



STATE OF THE MUNICIPALITY ADDRESS

BY KOUGA EXECUTIVE MAYOR HORATIO HENDRICKS

11: 00 ON 28 FEBRUARY 2019

MENTOR'S COUNTRY ESTATE, JEFFREYS BAY

- Honourable Speaker
- Mayoral Committee Members and Councillors
- Municipal Manager, Directors and officials
- Party political representatives
- Representatives from sector departments and parastatals
- Our local business community and other stakeholder and interest groups
- Members of the media
- Family and friends
- Distinguished guests,

Good afternoon,

It is a privilege to stand in front of you today and I would like to thank each one of you for making the time to be here.

Two and a half years ago, in August 2016, the people of Kouga decided it was time for a fresh start.

They got off the yellow and green bus they had been on for 15 long years and voted to give the blue bus a try instead.

The first driver of the blue bus was our late Executive Mayor Elza van Lingen who, exactly a year ago, stood before you, as I am today, to reflect on the roads we had travelled and the journey that still lay ahead.

It has been an honour to take over the steering wheel from her and to continue the drive she started to build an inclusive, resilient and united Kouga that works for all its people; a municipality that strives to leave no one behind.

Mr Speaker

Today, ten months into my tenure, I am humbled to call over 100 000 people in Kouga my family.

The most important task entrusted to local government is the constitutional mandate of delivering basic services to its people, namely:

- Water,
- Electricity,

- Roads,
- Sanitation,
- Refuse Removal and Cleansing

Kouga Municipality currently provides these basic services to between 26 000 and 30 000 households on a daily basis. Of these households, 5 135 receive free basic allocations, formally known as “equitable shares”, every month as part of our drive to rectify the inequalities of the past.

While these numbers represent the majority of Kouga's citizens, attention must be given to the quality and sustainability of these services to all areas, both formal and informal, if we are to reach our destination safely.

WATER

Ladies and Gentleman,

The biggest challenge these past two and a half years has been the quest to attain water security for all our communities in the war against climate change.

The Kouga region has been experiencing one of the worst droughts in recorded history.

Water restrictions were first introduced on 15 December 2016 and have since become the “new normal”. A local state of disaster was further declared on 31 May 2017.

The towns most affected by the drought have been Hankey and Patensie in the Gamtoos Valley.

Completely dependent on the Kouga Dam for water, the towns faced severe water shortages last year when the dam level dropped to below 7%, forcing the municipality to start rationing the water supply (from 6 August 2018).

Despite some good rain pushing up the dam level - it currently stands at 48,15% - the municipality has not been able to stop rationing the supply because the national Department of Water and Sanitation has restricted how much water we may draw from the dam.

If our experience over the past two and a half years has taught us anything, it is that we need to break Kouga free from its dependence on the official storage dams.

These dams, including the Churchill Dam and Impofu Dam which supply water to our other towns, are all owned by the national Department and also supply water to Nelson Mandela Bay and other neighbouring municipalities.

This quite simply means that they are not managed in the best interest of Kouga's people.

Kouga is, however, blessed with a wealth of underground water and springs, which offer us the opportunity to secure alternative sources for potable water and minimise our dependency on the dams.

Our focus over the past 14 months has, therefore, been on developing new boreholes to augment the water supply to our towns.

The municipality initially used its own income to drill exploratory holes at Oyster Bay, Hankey, Patensie and Jeffreys Bay, with 18 of the holes delivering water, albeit not always of the desired quality and quantity.

The borehole programme then received a major boost five months ago, in October, when two of the municipality's funding applications for drought relief, totalling R151,2 million, were fully approved by National Treasury.

It was a proud moment for the municipality as applications are seldom fully funded and speaks to the quality of our staff and their commitment towards solving Kouga's water crisis.

I also strongly believe that our ability to spend and our current history of being immune to corruption might have contributed to our good fortune.

The first allocation, totalling R58,7-million, was awarded through the Provincial Disaster Relief Grant and will help us to achieve water security for 23 868 local households.

A portion of the grant is being used to accelerate the municipality's borehole programme at Hankey, Patensie, Jeffreys Bay, Humansdorp and Oyster Bay.

