

## **1. INTRODUCTION AND OVERVIEW**

### **1.1 Foreword by the Mayor**

Annually as Kouga Municipality, we ensure complete compliance with legislation applicable to Local Government, especially in terms of Section 121 of the Municipal Finance Management Act no 56 of 2003. The MFMA enforces that as the institution, an account must be given for each financial year on the performance against the budget, in a way that will promote accountability to the local community for the decisions made throughout the year by the municipality. I submit this report in an effort to account for the work that was done for the financial year July 2008 until June 2009. The report will highlight our achievements and will reflect on the challenges facing our various and diverse communities. Over the last financial year we have had the mandate to create a better life for the people of Kouga. I am convinced that as a Council, we have made good strides in stabilizing the administration and improving the delivery of basic services, such as water, sanitation, health, social facilities and roads network to our people.

Though we were hamstrung by resource constraints, we have managed to equitably distribute resources throughout the municipal area. However, we are still faced with the challenge of transforming the municipality from a bureaucratic to a developmental institution in line with the concept of developmental local government as outlined in the White Paper on Local Government. To this end, the community of Kouga must be at the centre of development and we therefore have to change the institution to reflect the diversity of our population in order to create confidence in the institution.

Kouga Municipality has dedicated itself to creating a stable, effective governance structure. Political instability will be a threat to effective service delivery and it is therefore important to create a mature and focused governance structure for the municipality. One of the most important tasks of any public institution is to ensure that internally there is a stable, creative and diverse environment on which to base its activities. In this regard we have to pay attention to the strategic process of Integrated Development Planning, Transformation and Human Resources

Management. Kouga Municipality is committed to promoting workplace diversity and progressing employment equity. The municipality has made satisfactory progress in its employment equity undertakings. Despite the challenges and the magnitude of the process, the municipality remains on track to achieve its equity targets.

The achievement of meaningful equity in the workplace depends on the extent to which the components of affirmative action and diversity are integrated. The Employment Equity and Affirmative Action Plans are in place and this will lead to a situation where both the equity targets are met as well as retention of individuals who are recruited from the designated groups. I want to express my sincere appreciation to our taxpayers and residents who steadfastly adhered to paying their dues to the municipality and also thank the municipal manager, senior staff and the total workforce of the Kouga Municipality for their support and commitment.

**Councillor R H Dennis**  
**Executive Mayor**

## 1.2 Foreword by the Municipal Manager

Clem Sunter, in his book, *The Mind of the Fox*, (2004) had this to say, *“The first step towards a living strategy is to conduct an effective strategic conversation within your own organisation. You and your team must try to forecast the events that may have an effect on the business or section that you manage. The business cannot function properly unless managers and sections are aligned in a single direction, with a single purpose.”*

The above quotation is significant for us as Kouga Municipality in that, one of the things we did this year was to review our strategies, align them with our IDP and Budget. Sunter warns us that, the business cannot function properly unless managers and sections are aligned in a single direction, with a single purpose. My appeal to all stakeholders is to make use of opportunities to engage each other in strategic dialogues and regard these interactions as empowering exercises.

As we strive to improve our administrative capacity in order to delivery better, quality and sustainable services, it is important that we remember the commitment and declaration made by world local government bodies in the world summit for sustainable development. Amongst other things, the summit noted with great concern that, half of the world’s population is now living in urban settlements. A projected growth of world population was estimated and that by 2023, it could reach a figure of 8 billion. The issue of sustainable urban management and development is one of the crucial and burning issues for the 21<sup>st</sup> century.

The following four principles were adopted and should always guide our deliberations as Kouga Municipality. These are:

- The overarching principle of “sustainable development” must underpin the developmental agenda of local municipalities;
- Promotion of effective democracy and culture of human rights for all;
- Promoting Good Governance (which) calls for effective leadership, transparency, accountability, probity, proper management, access to effective, efficient and quality services and a commitment to work in partnership with citizens and communities;

- Co-Operation and solidarity based on partnership for exchange of good practice, support and mutual learning from each other.

World leaders in local government further made a commitment to work positively with, and bridge the gap between our national government, provincial, districts, international community and civil society organs and to promote good governance.

Our national government has formulated the following five priorities or strategic goals for all local municipalities in the country, these are:

- Good Governance and Public participation;
- Service Delivery and infrastructure;
- Local Economic Development;
- Financial Viability;
- Municipal transformation and organisational development.

Firstly, as Kouga Municipality, we are guided by the above five national priorities and our administrative arrangement, institutional design and organisations seeks to respond to those priorities.

### **State of Administration**

In terms of the state of our administration, I can safely say that, we are a stable local municipality; most senior management positions have been filled. The Director Technical Services, Mr Leon Gouws resigned to relocate to the Western Cape. The Chief Financial Officer, Mr Malcolm Booyesen parted ways with Council. Both vacancies had been advertised.

Management Meetings and Directorate Management Meetings are taking place and that on its own is an indication of making sure that all of us remain focused on our core administrative business of service delivery. In addition a system of weekly co-ordinating meetings amongst directorates has been established. This was done in an effort to improve the structure of our administration where we give priority to basic services. There is also a good working relationship between the administration and political / governance leadership. However, this is an area that needs serious attention. Politicians must remain politicians and Officials must remain Officials.

Politicians should not endeavour to perform the work of officials and officials should not perform the work of politicians. This dichotomy needs further discussion in order to ensure that we manage the relationship correctly.

### **Budget and Financial Viability**

Our municipality has recently adopted the budget for 2008/09. As is the norm, the budget was preceded by public consultation process and everyone made an input in the process. We are financially stable and the reports of the Auditor General attest to this fact. We have sound financial management systems, policies in place. What is needed is for all of us to become *au fait* with these policies, regulations and implement them correctly.

### **Service Delivery**

We are striving towards meeting the basic needs of our people within the context of the Reconstruction and Development Programme. The RDP is a fundamental document with five key pillars, namely:

- Meeting the basic needs of our people;
- Building economy;
- Democratisation of state and society;
- Human resource development;
- Implementing RDP.

These five pillars are inline with the five national priorities or goals. We have adopted Batho Pele and champions have been identified. The green paper on transformation of public service delivery states the following; *“A transformed South African public service will be judged by one criterion above all- its effectiveness in delivering services which meet the basic needs of all society”*.

Improving delivery of public services means re-dressing the imbalances of the past, while maintaining continuity of service to all levels of society, focusing on meeting the needs of the 40% of South Africans who are living below the poverty line and those who have been disadvantaged in terms of service delivery, such as black women living in rural areas. The objectives to be pursued therefore may include that of welfare, equity and efficiency. It also means a complete change in the way that

services are delivered. A shift away from inward-looking, bureaucratic systems, processes and attitudes, towards new ways of working which put the needs of the public first, is better, faster and more responsive to meet those needs.

Our local economic development initiatives shows some spin offs as well. However, we still have to do more work in order to diversify our economy, give support and commitment to broad based black economic empowerment programmes. Before the end of this year, we shall work hard, organize a BEE, PDI's and Co-Operative Indaba which will specifically deal with three important issues, namely:

- Funding challenges facing BEE Companies, PDI's and Co-Operatives;
- Capacity Building and ongoing support needed;
- Working relations and clear role and responsibilities.

### **Democratisation of state and society**

We continue to strive for democratisation of our municipality and both our vision, budget public participation process, IDP and ward committee system clearly shows that. As the municipality, we are committed in ensuring that we build a democratic, transparent and a developmental local government in line with the White Paper of 1998 on local government. This strategic leadership and management indaba should come up with clear resolutions around the role of civil society, NGO's and other democratic structures such as ward committees, communities and citizens on matter of local governance and development.

### **Human Resources Development**

Recently, the Council adopted our Human Resource Plan which is currently being used nationally as a guide. There is still much work in this area given many challenges we face, especially in areas such as:

- Supervision and management;
- Communication;
- Attitude Change and Diversity Management.

However, our skills development programmes should address these issues and we must strive to improve the capacity of staff, skills gaps and to ensure that we re-skill our employees on a continuous basis.

## **Conclusion**

As management, we strive to build a team and the performance of any team depends on the quality of its collective thinking, the quality of decisions we take, the quality of the results, and implementation process of those decisions. As a team leader, my duty amongst others is to “facilitate”, “inspire” and “guide” all members of our team towards the right direction. I do hope and believe that we shall make use of this platform and build a strong team, support each other, work together in order to find a solution to all outstanding problems and challenges facing us as management of Kouga.

Our vision and logo creates an identity, we should not strive to be like other local municipalities, but we can draw lessons from them especially on good governance and good practice. As we strive to meet the basic needs of our people, we must continuously evaluate our understanding of the municipal legislative, legal and policy mandate as defined in the constitution. Our response to community needs and complaints is what matters most, service delivery records are figures, what is key is how we provide such services to our people.

In conclusion, I want to express my sincere gratitude to all my dedicated colleagues at Kouga Municipality who continue to provide quality and efficient basic services to our community. Special mention must be made of the constructive role played by the Executive Mayor and his Mayoral Committee members and Council in the service delivery process of the municipality. I am confident that the municipality will continue to work closely with its stakeholders and residents in response to the needs of the community.

**Dr E. M. Rankwana**  
**Municipal Manager**

## **1.3 Overview of the Municipality**

### **Our Vision**

The Council strives to ensure equity, harmony and prosperity for its entire people, through people-centered service delivery and sustainable delivery.

### **Our Mission**

To develop and promote the character of the Kouga area and make a better life for all by satisfying the needs of our stakeholders, including effective service delivery, and respecting the different community values and cultures, while taking into account the wishes of all communities, our declared value system and relevant legislation, according to our credo.

Kouga Local Municipality is situated in the Cacadu District in the western half of the Eastern Cape Province of South Africa. It is approximately 100 kilometres from the Nelson Mandela Bay Municipality, which is made up of Port Elizabeth, Despatch and Uitenhage. The Kouga Municipality includes the nine towns of Jeffreys Bay, Humansdorp, St Francis Bay, Oyster Bay, Hankey, Patensie, Thornhill and Loerie. The geographical area of the municipality stretches over 2 419km<sup>2</sup> and is characterized by three main topographical areas namely:

### **Coastal Region**

The coastal region stretches from the Van Stadens River in the east through the Tsitsikamma River in the west. This zone includes the towns of Jeffreys Bay (including Wavecrest, Pellsrus, Tokyo Sexwale, Marina Martinique, Aston Bay and Paradise Beach), St Francis Bay (including Sea Vista and Cape St Francis), and Oyster Bay (including Umzamowethu). The coastal region serves as a major regional and national tourism attraction.



### **Gamtoos River Valley**

The Valley is characterized by wide, fertile flood plains associated with low-lying land, with steep, less-fertile slopes flanking the Valley. The towns of Hankey (including Phillipsville, Weston and Centerton) and Patensie (Cyril Ramaphosa Village, Andrieskraal), Loerie and Thornhill are main focal points of this high potential agricultural region.

### **Humansdorp and surrounding areas**

Moderate slopes in the south with steeper slopes towards the north and northwest, characterize the Humansdorp, Kruisfontein and Arcadia area. Moderate slopes in the south with steeper slopes towards the north and northwest, characterise the Humansdorp, Kruisfontein and Arcadia area. Humansdorp is regarded as the largest urban centre in the area with respect to population and business activity.

The four main rivers in the area, i.e. Kromme, Seekoei, Kabeljous and Gamtoos, are all tidal rivers. The Kromme River and Gamtoos River are main sources of water supply to the household and agriculture sectors in the area. Three main dams are found in or adjacent to the area. These are the Churchill and Impofu Dams in the Kromme River and the Kouga Dam in the Gamtoos River. The Churchill Dam and the Kouga Dam fall outside the area, although they have a significant impact on the drainage and activities within the region.

There are numerous areas of wetland adjacent to the sub-region's rivers and on the coastal platform between Oyster Bay and Papiessfontein. These wetlands are extremely sensitive to disturbances such as agricultural activities and development. The wetlands further accommodate high species diversity, and fulfill natural water purification and flood retention roles. Ground water forms a major component of domestic water supply for towns in the Kouga region, especially Humansdorp, Jeffreys Bay, St Francis Bay, Cape St Francis and Oyster Bay. Aquifers are also utilised in the agricultural sector for irrigation of pastures. Much of the natural vegetation of the Kouga region has been altered, to a greater or lesser extent, by human activities such as farming, forestry and urban development. This has had a

major impact on the natural communities and widespread invasion by alien plants dominates certain areas.

A great variety of plant communities characterises the area; these include grassy fynbos and coastal-dune fynbos with mobile duineveld south of the Kromme River. Renosterveld and valley thicket dominate the areas south of Humansdorp and north of the Kromme River, as well as south of Patensie and Hankey. The steeper slopes and mountainous areas north of the Gamtoos Valley are characterised by succulent, thicket and grassy fynbos. Regional access to the Kouga area is obtained via the N2 National road between Port Elizabeth and Cape Town.

### **The climate**

The Kouga region is classified as sub-tropical. The climate makes the area conducive to a range of outdoor activities and various types of agricultural production. Rainfall patterns vary both seasonally, annually and spatially. Rainfall is generally throughout the year with maximum falls recorded in autumn and spring. There is a reduction in rainfall in a north-easterly direction from Oyster Bay to the Gamtoos Valley, and from the mountains to the coast. Rainfall varies between 650 mm per year (St Francis Bay area) to 400 mm (Gamtoos River Valley).

Opposed to the moderate temperature change, the area is generally described as windy. Numerous rivers drain the region and are important ecological, recreational and water resources. The more significant rivers are, from west to east, the Tsitsikamma, Klipdrif, Kromme, Seekoei, Kabeljous, Gamtoos and Van Stadens Rivers. Drainage throughout the Kouga region occurs from a general westerly direction towards the sea in the east.

### **Settlement Patterns**

The Regional settlement pattern in the area is characterised by various nodes and urban areas that have different of the functions within the region. Humansdorp, with the highest population concentration in the region, has an established infrastructure and acts as a regional service centre, supplying the surrounding agricultural communities and the coastal towns with commodities and services. Commercial and industrial activities of the region are centered in Humansdorp.

The coastal towns of Jeffreys Bay (which is developing tremendously), St Francis Bay, Cape St Francis and Oyster Bay are important and well-established tourist destinations. The urban areas of Hankey and Patensie, situated in the Gamtoos River Valley, provide important services to the surrounding high-density agriculture industry. These two towns are characterised by agricultural related industries. Other smaller settlements in the Kouga region include Andrieskraal, Loerie and Thornhill. The coastal area between the Kabeljous River and Cape St Francis is characterised by ribbon development occupying most of the coastline.

The local settlement pattern of the various towns in the area differs substantially. The urban form of the number of towns is characterised by former separate development policies. An important spatial imperative of this urban form was the Group Areas Act that required the provision of separate residential areas for the different population groups. This separate development is witnessed in many of the Kouga towns such as Humansdorp, Hankey and Patensie. This form of segregated planning created spatially separate entities and has resulted in a lack of social integration as well as costly infrastructure and service provision and maintenance.

### **Demographics & Growth Rates**

Kouga is the most densely populated Municipality in the District with a population estimate of 70 9695 in 2001, compared to 65 542 in 1996. The CSIR, DBSA and the National Department of Provincial and Local Government estimate the population growth for the Kouga Municipality between 2000 to 2010 to be 2.4% per annum. This indicates a rise in the population figures from 62 542 (1996) to 87 170 (2010).

In reality, Jeffreys Bay is now reputed to be the fastest growing town in South Africa and Eastern Cape Socio-Economic Consultative Council (ECSECC) estimated a total population in Kouga of 86 000 people in 2006 (Stats SA). The current trend suggests a higher growth rate at 2.8%. Planning and infrastructure should take the projected population growth into account.

The Municipality also deals with vast difference in population density from one area to the next. The variations in density have an impact on the cost of service delivery (appropriate level of services), and puts pressure on existing infrastructure and the

housing delivery requirements. The migration patterns are placing additional pressure on areas that already have a high-density population.

