KOUKAMMA MUNICIPALITY
1st DRAFT ANNUAL REPORT
2025/26

KOUKAMMA LOCAL MUNICIPALITY

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TABLE OF CONTENTS

ABBREVIATIONS

AIDS – Acquired Immune Deficiency Syndrome
ANC - African National Congress
A- G – Auditor _ General
CDW – Community Development Worker
CLO - Community Liaison Officer
CSTR – Centre for Small Town Regeneration
CFO - Chief Operations Officer
CoGTA- Cooperative Governance and Traditional Affairs
DA - Democratic Alliance
DM – District Municipality
DLTC –Driving License Testing Centre
DLA - Department of Land Affairs
DoE – Department of Energy
DWA – Department of Water Affairs
DEDEA – Department of Economic Development, Environmental Affairs and Tourism
DRDRL – Department of Rural Development and Land Reform
EIA – Environmental Impact Assessment
Fe - High iron
GCIS – Government Communications and Information Systems
GDP- Gross Domestic Product
GIS – Geographic Information Systems
GRAP – Generally Recognized Accounting Practices
GVA – Gross Value Add
HH -Household
HIV – Human Immunodeficiency Virus
HR – Human Resource
ICT –Information Communication Technology
IDP –Integrated Development Plan
IGR – Intergovernmental Relations
IOD – Injury on Duty
LM - Local Municipality
MD – Maximum Demand
MEC – Member of Executive Committee
MFMA – Municipal Finance Management Act
MISA - Municipal infrastructure Support Agencies
MIG - Municipal Infrastructure Grant
MM – Municipal Manager
MN - Manganese
MPAC – Municipal Public Accounts Committee
MPT – Municipal Planning Tribunal
MTO – Mountain – to- Ocean Forestry
MVR – Motor Vehicle Registration
NHLS – National Health Laboratory Services
NMD – National Maximum Demand
NYS - National Youth Support
O & M – Operations and Maintenance
PDMS – Provincial Disaster Management System
PMS – Performance Management System
PR – Proportional Representation
RIMS – Road Incident Management System
RBIG – Regional Bulk Infrastructure Grant
SALGA –South African Local Government Association
SALGBC – South African Local Government Bargaining Council

SANS – South African National Standards
SBDM – Sarah Baartman District Municipality
SDBIP – Service Delivery Budget Implementation Plan
SDF – Spatial Development Framework
SPLUMA - Spatial Land Use Management Act
SCM – Supply Chain Management
TMT- Traffic Management Team
WSA-Water Service Authority
WSIG – Water Service Infrastructure Grant
WSP – Water Service Provider
ZSR - Zoning Scheme Regulation

CHAPTER 1 – MAYORS FORWARD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FORWARD

Mayor: Cllr. S. Vuso

It is with a deep sense of pride and responsibility that I present the First Draft Annual Report of Koukamma Local Municipality for the 2025/26 Financial Year. This report has been prepared in accordance with the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and other applicable legislative and regulatory requirements.

As a rural municipality within the Sarah Baartman District, we face unique challenges, including water security, road infrastructure, youth unemployment and the provision of services to communities located in remote and far-reaching areas. However, these challenges also present opportunities for innovation, partnerships and collective action.

The 2025/26 financial year marked a significant milestone in the governance and financial management journey of Koukamma Local Municipality. I am pleased to report a notable improvement in the municipality's audit outcome, moving from a disclaimer audit opinion in the previous financial year to a qualified audit opinion with three findings. This achievement reflects the collective efforts of Council, the administration and oversight structures in strengthening financial controls, improving record-keeping and addressing historic governance weaknesses. While we acknowledge that further work is required to achieve an unqualified audit opinion, this progress demonstrates our firm commitment to clean administration, accountability and sound financial management.

The municipality made meaningful progress in improving the lives of vulnerable residents. In partnership with the Department of Human Settlements, Koukamma Local Municipality successfully facilitated the construction and handover of 66 destitute houses to vulnerable families in our communities. These homes in Koomansbos and Wittekleibosch provide safety, dignity and shelter to elderly persons, persons with disabilities and other destitute beneficiaries.

While we celebrate this achievement, we recognise that the housing backlog in Koukamma remains significant. We will therefore continue working closely with relevant authorities to ensure that more qualifying beneficiaries from our communities are prioritised.

Infrastructure development remains a critical priority for our municipality. SANRAL has commenced major projects within the municipality, including the R62 Road Upgrade Project, which will benefit communities from Kareedouw through to the Koukamma municipal borders. The project includes road resurfacing, bridge repairs and other important infrastructure improvements.

The R62 upgrade presents significant opportunities for our communities. Firstly, it will create employment opportunities, with local labour and SMMEs expected to benefit from the project. Secondly, the project will improve road safety, making the R62 safer for learners, residents, farmers and tourists. Thirdly, improved road infrastructure will contribute to local economic growth by strengthening access for agriculture, forestry, tourism and other economic activities.

Local economic development and poverty alleviation also remained central to the municipality's developmental mandate. Programmes such as the Expanded Public Works Programme (EPWP) and Community Work Programme (CWP) continued to provide income relief to vulnerable households.

As we reflect on the 2025/26 financial year, it is evident that meaningful progress has been made, particularly in strengthening governance, improving financial management and advancing service delivery initiatives. However, we remain mindful of the challenges that continue to affect the municipality. We are committed to building on the gains achieved, addressing the remaining audit findings, strengthening institutional capacity and continuously improving the quality and sustainability of services provided to our communities.

I wish to express my sincere appreciation to Council, management of the Municipality and all municipal employees for their dedication and commitment throughout the year. I also extend my gratitude to our communities, ward committees, business community, government departments, development partners and other stakeholders for their continued participation, cooperation and patience.

Service delivery is not the responsibility of government alone; it is a partnership between government, communities and all stakeholders. Through meaningful collaboration, accountability and responsible leadership, we can overcome the challenges facing our municipality.

Thank You!

MAYOR
CLL. S VUSO

COMPONENT B: MUNICIPAL MANAGER'S OVERVIEW

1.2 MUNIPAL MANAGERS OVERVIEW

It is both a privilege and a solemn responsibility to serve as the Acting Municipal Manager of Koukamma Municipality during a time that calls for decisive action, transparent leadership, and unwavering commitment to accountability.

The past financial year saw the Municipality improve from an **adverse audit opinion to a qualified audit opinion**, representing a significant step forward in strengthening our financial management, internal controls, and governance. This improvement demonstrates that the systems and corrective measures implemented are yielding positive results. However, sustained intervention, stronger oversight, and continued commitment are required to address the remaining audit findings and achieve an **unqualified audit opinion** in the coming financial years.

This foreword marks the beginning of our collective journey toward restoring credibility, improving service delivery, and laying the foundation for sustainable development across our Municipality.

Koukamma is a region of immense potential, marked by its diversity in geography and economic activity. The Tsitsikamma area, our tourism crown jewel, draws local and international visitors to its natural beauty and eco-tourism attractions. Meanwhile, the Langkloof area remains a critical agricultural hub, sustaining livelihoods and contributing significantly to the local economy. However, both areas — and the communities within them — have not been spared the challenges of poor water quality, failing wastewater infrastructure, and limited municipal capacity to respond effectively.

For too long, our residents and businesses have borne the brunt of collapsing wastewater systems, unreliable water supply, and deteriorating infrastructure. We recognize that addressing these challenges is not optional; it is an urgent imperative. In the current financial year, we are prioritizing infrastructure refurbishment projects focused on water purification and sanitation, and we are working with relevant provincial and national departments to leverage available technical and financial support. A detailed infrastructure recovery plan will be implemented, with clear timelines and milestones for repair and upgrading of critical systems.

Equally pressing are the financial constraints under which the Municipality operates. A collection rate of just 45% significantly hampers our ability to render services, invest in development, and pay our creditors. In response, a robust revenue enhancement strategy has been developed. This includes improving our billing systems, engaging communities on the importance of paying for services, introducing incentives for regular payers, and strengthening our credit control measures. We will also be enhancing our data integrity so that billing reflects accurate and fair consumption.

To ensure accountability and a clean audit trajectory, we are strengthening our internal controls, capacitating our finance and audit teams, and implementing consequence management processes where necessary.

Regular reporting, both to Council and the community, will form part of our transparent governance model.

We are aware that turning around an institution is neither quick nor easy. It demands cooperation from all stakeholders: Councillors, officials, traditional leaders, businesses, farmers, and most importantly, our residents. Through partnerships, inclusive planning, and service excellence, we can begin to rebuild trust and place Koukamma Municipality on a path of recovery and progress.

Let this foreword serve as a declaration of our intent and commitment. The road ahead will be difficult, but with discipline, integrity, and unity, the mammoth task before us can be achieved. Together, we can transform Koukamma into a municipality that works for everyone.

NTOMBIKAYISE MNYENGEZA
ACTING MUNICIPAL MANAGER

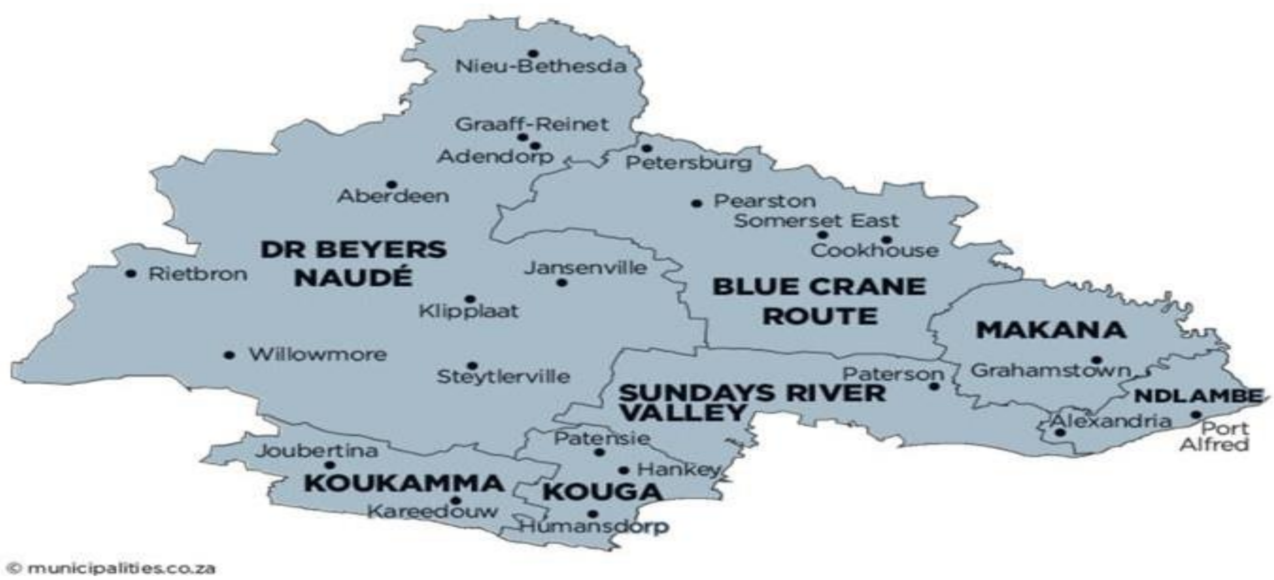
1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 GEOGRAPHICAL PROFILE OF KOUKAMMA

Koukamma Municipality forms part of the then Cacadu District Municipality currently known as the Sarah Baartman District Municipality (SBDM), situated in the Western side of the Eastern Cape with approximately 60 000 square kilometers. Koukamma Municipality is amongst the seven (7) municipalities that forms part of the Sarah Baartman District Municipality.

Koukamma Municipality is characterized by two distinct regions which can be classified as coastal belt and inland. The coastal belt boasts of tourism as its primary economic hub whilst the inland represents the agricultural sector as its primary hub. It is located in the north of Baviaans Mega Reserve (Kloof), west of Bitou Municipality, east of Kouga which all resemble the core elements of tourism and agriculture hubs of Koukamma Municipality. The area is approximately 3 598 square kilometers, and the density is 12, 14 square kilometers.

MAP OF SARAH BAARTMAN DISTRICT MUNICIPALITY



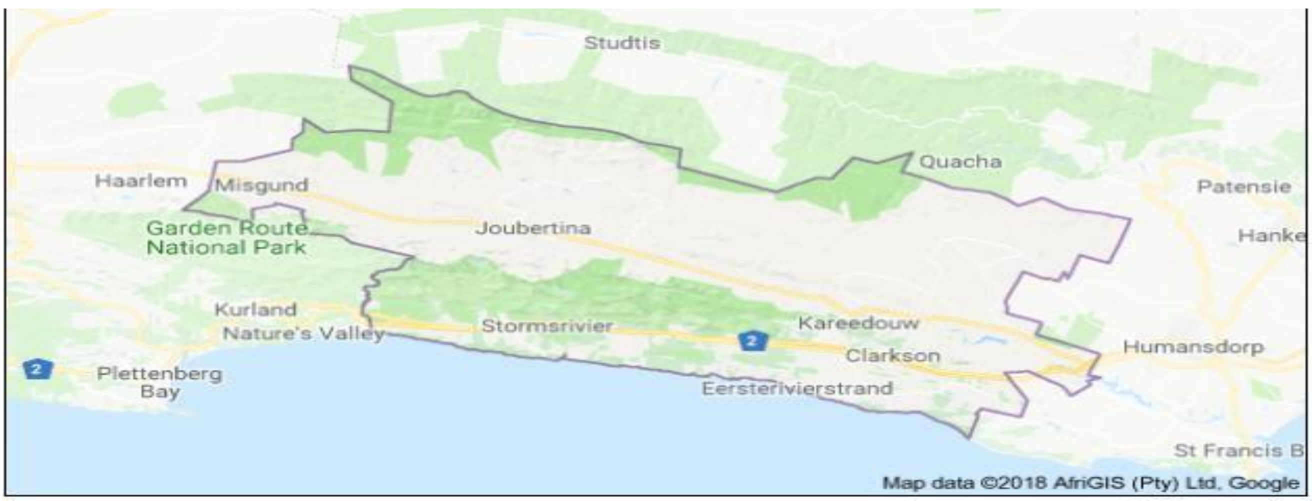
Socio - Economic Profile

Koukamma is well-known for its agricultural production. Its weather conditions create and sustain a conducive environment for a variety of Agri- Business Enterprise. Koukamma Municipality's commodities range from dairy, ferns, protea and indigenous plants along the coastal belt including tree and marine harvesting. It also consists of massive and competitive fruit production and medicinal plants in the Langkloof area.

In 2007, approximately 44% of commercial agriculture was projected for local economic growth which accounts and contributed significantly on job creation. The coastal belt is rich in tourism with diverse production market such as accommodation, attraction sites with art and craft including indigenous history. Koukamma is known as a place for sparkling water with large traits of indigenous forest and fynbos; with deep river that gorges cleft the plateau as they make way down to the sea, creating spectacular waterfalls and deep kloof.

Koukamma is huge in forestry and timber industry as that contributes to the domestic economy through job creation, capital investment and in global economy through export sales. Along its coastal belt, a fishery catchment zone exists adjacent to the stunning and classic golf estate which is also in close proximity to the tourism attraction site in Eerste Rivier.

MAP OF KOUKAMMA MUNICIPALITY



Demographic Profile

According to the Community Survey conducted in 2022, the population of Koukamma is approximately 36 487 and is comprised of all races in the country. According to census 2016, the population of Koukamma was approximately 43 688.

The 2016 population figures of Community Survey were calculated from the geo- spatial data. The 2011 Census report indicated the population of Koukamma as estimated at 40663 which then suggests that in five years – time, Koukamma had an influx or population growth of 5 337.

In relation to the Census statistics of 2022, Koukamma had 50.2% males and 49.8% females. Of those population estimates of 2011, blacks were estimated as 30.6%, coloureds – 59.8%, whites- 8.2%, Indians at 0.3% and other at 1.1%. The most spoken language is Afrikaans at 73.5%, followed by IsiXhosa at 19.9% and English at 2.5%. From ages 20 years and older, 10.3% had completed primary school education, 57.8% secondary school education and 3.9% had some form of higher education.

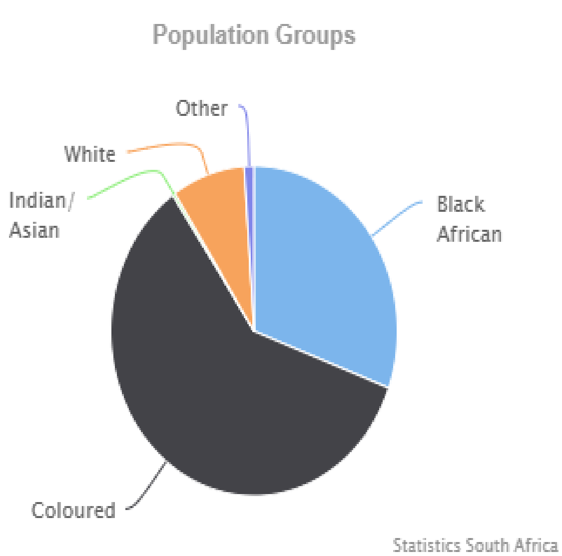
1.2.2 POPULATION OVERVIEW

The table below provides an overview of the population profile of the Koukamma Municipal area. The information is sourced from Statistics South Africa (Stats SA) and is based on data collected during the 2011 Population Census and the 2022 Population Census. The table illustrates demographic trends and changes in the population over the two census periods.

	2022	2011
Total population	**36 487**	**40 663**
Young children (0-14 years)	27,0%	29,7%
Working age population (15-64 years)	67,1%	65,7%
Elderly (65+ years)	5,9%	4,5%
Dependency ratio	49,0	52,1
Sex ratio	94,2	100,7
No schooling (20+ years)	3,3%	5,3%
Higher education (20+ years)	4,8%	3,7%

SOURCE: CENSUS 2022

Population by Group



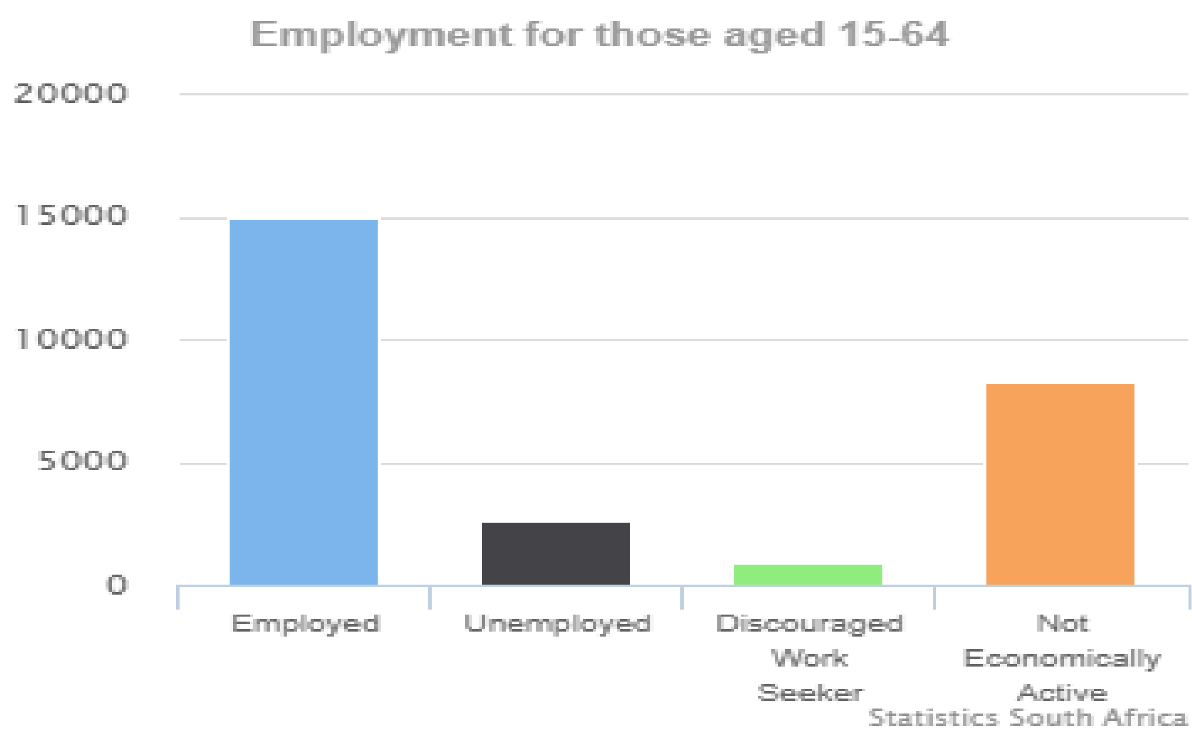
Group	Percentage
Black African	30,6%
Coloured	59,8%
Indian/Asian	0,3%
White	8,2%
Other	1,1%

1.2.3 SOCIO ECONOMIC STATUS

The socio-economic profile of the Koukamma Municipal area reflects the opportunities and challenges that influence the quality of life of its residents and the Municipality's development priorities. The local economy is primarily driven by agriculture, forestry, tourism, trade, and community services, which contribute significantly to employment and economic activity.

Despite the area's economic potential, the Municipality continues to face socio-economic challenges, including unemployment, poverty, income inequality, and limited economic opportunities in some communities. These challenges place increasing pressure on the Municipality to provide sustainable infrastructure, basic services, and programmes that promote inclusive economic growth and improve the livelihoods of residents.

14 931 people are economically active (employed or unemployed but looking for work), and of these, 15,0% are unemployed. The economically active youth (15–35 years) in the area total 7 519.



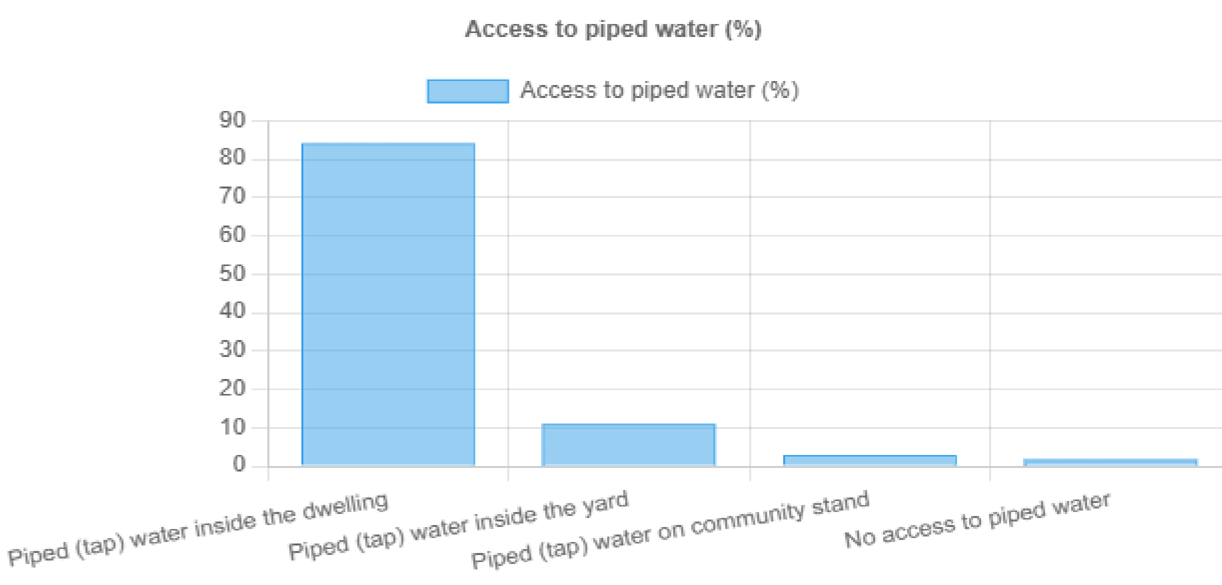
Of those aged 20 years and older, 10,3% have completed primary school, 40,2% have some secondary education, 17,6% have completed matric, and 3,9% have some form of higher education.

1.2.4 ACCESS TO BASIC SERVICES

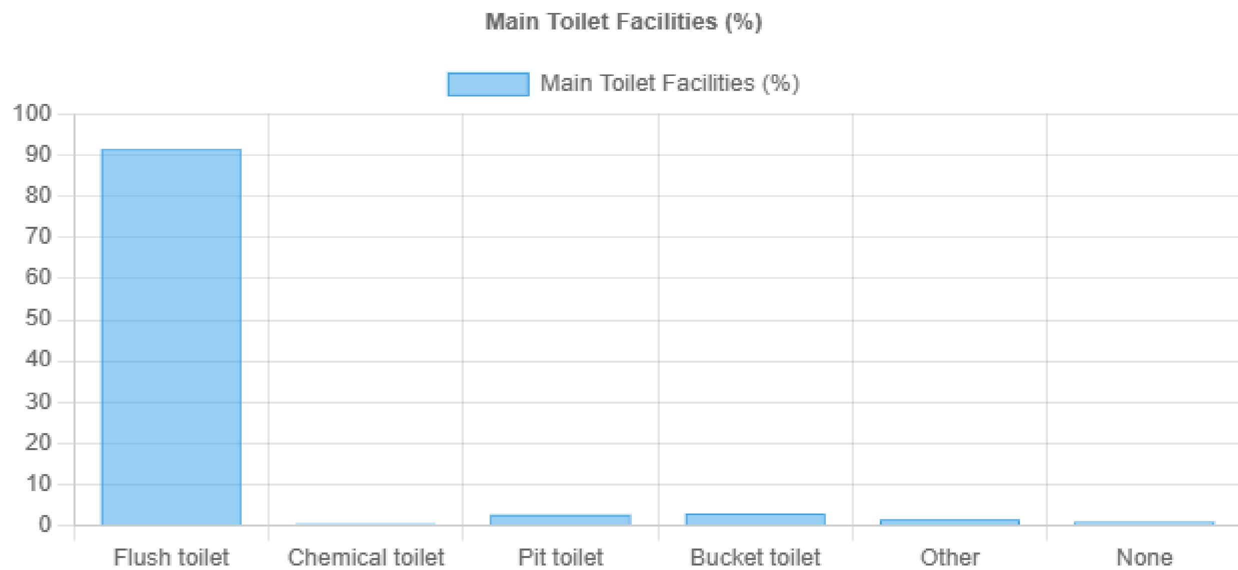
	2022	2011
Number of households	9 593	11 032
Average household size	3,8	3,7
Formal dwellings	94,1%	90,6%
Flush toilets connected to sewerage	91,5%	75,4%
Weekly refuse disposal service	84,8%	64,2%
Access to piped water in the dwelling	84,2%	68,2%
Electricity for lighting	97,7%	87,1%

Water and Sanitation

There are 11 032 households in the municipality with an average household size of 3,6 persons per household. 84.2 % of households have access to piped water inside dwelling/institution, 11% access piped water in their yard, 3% have access to communal piped water and only 1,8% of households do not have access piped water.

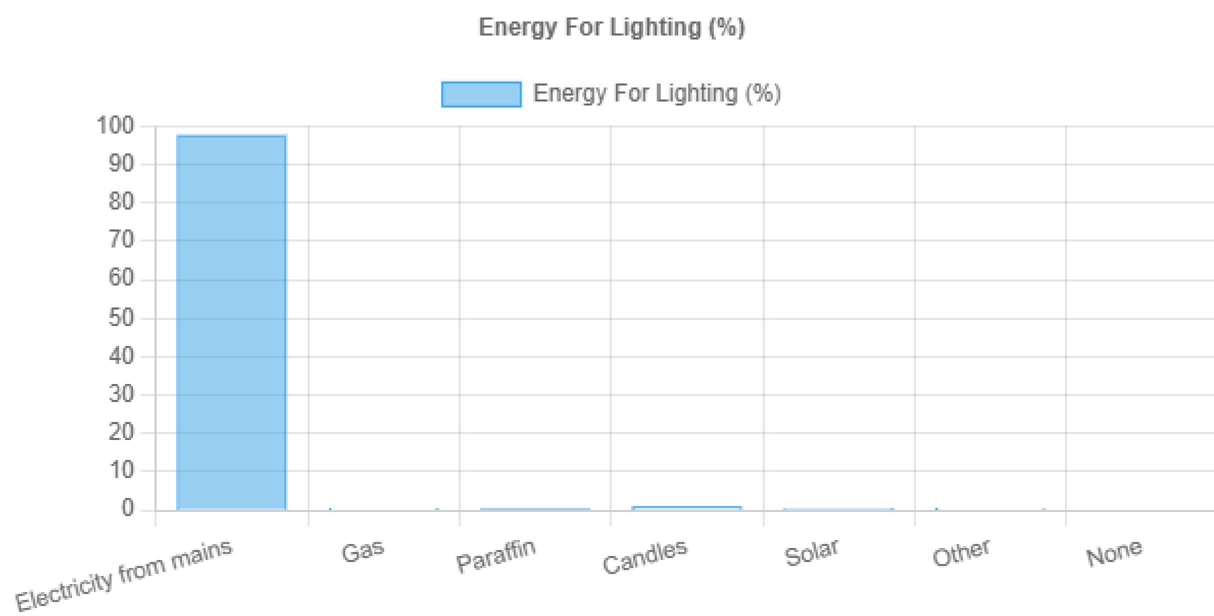


The provision and access to sanitation facilities is illustrated in the graph below. 91.5% of have access to flush toilets, 2.7% make use of the pit toilets, 0.4% make use of chemical toilets, 3% make use of the bucket system and 1.3% have no access to sanitation.



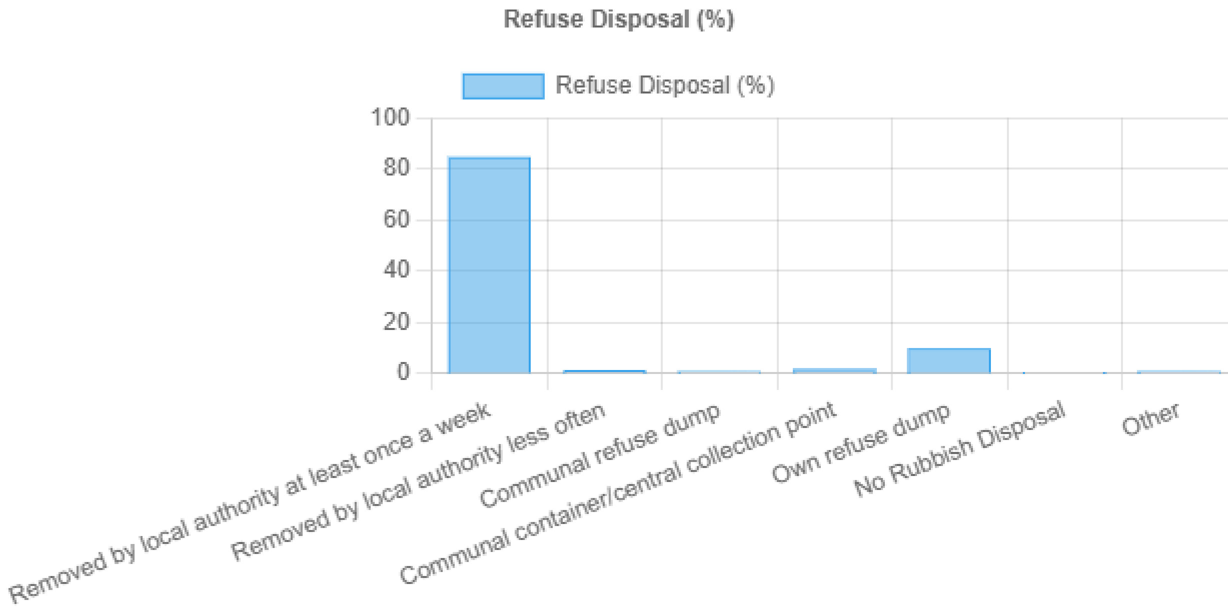
Electricity

A total of 97.7% of households have access to electricity for lighting. The remaining 2.3% make use of alternatives e.g. candles, gas, paraffin and solar.



Refuse Disposal

Refuse disposal removed by local authority at least once a week is 84,8%, refuse removed by local authority less often1,1%, access to communal refuse dump 0,9% or a communal container/central collection point 1,8% and access to own refuse dump 9,9%.



KOUKAMMA VISION, MISSION AND VALUES STATEMENT

Vision

Strive to be a dynamic and responsibly governed area, which has an integrated, competitive and sustainable economy to better the urban and rural livelihoods of its communities.

Mission

To be a Municipality in which delivery and access to quality services creates an environment in which all citizens can prosper through socio-economic upliftment and accountable governance. It further depicts the purpose of existence of the Koukamma Municipality and how it seeks to create its relationship with the customers, local community and other related stakeholders in delivering its mandate of a developmental Local Government.

Values

- Integrity and Honesty
- Affordable, Access and Quality Service
- Inclusive and Responsive
- Transparency and Accountability

1.3 SERVICE DELIVERY OVERVIEW

The administrative component of Koukamma Municipality is headed by the Municipal Manager, who had three (3) directors (during the 2025/26 financial year) reporting directly to him in terms of Section 56 of the Local Government: Municipal Systems Act, No. 32 of 2000 The following provides an overview of, of the work performed during the 2025/26 financial year:

The Office of the Municipal Manager: includes Communications, Public Participation, Internal Audit, SPU, LED and IDP.

The Communications Section serves as the vital link between the organisation, external stakeholders, and the community. It is responsible for communicating important service delivery and public information, including water and electricity outages, as well as programmes and initiatives implemented by the Provincial and National spheres of government. Through timely and accurate communication, the section ensures that residents and stakeholders remain informed about municipal services, developments, and government initiatives that affect the community.

The Public Participation Section promotes and facilitates community involvement in municipal affairs. It ensures that issues and concerns raised by members of the public are addressed through the appropriate municipal processes while keeping communities informed about municipal programmes, projects, and service delivery matters. The section works closely with the Ward Committees and Community Development Workers across the municipality's six wards to strengthen communication, encourage citizen participation, and enhance accountability.

An Internal Auditor was appointed in October 2025 to strengthen the municipality's internal control environment. The Internal Audit function is responsible for reviewing audited financial and non-financial information to ensure the completeness, accuracy, and reliability of reported performance in accordance with approved reporting schedules and the execution of audits in-line with the Internal Audit Plan. Prior to this appointment, the Internal Audit function was outsourced.

The Integrated Development Plan (IDP) was developed through a comprehensive consultative process and approved by the Council in May 2025. The IDP was informed by extensive public and stakeholder engagement, ensuring that community needs and priorities guided the strategic allocation of municipal resources. The Executive Authority of the municipality, led by the Mayor, presented the approved IDP to the Council for consideration and adoption. The IDP serves as the municipality's principal strategic planning instrument, guiding development priorities, service delivery, budgeting, and decision-making over the planning period.

The performance management section through the Service Delivery and Budget implementation plan converts the IDP objectives and budget into measurable milestones and service delivery indicators. The Service Delivery and Budget Implementation Plan was approved alongside the Integrated Development Plan and the Budget in May 2025. This document becomes the performance monitoring tool of the institution. The Performance Management (PMS) section consolidates departmental performance reports into an organizational performance report which is reported on, on a quarterly basis to the oversight structures of the Municipality. Key reports include the drafting of the S72 non- financial performance report as well as the annual performance report of the institution. Performance agreements and plans have been entered into by all senior managers for the 2025/26 financial and the process of cascading performance to all levels of the Municipality is underway.

The Municipality does not have a designated incumbent responsible for the Risk Management function. However, the implementation of the Risk Management function is facilitated by the Performance Manager and the Manager: ICT, while the Internal Audit unit provides quality assurance over all risk management processes.

A Strategic Risk Assessment was conducted in January 2025, during which seven strategic risks were identified. Progress on the implementation of risk mitigation plans is monitored through quarterly reports submitted to the Risk Committee and relevant oversight committees to ensure effective oversight and continuous management of identified risks.

Women, Youth, and other special programs also received and provided significant support for the benefit of our local communities by the SPU office.

The Local Economic Development (LED) Section is responsible for promoting sustainable economic growth, job creation, and investment within the Municipality. The section facilitates and coordinates local economic development initiatives, supports the development of small, medium, and micro enterprises (SMMEs), and promotes partnerships with government departments, the private sector, and community stakeholders to stimulate economic activity.

The LED Section also identifies and implements opportunities to enhance the Municipality's economic potential through tourism promotion, investment attraction, skills development initiatives, and support for local businesses. In addition, the section coordinates the implementation and monitoring of the Municipal Local Economic Development Strategy to ensure alignment with the Municipality's Integrated Development Plan (IDP) and broader national and provincial development priorities.

The Corporate Services Directorate component managed all administrative processes of Council, which included the convening and reporting outcomes of Council and Council Committee meetings, Registry Office, land Administration, Security Services, and all council/municipal owned properties and legal services was also undertaken and managed by the directorate.

The Directorate also hosts the Human Resources department which primarily handles all recruitment and selection of employees during the financial year. It also handles the training and development of councillors and municipal staff as well as the employee wellness programs.

The Information, Communication and Technology (ICT) Section also forms part of this directorate and is responsible for ensuring the availability, reliability, and maintenance of the Municipality's ICT infrastructure and related systems. The section provides network connectivity and ICT support services to all councillors and employees, ensuring access to the tools required for effective service delivery. In addition, the ICT Section is responsible for the maintenance and functionality of telecommunication systems, printers, and other essential ICT equipment.

Budget and Treasury: The municipal finances were spent in accordance with the Council-approved Budget, as was approved at the end of May 2025. All municipal finances were strictly managed in accordance with national regulatory prescriptions and municipal approved policies. The municipal audit improved from an adverse to a qualified opinion. The Municipality is not collecting enough revenue; we are depending on equitable share and grants to provide service delivery as 99% of capital expenditure is derived from various grants.

Technical Services Directorate is responsible for the planning, rollout, and provision of basic municipal services, including electricity, water, sanitation, and roads. The delivery of these services was undertaken in accordance with the various Master Plans approved by Council, ensuring that infrastructure development and service delivery remained aligned with the municipality's strategic priorities.

Kouga Municipality, as a Water Services Authority, managed the provision and maintenance of water services through the Technical Services Directorate. The Directorate also oversee town planning, electrical services, roads, and the Project Management Unit, which supported the implementation and coordination of municipal infrastructure projects.

In addition, the Directorate was responsible for spatial planning and development within the municipal boundaries. Spatial development and land-use planning during the year under review were guided by the Council-approved Spatial Development Framework (SDF), ensuring that development initiatives were aligned with the municipality's long-term spatial and developmental objectives.

The Community Services function focused on promoting a clean, healthy, and safe living and working environment within the municipality. This included maintaining the cleanliness of towns within the municipal boundaries through weekly refuse removal services for both residential and business communities. However, challenges were experienced due to the limited availability of refuse trucks, which affected the municipality's ability to consistently adhere to scheduled refuse collection services.

Traffic Services continued to provide regular traffic control and enforcement of traffic regulations to promote road safety and compliance within the municipality.

The municipality also managed the hiring of community halls and maintained cemeteries and open spaces. These activities were supported through employment programmes such as the Expanded Public Works Programme (EPWP) and the Community Work Programme (CWP), which contributed to maintaining public spaces while creating temporary employment opportunities for community members.

1.4 ACCESS TO BASIC SERVICES OVERVIEW

Access to basic services in the municipality includes provisions for electricity, water, sanitation, waste removal, and fire services, with a focus on ensuring adequate access to these services across all communities, including efforts to address areas with potential service gaps. The municipality prioritizes providing basic services to all residents, including those in informal settlements and back- yard dwellings.

Koukamma Municipality provides water services to all areas within its mandated borders, except in privately owned areas such as Thornham, Sanparks, Tweerivier, Boskor and Witelsbos. The municipal boundaries include extensive agricultural activities with numerous farm properties, not serviced by the municipality. Most farms have private water and sanitation infrastructure which meet the minimum standards. In some instances, to ensure efficiency, the municipality provides support in terms of water and sanitation infrastructure on privately owned land.

Water Services

According to (Stats SA, Census 2022), piped (tap) water inside the dwelling in the Sarah Baartman district has improved by 13,4% from 51% (2011) to 64% (2022). Koukamma reflects the highest percentage of households in the district with piped water inside the dwelling, which in- creased by 16% from 68,2% (2011) to 84,2% (2022).

According to the Koukamma Municipal Water Service Development Plan, 12 820 households have adequate supply of water. The need of 873 households, falling below the minimum service level for basic water supply, must still be addressed. This figure may be adjusted to include vulnerable categories.

The municipality is in the process of upgrading and refurbishment of the Joubertina Water Treatment Works, with funding from the Water Services Infrastructure Grant (WSIG). The water conservation and demand management project in Louterwater has subsequently been completed in this financial year. The project focused largely on the replacement of existing water pipes.

Koukamma municipality, along with Amatola Water as the implementing Agent, upgraded the Misgund Bulk Water Supply, with funding from the Regional Bulk Infrastructure Grant (RBIG) to the value of R10 million. The Misgund borehole water has been tested and basic disinfection, through chlorination, is conducted manually at the main reservoir. The new plant addresses treatment of both ground and surface water.

Challenges

The poor suffer disproportionately when the water supply is unreliable. Wealthier households, like industrial firms, can install private facilities such as reservoirs, recycling equipment and wells.
These options are beyond the means of poor consumers. Access to water, for poorer households in Koukamma, seems to have worsened due to the unequal distribution of water between poor local settlements, and the agricultural sector.

- Non-Revenue Water cost the municipality millions, challenges include:
- Many poor households with high-water usage, in excess of the 6 kl/month limit.
- Several rollouts were implemented to enforce the Indigent Management and Free Basic Services policy. However, these efforts had limited success and as a result unrestricted water access continues.

- Inaccurate or not billing regularly.

- Water billing inaccuracy due to faulty/non-working meters or unmetered consumers. The municipality is unable to quantify the exact percentage of water losses due lack of meters. Fifty percent (50%) is un-metered and the other 50%, is not functional, mainly due to age of the infrastructure. In the absence of meters, it is impossible to monitor usage and determine actual water losses. Some bulk and zone meters, need to be replaced due to age and others only require calibration.

Water meters generate data, which is most often collected manually or self-reported through data loggers and is therefore critical in the Non-Revenue Water calculations. The information will also enable the municipality to calculate high water losses within the system.

Sanitation

A Municipal Infrastructure Grant (MIG) for R9 354 904 enabled the Koukamma Municipality to up- grade the sanitation services in Clarkson. A similar project has been approved for Woodlands, with funding from MIG to the value of R 36 million, commencing in 2026/27 and 2027/28 FY.

A number of projects have been undertaken to upgrade Koukamma's Waste Water Treatment Works (WWTWs), with package plants using Tecroveer technology. This includes Stormsrivier, Sanddrif, Coldstream and Misgund WWTWs.

Challenges

Existing Wastewater Treatment Plants (WWTPs) as well as the pump stations at most plants, are in a state of disrepair.

Business plans for the refurbishment of the WWTPs and pump stations were submitted. Funding has been limited and insufficient to accommodate the entire sanitation refurbishment project. Partnerships, resources and funding ought to be secured for an overhaul of the WWTP and pump stations and enable ongoing maintenance.

Infrastructure development is a complex specialist field that needs a proper diagnosis, understanding the underlying causes. An appropriate response requires a distinction between the events, patterns & trends vs the systemic and structural issues followed by informed remedies. Certain challenges contribute to our ageing infrastructure, as outlined below:

- Excessive inefficiency e.g. High Non-Revenue Water, High impairment of new infrastructure
- Inadequate budgeting and expenditure on repairs and maintenance
- Lack/shortage of technical skills in local government
- Poor infrastructure asset management practices

Challenges included health and safety concerns; basic water and sanitation services are not available; the constant sewer blockages from the smallbore system and collapsing septic tanks as well as pollution of the waterways and environment.

Approximately R210 million, as indicated in the table below, is required to upgrade and maintain the water and sanitation infrastructure.

PROJECT NAME	PROJECT DESCRIPTION (NEW/UPGRADE REFURBISHMENT/ SIZE OF PLANT Mgl/d KM OF PIPELINE)	CURRENT DEMANDS vs CURRENT SUPPLY vs PLANNED SUPPLY	POPULATION/ BENEFICIARIES (IMPACT ON HOW MANY WILL BENEFIT)	BUDGET SHORTFALL/BUDGET REQUIRED
Refurbishment of vandalized WWTW with Directive & Pre-Directive	Desludging, replacement of aerators, mechanical and electrical works, lining of ponds	These are existing plants, no upgrading	Coldstream, Stormriver, Misgund, Kareedouw, Joubertina	R 11,5 m
Refurbishment of WWTWs and WTW	Refurbishment of WWTWs and WTWs	These are existing plants, no upgrading	Misgund, Louterwater, Krakeel, Joubertina, Kareedouw, Clarkson, Woodlands, Mandela Park, Blikiesdorp, Stormriver, Coldstream(11,222 h/h)	R 102,2 m
Replacement of Asbestos Pipes	Replacement of Asbestos Pipes	Existing networks that need to be replace due to age	Kareedouw and Joubertina(36,487 h/h)	R 51,3 m
Water Conservation & Demand Management	Purchase of bulk and customer smart meters for all settlements	Replacement of existing nonfunctional meters	All towns (36,487 h/h)	R 45 m
TOTAL REQUIRED				**R210 m**

The municipality has a stagnant and low revenue base. The revenue collection rate is 45%, which is below the 95% norm. A critical factor is that 31% of the households are indigent,15 of which include the unemployed and seasonal workers earning low wages in the agriculture, forestry and tourism industries.

The other factor is the Koukamma Municipality's limited own revenue streams. Koukamma, like most local municipalities, is reliant on grants from National Treasury and other government departments to expand its housing and basic services infrastructure footprint. The net impact of limited resources is that the Municipality is implementing reactive maintenance and servicing programme. It lacks an asset management plan and a proactive and sustainable maintenance plan.

Despite the various challenges including inadequate budget, shortage of equipment, fleet, personnel etc. the Koukamma Municipality continued to render basic services and ensured that all the 13 settlements have access to water, sanitation, refuse removal, electricity and fire services.

1.4.1 Local Economic Development

Local Economic Development (LED) is a process where a local community, municipality, businesses and other organisations work together to grow the local economy, create jobs, support businesses and improve people's quality of life.

Main aims of LED

- Create employment and reduce unemployment.
- Support small businesses and entrepreneurs, especially SMMEs.
- Develop local skills through training and education.
- Support agriculture and rural development.
- Promote tourism and local attractions.

The Koukamma municipality developed a Local Economic Development Strategic Plan with six strategic areas namely Oceans Economy, Green Economy, Tourism, SMME Development, Investment Promotion and Attraction, Public Private Partnership and Agriculture. The LED strategies are aimed at alleviating poverty.

1.5 FINANCIAL HEALTH OVERVIEW

Financial viability is an important concept to determine the ability of the municipality to provide services. In order for municipalities to be financially viable, it is important that they have a resilient and sustainable economic base where people are working and earning living wages, and businesses, large and small, are facilitating the steady exchange of goods and services.

Without a strong and sustainable economic base, the municipality will struggle to fulfil its constitutional and legislative responsibilities. Municipal financial viability is key in the sense that municipalities are legally authorized to charge for the services that they provide. This permits the municipality to cover its costs in providing such services. However, a challenge arises when payment for such delivery is not made. This affects the financial viability of a municipality and the sustainability of the provision of service. Charging affordable rates for consumer services creates a strong municipal finance, which can directly translate into growth. Viability and sustainability are funda- mental factors in municipal service delivery if local government is to address its development role effectively.

Financial viability is defined as the ability to generate sufficient income to meet operating payments, debt commitments, and, where applicable, to allow growth while maintaining service levels. Financial viability means the municipality can meet its expenditure out of revenue, without depending on government grants and borrowings.

The division of municipal powers and functions are important factors that may influence municipal viability as well as municipal revenue management and collection.

Municipalities should generate their revenue to meet service delivery objectives. For municipalities to generate their own revenue, they must maintain a sound revenue base and put in systems to manage and collect generated revenue from charges for providing water and other services. Key challenges that confront rural municipalities in generating their own revenue are a low revenue base and a culture of nonpayment. These have the potential to weaken the financial viability of municipalities. The Constitution of the Republic of South Africa of 1996 provides for municipal powers and functions and enables municipalities to charge for services rendered, to collect money due and to levy interest on outstanding amounts. The Local Government Municipal Systems Act, sections 12 and 13, deals extensively with municipal legislative processes, particularly the passing and publishing of municipal by-laws in a provincial government gazette. The municipal by-laws are legally required to give effect to decisions taken by the municipal Council (MFMA Circular 64 of 2012).

Revenue trend:
Revenue from exchange transactions decreased by R957,415 (1.3%), mainly due to a decrease in wastewater revenue of R1,007,688 (6.5%) and decrease in water revenue of R659,512 (2.5%).

Revenue from non-exchange transactions increased by R30,393,992 (24.4), mainly due to an increase in traffic fines of R29,504,527 (432%) compared to the previous financial year, largely as a result of the appointment of a service provider in April 2025 that assisted in providing speed cameras and dealing with issuing an collection of traffic fines.

1.6 ORGANISATIONAL DEVELOPMENT OVERVIEW

1.6.1 Organisational Structure and Vacancy Status

Council adopted the reviewed organisational structure for the 2023/24 financial year on 30 May 2023, following an extensive consultation process with all relevant stakeholders and in accordance with the applicable legislative and procedural requirements.

The approved organisational structure comprises a total of 338 funded positions. During the reporting period, 162 positions were filled, while 176 positions remained vacant. The vacancy position was influenced by employee deaths, resignations and retirements occurring during the reporting period.

The Municipality continues to monitor and manage the vacancies in line with its organisational requirements, operational priorities and applicable recruitment and selection processes.

1.6.2 Job Evaluation

During the reporting period, Koukamma Local Municipality continued with the job evaluation process to ensure that positions are appropriately graded in accordance with the Municipality's Job Evaluation Policy. Job descriptions were submitted to the Sarah Baartman District Municipality Job Evaluation Committee and subsequently audited by the appointed external service provider, Brian Singh Consulting.

Of the 132 positions on the adopted staff establishment, 101 job descriptions were submitted for evaluation, with 99 final outcome reports received following auditing, representing a 90% completion rate at the auditing stage. A total of 17 higher task grades had been implemented, while 22 positions remained pending implementation and 33 job descriptions were still outstanding. The outstanding positions and appeals will continue to be addressed to facilitate the completion and implementation of the job evaluation process.

1.6.3 Employment Equity

The Municipality implemented its Employment Equity Plan for the period 1 March 2023 to 28 February 2028 in accordance with the Employment Equity Act 55 of 1998, as amended.

During the reporting period, the Municipality continued to implement measures aimed at promoting equitable representation of designated groups and addressing identified employment equity barriers. These measures include recruitment and selection, appointments, job classification and grading, training and development, promotions, retention, reasonable accommodation and employment equity awareness.

