



INTEGRATED DEVELOPMENT PLAN (2017/2022)

2ND REVIEW 2019/2020

ADOPTED BY COUNCIL ON 30 MAY 2019

RESOLUTION NO. 19/05/MM3

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LIST OF ABBREVIATIONS

AG	Auditor-General
B2B	Back to Basics Approach
CAPEX	Capital Expenditure
CBD	Central Business District
CBP	Community Based Planning
CFO	Chief Financial Officer
CIP	Capital Infrastructure Plan
COGTA	Department of Co-operative Governance
CRU	Community Residential Units
DEA	Department of Environmental Affairs
DEAP	Department of Environmental Affairs and Development Planning
DM	District Municipality
DORA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EPWP	Expanded Public Works Programme
FLISP	Financial linked Individual Subsidy Programme
FPA	Fire Protection Association
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognized Accounting Policies
HR	Human Resources
HSP	Human Settlement Plan
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IHRP	Integrated Human Resources Plan
IMFO	Institute for Municipal Finance Officers
INEP	Integrated National Electrification Programme
ISDF	Integrated Strategic Development Framework
KI	Kiloliter (1,000 litre)
KPA	Key Performance Area
KPI	Key Performance Indicator
KSC	Kouga Sports Council
KWH	Kilowatt-hour
LED	Local Economic Development
LM	Local Municipality
LLF	Local Labour Forum
MAYCO	Mayoral Committee
MBRR	Municipal Budget and Reporting Regulations
MFMA	Municipal Finance Management Act (Act no. 56 of 2000)
MIG	Municipal Infrastructure Grant
MEC	Member of Executive Council
MI	Megalitre (1 000 000 litres)
MM	Municipal Manager
MSA	Municipal Systems Act (Act no 32 of 2000)
MSCOA	Municipal Regulations on a Standard Chart of Accounts
MTREF	Medium Term Revenue & Expenditure Framework
NDP	National Development Plan
NDPG	Neighbourhood Development Program Grant
NERSA	National Energy Regulator of South Africa
NGM	New Generation Mindset
NGO	Non-Government Organisation

NHBRC	National Home Builders Regulatory Council
NMU	Nelson Mandela University
NPO	Non-Profit Organisation
NSUP	National Support Upgrading Programme
NT	National Treasury
OPEX	Operating Expenditure
OTP	Office the Premier
PDI	Previously Disadvantaged Individual
PDP	Provincial Development Plan
PMS	Performance Management System
P-MTSF	Provincial Medium-Term Strategic Framework
PSDF	Provincial Spatial Development Framework
PSP	Provincial Strategic Plan
PPP	Public-Private Partnership
PT	Provincial Treasury
R	Rand (currency)
ROD	Record of decision-making
SASSA	South African Social Security Agency
SALGA	South African Local Government Organisation
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SH	Social Housing
STATSSA	Statistics South Africa
UISP	Upgrading of Informal Settlements Programme
WSP	Workplace Skills Plan
WTW	Water Treatment Works
WWTW	Waste Water Treatment Works

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“Earth is becoming too small for us. Our physical resources are being drained at an alarming rate. We’ve presented our planet with the disastrous gift of climate change. Rising temperatures, reduction of the polar ice caps, deforestation, overpopulation, disease, war, famine, lack of water and decimation of animal species; these are all solvable but so far haven’t been solved.”

***-Stephen Hawking, British Physicist and
Cosmologist***

FOREWORD BY THE EXECUTIVE MAYOR



EXECUTIVE MAYOR : CLR HORATIO HENDRICKS

Local government is often said to be at the “coal face” of service delivery, an expression which underlines the impact municipalities have on the everyday lives of the communities we serve. Water, electricity, sanitation, roads and waste management are all core functions of local government and must be in place for communities to live quality lives.

The Integrated Development Plan (IDP) provides the framework for a municipality to fulfil its mandate and apply its budget. It is a five-year document that is drawn up in partnership with communities and other spheres of government. Reviewed annually, it enables a municipality to do short, medium and long-term planning to meet communities’ needs, with due consideration of those projects being implemented by district, provincial and national governments.

The challenges currently facing Kouga are prevalent across South Africa, but what sets our municipality apart is the proactive and innovative manner in which we have been dealing with these challenges. Key challenges in basic service delivery include old and insufficient bulk infrastructure, the quest for water security for all our communities, the ongoing dependence of almost 4 000 households on the bucket system, the deteriorating condition of our road network, illegal electricity and the cleanliness of our towns.

The municipality has, over the past year, made visible progress in addressing each one of these challenges, but we need to step up our game even more if we are to deal with all backlogs decisively and achieve service excellence for all communities.

The economic growth of our region, coupled to job creation, will also remain a priority.

Tourism has the potential to be a game-changer and we are, therefore, in the process of positioning Kouga as the Events Capital of South Africa. Through Tourism, we can create millions in revenue injection into our local community and provide impetus to our drive to create one job in every home in Kouga. Events, that will attract tens of thousands of patrons, will grow our local businesses and create employment and sustainable opportunities.

I trust that this IDP will stimulate the municipality's partnership with communities, the private sector and other spheres of government in order for us to achieve our goals.

Kouga has the potential to be the best in driving good governance through service excellence. Together, we can go big and keep on going.

COUNCILLOR HORATIO HENDRICKS
EXECUTIVE MAYOR

EXECUTIVE SUMMARY BY THE MUNICIPAL MANAGER



MUNICIPAL MANAGER : CHARL DU PLESSIS

The Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning budgeting, management and decision-making processes in a municipality. The Local Government: Municipal Systems Act, No. 32, 2000 (MSA) mandates Municipalities to review Integrated Development Plans annually in accordance with an assessment of its performance measurements. Consequently, this IDP review for 2019/20 was compiled in accordance with section 34 of the MSA. Much of the information in this document is based on statistical information as per Stats SA data and other credible sources.

The IDP was reviewed in consultation with community stakeholders, and the provincial and national governments. The IDP should guide how the provincial and national sector departments allocate resources at local government level. Our vision remains “Good governance through service excellence” and we will continue to listen to the community through our public participation processes and to serve our community in the best way possible.

It is in the interest of the sector departments to participate in the IDP process to ensure that its programmes and those of municipalities are aligned. Sound financial management remains at the core to execute our service delivery priorities as stated in this 2019/20 IDP review. The review of the IDP afforded the municipality to reflect on its experiences and successes in order to address our future challenges. More emphasis will be placed on service delivery and to identify opportunities for economic growth and investments.

Our MTREF as well as the performance agreements of our senior managers are aligned with the IDP. The Organisational structure of the Kouga Municipality is reviewed annually, and positions created are in line with service delivery plans and functions to respond to the strategic vision of the municipality.

The IDP is the expression of the need to maintain the current standards of good governance, financial stability, achieving a clean audit, the delivery of infrastructure services and the provision of basic services. In all our efforts we will ensure that all available resources are optimally utilized and that value for money is achieved through continuous re-configuration of our strategic focus.

The financial sustainability of the municipality is a key priority and will remain so in the future. We are proud of the unqualified audits, 3 years in succession (2015/16, 2016/17, 2017/18), and the aim is to achieve a clean audit in the next 3 years.

My sincere appreciation to the Executive Mayor, Horatio Hendricks, the council and senior management who helped to formulate the strategic direction of this review period and the many staff who execute their duties with diligence and pride.

CHARL DU PLESSIS
MUNICIPAL MANAGER

COMMENTS FROM THE MEC OF THE DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

1. INTRODUCTION

The annual assessment of Integrated Development Plans by provincial government is important, as it is stipulated in Chapter 5 of the Local Government Municipal Systems Act, 32 of 2000 (MSA). Provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring and support role to municipalities as stipulated by the Constitution.

Furthermore, it provides an indication of the ability and readiness of municipalities to deliver on the legislative and constitutional mandate. It is always beneficial for this assessment to embrace representation of municipalities at the level S56 or middle managers to enable engagement between municipalities and assessors and even with peers for sharing of best practices and mutual understanding of requirements as well as arrangements for further support in identified areas of weaknesses.

2. ROLE PLAYERS IN THE REVIEWED IDP FOR THE 2018/19

This report encapsulates the MEC comments on behalf of the Department of Co-operative Governance and Traditional Affairs, as provided by both provincial and national departments on the reviewed final Integrated Development Plans. The Sector Departments which took part in the assessment are: Department of Co-operative Governance and Traditional Affairs, Department of Economic Affairs (Provincial & National), Department of Health, Department of Social Development, Department of Water Affairs, Department of Human Settlement, Department of Health, Statistics SA, National Department of Environment, Department of Roads and Public Works.

3. SPECIFIC FINDINGS ON THE REVIEWED 2018/19 FINAL IDP

The overall findings on the 2018/19 final IDP of the Kouga Municipality can be summarized as follows:

- The municipality has tabled, adopted and submitted its 2018/19 Integrated Development Plan for assessment 14 March 2019.
- The municipality has conformed to the Council approved process plan.
- The municipality has confirmed to the core components of an IDP as prescribed by Section 26 of the Municipal Systems Act (MSA), and has been assessed covering the Key Performance Areas (KPA) as per guidance of 5-year Local Government Strategic Agenda, listed below are areas of concerns raised during assessment:

3.1 KPA 2: Service Delivery and Infrastructure – Overall Rating High

3.1.1 Energy

The Department of Energy, Eskom and COGTA should assist the municipality in developing backlogs task team that will assist the municipality to define backlogs and be able to quantify them

3.1.2 Water and Sanitation

The Kouga municipality needs to budget for an Infrastructure Master Plan. The water demand is not addressed at all with regards to Agriculture, Housing, Tourism and Mining.

3.2 KPA 3: Financial Viability: Rated HIGH

3.2.1 Compliance

The municipality must reflect on the promulgation of by-laws in the IDP, the municipality did not reflect on the implementation of the revenue enhancement strategy. The Kouga Municipality did not include the annual financial statements / year end preparation plans and the municipality must reflect on the asset register and indicate whether it is compliant. The municipality does not have a separate bank account for conditional grants.

3.2.2 Revenue Management

The municipality does not have accurate data in place for billing. The municipality did not reflect on its effectiveness and efficiency of its billing system.

3.2.3 Alignment

The municipality did not include the top layer SDBIP in the IDP which indicates priorities, SDBIP objectives, strategies, projects and budget allocations, targets, indicators in respect of each project timeframe. The municipality should also reflect on the district budget and disclose budgets and grants received.

3.2.4 Financial Reporting

The municipality should reflect on the costs of free basic services in the past 2 years and reflect if there is dedicated staff on free basic services (FBS). The municipality must establish an indigent steering committee and ensure that it is functional and reflected in the IDP.

3.3 KPA 4: LED : Rated HIGH

3.3.1 Small Town Revitalization

There is no reflection on the municipality's plan to support small town revitalization projects/initiatives.

3.4 KPA 5: Good Governance : Rated HIGH

3.4.1 Social Cohesion

The municipality needs to engage in inter municipal planning. The municipality needs to develop a risk management committee and ensure its functionality. It should reflect existence of audit committee framework and finding from the predetermined objectives and compliance issues.

3.4.2 Sector Plans

The municipality does not have an M & E system in place.

3.5 KPA 6: Institutional Arrangements : Rated HIGH

3.5.1 Organisational development

There is a need to update the HR Plan of the municipality. The municipality needs to cascade PMS to lower levels.

3.5.2 ICT

There is a need for an action plan to address ICT challenges as contained in the ICT Policy.

3.6 KPA RATINGS

Each commission has allocated an objective overall rating per Key Performance Area. The ratings ranged from low, medium, to high within the following context:

SCORE/RATING	PERFORMANCE DESCRIPTION	ACTION REQUIRED
Low	Poor	Immediate and intensive intervention
Medium	Satisfactory	Minimum support required
High	Good	Benchmarking

Table 1 : KPA Ratings

The comparative KPA Ratings with the recent 2018/19 IDP Assessment Ratings for the municipality are as follows:

KPA	RATING 2017/2018 IDP REVIEW	RATING 2018/19 IDP REVIEW
Basic Service Delivery	HIGH	HIGH
Financial Planning and Budgets	MEDIUM	HIGH
Local Economic Development	HIGH	HIGH
Good Governance and Public Participation	HIGH	HIGH
Institutional Arrangements	HIGH	HIGH
OVERALL RATING	HIGH	HIGH

Table 2 : Overall KPA Ratings

The MEC noted with great delight that the municipality has scored an overall **HIGH** rating.

CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 BACKGROUND

The South African Constitution of 1996, White Paper on Local Government of 1998, and other legislative and policy frameworks mandates municipalities to be developmental in their approach. Developmental Integrated Planning has been identified as an imperative tool to aid the developmental mandate which the Constitution and other legislation places on all the municipalities.

Integrated Development Planning (IDP) is a process whereby a municipality prepares its strategic development plan for a five-year cycle directly linked to the term of office of its Council. The IDP is the centre of the system of developmental local government in South Africa and represents the driving force for making municipalities more strategic, inclusive, responsive and performance-driven in character.

The IDP is prepared within the first year after the newly elected Council has been appointed and must be reviewed annually during the Council's term of office. The priorities and actions in this IDP will inform the structure of the municipality, the service delivery standards, all financial planning and budgeting as well as performance reporting by the municipality.

1.2 MUNICIPAL APPROACH

Excellence" has been the focal point of the 2017/22 IDP. The municipality took an approach to, *at a Strategic Planning Meeting 26 February 2019*, to reflect on the progress made with regards to the implementation of projects and programmes intended for the 2018/19 financial year and strategically plan for the 2019/20 financial year.

The municipality consulted with all stakeholders during the consultation process. The municipality takes particular pride in our efforts to ensure that members of the public participate in the planning and development in their wards and the broader community. The municipality also interacts with other spheres of government to further enhance intergovernmental relations. The needs expressed by the community are dynamic and by virtue of the changing nature, it has to be reviewed regularly.

The municipal council ensures that its oversight role is sufficiently mandated by the populace voice of the public through a well-functioning Ward Committee System, robust public participation and regular communication through public meetings, community newspapers, Kouga newsletter, radio, and other print media and electronic media including the municipal website.

1.3 ANNUAL REVIEW OF THE IDP

In accordance with section 34 of the Municipal Systems Act the IDP has to be reviewed annually in order to:

- Ensure its relevance as the municipality's strategic plan;
- Inform other components of the municipal business process including institutional and financial planning and budgeting; and
- Inform the cyclical inter-governmental planning and budgeting cycle.

For the IDP to remain relevant the municipality must assess implementation performance and achievement of its strategic objectives. In the light of this assessment the IDP is reviewed to reflect the impact of successes as well as corrective measures to address problems. The IDP is also reviewed in the light of changing internal and external circumstances that impact on the priority issues, outcomes and outputs in the IDP.

What the IDP Review is not

- The review is not a replacement of the 5-year IDP.
- The review is not meant to interfere with the long-term strategic orientation of the municipality to accommodate new whims and additional demands.

1.4 THE PLANNING PROCESS

1.4.1 Roles and Responsibilities

Drafting an IDP requires a comprehensive planning process and the involvement of a wide range of internal and external role-players. Such processes have to be properly organised and prepared. The preparation process is referred to as the “Process Plan” and should contribute to the institutional readiness of the municipality to draft or review the IDP.

The Process Plan was compiled in terms of section 28 and 29 of the Municipal Systems Act, No. 32 of 2000; which specifies that (i) each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP and (ii) that the process must be in accordance with a predetermined programme specifying timeframes for the different steps.

Furthermore, Chapter 4 and section 21(1) of the Municipal Finance Management Act, No. 56 of 2003 (MFMA) specifies that the mayor of a municipality must at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and the annual review of the integrated development in terms of section 34 of the Municipal Systems Act.

The municipality’s IDP Process Plan was adopted by Council on 26 July 2018, Council Resolution 18/07/MM3.

1.4.2 2017-2022 IDP Cycle

The IDP is the tool that drives the strategic development of the Kouga Municipality. The municipality’s budget is influenced by the key performance areas identified in the IDP. The 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 the quarterly and mid-year performance assessment reports as well as the annual report.

The figure below depicts the 5-year corporate strategy:

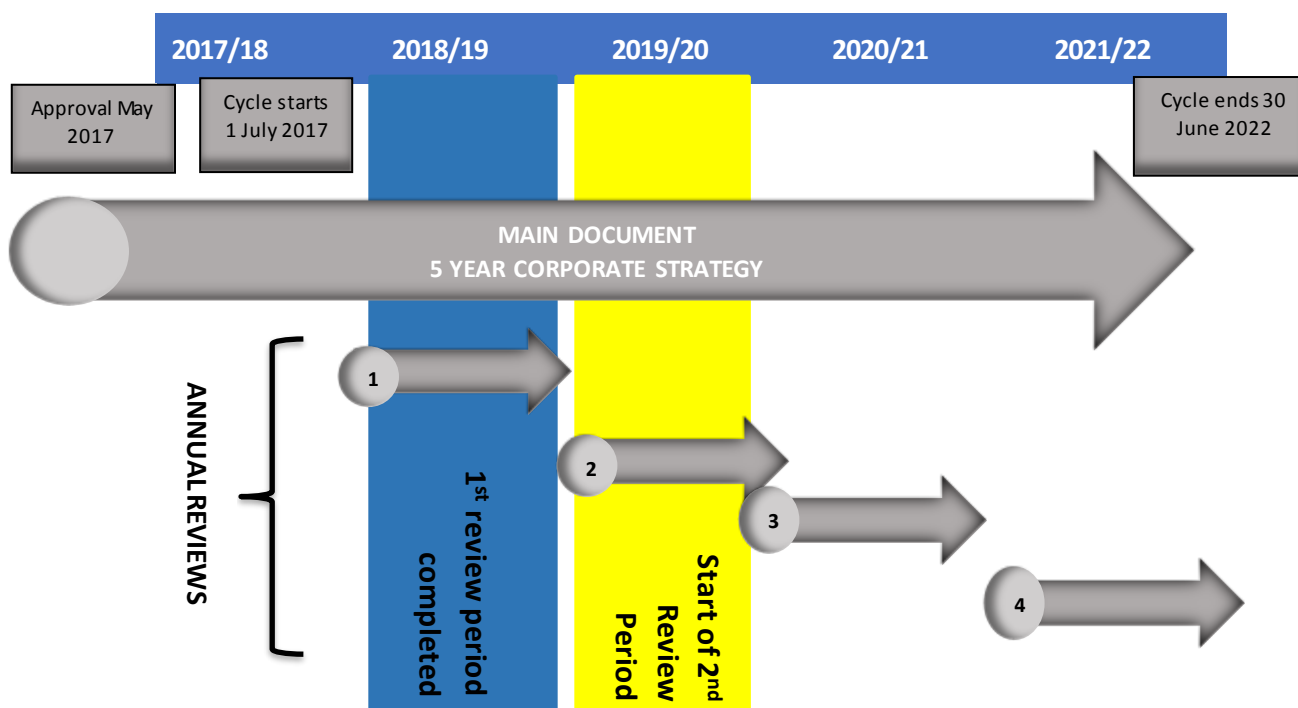


FIGURE 1: 5 Year Corporate Strategy

1.4.3 2nd year IDP review process followed

The Municipal Council adopted a process plan by **resolution 18/07/MM2 on 26 July 2018** that sets out the methods and approach during the IDP planning process for the 2019/20 IDP Review. The Kouga Municipality IDP Process Plan is attached as **“ANNEXURE A”**.

The approved process plan was disseminated to the relevant role-players and key stakeholders to engage meaningfully with the process and to allow proper planning between and within the different sectors. The process plan can be viewed on the municipal website at www.kouga.gov.za.

1.4.4 Institutional Plan to develop the 2nd IDP review of the 2019/20 year

The key elements for the 2019/2020 IDP Review include:

- An assessment of the existing level of development in the municipality;
- Reviewed strategic priorities and objectives of the council;
- Development strategies which must be aligned with National and Provincial sector plans and planning requirements;
- Operational strategies
- Financial Plan with budget projection for at least next 3 years
- Update of the ward profiles reflecting reviewed priority ward projects
- Update the sector plans and report on the progress of implementation
- Alignment of the annual financial planning with the priority service delivery and development issues of communities
- Key performance indicators and performance targets determined in terms of Section 41 of the Municipal Systems Act.

Kouga Municipality continuously consult the Public, Administration and the Politici during the IDP Process. The consultation processes as depicted below were followed in the drafting of the 2nd 2019/20 IDP Review and.

The diagram below illustrates the central role of the IDP as envisaged in the Municipal Systems Act. It is informed by a leadership agenda, as contained in national and provincial policy documents, as well as needs of local citizens and public, private and community organizations:



FIGURE 2: Institutional Plan

Municipal summary of the IDP Review Process Plan roll-out process with particular reference to community participation and stakeholder engagements:

Time Frames	IDP Phases	Participation Mechanisms	Coordinating Unit
June 2018	<u>Analysis Phase</u> Determine local issues, problems, relevant stakeholders, potentials and priorities	<ul style="list-style-type: none"> Internal IDP Preparation Meetings 	<ul style="list-style-type: none"> IDP Manager
July 2018	<u>Strategy Phase</u> Determine vision, and objectives, determine strategies, and participate in IGR structures	<ul style="list-style-type: none"> Draft IDP/Budget/PMS time schedule for the 2nd review of the 2017/2022 cycle presented to the strategic management team. Council approved 2019/20 IDP/Budget/PMS time schedule 	<ul style="list-style-type: none"> IDP and Performance Management Division
August 2018	<u>Strategy Phase</u> Determine vision, and objectives, determine strategies, and participate in IGR structures	<ul style="list-style-type: none"> Submission of the 2019/20 IDP/Budget/PMS time schedule to the Department of Cooperative Government and Traditional Affairs. Publish a dvertisement to give notice to residents and stakeholders on the 2019/20 IDP/Budget/PMS time schedule. 	<ul style="list-style-type: none"> IDP Manager
September 2018	<u>Strategy Phase</u> Determine vision, and objectives, determine strategies, and participate in IGR structures	<ul style="list-style-type: none"> Institutional arrangements for the IDP Public Participation Roadshows, share presentation as well as administrative responses to previously listed community priorities. IDP consultative engagements with stakeholders, and sectoral groupings as per the schedule 	<ul style="list-style-type: none"> IDP Manager
October 2018	<u>Strategy Phase</u>	<ul style="list-style-type: none"> Start off IDP consultative engagements with all stakeholders, members of the public, 	<ul style="list-style-type: none"> IDP and Performance

	Review vision and objectives and determine strategies, and participate in IGR Structures	sectoral groupings as per approved schedule. Strategic integrated municipal engagement with sectors to agree on strategic transversal priorities.	Management division
November – December 2018	<u>Integration Phase</u> Agree on project proposals and compilation of integrated programmes	<ul style="list-style-type: none"> Integration of plans and projects with Capital Adjustments Budget and Draft Capital Budget for 2019/2022 MTREF 	<ul style="list-style-type: none"> IDP and Performance Management division
January 2018		<ul style="list-style-type: none"> 2018/2019 SDBIP Review sessions per department and submission of Mid-Year Performance Report 2018/19 and Annual Report 2017/2018 	
February 2019	<u>Approval Phase</u> Alignment processes with Provincial Government and District Municipality	<ul style="list-style-type: none"> Council considered and adopted Revised 2018/19 Top Layer SDBIP and Adjustment Budget Compilation of input from internal divisions on IDP Implementation Matrix, response to IDP Community Priorities and updates on the content of the 2017/2022 IDP applicable to the 2019/20 Review Compiled Draft Top Layer SDBIP and reviewed five-year Municipal Performance Scorecard for inclusion in the IDP. 	<ul style="list-style-type: none"> IDP and Performance Management division
March 2019	<u>Approval Phase</u> Approval by Council of draft reports and releasing of reports for public comments	<ul style="list-style-type: none"> Publish advertisement to give local notice to local residents and stakeholders on the adopted IDP Review and Public Roadshow programme. 	<ul style="list-style-type: none"> IDP Manager
April 2019	<u>Approval Phase</u> Provide opportunity to communities and stakeholders to propose amendments to DRAFT IDO, Budget and SDBIP	<ul style="list-style-type: none"> IDP Consultative Engagements with stakeholders i.r.o. the draft IDP and draft Budget Engagement with Provincial Government to discuss technical assessment of the budget and IDP Review. 	<ul style="list-style-type: none"> IDP and Performance division
May 2019	<u>Approval Phase</u> Adoption by Council	<ul style="list-style-type: none"> Council considers community and stakeholder inputs and adopts Draft (Revised) IDP, Budget. Notice in local newspaper and municipal website to local residents, stakeholders on the adopted IDP and Budget. 	<ul style="list-style-type: none"> IDP Manager
June 2019	<u>Approval Phase</u> Regulated action to notify the public and other stakeholders, other spheres of government of adoption of IDP and Budget	<ul style="list-style-type: none"> Submission of adopted IDP to MEC of local government and Provincial Treasury. Preparation and approval of SDBIP by Executive Mayor 	<ul style="list-style-type: none"> IDP and Performance Management division

Table 3 : IDP Process Plan

1.5 IMPLEMENTATION OF THE IDP

The IDP drives the strategic development of Kouga Municipality. The municipality's budget is influenced by the strategic objectives identified in the IDP. The 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 the quarterly and mid-yearly performance Assessment Reports as well as in the Annual Report.

In addition to the above, Risk Management forms an integral part of the internal processes of the municipality. It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the service delivery capacity of the Kouga Municipality. When properly executed, risk management provides reasonable assurance that the institution will be successful in achieving its goals and objectives.

1.6 THE ORGANISATION

The Governance Structure of Kouga Municipality is informed by the Municipal Structures Act, No. 117 of 1998 which stipulates the roles and responsibilities that each structure within the municipality should perform.

➤ Political Structure

The Council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor and Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, councillors are also actively involved in community work and the various social programmes in the municipal area.

➤ Executive Mayor and Executive Mayoral Committee

The Executive Mayor of the municipality, Cnr Horatio Hendricks, assisted by the Executive Mayoral Committee heads the executive arm of the Council. The Executive Mayor is at the centre of the system of governance, since the executive powers are vested in him to manage the day-to-day affairs of the municipality. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the powers assigned by legislation. Although responsible for the strategic direction and performance of the municipality, the Executive Mayor operates in concert with the Executive Mayoral Committee comprising of the following members:

Name of Member	Portfolio
Horatio Hendricks	Executive Mayor
Brenton Williams	Finance
Frances Baxter	LED and Tourism
Bryan Dhludhlu	Corporate Services
Danny Benson	Community Services
Freddy Campher	Infrastructure and Engineering
Ben Rheeder	Planning and Development

Table 4 : Executive Mayoral Committee

➤ Speaker and Council

Kouga Municipality comprises of 29 elected councillors, made up of 15 Ward Councillors and 14 Proportional Representation (PR) councillors. The Speaker presides at meetings of the Council. The list below indicates all councillors with their capacity/positions:

Name of Councillor	Capacity	Ward Councillor or Proportional Representative
August Cynthia	Councillor	PR
Baxter Frances	Member of Mayoral Committee	PR
Benson Danny	Member of Mayoral Committee	PR
Bornman Hattingh	Speaker	Ward 11
Botha Nico	Councillor	PR
Ca mealio-Benjamin Virginia	Councillor	PR
Campher Freddy	Member of Mayoral Committee	Ward 4
Coenraad Wilma	Councillor	Ward 5
Dayamani Malibongwe	Councillor	PR
Dhluhlu Bryan	Member of Mayoral Committee	PR
February El drige	Councillor	Ward 7
Gertenbach Willem	Councillor	Ward 3
Hendricks Horatio	Executive Mayor	Ward 15
Jantjies Robin	Councillor	PR
Jantjies Timothy	Councillor	PR
Jujwana Sibongile	Councillor	Ward 9
Louw Francois	Councillor	PR
Mabukane Amos	Councillor	Ward 10
Mandeka Sindiswa	Councillor	Ward 14
Matroos Cynthia	Councillor	PR
Mayoni Zolani	Councillor	Ward 1
Meleni Timothy	Councillor	Ward 2
Nkomo Mnya melezi	Councillor	PR
Nkwalase Pumza	Councillor	PR
Peters Magareth	Councillor	Ward 13
Rheeder Ben	Councillor	Ward 12
Vorster Ludwig	Councillor	Ward 8
Vumazonke Velile	Councillor	Ward 6
Williams Brenton	Member of Mayoral Committee	PR

Table 5 : The Council

1.7 THE ADMINISTRATION

The administrative part of the Kouga Municipality is headed by the Municipal Manager who reports directly to the Executive Mayor. Executive Directors, Manager IDP, Manager Performance Management, Manager Legal Services, Manager Risk and Internal Audit Management are reporting directly to the Municipal Manager. There are 5 directorates that perform strategic, social, technical, financial and administrative functions assigned to the municipality.

The municipality has an approved organisational structure, which was reviewed in 30 August 2018, Council Resolution **18/08/CORP2**. **The Organogram is attached as ANNEXURE B**. About 90% of the placement process has been completed. Funding in order to secure the required staff capacity is being made available subject to affordability and whether posts are of a critical nature.

The filling of all other vacancies on the structure will be rolled out as the budget is made available by Council.

The performance agreements for 2018/19 have been submitted to the Department of Cooperative Government and Traditional Affairs. The approved organisational structure provides a solid basis to ensure that Kouga Management practices and procedures are efficient and functional so that its work can be performed, and its goals can be met.

The structure below depicts Kouga Municipality’s Macro Organizational Structure:

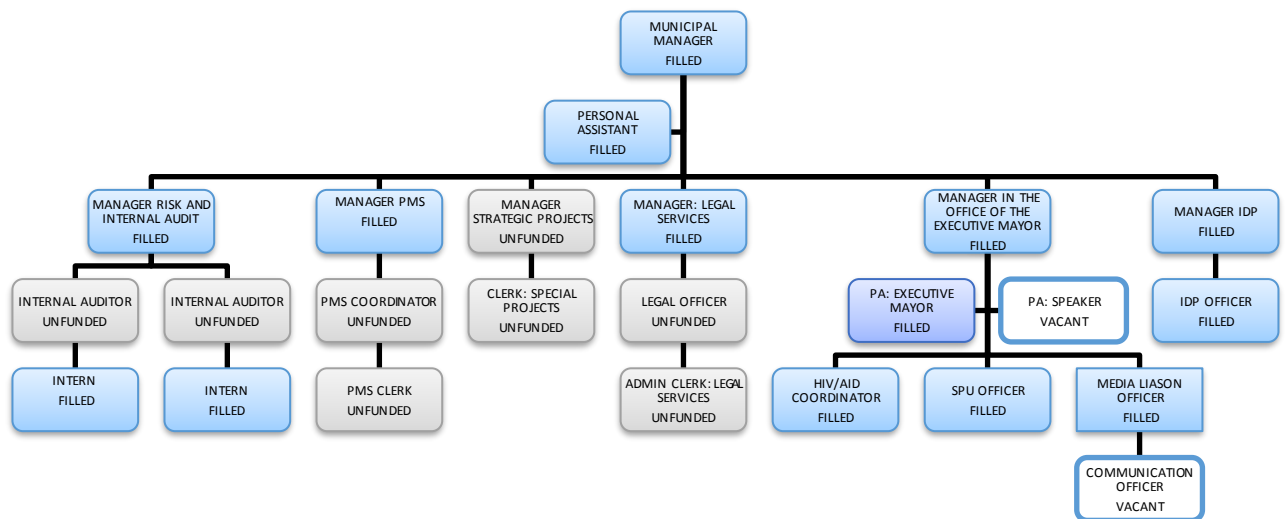


FIGURE 3: Strategic Management Team

1.8 STRATEGIC POLICY DIRECTIVES

The IDP requires alignment with other spheres of government at different stages during the IDP process. Alignment is the instrument to synchronize and integrate the IDP Process between different spheres of government. The alignment process must reveal how National and Provincial Government and the District Municipality could assist the municipality in achieving its developmental objectives.

It is in the interest of the sectors to participate in the IDP Process to ensure that its programmes and those of municipalities are aligned. The IDP is an integrated inter-governmental system of planning which requires the involvement of all three spheres of government. Some contributions have to be made by provincial and national government to assist municipal planning and therefore government has created a range of policies and strategies to support and guide development and to ensure alignment between all spheres of government as stated by the Municipal Systems Act, Section 24.

In terms of the Constitution of South Africa, all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith fostering friendly relations. They must assist and support one another; inform and consult one another on matters of common interest; coordinate their actions; adhering to agreed procedures and avoid legal proceedings against each other.

The mandate for the municipality is guided by, but not limited to, the following:

Municipal Key Performance Area (MKPA)	National Key Performance Area (NKPA)	National Outcome (NOC)	Sustainable Development Goals (SDG)	National Development Plan (NDP)	Provincial Strategic Objectives	Sarah Baartman District Municipality Objectives	
Ref No.	MKPA	NKPA	NOC	SDG	NDP	PSO	SBDM
KPA1	Basic Services and Infrastructure	NKPA1	NOC1	SDG3	NDP4	PSO3	DMO1
		NKPA2	NOC6	SDG4	NDP10	PSO4	
		NKPA3	NOC7	SDG9	NDP16		
		NKPA4	NOC8	SDG10			
		NKPA5	NOC9	SDG12			
			NOC10				
NOC11							
KPA2	Local Economic Development	NKPA4	NOC4	SDG4	NDP1	PSO1	DMO3
			NOC5	SDG11	NDP3	PSO4	
			NOC8				
KPA3	Municipal Financial Viability and Transformation	NKPA1	NOC4	SDG8	NDP9	PSO4	DMO2
		NKPA4			NOC9		
					NDP11		
KPA4	Good Governance and Public Participation	NKPA2	NOC6	SDG8	NDP3	PSO2	DMO4
		NKPA1	NOC10	SDG15	NDP7	PSO4	
		NKPA5	NOC12	SDG17	NDP13		
		NKPA1					
KPA5	Municipal Transformation and Organisational Development	NKPA5	NOC5	SDG9	NDP11	PSO2	DMO5

Table 6 : Strategic Alignment Matrix

1.8.1 Sustainable Development Goals (International)

The Sustainable Development Goals (SDG's) came into effect in 2017. The SDG's, otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and property. The 17 goals build on the successes of the Millennium Development Goals, while including new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities.

The Sustainable Development Goals work in the spirit of partnership and pragmatism to make the right choices now to improve life, in a sustainable way, for future generations. They provide clear guidelines and targets for all countries to adopt in accordance with their own priorities and the environmental challenges of the world at large. The SDG's are an inclusive agenda. They tackle the root causes of poverty and unite us together to make a positive change for both people and planet. The SDG's came into effect in January 2016.

The 17 SDG's are aligned to our National Development Plan and are listed as follows:

1. **End poverty in all its forms everywhere**
2. End hunger achieve food security and improved nutrition and promote sustainable agriculture
3. Ensure healthy lives and promote well-being for all at all ages
4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
5. **Achieve gender equality and empower all women and girls**

6. Ensure availability and sustainable management of water and sanitation for all
7. Ensure access to affordable, reliable, sustainable and modern energy for all
8. **Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**
9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
10. Reduce inequality within and among countries
11. Make cities and human settlements inclusive, safe, resilient and sustainable
12. Ensure sustainable consumption and production patterns
13. Take urgent action to combat climate change and its impacts
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
16. **Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**
17. Strengthen the means of implementation and revitalize the global partnership for sustainable development

1.8.2 National Development Plan (NDP) – Vision 2030

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. It is a step in the process of charting a new path for our country where all citizens have capabilities to grasp all opportunities available and it will provide a common focus for action across all sectors and sections of South African Society. The NDP provides a broad strategic framework to guide key choices and actions that will hold people accountable and finding solutions to challenges.

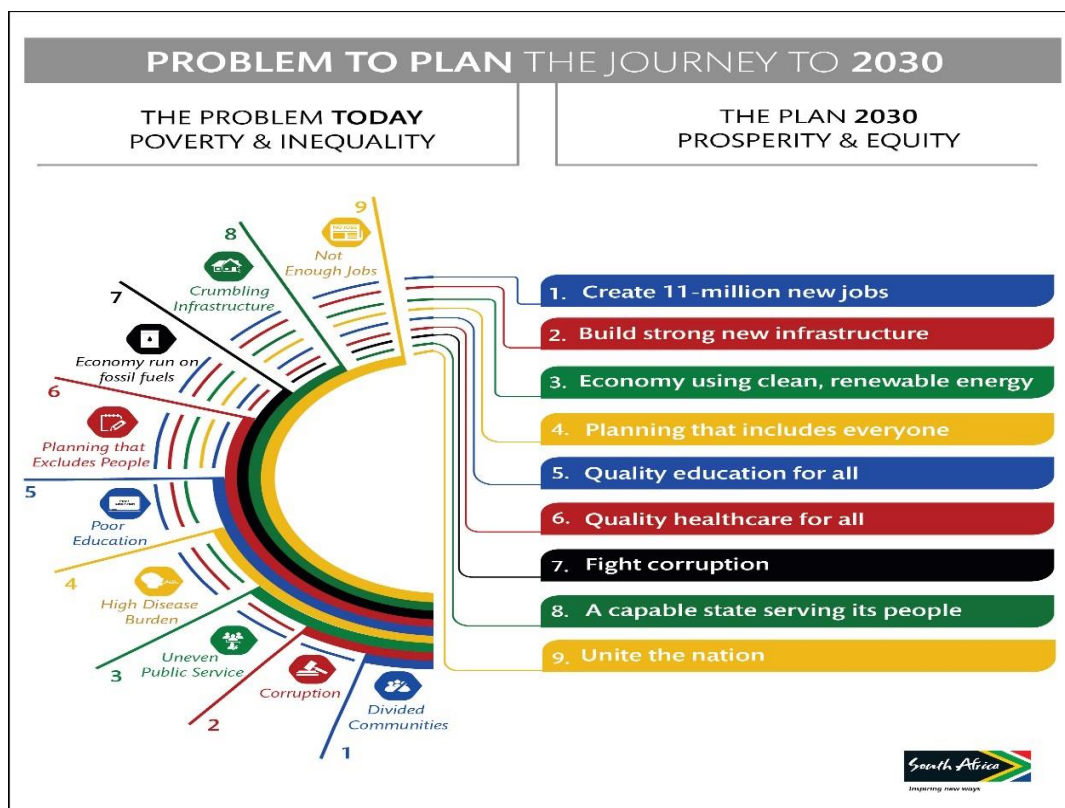


FIGURE 4: NDP 2030 Vision

➤ **Government's targets for 2030 are as follows:**

1. Create 11 million new jobs
2. Build strong new infrastructure
3. Economy using clean, renewable energy
4. Transform urban and rural spaces
5. Education and training
6. Provide quality health care
7. Build a capable state
8. Fight corruption
9. Transformation and unity

1.8.3 National Government's Outcomes – Role of Local Government

National Government has agreed on 12 outcomes as a key focus of work between 2014 and 2019 and has published these as annexures to the Medium-Term Strategic Framework.

The outcomes are as follows:

- ✓ **NOC 1:** Improve quality of basic education
- ✓ **NOC2:** A long and health life for all South Africans
- ✓ **NOC3:** All people in South Africa are and feel safe
- ✓ **NOC4:** Decent employment through inclusive economic growth
- ✓ **NOC5:** A skilled and capable workforce to support an inclusive growth path
- ✓ **NOC6:** An efficient, competitive and responsive economic infra structure network
- ✓ **NOC7:** Vibrant, equitable and sustainable rural communities with food security for all
- ✓ **NOC8:** Sustainable human settlements and improved quality of household life
- ✓ **NOC9:** A responsive, accountable, effective and efficient local government
- ✓ **NOC10:** Environmental assets and natural resources that are well protected and continually enhance:
- ✓ **NOC11:** Create a better South Africa and contribute to a better and safer Africa and the world
- ✓ **NOC12:** An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship

Of the 12 Outcomes, Outcome 9 holds reference to District and Local Municipalities as a mechanism to formalize 'A Responsive, accountable, effective and efficient local government system'.

Outcome 9 identifies 7 Critical Outputs:

- ✓ **Output 1:** Implement a differentiated approach to municipal financing, planning and support;
- ✓ **Output 2:** Improving Access to Basic Services;
- ✓ **Output 3:** Implementation of the Community Work Program;
- ✓ **Output 4:** Actions supportive of the human settlement outcomes;
- ✓ **Output 5:** Deepen democracy through a refined Ward Committee model;
- ✓ **Output 6:** Administrative and financial capability;
- ✓ **Output 7:** Single Window Coordination.

1.8.4 The Integrated Urban Development Framework (IUDF)

The Integrated Urban Development Framework (IUDF) seeks to foster a shared understanding across government and society about how best to manage urbanisation and achieve the goals of economic development, job creation and improved living conditions for our people. The following four overall strategic goals are identified to achieve the overall outcome of spatial transformation envisaged by the IUDF:

- **Spatial Integration:** to forge new spatial forms in settlement, transport, social and economic areas.
- **Inclusion and Access:** to ensure people have access to social and economic services, opportunities and choices.
- **Growth:** to harness urban dynamism for inclusive, sustainable economic growth and development.
- **Governance:** to enhance the capacity of the state and its citizens to work together to achieve spatial and social integration.

These strategic goals inform the priority objectives of the nine policy levers: integrated urban planning and management, integrated transport and mobility, integrated sustainable human settlements, integrated urban infrastructure, efficient land governance and management, inclusive of economic development, empowered active communities, effective urban governance and sustainable finances.

1.8.5 Provincial Strategic Objectives 2015-2020

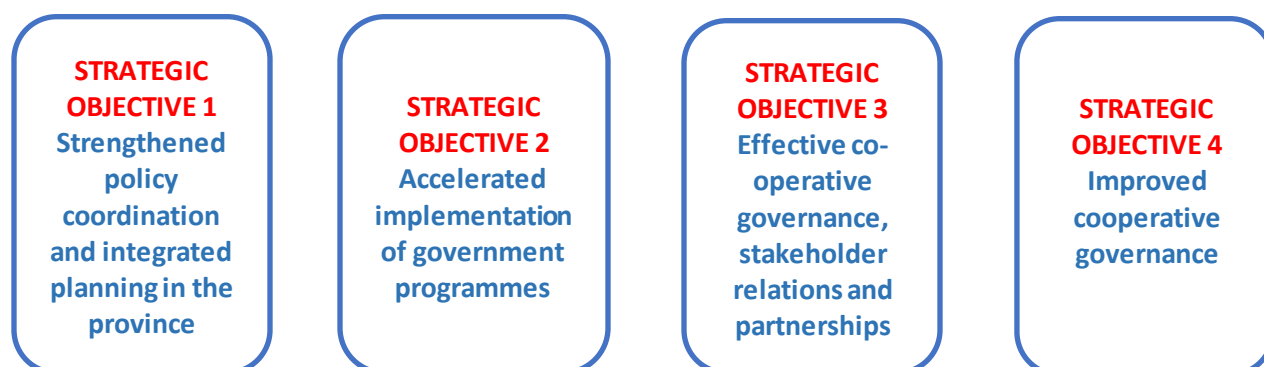
The Principles of the Provincial Development Plan is to depart from a principled premise that confronts the *structural features* hobbling the provincial economy.

The principles are the following:

- Social, economic and spatial justice;
- Gender equality;
- Intergenerational equity – prevent inequalities being passed down to future generations;
- Citizen participation and co-responsibility for development;
- Promotes ethical, integrated multi-agent action predicated on the relative strengths of institutional partners;
- Public good – government must prioritise the common interest above personal gain;
- Respects evidence and critical deliberation;
- And takes accountability seriously.

The PDP is designed to deal with the spread and incidence of poverty and unemployment in the Eastern Cape Province as well as the spatial inequality between different regions.

The Premier of the Eastern Cape, Hon Phumulo Masualle presented the Provincial Strategic Plan 2015-2020 on 15 March 2015 comprising of the following key strategic objectives:



(Source: Provincial Strategic Plan)

FIGURE 5 : Provincial Strategic Objectives

1.8.6 SBDM Strategic Development Priorities

Section 29(2) of the MSA, Act 32 of 2000 clearly states that district municipalities must:

- Plan integrated development for the area of the district municipality but in co-operation with the local municipalities in the area;
- Align its integrated development plan with the framework adopted; and
- Draft its integrated development plan, considering the integrated development processes of and proposals submitted to it by the local municipalities in that area.

Summary of District Development Priorities and Objectives

DISTRICT DEVELOPMENT PRIORITY	OBJECTIVES
DP1 – Basis Service and Delivery Infrastructure	<ul style="list-style-type: none"> • To provide support to LM's on planning and implementation of bulk water supply projects, contributing to the reduction of the backlog • Ensure that WSA/WSP functions have been reviewed and concluded • To assist municipalities that they improve on blue and green drop status • To ensure that all transport plans for LM's are in place and reviewed • To promote integration between spatial planning and transportation planning to achieve sustainable human settlements' • To ensure that the IDP's of the LM's are in place and are annually reviewed • To provide roads infrastructure from basic service to a high level in key strategic areas • To provide support on cleanliness of the towns and townships and to mitigate health risks posed to each landfill site in all the 7 LM's • To reduce the effects of stormwater in prone areas in the district • To provide costed infrastructure plans • To promote and co-ordinate integrated spatial planning in the District • To provide effective firefighting services to all LM's in the district • To effectively monitor and jointly manage environmental health services in all LM's • To mitigate disaster events in all LM's
DP2 – Financial Viability and Management	<ul style="list-style-type: none"> • To achieve and sustain unqualified audit reports for the district and LM's • Improve financial sustainability of the district and local municipalities
DP3 – Local Economic Development	<ul style="list-style-type: none"> • Increase agricultural income to achieve a year on year growth in the agriculture and agro-processing sectors • Facilitate investment in natural capital to contribute towards government's target of creating "green" and "blue" jobs by 2020 • Broaden economic participation and inclusion by increasing the number and support to small enterprises • Regenerating at least one core towns as service and economic hubs • Building local and regional networks and collaboration through the creation of partnerships with (a) government, (b) the private sector and (c) education and research • To grow tourism sector • To position the district as a nationally recognised tourism brand
DP4 – Good Governance and Public Participation	<ul style="list-style-type: none"> • To reduce the impact of HIV/AIDS in the District • To ensure effective public participation at district and local level take place
DP5 – Municipal Transformation and Organizational Development	<ul style="list-style-type: none"> • Build capacity of all LM's for effective mainstreaming of youth, women and people with disabilities, development in policies and programmes • Well capacitated municipalities on governance and administration as per DLGTA as per 46 assessment • To ensure that employees are highly skilled in order to support LM's • To develop an optimal business model for the district municipality • Interface provincial monitoring and evaluation tools with the SBDM's PMS by 2021 annually

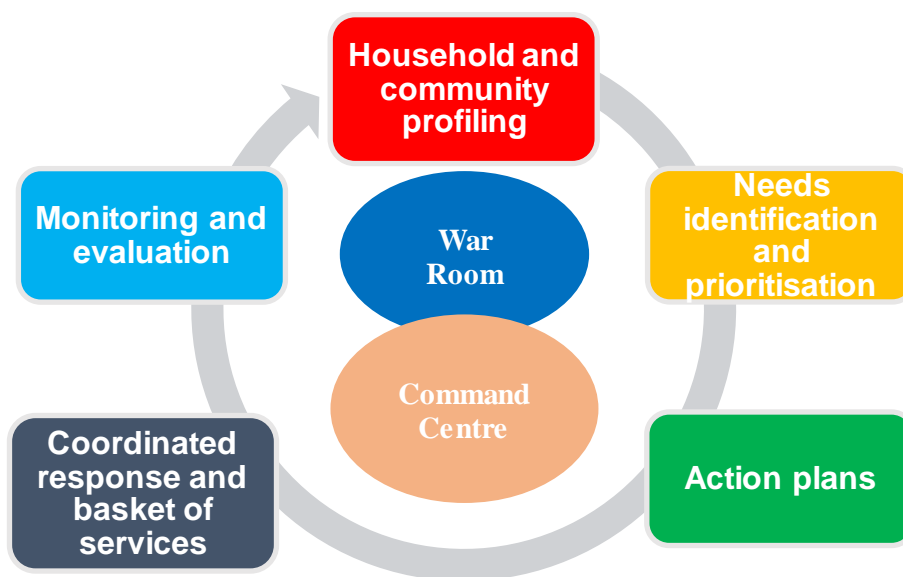
	<ul style="list-style-type: none"> • To establish and SBDM institution in its area of jurisdiction by 2020 • To create an environment of productive and healthy employees annually • To create a high-performance culture on an on-going basis • Effective communication (internal and stakeholders) • Effective ICT governance and implementation
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Table 7 : District Development Priorities and Objectives

The Sarah Baartman District municipality identified capacity building to local municipalities as its key focus area. It is also the centre of co-ordination on behalf of its 7 local municipalities. The integrated development of the district includes services rendered by all sector departments to the communities in the Sarah Baartman area of jurisdiction. Sector alignment therefore forms an integral part of the district’s IDP.

1.8.7 Integrated Service Delivery Model

The ISDM Cycle presents as follows:



(Source: Gogta)

FIGURE 6 : Integrated Service Delivery Model

The benefits of the ISDM are:

- Coordination and alignment of public planning (Ward-based, IDP’s, APPs,) to give credibility to IDP’s’;
- Integration of services in one structure and having services available in one location;
- Improved vertical and horizontal linkages and governance and pooling of resources (human and financial);
- People-centred and empowering: encouraging community participation;
- Streamlining of existing structures: working together for knowledge sharing and training;
- Integrative reporting from local government to all spheres of government and improved accountability.

The Kouga Municipality has not established war rooms as the ward committee system addresses the need for stakeholder and public participation processes in planning in the municipality.

1.8.8 Back to Basics Approach

The Back to Basics programme driven by the Department of Cooperative Governance relates to the core services that local government needs to provide namely clean drinking water, sanitation, electricity and waste removal. It also includes other essential services such as roads and shelter. The aim of the back to basics program is to ensure good governance. Municipalities are obliged to render these services and to create a safe, healthy and economically sustainable environment for their respective communities. The goal of the back to basics is to improve the functioning of municipalities to better serve communities by getting the basics right.

The back to basics programmes also ensure legal compliance on the following:

- The holding of council meetings as legislated.
- The functionality of oversight structures such as municipal public accounts committees and other oversight meetings.
- Progress on matters listed on the back to basics programme.
- The existence and efficiency of anti-corruption measures.
- The extent to which there is compliance with legislation and the enforcement of by-laws.
- The rate of service delivery protests and approaches to address them.

A further focus is on public participation and in this regard the following is highlighted:

- Efficient communication systems to communicate regularly with communities and disseminate urgent information.
- The existence of the required number of functional ward committees.
- The number of effective public participation programmes conducted by councils.
- The regularity of community satisfaction surveys carried out.

Sound financial management is a corner stone of the programme as it forms an integral part of the success of the municipality. The institutional capacity is another focus area to ensure that strong municipal administrative systems and processes are in place. It includes ensuring that administrative positions are filled with competent and committed people whose performances is closely monitored. Quarterly reports are submitted to Cogta Eastern Cape on a quarterly basis.

1.9 REPORT ON THE STATE OF THE NATION, PROVINCE AND MUNICIPALITY

1.9.1 State of the Nation Address (SONA) 2019

The President, Cyril Ramaphosa has proclaimed 8 May 2019 as the national election date. The following are the most urgent tasks he presented during the State of the Nation Address:

1. *Accelerating inclusive growth*

- Agreement signed at the Investment Conference between organised labour, business, community and the government to create 275 additional direct jobs every year;
- Completion Amendment Bill will open up new opportunities to enter various sectors of the economy and to compete on equal footing;
- Special economic zones will be established, and the small business incubation programme will be expanded;
- The Employment Tax Incentive has been extended for another 10 years
- Call on private sector to support the Youth Employment Service, which places unemployed youth in paid internships.

2. **Early Childhood Development (ECD)**
 - ECD programmes will be Migrated from Social Development to Basic Education and two (2) years of mandatory ECD will become compulsory;
 - Improve reading comprehension in the first years of school;
 - Free higher education for qualifying first year students is being phased in over five (5) years;
 - Business processes of the National Student Financial Aid Scheme are being stabilised.
3. **Improving living conditions**
 - Continue to build human settlements in well-located areas that bring together economic opportunities and services;
 - A Human Settlements Development Bank, leverage public and private sector funding to aid in housing delivery, will be established.
4. **Progress in State-owned enterprises (SOE's)**
 - Presidential SOE Council has been established which will provide political oversight and strategic management to reform, reposition and revitalise SOE's.
5. **Strengthen capacity**
 - The National School of Government introducing compulsory courses that will cover ethics and anti-corruption, senior management and supply chain management;
 - The Ethics, Integrity and Disciplinary Technical Assistance unit will be established to strengthen the management ethics and anti-corruption and ensure consequence management for breaches of government processes.

1.9.2. State of the Province Address (SOPA) 2019

The Premier of the Eastern Cape Government, Phumulo Masualle delivered the State of The Province Address on 15 February 2019. The Premier in his address has highlighted the following urgent focus areas:

1. **Agriculture**
 - Implemented a drought intervention programme which focused on supporting farmers with water storage facilities, water carting, animal feed, fodder, as well as the construction and rehabilitation of boreholes.;
 - Offering drought relief to revitalize farm infrastructure;
 - Established Red Hubs to support local production.
2. **Human Settlements**
 - Delivered over 50 000 houses in the Province to accelerate service delivery and creating an enabling environment for functional municipalities.
3. **Building the capacity of the State**
 - Implemented broadband connectivity;
 - Operation Masiphatisane as a platform created war rooms to ensure services delivered are driven by the needs of the community.
4. **Crime**
 - Intensified awareness campaigns and social crime prevention programmes;
 - Launched a Traditional Policing Strategy as well as an Anti-Gang Strategy due to increase in drug related cases in the rural areas;
 - Intensified the Provincial Anti-Corruption Drive which saw the institutionalisation of ethics officers in all departments.
5. **Social Cohesion**
 - Prioritized harnessing our cultural diversity;
 - Launch of the Moral Degeneration Movement through advocacy of good behaviour, mutual respect, ethical conduct and leadership through moulding of character.

6. **Youth Development**
 - Developed a comprehensive Youth Development Strategy which will focus on skills development, nation building, cooperatives development, SMME development, career exhibitions, as well as youth dialogues and awareness;
 - Introduced a Youth-in Agriculture Programme which provides training on livestock farming and crop production;
 - Introduced a Maritime Youth Development Programme in partnership with SAMSA
 - Launched a Youth Infrastructure Maintenance Programme which is aimed at benefiting unemployed young persons with Grade 7-12 or NCV 1-4 qualifications across the Province.
7. **Education**
 - Instituted and implemented the Education System Transformation Plan;
 - Roll out the Sanitary Dignity Framework Pilot Project in targeted quintiles 1-3 schools;
 - Incorporating Early Childhood Development Programme into our basic education system.
8. **Healthcare**
 - Implemented a Service Transformation Plan to improve the quality of health services in the public health institutions in the Province;
 - The National Health Insurance Programme is ready to be mainstreamed to the rest of the Province.

1.9.3 State of the Municipality Address (SOMA) 2019

The Executive Mayor, Horatio Hendricks, delivered the State of the Municipality Address on 28 February 2019. The following constitutional mandate of delivering basic services to the people of Kouga Municipality was at the centre of his address. The following service delivery tasks were highlighted:

1. **Water**
 - The development of new boreholes to augment the water supply to all towns.
 - Approval of a drought relief grant from National Treasury worth R151,2 million rand.
 - Education and awareness programmes to mitigate the impact of the drought.
2. **Electricity**
 - Negotiation in progress for grant funding of a R4 million rand from Eskom to formalize Stofwolk;
 - Installation of 38 solar light in all high-risk areas in the Kouga
 - Electrification of 237 houses at the Kruisfontein 391 projects has been secured with an amount of R10,2 million through the Integrated National Electricity Programme (INEP);
 - Servitude agreements for the upgrade of the Melkhout Station power line and the next phase of the project is scheduled for the 2019/20 financial year.
3. **Roads**
 - Backlog of road infrastructure according to an assessment done will post the municipality more than R500 million.
 - A one (1) km tar road project is on the cards with a meeting of innovators with new ideas to address the road infrastructure backlog.
 - Funding is made available on the Adjustment Budget for the 2018/19 financial year to the grading of gravel roads.
4. **Sanitation**
 - A total 2,3 million has been set aside for the roll-out of container ablution facilities to informal areas;
 - A multi-year upgrade of the Sea Vista Waste Water Treatment Works, totalling R53 million is underway to for the development of bulk capacity needed for government-subsidised housing.

5. **Refuse Removal and Cleansing**
 - Skip bins will be phased out and replaced with wheelie bins for each household;
 - The municipality will establish a re-cycling service by appointing a service provider to render the service;
 - All schools will be receiving recycle bins.

The focus areas of the municipality for the 2019/20 financial year will be:

1. Attaining water security
2. Dealing effectively with infrastructure and basic services backlogs
3. Creating a safe municipality
4. Developing sustainable tourism that creates jobs

1.10 MUNICIPAL FUNCTIONS

The Kouga Municipality is responsible for the delivering the following services:

MUNICIPAL FUNCTION	MUNICIPAL RESPONSIBILITY
Constitution, 1996, Schedule 4, Part B functions:	
Air pollution	Community Services
Building regulations	Planning, Development and Tourism
Electricity reticulation	Infrastructure and Engineering
Fire fighting services	Community Services
Tourism development and creative industries; and local economic development including agriculture, fishing and events	LED, Creative Industries and Tourism
Municipal planning	Planning, Development and Tourism
Municipal public transport	Community Services / Infrastructure and Engineering
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under the Constitution or any other law	Infrastructure and Engineering
Storm water management in built-up areas	Infrastructure and Engineering
Trading regulations enforcement	Community Services
Water and sanitation services limited to potable water supply and domestic water-water and sewage disposal systems	Infrastructure and Engineering
Constitution, 1996, Schedule 5, Part B functions:	
Beaches and amusement facilities	Community Services
Billboards and the display of advertisements in public places	Planning, Development and Tourism
Cemeteries, funeral parlours and crematoria	Community Services
Cleansing	Community Services
Control of public nuisances	Community Services
Local amenities	Community Services / Infrastructure and Engineering
Local sport facilities	Community Services
Municipal parks and recreation	Community Services
Municipal roads	Infrastructure and Engineering
Noise pollution	Community Services
Public places	Community Services
Refuse removal, refuse dumps and solid waste disposal	Community Services
Street trading	Community Services
Street lighting	Infrastructure and Engineering
Traffic and parking	Community Services

Table 8 : Municipal Functions

1.11 SECTOR PLAN ALIGNMENT

The Sector Plans focus on specific sectors within the context of local government. The alignment of sector plans and key policy documents between all spheres of government is important in ensuring integration of programmes and maximum utilization of available resources. Each sector plan is championed by a specific department within a directorate of the municipality and normally forms the basis of the directorate's contribution towards achieving the strategic objectives of Council as illustrated in Chapter 6 of this IDP document. The following sector plans have been approved by Council for the Kouga Municipality during the 2012-2017 IDP period:

- Spatial Development Plan
- Integrated Infrastructure Investment Plan
- Water Services Development Plan
- Integrated Waste Management Plan
- Storm Water Master Plan
- Pavement Management Plan
- Integrated Transport Plan
- Disaster Management Plan
- Human Settlement Plan
- Employment Equity Plan
- Workplace Skills Plan
- Kouga Tourism Routes Plan
- Kouga Heritage Plan
- Tourism Sector Plan

The purpose of the plan and status of the sector plans are depicted in the table below:

SECTOR PLAN	PURPOSE OF PLAN	ROLE/CONTRIBUTION TO IDP STRATEGY	STATUS OF PLAN	PLANNED ACTIVITY / OUTPUT
SPATIAL DEVELOPMENT FRAMEWORK	To make spatial provision for IDP and other strategic planning objectives of the municipality in line with the principles of sustainable development	The contribution of the SDF to the IDP strategy is to address the spatial requirements of issues identified through the IDP process. The SDF is the spatial component of the IDP as required in terms of the Municipal Systems Act.	Yes. SDF in place. Was adopted by Council on 29 May 2015 under item 15/05/IPD15. To be reviewed in the 2018/19 year.	The output of an approved SDF is a spatial strategy guiding the assessment and approval of land use applications in the municipal area. The municipality is in the process to review the existing approved SDF.
PERFORMANCE MANAGEMENT PLAN	Facilitate a performance driven culture and a accountable municipality.	To set performance indicators and targets that will measure the effectiveness and efficiency of the municipality in implementing the IDP Objectives.	Plan approved and in the process of being implemented. The PMS is reviewed annually to incorporate the annual SDBIP	Quarterly performance reports, mid-year performance assessment reports, annual report, individual performance evaluations, quarterly performance audit report will be guided by the Performance Management System Framework.
LONG TERM FINANCIAL PLAN	A financial plan that will ensure the financial viability of the municipality to give effect to the strategic objectives of Council as portrayed in the IDP	The financial plan will ensure financial sustainability of the municipality in the realization of the IDP objectives.	The Plan still need to be drafted, and will be undertaken in conjunction with the development of a long-term vision for the Kouga Municipality	
HUMAN RESOURCE MANAGEMENT PLAN	To ensure that HR serve and support the municipality in achieving its strategic objectives through proper HR practices such as recruitment, training, performance management, health and safety, personnel administration and labour relations	Good Governance and transformation	To be developed by 30 June 2020	To be developed
ASSET MANAGEMENT PLAN	To record all assets of the municipality and make recommendations for the optimal economic utilisation of such assets		Plan in place.	Finance
INTEGRATED INFRASTRUCTURE MAINTENANCE PLAN	A 5-year Infrastructure Maintenance Plan to upgrade and maintain existing infrastructure in the municipality		No plan in place. Plan to be developed. Funding has been requested for the 18/19 financial year.	Infrastructure and Engineering Services
INTEGRATED INFRASTRUCTURE INVESTMENT PLAN	A 5-year Infrastructure Investment Plan to invest in new infrastructure in the municipality		Yes. Document in place. Plan need to be updated.	Infrastructure and Engineering Services
WATER AND SEWER MASTER PLAN	Determine the future capacity of a adequate sustainable water sources and	Provides current and future needs regarding required upgrading of	In place for Humansdorp is the Sewer Master Plan. As soon as funds are	Plan to be developed for the entire municipal area.

	the capacity of the sewer reticulation system to accommodate future development	water and sewer infrastructure network.	identified for the Sewer Master Plan, it will be rolled out to the rest of the Kouga area. Water Master Plan not done. Funds need to be identified.	
WATER SERVICES DEVELOPMENT PLAN	To co-ordinate the provision and demand of bulk potable water to different consumers in the municipality	Strategic objectives of the IDP are supported through the provision of water and sanitation services	Adopted on 11 May 2011. Res.no. 11/05/WTP1. To be reviewed in 2018. The Department of Water and Sanitation appointed a contractor.	The WSDP was approved in May 2011. Review period 2018/19.
INTEGRATED WASTE MANAGEMENT PLAN	To integrate and optimise waste management, to maximise efficiency and minimise the associated environmental impacts and financial costs, and to improve the quality of all residents in the municipality	To ensure that the residents of Kouga live in a clean and healthy environment	Reviewed and adopted in June 2016 for the period 2016-2020. Plan to reviewed in 2021.	The Plan will address all areas of waste management – from waste prevention and minimization (waste avoidance) to its collection, treatment, recovery, final disposal and advance technology.
STORM WATER MASTER PLAN	To map out a 5-year master plan to implement storm water networks in Kouga Municipality and to maintain the existing storm water infrastructure	Provides the needs regarding required upgrading of stormwater network in towns as specified.	Storm water Master Plan completed and adopted by Council on 29 May 2015 under item 15/05/IPD11.	Infrastructure and Engineering Services
ELECTRICITY MASTER PLAN	To map out a 5-year master plan to expand and improve the electrical network for the municipality and to maintain the existing electrical infrastructure.	To investigate means to reduce the town's energy usage by implementing green and alternative energy projects.	No plan in place. Plan to be developed. Funds still need to be identified.	To be developed during the 2019/20 review period
PAVEMENT MANAGEMENT SYSTEM	To map the condition of roads, calculate backlogs, propose remedial actions, do cost estimates for budgeting and setting of priorities.	Provides current and future needs regarding required maintenance	Plan was developed by Sarah Baartman District Municipality. To be reviewed.	The Plan requires a review during the 2019/20 review period.
INTEGRATED TRANSPORT PLAN	To co-ordinate the priorities for transport and traffic patterns in the municipality and ensure that provision is made for infrastructure for public transport.	To provide current and future needs regarding required upgrading of road infrastructure network.	Document was developed by Sarah Baartman District Municipality. To be reviewed.	The Local Integrated Transport Plan for the Sarah Baartman District Municipality is up for review for the 2019/20 period.
INTEGRATED COASTAL MANAGEMENT PLAN	To promote the ecological, economical and sustainable use of coastal resources and ensure that coastal management is people centred.	The coastal management plan addresses the coastal requirements. The coastal management plan also advice in terms of municipal planning and development of the coast	The Department of Environmental Affairs has appointed a consultant to develop a District Coastal Management Plan. Once the plan has been approved then only can a local plan be developed.	Public Participation for the District Plan was done in coastal downs in 2018 and comments received will advise the local plan.

				Coastal Management Forum/Committee to be established.
DISASTER MANAGEMENT PLAN	A plan to pro-actively identify risks and prevent disasters from happening or minimising the impact of such disasters if it cannot be avoided.	Disaster Management is an integral part of the IDP to ensure a safer community	The Plan was adopted in June 2015. Plan to be reviewed in conjunction with the Sarah Baartman District Municipality.	Period of review 2018/19
RURAL DEVELOPMENT STRATEGY	Planning for development of rural settlements and facilitate land reform projects.		Currently busy compiling a Rural Development Strategy. In draft form.	Infrastructure, Planning and Development
LOCAL ECONOMIC DEVELOPMENT STRATEGY (LED)	Strategy to create a conducive environment for all stakeholders to stimulate economic growth and create decent job opportunities.	Outlines how Council can create and enable the environment for economic growth that will benefit all the citizens, especially those that are poor.	Economic Development Strategy will be developed in the 2018/19 review period.	In the process to be developed.
HUMAN SETTLEMENT PLAN	To prioritise the housing needs in the municipality and co-ordinate the implementation of different housing options in line with the National and Provincial Housing Policy.	To address the housing needs of Kouga inhabitants as identified within the IDP by facilitating and providing access to housing opportunities within the municipal jurisdiction area	Document in place. Department of Human Settlement will review Kouga's human settlement plan.	Roll out of housing projects as per housing business plan
PERFORMANCE MANAGEMENT POLICY FRAMEWORK	Establishing a culture of performance throughout the whole organisation.		Document in Place.	Corporate Services
RISK MANAGEMENT PLAN	To identify potential risks in all systems and procedures of the municipality and develop proactive risk reduction strategies.		Drafting of a Risk Management Plan a priority for 2016/17. Plan in Place.	Finance
LAW ENFORCEMENT STRATEGY	To change the behaviour of road users and to ultimately decrease road fatalities and crime within the municipality	To ensure safety for the residents of Kouga	To be developed 2019/20	To establish a Safety Committee
COMMUNICATION STRATEGY	To develop an approach of continued interaction and communication between the municipality and a wide range of internal and external stakeholders.		Still in draft form. Project priority for 2018/19.	Corporate Services
INTEGRATED HIV/AIDS PLAN	To facilitate awareness and pro-active strategies to combat HIV/Aids and provide support to people infected and affected by HIV/Aids.		In the review process. Project priority for 2018/19.	Community Services

EMPLOYMENT EQUITY PLAN	To ensure that targets are being set for transformation of the staff structure of the municipality to reflect the demographic composition of the area.	Transformation	5-year plan is in place. The Plan is being reviewed annually. Employment Equity Committee is in place.	Continuous application of targets during recruitment and selection process to reach targets as set out in the Employment Equity Plan and report. Continuous appointment of competent staff members within the goals of the EE Plan. Approval of EE Plan and annual submission of plan.
WORKPLACE SKILLS PLAN	To co-ordinate training and capacity building of municipal staff as per their personal career objectives. To plan, budget and implement staff training activities.	Transformation	The Annual Training Report and Workplace Skills Plan are submitted to the LGSETA annually.	The WSP is developed according to the needs that are identified by employees. Implementation of the WSP activities and submission of Annual Training reports to the LGSETA
TOURISM ROUTES PLAN	To ensure that the sustainable development of the Kouga Tourism route meets the economic and social development objectives of rural tourism development in the area.	Contributes to Local Economic Development and Job Creation.	A review of the Tourism Sector Plan and Tourism Route Plan is due, and we are planning to do the review in the new financial year.	To be reviewed in the 2019/20 financial year.
KOUGA HERITAGE PLAN	To manage the heritage assets in the Kouga municipal area in line with current legislation provided together with local, provincial and national spheres of government, as well as, stakeholders in the private sector, while partnering with local community stakeholders.		The final draft was submitted to the Kouga Council for approval at end of 2016; after which a workshop was requested for deeper discussions before final approval can be granted. The final approval is expected by no later than June 2018.	Planning, Development and Tourism
BIODIVERSITY STRATEGY	This forms an input to all planning and policies and protects the integrity of the biodiversity and ensures sustainability.	Protects the integrity and sustainability of the municipality and the environment. Ensures participative Greener Governance.	To be developed	The strategy informs the SDF, other policies, plans and assists in evaluating development applications.
AIR QUALITY MANAGEMENT PLAN	The Air Quality Management Plan is a legislative requirement and forms an input to the Environmental Management Plan.	Protects the integrity and sustainability of the municipality and the environment. Ensures participative Greener Governance.	To be developed in 2020/21	Baseline air quality assessment must be undertaken to assess and evaluate the current air quality status. Establish an Air Quality Task Team.

ENVIRONMENTAL MANAGEMENT SYSTEM	The Environmental Management System (EMS) Plan integrates environmental functions of all sections and ensures compliance with environmental legislation.	Protects the integrity and sustainability of the municipality and the environment. Ensures participative Greener Governance.	To be developed	A plan should be developed during the 2019/20 review period.
PUBLIC PARTICIPATION POLICY	To facilitate democracy by enabling broad but structured community and sector participation in council affairs.	In the spirit of participative governance in general and participation in the IDP specifically, to enable community and sector participation in the drafting, monitoring and review of the municipal IDP and Budget.	Policy in Place	
WASTEWATER RISK ABATEMENT PLAN	Outlines Council's vision and plan to attend to all risks which might emanate from wastewater treatment facilities and have an adverse impact on the natural environment	Strategic objectives of the IDP are supported through the provision of water and sanitation services	Plan to be developed in order to form part of the Best Practices approach methodology of the municipality to achieve Green Drop Status.	The document will be a live document and the department will give feedback to the Department of Waste and Sanitation on an annual basis.

Table 9 : Sector Plans

The following sector plans need to be developed during the 2017-2022 IDP period: Long Term Financial Plan (5 year)

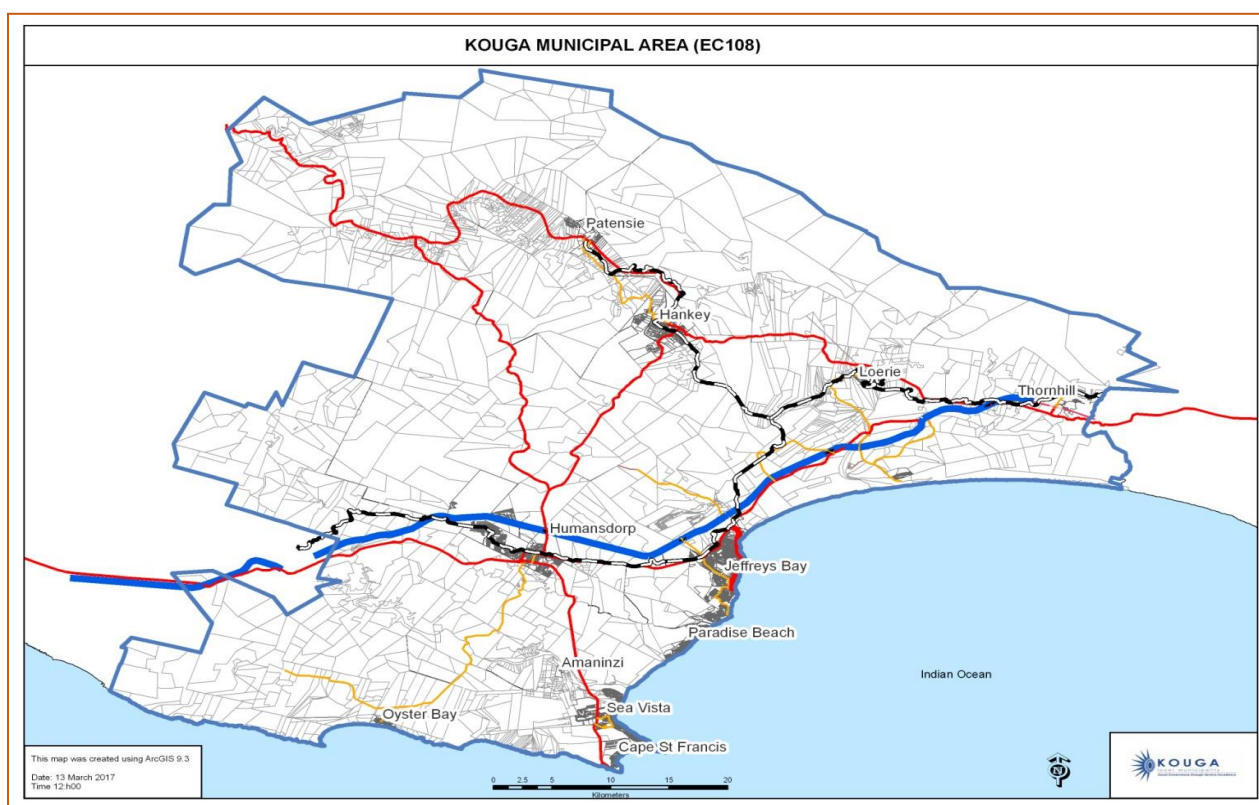
- Asset Management Plan
- Risk Management Plan
- Integrated Infrastructure Maintenance Plan
- Water and Sewer Master Plan
- Electricity Master Plan
- Integrated Coastal Management Plan
- Rural Development Plan
- Local Economic Development Plan
- Law Enforcement Strategy
- Integrated HIV/Aids Plan
- Human Resource Management Plan
- Estuary Management Plan
- Disaster Management Plan (to be reviewed annually). Waiting for Disaster Risk Assessment Plan to be approved by SBDM. After adoption by SBDM Council, the Risk Assessment Plan will be incorporated into the Disaster Risk Management Plan.
- Air Quality Management Plan
- Coastal Management Strategy
- High Mast Plan
- Review of Kouga Tourism Sector Plan and the Tourism Routes Plan
- Land Audit Plan
- Skills Development Plan
- Employment Equity Plan
- Poverty Alleviation Plan
- Water Safety Plan

CHAPTER 2: SITUATIONAL ANALYSIS

2.1 GEOGRAPHY

The Kouga Local Municipality is in the Eastern Cape Province and is one of 7 local municipalities located within the Sarah Baartman District Municipal area. It is situated west of Nelson Mandela Bay Metropolitan Municipality (Port Elizabeth, Uitenhage and Despatch). It forms part of the Sarah Baartman District Municipality. The municipality is responsible for basic service provision to the demarcated area as illustrated in the map below.

Area	2 669.82km ²
Population	98 558 (Census 2011) 112 941 (Community Survey 2016)
Electoral Wards	15
Erven	31 717
Farm Portions	3 796
Primary Nodes	Jeffreys Bay, Humansdorp, St Francis Bay, Hankey, Patensie
Secondary Nodes	Loerie, Thornhill, Sunnyside, Oyster Bay, Andrieskraal and Matjiesfontein



Map 1 : of Kouga Local Municipality

Source (Kouga GIS)

The area is approximately 80km west of Port Elizabeth and includes the coastal zone between the Van Staadens River in the east and the Tsitsikamma River in the west and inland stretches towards the Baviaanskloof Mountains in the north. The municipality is characterised by 3 topographical regions, i.e. the coastal region (including the towns of Jeffreys Bay, St Francis Bay, Cape St Francis, and Oyster Bay), the Gamtoos River Valley (including the towns of Hankey, Patensie, Loerie and Thornhill) and Humansdorp and surrounding commercial farming area.

2.2 TOPOGRAPHY AND CLIMATE

Kouga is largely an urban area, with three main topographical regions. The coastal region stretches from the Van Stadens 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 characterised 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 characterised by moderate slopes in the south, with steeper slopes towards the north and north-west.

a) Cape St Francis

Cape St Francis, proclaimed a village in 1965, is best known for its historic lighthouse and super beach. In 1987 Cape St Francis came under the control of Humansdorp Divisional Council. The area is characterised by residential development and B & B's, chalets, caravan sites and picnic spots that support the tourism industry. Seal point is a world class surf reef and point break. Cape St Francis is surrounded by Fynbos Nature Reserve of the Cape Floral Kingdom and further strength to the tourism industry comes by way of excellent angling as well as 4x4 terrain. Cape St Francis is known as keeping it clean and green, where you will find the century old Seal Point Lighthouse and a penguin rehabilitation facility amongst the fynbos and wild waves.



b) Hankey

This area was home to South Africa's first inhabitants, the Khoi and Mfengu people, centuries ago. Hankey was established in 1826 and is the Gamtoos Valley's oldest town. It was named after the Rev. William Alers Hankey. Hankey is also the home of Sarah Baartman when her remains were laid to rest upon a hill outside the town in 2002. The grave of Dr John Phillips of the London Missionary Society, an outdoor museum, stands at the entrance of the town. The area is also known for its wildlife and safari parks and the economy is predominantly reliant on the rich agricultural lands of this fertile river valley. The cultural heritage of the area is actively promoted through the efforts of community development projects.



Hankey is the administrative town of the Gamtoos Valley. It has modern waterworks, residential areas and well as many church denominations, primary and high schools, magistrate offices, police station, modern businesses, a well-known golf course, picnic places, hiking trails, etc.

c) Humansdorp

Humansdorp became a municipality in 1906. Humansdorp has grown from a small service centre for the flourishing farming community in 1849, to a busy town with every kind of business today. An earthy landscape stretching to the foothills of the surrounding mountain ranges is what characterises the Northern Kouga Region. At its heart is Humansdorp and its surrounding areas. Although Humansdorp is the most urban intensive area in the Kouga Region, it is a place whose people and architecture retain a strong sense of homeliness and stability.



The rich texture of the indigenous fynbos with the Humansdorp Fynbos Festival and the region's cultural and environmental heritage is given living testament with activities at the Cultural Centre which is also hosting the local radio station, Kouga FM.

Whilst the town supports a flourishing hub of trade and industry, the surrounding land yields economic and lifestyle benefits from livestock farming and agriculture.

d) **Jeffreys Bay**

The town is named after Captain Jeffreys who sailed his cargo ship up and down the East Coast of South Africa on trading expeditions in the 1840's. This coastal village turned resort has now become one of the biggest development nodes in the Eastern Cape and supports a strong retail and tourism industry. Jeffreys Bay is home of the best right-hand surf break in the world! It is known for its world top surf spot, Super Tubes, and the distinguished Billabong Pro Competition and is popular with anglers and conchologists and supports a flourishing local fishing trade.



With over 400 types of seashells, Jeffreys Bay is the most abundant coastline in South Africa. The municipality is now the proud curator of the Shell Museum, hosting an incredible collection of shells and marine skeletons in honour of Charlotte Ratzinger who started the collection in 1945. The bustling town is bordered on both sides by nature reserves and rivers – the Kabeljous and Seekoei estuaries and within Jeffreys Bay – the Noorsekloof nature reserve.

e) **Loerie**

Early Settlers were in the area as early as 1745. The inhospitable terrain with primitive roads was a nightmare with regards to transport to and from the markets in P.E. and Uitenhage. Everything had to be transported by ox wagon and a trip took a few days. In 1899 it was decided in Parliament that a narrow-gauge railway line would be built from Port Elizabeth to Avontuur. The gauge railway line was completed in 1906 and farmers could bring their produce to Loerie from where it was taken further by train. The line was extended to Patensie in 1914.



The pine plantations, Longmore and Otterford were started in 1918 and most of the work force were soldiers who had returned from the first World War. In 1933 the Eastern Province Cement Company (later PCC) obtained a farm in the Kleinriver area and started the construction of a 14 km cable way to Loerie.

The Loerie dam was built as part of the Kouga dam scheme with the purpose of supplying Port Elizabeth with water. The dam includes a filtration and pump system to balance the pressure in the pipelines, controlled by one of the first computer systems in South Africa. Although the population of the area has shrunk considerably in recent years, the fertile soil and temperate climate ensure that vegetables of a high quality are produced.

