restrictive Title Deed Conditions	31/01/2024 Approved
161	JL2324-00046	Erf 394, Jeffreys Bay	26/09/2023	Application for Removal of Restrictive Title Deed Conditions and Consent Use for an additional dwelling unit	31/01/2024 Approved
162	JL2324-00066	Erf 955, Sea Vista	24/10/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	29/02/2024 Approved
163	SL2122-00012	Erf 179, Sea Vista	02/11/2021	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	31/01/2024 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 4: 01 April 2024 – 30 June 2024					
	Application No.	Property description	Date submitted	Application type	Decision
164	JL2122-00122	Portion 8 of Farm 339	23/02/2022	Application for Subdivision into 5 portions	25/04/2024 Approved
163	JL2223-00006	Erf 5540, Jeffreys Bay	12/07/2022	Application for Rezoning from Residential Zone 1 to Business Zone 2.	25/04/2024 Refused
164	JL2223-00030	Erf 2679 Jeffreys Bay	10/01/2023	Application for Rezoning from Residential Zone 2 to Special Zone	25/04/2024 Refused
165	JL2223-00056	Portion 177 of Farm 501 Uitenhage RD	09/10/2022	Application for Subdivision into two portions and Rezoning of Subdivided portion from Agriculture Zone to Special Zone	02/05/2024 Application for Subdivision into two portions – Approved Rezoning of Subdivided portion from Agriculture Zone to Special Zone – Refused
166	JL2223-00107	Erf 27, Oyster bay	07/02/2023	Application for Temporary Departure for a cellular telephone mast	30/05/2024 Refused
167	JL2223-00113	Erf 6628, Jeffreys Bay	15/02/2023	Application for Subdivision of land	25/04/2024 Refused
168	JL2223-00151	Erf 1113, Sea Vista	20/04/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	30/05/2024 Approved

MUNICIPAL PLANNING TRIBUNAL MEETING: Quarter 4: 01 April 2023 – 30 June 2023					
	Application No.	Property description	Date submitted	Application type	Decision
169	JL2223-00166	Erf 1304, Jeffreys Bay	11/05/2023	Application for Removal of Restrictive Title Deed Conditions and Permanent Departure to relax building lines	27/06/2024 Approved
170	JL2223-00183	Erf 687, Jeffreys Bay	26/05/2023	Application for Removal of Restrictive Title Deed Conditions, Permanent Departure to relax building lines and Rezoning from Residential Zone 1 to Residential Zone 3	27/06/2024 Refused
171	JL2223-00185	Erf 555, Jeffreys Bay	30/05/2023	Application for Removal of Restrictive Title Deed Conditions, Permanent Departure to relax building lines and Consent Use for an additional dwelling unit	30/05/2024 Approved

3.18.5 GIS WORKING GROUP

Since the establishment of the GIS WORKING Group, there haven't been more forums as there were sessions for the new AFLA system, an Esri-based platform to replace Ovvio System. Esri was awarded the bid for this new system. An Esri Steering committee was established on the 19th of September 2023 to plan and discuss the processes and issues that might arise with the process of new system. There are four main departments that are involved in the transition from one system to the other are Town planning, Building control, Land and Properties and cemeteries under the Community Services Directorate.

Working Groups and Sessions:

- **Integration Workshops:** Several workshops were conducted to integrate the AFLA system existing town planning and Building control databases. These sessions focused on data migration, ensuring the seamless transfer of zoning maps, land use plans, and development proposals, custom templates for building permits and inspection reports. Sessions were held to also design a customised land and properties and cemeteries modules.
- **Session:** Comprehensive training sessions were provided to Town Planning staff, covering new tools and functionalities within the ALFA system. Emphasis was placed on automated workflows and real-time data updating.
- **User Feedback Sessions:** Periodic in person or sessions via teams were organised to gather feedback from officials on the system performance and usability.

The transition to the AFLA system has been challenging for the service provider and the officials from respective departments. The dedicated efforts of the working groups and the active participation in various sessions have resulted in more regular system evaluations to identify and address any issues promptly.

Benchmarking from Stellenbosch Municipality represented an excellent opportunity for our Kouga Municipality officials to gain valuable insights and knowledge into their experience with the ALFA system to enhance Kouga Municipality's experience with the implementation and usage of AFLA. Kouga Municipality asked questions on specific challenges and solutions. There were some discussions to explore with regards to future collaboration and mutual support between Kouga and Stellenbosch Municipalities. There were also some best practices in GIS and Building Control that were identified to improve operational efficiency and service delivery.

Spatial Data Sets - The GIS Unit currently have the following spatial data sets:

Administrative

- Cadastre, Ward Boundaries (2020) and previous years, Provincial Boundaries, Municipal Boundaries, Zonings, Facilities (Schools, clinics, churches, caravan parks ect.)

Infrastructure

- Water, Sewer, Electricity (reticulation and asset/facilities), Stormwater, Road Infrastructure (culverts, etc.)

Transport

- Road Centrelines, Street Addresses, Street Names, Road Condition

**It should be noted that most of the datasets needs to be updated especially infrastructure datasets as significant gaps exists where no services are reflected in the GIS.

Electricity Department Support - The Unit has obtained a plotter. The Unit embarked on a process of updating the Infrastructure and Engineering datasets, specifically the Electricity department's as-built low voltage diagram. This exercise will assist the Electricity department in effective infrastructure management and maintenance. The process of scanning these diagrams is critical to digitising and preserving valuable information for future reference and operational efficiency.

With the assistance of EPWP workers who are employed by Human settlements, the GIS unit was able to capacitate them in gathering the copies from various offices, ensuring that diagrams are sorted by project, location and for easy retrieval. Each diagram is inspected for any damages, such as tears, smudges, or fading. The EPWP workers repair any minor damages using archival tape or other preservation techniques. The scanned images are stored in folder in a PDF format for easy access. The next step is to integrate the scanned diagrams with the department's GIS system for seamless access and analysis by georeferencing and digitising each diagram.

Town Planning Support - The zoning layer on land use information is a critical component of the municipality's GIS. Accurate and up-to-date zoning data supports effective urban planning, development control, and public information services. Identification of updates through sources such as approved zoning changes, development applications and community feedback. Relevant documents of information to be collected from the Planning department for update. GIS editing tools to be utilised to modify the zoning layer which was last updated in 2022. The updating of the zoning layer or land use information is a vital process that ensures the municipality's GIS reflects current conditions and supports effective planning and development management. This means that it is an ongoing process.

Incremental approach to implement Enterprise GIS - The department has developed a work plan for implementation of Enterprise GIS. The work plan provides an incremental approach for migrating from the existing GIS to the Enterprise GIS which is an essential tool for achieving success. The incremental approach recognizes the substantial investment in GIS made by the Municipality to date and provides a path forward that sustains and enhances the prior investment.

In particular, the work plan identifies how the GIS data, system resources, and to a lesser extent, GIS application investments can be brought forward as parts of the new

Enterprise GIS. As these prior investments are sustained, the addition of further GIS capabilities enables the value of these investments to be leveraged for further benefit to departments and the public.

The goal of the work plan is to establish a foundation that brings widespread use of GIS, ensuring success is built on at each step in the implementation process. Within the work plan, it is important to set reasonable goals for each step and to produce tangible results.

We believe that the advantage of an incremental approach includes lower start-up costs, lower risk, better knowledge of requirements gained through experience, ability to keep up with the latest technology because the initial investment is smaller, less disruption to the existing organization, and greater acceptance by staff because introduction of Enterprise GIS is gradual.

Phase 1	• Develop an inter-departmental GIS user community across the institution by identifying "GIS Champions" from each directorate to serve on GIS Working Group • Develop training opportunities for GIS Champions • Business analysis, needs and requirements gathering for an Enterprise GIS platform, • Develop GIS documentation (GIS Policy and GIS Strategy)
Phase 2	• Begin development of Enterprise GIS system and viewer portal • Implement strategies to advance transformative technologies throughout the Municipality • Share standards document/s with internal departments • Implement GIS training for other staff within the municipality. • Schedule a list of datasets for enhancement and required data, e.g., updating of infrastructure, cemetery data, informal settlements. • Review internal applications to find opportunities to integrate with GIS, e.g., cemeteries. • Identify opportunities to implement a field data collection program; develop a training program and user guide for available solutions like Field Maps and Survey123 to capture field data, eg. individual shacks with attribute data • Schedule quarterly reviews/audits of data to determine what is still being used, who maintains the data, if it can be archived.

Phase 3	• Evaluate status of Enterprise GIS and implement any outstanding goals from phases 1 and 2. • Review progress and success of both internal and inter-departmental initiatives implemented in phases 1 and 2

The anticipated incremental approach to implement Enterprise GIS for Kouga Municipality will be phased as follows:

This plan outlines the strategic steps for developing an Enterprise GIS system and viewer porta, advancing transformative technologies, and enhancing data management and training within the municipality. The GIS unit is still busy with updating the datasets so that they can be included in the GIS portal. Implementing this GIS development and implementation plan will enhance the Municipality's data management, decision-making capabilities, and overall operational efficiency. By following these strategic surveys:

Informal Settlements Survey

The GIS Unit has developed a Web-based Survey for the human settlements department to provide a digital option in addition to the paper-based survey that is currently being utilized by the officials and clerks in the unit. This survey will assist the officials in ensuring that the number of people living in informal settlements are captured on site to limit having to duplicate data and information. This information will help to provide information of access to water, sanitation, electricity, and other services and can be used as a form of report to be sent to Infrastructure and Engineering directorate to provide such services.

Survey Development and Training

Survey Design - The survey was meticulously designed to capture all relevant information about indigents in informal settlements. This included demographic data, living conditions, access to services, and other pertinent information about members of the household. Continuous scrutiny and refinement were carried out to ensure comprehensiveness and accuracy.

Training of Human Settlements Officials - The GIS unit conducted extensive training sessions for Human Settlements users and officials. The training covered:

- An overview of Survey123 and its functionalities.
- Step-by-step guidance on using the survey tool.
- Methods for ensuring data accuracy and completeness.
- Troubleshooting common issues.

Continuous Scrutiny - To maintain high data quality and ensure the survey's relevance, continuous scrutiny was applied. This involved:

- Regular feedback sessions with officials to identify any gaps or issues in the survey.
- Iterative updates to the survey based on feedback and real-world testing.
- Ongoing support and troubleshooting by the GIS unit.

Training of EPWP Workers

a. Capacitation of EPWP Workers - The next phase involved capacitating Expanded Public Works Programme (EPWP) workers to assist in the survey. Given their crucial role in field data collection, the following steps were taken:

- **Introductory Sessions:** EPWP workers were introduced to the objectives and importance of the survey.
- **Hands-On Training:** Practical training sessions were conducted to familiarize them with the Survey123 application and its features.

b. Device Training - EPWP workers were trained on how to use the survey on their devices, which included:

- Installing and configuring Survey123 on their smartphones or tablets.
- Navigating the survey interface and entering data accurately.
- Uploading and syncing data with the central database.

Implementation and Monitoring

a. Field Data Collection - With the training completed, EPWP workers were deployed to the field to start data collection. They were monitored and supported by Human Settlements officials and the GIS unit to ensure:

- Accurate and complete data capture.
- Adherence to survey protocols.
- Immediate resolution of any technical issues encountered.

b. Data Quality Assurance - Continuous monitoring and quality checks were performed on the collected data to ensure its reliability. This included:

- Random sampling and verification of collected data.
- Cross-referencing with existing records and information.
- Addressing any discrepancies promptly.

The informal settlements survey for capturing indigents using Survey123 has been successfully launched by the Human Settlements Department with significant support from the GIS unit. The training provided to both Human Settlements officials and EPWP workers has ensured that the survey is conducted efficiently and accurately.

Continuous scrutiny and quality assurance measures are in place to maintain the integrity of the data collected. The successful implementation of this survey will provide valuable insights into the conditions and needs of indigents in informal settlements, aiding in better planning and resource allocation.

The data can assist in the following manner:

- To analyse the collected data to identify trends, needs, and areas requiring intervention.
- Generate comprehensive reports to inform policy and decision-making

Ongoing support and training:

- Provide ongoing support and refresher training sessions for EPWP workers to maintain high data collection standards.
- Update the survey as needed based on feedback and emerging requirements.

Integration with Municipal systems

- Integrate the survey data with existing municipal systems for a holistic view of informal settlements and indigent needs.
- Utilize the data for strategic planning and improving service delivery.

Due to the success of the digital survey for indigents it has allowed for other municipalities with the Sarah Baartman District to also be interested in utilising the same survey to capture their information.

Local Government Geospatial Forum - On 19 June 2024 a Local Government Geospatial Forum was held in East London at the Amathole District Municipality Calgary Museum and Conference centre which was held by COGTA.

The outcomes of the workshop were to ensure that municipal employees understand the steps and processes involved in developing an enterprise GIS for Local municipalities.

Provincial Local Government Geospatial Forum (LGGF)

On 21 and 22 June 2024, the GIS Unit was invited to attend the Provincial Local Government Geospatial Forum (LGGF) which was hosted in East London. The following were presented: STATSTA presented on systems available to municipalities in collecting ward-based statistical information. Esri South Africa and 1Map also presented to the attendees. Office of the Premier office presented on incorporating Spatial Planning into all departments within the province.



3.18.6 BUILDING CONTROL

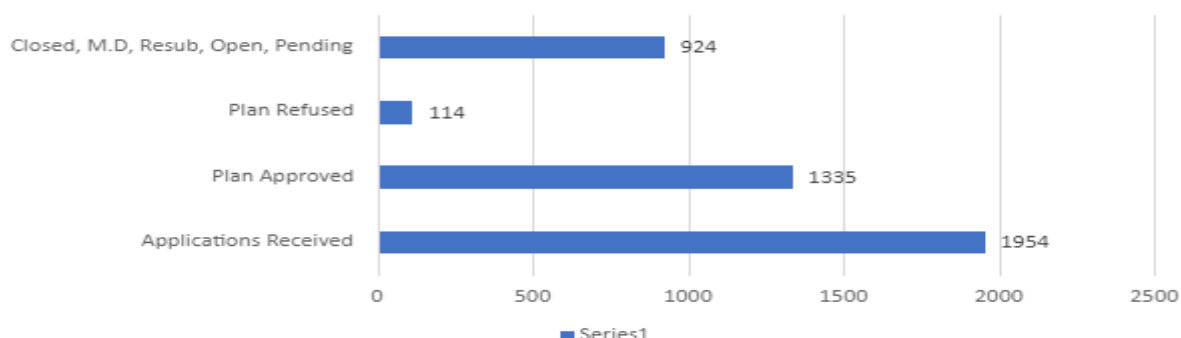
The 2023/24 financial year was the fourth year since the implementation of the electronic plan submission using the Ovvio portal. This enables Registered Professionals (RPs) of the South African Council for the Architectural Profession (SACAP) from anywhere in South Africa, and the world, to submit building plans in a fully electronic and paperless channel to Kouga Municipality.

Primary data from the 2023/24 financial year shows the following key trends:

- **1954** Building plan applications were received in the 2023/24 financial year. This represents a 0.8% increase compared to plans received for the 2022/23 financial year (See “**Comparative chart of plans received 2022/23 vs 2023/24**”).
Table 1 shows the detailed breakdown of areas where building plan submissions occurred in the 2023/24 financial year.
- Of the 1954 plans received in the financial year, a total of 914 (53.7%) plans were approved. (Note that an **additional 413** plans were approved within this financial year, which was captured in the previous financial year (**total 914 + 421 = 1335** plans approved)).
- Of the 1954 plans received in the financial year, a total of 114 (5.8%) were refused. (Note that an **additional 11** plans were refused within this financial year which was captured in the previous financial year (**total 11 + 114 = 125 plans refused**)).

This is reflective of the removal of the “deferment” of plans that were not compliant with the legislative requirement of the National Building Regulations and Building Standards Act (107 of 1977 as amended) for a local authority to give a decision in the stipulated time periods (30 days for building plan applications with 500m² or less and 60 days for building plan applications greater for work greater than 500m²).

Comparative Chart of Plans received 2023/24



The following tables are a detailed overview of building plans received, approved, and refused in the 2023/24 financial year.

Table 1: Building Plan Applications - 2023/24 Financial Year

Building Applications									
Date Captured between 1 Jul 2023 00:05:00 and 30 Jun 2024 23:55:00									
Area in Kouga	Church	Deviation Plan	Garden Walls and Fixed Fences	General Building Work	Industrial Rural	Minor building works	RDP Informal Housing	Swimming Pool	Total
Aston Bay	0	25	0	121	0	10	0	5	161
Crossways	0	3	0	20	0	0	0	0	23
Gamtoos Mouth	0	11	0	47	0	7	0	0	65
Hankey	0	1	0	6	0	0	0	0	7

Humansdorp	0	13	1	13	1	9	0	1	38
Humansdorp RD	0	16	0	77	3	2	0	2	100
Jeffreys Bay	3	153	3	487	3	46	15	14	724
Kaap St Francis	0	16	0	75	0	6	0	8	105
Kruisfontein	0	0	1	12	0	2	0	0	15
Oesterbaai	0	4	0	25	0	0	0	0	29
Paradysstrand	0	9	0	113	1	5	0	1	129
Patensie	0	0	0	8	0	0	1	0	9
Pellrus	0	0	0	3	0	0	1	0	4
Sea Vista	0	100	0	298	1	25	0	8	432
St Francis Links	0	27	1	66	0	4	0	3	101
Twin Valley	0	3	0	3	0	0	0	0	6
Uitenhage RD	0	0	0	5	0	1	0	0	6
Total	3	381	6	1379	9	117	17	42	1954

Table 2: Number of Compliant Building Plan Applications supported and approved in the 2023/24 Financial Year.

Building Applications Status is Plan Approved Date Captured between 1 Jul 2023 00:05:00 and 30 Jun 2024 23:55:00			
Town/Area	Floor Area	Estimated Cost	Number
Aston Bay	6935,9	74865000	88
Crossways	5099,69	54390000	15
Gamtoos Mouth	3259,43	33705000	32
Hankey	464,05	5250000	2
Humansdorp	924,69	9660000	9
Humansdorp RD	4612,92	48615000	29
Jeffreys Bay	32112,24	334110000	309
Kaap St Francis	6134,13	65835000	55
Kruisfontein	291,38	3150000	3
Oesterbaai	1324,7	13020000	8
Paradysstrand	9545,68	96915000	65
Patensie	307,03	3150000	4
Pellrus	364	3780000	2
Sea Vista	32156,76	312375000	233
St Francis Links	15767,49	164010000	56
Twin Valley	36	420000	1
Uitenhage RD	100,28	840000	3
Total	119436,37	1224090000	914

TABLE 3: NUMBER OF COMPLIANT BUILDING PLAN APPLICATIONS NOT SUPPORTED AND REFUSED IN 2023/24 FINANCIAL YEAR.

Building Applications Status is Plan Refused Date Captured between 1 Jul 2023 00:05:00 and 30 Jun 2024 23:55:00			
Town/Area	Floor Area	Estimated Cost	Number
Aston Bay	1308,38	13860000	9
Gamtoos Mouth	71,7	420000	3
Hankey	448	4725000	1
Humansdorp	991,08	10395000	2
Humansdorp RD	3883	40950000	10
Jeffreys Bay	3466,35	29190000	42
Kaap St Francis	920,3	9765000	9
Kruisfontein	570,31	5985000	3
Oesterbaai	120	1260000	2
Paradysstrand	98,72	1365000	4
Sea Vista	2685,65	31080000	24
St Francis Links	449	4725000	3
Twin Valley	0	0	2
Total	15012,49	153720000	114

Building plan applications and approvals and occupation certificate issuance should be viewed as major measuring tools for economic activity. The estimated costs of building plans approved provide a leading indicator of the kind of economic activity, job creation, and downstream Local Economic Development (LED) for what is likely to be generated over the subsequent financial year.

Additionally, Tracking the issuance of occupation provides an even clearer picture of the actual economic activity over a financial.

In the 2023/24 financial year the economic data revealed that:

- A total proposed new and additional building area of 159253m² at an estimated value of R 1.59 billion was approved for construction by Kouga Municipality in the 2023–24 financial year (see **Table 4**). This represents a 9.1% growth (in rand value) in proposed building work compared to the R1.445 billion in estimated value reported in the 2022/23 financial year.
- A total amount of **R 4,888,383.16** in building plan application fees was received for the 2023/24 financial year.

Building Application Evaluations			
	Floor Area	Estimated Cost	Number
Aston Bay	7961	82,184,950.00	115
Crossways	9425	99,750,000.00	23
Gamtoos Mouth	4051	41,685,000.00	49
Hankey	722	7,980,000.00	3
Humansdorp	1163	12,180,000.00	17
Humansdorp RD	6909	65,999,750.00	35
Jeffreys Bay	40102	402,958,200.00	482
Kaap St Francis	7281	76,800,000.00	68
Kruisfontein	654	6,930,000.00	4
Oesterbaai	1505	14,910,000.00	12
Paradysstrand	13548	130,094,650.00	93
Patensie	488	4,499,100.00	5
Pellrus	384	3,854,950.00	3
Sea Vista	45976	440,275,650.00	325
St Francis Links	18075	189,945,000.00	89
Twin Valley	338	3,570,000.00	4
Uitenhage RD	672	6,615,000.00	8
Total	159253	1,590,232,250.00	1335

Table 2: Total floor area (square meters) and estimated cost of building activity approved in the 2023/24 Financial Year.

Building Applications		
	Number	Income Received
Aston Bay	161	337,365.10
Crossways	23	140,563.04
Gamtoos Mouth	65	136,967.34
Hankey	7	27,278.81
Humansdorp	38	65,306.41
Humansdorp RD	100	282,156.56
Jeffreys Bay	724	1,507,567.48
Kaap St Francis	105	240,969.77
Kruisfontein	15	33,302.19
Oesterbaai	29	50,391.67
Paradysstrand	129	363,488.79
Patensie	9	15,256.19
Pellrus	4	9,756.28
Sea Vista	432	1,216,524.02
St Francis Links	101	450,811.60
Twin Valley	6	5,445.58
Uitenhage RD	6	5,232.33
Total	1954	4,888,383.16

Table 3: Total building plan application fees were received for the 2023/24 financial year.

BUILDING INSPECTIONS AND OCCUPATION CERTIFICATES ISSUED

The National Building Regulations and Building Standards Act (107 of 1977 as amended) gives local authorities the responsibility to regulate all construction that takes place within its area of jurisdiction. Building inspections, conducted according to the prescripts of the Act with the technical guidance of South African National Standards 10400 (SANS 10400) are an integral part of ensuring that building work takes place according to legislation.

Successful building inspections terminate with the issuance of an Occupation Certificate (OC) which signifies compliance of a building with the Act. Occupation Certificates issued are important data informing the municipality of the actual economic spending and activity that took place in the financial year 2023/24. The findings are:

- A total of 770 OCs were issued in 2023/24 against 742 in 2022/23 (a 3.6% increase), where an estimated R 631,865,450 in 2023/24 was spent by built environment stakeholders against R 577,002,050 spent in 2022/23 (a 8.7% increase). A total of 91635m² of building area was added in 2023/2024 against 84692m² in 2022/23 (a 8.7% increase).

Occupation Certificates			
	Floor Area	Estimated Cost	Number
Aston Bay	7551	50,183,800.00	61
Crossways	1970	14,289,600.00	13
Gamtoos Mouth	2514	18,558,850.00	30
Hankey	25	224,850.00	1
Humansdorp	0	105,000.00	7
Humansdorp RD	7015	45,643,800.00	8
Jeffreys Bay	32262	230,564,600.00	347
Kaap St Francis	2325	18,258,750.00	31
Oesterbaai	462	3,523,000.00	6
Paradysstrand	4811	32,482,350.00	49
Patensie	147	975,000.00	1
Pellrus	9	0.00	1
Sea Vista	13998	85,355,300.00	127
St Francis Links	16378	113,896,150.00	80
Twin Valley	1679	13,072,400.00	4
Uitenhage RD	488	4,732,000.00	4
Total	91635	631,865,450.00	770

TABLE 6: OCCUPANCY CERTIFICATES ISSUED IN THE 2023/24 FINANCIAL YEAR.

- A total of 2514 stage inspections were conducted in the 2023/24 Financial year compared to 2410 (4.1% increase) in the previous financial year.
The breakdown is as follows:
 - 794 Foundation inspections
 - 633 Drainage inspections

- 897 Final inspections
- 70 Re-inspections of foundations
- 12 Re-inspections of drainage
- 16 Final re-inspections
- 17 Routine inspections

Building Application Inspections	
	Number
Drainage	633
Final	897
Foundation	794
General	75
Re-Drainage	12
Re-Final	16
Re-Foundation	70
Routine	17
Total	2514

Table 7: Building site inspections carried out in the 2023/24 Financial Year.

- An estimated 370 general and routine inspections were conducted to respond to resident complaints and tip-offs of unauthorized or suspected illegal building work, with an average of 30 general and routine inspections conducted per month.

Building Control Highlights & Achievements 2023/24 - Building Control attended the first quarter meeting in Cape Town, second quarter meeting in Durban, third quarter meeting will be in Mogale City and The Building Control Convention and Fourth Quarter meeting will be held in Hermanus, Overstrand Municipality on the 28th & 29th of November 2024.

The Department's performance for the 2023/24 financial year, versus the 2022/23 financial year has shown commendable progress compared to the previous year across several key metrics. The number of plans approved increased by 31.5%, indicating a robust growth in construction activities.

Estimated costs associated with these projects also surged by 9.1%, suggesting higher investment levels. Moreover, site inspections carried out witnessed a 4.1% rise, demonstrating enhanced compliance monitoring by improving efficiency and service uptake. The issuance of occupation certificates also showed a steady increase of 4.0 %, highlighting smoother project completions. These achievements signify the department's effective regulatory oversight and support for sustainable development within our municipality.

COMPONENT G: LOCAL ECONOMIC DEVELOPMENT

3.19 LOCAL ECONOMIC DEVELOPMENT

ROLE PLAYERS

Political Role Players - The Unit reports to the Finance and Economic Development and Tourism Portfolio Committee which is chaired by the Portfolio Chairperson for Finance and Economic Development and Tourism.

Staff Role Players - The staff component comprises the following:

Filled Positions	Acting Positions	Vacant Positions	Contractual Appointments
	Manager Tourism and Local Economic Development		
Economic Development Officer		* Senior Economic Development Officer * Economic Development Officer * Admin Officer	Economic Development Officer
* Tourism and Marketing Officer * Events and Safety Compliance Officer		* Admin Clerk	Senior Tourism, Marketing and Branding Officer Tourism Intern

Other Role Players - As part of inter-governmental relations, the LED/Tourism Section works in collaboration with many partners to facilitate the functioning of the Department. These include:

- South African Local Government Association (SALGA)
- Department of Rural Development and Land Reform (DRDLR)
- Department of Rural Development and Agrarian Reform (DRDAR)
- Department of Economic Development, Environmental Affairs and Tourism (DEDEAT)
- Department of Trade and Industry (DTI)
- Department of Social Development
- Coega Development Corporation (CDC)
- National Youth Development Agency (NYDA)
- Small Enterprise Development Agency (SEDA)
- Gamtoos Irrigation Board (GIB)
- Department of Water and Sanitation (DWA)
- Department of Fishing and Forestry (DAFF)
- Department of Cooperative Governance and Traditional Affairs (COGTA)

- Sarah Baartman District Municipality (SBDM)
- Kouga Wind Farms
- Eastern Cape Parks and Tourism Agency (ECPTA)
- South African Tourism (SAT)
- Department of Tourism
- South African Tourism Association of SA (SATSA)
- Eastern Cape Development Corporation (ECDC)

Community Role Players

- Kouga Business Forum (KBF)
- Kouga Emerging Farmers
- Kouga Cooperatives
- Kouga SMME's
- Kouga Local Tourism Organization (KLTO)
- Event organizers responsible for staging and organizing events in Kouga
- Members of the public visiting the Office
- Humansdorp Cooperative
- Halisisana Township Incubator

The Department also collaborates with the Wind Farms to bring about career opportunities for the youth as well as creating a platform for job opportunities for SMME's.

3.19.1 ECONOMIC DEVELOPMENT

The Economic Development Section is responsible to provide an enabling and conducive economic environment to facilitate sustainable economic growth for all communities within Kouga Municipality through the implementation of economic development programmes and initiatives.

Economic Development is intended to maximize the economic potential of all wards within the municipality and to enhance the resilience of macro-economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development.

The Economic Development Section provides support in the following areas:

- Development and review of municipal policy, strategy and guidelines on Economic Development.
- Implementation of the SMME Policy Facilitating coordinating and monitoring of donor programmes.,
- Assisting on skills development & capacity building.

The report below outlines the comparative activities of the section as at the beginning of July 2023 to the end June 2024:

Enterprise Development and Business Support:

SMME & Agriculture Database - To ensure beneficiation in the Enterprise Development and Business Support Programme of the Local Economic Development Section all SMMEs and Agricultural Cooperative have been encouraged to register on the

following Database for compliance:

DATABASE	CASTODIAN	NUMBER OF SMMEs REGISTERED
LED SMME Database	Economic Development Section	219

Training, Workshops, Seminars and Information Sessions

QUARTER	DATE	NAME	ATTENDANCE
1	July 2023	Oceans Economy Masterplan Workshop	2
2	July 2023	Ocean Economy District Masterplan Workshop	3
1	August 2023	Eskom Tender Readiness Workshop	89
1	September 2023	ECDC Funding information Sharing Session	18
4	June 2024	Youth Empowerment workshop Conducted.	150

Offering Business Advice and Information

BUSINESS NAME	DATE	TOWN	SECTOR	MEETING DETAILS
Kouga SMMEs	26 June 2024	Jeffreys Bay	Construction	SMMEs participation on Vlake Plaas Windfarm Tower Factory.
Kouga SMMEs (x10)	5 June 2024	Jeffreys Bay	Construction	Participation of SMMEs in Ocean View Housing Development Phase 2 in partnership with provincial department of Human Settlement.
Sibanye Knitters/ Nomvula knitters	2 May 2024	St Francis Bay	Manufacturing	Information sharing session on China international import Expo Applications 2024.
Ubuhle bendalo health and wellness Spa	7 May 2024	Jeffreys Bay	Tourism	Facilitating access to funding through LRED Fund.
Lelo Biltong Bar	30 May 2024	Humansdorp	Retail	Facilitating access to financial support

BUSINESS NAME	DATE	TOWN	SECTOR	MEETING DETAILS
				through Sarah Baartman District Municipality LED Funds.
Be Original Pty Ltd.	30 April 2024	Jeffreys Bay	Manufacturing	Information sharing session on China international import Expo Applications 2024.

Facilitating Access to Financial Support through NYDA

ENTITY NAME	COMMODITY/ SECTOR	CONTACT PERSON	CONTACT DETAIL	LOCALITY
LeloPart PTY LTD	Poultry	Xabiso Nkosinkulu	0695247134	Ward 16
LeLo Biltong Bar	Restaurant	Ntsikilelo Sana	0659937995	Ward 6
BT Safestrip and Trading	Internet Café	Chris Beki	0760747566	Ward 7
Individual Farmer	Vegetable Production	Johneels Smith	0729304844	Kouga
Electronic Appliances Skills Group	Electronic Works	Headman Kato	0768741812	Kouga
Yonga Bakery Cooperative	Retail	Xolisa Sibengele	0720850529	Ward 15
Ricas Tasty Restaurant	Restaurant	Morica Groener	0796730075	Kouga

SMME and Contractor Development Programme -SMME Sub-Contract opportunities for the period July 2023 to June 2024:

PROJECT	VALUE	% SMME PARTICIPATION	NO OF SMME OPPORTUNITIES CREATED
Replacement of Existing main in Mimosa Street, Jeffreys Bay	R17 714 000.00	20%	5
Repairs to the elevated Paradise Beach water Tower	R 9 200 000.00	10%	2
Upgrading of	R 34 453 092.00	20%	5

PROJECT	VALUE	% SMME PARTICIPATION	NO OF SMME OPPORTUNITIES CREATED
KwaNomzamo Wastewater Treatment Plant			
Upgrading of the sewer infrastructure in Hankey Phase 3	R 11 902 717.03	10%	6
Resealing of roads with in Kouga Municipality	R 35 000 870.00	20%	6
Augmentation of the sewer rising main from La Mer Pump Station to Jeffreys Bay WWTW	R 9 392 485.53	10%	4
Hankey 990 Housing Development Phase2	R 15 371 583.65	1	5

Stakeholder Collaboration and Partnership.

DEPT/AGENCY/ COMPANY	DATE	MEETING DETAILS
DFFE & ECSEC	July 2023	EC Oceans Economy Masterplan Workshop
Sarah Baartman District Municipality	October 2023	Ocean Economy District Masterplan Workshop
ESKOM	August 2023	Eskom Tender Readiness Workshop
SEDA	March 2024	SEDA Funding application Workshop
Sarah Baartman District Municipality	September 2023	Export/Import Information Sharing Session
SAKHE Family Care Development Centre	14 June, 04 June & 30 May.	Collaboration and partnership on youth development programmes.
Eastern Cape department of Transport	18 June 2024	SMMEs development and community empowerment opportunities on resealing and special maintenance of MR00391 project.
Eastern Cape Tourism Agency	06 June 2024	Creating Collaboration and partnership.
Department of rural	06 June 2024	Presentation on Agri-BEE

DEPT/AGENCY/ COMPANY	DATE	MEETING DETAILS
development and Agrarian Reform (DRDAR) – Provincial Office		Funding.
Cacadu Development Agency	23 May 2024	Corporate Social Investment/ NPO Support Programme launch. Official handover of the R45 898.00 CSI grant funding to Sakhe Singamadoda Youth Programme based in Humansdorp.
Department of rural development and Agrarian Reform (DRDAR) – Sarah Baartman District.	03 June 2024	Farm assessment for agricultural feasibility study on municipal commonage land.
Department Of Economic development, Environmental Affairs and Tourism (DEDEAT)	07 May 2024	Facilitating access to funding for small businesses.
South African Local Government Association (SALGA)	25 April 2024	Local Economic Development seminar.

Agricultural Support and Rural Development Programme.

The Local Economic development section provided support on agriculture and rural development initiatives through productive partnerships and collaborations with the department of rural development and agrarian reform.

- (i) **Agricultural Feasibility study** – Facilitation conducted on municipal commonage land in collaboration with municipal Land & Properties department and Department of Rural Development and Agrarian Reform.
- (ii) **Provision of production inputs and infrastructure support for emerging farmers** - Service delivery report by DRADR on delivery of production inputs to Kouga emerging farmers for this period.

Emerging Farmer's Training, Workshops and Seminars.

FARM	DATE	TOWN	COMMODITY	MEETING DETAILS
Patensie emerging farmers	5 April & 3 May 2024	Patensie	Vegetables	Information sharing session on cooperative registration & Funding opportunities.

FARM	DATE	TOWN	COMMODITY	MEETING DETAILS
Jeffreys Bay emerging farmers	24 June 2024	Jeffreys Bay	Livestock	Facilitating access to land.
Loerie emerging farmer	30 May 2024	Loerie	Citrus and vegetables	Information sharing session on emerging farmer support and funding opportunities.

PROJECT	ASSISTANCE	BUDGET	FUNDER
Gamtoos Vegetable	Pack shed with cool room facility Sorting tables and refrigerator	R1 346 065	DRDAR
Three Pence	Hail net to cover 6.14ha and borehole installation (Sitting, drilling and testing) Hail net to cover 6.14ha and borehole installation (Sitting, drilling and testing)	R600 000 R300 000	DRDAR
Entabeni farm (10) (R600 000)	Appointment of consultant to do Feasibility Study for a Pack house facility	R600 000	DRDAR
Pampoenland (4)	Siting, drilling and testing of borehole for stock water system, Supply, delivery and construction of spray race with handling facility Loading ramp	R300 000 R120 000	DRADR
Bankkop Boerdery (10)	Siting, drilling, testing and equipping of borehole for piggery production	R300 000	DRDAR

Job Creation through Local Economic Development Initiatives - The Local Economic Development is playing an active role in monitoring the implementation of the Expanded Public and Community Works Programme in Kouga municipality. A total of 1764 Full Time Equivalent employment job opportunities were created in quarter 4

through infrastructure grants and collaboration with sector departments (department of Public Works & Corporative Governance and Traditional Affairs). This is to ensure that the labour-intensive initiatives support local economies. Among other things it promotes empowerment of women, youth and people living with disability.

3.19.2 TOURISM

The priorities of this section are Local Economic Development, tourism development, destination marketing and, heritage management as well as promoting and managing events in the Kouga area.

The municipality continues to have strategic private partnerships with the private sector that serves and project implementing agents for tourism, heritage, and events. Each of these partners are constituted and registered Non-Government Organizations. Memorandum of agreements are in place with each of these private partners. Grant- in-aid, as well as funding for special projects are allocated to each for administrative purposes and furthering the development and marketing of tourism and museums in the Kouga Municipal area.

Tourism Development Marketing.

Festive Season Activation Campaign - The Tourism department collaborated with Sarah Baartman District Municipality and Nelson Mandela Bay Metro Municipality for a summer holiday activation campaign on 16 December 2023. This was hosted at the Petroport in Tsitsikamma.

The main aim with this project was to promote Kouga, its towns and the three local tourism offices to visitors travelling along the garden route N2 stretch during high season in December.

Means of gather data was done by using a questionnaire that was both printed and available online. Data sourcing is valuable to understand the travel routes of visitors and insight about their knowledge about Kouga. Data is used to gain insight and trends of these travellers to educate us regarding their age, gender, average holiday spend, where they are taking holidays, where they are travelling too, how many days holiday do they take during Decembers, are they local or international and have they visited Kouga before.

Findings from 43 Kouga Questionnaires completed:

- 80% of travellers are VFR (Visiting Friends or Relatives)
- Most travellers are from the Eastern Cape on route to the Western Cape.
- Average length of holiday is 4-5 days.
- Average money spent during holiday is R5k – R10k.
- More money spent on food than on activities (general discussions)
- Most travellers know the towns of Kouga, not the district as much.
- Seasonal International travellers from USA, India Germany (FIT)

World Travel Market and Travel Indaba (Attended on the Sarah Baartman District Stand) - Both these Tourism Trade Shows are predominantly for the leisure market with a few MICE (meetings, incentives, conference and exhibitions) product exhibiting together with the leisure sector.

WTM and Indaba are the leading B2B exhibitions for the inbound and outbound travel & tourism markets. Through its industry networks, global reach and regional focus, these shows create personal and business opportunities providing quality contacts, content and communities to collaborate with. This includes launches of new products, increase brand exposure, debate industry issues, and gather market intelligence; to generate new sales leads, strengthen existing relationships and most importantly, close new business.

It hosted trade exhibitors, tourism trends workshops, a speed marketing session and printed daily news info sheets for visitors.

Buyer Profiles:

- Inbound Tour Operators
- Foreign Travel Agents
- Airlines
- DMC's
- Online Booking Companies
- Transport

Media Profile - WTM and Africa's Travel Indaba has dedicated following of local and international media who provide extensive coverage of the exhibition for the local and international markets through radio, television, newspaper and dedicated travel publications.



Media Monitoring - Kouga acquired the use of the Meltware Media Monitoring Platform. Meltwater media monitoring is a service provided by the Meltwater company that allows businesses, organizations, and individuals to track and analyse media coverage, social media mentions, and online conversations related to their brand, industry, competitors, and key topics of interest. Meltwater's platform collects data from a wide range of sources, including news websites,

blogs, social media platforms, forums, and broadcast media, providing insights into how a brand or subject is perceived across digital and traditional media landscapes.

Key Features of Meltwater Media Monitoring

Media Monitoring Across Channels:

- Tracks mention of specific key words, brands or topics across various media outlets such as online web sites, blogs, forums, podcasts and broadcast channels.
- Monitors media platforms such as Twitter, Facebook, Instagram, You Tube and more allowing users to stay on top of conversations happening online.

Real Time Alerts

- Users can set up alerts to receive real time notifications when their brand, product or other specific key words are mentioned in the media. This allows for a quick response to both positive and negative mentions.
- The alerts help in crisis management, enabling organizations to address potential PR issues as soon as they arise, and messaging is being received.

Competitor Analysis

- Business can use Meltwater to track and compare media coverage of their competitors, identifying trends and benchmarking their own media presence against industry peers. It helps in understanding market positioning and making informed strategic decisions.

Kouga Products for China Expo - LED and Tourism identified an opportunity for local businesses in Kouga to be part of an international product expo in China. This project is facilitated by Sarah Baartman Development Agency and the municipality.

Local businesses need to be flexible and efficient enough to gear for new market opportunities, it means some gaps and challenges may not be dealt with utilising traditional way of doing business (inclusive of post covid strategies for local business and the municipal economy). Professional advising and support are important to realize the opportunity, to bridge the gap KLM has initiated to be part of an international expo and open local production to international export.

Destination marketing is a key component of development for Kouga, exhibiting on an international platform that will assist the municipality to understand the requirements and standards for the Chinese market. This will create investment opportunities and demand from the international market.

Opportunities: Business promotion - The platform focuses on investment, tourism, to promote and facilitate business partnerships. The objective is to identify and realize the business opportunities.

Export facilitation - An enabling environment to local business to export products and services to China, assist to identify the strategic buying, bridging channel and test the market for export investment.

Sourcing service - Provide local SMMEs with competitive and value for money product exchange channels. Destination readiness to provide suitable packages.

Consulting service - Provision of professional consulting services that assists with addressing challenges for investors and businesses to realize and ventures between China and Southern Africa.

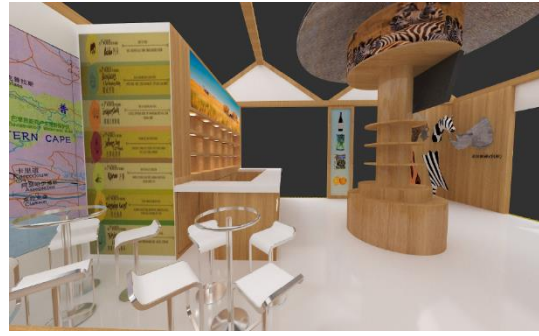
Kouga municipality in support of local product producers, sent a request to the Kouga Local Tourism Organization to assist with products that the municipality can showcase in China. Out of the 10 products that showed interest in the Expo, 7 local products have been approved for exhibition in China after an extensive application process. For economic support and growth, the municipality recommended to purchase these products at cost as part of local economic development, therefore for all cost incurred by the product owner the municipality will be invoiced, and the budget for SMME support will be utilised.

Selected products

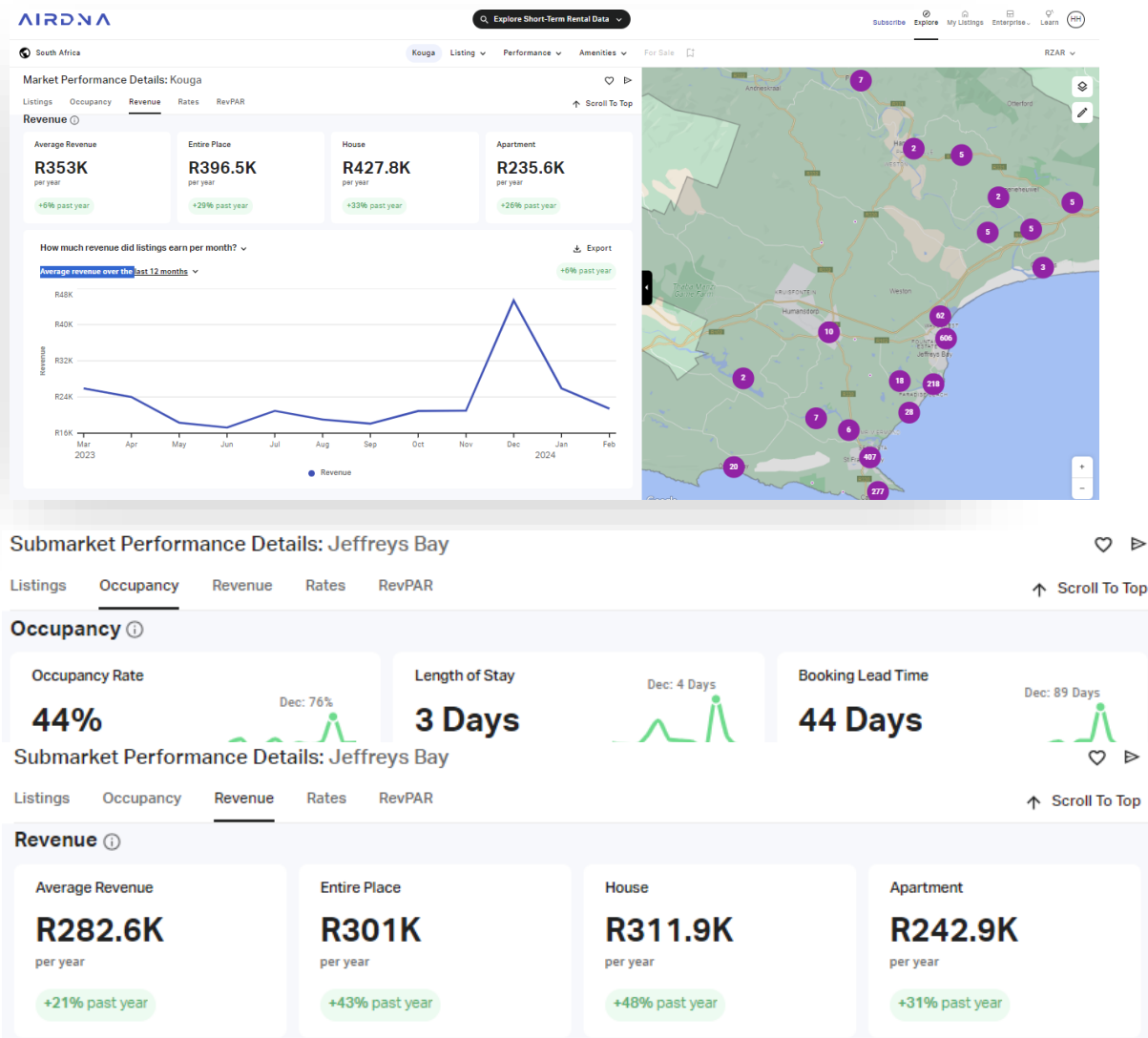
- Coffee – First Light Coffee Roastery (Delivery received)
- African Accessories – Be Original (Delivery received)
- Snails – Pabala (Delivery received)
- Honey – Pabala (Hand carry)
- JuJu Honey Gummies – Pabala (Hand carry)
- Dried Strawberry and Orange Products – Mooihoek Strawberry Farm (Delivery received)
- Tourism Product.

Sarah Baartman District Municipality has strong relations with China for export products. The same is being instilled for destination marketing. Kouga Municipality therefore is supporting this initiative. KLM is directly involved in the stand design and the stand build prior to the China International Import Expo in Shanghai. Tourism product is China is defined as Destination Management Companies for groups. Kouga and its tourism products are ready for this market in small groups or FIT's (Free International Travelers') that opts for a self-drive experience.

Exhibition costs for the CIIE 2024 are covered by SBDM for export readiness training, product exporting for exhibition, marketing material, exhibition stand and accreditation.



Short Term Accommodation Rentals - AirDNA is a data analytics platform that provides insights into short-term rental markets around the world, such as those listed on Airbnb, Vrbo, and other vacation rental platforms. It is designed to assist with viewing unregulated holiday rentals that are mostly not zoned for business. It also assists investors, real estate professionals, and property managers to understand market trends, optimize rental pricing, and improve the performance of short-term rental properties vs graded establishments.



Business Tourism - Mentors Country Estate – MICE: Meetings, Incentives, Convention and Exhibitions

Mentors kraal is large enough to host business tourism events like conferences, convention and exhibitions. A workshop was held with Mentors to educate them about what possibilities there are for both their product and the area if business tourism plans can be put into action. Mentors, its management and staff have taken this as a positive change and have recently acquired 4-star tourism grading for their conference facilities. This now enable the Tourism department to include the product into a destination marketing plan for the MICE market as most international business travel uses graded establishments that are 4 star and higher.

Township and Cultural Tourism and Events

- The tourism section budgeted R200 000 for sponsorship events for township tourism events. This concept is to start with supporting township tourism development, activities, and events. A proposal was submitted to assist with Heritage Day Khoi event at Yellowwoods in Hankey. Kouga supported the event.



SKål International Nelson Mandela Bay - Presidents Award 2024 - Heidi Halgryn, the Tourism, Marketing, and Information Officer in the Finance and Economic Development Department, has been honoured with the prestigious Skal Nelson Mandela Bay (NMB) President's Award for her outstanding contributions to enhancing tourism in charming small "dorpies," villages, and towns.

This coveted annual award, accompanied by a floating trophy, recognises excellence in tourism for the year 2023/2024, symbolizing a continuing legacy of dedication and achievement in the field. Halgryn plays a vital role of promoting tourism in Kouga's towns, that promotes significant benefits for local economies and cultural exchanges.

Stakeholder Engagements and Workshops - TBCSA (Tourism Business Council of South Africa) extended an invitation to Kouga Local Municipality to attend their annual networking event. This was extended without Kouga being members as TBCSA noted that the tourism department is actively promoting the Kouga region. Ongoing relations with TBCSA on a quarterly basis.

SATSA (South Africa Tourism Services Association) hosted a product familiarization trip to the Kouga region 19-26 September 2024. A mix of 20 Tour Operators and Destination Management Companies (DMC) Buyers had the opportunity to immerse themselves in the destination and network with top products, gaining valuable insights to enhance tour offerings and guest experiences. It's the first time since 2018 that the whole of Kouga was represented with Gamtoos Valley, St Francis, Cape St Francis and Jeffreys Bay that was visited.

They experienced the serene charm and luxurious offerings of St Francis Bay, explored the agricultural heartland and scenic vistas of Gamtoos Valley and immerse themselves in the world-renowned surfing paradise and stunning beaches of Jeffreys Bay, including a surfing lesson at Island Vibe Surf School. In Jeffreys Bay they were hosted to explore and gain insight into product at Mentorskraal, where Kouga arranged a speed marketing session with Jeffreys Bay product and one Oyster Bay product:



- a) Super Tubes Guest House
- b) JBay Skydiving
- c) Papiesfontein Horse rides
- d) PiliPili Restaurant
- e) The Greek Restaurant
- f) Island Vibe Surf School and Backpackers
- g) Villa Petit Guest House
- h) Stone Olive Guest House
- i) Mentors Country Estate
- j) Eastern Cape Parks and Tourism Agency
- k) Oyster Bay Lodge
- l) Greystone Guest House

Hosting this type of FAM Trips and speed marketing sessions, improves destination presence in South Africa for domestic and international leisure and FIT travel. All product also developed new relationships with these Trade Operators to increase Kouga Destination visibility online and at DMC and Tour Operator levels.

TGCSA (Tourism Grading Council of South Africa) - TGCSA in collaboration with South African Tourism and Department of Tourism hosted two (2) workshops in Kouga during 2024. The workshops were by invitation from Kouga Local Municipality, Economic Development and Tourism Department.

The workshops covered funding opportunities for tourism products that includes incentive funding by means of tourism product paying a 1% levy. This levy is used to fund product and assist in other ways local government is not able to like the grading incentive programme whereby graded establishments receives an 80% discount on their annual grading cost.

Mossel Bay Municipality – Benchmarking - Mossel Bay Municipality invited Kouga Finance and Economic Development Directorate to view their Economic Development and Tourism Framework. The Chief Financial Officer, Acting Manager Economic Development and Tourism and the Tourism, Information and Marketing Officer was offered the opportunity to explore the economic development projects and tourism outlines of Mossel Bay Municipality.

The economic business hubs are in the informal settlement's areas, keeping taxi drivers and the economic growth inside the selected areas. This provides for a 'cleaner' town for visitors, residents and tourists alike.

Mossel Bay's tourism offerings are quite different from Kouga's, seeing that world brands have hotels in Mossel Bay as well as that ATKV Hartenbos, a membership driven collection, is a whole holiday town with hot water pools, a water park, a shopping mall with many well-known restaurant franchises and 540 camp and caravan sites; all located next to the beach.

Sarah Baartman Centre of Remembrance Project - The University of Cape Town and contracted interior decorators held a collective workshop in Hankey to establish the look-n-feel roots base for the Sarah Baartman Centre of Remembrance entrance and interior. This session was to gain insight into what various levels of the public and private sector would like to have included. It ranges from colour schemes, flow and visuals.

University of Cape Town held a collective meeting at Sarah Baartman District Municipality as start-up discussions to gain insight into what Hankeys' tourism landscape includes. There are active destination marketing efforts being used by Kouga Local Municipality.

Rural Tourism Potential using Medicinal Native Herbs - This training program is an ideal tourism product for Kouga Economic Tourism to package and sell to increase attention and grow rural tourism for both domestic and international in-bound markets.

The workshop was hosted by Kouga Local Municipality Economic Development and Tourism Department to communicate the availability of a collaborative Cosmetics Training Program offering comprehensive training in creating high-quality cosmetic products, wound care solutions, and medicinal extracts using native African plants. This initiative, backed by multiple organizations, aims to empower locals with valuable skills and knowledge in the growing field of natural cosmetics and medicinal products. It is an exciting opportunity for tourism products, that are nature based and surrounded with flowers, medicinal plants and fynbos species, to learn how to enable themselves to build a business in the cosmetics, medicinal and wound care sector.

Research and Data Sourcing - Restaurant Collective - A Restaurant Collective WhatsApp group is established. Together with KLM Tourism Office we are trying to add all restaurants to the group for ease of communication. This can only be done with the restaurants that opt-in due to the Popi act.

JBay + St Francis Bay Accommodation Info - The Accommodation groups are active and doing well especially with sharing information of visitors that requests accommodation for certain periods with a daily price value. This enables accommodation product to decide if they have availability and if they would be happy with the daily price the visitor is prepared to pay.

COLABeS: Collaborative Alliance for Business Events and Stakeholders

Kouga Local Municipality in conjunction with Nelson Mandela Bay Convention Bureau, ADDO Tourism and various other private sector stakeholders have launched the COLABeS initiative to have a strategic focus on business tourism within close proximity of Nelson Mandela Bay.

This business collaboration is the practice of working together with internal and external connections to pool resources, create value, solve problems and achieve shared goals and objectives by leveraging on the partnerships and strategic alliances and private sector associations.



PCO Alliance attending the NIMBT Awards and launch of COLABeS with members of the NIMB Convention Bureau, Kouga Municipality and Addo Tourism

Launch of COLABeS and the PCO Alliance FAM Trip: A Collaborative Milestone for the Nelson Mandela Bay Region Business Events



Nelson Mandela Bay Convention Bureau
147 followers



PCO Alliance: Professional Conference Organisers - Familiarization Trip was planned and executed during September 2024. The PCO Alliance Network is a network of Professional Event Organisers that have set high standards in the event, conference, exhibition and incentive travel management sector of the hospitality industry and is recognized as a professional Alliance by most hotel groups, independent hotels, guesthouses, lodges, and venues and affiliated event suppliers both domestic and international.

The Professional Conference Organisers Alliance Network of South Africa visited the Kouga Region for educational site visits on 12 to 13 September 2024 in collaboration with Addo National Park and Nelson Mandela Bay Convention Bureau.

An extensive list was submitted for review, and the PCO Alliance chose three properties to view for inclusion on their 'wish-list' for the Eastern Cape. These were Pabala Private Nature Reserve, Cape St Francis Resort and Mentors Country Estate.

TME Speed Marketing: Tourism Marketing Experts - Kouga Local Municipality in collaboration with Mentors Country Estate hosted the TME Speed Marketing Exhibition on 17 September 2024.

As Mentorskraal is a VTSD Convention Centre (Village, Towns and "Small Dorpies Convention Centre), now with 4-star tourism grading, it enables both Kouga and the product to leverage of large-scale business tourism events and exhibitions.

A total of thirty exhibitors were present and 120 buying trade attended.