The Municipality also continued with consultation and monitoring through the Employment Equity Forum and Local Labour Forum, with the required employment equity reporting submitted to the Department of Employment and Labour. The Employment Equity Plan provides a framework for implementing affirmative action measures and achieving the Municipality's numerical goals and targets over the five-year planning period.

1.6.4 Municipal Policies

During the reporting period, the following Human Resource policies were tabled and workshopped at the Local Labour Forum (LLF) as part of the Municipality's ongoing efforts to strengthen its human resource management framework. However, not all of the policies were approved by Council during the reporting period.

1.7 AUDITOR GENERAL REPORT (*TO BE UPDATED IN FINAL DRAFT*)

Koukamma Local Municipality received a qualified audit opinion for the 2024/25 financial year. This outcome represents a significant improvement compared to the adverse audit opinion issued for the 2023/24 financial year.

The improvement in the audit outcome indicates that the Municipality has made measurable progress in addressing material misstatements and weaknesses identified in the prior financial year. While the Municipality has not yet achieved an unqualified (clean) audit opinion, the movement from an adverse to a qualified opinion reflects a positive trajectory towards improved financial management, governance, and compliance.

The full report is attached in Chapter 6.

1.8 STATUTORY ANNUAL REPORT PROCESS

The Annual Report provides a comprehensive account of the Municipality's performance and activities during the financial year. It serves as a key accountability and governance instrument by reporting on the implementation of the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP), and the approved budget.

The report informs the municipal council, communities, oversight bodies, and other stakeholders of the Municipality's achievements, challenges, financial performance, and service delivery outcomes. It also demonstrates compliance with the requirements of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), and other applicable legislation. The process of compilation is demonstrated in the table below;

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft 2025/26 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January

CHAPTER 2 – GOVERNANCE

2. POLITICAL AND ADMINISTRATIVE GOVERNANCE

Section 121(2)(c) of the MFMA supports the requirements of Section 18(1)(d) of the MSA: information on matters of governance should be communicated to communities.

In line with MFMA Circular 63, this chapter outlines the governance structures and mechanisms that support ethical leadership, sound financial management, and institutional integrity. It reflects the municipality's commitment to compliance, oversight, and participatory decision-making, while promoting service delivery that is both equitable and sustainable.

Key focus areas include:

- 🏛️ **Council Oversight**: Functioning of Council and its committees, including the Audit Committee and MPAC, in promoting accountability and strategic direction.
- 📋 **Administrative Governance**: Leadership roles of the Municipal Manager and senior officials in implementing Council resolutions and maintaining operational integrity.
- 🔍 **Internal Controls & Risk Management**: Systems in place to safeguard assets, prevent irregular expenditure, and ensure compliance with legislative frameworks.
- 📢 **Public Participation**: Mechanisms for engaging communities in decision- making, including ward committees and stakeholder consultations.

Both political and administrative leadership are expected to uphold eight (8) foundational principles that ensure the municipality remains responsive, inclusive, and accountable to its communities.

These principles are embedded in our daily operations and strategic planning:

- ⚖️ **Rule of Law**: We operate within a fair and transparent legal framework, enforced impartially to protect the rights and interests of all stakeholders.
- 🔍 **Transparency**: Information is shared openly and accessibly, enabling residents to understand how decisions are made and how resources are allocated.
- ⏱️ **Responsiveness**: Our structures and processes are designed to serve community needs promptly and effectively.
- 🤝 **Consensus-Oriented Decision-Making**: We engage in diverse voices to find balanced, sustainable solutions that reflect the collective interest.
- 🌍 **Equity and Inclusiveness**: Every resident is given the opportunity to participate meaningfully and benefit from municipal services, regardless of background or circumstance.
- 🛠️ **Effectiveness and Efficiency**: We strive to deliver quality outcomes using resources wisely, ensuring value for money and measurable impact.
- 📢 **Accountability**: Leadership is answerable to the public, with mechanisms in place to explain decisions and report on performance.
- 🗳️ **Participation**: Community involvement is central to our governance model, from ward committees to public consultations.

COMPONENT A – POLITICAL AND ADMINISATRATIVE GOVERNANCE

2.1 POLITICAL GOVERNANCE STRUCTURE 2025/26

The political governance structure of Koukamma Local Municipality is anchored in the principles of democratic accountability, transparency, and public service. It comprises elected representatives who serve as custodians of the community's interests, ensuring that municipal policies and decisions reflect the needs and aspirations of the residents.

The Municipal Council, led by the Mayor and Speaker, is the highest decision-making body and is responsible for setting strategic direction, approving budgets, and overseeing the implementation of municipal programs. Councillors, elected through a proportional representation system, play a vital role in legislative oversight, community engagement, and policy formulation.

This component of governance is guided by the provisions of the **Municipal Structures Act**, the **Municipal Systems Act**, and the **Constitution of the Republic of South Africa**, which collectively define the roles, responsibilities, and ethical standards expected of political office bearers.

Through regular council meetings, public participation processes, and intergovernmental collaboration, the political leadership of Koukamma Municipality strives to uphold good governance, foster inclusive development, and maintain accountability to its constituents.

Mayor: Cllr. Mpumelelo Samuel Vuso

Mayor Vuso has been a Mayor since 20 August 2024 however in an ordinary council meeting held on the 29 May 2026 Councillor Brendon Tirone Jantjies was nominated as a Mayor of Koukamma Local Municipality.

Speaker: Cllr. Dudley Maasdorp

Koukamma Municipal Council have full – time status of the office bearers namely:

- Mayor; and
- Speaker.

Koukamma Municipality has four (4) political parties and an independent candidate. The four (4) political parties are as follows:

- African National Congress with four (4) members;
- Democratic Alliance with three (3) members;
- Freedom Front Plus with one (1) member;
- Patriotic Alliance with three (3) members and
- Independent member one (1).

Koukamma Municipality is a collective executive system combined with a ward participatory system municipality as published in item 3 of Part II in Government Gazette 45301. The Municipal Council has twelve (12) Councillors.

Koukamma Municipality has an executive committee (EXCO), which allows for the exercise of the executive authority in whom the executive leadership of the municipality is vested. The Council has a Speaker, who chairs meetings of Council. All decisions are taken by the Council, but there are some of the decisions entrusted to the executive committee in terms of authority delegated by legislation. The Mayor provides political guidance over the policy, budget and financial affairs of the municipality.

The Speaker is in charge of the Council, which means that he is entrusted with the responsibility to guard the integrity of the legislative process and plays an important role in the oversight that the Council must exercise. He is also responsible to ensure that the municipality fulfil its public participation role and that all decisions taken by Council are implemented.

The twelve (12) Councillors which served municipal Council are as follows:

No	Name and Surname	Position	Political Party
1	Dudley Maasdorp	Speaker – Ward Councillor Ward 3	Independent
2	Mpumelelo Sam Vuso	Mayor/ PR Councillor	ANC
3	Nomathamsanqa Majola	Ward Councillor – Ward 6	ANC
4	Vuyani Persent	Ward Councillor – Ward 4	ANC
5	Clive Witbooi	Ward Councillor – Ward 5	ANC
6	Brendon Tirone Jantjies	Mayor/ PR Councillor	PA
7	Kerneel Smit	PR Councillor	DA
8	Thembalethu Williams	PR Councillor	DA
9	James Krige	PR Councillor	DA
10	Sharon Ferguson	PR Councillor	FFP
11	Betrum Korkee	Ward Coucillor – Ward 1	PA
12	Micheal Hartz	Ward Councillor- Ward 2	PA

Koukamma Municipality has three (3) executive members, one (1) from the PA and one (1) DA and one (1) from the ANC namely:

- Councillor Brendon Tirone Jantjies – Patriotic Alliance
- Councillor Mpumelelo Sam Vuso – African National Congress
- Councillor Kerneel Smit – Democratic Alliance

All Councillors have different functions and are involved in other areas of responsibilities such as the Standing Committee as outlined below:

No	Name and Surname	Ward	Portfolio	Other responsibility
1.	Cllr Dudley Maasdorp	3	None	None
2.	Cllr Vuyani Persent	4	Member of Technical Service and Community Service Standing Committee	LLF Chairperson
3.	Cllr. Clive Witbooi	5	Member of the Corporate Service Standing Committee	Member of MPAC

4.	Cllr Nomathamsanqa Majola	6	Member of the Corporate Service Standing Committee Finance, LED, Public Participation, Tourism, Audit Service, SPU, IDP, Communications, PMS and Risk Standing Committee	Chairperson of Women`s Caucus and District Representative
5.	Cllr. Michael Hartz	2	Member of the Technical and Community Services Standing Committee	None
6.	Cllr Betrum Korkee	1	Member of the Finance and LED Standing Committee	None
7.	Cllr Sharon Ferguson	PR	Member of the Corporate Service Standing Committee	Member MPAC
8.	Cllr Brendon Jantjies	PR	Chairperson of the Technical Service and Community Service Standing Committee Member of the Finance and LED Standing Committee	Chairperson of EXCO and Member of MPAC
9.	Cllr James Krige	PR	Member of the Technical Services and Community Standing Committee	None
10.	Cllr Kerneels Smit	PR	Chairperson of Corporate Services Standing Committee	Member of EXCO
11.	Cllr. Thembalethu Williams	PR	Member of the Finance and LED Standing Committee	Chairperson of MPAC
12	Mpumelelo Sam Vuso	PR	Chairperson of the Finance and LED standing Committee Chairperson	Member of EXCO

2.2. ADMINISTRATIVE GOVERNANCE STRUCTURE

The administrative governance of Koukamma Local Municipality is the backbone of service delivery and institutional functionality. It is led by the Municipal Manager, who serves as the accounting officer and is responsible for the overall management of municipal operations, ensuring that council decisions are implemented efficiently and in accordance with legislative frameworks.

This component encompasses various departments and directorates, each tasked with executing specific mandates such as infrastructure development, financial management, community services, and corporate support. The administration operates under the principles of professionalism, accountability, and continuous improvement, guided by the provisions of the **Municipal Systems Act**, the **Municipal Finance Management Act (MFMA)**, and other relevant legislation.

Through strategic planning, performance management, and sound financial controls, the administrative arm ensures that the municipality remains responsive to community needs while maintaining compliance with regulatory standards. It also plays a critical role in fostering interdepartmental coordination, promoting staff development, and upholding ethical governance practices.

Together with the political leadership, the administrative component forms a cohesive governance structure that drives sustainable development and enhances the quality of life for all residents of Koukamma Municipality.

BACKGROUND ON THE ADMINISTRATIVE STRUCTURE

The Municipal Manager is the Accounting Officer of the municipality and is delegated with the responsibility to provide guidance on compliance with Section 55 (1) of the Municipal Structures Act, 1998. The Municipal Manager is the driving force behind the administration and integrates all the different components of the municipality into strategic and operational plans. In the 2025/26 financial year, the administrative structure in relation to sections 56 and 57 was as follows:

NO.	NAME & SURNAME	DESIGNATION	RACE	GENDER
1	Ntombikayise Mnyengeza	Acting Municipal Manager	A	F
2	Lucas Somtseu	Director: Corporate Services	A	M
3	Michelle Kerr	Chief Financial Officer	W	F
4	Mziwamadoda Qalaba	Director: Technical Services	A	M
5	Vacant	Director: Community Services	-	-

During June 2025, Mr. Mlamli Zenzile was seconded by the Department of Cooperative Governance and Traditional Affairs (COGTA) to serve as the Acting Municipal Manager for an initial period of six months. His secondment was subsequently extended until 31 May 2026. However, due to unforeseen circumstances, Mr. Zenzile concluded his secondment and left Koukamma Municipality at the end of March 2026.

Following his departure, the responsibilities of the Acting Municipal Manager were undertaken on a rotational acting basis by the Director: Corporate Services and the Director: Technical Services, ensuring continuity in the Municipality's administration until a new appointment was made.

On the 02 June 2026, Ms. Ntombikayise Mnyengeza was seconded by the Department of Cooperative Governance and Traditional Affairs (COGTA) to serve as the Acting Municipal Manager for a period of 12 months.

The appointment of Ms. Michelle Kerr as Chief Financial Officer (CFO) on the 02 June 2025 marked a significant milestone in strengthening and stabilising the Municipality's financial leadership.

The contract of the Director: Technical Services expired in June 2025 and was subsequently extended for an additional three months. Following the extension, the incumbent was permanently appointed to the position in October 2025, providing stability and continuity within the Technical Services Directorate.

The position as Director: Community Services remained vacant for the duration of the financial year.

In terms of the Employment Equity Act, No. 55 of 1998 and regulations, the employer must prepare and implement an employment equity plan to ensure that suitably qualified are equally represented at all occupational levels. Significant progress has been made during 2025/26 as the organizational structure reflects the employment equity targets at most if not all occupational levels.

The municipality has a staff complement of one hundred and seventy-one (171) permanent employees, twenty-eight (28) contract employees, thirty three (33) Expanded Public Works Programme (EPWP) employees .

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3. INTERGOVERNMENTAL RELATIONS

The Constitution defines intergovernmental relations as interacting networks of institutions such as the National, Provincial and local spheres which are expected to work together and cooperate with one another in mutual trust and in good faith. Intergovernmental relations are viewed as an evolving system of institutional cooperation that seeks to address equality and independence. Koukamma Municipality accepts and understands the importance of Intergovernmental Relations which is the key driver in ensuring that all government departments and state organs share ideas with the intention of improving the livelihood of the communities.

The Mayor/Speaker participates in the following structures which are held quarterly in the province and the meetings were held as follows:

- Premiers' Co-ordinating Forum
- Political Munimec driven by Department of Cooperative Governance and Traditional Affairs (CoGTA)
- Speakers' Forum
- Provincial Command Council
- District Command Council
- Mayor's Forum

The Municipal Manager attends the Provincial Munimec with the Mayor where the Municipal Manager deals with the technical issues pertaining to the administrative functions of the municipality. Senior Managers and Portfolio Councillors attend the SALGA Working Groups which update or inform participants of amendments in legislation or and updating on issues such as job evaluation and general increments.

These structures are guided by the Intergovernmental Relations Framework Act, No. 13 of 2005. Although the Mayor is responsible for chairing the Intergovernmental Relations at the municipal level and ensuring that knowledge is shared, as part of development; Councillors and officials are also nominated to participate in various Sarah Baartman District Municipality meetings such as:

- IDP Forums
- District Support Team
- SBDM Health Authority
- District HIV/AIDS Council, and
- EPWP Regional Steering Committee

The Mayor established and chaired the intergovernmental forum where all government departments and organs of state come together to plan common programmes that affect communities and share ideas on how the budget will be spent to uplift and improve the communities.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 PUBLIC PARTICIPATION

In accordance with Section 16(1) of the Local Government: Municipal Systems Act, the Koukamma Municipality is mandated to cultivate a culture of municipal governance that complements formal representative structures—namely Ward Councillors and Ward Committees—with a robust system of participatory governance. To fulfil this legislative obligation, the Municipality is required to encourage and create enabling conditions for active community involvement in municipal affairs, specifically in relation to:

- The preparation, implementation, and review of the Integrated Development Plan (IDP);
- The establishment, implementation, and review of the Performance Management System (PMS);
- The monitoring and evaluation of municipal performance, including the assessment of outcomes and impact;
- The preparation of the municipal budget; and
- Strategic decision-making concerning the provision of municipal services.

In alignment with the provisions of the Municipal Structures Act, 1998 (as amended), Council has successfully established Ward Committees across all six (6) wards within the Koukamma jurisdiction. The formation of these committees was undertaken through an inclusive process that invited participation from a broad spectrum of stakeholders, including local residents, Community-Based Organisations (CBOs), Ratepayers Associations, Non-Governmental Organisations (NGOs), Religious-Based Organisations (RBOs), youth and women's organisations, educational and sports bodies, agricultural associations, persons with disabilities, Community Safety Forums (CSFs), and other civil society entities.

This participatory framework serves as a cornerstone for deepening democratic engagement, enhancing transparency, and fostering collaborative decision-making between the Municipality and its constituents.

Ward Councillors of Koukamma Municipality are from the following areas:

WARDS	TOWN/AREA	WARD COUNCILLOR
Ward 1	Misgund, Krakeel	Cllr Pieter Meyer
Ward 2	Louterwater	Cllr Ronnie Campher (Resigned and was subsequently replaced by Cllr Korkee)
Ward 3	Ravinia	Cllr Dudley Maasdorp
Ward 4	Kareedouw	Cllr Vuyani Persent

Ward 5	Clarkson, Woodlands	Councillor Channon Eugina May (Deceased on 08 March 2025 which led to the replacement by Cllr. C. Witbooi)
Ward 6	Nompumelelo Village, Coldstream	Cllr Nomathamsanqa Sikiwe

During the year under review the Mayor had public participation meetings when the IDP and Budget were reviewed, and communities had the opportunity to discuss issues pertaining to budget and IDP.

Ward Councillors also call constituency meetings where they give feedback to communities of their ward on programmes and projects approved in the IDP and Budget, which will be implemented. Ward Committee members as the representatives of the communities, are also expected to facilitate programmes in relation to their portfolio (for example youth portfolio leader must organise programmes to benefit youth)

2.4.1 Public Meetings

Koukamma had been engaging with communities in public meetings, consulting on various programmes to be implemented, such as IDP and Budget.

The table below illustrates the meetings that were held in different areas on different dates:

WARD	AREA	DATE	VENUE	TIME
1	Misgund	3 March 2025	Community Hall	10:00
2	Louterwater	3 March 2025	Community Hall	14:00
2	Krakeel	4 March 2025	Community Hall	10:00
3	Ravinia	4 March 2025	Community Hall	14:00
6	Coldstream	13 March 2025	Community Hall	10:00
6	Stormsriver	5 March 2025	Community Hall	12:00
6	Nompumelelo Village	5 March 2025	Community Hall	14:00
5	Woodlands	6 March 2025	Community Hall	10:00
5	Clarkson	6 March 2025	Community Hal	12:00
4	Kareedouw	6 March 2025	Community Hall	14:00

2.5 IDP PARTICIPATION AND ALIGNMENT

The Municipal Systems Act, of 2000 requires that municipalities develop an IDP. Koukamma Local Municipality's IDP is premised from the Spatial Development Plan, linked to the Sarah Baartman District Municipality's IDP and also aligned to the National and Provincial framework directives.

Section 26 of the Municipal Systems Act, 2000 has set a criterion for the institutions in order to check whether the IDP is aligned with public participation as follows:

IDP Participation and Alignment Criterion	Yes/No
Does the municipality have impact, outcome, input, output indicator?	Yes
Does the IDP have priorities, objectives, KPI's, development strategies?	Yes
Does the IDP have multiyear targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to KPI's in the strategic plan?	Yes
Do the IDP KPI's align to the Section 57 Managers	Yes
Do the IDP KPI's lead to functional area KPI's as per the SDBIP?	Yes
Do the IDP KPI's align with the provincial KPI's on the 12 Outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter-aligned reports submitted within stipulated timeframes?	Yes

The municipality had established a public participation methodology that embodies the fundamental values outlined in the Constitution focusing on human rights and community involvement. Different platforms of engagement have been established, namely:

2.5.1 Ward Committee Constituency meetings;
2.5.2 Mayoral Imbizo;
2.5.3 IDP Representative Forum;
2.5.4 IDP Steering Committee
2.5.5 Intergovernmental relations; and
2.5.6 Community-based planning sessions.

COMPONENT D: CORPORATE GOVERNANCE

2.6 CORPORATE GOVERNANCE FUNCTION

In accordance with Section 3(1) of the Municipal Systems Act, Koukamma Municipality exercises its executive and legislative authority within the constitutional framework of co-operative governance, as envisaged in Section 41 of the Constitution of the Republic of South Africa. This legislative directive underscores the imperative for municipalities to operate as distinct spheres of government while fostering collaboration, mutual support, and the strategic sharing of resources.

Municipalities are therefore expected to develop and implement common approaches to local governance that promote efficiency, accountability, and service excellence. Within this context, corporate governance refers to the systems, processes, and relationships through which municipal services are directed and controlled.

Effective corporate governance is anchored in clearly defined structures and principles that delineate the distribution of rights and responsibilities among key stakeholders in the municipal environment. These include internal audit functions, the Audit Committee, and the Municipal Public Accounts Committee (MPAC), all of which play a critical role in ensuring that robust mechanisms are in place to identify, mitigate, and manage risks, including the prevention of fraud and financial misconduct.

2.6.1 AUDIT COMMITTEE

The Audit Committee fulfils its oversight responsibilities in terms of:

- MFMA Section 166,
- Municipal Systems Act,
- Municipal Supply Chain Management Regulations,
- National Treasury MFMA Circulars, and
- The Audit Committee Charter approved by Council.

These frameworks collectively guide the Committee in executing its mandate related to financial reporting, internal controls, performance management, compliance, risk management and the work of Internal Audit.

Composition Of The Audit And Risk Committee And Attendance:

The Audit Committee comprises three independent members. The Committee is required to meet at least four (4) times per annum as per its approved terms of reference. The following persons also have standing invitations to all committee meetings

- The Municipal Manager
- The Chief Financial Officer

- Heads of Departments
- Representatives of the Auditor-General
- The Chief Audit Executive
- The Compliance and Risk Officer
- The Manager : PMS
- The Chairperson of MPAC.
- Provincial Departments of Treasury and COGTA

The Audit and Risk Committee adopted a detailed work plan that provides the details of all reports required for each quarter enabling the committee to perform its mandate effectively as outlined in legislation as well as in the Audit Committee Charter.

The work plan forms the basis of the Audit and Risk Committee's quarterly agenda.

Both the Internal Auditors and the Auditor General have unrestricted access to the Audit Committee.

During the 2025/26 Financial year, The members of the Audit Committee are as follows:

Name & Surname	**Designation**	**Date of appointment**
Ms. Ronel Shaw	Chairperson	01 January 2025
Mr D. de Lange	Member	01 January 2025
Mr N. Momoza	Member	25 July 2025

During the 2025/26 financial year, Koukamma Municipality's Audit Committee had meetings on the following dates, namely:

Committee	**Date of Meeting**	**Quarter**	**Comment**
Audit	14 August 2025	First	To consider quarter four (4) reports for the 2024/25 financial year.
Audit	04 December 2025	Second	To consider quarter one (1) reports for the 2025/2026 financial year.
Audit	24 February 2026	Third	To consider quarter two (2) reports for the 2025/2026 financial year.
Audit	26 May 2026	Fourth	To consider quarter three (3) reports for the 2025/2026 financial year.

2.6.2 INTERNAL AUDIT

The Internal Audit Unit plays a pivotal role in strengthening the Municipality's internal control environment by assessing the adequacy and implementation of Standard Operating Procedures (SOPs), policies, and compliance mechanisms. During the 2025/26 financial year, the contract of the outsourced Internal Audit function concluded in January 2025. Following a short-term extension until the end of April 2025. The organisational structure makes provision for the following posts, namely: Chief Audit Executive (1 post) and Internal Auditor (1 post). There is currently one vacant post, namely the Chief Audit Executive in the Internal Audit Function. the Municipality resolved to insource the Internal Audit function to enhance institutional capacity and continuity. The recruitment process for the Internal Audit position was subsequently initiated, and the position was filled in October 2025.

APPROVED 2025/26 OPERATIONAL RISK-BASED INTERNAL AUDIT PLAN

Audit Projects		**Quarter 2**	**Quarter 3**	**Quarter 4**
		Oct - Dec 2026	**Jan-Mar 2026**	**Apr-Jun 2026**
Drafting Internal Audit documentations				
1	Internal Audit Charter	80 Hours		
2	Audit and Risk Committee Charter	80 Hours		
3	Internal Audit Methodology	80 Hours		
4	Annual Internal Audit Plan	80 Hours		
Statutory Audits				
1	Audit of Performance Information		80 Hours	40 Hours
Risk-based Audit				
1	Payroll Management		160 Hours	
2	Fuel Management		120 Hours	
3	SCM Management			160 Hours
4	Asset Management			160 Hours
Other Audits				
1	Review of UIF&W Ad-hoc	80 Hours		40 Hours
2	Follow up Audit			40 Hours
3	Follow up on AG findings			40 Hours

PROGRESS REPORT ON THE 2025/26 RISK-BASED INTERNAL AUDIT PLAN

Audit Activity	Status	Comments	Planned Hours	Actual Hours
Quarter 2: 01 Oct to 31 Dec 2025				
Drafting Internal Audit documentations				
Internal Audit Charter		Approved by Council	80 Hours	80 Hours
Audit and Risk Committee Charter		Approved by Council	80 Hours	80 Hours
Internal Audit Methodology		Approved by Council	80 Hours	80 Hours
Annual Internal Audit Plan		Approved by Council	80 Hours	80 Hours
Review of UIF&W Ad-hoc		The final report was issued in the 2nd quarter and was tabled to MPAC on the 11 February 2026 and ARC on 24 February 2026.	80 Hours	80 Hours
Quarter 3: 01 Jan to 31 Mar 2026				
Audit of Performance Information Q1 & Q2		The final report for Q1 was issued in the 3rd quarter and was tabled to ARC on the 26 May 2026. The final report for Q2 and Q3 were issued on the 4th Quarter and tabled to ARC on the 18 August 2026.	80 Hours	80 Hours
Payroll Management		The final report was issued in the 3rd quarter and will be tabled to ARC in 26 May 2026. The Audit was prolonged due to the Managing Unauthorized, Irregular, Fruitless and Wasteful Expenditure Training by NSG that took a whole week and forums that happened in Q3.	160 Hours	240
Fuel Management		The final report was issued in the 4th quarter and will be tabled to ARC in 18 August 2026. The audit was delayed due to disaster.	120 Hours	180

Quarter 4: 01 Apr to 31 Jun 2026				
Ad-hoc: Review of UIF&W E		The final report was issued in the 4th quarter and will be tabled to ARC on 18 August 2026.	40 Hours	40 Hours
Supply Chain Management		The final report is issued in the 4th quarter and will be tabled to ARC on 18 August 2026. The audit was delayed due to disaster.	160 Hours	160 Hours
Asset Management		The audit could not be conducted due to delays of the previous audits; the audit is now included in the 2026/27 Internal Audit Plan.	N/A	N/A
Follow up on AG findings		The report was issued in the 1st quarter and will be tabled to ARC in 18 August 2026.	40 Hours	40 Hours
Follow up on previous Internal Audit findings.		The report was issued in the 1st quarter and will be tabled to ARC on 18 August 2026.	40 Hours	40 Hours
Audit of Performance Information Q3		The report was issued in the 1st quarter and will be tabled to ARC on 18 August 2026.	40 Hours	40 Hours

2.6.3 RISK MANAGEMENT

The Management of Koukamma Municipality is tasked with the responsibility to identify, manage and mitigate risks. Risk Management forms an integral part of Management's responsibility and therefore the Risk Management Committee of Koukamma conducted a risk assessment meeting to identify risk factors and was facilitated by the Internal Audit. The Koukamma Municipality's risk register was discussed by the Risk Committee and updated.

Section 62 (1) (c) (i) of the Municipal Finance Management Act, No.56 of 2003 requires that the Accounting Officer must take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. Further to this statement, Section 165 (2) (a) requires that the Internal Audit Unit of a municipality must prepare a risk–based audit plan and an internal audit program for each financial year.

During 2025/26 financial year, the Municipality coordinated the process of a risk assessment that was conducted in 27-28 January 2026, facilitated by Cogta.

Through the Risk Assessment 7 Strategic Risks have been identified and assessed:

1. Incurrence of Unauthorised, Irregular, Fruitless and wasteful expenditure.
2. Inability to meet current and future financial obligations.
3. Inability to unlock economic, tourism & development opportunities
4. Misalignment of staffing needs to staff establishment.
5. Inadequate basic service delivery (water & sanitation, electricity, roads network)
6. Delays in response to emergency incidents that can escalate to distastes
7. ICT Business Interruption

Strategic Risk Register

The table below lists the top 7 Strategic Risks identified during the risk assessment:

RISK IDENTIFICATION						INHERENT			RISK CONTROLS		RESIDUAL RISK FACTOR		
Risk No.	Strategic Objectives	KPAs	Risk Description	Root Causes	Risk Consequences	Impact Value (1-5)	Likelihood Value (1-5)	Inherent Risk Value	Current Risk Controls	Control Effectiveness	Residual Risk Factor	Residual Risk Value	Risk Owner
1		KPA 4 - Financial Viability and Management and Sustainability	**Incurrence of Unauthorised, Irregular, Fruitless and wasteful expenditure.**	1. Nonadherence to and monitoring of supply chain management processes. 2. Ineffective UIFWe investigations. 3.Poor Planning by departments.	1. Loss of funds 2. Increased litigation 3. Compromised service delivery 4. Loss of investment opportunities due to negative publicity. 5. Negative audit outcomes 6. Non-Compliance with applicable laws and regulations 7. Legal challenges and penalties. 8. Increased scrutiny from oversight bodies and stakeholders. 9. Damage to the municipality's reputation for transparency. incurrence of Unauthorised, Irregular, Fruitless and wasteful expenditure	4	4	16	1. SCM policy 2. Bid committees 3. Guidelines from treasury 4. Adhoc Investigations 5. Oversight Committees (Audit Committee, RMC, MPAC, DC Board) 6. Cost Containment Policy 7.Approved UIFEe reduction Strategy.	**Satisfactory**	**60%**	**10**	**Municipal Manager / CFO**

2		KPA 4 - Financial Viability and Management and Sustainability	**Inability to meet current and future financial obligations.**	1. Revenue collection below the treasury norm (norm is 95%) 2.Ineffective implemetation of Credit Control Policy. 3.Ineffective billing system 4. Unaccounted losses(Electricity & water distribution losses)	1.Negative audit outcome 2. Non-compliance with the applicable laws and regulations 3. Failure to deliver services to the community 4. inability to attract investment 5. Going concern of the municipality is impacted on. 6. Growing debt book	**5**	**5**	**25**	1. Revenue enhancement strategy 2. Cost containment policy 3. Municipal By-laws 4. Oversight Committees 5. Credit control and collection policy 6. Indigent register 7. Valuation roll 8. Billing system 9. Debt collector through transversal contract. 10. Appointed Pool of Legal Practitioners. 11.Law enforcement officers appointed 12. Indigent committee Quarterly indigent drives	**Satisfactory**	**60%**	**15**	**CFO**
3		KPA 3 - Local Economic Development	**Inability to unlock economic, tourism & development opportunities**	1.LED is not funded by the municipality, and challenges in accessing external funding 2. Limited access to key economic resources and infrastructure 3. Inadequate capacity within the unit and within the clients we serve 4. Compliance issues, especially in the trade sector as business owners do not comply with business regulations 5. Political influence / interverance – LED projects delayed	1. Economy stagnation 2. Loss of potential revenue 3. High levels of poverty 4. High levels of unemployment	**4**	**5**	**20**	1. LED standing committee functional 2. Mayor's economic forum established 3. Collaboration with sector departments and organisations 4. Tourism association established 5. Ongoing capacity building of SMMEs in various sectors	**Satisfactory**	**60%**	**12**	**MM**

4		KPA 1: Municipal Transformation and Institutional Development	**Misalignment of staffing needs to staff establishment.**	1. Legacy appointments(Legitimate expectations on appointments).2. Shortage of human capital and skills to support business needs.3.Trainings Plan not informed by the needs of the organisation.4. High Vacancy rate in key service delivery positions.	1. Irregular appointments affecting Service Delivery2. Bloated Municipal Structures (support staff).3. Idle workforce4. Low employee morale5. High employee turnover rate6. Non compliance with basic conditions of employment and Treasury Guidelines.7. Increased overtime 8. Increased employee cost in comparison to current budget	**4**	**5**	**20**	1. Approved HR policies and Standard Operating procedures.2.Approved Organogram3. Approved Workplace Skills Plan (Training Plan)4. Human Resources Plan5. Regulations relating to HR6. Standard operating procedures	**Satisfactory**	**60%**	**12**	**Director: Corp Serv**
5		KPA 2 - Basic Service Delivery and Infrastructure Investment	**Inadequate basic service delivery (water & sanitation, electricty, roads network)**	1.Aging and Delipidated Infrastructure. 2. Inadequate/Lack of Maintenance(Limited Human,Financial, Plant-machinery). 3. Vendalism, sabbotage and theft of municipal infrastructure. 4. Inadequate Project and Contract Management 5. Inadequate and Unlicenced Landfill site.	1.Financial loss 2. Loss of life 3. Community unrests 4.Electricity & water distribution losses. 5.Health and safety hazards. 6.Negative/unfavourable audit outcomes. 7. Reputational damage. 8. Delays in service delivery	**4**	**5**	**20**	1. Master Plans(a)Water and sanitation services development plan, 5 year reliability plan, water conservative and demand management plan and water strategy),Water quality testing. Waste water risk-abatement plan. Water Safet Plans. By-Laws. b)Electricity loss reduction plan. c)Community development programme-EPWP. 3. Integrated Waste Management plan(IWMP) 4. Security Services. 5.Oversight Committee. 6. Waste reduction through reduction through contracted	**Satisfactory**	**60%**	**12**	**Municipal Manager**

									services. 7.Roads Assets Management Plan-utilising the districts system. 8. SCM Contracts Register				
6		**KPA 2 - Basic Service Delivery and Infrastructure Investment**	**Delays in response to emergency incidents that can escalate to distasters**	1.Lack satelite stations. 2. Inclement weather conditions Accessability(Road Infrastructure 3.Time of the day	1. Litigations 2. Increased number of petitions 3. Community unrest 4. Decreased performance(non performanace)	**4**	**5**	**20**	1. Fire Trucks 2. Fire brakes 3. District disaster support 4. Fire Associations established 5. Disaster management officer appointed 6. Fire hotline operational	**Satisfactory**	**60%**	**12**	**Director: Community Services**
7		**KPA 1: Municipal Transformation and Institutional Development**	**ICT Business Interruption**	1. Cybersecurity Incidents 2. Infrastructure Failures 3. Human Error 4. Natural Disater	1. Financial loss due to ransomware 2. Reduced productivity due to downtime 3. Reduced Efficiency 4. Communication failure	4	5	**20**	1. ICT Steering committee established 2. ICT framework in place 3. ICT strategy 4. ICT Policy 5. ICT Steering committee terms of reference 6. Regular software patching & Updates 7. User access control policy 8. Backup & recovery strategy 9. Disaster recovery plan	**Satisfactory**	**60%**	**12**	**Director: Corp Serv**

Risks identified per Key Performance Area

KPA 1 -Municipal Transformation and Institutional Development

Risk No.	Risk Description	Root Causes	Risk Consequences	Inherent Risk Value	Current Risk Controls	Residual Risk Value
1	**Insufficient human resource capacity and misapplication of recruitment & selection systems**	1. Inability to attract and retain skilled personal 2. Vacancies in critical positions 3. Non-adherence to internal policies guiding the recruitment and selection process 4. External influence and interference in recruitment process 5. Prolonged process of job evaluation and Job description 6. Misplaced staff	1. Work overload/fatigue. 2. Poor segregation of duties. 3. Low staff morale. 4. Compromised service delivery.	20	1. Recruitment policy 2. Employment Equity Act & plan 3. Skills development plan 4. Training	16
2	**Labour instability**	1. Long outstanding labour issues 2. Inadequately constructed and non-functional LLF. 3. Lack of clarity on the roles and responsibilities (leadership – [political], administration and labour 4. Non-attendance by members at the LLF 5. Non implementation of resolutions 6. Lack of communication 7. Lack of training of LLF members.	1. Low morale 2. Strained relations	16	1. Labour relations policies 2. LLF Manual/Guidelines (White paper) 3. Collective agreement 4. Resolution register 5. Schedule of meetings	13

3	**Occupational health hazards and communicable diseases**	1. Inadequate implementation of OHS Act. 2. lack of office space and congestion 3. Inconsistent provision of PPE.	1. Litigations. 2. injuries and escalation of sick leave. 3. Financial loss (penalties and fines). 4. Lost productivity and business disruption.	20	OHS policy and Committee	16
4	**Loss and leakage of organisational information**	1. Mismanagement of records 2. Decentralisation of records 3. Noncompliance to existing file plan 4. Dilapidated municipal storage building	1. Negative audit outcomes 2. Claims and litigations 3. Leakage of sensitive information	16	1. Records management policy 2. File plan 3. Procedure manual 4. Service provider on site to enhance records management	10
5	**ICT Business Interruption**	1. Aging ICT infrastructure 2. No offsite backup 3. Use of private emails 4. slow network 5. Lack of synchronisation	1. Loss of information 2. Loss of revenue 3. Disclaimed Audit opinion 4. Distraction in the municipal continuity	20	1. ICT Steering committee established 2. ICT framework in place 3. ICT strategy 4. ICT Policy 5. ICT Steering committee terms of reference	12
6	**Lack of land audit within the area and jurisdiction of Koukamma local municipality.**	1. Lack of capacity within Koukamma Local Municipality to undertake the process of land audit. 2. The process is long overdue for unlocking development potential for the Municipality	1. The municipality is not able to exploit land resources for local economic beneficiation 2. It has contributed to stunted economic growth development of the area	20	1. Seek external funding for land audit exercise 2. Appoint a multi-disciplinary land audit team 3. Development and maintenance of land audit register 4. Skills transfer to relevant Koukamma officials	16
7	**Lack of Municipal Land/Property disposal Policy.**	1. The land/property disposal policy has not been developed.	1. Lack of development on currently municipal owned land and property	9	1. Ad hoc approach on lease of municipal land & property	12

8	**Lack of Anti-Land invasion By-Law.**	1. The municipality does not have an effective policy mechanism to deal with land invasion	1. The municipal land development plans would be thwarted	16	1. Housing development plan 2. Land use management system	12

KPA 2 – Basic Service Delivery and Infrastructure Investment (Community Services)

Risk No.	Risk Description	Root Causes	Risk Consequences	Inherent Risk Value	Current Risk Controls	Residual Risk Value
1	**Public health unsustainability and vulnerability**	1. Inconsistent collection of refuse 2. Illegal dumping 3. Sub-standard Landfill sites 4. Insufficient Human Capital 5. Lack of collaboration with relevant stakeholders (communities & sector departments)	1. Communicable diseases 2. Litigations 3. Municipal reputational damage 4. Fines and penalties	25	1. 2x licensed dumping sites 2. refuse removal trucks 3. schedules of refuse collection 4. Bylaws & Policies	20
2	**Delayed responses to fire incidents**	1. Accessibility (Road Infrastructure 2. Time of the day (Night vs daytime) 3. Poor Weather Conditions 4. Lack of awareness to communication processes by communities	1. Litigations 2. Increased number of petitions 3. Community unrest 4. Decreased performance (non-performance)	20	1. Fire Trucks 2. Fire brakes 3. District disaster support 4. Fire Associations established 5. Disaster management officer appointed 6. Fire hotline operational	12
3	**Inadequate infrastructure and facilities to provide efficient waste removal services.**	1. Lack of gazetted municipal by-laws 2. Ineffective Integrated Waste Management Plan 3. Absence of internal and external waste and environmental management awareness campaigns 4. Lack of monitoring refuse collection strategies or plans	1. Non-compliance with waste management legislation 2. Community unrest resulting in delays in construction 3. Bad weather conditions resulting in delays	20	1. Solid waste management By-laws in place (Not promulgated) 2. Waster Integrated Waste Management Plan 3. Provision of additional resources (Compact trucks, human resources) 4. Implementation of EPWP	16

					program 5. Availability of waste bins	
4	**bribery and fraudulent (Traffic Dept)**	1. Unethical conduct 2. Lack of consequence management 3. Deliberate disregarding/overriding of internal controls. 4. Abuse of power 5. Lack of implementation of the Fraud Prevention Plan. 6. Lack of consequence management.	1. Financial loss 2. Negative audit outcomes 3. Compromised service delivery. 4. Collapse of the municipality 5. Negative reputation	20	1. Anti-fraud and corruption policy 2. Code of conduct 3. Whistleblowing policy 4. Annual workshops (OTP and Treasury) 5. Disciplinary procedures	12

KPA 2 – Basic Service Delivery and Infrastructure Investment (Technical Services)

Risk No.	Risk Description	Root Causes	Risk Consequences	Inherent Risk Value	Current Risk Controls	Residual Risk Value
1	**Poor workmanship and low standard of goods/services (projects)**	1. Appointment of under capacitated contractors 2. Poor monitoring of performance 3. Inadequate contracts management 4. Insufficient human resource within the Unit	1. Financial loss 2. Accidents 3. Flooding 4. Litigations 5. Damaged to existing infrastructure	20	1. Approved implementation and procurement plans 3. Site visits / inspections 3. Monthly site meetings 2. Monthly reports	16
2	**Dilapidated roads infrastructure**	1. Lack of stormwater maintenance 2. Budget constraints 3. Lack of planning 4. Lack of collaboration between the municipality & other stakeholders (roads & sanral)	1. High number of litigations 2. High accident rate 3. Financial opportunities lost relating to tourism	20	1. PMU 2. Maintenance plan	16

3	**Electricity distribution losses**	1. illegal connections 2. Lack of coordination between relevant directorates 3. Tempering and bypass of meters	1. Loss of revenue 2. affects ability to provide adequate electricity and determining tariffs	16	1. Electricity disconnections 2. Monthly Consumption report 3. New vendor system in place 4. Fines for illegal connections 5. Monthly Meter audits	13
4	**Failure to Meet water quality SANS standards (Blue & Green status)**	1. Inadequate skills. 2. Ageing Infrastructure. 3. Insufficient human capacity 4. Lack of laboratory equipment 5. Lack of accredited scientific services	1. Loss of WSA Status. 2. Water Borne Diseases. 3. Poor Water quality Standards as per SANS 4. Litigations against the municipality 5. Inability to achieve blue and green drop status. 6. Reputational damage	15	1. Water quality monitoring Program (based on SANS) 2. Classification of Process Controllers and Treatment Works. 3. Blue and Green Drop Implementation Plan 4. Outsourcing of laboratory	12
5	**Lack of Land Use and Building Control Regulators**	1. Lack of Building Control By-Law. 2. Lack of a compliant Spatial Development Framework (SDF) in terms of SPLUM 3. Lack of a compliant Integrated Land Use Scheme (ILUS) in terms of SPLUMA 4. Non-existence of Standard Operating Procedures	1. Non-compliance with laws and regulations 2. No guidance in terms of Spatial Development Proposals 3. Non-compliance with building plans and land use rights 4. No clear process plan on applications and building plans processes	4	1. Implementation of the National Building Regulations Act. 2. SDF and ILUS to be submitted to council for approval 3. Implementation of Koukamma SPLUM By-Law (2016)	10

6	**Lack of Town Planning Structures**	1. No Council Resolution appointing the Authorised Official (AO) 2. No Council Resolution for the categorisation of the Planning Applications 3. No Council Resolution appointing the Appeals Authority (AA)	1. Category 2 applications will delay in the consideration phase 2. Lack of an appointed committee to deal with all appeals 3. Court litigations on appeals submitted and not attended to by the Municipality	**12**	1. The MPT considers all the applications in terms of Section 15(1) of the SPLUM Regulations	**12**

KPA 4 – Financial Viability, Management and Sustainability

Risk No.	Risk Description	Root Causes	Risk Consequences	Inherent Risk Value	Current Risk Controls	Residual Risk Value
1	**Poor safeguarding of municipal asset**	1. Misuse of municipal assets 2. Lack of consequence management on exception reports generated by the Tracker system 3. Non barcoding of assets 4.Unauthorized movement of assets 5. Use of manual asset tools (asset register, stock- taking) 6. Uncontrolled access to printers 7. Lack of consequence management in instances of transgressions 8. Lack of adequate inspection and maintenance of movable assets	1. Financial losses 2. Negative audit outcome 3. Compromised service delivery 4. Misstatements on AFSs	**20**	1. Asset & Fleet Management Policies 2. SOP's are in place 3. Asset Register 4. Asset verification 5. Vehicle Tracking system	**12**

2	**Inability to collect revenue**	1. Incorrect meter reading 2. Incorrect billing of debtors 3. Non receipt of statements 4. Late receipt of debtor's statement 5. Ineffective implementation of debt and credit control policy 5. Shortage of personnel 6. Inaccurate valuation roll 7. Inaccurate billing information on the system 8. High population of indigent households. 9. Ineffective communication with debtors. 10. Faulty meters 11. Lack of systems to restrict services 12. Meter tampering	1. Low collection of revenue 2. Delays in service delivery 3. Negative economic growth 4. Slow rate of development 5. Inability to attract investors and tourists 5. Going concern affected	25	1. Credit control policy 2. Indigent register 3. Valuation roll 4. Billing system	20
3	**Unauthorised, Irregular, Fruitless and wasteful expenditure**	1. Non - adherence to and monitoring of supply chain management processes 2. Non-Functional disciplinary board for financial misconduct 3. Inadequate BAC composition 4. Lack of understanding of expenditure controls processes 5. System of delegation of authority not in place 6. Lack of implementation of the Fraud and prevention strategies to curb unethical practises. 7. Inadequate systems to identify irregular, wasteful and fruitless expenditure 8. Lack of segregation of duties 9. Non - adherence of regulation 32 requirements.	1. Loss of funds 2. Increased litigation 3. Compromised service delivery 4. Loss of investment opportunities due to negative publicity. 5. Negative audit outcomes	16	1. SCM policy in place 2. Bid committees appointed 3. Guidelines from treasury 4. Internal Audit 5. Audit Committee 6. MPAC 7. Reporting to all structures 8. Proper authorisation of Deviations	10

4	**Inadequate contract management services**	1. Lack of systems to monitor contract 2. Lack of skills with SCM 3. Delays in payment of contractors' invoices 4. Lack of Contract Management System	1. poor quality of services rendered 2. financial losses 3. reputational damage 4. Delay in service delivery	25	1. Project Management Unit Manager 2. SCM policy 3. Reports to standing committee Financial reports 4. Quarterly Reporting for Service Delivery 5. Project steering committee	20

KPA 3 & 5 – Local Economic Development / Good Governance and Public Participation

No.	Risk Description	Root Causes	Risk Consequences	Inherent Risk Value	Current Risk Controls	Residual Risk Value
1	**Lack of Community involvement in Municipal Affairs**	1. Ineffective public participation and communication systems 2. Lack of council involvement 3. Silo mentality 4. Non-functionality of ward committees	1. Information gap between the municipality and communities. 2. Needs of the community not addressed 3. Community Unrest 4. Loss of confidence by Communities and bad reputation to the municipality.	20	1. Communication Strategy in place 2. Public participation office 3. Guidelines for appointment of ward committees	16

2	**Ineffective coordination of integrated planning**	1. Limited understanding of roles and responsibilities by stakeholders involved in the IDP process. 2. Non-adherence to IDP process plan 3. Lack of will/Appetite by Council 4. Non-cooperation (internal stakeholders and sector departments) on IDP processes	1. IDP, Budget and SDBIP not adequately aligned 2. IDP not responding to Community needs 3. Inability to have a credible IDP 4. Poor service delivery 5. Service delivery protests	20	1. IDP Process plan 2. IDP steering committee and rep forums 3. IGR structures	16
3	**Insufficient hard evidence (Portfolio Of Evidence) accompanying performance information**	1. Late submission of POE Files 2. Submission of irrelevant evidence for activities performed 3. Collection, collating and storage of hard evidence on performance information(data) is not prioritised 4. Inadequate review of POE Files before submission 5. Lack of separation of functions on reports (preparer, reviewer and authoriser) 6. Lack of consequence management	1. Negative audit outcomes 2. Poor organisational performance 3. Financial losses 4. Reputational damage	16	1. Performance Management Policy 2. Quarterly review and reporting	13
4	**Inability to unlock economic, tourism & development opportunities**	1. Lack of economic infrastructure 2. Insufficient funding for economic development 3. Lack of credible business plan and feasibility studies due to limited capacity 4. Inability to access external funding 7. Lack of LED strategy	1. Loss of potential revenue 2. Increased poverty rate 3. Increased unemployment 5. Decline in tourism	20	1. IGR forum in existence 2. Natural resources available 3. Charcoal available 4. Wood available 5. Essentials oils available 6. LED standing committee functional 7. National LED Framework 8. Business development forum established 3. Tourism association established	12

2.6.4 ANTI-FRAUD AND CORRUPTION

Section 83(c) of the Local Government: Municipal Systems Act, 2000 (MSA) provides for the implementation of effective governance and administrative systems, including appropriate bidding structures, to minimise the risk of fraud and corruption. In addition, section 112(1)(m)(i) of the Local Government: Municipal Finance Management Act, 2003 (MFMA) prescribes the enforcement of supply chain management measures aimed at preventing fraud, corruption, favoritism, unfair practices, and irregularities.

Furthermore, section 115(1) of the MFMA places a responsibility on the Accounting Officer to take all reasonable steps to ensure that the Supply Chain Management (SCM) system incorporates effective mechanisms and a clear separation of duties, in order to reduce the likelihood of fraud and corruption.

The principles of discipline and integrity are fundamental to public service. Public offices carry an obligation not only for honest and transparent accounting, but also for a firm commitment to democratic values and processes. Officials entrusted with public responsibilities are required to demonstrate a strong sense of accountability, to perform their duties with efficiency and competence, and to regulate personal interests in accordance with the law and democratic expectations.

In support of these principles, municipal management continues to strengthen institutional capacity through participation in anti-corruption and fraud prevention workshops, aimed at enhancing awareness, reinforcing ethical conduct, and improving compliance with legislative and regulatory frameworks.

The Fraud Prevention Strategy and Plan were prepared during 2025/26 and had been presented to the Audit Committee and had been approved by Council.

During the 2025/26 with assistance from ECCoGTA the municipality conducted Anti-Corruption and Integrity Management Awareness Session on the 11/02/2026 and the following were discussed:

- Code for Ethical Leadership in Local Governments
- Local Government Anti-Corruption Strategy
- Municipal Integrity Management Framework; and
- Fraud Risk Review Process

2.6.5 SUPPLY CHAIN MANAGEMENT

Koukamma Local Municipality has an approved Supply Chain Management Policy, the policy provides an effective system of demand management, acquisition management, logistic management, performance management, and risk management to ensure that the resources required to support the strategic and operational commitments of the Municipality are delivered timeously. The Municipal Manager submits a quarterly report on the implementation of the SCM policy to the Council for the Council to maintain oversight over the implementation of the policy.

During the 2025/26 financial year, the Supply Chain Management Unit consisted of two (2) permanent employees and tweo (2) contract employees as follows:
The Manager: SCM;
Accountant: SCM;
Officer: SCM x1 – on contract
Intern x1 – On contract

The Manager: SCM manages the SCM unit and provides support to the Chief Financial Officer and also sits in the Bid Adjudication Committee (BAC) as an expert adviser on the policy position as it relates to SCM, whilst the Accountant: SCM coordinates all SCM related functions and sits in the Bid Evaluation Committee (BEC) and make sure that minutes are taken, ensuring that bid evaluation is done in terms of the minimum bid requirements in line with the provisions of the Supply Chain Management Policy of Koukamma Local Municipality. The accountant also provides guidance and support, assists with the technical aspects of the specification and where necessary seeks advice from the Provincial Treasury. The Officers and the Intern assisted the accountant with the day-to-day operations of the unit including the activities relating to Fleet Management.