There is a predominance of population concentration in the urban areas, with more than 70% of the population living in urban areas. This is a variation from the Eastern Cape pattern, where less than 40% of the population resides in urban areas.

#### **1.4 Executive Summary**

Kouga Council comprises of 20 Councillors representing the following political parties:

<b>African National Congress</b>	<b>11</b>
<b>Democratic Alliance</b>	<b>6</b>
<b>Independent Democrats</b>	<b>1</b>
<b>Kouga 2000</b>	<b>1</b>
<b>Kouga Civics</b>	<b>1</b>

#### **Mayoral Committee**

The Kouga Municipality has a Mayoral Committee System combined with a ward participatory type and comprises of the following four Standing Committees:

- Finance Standing Committee
- Planning and Development and Technical Services Standing Committee
- Community Services Standing Committee
- Human Resources, Economic and Social Development and Corporate Services Standing Committee

The Executive Mayor, assisted by the Mayoral Committee, heads the executive arm of the municipality. Executive powers are vested in the Executive Mayor, delegated by Council, with the powers and functions assigned by legislation. The Executive Mayor has an overarching strategic and political responsibility and is accountable for strategic direction and performance of the municipality. The Mayoral Committee comprises of the Executive Mayor who is the Chairperson and 4 additional Portfolio Councillors.

The Council's role focuses on legislative, oversight and participation and has delegated its executive role to the Executive Mayor and the Mayoral Committee. Ward Councilors have the primary role of representing the needs and interests of their constituents and to foster community participation.

### **Core Departments**

#### **Finance**

Ensure the provision of the budget function, supply chain management, treasury services, rates and taxes, expenditure and accounting, valuation services and the management of financial systems.

#### **Community Services**

Ensure the rendering of Community Services that comprise of Protection Services, Cleansing and Parks Services and Environmental Health Services to fulfill the needs of the community.

#### **Socio-Economic and Local Economic Development**

Ensure the promotion of Local Economic Development and Tourism to attract investments whilst managing Social Development and IDP Projects.

#### **Infrastructure and Technical Services**

Ensure that services in terms of water, sewerage, roads and electricity are maintained and improved to enhance the quality of life for all communities.

**Planning and Development**

Ensure the rendering of Planning and Development Services in respect of spatial development, land use, building control and housing and that development is conducted in an orderly and procedural manner whilst simultaneously administering housing projects.

**Corporate Services**

Ensure the rendering of administrative, secretarial, legal services and auxiliary services, whilst managing by-laws, policies and procedures and the administration of ward committees for the effective running of the municipality.

**Internal Audit**

Ensure that audit services are conducted.

**Human Resources**

Ensure the optimal development and utilization of staff.

**Special Programmes**

Ensure the execution of special projects In the Office of the Executive Mayor.

## **PART 2 : KPA ACHIEVEMENT REPORT**

### **CHAPTER 1 : HUMAN RESOURCE AND OTHER ORGANIZATION MANAGEMENT - KPA 1**

#### **1.1 PRESENTATION OF THE ORGANIZATIONAL STRUCTURE**

The Human Resources Department is inter alia, responsible for the following strategic objectives:

- Human Resource Administration
- Fair and equal Recruitment and Selection of competent staff.
- Ensuring sound and healthy Labour Relations.
- Compliance with Occupational Health and Safety Act.

The activities related to the Human Resources functions include:

- Developing HR policies and procedures
- Recruitment
- Inducting new officials
- Skills development
- The implementation and maintenance of a performance management system
- Employer / Employee Relations
- Employment Equity
- Discipline
- Occupational Health and Safety
- Benefit Administration

## ORGANIZATIONAL STRUCTURE

<b>OFFICE MUNICIPAL MANAGER</b>		
<p><b>Manager : Integrated Development Plan</b></p> <ul style="list-style-type: none"> <li>• Coordinate IDP processes</li> <li>• Integrate municipal programmes and plans</li> <li>• Align 3 spheres of government services</li> </ul> <p><b>Manager : Capacity Building</b></p> <ul style="list-style-type: none"> <li>• Skills Development</li> <li>• Internal &amp; External Bursaries</li> <li>• Employment Equity</li> </ul>	<p><b>Performance Management Coordinator</b></p> <ul style="list-style-type: none"> <li>• Institutional PMS</li> <li>• Individual PMS</li> <li>• Monitoring and evaluation</li> </ul> <p><b>Media Liaison Officer</b></p> <ul style="list-style-type: none"> <li>• Media Liaison</li> </ul>	<p><b>Service Centre Coordinators</b></p> <ul style="list-style-type: none"> <li>▪ Coordinating of unit municipal services and programmes</li> </ul>
<b>DIRECTORATE: TECHNICAL SERVICES</b>		
<p><b>Water Bulk</b></p> <ul style="list-style-type: none"> <li>• Reticulation</li> <li>• Purification</li> <li>• Maintenance</li> <li>• Water Connections</li> </ul> <p><b>Sewerage</b></p> <ul style="list-style-type: none"> <li>• Reticulation</li> <li>• Purification</li> <li>• Maintenance</li> </ul>	<p><b>Electrical Bulk</b></p> <ul style="list-style-type: none"> <li>• Reticulation</li> <li>• Metering</li> <li>• Sub-Station</li> <li>• Inspections</li> <li>• Connections</li> <li>• Infrastructure Projects</li> <li>• Street Lighting</li> </ul>	<p><b>Roads and Stormwater</b></p> <ul style="list-style-type: none"> <li>• Building Maintenance</li> <li>• Mechanical Workshop</li> <li>• Infrastructure Projects</li> <li>• Fleet Management</li> <li>• Pavement and Curbing</li> </ul>
<b>DIRECTORATE: COMMUNITY SERVICES</b>		
<p><b>Manager: Health Services</b></p> <ul style="list-style-type: none"> <li>• Primary Health Care Services</li> <li>• Environmental Health Services</li> <li>• HIV/AIDS Programmes</li> </ul>	<p><b>Manager: Cleansing, Parks and Public Amenities</b></p> <ul style="list-style-type: none"> <li>• Cleansing</li> <li>• Waste Management</li> <li>• Tip Management</li> <li>• Waste Disposal Sites</li> <li>• Sanitation</li> <li>• Caravan Parks and Camps</li> <li>• Street and Pavement Cleaning</li> <li>• Community Halls</li> </ul>	<p><b>Manager: Protection Services</b></p> <ul style="list-style-type: none"> <li>▪ Traffic</li> <li>• Law Enforcement, Awareness and Programmes</li> <li>• Traffic Sign Maintenance</li> <li>• Traffic Management Systems</li> <li>• Fire Safety and Security</li> </ul> <p><b>Management</b></p>



	<ul style="list-style-type: none"> <li>• Beaches</li> <li>• Parks and Gardens</li> <li>• Cemeteries and Cemetery</li> <li>• <b>Maintenance</b></li> <li>• Sports Fields</li> <li>• Public Toilets</li> <li>• Recreational Facilities</li> <li>• Nature Reserves</li> <li>• Bus and Taxi Ranks</li> </ul>	<ul style="list-style-type: none"> <li>• Disaster Management</li> <li>• NATIS</li> <li>• Roadworthy Certificates</li> <li>• Accidents</li> <li>• Driver Licenses</li> <li>• Vehicle Testing</li> <li>• Vehicle Registration</li> <li>• Pound</li> <li>• Parking Meters</li> </ul>
<b>DIRECTORATE : FINANCE</b>		
<b>Manager: Revenue and Compliance</b> <ul style="list-style-type: none"> <li>• Revenue Collection</li> <li>• Revenue Protection</li> <li>• Credit Control</li> <li>Debt Collection</li> </ul>	<b>Manager: Expenditure</b> <ul style="list-style-type: none"> <li>• Payment of Accounts</li> <li>• Creditors' Administration</li> <li>• Payroll Administration</li> <li>Stores</li> </ul>	<b>Manager: Budget and Treasury</b> <ul style="list-style-type: none"> <li>• Budget Administration</li> <li>• Annual Financial Statements</li> <li>• Asset Management</li> <li>• Information, Communication Technology</li> <li>Fleet Management</li> </ul>
<b>DIRECTORATE: CORPORATE SERVICES</b>		
<b>Manager: Administration</b> <ul style="list-style-type: none"> <li>• Secretarial Services</li> <li>• Archives and Records</li> <li>• Communication</li> <li>• Auxiliary Services</li> <li>• Housekeeping</li> </ul>	<b>Manager: Legal Services</b> <ul style="list-style-type: none"> <li>• Litigation</li> <li>• By-laws</li> <li>• Property Management</li> <li>• Ward Committees</li> </ul>	
<b>DIRECTORATE: SOCIO-ECONOMIC DEVELOPMENT AND HUMAN RESOURCE</b>		
<b>Manager: LED</b> <ul style="list-style-type: none"> <li>• Establishment of LED Forums</li> <li>• Tourism</li> <li>• SMME Development</li> <li>• LED Project Funding</li> <li>• Arts and Culture</li> <li>• Museums</li> <li>• Libraries</li> </ul>	<b>Manager: Human Resources</b> <ul style="list-style-type: none"> <li>• Personnel Administration</li> <li>• Training and Development</li> <li>• Occupational, Health and Safety</li> <li>• Labour Relations</li> <li>• Equity and Skills Development</li> </ul>	

<ul style="list-style-type: none"> <li>• Education</li> <li>• Social development</li> </ul>	
<b>DIRECTORATE: PLANNING AND DEVELOPMENT</b>	
<p style="text-align: center;"><b>Manager: Town Planning and Development</b></p> <ul style="list-style-type: none"> <li>• Town Planning</li> <li>• Land Use</li> <li>• Spatial Development and Planning</li> <li>• Building Control</li> <li>• Building Inspectorate</li> <li>• Property Valuations</li> <li>• Township Layouts</li> <li>• GIS</li> </ul>	<p style="text-align: center;"><b>Manager: Housing Development</b></p> <ul style="list-style-type: none"> <li>• New Houses</li> <li>• Site and Service</li> </ul> <p>Housing Administration</p>

The following priority table provided the basis for the formulation of objectives and strategies:

**THE STAFF COMPONENT DESCRIPTION OF CURRENT ORGANOGRAM**

<b>DIRECTORATE</b>	<b>UNIT</b>	<b>NUMBER OF POSITIONS</b>	<b>FILLED</b>	<b>VACANT</b>
<b>ESD &amp; HR</b>	Social Development	29	24	5
	Economic Development	13	2	11
	Human Resources	9	7	2
	Integrated Development Plan	3	1	2
<b>Community Services</b>	Cleansing, Parks and Amenities	344	258	86
	Protection Services	65	57	8
	Health Services	21	16	5
<b>Technical Services</b>	Civic Engineering	231	203	28
	Electrical Engineering	91	83	8

<b>Planning and Development</b>	Town Planning and Development	20	15	5
	Housing Facilitation	18	6	12
<b>Financial Services</b>	Internal controls and IT	10	10	-
	Income	45	43	2
	Expenditure	10	10	-
<b>Corporate Services</b>	Administration	22	22	-
	Legal Services	1	1	-
<b>TOTAL</b>		<b>932</b>	<b>758</b>	<b>174</b>

#### STAFF ESTABLISHMENT FOR THE FINANCIAL YEAR 2008/2009

<b>RACE</b>	<b>GENDER</b>	<b>2008/2009</b>
African	Male	188
African	Female	74
Coloured	Male	274
Coloured	Female	92
White	Male	46
White	Female	56
Indian	Male	0
Indian	Female	0
Total Males		508
Total Females		222
<b>TOTAL EMPLOYEES:</b> (Include Permanent employees, temporary/contract workers, Councillors, pensioners and continued medical aid members).		<b>730</b>

- **Wage Curves**

- The municipality is still awaiting an outcome report in this regard from the Bargaining Council. However, an amount of million has been ringfenced for this purpose (2009/10 Budget)
- The LLF is always kept informed of latest developments in this regard.
- The salary budget is 33% of the total budget and is fully funded. All the wage curves have been implemented.

- **Salary adjustments**

- Salary adjustments of employees who have been incorrectly remunerated for the past few years was dealt with in consultation with the LLF
- There is only one (1) case where the municipality was forced in the form of an arbitration award to adjust an employee's salary.

- **Contract workers**

- Contract and casual workers, especially in the lower levels, are advertized internally and externally whenever there are vacancies in the municipality.

- **Acting positions**

- The municipality has taken a resolution through the LLF to permanently appoint all employees, up to post level 10 only, who have acted in positions for more than twelve (12) months.

## RECRUITMENTS

Total number of new recruits, including people with disabilities.

Note: A=Africans, C=Coloureds, I=Indians and W=Whites

	Male			Female				White Male	Foreign Nationals		Totals
	A	C	I	A	C	I	W	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	2	0	1	0	0	1		0	0	4
professionally qualified and experienced specialists and mid-management	5	8	0	1	4	7	0	2	0	0	27
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	4	6	0	5	2	3	0	0	0	0	20
Semi-skilled and discretionary decision making	12	9	0	0	0	0	0	0	0	0	21
Unskilled and defined decision making	42	32	0	0	14	12	0	0	0	0	100
<b>TOTAL PERMANENT</b>	6336	57	0	7	20	22	0	3	0	0	172
Non – permanent employees	4	6	0	1	3	2	0	4	0	0	20
<b>GRAND TOTAL</b>	67	63	0	8	23	24	0	7	0	0	192

## TERMINATIONS IN OCCUPATIONAL LEVEL

Total number of terminations in each occupational level, including people with disabilities. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

	Male			Female				White Male	Foreign Nationals		Totals
	A	C	I	A	C	I	W	W	Male	Female	
Top management	0	1	0	0	0	0	0	0	0	0	1
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	1	0	1	0	0	0	0	0	0	2
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	1	0	0	0	0	0	0	0
<b>TOTAL PERMANENT</b>	0	2	0	2	0	0	0	0	0	0	4
Non – permanent employees	0	1	0	0	0	0	1	0	0	0	1
<b>GRAND TOTAL</b>	0	3	0	2	0	0	0	0	0	0	5

## TERMINATIONS IN EACH CATEGORY

Total number of terminations in each **termination** category below.

Note: A=Africans, C=Coloureds, I=Indians and W=Whites

	Male			Female				White Male	Foreign Nationals		Totals
	A	C	I	A	C	I	W	W	Male	Female	
Resignation	0	1	0	0	0	0	0	0	0	0	1
Non-renewal of contract	0	1	0	0	0	0	0	0	0	0	1
Dismissal – Operation requirements (retrenchment)	0	0	0	0	0	0	0	0			0
Dismissal - misconduct	0	1	0	2	0	0	0	0	0	0	3
Dismissal - incapacity	0	0	0	0	0	0	0	0	0	0	0
Retirement	0	0	0	0	0	0	0	0	0	0	0
Death	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	0	3	0	2	0	0	0	0	0	0	5

## DISCIPLINARY ACTION

The report is based on formal outcomes only.

Note: A=Africans, C=Coloureds, I=Indians and W=Whites

DISCIPLINARY ACTION	Male			Female				White Male	Foreign Nationals		Totals
	A	C	I	A	C	I	W	W	Male	Female	
	2	9	0	2	1	1	0	0	0	0	0

## **Employer/Employee relations**

The collective agreement requires the municipality to establish a Local Labour Forum (LLF). Local Labour Forum Meetings are scheduled on a monthly basis. Issues are submitted by the employer and Union components for consultation. The LLF makes recommendations to the Mayoral Committee and Council for consideration. The employer and organized labour continued with their spirit of mutual respect and co-operation.