The Economic Development and Tourism Department also used this tourism product exhibition for photographic and videographic footage to package into marketing content and make it sellable to International MICE Buyers (Meetings, Incentives, Conference, Incentives Buyers)

Local Tourism Organisation Support and Funding - Kouga Local Municipality entered into a service level agreement with Kouga tourism organisation for destination marketing function, which caters for three tourism offices operations, social media, and provision of tourism statistics to the municipality.

The organization consists of member representatives of our three geographic Tourism Information Centres in Jeffreys Bay, St Francis Bay and Gamtoos. The financial support of R300,000.00 provided by Kouga Municipality in the 2023/2024 financial year included the support to the smaller tourism offices for general administration, office operations and eMarketing.

The Kouga Local Tourism Office submits reports to Kouga Municipality throughout the year on performance and expenditure and regular meetings held for monitoring and evaluation purposes.

3.19.3 MUSEUMS

We have three museums in the Kouga Municipal area, namely the Humansdorp Museum and the Shell Museum and Surf Museum in Jeffreys Bay.

The artefacts in the Humansdorp Museum belongs to the Humansdorp Museum Association, whereas the artefacts in the Shell Museum belongs to the Kouga Municipality. Both the Shell Museum and Humansdorp Museum are managed by the Humansdorp Museum Association, a private partner of the Kouga Municipality, registered as a non-profit organization.

During the financial year Kouga municipality through its grant in aid funded the Humansdorp Museum Association with an amount of R200 000.00 for general administration, events, repairs and maintenance. The Museum Association submits quarterly reports on progress, and the Kouga Municipality has meetings and monitors and manages their performance.

The Humansdorp Museum moved premises in 2024 and a total of R200 000 was funded for the relocation and refurbishment project. The new premises is situated in Voortrekker Road of Humansdorp and much more visible for day visitors.

Museum Relocation and Renovation - A key highlight of the year was the relocation of the Humansdorp Museum to a larger, more suitable premises on Voortrekker Street. The R200,000.00 grant from Kouga Municipality was instrumental in funding the necessary renovations and improvements to the new building. The project included:

- Installing new wiring and electrical fixtures to meet modern standards.
- Enhancing the plumbing system to improve efficiency and functionality.
- Creating a welcoming and informative space for visitors, including new flooring, painting, and lighting.
- Designing and installing new exhibits that showcase the rich history and culture

of the Humansdorp region.

The renovations were completed on schedule, and the official re-opening of the Humansdorp Museum took place on April 12, 2024. The new museum has been met with positive feedback from visitors and the community, and it is expected to become a major attraction in the region.

Other Key Achievements - In addition to the museum relocation, the HMA achieved several other significant accomplishments during the year, including:

- Both the Humansdorp and Shell Museums experienced a notable increase in visitor numbers, thanks to the reopening of the Humansdorp Museum and the association's ongoing efforts to promote the museums to the public.
- The HMA continued to host a variety of events and programs that fostered community engagement and promoted the museums as valuable cultural resources. These included public lectures, genealogy workshops, educational programs for schools, community outreach activities, and special events.
- The HMA raised additional funds through donations and partnerships, which helped to support its programs and operations.
- The HMA participated in various community outreach initiatives, including presentations at local schools and community centers, participation in local festivals and events, and collaboration with local artists on exhibitions.

Museum priorities:

- To develop and promote heritage in the Kouga area.
- To build a positive image and manage museums as sought-after heritage and tourism destinations.
- Maintain museums and preserve heritage assets linked to the museums.

The Humansdorp Museum is open to visitors and tourists 5 days a week and the Shell Museum six days a week. The museums are manned with one full time staff each, and managed by the Museum Association, a voluntary Non-Profit-Organization.

3.19.4 EVENTS

Event Funding Support

QUARTER 1	
Event	J-Bay Surf Festival
Date	13 to 22 July 2023
Amount	R200,000.00
Council Resolution	2023/05/PDT2
Town	Jeffreys Bay
Type	A local festival hosted by a local events company in conjunction with the global WSL: J-Bay Open Surf event.

Socio-Economic Benefits	Festival Park: • 15 casuals were employed (runners/ cleaners) during the event. • 12 casuals x 7 days (84) for event build-up • 10x car guards x 5 days • 9x security guards for 5 days • 25 bar staff employed. • 5 promotion girls Mountain Biking- 25 Casuals were employed. • VIP fundraiser raised R365k for the Jeffreys Bay Surfing Foundation, which supports an array of other foundations in Jeffreys Bay such as Wavepoint, KRAG, JBay Alliance, Recycling project. • Raised enough money to employ a permanent worker for the Supertubes Park. • R70k worth of repairs to the boardwalk at Supertubes Park. • Ocean awareness with 'We Are One Ocean' in conjunction with the J-Bay Surf Alliance. • WSL held an ocean awareness day at the main beach which saw pro surfers such as Carrisa Moore, Jordy Smith and Matt McGillivray, experience how the J-Bay Surf Alliance is giving back to the ocean and educating the disadvantaged community about the uses of the ocean, its importance and how to preserve it. • Fishing skins R40k raised for charity and fishing conservation within Kouga. • Mountain Biking event raised over R50k for the J-Bay recycling project. Raised over 150 school bags for the recycling projects kids.
Event	WSL: J-Bay Open Surf Competition
Date	13 to 22 July 2023
Amount	R1.6 million
Council Resolution	22/06/PDT14
Town	Jeffreys Bay
Type	The annual global World Surf League: J-Bay Open Surf competition is hosted in Jeffreys Bay.
Socio-Economic Benefits	• Attracted an estimated 50 000-day visitors. • Bed nights accumulated: +20 000 • The rest of the socio-economic benefits are the same as the J-Bay Surf Festival as the 2 events run in conjunction with one another. Job Creation: • 140 casuals employed during event. • 40 labourers: 35 bar staff, 40 various staff for catering, 20 VIP helpers, 10 car guards, 5 office staff

	• 12 casuals x 7 days (84) for event build up • 16 x security guards for 5 days • 5 promotion girls
Event	South African Longboard Championship
Date	22 to 27 August 2023
Amount	R300,000.00
Council Resolution	2023/05/PDT2
Town	Jeffreys Bay
Type	Funded event national event hosted by Surfing South Africa
Socio-Economic Benefits	• In-food J-bay x 3 • Nina's J-bay x 3 • Mexican J-bay x 2 • Event staff & officials x 26 • Water patrol x 8 • Exec Ops Security x 5 • Suppliers & Ground staff x 15 A total of 62 people were employed for the 8-day duration, pre-and post-event. • Beach Clean-up at Lower Point to Kabeljous with the J-Bay Surf Alliance children to join us for a day filled with fun at the beach. Kids were treated to cake and cooldrink, followed by watching the day's surfing activities.
Event	Calamari Festival
Date	22 to 24 September 2023
Amount	R200,000.00
Council Resolution	22/08/PDT6
Town	St Francis Bay
Type	Local Tourism Organization Fundraiser festival to promote and raise funds for destination marketing.
Socio-Economic Benefits	• R60,000.00 used towards destination marketing - social media marketing) • NSRI beneficiary of Cook-Off • Funding to host the St Francis Amanzi Race for fundraising for St Francis Hospice Kouga. In 2023 R40,000.00 was raised. Job Creation: 19 people over the weekend.
Event	PGA Golf Tournament – South Africa
Date	19 – 24 September 2023
Amount	R275,000.00
Council Resolution	21/09/LED&T3
Town	St Francis Bay
Type	Global/National golf event hosted by the Professional Golfers Association of South Africa
Job Creation	A total of 133 temporary jobs were created as per the breakdown below:

	Category	Number
	Local Caddies	64
	Venue Casuals	38
	Runners/Board Carries	8
	Accreditation	6
	Partners Casuals	17
	Total	133
Socio-Economic Benefits	This year the tournament focused on skills development for local tourism and hospitality students. The incumbents learnt valuable experience and had an opportunity to learn from the best in the golf hospitality industry. The following students from various institutions were selected for the skills programme. 1. Lee-Ann Matshoba from Capsicum 2. Ethan Moore from International Hotel School 3. Akhona Mengu from Injongo Training Company 4. Hlume Tsewu from Injongo Training Company Tournament Impact Below figures illustrate the PGA Championship impact in the region. • Number of visitors – 7000 • Media value – R 6 500 000 • International golfers – 24 • Employment – 133 • Local procurement – R 1 500 000 • Economic investment – R 25 000 000 KLM Rights & Benefits: • Entitled to host 6 players in the Pro-Am Golf Day: • The Players were paired with 2 professional golfers for 18 holes round of golf and participated in the fun on-course activities. • The players received a gifts hamper with PGA Championship golf shirt memorabilia and served meals for the whole day programme. • The day concluded with a prize-giving function, which provided an opportunity to interact and network with other invited valuable guests. Entitled to host 8 guests per day in the hospitality lounge on Saturday and Sunday: • The guests were issued with an accreditation tag to access the lounge and gin bar for the weekend.	

	- Meals and beverages were served whilst they enjoyed live tournament TV broadcast in the relaxed and comfortable setting. KLM logo displayed on official tournament communication collateral: - Posted on tournament social media platforms, being Facebook page and Instagram Page. 4 postings, of which Kouga Municipality shall provide content. - On tournament official website for 12 months. - On the Pro-Am prize giving programme. - Municipality logo and content were posted on tournament official social media platforms. - The logo is uploaded on to the tournament official website, www.pgachampinship.co.za. Allocated sites to display branding and conduct promotional activation: - Prominent branding visibility in accordance with its partnership level. - Two Pro-Am holes to display branding material and promotional activation. - A wall banner was displayed in a prime position in the clubhouse for the duration of the tournament. - A dedicated area to distribute promotional material and interact with guests and spectators. Value Add Rights: - KLM banners were displayed at the main gate driveway. - KLM Executive Mayor was part of the winner's trophy hand over delegation and recorded interview was broadcasted during tournament live coverage.
QUARTER 2	
Event	Adventure Race World Championship
Date	17 to 29 October 2023
Amount	R1,000,000.00
Council Resolution	22/04/PDT12
Town	Greater St Francis / Gamtoos Valley
Type	Adventure Sport Event
Socio-Economic Benefits	- The SFB Rotary Club had a stall at the main event headquarters at Cape St Francis Resort. - Received R5 000.00 in donations of which R3 750.00 was used to purchase 50 pumps which were distributed to the clubs with the +/- 50 rugby balls donated by the participants. 360 soccer balls were distributed to 46 clubs representing 1850 players from St Francis Bay, Humansdorp, Jeffreys Bay, Thornhill, Hankey, Loerie, and Patensie.

	• These distribution events were attended by Executive Mayor H Bornman, Cllr. C August and Gamtoos Tourism Representative, Ms. N Uys. • 10 Rugby balls were donated to Gill College and the remainder of the +/- 50 rugby balls were given to Sea Vista Primary School. • The participants used running shoes, and unused food was collected after the prize giving. • The running shoes were donated to the SFB Running Club for their members in need. • Unused foods were collected by the local church ladies for distribution to local causes and Xmas Hampers of which 50 were distributed to Hospice and 50 to Ons Tuiste in Humansdorp. • In monetary value the above equates to +/- R150,000.00. +/- 100 people were trained at the Cape St Francis Resort to be part of the hospitality team hosting the participants and families at the resort.
Event	J-Bay Summer Fun – Jeffreys Bay Tourism
Date	15 to 31 December 2023
Amount	R300,000.00
Council Resolution	23/11/FED4
Type	Municipal festive season event project hosted by Jeffreys Bay Tourism for the people and seasonal visitors of Jeffreys Bay and the broader Kouga region.
Socio-Economic Benefits	15 December 2023 – Opening of the Season • Oasis FM – 20 people for Christmas Concert • Aston Bay Neighbourhood Watch – 15 • Synergy Audio – 2 • Santa Clause – 2 • J-Bay Academy – 4 • Cleaners – 2 • Branding Team – 2 22 December 2023 – Music & Picnic in the Park • Smhart Security – 2 guards x 10 days • Dorp van Drome Car Guards & Preparation – 6 • MC – 1 • Local Artists – 7 • Food Vendors – 16 • Branding Team – 2 22 – 31 Dec 2023 – Santam Beach Chill Zone & Volleyball • Crew – 2 • Sound – 2 • Security – 2 • Jokers – 2 31 December 2023 – New Year's Eve

	• Casual Workers – 20 • Ace Models – 3 • Local Artists – 15 • Cleaners – 4 • Wavecrest Neighbourhood Watch – 15
QUARTER 3	
Event	SDC Championship
Date	29 February to 4 March 2024
Amount	R400,000.00
Council Resolution	24/02/FED16
Town	St Francis Bay
Type	Sport
Socio-Economic Benefits	The Championship's repeat hosting has led to a more sustainable impact on local employment. • Job Retention: Many casual workers from the previous year have retained their positions, ensuring a more stable income for residents. • Skill Enhancement: Returning workers have had the opportunity to refine their skills and gain additional experience. • Job Creation: The increased scale of the event has led to the creation of new temporary positions, further benefiting the local job market. • Increased Business for Local Vendors: Local restaurants, shops, hotels, and guesthouses saw a surge in business. For many small businesses, the Championship provided a substantial boost in revenue. • Tourism Multiplier Effect: The SDC Championship's global profile attracted media attention and exposure, which positioned St. Francis Bay as an attractive destination for tourists. The positive media coverage and the allure of the town's natural beauty helped establish the town as a future destination for leisure travellers and golf enthusiasts. • Economic Impact on Real Estate: Increased interest in St. Francis Bay as a tourist destination led to a rise in real estate inquiries. Investors and property developers started showing more interest in purchasing vacation homes or even developing new properties to cater to the anticipated influx of visitors. This led to an increase in property values, benefiting local homeowners and further encouraging investment in infrastructure development.
Event	South African Open Water Swimming Championship
Date	8 to 10 March 2024
Amount	R150,000.00
Council Resolution	24/02/FED15
Type	National Sport Event
	Jeffreys Bay

Socio-Economic Benefits	Approximately 600 individuals, including participants, support staff, officials, media personnel, and spectators, contributed significantly to the local economy. The event garnered extensive media coverage across television, social media, and other platforms, significantly promoting Jeffreys Bay and Marina Martinique as premier sporting destinations. Furthermore, a special "Fun" event raised R8,000.00 for the NSRI, Station 37, showcasing the event's commitment to community engagement and support.
Event	Humansdorp Community Festival
Date	22 to 23 March 2024
Amount	R150,000.00
Council Resolution	24/02/FED15
Type	Community Festival
Location	Humansdorp
Socio-Economic Benefits	Community Upliftment - The festival provided a platform for families and community members to come together, fostering a sense of unity and shared enjoyment in a time of social challenges (as mentioned in the report). - The event aimed to address negativity and promote a more positive outlook within the community. - Highlighting local artists (15) and the Khoi Kulcha Foundation's partnership reflects the festival's commitment to celebrating the town's cultural heritage. Economic Impact Job Creation: The event directly employed 49 people, including marshals, cleaners, runners, bar staff, and event planners. Local Business Support: Over 15 local vendors benefited from the festival, providing them with a platform to sell their products and generate income. Supplier Opportunities: The report states that 80% of the suppliers utilized for the event were local businesses. Event Growth - Compared to 2023, the 2024 festival saw a 30% increase in attendance, indicating growing popularity and community engagement. - The festival's ambition to attract national and international tourists in the future holds promise for further economic growth. The Humansdorp Festival appears to be a positive development for the town, contributing to social cohesion and economic activity. The organizers' commitment to giving back to the community through future events is another positive takeaway.
QUARTER 4	
Event	Aloe Cup Rugby & Netball Tournament
Date	13 to 15 June 2024

Amount	R78,300.00																								
Council Resolution	24/03/FED4																								
Town	Jeffreys Bay																								
Type	Sport																								
Socio-Economic Benefits	• Local Support: The Kouga Municipality's involvement, through the events management office's guidance and financial contribution exemplifies successful collaboration for the event's benefit. • Safety and Security: Collaboration with Law Enforcement (Dehan de Bruyn's patrols) and Relay Ambulance Services ensured a safe environment for participants and spectators. • Accommodation Boost: The tournament supported local businesses like Seashells Holiday Accommodation by housing visiting teams. • Increased Spending: With visitors attending the tournament for 3 days (gate numbers: 822, 989, 847), there was likely an increase in spending at local businesses (mentioned but not quantified). • Waste Management: The report highlights Marco Engelbrecht's efforts in ensuring a clean and tidy venue, contributing to a positive visitor experience. • Improved Atmosphere: MTE Tent Events' contribution to the venue's set-up likely enhanced the experience for teams and spectators. • Tournament Growth: The Aloe Cup aims to expand the number of participating rugby teams, potentially bringing more visitors and economic benefits to the town. However, challenges like space constraints and rising costs need to be addressed. The 2024 Aloe Cup demonstrates the potential for sporting events to foster community spirit and generate economic activity in Jeffreys Bay. Overcoming logistical challenges and securing continued support will be crucial for the tournament's future growth. 118 paid employees 46 volunteers <table border="1"> <thead> <tr> <th>Job Creation</th><th>Total</th></tr> </thead> <tbody> <tr> <td>Security during the event night and day</td><td>2</td></tr> <tr> <td>Car security</td><td>2</td></tr> <tr> <td>Gate access control</td><td>2</td></tr> <tr> <td>Catering</td><td>4</td></tr> <tr> <td>Cleaners</td><td>6</td></tr> <tr> <td>Vendors, Chip n Dip, Rugby</td><td>33</td></tr> <tr> <td>Referees Netball</td><td>9</td></tr> <tr> <td>Referees Rugby</td><td>7</td></tr> <tr> <td>Photographers</td><td>3</td></tr> <tr> <td>Chaperones</td><td>18</td></tr> <tr> <td>We provided meals for around 240 children for 3 days</td><td>9</td></tr> </tbody> </table>	Job Creation	Total	Security during the event night and day	2	Car security	2	Gate access control	2	Catering	4	Cleaners	6	Vendors, Chip n Dip, Rugby	33	Referees Netball	9	Referees Rugby	7	Photographers	3	Chaperones	18	We provided meals for around 240 children for 3 days	9
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	Accommodation	23	
	Volunteers: Event site setup, Score keepers, social media, announcers, access control, catering, ball boys	46	
Event	Yellowwoods Jazz Festival		
Date	14 to 15 June 2024		
Amount	R500 000.00 + R300 000.00		
Type	Music Festival and Development Projects		
Venue	Hankey		
Socio-Economic Benefits	Job Creation: - Local Artists 7 - Festival Shuttle Drivers 7 - Music Workshop Drivers 3 - Guest Artists 3 - Festival Onsite Ticket Sales 4 - Security 14 - Sound and Stage 8 - Kids Play Zone 1 - Tents 6 - Beer Tent 10 - Toilets 2 - Catering for VIP Tent 3 - Safety Officer 1 - Event Organizer 1 - Event Assistant 1 - Food Vendors 11 - Rugby Clinic 3 - Rugby Legends Wine Event 5 - Accommodation Employees 19 - Volunteers 23 Total 130 Development Projects Music Development 3 Day Workshop 17 Local Community Brass Band Members 14 Local Community Marimba Band Members SA Rugby Legends: Rugby Clinic 45 rugby players from all Gantoos Valley High Schools		
Event	J-Bay Surf Festival and WSL Legends Event		
Date	14 to 22 June 2024		
Amount	R1,700,000.00		
Council Resolution	24/03/FED5		
Type	Festival		
	Jeffreys Bay		
Socio-Economic Benefits	Job Creation: The event directly employed a total of 96 people: Park Off 25 x casuals (runners/ cleaners) during event 12 x casuals for event build up (7 days)		

	• 10 x car guards (10 days) • 9 x security guards (7 days) • 28 x bar staff employed • 4 x promotion girls Funduro 8 x Officials Indirect Jobs: The event likely spurred additional job creation in supporting industries such as catering, transportation, and hospitality. Economic Impact: • Ticket Sales: Revenue generated from 2,200 tickets sold directly contributes to the event organizers and potentially local businesses involved in ticketing sales. • Increased Visitors: An estimated 3,000 visitors were attracted to the event, many likely from outside the immediate area. This increased foot traffic translates to potential revenue for local businesses like restaurants, hotels, and shops. • Accommodation Boost: The event led to an estimated +2,800 bed nights accumulated in local accommodation, benefiting hotels, guesthouses, and other lodging options. Kouga Branding: The event provided valuable exposure for Kouga branding, potentially attracting future tourism and business opportunities.

Event Application Approvals

Quarter 1		
EPC Meeting Date	Applications Received	Applications Approved
20 July 2023	9	9
17 August 2023	13	13
21 September 2023	10	10
Quarter 2		
EPC Meeting Date	Applications Received	Applications Approved
19 October 2023	10	9
23 November 2023	18	18
Quarter 3		
EPC Meeting Date	Applications Received	Applications Approved
18 January 2024	4	4
15 February 2024	14	14
20 March 2024	9	9
Quarter 4		
EPC Meeting Date	Applications Received	Applications Approved
18 April 2024	4	3
23 May 2024	10	10
20 June 2024	5	5
Total	74	72

Kouga Quarterly Newsletter – Events Calendar - For 11 months in the year an events calendar is published on all social media platforms. In this report the calendar for each quarterly Newsletter is shared.

2023 DATES TO REMEMBER

OCTOBER

4 - 8	SA Junior Surfing Champions	Jeffreys Bay
7	NG Kerk Gamtoosvallei-Oos Ploosbassar	Gamtoos Valley
7	Spring Day Church Event	Patensie
7	Orlando Eagles Rugby Club Golden Oldies	Kouga
8 & 29	Crossways Market	Thornhill
7 - 8	Malkies	Gamtoos Ferry Hotel
12 - 15	Concours Sur Mesure	St Francis Bay
14	St Francis Brewery Beer Run	St Francis Bay
15	The Swim Series	Kouga
17 - 19	Adventure Race World Championships	Cape St Francis
27 - 29	J-Bay Beer Fest	Jeffreys Bay
28	St Francis Market	St Francis Bay
28	Victory First Choice Classic	Jeffreys Bay
28	Disco by Level 4 Entertainment	Patensie

NOVEMBER

3	J-Bay Academy Fun Colour Walk	Jeffreys Bay
4	St Francis Market Car Boot Sale	St Francis Bay
5	The Swim Series	Kouga
5 & 26	Crossways Market	Thornhill
10 - 11	Global Leadership Summit	Jeffreys Bay
11	St Francis College MTB Race	St Francis Bay
24 - 26	Lukhanya Memorial Soccer Tournament	Thornhill
28	St Francis Market - St Francis Bay	St Francis Bay

DECEMBER

3 & 17	Crossways Market	Thornhill
6 - 10	SA National Olympic Trials	Kouga
16	All White (Dress-up) Party Disco	Kouga
16	St Francis Market	Humandorp
16 - 17	Festive Season Beach Sports	St Francis Bay
16 - 31	St Francis Summer Sport Series	St Francis Bay / Cape St Francis
23	St Francis Market	St Francis Bay
23	J-Bay Annual Picnic	Jeffreys Bay
26	USN Touches Championship	Jeffreys Bay
26 - 31	Billy's Beach	St Francis Bay
30	St Francis Market	St Francis Bay
30	Marina Mile	Marina Martinique



www.jeffreysbaytourism.org

www.kougatourism.com

www.visiteasterncape.co.za

www.baycoast.net

www.stfrancisbaytourism.co.za

EVENTS CALENDAR

DATE	EVENT	LOCATION
15 - 17	Kouga 101	Humandorp
16	All White (Dress-up) Party Disco	Humandorp
16	St Francis Bay Opening of Season	St Francis Bay
16, 23 & 30	Milkwood Market	Jeffreys Bay
16, 23 & 30	St Francis Market	St Francis Bay
16 - 17	Festive Season Beach Sports	Jeffreys Bay
16 - 31	St Francis Summer Sport Series	St Francis Bay/Cape St Francis
17	Crossways Market	Thornhill
20	Oyster Bay Country Market	Oyster Bay
20 - 31	Theron Aviation Heli-Flies	Jeffreys Bay
21	Cox Everglade Boat Summer Beach Tour	Jeffreys Bay
21	Christmas Carols	Patensie Beach
22	Seakourier Wine Festival	Patensie Beach
23	J-Bay Annual Picnic	Jeffreys Bay
23 & 29	St Francis Summer Paddling Series 2023	St Francis Bay
24	USN Touches Championship	Jeffreys Bay
26 - 31	Billy's Beach	St Francis Bay
29	St Francis Bay Flash Floot	St Francis Bay
30	Marina Mile	Jeffreys Bay

DATE	EVENT	LOCATION
1	St Francis Summer Paddling Series	St Francis Bay
1 - 2	Billy's Beach	St Francis Bay
1 - 4	Theron Aviation Heli-Flies	Jeffreys Bay
6	First Choice Run	Jeffreys Bay
6 & 27	St Francis Market	St Francis Bay
8 & 29	Crossways Market	Thornhill
13 & 27	Milkwood Market	Jeffreys Bay
20	Slake Fandure	Humandorp
27 - 28	NMB Aquatic Open Water Swim Champs	Jeffreys Bay

DATE	EVENT	LOCATION
15	J-Bay Summer Fun Opening of the Season	Dolphin Beach Amphitheatre
17:00 - 20:30	Take a photo with J-Bay Santa	Main Beach
17:00 - 18:00	Christmas Carols	18:00 - 20:00
Switching on of Lights	20:00	
22	J-Bay Summer Fun Music & Picnic in the Park	Dogwood Park
16:00 - 21:30	31	J-Bay Summer Fun New Year's Eve Bash
07:00 - 13:00, 14:00 - 01:00	Beach Fun Run	Open Air Church Service
Lifeguard Games	Dance Off	Mr & Miss J-Bay Summer Fun
Live Entertainment	Fire Dancer	Fireworks Display
00:00		



EPC Meetings and Submission Deadline Notice - Annually 2 notices are published to inform the public of the 6-month EPC Meeting schedule and submission deadlines for each meeting.

It's important to note that these submission deadlines are not applicable to the event application timeframes.

Tourism and Heritage Funding Approved

Name of Applicant	Budget Allocation	Council Resolution
Humansdorp Museum Association	R200,000.00	23/12/FED7
Humansdorp Museum Association	R200,000.00	24/05/FED17

Events and Heritage Action Sheet

Day/Date	Task/Project	Status	Comments/Notes
20 July 2023	EPC Meeting	Completed	9 events presented and 9 approved
17 August 2023	EPC Meeting	Completed	13 events presented and 13 approved
30 August 2023	Heritage Site Audit per Town	In Progress	Each LTO and HMA submitted updated lists. Will carry over into 2024/2025 where site visits will be done by Events Management Officer and HMA. Thereafter the registration process with Eastern Cape Provincial Heritage Resources Authority will start for those sites not registered.
12 September 2023	Sponsorship: ARWC (R1 million)	Completed	Closeout report submitted to Council.
13 to 14 September 2023	EPC: Policy Review & By-law draft	In Progress	Policy review is done, but the Legal Manager advised the By-law must be done first before it can be submitted to council. Awaiting Legal for further advisement on the By-law process.
15 September 2023	Sponsorship: NMBA Open Water Swim Closeout Report (R150,000-00)	Completed	Closeout Report submitted in Feb 2024.
18 September 2023	Sponsorship: PGA (R275,000-00)	Completed	Closeout report submitted to council.
20 September 2023	Sponsorship: Calamari Festival (R200,000-00)	In Progress	SLA and payment completed. Closeout Report received for submission to council.
21 September 2023	EPC Meeting	Completed	10 events presented and 10 approved
19 October 2023	EPC Meeting	Completed	10 events presented and 9 approved

Day/Date	Task/Project	Status	Comments/Notes
30 October 2023	Sponsorship: J-Bay Summer Fun (R300,000-00)	Completed	Council Resolution: 23/11/FED4. Closeout report submitted to Council.
7 November 2023	Sponsorship: SANOWS Championship (R150,000-00)	Completed	Council resolution received: 23/12/FED6. In February 2024 the 2023 Closeout report was submitted to council.
7 November 2023	Annual Report and Funding Request: Humansdorp Museum (R200,000-00)	Completed	Closeout Report Submitted to Council. New Council Resolution 23/12/FED7. Payment was done in February 2024.
8 November 2023	Sponsorship: WSL Legends J-Bay from 15 – 23 June 2024	In Progress	24/03/FED5 Council resolution Awaiting Closeout Report.
22 November 2023	MFMP Session 4 POE	Completed	POE Submitted to FAHCS
22 to 24 November 2023	Project Management Session 2 Training	Completed	Attended virtually.
22 to 24 November 2023	Project Management Session 2 POE	Completed	To be submitted on 8 March 2024
23 November 2023	EPC Meeting	Completed	18 events were presented and 18 were approved.
18 January 2024	EPC Meeting	Completed	4 events presented and approved
29 January 2024	MFMP Session 5 POE	Completed	POE Submitted to FAHCS
15 February 2024	EPC Meeting	Completed	14 events presented and 14 approved

Day/Date	Task/Project	Status	Comments/Notes
8 March 2024	2024 SDC DP World Tour Golf Tournament Sponsorship	In Progress	Council Resolution: 24/02/FED16. Awaiting Closeout Report (R400k)
8 March 2024	Humansdorp Festival Sponsorship	In Progress	Council Resolution: 24/02/FED15. Closeout Report received. Will submit to August PC meeting. (R150k)
20 March 2024	EPC Meeting	Completed	9 events presented and 9 approved
25 to 29 March 2024	MFMP Session 6 POE	In Progress	POE Submitted to FAHCS
3, 16 and 17 April 2024	Safety at Events Workshop – Series 1	Completed	3 Workshops hosted in Thornhill, Humansdorp and Jeffreys Bay. Reported on in Q4 report.
18 April 2024	EPC Meeting	Completed	4 events submitted and 3 approved (1 withdrawn)
29 April to 3 May 2024	MFMP Session 7 POE	In Progress	POE Submitted to FAHCS
23 May 2024	EPC Meeting	Completed	10 events presented and 10 approved
20 June 2024	EPC Meeting	Completed	events presented and 5 approved

Safety at Events Workshops Report - The Event Planning Committee (EPC) hosted a successful series of Safety at Events Workshops in April 2024. These workshops aimed to educate and equip event organizers and other community members with essential safety protocols to enhance event management and attendee safety. The positive response encourages the EPC to host a second workshop series in the 2024/2025 financial year.

To ensure broad outreach, the EPC utilized a multi-pronged approach to promote the Safety at Events Workshops. Notices were published across various channels, including social media platforms, the official municipality website, and ward offices. Also, WhatsApp messages were sent directly to all previous event organizers who submitted applications

to the EPC. These efforts aimed to reach a wide audience of potential attendees and stakeholders within the event planning community.

However, workshop details required some adjustments based on initial registration numbers. While workshops were initially planned for 2 locations across the Gamtoos Valley area, low registration numbers prompted the decision to merge the two planned workshops into one. Unfortunately, this also meant cancelling the workshop scheduled for Hankey.

Ultimately, the workshops were held in three towns at municipal community halls:

- April – Thornhill
- 16 April – Humansdorp
- 17 April – Jeffreys Bay

While registration numbers were promising for both Humansdorp and Jeffreys Bay workshops, approximately 30 people attended the Humansdorp workshop and over 50 Jeffreys Bay. Although we received RSVPs following the registration process, the midweek workshops hosted from 08:00 to 15:00 did not suit most registrants' schedules which impacted attendance immensely.

Workshop Successes and Feedback:

- Increased awareness of event safety protocols.
- Sparked interest in event safety officer careers.
- Provided valuable resources through the e-manual.
- Preference for shorter workshops or on Saturdays.
- A desire for more interactive learning experiences.
- Focus on practical application of safety knowledge.

Financial Implications - The Safety at Events Workshops adhered to a budget of R76,416.25.

Budget Item	Amount	Order Number
Catering 3 April 2024	R 8,000.00	233326
Catering 16 and 17 April 2024	R 22,780.00	233602
500ml Bottled Still Water	R 1,800.00	233533
Notepads	R 4,312.50	233258
USB Flash Drives	R 22,348.75	233206
Events Safety Practitioner for 3 workshops	R 18,975.00	233338

The following recommendations are proposed to consider for the next series:

- Content Focus: The revised content will prioritize the core safety topics outlined above.
- Interactive Learning: Case studies and discussions will encourage active participation and knowledge application.
- Collaboration: Discussions with SACIA's Events Safety Council regarding accessible and affordable event safety officer training will continue.

Conclusion - The Safety at Events Workshops is crucial for promoting a safety-conscious event planning culture. By focusing on the core safety aspects, interactive learning, and practical application, the next series will further empower event organizers and community members to create safe and enjoyable events.

COMPONENT H: LAND AND PROPERTY ADMINISTRATION

3.20 LAND AND PROPERTY ADMINISTRATION

The Land and Properties Administration Department is responsible for the management of municipal land and properties. The department has recorded the following activities during the 2023/24 financial year:

Disposals - Council granted final approval for the disposal of the following municipal owned properties:

Disposal of Erf 588, Pellsrus – Ethiopian Episcopal Church (Community Zone) - The disposal of municipal Erf 588, Pellsrus to Ethiopian Episcopal Church was concluded in October 2023.



Disposal of Erven 2216, 2217, 2225 & 2226 in Hankey – Old Apostolic Church (Community Zone) - The disposal of municipal Erven 2216, 2217, 2225 & 2226 to the Old Apostolic Church was concluded in October 2023.



Disposal of a portion of Portion 4 of the Farm 347 – Teen Challenge SA (New name Salvation South Africa Kouga) - The disposal of a portion of Portion 4 of Farm 347, Zwartenbosch to the Salvation South Africa Kouga was concluded in December 2023.



Disposal of Erf 600, Pellsrus – Uniting Reformed Church SA (Community Zone) - The disposal of Erf 600, Pellsrus to Uniting Reformed Church SA was concluded in February 2024.



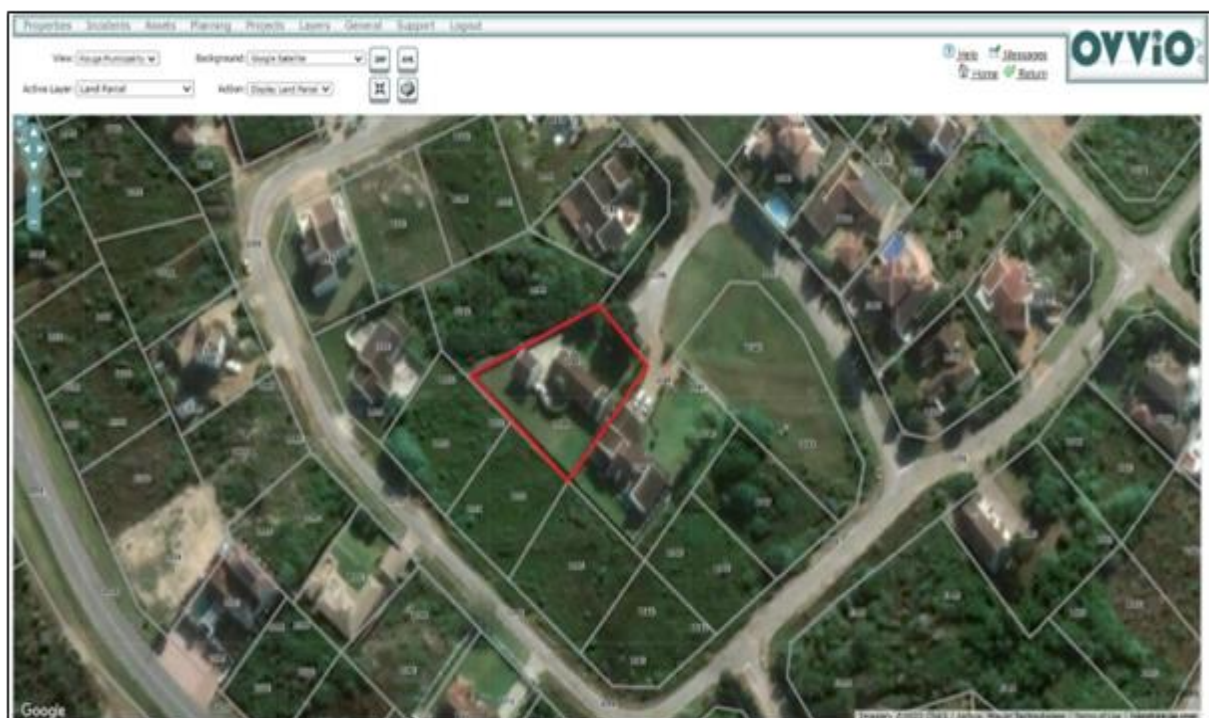
Disposal of Erf 2734, Sea Vista – Shekinah Ministries (Community Zone) - The disposal of Erf 2734, Sea Vista to Shekinah Ministries was concluded in February 2024.



Disposal of Erf 2593, Sea Vista – Annie Daniels (Residential) - The disposal of Erf 2593, Sea Vista to Annie Daniels was concluded in March 2024.



Disposal of Erf 1044, Sea Vista – WB Bosch (Residential) - The disposal of Erf 1044, Sea Vista to WB Bosch was concluded in March 2024.



Disposal of a portion of Erf 873, Jeffreys Bay – Jeffreys Bay Bowling Club (Open Space to be Rezoned) - The disposal of a portion of Erf 873, Jeffreys Bay to the Jeffreys Bay Bowling Club was concluded in March 2024.



Disposal of Erf 137, Pellsrus – Mr. Lizo Patrick Letsekha (through EEDBS) - The disposal of Erf 137, Pellsrus to Mr. Lizo Patrick Letsekha will be concluded through EEDBS programme of Human Settlements.

Properties Incidents Assets Planning Projects Layers General Support Logout

View: Fixed Assets Background: Google Satellite SHP XML

Active Layer: Land Parcel Action: Display Land Parcel

Help Messages Home Return

OVVIO

Land Parcel

Erf 137 of Pellsrus
 Address 4 Tuna Street
 SG Number C034001300000137000
 00
 Municipality Kouga
 Township/Holding: Title Deed Pellsrus
 Suburb: Financials Pellsrus (40017)
 Extent 553sqm
 Title Deed T11937/1987
 Owners Mun Kouga
 Registered 20 Mar 1987
 Price 0.00
 Municipal Value 20,000.00
 Latest Valuation 20,000.00
 Valuation Category MUNICIPAL PROPERTY
 H Area Unknown

Scale 1:1 2133

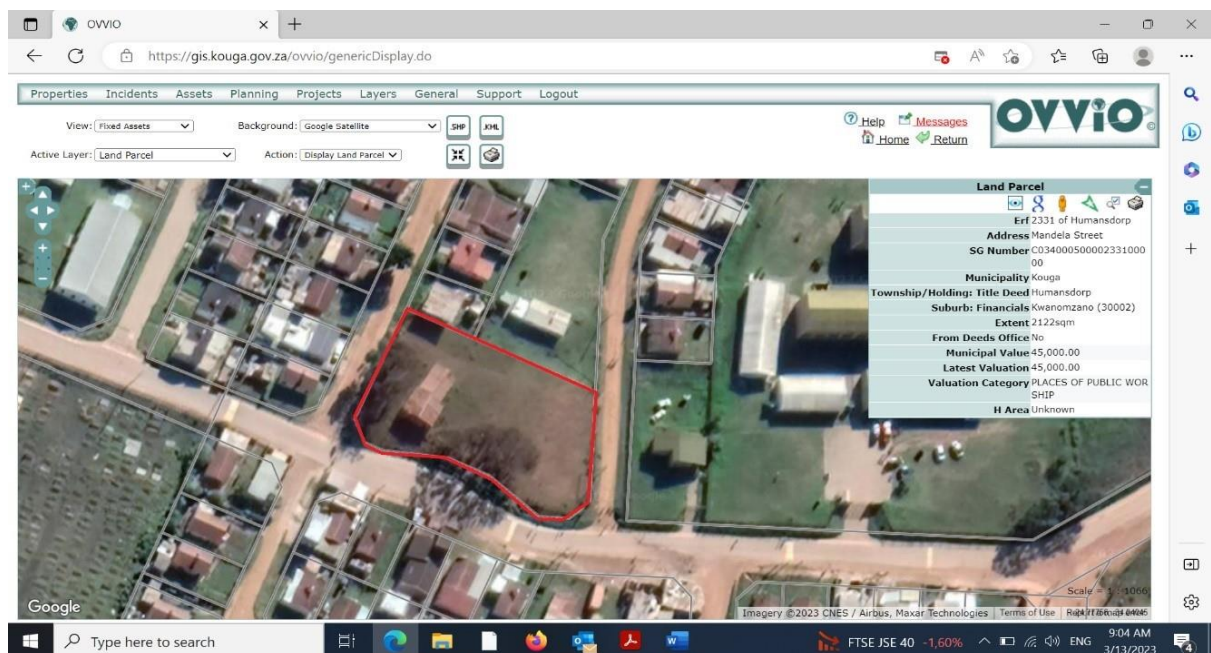
Imagery ©2022 CNES / Airbus, Maxar Technologies Terms of Use Report a map error

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2022/06/08

Disposal of a portion of Erf 164, Jeffreys Bay – Eskimo Pie (The Mexican) - The disposal of a portion of Erf 164, Jeffreys Bay to Eskimo Pie (The Mexican) was concluded in March 2024.



Disposal of Erf 2331, Humansdorp (Kwanomzamo) - New Gospel Church - The disposal of Erf 2331, Humansdorp to New Gospel Church was concluded in May 2024.



Successful disposal and transfers

Erf No	Ward No	Resolution No	Disposal Method	Use	Amount
Erf 288, 331, 336, 341, 342, 4359 to 4368, Hankey	13	20/10/PD10	Permanent disposal	Agriculture (Citrus)	R2,035 500.00.
Erf 13, Aston Bay	2	23/05/PDT10	Permanent disposal	Residential	R207, 000.00
Erf 610, Aston Bay	2	23/05/PDT10	Permanent disposal	Residential	R155, 250.00
Total					R2, 397 750.00

Land Acquisitions

Erf No	Ward No	Resolution No	Disposal Method	Use	Amount
Farm 449 portion 20, Uitenhage RD (Thornhill)	7	23/10/PD41	Acquisition (HDA)	Integrated residential development	R6,000 000.00

Leases

The Department is also responsible for concluding new leases on municipal land as well administering current leases. There are currently 61 leases that is being administered.

Please find below a table of the municipal properties leased:

Leasing Entity	Account Number	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
Milton Farmers Association	2000017158	Agricultural	Ptn Of Farm 17, Hankey	10 March 2023	9 March 2026	Y	2,500.00	Y
Total							2,500.00	
Leasing Entity	Type	Property Description		Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
Minet Networks	Commercial telecom /Towers	Erf 745, Portion 103, Sea Vista		17 May 2021	16 May 2024 Renewal In Progress	Y	0.00	Y

Leasing Entity	Account Number	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
Minet Networks	Commercial elecom /Towers	Erf 2088, Humansdorp		17 May 2021	16 May 2024 Renewal In Progress	Y	0.00	Y
Minet Networks	Commercial elecom /Towers	Erf 1455, Hankey		17 May 2021	16 May 2024 Renewal In Progress	Y	0.00	Y
Minet Networks	Commercial elecom /Towers	Erf 5903, Jeffreys Bay		17 May 2021	16 May 2024 Renewal In Progress	Y	0.00	Y
High Five Solar T/A Cape Carbon	Commercial	Erf 499, Humansdorp		1 September 2020	31 July 2030	Y	3,450.00	Y
Oasis Fm	Commercial	Erf 5830, Jeffreys Bay		18 September 2020	17 September 2023 Renewal In Progress	Y	4,400.00	Y
Lerizo International Investment Cc	Commercial	Erf 32, Loerieheuwel		8 June 2021	7 June 2024	Y	270.00 (329.13)	Y
Lerizo International Investment Cc	Commercial	Erf 259, Patensie		8 June 2021	7 June 2024	Y	320.00 (339.20)	Y
Lerizo International Investment Cc	Commercial	Erf 7294, Jeffreys Bay		1 September 2021	30 August 2024	Y	960.00 (1170.24)	Y
Lerizo International Investment Cc	Commercial	Erf 1826, Hankey		14 May 2021	13 May 2024	Y	280.00 (341.32)	Y
Jc Vorster	Commercial	Erf 275, Humansdorp		26 May 2021	25 May 2024 Renewal In Progress	Y	2000.00	Y
Limitless Racing Group	Recreational	Erf 150, Oyster Bay		N/A	September 2023	Y	7,600.00	Y
Jeffreys Bay Golf Club	Recreational	Erf 873, Jeffreys Bay		22 June 2021	22 May 2031	Y	7,460.00	Y
T. A. Bamba	Commercial	Erf 4833, Kruisfontein		20 October 2022	19 October 2025	Y	120.00	Y
Bet-El Revival Centre	Recreational	Erf 6199, Kruisfontein		7 April 2022	6 April 2025	Y	560.00	Y
Little Urchins Montessori Culture	Primary Private School	Erf 3087, Sea Vista		14 February 2021	13 February 2022 Renewal In Progress	Y	2800.00	Y
Impact Centre	Recreational	Erf 7293, Jeffreys Bay		23 January 2023	22 January 2026	Y	330.00	Y
Total							30200.00	

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Annual Rental Amount	Billing in place (Y/N)
Jeffreys Bay Educare	Creche	Erf 33 Pellsrus	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Bimbo Creche	Creche	Erf 85 Kruisfontein	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Eldrid Groep Creche	Creche	Erf 1568 Pellsrus	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Tokyo Sexwale Creche	Creche	Erf 492 Pellsrus	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Mkhuseli Koliti Creche	Creche	Erf 74 Thornhill	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Umzamomhle Creche	Creche	Erf 2236 Hankey	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Phillipsville Creche	Creche	Erf 15 Hankey	1 September 2018	Long Term Lease In Progress	Y	10.00	Y
Loerieheuwel Creche	Creche	Erf 47 Loerie	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Kabouter Hess & Free Creche	Creche	Erf 1057 Patensie	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Noxolo Creche	Creche	Erf 570 Patensie	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Noah's Arch Creche	Creche	Erf 190 Pellsrus	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Haasbekkies	Creche	Erf 5060 Kruisfontein	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Kokkewiet Speelskool	Creche	Erf 500 Oyster Bay	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Dinky Dot Creche	Creche	Erf 1853 Kruisfontein	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Nkqubela Creche	Creche	Erf 2739 Humansdorp	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Ethembeni Day Care	Creche	Erf 2014 Hankey	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Masikhule Creche / Pre School	Creche	Erf 1301 Humansdorp	1 September 2018	Long Term Lease in Progress	Y	10.00	Y

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Annual Rental Amount	Billing in place (Y/N)
Siembamba Creche	Creche	Erf 2 Kruisfontein	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Madiba Bay Creche	Creche	Erf 1244 Pellsrus	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Disney Creche	Creche	Erven 2596, 2597, 2598 Sea Vista	1 September 2018	Long Term Lease in Progress	Y	10.00	Y
Total						200.00	

Leasing Entity	Type	Property Description	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
L September	Municipal Houses	Erf 6175: 6 Christiaan Street, Jeffreys Bay	Month To Month	Y	9,150.00	Y
F Windvogel	Municipal Houses	Erf 187: 31 Seekat Street, Pellsrus	Month To Month	Y	1168.96	Y
WB Bosch	Municipal Houses	Erf 1044: 11 Palma Road, Sea Vista	Month To Month	Y	2936.86	Y
NA Malgas-Goeda	Municipal Houses	Erf 2293: 154 St Francis Drive, Sea Vista	Month To Month	Y	9150.00	Y
Vacant	Municipal Houses	Erf 2291: 2 Diana Road, Sea Vista	N/A	N/A	N/A	N/A
Vacant	Municipal Houses	Erf 1053: 12 Majorca Crescent, Sea Vista	N/A	N/A	N/A	N/A
LR Vaaltyn	Municipal Houses	Erf 437: Voortrekker Road, Humansdorp	Month To Month	Y	1013.98	Y
Vacant	Municipal Houses	Erf 440: Voortrekker Road, Humansdorp	N/A	N/A	N/A	N/A
B Jaffa	Municipal Houses	Erf 13: Patensie	Month To Month	Y	1347.74	Y
DF Swepu	Municipal Houses	Erf 1324: Kwanomzamo, Humansdorp	Month To Month	Y	1316.04	Y
SRr Smit	Municipal Houses	Erf 543: Hankey	Month-To-Month	N/A	1,275.00	N/A
MM Van Der Merscht	Municipal Houses	Erf 543: Hankey	Month To Month	Y	1275.00	Y
Total						28,633.58

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
Heritage Centre Harbour Road	Recreational	Erf 2116, Sea Vista	1 July 2019	31 May 2029	Y	1,950.00	Y
A Petersen Brand-On	Business	Erf 2360, Kruisfontein	October 2020	September 2023	Y	170.00	Y

Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	Billing in place (Y/N)
M & J Enterprises	Storage	Erf 2094, Humansdorp	15 December 2021	15 November 2030	Y	4,400.00	Y
Total						6,520.00	
Leasing Entity	Type	Property Description	Commencement Date	Termination Date	Contract	Monthly Rental Amount	
J-Bay Animal Rescue	Animal Rescue	Erf 8783, Jeffreys Bay	9 September 2020	8 September 2023	Y	Right To Use	
Paradise Beach Airfield	Ppp	Erf 1373, Paradise Beach	N/A	N/A	Y	Right To Use	
Gam-Inqua Khoisan Tribal House	Tribal House	Ptn 2 Of Farm 781	June 2021	May 2024	Y	Right To Use	
Gam-Inqua Khoisan Tribal House	Tribal House	Ptn Of Erf 2	June 2021	May 2024	Y	Right To Use	
Red Lions Rugby Club	Recreational	Erf 515, Hankey	29 April 2019	31 May 2029	Y	Right To Use	
Red Lions Rugby Club	Recreational	Erf 512, Hankey	29 April 2019	31 May 2029	Y	Right To Use	
Supertubes Surfing Foundation	Nursery	Erf 2716, Jeffreys Bay	2 September 2021	1 September 2024	Y	Right To Use	
Jbsd T/A Hydro Rubber	Maintaining Property	Erf 445, Jeffreys Bay	3 August 2021	2 August 2024	Y	Right To Use	
P. J Coetzee	Agricultural	Erf 5465, Jeffreys Bay	Lease Expired	Month To Month	Y	Right To Use	
Aston Bay Rate Payers And Residents Association (Abrra)	Community Hall	Erf 315, Aston Bay	29 July 2022	29 June 2032	Y	Right To Use	
Patensie Piggery Farming Group	Land Use	Erf 223, Patensie			Y	Right To Use	
Total						0.00	

Application to lease municipal owned properties in progress:

Application details	Application type - lease	Agreement drafted and signed	Start / end date	Resolutions	Council resolution (in-principle/final)
A portion of Erf 835, Paradise Beach (Telecommunication Mast) for 9 years and 11 months	X	NO	9Y 11M	24/03/PD26	27 March 2024
A portion of Erf 1244, Pellsrus for 9 years and 11 months	X	NO	9Y 11M	24/03/PD16	27 March 2024
Erf 1567, Pellsrus for 9 years and 11 months	X	NO	9Y 11M	24/03/PD11	27 March 2024

Application details	Application type - lease	Agreement drafted and signed	Start / end date	Resolutions	Council resolution (in-principle/final)
A portion of Erf 1996, Sea Vista (Telecommunication Mast) for 9 years and 11 months	X	NO	9Y 11M	24/03/PD27	27 March 2024
Erf 3087, Sea Vista for 9 years and 11 months	X	NO	9Y 11M	24/03/PD28	27 March 2024
Erf 130, Pellsrus for 9 years and 11 months	X	NO	9Y 11M	24/03/PD22	27 March 2024
A portion of Erf 164, Jeffreys Bay for 9 years and 11 months	X	NO	9Y 11M	24/03/PD25	27 March 2024
A portion of Erf 164, Jeffreys Bay (Telecommunication Mast) for 9 years and 11 months	X	NO	9Y 11M	IN-PRINCIPLE	27 March 2024
A portion of Erf 164, Jeffreys Bay (Sea Rescue) for 9 years and 11 months	X	NO	9Y 11M	24/03/PD24	27 March 2024
Erf 843, Jeffreys Bay for 9 years and 11 months	X	NO	9Y 11M	24/03/PD13	27 March 2024
Erf 1160, Humansdorp for 9 years and 11 months	X	NO	9Y 11M	24/03/PD12	27 March 2024
Erf 7263, Jeffreys Bay (Oceanview) for 9 years and 11 months	X	NO	9Y 11M	24/03/PD29	27 March 2024
A portion of Erf 1, Erf 2084, 2085 and a portion of Erf 2077 (Road), Humansdorp for 9 years and 11 months	X	NO	9Y 11M	24/03/PD15	27 March 2024
A portion of Erf 2, Kruisfontein for 9 years and 11 months	X	NO	9Y 11M	24/03/PD14	27 March 2024
Erf 7292, Jeffreys Bay (Oceanview) for 9 years and 11 months	X	NO		24/03/PD30	27 March 2024
A portion of Erf 300, Patensie	X			IN-PRINCIPLE	
Erven 27, 28, 29 and 30 Loerieheuwel	X	NO	9Y 11M	23/10/PD47	27 October 2023
A Portion of Erf 231 and erven 36 and 37, Pellsrus	X	IN PROGRESS	9Y 11M	24/02/PD9	28 February 2024
Erf 2330, Humansdorp (Moravian Church)	X			23/04/PD8	31 August 2023
A portion of Erf 873, Jeffreys Bay - Renewal of Vodacom Lease		NO	9Y 11M	23/08/PD5	31 August 2023

Application details	Application type - lease	Agreement drafted and signed	Start / end date	Resolutions	Council resolution (in-principle/final)
A portion of Erf 406, Paradise Beach - Renewal of Vodacom Lease	X	NO	9Y 11M	23/08/PD7	31 August 2023
A portion of portion 72 of Farm 746, Humansdorp RD - Renewal of Vodacom Lease		NO	9Y 11M	23/08/PD6	31 August 2023
A portion of Erf 499, Humansdorp - CD Freight (Truck Stop)	X	NO	9Y 11M	23/10/PD45	27 October 2023
Erf 440, Humansdorp (Humansdorp Museum)	X	NO	9 Y 11M	24/02/PD8	28 February 2024
Sale of Vacant Municipal Land				IN-PRINCIPLE	27 March 2024
Portion 7 of farm 688 Humansdorp RD (Geelhouteboom) Emerging Farmers				IN-PRINCIPLE	27 March 2024
ECDC's	X	NO	9Y 11M	24/03/PD31	27 March 2024

Strategic Objectives and Considerations - The Department has established the Land Evaluation Committee (LEC) in February 2023 which consist of relevant service departments and recommends on applications received for municipal land.

The LEC considers the applications received informed by the section 14 confirmations by the service department. The comments flow to the Portfolio Committee in the form of an item for in-principal approval after which the public participation calling for comments or objections on the application received. The committee has had several meetings since its establishment to deal with the large number of applications.

The LEC not only considers application per desktop study but also performs in loco inspection where necessary to conduction investigation on the actual location in order to provide substantial consideration for the evaluation of applications.

The LEC on in loco inspections



A moratorium on land was placed until 30 June 2024 and during that time, the Department successfully dealt with the implementation of current and historic council resolutions, which was never finalized.

An example of this is Patensie erven that were purchased by the community as far back as 1993 but never transferred and we are awaiting Council's final approval to conclude the transfers.

The Department also addressed land for churches and the Council will approve the final list once the valuations have been received.

Another critical consideration is addressing issues regarding land availability for commonages. Our department, in consultation with DRDAR, are assessing the agricultural zoned land of Council, where an application will be tabled before Council for formalization of the agreements with Emerging farmers in the area.

The Department are looking into available land belonging to other spheres of Government. To deal effectively with the available land, the Department together with the Economic Development Department are working on the Commonage Management Plan.

We also want to work closer with the Provincial Department of Rural Development and Agrarian Reform to support and assist emerging farmers by tapping into funding opportunities.

The Department want to embark developing a land management strategy for all its available land to deal in a more effective manner with its assets and provide an improved service to the communities.