Of significance, is that it will enable the municipality to start equipping and connecting extra boreholes to the existing water supply.

This grant funding will also be used to improve the extraction and treatment of water from the Klein River at Hankey and to develop

the existing springs at Rebelsrus and Mostertshoek in the greater St Francis area.

The second allocation, totalling R92,5-million, is being funded through the Water Services Infrastructure Grant and is expected to benefit at least 12 623 households.

R35-million of this money will be put towards the upgrade of the Jeffreys Bay Water Treatment Works, which must be done to bring more boreholes on line, while R20-million will be used to refurbish the natural springs at Humansdorp.

About R27-million will be used to intensify the municipality's war on leaks.

Work to be done, includes the replacement of old pipe networks (reticulation) at Hankey, Patensie and Oyster Bay, the three towns under the greatest threat, as well as the repair of internal leaks at houses in historically disadvantaged areas.

To date a total of 541 houses at Hankey, Patensie, Loerieheuvel and Thornhill have been retrofitted with the grant funding.

We have further made it easier for citizens to report burst pipes and faulty water meters through our call centre and the Link service delivery application.

During the first seven months of this financial year, that is, from July 2018 to January 2019, a total of 2 694 water-related complaints were resolved through the call centre and Link app.

Education and awareness campaigns have been an important aspect of our efforts to mitigate the impact of the drought.

A door-to-door campaign was held in Hankey and Patensie in September last year to share water-saving tips with households and help residents check their properties for internal leaks.

A bottled water drive was also launched, specifically for these towns, and thousands of bottles of water were donated to the communities by individuals and organisations as far away as Cape Town and Johannesburg.

Championed by our water mascot Splash, our other awareness campaigns have largely been targeted at Kouga's youngest residents.

Twenty-two schools were visited in October and November, to raise awareness among learners of the serious threat posed by the drought and to empower them with tips on how to save water in their everyday lives.

The municipality's "save water" colouring stall has also become a regular attraction at festivals and events, including the hugely successful Opening of Season in December last year and the recent Humansdorp Plaasfees.

ELECTRICITY

Mr Speaker,

Hankey and Patensie have also proven problematic when it comes to electrification projects because these towns, as well as Loerie,

receive electricity directly from Eskom, limiting what the municipality can do.

We are exploring possible solutions to this challenge as part of our climate change partnership with the German municipality Ilfeld.

Ilfeld has decades of experience in solar energy and it is our hope that we will be able to come up with a plan to use the sun to power informal settlements.

A solar public light has been installed at Stofwolk and we have negotiated with Eskom that R4-million be made available to formalise Stofwolk, with the proviso that the municipality subdivides the area. The subdivision is currently in progress.

We will also be installing a further 38 solar lights in high risk public areas in the coming months.

It was also a great blow last year when Eskom denied us permission to put up festive lights at Hankey, but I would like to give the town's residents the assurance that we have not given up on that dream and are looking at alternative ways to make it happen.

The municipality's electrification programme in 2018 focused on Humansdorp and Jeffreys Bay.

268 households at Humansdorp had power at their fingertips for the first time when the municipality electrified 114 erven at the informal settlement Donkerhoek and 154 houses at the Kruisfontein 391 development.

Temporary electrical connections were also installed for 168 households at the Ocean View temporary relocation area, which was established last year to house prospective beneficiaries of the Ocean View 1500 project.

The electrification of the remaining 237 houses at the Kruisfontein 391 project is underway, with R10,2-million having been secured for this purpose through the Integrated National Electricity Programme (INEP). These houses will be switched on systematically over the next four months.

A 22kv substation is also being built at the entrance to Gill Marcus and will be extending the 22kv cable from Arcadia to the new substation.

Good news for the broader Jeffreys Bay community, is that the municipality has finalised the servitude agreements required for the upgrade of the town's main power line from the Melkhout station. The next phase of the project is scheduled for the new financial year.