### **1.2 STAFF DEVELOPMENT INITIATIVES DURING THE FINANCIAL YEAR**

The Employment Equity Plan and Skills Development based on the JIPSA and ASGISA principles are to achieve the following:

- The plan is meant to empower the officials to respond to service delivery per IDP
- It assists Council to meet its Employment Equity targets per the EEA of 1998
- It address identified weaknesses to support career pathing and growth and development of the employee
- It identifies learning opportunities for staff from designated groups
- It also gives all employee and Councillors an opportunity to be trained so as to enhance their performance in their respective jobs.

The following training was successfully completed during the year in review:

#### **PROJECT MANAGEMENT**

**Service Provider : UFH**

**Date: January 2009**

**NQF Level : 5**

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Mgidi. M	African	Female
Daniso. Z	African	Female
Harmse. M	Coloured	Female
Gysman. M	Coloured	Male
Memani. M	African	Male
Screech. M	African	Male
Plaatjies.J	Coloured	Female
Norman. A	Coloured	Male
Dayile.Z	Coloured	Female



Nelson. S	Coloured	Male
Nel. R	White	Male
Bardnard. D	White	Male
George. L	African	Male
Swepu.F	African	Male
Rabella. M	African	Male
Jack. L	African	Female
Du Preez. K	White	Male
Mzangwa. J	African	Male
Prinsloo. S	Coloured	Female
Dayimani. M	African	Male
Bailey.W	Coloured	Female
De Lange. E	Coloured	Male
Tyibilika. R	African	Male
Nelani. K	African	Female
Groenewald	Coloured	Female

### **GAMAP TRAINING**

**Service Provider : UFH**

**Date: February 2009**

**NQF Level : 5**

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Blouw. D	African	Male
Nicholls. A	Coloured	Male
Made. V	African	Female
Fourie. U	White	Female

### **MFMA TRAINING-CERTIFICATE**

**Service Provider : UFH**

**Date: February 2009**

**NQF Level : 5**

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Ashley. P	Coloured	Male
Madatt. T	Coloured	Male
Tshozi. G	African	Female
Khanye. S	African	Female
Gwadana.	African	Male
Domingo. C	Coloured	Female
Groenewald	Coloured	Female
Jenneker. L	Coloured	Female
Baartman. S	Coloured	C.S.

Machelesi. N	African	Female
Blouw. D	African	Male
Symington. E	White	White
Nel. R	White	White
Nelson. N	Coloured	Coloured
Dayimani. M	African	Male
Bailey.W	Coloured	Coloured
De Lange. E	Coloured	Coloured

### **HUMAN RESOURCES SYSTEMS TRAINING**

Service Provider : Bytes Technology Group

Date: February 2009

NQF Level : Certificate

<b>Name &amp; Surname</b>	<b>Race</b>	<b>Gender</b>
Faulkner. B	Coloured	Male
Latile. S	African	Female
Manana. U	African	Female

### **EASY QUERY TRAINING- FINANCE**

Service Provider : Bytes Techonology Group

Date: March/April 2009

NQF Level : Certificate

<b>Name &amp; Surname</b>	<b>Race</b>	<b>Gender</b>
Bezuidenhout	White	Female
Coetzee. J	Coloured	Female
Lotter M	White	Female
Jenneker. L	Coloured	Female
Symington. E	White	Female
Fourie. U	White	Female
Nicholls. A	Coloured	male
Blouw.D	African	Male

### **BILLING TRAINING- FINANCE**

Service Provider : Bytes Technology Group

Date: March / April 2009

NQF Level : Certificate

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Le Roux. W	White	Female
Savage. J	Coloured	Female
Saayman. M	White	Female
Maureen D	White	Female
Neil-Boss. B	White	Female
Louw. I	White	Female
Khanye. S	African	Female
Hoffman. L	White	Female

### **STRATEGIC MANAGEMENT TRAINING- COMMUNITY SERVICES**

Service Provider : Rhodes University

Date: October 2008

NQF Level : 5

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Mxube. L	African	Male
Machelesi. N	African	Female
De Lange. E	Coloured	Male

### **IT CONTRACTS & SLA- FINANCE**

Service Provider : Astro Tech

Date: November 2008

NQF Level : Certificate

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Duvenage. D	White	Female

**SAMRAS CREDITORS ADVANCE TRAINING-FINANCE**

Service Provider : SAMRAS

Date: November 2008

NQF Level : Certificate

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Booyesen. V	Coloured	Female
Adriaan	Coloured	Male

**VOTES RECONCILIATION - FINANCE**

Service Provider : SAMRAS

Date: November 2008

NQF Level : Certificate

<b>Name &amp; Surname</b>	<b>RACE</b>	<b>GENDER</b>
Symington. E	White	Female
Rossoux. M	Coloured	Female
Jacobs. G	White	Female

**PAs & SECRETARY TRAINING** (Finance, MM, Town Planning)

Service Provider : Budget Conference

Date: November 2008

NQF Level : Workshop

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Jeggels. L	Coloured	Female
Uithaler. J	Coloured	Female
Coko. L	African	Female

**LED TRAINING (ESD & HR)**

Service Provider : Kapito Corporate Services

Date: December 2008

NQF Level : Certificate

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Strydom. C	White	Female
Dayile. Z	African	Female

### **COMPUTER TRAINING-COPORATE SERVICES**

Service Provider : New Era Computer Training

Date: March 2009

NQF Level : Certificate

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Fadi. S	African	Male

### **APPRENTICESHIP-TECHNICAL SERVICES**

Service Provider : Industries Education and Training Institute

Date: March 2009

NQF Level : 5

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Marais. J	White	Male

### **PAYROLL BEGINNERS TRAINING- HR & FINANCE**

Service Provider : Bytes Technology Group

Date: April/May 2009

NQF Level : Certificate

<b>NAME &amp; SURNAME</b>	<b>RACE</b>	<b>GENDER</b>
Latile Sizwe	African	Female
Mooi. L	African	Female
Jacobs. G	White	Female

## **INTERNAL BURSARY**

**This report covers the period from 01/07/2008-30/06/2009. It is inline with Council's Internal Bursary Policy that is intended to assist employees who would like to further their studies and who would like to acquire qualifications in their area of work.**

<b>Surname &amp; Initials</b>	<b>Area of Studies</b>	<b>Department</b>	<b>Occupation</b>	<b>Institution</b>	<b>Status</b>	<b>Comments</b>
Blouw, NV	BA ( Honours) PMD	OTMM	Manager	University of Stellenbosch	Completed	
Mosiane, P	BA ( Honours) PMD	HR	Manager	University of Stellenbosch	Completed	
Dreyer, C	BA (Gov. & Adm)	Administration	Manager	UNISA	Incomplete	To complete in June 2010
Woni, T	Masters (PMD)	OTMM	Manager	Wits University	Incomplete	To complete in Dec. 2010
Simanga, L	Masters (Pub. Admin)	Corporate Services	Director	NMMU	Completed	Already Graduated
Ridwaan, A	CPMD	Finance	CFO	Wits University	Completed	Already Graduated
Rankwana, E	CPMD	Council	MM	Wits University	Completed	Already Graduated
Dennis, R	CPMD	Executive Mayor	Councillor	Wits University	Completed	Already Graduated
Maseti, A	CPMD	Mayoral Committee	Councillor	Wits University	Incomplete	Office of the MM will make an follow-up
Stuurman, V	CPMD	Mayoral Committee	Councillor	Wits University	Incomplete	Office of the MM will make an follow-up
Felix, K	CPMD	Mayoral Committee	Councillor	Wits University	Incomplete	Office of the MM will make an follow-up
Ngcayisa, J	Masters (dev. Studies)	HR & ESD	Director	NMMU	Incomplete	To complete in Dec. 2010
Tamboer, F	Dip. Labour law	Comm. Serv.	Superintendent	GBS	Incomplete	To complete in Aug. 2010
Ngcayisa, B	Dip. Labour law	Comm. Serv.	Superintendent	GBS	Incomplete	To complete in Aug. 2010
Faulkner, B	Dip. Labour law	HR.	Recruitment Officer	GBS	Incomplete	To complete in Aug. 2010
Madatt, T	Diploma (Project Mngt)	Technical Services	Area Engineer	NMMU	Incomplete	To complete in Dec. 2009

**EXTERNAL BURSARY APPLICATION FOR SCARCE AND CRITICAL SKILLS**

<b>Surname &amp; names</b>	<b>Institution</b>	<b>Admission letter from institution</b>	<b>Matric</b>	<b>Area in Kouga</b>	<b>Course studying</b>
Mentoor Demoré, C	NMMU	Yes	Yes	Humansdorp	B.Admin R18,000
Douse Jonathan	Varsity College	Yes	Yes	St Francis Bay	Accounting & Financial R31,000
Dyum Aphiwe	NMMU	Yes	Yes	Humansdorp	Electrical Engineering
Grootboom Mary-Ann	Varsity College	Yes	Yes	St Francis Bay	IT Programming R36,000
Mvimbeni Unathi Elton	East Cape Midlands College	Yes	Yes	Patensie	Information Technology
Mluleki Dondashe	Albert Einstein	Yes	Yes	Jeffreys Bay	Project Management
Ngqandu Nolubabalo	PC Training Business College	Yes	Yes	Hankey	PC Training R30,499
Mdoti Christina	Albert Einstein	Yes	Yes	Jeffreys Bay	Project Management R2,615
Ndovela Thobela	Albert Einstein	Yes	Yes	Jeffreys Bay	Business Management & Computer Skills
Claassen Lawrentheo	Damelin	Yes	Yes	Humansdorp	IT PC Engineering
Groep Glyndon	NMMU	Yes	Yes	Jeffreys Bay	Project Management
Joni Lazola Bruce	NMMU	Yes	Yes	Humansdorp	B.Sc Information
Yahke Vusumzi	NMMU	Yes	Yes	Jeffreys Bay	Public Management
Barendse Keenan	Russel Road College	Yes	Yes	Jeffreys Bay	Information Technology

1.3 **KEY HR STATISTICS PER FUNCTIONAL AREA**

1. Full-time staff complement per functional area

a) Municipal Manager / Section 57 and Line managers

The vacancy rate at management level e.g. section 57 managers;

- Director: Technical Services (12 months). A person was appointed but has turned down the offer. It was re-advertized. The implementation of equity is also a delaying factor.

***Qualifications for professionals not clear especially s57 Managers***

Municipal Manager – PhD in Public Administration

Director Corporate Services – Masters in Public Administration

Chief Financial Officer – Honours Degree in Finance

Director HR and ESD – Bachelor of Business Administration

Director Planning and Development – Masters in Public Administration

Director Technical Services – vacant

Director Community Services – Honours in Public Administration

	Approved positions (e.g MM-S57 etc...)	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	MM	1	1	0
2	Section 57, managers	6	5	1
3	Managers	23	18	5
4	Area engineers	6	6	0
5	Superintendants	7	7	0
6	Senior admin officers/ admin officers	18	16	2
7	Clerks		97	19
8	General workers		460	16
	Totals		610	43



b) Functional area per organogram (e.g. Technical Services)

	Approved positions (e.g. Managers / Ass. Managers)	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Municipal Manager	6	6	0
2	HR/ESD	2	2	0
3	Corporate Services	2	2	0
4	Technical Services	3	2	1
5	Community Services	3	2	1
6	Finance	5	3	2
	TOTALS	21	15	4

2. Technical Staff registered with professional bodies

Technical Services (e.g. water, electricity etc.)	Total Number of technical service managers	Total number registered in the accredited professional body	Total number pending registration confirmation in the accredited professional body	Total number not yet registered in the accredited professional body
1	Civil Manager			1
2	Electrical Manager			1
3	PMU Manager			1
	TOTALS			3

3. Levels of education and skills

Total number of staff	Number of staff without Grade 12	Number of staff with senior certificate only	Number of staff with tertiary / accredited professionals training
1 909	476	185	29

4. Trends on total personnel expenditure

Financial years	Total number of staff	Total approved operating budget	Personnel expenditure (salary and salary related)	Percentage of expenditure
2006-2007			R35 204 957	
2007-2008			R92 148 590	
2008-2009	909	909	R122 694 658	

5. List of pension and medical aids to which employees belong

Name of pension fund	Number of members	Names of medical aids	Number of members
Cape Joint Retirement Fund	154	Bonitas	87
Cape Joint Pension Fund	4	Global Health	30
National Fund for Municipal Workers	12	Hosmed	57
South Africa Local Authority Pension Fund	41	LA-Health	71
National SAMWU Provident Fund	278	SAMWU-Med	102
Sanlam Provident Fund	240		

1.4 Senior officials' wages and benefits

Implementation of the Performance Management Systems (PMS)

Performance Management for contractual Section 57 Employees is regulated through the Local Government Municipal Systems Act as well as the Local Government Performance Regulations for Municipal Managers and Managers reporting directly to the Municipal Manager.

Performance Areas and Performance Indicators for the Municipal Manager and Directors reporting directly to the Municipal Manager are determined in accordance with the objectives of the Integrated Development Plan for Kouga.

For the period June 2008 to July 2009 Performance appraisals in respect of the Municipal Manager and Directors reporting directly to the Municipal Manager was conducted in terms of the provisions of the Performance Regulations.

Evaluation of measured performance was considered by a committee consisting of the following:

In the instance of the Municipal Manager:

- The Executive Mayor;

- The Chairperson of the audit committee;
- A member of the mayoral committee;
- The Mayor from another municipality; and
- A ward committee member nominated by the Executive Mayor.

In the instance of Directors reporting directly to the Municipal Manager:

- The Municipal Manager;
- The Chairperson of the audit committee; and
- A member of the mayoral committee.

In terms of the provisions of the Performance Regulations the Municipal Manager was awarded a performance bonus equal to 7% of his annual remuneration and Directors reporting directly to the Municipal Manager was also awarded performance bonuses equal to 9% of the annual remuneration packages for the 2008/09.

Key Performance Area	Key Performance Indicator	Baseline	Target date	Variations and comment
			2008/09	
Performance Management	Comply with regulations relative to Performance Management of Section 57 Employees	Quarterly Performance Evaluation of Section 57 Employee Performance	September 2008 December 2008 March 2009 June 2009	Quarterly Performance Evaluation not conducted.  Only Annual Performance Evaluation conducted
	Implement Institutional Performance Management	Half yearly Institutional Performance Evaluation	December 2008 June 2009	Institutional Performance not implemented

1.5 Annual performance as key performance indicators in municipal transformation

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Comments on the gap
1	Vacancy rate for all approved and budgeted posts	909	11%	Average
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	7 = 100%	85,7%	Position of the Director : Technical Services is still vacant
3	Percentage of Section 57 Managers including Municipal Manager who attended at least 1 skill development training course during the financial year	7 = 100%	71,4%	1 position vacant
4	Percentage of managers in Technical Services with a professional qualification	100%	66,6%	1 position vacant
5	Percentage of municipalities that have adopted the Performance Management System within the district area		Performance Management System is in place	Electronic Management System is not yet operational
6	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5	100%	75,8%	

	year term			
7	Percentage of councillors who attended a skill development training within the current 5 year term	100%	45%	
8	Percentage of staff complement with disability	909	0,5%	5 people with a disability
	Percentage of female employees	909	39,8%	362
	Percentage of employees that are aged 35 of younger	909	40%	364

1.6 Major challenges and remedial action in regard to human resources and organizational management.

## **CHAPTER 2 : BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS (KPA 2)**

The Directorate Technical Services' envisages an area that is supported by an efficient and well-maintained service infrastructure network, which allows all citizens and stakeholders access to a growing base of innovative, safe, reliable and affordable services. Service delivery requires the provision of new services as well as the maintenance of existing services.

This vision rests on the following broad principles:

- In accordance with national policy commitments, and an agreed local definition of appropriate levels of service, extending a differentiated package of service that is fit for purpose, affordable and reliable;
- Extending and maintaining reliable and competitively priced services required by commercial and institutional consumers;
- Securing service delivery through well-designed, well-integrated and well-maintained supply, processing and distribution networks;
- Maintaining leadership in sponsoring and adopting innovative, yet locally relevant, technologies and delivery capabilities that enable new service offerings and ongoing efficiency improvement across all service areas; and
- Maintaining a regime of responsible service delivery regulation and stakeholder interaction.