Highlights & Achievements 2023/24 - Because the Land and Property Administration Department connects all elements on which land has a bearing including systems of property acquisitions, tenure, programs, spatial demarcation, and regulation of land use which are informed by the strategic objectives of the municipality's approved SDF and IDP. The Land and Property Administration Team with the Legal Team found it sought to request specialised opinion and recommendation from SALGA on the current municipal and Property Policy. Salga analysed the policy, and the municipal was commended for its policy as it received positive recommendations from SALGA.

The Land and Property is faced with understaffing, where components are fully fledged moreover on the line of acquisition there is not a warm body allocation. Current staff must extend themselves to fulfil this function.

The Land and Property Administration Team has set to correct registration of properties that should be in the name of local communities as correcting of registration will enable Kouga Municipality to account for the properties and rectify tenure as well as increase its Revenue.

Because there is no standard format for rectifying tenure and various departments and entities have their own guiding policies, the Legal and Property Administration must draw proposals or succumb to required processed per entity. The Land and

Property department has recently referred a proposal to the Department of Public Works for the acquisition of Erf 676 and 1771 – 1775 Pellsrus as it aim to rectify tenure.

After the submission of the proposal the Department of Public Works conducted a site inspection for the properties requested and is currently in progress. This will assist communities to take ownership of properties and contribute to the municipalities revenue base through rate collection.

Another highlight was the recent support received from **ECCoGTA** in Surveying properties (26 June 2024 – 28 June 2024) in previously disadvantaged areas where encroachments exist that can only be rectified by the survey of a property to determine the correct extend and boundaries of a property.

COMPONENT I: HUMAN SETTLEMENTS

3.21 HUMAN SETTLEMENTS

Introduction - The Eastern Cape Department of Human Settlements (ECDHS) and Kouga Local Municipality have successfully worked together in human settlement projects in the area. Most of the projects that were undertaken a few years ago are completed. The ECDHS intervened to unlock certain infrastructure challenges and experiences for future Human Settlement developments in Hankey, Patensie and Jeffreys Bay. The Municipal Human Settlements Section is busy with the implementation and reviving of several Housing Projects.

Kouga Local Municipality was also appointed as implementing agent for Upgrading of Informal Settlements. The Informal Settlements that will benefit in respect of the Informal Settlements Upgrading Programme includes the following:

- Polar Park (257) Informal Settlement
- Polar Park (553) Informal Settlement
- Shukushukuma 93 Informal Settlement
- Bungalows 103 Informal Settlement
- Donkerhoek 363 Informal Settlement
- Ocean View 1250 Informal Settlement
- No R10 Informal settlement (191)
- Thornhill 160 Informal Settlement
- Cyril Ramaphosa 278 Informal Settlement

Projects - During the past financial year, the good strides were made in terms of the unlocking of number of formal Housing projects, which includes the following Projects:

- Hankey 990 (919)
- Ocean View 1500 (Phase 1 & Phase 2)
- Appointment of service providers
- Informal settlements survey (SURVEY 123)

Ocean View 1500 Housing Project

- Provincial Department of Human Settlements has terminated the contract of Kontinental Engineers who was responsible for the construction of Phase 1 (200) Top-structures, and they then appointed two (2) Service Providers for phase 1 (368) and Phase 2 (200) Top-structures.
- After overcoming several delays, the Ocean View Housing Project – one of ten Human Settlement Projects approved by the Department of Human Settlements in 2009 – is set to recommence with renewed vigour at a combined cost of R144.2 million.
- The project will see the construction of 568 houses at a cost of R94.5 million, while the bulk infrastructure – including sewer, water, and electricity – was installed at a cost of R50 million in 2021, ensuring the necessary foundational services are in place for 1 186 sites.
- Some 100 of these houses will be constructed by local Small, Medium, and Micro Enterprises (SMMEs) at a total monetary value of R16.6 million.
- The two (2) appointed Contractors for phase 1 and phase 2 is Upahla Construction and Imvu Construction Group.

Hankey 990 Housing Project - The Hankey 990 Housing Project initially encountered delays due to the slow progress of the appointed service provider responsible for the installation of internal services, compounded by the cash flow problems. The issues led to the termination of the initial contract and the procurement of a new service provider. Rudcor Engineering was appointed on 19 April 2024 for the installation of internal services to a total contract value of R 17 million. The contractor started was appointed for six (6) months.

The Eastern Cape Department of Human Settlements (ECDHS) also appointed LM Developments to start with the construction of three hundred (300) top- structures as phase 1 in the Hankey 990 Project. Construction of the 300 top-structures will commence at the end of August 2024.

The project will see the long-awaited construction of 300 hundred houses at a cost of R 49.8 million. The project will be executed in multiple phases. Phase 1 aim to eradicate the current informal settlement, relocating of all approved beneficiaries, including those from Stofwolk to formal housing. Special consideration will be given to disabled and elderly beneficiaries. The Kouga Human Settlements Department also started with the capturing of beneficiaries on the Housing Subsidy System and up to date 264 beneficiaries are approved on the HHS system.

Appointment of GAP Infrastructure Corporation - Gap Infrastructure Corporation was appointed by the Eastern Cape Department of Human Settlements on 28 September 2023 as a Turnkey Service Provider for town planning services, design, and installation of internal services to 25 000 sites at various in the Eastern Cape Province. One of the identified areas that GIC will be responsible for is the new acquired Geelhoute Farm. The Municipality are in the process to relocate the current occupiers next to the Kwanomzamo Sewer Plant to a portion of the Geelhoute Farm.

GIC is currently busy with a feasibility study, and they appointed SETPLAN to determine the number of stands that can be accommodated for this specific project. The appointment of GIC is for the following services, namely:

- Town Planning Services
- Design
- Installation of Internal Services

Informal Settlements Surveys (Survey 123) - The Human Settlements Department has recently transitioned from paper-based data collection to a digital system using Survey 123.

The significant shift ensures that no data is lost, and that accurate information is captured by field workers. The new system is aligning with the National Housing Needs Register (NHNR) and supports inter-departmental planning by providing reliable data. Once captured, the data is stored in the cloud making it easily accessible and analysable. As part of the transition, the Municipality has appointed 15 interns to assist with the verification in all informal settlements.

The Hankey 990 Housing Project – one of ten significant Human Settlement Projects approved by the Department of Human Settlements in 2009 – is back on track.

After overcoming several challenges, construction is now set to commence at the end of August 2024.

The project will see the long-awaited construction of 300 houses at a cost of R49.8 million. Kouga Municipality, appointed as the implementing agent for service installations, has already completed the bulk infrastructure phase, including sewer, water, and electricity, at a cost of R49 million.

After overcoming several delays, the Ocean View Housing Project – one of ten Human Settlement Projects approved by the Department of Human Settlements in 2009 – is set to recommence with renewed vigour at a combined cost of R144.2 million.

(NUSP) Programmes - Kouga Municipality submitted a claim to the Provincial Department of Human Settlements (PDoHS) to be re-imbursed for work done in the nine (9) informal settlements identified for the upgrading of informal programme. On 7 March 2024 the PDoHS re-imbursed the Kouga Municipality for work done, and an amount of Sixteen Million, Three Hundred and Twenty-Seven Thousand, Three Hundred and Sixty Rand and Nine cents (R 16 327 360.09) was paid into the account of the Municipality.

On 21 August 2023, Kouga Municipality was appointed by the Provincial Department of Human Settlements as Implementing Agent (IA). The total value of this appointment is sixty-eight million nine hundred and sixty-eight thousand seven hundred and eighty-one rand and no cents (R 68 968 781) Vat zero rated.

This appointment is for the installation of permanent services in the identified informal settlements. The Human Settlements section in collaboration with the Project Management Unit of the Municipality are currently busy with business plans and for the appointment of consultants to start with planning processes in all the identified informal settlements.

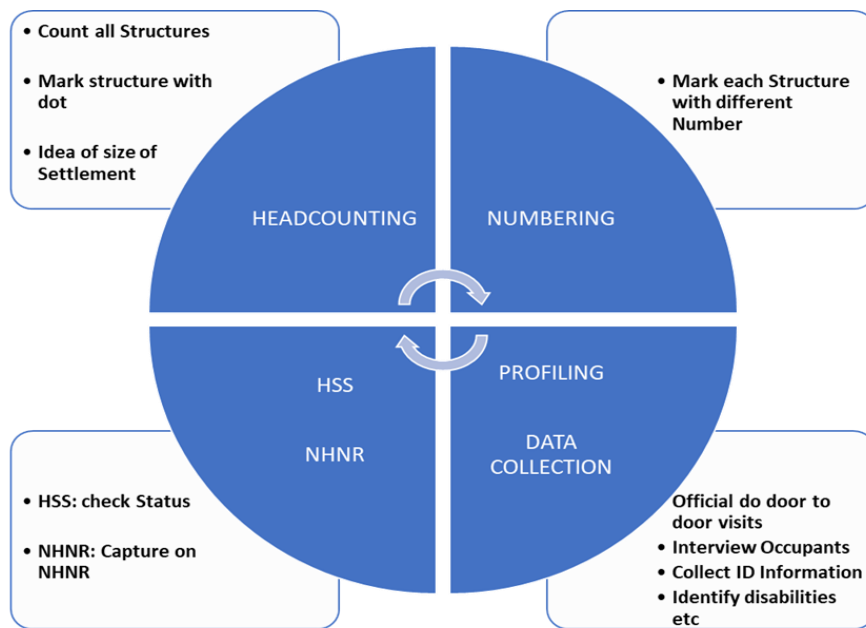
Annual Performance as per Key Performance Indicators in Human Settlements Services

	Indicator name	Total number of house- holds / customers expected to benefit	Estimated backlogs (Actual numbers)	Target set for the FY under review	Number of households / customers reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	100%	7427	100	100	100%
2	Percentage of informal settlements that have been provided with basic services	100%	7427	5450	5450	100%
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	100%	8997	520	520	100%

Highlights & Achievements 2023/24 - During the 2023/2024 financial year the Human Settlements Department was fortunate that several projects were approved by the Eastern Cape Department of Human Settlements which includes the following:

- Appointment of Kouga Local Municipality as Implementing Agent for the Informal Settlement Upgrading Programme with a total value of this appointment is sixty-eight million nine hundred and sixty-eight thousand seven hundred and eighty-one rand and no cents (R 68 968 781) Vat zero rated.
- Re-imbursement of Sixteen Million, Three Hundred and Twenty-Seven Thousand, Three Hundred and Sixty Rand and Nine cents (R 16 327 360.09) for work done by the Municipality in Informal Settlements.
- The appointment of two (2) contractors for the construction of 568 top-structures in the Ocean View Housing Project (Phase 1 and Phase 2)
- The appointment of LM Contractors for the Construction of 300 Top-structures in Hankey as a Phase 1.
- The appointment of RUDCOR Engineering for the installation of Internal services as Phase 2 in the Hankey 990 Housing Project
- Human Settlements transition to digital data collection.



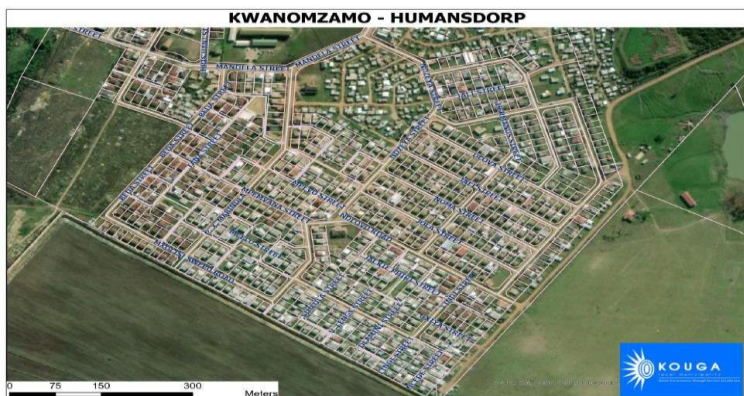


Municipal Streets Naming and Streets Renaming – A Street Naming Committee meeting was held on 28 June 2023. The committee facilitates the naming and renaming process. The committee also deals with all applications, submissions, and reports pertaining to the naming and renaming of street within the Municipality's jurisdiction.

The GIS Unit updated maps with proposed street names and numbering as per the submissions from Ward Councillors, developers, and the public in respect of the committee meeting. Preparation of the agenda and coordination of the meeting was the responsibility of the GIS Unit. In line with GIS responsibilities, minutes were compiled and distributed to committee members, and the final recommendations and reports have been submitted to Portfolio Committee for approval.

The following proposals for street names were received by the Portfolio Committee:
Ward 6 Committee: Proposed Street Names for Kwanomzamo (Humansdorp)

- P.X. Mabindla Road, Mxolisi Swepu Road, A. Mlindazwe Street, S. Mpevana Street, Lindi Street, Ndlovu Street, Mpemvu Street, Dlamini Street, Ndzeya Street, Mpondo Street, Jola Street, Tabata Street, Tana Street, Siheula Street, Lengs Street, Dlamini Street, Jackie Phiri Street, Noma Street, Hermanus Street, Nodaka Street, Dlova Street, Mamatu Street, Jali Street.*



Mr Krüger: Proposed Street Name in St Francis Bay *Field Way*



COMPONENT J: CORPORATE SERVICES

3.22 OVERVIEW OF CORPORATE SERVICES

Corporate Governance encompasses the structures and processes associated with management, decision-making, and control in the municipality. Corporate governance is based on principles of conducting business with integrity and fairness, being transparent regarding all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner.

The following four ethical values underpin good corporate governance:

- a. **Responsibility:** Council should assume responsibility for the assets and actions of the municipality and be willing to take corrective action to keep the municipality on a strategic path that is ethical and sustainable.
- b. **Accountability:** Council should be able to justify its decisions and actions to its stakeholders and communities.
- c. **Fairness:** Council should ensure that it considers the legitimate interests and expectations of its communities and stakeholders.
- d. **Transparency:** Council and Administration should disclose information in a manner that enables the AG and relevant bodies and communities to make an informed analysis of the municipality's performance and sustainability.

3.22.1 TARGETS AND ACHIEVEMENTS

DEPT. ANNUAL TARGETS	ACHIEVEMENT 2023/24	ACHIEVEMENT 2022/23	ACHIEVEMENT 2021/22	COMMENT
Imaging and storage of Records	The registry section has scanned all securities.	None for the FY. For the new FY 2023/24, The registry section will embark on a project to verify, scan and profile securities (title deeds/agreements/leases agreements), to assist the Town planning section.	To date 4,355,098 documents scanned and imaged documents	Achievement completed
Reduction of Telkom phone bill by R60 000 per month	The Telkom bill remains decreased, compared to FY 2018/19 vs. FY 2023/24 the bill has decreased to date by 98%	Target achieved	Target achieved	Achievement completed
Acquire New copier/printers and related equipment	Since roll out of new Tender, the cost of printing has decreased significantly by -46%.	Tender has been awarded and roll out of printers has taken place.	During FY 2020/21 to FY 2021/22 the cost of printing has increased by 19% due to high volume printing by certain departments. A new printing tender is to be advertised.	Achievement completed
Acquire new Cell phones	Tender awarded and roll out successful.	Tender for FY 2022/23 has been advertised, award to take place in FY 2023/24	Current contract still in use.	Achievement completed
Call Centre (Service Delivery)	For the FY 2023/24 Reported service delivery requests Increased significantly compared to the 2022/23 FY It must be noted that for	For the FY 2022/23 Reported service delivery request increased by 31% compared to the 2021/22 year	For FY 2021/22 Reported service delivery requests decreased by 32% as FY 2020/21 recorded the highest number, with 54 539 service delivery	The Call Centre Team is responsible for the receiving, logging, and dispatching of all service delivery requests. As a result of high call volumes re

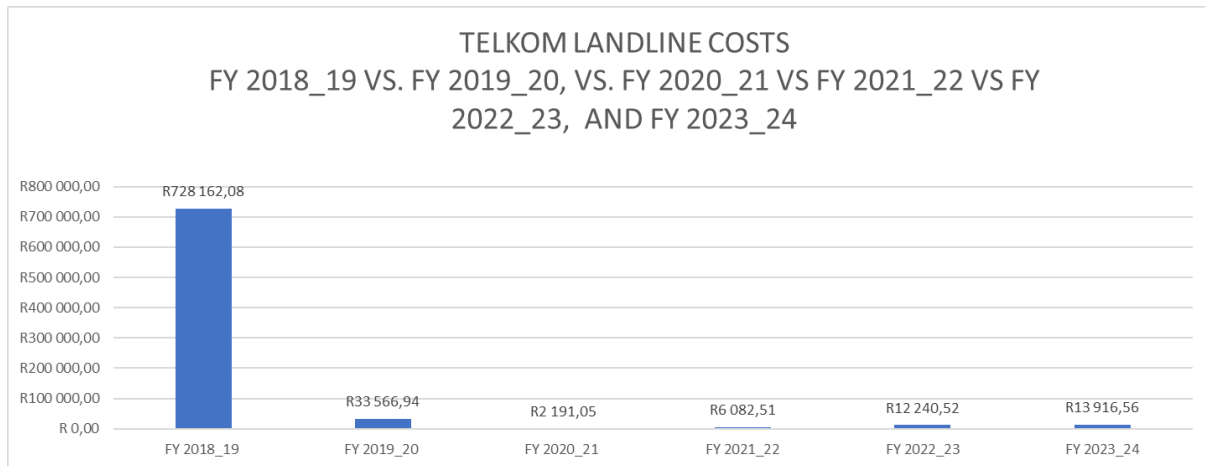
DEPT. ANNUAL TARGETS	ACHIEVEMENT 2023/24	ACHIEVEMENT 2022/23	ACHIEVEMENT 2021/22	COMMENT
	the 2023/24 FY since the call centre has started coordinating suction services activities a resolution rate of 90% has been maintained to date.		requests reported.	ceived for account balances by the Revenue section, the necessary software has been installed for the Call Centre staff to issue out account balances to the public.
Buildings	For the FY 2022/23 vs. FY 2023_24, repairs and maintenance costs has increased by 14%.	On-going repairs and maintenance to Ward Cllr Offices and Administrative Buildings. As at FY 22/23 R942 243,77 has been spent on building maintenance	On-going repairs and maintenance to Ward Cllr Offices and Administrative Buildings. As at 21/22 FY R1 883 193,08 has been spent on building maintenance.	On-going repairs and maintenance to Ward Cllr Offices and Administrative Buildings.
Committee web based and EDRMS system	Tender advertised and awarded as at end June 2024. To complete workshops and training with staff for new FY 2024_25	To go out on tender for a system that can assist committees with automated agendas, resolution tracking and to assist registry with a EDRMS system	None	Tender awarded to roll out training. On-going
Foyer Renovation	Renovation of Jeffreys Bay Foyer to improve customer experience	None	None	Target achieved
DMS	To implement a call centre incident system and customer care app. As at end June 2024	None	None	On-going

DEPT. ANNUAL TARGETS	ACHIEVEMENT 2023/24	ACHIEVEMENT 2022/23	ACHIEVEMENT 2021/22	COMMENT
	workflows completed for system, to plan roll out, training and workshop for new FY 2024_25			

Below graphs indicates targets met during FY 2023/24 and indicates a comparison on previous Financial Years.

TELKOM LANDLINE COST

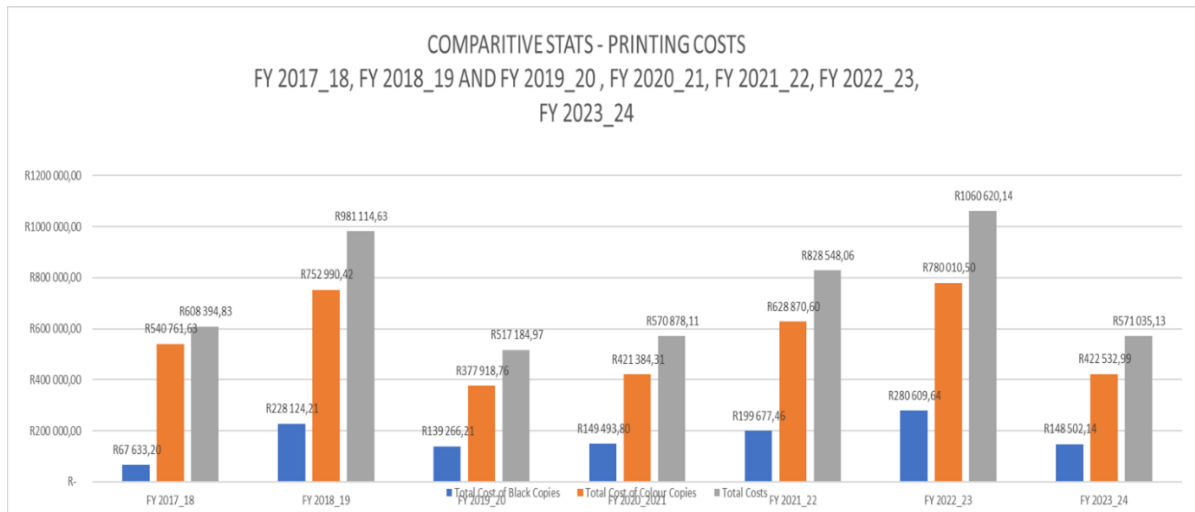
GRAPH 1:



The total Telkom landline costs between FY 2018/19 vs. FY 2023/24 has decreased significantly with 98%.

YEAR ON YEAR COMPARATIVE PRINTING STATS - FY 2017/18 to 2023/2024

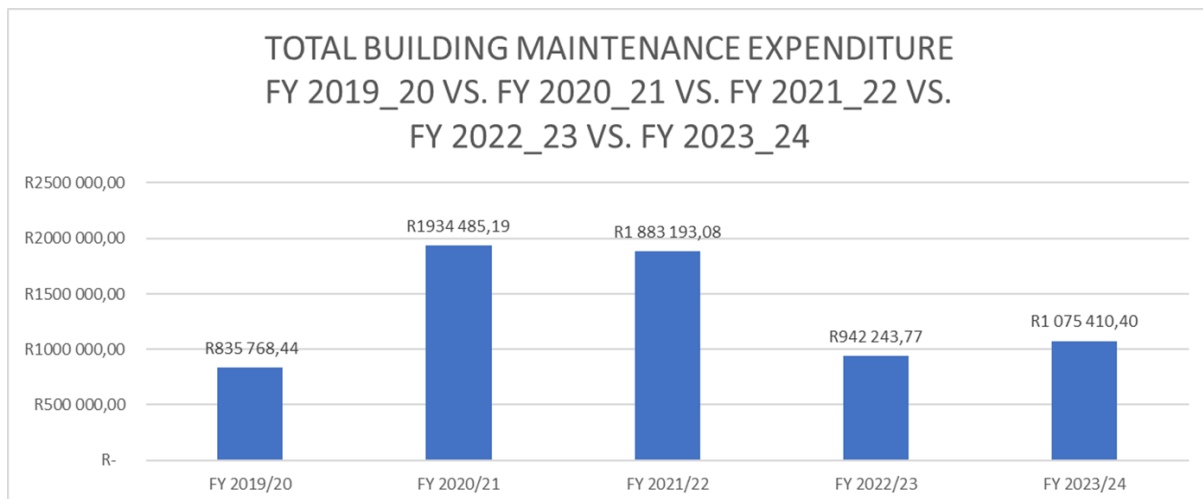
GRAPH 1:



For the FY 2022/23 VS FY 2023/24, the cost of printing has decreased significantly by - 46%.

BUILDING MAINTENANCE EXPENDITURE – FY 2019/2020 VS FY 2020/21 VS FY 2021/22 VS FY 2022/23 VS FY 2023/24

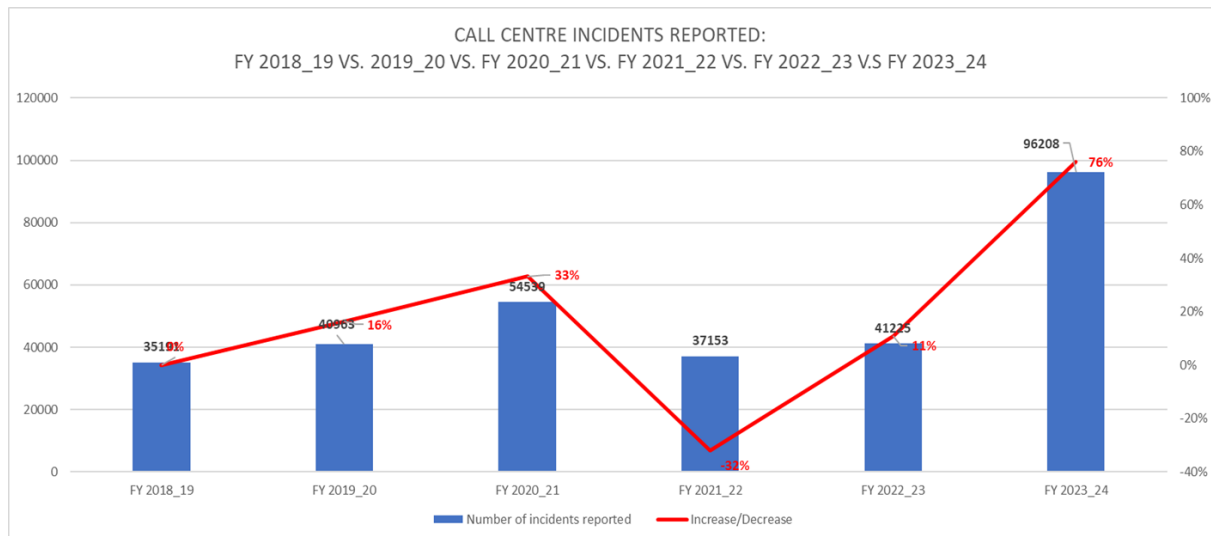
GRAPH 1:



For the 2023/24 financial year R 1075 410,40 had been spent on Administrative Buildings and Ward Offices.

3.22.2 CALL CENTRE STATISTICS

GRAPH 1:



COMPONENT K: LEGAL SERVICES

3.23 LEGAL SERVICES

The role of the legal services function is to render continuous effective and efficient legal support and advise to Council, Committees of Council, the Executive Mayor, the Speaker, Municipal Manager, Directorates and Managers and ensure legal compliance considering applicable legislation, regulations, relevant case law and emerging legal trends. It is the role of the legal services department to provide legal opinions, submissions or input on Policies, Contracts, Agreements, Legislation, By-laws, Authorities, and items referred to Council or Committees of Council, all with the aim of ensuring legally compliant council resolutions resolved on by Council, avoiding litigation, mitigating legal risks, and safeguarding the municipality's interests.

Highlights

Highlight	Description
Functional Legal Services Department	No formal appeals lodged against the municipality regarding the award of tenders.
	The municipality once again managed to reduce contingent liabilities.
	Thanks to an ongoing strong HR component, Labour matters are dealt with speedily, within the confines of the law and with success to the Employer.
	The municipality continues to experience an increase in the

Highlight	Description
	provision of legal updates, legal advice and general legal assistance to Council and the respective user departments.
	The Legal Services functions continues to provide Council with a detailed Report on Legal Matters, allowing Council to effectively implement its oversight function.
	By-laws and Policies have been reviewed and/or approved in the 2023/24 financial year. The department looks forward to the reviews of outdated by-laws and policies in the coming financial year, this is an ongoing exercise with the intention of updating the Municipal Code in line with the changing legislation, local government environment and precedent setting court judgements.
Panel of Legal Services Providers and legal matters instituted against the municipality	A new procurement process will be embarked upon in the 2024/25 financial year due to the termination of the 3-year contract period of the previously established Panel of Legal Service Providers.
	The municipality started the year off with eleven (11) litigation matters instituted against the municipality and closed the year off with 9() matters instituted against the municipality, and of which one (1) matter was a new matter, and which has been resolved by the end of the financial year.

REGISTER OF LEGAL SERVICE PROVIDERS 2021/22				
SERVICE PROVIDER	CONTACT PERSON	CONTACT NUMBER	EMAIL	POSTAL & PHYSICAL ADDRESS
Siyatemba Sokutu Attorneys inc	Mr. Sokutu	043 735 1312 082 608 1093	april@solutuattorneys.co.za	PO Box 8151 Nahoon, East London, 5210 Unit 1 Kennington rd. Nahoon
Kuban Chetty Inc	Mr. Kuban Chetty / Jenna Thomas	413 731 706	kuban@kubanchettyinc.com	163 Cape Road Mill Park Gqeberha 6001
Lulama Prince Inc	Mrs. Prince	041 484 1004 061 416 4214	lulama@lulamaprince.co.za	PO Box 27696 Greenacres 6050 184 Cape rd. Mill Park Gqeberha

REGISTER OF LEGAL SERVICE PROVIDERS 2021/22

SERVICE PROVIDER	CONTACT PERSON	CONTACT NUMBER	EMAIL	POSTAL & PHYSICAL ADDRESS
Fredericks Inc	Mrs. Fredericks	041 363 8506 082 612 1657	tasneem@fredericksinc.co.za	43 Parliament Street, Central Gqeberha 6000
McWilliams & Elliot Inc	Mr. Imraan Petersen / Sebastiaan Marx	041 582 1250 041 585 1274 041 585 3615 082 330 1177 078 099 4397	imraan@mcwilliams.co.za sebastiaan@mcwilliams.co.za	PO Box 45 Gqeberha 6000 152 Cape Road Mill Park
C W Malan Jeffreys Bay Inc	Mr. Rencke de Swardt	042 293 1053 042 293 2693	comalan@intekom.co.za rencke@comalan.co.za amanda@comalan.co.za	PO Box 273 Jeffreys Bay 6330 15 Oosterland Street Jeffreys Bay
Bonqwana Burns Inc	Mr. Shane de Beer	041 364 2039 065 932 0568	shayne@bonqwanaburns.com	Boqwana House, 84 6th Avenue Newton Park, Gqeberha 6000
Karsans Inc	Manoj Karsan	041 991 1320 082 881 0965	mkarsan@karsans.co.za	235 Caledon Street, Central Kariega 6230
Labuschagne van der Walt Inc	Mr. Tewis Labuschagne	041 582 2069 086 669 1511 083 304 4590 084 441 7289	info@lvdw.co.za	PO Box 70541 The Bridge Gqeberha 6032 6 Cuyler Street Central Gqeberha
Goldberg de Villiers Inc	Ms. Tracey-lee Mouton	041 501 9800 041 585 1076	traceym@goldlaw.co.za	13 Bird Street Central Gqeberha 6001
Billet Gouws Attorneys	Mr. John Billet	042 293 0191 081 049 5198, 082 874 0096	john@billettgouws.co.za elizna@billettgouws.co.za info@billettgouws.co.za	PO Box 1651 Jeffreys Bay 6330 Global Star House, Unit 1 top floor 79 Ga Gama road, Jeffreys Bay
BLC Attorneys	Ms. Delia Chamberlain	041 506 3700 082 745 4596	stifloen@blclaw.co.za	4 Cape Road Central Gqeberha 6001

REGISTER OF LEGAL SERVICE PROVIDERS 2021/22				
SERVICE PROVIDER	CONTACT PERSON	CONTACT NUMBER	EMAIL	POSTAL & PHYSICAL ADDRESS
Bate, Chubb & Dickson	Ashley Kretzmann	043 701 4500 043 726 3777 082 655 7145	ashley@batechubb.co.za	34 Western Avenue, Vincent East London 5217
C W Malan Inc.	Mr. Eddie Albertyn	422 951 056	eddie@cwmalan.co.za	37 Church Street Humansdorp 6300
Note: Spangenberg Attorneys is not part of the Panel but is finalizing a historical matter				
Spangenberg Attorneys	Mr. Hein Spangenberg	042 291 1144 082 820 7007	hein@hjsproc.co.za	PO Box 501 Humansdorp corner of Du Plessis & Kemp Street Humansdorp 6300

COMPONENT L: INFORMATION COMMUNICATION TECHNOLOGY

3.24 ICT GOVERNANCE



Kouga Local Municipality has drastically progressed in bringing stability in the Information and Communications Technology environment (ICT), particularly the ICT Backbone being Connectivity for the KLM offices and the establishment of the Cloud hosting services.

ICT Unit has completed 66.7% of the of the total number of strategic projects targeted for 12 months period ending December 2024.

It was approved and funded that the implementation of the following strategies be implemented to strengthen the ICT Technical Architecture for the municipality:

- Software Defined - Wide Area Network (SD-WAN), the technology is supported by Cisco technology; and
- Cloud hosted data Centre. The solution is support by Microsoft Azure technology.

Kouga Local Municipality will continue to achieve and further expect an SLA of not less than 98% uptime for both services. The SLA levels are motivated by the level of redundancy built on those serves to afford the expected uptime.

The remaining 33.3% of the projects (targeted to conclude December 2024 put emphasis on the following:

- Improving and automating Business Process (Document Management and workflows, rollout GIS Planning system, and Citizen/Customer Services system);
- Develop and Implementing the Cyber Security strategy and System; and
- Ensure systems mobility (provide KLM systems anywhere) through Virtual Private Network (VPN) model or Access Point Name (APN).

The municipality now has started exploring several opportunities to implement systems that help in improving KLM internal efficiencies and position the municipality for 4th Industrial Revolution readiness. At this stage Change Management exercise will assist to prepare the staff and the greater Kouga Local Municipality citizenry and its customers. Some of the benefits will be realised from the 33.3% mentioned above.

The following governance processes are in place and have gone through all the Kouga Local Municipality policy approval processes to council approval, and they:

- KLM ICT Strategy 2023/26
- ICT Disaster Recovery Policy
- ICT User Access Management Policy

The ICT Steering Committee has met the minimum seating requirements for the annum (4) times during the financial year 2023/24.

CHAPTER 4: ORGANIZATIONAL DEVELOPMENT PERFORMANCE

“Human Resources, attracting, retaining and ensuring a conducive workplace for all.”

The Human Resources Section handles a range of different functions within the municipality. The Section is responsible for the Organizational Development & recruitment, employee labour relations, training staff, maintaining interpersonal relationships, occupational health and safety and interpreting employment/labour law. The section works diligently behind the scenes to ensure the municipality runs efficiently and within the ambit of provided legislative prescripts. The HR section's main responsibilities are:

- Employee Benefits
- Occupational Health and Safety
- Labour Relations
- Skills Development
- Organisational Development and Recruitment.

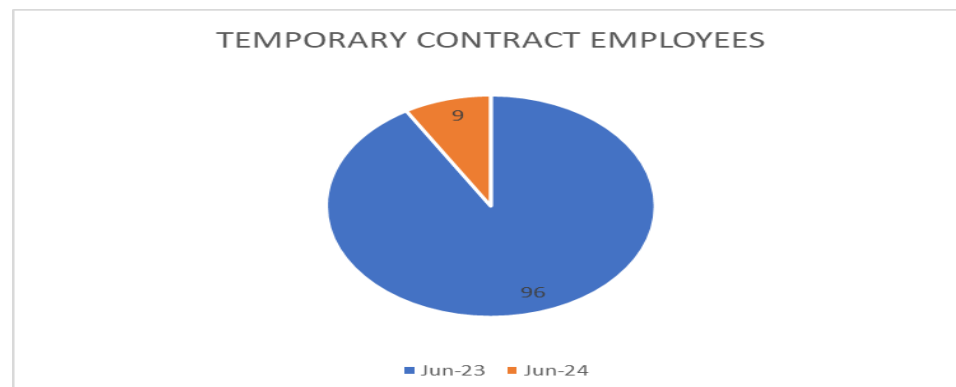
COMPONENT A: INTRODUCTION TO THE MUNICIPAL WORKFORCE

4.1 HEADCOUNT STATISTICS

The table below is a representation of the number of permanent as well as temporary employees at June 2024

As at June 2024, the total staff compliment was 915. This total encompasses long term contracts which reduced the number of temporary contracts to only 9. The municipality is embarking on various programs which necessitated the initiation of longer-term contracts to ensure continuity and completion. The Council remains committed to the creation of employment and service delivery where possible.

Year ending	June 2024	June 2023
Permanent Employees (Including Section 56 & 57 employees)	914	866
Temporary contract employees	9	96



4.1.1 HEADCOUNT STATISTICS: HUMAN RESOURCES

Job Grade Level	Employees	Vacancies (fulltime equivalents)
1 - 3	197	0
4 - 8	465	3
9-13	201	10
14-18	45	7
Section 57	6	1
Total	914	21

4.1.2 HEADCOUNT STATISTICS PER SECTION

Section	Employees	Vacancies
Municipal Manager	8	1
Water	61	0
Wastewater (Sanitation)	38	1
Electricity	35	1
Waste Management	125	.0
Housing	9	1
Wastewater (Stormwater Drainage)	51	0
Roads	36	0
Transport	17	0
Civil	20	0
Planning	11	1
Local Economic Development	3	1
Planning (Strategic & Regulatory)	16	0
Community & Social Services	149	5
Finance	92	8
Health	8	0
Security and Safety	115	0
Sport and Recreation	16	0
Corporate Policy Offices and Other	104	2
Totals	914	21

4.2 VACANCY RATE

Departments	Vacancy Rate
Municipal Manager and DMM's Office	2.7%
Community Services	1.2%
Civil and Water	0.5%
Electro-Mechanical	1.9%

Departments	Vacancy Rate
Planning and Development	2.8%
Finance and Economic Development	8.7%
Overall Total	2.2 %

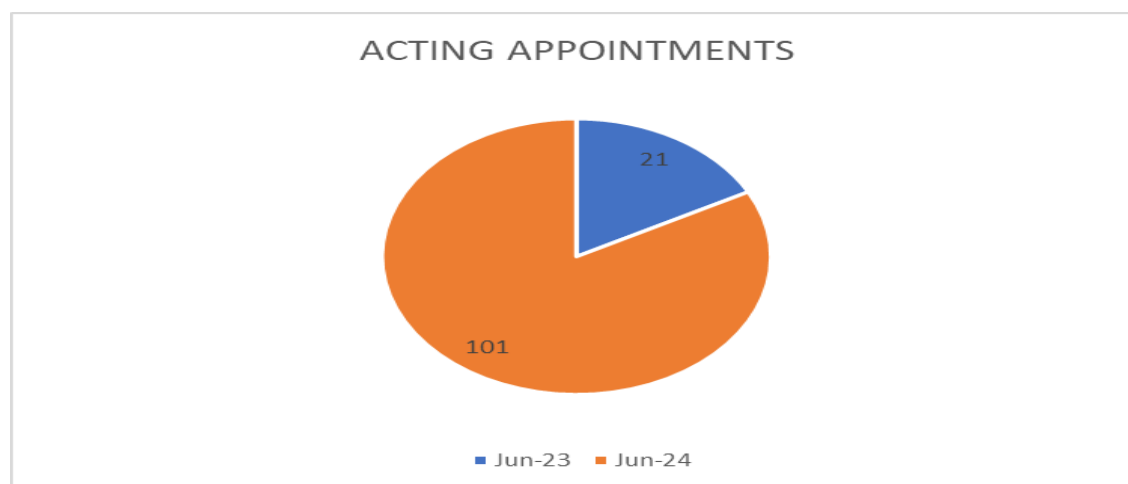
4.3 STAFF TURNOVER

Turn-over Rate			
Details	Total Staff Compliment as at June 2024	Terminations during the Financial Year (all categories)	Turn-over Rate*
Year 2023/24	914	156	17.1%

4.4 ACTING APPOINTMENTS

The number of employees appointed in acting positions increased, from 21 as at June 2023 to 101 in June 2024.

The acting appointments is attributed to either long term leave or vacancies. The Council ensures that it remains within the parameters of the Collective Agreement with regards to acting appointments. The graph below, shows the trend with acting



COMPONENT B:

MANAGING THE MUNICIPAL WORKFORCE

4.5 SERVICE STATISTICS

Comparative Pension/Provident Fund membership on 30 June 2024 is as follows:

FUND	30 June 2024
Consolidated retirement fund	487
Consolidated Retirement Fund (No CC)	7
National Fund for Municipal Workers	4
SA Local Authorities Pension Fund	4
Municipal Workers Retirement Fund	119
Momentum Provident Fund	132
Municipal Councillors Pension Fund	1
Consolidated Retirement Fund Cllrs	5
LA Retirement Fund	1

Comparative Medical Aid membership on 30 June 2024 is as follows:

MEDICAL AID	30 June 2024
Bonitas	154
Key Health	15
Hosmed	39
LA Health	269
SAMWU Med	47

It must be noted that participation in a medical scheme is not compulsory.

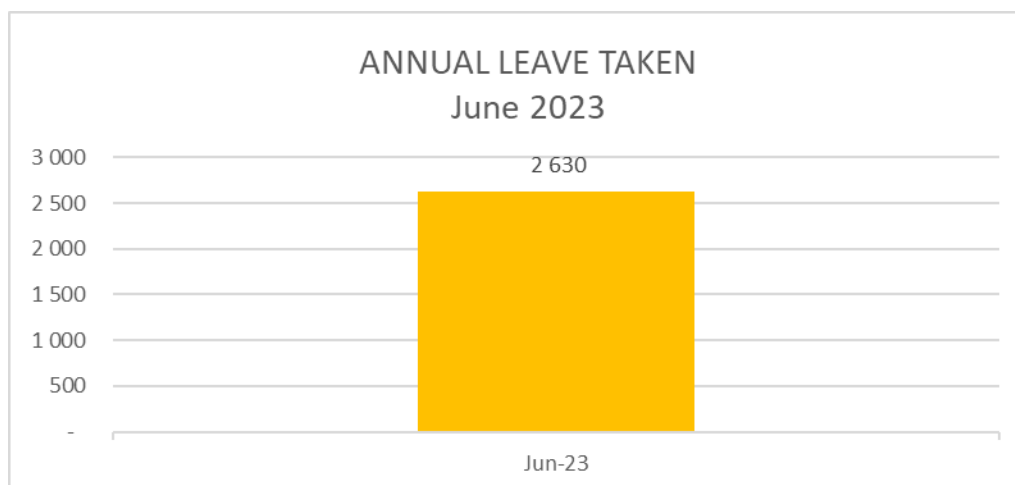
Comparative Trade Union membership on 30 June 2024 is as follows:

TRADE UNION	30 June 2024
SAMWU	429
IMATU	285

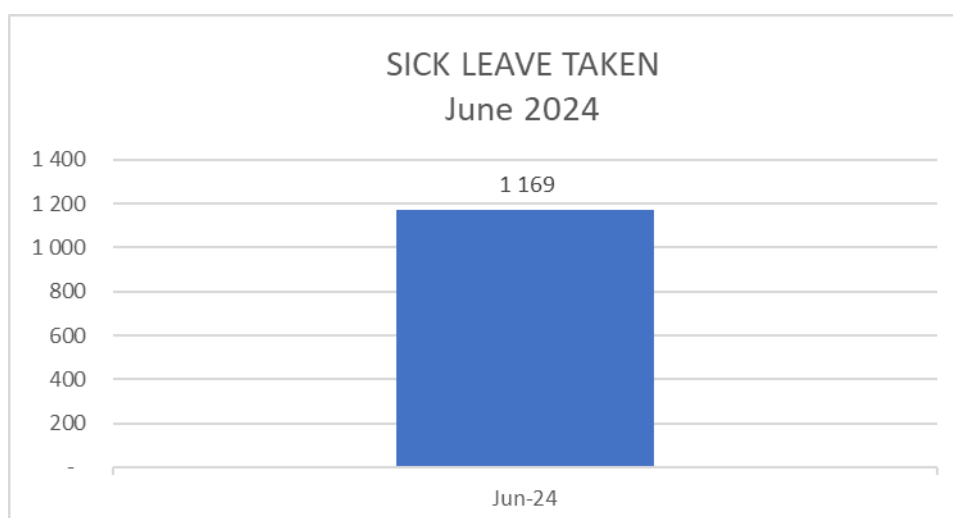
4.5.1 LEAVE STATISTICS

In the graph above the total annual leave and sick leave as at 30 June 2024 is depicted below. The Municipality is encouraging employees to take annual leave within the parameters of the leave policy and Main Collective Agreement.

Annual leave



Sick Leave



Ongoing medical surveillance has enabled the municipality to identify employees with chronic medical conditions and address such issues either through incapacity processes or correct treatment. This has provided the platform to manage the sick leave usage.

4.6 HUMAN RESOURCE POLICIES AND PLANS

The following HR related policies and staff documents have been developed and has been approved by Council and it must be noted that all Human Resources policies is going to be reviewed in the 2024/2025 financial year.

Standard Operating procedures will also be updated to assist the

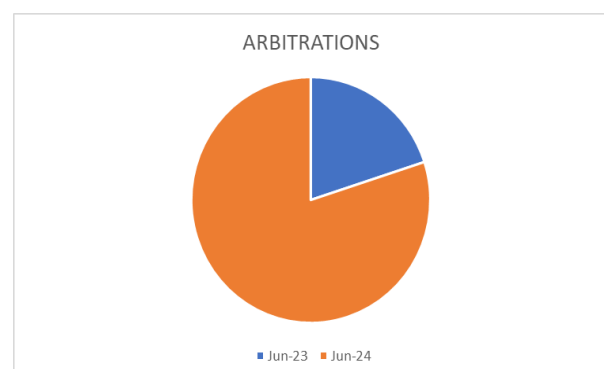
NO	POLICY
1	Succession and Career Pathing
2	Sexual Harassment Policy
3	Absenteeism and Reporting Absence from Work Policy
4	Acting Policy
5	Essential Car Scheme Policy
6	Occupational Health and Safety Policy
7	Leave Policy (Leave Management Policy)
8	Recruitment and Selection Policy
9	Scarce Skills
10	Subsistence and Traveling Policy
11	Training Policy
12	Vehicle Allowance Policy
13	Overtime Policy
14	Personal Protective Equipment Policy
15	Acting Policy for Section 57 Managers

4.7 OCCUPATIONAL HEALTH AND SAFETY

The Kouga Local Municipality remains in Good Standing with the Department of Labour for the reporting period as of the 30th of June 2024. The validity is until the April 2025.

4.8 DISCIPLINARY MATTERS

The graph depicts matters referred to Arbitration for the 2023/2024 financial year. Matters at Arbitration stood on 16 for the period 30 June 2024. This is attributed to the Human Resource Section dealing with matters of ill-discipline in a swift manner within the parameters of the labour legislation.



COMPONENT D: CAPACITATING THE MUNICIPAL WORKFORCE

4.9 WORKPLACE CAPACITY DEVELOPMENT

Municipal Finance Management Programme (MFMP) - Since the direction from National Treasury regarding the MFMP training, the Council has worked steadily to ensure compliance firstly amongst the finance officials then secondly to roll this out to non-financial staff. This enables all staff members to gain a better understanding in terms of the operations and municipal processes required within the legislative context.

The minimum competency levels also seek to professionalize the local government sector and to make it a career choice for talented officials and to some extent mitigate some of the root causes of poor financial management and service delivery experienced at Local Governmental level. It is also required to report to National Treasury on a quarterly basis on the progress of the Minimum competency levels.

Position	Highest Education Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit Standards	Requirements Met	Compliant (consider Budget)
Accounting Officer	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Chief Financial Officer - Municipality	✓	✓	✓	✓	4	✓

Position	Highest Education Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit Standards	Requirements Met	Compliant (consider Budget)
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Acting Supply Chain Management Manager	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓

Above table is indicative of the progress the Municipality made in ensuring compliance in terms of the 2007 Minimum Competency Regulations for officials responsible for financial and supply chain management.

4.9.1 SKILLS DEVELOPMENT EXPENDITURE



From the graph above, Kouga Local Municipality's investment in human capital spending/capacity building is commendable and its evident that the municipality is serious in ensuring that the employees and councillors is capacitated. This is indicative of the spending as indicated in the expenditure. The training expenditure trend is indicative of the Municipality's commitment to enhancing the skills, talent, development, and expertise of its most important asset.

Training needs are assessed annually and is based on the results of an employee skills audit. Training needs per position/incumbent are aligned to the audit and requirements as assessed by the various Directorates. The information is compiled in the form of an annual Workplace Skills Plan which guides and directs the implementation of skills development initiatives.

TRAINING COSTS	Actual June 2024
Training Cost	R1 150 014.65
Categories of Beneficiaries	
Legislators	15
Managers	3
Professionals	14
Technicians and Associate Professionals	7
Clerical Support Workers	24
Service & Sales Workers	0
Skilled Agricultural, Fishery and Related Trade Workers	0
Plant & Machine Operators and Assemblers	26
Elementary Occupations	15
Total Number of beneficiaries	104

As per the table above Kouga embarked on extensive training for its employees in the 2024/2025 financial year.

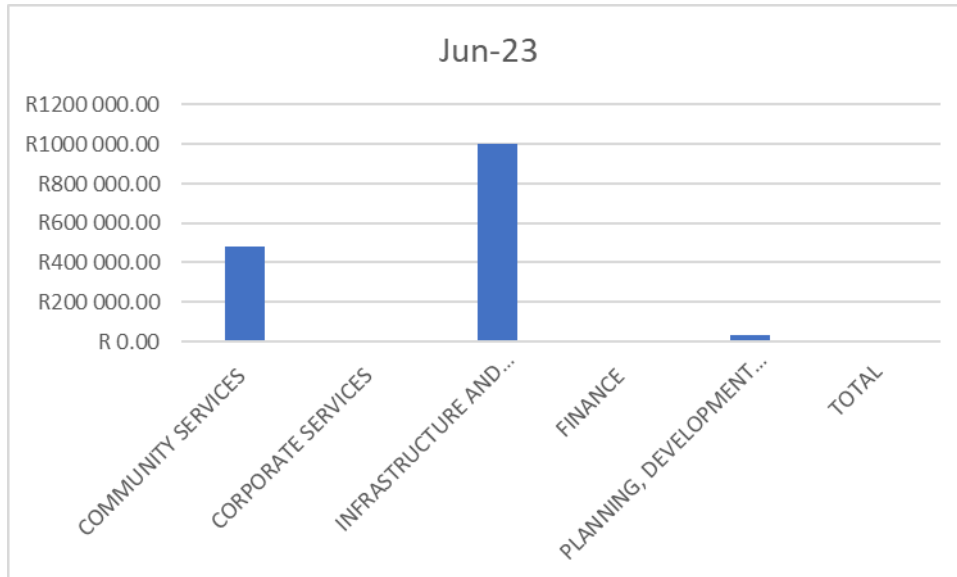
COMPONENT D: MANAGING THE MUNICIPAL WORKFORCE

4.10 WORKFORCE EXPENDITURE

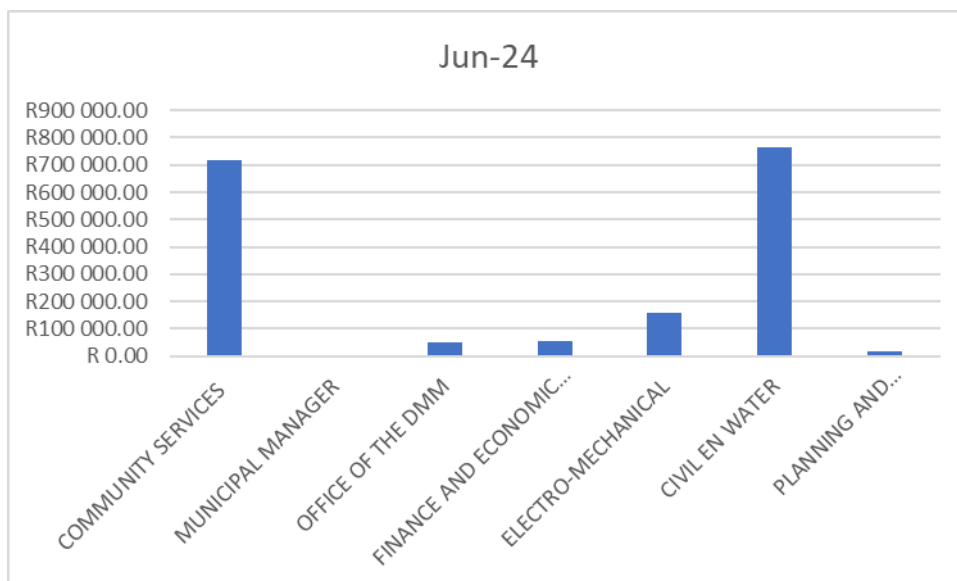
Years	Total number of staff	Actual Operational Expenditure	Personnel expenditure (salary and salary related)	Percentage of expenditure
2022/2023	866	R1, 257, 001, 617	R355, 768, 121	28.30%
2023/2024	914	R1 143 927 587	R375 759 473	32.85%

Overtime - The historic infrastructure backlogs and ailing infrastructure is resulting in increases in service departments working overtime. This is to ensure that service delivery remains and integral part of the operations of Council.

JUNE 2023



JUNE 2024



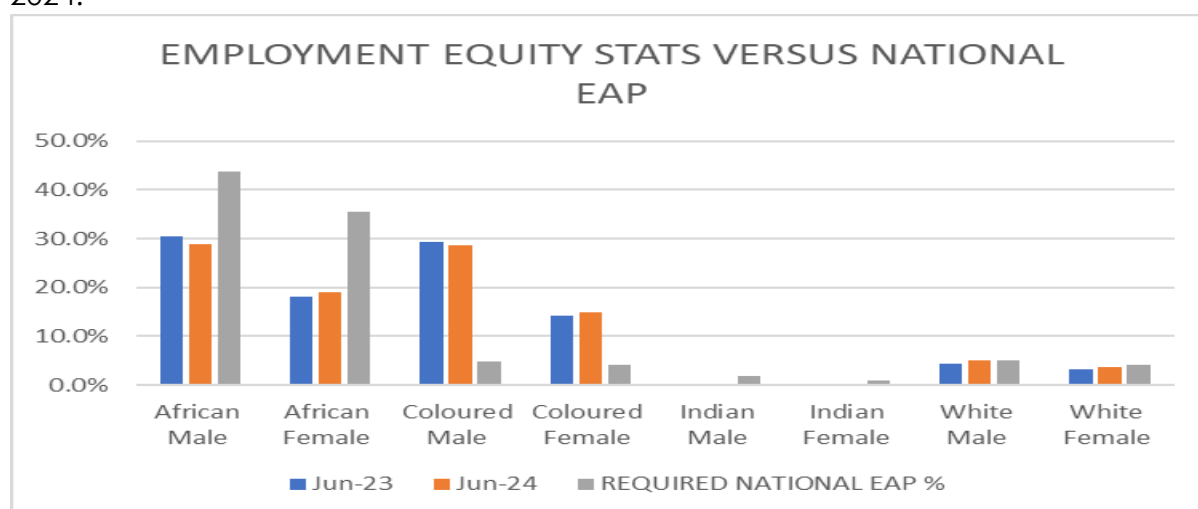
The historic infrastructure backlogs and ailing infrastructure is resulting in increases in service departments working overtime. This is to ensure that service delivery remains and integral part of the operations of Council.

COMPONENT E: EMPLOYMENT EQUITY

4.11 EMPLOYMENT EQUITY

The current reporting year is in line with the final year of the approved Employment Equity Plan. The Municipality has progressed well with the set targets and objectives. This was recently commended by an inspection conducted from the Department of Labour, Employment and Labour Section.

The table and graph below is representative of same and depicting the Employment Equity stats for the Municipality as at 30 June 2024.



The Table below indicates the progress that the Municipality has made in terms of its numerical targets as set out in the Employment Equity Plan. The table depicts the status of the workforce profile at end of May 2024, the numerical targets that are set out in the new Employment Equity Plan, and the current profile as of 30 June 2023.

		Male Race			Female Race					Foreign Nationals		
		A	C	I	W	A	C	I	W	Male	Female	
	Top management											
March 2018		0	0	0	1	0	0	0	0	0	0	1
September 2023		0	0	0	1	0	0	0	0	0	0	1

June 2024		0	0	0	1	0	0	0	0	0	0	1
	Senior management											
March 2018		0	1	1	2	1	0	0	0	0	0	5
September 2023		1	0	1	0	2	0	1	0	0	0	5
June 2024		0	1	1	2	1	0	0	0	0	0	5
	Professionally qualified and experienced specialists and mid-management											
March 2018		2	6	0	10	2	3	0	2	0	0	25
September 2023		7	11	1	10	5	6	0	6	0	0	46
June 2024		7	11	1	10	4	7	0	5	0	0	45
	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents											

COMPONENT F: PERFORMANCE MANAGEMENT

The Performance Management System serves as a primary mechanism to monitor, review and improve the implementation of the Municipality's IDP and eventually the budget.