All three bid committees are functional except the fact that the Bid Adjudication Committee (BAC) does not meet the required standard of the Provincial Treasury in terms of composition; there are only three (3) Senior Managers in Koukamma Local Municipality as opposed to the required four (4) Senior Managers as per the Treasury requirements for the composition of the BAC. However, the National Treasury published on the 5th of May 2020 Government Gazette No. 43281 which allows Municipalities with less than four (4) Senior Managers to utilise Senior Managers from neighboring Municipalities in accordance with S88 of Municipal Structures Act, 1998. The Municipality utilised the services of the Director: Technical Services from Sarah Baartman District Municipality for the duration of the 2025/26 financial year to meet the requirements of the BAC composition.

The following table contains the Long-Term Contracts that were still running in the 2025/26 Financial Year. It must be noted that there were no Private Public Partnerships:

TENDER NO.	DESCRIPTION	DATE AWARDED	BIDDER	AWARDED AMOUNT	CONTRACT END DATE	RESPONSIBLE DEPARTMENT
07/2021	THE COMPILATION OF THE VALUATION ROLL, SUPPLEMENTARY VALUATION ROLLS AND MAINTAINENCE	28 June 2021	CDV WAARDEERDERS PTY LTD	R1 094 580,00	30 June 2027	BUDGET AND TREASURY OFFICE – Revenue Unit

	THEREOF FOR THE FINANCIAL YEAR 01 JULY 2022 TO 30 JUNE 2027					
07/2024	SUPPLY AND DELIVERY OF WATER PURIFICATION CHEMICALS FOR A PERIOD OF 3 YEARS	14 March 2025	NJANYE PTY LTD	R 890 924,94	30 April 2028	TECHNICAL SERVICES – Water and Sanitation Unit
15/2024	PROVISION OF SECURITY SERVICES FOR A PERIOD OF 3 YEARS	31 March 2025	NJH GROUP PTY LTD	R 8 471 000,00	31 May 2028	CORPORATE SERVICES – Administration Unit
12/2024	PROVISION OF PREPAID ELECTRICITY VENDING SYSTEM FOR A PERIOD OF 3 YEARS	25 March 2025	CIGICELL PTY LTD	R 8 314,31	30 April 2028	BUDGET AND TREASURY OFFICE – Revenue Unit
13/2024	PROVISION OF OFFICE AUTOMATION FOR A PERIOD OF 3 YEARS	25 March 2025	SKY METRO EQUIPMENT (PTY) LTD	R 2 340 700,32	30 April 2028	CORPORATE SERVICES – Information Technology & Communication Unit
17/2021	PROVISION AND SUPPORT OF INTERNET, FIREWALL & SDWAN CONNECTIVITY	04 March 2022	MTN BUSINESS PTY LTD	R 4 736 265,99	31 March 2025	CORPORATE SERVICES – Information Technology & Communication Unit
10/2024	PROVISION OF TRAVEL AGENCY SERVICES FOR A PERIOD OF 3 YEARS	13 January 2025	LUCIANO TRAVEL & ACCOMMODATIONS	COMMISSION: YEAR =12%, YEAR 2 = 12,5%, & YEAR 3 = 13%	30 January 2028	MUNICIPAL MANAGER
18/2021	SUPPLY AND DELIVERY OF TOOLS OF TRADE FOR KOUKAMMA	04 March 2022	MTN BUSINESS PTY LTD	R 238 608,00	31 March 2025	CORPORATE SERVICES – Information Technology &

	MUNICIPAL COUNCILLORS (MOBILE DATA SOLUTIONS)					Communication Unit
05/2022	PROVISION OF LEGAL SERVICES FOR A PERIOD OF 3 YEARS	30 January 2023	WESLEY PRETORIUS AND ASSOCIATE INC.	CLS Rates	30 April 2026	CORPORATE SERVICES – Administration Unit
			Magqabi Seth Zitha Inc.	CLS Rates	30 April 2026	
02/2023	PROVISION FOR MAINTENANCE WORK OF WATER AND WASTEWATER TREATMENT WORKS, PUMP STATIONS AND BOREHOLES FOR A PERIOD OF 3 YEARS	22 March 2023	SNR ELECTRICAL CC	R 15 097,20	30 March 2026	TECHNICAL SERVICES – Water and Sanitation Unit
06/2023	PROVISION OF LABORATORY SERVICES: MONTHLY WATER & WASTEWATER SAMPLING ANALYSIS FOR A PERIOD OF 3 YEARS	25 July 2023	LUGAJU INNOVATION PTY LTD	R 1 700 737,84	31 July 2026	TECHNICAL SERVICES – Water and Sanitation Unit
07/2023	PROVISION OF HIRING OF TLB FOR A PERIOD OF 3 YEARS	25 July 2023	GQWANE PROJECTS	R 465,00	31 July 2026	TECHNICAL & COMMUNITY SERVICES– Water and Sanitation Unit plus Community Services
09/2023	PROVISION OF PRINTING AND DISTRIBUTION OF ACCOUNT SERVICES FOR A PERIOD OF 3 YEARS	09 November 2023	CAB HOLDINGS PTY LTD	R1 924748,00	30 November 2026	BUDGET AND TREASURY OFFICE – Revenue Unit

10/2023	PROVISION FOR RENDERING OF GEORGRAPHIC INFORMATION SYSTEM, DATA MAINTENANCE AND HOSTING OF DATA FOR A PERIOD OF 3 YEARS	09 November 2023	UMHLABA CONSULTING GROUP	R 643 062,75	30 November 2026	BUDGET AND TREASURY OFFICE – Revenue Unit
15/2023	PROVISION OF SHORT-TERM INSURANCE FOR A PERIOD OF 3 YEARS	08 February 2024	LATERAL UNISON INSURANCE	R 928 167,00	31 March 2027	BUDGET AND TREASURY OFFICE – Budget and Accounting Unit

2.6.6 BY –LAWS

A by-law is a legally binding rule or regulation enacted by an organization or community to govern its internal affairs, as permitted by a higher legislative authority. In the municipal context, by-laws derive their legitimacy from national or provincial legislation, which defines the scope and extent of regulatory powers that municipalities may exercise. These instruments serve as essential tools for maintaining order, promoting public welfare, and ensuring effective service delivery within the jurisdiction.

Koukamma Local Municipality is utilizing the below by-laws:

By- Laws	Date advertised	Publication date	By – law Number
Aerodrome By-Law	13 Nov 2006	September 2011	493
Community Fire Safety By-law	13 Nov 2006	September 2011	494
Commonage	13 Nov 2006	September 2011	495
Customer Care and Revenue By-law	13 Nov 2006	September 2011	496
Electricity supply bylaw	13 Nov 2006	September 2011	497
Fences and fencing by-law	13 Nov 2006	September 2011	498

Funeral Parlours, Cemeteries and Crematoria By-law	13 Nov 2006	September 2011	499
Impoundment of animal's by- law	13 Nov 2006	September 2011	500
Liquor Trading By-law	13 Nov 2006	September 2011	501
Outdoor advertising and signage By-law	13 Nov 2006	September 2011	502
Prevention of public nuisances and keeping of Animals' By-law	13 Nov 2006	September 2011	503
Roads and traffic By-law	13 Nov 2006	September 2011	504
Solid waste disposal By-law	13 Nov 2006	September 2011	505
Sporting Facilities By law	13 Nov 2006	September 2011	506
Storm water Management By-law	13 Nov 2006	September 2011	507
Street trading By-law	13 Nov 2006	September 2011	508
Water supply and sanitation By-law	13 Nov 2006	September 2011	509
Public amenities By-law	13 Nov 2006	September 2011	510
KKM Rates By-law	6 May 2013	September 2011	511
Municipal Health Service		September 2018	

2.6.7. WEBSITE

The municipal website is a critical component of Koukamma Local Municipality's communication and public participation framework. It serves as an accessible platform through which residents, stakeholders, businesses, government institutions, and other interested parties can obtain information about municipal programmes, projects, services, policies, and performance.

The website enhances transparency, accountability, and good governance by providing communities with timely access to municipal information and creating opportunities for meaningful stakeholder engagement and participation in municipal affairs. It also supports monitoring and evaluation of municipal performance by making key documents and reports readily available to the public.

The official website of Koukamma Local Municipality is: www.koukammamunicipality.gov.za

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	**Yes / No**	**Publishing Date**
Current annual and adjustments budgets and all budget-related documents	Yes	**Date: March 7, 2026 -** EC109 Adjustment Budget 2025/26 **Date: June 9, 2025 -** 2025/26 Final Budget Report
All current budget-related policies	Yes	**Date: June 9, 2025** - 2025-26-Budget-implementation-and-monitoring-policy
The previous annual report (Year -1)	Yes	**Date: May 20, 2026** - Annual Report 2024/25
The annual report (Year 0) published/to be published	Yes	Not yet Due
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes	2025/26 Performance Agreement and Plan Chief Financial Officer 2025/26 Performance Agreement and Plan - Acting Municipal Manager 2025/26 Performance Agreement and Plan - Director Corporate Services 2025/26 Performance Agreement and Plan - Director Technical Service
All service delivery agreements (Year 0)	N/A	
All long-term borrowing contracts (Year 0)	N/A	
All supply chain management contracts above a prescribed value (give value) for Year 0	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	No	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in Year 0	No	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes	EC109 MFMA s52d Report 31 December 2025 EC109 MFMA s71 Report February 2026 EC109 MFMA s52d Report 30 September 2025

2.6.8 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Chapter 4 Section 16 (1) of the Local Government: Municipal Systems Act requires that the municipality must develop a culture of municipal governance that complements formal representative government (i.e. Ward Councillors and Ward Committees) with a system of participatory governance, and it further states that the Municipality must have a five (5) year vision for the long term development of the Municipality and development priorities, which must be aligned with national and provincial sectoral plans and priorities. One of the key functions of the municipality is to ensure that service delivery achievements and challenges are communicated efficiently and effectively to communities.

Public satisfaction with municipal services is an important indicator of how effectively a municipality meets the needs and expectations of its communities. It reflects the community's perception of the quality, accessibility, reliability, and responsiveness of services provided by the municipality.

Koukamma Local Municipality continuously strives to improve service delivery through the provision of basic services such as water, sanitation, electricity, refuse removal, road maintenance, community facilities, and customer care services. Public satisfaction is measured through community engagements, ward committee meetings, public participation processes, complaints management systems, and feedback received from communities.

The municipality uses the information gathered from these platforms to identify service delivery challenges, improve operational efficiency, and enhance the overall quality of services provided to communities.

While the Community Survey was not fully implemented, significant groundwork was undertaken to ensure that the initiative delivers long-term value to the Municipality and its communities. The Municipality acknowledges the strategic importance of the survey and remains committed to its successful implementation as a cornerstone of performance assessment and community-centred governance. Communications had given focus on the following key areas for the year under review, namely:

• Social Media Content Management

• Website Content Management

• Newsletter publication Development (Sarah Baartman Newsletter)

• Strengthening the Intergovernmental Governmental Relations

The participation of communities in social media has significantly increased and improved, which in turn gives an opportunity for the community to engage with the municipality and, in return give the Municipality an understanding of their shortfalls as far as service delivery is concerned.

2.6.9 MUNICIPAL OVERSIGHT COMMITTEES

The Municipal Structures Act, No. 117 of 1998, Section 79 (1) states that a municipal Council may-

a) Establish one (1) or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers;
b) Appoint the members of such committee from among its members; and
c) Dissolve a committee at any time.

The above statement suggested that Koukamma Municipality can establish any committee that it deems necessary, guided by legislation; hence, the Council has established the following oversight committees inter alia:

Section 79 Committees- Council has established the following committees in terms of section 79 of the Municipal Structures Act:

- Municipal Public Account
- Women's Caucus
- The Council will ensure that in the next financial year, the Council will have the Rules and Ethics Committee.

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

Standing Committee

Council has established the committees in terms of section 80 of the Municipal Structures Act to uphold the principles of good governance, legislative compliance, and institutional integrity.

Koukamma Municipal Council has established three (3) standing committees. Each committee plays a pivotal role in monitoring the implementation of Council resolutions, evaluating departmental performance, and ensuring that municipal operations align with applicable legislation and policy frameworks. Through regular reporting, structured engagements, and rigorous scrutiny, these oversight bodies contribute meaningfully to transparency, accountability, and the continuous improvement of service delivery. The three (3) standing committees are as follows:

Technical and Community Services	Finance and LED:	Corporate Services
Cllr B. Jantjies - Chairperson Cllr J. Krige Cllr. V.Persent Cllr B. Korkee Cllr. M. Hartz	Cllr S. Vuso – Chairperson Cllr N. Majola Cllr B. Jantjies Cllr. B. Korkee Cllr. T.Williams	Cllr K. Smith Chairperson Cllr N. Majola Cllr. C. Witbooi Cllr S.Ferguson

2025/2026 STANDING COMMITTEES MEETINGS SCHEDULED DATES

The table below reflects the schedule of meetings for the Standing Committees and the changes made thereof.

Committees	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Finance and LED Standing Committee	09 July 2025	14 October 2025	12 January 2026	08 April 2026
Technical & Social Services	The meeting did not sit because of the quorum	08 October 2025	15 January 2026	09 April 2026
Corporate Services	24 July 2024	08 October 2025	13 January 2026	13 April 2026

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The core function of the MPAC is to contribute to good governance in the municipality hence the Council had appointed four(4) members of the Council to become MPAC and they are inter alia:

Cllr T.Williams-Chairperson

Cllr. N. Majola

Cllr B.T. Jantjies

Cllr. C. Witbooi Cllr S. Ferguson

The above-mentioned MPAC has conducted the following meetings:

Committees	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Municipal Public Accounts Committee	12 August 2025	02 December 2025 05 December 2025	20 February 2026 20 March 2026	25 May 2026

CHAPTER 3: BASIC SERVICE DELIVERY PERFORMANCE

COMPONENT A: INFRASTRUCTURE AND BASIC SERVICES DELIVERY

3.1 WATER AND SANITATION

3.1.1 WATER PROVISION

The Constitution of the Republic of South Africa assigns local municipalities with the responsibility of ensuring access to the provision of quality water services, whilst section 11 of the Water Services Act, 1997 entrusted the municipality with the provision of ensuring efficient, affordable, economical and sustainable access to water to all the communities in its jurisdiction. In this regard, Koukamma Municipality is provided with the execution of both functions of Water Services Authority (WSA) and Water Service Provision (WSP).

Performance of the Water Services in terms of rendering the aforementioned services is regularly monitored by the Department of Water and Sanitation to ensure that quality and other standards are adhered to and reported on to national level. Bulk water supply projects are funded through the Regional Bulk Infrastructure Grant (RBIG) from the Department of Water and Sanitation. Koukamma Municipality is a grant dependent municipality and most of its water related capital projects are funded through the Municipal Infrastructure Grant (MIG) administered by the Department of Cooperative Governance and Traditional Affairs (COGTA), National and Provincial Treasury. The Irrigation Boards in Langkloof namely; the Krakeel Water Verbruikers Vereeniging and Louterwater Besproeings Raad play a major role in ensuring sustainable provision of water to the Krakeel and Louterwater communities by allocating water turns to the Municipal water works.

Staff Compliment

TECHNICAL SERVICES: WATER AND SANITATION				
2025/26				
DEPARTMENT	**CURRENT STAFF ESTABLISHMENT NO. OF POST**	**VACANT**	**TOTAL NUMBER OF POST**	**VACANCY RATE**
Technical: Water Distribution & Sewerage	40	59	99	60%

3.1.2 Level and Standards in Water Services

The area within the WSA jurisdiction includes:

Tsitsikamma Area	Langkloof Area	Rural Dense Areas
Clarkson	Joubertina	Koomansbos
Eersterivier	Kareedouw	Wittekleibosch
Ekuphumleni/Guava Juice	Twee Riviere	Thornham
Blikkiesdorp	Krakeel Riviere	Hermanuskraal
Sanddrift/Nompumelelo Village	Louterwater	
Coldstream	Misgund	
Storms River		
Woodlands		

*Statistics South Africa (census 2022) published a decrease in population from 40664 to 36 487 far from the 2011 projected 2.8% annual increase.

Through 11 Water Supply Schemes in each settlement the municipality conducts water treatment, to ensure a water quality that complies with South African National Standards (**SANS 3630**). These effects come with challenges of aged infrastructure and borehole water composition which is high in iron (Fe) and Manganese(Mn) giving water a reddish colour.

Although water analysis has shown that these parameters are within the recommended limits, it does however challenge to treat physically. Borehole water is augmented with surface water in most areas but due to drought and shared resources the municipality relies heavily on production boreholes.

A package Water Treatment Plant was erected in the Misgund area through WSIG funding, the plant and bulk water line connection is meant to bridge the gap between water demand and supply providing a sustainable uninterrupted water supply. The municipality, due to a lack of institutional skills related to electrical and mechanical works, has opted to outsource these services in an effort to conduct planned and preventative maintenance of municipal water and sanitation infrastructure. The Municipality strives to ensure service delivery through optimization of available resources.

3.1.3 Water service levels and number of Households

Water service level	Estimated Households*
Piped water inside the dwelling/yard	8 078
Piped water from the communal standpipe	284
Communities provided water with a tanker/without water supply system	175
Overall basic water provision in 2024/25	**98.2 %**

*Numbers extracted from the Statistics South Africa report 2022

3.1.4 Blue Water Services Audit

The municipality participated in the 2024/25 Blue Drop Pat audits conduct by the Department of Water and Sanitation. Subsequently the results improved but did not meet the desired audit outcome, the municipality developed and implemented a corrective action plan to ensure a positive outcome and improved score. By adequate planning and content improvement of stipulated key performance areas, the Municipality can change the status quo. Water Treatment Works not fully functional. The 2025/26 Blue Drop Audit will be conducted in August 2026.

3.1.5 Interventions

- Strengthen and enforce existing water by law
- Conduct community awareness campaigns, engage communities in decision making
- Conducting regular operational and compliance monitoring
- Filling of critical posts with qualified personnel
- Training of current process controllers and Maintenance team

3.1.6 Projects implemented during 2025/2026

Project	Area	Cost	Funding Source	Progress
Louterwater WCDM	Louterwater	R 4.6 m	WSIG	98%
Joubertina WTW upgrade	Joubertina	R 7.4 m	WSIG	14%

3.1.7 Annual performance as per key performance indicators in water services

Key Performance Indicators as identified for Annual Reporting

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to potable water	11409	2100	1050	1050	100%
2	Percentage of indigent households with access to free basic potable water	2037	N/A	N/A	N/A	N/A

3.1.8 Challenges in water services

Water scarcity due to drought and no rainfall is a norm in the Koukamma Municipal area more so in the Langkloof area. In May the municipality experienced heavy rainfall, causing severe floods which damaged most of our infrastructure but brought enough water to our raw water sources.

The statement is intensified by shared resources with the farming community. To address the situation the municipality is continuously exploring ways to augment water supply.

Through two 12 000 litres water tankers owned by Amatola water and a 6000 litres water tanker owned by COGTA, water was distributed to areas in need. In critical areas water is carted daily through water tankers and collected in harvesting tanks (JoJo Tanks).

3.2 SANITATION

3.2.1 Sanitation Delivery Strategy and Main Role Players

The Koukamma municipality is committed to the provision of basic sanitation to each household. As a Water Service Authority (WSA) the Municipality is mandated to ensure proper discharge of effluent in a manner that will not degrade the environment. Some areas are equipped with a full water borne system whilst some by means a small-bore system Koukamma Municipality provides sanitation services via water borne sanitation systems. Effluent is treated through 12 wastewater systems inclusive of pond systems.

Limited resources have resulted in sanitation backlogs in informal and rural settlements within the Municipal jurisdiction. The municipality prioritises addressing backlogs but the speed of roll out is limited by funding constraints.

Performance of the Water Services in terms of rendering sanitation services to the communities is regularly monitored by the Department of Water and Sanitation to ensure that quality and other standards are adhered to and reported on to national level. Koukamma Municipality is dependent on grants for infrastructure related projects such as the Water Services Infrastructure Grant (WSIG) administered by the Department of Water and Sanitation, and the Municipal Infrastructure Grant (MIG) administered by the Department of Cooperative Governance and Traditional Affairs (COGTA), National and Provincial Treasury.

3.2.2 Level and Standard in Sanitation Services

Everyone has the right to access basic water supply and basic sanitation as per Section 3, subsection 1 of the Water Services Act. Koukamma Municipality as a Water Service Authority has a duty to all customers in its area of jurisdiction to progressively ensure the realisation of these rights. Koukamma Municipality strives to ensure access to sanitation services and effluent purification up to the set standards before releasing it back to the environment.

This is facilitated through adequate wastewater treatment, sampling and analysis in compliance with Department of Water and Sanitation standards for wastewater discharge. Backlogs have made it difficult to provide sanitation services in areas which do not have sanitation infrastructure, especially in the rural dense and informal settlement. Much of the existing sewer infrastructure is not adequately maintained and in most infrastructure is malfunctioning/collapsed, impacting negatively on the quality of effluent discharged into rivers.

3.2.3 Sanitation service levels and number of households

Sanitation Service Level	**Estimated Households***
Full water borne system (Flush toilets connected to the sewerage system)	8776
Flush toilets (with septic tank)	993
VIP toilet	263
Bucket toilet system (informal settlement), sanitation backlog	0
Percentage of household without proper basic sanitation	**4.6%**

*Numbers were extracted from the Statistics South Africa report 2022

3.2.4 Green Drop Water Services Audit

The Technical Department has embarked on a journey to improve Wastewater Quality, but the journey is not without challenges. The frequency of sampling has increased, and maintenance plans have been implemented in most areas. Although monthly compliance is currently being implemented the goal is to implement operational monitoring in every Wastewater Treatment Works daily.

3.2.5 Annual Performance As Per Key Performance Indicators

Key Performance Indicators as identified for Annual Reporting

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to sanitation services	9593	818	N/A	N/A	
2	Percentage of indigent households with access to free basic sanitation services	2037	N/A	N/A	N/A	

3.2.6 Challenges in provision of Sanitation Services

- Lack of skilled technical staff, unable to retain professionals.
- Aged infrastructure
- Lack of effective planning and strategies
- Vandalism and theft

3.2.7 Projects implemented during 2025/2026

Project	Area	Cost	Funding Source	Progress
Upgrading of Clarkson small bore sewer	Clarkson	R 7.4 million	MIG	80%
Upgrading of Woodlands small bore sewer	Woodlands	R36 million	MIG	Design development

3.3 ELECTRICITY SERVICES

3.3.1 Electricity Delivery Strategy and Main Role Players

A municipality must comply with the provision of the constitution as per the Municipal Systems Act, no.32 of 2000; Section 73(1) and (2)(e) states that municipal services must be regularly reviewed with a view to upgrading, extension and improvement.

The role players in the electricity department are Eskom and NERSA. NERSA is the National Energy Regulator of South Africa which regulates the energy industry in accordance with government laws and policies, standards and international best practices in support of sustainable development. The organization issues licenses to electricity distributors. NERSA recognizes that certain processes must be put in place, to effectively regulate the industry as follows:

a) Audit licenses to establish compliance with licensee conditions.
b) Ensure existence of an effective communication channel between relevant NERSA departments and the licensees.
c) Share information with the licensees on general issues affecting the electricity Distribution industry.

3.3.2 Level and Standard in Electricity Services

It is envisaged that by ensuring that the minimum standards are met; the following will be achieved:

a) There will be improved efficiency within the electricity distribution industry.
b) Reliability of supply will be improved.
c) Safety in the use of electricity will be enhanced.
d) There will be an economical and sustainable supply of electricity.

3.3.3 Consumer quantities

The demand and actual maximum demand for each supply point is as follows:

1. De Rye & Laurel Ridge: NMD – 150kA; Actual MD – 40kVA
2. Blue lilies bush State Forest Village: NMD – 100kVA; Actual MD – N/A
3. Kagiso Heights and New Rest: NMD – 600kVA; Actual MD – 650kVA
4. Puntijiesboss Village: NMD – 500kVA; Actual MD – 310kVA
5. The number of indigent electricity users is 2345 in total.

3.3.4 Projects implemented during 2025/2026

PROJECT	KPI	ALLOCATION	FUNDER	PROGRESS
Electrification of a number of households in Krakeel (Phase 2)	Percentage complete with the electrification of a number of households in Krakeel (70 houses)	R7 631 300	INEP (Capex)	100% Complete
Electrification of a number of households in Louterwater (Phase 3)	Percentage complete with the electrification of a number of households in Louterwater (105 houses)		INEP (Capex)	100% Complete
Upgrade of Highmast Lights, buildings and pump stations	Percentage complete with the upgrade of Highmast Lights, buildings and pump stations	R2 550 000	EED (Capex)	100% Complete

3.3.5 Annual performance as per key performance indicators in Electricity services

	Indicator name	Total number of household/customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to electricity services	11032	1422	11032	9610	
2	Percentage of indigent households with access to basic electricity services	2037	N/A	N/A	N/A	
3	Percentage of indigent households with access to free alternative energy sources	N/A	N/A	N/A	N/A	

3.3.6 CHALLENGES AND SOLUTIONS

CHALLENGES	POSSIBLE SOLUTIONS
➢ No Master Plan ➢ Tampering ➢ Review of Augmentation levy	➢ All meters to be changed before end of Nov 2024, in order to comply with vending requirements and NRS 0142

➢ Illegal connections ➢ Ageing infrastructure ➢ Increase in crime related activities. ➢ Reported faulty prepaid meters need to change. ➢ Meters have reached it lifespan and is outdated.	➢ Network to be upgraded. ➢ Prepaid meters to be changed. ➢ All Pole boxes to be changed. ➢ Jumpers supplying pole boxes need to be changed. ➢ Kiosks housing meters need to be upgraded to Prepaid meters.

3.3.7 REMEDIAL ACTIONS

- Seek assistance from the Department of Energy on the development of the master plan
- Educate/Conduct training communities on the danger of tampering with electricity
- Advise communities and businesses on the review of augmentation levy
- Communicate with communities on illegal connections and state the consequences thereof
- Plan and budget for aging infrastructure.

3.4 HOUSING

The Housing Act (No. 107 of 1997) informs the compilation of housing plans. Part IV of the Act specifically requires municipalities to compile housing strategies and targets, as part of their IDPs.

The Human Settlements mandate is derived from the Housing Act, Act 107 of 1997 which provides that "Every municipality must, as part of the municipalities process of integrated development planning, take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction. This planning should include a plan of the local housing strategy and delivery targets called the housing chapter.

The National Housing Needs Register (NHNR), a central database that offers households the opportunity to register their need for adequate shelter by providing information about their current living conditions, household composition & to indicate the type of housing assistance they require from government.
Currently NHNR questionnaires captured in the Koukamma Municipality are as follows: The following table consist of the number of applicants that have been registered in to the NHNR in the 2025/2026 financial year:

3.4.1 Current status of NHNR captured;

AREA	NUMBER OF QUESTIONNAIRES CAPTURED
Kareedouw	590
Joubertina	481
Misgund	502
Louterwater	366
Storms River	442
Woodlands	468
Krakeel	346
Clarkson	274
Nompumelelo village	455
TOTAL	**3 924**

3.4.2 Kou-Kamma Local Municipality Human Settlement Sector Plan (HSSP)

The **Kou-Kamma Local Municipality Human Settlement Sector Plan (HSSP)**, finalized in September 2025, serves as a strategic roadmap for developing sustainable human settlements and providing basic services to the municipality's residents. Below is an update on the key aspects and proposals from the report for your Annual Report.

a. Strategic Vision and Purpose

The primary mandate of the HSSP is to fulfill the constitutional right of residents to adequate housing. It strategically guides the delivery of diverse housing products in well-located areas, ensuring they are supported by necessary infrastructure like water, sanitation, and electricity. A key objective is to align municipal plans with national and provincial human settlement priorities for multi-year budgeting and performance monitoring.

b. Socio-Economic and Demographic Context

- ***Population***: According to 2022 Census data, the municipality has a population of **36,487**.
- ***Growth***: The municipality has experienced a small growth rate of **1.63%**, which is expected to continue.
- ***Economic Challenges***: As of 2021, the municipality faced high poverty levels, with **28,400 people living in poverty**. The unemployment rate has also seen a sharp increase, rising from 1,860 unemployed individuals in 2011 to **5,020 in 2021**.
- ***Housing Status***: While **94.14%** of residents live in formal dwellings, there is a significant need for upgrading and new developments.

c. Human Settlement Demand and Backlog

The total estimated housing demand within the municipality is **15,060 units by 2031**. This figure includes:

- 2,561 informal structures that require upgrading or relocation.
- High-demand urban nodes including **Joubertina/Ravinia** (2,602 units) and **Louterwater** (2,421 units).

d. Key Development Proposals and Projects

The HSSP outlines several pipeline projects to be implemented between 2025/26 and 2029/30:

- **Greenfield Projects**: Planned developments for new RDP subsidies include **Kareedouw** (650 units), **Joubertina** (300 units), **Louterwater** (150 units), and **Woodlands** (300 units). Informal Settlement Upgrading (ISUPG): Major interventions are proposed for **Mooit Uitsig in Joubertina** (300 units), **KwaMashu in Louterwater** (250 units), and **Riem Vasmaak in Woodlands** (300 units).
- **Destitute and Rectification Projects**: The plan prioritizes housing for vulnerable groups, including **66 units in Koomansbos**. Significant rectification of existing housing is also planned for **Kareedouw** (over 400 units) and **Storms River**.

e. Infrastructure and Service Delivery Strategy

The report emphasizes that infrastructure is the "*link to unlocking housing*".

- **Water**: Urgent upgrades are required for Water Treatment Works (WTW) in Kareedouw, Joubertina, and Louterwater to meet the projected 2031 demand.
- **Sanitation**: Most Wastewater Treatment Works (WWTW) and pump stations are in disrepair. The plan proposes upgrading facilities in Kareedouw, Woodlands, and Coldstream to handle increased flow from new developments.
- **Roads**: A 2025 assessment revealed that **52.5% of paved roads are in "very poor" condition**. The plan prioritizes transitioning deteriorating asphalt roads to concrete block paving to reduce long-term maintenance costs.

f. Institutional Framework and Accreditation

In July 2025, the municipal council resolved to shift the housing function to the Engineering and Technical Services Directorate to improve technical oversight. The municipality is also working towards Level One and Level Two housing accreditation, which would grant it more authority over subsidy management and project planning.

3.4.3 Informal Settlements Upgrading Programme

The Eastern Cape Department of Human Settlements appointed Sarah Baartman District Municipality as the Lead Implementing Agent, for the upgrading of 32 informal settlements

Sarah Baartman District Municipality has been appointed for a contract duration of 36 months. The programme cuts across four (4) local municipalities namely Koukamma, Sundays River Valley, Makana, and Blue Crane Route.

The program facilitates the structured upgrading of informal settlements. It applies to the upgrading of informal settlements as well as where communities are to be relocated for a variety of reasons. The program entails extensive community consultation and participation, access to emergency basic services, and permanent services. Upgrading deliverables are as follows:

Water – water tanks, standpipes and supply piping
Sanitation – chemical toilets, easy-flush toilets, septic and sedimentation tanks, VIP'S
Refuse – refuse collection points and removal, wheely bins, skip bins.
Electricity – public lightning, household electricity supply.
Access: access roads, stormwater drainage.

3.4.4 Breakdown of informal settlements and funding

WARD	INFORMAL SETTLEMENT	NO OF HOUSE-HOLDS	ALLOCATED FUND
3	Joubertina- Mooi Uitsig Farm 40	80	R 6 702 417.60
6	Tsitsikamma -Coldstream Robololo	50	R 4 189 011.00
6	Tsitsikamma- Griquarust	60	R 5 026 813.20
6	Tsitsikamma- Thornham	254	R 21 280 175.88
6	Tsitsikamma- Sandrift	18	R 1 508 043.96

Project Managers (LPM) was appointed by Koukamma Local Municipality (KLM) for the Upgrade of Informal Settlements Program (UISP) for Thornham Village in Koukamma Local Municipality (KLM).

The following are the Basic immediate services to be carried out:

- Access road: Block paved roads
- Sanitation system
- Portable water
- Waste collection
- Electricity in the form of street lighting
- Town planning

3.4.5 Destitute houses

During the 2025/26 financial year, progress was made in addressing destitute housing needs in Koukamma Municipality. A total of **287 units** were planned across various settlements, with notable progress in Koomansbos where ±60 houses have been completed.

Summary of Units

Area / Project	Planned Units	Status / Progress
Koukamma (Hermanskraal, Griekwarust, Sandrift)	100	Planning stage
Joubertina	48	Planning stage
Krakeel	56	Planning stage
Louterwater	17	Planning stage
Koomansbos	66	60 houses completed

3.5 ROADS

3.5.1 Road's Delivery Strategy and Main Role Players

The strategy of the municipality is to provide and maintain quality of local roads thereby contributing to socio-economic development Koukamma residents. The Department of Transport is a role player which governs the department at the center of Infrastructure provision in the province. It is a department that derives its existence directly from the Constitution of the Republic of South Africa (Act 108 of 1996 as amended) and the Public Service Act of 1994 (as amended). The strategic goals of the roads department are as follows:

Service Delivery Goals

- To ensure that all communities in the municipality are connected.
- To provide "world class" services to our communities
- To keep all municipal roads infrastructure in well-maintained condition
- To ensure that all projects being implemented through the Community Based Public Works Program.

3.5.2 Level and Standard in Roads Services

The total length of Municipal roads is 152km,5km is gravel that is in a state of disrepair, 147 km is surfaced of which 60km of the 147km is in a state of disrepair and is way beyond the maintenance period. The condition of roads in the Koukamma Municipal area has deteriorated rapidly over the past few years due to aging of the infrastructure, increase traffic volumes, insufficient funding for maintenance and the impact of floods which have occurred over the past few years.

The standard of roads maintenance in all areas in the Koukamma is the same whether it is re-gravelling or resealing or pothole repair. N2 and R62 passing through Koukamma area are being maintained by SANRAL and other divisional roads are maintained by department of transport. SANRAL is also in the process of assisting the municipality to upgrade some internal roads as part of social responsibility,

Major Challenges and Remedial Solutions in terms of Roads

- Shortage of Personnel to effectively carry out road maintenance activities.
- Limited Maintenance Budget allocation for road maintenance.
- Insufficient operations and maintenance funding made it difficult to procure the required materials, equipment, and services.
- No Roads master plan to guide the planning, prioritization and implementation of road infrastructure projects.

Remedial solutions

- Employer to absorb casual general workers.
- Increase operational budget so that we can be able to procure what is required for maintenance
- Source funds to appoint consultants for the development of master plan, ongoing.

3.5.3 Capital Project for 2025/26 FY

Project	Area	Cost	Funding Source	Progress
Upgrading of Derdebos Gravel Roads	Kareedouw	R 19.8m	MIG	70%

3.5.4 Annual performance as per key performance indicators in road maintenance services

	Indicator name	Total number of household/customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual KMs)	Kms achieved during the FY	Percentage of achievement during the year
1	Percentage of households without access to gravel or graded roads	None	0	0	0	0
2	Percentage of road infrastructure requiring upgrade	70	125km	4	2	50%
3	Percentage of planned new road infrastructure actually constructed	Derdebos				
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	R 19.8m	No backlog the roads requires rehabilitation			

COMPONENT B – SPATIAL PLANNING AND DEVELOPMENT

3.6 SPATIAL MANAGEMENT AND LAND USE MANAGEMENT

Koukamma Local Municipality has promulgated the SPLUMA By – Laws of which is implemented accordingly as dated 24 March 2016. The Council has taken a decision to join the District Municipal Planning Tribunal (DMPT) which it will gazette the Municipalities and meets once a month or when there are submissions and deal with all subject matters related to land use applications submitted for processing if needed. The Municipality will review its decision to join the DMPT before the end of every 5 years as the term is only for that period. All applications are submitted in accordance with a SPLUMA application form, and a registry is kept by the records section, of which the Manager Planning and Development is responsible for keeping all the records in relations to applications submitted with their status thereof. Minutes of all meetings are prepared by the responsible secretariate of the DMPT and will be shared with all the Municipalities responsible. All relevant approvals and correspondence are prepared and signed by the Director Technical Services as the appointed Authorised Official of which records are kept in accordance with the internal processes. The appointed Manager: Planning and Development will need to review the processes (development of SOP's) as per the SPLUMA By-laws and prepare same accordingly for the upcoming financial year.

Koukamma Local Municipality has since approved its Koukamma Spatial Development Framework Plan and Land Use Management Scheme as being prepared by the Consultants appointed by Sarah Baartman District Municipality.

3.6.1 Preparation and Approval Process of Spatial Development Framework

The existing Koukamma Local Municipality Spatial Development Framework required an update as a matter of urgency to align with the provisions of the Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA). The Sarah Baartman District Municipality appointed consultants to proceed with the Koukamma Local Municipality Spatial Development Framework Plan and Land Use Management Scheme in 2021 of which the draft reports were been presented by the consultants to the Koukamma Council in 2023 to ensure compliance with SPLUMA. The Council has since approved the Koukamma Spatial Development Framework in 2023 with File No. 18/1/9 from Council.

3.6.2 Integrated Land Use Scheme (LUMS)

The Sarah Baartman District Municipality appointed a service provider for the preparation of the LUMS as the Section 8 Zoning Scheme Regulations (LUPO) was still applicable in the area. The municipality does have OVVIO Electronic System in place, and the information will dually also since approved be updated as part of the appointment with the latest records of zoning rights of all properties in the Koukamma area. The Council has since approved the Koukamma Integrated Land Use Scheme in 2023 with File No. 18/1/9 from Council Resolution.

3.6.3 Establishment of Municipal Planning Tribunal

The Koukamma Municipality Council has, through (Council 5.1.1.2 of 27 October 2023) **approved** the termination of the appointment of the KKM MPT Chairperson and decided to join the Sarah Baartman District Planning Tribunal to consider Category 1 development applications and all opposed Category 2 development applications. Subsequently, sign the Service Level Agreement with SBDM.

3.6.4 Establishment of the Appeal Authority

Koukamma Municipality Council through (Council Resolution 4.5 of 31 August 2023) **approved** the appointment of Executive Mayor as Chairperson of the Koukamma SPLUMA Appeals Committee and the Engineering Services Portfolio Chairperson being the Deputy Chairperson of the Committee, to consider all appeals relating to land development in terms of Section 51(1) of the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) and Section 126(1) of the Koukamma Spatial Planning and Land Use Management By-law (2016).

Koukamma Municipality Council further **approved** the three (3) other Executive Mayoral Committee to be part of the Appeals Committee to serve as members to the Koukamma SPLUMA Appeal Authority.

The Municipal Manager be the Registrar of the Appeals Committee. No appeals have been considered to date on all land use applications submitted and considered.

Land Use Management

All Land Use Management is done in accordance with legislation requirements e.g., Zoning Scheme Regulations (Land Use Scheme), Koukamma Spatial Planning and Land Use Management By-law, 2016, and other applicable legislation.

The Town Planning Section now monitors all the necessary processes that have to be followed for an application to be finalized and approved. The table underneath depict the number of applications received during the financial year of 2025/26:

SPLUMA APPLICATIONS REGISTER						
No.	**Property Description**	**Type of Applications**	**New Use**	**Name of the applicant**	**Date submitted**	**Status of application**
20	Portion 105 & 305 of the farm Twee Rivieren No. 358, Joubertina RD,	Subdivision, Consolidation & Rezoning	Juice Factory	Mirind de Beer Town Planners	26-05-2025	Application approved by MPT on 26-06-2026
21	Erf 13 Kareedouw	Home Occupation	Meat Packaging	Rudolph Smith	23-06-2025	Application approved by AO on 04-08-2025
22	Erf 443 Joubertina	Ractification of Zoning	Hair Salon	Werner Nortier	19-09-2025	Application approved by AO on 11-11-2025
23	Erf 283 Joubertina	Subdivision	2 Portions	Maarschalk Partners	02-12-2025	Application in progress
24	Erf 1227 Zitzikama	Rezoning	Dwelling House	Maarschalk Partners	02-12-2025	Application in progress
25	Erf 1072 Kareedouw	Consent Use	Shebeen	Nkosi Masiza	11-12-2025	Application in progress
26	Farm 645 Portion 9 Hum RD	Subdivision & Removal of Restrictions	Agriculture	DLC Town Plan	26-01-2026	Application in progress
27	Portion 74 of the Farm Melkhoutkraal 254 Hum RD	Sudivision & Rezoning	Agric, Dwelling and Industry	Maarschalk Partners	29-01-2026	Application in progress
28	Portion 1 of Farm Grootkloof 301 Joub RD	Erutum on Subdivision	Corrections on Approval	Maarschalk Partners	27-05-2026	Application approved by MM on 08-06-2026
29	Portion 15 of Farm Fraai Uitsig 306 Joub RD	Consent Use	Place of Instruction	Hospitec Architecs	29-05-2026	Application in progress
30	Erf 1866 Joubertina	Subdivision	5 Portions & Rem	Maarschalk Partners	18-06-2026	Application in progress
31	Remainder Portion 20 of Farm Diep Rivier 358 Hum RD	Consent Use, Permanent Departure, Exemption, Long-term Lease	Wind Turbine	Urban Dynamics	22-06-2026	Application in progress
32	Erven 1891 & 251 Joubertina	Sudivision, Rezoning & Departure	Com Zone 1	Mirind de Beer Town Planners	04-08-2026	Application in progress

3.6.5 GIS Working Group with SBDM

The Koukamma Municipality has signed a Service Level Agreement with Sarah Baartman Municipality for an integrated GIS system and offered a device which will be used by Koukamma Planning Department for all the GIS related projects of the Municipality.

3.6.6 Township Establishment Projects in Koukamma Municipality by GIC

Department of Human Settlement has appointed Gap Infrastructure Corporation (hereto referred as “GIC”) to assist the Koukamma Municipality to conduct studies which include Township Establishment for development of 1400 Residential Units around Koukamma Municipality at Kareedouw, Joubertina, Louterwater and Woodlands.

GIC has since appointed the Umhlaba Consulting to project Management the Township Establishment Process which includes, Engineers, Surveyors, Environmentalist, Geologists, Lawyers etc which have called an inception meeting in order to introduce the consultant on the team to work on the job.

SUMMARY OF FINDINGS GIC

No.	Project	Water Supply	Water Treatment Works	Water Storage	WWTW	APPROX. UPGRADE COST
1	Kareedouw	**Future Water demand: 1 183kl/day** **Current water supply** is 1 037kl/day Upgrade required, construction of **two additional** boreholes or refurbishing existing production boreholes.	Sufficient	Curent storage capacity sufficient (Storage at WTW and 2 additional elevanted tanks). Howver, a new elevated tank and pump required. Estimate **Cost : R2 280 450,00**	Upgrade required - Refurbishment of the existing WWTW Existing WWTW capacity is 500 kl/day Current wastewater volumes is 478kl/day Future wastewater flow is 828kl/day **Refurbishment Cost : R3,08m** Approx. an addiit0nal **R800k** will be requred to upgrade the Mountainview and New Rest Pump stations	**R6,2m**
2	Louterwater	During wet periods 690kl/day can be provided which meets future demand of 632 kl/da. Additional required, especially during dry seasons. Suggestion given is that the water use rights which vests in the State for irrigation be transferred to the LM	Poor condition, upgrade required to 800Kl/day. Refurbishment of eisting building and Pump station estimated at R15m.	Sufficient storage, however a new pump stations required. Approx. R3,7m cost for upgrade.	Sufficient.	**R18,7m**
3	Joubertina	Sufficient	Refurbishment currently underway expected to be comleted June 2026. Plant to treat 2Ml/day which will be sufficient for estiated requirement of 979kl/day	Additional 1Ml reservoir required. Cost R 12m	Upgrade required - Refurbishment of the existing WWTW Existing WWTW capacity is 530 kl/day Current wastewater volumes is 478kl/day Future wastewater flow is 538kl/day Refurbishment Cost : R900k	**R12.9m**
4	Woodlands	Upgrade required, construction of 4 additional boreholes. -Current Supply is 374,4kl/day -Future Demand (Including proposed dev) is 515kl/da -After boreholes will be 547kl/day Costs : R3,8m	Upgrade required to 600kl/da Cost R10m	Sufficient	Upgrade required. Esiting Capacity :250kl/day Upgrade proposed :500 kl/day SMEC South Africa has been appointed by Kou-Kamma LM to increase capacity to 500 Kl/day	**R13.8m**

The consultant presented the final layouts to Koukamma Municipality officials and they’re busy with engineering services report and the findings are below:

3.6.7 Building Control

The Building Control of Koukamma Municipality falls within Planning and Development Unit and is responsible for all submitted Plans for development within the jurisdiction of the Municipality and subsequently, all the illegal buildings and notices as the arrive as complaints.

The Building Plans considered in 2025/26 Financial Year are attached below.

REPORT ON KOUKAMMA SUBMITTED BUILDING PLANS FOR 2025/26 FINANCIAL YEAR

2025/26 FINANCIAL YEAR													
NO.	PLAN NO	EFR/FARM NO	OWNER	ADDRESS	DESCRIPTION OF WORK	STATUS UPDATE	DATE SUBMITTED	DATE APPROVED	PLAN FEES	PAID (Y/N)	m^2	Outstanding Rates
49	48/2025	ERF 49 Joubertina	Conrad Peyper	2 Kloof Street	New Dwelling	Approved	10/07/2025	03/10/2025	R2 484,00	YES	72	
50	49/2025	Erf 20 Kammabaai	J Genis	Kammabaai Eesterivier	As-Built	In progress	16/05/2025			NO		
51	50/2025	Erf 532 Stormsriver	Mr & Mrs Miggels	532 Stormsriver	As-Built	Approved	04/08/2025	03/10/2025	R2 430,41	YES	88,85	
52	51/2025	Farm 285 Portion 84 Joub RD	J Baldie and Sons	Misgund (R62)	Internal Alteration	Approved	12/08/2025	03/10/2025	R690,00	YES	0	
53	52/2025	Erf 479 Joubertina	DLTC Koukamma Building	Hoof Street	New Building	Approved	28/07/2025	01/10/2025	Zero rated	NO	0	
54	53/2025	Farm 833 Hum RD	Mr. Ruhan Meyer	Farm 833 Hum RD	New Development	In Progress	2025/09/12		R127 231,00	NO		
55	54/2025	Wittekleibos Farm 787 Portion 4	Dept of Human Settlements	Farm 787 Portions 4 Hum	New RDP House	Approved	2025/09025	01/10/2025	Zero rated	NO	45	
56	55/2025	Farm 660 Ptn 23 Hum RD	OJ & T Terblanch	Farm 23 Ptn 660 Hum RD	As-Built	Approved	2025/09/25	03/12/2025	R62 936,97	NO	473,32	
57	56/2025	Farm 551 Ptn 4 Hum RD	Patchamama Sylva	Farm 551 Ptn 4 Hum RD	Proposed New Holmestead	Approved	2025/10/22	29/04/2026	R12 466,00	YES	310,7	
58	57/2025	Erf 975 Kareedouw	Warren Money	5 Keet Street	Proposed Addition	Approved	2025/10/23	03/12/2025	R3 714,59	YES	21,2	
59	58/2025	Erf 1110 Kareedouw	Mr. & Mrs. Sithole	1110 Joe Slovo Street	Proposed Addition	Approved	2025/11/05	03/12/2025	R4 174,50	YES	121	
60	59/2025	Farm 626 Portion 66 (House 2)	Lyndon de Meillon	House 2 Heidestrand	Proposed Addition and Alter	In progress	2025/11/06		R5 648,34	YES	163,72	
61	60/2025	Erf 1072 Kareedouw	Mr. Nkosiyolanga Masza	Kagiso Street	Proposed Addition and Alter	In progress	2025/11/10			NO		
62	61/2025	Erf 682 Kareedouw	Mrs. A van Rooyen	Rensilvlei, Kareedouw	Proposed 2 New Dwellings	Approved	2025/11/10	03/12/2025	R7 879,80	YES	276	
63	62/2025	Erf 449 Misgund	Damons Mornay	449 Misgund	Proposed Additions and Alter	In progress	2025/11/10			NO		
64	63/2025	Farm 626 Portion 40 (Plot 17)	Mr. Riaan Landman	Kammabaai Eesterivier	New Dwelling	In progress	2025/12/01		R8 706,89	YES	283,67	
65	64/2025	Erf 339 Joubertina	Ronmari Vakansieverblyf C C	1 Kerk Street	Additions	In progress	2025/12/01		R91 885,24	NO		
66	65/2025	Erf 1457 Kareedouw	Mrs. Suzie Trompetter	1457 Mountain View	Additions	In progress	2025/12/01		R1 994,20	YES	65,81	
67	66/2025	Erf 138 Kareedouw	Leon Kemp	1 Van Riebeek Street	As-Built Carports	In progress	2025/11/21		R4 305,60	NO	72	
67	67/2025	Erf 1238 Kareedouw	Cargu-Piet CC	13 Van Riebeek Street	Deviation Plan	In progress	2025/11/21	30/06/2025	R690,00	NO		
1	01/2026	Erf 300 Kareedouw	A Barnard	17 Krom Street	As-Built	In progress	2026/01/05		R5 839,47	YES	31,3	
2	02/2026	Erf 65 Joubertina	Mr & Mrs L & S Malan	Cnr Ferreira & William Steward Street	New Dwelling	Approved	2026/01/26	30/06/2026	R11 507,82	YES	288,6	
3	03/2026	Erf 39 Storms River	Mr. & Mrs. J. A. Du Rand	Erf 39 Storms River	As-Builts & Alterations	In progress	2026/02/05			NO		
4	04/2026	Farm 626 Portion 61 Stand 36	JTCL Family Trust	Stand 36 Eersterivier	Aditions & alterations	Approved	2026/02/12	30/06/2026	R11 315,20	YES	239,1	
5	05/2026	Farm 759 Hum RD Erf 33 Oubos Strand	R. Du Tiot	Erf 33 Oubosrand	New Dwelling	In progress	2026/02/16		R4 882,90	YES	45	
6	06/2026	Erf 221 Joubertina	E. Louw	60 De Waal Street Joubertina	As-Built Store	In progress	2026/02/16		R7 856,92	NO	169	
7	07/2026	Erf 44 Storms River	N. Barnado	Erf 44 Storms River	New Outside Tiolet	In progress	2026/02/17		R690,00	NO		
8	08/2026	Erf 1805 Kareedouw	Cargu Piet CC	13 Van Riebeeck Street	New Building	In progress	2026/03/06			NO		
9	09/2026	Erf 1888 Joubertina	P Chiwara	Erf 1888 Joubertina	New Flats	In progress	2026/03/10		R31 342,24	NO	473,34	
10	10/2026	Farm 626 Portion 69 Erf 130	Semri Properties	Erf 130 Skuitbaai	Additions & Alterations	In progress	2026/03/13		R2 819,80	YES	109,5	
11	11/2026	Erf 1264 Kareedouw	B. & C. Slinger	Erf 1264 Kareedouw	Aditions & Alterations	In progress	2026/03/16		R3 501,75	NO	83,7	
12	12/2026	Erf 2 Storms River	Ninscor 34 CC	Erf 2 Storms River	New Shed	In progress	2026/03/23		R6 533,27	NO	189,37	
13	13/2026	Erf 8 Storms River	Ninscor 34 CC	Erf 8 Storms River	Additions & Alterations	In progress	2026/03/26		R2 656,50	NO	77	
14	14/2026	Erf 303 Kareedouw	S. Carstens	Erf 303 Kareedouw	Additions & Alterations	In progress	2026/03/30		R2 736,51	YES	102,56	
15	15/2026	Erf 344 Kareedouw	I. Nel	Erf 344 Kareedouw	As-Built	In progress	2026/04/13		R2 024,40	YES	59,2	
16	16/2026	Erf 84 Joubertina	N. Ndumo	12 William Steward Street	New Dwelling	In progress	2026/04/16		R2 639,25	YES	85	
17	17/2026	Erf 491 Joubertina	Stephanus Loubser	5 Van Riebeek Street	Prop Second Dwelling	In progress	2026/04/22		R2 415,00	YES	70	
18	18/2026	Erf 135 Woodlands	Koukamma Municipality	Woodlands	New Multi-purpose Centre	Approved	2026/04/22	29/04/2026	Zero rated	NO	0	
20	20/2026	Erf 57 Kareedouw	Ockie Binneman	Erf 57 Kareedouw	Additions & Alterations	In progress	2026/04/29		R1 429,34	YES	41,43	
21	21/2026	Erf 306 Joubertina	Jenny Street	Erf 306 Joubertina	New Dwelling	In progress	2026/05/05		R1 794,00	YES	52	
22	22/2026	Erf 30 Storms River	Dr. Derick Swart	Erf 30 Storms River	Aditions & Alterations	In progress	2026/05/20		R16 340,31	NO		
23	23/2026	Farm 467 Thornham (Gate 10)	Ismail Isaacs	Farm 467 Thornham (Gate 10)	New Dwelling	In progress	2026/05/27		R6 153,29	NO	201,89	
24	24/2026	Farm 506 Ptn 1 Humansdorp RD	M. Warrington	Farm 506 Ptn 1 Humansdorp RD	As-Built, Aditions & Alterations	In progress	2026/06/08			NO		
25	25/2026	Erf 216 Coldstream	Y. Botes	Erf 216 Cold Stream	As Built	In progress	2026/06/22		R6 925,92	NO	209,87	

3.6.8 Major Challenges and Remedial Actions

Challenges	Remedial actions
➢ Lack of Law Enforcement to enforce the existing By-Laws and the approved Land Use Scheme. ➢ Lack of capacity staff to deal with Land Use and Compliance. ➢ .Internal Departments not participating enough on Land Use Applications.	➢ Seeking assistance from the Department of Rural Development and Land Reform, CoGTA and SALGA. ➢ Approach the National Government for the Graduate Internship in order to have more capacity.