The strategic objectives of Technical Services Department within Kouga is to have or reach universal coverage for basic infrastructure services and, at the same time, improve access to higher service levels for a larger portion of the population.

### **2.1 Water services**

#### **a) Water services delivery strategy and main role-players:**

- i) The Kouga Municipality has met the national water services targets for basic supply of 2008 and 2010. The Municipality now needs to ensure that they provide a sustainable and cost effective service to the consumers within their area of jurisdiction. The majority of Kouga's planned water services projects will be spent on bulk developments to be able to cater for an increasing demand in water services that can be described to seasonal variations and

economic growth. 100% of the planned water supply projects are bulk and 94% are bulk sanitation projects.

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

b) Levels and standards in water services:

- i) All the consumers within the Kouga Municipality receive water and sanitation at or above RDP standards. The Service Level Policy of Kouga states that all consumers will have access to higher levels of services. However, this service level policy should not only consider the level of services affordable within the LM, but also the existing capacity of water services infrastructure as well as water availability. New housing developments need to be included within the LM's service planning process.
- ii) Based on the Service Level Policy of Kouga Municipality to provide higher levels of services to all, a first order cost estimated indicated that Kouga requires R65,3 million to provide house connections to all (excluding bulk) and requires R202,7 million to provide full waterborne to all households. The total requirement is estimated at R268 million. The total MIG allocation for 2009 until 2011 is R235 million. The CIP indicates a water services development requirement of R173,4 million. It is therefore of utmost importance for Kouga to consolidate their total water services requirement in order to provide a total respective on their water services needs.
- iii) The main role players in water provision is seem to be the Local Municipality, the District Municipality, DWAF, and DLGTA, with the LM playing the major role. The other roleplayers mostly assist financially towards capacity building programmes to enhance the delivery of the planning process.
- iv) "Kouga Local Municipality has a duty to all customers or potential customers in its area of jurisdiction to progressively ensure efficient, affordable, economic and sustainable access to water services. And, every WSA must prepare a draft Water

Service Development Plan for its area of jurisdiction.” (The Water Services Act, Act 108 of 1997).

Bucket eradication

The target date for bucket eradication in formal areas in Kouga was December 2007, and this target was achieved in June 2006

Sewerage

- The backlog at existing waste water treatment works need to be eradicated and capacity provided to accommodate future housing developments
- Existing bulk/connector infrastructure requires upgrading to service and accommodate the increase in effluent generated by housing developments.

Stormwater

- 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 situation.

c) Annual performance as per key performance indicators in water services

	Indicator name	Total number of household / customer expected to benefit	Estimated backlogs	Target set for the financial year under review	Number of HH / customer reached during the financial year	Percentage of achievement during the year
1	Percentage of households with access to potable water	100	0	0	100	100



2	Percentage of indigent households with access to free basic potable water	100	0	0	100	100
3	Percentage of clinics with access to potable water	100	0	0	100	100
4	Percentage of schools with access to potable water	100	0	0	100	100

d) Major challenges in water services and remedial actions

- i) *Developing of a long term water provision master plan w.r.t. upgrading and rehabilitation of Bulk Infrastructure.* A consultant has been appointed to prepare the Master Plan.
- ii) *To establish contract and service level agreement with all appropriate service delivery roleplayers, i.e. Bulk Water Suppliers.* Negotiations with Gamtoos Irrigation Board and the NMMM are underway w.r.t. the supply of bulk water.
- iii) *Establishment of a customer service centre together with the establishment of a customer service charter.* The Municipality is in the process of identifying the different roleplayers together with roles and responsibilities.
- iv) *To comply in terms of the TMPS w.r.t. performance measurement against the eleven (11) National KPI's.* The Municipality is in the process of compiling the infrastructure to present to DWAF before the end of October 2009 to effect our assessment.

- v) *To obtain Blue Drop Certification is our major challenge.* The Municipality is presently gathering all the necessary information and documentation to submit for its assessment in 2010.
- vi) *To implement a water conservation / demand management strategy.* The Municipality has started the process by appointing a consultant to draft Water Management Plan and the implementation thereof.

The Municipality has a considerable backlog which currently stands at 10776 housing units. This can mainly be attributed to developments in Jeffreys Bay resulting in huge influx.

#### Backlogs in bulk infrastructure

##### Capacity: bulk infrastructure backlogs.

- Water reservoirs (Existing): 5,6 MI
- Waste Water treatment works(Existing) : 6,781 MI per day

##### Cost to eradicate existing backlog: bulk infrastructure

- Water reservoirs : R 6 m
- Water bulk/connector infrastructure : R 20 m
- Bore holes and Water treatment works : R 22 m
- Waste water treatment works : R 146,25 m
- Sewerage bulk/connector infrastructure : R 27 m (Sewer pump stations, rising main)

The Municipality has developed a Comprehensive Infrastructure Plan (CIP). In the first cycle of CIPs the emphasis is on Bulk infrastructure needs and backlogs. Projects and initiatives are identified to address the critical shortages, which is then used to define funding requirements.

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#### 2008/09 performance highlights

Some of the highlights achieved in the 2008/09 financial year in the provision and improvement of basic services included the following:

- Construction of Thornhill Waste Water Treatment plant: R3,7m (MIG funded)
- Hankey Water Reservoir: R3,8m (MIG funded)
- Oyster Bay Water Reservoir and Water Treatment Plant: R3,6m (MIG funded)
- Gill Marcus Taxi Route: R1,0m (MIG funded)
- Gill Marcus Water and Sewer Reticulation: R3,83m (MIG funded)
- Thornhill Internal Sewer Reticulation: R4,9m (MIG funded)
- KwaNomzamo Clinic: R1,4m (MIG funded)
- Wavecrest Internal Sewer Reticulation- 138 connections provided to erven to connect to waterborne sewer system: R 2m (Council own funds)
- Electrification of 500 houses in the Kouga area: R3,8m(DME Funding and Council counter funding)
- 22KV Overhead Line from 66/22KV sub-station to Apiesdraai (J/Bay): R1,5m(DME funding)
- 22KV Overhead Line from 22/11KV sub-station to Arcadia(H/Dorp): R1,5m(DME funding)
- 66/22KV ,10 MVA Transformer: R0,7m(DME funding)

## 2.2 Electricity services

### a) Electricity services delivery strategy and main role-players:

The Municipality is the registered Supply Authority for Humansdorp, Jeffreys 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 Bay Municipality.

The Electrical Department is headed by the Manager Electro-Technical Services, supported by three (3) Area Engineers with offices in Humansdorp, Jeffreys Bay and St Francis Bay. Their role in addition to planning is to manage the electricians and other staff responsible for the day to day operation of the electricity network and related construction work.

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 developments within acceptable 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 present consumer quantities are:

Town	Indigent households	Other households	Commercial / industrial	Totals
Humansdorp	3 137	1 649	371	5 157
Jeffreys Bay	1 678	7 172	619	9 469
St Francis Bay	352	1 451	93	1 896
Cape St Francis	0	499	7	506
Oyster Bay	52	224	10	286
Totals	5 219	10 995	1 100	17 314

b) Level and standards in electricity services

The aim is for the levels and standards for the provision of the electricity services to be in compliance with the requirements of the National Electricity Regulator (NER) and the quality of service and supply standards of NRS 047 & 048.

Annual reports in this regard have to be submitted to the NER based on information obtained from data loggers installed at various locations in the network.

Electricity is made available to all potential consumers in the areas for which the Municipality has a supply licence.

The target set by the Housing Department for the electrification of low cost housing / indigent households has been met. The target is revised annually in accordance with the demand and the necessary steps are taken to timeously complete the work. This includes applications to the Department of Minerals and Energy (DME) to obtain the necessary funding for both electrification and infrastructure upgrade. So far the Municipality has a 100% success record in meeting the requirements of DME and the targets set.

MIG funding is used for the provision of area / street lighting in low cost housing areas.

c) Annual performance as per key performance indicators in Electricity services

	Indicator name	Total number of household / customer expected to benefit	Estimated backlogs	Target set for the financial year under review	Number of HH / customer reached during the financial year	Percentage of achievement during the year
1	Percentage of households with access to electricity services	100% *	500 IH only	500 IH only	500 IH only	100% IH

2.	Percentage of indigent households with access to free electricity services	100% *	500	500	500	100%
3.	Percentage of clinics with access to electricity services	0%	0	0	0	0

*IH Indigent households*

*\*Total of 16 214 households of which 5 219 are indigent.*

d) Major Challenges in Electricity Services

•	Upgrade of infrastructure (primary network) to meet demand and finding the necessary funds through grants, etc.
•	Improve quality of supply and general service delivery.
•	Training of staff.

Remedial Actions

•	Master planning and stringent programs to implement upgrading measures.
•	Review of Augmentation Levy (contribution by new developments and existing consumers requiring upgrading of their supplies to augment the primary network) and consumption tariffs to meet capital program to upgrade infrastructure.
•	Appoint additional staff to monitor quality of supply and level of services, and enforce methods to rectify any deficiencies.
•	Staff to attend more training courses and to improve in-house training, particularly on safety aspects.

## 2.3 Sanitation

### a) Sanitation services delivery strategy and main role-players

- i) Based on the urban environment of the various towns the WSA provides a service, as well as through the IDP process, it has been agreed that the minimum level of sanitation for the Municipality would be waterborne sanitation for all its consumers.
- ii) Due to the current limited funding scenarios, all projects in the Municipality are implemented in a phased approach to facilitate the above internal reticulation. The above applies only to the low income consumer group.
- iii) Approximately 52.22% of the consumer units fall in this category and are mainly served with septic and conservancy tanks which are starting to have an adverse effect on the environment especially during peak season, with the additional load of the holidaymakers.

### b) Level and standards in sanitation services

- i) Four (4) levels of sanitation services are provided i.e. buckets only for the informal housing areas, 47,7% full waterborne, 37,1% with septic tanks/conservancy tanks and the next is digesters and or VIP's.
- ii) The following table sets out the current situation regarding sanitation within the Kouga Local Municipality:

Town	Type							
	Bucket	Conservancy tank	Nothing	Pit latrine	Septic tank	Small bore	VIP	Waterborne
Cape St Francis/ St Francis Bay	-	2398	-	-	-	-	-	633
Hankey	-	837	-	-	-	-	420	1782
Humansdorp	-	939	-	-	-	-	2010	2668
Jeffreys Bay	-	2140	-	-	1451	-	850	6915

Loerie	-	-	-	-		150	273	150
Oyster Bay	-	-	-	-	533	-	-	-
Patensie	-	808	-	-	-	-	120	-
Thornhill	-	-	-	-	450	-	210	-
Total	-	7122	-	-	2430	150	3883	12148

iii) 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 table, 47,2% of the consumer units are already serve with full waterborne/small bore sanitation, and 37, 13 % 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 his higher level of sanitation be provided.

c) Annual performance as per key performance indicators in sanitation services

	Indicator name	Total number of household / customer expected to benefit	Estimated backlogs	Target set for the financial year under review	Number of HH / customer reached during the financial year	Percentage of achievement during the year
1	Percentage of households with access to sanitation services	4938	40%	60%	80%	20%

d) Major challenges in sanitation services and remedial actions

i) *The establishment of a Sanitation Master Plan encapsulating the future Back Sanitation Infrastructure Upgrading and Rehabilitation.* The Municipality is in the process of appointing a consultant to perform the duties.



- ii) *Address backlogs w.r.t. waterborne sanitation to all households (replace conservancy tanks, VIP's and septic tanks) through future capital projects.* Provision of sewer internal networks is provided for in the budget and will be implemented in phases in certain areas.
- iii) *The re-registration and licensing of Waste Water Treatment Plants in the area.* Regulatory requirement, awaiting the application forms from DWAF.
- iv) *The Major challenge at this point in time is to achieve green drop status certification.* The Municipality is in the process of consolidating information for the classification of plans and operators to establish a database for reporting on the chemical analysis of sewerage effluent discharges.

## 2.4 Road Maintenance

### a) Road maintenance services delivery strategy and main role players

- i) Council's responsibility towards maintenance of roads is that of achieving goals set as KPI standards.
- ii) Whilst the objective is to ultimately have tarred roads in all formal residential areas, the backlogs is to great in terms of the affordability thereof to be able to achieve that goal within the next 15 years.
- iii) Kouga LM delivers the following roads maintenance services
  - Pothole repairs
  - Gravel existing roads
  - Re-gravel existing roads
  - Resealing of existing tarred roads.
- iv) Council has also embarked on a road paving project (continuous) whereby 1km of road is going to be paved each year in seven of the wards. The project has kicked of in 2008/09 with a budget of R4,0 million.

v) Grading of gravel roads and the re-gravelling of roads is sourced out by the municipality due to the lack of equipment. Therefore must less kilometers of roads can be attended to during a financial year.

b) Level and standards in road maintenance services

i) The standard of roads maintenance in all areas in the Kouga is the same whether it be re-gravelling or resealing or pothole repair, the standard and quality is the same.

ii) 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.

iii) Low level access to road maintenance services are done through complaints register kept at each Admin. Unit.

iv) High level access is accommodated through community participation at budget meetings.

vi) The resealing and paving of roads is prioritized by ward participation through ward councilors.

A Roads Paving Project was launched by the Kouga Council in 2008 with the aim of creating work opportunities through the EPWP principle.

- The Budget allocation was R4,0m from Council's own funds
- Local residents were trained in paving, kerb-laying and site supervision
- 81 work opportunities have been created through the project since August 2008, with employment being provided for more than 3 months on average

The following roads were paved:

- Govan Mbeki : 3648 m2 (Jeffreys Bay)
- Vaaldam access road : 2850 m2 (Humansdorp)
- Weston : 1712 m2
- Hobson street(Arcadia-Humansdorp): 880 m2 Roll over project
- Mjakulu(Kwanomzamo- Humansdorp): 1143 m2 Roll over project
- Renonkel Street (Phillipsville Hankey) : 2123 m2

c) Annual performance as per key performance indicators in road maintenance

	Indicator name	Total number of household / customer expected to benefit	Estimated backlogs	Target set for the financial year under review	Number of HH / customer reached during the financial year	Percentage of achievement during the year
1	Percentage of households without access to graded roads	100	13589	500	100	20%
2.	Percentage of road infrastructure requiring upgrade	100	100	0	0	0
3.	Percentage of planned new road infrastructure actually constructed	100	100	0	0	0
4.	Percentage of capital budget reserved for road upgrading and maintenance effectively used	100	100	0	0	0

- d) Major challenges in road maintenance and remedial actions
- i) In the absence of a road pavement management system the categorization of roads according to their remaining life span, has not been concluded on a scientific basis. We therefore do not possess the information to do strategic future planning w.r.t. timeous identification of road maintenance. The Municipality must appoint a consultant to draft a permanent management plan.
  - ii) To reach the different targets set for the reseal, tar and paving of roads as part of the yearly maintenance of tarred roads and to perform within our KPI's.

## 2.5 **Waste Management**

a) Waste Management services delivery strategy and main role-players

The Municipality is applying the side walk collection system in some areas. Wheelie bins are provided in some areas and 3 black bags are collected per households. The Municipality also do waste disposal at two permitted waste sites.