The citizens of Kouga, like all other citizens in South Africa, have high expectations regarding service delivery by the Municipality. Elected representatives and the administration are continuously challenged to demonstrate that all levels of government are capable and committed to manage and utilise public resources in a way that will enhance economic growth and sustainability.

This challenge is best addressed through institutionalisation of mechanisms for performance management, monitoring and reporting.

Overview of Performance Management System

Performance management can be defined as a strategic approach to management that equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques for regular planning, continuous monitoring, regular measurement and evaluation using municipal performance indicators. efficiency, effectiveness and efficiency goals.

Performance indicators are measures of quantity, quality, time, durability and cost that are used to evaluate the production and delivery of products and the resulting effects. Therefore, efficiency is measured in terms of inputs, outputs, and outcomes of activities or processes.

Performance management is primarily guided by the relevant legislative frameworks and directed by top management and the Council. The main legal framework for performance management is as follows:

- The Constitution of South Africa 1996 (Act 108 of 1996) [Section 152 & 195 (1)].
- The Municipal Planning and Performance Management Regulations (No 796, 24 August 2001).
- The White Paper on Transforming Public Service Delivery (Batho Pele 1998).
- The Local Government: Municipal Structures Act, 1998 (No. 117 of 1998).
- Local Government: Municipal Systems Act, 2000 (No. 32 of 2000).
- The Municipal Financial Management Act (No. 56 of 2003).
- The Municipal Staff Regulations (No 890, 20 September 2021).

The Service Delivery and Budget Implementation Plan A Practical Perspective

FIGURE 1: THE SDBIP



Role-players in Performance Management

The role-players that manage the performance management system of the municipality include the following:

Role Player	Role
Executive Mayor	The Executive Mayor manages the development of the municipal Performance Management System and oversees the performance of the Municipal Manager and the Senior Managers. The Executive Mayor further approves the Annual Service Delivery and Budget Implementation Plan.
Council	The Municipal Council oversees the implementation of the Top Layer Service Delivery and Budget Implementation Plan.

Role Player	Role
Members of the Mayoral Committee	Members of the Mayoral Committee oversee the performance of the relevant Directorates within their respective portfolios.
Section 79 Committees	Section 79 Committees play an oversight role and consider reports from the Council on the functioning of different portfolios and the impact on the overall objectives and performance of the municipality.
Internal Audit	The Internal Audit Services plays an internal performance auditing role, which includes monitoring the functioning of the PMS and compliance to legislative requirements. Its role is also to assist the municipality in validating the evidence provided by the Directorates in support of performance achievements.
Performance Audit Committee	The committee monitors the quality and integrity of the Performance Management System, to ensure equity and consistency. The committee provides impartial recommendations the implementation of the performance management system and reported performance to Council.
Evaluation Panel	The Evaluation Panel evaluates the performance of Section 57 employees, including the Municipal Manager's performance, and make reports performance evaluation results to Council.
Municipal Manager	The Municipal Manager manages and monitor the performance of the institution overall and that of Senior Managers Directory accountable to the Municipal Manager. The Municipal Manager approves the various Departmental Service Delivery Implementation Plans.
Senior Managers	Senior Managers are responsible for the preparation of Departmental Service Delivery and Budget Implementation Plans in support of the Top Later Service Delivery Implementation Plan and oversee the implementation of the Departmental Service Delivery and Budget Implementation Plans. Senior Managers manage and oversee the performance of line managers reporting to the Senior Manager.
Line Managers	Line Managers assist the Senior Manager in the preparation of the Departmental Service Delivery and Budget Implementation Plans and manage and monitor the performance of staff reporting directly to the Line Manager.
Supervisory Staff	Supervisory Staff manage and monitor the performance of staff reporting directly to them.
Institutional Moderation Committee	Moderates individual performance of staff in the institution below the level of Senior Managers.
Departmental Moderation Committees	Moderates individual performance of staff members below the level of Senior manager in the respective Directorates and makes recommendations to the Institutional Moderation Committee
Community	The community plays a role in the performance management system through the annual IDP consultation processes, which

Role Player	Role
	are managed by the Office of the Speaker, working in close collaboration with the IDP and Public Participation Unit.

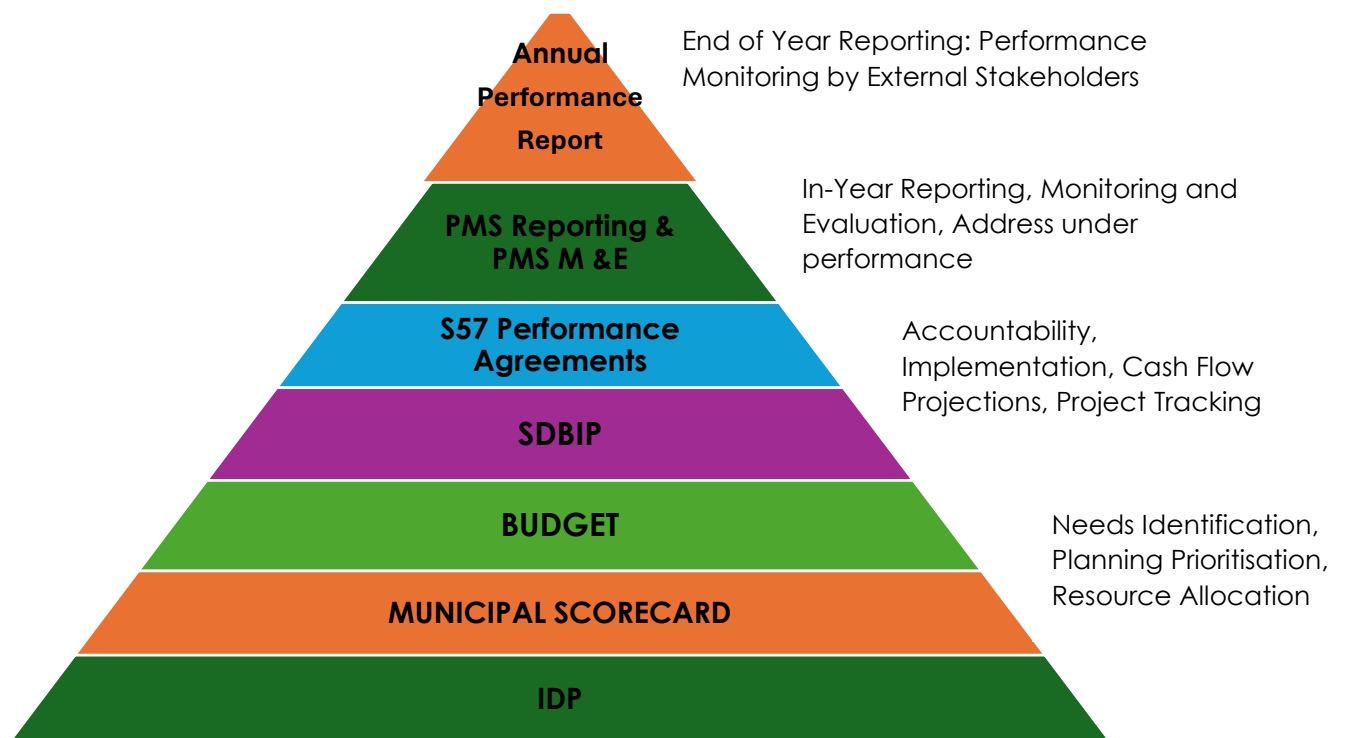
Performance Reporting

The legislative framework requires that the municipality prepare performance reports at determined intervals for submission to various structures for validation and monitoring. The table below outlines a summary of the reports that have been developed in the municipality.

REPORTS	DESCRIPTION
Monthly Reports	Monthly reports on the performance of the departments generated from the performance management system is submitted to the portfolio Councillor by the senior management team.
Quarterly Reports	Quarterly reports to report on the performance in terms of the Top Layer SDBIP generated from the system is submitted to Council. This report should also be published on the municipal website
Mid-Year Assessment	The performance of the first 6 months of the financial year should be assessed and reported on in terms of section 72 of the MFMA. This assessment includes the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary. This report must be submitted to the mayor for approval before 25 January of each year and published on the municipal website afterwards.
Annual Performance Report	The annual performance report is completed by the end of August and submitted with the financial statements to the Auditor General (AG) of South Africa for auditing.
Annual Reporting	The Mayor of a municipality, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality. Immediately after an annual report is tabled in the council, the accounting officer of the municipality must submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province. The meetings of the Municipal Council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, is open to the public and any organ of the state.
Oversight report	The Municipal Public Accounts Committee prepares an Oversight Report on the Annual Report and submit the Oversight Report to Council for consideration not later than 31 March each year.

REPORTS	DESCRIPTION
	After adoption of the Oversight Report, the report is submitted to National Treasury, the Department of Cooperative Governance and Traditional Affairs and published on the Municipal Website.

FIGURE 2: ACCOUNTABILITY MODEL



Audit Outcomes

The table below depicts Kouga Municipality's audit findings relevant to performance management:

Financial Year	Outcome
2020/21	Unqualified
2021/22	Unqualified
2022/23	Unqualified
2023/24	Clean

Audit Corrective Action Plan 2024-25

A Clean Audit Opinion was achieved for the 2023/24 year and thus the corrective actions as detailed in the Audit Corrective Action Plan was achieved.

The table below outlines the 2022/23 findings on Performance Management and progress on actions taken.

DETAILS OF THE FINDING	ACTION	PROGRESS MADE
A performance management system was not adopted, as required by municipal planning and performance management regulation 8. As the performance management system developed did not clarify the roles and responsibilities of each role-player in the system as required by the MSA sections 40 and 41, and municipal planning and performance regulations.	Implementation and monitoring over the controls should be actioned.	Achieved, implementation and monitoring of controls improved to the extent that a Clean Audit Opinion was achieved.
The performance management system and related control over performance planning, monitoring, review, reporting and improvement processes were established; however, those controls were not adequately implemented, as required by municipal planning and performance management regulation 7(1)	Implementation and monitoring over the controls should be actioned.	Achieved, implementation and monitoring of controls improved to the extent that a Clean Audit Opinion was achieved.
The municipality did not adequately discharge its oversight responsibilities in relation to performance information, as material misstatements were identified on performance reporting, which were initially reported in financial year and management did not implement the recommendations provided to prevent the recurrence of the findings.	Implementation and monitoring over the controls should be actioned.	Achieved, implementation and monitoring of controls improved to the extent that a Clean Audit Opinion was achieved.
Management did not establish and communicate policies and procedures to enable and support understanding and execution on Internal control objectives, processes and responsibilities as a result material misstatements were identified on the annual performance report due to lack of review and implementation of the performance management controls.	Implementation and monitoring over the controls should be actioned.	Achieved, implementation and monitoring of controls improved to the extent that a Clean Audit Opinion was achieved.

CHAPTER 5: FINANCIAL PERFORMANCE

COMPONENT A: FINANCIAL PERFORMANCE

5.1 FINANCIAL HEALTH OVERVIEW

To provide an overview of the financial outcomes for the 2023/24 financial year, it is necessary to compare the 2023/24 Adjustments Budget, the actual financial results, the actual cash inflows and outflows, and the actual expenditure and revenue trends for the period, 1 July 2023 to 30 June 2024.

The financial performance highlights, based on the audited results, are as follows:

5.2 STATEMENT OF FINANCIAL PERFORMANCE

Actual operating revenue (excluding capital grants) amounted to R 1,203 billion, whilst actual operating expenditure amounted to R 1,302 billion, resulting in an actual operating deficit of R 99,347 million. The 2023/24 Adjustments Budget for operating revenue (excluding capital grants) amounted to R 1,314 billion, whilst operating expenditure amounted to R 1,438 billion, resulting in a budgeted deficit of R 124,053 million.

It should be noted that the 2023/24 actual total revenue of R 1,313 billion, includes an amount of R 103,140 million, which relates to capital grants.

The following, however, needs to be noted:

[Property Rates \(refer to AFS page 7 & 10\)](#)

The actual property rates revenue raised amounted to R 280,203 million (99.54%), compared to the Adjustments budgeted amount of R 281,488 million.

[Service charges \(refer to AFS page 7 & 10\)](#)

The actual service charges revenue raised, amounted to R 607,369 million (100.82%), compared to the Adjustments budgeted amount of R 602,433 million.

[Investment Revenue \(refer to AFS page 7 & 10\)](#)

The actual investment revenue raised, amounted to R 12,962 million (111.03%), compared to the Adjustments budgeted amount of R 11,674 million.

[Transfers recognised - Operational \(refer to AFS page 7 & 10\)](#)

The actual transfers recognised revenue amounted to R 198,630 million (100.46%), compared to the Adjustments budgeted amount of R 197,730 million.

[Other own revenue \(refer to AFS page 7 & 10\)](#)

The actual other revenue raised, amounted to R 103,508 million (46.96%), compared to the Adjustments budgeted amount of R 220,413 million.

Employee Related Costs: (refer to AFS page 7 & 10)

Employee related costs amounted to R 398,878 million (90.19%), compared to the adjustments budgeted amount of R 442,256 million.

Remuneration of Councillors: (refer to AFS page 7 & 10)

The remuneration of councillors amounted to R 14,976 million (98.92%), compared to the adjustments budgeted amount of R 15,140 million.

Depreciation and Asset Impairment: (refer to AFS page 7 & 10)

The Depreciation and Amortization amounted to R 100,860 million (91.97%), compared to the adjustments budgeted amount of R 109,663 million.

Interest: (refer to AFS page 7 & 10)

Finance costs amounted to R 10,038 million (174.57%), compared to the adjusted budgeted amount of R 5,750 million.

Materials and bulk purchases: (refer to AFS page 7 & 10)

The materials and bulk purchases amounted to R 454,301 million (346.27%), compared to the adjusted budgeted amount of R 131,199 million.

Transfers and subsidies: (refer to AFS page 7 & 10)

The transfers and subsidies amounted to R 0,920 million (81.85%), compared to the adjusted budgeted amount of R 1,124 million.

Other expenditure: (refer to AFS page 7 & 10)

The other expenditure amounted to R 322,047 million (43.96%), compared to the adjusted budgeted amount of R 732,659 million.

Conclusion:

The Municipality recorded an actual operating surplus of R 3,792 million, compared to the adjustments budgeted deficit of R 29,414 million.

5.3 STATEMENT OF FINANCIAL POSITION

Net Assets: (refer to AFS page 6)

Net Assets increased from R 2,038 billion (2022/23) to R 2,042 billion (2023/24) due to the following:

Non-current Liabilities: (refer to AFS page 6)

Finance lease payables decreased from R 23,375 million in 2022/23 to R 12,231 million in 2023/24.

The Employee Benefit Liabilities increased during the 2023/24 financial year, based on an actuarial valuation.

The liabilities consequently increased from R 106,638 million in 2022/23 to R 111,627

million in 2023/24. The Employee Benefit Liabilities consist of Post-Retirement Health Care Benefits and Ex-Gratia Pensions.

Non-current Provisions increased from R 118,827 million in 2022/23 to R119,432 million in 2023/24, due to the increase in Long Service Awards and the Rehabilitation of Landfill Sites provisions.

The net result is that the decrease in non-current liabilities, accounted for a movement of R 5,550 million in the net assets of the municipality.

Current liabilities:

Lease payables (refer to AFS page 6)

Lease payables decreased by R 1,025 million from R 12,169 million in 2022/23 to R 11,144 million in 2023/24.

Employee benefit liabilities (refer AFS page 6)

The employee benefit liabilities Increased by R 8,839 million from R 44,588 million in 2022/23 to R 53,427 million in 2023/24.

Consumer Deposits (refer to AFS page 6)

Consumer deposits increased from R 29,060 million in 2022/23 to R 31,660 million in 2023/24.

Consumer deposits relate to deposits paid by consumers for water, electricity, building plans and for rental of municipal properties and are mainly influenced by an increase in new applications for water and electricity connections.

Payables – Exchange Transactions (refer to AFS page 6)

Payables from Exchange Transactions have increased by R 10,047 million from R 148,630 million in 2022/23 to R 158,677 million in 2023/24.

Unspent conditional grants and receipts (refer to AFS page 6)

Unspent conditional grants have increased by R 9,797 million, from R 28,994 million in 2022/23 to R 38,791 million in 2023/24.

Provisions (refer to AFS page 6)

The current provisions decreased from R 1,147 million in 2022/23 to R 1,000 million in 2023/24.

The net result is that the increase in Current liabilities, accounted for a movement of R 32,112 million in the Net Assets of the Municipality.

Non-current Assets: (refer to AFS page 6)

Investment Property decreased from R 251,673 million in 2022/23 to R 250,793 million in 2023/24.

Property, Plant and Equipment increased from R 2,058 billion in 2022/23 to R 2,062 billion in 2023/24.

Intangible Assets decreased from R 0,603 million in 2022/23 to R 0,419 million in 2023/24.

The net result is that the increase in non-current assets accounted for a movement of R 2,859 million in the Net Assets of the Municipality.

Current Assets:

Cash and Cash Equivalents (refer to AFS page 6)

Cash and cash equivalents increased by R 38,724 million from R 104,935 million in 2022/23 to R 143,659 million in 2023/24.

Trade and other receivables from exchange transactions (refer to AFS page 6)

The trade and other receivables from exchange transactions decreased by R 12,713 million from R 86,150 million in 2022/23 to R 73,437 million in 2023/24.

Receivables from Non-Exchange transactions (refer to AFS page 6)

The Receivables from non-exchange transactions decreased by R 6,784 million from R 29,015 million in 2022/23 to R 26,651 million in 2023/24.

Inventories (refer to AFS page 6)

Inventories increased by R 1,548 million from R 18,598 million in 2022/23 to R 22,450 million in 2023/24.

Lease Receivables (refer to AFS page 6)

Lease Receivables decreased from R 0,109 million in 2022/23 to R 0,106 million in 2023/24.

The net result is that the increase in Current assets accounted for a movement of R 27,495 million in the Net Assets of the Municipality.

Conclusion:

The Municipality's financial position has been influenced by the following factors:

Cash and cash equivalents increased by R 38,724 million (36.9%) from R 104,935 million in 2022/23 to R 143,659 million in 2023/24.

Current Liabilities increased by R 32,112 million (12.23%) from R 262,588 million in 2022/23 to R 294,700 million in 2022/23.

Current assets increased by R 27,494 million (11.47%) from R 239,701 million in 2022/23 to R 267,195 million in 2023/24

5.4 FINANCIAL INDICATORS

The following ratios reflect the municipality's relative financial viability and sustainability:

Borrowing Management		Actuals as at 30 June 2019	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022	Actual as at 30 June 2023	Actual as at 30 June 2024
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.21%	1.22%	1.13%	1.04%	0.32%	1.37%
Borrowed funding of "own "capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	0%	0%
Borrowing Management		Actuals as at 30 June 2019	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022	Actuals as at 30 June 2023	Actuals as at 30 June 2024
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.01	0.01	0.01	0.01	0.00	0.01
Current Ratio	Current assets / current liabilities	1.44	1.26	1.07	0.51	0.91	0.91
Liquidity Ratio	Monetary assets / current liabilities	0.87	0.61	0.34	0.15	0.40	0.49
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	97.62%	95.42%	95%	94.32%	86.71%	91.01%

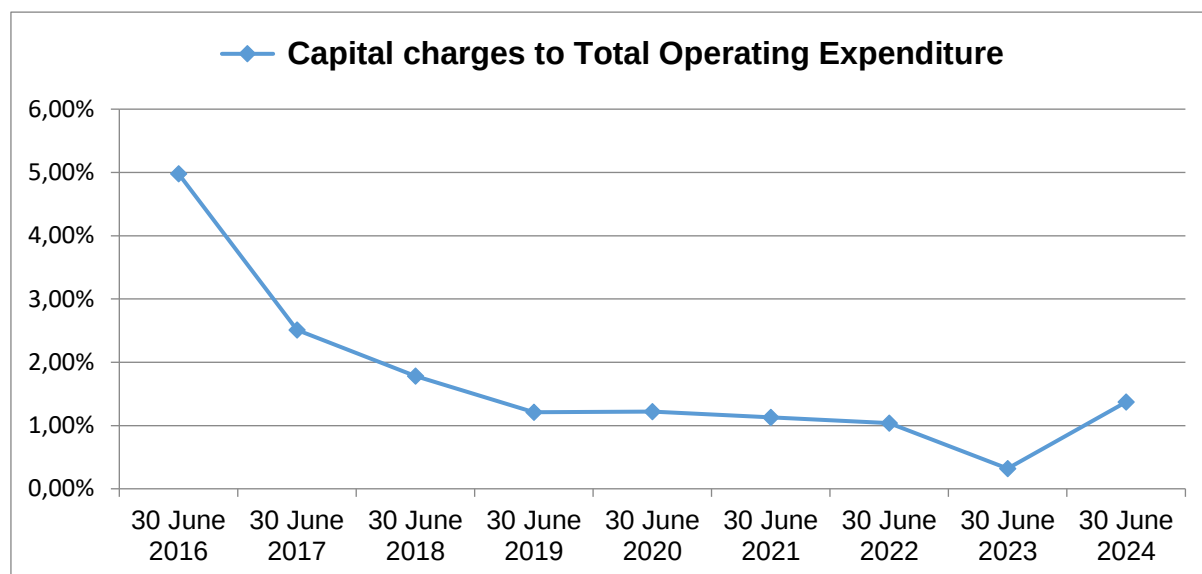
The above table is discussed in detail below.

5.5 CAPITAL CHARGES TO OPERATING EXPENDITURE

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as percentage of Total Operating Expenditure.

Capital charges/Total Operating Expenditure to date

The ratio indicates that 1,37% of the Total Operating Expenditure was utilised for capital charges as at 30 June 2024, whilst the Municipality's audited ratio as at 30 June 2023 was 0,32%.



5.6 BORROWED FUNDING OF CAPITAL EXPENDITURE

This ratio indicates the proportion of borrowed funding to actual capital expenditure to date (excluding transfers and grants). The ratio also indicates the extent of capital expenditure being financed from borrowed funding compared to own and other funding sources, excluding transfers and grant funded expenditure.

The ratio is determined as follows:

Capital expenditure funded from Borrowings/Total Capital Expenditure to date (excluding transfers and grants)

As at 30 June 2024, the was 0% as no capital expenditure was funded from borrowings, whilst the Municipality's audited ratio as at 30 June 2023 was also 0%.

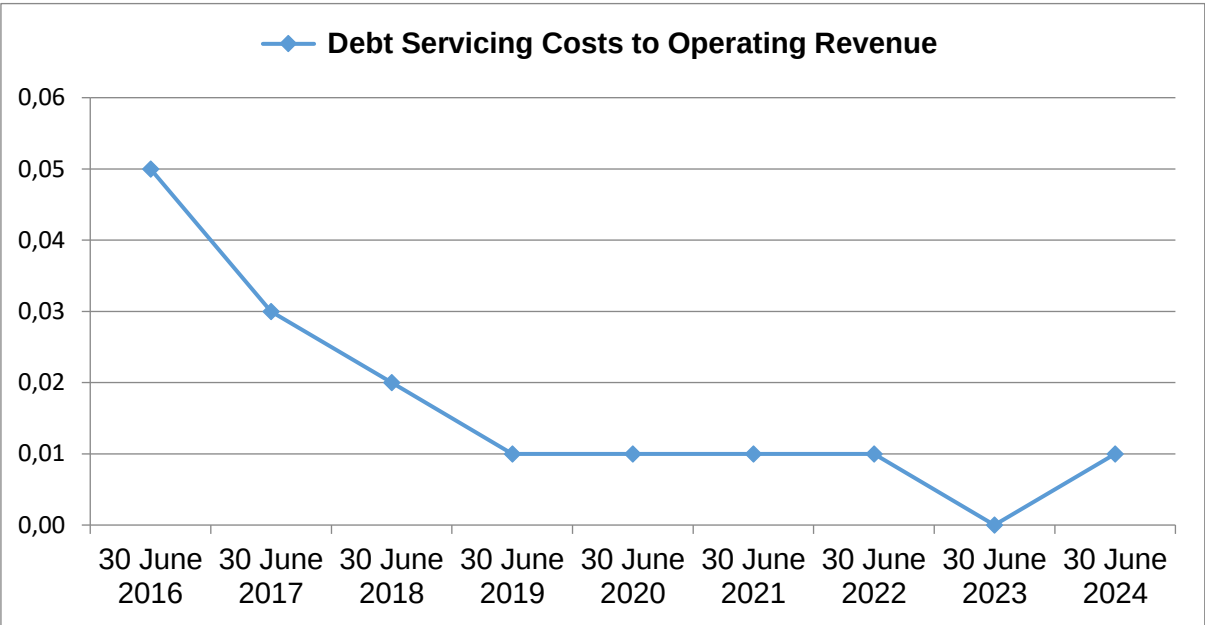
5.7 DEBT SERVICING COSTS TO OPERATING REVENUE

This ratio indicates the proportion of debt servicing costs (interest and principal paid on borrowing) to actual operating revenue to date.

The ratio is determined as follows:

Debt Servicing Costs/Operating Revenue

As at 30 June 2024 the ratio was 0.01:1, compared to the audited ratio of 0.0:1 as at 30 June 2023.



5.8 CURRENT RATIO

The Ratio assesses the Municipality's ability to meet its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables etc.).

The ratio is determined as follows:

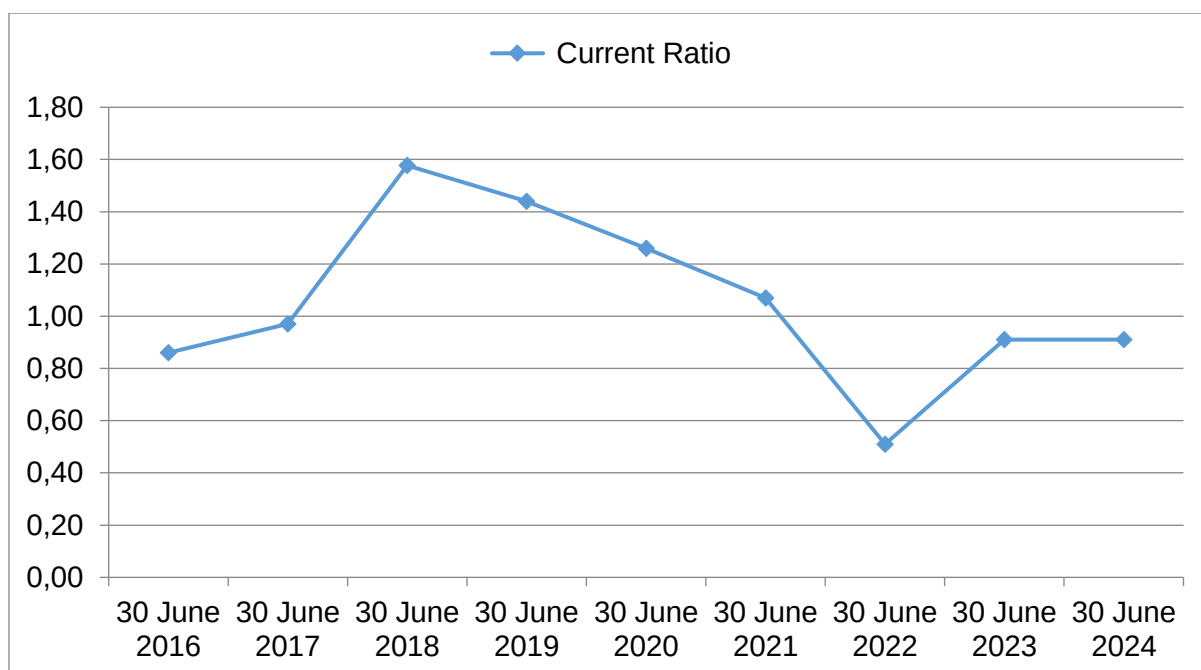
Current assets/Current liabilities

As at 30 June 2024, the Ratio was 0.91:1, whilst the Municipality's audited ratio as at 30 June 2023 was 0.91:1

In terms of the MFMA Circular No. 71, the norm is 1.5:1 to 2:1

The higher the current Ratio, the stronger the Municipality's financial capacity to meet its current obligations.

A ratio of below 1:1 would suggest that the Municipality would be unable to meet all its current obligations as and when they fall due.



5.9 LIQUIDITY RATIO

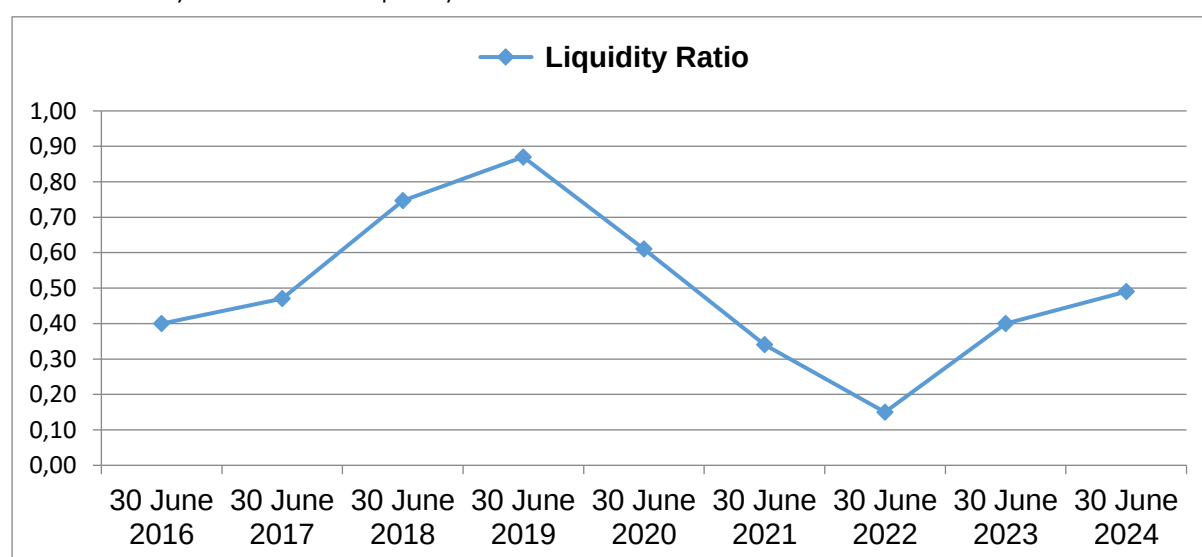
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 30 June 2024 was 0.49:1, whilst the Municipality's audited ratio as at 30 June 2023 was 0.40:1.

The liquidity ratio is of the utmost importance to measure the financial liquidity and sustainability of the municipality.



5.10 ANNUAL DEBTORS' COLLECTION RATE

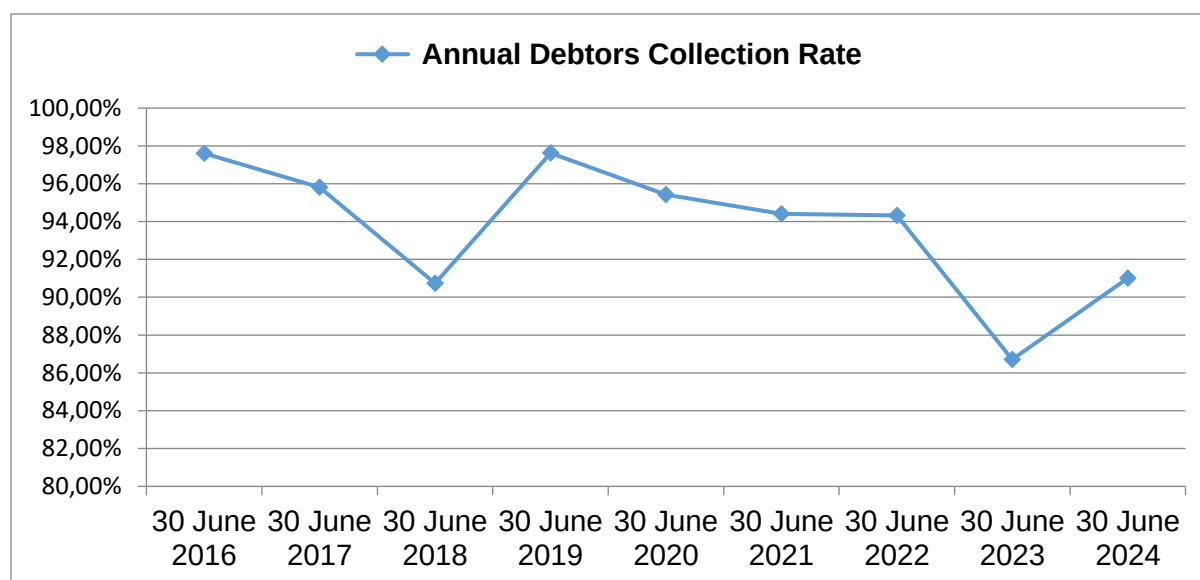
This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

The ratio to determine the percentage collection rate is as follows:

Total Payments Received in Current month/Total Value of Accounts Rendered in the Previous Month X 100

Note: the reason for using the previous month's billing is due to the accounts only being payable the following month (i.e. accountholders are given one calendar month to pay their current accounts).

The average collection rate as at 30 June 2024 was 91,01%, compared to the average collection rate of 86,71% for the 2022/23 financial year. These percentages are calculated based on revenue receipted, compared to revenue billed on a month-to-month basis.



5.11 COST COVERAGE

The Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue, during that month.

The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

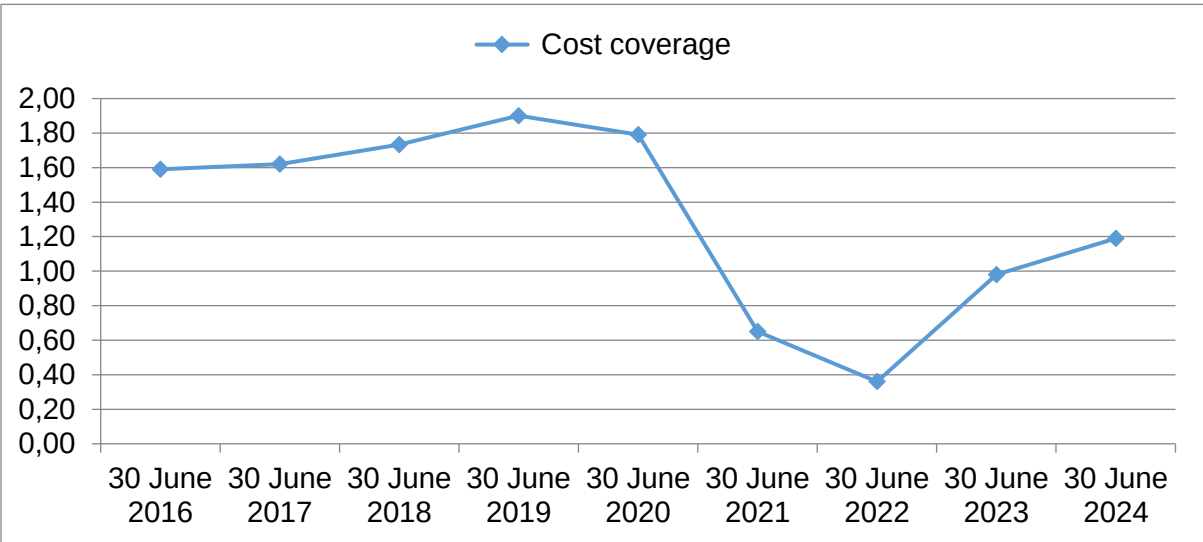
The ratio is determined as follows:

Cash and cash equivalents – unspent conditional grants – overdraft + short-term investments/ monthly fixed operational expenditure excluding (depreciation,

amortisation, provisions for bad debts, impairment and loss on the disposal of assets)

As at 30 June 2024, the Ratio was 1,19 months, whilst the Municipality's audited ratio as at 30 June 2023 was 0.98 months.

In terms of MFMA Circular No. 71, the norm is 1 month to 3 months.

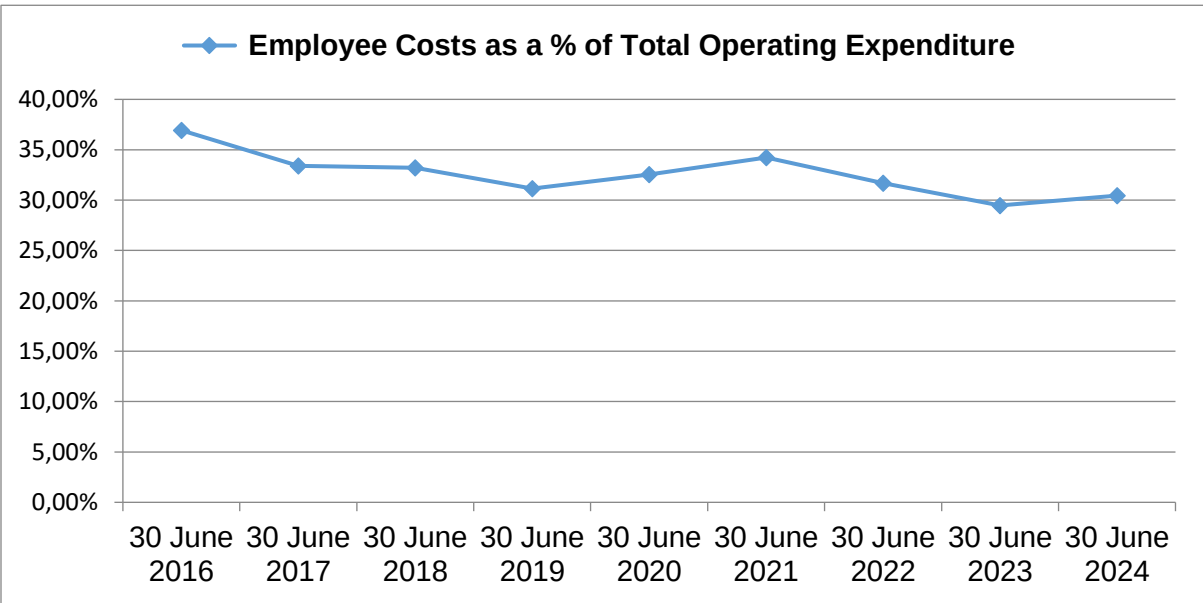


5.12 EMPLOYEE COSTS AS % OF TOTAL OPERATING EXPENDITURE

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the employment of human resources. The ratio is determined as follows:

Employee Costs to date/Total Operating Expenditure to Date

As at 30 June 2024, Employee Related Costs constituted 30,46% of the Total Operating Expenditure, whilst the Municipality's audited ratio as at 30 June 2023 was 29,47%.



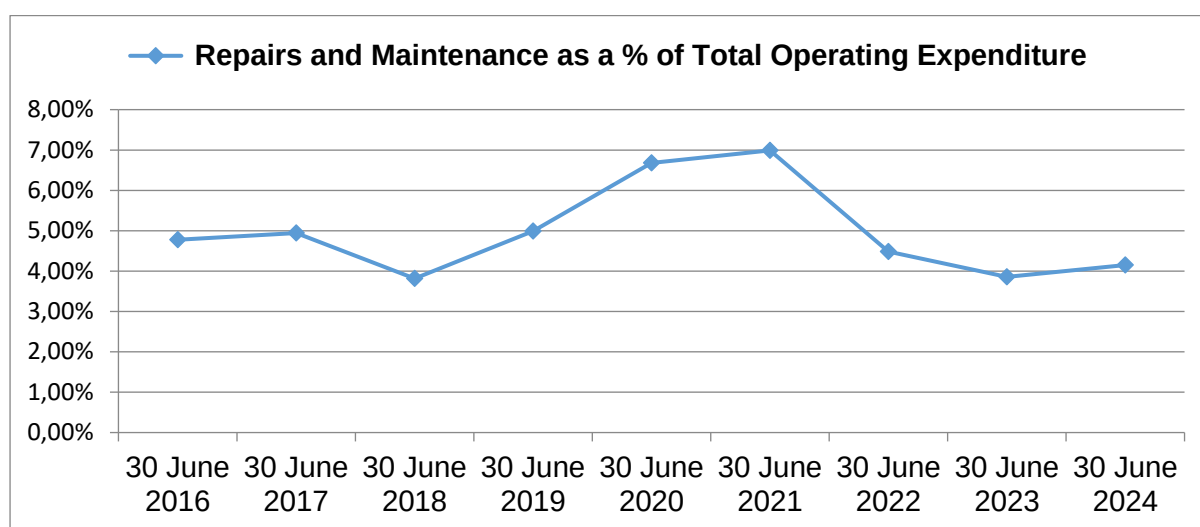
5.13 REPAIRS AND MAINTENANCE AS % OF TOTAL OPERATING EXPENDITURE

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the repairs and maintenance of its assets.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Total Operating Expenditure to date.

As at 30 June 2024, the Ratio was 4,15%, compared to the Municipality's audited ratio of 3,86% as at 30 June 2023.



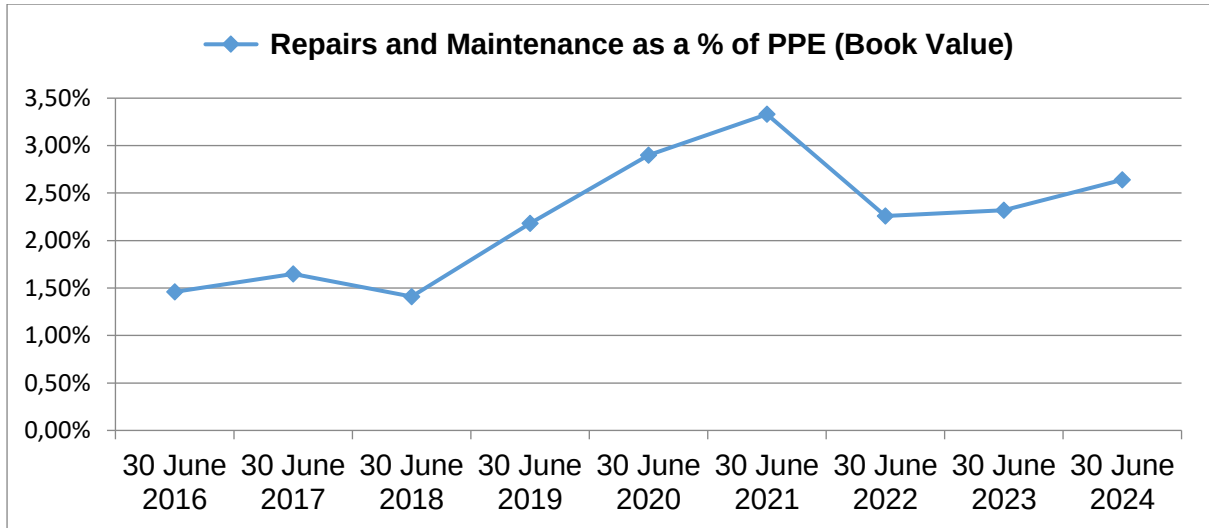
5.14 REPAIRS AND MAINTENANCE AS % OF BOOK VALUE OF PPE

The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Book value of PPE to date

As at 30 June 2024, repairs and maintenance expenditure constituted 2.64% of the book value of PPE. The Municipality's audited ratio as at 30 June 2023 was 2.32%. In terms of the MFMA Circular No.71, the norm is 8%.



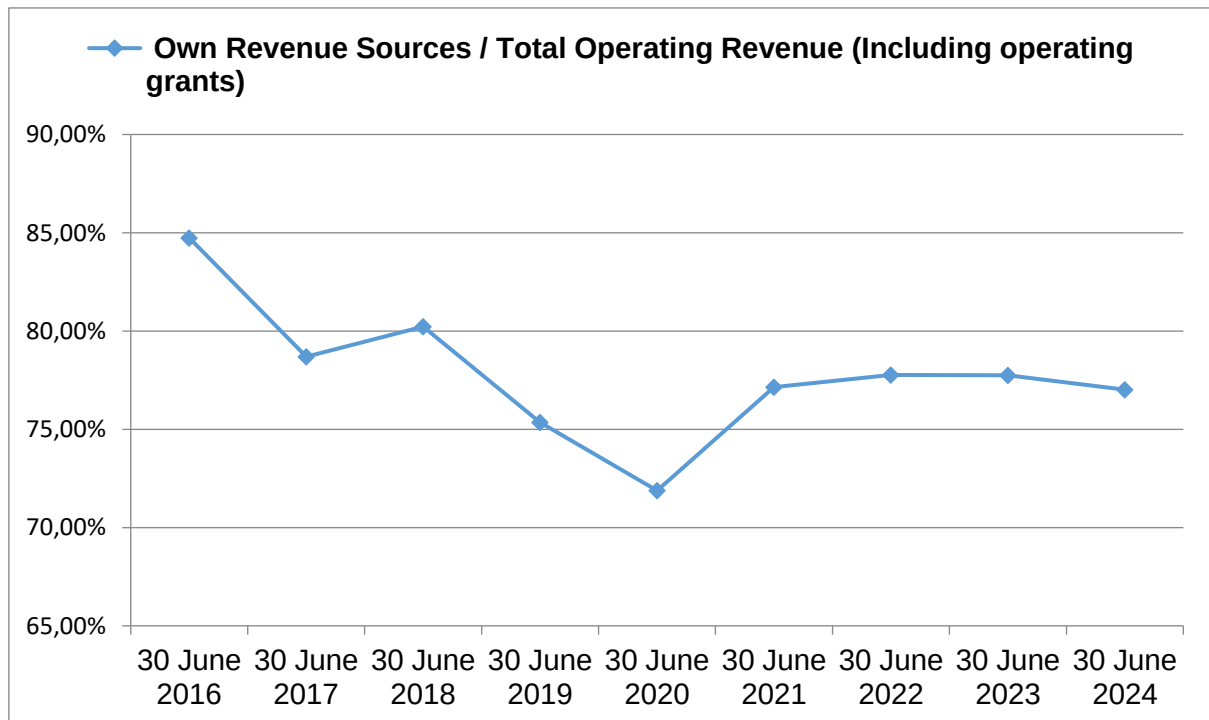
5.15 OWN REVENUE GENERATION

This ratio measures the extent to which the Municipality has control over its revenue sources, i.e. what percentage of its revenue is generated locally. The higher the ratio, the less reliant a Municipality is on Provincial and National Government to support its operations.

The ratio is determined as follows:

Own Revenue Sources / Total Operating Income (includes operating grants)

As at 30 June 2024, the Municipality's own revenue sources constituted 77,02% of its total Operating Income. The Municipality's audited ratio as at 30 June 2023 was 77.74%.



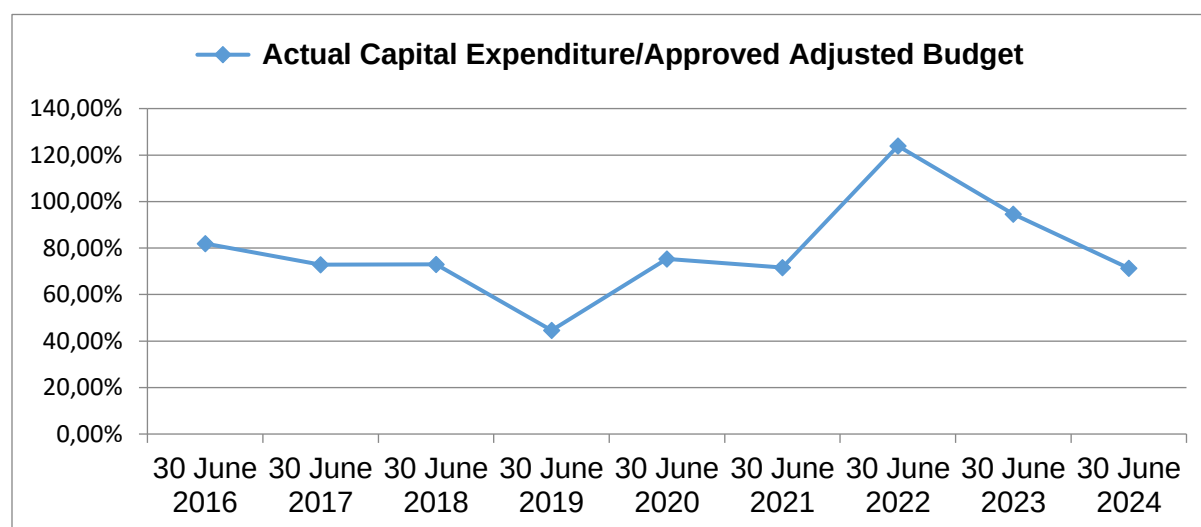
5.16 CAPITAL BUDGET SPENDING

This ratio assesses the level of actual capital spending, compared to the budgeted capital expenditure.

The ratio is determined as follows:

Actual Capital spending / Approved Capital Budget

The actual spending as at the end of June 2024 amounted to 71,38%, compared to the 2022/24 Capital Adjustments Budget. The Municipality's audited ratio as at 30 June 2023 was 94,66%.



5.17 FINANCIAL VIABILITY AND MANAGEMENT

	Indicator Name			
1.	Status of Audit Outcome (2023/24)		Unqualified audit opinion with no material findings (Clean audit)	
2.	Submission of AFS after the end of the financial year		Draft AFS submitted by 31 August 2024	
	Indicator Name	Target set for the year	Achievement level for the year (Absolute expenditure figure R (000) against capital budget R(000)	Percentage spent on capital budget during the year vs actual revenue (2023/24)

3.	Percentage of expenditure of Capital Budget	95%	R 92,915	71,38%
	Indicator Name	Operational Budget for the 2023/24 year	Amount spent on employee related cost & Councillor remuneration (Expenditure on salaries budget) against operational budget.	Achievement Percentage during the year
4.	Percentage of salary budget as of total operational budget	R 1,437,790,978	R 413,853,274	28,78%
	Indicator Name	Target set for the year (Own revenue) R (000)	Achievement level Trade Creditors during the year R(000)	Achievement Percentage during the year.
5.	Total municipal trade creditors	124,413,343	158,677,344	127.54%

5.18 ARREARS IN PROPERTY RATES AND SERVICE CHARGES

(Refer to pages 43 to 48 of the Annual Financial Statements)

COMPONENT B: OTHER FINANCIAL MATTERS

5.18 FINANCIAL POLICIES

REF #	SECTION	POLICY	COMMENTS
BRP001	AFM	Asset Management Policy	Reviewed – all changes reflected in the Policy
BRP002	BTO	Borrowing Policy	No changes
BRP003	BTO	Budget Implementation and Management Policy	No changes
BRP004	BTO	Cash Management and Investment Policy	No changes
BRP005	BTO	Cost Containment Policy	No changes
BRP006	REVENUE	Customer Care, Credit Control & Debt Collection Policy	Reviewed – all changes reflected in the Policy
BRP007	BTO	Funding and Reserves Policy	No changes
BRP008	REVENUE	Indigent Support Policy	Reviewed – all changes reflected in Policy
BRP009	REVENUE	Property Rates Policy	Reviewed – all changes reflected in Policy
BRP010	REVENUE	Provision of Doubtful Debt Write-off and Irrecoverable Debt	No changes
BRP011	SCM	Supply Chain Management Policy	No changes
n/a	SCM	Preferential Procurement Policy	Recommendation to repeal as incorporated into the SCM Policy
n/a	SCM	SCM for Infrastructure Procurement and Delivery Management	Recommendation to repeal as incorporated into the SCM Policy
n/a	SCM	Supply Chain Management policy for infrastructure procurement and delivery management (National Treasury Standard for Infrastructure Procurement and Delivery Management)	Recommendation to repeal as incorporated into the SCM Policy
BRP012	BTO	Tariff Policy	No changes
n/a	REVENUE	Unallocated Revenue and Building Deposit Policy	Recommendation to repeal as incorporated into the Customer Care, Credit Control and Debt Collection Policy
BRP013	BTO	Virement Policy	Reviewed – all changes reflected in Policy

CHAPTER 6: AUDITOR GENERAL'S FINDINGS

6.1 AUDITOR GENERAL REPORT: 2023/24 FINANCIAL YEAR

Report of the auditor-general to the Eastern Cape Legislature and Council on the Kouga Local Municipality

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Kouga Local Municipality set out from page 362 which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Kouga Local Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

I draw attention to the matters below. My opinion is not modified in respect of these matters.

Allowance for Impairments

As disclosed in notes 3 and 4 to the financial statements, trade and other receivables

from exchange transactions and receivables from non-exchange transactions had a provision for impairment of R384,9 million (2022-23: R309,2 million) and R187,6 million (2022-23: R152,6 million), respectively.

Material losses

As disclosed in note 33 to the financial statements, the municipality incurred material losses relating to electricity and water of R44,4 million (2022-23: R40,1 million) and R34,1 million (2022-23: R19,5 million).

Restatement of corresponding figures

As disclosed in notes 57 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of reclassification of accounts and correction of prior period errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

Other matter

I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the

economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected development priority presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

I selected the following development priority presented in the annual performance report for the year ended 30 June 2024. I selected a development priority that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic service delivery & infrastructure	78-82	To manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs

I evaluated the reported performance information for the selected development priority against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

I performed procedures to test whether:

the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives

all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included

the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.

there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

I did not identify any material findings on the reported performance information for the development priority.

Other matter

I draw attention to the matter below.

Achievement of planned targets

The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 77 to 84.

Infrastructure and basic service delivery

<i>Targets achieved: 70%</i> <i>Budget spent: 89%</i>		
Key indicators not achieved	Planned target	Reported achievement
% expenditure of WSIG grant funding	95%	76%
% expenditure of capital budget provision for capital projects (Inclusive of adjustments up to 31 December 2023)	90%	63%
Percentage of DMRE grant funding by 30 June 2024	95%	90%
% water losses between water purchased/produced and water sold/ accounted for	35%	40%
% expenditure of capital budget provision for	50%	26.09%

capital projects newly listed with the January 2024 adjustments budget		
Number of EIA applications submitted by 30 June 2024 for the extension of the Lorie Cemetery	1	0

Report on compliance with legislation

In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.

My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other

information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected, this will not be necessary.

Internal control deficiencies

I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

I did not identify any significant deficiencies in internal control.

Auditor-General

East London

30 November 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

6.2 AUDITOR GENERAL REPORT: 2022/23 FINANCIAL YEAR

Report of the auditor-general to Eastern Cape Provincial Legislature and the council on the Kouga Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Kouga Local municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net asset, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Kouga Local Municipality as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management of South Africa 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Allowance for Impairments

7. As disclosed in notes 2 and 4 to the financial statements, receivables from exchange transactions and statutory receivables from non-exchange transactions had a provision for impairment of R309,25 million (2021-22: R229,96 million) and R152,62 million (2021-22: R71,29 million), respectively.

Material losses

8. As disclosed in note 43.1.8 to the financial statements, the municipality incurred material losses relating to water and electricity of R19,49 million (2021-22: R42,03 million) and R19,68 million (2021-22: R21,08 million), respectively.

Restatement of corresponding figures

9. As disclosed in notes 39 and 40 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors and reclassification of accounts in the financial statements of the municipality at, and for the year ended, 30 June 2023.

Other matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Generally Recognised Accounting Practice and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected development priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following development priorities presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected development priorities that measure the Municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic service delivery & infrastructure	XX	The purpose of this development priority is to manage and ensure the provision of basic municipal services and the reduction of infrastructure backlogs
Municipal financial viability and management	XX	The purpose of this development priority is to manage and develop financial services to ensure financial viability, compliance and reporting

18. I evaluated the reported performance information for the selected development priorities against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
19. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the selected development priorities.

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

Material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service delivery and infrastructure and municipal financial viability and management. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

28. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Strategic planning and performance management

- 29. A performance management system was not adopted, as required by municipal planning and performance management regulation 8. As the performance management system developed did not clarify the roles and responsibilities of each roleplayer in the system as required by MSA sections 40 and 41, and municipal planning and performance management regulations.
- 30. The performance management system and related controls over the performance planning, monitoring, review, reporting and improvement processes were established; however, those controls were not adequately implemented, as required by municipal planning and performance management regulation 7(1).