COMPONENT C: COMMUNITY SERVICES

3.7 SOLID WASTE AND ENVIRONMENTAL MANAGEMENT

Solid waste management refers to the collection, treatment, and disposing of solid material that is discarded or is no longer useful. Improper disposal of municipal solid waste can create unsanitary conditions, which can lead environmental pollution and outbreak of infectious diseases. An inefficient municipal solid waste management system may create serious negative environmental impacts like infectious diseases, land and water pollution, obstruction of drains and loss of biodiversity.

Solid waste means any garbage, domestic refuse, sludge from a wastewater treatment plant, water supply treatment plant, or air pollution control facility and other discarded materials including solid, liquid, semi-solid, or contained gaseous material, resulting from industrial, commercial, mining, agricultural operations and from community activities. The difference between solid waste and hazardous waste and solid waste is material that can be decomposed whilst hazardous waste is waste that has substantial or potential threat to the public health or the environment.

3.7.1 Illegal dumping

Throughout the Koukamma Areas it has become apparent that illegal dumping remains an issue. This can be a result of the vastness of the area and the distance that the Refuse vehicles needs to travel causing impatience within the communities resulting in them disposing the waste in the way they think best. This is not only a great environmental risk but also hazardous to the health of our community livelihoods.

3.7.2 Remedial Actions

Attempts have been made with Eradication programmes to address the situation. Going forward, the planting of trees and erecting of small gardens will be done in open spaces to prevent communities from dumping in those spaces again. The programme commenced in the Stormriver area. The programme is called "Adopt a Spot" where residents committed themselves to clean and eradicate illegal dumpsites and beautify their area.

Koukamma Local Municipality has also reached out to PRO's (Producer Responsibility Organization) for the diversification of plastic packaging from landfills, among others, for the plastic packaging industry in South Africa. An MOU has been signed and send to POLYCO and recycling in Koukamma will start in the 2026/27 financial year. This will not only lift the weight of our landfill sites but also help keep our communities clean. Ten (10) Skip bins were donated through DFFE and will be placed in strategic areas within communities. Frequent emptying will help illegal dumping.

3.7.3 Delivery Strategy and Main Role Players

The Department of environment, Forestry and Fisheries developed the National Environmental Management: Waste Act, 2008 thereafter advanced the National Waste Management Strategy which is a legislative requirement of the above - mentioned act. After the act and strategies, municipalities are therefore required to develop the Integrated Waste Management Plan (IWMP). The IWMP forms an integral part of the Integrated Development Plan (IDP) as per the requirement of the Municipal Systems Act, 2000.

The waste Disposal By-Law was gazette in 2006 and published in 2011 and was not reviewed yet. The Koukamma Municipality Integrated Waste Management Plan (IWMP) is the application of suitable techniques, technologies and management programs covering all types of solid wastes from all sources to achieve the objectives of (a) waste reduction and (b) effective management of waste produced after waste reduction.

Koukamma Municipality in partnership with the Department of Economic Development, Environmental Affairs and Tourism and the Department Water and Sanitation. Department of Forestry, Fisheries and the Environment are working together to ensure compliance.

Department of Forestry, Fisheries and the Environment through Sarah Baartman District Municipality has contracted a service provider to help Koukamma Local Municipality in Developing an Integrated Waste Management Plan.

3.7.4 Waste Disposal Facilities

Waste is disposed of in areas or sites demarcated and permitted by the Department of Economic Development, Environmental Affairs, and Tourism. In a landfill site classification system, a landfill site is classified in terms of waste class, size of operation, and potential for significant leachate generation, all of which influence the risk it poses to the environment. Graded requirements are then set for all aspects of disposing of waste in the facilities.

WOODLANDS DISPOSAL SITE: The site is approximately 200m Southwest of Woodlands community, within 800m from the R102. The landfill site was authorized in terms of Section 20 (5) (b) of the Environmental Act, 73 0f 1989, by the Department of Water and Sanitation and Forestry as a G: C: B site.
A letter of non-compliance were issued for this disposal site due to the lack of maintenance throughout the years. Upon investigation, it was also found that the license for this specific landfill site expired in March 2025 and the time to request for extension lapsed.

The application for a new landfill site needs to be done through MIG. Options for new landfill sites has been explored and a process for subdivision and rezoning of a portion of land needs to be implemented.
The purpose of the project is to enact the, rectify and ensure compliance to section 31Lof the National Environmental Management Act, 1998 (Act 107) of 1998, as amended, in respect of non-compliance with the waste management license (HO/A14/LO22/14). This matter is deemed urgent, and all steps need to be taken to rectify the current non-compliance.

TWERIVIERE / JOUBERTINA: The site is located approximately 2km northeast of Joubertina within 1km from the R62. In March 2015, the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) provided a permit for the landfill site as a G: C: B landfill site in terms of Section 49 (1) (a) of the National Environment Management: Waste Act, of 2008. The site is classified as a communal site and is meant to receive not more than 25 tons of waste per day.

3.7.5 Key Steps in Decommissioning and Rehabilitation:

Site Assessment and Planning:
Conducting a comprehensive environmental assessment to understand the extent of contamination and the specific requirements for rehabilitation.
Developing a detailed decommissioning and rehabilitation plan, including timelines, resource requirements, and compliance with environmental regulations.

Closure of the Landfill:
Halting all waste disposal activities at the site.
Implementing measures to control leachate and gas emissions, including the installation of appropriate containment systems.

Waste Removal and Disposal:
Excavating and removing remaining waste materials from the site. Transporting waste to an authorized disposal facility.

Site Contouring and Capping:
Reshaping the landfill to ensure proper drainage and prevent erosion.
Applying a final cover or cap made of soil and vegetation to seal the site and prevent water infiltration.

Rehabilitation of the Area:
Restoring the vegetation to blend with the surrounding forest area.
Monitoring the site post-rehabilitation to ensure the effectiveness of the implemented measures and to detect any potential environmental issues.

Estimated Costs for Decommissioning and Rehabilitation
The costs associated with decommissioning and rehabilitating a landfill site like the one at Coldstream can vary widely based on several factors, including the size of the site, the level of contamination, regulatory requirements, and the complexity of the terrain. The total Estimated Costs vary between R4,400,000 – R10,000,000.

3.7.6 Garden Refuse
Currently the Municipality has no schedule, personnel, or machinery for garden refuse. Drie Krone Garden disposal site is designated for garden refuse. The site is not easily accessible to residents with no means of hiring a bakkie or truck for removal of garden refuse.

3.7.7 Refuse Collection Trucks
For proper waste management, the current fleet is not sufficient and efficient for adequate waste management in all areas of the Municipality. A business plan was developed in 2025/26 for the purchasing of yellow fleet and has been escalated to the relevant stakeholders for endorsement and consideration.

3.7.8 Waste Management Personnel
The section does not have adequate personnel for grass cutting in open spaces, not enough refuse collection personnel.

COMMUNITY SERVICE				
2025/26				
DEPARTMENT	CURRENT STAFF ESTABLISHMENT NO. OF POST	VACANT	TOTAL NUMBER OF POST	VACANCY RATE
Community Services: Refuse Removal	16	9	25	36%

3.7.9 Waste Awareness Campaigns

On the 6th of October 2025 a Waste Management awareness was conducted at Louterwater with residents that may be responsible for dumping refuse for different reasons on sidewalks of R62.

3.7.10. Major Challenges and Remedial Actions

CHALLENGES	REMEDIAL
Establishing new landfill sites	Apply for funding from DEDEAT and register on project on MIG
Inadequate vehicles and equipment (Yellow Fleet)	Register a project on the purchasing of yellow fleet through MIG

3.7.11 Refuse Collection and Cleansing Parks

It is the planning, organizing and control of all refuse collection and transportation services that provide specific waste management measures and norms and standards. The primary objective of refuse collection and cleansing of parks is to keep the area clean and ensure that communities live in a clean environment that is maintained and managed in a sustainable manner.

3.7.12 Delivery Strategy and Main Role-Players

Schedule Of Waste and Refuse Collection Services in Koukamma as per approved schedule by the Council in 2024/25 was utilized in the 2025/26 FY.

Koukamma Municipality renders services in following areas;

- Kareedouw Town, Uitkyk, Kagiso Heights, Mountain View, New Rest.
- Langkloof; Misgund, Louterwater, Krakeelriviere, Joubertina, Ravinia
- Upper Tsitsikamma; Coldstream, Stormsrivier, Nompumelelo Village
- Lower Tsitsikamma; Blikkiesdorp, Koomansbos, Hermanuskraal, Kwaaibrand, Woodlands, Eersterivier, Clarkson, Wittekleibos
- Businesses, Schools and hostels

REFUSE SCHEDULE

DAY	UPPER TSITSIKAMMA	LOWER TSITSIKAMMA	KAREEDOUW	LANGKLOOF
MONDAY	Stormsriver Business, Domestic Stormsriver East	Businesses	Business	Ravinia Domestic, Illegal dump sites
TUESDAY	Nompumelelo Village, Blikkiesdorp Domestic	Koomansbos, Hermanuskraal, Kwaaibrand	Mountain View, New Rest Domestic	Joubertina Town Domestic, Illegal dump sites
WEDNESDAY	Stormsriver West Domestic	Woodlands, Eersterivier, Wittekleibos	Kareedouw Town Domestic	Misgund, Louterwater Domestic/ Businesses
THURSDAY	Coldstream, Laurelridge, Die Rye	Clarkson, Die Blaar, Bazia Street, Church Street	Kagiso Heights Uitkyk Domestic	Kraakeel Business, Domestic
FRIDAY	EPWP/CWP/Wa ste Management	EPWP/CWP/Wa ste Management	EPWP/CWP/Wast e Management	Joubertina Bins, Cages

3.7.13 Waste Characterisation Result

No waste is characterised per income in an area. It is not done yet as no survey has been conducted. Waste is supposed to be categorised as per high income area, medium and low- income areas (indigent income earners).

Waste quantity is usually measured by mass (kilograms or tonnes) but Koukamma has no weighbridge or weigh-pads. It can also be less accurate if estimated as volume (cubic metres). The formula used to estimate waste quantities is as follows:

- Annual total tones waste from an area equal to average amount of waste produced by one person in one day (kg) multiply by number of people in the area and then multiply by 365 days over 1000.

These quantities will differ depending on the socio-economic status of the community.

3.7.14 Domestic Refuse Removal

Domestic waste is waste that is generated because of the ordinary day-to-day use of domestic premises and is either: collected by or on behalf of a local government as part of a waste collection and disposal system. Koukamma Municipality is servicing approximately 11 261 households. Waste removal is provided to all households and businesses within the major towns of the municipal area, except to the households in rural areas.

The population in semi-rural areas either buries or burn their waste. There is only one private waste contractor active in Kareedouw town and townships. The municipality provides a weekly (1day per week) waste collection service to all the households in the following wards:

Ward	Town	Settlements	No of businesses	Location of landfill site
1	Misgund & Louterwater	New Extension Old Louterwater Smartie Town Rondomskrik	Approximately 7	200m North East of Louterwater
2	Krakeel Joubertina Town	No settlements	4	3km from Krakeel, approximately 300m from the R62
3	Ravinia/ Joubertina Town	No settlements	4	2km North East of Joubertina
4	Kareedouw	Uitkyk, Kagiso Heights, New Rest, Mountain View, Town Central.	18	3km North of Kareedouw
5	Clarkson Woodlands, Eerste Rivier, Kwaaibrandt Hermanus Kraal Wittekleibos Guava Juice Snyklip & Palmietvlei	Bazia Kerk Straat Smartie Town Landsdown	2	2km South of Clarkson

6	Nompumelelo Village Storms River Coldstream Blikkiesdorp Thornham Koomansbos	No settlements	2	500m North of Coldstream residential area

3.7.15 Major Challenges and Remedial Actions

The settlements and towns are scattered and far from each other and the location of the three landfill sites that are currently operational is also far from most of the communities. It contributes to the high kilometers travelled, fuel, and maintenance cost of the refuse removal vehicles and hours spent on the road to the disposal sites.

Additional waste generated, illegal dump sites, waste collected by the EPWP teams, working for the coast and catchment area cleaning, waste management teams need regular collection and transporting to the landfill sites.

3.8 SPORTS AND RECREATION FACILITIES

Recreation facilities means those facilities constructed or installed within the Local Community Residential Area (LCRA) for recreational use by the public or for support of such recreational use. It refers to a park, playground, recreation centre, bathing beach, swimming pool or wading pool, gymnasium, sports field, or sports facility, including the parking area and land surrounds any of the facilities, which is owned by or under the jurisdiction of any department, agency, or authority of the municipality.

3.8.1 Delivery Strategy and Main Role - Players

Section 156 of the Constitution of the Republic of South Africa, 1996 emphasis the provision of recreation facilities as the function administered by municipalities. In 2012, South Africa finalised the revised White Paper on Sport and Recreation for the third time leading to the development of the National Sport Recreation Plan (NSRP). The strategic focus of the NSRP is to reconstruct and revitalise the delivery of sport and recreation towards building an active and winning nation that equitably improves the lives of all South Africans.

3.8.2 Level and Standard of our Sports and Recreation Facilities

SPORT FIELDS

AREA	FACILITY	CURRENT STATUS
CLARKSON	The sports field serve Clarkson, Die Blaar and adjacent communities	Playing surface is in a good condition. No ablution facilities No change room
	Netball court	No fencing
	High Mask Lights/ Flood Lights	Were never installed
WOODLANDS	Sports field	Playing surface not in a good condition
	Netball Court	No netball court
	Club house with ablution facilities	Was Never completed/Vandalized
	High Mask Lights/ Flood Lights	Vandalized

NOMPUMELELO VILLAGE	Rugby and Soccer Field	Playing surface in a good condition
	Netball Court	None
	Ablution	Vandalized
	High Mask Lights/ Flood Lights	Need Maintenance
STORMSRIVER	Sports field	Playing surface in a good condition
	Club house with ablution facilities	Totally vandalized
	Netball Court	None
	High Mask Lights/ Flood Lights	Need Maintenance
COLDSTREAM	Rugby and soccer field	Playing Surface in a good condition
	Netball court	In a good with fencing
	Clubhouse and ablution facilities	Totally vandalized
	High Mask Lights/ Flood Lights	Need Maintenance
KAREEDOUW (Uitkyk)	Rugby and soccer field	Playing surface in a good condition
	Netball court	In good condition and fenced
	Clubhouse with ablution facilities	Totally vandalised
	Care takers house	Totally vandalised
KAREEDOUW (Newrest)	Rugby and soccer field	Vandalised
	Practice field	Vandalised
	Netball court	Totally vandalized
	Clubhouse	Totally vandalised
	Care takers house	Totally vandalised
RAVINIA	Sports field	Vandalized
KRAKEEL	Sports field	Upgraded
	Tennis Court	Upgraded
	Clubhouse	Upgraded
LOUTERWATER	Sports field	Totally vandalized
	Tennis Court	Totally vandalized
	Clubhouse	Totally vandalized

3.8.3 Proposed Inventions and Projects

Type of Sport fields	**Areas Constructed**	**Cost**	**Progress**	**Intervention**
Soccer field	13 Settlement	N/A	Grass needs to be maintained	Budget
Rugby and Soccer	Kareedouw	N/A	Grass needs to be maintained	Budget
No sportfield	Misgund	N/A	School maintains the field	Using the school sport field
4 Netball field	4 Settlements	N/A		

3.8.4 Major Challenges and Remedial Actions

CLARKSON

AREA	INTERVENTION	REMEDIAL ACTION
The sports field serve Clarkson, Die Blaar and adjacent communities Netball court	Fencing need attention Playing surface need to be leveled Lack of ablution facility Needs attention due to cracks on playing surface	Assess the damage and do costing for upgrading

WOODLANDS

AREA	INTERVENTION NEEDED	REMEDIAL ACTION
Sports field	Sports field playing surface need to be attended too	Assess the damage and do costing for upgrading
Club house	Need to plaster the walls, put up the roof and electrified	Assess the damage and do costing for upgrading

NOMPUMELELO VILLAGE

RECREATIONAL FACILITY	INTERVENTION NEEDED	REMEDIAL ACTION
Rugby and Soccer Field	Repair the lights and fence	Assess the damage and do costing for upgrading
Netball Court	The netball team are currently using the parking area at the community hall	Identify land and budget in the area
Ablution	Total renovation	Assess the damage and do costing for upgrading

STORMSRIVER

RECREATIONAL FACILITY	INTERVENTION NEEDED	REMEDIAL ACTION
Sports field	Lightning attend to the condition of the surface	Assess the damage and do costing for upgrading
Club house	Renovate and repair lights, ceiling, windows and doors	Assess the damage and do costing for upgrading

COLDSTREAM

RECREATIONAL FACILTY	INTERVENTION NEEDED	REMEDIAL ACTION
Rugby and soccer field	Replace the fence, repair the lights, renovate, paint the stadium	Sponsorship received from Bloukrans Bungy for repairs and maintenance Assess the damage and do costing for upgrading

Netball court	Upgrading, Paint and lights	Assess the damage and do costing for upgrading
Clubhouse	Upgrading, refurbishment and lights	Sponsorship received from Bloukrans Bungy for repairs and maintenance Assess the damage and do costing for upgrading

KAREEDOUW

RECREATIONAL FACILITY	INTERVENTION NEEDED	REMEDIAL ACTION
Rugby and soccer field	Upgrade playground, and repair lights and security fence	Assess damage and do costing for budgeting purposes
Practice field	Repair lights	Assess damage and do costing for budgeting purpose
Netball court	Paint and lights	Assess the damage and do costing for upgrading
Clubhouse	Renovate and lights	Assess the damage and do costing for upgrading
Care takers house	Total upgrading	The future of the house needs to be discussed by the council

RAVINIA

RECREATIONAL FACILITY	INTERVENTION NEEDED	REMEDIAL ACTION
Sports field	Upgrade fencing and playground	Assess the damage and do costing for budgeting purpose

KRAKEEL

RECREATIONAL FACILITY	INTERVENTION NEEDED	REMEDIAL ACTION
Sports field	Total upgrading and refurbished	Completed
Tennis Court	Refurbish and upgrading	Completed
Clubhouse	Total upgrading and refurbished	Completed

LOUTERWATER

RECREATIONAL FACILITY	INTERVENTION NEEDED	REMEDIAL ACTION
Sports field	Engagement of the Koukamma Sports Forum	Assess the damage and do costing for upgrading of facility
Tennis Court	Engagement of Koukamma Sports Forum	Assess the damage and do costing for upgrading
Clubhouse	Engage the SPU and Koukamma Sports Forum	Assess the damage and do costing for upgrading

3.9 CEMETERIES

3.9.1 Cemeteries Services Delivery Strategy and Main Role Players

The Constitution provides the overarching legislative framework with which all natural and juristic persons must comply. In terms of section of Section 155 and 156 of the Constitution the establishment, management and administration of cemeteries are functions of the municipalities while provinces simply have a monitoring and support role in respect of such functions. In terms of Section 139(1) where a municipality cannot or does not fulfill its executive function, i.e., the provision of cemeteries, the relevant provincial executive may intervene and take appropriate steps to ensure fulfillment of the obligation.

3.9.2 Koukamma Municipality Public Cemeteries

Koukamma Municipality has a total of eleven (11) cemeteries. Most of these cemeteries are not in a good condition, no burial registration is done, no walkways, no fencing, no ablution facilities or shelters for care takers. This is causing problems for the municipality and the communities. Stray animals are grazing on the grave sites and breaking down the tomb stones.

3.9.3 Level and Standard In Cemeteries

Koukamma Municipality had established cemeteries in the area of Koukamma as follows:

Area	Available facility
Coldstream	Fenced, clean
Storm river	No Fencing
Woodlands	Fence, clean
Nompumelelo Village	Fence but vandalised, proper lay out, record – keeping
Eerste Rivier	No fencing
Clarkson	No Fencing
Kareedouw (Uitkyk)	No fencing
New Rest	No fencing
Mountain View	None
Ravinia	Reached its capacity
Joubertina	Almost full
Krakeel	No fencing
Louterwater	No fencing
Misgund	No fencing

3.9.4 Annual Key Performance as Per Key Indicator

Facilities	Area	Cost	Intervention	Comment
Ablution Facility	Stormsriver	R60, 000.00	Internal funding	Provision of ablution facilities(container)
Access Road	Stormsriver	R100 000.00	Internal funding	Provision of a paved road within the cemetery

3.9.5 Major Challenges and Remedial Actions

Area	Required	Intervention
Coldstream	Ablution facility and shelter	Budget
Storm river	Ablution block and shelter	Budget
Woodlands	Ablution facility, shelter and extension of land	Budget
Nompumelelo Village	Ablution facility, shelter	Budget
Eerste Rivier	None	Budget
Clarkson	Fencing, cleaning, ablution and shelter	Budget
Kareedouw (Uitkyk)	Fencing, cleaning, ablution and shelter	Budget
New Rest	Fencing, cleaning, ablution and shelter	Budget
Mountain View	Fencing, cleaning, ablution and shelter	Budget
Ravinia	Fencing, EIA to be conducted	Dept. of Environmental Affairs
Joubertina	Fencing and cleaning	Budget
Krakeel	Finalisation of decision between Municipality and owner, fencing, ablution block and shelter	Budget
Louterwater	Fencing, cleaning, ablution and shelter	Budget
Misgund	Fencing, cleaning, ablution and shelter	Budget

3.10 PARKS AND OPEN SPACE

Parks and open space refer to land that has been reserved for the purpose of formal and informal sport and recreation, preservation of natural environments, provision of green space and/or urban storm water management.

Open space is any open piece of land that is undeveloped (has no buildings or other built structures) and is accessible to the public. Open space can include green space includes parks, community gardens, and cemeteries.

3.10.1 Delivery Strategy and Role-Players

The Department of Environment Affairs, Fisheries and Forestry, in recognising its Constitutional obligation, promulgated the National Environmental Management Act, 1998 in support of environmental management function in all spheres of government.

Sarah Baartman District Municipality will be assisting Koukamma Municipality to provide parks and open space services and to establish a project called, “Thuma Mina Green Deeds implemented by SALP Holdings PTY LTD.

The project is aimed at encouraging better environmental management practices through street cleaning, clearing illegal dumping and public spaces as well as conducting environmental education.

3.10.2 Major Challenges and Remedial Actions

Challenges	Remedial Actions
No play parks	Municipality to establish playparks
Shortage of staff to clean open space	Usage of EPWP employees
Shortage of equipment to clean open spaces	Employer to budget for the purchase of equipment
Illegal dumping on open spaces	Placement of Willy bins in the area

3.11 PUBLIC HALLS

Koukamma Local Municipality has Public Halls in most of the areas, however many of these halls require intervention in terms of maintenance. The community hall bookings are managed by the municipal cashiers in the relevant community and are maintained by the Community Halls Caretakers.

3.11.1 Staff Compliment

COMMUNITY SERVICE				
2025/26				
DEPARTMENT	CURRENT STAFF ESTABLISHMENT NO. OF POST	VACANT	TOTAL NUMBER OF POST	VACANCY RATE
Community Services: Community Halls	7	5	12	42%

3.11.2 State of existing Community Halls

Below is a table depicting the state and intervention required on Community Halls;

NAME OF THE HALL	AREAS	COMMENTS & CHALLENGES
Coldstream Community Hall	Coldstream	The Hall is in good condition and seems to be well maintained.
New and Old Stormsriver Community Hall	Stormsriver	The status of the old is catastrophic and would a huge amount of capital to renovate and maintain. There is a new facility built for the Community by a sponsor, but the newly built hall is not yet handed over. The Community is using the facility.
Nompumelelo Village Community Hall	Nompumelelo Village	The ceiling of the hall seemed to be leaking during rainy days, meaning there is a leak on the roof. Toilets are out of order. Hand wash basin are broken. All the lights have fused.
Woodlands Community Hall	Woodlands	The status of the old is catastrophic and would a

		huge capital to renovate and maintain,as a result it was closed.
Clarkson Community Hall	Clarkson	The hall is in good condition, it was painted during the 2024/25 financial year.

Louterwater Community Hall	Louterwater	There is a new MPPC, in a great condition, and the old community hall is also in good condition; it needs painting and a good fence.
Misgund Community Hall	Misgund	The Hall is in good condition however tiles need to be replaced.
Krakeel	Krakeel	The premises are in good condition and fenced.
Jourbetina	Jourbetina	Toilets are out of order. No fencing on the premises

3.12 ENVIRONMENTAL HEALTH SERVICES

3.12.1 Delivery Strategy and Main Role Players

Health is defined as "a state of complete physical, mental and social well- being and not merely the absence of disease or infirmity". This is according to the definition as per the World Health Organization. The function is managed by the Sarah Baartman District Municipality, with two Environmental Health Practitioners servicing Koukamma Municipality and permanently deployed to the area.

Environmental Health further addresses all physical, chemical, and biological factors external to a person, and all related factors impacting behaviours. This further encom- passes the assessment and control of those environmental factors that can potentially affect health. Environmental Health is targeted towards preventing diseases and creating health-supportive environments. By definition, this excludes behaviour not related to environment, as well as behaviour related to the social and cultural environment, as well as genetics.

As stated by section 24 of the Constitution of the Republic of South Africa Act, 1996, everyone has the right -

- to an environment that is not harmful to their health or well-being;
- to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that –
- prevent pollution and ecological degradation;
- promote conservation; and
- Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

As per the National Environmental Health Policy that was gazetted on 04 December 2013, Environmental Health Services is further defined as the assessment, monitoring, correc- tion, control and prevention of environmental factors that can adversely affect human health. It includes but not limited to anticipation and identification of environmental health hazards and risks regarding:

a) water quality monitoring;
b) food control;
c) waste management;
d) surveillance health of premises
e) surveillance and prevention of communicable diseases, excluding im- munizations;
f) vector control;
g) environmental pollution control;
h) disposal of the dead;
i) chemical safety and noise control
j) Port Health and;
k) Malaria Control;
l) Hazardous Substance Control;
m) Air Quality Management

Environmental Health does not exist within a vacuum but is further supported by other organizations which include WHO, National Health Laboratory Services (NHLS), Provin- cial Health Forum and the Sarah Baartman District Municipal Forum.

3.12.2 Level and Standard of Environmental Health Services

According to the National Health Act, 2003 (Act 61 of 2003), Municipal Health Services, for the purpose of this Act, includes – Environmental Health Services as stated above, but excludes port health, malaria control and control of hazardous substances.

Section 84 (1) (i), with regards to the Division of functions and powers between district and local municipalities, of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), provides that Municipal Health Services be the function of a district mu- nicipality, which in this case is the Sarah Baartman District Municipality.

Legislative Requirements:

a) The Constitution of the Republic of South Africa Act, 1996
b) The National Health Act, 2003 (Act 61 of 2003)
c) The National Environmental Management Act, 1998 (Act 107 of 1998)
d) The National Environmental Health Policy, Gazetted on 04 December 2013
e) Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)

3.12.3 Annual Performance as Per Key Performance Indicators

3.12.3.1 Water sampling

According to the National Health Act, 2003 (Act No. 61 of 2003): National Environmental Health Norms and Standards for Premises and Acceptable Monitoring Standards for Environmental Health Practitioners states that Environmental Health Practitioners should monitor all water that has the potential to impact human health. This can be achieved through a water quality monitoring programme as set out by the above- mentioned norms and standards together with the South African National Standards 241 (SANS 241). A Standard Analysis Method is used during testing of samples to ensure microbiological safety of the drinking water in question. The determinants used in the above mentioned are as follows:

- Total bacterial count: - gives a quantitative idea about the presence of microorganisms such as bacteria in a sample. To be specific, the count actually represents the number of colony forming units (cfu) per ml of the sample and should not exceed 100 cfu per ml in drinking water.
- Total faecal coliform count: are microbes found in the digestive systems of warm- blooded animals which serve as an indication that a source of drinking water is contaminated with faecal matter. The coliform count should not exceed 10 per 100ml.
- E. coli count are a species within the faecal coliform group that is often used as an indicator organism that indicates that drinking water is contaminated with human faecal matter and may contain enteric pathogens (disease causing microbes). The E.coli count should not exceed 1 per 100ml.

If it is found that the water quality report received from the National Health Laboratory Services (NHLS) yields non-compliant results, the Environmental Health Practitioners writes a memorandum to the Technical & Community services directorate requesting that corrective measures be put in place. Alternatively, boil notices will be circulated to communities with the aim of minimizing the Health Risks associated with the usage of such water sources.

The table below shows the results of water samples taken in 2025/26 for the Tsitsikamma and Langkloof area

AREA	NUMBER OF WATER SAMPLES COLLECTED FOR ANALYSES	NUMBER OF WATER SAMPLES COMPLIANT	NUMBER OF WATER SAMPLES NON COMPLIANT	COMPLIANCE PERCENTAGE (%)
TSITSIKAMMA	114	63	52	54.8%
LANGKLOOF	115	60	55	52%

3.12.3.2 Health surveillance of premises

Residential, business, and public and private premises are monitored in order to identify, assess, control, and manage health hazards and risks emanating from the use of such premises. The legislative requirements with regards to the above-mentioned premises is as follows:

a) The Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996)
b) the Local Government: Municipal Systems Act of 2000 (Act No. 32 of 2000)
c) National Environmental Management Act, 1998 (Act No. 107 of 1998)
d) National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008)
e) National Health Act, 2003 (Act No. 61 of 2003) National
f) Environmental Health Norms and Standards for premises and acceptable Monitoring Standards for Environmental Health Practitioners gazetted on 24 December 2015.
g) Regulation 375 Government Gazette 23 May 2014: Regulations Relating to Health Care Waste Management in Health Establishments.
h) The Regulations Relating to Hygiene Requirements for Milking Sheds, the Transport of Milk and Related Matters – Regulation 961 of 23 November 2012
i) Regulations Governing General Hygiene Requirements for Food Premises and the Transport of Food and Related Matters– Regulation 638 of 22 June 2018
j) The Businesses Act, 1991 (Act no 71 of 1991).
k) Sarah Baartman District Municipality By-law Gazetted 13 June 2022

If it is found during inspections that the premises as stated below does not comply with the above-mentioned legislative requirements, a written notice will be granted to the owner of such a premises, which instructs such an owner to rectify all non-complying factors within a stipulated period that should not exceed 30 days from the date the notice was given. A follow up inspection will then be conducted. If three notices are served in the period of 90 days, where no remedial actions were instituted by the owner, a statutory notice will be given to the owner and a legal case will be opened.

If an Environmental Health Practitioners believes that a delay in remedial actions, which must be instituted by an owner or person in charge of premises, would significantly compromise public health, he/she can issue a notice prohibiting the further use of the premises, until such a time that the public health risk is removed/mitigated.

When a premise complies with all legislative requirements, a Health Certificate will be granted to the premises and must be displayed in a conspicuous place.

A businesses licence is also awarded to applicants if the premises comply with all other relevant by-laws and applicable legislation apart from health legislation.

Below you will find all premises inspected during the period of 2025/26 in the Tsitsikamma and Langkloof Area:

Food premises

AREA	NUMBER OF FOOD PREMISES INSPECTED	COMPLIES WITH THE FOODSTUFFS COSMETICS AND DISINFECTANT ACT, 1972 (ACT No. 54 OF 1972) AND APPLICABLE HEALTH REGULATIONS	NOTICES ISSUED	CERTIFICATE OF ACCEPTABILITIES ISSUED
TSITSIKAMMA	37	29	23	37
LANGKLOOF	65	60	5	60

Accommodation Establishments

AREA	NUMBER OF PREMISES INSPECTED	COMPLIES WITH THE FOODSTUFFS COSMETICS AND DISINFECTANT ACT, 1972 (ACT No. 54 OF 1972) AND APPLICABLE HEALTH REGULATIONS	NOTICES ISSUED	CERTIFICATE OF ACCEPTABILITIES ISSUED	HEALTH CERTIFICATES ISSUED
TSITSIKAMMA	15	15	8	14	15
LANGKLOOF	30	30	0	30	30

Spaza Shops

AREA	NUMBER OF PREMISES	COMPLIES WITH THE FOODSTUFFS COSMETICS AND DISINFECTANT ACT, 1972 (ACT	NOTICES ISSUED	CERTIFICATE OF ACCEPTABILITY ISSUED
TSITSIKAMMA	36	6	0	0
LANGKLOOF	80	65	15	0

Child Care Centers

AREA	NUMBER OF PREMISES	COMPLIES WITH THE FOODSTUFFS COSMETICS AND DISINFECTANT ACT, 1972 (ACT No. 54 OF 1972) AND APPLICABLE HEALTH REGULATIONS	NOTICES ISSUED	CERTIFICATE OF ACCEPTABILITIES ISSUED	HEALTH CERTIFICATES ISSUED
TSITSIKAMMA	57	44	13	10	57
LANGKLOOF	17	17	0	10	17

Health Care Facilities Inspected

NAME OF PREMISES	AREA/TOWN	HCRW Removal Contractor	INTERVENTIONS
Clarkson Clinic	Clarkson	Yes	On-going inspections
Nompumelelo village Clinic	Nompumelelo village	Yes	On-going inspections
Coldstream Clinic	Coldstream	Yes	On-going inspections
Stormsriver Clinic	Stormsriver	Yes	On-going inspections
Woodlands Clinic	Woodlands	Yes	On-going inspections

3.12.3.4 Food Control Operations

A total of 9 (9) Food Safety Blitz were conducted during the month of July 2025 – July 2026. The Food Safety Blitz was facilitated by two Local Environmental Health Practitioners (EHP's) . The primary objectives of the joint food Blitz operation focused on the compliance of premises in terms of the applicable legislation (Regulation 638 – Governing general hygiene requirements for food premises, the transport of food and related matters), compliance in terms of the Business Act – Act 71 0f 1991 (Koukamma Local Municipality mandate) and criminal activities and offenses (S.A.P.S. mandate). The inter-departmental food blitz was carried out in conjunction with other stake holders namely:

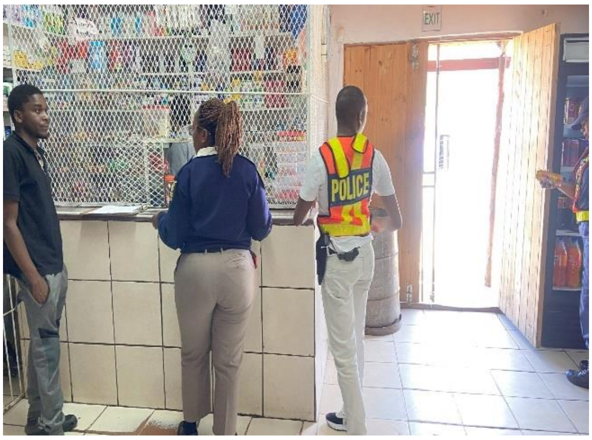
- Fire and Emergency Services
- South African Police Services (SAPS)
- Ward Councilor and Ward Committee members
- Koukamma Local Municipality Officials from relevant departments
- Other stakeholders like immigration, Consumer protection

The following contraventions were discovered during operations:

- Premises were found to be unsatisfactory and do not comply with Regulation 638 under the Food Cosmetics and Disinfectant Act, 1972 (Act No. 54 of 1972) – Regulations Governing General Hygiene Requirements for Food Premises, the Transportation of Food Related Matters.
- Unlabeled and expired food items
- Operating without a valid business license
- Failure to produce citizenship documentation
- Premises are not compliant with the bylaw and other town planning regulations. The structure in which the shops are operating from range from temporary structures or extensions on the houses illegally so without an approval of the municipality in terms of section 7(1) of the National Building Regulations and Building Standards Act, (No. 103 of 1977).

Outcomes of the Food Blitz

- Notices issued for non-compliance
- Unlabelled and expired foodstuffs confiscated and safely disposed of at the Jourbetina landfill site



3.12.3.5 Awareness campaigns

On the 1st of August 2025, the Sarah Baartman District Municipality in collaboration with Koukamma Local Municipality, conducted an outreach programe in the Lankloof area. The initiative aimed to strengthen intergovernmental relations, enhancing community awareness on key health and safety matters and improve service delivery through joint departmental efforts.

Objectives

The main objectives of the outreach were to :

- Facilitate the official handover of a fire vehicle from Sarah Baartman District Municipality to Koukamma Local Municipality
- Educate learners on environmental health, water safety and disaster preparedness
- Conduct compliance inspections on local businesses (spaza shops) to ensure adherence to environmental health and food safety

Activities Undertaken

a) **Fire Vehicle handover**
A key highlight of the outreach was the donation of a fire vehicle from SBDM to Koukamma Local Municipality. The handover ceremony symbolized the districts commitment to support local municipalities in strengthening emergency response and fire management capacity within the region

b) **School awareness campaign**
The awareness campaign was held at Langkloof High School, led by the Environmental Health Unit, Disaster Management Unit, and Water & Sanitation Unit. The awareness campaign aimed to empower students to become advocates for environmental safety, water conservation and good hygiene practices within the community

- **Environmental Health Unit** : Addressed food hygiene, water safety, sanitation and disease prevention
- **Disaster management**: Educated learners on fire safety, disaster preparedness and emergency response
- **Water and Sanitation Unit**: Raised awareness on the importance of clean water usage, proper sanitation practices to prevent waterborne diseases

c) **Compliance Blitz**
Following the school campaign, a blitz inspection of local spaza shops by Environmental Health Practitioners (EHP's) in collaboration with the South African Police Service (SAPS), and Fire Services. The purpose was to was to assess compliance with health and safety regulations particularly regarding food handling, storage and general hygiene. Non-compliance and recorded for follow up action.

Conclusion

The outreach programme demonstrated the effectiveness in promoting community well- being, water and sanitation and environmental health. The initiative enhanced local capacity while cooperation and awareness among key stakeholders and community

3.12.6 Major Challenges and Remedial Actions

Challenges	Remedial Actions
Shortage of EHS staff as per the norm of 1:10 000 populations.	Create two (2) additional posts for EHS Practitioner to comply with the National Norm of 1:10 000, preferably senior posts (Senior EHP's) in order to aid in effective coordination and rendering of the function as prescribed by the National Environmental Health Policy, 2013.

3.13 LIBRARY SERVICES

3.13.1 Library services delivery strategy and main role players

The National Library and Information Services Act and the Constitution of the Republic of South Africa, No 108 of 1996, Schedule 5 Part A vested the function of the libraries to the Provincial Department of Sports, Recreation, Arts and Culture (DSRAC). Koukamma Local Municipality renders the library services on behalf of DSRAC on agency basis through a Service Level Agreement (SLA).

The South African Library for the blind (SALB), in partnership with the Department of Sport, Recreation, Arts & Culture (DSRAC) have rolled out the Mini-Library Project for the blind since 2010 and have managed to establish this project in all nine provinces of South Africa by 2020. Koukamma Local Municipality has also benefited in this project as it also has a Mini-Library in one of their libraries which is based in Kareedouw.

Koukamma has library services in the following areas;

AREA	ADDRESS	STAFF	OPERATING HOURS	FACILITIES	CONTACT NR
Joubertina	18 Olivier Street Joubertina	1.Librarian **Siphosethu Tyukala** 1.EPWP Library Assistant – **Kuphelo**	Monday-Thursday 08h00-16h30 Friday 08h00-16h00	7 Computers Wi-Fi	042 273 7301
Nompumelelo Village	ERF: 10 Nompumelelo Village Hall Sandrift	1.Librarian – **Phumza Gogela** 1.Library Assistant – **Linda Toyi**	Monday-Thursday 08h00-16h30 Friday 08h00-16h00	6 computers 4 computers that are working. 2 computers are connected to Wi-Fi	087 288 2566
Clarkson	279 Lansdowne Street Clarkson	Cashier – **Virginia Mrwebi**	Monday-Thursday 08h00-16h30 Friday 08h00-16h00	3 computers. No WIFI	071 265 2228
Thornham	Thornham	Library Assistant – **Charmaine Bruiners**	Monday-Thursday 08h00-16h30 Friday 08h00-16h00	1 Computer No WIFI	064 688 4730
Woodlands	Long Street Woodlands	Library Assistant – **Patrick Toyi**	**Not Operational**		

3.13.2 Level and standard in library services

Level and standard of service delivery in the different library sectors are lacking. Norms and standards are needed for libraries in the different sectors with regard to services, management, staffing, resources, infrastructure, ICT and access.

The National Department of Sports, Recreation, Arts and Culture (DSRAC) has drafted a South African Public Library and Information Services Bill, 2012 to ensure consistency in the delivery of library services, put in place measures to redress the inequalities of the past and to provide principles, norms and standards for the provision of public library and information.

Section 9 (1) of the Bill requires the municipality that is providing library services to take all the reasonable steps to “provide public library and information services that comply with the minimum national norms and standards contemplated in this Act, and execute its functions in accordance with the National norms and standards for public libraries and information service.

3.13.3 Extension works of library events and programmes:

LIBRARY	**ACTIVITIES**
KAREEDOUW	Read Aloud, World book day, National Book Week Display, Library week, Holiday programme
JOUBERTINA	World Play day, National book week
CLARKSON	-
NOMPUMELELO	Month to month Book display, computer training
THORNHAM	Display

Koukamma Municipality Libraries in partnership with DSRAC is rendering free services, easy access and promoting reading through the following library programmes:

Storytelling Educational indoor games International Literacy Day	South African National Book Week World Play Day Library week Read Aloud	Book Club sessions Book review Spelling Bee World Book Day Holiday programme

Library challenges

- **Lack of Maintenance** – Poor infrastructure upkeep can lead to unsafe environments for library users and staff, deteriorating facilities, and potential legal liabilities if accidents occur.
- **No Transport for Libraries** – The absence of transport hampers book distribution, outreach programs, and inter-library collaboration, limiting community access to educational resources.
- **Staff Shortages** – Reduced personnel affect service delivery, limit operational hours, and hinder the ability to meet user demands, impacting literacy and educational support.
- **Joubertina Library Closure Due to Structural Issues** – The failure to meet Norms & Standards for Environmental Health poses serious safety risks, including potential building collapse, which endangers staff and patrons. Closure limits community access to essential library services.
- **Pest Infestation** – The presence of pests poses health hazards, damages books and library materials, and discourages public use, leading to a decline in library engagement and effectiveness.

COMPONENT D: SAFETY AND SECURITY

3.14 TRAFFIC AND LAW ENFORCEMENT SERVICES

3.14.1 Traffic Law Enforcement and Driving License Testing Centre Services

During the 2025/26 financial year, the Koukamma Municipality Traffic Services focused on proactive traffic law enforcement, the promotion of road safety, reduction of road traffic accidents, and ensuring compliance with national and municipal legislation.

The Municipality further executed licensing and registration functions on an agency basis on behalf of the Easter Cape Department of Transport, in terms of a signed Service Level Agreement. These services are rendered at the Joubertina Driving License Testing Centre to communities within Koukamma and surrounding areas.

3.14.2 Key Stakeholders and Partners

The effective delivery of traffic and licensing services requires collaboration with various internal and external stakeholders. The Traffic Department worked closely with the following pole players during the reporting period:

- Eastern Cape and Western Cape Provincial Traffic Services
- South African Police Service -SAPS
- Eastern Cape Department of Transport
- Road Traffic Management Corporation-RTMC
- Department of Justice
- Emergency Medical Services-EMS
- South African National Roads Agency Limited-SANRAL
- Provincial Department of Roads and Public Works

Through coordinated joint operations, information sharing, and integrated planning with these stakeholders, the Department sought to contribute to a safer and more efficient road transport system, with the ultimate goal of reducing road accidents, injuries and fatalities within the municipal area.

3.14.3 Level and Standards

The Traffic Law Enforcement Unit maintained service standards through the implementation and monitoring of traffic control and law enforcement programs.
This ensured prompt responses to incidents and contributed to minimizing road accidents, injuries, and property damage within Koukamma Municipality.

In 2025/2026, service delivery improved monthly, aligned to the Four E’s of Traffic Safety: **Engineering, Education, Enforcement, and Emergency Services**.

All Traffic and licensing services are rendered in compliance with the Constitution, National Road Traffic Act, Natis Regulations, Koukamma Traffic By-Laws, and the Service Level Agreement with the Eastern Cape Department of Transport. Service delivery is further guided by the Batho Pele Principles and the MFMA to ensure accountable and efficient operations.

3.14.4 Geographical area /Routes covered By Koukamma Traffic Officials.

AREA1 (R102)

Eastern Cape Department of Transport, who is responsible for provincial trunk, main, district and minor roads within the area; and it is the old coastal road starts at Trifolia in the East and runs through Tsitsikamma up to the Bloukrans River in the West.

AREA2 (N2)

South African National Roads Agency Limited (SANRAL), who is responsible for National Route N2, and R62, which traverses the area.
Starts at Trifolia and ends at Bloukrans Bridge

AREA3 (R62)

Starts at Trifolia, continues through Kareedouw, and Langkloof to the end at Misgund.

3.14.5 Staff component: Law Enforcement and Licensing Service

The Traffic Law Enforcement and Licensing Service comprises 16 permanent staff members divided across three functional areas. The Traffic Law Enforcement Section consists of seven (7) traffic officers responsible for traffic policing, law enforcement and speed camera operations on all routes within the municipality area including the N2, R62 and R102. The Traffic Administration Unit consists of nine (9) employees responsible for the provision of driving licensing, vehicle registration and testing services at the Joubertina DLTC in accordance with the Service Level Agreement with the Eastern Cape Department of Transport.

COMMUNITY SERVICE				
2025/26				
DEPARTMENT	CURRENT STAFF ESTABLISHMENT	VACANT	TOTAL NUMBER OF POST	VACANCY RATE
	NO. OF POST			
Community Services: Traffic	18	13	31	42%

3.14.6 Annual performance as per key indicators

INDICATOR	TOTAL	COMMENT
R-Value for Motor Vehicle License/Driving License Transactions	R 6 6530 653.32	Collected on behalf of EC Dot in terms of SLA. Paid over to EC Dot less agency fee retained by Koukamma
Number of Traffic Fines Issued	52 489	Manual+ Camera+ ANPR infringements
R-Value of Fines Issued	R 40 793 994.00	Total value Fines issued
Income Received on Traffic Fines	R 5 718 049.77	Actual revenue received during 2025/26
Number of Roadblocks Held	17	
Complaints Attended by Traffic Officers	22	
Number of Traffic Accidents Attended	50	
Average Number of Traffic Officers on Duty per Day	4	

During the 2025/26 financial year, the Municipality collected R 6 653 653.32 on behalf of the Eastern Cape Department of Transport for licensing transactions. An agency fee of R 1 462 414.10 was retained by Koukamma Municipality in terms of the SLA.

A total of 52 489 fines to the value of R40 793 994.00 were issued. Of the R5 718 049.77 revenue collected from traffic fines R 362 993.40 was paid to Traffic Management Technologies as per the 36-month service level agreement for camera and back -office operations.

3.14.7 Progress on the Driving Licensing Testing Centre (DLTC)

Progress and impact report of the New Joubertina DLTC building

The New Joubertina Driving Licensing Testing Centre (DLTC) has been constructed through the Small-town Revitalisation Program. The building consists of modern face -brick and plaster structures with large glass frontage, paved parking, and internal waiting facilities. Construction is substantially complete and building is ready for occupation.