Regular operations have further been held to remove illegal electricity connections, a dangerous practice which threatens to the lives of people and animals. The municipality plans on setting aside some of its own income in the new financial year to electrify hotspots at Jeffreys Bay, Humansdorp and St Francis Bay.

ROADS

Fellow citizens,

Another section that has been visibly at work is the municipality's Roads Maintenance teams.

During the first seven months of the financial year, the teams repaired 3 131 potholes.

The escalation in repairs can be attributed to a comprehensive new road repair programme that we rolled out in September last year and which has seen teams taking it street by street, at times repairing more than 100 potholes in a single road.

A contractor was also appointed in November to start resealing roads. Several roads at Jeffreys Bay and Hankey have already been resealed while the evaluation of surfaced roads in all towns is underway to prioritise further streets for resealing. This project will be ongoing.

Other achievements this past year included the extension of intersections off St Francis Street in Jeffreys Bay. Funded jointly by the Ward Development Fund and Afriforum, the purpose of the extensions was to help ease the traffic flow along this busy access route.

Road markings were also freshened up at all towns and a feasibility study is underway to determine whether it is viable for the municipality to extend Duine Road to the Marina Martinique Road in order to create an alternative access road between Jeffreys Bay and Aston Bay.

Despite the extra effort to bring Kouga's roads up to standard, the backlog in road maintenance and repair is monumental.

According to a recent assessment, it will cost the municipality more than R500-million to get its road network to an acceptable standard,

including, R380-million for rehabilitation, R114-million for periodic maintenance and R44-million for special maintenance.

But, let me remind you of the wisdom of Nelson Mandela when he said: "It only seems impossible until it is done."

We will have to think out-of-the-box and seek for new and innovative solutions to kill this giant, taking into account cost effectiveness and feasibility.

On 4 March I will be meeting such innovators, who will pilot 1 km of tar road in Kouga. If the Municipal Manager and I are satisfied, we will deliver the first of many killing blows to this formidable giant and start turning back the clock on road infrastructure backlogs.

Our gravel roads are in an equal state of disrepair and, despite an ongoing maintenance programme, the backlog remains tremendous and a source of great frustration for communities across Kouga.

As promised last year, we also this morning made further funding available in the adjustments budget for the grading of gravel roads.

SANITATION

Mr Speaker,

A service delivery project that lies very close to my heart is the eradication of the bucket system. Almost 4 000 households in the Kouga region still rely on this inhumane system.

While we should be able to eradicate more than 2 000 buckets through current housing projects, the Council also launched a multi-year programme in the current financial year to eliminate the need for buckets.

A total of R2,3-million of the municipality's own income has been set aside for the roll out of container ablution facilities to informal areas. The project will be piloted at Stofwolk in Hankey.

The municipality has also, systematically, been addressing the backlog in bulk sewer capacity, which has been hampering development, especially of government-subsidised houses.

The upgrade of the Kruisfontein Waste Water Treatment Works at Humansdorp has been completed at a total cost of R85-million, so as to enable the construction of a further 2 109 government-subsidised houses in the area. It is estimated that at least 5 892 households will benefit from the upgrade.

The multi-year upgrade of the Sea Vista Waste Water Treatment Works, at a total cost of R53-million, is underway and will put in place the bulk capacity needed for government-subsidised houses to be developed in this area. It is estimated that at least 2 000 households will benefit from the project on completion.

The tragic drowning of a young boy at the KwaNomzamo Waste Water Treatment Works at Humansdorp recently emphasised the need for improved security at our plants. The KwaNomzamo plant, in particular, has been regularly targeted by vandals, with the fence around the facility simply being broken every time it is repaired and key systems at the plant being rendered dysfunctional.

While the municipality has thus far been unable to secure funding for a full upgrade of the plant through the Municipal Infrastructure Grant (MIG), there is a good chance that we will receive additional MIG funding in the current financial year, thanks to those municipalities who have been unable to spend their grants on time.

Should we secure this additional allocation, we will be able to start upgrading the KwaNomzamo plant.

Sewer blockages remain a cause of concern. Over the past seven months a total of 1 849 blockages were attended to, which works out to an average of nine per day.