The Loerie area is well known for its apple and citrus orchards and plantations and is further characterised by the scenic Loerie Dam and Eelpout Nature Reserve. The area celebrates its culture and harvest with the annual Loerie Naartjie Festival.

f) Oyster Bay

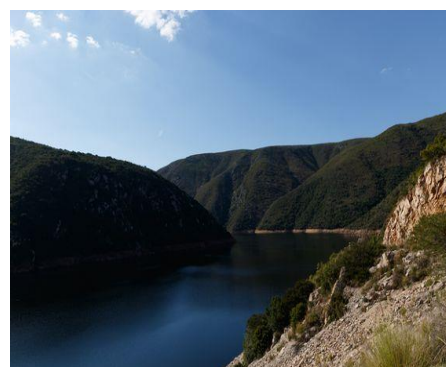
Oyster Bay was originally a coastal farm called Graskop. Since 1956 the farm has been developed into a small coastal hamlet comprising of about 420 stands, a resort and comprehensive mini-market. Oyster Bay is linked to St Francis Bay and Humansdorp by dirt roads. Renowned for a long stretched out sandy beach and a strong emphasis on nature, Oyster Bay is a wonderful place to stay amidst coastal forests, sand dunes, river deltas, wetlands, lagoons and roaming horses. As its name indicates, Oyster Bay is also a stronghold of one of the main efforts to conserve the African Oyster Catcher that makes the beaches its home.



This part of the Kouga Municipality has an extremely diverse coastal and marine life caused mainly by being a transition zone between cold and warm sea currents. Early stone age tools were discovered in the Oyster Bay middens and ancient fish traps are still visible during low tide. The tourist market cherishes Oyster Bay for its excellent rock, surf and deep-sea angling.

g) Patensie

The farm "Patensie" of 3000 morgens was awarded to David Keyser jnr. In 1852 the farm was sub-divided and in 1858 Patensie was declared a town. The name Patensie has a Hottentot origin and means "lêplek van die beeste" (where the cattle lie). The narrow-gauge rail line which was extended from Loerie to Patensie in 1914, the improvement of access roads and the construction of the Kouga dam in the sixties, sped up the development of Patensie through the stimulation of agriculture and supporting industries.



At first, because all of Patensie was privately owned, town development was difficult, and the Citrus and Tobacco co-ops had to develop their own residential areas. Although tobacco is still planted the Tobacco Co-op no longer exists. Patensie is synonymous with citrus fruit. The fertile river supports the region's main economic activity, agriculture. Potato, tobacco and chicory are also grown in the area. Patensie leads to the Kouga Dam and Baviaanskloof Wilderness area, guarded by the majestic Cockscomb mountain. The area celebrates its culture through annual agricultural shows and the local country shop is a renowned landmark promoting the area and providing cultural crafts and experience.

h) St Francis Bay

The beautiful town St Francis Bay was discovered by Manuel de Perestrelo, a Portuguese explorer, who named the town after the Patron Saint of Sailors, St Francis of Assisi. Little did he know that over 400 years later a unique village of great beauty would develop right here. In 1954 a new adventurer, Leighton Hullett, bought the farm Goedgeloof and moved here from KwaZulu Natal with his young family. He established a rough fishing camp for visitors.



As time passed several more people, mainly from Port Elizabeth and Uitenhage, bought land from Hullett and built holiday homes. After he exchanged a house and plot in the village for a further 179 hectares of swampy land alongside the Kromme River, he dredged a canal system, making St Francis the first marina in Southern Africa. He insisted on rigid control of building designs, allowing only homes with white walls and high-pitched black thatch roofs.

In 1976, when the Humansdorp Divisional Council became the controlling authority, they entrenched these controls in the local bylaws. The building codes of Santareme stipulate red tiled roofs, creating a unique Mediterranean theme.

Port St Francis is the only privately-owned working harbour in South Africa and home to a squid, hake and pilchard fleet. Private yachts and deep-sea fishing boats have access to the ocean from the recreational bay. St Francis is famous for far more than just surfing, it boasts a beautiful canal system surrounded by picturesque homes in a uniform building style – black roofs and white walls. Towards Santareme and Port St Francis, the uniformity is repeated, this time with Mediterranean and Tuscan homes filling in the dune fields and fynbos.

i) Thornhill

Thornhill is a picturesque rural township. Thornhill is situated amongst rolling hills and mountains that characterise the farmlands and countryside of the Eastern Cape. While most of the local community is economically challenged, they enjoy spectacular surrounds, and often find work on the smallholdings and farms that are dotted around the landscape. Much of the appeal of this area lies in it being secluded from the hustle and bustle of the city life, and its abundance of verdant vegetation, spectacular wildlife and impressive variety of birds.



African Dawn is an animal sanctuary that is situated in Thornhill. The sanctuary promotes the care of injured or abandoned animals, which include a plethora of bird species. As Port Elizabeth continues to expand, the conveniences of daily life get a little closer to the outlying region of Thornhill, making the necessary facilities and amenities accessible to those visiting this beautiful area. Close to Thornhill is the Van Stadens Wild Flower Reserve, where numerous hiking trails lead through untouched coastal fynbos and protea species. The area is characterised by rolling green hills and distant mountains, dairy and poultry farming.

THE FOUR MAIN RIVERS IN THE AREA ARE – the Kromme, Seekoei, Kabeljauws and Gamtoos – are tidal rivers. 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 utilised in the agricultural sector for irrigation. There are numerous areas of wetland adjacent to the region's rivers and on the coastal platform.

THESE WETLANDS are extremely sensitive to disturbances such as agricultural activities and development. The wetlands accommodate 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.

KOUGA MUNICIPALITY AT A GLANCE

(Source: S A Stats)

DEMOGRAPHICS 2016



Population
112941
Annual Growth rate = 2.1%



Households
34500
Annual growth rate 3.23%

EDUCATION 2016



Matric Pass rate =
Literacy rate = 83.02%



POVERTY 2016

Head count 5.9%
Intensity of poverty = 46.8%



HEALTH 2016



Primary Health Care Facilities
15

Immunisation Rate
51.5%

Maternal Mortality Ratio (per 100 000 live births)
0%

Teenage pregnancies
7.6%

HIV and AIDS
9240



SAFETY AND SECURITY – Actual no of crime in 2016

Contact Crime
2.82%

Property Crime
21.94%

Police Generated Crime
7.31%

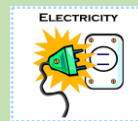
ACCESS TO BASIC SERVICE DELIVERY 2016 – Minimum serve level



Water
98.6%



Refuse Removal
82.5%



Electricity
86.9%



Sanitation
77%

ECONOMY 2016



GDP Growth
4.39%

LABOUR 2016



Employment Growth
2.53%
Unemployment rate
14.7%

LARGEST 3 SECTORS 2016

AGRICULTURE

COMMUNITY SERVICES

TRADE

2.3 DEMOGRAPHIC PROFILE

The Kouga Municipal area is made up of socially and racially diverse communities. The area has experienced a rapid growth to Migration especially in the predominantly poor population. Humansdorp and Jeffreys Bay are the two primary urban settlements where the main retail and commercial activities are concentrated.

2.3.1 Population Size

The 2016 Community Survey estimated the population size of the Kouga at 112 941 (Community Survey 2016). This is a substantial growth from the 2011 Census which shown the population at 98558 (Census 2011). Despite it being the second smallest region in the Sarah Baartman District Municipality, covering only 4.1% of the district land area, Kouga Municipality is the most populous region representing approximately 24% of the total population in the district. The Kouga Municipality also has the fastest annual growth rate in the district. Between 2001 -2011, the population has increased at an average of 3,22% per annum compared to annual growth rate of 1.1% in the district and 0.3% in the province. The KLM is characterised 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 nodes places additional pressure on the existing infrastructure of these high-density areas.

2.3.2 Comparative population figures and growth rates for municipalities in the Sarah Baartman District

The table below illustrates the population figures and growth in the Sarah Baartman District.

Municipality	Census 2011 Population	Census 2011 % Growth Rate (2001 To 2011)	Community Survey 2016	Community Survey % Growth Rate (2011 To 2016)
Sarah Baartman	450 584	16.6%	479923	6.5%
Kouga	98 558	38%	112941	14.6%
Blue Crane Route	36 002	1.6%	36063	0.1%
Makana	80 390	6.7%	82060	2.1%
Ndlambe	61 176	11.4%	63180	3.2%
Sundays River Valley	54 504	11.8%	59793	9.7%
Beyers Naude	79291	5.1%	82197	3.6%
Kou-Kamma	40 663	18.7%	43688	7.4%

Table 10 : Population figures on growth rate

(Source: Stats SA 2011 and Community Survey 2016)

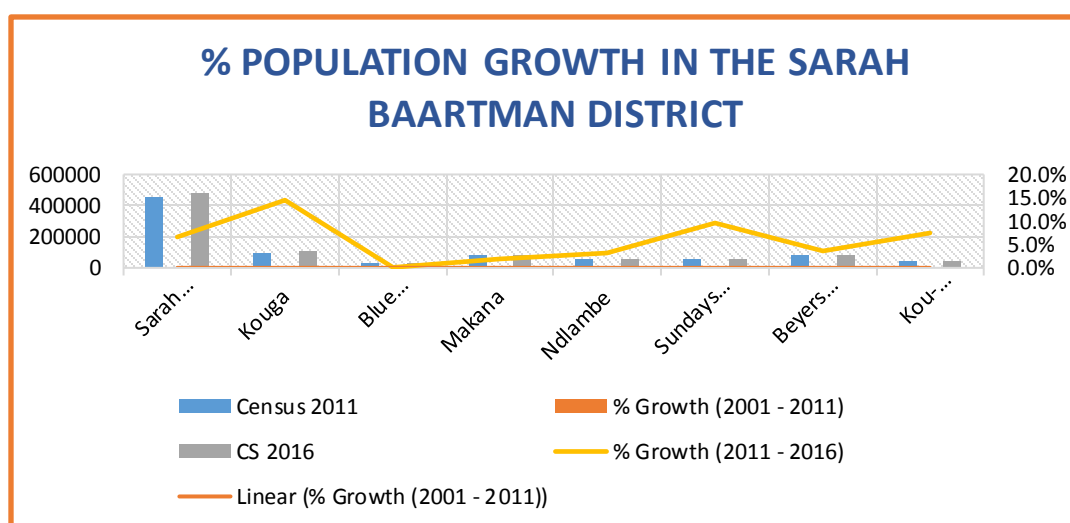


FIGURE 7 : % Population Growth in the Sarah Baartman District (Source: Stats SA 2011 and Community Survey 2016)

The population growth since 2011 to 2016 increased by 38% and shows the largest growth in the Sarah Baartman District

The population of the Kouga Municipality has grown by 6.5% of the period 2011 to 2016. Population growth is marked by the number of births, deaths and Migration patterns in an area. One may therefore assume that the growth is due to more births or more people coming into the Kouga area. The growth is substantially higher than the 6.5% growth rate the Sarah Baartman District experienced over the period 2011 to 2016.

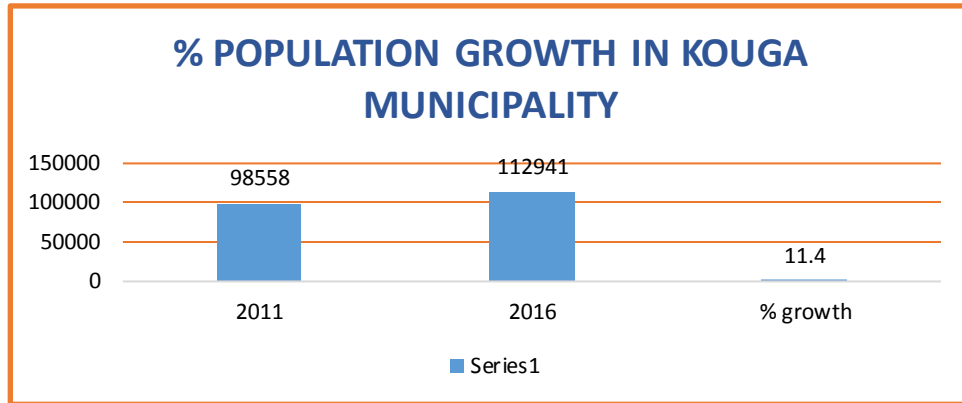


FIGURE 8 : % Population growth in municipality (Source: Stats SA 2011 and Community Survey 2016)

2.3.3 Population per Town

The most populated areas in the Kouga are Hankey, Humansdorp and Jeffreys Bay. However, the actual population size of 112941 reflects negative in the population size per town.

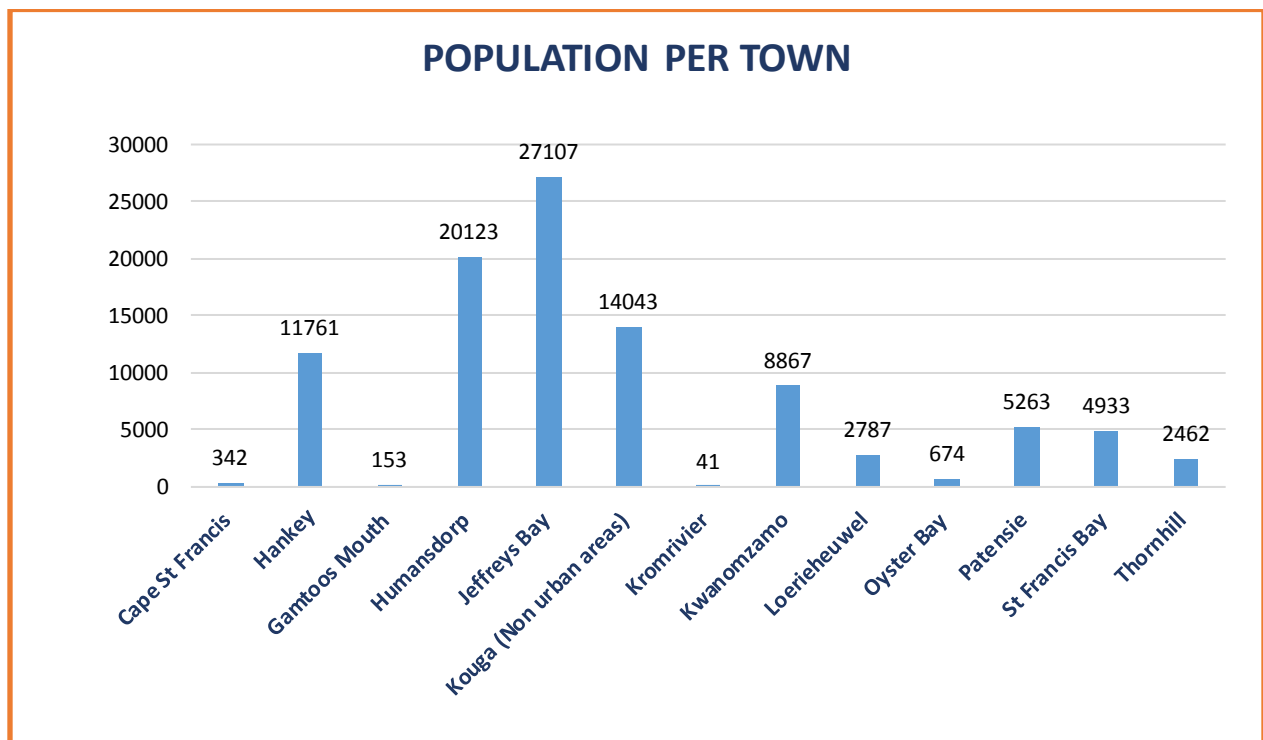


FIGURE 9 : Population per Town (Source: Community Survey 2016)

2.3.4 Population per Race Group

The coloured population is the largest race group in the municipal area contributing 42.6% of the population, the second most dominant race group in the area being the black African population making up 38.83% of the total population. The highest growth rates have been experienced in the Asian race group, but this group only makes up a very small overall percentage (0.24%) of the population of Kouga. Significant growth has been experienced in the African race group which now makes up 38.83% of the total population.

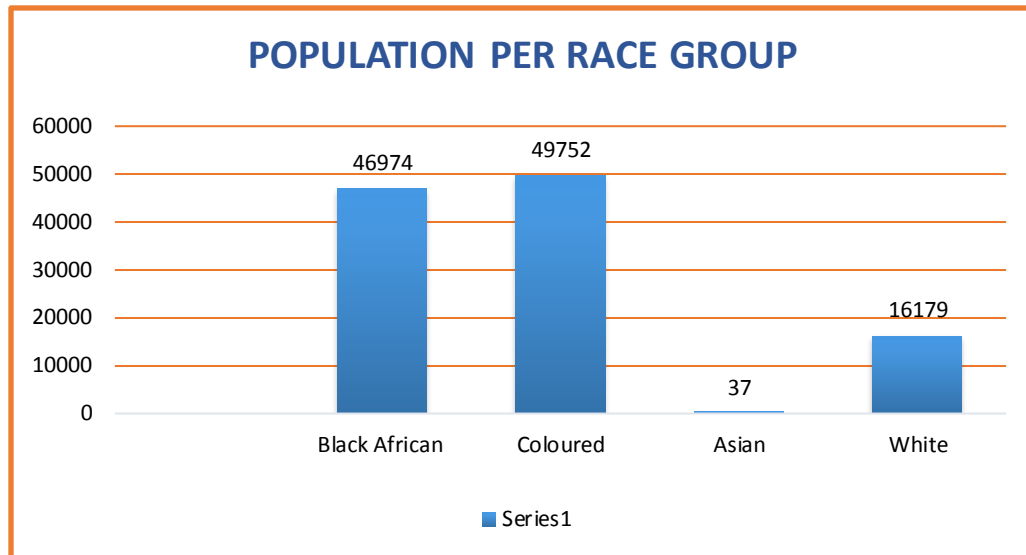


FIGURE 10 : Population per Race Group

(Source: Stats SA and Community Survey 2016)

2.3.5 Population per Gender

The female sex is dominant in the Kouga Municipal area by 51% to the 49% of the male sex. Although there is a slight increase in the population 98558 (2011) to 112941 (2016), the sex dominance remains the same.

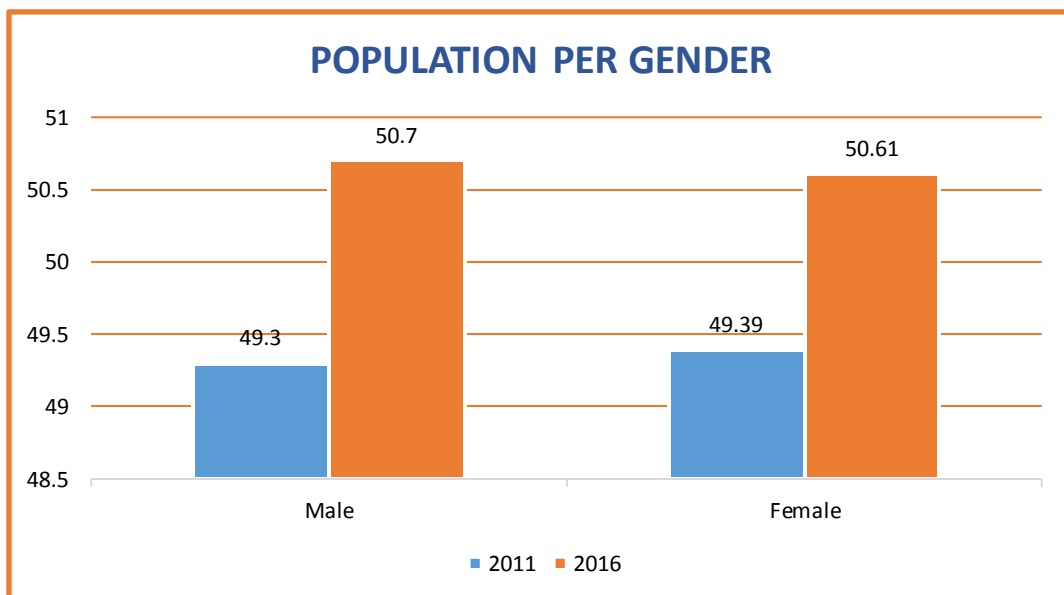


FIGURE 11 : Population per Gender

(Source: Stats SA and Community Survey 2016)

2.3.6 Population per Age Group

52.4% of the Kouga population is between 0 to 29 years of age while approximately 50% of the population are of working age (between 16 and 65). The age profile shows a relatively youthful population very similar to the rest of the Eastern Cape and South Africa in general. No firm trend could be established that people would move to other areas for obtaining improved qualifications, this despite Kouga not having large tertiary institutions.

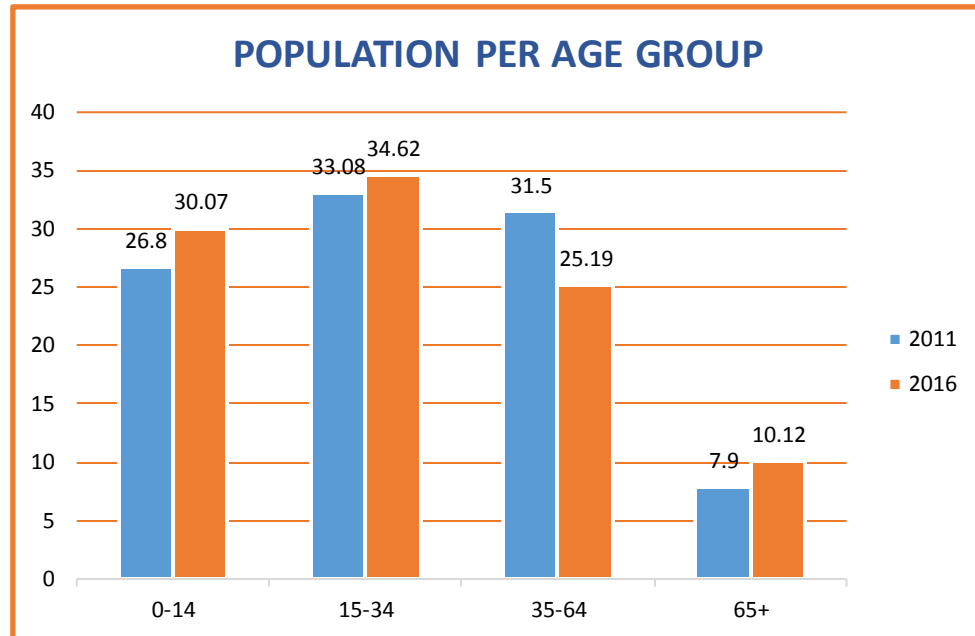


FIGURE 12 : Population per age group

(Source: Stats SA 2011 and Community Survey 2016)

2.3.7 Language

The Language profile shows that Afrikaans is spoken as a first language by 58.4% of the population, followed by isiXhosa (29.9%) and English (6.4%). The other languages are not prominent and are hardly used in the Kouga area.

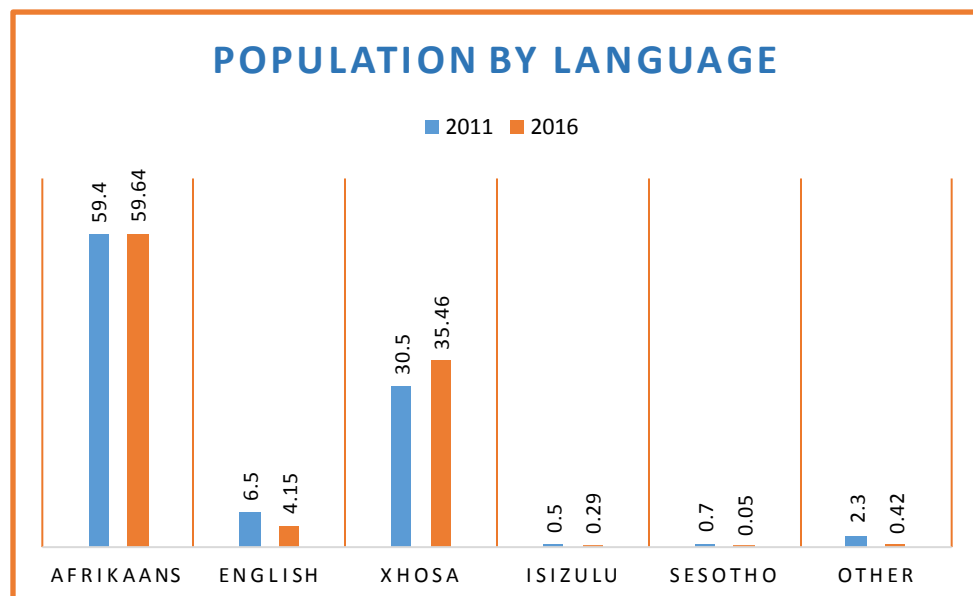


FIGURE 13 : Population by Language

(Source: Stats SA and Community Survey 2016)

2.3.8 Education

Education and training improve access to employment opportunities and helps to sustain and accelerate overall development. It expands the range of options available from which a person can choose to create opportunities for a fulfilling life. Through indirect positive effects on health and life expectancy, the level of education of a population also influences its welfare. The education profile highlights the highest level of education of the population. The distribution of people with no schooling between genders is regarded as being equal with 7094 males with no schooling compared to 6732 females without schooling. Of those aged 20 years and older, 28% have completed primary school, 20% have some secondary education, 24% have completed matric, and 5% have some form of higher education.

- **Literacy**

Literacy is used to indicate a minimum education level attained. A simple definition of literacy is the ability to read and write but is more strictly defined as the successful completion of a minimum of 7 years of formal education. Since most learners start school at the age of 7 years, the literacy is calculated as the proportion of those 14 years and older who have successfully completed a minimum of 7 years of formal education. 13% of the total Kouga population does not have any schooling. The district also reflects an equal percent of 13% to the Kouga which compares equally with the provincial figure of 13% of the population without schooling.

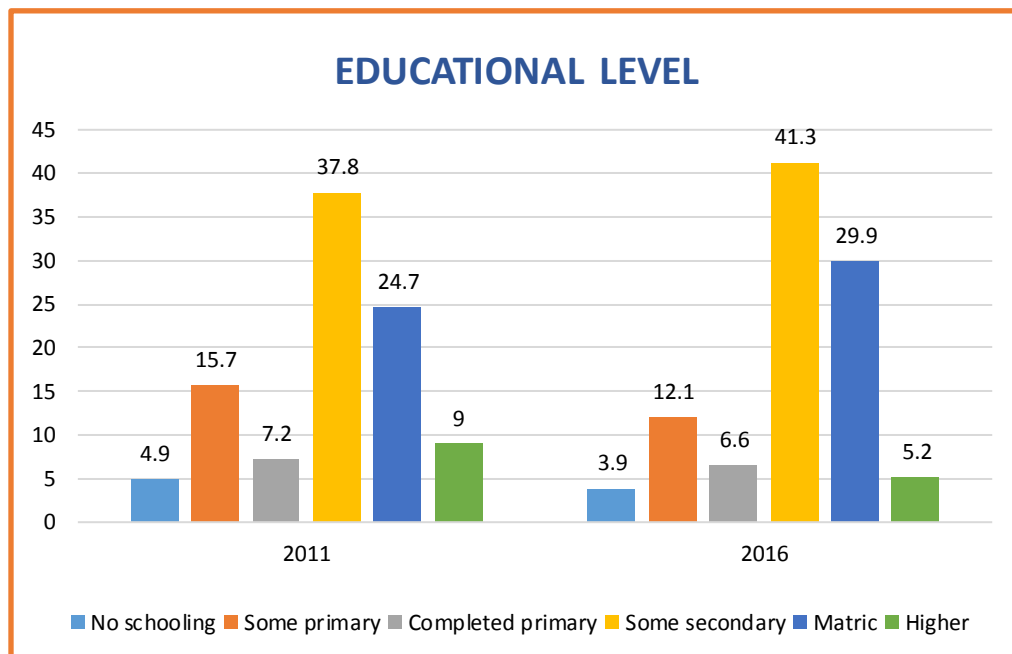


FIGURE 14 : Population per educational level

(Source: Stats SA and Community Survey 2016)

A total of **69 100** individuals in Kouga Municipality were considered functionally literate in 2016, while **14 100** people were considered literate.

- **Education facilities and Enrolments**

The availability of adequate education facilities such as schools, FET colleges and schools equipped with libraries and media centres could affect academic outcomes positively. During public meetings the community voiced that dire need a FET College and an Agricultural School in the Gamtoos Valley. The Sarah Baartman Education District released the following data i.r.o. the current circuit and enrolments:

School phase	No. of schools	Enrolment 2012	Enrolment 2017	% change	Annual average % change
Primary	27	11216	11996	7.0	1.4
Combined	4	1645	1773	7.8	1.5
Secondary	6	4863	5580	14.7	2.8
Total	37	17724	19349	9.2	1.8

Table 11 : Educational facilities and enrolments

(Source: Department of Education)

- The sizes of the 37 schools in the circuit are as follows:
 - 7 very small
 - 8 small
 - 8 medium
 - 8 large
 - 5 very large
- The average Learner Educator Ratio (LER) in the circuit is 30.7 indicating near satisfactory utilisation of educators.
- The average Learner Classroom Ratio (LCR) is 37.3 indicating satisfactory utilisation of classroom space.
- More English and Xhosa oriented schools needed in the Humansdorp – Jeffreys Bay area.
- There is a need for another secondary school in the Humansdorp area with will cater for both English and Afrikaans Home Languages.
- An agricultural school is to be built in Patensie.

2018 Matric Results for Kouga Schools

Name of school	Wrote	Achieved	Failed	% Achieved
Global Leadership Academy	47	47	0	100.0
Hankey Secondary School	66	28	38	42.4
Humansdorp Secondary School	262	211	51	80.5
Lungiso Secondary School	88	63	25	71.6
Nico Malan High School	154	152	2	98.7
Patensie Secondary School	34	10	24	29.4

Table 12 : Matric results 2018

(Source: Department of Education)

2.3.9 Mode of transport to school

MODE	NUMBER
Walking	21550
Bicycle	96
Motorcycle / scooter	57
Minibus taxi / sedan taxi	1028
Bakkie taxi	302
Public bus	-
Vehicle provided by institution	282
Vehicle by government for free	1867
Vehicle hired by group of parents/students	2222
Own car / private vehicle	2350
Other	309

Table 13 : Mode of transport to school

It is evident in the table that most pupils / student are walking to school as a mode of transport. High school learners are more likely to travel further than the younger learners, with many travelling as far as 10km and further to reach their schools.

2.4 THE ECONOMY

2.4.1 Economic growth

The economic state of Kouga Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, Sarah Baartman District Municipality, Eastern Cape Province and South Africa. The Kouga municipality does not function in isolation from its neighbouring municipalities and is therefore crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

a) Gross Domestic Product (GDP)

Definition: Gross Domestic product represents the value of all goods and services, over a period of one year, plus taxes and minus subsidies.

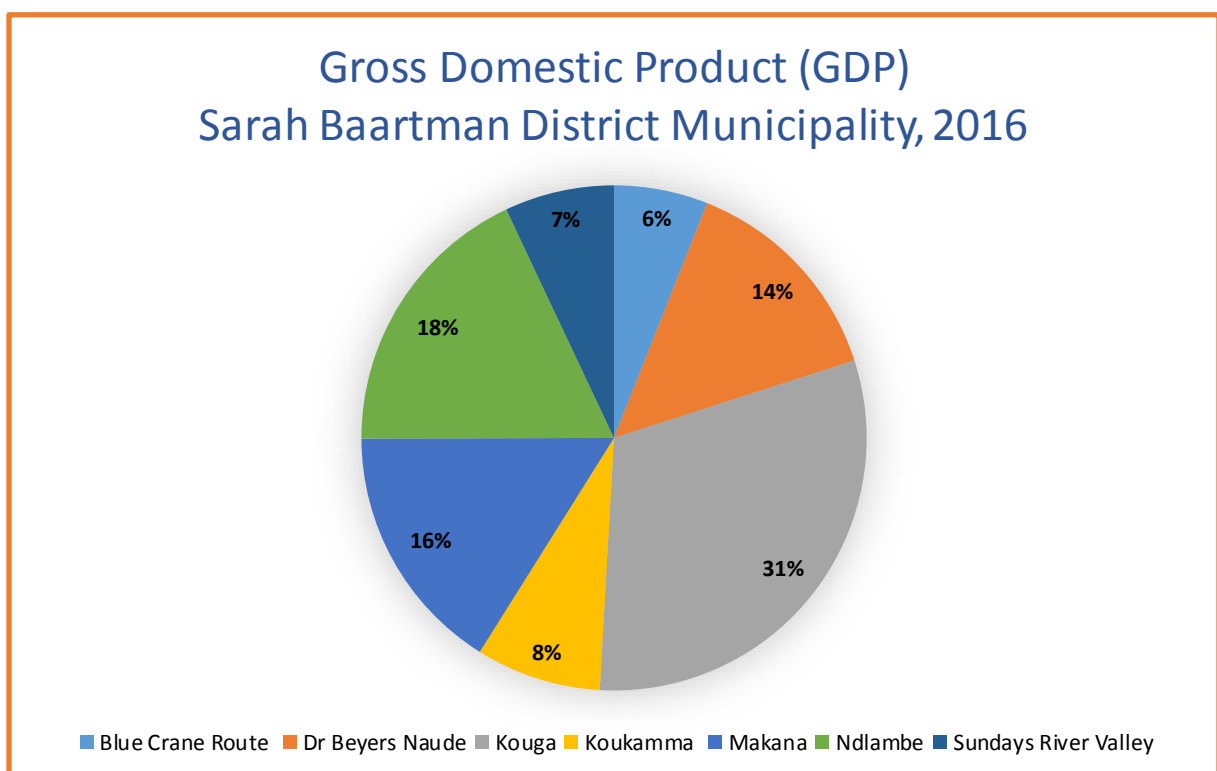


FIGURE 16 : Gross Domestic Product – Sarah Baartman 2016

(Source: ECSECC 2017)

The Kouga had a GDP of R10.5 billion in 2016 and contributed 31% to the Sarah Baartman District Municipality GDP of R34.2 billion in 2016. In 2016, the Kouga Municipality achieved an annual growth rate of 0.38% over a short term and 4.39% over a longer term. For the period 2006 to 2016 the average annual growth rate of 4.39% was the highest relative to its peers in terms of growth in constant 2010 prices. It is expected that Kouga Municipality will grow at an average annual rate of 2.11% from 2016 to 2021.

b) Gross Value Added (GVA)

Definition: Gross Value added is a measure of output (total production) in terms of the value that was created. GVA can be broken down into various sectors

The broad economic sector of the Kouga Municipality is depicted in the graph below:

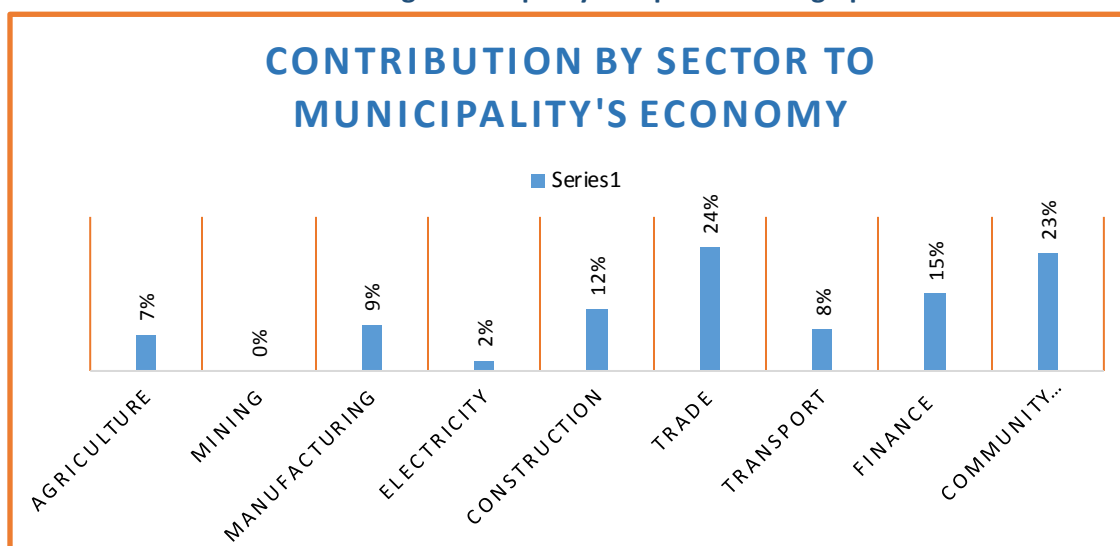


FIGURE 17 : Gross Value added by Broad Economic Sector

(Source: ECSECC 2017)

In 2016, the trade sector is the largest within the Kouga Municipality accounting to R2.39 billion or 24.5% of the total GVA in the municipality's economy. The sector that contributes the second most to the GVA if the Kouga Municipality is the community services sector of 23.9%, followed by the finance sector of 15.3%.

2.4.2 Employment Status

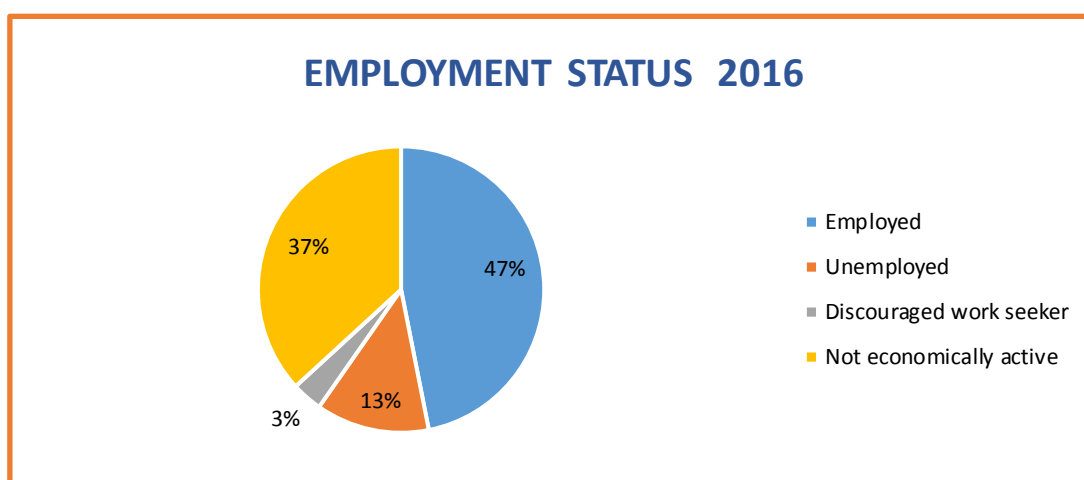


FIGURE 18 : Employment status

(Source: Community Survey 2016)

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This also called the economically active population (EAP). People not included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

Kouga municipality's EAP was 49 100 in 2016, which is 43.75% of its total population of 112 941. In 2006 the unemployment rate for Kouga was 13.4% and increased overtime to 14.7% in 2016. The gap between the labour force participation rate and the unemployment rate decreased which indicates a negative outlook for the employment within Kouga Municipality. In 2016, the unemployment rate in Kouga Municipality was 14.75%, which is an increase of 1.38 percentage points.

The number of formally employed people in Kouga Municipality counted 29 100 in 2016, which is about 73.33% of total employment, while the number of people employed in the informal sector counted 10 600 or 26.67% of the total employment. Informal employment in Kouga increased from 9660 in 2006 to an estimated 10 600 in 2016.

2.4.3 Income

Household income is one of the most important determinants of welfare in a region. The ability to meet basic needs, such as for adequate food, clothing, shelter and basic amenities, is largely determined by the level of income earned by the households. Poverty is often defined as the lack of resources to meet these basic needs. An important indicator of poverty in a region is the number of households with an income below the poverty line.

HOUSEHOLD BY INCOME CATERGORY		
Income	Number	%
0-2400	2	27.9%
2400-6000	58	27.3%
6000-12000	460	26.0%
12000-18000	1110	26.8%
18000-30000	3210	26.2%
30000-42000	3400	24.6%
42000-54000	3050	23.0%
54000-72000	3790	23.2%
72000-96000	3470	22.5%
96000-132000	3410	24.9%
132000-192000	3230	24.9%
192000-360000	3700	25.1%
360000-600000	2210	25.5%
600000-1200000	1620	27.7%
1200000-2400000	668	33.7%
2400000+	143	40.9%

Table 14 : Household by income category

(Source: Community Survey 2016)

It was estimated that in 2016 14.42% of all the households in the Kouga Municipality, were living on R30 000 or less per annum. The per capita income in Kouga Municipality in 2016. The total personal income of Kouga Local Municipality amounted to approximately R6.23 billion in 2016. The per capita income in Kouga Municipality in 2016 is R55 000 which is higher than the Sarah Baartman District Municipality of R49 700.

2.4.4 Poverty

It is estimated that the poverty gap rate in the Kouga Municipality amounted to 27.2% in 2016 – the rate needed There is a slight relief in the intensity of poverty due the receipt of grants and subsidies per household.

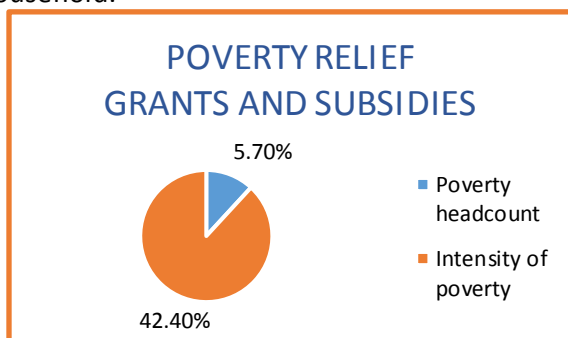


FIGURE 19 : Poverty Relief Grants ad subsidies
(Source: Stats SA and Community Survey 2016)

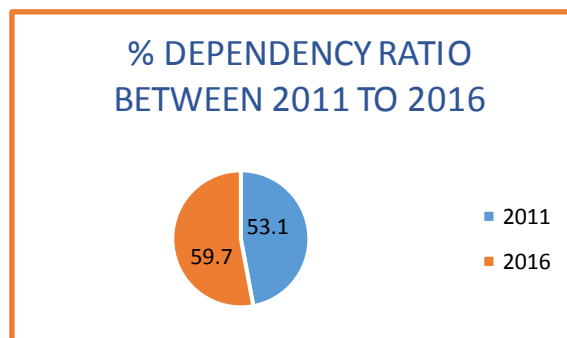


FIGURE 20 : % Dependency Ration between 2011 to 2016
(Source: Stats SA and Community Survey 2016)

2.4.5 Agricultural Households

Poultry production is the highest agricultural activity in the Kouga Municipality followed closely by livestock production.

TYPE OF SPECIFIC ACTIVITY	NUMBER	TYPE OF ACTIVITY	NUMBER	INCOME	NUMBER
Livestock production	782	Crops Only	466	No income	362
Poultry production	868	Animals Only	1016	R1 – R4 800	47
Vegetable production	661	Mixed Farming	317	R4 801 – R38 400	956
Production of other crops	318	Other	203	R38 401 – R307 200	487
Other	654			R307 201 +	88
				Unspecified	62

Table 15 : Agricultural household

(Source: Stats SA Census data)

2.5 OVERVIEW OF BASIC SERVICES

Access to basic services within South Africa is a basic human right. Access to basic services has a wider impact on education and health and therefore also on the economy. The Municipal Economic Review and Outlook of 2016 (ECSECC) further highlights the positive economic impact of basic infrastructure on spending and the overall economy. The aim of this profile is to assist KLM in acquiring credible data to inform planning, budgeting and the accompanied prioritisation with respect to policy options. There are 29 447 households in the municipality with an average household size of 3,2 persons per household. Of all households, 60,4% have access to pipe water inside the dwelling and 86,9% have access to electricity for lighting. 35,4% of households are headed by females.

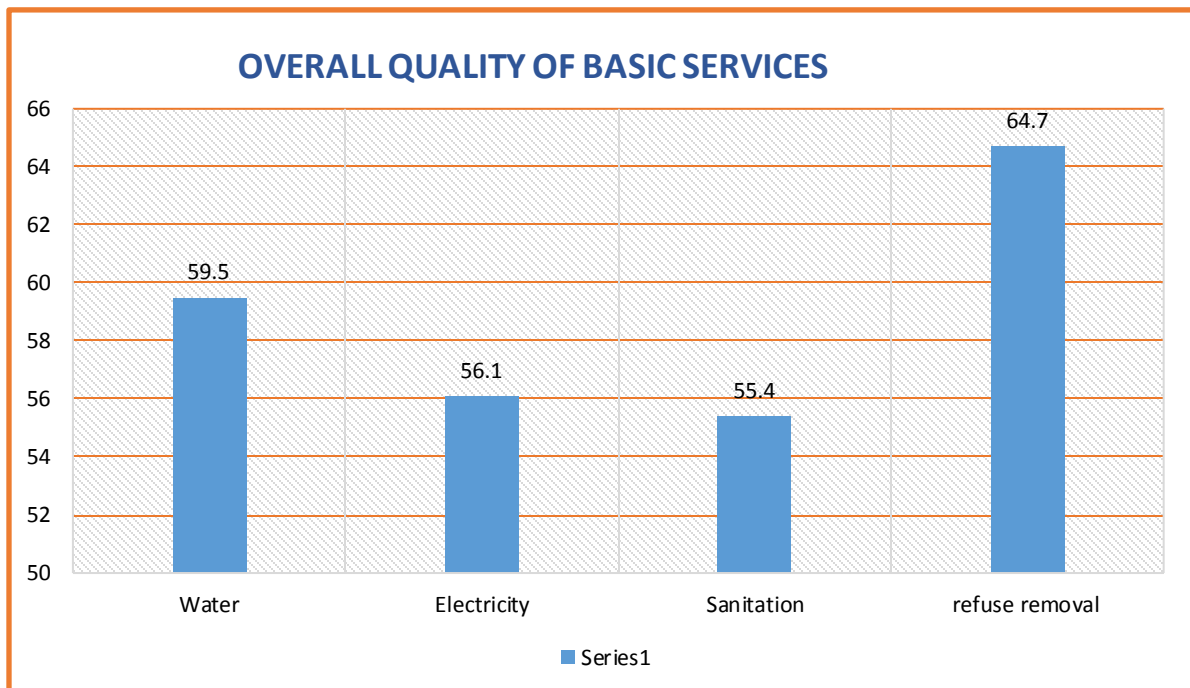


FIGURE21 : Overall quality of basic services

(Source: Stats SA and Community Survey 2016)

2.5.1 Water Services

A household is categorised according to its main access to water, as follows: regional/local water scheme, borehole and spring, water tank, dam/pool/stagnant water, river/stream and other main access to water methods. No formal piped water includes households that obtain water via water carriers and tankers, rain water, boreholes, dams, rivers and springs.

91.4% of the Kouga Municipality's water is provided by Regional / Local water schemes operated by the municipality and/or other water services provider. All areas within the municipal area have access to clean water. Water is supplied to all formal households, businesses, neighbouring farms and approximately 7500 households in the informal settlements.

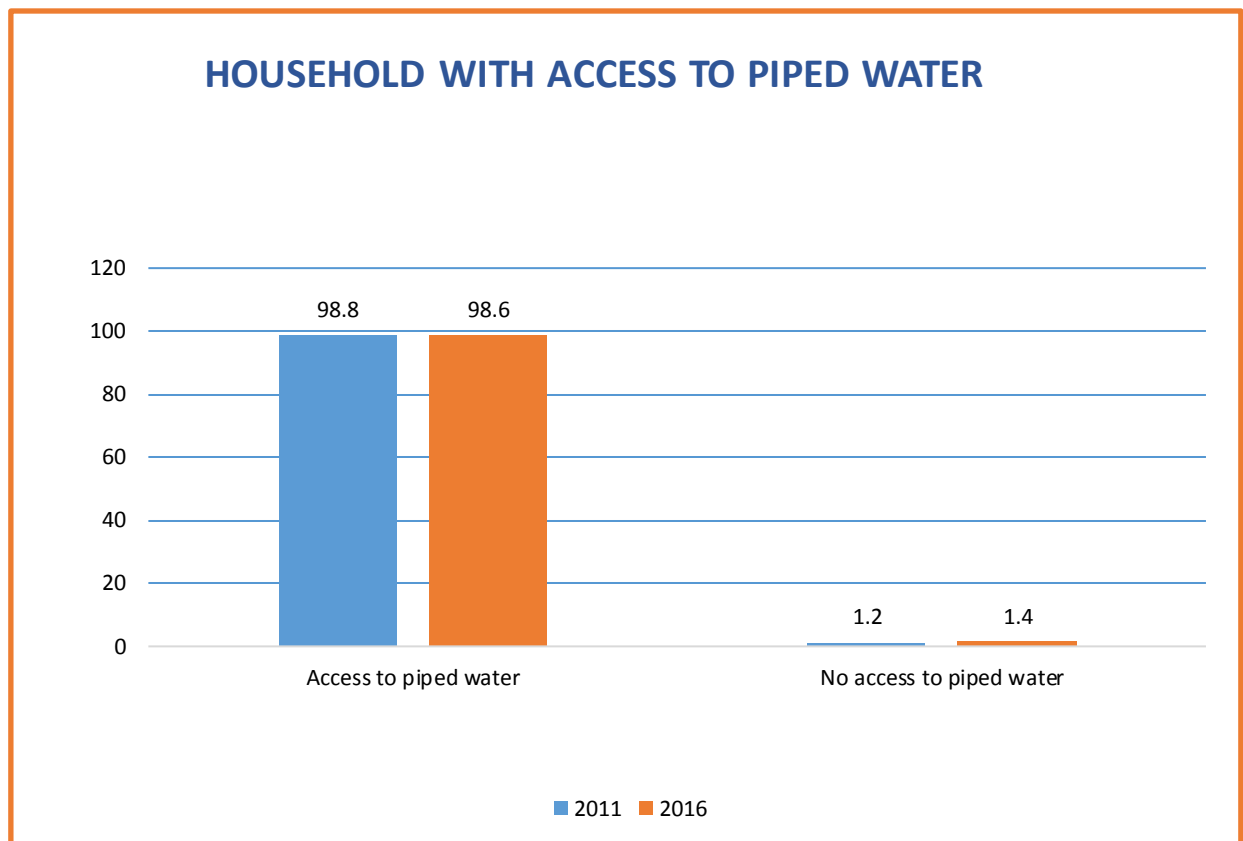


FIGURE 22 : Household with access to piped water

(Source: Stats SA and Community Survey 2016)

The quality of drinking water supply in the Kouga area is tested weekly and the quality is constantly above the normal norms except for water quality challenges in Ward 3 and 8. The Council has not been awarded any Blue Drop or Green Drop awards and will strive to improve on water quality.

The Water Services Development Plan was reviewed during 2015 and adopted during the 2015/2016 period. The WSDP is due for update to be in line with the new 2017/2022 IDP cycle.

The municipality is doing well with the provision of piped water to households at a 98.6%. Kouga Municipality is committed and endeavours to conform to the norms and standards of SANS 214 with regards to water quality.

2.5.2 Electricity

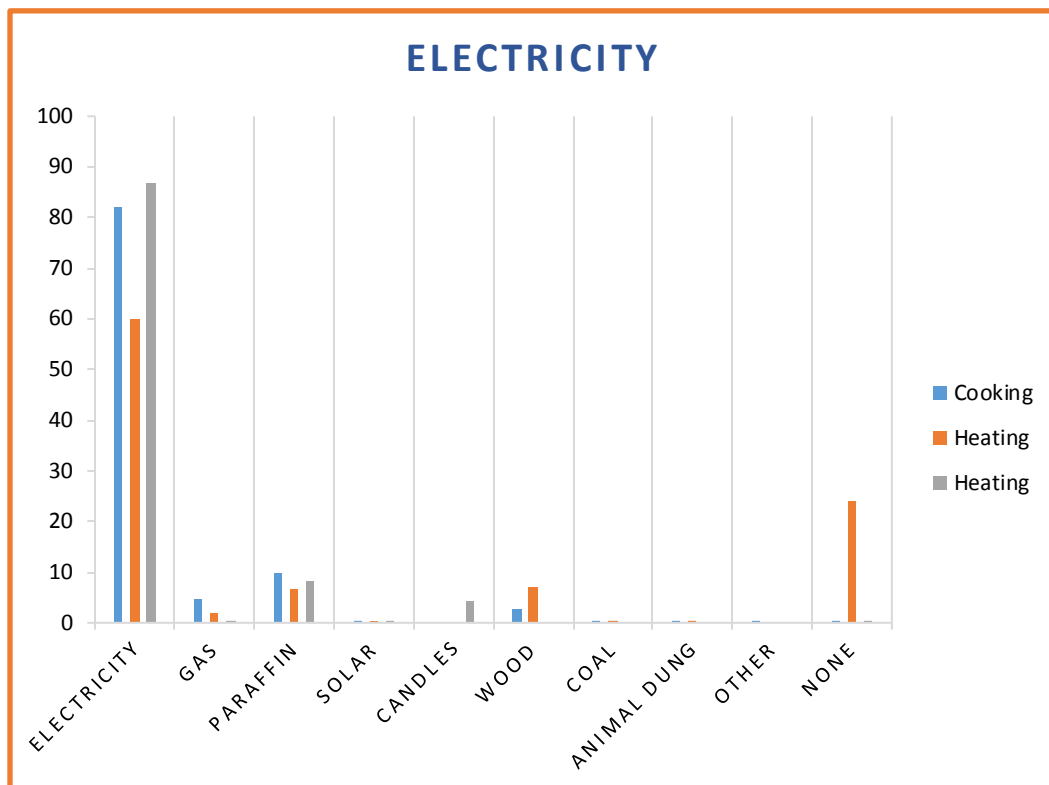


FIGURE 23 : Electricity

(Source: Stats SA and Community Survey 2016)

Electricity and street lighting are provided to all formal households and electricity, street lighting or high mast lights to most informal areas in Kouga. 86.9% of households have access to electricity.

2.5.3 Sanitation

Sanitation can be divided into specific types of sanitation to which a household has access. The sanitation categories are explained as follows:

- **No toilet** – no access to any of the toilet systems explained below
- **Bucket system** – a top structure with a seat over a bucket. The bucket is periodically removed, and the contents disposed of. (Note: this system is widely used but poses health risks to the collectors. Most authorities are actively attempting to discontinue the use of these buckets in their local regions).
- **Pit toilet** – a top structure over a pit.
- **Ventilation improved pit** – a pit toilet but with a fly screen and vented by a pipe. Depending on soil conditions, the pit may be lined.
- **Flush toilet** – waste is flushed into an enclosed tank, thus preventing the waste to flow into the surrounding environment. The tanks need to be emptied or the contents pumped elsewhere.

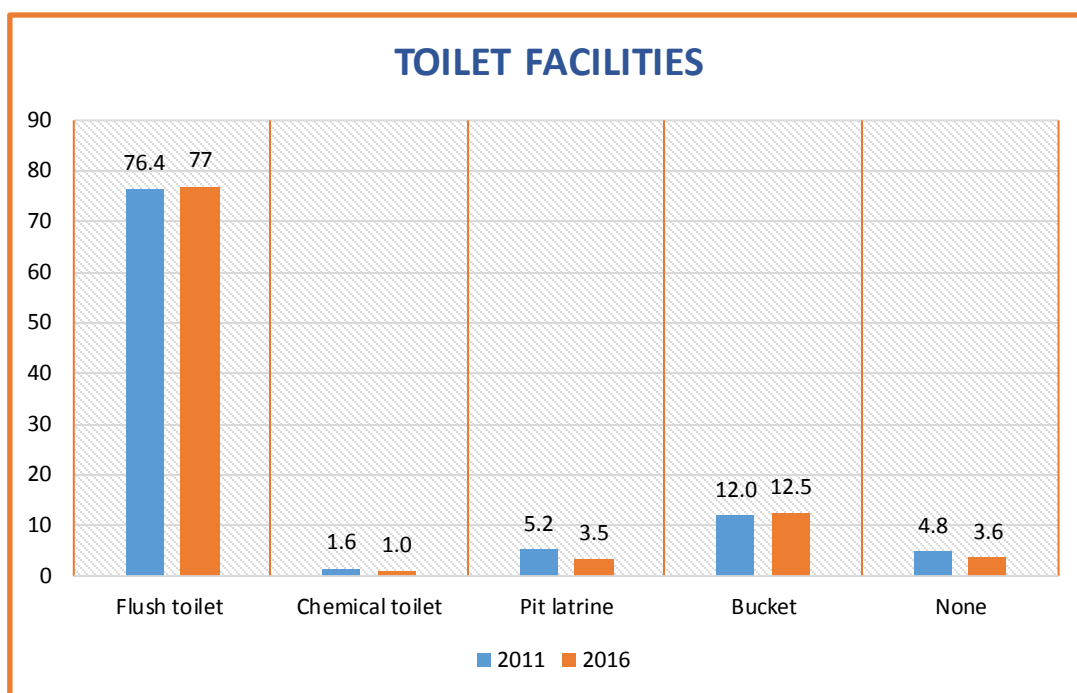


FIGURE: 24 Toilet Facilities

(Source: Stats SA and Community Survey 2016)

Kouga Municipality had a total number of 29 700 flush toilets (83.4% of total households), 497 ventilation improved pit (VIP) (1.40% of total households) and 639 (1.79%) of total household's pit toilets.

The municipality's greatest challenge regarding sanitation is to expand the infrastructure to meet future development requirements. There are currently eight (8) waste water works in the Kouga. A major upgrade is needed at the Waste Water Treatment Works which may result in additional capacity to the currently overloaded works. The outflow of the plant is monitored by Kouga Municipality and monthly chemical and biological tests are done and uploaded onto the Green Drop System of the Department of Water and Sanitation.

The bucket system is not yet fully eradicated in the Kouga area. Most bucket systems may occur due to new informal houses being built in informal settlements. The eradication of the bucket system is one of the main priorities of the municipality. The 12.5% is not an accepted figure as this is unhygienic and poses a health hazard for the communities who is still making use of this system.

TABLE 5 - Current situation regarding sanitation within the Kouga Local Municipality:

TOWN	TYPE							
	Bucket	Conservancy tank	Chemical toilets	Pit latrine	Septic tank	Small bore	VIP	Water Borne
Cape St Francis/ St Francis Bay	540	3532	18	-	-	-	-	785
Hankey	439	837	0	-	-	-	420	1501
Humansdorp	1112	939	36	-	-	-	-	5608
Jeffrey's Bay	787	3340	26	-	539	-	-	8744
Loerie	260	12	5	-	-	150	-	334
Oyster Bay	117	100	7	-	468	-	-	-
Patensie	470	802	29	-	49	-	-	-
Thornhill	160	0	8	-	-	-	-	504
Total	3885	9562	129	-	1056	150	420	17476

Table 16 : Sanitation

(Source: Community Survey 2016)

2.5.4 Roads and Streets

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

- The South African National Roads Agency Limited (SANRAL), which is responsible for the National Route 2, which traverses the Kouga municipal area.
- The Eastern Cape Department of Roads, which is responsible for provincial trunk, main and district roads within the municipal area.
- The Kouga Municipality is responsible for all municipal roads.

ROAD AUTHORITY	LENGTH (KM)
SANRAL (N2)	68,97 km
Eastern Cape Department of roads	915,31 km
Kouga Municipality	402,5 km
Total	1 386,78 km

Table 17 : Municipal roads

(Source: Kouga LM)

The Kouga region comprise of 402.5 kilometers of municipal roads of which 80% thereof is tarred. The following roads are in the Kouga Municipality area of jurisdiction:

- N2 National (SANRAL) -
- R102 Provincial
- R391 Provincial
- MR400 Provincial

The total road network within Kouga Municipality and under the jurisdiction of KM comprises approximately 402, 5 km, of which approximately 307, 3 km (76,35%) are surfaced black-top roads. The condition of roads in the Greater Kouga Municipal area has deteriorated rapidly over the past few years due to aging of the infrastructure, increased traffic volumes, lack of sufficient funding for maintenance and the impact of floods which have occurred over the past few years. The standard of roads maintenance in all areas in the Kouga is the same whether it be 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 access to road maintenance services are done through a complaint register kept at each Administrative Unit. High level access is accommodated 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 table below:

ROAD TYPE	LENGTH (KM)
Tar	307,3 km
Concrete	0,2 km
Block paving	7,5 km
Gravel	87,50 km
Total	402,5 km

Table 18 : Road Network

(Source: Road network under jurisdiction of Kouga Municipality)

Like the vast majority of local authorities throughout our country, road repair and maintenance remain a challenge due to funding constraints, terrain, aging road and storm water infrastructure, poor sub-surface conditions, and ever-increasing traffic volumes. The absence of a road pavement management system to assess and classify roads according to their remaining life span on a scientific basis has not been concluded. We therefore do not possess the information to do strategic future planning with reference to timeous identification of road maintenance. There is Limited funding for routine road maintenance and rehabilitation. No funding for capital projects.

2.5.6 Refuse Removal

Most households in Kouga have access to refuse removal at least once a week by the municipality, 83,5%, in terms of a collection programme compiled by the municipality. The refuse is transferred to a landfill site in Humansdorp which complies with the national dumping site requirements. The Integrated Waste Management Plan was approved during the 2016/2017 IDP period.

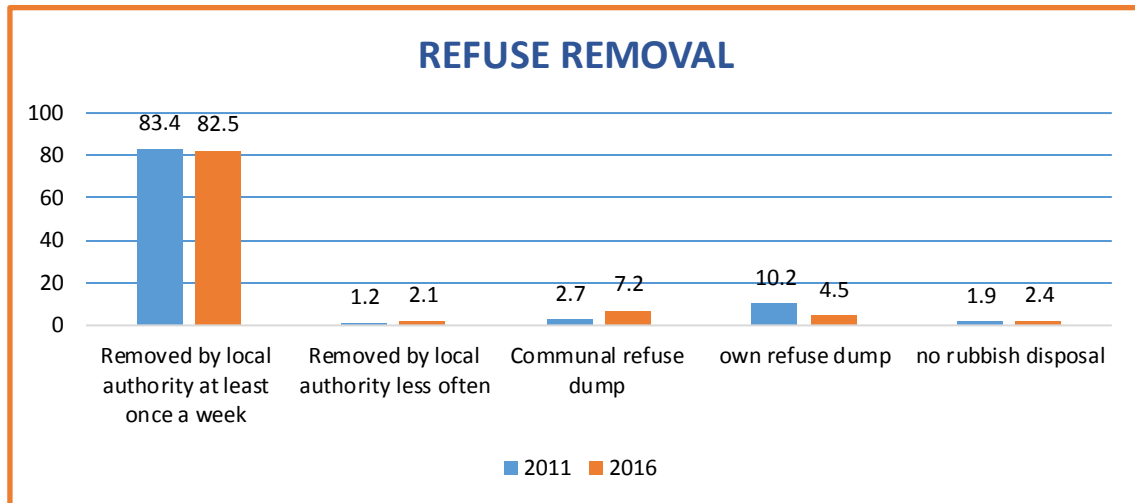


FIGURE 25 : Refuse Removal

(Source: Stats SA and Community Survey 2016)

2.5.6 Human Settlements

The Kouga Municipality is 85.8% urban with 14.5% being farms settlements. Most of the population occupies a formal dwelling. There are approximately 22508 formal and 5292 informal households.

AREA	PERCENTAGE
Urban	85,5%
Tribal/Traditional	0%
Farm	14,5%

Table 19 : Human Settlements (Source: Stats SA 2011)

Access to affordable and suitable accommodation remains one of the greatest challenges facing the Kouga area. While the provisioning of housing is the Constitutional mandate of Provincial and National Government, by virtue of the structure and location of local government, this function is undertaken by the Kouga municipality on an agency basis. From the figure below, it is apparent that most households in the Kouga municipality live in formal dwellings (houses and flats). However, a large percentage of households (21.6%) live in informal or traditional dwellings, which would form part of the housing backlog.

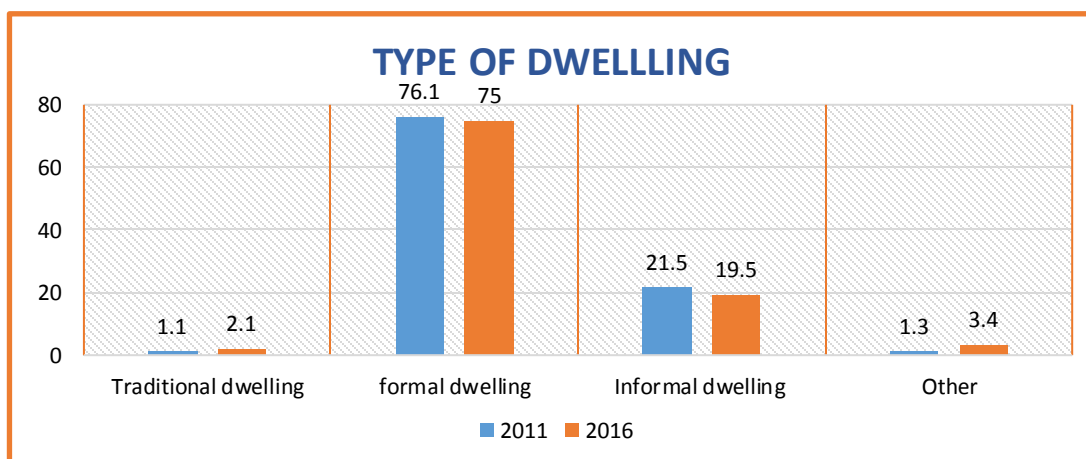


FIGURE 26 : Type of Dwelling

(Source: Stats SA and Community Survey 2016)

A further breakdown of main dwellings that households are currently living in is illustrated in the figure below:

DWELLING	NUMBER
Formal dwelling/house or brick/concrete block structure	88246
Traditional dwelling/hut/structure made of traditional matter	1833
Flat or apartment in a block of flats	2354
Cluster house in complex	560
Townhouse (semi-detached house in a complex)	303
Semi-detached house	-
Informal dwelling/shack in backyard	5996
Informal dwelling/shack not in backyard	9677
Room/flatlet on a property or large dwelling/servants' quarter	404
Caravan/tent	-
Other	2746

Table 20 Breakdown of main dwellings

(Source: Community Survey 2016)

2.5.8 Telecommunication

Landlines are still the most affordable format of communication and are fully operational throughout the area. Although the latest trend and preference of most households is to use mobile phones to keep up with the latest technological development, some remote areas continue to utilize Telkom as the only communication method. However, Telkom is dismantling a number of their public phone facilities, largely due to vandalism. The cellular companies operational in the area have added communication value, including the provision and accessibility to lower cost cellphone units. Although, most people use cellular phones as the best mode for communication, Kouga municipality utilize various forms of communication such as the loud hailing, newsletters, posters, e-mails, radio broadcasting and meetings in communicating with communities. On the microeconomic scale small businesses and companies utilize cellular phones, telephones, television, radiobroadcasting, posters and internet to market their products. Telecommunication plays a significant role in creating a social, economic and cultural environment. It also has an impact on job creation as most companies such as Telkom, Vodacom, MTN and Cell C have appointed a number of people, so in a way telecommunication is largely contributing to the alleviation of poverty.

2.6 SOCIAL DEVELOPMENT

2.6.1 People living with disabilities

The Constitution of South Africa protects the rights of people with disability and prohibits discrimination based on disability. Kouga Municipality recognizes that it must improve the quality of life for those people in the municipality who live with disabilities. This must be done through improving the design of public spaces such as libraries, community halls, municipal offices, buildings and road infrastructure.

The municipality will aim to ensure that the new buildings and renovations to existing infrastructure should be developed in such a way that access to people with disability are provided. These efforts will be bolstered through a host of mechanisms such as:

- The municipality's efforts to partner with the Department of Social Development to develop focused social development programs up-scale representation of people with disabilities within the community and municipal decision-making process;

- A comprehensive database of people with disability should be developed to indicate their skills and competency levels and specific targets should be set in the Employment Equity Plan of the municipality; and
- A workshop should also be held to assess the challenges faced by people with disabilities in the Kouga Municipal Area.

The municipality must demonstrate more cognizance of the fact and new buildings and renovations to existing infrastructure should be developed in such a way that access to people with disability are provided. The municipality should also form a partnership with the Department of Social Development to develop focused social development programs to up-scale representation of people with disabilities within our community as well as in municipal decision-making processes. A comprehensive database of people with disability should be developed to indicate their skills and competency levels and specific targets should be set in the Employment Equity Plan Of the municipality. A workshop should also be held to assess the challenges faced by people with disabilities in the Kouga Municipal Area.

2.6.2 The Elderly

The Elderly are often neglected in municipal planning, especially the poorer and more vulnerable people who cannot afford decent home accommodation. While there are a number of facilities in the Kouga Municipal Area catering for the wealthier retirees and aged, the same cannot be said for the bottom-end of the market. The issues faced by the elderly are:

- No old age and frail care centre in the previous disadvantaged areas.
- Abandonment by family members leaving the elderly to look after themselves.
- Abuse of old age pension by unemployed adult children.
- Guardians to grandchildren without proper financial and other resources.

2.6.3 Social Security / Grants

It is estimated that government provides social grants to over 15 million South Africans. These grants are allocated to the poorest of the poor; inter alia, the vulnerable groups, disabled, foster children and the elderly. The issuing of social grants is an attempt by the government to relieve the plight of the poor and marginalized.

KOUGA AREA - SOCIAL GRANTS FOR 2019			
GRANT TYPE	NO. OF BENEFICIARIES	NO. OF CHILDREN	EXPENDITURE
Care Dependency	-	267	5 446 800
Child Support (0 – 18)	-	25514	109 347 000
Foster Care	-	810	9 331 200
Grant in Aid	328	-	268 960
Old Age	5891	-	120 176 400
Old Age (75 years and older)	1866	-	38 679 360
Permanent Disability	2202	-	44 920 800
Temporary Disability	391	-	664 700
TOTAL	10678	26591	328 835 220

Table 21 : Ward Population

(Source SASSA: Social Grants)

2.6.4 Health Care Services : Facilities

This section of the profile highlights the current health infrastructure and human resource capacity in the public health sector and burden of disease in the Kouga Municipal Area.

Hospital		Condom Distribution Site	Clinics		Mobile Clinic		EMS Stations		EHS Services		Total
2	Humansdorp	2	10	Andrieskraal	3	Loerie	3	Humansdorp	2	Prov	22
	PZ Meyer			Humansdorp		Patensie		Jeffreys Bay		LM	
				Imizamo Yetho		Suurbron		Patensie			
				Kruisfontein							
				Loerie							
				Masakhane							
				Pellsrus							
				St Francis Bay							
				Thornhill							
				Weston							

Table 22 : Health Care facilities

(Source: Eastern Cape Dept of Health)

A total of 3 Sessional Doctors for the clinics and 32 professional nurses have been employed by the Department of Health to render health services to patients attending the primary health care facilities in the Kouga Municipal Area. The health human resource capacity reflected here under does not include those who are in private practice in the area. Most areas in the Kouga is in need of a clinic due to overcrowded clinics, shortage of nursing staff and long distance travelling to health facilities:

KOUGA	2016	2017	2018
Primary Healthcare Doctors	3	2	2
Number of doctors at Hospital	11	10	10
Primary Healthcare – Professional Nurses	27	32	32
Number of Professional Nurses at Hospital	42	41	41

Table 23 : Health Caregivers

(Source: Eastern Cape Dept. of Health)

2.6.5 Burden of disease : HIV, Aids and Tuberculosis treatment and care

Although treatment and care are essential in the management of HIV and Aids, the need and importance of preventative care cannot be over-emphasized, especially since to date, there is no known cure. Tuberculosis (TB) is a bacterial disease, and is a serious problem in South Africa, especially in the Eastern Cape. Approximately one out of ten people develop the disease and if not treated the infectious person can infect other people or more in a year. TB can only be cured if the full course of treatment, which can be from six to eight months, is completed. People who stop treatment are likely to develop multi-drug resistance, making the TB more difficult to cure. These cases are treated at TB specialist clinics. TB can be fatal if not treated. The HIV epidemic has led to an enormous increase in the number of TB cases. People with HIV are far more susceptible to TB infection and are less able to fight it off. The municipality make provision for annual wellness awareness programs.

The table below indicates the burden of disease in the Kouga area of jurisdiction.

AREA	ART PATIENT LOAD	NUMBER OF ART TREATMENT SITES	NUMBER OF TB CLINICS
Jeffreys Bay	1272	1	1
Humansdorp	1605	3	3
Hankey	457	2	1
Patensie	245	2	1
Thornhill	163	1	1
Loerie	160	1	1
St Francis Bay	361 (Oyster Bay & Cape St Francis)	1	1
Oyster Bay		1 Mobile visit monthly	1 Mobile visit monthly
Cape St Francis	0	0	0
Andrieskraal	43	1	1
TOTAL ON ART	4306	13	11

Table 24 : Burden of Diseases

(Source: Eastern Cape Dept. of Health)

Community Based Programmes managed by Department of Health

- Kwanomzamo Home Based Care Group
- St Francis Hospice
- Mom and Baby Clinic
- Ward Based Health Care System

New Clinics are needed in the following areas

- Kwanomzamo (Vergenoeg) - Ward 6
- Ocean View - Ward 14
- Kruisfontein - Ward 4
- Oyster Bay - Ward 1
- Humansdorp - Ward 5
- Hankey - Ward 9

2.7 SAFETY AND SECURITY

Section 12 of the Constitution prescribes that every person has the right to safety and security and subsequently, the strategic objective to strongly focus on ensuring a safe and secure environment for the people who live in the Kouga as well as visitors to the area. The extent of crime in South Africa does however not only have a significant impact on the livelihood of citizens, but also affects the general economy. Crime hampers growth and discourages investment and capital accumulation. If not addressed with seriousness, it has the potential derail both social and economic prosperity.

There are 6 police stations in the Kouga area namely, Humansdorp, St Francis Bay, Jeffreys Bay, Hankey, Patensie and Thornhill. The following criminal statistics were recorded for the period 1 April 2018 to 27 March 2019:

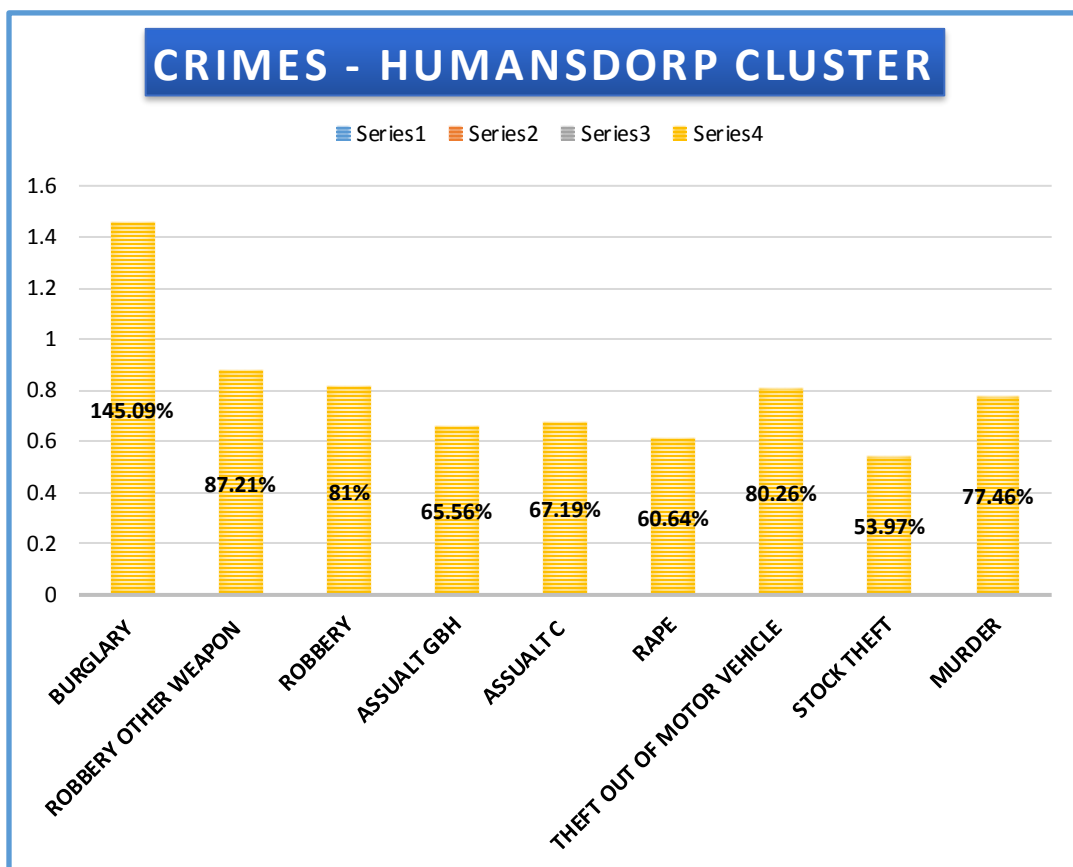


FIGURE 27 : Crime Statistics

(Source: SAPS)

The Community Police and Safety Forum focus each year on the effective implementation of the following joint national and local crime prevention campaigns:

- Child Protection Week
- 16 Days of Activism against violence against women and children
- International Drug Awareness Day
- Victim Support Programme
- Substance Abuse Awareness Programmes
- Holiday Programmes

The following is the number of bus shelters and taxi ranks to secure the safety of the public against natural elements are:

TOWN	BUS SHELTER	TOWN	TAXI RANKS		
Cape St Francis	0	Humansdorp	1		
St Francis Bay	5	St Francis Bay	1		
Kwanomzamo	3	Hankey	1		
Arcadia	6	Jeffreys Bay	1		
Kruisfontein	3				
Gill Marcus	1				
Hankey	0				
Patensie	1				
Loerie	1				
Thornhill	2				
Jeffreys Bay	5				
TOTAL	27				4

Table 25 : Bus shelters and taxi

There is a marked shortage of taxi ranks in the Kouga area and should be addressed by a needs analysis and identified demarcated areas.

2.8 WARD POPULATION (CENSUS 2011 COMBINED WITH COMMUNITY SURVEY 2016)

WARD	POPULATION IN WARD	REGISTERED VOTERS	COUNCILLOR AND AREA
Ward 1	5864	2839	Zolani Majoni (Oyster Bay, Sea Vista and surrounding farms)
Ward 2	5016	4212	Timothy Meleni (Pellsrus, Tokyo Sexwale, Lootspark)
Ward 3	1128	2499	Willem Gertenbach (Lower Wavecrest)
Ward 4	7851	3571	Freddy Campher (Kruisfontein, Gill Marcus, Die Berg and surrounding farms)
Ward 5	6643	3591	Wilma Coenraad (Arcadia, Graslaagte, Johnson's Ridge and surrounds)
Ward 6	7395	3861	Veliile Vumazonke (Kwanomzamo)
Ward 7	10261	4073	Eldridge February (Loerie, Thornhill, Longmore, Mondplaas and surrounds)
Ward 8	6425	5196	Ludwig Vorster (Upper Wavecrest, Kabeljous and surrounds)
Ward 9	4271	4134	Sibongile Jujwana (Hankey Town, Centerton, Phillipsville, Kleinfontein ad Ext 4)
Ward 10	6932	4040	Amos Mabukane (Ramaphosa Village, Andrieskraal, Cambria and surrounds)
Ward 11	2885	2725	Hattingh Bornman Jeffreys Bay Central and C-Place
Ward 12	3241	3705	Ben Rheeder (St Francis Bay, Cape St Francis, Paradise Beach and lower Humansdorp Golf Course)
Ward 13	12740	4451	Margareth Peters (Hankey, Weston, Rosedale, Ex Nathi and Patensie Town)
Ward 14	11182	5344	Sindiswa Mandeka (Aston Bay, Marina Martinique, Mandela Bay, Ocean View)
Ward 15	6725	4023	Horatio Hendricks (Humansdorp Town, Boskloof, Panorama, Upper Humansdorp Golf Course)

Table 26 : Ward Population

The population figures of Ward 3 are wrong as the registered voters exceeds the total population of the ward. Several attempts have been made to STATS SA since 2017 and recently through the Cogta Official based in Port Elizabeth but no solution has been given to rectify the matter.

2.9 STRATEGIC FRAMEWORK

In order to ensure vertical and transversal alignment; ensure adequate time and resource allocation; and to enable performance management an array of interventions was identified. These were classified as Key Initiatives, Programs and Projects, and were allocated to a series of key performance areas, key focus areas and key performance targets. These KPA's, KFA's and KPT's are underpinned by a series of transversal enablers, such as policies, procedures and bylaws – the governance, financial and institutional foundation of the Kouga Municipality.