Other information in the annual report

- 31. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.
- 32. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
- 33. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 34. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected, this will not be necessary.

Internal control deficiencies

- 35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
- 36. The matters reported below are limited to the significant internal control deficiencies that resulted in material findings on compliance with legislation included in this report.
- 37. The municipality's leadership did not adequately discharge its oversight responsibilities in relation to performance information, as material misstatements were identified on performance reporting, which were initially reported in the previous financial year and management did not implement the recommendations provided to prevent the recurrence of the findings.
- 38. Management did not establish and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes and responsibilities, as a

result material misstatements were identified on the annual performance report due to a lack of review and implementation of the performance management controls.

Auditor-General.

East London

30 November 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b), Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations 44, 46(2)(e), 46(2)(f)

Legislation	Sections or regulations
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J (1), 96(b)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

6.3 AUDIT CORRECTIVE ACTION PLAN

NUMBER	FINANCIAL YEAR	RESPONSIBLE DIRECTORATE	DETAILS OF THE FINDING	ROOT CAUSE	ACTION	MEANS OF VERIFYING	TARGET DATE
1	2023/2024	FINANCE	As disclosed in note 3 and 4 to the financial statements, trade and other receivables from exchange transactions and receivables from non-exchange transactions had a provision for impairment of R384,9 million (2022-23:R309,2 million) and R 187,6million (2022-23: R152,6 million) respectively.	There are several factors that contribute to high debt provision for impairment, which include the economic downturn, unaffordability due to low or loss of income, culture of non-payment in some areas and credit control systems.	The Revenue Manager must revise the approved Debtors Reduction Plan and submit it to Council for approval by 26 February 2025 and monthly monitor the implementation of the approved plan.	Council approved revised debtors reduction plan.	26 February 2025
2	2023/2024	FINANCE	As disclosed in note 33 to the financial statements, the municipality incurred material losses relating to electricity and water of R44,4 million (2022-23: R40,1 million) and R34,1 million (2022-23:R19,5million).	Meter readings	All electricity meters to be read monthly	Implemented DMS sytem in October 2023, for electronic readings	monthly
					All anomalies from meter readings to be reported to I&E monthly	Electrical Department is sent a trial run report before monthly billing for verification.Civils is sent High water consumption monthly to verify	monthly
				Installation on New Electricity Meters	Assessment of properties with no meters (All ratable properties excl plots assessed for both water and electricity meters)	A list of all residential properties with no electricity billing will be sent to Electrical for verification	monthly
				Water leaks	Top 20 Water Consumers per area be sent to C&WS	High water Debtor consumption Report - sent to C&W Monthly	Monthly
				Meter readings	All water meters to read monthly	Implemented DMS sytem in October 2023, for electronic readings	Monthly
				Meter readings	All anomalies from meter readings to be reported to C&WS monthly	These are reported monthly by the senior meter readers through call centre	Monthly
				Water leaks Bulk meter reading incorrect /	All NMBM accounts to be sent to C&W monthly	E-mails sent to the Manager:WSA	Monthly

NUMBER	FINANCIAL YEAR	RESPONSIBLE DIRECTORATE	DETAILS OF THE FINDING	ROOT CAUSE	ACTION	MEANS OF VERIFYING	TARGET DATE
				estimated by NMBM			
				Water leaks Bulk meter reading incorrect / estimated by NMBM	All differences must be addressed with the NMBM to correct	E-mails sent to the NMBM	Ongoing
2	2023/2024	ELECTRO/MCHANICAL	As disclosed in note 33 to the financial statements, the municipality incurred material losses relating to electricity and water of R44,4 million (2022-23: R40,1 million) and R34,1 million (2022-23:R19,5million).	Illegal connections / meter tampering	Anomalies identified to be assessed and addressed accordingly	Report from Service Provider	Monthly
					Weekly Reports from TID Roll out submitted to Revenue to updated Financial System	Report from Service Provider	Monthly
					Low / No consumption Reports to be assessed to identify properties to be investigated	Report from Service Provider	Monthly
					Meters at properties to be investigated / correction actions implemented'	TBC	Monthly
				Meter readings	Monthly reporting on anomalies being addressed	Report from Service Provider	Monthly
				Installation on New Electricity Meters	Electricity meters installed as per Assessment	Progress list compiled by Area Engineers	monthly
					SOP to be developed for installation of new meter and removal of old meter (info to flow to Revenue)	SOP to be developed	End of February 2025
	2023/2024	CIVIL AND WATER SERVICES	As disclosed in note 33 to the financial statements, the municipality incurred material losses relating to electricity and water of R44,4 million (2022-23: R40,1 million) and R34,1 million (2022-23:R19,5million).	Unmetered connections	Info assessed to prioritise areas for meter installations	All sites identified with no meter are immediately reported to call center for meter installations. WSA does not have plumbers to install meters.	Monthly
				Unmetered connections	Water meter audit	Water meter audit reports	Ongoing

NUMBER	FINANCIAL YEAR	RESPONSIBLE DIRECTORATE	DETAILS OF THE FINDING	ROOT CAUSE	ACTION	MEANS OF VERIFYING	TARGET DATE
				Unmetered connections	Meters to be installed based on assessment	Recommendations made and reported by Leak Detection teams while conducting meter audits. The reticulation then install meters and alter position of meters based on the recommendation of the Leak Detection Team.	Monthly
				Water leaks	Top Consumers meters will be investigated by Leak Detection Team (LDT) and reported to Call Centre	Leak Detection team audits Top 20 consumers as per the list received from Revenue.	Monthly
				Water leaks	Promote reporting of Water Leaks to Call Centre	Advertisement placed in the Kouga Express, artwork on KLM Facebook Page and Ward WhatsApp Groups	Ongoing
				Water leaks	Water leaks addressed within 24 hours by Plumbing Teams	Operational Whatsapp groups gives a better indication of the duration of attending to leaks in its entirety. The current Ovvio system does not give a true reflection of the leaks repaired within 24 hours.	Ongoing
				Unaccounted Water	Monthly reporting on Water being cartered / transported per area	Monthly water carting values are included in all water loss reports prepared by Mr. Andre Botha. Manager Water & Sanitation.	Monthly
				Unaccounted Water	Monthly reports on water connections made for events	WSA does not attend to water connections as no plumbers are directly reporting to WSA manager. These connections for events can be better monitored by Area Engineers.	Monthly

NUMBER	FINANCIAL YEAR	RESPONSIBLE DIRECTORATE	DETAILS OF THE FINDING	ROOT CAUSE	ACTION	MEANS OF VERIFYING	TARGET DATE
				Unaccounted Water	Monthly reports on hydrants being flushed (a typical calculation - pressure against time and area provides a volume estimate)	The Volume of water flushed through hydrants is used in the water loss report prepared by Andre Botha monthly. Area Engineers are best suited to keep track of flushing hydrants and keeping record of all incidents. Not all flushing are repairs related and neither are they water quality however, the area engineer would keep track of all hydrant flushing incidents.	Monthly
				Unaccounted Water	Pipe burt / leaks - estimates loss per pipe diameter must be indicated.	Water losses through bursts is something Mr. Andre Botha would be best suited to report on. The volume is incorporated in the monthly water losses reports.	Monthly
				Water leaks Bulk meter reading incorrect / estimated by NMBM	All Bulk Meters read monthly	Confirmed. NMBM and GIB accounts to be verified and signed off monthly.	Ongoing
				Water leaks Bulk meter reading incorrect / estimated by NMBM	Compare all Bulk Meters to NMBM accounts	Confirmed. NMBM and GIB accounts to be verified and signed off monthly.	Monthly
				Measuring Water from Treatment Plant	Monthly Reporting on Water from Water Treatment Plant / bulk supply	Water from own sources are incorporated monthly in the water loss report prepared by Mr. A Botha (OWN SOURCES)	Monthly
				Old Water Meters - under measuring volume	Replacement of inaccurate meters	Internal meters are immediately reported to the operational Teams. NMBM comments made on accounts	Ongoing

NUMBER	FINANCIAL YEAR	RESPONSIBLE DIRECTORATE	DETAILS OF THE FINDING	ROOT CAUSE	ACTION	MEANS OF VERIFYING	TARGET DATE
						however, meter replacement does not happen as requested.	
				Meter readings	Monthly reporting on anomalies addressed by Area Engineers	Report submitted monthly to Director C&WS	Monthly
		FINANCE	The correction of errors in the SCNA amounting to R21 679 029 in respect of the accumulated surplus as at 1 July 2022 does not agree with the amounts disclosed in note 57 – Prior year adjustments.	This was caused by an oversight during the annual financial statement review process.	The AFS Plan (duty/responsibility and timeframe) needs to be complied with by all roll players. This will result in sufficient time available for review by the CFO.	Audit Report	As per AFS plan
			During the testing of the segment reporting, we have noted that the statement of financial performance in the segment reporting does not present the total surplus/deficit for each segment that has been identified and reported in the Annual Financial Statement resulting in a Rnil value of total surplus or deficit made by the segment reports.	The cause of the misrepresentation of the segment report surplus/deficit is a result of inadequate review of the financial statements to ensure that the any error or misstatements that have been identified in the financial statements have been identified and corrected before the AFS are finalised for the financial period.			
			The disclosure notes 58 on pages 101 to 103 of the Annual Financial Statements (AFS) that were submitted for audit on 31 August 2024 did not disclose all the required information as the financial liabilities part of the financial instrument was missing. In addition, disclosure requirements of par 104 to 122 have not been complied with, as the classes of financial instruments was not disclosed at the required level of detail, which would include their categorisation and carrying amounts was not included.	This is due to management oversight			

NUMBER	FINANCIAL YEAR	RESPONSIBLE DIRECTORATE	DETAILS OF THE FINDING	ROOT CAUSE	ACTION	MEANS OF VERIFYING	TARGET DATE
		OFFICE OF THE MUNICIPAL MANAGER	The municipality repairs and maintenance as a percentage of assets was 3% for both 2023 and 2024. Repairs and maintenance of infrastructure is critical to restore or maintain the economic benefits and service potential expected from an asset. Municipalities are advised by National Treasury to spend a minimum of 8% on repairs and maintenance against the property, plant and equipment (PPE). A ratio below this norm is a reflection that inadequate provision is being made for repairs and maintenance which could lead to early impairment of an asset. Failure to regularly maintain and renew assets will lead to asset breakdowns and service disruptions, and ultimately, service delivery failure. It may also have a direct impact on the water and electricity losses.	Budget constraints.	Municipalities are advised by National Treasury to spend a minimum of 8% on repairs and maintenance against the property, plant and equipment (PPE).	Approved Budget Report/AFS	Yearly

APPENDICES

APPENDICE A: COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCIL MEETING ATTENDANCE (July 2023 to June 2024)

NAME OF COUNCILLOR	PORTFOLIO COMMITTEES ALLOCATED	WARD	PARTY	PERCENTAGE OF ORDINARY COUNCIL & SPECIAL COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER	ABSENT WITHOUT APOLOGY
H. Bornman	Community and Safety Services Electro-Mechanical Services Corporate and Communication Services Planning and Development Finance & Economic Development Civil and Water Services	PR	DA	93%	1	0
T Jantjes	Civil and Water Services Corporate and Communication Services Planning and Development Finance & Economic Development Community and Safety Services Electro-Mechanical Services	PR	DA	100%	0	0

NAME OF COUNCILLOR	PORTFOLIO COMMITTEES ALLOCATED	WARD	PARTY	PERCENTAGE OF ORDINARY COUNCIL & SPECIAL COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER	ABSENT WITHOUT APOLOGY
B. Williams	Corporate and Communication Services Planning and Development Community and Safety Services Finance and Economic Development Civil and Water Services Electro-Mechanical Services	PR	DA	93%	1	0
D. Benson	Community and Safety Services Corporate and Communication Services	PR	DA	100%	0	0
B. Dhludhlu	Finance and Economic Development Corporate and Communication Services Electro-Mechanical Services Community Services Finance	PR	DA	100%	0	0
M. van Niekerk	Corporate and Communication Services Planning and Development	PR	DA	100%	0	0
W. Gertenbach	Electro-Mechanical Services Finance and Economic Development Civil and Water Services	Ward 3	DA	100%	0	0
C. August	Planning and Development Community and Safety Services Civil and Water Services	Ward 9	DA	100%	0	0

NAME OF COUNCILLOR	PORTFOLIO COMMITTEES ALLOCATED	WARD	PARTY	PERCENTAGE OF ORDINARY COUNCIL & SPECIAL COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER	ABSENT WITHOUT APOLOGY
M. Nicholls	Electro-Mechanical Services Civil and Water Services	Ward 5	DA	100%	0	0
J. Alexander	Corporate and Communication Services Community and Safety Services Planning and Development	Ward 4	DA	100%	0	0
S. Ruth	Planning and Development Civil and Water Services Electro-Mechanical Services Community and Safety Services Finance and Economic Development	PR	DA	93%	1	0
L. Maree	Finance and Economic Development Electro-Mechanical Services Corporate and Communication Services Civil and Water Services Planning and Development	Ward 12	DA	100%	0	0
R. Foley	Civil and Water Services Planning and Development Finance and Economic Development	Ward 8	DA	100%	0	0
G. Stuurman	Community and Safety Services Planning and Development Corporate and Communication Services	PR	DA	100%	0	0

NAME OF COUNCILLOR	PORTFOLIO COMMITTEES ALLOCATED	WARD	PARTY	PERCENTAGE OF ORDINARY COUNCIL & SPECIAL COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER	ABSENT WITHOUT APOLOGY
P. Oliphant	Civil and Water Services Finance and Economic Development	PR	ANC	80%	1	2
M. Valgee	Community and Safety Services	PR	ANC	80%	0	3
V. Gunuza	Corporate and Communication Services	PR	ANC	73%	1	3
N. Ntengwane	Community and Safety Services	PR	ANC	80%	0	3
M. Yali	Planning and Development Finance and Economic Development Electro-Mechanical Services	Ward 14	ANC	80%	2	1
H. Murray	Corporate and Communication Services Community and Safety Services Finance and Economic Development Electro-Mechanical Services	Ward 2	DA	100%	0	0
F. Heystek	Community & Safety Services Finance and Economic Development	Ward 11	DA	100%	0	0
K. Ndzaleni	Community & Safety Services	Ward 6	ANC	100%	0	0
N. Ntshota	Corporate and Communication Services Electro-Mechanical Services	Ward 1	ANC	87%	1	1
M. Mbandana	Electro-Mechanical Services Civil and Water Services	Ward 10	ANC	87%	1	1
V. Zana	Civil and Water Services Planning and Development	Ward 13	ANC	93%	1	0

NAME OF COUNCILLOR	PORTFOLIO COMMITTEES ALLOCATED	WARD	PARTY	PERCENTAGE OF ORDINARY COUNCIL & SPECIAL COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER	ABSENT WITHOUT APOLOGY
E. Mbuqu	Corporate and Communication Services	Ward 7	ANC	93%	1	0
W. Petersen	Planning and Development Finance and Economic Development	PR	ANC	87%	1	1
B. Human	Community and Safety Services Electro-Mechanical Services Corporate and Communication Services Planning and Development Finance & Economic Development Civil and Water Services	PR	PA	73%	2	2
L. Van der Linde	Community and Safety Services Electro-Mechanical Services Corporate and Communication Services Planning and Development Finance & Economic Development Civil and Water Services	PR	VF/FFP	100%	0	0

NAME OF COUNCILLOR	PORTFOLIO COMMITTEES ALLOCATED	WARD	PARTY	PERCENTAGE OF ORDINARY COUNCIL & SPECIAL COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER	ABSENT WITHOUT APOLOGY
L. Nkilishane	Community and Safety Services Electro-Mechanical Services Corporate and Communication Services Planning and Development Finance & Economic Development Civil and Water Services	PR	EFF	60%	4	2

APPENDIX B: COMMITTEE AND COMMITTEE BY PURPOSE

(JULY 2023 – JUNE 2024)

Corporate & Communication Services Portfolio	Committee Members	Alternate Members	Functions
	Cllr J Alexander		Administration / Auxiliary Services
	Ald D Benson		
	Cllr M van Niekerk	Cllr L Maree	Legal Services
	Cllr H Murray	Cllr B Dhludhlu	Human Resources
	Cllr G Stuurman		Media & Communication
	Cllr V Gunuza	Cllr T Mbuqu	ICT
	Cllr N Ntshota		
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Executive Deputy Mayor T Jantjes		

Ex-officio	Speaker B Williams		
Planning & Development Portfolio	Committee Members	Alternate Members	Functions
Chairperson 	Cllr S Ruth		Human Settlements
	Cllr R Foley		Town & Regional Planning
	Cllr C August		Land & Property
	Cllr G Stuurman	Cllr J Alexander	MPT
	Cllr M van Niekerk	Cllr L Maree	
	Cllr M Yali	Cllr V Zana	
	Cllr W Petersen		
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Executive Deputy Mayor T Jantjes		
Ex-officio	Speaker B Williams		
Community & Safety Services Portfolio	Committee Members	Alternate Members	Functions
Chairperson 	Cllr D Benson		Environmental Management
	Cllr H Murray		Parks & Amenities
	Cllr F Heystek		Protection Services
	Cllr C August	Cllr J Alexander	Beaches
	Cllr G Stuurman	Cllr S Ruth	Disaster Management
	Cllr N Ntengwane		Fire
	Cllr K Ndzalani	Cllr M Valgee	
	Cllr L Nkilishane		
	Cllr W van der Linde		

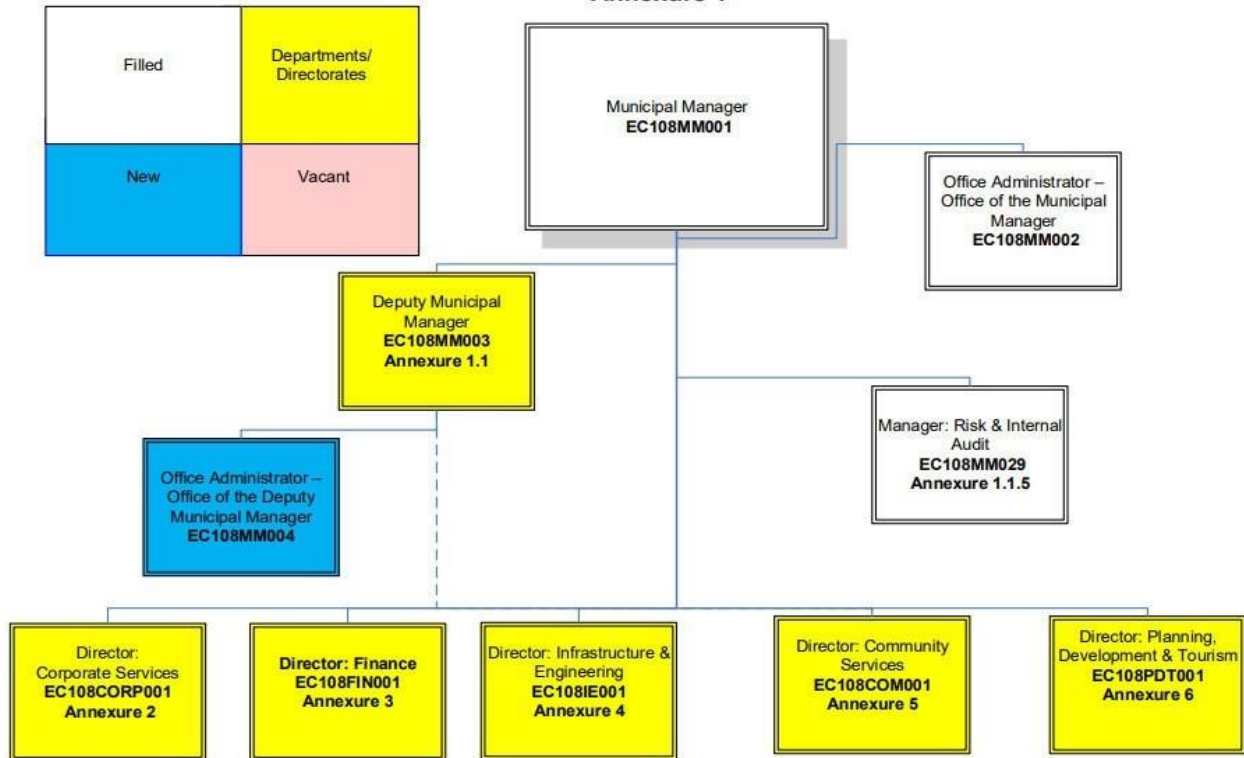
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Executive Deputy Mayor T Jantjes		
Ex-officio	Speaker B Williams		
Electro-Mechanical Services Portfolio	Committee Members	Alternate Members	Functions
	Cllr T Jantjes		Electrical Services Fleet Management
	Cllr W Gertenbach		
	Cllr L Maree		
	Cllr S Ruth	Cllr B Dhludhlu	
	Cllr M Nicholls	Cllr H Murray	
	Cllr M Mbandana	Cllr M Yali	
	Cllr N Ntshota		
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Speaker B Williams		
Finance & Economic Development Portfolio	Committee Members	Alternate Members	Functions
	Cllr L Maree		Budget & Treasury Revenue Expenditure Assets Management Supply Chain Management
	Cllr R Foley		
	Cllr B Dhludhlu	Cllr S Ruth	
	Cllr F Heystek	Cllr H Murray	
	Cllr W Gertenbach		
	Cllr P Oliphant	Cllr W Petersen	

	Cllr M Yali		Tourism
	Cllr L Nkilishane		Local Economic Development
	Cllr W van der Linde		Creative Industries
	Cllr B Human		Crèches
Ex-officio	Executive Mayor H Bornman		Events Committee
Ex-officio	Executive Deputy Mayor T Jantjes		
Ex-officio	Speaker B Williams		
Civil & Water Services Portfolio	Committee Members	Alternate Members	Functions
	Cllr R Foley		Infrastructure
	Cllr C August	Cllr M Nicholls	Civil services
	Cllr S Ruth	Cllr L Maree	PMU
	Cllr W Gertenbach		
	Cllr J Alexander		
	Cllr V Zana	Cllr M Mbandana	
	Cllr P Oliphant		
	Cllr L Nkilishane		
	Cllr W van der Linde		
	Cllr B Human		
Ex-officio	Executive Mayor H Bornman		
Ex-officio	Executive Deputy Mayor T Jantjes		
Ex-officio	Speaker B Williams		

APPENDIX C: THIRD TIER ADMINISTRATIVE STRUCTURE

Kouga Local Municipality Office of the Municipal Manager

Annexure 1



APPENDIX D: FUNCTIONS OF THE MUNICIPALITY

Municipal Powers and Functions	
Amenities and Infrastructure	Housing Development
Electricity	All forms of Housing Development
Storm water management	Housing Administration
Street lighting	Spatial Development
Road maintenance	Urban Revival
Water and sewerage management	Human Resources
Municipal Building maintenance	
Parks and gardens	All legislative, Civil law and administrative functions pertaining to staff
Libraries	Staff training
Municipal workshop	Implementation of Skills Act
Municipal Siding maintenance	Councillors training
Health, Environmental & Community Services	Local Labor Forum
Municipal Health Services	A Performance Management System
Informal settlements	Land, Rural & Agricultural Development
Environmental conservation	
Business licensing	Rural land matters
Refuse removal	Agricultural matters
Town cleansing	Education and welfare in general
Cemeteries	Rendering of services in all areas under its jurisdiction
Sport and Recreation	Land reform
Arts and Culture	Acquisition and alienation of land
Economic Development	Impoundment of stray animals
	Squatter Control
Promote Local Tourism	Planning and Building Control
Economic Development	
Trading Legislation	Integrated Development Planning (including strategic planning)
Street Trading	Town Planning Services
Industrial Development	Building Control Services
Create Investor - friendly climate	Plans and signage control
Eradication of Poverty	Property valuations
Finance	Safety and Security
Keeping of Financial Records	
Municipal Rating and Taxation	Law Enforcement (Traffic)
Municipal Insurance	Fire Services/Rescue Services
Municipal banking and Investments	Occupational Safety Services
Taking of Loans	Disaster Management
Stock Control and Asset Register	Internal Audit
	Internal Auditing of entire municipality

APPENDIX E: WARD REPORTING

WARD	WARD COUNCILLOR	WARD COMMITTEE	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
		ATTENDED											
1	Cllr N Ntshota	11	1	1	1	1	1	1	1	1	1	1	1
2	Cllr H Murray	11	1	1	1	1	1	1	1	1	1	1	1
3	Cllr W Gertenbach	11	1	1	1	1	1	1	1	1	1	1	1
4	Cllr J Alexander	11	1	1	1	1	1	0	1	1	1	1	1
5	Cllr M Biko	11	1	1	1	1	1	0	1	1	1	1	1
6	Cllr K Ndzaleni	11	1	1	1	1	1	1	1	1	1	1	1
7	Cllr T Mbuqu	11	1	1	1	1	1	0	1	1	1	1	1
8	Cllr R Foley	11	1	1	1	1	1	1	1	1	1	1	1
9	Cllr C August	11	1	1	1	1	1	0	1	1	1	1	1
10	Cllr M Mbadana	11	1	1	1	1	1	1	1	1	1	1	1
11	Cllr F Heystek	11	1	1	1	1	1	0	1	1	1	1	1
12	Cllr L Maree	11	1	1	1	1	1	0	1	1	1	1	1
13	Cllr V Zana	11	1	1	1	1	1	0	1	1	1	1	1
14	Cllr M Yali	11	1	1	1	1	1	1	1	1	1	1	1
15	Cllr T Jantjes	11	1	1	1	1	1	0	1	1	1	1	1

Note: No Ward Committee Meetings scheduled for December 2023.

APPENDIX F: WARD INFORMATION

DIRECTORATES	PROJECT DESCRIPTION	REGION	Actuals as at 30 June 2024
ROADS AND STORMWATER	Paradise Beach - Botha Street Stormwater Infrastructure Upgrade	Ward 12	297 167
SEWERAGE	KWANOMZAMO SEWERAGE PUMP STATION	Ward 6	197 653
WATER	Upgrade Sanitation System Old Hankey		22 650 208
WATER	HUMANSDORP: KRUISFONTEIN: BOREHOLES		19 893 301
WATER	Replace Main Waterline Sout Rivier Bridge Crossing St Francis Bay		9 836 045
WATER	Connect 4 x drilled boreholes to treatment works		1 303 686
WATER	Roads Capital		28 549 234
ENVIRONMENTAL MANAGEMENT	Kouga Skip Bins		241 500
FIRE SERVICES	Fire Services - Vehicle (DISTRICT)		2 810 454
PARKS AND OPEN SPACES	GRASS CUTTER		505 982
WASTE SERVICES	Supply and Delivery of Skip Trucks		1 557 341
PARKS AND OPEN SPACES	Fencing Community Hall		6 562 143
METERING AND REVENUE	Replacement of Transformer - Humansdorp		5 744 209

APPENDIX G: RECOMMENDATIONS OF THE AUDIT COMMITTEE

ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2024 KOUGA LOCAL MUNICIPALITY

OBJECTIVE

The purpose of this report is to present the Audit Committee's annual report in carrying out its oversight responsibilities for the financial year ended 30 June 2024.

TERMS OF REFERENCE

The mandate of the Audit Committee is legislated in terms of section 166 of the Municipal Finance Management Act, 2003 (MFMA) which requires the Audit Committee to advise the Accounting Officer and Council on matters relating to:

- Internal financial control and internal audits
- Risk management and Compliance
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting and information
- Performance management and evaluation
- Effective governance
- Compliance with the Municipal Finance Management Act 56 of 2003, the annual Division of Revenue Act and any other applicable legislation and
- Any issues referred to it by the council.

The Audit and Risk Committee is also required to fulfil the functions of a Performance Management Committee constituted in terms of sections 38 and 41 of the Municipal Systems Act No 32 of 2000 and Regulation 14(2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001:

Review and advise in terms of the provisions of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006.

The MFMA also requires the Audit Committee to review the Annual Financial Statements, respond to Council on matters raised by the Auditor General of South Africa (AGSA) and carry out investigations into the financial affairs of the municipality.

The Audit Committee assists Council in fulfilling its oversight responsibilities in helping to ensure high quality financial and performance management reporting as well as effective internal control.

COMPOSITION OF THE AUDIT AND RISK COMMITTEE AND ATTENDANCE

The Audit Committee comprises three independent members. The Committee is required to meet at least four times per annum as per its approved terms of reference. The following persons also have standing invitations to all committee meetings:

- The Executive Mayor,
- the Municipal Manager,
- the Chief Financial Officer,
- the Director: Administration, Monitoring & Evaluation,
- the Director: Infrastructure, Planning & Development,
- the Director: LED, Tourism & Creative Industries,
- the Director: Social Services,
- the Manager: Performance Management,
- the Manager: Risk and Internal Audit,
- the Auditor General and representatives from Provincial Treasury and COGTA.

Both the Internal and External Auditors have unrestricted access to the Audit Committee.

During the 2023/2024 financial year, the Audit Committee held meetings as set out below:

Name of members	Appointed	Total number of meetings 2023 – 2024
Mr Gregory Billson Chairperson	13 December 2021	4 Meetings – All attended
Mr G Sarpong	28 July 2023	4 Meetings – All attended
Mr D De Lange	28 August 2024.	1
Mr Moodaley	29 July 2022	4 Meetings – All attended

Dates of meetings were as follows:

- 7 December 2023

- 28 March 2024
- 11 June 2024
- 28 August 2024

AUDIT COMMITTEE RESPONSIBILITIES

The Committee confirms that it has complied with its responsibilities set out in the Audit and Risk Committee Charter and details of these responsibilities are detailed below:

1. INTERNAL FINANCIAL CONTROL AND INTERNAL AUDIT

1.1 Internal Financial Control

The Audit Committee have reviewed the expertise, resources and experience of Kouga Local Municipalities finance department. During the financial year there were no significant changes to the staff establishment.

The CFO is competent in respect of his expertise and experience, with the Finance Department functioning adequately and within its mandate.

The Auditor General did not identify any material non-compliance to selected legislation nor deficiencies in internal controls in respect of the 2023/2024 financial year.

1.2 Internal Audit

The Internal Audit function is independent of management. The Audit Committee is satisfied that the Internal Audit team possess the required qualifications and are competent to carry out their role.

The Internal Audit Unit was not fully staffed in terms of the approved organisational structure.

Due to Internal Audit staff vacancies, the necessary resources were not available to execute the entire approved internal audit plan.

Internal Audit, through the execution of the Internal Audit plan approved by the audit committee, identify various weaknesses where recommendations are set out to mitigate these identified risks.

All noted findings by Internal Audit are required to be captured on an Internal Audit findings tracker for follow up and review.

Management was unable to demonstrate that all Internal Audit findings have been adequately addressed.

It is critical that noted Internal Audit findings are agreed to with management, with recommended actions implemented by all relevant personnel to ensure risks are mitigated.

It is critical that management review, consider and implement Internal Audit recommendations to mitigate identified risks. Failing to do so increases the risk of fraud, repeat findings by the Auditor General and other material consequences. Failing to address Internal Audit findings, negates the efforts of the Internal Audit Unit.

Internal Audit function.

Although not all Internal Audit findings have been addressed, the Municipality received a clean audit outcome indicating that the administrative and control environment is operating effectively.

The Audit Committee have noted that no restrictions or limitations were placed on the Internal Audit team in the execution of their mandate.

The Chief Audit Executive has access to the Chairperson of the Audit Committee at any time.

Internal Audit has prepared a three-year rolling strategic internal audit plan and an annual internal audit plan and budget. The plan addresses the high-risk areas identified in consultation with management and indicates the scope of each audit.

Internal Audit were able to complete most of the Internal Audit plan for the year with limited roll overs of planned Internal Audits being necessary.

The Audit Committee received the Internal Audit reports whereafter constructive discussions with management on the findings reported by Internal Audit took place during the quarterly Audit Committee meetings.

The Internal Audit findings tracker should be monitored on an ongoing basis, where findings are considered, recommendations to mitigate risk are tested and confirmed to have been implemented, to ensure the risk environment within which the municipality operates is optimized and improved on an on-going basis.

The Audit Committee reviewed the Internal Audit Charter and the Audit Committee Charter. The charters were both approved and signed by the Municipal Manager and the Audit Committee Chairperson.

Audit Committee Work Plan

The Audit and Risk Committee has adopted a detailed work plan that provides the details of all reports required for each quarter enabling the committee to perform its mandate effectively as outlined in legislation as well as in the Audit Committee Charter.

The work plan forms the basis of the Audit and Risk Committee's quarterly agenda.

The following agenda items have not always been included for review at these scheduled meetings, resulting in the Audit Committee only being able to review such at six monthly or longer intervals. It is critical that all set agenda items are available for review to allow the Audit Committee to carry out their oversight responsibilities in respect of the agreed Audit Committee Charter:

- Irregular fruitless and wasteful and Unauthorised expenditure report
- SCM contract management report
- Fraud prevention plan
- ICT governance reports
- Disaster recovery plan

2. RISK MANAGEMENT AND COMPLIANCE

The Kouga Local Municipality Risk Management Maturity has improved. A risk register has been compiled with identified process owners and target dates for completion.

The risk management committee are responsible for the establishment of the risk management policy, risk management framework together with the risk management strategy and the preparation of the risk register. The committee remain responsible for:

- Identification of root causes associated with the identified risks
- Consequences of the risk ensuring that they are aligned to the root cause
- Identification of actual controls currently in place that mitigates the identified risk
- An assessment of the perceived control effectiveness
- Assess mitigating action plans to further address the residual risk exposure and
- Review the logic of the risk register

Consideration should continue to be given to the capacity and resources within Internal Audit to provide council with a reasonable level of assurance that all risks are being identified and actioned. Consideration should be given to establish a Risk Management Committee with an independent chairperson to take responsibility for enterprise risk management within the institution which will further enhance the risk maturity of the municipality. This may however require additional Internal Audit staff resources.

3. FINANCIAL REPORTING

The Audit Committee reviewed and discussed the unaudited annual financial statements for the 2023/24 financial year with management. An external service provider, Altimax, was appointed to provide an independent technical review of the financial statements at 30 June 2024.

This process included consideration of the adequacy, reliability and accuracy of financial reporting and information, ensuring it is consistent with applicable accounting standards and is compliant with the legal framework. The accounting policies and disclosures made by management were also reviewed during this process.

The Audit Committee recommended certain amendments before submission to the AGSA for audit purposes. The financial statements were submitted to the Auditor General within the prescribed time frame as determined by the MFMA.

4. PERFORMANCE MANAGEMENT AND EVALUATION

The Service Delivery and Budget Implementation Plan (SDBIP) report is used by the municipality as the monitoring tool to compare actual performance to targeted performance. This report is subject to Internal Audit scrutiny during their quarterly audits and is a standing item on the Audit and Risk Committee's agenda where performance targets are monitored.

It is important that performance information is up to date to allow the Audit Committee to consider actual performance in relation to the quarters being reviewed, allowing for the identification of any problem areas in good time.

Material losses were incurred on electricity and water services in the 2023/2024 financial year amounting to R44,4 million (2022/2023 R40,1 million) and R34,1 million (2022/2023 R19,5 million) respectively. The losses are monitored in the quarterly meetings of the Audit and Risk committee where strategies to reduce losses are reported on.

The Auditor General did not identify any material findings on the reported performance information for basic Infrastructure and service delivery.

No annual performance evaluations for S56 managers were conducted during the reporting period.

5. EFFECTIVE GOVERNANCE

Attendance of the Audit Committee quarterly meetings by senior management is generally good. Provincial Treasury, COGTA, the Auditor General and Chairperson of MPAC should be encouraged to attend the Audit Committee meetings.

A disciplinary committee is in place, where the municipality have had no instances requiring the review thereof by the disciplinary committee. Further management have confirmed that there have been no noted instances of fraud requiring investigation.

APPRECIATION

The achievement of a clean audit outcome is a significant achievement for the municipality. It requires the commitment and dedication of Council, Management, personnel and all oversight structures to an ethical environment, a clean administration and high service delivery standards.

On behalf of the Audit Committee, I would like to extend our sincere appreciation to the Council, Management, the Internal Auditors and the Auditor-General South Africa for their assistance and support during the financial year under review.

Daniel J de Lange

Audit Committee Chairperson

20 January 2025

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Public Private Partnerships Entered into during Year 2023/24	
Name and Description of Project	Name of Partner(s)
Centerton Sports Field minor upgrades	Kouga Windfarms
Irrigation at Hankey Sports Field	Gamtoos Irrigation Board
Youth Development	SAKHE Family Care
Tourism	Eastern Cape Tourism Agency
Agricultural Support and Rural Development	Department of Rural Development and Agrarian Reform

APPENDIX I: MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

No Service Provider performs any municipal function on behalf of Kouga Municipality.

APPENDIX J: DISCLOSURE OF FINANCIAL INTEREST

The following Senior Managers completed the prescribed declaration of interest for the 2023/24 year:

NAME	POSITION
C du Plessis	Municipal Manager
D de Jager	Deputy Municipal Manager
R Lorgat	Chief Financial Officer (Director Finance)
N Machelesi	Director: Community Services
C de Kock	Director Civil and Water Services

APPENDIX K: REVENUE COLLECTION PERFORMANCE

APPENDIX K(i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue by Vote	Actuals	
	2024	2023
Vote Description	R	R
Civil and Water Services	274,287,752	297,814,199
Community Services	148,667,607	194,064,667
Finance and Economic Development	449,049,618	434,843,714
Office of the Deputy Municipal Manager	1,697,007	3,887,391
Office of the Municipal Manager	-	-103,772
Planning and Development	41,392,307	11,828,451
Electro/Mechanical Services	398,035,247	313,433,274
Total Revenue by Vote	1,313,129,538	1,255,767,924

APPENDIX K(ii): REVENUE COLLECTION BY SOURCE

Item Description	Actual	
	2024	2023
	R	R
Revenue by Source		
Exchange Revenue		
Service charges - Electricity	380 375 534	306 476 963
Service charges – Waste Management	57 487 680	61 945 030
Service charges – Waste Water Management	59 633 132	61 796 904
Service charges - Water	109 872 623	117 399 855
Sales of Goods and Rendering of Services	7 442 497	9 188 788
Income from Agency Services	3 615 485	2 677 528
Interest earned from receivables	21 854 451	20 845 130
Interest earned from bank and investments	12 962 398	6 824 262
Rental from Fixed Assets	3 549 568	2 613 486
Licences and Permits	2 368 147	2 676 798
Operational Revenue	11 653 624	1 199 527
Non-Exchange Revenue		
Property Rates	280 202 653	259 514 386
Interest on receivables	5 519 180	3 729 096
finances, penalties and forfeits	40 083 846	101 635 779
Licences and Permits	7 421 091	7 195 326
Transfers and subsidies	301 769 197	279 561 122
Remeasurements on employee benefits	6 627 000	10 912 779
Increase in net-realizable value	691 432	- 424 835
Total Revenue	1 313 129 538	1 255 767 924

APPENDIX L: CONDITIONAL GRANTS RECEIVED: ECXCLUDING MIG

Name of Grant	Amount Received	Amount Spent
	R	R
Finance Management Grant	1 720 000	1 720 000
Integrated National Electrification Grant	6 983 953	6 297 650
Municipal Disaster Response Grant	13 550 000	3 169 259
Water Service Infrastructure Grant	30 000 000	22 832 114
Department of Human Settlement	22 018 908	1 462 960
Energy Efficiency and Demand Side Management Grant	4 000 000	4 000 000
Department of Economic development, Environment Affairs and Tourism	3 258 143	3 258 143
Department of Sport, Recreation, Arts and Culture: Library Grant	2 050 000	2 050 000
Expanded Public Works Programme Incentive Grant	2 321 000	2 321 000
Total	85 902 004	47 111 126

APPENDIX M: CAPITAL BUDGET EXPENDITURE

Project Name	Actual Expenditure As at 30 June 2024	Funding Source
DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	495 242	MIG
DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	57 500	MIG
UPGRADING KWANOMZAMO WWTW	8 036 856	MIG
DESIGN: LA MER NEW SEWER RISING MAIN	74 750	MIG
UPGRADING HANKEY SEWERAGE INFRASTRUCTURE	14 528 811	MIG
UPGRADING KOUGA GRAVEL ROADS	3 840 000	MIG
UPGRADING LOERIE SPORTS FACILITIES	6 091 441	MIG
MIG ADMIN	1 743 400	MIG
	34 868 000	

Description	Actual	
	2024	2023
	R	R
CAPITAL EXPENDITURE BY VOTE		
Civil and Water Services	72 875 254	79 204 663
Community Services	12 032 987	14 478 837
Electro/Mechanical Services	5 969 820	9 093 079
Finance and Economic Development	820 727	8 964 080
Office of the Deputy Municipal Manager	1 129 417	1 083 347
Office of the Municipal Manager	109 487	66 063
Planning and Development	-23 000	19 065
Total Capital Expenditure	92 914 692	112 909 134

APPENDIX N: CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

Capital Project	Budget	Actual	Variance %
Water			
Piped Reticulation St Francis Bay	41 500	22 500	54.22%
Replace 250mm Water Main Canal Road St Francis Bay	17 507	15 357	87.72%
Replace Main Water Line Sout River Bridge Crossing	66 125	66 125	100%
St Francis Bay Boreholes	2 608 695	2 372 480	90.95%
Ground Water Development in Kouga	869 565	0	0%
Paradise Beach Water Tower	9 772 639	7 357 615	75.29%
Mimosa Street Pipeline Replacement	12 836 056	8 480 926	66.07%
Construction of Civil Services Donkerhoek	3 000 000	0	0%
Humansdorp Groundwater Supply	2 800 000	2 162 590	77.24%
Sanitation/Sewerage			
New bypass Sewer Rising Main and Pumpstations Jeffreys Bay	323 486	160 023	49.47%
Upgrade Loerie Sewer Pumpstation	80 188	77 118	96.17%
Upgrade Weston WWTW	430 645	430 645	100%
Design Upgrade Sewer Pipe Ocean View	50 000	50 000	100%
Upgrade KwaNomzamo WWTW	6 988 570	6 988 570	100%
Design La Mer Rising Sewer Main	65 000	65 000	100%
Upgrade Hankey Sewer Infrastructure	12 633 750	12 633 750	100%
KwaNomzamo Sewer Pumpstation	551 027	0	0%
Hankey WWTW	5 155 634	364 052	7.06%
La Mer Sewer Rising Main	9 000 000	1 618 535	17.98%
Electricity			
Generator	43 565	39 922	91.64%
Bulk 66kV Overhead Lines	1 371 165	1 371 165	100%
Ocean View1250 Electrification	3 555 651	3 1077 721	87.40%

Capital Project	Budget	Actual	Variance %
Electrification Ocean View	1 146 184	1 077 187	93.98%
Electrical Oil Circuit breaker replacement	5 000 000	0	0%
Housing			
Hankey 990 Phase 2	17 147 249	800 286	4.67%
Hankey 990 Phase 3	4 510 553	471 854	10.46%
Refuse removal			
Skip Trucks	1 800 000	1 567 341	86.52%
Skip Bins	400 000	378 530	94.63%
Roads and Stormwater			
St Francis Bay Neville Road reconstruction	13 043	13 043	100%
St Francis Bay Anne Avenue to Ralph Road Reconstruction	43 478	0	0%
Aston to Paradise Beach Causeway	86 957	86 957	100%
Paradise Beach Botha Street Stormwater	10 435	10 435	100%
Upgrading Kouga Gravel Roads	3 339 130	3 339 130	100%
St Francis Bay Canal Bridge	2 608 696	2 601 965	99.74%
Plate Compactor	23 000	23 000	100%
Economic development			
Township Support	100 000	0	0%
Ward Development	750 000	727 234	96.96%
Sports, Arts & Culture			
Upgrade Loerie Sports Facilities	5 296 905	5 296 905	100%
Paving Main Beach	1 800 000	1 266 321	70.35%
Upgrading various sports facilities	1 919 609	1 265 327	65.92%
Environment			
Grass Cutter	200 000	198 680	99.34%
Health			
None			
Safety and Security			
Fire Services Vehicle	3 000 277	2 893 047	96.43%
Operations Room Equipment	569 423	327 103	57.44%
ICT and Other			
Computer Equipment DMM	1 635 000	1 222 211	74.75%
FMG Intern Laptops	130 435	130 435	100%
Computer Equipment	170 000	147 523	86.78%
Computer Equipment	80 000	24 586	30.73%
Computer Equipment	20 000	0	0%
Projector	20 000	19 172	95.86%

APPENDIX O: CAPITAL PROJECTS

UKEY NR	DIRECTORATES	PROJECT DESCRIPTION	Adjusted Budget 2023/24	Actuals as at 30 June 2024	%
	CIVIL AND WATER SERVICES				
20240131064386	PROJECT MANAGEMENT UNIT (PMU)	Upgrading/Improvement of Sport Facilities within Kouga Region (Sea Vista)	1 919 609	-	0,00%
20230707065830	PROJECT MANAGEMENT UNIT (PMU)	UPGRADING LOERIE SPORTS FACILITIES	5 296 905	-	0,00%
20240530050413	PROJECT MANAGEMENT UNIT (PMU)	UPGRADING LOERIE SPORTS FACILITIES	137 787	-	0,00%
20240131064303	PROJECT MANAGEMENT UNIT (PMU)	PAVING OF MAIN BEACH	1 800 000	-	0,00%
20240507060609	ROADS AND STORMWATER	Aston Bay to Paradise Beach - Seekoei Estuary Causeway Reconstruction	86 957	-	0,00%
20240507060606	ROADS AND STORMWATER	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	43 478	-	0,00%
20240507060603	ROADS AND STORMWATER	St Francis Bay - Nevil Road Reconstruction	13 043	-	0,00%
20230808053932	ROADS AND STORMWATER	ST FRANCIS CANAL BRIDGE	2 608 696	-	0,00%
20230707065827	ROADS AND STORMWATER	UPGRADING KOUGA GRAVEL ROADS	3 339 130	-	0,00%
20240131064309	ROADS AND STORMWATER	PLATE COMPACTOR	23 000	23 000	100,00%
20240507060612	ROADS AND STORMWATER	Paradise Beach - Botha Street Stormwater Infrastructure Upgrade	10 435	297 167	2847,79%
20230808053929	SEWERAGE	HANKEY WWTW	5 155 634	-	0,00%
20230707065785	SEWERAGE	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	430 645	-	0,00%
20230707065809	SEWERAGE	UPGRADING HANKEY SEWERAGE INFRASTRUCTURE	12 633 750	-	0,00%
20200711023341	SEWERAGE	New bypass Sewer Rising Main and Pump Stations Jbay	323 486	-	0,00%
20230707065791	SEWERAGE	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	50 000	-	0,00%
20200711023350	SEWERAGE	Piped Reticulation - St Francis Bay	41 500	-	0,00%
20230707065806	SEWERAGE	DESIGN: LA MER NEW SEWER RISING MAIN	65 000	-	0,00%
20230707065794	SEWERAGE	UPGRADING KWANOMZAMO WWTW	6 988 570	-	0,00%
20230808053926	SEWERAGE	KWANOMZAMO SEWERAGE PUMP STATION	551 027	197 653	35,87%
20240131064018	SEWERAGE	LA MER NEW SEWER RISING MAIN	9 000 000	-	0,00%
20220303055002	SEWERAGE	Upgrade Loerie sewer pump station	80 188	- 49 430	-61,64%
20221121032316	WATER	ST FRANCIS BAY: BOREHOLES	2 608 695	-	0,00%
20240828163710	WATER	Upgrade Sanitation System Old Hankey	-	22 650 208	
20230707065773	WATER	GROUND WATER DEVELOPMENT IN KOUGA	869 565	-	0,00%
20240828164409	WATER	UPGRADING KOUGA GRAVEL ROADS	-	10 435	
20240131063929	WATER	JILL MARCUS WATER SUPPLY	4 347 000	-	0,00%
20240507060600	WATER	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	-	0,00%
20230707065776	WATER	PARADISE BEACH WATER TOWER	9 772 639	-	0,00%
20200711023320	WATER	Repair Leaking Concrete Water Tower Paradise Beach	-	- 9 836 045	
20240828164549	WATER	HUMANSDORP: KRUISFONTEIN: BOREHOLES	-	19 893 301	
20230707065779	WATER	MIMOSA STREET PIPELINE REPLACEMENT	12 836 056	-	0,00%
20200711023323	WATER	Replace Main Waterline Sout Rivier Bridge Crossing St Francis Bay	66 125	9 836 045	14874,93%
20200711023312	WATER	Replace 250mm Water Main Canal Road St Francis Bay	17 507	-	0,00%
20240131063932	WATER	HUMANSDORP GROUNDWATER SUPPLY	2 800 000	-	0,00%
20210909975613	WATER	Connect 4 x drilled boreholes to treatment works	-	1 303 686	
20240828163350	WATER	Roads Capital	-	28 549 234	
			86 916 427	72 875 254	83,85%

UKEY NR	DIRECTORATES	PROJECT DESCRIPTION	Adjusted Budget 2023/24	Actuals as at 30 June 2024	%
	COMMUNITY SERVICES				
20240131064284	DIRECTOR:COMMUNITY SERVICES	PROJECTOR	20 000	19 172	95,86%
20240131064184	DIRECTOR:COMMUNITY SERVICES	Furniture and Equipment	9 290	9 290	100,00%
20240131064095	ENVIRONMENTAL MANAGEMENT	Kouga Skip Bins	400 000	241 500	60,38%
20210710000658	FIRE SERVICES	Fire Services - Vehicle (DISTRICT)	3 000 277	2 810 454	93,67%
20210710001224	LAW ENFORCEMENT	Computer Equipment - Operatons Room	569 423	327 103	57,44%
20240131064098	PARKS AND OPEN SPACES	GRASS CUTTER	200 000	505 982	252,99%
20240131063816	WASTE SERVICES	Supply and Delivery of Skip Trucks	1 800 000	1 557 341	86,52%
20240828163139	PARKS AND OPEN SPACES	Fencing Community Hall	-	6 562 143	
			5 998 990	12 032 987	200,58%
	ELECTRO/MECHANICAL SERVICES				
20230615035914	FLEET AND WORKSHOP	Generator	266 435	266 435	100,00%
20230915060227	METERING AND REVENUE	Electrification of Oceanview	-	21 290	
20240131063873	METERING AND REVENUE	Electrification of Oceanview	1 146 184	186 815	-16,30%
20240507060576	METERING AND REVENUE	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	-	0,00%
N/A	METERING AND REVENUE	Ocean View Electrification	-	106 069	
20210710000780	METERING AND REVENUE	Bulk 66kv Overhead lines	1 371 165	-	0,00%
20230707065758	METERING AND REVENUE	OCEAN VIEW 1250 ELECTRIFICATION	3 555 651	-	0,00%
N/A	METERING AND REVENUE	Ocean View Electrification	-	21 290	
20190710991823	METERING AND REVENUE	Furniture and Equipment	43 565	39 922	91,64%
20240828162930	METERING AND REVENUE	Replacement of Transformer - Humansdorp	-	5 744 209	
			11 383 000	5 969 820	52,45%
	FINANCE AND ECONOMIC DEVELOPMENT				
20220707986569	ASSETS; FUNDING AND INVESTMENTS MANAGEMENT	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	882 006	348 141	39,47%
20220707986572	ASSETS; FUNDING AND INVESTMENTS MANAGEMENT	Furniture and equipment	15 000	10 799	71,99%
20200304025383	ASSETS; FUNDING AND INVESTMENTS MANAGEMENT	Computer Equipment	20 000	-	0,00%
20200711023470	BUDGET AND TREASURY	Furniture and Equipment	10 000	144 998	1449,98%
20240131064281	BUDGET AND TREASURY	FMG Interns Laptops	130 435	130 435	100,00%
20230707065812	ECONOMIC DEVELOPMENT	Township Economy Support (Agriculture)	100 000	-	0,00%
20200711023544	REVENUE	Computer Equipment	170 000	147 523	86,78%
20240131064181	SCM:SUPPLY CHAIN AND CONTRACT MANAGEMENT	SCM Furniture	30 000	14 245	47,48%
20200304025386	SCM:SUPPLY CHAIN AND CONTRACT MANAGEMENT	Computer Equipment	80 000	24 586	30,73%
20230504025829	TOURISM	Furniture and Equipment	-	-	
			1 437 441	820 727	57,10%

UKEY NR	DIRECTORATES	PROJECT DESCRIPTION	Adjusted Budget 2023/24	Actuals as at 30 June 2024	%
	OFFICE OF THE DEPUTY MUNICIPAL MANAGER				
20190710991853	INFORMATION COMMUNICATION TECHNOLOGY (ICT)	Computer Equipment	1 635 000	855 508	52,32%
20210710000989	MAYOR	Furniture and Equipment - Municipal Court	219 331	215 271	98,15%
20230203054830	WARD COUNCILLORS	FURNITURE&EQUIPMENT-WARD COUNCILLORS	60 000	58 638	97,73%
20230707065845	WARD COUNCILLORS	Ward Development Capital	750 000	-	0,00%
			2 664 331	1 129 417	42,39%
	OFFICE OF THE MUNICIPAL MANAGER				
20240131064435	INTEGRATED DEVELOPMENT	Furniture and Equipment	10 000	37 411	374,11%
20230203054827	MUNICIPAL MANAGER	FURNITURE&EQUIPMENT -MUNICIPAL MANAGER	37 632	33 289	88,46%
20220303055038	RISK AND INTERNAL AUDIT	Furniture and equipment	55 000	38 787	70,52%
			102 632	109 487	106,68%
	PLANNING AND DEVELOPMENT				
20240131063999	HUMAN SETTLEMENT	HANKEY 990-PHASE 2	17 147 249	-	0,00%
20240131064002	HUMAN SETTLEMENT	HANKEY 990-PHASE 3	4 510 553	-	0,00%
20230203054845	TOWN AND REGIONAL PLANNING	IMPLEMENTATION OF JEFFREYS BAY PRECINCT PLAN	-	23 000	
			21 657 802	23 000	-0,11%
			130 160 623	92 914 692	71,38%

APPENDIX P: SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

DEPARTMENT	PROJECT DESCRIPTION
Department of Education	• Overcrowding at all Kouga Schools • Need for Kouga FET College • Future use of unused (2) school sites in Jeffreys Bay
Department of Health	• Staffing of clinics in Ward 1,2, 4, 5, 9, 13 & 14 • New clinics or extension to existing ones in ward 2 & 6 • Mobile more clinics in ward 4 (Kruisfontein and Die Berg) & ward 14

These matters are brought to the attention of the relevant Sector Department through the Intergovernmental Relations Committee.

APPENDIX Q: SERVICE BACKLOGS WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

DEPARTMENT	PROJECT DESCRIPTION
Department of Agriculture	• Support and education to emerging farmers • Access to water • Supply of plant and equipment • Release and or lease of state and municipal land for commonage and emergency farming
Department of Community Safety/SAPS	• Satellite police station for Ward 1 • Collaboration with municipal law enforcement to maximise safety in wards • Gangsterism at schools and townships • Involvement of SA Army • Establishment of community police forums • Enforcement of non-compliance of liquor on and off consumption in townships
Department of Education	• Overcrowding at all Kouga Schools • Need for Kouga FET College • Future use of unused (2) school sites in Jeffreys Bay
Department of Sports, Arts and Culture	• Maintenance of sports fields (Backlogs) and new facility for cricket in ward 4 & 5 • Construction of inclusive multi-purpose sports centres in Ward 4, 6, 7 and 14. • Library in Andrieskraal, Ward 1,10 & 14 • Wi-fi for all libraries

DEPARTMENT	PROJECT DESCRIPTION
Department of Health	• Staffing of clinics in Ward 1,2, 4, 5, 9, 13 &14 • New clinics or extension to existing ones in ward 2 & 6 • Mobile more clinics in ward 4 (Kruisfontein and Die Berg) & ward 14
Department of Land Reform and Rural Development	• Release and or lease of state and municipal land for commonage and emergency farming in ward 1,4,7,9,10 and 14 • Comprehensive rural development programme for Ward 4, 7, 9, 10, 14 • Land for housing for farming community in Andrieskraal (Ward 9 & 10) • Outstanding land claims in Ward 13 and 9

These matters are brought to the attention of the relevant Sector Department through the Intergovernmental Relations Committee.