While an increase in blockages was to be expected when water restrictions were introduced, the root cause needs to be investigated and addressed as a matter of urgency, especially in those areas where households regularly have to endure the severe inconvenience and health risks posed by spillages.

I must state my concern that when blockages in certain areas are cleared, all manner of foreign objects such as rolled-up blankets, wooden poles and big rocks are found within the system. Unless these items developed legs and jumped into our system, I can only suspect sabotage.

REFUSE REMOVAL AND WASTE MANAGEMENT

Ladies and Gentlemen,

An area where we are particularly proud of the progress we have made, is waste management and cleansing.

Both landfill sites at Humansdorp and Hankey have been given a thorough clean up while drop-off zones have been established at Jeffreys Bay, St Francis Bay and Oyster Bay.

Access control has also been improved at the Humansdorp site. A new entry gate and guardhouse are in place, as well as a weigh bridge which, once operational, will help the municipality to monitor what goes into the site so that it can be managed in a sustainable manner.

I would like to give residents the assurance that the weigh bridge will not be used to charge them for the waste they dispose at the site. Experience has shown that when a municipality charges for this service, illegal dumping escalates, a practice we are serious about eliminating in Kouga.

We are also looking at the possibility of opening the landfill sites and drop-off zones on a Sunday, as experience has also shown that illegal dumping tends to occur at those times when the official sites are closed.

Another strategy we will be rolling out to combat illegal dumping and keep our townships clean, is to start phasing out skip bins and to replace them with a wheelie bin for each household.

We will be kickstarting this process over the next four months with the acquisition and distribution of 4 700 wheelie bins to households in disadvantaged areas.

Skip bins have proven to be as much of a problem as they are a solution, as the areas around them tend to be turned into dumping sites. Our cleansing teams have been going all out to keep these

areas clean, but it is a losing battle, with the same site simply having to be cleaned over and over again.

The removal of the recycling penguins at Supertubes Park last year was a major disappointment to residents of Jeffreys Bay but could, unfortunately, not be avoided due to the misuse of the facility.

The municipality will, however, be establishing a recycling service and the appointment of a service provider is underway.

All schools in Kouga will also be receiving recycle bins. Bins have already been delivered to five schools, with the remainder to be distributed over the next few months.

Despite the challenges, the cleanliness of our towns in general, including public ablution facilities, has improved tremendously this past year, as reflected by the scores of compliments and praise, especially on social media platforms.

I would like to thank our cleansing teams, supported by the Community Works Programme (CWP) workers, for the dedication they have shown in this regard, especially over the recent festive season when they were called on to work at all hours of the day and night.

We have also been pursuing public-private partnerships with local business to roll out additional programmes.

The Adopt an Entrance campaign, launched in October last year, encourages local businesses to take responsibility for the cleanliness of the entrances to their towns. We are very grateful to Woodlands Dairy, who became the first business to take up the challenge. We

are currently finalising arrangements with another two businesses that would like to get involved.

I would like to make special mention of our waste specialist, Billy Hattingh, who has been instrumental in getting business to take hands with Kouga.

Various beautification projects were also undertaken by volunteers and organisations such as Dorp van Drome and I would like to acknowledge the incredible contribution they have made to Kouga over the years.

CLIMATE CHANGE

Waste management goes hand in hand with environmental management and is one of the three priority areas we have identified for our climate change partnership with IIsfeld, alongside renewable energy and water security.

Proposals for the projects on which Kouga and IIsfeld would like to collaborate, are being finalised, with the final funding applications due in October.

Our partnership with IIsfeld also has the potential for various spin-offs, most notably in the fields of tourism, early childhood development and tertiary education.

We are further committed to incorporating sound environmental practices into the day-to-day operations at the municipality.

Recent achievements have included the drafting of a management plan for the Seekoei estuary at Paradise Beach, which is currently open for public comment.

The municipality has also commenced with the clearing and stabilisation of dunes threatening the overrun Brander Steet and neighbouring properties at Oyster Bay while a Special Ratings Area has been established at St Francis Bay, in part to address the ongoing erosion of the town's beaches and the dune spit that separates the St Francis canals from the ocean.