Most importantly, this Strategic Framework is the principal informant of the Kouga 5-year Performance Plan, Multi-year Budget, Annual Service Delivery and Budget Implementation Plan and Performance Agreements of senior managers. The setting of key performance indicators and targets against which the performance of the municipality and its senior management and leadership are measured derive its mandate from the IDP

The Kouga Strategic Framework comprises of the following key performance areas and key focus areas:

KEY PERFORMANCE AREA	STRATEGIC OBJECTIVE	OUTCOMES	KEY FOCUS AREA
KPA1 BASIC SERVICES AND INFRASTRUCTURE	<ul style="list-style-type: none"> To promote access for all citizens to equitable, appropriate and sustainable infrastructure To provide equitable, appropriate and sustainable basic services to all citizens To ensure proper spatial planning and transportation planning for mega projects and human settlements To facilitate real opportunities for the youth, women and people with disabilities 	<ul style="list-style-type: none"> An adequate and well-maintained infrastructure network complementing the developmental goals of the municipality. A caring municipality that is sensitive to the needs of the community based on a sound and embedded value system Respond to all emergencies within predetermined times in order to mitigate risks and hazards Develop and approve Strategic and Disaster Risk Management Plans that feeds into the IDP Render community safety 	<p>KFA1: Transport, Roads and Stormwater infrastructure KFA2: Water and Sanitation Services and Infrastructure KFA3: Energy Supply Efficiency and Infrastructure KFA4: Project Management KFA5: Equipment and Fleet Management KFA6: Solid Waste Management and Infrastructure KFA7: Municipal and Public Facilities KFA8: Safety and Security KFA9: Disaster Management KFA10: Emergency Management KFA11: Traffic, Vehicle Licencing and Parking Control KFA12: Municipal Law Enforcement KFA13: Environmental Management and Climate Change KFA14: Public Health KFA15: Libraries KFA16: Special Programmes KFA17: Cemeteries</p>

		<ul style="list-style-type: none"> ❖ Increase staff complement ❖ Increase vehicle fleet ❖ Integrated and sustainable Human Settlement Plan that address the needs based on the available financial resources ❖ To establish an environment where the poor and most vulnerable are empowered through the building of social capital, the implementation of development programmes and support and sustainable livelihood strategies 	
KPA2 LOCAL ECONOMIC DEVELOPMENT	<ul style="list-style-type: none"> • To create an enabling environment for economic growth that attracts investors and tourists, encourages innovation and facilitates pro-poor inventions 	Well-developed strategies implemented to promote economic growth and development in the municipal area	<i>KFA18: Spatial Urban Planning</i> <i>KFA19: Municipal Planning</i> <i>KFA20: Human Settlements</i> <i>KFA21: Build Environment Management</i> <i>KFA22: Heritage Resource Management</i> <i>KFA23: Urban Development</i> <i>KFA24: Rural Development</i> <i>KFA25: Tourism</i> <i>KFA26: Sport and Recreation</i> <i>KFA27: Arts and Culture</i> <i>KFA28: Skills Development and Education</i> <i>KFA: 29 Economic Development and Poverty Alleviation</i>
KPA3 MUNICIPAL FINANCIAL VIABILITY AND TRANSFORMATION	<ul style="list-style-type: none"> • Ensure a municipality that is committed to prudent management of public funds, good governance, financial viability that accommodates diversity in service delivery 	Affordable and sustained revenue base to finance capital and operating expenses.	<i>KFA30: Financial Legislation Compliance Status</i> <i>KFA31: Financial Management Policies</i> <i>KFA32: Overview of Budget Assumptions</i> <i>KFA33: Operating Revenue Framework</i> <i>KFA34: Operating Expenditure Framework</i>

		Sound financial management practices and clean audit reports to build the public's confidence in management.	KFA35: Capital Expenditure KFA36: Annual Budget Tables KFA37: Overview of Budget Funding KFA38: Funding Compliance Management KFA39: Expenditure on allocation and grant programmes KFA40: Property Valuation and Property Management KFA41: Information and Communication Technology (ICT) KFA42: Revenue Strategies KFA43: Supply Chain Management
KPA4 GOOD GOVERNANCE AND PUBLIC PARTICIPATION	<ul style="list-style-type: none"> To create a responsive, accountable, effective and efficient municipal system To establish a common vision and create coherence in government's work by seeking close partnerships with citizenry 	A responsive municipality based on sound principles which embodies and embrace the rule of law, public participation, accountability and responsibility	KFA44: Governance Structures KFA45: Risk Management KFA46: Stakeholder Participation KFA47: Policies and By-laws KFA48: Intergovernmental Relations (IGR) KFA49: Communications (Internal and External) KFA50: Marketing (Branding and Website)
KPA5 INSTITUTIONAL TRANSFORMATION	<ul style="list-style-type: none"> To develop progressive strategies to optimise the use of available human resources 	A motivated and skilled workforce that supports the operational needs of the municipality in the implementation of the IDP Objectives	KFA51: Organisational Structure KFA52: Human Capital and Skills Development

Table 27 : Strategic Framework

2.10 SITUATIONAL ANALYSIS PER KPA AND KFA

The functional competencies of a municipality are inter alia contained in Schedule 4B and 5B of the Constitution of South Africa. The most prominent functions for part of the situational analysis. These functions provide a fundamental point of departure for determining the Key Focus Areas of the Municipality.

Further to the analysis per KFA, this section also provides an overview of the current state of each KFA and responses to these through the identification, resourcing, implementation, monitoring and evaluation of key initiatives, programs and projects within the parameters of statutory and internally agreed intervals and timeframes.



1 – Good performance / implementation

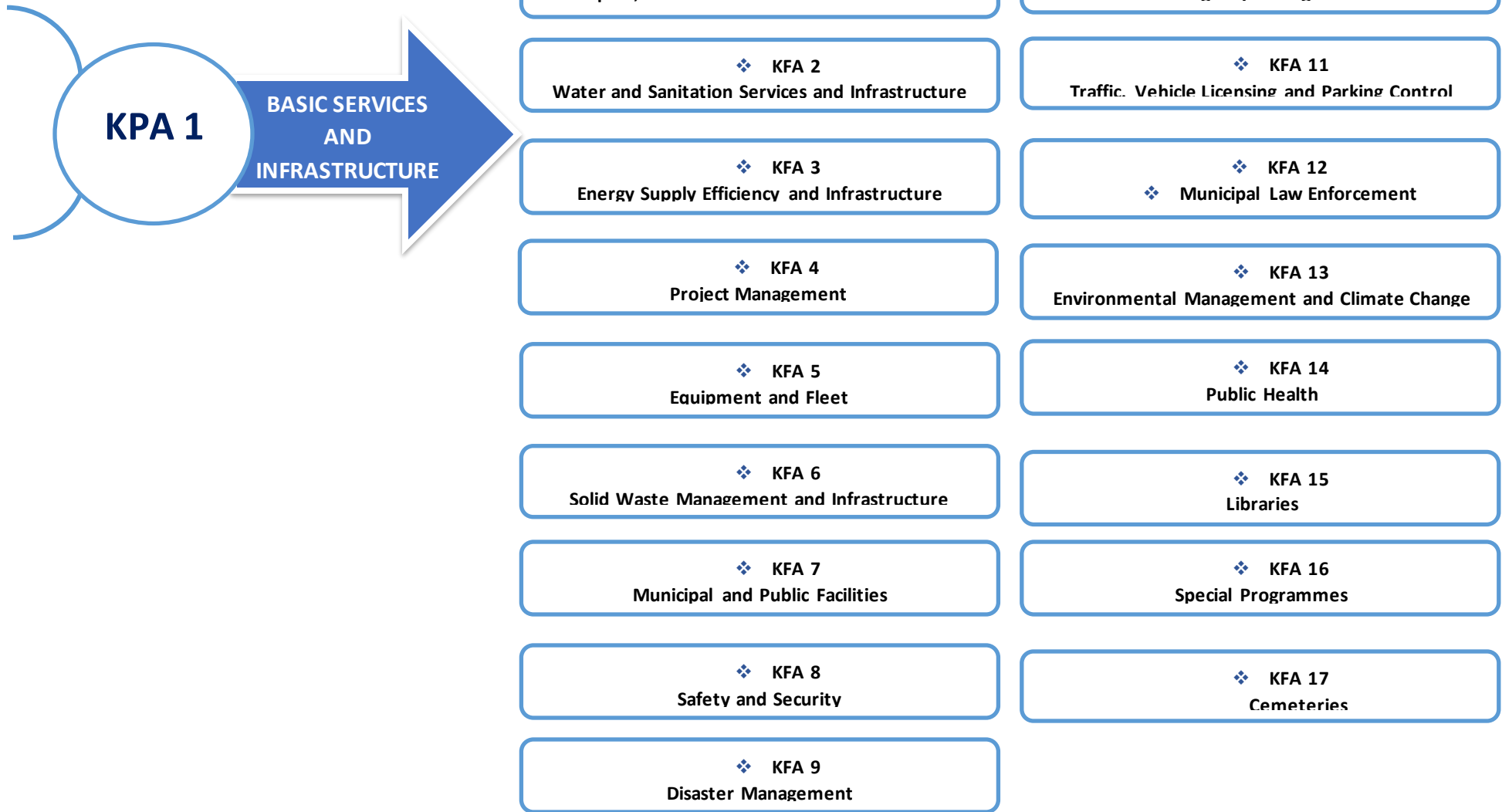


2 – Average OR policy not in place with average implementation



3 – Poor performance OR no policy in place OR policy in place but poor / no implementation

2.10.1



ROADS AND TRANSPORT

Kouga has a developed internal road network providing for good vehicular access to many urban facilities and opportunities. The road network supports a road-based public transport system by providing an internal as well as an external service, connecting the towns with the rural settlements.

Not all formal erven have access to roads. The roads including the national roads running through Kouga is in a very bad condition. Many roads especially in the informal settlements are poor and relatively inaccessible, especially for medical and rescue services. The municipality must make provision for resealing, gravelling or paving and rehabilitation of roads in some of the more seriously affected areas. Although Council's responsibility towards maintenance of roads is that of achieving goals set as KPI standards, there are still many gravel and surfaced roads in the municipal area of jurisdiction that are not up to standard. A Storm Water Master Plan was developed for the entire Kouga area by a professional service provider, which was funded through MISA. The Storm water master plan was adopted by Council on 29 May 2015. The Kouga Roads Forum is functional and meets on a six-weekly basis. The forum is chaired by the Portfolio Councillor for Infrastructure, Planning and Development, while secretarial support is provided by the Provincial Department of Public Works and Roads.

Like the vast majority of local authorities throughout our country, road repair and maintenance remain a challenge due to funding constraints, terrain, aging road and storm water infrastructure, poor sub-surface conditions, and ever-increasing traffic volumes. The absence of a road pavement management system to assess and classify roads according to their remaining life span on a scientific basis has not been concluded. We therefore do not possess the information to do strategic future planning with reference to timeous identification of road maintenance.

There is limited funding for routine road maintenance and rehabilitation. The construction and surfacing of gravel roads (backlog) are approximately 87,5 km. It is anticipated that an estimated amount of R 380 000,00 m will be required for the elimination of this backlog.

The growth in population and economic development in the Kouga Municipal area continues to put pressure on the municipal road network. Commuter and tourist related traffic grow and need to be accommodated through continued maintenance and upgrading of existing roads, as well as construction of new roads. The demand for improved roads and public transport especially in rural areas grows daily, and appropriate strategies are required to meet these demands.

- **Public Transport Services in the Kouga Municipal Area**

- ❖ **Rail services**

There are no commuter rail services in the Kouga Municipal area.

- ❖ **Bus services**

- There is currently no Long-Distance Bus Services within the Kouga Area.
- Minibus taxi services operate within the Kouga, Koukamma and Nelson Mandela Metro jurisdictions. Taxi services operate long distance e.g. church trips to other towns (Cape Town etc).

- ❖ **Scholar transport services**
These services are operational in Kouga especially between Jeffreys Bay and Humansdorp; St Francis Bay to Humansdorp; Loerie/Thornhill to Hankey and Patensie and surrounding farms. Although the responsibility to manage and ensure that the services are being rendered efficiently, the Communities end up holding Council responsible when things go wrong with the services. A joint strategy should be initiated to deal with this challenge.
- ❖ **Non-motorised transport**
Due to low income levels in the in the municipality, the population of Kouga must use non-motorised transport as their mode of choice. The non-motorised transport comprises of walking, cycling, and a few animal drawn vehicles in the area. There is generally inadequate provision for pedestrian travel in the municipal area and people mainly walk or cycle on the road shoulders. This put the lives of pedestrians and cyclists at risk.
- ❖ **Public transport facilities**
The development of a formal transport facility in the Jeffreys Bay and Humansdorp CBD's could be identified as future projects. The reason for this is that the taxis operate mainly from unmarked, unsurfaced and unsheltered patches of land or in shopping centre's parking areas.
- ❖ **Aircraft transport**
There is an airstrip in the Paradise Beach which is used for private landing.
- ❖ **Freight transport**
The exclusively road-based freight transport in the region is almost entirely related to agricultural activity in Humansdorp and the Gamtoos Valley, with considerable seasonality.

Municipal concerns relating to the above public transport services:

- The Kouga municipality is strategically placed between Port Elizabeth and Cape Town and the municipality should reflect this in planning, upgrading and funding of transport.
- A Central bus stop area should be developed for long distance passengers on an area close to the N2.
- Kouga Municipality needs a central taxi terminal to do away with the informal taxi ranks. This need to be funded by the Department of Transport.
- The airfield in Paradise Beach is a strategic facility and the expansion or upgrading will increase the economic viability of the town.
- The tarring or paving of roads in the whole of the Kouga area was also placed as a need on the 5-year IDP public participation.

STORM WATER SERVICES

Kouga LM experience storm water problems in several areas within our area of jurisdiction. Flood line studies or investigations have not been done in most of the areas that are currently affected by flooding. The high cost of providing storm water infrastructure is a huge challenge in addressing the situation.

KFA2: WATER AND SANITATION SERVICES AND INFRASTRUCTURE

WATER SERVICES

It is a legal requirement that a municipality prepares a Water Services Development Plan (WSDP) to progressively ensure efficient, affordable, economical and sustainable access to water and sanitation services that promote sustainable livelihoods and economic development.

One of the Core objectives of Kouga Municipality is to maintain a reliable water service to all households and to develop water infrastructure to accommodate economic growth and development in the area. The municipality always aspires to achieve the following goals:

- Delivery of sustainable water services
- Integrated water resource management; and
- Efficient and effective water services and institutional arrangements.

The Municipality has developed a Comprehensive Infrastructure Plan (CIP) and close linkages are established between the WSDP process and the information included in the CIP. The availability of water resources and existing infrastructure capacity also need to be considered when planning new infrastructure.

The Present Consumer Quantities are:

TOWN	RESIDENTIAL ERVEN	INSTITUTIONAL/ COMMERCIAL/INDUSTRIAL	TOTAL
HUMANSDORP	6174	373	6547
JEFFREYS BAY	11204	1419	12623
ST. FRANCIS BAY	3456	48	3504
CAPE ST FRANCIS	810	3	813
OYSTER BAY	555	13	568
HANKEY	2674	84	2758
PATENSIE	784	67	851
LOERIE	471	13	484
THORNHILL	491	13	504
TOTAL			28652

Table 28 : Consumer quantities

Drought Relief Interventions

A Business Plan for drought relief interventions were prepared and submitted by the District to the Provincial Disaster Management Centre. The business plan covers short term, medium term and long term interventions. The application was accepted and the following grants were approved for the Kouga Local Municipality:

Drought – 2018/19 FY (1st Window of Application – 5B)

Kouga Town	Project Description	Project Budget	Allocation
Kouga LM	Groundwater development	R8 401 000	R58 728 000
Hankey	Groundwater development	R33 179 000	
Jeffreys Bay	Development of boreholes	R4 500 000	
Humansdorp	Equipping boreholes	R5 427 000	
Cape St Francis	Equipping boreholes	R5 910 000	
Oyster Bay	Equipping boreholes	R1 311 000	

Table 29 : Drought Relief Interventions - Window 1

Drought – 2018/19 FY (2nd Window of Application – 5B)

Kouga Town	Project Description	Allocation	Amount Transferred	Amount Spent Jan 2019
Kouga LM	Meter and internal leak audits, repairs to leaks, water meters repairs, reticulation pipe replacement and reservoir level control. Groundwater development	R92 500 000	R37 000 000	R2 763 400

Table 30 : Drought Relief Interventions - Window 2

SANITATION SERVICES

Kouga LM adopted a policy a few years back that the minimum accept standard for sanitation services will be a waterborne system in all areas. Due to the limited funding scenario presently experienced, Bulk Infrastructure rehabilitation is only performed when it is triggered by housing developments. The main funding role players in the provision of Bulk Sanitation Services are the Department of Human Settlements and the Municipal Infrastructure Grant.

Internal reticulation in all areas that is currently serviced by conservancy tanks, needs to be addressed in future because of the increase in volume and the pressure on service delivery it brings during the peak holiday season. The backlog that presently exists at Waste Water Treatment Plants in terms of over capacitation and ageing Infrastructure, is 10,5 MI/day.

Four (4) levels of sanitation services are provided:

- buckets only for the informal housing areas,
- 47,7% full waterborne,
- 37,1% with septic tanks/conservancy tank
- digesters and or chemical toilets.

The goal of the Municipality is to provide all consumer units with a full flush form of sanitation. As can be seen from the above, 17381 of the consumer units are already serviced with full waterborne/small bore sanitation, and 10713 being served by septic/conservancy tanks. As indicated earlier, all the projects being implemented and planned in the Municipality are geared to achieving the above goal. One of the greatest challenges for the Kouga LM has been to ensure that a sustainable form of surface/groundwater can be developed to ensure that this higher level of sanitation be provided.

➤ Sanitation Services to dwellings:

BASIC SERVICES TO DWELLINGS	2015	2016	2017	2018
No of households on municipal water network	18868	18953	21449	21885
No of households with flush toilets and conservancy tanks	11913	13281	18186	31622
No of households with electricity for lighting (prepaid meters)	3329	3590	12137	12137
No of households with electricity for lighting (conventional meters)	8170	7949	8551	8551
No of households with refuse removal	18813	18907	29447	29641

Table 31 : Sanitation services to dwellings

The municipality's greatest challenge regarding sanitation is to expand the infrastructure to meet future development requirements. There are currently eight (8) waste water works in the Kouga. A major upgrade is needed at the Waste Water Treatment Works which may result in additional capacity to the currently overloaded works. The outflow of the plant is monitored by Kouga Municipality and monthly chemical and biological tests are done and uploaded onto the Green Drop System of the Department of Water and

Sanitation. The bucket system is not yet fully eradicated in the Kouga area. Most bucket systems may occur due to new informal houses being built in informal settlements.

The eradication of the bucket system is one of the main priorities of the municipality. The 12.5% is not an accepted figure as this is unhygienic and poses a health hazard for the communities who is still making use of this system.

DROUGHT MANAGEMENT

In terms of Section 24(b)(iii) of the Constitution of the Republic of South Africa, 1996, everyone *“has the right to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.”*

The root causes of vulnerability to drought disaster in South Africa remain a low average rainfall, poverty and inequitable development. Rapid population growth and urbanisation, inequitable patterns of land ownership, lack of education and subsistence agriculture on marginal land lead to deforestation and environmental degradation, malnutrition and unemployment, all of which heighten vulnerability.

As water agencies, municipalities continuously investigate opportunities to upsurge resilience and local water supply and its reliability in the opposing face of drought and rising water scarcity, water conservation strategies and the reuse of treated municipal waste water are gathering significant attention and adoption.

All the consumers within the Kouga Municipality receive basic water services at or above RDP standards. Based on the Service Level Policy of Kouga to provide higher level of service, a first order of assessment indicates that Kouga requires R70,5 million to service and provide house connections to all residents in informal settlements once formalized (excluding Bulk). Our Regional Bulk Infrastructure Program for water services requirement is estimated to be R 560 million. Kouga Municipality conform to the norms and standards of the Blue drop requirements with regards to water quality.

Borehole water quality in Wavecrest Jeffreys Bay is also not within standards with regards to the presence of Iron and Manganese, and it remains a challenge that needs to be addressed. This has partially been addressed with funding from Department of Water and Sanitation through the ACIP (Accelerated Community Infrastructure Program), whereby exploration boreholes were drilled, existing boreholes refurbished, and a pilot biological treatment plant was constructed at the Jeffreys Bay waterworks with the purpose to remove iron and manganese.

DROUGHT INTERVENTION

The prolonged drought and its impact on Kouga's water sources have prompted the Kouga Council to declare a local state of disaster in terms of the Disaster Management Act (57 of 2002). The declaration was made at a meeting of the Council at Jeffreys Bay last week (31 May) during which the implementation of the municipality's Part C emergency water tariffs was also approved. Drought in Kouga Municipality reclassified as national disaster in Government Gazette No. 41439 on 13 February 2018. Water restrictions and Part B (critical but not emergency) water tariffs have been in place in the Kouga municipal region since December 2016.

The municipality has embarked on the following drought interventions:

- Received R90 000 from Gogta to drill boreholes in Oyster Bay;
- Received R1 000 000 from Gogta to drill boreholes in Patensie and Hankey;
- Received R1 000 000 from the Sarah Baartman District Municipality to drill boreholes in the Kouga area;

- Total amount allocated on adjusted Drought Intervention Budget amounts to R11,34 million (above funds plus internal funds);
- Boreholes established:
 - Hankey – 1
 - Oyster – 2
 - Jeffreys Bay – 3
 - Patensie – 3
 - Humansdorp – 2
- Established 5 000 litre Rainwater Harvesting Tanks at:
 - Hankey Secondary School – 8
 - Hankey Primary School (Phillipsville) – 5
 - Hankey Primary School (other) – 8
 - Hankey Satellite Fire Station – 4
 - Hankey Municipal Officers – 6

KFA3: ENERGY SUPPLY EFFICIENCY AND INFRASTRUCTURE

ELECTRICITY SERVICES

Physical Infrastructure and Energy Efficiency - to ensure efficient infrastructure and energy supply that will contribute to the improvement of quality of life for all citizens within Kouga.

The Kouga Municipality is the registered Supply Authority for the towns of Humansdorp, Jeffrey's Bay, St Francis Bay, Cape St Francis and Oyster Bay, where at each town a bulk supply is taken from the Eskom grid. The Municipality's role is to construct, operate, and maintain the distribution network for electricity service delivery to residential, commercial and industrial consumers in each township, which includes street lighting and supplying pump stations, etc. Hankey, Patensie, Loerie and Thornhill also fall within the municipal boundaries, but consumers in the first three (3) towns are serviced with electricity by Eskom, and Thornhill by the Nelson Mandela Municipality.

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) and new development within accepted norms. In order to reduce the financial burden on consumers, particularly in terms of the capital requirements for new distribution networks, applications are made to all relevant institutions for financial assistance in a well-planned manner. The Electricity Service Delivery and maintenance Management Plan was adopted in 2014 and needs to be reviewed and updated.

The Kouga Municipality has adequate capacity to deliver electricity in the short term but the following main electricity infrastructure network, the 66Kv overhead line between Eskom's Melkhout Substation at Humansdorp and the Municipality's Main Intake Substation at Jeffreys Bay need attention to provide a more s supply. This line is of wooden pole construction, it is a single circuit line, i.e. no standby if fault occurs. This will require an investment of approximately R27 mil to rectify and to provide full standby capacity (second line). The main intake substation St Francis Bay is to be upgraded and several items of remedial work are required. Some of the upgrading work was also not completed in the past due to lack of funds.

There are small sections of electrical distribution networks in Jeffreys Bay, Humansdorp and St Francis Bay, which requires remedial work and upgrading. Hankey, Patensie, Loerie and Thornhill fall within the Kouga Municipality boundaries, but the consumers in the first three (3) towns are serviced with electricity by Eskom and Thornhill by the Nelson Mandela Metropolitan Municipality. The Kouga Municipality is the registered supply authority for Humansdorp, Jeffreys Bay, Cape St Francis, St Francis Bay and Oyster Bay, where at each town a bulk supply is taken from the Eskom grid.

32 high mast lights have been installed to provide a safe environment for all communities in the Kouga Municipality. Eskom has upgraded the 132KV Line to Melkhout and has built an additional 132KV line which has freed up considerable electrical capacity. A Master Plan should be compiled for high mast lighting in the different wards and submitted for MIG funding as some of the wards have a need for high mast lighting.

FUNDING RECEIVED FOR THE DEPARTMENT OF ENERGY D.O.E Funding (2016/2017)

The Kouga Municipality has received the following amounts as depicted in the table below for the 2017/18 and 2018/19 years:

PROJECT	WARDS	AMOUNT	YEAR
Electrification of 270 sub-economical houses	Ward 4	R4 million	2017/18
Electrification of 237 sub-economical houses	Ward 4	R10.2 million	2018/19
Bulk Infrastructure upgrade	Ward 5		

Table 32 : Funding for electricity

The Kouga Municipality has finalized agreements with land owners to establish servitudes to their property. The municipality has paid Eskom for a second 66Kv bay at Melkhout substation to accommodate the infrastructure.

WIND FARMS

Six (6) Coastal Windfarms have been established in the Western part of the Sarah Baartman District area of which 4 are in the Kouga municipal area:

- Kouga
- Jeffreys Bay
- Gibson Bay
- Oyster Bay
- Metro, and
- Tsitsikamma

4 Wind Farms are currently operating in the Kouga area. The area is strategically placed from a wind resource and grid connectivity perspective, to play a key role in the provision of renewable energy on a national level. Generally, wind generating facilities dominate with small proposals for solar PV. Implementation of renewable energy is based on the Renewable Energy Land Use Policy as per the SDF. These windfarms are committed to support in terms of social responsibility. For example, Kouga wind farm has a development on the primary nodal areas of Umzamowethu, Sea Vista Township and St Francis Bay, KwaNomzamo and Kruisfontein in Humansdorp.

Some of the projects that Kouga windfarms have sponsored are:

- Jeffreys Bay mom and baby clinic
- Sea Vista boys brigade
- St Francis hospice
- KwaNomzamo crèche
- Drug Rehabilitation centre in Humansdorp
- Sea Vista Library
- Computer lab in school

Kouga Windfarms requires the following assistance from Kouga Local Municipality:

- Sea Vista library with an IT Section;
- School after care/ extra mural activity program: dance classes, lifesaving club, sports etc.,
- Learners & drivers licence program: teaching unemployed youth learners and license;
- Kokkewiet crèche upgrade;

- Wilderness foundation program: selection of students who are doing grade 12 for skills development and after completion they are placed in to jobs;
- Financial intelligent training: management of money, saving and budgeting;
- Bicycle path between Humansdorp and St. Francis bay;
- Assisting students who failed grade 12 and wish to rewrite grade12, community involvement is needed.

The LED department works closely with the Wind Farms on their social economic development projects as well as preparing the youth for careers in this discipline such as facilitating career expo's and exhibitions, advocacy for bursaries for learners and university students. The department also assists in facilitating training for SMME's in preparation of services needed in wind farm development.

KFA4 : PROJECT MANAGEMENT

MUNICIPAL INFRASTRUCTURE GRANT MANAGEMENT

The total indicative MIG grant funding as published in the Division of Revenue Bill (DoRB) for the 2018/2019, 2019/2020 and 2020/2121 financial years amounts to R31 186 000.00, R31 771 000.00 and R33 386 000.00 respectively. As per the MIG guidelines 5% of the allocation is for the operational budget to the MIG Unit for the 2018/2019, 2019/2020 and 2020/2121 financial years and amounts to R1 559 300.00 R1 588 550.00 and R1 669 300.00 respectively. The balance of the funding is allocated for capital projects and is split as per the MIG guidelines as per table below.

• MIG Capital Project List

Project Name	Ward	Consultant Appointed	Approved MIG Budget	Proposed 2018/19 Budget	Proposed 2019/20 Budget	Proposed 2020/21 Budget	Status	Comments
Allocation				31 186 000	31 771 000	33 386 000		
PMU				1 559 300	1 588 550	1 669 300		
B Component								
Patensie Sewage Package Plant	10	Aurecon	7 593 857	0.00	7 593 857	0.00	Design & Tender	
St Francis Bay WWTW upgrade	12	SRK Consultants	53 745 039	23 778 602	15 738 928	0.00	Construction	Contractor appointed.
Upgrading of sanitation system in Hankey	9,13	J & G Africa	25 873 000	0.00	500 000	13 893 768	Design and tender	
Upgrading of Gravel Roads in Jeffreys Bay	2,14	To be appointed	0.00	0.00	418 204	11 479 597		Project not yet approved.
P Component								
Sport Facilities	1,2	None	29 757 396	4 444 005	4 527 368	4 757 505	Design and tender	
E Component								
LED (Social institutions & micro enterprise infra-structure)	9,11	To be appointed	3 955 496	1 404 094	1 404 093	1 585 835	Design and tender	Informal markets for SMME's in Jeffreys Bay and Hankey

Table 33 : MIG Capital Project List

EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

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. The total grant received by Kouga Municipality in the 2017/2018 financial year was R1 000 000.00 which have been spend for 8 Incentive Grant Projects, as submitted in the 2017/18 business plan.

The purpose of the Extended Public Works Programme is to:

- Address the issue of unemployment and poverty,
- Create temporary work for the poor, unskilled unemployed people,
- Provide some income for a certain period to feed their dependants,
- Provide work experience, and
- Provide accredited and unaccredited training.

❖ Non- Financials

In total, Kouga Local Municipality managed to create the following number of work opportunities in the 1st, 2nd, 3rd and 4th quarters of the 2017/2018 financial year.

Quarters	No of Projects Reported	FTE	No of Work Opportunities Created
1 (July – September 2017)	5	6	22
2 (October – December 2017)	9	8	31
3 (January – March 2018)	9	27	119
4 (April – June 2018)	2	5	5
TOTAL	25	46	177

Table 34 : EPWP Non-financials

❖ Financials

The total amount transferred to Kouga Municipality amounts to R1 000 000.00, and was distributed in 3 tranches as follows:

- August – R 250 000.00
- November – R 450 000.00
- February – R 300 000.00

❖ Spending Schedule

The Expanded Public Works Programme Incentive Grant Funds received for the 2016/17/18 financial year were spent as follows:

MONTH	AMOUNT
July 2017	R0.00
August 2017	R10 140.75
September 2017	R66 044.13
October 2017	R103 408.31
November 2017	R109 438.21
December 2017	R249 661.89
January 2018	R189 064.13
February 2018	R17 051.85
March 2018	R119 907.09
April 2018	R114 055.47
May 2018	R21 228.17

March 2018	R0.00
TOTAL	R1 000 000.00

Table 35 : EPWP Spending schedule

Total Amount spend from integrated grant –R1 000 000.00. The current expenditure is 100%

Projects implemented or assisted with over the mentioned period:

PROJECT	Yes/No
Cleaning of Public Places Jeffrey's Bay	Yes
Eradication of Alien Vegetation Jeffrey's Bay	Yes
Street Sweeping Jeffrey's Bay	Yes
Cleaning of Public Places Humansdorp	Yes
Eradication of Alien Vegetation Humansdorp	Yes
Street Sweeping Humansdorp	Yes
Cleaning of Public Illegal Places St Francis Bay	Yes
Eradication of Alien Vegetation St Francis Bay	Yes
Street Sweeping St Francis Bay	Yes
Cleaning of Public Places Gamtoos	Yes
Eradication of Alien Vegetation Gamtoos	Yes
Street Sweeping Gamtoos	Yes
Leak Repairs - Jeffrey's Bay	Yes
Road Maintenance - Jeffreys Bay	Yes
Leak Repairs - Humansdorp	Yes
Road Maintenance - Humansdorp	Yes
Leak Repairs - Greater St Francis	Yes
Road Maintenance - St Francis Bay	Yes
Leak Repairs - Gamtoos	Yes
Road Maintenance - Gamtoos	Yes

Table 36 : EPWP Projects

❖ Challenges

- Under and non-reporting by other internal departments
- Non-submission of certified documents
- Training and reporting on the information system

❖ Recommendations

- Inclusion of performance targets of senior managers
- Department of Public Works to facilitate the enrolment of all EPWP Champions as Commission of Oaths
- One on one training to be conducted on information system

KFA5: EQUIPMENT AND FLEET MANAGEMENT

In order to render effective services, the municipality must have an effective Fleet Services Unit to maintain, monitor and replace municipal fleet and equipment. Municipal fleet and equipment are managed well by the municipality. Equipment and fleet consist of heavy plant, refuse compactors, trucks, light delivery vehicles, passenger cars and small plant equipment.

KFA6: SOLID WASTE MANAGEMENT AND INFRASTRUCTURE

WASTE DISPOSAL MANAGEMENT

Most households in Kouga have access to refuse removal at least once a week by the municipality, 83,5%, in terms of a collection programme compiled by the municipality. The refuse is transferred to landfill sites in Humansdorp and Hankey which complies with the national dumping site requirements. The Integrated Waste Management Plan was developed during the year 2017/2018 IDP period.

Kouga has purchased 240l wheelie bins with identification serial numbers to ensure more efficient service provision and revenue accuracy. The serial number will help the municipality monitor each bin serviced, and identify bins that are lost, stolen or illegally serviced. This will result in improved operational efficiencies and more effective management of labour, vehicles and services, as the date, time and location of each bin lifted by the municipal refuse truck will be recorded.

Kouga will aim to further enable the re-use or recycling of waste materials into economic resources, at the same time reducing waste to landfill, and contributing to a resource-efficient economy by continuing to implement various waste minimisation and recycling projects across the municipality. These include the drop-off sites in Jeffreys Bay, Oyster Bay and St Francis Bay.

KFA7: MUNICIPAL AND PUBLIC FACILITIES

CARAVAN PARKS AND COMMUNITY HALLS

Provision is made on annual basis in the annual capital and operations budgets for maintenance and upgrading of council owned properties and facilities.

Kouga in its nature of location is an attractive tourist destination. It is therefore imperative that the municipality play's an important role in the facilitation of accommodation and security of its visitors. Some of the caravan parks are run at a loss, especially the Ben Marais Caravan Park in Humansdorp and the Pellsrus Caravan Park in Jeffreys Bay. The maintenance costs of some of the caravan parks exceed the income levels and therefore the municipality should develop a strategy to run its resorts and caravan parks. Play parks in the area are in a bad condition and has become a hide out for vagrants. Maintenance of the play parks has been voiced by most of the wards during the public participation process and the municipality should address it in an inclusive strategy that can service all play parks in the area.

Most of the facilities in the Kouga area are in dire need of upgrading and maintenance especially the community halls, sports fields and play parks. The development of additional multi-purpose facilities is crucial in that there is not enough space to accommodate all sports as well as for practice sessions and fixtures. There is also not a dedicated human resource allocation for the upkeep of and maintenance of sport facilities.

All community halls in the Kouga Area have been maintained during the 2018/19 financial year. Wards 6 and 3 is need of community halls. The need is captured in the ward priority list of the respective wards.

SPORTS AND RECREATIONAL FACILITIES

The following parks and recreational facilities are available in the Kouga Municipal Area:

LOCATION OF PARKS AND RECREATIONAL FACILITIES				
Sport facilities	Play parks	Libraries	Community halls	Caravan Parks
Jeffrey's Bay Cricket Grounds	Kwanomzamo	Jeffreys Bay Tokyo Sexwale Modular	Newton Hall	Jeffreys Bay Caravan Park
Pellrus Sport-grounds:	Arcadia	Patensie Mbuyuseli Nkonsinkulu	Pellrus Community Hall	Pellrus Caravan Park
Tokyo Sports-grounds	Gill Marcus	Humansdorp Ukhanyiso Kruisfontein 7de Laan Container	Aston Bay Hall	Ben Marais / Humansdorp Caravan Park
Kruisfontein Sport-grounds:		Hankey South Hankey North NB Mathodlana	Kruisfontein Civic Centre:	Gamtoos Mouth Caravan Park
Country Club Sport field		Thornhill	Country Club	Yellowwoods
		Loerie	Kwanomzamo Hall Vergenoeg Hall:	Loerie Nature Reserve
Sea Vista Sport-grounds			Sea Vista Hall	
Centerton Sports grounds			Oyster Bay Hall	
Hankey Cricket Pitch			Andrieskraal Hall:	
Phillipville (old Hankey) Patensie Sports ground			Vusumzi Landu Hall	
Weston Sports ground			Patensie Dan Sandi Hall:	
Loerie Sports ground			Weston Community Hall	
Thornhill Sports ground			Loerie Hall Thornhill Hall	

Table 37 : Parks and recreational facilities

The people in the Kouga Municipality Area are very passionate about sport in general and the discussion of this topic was particularly prevalent during the public participation process where communities in especially Wards 2, 4 and 5 demonstrated the high priority they put on sport facilities and sport development programmes.

Kouga is currently rehabilitating twelve (12) sport fields over the period of five (5) years (2014- 2019). Below is the list of Sport fields:

FACILITY NAME	WARD	COMMENT
Kruisfontein Sport-grounds:	4	Rehabilitation of The Kruisfontein Sport field is completed.
Jeffrey's Bay Cricket Grounds	3	To be rehabilitated
Pellrus Sport-grounds:	2	To be rehabilitated during 2018/19 budget cycle (MIG)
Tokyo Sports-grounds	14	To be rehabilitated
Patensie Sports-grounds	10	To be rehabilitated
Phillipville (Old Hankey):	9	To be rehabilitated during 2019/20 budget cycle (MIG)
Centerton Sports-grounds:	9	Rehabilitation completed
Weston Sport-grounds:	18	To be rehabilitated during 2017/18 budget cycle. Contractor on site
Loerie Sports-grounds:	7	Upgrade of the Clubhouse to be done during 2018/19
Thornhill Sports-grounds	7	Construction completed 2016/17
Sea Vista Sport-grounds	1	To be rehabilitated during the 2018/19 budget cycle (MIG)
Hankey Cricket Pitch	9	To be rehabilitated during 2019/20 budget cycle

Table 38 : Sports facilities

BEACHES

The Blue Flag was awarded to Kouga Municipality for the 12th (twelfth) consecutive year. The Blue Flag status is a major economic boost for local businesses and creates a number of seasonal employment opportunities. The Management of the Blue Flag Programme reinforces a high quality of standards and quality of services e.g. water quality and safety services and information. The daily operation at the beaches are from 09:00 – 22:00 for seven days a week.

Cape St Francis is in its 3 (third year) of a pilot status. Future are to develop the infrastructure of the beach in order to get a full blue flag status. The pilot phase for the past 2 (two) seasons was implemented successfully however, comments were received to recommend a green flag status for Cape St Francis Beach. Our safety management plans were executed successfully by Sea Rescue, SAPS, Private Care Ambulance Services and Metro Ambulances. As more tourist flock to the Blue Flag Beaches they become more exposed to criminal activities e.g. pickpocketing. A Beach Committee was established in 2012 and is still functioning well and comprise of the Beach Manager, Coast Care Project Manager, APD and coastal ward councillors. Effective supervision of waste collecting, and cleaning of beaches remains a challenge on both beaches Pellsrus and Dolphin (Blue Flag) due to broken trucks. Dolphin Beach was again awarded as the best beach in the Eastern Cape for 3rd consecutive years. Boardwalks were renovated to prevent dune deterioration and as a part of environmental management. The following projects were completed, and some are still in progress by Tswella Trading 88 CC through the Coast Care project on behalf of the Department of Environmental Affairs.

- Coastal clean-up (Daily clean-up of all beaches in business plan)
- Renovations to Pellsrus Ablution facility: Burglar gates windows & doors, installation of toilets, sinks, urinal, tiling, floor and wall, ceiling, roof, replacement of tiles and painting, piping, drains, doors, painting.
- Renovations of braai stands at Pellsrus Beach
- Painting of umbrella chairs: Kabeljous, Aston Bay, Pellsrus
- Dolphin beach: Varnishing of boardwalk, damaged Rails at Dolphin beach
- Signage: Erect project signage (St Francis, Cape St Francis, Dolphin Beach, Gamtoos, Oyster Bay)
- Painting of lifeguard tower in St Francis and ablution facility (granny's pool). Cape St Francis ablution facility repairs: Installation of urinal, ceiling and varnish doors in Cape St Francis.
- Painting of bollards: (wooden poles near beach walk entrances, Kabeljous, checkers beach. Request for Supertubes to be included, from the municipality.
- Install toilet roll holders in all toilets.
- Bins and Benches. Installation of 20 bins and 15 benches along beaches in Kouga.

KFA8: SAFETY AND SECURITY

Section 12 of the Constitution prescribes that every person has the right to safety and security and subsequently, the strategic objective to strongly focus on ensuring a safe and secure environment for the people who live in the Kouga as well as visitors to the area. The extent of crime in South Africa does however not only have a significant impact on the livelihood of citizens, but also affects the general economy. Crime hampers growth and discourages investment and capital accumulation. If not addressed with seriousness, it has the potential derail both social and economic prosperity.

There are 6 police stations in the Kouga area namely, Humansdorp, St Francis Bay, Jeffreys Bay, Hankey, Patensie and Thornhill.

The Community Police and Safety Forum focus each year on the effective implementation of the following joint national and local crime prevention campaigns:

- Child Protection Week
- 16 Days of Activism against violence against women and children
- International Drug Awareness Day
- Victim Support Programme
- Substance Abuse Awareness Programmes
- Holiday Programmes

There is a marked shortage of taxi ranks in the Kouga area and should be addressed by a needs analysis and identified demarcated areas.

Issues/Challenges	Rating 2017/2022	Rating 2018/2019	Action Plan
Shortage of taxi ranks			Conduct a needs analysis and identify demarcated areas to erect taxi ranks

KFA9: DISASTER MANAGEMENT

Section 53 (1) of the Disaster Management Act, 57 of 2002 requires that each municipality must prepare a disaster management plan for its area.

The disaster management plan for a municipal area:

- Forms an integral part of a municipality's IDP;
- Anticipates the types of disasters that are likely to occur in the municipal area and their possible effect;
- Places emphasis on measures that reduce the vulnerability of disaster-prone areas, communities and households;
- Seeks to develop a system of incentives that will promote disaster management in the municipality;
- Identify the areas, communities or households at risk;
- Considers indigenous knowledge relating to disaster management;
- Promotes disaster management research;
- Identifies and address weaknesses in capacity to deal with disasters;
- Provides for appropriate prevention and mitigation strategies;
- Facilitates maximum emergency preparedness; and
- Contains contingency plans and emergency procedures in the event of a disaster.

The Kouga Municipality has adopted a Disaster Management Plan in 2015. However, the plan needs to be reviewed because community participation was excluded during the development of the plan. A service provider was appointed by SBDM to conduct a ward-based risk assessment plan. The plan will be tabled to the SBDM Council for approval, thereafter it will be advertised to the public for participation, where after it will be incorporated into the Disaster Risk Management Plan. The aim of the plan should outline a plan of action for the efficient departments, and co-ordination of the municipal services, role players and personnel to provide the earliest possible response to:

- Protect and preserve life property;
- Exploit print as well as electronic media in educating the public about ways of preventing disaster through disaster preparedness;
- Minimise the effects of the emergency or disaster on the Kouga Municipality;
- Restore essential services;

- Integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the municipality;
- Integration of Disaster Management Mitigation strategies and projects within the plan;
- Submission of Disaster Management Plan to relevant governmental structures, i.e. Disaster Management Control Centre, District Disaster Management Centre, Provincial Disaster Management Centre and National Disaster Management Control Centre;
- An integrated, fast and efficient response to emergencies and disasters by all role -players.

a) **Achievements for 2018/19**

- Completion of storeroom for disaster relief items at the back of the Fire Department
- Purchased road signs to be utilized during disasters and events
- Training of 20 disaster volunteers in Jeffreys Bay the Red Cross
- Hosting of Stenden University student for 8 months

KFA10: EMERGENCY MANAGEMENT

FIRE SERVICES

Kouga Municipality was assigned the function of providing Fire Services to the entire Kouga area which include Jeffreys Bay, St Francis Bay, Cape St Francis, Oyster Bay, Humansdorp, Hankey, Patensie, Lorie and Thornhill. A total of fifteen (15) staff was transferred from the WDC to Kouga Municipality and they were initially housed in the St Croix Street Premises opposite the stores. Alternative premises were the station in St Francis Bay and later after negotiations the Traffic Department, house the Headquarters of Kouga. Equipment in the form of Fire Engines, rescue equipment, specialized fire equipment and support vehicles were added to the Fire Services fleet. Satellite fire stations were also established in Hankey and Jeffreys Bay to render fire fighting services in these areas.

The fire department is responsible for the following activities:

- Fire-fighting of structural fires, veld and bush fires and any other fire;
- Fire safety (the application of the National Building Regulations, Fire Codes and municipal by-laws with regard to fire safety);
- Rescue services
- Support services to municipal and other instances;
- Fire pre-planning and related preparedness plans;
- Testing and basic maintenance work on emergency vehicles and equipment, and
- Fire communications facilities for the services.

The following are departmental achievements:

- St Francis Bay Fire Department is operational 24/7
- Procured a new fire fighting vehicle for Jeffreys Bay area
- Staff appointments for increased staff complement
- Procurement of fire fighting equipment
- Sarah Baartman West Fire Protection Association was established and Mr C Herselman was appointed as the co-ordinator of the FPA. Kouga Municipality is currently in the process of becoming FPA members.
- Aviation training provided by Sarah Baartman for 3 employees
- Fire instructors training for 2 employees
- Fire investigation training for 2 employees
- Fire fighter 1, Hazmat and First Aid Level 3 training for 3 employees
- ICS training for 1 employee

- Supervisory and internal computer training for 5 employees
- Disciplinary training for 2 employees

The following are departmental requirements:

- Establishment of satellite fire stations in Thornhill and Oyster Bay
- Additional vehicles and equipment
- Appointment of additional staff

A full-time professional Fire Service will provide support to nearby towns and areas with experience, operational support, training, awareness programs, demonstration, fire prevention, law enforcement. The most important advantage of an integrated fire service is the rapid deployment of specialized vehicles, equipment and staff to all areas or towns throughout the district with less duplication and cost.

To determine the level of fire services in a particular area or town, it would be necessary to categorise these areas/towns in the Kouga region.

LIFESAVING SERVICES

Kouga Municipality was assigned the funding of providing Lifesaving Services to all the coastal Kouga areas, which include Jeffreys Bay, St Francis Bay, Cape St Francis, Oyster Bay. Two (2) Senior Lifeguards have been appointed and complemented with a total of fifty (50) contractual workers during the peak summer season. The Blue Flag Beach, Dolphin Beach, is the main lifeguard station with the pilot blue flag beach, Cape Dt Francis, being a substation. The Senior Lifeguards have commenced with lifesaving training of the local community, concentrating in St Francis Bay. Equipment in the form of rescue equipment, staff uniform, medical material, binoculars, high chairs to render lifesaving services in these areas.

a) Response time to attend to incidences during 2018/19

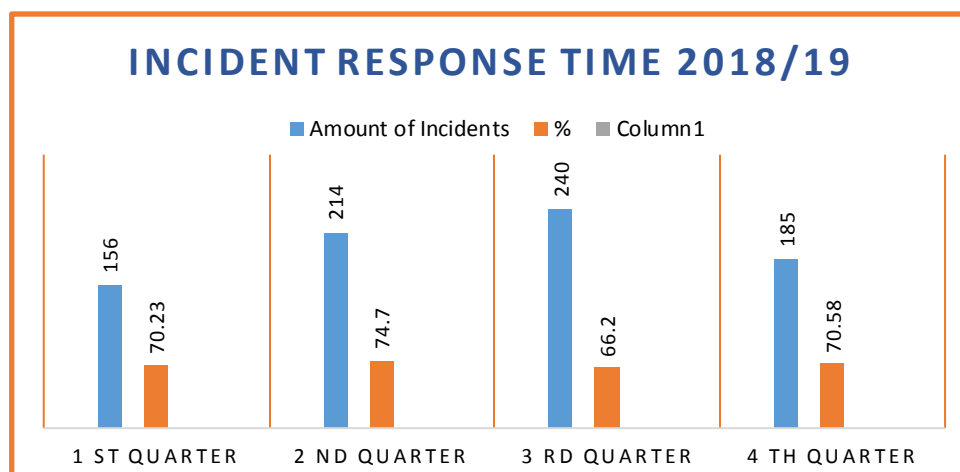


FIGURE 28 : Incident Response Time

The following are departmental achievements:

- Staff appointments for an increase in the staff complement
- Procurement of lifesaving rescue equipment
- Successful summer season
- Local lifesaving training

b) **Achievements for 2018/19**

- Aviation training provided by Sarah Baartman District Municipality for 3 of our firefighters
- Received a service excellence award from the Rotary Club, Algoa Bay
- Procured a fire fighting LDV 4x4 for bush fire fighting purposes.
- Awareness campaigns conducted in all wards.

KFA11: TRAFFIC, VEHICLE LICENCING AND PARKING CONTROL

The Safety and Security Section is responsible for the safe and secured environment in which each community member in Kouga jurisdiction must live.

The following services are rendered by Safety and Security:

- Traffic Services
- Municipal By-law Enforcement
- Security

The Kouga Municipality actively participates in the programmes and projects of SAPS, and the Community Police Forums that aims to facilitate safety and security. Representatives of the municipality serve on the local Community Police Forums and joint crime prevention operations between the law enforcement department of the municipality, Provincial and Local Traffic Department and the SAPS are done on a regular basis. The SAPS interact on a regular basis with the municipality to address factors that might hamper effective policing of crime which include street naming, house numbering, installation of adequate lighting in crime hotspots, empty buildings, overgrown open spaces, illegal taverns and issuing of liquor licences. The need to establish more community police forums in areas such as Kwanomzamo and Weston were expressed during the public participation process.

TRAFFIC SERVICES

Traffic Law Enforcement is functions in accordance with the National Department's rules and regulations, and the National Road Traffic Act 93 of 1996 and the Criminal Procedure Act 51/1977. Eight traffic officers are patrolling national, provincial and local roads/streets on a daily basis. Six trained officers are doing office bound work, as it became essential to develop their skills in other areas e.g. examiner of driving licences and eNatis registration.

The Kouga municipality acts as an agent for the Department of Transport to render registration, licensing and driver and learner licensing services and render registration and licensing of new and second-hand motor vehicles. Driving License testing centre in Humansdorp is a grade B testing centre which means that only motor vehicles and heavy motor vehicles can be tested except motorcycles. The Hankey Centre is only a grade I (one) testing centre where only learner's licenses can be issued.

These centres are currently servicing the Kouga and parts of Koukamma areas and as far as Port Elizabeth. The following services are available:

- Renewing of driving licences
- Conversion of driving licences
- Professional driving licences
- Appointments for learner/driving licences

REGISTRATION AND LICENSING 2018/19			
Humansdorp		Hankey	
Duplicates	357	Duplicates	23
Temporary permits	117		
Special permits	41	Special permits	3
Roadworthy	227		

Table 39 : Registration and licensing

Other services are:

- Free roadworthy tests during festive season;
- Arrive Alive awareness programs annually.

➤ **Vehicle pound and traffic fines**

The section embarked on registering a vehicle pound for taxis at the Heugh Road traffic department. It has since been gazetted and during the 1st operation 28 illegal and unroadworthy taxi vehicles were confiscated and impounded. The revenue on the releasement fee of the impounded vehicles was ±R32000. In the 2nd operation 4 illegal taxis were confiscated and impounded, and 84 traffic related fines issued to the value of R84000.

The following traffic fines were issued in accordance with the Road Traffic Act, Act No. 93 of 1996:

No.	TRAFFIC FINES 2017/18	NUMBER
1.	Safety Belts	800
2.	No Driving Licence	933
3.	Learner Licences	38
4.	Disregard stop signs	296
5.	Cell phone driving	139
6.	Unlicensed motor vehicle	615
7.	Defective motor vehicle	449
8.	Barrier Line	21
9.	Unroadworthy vehicle	12
10.	PRDP	22
11.	Parking related fines	287
12.	Fail to stop	1
13.	Number plates	7
14.	Manual speed measuring	396
15.	Insafe load	1
16.	Overloads taxis	123
17.	Camera speed measuring fines	471
18.	Hooter	2
	Total fines issued	4613

Table 40 : Traffic Fines

• **Roadworthy Centre**

The roadworthy centre is situated at the Kouga Fire Brigade/Testing Centre along the entrance to Humansdorp from the N2.

The roadworthy centre was upgraded at an amount of R248 000 and re-opened in May 2017. Free roadworthy testing is conducted for the public to ensure vehicles are safe during the festive season.

KFA12: MUNICIPAL LAW ENFORCEMENT

BY-LAW ENFORCEMENT

The function ensures that the municipal by-laws are enforced and adhered to at all time. The function is also to assist other related stakeholder's e.g. SAPS, Neighbourhood Watches with joint operations to curb crime within the Kouga municipal boundaries. The by-Law enforcement section assists other departments within the institution with compliance legislation e.g. Town Planning, Human Resource and others. Monitoring at beaches and parks is done by visible foot and vehicle patrols to safeguard the public from any possible crime. Law Enforcement is also a prerequisite for approval of Blue flag status which our Municipality achieved for 12 consecutive years.

Stray animals remain a serious issue which causes the most motor vehicle accidents in the area. There is a need for the provision of adequate signage to warn road users about stray animals. A private pound is available in Loerie and to transport stray animals to the pound is a challenge due to vehicle araciality. Establishment of a municipal pound facility is planned as a long-term solution to the problem. Education and awareness campaigns in communities must be strengthened towards keeping of animals in residential areas.

Illegal electrical connections, illegal structures for spaza shops, illegal dumping, squatters/bush dwellers and other complaints are being dealt with daily. Law enforcement on the Gamtoos River, Krom River and the St Francis Bay is performed by auxiliary workers especially over festive periods. The Krom me River is currently under a Section 21 Company named the Kromme Joint River Committee (KJRC) since November 2016.

The following law enforcement cases were reported:

LAW ENFORCEMENT CASES REPORTED 2017/18		
Warrants of arrests		1202
Summonses issued		4415
Law enforcement	Cases	396
	Court Cases	9

Table 41 : Law enforcement cases

The following law enforcement transgressions were reported:

LAW ENFORCEMENT TRANSGRESSIONS 2017/2018	
Animals impound	228
Electricity (illegal connections)	54
Hawkers permit	122
Spaza shop permit	72
Animal nuisance	-
Fire extinguisher in shops	1
Escaperoute shops	2
Illegal signage	-
Commonage by-law	-
Sleep in shops	86
Food on floor shops	20
Dogs on lease and barking	13
Illegal dumping	13
Court cases	9
TOTAL	611

Table 42 : Law enforcement transgressions

COMMUNITY SAFETY FORUM

Kouga Municipality, the Department of Safety and Liaison (DSL), and the Deutschen Gesellschaft Für Internationale Zusammenarbeit (GIZ), have established a Kouga Community Safety Forum at the Newton Hall on 14 February 2017. A number of training sessions and workshops was conducted during 2017 prior to the establishment of the forum. The aim of the training sessions and workshops was to equip and enable ward committee members, responsible for Safety, to conduct community safety audits in order to develop a Kouga Safety Plan.

The aim of the Kouga Safety Plan is to enhance and support social crime prevention processes, especially the functionality of Community Safety Forums (CSF) and participatory safety planning.

KFA13: ENVIRONMENTAL MANAGEMENT AND CLIMATE CHANGE

ENVIRONMENTAL DEGRADATION

The natural environment, inclusive of elements such as land, inland water, biodiversity and oceans and coastlines are increasingly under pressure because of certain socio-economic factors such as population growth rates and increased land use. These pressures on natural resources also pose limitations to economic growth.

The development pressures on sensitive land in towns and surrounding areas may ultimately lead to environmental degradation. Amongst the most serious issues over and above those of pollution already mentioned, are vegetation clearing, and earthwork activities within the Kouga area, invasive alien species and choking watercourses. The municipality should monitor and attempt to mitigate any clearing of conservation-worthy plants as with exposing of large areas of soils, excavation of infilling which presents erosion risks. The municipality should also embark on initiatives to identify areas highly impacted by invasive plant species and the control thereof.

- **Spit Dune Rehabilitation in St Francis Bay**

The municipality is currently investigating high risk areas within the Spit and will do emergency work to protect those areas with some rock revetment. The emergency work will be done as soon as possible and R1.2 million has been budgeted.

There is also a phase two (2) EIA application underway and on 1 March 2019 the municipality with the consultants met with the Department Economic Development, Environmental Affairs and Tourism for a pre-application meeting. The meeting was to discuss the proposed project and the scope of work to be carried out with phase two. The department suggested that a pre-scoping process be undertaken before lodging an application with the Department. The Department of Environmental Affairs has approved R10 million towards the project and the municipality is currently finalizing the funding process. The Department will determine when the implementation will start.

- **Seekoei River Estuary and Causeway – Paradise Beach**

In accordance with the National Estuary Management Protocol (No 341) published 10 May 2013; Kouga Municipality is compelled to initiate processes to develop Estuary Management Plans for all the estuarine systems within its municipal jurisdiction. Kouga Municipality was advised by Department of Economic Development, Environmental Affairs and Tourism to prioritize and development an Estuarine Management Plan (EMP) for the Seekoei River Estuary.

During numerous meetings between Kouga Municipality and the Department of Economic Development, Environmental Affairs and Tourism, it was agreed that Kouga Municipality engage the Department of Botany and Institute for Coastal and Marine Research at the Nelson Mandela Metropolitan University for assistance with the development of Estuarine Management Plan (EMP). A Memorandum of Understanding (MoU) was concluded between Kouga Municipality and Nelson Mandela University (NMU) during July 2017. The NMU are currently busy with the Management Plan.

The MEC for Economic Development, Environmental Affairs and Tourism had published the Seekoei Estuarine Management Plan for Public comments in terms of Section 53 of the National Environmental Management: Integrated Coastal Act, 24 of 2008.

- **Dune Rehabilitation in Oyster Bay**

The Kouga Municipality has commenced with the rehabilitation of the coastal sand dunes encroaching on Brander Street and adjacent properties. Currently an estimation of 32 000m³ have been removed from in front of the properties and a section of Brander Street has been opened. The municipality is planning to commence with the rehabilitation in partnership with the Department of Environmental Affairs: Working for the Coast Project.

The Department of Environmental Affairs has approved R10 million towards Oyster and is currently finalizing the funding process. The Department will determine when the implementation will start.

INTEGRATED COASTAL MANAGEMENT STRATEGY

A Coastal management Plan will be developed to manage Kouga's coastline, and thereby optimize economic and livelihood opportunities, the municipality will also formulate a coastal management by-law. A key aspect of the by-law is to prevent private property owners from encroaching onto sensitive dune systems along municipality's coastline. As they provide natural buffers against storm surges, the retention of functional coastal dune cordons is a priority for the municipality in reducing the impacts of climate change.

This will offer a better understanding of the municipality's coastline from a development perspective, as well as provide more detailed development guidance for identified priority areas or sites in the medium term; provide a strategic plan to prioritize and coordinate future capital investment along the coastline; and provide an understanding of appropriate investment approaches for future development processes.

The Council has undertaken to develop an estuary management policy to address the issue of estuary pollution.

INVASIVE SPECIES MANAGEMENT

Kouga's invasive species management project will be rolled out to all municipal owned lands/properties across the municipality. In line with the regulations of the National Environmental Management: Biodiversity Act (NEMBA), Act 10 of 2004, this will see the identification, control and management of existing as well as new and emerging invasive species, preventing them from spreading and building viable populations. At the same time, green job opportunities will be created through labour-intensive control methods and associated tasks. National and provincial stakeholders as well as private landowners within the boundaries of the municipality will be engaged, as well as collaboration with be essential.

BIODIVERSITY MANAGEMENT PROJECT

Kouga's biodiversity and ecosystem services will be restored and managed to ensure their long-term sustainability and efficiency, as well as improve the municipality's resilience to climate change. This will be done through both on-and-off-reserve management, guided by the Provincial Bioregional Plan, with a special focus on optimising socio-economic benefits and opportunities where this is ecologically sustainable. The project will include:

- securing the protection of a targeted 65% of the Biodiversity Network;
- the continued implementation of the Bioregional Plan, and
- educational, events and visitor programme aimed at conservation

AIR QUALITY MANAGEMENT

The Air Quality Management Plan is a statutory requirement in the National Environmental Management Air Quality Act 39 of 2000, Section 15(1). The objective of the plan is to investigate the state of air quality management planning. Exposure to ambient air pollutants can cause a range of significant effects on quality of life such as offensive odours, irritation of the eyes, the upper respiratory system and skin, and acute and long-term toxic effects. The municipality acknowledges the fact that Kouga Municipality have not adopted or developed an Environmental Management Plan for the management of environmental challenges such as the following:

- Protected and sensitive areas
- Bio-diversity
- Coastal Management
- Wet Land Management
- Management of proclaimed reserves

The development, adoption and implementation of an Environmental Management Plan have been determined as a program priority for the 2017/18. Because this has not happened the municipality should re-prioritise the urgency of developing an Air Pollution Management Policy.

An increase in traffic, particularly heavy vehicles, mean more vehicular emission which has a negative air quality impact, but this is relatively limited to the number of vehicles in more populated areas. Some impoverished households within Kouga still rely on open fires for heating and cooking. This practice contributes very little to atmospheric pollution but, because of the scale, can have health concerns to residents if fires are lit inside without adequate ventilation. The development of a municipal by-law on Air Quality Management should be a priority for the 2018/19 year in review. The Air Quality Management By-law should be developed in conjunction with the Sarah Baartman District Municipality.

- **Projects requiring Environmental Impact Assessments**

PROJECTS REQUIRING: ENVIRONMENTAL IMPACT ASSESSMENTS	
PROJECTS	AREA
Crossing/ walking Ramp (Pilot Beach)	Cape St. Francis
Oyster Bay Dunes	Oyster Bay
Green Energy Projects	Kouga Area

Table 43 : Projects EIA

IMPACT OF POLLUTION AND WASTE

Despite efforts to maintain the cleanliness of the towns, particularly in close proximity to the seashore, estuary and other conservation areas, it must be emphasized that any pollution within the urban area impact on the seashore and estuary as it is eventually carried along streams and storm water channels. Similarly, the natural watercourses, storm water channels and groundwater may be polluted from a number of human-induced factors.

These can be summarized as:

- Informal settlement areas having limited or no access to adequate toilet and waste water disposal systems;
- Leaks and blockages in sewer infrastructure - or sewer pipes often in close proximity to storm water pipes;
- Private septic tank units leaking or not operating effectively;
- Operation failure and constraints at waste water treatment plants;
- Illicit disposal of chemicals in storm water system or natural water sources; and
- Leaks and contamination from industrial and business activities.

The Council is aware of the danger posed by this issue and has invested in the Waste Water Treatment Works.

The municipality has appointed a service provider, Xtreme Recycling to collect recyclable waste from municipal drop off sites and Humansdorp Landfill. The service provider has started working and has already placed the necessary equipment where required. Xtreme Recycling will also identify businesses and schools to roll out recycling programmes. Certain Schools have been provided with recycling bins. All events will be used for recycling. The municipality is also looking at diverting green waste from being disposed of at landfill sites and is currently investigating the possibility of composting.

The Department of Environmental Affairs has provided 22 Environmental Ambassadors which 15 are general workers and 7 are Environmental Educators. The 15 general workers will assist with illegal dumping sites and the educators will conduct door to door environmental awareness in the communities of Kouga.

IMPACT OF CLIMATE CHANGE

Climate change presents serious threats to the future of the town and its environs because of the sensitivity of the estuary to rising sea levels. Climate change also poses significant bio-physical and economic risks and as such, sustainable and effective resource use and climate change response, should be both a provincial as well as a municipal strategy priority. Changing rainfall patterns and extreme weather conditions have already had an impact on the towns and environs in the past.

The Kouga Municipality has recently implemented restrictive measures to secure a supply of water for the growing population. Some areas have also suffered fires under the dry and hot conditions in the area. These issues not only affect the human population, but the endemic flora and fauna are particularly susceptible to lasting changes in climate conditions. Over the long term this will lead to major loss of biodiversity. Administrators, businesses and communities need to identify their strengths and weaknesses in the face of climate impacts – deciding how they will act together to minimize the impact of climate change on their local economy, environment and society. Climate affects multiple systems and so risks from climate requires a systematic, coordinated response strategy.

The Kouga Municipality has partnered with Illsfeld Municipality to combat climate change. During the January 2019 Germany delegation visit to the municipality, a list of projects was workshopped and seven (7) projects were considered for mitigations and adaptation. Five (5) projects will be implemented through the Technical Services Department and through two (2) project through the Department of Community Services. The municipality will also start a Climate Change Committee within the Kouga. The aim of the committee would be to drive Climate Change and the Development of a Climate Change Policy for the municipality and a Climate Change Strategy. The proposed projects are:

1. Solar system – water pump for municipal boreholes to supply fresh water
2. Led street lighting
3. Rain water harvesting
4. Water detection vehicle
5. Education
6. Alien vegetation clearing
7. Urban Greening (planting of indigenous trees)

- **Mitigation climate change project**

Kouga will aim to reduce the municipality's carbon footprint in order to contribute to the global reduction of greenhouse gas emissions and make the local economy more competitive. This will be done through the implementation of a range of carbon emission reduction projects that have been identified during the German delegation programme between Kouga Municipality and Illsfeld Municipality.

The environment is essential for human survival, well-being, cultural diversity and economic prosperity. Environmental goods and services are the benefits that people derive from nature and they include, air, water, food and other basics such as medicines and natural wood. These services are essential for human livelihoods and well-being and are particularly significant for the informal sector, where the dependence of people on the natural resource base is more direct.

Natural population growth and urbanization have increased pressure on land, air, water and energy resources. In addition, the increased demand for housing has seen the conversion of a significant expanse of natural areas into urbanized spaces across the country. Natural resources such as land and water are scarce resources in Kouga and they need to be used in a prudent and sustainable manner. Migration into the area has increased. The housing backlog has increased, and land is not readily available to erect houses for the destitute. Water resources is almost depleted due to the drought and the Kouga area has been declared as a disaster area. The municipality has embarked on measures to supplement the scarce such as the drilling of boreholes, investigations on a possible desalination plant and a vigorous save water campaign.

KFA14: PUBLIC HEALTH

HEALTH CARE SERVICES: FACILITIES

This section of the profile highlights the current health infrastructure and human resource capacity in the public health sector and burden of disease in the Kouga Municipal Area.

Area	Community Health Centres	Community Day Centres	Clinics	Satellite Clinics	Mobile Clinics	Total
Jeffreys Bay	0	0	1	0	0	1
Humansdorp	2		2			4
St Francis Bay			1			1
Cape St Francis						
Oyster Bay					1	1
Loerie			1		1	2
Thornhill			1			1
Hankey			2			2
Patensie			2		1	3
Andrieskraal			1			

Table 44 : Health Care facilities

(Source: Eastern Cape Depart of Health)

ENVIRONMENTAL HEALTH SERVICES

Kouga Municipality has entered into a Service Level Agreement with the Sarah Baartman District Municipality to render the Environmental / Municipal Health Services on behalf of the District Municipality, in its respective jurisdiction. The strategic objectives for Environmental / Municipal Health Services are:

- 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 mainly preventative health services and are therefore largely protecting public health and preventing health hazards /risks and diseases.

The functions of Environmental Health include the following activities:

- 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 undertaker's premises,
- Active Environmental Education Sessions and Awareness Campaigns / Programs,
- Business registration & Hawker Programmes

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.

BUSINESS LICENCES are issued the undermentioned sectors and the following was issued during the 2018/2019 financial year:

TYPE OF BUSINESS	CURRENT LICENCES	NEW LICENCES ISSUED	TEMPORARY LICENCES ISSUED
Food preparation (restaurants and take-aways)	314	64	0
General dealers	24	2	0
Spaza shops (no licencing due to no policy)	0	0	0
Accommodation establishments	81	7	0
Funeral parlours	7	1	0
Hawkers	54	48	8 seasonal & events
ECDC (Early Childhood Development Centres)	44	17	0
Schools	2	0	0
Hospitals	1	1 (renewal)	0
Prisons	1	0	0
Old age homes	4	3	0
Milk farms	8	3	0
Other businesses (clothing, cell phones, etc.)	78	25	8
TOTAL	618	171	16

Table 46 : Business licences

ENVIRONMENTAL HEALTH INSPECTIONS are also done regularly, and the following number of inspections were done during the 2018/19 financial year:

TYPE OF ESTABLISHMENT	NO OF INSPECTIONS	NUMBER OF TRANSGRESSIONS	NUMBER OF TRANSGRESSIONS CORRECTED
Food premises (restaurants and take-aways)	480	56	53
General dealers	52	15	10
Spaza shops	474	474	0
Accommodation establishments	100	0	0
Funeral parlours	15	3	0
Hawkers	137	0	0
ECDC (Early Childhood Development Centre)	160	5	4
Schools	19	4	1
Hospitals	2	0	0
Prisons	0	0	0
Old age homes	2	0	0
Milk farms	3	0	0
Clinics	0	0	0
Other businesses (clothing, cell phones etc.)	54	0	0
Public amenities (public toilets, halls, etc.)	30	4	0
Complains investigations	1528	561	68

Table 47 : Environmental Health Inspection

The department has developed a Draft Spaza Shop Policy to ensure that legal compliances are met, and regular inspections are done at spaza shops. The draft policy has been submitted for approval and adoption.

WATER QUALITY MONITORING is one of the main functions of the department to ensure that the communities receives water that is fit for human consumption. A total of 528 samples were collected for bacteriological and chemical analysis. 18 failures were reported as per the reports from the laboratory during the 2017/18 financial year and follow – up samples / resampling was done.

KFA15: LIBRARIES

LIBRARIES

Library services ensure that people of Kouga have access to facilities and resources that libraries offer, develop skills, preserve and conserve their culture and natural heritage. The table below depicts the number of libraries within the Kouga area as well as the areas that need a library:

TOWN	TYPE (Fixed or mobile)	NUMBER
Jeffreys Bay	Fixed	1
Humansdorp	Fixed	3
Hankey	Fixed	3
Patensie	Fixed	2
Loerie	Fixed	1
Thornhill	Modular	1
Tokyo Sexwale	Modular	1
7de Laan	Modular	1
Sea Vista	Fixed	1

Table 48 : Libraries

Libraries services are needed in the following areas:

- Ocean View
- Oyster Bay
- Cambria

The staff complement for Library Services are:

- Management and Planning 1
- Librarians 8 (They are employed by DSRAC for Kouga Municipality)
- Senior Library Assistants 5
- Library Assistants 5
- Cleaner 1

Library Services is experiencing critical staff shortages:

- Librarians 5
- Senior Library Assistants 6
- Library Assistants 9
- Cleaners 8

The table below depicts the statistics on the type of activity in the library:

KOUGA LIBRARY STATISTICS			
Type of Activity	2017/18	2018/19	Areas
No. of people using the libraries	278 459	259 729	All Kouga Libraries
No. of books issued	155 482	147 203	All Kouga Libraries

Table 49 : Libraries Activities

The conditional grant allocation to rehabilitate and refurbishment of the Jeffreys Bay Library over a 5 period which commenced from the 1 of April 2016 to 30 April 2020 amounts to R7 700 00.00.

KFA16: SPECIAL PROGRAMMES

BURDEN OF DISEASE: HIV, AIDS AND TUBERCULOSIS TREATMENT AND CARE

Although treatment and care are essential in the management of HIV and Aids, the need and importance of preventative care cannot be over-emphasized, especially since to date, there is no known cure. Tuberculosis (TB) is a bacterial disease, and is a serious problem in South Africa, especially in the Eastern Cape. Approximately one out of ten people develop the disease and if not treated the infectious person can infect other people or more in a year. TB can only be cured if the full course of treatment, which can be from six to eight months, is completed. People who stop treatment are likely to develop multi-drug resistance, making the TB more difficult to cure. These cases are treated at TB specialist clinics. TB can be fatal if not treated. The HIV epidemic has led to an enormous increase in the number of TB cases. People with HIV are far more susceptible to TB infection and are less able to fight it off. The municipality make provision for annual wellness awareness programs.

Community Based Programmes managed by Department of Health

- Kwanomzamo Home Based Care Group
- St Francis Hospice
- Mom and Baby Clinic
- Ward Based Health Care System

New Clinics are needed in the following areas

- Kwanomzamo (Vergenoeg) - Ward 6
- Ocean View - Ward 14
- Kruisfontein - Ward 4
- Oyster Bay - Ward 1
- Humansdorp - Ward 5
- Hankey - Ward 9

PEOPLE LIVING WITH DISABILITIES

The Constitution of South Africa protects the rights of people with disability and prohibits discrimination based on disability. Kouga Municipality recognizes that it must improve the quality of life for those people in the municipality who live with disabilities. This must be done through improving the design of public spaces such as libraries, community halls, municipal offices, buildings and road infrastructure.

The municipality will aim to ensure that the new buildings and renovations to existing infrastructure should be developed in such a way that access to people with disability are provided. These efforts will be bolstered through a host of mechanisms such as:

- The municipality's efforts to partner with the Department of Social Development to develop focused social development programs up-scale representation of people with disabilities within the community and municipal decision-making process;
- A comprehensive database of people with disability should be developed to indicate their skills and competency levels and specific targets should be set in the Employment Equity Plan of the municipality; and
- A workshop should also be held to assess the challenges faced by people with disabilities in the Kouga Municipal Area.

The municipality must demonstrate more cognizance of the fact and new buildings and renovations to existing infrastructure should be developed in such a way that access to people with disability are provided.

The municipality should also form a partnership with the Department of Social Development to develop focused social development programs to up-scale representation of people with disabilities within our community as well as in municipal decision-making processes. A comprehensive database of people with disability should be developed to indicate their skills and competency levels and specific targets should be set in the Employment Equity Plan Of the municipality. A workshop should also be held to assess the challenges faced by people with disabilities in the Kouga Municipal Area.

THE ELDERLY

The Elderly are often neglected in municipal planning, especially the poorer and more vulnerable people who cannot afford decent home accommodation. While there are a number of facilities in the Kouga Municipal Area catering for the wealthier retirees and aged, the same cannot be said for the bottom-end of the market. The issues faced by the elderly are:

- No old age and frail care centre in the previous disadvantaged areas.
- Abandonment by family members leaving the elderly to look after themselves.
- Abuse of old age pension by unemployed adult children.
- Guardians to grandchildren without proper financial and other resources.

SOCIAL SECURITY

It is estimated that government provides social grants to over 15 million South Africans. These grants are allocated to the poorest of the poor; inter alia, the vulnerable groups, disabled, foster children and the elderly. The issuing of social grants is an attempt by the government to relieve the plight of the poor and marginalized.

Total of Social Grants allocated to the Humansdorp District is R27 204 890,00.

KOUGA AREA - SOCIAL GRANTS FOR 2019			
GRANT TYPE	NO. OF BENEFICIARIES	NO. OF CHILDREN	EXPENDITURE
Care Dependency	220	221	353 600.00
Child Support (0 – 18)	14443	25163	9 561 940.00
Foster Care	608	847	779 240.00
Grant in Aid	306	-	116 280.00
Old Age	5838	-	9 141 845.00
Old Age (75 years and older)	1884	-	2 940 956.00
Permanent Disability	2337	-	3 734 588.00
Temporary Disability	361	-	576 441.00
TOTAL	25997	26231	27 204 890.00

Table 50 : Social Grants

(Source SASSA: Social Grants)

RECOMMENDED NPO (Non-Profit Organizations) Funding 2018/19

Sub-Program	No. of NPP's	Recommended Allocation
2.2 Services to older persons	08	R1 666 176.00
2.3 Services to people with disability	00	00
2.4 HIV/Aids	01	R274 502.00
3.2 Care and services to families	01	R100 000.00
3.3 Child care and protection	02	R1 287 575.00
3.4 Early childhood development and partial care	21	R2 175 660.00
3.5 Child and Youth care centres	00	00
3.6 Community based care services to children	01	R320 112.00
4.2 Crime prevention and support	00	00
4.3 Victim empowerment program	03	R805 630.00
4.4 Substance abuse prevention and rehabilitation	01	R142 200.00
TOTAL	38	R6 771 855.00

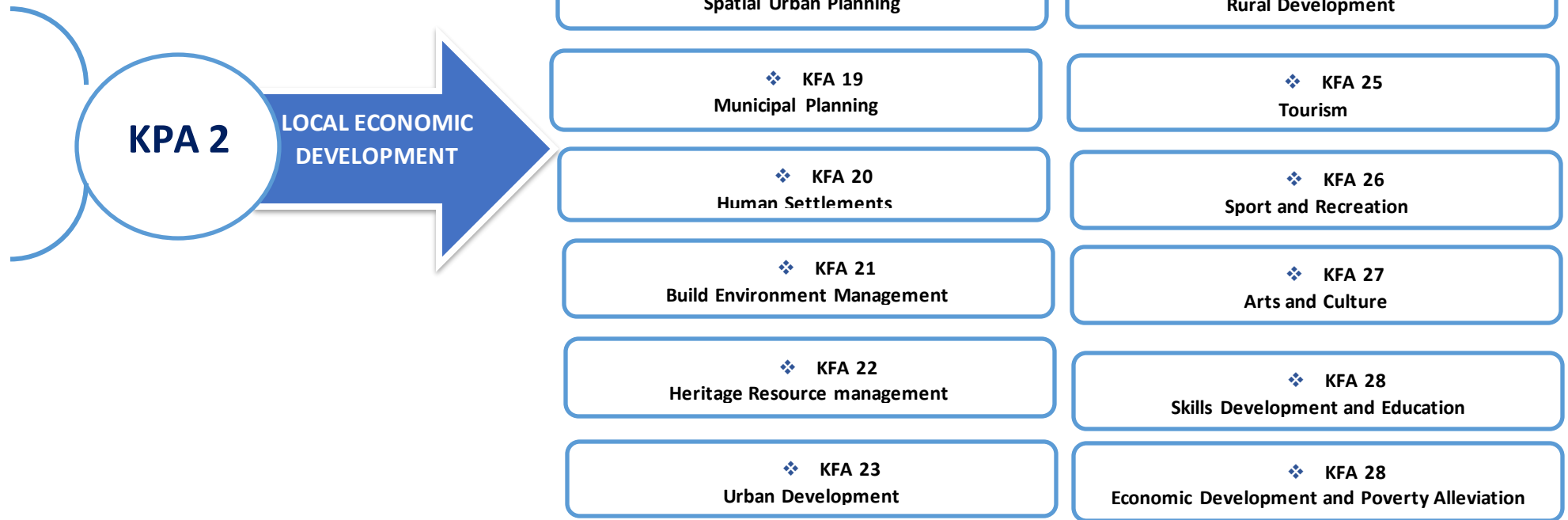
Table 51 : NPO Funding

CEMETERIES

Kouga cemeteries are under severe pressure as many cemeteries are full especially those in the low-cost areas. Thornhill Cemetery is full to its capacity and is a huge challenge for Council and the Community. A process of land acquisition should be embarked on as the outcry for land has become more than serious. Some of the cemeteries are not fenced and it leaves it open for vandalism of gravesites, roaming of stray animals and hide-out for criminals. The tender for fencing cemeteries has been finalised and cemeteries earmarked for fencing are C- Place in Jeffreys Bay and Centerton in Hankey.

The tender process for the Environmental Impact Assessment (EIA) for the development of new cemeteries is at advertisement stage and it is envisaged that a period of 6 to 18 months will be taken for the process to be completed / finalised.

2.10.2



KFA18: SPATIAL URBAN PLANNING

SPATIAL PLANNING AND LAND USE MANAGEMENT ACT, ACT NO. 16 OF 2013 (SPLUMA)

The Spatial Development Framework was approved during the 2014/2015 IDP period, on 29 May 2015, Council Resolution 15/05/IPD15. A summary of the approved Spatial Development Framework can be viewed on the municipal website www.kouga.gov.za.

- The Spatial Planning and Land Use Management by-law was adopted in December 2015
- Spluma by-law was gazetted in March 2016.
- Members to serve on Municipal Planning Tribunal (MPT) were approved by Council on 9 September 2016 under Council Resolution No. 16/09/IPD1.
- MPT members signed Memorandum of Agreements and received appointment letter on October 2016.
- MPT members were gazette under Gazette No. 3813 on 14 March 2017.
- The Appeal Authority was established and gazette under Gazette No. 3921 on 19 September 2017.
- The review of the Spatial Development Framework has been identified as a programme priority for 2018/19.
- The review of the Land Use and Building Plan Electronic System (Ovvio) has commenced in November 2018 to ensure faster turn-around times in the approval of land use and building plan applications.

INTEGRATED LAND USE SCHEME (ILUS)

A consultant was appointed by the Dept. of Rural Development & Land Reform for the compilation of an Integrated Land Use Scheme (ILUS). Section 25 of SPLUMA (Spatial Planning and Land Use Management Act, Act 16 of 2013) provides an outline of the purpose and contents of a Land Use Scheme.

The act requires *“a Land Use Scheme must give effect to and be consistent with the Municipal Spatial Development Framework and determines the use and development of land within the municipal area to which it relates in order to promote economic growth, social inclusion and efficient land development and minimal impact on public health, environment and national resources”*.

ILUS is a Land Use Scheme that incorporates all existing Land Use Schemes in the Kouga Municipal Area into one Scheme thereby streamlining them in such a way to fulfill the objectives laid down in SPLUMA. The 1st Project Steering Committee meeting was held on 20 January 2015 where a draft ILUS document was presented by Urban Dynamics.

Finalization of this document is subject to SPLUMA Regulations and By-Law implementation/approval. The draft by-laws of the Land Use Management System were adopted on 12 November 2015.

- The draft Integrated Land Use Scheme was published for public participation and input in November 2015.
- Alignment of final Integrated Land Use Scheme with SPLUMA by-laws in progress and will be finalised for implementation in 2019/20.

KFA19: MUNICIPAL PLANNING

The purpose of land use planning is to enhance the living quality of all residents within the Kouga Municipal area and to cater for sustainable progression/growth of the municipal area as a whole, through creating an environment that facilitates orderly and predictable development throughout the entire Kouga.