APPENDIX R: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: Year 2023/24			
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project (Conditions for Grant Funding captured in Service Level Agreements)	Year: 2023/24	Future Commitment
Kouga Local Tourism Organisation:	Tourism		Grant-No future commitment
Humansdorp Museum Association:	Heritage		Grant-No future commitment
Jeffreys Bay Recycling Project:	Waste Minimization		Grant-No future commitment
On Eagles Wings Multi-Purpose Centre:			Grant-No future commitment

SPCA ASSISI:	Animal Welfare		Grant-No future commitment
Jeffreys Bay Animal Rescue:	Animal Welfare		Grant-No future commitment
St Francis Bay Animal Rescue:	Animal Welfare		Grant-No future commitment
National Sea Rescue Institute:	Sea Rescue		Grant-No future commitment

APPENDIX S: DECLARATION OF RETURNS NOT MADE IN DUE TIME MFMA s71

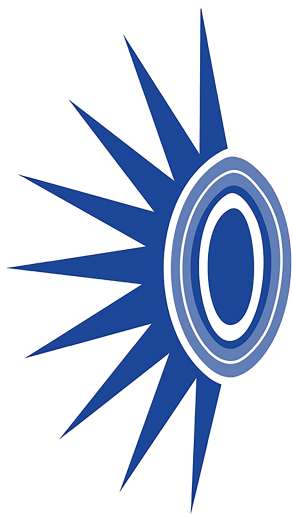
All Section 71 declarations were made.

APPENDIX T: NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

NATIONAL DEVELOPMENT PILLARS	NATIONAL AND PROVINCIAL PRIORITIES	MUNICIPAL PRIORITIES
PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT	Priority 3: Education, Skills and Health Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services Priority 6: Social Cohesion and Safer Communities	1. Improve Service Delivery 2. Socio-Economic upliftment
PILLAR 2: ECONOMIC POSITIONING	Priority 2: Economic Transformation and Job Creation	1. Job creation 2. Local Economic Development
PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY	Priority 5: Spatial Integration, Human Settlements and Local Government	1. Spatial Integration
PILLAR 4: INFRASTRUCTURE ENGINEERING	Priority 2: Economic Transformation and Job Creation Priority 5: Spatial Integration, Human Settlements and Local Government	1. Basic Service Delivery and Infrastructure

NATIONAL DEVELOPMENT PILLARS	NATIONAL AND PROVINCIAL PRIORITIES	MUNICIPAL PRIORITIES
PILLAR 5: INTEGRATED SERVICE PROVISIONING	Priority 4: Consolidating the Social Wage through reliable and Quality Basic Services	1. Basic Service Delivery and Infrastructure
PILLAR 6: GOVERNANCE AND FINANCE	Priority 1: A Capable, Ethical and Developmental State Priority 7:	1. Build Institutional Capacity and Financial Viability
	A Better Africa and World	2. Governance and Public Participation 3. Municipal Transformation and Organizational Development

APPENDIX U: ANNUAL FINANCIAL STATEMENTS



K O U G A
l o c a l m u n i c i p a l i t y

Good Governance through Service Excellence

Kouga Local Municipality
(Demarcation code EC108)
Audited Annual Financial Statements
for the year ended 30 June 2024

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Table of Contents

The reports and statements set out below comprise the audited annual financial statements presented to the Municipal Council:

	Page
General Information	2 - 3
Abbreviations	4
Accounting Officer's Report	5
Statement of Financial Position	6
Statement of Financial Performance	7
Statement of Changes in Net Assets	8
Cash Flow Statement	9
Statement of Comparision for Budget and Actuals	10 - 12
Accounting Policies	13 - 41
Notes to the Audited Annual Financial Statements	42 - 110

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

General Information

Legal form of entity

Municipality in terms of section 1 of the Local Government:
Municipal Structures Act (Act 117 of 1998) read with section 155 (1)
of the Constitution of the republic of South Africa (Act 108 of 1996)

Nature of business and principal activities

The objective of the municipality is to provide

- democratic and accountable government for local communities,
- the provision of services (electricity, water, sanitation and refuse) to communities in a sustainable manner,
- to promote social and economic development,
- and to promote a safe and healthy environment to encourage the involvement of communities and community organisations in the matters of local government.

Executive mayor and chairperson of mayoral committee

Portfolio

Executive Mayor and Chairperson of Mayoral committee

Deputy Executive Mayor and MMC (Electro and Mechanical Services)

Speaker

MMC (Corporate and Communication Services)

MMC (Finance and Economic Development)

MMC (Civil and Water Services)

MMC (Planning and Development)

MMC (Community and Safety Services)

Councillor

H Borman

T Jantjies

B Williams

J Alexander

L Maree

R Foley

S Ruth

D Benson

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

General Information

Council members

Ward	Surname	Initials
1	Ntshota	N
2	Murray	H
3	Gertenbach	W
4	Alexander	J
5	Nicholls	M
6	Ndzelani	K
7	Mbuqu	E
8	Foley	R
9	August	C
10	Mbandana	M
11	Haystek	F
12	Maree	L
13	Zana	V
14	Yali	M
15	Jantjies	T
Proportional	Bornman	H
Proportional	Williams	B
Proportional	van Niekerk	M
Proportional	Benson	D
Proportional	Ruth	S
Proportional	Dhludhlu	B
Proportional	Stuurman	G
Proportional	Gunuza	V
Proportional	Ntengwane	N
Proportional	Valgee	M
Proportional	Oliphant	P
Proportional	Nkilishane	L
Proportional	Petersen	W
Proportional	van der Linde	W

Accounting Officer Mr. C. du Plessis

Chief Financial Officer (CFO) Mr. R Lorgat

Telephone (042) 200 2200

Fax (042) 293 4204

Demarcation code EC108

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Abbreviations

DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
LGSETA	Local Government Services Sector Education and Training Authority
MSIG	Municipal System Improvement Grant
NDPG	Neighbourhood Development And Partnership Grant
SRAC	Sports, Recreation, Arts and Culture

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Report

The Accounting Officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the audited annual financial statements and related financial information included in this report.

It is the responsibility of the Accounting Officer to ensure that the audited annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the audited annual financial statements and was given unrestricted access to all financial records and related data.

The audited annual financial statements were prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) as well as relevant interpretations, guidelines and directives issued by the Accounting Standards Board.

The audited annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

I, as the Accounting Officer (accounting authority) acknowledges that I am ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable me to meet these responsibilities, I have set standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

I am of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the audited annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

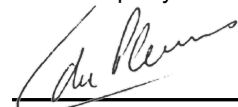
I have reviewed the municipality's cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, I am satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although, I am primarily responsible for the financial affairs of the municipality, this is supported by the municipality's external auditors.

I would like to bring the following material matters to your attention:

I certify that the salaries, allowances and benefits of councillors as disclosed in note 31 to these audited annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998 and the Minister of Provincial and Local Government's determination in accordance with the Act.

The audited annual financial statements set out on pages 6 to 110, in terms of Section 126(1) of the Municipal Finance Management Act (Act 56 of 2003), which have been prepared on the going concern basis and which I have signed on behalf of the municipality on 31 August 2024:



Mr. C. du Plessis
Accounting Officer

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Cash and cash equivalents	2	143,658,806	104,935,011
Trade and other receivables from exchange transactions	3	73,436,804	86,150,341
Receivables from non-exchange transactions	4	26,651,119	29,014,521
Inventories	5	22,449,513	18,598,030
Deposits	6	893,543	893,543
Operating leases	7	105,634	109,349
Total Current Assets		267,195,419	239,700,795
Non-Current Assets			
Investment property	8	250,793,547	251,673,471
Property, plant and equipment	9	2,061,615,773	2,057,692,765
Intangible assets	10	418,609	602,549
Total Non-Current Assets		2,312,827,929	2,309,968,785
Total Assets		2,580,023,348	2,549,669,580
Liabilities			
Current Liabilities			
Lease liabilities	11	11,144,269	12,168,692
Employee benefits	12	53,426,901	44,587,920
Consumer deposits	13	31,660,112	29,060,071
Trade and other payables from exchange transactions	14	158,677,344	146,630,488
Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent	15	38,790,886	28,993,831
Provision	16	1,000,001	1,147,461
Total Current Liabilities		294,699,513	262,588,463
Non-Current Liabilities			
Lease liabilities	11	12,231,114	23,375,382
Employee benefits	12	111,627,299	106,638,259
Provision	16	119,432,936	118,827,256
Total Non-Current Liabilities		243,291,349	248,840,897
Total Liabilities		537,990,862	511,429,360
Net Assets		2,042,032,486	2,038,240,220
Community Wealth / Equity			
Accumulated surplus		2,036,273,402	2,038,240,233
Reserves and funds	17	5,759,077	-
Total Community Wealth / Equity		2,042,032,479	2,038,240,233

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Performance

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Revenue			
Exchange Revenue			
Services charges – Electricity	18	380,375,534	306,476,963
Services charges – Waste Management	18	57,487,680	61,945,030
Services charges – Waste water management	18	59,633,132	61,796,904
Services charges – Water	18	109,872,623	117,399,855
Sales of goods and rendering of services	19	7,442,497	9,188,788
Agency services	20	3,615,485	2,677,528
Interest earned from receivables	24	21,854,451	20,845,130
Interests earned from bank and investments	21	12,962,398	6,824,262
Rental from fixed assets	22	3,549,568	2,613,486
Licences or permits	26	2,368,147	2,676,798
Operational revenue	28	11,653,624	1,199,527
Total Exchange Revenue		670,815,139	593,644,271
Non-Exchange Revenue			
Property rates	23	280,202,653	259,514,386
Interest on receivables	24	5,519,180	3,729,096
Fines, penalties and forfeits	25	40,083,846	101,635,779
Licences or permits	26	7,421,091	7,195,326
Transfers and subsidies	27	301,769,197	279,561,122
Remeasurements on employee benefits	29	6,627,000	10,912,779
Increase in net-realizable value	30	691,432	(424,835)
Total Non-Exchange Revenue		642,314,399	662,123,653
Total Revenue		1,313,129,538	1,255,767,924
Expenditure			
Employee related cost	31	398,877,525	364,305,742
Remuneration of councillors	32	14,975,750	13,700,138
Bulk purchases	33	351,702,171	291,888,014
Inventory consumed	34	102,598,768	91,081,830
Debt impairment	35	87,368,874	88,658,561
Depreciation and amortisation	36	100,860,229	101,289,976
Impairment loss / (reversal) of impairment	37	1,678,698	23,428,417
Finance costs	38	10,037,689	8,058,566
Contracted services	39	93,766,055	87,297,768
Transfers and subsidies	40	920,000	708,750
Operating leases	41	7,529,614	6,813,840
Operational cost	42	74,446,017	70,890,251
Contribution to provision	43	(52,760)	(778,290)
Loss on disposal of fixed and intangible assets	44	1,768,784	1,313,866
Irrecoverable debts written off	45	62,859,860	87,459,401
Total Expenditure		1,309,337,274	1,236,116,830
Surplus for the year		3,792,264	19,651,094

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Net Assets

	Capital replacement reserve	Accumulated surplus	Total net assets
Opening balance as previously reported as at 1 July 2022	-	2,081,457,240	2,081,457,240
Adjustments			
Correction of errors	-	(62,868,108)	(62,868,108)
Balance at 01 July 2022 as restated*	-	2,018,589,132	2,018,589,132
Surplus for the year	-	19,651,094	19,651,094
Transfers to / from accumulated surplus for the year	-	7	7
Total changes	-	19,651,101	19,651,101
Restated* Balance at 01 July 2023	-	2,038,240,213	2,038,240,213
Surplus for the year	-	3,792,264	3,792,264
Transfers to / from accumulated surplus for the year	-	2	2
Transfer of contribution to the capital replacement reserve from accumulated surplus	5,759,077	(5,759,077)	-
Total changes	5,759,077	(1,966,811)	3,792,266
Balance at 30 June 2024	5,759,077	2,036,273,402	2,042,032,479
Note(s)	17		

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Cash Flow Statement

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Taxation		313,401,241	317,687,600
Service charges and Operational revenue		542,526,475	421,621,636
Transfers and Subsidies		293,566,252	322,110,382
Interest		12,962,398	6,824,262
Payments			
Employees and remuneration of councillors		(393,398,257)	(362,359,082)
Suppliers		(619,472,064)	(514,744,863)
Finance charges		(5,662,861)	(3,926,240)
Net cash from(used) operating activities	46	143,923,184	187,213,695
Cash flows from investing activities			
Payments			
Purchase of property, plant and equipment		(92,914,690)	(113,220,765)
Net cash flows from investing activities		(92,914,690)	(113,220,765)
Cash flows from financing activities			
Receipts			
Finance lease receipts		-	3,091,527
Increase in consumer deposits		-	-
Increase in other liabilities		-	-
Payments			
Finance lease payments		(12,284,697)	-
Net cash flows from financing activities		(12,284,697)	3,091,527
Net increase/(decrease) in cash		38,723,797	77,084,457
Cash and cash equivalents at year begin		104,935,011	27,850,553
		143,658,808	104,935,010

* See Note 57

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actuals

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
2024								
Financial performance								
Property rates	281,487,795	-	281,487,795	281,487,795	280,202,653	(1,285,142)	100 %	100 %
Service Charges	621,866,972	(19,433,526)	602,433,446	602,433,446	607,368,969	4,935,523	101 %	98 %
Investment revenue	4,598,161	7,075,507	11,673,668	11,673,668	12,962,399	1,288,731	111 %	282 %
Transfers recognised - Operational	190,883,480	6,846,193	197,729,673	197,729,673	198,629,696	900,023	100 %	104 %
Other own revenue	60,120,631	160,292,793	220,413,424	220,413,424	103,507,885	(116,905,539)	47 %	172 %
Total revenue (excluding capital transfers and contributions)	1,158,957,039	154,780,967	1,313,738,006	1,313,738,006	1,202,671,602	(111,066,404)	92 %	104 %
Employee costs	(447,813,268)	5,557,109	(442,256,159)	(442,256,159)	(398,877,527)	43,378,632	90 %	89 %
Remuneration of councillors	(15,140,069)	-	(15,140,069)	(15,140,069)	(14,975,747)	164,322	99 %	99 %
Depreciation and asset impairment	(109,662,969)	-	(109,662,969)	(109,662,969)	(100,860,228)	8,802,741	92 %	92 %
Interest	(2,089,744)	(3,660,142)	(5,749,886)	(5,749,886)	(10,037,689)	(4,287,803)	175 %	480 %
Materials and bulk purchases	(458,625,797)	327,426,865	(131,198,932)	(131,198,932)	(454,300,940)	(323,102,008)	346 %	99 %
Transfers and grants	(924,282)	(200,000)	(1,124,282)	(1,124,282)	(920,000)	204,282	82 %	100 %
Other expenditure	(234,060,303)	(498,598,378)	(732,658,681)	(732,658,681)	(322,046,710)	410,611,971	44 %	138 %
Total expenditure	(1,268,316,432)	(169,474,546)	(1,437,790,978)	(1,437,790,978)	(1,302,018,841)	135,772,137	91 %	103 %
Surplus/(Deficit)	(109,359,393)	(14,693,579)	(124,052,972)	(124,052,972)	(99,347,239)	24,705,733	80 %	91 %
Contributions recognised - capital and contributed assets	75,560,927	19,077,635	94,638,562	94,638,562	103,139,503	8,500,941	109 %	136 %
Surplus (Deficit) after capital transfers and contributions	(33,798,466)	4,384,056	(29,414,410)	(29,414,410)	3,792,264	33,206,674	(13)%	(11)%
Surplus/(Deficit) for the year	(33,798,466)	4,384,056	(29,414,410)	(29,414,410)	3,792,264	33,206,674	(13)%	(11)%

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actuals

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Financial position								
Total current assets	154,622,058	59,239,893	213,861,951	213,861,951	266,447,686	52,585,735	125 %	172 %
Total non-current assets	2,302,442,215	34,942,086	2,337,384,301	2,337,384,301	2,312,827,918	(24,556,383)	99 %	100 %
Total current liabilities	(154,258,500)	(69,670,568)	(223,929,068)	(223,929,068)	(243,291,350)	(19,362,282)	109 %	158 %
Total non current liabilities	(255,034,978)	(718,928)	(255,753,906)	(255,753,906)	(293,951,778)	(38,197,872)	115 %	115 %
Community and wealth	2,047,770,795	23,792,483	2,071,563,278	2,071,563,278	2,042,032,476	(29,530,802)	99 %	100 %
Capital expenditure and funds sources								
Total capital expenditure	(79,342,839)	(50,817,785)	(130,160,624)	(130,160,624)	(92,914,692)	37,245,932	71 %	117 %
Transfers recognised - capital	(65,882,839)	(22,632,239)	(88,515,078)	(88,515,078)	-	88,515,078	- %	- %
Internally generated funds	(13,460,000)	(28,185,546)	(41,645,546)	(41,645,546)	-	41,645,546	- %	- %
Total sources of capital funds	(79,342,839)	(50,817,785)	(130,160,624)	(130,160,624)	-	130,160,624	- %	- %
Cash flows								
Net cash from (used) operating	86,486,589	(5,427,303)	81,059,286	81,059,286	113,137,082	32,077,796	140 %	131 %
Net cash from (used) investing	(79,342,839)	(50,817,785)	(130,160,624)	(130,160,624)	(62,255,719)	67,904,905	48 %	78 %
Net cash from (used) financing	(10,090,505)	(2,078,188)	(12,168,693)	(12,168,693)	(12,168,690)	3	100 %	121 %
Net increase/(decrease) in cash and cash equivalents	(2,946,755)	(58,323,276)	(61,270,031)	(61,270,031)	38,712,673	99,982,704	(63)%	(1,314)%
Cash and cash equivalents at the beginning of the year	8,542,313	96,392,695	104,935,008	104,935,008	104,935,019	(11)	100 %	1,228 %
Cash and cash equivalents at year end	5,595,558	38,069,419	43,664,977	43,664,977	143,647,692	(99,982,715)	329 %	2,567 %

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Budget and actuals variance explanations:

Investment Revenue:

The interest earned on external investments is largely influenced by the municipality's investment portfolio, currently amounts to R143 659 000. The investment amount of R 143 659 000 includes call accounts amounting to R 38 683 000 for the unspent conditional grants.

Operational Revenue:

The other revenue is largely influenced by the land sale amounting to R 2,029 million and the recognition of revenue amounting to R 18 000 000 for land donations received from the Department of Human Settlement for housing projects.

Employee related Costs:

Employee related costs expenditure is largely influenced by the unfilled funded vacancies amounting to R 45 610 000

Interest:

Interest cost relates to post retirement benefits for pension and medical that was higher than anticipated

Inventory consumed and bulk purchases

Inventory consumed relates to materials and supplies which were lower than anticipated

Transfers and Subsidies:

Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organisations, in line with the Council approved grant-in-aid policy.

Other Expenditure:

Other expenditure variance relates mostly to ICT expenditure that was partly implemented within the current financial period

Transfers recognised - capital

Capital transfers recognised relates to Capital grants received. There are 2 grants, WSIG and DOHS, that was not fully spent. Rollover applications were done pending approval from National Treasury

Internally generated funds:

Several internally funded Capital projects was approved in the Adjustments Budget. These projects, although not fully spent are committed and Council has approved the unspent amount to be rolled over on 23 August 2024.

Total current assets:

Current assets variance relates to the higher than anticipated cash balance at year end. The municipality closed with a cash balance of R100 million more than anticipated. Overdue debtors also increased by approximately R53 million

Total current liabilities:

The variance in current liabilities largely relates to VAT that was restated to show the separation of output, input as well as the control account separately. This was previously offset with the control account which is not in line with GRAP 108.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

Basis of preparation

These audited annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

The audited annual financial statements were prepared on the accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these audited annual financial statements, is disclosed below:

1. Summary of significant accounting policies

These standards, interpretations and guidelines issued by the Accounting Standards Board are indicated as follows:

Reference	Description
GRAP Framework	Framework for the Preparation and Presentation of Financial Statements
GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investment in Associates
GRAP 8	Investment in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events After the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 18	Segment Reporting
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 20	Related Party Disclosures (Revised)
GRAP 21	Impairment of Non-cash-generating Assets
GRAP 23	Revenue from Non-exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating Assets
GRAP 27	Agriculture
GRAP 31	Intangible Assets
GRAP 32	Service Concession Arrangements: Grantor
GRAP 100	Discontinued Operations
GRAP 104	Financial Instruments
GRAP 108	Statutory Receivables
GRAP 109	Accounting by Principals and Agents
GRAP 110	Living and Non-living Resources
IGRAP 1	Applying The Probability Test On Initial Recognition Of Revenue
IGRAP 2	Changes in Existing Decommissioning Restoration and Similar Liabilities
IGRAP 3	Determining Whether an Arrangement Contains a Lease
IGRAP 4	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IGRAP 5	Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
IGRAP 6	Loyalty Programmes
IGRAP 7	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IGRAP 8	Agreements for the Construction of Assets from Exchange Transactions
IGRAP 9	Distributions of Non-cash Assets to Owners
IGRAP 10	Assets Received from Customers
IGRAP 12	Jointly Controlled Entities – Non-Monetary Contributions

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

Additional content (continued)

IGRAP 13	Operating Leases – Incentives
IGRAP 14	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IGRAP 15	Revenue – Barter Transactions Involving Advertising Services
IGRAP 16	Intangible Assets – Website Costs
IGRAP 17	Service Concession Arrangements where Grantor Controls Significant Residual Interest
IGRAP 18	Recognition and Derecognition of Land
IGRAP 19	Liabilities to Pay Levies
IGRAP 20	Accounting for Adjustments to Revenue
IGRAP 21	The Effect of Past Decisions on Materiality
Directive 1	Deletion of Transitional Provisions in Standards of GRAP
Directive 3	Amended Transitional Provisions for High Capacity Municipalities
Directive 4	Amended Transitional Provisions for Medium and Low Capacity Municipalities
Directive 5	GRAP Reporting Framework
Directive 7	The Application of Deemed Cost
Directive 11	Changes in Measurement Bases following Initial Adoption of Standards of GRAP
Guideline	Accounting for Arrangements Undertaken i.t.o the National Housing Programme
Guideline	Accounting for Landfill Sites
Guideline	The Application of Materiality to Financial Statements

The cash flow statement is prepared using the direct method, whereby major classes of gross cash receipts and gross cash payments are disclosed.

Accounting policies for material transactions, events or conditions not covered by the above GRAP standards have been developed in accordance with GRAP 3. Where required, accounting policies were developed for standards of GRAP that have been issued by the Accounting Standards Board, but for which an effective date have not been determined by the Minister of Finance.

1.1 New standards and interpretations

1.1 Standards, amendments to standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:

	Effective date: Years beginning on or after	Expected impact:
• iGRAP 21: The Effect of Past Decisions on Materiality	01 April 2023	The impact of the interpretation is not material.
• GRAP 25 (as revised): Employee Benefits	01 April 2023	The impact of this amendment has not had a material impact on the results of the municipality, but has resulted in more disclosure than would have previously been provided in the audited annual financial statements.
• iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction	01 April 2023	The impact of the interpretation is not material.
• GRAP 2020: Improvements to the Standards of GRAP 2020	01 April 2023	The impact of the improvements are not material.
• Guideline: Guideline on Accounting for Landfill Sites	01 April 2023	The impact of the standard is not material.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.1 New standards and interpretations (continued)

GRAP 1 (amended): Presentation of Financial Statements (Materiality)	01 April 2023	The impact of the amendments are not material.

1.2 Standards, amendments to standards and interpretations issued, but not yet effective

The municipality has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2024 or later periods:

Standard/ Interpretation:

Effective date: Years beginning on or after

Expected impact:

- GRAP 2023: Improvements to the Standards of GRAP 2023 - GRAP 1 (amended): Presentation of Financial Statements (Going Concern) - GRAP 103 (as revised): Heritage Assets - GRAP 105: Transfer of Functions Between Entities Under Common Control - GRAP 106: Transfer of Functions Between Entities Not Under Common Control - GRAP 107: Mergers - iGRAP 22: Foreign Currency Transactions and Advance Consideration - GRAP 104 (as revised): Financial Instruments	- To be determined - To be determined - To be determined - To be determined - To be determined - To be determined 01 April 2025 01 April 2025	- Unlikely there will be a material impact - Unlikely there will be a material impact - Unlikely there will be a material impact - Unlikely there will be a material impact - Unlikely there will be a material impact - Unlikely there will be a material impact - Unlikely there will be a material impact - Impact is currently being assessed

1.2 Presentation currency

These audited annual financial statements are presented in South African Rand, which is the functional currency of the municipality and all values are rounded to the nearest thousand (R'000).

1.3 Going concern assumption

These audited annual financial statements were prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 Offsetting

Financial assets and liabilities are offset and the net amount reported on the Statement of financial position only when there is a legally enforceable right to set off the recognised amount, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.5 Comparative of actual information to budgeted information

The annual budget figures have been prepared in accordance with the Municipal Budget and Reporting Regulations, 2009. A comparative of actual to budgeted amounts are reported in a separate additional financial statement, called the Statement of comparison of budget and actual amounts. Explanatory comment is provided in the notes to the statement giving motivations for over- or under spending on line items where it is found to be material. The budgeted figures are those approved by the Council at the beginning and during the year following a period of consultation with the public as part of the Integrated Development Plan. The budget is prepared and approved on an accrual basis by nature classification. The approved budget covers the period from 01 July 2023 to 30 June 2024.

In general, a difference of 10% or more is considered material, although the surrounding circumstances are taken into account if it could influence the decisions or assessments of the users of the audited annual financial statements in determining whether a difference between the budgeted and actual amount is material.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.6 Current year comparatives

When the presentation or classification of items in the audited annual financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification and / or restatement is not required by a Standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior periods.

1.7 Significant judgements and estimates

In the application of the municipality's accounting policies, which are described below, management is required to make judgement, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experiences and other factors that are considered too reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.7 Significant judgements and estimates (continued)

1.7.1 Judgements

The following are the critical judgements, apart from those involving estimations, that the management have made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in the audited annual financial statements:

Materiality

Materiality is judged by reference to the size and nature of the item. The deciding factor is whether the omission or misstatement could, individually or collectively, influence the decisions that users make on the basis of these audited annual financial statements.

In preparation of the audited annual financial statements materiality has been considered in:

- Deciding what to report in the audited annual financial statements and how to present it.
- Assessing the effect of omissions, misstatements and errors on the audited annual financial statements.

In assessing whether an item, transaction or event is material, specific thresholds for specific items, transactions and events, or aggregations thereof has been developed. These thresholds are used to make decisions about the reporting of information (i.e. how to recognise, measure, present and disclose items, transactions and events), and used as a margin of error or framework within which to assess misstatements and errors.

The municipality has also considered whether certain transactions or balances may be qualitatively material based on the inherent characteristics thereof, even though the transaction or balance is quantitatively immaterial, if:

- The item, transaction or event relates to legal or regulatory requirements.
- Related party transactions.
- The regularity or frequency with which an item, transaction or event occurs.
- The item, transaction or event results in the reversal of a trend.
- The item, transaction or event is likely to result in a change in accounting policy.
- The commencement of a new function, or the reduction or cessation of an existing function.
- The degree of estimation or judgement that is needed to determine the value of an item, transaction or event.
- An item, transaction or event that affects the going concern assumption of the municipality.

Lease classification – municipality as lessor

The municipality has entered into commercial property leases on its investment property portfolio. The municipality has determined that it retains all the significant risks and rewards of ownership of these properties, and so accounts for them as operating leases.

Lease classification – municipality as lessee

The municipality has entered into a number of leases for office equipment. In determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the municipality.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. The municipality has exercised its judgement on the appropriate classification of equipment leases, and has determined a number of lease arrangements are finance leases.

Classification of property as held for strategic purposes

The municipality classifies vacant land that is earmarked for future development in terms of the municipality's Spatial Development Framework, as property, plant and equipment, rather than investment property.

Criteria for the classification of properties as investment property rather than property, plant and equipment, when classification is difficult

All properties held to earn market-related rentals or for capital appreciation or both and that are not for administrative purposes and that will not be sold in the ordinary course of operations are classified as investment property.

Land held for currently undetermined future use

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.7 Significant judgements and estimates (continued)

Leased properties that are held to provide a social (community) service or that are necessary for employees to perform their job functions, but which also generates rental revenue are not seen as investment property. The rental revenue generated is incidental to the purposes for which the property is held.

Determination of repairs and maintenance costs

Repairs and maintenance is based on management's own judgement of costs incurred in cost centres responsible for the maintenance and repair of municipality owned assets. This includes internal charges (inter departmental charges) such as internal transport costs, charged out to the different departments.

Componentisation of infrastructure assets

All infrastructure assets, acquired before the adoption of GRAP where the acquisition cost could not be obtained, with significant components relating to different useful lives are unbundled into their components in order to depreciate all major components over the expected useful lives. The cost of each component is estimated based on the current market replacement cost of each component, depreciated for age and condition and recalculated to deemed cost at the acquisition date if known or to the date of initially adopting the Standards of GRAP. All infrastructure assets acquired after the adoption of GRAP with significant components relating to different useful lives are unbundled into their components based on the actual expenditure incurred.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.7 Significant judgements and estimates (continued)

1.7.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Pension and other post-employment benefits

The cost of defined benefit pension plans and other employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Classification of financial assets and liabilities

The classification of financial assets and liabilities, into categories, is based on judgement by management. The Accounting Policy on Financial Instruments describes the factors and criteria considered by the management of the municipality in the classification of financial assets and liabilities.

In making the above-mentioned judgement, management considered the definition and recognition criteria for the classification of financial instruments as set out in GRAP 104: Financial Instruments.

Impairment of financial assets

The Accounting Policy on Financial Instruments describes the process followed to determine the value by which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considers the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments and used its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of the reporting period. The management of the municipality is satisfied that the impairment of financial assets recorded during the year is appropriate.

The calculation in respect of the impairment of service debtors (receivables from exchange and non-exchange transactions) is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

The calculation in respect of the impairment of fine receivables (receivables from non-exchange transactions) is based on an assessment of the past payment history of fines per category.

- Impairment of Trade Receivables:

The calculation in respect of the impairment of Debtors is based on an assessment of the extent to which Debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This is performed per service-identifiable categories across all classes of debtors. z

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- Impairment of Traffic Fines

Assessing and recognising impairment of Receivables for Traffic Fines is an event that takes place subsequent to the initial recognition of revenue charged. The municipality assesses the probability of collecting revenue when accounts fall into arrears. Such an assessment is not to be made at the time of initial recognition.

Review of useful lives of property, plant and equipment and intangible assets

The useful lives of assets are based on management's estimation. Management considers whether there is any indication that expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. These include changes in the composition, condition and nature of the asset, its susceptibility and adaptability to changes in technology and processes, the nature of the processes and environment in which the asset is deployed availability of funding to replace the asset and changes in the market in relation to the asset, as well as planned repairs and maintenance including refurbishments.

Impairment of property, plant and equipment, intangible assets, heritage assets and inventory

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.7 Significant judgements and estimates (continued)

The Accounting Policies on impairment of cash and non-cash generating assets as well as inventory describes the conditions under which non-financial assets are tested for potential impairment losses by the management of the municipality. Significant estimates and judgements are made relating to the impairment of property, plant and equipment, intangible assets and heritage assets and the write down of Inventories to the lowest of Cost and Net Realisable Values (NRV).

In making the above-mentioned estimates and judgement, management considers the subsequent measurement criteria and indicators of potential impairment losses as set out in GRAP 21: Impairment of Cash generating Assets and GRAP 26: Impairment of non-cash generating assets.

Provisions and contingent liabilities

Management judgement is required when recognising and measuring provisions, and when measuring contingent liabilities. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Assumptions were used in determining the provision for rehabilitation of landfill sites. Provision is made for the estimated cost to be incurred on the long-term environmental obligations, comprising expenditure on pollution control and closure over the estimated life of the landfill. The provision is based on the advice and judgment of qualified engineers. The estimates are discounted at a pre-tax discount rate that reflect current market assessments of the time value of money. The increase in the rehabilitation provision due to passage of time is recognised as finance cost in the Statement of financial performance.

Revenue recognition

The Accounting Policies on Revenue from Exchange Transactions and Revenue from Non-exchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality. In making their judgement, the management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and GRAP 23: Revenue from Non-exchange Transactions.

In particular, in regard to revenue from exchange revenue - when goods are sold, whether the management had transferred to the buyer the significant risks and rewards of ownership of the goods; and, when services is rendered, whether the service has been rendered.

Also of importance is the estimation process involved in initially measuring revenue at the fair value thereof. In regard to revenue from non-exchange transactions - significant estimations were made to the initial recognition and measurement of revenue on fines, on the estimated reductions on initial recognition and measurement. Based on past experience, of the amount of revenue the municipality is entitled to collect was calculated as -% of the value of the fines issued, whereas it was estimated that -% of the value of the fines issued were impaired. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

Budget information

Management assumes deviations between budget and actual amounts to be material when a deviation of more than 10% exists. All material differences are explained in the notes to the audited annual financial statements.

1.8 Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at amortised cost. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are carried at amortised cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts.

1.9 Inventory

Inventory consist of consumables and materials and supplies, which are valued at the lower of cost, determined on the first in first out basis, and net realisable value, except for items which are valued at the tariffs charged. Where it is held for distribution or consumption at no charge or for a nominal amount, inventories are valued at the lower of cost and current replacement value.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.9 Inventory (continued)

Cost of inventory comprises all costs of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition.

Redundant and slow moving inventory are identified and written down to their estimated net realisable values estimated by management. Inventories are written down according to their age, condition and utility. Differences arising on the measurement of such inventory at the lower of cost and net realisable value are recognised in the Statement of financial performance in the year in which they arise. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

Consumable stores

Subsequently, Inventories sold are valued at the lower of cost and net realisable value. The cost is determined using the Weighted Average Method.

Water inventory

Water is regarded as inventory when the municipality purchases water in bulk with the intention to resell it to the consumers or to use it internally, or where the municipality has incurred purification costs on water obtained from natural resources (rain, rivers, springs, boreholes etc.). However, water in dams, that are filled by natural resources and that has not yet been treated, and is under the control of the municipality but cannot be measured reliably as there is no cost attached to the water, and it is therefore not recognised in the Statement of financial position.

The basis of determining the cost of water purchased and not yet sold at Statement of financial position date comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventory to its present location and condition, net of trade discounts and rebates. Water is valued by using the weighted average method, at the lowest of purified cost and net realisable value, insofar as it is stored and controlled in reservoirs at year-end.

1.10 Investment property

Investment property includes property held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations. Investment property also includes land held for an undetermined future use.

Initial recognition

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

Where the classification of an investment property is based on management's judgement, the following criteria have been applied to distinguish investment properties from owner-occupied property or property held for resale:

- All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes and that will not be sold within the next 12 months are classified as investment properties;
- Land held for a currently undetermined future use;
- A building owned (or held by under a finance lease) and leased out under one or more operating leases;
- Leased properties that are held to provide a social (community) service or that are necessary for employees to perform their job functions, but which also generates rental revenue are not seen as investment properties. The rental revenue generated is incidental to the purposes for which the property is held;
- A building that is vacant but is held to be leased out under one or more operating leases;
- Property that is being constructed or developed for future use as investment property.

Repairs and Maintenance are expenses incurred through servicing equipment or repairing of existing assets. These expenses are not recognised in the carrying value of the asset, but directly recognised in Surplus or Deficit and measured at cost against the attributing segments of the Municipal Standard Chart of Accounts (mSCOA).

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.10 Investment property (continued)

Subsequent measurement – cost model

Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 5 - 50 year period. All useful lives of investment properties are reviewed annually on an indicator basis.

Derecognition/Disposal

Investment properties are derecognised (eliminated from the Statement of financial position) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal. The gain or loss arising on the disposal of an investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of financial performance.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property (property, plant and equipment), the deemed cost for subsequent accounting is the fair value [or carrying amount if cost model is used] at the date of change in use. If owner-occupied property becomes an investment property, the municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.11 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and if the cost or fair value of the item can be measured reliably.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.11 Property, plant and equipment (continued)

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost on its acquisition date. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary assets or monetary assets, or a combination of monetary and non-monetary assets is measured at the fair value of the asset given up, unless the fair value of the asset received is more clearly evident. If the acquired item could not be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the municipality and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequent measurement – cost model

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the municipality and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequently all property, plant and equipment, excluding land and buildings, are measured at cost, less accumulated depreciation and accumulated impairment losses.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or deficit when the compensation becomes receivable.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.11 Property, plant and equipment (continued)

Depreciation

Land is not depreciated as it is regarded as having an unlimited life. Depreciation on assets other than land is calculated using the straight line method, to allocate their cost or revalued amounts less their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the assets' future economic benefits or service potential are expected to be consumed by the municipality. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation rates are based on the following estimated useful lives:

• Land	Indefinite
• Other assets - Buildings	30
• Electrical infrastructure	15 - 30
• Roads infrastructure	10 - 30
• Sanitation infrastructure	10 - 20
• Solid waste infrastructure	10 - 20
• Storm water infrastructure	20
• Water Supply infrastructure	15 - 20
• Community Assets - Facilities	30
• Community assets - Recreational Facilities	15 - 20
• Landfill site	
• Computer equipment	3 - 7
• Furniture and office equipment	10
• Machinery and Equipment	2 - 7
• Transport assets	7 - 15

The estimated useful life, residual values and depreciation method are assessed at each reporting date on an indicator basis.

The useful lives, residual values and depreciation method are reviewed annually at the end of the financial year where there is any indication that the municipality's expectations about the residual amount and the useful life of an asset has changed since the preceding reporting date. Any adjustments arising from the annual review are applied prospectively.

Depreciation of an asset commences when the asset is ready for its intended use. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or, where shorter, the term of the relevant lease. The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is ready for use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or, where shorter, the term of the relevant lease if there is no reasonable certainty that the municipality will obtain ownership by the end of the lease term..

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. Gains are not classified as revenue.

Gains or losses are calculated as the difference between the carrying values of assets (Cost less accumulated depreciation and accumulated impairment losses) and the disposal proceeds is included in the Statement of financial performance as a gain or loss on disposal of property, plant and equipment.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the Cash flow statement.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or surplus when the compensation becomes receivable.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.11 Property, plant and equipment (continued)

Site rehabilitation and restoration costs

Where the municipality has an obligation to rehabilitate and restore items of property, plant and equipment such obligations are referred to as "rehabilitation provisions". The cost of an item of property, plant and equipment includes the initial estimate of the costs of rehabilitation and restoring the site on which it is located, the obligation for which the municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period.

As the related asset is measured using the cost model: -

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.12 Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes are classified and recognised as intangible assets.

Initial recognition and measurement

Intangible assets are initially recognised at cost. The cost of an intangible assets is the purchase price and other costs attributable to bring the intangible assets to the location and condition necessary for it to be capable of operating in the manner intended by the municipality, or where an intangible assets is acquired at no cost, or for a nominal cost, the cost shall be its fair value as at the date of acquisition. Trade discounts and rebates are deducted in arriving at the cost.

Intangible assets acquired separately or internally generated are reported at cost less accumulated amortisation and accumulated impairment losses.

Repairs and Maintenance are expenses incurred through servicing equipment or repairing of existing assets. These expenses are not recognised in the carrying value of the asset, but directly recognised in Surplus or Deficit and measured at cost against the attributing segments of the Municipal Standard Chart of Accounts (mSCOA).

Subsequent measurement

Amortisation is calculated on cost, using the straight-line method, over the useful lives of the assets, which is estimated to be between 3 to 5 years upon initial recognition. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised.

Intangible assets are annually tested for impairment and the estimated useful life, residual values and amortisation method are reviewed annually at the end of the financial year. Any adjustments arising from the annual review are applied prospectively.

Derecognition

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible assets is determined as the difference between the net disposals proceeds and the carrying value and is recognised in the Statement of financial performance.

1.13 Borrowing costs

Borrowing costs are interest and other expenses incurred by an municipality in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the Statement of financial performance in the period in which they are incurred.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Impairment of property, plant and equipment, investment property, intangible assets

The municipality classifies all assets held with the primary objective of generating a commercial return as cash-generating assets. A commercial return means that the return charged by the entity is commensurate with the risk associated with holding the asset and the asset is intended to generate positive cash inflows. All other assets are classified as non-cash-generating assets.

Impairment of cash-generating assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the individual asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The best evidence of fair value less cost to sell is the price in a binding sale agreement in an arm's length transaction, adjusted for the incremental cost that would be directly attributable to the disposal of the asset.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

A municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

Impairment of non-cash-generating assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the cash-generating unit to which the asset belongs is determined.

The recoverable service amount is the higher of a non-cash generating asset's fair value less costs to sell and its value in use. The value in use for a non-cash generating asset is the present value of the asset's remaining service potential.

The value in use for a non-cash generating asset is the present value of the asset's remaining service potential.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Impairment of property, plant and equipment, investment property, intangible assets (continued)

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

A municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

1.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity. Financial instruments are classified into three categories namely, financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost. The municipality determines the classification of its financial instruments at initial recognition.

The municipality has various types of financial instruments and these can be broadly categorised as either financial assets or financial liabilities.

A financial instrument is recognised if the municipality becomes a party to the contractual provisions of the instrument.

1.15.1 Classification of financial instruments

Financial assets

A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104, the municipality classifies financial assets at amortised cost. Financial assets at amortised cost relates to a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

The municipality has the following types of financial assets as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial asset	Classification in terms of GRAP 104
Finance lease receivables	Financial assets at amortised cost
Long-term receivables	Financial assets at amortised cost
Current portion of long-term receivables	Financial assets at amortised cost
Receivables from exchange transactions (except Statutory receivables)	Financial assets at amortised cost
Bank balances and cash	Financial assets at amortised cost
Short term Investments	Financial assets at amortised cost

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets at amortised cost.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

The municipality classifies all financial liabilities at amortised cost.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.15 Financial instruments (continued)

The municipality has the following types of financial liabilities as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial liability	Classification in terms of GRAP 104
Long-term liabilities	Financial liability at amortised cost
Current portion of long-term liabilities	Financial liability at amortised cost
Payables from exchange transactions	Financial liability at amortised cost
Consumer deposits	Financial liability at amortised cost
Finance lease liabilities	Financial liability at amortised cost
Payables from non-exchange transactions	Financial liability at amortised cost

1.15.2 Initial and subsequent measurement

Initial recognition and measurement

A financial instruments is recognised, when the municipality becomes a party to the contractual provisions of the instrument, and are initially measured at fair value. In the case of a financial instruments not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instruments are added or deducted from the fair value, as appropriate on initial recognition.

Subsequent measurement – Financial assets

Financial assets consist of cash and cash equivalents, deposits, receivables and investments.

Receivables are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Changes in the carrying amount of the provision is recognised in the Statement of financial performance. When a receivable is considered uncollectible, it is written off against the provision. Any gains or losses arising from the change in fair value of investments measured at fair value are recognised in the Statement of financial performance.

Financial Assets are assessed for indicators of impairment at the end of each reporting period. Financial Assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised through the use of an allowance account.

Financial assets at amortised cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial assets. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with interest recognised on an effective yield basis.

Subsequent measurement – Financial liabilities

Financial liabilities consist of payables, interest bearing loans and bank overdrafts. These liabilities are subsequently measured at amortised cost, using the effective interest rate method. Finance costs are expensed in the Statement of financial performance in the period in which they are incurred.

Financial liabilities classified at amortised cost and are initially measured at fair value, net of transaction costs. Trade and other payables, interest bearing debt including finance lease liabilities, non-interest bearing debt and bank borrowings are subsequently measured at amortised cost using the effective interest rate method. Interest expense is recognised in the Statement of financial performance by applying the effective interest rate.

Prepayments are carried at cost less any accumulated impairment losses.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.15 Financial instruments (continued)

1.15.3 Impairment of financial assets

Receivables from exchange transactions

Receivables from exchange transactions are assessed individually thereafter collectively, considering factors such as payment histories and ratios, qualitative factors e.g. correspondence from attorneys, disputes about certain accounts, etc.

Other debtors

Other debtors are reviewed individually considering payment histories and disputes about certain amounts. Provision for impairment is made accordingly.

1.15.4 Derecognition

Financial assets

The municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of financial assets due to non-recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred financial assets, the municipality continues to recognise the financial assets and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The municipality derecognises financial liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

The municipality recognises the difference between the carrying amount of the Financial Liability (or part of a Financial Liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, in Surplus or Deficit

1.16 Provisions

Provisions are recognised when the municipality has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made.

The best estimate of the expenditure required to settle the present obligation is the amount that an entity would rationally pay to settle the obligation at the reporting date or to transfer it to a third party at that time and are determined by the judgment of the management of the municipality, supplemented by experience of similar transactions and, in some cases, reports from independent experts. The evidence considered includes any additional evidence provided by events after the reporting date. Uncertainties surrounding the amount to be recognised as a provision are dealt with by various means according to the circumstances, where the provision being measured involves a large population of items; the obligation is estimated by weighting all possible outcomes by their associated probabilities.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it - this unavoidable cost resulting from the contract is the amount of the provision to be recognised.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.16 Provisions (continued)

Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in the Statement of financial performance as a finance cost as it occurs.

Environmental rehabilitation provisions

Estimated long-term environmental provisions, comprising rehabilitation and landfill site closure, are based on the municipality's policy, taking into account current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises. To the extent that the obligations relate to the asset, they are capitalised as part of the cost of those assets. Any subsequent changes to an obligation that did not relate to the initial related asset are charged to the Statement of financial performance.

1.17 Employee benefits

The municipality provides short term benefits, long term benefits and retirement benefits for its employees and councillors.

Short-term employee benefits

Remuneration to employees is recognised in the Statement of financial performance as the services are rendered, except for non-accumulating benefits which are only recognised when the specific event occurs.

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service.

The municipality recognises the expected cost of performance bonuses only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

Leave pay

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total accrued leave days at year end and is shown as an accrual in the Statement of financial position.

Accumulating leave is carried forward and can be used in future periods if the current period's entitlement is not used in full. All unused leave will be paid out to the specific employee at the end of that employee's employment term.

Accumulated leave is vesting.

Bonus provisions

The municipality recognises the expected cost of bonuses as a provision only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made at reporting date.

Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year end is based on bonus accrued at year-end for each employee.

Post-employment benefits: Defined benefit plans

A defined benefit plan is a plan that defines an amount of benefit that an employee will receive on retirement.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past service costs. The plan is unfunded. The defined benefit obligation is calculated using the projected unit credit method, incorporating actuarial assumptions and a discount rate based on the government bond rate. Valuations of these obligations are carried out by independent qualified actuaries regularly, as may be required for fair presentation.

Actuarial gains or losses recognised immediately in the Statement of financial performance.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.17 Employee benefits (continued)

Long-service allowance

The municipality has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 10, 15, 20, 25 and 30 years of continued service. The municipality's liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the Statement of financial performance.

1.18 Leases

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Municipality as lessee

Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent. Corresponding liabilities are included in the Statement of financial position as Finance Lease Obligations. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on the straight-line basis over the term of the relevant lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Municipality as lessor

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the municipality's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Operating lease rental income is recognised on a straight-line basis over the term of the relevant lease.

The municipality recognises operating lease rentals as an expense in Surplus or Deficit on a Straight-line Basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. Any lease incentives are included as part of the net consideration agreed.

1.19 Statutory receivables

1.19.1 Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

The municipality has the following major categories under the ambit of statutory receivables:

- VAT receivable due to/from SARS
- Property Rates debtors
- Traffic fine debtors

1.19.2 Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.19 Statutory receivables (continued)

- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

1.19.3 Measurement

The municipality initially measures statutory receivables at their transaction amount.

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

1.19.4 Impairment

Statutory receivables, other than those measured at fair value, are assessed for indicators of impairment at the end of each reporting period. Statutory receivables are impaired where there is objective evidence of impairment of Statutory receivables (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in accordance with GRAP 108.

A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

According to GRAP 108, the assessment for impairment needs to be made for each individual financial asset separately or for groups of statutory receivables with similar credit risks. The following methodology was followed to make a provision for bad debts for the year under review:

Rates debtors are assessed individually thereafter collectively, considering factors such as payment histories and ratios, qualitative factors e.g. correspondence from attorneys, disputes about certain accounts, etc.

Traffic fine debtors are reviewed collectively considering payment histories and disputes about certain amounts. Provision for impairment is made accordingly.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of financial performance.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of financial performance to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.19.5 Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers control of the statutory receivable and substantially all the risks and rewards of ownership of the asset to another entity; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.19 Statutory receivables (continued)

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.20 Revenue

Revenue, excluding value-added taxation where applicable, is derived from a variety of sources which include rates levied, grants from other tiers of government and revenue from trading activities and other services provided.

Recognition and measurement

The municipality recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the municipality and when specific criteria have been met for each of the municipalities' activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Furthermore services rendered are recognised by reference to the stage of completion of the transaction at the reporting date.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, stock rotation, price protection, rebates and other similar allowances.

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.20 Revenue (continued)

1.20.1 Revenue from exchange transactions

Service charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without it being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are based on the type of service and the number of sewer connections on all developed property, using the tariffs approved by Council and are levied monthly.

In circumstances where services cannot readily be measured and quantified, a flat rate service charge is levied monthly on such properties.

Pre-paid electricity

Revenue from the sale of electricity pre-paid meter cards are recognised at the point of sale. Revenue from the sale of electricity prepaid meter cards are recognised based on an estimate of the prepaid electricity consumed as at the reporting date.

Interest earned and rentals received

Interest and rentals are recognised on a time proportion basis that takes into account the effective yield on the investment. Interest may be transferred from the Accumulated surplus/ (deficit) to the Housing development fund or the Insurance reserve.

Traffic charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

Income from agency services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Housing rental and instalments

Finance income from the sale of housing by way of instalment sale agreements or finance leases is recognised on a time proportion basis.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.20 Revenue (continued)

1.20.2 Revenue from non-exchange transactions

Rates and taxes

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

Fines

Fines constitute both spot fines and camera fines. Fines are recognised when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset. It is measured at the best estimate, based on past experience, of the amount of revenue the municipality is entitled to collect.

Subsequent to initial recognition and measurement, the municipality assess the collectability of the revenue and recognises a separate impairment loss where appropriate.

Donations and contributions

Donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Transfers and subsidies

Unconditional grants

Equitable share allocations are recognised in revenue at the start of the financial year.

Conditional grants

Conditional grants recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Interest earned on grants received and invested is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest it is recognised as interest earned in the Statement of financial performance.

Services received in-kind

Services in kind are recognised at its fair value when it is significant to the operations and/or service delivery objectives and when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably. If the services in-kind are not significant to the operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, only the nature and type of services in-kind received during the reporting period is disclosed.

Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain. Such revenue is based on legislated procedures.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.20 Revenue (continued)

Revenue recognition of unclaimed deposits

Unclaimed deposits older than three (3) years are recognised as revenue.

1.21 Transfers and subsidies – non-exchange expenditure

The municipality transfers money to individuals, organisations and other sectors of government from time to time. These transfers are recognised in the audited annual financial statements as expenses in the period that the events giving rise to the transfer occurred.

1.22 Related parties and related party transactions

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Management is regarded as a related party and comprises the councillors, Executive Mayor, Mayoral Committee members, Municipal Manager, executive directors and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

Close members of the family of a individual are those family members who may be expected to influence or be influenced by that individual in their dealings with the municipality. An individual is considered to be a close member of the family of another individual if they are married or live together in a relationship similar to a marriage; or if they are separated by no more than two degrees of natural or legal consanguinity or affinity.

Remuneration of management includes remuneration derived for services provided to the municipality in their capacity as members of the management team or employees. Benefits derived directly or indirectly from the municipality for services in any capacity other than as an employee or a member of management do not meet the definition of remuneration.

In the case of permanent employees acting in management positions, only the remuneration received additionally for acting in that position is disclosed.

Remuneration of management excludes any consideration provided solely as a reimbursement for expenditure incurred by those persons for the benefit of the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

The municipality operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the Constitutional independence of all three spheres of government in South Africa, only parties within the same sphere of government will be considered to be related parties. Only transactions with such parties which are not at arm's length and not on normal commercial terms are disclosed.

1.23 Events after reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the audited annual financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the audited annual financial statements.

1.24 Segment Reporting

The municipality is assessed to have reportable segments as per the requirements of GRAP 18. In order to assess that the segments could be aggregated, the following factors were considered in applying its judgement:

For management purposes the municipality is broadly organised into business units based on the nature of operations and the services they provide.

No individually material operating segments have been aggregated to form the above reportable operating segments.

The municipality does not monitor segments geographically..

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.25 Material losses

he MFMA requires the disclosure of material losses incurred during the year under review. The disclosure is provided in order to comply to the legislative requirements governing Municipalities and Municipal Entities.

Due to their significance, the complete calculation of water and electricity losses is provided, including the opening balance, purchases, sales and closing balance where applicable. The unit rate is the rate per the last purchase as inventory is measured based on the First-In-First-Out Method as defined by GRAP 12 (Inventories).

The self-insurance reserve is based on recognised insurance industry principles. To determine the level of capacity required, an agreed methodology has been adopted and is consistently applied annually based on the following methodology:

1.26 Commitments

Commitments are disclosed for:

Approved and contracted commitments, where the expenditure has been approved and the contract has been awarded at the reporting date, where disclosure is required by a specific standard of GRAP;

Approved but not yet contracted commitments, where the expenditure has been approved and the contract has yet to be awarded or is awaiting finalisation at the reporting date;

Items are classified as commitments where the Municipality commits itself to future transactions that will normally result in the outflow of resources;

Contracts that are entered into before the reporting date, but goods and services have not yet been received are disclosed in the disclosure Notes to the Annual Financial Statements; and

Other commitments for contracts that are non-cancellable or only cancellable at significant cost, should relate to something other than the business of the municipality.

1.27 Principal-agent arrangements

The municipality is party to a principal-agent arrangement for Department of Transport. In terms of the arrangement the municipality is the agent and is responsible for collect monies on their behalf..

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.27 Principal-agent arrangements (continued)

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.28 Value Added Tax

Value added taxation

The municipality is registered with the South African Revenue Service (SARS) for Value Added Tax on the payments basis, in accordance with Section 15(2)(a) of the Value-Added Tax Act No 89 of 1991.

VAT is an indirect tax based on consumption of goods and services in the economy. Revenue is raised for the government by requiring certain traders or vendors to register and to charge VAT on taxable supplies of goods or services. The essential characteristics of VAT are:

- it is charged at each stage of the production and distribution process;
- the taxable person (vendor) may deduct the tax paid during the preceding stages; and
- the burden of the tax is on the final consumer.

The municipality renders goods and services to consumers, it is responsible to collect taxes from its consumers for the goods and services provided. The municipality (VAT vendor) is a deemed debtor to the national government when collecting and remitting VAT.

The municipality is registered to declare VAT transactions on the cash basis to SARS. The municipality is liable to account for VAT at the standard rate (15%) in terms of section 7 (1) (a) of the VAT Act in respect of the supply of goods or services, except where the supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or is out of scope for VAT purposes. The municipality accounts for VAT on a monthly basis and VAT is settled between the VAT vendor and SARS, based on the cash collected by the municipality and the cash paid by the municipality. VAT Receivable due/from SARS:

In accordance with GRAP 108, the VAT Receivable to/from SARS is considered to be a statutory arrangement, as this is based on legislation, being the VAT Act.

Taking into account that the VAT due/from to the national government by the municipality (VAT vendor) results in a deemed debtor-creditor relationship, it is therefore considered to be a receivable or payable from exchange transaction.

VAT Accrual:

In accordance with GRAP, the municipality recognises transactions on an accrual basis of accounting. Therefore, the transaction between the municipality and customer includes the provision of goods or services in cash or credit; and the levying and/or collection of VAT by the municipality from the customer.