TITLE DEEDS AND HUMAN SETTLEMENTS

Mr Speaker,

While the development of human settlements is not a core function of local government, municipalities have a role to play, especially with the provision of bulk services, and I would, therefore, like to touch on the progress which has been made.

An undeniable highlight of 2018 was the distribution of 1 827 historic title deeds to beneficiaries at Thornhill, Kruisfontein, Sea Vista, KwaNomzamo, Patensie, Pellsrus and Hankey.

Our late Mayor started the programme at Thornhill on Human Rights Day, 21 March 2018.

After her passing away, the baton was handed to me and it was an absolute honour to continue the work she had started, knowing that each title deed was a means of empowering families economically and restoring their dignity.

More historic title deeds will be distributed once verification has been completed. We expect to hand over at least a further 300 of these documents at Thornhill and KwaNomzamo over the coming months.

It is well known that the building of new government-subsidised housing came to a standstill under the previous regime.

This changed 18 months ago when work started on the top structures of 391 houses at Kruisfontein.

The Kruisfontein 391 project, as it is popularly known, is one of three human settlements projects currently underway in the Kouga region. A further five projects are at an advanced planning stage.

The beneficiary list for Kruisfontein 391 has been completed and the municipality's Human Settlements section will, as soon as all the houses are occupied, verify that the correct beneficiaries are in the houses.

Once the project is handed over to Kouga, I will propose the name of "Van Lingen Park", in memory of our late Mayor.

Of concern, is that some of the houses were handed over to beneficiaries by the contractor in December 2018, without the municipality or provincial Department of Human Settlements having inspected the quality of workmanship.

The second current project is Pellsrus 220, where the contractor is on site to install internal services. The provincial Department has appointed the same contractor to build the top structures of the

houses, but construction has not yet started due to delays, on province's side, with the building plans.

The approval of beneficiaries by the Department for Pellsrus 220 is also at an advanced stage, with 218 subsidy applications having been approved and the remaining two awaiting approval.

The biggest current project, one with the potential to reduce the number of informal houses in Jeffreys Bay significantly, is the Ocean View 1500 project.

This has not been an easy project to coordinate. More than 150 of the prospective beneficiaries have had to be moved to a Temporary Relocation Area as they are in the way of installation work.

The temporary site has been pegged, access roads have been made, communal taps and chemical toilets are in place and an electrical connection has been provided to each of the 168 households occupying a formal site.

A total of 1068 beneficiaries have been approved for the project thus far while a further 191 subsidy applications have been submitted and are awaiting approval.

The municipal Human Settlements section is further in the process of replacing 333 prospective beneficiaries who were on Council's approved list but never returned to the office to complete a subsidy form.

The five projects which are at an advanced planning stage is:

- A destitute housing project, consisting of 25 homes

- The Weston 196, Patensie 278 and Arcadia 139 projects: The Council has approved the layout plans and has submitted funding applications for the top structures. The lists of beneficiaries for all three projects have also been completed and submitted to the provincial Department for pre-screening.
- The Hankey 728 project which, due to a shortage of suitable land, had to be scaled down from 990 houses to 728. The layout plan is to be re-submitted to Council for approval so that the pegging of the erven can commence. A funding application for the top structures were submitted to the provincial Department in July 2017 while the list of prospective beneficiaries is with the Department for pre-screening.

JOB CREATION, LED AND TOURISM

Ladies and Gentlemen,

Another section that has been beefed up considerably, is the municipality's Planning and Development department.

The Town Planning section of a municipality plays a critical role in local economic development, as it is often the first contact point for potential investors. We would, therefore, like to make it as easy as possible for both residents and potential investors to access this service.

The relocation of the Town Planning department from a residential house at Humansdorp to suitable premises at Jeffreys Bay has already boosted its efficiency considerably while additional staff have been appointed to help ensure that all building plans are processed within 30 to 60 days of submission, depending on the magnitude of the work to be done.

A Town Planning Forum, including stakeholders from the building and related sectors, has further been established to help identify and address blockages in the process.