Illegal disposal of waste occurs within all wards of the Kouga Municipality. The impact of the weekly collection programme of domestic waste hardly impacts on the illegal disposals. 6 m<sup>3</sup> skip bins were placed in Jeffreys Bay, St Francis Bay and Humansdorp. The Municipality is making use of Tipper Trucks and TLB's to remove refuse to the landfill sites. The lack of a proper by-law system on sold waste prohibited policing on the indiscriminating of illegal waste disposal activities.

b) Level and standards in waste management services

The Municipality is delivering the equal standard throughout the Kouga area and also collect business waste. The Municipality have a standard or equal waste tariff for domestic waste. Business waste is classified into small, medium and large businesses.

c) Annual performance as per key performance indicators in waste management services

	Indicator name	Total number of household / customer expected to benefit	Estimated backlogs	Target set for the financial year under review	Number of HH / customer reached during the financial year	Percentage of achievement during the year
1	Percentage of households with access to refuse removal services	100%	20%	20%	80*	80%

d) Major challenges in waste management services and remedial actions

2.6 **Housing and town planning**

a) Housing and town planning services delivery strategy and main role-players

The Department of Planning and Development provides both land and housing services for the purpose of Spatial Planning, Housing Development and other regional planning activities. It further intends to provide the ordering of activities to maximize the efficient functioning of towns and regions of the Municipality to social and economic advantage of the communities.

Human Settlement is the competency of Provincial Government in terms of the Constitution, both for funding and support. However, co-operation and co-ordination between all spheres of Government and all directorates within the Municipality is critical to ensure provision of water, electricity and infra-structure.

b) Level and standards in Housing and town planning services

The estimate informal human settlement demand database is illustrated below:

AREA	TOTAL
Ward 1	1410
Ward 2	2140
Ward 4	2000
Ward 5	860
Ward 6	860

Ward 7	910
Ward 8	680
Ward 9	1840
Ward 10	740
<b>Total</b>	<b>11440</b>

The Municipality appointed a Service Provider to prepare an inclusive and integrated Human Settlement Policy Framework to address all Human Settlement challenges within the turn around strategies of the Provincial Human Settlement Department.

Approval for the implementation of Pre-Planning Activities for 10 x Human Settlement Projects have been received from the Provincial Department.

This application was based on the principles of the Breaking New Grounds objectives and the piloting is in line with the governments strive to eradicate all informal Human Settlements by 2014.

The following settlements will be catered for:

<b>AREA</b>	<b>TOTAL</b>
Ward 1	2000
Ward 2	220
Ward 4	2500
Ward 5	139
Ward 6	400
Ward 7	586
Ward 8	1500
Ward 9	990
Ward 10	278
<b>Total</b>	<b>8613</b>

#### **Mayor developments**

<b>AREA</b>	<b>NAME</b>
Jeffreys Bay	Eya Bantu
Humansdorp	Zwartenbosch Golf Estate

c) Annual performance as per key performance indicators in housing and town planning services

	Indicator name	Total number of household / customer expected to benefit	Estimated backlogs	Target set for the financial year under review	Number of HH / customer reached during the financial year	Percentage of achievement during the year
1.	Percentage of households Living in informal settlements	10770	8613	2210	774	72%
2.	Percentage of informal settlements that have been provided with basic services					75%
3.	Percentage of households in formal housing that conforms to the minimum building standards for residential houses					89%

d) Major challenges in housing and town planning services and remedial actions

The Housing Department faces a challenge with regard to the Environmental Impact Assessment requirements and shortage of bulk service. Land for development is limited in the Kouga Area and opportunities to acquire land from private owners must be explored. Land identification processes should be undertaken on a ward base as per our approved Spatial Development Framework. Two project managers and various consultants have been appointed to drive the process of doing pre-planning for 10 new housing projects. The 10 x new housing projects will see the construction of 8613 housing units of which 2000 will be developed in line with the Breaking New Grounds Policy Framework. Our goal is also to see that SMME's and local builders be empowered and to familiarize themselves with supply chain procurement processes.

## 2.7 Spatial Planning

### a) Preparation and approval process of SDF

The Council is in the process of consolidating the Spatial Development Framework of all the administrative units into one Policy Document, which will include all spatially-based policy guidelines whereby land use charges, needs and growth in this region can be managed in an orderly fashion to the benefit of the whole community.

The Department is also embarking on a similar process to review the Town Planning Scheme of all areas in the Kouga region in order to adjust to new developments.

### b) Land Use Management

Land use management is done in accordance with legislation requirements (e.g. Ordinance, Zoning Scheme Regulations, Building Standard Act, Municipal By-laws and other applicable legislation).

Approved Building Plans	-	610
Rezoning Applications approved	-	47
Sub-divisions approved	-	51
Departures approved	-	14
Consent Uses	-	112

### c) Major challenges in spatial planning services and remedial action

A challenge is to refine the existing Spatial Development Framework and to integrate and amalgamate the St Francis Bay, Jeffreys Bay, Humansdorp, Gamtoos and GamKab SDF. Proper land use planning in Kouga area is lacking and in some cases outdated. The absence of proper planning guidelines therefore necessitates the preparation of a detailed SDF for the area to manage future land use. The Local Government, Municipal Systems Act, 2000 (Act 32 Of 2000) and its Regulations required all local authorities to prepare Spatial Development Frameworks. Demand for development in the urban areas and specifically along the coast is putting pressure on existing scarce resources and sustainability of the region and environment. Sustainability of natural and man-made environment is of critical importance for long term land use, management and effective development.



## 2.8 Indigent policy implementation

### a) Preparation and approval process of the indigent policy

Draft Indigence Policy in place.

### b) Implementation of the policy

The successful implementation of this policy depends on affordability and the social analysis of the area as should be reflected in the municipality's IDP.

## 2.9 Overall service delivery backlogs

Basic service delivery area	30 June 2008			30 June 2009		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Water backlogs (6kl/month)						
Backlogs to be eliminated (% total HH identified as backlog /total number of HH in the municipality)	1000	50%	100%	500	100%	In process
Spending on new infrastructure to eliminate backlogs (R000)	4 million	4 million	100%	5,35 million	5,35 million	In process
Spending on renewal of existing infrastructure to eliminate backlogs (R000)	R7000000	R7000000	100%	1,9 million	1,9 million	In process
Total spending to eliminate backlogs (R000)	R3800000	R3800000	100%	R3950000	R3950000	In process
Spending on maintenance to	R3006950	R3006950	100%	R3557000	R3557000	In process

ensure no new backlogs (R000)						
<b>Electricity backlogs (30KwH/month)</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>
Backlogs to be eliminated (no of HH not receiving the minimum standard service)	1000	500	500	500	500	In process
Backlogs to be eliminated (% total HH identified as backlog /total number of HH in the municipality)	1000	50%	100%	500	100%	In process
Spending on new infrastructure to eliminate backlogs (R000)	4 mil	4 mil	100%	5,35 mil	5,35 mil	In process
Spending on renewal of existing infrastructure to eliminate backlogs (R000)	R7000000	R7000000	100%	1,9 mil	1,9 mil	In process
<b>Sanitation backlogs</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>
Backlogs to be eliminated (no of HH not receiving the minimum standard service)	300 000	50%	100%	300 000	100%	In process
Backlogs to be eliminated (% total Reasons:	30%	70%	100%	100%	100%	In process

HH identified as backlog /total number of HH in the municipality	unfavourable weather conditions, unproductive staff, increase in informal settlements, shortage of buckets					
<b>Refuse removal</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>
Backlogs to be eliminated (no of HH not receiving the minimum standard service)	4 million	50%	100%	4 million	100%	In process
Backlogs to be eliminated (% total HH identified as backlog /total number of HH in the municipality)	30% Reasons: Increase in informal settlements shortage of resources, weather conditions	70%	100%	100%	100%	In process
<b>Housing and town planning</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>
Backlogs to be eliminated (no of HH not receiving the minimum standard service)	10 000	5000	5000	5000	5000	In progress

Backlogs to be eliminated (% total HH identified as backlog /total number of HH in the municipality	10 000	50%	100%	5000	100%	In progress
Spending on new infrastructure to eliminate backlogs (R000)	20 000 000	20 000 000	100%	20 000 00	15 000 000	In progress
Spending on renewal of existing infrastructure to eliminate backlogs (R000)	6 500 000	6 500 000	100%	6 500 000	6 500 000	In progress
Total spending to eliminate backlogs (R000)	30 000 000	30 000 000	100%	20 000 000	20 000 000	100%
Spending on maintenance to ensure no new backlogs (R000)	500 000	500 000	100%	500 000	500 000	In progress

## **CHAPTER 3 : MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK – KPA 3**

### 3.1 Brief presentation of LED strategy/plan

The LED Strategy was compiled in 2005.

Since, the Kouga Municipality was informed that DPLG will fund the review of the LED Strategy amounting to R418, 000. The funds were transferred to CDM. The Kouga Municipality has gone out on tender for the review, and is currently busy with the Supply Chain procedures to appoint the preferred Service Provider.

### 3.2 Progress towards achieving the LED key objectives

#### a) Improve market and public confidence

LED is a participatory planning process involving all relevant stakeholders that bring different interests and resources to the LED process and provides a basis for formation of networks. This enhances the flow of information, increases trust and increases the responsiveness and competitiveness.

Hereunder the various tools used to create market and public confidence in the Kouga:

The LED Unit has compiled a Video to market the Kouga Municipal Area. This video was taken to Ubatuba, Brazil on visit by the Mayoral Committee and Officials in June 2009.

A Kouga Tourism Website and Brochures have been compiled to market the area as a tourism destination. Five tourism offices in the Kouga Region receive grant-in-aid from the Kouga Municipality to serve as tourism information offices. The Kouga Tourism Forum has been established consisting out of the five tourism offices and business to market and promote tourism development and to implement the Tourism Strategy.

Further marketing of the area are as follows:

- Advertising in the Foreign Trade Magazine.
- Advertising on TV: 'Ontbytsake'
- Advertising in various Magazines and National Tourism Brochures.
- Joint tourism advertising in conjunction with Cacadu District Municipality
- Facilitation of various Festivals and Events, i.e. Shell Festival

- Hosted the Bafana Bafana Legends, who also did a tour of the area and facilitated soccer training for youth.

Intergovernmental Relations of the Kouga LED Unit ensures effective service delivery thus creating public confidence. We have relations with the following government sectors:

- DEDEA: Funding support for the Kouga Cultural Centre
- Cacadu District Municipality: Tourism development, general LED Development, 2010 Development and Kouga Development Agency.
- Department of Agriculture: Various agricultural Projects
- Nelson Mandela Metro: 2010 Development
- Department Arts and Culture: Sarah Bartmann Development
- SAHRA: Sarah Bartmann Development
- Department Social Development: Various projects implemented in the Kouga Municipal Area.
- SEDA: Has a permanent office in the Kouga Municipal Area who we interact with on a regular basis.
- DPLG: Assistance with the review of the LED Strategy and monitoring of annual reports.
- Department Roads and Transport: Revival of the narrow gauge line, stock and stations.
- Department Water Affairs: Hankey Siphon Project
- National and Provincial Treasury: Kouga Cultural Centre PPP Process.
- COSMEC: Training for SMME's
- Umsobomvu Youth Fund: Training for SMME's
- TEP Business Trust: Training of SMME's

Multi stakeholder LED Institutional Arrangements is available in the Kouga Municipal area as indicated below. These institutions supports LED with joint planning, facilitation and implementation of LED programs which contributes to dialogue, trust and public confidence.

- Kouga Development Agency: Developing a certain piece of land in Jeffreys Bay;

- Kouga Tourism Forum: Tourism Development
- Emerging Farmers' Association: Agricultural Development
- Kouga Business Chamber and Kouga Black Chamber of Commerce: Business Development
- Meetings with SMME's in the various Wards to facilitate their growth.

b) Comparative and competitive advantages for industrial activities

The competitive advantages of Kouga as far as industrial activities are concerned are the following:

- International and National Industrial Industries and Exports :
  - Export citrus especially from the Gamtoos Valley where various pack houses are located.
  - Calamari industry, with various factories in Humansdorp.
  - Cricket Bat Manufacturing
  - Clothing Manufacturing
  - Yacht Building
- Local and National Industries and Exports
  - Citrus, tobacco, calamari, fish, milk and milk products
- Various smaller and light industries are found in the industrial areas of Humansdorp, St Francis Bay and Jeffreys Bay

The challenge currently facing the LED Unit is to get the latest relevant information of various industries in our area, their successes and challenges and how they impact on the general economy.

e) Enterprise development

Strengthening existing local enterprise:

The LED Unit assists with enterprise support and the provision of business development services to improve the quality of small business management through the provision of business training and advice which are linked to productivity and skills development.

Ninety (90) SMME's received certificates on 11 June 2009 for skills training which was facilitated through the LED Unit for the 2008/2009 financial year. Training was done in the following;

- How to start your own business;
- Tendering processes;
- Business Awareness;
- Budgeting, etc.

The SMME/Business Officer and Rural and Agricultural Officer in the LED Unit assist entrepreneurs on a daily basis with queries and information. Regular outreaches to SMME's in all Wards of the Kouga strengthen enterprise development and makes information more accessible for those who do not have transport. Monitoring is done on various government programs to ensure that SMME's are employed in the larger projects, i.e. the Hankey Siphon Project.

The Supply Chain Process of the Kouga Municipality also underwrites the support of SMME's, yet this is an area where improvement is required.

#### Promoting enterprise start-ups and emerging entrepreneurs.

Supplier development and outsourcing is done through various festivals, meetings and events, as well as the EPWP, i.e. supplying food at meetings and events, performing at events and working on roads and other related projects

The SEDA Office established in the Kouga Cultural Centre in Humansdorp further assists entrepreneurs with registration of businesses, business planning and general support.

#### Attracting new investors

The LED Unit had an Investors Conference in October 2008 whereby investors were invited to present their development proposals on municipal land which is available. This includes programs i.e.

- Agricultural and Aqua Cultural Development
- Game Farming
- Manufacturing
- Tourism Projects
- The upgrade of Jeffreys Bay Old Town Precinct.
- Private Schools, crèches and Social Amenities in the Township.



By the end of the financial year the LED Unit could not take this initiative further due to the fact that land policies and information regarding leases of municipal land have not been finalized. The LED Unit is looking forward to this initiative as it could bring new investors to the area as well as strengthening empowerment and BEEE.

Investigations for twinning with Ubatuba in Brazil have also been embarked on by the Mayoral Committee and Officials of Council, and is planned to take place in July 2009.

An investment promotion CD of the Kouga Municipal Area was compiled to use as an investment tool.

Various other investors who financially supported infrastructure development of roads, storm water, electricity and sewer upgrade include The Fountains Mall as well as various other estate developments.

The Billabong International Pro is an annual surfing event that is hosted at Jeffreys Bay, This has attracted many overseas surfers to invest in Jeffreys Bay on an ongoing basis.

f) Social investment program

With the social investment program we work in close proximity with the various state departments i.e.

- Department Social Development: Sewing, beadwork, jewellery, brick making and food gardens projects.
- Department Agriculture: Food gardens, chick and live stock projects.
- We hosted the Bafana Bafana Legends who assisted with training of the youth.
- Various sport development programs were sponsored and facilitated i.e. soccer and rugby.
- Savings and Lending project which has started in Tokyo Sexwale and Ocean View in Jeffreys

The Kouga Municipality is currently investigating the establishment of a High School in the area.

Jobs created through social investment programs were:

	Jobs created	Women and youth
Cleaning of township	49	49
Tourism events (Shell Festival, Gospel Festival, Talent Search, etc.)	250	200
Kouga Cultural Centre : Repairs	4	0
Sarah Bartmann Launch of Agricultural Design	350	300
Masimanyane Brick Making Project	5	0
DWAF Siphon Job Creation and Training	75	101
Farming projects (8)	42	32
Rural Development : paving project	145	0

3.3 Challenges regarding LED strategy implementation

The current challenges that face LED in the Kouga Municipal Area are:

- Lack of Tourism Staff in LED
- Lack of a Research and Planning Unit for LED
- Lack of Museums and Heritage Officer.
- Transfer of some functions from Social Development to Local Economic Development i.e. Museums and Heritage, and the appointment of an Officer to assist with the aforesaid.
- More staff to attend the LED NQF Level 5 Training.
- Final approval of the NQF Level 6 by THETA in order for Local Government Officials to attend the aforesaid training.
- Lack of general understanding in Local Government of the National Framework of LED and the objectives of LED at Local Government Level.
- Improving interdepartmental communication in a Local Authority, due to LED's cross cutting issues.