Similarly, the transaction between the municipality and the supplier includes the supply of goods or services in cash or credit; and the obligation to recognise VAT by the supplier to the municipality from the customer.

The VAT accrual accounts therefore does not represent amounts to be received or paid to SARS, but rather amounts that are associated with transactions that are yet to be settled. As a result, the accrual transactions are considered to be contractual in nature, and therefore do not meet the definition of a statutory arrangement. As there is no transaction to "settle" with a specific counterparty at this point, the municipality considers the offsetting of the amounts as inappropriate, and has separately disclosed these transactions in the notes to the annual financial statements.

Input VAT Accrual represents amounts that are yet to be claimed from SARS, subject to settlement of the outstanding creditors by the municipality. This therefore shall be disclosed as a receivable from exchange transaction in accordance with GRAP 9.

Output VAT Accrual represents amounts that are yet to be paid to SARS, subject to collection from outstanding debtors of the municipality. This shall be accounted for as a trade and other payables in accordance with GRAP 19.

1.29 Unauthorised expenditure

Section 1 of the Municipal Finance Management Act (Act 56 of 2003) (MFMA), defines Unauthorised expenditure as follows:

- Overspending of the total amount appropriated in the municipality's approved budget;
- Overspending of the total amount appropriated for a vote in the approved budget;
- Expenditure from a vote unrelated to the department or functional area covered by the vote;
- Expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.29 Unauthorised expenditure (continued)

- Spending of an allocation referred to in the above paragraphs of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- A grant by the municipality otherwise than in accordance with this Act.

Section 1 of the Municipal Finance Management Act (Act 56 of 2003) (MFMA) also defines a Vote as:

- One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- Which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

The municipality uses the Municipal Standard Chart of Accounts (mSCOA) Functions and Sub-functions, previously the Government Finance Statistics (GFS) functions, as well as departments as the main groupings of segments of the municipality's budget segments within the municipality are grouped per department to facilitate greater accountability and budget implementation by the respective Executive Directors as well as per mSCOA classification to facilitate comparisons on a higher level.

All expenditure relating to unauthorised expenditure is recognised as an expense in the Statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of financial performance.

1.30 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act 56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the municipality's supply chain management policy.

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of financial performance and where recovered, it is subsequently accounted for as revenue in the Statement of financial performance.

1.31 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of financial performance.

1.32 Change in accounting policies, estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Details of changes in accounting policies, changes in estimates and correction of errors are disclosed in the notes to the audited annual financial statements where applicable.

1.33 Contingent assets and contingent liabilities

Contingent liabilities represent a possible obligation that arises from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability can also arise as a result of a present obligation that arises from past events but which is not recognised as a liability either because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.33 Contingent assets and contingent liabilities (continued)

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the municipality.

1.34 Consumer Deposits

Consumer deposits are a partial security for a future payment of an account. All consumers are therefore required to pay a deposit equal to two months consumption of electricity and water services. Deposits are considered a liability as the deposit is only refunded once the service is terminated. No interest is paid on deposits.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
2. Cash and cash equivalents		
2.1 Cash and cash equivalents		
The cash and cash equivalents consist of the following:		
Call deposits and investments		
Deposit taking institutions	117,412,305	83,334,265
Cash at bank		
Bank account	26,246,080	21,600,325
Cash on hand	421	421
Total cash and cash equivalents	143,658,806	104,935,011

Call Deposits are investments with a maturity period of less than 3 months and earn interest rates varying from 7.00 % to 9.00% (2023: 7.00 % to 9.00 %) per annum.

INVESTEC	8.00%
STANDARD BANK	7.75%
ABSA 4088960791	8.11%
ABSA 9078617359	5.25%
ABSA 9379304142	8.90%
ABSA 9379302548	8.90%
NEDBANK	8.10%
RMB - MIG 1	7.90%
RMB - MIG 2	7.90%
RMB - MIG 3	7.90%
RMB - INEP	7.90%
RMB - FMG	7.90%
RMB - HOUSING	7.90%
RMB - KOUGA GENERAL	7.90%
RMB - KOUGA INVESTMENT	7.90%

Call deposits and investments by financial institution

Institution	Account number	Account type		
Standard Bank	588563250001	Call deposit accounts	26,516,585	17,575,390
ABSA	9379302548 / 9078617359	Call deposit accounts	1,609,158	17,594,066
ABSA	9379304142 /4088960791	Call deposit accounts	21,186,208	-
INVESTEC	1400138616500	Call deposit accounts	19,595,267	17,580,054
INVESTEC	1400138616501	Call deposit accounts	3,176,214	-
NEDBANK	37881037199	Call deposit accounts	22,593,060	17,580,746
RMB-MIG2	CDS-X021904708	Call deposit accounts	3,123,054	-
RMB-MIG3	CDS-X021904710	Call deposit accounts	54	7,592,728
RMB-HOUSING	CDS-X021904715	Call deposit accounts	35,415	2
RMB-GENERAL	CDS-X021904716	Call deposit accounts	19,577,290	5,411,279
Total investments			117,412,305	83,334,265

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

2. Cash and cash equivalents (continued)

2.2 Bank accounts

The municipality has the following bank accounts:

First National Bank Limited	Account Type - Cheque Account Branch: Account Number 52540020791	10,314,022	15,413,737
First National Bank Limited	Account Type - Cheque Account Branch: Account Number 52540033504	8,553,426	3,874,471
First National Bank Limited	Account Type - Cheque Account Branch: Account Number 6268213591	3,833	779
First National Bank Limited	Account Type - Cheque Account Branch: Account Number 63022194441	7,374,799	2,311,338
Total		26,246,080	21,600,325

3. Trade and other receivables from exchange transactions

Trade service and consumer service debtors

3.1

Electricity	34,037,393	32,462,402
Waste management	1,622,323	5,002,283
Waste water management	1,763,501	5,303,103
Water	13,534,303	23,974,116
Service charges	19,800	43,265
	50,977,320	66,785,169

Other receivables from exchange transactions

3.2

VAT Receivable - Due from SARS	2,299,644	831,979
Debtors relating to the sale of auctioned assets	3,962,205	2,987,947
Input VAT Accrual on Outstanding Creditors	11,237,866	9,138,432
Merchandising, jobbing and contracts	1	724,064
Prepayments and advances	3,781,228	4,143,478
Property rental debtors	28,997	-
Control, Clearing and Interface Accounts	1,149,543	1,539,272
	22,459,484	19,365,172

Total trade and other receivables from exchange transactions

73,436,804 **86,150,341**

3.1 Trade service and consumer service debtors

The average credit period for trade service and consumer service debtors is 30 days. No interest is charged on trade receivables for the first 30 days from the date of the invoice. Thereafter interest is charged at the prime rate per annum on the outstanding balance. The municipality strictly enforces its approved credit control policy to ensure the recovery of trade service and consumer service debtors.

The management of the municipality is of the opinion that the carrying value of trade service and consumer service debtors approximate their fair values.

The fair value of trade service and consumer service debtors was determined after considering the standard terms and conditions of agreements entered into between the municipality and trade service and consumer service debtors as well as the current payment ratio's of the municipality's trade service and consumer service debtors.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

2024

2023

3. Trade and other receivables from exchange transactions (continued)

	2024			2023		
	Gross	Impairment	Total	Gross	Impairment	Total
Trade service and consumer service debtors from exchange transactions						
Electricity	82,315,351	(48,277,958)	34,037,393	56,507,111	(24,044,709)	32,462,402
Waste management	103,836,482	(102,214,159)	1,622,323	91,662,726	(86,660,443)	5,002,283
Waste water management	63,560,637	(61,797,136)	1,763,501	60,207,133	(54,904,030)	5,303,103
Water	179,709,941	(166,175,638)	13,534,303	161,873,081	(137,898,965)	23,974,116
Service charges	6,433,245	(6,413,445)	19,800	5,763,722	(5,720,457)	43,265
Total trade service and consumer service debtors from exchange transactions	435,855,656	(384,878,336)	50,977,320	376,013,773	(309,228,604)	66,785,169

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

3. Trade and other receivables from exchange transactions (continued)

3.1.1 Ageing of trade service and consumer service debtors

2024

	Not due		Past due			
	Total	Current	30 days	60 days	90 days	120 days
Trade service and consumer service debtors from exchange transactions						
Total by debt type						
Electricity	82,315,351	47,843,147	5,648,997	2,914,932	1,971,445	23,936,830
Waste management	103,836,482	6,365,107	2,392,728	1,924,221	1,696,648	91,457,778
Waste water management	63,560,637	6,184,475	2,208,126	1,648,180	1,341,613	52,178,243
Water	179,709,941	22,666,904	5,355,541	5,080,764	3,742,623	142,864,109
Service charges	6,433,245	471,574	25,015	12,764	31,719	5,892,173
Total by debt type	435,855,656	83,531,207	15,630,407	11,580,861	8,784,048	316,329,133

2023

	Not due		Past due			
	Total	Current	30 days	60 days	90 days	120+ days

Trade service and consumer service debtors from exchange transactions

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

3. Trade and other receivables from exchange transactions (continued)

Total by debt type

Electricity	56,507,111	15,243,374	16,874,729	2,208,875	1,439,679	1,149,254	19,591,200
Waste management	91,662,726	866,145	4,921,199	2,109,607	1,802,048	1,683,068	80,280,659
Waste water management	60,207,133	1,241,581	5,040,844	2,185,140	1,769,403	1,578,989	48,391,176
Water	161,873,081	17,924,240	9,513,628	6,426,149	6,937,790	6,156,874	114,914,400
Service charges	5,763,722	4,933	16,083	22,953	22,621	11,535	5,685,597
Total by debt type	376,013,773	35,280,273	36,366,483	12,952,724	11,971,541	10,579,720	268,863,032

3.1.2 Impairment reconciliation of trade service and consumer service debtors

	2024				2023		
	Opening balance	Impairment raised	Impairment reversed / debt written off	Closing balance	Opening balance	Impairment raised	Closing balance
Trade service and consumer service debtors from exchange transactions							
Electricity	(24,044,709)	(48,277,958)	24,044,709	(48,277,958)	(21,350,024)	(2,694,685)	(24,044,709)
Waste management	(86,660,443)	(102,214,159)	86,660,443	(102,214,159)	(70,095,820)	(16,564,623)	(86,660,443)
Waste water management	(54,904,030)	(61,797,136)	54,904,030	(61,797,136)	(41,707,929)	(13,196,101)	(54,904,030)
Water	(137,898,965)	(166,175,638)	137,898,965	(166,175,638)	(90,412,064)	(47,486,901)	(137,898,965)
Service charges	(5,720,458)	(6,413,444)	5,720,457	(6,413,445)	(6,372,701)	652,244	(5,720,457)
Total trade service and consumer service debtors	(309,228,605)	(384,878,335)	309,228,604	(384,878,336)	(229,938,538)	(79,290,066)	(309,228,604)

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

2024

2023

3. Trade and other receivables from exchange transactions (continued)

3.1.3 Credit quality of trade service and consumer service debtors

The Municipality deems outstanding debt less than 90 days to be receivables that are not considered for impairment, on the following basis:

- The Municipality has a stringent customer care, credit control and debt collection policy which is actively implemented by the Municipality.
- This includes monitoring of debtors accounts, implementation of physical disconnections where necessary, as well as incentive payment programmes.
- Therefore the Municipality views debt outstanding for less than 90 days being a fair reflection of the credit quality.

3.2 Other receivables from exchange transactions

	2024			2023		
	Gross	Impairment	Total	Gross	Impairment	Total
Other receivables from exchange transactions from exchange transactions						
VAT Receivable - Due from SARS	2,299,644	-	2,299,644	831,979	-	831,979
Debtors relating to the sale of auctioned assets	3,962,205	-	3,962,205	2,987,947	-	2,987,947
Input VAT Accrual on Outstanding Creditors	11,237,866	-	11,237,866	9,138,432	-	9,138,432
Merchandising, jobbing and contracts	1	-	1	724,064	-	724,064
Prepayments and advances	3,803,228	(22,000)	3,781,228	4,165,478	(22,000)	4,143,478
Property rental debtors	28,997	-	28,997	-	-	-
Control, Clearing and Interface Accounts	1,149,543	-	1,149,543	1,539,272	-	1,539,272
Total	22,481,484	(22,000)	22,459,484	19,387,172	(22,000)	19,365,172

3.2.1 Credit quality of other receivables from exchange transactions other receivables from exchange transactions

The Municipality deems outstanding debt less than 90 days to be receivables that are not considered for impairment, on the following basis:

- The Municipality has a stringent customer care, credit control and debt collection policy which is actively implemented by the Municipality.
- This includes monitoring of debtors accounts, implementation of physical disconnections where necessary, as well as incentive payment programmes.
- Therefore the Municipality views debt outstanding for less than 90 days being a fair reflection of the credit quality.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions

Consumer receivables

Property rates

4.1

5,365,560 12,675,639

Other receivables

Accrued income

Fines

4.1

3,378,394 4,096,846

17,907,165 12,242,036

21,285,559 16,338,882

Total receivables

26,651,119 29,014,521

Current assets

26,651,119 29,014,521

4.1 Receivables from non-exchange transactions

Consumer receivables

Property rates

Other receivables

Accrued income

Fines

Total

2024			2023		
Gross	Impairment	Total	Gross	Impairment	Total
76,159,323	(70,793,763)	5,365,560	61,280,470	(48,604,831)	12,675,639
3,378,394	-	3,378,394	4,096,846	-	4,096,846
134,664,313	(116,757,148)	17,907,165	116,258,117	(104,016,081)	12,242,036
138,042,707	(116,757,148)	21,285,559	120,354,963	(104,016,081)	16,338,882
214,202,030	(187,550,911)	26,651,119	181,635,433	(152,620,912)	29,014,521

4.1.1 Ageing of receivables from non-exchange transactions

2024

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions (continued)

	Not due		Past due			
	Total	Current	30 days	60 days	90 days	120 days
Consumer receivables						
Property rates	76,159,323	15,707,365	4,521,234	3,178,661	2,173,560	50,578,503
Other receivables						
Accrued income	3,378,394	3,378,394	-	-	-	-
Fines	134,664,313	134,664,313	-	-	-	-
	138,042,707	138,042,707	-	-	-	-
Total	214,202,030	153,750,072	4,521,234	3,178,661	2,173,560	50,578,503

2023

	Not due		Past due				
	Total	Current	30 days	60 days	90 days	120 days	120+ days
Consumer receivables							
Property rates	61,280,470	595,146	13,231,693	2,502,444	1,735,268	1,258,904	41,957,015
Other receivables							
Accrued income	4,096,846	4,096,846	-	-	-	-	-
Fines	116,258,117	116,258,117	-	-	-	-	-
	120,354,963	120,354,963	-	-	-	-	-
Total	181,635,433	120,950,109	13,231,693	2,502,444	1,735,268	1,258,904	41,957,015

Statutory receivables:

Property rates and traffic fines are considered to be statutory receivables, and are reported at the amounts indicated in the above mentioned tables.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions (continued)

Transactions arises from statute

Traffic fines are issued to offenders in terms of the Administrative of Road Traffic Offences (AARTO Act) and Criminal Procedures Act, by the way of notices to offenders which specify the value of the fine that must be paid.

Property rates is charged in terms of the Municipal Property Rates Act.

Determination of transaction amount

Traffic Fines are determined in terms of Schedule 3 of the AARTO Regulations 2008 indicates the charge codes and descriptions, penalties and their discounts, and demerit points

Interest or other charges levied/charged

No interest is charged on outstanding fines, and any additions are further applied by the court is paid by the offender to the municipality then paid to the court.

Interest on property rates is raised on overdue accounts at xxx% per annum in accordance with the National Credit Act, in respect of arrears arising after 1 November 2016. Arrear accounts arising before 31 October 2016 is charged interest at a rate of xxxx% per annum.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

4. Receivables from non-exchange transactions (continued)

4.1.2 Impairment reconciliation of receivables from non-exchange transactions

	2024				2023		
	Opening balance	Impairment raised	Impairment reversed / debt written off	Closing balance	Opening balance	Impairment raised	Closing balance
Consumer receivables							
Property rates	(48,604,832)	(70,793,762)	48,604,831	(70,793,763)	(39,237,678)	(9,367,153)	(48,604,831)
Other receivables							
Fines	(104,016,081)	(12,741,067)	-	(116,757,148)	(32,052,115)	(71,963,966)	(104,016,081)
Total	(152,620,913)	(83,534,829)	48,604,831	(187,550,911)	(71,289,793)	(81,331,119)	(152,620,912)

Basis used to access and test whether a statutory receivable is impaired:

Traffic fines

The Municipality account for traffic fines impairment in accordance with iGRAP 1. Management considered receivables individually that may be impaired as well as groups of similar receivables that may be impaired. Management takes into account expired warrants for individual impairment. The Municipality assesses the average collection rate in the determination of the group impairment percentage to be considered.

Property rates

The Allowance for Impairment was calculated after assessing each individual receivable for property rates, and calculating the recoverability ratio based on the specific collection rate, a grouping of the rest of the financial assets of similar nature and risk ratings and assessing the recoverability.

4.1.3 Credit quality of other receivables from non-exchange transactions

The credit quality of other receivables from non-exchange transactions that are neither past nor due nor impaired can be assessed by reference to historical information about counterparty default rates:

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
5. Inventories			
Materials and supplies		20,785,014	17,404,494
Water	5.1	1,664,499	1,193,536
Total Inventories		22,449,513	18,598,030

Materials and Supplies are held for own use and measured at the lower of Cost and Net Realisable Value. Inventory was adjusted to Net realisable Value.

Water is held for distribution and measured at the lower of Cost and Net Realisable Value. Adjustment of Inventory to Net Realisable Value was required.

5.1 Water

Opening balance	1,193,536	798,678
System input volume	35,117,321	40,754,722
Authorised consumption	(34,646,358)	(40,359,864)
Closing balance	1,664,499	1,193,536

6. Deposits

Deposits	893,543	893,543

7. Operating leases

Operating leases	105,634	109,349

7.1 Operating Lease Receivables

Operating Leases are recognised on the straight-line basis as per the requirement of GRAP 13. In respect of Non-cancellable Operating Leases the following assets have been recognised:

Balance at beginning of year	109,349	152,713
Operating Lease Revenue effected	(3,715)	(43,364)
	105,634	109,349

The Municipality as Lessor : Operating Leases relate to Property owned by the municipality with lease terms of between 1 to 99 years, with an option to extend.

All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

7.2 Amounts receivable under Operating Leases

At the Reporting Date the following minimum lease payments were receivable under Non-cancellable Operating Leases for Property, Plant and Equipment, which are receivable as follows:

Up to 1 year	406,032	385,711
2 to 5 years	981,521	793,966
	1,387,553	1,179,677

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
8. Investment property		
8.1 Reconciliation of carrying value		
Opening carrying value		
Cost	251,673,471	262,608,444
Carrying value of disposals / transfers		
Cost	(879,924)	-
Other movements	-	(10,934,973)
Closing carrying value	250,793,547	251,673,471
Cost	250,793,547	251,673,471

No Investment property had been pledged as security for any liabilities of the municipality.

The municipality has not depreciated its assets, due to the residual value of the investment property assets equalling the cost of the assets, as assessed at the end of the financial year..

The prior year comparatives have been restated, please refer to note 57 for more detail information .

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment

9.1 Summary

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	233,939,041	-	233,939,041	216,596,877	-	216,596,877
Transport Assets	115,106,543	(52,806,466)	62,300,077	112,132,941	(44,936,083)	67,196,858
Electrical Infrastructure	277,304,977	(92,531,249)	184,773,728	265,287,873	(84,706,758)	180,581,115
Water Supply Infrastructure	564,797,732	(170,815,669)	393,982,063	543,600,745	(149,825,635)	393,775,110
Sanitation Infrastructure	666,900,138	(231,007,414)	435,892,724	650,455,347	(209,249,999)	441,205,348
Solid Waste Infrastructure	73,259,019	(59,559,524)	13,699,495	77,028,161	(55,950,119)	21,078,042
Machinery and Equipment	15,506,602	(9,592,395)	5,914,207	14,598,084	(8,087,693)	6,510,391
Furniture and Office Equipment	29,068,420	(23,297,497)	5,770,923	29,955,502	(23,247,109)	6,708,393
Computer Equipment	11,794,184	(8,132,587)	3,661,597	10,377,349	(6,746,576)	3,630,773
Roads Infrastructure	1,030,540,610	(462,331,482)	568,209,128	1,002,143,978	(431,390,507)	570,753,471
Storm water Infrastructure	76,123,663	(23,970,157)	52,153,506	75,816,061	(22,154,983)	53,661,078
Community Assets	64,847,870	(10,557,112)	54,290,758	58,285,727	(9,887,475)	48,398,252
Other Assets - Buildings	53,882,185	(6,853,659)	47,028,526	53,844,774	(6,247,717)	47,597,057
Total	3,213,070,984	(1,151,455,211)	2,061,615,773	3,110,123,419	(1,052,430,654)	2,057,692,765

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment – 2024

	Opening balance	Additions	Disposals	Transfers received and Donated assets recognised	Transfers made	Decommissioning, rehabilitation and restoration changes	Depreciation	Impairment loss/ reversal	Total
Land	216,596,877	-	(657,836)	18,000,000	-	-	-	-	233,939,041
Transport Assets	67,196,856	4,367,795	(33,175)	-	-	-	(9,210,198)	(21,201)	62,300,077
Electrical Infrastructure	186,934,757	5,663,463	-	8,889,528	(8,889,528)	-	(7,186,053)	(638,439)	184,773,728
Water Supply Infrastructure	393,775,110	21,196,987	-	24,056,951	(24,056,951)	-	(20,533,862)	(456,172)	393,982,063
Sanitation Infrastructure	434,851,708	22,798,431	-	-	-	-	(21,464,625)	(292,790)	435,892,724
Solid Waste Infrastructure	21,078,042	-	-	-	-	(3,769,142)	(3,609,405)	-	13,699,495
Machinery and Equipment	6,510,391	1,013,917	(11,351)	-	-	-	(1,578,030)	(20,720)	5,914,207
Furniture and Office Equipment	6,708,391	913,380	(105,384)	-	-	-	(1,680,588)	(64,876)	5,770,923
Computer Equipment	3,630,773	1,504,327	(33,568)	-	-	-	(1,421,729)	(18,206)	3,661,597
Roads Infrastructure	570,753,471	28,549,234	(42,144)	5,941,095	(5,941,095)	-	(30,885,139)	(166,294)	568,209,128
Storm water Infrastructure	53,661,078	307,602	-	-	-	-	(1,815,174)	-	52,153,506
Community Assets	48,398,252	6,562,143	-	9,399,056	(9,399,056)	-	(669,637)	-	54,290,758
Other Assets - Buildings	47,597,057	37,411	-	-	-	-	(605,942)	-	47,028,526
Total	2,057,692,763	92,914,690	(883,458)	66,286,630	(48,286,630)	(3,769,142)	(100,660,382)	(1,678,698)	2,061,615,773

Reconciliation of property, plant and equipment – 2023

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

	Opening balance	Additions	Disposals	Transfers received	Transfers made	Decommissioning, rehabilitation and restoration changes	Depreciation	Impairment loss/ reversal	Total
Land	216,596,877	-	-	-	-	-	-	-	216,596,877
Transport Assets	59,163,990	16,911,774	(4,367)	-	-	-	(8,874,539)	-	67,196,858
Electrical Infrastructure	188,485,150	485,086	-	1,394,437	(1,394,437)	-	(7,168,580)	(1,220,541)	180,581,115
Water Supply Infrastructure	372,609,508	45,053,128	-	71,419,164	(71,419,164)	-	(19,090,261)	(4,797,265)	393,775,110
Sanitation Infrastructure	447,990,852	29,227,969	-	34,044,876	(34,044,876)	-	(21,829,793)	(14,183,680)	441,205,348
Solid Waste Infrastructure	26,166,546	-	-	-	-	78,787	(5,167,291)	-	21,078,042
Machinery and Equipment	7,434,752	974,592	(82,025)	1,056,651	(1,056,651)	-	(1,569,248)	(247,680)	6,510,391
Furniture and Office Equipment	8,008,713	1,591,448	(27,839)	-	-	-	(2,055,960)	(807,969)	6,708,393
Computer Equipment	3,332,764	1,677,294	(18,120)	-	-	-	(1,361,165)	-	3,630,773
Roads Infrastructure	589,305,889	13,241,115	(1,187,229)	27,775,107	(27,775,106)	-	(30,582,866)	(23,439)	570,753,471
Storm water Infrastructure	55,645,718	-	-	-	-	-	(1,984,640)	-	53,661,078
Community Assets	45,561,629	4,058,359	-	7,659,196	(7,659,196)	-	(609,704)	(612,032)	48,398,252
Other Assets	49,489,925	-	-	925,945	(925,945)	-	(600,926)	(1,291,942)	47,597,057
Total	2,069,792,313	113,220,765	(1,319,580)	144,275,376	(144,275,375)	78,787	(100,894,973)	(23,184,548)	2,057,692,765

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

The prior year comparatives have been restated, please refer to note 57 for more detail information

No Assets pledged as security.

Property , Plant and Equipment leased by the municipality:

.For certain Property plant and Equipment, a portion is being rented out. Due to the insignificance of this portion relative to the whole judgement has been made that this does not fit the recognition criteria as Investment Property.

Impairment of Property, plant and Equipment

Impairment Losses on Property, Plant and Equipment to the amount of R1 678 698 (2023: R23 184 529) has been recognised in operating surplus and are included in Impairment Losses in the Statement of Financial Performance. The main reasons for the impairment are vandalism of municipal assets and the components being obsolete. This was impaired to the extent of the components usefulness.

Delayed projects

No delayed projects have been identified for disclosure in the annual financial statements

9.2 Property, plant and equipment under construction

2024

	Electrical infrastructure	Water Infrastructure	Community assets	Roads Infrastructure	Sanitation Infrastructure	Storm water Infrastructure	Total
Reconciliation of Work-in-Progress 2024							
Opening balance	14,749,475	35,999,992	4,102,150	559,419	26,758,621	-	82,169,657
Additions/Capital expenditure	5,744,209	21,196,987	6,562,143	28,549,234	22,650,208	10,435	84,713,216
Transferred to completed items	(8,889,527)	(24,056,951)	(9,399,055)	(5,941,095)	-	-	(48,286,628)
Total	11,604,157	33,140,028	1,265,238	23,167,558	49,408,829	10,435	118,596,245

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

2023

	Electrical Infrastructure	Water Infrastructure	Community assets	Roads Infrastructure	Sanitation Infrastructure	Total
Reconciliation of Work-in-Progress 2023						
Opening balance	9,790,292	58,651,304	9,685,583	15,093,410	41,483,470	134,704,059
Additions/Capital expenditure	6,353,640	48,767,852	4,058,359	13,241,115	19,320,027	91,740,993
Impairment	(1,220,541)	(4,797,265)	-	(23,439)	(14,183,680)	(20,224,925)
Transferred to completed items	(1,394,437)	(71,419,164)	(9,641,792)	(27,775,106)	(34,044,876)	(144,275,375)
Total	13,528,954	31,202,727	4,102,150	535,980	12,574,941	61,944,752

9.3 Maintenance of property, plant and equipment

2024

The following maintenance costs were incurred:

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Preventative maintenance	7,703,884	3,264,197	516,857	10,320,826	3,266,948	25,072,712
Corrective maintenance	28,703,993	-	141,915	-	450,634	29,296,542
Total	36,407,877	3,264,197	658,772	10,320,826	3,717,582	54,369,254

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

2023

The following maintenance costs were incurred:

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Preventative maintenance	16,677,289	3,227,863	356,843	8,471,963	255,078	28,989,036
Corrective maintenance	14,989,020	-	237,007	-	3,457,400	18,683,427
Total	31,666,309	3,227,863	593,850	8,471,963	3,712,478	47,672,463

9.3.1 Maintenance of property, plant and equipment by nature and type of expenditure

2024

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Direct costs						
Contracted Services	12,760,370	2,201,563	426,456	8,007,673	3,068,390	26,464,452
Inventory Consumed	16,938,451	1,062,634	232,315	2,313,153	649,192	21,195,745
Operational Cost	6,709,055	-	-	-	-	6,709,055
Total	36,407,876	3,264,197	658,771	10,320,826	3,717,582	54,369,252

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

9. Property, plant and equipment (continued)

2023

	Infrastructure assets	Community assets	Machinery and equipment	Transport assets	Other assets	Total
Direct costs						
Contracted Services	18,101,501	2,280,568	318,470	6,869,150	3,351,450	30,921,139
Inventory Consumed	11,622,946	947,296	275,380	1,602,813	359,038	14,807,473
Operational Cost	1,941,861	-	-	-	1,990	1,943,851
	31,666,308	3,227,864	593,850	8,471,963	3,712,478	47,672,463

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
10. Intangible assets			
10.1 Reconciliation of carrying value			
2024			
		Computer software	Total
Opening carrying value as at 01 July 2023			
Cost		2,117,022	2,117,022
Accumulated depreciation and impairment		(1,514,473)	(1,514,473)
		602,549	602,549
Amortisation	36	(201,030)	(201,030)
Carrying value of disposals / transfers			
Cost		17,090	17,090
Closing carrying value as at 30 June 2024		418,609	418,609
Cost		2,134,112	2,134,112
Accumulated amortisation and impairment		(1,715,503)	(1,715,503)
		418,609	418,609
2023			
		Computer software	Total
Opening carrying value as at 01 July 2022			
Cost		2,153,380	2,153,380
Accumulated depreciation and impairment		(1,283,599)	(1,283,599)
		869,781	869,781
Correction of prior period errors		(36,358)	(36,358)
Amortisation	36	(265,675)	(265,675)
		(302,033)	(302,033)
Carrying value of disposals / transfers			
Cost		34,801	34,801
Closing carrying value as at 30 June 2023		602,549	602,549
Cost		2,151,823	2,151,823
Accumulated amortisation and impairment		(1,549,274)	(1,549,274)
		602,549	602,549
11. Lease liabilities			
Finance lease liabilities	11.1	23,375,383	35,544,074
Less: Transferred to current liabilities		(11,144,269)	(12,168,692)
Total non-current liabilities		12,231,114	23,375,382
11.1 Obligation under finance leases			
The municipality as lessee			

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
11. Lease liabilities (continued)		
The obligations under finance leases are as follow:		
Total future minimum lease payments		
Payable within 1 year	13,982,669	14,736,608
Payable within 2 to 5 years	13,821,451	25,403,817
Total minimum lease payments	27,804,120	40,140,425
Less: Future finance charges	(4,428,737)	(4,596,351)
Total	23,375,383	35,544,074
Present value of minimum lease payments		
Payable within 1 year	11,144,269	12,168,692
Payable within 2 to 5 years	12,231,114	23,375,382
Total	23,375,383	35,544,074
Current liability	11,144,269	12,168,692
Non-current liability	12,231,114	23,375,382
12. Employee benefits		
Non-current employee benefits		
Post employment health care benefits	12.1 97,024,999	91,990,999
Ex-Gratia pension benefits	12.2 40,300	41,260
Long-service awards	12.5 14,562,000	14,606,000
	111,627,299	106,638,259
Current employee benefits		
Post employment health care benefits	12.1 4,505,000	3,736,000
Ex-Gratia pension benefits	12.2 8,810	8,820
Bonus	12.3 1,332,661	2,130,578
Leave	12.4 44,559,430	36,032,522
Long-service awards	12.5 3,021,000	2,680,000
	53,426,901	44,587,920
Total	165,054,200	151,226,179

12.1 Post employment health care benefits

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2024 by Arch Actuarial Consulting. The present value of the defined benefit obligations, and the related current service costs and past service costs, were measured using the Projected Unit Credit Method.

The Post Employee Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follow:

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

	Number	
In-service members (Employees)	438	429
Continuation members (Retirees)	82	81
In-service Non members (Employees)	319	343
Total members	839	853

The liability in respect of past service has been estimated as follows:

In-service members (Employees)	45,741,000	51,875,999
Continuation members (Retirees)	55,788,999	43,851,000
Total liability	101,529,999	95,726,999
Current	4,505,000	3,736,000
Non-current	97,024,999	91,990,999

12.1.1 Defined benefit plan

Movements in the present value of the defined benefit obligation

Opening Balance	95,726,999	91,641,745
Service cost - current service cost	3,815,000	7,547,110
Interest cost	11,720,000	11,583,601
Actual employer benefit payments	(3,736,000)	(6,507,822)
Remeasurements - Actuarial loss/ (gain) recognised in the year	(5,996,000)	(8,537,635)
Present value of fund obligation at the end of the year	101,529,999	95,726,999

The Current-service Cost for the year ending 30 June 2024 is estimated to be R3 815 000, whereas the cost for the ensuing year is estimated to be R4 079 000 (30 June 2023: R 3 8 11000 and R 3 815000 respectively)."

The principal assumptions used for the purposes of the actuarial valuations were as follow:

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount rate	12.25%	12.48%
Health care cost inflation rate	6.22%	8.09%
Net effective discount rate	4.21%	4.06%
Expected Retirement Age -Females	62	62
Expected Retirement Age - Males	62	62

GRAP 25 defines the determination of the Discount Rate Assumption to be used as follow:

- "The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve."
- The Actuaries used the nominal and real zero curves as at 30 June 2024 supplied by the JSE to determine the discount rates and CPI assumptions at each relevant time period. In the event that the valuation is performed prior to the effective valuation date, they used the prevailing yield at the time of performing their calculations. The methodology was changed from a point estimate to that of a curve in order to present a more accurate depiction of the liability. Previously only one discount rate was used to value all the liabilities. This changed methodology would be seen as a change in estimate basis.

Mortality rates

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

Mortality before retirement has been based on the SA 85-90 mortality tables. These are the most commonly used tables in the industry. Mortality post-employment (for pensioners) has been based on the PA (90) ultimate mortality tables.

Normal retirement age

The average retirement age for all active employees was assumed to be 62 years. This assumption implicitly allows for ill-health and early retirements. The normal retirement age (NRA) for all active employees was assumed to be x years.

Amounts recognised in the statement of financial position

The amounts recognised in the statement of financial position is as follows:

Present value of unfunded obligations	101,529,999	95,726,999

Amounts recognised in the statement of financial performance

The amounts recognised in the statement of financial performance is as follows:

Service cost - Current service cost	3,815,000	7,547,110
Interest cost	11,720,000	11,583,601
Remeasurements - Actuarial loss/ (gain) recognised in the year	(5,996,000)	(8,537,635)
Total post-retirement benefit included in employee related costs	31 9,539,000	10,593,076

History of experienced adjustments

	2020	2021	2022	2023	2024
Present value of defined benefit obligation	83,222,393	89,626,999	92,123,834	95,727,000	101,530,000

The effect of a 1% movement in the assumed rate of health care cost inflation is as follow:

	+1% Increase	Increase
Effect on the defined benefit obligation	116,518,000	110,146,000
Effect on the aggregate of the interest cost and current service cost	18,174,000	18,027,552

The municipality expects to make a contribution of R 113 273 000 to the Defined Benefit Plan during the next financial year.

Refer to note 56 Retirement Benefit Information to the audited annual financial statements for more information regarding the municipality's other retirement funds that is Provincially and Nationally administered.

12.2 Ex-Gratia pension benefits

12.2.1 Post-retirement Pension Benefits Liability

Movements in the present value of the defined benefit obligation

Opening Balance	50,080	52,246
Interest cost	13,400	13,245
Actual employer benefit payments	(17,630)	(17,785)
Remeasurements - Actuarial (Gains) / Losses recognised	3,260	2,374
Closing balance	49,110	50,080
Current	8,810	8,820
Non-current	40,300	41,260

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

The municipality provides certain post - retirement pension benefits to certain retired employees of the municipality. According to the rules of the pension fund, with which the municipality is associated, a member (which is on the current Conditions of Service) on retirement, is entitled to certain pension benefits in which case the municipality is liable for pension payments to retired members.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2024 by Arch Actuarial Consulting. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

	Number	
In-service members (Employees)	5	5
In-service members (Employees)	49,110	50,080
Lump sum benefit	49,110	50,080

The interest-cost for the next year is estimated to be R4 590.00 -. The actuaries are of opinion that future service cost need not be determined for pension fund liability as all benefits vests immediately.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Lump sum valuation

Discount rate	9.79 %	10.03 %
Net effective discount rate	9.79 %	10.03 %

Mortality rates

Mortality before retirement has been based on the PA (90) mortality tables. These are the most commonly used tables in the industry. It was assumed that female spouses would be five years younger than their male spouses and vice versa.

Normal retirement age

The average retirement age for all active employees was assumed to be 62 years. This assumption implicitly allows for ill-health and early retirements. The normal retirement age (NRA) for all active employees was assumed to be 62 years.

Amounts recognised in the statement of financial position

The amounts recognised in the statement of financial position are as follow:

Present value of funded obligations	49,110	50,080

Amounts recognised in the statement of financial performance

The amounts recognised in the statement of financial performance are as follow:

Interest cost	13,400	13,245
Remeasurements - Actuarial (gains) / losses recognised	3,260	2,374
Total post-retirement benefit included in employee related costs	16,660	15,619

History of experienced adjustments

The effect of a 1% movement in the assumed rate of pension increase inflation is as follow:

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

	1% Decrease	1% Increase
Effect on the interest cost	4,340	4,425
Effect on the defined benefit obligation	49,110	50,080

The municipality expects to make a contribution of R 49 110 to the Defined Benefit Plan during the next financial year.

Refer to note 56 Retirement Benefit Information to the audited annual financial statements for more information regarding the municipality's other retirement funds that is Provincially and Nationally administered.

12.3 Bonus

12.3.1 Provision for bonus

Movements in the present value of the defined benefit obligation

Opening Balance	2,130,577	1,805,097
Additional provisions raised	(797,916)	325,481
Closing balance	1,332,661	2,130,578
Current	1,332,661	2,130,578

12.4 Leave

12.4.1 Leave employee obligation

Movements in the present value of the leave obligation

Opening Balance	36,032,523	33,508,919
Additional provisions raised	8,526,907	2,523,603
Closing balance	44,559,430	36,032,522
Current	44,559,430	36,032,522

12.5 Long-service awards

12.5.1 Provision for long-service awards

Movements in the present value of the employee benefit obligation

Opening Balance	17,286,000	18,958,334
Additional provisions raised	4,859,000	4,582,153
Increases (Passage of Time/Discounted Rate)	1,770,000	1,780,630
Reductions (Payments, remeasurement etc.)	(6,332,000)	(2,680,000)
Reversals	-	(5,355,117)
Closing balance	17,583,000	17,286,000
Current	3,021,000	2,680,000
Non-current	14,562,000	14,606,000

Long-service award

The municipality operates an unfunded defined benefit plan for all its employees. Under the plan, a Long-service Award is payable after 10 years of continuous service, and every 5 years of continuous service thereafter to 45 years, to employees. The provision is an estimate of the long-service based on historical staff turnover. No other long-service benefits are provided to employees.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2024 by Arch Actuarial Consulting. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

At year end, 757 (2023: 772) employees were eligible for Long-service Awards.

The principal assumptions used for the purposes of the actuarial valuations were as follow:

Discount rate	10.83	11.08%
Consumer Price Inflation (CPI)	4.98	6.47%
Normal salary increase rate CPI+1	5.98	CPI+1%
Net effective discount rate	4.57	4.33%
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

GRAP 25 defines the determination of the Discount Rate Assumption to be used as follow:

The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.

The Actuaries used the nominal and real zero curves as at 30 June 2024 supplied by the JSE to determine the discount rates and CPI assumptions at each relevant time period. In the event that the valuation is performed prior to the effective valuation date, they used the prevailing yield at the time of performing their calculations. The methodology was changed from a point estimate to that of a curve in order to present a more accurate depiction of the liability. Previously only one discount rate was used to value all the liabilities. This changed methodology would be seen as a change in estimate basis.

Amounts recognised in the statement of financial position

The amounts recognised in the statement of financial position are as follow:

Present value of funded obligations	17,583,000	17,286,000

Amounts recognised in the statement of financial performance

The amounts recognised in the statement of financial performance are as follow:

Current service cost	1,881,000	1,902,153
Interest cost	1,745,000	1,780,630
Total expense included in employee related costs	3,626,000	3,682,783

	2024	2023	2022	2021	2020
The history of experienced adjustments is as follows:					
Present Value of Defined Benefit Obligation	17,583,000	17,286,000	18,958,334	17,175,000	16,490,264

The effect of a 1% movement in the withdrawal rates are as follow on the ensuing years assumptions:

	1% Decrease	1% Increase
Effect on the defined benefit obligation	16,802,000	18,429,000
Effect on the aggregate of the current service cost	3,418,000	3,816,000
Effect on the aggregate of the interest cost	3,639,000	3,580,000

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

12. Employee benefits (continued)

The municipality expects to make a contribution of R 18,188,000 to the employee benefit obligation during the next financial year.

13. Consumer deposits

Building plans	13,237,017	11,569,970
Electricity	15,141,518	14,301,679
Rental properties	51,073	104,939
Water	3,134,504	2,987,483
Wayleave	96,000	96,000
Total	31,660,112	29,060,071

Consumer Deposits are paid by consumers on application for new water and electricity connections. The deposits are repaid when the water and electricity connections are terminated. In cases where consumers default on their accounts, the municipality can utilise the deposit as payment for the outstanding account.

14. Trade and other payables from exchange transactions

Bulk purchases	14.1	46,288,423	36,611,854
Retentions	14.2	6,457,381	7,067,757
Control and clearing accounts		4,876,730	4,987,422
Other payables	14.3	99,938,283	96,814,405
Statutory payables	14.4	1,116,527	1,149,050
Total		158,677,344	146,630,488

Current	158,677,344	146,630,488

14.1 Bulk purchases

Bulk water	1,836,559	1,566,903
Bulk electricity	44,451,864	35,044,951
Total	46,288,423	36,611,854

14.2 Retentions

Retentions	6,457,381	7,067,757

14.3 Other payables

Output VAT Accrual	50,660,320	45,770,304
Auditor-General of South Africa	-	13,428
Output VAT Accrual - Provision for Doubtful Debt Impairment	(35,205,471)	(25,337,207)
Payables and accruals	36,381,303	26,545,886
Unallocated deposits	20,727,613	19,784,891
Advance payments	27,374,518	30,037,103
Total	99,938,283	96,814,405

14.4 Statutory payables

Compensation commission (COLD)	1,116,527	1,149,050

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

15. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent

		2024				2023			
		Opening balance	Funds received	Transfer to revenue	Closing balance	Opening balance	Funds received	Transfer to revenue	Closing balance
Capital									
Monetary Allocations	15.1	25,735,689	79,941,780	(66,886,583)	38,790,886	2	125,225,205	(99,489,519)	25,735,688
Operational									
Monetary Allocations	15.2	3,258,143	9,634,400	(12,892,543)	-	-	9,689,550	(6,431,407)	3,258,143
Total		28,993,832	89,576,180	(79,779,126)	38,790,886	2	134,914,755	(105,920,926)	28,993,831

15.1 Unspent capital monetary allocations

		2024				2023			
		Opening balance	Funds received	Transfer to revenue	Closing balance	Opening balance	Funds received	Transfer to revenue	Closing balance
National Government									
Integrated National Electrification Programme Grant		2,894,953	4,089,000	(6,297,650)	686,303	-	8,100,000	(5,205,047)	2,894,953
Municipal Disaster Relief Grant		3,000,000	10,550,000	(3,169,259)	10,380,741	-	3,000,000	-	3,000,000
Municipal Infrastructure Grant		-	33,124,600	(33,124,600)	-	-	34,096,450	(34,096,450)	-
Water Services Infrastructure Grant		-	30,000,000	(22,832,114)	7,167,886	-	54,339,469	(54,339,469)	-
Total		5,894,953	77,763,600	(65,423,623)	18,234,930	-	99,535,919	(93,640,966)	5,894,953
Provincial Government									
Eastern Cape: Human Settlements		19,840,736	2,178,180	(1,462,960)	20,555,956	2	25,689,286	(5,848,553)	19,840,735
Total unspent capital monetary allocations		25,735,689	79,941,780	(66,886,583)	38,790,886	2	125,225,205	(99,489,519)	25,735,688

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

15. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

15.2 Unspent operational monetary allocations

	2024			2023		
	Opening balance	Funds received	Transfer to revenue	Opening balance	Funds received	Closing balance
National Government						
Energy Efficiency and Demand Side Management Grant	-	4,000,000	(4,000,000)	-	-	-
Expanded Public Works Programme Integrated Grant	-	2,321,000	(2,321,000)	-	1,175,000	(1,175,000)
Local Government Financial Management Grant	-	1,570,000	(1,570,000)	-	1,720,000	(1,720,000)
Municipal Infrastructure Grant	-	1,743,400	(1,743,400)	-	1,794,550	(1,794,550)
Total	-	9,634,400	(9,634,400)	-	4,689,550	(4,689,550)
Provincial Government						
Eastern Cape	3,258,143	-	(3,258,143)	-	5,000,000	(1,741,857)
Total unspent operational monetary allocations	3,258,143	9,634,400	(12,892,543)	-	9,689,550	(6,431,407)

16. Provision

Landfill Sites	16.1	119,432,937	118,827,257
Environmental Cleanup Provision	16.2	1,000,000	1,147,460
Total		120,432,937	119,974,717
Current		1,000,001	1,147,461
Non-current		119,432,936	118,827,256

Environmental - Illegal dumping of builders and other rubble is taking place throughout the Kouga area to the municipality's property. Contrary to S19A of Environmental Conservation Act, 73 (No 73 of 19 89), the municipality has not cleared the illegal dumping and other rubble. The municipality has accounted for a provision for the cost of clearing of builders and other rubble as required by GRAP 19.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
16. Provision (continued)		
16.1 Landfill Sites		
Opening Balance	118,827,256	114,616,144
Additional provisions raised	4,374,823	12,928,730
Reversals	(3,769,142)	(8,717,617)
Closing balance	119,432,937	118,827,257
Current	1	1
Non-current	119,432,936	118,827,256
16.2 Environmental Cleanup Provision		
Opening Balance	1,147,460	1,925,750
Reductions (Payments, remeasurement etc.)	(147,460)	(778,290)
Closing balance	1,000,000	1,147,460
Current	1,000,000	1,147,460
17. Reserves and funds		
Capital Replacement Reserve	5,759,077	-
The Capital Replacement Reserve relates to setting aside funds for future capital replacement of assets. Where development charges are realised, these funds are recognised as revenue, and thereafter used to fund the capital replacement reserve by transferring these funds from Accumulated Surplus to the Capital Replacement Reserve. Distributions from the Capital Replacement Reserve can be made when it is in accordance with the requirements of the municipality's accounting policy. Refer to Statement of Changes in Net Assets for more detail and the movement on Reserves.		
18. Services charges		
Electricity		
Exchange – Consumption	380,375,534	306,476,963
Waste management		
Exchange – Consumption	57,487,680	61,945,030
Waste water management		
Exchange – Consumption	59,633,132	61,796,904
Water		
Exchange – Consumption	109,872,623	117,399,855
Total	607,368,969	547,618,752
Exchange	607,368,969	547,618,752

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
19. Sales of goods and rendering of services		
Advertisements	1,182	-
Application Fees for Land Usage	247,051	328,204
Building Plan Approval	4,349,602	4,777,237
Camping Fees	-	13,082
Cemetery and Burial	360,771	372,034
Cleaning and Removal	3,152	14,817
Encroachment Fees	-	166
Fire Services	15,964	14,855
Legal Fees	1,872,408	1,935,325
Photo copies, Faxes and Telephone charges	13,251	8,503
Removal of Restrictions	542,552	534,283
Sale of Goods	-	1,006,522
Scrap, Waste & Other Goods	1,067	926
Valuation Services	35,497	182,834
Total	7,442,497	9,188,788

20. Agency services

Provincial	3,615,485	2,677,528

The Municipality entered into an agreement with the Eastern Cape Department of Transport, to collect process and collect driver licenses on behalf of the Department. The municipality act as an agent to this transaction in accordance with GRAP 109, Principal agent arrangements.

A fee of 19% plus VAT of the total revenue collected is payable to the Municipality by deducting the fee amount from the funds collected on a daily basis.

21. Interests earned from bank and investments

Bank accounts	4,760,796	2,909,170
Short-term investments and call accounts	8,201,602	3,915,092
Total	12,962,398	6,824,262

22. Rental from fixed assets

Market related	233,129	177,496
Non-market related	3,316,439	2,435,990
Total	3,549,568	2,613,486

22.1 Rental by asset class

Market related

Property, plant and equipment	233,129	177,496

Non-market related

Property, plant and equipment	830,634	409,639
Investment property	2,485,805	2,026,351
	3,316,439	2,435,990

Total	3,549,568	2,613,486

22.2 Rental by type

Market related

Property, plant and equipment

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
22. Rental from fixed assets (continued)		
Community assets		
• Straight-lined operating	233,129	177,496
Non-market related		
Property, plant and equipment		
Other assets		
• Straight-lined operating	830,634	409,639
Investment property		
Straight-lined operating	2,485,805	2,026,351
Total	3,549,568	2,613,486

23. Property rates

Agricultural property	9,132,294	8,842,964
Business and commercial properties	27,961,580	26,424,579
Industrial properties	5,765,735	4,785,831
Public benefit organisations	152,263	205,427
Public service purposes properties	3,165,126	2,521,575
Residential properties	201,319,256	184,820,828
Special rating area	11,975,454	10,234,532
Vacant land	20,730,945	21,678,650
Total	280,202,653	259,514,386

Valuation as at 30 June 2024

Valuations on land and buildings are performed every 4 years. The last general valuation came into effect on 2023/07/01. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

A general rate is applied as follows to property valuations to determine property rates:

Residential Properties: 0,007380 c/R (2022/23: 0,009685 c/R)

Business Properties: 0,009225 c/R (2022/23: 0,0121063 c/R)

Agricultural Properties: 0,001845 c/R (2022/23: 0,0024213 c/R)

A Rebate of R15,000 is received on all residential properties, equitable share recipients and Pensioners earning R15 000 and less per month, receives an additional R85,000 rebate on property value.

24. Interest earned from receivables

Exchange receivables	24.1	21,854,451	20,845,130
Non-exchange receivables	24.2	5,519,180	3,729,096
Total		27,373,631	24,574,226

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
24. Interest earned from receivables (continued)			
24.1 Interest earned from exchange receivables			
Consumer receivables			
Electricity		2,427,684	1,750,339
Water		8,549,530	9,145,804
Waste water management		3,642,948	3,359,119
Waste management		6,937,631	6,260,552
Service charges		296,658	329,316
		21,854,451	20,845,130
24.2 Interest earned from non-exchange receivables			
Consumer receivables			
Property rates		5,519,180	3,729,096
25. Fines, penalties and forfeits			
Fines	25.1	40,083,846	101,635,779
25.1 Fines			
Traffic fines			
Service provider fines		32,008,054	93,990,455
Municipal fines		7,582,175	7,284,632
		39,590,229	101,275,087
Other fines			
Building fines		455,349	339,756
Overdue books		1,918	936
Pound fees		36,350	20,000
		493,617	360,692
Total		40,083,846	101,635,779
26. Licences or permits			
Exchange revenue	26.1	2,368,147	2,676,798
Non-exchange revenue	26.2	7,421,091	7,195,326
Total		9,789,238	9,872,124
26.1 Licenses and permits - Exchange revenue			
Road and transport		2,229,189	2,486,571
Trading		138,958	190,227
Total		2,368,147	2,676,798
26.2 Licenses and permits - Non-exchange revenue			
Boat		6,804,732	6,570,297
Health certificates		12,306	10,785
Road and transport		604,053	614,244
Total		7,421,091	7,195,326

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
27. Transfers and subsidies - Revenue			
Operational			
Monetary allocations	27.1	198,629,694	177,338,705
Capital			
Allocations in-kind		18,000,000	-
Monetary allocations	27.2	85,139,503	102,222,417
Total transfers and subsidies: Capital		103,139,503	102,222,417
Total		301,769,197	279,561,122

27.1 Monetary allocations: Operational

District municipalities	3,171,100	3,028,720
Foreign government and international organisations	10,053	2,471,449
National governments	9,634,400	4,704,679
National revenue fund	180,505,998	163,292,000
Private enterprises	-	50,000
Provincial government	5,308,143	3,791,857
Total	198,629,694	177,338,705

27.2 Monetary allocations: Capital

District municipalities	1,775,560	2,732,898
National government	65,573,623	93,640,966
Provincial governments	17,790,320	5,848,553
Total	85,139,503	102,222,417

National Revenue - Equitable share

Current year receipts	180,506,000	163,292,000
Conditions met - transferred to revenue	(180,506,000)	(163,292,000)
	-	-

In terms of the Constitution, the grant is used to subsidise the provision of basic services to indigent community members. This grant is unconditional.

National: Expanded Public Works Programme Grant

Current year receipts	2,321,000	1,175,000
Conditions met - transferred to revenue	(2,321,000)	(1,175,000)
	-	-

The Expanded Public Works Programme Grant was allocated to the municipality for environmental projects. No funds have been withheld.

National: Financial Management Grant

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
27. Transfers and subsidies - Revenue (continued)		
Current year receipts	1,720,000	1,720,000
Conditions met - transferred to revenue	(1,720,000)	(1,720,000)
	-	-

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial management reforms required by the Municipal Finance Management Act (MFMA), 2003.

National: Municipal Infrastructure Grant

Current year receipts	34,868,000	35,891,000
Conditions met - transferred to revenue	(34,868,000)	(35,891,000)
	-	-

The Municipal Infrastructure Grant (MIG) - Capital portion R33 124 600 (2023:R 34 096 450) was allocated for the construction of roads, basic sewerage and water infrastructure as part of the upgrading of poor households, micro enterprises and social institutions; to provide for new, rehabilitation and upgrading of municipal infrastructure

The operational MIG R1 743 400 (2023: R1 794 550)

National: Water Services Infrastructure Grant

Current year receipts	30,000,000	54,339,469
Conditions met - transferred to revenue	(22,832,114)	(54,339,469)
	7,167,886	-

The Water Services Infrastructure Grant is allocated to municipalities to assist in drought relief.

National: Municipal Disaster Response Grant

Balance unspent at beginning of the year	3,000,000	-
Current year receipts	10,550,000	3,000,000
Conditions met - transferred to revenue	(3,169,259)	-
	10,380,741	3,000,000

The Municipal Disaster Relief Grant is allocated to assist in floods relief.

National: Integrated National Electrification Programme Grant

Balance unspent at beginning of the year	2,894,953	-
Current year receipts	4,089,000	8,100,000
Conditions met - transferred to revenue	(6,297,650)	(5,205,047)
	686,303	2,894,953

Expenses were incurred to promote rural development and upgrade electricity infrastructure.