A final risk assessment was conducted by the Eastern Cape Department of Transport, and the building was declared suitable for relocation of DLTC equipment. Approval was also granted for 18 new Learners License Electronic Systems .Outstanding snags (burglar bares) was identified to be erected prior to full handover.

The relocation will have a significant impact on revenue for the Municipality through the 18 electronic systems that can be tested daily. The center will not only serve Koukamma but also surrounding districts including Kouga, Bitou, George, Gqeberha and Kariega.

3.14.8 Camera Operations

The Municipality appointed Traffic Management Technologies (TMT) as the service provider for the supply and operation of a back-office system and speed enforcement equipment.

Operations commenced in March 2025 with the deployment of three (3) mobile cameras supported by two (20 back-office personnel responsible for infringement processing and contravention management.

To strengthen prosecution, process servers have been appointed to serve summonses nationally. DPP approval was obtained for a period of 36 months/3 years, authorizing the Municipality to conduct speed enforcement in terms of the Criminal Procedure Act.

Camera operations are conducted on the N2, R62, R102 and R402 roads within Koukamma area. The initiative is aimed at enhancing road safety, improving compliance, reducing fatalities and generating revenue for reinvestment into traffic law enforcement.

3.15.5 ANPR Roadblock for Outstanding Fines and Warrant of Arrests.

ANPR systems work by scanning number plates and comparing them against databases (e.g. for fines, stolen vehicles, or warrants). When there's a match, Koukamma enforcement officers take appropriate action on the spot including issuing fines, impounding vehicles, and executing arrests in conjunction with SAPS.

3.14.9 Major Challenges Within Law Enforcement and DLTC

Challenges	Mitigation Measure
Staff shortages & No shift system	Motivation for additional traffic officer posts submitted to HR and Budget for 26/27 to enable 2-shift system
No By-law Enforcement Officers	Business plan submitted to Council for establishment of Municipal Law Enforcement Unit.
Lack of safety Equipment	Budget request submitted for procurement of firearms, bullet-proof vests and body cameras for all officers

Aging vehicles	Fleet replacement plan included in 2026/27 budget
Service of summons	National process servers appointed
Camera operations	Service provider appointed, operations commenced March 2025 with 3 mobile cameras
SLA dependency	Ongoing engagement with EC Dot to improve system uptime and support
No Animal Pound	Feasibility study for establishment of Municipal Animal pound included in 2026/27 IDP projects
Low warrant /fine collection rate	Roll-out of ANPR roadblocks commenced March 2025 to improve on-the-spot enforcement
Natural Disasters- Flooding	The Department worked with Disaster Management, SAPS,EC Dot and Sandral to ensure mobility and safety

3.14.10 Impact of Major Floods

During May 2026 Koukamma Municipality experienced severe flooding following prolonged heavy rainfall. The floods had a significant impact on traffic law enforcement and road safety operations.

Sections of the N2, R62 and R102 were temporarily closed due to flooding, landslides and bridge damage. Traffic officers attended to an increased number of weather-related accidents and vehicle breakdowns during the flood period. The Chief traffic officer formed part of the Joint Operations Centre and assisted with evacuation routes, access control to disaster areas, and escort of emergency services.

Joubertina DLTC experienced temporary disruptions due to power outages and staff unable to access work due to road closures.

R62 Between Kareedouw and Joubertina

3.15 SECURITY SERVICES

The provision of security services within the Koukamma Municipality is guided by the constitutional and legislative framework established in Chapter 11, Section 198 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996). This section outlines the foundational principles governing national security, affirming that such services must be structured and regulated in accordance with national legislation, as further stipulated in Section 199(3) and (4) of the Constitution.

3.15.1 Levels and Standards

In pursuit of maintaining secure municipal operations and ensuring compliance with regulatory standards, the Koukamma Municipality contracted NJH Group, a PSIRA-registered provide, effective 01 June 2025.

The Municipality appointed NJH Group as the new PSIRA- accredited security service provider under a comprehensive three (3) year contract. The NJH Group's service model represents a hybrid approach to municipal security, incorporating:

- Security guards
- Installation and monitoring of alarm systems
- Installation of surveillance cameras across municipal sites

This enhanced security framework reflects the Municipality's commitment to modernizing its protective infrastructure, promoting community involvement through ward bodies, and ensuring the safety of municipal assets and personnel.

MUNICIPAL SITE	No OF GUARDS & THE GUARD FREQUENCY
5 Keet street Main building Entrance	3 guards 2-day shift Monday to Sunday 1 for night shift Monday to Sunday
Joubertina Drivers License Testing Centre	3 guards 1 day shift Monday to Sunday 2 for night shift Monday to Sunday
Sanddrift/ Blikkiesdorp Fire station	2 guards 1 day shift Monday to Sunday 1 night shift Monday to Sunday
Site Supervisor (Armed response reaction)	2 Supervisor (Tsitsikamma and Langkloof)

On 08 May 2026 NJH group issued a withdrawal letter, dated 06 May 2026, withdrawing their services with immediate effect.

3.15.2 Annual Performance as Per Key Performance Indicators

PSIRA also provides for minimum standards of occupational conduct that the Security guards and the Service Provider must abide by their Code of conduct. The service provider provided 11 Grade C registered security guards who guard the abovementioned Municipal premises, plus a Site Supervisor (Armed response). The Municipality was forced to temporary employ watchmen at different sites that had infrastructure used for service delivery (i.e. Boreholes, water treatment plants). About 38 unemployed watchmen were temporarily employed, while the Council was still trying to get a permanent resolution to prohibit theft and vandalism in water treatment plants, boreholes etc.

3.15.3 Major Challenges and Remedial Actions

The Koukamma Municipal area has experienced the following challenges before employing casual watchmen:

Challenges
Theft
Vandalism of Municipal buildings and infrastructure
Break-ins at night.

3.16 FIRE AND RESCUE SERVICES

3.16.1 Delivery Strategy and Role Players

The Constitution of South Africa states that every citizen in the Republic of South Africa has the right to a healthy and safe environment. This is where the mandate of the fire and rescue service stems from, the fire brigade services act also makes provision for the functions and duties of a fire brigade and is as follows:

a) Preventing the outbreak or spread of a fire;
b) Fighting or extinguishing a fire;
c) The protection of life or property against a fire or other threatening danger;
d) The rescue of life or property from a fire or other danger;
e) Subject to the provisions of the Health Act, 1977 (Act 63 of 1977), the rendering of an ambulance service as an integral part of the fire brigade service; or
f) The performance of any other function connected with any of the matters referred to in paragraphs (a) to (e).

Applicable legislation

- Constitution of the Republic of South Africa, 1996
- Fire Brigade Services Act no 99 of 1989
- Municipal Finance Management Act no. 56 of 2003

- Municipal structures act 117 OF 1998
- Community Protection against fire Sans 10090:2003
- National veld & forest fire act 101 of 1998

3.16.2 Staff Compliment

The staff compliment is inadequate in terms of staffing and manning levels of emergency fire vehicles as outlined by SANS10090 Community Protection Against Fire. The number of fire fighters employed creates a negative impact on the daily operations of the fire and rescue service in general.

The municipality has a high percentage of expenditure in terms of salaries which makes it difficult to fill all the positions at once, however positions are filled annually as the budget allows.

Positions	Filled	Vacant
Chief Fire Officer	1	0
Platoon Commanders	4	0
Station Commander	0	1
Fire Fighters	3	9
Administration Clerk	0	1
Contract Trainee fire fighters	7	6
EPWP Fire Learnerships 12 months	0	0
Call Centre operator	2	3

3.16.3 Firefighter Training

- Koukamma fire and rescue staff members attended IMT ICS Training in The Natures Valley with Garden Route Municipality , Training was based on ICS to strengthen cross border incident. The chief fire officer with 2 x Fire officials attended thisTraining on the 16 February – 20 February 2026.

- Fire officials also attended a Vehicle Operations Training @ Joubertina Toyota starting with informative boardroom sessions followed by some exciting hands-on field training.

3.16.4 Maintaining the Implementation of the 24 hours rotational shift system

Previously the fire fighters worked a shift system that was not very functional for the department, the operational shifts operated Mondays to Fridays from 08:00am – 16:30pm and then they went on standby after hours and weekends which made it very difficult in terms of service delivery and response times to emergencies.

In December 2020 the municipality implemented a twelve-hour rotational system where the fire fighters work two days and two nights and four days off.

This means that the station is manned twenty-four hours a day/ seven days a week which improved response times to incidents and the department is ready to respond from the base at any given time. Currently there is a uniform and standardized approach when responding to fires and other emergencies.

Operational shift – 8 days cycle

DATES	DAYS	A-SHIFT	B-SHIFT	C-SHIFT	D-SHIFT
1	MONDAY	**NIGHT**	OFF DUTY	OFF DUTY	**DAY**
2	TUESDAY	**NIGHT**	OFF DUTY	OFF DUTY	**DAY**
3	WEDNESDAY	OFF DUTY	**DAY**	OFF DUTY	**NIGHT**
4	THURSDAY	OFF DUTY	**DAY**	OFF DUTY	**NIGHT**
5	FRIDAY	OFF DUTY	**NIGHT**	**DAY**	OFF DUTY
6	**SATURDAY**	OFF DUTY	**NIGHT**	**DAY**	OFF DUTY
7	**SUNDAY**	**DAY**	OFF DUTY	**NIGHT**	OFF DUTY
8	MONDAY	**DAY**	OFF DUTY	**NIGHT**	OFF DUTY

3.16.5 Partnership performance service level agreement Sarah Baartman DM & Koukamma LM

As mentioned above in terms of the **Municipal Structures Act 117 of 1998 Section 84(1)(j)** Division of functions and powers, Sarah Baartman District Municipality and Koukamma local municipality are engaged in a service level agreement, whereby Koukamma local municipality renders the mountain & veld fire- fighting function as well as chemical or hazardous substance incidents and the district municipality provides funding and support with training and infrastructure.

The 2025/2026 financial year Sarah Baartman District municipality Koukamma SLA funding allocation is not available and finalized yet to Koukamma.

The role players assisting the department:

- Provincial Government Disaster Management (EC-COGTA)
- Sarah Baartman District Municipality
- Sarah Baartman West Fire Protection Association
- South Cape Fire Protection Association
- MTO forestry
- SANParks Tsitsikamma
- Department of Forestry and Fisheries
- Eastern Cape parks and tourism association
- Working on Fire

3.16.6 Levels and Standards

The Municipal structures act 117 of 1998 Section 84(1)(j) The divisions of functions and powers of fire services between district and local municipalities states that the district municipalities are responsible for mountain and veld fires, Hazardous substances and Chemical incidents as well as training of Fire Officers and the Local municipalities are responsible for structural fires, rescue and extrication and fire prevention.

Koukamma Local Municipality has a service level agreement with Sarah Baartman district municipality, where Koukamma fire services renders the full fire- fighting function which are as follows:

- Mountain & veld fires
- Structural fires formal and informal dwellings
- Hazardous chemical incidents
- Rescue & Extrication
- Public Fire safety awareness education
- Enforcement of fire safety by-laws of Koukamma local municipality
- Fire safety compliance inspections
- Risk visits to buildings and high -risk areas
- Cutting of fire breaks at strategic areas in and around high-risk residential areas.
- Control burns at high veld fire risk areas

3.16.7 Annual Performance as Per Key Performance Indicators

The Koukamma municipal region is known as a high-risk area in terms of mountain and veld fires. Fire fighters are faced with disastrous mountain and veld fires every year during the summer months from November to February. The forestry industry in the Tsitsikamma region is a huge contributor to the Local and National economy, with effect to that the risk also increases in terms of mountain and veld fires. MTO forestry and other Major forestry companies owns huge lands of pine plantations in the Tsitsikamma region.

The Koukamma mountain landscape consists mostly of two large mountain ranges; Tsitsikamma and Suuranays mountain ranges, where the N2 and R62 National roads are situated. These mountain ranges consist of the popular range of fynbos biodiverse plants similar to the Western Cape. The famous protea and honey bush plants are also found in this region. The vegetation mentioned above are indigenous to the area and alien vegetation are also found in the in the mountain and veld. When the vegetation burns, coupled with dry; hot and windy conditions it creates extreme fire behavior which creates huge challenges for the fire and rescue service.

3.16.8 Fire and rescue service operations Incidents and Emergencies

Mountain & Veld fires are the most common emergencies incidents responded to in the fire and rescue service, especially during the summer months. In recent years due to climate change and global warming, mountain and veld fires seem to increase during the winter season as well. This causes an increase in responses to veld fires annually, which impacts on the department in terms of the use of resources.

The second most fire incidents are shack fires in informal settlements; these types of incidents occur throughout the year. These types of fires are mostly caused by negligence from community members e.g.: children left alone at home that play with matches or lighters; candles that fall over; cooking food close to curtains; fires made in metal paint tins and taken inside the shacks.

The fire and rescue service has one fire station situated in Sandrift in the Tsitsikamma region that services the whole municipal area. When shack or building fires occur in the Langkloof region it takes a long time for the fire service to arrive at the scene, in most cases the structures have burned down already, and fire fighters are faced with angry community members.

There are plans to develop a satellite fire station in Joubertina which will service the Langkloof region, this will improve service delivery in the region in terms of faster response and arrival times at incidents.

Currently KKLM Fire service is non complaint in terms of response times to Emergency incident as per SANS10090 Community Protection against Fire code.

The table illustrates the total number of emergency incidents responded to;

FIRE & RESCUE: SUMMARY OF ACTIVITIES: 2025-2026					Annual Report
CATEGORY	**1st Quarter July - September 2025**	**2nd Quarter October - December 2025**	**3rd Quarter January - March 2026**	**4th Quarter April - June 2026**	**Grand Total 2025/2026**
NUMBER OF FIRES AS FOLLOWS					
BUILDINGS: Factories, Warehouses, Hospitals, Highrise buildings, Schools	**0**	**1**	**0**		**1**
DWELLINGS (formal - brick & mortar)	**2**	**3**	**1**	**1**	**7**
INFORMAL DWELLINGS (Shacks/mud/hut etc.)	**6**	**5**	**2**	**2**	**15**
ELECTRICAL	**0**	**0**	**0**		**0**
RUBBISH	**1**	**1**	**7**	**1**	**10**
VEGETATION: Veld & Forest; Mountain; Grass fires	**16**	**45**	**45**	**5**	**111**
TRANSPORT (Cars/busses/trains/aircraft/ship)	**0**	**1**	**1**	**1**	**3**
Fallen trees	**1**	**1**	**4**	**1**	**7**
SUB TOTAL	**26**	**57**	**60**	**11**	**154**

NUMBER OF SPECIAL SERVICES	1st Quarter July - Septembe r 2025	2nd Quarter October - December 2025	3rd Quarter January - March 2026	4th Quarter April - June 2026	Grand Total 2025/2026
ACCIDENTS (Cars/busses/trains/aircrafts etc.)	4	6	6	4	20
RESCUE (people/animals trapped/lost from machinery or water etc.)	0	0	0	1	1
SPILLAGES (oil, diesel on road services)	0	0	0	0	0
MISCELLANEOUS (any other not specified)	1		0		1
HAZMAT SPILLAGES (chemicals ect.)	0	0	0	0	0
SUB TOTAL	5	6	6	5	22

The **N2 and R62 National Road** both run through the Koukamma region towards the Western Cape, these routes are very busy daily. Trucks and motorists travel along these routes moving to and from the Western Cape. This increases the risks in terms of motor vehicles accidents and pedestrian incidents. A total of 20 motor vehicles accidents were responded this year and 2 fatalities recorded.

3.16.9 Veld Fire Incidents

The table below indicates the number of operational hours the fire and rescue service spend at Mountain & Veldfire incidents annually, as mentioned above mountain and veld fires is the most common types of emergencies. The 2nd and 3rd quarter of the financial year October up to March is the peak times for veld fires.

ACCUMALATED HOURS FOR DURATION OF INCIDENT	1st Quarter July – Sept 2025	2nd Quarter Oct – Dec 2025	3rd Quarter January - March 2026	4th Quarter April - June 2026	Grand Total 2025/2026
Vegetation (Mountain & Veld Fires)	73	143	304	52	572
Hazmat	0	0	0	0	0

3.16.10 Fire safety compliance inspections

Fire safety compliance inspections at business premises is one of the important functions of the fire and rescue service. The **Fire Brigade Service Act 99 of 1987** mandates the fire service to conduct compliance inspections and risk visits.

The purpose of these inspections is to identify fire hazards and risks and to ensure that the owners or occupiers rectify the findings and recommendations provided and to implement prevention and mitigation measures in case of fire emergencies. The department conducted a total of 37 fire safety compliance inspections for the 2025/26 financial year.

FIRE SAFETY (number of inspections conducted)	1st Quarter July - September 2025	2nd Quarter October - December 2025	3rd Quarter January - March 2026	4th Quarter April - June 2026	Grand Total 2025/2026
General Inspections	14	2	14	7	37
Flammable Liquid	5	1	8	4	18
Building Plans			60		60
Fire Hydrants (specify the area)	18 Kareedouw	18 Kareedouw	18 Kareedouw	18 Kareedouw	0
Burning Permits Issued	2	10	7	7	26

3.16.11 Fire awareness campaigns

Fire awareness campaigns and programs forms part of the department’s annual service delivery budget implementation plan (SDBIP). The campaigns vary from door-to-door campaigns, displays and talks at schools and community centres. This initiative is important in terms of making the communities more fire-wise. History has shown that human activity and negligence is the cause of most unwanted fires.

Therefore, the fire and rescue service conducts these campaigns on a quarterly basis. A total number of 18 awareness campaigns were held in 2025/2026 financial year and are as follows:

AWARENESS AND TRAINING	1st Quarter July – Sept 2025	2nd Quarter Oct – Dec 2025	3rd Quarter January - March 2026	4th Quarter April - June 2026	Grand Total 2025/2026
Number of civilians made aware	150	120	228	550	1048
Specify the type of intitutions visited (e.g. Old age home/Hospital / Clinic / Factory / Govt. buildings / Library etc.)	schools	factory and schools	Schools	Creche and Community Members	
Number of children and teachers made aware	100	200	210	50	560
Number of schools covered	5	2	4	1	12

3.16.12 Fire Disasters

During the month of January we had big vegetation fires as consolidated in the report below;

CONSOLIDATED MAJOR VEGETATION FIRES DAMAGE REPORT

DATE: 06/01/26 – 15/01/26
FIRES: ESSENBOS, SHALOM FARM, TWO STREAMS, WITTEKLEIBOS, N2 FIRE LOUTERWATER GROENDAL & VREDENDAL, MISGUNDNUWEPLAAS, JOUBERTINA RAVINIA CLARKSON USAVE, TSITSIKAMMA THORNHAM (BLOUBOS) .

Summary:

- Multiple bushveld fires affected large areas of Farmland and mountain areas and also urban areas.
- One farm around the area of Essenbos R62 Shalom Farm incurred the following fire damage.
  1 wooden structure destroyed, livestock and storeroom with equipment.
- Various nets and orchards were destroyed by fire in the farm areas , farmers are doing detailed assessments and cost analyses .
- Damages to Fire fighting vehicles equipment and hoses R 1.5 million.
- Mountainview area derdebos kareedouw water plant pumps and water reticulation system challenges inadequate water supply also non availability water during high risk wild fires.

	Affected areas	**Hectares**	**Estimated Damage**
1	Shalom Farm		R5 MILLION
2	Langkloof Misgund (Groendal & Vredendal)	22 500 Hectare	R4.5 MILLION
3	N2 & Wittekleibos	+ - 2 Hectare	R200 000
4	Two Streams (Suuranys Farm)	+- 10 Hectare	R2.5 MILLION
5	Rivinia	+- 5 Hectare	R300 000
6	Clarkson Church Hall		R2 MILLION
7	Aerial Support (Cost Estimates)		+- 1.5 MILLION
8	Optic Telkom Fibre Cable	10KM	1 MILLION
9	Damages Fire Fighting Vehicles		1.5 MILLION
10	Derdebos Mountain View Area Water Plant Challenges	15 hectare	10 million
	TOTAL		28 MILLION

Illustrations of Fire Damage in the Area;

Shalom Farm

Krakeel Fire

Ravinia

3.16.13 Disruptive Rain and Wind Level 8 Warning

During the Month of May and June 2026 Koukamma experienced a Level 8 Disruptive Rain and Wind Damage warning.

Disruptive Rain and Gale-Force Winds caused Widespread Damage Across Koukamma

Dates: 05–15 May 2026

Koukamma, Eastern Cape – The Koukamma Local Municipality experienced significant damage following a Level 8 disruptive rain and gale-force wind event that affected the area between 05 and 15 May 2026. The severe weather resulted in widespread impacts across the municipality, causing damage to infrastructure, property, and community assets.

Residential Damage:

- Multiple houses flooded in the entire Koukamma Local Municipality Area: Kareedouw Stormsriver, Coldstream, Joubertina, Ravinia, Mandela Park, Koomansbos, and R102 Woodlands – Clarkson; Eerste Rivier.
- Several properties sustained roof damage, with at least one house in Woodlands having its roof completely blown off.

Road and Bridge Damage:

- The R62 Kleinlangkloof low – level bridge was washed away cutting off East Langkloof from Kareedouw.
- The R62 Avontuur West dam wall also failed, causing further road damages.
- Road Damages caused to the R62, R402, Kareedouw Internal Roads in New Rest, Mountain view Baken street and Keet Street.
- R102 a lot of debris and potholes.
- R102, R402 and Palmietvlei Road were blocked by Multiple Fallen Trees.

Infrastructure:

- Approximately 90% of internal roads and stormwater systems sustained damage.
- Blouberg mall reported roof damage and Kemp Motors in Kareedouw had a diesel tank contaminated with water and carport blown off into the road surface.

Other Incidents:

- A Heavy-Duty tow truck overturned in Tsitsikamma due to wind.

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Injuries and Fatalities:

Search and Recovery Operation – Kromrivier, Assegaaibosch

- On Sunday, 10 May 2026, two males attempted to cross the Kromrivier at Assegaaibosch during conditions characterised by a strong river current. One of the males was rescued, while the second male was swept away by the strong current and reported missing, prompting a search and rescue operation. The body of the deceased male was recovered from the river on 22 May 2026,, bringing the search and recovery operation to a conclusion.

- 1 KKLM Technical service male was Badly injured by a tree that fell on him , he is currently in P.E at the Hospital (severe back injuries)

Response Actions:

The Municipality activated three multidisciplinary response teams covering Kareedouw, the Langkloof, Stormsriver and surrounding areas. The teams comprised Firefighters, South African Police Service (SAPS) members and Koukamma Local Municipality (KKLM) Traffic Officers, who conducted ongoing monitoring, road clearance, traffic management and emergency response operations.

Provincial Traffic, KKLM Traffic Officers and MTO Forestry teams assisted with the clearing of fallen trees and the management of road closures along the R62, N2, R102 and R402. Municipal teams also continued clearing blocked stormwater channels using a TLB to improve drainage and reduce the risk of further flooding.

Humanitarian relief and community support was provided by Gift of the Givers on 09 May 2026, with 310 sleeping mats, 310 blankets and 50 hot meals distributed to displaced communities at relief centres in Kareedouw, Stormsriver, Mandela Park and Coldstream.

Additional sleeping mattresses were distributed to communities in the Langkloof area on 10 May 2026.

The Provincial Disaster Management Centre provided further assistance to the Kagiso Relief Community Hall, distributing 40 mattresses and 40 blankets to affected residents.

The White Door Soup Kitchen in Kareedouw provided three meals per day to members of the affected community and also donated clothing to residents in need.

KKLM officials provided additional support by sponsoring gas and food supplies for relief centres at Kagiso Hall, Stormsriver Hall and Coldstream Hall, ensuring that displaced and affected residents had access to basic cooking facilities and food during the response period.

Kareedouw Bakenstreet

Kareedouw Main Road

Kareedouw Debris on route to New Rest

Kareedouw Assegaaibosch Low level Bridge

Kareedouw Assegaaibosch Low level
Bridge 1 x Male Drowned

Joubertina – Misgund Cut off due to bridge collapse.

Multiple fallen Trees on the Koukamma Area especially R102

Electrical issues:

- Uitkyk Vygie street , on May disruptive rain level 8 a tree fall on the electrical cable and since last month this community members power has been off.
- Bakenstreet by Strydom also has a problem with Eskom.
- Coldstream area power was restored in June 2026.

Challenges:

- Dumping of rubbish near the water channels by the EPWP members and also community members.
- Driekrone area road is to wet , leading water department to not provide water to Mountainview area.

Fallen trees:

- Eersterivier intersection ,Through the prompt response and coordinated efforts of SANRAL Road Maintenance Teams and Koukamma Traffic Service, the roadway was cleared and reopened to traffic without significant delays.

Road Disruptions:

- **N2 -** N2 from Trifolia to Bloukrans is open and accessible
- **R62 –** R62 Trifolia and Misgund remains open to traffic however, motorists are experienced challenges due to water flowing from surrounding mountains onto the roadway.
- **R62** between Kareedouw and Joubertina was closed to traffic due to flooding and unsafe road conditions.
- **R102 –** Trifolia to Koomansbos remained open to motorists, challenges was fallen trees adjacent to the roadway , poor visibility during heavy rainfall, numerous potholes that posed a danger to motorists.
- **R402 –** Remained open.

Areas that were cut off:

- Assegaaibosch
- R62 Joubertina (closed to traffic due to flooding and unsafe road conditions.)

Farms Cut Off

SUURVELD FARMS	ESSENBOS FARMS	KROMRIVIER FARMS	KOUGA FARMS
Draaiklip	De wilgen		Bavaainslodge
Zuuranys	Gypiesgat	Krugersland	Joubertskraal
De Poort	Willowvale	Kammiesbos	Sewefontein
Suurveld farms	Kromrivier	Bergtuin	Nooitgedacht
Draaiklip	Lemoenfontein	Schaapdrift	Nooitgedacht
	Waterval	Regnekloof	Nooitgedacht
			Ragelsrivier
			Rietvlei
			Branderkraal
			Nooitgedacht

Community Houses that was affected by floods;

A number of community households experienced flooding during the **Level 8 disruptive rain and gale-force wind event**. Residential properties in several affected communities sustained water damage, with the following impacts recorded:

- **Rhobololo, Coldstream:** 13 houses were affected by flooding.
- **Stormsriver:** 8 houses were affected by flooding.
- **Nompumelelo:** 24 houses were affected by flooding.

In total, **45 houses** were reported to have been affected by flooding across these communities

Sandrift Rooi Brugie

Component E: Local Economic Development

3.17 Local Economic Development Service Delivery Strategy

Local EconomIc Development (LED) has emerged globally as a vital planning approach for local economies. It has been embedded in the legislation framework of South Africa (IDP, NDA, 1996 RSA constitution, etc.). Local governments have been instructed to support LED projects and to assist in their implementation. The consensus is that the implementation of LED by South Africa's local governments has generally not been a success, and poor rural municipalities have been the most negatively impacted by these results. The community or neighbourhood should be the focal point for developing human, social, financial and physical resources. This can be accomplished by employing strategies that restore pride and give local people more economic power to control their own economic development.

To achieve dynamic local development, all aspects of local communities such as the economy, social, welfare, environmental and political issues need to be addressed in an integrated and holistic manner. An inclusive strategy therefore needs to be compiled for a specific region to realize developmental success. Academics, development practitioners and strategic partners in the economic development space recognises the important role of local economic development (LED) to create jobs and list the following advantages of LED over traditional economic policies namely,

- LED empowers and ensures local participation, local people can play an active part in planning their own economic future,
- LED ensures that local business is involved in the process and are more open to play an active role in partnerships with local communities.
- In addition, LED ensures that local development is locality based and focused on local comparative advantages, it allows for more resilient local economies and LED could create local opportunities and local jobs, thereby improving the local quality of life.

Furthermore, in terms of the Constitution, local government needs to fulfil the following functions:

a) Provide democratic and accountable government for all communities,
b) Ensure service provision in a sustainable way. Promote social and economic development. Promote a safe and healthy environment.
c) Encourage community participation and involvement in matters of the area.

In response and based on reasonable grounds for conceptualizing Local Economic Development, Koukamma Local Municipality has partnered with the Provincial Department of Corporate Governance and Traditional Affairs to contract and assist with the development of a responsive, Specific, Measurable, Relevant, and Time-Bound (SMART) Local Economic Strategy. Also, the Municipality appointed LED Manager in 2023 to drive the development of the LED strategy. The strategy has been developed and it was approved by the Council in September 2024.

3.17.1 Main Role Players

Improved local governance performance regarding LED requires cooperation and partnerships. The service delivery triangle relating to LED consists of three partners namely government, private sector, and local communities.

Figure 1 below provides an illustration of the service delivery triangle for LED.

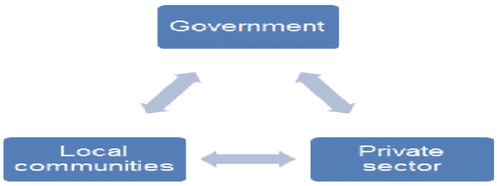


Figure 1: Service delivery triangle regarding LED Source: Meyer, (2013) Government

The Local Economic Development Portfolio Committee

The Directorate of Planning and Economic Development is still non-existence in Koukamma Municipality. Hence the LED Department reports on its activities to the Municipal Manager (MM) and subsequently makes recommendations to the municipal council for consideration during the decision-making process.

Role Players

Chairperson: Councillor Sam Vuso (Mayor)(ANC).

Ordinary Members: Councillor Vuyani Persent (ANC), Councillor Nomathamsanqa Sikiwe (ANC), Councillor Sharon Ferguson (FF Plus) and Councillor Ronnie Campher (ANC).

Administrative / Staff Role Players

The Local Economic Development Section of Koukamma is headed by the Acting Municipal Manager, there are three more officials in this unit, the Manager LED and Tourism, the Agricultural coordinator and the Tourism officer.

MUNICIPAL MANAGER OFFICE				
2025/26				
DEPARTMENT	CURRENT STAFF ESTABLISHMENT	VACANT	TOTAL NUMBER OF POST	VACANCY RATE
	NO. OF POST			
Local Economic Development	4	1	3	33%

Other role players (Public Sector Partners)

Since Local Economic Development is not a funded mandate, particularly in Koukamma, the Section entirely depends on Sector Departments budgets to roll-out most of its programmes. The section has established and nurtured good relations with numerous government departments and agencies to drive economic development in the region. Various interfacing settings are created mostly with government entities that include, but not limit the section to the following important institutions whose constitutional mandate is to improve the living conditions of communities at a local level:

- National Department of Tourism (NDT),
- National and Provincial Department of Corporative Governance and Traditional Affairs (Cogta)
- Department of Environment, Forestry and Fisheries (DEFF),
- Eastern Cape Department: Rural Development and Agrarian Reform (DRDAR),
- Eastern Cape Department: Rural Development and Land Reform (DRDLR),
- Department of Water Affairs (DWA),
- Department of Social Development and Special Programmes, (DSDSP),
- Department of Small Business Development (DSDB),
- Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT),
- Eastern Cape Development Corporation (ECDC), Small Enterprise Development Agency (SEDA),
- Eastern Cape Socio Economic Consultative Council (ECSECC),
- Sarah Baartman District Municipality (SBDM),
- Cacadu Development Agency (CDA),
- Four Returns Foundation,
- Agricultural Research Council (ARC),
- Technology Innovation Agency (TIA), etc.

The above pool of entities has similar and dissimilar programme offerings within their respective disciplines that seek to address countless social, economic, cultural and inspirational issues in communities, which therefore presents Koukamma the opportunity to associate itself with each individual entity to establish meaningful relations between the latter and potential clients in pursuit of obtaining non-financial and financial support for local businesses to advance their individual development.

Community role players

The community is considered the third pillar of the economic system in addition to the market and the state. In the context of Koukamma Local Municipality, community is considered as every individual within the local space that contributes to realizing the economic agenda of the region. In most cases, highly recommended community stakeholders include among others:

- Sole Proprietors operating within the jurisdictions,
- Registered and non-registered private business entities,
- Parastatals,
- Business Development Forum,
- Community Based Organizations,

- Not for Profit Organizations, etc.

The above listed organizations also play a critical role in the LED process and significantly respond to the socio-economic needs of the locality and are expected to also contribute their inputs during the processes of developing of an amicable Local Economic Development Strategy for the Municipality.

3.17.2 Level and Standard of LED Service

National government provides infrastructure subsidies to ensure that all households have access to a basic level of infrastructure services. The benefits of this intervention are well known, particularly in relation to the public good characteristics of many municipal services. In the context of the principles outlined above, the key objectives of the Municipal Infrastructure Grant are to:

(a) Fully subsidize the capital costs of providing basic services to poor households: this implies that priority must be given to meeting the basic infrastructure needs of poor households, through the provision of appropriate bulk, connector, and internal infrastructure in key services.

(b) Distribute funding for municipal infrastructure in an equitable, transparent, and efficient manner, which supports a co-ordinated approach to local development and maximizes developmental outcomes.

(c) Assist in enhancing the developmental capacity of municipalities, through supporting multi-year planning and budgeting systems; and

(d) Provide a mechanism for the co-ordinated pursuit of national policy priorities regarding basic municipal infrastructure programmes, while avoiding the duplication and inefficiency associated with sectoral fragmented grants.

3.17.3 LED Projects and Programmes.

Approval of the LED STRATEGY

The KKM LED Strategy was approved in September 2024. The main challenge we seek to address with the LED strategy, is the triple challenge of poverty, inequality and unemployment faced by most rural communities in South Africa. These challenges will be addressed through the following initiatives:

Targeted interventions that aim to build the capacity of SMMEs in Tourism, Agriculture, Oceans economy and Trade.

The main interventions include:

- Business management / entrepreneurship
- Enterprise development
- Market development
- Institutional arrangements

Well planned and executed projects and programmes aimed at reducing poverty and unemployment, creating jobs and improving household food security.

The KLM LED Strategy document has the following specific objectives:

- Forge partnerships between local structures, public and private sectors.
- Collect social and economic data
- Create wealth in local communities through capacity building in entrepreneurship.
- Develop agriculture and encourage value addition in the area.
- Introduce sustainable tourism activities, and other potential income generating activities that will create decent jobs and improve household incomes.
- Introduce support programmes for business development targeting farmers association, tourism association, SMMEs, youth and women
- Grow oceans and green economies
- Evaluate and monitor impacts.

3.17.4 Tourism

On 19 June 2025, the KLTO held its quarterly meeting in Tsitsikamma, and all LED officials attended the meeting. The meeting highlighted several important challenges and opportunities within the local tourism sector. The main challenge is the participation of Langkloof residents in the tourism activities. Members of the KLTO indicated that they in the past had workshops in Langkloof aimed at recruiting members to join the KLTO. But all efforts failed mainly because people in Langkloof indicated that they don't have the membership fee, which is required on a yearly basis. The chairperson requested the municipality to assist in this regard. She indicated that the membership is free during the first year, and that should encourage them to participate and become members.

Other items discussed during the meeting were the financial constraints affecting the KLTO office, updating the tourism website, stakeholder engagement, Office equipment (furniture, laptop and landline), warm body in the office, and Tourism Indaba to take place during April 2027. These matters require collaboration between the KLTO, Tourism sector, Koukamma Local Municipality, and SBDM to strengthen local tourism businesses.

Although the organisation successfully secured office space in Storms River, it currently lacks sufficient funding to make the office fully operational. The KLTO requested Koukamma municipality to assist with these challenges.

The challenges identified include lack of funding for:

- Office furniture;
- A laptop and other basic office equipment;
- A landline or communication infrastructure; and
- The appointment of an administrative assistant on a contractual basis to manage daily operations.

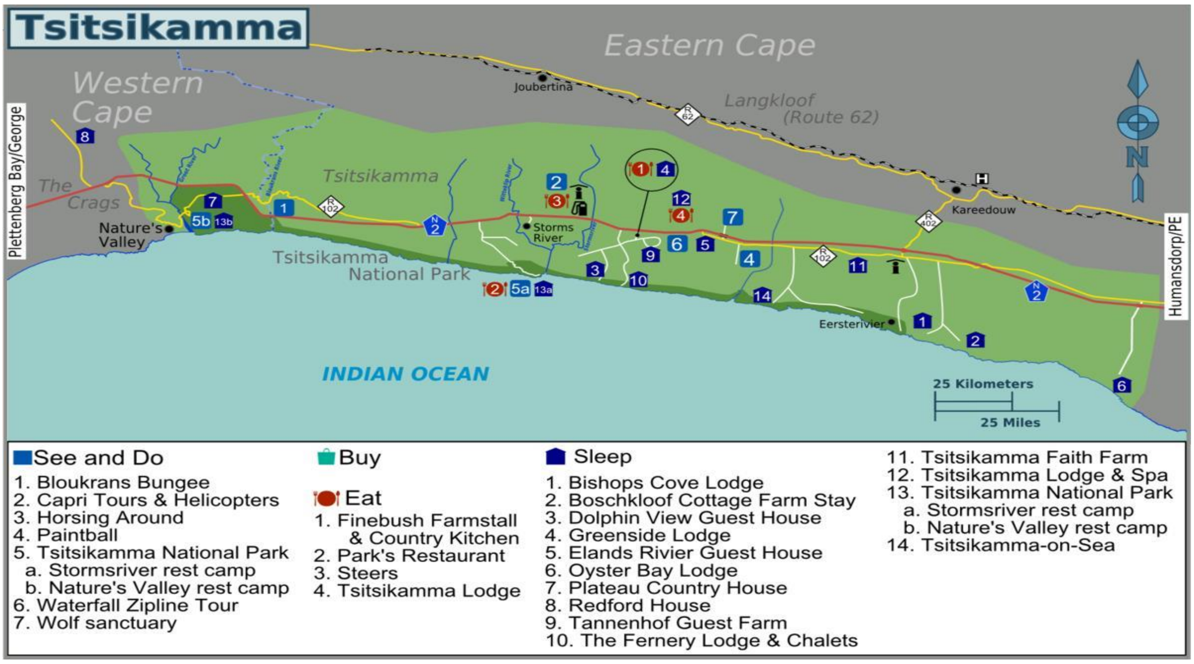


Figure1: Map of Tsitsikamma and expeditions

One of the cornerstones of sustainable tourism is the emphasis on community-based initiatives. By involving residents in tourism activities and decision-making processes, these initiatives empower communities to become active stewards of their natural and cultural heritage. From guided village tours to homestays, visitors can engage directly with local life, fostering cultural exchange and supporting local economies.

3.17.5 SMME development and support during 2025/26 FY

In partnership with Cacadu Development Agency (CDA), the LED team embarked on ongoing capacity building earmarked for local SMMEs in July 2025. The training program introduced was designed to equip participants with practical knowledge and business skills to enhance their creativity, problem-solving abilities, and strategic decision-making within a business environment. The training was conducted over four days, and it included interactive discussions, group activities, and case studies to reinforce learning. The sessions were structured to promote active engagement and real-world application of the concepts covered.

The total number of participants trained was 20, (10 Tourism and 10 Agricultural SMMEs) from both Tsitsikamma and Langkloof areas.

Picture 1: Tourism and Agricultural participants

The training covered the following modules:

- Creativity in Business
- Innovation in Business
- Tendering
- Sales and Marketing
- Strategic Planning

Outcomes of the Training:

The workshop participants gained valuable insights into business innovation and strategic planning but also developed a more proactive approach in identifying opportunities and overcoming challenges. The program put emphasis on practical techniques that empower entrepreneurs to think critically, adapt to market trends, and implement innovative solutions in their respective businesses. The participants actively engaged in discussions and exercises throughout the training. Their contributions enriched the learning process not only for their personal growth but also for the benefit of the entire group. The facilitator encouraged involvement through interactive discussions and collaborative activities.

A variety of practical exercises and group activities were incorporated into the training to facilitate knowledge retention and skill application. These activities enhanced collaboration among participants and reinforced the learning objectives. At the end of the training, participants were invited to provide feedback through evaluation forms. The overall response was positive, indicating a high level of satisfaction with the course content and delivery.

3.17.6 Spaza shops regulation

The LED business team conducted 2 inspections during 2025/26 financial year. The total number of spaza shops inspected was 22. The focus of these operations was on the compliance of premises in terms of hygiene legislation, food safety blitz or operation “gqogqa”, which involved Environmental Health Practitioners (EHP’s), law enforcement, and SAPS officials.

Findings of Inspections

The Premises of spaza shops inspected were found to be unsatisfactory and did not comply with Regulation 638 under the Food Cosmetics and Disinfectant Act, 1972 (Act No. 54 of 1972) – Regulations Governing General Hygiene Requirements for Food Premises, the Transportation of Food Related Matters.

- Expired food items were found in all sites inspected
- Owners were operating their businesses without valid business licenses
- Premises were not compliant with the by-laws mentioned above, and other town planning regulations. The spaza shops structures ranged from temporary structures to illegal extensions on the houses, and without prior approval from the municipality in terms of section 7(1) of the National Building Regulations and Building Standards Act, (No. 103 of 1977).
- Some owners had neither windows or ventilation in their shops

3.17.7 EPWP project

The grant allocated to Koukamma Local Municipality for 2025/26 financial year was R1,490,000. The municipality achieved 100% of its annual work opportunities target (230 opportunities achieved against a target of 230) and 111% of its Full-Time Equivalent (FTE) target (89 FTEs achieved against a target of 80). This baseline success underpins current operations as the municipality transitions into the new financial cycle.

Full-Time Equivalents (FTEs)	71 Reported (89%)	89 Reported (111%)	+18 (Surpassed target by 11%)

Sector-Specific Delivery Comparison

Sector	Target	March Performance	Final Closed Performance	Sector Outcome Assessment
Infrastructure	64	Surpassed (>100%)	81 Work Opportunities (127%)	Target fully exceeded by 17 opportunities.
Social	15	380% Achievement	57 Work Opportunities (380%)	Target completely crushed with 42 additional opportunities.
Environment & Culture (EAC)	151	60% Achievement	92 Work Opportunities (61%)	Significant deficit of 59 opportunities remained.

Financial accounting and budget expenditure

The financial data for the month ending May 2026 demonstrates consistent tracking of the EPWP conditional grant allocation, while preserving adequate cash reserves to finalize current-cycle operational obligations.

Total Annual Budget Allocation: R1,490,000
Total EPWP Funds Received (To Date): R1,490,000
May 2026 Monthly Expenditure: R103,755
Accumulated Total Expenditure: R1,124,304
Available Unspent Balance: R134, 000
Expenditure Rate (vs. Allocation): **91%**

3.17.8 Community works programme

The CWP is an initiative designed to provide an employment safety net, providing the participants with a predictable number of days of work per month, thus supplementing their livelihood strategies and affording them a basic level of income security. The programme targets unemployed or underemployed community members who are above 18 years of age, and whose livelihood activities are insufficient to lift them out of poverty. The CWP policy was revised to align its objectives to those of the NDP. Also, the contracts of site staff and that of participants were revised as follows:

- Contracts of Site Staff were extended by one year, from June 2025 to May 2026.
- The contracts of elderly participants (60yrs and above) were extended by 4 months, from April to July 2025.

The contracts of the elderly participants have since been terminated.

During 2025/26 financial year, four Local Reference Committee (LRC) meetings took place. The last one was held on 22 June 2026. The current number of participants as of June 2026 in Koukamma municipality is 291. The interviews for the site manager were conducted on 10 July 2026.

The physical verification of participants was done in May 2026 in the presence of COGTA official. Also, the asset verification was done by national COGTA during May 2026. It was reported at the LRC meeting that the poultry structure in Joubertina is being vandalised. A suggestion was made to the municipality to take whatever is left of the structure and keep it in a safe place.

The **purpose** of the site visit by the Department of Cooperative Governance in Koukaamma was to:

- Assess and verify the current condition of the ablution facilities.
- Confirm whether the assets were still being utilised for their intended purpose.
- Determine whether the facilities were still beneficial to the community.
- Verify whether the assets remained at the locations where they were originally delivered, received, and recorded in the asset register.
- Meeting with the Municipality officials to discuss the donation of the facilities.

Findings:

- ➢ A significant number of ablution facilities have been completely vandalized and are no longer serving their intended purpose.
- ➢ Some facilities are currently being occupied by homeless and vulnerable individuals due to socio-economic circumstances within the community.
- ➢ Certain abandoned structures have reportedly become associated with criminal activities, thereby posing safety and security risks to community members.
- ➢ One facility remains usable but requires maintenance.
- ➢ Community leadership and local government representatives expressed willingness to explore alternative productive uses for the facilities for the benefit of the community.

- Assets were confirmed to be in the locations to which they were delivered and received

Recommendations:

- The vandalized and non-functional assets be formally donated or transferred to the Municipality for community benefaction and re-purposing.
- The Municipality, together with relevant stakeholders, consider refurbishing the structures for alternative community service purposes, including use as waiting rooms at local clinics or other identified community facilities.
- The usable ablution facility also be handed over for continued community use, subject to proper maintenance and oversight.
- The transfer and re-purposing of the facilities be prioritized in order to mitigate criminal risks associated with abandoned and vandalized structures.
- Further engagement be undertaken with local stakeholders to ensure sustainable utilization and safeguarding of the assets going forward.
- Assist the participants to establish cooperatives with the purpose of transferring assets that are obsolete.

The mayor was advised to convene a meeting with the councillors to deliberate on these recommendations. The decision taken by the council must be forwarded to the COGTA.

3.17.9 Partnership with DFFE on environmental programmes

The Department of Forestry, Fisheries and Environment (DFFE) through its Environmental Programmes (EP) continues to implement projects that address various environmental challenges whilst creating the much-needed jobs in the environmental sector under the auspices of the Expanded Public Works Programme (EPWP). The two DFFE projects, namely, working for the coast and youth graduate programme were renewed for another 6 months from 15 January to 15 July 2026. There are 37 participants in the working for the coast project and 11 participants in the youth graduate programme (9 females and 2 males). Both project have since been terminated.

3.17.10 Vegetable production

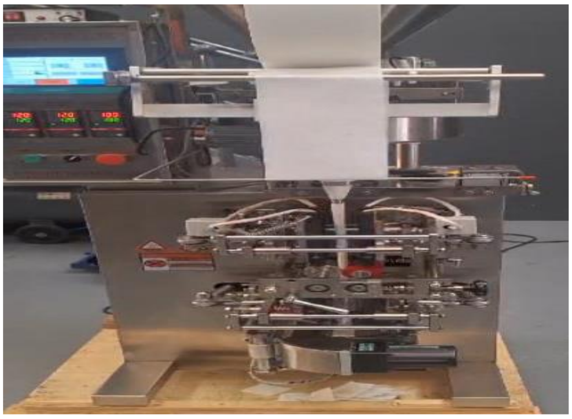
The local economic development (LED) unit is making an effort to develop agriculture in rural and township areas. Agricultural development in Koukamma, especially among the small-scale farming sector is one of the key programmes in our LED Strategy. In 2025, in collaboration with the Department of Rural Development and Agrarian reform (DRDAR), we embarked on youth development, especially in the field of agriculture. A group of seven (7) young people, 5 women and 2 men showed interest in vegetable production (tomatoes and rainbow peppers). But the challenge at the time was access to agricultural land. We then encouraged them to embark on agricultural activities that do not need big land sizes. And when the opportunity arose in 2024 from DRDAR for young people to apply for the polytunnel, we assisted them with the application. Their application was successful, and they received the tunnel, the growing medium, drip irrigation facilities and 2 jojo tanks.

In 2025, these young people started the polytunnel farming, producing tomatoes and peppers, and they received good harvest. The products were sold locally to community members, local spaza shops, BnBs and hotels. But the 2026 production was severely affected by the recent storms and floods that hit the municipality and the surrounding areas (see pictures below). The plastic (polyethylene) that covers the roof of the tunnel was badly damaged. This plastic cover is widely used by the majority of growers because of its affordability, flexibility and easy manufacturing. But it is not durable. The disaster management unit of DRDAR visited the project to assess the damage.

3.17.11 Implementation of new projects

The charcoal project received funding (R250 000) from Exxaro during October 2025. The owner is one of the beneficiaries of the Driekronne farm, and she made a formal request to the municipality to operate the charcoal project from there. The municipality advised her to first discuss this matter with other beneficiaries. The first meeting with the beneficiaries was held during March 2026. But because the owner of the project was not in the meeting (she was represented by a family member), this meeting was deferred. The project owner was requested to attend the next committee meeting in person and to present the proposal herself. The following meeting took place during April 2026 where the owner responded to the concerns of the committee members. The 3 LED officials also attended this meeting. The proposal was well received by the committee members, and supported her request, and that was relayed to the Koukamma management. The project will be launched in September 2026.

Koukamma is in the process of establishing **the Honeybush Processing Facility (HPF)** in Tsitsikamma area in partnership with Technology Innovation Agency (TIA). The TIA officials approached the Koukamma municipality in January 2026, and requested the use of a municipal building that can be renovated and used as a HPF. The meeting was attended by the KKM Mayor, AMM and some officials, including LED officials. The potential building was identified, and is located at no 36 Darnell Street in Stormsriver. The municipality has since sent a letter to TIA allowing them to make use of this property as the project aligns well with the municipality's ongoing efforts to promote local economic development, job creation, and the sustainable use of indigenous resources. The Stormriver building will house specialised agro-processing equipment (see pictures below).



TIA is busy compiling the MOUs, which will be sent to KKM for comments in the first quarter of 2026/27 financial year. After the signing of the MOU, there will be a stakeholder engagement meeting. The launch of the project will take place later in the year.

3.16.12 Major Challenges and Remedial Actions

The challenges faced by the Local Economic Development Section of Koukamma and suggestions on how to mitigate the latter are illustrated in table 3 below:

CHALLENGES	POSSIBLE REMEDIAL ACTIONS
Non-availability of a budget and funding to implement local economic development initiatives.	Tap into the MIG budget to ring-fence a portion of the funds for local economic development.
Number of Previously Disadvantaged Individuals who are in the mainstream economy.	Mainstreaming of local entrepreneurs through localization of job opportunities.
Lack of decision-making powers in the department as LED is not a fully-fledged department	Reviewal and realignment of the organizational structure of the Local Economic Development

Delays in the approval and implementation of the Local Economic Development Strategy.	Mobilization of key Local Economic Development Stakeholders and nurturing good relations with the Provincial Department of Corporative Governance and Traditional Affairs.
Dependence of local business community on government and grant funding.	Empowerment of local SMME's through appointing effective training methods and encouraging them to develop business plans.