The estimated value of building plans approved during the first six months of the current year is R330-million.

Facilitating the creation of jobs and entrepreneurial opportunities remains high on the agenda of the Kouga Council, with the Agriculture, Tourism and Manufacturing sectors showing the greatest potential for growth.

A Local Economic Development (LED) strategy is being developed in partnership with local business and SMMEs. It follows on the establishment of an LED Forum, which has been meeting quarterly, to help strengthen the working relationship between the municipality, local stakeholders and sector departments.

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

Other upcoming programmes include 42 apprenticeships in electricity and plumbing.

The municipality has a very good working relationship with the NSRI's Jeffreys Bay station. A lifeguard unit has been established as part of

the NSRI's operations and our senior lifeguards will be offering free lifeguard training to local young people through the unit.

We take pride in the fact that we did not have a single drowning at our official swimming beaches over December.

The municipality will further start developing food and craft markets at Jeffreys Bay and Hankey this year and we have also taken hands with the Departments of Education and Public Works to establish an agricultural school in the Patensie area.

The Building Inclusive Green Municipalities (BIGM) programme presents another golden opportunity for Kouga to grow its local economy, support entrepreneurs and boost job creation.

Funded by Global Affairs Canada and facilitated by the South African Local Government Association (Salga) and Federation of Canadian Municipalities, the BIGM programme has partnered Kouga with the Canadian municipality Prince Edward County.

A Memorandum of Understanding was signed by the partners in March last year, committing the two to cooperate on matters of LED.

The collaboration includes the sharing of best practices to strengthen the municipality's capacity to deliver inclusive economic development services to local entrepreneurs and business concerns, with special focus on women, the youth and vulnerable groups.

Various workshops have already been held with local stakeholders and Kouga recently became one of the first municipalities in South Africa to roll out a Business Retention and Expansion Programme (BR & E).

The BR & E Programme will see the municipality's LED section conducting interviews and surveys with business owners, entrepreneurs and community organisations. The purpose is to identify issues, concerns and potential opportunities that local government, agencies and other stakeholders can address proactively to stimulate growth.

The initial focus will be on the Tourism sector, one of Kouga's biggest potential economic drivers.

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

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

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

GOOD GOVERNANCE

Ladies and Gentlemen,

The progress we have made over the past few months would not have been possible were it not for ongoing efforts to strengthen Kouga as an institution.

I would like to thank our Speaker, Hattingh Bornman, for the expert manner in which he has been chairing our Council meetings and for the hands-on manner in which he has been supporting municipal programmes, particularly, the implementation of the Ward Development Fund, through which R1,5 million has been made available to ward councillors to support organisations and implement quick-win projects in their wards.

My Mayoral Committee has also proven themselves willing and able to help keep Kouga on track. The scope of the work they have to do, is enormous, which has prompted me to fill the vacancy on the Mayoral Committee, which was created when our former Mayor passed away.

In order to ensure that the new Mayoral Committee is where they are needed most, the following changes will come into effect from 1 March:

- Clr Brenton Williams will continue to head the Finance portfolio,
- Clr Daniel Benson remains in place at the portfolio head for Community Services and
- Clr Freddy Campher retains his position as head of the Infrastructure and Engineering portfolio.
- Clr Bryan Dhludhlu will be moving to the Corporate Service portfolio
- The Planning, Development and Tourism Portfolio will be split in two, with Clr Frances Baxter taking charge of Tourism and a new member, Alderman Ben Rheeder, heading the Planning & Development Portfolio.

I must also commend our Accounting Officer, who has been serving way beyond the call of duty, as well as our directors and staff for the

tireless work they have been doing to move the blue bus closer to our end destination.

Financially, the municipality is stronger than it has ever been and, for the first time in many years, Kouga has been able to generate sufficient own revenue to augment grant funding and boost capital delivery.

Our cash on hand has been growing steadily, from R78-million in June 2017 to R92,3-million in June 2018. The institution's cost coverage ratio has also improved, from 0.9 in the original 2018/2019 budget to 1.5 in the adjustments budget.

Our revenue collection is at a very steady and healthy 94%. Our CFO deserves every penny we pay him and some more.