The Land Use Planning Division is responsible for the processing of applications for land use changes (by means of rezoning, consent uses, departures, temporary departures, amendment of conditions of approval and removal of restrictive title conditions), and farm subdivision applications, as well as scrutinizing of building plans for compliance with zoning parameters and attending to illegal land uses.

In an effort to rectify outstanding building irregularities, Council took a decision on 11 December 2018 to implement an amnesty period of 18 months for penalties imposed on submission of building plans for unauthorized building work in terms of the National Building Regulations and Standards Act, Act 103 of 1977.

The amnesty period commenced in January 2019 until end June 2020.

TOWN PLANNING ACTIVITIES FOR 2018/19	
TYPE OF ACTIVITY	NUMBERS APPROVED
Rezoning	4
Subdivisions	8
Consent Uses	3
Removal of restrictive conditions	8
Departures	47
Secondary Use	1
Occupational Practice	9
Number of building plans approved	974
Value of building plans approved	R713 975 800

Table 52 : Town Planning Activities

KFA20: HUMAN SETTLEMENTS

The municipality wishes to pursue the delivery of housing, within the framework of National and Provincial policy, by addressing issues of land, services and infrastructure and creating an enabling environment for housing development. It is also committed to ensure that sustainable habitats are created to contribute to the improvement of the living conditions of the poor.

The waiting list for the 10082 dwellings is calculated as follows:

WARD	TOWNSHIP	NO	STATUS	COMMENT
1	Sea Vista	1915	Approved	Although pre-planning activities has been approved for the project has been blocked due to insufficient bulk services and environmental issues.
2	Pellrus	957	Approved – project is under implementation stage (site establishment)	Ikhaya Project is appointed for this project and construction of top-structures will commence in 2019.
4	Kruisfontein	1415	Approved - project is at the implementation stage	The municipality received environmental approval to construct 391 housing units out of the 2500 originally approved. The beneficiary process is complete for the 391 units and a total of 387 out of

				the 391 units are already completed. Contractor is busy with the construction 4 units for the disabled.
5	Arcadia	688	Approved	The project is at the planning stage. The Land Surveyor was appointed for the pegging of the sites. Funding application for the top structures was submitted to the Provincial Department of Human Settlements. Awaiting approval from photos.
6	Kwanomzamo	400	Approved	Project is blocked due to insufficient bulk infrastructure
7	Thornhill	1116	Approved	Project is blocked due to insufficient bulk infrastructure
9	Hankey	740	Approved – busy with beneficiary registration process and application for funding	Project to be reduced to 728 units due to the exclusion of the PPC land. The layout plan was approved by Council and the Land Surveyor has been appointed to do the pegging of the sites.
10	Patensie	531	Approved – planning stage is currently underway (installation of bulk infrastructure Planned	Layout plan was approved for this project. Received environmental approval with certain conditions.
	Patensie (Rectification)	6		Rectification of 6 housing units. Houses are dilapidated and need to be demolished and new houses need to be constructed.
13	Weston	490	Approved	The project is at the planning stage. The Land Surveyor was appointed for the pegging of the sites. Funding for the top structures has already been submitted to the Provincial Department of Human Settlements. Awaiting approval from photos.
14	Ocean View	1773	Approved	Norland Construction was appointed and is currently busy with the installation of services in Ocean View. There is a possibility that the project will be reduced to approximately 1300 units due to the non-cooperation of the informal dwellers in phase 2 of the project
15	Pellsrus (Galjoen Street)	51	Planned	Informal settlement upgrading. Department to be submitted to the Department of Human Settlements for the construction of top structures.

Table 53 : Housing waiting list

The above status gives a clear mandate to the municipality to identify, plan, implement, and construct sustainable and integrated human settlements in effective and efficient manner. The most important key factor in the human settlement delivery strategy is to provide adequate and quality house that is linked to water, sewerage and electrical connection with proper access roads as defined in the National Housing Code of 2009. The municipality is faced with the following internal shortcomings to achieve municipal housing accreditation:

- Influx and Migration patterns;
- Current and growing bulk limitations to promote and implement human settlements;
- Formalisation of informal settlements;
- Lack of a bulk master plan;
- Shortage of suitable land to establish new settlements.

A total of 549 erven were formalized during 2018/19:

WARD	TOWNSHIP	NUMBER
1	Umzawowethu	34
2	Tokyo Sexwale (Galjoen Street)	51
2	Tokyo Sexwale (Govan Mbeki Street)	23
4	Donkerhoek	247
6	Shukushukuma / Polla Park	441
7	Thornhill	113
TOTAL		909

Table 54 : Formalised erven

In addition to population projects, the projections on the number of households form the basis of municipal service delivery planning and essentially inform budget allocations towards basic services such as water, electricity, sanitation and refuse removal. It is therefore vital that for budget planning and implementation purposes a municipality rely on credible and accurate household estimates.

The municipality was identified by the National Department of Human Settlements to participate in the National Upgrading Support Programme (NUSP). The NUSP is an initiative by the National Department designed to support the Provincial Departments and the municipalities in their implementation of the Upgrading of Informal Settlements Programme (UISP), with the objective for eventually assisting in the upgrading of informal settlements across South Africa. The NUSP is an important intervention measure by the National Department of Human Settlements to assist in laying the platform for investments by other government departments or by municipalities to achieve the objective of creating sustainable human settlements.

Housing Challenges per Ward

WARD	CHALLENGES
1	The Sea Vista area is faced with a shortage of land for the construction of low-cost houses and an estimate of 52 ha of land is needed to address the backlog of 2000 prospective beneficiaries registered on the housing needs register.
2	The Pellsrus area is faced with a shortage of land for the construction of low-cost houses and an estimate of 22 ha of land is needed to address the backlog of 752 prospective beneficiaries registered on the housing needs register.
5	The Arcadia area is faced with a shortage of land for the construction of low-cost houses and an estimate of 13 ha of land is needed to address the backlog of 541 prospective beneficiaries registered on the housing needs register.
6	The Kwanomzamo area is faced with a shortage of land for the construction of low-cost houses and an estimate of 22 ha of land is needed to address the backlog of 749 prospective beneficiaries registered on the housing needs register.
7	The Thornhill area is faced with a shortage of land for the construction of low-cost houses and an estimate of 34 ha of land is needed to address the backlog of 1229 prospective beneficiaries registered on the housing needs register.
9	The Hankey area is faced with a shortage of land for the construction of low-cost houses and an estimate of 36 ha of land is needed to address the backlog of 1439 prospective beneficiaries registered on the housing needs register.
10	The Patensie area is faced with a shortage of land for the construction of low-cost houses and an estimate of 18 ha of land is needed to address the backlog of 540 prospective beneficiaries registered on the housing needs register.
13	The Weston area is faced with a shortage of land for the construction of low-cost houses and an estimate of 18 ha of land is needed to address the backlog of 548 prospective beneficiaries registered on the housing needs register.
15	The Kwanomzamo area is faced with a shortage of land for the construction of low-cost houses and an estimate of 15 ha of land is needed to address the backlog of 400 prospective beneficiaries registered on the housing needs register.

Table 55 : Housing challenges

In total, the Kouga Municipality requires 230 ha of land to be able to address the backlog as currently reflected on the housing needs register.

The Provincial Department of Human Settlements (PDHOS) approved the funding application of three (3) human settlement projects, namely the Kruisfontein 391 (2500) housing project, the Pellsrus 220 housing project and the Ocean View 1500 housing project.

The Department appointed the following service providers namely:

- **Bendolite Consortium**
 - Appointed for the Kruisfontein 391 (2500) housing project.
 - Bendolite Consortium was appointed by the Eastern Cape Department of Human Settlements (ECDHS) for the installation of internal services as well as the construction of 391 housing units Kruisfontein.
 - The commencement date was the 1st of July 2016 and the anticipated completion date is the 1st of September 2018.
 - During December 2017, the MEC for Human Settlements handed over 38 completed units to the beneficiaries of the project.
 - The revised completion date for the project is September 2019.
 - Electrical supply to outstanding units is currently underway.

- **Ikhaya Development Trust**
 - Appointed for the Pellsrus 220 housing project.
 - The appointment includes the installation of internal services as well as the construction of the 220 housing units.
 - The contractor is currently busy with the installation of the internal services and they are making good progress.

- **Norland Construction**
 - Appointed in December 2017 for the Ocean View 1500 housing project
 - The appointment only includes the installation of internal services
 - The technical site handover was in January 2018
 - Contractor already started with the installation of bulk infrastructure in Ocean View.

IMPLEMENTATION OF INTEGRATED HUMAN SETTLEMENT GRANT FUNDED PIPELINE PROJECTS

PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAME	BUDGETED AMOUNT	DELIVERED TO-DATE	PROGRESS/STATUS
TOP STRUCTURES					
1. Kruisfontein 391 (Ward 4)	391 Units	30/09/2019	R 43 500 000	<ul style="list-style-type: none"> • Slabs: 387 • Wall Plates: 387 • Roof: 387 • 100% completed: 376 	<ul style="list-style-type: none"> • Construction of 4 Top structures for disabled beneficiaries is underway
2. Pellsrus 220 (Ward 2)	220	31/11/2019	R 27 4226 678.31	None	<ul style="list-style-type: none"> • Construction of Top structures to commence after NHBC enrolment has been approved. • 218 beneficiaries approved <p>Number of slabs</p>
3. Oceanview 1500 (Ward 14)	1500 Units			None	<ul style="list-style-type: none"> • 1426 beneficiaries approved • 74 beneficiary applications are in process of being approved • Top structures funding application is being finalised for submission to province • First phase of top structures will be 668
4. Kouga Destitute (Wards 1 - 15)	25 Units			None	<ul style="list-style-type: none"> • Awaiting awarding of tender • Province was requested to extend scope of project to 75 opportunities (5 houses per ward)
SERVICES					
1. Oceanview 1500 (Ward 14)	1500 Sites (services)	20/3/2020	R 46 904 141.03	Earth works: 100% Water: 100% Sewer: 100 % Roads: 85 % Stormwater: 90 %	<ul style="list-style-type: none"> • Phase 1 (413) will be completed on 31/5/2019 • Phase 2 (632) will be completed on 31/9/2019 • Phase 4a (88) will be completed on 20/3/2020 • Challenges with the relocation of 41 families from the triangle and 420 from the middle area • Meeting was held on 12/4/19 with Ward Councillor and Ward committee members to resolve relocation issues/challenges • Meeting with the project beneficiaries will be held after the National elections

2. Pellsrus 220 (Ward 2)	220 Sites (services)	31/11/2019	R 9 597 720.00	Earth works: 100% Water: 100% Sewer: 100% Roads: 100% Stormwater: 100%	<ul style="list-style-type: none"> • 220 services are complete
3. Kruisfontein 2500 (Ward 4)	407 Sites (services)	30/9/2019	R 22 500 000	Earth works: 100% Water: 100% Sewer: 100% Roads: 100% Stormwater: 90% Overall progress: 85%	<ul style="list-style-type: none"> • 391 services are complete • Rectification work on curbing, redoing of roads and paving is in progress
PLANNED PROJECTS					
1. Arcadia 139 (Ward 5)	Pipeline Project Plan		R 2 465 146.93	Planning of BNG housing, provision of basic services to 139 families	<ul style="list-style-type: none"> • Project approved for planning • Application for 139 top structures was submitted in July 2017 • Land Surveyor appointed in February 2019 • General Plan is still outstanding
2. Weston 196 (Ward 13)	Pipeline Project Plan		R 3 476 034.52	Planning of BNG housing, provision of basic services to 196 families	<ul style="list-style-type: none"> • Project approved for planning • Application for 196 top structures was submitted in July 2017 • Land Surveyor is on site • General Plan is still outstanding
3. Hankey 990	Pipeline Project Plan		R 17 557 521.30	Planning of BNG housing, provision of basic services to 990 families	<ul style="list-style-type: none"> • Land Surveyor appointed in March 2019 • A subsidy application is still outstanding • Verification of potential beneficiaries in Stofwolk is complete • List of 1467 potential beneficiaries was submitted for pre-screening on 7/3/2019 • Pegging and relocation of beneficiaries will commence soon
4. Patensie 278	Pipeline Project Plan		R 4 930 293.86	Planning of BNG housing, provision of basic services to 278 families	<ul style="list-style-type: none"> • Beneficiary list submitted for pre – screening • Public participation process will commence in June 2019 • Request for extension of ROD was submitted

5. Kruisfontein 800 (phase 2)	Pipeline Project Plan			Planning of BNG housing, provision of basic services to 800 families	<ul style="list-style-type: none"> • Provision of 800 serviced sites • Initiation of EIA process • Preliminary Engineering designs are completed • Approved General plan • Finalisation of beneficiary list
BLOCKED PROJECTS					
1. Sea Vista 2000	Pipeline Project Plan		R 35 469 740.00	Planning of BNG housing, provision of basic services to 400 families	<ul style="list-style-type: none"> • Report on the development of Sea Vista was commissioned by Aurecon • Report recommends provision of 400 housing opportunities instead of the initial 2000 • Upgrading of WWTW is estimated to be completed in December 2019 • Land belongs to NDPW
2. Kwanomzamo 400	Pipeline Project Plan		R 7 093 948.00	Planning of BNG housing, provision of basic services to 400 families	<ul style="list-style-type: none"> • Funding of the WWTW is approved for the 2019/2020 financial year
3. Thornhill 390	Pipeline Project Plan		R 6 916 599.30	Planning of BNG housing, provision of basic services to 390 families	<ul style="list-style-type: none"> • WWTW to be upgraded • Bulk water connection from NMBM to be finalised and associated infrastructure

Table 56 : Grant funding projects

CHALLENGES

The biggest challenges that the municipality is facing with the delivery of houses is the lack of bulk infrastructure. The municipality applied for 10 Human Settlement Projects, but due to a lack of bulk infrastructure, the municipality only managed to unlock the Kruisfontein 391 (2500) housing project Pellsrus 220 housing project and the Ocean View 1500 housing project. The Provincial Department of Human Settlements assisted the municipality to address some of the challenges and as a result thereof the municipality had applied for funding for the top structures of the following projects, namely:

- Hankey 728 (990)
- Patensie 278
- Weston 196
- Arcadia 139

The municipality cannot commence with the following projects as a result of the abovementioned challenges:

- Sea Vista 2000
- Thornhill 390
- Kwanomzamo 400

KFA21: BUILD ENVIRONMENT MANAGEMENT

The function of the building regulations and standards legislation is to regulate building development. This includes the processing and assessment of new building plan applications, the monitoring of building work to ensure compliance with the approved building plan and to implement appropriate action where unauthorised building activities occur. These actions all form the basis for the promotion of orderly building development that will benefit and promote the living environment of the citizens of the municipal area.

KFA22: HERITAGE RESOURCE MANAGEMENT

The protection of Kouga's rich and diverse heritage is a priority for the municipality. Heritage assets can be building, monuments, sites, places, areas of landscapes which have been positively identified as having a degree of significance. The interest of a heritage asset may be archaeological, architectural, artistic or historic. Many of these assets have a local communal value. Heritage assets are non-renewable resources which can bring social, economic and environmental benefits through conservation.

Heritage development includes the management and day to day running of the Humansdorp Museum, Shell Museum, repairs and maintenance of heritage assets and general heritage development. The Humansdorp Museum Association is responsible for the Humansdorp Museum and the Shell Museum. The Heritage Council has become defunct in 2016 and the Humansdorp Museum Association is currently responsible for all aspects of heritage development. Various events and school visits are also hosted by the Humansdorp Museum Association.

The Kouga Municipality established a Kouga Heritage Council in 2014 and developed a Kouga Heritage Database. Although not inclusive, the Database includes details of all known heritage sites in the Kouga region.

The following is a list of the sites included in the heritage database:

SITE DESCRIPTION	CATEGORY
KRUISFONTEIN	
Klip Skool	Place
Kruisfontein Dam (100 erfs) N Felix Dam	Place
Kruisfontein Station Boards Apple Express	Place
Kruisfontein graveyard	Graves
Dorsvloer	Place
Congregational Church	Structure
Old Kruisfontein Homes	Structure
HANKEY	
Hankey 4 (Weston)	Structure
Hankey Congregational Church	Structure
John Phillips's Grave	Grave
Sarah Baartman Grave	Grave
Hankey Dance Hall	Structure / place
Hankey Primary School	Structure / place
Foot of Sarah Baartman Graves – Duplex Street (homes)	Structure
Du Plex – Die Berg – Du Plex Street	Geological
Dower College and Dower School	Structure / place
Trading Wagon	Structure
Wetlands	Natural
Hankey Station	Structure / place
JEFFREYS BAY	
7 Day Adventists Church	Structure / place
Ferreira's Dorp, Wavecrest, Beach Hotel	Place
Grave sites, Pellrus (Fisherman's Graves, 2 sites)	Graves
Geelstert Fishing Boat in front of Shell Museum	Structure
Savoy Hotel	Structure / place
Pell's Grave (Pellrus)	Grave
Bo Blok houses	Structures
Khoekom Middens (Super Tubes)	Archaeological
Surf Museum	Structure
MILTON	
Milton Graveyards	Grave
De Meule (Milton Water Mills)	Structure
Milton Congregational Church	Place / structure
Congregational School	Place / structure
Phillip's Tunnel	Place
OYSTER BAY	
Fish Traps	Place
Thyspunt Graves	Graves
CAPE ST FRANCIS	
Cape St Francis Light House	Place
Mr Flack's Grave at the Light House	Grave
ST FRANCIS BAY	
Archaeological sites St Francis Bay (Links Golf Course)	Archaeological / place
HUMANSDORP	
National Hall (National Party) Volkspele	Place
Congregational School Moerasrivier	Structure / place
Markgebou, 1938, Groot Trek	Structure / place
Humansdorp Meule	Structure
War Monument, Hero's Acre	Graves
Matthys Gerhardus Human 1858	Grave

St Marks Anglican Church	Structure
Humansdorp Museum	Structure
Boutique Hotel	Structure
PATENSIE	
Scotts Cave	Geological
Queen Victoria (Rock Face)	Geological
Baviaanskloof	Natural
N G Kerk / Dutch Reformed Church	Structure / place
Andrieskraal School	Structure / place
LOERIE	
Loerie NG Kerk	Structure / place
Loerie Station	Structure / place
WESTON	
Heroes Liberation Monument	Structure
THORNHILL	
Thornhill Baptist Church	Structure
GAMTOOS	
Narrow Gauge Bridge	Structure

Table 57 : Heritage sites

KFA23: URBAN DEVELOPMENT

Urban renewal, or urban regeneration is a program of land development in areas of moderate to high density urban land use. Changes in the spatial economy can easily create imbalances in the urban environment and this requires mitigation. The impact of renewal on the urban environment cannot be underestimated and plays an important role in the history and demographics of cities.

Urban renewal involves the relocation of businesses, the demolition of structures, and the use of public assets to revitalise the urban milieu for the benefit of all its users. Policies such as Special Ratings Area, Restructuring Zones and Special Use Areas are tools to assist in renewal. The Urban Renewal of the business areas of Humansdorp Jeffreys Bay remain a priority. A Special Ratings Area Policy has been developed and once approved the St Francis Bay Town will be declared as a Special Ratings Area (SRA) to encourage investors to invest in the town.

KFA24: RURAL DEVELOPMENT

Rural development is multi-dimensional and much broader than poverty alienation through Human Resource Development (HRD) and social and economic programmes. It places emphases on changing environments to enable rural people to earn more, invest in themselves and their and their communities and contribute towards maintenance of key infrastructure. However, the notion of rural-urban linkages and how they can be improved to reduce poverty and inequality, enhance inclusive development and economic growth are being recognized.

The National Department of Rural Development and Land Reform has the mandate to deliver in terms of vibrant, equitable and sustainable rural communities and food securities for all. However, it is expected that municipalities play a critical role and form part of the implementation forum/task teams which drives the achievement of this outcome, for the following reasons:

- Local government is closest to the people;
- Municipalities have a constitutional mandate to undertake a developmental approach in implementing policies and programmes;

- Municipalities are required to exercise powers and functions to maximise the impact of social development, meeting needs of poor and ensuring growth of local economy, as per applicable legislation. This is also proposed in the SALGA position regarding the role of municipalities in agriculture.

In general, in order to meet the basic needs of rural and farming communities, municipalities should:

- Establish an environment (whether directly or indirectly) that will contribute and/or result in transformed rural communities, in a sustainable manner (facilitation, processes);
- Co-operate and align policies and programmes with other government entities.

KFA25: TOURISM

The Department Planning, Developing & Tourism are responsible for facilitating arts and culture, heritage and museums and tourism development and events in the Kouga region. Various council's/associations were established to facilitate these different aspects of development and ensure community participation through planning and implementation.

The structures are as follows:

- Kouga Local Tourism Association
- Kouga Sports Council – we no longer responsible for this function/not funded
- Kouga Heritage Council – does not exist, functions were transferred to Kouga Museum Association.
- Kouga Museums Association
- Kouga Arts Council – not funded
- Kouga Events Committee

The department have Memorandums of Agreement with the abovementioned councils/associations, which is the umbrella bodies for the tourism partners in the Kouga municipal area. The municipality monitors the councils/associations through meetings, discussions and quarterly reporting which are d to council. Events planning also forms part of the directorates functions and comprise of representatives of all the departments in the Kouga, some councillors as well as the SAPS who evaluate, approve or reject all event applications.

Events Tourism

Kouga Municipality has positioned itself to become the events capital of South Africa. This is a strategic focused on promotion of events tourism through supporting new and old events in Kouga as an events Capital. This type of tourism is focused tourists coming into a region to either participate in an event or to see an organized event put on by the city/region (https://en.wikipedia.org/wiki/Tourism#Event_tourism).

In the State of the Municipality Address 2019, the Executive Mayor of KLM stated that the municipality's vision was to increase the number of events in the region throughout the year, so as to create a steady flow of visitors and ongoing support for local businesses.

“Our local Tourism industry has, traditionally, been very seasonal. A seasonal business is, however, difficult to sustain and the municipality has, therefore, been increasing its efforts to draw events to the region right throughout the year. This will help to create a steady flow of visitors, supporting local business every month of the year.”

He said upcoming events included the first Jeffreys Bay Beach Carnival in April, the Aloe Cup in June, the JBay Winterfest in July, the Humansdorp Lentefees in August, the St Francis Calamari Festival, JBay Makietie and SA Junior Surfing Championships in September, a beer festival in October, biker rally in November, and the Opening of Season and Countdown to the New Year in December.

KFA26: SPORT AND RECREATION

The Kouga Sport Council was established in March 2012. A sports council is required in each municipality to oversee sports affairs within that municipal region. The Kouga Sports Council is recognized by the Kouga Municipality, the Sarah Baartman District Sports Council and the Department of Sports as the statutory body fulfilling that purpose. *The Sports component resorts in the Office of the Mayor.*

KFA27: ARTS AND CULTURE

The Kouga Arts Council not only develop the arts in the Kouga area, but also assists with various events through supplying and organising artists.

➤ **The rehabilitation of the fishermen gravesite in Pellsrus**

This project was done in conjunction with the Jeffreys Bay Museum due to the bad condition of this sacred place. Major repairs and maintenance were done. The gravesite was fenced, and a gate fitted. A monument to commemorate the fishermen who died at seas was erected. An official ceremony will be held to unveil the gravesite.

Job opportunities was created for local SMME's to complete the work.

➤ **Training and capacity building**

The following training programmes was initiated during the year in review:

• **Film and Photography Basic Training**

The workshop was organized by the Department of Sport, Recreation, Arts and Culture in conjunction with Kouga Municipality and was held on the 09th – 10th November 2017 at the Humansdorp Country Club. 5 Local Visual Artists were trained, and this initiative was to empower local emerging film makers in film and video. These visual artists are affiliated under the Kouga Film and Video Foundation which was funded by the Municipality.

• **Mosaic Training**

The training was initiated by the Department of Sport, Recreation, Arts and Culture in partnership with Kouga Municipality and has started in 2016. 6 Local Artists from Humansdorp and Jeffrey Bay and Humansdorp were trained by Ms Samkela who is a fine art student at Fort Hare University. As part of town beatification and public art, a mosaic mural was erected at the Jeffrey Bay Amphitheatre. A granite plaque with names of the students who participated on the construction of the mural was also erected. This training will be cascaded down to other areas in the Kouga.

KFA28: SKILLS DEVELOPMENT AND EDUCATION

Several skills development projects, focused on the youth, are underway. A total of 371 youths is participating in 11 learnership and five skills development programmes, facilitated by the municipality. Nine youths are also working at Kouga as interns through the Finance Management Grant and a further two internships are being funded by the Municipal Infrastructure Support Agent (Misa).

Other upcoming programmes include 42 apprenticeships in electricity and plumbing.

The municipality has a very good working relationship with the NSRI's Jeffreys Bay station. A lifeguard unit has been established as part of the NSRI's operations and our senior lifeguards will be offering free lifeguard training to local young people through the unit.

KFA29: ECONOMIC DEVELOPMENT AND POVERTY ALLEVIATION

The municipality's approach to economic development is in the process of adaptation and refocussing. Essentially the municipality aims to identify the competitive advantage of the municipal area and develop strategic initiatives to facilitate the optimization of investment opportunities to promote sustainable economic growth and job creation.

The Annual Local Economic Development Service Delivery Strategy for the Directorate Planning, Development and Tourism (PD&T) is identified in the IDP funded projects for the financial year, which is budgeted for, and on which the Service Delivery, Budget and Implementation Plan (SDBIP) is based. From the SDBIP, work plans are created in consultation with staff to determine the implementation plans (timeframes and budgets included) for the year. This is monitored continuously and reported on throughout the year. The municipality must develop a comprehensive Economic Development Plan which are aligned with the economic indicators and the SDF. The need for land to accommodate emerging farmers is a challenge that must be addressed during the IDP cycle in conjunction with the relevant government departments.

BUILDING GREEN INCLUSIVE MUNICIPALITIES

Kouga Municipality (KM) is part of the Building Inclusive Green Municipality Programme (BIGM), an International partnership between Federation of Canadian Municipalities and South African Local Government Association (SALGA), and funded by the Government of Canada. The MOU between Kouga and Prince Edward County was signed in March 2018. The purpose of the BIGM is to strengthen the capacity of Municipal Sector in South Africa, and to contribute to South Africa's development priorities through reducing poverty, supporting economic growth, and responding to climate change. The BIGM Programme will run for a period of 51 months (4 years and 3 months).

Kouga Municipality and Prince Edward County (PEC) have been partnered together under component 1000 (**Local Economic Development**) of BIGM Project. The Objective of this partnership is a more Effective, Innovative and Inclusive Local Economic Development with strong consideration of Woman, Youth and Vulnerable Groups in Kouga. Kouga Municipality and Prince Edward County entered a MOU in March 2018, committing to one another to work together and share experiences and knowledge in matters concerning Local Economic Development as well as formulating strategic direction that will promote Inclusive, Sustainable Development and Catalytic Economic Development Projects in Kouga.

KOUGA BIGM PROJECTS

Formulation of Local Economic Development Strategy - Clear Vision, Goals, and Strategic Pillars to Achieve Lucrative Economic Development Programmes. Setting a strategic direction considerate of integrating vulnerable groups into mainstream economy.

- **Business Retention and Expansion** - Focus on retaining and growing existing businesses in Kouga in order to Develop and implement effective - economic development plans Improve business and community competitiveness as well as Increase business investment and job retention & creation
- **Tourism Development and Destination Marketing** - Creating Economic Value chain through reviving of Tourism and Heritage Assets in Kouga.
- Effective methods for meaningful community engagement in strategy formulation.
- **Setting up of Cross Functional Team** Engaged with various Departments to understand impact of all Municipal departments on Local Economic Development. Establishing institutional integration system in Kouga to achieve Local Economic Development Objectives.

The following initiatives will be included in the planning for the next five years:

DEVELOPMENT PROGRAMME/REQUIREMENT	MUNICIPAL ACTION	STAKEHOLDER INVOLVEMENT	TIMEFRAME	BUDGET IF AVAILABLE
LED Capacity	Appointment of staff	Kouga Municipality	2018	
New Economic Development Strategy and Plan	Formulate a new strategy and plan	Kouga Municipality	Dec 2017	300 000.00
Market engagement with potential organisations/developers/other stakeholders	Identification of potential funding organisations and develop and submit business plans	Kouga Municipality	Ongoing	20 000.00
Ensure that SMME's are being supported through strategic interventions	SMME incubator programme	Kouga Municipality	Ongoing	100 000.00
Skills Training	Plans to address skills development through training and mentorship programmes	Kouga Municipality		
Development Planning	Upgrading of informal trading sites	Kouga Municipality	March 2018	R1.2 million
Business Retention & Expansion	Sector specific support to existing business	Kouga Municipality	Annually	

Table 58 : LED initiatives

While unemployment remains a serious concern, the municipality has helped to create more than 1 000 jobs during the first six months of the current financial year.

Of these, a total of 351 were municipal appointments while a further 151 job opportunities were created through infrastructure and water projects.

At least 500 temporary jobs were created through events supported by the municipality while the holiday influx in December again provided hundreds of Kouga locals with seasonal employment.

2.10.3



❖ KFA 30
Financial Legislation Compliance Status

❖ KFA 37
Overview of budget funding

❖ KFA 31
Financial Management Policies

❖ KFA 38
Cash Flow Management

❖ KFA 32
Overview of Budget Assumptions

❖ KFA 39
Funding Compliance Measurement

❖ KFA 33
Operating Revenue Framework

❖ KFA 40
Property Valuation and Property Management

❖ KFA 34
Operating Expenditure Framework

❖ KFA 41
ICT Strategy

❖ KFA 35
Capital Expenditure

❖ KFA 42
Revenue Strategies

❖ KFA 36
Annual Budget Tables

❖ KFA 43
Supply Chain Management

KFA30 : FINANCIAL LEGISLATION COMPLIANCE STATUS

The following reflects the status of implementation of some of the key MFMA areas:

IDP

A revised 2019/20 IDP has been developed, which will be considered at a Council meeting to be held on 29 March 2019. The IDP includes specific deliverables that forms the basis for the Budget and SDBIP. The final version of the revised 2019/20 IDP will be considered at a Council meeting scheduled for 30 May 2019.

Budget

The draft annual budget document has been developed taking the MFMA and National Treasury (NT) requirements into account. Budgets are being tabled and approved within the required legislated timeframes.

Annual Report

The Annual Report has been developed taking the MFMA and NT requirements into account. The 2017/18 Annual Report was adopted by Council on 29 March 2019.

Oversight Report

The Municipal Public Accounts Committee has considered the 2017/18 Annual report. Its Oversight Report will be considered at a Council meeting scheduled for 29 March 2019.

In-Year Reporting

The municipality submits the various reports required to the Executive Mayor, Council, and NT on an ongoing basis, in accordance with the MFMA.

Supply Chain Management Policy (SCM)

A Supply Chain Management Policy has been adopted and implemented in accordance with the MFMA and NT requirements.

All the required committee structures are in place. Whilst the municipality is working at making these new processes operate more efficiently and effectively, it is considered that the municipality is currently complying with the MFMA and NT guidelines.

Budget and Treasury

A Budget and Treasury Office has been established in accordance with the MFMA and NT requirements, consisting of a CFO and municipal officials reporting to the CFO.

Audit Committee

An Audit Committee has been established and meets on a quarterly basis.

Internal Audit Function

The Municipality's Internal Audit Function reports to the Municipal Manager and is operating in accordance with an audit plan.

In relation to the 2019/20 financial year and beyond, the municipality plans to focus on the following high priority areas:

- Maintaining its unqualified audit status.
- Further strengthening of the integration and linkages between the IDP, Budget, SDBIP and Annual Report.

Internship Programme

The municipality has a total of eight Interns on the Municipal Financial Management Internship programme, as approved by National Treasury.

IT Systems

The municipality will start implementing an IT system across the institution in the upcoming financial year. This will lead to a seamless integrated system with most processes becoming automated.

A due diligence conducted revealed the following shortcomings in the current environment.

1. The systems and processes **fall far short** of leading (and even standard practices) required to provide a reasonable quality of services to citizens;
2. The operations of KLM are held together by a number of **key individuals** with high service orientation;
3. The municipality is at risk of **not meeting legislative** and compliance requirements and open to **security** and **fraud** breaches;
4. KLM is at risk to **not receiving, or experiencing delays** in grants and equitable share;
5. It is highly likely that KLM is **under-collecting revenue**, since the lack of integrated systems makes it impossible to determine the real collectable revenue; and
6. KLM does **not have a technology platform** for becoming a leading municipality in the country and a future digital organisation.

KFA31: FINANCIAL MANAGEMENT POLICIES

Council's financial policies are reviewed annually and amended according to need and/or legislative requirements. The municipality is in the process of drafting a Budget Policy which will reinforce much of what is contained in the MFMA and will inter alia regulate:

- The preparation of the budget;
- The shifting or virement of funds;
- The timing and nature of adjustment budgets;
- Unforeseen and unavoidable expenditure; and
- Establish and maintain procedures to adhere to budget processes.

The main principles that should underpin the policy are:

- That the municipality may not budget for a cash deficit;
- Expenses may only be incurred in terms of an approved budget;
- The budget must always be within the IDP framework;
- Capital expenditure must distinguish between replacement and new assets;
- Capital funding must be available; and
- Loans must be linked to an assets and Capital Replacement Reserves (CRR) must be cash-backed.

By adopting a Budget Policy, the Council should be able to produce future budgets that are realistic, practical and affordable to the residents which is already a major step forward for the municipality.

The MFMA and the Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, be updated on an annual basis.

Financial Management Policies

A number of policies have been adopted by the Council. The policies govern the financial management functions of the Municipality, such as supply chain management, budget virements, credit control and debt collection, etc.

Review of credit control and debt collection policies

The Customer Care, Credit Control and Debt Collection Policy was reviewed and approved by Council on 30 October 2018.

The 2019/20 MTREF has been prepared on the basis of achieving an average revenue collection rate of 96% of current billings.

Supply Chain Management Policy

A revised Supply Chain Management Policy was adopted by Council in April 2018.

Property Rates Policy

A revised Property Rates Policy was adopted by Council in February 2018.

Funding and Reserves Policy

The Funding and Reserves Policy was adopted by Council in May 2016.

Cost Containment Policy

The Cost Containment Policy was adopted by Council in May 2016.

Cash Management and Investment Policy

The Cash Management and Investment Policy was adopted by Council in May 2016.

Borrowing Policy

The Borrowing Policy was adopted by Council in May 2016.

All the above policies are available on the Municipality's website, as well as the following budget related policies:

- Indigent Policy;
- Budget virement Policy.

KFA32: OVERVIEW OF BUDGET ASSUMPTIONS

The key service delivery priorities, as reflected in the IDP, informed the development of the Budget, including the need to maintain and improve the Municipality's financial sustainability. It is also to be noted, that cost containment measures are being implemented to curb costs and to improve operational efficiency.

National Treasury's MFMA Circulars No. 48, 51, 54, 55, 58, 59, 66, 67, 70, 72, 74, 75, 78, 79, 85, 86, 88, 89, 91, 93 and 94 (refer to Annexures "A" and "B") were used to guide the compilation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF).

The Municipality faced the following significant challenges during the compilation of the 2019/20 MTREF:

- Maintaining an acceptable employee related costs ratio;
- Increased costs associated with bulk electricity and water purchases, placing upward pressure on municipal tariff increases;
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure;
- Maintaining electricity and water losses at acceptable levels;
- Maintaining revenue collection rates at the targeted levels; and
- Maintaining an acceptable cost coverage ratio;

The following budgeting principles and guidelines directly informed the compilation of the 2019/20 MTREF:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The level of property rates and tariff increases to take into account the need to address maintenance and infrastructural backlogs.
- The level of property rates and tariff increases to ensure the delivery of municipal services on a financially sustainable basis.
- The need to enhance the municipality's revenue base.
- No loan funding is available to support the Capital Budget, in view of financial affordability considerations.
- In accordance with Section 19 of the Municipal Finance Management Act, the relevant Directors must submit comprehensive reports in relation to new projects, inter alia; dealing with the total project costs, funding sources, future operating budget implications and associated tariff implications, before Council finally approves the implementation of any new projects.

In view of the aforementioned, the following table represents an overview of the proposed 2019/20 Medium-term Revenue and Expenditure Framework:

Table 1 (Overview of the 2019/20 MTREF)

Description	2019/20 Medium Term Revenue & Expenditure Framework						
	Current Year 2018/19 Adjusted Budget	Budget Year 2019/20	% Increase	Budget Year 2020/21	% Increase	Budget Year 2021/22	% Increase
R thousands							
Total Operating Revenue	760 233	836 693	10.06%	911 294	8.92%	994 973	9.18%
Total Operating Expenditure	819 759	897 137	9.44%	981 729	9.43%	1 059 043	7.88%
Surplus/(Deficit)	(59 527)	(60 444)	1.54%	(70 435)	16.53%	(64 070)	-9.04%
Capital Expenditure	209 515	93 110	-55.56%	81 317	-12.67%	79 214	-2.59%

Table 59 : 2019/20 MTREF

Total operating revenue has increased by 10.06% or R 76,460 million for the 2019/20 financial year, compared to the 2018/19 Adjustments Budget.

For the two outer years, operational revenue increases by 8.92% and 9.18% respectively, resulting in a total revenue growth of R 234,740 million over the MTREF, when compared to the 2018/19 financial year.

Total operating expenditure for the 2019/20 financial year amounts to R 897,137 million, resulting in a budgeted deficit of R 60,444 million. Compared to the 2018/19 Adjustments Budget, operational expenditure increased by 9.44% in the 2019/20 Budget.

For the two outer years, operational expenditure increases by 9.43% and 7.88% respectively. The 2020/21 and 2021/22 budgets reflect operating deficits of R 70,435 million and R 64,070 million respectively.

The major operating expenditure items for 2019/20 are employee related costs (32.43%), bulk electricity purchases (25.90%), other expenditure (10.86%) and depreciation (9.49%).

Funding for the 2019/20 Operating Budget is obtained from various sources, the major sources being service charges such as electricity, water, sanitation, environmental management fees and refuse collection (54.17%), property rates (23.51%), grants and subsidies received from National and Provincial Governments (15.91%).

In order to fund the 2019/20 Operating Budget, the following increases in property rates and service charges have been proposed, with effect from 1 July 2019:

Property rates	-	6.5%
Water	-	7.5%
Sanitation	-	7%
Refuse	-	7%
Electricity (average increase in income)	-	14.26%
Environmental Management Fee	-	0%

The capital budget of R 93,110 million for 2019/20 is R 116,405 million or -55.56% less than the 2018/19 Adjustments Budget. This is mainly due to the allocation to the Municipality of the Water Services Infrastructure Grant, during the 2018/19 financial year.

The Capital Budget over the MTREF will be mainly funded from government grants and subsidies, as the municipality has reached its prudential borrowing limits, whilst limited internal funding is available.

KFA33: OPERATING REVENUE FRAMEWORK

The continued provision and expansion of municipal services is largely dependent on the Municipality generating sufficient revenues. Efficient and effective revenue management is thus of vital importance in ensuring the ongoing financial sustainability of the Municipality. Furthermore, in accordance with the MFMA, expenditure has to be limited to the realistically anticipated revenues.

The Municipality's revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard;
- Tariff Policies;
- Property Rates Policy;
- Indigent Policy and provision of free basic services;
- The level of property rates and tariff increases must ensure financially sustainable service delivery.
- The level of property rates and tariff increases to take into account the maintenance and replacement of infrastructure, including the expansion of services;
- Determining fully cost reflective tariffs for trading services;
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Water bulk tariff increases as approved by the Nelson Mandela Bay Metropolitan Municipality;
- Efficient revenue management, targeting a 96% annual collection rate for property rates and service charges.

The following table is a summary of the 2019/20 MTREF (classified by main revenue source):

Table 2 (Summary of main revenue sources)

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19 Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
<u>Revenue by Source</u>				
Property rates	184 711	196 717	209 504	223 121
Service charges - electricity revenue	245 041	277 068	313 280	354 226
Service charges - water revenue	70 795	76 105	81 813	87 949
Service charges - sanitation revenue	43 314	46 346	49 590	53 062
Service charges - refuse revenue	51 176	53 732	56 466	59 392

Rental of facilities and equipment	3 043	4 037	4 255	4 484
Interest earned - external investments	8 681	10 375	10 935	11 526
Interest earned - outstanding debtors	7 444	8 439	8 895	9 375
Fines, penalties and forfeits	4 230	6 397	6 743	7 107
Licences and permits	14 514	16 568	17 463	18 406
Transfers and subsidies	121 753	133 112	144 133	157 664
Other revenue	5 530	7 797	8 218	8 662
Total Revenue (excluding capital transfers and contributions)	760 233	836 693	911 294	994 973

Table 60 : Main Revenue Sources

The following table illustrates the mix of main revenue sources, supporting the 2019/20 MTREF:

Table 3 (Mix of main revenue sources)

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2019/20	%	Budget Year 2020/21	%	Budget Year 2021/22	%
R thousands								
<u>Revenue by Source</u>								
Property rates	184 711	24.30%	196 717	23.51%	209 504	22.99%	223 121	22.42%
Service charges - electricity revenue	245 041	32.23%	277 068	33.11%	313 280	34.38%	354 226	35.60%
Service charges - water revenue	70 795	9.31%	76 105	9.10%	81 813	8.98%	87 949	8.84%
Service charges - sanitation revenue	43 314	5.70%	46 346	5.54%	49 590	5.44%	53 062	5.33%
Service charges - refuse revenue	51 176	6.73%	53 732	6.42%	56 466	6.20%	59 392	5.97%
Rental of facilities and equipment	3 043	0.40%	4 037	0.48%	4 255	0.47%	4 484	0.45%
Interest earned - external investments	8 681	1.14%	10 375	1.24%	10 935	1.20%	11 526	1.16%
Interest earned - outstanding debtors	7 444	0.98%	8 439	1.01%	8 895	0.98%	9 375	0.94%
Fines, penalties and forfeits	4 230	0.56%	6 397	0.76%	6 743	0.74%	7 107	0.71%
Licences and permits	14 514	1.91%	16 568	1.98%	17 463	1.92%	18 406	1.85%
Transfers and subsidies	121 753	16.02%	133 112	15.91%	144 133	15.82%	157 664	15.85%
Other revenue	5 530	0.73%	7 797	0.93%	8 218	0.90%	8 662	0.87%
Total Revenue (excluding capital transfers and contributions)	760 233	100.00%	836 693	100.00 %	911 294	100.00%	994 973	100.00%
Total Revenue from Property Rates and Service Charges	595 038	78.27%	649 968	77.68%	710 653	77.98%	777 750	78.17%

Table 61 : Mix of Main Revenue Sources

In the 2018/19 financial year, rates and service charges amounted to R 595,038 million. This increases to R 649,968 million, R 710,653 million and R 777,750 million in the 2019/20, 2020/21 and 2021/22 financial years, respectively.

The major operating revenue sources for 2019/20 are electricity (33.11%), property rates (23.51%), operating grants & subsidies (15.91%), water (9.10%) and refuse (6.42%).

The following table provides a breakdown of the various operating grants and subsidies allocated to the Municipality over the medium term:

Table 4 (Operating Transfers and Grant Receipts)

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
RECEIPTS:				
<u>Operating Transfers and Grants</u>				
National Government:	117 493	129 297	140 318	153 849
Local Government Equitable Share	113 151	124 938	136 879	150 293
Finance Management	1 770	1 770	1 770	1 770
EPWP Incentive	1 013	1 000	–	
MIG-Administration Fee	1 559	1 589	1 669	1 786
Provincial Government:	2 050	2 050	2 050	2 050
Sport and Recreation	2 050	2 050	2 050	2 050
District Municipality:	2 210	1 765	1 765	1 765
Local Economic Development	445	–	–	
Environmental Health Subsidy	1 765	1 765	1 765	1 765
Total Operating Transfers and Grants	121 753	133 112	144 133	157 664

Table 62 : Operating transfers and grants receipt

The Municipality is faced with the significant challenge of providing services with its limited financial resources. Against this background, the Municipality has undertaken the tariff determination process relating to property rates and service charges as follows:

Property Rates

Property rates fund the costs associated with the provision of general services, such as fire, library and roads and stormwater services.

The following provisions in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rateable value (Section 17(h) of the MPRA).
- An additional R85 000 rebate will be granted to registered indigents in terms of the Indigent Policy.
- If the usage of a property changes during a financial year, the rebate applicable will be reduced *pro rata* for the balance of the financial year.

A property rates increase of 6.5% is proposed as from 1 July 2019.

The proposed property rates increase is mainly influenced by the following:

- Employee related costs increased by 6.5%
- Providing for debt impairment.

Sale of Water and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 88, 89, 91, 93 and 94, Municipalities are encouraged to review the level and structure of their water tariffs to ensure:

- Fully cost reflective water tariffs—tariffs should include the costs associated with bulk water purchases, the maintenance and renewal of purification plants, water networks and water reticulation expansion;
- Water tariffs are structured to protect basic levels of service; and
- Water tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that water tariffs are fully cost reflective by 2014/15. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers, it will not be possible to implement it in the 2019/20 MTREF.

A tariff increase of 7.5% is proposed as from 1 July 2019. The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 6.5%;
- The cost of bulk water purchases increased by 7.5%;
- Providing for debt impairment.

The water tariff structure is designed in such a manner that higher levels of water consumption are progressively charged at a higher rate.

Sale of Electricity and Impact of Tariff Increases

NERSA has determined that the Eskom bulk electricity tariff to municipalities would increase by 15.63% as from 1 July 2019. Considering the Eskom tariff increase, the Municipality's consumer tariffs will be increased by 14.26% on average to offset the additional electricity bulk purchase costs, as from 1 July 2019.

The proposed tariff increases are mainly influenced by the following:

- Employee related costs increased by 6.5%;
- The cost of bulk electricity purchases increased by 15.63%;
- Repairs and maintenance of electricity infrastructure;
- Costs of servicing existing external borrowing to fund electricity infrastructure;
- Providing for debt impairment.

The proposed electricity tariff increases still require approval by NERSA.

Sanitation and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 88, 89, 91, 93 and 94, Municipalities are encouraged to review the level and structure of their sanitation tariffs to ensure:

- Fully cost reflective sanitation tariffs – tariffs should include the costs associated with maintenance and renewal of treatment plants, sanitation networks and sanitation infrastructure expansion;
- Sanitation tariffs are structured to protect basic levels of service; and
- Sanitation tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that sanitation tariffs are fully cost reflective by 2014/15. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers, it will not be possible to implement it in the 2019/20 MTREF.

Sanitation charges are determined based on the volume of water consumed, which is appropriately reduced by the percentage of water discharged into the sewer system.

A tariff increase of 7% is proposed as from 1 July 2019. The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 6.5%;
- Providing for debt impairment.

Refuse Collection and Impact of Tariff Increases

National Treasury has urged municipalities to ensure that refuse tariffs are fully cost reflective by 2015. The tariffs should take into account the need to maintain a cash-backed reserve to cover the future costs of the rehabilitation of landfill sites. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers, it will not be possible to implement it in the 2018/19 MTREF.

A tariff increase of 7% is proposed for refuse collection, as from 1 July 2019.

The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 6.5%;
- Providing for debt impairment

Environmental Management Fees and Impact of Tariff increases

A tariff increase of 0% is proposed for the environmental management fee, as from 1 July 2019.

KFA34: OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2019/20 budget and MTREF is informed by the following:

- The funding of the budget over the medium-term is informed by the requirements of Section 18 and 19 of the MFMA;
- A balanced budget approach by limiting operating expenditure to the operating revenue;

The following table is a high-level summary of the 2019/20 budget and MTREF (classified per main type of operating expenditure):

Table 5 (Summary of operating expenditure by standard classification item)

Description	2019/20 Medium Term Revenue & Expenditure Framework			
	Current Year 2018/19 Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
<u>Expenditure by Type</u>				
Employee related costs	272 673	290 942	310 289	330 924
Remuneration of councillors	12 243	13 063	13 932	14 858
Debt impairment	36 150	26 336	28 782	31 485
Depreciation & asset impairment	75 357	85 101	94 935	103 046
Finance charges	3 021	2 201	1 238	672
Bulk purchases	237 476	271 623	310 885	356 044
Other materials	27 516	29 621	31 307	33 094
Contracted services	68 096	80 814	88 766	83 163
Other expenditure	87 229	97 436	101 595	105 758
Total Expenditure	819 759	897 137	981 729	1 059 043

Table 63 : Operating expenditure by standard classification

The total operating expenditure increased by R 77,378 million (9.44%) from R 819,759 million in 2018/19 to R 897,137 million in 2019/20. Below is a discussion of the main expenditure components.

Employee related costs

The 2019/20 budget provides for a general increase of 6.5%, in the line with the approved Salary and Wage Collective Agreement. The total budget provision of R 290,942 million represents an increase of 6.7% over the 2018/19 budget. Employee related costs in the 2019/20 Budget, represent 32.43% of the total operating expenditure.

Remuneration of Councillors

The remuneration of Councillors is determined by the Minister of Co-operative Governance and Traditional Affairs, in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in preparing the budget. As the budget provides for a 6.5% increase, Councillors' remuneration should be limited to the budget allocated for this purpose.

Debt Impairment

The provision for debt impairment was determined based on a targeted annual collection rate of 96%. For the 2019/20 financial year this amounted to R 26,336 million and increases to R 31,485 million in 2021/22. While this expenditure represents a non-cash flow item, it is taken into account in determining the total costs associated with the rendering of municipal services and the realistically anticipated revenues.

Depreciation and Asset Impairment

The provision for depreciation and asset impairment has been informed by the Municipality's Fixed Assets Register. The budget amounts to R 85,101 million for the 2019/20 financial and equates to 9.49% of the total operating expenditure.

Finance Charges

Finance charges consist primarily of the repayment of interest on existing long-term borrowing (cost of capital). Finance charges constitute 0.25% (R 2,201 million) of total operating expenditure for 2019/20.

Bulk Electricity Purchases

The bulk purchases of electricity increased by R 31,408 million (15.63%), from R 200,945 million in 2018/19 to R 232,353 million in 2019/20. NERSA has approved a 15.63% increase in the Eskom bulk tariff for the 2019/20 financial year. The 2019/20 budget accordingly allows for a 15.63% increase for bulk electricity purchases from Eskom. Bulk electricity purchases constitute 25.90% of total operating expenditure for 2019/20.

Bulk Water Purchases

The bulk purchases of water increased by R 2,740 million (7.5%) from R 36,530 million in 2018/19 to R 39,270 million in 2019/20. Bulk water purchases constitute 4.38% of total operating expenditure for 2019/20.

Other Materials

Other materials relate to the inventory items, such as material and supplies, consumables, printing and stationery, fuel and oil etc., initially budgeted under general expenses, being transferred to other materials. This is in line with the mSCOA requirements. The budget for 2019/20 amounts to R 29,621 million and equates to 3.30% of the total operating expenditure (refer to Table A9 for full disclosure of repairs and maintenance).

Contracted Services

In the 2019/20 financial year, the budget provision amounts to R 80,814 million and equates to 9.01% of the total operating expenditure.

Other Expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. In the 2019/20 financial year, the budget provision amounts to R 97,436 million and equates to 10.86% of the total operating expenditure.

The graph below reflects the expenditure components of the budgeted statement of financial performance.

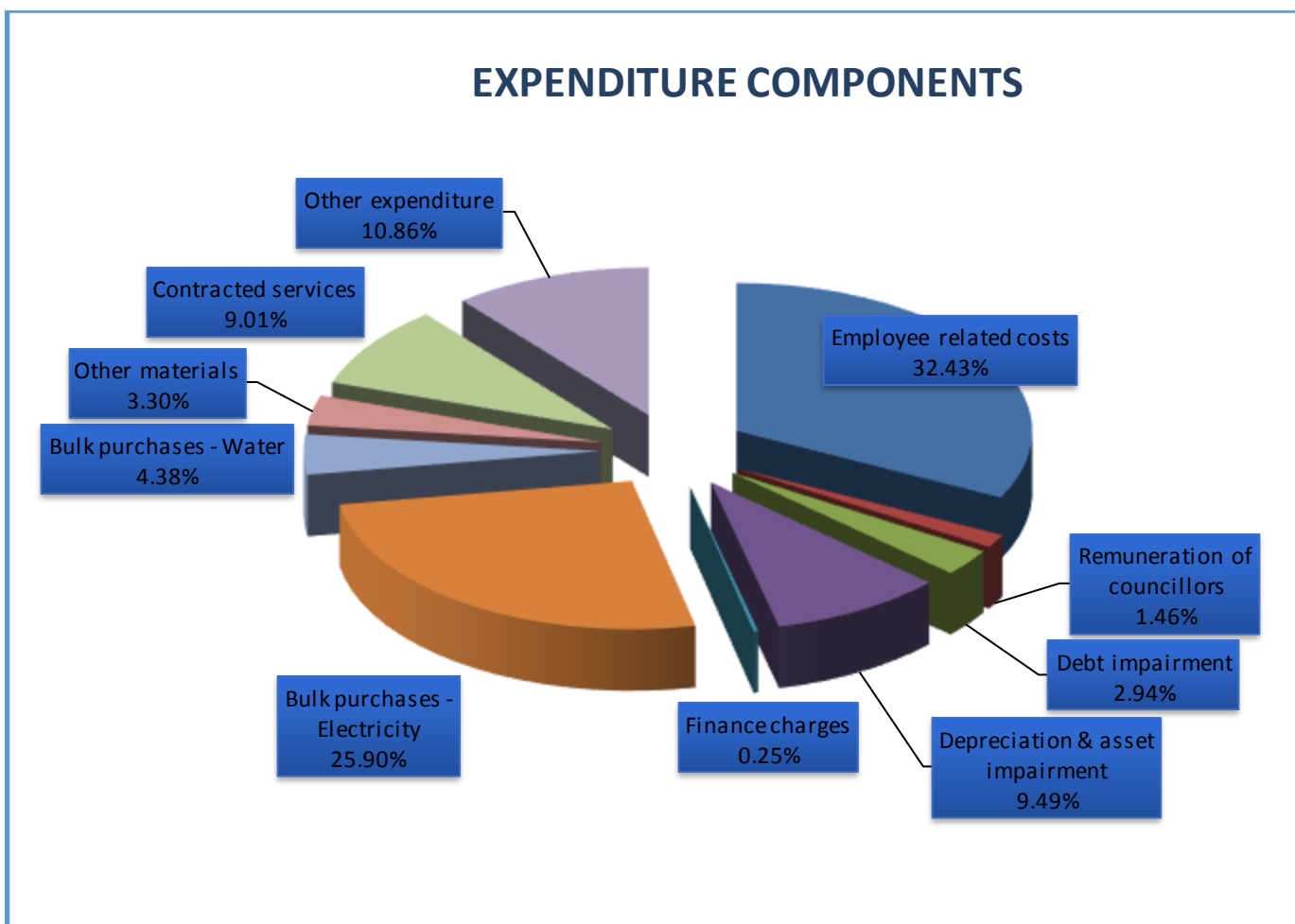


Figure 29: Main operational expenditure categories for the 2019/20 financial year

Priority relating to repairs and maintenance

The repairs and maintenance expenditure in the 2019/20 financial year, increased by R 0,840 million or 1.96%, compared to the 2018/19 Adjustments Budget. It is to be noted that repairs and maintenance, constitutes 4.87%, 4.16% and 4.10% of the total operating expenditure, for the 2019/20, 2020/21 and 2021/22 financial years, respectively.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

Table 6 (Repairs and maintenance per asset class)

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
<u>Repairs and Maintenance by asset class</u>	42 852	43 692	40 881	43 428
<i>Roads Infrastructure</i>	13 624	13 534	11 337	12 218
<i>Storm water Infrastructure</i>	817	908	962	1 020
<i>Electrical Infrastructure</i>	6 602	6 239	6 613	7 010
<i>Water Supply Infrastructure</i>	3 953	4 367	4 629	4 907
<i>Sanitation Infrastructure</i>	4 268	3 706	3 932	4 171
<i>Solid Waste Infrastructure</i>	250	200	211	222
Infrastructure	29 513	28 954	27 684	29 549
Community Facilities	1 726	1 402	1 272	1 228
Sport and Recreation Facilities	980	2 940	910	910
Community Assets	2 706	4 342	2 182	2 138
Investment properties	–			
Operational Buildings	1 996	2 360	2 486	2 647
Other Assets	1 996	2 360	2 486	2 647
Machinery and Equipment	478	535	560	587
Transport Assets	8 159	7 501	7 968	8 507
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	42 852	43 692	40 881	43 428

Table 64 : Repairs and Maintenance per asset class

For the 2019/20 financial year an amount of R 28,954 million (66.27%) of total repairs and maintenance, will be spent on infrastructure assets.

Free Basic Services: Indigent Support

The indigent support assists indigent households that have limited financial ability to pay for municipal services. In order to qualify for free services, the households are required to register in terms of the Municipality's Indigent Policy, whilst the monthly household income may not exceed two state pensions. Detail relating to free services, cost of free basic services, as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement).

The cost of the indigent support of the registered indigent households is largely financed by national government through the local government equitable share allocation, received in terms of the annual Division of Revenue Act.

KFA35: CAPITAL EXPENDITURE

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 7 (2019/20 Medium-term capital budget per vote)

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2019/20	%	Budget Year 2020/21	%	Budget Year 2021/22	%
R thousands								
Multi-year expenditure to be adjusted								
Vote 1 - EXECUTIVE COUNCIL	1 851	0.88%	1 200	1.29%	1 155	1.42%	1 155	1.46%
Vote 2 - FINANCIAL SERVICES	2 593	1.24%	2 600	2.79%	50	0.06%	50	0.06%
Vote 3 - CORPORATE SERVICES	3 365	1.61%	3 069	3.30%	1 515	1.86%	1 515	1.91%
Vote 4 - PLANNING, DEVELOPMENT & TOURISM	3 836	1.83%	4 581	4.92%	4 339	5.34%	4 535	5.73%
Vote 5 - INFRASTRUCTURE AND ENGINEERING	181 557	86.66%	59 846	64.27%	58 796	72.30%	56 493	71.32%
Vote 6 - COMMUNITY SERVICES	16 312	7.79%	21 815	23.43%	15 462	19.01%	15 465	19.52%
Total Capital Expenditure - Vote	209 515	100.00%	93 110	100.00%	81 317	100.00%	79 214	100.00%

Table 65 : Medium-term capital budget per vote

Infrastructure and Engineering receives the highest allocation of R 59,846 million in 2019/20, which equates to 64.27%, followed by Community Services at R 21,815 million (23.43%), Planning, Development and Tourism at R 4,581 million (4.92%), Corporate Services at R 3,069 million (3.30%), Financial Services at R 2,600 million (2.79%) and Executive & Council at R 1,200 million (1.29%).

The following graph provides a breakdown of the capital budget to be spent on infrastructure related projects over the MTREF.

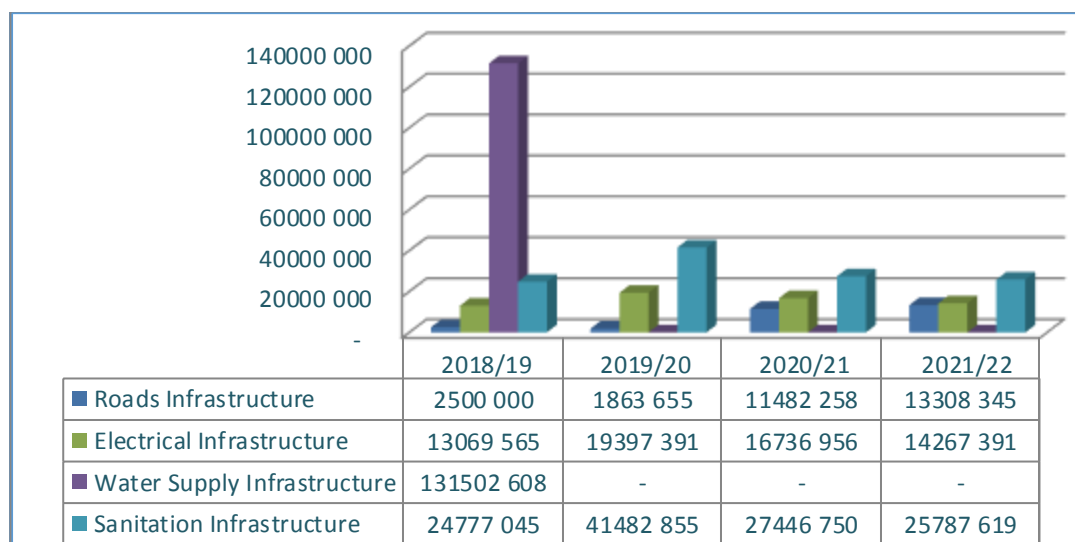


Figure 30: Capital Infrastructure Programme rounded to the nearest R1000

KFA36: ANNUAL BUDGET TABLES

The ten main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section. These tables set out the Municipality's 2019/20 Budget and MTREF to be considered for approval by Council. Each table is accompanied by *explanatory notes*.

Table 8 (Table A1 - Budget Summary)

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
R thousands	Adjusted Budget	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
<u>Financial Performance</u>				
Property rates	184 711	196 717	209 504	223 121
Service charges	410 327	453 251	501 149	554 629
Investment revenue	8 681	10 375	10 935	11 526
Transfers recognised - operational	121 753	133 112	144 133	157 664
Other own revenue	34 761	43 238	45 573	48 034
Total Revenue (excluding capital transfers and contributions)	760 233	836 693	911 294	994 973
Employee costs	272 673	290 942	310 289	330 924
Remuneration of councillors	12 243	13 063	13 932	14 858
Depreciation & asset impairment	75 357	85 101	94 935	103 046
Finance charges	3 021	2 201	1 238	672

Materials and bulk purchases	264 992	301 244	342 192	389 138
Transfers and grants	–	–	–	–
Other expenditure	191 475	204 586	219 144	220 405
Total Expenditure	819 759	897 137	981 729	1 059 043
Surplus/(Deficit)	(59 527)	(60 444)	(70 435)	(64 070)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	193 020	58 063	51 682	51 891
Contributions recognised - capital & contributed assets	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	133 493	(2 381)	(18 753)	(12 179)
Share of surplus/ (deficit) of associate	–	–	–	–
Surplus/(Deficit) for the year	133 493	(2 381)	(18 753)	(12 179)
	–			
<u>Capital expenditure & funds sources</u>	–			
Capital expenditure	209 515	93 110	81 317	79 214
Transfers recognised - capital	168 859	51 117	45 197	45 379
Public contributions & donations	–	–	–	–
Borrowing	–	–	–	–
Internally generated funds	40 656	41 994	36 120	33 835
Total sources of capital funds	209 515	93 110	81 317	79 214

Table 66 : Budget summary

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
R thousands	Adjusted Budget	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
<u>Financial position</u>	–			
Total current assets	164 621	173 204	171 488	188 895
Total non-current assets	2 474 873	2 408 701	2 395 083	2 371 250
Total current liabilities	175 201	175 225	182 327	186 937
Total non-current liabilities	185 581	184 979	183 756	185 212
Community wealth/Equity	2 278 712	2 221 701	2 200 489	2 187 996
	–			
<u>Cash flows</u>	–			
Net cash from (used) operating	208 851	82 720	76 182	90 867
Net cash from (used) investing	(209 515)	(93 110)	(81 317)	(79 214)
Net cash from (used) financing	(8 944)	(7 999)	(8 962)	(6 128)
Cash/cash equivalents at the year end	84 707	66 318	52 221	57 746
	–			
<u>Cash backing/surplus reconciliation</u>	–			
Cash and investments available	84 707	66 318	52 221	57 746
Application of cash and investments	61 353	35 310	28 106	20 918
Balance - surplus (shortfall)	23 355	31 008	24 115	36 828

	-			
<u>Asset management</u>	-			
Asset register summary (WDV)	1 850 493	77 316	152 692	225 336
Depreciation	75 357	85 101	94 935	103 046
Renewal of Existing Assets	10 660	8 265	7 875	7 740
Repairs and Maintenance	42 887	43 692	40 881	43 428
	-			
<u>Free services</u>	-			
Cost of Free Basic Services provided	4 767	6 044	6 630	7 277
Revenue cost of free services provided	-	-	-	-
<u>Households below minimum service level</u>	-	-	-	-
Water:	-	-	-	-
Sanitation/sewerage:	0	-	-	-
Energy:	-	-	-	-
Refuse:	28	-	-	-

Table 67 : Budget summary

Explanatory notes to Table A1 - Budget Summary

The aim of the Budget Summary is to provide a concise overview of the proposed budget from all of the major financial perspectives (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance). The table provides an overview of the amounts to be approved by Council within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance, as well as the Municipality's commitment to eliminating basic service delivery backlogs.

Table 9 (Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification))

Functional Classification Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year	Budget Year	Budget Year
R thousand	Adjusted Budget	2019/20	2020/21	2021/22
<u>Revenue - Functional</u>				
<i>Governance and administration</i>	312 182	339 475	365 070	393 015
Executive and council	26	27	29	30
Finance and administration	312 157	339 448	365 041	392 985
Internal audit	-			
<i>Community and public safety</i>	13 357	14 266	14 724	15 207
Community and social services	2 458	2 479	2 502	2 526
Sport and recreation	7 003	7 867	8 292	8 740
Public safety	1 969	1 984	1 985	1 987
Housing	-			
Health	1 927	1 936	1 945	1 955
<i>Economic and environmental services</i>	16 141	19 616	19 616	20 702
Planning and development	5 087	6 667	7 022	7 428

Road transport	10 005	11 844	11 430	12 047
Environmental protection	1 050	1 105	1 164	1 227
<i>Trading services</i>	611 127	521 398	563 566	617 940
Energy sources	260 285	293 789	327 387	367 745
Water management	223 782	87 929	94 710	99 921
Waste water management	74 017	83 574	82 500	88 245
Waste management	53 043	56 106	58 968	62 029
<i>Other</i>	445			
Total Revenue - Functional	953 252	894 756	962 976	1 046 864
<u>Expenditure - Functional</u>				
<i>Governance and administration</i>	190 276	222 961	246 955	250 378
Executive and council	38 161	45 089	47 710	50 592
Finance and administration	152 115	177 872	199 245	199 786
Internal audit	–			

Table 68 : Revenue and expenditure by standard classification

Functional Classification Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year	Budget Year	Budget Year
R thousand	Adjusted Budget	2019/20	2020/21	2021/22
<i>Community and public safety</i>	77 101	85 190	86 503	91 193
Community and social services	10 055	10 612	11 088	11 772
Sport and recreation	39 900	44 086	43 316	45 203
Public safety	20 527	22 264	23 665	25 157
Housing	1 875	3 228	3 140	3 363
Health	4 746	4 999	5 294	5 698
<i>Economic and environmental services</i>	114 388	116 851	118 926	124 456
Planning and development	33 520	34 459	36 455	38 701
Road transport	77 414	80 642	80 623	83 803
Environmental protection	3 454	1 751	1 848	1 951
<i>Trading services</i>	434 569	467 649	524 317	587 447
Energy sources	254 148	285 024	326 518	373 756
Water management	78 117	80 898	86 168	91 815
Waste water management	48 988	51 081	59 103	65 851
Waste management	53 316	50 646	52 527	56 026
<i>Other</i>	3 426	4 486	5 028	5 569
Total Expenditure - Functional	819 759	897 137	981 729	1 059 043
Surplus/ (Deficit) for the year	133 493	(2 381)	(18 753)	(12 179)

Table 69 : Revenue and expenditure

Explanatory notes to Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

The 'standard classification' refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities approve a budget in one common format, to facilitate comparison across all municipalities. It should be noted that the revenue by vote as reflected in this table, includes revenue attributable to capital grants.

Table 10 (Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote))

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
<u>Revenue by Vote</u>				
Vote 1 - EXECUTIVE COUNCIL				
Vote 2 - FINANCIAL SERVICES	307 483	333 857	359 148	386 774
Vote 3 - CORPORATE SERVICES	26	27	29	30
Vote 4 - PLANNING, DEVELOPMENT & TOURISM	3 316	4 052	4 271	4 502
Vote 5 - INFRASTRUCTURE AND ENGINEERING	562 442	468 908	507 350	558 837
Vote 6 - COMMUNITY SERVICES	79 986	87 912	92 179	96 721
Total Revenue by Vote	953 252	894 756	962 977	1 046 864
<u>Expenditure by Vote</u>				
Vote 1 - EXECUTIVE COUNCIL	31 989	43 826	46 143	48 887
Vote 2 - FINANCIAL SERVICES	79 573	93 059	110 951	107 470
Vote 3 - CORPORATE SERVICES	48 915	51 140	52 438	54 154
Vote 4 - PLANNING, DEVELOPMENT & TOURISM	19 984	22 412	23 828	25 611
Vote 5 - INFRASTRUCTURE AND ENGINEERING	476 197	515 897	571 559	635 457
Vote 6 - COMMUNITY SERVICES	163 102	170 802	176 811	187 463
Total Expenditure by Vote	819 760	897 137	981 729	1 059 043
Surplus/ (Deficit) for the year	133 493	(2 381)	(18 752)	(12 179)

Table 70 : Revenue and expenditure by municipal vote

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- The purpose of the format in which the budget is presented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Directors concerned. Operating revenue and expenditure are thus presented by 'vote'. A 'vote' is defined as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

Table 11 (Table A4 - Budgeted Financial Performance (revenue and expenditure))

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
<u>Revenue by Source</u>				
Property rates	184 711	196 717	209 504	223 121
Service charges - electricity revenue	245 041	277 068	313 280	354 226
Service charges - water revenue	70 795	76 105	81 813	87 949
Service charges - sanitation revenue	43 314	46 346	49 590	53 062
Service charges - refuse revenue	51 176	53 732	56 466	59 392
Rental of facilities and equipment	3 043	4 037	4 255	4 484
Interest earned - external investments	8 681	10 375	10 935	11 526
Interest earned - outstanding debtors	7 444	8 439	8 895	9 375
Dividends received	-	-	-	-
Fines, penalties and forfeits	4 230	6 397	6 743	7 107
Licences and permits	14 514	16 568	17 463	18 406
Agency services	-	-	-	-
Transfers and subsidies	121 753	133 112	144 133	157 664
Other revenue	5 530	7 797	8 218	8 662
Gains on disposal of PPE	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	760 233	836 693	911 294	994 973
<u>Expenditure by Type</u>				
Employee related costs	272 673	290 942	310 289	330 924
Remuneration of councillors	12 243	13 063	13 932	14 858
Debt impairment	36 150	26 336	28 782	31 485
Depreciation and asset impairment	75 357	85 101	94 935	103 046
Finance charges	3 021	2 201	1 238	672
Bulk purchases	237 476	271 623	310 885	356 044
Other materials	27 516	29 621	31 307	33 094
Contracted services	68 096	80 814	88 766	83 163
Transfers and subsidies	-	-	-	-
Other expenditure	87 229	97 436	101 595	105 758
Loss on disposal of PPE	-	-	-	-
Total Expenditure	819 759	897 137	981 729	1 059 043

Table 71 : Revenue and expenditure

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
Surplus/(Deficit)	(59 527)	(60 444)	(70 435)	(64 070)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	193 020	58 063	51 682	51 891
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Depart Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-
Surplus/(Deficit) after capital transfers and contributions	133 493	(2 381)	(18 753)	(12 179)
Taxation	-	-	-	-
Surplus/(Deficit) after taxation	133 493	(2 381)	(18 753)	(12 179)
Attributable to minorities	-	-	-	-
Surplus/(Deficit) attributable to municipality	133 493	(2 381)	(18 753)	(12 179)
Share of surplus/ (deficit) of associate	-	-	-	-
Surplus/(Deficit) for the year	133 493	(2 381)	(18 753)	(12 179)

Table 72 : Revenue and expenditure

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

Revenue

1. The Financial Performance Budget is required to be approved concurrently by revenue source and expenditure type, so as to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the annual results and the original budget, so as to assess performance.
2. Total revenue amounts to R 836,693 million in 2019/20 and increases to R 994,973 million in 2021/22. This represents a year-on-year increase of 10.06% for the 2019/20 financial year and increases of 8.92% for the 2020/21 financial year and 9.18% for the 2021/22 financial year, respectively.
3. Revenue from property rates amounts to R 196,717 million in the 2019/20 financial year and increases to R 223,121 million in 2021/22, which amounts to 23.51% of the total operating revenue base of the Municipality.
4. Services charges relating to electricity, water, sanitation, environmental management and refuse collection constitute the biggest component of the total revenue base, amounting to R 453,251 million for the 2019/20 financial year and increasing to R 554,629 million in 2021/22. For the 2019/20 financial year services charges amount to 54.17% of the total revenue base.

5. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It is to be noted that the grants increased by 9.33% for 2019/20, 8.28% for 2020/21 and increased by 9.39% for 2021/22, compared to the 2018/19 Adjustments Budget.

Below a breakdown of property rates and service charges for 2019/20:

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework	
	Adjusted Budget	Budget Year 2019/20	%
R thousands			
<u>Revenue by Source</u>			
Property rates	184 711	196 717	6.50%
Service charges - electricity revenue	245 041	277 068	13.07%
Service charges - water revenue	70 795	76 105	7.50%
Service charges - sanitation revenue	43 314	46 346	7.00%
Service charges - refuse revenue	36 505	39 061	7.00%
Service charges - environmental management fee revenue	14 671	14 671	0.00%

Table 73 : Property rates and service charges

Table 12 (Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source)

Vote Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousand				
<u>Capital expenditure - Vote</u>				
<u>Multi-year expenditure to be appropriated</u>				
Vote 1 - EXECUTIVE COUNCIL	1 851	1 200	1 155	1 155
Vote 2 - FINANCIAL SERVICES	2 593	2 600	50	50
Vote 3 - CORPORATE SERVICES	3 245	3 069	1 515	1 515
Vote 4 - PLANNING, DEVELOPMENT & TOURISM	3 836	4 581	4 339	4 535
Vote 5 - INFRASTRUCTURE AND ENGINEERING	181 557	59 846	58 796	56 493
Vote 6 - COMMUNITY SERVICES	4 959	21 815	15 462	15 465
Vote 7 - COMMUNITY SERVICES (CONTINUED)	11 354			
Capital multi-year expenditure sub-total	209 395	93 110	81 317	79 214
<u>Single-year expenditure to be appropriated</u>				
Vote 1 - EXECUTIVE COUNCIL	–			
Vote 2 - FINANCIAL SERVICES	–			
Vote 3 - CORPORATE SERVICES	120			
Vote 4 - PLANNING, DEVELOPMENT & TOURISM	–			

Vote 5 - INFRASTRUCTURE AND ENGINEERING	–			
Vote 6 - COMMUNITY SERVICES	–			
Vote 7 - COMMUNITY SERVICES (CONTINUED)	–			
Capital single-year expenditure sub-total	120			
Total Capital Expenditure - Vote	209 515	93 110	81 317	79 214

Table 74 : Capital expenditure by vote, standard classification and funding source

Vote Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year	Budget Year	Budget Year
R thousand	Adjusted Budget	2019/20	2020/21	2021/22
<u>Capital Expenditure - Functional</u>				
<i>Governance and administration</i>	10 184	8 169	3 820	3 820
Executive and council	2 590	1 065	1 020	1 020
Finance and administration	7 594	6 969	2 665	2 665
Internal audit	–	135	135	135
<i>Community and public safety</i>	10 203	20 215	13 762	13 865
Community and social services	199	950	350	250
Sport and recreation	4 789	13 600	8 137	8 225
Public safety	4 215	3 965	3 875	3 890
Housing	1 000	1 700	1 400	1 500
Health	–			
<i>Economic and environmental services</i>	5 739	5 325	14 771	16 693
Planning and development	3 113	3 331	3 189	3 285
Road transport	2 626	1 994	11 582	13 408
Environmental protection	–			
<i>Trading services</i>	183 324	59 402	48 964	44 835
Energy sources	13 885	19 432	16 767	14 297
Water management	135 628	11 446	12 315	11 446
Waste water management	29 077	26 524	17 882	17 092
Waste management	4 734	2 000	2 000	2 000
<i>Other</i>	65			
Total Capital Expenditure - Functional	209 515	93 110	81 317	79 214
<u>Funded by:</u>				
National Government	166 829	49 052	43 232	43 413
Provincial Government	65			
District Municipality	1 965	2 065	1 965	1 965
Other transfers and grants	–	–	–	–
Transfers recognised - capital	168 859	51 117	45 197	45 379
Public contributions & donations	–	–	–	–
Borrowing	–	–	–	–
Internally generated funds	40 656	41 994	36 120	33 835
Total Capital Funding	209 515	93 110	81 317	79 214

Table 75 : Capital expenditure by vote, standard classification and funding source

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The capital programme is funded from national grants and internally generated funds. For 2019/20, capital transfers totals R 51,117 million (54.90%) and amounts to R 45,379 million for 2021/22 (57.29%). Internally generated funding amounts to R 41,994 million, R 36,120 million and R 33,835 million for each of the respective financial years of the MTREF. These funding sources are further discussed in detail in Section 2.6 (Overview of Budget Funding).

Table 13 (Table A6 - Budgeted Financial Position)

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year	Budget Year	Budget Year
	Adjusted Budget	2019/20	2020/21	2021/22
R thousands				
ASSETS				
Current assets				
Cash	8 471	6 632	5 222	5 775
Call investment deposits	76 236	59 686	46 999	51 972
Consumer debtors	42 382	67 067	74 208	82 104
Other debtors	30 863	33 150	36 083	39 207
Current portion of long-term receivables	3	3	3	3
Inventory	6 666	6 666	8 973	9 835
Total current assets	164 621	173 204	171 488	188 895
Non-current assets				
Long-term receivables	16	16	16	16
Investments	–			
Investment property	284 612	283 612	283 612	283 612
Investment in Associate	–			
Property, plant and equipment	2 189 943	2 124 771	2 111 153	2 087 320
Agricultural	–	–	–	–
Biological	–			
Intangible	302	302	302	302
Other non-current assets	–			
Total non-current assets	2 474 873	2 408 701	2 395 083	2 371 250
TOTAL ASSETS	2 639 494	2 581 905	2 566 571	2 560 145
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Borrowing	8 944	7 999	8 962	6 128
Consumer deposits	15 241	15 241	17 121	19 234
Trade and other payables	126 511	127 481	129 726	132 879
Provisions	24 505	24 505	26 518	28 696

Total current liabilities	175 201	175 225	182 327	186 937
Non-current liabilities				
Borrowing	23 600	15 602	6 640	–
Provisions	161 981	169 378	177 116	185 212
Total non-current liabilities	185 581	184 979	183 756	185 212
TOTAL LIABILITIES	360 782	360 204	366 082	372 149
NET ASSETS	2 278 712	2 221 701	2 200 489	2 187 996
COMMUNITY WEALTH/EQUITY				
Accumulated Surplus/(Deficit)	2 278 712	2 221 701	2 200 489	2 187 996
Reserves	–	–	–	–
Minorities' interests	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2 278 712	2 221 701	2 200 489	2 187 996

Table 76 : Budgeted financial position

Explanatory notes to Table A6 - Budgeted Financial Position

1. The table presents Assets less Liabilities as Community Wealth. The order of items within each group is also aligned to the convention of showing items in order of liquidity; i.e. assets readily converted to cash or liabilities immediately required to be met from cash appear first.
2. Any movement on the Budgeted Financial Performance or the Capital Budget will invariably impact on the Budgeted Financial Position. For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption informs the budget provision for debt impairment, which in turn impacts on the provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is directly informed by forecasting the statement of financial position

Table 14 (Table A7 - Budgeted cash flow statement)

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	173 628	188 848	201 123	214 196
Service charges	385 707	435 121	481 104	532 443
Other revenue	27 317	34 799	36 679	38 659
Government - operating	121 753	133 112	144 133	157 664
Government - capital	193 020	58 063	51 682	51 891
Interest	15 678	18 476	19 474	20 526
Dividends	–	–	–	–

Payments				
Suppliers and employees	(705 232)	(783 499)	(856 775)	(923 840)
Finance charges	(3 021)	(2 201)	(1 238)	(672)
Transfers and Grants	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	208 851	82 720	76 182	90 867
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–
Payments				
Capital assets	(209 515)	(93 110)	(81 317)	(79 214)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(209 515)	(93 110)	(81 317)	(79 214)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–
Payments				
Repayment of borrowing	(8 944)	(7 999)	(8 962)	(6 128)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(8 944)	(7 999)	(8 962)	(6 128)
NET INCREASE/ (DECREASE) IN CASH HELD	(9 608)	(18 389)	(14 097)	5 525
Cash/cash equivalents at the year begin:	94 315	84 707	66 318	52 221
Cash/cash equivalents at the year-end:	84 707	66 318	52 221	57 746

Table 77 : Budgeted cash flow statement

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.
2. It reflects the expected cash in-flows versus cash outflows that are likely to result from the implementation of the budget.
3. The cash position of the Municipality decreases over the 2019/20 to 2021/22 period, from R 66,318 million to R 57,746 million.
4. Cash and cash equivalents amount to R 66,318 million as at the end of the 2019/20 financial year and reduces to R 57,746 million in 2021/22.