3.17.12 Annual performance as per key performance indicators in LED

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	6	4	67%
2	Percentage of LED Budget spent on LED related activities.	3		33%
3	Existence of LED strategy	2024-2029 6 core programme	3	50%
4	Number of LED stakeholder forum meetings held	4	3	75%
5	Plans to stimulate second economy	4	2	50%
6	Percentage of SMME that have benefited from a SMME support program	200	150	75%
7	Number of job opportunities created through EPWP	230	230	100
8	Number of job opportunities created through PPP	3	2	67%

COMPONENT F: ORGANISATIONAL PERFORMANCE

3.18 SDBIP ANNUAL PERFORMANCE REPORT

KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Number of projects = 17

	PROGESS	PERCENTAGE
	Number of projects On Target/Completed = 11	65%
	Number of projects partially achieved = 5	29%
	Number of projects Lagging/Not started = 1	6%

*Municipal Transformation and Institutional Development achieved **65%** of its targets during the financial year. A further **29%** of projects were partially achieved, while **6%** of projects had not started or recorded no progress.*

The indicators that are lagging relate primarily to the Policy Workshop, which was not convened as scheduled during the financial year. In addition, expenditure against the training budget was below target. Despite this, employee training was facilitated through external partnerships, including the National School of Government, thereby ensuring that capacity-building initiatives continued without significant expenditure from the municipal training budget.

Although Local Labour Forum (LLF) meetings were scheduled in accordance with the approved annual meeting calendar, they could not be convened due to a lack of quorum.

*For the 2024/25 financial year, the Municipal Transformation and Institutional Development Department achieved **39%** of its planned projects on target/completed.*

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	QUARTERLY TARGETS				
							ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
KPA 1: Municipal Transformation and Institutional Development											
MTID 01/2025		9/405-195-2182	Improve Employee Wellness and Awareness	Implementation of employee Awareness / Wellness programmes 2025/26	Conduct a number of Employee Awareness / Wellness programmes	Operational	4 Employee Awareness / Wellness programmes	5 Employee wellness /awareness programes was conducted 1) HR awareness roadshow: Joubertina held on 3 September 2025. 2)1 Financial wellness programme held 30 September 2025 3) LA Health Medical Aid scheme presentation dated 17 Oct 25. 4) Golf programme 21 Nov 25 5) An Employee Wellness Programme was held on 13 February 2026, which included a 5 km fun walk in celebration of Valentine's Day.	On Target		7 Wellness programmes held - 5 Wellness progammes held in Q2 28,29,30 & 31 Oct 2024 and 06 Dec 2024 2 Wellness initiatives for Quarter 3. -The Valentines Event on 14 February 2025 -The HR Roadshow and Awareness 24 March 2025

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	QUARTERLY TARGETS				
							ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
MTID 02/2025		9/405-195-2185	Staff Recognition Awards Ceremonty	Facilitate a Staff Recognition Awards Ceremony	Number of Staff Recognition Awards Ceremonies facilitated	Operational	1	1 Graduation Ceremony was conducted on 31 October 2025	On Target		New KPI
MTID 03/2025			Implementation of the Employment Equity Act	Ensure the submission and approval of a credible EE plan	Approval of an organisational EE Plan	Operational	1 Employment Equity Report submitted and approved by the Department of Labour	The Employment Equity Plan was submitted to the Department of Labour, and the report was received from the Department on 15 January 2026.	On Target		EE Plan was submitted and approved by the Department of Labout in January 2025

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	QUARTERLY TARGETS				
							ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
MTID 04/2025			Improvement of working conditions and labour peace as per the BCEA and LRA	Improve the functionality of the LLF Committee	Facilitate a number of LLF meetings	Operational	4 LLF meetings	7 LLF Meetings were facilitated and scheduled as follows: 1. 17 July 2025 (No quorum) 2. 28 July 2025 (No quorum) 3. 13 August 2025 (No quorum) 4. 19 November 2025 (No quorum) and 5. 17 March 2026 (No quorum) 6. 8 June 2026 (special) postponed 7. 11 June 2026 postponed	On target		3 LLF meetings held 16 August 2024 26 Nov 2024 27 Nov 2024 ; 1 Special LLF meeting was held 11 Mar 25 - 2 Local Labour Forum (LLF) meetings were scheduled and duly facilitated on the proposed dates below. However, both meetings could not proceed as planned due to the lack of a quorum: 05 June 2025 19 June 2025
MTID 05/2025			Organisational Skills Development	Development of the organisational Skills Development Plan	Number of Workplace Skills Plans submitted to Department of Labour	Operational	1 Workplace Skills Plan submitted to the Department of Labour	1 Workplace Skills Plan was successfully submitted to the Local Government Sector Education and Training Authority (LGSETA).	On target		New KPI
MTID 06/2025	Goal 4 - Quality Education	9/405-195-2172	Implementation of the Workplace skills plan	Monitor the expenditure of the actual budget	The percentage of a municipality's budget actually spent on implementing its workplace skills plan	Operational	90% of actual budget spent on Workplace skills plan	13% Expenditure	Partially Achieved		73% of the actual budget was spent on Workplace skills plan in this quarter.

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	QUARTERLY TARGETS				
							ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
MTID 07/2025			Implementaiton of the Section 66 of the MFMA	Section 66 Report to Oversight committees	Number of Section 66 reports submitted to oversight committees	Operational	4 Section 66 Reports submitted to Oversight Committees	2 Section 66 Report submitted to oversight committees. MPAC requested reports to deal with reports on overtime, standby allowance, acting and contracts.	Partially Achieved	HR to ensure that section 66 report information form part of the reports oversight committees on a quarterly basis.	New KPI
MTID 08/2025			Effective functioning of Statutory Committees	Improve oversight function through the Council for 2025/26 FY	Facilitate a number of Council Meetings	Operational	8 Council Meetings	**3 Ordinary Council Meetings held**; 31 July 2025; 8 Dec 2025 and 29 May 2026 **16 Special Council Meetings** 25 July 2025; 29 Aug 2025, 30 Sept 2025; 14 Oct 2025; 29 Oct 2025; 03 Nov 2025; 17 Dec 2025; 23 Jan 2026; 26 Feb 2026; 31 March 2026 13 April 2026 20 April 2026 15 May 2026 22 May 2026 2 June 2026 4 June 2026	On Target		4 Ordinary Council meeting 16 September 2024, 10 Dec 2024, 24 Jan 25, 30 April 2025. 17 Special Council meetings. 8 Oct 2024, 22 Oct 2024, 30 Oct 2024, 18 Dec 2024, 20 Dec 2024, 20 Jan 2025, 28 Feb 2025, 19 Mar 2025, 31 Mar 2025, 10 April 2025, 14 April 2025, 19 May 2025, 21 May 2025, 20 May 2025, 9 June 2025, 18 June 2025, 26 June 2025

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	QUARTERLY TARGETS					
							ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
MTID 09/2025					Update and submit a Council Resolution Register	Operational	4 Updated Council Resolution Registers submitted to Council	3 updated Council resolution register was submitted to Council meeting on 29 August 2025 , 8 December 2025 and 23 January 2026. The updated Council Resolution Register was not be included as an agenda item during Quarter 4.	Partially Achieved	Departments will be reminded to submit inputs within the prescribed timeframes to ensure that the Council Resolution Register is finalised and included in future Council agendas timsously.	3 Updated council resolution register were tabled to Council on 16 September 2024 and 10 Dec 2024, 31 July 2025.
MTID 10/2025				Improve oversight function through the Executive Committee for 2025/26 FY	Facilitate a number of Executive Committee Meetings	Operational	4 Ordinary Executive Committee meetings	8 EXCO meetings were held on 1) 23 July 2025 2)14 November 25 3) 10 December 25 4) 19 Jan 26 5) 25 Jan 26 6)07 April 2026 (Special) 7) 05 May 2026 (Special) 8)22 May 2026	On Target		5 Ordinary EXCO meeting 6 August 2024; 6 Nov 2024; 21 Jan 25, 22 April 2025, 25 April 2025 1 Special EXCO meeting held 19 Nov 2024

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	QUARTERLY TARGETS				
							ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
MTID 11/2025				Effective functioning of Standing Committees for the 2025/26 Financial Year	Facilitate a number of Standing Committee Meetings	Operational	15 Ordinary Standing Committee meetings per financial year	12 Standing committees was held - **Finance & LED** 09 July 2025; 14 Oct 2025, 13 Jan 2026, 08 April 2026 **Corporate Services** 10 July 2025; 09 Oct 2025 , 13 Jan 2026, 13 April 2026, **Technical & Community Services** 24 July 2025; 08 Oct 2025 , 15 Jan 2026, 09 April 2026 .	Partially Achieved		**16 Standing Committee meetings.** **4 Corporate Services** 17 Oct 2024, 16 Jan 25, 10 April 2025, 14 April 2025 **3 Community Services** 23 Oct 2024; 13 March 2025, 9 April 2025 **3 Technical Services** 23 Oct 2024; 13 March 2025; 9 April 2025 **3 Finance** 29 Oct 2024; 14 Jan 25; 14 April 2025 **3 LED& SPU** 29 Oct 2024; 14 Jan 25; 14 April 2025 Committees did not sit in Q1 due postponement and Council Portfolio Elections

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	QUARTERLY TARGETS				
							ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
MTID 12/2025			Improved management and accountability	Ensure effective management and accountability by conducting monthly management meetings	Facilitate a number of Management Committee meetings	Operational	4 Ordinary Management Committee meetings held	3 Management Team Meeting held: 01 July 2025, 01 Oct 2025 01 April 2026. The meeting for Q3 was not convened due to the unavailability of Senior Management	Partially Achieved	Meetings that could not commence as scheduled in the calendar of meetings will be postponed to an alternative date to accommodate operational challenges in future.	6 Management meetings were held 10 July 2024; 01 Oct 2024; 21 Jan 25; 29 Jan 25; 19 Mar 25; 02 June 2025.
MTID 13/2025			Review of Organisational Policies	Facilitate Organisational Policy Workshop	Number of Policy Workshop	Operational	3 Policy Workshop	The policy workshop could not commence during the current quarter due to internal administrative processes	Lagging	The policy workshop will be rescheduled upon the completion of all outstanding preparatory and administrative processes to ensure its successful implementation during the next FY.	New KPI
MTID 14/2025			Monitoring and Management of Secituriity Services	Monitoring and management of Security Services	Number of Security Services Reports	Operational	4 Security Services Reports	4 Security Reports submitted to Council 1. 31 July 2025 2. Oct 2025 3.29 May 2026 4. 04 June 2026	On Target		New KPI

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	QUARTERLY TARGETS				
							ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
MTID 15/2025			Improve ICT governance	Implementation of the ICT Corporate Governance Framework directives for the 2025/26 FY	A number of ICT Reports to the Audit Committee	Operational	4 ICT Reports to the Audit Committee	4 Reports submitted to AC	On Target		3 ICT Reports was tabled to the Audit Committee on 25 March 2025. 1. Report on ICT Security Management. 2 Report on the ICT minutes. 3. Report on the ICT Quarter two operations. The Municipality currently has only one serving Audit Committee member. As a result, the Audit Committee meeting for this quarter could not proceed due to the absence of a quorum, which further impacted the ability to convene the meeting.
MTID 16/2025					Number ICT Steering Committee Meetings held for the 2025/26 FY	Operational	4 ICT Steering Committee Meetings	4 ICT Meeting held 23 September 2025; 11 December 2025 ; 16 March 2026; 10 June 2026	On Target		3 ICT meeting were held on 1. 21 Oct 2024 2. 20 Mar 2025 3. 30 June 2025. Quarter 1 meeting did not convene as the custodian was on special leave during that period.

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	QUARTERLY TARGETS				
							ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
MTID 17/2025			Service provider performance management	Monitoring of ICT service provider performance	Number of ICT service provider performance engagements	Operational	4 ICT service provider performance engagements	4 Performance Engagement held with rdata on the 19 November 2025 and virtual engagement with MTN held 10 March 2026 and Koukamma Local Municipality (KLM) and the MTN service provider during April and May.	On target		New KPI

KPA 2 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT (TECHNICAL SERVICES)

Number of projects =11

	PROGESS	PERCENTAGE
	Number of projects On Target/Completed = 5	45%
	Number of projects Partially Achieved = 5	45%
	Number of projects Lagging/Not started = 1	10%

Technical Services achieved 45% of it project targets, whilst 5 project is in progress and 1 have not started.

TS01/2025 - Upgrade and Repair the existing Derdebos access Road. Currently at 70% complete. Roll-over was not approved and money paid back to NT. A Funding Application submitted to National Disaster Management Centre on the 25/06/2026 for re-funding of the project.

TS02/2025 - Replacement of small-bore sewer system to full waterborne system in Clarkson. 94% complete with the refurbishment of the Ponds, Pump Stations and Bulk Sewer lines in Clarkson. Subsequently, project vandalised & affected by floods in May. The contractor is currently waiting for the outcome of the insurance claim.

TS04/2025 – Upgrading of Woodlands sewer system – Project moved to 2027/28 FY, due to overcommitment of the MIG grant for the 2026/27 FY

TS06/2025 – Upgrade of Joubertina water treatment works - Provisional appointment issued. Project re-advertised three times after termination due to unsuccessful bidding process. Appointment will be finalised in Q1 of the new financial year.

TS11/2025 – Risk Adjusted Strategy implementation on grant expenditure currently sitting at 94%.

During the amendment to the Service Delivery and Budget Implementation Plan in February, one project was removed TS02/2025 - Koukamma LM Infrastructure Asset Management Plan due to the adjustments made in terms of Budget under MIG.

In the 2024/25 financial year the Technical Services department achieved 47% of the set targets. 53% of the projects are in progress.

Many of the contractors for projects were only appointed in Q2, implementation commencing in Q3.

New Contractor for the DLTC has been appointed and project has commenced, however Mountain View paving project is pending termination of contractor.

Other projects are impacted by programme challenges that caused delays and will commence in the new financial year.

Grant expenditure has not met the RAS compliance status, as a result of the delayed procurement of projects.

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
KPA 2 - Basic Service Delivery and Infrastructure Investment (Technical Services)												
TS01/2025	GOAL 9- Innovation and Infrastructure	9/419-510-2656	Repairs to Derdebos access Road and stormwater drainage system	Upgrade and Repair the existing Derdebos access Road	Percentage complete with the repair of the existing Derdebos access road	Disaster Fund (Capex)	Ward 4	100% complete with the repair of the existing Derdebos access road	70% complete with the repair of the existing Derdebos access road. Allocation used to fund operations, roll-over not approved and money paid back to NT.	Partially Achieved	Funding Application submitted to National Disaster Management Centre on the 25/06/2026 for re-funding of the project.	Preliminary designs reports completed.
TS03/2025	GOAL 9- Innovation and Infrastructure	9/419-563-2928	Provision of adequate sanitation services	Replacement of small bore sewer system to full waterborne system in Clarkson	Percentage of completion with the refurbishment of the Ponds, Pump Stations and Bulk Sewer lines (Phase 1)	MIG (Capex)	Ward 5	100% Complete with the refurbishment of the Ponds, Pump Stations and Bulk Sewer lines in Clarkson (Phase 1)	94% complete with the refurbishment of the Ponds, Pump Stations and Bulk Sewer lines in Clarkson. Subsequently, project vandalised & affected by floods.	Partially Achieved	Contractor waiting for the outcome of the insurance claim.	75% complete with the refurbushment of the Ponds, Pump Stations and Bulk Sewer lines (Phase 1).

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
TS04/2025	GOAL 6 - Clean water and sanitation	9/419-563-2906	Provision of adequate sanitation services	Upgrading of bulk sewer system and replacement of small -bore sanitation system with a full waterborne system at Woodlands	Procurement of a contractor for the Upgrading of bulk sewer system and replacement of small -bore sanitation system with a full waterborne system at Woodlands	MIG (Capex)	Ward 5	Procurement of Contractor	No Contractor appointed. Project moved to 2027/28 FY, due to overcommitment of the MIG grant for the 2026/27 FY	Lagging	Project implementation moved to 2027/28 FY, due to overcommitment of the MIG grant for the 2026/27 FY.	Final designs completed.
TS05/2025	GOAL 6 - Clean water and sanitation	9/419-523-2811	Louterwater water conservation & demand management	Replacement of existing water pipes	Percentage complete with the Louterwater water conservation & demand management	WSIG (Capex)	Ward 2	100% complete with the Louterwater water conservation & demand management	98% complete with the Louterwater water conservation & demand management. Partial completion issued due to the additional scope of work.	Partially Achieved	Additional Scop to be finalized in Q1 of 2026/27	25% complete with the Louterwater conservation and demand management
TS05/2025 - 01	GOAL 6 - Clean water and sanitation		Kareedouw water conservation & demand management	Replacement of existing water pipes	Finalisation of the Pre-Engineering Report	WSIG (Capex)	Ward 4	Pre-Engineering Report	Pre- Engineering Report achieved	On Target		New KPI

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
TS06/2025	GOAL 6 - Clean water and sanitation	9/423-512-2457	Provision of adequate water services	Upgrading of the Joubertina Water Treatment Works	Appointment of New Contractor	WSIG (Capex)	Ward 2	Appointment of New Contractor	Provisional appointment issued. Project re-advertised three times after termination. Further delayed due unsuccessful bidding process.	Partially Achieved	Appointment of contractor will be done in Q1 of the new financial year.	8% complete with the upgrading of the Joubertina Water Treatment Works.
TS07/2025	GOAL 9- Innovation and Infrastructure	9/421-388-2829	Implementation of the small town revitalisation programme	Joubertina DLTC new Building	Construction of a new building for the DLTC in Joubertina	OTP (Capex)	Ward 3	100% complete with the construction of the new DLTC building in Joubertina	100% complete with the construction of the new DLTC building in Joubertina	On Target		8% Complete with the construction of the New DLTC Building in Joubertina.
TS08/2025	GOAL 9- Innovation and Infrastructure	9/424-565-2908	Electrification of Krakeel	Electrification of a number of households in Krakeel (Phase 2)	Percentage complete with the electrification of a number of households in Krakeel (70 houses)	INEP (Capex)	Ward 1	100% complete with the Electrification of households in Krakeel	100% complete with the connections in Krakeel	On Target		45% complete with the connections in Krakeel
TS09/2025	GOAL 9- Innovation and Infrastructure	9/424-566-2909	Electrification of Louterwater	Electrification of a number of households in Louterwater (Phase 3)	Percentage complete with the electrification of a number of households in Louterwater (105 houses)	INEP (Capex)	Ward 2	100% complete with the Electrification of households in Louterwater	100% complete with the connections in Louterwater	On Target		65% complete with the connections in Louterwater

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
TS10/2025	GOAL 9- Open Innovation and Infrastructure	9/424-390-2787	Upgrade of existing Highmast Lights, buildings and pump stations	Upgrade of Highmast Lights, buildings and pump stations	Percentage complete with the upgrade of Highmast Lights, buildings and pump stations	EED (Capex)	All Wards	100% complete with the upgrade of Highmast Lights, buildings and pump stations	100% complete with the upgrade of Highmast Lights, buildings and pump stations	On Target		New KPI
TS11/2025			Implementation of Risk Adjusted Strategy 2025/26	Ensure the Expenditure on Infrastructure Grant Funds inline with RAS by June 2026	Percentage expenditure on the Infrastructure Grant Funds by end June 2026	Operational	All	100% Expenditure on Infrastructure Grant Funds by June 2026	94% expenditure on Infrastructure Grant Fund.	Partially Achieved	Adhere to RAS non-negotiables.	56% Expenditure
Amendments in the SDBIP - February 2026												
TS02/2025	GOAL 9- Innovation and Infrastructure	9/420-512-2300	Infrastructure Upgrade	Koukamma LM Infrastructure Asset Management Plan	Approved Infrastructure Asset Management Plan	MIG	Project was removed from the Service Delivery and Budget Implementation Plan during the amendment in February 2026 to accommodate the adjustment to Budget under the MIG Grant.					

KPA 2 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT (COMMUNITY SERVICES)

Number of projects = 4

	PROGESS	PERCENTAGE
	Number of projects On Target/Completed = 2	50%
	Number of projects Partially Achieved = 1	25%
	Number of projects Lagging/Not started = 1	25%

*Community Services have achieved **50%** of its set milestones.*

Projects lagging relates to Food Security Drives that were not conducted as per the target set. This is mainly due to the vacant position of the Manager Community Services which was filled in an acting capacity for a portion of the financial year.

CS04/2025 - Woodlands MPCC a Professional Service Provider appointed; however, the contractor has not yet been appointed. SCM processes are currently underway.

In the 2024/25 financial year Community Services achieved 40% of project milestones, whilst 20% have not been achieve.

Projects partially achieved relate to the expenditure of the DEDEAT EPWP programme, the programme was implemented at the municipality in late, as a result project completion has been extended to end Feb 2025. The programme was thus completed with 86.8% expenditure.

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
KPA 2 - Basic Service Delivery and Infrastructure Investment (Community Services)												
CS01/2025			Provision of adequate Fire Services	Conduct Fire Safety Inspections for the 2025/26 FY	Conduct a number of Fire safety inspections	Operational	All	12 Fire Safety Inspections	36 Fire Safety Inspections	On Target		21 Fire Inspections Conducted
CS02/2025				Conduct Fire Awareness Campaigns in the Koukamma Region 2025/26 FY	Conduct a number of Fire Awareness Campaigns	Operational	All	8 Fire Awareness Campaigns	18 Fire Awareness	On Target		13 Fire Awareness Conducted
CS03/2025	Goal 3 - Good Health and Well-being Goal 12 - Responsible consumption and production		Joint Food Security operation	Conduct a joint operation with relevant stakeholders on Food Security	Number of Food Security Operations held	Operational	All	4 Food Security Operations held	0 Food Security Campaigns held	Lagging	Food Security programmes were included in the SDBIP by the former Community Services Manager and will only be conducted once the position is permanently filled.	New KPI

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
CS04/2025			Provision of adequate community facilities	Construction of the Woodlands Multi-Purpose Center	Appointment of Contractor	MIG	Ward 5	Appointment of Contractor	Professional Service Provider appointed; however the contractor has not yet been appointed. SCM processes are currently underway	In Progress	Contractor to be appointed in Q1 of the new financial year	New KPI

KPA 3 -LOCAL ECONOMIC DEVELOPMENT

Number of projects = 9

	PROGESS	PERCENTAGE
	Number of projects On Target/Completed = 2	22%
	Number of projects In Progress = 4	45%
	Number of projects lagging = 3	33%

*Local Economic Development have achieved **22%** on target/complete projects. Project that are partially achieved are 45% and programmes not achieved 33%.*

The MEAF (Mayors Economic Development Forum) was scheduled to take place twice during the financial year but did not convene. The LED section has thus resolved to establish ward-based LED forums to replace the MEAF forum in the 2026/27 FY.

There was no training programmes facilitated for the agricultural sector in this quarter, however the Honeybush building will undergo renovations through TIA, once the upgrade is complete, training programmes will be facilitated. Anticipate that the finalisation of the Memorandum of Understanding will be concluded in Q1 of the new financial year.

3 LRC meetings held for the Financial Year – there was no meeting held in Quarter 1.

It is important to note that the Local Economic Development section does not have financial resources to implement projects and programmes in-house and is therefore dependent on meaningful partnerships and support from external stakeholders.

In the 2024/25 financial year Local Economic Development achieved a 40% on target/complete projects.

Projects lagging relates to the Koukamma Business Development Forum as well as the Farmers association that have been inactive, a meeting was scheduled for February with the aim to revive the forum but did not convene. LED is dependent on external stakeholders to fund activities due to internal budget constraints.

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
KPA 3 - Local Economic Development												
LED01/2025	GOAL 1 - No Poverty		SMME Support programmes and entrepreneurship development	Support and development of the SMME's in Koukamma through the Business Development Forum	Conduct a number of Koukamma Business Development Forum meetings	Operational	All	2 Koukamma Business Development Forum meetings	0 Business development forum meetings but SMME support and development issues have been discussed with SMMEs.	Lagging	Business dev Forum need to be revived	0 Business Development forum meetings held. This organisation needs revival. According to the BF secretary, the members are not working as a team.
LED02/2025	GOAL 4 - Quality Education		SMME Support programmes and entrepreneurship development	Provision of training programmes for SMME Development	Number of SMME's Development programmes / Workshops	SBDM	All	4 SMME Development Workshop	3 SMME Workshops held - Development and funding support from ECDC, LED had an information session with DEDEAT, SARS and ECPTA in March 2026. AgriSeta approved skills programme for the new Financial Year.	Partially achieved	Facilitate SMME's development programmes with Agriseta and other stakeholdere.	3 of 4 SMME development workshop took place in Sept, November and December

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
LED03/2025	Goal 8 - Decent work and economic growth		Forge partnerships between local structures, public and private sectors	Functional LED/MEAF Forum represented by various structures in LED	Number of LED/MEAF Forum Meetings	Operational	All	2 LED/MEAF Forum Meetings	0 Meaf meeting held, but LED Standing committee meeting is on track. The MEAF is made up of different stakeholders which makes it a challenge to coordinate. The Mayor is the chairperson.	Lagging	Meaf forum will be replaced with LED forums in different wards during 2026/27 FY.	2 of 4 LED forum meetings held. Met with Windfarm this quarter to discuss development issues on the November 2024 and 19/02/2025.
LED04/2025	GOAL 15 - Life on Land		Farmers Association	Establishment and support of the Farmers in Koukamma through the establishment of a Farmers Association	Conduct a number of Farmers Association meetings and update the farmers association data base	Operational	All	1) 3 Farmers Association meetings 2) Updated Farmers Association data base	2 Farmers Association Meetings Held - Meeting with Emerging farmers took place on 30 October 2025. Foot and mouth disease campain with DRDAR was held with KKM farmers in KKM offices in February 2026. Data collection is ongoing.	Partially achieved	Will be finalised in Q1 of 2026/27 FY.	0 meetings held with the Farmers Association

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
LED06/2025	GOAL 15 - Life on Land Goal 2 - Zero Hunger		Agricultural development and value addition	Facilitation of programmes to develop and enhance agricultural activities	Facilitate a number of activities in developing and enhancing agricultural activities by assisting with 1) Development of Business Plans 2) Assist with Funding Applications 3) provide training initiatives	Operational	All	Provide assistance in developing and enhancing agricultural activities by assisting with 1) Development of Business Plans 2) Assist with Funding Applications 3) Facilitate training in value addition	0 Training facilitated. The Honeybush building will undergo renovations through TIA, once the upgrade is complete, training programmes will be facilitated.	Lagging	MOUs will be finalised in Q1 of 2026/27 FY.	1) No Business plans developed 2)Youth entrpreneurs applied for farmer support and received a plant incubator in April 2025. 3)Farmers in Guava juice, Kareedouw and Joubertina received training on Innovation and marketing.
LED07/2025			Promotion of Koukamma Tourism	Develop Koukamma Tourism in collaboration with the Koukamma Local Tourism Organisation (KLTO)	Number of Tourism activities and engagements attended and reported	Operational	Operational	4 Tourism Activities and Engagements attended and reported on	4 Tourism Engagements attended. Annual general meeting for the KLTO was held on 20 November 2025. The inter-governmental task team on environmental management has been appointed. This team will address the coastal access and Huisklip project.	On target		Attended the KLTO annual meeting and update on financial matters in Q2. 6 members from Langkloof have been added to the KLTO,and so the database has been updated.Had a virtual meeting with SBDM and DEDEA to discuss management of natural reserves in Koukamma on 13 May 2025.

IDP REF	SDG's Link	mSCOA LINK	OBJECTIVE	STRATEGY	KPI	FUNDING	WARD	QUARTERLY TARGETS				
								ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
									Attended the KLTO meeting in Q4			
LED08/2025	1 - Poverty Eradication GOAL 8 - Decent Work and Economic Growth	9/408-340-2065 / 2071 / 2088	Implementation of the EPWP program	Job creation through the EPWP programme	Number of jobs created through EPWP	Public Works	All	40 jobs created through EPWP	1)33 job opportunities created. The municipality achieved 90% expenditure of the grant allocation.	Partially achieved		41 Jobs Created. 100% Expenditure
LED09/2025				Reporting on EPWP implementation to public Works	Submit a number of EPWP reports to Public Works		All	Submit 4 EPWP reports to Public Works	4 Reports submitted to Public Works	On target		4 EPWP Reports submitted to Public Works
LED10/2025	GOAL 1 - Poverty Eradication		Monitor the implementation of the CWP program	Monitor implementation of the CWP program through conducting Local Reference Committee (LRC) meetings	Conduct a number of LRC meetings in the 2025/26 FY	COGTA	All	Conduct 4 LRC meetings	3 LRC Meeting held - held on 23 October 2025, 23 March 2026 and 23 June 2026	Partially achieved		2 LRC Meetings - 20th of September 2024 ; 05 December 2024

KPA 4 - FINANCIAL VIABILITY AND MANAGEMENT AND SUSTAINABILITY

Number of projects = 11

	PROGESS	PERCENTAGE
	Number of projects On Target/Completed = 9	82%
	Number of projects partially achieved = 2	18%

*Finance achieved **<u>82%</u>** of the set milestones.*

MSCOA Committee was established and had 1 meeting for the Financial Year. There was no meeting held in Q4, Provincial Treasury will be assisting with training for the committee in Q1 of the new financial year so that the committee understands what is required.

Revenue collection for the quarter sits at 45%. Data cleansing exercise of billing data to be done in 2026/27 financial. The Municipality has already implemented debt incentive during 25/26 and legal processes for the top 100 debtors and has an appointed debt collection service provider to assist with debt collection.

Electricity losses reflect a profit; there will always be a profit until Eskom replaces/fixes their bulk meter for Kagiso heights as we are not being billed for the usage. This has been reported to Eskom on numerous occasions and is out of the control of the Municipality

Finance achieved <u>54%</u> on target/complete projects in 2024/25.

Targets not attained for the quarter relate largely to the implementation of debt and indigent management. A service provider has, however, been appointed in December to assist the municipality with debt recovery.

The expenditure on Capital is due to operational challenges as well as the water losses.

IDP REF	OBJECTIVE	STRATEGY	KPI	WARD	QUARTERLY TARGETS					
					ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
KPA 4 - Financial Viability and Management and Sustainability									
FV01/2025	Compliance with the MFMA and mSCOA Regulations	Implementation of the MFMA and mSCOA Circulars	Number of MSCOA Committee Meetings held	Operational	4	1 meeting held	Partially achieved	PT will be assisting with training for the committee in Q1 so that the committee understands what is required.	New KPI
FV02/2025	Annual Budget compiled inline with the MFMA	Compilation of the Municipal Budget	1) Submission of approved Adjustements Budget 2025/26 to PT 2) Submission of approved Final Budget to Treasury for 2026/27	Operational	Submission of Final Budget to Council and Treasury for 2026/27	Final budget adopted on the 29 May 2026 and submitted PT	On Target		2025/26 final budget was adopted by concil on the 31 May 2025,both were within MFMA prescribed period and were submitted to Treasury
FV03/2025	Management of Capital Budget	Capital Budget monitoring and Reporting	Total Capital Expenditure as a percentage of Total Capital Budget	Operational	90% Expenditure	95%	On Target		50% Capital expenditure, delayed SCM process and the entire SCM section being placed on special leave for the first quarter of the Financial Year.

IDP REF	OBJECTIVE	STRATEGY	KPI	WARD	QUARTERLY TARGETS				
					ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
FV04/2025	Improvement of the revenue collection rate for the 2025/26 Financial year	Comply with the MFMA and Municipal Property Rates Act	Ensure Increase in Revenue collection by a certain percentage	Operational	Increase revenue collection rate by 8% of baseline (baseline44%)	45,35%	Partially achieved	Need to start a data cleansing exercise of billing data. The Municipality already implemented debt incentive during 25/26 and legal process for top 100 debtors and has a debt collection service provider.	44,9% collection
FV05/2025	Improvement of the revenue collection rate for the 2025/26 Financial year	Development of a Revenue Enhancement and Debt Recovery Strategy for the 2025/26 FY	Submit a number of reports to Council on the implementation of the Revenue Enhancement and Debt Recovery Strategy 2025/26 FY	Operational	3 Reports on the implementation of the Revenue Enhancement and Debt Recovery Strategy to Council	3 Report taken to council 08/12/2025; 12/03/2026 and 29/05/ 2026.	On Target		2 Reports submitted to Council 10 Dec 2024 ; 30 April 2025
FV06/2025	To improve indigent management and services	Indigent Registration Roadshow	Number of Indigent Registration Roadshows	Operational	4	4 Indigent Roadshows held in Sept 2025, October 2025, February 2026, April 2026	On Target		New KPI

IDP REF	OBJECTIVE	STRATEGY	KPI	WARD	QUARTERLY TARGETS				
					ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
FV07/2025	To improve indigent management and services	Management of Indigent Register	Percentage increase in the number of individuals registered on the indigent Support Register for 2025/26 from baseline of June 2024/25	Operational	20% increase in the number of individuals registered on the indigent Support Register for 2025/26 from baseline of June 2024/25	54% increase - 2047 indigents in total (baseline 1329)	On Target		1329 indigents on register
FV09/2025	GRAP compliant Submissions in accordance with the MFMA	Accurate Reporting in Compliance with Legislation	Submit a number of Grap compliant AFS to AG for Auditing	Operational	1) 1 Grap Compliant AFS 2) Development of Audit Action Plan	1) 1 GRAP compliant AFS submitted to AG by 31 Aug 2025. 2)Audit action plan developed and approved by council 23 January 2026.	On Target		Grap Compliant AFS submitted to AG on the 31 Aug 2024
FV10/2025			Submit a number of reports to Treasury	Operational	4 Section 52 Reports	4 Section 52 report submitted	On Target		4 Section 52 report submitted to Treasury
FV11/2025			Submit a number of reports to Treasury	Operational	1) Submission of 12 Section 71 Reports and 2) 1 Section 72 reports to Treasury	1)12 Section 71 reports submitted 2) 1 Section 72 report submitted	On Target		1)12 Section 71 reports submitted to Treasury 2)1 Section 72 Report submitted to Treasury

IDP REF	OBJECTIVE	STRATEGY	KPI	WARD	QUARTERLY TARGETS					
					ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
FV12/2025	Monitoring of Electicity Losses	Management and reporting on Elecricity Losses	Percentage of electricity losses within the Treasury norm of 7% - 10%	Operational	% Electricity Losses within the Treasury norm <10%	9,71%	On Target		Electricity losses were at 1% as at March 2025 . This is incorrect reflection the reason being bulk meter of Eskom was not working from August 2024 until now at 9378688483 Kagiso Heights points and Eskom is only invoicing availability and demand the is no consumption for that period (no averaging)

KPA 5 - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Number of projects = 8

	PROGESS	PERCENTAGE
	Number of projects On Target/Completed = 5	62.5%
	Number of projects partially achieved = 3	37.5%

*Good Governance achieved **78%** of the targets set.*

Programmes not achieved relate to the performance reviews of senior managers that have not been conducted in this quarter due to the absence of the acting Municipal Manager. The internal audit was appointed in October 2025, hence there was no report submission to the audit committee on internal audit for quarter one.

Good Governance and Public Participation achieved 62.5% of its targets for the 2024/25 FY. Not all Audit Committee Meeting meetings sat as scheduled in the financial year, due to the vacancy in Audit Committee as well as the resignation of one member therefore the committee will not quorate.

As a result of Audit Committee that did not convene in all quarters of the financial year, the Internal Audit did not report all quarters as well as their contract that came to an end in this financial year.

IDP REF	OBJECTIVE	STRATEGY	KPI	BUDGET	QUARTERLY TARGETS				
					ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
KPA 5 - Good Governance and Public Participation									
GGPP01/2025	IDP Review for the 2026/27 financial year	Implementation of the Municipal Systems Act	Reviewed IDP 2026/27	Operational	Adoption of the reviewed IDP for the 2026/27 FY	IDP was approved on the 29 May 2026	On Target		IDP was approved on the 30 May 2025
GGPP02/2025	Functional Ward Committees in Koukamma 2025/26	Implementation of the Municipal Systems Act	Number of Ward Committees Meetings Convened	Operational	24 Ward Committee Meetings	24 Ward Committee meetings held	On Target		25 of 24 Ward Committee Meetings
GGPP03/2025	Monitoring and application of Performance Management Systems	Compliance of the Performance Management Framework	Conclude a number of Performance Management Reports	Operational	Conclude and sign off 4 Performance Reviews	Quarter 1 Performance Review Conducted	Partially Achieved	The rotational acting position of the Municipal Manager has impacted the facilitation of reviews for senior managers; however, the review dates have been included in the calendar of meetings to assist with proper execution. The AMM has also been appointed for a 12-month period which will assist with the facilitation of quarterly reviews.	1 Performance Review conducted in November 2024

IDP REF	OBJECTIVE	STRATEGY	KPI	BUDGET	QUARTERLY TARGETS				
					ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
GGPP04/2025					Council approval of 4 SDBIP quarterly reports	5 SDBIP Reports. 1)Annual Performance Report submitted to Council on the 29 August 2025 , 2)Quarter 1 Performance Report submitted to Council on the 08 December 2025, 3)Quarter 2 SDBIP Performance Report submitted to Council on the 23 January 2026, 4)Mid Year Performance Report submitted to Council on 23 January 2026, 5)Quarter 3 report submitted to Council on the 29 May 2026	On Target		4 SDBIP Reports submitted to Council
GGPP05/2025	Effective functioning of the Risk Management Committee in the 2025/26 Financial Year	Improve the role of the Risk Management Committee	Number of Risk Committee Meetings held for the 2025/26FY	Operational	4 Risk Committee Meetings	4 Risk Meetings held - 15 September 2025, 27 - 28 January 2026 and 26 March 2026 and the 12 June 2026.	On Target		1 risk committee meeting held 14 November 2024 The risk committee meeting that was scheduled for 31 March 2025 and 24 April 2025 was unfortunately postponed, agendas were circulated but the meeting did not sit.

IDP REF	OBJECTIVE	STRATEGY	KPI	BUDGET	QUARTERLY TARGETS				
					ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
GGPP06/2025	Effective functioning of MPAC in the 2025/26 Financial Year	Improved oversight role of MPAC	Facilitate a number of Quarterly MPAC meetings	Operational	4 Quarterly MPAC meetings	6 MPAC meetings held 1) 12 Aug 2025 2) 02 Dec 2025 3) Special 05 Dec 2025 4) 20 Feb 26 5) 20 Mar 2026 and 6)25 May 2026	On target		6 MPAC meetings held. 26/09/24, 15/10/24, 13/02/25 , 03/03/25, 24/04/25, 18/06/25
GGPP07/2025	Effective functioning of Audit Committee in the 2025/26 Financial Year	Improved advisory role Audit Committee	Facilitate a number of Audit Committee meetings		4 Audit Committee meetings	4 Audit Committee meetings was held on 1) 14 Aug 2025 2) 04 Dec 2025 3) 24 Feb 2026 4) 26 May 2026	On target		2 of 4 Audit Committee meeting held on the 28/11/2024 and 25/03/2025. No Audit Committee Meeting was held in Quarter 1 and 4 due to the vacancy in Audit Committee as well as the resignation of one member therefore the committee will not quorate.
GGPP08/2025	Effective Functioning of the internal Audit 2025/26	Conduct a number of internal audits as per the Internal Audit Plan and the submission thereof to the Audit Committee	A number of internal Audit Reports submitted to the Audit Committee	Operational	4 Internal Audit Reports submitted to the Audit Committee	3 Internal Audit reports submitted to the AC	In Progress	The position of Internal Audit was filled in October 2025, hence there were no reports for Q1. The Internal Audit will report to AC on a quarterly basis	2 of 4 Internal Audit Reports submitted to AC. In Quarter 1 there was no Audit Comm meeting held hence all reports on work done for Q1 and Q2 was submitted in this quarter. The Contract of the Internal Audit Services ended in end of January 2025 and extension

IDP REF	OBJECTIVE	STRATEGY	KPI	BUDGET	QUARTERLY TARGETS				
					ANNUAL TARGET	ACTUAL PERFORMANCE	ON TARGET/ PARTIALLY ACHIEVED/ LAGGING	REMEDIAL ACTIONS	PRIOR YEAR 2024/25
									was granted until the 30 April 2025. There after it was not extended, however an advert for the position of Internal Auditor has been advertised.
GGPP09/2025	Compliance to the Municipal Systems Act	Compilation of the Annual Report 2024/25	Development of the Annual Report 2024/25 FY	Operational	Approved Annual Report for 2023/24 FY	Final Annual Report approved by Council on the 29 March 2026	On Target		Annual report Approved in March 2024

OVERALL PERFORMANCE

Total number of projects = 61

	PROGESS	PERCENTAGE
	Number of projects On Target/Completed = 36	59%
	Number of Projects Partially achieved / In Progress = 19	31%
	Number of Projects Lagging/Not Started = 6	10%

*During the 2025/26 financial year, the Municipality achieved **59%** of its planned milestones as set out in the Service Delivery and Budget Implementation Plan (SDBIP). This reflects a notable improvement in organisational performance compared to the **46%** achieved during the 2024/25 financial year.*

While the overall level of achievement has improved, several factors continued to affect performance. These include slow progress in the implementation of certain projects, meetings that could not be convened as scheduled due to a lack of quorum or other operational challenges, and limited financial and human resources, which impacted the timely implementation of planned programmes and activities. The Municipality remains committed to addressing these challenges through improved planning, resource optimisation, and strengthened project monitoring to enhance service delivery performance.

CONCLUSION

Koukamma Municipality remains largely dependent on grants and external funding to implement its development priorities and uphold the principles of the Back-to-Basics Programme. Consequently, not all projects identified in the Integrated Development Plan (IDP) could be implemented during the 2025/26 financial year. It is, however, important to note that the IDP is a five-year strategic plan, and the implementation of projects is phased over this period, subject to the availability of funding and resources.

Despite these funding constraints, the Municipality remains committed to meeting the needs and expectations of its residents and the local business community by providing access to quality, reliable, and affordable basic services. The Municipality will continue to prioritise the maintenance and upgrading of existing infrastructure, pursue additional funding opportunities, strengthen institutional capacity, and enhance good governance to improve service delivery and support sustainable development.

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT II)

Component A: Introduction to Municipal Workforce

Section 66 (1) of the Municipal Systems Act, 2000 requires that the Municipal Manager must develop a staff establishment with a number of positions, job description remuneration packages attached to such positions and that these positions must be evaluated to determine the salary packages relevant to such positions. In turn, the staff establishment must be tabled to Council for approval, but before the tabling to the Council, the staff establishment must be aligned to budget and no person must be appointed in a position which is not available or reflecting in the staff establishment and not funded.

4.1 TOTAL WORKFORCE, TURNOVER AND VACANCIES

The total workforce refers to the total number of employees employed in the municipality, whether these employees are employed permanently, and or on contractual basis. During 2025/26 financial year, Koukamma Municipality had one hundred and seventy- one (171) total employees. This total workforce is made up of five directorates namely:

- Community Services,
- Technical and Infrastructure Services,
- Finance Services,
- Corporate Services, and
- The Municipal Manager's Office.

Technical and Community Services directorate had a substantial number of positions that are vacant but due to challenges the positions were not filled.

The total workforce in Koukamma Municipality is aligning with employment equity as follows:

TOTAL WORKFORCE

OCCUPATIONAL LEVELS	MALE				FEMALE				TOTAL	FILLED	VACANT
	A	**C**	**I**	**W**	**A**	**C**	**I**	**W**			
Top Management	0	0	0	0	0	0	0	0	0	0	1
Senior Management	2	0	0	0	0	0	0	1	3	3	1
Professionally qualified and experienced specialist	6	2	0	0	4	2	0	0	14	14	5
Skilled technical and academically qualified workers, junior management, supervisors, foreman, and superintendents	12	11	0	1	7	3	0	0	34	34	15
Semi-skilled and discretionary decision making	21	21	0	0	17	24	0	0	83	83	12
Unskilled and defined decision making	16	20	0	0	4	3	0	0	43	43	55
Total Permanent	57	55	0	1	32	32	0	0	177	177	89
Temporary employees	46	32	0	0	2	6	0	0	86	86	0
GRANT TOTAL	**103**	**87**	**0**	**1**	**34**	**38**	**0**	**1**	**263**	**263**	**89**

4.1.1. STAFF TURNOVER PER DEPARTMENT

The staff turnover per department during the year under review is as follows:

There were 171 employees in total during the 2025/26 financial year. During the year under review, 13 employees exited the municipality for various reasons. As at 30 June 2026, the municipality had a total workforce of 162 employees.

