



## **2011 / 12 BUDGET SPEECH**

**presented by the Mayor, Clr Serite Sekgoloane  
at a Council held at Rasekhuta Primary School, Thorpe Village  
on Wednesday, 20th April 2011 at 11H00**



**"BUILDING BETTER COMMUNITIES TOWARDS A  
NATIONAL DEMOCRATIC SOCIETY... THE  
JOURNEY HAS BEGUN"**

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Madam Speaker,  
Magoši a rena,  
Leadership of the ANC in the Sub-Region,  
Chief Whip of the ruling party,  
Chairperson of the Municipal Public Accounts Committee,  
Leadership of other political parties present,  
Members of the Executive Committee,  
Whips from other parties,  
Fellow Councillors,  
Ward Committee Members,  
Acting Municipal Manager,  
All Directors and Officials of our government,  
Members of the business fraternity,  
Members of the media,  
Distinguished guests,  
Ladies and Gentlemen

### **1. Historical Context**

We marking today, our 17<sup>th</sup> year of democracy since the advent of our political freedom on the 27<sup>th</sup> April 1994, 18 years since the late freedom fighter, Cde Chris Hani lost his life. This is the month in which many of our freedom fighters, the likes of the great O.R.Tambo (24 April 1993) and Cde Solomon Kalushi Mahlangu (6<sup>th</sup> April 1979) lost their lives.

April is very important month in the calendar of South African events. The leadership of the ruling party, the ANC, is on trial at the Equality Court on alleged hate speech case. The notion and the myth spread by the prophets of doom that the ruling party does not respect the laws of the country has no basis hence the Public Protector's ruling against the President of the country without any fear, favour and prejudice. The hate speech case is another case in point.

We, as the Municipality, are passing our IDP and budget today, this April as well. Our Municipality cherishes all the aspirations of a national democratic society. This has always been the course of the ruling's party struggle for humanity and a better life for all, hence the targets for achieving the universal access to basic and other socio-economic services has been set as 2014.

### **2. National and Provincial perspective towards our journey**

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The National Spatial Development Perspective (NSDP) was developed by the Policy Coordinating Unit of the Presidency as a framework to guide both public and private sector spending. The NSDP has, as its point of emphasis, the intention of integrating development and the fostering of increased job creation by clustering investments in strategically located areas (nodes and corridors of development) and population concentration points. Development is about people. Areas that fall outside the nodal points and corridors of development should be prioritized mainly for the provision of basic levels of services.

The IDP and Budget we are presenting today is cognizance of the provision of the NSDP and the Limpopo Employment and Growth Development Plan (LEGDP).

### **3. *Our strides in the journey...***

For the current government to realize the objects of a national democratic society, the ruling party has dictated that local government in the current term 2006 – 2011 adopts the key strategic agenda which comprises of six key performance areas;

- Basic Service delivery
- Municipal transformation and institutional development
- Local economic development
- Good governance and community participation
- Financial viability
- Spatial analysis and rationale

Honourable Speaker, we need to remind this Council and our communities that the President of the country has taken the performance of all public office bearers to a higher level. Performance agreements have been signed with all Ministers, Premiers, MECs, and Mayors. In terms to Outcome 9 we are compelled to have a responsive, efficient, effective and accountable local government system.

We must commend the achievement recorded by the Provincial Department of Local Government and Housing under the leadership of the Honourable MEC Soviet Lekganyane for scooping excellence awards in two consecutive years. Under the leadership of MEC Lekganyane we have seen government pushing back the frontiers of poverty and observing houses planned for construction being completed within a single year, thus reducing homelessness amongst our people. This is an exemplary Department in terms of fostering integrated planning by submitting their plans for the 2011\12 financial year for the planning and preparation of municipal IDP within a reasonable period of time. Re a mo lebogiša molekgotla-phethiši le sehlopha sa gagwe.

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### 3.1. Provision of basic services

Our government, mandated by the dictates of the visionary ruling party, is committed to ensure that we, amongst others:

- Speed up the provision of **municipal access roads, water infrastructure, sanitation and electricity, especially in the rural areas.**
- Expand Free Basic Services – presently covering water – to **include refuse removal** to all poor households.
- Invest in maintenance and refurbishment of municipal infrastructure – bulk water and electricity distribution, waste management and roads.