Table 15 (Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation)

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
R thousand	Adjusted Budget	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
<u>Cash and investments available</u>				
Cash/cash equivalents at the year end	84 707	66 318	52 221	57 746
Other current investments > 90 days	–	–	–	–
Non-current assets - Investments	–	–	–	–
Cash and investments available:	84 707	66 318	52 221	57 746
<u>Application of cash and investments</u>				
Unspent conditional transfers	–	–	–	–
Unspent borrowing	–	–	–	–
Statutory requirements	–	–	–	–
Other working capital requirements	58 270	32 227	24 863	17 500
Other provisions	3 083	3 083	3 243	3 418
Long term investments committed	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–
Total Application of cash and investments:	61 353	35 310	28 106	20 918
Surplus(shortfall)	23 355	31 008	24 115	36 828

Table 78 : Cashed back reserves

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. The table assesses the funding levels of the budget by firstly forecasting the cash and investments at year-end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. *As part of the budgeting and planning guidelines that informed the compilation of the 2019/20 MTREF, the end objective of the medium-term framework was to ensure the budget is funded as required in accordance with section 18 of the MFMA.*
4. It is to be noted that the budget moves from a funding surplus of R 31,008 million in 2019/20 to a funding surplus of R 36,828 million in 2021/22.

Table 16 (Table A9 - Asset Management)

Description	2019/20 Medium Term Revenue & Expenditure Framework			
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousand				
CAPITAL EXPENDITURE				
<u>Total New Assets</u>	128 375	67 659	45 965	39 998
<i>Electrical Infrastructure</i>	4 200	15 919	16 737	14 267
<i>Water Supply Infrastructure</i>	81 981			
<i>Sanitation Infrastructure</i>	18 503	31 735	14 489	10 946
<i>Information and Communication Infrastructure</i>	–	850		
Infrastructure	104 684	48 504	31 226	25 213
Community Facilities	2 783	1 050	750	750
Sport and Recreation Facilities	50	100	100	100
Community Assets	2 833	1 150	850	850
Revenue Generating	465	300	200	200
Non-revenue Generating	1 000	1 700	1 400	1 500
Investment properties	1 465	2 000	1 600	1 700
Operational Buildings	181	1 150	1 000	1 000
Other Assets	181	1 150	1 000	1 000
Biological or Cultivated Assets	1 221	1 221	1 379	1 475
Licences and Rights	1 179	1 271	500	500
Intangible Assets	1 179	1 271	500	500
Computer Equipment	1 955	1 163	640	540
Furniture and Office Equipment	1 725	2 220	1 070	1 020
Machinery and Equipment	3 731	4 780	4 500	4 500
Transport Assets	9 400	4 200	3 200	3 200
<u>Total Renewal of Existing Assets</u>	10 660	8 265	7 875	7 740
<i>Roads Infrastructure</i>	2 500	1 500	1 500	1 500
<i>Sanitation Infrastructure</i>	–	750	750	750
Infrastructure	2 500	2 250	2 250	2 250
Community Facilities	200	200	210	225
Sport and Recreation Facilities	500	1 450	1 000	1 000
Community Assets	700	1 650	1 210	1 225
Revenue Generating	3 550	4 365	4 415	4 265
Non-revenue Generating	3 910			
Investment properties	7 460	4 365	4 415	4 265
<u>Total Upgrading of Existing Assets</u>	70 480	17 187	27 477	31 475
<i>Roads Infrastructure</i>	–	364	9 982	11 808
<i>Electrical Infrastructure</i>	8 870	3 478		
<i>Water Supply Infrastructure</i>	49 522			
<i>Sanitation Infrastructure</i>	6 274	2 735	12 208	14 092
<i>Information and Communication Infrastructure</i>	–	5 413	–	–
Infrastructure	64 665	11 990	22 190	25 900
Community Facilities	1 100			
Sport and Recreation Facilities	3 864	5 087	5 287	5 575
Community Assets	4 964	5 087	5 287	5 575
Operational Buildings	850	110		
Other Assets	850	110		

<u>Total Capital Expenditure</u>	209 515	93 110	81 317	79 214
<i>Roads Infrastructure</i>	2 500	1 864	11 482	13 308
<i>Electrical Infrastructure</i>	13 070	19 397	16 737	14 267
<i>Water Supply Infrastructure</i>	131 503			
<i>Sanitation Infrastructure</i>	24 777	35 220	27 447	25 788
<i>Information and Communication Infrastructure</i>	–	6 263		

Table 79 : Asset Management

Description	2019/20 Medium Term Revenue & Expenditure Framework			
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousand				
Infrastructure	171 849	62 744	55 666	53 363
Community Facilities	4 083	1 250	960	975
Sport and Recreation Facilities	4 414	6 637	6 387	6 675
Community Assets	8 497	7 887	7 347	7 650
Revenue Generating	4 015	4 665	4 615	4 465
Non-revenue Generating	4 910	1 700	1 400	1 500
Investment properties	8 925	6 365	6 015	5 965
Operational Buildings	1 032	1 260	1 000	1 000
Other Assets	1 032	1 260	1 000	1 000
Biological or Cultivated Assets	1 221	1 221	1 379	1 475
Licences and Rights	1 179	1 271	500	500
Intangible Assets	1 179	1 271	500	500
Computer Equipment	1 955	1 163	640	540
Furniture and Office Equipment	1 725	2 220	1 070	1 020
Machinery and Equipment	3 731	4 780	4 500	4 500
Transport Assets	9 400	4 200	3 200	3 200
TOTAL CAPITAL EXPENDITURE - Asset class	209 515	93 110	81 317	79 214
ASSET REGISTER SUMMARY - PPE (WDV)	1 850 493	77 316	152 692	225 336
Roads Infrastructure	697 328	1 500	3 000	4 500
Storm water Infrastructure	61 726			
Electrical Infrastructure	177 017	15 919	32 656	46 923
Water Supply Infrastructure	406 281			
Sanitation Infrastructure	438 446	35 220	62 667	88 454
Solid Waste Infrastructure	18 908			
Infrastructure	1 799 707	52 639	98 323	139 878
Revenue Generating	284 612			
Housing	289 316			
Licences and Rights	1 481			
Computer Equipment	2 610	2 543	3 348	4 073
Furniture and Office Equipment	10 456	2 545	3 505	4 415
Machinery and Equipment	6 830	5 394	20 276	36 834

Transport Assets	30 891	14 195	27 241	40 136
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	1 850 493	77 316	152 692	225 336

Table 80 : Asset Management

Description	2019/20 Medium Term Revenue & Expenditure Framework			
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousand				
EXPENDITURE OTHER ITEMS				
<u>Depreciation</u>	75 357	85 101	94 935	103 046
<u>Repairs and Maintenance by Asset Class</u>	42 887	43 692	40 881	43 428
Roads Infrastructure	13 624	13 534	11 337	12 218
Storm water Infrastructure	817	908	962	1 020
Electrical Infrastructure	6 602	6 239	6 613	7 010
Water Supply Infrastructure	3 953	4 367	4 629	4 907
Sanitation Infrastructure	4 268	3 706	3 932	4 171
Solid Waste Infrastructure	250	200	211	222
Infrastructure	29 513	28 954	27 684	29 549
Community Facilities	1 726	1 402	1 272	1 228
Sport and Recreation Facilities	980	2 940	910	910
Community Assets	2 706	4 342	2 182	2 138
Operational Buildings	2 096	2 360	2 486	2 647
Other Assets	2 096	2 360	2 486	2 647
Machinery and Equipment	445	535	560	587
Transport Assets	8 127	7 501	7 968	8 507
TOTAL EXPENDITURE OTHER ITEMS	118 244	128 792	135 816	146 474
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	38.7%	27.3%	43.5%	49.5%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>	107.7%	29.9%	37.2%	38.1%
<i>R&M as a % of PPE</i>	1.3%	2.1%	1.9%	2.1%

Table 81 : Asset Management

Explanatory notes to Table A9 - Asset Management

- The table provides a summarised version of the capital programme divided into new assets and renewal of existing assets; and also reflects the relevant asset categories. The associated repairs and maintenance and depreciation are also reflected. It also provides an indication of the resources deployed for maintaining and renewing existing assets, as well as the extent of asset expansion.
- National Treasury has suggested that municipalities should allocate at least 40% of their capital budget to the renewal/rehabilitation of existing assets, and allocations to repairs and maintenance should be 8% of PPE. In this regard the expenditure relating to the renewal/rehabilitation of existing assets amounts to 27.3% of the capital budget, whilst repairs and maintenance constitute 2.1% of PPE.*

Table 17 (Table A10 - Basic Service Delivery Measurement)

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
Household service targets				
<u>Water:</u>				
Piped water inside dwelling	21 440	21 440	21 440	21 440
Piped water inside yard (but not in dwelling)	–	–	–	–
Using public tap (at least min. service level)	–	–	–	–
Other water supply (at least mi. Service level)	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	21 440	21 440	21 440	21 440
Using public tap (< mi. Service level)	–	–	–	–
Other water supply (< min.service level)	–	–	–	–
No water supply	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–
Total number of households	21 440	21 440	21 440	21 440
<u>Sanitation/sewerage:</u>				
Flush toilet (connected to sewerage)	17 201	18 406	18 406	18 406
Flush toilet (with septic tank)	–	–	–	–
Chemical toilet	–	–	–	–
Pit toilet (ventilated)	–	–	–	–
Other toilet provisions (> min.service level)	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	17 201	18 406	18 406	18 406
Bucket toilet	328	328	328	328
Other toilet provisions (< min.service level)	–	–	–	–
No toilet provisions	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	328	328	328	328
Total number of households	17 529	18 734	18 734	18 734

Table 82 : Basic Service Delivery agreement

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
<i>Energy:</i>				
Electricity (at least min.service level)	10 649	10 649	10 649	10 649
Electricity - prepaid (min.service level)	14 808	14 808	14 808	14 808
Minimum Service Level and Above sub-total	25 457	25 457	25 457	25 457
Electricity (< min.service level)	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-
Other energy sources	-	-	-	-
Below Minimum Service Level sub-total	-	-	-	-
Total number of households	25 457	25 457	25 457	25 457
<i>Refuse:</i>				
Removed at least once a week	-	-	-	-
Minimum Service Level and Above sub-total	-	-	-	-
Removed less frequently than once a week	27 948	27 948	27 948	27 948
Using communal refuse dump	-	-	-	-
Using own refuse dump	-	-	-	-
Other rubbish disposal	-	-	-	-
No rubbish disposal	-	-	-	-
Below Minimum Service Level sub-total	27 948	27 948	27 948	27 948
Total number of households	27 948	27 948	27 948	27 948
<u>Households receiving Free Basic Service</u>				
Water (6 kilolitres per household per month)	5 683	6 700	6 700	6 700
Sanitation (free minimum level service)	5 683	6 700	6 700	6 700
Electricity/other energy (50kwh per household per month)	5 564	6 700	6 700	6 700
Refuse (removed at least once a week)	5 683	6 700	6 700	6 700
<u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u>				
Water (6 kilolitres per indigent household per month)	715	906	974	1 047
Sanitation (free sanitation service to indigent households)	1 838	2 147	2 319	2 505
Electricity/other energy (50kwh per indigent household per month)	1 306	1 834	2 088	2 376
Refuse (removed once a week for indigent households)	908	1 157	1 249	1 350
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>	-	-	-	-
Total cost of FBS provided	4 767	6 044	6 630	7 277

Table 83 : Basic Service Delivery agreement

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
<u>Highest level of free service provided per household</u>				
Property rates (R value threshold)	663	713	766	824
Water (kilolitres per household per month)	12	12	12	12
Sanitation (kilolitres per household per month)	12	12	12	12
Sanitation (Rand per household per month)	313	349	377	407
Electricity (kwh per household per month)	50	50	60	50
Refuse (average litres per week)				
<u>Revenue cost of subsidised services provided (R'000)</u>				
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)				
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-
Refuse (in excess of one removal a week for indigent households)	-	-	-	-
Municipal Housing - rental rebates				
Housing - top structure subsidies				
Other				
Total revenue cost of subsidised services provided	-	-	-	-

Table 84 : Basic Service Delivery agreement

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. *Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.*

KFA36 : OVERVIEW OF BUDGET FUNDING

Medium-term outlook: operating revenue

The following table provides a breakdown of operating revenue over the medium-term:

Table 18 (Breakdown of the operating revenue over the medium-term)

The following graph is a breakdown of the operational revenue per main category for the 2019/20 financial year.

Description	2019/20 Medium Term Revenue & Expenditure Framework							
	Current Year 2018/19		Budget Year 2019/20		Budget Year 2020/21		Budget Year 2021/22	
	Adjusted Budget	%	Budget Year 2019/20	%	Budget Year 2020/21	%	Budget Year 2021/22	%
R thousands								
Revenue by Source								
Property rates	184 711	24.30%	196 717	23.51%	209 504	22.99%	223 121	22.42%
Service charges	410 327	53.97%	453 251	54.17%	501 149	54.99%	554 629	55.74%
Transfers and subsidies	121 753	16.02%	133 112	15.91%	144 133	15.82%	157 664	15.85%
Other revenue	43 442	5.71%	53 613	6.41%	56 509	6.20%	59 560	5.99%
Total Revenue (excluding capital transfers and contributions)	760 233	100.00%	836 693	100.00%	911 294	100%	994 973	100%

Table 85 : Operating revenue over the medium term

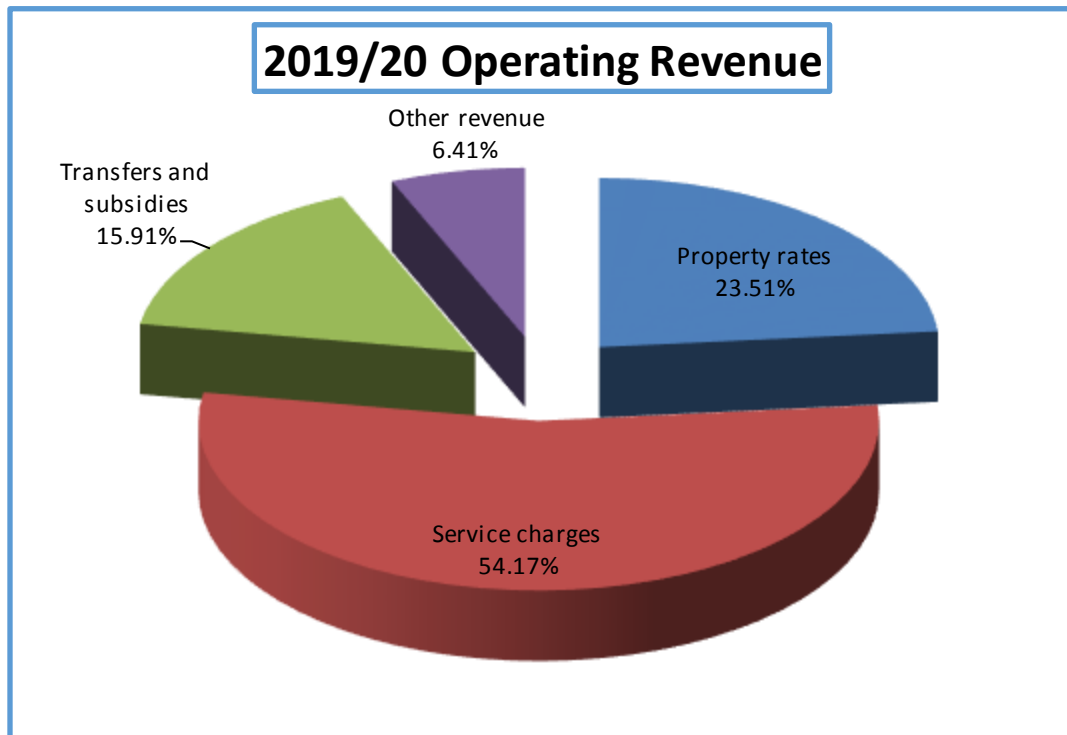


Figure 33 : Breakdown of operating revenue over the 2019/20 MTREF

Tariff determination is important in ensuring appropriate levels of revenue, in order to achieve a credible and funded budget. Operating revenue is mainly derived from service charges, such as water, electricity, sanitation and refuse collection and disposal, property rates and operating grants.

The revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard;

- The Property Rates Policy;
- The level of property rates and tariff increases must ensure financially sustainable service delivery.
- The level of property rates and tariff increases to take into account maintenance and replacement of infrastructure, including the expansion of services;
- Determining fully cost reflective tariffs for trading services;
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Water bulk tariff increases as approved by the Nelson Mandela Bay Metropolitan Municipality;
- Efficient revenue management, targeting a 96% annual collection rate for property rates and service charges.
- Growth in the revenue base.

The aforementioned principles guided the annual increases in property rates and tariffs, charged to the consumer.

Property rates amounts to R 196,717 million in the 2019/20 financial year and increases to R 223,121 million in 2021/22, representing 23.51% of the total operating revenue for the 2019/20 budget.

Services charges relating to electricity, water, sanitation, environmental management and refuse collection constitute the largest component of the revenue base, amounting to R 453,251 million in the 2019/20 financial year and increasing to R 554,629 million in 2021/22. For the 2019/20 financial year, services charges amount to 54.17% of the total revenue base.

Operational grants and subsidies amount to R 133,112 million, R 144,133 million and R 157,664 million for each of the respective financial years of the MTREF, or 15.91% of total operating revenue for 2019/20.

The table below provides investment particulars by type.

Table 19 (SA15 – Detail Investment Information)

Investment type	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousand				
<u>Parent municipality</u>				
Securities - National Government				
Listed Corporate Bonds				
Deposits – Bank	76 236	59 686	46 999	51 972
Deposits - Public Investment Commissioners				
Deposits - Corporation for Public Deposits				
Bankers Acceptance Certificates				
Negotiable Certificates of Deposit – Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements – Banks				
Municipal Bonds				
Municipality sub-total	76 236	59 686	46 999	51 972

<u>Entities</u>				
Securities - National Government				
Listed Corporate Bonds				
Deposits – Bank				
Deposits - Public Investment Commissioners				
Deposits - Corporation for Public Deposits				
Bankers Acceptance Certificates				
Negotiable Certificates of Deposit – Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements – Banks				
Entities sub-total	–	–	–	–
Consolidated total:	76 236	59 686	46 999	51 972

Table 86 : Detail of investment program

Investments are anticipated to decrease from R 59,686 million in 2019/20 to R 51,972 million in 2021/22.

Medium-term outlook: capital revenue

The following table provides a breakdown of the funding components of the 2019/20 medium-term capital programme:

Table 20 (Sources of capital revenue over the MTREF)

Vote Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousand	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
<u>Funded by:</u>				
National Government	166 829	49 052	43 232	43 413
Provincial Government	65			
District Municipality	1 965	2 065	1 965	1 965
Other transfers and grants	–			
Transfers recognised - capital	168 859	51 117	45 197	45 378
Public contributions & donations				
Borrowing				
Internally generated funds	40 656	41 994	36 120	33 835
Total Capital Funding	209 515	93 110	81 317	79 213

Table 87 : Sources of capital over MTREF

The above table is graphically represented as follows for the 2019/20 financial year.

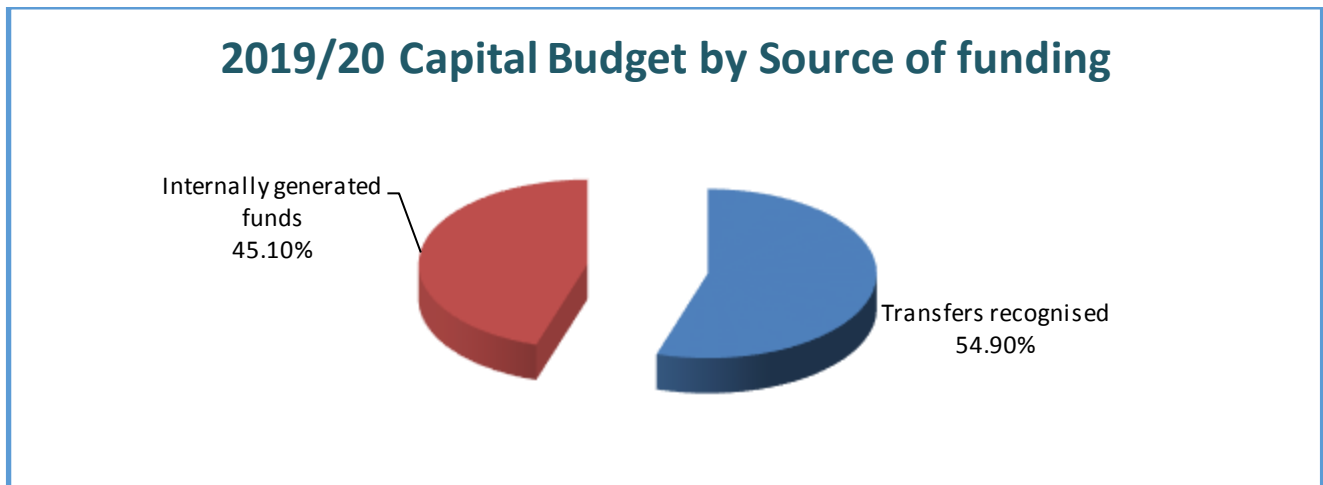


Figure 34 : Sources of Capital Revenue for the 2018/19 financial year

Capital Grants constitute 54.90% of the total funding sources, amounting to R 51,117 million for the 2019/20 financial year and amounting to R 45,379 million or 57.29% in the 2021/22 financial year.

It is to be noted that no borrowing is planned for the 2019/20 MTREF, in view of financial affordability considerations.

The following table provides a detailed analysis of the Municipality's borrowings.

Table 21 (Table SA 17 - Detail of borrowings)

Borrowing - Categorised by type	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousand	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
<u>Parent municipality</u>				
Annuity and Bullet Loans	23 600	15 602	6 640	–
Total Borrowing	23 600	15 602	6 640	–

Table 88 : Detail of borrowings

The following graph illustrates the outstanding borrowing for the 2018/19 to 2020/21 period:

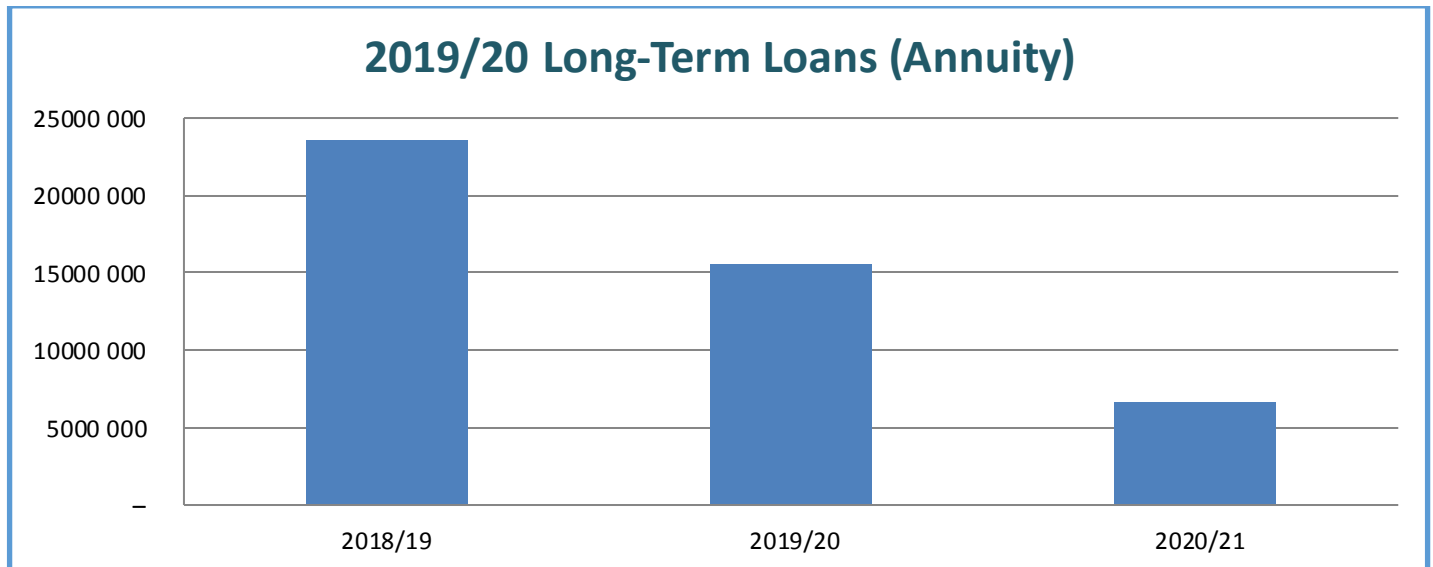


Figure 35 : Growth in outstanding borrowing (long-term liabilities)

The following table indicates the capital transfers and grant receipts:

Table 22 (Table SA 18 - Transfers and grant receipts)

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
RECEIPTS:				
<u>Operating Transfers and Grants</u>				
National Government:	117 493	129 297	140 318	153 849
Local Government Equitable Share	113 151	124 938	136 879	150 293
Finance Management	1 770	1 770	1 770	1 770
EPWP Incentive	1 013	1 000	–	
MIG-Administration Fee	1 559	1 589	1 669	1 786
Provincial Government:	2 050	2 050	2 050	2 050
Sport and Recreation	2 050	2 050	2 050	2 050
District Municipality:	2 210	1 765	1 765	1 765
Local Economic Development	445	–	–	
Environmental Health Subsidy	1 765	1 765	1 765	1 765
Total Operating Transfers and Grants	121 753	133 112	144 133	157 664

<u>Capital Transfers and Grants</u>				
National Government:	191 055	56 098	49 717	49 925
Municipal Infrastructure Grant (MIG)	29 627	36 096	31 717	33 925
Integrated National Electrification Programme	10 200	10 002	7 000	6 000
Water Service Infrastructure Grant	151 228	10 000	11 000	10 000
District Municipality:	1 965	1 965	1 965	1 965
Fire Subsidy	1 965	1 965	1 965	1 965
Total Capital Transfers and Grants	193 020	58 063	51 682	51 891
TOTAL RECEIPTS OF TRANSFERS & GRANTS	314 773	191 175	195 815	209 554

Table 89 : Transfers and grants receipt

KFA37 : CASH FLOW MANAGEMENT

Cash flow management and forecasting is a critical step in determining whether the budget is funded over the medium-term. The table includes some specific features:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government; and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

Table 23 (Table A7 - Budgeted cash flow statement)

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	173 628	188 848	201 123	214 196
Service charges	385 707	435 121	481 104	532 443
Other revenue	27 317	34 799	36 679	38 659
Government - operating	121 753	133 112	144 133	157 664
Government - capital	193 020	58 063	51 682	51 891
Interest	15 678	18 476	19 474	20 526
Dividends	–	–	–	–
Payments				
Suppliers and employees	(705 232)	(783 499)	(856 775)	(923 840)
Finance charges	(3 021)	(2 201)	(1 238)	(672)
Transfers and Grants	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	208 851	82 720	76 182	90 867

CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE		–	–	–
Decrease (increase) in non-current debtors		–	–	–
Decrease (increase) other non-current receivables		–	–	–
Decrease (increase) in non-current investments		–	–	–
Payments				
Capital assets	(209 515)	(93 110)	(81 317)	(79 214)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(209 515)	(93 110)	(81 317)	(79 214)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans		–	–	–
Borrowing long term/refinancing		–	–	–
Increase (decrease) in consumer deposits		–	–	–
Payments				
Repayment of borrowing	(8 944)	(7 999)	(8 962)	(6 128)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(8 944)	(7 999)	(8 962)	(6 128)
NET INCREASE/ (DECREASE) IN CASH HELD	(9 608)	(18 389)	(14 097)	5 525
Cash/cash equivalents at the year begin:	94 315	84 707	66 318	52 221
Cash/cash equivalents at the year end:	84 707	66 318	52 221	57 746

Table 90: Budget cash flow statement

For the 2019/20 MTREF, the cash and cash equivalents over the medium-term is anticipated to decrease from R 66,318 million in 2019/20 million to R 57,746 million in 2021/22.

Table 24 (Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation)

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
R thousand	Adjusted Budget	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
<u>Cash and investments available</u>				
Cash/cash equivalents at the year end	84 707	66 318	52 221	57 746
Other current investments > 90 days	–	–	–	–
Non current assets - Investments	–	–	–	–
Cash and investments available:	84 707	66 318	52 221	57 746
<u>Application of cash and investments</u>				
Unspent conditional transfers	–	–	–	–
Unspent borrowing	–	–	–	–
Statutory requirements	–	–	–	–
Other working capital requirements	58 270	32 227	24 863	17 500

Other provisions	3 083	3 083	3 243	3 418
Long term investments committed	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–
Total Application of cash and investments:	61 353	35 310	28 106	20 918
Surplus(shortfall)	23 355	31 008	24 115	36 828

Table 91 : Cash backed reserves

The underlying purpose of Table A8 is to reflect the predicted cash and investments that are available at the end of a particular budget year and how these funds were used. A surplus would indicate that sufficient cash and investments were available to meet commitments, whilst a shortfall would indicate inadequate cash and investments were available to meet commitments.

The available cash and investments amount to R 66,318 million in the 2019/20 financial year and decreases to R 57,746 million in 2021/22. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) – no unspent grant funding is anticipated over the 2019/20 MTREF.
- There is no unspent borrowing from previous financial years.
- The main purpose of the other working capital requirements is to ensure that sufficient funds are available to meet commitments as and when they fall due. A key challenge is often the mismatch between the timing of receipts from debtors and payments due to employees and creditors. High levels of non-payment by debtors will result in a greater requirement for working capital, ultimately causing cash flow challenges.
- Current provisions relating to environmental clean-ups and rehabilitation of landfill sites have been provided for.

It is concluded that the Municipality's cash backed, and accumulated surpluses reconciliation reflects surpluses of R 31,008 million, R 24,115 million and R 36,828 million for the 2019/20, 2020/21 and 2021/22 financial years, respectively.

It is to be noted that the 2019/20 MTREF is funded, when considering the funding requirements of section 18 and 19 of the MFMA. The cost coverage ratio is, however, 1.1 months, 0.8 months and 0.8 months for the 2019/20, 2020/21 and 2021/22 financial years, respectively.

KFA38 : FUNDING COMPLIANCE MEASUREMENT

National Treasury requires the Municipality to assess its financial sustainability against the different measures outlined below.

Description	MFMA section	Ref	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
			2018/19	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
			Adjusted Budget			
<u>Funding measures</u>	-	-				
Cash/cash equivalents at the year end - R'000	18(1)b	1	84 707	66 318	52 221	57 746
Cash + investments at the yr end less applications - R'000	18(1)b	2	26 211	31 008	24 115	36 828
Cash year end/monthly employee/supplier payments	18(1)b	3	1.4	1.1	0.8	0.8
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	133 493	(2 381)	(18 753)	(12 179)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	(2.8%)	3.2%	3.3%	3.4%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	93.1%	95.0%	95.1%	95.1%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	6.1%	4.1%	4.1%	4.0%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10	100.0%	100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	(0.7%)	36.82%	10.1%	10.0%
Long term receivables % change - incr(decr)	18(1)a	12	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	2.0%	2.1%	1.9%	2.1%
Asset renewal % of capital budget	20(1)(vi)	14	5.1%	8.88%	9.68%	9.77%

Table 92 : Funding measurements

Below is a discussion of the different measures.

Cash/cash equivalent position

The forecasted cash and cash equivalents for the 2019/20 MTREF amounts to R 66,318 million, R 52,221 million and R 57,746 million for the respective financial years.

Cash plus investments less application of funds

For the 2019/20, 2020/21 and 2021/22 budgets, the available cash and investments exceed the application of funds by an amount of R 31,008 million, R 24,115 million and R 36,828 million respectively.

Monthly average payments covered by cash or cash equivalents

As part of the 2019/20 MTREF, the projected cash position causes the ratio to decrease from 1.1 months to 0.8 months.

Surplus/deficit excluding depreciation offsets

For the 2019/20 MTREF the indicative outcome is a deficit of R 2,381 million, R 18,753 million and R 12,179 million respectively. This is made up as follows:

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year	Budget Year	Budget Year
	Adjusted Budget	2019/20	2020/21	2021/22
R thousands				
Surplus/(Deficit)	(59 527)	(60 444)	(70 435)	(64 070)
Transfers and subsidies - capital	193 020	58 063	51 682	51 891
Total	133 493	(2 381)	(18 753)	(12 79)

Table 93 : Surplus/deficit

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective, and therefore the first two measures in the table are critical.

Property Rates/service charge revenue as a percentage increase less macro inflation target

This is calculated by deducting the maximum macro-economic inflation target (which is currently 5.2 %), so as to determine the real increase in revenue. The percentage growth totals 3.2%, 3.3% and 3.4% for the respective financial years of the 2019/20 MTREF.

Cash receipts as a percentage of ratepayer and other revenue

The outcome is approximately 95.0% for each of the respective financial years of the 2019/20 MTREF.

Debt impairment expense as a percentage of billable revenue

The provision has been set at 4% over the MTREF, in line with the revenue collection trends.

Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into account in forecasting the cash position.

Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

No borrowing has been planned for the 2019/20 MTREF.

Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. All transfers are included in the budget.

Repairs and maintenance expenditure level

The expenditure constitutes 2.1%, 1.9% and 2.1% of Property, Plant and Equipment respectively, over the 2019/20 MTREF, whilst National Treasury has suggested an 8% level.

KFA39 : EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

GRANTS RECEIVED

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
RECEIPTS:				
<u>Operating Transfers and Grants</u>				
National Government:	117 493	129 297	140 318	153 849
Local Government Equitable Share	113 151	124 938	136 879	150 293
Finance Management	1 770	1 770	1 770	1 770
EPWP Incentive	1 013	1 000	–	
MIG-Administration Fee	1 559	1 589	1 669	1 786
Provincial Government:	2 050	2 050	2 050	2 050
Sport and Recreation	2 050	2 050	2 050	2 050
District Municipality:	2 210	1 765	1 765	1 765
Local Economic Development	445	–	–	
Environmental Health Subsidy	1 765	1 765	1 765	1 765
Total Operating Transfers and Grants	121 753	133 112	144 133	157 664
<u>Capital Transfers and Grants</u>				
National Government:	191 055	56 098	49 717	49 925
Municipal Infrastructure Grant (MIG)	29 627	36 096	31 717	33 925
Integrated National Electrification Programme	10 200	10 002	7 000	6 000
Water Service Infrastructure Grant	151 228	10 000	11 000	10 000
District Municipality:	1 965	1 965	1 965	1 965
Fire Subsidy	1 965	1 965	1 965	1 965
Total Capital Transfers and Grants	193 020	58 063	51 682	51 891
TOTAL RECEIPTS OF TRANSFERS & GRANTS	314 773	191 175	195 815	209 554

Table 94 : Grants

GRANTS EXPENDITURE

GRANTS RECONCILIATION

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
R thousands				
EXPENDITURE:				
<u>Operating expenditure of Transfers and Grants</u>				
National Government:	117 493	129 297	140 318	153 849
Local Government Equitable Share	113 151	124 938	136 879	150 293
Finance Management	1 770	1 770	1 770	1 770
EPWP Incentive	1 013	1 000	–	
MIG-Administration Fee	1 559	1 589	1 669	1 786
Provincial Government:	2 050	2 050	2 050	2 050
Sport and Recreation	2 050	2 050	2 050	2 050
District Municipality:	2 210	1 765	1 765	1 765
Local Economic Development	445	–	–	
Environmental Health Subsidy	1 765	1 765	1 765	1 765
Total operating expenditure of Transfers and Grants:	121 753	133 112	144 133	157 664
<u>Capital expenditure of Transfers and Grants</u>				
National Government:	191 055	56 098	49 717	49 925
Municipal Infrastructure Grant (MIG)	29 627	36 096	31 717	33 925
Integrated National Electrification Programme	10 200	10 002	7 000	6 000
Water Service Infrastructure Grant	151 228	10 000	11 000	10 000
District Municipality:	1 965	1 965	1 965	1 965
Fire Subsidy	1 965	1 965	1 965	1 965
Total capital expenditure of Transfers and Grants	193 020	58 063	51 682	51 891
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	314 773	191 175	195 815	209 554

Table 95 : Grants and allocations

ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

The table below reflects the grants and allocations made by the Municipality. It includes grants-in-aid made in accordance with the Municipality's grants-in-aid policy and transfers to entities and other organisations to primarily support their operational expenditure.

Description	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year	Budget Year	Budget Year
R thousand	Adjusted Budget	2019/20	2020/21	2021/22
<u>Cash Transfers to Entities/Other External Mechanisms</u>				
Various Organisations	2 999 407	4 000 000	4 500 000	5 000 000
Total Cash Transfers To Entities/Ems'	2 999 407	4 000 000	4 500 000	5 000 000
TOTAL CASH TRANSFERS AND GRANTS	2 999 407	4 000 000	4 500 000	5 000 000
TOTAL TRANSFERS AND GRANTS	2 999 407	4 000 000	4 500 000	5 000 000

Table 96 : Allocation and grants made by the municipality

COUNCILLORS AND EMPLOYEE BENEFITS

DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS

Summary of Employee and Councillor remuneration	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	2018/19	Budget Year	Budget Year	Budget Year
R thousand	Adjusted Budget	2019/20	2020/21	2021/22
<u>Councillors (Political Office Bearers plus Other)</u>				
Basic Salaries and Wages	8 247	8 800	9 385	10 009
Motor Vehicle Allowance	2 708	2 889	3 081	3 286
Cell phone Allowance	1 288	1 374	1 465	1 563
Sub Total - Councillors	12 243	13 063	13 932	14 858
<u>Senior Managers of the Municipality</u>				
Basic Salaries and Wages	4 769	4 923	5 252	5 604
Other benefits and allowances	3 179	3 282	3 502	3 736
Sub Total - Senior Managers of Municipality	7 948	8 204	8 754	9 340
<u>Other Municipal Staff</u>				
Basic Salaries and Wages	161 691	173 244	184 760	197 042
Pension and UIF Contributions	28 152	29 339	31 290	33 370
Medical Aid Contributions	14 279	15 119	16 125	17 197
Overtime	27 829	32 833	35 016	37 345
Motor Vehicle Allowance	8 085	7 551	8 053	8 589
Housing Allowances	930	992	1 058	1 129
Other benefits and allowances	20 704	22 256	23 736	25 315

Payments in lieu of leave	1 481	–	–	–
Long service awards	1 571	1 403	1 496	1 596
Sub Total - Other Municipal Staff	264 725	282 737	301 535	321 583
Total Parent Municipality	284 915	304 005	324 221	345 781
TOTAL SALARY, ALLOWANCES & BENEFITS	284 915	304 005	324 221	345 781
TOTAL MANAGERS AND STAFF	272 673	290 942	310 289	330 924

Table 97 : Disclosures, allowances and benefits

DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS

Disclosure of Salaries, Allowances & Benefits	Salary	Allowances	Total Package
Rand per annum			
<u>Councillors</u>			
Speaker	550 232	230 785	781 017
Chief Whip			
Executive Mayor	687 792	276 638	964 430
Deputy Executive Mayor			
Executive Committee	2 579 218	1 096 613	3 675 831
Total for all other councillors	4 850 191	2,791,503	7,641,694
Total Councillors	8,667,433	4,395,539	13,062,972
<u>Senior Managers of the Municipality</u>			
Municipal Manager (MM)	941 494	627 663	1 569 157
Chief Finance Officer	888 968	592 645	1 481 614
Director Infrastructure and Engineering	773 016	515 344	1 288 360
Director Corporate Services	773 016	515 344	1 288 360
Director Community Services	773 016	515 344	1 288 360
Director Planning, Development and Tourism	773 016	515 344	1 288 360
Total Senior Managers of the Municipality	4 922 526	3 281 684	8 204 210
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	13 589 959	7 677 223	21 267 182

Table 98 : Disclosures, allowances and benefits

MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

MONTHLY CASH FLOWS		Budget Year 2019/20											
R thousand	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Budget Year 2019/20
<u>Cash Receipts by Source</u>													
Property rates	10 355	40 872	25 932	17 549	12 848	12 771	12 363	11 216	11 216	10 466	10 117	13 143	188 848
Service charges - electricity revenue	21 489	23 186	24 790	24 614	18 236	21 947	21 688	22 085	22 085	20 958	20 150	24 755	265 985
Service charges - water revenue	5 330	5 450	6 083	6 789	5 920	6 281	6 085	7 331	7 331	2 978	5 713	7 768	73 061
Service charges - sanitation revenue	3 736	3 719	3 884	3 816	3 488	3 603	3 780	3 730	3 730	3 510	3 428	4 067	44 492
Service charges - refuse revenue	3 944	3 304	3 818	4 031	3 766	3 937	4 128	4 109	4 109	8 418	3 810	4 209	51 583
Service charges - other												-	
Rental of facilities and equipment	234	295	294	296	269	296	293	246	264	265	228	1 057	4 037
Interest earned - external investments	668	842	840	843	767	843	836	703	752	755	650	1 876	10 375
Interest earned - outstanding debtors	666	-	321	815	783	767	766	714	392	705	726	1 448	8 102
Dividends received												-	
Fines, penalties and forfeits	228	688	214	246	504	289	409	369	345	232	564	2 310	6 397
Licences and permits	783	2 360	734	842	1 729	992	1 404	1 266	1 184		1 936	2 543	16 568
Agency services												-	
Transfer receipts - operational	53 829		-		1 424	44 099			32 381	-	-		133 112
Other revenue	298	899	280	321	659	378	535	482	451	303	738	2 454	7 797
Cash Receipts by Source	101 560	81 917	67 189	60 163	50 394	96 206	52 998	52 615	84 240	49 384	48 060	65 631	810 356
Other Cash Flows by Source													

Transfer receipts - capital	33 210	–	–	3 457	4 000	3 457	–	–	13 938			–	58 063
Total Cash Receipts by Source	134 770	81 917	67 189	63 620	54 394	99 663	52 998	52 615	98 179	49 384	48 060	65 631	868 420

Table 99 : Monthly targets for revenue, expenditure and cash flow

MONTHLY CASH FLOWS													Budget Year 2019/20	
R thousand	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Budget Year 2019/20	
<u>Cash Payments by Type</u>														
Employee related costs	22 649	22 579	22 467	22 855	35 910	23 500	25 306	24 172	22 706	23 559	23 351	21 888	290 942	
Remuneration of councillors	873	873	931	839	839	839	1 563	1 255	1 255	1 251	1 281	1 266	13 063	
Finance charges	203	163	184	200	184	175	196	167	167	181	220	159	2 201	
Bulk purchases - Electricity	98	29 394	28 393	22 667	17 739	18 420	19 189	19 919	19 919	16 839	18 453	21 323	232 353	
Bulk purchases - Water & Sewer	2 423	3 128	3 227	2 787	3 519	3 380	2 931	4 867	4 867	2 549	1 748	3 844	39 270	
Other materials	3 884	1 000	2 774	2 751	2 089	3 383	992	2 380	2 817	338	3 416	3 797	29 621	
Contracted services	8 481	2 183	6 056	6 005	4 561	7 387	2 167	5 197	6 149	739	7 458	24 431	80 814	
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	
Transfers and grants - other	–	–	–	–	–	–	–	–	–	–	–	–	–	
Other expenditure	12 647	3 255	9 031	8 956	6 801	11 016	3 231	7 750	9 170	1 102	11 122	13 355	97 436	
Cash Payments by Type	51 258	62 576	73 063	67 059	71 642	68 101	55 576	65 706	67 050	46 559	67 049	90 062	785 700	
<u>Other Cash Flows/Payments by Type</u>														
Capital assets	–	63	611	1 560	18 735	2 510	5 245	8 565	1 854	17 478	15 615	20 875	93 110	
Repayment of borrowing	624	706	663	629	661	680	635	698	698	668	584	752	7 999	
Other Cash Flows/Payments												–		
Total Cash Payments by Type	51 882	63 344	74 337	69 247	91 039	71 290	61 456	74 969	69 602	64 705	83 248	111 690	886 809	

NET INCREASE/(DECREASE) IN CASH HELD	82 888	18 573	(7 148)	(5 627)	(36 645)	28 373	(8 458)	(22 354)	28 576	(15 320)	(35 188)	(46 059)	(18 389)
Cash/cash equivalents at the month/year begin:	84 707	167 595	186 168	179 021	173 394	136 749	165 121	156 663	134 309	162 885	147 565	112 377	84 707
Cash/cash equivalents at the month/year end:	167 595	186 168	179 021	173 394	136 749	165 121	156 663	134 309	162 885	147 565	112 377	66 318	66 318

Table 100 : Monthly targets for revenue, expenditure and cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20			
	R thousand	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
<u>Cash Receipts by Source</u>				
Property rates		188 848	201 123	214 196
Service charges - electricity revenue		265 985	300 749	340 057
Service charges - water revenue		73 061	78 540	84 431
Service charges - sanitation revenue		44 492	47 607	50 939
Service charges - refuse revenue		51 583	54 207	57 016
Service charges – other				
Rental of facilities and equipment		4 037	4 255	4 484
Interest earned - external investments		10 375	10 935	11 526
Interest earned - outstanding debtors		8 102	8 539	9 000
Dividends received				
Fines, penalties and forfeits		6 397	6 743	7 107
Licences and permits		16 568	17 463	18 406
Agency services				
Transfer receipts – operational		133 112	144 133	157 664
Other revenue		7 797	8 218	8 662
Cash Receipts by Source		810 356	882 513	963 488
Other Cash Flows by Source				
Transfer receipts – capital		58 063	51 682	51 891
Total Cash Receipts by Source		868 420	934 195	1 015 379

Table 101 : Monthly targets for revenue, expenditure and cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20			
	R thousand	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
<u>Cash Payments by Type</u>				
Employee related costs	290 942	310 289	330 924	
Remuneration of councillors	13 063	13 932	14 858	
Finance charges	2 201	1 238	672	
Bulk purchases – Electricity	232 353	268 670	310 663	
Bulk purchases - Water & Sewer	39 270	42 216	45 382	
Other materials	29 621	31 307	33 094	
Contracted services	80 814	88 766	83 163	
Transfers and grants - other municipalities				
Transfers and grants – other				
Other expenditure	97 436	101 595	105 758	
Cash Payments by Type	785 700	858 013	924 512	
Other Cash Flows/Payments by Type				
Capital assets	93 110	81 317	79 214	
Repayment of borrowing	7 999	8 962	6 128	
Other Cash Flows/Payments				
Total Cash Payments by Type	886 809	948 292	1 009 854	
NET INCREASE/(DECREASE) IN CASH HELD	(18 389)	(14 097)	5 525	
Cash/cash equivalents at the month/year begin:	84 707	66 318	52 221	
Cash/cash equivalents at the month/year end:	66 318	52 221	57 746	

Table 102 : Monthly targets for revenue, expenditure and cash flow

KFA40: PROPERTY VALUATION AND PROPERTY MANAGEMENT

PROPERTY VALUATIONS

The municipality's general valuation roll is being managed in accordance with the Municipal Property Rates Act (MPRA). A project plan was adopted to guide the general valuation process.

The General Valuation roll was received on 31 January 2018 from DDP Valuers. The required Section 49 notice was published for public inspection of the valuation roll.

The value of the current valuation roll is R26,936,500,845, whilst the total value of the new 2018 roll is R27,347,788,250, which constitutes an increase of 1.53%. The roll will be implemented from 1 July 2018 to 30 June 2023 in accordance with the 5-year period as prescribed in the Municipal Property Rates Act. The objection period has expired on 30 April 2018 and the total number of objections received was 320.

PROPERTY MANAGEMENT

The Kouga Municipal Asset Management has formed an integral part of Finance Management Plan by maintaining a creditable and GRAP compliant Financial Asset Register (FAR). During the financial year 2016/17 the Municipality appointed A2A Kopano a qualified service provider with a track record in providing Asset Management Support Services.

The following key tasks have been set out in the request for project:

- GAP Analysis and Project Management;
- Immoveable Properties - (Completeness & Classification)
- Movable Assets - Verification & System Update
- Infrastructure - Alignment of existing Spatial & FAR Information
- Infrastructure - Conditional Assessment and review of Roads Completeness and Work in Progress
- Reclassification / Policy Correction / EUL's / RUL's / Residuals / Restatements / Accounting / Additions / Disposals / Reconciliations
- Audit Support

KFA41: INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) STRATEGY

The standardisation of Microsoft within the KLM will enhance the ICT environment with immediate effect, as it constantly develops new products to not only meet current requirements but create new methods of achieving goals. Furthermore, skills for programming, maintenance and support for Microsoft are readily available and taught by most of tertiary institutions.

The following areas (functionalities) within ICT will be given priority in terms of the development, upgrading and ongoing monitoring of its systems and services rendered.

- Procuring internet equipment management tools to control and manage access to the Internet.
- Upgrading the wireless backbone.
- Upgrading e-mail archiving.
- Replacing the e-mail filtering device.
- Procuring network access security devices.
- Consolidating all ICT services.

The ICT focus will remain on strengthening the ICT governance framework, including paying attention to protecting the institution's ICT network in the face of growing and sophisticated security threats, extending the reach of ICT services offered by the Municipality to communities to better enhance access to municipal services and, in the process, building on continuing efforts to bridge the digital divide and lay the foundation for a knowledge economy in the Kouga area. The need for an updated coherent, comprehensive Information and Communications Technology (ICT) Strategy for the Municipality is self-evident. To be meaningful, the ICT Strategy must be updated, aligned to the vision of the municipal leadership and provide the documentary framework within which the information systems infrastructure of the Municipality is developed and expanded to meet the demand for facilities and information.

The strategic objectives of ICT Management are therefore as follows:

- Aligning information systems to support the Municipality's business objectives.
- Providing the Municipality with quality information and/or knowledge to support and enhance decision making, collaboration and information sharing.
- Providing the abovementioned through integrated information management, communications and systems technology.
- Improving the service delivery of the Information Communication Technology Section.
- Providing strategic direction and high-level technology architecture designs to the ICT Section.
- Catering for electronic public access to municipal accounts and other relevant information via the Internet.

- **Websites**

The municipal website, which can be found at 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 the public and other interested parties. This information includes 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 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 as wide a reach as possible. Other information placed on the website includes municipal contact numbers, events and media releases. Application and registration forms can also be downloaded from the website.

The web site also hosts an integrated portal where ratepayers can access their account information once registered on the billing system to ensure that we reach local and international property owners in the Kouga area.

- **ICT Services**

The department are in the process of installing wireless access points at all administrative municipal buildings in order to support the paper less technology solution as a cost cutting measure. This will enable councillors to have wireless internet connection to access the electronically formatted agendas for various council meetings. The municipal intranet will be utilized as a security mechanism. The municipality currently utilises radio network devices to link all satellite municipal buildings to the Jeffreys Bay administrative unit. All voice / telephone services and internet & email communication channels travel via the radio links to the main frame network which is in Jeffreys Bay. This allows the municipal staff to make and receive calls at no cost between municipal buildings.

The following Key ICT policies and strategic documents are in the process of council approval, implementation to follow as to strengthen ICT Governance in the municipal ICT environment:

- Corporate Governance of ICT Policy
- ICT Disaster Recovery Policy

The department are currently understaffed, a process was started to fill the critical vacant positions within the department to support the business.

KFA42: REVENUE STRATEGIES

The municipality's revenue strategy is built around the following components:

- National Treasury's guidelines and macro-economic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which strives to ensure a 96% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Regulator of South Africa (NERSA);
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act no 6 of 2004)
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality.

The municipality's aim is not to exceed inflation in its annual tariff adjustments, but the following factors hamper such goal and are often beyond the control of the municipality:

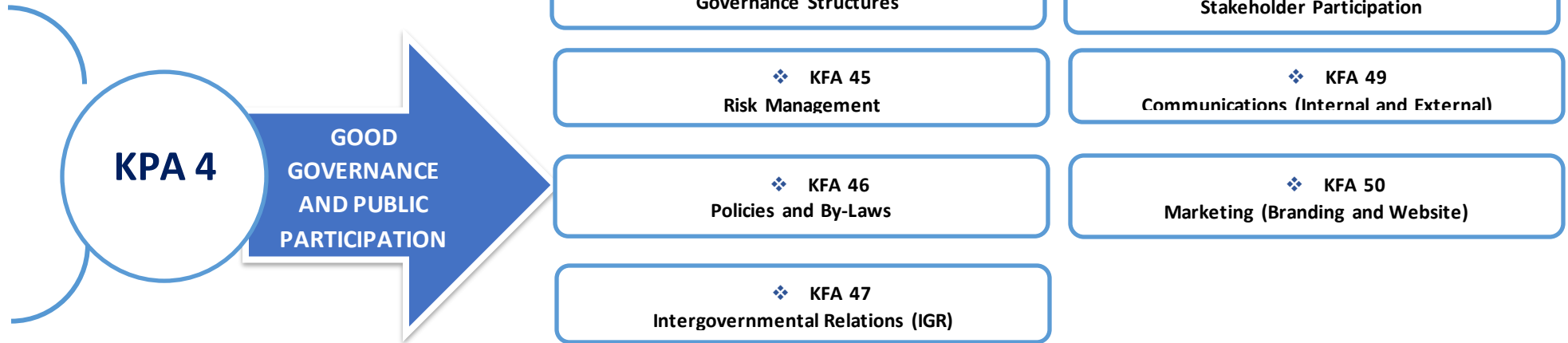
- The new general valuation
- ESKOM electricity increases
- Bulk water purchases and
- National collective agreements on salary increases.

KFA43: SUPPLY CHAIN MANAGEMENT

The municipality has established a Supply Chain Management Unit. The municipality has also established the required Bid Committees, being the Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee. These structures are responsible for ensuring that the Municipality's procurement processes comply with the Supply Chain Management Regulations and Supply Chain Management Policy.

The municipality has also established a Project Management Unit to inter alia, deal with the management of Infrastructure related projects.

2.10.4



KFA44: GOVERNANCE STRUCTURES

The governance structure of Kouga Municipality is informed by the Municipal Structures Act, No. 117 of 1998, which stipulates the roles and responsibilities that each structure within the municipality should perform.

POLITICAL STRUCTURE

Section 53 of the Municipal Systems Act, (Act 32 of 2000) stipulates inter alia that the respective roles and areas of responsibility of each political office bearer of the municipality and of the city manager must be defined.

SPEAKER AND COUNCIL

The Council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor and Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, councillors are also actively involved in community work and the various social programmes in the municipal area.

The Council comprise of 29 elected councillors, made up of 15 Ward Councillors and 14 Proportional Representation (PR) councillors, as per the tables below:

❖ Ward Councillors

NAME OF COUNCILLOR	POLITICAL PARTY	WARD/PR
Amos Ma bukane	ANC	Ward 10
Ben Rheeder	DA	Ward 12
Brenton Williams	DA	PR
Bryan Dhludhlu	DA	PR
Cynthia August	DA	PR
Cynthia Matroos	ANC	PR
Danny Benson	DA	PR
Eldridge February	ANC	Ward 7
Frances Baxter	DA	PR
Francois Louw	DA	PR
Freddy Campher	DA	Ward 4
Hatting Bornman	DA	Ward 11
Horatio Hendricks	DA	Ward 15
Ludwig Vorster	DA	Ward 8
Magareth Peters	ANC	Ward 13
Malibongwe Dayimani	ANC	PR
Mnyamelezi Nkomo	DA	PR
Nico Botha	DA	PR
Phumza Nkwalase	ANC	PR
Robin Jantjies	DA	PR
Sibongile Jujwana	ANC	Ward 9
Sindiswa Mandeka	ANC	Ward 14
Timothy Janjies	DA	PR
Timothy Meleni	ANC	Ward 2
Velile Vumazonke	ANC	Ward 6
Virginia Camealio-Benjamin	ANC	PR
Willem Gertenbach	DA	Ward 3
Wilma Coenraad	DA	Ward 5
Zolani Mayoni	ANC	Ward 1

Table 102 : Ward Councillors

EXECUTIVE MAYOR AND THE MAYORAL COMMITTEE

The Executive Mayor of the municipality, Clr Horatio Hendricks, assisted by the Mayoral Committee heads the executive arm of the Council. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs of the municipality. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the municipality, the Executive Mayor operates in concert with the Mayoral Committee.

ADDITIONAL COMMITTEES

In addition to the above structures, the municipality has various other committees. These include:

Type	Name of Committee
Appeals Committees	<ul style="list-style-type: none"> ▪ Section 62 Appeal Committee
Section 79 Committees	<ul style="list-style-type: none"> ▪ Municipal PublicAccounts Committee (MPAC)
Section 80 Committees	<ul style="list-style-type: none"> ▪ Corporate Services Portfolio Committee ▪ Planning, Development and LED Portfolio Committee ▪ Engineering and Infrastructure Portfolio Committee ▪ Community Services Portfolio Committee ▪ Finance Portfolio Committee
Oversight Committee	<ul style="list-style-type: none"> ▪ Audit Committee (Sec 166 MFMA) ▪ Risk and Fraud Committee ▪ Disciplinary Board
Labour Committees	<ul style="list-style-type: none"> ▪ Local Labour Forum ▪ Training Committee ▪ Employment Equity Committee ▪ Disciplinary Committee ▪ Skills Development Committee
Other	<ul style="list-style-type: none"> ▪ Ward Committees ▪ Revenue Enhancement Committee ▪ Rules & Ethics Committee ▪ Bid Committees ▪ Events Committee ▪ Municipal Planning Tribunal ▪ ICT Steering Committee ▪ Environmental Committee: ▪ Disaster Management Committee: ▪ Bad Debts Committee: ▪ Inter-governmental Relations Committee: ▪ Ward Councillors Committee: ▪ Performance Management Committee: ▪ Budget & IDP Steering Committee ▪ Budget & IDP Implementation Committee: ▪ IDP Representative Forum ▪ Moral Regeneration Movement: ▪ CDW Round Table Committee ▪ Kouga Roads Forum Committee: ▪ Housing Committees Ward based ▪ Seekoei Estuary Breaching Committee

Table 103 : Additional committees

The Kouga Municipality is a Category B Municipality with a Mayoral Executive System combined with a Ward Participatory System. The Kouga Municipality is currently a Grade 5 municipality, however there has been an indication the grading of the municipality will be reviewed. T

➤ **IDP Public Participation**

The IDP is about determining stakeholder and community needs and priorities which need to be addressed in order to contribute to the improvement of the quality of life of residents within the municipal area. Various stakeholders and sectors were involved during the draft IDP development process and this process comprised of 23 ward meetings, 2 IDP Sector Department engagements, 3 Consultative District Coordinators Meetings was held as well as 2 IDP Representative Forum Meetings.

❖ **Ward Committees**

❖ **War Rooms**

There are currently no functional war rooms in this municipality. The Council did not approve war rooms.

❖ **CDW's**

The Kouga Municipality has 7 Community Development Workers and they are a very important link between the Ward Councilor and the community. Some areas have been without CDW's for several years and COGTA should be engaged to critically look at appointing CDW's in those affected Wards. The CDW plays an important role in effective communication, information gathering and dissemination, and referring issues from grass roots level to relevant spheres of government.

❖ **Petition Management**

Kouga Municipality established a Petitions Committee to deal with petitions submitted to ensure that concerns and complaints lodged by Communities and stakeholders are being addressed and that actions implemented have the necessary oversight, thus to ensure that the matters raised are attended to. The Terms of Reference for the Petitions Committee was adopted by Council.

The members of the Petitions Committee are as follows:

- | | |
|-------------------------------|-------------|
| ● Speaker | Chairperson |
| ● Ward Councilor | Member |
| ● Director Corporate Services | Member |
| ● Director Finance | Member |
| ● Director I&E | Member |
| ● Director PD & Tourism | Member |
| ● Director Community Services | Member |

Achievements

- There is a good relationship between Ward Councilors and CDW's
- The timely submission of Ward Committee monthly reports and action sheets.
- Resolving of Petitions.

Challenges

- Training programs for Ward committees; and
- Reviewing of the MOU

Composition of Public Participation Units

The council comprises of 29 Councilors made up of 15 Ward Councilors and 14 Proportional Representative Councilors. 15 Ward Committees has been established and is fully functional and greatly assist in the community participation process.

In terms of Policy Provisions Ward Committees are required to arrange meetings in liaison with the Ward Councillor and to take Minutes at the meetings. Members of Ward Committees must be skilled in certain administrative procedures, such as minute taking, to reduce the burden on the administration department. It is thus a necessity to capacitate members of Ward Committees. All Ward Councilors are supported by a Ward Assistant to coordinate all the activities in the ward. The status of the functionality of Ward Committees of this municipality is that it is fully operational. During the process of ward committee reporting, items are submitted through standing committees to the Council.

Ward committee meetings are held monthly. The office of the Speaker is presented with a Ward Committee report every month from all the wards including attendance register which is used as proof that the Ward Committee meeting was held, and it also serves as proof of evidence to pay stipends. All the Ward Committees are submitting their reports every month although there are still challenges in report writing. Regarding the latter, 3 officials have been nominated to assist the Ward Councillors with compiling Agendas and to take the Minutes of the meeting. The officials are also responsible for actioning resolutions. Resolutions of a technical nature, e.g. water leaks, are escalated to the Call Centre where the relevant workers are dispatched to deal with the complaint. Other issues are escalated to the Directors of the relevant Directorates.

Ward Based Operational Plans

Ward Based Planning forms the basis for contributions by Wards and Ward Committees to the IDP. This is further augmented by public participation programs and outreach programs that form part of the Budget and IDP processes to ensure that the general community is not excluded from the planning processes. Where Ward Committees choose to raise IDP and/or planning related matters outside the Ward Based Planning and/or public participation processes, such matters are dealt with in the minutes of the Ward Committee Meeting by referring such matters to the IDP Section for capturing. Relationships between the Ward Committees and Council are cordial in all instances even though some Ward Committees expressed concerns that matters raised by the Committees are not receiving the attention it requires. To ensure that all matters raised by Ward Committees are considered by Council all Minutes of the Ward Committee meetings are submitted to Council.

COUNCIL SUPPORT SERVICES

The Directorate Corporate Services provides administrative support to Council and its Committees through the preparation and collation of agendas, the distribution of agendas, providing/securing venues, the provision of refreshments at meetings as required, taking and distribution of minutes and oversight over the execution of resolutions taken by Council and its Committees. In order to ensure administrative effectiveness, the execution of Council Resolutions is controlled by means of action sheets and a Standard Operational Procedure for the Execution of Council Resolutions.

The execution of resolutions is reported to Council and its Committees as a matter of course. Risk Reduction Committee was established in January 2019 and will be rolled out to all other Kouga areas. The Risk Reduction Committee conducted 2 meetings for the 2018/19 year.

The execution of resolutions is reported to Council and its Committees as a matter of course. The following Committees have been established and the meeting frequency is also indicated:

MEETING CATEGORY	NO. OF MEETINGS
Council Meetings	16
Mayoral Committee	8
Maycom/Excom Meetings	10
Portfolio Meetings	26
MPAC Meetings	15
Kouga Audit Committee Meetings	5
Local Labour Forum Meetings	11
Municipal Land Committee	5
Ward Committee Meeting	171 (15 wards)
Bid Specification Committee Meeting	20
Bid Evaluation Committee Meeting	37
Bid Adjudication Committee Meeting	16
Loud-hailing	123
Policy Workshops	8
Rule & Ethics Committee	8
Budget Steering Committee	4
Meetings with Cogta	2
IGR	2
Ad Hoc Committee Meetings	55
BIGM	2
TOTAL	572

Table 104 : Additional committees

An integral part of the paperless solution is that Agendas for Council and Committee meetings will not be printed as far as practically possible. It was thus necessary to provide the Councillors with the necessary tools of trade. Each Councillor was furnished with a laptop and a portable modem and data as they will receive the Agenda in an electronic format and would therefore need data to download it. The paperless system is phased in. Currently the Councillors receive Agendas in electronic format as well as a printed version. They are also receiving comprehensive computer training on an on-going basis.

ADMINISTRATION

The Administration Directorate (Corporate Services) consists of the following sections that render general administrative support services to Council and the Administrative component of Kouga Municipality:

Administration

- Records Management
- Council and Committee support services
- Policy development
- By-Law development

Auxiliary Services

- Office Accommodation
- Telephones and office equipment
- Refreshments and catering

Human Resources

- Human Resources Administration
- Labour Relations
- Recruitment and Selection
- Staff Structure

Employment Equity and Skills Development

- Employment Equity
- Skills Development

Legal Services

- Ensuring legal compliance
- Legal guidance and advice to Council and Administration
- Review and compilation of the Municipal Code
- Mitigate legal risks
- Contract Management

The Kouga Main Municipal Office building is situated in Jeffreys Bay and this Office currently accommodates the Office of the Executive Mayor, The Office of the Municipal Manager, the Directorate Administration, Monitoring and Evaluations and the Directorate Finance. The Directorate Planning, Development and Local Economic Development as well as the Directorate Infrastructure and Engineering is situated at a satellite office in Jeffreys Bay. Whereas Kouga Municipality consists of the towns of Thornhill, Loerie, Hankey and Patensie in the Gamtoos Valley inland area, Humansdorp inland and Oyster Bay, Cape St Francis, St Francis Bay and Jeffreys Bay in the coastal area was it necessary to provide administrative support in the areas outside the main administrative areas of Humansdorp and Jeffreys Bay to ensure that communities have easy access to services.

The following services are provided in towns as indicated:

Thornhill

- Payment/general enquiries Office
- Library

Loerie

- Payment/general enquiries Office
- Library
- Satellite Community Services Depot

Hankey

- Payment/general enquiries Office
- Library
- Traffic Licencing Centre
- Satellite Fire Station
- Satellite Community Services Depot
- Satellite Technical Service Depot
- Municipal Help Desk

Patensie

- Payment/general enquiries Office
- Library
- Satellite Community Services Depot
- Satellite Technical Services Depot

St Francis Bay

- Payment/general enquiries Office
- Satellite Fire Station
- Satellite Community Services Depot
- Satellite Technical Service Depot
- Satellite building plan Office
- Municipal Help Desk

Oyster Bay

- General Enquiries Office
- Satellite Fire Station (Project for the establishment of a satellite fire station has been terminated as the contractor has abandoned the project.)

Cape St Francis

- Serviced by St Francis Bay (Approximately 4 km away)

Humansdorp

- Payment/general enquires Office

- Main Office for Community Services
- Main Office for Technical Services
- Main Traffic services Offices
- Vehicle testing station
- Main Fire and Rescue Services Office
- Library
- Municipal Help Desk
- Fire Station (Head Quarters)

Jeffreys Bay

- Seat of Council
- Main Finance Office
- Supply Chain Management Unit
- Stores
- Administration
- Human Resources
- Local Economic Development
- Main Technical Services Depot
- Social Services Depart
- Library
- Customer Call Centre
- Satellite Fire Station

No specific challenges with the locality of units have been identified other than limited control over staff in the outlying areas. The matter of establishing first response satellite Fire Station is continually receiving attention but is subject to the availability of funding for the establishment of such satellite stations and the operational expenditure in running the stations. Institutional cohesion is promoted through combined management meetings where senior staff is encouraged to form part of the management decision making processes to ensure participants show ownership of all programs and projects.

Kouga Local Municipality

Risk graph

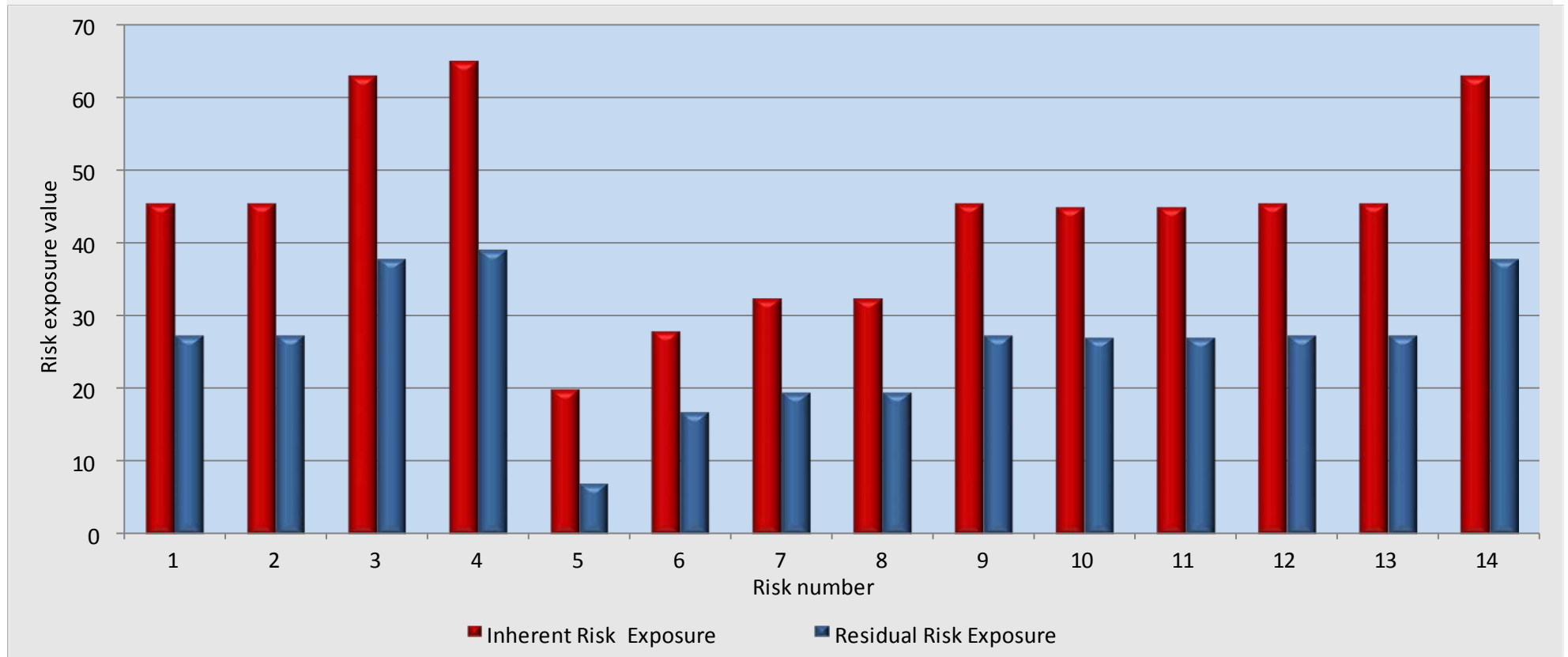


FIGURE: 36 Risk Management

STRATEGIC RISK MANAGEMENT REGISTER

Strategic Objective 1	Ageing bulk and internal infrastructure	<ol style="list-style-type: none"> Poor refurbishment and replacement of existing assets (landfill sites, water, pump stations, sewerage, storm water, electricity, internal networks – water pipes) Limited funding (linked to excessive staff costs/consultation costs for infrastructure) Lack of consolidated infrastructure master plan in place No provision for future capital infrastructure Cost vs benefit is not considered in replacement (add as action as well) 	Critical	Likely	High	<ol style="list-style-type: none"> Maintenance plans/Asset policy (electricity, water & sanitation) No controls identified Master plan for storm water only No controls identified Asset and Fleet Management Policy (draft) 	<p>Dir. Infrastructure & Engineering</p> <p>Dir. Community Services</p> <p>CFO</p>	Weak	Priority 1	<ol style="list-style-type: none"> Review and develop maintenance plans, (roads, landfill sites) Develop business plans to source external funding Develop master plan (everything besides storm water) Addressed by Master Plan TBC <p>General: perform interdepartmental planning to enhance revenue potential. Develop asset replacement policy Upgrade more timeously in a scheduled way rather than responding on each matter arises (link with master plan)</p>	TBC-Infrastructure	Dir. Infrastructure & Engineering
Strategic Objective 2	Lack of bulk infrastructure (electricity, water, sewerage, roads, storm water, waste)	<ol style="list-style-type: none"> inability to plan for developments occurring in Kouga (linked with no. 4) Lack of strategic planning by infrastructure department (linked with no. 4) Lack of availability of land (cemeteries and for housing development) Lack of bulk infrastructure master plan (electricity, water, sewerage, roads, storm water) Lack of funding and management of augmentation (not utilized for upgrading of infrastructure) Lack of technical skills (engineers) Lack of integration in planning and development (housing and infrastructure) 	Critical	Likely	High	<ol style="list-style-type: none"> Spatial development plans IDP Spatial Development Plans Storm Water Plan MTREF, SLA's (between Kouga & Developer) Augmentation Policy Recruitment and Selection Policy and Skills Development Plan Human Settlement and Town Planning has not merged – to improve the related controls 	Dir. Infrastructure & Engineering	Weak	Priority 1	<ol style="list-style-type: none"> 1-2 (Thyspunt) strategic planning process to run concurrently with budget and IDP process to consider growth of Kouga Tender process for EIA to be put out Develop business plan to source external funding Ring fencing of augmentation fees; costing of bulk services contributions by applicant prior to approval by Council; Appointment of custodian SLA's (between developer & Kouga) Implementation of scarce skills allowance; appointment of engineers and artisans in funded positions N/A 	TBC-Infrastructure Master Plan partially developed Storm Water Master Plan completed Draft Policy on scarce skills allowance developed	<p>Dir. Infrastructure & Engineering</p> <p>Dir. Community Services</p> <p>Dir. LED, MM (SLA legal) CFO</p>
Strategic Objective 5	Natural Disasters	<ol style="list-style-type: none"> Flood Fires Droughts Beach Erosion Storms Fires 	Catastrophic	Likely	Extreme	1-5. Disaster Management Act, Plan & Framework; SLA (between Kouga & SBDM) - Disaster risk assessments conducted by service provider appointed by district. Insurance.	Director: Community Services Director: IPD	Weak	Priority 1	1-3 & 5. Urgently revisit the disaster risk assessment and review action plans. 4. Follow up on recommendations provided by service provider - to complete phase 2. Obtain authorisation	1-3 & 5. 1 December 2017 4. 30 November 2017 Special rating area investigated for spit rehabilitation	Dir Community Services Dir Unfractured & Engineering
Strategic Objective 1	Inefficient revenue collection	<ol style="list-style-type: none"> Lack of consistent implementation of policies and by-laws (revenue collection and credit control) Lack of vehicles to disconnect services Inefficient contract management in place in terms of leases for land resulting in revenue not being collected Inadequate data cleansing (in relation to billing of consumers inclusive of rezoning) 	Serious	Possible	Low	<ol style="list-style-type: none"> Revenue Management Policies & By-laws Make use of IPD staff Register for leases Revenue Enhancement Plan 	CFO Director: IPD	Satisfactory	Priority 3	<ol style="list-style-type: none"> Investigate alternative meter reading systems (technology) Plan and establish disconnection team Audit of all leases in place to determine if income is received correctly Data cleansing project quarterly by Revenue Department 	TBC Plans in place to disconnect services to encourage payment	CFO Dir Infrastructure & Engineering
Strategic Objective 5	Claims for damages against Kouga by public	<ol style="list-style-type: none"> Lack of maintenance Flooding resulting in potholes Lack of equipment (grader/ fire) Lack of adequate staff (for fire) Lack of funding Lack of accountability and responsibility (employed by Kouga Municipality) 	Critical	Possible	Moderate	<ol style="list-style-type: none"> 3 Year Maintenance Plan Pothole Repair Team Capital Budget for Firefighting equipment No controls identified Insurance No controls 	CFO; Director: Administration Monitoring and Evaluation; Director: IPD; Director: Community Services	Weak	Priority 3	<ol style="list-style-type: none"> 1-2. Prepare and implement maintenance plans 3. No further action 4. Review organogram and recruit competent staff in line with available funds and national norms for staff costs in terms of total expenditure. 5. No further actions 	<ol style="list-style-type: none"> 1. TBC 2. TBC 3. TBC 4. 30 June 2017 5. (Organogram) 6. TBC 7. TBC 8. 30 November 2017 	CFO; Dir Corporate Services Dir Infrastructure & Engineering Dir Community Services

		7 Insufficient records management on legal / claims correspondence.				Muradin system (records management system)				6. Draft consequence management policy 7 Follow up on new records management system. Integrate the system with the SAMRAS system. Record keeping - develop a centralised call system	9 Organogram reviewed, new staff recruited. 10 Call centre established	
Strategic Objective 5	Non-compliance with legislation	1 No Legal Officer 2 Lack of institutional legal register 3 Lack of environmental control officer 4 Noncompliance with NEMA	Serious	Likely	Moderate	1 No controls 2 Spatial Dev Framework adopted / SPLUMA panel and Contracts management system for Kouga / Legal Register- no controls in place. 3 No controls in place 4 A process is in place to ensure compliance with NEMA	MM / CFO Director: AME	Weak	Priority 2	1 The position is to be added to the organogram as critical (in line with available funds) 2 Prepare legal register of legal matters (this is separate to the register of legal compliance) (all directorates to identify list of legislative actions / submissions required with due dates). 3 Appoint an environmental control officer. Environmental compliance registers to be put in place and audited monthly. This process requires additional funding in the future	1 30 January 2018 2 30 June 2017 3 Immediate 4 Legal Officer Appointed 5 Legal Register instituted 6 NEMA partially compliant	All Directorates
Strategic Objective 4	Excessive employee costs	1 Unplanned overtime 2 Staff establishment too big 3 Inadequate leave system	Serious	Likely	Moderate	1 Overtime Policy 2 Recruitment policy is in place - but not implemented adequately enough 3 There is a leave system in place but it is not implemented effectively	Director: AME Director: PD CFO Director: Community Services	Weak	Priority 2	1 Review overtime policy and to sign agreements between the MM and the employees that are to work overtime (to be implemented effectively) 2 Budget for a work study and method 3 To implement shift working and a biometric system and consolidation of the leave management system. And to implement consequence management	1 30 August 2017 2 1 February 2018 3 Shift working; immediately 4 Overtime monitored and under control, mechanisms in place to curb abuse	Dir Corporate Services Dir Infrastructure & Engineering CFO Dir Community Services
Strategic Objective 5	Insufficient security at municipal facilities	1. Limited funding	Critical	Likely	High	Security guards, fencing of strategic infrastructure	Director: Community services Municipal manager	Weak	Priority 1	1. Proper investigations on risk at installations and facilities. To assess the cost vs benefit of security implementation and to apply a holistic approach and determine the appropriate security measures for each site. To appoint an external security expert to conduct this assessment.	30 June 2018 (for the plan) - to implement over a number of years Security addressed funding provided in new year budget	Dir Community Services MM
Strategic Objective 5	Inefficient performance management system	1 Lack of implementation of PM through out the organisation 2 Lack of consequence management for performance 3 Lack of utilization of the system to the full capacity	Serious	Almost certain	High	1 PM Policy Framework / Performance agreements and plans 2 / Other PMS policies (dealing with other staff). Requested support from district management. 3 Draft policy for consequence management 4 PM system	MM Director: AME	Weak	Priority 1	1 Quarterly reporting and system utilisation. MM to have frequent meetings with audit committee and include performance management within internal audit's function. 2 Policy to be workshoped and adopted by Council 3 Arrange training on PM system for August 2017	1 1 August 2017 2 30 June 2017 3 31 August 2017 4 Quarterly Performance evaluations and reporting done 5 Training was done	Dir Corporate Services MM
Strategic Objective 3	Fraud and Corruption	1. Inconsistent and non-implementation of the policy framework	Serious	Almost certain	High	1. Fraud and corruption policy / Disclosure register / Code of Conduct	All directors	Weak	Priority 1	1. Establish a fraud and corruption committee. Develop a fraud hotline and a whistle blowing policy. Appoint internal auditor (as critical on the organogram)	1 30 September 2017 (committee and policy), 30 June 2018 (fraud hotline) 2 Fraud Hotline to be established by Internal Audit	CFO MM Director: Corporate Services

											3 Draft Whistle Blowing policy developed	
Strategic Objective 4	Lack of Adherence to the Blue Drop Water Management	<ol style="list-style-type: none"> 1. Ageing bulk infrastructure 2. Not all water points are metered 3. Water leaks 4. Defective meters 5. Response time of staff to attend to water loss instances 6. Blue drop evaluation is inadequate - the management and measurement of water loss 7. Lack of an efficient detection system Lack of integration between the billing of water and water used (readings) 	Critical	Likely	High	Water conservation and demand management programme in conjunction with NMBM and Water Affairs. There has been an improvement in the meter reading mechanisms	Director: IPD Director: Community Services	Weak	Priority 1	To adhere to the blue drop system in general: Target the blue drop system. Cleanse data. Improve access control over infrastructure. Improve the measurement of quality of water. Acquire systems that measure water losses adequately. Ensure that staff understand the blue drop system. There should be a response to the blue drop assessment (and the green drop assessment for sewerage). Goal: reach 80% by the next evaluation. Establish a team to deal with blue drop and green drop.	TBC Department of water and sanitation has not given official report on Blue and Green drop for several years	Dir Infrastructure & Engineering Dir Community Services
Strategic Objective 1	Lack of Containment of electricity losses	<ol style="list-style-type: none"> 1 Linking of meters with Erven 2 Illegal connections 3 Tampering Root causes 4 There are people who are incorrectly classified as qualifying for lower electricity prices 	Critical	Likely	High	Internal checks conducted by Municipal Illegal connections bylaw. A campaign has been run to identify meter tampering (internally)	CFO Director: IPD	Weak	Priority 1	Appoint a service provider to identify tampering and investigate illegal connections. Develop an action plan to contain electricity losses and identify illegal connections using load factor investigation which can be used to flag potential tamperers. Consider the cost vs benefit when undertaking this action.	30 September 2017 EPWP workers utilized	CFO Dir Infrastructure & Engineering
Strategic Objective 3	Lack of capacity building to ensure there is adequate staff to carry out the work	<ol style="list-style-type: none"> 1 Insufficient funding 2 The skills identification is not performance driven/Organisation driven. It tends to be driven by individual ambitions 3 Consequence management 4 Lack of willingness to transfer skills. The institution becomes over reliant on a few individuals 5 Mismatching of skills with positions 6 Staff constrains 	Critical	Likely	High	Internal checks conducted by Municipal illegal connections bylaw. A campaign has been run to identify meter tampering (internally)	Dir Corporate Services	Weak	Priority 1	Conduct capacity assessments to assess what skills are present and which skills are required. Perform a skills audit and then put a plan together to place employees in positions on their skills	Done: Skills Audit completed; Work Place Skills Plan completed	Dir Corporate Services

Table 105 : Risk Management Register

KFA45: POLICIES AND BY-LAWS

Policies and by-laws are instruments that guide Council, the administration and communities and provide the framework for responsible local government in the municipal area.