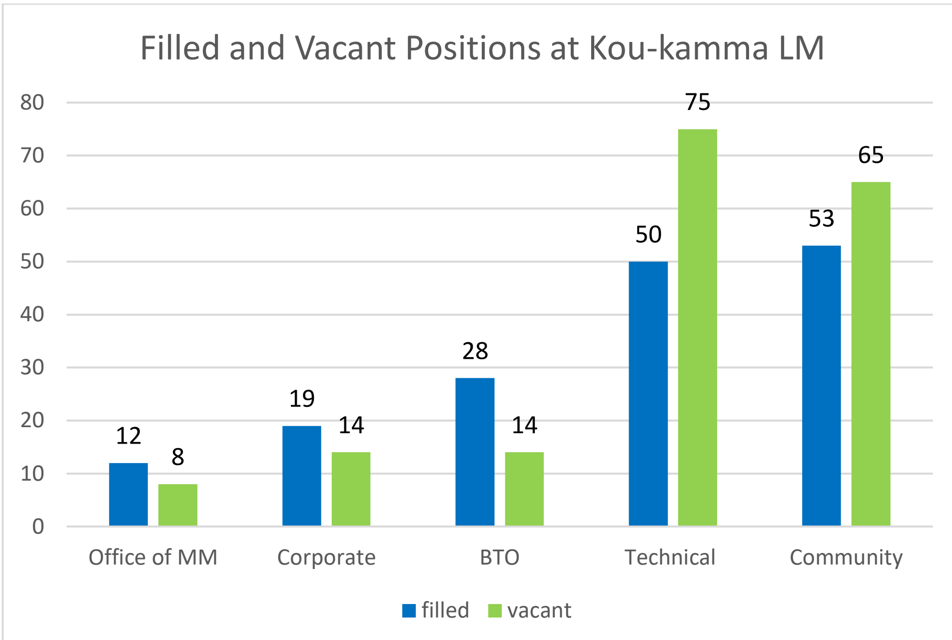
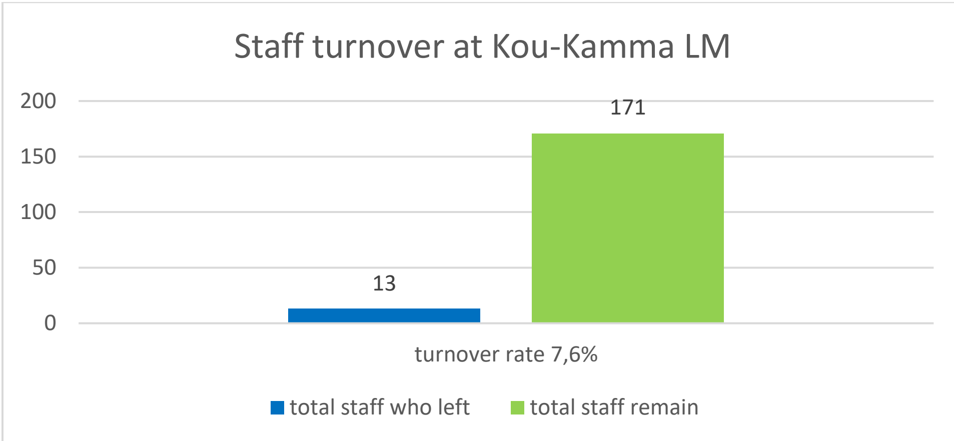


CHART 1	FILLED AND VACANT POSITIONS AT KOUKAMMA LM	
Department	**Filled**	**Vacant**
Office of MM	12	08
Corporate	19	14
BTO	28	14
Technical	50	75
Community	53	65
Total workforce	**162**	**176**

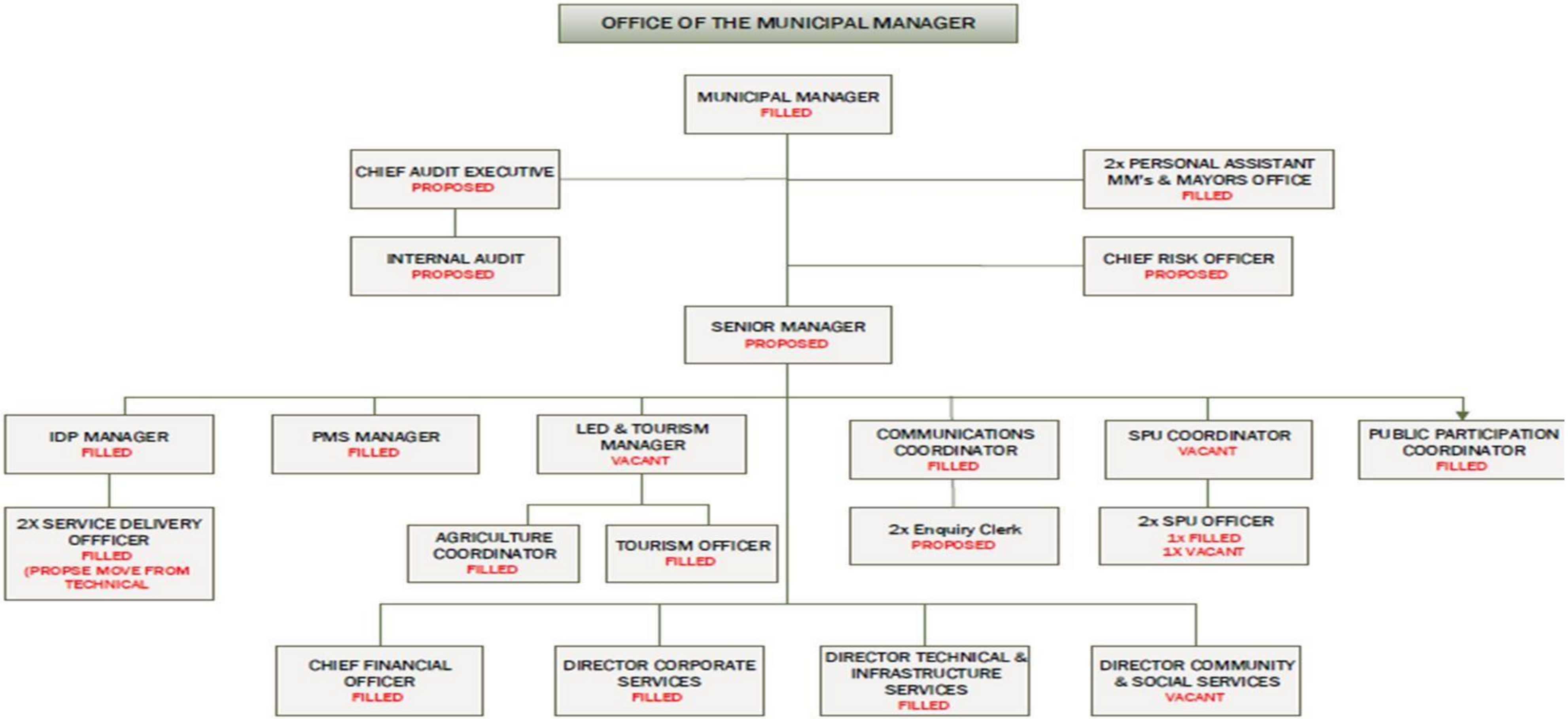


Staff turnover at Koukamma LM

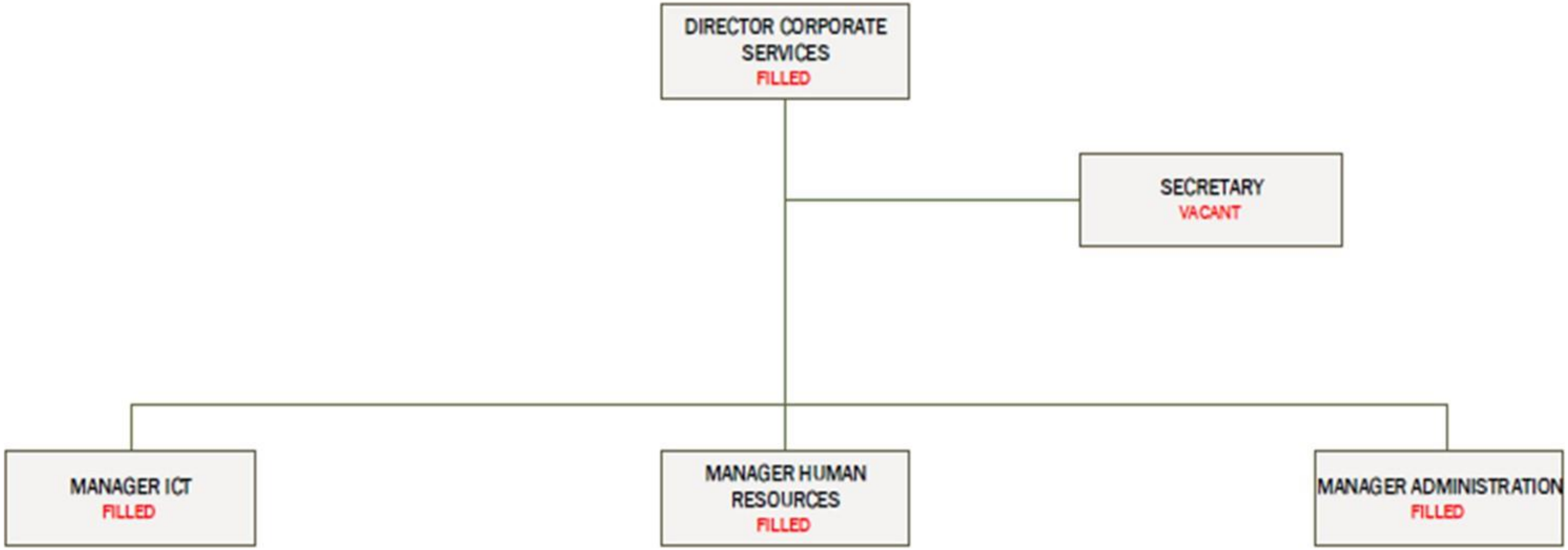
Note: Staff turnover is equal to total staff who terminated divide by total staff compliment x 100 = %

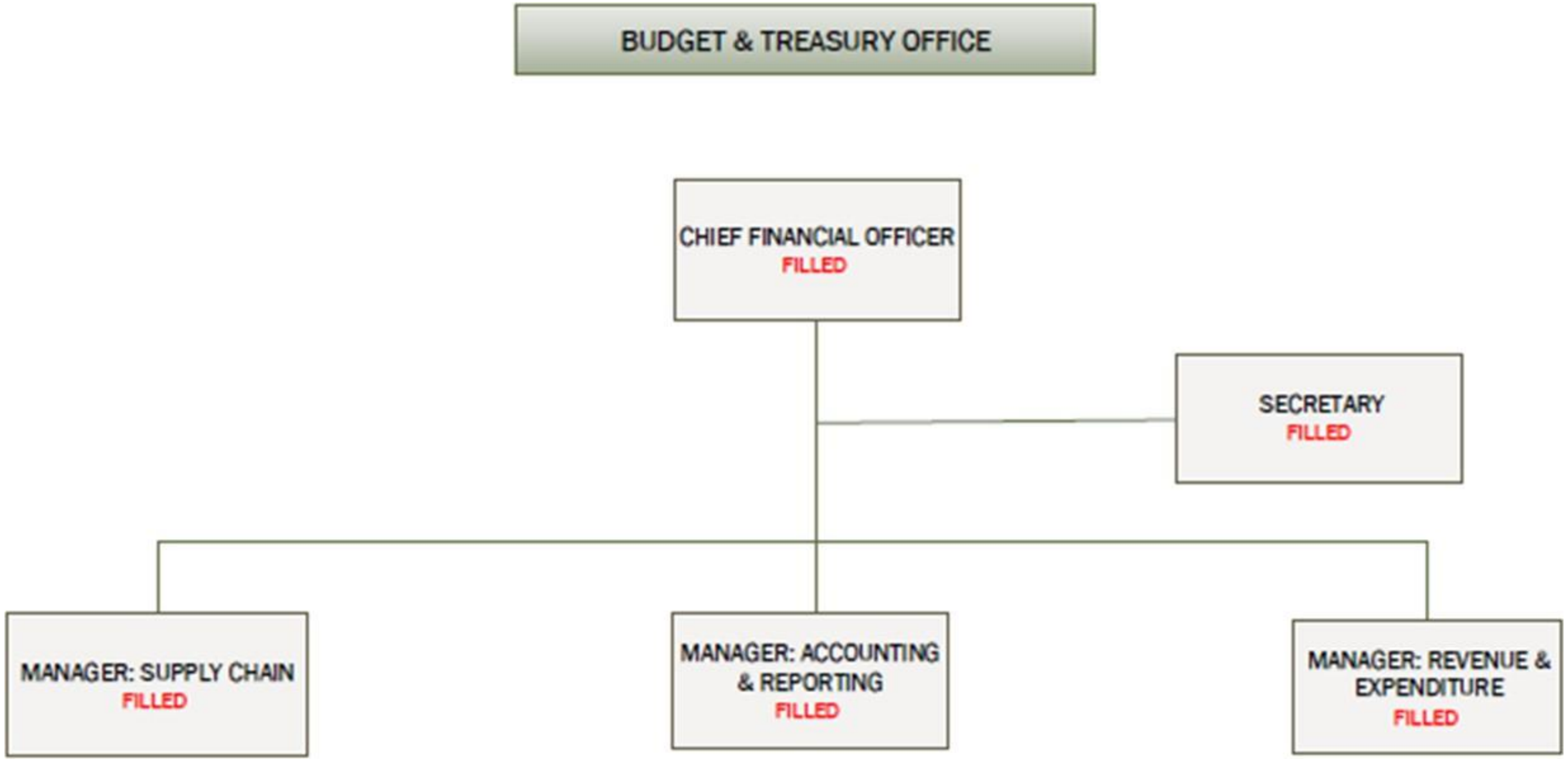
Turnover rate 7.6%
Total staff who left 13
Total staff remain 171

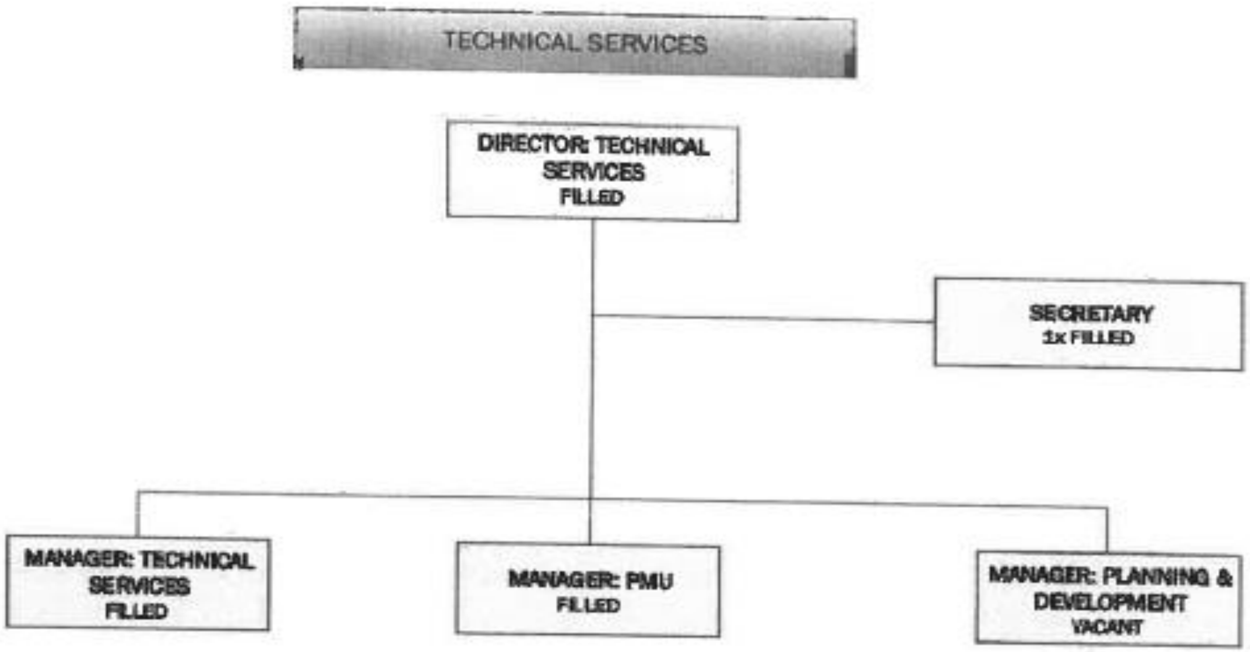
4.1.2 FIRST THREE TIERS OF THE ORGANISATIONAL STRUCTURE



CORPORATE SERVICES




BUDGET & TREASURY OFFICE
CHIEF FINANCIAL OFFICER
FILLED
SECRETARY
FILLED
MANAGER: SUPPLY CHAIN
FILLED
MANAGER: ACCOUNTING & REPORTING
FILLED
MANAGER: REVENUE & EXPENDITURE
FILLED


TECHNICAL SERVICES
DIRECTOR: TECHNICAL SERVICES FILLED
SECRETARY 1x FILLED
MANAGER: TECHNICAL SERVICES FILLED
MANAGER: PMU FILLED
MANAGER: PLANNING & DEVELOPMENT VACANT

See the full Administrative Structure attached as appendix C

COMPONENT B – MANAGING THE WORKFORCE

Workforce management focused on maintaining an appropriate organisational structure, ensuring effective deployment of employees, managing vacancies and staff turnover, and supporting employee performance and development. The municipality also continued to promote a productive and accountable working environment through performance management, skills development, training, employee support, and compliance with applicable human resource policies and legislation.

4.2 POLICIES

The review process is an ongoing process that involves all relevant stakeholders, including the unions at the level of the Local Labour Forum (LLF).

The following policies have been workshopped and presented at LLF but not yet approved by the Council.

POLICY	REVIEW	APPROVED/NOT BY COUNCIL
REMUNERATION POLICY	NOVEMBER 2024	NO
OVERTIME UNDERTIME AND FLEXITIME	MARCH 2025	NO
LEAVE POLICY	MARCH 2025	NO
JOB EVALUATION POLICY	27/07/2023	YES
EMPLOYMENT POLICY	MARCH 2025	NO
CAR ALLOWANCE POLICY	2009	NO
ACTING ALLOWANCE POLICY	MARCH 2025	NO
TRAVEL AND SUBSISTENCE POLICY	2009	NO
VEHICLE USAGE POLICY	2010	NO
ESSENTIAL USER POLICY	2010	NO
HR PLAN	MARCH 2025	PLAN APPROVED UNTIL 2027

4.3 LEAVE MANAGEMENT

In terms of the legislation, employees are allowed to take leave when they are sick, when their family members such as spouse, children, mother and father, and in-laws are sick. Also, when there is death, or they are going to write exams. In the year 2025/26, various types of leave which was taken by employees were:

Type of leave taken	No. leave days
Annual Leave	24
Sick Leave	80 (3-year cycle)
Family Responsibility Leave	5
Special Leave/ Study Leave	5
IOD	Depends on the extent of the Injury not limited

Leave is regulated in the Basic Conditions of Employment Act, and therefore no employee is allowed to abuse leave; hence, when employees are taking sick leave are required to bring a sick certificate from the medical practitioner as proof that indeed the employee was sick. In taking annual leave, employees are required to fill in the form requesting the leave prior to taking it. The form is an integral part of the leave management policy.

Every directorate has a responsibility to manage its employees' leave and submit such leave forms to the human resource department to capture in the system. The supervisor, prior to approving leave, must check the availability of leave.

4.4 LIST OF MEDICAL AID WHERE EMPLOYEES BELONG

Koukamma Municipality 's employees belong to the following medical aid during 2025/26 financial year:

Name of medical aid	No of employees
Key Health Medical Aid	0
LA Health Medical Aid	35
Bonitas	31
SAMWU Medical Aid	30

4.5 LIST OF PENSION FUND WHERE EMPLOYEES BELONG

During 2025/26 employees belong to the following pension funds:

Name of pension fund	No. of employees
Municipal Workers Retirement Fund	46
Cape Joint Retirement Fund	130
Municipal Council Pension Fund	1
Sala Provident Fund	1

4.6. LABOUR RELATIONS

The Labour Relations Act, 1995 was designed to protect everyone in the workplace and to promote economic development, fair labour practice, peace, democracy and social development. It also requires that corrective measures be implemented as per the Main Collective Agreement: Disciplinary Procedure. The Employer Component is represented by two (2) Councillors and three (3) Directors, whilst the Labour Component is represented by four (4) South African Municipal Union (SAMWU) and one (1) representative from IMATU. During the year under review, currently the Chairperson was from the Labour Component, and the Vice Chairperson was from Employer Component. The Employer and Employee Component have a good working relationship.

During the year under review 2025/26 the Local Labour Forum discussed the following issues:

Designated	Activities	Comments
Employer and Labour Component	Report on the request for the regulatory of working hours for Koukamma Municipality	This has been approved by Council
Employer and Labour Component	Report on the HR Policies of Koukamma Municipality	That all HR policies will be workshopped and submitted to Council for approval
Employer and Labour Component	Report on the aligning of notch increment with annual salary adjustments	Council approved the implementations of payment of notched simultaneously with the payment of salary adjustments implemented effectively 2025/26 financial year. This has been approved and implemented.

During 2025/2026, Koukamma Municipality reported the following disciplinary cases as follows:

NUMBER OF CASES	DECIDED AGAINSTS THE EMPLOYER	DECIDED AGAINST THE EMPLOYEE	INTERNAL, CCMA OR SALGBC	RESOLVED	OUTSTANDING
8	No	Yes	Internal	4 Yes	4
3	Yes	No	CCMA	2 resolved	1
2	Yes	No	SALGBC	Not resolved	

4.7 PERFORMANCE MANAGEMENT SYSTEM (PMS)

In terms of Section 28 of the Performance Management Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager of 2006, it is required that the performance of an employee must be reviewed verbally first and third quarter and formally every mid-year and annual.

During the year 2025/26, a performance review was conducted for the Director Corporate Services, the Chief Financial Officer and the Director Technical Services on quarter one performance.

The Performance Assessment for the Chief Financial Officer, Mrs Kerr was conducted on the 17 November 2025 at 11:00.

Mrs Kerr was afforded an opportunity to comment and score herself based on the Key Performance Indicators and Core Competencies captured in her Performance Plan for the 2025/26 financial year making use of the 5-point scale. During the assessment the Acting Municipal Manager interrogated the personal score captured by the CFO based on the portfolio of evidence and explanation on activities and achievements. The results as agreed by the panel equated to 107.47%.

On the 27 November 2025, the performance assessment of Mr Qalaba, the Director Technical Services was convened at 14:00. The Director was also afforded and opportunity to score and comment on the Key Performance Indicators and Core Competencies as captured in his Performance Plan for the 2025/26 financial year, making use of the 5 – point scale. The Acting Municipal Manager had an opportunity to interrogate the scores captured and request for relevant Portfolio of evidence to substantiate the comments and scores. The results equated to 117.33% as concluded.

The Director Corporate Services, Mr Lucas Somtseu was exempt from the Quarter 1 Performance Assessments due to operational challenges, thus making it improper to conduct an assessment on his Performance for Quarter 1.

The payment of bonuses for the Municipal Manager and Directors is subject to the adoption of the annual report by Council in respect of the year under review and as such the performance bonus cannot be paid on the year under review, but during the next financial year if such a performance bonus was approved by Council. In this financial year there were ***no performance bonus' paid*** at senior management level.

The cascading of the Performance Management System (PMS) to all levels within the Municipality has progressed; however, not all employees concluded and signed performance agreements during the reporting period. As a result, the Municipality was unable to conduct comprehensive performance assessments for all affected employees, and consequently, no performance bonuses were awarded during the financial year.

The Municipality is taking reasonable steps to fully implement and institutionalise the Performance Management System across all levels during the 2026/27 financial year. This process will be guided by the Individual Performance Management Policy, which is aligned with the Municipal Staff Regulations, 2020, and was approved by the Municipal Council in January 2025. The implementation of the policy is expected to strengthen accountability, improve individual performance management, and facilitate the effective assessment of employee performance.

COMPONENT C: CAPACITATING MUNICIPAL WORKFORCE

4.8 SKILLS DEVELOPMENT

During the **2025/26 financial year**, the municipality continued to focus on skills development and capacity building to ensure that employees had the knowledge, skills, and competencies required to perform their duties effectively. Training and development initiatives were aligned with the municipality's operational requirements, strategic objectives, and identified skills gaps.

The municipality supported employees through **training programmes, capacity-building initiatives, and opportunities for professional and occupational development**. These interventions were aimed at improving employee performance, strengthening institutional capacity, and promoting continuous learning within the organisation.

The following schedule reflects the skills development conducted during 2025/26:

Number Of Beneficiaries	Department	Start Date	End Date	Intervention	Training Complete /Complete	Cost Of Training
2	Human Resources	April 2024	April 2026	**ASDSA Candidacy Programme**	**In progress**	**Funded by LGSETA**
10	Finance	June 2025	1 December 2026	**Woman Leading in the Public Sector**	**In progress**	**Funded by AGSA**
19	All departments	11 August 2025	13 August 2025	**Presiding Officer**	**Completed**	**R28 000**
8	All departments	16 October 2025	17 October 2025	**LLF Training**	**Completed**	**Funded by COGTA & SALGA**
2	Finance Department	08 October 2025	10 October 2025	**Cashier Driving Licence**	**Completed**	**Funded by Department of Transport**
15	All Departments	07 May 2025	09 May 2025	**Supervisory Development**	**Completed**	**R28 050**
2	Technical Department	04 August 2025	08 August 2025	**Operating Regulations for High Voltage System**	**Completed**	**R22 737.89**
10	All Departments	18 March 2026	20 March 2026	**Advanced Excel Training**	**Completed**	
30	All Departments	03 March 2026	06 March 2026	**Managing Unauthorized, irregular, fruitless and wasteful expenditure**	**Completed**	**Funded by COGTA**

1	Community Services	12 January 2026	23 January 2026	**Examiner of Motor vehicle**	**Completed**	**R8566**
1	Community Services	30 March 2026	29 April 2026	**Examiner Drivers Licence (F)**	**Completed**	**R9966**
2	Technical Services	01 April 2026	31 March 2026	**Learnerships: Water Works Management**	**In progress**	**Funded by EWSETA**

4.8.1 Skills Programmes for Unemployed Youth 2025/26

PROGRAMME	TYPE OF LEARNING INTERVENTION	CONTRACT AMOUNT PER PERSON	NUMBER OF LEARNERS CONTRACTED	NO OF LEARNERS COMPLETED PROGRAMME	STATUS / COMMENT
Office of the Premier Work Integrated Learning	Work Integrated Learning	Admin – R6500 Technical – R6000 p/p	21	14	In progress
Department of Forestry Fishing and the Environment	Interns	R4500 p/p	12	12	Completed
National Treasury	MFMA Interns	R9500p/p	5	1	In progress
Department of public works	NYS	R4500	2	0	In progress

4.8.2 Level 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
161	54	51	56

4.8.3 Technical Staff Registered with Professional Bodies

Water and Electricity	Total Number of Technical Service Managers	Total number reregistered in the accredited professional body	Total number pending registration confirmation in the accredited professional body	Total number not yet registered
35	2	1	0	1

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.9 EMPLOYEE EXPENDITURE

There has been a growth in the total operating budget for staff salaries particularly 2025/26, which exceeds the Treasury Norm as reflected below.

Financial year	Total No. of Staff	Actual operating expenditure	Personnel Expenditure	% of personnel expenditure
2021/22	Permanent Staff – 163 Councillors – 12 Section 56 & 57 Managers - 4	R 190 150 336	R63 124 791	33%
2022/23	Permanent Staff – 171 Councillors – 12 Section 56 & 57 Managers - 3	R 186 914 924	R 63 214 791	34%
2023/24	Permanent Staff – 174 Councillors – 12 Section 56 & 57 Managers - 3	R 244 270 000	R 82 398 706	34%
2024/25	Permanent Staff members- 171 Councillors- 12 Section56&57 Managers- 5	R 229 854 982	R 91 148 540	40%
2025/26	Permanent Staff members- 171 Councillors- 12 Section56&57 Managers- 4	R236 473 172	R 92 966 329	39%

4.9.1 Salary Disclosure

The MFMA 2003 requires that the salaries of the Councilors and the Senior Management be disclosed. The salaries are as follows:

4.8.1 Councillors

Refer to the Annual Financial Statements (AFS)

4.8.2 Section 56 And Section 57

Refer to the Annual Financial Statements (AFS)

4.9.2 Organisational Transformation and Institutional Development –KPA 1
Annual performance as per key performance indicators

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	4	4	100%	N/A
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	5	3	60%	The Municipality has five (5) approved Section 56 management positions. Of these, three (3) positions are currently filled, while two (2) positions remain vacant, namely the Municipal Manager (1) and the Director: Community Services (1) positions.
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	5	3	60%	A total of three (3) Section 57 Managers successfully attended the UIFWE training during the reporting period. The training enhanced their knowledge and competencies in the relevant areas, contributing to improved leadership capacity and institutional performance within the Municipality.
4	Percentage of Managers in Technical Services with a professional qualification	1	1	100%	The Technical Services Department has one (1) management position, namely the Director: Technical Services, who

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
					possesses the required professional qualification.
5	Level of PMS effectiveness in the DM – (DM to report)	PMS System effective at S56 & S57 level. The Municipality has started the process of the Cascading to lower levels however not all departments have successfully cascaded the PMS System. The programme is ongoing. A Individual Performance Policy was approved by Council in January 2025			
6	Level of effectiveness of PMS in the LM – (LM to report)				
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	162	78	48%	Human Resources is collaborating with line managers and supervisors to ensure full compliance and improve adherence to the applicable requirements. Continuous monitoring, guidance, and support will be provided to achieve 100% compliance.
8	Percentage of councillors who attended a skill development training within the current 5 year term	12	6	50%	Thirteen councillors attended skills development training during the current five-year term. Following vacancies caused by replacements and deaths, the newly appointed councillors have not yet completed the required training.
9	Percentage of staff complement with disability	5	3	2%	The Municipality has achieved 2% representation of employees with disabilities. In accordance with the Municipality's Employment Equity Plan,

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
					developed in terms of the Employment Equity Act, 1998 (Act No. 55 of 1998), targeted recruitment and employment equity measures will continue to be implemented to progressively achieve the 3% annual representation target.
10	Percentage of female employees	N/A	62	38%	The Municipality's full-time permanent staff complement consists of 162 employees, of which 62 are female employees, representing 38% of the total permanent workforce.
11	Percentage of employees that are aged 35 or younger	N/A	29	18%	The Municipality's full-time permanent staff complement consists of 162 employees, of which 29 employees are aged 35 years or younger, representing 18% of the total permanent workforce.
12	Adoption and implementation of a HRD including Workplace Skills Plan	1	1	100%	N/A

CHAPTER 5: MUNICIPAL AND FINANCIAL VIABILITY AND MANAGEMENT MUNICIPAL FINANCIAL V IABILITY AND MANAGEMENT

COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

5.1 OVERVIEW OF FINANCIAL PERFORMANCE

The financial performance of Kou-Kamma Local Municipality for the 2025/26 financial year is reported in accordance with the Municipal Finance Management Act (MFMA) and Generally Recognised Accounting Practice (GRAP), as reflected in the audited Annual Financial Statements for the year ended 30 June 2026.

The Auditor-General of South Africa (AGSA) issued a qualified audit opinion on the Municipality's Annual Financial Statements for the year under review. The qualification indicates that, while certain information in the financial statements was fairly presented, specific matters identified by the Auditor-General materially affected the accuracy and completeness of the reported financial information. Management acknowledges the audit outcome and has committed to addressing the matters raised through corrective actions and strengthened financial controls.

Despite a constrained financial environment, the Municipality continued to deliver basic services to its communities. However, ongoing challenges relating to revenue collection, creditor management, and cash flow pressures continued to impact overall financial sustainability.

The annual budget of 2025/26 was tabled and approved on the 30th of May 2025 in a municipal council meeting together with the IDP, municipal tariffs and budget related policies. The adjustment budget of 2025/26 was adopted on the 26th February 2026 in Municipal council together with revised SDBIP.

5.2 STATEMENT OF FINANCIAL PERFORMANCE

5.2.1 Revenue

Total revenue for the 2025/26 financial year showed an overall improvement compared to the prior year. Revenue from exchange transactions increased primarily due to improved water revenue, reflecting higher billing and consumption levels. Revenue from non-exchange transactions, particularly property rates, also increased as a result of property improvements and the addition of properties to the valuation roll.

However, revenue from fines improved during the year under review due to the appointment of a service provider.

Government grants and subsidies remained a significant source of funding for the Municipality, particularly for infrastructure development and service delivery projects. Grant funding was utilised in line with prescribed conditions, although unspent conditional grants were recorded at year-end, mainly due to project delays and procurement challenges.

5.2.2 Budgeted Financial Performance (revenue by source)

The Financial Performance Budget is required to be approved concurrently by revenue source type, so as to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the monthly results, the monthly budget-to-date projections and the original budget, so as to assess performance.

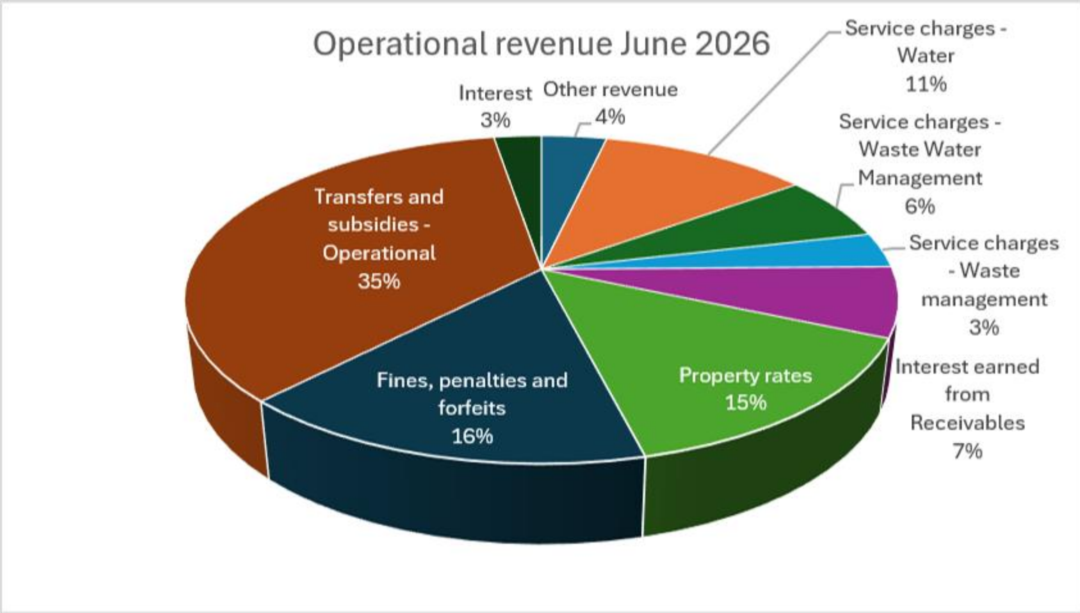
In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Budget revenue performance per source

EC109 Kou-Kamma - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Revenue</u>										
Exchange Revenue										
Service charges - Electricity		4 420	5 180	4 240	318	4 013	4 240	(227)	-5%	4 240
Service charges - Water		26 419	31 118	28 153	3 132	25 760	28 153	(2 393)	-8%	28 153
Service charges - Waste Water Management		15 509	18 290	15 790	2 261	14 502	15 790	(1 288)	-8%	15 790
Service charges - Waste management		8 126	9 192	8 192	1 246	7 826	8 192	(367)	-4%	8 192
Sale of Goods and Rendering of Services		1 126	458	587	37	569	587	(18)	-3%	587
Agency services		2 023	4 394	2 399	(1 764)	1 462	2 399	(937)	-39%	2 399
Interest								–		
Interest earned from Receivables		13 214	14 312	15 191	3 202	15 617	15 191	426	3%	15 191
Interest from Current and Non Current Assets		692	1 006	700	7	423	700	(277)	-40%	700
Dividends								–		
Rent on Land								–		
Rental from Fixed Assets		541	448	600	69	468	600	(132)	-22%	600
Licence and permits								–		
Special rating levies								–		
Operational Revenue		564	398	328	927	1 037	328	710	216%	328
Non-Exchange Revenue								–		
Property rates		32 864	35 443	32 784	(1)	32 775	32 784	(9)	0%	32 784
Surcharges and Taxes								–		
Fines, penalties and forfeits		6 824	39 916	43 000	4 502	36 329	43 000	(6 671)	-16%	43 000
Licence and permits		41	250	10	1	6	10	(4)	-42%	10
Transfers and subsidies - Operational		78 210	86 752	87 469	10 681	79 982	87 469	(7 487)	-9%	87 469
Interest		6 594	6 883	7 000	1 178	5 824	7 000	(1 176)	-17%	7 000
Fuel Levy								–		
Operational Revenue								–		
Gains on disposal of Assets		(11)	–	–	–	–	–	–		–
Other Gains								–		
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**197 156**	**254 041**	**246 443**	**25 796**	**226 593**	**246 443**	**(19 850)**	**-8%**	**246 443**

The year-to-date actuals of operating revenue is underperforming against year-to-date budget by 8%, which is not material.



The main operating revenue sources for the Municipality is Operational grants, Traffic fines and Property rates comprise 35%, 16% and 15% respectively. The Operational grants is mainly Equitable share and Property Rates is mainly Residential category.

Operating revenue significant variations:

Agency services

The year-to-date actuals is less than year to-date budget, this is due to road closure due to disaster and limited access to DLTC in Jourbertina for two months.

Interest earned from favorable bank balances

The year-to-date actuals is less than year to date budget, this is due to unfavorable bank balances.

Rental from Fixed assets

The year-to-date actuals is less than year to-date budget, this is due to adhoc rental agreements is less than anticipated.

Operating revenue exchange

The year-to-date actuals is more than year to date budget, this is due to proceeds from disposal of properties.

Traffic fines

The year-to-date actuals is less than year to date budget, this is due to only sec56 notices what was issued by the traffic officials for May 2026.The cameras was non -operational due to the approval that was not received from the Director of public prosecutions (DPP).

Licenses and permits

The year-to-date actuals is less than year to date budget, trading license fees were less than anticipated.

Interest

The year-to-date actuals is less than year-to-day budget, this is due to improved debt collection on rates, the effect of debt incentive schemes.

5.2.3 Expenditure

Operating expenditure increased compared to the previous financial year, driven mainly by employee-related costs and debt impairment. The Municipality continued to experience cost pressures associated with service delivery, maintenance of ageing infrastructure, and compliance requirements.

Efforts were made to contain expenditure and additional cost containment measures were adopted by Council in September 2025; however, financial constraints and operational demands limited the Municipality’s ability to significantly reduce costs without affecting service delivery.

Budgeted Financial Performance (expenditure by type)

The Financial Performance Budget is required to be approved concurrently by expenditure by type, so as to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the monthly results, the monthly budget-to-date projections and the original budget, so as to assess performance.

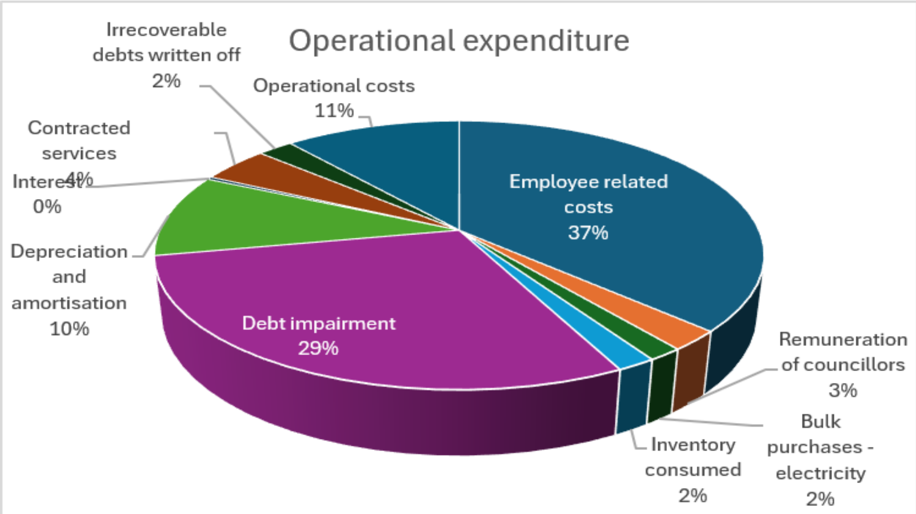
Budget expenditure by type

EC109 Kou-Kamma - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Expenditure By Type										
Employee related costs		85 734	84 546	85 810	13 405	87 322	85 810	1 512	2%	85 810
Remuneration of councillors		5 415	5 623	5 623	931	5 644	5 623	21	0%	5 623
Bulk purchases - electricity		4 046	4 827	4 827	1 555	3 690	4 827	(1 137)	-24%	4 827
Inventory consumed		5 392	8 694	6 287	355	4 142	6 287	(2 144)	-34%	6 387
Debt impairment		48 413	48 495	56 886	7 617	69 390	56 886	12 503	22%	56 886
Depreciation and amortisation		23 684	25 819	25 819	2 152	23 667	25 819	(2 152)	-8%	25 819
Interest		1 102	952	945	129	798	945	(147)	-16%	945
Contracted services		12 364	17 252	16 952	1 286	10 187	16 952	(6 765)	-40%	16 870
Transfers and subsidies								-		
Irrecoverable debts written off		20 279	20 373	20 373	977	5 299	20 373	(15 075)	-74%	20 373
Operational costs		28 469	32 769	32 548	3 894	26 334	32 548	(6 214)	-19%	32 530
Losses on Disposal of Assets		5	-	-	-	-	-	-		-
Other Losses								-		
Total Expenditure		234 903	249 350	256 070	32 301	236 473	256 070	(19 597)	-8%	256 070

Budgeted Financial Performance (Operating expenditure)

The year-to-date actuals is underperforming against year-to-date budget by 8% which is not material.



The main operating expenditure types for the Municipality is employee related costs and bad debt impairment comprise 37% and 29% respectively, the employee related costs comprise mainly basic salaries. The Bad debt provisions is due to low collection rate from mainly traffic fines and water services.

Operating expenditure significant variations:

Bulk purchases - electricity

The year-to-date actuals is less than year to date budget, this is due to the electricity meter of Eskom is faulty at Kagiso height in the meanwhile Eskom is only charging availability no consumption charges since August 2024.

Inventory consumed, contracted services and operational costs

The year-to-date actuals is less than the year-to-date budget, this is due to cost containment measures implemented as per cost containment policy.

Debt impairment

The year-to-date actuals is more than the year-to-date budget, this is due to high bad debt provisions on Traffic fines and water services resulted from low collection rate.

Interest expense

The year-to-date actuals is less than the year-to date budget, this is due to agreements with creditors.

Bad debt written off

The year-to-date actuals is less than year to date budget, this is due to debt of new indigents not written off yet on 2025/26 financial year, the write off will be processed at year end.

5.3 STATEMENT OF FINANCIAL POSITION

As at 30 June 2025, the Municipality's financial position reflected a continued imbalance between assets and liabilities. While total assets increased, mainly due to infrastructure investment and capital projects, current liabilities exceeded current assets, indicating ongoing liquidity challenges.

Trade and other receivables increased during the year, particularly assessment rates debtors. A significant portion of outstanding receivables remains impaired, reflecting long-outstanding consumer debt and challenges in revenue collection. The Municipality continues to implement its Credit Control and Debt Collection Policy to improve collections, including the levying of interest, restriction of services, and handover of accounts for collection where appropriate.

Payables from exchange transactions increased during the year, indicating pressure on the Municipality's ability to settle creditors within legislated timeframes. This remains an area of concern and is closely monitored by management.

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity, i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first

EC109 Kou-Kamma - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		6 252	1 508	5 662	688	5 662
Trade and other receivables from exchange transactions		56 803	73 525	79 036	54 121	79 036
Receivables from non-exchange transactions		17 472	48 581	48 581	47 928	48 581
Current portion of non-current receivables		24	29	24	24	24
Inventory		230	1 444	1 444	798	1 444
VAT		21 353	17 376	10 712	6 190	10 712
Other current assets						
Total current assets		**102 135**	**142 462**	**145 459**	**109 750**	**145 459**
Non current assets						
Investments						
Investment property		62 233	24 957	24 957	24 952	24 957
Property, plant and equipment		369 267	469 905	401 352	405 796	401 352
Biological assets						
Living and non-living resources						
Heritage assets						
Intangible assets		(68)	20	20	10	20
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions						
Other non-current assets						
Total non current assets		**431 432**	**494 882**	**426 328**	**430 758**	**426 328**
TOTAL ASSETS		**533 566**	**637 343**	**571 787**	**540 508**	**571 787**
LIABILITIES						
Current liabilities						
Bank overdraft						
Financial liabilities						
Consumer deposits		249	232	232	257	232
Trade and other payables from exchange transactions		51 901	41 484	41 484	43 256	41 484
Trade and other payables from non-exchange transactions		37 032	–	(1 644)	31 153	(1 644)
Provision		11 537	3 034	3 034	11 833	3 034
VAT		(3 715)	1 916	–	18 362	–
Other current liabilities		296	–	–	–	–
Total current liabilities		**97 301**	**46 667**	**43 107**	**104 861**	**43 107**
Non current liabilities						
Financial liabilities						
Provision		6 215	6 966	6 966	3 472	6 966
Long term portion of trade payables						
Other non-current liabilities		9 899	7 155	7 155	9 899	7 155
Total non current liabilities		**16 114**	**14 122**	**14 122**	**13 371**	**14 122**
TOTAL LIABILITIES		**113 415**	**60 789**	**57 228**	**118 232**	**57 228**
NET ASSETS	2	**420 151**	**576 555**	**514 559**	**422 276**	**514 559**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		367 455	576 555	514 559	334 033	514 559
Reserves and funds		60 241	–	–	60 241	–
Other		9 899	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**437 595**	**576 555**	**514 559**	**394 274**	**514 559**

5.4 CASH FLOW MANAGEMENT

Cash and cash equivalents improved compared to the previous financial year; however, cash flow constraints remain a significant risk to the Municipality. Cash generated from operating activities was insufficient to fully meet operational and creditor obligations, resulting in reliance on delayed payments and prioritisation of critical expenses.

The Municipality continues to manage cash flow through strict cash management practices, prioritisation of essential payments, and ongoing monitoring of cash balances.

The purpose of the cash flow statement is to compare the cash inflows (receipts) with the cash outflows (payments), so as to ascertain the adequacy of the cash inflows to cover the cash outflows.

EC109 Kou-Kamma - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		23 747	27 291	30 778	1 816	32 564	28 213	1 141	17%	30 778
Service charges		12 310	30 012	22 489	2 026	22 332	20 615	(4 711)	-63%	22 489
Other revenue		2 476	18 017	12 622	855	23 847	11 570	(4 063)	-90%	12 622
Transfers and Subsidies - Operational		86 342	86 752	85 825	–	74 258	78 673	11 300	52%	85 825
Transfers and Subsidies - Capital		57 914	47 076	46 859	–	49 159	42 954	22 065	187%	46 859
Interest		171	–	11 851	87	477	10 864	–		11 851
Dividends						–	–	–		–
Payments										
Suppliers and employees		(93 488)	(164 194)	(161 140)	(4 889)	(163 887)	(147 711)	133	0%	(161 140)
Interest		–	(952)	(945)	(129)	(129)	(866)	238	-100%	(945)
Transfers and Subsidies				–		–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**89 472**	**44 002**	**48 340**	**(235)**	**38 621**	**44 312**	**(26 102)**	**-237%**	**48 340**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Decrease (increase) in non-current receivables								–		
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		–	(59 539)	(48 849)	–	(43 950)	(44 778)	6 271	-42%	(48 849)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**(59 539)**	**(48 849)**	**–**	**(43 950)**	**(44 778)**	**(6 271)**	**42%**	**(48 849)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits								–		
Payments										
Repayment of borrowing								–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**89 472**	**(15 537)**	**(509)**	**(235)**	**(5 330)**	**(467)**			**(509)**
Cash/cash equivalents at beginning:		(84 327)	3 409	6 171	1 125	6 220	5 656	(10 805)		6 171
Cash/cash equivalents at month/year end:		5 145	(12 128)	5 662	890	890	5 190			5 662

5.4.1 Debtors' Age Analysis

The **debtors' age analysis** reflects the balance of R 356 973 million as at the end of June 2026. The current balance of debtors is R 13 591 million, which is 3.81% of total debtors' balance. Major debtors of the municipality relate to water service, which is 37.13% of debtors.

EC109 Kou-Kamma - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description R thousands	NT Code	Budget Year 2025/26 0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	4 791	3 318	2 365	2 960	2 914	2 870	112 071	1 250	132 539	122 065	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14	0	0	0	0	0	31	(3)	43	28	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	3 767	1 679	1 034	1 407	1 731	1 617	81 801	10 492	103 529	97 049	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	3 393	1 867	1 827	1 823	1 807	1 788	68 346	532	81 383	74 297	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 526	924	899	892	879	872	31 373	115	37 480	34 131	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	91	48	41	47	46	46	1 416	(20)	1 715	1 535	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	9	6	3	6	6	6	260	(11)	284	266	-	-
Total By Income Source	**2000**	13 591	7 841	6 170	7 135	7 383	7 199	295 298	12 356	356 973	329 371	-	-
2024/25 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	378	187	131	141	154	148	5 674	(332)	6 482	5 786	-	-
Commercial	2300	809	305	246	260	259	256	10 876	1 414	14 426	13 065	-	-
Households	2400	10 782	6 473	5 258	6 049	5 950	5 876	222 810	11 925	275 125	252 611	-	-
Other	2500	1 622	876	534	685	1 020	918	55 939	(652)	60 941	57 909	-	-
Total By Customer Group	**2600**	13 591	7 841	6 170	7 135	7 383	7 199	295 298	12 356	356 973	329 371	-	-

5.4.2 Creditors' Age Analysis

The **creditors' age analysis** reflects a balance of R 20 227 million as at the end of June 2026. The current balance of creditors is R 1 186 million which is 5.87% of total creditors' balance. Major creditors of the municipality relate to Auditor General that makes up 21.60% of the total debt.

EC109 Kou-Kamma - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

Description R thousands	NT Code	Budget Year 2025/26 0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	773	451	598	-	-	-	-	-	1 822
Bulk Water	0200	-	-	-	-	-	-	-	12	12
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	414	2 229	1 696	934	171	(66)	13	8 633	14 024
Auditor General	0800	-	38	36	110	301	85	2 254	1 544	4 368
Other	0900	-	-	-	-	-	-	-	-	-
Medical Aid deductions	0950	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	1 186	2 718	2 331	1 044	473	19	2 267	10 189	20 227

5.5 KEY FINANCIAL INDICATORS / RATIO's

Key financial indicators for the year under review highlight the Municipality's financial challenges:

- **Liquidity position:** Current liabilities exceed current assets, indicating limited ability to meet short-term obligations.
- **Debtors:** High levels of outstanding and impaired consumer debt continue to negatively affect cash flow.
- **Creditors:** Increasing trade payables reflect ongoing financial strain and require focused management intervention.

These indicators confirm the need for strengthened financial management and improved revenue enhancement strategies.

5.6 AUDIT OUTCOME AND FINANCIAL GOVERNANCE

The **qualified audit opinion** issued by the Auditor-General highlights weaknesses in certain areas of financial reporting and control. Management has developed an audit action plan to address the matters raised, including improvements in record-keeping, asset management, revenue management, and compliance with accounting standards.

Internal controls and oversight structures, including the Audit Committee and Internal Audit function, continue to play a critical role in strengthening financial governance. The Municipality remains committed to improving audit outcomes and enhancing financial sustainability in the medium to long term.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.7 CAPITAL EXPENDITURE

Budgeted Capital Expenditure by vote, standard classification and funding

Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding necessary to fund the capital budget, including information on capital transfers from national and provincial departments

Budget capital expenditure functional capacity and funding

EC109 Kou-Kamma - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

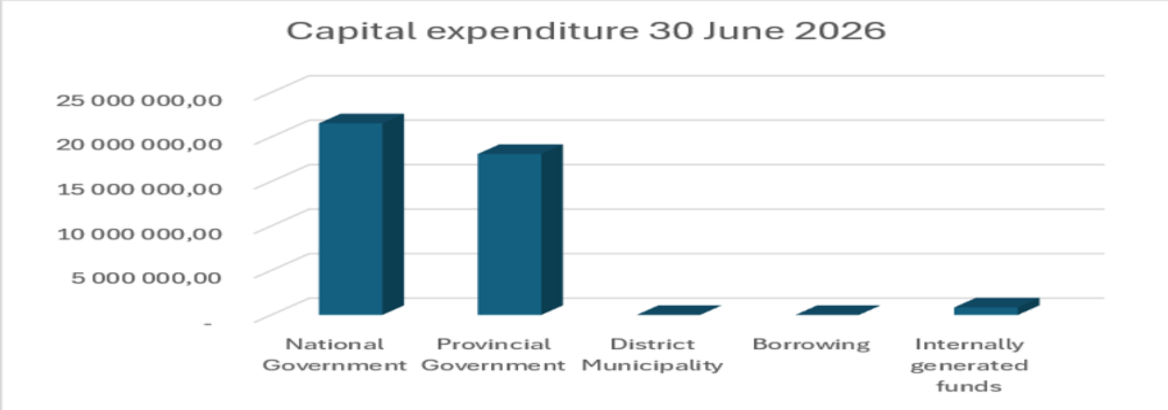
Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital Expenditure - Functional Classification										
Governance and administration		109	2 100	2 060	10	296	2 060	(1 764)	-86%	2 060
Executive and council								–		
Finance and administration		109	2 100	2 060	10	296	2 060	(1 764)	-86%	2 060
Internal audit								–		
Community and public safety		49	2 180	2 180	–	–	2 180	(2 180)	-100%	2 180
Community and social services		49	714	714	–	–	714	(714)	-100%	714
Sport and recreation								–		
Public safety		–	1 466	1 466	–	–	1 466	(1 466)	-100%	1 466
Housing								–		
Health								–		
Economic and environmental services		9 005	13 841	14 705	1 113	24 360	14 705	9 655	66%	14 705
Planning and development								–		
Road transport		9 005	13 841	14 705	1 113	24 360	14 705	9 655	66%	14 705
Environmental protection								–		
Trading services		24 332	32 487	31 595	1 136	15 820	31 595	(15 775)	-50%	31 595
Energy sources		8 932	10 181	10 003	1 136	4 096	10 003	(5 907)	-59%	10 003
Water management								–		
Waste water management		15 399	22 306	21 592	–	11 724	21 592	(9 868)	-46%	21 592
Waste management								–		
Other								–		
Total Capital Expenditure - Functional Classification	3	33 495	50 609	50 540	2 259	40 476	50 540	(10 064)	-20%	50 540
Funded by:										
National Government		25 476	36 842	36 664	(228)	21 531	36 664	(15 133)	-41%	36 664
Provincial Government		7 697	8 500	8 500	2 477	18 093	8 500	9 593	113%	8 500
District Municipality		–	1 466	1 466	–	–	1 466	(1 466)	-100%	1 466
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)								–		
Transfers recognised - capital		33 174	46 809	46 630	2 249	39 624	46 630	(7 007)	-15%	46 630
Borrowing	6							–		
Internally generated funds		321	3 800	3 910	10	853	3 910	(3 057)	-78%	3 910
Total Capital Funding		33 495	50 609	50 540	2 259	40 476	50 540	(10 064)	-20%	50 540

Budgeted Capital Expenditure by vote, standard classification and funding

As at 30 June 2026, the 97.90% of the Capital is funded by conditional grants..