District: Capital

Balance unspent at beginning of the year	-	2,732,898
Conditions met - transferred to revenue	-	(2,732,898)
	-	-

Conditions still to be met - remain liabilities (see note 15)

Provincial: Library

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
27. Transfers and subsidies - Revenue (continued)		
Current year	2,050,000	2,050,000
Conditions met - transferred to revenue	(2,050,000)	(2,050,000)
	-	-
Additional text		
Provincial: Department of Human Settlement (Houses) Grant		
Balance unspent at beginning of the year	19,840,728	25,689,286
Current year receipts	2,178,180	-
Conditions met - transferred to revenue	(1,462,960)	(5,848,553)
	20,555,948	19,840,733
The grant is for the building of low cost housing within the KOUGA area. The municipality is an agent of the department of Human Settlement for the construction of low cost houses and do not form part of the revenue and expenditure of the municipality.		
Conditions still to be met - remain liabilities (see note 15).		
Provincial: Department of Economic development, Environment Affairs and Tourism		
Balance unspent at beginning of the year	3,258,143	-
Current year receipts	-	5,000,000
Conditions met - transferred to revenue	-	(1,741,857)
	(3,258,143)	-
	-	3,258,143
The purpose of the grant is for the implementation of the EPWP Cleansing Project - Kouga Working on Waste		
Provincial: Efficiency and Demand Side Management Grant		
Current year receipts	4,000,000	-
Conditions met - transferred to revenue	(4,000,000)	-
	-	-
Allocation in-kind: Infrastructure		
Land donation received	18,000,000	-
Private Enterprise: Mayors Charity Fund		
ABSA	-	50,000
Foreign Government and International Organisations: BMZ		
Current year receipts	-	2,471,449
Conditions met - transferred to revenue	-	(2,471,449)
	-	-
District: Operational		

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
27. Transfers and subsidies - Revenue (continued)		
Current year receipts	-	3,028,720
Conditions met - transferred to revenue	-	(3,028,720)
	-	-
28. Operational revenue		
Commission	304,208	350,808
Discounts and Early Settlements	1,833	190
Insurance Refund	-	28,748
Sale of Property	4,965,315	-
Skills Development Levy Refund	454,415	686,203
Staff and Councillors Recoveries	168,776	105,072
Development Charges	5,759,077	28,506
Total	11,653,624	1,199,527
29. Remeasurements on employee benefits		
Gains recognised on long service and post retirement medical aid	6,627,000	10,912,779
30. Increase in net-realisable value		
Inventory	-	(424,835)
Water	691,432	-
Total	691,432	(424,835)
Additional text		
31. Employee related cost		

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
31. Employee related cost (continued)		
31.1 Municipal staff costs		
Basic salary	237,516,655	219,610,585
Bonuses	1,281,225	348,479
Service-related benefits	60,294,329	54,955,317
Allowances	12,442,593	11,650,640
Bargaining council	188,512	179,444
Group life insurance	11,417,502	11,037,723
Medical	19,117,195	17,776,601
Pension	33,515,834	31,574,591
Post-retirement benefit: Medical	11,799,522	12,143,174
Post-retirement benefit: Pension	4,590	(4,989)
Post-retirement benefit: Other benefits	9,454,907	3,226,413
Unemployment insurance	1,844,661	1,807,764
Total	398,877,525	364,305,742

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

2024

2023

31. Employee related cost (continued)

Service-related benefits - Breakdown

Acting and Post Related Allowances	6,265,489	6,469,594
Bonus	15,627,662	14,536,948
Long Service Award	1,321,699	1,250,932
Standby Allowance	9,656,346	8,898,586
Overtime	21,261,241	19,088,049
Leave Pay	6,161,892	4,711,208
	60,294,329	54,955,317

Remuneration of Section 57 Employees

Remuneration of the Municipal Manager: C Du Plessis

Annual Remuneration	1,758,714	1,705,252
Travel allowance	96,000	96,000
Company Contributions to UIF, Medical and Pension Funds	27,770	66,024
Subsistence and Travel	14,633	2,430
Performance Bonus	231,402	-
	2,128,519	1,869,706

Remuneration of the Chief Financial Officer: R Lorgat

Annual Remuneration	1,441,923	1,393,749
Travel allowance	120,000	120,000
Subsistence and Travel	49,378	27,992
Company Contributions to UIF, Medical and Pension Funds	25,551	63,196
Cellphone allowance	17,427	9,588
Performance Bonus	289,629	-
	1,943,908	1,614,525

Remuneration of the Director: Community Services - N Machalesi

Annual Remuneration	1,381,923	1,333,749
Travel allowance	180,000	180,000
Company Contributions to UIF, Medical and Pension Funds	25,609	63,053
Performance Bonus	324,836	-
	1,912,368	1,576,802

Remuneration of Director: AME- K Moodley (Contract expired 30 September 2022)

Annual Remuneration	-	359,630
Travel allowance	-	24,000
Company Contributions to UIF, Medical and Pension Funds	577	26,387
Leave encashment - contract expired	-	74,118
Back Pay	15,951	-
	16,528	484,135

Remuneration of Deputy Municipal Manager: D Dejager

Annual Remuneration	1,381,923	1,317,690
Travel allowance	180,000	180,000
Company Contributions to UIF, Medical and Pension Funds	26,753	48,550

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
31. Employee related cost (continued)		
Cellphone allowance	12,000	12,000
Acting allowance	22,041	21,890
Performance Bonus	405,268	-
	2,027,985	1,580,130
Remuneration of Director Technical Services: C De Kock -Start 1 Jan 2023		
Annual Remuneration	1,441,923	686,168
Travel allowance	120,000	60,000
Subsistence and Travel	18,980	11,993
Company Contributions to UIF, Medical and Pension Funds	23,152	23,272
Performance Bonus	67,155	-
	1,671,210	781,433
Remuneration of Acting Director: IPD - T. Madatt		
Annual Remuneration	539,106	-
Acting allowance	62,706	62,706
Travel allowance	75,000	-
Subsistence and Travel	3,100	-
Company Contributions to UIF, Medical and Pension Funds	11,583	-
	691,495	62,706
Remuneration of Acting Director: Corporate Services -M Rossouw		
Acting allowance	174,086	174,086
Remuneration of Director: Planning, Development and Tourism - F Mabusela- Resigned 31 January 2023		
Annual Remuneration	-	765,530
Travel allowance	-	105,000
Leave encashment - Contract expired	-	52,940
Company Contributions to UIF, Medical and Pension Funds	-	43,848
Subsistence and Travel	-	16,261
	-	983,579
Remuneration of Acting Director: PDT -L Opperman - Period: April 2023 to September 2023		
Acting allowance	28,745	30,521
Remuneration of Acting Director: PDT-K Cakata - Period 3-16 November 2022		
Acting allowance	-	13,298
Remuneration of Acting Director: Planning and Development - L Ramakuwela - Period 1 October 2023 - 30 June 2024		
Acting allowance	86,294	-

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
32. Remuneration of councillors			
Executive Mayor	32.1	998,986	924,256
Chief whip	32.2	792,280	740,126
Speaker	32.3	842,114	1,392,233
Deputy executive mayor	32.4	748,083	-
Executive committee	32.5	3,164,517	2,929,615
All other councillors	32.6	8,429,770	7,713,908
Total		14,975,750	13,700,138
32.1 Executive Mayor			
Allowances and service related benefits			
Basic salary		710,466	694,092
Cell phone allowance		51,697	-
Motor vehicle allowance		236,823	230,164
		998,986	924,256
32.2 Chief whip			
Allowances and service related benefits			
Basic salary		557,002	555,998
Cell phone allowance		49,608	-
Motor vehicle allowance		185,670	184,128
		792,280	740,126
32.3 Speaker			
Allowances and service related benefits			
Basic salary		594,380	1,208,105
Cell phone allowance		49,608	-
Motor vehicle allowance		198,126	184,128
		842,114	1,392,233
32.4 Deputy executive mayor			
Allowances and service related benefits			
Basic salary		523,857	-
Cell phone allowance		49,608	-
Motor vehicle allowance		174,618	-
		748,083	-
32.5 Executive committee			
Allowances and service related benefits			
Basic salary		2,230,760	2,266,598
Cell phone allowance		190,164	-
Motor vehicle allowance		743,593	663,017
		3,164,517	2,929,615

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
32. Remuneration of councillors (continued)		
MMC (Corporate and Communication Services) - J Alexander		
Basic Salary	505,034	-
Cellphone allowance	49,608	-
Motor vehicle allowance	168,345	-
	722,987	-
MMC (Finance and Economic Development) - L Maree		
Basic Salary	557,002	518,106
Cellphone allowance	49,608	44,400
Motor vehicle allowance	185,669	151,362
	792,279	713,868
MMC (Civil and Water Services) - R Forley		
Basic Salary	502,682	-
Cellphone allowance	49,608	-
Motor vehicle allowance	167,561	-
	719,851	-
MMC (Planning and Development) - S Ruth		
Basic Salary	557,002	518,106
Cellphone allowance	49,608	44,400
Motor vehicle allowance	185,669	151,362
	792,279	713,868
MMC (Electro and Mechanical Services) - T Jantjies		
Basic Salary	109,040	518,106
Cellphone allowance	11,317	44,400
Motor vehicle allowance	36,349	151,362
	156,706	713,868
MMC (Community and Safety Services) - D Benson		
Basic Salary	1	518,106
Cellphone allowance	1	44,400
Motor vehicle allowance	1	151,362
	3	713,868
MMC - WP Gertenbach		
Basic Salary	-	194,174
Cellphone allowance	-	44,400
Motor vehicle allowance	-	57,568
	-	296,142

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

32. Remuneration of councillors (continued)

32.6 All other councillors

Allowances and service related benefits

Basic salary	5,380,972	4,580,692
Cell phone allowance	1,098,614	1,328,300
Motor vehicle allowance	1,824,465	1,804,916
Total	8,304,051	7,713,908

Social contributions

Medial aid benefits	125,719	-
Total	8,429,770	7,713,908

In kind benefits

The Executive Mayor, Deputy Executive Mayor, Speaker, and Mayoral Committee members are employed full-time. Each is provided with an office, administrative and secretarial support at the cost of the Council.

The Executive Mayor and Deputy Mayor and other full-time Mayoral Committee members have access to Council owned vehicles for ceremonial and official functions.

Councillors receive a total cost to company package as determined by the Notice for 'Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils', issued in terms of Remuneration of Public Office Bearers Act, 1998.

33. Bulk purchases

Electricity: Eskom	351,702,171	291,888,014
Total	351,702,171	291,888,014

33.1 Electricity losses

	2024		2023	
	KHW	Amount	KHW	Amount
Units purchased	185,371,161	302,154,992	180,601,760	255,479,250
Units sold	(158,122,856)	(257,740,255)	(152,244,539)	(215,365,125)
Total loss	27,248,305	44,414,737	28,357,221	40,114,125

Comprising of:

Technical losses	14,829,693	24,172,400	14,448,141	20,438,340
Non-technical losses	12,418,612	20,242,337	13,909,081	19,675,786
Total	27,248,305	44,414,737	28,357,222	40,114,126

Percentage loss:

Technical losses	8.00 %	8.00 %	8.00 %	8.00 %
Non-technical losses	6.70 %	6.70 %	7.70 %	7.70 %
Total	14.70 %	14.70 %	15.70 %	15.70 %

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

33. Bulk purchases (continued)

Reasons for the losses

Losses occurred because of the following reasons:

- Electricity Losses occur due to inter alia, technical and non-technical losses (Technical losses - inherent resistance of conductors, transformers and other electrical equipment; Non-technical losses - the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal electricity connections).
The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters.

Action taken

The municipality has taken the following actions to mitigate against the reoccurrence of such losses:

- Faulty meters are replaced as soon as they are reported.

33.2 Water losses

Volume in Kl/year:

System Input Volume	7,505,393	6,490,281
Billed Consumption	(4,503,106)	(4,580,573)
Distribution losses in kl	3,002,287	1,909,708

Unaccounted water losses in rand value at a tariff of R 11.36 is R 34 105 980 (2023: tariff of R 10.21 is R 19 498 119).
Percentage Distribution Loss 39.8% (2023: 29.42%)

Reasons for the losses

Losses occurred because of the following reasons:

- Water Losses occur due to inter alia, leakages, the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal water connections.

The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters.

Action taken

Council has approved a water loss reduction plan on 28 February 2024 to address water losses, and it is monitored and reported on quarterly.

34. Inventory consumed

Consumables	27,631,708	26,664,112
Materials and supplies	32,643,287	21,906,730
Water	42,323,773	42,510,988
Total	102,598,768	91,081,830

35. Debt impairment

Trade and other receivables from exchange transactions	3	65,179,944	79,291,388
Property Rates	4	22,188,930	9,367,173
Total		87,368,874	88,658,561

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
36. Depreciation and amortisation			
Amortisation			
Intangible assets	10.1	201,030	265,675
Depreciation			
Property, plant and equipment		100,659,199	101,024,301
Total		100,860,229	101,289,976
37. Impairment loss / (reversal) of impairment			
Property, plant and equipment		1,678,698	23,428,417
38. Finance costs			
Interest	38.1	10,037,689	8,058,566
38.1 Interest cost			
Finance leases	11.1	5,658,872	3,814,241
Interest costs non-current provisions	16	4,374,823	4,132,326
Overdue accounts	14.3	3,994	111,999
Total		10,037,689	8,058,566
39. Contracted services			
Consultants and professional services	39.1	26,109,828	20,654,428
Contractors	39.2	29,495,704	33,313,770
Outsourced services	39.3	38,160,523	33,329,570
Total		93,766,055	87,297,768
39.1 Consultants and professional services			
Business advisory services			
Accounting and auditing		2,261,820	2,393,734
Actuaries		16,900	15,000
Air pollution		125,550	-
Project management		12,615,712	10,221,438
Research and advisory		141,955	131,659
Total business advisory services		15,161,937	12,761,831
Laboratory services			
Water		1,910,941	1,607,584
Legal services			
Collection		952,112	922,645
Legal advice and litigation		4,441,778	3,557,433
Total legal services		5,393,890	4,480,078
Engineering services			
Civil engineering		231,000	124,129
Electrical engineering		2,497,348	616,438
Total engineering services		2,728,348	740,567

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
39. Contracted services (continued)		
Infrastructure and planning services		
Ecological infrastructure and planning	914,712	414,395
Land and quantity surveyors infrastructure and planning	-	621,830
Town planner infrastructure and planning	-	28,143
Total infrastructure and planning services	914,712	1,064,368
Total consultants and professional services	26,109,828	20,654,428
39.2 Contractors		
General services		
Artists and performers	1,990	90,125
Catering services	105,328	2,392
Employee wellness	18,269	305,378
Event promoters	84,511	97,945
Pest control and fumigation	28,235	9,050
Total general services	238,333	504,890
Maintenance services		
Maintenance of buildings and facilities	5,411,477	6,252,557
Maintenance of equipment	478,466	335,763
Maintenance of unspecified assets	23,367,428	26,220,560
Total maintenance service	29,257,371	32,808,880
Total contractor	29,495,704	33,313,770
39.3 Outsourced services		
Business and advisory services		
Project Management	6,119,233	5,427,220
Qualification Verification	274,311	881,760
Research and Advisory	114,967	17,900
Valuer	970,405	3,132,663
Total business and advisory services	7,478,916	9,459,543
General services		
Alien Vegetation Control	368,110	-
Animal Care	478,500	483,372
Burial Services	60,595	11,950
Catering Services	575,905	729,644
Cleaning Services	654,830	368,720
Clearing and Grass Cutting Services	1,276,711	1,832,556
Drivers Licence Cards	522,901	1,516,691
Illegal Dumping	310,300	-
Internal Auditors	27,800	29,095
Litter Picking and Street Cleaning	58,801	400,670
Medical Services [Medical Health Services & Support	1,093,916	946,943
Personnel and Labour	13,360,210	10,179,767
Professional Staff	75,050	382,201
Traffic Fines Management	3,806,825	1,888,870
Transport Services	96,684	204,093
Total general services	22,767,138	18,974,572

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand		2024	2023
39. Contracted services (continued)			
Trading services			
Connection/Dis-connection: Electricity		97,581	-
Connection/Dis-connection: Restricted water flow		1,480	-
Security Services		7,815,408	4,895,455
Total trading services		7,914,469	4,895,455
Total outsourced services		38,160,523	33,329,570
40. Transfers and subsidies - Expenditure			
Operational			
Allocations in-kind	40.1	320,000	325,000
Monetary allocations	40.2	600,000	383,750
Total transfers and subsidies: Operational		920,000	708,750
40.1 Allocations in-kind: Operational			
Households		320,000	325,000
40.2 Monetary allocations: Operational			
Households		600,000	383,750
41. Operating leases			
Computer Equipment		390,135	-
Furniture and Office Equipment		3,165,524	3,033,058
Other Assets		3,973,955	3,780,782
Total		7,529,614	6,813,840

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
42. Operational cost		
Achievements and Awards	1,517,388	3,831,001
Advertising, Publicity and Marketing	2,525,819	3,156,571
Bank Charges, Facility and Card Fees	1,182,230	1,108,359
Bargaining Council	3,553,325	3,553,325
Commission	4,373,887	4,947,593
Communication	4,042,563	4,541,464
Courier and Delivery Services	5,826	4,990
External Audit Fees	4,525,739	3,995,409
External Computer Service	12,068,983	7,379,652
Hire Charges	10,843,719	8,255,063
Insurance Underwriting	4,814,181	4,627,983
Licences	1,025,726	1,029,439
Management Fee	7,057,282	6,348,420
Municipal Services	37,589	-
Printing, Publications and Books	11,313	977,805
Professional Bodies, Membership and Subscription	10,872	13,886
Registration Fees	1,828,116	1,762,833
Remuneration to Ward Committees	2,058,000	2,962,848
Resettlement Cost	37,790	133,628
Search Fees	144,824	52,491
Signage	377,255	453,756
Skills Development Fund Levy	3,740,458	3,473,065
Storage of Files (Archiving)	83,555	53,307
Supplier Development Programme	-	24,300
Travel Agency and Visa's	-	2,925
Travel and Subsistence	2,003,679	1,993,097
Uniform and Protective Clothing	3,647,070	3,335,801
Vehicle Tracking	865,981	893,729
Workmen's Compensation Fund	2,062,847	1,977,511
Total	74,446,017	70,890,251
43. Contribution to provision		
Land fill site	94,700	-
Environmental clean-up	(147,460)	(778,290)
Total	(52,760)	(778,290)
44. Loss on disposal of fixed and intangible assets		
Property, plant and equipment	1,768,784	1,313,866
45. Irrecoverable debts written off		
Property rates	62,859,860	76,492,736
Service Charges	-	7,037,076
Fines	-	3,929,589
Total	62,859,860	87,459,401

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
46. Net cash from/(used) operating activities		
Surplus for the year	3,792,264	19,651,094
Adjustments for:		
Depreciation and amortisation	100,860,229	101,289,976
(Gains) / Losses on disposal of assets	1,768,784	1,313,866
Fair value adjustment - Inventory	(691,432)	424,835
Finance cost - Refuse site	4,374,823	4,132,326
Debt impairment	87,368,874	88,658,561
Straightlining - operating leases	3,715	43,364
Contribution to defined benefit obligations included in employee cost	22,168,590	25,488,954
Impairment loss	1,678,698	23,428,417
Bad debt written off	62,859,860	87,459,401
Contribution to refuse site provision	(52,760)	(778,290)
Remeasurements on employee benefits - actuarial gains and losses	(6,627,000)	(10,912,779)
Donation of assets	(18,000,000)	-
Movement in working capital		
(Increase) / Decrease in receivables from non-exchange transactions	(19,825,528)	(54,386,987)
(Increase) / Decrease in inventory	(3,160,051)	(1,973,016)
(Increase) / Decrease in receivables from exchange transactions	(115,326,265)	(165,198,372)
Increase / (Decrease) in trade and other payables	12,046,856	30,478,096
Increase / (Decrease) in unspent conditional grants and receipts trade and other payable non-exchange transactions	9,797,055	42,549,260
Increase / (Decrease) in Consumer deposits	2,600,041	5,387,145
Increase / (Decrease) in Employee benefit obligation	(1,713,569)	(9,842,156)
Net cash flows from operating activities	143,923,184	187,213,695
47. Contingent liabilities		
Peter John France & Gerald Jack Friedman Trustees of The Rental Company Trust	4,000,000	4,000,000
Claim against the municipality for damages resulting from alleged contract breach - failure to sufficiently maintain heavy equipment leased Nelson Mandela Bay Municipality	41,000,000	41,000,000
Claim against the municipality in respect of water consumption. Tshepega Civil Engineering (Pty) Ltd	1,950,346	1,950,346
Claim against the municipality for monies owed for professional services rendered		
H Goeda	250,000	250,000
Claim against the municipality for alleged damages, unlawful, wrongful assault, arrest & detention		
48. Contingent assets		
Insurance claim for lost damaged asset	1,663,594	325,134
The municipality has claims outstanding against its Insurers for lost and/or damaged assets. The management believe that it is probable that the claims will be successful and that compensation of R325 134 will be recovered.		

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

49. Related party disclosures

49.1 Nature of related party relationships

Related party	Nature of relationship
Close family member of key management	Various close family members of key management

49.2 Related party transactions

All Related Party Transactions are concluded at arm's length, unless stated otherwise.

The municipality bought goods from the following companies, which are considered to be related.:

Key Management personnel and Councillors remuneration.

Remuneration of Key Management Personnel and Councillors is set in Note 31 & 32 of the Annual Financial Statements.

Expenditure

2326 random Solutions	Uncle of Directors	130,000	161,200
Unomtha catering	Daughter of the Director	-	12,330
Mesrazest	Brother in law of Directors	1,642,946	3,032,062
Mgqandu & Coco Trading	Husband of Director	18,000	9,800
Nemma Trading (Pty) Ltd	Husband of Director	-	56,000
Hammond YS t/a DC Struct	Brother in law of Director	-	188,470
Premier Attraction 528 CC t/a ZJS Distributors	Cousin of Director	993,640	537,469
Sys Smart (Pty) Ltd	Son in law of Director	24,700	22,750
Zemog Projects	Cousin of Directors	133,910	25,610
Liefies Bakes	Spouse of Directors	181,023	150,841
Magnus Ventus General Dealer	Spouse of Directors	800	45,306
Libistax (Pty) Ltd	Brother in law of Directors	1,188,865	-
Izwe lethu general Trading	Spouse of Director	26,300	-
		4,340,184	4,241,838

50. Unauthorised, irregular, fruitless and wasteful expenditure

50.1 Unauthorised expenditure

Opening balance as previously reported	92,827,502	-
Add: Unauthorised expenditure – current	-	92,827,502
Less: Amounts written-off – prior period	(92,827,502)	-
Closing balance	-	92,827,502

The Unauthorised Expenditure incurred during 2022/23 was as a result of non-cash items (Impairment of Debtors) and has been tabled to Council. The total Budget is exceeded by R92 827 502 as a result of the financial services vote being over spent.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

50. Unauthorised, irregular, fruitless and wasteful expenditure (continued)

50.2 Irregular expenditure

Opening balance as previously reported	382,748	382,748
Less: Amounts written-off – prior period	(382,748)	-
Closing balance	-	382,748
Incident	Disciplinary steps/criminal proceedings	
Incorrect calculation of order	-	2,000
Tax Non compliance	Still to be investigated	380,748
Total	-	382,748

50.3 Fruitless and wasteful expenditure

Opening balance as previously reported	111,999	41,005
Add: Fruitless and wasteful expenditure – current	-	111,999
Less: Amounts written-off – prior period	(111,999)	(41,005)
Closing balance	-	111,999
Incident		
Interest on late payments	-	111,999

Interest and penalties on late payments of trade creditors

51. Councillor's municipal accounts in arrears

Amount outstanding for more than 90 days

List the name of the councillor which at any time during the relevant financial year was in arrears for more than 90 days

Councillor Dayimani M	-	31,232
Councillor Valgee	11,724	10,086
Councillor Bornman	20,752	6,764
Councillor Mbuqu	26,112	74,339
Councillor Zana	3,032	-
Councillor August	38,321	-
Councillor Yali	645	-
Councillor Petersen	72,406	-
	172,992	122,421

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
52. Deviations from SCM regulations - SCM Regulation 36		
In terms of section 36 of the Municipal Supply Chain Regulations, any deviation from the Supply Chain Management Policy needs to be approved/condoned by the Municipal Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.		
s36(1)(a)(i) - An emergency: Expenditure incurred in accordance with section 36 of the SCM Regulations in respect of an emergency.	18,434,283	27,626,858
s36(1)(a)(ii) - Goods and services procured or available from a single provider only: Expenditure incurred in accordance with section 36 of the SCM Regulations in respect of goods and services or available from a single provider only.	731,873	313,806
s36(1)(a)(v) - Exceptional case where it is impracticable or impossible to follow the official procurement process: Expenditure incurred in accordance to section 36 of the Regulations in respect of exceptional case where it is impractical or impossible to follow the official procurement processes.	22,015,704	39,591,028
s36(1)(b) - Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.	-	13,510
Total amount approved by the accounting officer and noted by council	41,181,860	67,545,202

All deviations considered by the Municipal Manager are processed in terms of the Supply Chain Management Regulations and the municipality's Supply Chain Management Policy. This process entails being assessed by the Supply Chain Management Bid Adjudication Committee in terms of the stipulated criteria for emergency procurements and circumstances where it is impractical or not possible to follow the official procedure..

53. ADDITIONAL DISCLOSURES IN TERMS OF APPLICABLE LEGISLATION

	SALGA contributions	Audit fees	PAYE, Skills Development Levy and UIF	Pension and Medical Aid
As at 30 June 2024				
Opening balance	-	13,427	-	-
Subscription/fees	4,299,144	5,204,600	61,837,783	80,063,981
Amount paid – current year	(4,299,144)	(5,218,027)	(61,837,783)	(80,063,981)
Total amount approved by the accounting officer and noted by council	-	-	-	-
	SALGA contributions	Audit fees	PAYE, Skills Development Levy and UIF	Pension and Medical Aid
As at 30 June 2023				
Subscription/fees	3,974,035	4,594,721	54,910,692	76,557,025
Amount paid – current year	(3,974,035)	(4,581,293)	(54,910,692)	(76,557,025)
Total amount approved by the accounting officer and noted by council	-	13,428	-	-

54. Capital commitments

Commitments in respect of capital expenditure:

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
54. Capital commitments (continued)		
Approved and contracted for:		
Infrastructure	112,151,163	83,057,754
Other movable assets	18,284,538	19,120,372
	130,435,701	102,178,126

All capital commitments are VAT inclusive.

55. Going concern

Management also considered the following matters in relation to the Going Concern position of Kouga Local Municipality:

(i) On 30 May 2024 the Council adopted the 2023/2024 to 2025/26 Budget. This three-year Medium Term Revenue and Expenditure Framework (MTREF) to support the ongoing delivery of municipal services to residents reflected that the Budget was cash-backed over the three-year period.

(ii) The municipality's Budget is subjected to a very rigorous independent assessment process to assess its cash-backing status before it is ultimately approved by Council.

iii) Strict daily cash management processes are embedded in the municipality's operations to manage and monitor all actual cash inflows and cash outflows in terms of the cash-flow forecast supporting the Budget. The cash management processes is complemented by monthly reporting, highlighting the actual cash position, including the associated risks and remedial actions to be instituted.

(iv) As the municipality has the power to levy fees, tariffs and charges, this will result in an on-going inflow of revenue to support the on-going delivery of municipal services. Certain key financial ratios, such as liquidity, cost coverage, debtors' collection rates and creditors' payment terms are closely monitored and the necessary corrective actions instituted.

Taking the aforementioned into account, management has prepared the Annual Financial Statements on the Going Concern Basis.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

2024

2023

56. MULTI-EMPLOYER RETIREMENT BENEFIT INFORMATION

The municipality makes provision for post-retirement benefits to eligible Councillors and employees who belong to different pension schemes. All councillors belong to the Pension Fund for Municipal Councillors, whilst employees belong to a variety of approved Pension and Provident Funds as described below.

The only obligation of the municipality with respect to the retirement benefit plans is to make the specified contributions. Where councillors / employees leave the plans prior to full vesting of the contributions, the contributions payable by the municipality are reduced by the amount of forfeited contributions.

These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution scheme

These schemes are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

SALA Pension fund

The fund operates both as a defined benefit and defined contribution scheme.

The statutory valuation performed as at 1 July 2021 stated that the net assets of the fund amounted to R12 238 000 000 (30 June 2018: R14 298 600 000), with funding levels of 85.5% (30 June 2018: 96%). The actuary recommended that the employers continue to contribute at the current rate of 19.18% of pensionable salary.

The actuaries are satisfied with the investment strategy of the fund. The nature of the assets is, in their opinion, suitable for the nature of the liabilities of the fund as defined in the rules of the fund. The matching of assets with the liabilities of the Fund is adequate, and the insurance arrangements are appropriate compared to the cover provided can be regarded as financially sound at the valuation date.

Defined Benefit Schemes

LA Retirement Fund (Previously Cape Joint Pension Fund)

The fund operates both as a defined benefit and defined contribution scheme. The contribution rate of the defined benefit section is 27%, 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2023 disclosed an actuarial valuation amounting to R1 338 791 000 (2022: R1 391 841 000), with a surplus of R226 285 000 (2022: R144 158 000), with a funding level of 120.3% (2022: 111.6%).

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Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

2024

2023

56. MULTI-EMPLOYER RETIREMENT BENEFIT INFORMATION (continued)

Defined Contribution Schemes

LA Retirement Fund (Previously Cape Joint Pension Fund)

The actuarial valuation report at 30 June 2023 indicated that the defined contribution scheme of the fund is in a sound financial position, with net assets amounting to R2 163 627 000 (2022: R1 976 184 000), net investment reserve of Rnil (2022: Rnil) and a funding level of 100% (2022: 100%).

Cape Joint Retirement Fund (CRF)

The most recent statutory valuation was performed as at 30 June 2023 revealed that the assets of the fund amounted to R42 710 035 000 (2022: R36 502 914 000), with funding levels of 120.1% and 100.2% (2022: 131.6% and 100.4%) the Pensions Account and the Share Account respectively. The contribution rate paid by the members (7.50%/9%) and the municipalities (19.50%/18%) is sufficient to fund the benefits accruing from the fund in the future.

Municipal Councillors Pension Fund

The fund operates as a defined contribution scheme. The most recent statutory valuation performed as at 30 June 2018 revealed that the net assets of the fund amounted to R1 798 030 000 (2022: R1 480 549 000), with funding levels of 103.26% (2017: 101.31%). The contribution rate paid by the members (13.75 %) and council (15%) is sufficient to fund the benefits accruing from the fund in the future. The Actuary certified that the Fund was in a sound financial condition as at 30 June 2018, in that the assets of the fund were sufficient to cover the accrued service liabilities including the recommended contingency reserves in full.

National Fund for Municipal Workers

The fund operates as a defined contribution fund in terms of the rules of the fund category A and category C members contribute at a rate as agreed upon by the Local Authority and the member, subject to an absolute minimum contribution of 2% and 5% of their remuneration respectively, Category C-Members, appointed after 1 July 2012, who are not part of the Schedule shall make monthly contributions to the Fund equal to 7.5% of their pensionable salary.

The most recent statutory valuation performed as at 30 June 2019 revealed that the net assets of the fund amounted to R17 107 067 000 (2018: R15 393 671 000), with funding levels of 100.40% (2018: 100.46%). The actuary certified that the assets of the fund are sufficient to cover 100.40% of the members' liabilities, also that it can be expected that the funding level of a fund of this nature will fluctuate around 100%, for example due to timing differences in investment and receipt of monies, slight mismatching of assets and liabilities and processing errors.

The Local Authority must contribute in respect of category A and category C members such an amount as agreed between the Local Authority and the fund, subject to a minimum contribution rate of 2% and 5% of their remuneration respectively. Category B members are members who belong to both category A and C and the Local Authority must, on behalf of such members, not contribute less than 7% of their remuneration. The contribution rates stipulated above include the amount payable towards the insured risk benefits policy.

The Municipal Workers Retirement Fund (Previously South African Municipal National Provident Fund)

The fund is a defined contribution scheme. Members contribute at a rate of not less than 75% of salaries, as required by the Rules. The employers contribute at a total rate of not less than 18%. From 1 July 2017, members and employers that fall under other bargaining councils or forums are not bound by the above minimum contribution rates. The statutory valuation performed as at 30 June 2021 stated that the assets of the fund amounted to R10 866 257 000 (2017: R7 720 948 000), with funding levels of 100% (2017: 102%).

The fund's assets exceeds the member liabilities as at 30 June 2021, by a margin of R130.4 million or 1.2%. In the valuation report the actuaries have chosen to allocate R100.3 million to the Risk Reserve, to allow for projected excess salary-multiple death and disability claims in the year following the valuation date (in excess of the contributions allocated toward these risk benefits over this period), while also leaving a reasonable margin against future claims variability. Accordingly there is a small positive balance in the Investments Reserve. The value of the assets is more than sufficient to cover the accrued liabilities (Members' Shares), and the required level of risk reserve in respect of the self-insured benefits, and the Fund is therefore financially sound.

57. Prior period adjustments

The following restatements and adjustments occurred which are set out below:

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

2024

2023

57. Prior period adjustments (continued)

57.1 Adjustments of Statement of financial performance items

2023

	Note	Previously reported	Re-classification	Restated
Revenue				
Non-exchange revenue				
Property rates	1	259,514,386	-	259,514,386
Licences or permits	1	9,872,124	(2,676,798)	7,195,326
Transfers and subsidies	1	279,561,122	-	279,561,122
Fines, penalties and forfeits	1	132,921,224	(31,285,445)	101,635,779
Interest on receivables		3,729,096	-	3,729,096
Increase in net-realizable value		-	(424,835)	(424,835)
Fairvalue adjustment - Actuarial gains		-	10,912,779	10,912,779
		685,597,952	(23,474,299)	662,123,653
Exchange revenue				
Services charges - Electricity		-	306,476,963	306,476,963
Services charges		547,618,752	(547,618,752)	-
Services charges - Water		-	117,399,855	117,399,855
Services charges - Waste water management		-	61,796,904	61,796,904
Services charges - Waste management		-	61,945,030	61,945,030
Rental from fixed assets		2,570,122	43,363	2,613,485
Interest earned from current and non-current assets		-	6,824,262	6,824,262
Interest earned from receivables		-	20,845,130	20,845,130
Licences or permits		-	2,676,798	2,676,798
Agency services		2,677,528	-	2,677,528
Operational revenue		1,199,527	-	1,199,527
Sales of goods and rendering of services		9,188,788	-	9,188,788
Interest, dividend and rent on Land Earned		27,669,391	(27,669,391)	-
		590,924,108	2,720,162	593,644,270
Total revenue		1,276,522,060	(20,754,137)	1,255,767,923
Expenditure				
Employee related cost		355,768,121	8,537,621	364,305,742
Remuneration of councillors		13,700,138	-	13,700,138
Debt impairment		-	88,658,561	88,658,561
Depreciation, amortisation		101,358,180	(68,204)	101,289,976
Finance costs		8,058,566	-	8,058,566
Bulk purchases - Electricity		291,888,014	-	291,888,014
Inventory consumed		91,081,830	-	91,081,830
Contracted services		87,316,838	(19,073)	87,297,765
Transfers and subsidies		708,750	-	708,750
Operational cost		70,111,961	778,290	70,890,251
Operating leases		6,813,840	-	6,813,840
Irrecoverable debts written off		-	87,459,401	87,459,401
Contribution to provision		-	(778,290)	(778,290)
Impairment loss/(reversal) of impairment		228,881,516	(205,453,099)	23,428,417
Loss on disposal of assets		1,313,865	-	1,313,865
Total expenditure		1,257,001,619	(20,884,793)	1,236,116,826
Surplus for the year		19,520,441	130,656	19,651,097

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

2024

2023

57. Prior period adjustments (continued)

57.2 Adjustments of Statement of financial position items

2023

	Note	Previously reported	Correction of error effected prior to 1 July 2022	Re-classification	Restated
Assets					
Current assets					
Cash and cash equivalents		104,935,011	-	-	104,935,011
Trade and other receivables from exchange transactions		77,030,107	65,070,877	(55,950,643)	86,150,341
Receivables from non-exchange transactions		-	-	29,014,521	29,014,521
Inventories		18,598,030	-	-	18,598,030
Statutory Receivables from exchange transactions		45,422,024	-	(45,422,024)	-
Statutory Receivables from non-exchange transactions		29,014,533	-	(29,014,533)	-
Deposits		-	-	893,543	893,543
Operating leases		109,349	-	-	109,349
		275,109,054	65,070,877	(100,479,136)	239,700,795
Non-current assets					
Investment property		262,608,444	(10,934,973)	-	251,673,471
Property, plant and equipment		2,053,675,844	4,016,930	-	2,057,692,774
Intangible assets		602,549	-	-	602,549
		2,316,886,837	(6,918,043)	-	2,309,968,794
Total assets		2,591,995,891	58,152,834	(100,479,136)	2,549,669,589
Net assets and liabilities					
Current liabilities					
Lease Liabilities		11,342,009	826,684	-	12,168,693
Consumer deposits		29,060,071	-	-	29,060,071
Payables from exchange transactions		126,219,323	58,738,114	(38,326,949)	146,630,488
Payables from non-exchange transactions		28,993,831	-	-	28,993,831
Provisions		45,897,600	-	(44,750,139)	1,147,461
Employee Benefits		8,555,397	-	36,032,523	44,587,920
		250,068,231	59,564,798	(47,044,565)	262,588,464
Non-current liabilities					
Lease liabilities		24,202,066	(826,684)	-	23,375,382
Provisions		110,109,639	-	8,717,618	118,827,257
Employee benefits		106,638,259	-	-	106,638,259
		240,949,964	(826,684)	8,717,618	248,840,898
Total net assets		2,100,977,696	(62,737,469)	-	2,038,240,227
Total net assets and liabilities		2,591,995,891	(3,999,355)	(38,326,947)	2,549,669,589

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

57. Prior period adjustments (continued)

57.3 Reclassification

The following reclassifications adjustment occurred:

Statutory Receivables from exchange transactions

The municipality reclassified the VAT receivable and VAT payable as per the the GRAP 108 issued September 2022 as VAT receivable and payable were disclosed as a separate AFS line item but now will be consolidated as part of Receivables from exchanges and Payables from exchange transactions.

The Fact Sheet issued by the ASB further indicates that the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is no money to be received or paid to SARS for these amounts as yet. As there is no transaction to "settle" with a specific counterparty at this point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT accrual "debit" and "credit" may be more appropriate

Trade and other receivables from exchange transactions

The municipality reclassified the VAT receivable and VAT payable as per the the GRAP 108 issued September 2022 as VAT receivable and payable were disclosed as a separate AFS line item but now will be consolidated as part of Receivables from exchanges and Payables from exchange transactions.

The Fact Sheet issued by the ASB further indicates that the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is no money to be received or paid to SARS for these amounts as yet. As there is no transaction to "settle" with a specific counterparty at this point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT accrual "debit" and "credit" may be more appropriate.

Receivables from non-exchange

Property rates, fines and accrued income reclassified as receivables from non-exchange transactions of which they were previously reported as statutory receivables

Employee benefits - Current liability

Leave provision reclassified from provisions to employee benefits....

Provision - Current liability

Leave provision reclassified to employee benefits....

Trade and Other payables from exchange transactions

Output Tax provision for doubtful debts impairment and Output Tax accrual included as part of trade and other payables from exchange transactions .

The municipality reclassified the VAT receivable and VAT payable as per the the GRAP 108 issued September 2022 as VAT receivable and payable were disclosed as a separate AFS line item but now will be consolidated as part of Receivables from exchanges and Payables from exchange transactions.

The Fact Sheet issued by the ASB further indicates that the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is no money to be received or paid to SARS for these amounts as yet. As there is no transaction to "settle" with a specific counterparty at this point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT accrual "debit" and "credit" may be more appropriate....

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

58. Financial instruments

58.1 Classifications

A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104, the municipality classifies financial assets at amortised cost. Financial assets at amortised cost relates to a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

Financial assets

Amortised cost

Trade and other receivables from exchange transactions (except Statutory Receivables)	3	71,137,160	85,318,362
Deposits	6	893,543	893,543
Cash and cash equivalents	2	143,658,806	104,935,011
		215,689,509	191,146,916

Financial liabilities

Amortised cost

Consumer deposits	13	31,660,112	29,060,071
Trade and other payables from exchange transactions	14	158,677,344	146,630,488
Lease Liabilities	11	11,144,269	12,168,692
Non-current Lease liabilities	11	12,231,114	23,375,382
		213,712,839	211,234,633
Total financial instruments		1,976,670	(20,087,717)

58.2 Capital risk management

The municipality manages its capital to ensure that the municipality will be able to continue as a going concern while delivering sustainable services to consumers through the optimisation of the debt and equity balance.

The capital structure of the municipality consists of debt, which includes the Long-term Lease liability disclosed in Note 11, Cash and Cash Equivalents disclosed in Note 2; and Equity, comprising Funds, Reserves and Accumulated Surplus as disclosed in Note 17.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

58. Financial instruments (continued)

58.3 Financial risk management objectives

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Department Financial Services monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

Further quantitative disclosures are included throughout these Annual Financial Statements.

58.4 Significant accounting policies

It is the policy of the municipality to disclose information that enables the user of its Annual Financial Statements to evaluate the nature and extent of risks arising from Financial Instruments to which the municipality is exposed on the reporting date.

The municipality has exposure to the following risks from its operations in Financial Instruments:

- Credit Risk;
- Liquidity Risk; and
- Market Risk.

Market Risk

Market Risk is the risk that changes in market prices, such as interest rates will affect the municipality's income or the value of its holdings in Financial Instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Credit Risk

Credit Risk is the risk of financial loss to the municipality if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations and arises principally from the municipality's receivables from customers and investment securities.

Liquidity Risk

Liquidity Risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation.

Liquidity Risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timeous basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

58.5 Market risk

The municipality's activities expose it primarily to the financial risks of changes in interest rates. No formal policy exists to hedge volatilities in the interest rate market. There has been no change to the municipality's exposure to market risks or the manner in which it manages and measures the risk.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

58. Financial instruments (continued)

58.6 Interest rate risk

Interest rate risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk on financial assets consist mainly of fixed deposit investments and bank and cash balances.

The municipality is not exposed to credit interest rate risk as the municipality has no borrowings.

The municipality's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

Interest Rate Sensitivity Analysis

The sensitivity analysis has been determined based on the exposure to interest rates at the Statement of Financial Position date. The analysis is prepared by averaging the amount of the investment at the beginning of the financial year and the amount of the investment at the end of the financial year. A 25 basis point increase or decrease was used, which represents management's assessment of the reasonably possible change in interest rates. The short and long-term financial instruments at year-end with variable interest rates are set out in Note 58.8 below:

Cash and Cash Equivalents:

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the municipality's Surplus for the year ended 30 June 2024 would have increased / decreased by R165 981 (30 June 2023: R101 555). This is mainly attributable to the municipality's exposure to interest rates on its variable rate investments.

58.7 Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Council. The municipality manages liquidity risk by effectively managing its working capital, capital expenditure, external borrowings and cash flows. Standby credit facilities are available with the municipality's main banker to cater for any unexpected temporary shortfall in operating funds.

Liquidity and Interest Risk Table

The municipality ensures that it has sufficient cash on demand or access to facilities to meet expected operational expenses through the use of cash flow forecasts.

The municipality does not have any financing facilities and expects to meet its obligations from operating cash flows and proceeds of maturing financial assets and to maintain current debt to equity ratio.

58.8 Credit risk management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The municipality uses its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored regularly.

Potential concentrations of credit risk consist mainly of fixed deposit investments, long-term debtors, consumer debtors, other debtors, short-term investment deposits and bank and cash balances.

Investments/Bank, Cash and Cash Equivalents

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with Absa Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

Trade and Other Receivables

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

58. Financial instruments (continued)

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The municipality's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained. The municipality has no significant concentration of credit risk, with exposure spread over a large number of consumers, and is not concentrated in any particular sector or geographical area.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of trade and other receivables.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The municipality defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

The table below shows the balance of the 4 major counterparties at the balance sheet date. Management is of the opinion that, although these parties are the 4 counterparties with highest outstanding balances, no significant credit risk exposure exists based on the payment history of the parties, except for Northern Province Academy of Sport and Department of Water and Forestry Affairs for which there is uncertainty about the collectivity. They have been included in the Assessment for Impairment of Consumer Debtors.

The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follow:

Trade and other receivables from exchange transactions (excluding statutory receivables)	3	71,137,160	85,318,362
Bank and cash balances	2	143,658,806	104,935,011
Maximum credit and interest risk exposure		214,795,966	190,253,373

58.9 Other price risks

The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.

59. Budget information

The budget is approved on an accrual basis in accordance with the format of the MBRR schedules. The approved budget covers the period from 1 July 2023 to 30 June 2024.

The financial statements are prepared on the accrual basis using a classification on the nature of expenses in the statement of financial performance in accordance with GRAP. The amounts in the financial statements were realigned to a classification as per the MBRR schedules to be on the same basis as the final approved budget. The amounts of these adjustments are identified in the following table.

A reconciliation between the actual amounts on a comparable basis as presented in the statement of comparison of budget and actual amounts and the actual amounts presented in Statement of Financial Performance, Financial Position and Cash Flow Statement for the period ended 30 June 2024, due to presentation differences that have been identified, and is presented below. The financial statements and budget documents are prepared for the same period.

Explanation of variances between approved and final budget amounts

The reason for the variances between the approved and final budgets are mainly due to reallocations made within the approved budget parameters allowed for by the Virement Policy of Kouga Local Municipality as approved by Council.

Explanation of variances greater than 10%: Final Budget and Actual Amounts.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023
59.1. Statement of financial position		
Presentation of reconciling items:		
Balance as reported per Statement of Budget and Actuals	Total Current Assets 266,447,685	Total Current Liabilities (293,951,777)
Reconciliation items:		
VAT payable that has been netted of VAT receivable due from SARS	747,727	(747,727)
Balance as Statement of financial position	267,195,412	(294,699,504)

59.2. Statement of financial performance

Presentation of reconciling items

	Total Revenue	Total Expenditure
Amount reported per Statement of Comparison of Budget and Actuals amounts	1,202,671,603	(1,309,281,111)
Reconciling items:		
Transfers and subsidies - Capital reported as part of total revenue in transfers and subsidies	103,139,503	-
Gain recognised to revenue	-	(56,161)
Amount as reported on Financial Performance	1,305,811,106	(1,309,337,272)

60. Segment information

General information

Identification of segments

The municipality is organised and reports to management on the basis of three major functional areas: primary, secondary and tertiary educational services. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated segments

The municipality operates throughout the Kouga jurisdiction. Segments were aggregated on the basis of services delivered as management considered that the economic characteristics of the segments throughout the municipal jurisdiction were sufficiently similar to warrant aggregation.

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2024	2023

60. Segment information (continued)

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Segment 1	Community and Social services
Segment 2	Energy sources
Segment 3	Planning and Development
Segment 4	Public Safety
Segment 5	Roads
Segment 6	Solid waste and Sanitation
Segment 7	Water Management

The reconciling items listed are items under the directorates that do not form part of the segments (not contributing directly to service delivery and revenue generation), namely:

- Finance and Administration
- Executive and council
- Internal audit

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2024

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Revenue from exchange transactions								
Services charges - Electricity	-	380,375,534	-	-	-	-	-	380,375,534
Services charges - Waste water management	-	-	-	-	-	59,633,132	-	59,633,132
Services charges - Waste management	15,470,645	-	-	-	-	42,017,035	-	57,487,680
Services charges - Water	-	-	-	-	-	-	109,872,623	109,872,623
Sales of goods and rendering of services	363,400	-	5,147,706	15,964	-	3,152	-	5,530,222
Agency services	-	-	-	3,615,485	-	-	-	3,615,485
Interest earned from receivables	-	2,427,684	-	-	-	10,580,579	8,549,530	21,557,793
Licences or permits	138,958	-	-	2,229,189	-	-	-	2,368,147
Rental	2,479,677	-	1,028,077	-	-	-	-	3,507,754
Operational revenue - Exchange revenue	-	1,216,877	-	-	4,542,200	-	-	5,759,077
Revenue from non-exchange transactions								
Fines, penalties and forfeits	1,918	-	455,349	36,350	-	-	-	493,617
Licences or permits	6,817,038	-	-	604,053	-	-	-	7,421,091
Transfers and subsidies	11,480,132	14,014,085	37,533,720	1,775,560	5,490,259	58,224,789	37,680,061	166,198,606
Total segment revenue	36,751,768	398,034,180	44,164,852	8,276,601	10,032,459	170,458,687	156,102,214	823,820,761
Reconciling - Exchange Revenue	-	-	-	-	-	-	-	21,107,692
Reconciling - Non-exchange Revenue	-	-	-	-	-	-	-	468,201,085
Total revenue	-	-	-	-	-	-	-	1,313,129,538

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Expenditure								
Employee related cost	49,394,914	16,228,084	29,463,194	36,172,365	22,891,452	62,945,028	25,387,125	242,482,162
Bulk purchases	-	351,702,171	-	-	-	-	-	351,702,171
Inventory consumed	5,565,589	12,305,071	305,254	1,543,016	7,845,063	18,534,769	50,454,901	96,553,663
Depreciation and amortisation	1,730,179	7,333,452	-	-	32,684,095	25,180,316	20,296,501	87,224,543
Impairment losses on PPE, IA and HA	28,224	638,439	5,767	-	-	292,790	631,451	1,596,671
Finance costs	-	-	-	-	-	-	-	-
Contracted services	11,369,358	12,158,768	6,981,814	1,898,275	9,606,754	10,313,057	2,822,042	55,150,068
Transfers and subsidies	320,000	-	600,000	-	-	-	-	920,000
Debt impairment	-	21,072,391	-	-	-	19,519,141	24,588,412	65,179,944
Irrecoverable debt written off	-	597,054	-	-	-	9,012,915	34,580,946	44,190,915
Operating leases	349,133	29,973	998,142	124,353	-	21,579	-	1,523,180
Operational cost	12,554,678	4,083,828	1,400,823	1,366,914	1,974,736	9,582,527	3,162,360	34,125,866
Contribution to provision	-	-	-	-	-	(147,460)	-	(147,460)
Loss on disposal of assets	56,161	-	-	-	-	-	-	56,161
Total segment expenditure	81,368,236	426,149,231	39,754,994	41,104,923	75,002,100	155,254,662	161,923,738	980,557,884
Reconciling - Contracted services	-	-	-	-	-	-	-	38,615,983
Reconciling - Contribution to provision	-	-	-	-	-	-	-	94,700
Reconciling - Depreciation and amortisation	-	-	-	-	-	-	-	13,635,686
Reconciling - Employee related cost	-	-	-	-	-	-	-	156,395,365
Reconciling - Finance costs	-	-	-	-	-	-	-	10,037,689
Reconciling - Impairment loss / (Reversal) of impairment	-	-	-	-	-	-	-	82,028
Reconciling - Inventory consumed	-	-	-	-	-	-	-	6,045,107
Reconciling - Irrecoverable debts written off	-	-	-	-	-	-	-	18,668,943
Reconciling - Loss on disposal of fixed assets and intangible assets	-	-	-	-	-	-	-	1,712,623
Reconciling - Operating leases	-	-	-	-	-	-	-	6,006,434
Reconciling - Operating cost	-	-	-	-	-	-	-	40,320,150
Reconciling - Remuneration of councillors	-	-	-	-	-	-	-	14,975,747
Reconciling - Debt impairment	-	-	-	-	-	-	-	22,188,930
Total expenditure	-	-	-	-	-	-	-	1,309,337,269
Total segment surplus/(deficit)	(44,616,468)	(28,115,051)	4,409,858	(32,828,322)	(64,969,641)	15,204,025	(5,821,524)	3,792,269

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

Capital expenditure

Capital expenditure	7,309,625	5,703,385	14,410	2,810,454	28,879,836	24,355,773	21,196,987	90,270,470
Reconciling - Capital acquisitions	-	-	-	-	-	-	-	2,644,220
	7,309,625	5,703,385	14,410	2,810,454	28,879,836	24,355,773	21,196,987	92,914,692

2023

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Revenue from exchange transactions								
Services charges - Electricity	-	306,476,963	-	-	-	-	-	306,476,963
Services charges - Water	-	-	-	-	-	-	117,399,855	117,399,855
Services charges - Waste management	15,662,556	-	-	-	-	46,282,474	-	61,945,030
Services charges - Waste water management	-	-	-	-	-	61,796,904	-	61,796,904
Sales of goods and rendering of services	389,903	-	5,640,352	14,855	-	13,882	-	6,058,992
Rental	2,041,295	-	(1,270,271)	-	-	-	-	771,024
Interest earned from receivables	-	1,750,339	-	-	-	9,619,671	9,145,804	20,515,814
Operational revenue - Exchange revenue	-	-	-	-	28,506	-	-	28,506
Revenue from non-exchange transactions								
Licences or permits	190,227	-	-	2,486,571	-	-	-	2,676,798
Agency services	-	-	-	2,677,528	-	-	-	2,677,528
Fines, penalties and forfeits	936	-	339,756	20,000	-	-	-	360,692
Licences and permits	6,581,082	-	-	614,244	-	-	-	7,195,326
Transfers and subsidies	6,820,577	5,205,047	7,643,103	2,732,898	1,175,000	34,096,415	69,018,010	126,691,050
Total segment revenue	31,686,576	313,432,349	12,352,940	8,546,096	1,203,506	151,809,346	195,563,669	714,594,482
Reconciling - Exchange Revenue	-	-	-	-	-	-	-	13,296,857
Reconciling - Non-exchange Revenue	-	-	-	-	-	-	-	527,876,550
Total revenue	-	-	-	-	-	-	-	1,255,767,923

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

	Community and Social services	Energy sources	Planning and development	Public safety	Roads	Solid waste and Sanitation	Water management	Total
Expenditure								
Employee related cost	47,295,763	15,001,305	25,604,214	33,409,428	20,713,731	61,566,848	22,161,479	225,752,771
Debt impairment / write-off	-	-	-	-	-	-	-	-
Depreciation and amortisation	1,777,900	7,315,977	-	-	32,551,287	27,103,369	18,830,074	87,578,607
Debt impairment	-	2,694,685	-	-	-	29,109,802	47,486,901	79,291,388
Impairment losses on PPE, IA and HA	-	1,220,541	-	-	-	10,787,186	4,797,265	16,804,992
Finance costs	-	-	-	-	-	-	-	-
Bulk purchases	-	291,888,014	-	-	-	-	-	291,888,014
Inventory consumed	7,218,255	7,032,670	431,667	1,309,525	4,676,233	14,045,172	51,910,347	86,623,869
Contracted services	10,168,315	4,118,614	7,305,644	2,841,995	15,182,934	11,383,615	3,095,786	54,096,903
Transfers and subsidies	325,000	-	383,750	-	-	-	-	708,750
Operational cost	10,029,561	3,793,460	1,238,862	1,174,302	1,938,565	8,625,819	2,414,380	29,214,949
Operating leases	331,047	28,352	938,386	118,855	-	20,881	-	1,437,521
Loss on disposal of assets	(12,779)	-	-	-	-	-	-	(12,779)
Contribution to provision	-	-	-	-	-	(778,290)	-	(778,290)
Irrecoverable debt written off	-	278,791	-	-	-	6,417,462	4,270,412	10,966,665
Total segment expenditure	77,133,062	333,372,409	35,902,523	38,854,105	75,062,750	168,281,864	154,966,644	883,573,360
Reconciling - Contracted services	-	-	-	-	-	-	-	33,200,864
Reconciling - Debt impairment	-	-	-	-	-	-	-	9,367,173
Reconciling - Depreciation and amortisation	-	-	-	-	-	-	-	13,711,369
Reconciling - Employee Related Cost	-	-	-	-	-	-	-	138,552,984
Reconciling - Finance costs	-	-	-	-	-	-	-	8,058,566
Reconciling - Impairment loss / (Reversal) of impairment	-	-	-	-	-	-	-	6,623,425
Reconciling - Inventory consumed	-	-	-	-	-	-	-	4,457,960
Reconciling - Irrecoverable debts written off	-	-	-	-	-	-	-	76,492,736
Reconciling - Loss on disposal of fixed assets and intangibles	-	-	-	-	-	-	-	1,326,644
Reconciling - Operating leases	-	-	-	-	-	-	-	5,376,318
Reconciling - Operational cost	-	-	-	-	-	-	-	41,675,316
Reconciling - Remuneration of councillors	-	-	-	-	-	-	-	13,700,137
Total expenditure	-	-	-	-	-	-	-	1,236,116,852
Total segment surplus/(deficit)	(45,446,486)	(19,940,060)	(23,549,583)	(30,308,009)	(73,859,244)	(16,472,518)	40,597,025	19,651,071

Kouga Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2024

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

60. Segment information (continued)

Capital expenditure

Acquisitions	4,397,140	9,093,079	(161,247)	-	13,241,115	24,715,717	43,080,881	94,366,685
Reconciling - Capital acquisitions	-	-	-	-	-	-	-	18,542,451
	4,397,140	9,093,079	(161,247)	-	13,241,115	24,715,717	43,080,881	112,909,136