By-Laws

The following by-laws have been approved by Council and promulgated on 27 December 2006:

- Aerodrome By-law
- Cemeteries and Crematoria By-law
- Community Fire Safety By-law (***To be reviewed during 2019/20 financial year***)
- Customer Care and Revenue Management By-law
- Electricity By-law
- Fences and Fencing By-law
- Impoundment of Animals By-law
- Liquor Trading By-law
- Outdoor Advertising and Signage By-law
- Prevention of Public Nuisance and Keeping of Animals By-law
- Public Amenities By-law
- Roads and Traffic By-law
- Solid Waste Disposal By-law
- Sporting Facilities By-law
- Standing Rules and Orders By-law
- Storm water Management By-law
- Street Trading By-law
- Water Supply and Sanitation By-law

Policies

KOUGA MUNICIPALITY - MASTER POLICY REGISTER							
Policy Name	Responsible Department	KLM Unit	Status	Resolution Reference	Review 1 Res No	Review 2 Res No	Review 3 Res No
Administration of immovable property	Assets	Finance	Draft adopted		Policy and Procedure for the Disposal of Immovable Assets 18/04/F7		
Anti-Corruption Strategy and Fraud Prevention Policy 2015/17	Budget & Treasury	Finance	Approved	15/05/AME13	17/07/AME&SP2		
Beneficiary Allocation Policy	Human Settlement	PDT	To be developed				
Borrowing Policy	Budget & Treasury	Finance	Approved				
Cash Management and Investment Policy	Budget & Treasury	Finance	Approved				
Corporate Governance ICT Policy	ICT	Finance	Approved	18/03/F1			
Cost Containment Policy	Budget & Treasury	Finance	Approved				
Customer Care, Credit Control and Debt Collection Policy	Revenue	Finance	Approved	18/10/F5			
Emergency Housing Policy	Human Settlement	PDT	To be developed				
Fixed Assets Policy	Assets	Finance	Approved				
Funding and Reserves Policy	Budget & Treasury	Finance	Approved				
Human Settlement Plan	Human Settlement	PDT	To be reviewed				
ICT Charter	ICT	Finance	Approved	18/03/F1			
ICT Disaster Recovery Policy	ICT	Finance	Approved	18/03/F1			
ICT Risk Management Framework	ICT	Finance	Approved	18/03/F1			
ICT Strategy	ICT	Finance	Approved	18/03/F1			
Indigent Support Policy	Revenue	Finance	Approved		18/03/F1		
IT Policy	ICT	Finance	Approved				

Model SCM Policy for Infrastructure Procurement and Delivery Management	SCM	Finance	Approved	17/07/F6			
National Treasury Standard for Infrastructure Procurement and Delivery Management	SCM	Finance	Approved	17/07/F6			
Preferential Procurement Policy	SCM	Finance	Approved				
Property Rates Policy	Revenue	Finance	Approved	17/12/F11			
Provision of doubtful debt a write-off of irrecoverable debt Policy	Revenue	Finance	Approved	15/05/F14			
Risk Management Policy	Budget & Treasury	Finance	Approved				
Supply Chain Management Policy	SCM	Finance	Approved		18/03/F1		
Tariffs Policy	Revenue	Finance	Approved				
Virement Policy	Budget & Treasury	Finance	Approved				
Unallocated Revenue and Building Deposit Policy	Budget & Treasury	Finance	Approved				

Table 106 : Policies

It is Council's intention to develop a schedule of all policies and by-laws that will indicate an annual rotation plan for reviewing all policies and by-laws. This process will assist the municipality to be developmental and innovative in doing its business. The systems should be continuously updated to ensure that it supports the administration. The Municipality should also endeavour to review the integration of IT systems.

KFA46: INTERGOVERNMENTAL RELATIONS (IGR)

Kouga Municipality participates in intergovernmental structures at a Provincial and District level. Bilateral meetings are further held so as to ensure an integrated approach to developments that cut across the competencies of various sectors of government.

In order to ensure a more hands-on approach at a local level an Intergovernmental Relations Forum was established in the Office of the Mayor during 2017/2018. The Forum meets quarterly and consists of representatives from Kouga Municipality, Sarah Baartman District Municipality, Sector Departments, Parastatals and Government Agencies.

The purpose of the forum is to:

- Consider and coordinate service-delivery continuity measures.
- Provide a forum for sharing best experienced practices and learning.
- Facilitate communication on and formulating joint responses to provincial and district policy and legislative processes.
- Consider any other matters referred to by either the municipality or sector departments.
- Promote inter-sectoral dialogue and mediation in case of disputes between the municipality and other structures.
- Ensure that there are coordinated programmes of implementation and the necessary structures with regard to such issues as, but not limited to, rural development, urban renewal, safety and security, local economic development, infrastructure development, HIV/Aids and special programmes.
- Promote and enhance the principles of integrated governance at local level by strengthening cooperation between municipalities, sector departments and any other relevant stakeholders.

KFA47: STAKEHOLDER PARTICIPATION

The continuous improvement of communication between the municipality and communities remains high on the agenda for the Council. Stakeholder participation will, therefore, enjoy significant attention during the course of the next five years.

COMPLAINTS MANAGEMENT

The Call Centre was officially opened on 23 October 2017. The public reports service delivery issues like potholes, power, and water problems etc. to the Call Centre by calling in or via the Vodacom Link application on a smartphone. The Call Centre has a dual purpose as it also serves as an operations centre for the Municipality from where the workers of the relevant departments are dispatched to deal with the reported problems.

Monthly activities at the Call Centre since implementation

ACTION	JULY 2018	AUGUST 2018	SEPTEMBER 2018	OCTOBER 2018	NOVEMBER 2018	DECEMBER 2018
Number of Complaints Reported	1948	2335	1845	2667	4559	3774
Number of Complaints Actioned	97	123	168	416	368	206
Number of Complaints Resolved	2421	2294	1938	2566	4191	3556
Number of Complaints Resubmitted	6	5	3	3	0	2

Table 107 : Call Centre

- The Link application will be further developed to be more suitable to address the service delivery needs.

CONTRACT MANAGEMENT

Kouga Municipality has contracts that are signed between Kouga Local Municipality and the District Municipality in relation to unfunded mandates such as the Fire and Disaster Management, between the Department of Sports and Recreational Facilities such as Libraries, between the Department of Economic Development and Environmental Affairs such as Environmental Health and Waste Management between the Department of Transport on Traffic Law Enforcement.

Section 40 (1) of the Constitution states that in the Republic, government is constituted of 3 spheres of government inter alia:

- National
- Provincial, and
- Local.

All three spheres of government are distinctive, inter-dependent and interrelated. Section 125 (3) indicates that the national government, by legislative and other measures, must assist provinces to develop the administrative capacity required for the effective exercise of their powers and performance of their functions referred to in subsection (2). Schedule 4 & 5 refers to functional areas which are supposed to be rendered by Provincial spheres and District but rendered by municipality on behalf of the mentioned the province and district. All contracts are held in securities in the Archive Section.

Service Level Agreements

ORGANISATIONS	SERVICE
Department of Sport, Recreation, Arts and Culture	Library Services
	Sports and Recreation
Sarah Baartman District Municipality	Environmental Health Services
	Fire Services and Disaster
Department of Transport	Registration and licencing
FAPX	Paradise Airfield
Traffic Management	Management of camera speed equipment
Department of Energy	Upgrading and electrification project
ESKOM	Electricity Supply agreements
Escoteck Services (PTY) Ltd	Demand site management agreement
Sarah Baartman District Municipality	Local Implementation Agent
Nelson Mandela Bay Municipality	Water Supply Agreement

Table 184 : Service level agreements

Memorandum of Understanding

ORGANISATIONS	SERVICE
Kouga Local Tourism Association	Tourism destination marketing, events and festivals, tourism signage, tourism advertising
Kouga Sports Council	Sports development especially amongst school going youth
Humansdorp Museum	Management and promotion Humansdorp Museum and Shell Museum Jeffreys Bay
Coega Development Corporation	SMME development and training, skills training and SMME unemployed database
Kouga Arts Council	Arts and Culture development amongst communities
Kouga Heritage Council	Heritage awareness and promotion as well as audit of heritage assets
St Francis Riparians	Management of canals
Kromme Joint River Committee	Management of Krom River

Department of Human Settlement	Bulk Infrastructure
Kouga FM	Use of office in Kouga Cultural Centre
SASSA	Social Grants
Coastcare	Beaches
Nelson Mandela University	Estuary Management Plan
BIGM Twinning with Prince Edward County - Canada	
ILLSFELD Municipality – Germany	

Table 109 : Memorandum of Understanding

KFA48: LEGAL SERVICES

The municipal legal services department was revived after the appointment of the Manager Legal Services in December 2017.

Currently the legal services staff compliment consists of one (1) official, being the Manager Legal Services. The Legal Services Department organogram as approved in 2018 makes provision for additional human resources to expand and strengthen the legal services function. However, the positions are currently unfunded.

The municipality succeeded in reviewing and adopting its Delegations Framework in terms of section 59 of the Local Government Municipal Systems Act No. 32 of 2000. The municipality has covered some ground in terms of the urgent need to review its by-laws and has adopted a few and is in a process to review the other outstanding by-laws. The review of the by-laws is however taking place in piece meal due to the shortage of human resources and a budget in the legal services department. The review of the outstanding by-laws remains a priority.

The municipality has experienced a decrease in legal fees and has succeeded in finalizing some of the more historic legal matters, which also affected the contingent liability of the municipality.

The municipality has also for the first time commenced with proceedings to establish a panel of legal service providers. The panel of legal service providers will be appointed to render external legal services to the municipality as and when required.

KFA49: COMMUNICATION (INTERNAL AND EXTERNAL)

The municipality aims to ensure that information is communicated to the general public on an on-going basis. In order to ensure that all communication reaches the targeted audience, the municipality utilises the following modes of communication:

COMMUNICATION TOOL	CIRCULATION NUMBER	FREQUENCY
External Newsletter	20 000	Quarterly
Account notices/inserts	30 000	Monthly
Awareness campaigns	Drought Disaster /Keep Kouga Clean	Ongoing
Website	30 000 – 50 000-page views/month	Daily
Social Media (Facebook)	9 000 likes	Daily
Noticeboards	Internal & External	As required
Flyers	As required	As required
Local newspapers / radio	30 000 print/70 000 radio	Weekly
Marketing and branding items	Events/Campaigns	Events/Campaigns
Posters	As required	As required

Table 110 : Modes of communication

The Kouga Council has an approved a Media and Communication Policy, which will be reviewed in the 2019/2020 financial year in line with structural changes that have been made to the department.

Customer Satisfaction Survey

The seventh annual Customer Satisfaction Survey was conducted in the last quarter of the 2017/2018 financial year. The survey is viewed as a public participation tool which helps the municipality to get a sense of how the community measures the performance of the municipality in relation to its core mandate of service delivery. The survey is a platform for residents to air their views without the pressures of time or audience. Participants are also not required to identify themselves and this allows those wishing to remain anonymous to be granted that status. The survey was conducted in all three of Kouga's main spoken languages, i.e., English, Afrikaans and IsiXhosa. The study was conducted using survey forms distributed to the public for completion. The forms were divided into three categories with sub-sections and a scoring method provided on each form.

Examples

CATEGORY	SUB SECTION
SERVICE EXPERIENCE	Customer Care (Telephone skills, reception area, accessibility of offices, staff capacity to deal with challenges, cleanliness of our work environment/offices etc.)
SERVICE DELIVERY	<ul style="list-style-type: none"> • Water • Electricity • Sanitation • Roads and Storm water • Refuse Removal • Parks and Open Spaces • Halls and Sports Fields • Fire and Emergency Services • By-law enforcement and traffic • Rates and Accounts
GOOD GOVERNANCE	<ul style="list-style-type: none"> • Ward Committees • Access to Information • Council Meetings • Administration • IDP and Performance Management

Table 111 : Customer satisfaction survey

The scoring method to express satisfaction was as follows:

- 1 = Extremely Poor;**
- 2 = Poor;**
- 3 = Satisfactory;**
- 4 = Good;**
- 5 = Excellent**

The forms were available at municipal units and Ward Councillors Offices. Residents could also download electronic versions of the form from our website. The survey was further emailed to civic structures for distribution to their members. The campaign was publicised in our community newspapers, our website and Facebook page. The Speaker also encouraged ward councillors, specifically, to help circulate the survey in their communities.

Together with Humansdorp, the towns in the Gamtoos Valley showed poor returns, with numbers too low to consider. i.e. none of the towns reached ten participants. Together, the St Francis Bay and the Jeffreys Bay areas accounted for 72 participants and these were the ones that were considered for the survey. This shows a drop from last year’s figure of 92.

The total scores for this round of the survey are listed below, per category and together with the final total score:

Service Experience – 3 (3,059195)

Service Delivery – 3 (2,687503)

Good Governance – 3 (2,632472)

TOTAL SCORE – 2,671996

SOCIAL COHESION

Kouga Municipality has yet not adopted a Social Cohesion Strategy or Policy but actively participates on programmes to promote social cohesion. Kouga Municipality actively participated/arranged the following programmes in support of social cohesion and ultimately Nation Building:

SOCIAL COHESION PROGRAMMES IN KOUGA – 2018	
<ul style="list-style-type: none"> • Nelson Mandela Day • Moral Regeneration Movement Summit • J-Bay Winterfest • Nautical Festival • Gamtoos Festival • Opening of the season event, and various tourism and sporting events • Heritage Day celebrations • Women’s Caucus Outreach Meetings • Women’s Market Day • Women in Tourism and Business Networking • HIV/Aids Day and Supporting programmes • 16 Days of Activism against a buse of women and children • Heritage Day • National Book Week • Empowering women • Literacy and Heritage drive • Nelson Mandela Day • oral Regeneration Movement Summit • J-Bay Winterfest 	<ul style="list-style-type: none"> • Careers Expo • International Coastal Clean-up • International Day for the Elderly • Breast Cancer Awareness • Christmas for Kids • School Supplies for Kids drive • Mayoral Imbizo • Municipal State of the Municipality Address • International Coastal Clean-up • International Day for the Elderly • Breast Cancer Awareness • Christmas for Kids • School Supplies for Kids drive • Mayoral Imbizo • Municipal State of the Municipality Address • Youth Development Drive • Post SOMA Youth Dialogue • Library Week Programmes (Throughout the year) • Township Tourism Outreach • LED and SMME outreach

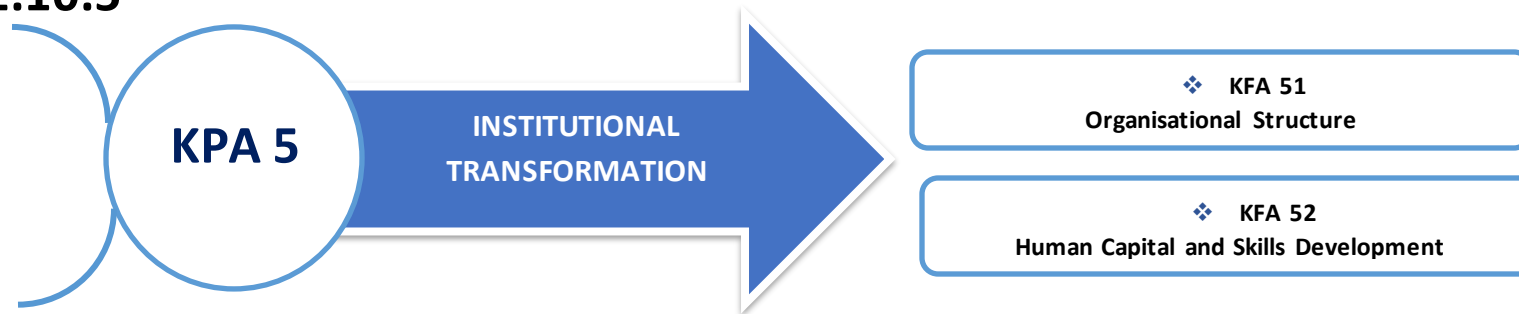
<ul style="list-style-type: none"> • Nautical Festival • Gamtoos Festival • Opening of the season event, and various tourism and sporting events • Heritage Day celebrations • HIV/Aids Day and Supporting programmes • 16 Days of Activism against a buse of women and children • Heritage Day • National Book Week • Empowering women 	<ul style="list-style-type: none"> • The Khoisan Struggle Show • Women’s Caucus Outreach Meetings • Women’s Market Day • Women in Tourism and Business Networking • National Environmental Health Day • World Environmental Health Day • National Water Week • World Food Day • Global hand wash / hygiene Day • Literacy and Heritage drive
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Table 112 : Social Cohesion

KFA50: MARKETING (BRANDING AND WEBSITE)

Branding is streamlined across all municipal departments. All media and communication aspects of all municipal events are coordinated by the Media and Communication Division. Kouga Municipality has a fully developed website, which also acts as a reference point for all other services and products within the jurisdiction of the municipality. The municipality updates the webpage to include the necessary documentation and news on a weekly basis of what is happening in the municipality. The municipal website is updated on a daily basis and when requested in order to comply with the statutory requirements.

2.10.5



HR Related policies and other documents

The following HR related policies and staff documents have been developed, reviewed and approved by Council during the 2018/19 year:

KEY NO	POLICY NAME	RESPONSIBLE DIRECTORATE	DEPARTMENT
1	Acting Policy	Corporate Services	Human Resources
2	Code of Conduct	Corporate Services	Human Resources
3	Essential user policy	Corporate Services	Human Resources
4	Health and Safety Policy	Corporate Services	Human Resources
5	Leave Policy	Corporate Services	Human Resources
6	Medical Aid Policy	Corporate Services	Human Resources
7	Overtime Policy	Corporate Services	Human Resources
8	Recruitment and Selection Policy	Corporate Services	Human Resources
9	ScarceSkills	Corporate Services	Human Resources
10	Sexual Harassment Policy	Corporate Services	Human Resources
11	Subsistence and Travelling Policy	Corporate Services	Human Resources
12	Temporary Staff	Corporate Services	Human Resources
13	Training policy	Corporate Services	Human Resources
14	Vehicle allowance policy	Corporate Services	Human Resources

Table 113 : HR Policies

KFA51: ORGANISATIONAL STRUCTURE

The administrative part of the Kouga Municipality is headed by the Municipal Manager who reports directly to the Executive Mayor. Directors and certain managers are reporting directly to the Municipal Manager. There are 5 directorates that perform strategic, social, technical, financial and administrative functions assigned to the municipality. The Office of the Municipal Manager is the 6th directorate. It consists of the Internal Audit and the governance management units.

The municipality has an approved organisational structure, which was reviewed on the 30 August 2018, Council Resolution **18/08/CORP2**. The performance agreements for 2018/19 have been submitted to the Department of Cooperative Government and Traditional Affairs. The municipality has a workforce of:

S56 & S57	Permanent Employees	Contractual Employees	Vacant Positions
6	918	142	34

Table 114 : Municipal workforce

The vacancy rate of the municipality stands on 3.5%. The number of people with disabilities in the employ of the municipality are 11 which is 1.2% of the staff complement.

The table below indicates the turn-over rate over the last three years:

Financial year	Total no of all appointments at the end of each year	New appointments	To terminations during the year	Turn-over rate
2015/2016	120	120	76	8.8%
2016/2017	125	125	63	7.5%
2017/2018	129	129	39	3.9%
2018/2019	57	57	28	3.08%

Table 115 : Turn-over rate

Of all the staff, **66.4%** are male and **33.6%** is female.

The graph below reflects the current workforce numbers per race and per gender:

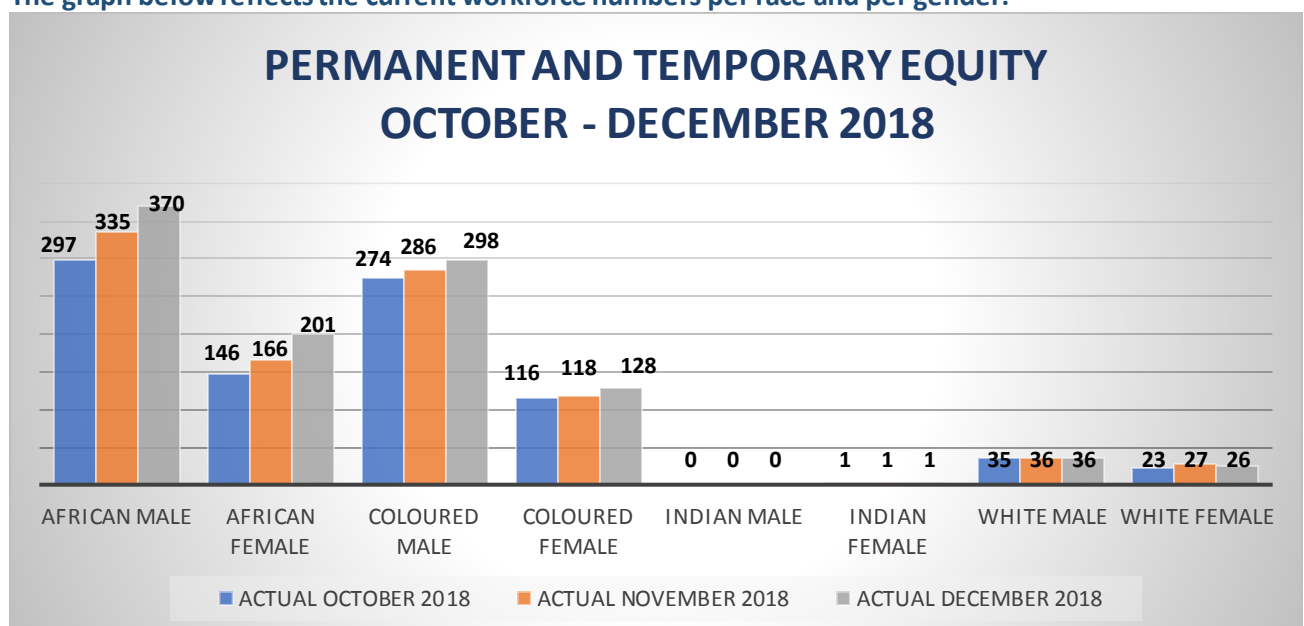


FIGURE 37 : Permanent and temporary equity

The and table below shows our current demographics against the Provincial EAP demographics. The percentage below is for both permanent and temporary staff.

RACE AND GENDER	ACTUAL OCTOBER 2018 %	ACTUAL NOVEMBER 2018 %	ACTUAL DECEMBER 2018 %	REQUIRED PROVINCIAL EAP %
African Male	32,96	31,27	34,90	42,30
African Female	16,37	16,82	18,96	39,50
Coloured Male	30,38	29,00	28,11	5,60
Coloured Female	12,78	11,97	12,07	5,00
Indian Male	0,00	0,00	0,00	0,40
Indian Female	0,11	0,10	0,09	0,20
White Male	3,92	3,72	3,39	3,80
White Female	2,58	2,58	2,45	3,10

Table 115 : Staff demographics

It is important to note the underrepresentation of African males & females. Much attention must be given to increase the number of African males & females. It is however, pleasing to note the steady increase in the number of African Males & Females. There is a considerable overrepresentation of Coloured males & females and slight underrepresentation of Indian males & females and white females.

45% of the staff members are Coloured, **50%** African, and **5%** White. All the section 56 and the section 57 managers have signed appointment contracts, performance agreements and performance plan which were submitted to the Department of Cooperative Government and Traditional Affairs. All S57 and S56 managers meet the minimum competency requirement by National Treasury.

KFA2: HUMAN CAPITAL AND SKILLS DEVELOPMENT

The table below illustrates the status quo regarding the municipality's vacancy rates per occupational category and per functional area:

Occupational Category	Approved	Filled	Vacant
Top Management	1	1	0
Senior Management / Sub Directors	5	5	0
Professional /Specialists/ Middle Management	30	26	4
Skilled Technical/ Junior Management/ Supervisors	200	195	5
Semi-skilled and Discretionary Decision Making	409	403	6

Table 116 : Posts occupational category

Directorates	Approved	Filled	Vacant
Municipal Manager	12	11	1
Corporate Services	77	74	3
Finance	95	94	1
Community Services	470	450	18
Infrastructure and Engineering	270	261	9
Planning, Development and Tourism	30	28	2

Table 117 : Posts per functional area

In ensuring that the Municipality addresses challenges towards achieving organisational cohesion and effectiveness, the municipality drafted a Human Resources Plan to ensure fair, efficient, effective and transparent personnel administration. The HR Plan focuses on delivering on seven (7) performance areas:

- Recruitment and Selection
- Education, Training and Development of Staff
- Employment Equity and Diversity Management
- Occupational Health and Safety
- Employee Wellness
- Personnel Administration
- Labour Relations

The HR team is committed to improving its services to internal customers. As part of our drive to understand the employees needs and get a sense of the improvements we need to make, the HR section conducted a Human Resource Survey in December 2018. The average score was 73% positive, 20% was neutral and only 7% negative. The HR section also achieved a clean audit, as per the audition opinion of the Auditor-General of South Africa. This is a major improvement for the Human Resource Section from previous years and has set the bar high for future audits. The HR section will strive not only to maintain the clean audit opinion, but even better it by ensuring consistency, transparency and accountability.

Education, Training and Development at Kouga Municipality is focused on the enhancement of knowledge, skills and behavioural competencies of employees and councillor to the appropriate levels. The main purpose of training and development is to ensure that staff within the organisation has the competencies necessary to performance up to the standards in their current jobs within the context of the municipality's strategic objectives.

All senior managers positions were filled and there are no vacancies.

- Critical vacant positions on the new organizational structure is in the process to be filled.
- Existing staff is in the process to be placed according to the newly adopted organizational structure.
- The process of signing the new job descriptions has commenced.
- A number of HR policies are in the process of being reviewed for implementation.

SKILLS DEVELOPMENT

The municipality is committed to develop the skills of the human resource capacity and therefore prepares a workplace skill plan annually. The municipality has a workplace skills plan which is updated and reviewed annually in line with the prescripts of the Skills Development Act of 1998. The WSP was submitted to LGSETA on the 28th of April 2018. The training committee has not been functional, but a new committee has been established which represents all the applicable occupational levels in the Municipality. The Act aims to improve the quality of life of the labour force, to encourage the labour force to be self-employed and to encourage workers to participate in leadership and other programmes.

The Senior and Top Management of the Municipality has completed the prescribed Financial Management qualifications. The table underneath is an extract from the reports on the prescribed Financial Management qualifications submitted to National Treasury on a quarterly basis.

Position	Highest Education Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit Standards	Requirements Met	Compliant (consider Budget)
Accounting Officer	✓	✓	✓	✓	4	✓
Chief Financial Officer – Municipality	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	3	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Supply Chain Management Manager	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	X	✓	✓	✓	3	X
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	X	✓	X	2	X

Table 118 : Financial management qualifications

The following training was completed:

TRAINING COSTS	July 2018	August 2018	September 2018	October 2018	November 2018	December 2018	TRAINING COSTS
Training Cost	R 9 660,00	R 0,00	R26 587,00	R 85 575,00	R 72 381,00	R 58 926,00	Training Cost
Associated costs	R 0,00	R 2 000,00	R0,00	R 0,00	R 0,00	R 0,00	Associated costs
Categories of Beneficiaries							Categories of Beneficiaries
Legislators	10	0	0	0	1	0	Legislators
Managers	34	0	5	0	24	0	Managers
Professionals	35	4	10	28	82	0	Professionals
Technicians and Associate Professionals	25	3	6	5	18	0	Technicians and Associate Professionals
Clerical Support Workers	20	14	1	6	23	8	Clerical Support Workers
Service & Sales Workers	0	0	11	0	16	0	Service & Sales Workers
Skilled Agricultural, Fishery and Related Trade Workers	0	0	0	0	0	0	Skilled Agricultural, Fishery and Related Trade Workers
Plant & Machine Operators and Assemblers	12	0	0	6	26	4	Plant & Machine Operators and Assemblers
Elementary Occupations	199	52	23	12	66	8	Elementary Occupations
Total Number of beneficiaries	335	73	56	57	256	20	Total Number of beneficiaries

Table 119 : Training

The Municipality also embarked on various recruitment drives for Unemployed learners in the Kouga Area. 16 Programmes have been running since June 2018, with 371 youth being beneficiaries.

In the table below is a breakdown of all programmes that have been embarked on. These programmes will go a long way in upskilling the youth of Kouga, and alleviating poverty and unemployment amongst the youth in Kouga.

	NAME OF LEARNING INTERVENTION	MODE OF DELIVERY	START DATES	END DATES	NQF LEVEL	NO. OF BENE-FICIARIES	SERVICE PROVIDER	SOURCE OF FUNDING	GENDER AND RACE						STATUS OF INTER-VENTION
									AF	CF	WF	AM	CM	WM	
1	Labour Relations	Learnership	11/06/18	31/06/19	5	15	Tirisano YA Bakwena	Services Seta	3	8	0	1	3	1	In Progress
2	Hygiene and Cleaning	Learnership	11/06/19	31/06/19	2	15	Tirisano YA Bakwena	Services Seta	9	4	0	1	1	0	In Progress
3	New Venture Creation	Learnership	11/06/19	31/06/19	2	27	Tirisano YA Bakwena	Services Seta	16	5	0	3	3	0	In Progress
4	New Venture Creation	Learnership	06/08/18	31/08/19	2	31	Pakanyo Trading	Services Seta	14	7	0	8	2	0	In Progress
5	New Venture Creation Humansdorp group	Skills Program	23/07/18	03/07/18	2	15	Obboibon Investments	Services Seta	5	3	0	5	2	0	Completed
6	New Venture Creation Hankey group	Skills Program	23/07/18	03/07/18	2	20	Obboibon Investments	Services Seta	7	3	0	6	4	0	Completed
7	New Venture Creation Jeffreys group	Skills Program	03/09/18	14/09/19	2	30	Obboibon Investments	Services Seta	12	8	0	4	6	0	Completed
8	Public Administration	Learnership Disabled Youth	01/04/18	01/04/19	3	1	Amandla Obunye	Services Seta	0	0	0	1	0	0	In Progress
9	Business Administration	Learnership	01/08/18	31/08/19	4	27	Vivamark	Services Seta	13	10	0	0	3	1	In Progress
10	Plumbing	Skills Program	05/11/18	31/04/19	4	14	Human Settlement	Public Works	8	2	0	3	1	0	In Progress

11	Real Estate	Learnership	01/08/18	31/08/19	2	40	Itakane Academy	Services Seta	13	8	0	10	9	0	In Progress
12	Smme's Training	Skills Program	05/11/18	23/11/18	2	31	Acosa	National Skills Fund	19	1	3	6	2	0	Completed
13	Plant Production Patensie Group	Learnership	05/11/18	30/10/19	2	27	Acosa	National Skills Fund	15	4	0	5	3	0	In Progress
14	Crop Plantation Hankey Group	Learnership	05/11/18	30/10/19	2	23	Acosa	National Skills Fund	13	2	0	7	1	0	In Progress
15	Mixed Farming Jeffreys Bay Group	Learnership	05/11/18	30/10/19	2	28	Acosa	National Skills Fund	14	5	0	7	2	0	In Progress
16	Crop Production Loerie & Thornhill Group	Learnership	05/11/18	30/10/19	2	27	Acosa	National Skills Fund	2	14	0	3	8	0	In Progress
Total Number of Youth Trained = 371															

Table 120 : Youth training programme

EMPLOYMENT EQUITY

On the 15th of January 2019 the municipality submitted its annual Employment Equity Report to the Department of Labour. This was done after extensive consultation with organized labour and employees.

The table below indicates the progression that the municipality has made in terms of its Employment Equity Plan and numerical targets.

The table depicts the status of the workforce profile at the end of March 2018, the numerical targets that was set out in the Employment Equity Plan, and the current profile as per the Employment Equity Report. As per the table below, its clear that significant strides have been made to appoint African Females, African Males, and females in totality.

Target dates	Occupational Category	Male				Female				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 2019		0	0	0	1	0	0	0	0	0	0	1
DECEMBER 2018		0	0	0	1	0	0	0	0	0	0	1
	Senior management											
MARCH 2018		0	1	0	1	2	0	1	0	0	0	5
SEPTEMBER 2019		0	1	0	1	2	0	1	0	0	0	5
DECEMBER 2018		0	1	0	1	2	0	1	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 2019		4	6	0	7	6	3	0	2	0	0	28
DECEMBER 2018		3	6	0	11	2	2	0	2	0	0	26
	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents											
MARCH 2018		32	68	0	14	29	23	0	16	0	0	182
SEPTEMBER 2019		41	66	0	13	39	26	0	16	0	0	201
DECEMBER 2018		38	65	0	16	32	28	0	16	0	0	195
	Semi-skilled and discretionary decision making											
MARCH 2018		134	125	0	7	33	35	0	3	0	0	337
SEPTEMBER 2019		147	112	0	8	54	31	0	3	0	0	355
DECEMBER 2018		153	131	0	7	64	42	0	6	0	0	403

MARCH 2018	Unskilled and defined decision making	101	83	0	0	61	47	0	1	0	0	293
SEPTEMBER 2019		99	75	0	4	61	40	0	3	0	0	282
DECEMBER 2018		108	75	0	0	62	42	0	1	0	0	288

Table 121 : Employment equity

HUMAN RESOURCES PLAN

The municipality has an Employment Equity Plan, as well as a Human Resource Strategic Framework linked to the SDBIP which serves as its plan for the financial year.

PERSONNEL EXPENDITURE

The following schedule reflects the personnel expenditure for Kouga Municipality in respect of the years 2018/2019

WAGE BILL	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Gross Wage Bill	R 16 451 395,06	R 18 847 718,77	R 17 898 707,16	R 18 291 392,12	R 30 356 420,38	R 18 964 737,28
% Increase - Gross Wage Bill	0%	15%	-5%	2%	66%	-38%

Table 122 : Personnel Expenditure

The Municipality has a new Organisational structure in place. This structure has been aligned to ensure that departments are aligned towards achieving more effective service delivery. Positions that are not critical has been frozen, and staff has been transferred to ensure the Municipality enhance productivity and curb staff expenditure. The Municipality strive towards adhering to section 66 of the Municipal Systems act as amended.

STAFF BENEFITS

❖ Pension and Retirement Funds

The following schedule reflects membership numbers in respect of the various pension and retirement funds:

MEMBERSHIP: PENSION AND RETIREMENT FUNDS	
Names of Pension Funds	Number of Members
Consolidated Retirement Fund	428
LA retirement fund	1
National Fund for Municipal Workers	5
South African Local Authority Pension Fund	8
MWRF Provident fund	183
Momentum	195
MCPF	3
Retirement Fund No. CC	4
Consolidated Retirement Fund Councillors 15%	6

Table 123 : Pension and Retirement Funds

❖ **Medical Aid funds**

As per the provisions of the SALGBC Collective agreements staff members of Kouga Municipality may select participation in any of the following Medical Aid Funds:

- Bonitas
- Key Health
- Hosmed
- LA Health
- SAMWU Med

The following schedule reflects membership numbers of the different Medical Aids of Kouga Staff members:

MEMBERSHIP: MEDICAL AID FUNDS	
Names of Medical Aids	Number of Members
Bonitas	175
Key Health	18
Hosmed	73
LA-Health	158
SAMWU-Med	66

Table 124 : Medical Aid Funds

❖ **Leave**

Leave benefits for staff members are regulated through the provisions of SALGBC Collective Agreements and the provisions of the internal Leave policy. The Human Resource section have introduced a new triplicate leave book system. These books were implemented effective from the 1st of October 2018 by all departments within the Kouga Municipality. This new system will ensure that leave is more effectively controlled and managed.

The following schedule reflects leave taken by employees over the 2017/18 period:

LEAVE DAYS TAKEN	July 2018	August 2018	September 2018	October 2018	November 2018	December 2018
Annual Leave	531	406	389	453	420	274
Sick Leave	226	195	175	224	165	156

Table 125 : Leave

❖ Staff Appointments

The following schedule reflects the permanent appointments including promotions made for the year 2018/19 in respect of ordinary permanent employees:

	Occupation	Appointment date
1	Town Planner	01-Jul-18
2	Registry Clerk	01-Jul-18
3	Call Centre Operator	01-Jul-18
4	Call Centre Operator	01-Jul-18
5	Call Centre Operator	01-Jul-18
6	Call Centre Operator	01-Jul-18
7	Assistant Accountant	01-Aug-18
8	Chief Clerk Salaries	01-Aug-18
9	Cashier	20-Aug-18
10	Meter Reader	21-Aug-18
11	Meter Reader	21-Aug-18
12	Truck Driver	20-Aug-18
13	Truck Driver	20-Aug-18
14	Data Processing Officer	01-Aug-18
15	Supervisor: Waste	01-Sep-18
16	Manager Environment Management	01-Sep-18
17	Senior Auxiliary Officer	01-Sep-18

18	Senior Human Resource Officer	01-Sep-18
19	Cashier	21-Sep-18
20	Traffic Officer: Grade 3	01-Aug-18
21	Platoon Officer	01-Aug-18
22	Supervisor: Parks	01-Aug-18
23	Call Centre Operator	20-Aug-18
24	LED Officer	01-Oct-18
25	Stores Clerk	01-Oct-18
26	Administrative Officer: Mechanical Workshop	01-Oct-18
27	Senior Fire Fighter	01-Oct-18
28	Artisan Assistant: Mechanical Workshop	01-Oct-18
29	Area Civil Engineer	01-Nov-18
30	Supervisor: Waste	01-Nov-18
31	Environment Specialist	01-Dec-18
32	Admin Officer: SCM	01-Dec-18
33	Stores General Assistant	01-Dec-18
34	Admin Officer: Fire & Disaster	01-Dec-18
35	Artisan Assistant: WTW	01-Dec-18
36	Artisan Assistant: Sewerage	01-Dec-18
37	Artisan: Plumber	01-Dec-18
38	Fire Fighter	05-Dec-18
39	Fire Fighter	05-Dec-18

Table 126 : Staff appointments

❖ Staff Terminations

The following schedule reflects staff terminations for Kouga Municipality during the 2017/18 year:

Staff Terminations	July 2018	August 2018	September 2018	October 2018	November 2018	December 2018
Number of Discharges	5	1	1	5	9	7

Table 127: Staff terminations

❖ Labour Relations

Relations with Organised Labour in Kouga Municipality is regulated and done in terms of the provisions of the SALGBC Main Collective Agreement.

The Labour relations unit has embarked on the following initiatives:

- Workshop all employees on the Code of Conduct as per section 69 of the Municipal Systems act
- Workshop all employees on the Conditions of service for employees
- Workshop all employees on the SALGBC disciplinary Code collective agreement
- Workshop all employees on the new Human Resource Policies
- Responding to all grievances in writing within the prescribed timeframes

The Municipality is striving to ensure that Labour relations in the Municipality is stable.

❖ Local Labour Forum

Local Labour Forum Meetings are required to be held at monthly intervals and the composition of the Local Labour Forum consists of 50% representation by the Employer and 50% representation by the Employee components as per the threshold set by the SALGBC Main Collective agreement. The Municipality is striving towards better Labour relations with Organised Labour, and to ensure unions and the employer work together to create a better working environment.

❖ Labour Relations: Staff Discipline

Staff discipline is largely attended to internally through employees trained in chairing disciplinary hearing and employees trained in representing the employer at disciplinary hearings. The new SALGBC Disciplinary Code and Collective agreement are being utilised. The Municipality strive to adhere 100% procedurally to ensure legislative compliance. Staff turnover because of disciplinary hearings is regarded as low to insignificant when compared to the number of staff members employed by Kouga Municipality. The Municipality is striving to apply corrective discipline, and always apply the rules and standards as set out by Schedule 8 of the Labour Relations Act.

The following schedule reflects the status of disciplinary interventions for the 2018/19 year:

DISCIPLINARY MATTERS	July 2018	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018
Number of disciplinary matters	3	4	4	5	9	2
Number of Matters at arbitration	3	1	4	3	2	4
Number of Matter in the Labour Court	0	0	0	0	0	0
Number of Matters Finalise	1	2	1	2	3	4
Number of Grievances	1	1	2	1	0	1
Number of Grievances finalised	1	0	0	1	0	0
TOTAL	9	8	11	12	14	11

Table 128 : Disiplinary matters

OCCUPATIONAL HEALTH AND SAFETY

The key strategic objectives for Occupational Health and Safety are:

- Identification, evaluation, monitoring and control of all occupational Health and Safety Programmes for Council;
- Facilitate and co-ordinate OHS programmes to ensure compliance to all relevant legislation;
- Implementation of Health and Safety related work programmes.

Occupational Health and Safety Committees

According to the Occupational Health and Safety Act NO 85 of 1993 (amended by ACT 181 of 1993) Section 17, 18, 19 and 20 the Council is obliged to establish Health and Safety Representatives as well as Health and Safety Committees. A number of 40 Health and Safety Representatives has been elected and represent of all Units of Kouga Municipality. Occupational Health and Safety Inspections are done regularly.

Occupational Health and Safety Interventions for 2018/2019:

OCCUPATIONAL HEALTH AND SAFETY	Jul 2018	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018
Number of Injuries on duty reported	6	5	8	8	11	14
Number of Medical Surveillance	0	25	45	173	214	4
Number of monthly safety representative meetings	3	3	1	3	4	3
Number of Employee Assistance interventions	0	2	1	1	11	2
TOTAL	9	35	55	185	240	23

Table 129 : Occupational Health and Safety Interventions

The following major projects was planned for the Human Resource section for the 2018/2019 Financial year:

Project Name	Project Outcomes	Completion date
Triplicate Leave system	Book to be purchased to capture leave for employees	Completed- Achieved
Unqualified audit opinion	HR to achieve an unqualified audit opinion	Completed- Clean audit achieved
HR survey	Conduct a HR survey with 75% percent positive responses	Completed- Achieved
Electronic recruitment system	Implement a new electronic recruitment system	Completed- Achieved
Employment Equity plan	Implement a new compliant EE plan	Completed- Achieved
Employment Equity Report	Submit Employment Equity Report to Department of Labour	Completed- Achieved
Job evaluation	Complete the job evaluation programme in Kouga	30 June 2019
HR policies	Implement 11 new HR policies	Completed- Achieved
Vetting system	Appoint a service provider	Completed- Achieved
Employee assistance	Appoint a service provider to conduct EAP at the Municipality	30 June 2019
WSP	Submit a credible WSP to LGSETA	30 April 2019
MFMA programme	Appoint a service provider to conduct MFMA training	Completed- Achieved
Training tender	Appoint a service provider to conduct various training at Kouga in terms of the WSP	30 June 2019
Medical surveillance	Appointment of a service provider to conduct medical surveillance at Kouga for all high-risk employees	30 August 2019
Qualification audit	Complete a qualification audit for all employees at Kouga	30 June 2019
Risk assessment	Appointment of a service provider to conduct a risk assessment	30 June 2019
Twinrix	Procure twinrix injections for all affected employees	Completed- Achieved

Table 130: HR Projects

CHAPTER 3: INTERGOVERNMENTAL RELATIONS ALIGNMENT

3.1 INTERGOVERNMENTAL RELATIONS

Section 24(1) and (2) of the Municipal Systems Act provides for the legislative Framework for the enhancement of co-operative governance in municipal planning. The Act states the following: “(1) the planning undertaken by the municipality must be aligned with and complement the development plans and strategies of other affected municipalities and other organs of state to give effect to the principles of co-operative government contained in section 41 of the Constitution. (2) municipalities must participate in national and provincial development programmes as required in Section 153(b) of the Constitution.”

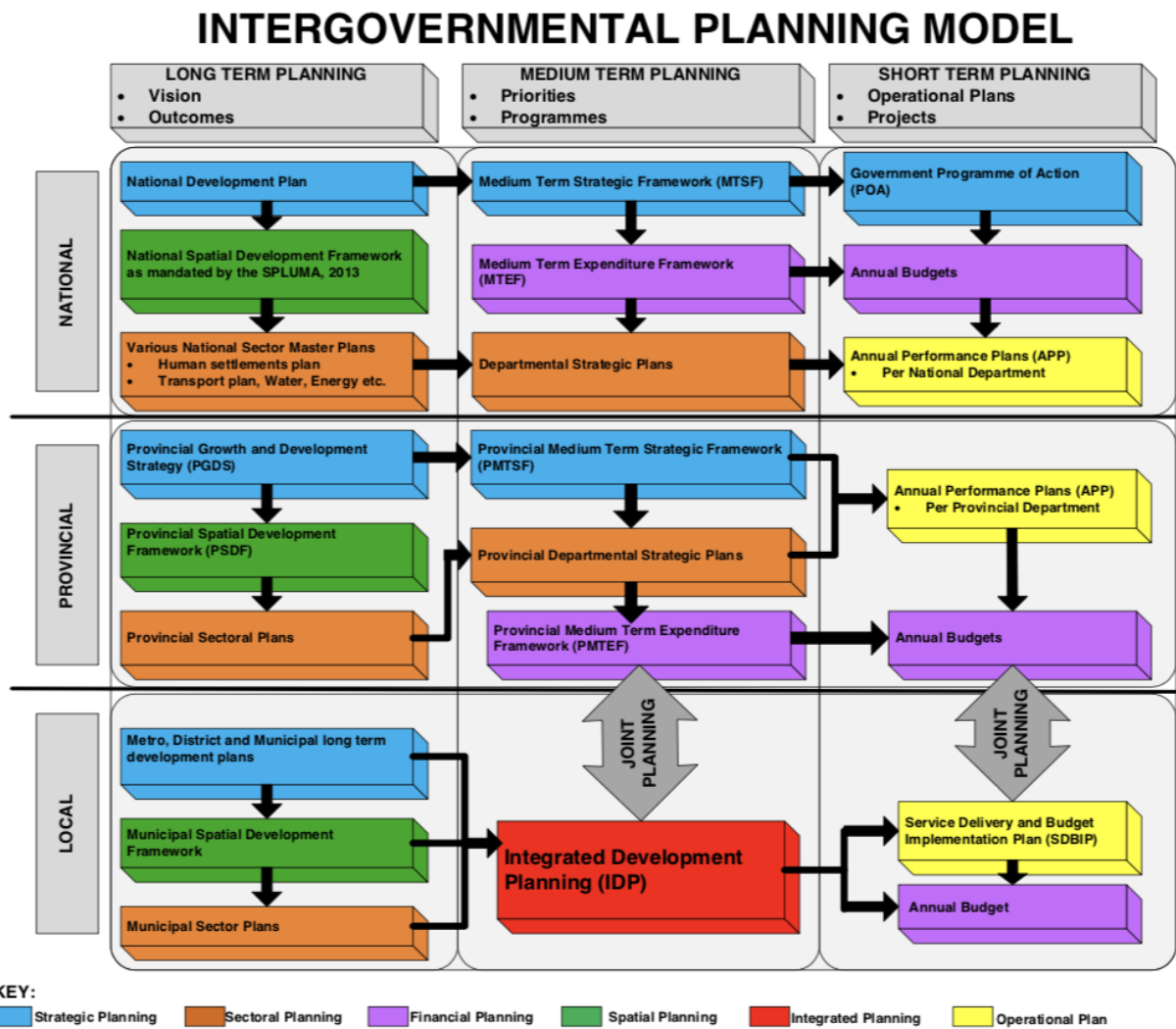


FIGURE 38 : Intergovernmental Planning Model

3.2 INTERGOVERNMENTAL STRUCTURES

In terms of the Constitution of South Africa, all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith fostering friendly relations. They must assist and support one another; inform and consult one another on matters of common interest; coordinate their actions; adhering to agreed procedures and avoid legal proceedings against each one another. To adhere to the principles of the Constitution as mentioned above the municipality participates in the following intergovernmental structures:

a) Municipality's participation in IGR structures

- Premier's Coordinating Forum (PCF)
- District Coordination Forum (DCF)
- Mayor's and Municipal Manager's Forum
- Chief Financial Officer Forum
- Provincial Local Economic Development Forum
- Provincial LED and Tourism Forum
- Provincial Public Participation and Communication Forum
- Provincial IDP Manager's Forum
- Provincial Public Participation Workshops and Training Courses
- Provincial Social Housing Forum
- SALGA Working Groups (Human Settlement Stream and HR stream)
- Provincial Skills Development Forum
- Human Resource Management Forum
- Provincial Disaster Management Advisory Forum
- Provincial Roads and Public Works Forum
- Back to Basics
- Operation Masiphathisane
- SALGA BIGM partnership with Port Edward County
- NUSP Forum (National Upgrading Support Program)

b) District / Municipal Forms

- Municipal Managers Forum
- SALGA Working Groups
- District Coordinating Forum
- IDP Managers Forum
- LED Managers Forum

3.3 AREAS OF INTERFACE – NATIONAL, PROVINCIAL, DISTRICT AND NATIONAL GOVERNMENT

NATIONAL DEVELOPMENT PLAN (NDP) – VISION 2030

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. South Africa has the potential and capacity to eliminate poverty and reduce inequality over the next two decades. This programme set out government's plans to address various key government programmes. The President also ensure that the National Development Plan remains the foremost blueprint to take forward the fight against poverty, inequality and unemployment. All programmes of government are aligned to the NDP.

The Key focus areas of the Plan are illustrated in the figure below:

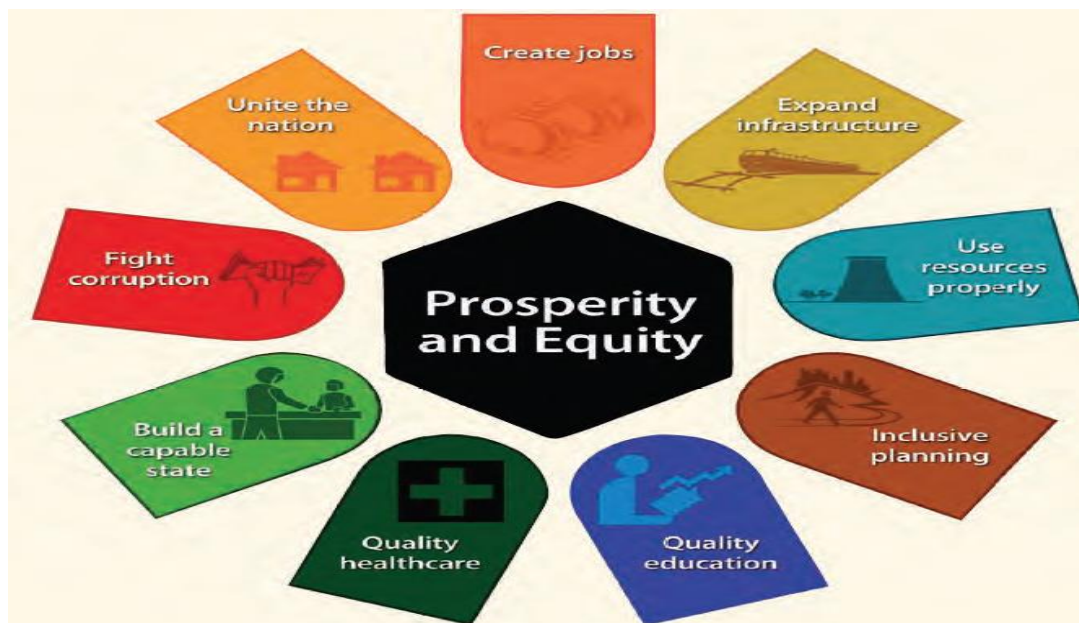


FIGURE 39 : NDP 2030 Vision

The 12 National Outcomes are:

- NOC2:** A long and health life for all South Africans
- NOC 1:** Improve quality of basic education
- NOC3:** All people in South Africa are and feel safe
- NOC4:** Decent employment through inclusive economic growth
- NOC5:** A skilled and capable workforce to support an inclusive growth path
- NOC6:** An efficient, competitive and responsive economic infra structure network
- NOC7:** Vibrant, equitable and sustainable rural communities with food security for all
- NOC8:** Sustainable human settlements and improved quality of household life
- NOC9:** A responsive, accountable, effective and efficient local government
- NOC10:** Environmental assets and natural resources that are well protected and continually enhance
- NOC11:** Create a better South Africa and contribute to a better and safer Africa and the world
- NOC12:** An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship

Of the 12 Outcomes, Outcome 9 holds reference to District and Local Municipalities as a mechanism to formalize 'A Responsive, accountable, effective and efficient local government system'.

Outcome 9 identifies 7 Critical Outputs:

- Output 1:** Implement a differentiated approach to municipal financing, planning and support;
- Output 2:** Improving Access to Basic Services;
- Output 3:** Implementation of the Community Work Program;
- Output 4:** Actions supportive of the human settlement outcomes;
- Output 5:** Deepen democracy through a refined Ward Committee model;
- Output 6:** Administrative and financial capability;
- Output 7:** Single Window Coordination.

The State of the Nation Address was delivered by the newly elected President of South Africa, Mr Cyril Ramaphosa on 16 February 2018 and is summarized as follows:

SUMMARY OF ACTIONS/COMMITMENTS FROM PRESENIDENT CYRIL RAMAPHOS – SONA 2018	
Economic Policy	<ul style="list-style-type: none"> • Appoint a Presidential Economic Advisory Council that will draw on the expertise and capabilities that reside in labour, business, civil society and academia
Jobs, especially for youth	<ul style="list-style-type: none"> • Jobs Summit within a few months • Investment Conference within the next three months • Launch Youth Employment Service Initiative to place unemployed youth in paid internships in companies across the economy • Create such internships in the next three years • Establish a Youth Working Group
Re-industrialise/stimulate manufacturing	<ul style="list-style-type: none"> • Strategic use of incentives and other measures • Localisation programme for products designated for local manufacturing – clothing, furniture, water meters etc
Transformation	<ul style="list-style-type: none"> • Support black industrialist – to build a new generation of black and women producers that can build enterprises or significant scale and capability • Use competition policy to open markets to new black entrants • Invest in the development of township and rural enterprises
Infrastructure	<ul style="list-style-type: none"> • Assemble a team to speed up implementation of new projects, particularly water projects, health facilities and road maintenance
Mining	<ul style="list-style-type: none"> • Intensify engagements with all stakeholders on the Mining Charter • Finalise the MPRDA Amendment Bill by end of the 1st quarter of this year • Stakeholder engagement to deal with mining fatalities
Small business, co-ops, township enterprises	<ul style="list-style-type: none"> • Honour 30% of procurement allocation to these enterprises • Invest in SMME incubation • Welcome SMME fund initiative by corporate sector
Land and Agriculture	<ul style="list-style-type: none"> • Accelerate our land redistribution programme and make more land available • Expropriate land without compensation, our approach, considering food security, agricultural production and growth of the sector
Fourth industrial revolution	<ul style="list-style-type: none"> • Digital industrial revolution commission to be established • Allocation of spectrum to reduce barriers to entry
National minimum wage	<ul style="list-style-type: none"> • Introduce NMW by May 1 benefiting more than 6 million South Africans
Health and NHI	<ul style="list-style-type: none"> • Scale up our testing and treating campaign by initiating an additional two million people on anti-retroviral treatment by December • The NHI Bill is now ready to be processed through government and will be submitted to Parliament in the next few weeks
Education	<ul style="list-style-type: none"> • Free higher education and training will be available to first year students from households with a gross combined annual income of R350 000. (to be phased in) • All public schools have begun offering an African language • First National Senior Certificate examination on South African Sign Language will be offered to deaf learners at the end of
Social grants	<ul style="list-style-type: none"> • Urgently take decisive steps to comply with all directions of the Constitutional Court • Take action to ensure no person in government is undermining implementation deadlines set by the court
Social Sector/Civil Society	<ul style="list-style-type: none"> • Convene a Social Sector Summit during this year to recognise the critical role they play in society
State/governance	<ul style="list-style-type: none"> • Reduce the number of departments (cabinet) • Review the funding model of SOE's and other measures • Change the way that boards are appointed • Remove board members from any role in procurement
Corruption/state capture	<ul style="list-style-type: none"> • The Commission of Inquiry into state capture to commence its work shortly • The Commission should not displace the regular work of the country's law enforcement agencies in investigating and prosecuting all acts of corruption • Urge professional bodies and regulatory authorities to act against members who are found to have acted improperly and unethically

	<ul style="list-style-type: none"> • Urgently attend to the leadership issues at the National Prosecuting Authority to ensure that this critical institution is stabilised and able to perform its mandate unhindered • Appoint a Commission of Inquiry into Tax Administration and Governance of SARS • Visit every national department to engage with the senior leadership to ensure that the work of government is effectively aligned.
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Table 131 : State of the Nation Address

PROVINCIAL DEVELOPMENT PLAN – VISION 2030

The Principles of the Provincial Development Plan is to depart from a principled premise that confronts the *structural features* hobbling the provincial economy.

The principles are the following:

- Social, economic and spatial justice;
- Gender equality;
- Intergenerational equity – prevent inequalities being passed down to future generations;
- Citizen participation and co-responsibility for development;
- Promotes ethical, integrated multi-agent action predicated on the relative strengths of institutional partners;
- Public good – government must prioritise the common interest above personal gain;
- Respects evidence and critical deliberation;
- And takes accountability seriously.

The PDP is designed to deal with the spread and incidence of poverty and unemployment in the Eastern Cape Province as well as the spatial inequality between different regions.

The Premier of the Eastern Cape, Hon Phumulo Masualle presented the Provincial Strategic Plan 2015-2020 on 15 March 2015 comprising of the following key strategic objectives:

PROVINCIAL STRATEGIC OBJECTIVES 2015-2020	
STRATEGIC OBJECTIVE 1 <i>Objective statement: Policy coordination and integrated planning in the Province</i>	Strengthened policy coordination and integrated planning in the province
STRATEGIC OBJECTIVE 2 <i>Objective statement: Implementation of government programmes</i>	Accelerated implementation of government programmes
STRATEGIC OBJECTIVE 3 <i>Objective statement: Co-operative governance, stakeholder relations and partnerships</i>	Effective co-operative governance, stakeholder relations and partnerships
STRATEGIC OBJECTIVE 4 <i>Objective statement: Good corporate governance</i>	Improved corporate governance

Table 132 : Provincial Strategic Objectives

(Source: Provincial Strategic Plan)

KOUGA MUNICIPALITY STRATEGIC GOALS ALIGNMENT WITH NATIONAL OUTCOMES AND PROVINCIAL GOALS

NATIONAL OUTCOMES	PROVINCIAL GOALS	KOUGA STRATEGIC GOALS
NOC 1: Improve quality of basic education	PG2: An educated, empowered and innovative citizenry	KG3: To provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government
NOC2: A long and health life for all South Africans	PG3: A healthy population	KG1: To provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga
NOC3: All people in South Africa are and feel safe	PG4: Vibrant, equitably enabled communities	KG1: To provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga
NOC4: Decent employment through inclusive economic growth	PG1: A growing, inclusive and equitable economy	KG2: To create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
NOC5: A skilled and capable workforce to support an inclusive growth path	PG2: An educated, empowered and innovative citizenry	KG3: To provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government KG5: To build sustainability of Kouga Municipality by empowering staff to achieve a good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency
NOC6: An efficient, competitive and responsive economic infrastructure network	PG1: A growing, inclusive and equitable economy	KG2: To create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
NOC7: Vibrant, equitable and sustainable rural communities with food security for all	PG4: Vibrant, equitably enabled communities	KG2: To create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
NOC8: Sustainable human settlements and improved quality of household life	PG4: Vibrant, equitably enabled communities	KG1: To provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga
NOC9: A responsive, accountable, effective and efficient local government	PG5: Capable, conscientious and accountable institutions	KG4: To create an enabling environment for active public participation and an administrative culture characterised by accountability transparency and efficiency KG5: To build sustainability of Kouga Municipality by empowering staff to achieve a good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency
NOC10: Environmental assets and natural resources that are well protected and continually enhanced	PG4: Vibrant, equitably enabled communities	KG1: To provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga
NOC11: Create a better South Africa and contribute to a better and safer Africa and the World	PG4: Vibrant, equitably enabled communities	KG4: To create an enabling environment for active public participation and an administrative culture characterised by accountability transparency and efficiency
NOC12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	PG5: Capable, conscientious and accountable institutions	KG4: To create an enabling environment for active public participation and an administrative culture characterised by accountability transparency and efficiency

Table 134 : Strategic goals alignment

DISTRICT DEVELOPMENT PRIORITIES

Section 29(2) of the MSA, Act 32 of 2000 clearly states that district municipalities must:

- Plan integrated development for the area of the district municipality but in co-operation with the local municipalities in the area;
- Align its integrated development plan with the framework adopted; and
- Draft its integrated development plan, considering the integrated development processes of and proposals submitted to it by the local municipalities in that area.

The Sarah Baartman District municipality identified capacity building to local municipalities as its key focus area. It is also the centre of co-ordination on behalf of its 7 local municipalities. The integrated development of the district includes services rendered by all sector departments to the communities in the Sarah Baartman area of jurisdiction. Sector alignment therefore forms an integral part of the district's IDP.

INTEGRATED SERVICE DELIVERY MODEL

The ISDM Cycle presents as follows:

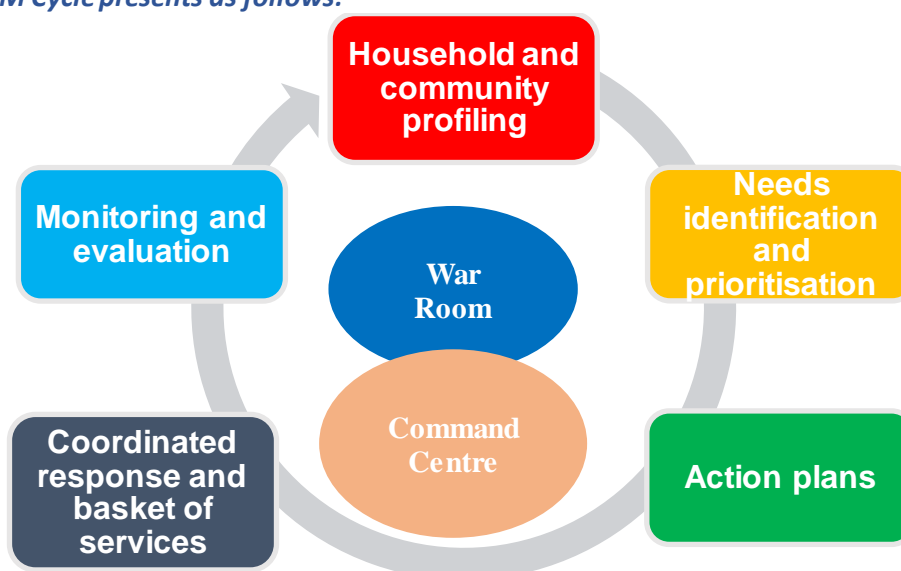


FIGURE 40 : Integrated Service Delivery Model

(Source: Gogta)

The benefits of the ISDM are:

- Coordination and alignment of public planning (Ward-based, IDP's, APPs,) to give credibility to IDP's';
- Integration of services in one structure and having services available in one location;
- Improved vertical and horizontal linkages and governance and pooling of resources (human and financial);
- People-centred and empowering: encouraging community participation;
- Streamlining of existing structures: working together for knowledge sharing and training;
- Integrative reporting from local government to all spheres of government and improved accountability.

The Kouga Municipality has not established war rooms as the ward committee system addresses the need for stakeholder and public participation processes in planning in the municipality.

BACK TO BASICS APPROACH

The Back to Basics programme driven by the Department of Cooperative Governance relates to the core services that local government needs to provide namely clean drinking water, sanitation, electricity and waste removal. It also includes other essential services such as roads and shelter. The aim of the back to basics program is to ensure good governance. Municipalities are obliged to render these services and to create a safe, healthy and economically sustainable environment for their respective communities. The goal of the back to basics is to improve the functioning of municipalities to better serve communities by getting the basics right.

The back to basics programmes also ensure legal compliance on the following:

- The holding of council meetings as legislated.
- The functionality of oversight structures such as municipal public accounts committees and other oversight meetings.
- Progress on matters listed on the back to basics programme.
- The existence and efficiency of anti-corruption measures.
- The extent to which there is compliance with legislation and the enforcement of by-laws.
- The rate of service delivery protests and approaches to address them.

A further focus is on public participation and in this regard the following is highlighted:

- Efficient communication systems to communicate regularly with communities and disseminate urgent information.
- The existence of the required number of functional ward committees.
- The number of effective public participation programmes conducted by councils.
- The regularity of community satisfaction surveys carried out.

Sound financial management is a corner stone of the programme as it forms an integral part of the success of the municipality. The institutional capacity is another focus area to ensure that strong municipal administrative systems and processes are in place. It includes ensuring that administrative positions are filled with competent and committed people whose performances is closely monitored.

Quarterly reports are submitted to Cogta Eastern Cape on a quarterly basis.

CHAPTER 4: STRATEGIC PLANNING AND HORIZONTAL ALIGNMENT

This Chapter outlines Kouga Municipality's, strategic intent and Key Performance Areas for the next five years. It aims to respond to some of the key challenges experienced by all spheres of government.

4.1 MUNICIPAL VISION AND MISSION STATEMENTS

4.1.1 Vision Statement

The Vision has a clear direction and that is to govern the municipality effectively and efficiently and to render the best basic services to the community. Its aim is also to inspire to community to enhance public participation and to attract the best talent and investment to the municipality.



4.1.2 Mission Statement

It is the mission of the municipality to offer the people of Kouga area:

- To create a government that addresses the needs and respects the values of Ubuntu in our communities.
- To create a better life for all through delivering inclusive and affordable services to residents.
- To create a safe environment with diverse opportunities for economic growth and development.
- To create a responsive, accountable and caring government for all its people.
- To create an efficient, well-managed, corruption free and legally compliant municipality.
- To create and maintain an effectively governed administration that is committed to financial sustainability.

4.1.3 Value Statement

Kouga Municipality embraces the notion of Developmental Local Government and subscribes to the following values:

- Service excellence
- Accountability and transparency
- Morality and honesty
- Equity, dignity and respect
- Freedom and fairness
- Integrity, professionalism and discipline
- Empathy and compassion

4.1.4 KEY PERFORMANCE AREAS (KPA'S)

The Kouga Municipality's goals and strategies are aligned with Government key performance areas:

- KPA 1: Basic Services and Infrastructure
- KPA 2: Local Economic Development
- KPA 3: Financial Management and Viability
- KPA 4: Institutional Development and Transformation
- KPA 5: Good Governance and Public Participation

4.2 KOUGA STRATEGIC GOALS AND OBJECTIVES

The strategic goals and objectives are linked to service areas and departmental objectives and the information will be used to develop predetermined objectives and align them with the municipal budget and performance management system.

KPA 1: BASIC SERVICES AND INFRASTRUCTURE

Goal: Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga

Objective 1: To promote access for all citizens to equitable, appropriate and sustainable infrastructure.

Objective 2: To provide equitable, appropriate and sustainable basic services to all citizens

Objective 3: To ensure proper spatial planning and transportation planning for mega projects and human settlements

Objective 4: To facilitate real opportunities for the youth, women and people with disabilities

KPA 2: LOCAL ECONOMIC DEVELOPMENT

Goal: Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment

Objective: To create an enabling environment for economic growth that attracts investors and tourists, encourages innovation and facilitates pro-poor inventions.

KPA 3: MUNICIPAL FINANCIAL VIABILITY AND TRANSFORMATION

Goal: Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.

Objective: Ensure a municipality that is committed to prudent management of public funds, good governance, financial viability that accommodates, diversity in service delivery.

KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Goal: Create an enabling environment for active public participation and an administrative culture characterised by accountability, transparency and efficiency

Objective 1: To create a responsive, accountable, effective and efficient municipal system

Objective 2: To establish a common vision and create coherence in government's work by seeking close partnerships with citizenry.

KPA 5: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

Goal: Provide professional, efficient, people centered human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government

Objective: To develop progressive strategies to optimise the use of available human resources.