In terms of basic services provision, we are proud to report that more than 95% of our households have access to electricity, 87% of households have access to potable water at RDP level, 51% of our households have access to sanitation, and over 12% have access to refuse removal service.

We must however reflect that in as much as we have recorded some achievements, there are service delivery areas which still require more work. These include areas such as roads and streets upgrading and sanitation which still need our undivided attention.

The youthful female Technical Service Director, Ms Betty Tlhabani must be commended for the sterling work she is doing in directing what is actually called a service delivery department.

### 3.2. Municipal Transformation and Institutional Development

Madam Speaker, we have managed to stabilize the environment in which both the political leadership and the administration operate harmoniously. We are on daily basis indeed turning our challenges into opportunities for growth and development. We have recorded significant progress in the struggle to empower and emancipate women and people with disabilities.

The Municipality has created a unit dedicated to dealing with the needs of special focus group such as women, youth, people with disabilities, and the elderly.

The activation of Sports Development Unit has augured well with the special focus unit programmes. We have incorporated the aspects of employee wellness into the programme of the institution-hence the launch of interdepartmental sports league.

Blouberg Municipality has started with only two service centres with skeletal staff of less than 20 personnel. We today boasts of extra 2 services points adding up to 4 in total,

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namely: Senwabarwana head office, Alldays; Eldorado; and Tolwe satellite offices. We will continue with our decentralization plan which will see us introducing another satellite office at ga-Raweshi in Ward 1 in the medium term and ward offices in all wards in the medium to long term period.

We need to fill all posts on the organogram and our areas of focus will be on positions that aid the Municipality in actual service delivery, positions whose presence on the organogram aid in total compliance and the provision of posts that assist the Municipality to raise its much needed revenue. All vacant posts, including those carried from this current year are 15 in number and all must be filled by November 2011. The majority of positions prioritized are to assist in our endeavours to decentralize municipal services-which basically mean most positions will be based at our satellite offices.

We intend using community halls and tribal offices as our point of departure in our implementation of the decentralization plan.

### 3.3. Local Economic Development

Madam Speaker, section 152 of our country's constitution dictates that municipalities should promote the local economic development.

Therefore, we have developed and adopted the LED strategy which has its influence from the NSDP and then LEGDPs. We will need to revise the strategy to align to the latest development like the LEGDP and the New Growth Path (NGP).

We are continually building partnerships to record some progress speedily in this regard because there will be no progress without the joint efforts of the private sector, donor funders and government.

We want to appreciate the contribution of our private sector partner, De Beers Venetia Mine in building community infrastructure and thus contributing to the local economy. Many school classrooms and villages electrification projects have been achieved through their assistance. And once more we must say to them, "Thank you very much and let us continue with our journey to the national democratic and just society"

We are expecting some contribution from the new kid on the block, **COAL OF AFRICA's** Vele colliery. We are looking forward to working together well with them to build better communities. Investors continue to show great signs of confidence in our area's leadership and potential. We have launched the **McCormick/Selamolela Blouberg Plaza** which has since stalled due to some land development bottlenecks.

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We are pleased to report that there has been significant progress in resolving the above matter and we expect work to resume before end of June 2011. The breakthrough in terms of the land transfer, the investment attraction for Senwabarwana and Eldorado, the successful coordination of IDP planning processes and the attainment of the interdict against illegal invaders at Senwabarwana should be attributed to the sterling work of the Director, Economic Development and Planning, Mr Kgorane Johnny.

Madam Speaker, there are investors lined up for Eldorado nodal point already (**Flying falcon's** investment of R100m). This is because the Provincial Government has adopted our Eldorado growth point as a provincial rural node informed by our SDF.

Madam Speaker, President Jacob Zuma has ordered that everyone should prioritize job creation in the period now until 2014 so as to reduce the levels of poverty and stimulate some economic activities in our communities.