## **CHAPTER 4 : MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT – KPA 4**

### 4.1 The audited financial statements

The financial statements are still being audited by the Auditor-General.

### 4.2 Budget to actual comparison

**Revenue:** Budget – R324 755 750      **Expenditure:** Budget – R324 755 750

Actual – R362 500 395

Actual – R311 156 891

### 4.3 Grants and transfers' spending

Grant details			01/04 to 30/06		01/07 to 30/09		01/10 to 30/12		01/01 to 30/03		01/04 to 30/06		total	
Project name	Donor name	BF amount	Rec.	Spent	Rec.	Spent	Rec.	Spent	Rec.	Spent	Rec.	Spent	Rec.	Spent
	NT		750000	371004		318403		12414		37204			750000	853025
	DLGH		400000	57249		32804		13159		335812			400000	439029
	DME				5000000	1925113		1601256		1768711			6000000	5295080
	DLGH & TA			3716605	5187000	9942206		6027609		3727609			24752999	18414370

### 4.4 Meeting of Donor's requirements in respect of conditional grants

All conditions for conditional grants were met.

### 4.5 Long term contracts entered into by the municipality

There were no long term contracts entered into by the municipality during the 2008/09 financial year.

#### 4.6 Annual performance as per key performance indicators in financial viability

	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1.	Percentage expenditure of capital budget	R107 193 3431	R105 185 992	%
		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
2.	Salary budget as a percentage of the total operational budget	35%	39%	39%
		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
3.	Total actual trade creditors as a percentage of total actual revenue	-	-	7,28%
		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
4.	Total municipal own revenue as a percentage of the total actual budget	80,31%	75,07%	75,07%
		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
5.	Rate of municipal consumer debt reduction			
6.	Percentage of MIG budget			

	appropriately spent			100%
7.	Percentage of MSIG budget appropriately spent			100%

4.7 The Audit Committee functionality

The Audit Committee is fully functional.

4.8 Arrears in property rates and service charges

R446 481,75 as at 30 June 2009.

4.9 Anti-corruption strategy

The Anti-corruption strategy is in the development stage, however an independent risk manager was appointed with 2 risk officers.

## **CHAPTER 5 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

### **5.1 Overview of the Executive and Council functions and achievements**

The Kouga Municipality is committed to participatory democracy. Consultation is an ongoing process with clearly defined legally required deadlines in terms of the preparation of the Integrated Development Plan, Budget and Tariffs and all matters which affect the community.

The Corporate Services Directorate provides secretarial and support services to the Council, Mayoral Committee, Standing Committees, Ward Committees, Western District Audit Committee and a number of sub- and ad-hoc committees. These services include the arrangement of meetings, compilation of agendas, printing and distribution of agendas, minute taking and monitoring the implementation of council resolutions. A system for the monitoring of council resolutions is done through Action Sheets which are closely monitored by the Municipal Manager.

The department also provides strategic management and administrative support to all departments in the municipality. Other functions include recordkeeping, housekeeping, communication, property management and auxiliary services.

**Office of the Speaker:** The Office of the Speaker has its key objectives to ensure:

- The transformation of the government model of the municipality to incorporate best practice in:
  - separation of executive, legislative and political powers;
  - public participation in the determination of Council's priorities and focus;
  - Governance and protocol.
- The local democratic process is recognized as legitimate by the communities through their ongoing participation;
- Building a viable and sustainable participatory process through the development of a citizenship culture and building the capacity of role players to participate effectively;
- Building an effective, efficient, co-operative and transparent institution in order to fast track the implementation of the municipality's strategic agenda;
- Ensuring the accountability of government through effective oversight and scrutiny; and

- Strengthening the capacity of the Office of the Speaker and its staff to deliver exceptional value to the internal and external customers.

The Speaker is also responsible for developing, leading and directing strategic programmes for councilor support and capacity building. This entails the empowerment of councilors, support services and wellness programmes. In essence the two main performance areas for the Speaker are:

- Training and Development
- Compliance and Support Services.

**Meetings of the Council:** A total of 70 meetings were held during the period 1 July 2008 to 30 June 2009. 1 (One) Extra Ordinary Council Meeting were held, specifically for the State of the Town Address by the Executive Mayor.

5	Council Meetings
1	Extra Ordinary Council Meeting
14	Mayoral Committee Meetings
8	Standing Committee Meetings
1	Joint Standing Committee Meeting
3	Western Cluster Audit Committee Meetings
16	Ward Committee Meetings
11	Oversight Committee Meetings
11	Sub-Committee and Ad-hoc Meetings

## **Integrated Development Plan**

The value of an IDP is embedded in the formulation of focused plans that are based on community-based developmental priorities towards curbing wasteful expenditure and perpetual past spending patterns, and thus ensuring effective allocation and spending of scarce resources.

In fulfilling the developmental role outlined in Section 153 of the Constitution, Council had structured and managed its planning, budget and administration processes to give priority to the basic needs of the community and to promote the socio-economic development of the community. These processes have been aligned with programmes in other spheres of government and have been aimed at the optimization of available resources to alleviate poverty and promote sustained economic and social development.

As in terms of the Municipal Systems Act (Act 32 of 2000) our municipality undertook an IDP process to produce five year IDP with legal status that supercedes all other plans that guide all development at Government level. The IDP that was formulated was the first edition of the second generation of an IDP for the period 2007 to 2012.

At an Ordinary Council meeting held on the 28 May 2009, In accordance with the provision of Section 32 of the Municipal Systems Act (MSA) of 2000, Council complied in developing its strategic plan for the next five financial years i.e. 2009/2010 – 2011/2012.

Critically, to the development of the IDP and in compliance with Chapter 4 of the aforementioned policy the municipality intensively engaged its communities in three ward public engagements and hearings in a form of IDP ward base analysis during the period September/October 2008. A Mayoral Imbizo was held during November 2008 with the purpose of assessing community needs, coupled to that were four representative forum meetings.

The Council has identified the following 5 year development objectives which are to be reviewed annually:

- Infrastructure and Services



- Socio Economic Development
- Institutional Transformation
- Good governance and Public Participation
- Financial Viability and management

The municipality resolved in consultation with the representative forum to tackle the aforementioned objectives by focusing on the following strategic areas:

1. Breaking new grounds in Housing delivery
2. Improving Institutional commitment to LED
3. Delivering, maintaining and managing social infrastructure and services
4. Developing a reputation for good governance and service excellence
5. Unqualified Audit Report

The Council had ensured that it operated within the adopted credible IDP and in response to the national targets, successfully focused on operating within the following Key Priority Areas namely:

- **Infrastructure and Basic Services**
- **Socio-economic Development**
- **Institutional Transformation**
- **Good Governance and Public Participation**
- **Financial viability and Management**

The Municipality in its operation within its KPA and for an improved service delivery had intensely the focused scope on the following Key Strategic Focus Areas namely:

1. Breaking new grounds in Housing delivery
  - Transparency, fairness and effective management system in the allocation of houses
  - Addressing rectification processes and quality issues of existing and future schemes
  - Land allocation for housing developments contribute to the concept of sustainable human settlements, the integration of communities and density targets

- Create possibilities for home owners to expand / improve their existing properties or relocate to affordable housing schemes as their financial position improves
- Accelerating housing developments as a contributing force towards poverty alleviation and economic development / job creation
- Unblocking bottlenecks that slow down delivery e.g. provincial allocations and National Home Builders Registration Council (NHBC)
- Internal joint planning and alignment with regard to infrastructure requirements and constraints

2. Improving Institutional commitment to LED

- Address the Internal Capacity of the LED unit (one person)
- Development of a focus municipal LED strategy that considers the resource / institutional limitation
- Reviving inter-departmental commitment, strategies and reporting on matters of LED
- Intergovernmental relationships & partnerships to increase the resource base
- Involvement of the business community and other critical stakeholder in dialogues and strategies
- Consistent flow, analysis and knowledge creation of reliable economic data
- Corporate responsibility / procurement policy.

3. Delivering , maintaining and managing basic infrastructure and services

- Prioritization framework that offers transparent feedback to communities regarding infrastructure expectations that considers:
- Existing (guaranteed) streams of funding
- Identification of reliable baseline information (backlogs / most severely affected)

- Re-alignment of resources to the core powers and functions (as per Constitution)
  - Development of institutional arrangements e.g. sports codes / committees that can share the burden of maintenance and caretaking of existing assets
  - Public- Public or Public-Private Partnership in meeting the financial requirements of both new services and the upgrade or maintenance of existing services
  - Exploration of alternative forms of service delivery to maximize the principle of less for more whilst maintaining quality
4. Developing a reputation for good governance and service excellence
- Customer Satisfaction – entrenchment of Batho Pele
  - Public Participation and related Communication requirements among ALL stakeholders
  - Education of all stakeholders regarding the roles, responsibilities and legislative guidelines of developmental local government (getting the system to work better / increasing the competence of all parts in the system)
  - Intergovernmental Relations – unlocking partnerships that benefit local communities
  - Exhibit Transparent Leadership & Management practices including effective performance management

#### **Representative forum**

The Representative Forum consisted of executive mayor as the chairperson, speaker, chief whips, ward and portfolio councillors, municipal manager, directors, IDP manager, CDW's, the Kouga Development Agency, ward committee members, interest and civic groupings such as rate payer's organizations, NGOs, CBO's, business forum and sector departments etc.

In response to the MEC's comments on the composition of the Representative Forum, it is worth noting that not only was the Forum constituted of community leaders, Ward committees, pressure or organized groups etc. There was also the involvement of regional sector departments and municipal entity representatives.

### **Sector Alignment**

Some of the critical engagement issues were identified during the ward committee discussions and community meetings as there include:

- Districts and Provincial Clinics that are not delivering satisfactory services e.g. poor conditions in terms of facilities and medication, staff and ambulance are always inadequate. (Department of Health)
- Recreational facilities are not complete (Department of sports, recreation, arts and culture)
- Areas service by Eskom experience challenges than municipal serviced areas (ESKOM)

Our directorates in their operations with Sector departments in ensuring the alignment facilitated effective systems, processes and procedures that ensured cooperation of different role players. Issues of mutual interest include policy formulation; planning, monitoring, support and delivery have been achieved.

## **5.2 Public participation and consultation**

The municipality strives to build a good relationship between the Council and communities. Unfortunately there are areas of strained relations. The Mayor holds Imbizo's at least twice a year. Public Meetings are held regularly. Public Participation is intensified during the adoption of the IDP/Budget and Oversight period.

The Ward Committees do present problems but all these Public Relational issues will be discussed at a summit to be held within two weeks – Councilors and Directors.

The participation of Traditional Leaders, especially the Khoi-San people is very good. The Municipality has also launched a Sara Baartman project.

- Public Meetings on the Community Based Plan were held during 13 September – 18 October 2008. The process was successfully followed but we lacked in terms of the end result.
- Mayoral Imbizo's were held in all areas in the Kouga from 22 – 29 November 2008.
- Public Participation meetings were held from 18 – 21 May 2009.

Participation Levels: Internal and external Institutional Structures do exist to improve on the level of participation and level of understanding on the relevancy of IDP as a strategic Plan for Municipal operations - planned is the IDP training for councilors, ward committees and representative forum.

### 5.3 Ward Committees' establishment and functionality

The state of Ward Committees in the Kouga is unfortunately not favorable at all.

There are 10 (ten) wards in the Kouga Municipal region and only 3 (three) are functional:

Ward 1	-	Clr B Rheeder	-	Fully functional
Ward 2	-	Clr R Dennis	-	Not functioning
Ward 3	-	Clr N Botha	-	Fully functional
Ward 4	-	Clr B Rollison	-	Not functioning
Ward 5	-	Clr Camealio-Benjamin	-	Not functioning
Ward 6	-	Awaiting by-election after the demise of Clr Swepu		
Ward 7	-	Clr F Lloyd	-	Not functional

Ward 8	-	Clr M Ungerer	-	Fully functional
Ward 9	-	Clr M Tshume	-	Not functioning
Ward 10	-	Clr G Mbandana	-	Not functional

Difficulties experienced regarding Ward Committees are the times of the meetings and transport to get the members to the meetings. Most Wards do not have a schedule of meetings planned. The Municipality has established offices for the Ward Councillors, they have Ward coordinators, secretaries and the offices are well resourced. Two Ward Committee induction sessions have been organized by the Municipality.

#### 5.4 Community development workers performance monitoring

The relationship between the Administration, the Office of the Speaker and the CDW's of Kouga is in very good standing. The CDW's have their weekly meetings at the Municipal offices and are being assisted in various ways:

- Use of computers
- Fax facilities
- Telephone facilities
- Photostat facilities
- Transport to meetings where possible
- Drafting of letters
- Typing of minutes when requested to do so
- Assisting with organizing events or programs in the different wards
- Loud hailing in the different wards

In return the CDW's are always willing to assist the Administration in the following manner:

- When public meetings are being held by creating awareness of meetings
- Motivating the communities to participate
- Informing the public on various issues

- Distributing pamphlets when requested to do so.
- Attending all public meetings
- The CDW's have even assisted with the recording of minutes at public meetings when scribes were not available

Furthermore, they play a big part in communicating problems experienced by the communities to the Municipality thus ensuring that these issues can be addressed. This assists with building a better relationship between the public and the Municipality.

Some of the CDW's have launched events in their wards like the "Open Flame and Paraffin" campaign in Ward 1 where the community was informed on the dangers of fire, how to prevent them and alternative options available. This assists the various Departments of the Municipality like Disaster Management by making their work load lighter.

A challenge with the CDW's is office space but the Office of the Speaker together with the Director Corporate Services is attending to this matter.

#### 5.5 Communication Strategy

The Communication section is responsible for the provision of internal and external communication strategies. This includes media liaison, stakeholder relations, event management, marketing and advertising.

The first draft of the Kouga Municipality Communication Strategy was tabled to the Council on 28 August 2008. The Communication Strategy is in the process to be workshopped and submitted to the Council for final adoption.

#### 5.6 Intergovernmental Relations

In terms of the Intergovernmental Relations Act municipalities are expected to implement the principles of cooperate governance and to interface on a regular basis. On the 30<sup>th</sup> of October 2009 Kouga Municipality held a very successful and informative IGR session at Mentors Kraal in Jeffreys Bay. Key lessons learned from this gathering are:

1. The importance of working together with other sector departments especially with regard to integration and alignment of IDP projects with sector departments budget plans.
2. The provisions of the Municipal Systems Act particularly the Chapter dealing with integrated planning and community involvement.

#### 5.7 Legal Matters

The legal services section provides a comprehensive legal support service to the department through the provision of legal opinions, advise, assist with legal drafting, litigations, the implementation of the Promotion to Access to Information Act (Act 2 of 2000) as well as the Promotion of Administrative Justice Act (Act 3 of 2000). The section is also responsible the drafting of by-laws, policies and procedures for the municipality and the implementation, monitoring and evaluation thereof. The section is also responsible for all leases and contracts of the municipality.

In order for the legal services section to run efficiently, we need to co-ordinate the fragmented legal services. This will further ensure that the various, sometimes private service is utilized to enhance our internal skills and expertise. We are beginning to move from utilizing outside consultants towards building a more efficient service.

Our immediate challenge currently is to review and amend:

- Water Services By-law
- Municipal Policies
- 2010 FIFA By-laws

This mandate was submitted to, and formally approved by, all participating managers and directors thereby establishing the legitimacy of the process. The Corporate Services in its extension of its mandate had to deal with the implementation of the Promotion of Access to Information Act and Promotion of Administrative Justice Act. These two pieces of legislation are the window for our communities to see what we are doing inside. At times they presented challenges to the proper functioning of this administration.



Contrary to the known practice of using consultants on anything, our legal department (within constraints), is utilizing and consolidating its own in-house expertise.