4.3 DEVELOPMENT PRIORITIES FOR THE MUNICIPALITY 2019/20 FY

No.	KPA	PRIORITY	OBJECTIVE	TARGET	BUDGET YEAR	BUDGET YEAR	RESPONSIBLE DIRECTORATE
IDP01	1	Eradication of Bucket System	To provide residents in formal residential areas with minimum acceptable, other than buckets, levels of sanitation services	• Stofwolk (connect waterborne)	18/19	19/20	Infrastructure and Engineering
				• Thornhill (connect waterborne)			
				• Sea Vista (connect waterborne)			
				• Ramaphosa Village (connect waterborne)			
				• Oceanview (connect waterborne)			
				• Kwanomzamo (connect waterborne)			
IDP02	1	Formalization of illegal electricity connection	To provide residents in formal residential areas with access to electricity services (Exclusive of the Gamtoos area and areas serviced by ESKOM)	• 100% of in-fill formal built-up residential areas provided within the urban edge with access to electricity	18/19	19/20	Infrastructure and Engineering
				• Reduce electricity losses to below 16%	18/19	19/20	
				• Formalization of electrical connections in informal areas that are pegged	18/19	19/20	
IDP03	1	Address water crises in the Kouga Municipal area	To provide formal residential built up areas with a sustainable potable water source and supply to the residents of Kouga	• Oyster Bay	18/19	19/20	Infrastructure and Engineering
				• Jeffreys Bay			
				• Kruisfontein			
				• Hankey			
				• Patensie			
• Cape St Francis							
IDP04	1	Extension and tarring of roads in the Kouga municipal area	To provide residents and visitors with high quality road networks under Kouga's jurisdiction	<ul style="list-style-type: none"> • Extension of roads <ul style="list-style-type: none"> • Duine Road – appoint consultants (design, EIA, water use licence and tender documents) • Felix Street (Humansdorp) Co-funded by Woodlands Dairy 	18/19	19/20	Infrastructure and Engineering
IDP05	1	Rehabilitate Spit Dune, Kromme River mouth spit and beach in St Francis Bay and Oyster Bay dune rehabilitation	To rehabilitate the river mouth and beach area in St Francis Bay and Oyster Bay by June 2021	• Planting of vegetation on the dunes in Oyster Bay	18/19	19/20	Community Services
				• Embankment in the Slang River			
IDP06	1	Acquire land for housing in Kwanomzamo (Ward 6)	To identify and plan for housing development in Ward	• Planning and survey of the Kwanomzamo Erf no. by end of March 2020	18/19	19/20	Planning, Development and Tourism

No.	KPA	PRIORITY	OBJECTIVE	TARGET	BUDGET YEAR	BUDGET YEAR	RESPONSIBLE DIRECTORATE
				<ul style="list-style-type: none"> Relocate residents to new settlement by 2020 			
IDP07	1	Acquire land for housing for Loerieheuwel (De Wet Farm) (Ward 7)	To provide adequate housing to the residents of Ward 7	<ul style="list-style-type: none"> Planning and survey by June 2020 	18/19	19/20	Planning, Development and Tourism
IDP08	1	Identify land for housing in Ward 1 (Sea Vista)	To identify and plan for housing development in Ward 1 (Sea Vista)	<ul style="list-style-type: none"> Identify suitable land for housing in Ward 1 	18/19	19/20	Planning, Development and Tourism
IDP09	1	Upgrading of Sportsfields	To ensure that residents and visitors have decent facilities for sporting games	<ul style="list-style-type: none"> Upgrading of Loerie and Thornhill Club Houses 	18/19	19/20	Community Services
				<ul style="list-style-type: none"> Thornhill Club House 			
				<ul style="list-style-type: none"> Upgrading of Pelssrus Sport Facility (MIG Funding) 			
				<ul style="list-style-type: none"> Upgrading of Sea Vista and Kwanomzamo Sport Facilities (MIG funding) 			
IDP10	2	Development of cemeteries on EIA approved sites	To provide residents of Kouga with adequate burial facilities	<ul style="list-style-type: none"> Design layout plans completed for cemeteries 	18/19	19/20	Community Services
				<ul style="list-style-type: none"> Implementation of Environmental authorization 			
IDP11	1	Land Audit in Kouga Municipal Area	Conduct a land audit in Kouga Municipal area	Appoint a service provider to conduct a land audit	-		Planning, Development and Tourism
IDP12	1	Upgrade of informal settlements in Ward 12 (lower Kwanomzamo Golf Course)	To upgrade and provide access to basic services for residents in Ward 12	Upgrading of lower Kwanomzamo informal settlements	-	19/20	Planning, Development and Tourism
IDP13	1	Facilitate implementation of FLISP and Social Housing	To provide affordable housing opportunities to middle income	Appoint Developers for FLISP and Social Housing Development in Jeffreys Bay (Ward 14) and Humansdorp (Ward 15)	-	19/20	Planning, Development and Tourism
IDP14	1	Precinct Plan Development for Primary and Secondary Nodes. (Jeffreys Bay, Humansdorp and St Francis Bay)	To ensure efficient development of urban nodes in Kouga	CBD precinct plans in Jeffreys Bay, Humansdorp and St Francis Bay	-	19/20	Planning, Development and Tourism
IDP15	1	Development of Erf 353 Caravan Park Humansdorp for Mixed Land Use Development	To encourage development and investment opportunities in Kouga	Appoint property developers for Mixed Land Use Development at Erf 353, Humansdorp Caravan Park	-	19/20	Planning, Development and Tourism

No.	KPA	PRIORITY	OBJECTIVE	TARGET	BUDGET YEAR	BUDGET YEAR	RESPONSIBLE DIRECTORATE
IDP16	3	Introduction of ERP solution and associated IT architecture	To improve and integrate IT systems of the municipality	Appoint project manager for IT – ERP Project	18/19	19/20	Finance
				Procurement of IT Solution software service provider			
IDP17	1	Integrated Land Use Scheme	To ensure legislative compliance in terms of SPLUMA	Council to adopt an Integrated Land Use Scheme by June 2020	-	19/20	Planning, Development and Tourism
IDP18	1	Rezoning of Erf 400 (St Francis Bay)	To ensure that much needed sporting facilities become available in St Francis Bay	Facilitate negotiations for the transfer of Erf 400 from the Department of Public Works to Kouga Municipality	-	19/20	Planning, Development and Tourism
IDP19	1	Rezoning of Erf 554 (St Francis Bay) for sporting facilities	To ensure much needed sporting facilities become available in St Francis Bay	Facilitate a development plan for Erf 554	-	19/20	Planning, Development and Tourism
IDP20	1	Upgrade and maintain public ablution facilities to an acceptable standard	To provide clean and safe public ablution facilities to residents and visitors	Upgrade Pellsrus, Kabeljauws and Cape St Francis ablution facilities	18/19	19/20	Community Services
IDP21	1	Upgrading of caravan parks in the Kouga area	To provide high quality recreational facilities to residents and visitors to Kouga	Upgrading of the Jeffreys Bay Caravan Park and Yellow Woods	18/19	19/20	Community Services
IDP22	1	Upgrading of community halls	To ensure that residents and visitors have decent facilities for functions	<ul style="list-style-type: none"> Upgrading of the Kruisfontein Civic Centre and Newton Hall Katriena Felix Community Hall 		19/20	Community Services
IDP23	1	Initiate and develop climate change projects	To ensure that residents and visitors have a clean and safe environment	Develop a climate change strategy	-	19/20	Community Services
				Initiate climate change projects in collaboration with German Partners			
				Planting of indigenous trees in conjunction with the community	18/19		Community Services
IDP24	1	Relocation of Traffic Department in Humansdorp	To provide residents with accessible traffic services	Investigate suitable premises to relocate the traffic department	-	19/20	Corporate Services
	1, 3, 4	Procure new vehicles for the Lifesaving Services, Fire and Disaster	To ensure that Lifesaving, Fire and Disaster Service are rendered effectively in the Kouga municipal area	Acquire 3 vehicles and 2 rescue equipment: by June 2020	-	19/20	Community Services

No.	KPA	PRIORITY	OBJECTIVE	TARGET	BUDGET YEAR	BUDGET YEAR	RESPONSIBLE DIRECTORATE
IDP25	1	Procure new vehicles for Safety and Security	To provide residents and visitors with a safe and secure environment	Acquire 3 vehicles by March 2020	-	19/20	Community Services
IDP26	1	Develop a LED strategy for the Kouga	To ensure the economic development of the Kouga area is achieved in a structured and planned manner	<ul style="list-style-type: none"> Review LED strategy 	18/19	19/20	Planning, Development and Tourism
IDP27	1, 4	Investigate the construction of a new municipal building	To provide suitable accommodation to staff of the municipality to facilitate improved service delivery	<ul style="list-style-type: none"> Conclude investigations into the various options available for alternative office accommodation and report on the findings and recommendations by 31 January 2020 	18/19	19/20	Corporate Services
				<ul style="list-style-type: none"> Prepare and submit budgetary motivations for the provision of suitable office accommodation by 30 March 2020 			
IDP28	1	Develop in-house lifesaving capacity	To ensure that lifesaving services be rendered to residents and visitors to the Kouga	<ul style="list-style-type: none"> Train 8 professional lifeguards 	18/19	19/20	Community Services
IDP29	1	Reduce the number of stray animals roaming in the Kouga area	To ensure that no stray animals roam the streets of Kouga	<ul style="list-style-type: none"> Impound 100 roaming animals 	18/19	19/20	Community Services
IDP30	3	Improve revenue generation and collection to facilitate increased funding for service delivery	To ensure a 96% revenue collection rate	<ul style="list-style-type: none"> Revenue collection rate of 96% between revenue raised and revenue collected 	18/19	19/20	Finance
IDP31	1	Contribution to Animal Welfare Society in Kouga	To ensure that animal welfare associations render much needed care and haven to lost animals	<ul style="list-style-type: none"> Conclude a service level agreement with animal welfare society (Grant-in-Aid) 	18/19	19/20	Community Services
IDP32		Stabilization of Oyster Bay Dunes	To ensure the provisioning and maintenance of roads and stormwater to communities	<ul style="list-style-type: none"> Due date compliance with the development and implementation of a dune stabilisation plan and program for dunes at Brander Street, Oyster Bay 	-	19/20	Infrastructure and Engineering
IDP33	5	Relocate Humansdorp Museum to Cultural centre	To provide a suitable venue for the Humansdorp Museum	<ul style="list-style-type: none"> Relocate Humansdorp by 2019 	-	19/20	Planning, Development and Tourism
IDP34	1	Upgrade Saffrey Street sub-station in Humansdorp	To improve the safety of municipal electricians	<ul style="list-style-type: none"> To have the upgrade completed by 2021 	-	19/20	Infrastructure and Engineering

No.	KPA	PRIORITY	OBJECTIVE	TARGET	BUDGET YEAR	BUDGET YEAR	RESPONSIBLE DIRECTORATE
IDP35	1	Upgrade old MV cables – Humansdorp and Jeffreys Bay	To make allowance for future developments and to improve the quality of supply	<ul style="list-style-type: none"> To identify areas where upgrading is needed and to install new cables in these areas 	-	19/20	Infrastructure and Engineering
IDP36	1	Upgrade MV equipment – St Francis Bay	To make allowance for future developments and to improve the quality of supply	<ul style="list-style-type: none"> To identify areas where upgrading is needed and to install new cables in these areas 	-	19/20	Infrastructure and Engineering
IDP37	1	Additional 5 MVA transformer 22000/11000 volt	To make allowance for future developments and to improve the quality of supply	<ul style="list-style-type: none"> To purchase and install the transformer by 20/20 	-	19/20	Infrastructure and Engineering
IDP38	1	Replacement of old oil circuit breakers	To replace all old type oil circuit breakers with vacuum circuit breakers	<ul style="list-style-type: none"> All old oil circuit breakers to be replaced by 2022 to adhere to the environment regulations on PCB. 	-	19/20	Infrastructure and Engineering
IDP39	1	Review Integrated Human Settlement Plan	To integrate and develop a single shared vision and housing delivery plan for the residents of Kouga	<ul style="list-style-type: none"> Appoint a service provider to review the Integrated Human Settlement Plan 	-	19/20	Planning, Development and Tourism
IDP40	1	Roll out of the 240 litre wheelie bins	To provide residents of Kouga with proper waste containers	<ul style="list-style-type: none"> Roll out to part of Humansdorp 	-	19/20	Community Services
IDP41	1	Acquisition of grass cutting and bush clearing equipment	To provide clean and safe environment for the Kouga residents	<ul style="list-style-type: none"> 100% expenditure of budget provided for grass cutting and bush clearing equipment 	-	19/20	Community Services
IDP42	1	Acquisition of safety equipment	To provide residents and staff with a safe and secure environment	<ul style="list-style-type: none"> 100% expenditure of budget provided for safety equipment 	-	19/20	Community Services

Table 133 : Municipal priorities

4.4 STRATEGIC OBJECTIVES ALIGNED TO THE DEPARTMENTAL OBJECTIVES IN EACH DIRECTORATE

NO.	DIRECTORATE	OBJECTIVE
SOD1	Office of the Municipal Manager	To ensure that municipal services are administered in accordance with the objectives of local government as prescribed in Chapter 7 of the Constitution
SOD2	Directorate Infrastructure and Engineering Services	To manage infrastructure services provisioning and project management
SOD3	Directorate Planning, Development and Tourism	To manage and provide town planning services and ensure the economic upliftment and development in the municipal area.
SOD4	Directorate Corporate Services	To transform the institution into a high-performance organisation with a skilled and diverse workforce
SOD5	Directorate Community Services	To render integrated community services to enhance community development in general and promote a clean and safe environment
SOD6	Directorate Financial Services	To manage and provide financial services to ensure financial viability, compliance and reporting

Table 134 : Departmental objectives

4.4.1 SOD2 – OFFICE OF THE MUNICIPAL MANAGER

Objective: To ensure that municipal services are administered in accordance with the objectives of local government as prescribed in Chapter 7 of the Constitution

SOD1.1 EXECUTIVE SUPPORT: To provide office management services to the Municipal Manager

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Performance Management	Number of institutional performance reports submitted to Council	Submit 4 institutional performance reports to Council at 1 report per quarter	4	4	4	4	

Table 135 : Executive support

SOD1.2 RISK MANAGEMENT AND INTERNAL AUDIT: To assess municipal risks and provide an independent appraisal of the adequacy and effectiveness of financial controls in the municipality

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Internal Audit	Number of Audit Committee Meetings	Attend 4 Audit Committee Meetings	4	4	4	4	
Risk Management	Number of Risk Management Committee Meetings	Attend 4 Risk Management Committee Meetings	4	4	4	4	

Table 136 : Risk Management and Internal Audit

SOD1.3 INTEGRATED DEVELOPMENT PLANNING: To develop and coordinate a credible Integrated Development Plan that will address the developmental needs of the community

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
Integrated Development Planning	Due date compliance with IDP review processes	Develop a Process Plan for the 2018/19 IDP by 31 August 2017	1 31 August 2018	1 31 August 2019	1 31 August 2020	1 31 August 2021	All
		Review and table a draft copy of the IDP to Council by 31 March 2018	1 31 March 2019	1 31 March 2020	1 31 March 2020	1 31 March 2021	
		Table a final copy of the IDP to the Council by 31 May 2018	1 31 May 2018	1 31 May 2019	1 31 May 2020	1 31 May 2021	
		Arrange and facilitate 15 IDP Public Meetings to determine ward priorities	15	15	15	15	
		Arrange and facilitate 2 IDP Representative Forum Meetings annually	2	2	2	2	
		Arrange and facilitate 1 ward-based planning sessions with ward committees	1	1	1	1	
		Arrange 1 strategic planning session annually to review objectives of the IDP	1	1	1	1	
		Upload the approved Final IDP on the municipal website by 15 June 2018	1	2	2	2	

Table 137 : Integrated Development Planning

SOD1.4 PERFORMANCE MANAGEMENT: To develop, maintain and monitor the institutional performance management system/SDBIP in the municipality

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
SDBIP	Number of SDBIP's to the Executive Mayor for approval	1 SDBIP to the executive Mayor within 14 days of the adoption of the budget	1	1	1	1	
	Number of SDBIP's tabled to Council by 31 July	1 SDBIP tabled to the Council by 31 July	1	1	1	1	
	Number of SDBIP's uploaded to website by 5 August 2019	1 SDBIP uploaded to the website by 5 August 2019	1	1	1		
	Number of SDBIP implementation reports submitted to Council	4 SDBIP implementation reports submitted to Council	4	4	4	4	
Performance Contracts	Number of performance agreements submitted to Council by 31 August 2019	6 performance agreements submitted to Council by 31 August 2019	6	6	6	6	
	Number of performance agreements uploaded to the website	6 performance agreements uploaded to the website within 5 days of approval	6	6	6	6	

Table 138 : Performance Management

SOD1.5 MEDIA AND COMMUNICATION: To provide comprehensive communication and intergovernmental relations services

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
Media and communication	Number of Kouga News publications prepared and circulated	1 Kouga News publication per annum prepared and circulated	1	1	1	1	NA
Municipal Website	Overhaul the functionality of the website to include payment portals for various functions like traffic fines.	Overhaul the functionality of the website to include payment portals for various functions like traffic fines 30 June 2020	-	30 June 2020	30 June 2021	30 June 2022	

Table 139 : Media and Communication

SOD1.6 LEGAL SERVICES: *To provide professional, effective and efficient legal support to Council and Administration, to protect the municipality's interests, mitigate legal risks and ensure legal compliance*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	All departments of the Municipality
Mitigate Legal Risks	Number of reports on legal risks submitted to Council	4 legal risks submitted to Council	4	4	4	4	
Municipal Delegation Framework	Number of delegation registers reviewed by Council	1 delegation register reviewed by Council by 30 June 2020	-	30 June 2020	-	-	
Municipal Code	Audit and review by-laws	Audit and review by-laws by 30 June 2020	-	30 June 2020	30 June 2021		

Table 140 : Legal Services

SOD1.7 SPECIAL PROGRAMMES: *To coordinate and manage all special programmes to address special needs in society*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Social Development	Women Empowerment Number of meetings of the Kouga Women's Forum	Establishment of Ward based Women forums and the establishment of a Kouga Women Forum that will represent women 4 Meetings of the Kouga Women's Forum with 1 meeting per quarter	4	4	4	4	All wards
	Youth Development Number of meetings of the Kouga Youth Forum	Reviving and establishment of Youth Forums 4 Meetings of the Kouga Youth Forum with 1 meeting per quarter	4	4	4	4	All wards
	Number of meetings of the Kouga Vulnerable Groups Forum	4 Meetings of the Kouga Vulnerable Groups Forum with 1 meeting per quarter	4	4	4	4	

Table 141: Special Programmes

4.4.2 SOD2 – DIRECTORATE INFRASTRUCTURE AND ENGINEERING SERVICES

SOD2.1 WATER AND SANITATION SERVICES: *To manage the rendering of water service and to provide bulk and potable water and sanitation services to the community*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Infrastructure	% households in formal residential areas with access to potable water	100% of residents have access to potable water	100%	100%	100%	100%	
	% of informal households within the urban edge with access to water within 200m	100% of informal households within the urban edge with access to water within 200m	100%	100%	100%	100%	
	% of clinics within the urban edge have access to water	100% of clinics within the urban edge have access to water	100%	100%	100%	100%	
	% of schools within the urban edge have access to water	100% of schools within the urban edge have access to water	100%	100%	100%	100%	
	Number of water demand/conservation management loss reduction programs completed	1 water demand/conservation management loss reduction programs completed by 31 October 2019	1	1	-	-	
	% water losses	35% water losses	35%	36%	36%	36%	
	% capital expenditure on water infrastructure projects	100% capital expenditure on water infrastructure projects	100%	100%	100%	100%	
	% expenditure of water supply infrastructure repairs and maintenance budget	100% expenditure of water supply infrastructure repairs and maintenance budget	100%	100%	100%	100%	
	Informal households using bucket sanitation Number of households converted from bucket sanitation to water-based sanitation system	Eradicate the number of households using bucket sanitation <ul style="list-style-type: none"> • Stofwolk (connect waterborne) • Thornhill (connect waterborne) • Sea Vista (connect waterborne) • Ramaphosa Village (connect waterborne) • Oceanview (connect waterborne) • Kwanomzamo (connect waterborne) 	100	1500	2000	2000	
	% of formal households with access to sanitation services residential areas serviced by Kouga Municipality	100% of formal households in areas serviced by Kouga Municipality has access to sanitation services	100%	100%	100%	100%	

% of clinics within the urban edge have access to sanitation services	100% of clinics within the urban edge have access to sanitation services	100%	100%	100%	100%	
% of schools within the urban edge have access to sanitation services	100% of schools within the urban edge have access to sanitation services	100%	100%	100%	100%	
% capital expenditure on internally funded sanitation capital projects	100% capital expenditure on internally funded sanitation capital projects	100%	100%	100%	100%	
% expenditure of sanitation infrastructure repairs and maintenance budget	100% expenditure of sanitation infrastructure repairs and maintenance budget	100%	100%	100%	100%	

Table 142 : Water and Sanitation Services

SOD2.2 ELECTRICAL SERVICES: *To manage the provisioning and maintenance of electrical services*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Infrastructure	% reduction in electricity losses	Reduce electricity losses to 16%	18%	17%	16%	12%	All wards
	% formal residential households services by Kouga have access to electrical services	100% formal residential households services by Kouga have access to electrical services	100%	100%	100%	100%	All wards
	% of clinics within the urban edge have access to electricity	100% of clinics within the urban edge have access to electricity	100%	100%	100%	100%	
	% of schools within the urban edge have access to electricity	100% of schools within the urban edge have access to electricity	100%	100%	100%	100%	
	% capital expenditure on internally funded electrical infrastructure projects	100% capital expenditure on internally funded electrical infrastructure projects	100%	100%	100%	100%	
	% expenditure of electrical infrastructure repairs and maintenance budget	100% expenditure of electrical infrastructure repairs and maintenance budget	100%	100%	100%	100%	
	Number of Road Master Plans developed	1 Road Master Plan developed by 30 June 2020	-	30 June 2020	-	-	

Table 143: Electrical Services

SOD2.3 ROADS AND STORMWATER SERVICES: *To manage the construction, repair and maintenance of roads and storm water systems*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Infrastructure	% capital expenditure for the construction of roads	100% capital expenditure for the construction of roads	100%	100%	100%	100%	
	% planned road construction completed	100% planned road construction completed	100%	100%	100%	100%	
	% formal residential households within the urban edge with access to gravel or graded roads	100% formal residential households within the urban edge with access to gravel or graded roads	100%	100%	100%	100%	All wards
	% reduction in road infrastructure requiring update	1% reduction in road infrastructure requiring update	1%	1%	1%	1%	
	% capital expenditure on road infrastructure	100% capital expenditure on road infrastructure	100%	100%	100%	100%	
	% expenditure of stormwater infrastructure repairs and maintenance budget	100% expenditure of stormwater infrastructure repairs and maintenance budget	100%	100%	100%	100%	

Table 144 : Roads and Stormwater Services

SOD2.4 PROJECT MANAGEMENT: *To manage the coordination and implementation of project management processes with regard to engineering projects (MIG, EPWP and other grant funded projects)*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
	% MIG Expenditure	100% MIG budget expenditure on MIG approved projects	100%	100%	100%	100%	

Table 457: Project Management

4.4.3 SOD3. PLANNING, DEVELOPMENT AND TOURISM

SOD3.1 TOWN PLANNING & BUILDING CONTROL: *To manage the rendering of spatial and land use planning, surveying, valuations and building control services*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Building Control	% of a building plans finalized within 30 days of submission of a compliant plan	100% of a building plans finalized within 30 days of submission of a compliant plan	100%	100%	100%	100%	
Town Planning	% land use applications finalized within 60 days of a complaint submission	100% land use applications finalized within 60 days of a complaint submission	100%	100%	100%	100%	
	% informal settlements formalized	100% informal settlements formalized by 30 June 2020	-	1%	1%	1%	

Table 146 : Town Planning and Building Control

SOD3.2 HUMAN SETTLEMENTS: *To manage the funding, administrations of housing projects and administration of housing processes of housing applications provisioning to ensure proper service delivery to the community*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Housing Administration	% informal settlements formalized	100% informal settlements formalized by 30 June 2020	-	1%	1%	1%	
	Number of housing audits completed	1 housing audit completed by 30 June 2020	-	1	1	1	
	Number of service providers appointed for the review of the Human Settlement Plan	1 Service provider appointed for the review of the Human Settlement Plan by 30 June 2020	-	1	1	1	

Table 147 : Human Settlements

SOD3.3 DEVELOPMENT (LED) AND TOURISM: *To plan and develop a coherent and integrated framework for local economic development and tourism*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
LED	Number of LED Strategies	1 LED Strategy reviewed by 30 June 2020	-	1	1	1	
	Number of LED Forum Meetings held	4 LED Forum meetings per year with 1 meeting per quarter	4	4	4	4	
	% Expenditure of Budget for LED programs and projects	100% Expenditure of Budget for LED programs and projects	100%	100%	100%	100%	All
	Number of jobs created through PPP	20 Jobs created through PPP	-	20	20	20	All
	Number of SMME training programs provided	4 training opportunities provided to SMME's	4	4	4	4	

Table 148 : Development and Tourism

4.4.4 SOD4. DIRECTORATE COMMUNITY SERVICES

SOD4.1 SOLID WASTE MANAGEMENT: *To coordinate all functions/powers regarding solid waste management assigned to the municipality*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
Waste	Due date compliance with the review of a Waste Management Plan for Kouga Municipality	Integrated Waste Management Plan for Kouga Municipality reviewed annually	-	30 June 2020	30 June 2021	30 June 2022	All
	% of formal households provided with a refuse removal service once per week	100% of formal households provided with a refuse removal service once per week	100%	100%	100%	100%	
	% increase in coverage of informal household provided with refuse removal services	Increase coverage of recognized informal residential areas serviced with refuse removal services once per week by 5%	5%	10%	15%	20%	
	% of commercial enterprises provided with a refuse removal service 3 times per week	100% of commercial enterprises provided with a refuse removal service 3 times per week	100%	100%	100%	100%	
	Number of wheelie bins rolled out to designated areas	4240 bins delivered to part of Humansdorp	5947	4240	5000	5000	
	Number of Waste Management Strategies reviewed	1 Waste Management Strategy reviewed	1	1	1	1	
	% Capital budget expenditure on waste management projects	100% Capital budget expenditure on waste management projects	100%	100%	100%	100%	
	% of formal households within the urban edge provided with refuse removal services once a week	100% formal households within the urban edge provided with refuse removal services once a week	100%	100%	100%	100%	
	% of commercial enterprises within the urban edge provided with refuse removal services 3 times per week	100% commercial enterprises within the urban edge provided with refuse removal services 3 times per week	100%	100%	100%	100%	
	% of clinics within the urban edge provided with refuse removal services	100% clinics within the urban edge provided with refuse removal services	100%	100%	100%	100%	
	% of schools within the urban edge provided with refuse removal services	100% schools within the urban edge provided with refuse removal services	100%	100%	100%	100%	% of clinics within the urban edge provided with refuse removal services

Table 149 : Solid Waste Management

SOD4.2 ENVIRONMENTAL HEALTH: *To ensure that visitors and residents have a safe and healthy environment*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Water Quality Control	Number of water samples subjected to bacteriological and chemical analysis	420 water samples subjected to bacteriological analysis and 140 water samples subjected to chemical analysis	420 Bact 140 Chem	420 Bact 140 Chem	420 Bact 140 Chem	420 Bact 140 Chem	All Wards
Health Surveillance of Premises	Number of premises subjected to environmental health inspections	740 premises subjected to environmental health inspections	740	740	800	850	All wards

Table 150 : Environmental Health

SOD4.3 PUBLIC AMMENITIES: *To manage the provisioning and maintenance of caravan parks /resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Cemeteries	Number of cemetery design and layout	Design and layout plans completed for 2 cemeteries by 30 June 2020	25%	25%	25%	25%	
	Number of cemetery EIA's i	1 Environmental authorization implemented by 30 June 2020	-	June 2020	-	-	
Public ablution facilities (beaches)	Number of public ablution facilities upgraded	Upgrade Pellsrus, Ka beljauws and Cape St Francis ablution facilities	4	3	3	3	2, 3 & 12
Caravan Parks	Number of caravan parts upgraded	<ul style="list-style-type: none"> Upgrading of Yellow Woods and Jeffreys Bay Caravan Park 	2	2	2	2	3 & 9
Sport and Recreation	Number of community halls to upgrade	<ul style="list-style-type: none"> Upgrade Kruisfontein Civic Centre and Newton Hal 	4	2	2	2	5 & 11
	Number of tables and chairs to procure for community halls	Procure 1000 chairs and 100 tables for community halls	-	1000 chairs 100 tables	1000 chairs 50 tables	1000 chairs 100 tables	2,5,6,7,9,10, 11
	Upgrading of sports facilities (Capital Budget)	Upgrade Loerie and Thornhill Club Houses	-	2	2	2	7
		Pellsrus, Sea Vista and Kwa nomzamo (MIG Funding)	1	3	2	2	2 & 6

Parks and Open Spaces	Number of play parks to be upgraded	Upgrade Gill Marcus, Arcadia, Kwanomzamo, Kabeljauws play parks	-	4	4	4	3, 4, 5 & 6
	% of grass cutting equipment to be procured	100% expenditure on grass cutting and bush clearing equipment	100%	100%	100%	100%	All wards

Table 151 : Public Amenities

SOD4.4 FIRE AND DISASTER: *To provide effective and efficient fire and disaster management services*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Disaster Management	Number of Disaster Management Plans reviewed	1 Disaster Management Plans reviewed by 30 June 2020	-	30 June 2020	-	-	-
	Disaster Risk Management Advisory Forum Meeting	4 Disaster Risk Management Forum Meetings held	-	4	4	4	
Life Saving	Number of new vehicles and equipment procured for the lifesaving services, fire and disaster	Acquire 3 vehicles and 2 rescue equipment	-	5	2	2	All Wards
	Number of professional lifeguards trained	60 lifeguards to be trained in the next 3 years	8	15	20	17	All wards

Table 152 : Fire and Disaster

SOD4.5 SAFETY AND SECURITY: *To provide effective and efficient Safety and Security services*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Safety and Security	Number of new vehicles to be procured for Safety and Security	3 vehicles to be procured	6	3	2	2	All Wards
	Number of stray animals reduced in the Kouga area	To impound 120 roaming animals	100	120	140	160	
	% of safety equipment to be procured	100% expenditure of budget provided for safety equipment	-	100%	100%	100%	All Wards

Table 153 : Safety and Security

SOD4.6 ENVIRONMENTAL MANAGEMENT: *To ensure clean & safe environment that is well maintained and managed.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Coastal Management	% Completion of Coastal Management Plan	50% completion of a Coastal Management Plan	-	50%	50%	-	1, 2, 3, 7, 8, 11, 12, 14
Climate Change	% of climate change strategy developed	25% Development of a climate change strategy	-	25%	50%	25%	All Wards
Environmental Management	Number of environmental awareness campaigns conducted	4 Environmental awareness campaigns conducted	4	4	4	4	
	Number of progress reports submitted to the portfolio committee on rehabilitation of St Francis Bays pit and Oyster Bay dunes	4 progress reports submitted to the portfolio committee on rehabilitation of St Francis Bays pit and Oyster Bay dunes	4	4	4	4	
	Number of trees planted	A 1000 trees will be planted in the next 3 years	-	200	400	400	All wards
	Number of Environmental Management Forum Meetings conducted	4 Environmental Management Forum Meetings held	-	4	4	4	All wards

Table 154 : Environmental Management

4.4.5 SOD5. DIRECTORATE CORPORATE SERVICES

The key priority areas for the Corporate Services Directorate are:

Creation of a high performing institution through administrative efficiency and staff development

1. Establishment of a credible archives and electronic document management system
2. Review of People Management policies and practices
3. Creation of a training and development strategy that supports high performance
4. Establishment of an efficient institutional legal service
5. Revitalisation of institutional building

SOD5.1 HUMAN RESOURCE MANAGEMENT: *To render human resources management and support services to the municipality that will sustain the optimum utilisation of the municipality's human capital*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Organogram	Number of organogram reviews	1 Organogram review by 30 June 2020	1	1	1	1	Entire municipality
	Vacancy rate for approved budgeted posts	2.7% vacancy rate for approved budgeted posts	2.7%	2.7%	2.7%	2.7%	
	% staff cost compared to operational budget	35% staff cost compared to operational budget	35%	35%	35%	35%	
Employment Equity	Number of people from employment equity target groups employed in the three highest levels of management in accordance with the approved Employment Equity Plan by end of June	2 African female 2 African male	2 African female 2 African male	2 African female 2 African male	NA	NA	NA
	Number of Employment Equity reports submitted to the Dept of Labour	1 Employment Equity reports submitted to the Dept of Labour by 15 January 2019	15 January 2019	15 January 2020	15 January 2021	15 January 2022	NA
Skills Development	% expenditure of Skills Development Budget	100% expenditure of Skills Development Budget	100%	100%	100%	100%	NA
Workplace Skills Plan	Number of Workplace Skills Plans submitted to LGSETA	1 Workplace Skills Plans submitted to LGSETA 30 April 2020	30 April 2019	30 April 2020	30 April 2021	30 April 2022	
Occupational Health and Safety Institutional development and transformation	Number of Occupational Health and Safety Representative forum meetings held	4 r Occupational Health and Safety Representative forum meetings held	4	4	4	4	NA
	Number of OHS Assessments completed	1 OHS Assessments completed by 30 June 2020	1	1	1	1	NA

Table 155 : Human Resources

SOD5.2 ADMINISTRATION: *To provide professional, effective and efficient administrative support to Council and Administration.*

Administrative Support

Objective: *To render administrative support services*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Council Agendas	% reduction in printing cost of agendas against budgeted amount	10% reduction in printing cost of agendas against budgeted amount	10%	10%	10%	10%	Entire municipality
	Number of documents imaged and stored off-site	250 000 documents imaged and stored off-site	-	250 000	250 000	250 000	
Accommodation	% completion of library conversion	100% completion of library conversion	100%	100%	100%	100%	
Auxiliary	Amount reduction in Telkom Bill against budgeted amount	R60 000 reduction in Telkom Bill against budgeted amount	R60 000	R60 000	R60 000	R60 000	
	Number of OHS Assessments completed	1 OHS Assessments completed by 30 June 2020	1	1	1	1	

Table 156 : Administration

4.4.6 SOD6. DIRECTORATE FINANCIAL SERVICES

SOD6.1 BUDGET AND REPORTING: *To manage and control the implementation of budget policies, systems and procedures, statements and reporting processes to ensure legislative compliance*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Sound financial planning	% staff cost compared to operational budget	35% staff cost compared to operational budget	35%	35%	35%	35%	
	% compliance with National Treasury reporting calendar	100% compliance with National Treasury reporting calendar	100%	100%	100%	100%	
	Number of Annual Financial Statements submitted to the Auditor-General	1 of Annual Financial Statements submitted to the Auditor-General by 30 August 2020	30 August 2019	30 August 2020	30 August 2021	30 August 2022	
	Number of draft budgets submitted	1 draft budget submitted by 31 March 2020	31 March 2019	31 March 2020	31 March 2021	31 March 2022	
	Number of final budgets submitted	1 final budget submitted 30 March 2020	30 May 2019	30 May 2020	30 May 2021	30 May 2022	
	Number of adjustment budgets submitted MM and Portfolio Chairperson	1 adjustment budget submitted to the MM and Portfolio Chairperson by 15 December 2019	15 December 2019	15 December 2020	15 December 2021	15 December 2022	
Budget Monitoring Committee	10 Budget Monitoring Commit	10	10	10	10		
Liquidity ratio	1:1 liquidity ratio	1:1	1:1	1:1	1:1		
Number of unqualified audit opinions by the Auditor-General	1 unqualified audit opinions by the Auditor-General	1	1	1	1		

Table 157 : Budget and Reporting

SOD6.2 EXPENDITURE: *To administer the recording, authorisation, executing and reporting of expenditure transactions.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
Expenditure	% of creditors paid within 30 days of receipt of invoice	100% of creditors paid within 30 days of receipt of invoice	100%	100%	100%	100%	

Table 158 : Expenditure

SOD6.3 REVENUE: *To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Revenue enhancement	% revenue collection rate between revenue raised and revenue collected	96% revenue collection rate between revenue raised and revenue collected	94%	96%	96%	96%	-
	Number of VAT recovery service providers appointed	1 appoint a Vat Recovery provider by 30 September 2019	-	30 September 2019	-	-	-
	Number of Debt Collection Agencies procured	1 Debt Collection Agent appointed by 30 October 2019	30 June 2019	-	-	-	-
	Number of handovers to debt collectors exceeding 90 days	6 handovers to debt collectors exceeding 90 days	6	6	6	6	-
	Number of Debt Collection Committee Meetings	4 Debt Collection Committee Meetings	4	4	4	4	-
	Number of Revenue Enhancement Meetings	6 Meetings to be held annually on progress with the implementation of the Revenue Enhancement Strategy	6	6	6	6	-
	Number of Revenue Collections Monitoring Meeting	8 Revenue Collection Monitoring Meetings per annum	6	6	6	6	-
Indigent support	% of indigent residents as per Indigent Register with access to free basic services	100% indigent residents as per Indigent Register with access to free basic services	Annually 100%	Annually 100%	Annually 100%	Annually 100%	All wards
	Number of Indigent Steering Committee Meetings	Quarterly Indigent Steering Committee Meetings	4	4	4	4	-
	Number of Indigent Registration drives	1 Indigent Registration Drive	1	1	1	1	-

Table 159 : Revenue

SOD6.4 ICT SERVICES: *To plan, coordinate and render ICT services to the municipality to ensure efficient operations and support services in terms of the ICT strategy and policy*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
ITC systems	1 st Phase implementation of ERP Solution project	1 st Phase implementation of ERP Solution project by 30 June 2020	-	1 st phase 30 June 2020	2 nd phase 30 June 2021	Final phase 30 June 2022	-
	Number of ERP Project Managers appointed	1 ERP Project Manager appointed by 30 September 2019	-	30 September 2019	-	-	
	% Up time of ICT System	98% up time of ICT System	98%	98%	98%	98%	
	Number of ICT Steering Committees	6 ICT Steering Committee Meetings per annum	6 meetings	6 meetings	6 meetings	6 meetings	
ITC Policies	% of ICT Policies reviewed	100 ICT Policies reviewed by 30 November 2019	30 November 2019	30 June 2020 review	30 June 2021 review	30 June 2022 review	-
Operational Software	Number of ICT reports submitted to Finance Portfolio Committee	6 ICT reports submitted to every portfolio committee meeting.	6 meetings	6 meetings	6 meetings	6 meetings	
		2 Feedback on all software applications used in the municipality including operational expenses	6 reports	6 reports	6 reports	6 report	
	Number of ICT software application and cost reports submitted to the Finance Portfolio Committee	6 ICT software application and cost reports submitted to the Finance Portfolio Committee	6 Reports	6 Reports	6 Reports	6 Reports	

Table 160 : ICT

SOD6.5 SUPPLY CHAIN MANAGEMENT (SCM): *To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics, assets and disposal management.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
Budget spending	% compliance with the Procurement Plan	90% average compliance with the annual Procurement plan	90%	90%	90%	90%	-
	% Capital budget expenditure	95% expenditure of capital budget	95%	95%	95%	95%	-
	Number of days for the processing of requisitions	Requisitions processed within 5 working days (order issued)	Within 5 working days	Within 5 working days	Within 5 working days	Within 5 working days	-
	Number of working days for the evaluation of 7 days notices	7 working days for the evaluation of 7-day notices	Within 7 working days	Within 7 working days	Within 7 working days	Within 7 working days	-
	Number of days for the preparation of tender reports by leading departments from closing date of tender	30 days for the preparation of tender reports by leading departments from closing date of tender	30 days	30 days	30 days	30 days	-
	Number of days for the adjudication of tender from closing date	100 days for the adjudication of tender from closing date	100 days	100 days	100 days	100 days	-
	Number of Meetings on the implementation of the Procurement Plan	6 Meetings on the implementation of the Procurement Plan	6 meetings	6 meetings	6 meetings	6 meetings	-

Table 161 : Supply Chain Management

SOD6.6 DISPOSAL MANAGEMENT: *To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics, assets and disposal management.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
Budget spending	Number of reports submitted on dysfunctional and redundant movable assets to be disposed of submitted to Council	1 report submitted on dysfunctional and redundant movable assets to be disposed of submitted to Council by 31 August 2019	-	1	-	-	NA

Table 162 : Disposal Management

SOD6.7 ASSET MANAGEMENT: *To administer asset management, leases registers*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Land register	Number of municipal land audits conducted	1 municipal land audit conducted by 31 December 2019	-	31 December 2019	-	-	
	Number of land registers completed	1 land register completed by 31 December 2019	-	31 December 2019	-	-	
	Number of Land Advisory Committee Meetings	6 Land Advisory Committee meetings per annum	6 meetings	6 meetings	6 meetings	6 meetings	
Insurance	Number of service providers appointed for the insurance of municipal assets	1 service provider appointed for the insurance of municipal assets	-	1	-	-	
	Number of reports on insurance claims submitted to the Finance Portfolio Committee (Bi-monthly reports)	6 reports on insurance claims submitted to the Finance Portfolio Committee (Bi-monthly reports)	6 reports	6 reports	6 reports	6 reports	
	% of insurance claims finalized within 90 days of incident	100% insurance claims finalized within 90 days of incident	100%	100%	100%	100%	
Management of fixed assets	Update and validate all municipal lease agreements by 31 December 2019	Update all municipal lease agreements for maximising revenue for the municipality by 31 December 2019	31 December 2019	31 December 2020	31 December 2021	31 December 2022	

Table 163 : Asset Management

CHAPTER 5: PUBLIC PARTICIPATION AND COMMUNICATION

The Kouga Municipality is a Category B Municipality with a Mayoral Executive System combined with a Ward Participatory System. The Kouga Municipality is currently a Grade 5 municipality, however there has been an indication the grading of the municipality will be reviewed. The council comprise of 29 councillors made up of 15 ward councillors and 14 proportionally representative councillors. 15 Ward Committees has been established and is fully functional and greatly assist in the community participation processes. The Kouga Municipality has 9 Community Development Workers and are a very important link between the ward councillor and the community. Some of the wards function without a CDW for several years and Gogta should be engaged to critically look at appointing CDW's in the affected wards. The CDW's play an important role in effective communication, information gathering and dissemination, and referring issues from grass roots level to relevant spheres of government.

5.1 PUBLIC PARTICIPATION

The Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), as amended, required municipalities to involve local communities within IDP planning process and to promote participative democracy. The IDP is the strategic planning instrument of a municipality and forms the basis of the municipal budget. Public Participation is a Key Performance Area for the municipality and is included in the performance agreement of senior management. The municipality has 1 official responsible for ward committees and is appointed in the Office of the Speaker.

Communications with communities and stakeholders are largely done in writing and by means of telephonic communications. Public participation meetings are advertised as per legislative provisions with notices posted at municipal offices and community halls as well as other places frequented by communities and augmented by loud hailing for communities in the relevant areas. Loud-hailing despite it being effective is burdening the Administration for reason that it involves cost and overtime work as loud hailing was found to be more effective after working hours. The vast geographical area contributes towards the high costs of loud-hailing. Investigations are being conducted to secure alternative effective means of loud-hailing and/or other effective means of communication with communities.

Other than Public Participation through the Ward Committee Structures and Ward Constituency Meetings public participation is conducted on the Budget, IDP and Project registers as well as where applicable on By-Laws such as for instance the Liquor Trading Hours By-Law. It has been found that public participation meetings are generally reasonably well attended, but that the interest of the communities largely focuses on housing delivery programmes.

Public participation in sport, arts and culture, tourism, heritage and museums are done through various council's and associations that has been established. These are the Kouga Sports Council, the Kouga Arts Council, the Kouga Local Tourism Organization, the Kouga Heritage Council and the Museum Association. All the aforesaid organisations are umbrella bodies that run the day to day operations of the Tourism and Creative Industries activities. Each of these organisations have separate constitutions and have Memorandum of Agreements with the Kouga municipality. These bodies have Annual General Meetings which are open to the public, and where new management committees are democratically elected. The Kouga Tourism and Creative Industries Department has at least quarterly meetings with these organisations, where matters of joint concern, development planning and implementation are discussed. Organisations submit quarterly reports. The municipality assists organisations financially and otherwise. All the organisations are functional except for the Heritage Council.

5.1.1 Status of Ward Committees and Public Participation Policies

New ward committees were established in all 15 wards of the Kouga Municipality during November/December 2016 and the re-establishment of Ward 11 took place in November 2017. Kouga Municipality has a total of 150 Ward Committee Members, exclusive of the 15 Ward Councillors.

The reimbursement of out of pocket expenses for Ward Committee Members is based on the National Framework: Criteria for determining out of pocket expenses for Ward Committee Members as published under Government Notice 973 in Government Gazette 32627, dated 8 October 2009. An amount of R1000 is paid per ward committee member.

The ward committees comprise of geographical as well as sector representatives in communities and are regarded as the statutory consultative fora in the public participation process of the IDP review. The respective ward councillor is automatically the chairperson of the ward committee and monthly meetings keep the community informed of all municipal related matters. It is also incumbent on ward committee members to regularly interact with their constituencies and to ensure maximum participation in all planning processes of Kouga Municipality. A formal agenda is followed and inputs from these committees are fed into the Section 80 Committees and then on to the Mayoral Committee. The ward committees played a significant role in the development of the IDP review to ensure that the broader public participates and prioritised the basic needs and development requirements in the different wards. The priority needs in the wards mostly centered on basic services such as housing, storm water, water, sanitation, job creation, unemployment, roads and safety. After the inputs obtained from the public, a more targeted round of prioritization have been done to prioritize programmes and projects which have been costed by the Budget and Treasury Department.

Kouga Municipality adopted a Communication and Public Participation Strategy. The matter of attendance of Public Participation Meetings and outreach programmes is further addressed in the Standard Rules of Order for Kouga Municipality which amongst others requires the Top Management attend such public participation meetings and outreach sessions to ensure that accountability towards the community is being affected. a Stakeholder Register was established to ensure that the relevant stakeholders are interacted with and is it updated as and when required. Although Kouga Municipality does not have registered traditional leaders, the representatives from the Khoi and San groups within the area recognised and as such invited to meetings which may have an impact on their communities.

Where Ward Committees chose to raise IDP and/or planning related matters outside the Ward Based Planning and/or public participation processes, such matters are dealt with from the minutes of the Ward Committee Meetings by referring such to the IDP Section for capturing. Relationships between the Ward Committees and Council is cordial in all instances even though some Ward Committees expressed concerns that matters raised by the Committees are not receiving the attention the Ward Committee requires. In order to ensure that all matters raised by Ward Committees are considered by Council, all minutes of Ward Committee meetings submitted to Council.

In terms of Policy provisions are Ward Committees required to appoint a Ward Coordinator from its members to amongst others arrange meetings of the Committee in liaison with the Ward Councillor and to take minutes at meetings of the Ward Committee. It was identified as a need that members of Ward Committees be skilled in certain administrative procedures such a taking minutes to ensure that the burden on the administrative section is reduced and at the same time capacitating members of Ward Committee. All ward councillors are supported by a ward assistant to coordinate all the activates in the ward.

5.1.2 Ward Based Plans

Ward based plans are a form of participatory planning designed to promote community action, with clear linkages to the IDP. It also helps speed up the implementation of the IDP. This also ensures that the IDP objectives become the collective responsibility of community members, ward councillors, ward committees, community, business community, non-governmental and community-based organisations and all other stakeholders in the Kouga area of jurisdiction. This is further augmented by the public participation programmes and outreach programs that form part of the budgeting and IDP processes to ensure that the general communities are not excluded in planning processes.

Ward Based Planning was conducted during October/November 2017. The Ward Plans was developed to describe the different towns and settlements in the Kouga Municipal area and include the information below:

- An understanding of social diversity in the community, the assets, vulnerabilities and preferences of these different social groups;
- An analysis of the services available to these group, as well as the strengths, weaknesses, opportunities and threats facing the community;
- A consensus on priorities of the relevant ward(s);
- Plans to address these priorities, based on what the ward will do, the support needed from the municipality, and support from other organisations;
- Identification of projects for the IDP; and
- An action plan for the ward committee to take forward their plan and help communities to reach consensus and to have direction.

5.1.3 IDP Public Meetings

The 1st IDP Consultation Meetings commenced on 1 October 2018 to 7 November 2018. See table below:

DATE	TIME	VENUE	WARD	COUNCILLOR
1 October 2018	18:00	Oyster Bay Community Hall	1	Zolani Mayoni
2 October 2018	18:00	Sea Vista Community Hall		
3 October 2018	18:00	Pellrus Community Hall	2	Timothy Meleni
4 October 2018	18:00	Newton Hall	3	Willem Gertenbach
8 October 2018	18:00	Baps Hall	4	Freddy Campher
9 October 2018	18:00	Kruisfontein Community Hall	5	Wilma Coenraad
10 October 2018	18:00	<i>Tent site to be organised</i>	6	Velile Vumazonke
11 October 2018	18:00	Loerie Community Hall	7	Eldridge February
15 October 2018	18:00	Katrien Felix Community Hall		
16 October 2018	18:00	Newton Hall	8	Ludwig Vorster
18 October 2018	18:00	Vuzumzi Landu Hall	9	Sibongile Jujwana
22 October 2018	18:00	Dan Sandi Community Hall	10	Amos Mabukane
23 October 2018	18:00	Andrieskraal Hall		
24 October 2018	18:00	Newton Hall	11	Hatting Bornman
25 October 2018	18:00	St Francis Bay Village Hall	12	Ben Rheeder
29 October 2018	15:00	NG Church Hall – Paradise Beach		
30 October 2018	18:00	Humansdorp Country Club (<i>Tent to be arranged</i>)		
31 October 2018	18:00	Weston Community Hall	13	Magareth Peters
5 November 2018	10:00	Marina Martinique Hall	14	Sindiswa Mandeka
5 November 2018	18:00	Tokyo Sexwale Sports field (<i>Tent to be arranged</i>)		

6 November 2018	18:00	Humansdorp Country Club (<i>Tent to be arranged</i>)	15	Horatio Hendricks
6 November 2018	15:00	Ons Tuiste Humansdorp		
7 November 2018	13:00	Kouga Business Chamber		Executive Mayor

Table 1664: 1st Public Consultation Meeting

The 2nd IDP Consultation Meetings commenced on 11 April 2019 to 25 April 2019. See table below:

DATE	TIME	WARD	VENUE	WARD COUNCILLOR
11 April 2019	18:00	Ward 1 (Sea Vista)	Sea Vista Community Hall	Zolani Mayoni
		Ward 2	Pellsrus Community Hall	Timothy Meleni
		Ward 4	Babs Hall (Kruisfontein)	Freddy Campher
15 April 2019	18:00	Ward 1 (Oyster Bay)	Oyster Bay Community Hall	Zolani Mayoni
		Ward 3	Newton Hall	Willem Gertenbach
		Ward 5	Kruisfontein Civic Centre	Wilma Coenraad
16 April 2019	18:00	Ward 6	Tent (In front of community hall)	Velile Vumazonke
		Ward 7 (Loerie)	Loerie Community Hall	Eldridge February
		Ward 8	Newton Hall	Ludwig Vorster
17 April 2019	18:00	Ward 10	<i>Dan Sandi Hall</i>	Amos Mabukane
		Ward 11	Newton Hall	Hattingh Bornman
		Ward 12 (St Francis Bay)	St Francis Bowling Club	Ben Rheeder
23 April 2019	18:00	Ward 12 (Paradise Beach)	Marina Martinique	Ben Rheeder
		Ward 14	<i>Tokyo Sexwale Sports field (Tent)</i>	Sindiswa Mandeka
		Ward 15	Tent (Country Club)	Horatio Hendricks
24 April 2019	18:00	Ward 9	<i>Vusumzi Landu Hall</i>	Sibongile Jujwana
		Ward 12 (Kwanomzamo)	<i>Faith Mission Church</i>	Ben Rheeder
		Ward 13 (Weston)	<i>Elek Ntantiso Hall</i>	Margareth Petersen
25 April 2019	18:00	Ward 7 (Thornhill)	<i>Katriena Felix Hall</i>	Eldridge February
		Ward 13	Vusumzi Landu Hall	Margaret Petersen
		Ward 14	Aston Bay Hall	Sindiswa Mandeka

Table 165 : 2nd Public Consultation Meeting

The following meetings for certain wards have been rescheduled due to unforeseen circumstances and was as follows:

DATE	TIME	WARD	VENUE	WARD COUNCILLOR
6 May 2019	18:00	Ward 4	Babs Hall (Kruisfontein)	Freddy Campher
13 May 2019	18:00	Ward 6	Tent (In front of community hall)	Velile Vumazonke
14 May 2019	18:00	Ward 5	Kruisfontein Civic Centre	Wilma Coenraad
15 May 2019	18:00	Ward 14	Tent (Tokyo Sexwale Sports field)	Sindiswa Mandeka
16 May 2019	18:00	Ward 15	Tent (Country Club Humansdorp)	Horatio Hendricks

Table 16 : Rescheduled Consultation Meeting

5.1.4 IDP Representative Forum

In accordance with Section 15 of the *Local Government: Municipal Planning and Performance Regulations (No. 796, 24 August 2001)* Kouga Municipality has resolved to establish an IDP Representative Forum to enhance community participation in:

- i) The drafting and implementation of the municipality's integrated development plan (IDP); and
- ii) The monitoring, measurement and review of the municipality's performance in relation to the key performance targets set by the municipality.

The IDP Representative Forum meets twice a year during the review period.

5.1.5 WARD PRIORITIES

Ward 1 Top priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Land for Housing and bulk infrastructure	1	1	Kouga Municipality
Initiate Economic and social development projects	2	2	Kouga Municipality
Address sewer and storm water problems in Oyster Bay	3	1	Kouga Municipality
Initiate street naming project	4	5	Kouga Municipality
Upgrading of sports fields and play parks	5	1	Kouga Municipality

Table 167: Ward 1 Priorities

Ward 2 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Eradication of bucket system in Tokyo Sexwale	1	1	Kouga Municipality
Eradication of Illegal dumping sites	2	1	Kouga Municipality
Upgrading of ablution facilities at Pellsrus Beach	3	1	Kouga Municipality
Non-compliance of liquor trading hours at taverns	4	5	Kouga Municipality
Upgrading of cemetery	5	1	Kouga Municipality

Table 168: Ward 2 Priorities

Ward 3 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Replace the water pipeline along Mi mosa Street	1	1	Kouga Municipality
Maintain and install street names and signage at all roads (Ward Development Fund 2018)	2	1	Kouga Municipality
Concrete kerbing along roads/streets and open storm water drains	3	1	Kouga Municipality
Kentucky fencing around Open Space at Mimosa/Poplar Streets	4	1	Kouga Municipality
Built community hall in the ward	5	1	Kouga Municipality
Replace all dilapidated electrical meter boxes	6	1	Kouga Municipality
Subsidised Wi-Fi for the residents in Wavecrest	7	4	Kouga Municipality
Improve Cell phone reception in lower Wavecrest	8	4	Kouga Municipality

Table 169: Ward 3 Priorities

Ward 4 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Redevelopment of Kruisfontein Proper <ol style="list-style-type: none"> 1. Paving of roads 2. Upgrade of stormwater drainage 3. Subdivision of erven 4. Installation of streetlights 	1	1	Kouga Municipality
Construction of access road from Kruisfontein to N2 Road	2	1	SANRAL
Construction of a multi-purpose centre	3	1	Dept. of Social Development
Construction of a clinic	4	1	Dept. of Health
Upgrading of stormwater drainage in Smith Street	5	1	Kouga Municipality
Closure of lake (vlei) in Kruisfontein	6	1	Kouga Municipality

Table 170: Ward 4 Priorities

Ward 5 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Installation of a waterborne system in bo-blok Johnsons Ridge	1	1	Kouga Municipality
Paving of Roads	2	1	Kouga Municipality
Construction of side walks	3	1	Kouga Municipality
High Mast lights	4	1	Kouga Municipality
Skills Development Centre	5	1	Kouga Municipality

Table 171: Ward 5 Priorities

Ward 6 Top Priorities for 2019/20

RESPONSIBLE AGENT	PRIORITY	KPA	RESPONSIBLE AGENT
Construction of houses	1	1	Dept. of Human Settlements
Paving of roads	2	1	Kouga Municipality
Widening entrance road to Kwa nomzamo	3	1	Kouga Municipality
Upgrading of Kwa nomzamo sports field	4	1	Kouga Municipality
Pegging of housing sites	5	1	Kouga Municipality

Table 172 : Ward 6 Priorities

Ward 7 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Formalization of Tjoksville in Thornhill	1	1	Dept. of Human Settlement
Acquire land for housing	2	1	Dept. of Human Settlement
Initiate skills development programmes in construction in Loerie and Thornhill	3		Kouga Municipality
Upgrading of roads in Loerie and Thornhill	4	1	Kouga Municipality
Installation of bulk infrastructure	5	1	Kouga Municipality
Construction of houses in Loerie and Thornhill	6	1	Dept. of Human Settlement
Identify land for commonages in Loerie and Thornhill	7	1	Kouga Municipality
Upgrading of old and existing cemeteries in Loerie and Thornhill	8	5	Kouga Municipality
Upgrading of the sports fields in Loerie and Thornhill	9	1	Kouga Municipality

Table 173 : Ward 7 Priorities

Ward 8 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Repairs to electricity meter boxes at residences	1	1	Kouga Municipality
Fixing potholes (ongoing)	2	1	Kouga Municipality
Clearing of overgrown plots (POS and private plots)	3	1	Kouga Municipality
Clearing of overgrown storm water drains	4	1	Kouga Municipality
Installation of fire breaks and fire hydrants	5	1	Kouga Municipality
Streets Signs (Ward Development Fund)	6	1	Kouga Municipality
Speed Humps (Ward Development Fund)	7	1	Kouga Municipality

Table 174: Ward 8 Priorities

Ward 9 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Construction of houses	1	1	Dept. of Human Settlement
Paving of roads	2	1	Kouga Municipality
Installation of a high mast light in Phillipsville	3	1	Kouga Municipality
Redirect sewerage overflow into the river (Contamination of river water)	4	1	Kouga Municipality
Construction of a library	5	1	Dept. Sports, Recreation, Arts and Culture
Construction of a playpark for children	6	1	Kouga Municipality

Table 175 : Ward 9 Priorities

Ward 10 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Acquire land for Houses	1	1	Dept. of Human Settlement
Construction of 2000 houses	2	1	Dept. Of Human Settlement
Investigate the land at the post office Tolbos for housing need	3	1	Kouga Municipality
Erection of street lights and high mast lights	4	1	Kouga Municipality
Demarcation of areas for small enterprises and provision of permits	5	1	Kouga Municipality
Eradicate bucket system	6	1	Dept. of Education
Fencing of cemetery	7	1	Kouga Municipality
Speed humps at Tier Street and Stuurman Street	8	1	Kouga Municipality

Table 176 : Ward 10 Priorities

Ward 11 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Upgrade sewer pumpstation in Koraal Street	1	1	Kouga Municipality
Upgrade La Mer pumpstation	2	1	Kouga Municipality
Upgrading CBD area	3	1	Kouga Municipality
Upgrading of Jeffreys Bay Caravan Park	4	1	Kouga Municipality
Demarcation of hawking sites at the open space opposite Caltex	5	1	Kouga Municipality
Walkway, benches and lights from Dolphin Beach to Jeffreys Bay Caravan Park	6	1	Kouga Municipality
Paving of erf opposite the Spur for parking space	7	1	Kouga Municipality

Table 17 : Ward 11 Priorities

Ward 12 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Roads and storm water upgrade in ward	1	1	Kouga Municipality
Construction of spit and rock revetment at St Francis Bay Beach	2	1	Kouga Municipality
Installation of waterborne sewerage system in St Francis Bay and Paradise Beach	3	1	Kouga Municipality
Fire prevention – bush clearing in Paradise Beach	4	1	Kouga Municipality / Coastcare
Maintenance of bridge and fire breaks at the canals	5	1	Kouga Municipality
Tarring of Da Gama Road in Cape St Francis	6		Kouga Municipality
Construction of houses – Lower Humansdorp Golf Course	7	1	Dept. of Human Settlements
Installation of a high mast light in Lower Golf Course	8	1	Kouga Municipality
Installation of fire hydrants at braai area in Paradise Beach	9	1	Kouga Municipality
Replace outdated water pipes in Paradise Beach	10	1	Kouga Municipality
Placing of a V-drain draining dish in Immergroen Avenue and beach signage in Paradise Beach	11		Kouga Municipality
Request for a container to run a soup kitchen and other activities – Lower Golf Course	12	2	Kouga Municipality

Table 178 : Ward 12 Priorities

Ward 13 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Installation of an internal sewerage system	1	1	Kouga Municipality
Formalization of Stofwolk	2	1	Kouga Municipality
Eradication of bucket system	3	1	Kouga Municipality
Construction of 196 houses	4	1	Kouga Municipality
Identify land for cemetery and land for future development	5	1	Kouga Municipality
Construction of community hall in Rosedale	6	1	Kouga Municipality

Tarring and paving of roads	7	1	Kouga Municipality
Removing old water pipes in Patensie Town	8	1	Kouga Municipality
Erection of play parks for children	9	1	Kouga Municipality
Outdoor gym	10	1	Kouga Municipality

Table 179 : Ward 13 Priorities

Ward 14 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Formalization of informal houses (Electricity)	1	1	Kouga Municipality
Erection of ablution blocks at the Aston Bay Beach	2	1	Kouga Municipality
Upgrading of sewerage system in Aston Bay and Ocean View	3	1	Kouga Municipality
Installs storm water drains	4	1	Kouga Municipality
Paving and re-tarring of roads/streets in Aston Bay and Ocean View	5	1	Kouga Municipality
Install 2 high mast lights in Ocean View	6	1	Kouga Municipality
Replacement of asbestos water pipes in Aston Bay	7	1	Kouga Municipality
Lower water pressure in Aston Bay	8	1	Kouga Municipality
Construct Speedhumps in Ocean View to the acceptable standard. (Speedhumps in Ocean View too high for vehicles)	9	1	Kouga Municipality

Table 180: Ward 14 Priorities

Ward 15 Top Priorities for 2019/20

DESCRIPTION OF PROJECT	PRIORITY	KPA	RESPONSIBLE AGENT
Upgrading of sewerage system	1	1	Kouga Municipality
Provision of internal sewer reticulation of Graslaagte and Moerasrivier	2	1	Kouga Municipality
Construction of a Multi-purpose Centre at the Country Club	3	1	Kouga Municipality
Installs speed hump in front of Ons Tuiste Old Age Home	4	1	Kouga Municipality
Upgrade internal sewerage system from town to Golf Course	5	1	Kouga Municipality
High mast light in Arcadia	6	1	Kouga Municipality

Table 181 : Ward 15 Priorities

CHAPTER 6: PERFORMANCE MANAGEMENT

The Kouga Municipality's Performance Management System (PMS) is the primary mechanism to monitor, review and improve the implementation of its Integrated Development Plan (IDP) and to measure the progress made in achieving the objectives as set out in the IDP.

The Performance Management Policy Framework as approved by Council provides for performance implementation, monitoring and evaluation at organisational as well as individual levels. One of the primary objectives is to have a Standard Operating Procedure on the Performance Management System which will simplify the process for all employees moving forward. As much as there is a policy - workshops and face-to-face interactions are required to enhance the understanding of the performance management system by every employee. Unions need to be engaged to ensure that they understand the reasoning behind every employee signing performance management plans. We also need to ensure that we close the gap of thinking that PMS is only for performance incentives but to enhance better performance. The reward is secondary to good and excellent performance.

The Service Delivery and Budget Implementation Plan (SDBIP) is an implementation plan of the approved IDP and Medium-Term Revenue and Expenditure Framework. Therefore, only projects that are budgeted for are implemented. The SDBIP serves to address the development objectives as derived from the approved IDP.

The format of the SDBIP is prescribed by MFMA Circular Number 13 issued by National Treasury. In terms of the said Circular Number 13, the SDBIP must provide a picture of service delivery areas, budget allocations and enable monitoring and evaluation.

"MFMA CIRCULAR NO. 13

The SDBIP serves as "contract" between the administration, council and community expressing the goals and objectives set by Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. The SDBIP provides the vital link between the mayor, council and the administration and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, city manager, senior managers and community."

RESPONSE REQUIRED	MUNICIPAL ACTION	PROGRESS	TIME FRAME
ROLL OUT OF PERFORMANCE MANAGEMENT TO BE EFFECTIVE ON ALL LEVELS	Performance reporting	Performance reporting to <ul style="list-style-type: none"> • Municipal Manager • Council • Annual Performance Report 	Monthly Quarterly Annually
	Implement performance on all appropriate levels by 2018	Individual performance management system up to the second line of managers is currently being implemented	2017-2022
	Implement performance for service providers by 2017-2019	The performance of service providers is currently being reported to the Municipal Manager by SCM and the respective directors on a monthly basis	2017-2019

Table 182 : Performance Management Process

6.1 ORGANISATIONAL PERFORMANCE

The organisational performance is monitored and evaluated via the SDBIP. The organisational performance of the municipality is evaluated by means of a municipal scorecard at organisational level and through the service delivery implementation plan (SDBIP) at directorate and departmental level. The top layer SDBIP set out consolidated service delivery targets and provides an overall picture of performance for the municipality, reflecting performance as determined by the IDP review process. The departmental SDBIP capture the performance of each defined department which reflects on the strategic priorities of the municipality. The SDBIP provides detail of each outcome for which the senior management is responsible for, in other words a comprehensive picture of the performance of that directorate/sub directorate.

6.2 INDIVIDUAL PERFORMANCE

All directors have entered performance scorecards. This has led to a specific focus on service delivery and means that:

- Each director must develop a performance scorecard which is based on the balanced scorecard model.
- At the beginning of each financial year all the senior managers (Section 56 employees) sign Performance Agreements.

The performance management system has not yet been cascaded down to managers reporting to section 56 employees and to lower levels throughout the municipality. The cascading down of the performance management system poses a serious challenge to the municipality and the municipality should develop and implement action plan with strict timeframes for the cascading to the lower levels in the institution. The action plan will be developed during the 2018/2019 financial year to outline the process of cascading down performance management from two other layers starting with the managers signing with the directors, managers signing with the officers and between officers and clerical workers. This process will commence immediately after the signing of performance contracts between the directors and the municipal manager by 1 July and be tabled to council by 31 July and thereafter, by 31 August between the directors and the managers. The expectation is that by the first quarter all managers and officers would have signed performance contracts.

Way forward

- ❖ Cascading of the individual performance management performance management to all staff members
- ❖ Capacitating the unit
- ❖ Provide in-house training to staff on the PMS

6.3 PERFORMANCE INDICATORS

Section 38 (a) of the Systems Act requires municipalities to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, regarding the community development priorities and objectives set out in its Integrated Development Plan. Section 9 (1) of the regulations of the Act maintains in this regard, that a municipality must set performance indicators, including input indicators, output indicators and outcome indicators in respect of each of the developmental priorities and objectives. Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the municipality also set performance targets for each of the key performance indicators. The IDP process and the performance management process should therefore be seamlessly integrated.

6.4 PERFORMANCE REPORTING

6.4.1 Quarterly Reporting

Quarterly reporting on the implementation of the SDBIP affords Council an oversight opportunity on the overall performance of the municipality towards achieving the annual targets as defined in the IDP. It further affords management the opportunity to intervene to ensure that annual targets shall be achieved.

6.4.2 Mid-Year Assessment

The performance of the first 6 months of the financial year assessed and reported on in terms of section 72 of the MFMA. The assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of performance indicators, and possible adjustment of the SDBIP, if necessary.

6.5 PERFORMANCE MANAGEMENT FUNCTION

The Performance Management function at Kouga Municipality is supported with assistance and guidance from the Sarah Baartman District Municipality. This support is on-going and as and when required as well as thought the medium of the Performance Management Forum. Kouga Municipality adopted a Performance Management Policy Framework in 2010 which details the broader principles and actions required in the performance management cycle. More detailed policies for Section 56/57 managers as well as a policy for normal staff have been developed but these policies are in draft form. The Municipal Manager and Directors have all signed performance agreements within the prescribed time frames and the agreements have been posted on the Municipal Web Site and submitted as per legislative requirements. The Sarah Baartman District Municipality's electronic performance management system is being utilised. The system can automatically draw the various required performance reports for submission to Council, the Audit Committee and the Municipal Public Accounts Committee. Currently performance management is limited to the Municipal Manager and Directors reporting directly to the Municipal Manager.

A Service Delivery and Budget Implementation Plan (SDBIP) is developed annually for approval by the Mayor within 28 days of the adoption of the IDP. The SDBIP details the Institutional Objectives for a particular year breaking it down into measurable quarterly targets so as to ensure oversight on performance by the Mayor and Council. The Institutional SDBIP is used for the development of performance targets of the Municipal Manager and Directors to ensure alignment in this regard and the ultimate achievement of Institutional Objectives for the year. The Institutional SDBIP is then used for the development of the Departmental SDBIP's (work plans) which in turn is used to frame the operational target of Line Managers and in doing so populating their performance commitments. Challenges with the Performance Management System are largely restricted to reporting related issues. Standard Operation Procedures are in process of being prepared to improve the reporting frequencies as well the quality of evidence in verification of performance claims.

Performance Agreements within the prescribed time-frames and the agreements have been posted on the municipal website and submitted as per legislative requirements. The Sarah Baartman District Municipality's electronic performance management system is being utilised. The system can automatically draw the various required performance reports for submission to Council, the Audit Committee and the Municipal Public Accounts Committee. Currently performance management is limited to the municipal manager and directors reporting directly to the municipal manager.

6.7 INSTITUTIONAL PERFORMANCE REVIEW 2018/19

An institutional performance review of the current status provides information pertaining to the service needs, highlights and challenges. The information provides valuable insight for the management team and guidance to engage in meaningful planning process to improve service delivery within the municipal area:

DIRECTORATE/ FUNCTIONAL AREA	SUB- DIRECTORATE	HIGHLIGHTS	CHALLENGES
Office of the Municipal Manager	IDP	IDP and Budget Process Plan approved by Council annually as required by the MFMA	Kouga Municipality has been performing the IDP function with limited staff capacity.
		IDP Reviewed annually in accordance with the Municipal Systems Act, 2000	
		The municipality has obtained a HIGH rating score in all the Key Performance areas for the 2017/18 Review.	
		Public Participation i. t.o. the IDP and Budget, is conducted in accordance with the relevant legislation.	
	PMS	Top Layer SDBIP approved by the Executive Mayor on 20 June 2017, thus within 28 days after the approval of the budget as required by the MFMA	The Kouga Municipality has been performing the PMS function with limited staff Capacity.
		Performance Management Policy Framework was adopted by Council in 2009 but is due for review.	
		Mid-year Performance information (non-financial) submitted on time to the Finance Directorate for consolidation of the Section 72 report in terms of the MFMA.	
		Quarterly performance reports submitted to the Audit Committee/Performance Audit Committee	
	Internal Audit	Top-level Audit Committee Administration.	<ul style="list-style-type: none"> • Structured Internal Audit Unit to be established. • Risk and Internal Audit Manager Appointed in February 2019
		Top-level Internal Audit Steering Committee Administration.	
Top-level Risk Management Register and Risk Assessments.			
Top-level Internal Audit Reporting Framework.			
Legal Services and Compliance	Continuous rendering of legal and compliance service to Council, the directorates and municipal staff. Co-ordinated review of by-laws and policies.	<ul style="list-style-type: none"> • Development of a legal register. • Development of a risk register • Delegation Register approved by Council • Continued review of policies and by-laws 	

Corporate Services	Legal Services and Compliance Continuous rendering of legal and compliance service to Council, the directorates and municipal staff. Co-ordinated review of by-laws and policies. <ul style="list-style-type: none"> • Development of a legal register. • Development of a risk register • Delegation Register approved by Council • Continued review of policies and by-laws Committee Services All meetings as planned took place. Special occasions whereby Portfolio councillors requested change of dates due to unforeseen circumstances.		
	Record Keeping	Record Keeping done according to the Archives Act.	The space and dampness issue have been addressed and galvanised shelving was installed in the strong room.
	Human Resources	Organogram reviewed annually.	
		Job Descriptions due for completion by Sarah Baartman Consultant due by 30 June 2019.	A consultant has been appointed to draft new job descriptions for Task Evaluation.
	Skills Development	Workplace skills plan adopted. Mandatory grants were not received from the LGSETA	Acquisition of relevant and local service providers for accredited programmes was a challenge
Social Services	Libraries	Tokyo Sexwale Modular Library was delivered in December 2015 Weston roof was repaired and sealed in April 2016. Patensie library is being extended and renovated.	Kouga Municipality is rendering library services with a limited staff capacity. Insufficient funding by DSRAC for smooth running of library services.
	Waste Management	Waste Management Plan adopted on 31 May 2016.	The following officials were appointed to address the staff shortage: <ul style="list-style-type: none"> • An Environmental Specialist was appointed on a contract period. • Environmental and Waste Manager • Environmental Officer
	Environmental Health	Monitoring of air and noise pollution and presenting educational programmes and projects	Lack of capacity, as vacant positions are not filled.
		Water sampling programmes to ensure health and safety of Kouga community.	
	Special Programmes	Mandela Day programme was held focusing on a community clean-up and assisting the less privileged with food parcels. Local Aids Council Meetings is held once quarterly. HIV and Aids Community Outreach programme held as per national health calendar (Women Programme, World Aids Day, TB day, Candle light memorial and outreaches in schools, STI and condom month). Establishment of a women's forum in Ward 13 in Weston.	Stakeholder participation is not at the desired level there is still much room for improvement when it comes to attendance of meetings and programmes.
Traffic Services	Successful operation held with regards to outstanding warrants.	Office space and shortage of staff	

		Extension of services to Saturdays to reduce waiting period, utilisation of the Testing Station for operations i.e. roadblocks and free roadworthy tests.		
		Assist schools in scholar patrol.		
	Emergency Services		Successfully extinguishing fires in the Kouga Municipal Area.	The Disaster Management Plan need to be reviewed to incorporate the risk assessment plan.
			Conduct fire prevention inspections successfully according to KPI's.	
			Evacuation exercises	
			Public awareness programmes for schools and community	
		Arrange public input into the risk assessment plan		
Law Enforcement	Better control over stray animals.	Improve performance in traffic policing, by-law enforcement and general law enforcement.		
Halls and Sport fields	<ul style="list-style-type: none"> ○ Provide clean facilities to the communities. ○ Make sure sports clubs have access to sports fields. ○ Capital Budget was approved for provision of chairs to halls. 	In-sufficient budget provision. Maintenance budget was centralised to IPD. No Service Level Agreements with sports clubs. Vandalism and misuse of facilities.		
Parks and Recreation	Provide clean parks and recreation facilities to communities.	Insufficient budget provision.		
Financial Services	Budget and Treasury	Budget and Adjustment Budget approved according to MFMA.	MSCOA implementation a challenge due to insufficient dedicated staff.	
	IT	New internet/email system Cloud storage SCM/MSCOA Rate payers module Electronic leave system Intranet End data protection solution ERP System	Staff shortage GV network links downtime Building maintenance SCM procedures	
	Finance Management	All creditors are paid within 30 days.	All creditors of which were received, were paid within 30 days, except for the Department of Transport, the Auditor-General & SALGA which we have arranged to pay off the old debt.	
		All staff salaries are paid each month.	All staff are paid by the 25 th of each month.	
		2 successive unqualified audit opinions achieved.	Compliance of the organisation in terms of performance management, laws and regulations.	
	No additional loans were taken up	Funding of infra-structure requirements limited.		

	Finance Operations		No Revenue Enhancement Plan. In the process of being drafted.
		In-house establishment of the debt collection and credit control unit	
		The debtor's payment ratio average above 49 days as at 30 June 2015.	
	Fleet Management	Implementation of fleet management policy in maintaining KLM fleet in commission. Monitoring of KLM's fleet via tracker system. Implementation of fleet maintenance plan in line with MTBF.	Ageing of fleet contributes to high repairs and maintenance cost. Replacement policy of capital asset (fleet). Human Resource capacity within mechanical workshop.
	Asset Management	Compliance with GRAP standards applicable to asset management maintenance of Financial Asset Register Implementation of assets and accounting policy.	KLM has been maintaining the FA responsibilities (verification, updating AR, condition assessment, unbundling and posting of relevant journals) with limited staff capacity. Centralization asset acquisitions and receiving for recognition purposes.
Human Settlements, Land Affairs and Planning	Spatial Planning	Spatial Development Framework was adopted in May 2015.	
	Properties	Leasing of council-owned properties.	Unregistered land which is controlled by the entity. Compliance with disposal management of land.
		Sale of council properties	De-recognition of property/land on FAR.
	Housing Administration	Issuing instructions to the conveyancing attorneys and ensuring registration of transfers	
		Compilation of housing-related items/reports for leasing, alienation, allocation of sites, church and business sites, etc.	
		Construction of 391 RDP houses has commenced in August 2017.	
		Three (3) housing projects implemented in 2017 namely Kruisfontein 391 housing project, Pellsrus 220 housing project and Ocean View 1500 housing project. Four (3) projects currently in planning phase and ready for implementation namely Arca dia 139 housing project, Weston 196 housing project and Hankey 990 housing project.	
Housing Projects	No housing projects implemented since 2007.		
Roads and storm water	Storm water Master Plan developed and approved by Council, Resolution 15/05/IPD11.	Budget constrains to implement projects identified in Storm Water Master Plan. Limited funding for road rehabilitation and preventive maintenance of surfaced roads.	

	Water	Audit of all water meters in Kouga conducted during 2015/16. Upgrading and completion of bulk water infrastructure projects. Reservoir – Jeffreys Bay Reservoir – Hankey Reservoir – Pa tensie	Exploration of ground water sources to become less dependent on purchase of water from the Metro system.
	Sewerage	Completion of Jeffreys Bay waste water treatment works in 2013. Commencement with construction of Kruisfontein Waste Water treatment works 2014. Upgrading and completion of bulk infrastructure projects. Sewer pump station and rising main Jeffreys Bay. Sewer pump station and rising main Pa tensie. Upgrade of various pump stations. Replacement of digester tanks in Thornhill with full waterborne system.	Large number of households which still make use of conservancy tanks especially in Wavcrest and St Francis Bay. Budget constraints for replacement of aging infrastructure and upgrading of existing infrastructure.
	Distribution	Electricity Supply	Upgrade of Melkhout 66Kv main electrical line to Jeffreys Bay to secure supply remains a challenge.
Electro technical Services	Services	Electrification of houses.	Lack of registerederven for electrification projects. Shortage of qualified staff. Lack of resources.

Table 183: Institutional Performance

CHAPTER 7: BUDGET AND IDP ALIGNMENT

7.1 OVERVIEW OF ANNUAL BUDGET PROCESS

The Budget process started in September 2018 after the approval of a timetable to guide the preparation of the 2019/20 to 2021/22 Operating and Capital Budgets.

The timetable provides broad timeframes for the IDP and Budget preparation process. It allows for consultation with stakeholders, such as the elected public representatives, employees of the Municipality, Civil Society, State departments, business and labour, during April/May 2019.

The main aim of the timetable was to ensure that an IDP and a balanced Budget were tabled in March 2019. The Budget and IDP will be tabled by the Executive Mayor at a Council meeting scheduled for 30 May 2019, after this meeting, it will be submitted to National and Provincial Treasury.

The budget consultation process took the form of a series of public meetings in the various wards under the direction and leadership of the Executive Mayor and his Mayoral Committee. The inputs of the aforementioned consultations were taken into account, whilst the Executive Mayor will table the IDP and Budget for consideration and approval at a Council meeting scheduled for 30 May 2019.

The Service Delivery and Budget Implementation Plan is the mechanism that ensures that the IDP and the Budget is aligned.

7.2 IDP & BUDGET TIMETABLE 2019/20 TO 2021/22

The preparation of the 2019/20 to 2021/22 IDP and Budget were guided by the following schedule of key deadlines as approved by Council on 26 July 2018.

ACTIVITY	DATE
IDP/Budget Schedule approved by Council	26 July 2018
Tabling of draft IDP and Budget in Council	29 March 2019
Public Participation	During April and May 2019
Final adoption of IDP and Budget by Council	30 May 2019
Approval of SDBIP by Executive Mayor	27 June 2019

Table 184 : IDP & Budget timetable

7.3 ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

The Integrated Development Plan (IDP) determines and prioritises the needs of the community.

The review of the IDP, in accordance with the Municipal Systems Act, was guided and informed by the following principles:

- Achievement of the five strategic priorities of the municipality.
- Focusing on service delivery backlogs and the maintenance of infrastructure.
- Addressing community priorities (needs) as identified in the IDP.

The review of the IDP focused on establishing measurable performance indicators and targets. These targets informed the preparation of the multi-year budget, as well as the Service Delivery and Budget Implementation Plan (SDBIP).

The 2019/20 to 2021/22 Operating and Capital Budgets were prepared in accordance with the IDP. The key strategic focus areas of the IDP are as follows:

- Municipal transformation and development
- Service delivery and infrastructure development
- Local economic development
- Financial sustainability and viability
- Good governance and public participation

The budget consultation process took the form of a series of meetings held throughout the municipal area with the elected public representatives, employees of the Municipality, Civil Society, business, labour, National and Provincial Governments on how the budget addresses the IDP priorities and objectives. The feedback flowing from these meetings was referred to the relevant Directorates for their attention.

Below is a table, which illustrates the link between the Budget and the IDP.

7.4 BUDGET ALLOCATION ACCORDING TO IDP PRIORITIES

	Municipal Transformation and Development	Service Delivery and Infrastructure Development	Local Economic Development	Financial Sustainability and Viability	Good Governance and Public Participation	Spatial Rationale and Environmental Management	Total
R thousand							
2019/20 Budget							
Capital Expenditure	410	81 181	2 426	2 800	3 794	2 500	93 110
Operating Expenditure	12 373	675 106	10 146	97 354	78 699	23 458	897 137
Total	12 783	756 287	12 572	100 154	82 492	25 958	990 247
2020/21 Budget							
Capital Expenditure	15	73 658	2 439	50	2 655	2 500	81 317
Operating Expenditure	11 726	737 385	11 048	115 528	82 754	23 288	981 729
Total	11 741	811 043	13 487	115 578	85 409	25 788	1 063 046
2021/22 Budget							
Capital Expenditure	15	71 459	2 535	50	2 655	2 500	79 214
Operating Expenditure	12 450	811 245	11 969	112 347	86 244	24 788	1 059 043
Total	12 465	882 703	14 504	112 397	88 899	27 288	1 138 257

Table 185 : Budget according to IDP Priorities

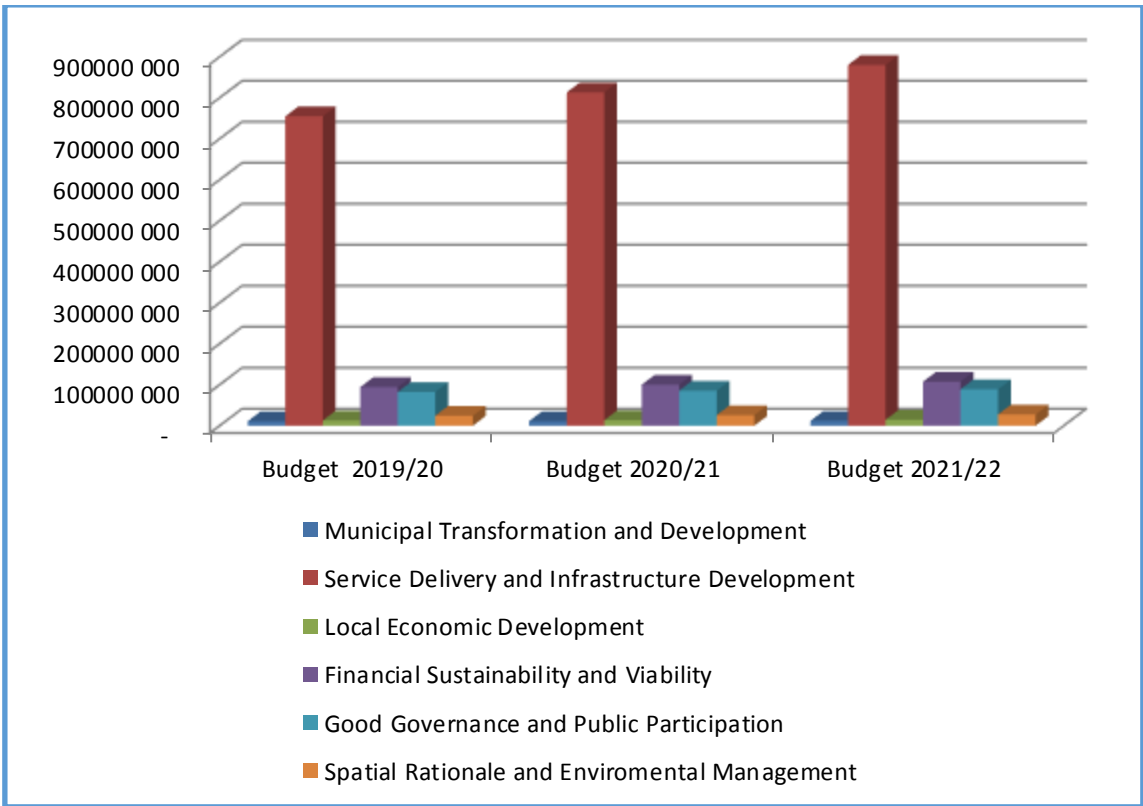


Figure 41 : 2019/20 Expenditure by IDP Priorities

7.5 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Description of financial indicator	Basis of calculation	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
		Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
<u>Borrowing Management</u>					
Credit Rating					
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.5%	1.1%	1.0%	0.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.9%	1.4%	1.3%	0.8%
<u>Liquidity</u>					
Current Ratio	Current assets/current liabilities	0.9	1.0	0.9	1.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.9	1.0	0.9	1.0
Liquidity Ratio	Monetary Assets/Current Liabilities	0.5	0.4	0.3	0.3
<u>Revenue Management</u>					
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	94.0%	96.0%	96.0%	96.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		94.0%	96.0%	96.0%	96.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	9.6%	12.0%	12.1%	12.2%
Creditors to Cash and Investments		149.4%	192.2%	248.4%	230.1%

Description of financial indicator	Basis of calculation	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
		Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
<u>Other Indicators</u>					
Employee costs	Employee costs/(Total Revenue - capital revenue)	35.9%	34.8%	34.0%	33.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	37.5%	36.3%	35.6%	34.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5.6%	5.2%	4.5%	4.4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	10.3%	10.4%	10.6%	10.4%
<u>IDP regulation financial viability indicators</u>					
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	25.6	24.7	28.8	31.4
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	12.2%	15.3%	15.4%	15.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	1.4	1.1	0.8	0.8

Table 186 : Performance objectives and indicators

7.6 PERFORMANCE INDICATORS AND BENCHMARKS

Borrowing Management

Capital expenditure may be funded from capital grants, internal sources and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. The following financial performance indicators formed part of the compilation of the 2019/20 MTREF:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing, compared to the total operating expenditure. The cost of borrowing amounts to 1.1% of total operating expenditure in the 2019/20 financial year and reduces to 0.6% in 2021/22.

Liquidity

- The *current ratio* is a measure of the current assets divided by the current liabilities. The Municipality has set a benchmark limit of 1. For the 2019/20 MTREF, the current ratio is 1.0 in the 2019/20, 0.9 in the 2020/21 and 1.0 in the 2021/22 financial years.
- The *liquidity ratio* is a measure of the municipality's ability to utilise cash and cash equivalents to meet its current liabilities. A liquidity ratio of 1 should be maintained. For the 2019/20 MTREF, the liquidity ratio is at 0.4:1. This represents a significant risk for the Municipality, as any under collection of revenue will result in financial challenges for the Municipality. As part of the medium-term financial planning objectives, this ratio must be maintained at a minimum of 1.

Drinking Water Quality

The Municipality achieved a scoring of 51.83% (2014) in relation to its Blue Drop status for the supply of water, compared to the scoring of 60.69% (2012) achieved in the previous assessment. The decline is attributable to a lack of an annual process audit. In order to enhance its Blue Drop status in the next assessment cycle, the Municipality will have to focus specifically on the monitoring and recordkeeping of analyses results and the training and appointment of process controllers.

Basic social services package for indigent households

The Constitution stipulates that a municipality must structure and manage its administration, budgeting and planning so as to give priority to the basic needs of the community and to promote their social and economic development. The basic social package is an affirmation of the Municipality's commitment to push back the frontiers of poverty by providing social welfare to those residents who cannot afford to pay, as a result of adverse social and economic conditions.