The adjustments budget was adopted earlier this morning, with revenue being adjusted upward by R5,98-million due to a higher than expected income for property rates and service charges.

What is encouraging about Kouga's budget is that 85% of it is funded through own revenue and only 15% through grants and allocations from other sectors of state. This means that even if all other funding sources dried up, Kouga would still be able to do business and serve its communities.

Another feather in the cap for our municipality is that it recently became one of the first municipalities in South Africa to successfully switch over to the new municipal Standard Chart of Accounts (mSCOA) - and achieve an unqualified audit while doing so.

This switch-over was no easy task and many municipalities were unable to comply fully with the new standards in 2017/2018, the year under review.

It was also good to see that Kouga's emphasis of matter was minimal, which bodes well for our drive to achieve a clean audit.

While water and electricity losses were among the matters emphasised by the AG, we were pleased to note that there was a significant reduction in these losses, which saved the municipality R11-million when compared to the previous financial year.

Chasing a clean audit, may I add, goes hand in hand with combating corruption and fraud.

The Kouga Council adopted an anti-corruption strategy and fraud policy in June last year and established the municipality's first Disciplinary Board for Financial Misconduct, as well as a Risk and Ethics Committee.

Internal auditors are in place and we have also appointed an Internal Audit Manager, who will start his employment soon.

Moreover, the Audit Committee, consisting of independent experts, meets quarterly to review the municipality's financial activity.

The Municipal Public Accounts Committee (MPAC) has also been fully functional and will next week be holding three public participation meetings for communities to ask questions and give input on the draft Annual Report for the 2017/2018 financial year.

Key successes to date was investigations into historic irregular expenditure and the write-offs and consequences that followed.

Innovation is key to success and, consequently, we have also been modernising the municipality to improve the efficiency of its operations and its responsiveness to citizens.

A digitalisation strategy is currently being developed to guide this process.

The introduction of the Link service delivery application, coupled to the Kouga Call Centre, has had a massive impact on the manner in which the municipality deals with everyday service delivery requests and complaints.

Since the introduction of the Link app 17 months ago, the municipality has moved from being unable to report on the actual number of requests that had been attended to, to being able to track and monitor these requests in detail.

Even more importantly, it has made it easier for residents to submit requests to the municipality and I would like to encourage those who have not yet done so, to download the Link app and start using it to make a positive difference in your community.

A total of 20 086 service requests and faults were reported through the Kouga Call Centre and Link App over the past seven months.

The success rate has been an impressive 98% or 19 674 requests resolved during the same period. The municipality's response time also improved from three days in the first quarter of 2018/19 to two days in the second quarter.

Another way in which we are modernising Kouga is by going paperless. Council, Mayoral Committee and Portfolio Committee agendas are already being delivered electronically to councillors and officials, except in a few instances where special concessions have been made.

One of the motivations for going paperless is the significant potential savings, estimated to be almost R2-million per year, that we can achieve if we minimise the use of paper and photocopier machines.

We also expect to save a further R2-million thanks to the installation of a new PABX system to replace the municipality's outdated phone network.

Fleet management is also critical to the performance of a municipality and has been an ongoing focus point.

Many will recall that Kouga's fleet was in a state of complete disrepair when the new Council took power in 2016. Only 4% of the fleet was actually operational and performing service delivery. This meant that even if municipal staffers were willing to work, they often weren't able.

The first thing we did, was to hold an auction, through which about R5-million was made for service delivery from the sale of dysfunctional and obsolete fleet, plant and equipment.

Our fleet replacement plan has been moving along well. Our refuse trucks have been revamped and two new compactors and two mesh trucks added to the existing fleet.

Eleven new bakkies or LDVs were also recently purchased for our service delivery departments while fighting fires in informal areas received a boost through the acquisition of a fire truck especially designed for this purpose.

I must also commend the team at the municipality's workshop. Not only have they been going the extra mile to minimise the downtime of vehicles, they have also proven to be experts at refurbishing old vehicles, thus continuously adding muscle to the municipal fleet.