Activities in the Property and Estates Section for the 2007/08 financial year were:

- Compilation of a lease register
- Compilation of an asset register
- Compilation of files for properties disposed
- Capturing of municipal leases electronically
- Bi-weekly valuation meetings and valuation requests
- Audit of properties sold for 2006/07/08
- Eviction instructions to attorneys

#### 5.7.1 Management of litigation

The municipality has done very well in management of litigation. Some of the cases deal with the human factor and it might not necessary be mentioned. Cases which have attracted our attention are:

The case relating to Mr Crouse, who is contesting the municipality's decision to cancel the 2004 land sales is still pending. This court case is at the constitutional court. There are many other cases but has been managed well.

#### 5.7.2 Prevention mechanisms of current litigations

It remains important that we manage the decision-making to ensure that we are not challenged.

#### 5.7.3 Management of legal risks

Seeking legal opinion is one area that opens us to extensive financial expenditure. It is in this area that we need to co-ordinate our affairs.

**PART 3 – FUNCTIONAL AREAS REPORTING AND ANNUEXURE**

A: FUNCTIONAL AREA SERVICE DELIVERY REPORTING

1. General information

KOUGA LOCAL MUNICIPALITY GENERAL INFORMATION		
Reporting level	Detail	Total
Overview:		
Information: 1	Geography Geographical area in square kilometers	2419.4 km <sup>2</sup>
2	Demography: Total population	70695 (census 2001)
3.	Indigent population:       2008 2009	5823 5937
4.	Total number of voters	47163
5.	Aged breakdown: - 65 years and over - 20 – 64 years - 5 – 19 years - 0 – 4 years	5017 37339 21710 6629
6.	Household income: - < Over R3 201 per month - R3 200 – R1 601per month - R1600 – R801per month - R800 – R401 per month - > R400 per month	8445 2872 3409 6384 3963

1. Finance and Administration function's performance

Function:		Finance and Administration	
Sub Function:		Finance	
Reporting Level	Detail	Total	
Overview:	Perform functions described by financial policy		
Description of the Activity:	<p>The function of finance within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> <li>• Financial reporting</li> <li>• Budgeting</li> <li>• Billing</li> <li>• Income and Expenditure</li> <li>• Supply Chain Management</li> <li>• Annual Financial Statements</li> </ul>		
Analysis of the Function:	Budgeted:      Revenue Actual  Expenditure Actual	R324 755 750 R362 500 395  R324 755 750 R311 156 891	
	1 Debtor billings: <ul style="list-style-type: none"> <li>• Electricity</li> <li>• Rates</li> <li>• Refuse</li> <li>• Sewer</li> <li>• Sundry</li> <li>• Water</li> <li>• Waterways</li> </ul>	<i>84 274 612,81</i> <i>100 917 327,62</i> <i>21 674 720,79</i> <i>22 976 667,48</i> <i>1 035 396,94</i> <i>37 245 223,04</i>	
	2 Debtor collections: <ul style="list-style-type: none"> <li>• Electricity</li> <li>• Rates</li> <li>• Refuse</li> <li>• Sewer</li> <li>• Sundry</li> <li>• Water</li> <li>• Waterways</li> </ul>	<i>-83 434 949,28</i> <i>-92 740 423,06</i> <i>-20 174 649,65</i> <i>-22 397 197,91</i> <i>-786 062,71</i> <i>-37 233 150,32</i> <i>-503 640,82</i>	
3	Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days:	<i>2009</i>	<i>2008</i>

	Rates:	<u>R17 411 274</u>	<u>R9 217 417</u>
	0-30 days	6 054 912	2 600 177
	31 – 60 days	904 709	548 224
	61 -90 days	473 768	416 271
	91 – 120 days	264 386	387 841
	More than 120 days	9 713 498	5 264 904
	Electricity:	<u>15 123 517</u>	<u>13 529 452</u>
	0-30 days	8 983 123	6 598 452
	31 – 60 days	1 388 877	951 537
	61 -90 days	589 634	482 218
	91 – 120 days	517 305	374 631
	More than 120 days	3 644 578	5 122 613
	Water:	<u>10 564 702</u>	<u>10 688 220</u>
	0-30 days	3 417 717	3 198 472
	31 – 60 days	786 440	638 461
	61 -90 days	505 796	426 784
	91 – 120 days	400 060	360 842
	More than 120 days	5 454 690	6 063 660
	Sewerage:	<u>4 574 929</u>	<u>4 011 145</u>
	0-30 days	1 135 956	1 039 566
	31 – 60 days	306 142	242 586
	61 -90 days	192 924	153 291
	91 – 120 days	151 726	170 743
	More than 120 days	2 788 182	2 404 959
	Refuse:	<u>5 469 865</u>	<u>4 030 469</u>
	0-30 days	1 315 539	794 702
	31 – 60 days	396 908	244 479
	61 -90 days	270 391	213 291
	91 – 120 days	224 436	121 263
	More than 120 days	3 262 591	2 656 735
	Housing:	<u>4 266</u>	<u>149 184</u>
	0-30 days	(2 419)	(3 574)
	31 – 60 days	121	103
	61 -90 days	-	-
	91 – 120 days	-	-
	More than 120 days	6 564	152 654
	Other consumer debtors:	<u>2 667 909</u>	<u>1 867 564</u>
	0-30 days	392 550	166 591
	31 – 60 days	166 632	101 349
	61 -90 days	158 065	348 944
	91 – 120 days	455 318	96 610
	More than 120 days	1 495 344	1 154 070

4	Write off of equitable share:			<i>R 3 801 895,98</i>	
	<ul style="list-style-type: none"> <li>• Cape St Francis</li> <li>• Hankey</li> <li>• Humansdorp</li> <li>• Jeffreys Bay</li> <li>• Loerie</li> <li>• Oyster Bay</li> <li>• Patensie</li> <li>• St Francis Bay</li> <li>• Thornhill</li> </ul>	R1277,86 R622 326,19 R1 066 955,28 R1 479 267,60 R124 083,85 R18 840,06 R135 346,25 R283 375,72 R70 423,17			
5	Write off of sub-economic:			<i>R2 688 307,24</i>	
	<ul style="list-style-type: none"> <li>• Cape St Francis</li> <li>• Hankey</li> <li>• Humansdorp</li> <li>• Jeffreys Bay</li> <li>• Loerie</li> <li>• Oyster Bay</li> <li>• Patensie</li> <li>• St Francis Bay</li> <li>• Thornhill</li> </ul>	R0,00 R1 016 489,93 R823 975,51 R515 145,83 R63 174,68 R0,00 R18 596,30 R5 441,07 R245 483,92			
6	Equitable share allocations per service : July 2008 – June 2009			<i>R3 801 895,98</i>	
	<ul style="list-style-type: none"> <li>• Water</li> <li>• Refuse + EMF</li> <li>• Sewerage</li> <li>• Rates</li> <li>• Electricity</li> </ul>	R2 774 741,42 R370 427,79 R242 382,83 R259 024,91 R155 319,03			
7	Equitable share allocations:			<i>R12 989 840,40</i>	
	<ul style="list-style-type: none"> <li>• Cape St Francis</li> <li>• Hankey</li> <li>• Humansdorp</li> <li>• Jeffreys Bay</li> <li>• Loerie</li> <li>• Oyster Bay</li> <li>• Patensie</li> <li>• St Francis Bay</li> <li>• Thornhill</li> </ul>	1 1579 2153 1045 222 45 461 247 184	R5 187,90 R2 771 958,69 R5 563 768,18 R2 609 558,90 R354 825,28 R81 206,43 R768 656,84 R507 785,59 R326 892,59		
5	Property rates (Residential):		Land	Buildings	
	<ul style="list-style-type: none"> <li>• Cape St Francis</li> <li>• Hankey</li> <li>• Humansdorp</li> <li>• Jeffreys Bay</li> <li>• Loerie</li> <li>• Oyster Bay</li> </ul>		135 913 000 10 343 600 63 237 700 977 820 520 4 467 500 30 405 000 5 764 075	180 916 000 92 434 300 348 270 550 2 608 482 300 7 618 650 48 458 000 41 946 900	

	<ul style="list-style-type: none"> <li>• Patensie</li> <li>• St Francis Bay</li> <li>• Thornhill</li> <li>• Rural</li> </ul>	724 100 072 3 298 000 419 951 313	853 020 010 6 186 000 605 383 890
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	
6	Property valuation: - Year of last valuation - Regularity of valuation	<i>2002</i> <i>Every 5 years</i>	
7	Indigent Policy:  - Quantity (number of households affected) - Quantum (total value across municipality)	<i>5937</i>	<i>12 898 840,40</i>
8	Top 5 Creditor's Outstanding:  <ul style="list-style-type: none"> <li>• Amava Information Technologies</li> <li>• Electro On The Move</li> <li>• Afrisec Strategic Solutions P</li> <li>• Eco Car Hire</li> <li>• Much Asphalt (Pty)Ltd</li> </ul>	353856 209577 167272 221025 326191	<u><b>1 277 921</b></u>
9	Credit Rating:  Aaa3		
10	External Loans:  See attached schedule		

2. Planning and Development function's performance

Function:	Planning and Development		
Sub Function:	Economic Development		
Reporting Level	Detail	Total	
Overview:	Activities associated with all Land Development initiatives		
Description of the Activity:	<p>Identification of land within the Spatial Development Framework to ensure the provision of proper integrated spatial planning with regard to the development thereof.</p> <p>The following applications were approved in the Kouga Region during the 2008/09 financial year:</p> <ul style="list-style-type: none"> <li>• Building plans 598</li> <li>• Rezoning 54</li> <li>• Subdivisions 61</li> <li>• Departures 7</li> <li>• Consent uses 62</li> <li>• Secondary uses 19</li> </ul>		
Analysis of the Function:	<p>Spatial Analysis:</p> <ul style="list-style-type: none"> <li>• Settlement dynamics</li> <li>• Urban land use</li> <li>• Social facilities</li> <li>• Subsidized housing demand</li> <li>• Rural land use</li> <li>• Land ownership</li> </ul>		
1			
2	<p>Socio Economic Analysis:</p> <ul style="list-style-type: none"> <li>• Population</li> <li>• Employment sectors</li> <li>• Poverty levels</li> </ul>		
3			
4	<p>Environment:</p> <ul style="list-style-type: none"> <li>• Topography</li> <li>• Environmental assessments</li> <li>• Agricultural potential</li> <li>• Conservation</li> </ul>		
5	<ul style="list-style-type: none"> <li>• Specialized land uses</li> </ul>		

3. Community and social services function's performance

Function: Community and Social Services			
Sub Function: Protection Services			
Reporting Level	Detail	Total	
Overview:	Includes all activities associated with the provision of community and social services		
Description of the Activity:	<p>The function of protection services within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> <li>• <i>Traffic</i></li> <li>• <i>Fire</i></li> <li>• <i>Security</i></li> <li>• <i>Disaster</i></li> <li>• <i>River Control</i></li> <li>• <i>Life Saving</i></li> <li>• <i>Law Enforcement</i></li> <li>• <i>Airfields</i></li> <li>• <i>Radio Control</i></li> <li>• <i>Nature Conservation</i></li> </ul>		
Analysis of the functions: 1	<p>Disaster Management Strategy:</p> <ul style="list-style-type: none"> <li>• Training of volunteers</li> <li>• Disaster Plan Awareness</li> <li>• Campaign Risk Assessment</li> <li>• Advisory Forum</li> </ul>	100%	
2	<p>Emergency Services:</p> <ul style="list-style-type: none"> <li>• Traffic Services</li> <li>• Driving licence testing centre</li> <li>• Road blocks</li> <li>• Road worthy testing</li> <li>• Registration and licencing</li> </ul>	100%	
3	Law Enforcement	100%	
4	<p>Fire Services:</p> <ul style="list-style-type: none"> <li>• Accidents attendance</li> <li>• Rescue</li> <li>• Suicide</li> <li>• Fire attendance</li> <li>• Awareness</li> <li>• Training</li> <li>• Demonstrations to public</li> <li>• Fire prevention</li> </ul>	100%	
5	Security Services	100%	



Function:		Community and Social Services	
Sub Function:		Environmental Health / Primary Health Care	
Reporting Level	Detail	Total	Target
Overview:			
Description of the Activity:	<p>The function of environmental health within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> <li>• <i>Food Evaluation and Hygiene</i></li> <li>• <i>House Shop Evaluation Programme</i></li> <li>• <i>Health Waste Management</i></li> <li>• <i>Health Surveillance of premises</i></li> <li>• <i>Surveillance and Prevention of Communicable Disease Excluding Immunization</i></li> <li>• <i>Vector Control</i></li> <li>• <i>Environmental Pollution Control</i></li> <li>• <i>Disposal of the Dead</i></li> <li>• <i>Water Quality Programme</i></li> <li>• <i>Noise Control</i></li> </ul>		
Analysis of the Function:			
1	<p>Primary Health Care:</p> <ul style="list-style-type: none"> <li>• Dispensing of medicines</li> <li>• Community homebased carers</li> <li>• Training</li> <li>• Statistics and data analysis</li> <li>• Recording patients details</li> <li>• Complains box</li> </ul>	100%	
2	<p>Environmental Services:</p> <ul style="list-style-type: none"> <li>• Water quality testing</li> <li>• Health education</li> <li>• Food quality inspection</li> <li>• Compliance certificate for food outlets</li> </ul>	100%	
3	<p>Blue Flag:</p> <ul style="list-style-type: none"> <li>• Safety education</li> <li>• Cleanliness</li> <li>• Rescue</li> <li>• Medical treatment</li> </ul>	100%	

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<ul style="list-style-type: none"> <li>Approved HIV/AIDS strategy;</li> </ul>	A HIV/AIDS Outreach were held in Andrieskraal from 24 – 25 February 2009. A candle light memorial service was held in Kwanomzamo during May 2009.		