The initiatives carried out by the Municipality in this regard are detailed below:

Service	Social Package	Approximate Cost R '000	Est. No. of Households
Assessment Rates	All residential property owners are exempted from paying rates on the first R15 000 of their property values. An additional R85 000 credit on property rates for indigent consumers.	2,885	5,683
Water	The first 12kl of water per month provided free to indigent consumers	13,278	5,683
Electricity	The first 50kwh of electricity provided free to indigent consumers	5,538	5,564
Refuse removal	Full credit for the monthly charge.	10,537	5,683
Sewerage	Full credit for monthly charge of sewerage to indigent consumers (For waterborne sewerage removal the maximum credit is based on 12kl per month)	6,567	5,683
EMF	Full credit for the monthly charge.	3,013	5,683
Total Operating Costs		41,818	

Table 187 : Initiatives carried out by municipality

CHAPTER 8: PROJECTS

8.1 INTERNAL PROJECTS: MIG FUNDED – 2018/19

KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY			INSTITUTIONAL OBJECTIVE: 100% OF LED PROJECT BUDGET SPENT ON LED PROJECTS						
ID	PROJECT DESCRIPTION	PROJECT OUTPUT	WARD	GFS	SOURCE OF FUNDING	2017/18	2018/19	2019/20	2020/21
	Construction of Action Sports Park	Park Beautification	Pellrus	LED	MIG	2 492 496.00	0	0	0
	Construction of New Produce Markets	Construction of New Produce Markets	Hankey/ Jeffrey's Bay	LED	MIG	58 906.50	1 404 093.50	1 404 093.50	0
	LED Project		Kouga	LED	MIG	0	0	0	1 585.835
KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY				INSTITUTIONAL OBJECTIVE: SOCIAL DEVELOPMENT					
ID	PROJECT DESCRIPTION	PROJECT OUTPUT	WARD	GFS	SOURCE OF FUNDING	2017/18	2018/19	2019/20	2020/21
	Upgrade Sport Facilities	Communities have Sport Fields	Thornhill		MIG	4 599 045.00	4 444 005	4 527 367.50	4 757 505
KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY			INSTITUTIONAL OBJECTIVE: 100% OF RESIDENTS HAVE ACCESS TO WATER AND SANITATION						
ID	PROJECT DESCRIPTION	PROJECT OUTPUT	WARD	GFS	SOURCE OF FUNDING	2017/18	2018/19	2019/20	2020/21
	Upgrade Kruisfontein WWTW	Residents have access to sanitation	Arcadia/ Kruisfontein		MIG	15 225 784.50	2 500 000	0	0
	Patensie Bulk Sewer infrastructure	Residents have access to sanitation	Ramaphosa Village		MIG	6 150 864.00	0	0	0
	St Francis Bay WWTW	Residents have access to sanitation	St Francis Bay		MIG	8 284 068.00	21 278 601.50	18 238 928	0
	Patensie WWTW	Residents have access to sanitation	Patensie		MIG	0	0	5 093 857.23	2 500 000
	Upgrading of gravel roads	Residents have access to road infrastructure	Jeffreys Bay/ Humansdorp		MIG	0	0	418 203.77	11 479 597
	Upgrade Sanitation System Old Hankey	Residents have access to sanitation	Hankey		MIG	0	0	500 000	11 393 736

Table 188 : Internal Projects – MIG Funding

8.2 PROJECT STAGES OF DEVELOPMENT – FUNDING SECTOR DEPARTMENTS

PROJECT STAGES OF DEVELOPMENT									
Pre-Implementation			SCM			Implement		Complete	
Consultant	Investigation	Design	BSC/Advert	BEC	BAC	Handover	In progress	Sign - off	Retention
1	2	3	4	5	6	7	8	9	10
Project Description	Housing Project	Funder	Budget	Expenditure	% Spent	Stage of Development	Contract Start	Contract Duration	Comments
Hankey New Reservoir and Bulk Gravity Feed	Hankey 990	DoHS	10 213 260.00	5 137 123.50	50.2985677	8	08-May-14	6	Practical completion issued April 2015
Hankey Wastewater Pump Station Phase 3		DoHS	4 764 910.05	2 957 068.06	62.059263	8	04-Apr-14	5	Practical completion issued July 2015
Hankey Wastewater Treatment Works Phase 2		DoHS	6 504 064.10	2 802 601.66	40.9025769	8	04-Apr-14	7	Practical completion issued October 2015
Upgrade Sewer Pump stations – Pellrus	Pellrus 220 & Ocean View 1500	DoHS	3 009 621.05	902 730.25	29.991085	8	08-Sep-14	4	Practical completion issued April 2015
Upgrading of Apiesdraai Sewer Pump station		DoHS	17 069	7 304 805.76	48.4656491	8	26-Jun-14	7	Certificate of completion issued 4 February 2016
Construction of Churchill Reinforced Concrete Reservoir – Jeffrey bay		DoHS	26 113 689.34	356 468.45	1.36509524	8		8	Contractor on site
Upgrade of Patensie WWTW	Patensie 278	DoHS	5 857 506.73	361 195.57	8.64108731	8	13-Aug-14	7	Dispute with Contractor
Patensie Bulk Sewer Infrastructure		DoHS	25 054 963.89	6 681 371.93	29.7417404	8	26-Jun-14	6	Practical completion issued 10 December 2015
Construction of a Reservoir and Bulk Water Supply in Patensie		DoHS	18 756 262.78	2 164 590.20	11.5406263	8	08-Aug-14	8	Contractor on site

Construction of Kruisfontein Western Outfall Sewer and Associated Works	Kruisfontein 2500 & Arcadia 139	DLGTA	8 191 369.00	5 944 097.66	72.5653753	8	26-Jun-14	4	Certificate of completion issued
Plant and Design Built Works: Extensions to Kruisfontein Wastewater Treatment Works		DLGTA	60 864 203.37		0	7	Jan-15	32	Contractor on site
Weston Wastewater Treatment Works	Weston 196	DLGTA	14 261 297.77	7 924 411.48	55.5658511	8	27-Feb-14	8	Practical completion 12 October 2015
Upgrading of Centerton Sports Facility		DLGTA	3 104 418.20	1 750 322.25	56.3816515	8	26-Jun-14	4	Practical completion issued
Upgrading of Kruisfontein Sports Facility		DLGTA	3 899 940.00	3 298 211.41	84.5708244	8	26-Jun-14	4	Contract terminated
Kruisfontein Sports Facility - Perimeter Fence		DLGTA	1 425 254.65	1 273 733.36	89.3688268	8	29-Apr-14	4	Practical completion issued
Electrification Pholla Park & Shukushukuma		DOE	3 200 000.00	3 200 000.00	100	9	Mar-15	6	Completed November 2014
Electrification Pholla Park & Ocean View		DOE	2 540 000.00	120 459.43	4.74249724	7	18-Nov-14	6	Contractor on site

Table 189 : Project stages of development

8.3 PROJECT IMPLEMENTATION BY SECTOR DEPARTMENTS

Sector engagements take place on a district level, with representation by National and Provincial Sector Departments, the Mayors and IDP Managers of the 7 local municipalities. The relevant sector department implements the programme/project without the involvement of the resources of the Kouga Municipality. **(Reliant on the District to supply information)**

DEPARTMENT	PROJECT NAME	PROJECT DESCRIPTION	GRANT OR/AND INVOLVEMENT		
			2018/19	2019/20	2020/21
Department of Energy	Electrification of 1500 houses Ocean View		R10.2 million 25% spending	R6 million	
Department of Water and Sanitation	Waste Water Treatment Works (WWTW) – Kruisfontein		R2.5 million		
	Waste Water Treatment Works (WWTW) – Sea Vista		R21 278 601		
	Refurbishment of existing water infrastructure of Kwanomzamo WWTW				
	Kouga LM	Groundwater development	R8 401 000		
	Hankey	Groundwater development	R33 179 000		
	Jeffreys Bay	Development of boreholes	R4 500 000		
	Humansdorp	Equipping boreholes	R5 427 000		
	Cape St Francis	Equipping boreholes	R5 910 000		
	Oyster Bay	Equipping boreholes	R1 311 000		
	Kouga LM	Meter and internal leak audits, repairs to leaks, water meters repairs, reticulation pipe replacement and reservoir level control. Groundwater development	R92 500 000		
Department of Human Settlements	Hankey 990		In Progress		
	Kruisfontein 2500 (391)		In Progress		
	Ocean View 1500		In progress		
	Patensie 278		In Progress		
	Pellrus 220		In progress		
	Hankey Weston 196		In progress		
	Development / soil preparation and production inputs (Food security)				

Department of Sport, Recreation, Arts and Culture	Libraries: Renovations to Jeffreys Bay Library		R11.2 million		
Department of Social Development: Social Welfare Services	Recommended NOP funding		R6 771 855		
Department of Environmental Affairs	Oyster Bay Dune Rehabilitation Project	<ul style="list-style-type: none"> ▪ Creation of vegetated burms ▪ Protection wall ▪ Constructing 2 male toilets plus 1 shower and 1 disable toilet ▪ 2 female toilets, 1 shower and 1 disable toilet ▪ A mobile lifeguard tower ▪ Paving 		R10 000 000	
	St Francis Bay Coastal Infrastructure Upgrade	<ul style="list-style-type: none"> ▪ Construction of coastal boardwalk ▪ Ablution facilities ▪ Tidal pool ▪ Beach facilities ▪ Dune stabilization and rehabilitation 		R10 000 000	
Department of Roads	Gravel and serviced roads				
South African Social Security Agency (SASSA) (Humansdorp District)	Social Grants		R328 835 220		

Table 190 : Project implementation by sector departments

8.4 COMMUNITY NEEDS REQUIRING SECTOR DEPARTMENT INTERVENTION

The following needs or actions required from Sector Departments were identified during the IDP development process. The municipality will, during IGR and the District Representative Forum engagements, regularly follow-up on these matters in order to provide feedback on possible actions to communities.

DEPARTMENT	PROJECT DESCRIPTION
Department of Agriculture	Support and education to emerging farmers
Department of Community Safety/SAPS	Satellite police station for Ward 1
	Collaboration with municipal law enforcement to maximise safety in wards
	Establish community policing forums in all wards
Department of Sports, Arts and Culture	Maintenance of sports fields (Backlogs)
	Construction of multi-purpose sports centres in Ward 4, 6, 7 and 14,
	Library in Andrieskraal, Ward 10
	Library in Ocean View, Ward 14
	Clinics in: <ul style="list-style-type: none"> • Kwanomzamo (Vergenoeg) - Ward 6 • Oyster Bay - Ward 1 • Hankey - Ward 9 Mobile clinics in: <ul style="list-style-type: none"> • Kruisfontein, Humansdorp - Ward 4 • Ocean View - Ward 14
	Staffing of clinics in Ward 2, 4, 5 and 9
Department of Land Reform and Rural Development	Land for emerging farmers
	Comprehensive rural development programme for Ward 4, 7, 9, 10, 14
	Land for housing for farming community in Andrieskraal Ward 10
Department of social services	Increase social development programmes i.e. drug abuse, alcohol abuse etc.
	Consider building of old age and frail centres for the less privileged communities
	Educational programmes to address decrease gr8 and gr12 school leavers
Department of Local Government	Consider the housing applications to address the housing backlogs
	Rectification of the RDP houses in Kouga
	Rectification of mud houses in Ward 13
Department of Environmental Affairs	Recycling projects, campaign and environmental education
Department of Transport	Live Capturing Units equipment and staff needed

Table 191 : Sector Department Interventions

8.5 Progress on funded Capital Projects for 2018/19

PROJECTS	Funding Source	Original Budget 2018/19	Adjustments Budget 2018/19	Actuals YTD	% of Budget	Commitments
CORPORATE SERVICES						
Computer Equipment	Internal	157 000	247 402	117 149	47.35%	8 602
Furniture and Equipment	Internal	2 000	649 783	162 929	25.07%	207 175
Library upgrade (phase 2)	Internal	500 000	1 321 134	569 546	43.11%	9 440
EDMS	Internal	-	759 494	-		-
Biometric system	Internal	-	120 000	-		-
Fencing of main building	Internal	-	120 000	-		-
Main Office Building Upgrade	Internal	300 000	47 254	26 765	56.64%	16 261
Computer Software and Applications	Internal	600 000	100 000	53 043	53.04%	-
UPGRADE COMMUNITY CENTER WARD 14	Internal	-	-	-		-
PABX UPGRADE	Internal	750 000	-	-		-
		2 309 000	3 365 067	929 432	27.62%	241 478
PROJECTS	Funding Source	Original Budget 2018/19	Adjustments Budget 2018/19	Actuals as at 12 February 2019		
EXECUTIVE & COUNCIL						
Computer Equipment	Internal	110 000	140 231	88 238	62.92%	-
Furniture and Equipment	Internal	75 000	273 105	249 350	91.30%	12 389
Wards Capital Programmes	Internal	750 000	1 437 229	154 160	10.73%	24 639
		935 000	1 850 565	491 749	26.57%	37 028
FINANCE						
Furniture and Equipment	Internal	115 700	232 100	142 706	61.48%	-
Computer Equipment	Internal	1 391 200	590 978	187 826	31.78%	2 320
IT Server	Internal	-	626 268	-		-

Office upgrade ICT	Internal	-	200 000	30 800	15.40%	146 003
Disaster Recovery Server	FMG	-	644 106	644 106	100.00%	-
Vehicle	Internal	-	300 000	-		-
		1 506 900	2 593 452	1 005 439	38.77%	148 323
INFRASTRUCTURE & ENGINEERING						
Furniture and Equipment	Internal	198 000	155 000	76 348	49.26%	30 609
Computer Equipment	Internal	35 000	102 000	88 418	86.68%	-
Machinery and Equipment	Internal	415 000	391 000	212 977	54.47%	87 469
Fencing of Jeffreys Bay and Kruisfontein Reservoir	Internal	900 000	-	-		-
Upgrading of infrastructure for new township establishment	Internal	500 000	500 000	328 647	65.73%	96 163
Vehicles	Internal	2 500 000	8 610 264	3 124 795	36.29%	-
MV Networks Capital	INEP	8 869 565	8 869 565	4 055 858	45.73%	13 230
New overheadlines 66kv overheadlines(Jbay to Melkhout)	Internal	3 000 000	2 000 000	1 922 729	96.14%	-
Jeffreys Bay- North Bulk main outfall sewer-area north of R102	Internal	1 200 000	1 300 000	195 547	15.04%	22 200
WATER CONSERVATION AND DEMAND MANAGEMENT						
RETICULATION REPLACE PIPELINES (PATENSIE)	WSIG_NT	-	9 130 435	389 274	4.26%	-
RETICULATION REPLACE PIPELINES (OYSTER BAY)	WSIG_NT	-	391 304	262 368	67.05%	-
Upgrading of the Sea Vista Wastewater Treatment Works	MIG	18 503 132	18 503 132	17 783 051	96.11%	-
Humansdorp - Upgrade Kruisfontein Waste Water Treatment Works	MIG	2 173 913	2 173 913	1 411 993	64.95%	-
Computer Equipment	MIG	50 000	50 000	33 759	67.52%	-

RETICULATION REPLACE PIPELINES (HANKEY)	WSIG_NT	-	9 565 217	1 976 655	20.67%	-
Illegal electricity connections (LV Network)	Internal	1 000 000	400 000	312 794	78.20%	22 523
Fencing: New x Loerie Sewer pump station	Internal	900 000	-	-		-
CAPE ST FRANCIS WATER SUPPLY	WSIG_DWS	-	5 139 130	473 312	9.21%	-
DEVELOP NATURAL SPRINGS AND CONVEYANCE (HUMANSDORP)	WSIG_NT	-	17 391 304	454 996	2.62%	-
HANKEY WATER SUPPLY	WSIG_DWS	-	28 851 304	6 921 552	23.99%	-
HUMANSDORP WATER SUPPLY	WSIG_DWS	-	4 719 130	2 663 757	56.45%	-
Water Infrastructure Boreholes	Internal	1 500 000	-	464 230		-
Roads Upgrade	Internal	2 500 000	2 500 000	1 375 453	55.02%	674 842
REFURBISH AND UPGRADE WATER TREATMENT WORKS (JEFFR)	WSIG_NT	-	30 434 783	1 113 317	3.66%	-
PATENSIE WATER SUPPLY	WSIG_DWS	-	7 305 217	68 234	0.93%	-
JEFFREYS BAY WATER SUPPLY	WSIG_DWS	-	3 913 043	2 026 567	51.79%	-
OYSTER BAY WATER SUPPLY	WSIG_DWS	-	1 140 000	560 477	49.16%	-
Bucket Eradication Programme	Internal	2 300 000	2 300 000	45 652	1.98%	-
Conversion from conventional meter to pre-paid meter and moving of meter to boundary wall	Internal	-	200 000	-		-
Purchase of mini substation 11000/400,22000/400	Internal	-	600 000	-		-
High Mast Lights	Internal	-	1 000 000	-		-
Refurbishment of truck and rebuild into cherry picker truck	Internal	-	400 000	-		-
		46 544 610	181 557 483	54 370 137	29.95%	947 036
PLANNING, DEVELOPMENT & TOURISM						
Computer Software and Applications	Internal	700 000	200 000	190 517	95.26%	-
Computer Equipment	Internal	60 000	120 000	54 821	45.68%	-

Upgrading of Kouga Cultural Centre	Internal	1 000 000	1 000 000	150 000	15.00%	-
Furniture and equipment	Internal	200 000	200 000	22 647	11.32%	158 115
Informal Traders - Building	MIG	1 220 951	1 220 951	-		-
Land acquisition housing projects	Internal	1 000 000	1 000 000	-		-
Machinery and Equipment	Internal	30 000	30 000	-		-
Arts and Creative Industries	DISTRICT	-	-	-		-
Lowrie Flower Project	DEDEAT	-	65 000	-		-
		4 210 951	3 835 951	417 985	10.90%	158 115
PROJECTS	Funding Source	Original Budget 2018/19	Adjustments Budget 2018/19			
COMMUNITY SERVICES				-		
Fencing of caravan parks & camping sites	Internal	500 000	500 000	239 951	47.99%	56 254
Fencing of Sport and Recreational Facilities	Internal	500 000	-	-		-
Machinery and Equipment	Internal	844 010	984 010	443 371	45.06%	178 700
Computer Equipment	Internal	160 000	84 000	69 535	82.78%	-
Security Cameras	Internal	150 000	-	-		-
Vehicle	Internal	4 000 000	5 850 000	2 290 823	39.16%	-
Furniture and Equipment	Internal	70 000	55 000	22 571	41.04%	12 884
Wheelie Bins	Internal	1 000 000	2 475 261	869 200	35.12%	1 569 070
Life Gaurds Beach Tower	Internal	250 000	50 000	26 400	52.80%	96 212
Upgrading of Sports Facilities	MIG	3 864 352	3 864 352	-		27 100
Fencing of Hankey Fire Station	Internal	200 000	200 000	-		10 571
Fencing of existing cemeteries	Internal	500 000	24 739	24 739	100.00%	-
Weston Library Upgrade	Internal	100 000	100 000	-		37 123
Table and Chairs-Community Facilities	Internal	100 000	160 000	58 304	36.44%	-
Machinery and Equipment	DISTRICT	-	265 100	-	0.00%	-
Vehicle	DISTRICT	-	1 700 000	-	0.00%	-

		12 238 362	16 312 462	4 044 893	24.80%	1 987 914
		67 744 823	209 514 980	61 259 635	29.24%	3 519 894
Internally generated funds		36 927 262	40 029 983	14 392 982	35.96%	3 479 564
Transfers recognised - capital		30 817 561	169 484 997	46 866 653	27.65%	40 330
Total		67 744 823	209 514 980	61 259 635	29.24%	3 519 894
Water			131 502 606	18 856 054		
			78 012 374	42 403 581	54.35%	

Table 192 : Capital projects 2018/19 FY

8.6 Funded Capital and Operational Budgets for 2019/20 FY

Own	Budget Project Code	Budget Project Name	2019	2020	2021
Finance: Assessment Rates	PC_503	Discretionary	11 018 181.00	11 734 359.00	12 497 094.00
Finance: IT	OP_172	Capacity Building	133 195.00	140 388.00	147 970.00
Housing Services	OP_288	Social contributions: Municipal staff	460 365.00	490 980.00	523 631.00
Housing Services	OP_1	Municipal running cost	560 509.00	290 477.00	319 767.00
Beach	OP_288	Social contributions: Municipal staff	565 232.00	602 820.00	642 908.00
Beach	OP_1000	Maintenance of Buildings and Facilities	500 000.00	500 000.00	500 000.00
Public Works	OP_288	Social contributions: Municipal staff	2 711 392.00	2 891 701.00	3 083 999.00
Building & Property	OP_20	Repairs & Maintenance Municipal Buildings	210 000.00	222 600.00	235 956.00
Building & Property	OP_10	Repairs & Maintenance Municipal Buildings	145 000.00	153 700.00	162 922.00
Building & Property	OP_33	Repairs & Maintenance Municipal Buildings	9 000.00	9 540.00	10 112.00
Building & Property	OP_47	Repairs & Maintenance Municipal Buildings	100 000.00	106 000.00	112 360.00
Planning & Development	OP_172	Capacity Building	200 120.00	221 528.00	243 121.00
Building & Property	OP_43	Repairs & Maintenance Municipal Buildings	81 200.00	86 072.00	91 236.00
Planning & Development	OP_288	Social contributions: Municipal staff	1 414 783.00	1 508 866.00	1 609 205.00
Building & Property	OP_288	Social contributions: Municipal staff	525 409.00	560 349.00	597 612.00
Finance: IT	OP_15	Repairs & M Buildings	22 302.00	23 506.00	24 776.00
Building & Property	OP_26	Repairs & Maintenance Municipal Buildings	110 000.00	116 600.00	123 596.00
Social Development	OP_288	Social contributions: Municipal staff	256 303.00	273 345.00	291 523.00
Executive Mayor	OP_1	Municipal running cost	211 574.00	222 999.00	235 041.00
Occupational Health and Safety	OP_206	Employee Assistance Programme	10 000.00	10 000.00	10 000.00

Sport & Recreation	OP_38	Repairs & M Buildings and Properties	2 940 000.00	910 000.00	910 000.00
Social Development	OP_1008	Workshops, Seminars and Subject Matter Training	26 826.00	28 274.00	29 799.00
Social Development	OP_108	Community Development	25 000.00	26 350.00	27 772.00
Social Development	OP_5	TB Day	43 156.00	45 486.00	47 942.00
Human Resources	OP_288	Social contributions: Municipal staff	1 642 078.00	1 751 277.00	1 867 737.00
Finance: Revenue	OP_5007	Operating Lease (Vehicle)	-	-	-
Finance: Budget & Financial Reporting	OP_1	Municipal running cost	1 311 543.00	1 386 656.00	1 464 536.00
Finance: Revenue	OP_1	Municipal running cost	5 591 038.00	5 893 935.00	6 212 496.00
Sport & Recreation	OP_1	Municipal running cost	2 356 126.00	1 406 533.00	853 898.00
Social Development	OP_1	Municipal running cost	270 530.00	285 139.00	300 536.00
Public Works	OP_231	Repairs & Maintenance ROADS	295 000.00	312 700.00	331 462.00
Occupational Health and Safety	OP_1008	Workshops, Seminars and Subject Matter Training	250 000.00	250 000.00	280 000.00
Finance: Revenue	OP_15	Repairs & M Buildings	315 600.00	332 642.00	350 604.00
IDP/LED	OP_288	Social contributions: Municipal staff	26 516.00	28 279.00	30 159.00
Finance: IT	OP_1	Municipal running cost	13 682 281.00	23 881 123.00	14 090 705.00
Protection Services	OP_288	Social contributions: Municipal staff	3 383 195.00	3 608 176.00	3 848 122.00
MIG Administration Unit	OP_287	Salaries and Wages : municipal staff	1 410 002.00	1 503 767.00	1 603 768.00
Finance: SCM	OP_1	Municipal running cost	238 962.00	251 864.00	265 466.00
Parks & Open Space	OP_1	Municipal running cost	1 356 085.00	1 419 077.00	1 485 083.00
Planning & Development	OP_1	Municipal running cost	936 311.00	991 130.00	1 049 171.00
Public Works	OP_227	Repairs & Maintenance ROADS	10 020 000.00	7 526 200.00	8 104 732.00
Public Works	OP_230	Repairs & Maintenance ROADS	2 745 000.00	2 995 700.00	3 249 442.00
Human Resources	OP_151	Human Resources	1 397 222.00	1 402 765.00	1 441 771.00
Public Works	OP_265	Repairs & Maintenance STORMWATER	-	-	-
Public Works	OP_229	Repairs & Maintenance ROADS	373 000.00	395 380.00	419 102.00
Public Works	OP_69	Repairs & Maintenance STORMWATER	213 000.00	225 780.00	239 326.00
Finance: Stores	OP_1	Municipal running cost	100 054.00	105 457.00	111 151.00

Corporate Services	OP_1	Municipal running cost	16 389 602.00	16 911 392.00	16 366 755.00
Protection Services	OP_1	Municipal running cost	5 312 370.00	5 636 950.00	5 968 284.00
Strategic Services: Director	OP_1	Municipal running cost	107 110.00	112 893.00	118 990.00
Technical Services: Director	OP_290	Salaries and Wages: Senior Managers	1 288 359.00	1 374 034.00	1 465 408.00
Finance: Budget & Financial Reporting	OP_172	Capacity Building	615 039.00	648 251.00	683 257.00
Sport & Recreation	OP_288	Social contributions: Municipal staff	665 399.00	709 647.00	756 839.00
Housing Services	OP_289	Other benefits	100 871.00	107 578.00	114 733.00
IDP/LED	OP_1	Municipal running cost	206 338.00	217 481.00	229 225.00
Corporate Services	OP_288	Social contributions: Municipal staff	5 525 444.00	5 892 886.00	6 284 765.00
Caravan Parks	OP_288	Social contributions: Municipal staff	331 353.00	353 387.00	376 888.00
Parks & Open Space	OP_288	Social contributions: Municipal staff	3 646 079.00	3 888 543.00	4 147 132.00
Caravan Parks	OP_289	Other benefits	175 014.00	186 652.00	199 065.00
Economic Development: Business	OP_289	Other benefits	-	-	-
Corporate Services	OP_289	Other benefits	258 602.00	275 800.00	294 140.00
Economic Development: Business	OP_288	Social contributions: Municipal staff	139 460.00	148 734.00	158 626.00
Strategic Services: Director	OP_292	Other benefits: Senior Managers	475.00	507.00	541.00
MIG Administration Unit	OP_288	Social contributions: Municipal staff	253 727.00	270 599.00	288 593.00
Disaster Management	OP_288	Social contributions: Municipal staff	114 804.00	122 438.00	130 580.00
Parks & Open Space	OP_289	Other benefits	2 207 249.00	2 354 030.00	2 510 574.00
Caravan Parks	CP_32	Fencing – Humansdorp	450 000.00	-	-
Corporate Services	CP_56	Library upgrade & dash; Corporate Services	100 000.00	-	-
Protection Services	OP_289	Other benefits	4 104 218.00	4 377 148.00	4 668 229.00
Disaster Management	OP_1	Municipal running cost	84 335.00	88 253.00	92 432.00
Human Resources	CP_21	Vehicles	-	-	-
Public Works	OP_1	Municipal running cost	38 115 163.00	38 363 511.00	38 617 651.00
Human Resources	CP_4	Computer Equipment	110 000.00	-	-

Corporate Services	CP_4	Computer Equipment	68 000.00	-	-
Finance: IT	CP_4	Computer Equipment	300 000.00	-	-
Finance: Budget & Financial Reporting	CP_4	Computer Equipment	-	-	-
Finance: Revenue	CP_4	Computer Equipment	-	-	-
Finance: SCM	CP_4	Computer Equipment	-	-	-
Protection Services	CP_4	Computer Equipment	-	-	-
Executive Mayor	OP_285	Municipal running costs	10 520.00	11 088.00	11 686.00
Strategic Services: Director	OP_290	Salaries and Wages: Senior Managers	1 288 359.00	1 374 033.00	1 465 408.00
Strategic Services: Director	OP_291	Social contributions: Senior Managers	31 724.00	33 834.00	36 084.00
Executive Mayor	OP_166	Capacity Building	50 000.00	52 700.00	55 545.00
Beach	OP_289	Other benefits	1 590 609.00	1 696 385.00	1 809 194.00
Parks & Open Space	OP_287	Salaries and Wages : municipal staff	13 234 347.00	14 114 430.00	15 053 040.00
Protection Services	OP_287	Salaries and Wages : municipal staff	14 996 968.00	15 994 267.00	17 057 886.00
Disaster Management	OP_287	Salaries and Wages : municipal staff	413 838.00	441 358.00	470 709.00
Beach	OP_1	Municipal running cost	460 297.00	465 559.00	471 152.00
Building & Property	OP_1	Municipal running cost	9 571 013.00	9 938 114.00	10 453 478.00
Museum	OP_287	Salaries and Wages : municipal staff	-	-	-
Occupational Health and Safety	OP_1	Municipal running cost	61 813.00	64 556.00	67 449.00
Caravan Parks	OP_287	Salaries and Wages : municipal staff	1 017 468.00	1 085 128.00	1 157 290.00
Occupational Health and Safety	OP_226	Educational Awareness Programme	592 000.00	642 000.00	692 000.00
Housing Services	OP_285	Municipal running costs	20 000.00	23 000.00	26 000.00
Planning & Development	CP_60	Computer Software and Applications	300 000.00	500 000.00	500 000.00
Building & Property	OP_285	Municipal running costs	30 000.00	31 800.00	33 708.00
Human Resources	CP_60	Computer Software and Applications	-	-	-
Building & Property	OP_287	Salaries and Wages : municipal staff	2 164 785.00	2 308 744.00	2 462 275.00
Parks & Open Space	OP_165	R&M Grounds	150 000.00	175 000.00	195 000.00
Corporate Services	OP_285	Municipal running costs	20 000.00	20 000.00	20 000.00

Corporate Services	CP_60	Computer Software and Applications	-	-	-
Corporate Services	OP_287	Salaries and Wages : municipal staff	13 369 819.00	14 258 912.00	15 207 129.00
Economic Development: Business	OP_287	Salaries and Wages : municipal staff	511 751.00	545 782.00	582 077.00
Protection Services	OP_285	Municipal running costs	350 000.00	375 000.00	395 000.00
Disaster Management	OP_285	Municipal running costs	12 100.00	12 900.00	13 450.00
Human Resources	OP_287	Salaries and Wages : municipal staff	5 662 697.00	6 039 266.00	6 440 877.00
Finance: Revenue	OP_285	Municipal running costs	52 600.00	55 440.00	58 434.00
Social Development	OP_287	Salaries and Wages : municipal staff	885 955.00	944 872.00	1 007 706.00
Protection Services	CP_23	Vehicle	800 000.00	600 000.00	600 000.00
Public Works	OP_287	Salaries and Wages : municipal staff	14 617 921.00	15 590 013.00	16 626 750.00
Caravan Parks	OP_1	Municipal running cost	326 598.00	348 163.00	370 085.00
Sport & Recreation	OP_287	Salaries and Wages : municipal staff	2 623 525.00	2 797 989.00	2 984 056.00
IDP/LED	OP_287	Salaries and Wages : municipal staff	128 228.00	136 755.00	145 849.00
Public Works	OP_75	Repairs & Maintenance STORMWATER	25 000.00	26 500.00	28 090.00
Public Works	OP_289	Other benefits	1 792 486.00	1 911 687.00	2 038 814.00
Public Works	OP_247	Repairs & Maintenance STORMWATER	55 000.00	58 300.00	61 798.00
Beach	OP_287	Salaries and Wages : municipal staff	4 237 542.00	4 519 339.00	4 819 876.00
Beach	OP_285	Municipal running costs	70 000.00	70 000.00	70 000.00
Public Works	OP_285	Municipal running costs	820 000.00	869 200.00	921 352.00
Planning & Development	OP_289	Other benefits	6 857.00	7 313.00	7 800.00
Planning & Development	OP_287	Salaries and Wages : municipal staff	6 530 126.00	6 964 048.00	7 426 827.00
Finance: IT	OP_288	Social contributions: Municipal staff	603 361.00	643 484.00	686 277.00
Finance: IT	OP_287	Salaries and Wages : municipal staff	2 001 021.00	2 134 089.00	2 276 007.00
Finance: IT	CP_52	Office upgrade ICT	-	-	-
Disaster Management	OP_104	Risk reduction (enabler 3)	75 250.00	77 500.00	81 000.00
Housing Services	OP_287	Salaries and Wages : municipal staff	2 086 734.00	2 228 170.00	2 378 812.00
Building & Property	OP_289	Other benefits	282 431.00	301 213.00	321 243.00

Economic Development: Business	PO_704	LED Strategic Plan	316 223.00	333 299.00	351 298.00
Public Works	PC_075	Upgrading of Gravel Roads in Jeffreys Bay	363 655.00	9 982 258.00	11 808 345.00
Parks & Open Space	OP_285	Municipal running costs	350 000.00	350 000.00	350 000.00
Parks & Open Space	OP_204	Repairs & M Plant & machinery	170 000.00	195 000.00	215 000.00
Economic Development: Business	PC_A018	LED Capital Projects	1 000 000.00	1 000 000.00	1 000 000.00
Sport & Recreation	CP_74	Upgrading of Sports Facilities	4 436 841.00	4 636 961.00	4 925 059.00
Sport & Recreation	CP_9	Furniture and Equipment	200 000.00	150 000.00	100 000.00
Finance: Revenue	CP_21	Vehicles	300 000.00	-	-
Sport & Recreation	CP_32	Fencing - Humansdorp	1 000 000.00	1 000 000.00	1 000 000.00
Parks & Open Space	CP_74	Upgrading of Sports Facilities	200 000.00	200 000.00	200 000.00
Finance: Stores	PC_1023	Fencing of main building	150 000.00	-	-
Building & Property	PC_A002	Security Camera	200 000.00	200 000.00	200 000.00
Finance: SCM	OP_288	Social contributions: Municipal staff	470 909.00	502 224.00	535 622.00
Finance: Stores	OP_288	Social contributions: Municipal staff	439 276.00	468 486.00	499 642.00
Finance: Budget & Financial Reporting	OP_288	Social contributions: Municipal staff	994 532.00	1 060 669.00	1 131 204.00
Finance: Revenue	OP_287	Salaries and Wages : municipal staff	13 091 397.00	13 961 976.00	14 890 446.00
Finance: Budget & Financial Reporting	OP_287	Salaries and Wages : municipal staff	4 857 845.00	5 180 894.00	5 525 423.00
Finance: Revenue	OP_288	Social contributions: Municipal staff	3 107 170.00	3 313 797.00	3 534 166.00
Finance: SCM	OP_287	Salaries and Wages : municipal staff	2 076 080.00	2 214 139.00	2 361 381.00
Finance: Stores	OP_287	Salaries and Wages : municipal staff	1 456 643.00	1 553 510.00	1 656 817.00
Executive Mayor	OP_287	Salaries and Wages : municipal staff	-	-	-
Finance: Stores	OP_289	Other benefits	33 400.00	35 621.00	37 990.00
Finance: Budget & Financial Reporting	OP_289	Other benefits	17 537.00	18 703.00	19 947.00
Finance: Revenue	OP_289	Other benefits	81 430.00	86 845.00	92 620.00
Finance: IT	OP_289	Other benefits	31 524.00	33 621.00	35 856.00
Human Resources	CP_23	Vehicle	250 000.00	-	-

Finance: SCM	OP_289	Other benefits	-	-	-
Public Works	OP_72	Repairs & Maintenance ROADS	100 000.00	106 000.00	112 360.00
Refuse Removal	OP_287	Salaries and Wages : municipal staff	25 461 921.00	27 155 141.00	28 960 957.00
MM: Media	OP_287	Salaries and Wages : municipal staff	1 091 216.00	1 163 782.00	1 241 174.00
Blue Flag	OP_15	Repairs & M Buildings	50 000.00	50 000.00	50 000.00
Blue Flag	OP_1	Municipal running cost	423 011.00	445 850.00	469 928.00
Refuse Removal	OP_288	Social contributions: Municipal staff	5 929 516.00	6 323 828.00	6 744 364.00
MM: Media	OP_288	Social contributions: Municipal staff	252 166.00	268 934.00	286 818.00
Refuse Removal	OP_24	Repairs & M Buildings and Properties	90 000.00	90 000.00	90 000.00
Refuse Removal	OP_1	Municipal running cost	6 444 366.00	6 965 827.00	7 398 461.00
Refuse Removal	OP_176	Municipal running costs	140 000.00	150 000.00	160 000.00
Refuse Removal	OP_89	Clean up Operation	275 000.00	355 000.00	415 000.00
Refuse Removal	CP_9	Furniture and Equipment	-	-	-
MIG Administration Unit	OP_172	Capacity Building	94 000.00	99 640.00	105 618.00
MIG Administration Unit	CP_11	Computer Equipment	-	-	-
Corporate Services	CP_51	PABX UPGRADE	-	-	-
Housing Services	PC_505	Land acquisition housing projects	1 700 000.00	1 400 000.00	1 500 000.00
MIG Administration Unit	OP_1	Municipal running cost	33 744.00	35 662.00	37 689.00
Economic Development: Business	PC_1020	Arts and Creative Industries	100 000.00	-	-
Occupational Health and Safety	OP_1013	Staff Rehabilitation	105 000.00	105 000.00	105 000.00
Finance: Revenue	OP_172	Capacity Building	10 520.00	11 087.00	11 686.00
Caravan Parks	OP_172	Capacity Building	23 269.00	24 525.00	25 850.00
Economic Development: Business	OP_143	Community Development	711 956.00	752 050.00	794 150.00
Corporate Services	OP_172	Capacity Building	56 080.00	56 932.00	57 830.00
Technical Services: Director	OP_1	Municipal running cost	4 008 172.00	4 248 610.00	4 503 469.00
Human Resources	OP_289	Other benefits	48 727.00	51 968.00	55 424.00
Sport & Recreation	OP_289	Other benefits	443 986.00	473 512.00	505 000.00

Parks & Open Space	PC_1003	Machinery and Equipment	600 000.00	600 000.00	600 000.00
Beach	PC_1001	Life Guards Beach Tower	100 000.00	100 000.00	100 000.00
Finance: Stores	CP_15	Logistic Management(capital)	-	-	-
Building & Property	PC_1002	Machinery and Equipment	50 000.00	50 000.00	50 000.00
Social Development	CP_11	Computer Equipment	-	-	-
Protection Services	PC_1003	Machinery and Equipment	500 000.00	500 000.00	500 000.00
Finance: Stores	CP_17	Asset management (capital)	-	-	-
Human Resources	OP_1010	Human Resource Management	650 000.00	50 000.00	100 000.00
Public Works	CP_40	Roads Capital	1 500 000.00	1 500 000.00	1 500 000.00
Public Works	OP_68	Repairs & Maintenance STORMWATER	55 000.00	58 300.00	61 798.00
Public Works	OP_76	Repairs & Maintenance STORMWATER	215 000.00	227 900.00	241 574.00
Planning & Development	OP_1008	Workshops, Seminars and Subject Matter Training	20 000.00	23 000.00	26 000.00
Public Works	OP_85	Repairs & Maintenance STORMWATER	345 000.00	365 700.00	387 642.00
Building & Property	OP_15	Repairs & M Buildings	110 000.00	116 600.00	123 596.00
Caravan Parks	OP_19	Repairs & M Buildings and Properties	750 000.00	550 000.00	450 000.00
Economic Development: Business	OP_15	Repairs & M Buildings	52 600.00	55 440.00	58 434.00
Social Development	OP_1015	Youth Development	40 000.00	42 160.00	44 435.00
Disaster Management	OP_105	Emergency Relief	150 100.00	154 250.00	155 500.00
Protection Services	OP_15	Repairs & M Buildings	270 000.00	326 480.00	383 309.00
Social Development	OP_110	EDU. AND AWARENESS W/SHOPS	40 000.00	42 160.00	44 436.00
Social Development	OP_103	Disability Day Awareness	25 000.00	26 350.00	27 772.00
Social Development	OP_150	Build up Programmes and Women Indaba:	30 000.00	31 620.00	33 326.00
Social Development	OP_1016	Junior Council	30 000.00	31 620.00	33 326.00
Occupational Health and Safety	OP_172	Capacity Building	25 000.00	25 000.00	25 000.00
Human Resources	OP_172	Capacity Building	10 300.00	10 300.00	10 300.00
Finance: SCM	CP-18	Logistic Management(capital)	-	-	-
Finance: Stores	CP-18	Logistic Management(capital)	-	-	-

Protection Services	CP_9	Furniture and Equipment	-	-	-
Human Resources	CP_9	Furniture and Equipment	50 000.00	15 000.00	15 000.00
Social Development	OP_177	Mayors Cup	320 000.00	337 280.00	355 491.00
Museum	OP_288	Social contributions: Municipal staff	-	-	-
Social Development	OP_173	Local Aids Council Meetings	50 000.00	52 700.00	55 544.00
Social Development	OP_3	16 Days of Activism Campaign and World Aids Day	80 000.00	84 320.00	88 870.00
Corporate Services	CP_1	UPGRADE COMMUNITY CENTER WARD 14	-	-	-
Economic Development: Business	OP_276	Strategic Planning	52 600.00	55 440.00	58 434.00
Corporate Services	OP_15	Repairs & M Buildings	300 000.00	300 000.00	300 000.00
Social Development	OP_145	Launch of all Structures	20 000.00	21 080.00	22 218.00
Technical Services: Director	OP_291	Social contributions: Senior Managers	1 337.00	1 426.00	1 521.00
Human Resources	OP_106	Human Resources	55 000.00	55 000.00	55 000.00
Public Works	OP_176	Municipal running costs	55 000.00	58 300.00	61 798.00
Beach	OP_174	Repairs & Maintenance Machinery	60 000.00	60 000.00	60 000.00
Corporate Services	CP_30	Buildings	1 000 000.00	1 000 000.00	1 000 000.00
Parks & Open Space	OP_176	Municipal running costs	180 000.00	210 000.00	230 000.00
Executive Mayor	OP_95	Community Development	300 000.00	316 200.00	333 274.00
Social Development	CP_54	Furniture and equipment	-	-	-
Human Resources	OP_1011	Education and Training	150 000.00	200 000.00	200 000.00
Occupational Health and Safety	OP_1014	Community Development Initiatives	315 000.00	315 000.00	315 000.00
Finance: IT	CP_9	Furniture and Equipment	200 000.00	-	-
Corporate Services	CP_9	Furniture and Equipment	500 000.00	500 000.00	500 000.00
Beach	CP_9	Furniture and Equipment	-	-	-
Finance: Revenue	CP_9	Furniture and Equipment	100 000.00	-	-
Finance: Budget & Financial Reporting	CP_9	Furniture and Equipment	-	-	-
Planning & Development	CP_54	Furniture and equipment	200 000.00	-	-

Blue Flag	OP_285	Municipal running costs	5 000.00	5 000.00	5 000.00
Refuse Removal	OP_285	Municipal running costs	1 555 000.00	1 700 000.00	1 900 000.00
Refuse Removal	CP_4	Computer Equipment	-	-	-
Refuse Removal	OP_289	Other benefits	3 064 549.00	3 268 342.00	3 485 686.00
Refuse Removal	CP_23	Vehicle	-	-	-
MM: Media	OP_1	Municipal running cost	322 841.00	213 795.00	225 339.00
Refuse Removal	CP_16	Fleet Management	-	-	-
Water	OP_1	Municipal running cost	55 459 559.00	59 093 880.00	62 999 128.00
Water	OP_254	Repairs & Maintenance of Water	735 000.00	779 100.00	825 846.00
Water	OP_209	Repairs & Maintenance of Water	215 500.00	228 430.00	242 136.00
Water	OP_115	Repairs & Maintenance of Water	54 000.00	57 240.00	60 674.00
Water	OP_131	Repairs & Maintenance of Water	114 000.00	120 840.00	128 090.00
Water	OP_185	Repairs & Maintenance of Water	116 000.00	122 960.00	130 338.00
Water	OP_1017	Water Saving Initiatives	1 100 000.00	1 166 000.00	1 235 960.00
Water	OP_118	Repairs & Maintenance of Water	41 500.00	43 990.00	46 629.00
Water	OP_288	Social contributions: Municipal staff	3 524 918.00	3 759 326.00	4 009 320.00
Water	OP_289	Other benefits	3 931 506.00	4 192 950.00	4 471 782.00
Water	OP_248	Repairs & Maintenance of Water	117 000.00	124 020.00	131 461.00
Water	OP_249	Repairs & Maintenance of Water	105 000.00	111 300.00	117 978.00
Water	CP_21	Vehicles	2 600 000.00	2 600 000.00	2 600 000.00
Water	OP_238	Repairs & Maintenance of Water	265 000.00	280 900.00	297 754.00
Water	OP_235	Repairs & Maintenance of Water	125 000.00	132 500.00	140 450.00
Water	OP_114	Repairs & Maintenance of Water	38 500.00	40 810.00	43 259.00
Water	OP_113	Repairs & Maintenance of Water	80 500.00	85 330.00	90 450.00
Water	OP_123	Repairs & Maintenance of Water	38 000.00	40 280.00	42 697.00
Mechanical Workshop	OP_289	Other benefits	7 721.00	8 234.00	8 782.00
Water	OP_203	Repairs & Maintenance of Water	53 000.00	56 180.00	59 550.00
Water	OP_236	Repairs & Maintenance of Water	148 900.00	157 834.00	167 304.00
Water	OP_270	Water management	38 000.00	40 280.00	42 696.00

Water	OP_1008	Workshops, Seminars and Subject Matter Training	42 000.00	44 520.00	47 191.00
Mechanical Workshop	OP_288	Social contributions: Municipal staff	689 978.00	735 860.00	784 796.00
Water	OP_237	Repairs & Maintenance of Water	220 000.00	233 200.00	247 192.00
Water	OP_179	Repairs & Maintenance of Water	30 000.00	31 800.00	33 708.00
Water	OP_262	Repairs & Maintenance of Water	368 500.00	390 610.00	414 046.00
Water	OP_287	Salaries and Wages : municipal staff	10 557 245.00	11 259 299.00	12 007 335.00
Mechanical Workshop	CP_096	Purchase storage containers (3)	200 000.00	-	-
Water	OP_182	Repairs & Maintenance of Water	100 300.00	106 318.00	112 696.00
Water	OP_126	Repairs & Maintenance of Water	40 000.00	42 400.00	44 944.00
Mechanical Workshop	OP_287	Salaries and Wages : municipal staff	3 064 692.00	3 268 493.00	3 485 848.00
Mechanical Workshop	OP_285	Municipal running costs	110 000.00	116 600.00	123 596.00
Mechanical Workshop	OP_176	Municipal running costs	85 000.00	90 100.00	95 506.00
Mechanical Workshop	OP_1	Municipal running cost	338 155.00	357 589.00	378 142.00
Water	OP_285	Municipal running costs	640 000.00	678 400.00	719 104.00
Water	OP_136	Repairs & Maintenance of Water	60 500.00	64 130.00	67 978.00
Community Services	OP_1	Municipal running cost	46 997.00	49 535.00	52 210.00
Water Ways	OP_314	Riparian Levy Expenditure	3 138 987.00	3 308 492.00	3 487 151.00
Water Ways	OP_285	Municipal running costs	9 468.00	9 979.00	10 518.00
Water Ways	OP_1	Municipal running cost	29 452.00	31 043.00	32 719.00
Nature Reserves	OP_1	Municipal running cost	33 875.00	38 949.00	44 028.00
Municipal Manager	OP_1	Municipal running cost	5 333 046.00	5 621 173.00	5 924 868.00
Municipal Manager	OP_166	Capacity Building	47 313.00	49 840.00	52 533.00
Cemeteries	OP_9	Repairs & M Buildings and Properties	159 641.00	168 261.00	177 347.00
Cemeteries	OP_1	Municipal running cost	729 257.00	759 345.00	790 826.00
Municipal Manager	OP_287	Salaries and Wages : municipal staff	1 345 397.00	1 434 866.00	1 530 285.00
Municipal Manager	OP_288	Social contributions: Municipal staff	196 984.00	210 083.00	224 055.00
Cemeteries	OP_287	Salaries and Wages : municipal staff	341 595.00	364 313.00	388 538.00
Cemeteries	OP_288	Social contributions: Municipal staff	70 387.00	75 067.00	80 060.00

Municipal Manager	OP_292	Other benefits : Senior Managers	-	-	-
Cemeteries	CP_3	Provide suitable Cemetery Facilities	-	-	-
Cemeteries	OP_289	Other benefits	48 137.00	51 338.00	54 752.00
Fire Services	OP_1	Municipal running cost	1 511 288.00	1 561 122.00	1 613 532.00
Fire Services	PC_204	Fencing Fire Station Hankey (from CP23 EM)	200 000.00	210 000.00	225 000.00
Fire Services	OP_287	Salaries and Wages : municipal staff	12 459 820.00	13 288 398.00	14 172 077.00
Fire Services	OP_289	Other benefits	3 031 894.00	3 233 515.00	3 448 543.00
Fire Services	OP_27	Repairs & M Buildings and Properties	192 824.00	199 186.00	205 892.00
Fire Services	OP_1008	Workshops, Seminars and Subject Matter Training	10 500.00	10 500.00	10 500.00
Fire Services	OP_285	Municipal running costs	1 026 800.00	1 077 927.00	1 131 815.00
Fire Services	CP_16	Fleet Management	300 000.00	200 000.00	200 000.00
Fire Services	OP_176	Municipal running costs	82 000.00	82 500.00	83 000.00
Water	OP_187	Repairs & Maintenance of Water	86 500.00	91 690.00	97 191.00
Water	OP_200	Repairs & Maintenance of Water	81 500.00	86 390.00	91 573.00
Water	CP_50	Disaster Boreholes	-	-	-
Water	OP_53	Repairs & Maintenance of Water	49 000.00	51 940.00	55 056.00
Water	OP_201	Repairs & Maintenance of Water	45 000.00	47 700.00	50 562.00
Water	OP_252	Repairs & Maintenance of Water	27 000.00	28 620.00	30 337.00
Water	OP_186	Repairs & Maintenance of Water	55 000.00	58 300.00	61 798.00
Water	OP_260	Repairs & Maintenance of Water	85 000.00	90 100.00	95 506.00
Water	OP_234	Repairs & Maintenance of Water	42 000.00	44 520.00	47 191.00
Water	OP_269	Repairs & Maintenance of Water	110 000.00	116 600.00	123 595.00
Water	OP_90	Repairs & Maintenance of Water	42 500.00	45 050.00	47 753.00
Water	OP_176	Municipal running costs	85 000.00	90 100.00	95 506.00
Water	OP_211	Repairs & Maintenance of Water	92 500.00	98 050.00	103 933.00
Water	CP_16	Fleet Management	150 000.00	150 000.00	150 000.00
Water	OP_244	Repairs & Maintenance of Water	428 000.00	453 680.00	480 901.00
Water	OP_214	Repairs & Maintenance of Water	75 600.00	80 136.00	84 944.00

Water	OP_256	Repairs & Maintenance of Water	-	-	-
Water	OP_181	Repairs & Maintenance of Water	43 000.00	45 580.00	48 315.00
Fire Services	CP_23	Vehicle	3 465 100.00	3 465 100.00	3 465 100.00
Fire Services	OP_288	Social contributions: Municipal staff	3 949 035.00	4 211 646.00	4 491 721.00
Fire Services	OP_143	Community Development	-	-	-
Corporate Services: Director	OP_287	Salaries and Wages : municipal staff	66 040.00	70 431.00	75 115.00
Corporate Services: Director	OP_289	Other benefits	-	-	-
Corporate Services: Director	OP_290	Salaries and Wages: Senior Managers	1 289 159.00	1 374 887.00	1 466 318.00
Corporate Services: Director	OP_291	Social contributions: Senior Managers	24 050.00	25 650.00	27 355.00
Corporate Services: Director	OP_288	Social contributions: Municipal staff	-	-	-
Corporate Services: Director	OP_1	Municipal running cost	27 813.00	27 949.00	19 092.00
Corporate Services: Director	OP_292	Other benefits: Senior Managers	-	-	-
Corporate Services: Director	OP_298	Cost of Free Basic Services	-	-	-
Economic Development: Agriculture	OP_4	Agricultural	215 660.00	227 304.00	239 579.00
Finance: CFO	OP_290	Salaries and Wages: Senior Managers	1 488 281.00	1 587 252.00	1 692 804.00
Finance: CFO	OP_291	Social contributions: Senior Managers	16 561.00	17 662.00	18 837.00
Finance: CFO	OP_1	Municipal running cost	148 423.00	156 436.00	164 884.00
Libraries	OP_288	Social contributions: Municipal staff	1 235 105.00	1 317 241.00	1 404 836.00
Engineering	CP_4	Computer Equipment	-	-	-
Engineering	OP_288	Social contributions: Municipal staff	80 109.00	85 436.00	91 118.00
Environmental Health	OP_1	Municipal running cost	949 360.00	976 566.00	1 031 192.00
Environmental Health	OP_288	Social contributions: Municipal staff	643 071.00	685 836.00	731 444.00
Libraries	OP_1	Municipal running cost	1 005 796.00	1 060 976.00	1 119 197.00
Engineering	OP_1	Municipal running cost	244 142.00	258 656.00	274 035.00
Environmental Health	OP_1001	Food Sampling	150 000.00	150 000.00	170 000.00
Environmental Health	OP_144	World Environmental Health Day	20 000.00	25 000.00	35 000.00
National Traffic	OP_202	Repairs of Roadworthy Equipment	40 000.00	50 000.00	55 000.00
Engineering	OP_287	Salaries and Wages : municipal staff	642 895.00	685 647.00	731 243.00

National Traffic	OP_288	Social contributions: Municipal staff	1 548 854.00	1 651 851.00	1 761 700.00
Environmental Health	OP_289	Other benefits	-	-	-
Environmental Health	OP_108	Community Development	40 000.00	40 000.00	53 000.00
Environmental Health	OP_172	Capacity Building	195 000.00	205 000.00	239 000.00
National Traffic	OP_1	Municipal running cost	1 110 369.00	1 187 797.00	1 264 009.00
Environmental Health	OP_287	Salaries and Wages : municipal staff	2 631 815.00	2 806 831.00	2 993 484.00
Libraries	OP_287	Salaries and Wages : municipal staff	4 039 040.00	4 307 637.00	4 594 094.00
National Traffic	OP_287	Salaries and Wages : municipal staff	5 301 784.00	5 654 352.00	6 030 368.00
Libraries	OP_1012	Special Events and Functions	3 156.00	3 326.00	3 506.00
National Traffic	PC_207	Aircons (from CP23 EM)	-	-	-
Engineering	CP_9	Furniture and Equipment	-	-	-
Libraries	PC_205	Security Gates (Humansdorp 7de Laan)	-	-	-
Libraries	OP_289	Other benefits	79 208.00	84 475.00	90 093.00
National Traffic	OP_289	Other benefits	47 781.00	50 959.00	54 347.00
Environmental Health	OP_285	Municipal running costs	20 000.00	20 000.00	25 000.00
Sewerage	PC_1015	Bucket Eradication Programme	2 300 000.00	2 300 000.00	2 300 000.00
Libraries	CP_11	Computer Equipment	300 000.00	200 000.00	100 000.00
Libraries	PC_1011	Weston Library Upgrade	-	-	-
National Traffic	CP_4	Computer Equipment	-	-	-
Environmental Health	OP_174	Repairs & Maintenance Machinery	30 000.00	30 000.00	40 000.00
Sewerage	CP_14	Humansdorp - Upgrade Kruisfontein Waste Water Treatment Works	-	-	-
Libraries	CP_54	Furniture and equipment	150 000.00	150 000.00	150 000.00
Sewerage	PC_608	Upgrading of the Sea Vista Wastewater Treatment Works	15 859 937.00	-	-
Sewerage	OP_241	Repairs & Maintenance of Sewerage	310 000.00	328 600.00	348 316.00
Sewerage	OP_288	Social contributions: Municipal staff	2 768 168.00	2 952 252.00	3 148 576.00
Sewerage	OP_1	Municipal running cost	26 302 473.00	32 739 660.00	37 798 638.00
Sewerage	OP_192	Repairs & Maintenance of Sewerage	107 000.00	113 420.00	120 225.00

Sewerage	CP_23	Vehicle	-	-	-
Sewerage	OP_240	Repairs & Maintenance of Sewerage	25 000.00	26 500.00	28 090.00
Sewerage	OP_199	Repairs & Maintenance of Sewerage	440 000.00	466 400.00	494 384.00
Sewerage	OP_285	Municipal running costs	1 275 000.00	1 351 500.00	1 432 590.00
Sewerage	OP_250	Repairs & Maintenance of Sewerage	37 500.00	39 750.00	42 135.00
Sewerage	OP_216	Repairs & Maintenance of Sewerage	15 000.00	15 900.00	16 854.00
Sewerage	OP_289	Other benefits	3 134 482.00	3 342 925.00	3 565 230.00
Sewerage	OP_287	Salaries and Wages : municipal staff	10 339 262.00	11 026 823.00	11 760 107.00
Sewerage	CP_38	Pump Station Capital	-	-	-
Sewerage	OP_189	Repairs & Maintenance of Sewerage	27 000.00	28 620.00	30 337.00
Sewerage	OP_197	Repairs & Maintenance of Sewerage	87 500.00	92 750.00	98 315.00
Sewerage	OP_232	Repairs & Maintenance of Sewerage	182 500.00	193 450.00	205 057.00
Sewerage	OP_245	Repairs & Maintenance of Sewerage	37 500.00	39 750.00	42 135.00
Sewerage	CP_33	Outfall Sewers Capital	-	-	-
Sewerage	OP_139	Repairs & Maintenance of Sewerage	85 500.00	90 630.00	96 068.00
Sewerage	OP_112	Repairs & Maintenance of Sewerage	68 000.00	72 080.00	76 405.00
Sewerage	OP_137	Repairs & Maintenance of Sewerage	195 000.00	206 700.00	219 102.00
Sewerage	OP_132	Repairs & Maintenance of Sewerage	217 000.00	230 020.00	243 821.00
Sewerage	OP_87	Repairs & Maintenance of Sewerage	120 000.00	127 200.00	134 831.00
Sewerage	OP_233	Repairs & Maintenance of Sewerage	105 000.00	111 300.00	117 978.00
Sewerage	OP_52	Repairs & Maintenance of Sewerage	100 000.00	106 000.00	112 360.00
Sewerage	OP_171	Repairs & Maintenance of Sewerage	50 000.00	53 000.00	56 180.00
Sewerage	OP_183	Repairs & Maintenance of Sewerage	315 000.00	333 900.00	353 934.00
Sewerage	OP_215	Repairs & Maintenance of Sewerage	114 500.00	121 370.00	128 652.00
Sewerage	OP_272	Repairs & Maintenance of Sewerage	105 500.00	111 830.00	118 539.00
Sewerage	OP_130	Repairs & Maintenance of Water	92 000.00	97 520.00	103 371.00
Environmental Health	OP_107	Water Quality	270 000.00	300 000.00	320 000.00
Sewerage	OP_116	Repairs & Maintenance of Sewerage	300 000.00	318 000.00	337 080.00
Sewerage	OP_267	Repairs & Maintenance of Sewerage	-	-	-

Sewerage	OP_263	Repairs & Maintenance of Sewerage	160 500.00	170 130.00	180 337.00
Sewerage	OP_180	Repairs & Maintenance of Sewerage	52 500.00	55 650.00	58 989.00
National Traffic	OP_42	Repairs of Roadworthy Building	40 000.00	45 000.00	50 000.00
Libraries	OP_5004	Library Week/Transport	57 860.00	60 984.00	64 278.00
Environmental Health	OP_149	Food, Hawker and Milk Control	50 000.00	55 000.00	60 000.00
Engineering	OP_289	Other benefits	650 495.00	693 753.00	739 888.00
Sewerage	PC_506	Fencing of Jeffreys Bay and Kruisfontein Reservoir	1 500 000.00	1 500 000.00	1 500 000.00
Sewerage	OP_188	Repairs & Maintenance of Sewerage	47 000.00	49 820.00	52 809.00
Sewerage	PC_507	upgrading of infrastructure for new township establishment	-	-	-
Environmental Management Fee	OP_172	Capacity Building	-	-	-
Environmental Management Fee	CP_202	Transport Vehicles	-	-	-
Environmental Management Fee	OP_1	Municipal running cost	2 143 530.00	2 259 280.00	2 381 279.00
Environmental Management Fee	OP_1006	Maintenance of Unspecified Assets (Dune Stabilisation)	1 631 200.00	1 719 284.00	1 812 126.00
Environmental Management Fee	OP_350	Maintenance of Boardwalks	-	-	-
Environmental Management Fee	PC_203	Bins _ with wheels (from CP22 & CP23 EM)	2 000 000.00	2 000 000.00	2 000 000.00
Environmental Management Fee	OP_166	Capacity Building	3 650 000.00	2 266 100.00	2 388 468.00
Environmental Management Fee	OP_1008	Workshops, Seminars and Subject Matter Training	-	-	-
Environmental Management Fee	OP_1003	clean up campaign , per ward	-	-	-
Environmental Management Fee	OP_289	Other benefits	-	-	-
Environmental Management Fee	OP_287	Salaries and Wages : municipal staff	-	-	-

Environmental Management Fee	PC_1010	Management of Waste Recycling Programmes (Transfer stations)	-	-	-
Environmental Management Fee	PC_1009	Fencing of Waste Sites	-	-	-
Community & Social Services: Director	OP_290	Salaries and Wages: Senior Managers	1 288 359.00	1 374 033.00	1 465 408.00
Community & Social Services: Director	OP_292	Other benefits: Senior Managers	-	-	-
Community & Social Services: Director	OP_172	Capacity Building	21 040.00	22 176.00	23 373.00
Community & Social Services: Director	OP_1	Municipal running cost	575 059.00	606 110.00	638 838.00
MM: PMS	OP_288	Social contributions: Municipal staff	168 948.00	180 183.00	192 164.00
MM: PMS	OP_1	Municipal running cost	112 600.00	118 680.00	125 089.00
Sewerage	OP_18	Repairs & Maintenance of Sewerage	32 000.00	33 920.00	35 955.00
Sewerage	OP_264	Repairs & Maintenance of Sewerage	135 000.00	143 100.00	151 686.00
Sewerage	OP_48	Repairs & Maintenance of Sewerage	42 000.00	44 520.00	47 191.00
Economic Development: General	OP_143	Community Development	147 040.00	160 176.00	172 373.00
Economic Development: General	OP_96	Local Economic Development	36 820.00	38 808.00	40 903.00
MM: PMS	OP_287	Salaries and Wages : municipal staff	806 284.00	859 902.00	917 085.00
Economic Development: General	OP_287	Salaries and Wages : municipal staff	1 162 396.00	1 239 696.00	1 322 136.00
Economic Development: General	OP_1	Municipal running cost	21 390.00	24 735.00	28 099.00
Economic Development: General	CP_11	Computer Equipment	60 000.00	60 000.00	60 000.00
Economic Development: General	OP_289	Other benefits	-	-	-
Economic Development: General	OP_288	Social contributions: Municipal staff	320 690.00	342 015.00	364 759.00
Kouga Cultural Centre	PC_1003	Machinery and Equipment	-	-	-
Kouga Cultural Centre	OP_207	Tourism Development	-	-	-

Kouga Cultural Centre	CP_63	KOUGA CULTURAL CENTRE	-	-	-
Community & Social Services: Director	OP_291	Social contributions: Senior Managers	-	-	-
Finance: Expenditure	OP_287	Salaries and Wages : municipal staff	3 028 116.00	3 229 485.00	3 444 989.00
Finance: Expenditure	OP_1	Municipal running cost	841 528.00	888 798.00	939 081.00
Finance: Expenditure	OP_172	Capacity Building	92 860.00	95 984.00	99 277.00
Finance: Expenditure	OP_289	Other benefits	42 191.00	44 996.00	47 988.00
Finance: Expenditure	CP_9	Furniture and Equipment	-	-	-
Finance: Expenditure	OP_288	Social contributions: Municipal staff	1 071 858.00	1 143 136.00	1 219 155.00
Sanitation	OP_1	Municipal running cost	2 448 233.00	2 594 029.00	2 751 591.00
Sanitation	OP_287	Salaries and Wages : municipal staff	-	-	-
Finance: Expenditure	OP_15	Repairs & M Buildings	50 000.00	30 000.00	30 000.00
Skills Development	CP_4	Computer Equipment	-	-	-
Economic Development: Tourism	OP_289	Other benefits	-	-	-
Finance: Assessment Rates	OP_1	Municipal running cost	15 543 947.00	16 469 870.00	17 451 425.00
Economic Development: Tourism	OP_288	Social contributions: Municipal staff	263.00	281.00	300.00
Skills Development	OP_288	Social contributions: Municipal staff	-	-	-
Economic Development: Tourism	OP_172	Capacity Building	96 000.00	112 000.00	128 000.00
Economic Development: Tourism	OP_207	Tourism Development	4 200 000.00	4 711 000.00	5 220 000.00
Economic Development: Tourism	OP_205	Sports Development	10 000.00	13 000.00	16 000.00
Skills Development	OP_287	Salaries and Wages : municipal staff	175.00	187.00	199.00
Finance: Assessment Rates	OP_207	Tourism Development	2 403 820.00	2 533 626.00	2 670 440.00
Economic Development: Tourism	PC_1021	Loerie Flower Project	-	-	-
Skills Development	OP_172	Capacity Building	2 010 300.00	2 118 300.00	2 232 132.00
Economic Development: Tourism	OP_287	Salaries and Wages : municipal staff	9 495.00	10 127.00	10 800.00

Economic Development: Tourism	OP_1	Municipal running cost	12 098.00	12 750.00	13 439.00
Skills Development	OP_2	Capacity Building Whole Organisation	20 000.00	20 000.00	20 000.00
Skills Development	OP_1	Municipal running cost	21 784.00	21 880.00	21 982.00
Skills Development	OP_289	Other benefits	-	-	-
Finance: Assessment Rates	OP_1009	Bank Charges, Facility and Card Fees: Third Parties	1 393 928.00	1 469 200.00	1 548 537.00
Economic Development: Tourism	OP_177	Mayors Cup	85 000.00	88 000.00	91 000.00
Economic Development: Tourism	OP_277	Arts Development	73 000.00	81 000.00	89 000.00
Finance: Assessment Rates	PC_502	General Residential Rebate (excess exceeding R15000 Threshold Rebate)	3 978 900.00	4 237 528.00	4 512 968.00
Electricity	OP_157	Maintenance of Electrical	63 600.00	67 416.00	71 460.00
Electricity	OP_141	Maintenance of Electrical	31 800.00	33 708.00	35 730.00
Electricity	OP_304	Maintenance of Electrical	227 900.00	241 574.00	256 066.00
Electricity	OP_161	Maintenance of Electrical	121 900.00	129 214.00	136 966.00
Electricity	OP_159	Maintenance of Electrical	-	-	-
Electricity	OP_13	Maintenance of Electrical	185 500.00	196 630.00	208 427.00
Electricity	OP_156	Maintenance of Electrical	100 700.00	106 742.00	113 145.00
Electricity	OP_224	Maintenance of Electrical	153 700.00	162 922.00	172 696.00
Electricity	OP_25	Maintenance of Electrical	21 200.00	22 472.00	23 820.00
Electricity	OP_301	Maintenance of Electrical	31 800.00	33 708.00	35 730.00
Electricity	OP_1	Municipal running cost	257 322 019.00	297 118 896.00	342 554 292.00
Electricity	OP_287	Salaries and Wages : municipal staff	8 382 760.00	8 940 214.00	9 534 739.00
Electricity	OP_218	Maintenance of Electrical	206 700.00	219 102.00	232 246.00
Electricity	OP_285	Municipal running costs	742 000.00	786 520.00	833 711.00
Electricity	OP_302	Maintenance of Electrical	1 171 300.00	1 241 578.00	1 316 071.00
Electricity	OP_303	Maintenance of Electrical	-	-	-
Electricity	OP_217	Maintenance of Electrical	-	-	-
Electricity	OP_222	Maintenance of Electrical	265 000.00	280 900.00	297 753.00

Electricity	CP_26	MV Networks Capital	-	-	-
Electricity	CP_9	Furniture and Equipment	10 000.00	10 000.00	10 000.00
Electricity	OP_288	Social contributions: Municipal staff	1 846 804.00	1 969 614.00	2 100 594.00
Electricity	OP_176	Municipal running costs	27 560.00	29 213.00	30 966.00
Electricity	OP_152	Maintenance of Electrical	201 400.00	213 484.00	226 292.00
Electricity	OP_158	Maintenance of Electrical	-	-	-
Electricity	OP_223	Maintenance of Electrical	55 104.00	58 397.00	61 887.00
Electricity	OP_154	Maintenance of Electrical	137 800.00	146 068.00	154 831.00
Electricity	OP_307	Maintenance of Electrical	630 700.00	668 542.00	708 652.00
Sanitation	OP_288	Social contributions: Municipal staff	-	-	-
Sanitation	OP_289	Other benefits	-	-	-
Sanitation	OP_285	Municipal running costs	100 700.00	106 742.00	113 146.00
Electricity	PC_1007	LV Networks (Informal Areas, Electrification/illegal electricity connections)	1 000 000.00	1 000 000.00	1 000 000.00
Electricity	OP_305	Maintenance of Electrical	74 200.00	78 652.00	83 370.00
Electricity	OP_140	Repairs & Maintenance of Sewerage	21 200.00	22 472.00	23 820.00
Electricity	OP_221	Maintenance of Electrical	28 620.00	30 336.00	32 157.00
Electricity	CP_4	Computer Equipment	25 000.00	20 000.00	20 000.00
Electricity	OP_167	Maintenance of Electrical	42 400.00	44 944.00	47 640.00
Electricity	OP_289	Other benefits	2 523 472.00	2 691 283.00	2 870 254.00
Electricity	OP_162	Maintenance of Electrical	53 000.00	56 180.00	59 550.00
Electricity	OP_155	Maintenance of Electrical	53 000.00	56 180.00	59 550.00
Electricity	OP_160	Maintenance of Electrical	53 000.00	56 180.00	59 550.00
Electricity	OP_163	Maintenance of Electrical	31 800.00	33 708.00	35 730.00
Electricity	OP_153	Maintenance of Electrical	-	-	-
Electricity	OP_228	Maintenance of Electrical	127 200.00	134 832.00	142 921.00
Electricity	OP_168	Maintenance of Electrical	21 200.00	22 472.00	23 820.00
Electricity	OP_275	Maintenance of Electrical	424 000.00	449 440.00	476 405.00
Electricity	OP_219	Maintenance of Electrical	803 480.00	851 688.00	902 789.00

Electricity	OP_142	Maintenance of Electrical	159 000.00	168 540.00	178 652.00
Electricity	OP_220	Maintenance of Electrical	143 100.00	151 686.00	160 786.00
Electricity	OP_111	Maintenance of Electrical	26 500.00	28 090.00	29 775.00
Electricity	OP_98	Maintenance of Electrical	106 000.00	112 360.00	119 100.00
Electricity	OP_97	Maintenance of Electrical	339 200.00	359 552.00	381 124.00
Electricity	OP_99	Maintenance of Electrical	74 200.00	78 652.00	83 371.00
Electricity	OP_102	Maintenance of Electrical	-	-	-
Electricity	PC_1008	New overhead lines 66kv overhead lines(Bay to Melkhout)	1 800 000.00	1 800 000.00	1 800 000.00
Electricity	OP_101	Maintenance of Electrical	-	-	-
Electricity	OP_100	Maintenance of Electrical	53 000.00	56 180.00	59 550.00
Council	OP_293	Salaries and Wages:Councillors	12 098 561.00	12 903 097.00	13 761 152.00
Council	OP_94	Community Development	94 680.00	99 792.00	105 181.00
Council	OP_287	Salaries and Wages : municipal staff	4 452.00	4 748.00	5 064.00
Council	CP_4	Computer Equipment	100 000.00	100 000.00	100 000.00
Council	OP_279	Communication and Public Participation	94 680.00	99 792.00	105 181.00
Council	OP_284	Functions and Events	123 120.00	126 528.00	130 120.00
Council	OP_166	Capacity Building	123 084.00	129 729.00	136 735.00
Council	OP_1	Municipal running cost	7 575 434.00	8 018 209.00	8 598 387.00
Council	PC_201	EDMS	-	-	-
Council	OP_95	Community Development	750 000.00	750 000.00	750 000.00
Council	OP_294	Social contributions:Councillors	-	-	-
Council	OP_288	Social contributions:Municipal staff	54.00	58.00	61.00
Council	PC_65	Ward Councillors Capital (Markets)	750 000.00	750 000.00	750 000.00
Finance: Asset & Fleet Management	OP_1	Municipal running cost	12 049 912.00	15 565 257.00	17 411 972.00
Finance: Asset & Fleet Management	OP_285	Municipal running costs	42 080.00	44 352.00	46 747.00
Finance: Asset & Fleet Management	OP_172	Capacity Building	58 618.00	61 783.00	65 118.00

Council	CP_9	Furniture and Equipment	100 000.00	100 000.00	100 000.00
Finance: Asset & Fleet Management	OP_288	Social contributions: Municipal staff	702 681.00	749 410.00	799 246.00
Finance: Asset & Fleet Management	CP_9	Furniture and Equipment	-	-	-
Finance: Asset & Fleet Management	OP_289	Other benefits	7 720.00	8 234.00	8 781.00
Finance: Asset & Fleet Management	OP_287	Salaries and Wages : municipal staff	2 514 687.00	2 681 914.00	2 860 260.00
Finance: Asset & Fleet Management	OP_15	Repairs & M Buildings	226 180.00	238 393.00	251 266.00
Finance: Asset & Fleet Management	CP_4	Computer Equipment	-	-	-
Council	OP_178	Communication and Public Participation	168 320.00	177 408.00	186 988.00
Council	OP_276	Strategic Planning	63 120.00	66 528.00	70 120.00
Environmental Management Fee	OP_109	EDU. AND AWARENESS W/SHOPS	250 000.00	263 500.00	277 729.00
Environmental Management Fee	OP_288	Social contributions: Municipal staff	-	-	-
Environmental Management Fee	OP_1005	Estuary management planning	500 000.00	527 000.00	555 458.00
Environmental Management Fee	OP_1004	Coastal management planning	250 000.00	263 500.00	277 729.00
Environmental Management Fee	OP_285	Municipal running costs	240 000.00	252 960.00	266 619.00
Environmental Management Fee	OP_1007	Maintenance of Unspecified Assets (Corrective maintenance - planned to relate to solid waste disposal infrastructure)	-	-	-
Finance: Assessment Rates	PC_504	Bona Fide Farmers Rebate or Exemption	125 071.00	133 201.00	141 859.00
Finance: Assessment Rates	PC_501	Indigent Owners	2 884 647.00	3 072 149.00	3 271 839.00
Electricity	OP_295	COST OF BASIC SERVICES	5 538 380.00	6 262 246.00	7 080 722.00
Environmental Management Fee	OP_298	Cost of Free Basic Services	3 012 795.00	3 012 795.00	3 012 795.00
Sewerage	OP_308	Property Rebates	112 616.00	120 500.00	128 935.00

Sewerage	OP_297	Cost of Free Basic Services	6 567 006.00	7 026 697.00	7 518 565.00
Refuse Removal	OP_298	Cost of Free Basic Services	10 537 030.00	11 274 623.00	12 063 846.00
Water	OP_296	Cost of Free Basic Services	13 277 782.00	14 273 616.00	15 344 137.00
Social Development	OP_289	Other benefits	61 577.00	65 672.00	70 039.00
Executive Mayor	OP_293	Salaries and Wages:Councillors	964 428.00	1 028 563.00	1 096 963.00
Municipal Manager	OP_290	Salaries and Wages:Senior Managers	1 782 557.00	1 901 097.00	2 027 519.00
Municipal Manager	OP_289	Other benefits	-	-	-
MM: Media	OP_289	Other benefits	13 641.00	14 548.00	15 515.00
MM: Media	PO_706	Marketing & Branding	50 000.00	-	-
Refuse Removal	OP_312	Service Fees	295 616.00	311 579.00	328 404.00
MM: Media	CP_11	Computer Equipment	-	-	-
Water	OP_310	Service Fees	1 190 607.00	1 254 900.00	1 322 665.00
Corporate Services	PC_201	EDMS	540 506.00	-	-
Disaster Management	CP_23	Vehicle	-	-	-
Executive Mayor	OP_2002	JBay beach carnival	210 000.00	220 000.00	230 000.00
Corporate Services	OP_175	Typical Workstream	38 991.00	41 584.00	44 350.00
Social Development	OP_166	Capacity Building	50 000.00	52 700.00	55 545.00
Human Resources	OP_1	Municipal Running Cost	5 000.00	5 000.00	5 000.00
Executive Mayor	OP_A005	DROUGHT AWARAENESS	80 000.00	84 320.00	88 873.00
Executive Mayor	OP_A006	September Carnival	50 000.00	52 700.00	55 546.00
Executive Mayor	OP_A002	international strokes	200 000.00	210 800.00	222 183.00
Executive Mayor	OP_A009	Winterfest	50 000.00	52 700.00	55 546.00
Executive Mayor	OP_284	Functions and Events	50 000.00	52 700.00	55 546.00
Executive Mayor	OP_A007	Summer Opening	50 000.00	52 700.00	55 546.00
Executive Mayor	OP_A001	3 Imbizos	150 000.00	158 100.00	55 546.00
Executive Mayor	OP_A008	End of Year countdown	50 000.00	52 700.00	55 546.00
Executive Mayor	OP_A003	Climate Change	50 000.00	52 700.00	55 546.00
Risk and Internal Audit Unit	CP_54	Furniture and equipment	75 000.00	75 000.00	75 000.00
Risk and Internal Audit Unit	PC_A002	Security Camera	60 000.00	60 000.00	60 000.00

Water	PC_815	RETICULATION REPLACE PIPELINES (OYSTER BAY)	-	-	-
Water	PC_817	DEVELOP NATURAL SPRINGS AND CONVEYANCE (HUMANSDORP)	-	-	-
Water	PC_810	WATER CONSERVATION AND DEMAND MANAGEMENT	-	-	-
Water	PC_811	RETICULATION REPLACE PIPELINES (PATENSIE)	-	-	-
Water	PC_816	REFURBISH AND UPGRADE WATER TREATMENT WORKS (JEFFREYS BAY)	-	-	-
Water	PC_010	KwaNomzamo Wastewater Treatment Works	8 695 652.00	9 565 217.00	8 695 652.00
Water	CP_192	JEFFREYS BAY WATER SUPPLY	-	-	-
Water	CP_191	HANKEY WATER SUPPLY	-	-	-
Water	CP_190	PATENSIE WATER SUPPLY	-	-	-
Water	CP_195	OYSTER BAY WATER SUPPLY	-	-	-
Water	CP_193	HUMANSDORP WATER SUPPLY	-	-	-
Water	CP_194	CAPE ST FRANCIS WATER SUPPLY	-	-	-
Water	PC_813	RETICULATION REPLACE PIPELINES (HANKEY)	-	-	-
Fire Services	CP_21	Vehicles	-	-	-
Fire Services	CP_20	Vehicles	-	-	-
Executive Mayor	PC035	Furniture and equipment	35 000.00	35 000.00	35 000.00
Finance: SCM	CP_54	Furniture and equipment	550 000.00	-	-
Disaster Management	CP_20	Vehicles	500 000.00	-	-
Finance: IT	PC_017	WIFI Solution	250 000.00	-	-
Finance: IT	CP_075	Cibex Software	600 000.00	-	-
Occupational Health and Safety	CP_4	Computer Equipment	20 000.00	-	-
Sport & Recreation	CP_095	Upgrading of Kwanomzamo Sports Facility	5 413 043.00	-	-
Economic Development: Business	CP_31	Outdoor Facilities (Capital)	1 220 951.00	1 378 987.00	1 475 020.00

IDP/LED	PC_A002	Security Camera	30 000.00	-	-
Public Works	CP_16	Fleet Management	130 000.00	100 000.00	100 000.00
Finance: SCM	PC_1003	Machinery and Equipment	100 000.00	-	-
Corporate Services	PC_2001	Biometric Systems	430 000.00	-	-
IDP/LED	CP_54	Furniture and equipment	15 000.00	-	-
Corporate Services	PC_1022	Biometric system	-	-	-
Planning & Development	PO_705	Integrated Land Use Scheme	210 400.00	221 761.00	233 736.00
Corporate Services	PC_1023	Fencing of main building	-	-	-
Beach	PC_A001	Upgrading of Pellsrus, Kabeljous, Cape St Francis Beach parks	450 000.00	450 000.00	450 000.00
Corporate Services	PO_703	Loud hailing	42 080.00	42 080.00	42 080.00
Economic Development: Business	PO_707	Arts and Creative Industries	263 000.00	277 202.00	292 170.00
Finance: Revenue	CP_20	Vehicles	-	-	-
Planning & Development	CP_11	Computer Equipment	-	-	-
Executive Mayor	PO_708	Festive Season	130 000.00	137 020.00	144 419.00
Sewerage	PC_014	St Francis bulk main outfall sewer	500 000.00	500 000.00	-
Sewerage	PC_012	Upgrade Sanitation System Old Hankey	434 782.00	9 907 620.00	11 791 967.00
Sewerage	PC_011	Patensie Sewage Package Plant	4 429 441.00	2 173 913.00	-
Sewerage	CP_37	Pump Stations Capital	750 000.00	750 000.00	750 000.00
Sewerage	PC_015	Sewer REPLACE OLD PUMPS	750 000.00	750 000.00	750 000.00
Legal Services	CP_54	Furniture and equipment	35 000.00	35 000.00	35 000.00
Legal Services	OP_1	Municipal running cost	5 575 600.00	5 876 682.00	6 194 023.00
Sewerage	OP_311	Service Fees	1 107 293.00	1 167 087.00	1 230 109.00
Life Saving	CP_23	Vehicle	650 000.00	950 000.00	800 000.00
Life Saving	PC_1002	Machinery and Equipment	100 000.00	50 000.00	50 000.00
Life Saving	CP_21	Vehicles	-	-	-
Skills Development	PO_200	LG SETA PROGRAM	700 000.00	-	-

Electricity	PC_871	conversion from conventional meter to pre-paid meter and moving of meter to boundary wall	-	-	-
Electricity	PC_873	Refurbishment of truck and rebuild into cherry picker truck	-	-	-
Electricity	PC_003	Humansdorp, Kruisfontein and Ocean View Electrification	5 219 130.00	6 086 956.00	5 217 391.00
Electricity	PC_1200	Energy and Demand Side Management	3 478 261.00	-	-
Electricity	CP_20	Vehicles	-	-	-
Electricity	PC_872	Purchase of mini substation 11000/400,22000/400	-	-	-
Electricity	PC_007	Electrical Supply auto recloser St Francis Bay	400 000.00	450 000.00	400 000.00
Electricity	PC_009	Electrical 5 MV 22000/11000 transformer	1 400 000.00	1 400 000.00	1 400 000.00
Electricity	OP_309	Service Fees	7 939 368.00	8 368 094.00	8 819 971.00
Electricity	PC_005	Electrical Replacement of old mv cables to main substation Humansdorp	1 200 000.00	1 200 000.00	1 200 000.00
Electricity	CP_1999	High Mast Lights	1 200 000.00	1 200 000.00	1 200 000.00
Electricity	PC_004	Electrical replacement of old and dangerous switch gear Saffery Substation Humansdorp	2 000 000.00	2 000 000.00	-
Electricity	PC_006	Electrical supply of tri switches St Francis Bay	200 000.00	-	250 000.00
Electricity	PC_0010	Electrical Oil circuit breakers replacement with vacuum or gas breakers	800 000.00	800 000.00	800 000.00
Electricity	PC_008	Electrical Mini substation 22 000/11000/400 St Francis Bay	700 000.00	800 000.00	1 000 000.00
Environmental Management Fee	OP_313	Service Fees	441 665.00	465 515.00	490 653.00
Council	OP_46	Repairs and Maintenance	210 400.00	221 761.00	233 736.00
Council	OP_1000	Maintenance of Buildings and Facilities	200 000.00	100 000.00	100 000.00
Finance: Asset & Fleet Management	PC_1003	Machinery and Equipment	50 000.00	50 000.00	50 000.00
			1 047 299 373.00	1 124 193 915.00	1 203 829 390.00

OFFICIAL SIGN-OFF

It is hereby certified that this is the Integrated Development Plan Review for 2019/20:

- ✓ Was developed by the IDP Manager under the guidance of the Municipal Manager.
- ✓ Was prepared in line with the current strategic plan of the municipality which took into consideration all the relevant legislation, policies and other mandates especially from the public through public participation processes.

Ms Colleen Dreyer
IDP Manager
Date: 30 March 2019

Mr C Du Plessis
Municipal Manager
Date: 30 May 2019

Councillor H Hendricks
Executive Mayor
Date: 30 May 2019