Extra patrol vehicles are also currently being procured for our Traffic and Law Enforcement Officers who, despite capacity constraints, have been holding regular operations, ranging from roadblocks to clamp-downs on illegal businesses and expired goods, to help keep our communities safe.

Special mention must be made of Operation Fiela, an ongoing joint operation between the municipality and SAPS, where targeted operations are done against crime hotspots and illegal activities.

FESTIVE SUCCESS AND UPCOMING EVENTS

Mr Speaker,

Kouga proved once again this past festive season that it has what it takes to become a preferred holiday destination for the whole family. In fact, many holiday-makers were so impressed with what they found here, that they didn't want to leave.

Dolphin Beach retained its international Blue Flag status and lifeguards were deployed to all swimming beaches a month earlier

than usual to cater for the matriculants and students who visit Kouga before the official start of the holiday season.

A satellite lifeguard station was also erected at Kabeljous in partnership with the NSRI Station at Jeffreys Bay.

In order to improve the safety of residents and visitors alike, security cameras were installed along the main beachfront of Jeffreys Bay and there were regular beach patrols and roadblocks.

The Jeffreys Bay and Pellsrus Caravan Parks were also upgraded and additional security guards employed.

I believe strongly that tourism can be a game-changer in Kouga. Consequently, I have been keeping a close eye on developments and my staff will be working hands-on with our Tourism section and other roleplayers to increase the number of tourists visiting the Kouga region.

The local Tourism industry has, traditionally, been very seasonal, with the JBay Winterfest in July and festive season in December bringing in the bulk of tourists.

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

Jeffreys Bay's victory in the Kwêla Town of the Year competition last year already set the basis for a new annual event.

The KIA Makietie Jeffreysbaai, which was held to celebrate J'Bay's victory, was attended by more than 10 000 people at the Jeffreys Bay Caravan Park last year and has inspired the launch of the JBay Makiti, a similar event which will take place annually at the Caravan Park in September, starting this year.

Other events that the municipality will be supporting or hosting in partnership with local stakeholders, include the upcoming SA Open Water Championships at the Marina Martinique and the Mighty Men East Cape conference in March.

The first Jeffreys Bay Beach Carnival, including water and beach sports as well as loads of children's activities, will take place over the Easter weekend in April. This will be complemented by our own Easter soccer tournament.

The Aloe Cup will kick off in June while the biggest international event in Kouga, the JBay Winterfest, is set to take place from 9 to 22 July.

Also lined up, is the Humansdorp Lentefees in August and the South African Junior Surfing Championships in September. An October Beer Fest is being planned for October and a Biker Rally for November.

The municipality will also be applying for funding from the Sarah District Municipality and East Cape Department of Sport, Recreation, Arts and Culture to revive the Hankey Jazz Festival at Yellowwoods.

Other dates to save is 7 December, when the municipality will be building on the success of its 2018 Opening of the Season, and 31 December, when the municipality will once again be counting in the New Year at the Jeffreys Bay main beachfront.

I would also like to encourage all local businesses, churches, schools and community organisations to submit the details of their events to my office, so that these may be included on the annual calendar.

EVENTS CAPITAL OF SOUTH AFRICA

Mr Speaker,

I am nearing the end of my speech.

For the upcoming year, the municipality will focus its energies on:

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

Every institution should have a big idea and so should every municipality – an idea so big, it sets you apart from the rest.

We need to ask ourselves what are we selling? And is anyone interested in buying? How do we position Kouga to be unique, to make the local and international community sit up and take notice.

Through Tourism, we can create millions in revenue injection into our local community and provide impetus to our drive to create one job in every home in Kouga.

So, what is Kouga's big idea?

Mr Speaker,

Kouga will now embark on becoming the Events Capital of South Africa.

Events, that will attract tens of thousands of patrons, will grow our local businesses and create employment and sustainable opportunities.

In the new few months we will be unpacking the concept and brand, communicate the official launch, the LED strategy underpinning the concept and much more.

In laying claim to this title, Kouga intends to go big ... and keep going!

So strap yourselves in and prepare for an amazing ride.

I thank you.