#### 4. Housing function's performance

Function:	Housing		
Sub Function:	N/A		
Reporting Level	Detail	Total	
Overview:	Provision of quality low-cost housing, which includes all activities associated with social and economic development.		
Description of activity	Inclusive and Integrated Housing Policy Framework	R1 000 000	
	Southern Cape Coastal Condensation Projects (2150 units)	R13 000 000	
	Kwanomzamo Mud Houses 40 units	R5 643 800	
	Loerieheuwel blocked projects 110 units	R4 017 200	
	Vaaldam 93 units	R5 022 000	
	Kwanomzamo 111 units	R5 994 000	
	Ocean View 360 units	R19 172 718	
Analysis of the Function:	<p><i>Building quality low –cost houses:</i></p> <ul style="list-style-type: none"> <li>Facilitate the provision of new quality houses demanded in line subsidy guidelines</li> <li>Reduce the housing backlog by 50% by 2012</li> <li>The appointment service provider for approved projects</li> <li>To empower and to promote ward based co-operatives</li> <li>Develop a policy framework that is part of the Housing Integrated Framework</li> </ul>		
1			
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<i>Facilitate the provision of new quality houses</i>	<i>The approval of 10 x New Housing Projects which comprises of 8613 housing units will cut the current demand of 10770 units by 80%</i>	714	900

## 5. Waste management function's performance

Function Sub Function:	Community Services and Social Services Waste Management		
Overview:	Includes refuse removal, solid waste disposal and landfill, street cleaning and recycling		
Description of the Activity:	<p>The function of cleansing and parks within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> <li>• <i>Cleansing : street sweeping and Public Open Spaces</i></li> <li>• <i>Waste Management</i></li> <li>• <i>Tip Management</i></li> <li>• <i>Waste Disposal Sites</i></li> <li>• <i>Sanitation</i></li> <li>• <i>Caravan Parks and Camps</i></li> <li>• <i>Community Halls</i></li> <li>• <i>Beaches</i></li> <li>• <i>Parks and Gardens</i></li> <li>• <i>Cemetries</i></li> </ul> <p>The department is also responsible for the maintenance of:</p> <ul style="list-style-type: none"> <li>• <i>Sport fields</i></li> <li>• <i>Public toilets</i></li> <li>• <i>Recreational Facilities</i></li> <li>• <i>Nature reserve</i></li> <li>• <i>Bus and taxi-ranks</i></li> </ul>		
Analysis of the Function:			
	1 Waste Management Strategy: <ul style="list-style-type: none"> <li>• Collection and transportation</li> <li>• Disposal and composting</li> <li>• Recycling core elements</li> </ul>	30%	R89 000
	2 Percentage of road infrastructure requiring upgrade	4%	
	3 Sanitation removal	5%	
	4 Parks and Gardens	20%	
	5 Sport & Recreation Facilities	10%	
	6 Cemetries	10%	
	7 Caravan Parks	50%	

6. Waste water management

<b>Function: Waste Water Management</b>			
<b>Sub Function: Sewerage etc</b>			
Reporting Level	Detail	Total	Cost
Overview:	Includes provision of sewerage services not including infrastructure and water purification, also includes toilet facilities		
Description of the Activity:	<p>The sewerage functions of the municipality are administered as follows and include:</p> <ul style="list-style-type: none"> <li>a) Bucket Removal</li> <li>b) Conservancy tank suction</li> <li>c) Remove blockages – mains and private households</li> <li>d) Repair breakages on connections</li> <li>e) Maintenance on public toilets</li> <li>f) Maintenance of municipal buildings</li> </ul> <p>The municipality has a mandate to:</p> <p>Ensure safe, hygienic sanitation services to all its people.</p> <p>Ensure safe, hygienic sanitation services to all its people.</p> <p>The strategic objectives of this function are to:</p> <p>Supply waterborne sanitation to all people residing in formal areas in Kouga.</p> <p>The key issues for 2008/9 are: Improve service delivery w. r. t. the following issues:</p> <ul style="list-style-type: none"> <li>a) To reduce time attending callout for complaints</li> <li>b) To complete re-registration of treatment works</li> <li>c) To comply with the requirements of the Green Drop Certification Program.</li> <li>d) To gather, evaluate and submit information to be assessed in terms of the Green Drop Programme.</li> </ul>		
Analysis of the Function:	<p>1 Number and cost to employer of all personnel associated with sewerage functions:</p> <ul style="list-style-type: none"> <li>- Professional (Engineers/Consultants)</li> <li>- Field (Supervisors/Foremen)</li> <li>- Office (Clerical/Administration)</li> <li>- Non-professional (blue collar, outside workforce)</li> <li>- Temporary</li> <li>- Contract</li> </ul>		

	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		
2	Number of households with sewerage services, and type and cost of service: - Flush toilet (connected to sewerage system) - Flush toilet (with septic tank) - Chemical toilet - Pit latrine with ventilation - Pit latrine without ventilation - Bucket latrine - No toilet provision Note: if other types of services are available, please provide details	12148 9556 0 3883 0 0 0	R7,137,000-00 R5,614,205-00 0 R2,281,284-00 0 0 0
3	Anticipated expansion of sewerage: - Flush/chemical toilet - Pit latrine - Bucket latrine - No toilet provision Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality	1569 0 0 0	R 0 0 0
4	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household)		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
5	Total operating cost of sewerage function		R15,032,510-00

## 7. Road maintenance's function's performance

<b>Function:</b>	<b>Road Transport</b>		
<b>Sub Function:</b>	<b>Roads</b>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
Overview:	Construction and maintenance of roads within the municipality's jurisdiction		
Description of the Activity:	The road maintenance and construction responsibilities of the municipality are administered as follows and include: a) Maintenance of gravel roads – grading and gravelling – Dept. b) Pothole repair – Dept. c) Resealing of roads by way of slurring cold and warm premix d) Crack filling e) Paving of new roads identified in Wards Dept. f) Laying of new kerbs and channels for paving – Dept. and job creation. g) Construction of roads – Base and sub-base layer work.		

	<p>The municipality has a mandate to:</p> <p>To ensure a safe and reliable road infrastructure in its area of jurisdiction.</p> <p>The strategic objectives of this function are to:</p> <p>Implementation of a road/paving management system whereby strategic planning can benefit from.</p> <p>The key issues for 200X/0Y are:</p> <ul style="list-style-type: none"> <li>a) Maintenance of gravel roads in disadvantaged area will increase due to the establishment of a road construction team (purchase of equipment)</li> <li>b) Continue the road paving project whereby the goal is to pave 7km of roads (1km per ward) per year using local labour and train and develop new artisans every year in every ward.</li> </ul>		
Analysis of function 1	<p>Number and cost to employer of all personnel associated with road maintenance and construction:</p> <ul style="list-style-type: none"> <li>- Professional (Engineers/Consultants)</li> <li>- Field (Supervisors/Foremen)</li> <li>- Office (Clerical/Administration)</li> <li>- Non-professional (blue collar, outside workforce)</li> <li>- Temporary</li> <li>- Contract</li> </ul> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p>	CFO & HR	
2	<p>Total number, kilometres and total value of road projects planned and current:</p> <ul style="list-style-type: none"> <li>- New bitumenised (number)</li> <li>- Existing re-tarred (number)</li> <li>- New gravel (number)</li> <li>- Existing re-sheeted (number)</li> </ul>	<p>0</p> <p>0</p> <p>7,0</p> <p>0</p>	<p>0</p> <p>0</p> <p>R224,000-00</p> <p>0</p>
	<ul style="list-style-type: none"> <li>- Paving of roads</li> </ul> <p>Note: if other types of road projects, please provide details</p>	3,0	R3,000,000-00
3	<p>Total kilometres and maintenance cost associated with existing roads provided</p> <ul style="list-style-type: none"> <li>- Tar</li> <li>- Gravel</li> </ul> <p>Note: if other types of road provided, please provide details</p>	<p>9,0</p> <p>24,0</p>	<p>R315,000-00</p> <p>R432,000-00</p>
4	<p>Average frequency and cost of re-tarring, re-sheeting roads</p> <ul style="list-style-type: none"> <li>- Tar – 1 per 15 Years</li> <li>- Gravel – 1 per Annum</li> </ul> <p>Note: based on maintenance records</p>	<p>1/15</p> <p>1 Annum</p>	<p><i>R (000s)</i></p> <p>R24,384,00-00</p> <p>R2,136,000-00</p>

5	Estimated backlog in number of roads, showing kilometres and capital cost - Tar – Resealing - Gravel – Re-gravelling	72,0 km 89,0 km	R3,240,000-00 R1,958,000-00
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
6	Total operating cost of road construction and maintenance function		R 14,090,000-00

8. Water distribution function's performance

<b>Function:</b>	<b>Water</b>
<b>Sub Function:</b>	<b>Water Distribution</b>

Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of water		
Description of activity	<p>To ensure the supply of safe potable drinking water that complies to sans 214 standards to all its people in Kouga:</p> <p>The strategic objectives of this function are to:</p> <p>Develop a water services management and planning tool through community and stakeholder involvement.</p> <p>The key issues for 200X/0Y are:</p> <ul style="list-style-type: none"> <li>a) Continue with implementation of water management plan to establish interventions to improve the water loss.</li> <li>b) To comply with the R.P.M.S. (Water Services).</li> <li>c) To obtain Blue Drop Status Certifications through complying with all the requirements.</li> </ul>		

- Non-professional (blue collar, outside workforce)
- Temporary
- Contract

Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.

2 Percentage of total water usage per month

**Annual water consumption Kouga district**

	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
<b>Area</b>											
W/Crest Paradise Beach	771,640	982,005	953,420	1,247,520	1,407,430	1,518,280	1,329,210	1,681,652	1,860,550	1,807,334	1,875,622
SFB	133,477	21,354	43,387	63,647	97,114	85,882	232,544	226,507	223,015	197,242	144,490
HDorp T/Hill	148,559	279,739	196,772	312,869	295,520	328,847	329,475	360,352	392,296	234,029	230,366
Housing T/Hill	398,480	712,398	504,311	507,701	398,290	485,300	599,370	868,900	1,055,450	1,178,084	1,535,876
Squatter	11,965	10,500	7,749	7,404	15,412	26,790	26,038	24,765	9,488	11,235	14,780
Loerie	6,004	32,028	15,024	16,658	14,940	19,858	28,192	29,092	33,494	30,873	30,057
	42,740	44,210	51,668	61,182	65,427	62,910	97,634	118,636	74,254	99,735	118,116
<b>Total purchase</b>	<b>1,512,865</b>	<b>2,082,234</b>	<b>1,772,331</b>	<b>2,216,981</b>	<b>2,294,133</b>	<b>2,527,867</b>	<b>2,642,463</b>	<b>3,309,904</b>	<b>3,574,293</b>	<b>3,558,532</b>	<b>3,949,307</b>
Total treated											2719588
Total used											6668895

Note: this will therefore highlight percentage of total water stock used per month

3 Total volume and cost of bulk water purchases in kilolitres and rand, by category of consumer

555741kℓ

555741kℓ

3,949,307kℓ

R8,868,200-00



4	Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer:		
5	Total year-to-date water losses in kilolitres and rand		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
6	Number of households with water service, and type and cost of service:		
	- Piped water inside dwelling	18360	R100,980,000-00
	- Piped water inside yard	3787	R17,041,500-00
	- Piped water on community stand: distance < 200m from dwelling	0	0
	- Piped water on community stand: distance > 200m from dwelling	0	0

	- Borehole	0	0
	- Spring	0	0
	- Rain-water tank	0	0
	Note: if other types of services are available, please provide details		
7	Number and cost of new connections:	303	R1,076,490-00
8	Number and cost of disconnections and reconnections:	220	R26,400-00
9	Number and total value of water projects planned and current: - Current (financial year after year reported on) - Planned (future years)	9 12	R7,160,000-00 R15,320,000-00
	Note: provide total project and project value as per initial or revised budget		
10	Anticipated expansion of water service: - Piped water inside dwelling - Piped water inside yard - Piped water on community stand: distance < 200m from dwelling - Piped water on community stand: distance > 200m from dwelling - Borehole - Spring - Rain-water tank	1569 0 0 0 0 0 0	R7,060,500-00 0 0 0 0 0 0
	Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
11	Estimated backlog in number (and cost to provide) water connection: - Piped water inside dwelling - Piped water inside yard - Piped water on community stand: distance < 200m from dwelling - Piped water on community stand: distance > 200m from dwelling - Borehole - Spring - Rain-water tank	0 0 0 0 0 0 0	0 0 0 0 0 0 0
	Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		
12	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household) Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
13	Type and number of grants and subsidies received:		R957,000-00
	Note: total value of specific water grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
14	Total operating cost of water distribution function		R27,217,110-00

9.. Electricity distribution function's performance

Function: Sub Function:		Electricity Electricity distribution	
Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of electricity		
Description of the Activity:	500 RDP houses electrified which total cost R3,8m of which DME provided R2m and counter funding by Kouga Municipality to R1,8m.	500	R3 800 000
	Bulk infrastructure that amounted to R4million which consists of Kruisfontein 22Kv overhead line amounting to R1,5m; Ocean View 22Kv overhead line amounting to R1,5m and further purchasing 66/22Kv, 10MVA transformer at R1million of which a further 4,5million to be paid in 2009/10 financial year.	Infrastructure	R4 000 000
		Infrastructure	R4 050 000
	6 x high mast lights amounting to R1,2 million in Kouga area	6	R1 200 000
Analysis of the Function:	1 Number and cost to employer of all personnel associated with the electricity distribution function:	12%	<i>R720000</i>
	- Professional (Engineers/Consultants)	<i>41</i>	<i>R4588380</i>
	- Field (Supervisors/Foremen)		
	- Office (Clerical/Administration)		
	- Non-professional (blue collar, outside workforce)		
	- Temporary	<i>0</i>	<i>0</i>
	- Contract	<i>0</i>	<i>0</i>
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.		
	2 Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer		
	- Residential	<i>16214</i>	
- Commercial	<i>1100</i>		
- Industrial			
- Mining	<i>0</i>	<i>0</i>	
- Agriculture	<i>0</i>	<i>0</i>	
- Other			
3 Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:			
- Household	<i>0</i>	<i>0</i>	
- Commercial	<i>0</i>	<i>0</i>	
- Industrial	<i>0</i>	<i>0</i>	
- Mining	<i>0</i>	<i>0</i>	
- Agriculture	<i>0</i>	<i>0</i>	
- Other	<i>0</i>	<i>0</i>	

4	Total year-to-date electricity losses in kilowatt hours and rand	12%	
5	Number of households with electricity access, and type and cost of service: - Indigent households - Other households	16214 5219 10995	
6	Number and cost of new connections:	500	<i>R3800000</i>
7	Number and cost of disconnections and reconnections		
8	a) Second 66Kv HT line – Jeffreys Bay b) Upgrade Cape St Francis 22Kv intake sub station c) Upgrade and supply 3 x Kv mini sub stations d) Upgrade Humansdorp 22Kv intake sub station e) Upgrade Ocean View 22 Kv sub station f) Supply and install 11Kv Ht cable in Jeffreys Bay g) Upgrade all existing bulk meters in Kouga area h) Electrification of 500 RDP houses each year i) Installation of 6 high mast lights each year	17km 1 3 1 1 1,2km 500 6	<i>R25000000</i> <i>R3600000</i> <i>R1800000</i> <i>R500000</i> <i>R800000</i> <i>R1800000</i> <i>R600000</i> <i>R3800000</i> <i>R1500000</i>
9	Anticipated expansion of electricity services: 500 RDP houses electrified which total cost R3,8m of which DME provided R2m and counter funding by Kouga Municipality to R1,8m/  Bulk infrastructure that amounted to R4m which consists of Kruisfontein 22Kv overhead line amounted to R1,5m; Oceanview 22Kv overhead line amounting to R1,5m and further purchasing 66/22Kv, 10MVA transformer at R1m of which a further 4,5 million to be paid in 2009/10 financial year.  6 x high mast lights amounted to R1,2m in Kouga area.	500  Infrastr  Infrastr Infrastr  6	<i>R3800000</i>  <i>R1500000</i> <i>R1500000</i> <i>R1500000</i>  <i>R1200000</i>
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
	- Alternate energy source - Gas - Paraffin - Solar - Wood - Non electrified	<i>0</i> <i>0</i> <i>0</i>	<i>0</i> <i>0</i> <i>0</i>

6	Number and cost of new connections:		
7	Number and cost of disconnections and reconnections		
8	Number and total value of electrification projects planned and current: - Current (financial year )500 RDP houses Bulk upgrade(66/22KV,10MVAtransformer)	500	3,85mil 4,05 mil
9	Anticipated expansion of electricity service:  500 RDP houses electrified which total cost R3,8m of which DME provided R2m and counter funding by Kouga Municipality to R1,8m.  Bulk infrastructure that amounted to R4million which consists of Kruisfontein 22Kv overhead line amounting to R1,5m; Ocean View 22Kv overhead line amounting to R1,5m and further purchasing 66/22Kv, 10MVA transformer at R1million of which a further 4,05million to be paid in 2009/10 financial year.  6 x high mast lights amounting to R1,2 million in Kouga area	500  Infrastructure  Infrastructure	3,85mil  R4 000 000  R4 050 000 R1 200 000
10	Estimated backlog in number (and cost to provide) water connection:  Note: total number should appear in IDP, and cost in future budgeted capital housing programmes	500	R2 750 000
11	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household) Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
12	Type and number of grants and subsidies received:	DME	R6 000 000
13	Total operating cost of electricity distribution function		R32993760

## **B: ANNEXURES**

AG's report **(Not available)**

Plan of Action of the municipality to address findings in the AG report **(Not available)**

<b>Annexure A</b>	Annual Financial Statement
<b>Annexure B</b>	Audit committee report
<b>Annexure C</b>	Approved municipal structure
<b>Annexure D</b>	Council resolution adopting the Annual Report
<b>Annexure E</b>	Schedule of external loans as at 30 June 2009

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