



**the dplg**

Department:  
Provincial and Local Government  
**REPUBLIC OF SOUTH AFRICA**

# **ANNUAL REPORT**

**2007**

**Implementing Agent: Kouga Local Municipality**

**mig** | **Municipal  
Infrastructure  
Grant**

# KOUGA MUNICIPALITY

## Introduction

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

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

- Acknowledge and adhere to all aspects including all principles, objectives, sector conditions and outcomes contained within the MIG Guideline Document and the MIG Policy Framework Document.
- Ensure adherence to the Labour Intensive objectives as detailed in the Expanded Public Works Framework Document and the Code of Good Practice for Special Public works.

## Background

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

Since the programme is aimed at subsidizing capital costs to the poor, priority was given to meeting the basic infrastructure needs

<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Approved budget amount	R 5 580 000-00	R 16 140 000-00
Spent budget amount	R 5 580 000-00	R 11 855 000-00
Difference	R 0	R 4 285 000-00

The difference was taken away due to under expenditure as a result of project registration.

## Part 1: Progress to date

All aspects contained within the business plan including all principles, objectives, sector conditions and outcomes contained within the MIG Guideline Document and the MIG Policy Framework Document were adhere to.

Due to the problems we've experienced with the project registrations we had to bring forward projects that were earmark to implement in the forthcoming financial years.

Initially we've experienced problems in spending our allocation because we had no registered projects. Out of this we've learned that one needs to plan well ahead to try and illuminate this problem.

The PMU unit resort under the Directorate: Technical Services

The following positions were filled to perform the different functions within the unit;

Acting PMU Manager (Part-Time)

PMU Technician (Full-Time)

PMU Officer (Full-Time)

PMU Administrator (Full-Time)

Account (Part-Time)

Secretary (Part-Time)

The PMU exist in the same building as the Directorate: Technical Services which enable us easily and therefore give assistance in terms of Identification, co-ordination, implementation and supervision of projects.

Staff attended workshops, training to empower them in executing their roles and responsibilities

There is daily communications between the PMU, Area Engineers and the Director Technical Services to discuss strategies on how to improve this unit to fasten service delivery.

## Part 2: Monitoring

Monthly the PMU meet with the area engineers and director to capture the statistics of services rendered in terms of backlogs per area.

Data forms part of the KPI of the Directorate: Technical Services in terms of targets for the directorate.

Quarterly reports are given to council on statistics and performance.

Directorate: Technical Services is responsible for data analyses.

## Part 3: What are the results and who benefited?

Project Description	Beneficiaries	Job Creation	Training
Thornhill Sewer Treatment Plant	2478		
Hankey Pumpstaion	9822	20	24
Patensie Augmentation of Potable Water System	5115	10	
BEP Kwanomzamo	595	34	24
BEP Oceanview	1100	36	24

The above table illustrates the projects implemented for the 06/07 financial year

Most of the times objectives are achieved but when it comes to water and sanitation projects the situation differs due to the tendered amount per household being higher than the MIG unit costs. This leads to a situation where we had to reduce the scope and register another phase.

## Conclusions

The MIG programme is aimed at the following:

To provide a basic level of service to the people;

To target the poor and alleviate poverty;

This is a good approach but in the process we are neglecting the other income groups. One should assess the situation before you make a recommendation, not just reject it. Some municipalities don't have the financial backing to do this on their own. At the end of the day it is "service delivery to the people" not "service delivery to the poor". To achieve this it is just a matter of prioritizing between urgent and not so urgent.

The costs have been justified yes, a lot of people benefited from the program and their living conditions were improved by giving them the basic level of service.

As mentioned earlier the objectives are not always achieved within the budget but within the timeframes. Initially problems occurred with the registration of projects which means one had to re-prioritize the projects in terms of approval

Every different department within the municipality does assist when the project falls within their respective departments by helping with reporting, liaising with the communities, etc.

All activities should continue hence the fact it is assisting municipalities with service delivery.

## **Lesson Learned**

That the municipality should plan ahead in order to eliminate unnecessary delays such as project registration, etc. You need to work collectively with the sector departments in order to fast track the process.

## **Recommendations**

Each official recommending the project at different levels should have the authority to change the contents of the previous submitter in order to speed up the registration process for example: sometimes projects are at national level and they pick up one mistake the project is been referred back.