5.8 SOURCES OF FINANCE

The following graph provides a breakdown of the capital per funding as at 30 June 2026:



5.9 CAPITAL SPENDING ON PROJECTS

- Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**73 722**	**80 608**	**80 615**	–	**80 615**	**80 615**	–		**80 615**
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		69 003	72 001	72 001	–	72 001	72 001	–		72 001
Expanded Public Works Programme Integrated Grant		1 258	1 490	1 490	–	1 490	1 490	–		1 490
Local Government Financial Management Grant		2 600	2 600	2 600	–	2 600	2 600	–		2 600
Municipal Infrastructure Grant		861	4 517	4 524	–	4 524	4 524	–		4 524
Provincial Government:		–	**1 644**	**1 644**	–	**1 644**	**1 644**	–		**1 644**
DEDEAT grant		–	–	–	–	–	–	–		–
Library grant		–	1 644	1 644	–	1 644	1 644	–		1 644
Other transfers and grants [insert description]								–		
District Municipality:		**2 805**	**2 500**	**5 000**	–	–	**5 000**	(5 000)	-100,0%	**5 000**
Subsidies from Sarah Baartman District		**2 805**	**2 500**	**5 000**	–		**5 000**	15 889	317,8%	**5 000**
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total Operating Transfers and Grants	5	**76 527**	**84 752**	**87 259**	–	**82 259**	**87 259**	**(5 000)**	-5,7%	**87 259**
Capital Transfers and Grants										
National Government:		24 298	43 351	35 344	–	26 610	35 344	(8 734)	**-24,7%**	35 344
Energy Efficiency and Demand Side Management Grant		4 000	3 000	3 000	–	3 000	3 000	–		3 000
Integrated National Electrification Programme Grant		5 321	8 978	8 978	–	4 040	8 978	(4 938)	-55,0%	8 978
Municipal Disaster Response Grant		952	8 000	–	–	–	–	–		–
Municipal Infrastructure Grant		10 149	13 373	13 366	–	13 366	13 366	–		13 366
Water Services Infrastructure Grant		3 875	10 000	10 000	–	6 204	10 000	(3 796)	-38,0%	10 000
Other capital transfers *[insert description]*								–		
Provincial Government:		–	**10 000**	**10 000**	–	**20 889**	**10 000**	10 889	108,9%	**10 000**
Small Town Retalisation - OTP		–	**10 000**	**10 000**	–	**20 889**	**10 000**	#REF!	#REF!	**10 000**
District Municipality:		–	**1 725**	**1 725**	–	–	**1 725**	(1 725)	-100,0%	**1 725**
Fire grant		–	**1 725**	**1 725**	–	–	**1 725**	(1 725)	-100,0%	**1 725**
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total Capital Transfers and Grants	5	**24 298**	**55 076**	**47 069**	–	**47 499**	**47 069**	**430**	**0,9%**	**47 069**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	100 825	139 828	134 328	–	129 758	134 328	(4 570)	-3,4%	134 328

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

5.10 CASHFLOW

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		70 697 377	(58 695 823)
Government grants and subsidies		135 304 203	123 107 357
Interest received on investments	26	691 658	467 803
Other receipts		(16 941 708)	118 739 189
		189 751 530	183 618 526
Payments			
Employee costs and remuneration of councillors	28 & 29	(91 148 540)	(86 939 893)
Suppliers paid		(55 909 176)	(58 800 358)
Finance costs	31	(1 102 274)	(978 770)
		(148 159 990)	(146 719 021)
Net cash flows from operating activities	39	**41 591 540**	**36 899 505**
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(36 269 327)	(40 352 792)
Net cash flows from investing activities		**(36 269 327)**	**(40 352 792)**
Cash flows from financing activities			
Net increase/(decrease) in cash and cash equivalents		**5 322 213**	**(3 453 287)**
Cash and cash equivalents at the beginning of the year		848 406	4 301 693
Cash and cash equivalents at the end of the year	7	**6 170 619**	**848 406**

COMPONENT D: OTHER FINANCIAL MATTERS

5.11 SUPPLY CHAIN

Supply Chain Management (SCM) in a municipality is the process used to **plan, procure, manage and monitor goods, services and infrastructure needed to deliver services to the community**.

Municipal SCM must be conducted in a way that promotes fairness, transparency, competitiveness and cost-effectiveness, while complying with the MFMA and the municipality's SCM policy.

Key areas of municipal SCM

- 📋 **Demand management** – identifying what the municipality needs and planning procurement.
- 📝 **Specification management** – clearly defining the goods, services or works required.
- 📢 **Acquisition management** – obtaining quotations or bids in accordance with the applicable thresholds and rules.
- 🔍 **Bid evaluation and adjudication** – assessing bids and making procurement decisions through the appropriate committees.
- 📦 **Contract management** – ensuring suppliers deliver according to the contract.
- 💰 **Payment management** – ensuring valid invoices are processed and suppliers are paid correctly.
- ⚠️ **Compliance monitoring** – preventing irregular, unauthorised, fruitless and wasteful expenditure.
- 🤝 **Supplier management** – monitoring supplier performance and resolving contract problems.

5.12.1 SCM Performance

- For the 2025/26 financial year there were 125 deviations with a value of R4,091,297.51.
  There has been a drastic decrease of 54% in deviations from 24/25 where there were 240 deviations with a value of R9,037,607.

- Irregular expenditure for 2025/26 financial year is R13,212,418.11, which has also resulted in a decrease of 56% from the 2024/25 financial year of R23,588,478.

- Four tenders were awarded, three being rates based and one for an amount of R7,786,472.24.

- Twelve requests for quotations (RFQ's) were awarded, ten awards amounted to R1,523,478.17 and two were awarded based on percentage of commission.

5.12 GRAP COMPLIANCE

GRAP stands for **Generally Recognised Accounting Practice**. It is the set of accounting standards that municipalities and other public-sector entities use when preparing their financial statements.

GRAP compliance means that the Municipality's financial records and Annual Financial Statements are prepared in accordance with the applicable GRAP standards and the requirements of the Municipal Finance Management Act (MFMA).

Key areas of GRAP compliance

- 📊 **Accurate financial statements** and disclosures.
- 🏗 Correct accounting for **property, plant and equipment (PPE)**.
- 💰 Proper recognition of **revenue and expenditure**.
- 📋 Accurate recording of **assets and liabilities**.
- 👥 Correct accounting for **employee benefits**.
- 📜 Proper treatment of **leases, provisions and contingent liabilities**.
- 🔍 Adequate supporting documentation and audit evidence.
- 📑 Compliance with applicable **GRAP standards and National Treasury requirements**.
- ⚠ Correcting **material misstatements** identified during the audit.

CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR GENERAL OPINION OF FINANCIAL STATEMENTS

6.1 Auditor-General's Opinion

The Auditor-General of South Africa (AGSA) has audited the financial statements of KouKamma Local Municipality for the financial year ended **30 June 2025** and expressed a **qualified audit opinion**.

A qualified opinion indicates that, except for the matters described in the **Basis for Qualified Opinion**, the financial statements present fairly, in all material respects, the financial position and financial performance of the Municipality in accordance with the applicable financial reporting framework and the requirements of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003.

6.2 Basis for Qualified Opinion

The qualification was mainly due to the following material matters identified during the audit:

6.2.1 Property, Plant and Equipment (PPE)

The Auditor-General was unable to obtain sufficient appropriate audit evidence regarding the **completeness, existence and valuation of property, plant and equipment**. This was as a result of inadequate asset records and deficiencies in the asset management system. Consequently, the AG could not confirm the accuracy of PPE balances disclosed in the financial statements.

6.2.2 Infrastructure Assets

Material misstatements were identified in the **measurement and disclosure of infrastructure assets**, including roads, stormwater, and other municipal infrastructure. The Municipality did not have adequate supporting documentation and reliable records to substantiate the values of certain infrastructure assets.

6.3 Emphasis of Matter

The Auditor-General did not raise an emphasis of matter paragraph separate from the qualification; however, attention was drawn to ongoing challenges relating to **asset management**, which continue to impact the credibility of the financial statements.

6.4 Material Findings on Compliance with Legislation

The AGSA identified **material non-compliance** with key legislation, particularly in the following areas:

6.4.1 Supply Chain Management

- Instances of non-compliance with SCM regulations were identified, including deviations that were not properly justified or approved.
- Inadequate contract management controls were noted.

6.4.2 Expenditure Management

- Irregular expenditure was incurred as a result of non-compliance with applicable SCM prescripts.
- The Municipality did not always take timely and appropriate steps to prevent or deal with irregular expenditure, as required by section 62(1)(d) of the MFMA.

6.5 Material Findings on Performance Information

The Auditor-General identified deficiencies in the **quality of performance information**, including:

- Inconsistent reporting between planned targets and actual performance.
- Insufficient supporting documentation to validate reported achievements.
- Weak monitoring and review processes for performance reporting.

6.6 Internal Control Deficiencies

The AGSA identified internal control deficiencies in the following areas:

6.6.1 Leadership

- Lack of adequate oversight and consequence management.
- Slow response by management in addressing prior-year audit findings.

6.6.2 Financial and Performance Management

- Weak controls over asset management and financial reporting.
- Inadequate review processes prior to submission of financial statements.

6.6.3 Governance

- Audit Action Plans were not fully implemented or monitored.
- Insufficient coordination between management, internal audit, and the Audit Committee.

6.7 Audit Action Plan and Management Response

Management has developed a comprehensive **Audit Action Plan** to address all issues raised by the Auditor-General. Key corrective actions include:

- Strengthening the asset management system and updating the asset register.
- Conducting regular physical verification of assets.
- Improving SCM compliance and contract management.
- Enhancing oversight, monitoring, and consequence management.
- Capacity building and training of officials responsible for financial and performance reporting.

The Municipality commits to implementing these corrective measures to improve audit outcomes and move towards achieving an **unqualified audit opinion** in the next financial year.

6.8 Conclusion

The Municipality acknowledges the findings raised by the Auditor-General and recognises the need to strengthen internal controls, compliance, and governance processes. Council and Management remain committed to improving financial management practices and ensuring accountability, transparency, and good governance.

Below is an overview of the Auditor-General Report includes the issues raised during the audit and remedial action taken to address the matters identified in the audit report.

AUDITOR GENERAL REPORT 2025/26

Report of the auditor-general to the Eastern Cape Legislature and Council on the Kou Kamma Local Municipality

Report on the audit of the financial statements

1. I have audited the financial statements of the Kou Kamma Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kou Kamma Local Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (DoRA).

Basis for qualified opinion

Property, plant and equipment

3. The municipality did not adequately assess the conditions of the assets at the reporting date to determine whether there were any indications of impairment and that the expectations on the useful lives of property, plant and equipment had changed in accordance with GRAP 17, Property, plant and equipment. I was unable to determine the impact on property, plant and equipment stated at R389,09 million and depreciation stated at R23,74 million in note 9 to the financial statements respectively, as it was impracticable to do so. There was also an impact on the surplus for the period and on the accumulated surplus which was impracticable to determine.

4. I was unable to obtain sufficient appropriate evidence for the opening balance of infrastructure – WIP of R65,79 million as disclosed in note 9 to the financial statements due to the poor state of recordkeeping for WIP expenditure. I was unable to confirm the opening balance of infrastructure WIP by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the opening balance of infrastructure WIP stated at R65,79 million and the closing balance of infrastructure WIP stated at R72,58 milion in the financial statements.

5. Furthermore, the municipality did not accurately disclose the transfer of finished infrastructure from infrastructure work in progress. As a result, the transfers of R29,15 million as disclosed in note 9 to the financial statements is understated R12,77 million.

6. Paragraph 87 of GRAP 17 *Property plant and equipment* (PPE*)* requires that the cumulative expenditure of PPE that is in the process of being constructed and recognised in the carrying value of PPE to be disclosed in the notes to the financial statements. Additions to infrastructure WIP of R35,94 million was disclosed in note 9 to the financial statements. The municipality did not accurately account for all the expenditure relating to work in progress resulting in WIP being understated by R5,67 million.

Revenue from exchange transactions – water service charges

7. The municipality did not bill for and record all revenue owing to it for water services rendered, as required by GRAP 9, Revenue from exchange transactions. This was due to water meters not being read or consumers not having a water meter. As a result, I was unable to obtain sufficient and appropriate audit evidence that water services revenue was fully accounted for, due to poor controls over the management of water meters. I was unable to confirm the water services revenue through alternative means. Consequently, I was unable to determine if any further adjustments were necessary to water service charge revenue stated at R26,42 million in note 24 of the financial statements.

Cash flow statement

8. The municipality did not correctly prepare and disclose the net cash flows from operating activities as required by GRAP 2, *Cash flow statements.* This was due to multiple errors in determining net cash flows from operating activities for both current year and prior year restated figures. I was not able to determine the full extent of the errors in the net cash flows from operating activities as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to the net cash flows from operating activities as stated at R41,59 million (2024: R36,89 million) in the financial statements were necessary.

9. The municipality did not correctly prepare and disclose the net cash flows from operating activities as required by GRAP 2, *Cash flow statements.* This was due to errors in determining cash flows from investing activities for both current year and prior year restated figures. I was not able to determine the full extent of the errors in the net cash flows from operating activities as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to cash flows from investing activities as stated at R36,27 million (2024: R40,35 million) in the financial statements were necessary.

***The full report of the Auditor General is attached as an append**

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give *"full and regular"* reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe *"what we do"*.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	• Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management

	• Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: *a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and* *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned*

APPENDIX A: COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	**Full Time / Part Time** **FT/PT**	**Committees Allocated**	***Ward and/ or Party Represented**	**Percentage Council Meetings Attendance** **%**	**Percentage Apologies for non-attendance** **%**
Cllr Dudley Maasdorp	F/T	None	Ward 3	100%	100%
Mpumelelo Sam Vuso	F/T	Chairperson of the Finance and LED standing Committee Chairperson Executive Committee	PR	100%	100%
Cllr Vuyani Persent	P/T	Member of Technical Service and Community Service Standing Committee Local Labour Forum	Ward 4	50%	50%
Cllr. Clive Witbooi	P/T	Member of the Corporate Service Standing Committee MPAC	Ward 5	100%	100%
Cllr Nomathamsanqa Majola	P/T	Member of the Corporate Service Standing Committee Member of Finance, LED, Public Participation, Tourism, Audit Service, SPU, IDP Communications, PMS and Risk Standing Committee, MPAC Chairperson	Ward 6	100%	100%
Cllr. Michael Hartz	P/T	Member of the Technical and Community Services Standing Committee	Ward 2	100%	100%
Cllr Betrum Korkee	P/T	Member of the Finance and LED Standing Committee	Ward 1	100%	100%
Cllr Sharon Ferguson	P/T	Member of the Corporate Service Standing Committee, MPAC	PR	80%	20%
Cllr Brendon Jantjies	P/T	Chairperson of the Technical Service and Community Service Standing Committee Member of the Finance and LED Standing Committee, Executive Committee, MPAC	PR	80%	20%
Cllr James Krige	P/T	Member of the Technical Services and Community Standing Committee	PR	50%	50%
Cllr Kerneels Smit	P/T	Chairperson of Corporate Services Standing Committee, Executive Committee	PR	100%	
Cllr. Thembalethu Williams	P/T	Member of the Finance and LED Standing Committee, MPAC Chairperson	PR	90%	10%
*Note: * Councillors appointed on a proportional basis do not have wards allocated to them*					

APPENDIX B: COMMITTEE AND COMMITTEE PURPOSE

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	**Purpose of Committee**
MUNICPAL PORTFOLIO COMMITTEES	Portfolio Committees are committees of a municipal council that focus on specific areas of municipal work, such as finance, infrastructure, community services, local economic development, or corporate services. Their main purpose is to scrutinise, monitor and make recommendations on matters within their assigned portfolios before issues go to the full Municipal Council.
MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	A Municipal Public Accounts Committee (MPAC) is a committee of a municipal council in South Africa that helps ensure that the municipality uses public money properly and is accountable to the community. MPACs are established under the Municipal Structures Act, and their role includes overseeing the municipality's finances and performance.
AUDIT COMMITTEE	A Municipal Audit Committee is an independent advisory committee that helps a municipality strengthen financial management, internal controls, risk management, governance and accountability. In South Africa, municipalities are required to have an Audit Committee under Section 166 of the Municipal Finance Management Act (MFMA).
RISK COMMITTEE	A Municipal Risk Management Committee (RMC) is a committee that helps a municipality identify, assess, manage and monitor risks that could prevent it from achieving its objectives and delivering services effectively. Municipalities are required to maintain effective and transparent systems of financial and risk management and internal control under the MFMA.
ICT COMMITTEE	An ICT (Information and Communication Technology) Committee, often called an ICT Steering Committee, is a municipal governance structure that oversees how technology is planned, managed, secured and used to support municipal operations and service delivery. Municipal ICT governance frameworks commonly link ICT planning to the municipality's strategic objectives and IDP.
MSCOA COMMITTEE	mSCOA stands for Municipal Standard Chart of Accounts. It is the standard financial classification system used by South African municipalities to ensure that municipal budgets, transactions, accounting and financial reporting are recorded consistently. mSCOA applies to municipalities and municipal entities under the regulations issued by National Treasury. A Municipal mSCOA Committee, often called the mSCOA Steering Committee, oversees the municipality's implementation and ongoing compliance with mSCOA.
SCM COMMITTEES	SCM means Supply Chain Management. Municipal SCM committees help ensure that the municipality purchases goods, services and works fairly, transparently, competitively and cost-effectively. The MFMA requires municipal SCM policies to comply with a prescribed regulatory framework. For competitive bids, the Municipal SCM Regulations provide for three main committees: BID SPECIFICATION COMMITTEE, BID EVALUATION COMMITTEE, BID ADJUDICATION COMMITTEE
KOUKAMMA SPLUMA APPEALS COMMITTEE	Koukamma SPLUMA Appeals Committee and the Engineering Services Portfolio Chairperson being the Deputy Chairperson of the Committee, to consider all appeals relating to land development in terms of Section 51(1) of the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) and Section 126(1) of the Koukamma Spatial Planning and Land Use Management By-law (2016).

APPENDIX C: ADMINISTRATIVE STRUCTURE (THIRD TIER)

THIRD TIER STRUCTURE	
DIRECTORATE	**DIRECTOR/MANAGER (STATE TITLE AND NAME)**
MUNICIPAL MANAGER'S OFFICE	ACTING MUNICIPAL MANAGER - NTOMBIKAYISE MNYENGEZA
	DIRECTOR CORPORATE SERVICES - LUCAS SOMTSEU
	DIRECTOR TECHNICAL SERVICE - MZWAMADODA QALABA
	DIRECTOR COMMUNITY SERVICES - VACANT
	CHIEF FINANCIAL OFFICER - MICHELLE KERR
	MANAGER IDP - MLIBOSI MBEKI
	MANAGER PMS - HILDRETH FAULKNER
	MANAGER LED - NOMAKHAYA MONDE
	CHIEF AUDIT EXECUTIVE - VACANT
CORPORATE SERVICERS	DIRECTOR CORPORATE SERVICES - LUCAS SOMTSEU
	HR MANAGER - NADIA STOKWE
	ADMINISTRATION MANAGER - MIRANDA WITBOOI SIKO
	MANAGER ICT - MOLEFE MOLEFE
TECHNICAL SERVICES	DIRECTOR TECHNICAL SERVICE - MZWAMADODA QALABA
	MANAGER WATER AND SANITATION - VACANT
	MANAGER PMU - VACANT
	MANAGER SPATIAL PLANNING AND DEVELOPMENT - AGCOLIBE MAZANTSANA
BUDGET AND TREASURY	CHIEF FINANCIAL OFFICER - MICHELLE KERR
	MANAGER : SUPPLY CHAIN - MAXWELL MZINZI
	MANAGER : BURGET AND REPORTING - THANDUXOLO T. MRWETYANA
	MANAGER : REVENUE AND EXPEDITURE - SIZEKA HULANA
COMMUNITY SERVICES	DIRECTOR COMMUNITY SERVICES - VACANT
	MANAGER COMMUNITY SERVICES - VACANT
	CHIEF FIRE OFFICE - JOHN CONWAY
	CHIEF TRAFFIC OFFICER - PAULIS FLOORS

APPENDIX D: FUNCTIONS & POWERS OF MUNICIPALITY

The Koukamma Municipality had the functions and powers assigned to it in terms of sections 156 and 229 of the Constitution.

The functions and powers referred to in subsection (1) must be divided in the case of a district municipality and the local municipalities within the area of the district municipality, as set out in this Chapter.

A district municipality must seek to achieve the integrated, sustainable and equitable social and economic development its area as a whole by-

a) Ensuring integrated development planning for the district as a whole;
b) Promoting bulk infrastructural development and services for the district as a whole;
c) Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking; and
d) Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within its area.

Division of functions and powers between district and local municipalities. -

A district municipality has the following functions and powers-

a) Integrated development planning for the district municipality as a whole, including a framework for integrated development plans of all municipalities in the area of the district municipality.
b) Potable water supply systems.
c) Bulk supply of electricity, which includes for the purposes of such supply, the transmission, distribution and, where applicable, the generation of electricity.
d) Domestic wastewater and sewerage disposal systems.
e) Solid waste disposal sites, in so far as it relates to;
    I. The determination of a waste disposal strategy;
    II. The regulation of water disposal;
    III. The establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district.
f) Municipal roads which form an integral part of a road transport system for the area of the district municipal as a whole.
g) Regulation of passenger transport services.
h) Municipal airports serving the area of the district municipality.
i) Municipal health services.
j) Firefighting services serving the area of the district municipality, which includes planning, co-ordination and regulation of fire services;

- specialised firefighting services such as mountain, veld and chemical fire services;
- co-ordination of the standardization of infrastructure, vehicles equipment and procedures;
- training of fire officers.

k) The establishment, conduct and control of fresh produce markets and abattoirs services the area of a major proportion of the municipalities in the district.

l) The establishment, conduct and control of cemeteries and crematoria serving the area of a major proportion of municipalities in the district.

m) Proportion of local tourism for the area of the district municipality.

n) Municipal public works relating to any of the above functions or any other functions assigned to the district municipality.

o) The receipt, allocation and, if applicable, the distribution of grants made to the district municipality.

p) The imposition and collection of taxes, levies and duties as related to the above functions or as may be assigned to the district municipality in terms of national legislation.

A local municipality has the functions and powers referred to in section 83 (1), excluding those functions and powers vested in terms of subsection (1) of this section in the district municipality in whose area it falls.

a) The Minister may, by notice in the Government Gazette, and after consultation with the Cabinet member responsible for the functional area in question, and after consulting the MEC for local government in the province and, if applicable, subject to national legislation, authorize a local municipality to perform a function or exercise a power mentioned in subsection (1)(b), (c),(d) or (i) in its area or any aspect of such function or power.

b) The Minister must regulate the legal, practical and other consequences of the authorization, which may include-

    I. the transfer of staff.
    II. the transfer of assets, liabilities, rights and obligations, and administrative and other records; and
    III. the continued application of any by-laws and resolutions in the municipalities concerned and the extent of such application.

c) The Minister may-

    - Amend a notice issued in terms of paragraph (a); and
    - Regulate the legal, practical and other consequences of such amendment.

d) Whenever the Minister revokes an authorization envisaged by paragraph (a) the Minister must in the notice revoking that authorization regulate the legal, practical and other consequences of the revocation, which may include-

a. the transfer of staff;
b. the transfer of assets, liabilities, rights, obligations and administrative and other records; and
c. the continued application of any by-laws and resolutions in the area of the municipalities in question and the extent of such application.

The Minister must comply with the consultation requirements as set out in paragraph (a) when a power referred to in paragraph (c) or (d) is to be exercised.

a) Subject to paragraph (c), any authorization, amendment of an authorization or revocation of any authorization under subsection (3) takes effect on the commencement date of the municipal financial year following the date of publication of the notice effecting such authorization or amendment or revocation.
b) The Minister must inform the Minister responsible for finance of his or her intention to publish a notice contemplated in paragraph (a) at least six months before the notice is to take effect in terms of that paragraph.
c) Paragraph (a) does not apply if any authorisation, amendment of an authorization or revocation of an authorization under subsection (3) is to coincide with an election of the council of an affected municipality.

Adjustment of division of functions and powers between district and local municipalities. (1) The MEC for local government in a province may, subject to the other provisions of this section, adjust the division of functions and powers between a district and a local municipality as set out in section 84 (1) or (2), by allocating, within a prescribed policy framework, any of those functions or powers vested-

a) in the local municipality, to the district municipality; or
   in the district municipality (excluding a function or power referred to in section 84 (1)(a), (b),(c),(d),(i),(o), or (p), to the local municipality.

An MEC may allocate a function or power in terms of subsection (1) only if-

a) The municipality in which the function or power is vested lacks the capacity to perform that function or exercise that power; and
b) The MEC has consulted the Demarcation Board and considered its assessment of the capacity of the municipality concerned.

Any adjustment of the division of functions and powers by way of an allocation in terms of subsection (1) or re-allocation in terms of subsection (9) must be reflected in the notices referred to in section 12 which establish the municipalities concerned. Where applicable the legal, practical and other consequences of the allocation or re-allocation must be regulated, including-

I. the transfer of staff;
II. the transfer of assets, liabilities and administrative and other records; and
III. the continued application of any by-laws, regulations and resolutions in the area or the municipalities concerned and the extent of such application.

The Minister may by notice in the *Government Gazette* and after consulting the MEC for local government and the municipalities concerned-

a) vary or withdraw any allocation of a function or power in terms of subsection (1) or re-allocation of a function or power in terms of subsection (9); or
b) Adjust the division of functions and powers between a district and local municipality if the MEC has refused to make an adjustment in accordance with the assessment of the Demarcation Board.

The MEC must amend the relevant section 12 notice to give effect to any variation or withdrawal of any allocation or re-allocation in terms of subsection (7).

(a) if a function or power has been allocated in term of subsection (1) the MEC for local government in the province must regularly review the capacity of the relevant municipality and re-allocate that function or power to that municipality when that municipality acquires the capacity to perform that function or exercise that power.

A re-allocation in terms of paragraph (a) must be made with the concurrence of the receiving municipality or, in the absence of such concurrence, after having consulted the Demarcation Board.

a) Subject to paragraph (c), any adjustment of the division of functions and powers under this section takes effect on the commencement date of the municipal financial year following the date of publication of the notice effecting such adjustment.

b) The MEC or Minister, as the case may be, must inform the national Minister responsible for finance of his or her intention to publish a notice contemplated in paragraph (a) at least four months before the notice is to take effect in terms of that paragraph.

c) Paragraph (a) does not apply if any adjustment of the division of powers and functions under this section is to coincide with an election of the council of an affected municipality.
d) The Minister of Finance may, in exceptional cases, including those referred to in section 87 of Municipal Structures

Act, 1998 (Act No. 117 of 1998), decide on a different or shorter period that the period referred to in a paragraph (a) and (b).

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	**Function Applicable to Municipality (Yes / No)***	**Function Applicable to Entity (Yes / No)**
Constitution Schedule 4, Part B functions:		
Air pollution	No	
Building regulations	Yes	
Child care facilities	No	
Electricity and gas reticulation	Yes	
Firefighting services	Yes	
Local tourism	Yes	
Municipal airports	No	
Municipal planning	Yes	
Municipal health services	No	
Municipal public transport	No	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	N/A	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	N/A	
Stormwater management systems in built-up areas	Yes	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	Yes	
Control of undertakings that sell liquor to the public	Yes	
Facilities for the accommodation, care and burial of animals	No	
Fencing and fences	Yes	
Licensing of dogs	No	
Licensing and control of undertakings that sell food to the public	Yes	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	No	
Municipal abattoirs	No	
Municipal parks and recreation	Yes	
Municipal roads	Yes	
Noise pollution	Yes	
Pounds	No	
Public places	Yes	
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	

APPENDIX "E" WARD REPORTING

Ward	Ward Committee	Sector	Reports Submitted	Feedback	Challenges	Measures Taken	Comment
Ward 1	Franklin	Health	Yes	Committees attended the ward committee meeting, Reports are submitted to the office of Public Participation	None	N/A	Monthly reports and attendance registers are submitted; they are used to pay monthly stipends.
	Maria Matthews	Agriculture	Yes				
	Eden Abrahams	Business	Yes				
	Deon Squire	Sport	Yes				
	Julian Jansen	Disabled	Yes				
	Elize Berries	Education	Yes				
	Christie Commence	Safety	Yes				
	Yvonne Nkompela	Women	Yes				
	Pumla Makwelana	Youth	Yes				
	Heinrich Manci	Church	Yes				
Ward 2	Ronaldo Roman	Business	Yes	Committees attended the ward committee meeting, Reports are submitted to the office of Public Participation	None	N/A	Monthly reports and attendance registers are submitted; they are used to pay monthly stipends.
	Bukelwa Thomas	Health	Yes				
	Siena Erasmus	Sport	Yes				
	Antonie Miggels	Disabled	Yes				
	Jason Howley	Youth	Yes				
	Venecia Janse	Women	Yes				
	Freek Le Grange		Yes				
	Sandra Bruintjies	Agriculture	Yes				
	Henry Michaels	Health	Yes				
	Natalie Zana	Education	Yes				

Ward	Ward Committee	Sector	Reports Submitted	Feedback	Challenges	Measures Taken	Comment
Ward 3	Denise Coetzee Amori Maasdorp Petro Aweries Freddie Mazungula Stephanus Buys Martin Mdyogolo Jan Felix Fundiswa Herman Vacant	Women Sport Health Disabled Church Agriculture Old Age Education Business	Yes Yes Yes Yes Yes Yes Yes Yes Yes	Committees attended the ward committee meeting, Reports are submitted to the office of Public Participation	None	N/A	Monthly reports and attendance registers are submitted; they are used to pay monthly stipends.
Ward 4	E. Kockera C. Bambi V. Pentrie NC Ndabeni TC Belani D Roberts B. Miggels C Theunissen NA Hanise K Pentrie	Health Church Sport Women Agriculture Business Education Disability Youth Old Age	Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes	Committees attended the ward committee meeting, Reports are submitted to the office of Public Participation	None	N/A	Monthly reports and attendance registers are submitted; they are used to pay monthly stipends.

Ward	Ward Committee	Sector	Reports Submitted	Feedback	Challenges	Measures Taken	Comment
Ward 5	N. Ndevu T Sali N. Msizi E. Williams C. Mabasa C. Witbooi W Kettledas M. Pieterson S. Olifant	Women Business Church Sport Education Disability Agriculture Old Age Youth	Yes Yes Yes Yes Yes Yes Yes Yes Yes	Committees attended the ward committee meeting, Reports are submitted to the office of Public Participation	None	N/A	Monthly reports and attendance registers are submitted; they are used to pay monthly stipends.
Ward 6	S. Kwani X. Nduneni J. Cola V. Bachela T Ndinisi A Abraham M Majoro S.Boesak E. Tyatya N. Fikoyo	Disabled Church Agriculture Business Health Sport Education Women Old Age Youth	Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes	Committees attended the ward committee meeting, Reports are submitted to the office of Public Participation	None	N/A	Monthly reports and attendance registers are submitted; they are used to pay monthly stipends.

APPENDIX F: PROJECTS PER WARD

PROJECT	FUNDING	WARD
Upgrade and Repair the existing Derdebos access Road	Disaster Fund (Capex)	Ward 4
Replacement of small bore sewer system to full waterborne system in Clarkson	MIG (Capex)	Ward 5
Upgrading of bulk sewer system and replacement of small -bore sanitation system with a full waterborne system at Woodlands	MIG (Capex)	Ward 5
Replacement of existing water pipes	WSIG (Capex)	Ward 2
Replacement of existing water pipes	WSIG (Capex)	Ward 4
Upgrading of the Joubertina Water Treatment Works	WSIG (Capex)	Ward 2
Joubertina DLTC new Building	OTP (Capex)	Ward 2
Electrification of a number of households in Krakeel (Phase 2)	INEP (Capex)	Ward 1
Electrification of a number of households in Louterwater (Phase 3)	INEP (Capex)	Ward 2
Upgrade of Highmast Lights, buildings and pump stations	EED (Capex)	All Wards

APPENDIX G: RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
14-Aug-25	That the municipality should consider getting a panel of services providers for the hiring of fleet.	Yes
	That a detailed report on progress made regarding the status quo of occupational health and safety be provided in the next meeting.	Yes
	That a complete list of all the organisational policies within the municipality be provided in the next audit committee meeting.	Yes
	That a cost-benefit analysis should be conducted to see which positions on the staff establishment could financially benefit the municipality.	Yes
	That the concern of the audit committee be escalated regarding the absence of an internal audit function and internal audit plan for 2025/2026 financial year.	Yes - Position Filled in October 2025
04-Dec-25	That the municipality draft and submit a formal letter to National Treasury, providing a comprehensive explanation regarding the withholding of R25 million from the equitable share. The letter must outline the reasons for the funds not being cash-backed, identify the root causes, and highlight the potential consequences.	Yes
	That the convening of SCM Committees be incorporated as a Key Performance Indicator for all senior managers	Yes
	That a detailed report be submitted to the next Audit Committee meeting, outlining all unauthorised, irregular, fruitless, and wasteful expenditure that has been written off, and clearly indicating any amounts that remain outstanding.	Yes
	That the municipality should consider integrating the Financial Recovery Plan into the relevant Key Performance Indicators of senior managers, to ensure effective implementation and measurable progress of the Financial Recovery Plan.	Yes
	That all Human Resource policies with financial implications be submitted together with the budget for approval, to ensure that the long-overdue policies are considered and approved without further delays.	Yes
	That the municipality should consider filling the positions of Accountant: Debt Collection Clerk, Debt Collection Examiner: Driver's License, as these roles have the potential to generate revenue for the municipality and strengthen financial sustainability.	Not Yet Achieved - Monitoriam of filling of vacancies
	That a strategic planning session be convened to address critical issues, including the identification and filling of key positions essential to the effective functioning of the municipality.	Yes

24-Feb-26	That a detailed report be prepared for submission to the next Audit Committee meeting, providing a comprehensive breakdown per municipal vehicle, reflecting expenditure on repairs and maintenance over the past three financial years, as well as costs incurred in respect of leased vehicles.	Yes
	That a comprehensive report on all municipal policies be compiled and submitted to the next Audit Committee meeting.	Yes
	That a detailed report be submitted to the Audit Committee, reflecting budgeted overtime figures versus actual overtime expenditure per quarter.	Yes
	That Audit Committee members submit their comments and input on the Internal Audit Plan, Audit Charter, and Internal Audit Charter to the Municipality for consideration, and that a consolidated version of these documents be presented to the next Audit Committee meeting.	Yes
26-May-26	That the minutes of the Risk Management Committee be included in all future Audit Committee meeting packs to ensure that members are adequately informed of key risk management matters.	Yes
	That the Internal Auditor prepare and submit the 2026/27 Risk-Based Internal Audit Plan to the Audit Committee and Council for consideration and approval prior to the end of the 2025/26 financial year, and that regular progress updates on the approval process and agreed timelines be provided to the Audit Committee.	Yes
	That the matter regarding the shortage of staff in the Information and Communication Technology (ICT) Unit be escalated for investigation to assess and consider the filling of vacancies where feasible and subject to available resources.	Not Yet Achieved - Awaiting Organogram Review

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

TENDER NO.	DESCRIPTION	DATE AWARDED	BIDDER	AWARDED AMOUNT	CONTRACT END DATE	RESPONSIBLE DEPARTMENT
07/2021	THE COMPILATION OF THE VALUATION ROLL, SUPPLEMENTARY VALUATION ROLLS AND MAINTAINENCE THEREOF FOR THE FINANCIAL YEAR 01 JULY 2022 TO 30 JUNE 2027	28 June 2021	CDV WAARDEERDERS PTY LTD	R1 094 580,00	30 June 2027	BUDGET AND TREASURY OFFICE – Revenue Unit
07/2024	SUPPLY AND DELIVERY OF WATER PURIFICATION CHEMICALS FOR A PERIOD OF 3 YEARS	14 March 2025	NJANYE PTY LTD	R 890 924,94	30 April 2028	TECHNICAL SERVICES – Water and Sanitation Unit
15/2024	PROVISION OF SECURITY SERVICES FOR A PERIOD OF 3 YEARS	31 March 2025	NJH GROUP PTY LTD	R 8 471 000,00	31 May 2028	CORPORATE SERVICES – Administration Unit
12/2024	PROVISION OF PREPAID ELECTRICITY VENDING SYSTEM FOR A PERIOD OF 3 YEARS	25 March 2025	CIGICELL PTY LTD	R 8 314,31	30 April 2028	BUDGET AND TREASURY OFFICE – Revenue Unit

13/2024	PROVISION OF OFFICE AUTOMATION FOR A PERIOD OF 3 YEARS	25 March 2025	SKY METRO EQUIPMENT (PTY) LTD	R 2 340 700,32	30 April 2028	CORPORATE SERVICES – Information Technology & Communication Unit
17/2021	PROVISION AND SUPPORT OF INTERNET, FIREWALL & SDWAN CONNECTIVITY	04 March 2022	MTN BUSINESS PTY LTD	R 4 736 265,99	31 March 2025	CORPORATE SERVICES – Information Technology & Communication Unit
10/2024	PROVISION OF TRAVEL AGENCY SERVICES FOR A PERIOD OF 3 YEARS	13 January 2025	LUCIANO TRAVEL & ACCOMMODATIONS	COMMISSION: YEAR =12%, YEAR 2 = 12,5%, & YEAR 3 = 13%	30 January 2028	MUNICIPAL MANAGER
18/2021	SUPPLY AND DELIVERY OF TOOLS OF TRADE FOR KOUKAMMA MUNICIPAL COUNCILLORS (MOBILE DATA SOLUTIONS)	04 March 2022	MTN BUSINESS PTY LTD	R 238 608,00	31 March 2025	CORPORATE SERVICES – Information Technology & Communication Unit
05/2022	PROVISION OF LEGAL SERVICES FOR A PERIOD OF 3 YEARS	30 January 2023	WESLEY PRETORIUS AND ASSOCIATE INC.	CLS Rates	30 April 2026	CORPORATE SERVICES – Administration Unit
			Magqabi Seth Zitha Inc.	CLS Rates	30 April 2026	
02/2023	PROVISION FOR MAINTENANCE WORK OF WATER AND WASTEWATER TREATMENT WORKS, PUMP STATIONS AND	22 March 2023	SNR ELECTRICAL CC	R 15 097,20	30 March 2026	TECHNICAL SERVICES – Water and Sanitation Unit

	BOREHOLES FOR A PERIOD OF 3 YEARS					
06/2023	PROVISION OF LABORATORY SERVICES: MONTHLY WATER & WASTEWATER SAMPLING ANALYSIS FOR A PERIOD OF 3 YEARS	25 July 2023	LUGAJU INNOVATION PTY LTD	R 1 700 737,84	31 July 2026	TECHNICAL SERVICES – Water and Sanitation Unit
07/2023	PROVISION OF HIRING OF TLB FOR A PERIOD OF 3 YEARS	25 July 2023	GQWANE PROJECTS	R 465,00	31 July 2026	TECHNICAL & COMMUNITY SERVICES– Water and Sanitation Unit
09/2023	PROVISION OF PRINTING AND DISTRIBUTION OF ACCOUNT SERVICES FOR A PERIOD OF 3 YEARS	09 November 2023	CAB HOLDINGS PTY LTD	R1 924748,00	30 November 2026	BUDGET AND TREASURY OFFICE – Revenue Unit
10/2023	PROVISION FOR RENDERING OF GEORGRAPHIC INFORMATION SYSTEM, DATA MAINTENANCE AND HOSTING OF DATA FOR A PERIOD OF 3 YEARS	09 November 2023	UMHLABA CONSULTING GROUP	R 643 062,75	30 November 2026	BUDGET AND TREASURY OFFICE – Revenue Unit
15/2023	PROVISION OF SHORT-TERM INSURANCE FOR A PERIOD OF 3 YEARS	08 February 2024	LATERAL UNISON INSURANCE	R 928 167,00	31 March 2027	BUDGET AND TREASURY OFFICE – Budget and Accounting Unit

Appendix I: Municipal Entity/Service Provider Performance Schedule (N/A)

APPENDIX J: DISCLOSURE OF FINANCIAL INTEREST

Disclosures of Financial Interests		
Period 1 July 2025 to 30 June 2026		
Position	**Name**	**Description of Financial interests* (Nil / Or details)**
(Executive) Mayor	Mpumelelo Sam Vuso	Nil
Member of MayCo / Exco	Cllr Kerneels Smit	Nil
	Cllr Brendon Jantjies	Nil
Councillor	Cllr Dudley Maasdorp	Nil
	Mpumelelo Sam Vuso	Nil
	Cllr Vuyani Persent	Nil
	Cllr. Clive Witbooi	Nil
	Cllr Nomathamsanqa Majola	Nil
	Cllr. Michael Hartz	Nil
	Cllr Betrum Korkee	Nil
	Cllr Sharon Ferguson	Nil
	Cllr Brendon Jantjies	Nil
	Cllr James Krige	Nil
	Cllr Kerneels Smit	Nil
	Cllr. Thembalethu Williams	Nil
Municipal Manager	Acting Municipal Manager - Ntombikayise Mnyengeza	N/A
Chief Financial Officer	Chief Financial Officer - Michelle Kerr	Nil
Deputy MM and (Executive) Directors	N/A	N/A
Other S57 Officials	Director Technical Service - Mzwamadoda Qalaba	Nil
	Director Community Services - Vacant	N/A
	Chief Financial Officer - Michelle Kerr	Nil

APPENDIX K: REVENUE COLLECTION PERFORMANCE

Revenue Collection Performance by Source

EC109 Kou-Kamma - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		4 420	5 180	4 240	318	4 013	4 240	(227)	-5%	4 240
Service charges - Water		26 419	31 118	28 153	3 132	25 760	28 153	(2 393)	-8%	28 153
Service charges - Waste Water Management		15 509	18 290	15 790	2 261	14 502	15 790	(1 288)	-8%	15 790
Service charges - Waste management		8 126	9 192	8 192	1 246	7 826	8 192	(367)	-4%	8 192
Sale of Goods and Rendering of Services		1 126	458	587	37	569	587	(18)	-3%	587
Agency services		2 023	4 394	2 399	(1 764)	1 462	2 399	(937)	-39%	2 399
Interest								–		
Interest earned from Receivables		13 214	14 312	15 191	3 202	15 617	15 191	426	3%	15 191
Interest from Current and Non Current Assets		692	1 006	700	7	423	700	(277)	-40%	700
Dividends								–		
Rent on Land								–		
Rental from Fixed Assets		541	448	600	69	468	600	(132)	-22%	600
Licence and permits								–		
Special rating levies								–		
Operational Revenue		564	398	328	927	1 037	328	710	216%	328
Non-Exchange Revenue								–		
Property rates		32 864	35 443	32 784	(1)	32 775	32 784	(9)	0%	32 784
Surcharges and Taxes								–		
Fines, penalties and forfeits		6 824	39 916	43 000	4 502	36 329	43 000	(6 671)	-16%	43 000
Licence and permits		41	250	10	1	6	10	(4)	-42%	10
Transfers and subsidies - Operational		78 210	86 752	87 469	10 681	79 982	87 469	(7 487)	-9%	87 469
Interest		6 594	6 883	7 000	1 178	5 824	7 000	(1 176)	-17%	7 000
Fuel Levy								–		
Operational Revenue								–		
Gains on disposal of Assets		(11)	–	–	–	–	–	–		–
Other Gains								–		
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		197 156	254 041	246 443	25 796	226 593	246 443	(19 850)	-8%	246 443

APPENDIX L: CONDITIONAL GRANTS RECEIVED

- Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		73 722	80 608	80 615	–	80 615	80 615	–		80 615
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		69 003	72 001	72 001	–	72 001	72 001	–		72 001
Expanded Public Works Programme Integrated Grant		1 258	1 490	1 490	–	1 490	1 490	–		1 490
Local Government Financial Management Grant		2 600	2 600	2 600	–	2 600	2 600	–		2 600
Municipal Infrastructure Grant		861	4 517	4 524	–	4 524	4 524	–		4 524
Provincial Government:		–	1 644	1 644	–	1 644	1 644	–		1 644
DEDEAT grant		–	–	–	–	–	–	–		–
Library grant		–	1 644	1 644	–	1 644	1 644	–		1 644
Other transfers and grants [insert description]								–		
District Municipality:		2 805	2 500	5 000	–	–	5 000	(5 000)	-100,0%	5 000
Subsidies from Sarah Baartman District		2 805	2 500	5 000	–		5 000	15 889	317,8%	5 000
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total Operating Transfers and Grants	5	76 527	84 752	87 259	–	82 259	87 259	(5 000)	-5,7%	87 259
Capital Transfers and Grants										
National Government:		24 298	43 351	35 344	–	26 610	35 344	(8 734)	-24,7%	35 344
Energy Efficiency and Demand Side Management Grant		4 000	3 000	3 000	–	3 000	3 000	–		3 000
Integrated National Electrification Programme Grant		5 321	8 978	8 978	–	4 040	8 978	(4 938)	-55,0%	8 978
Municipal Disaster Response Grant		952	8 000	–	–	–	–	–		–
Municipal Infrastructure Grant		10 149	13 373	13 366	–	13 366	13 366	–		13 366
Water Services Infrastructure Grant		3 875	10 000	10 000	–	6 204	10 000	(3 796)	-38,0%	10 000
Other capital transfers *[insert description]*								–		
Provincial Government:		–	10 000	10 000	–	20 889	10 000	10 889	108,9%	10 000
Small Town Retalisation - OTP		–	10 000	10 000	–	20 889	10 000	#REF!	#REF!	10 000
District Municipality:		–	1 725	1 725	–	–	1 725	(1 725)	-100,0%	1 725
Fire grant		–	1 725	1 725	–	–	1 725	(1 725)	-100,0%	1 725
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total Capital Transfers and Grants	5	24 298	55 076	47 069	–	47 499	47 069	430	0,9%	47 069
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	100 825	139 828	134 328	–	129 758	134 328	(4 570)	-3,4%	134 328

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES: INCLUDING MIG

- Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
EXPENDITURE										
Operating expenditure of Transfers and Grants										
0		15 223	80 553	80 519	1 263	76 279	80 525	(4 246)	-5,3%	80 525
Equitable Share		8 121	72 001	72 001	1 079	72 001	72 001	–		72 001
Expanded Public Works Programme Integrated Grant		1 377	1 490	1 490	133	1 356	1 496	(140)	-9,3%	1 496
Local Government Financial Management Grant		3 452	2 600	2 600	–	2 600	2 600	–		2 600
Municipal Infrastructure Grant		2 273	4 462	4 428	51	322	4 428	(4 106)	-92,7%	4 428
0		–	979	1 421	117	811	1 421	(610)	-42,9%	1 421
DEDEAT grant		–	–	–	–	–	–	–		–
Library grant		–	979	1 421	117	811	1 421	(610)	-42,9%	1 421
Total operating expenditure of Transfers and Grants:		15 223	81 532	81 940	1 380	77 090	81 946	(4 856)	-5,9%	81 946
Capital expenditure of Transfers and Grants										
0		24 414	36 842	36 664	–	21 531	36 664	(15 133)	-41,3%	36 664
Energy Efficiency and Demand Side Management Grant		3 478	2 550	2 372	–	2 188	2 372	(184)	-7,8%	2 372
Integrated National Electrification Programme Grant		5 454	7 631	7 631	–	1 909	7 631	(5 723)	-75,0%	7 631
Municipal Disaster Response Grant		869	6 800	6 800	–	1 347	6 800	(5 453)	-80,2%	6 800
Municipal Infrastructure Grant		10 337	11 361	11 361	–	13 086	11 361	1 725	15,2%	11 361
Water Services Infrastructure Grant		4 275	8 500	8 500	–	3 002	8 500	(5 498)	-64,7%	8 500
0		–	8 500	8 500	2 477	17 736	8 500	9 236	108,7%	8 500
Small Town Retalisation - OTP		–	8 500	8 500	2 477	17 736	8 500	9 236	108,7%	8 500
0		–	1 466	1 466	–	–	1 466	(1 466)	-100,0%	1 466
Fire grant		–	1 466	1 466	–	–	1 466	(1 466)	-100,0%	1 466
Total capital expenditure of Transfers and Grants		24 414	46 809	46 630	2 477	39 267	46 630	(7 363)	-15,8%	46 630
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		39 637	128 341	128 570	3 857	116 357	128 576	(12 219)	-9,5%	128 576

CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

- Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**14 042**	**12 081**	**11 903**	**1 136**	**4 665**	**11 903**	7 238	**60,8%**	**11 903**
Electrical Infrastructure		7 376	10 181	10 003	1 136	4 096	10 003	5 907	**59,0%**	10 003
Power Plants		3 478	2 550	2 193	1 136	2 188	2 193	(5)	**-0,2%**	2 193
HV Substations		1 674	7 631	7 810	–	1 909	7 810	(5 901)	**-75,6%**	7 810
HV Switching Station		2 224	–	–	–	–	–	–		–
Sanitation Infrastructure		6 666	–	–	–	568	–	(568)	**#DIV/0!**	–
Waste Water Treatment Works		6 666	–	–	–	568	–	568	**#DIV/0!**	–
Information and Communication Infrastructure		–	1 900	1 900	–	–	1 900	1 900	**100,0%**	1 900
Data Centres		–	1 900	1 900	–	–	1 900	(1 900)	**-100,0%**	1 900
Community Assets		**36**	**714**	**714**	**–**	**–**	**714**	**714**	**100,0%**	**714**
Community Facilities		36	714	714	–	–	714	714	**100,0%**	714
Halls		36	714	714	–	–	714	(714)	-100,0%	714
Computer Equipment		**81**	**150**	**130**	**10**	**266**	**130**	**(136)**	-104,9%	**130**
Computer Equipment		81	150	130	10	266	130	136	104,9%	130
Furniture and Office Equipment		**2**	**50**	**30**	**0**	**30**	**30**	**0**	0,0%	**30**
Furniture and Office Equipment		2	50	30	0	30	30	(0)	0,0%	30
Machinery and Equipment		**26**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Machinery and Equipment		26	–	–	–	–	–	–		–
Transport Assets		**212**	**3 166**	**2 766**	**–**	**–**	**2 766**	**2 766**	100,0%	**2 766**
Transport Assets		212	3 166	2 766	–	–	2 766	(2 766)	-100,0%	2 766
Total Capital Expenditure on new assets	1	**14 399**	**16 162**	**15 543**	**1 146**	**4 961**	**15 543**	**10 582**	**68,1%**	**15 543**

- Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		**14 364**	**17 000**	**18 532**	**2 477**	**21 007**	**18 532**	(2 475)	**-13,4%**	**18 532**
Water Supply Infrastructure		–	–	1 532	–	287	1 532	1 245	**81,3%**	1 532
Boreholes		–	–	550	–	287	550	(263)	**-47,8%**	550
Distribution		–	–	982	–	–	982	(982)	**-100,0%**	982
Sanitation Infrastructure		6 679	8 500	8 500	–	3 002	8 500	5 498	**64,7%**	8 500
Reticulation		1 341	–	–	–	–	–	–		–
Waste Water Treatment Works		5 337	8 500	8 500	–	3 002	8 500	(5 498)	**-64,7%**	8 500
Information and Communication Infrastructure		7 685	8 500	8 500	2 477	17 718	8 500	(9 218)	**-108,4%**	8 500
Data Centres		7 685	8 500	8 500	2 477	17 718	8 500	9 218	**108,4%**	8 500
Total Capital Expenditure on renewal of existing assets	1	**14 364**	**17 000**	**18 532**	**2 477**	**21 007**	**18 532**	**(2 475)**	-13,4%	**18 532**

Appendix N: Capital Programme by Project Current Year *(will be included in 2nd Draft)*

Appendix P: Service Connection Backlogs at Schools and Clinics (Not Applicable)

Appendix Q: Service Backlogs Experienced by The Community Where Another Sphere of Government Is Responsible For Service Provision Technical

Government Sphere	Backlog
n/a	n/a

Appendix R: Declaration of Loans and Grants made by The Municipality (2nd Draft)

Appendix S: Declaration of Returns not made in due time under MFMA S71 (2nd Draft)

Appendix T: National and Provincial Outcome For Local Government.

VOLUME II: ANNUAL FINANCIAL STATEMENTS

(will be included in 2nd Draft)