Government has put aside R9bn Jobs Fund over and above the R800b set aside for infrastructure development over the MTREF. The Industrial Development Corporation has been allocated R10bn for supporting job creation initiatives. So far, both our National and Provincial government have come to the party in creating the needed jobs. National government has employed 300 people in the Community Works Programme (CWP) benefiting Inveraan and Diepsloot villages. We are still expecting that other national government departments will follow as it is everybody's mandate to create jobs in our localities.

Madam Speaker, our provincial government has also created 1263 job opportunities filled by residents in all our 21 wards. However, the biggest beneficiaries have been Wards 17 and 18 with 100 and 500 labourers respectively. We look forward to these kinds of initiatives.

Madam Speaker, as part of our contribution, informed by the powers and functions assigned to us, we have put in our budget for 2011/12, the sum total of R 39,7m aimed at creating over 400 job opportunities from the MIG projects allocation. Our EPWP initiative in pursuit of achieving the MDG target for refuse removal service will see us creating a minimum of 100 direct job opportunities in the 2011/12 financial year. All in all, we will create over 500 jobs in the 2011/12 financial year of which 100 are sustainable Community Works Programme.

The role played by the private partners in the fight against poverty and in the promotion of food security cannot be downplayed. In the tabling of the 2009\10 budget speech at My Darling community Hall we commended the good work done by some of our

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emerging farmers such as Messrs Raletjena, Motibane and Mahlana. Today we are proud that the examples they set are being emulated-hence the emergence of young farmers under the banner of Youth in Agriculture and Rural Development (YARD). The structure has produced the likes of Messrs Maseka and Matlapeke who have scooped provincial awards for achievement in agricultural development, with the former scooping the overall winner for the best provincial emerging farmer. Credit should also go to local farmers such as Mr Aucka Jongbloed for their continuous motivation and support to emerging local farmers. Indeed if we work together we will build better communities and fight back the frontiers of poverty

### **3.4. Good governance and community participation**

The constitution mandates government to empower communities' voice in the affairs of government and further to allocate resources for the attainment of such.

Madam Speaker, so far we have recorded significant progress in this area. All structures for good governance have been put in place and are fully functional.

Council has been meeting accordingly in every quarter, while Exco and portfolio committees are in place and fully functional. The Internal Audit unit, the Municipal Public Accounts Committee, the Audit committee, and the Auditor - General have all been actively involved in ensuring that we do not compromise good governance principles. This, Madam Speaker, has resulted in us obtaining an improved audit opinion (Qualified) although it is not the best. We shall strive to achieve a clean audit report by the set target date of 2014.

We must take this opportunity to thank and appreciate our management for their collective effort and that of Finance department led by our CFO, Lucy Seabi, for the job well done.

Our model for community participation is still among the best in the country. Our relationship with traditional leaders and chairperson of bought farms remain very sound and augurs well for speedy identification and implementation of required projects and programmes.

Our Ward Committees have been functional term after term and have, for eight years in succession, held their annual conferences... a big thank you to the Secretariat and Corporate services department under the stewardship of the Director, Mr Fannie Mothibi.

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Priorities set out in the local government strategic agenda as stipulated above cannot be read in isolation from the priorities of the national and provincial government for the 2009-2014 government's terms of office.

Key thrusts of the 2009-14 government priorities include education, health, job creation, rural development and the fight against crime and corruption. Madame Speaker, today we can boast that this Municipality is making strides in the advancement of our people towards the attainment of the National Democratic Revolution and the emancipation of our society from all forms of social ills by amongst other things:

- Embarking on campaigns that target the achievement of healthy lifestyles, HIV Counseling and Testing, sports development, anti-crime, and campaigns against women and children abuse.
- The democratization of the state. Madame Speaker, we are proud to indicate that we have one of the best democracies in the world-thanks to our campaigns. Without fail, elections are held every five years under the auspices of the Independent Electoral Commission under the astute leadership of our MEO, Ms Pitsi Senosha, and the watchful eyes of international observers. Our elections have always been declared free and fair.

### **3.5. Financial viability**

Municipalities are expected to raise sufficient revenue from own sources to finance their operations and sustainability plans. It is expected that municipalities must in an ideal situation raise over 80% of their total budget monies from own revenue. We are only contributing less than 25% in own revenue to our budget.

This is still a challenge for our Municipality precisely due to the high level of indigence that get exonerated from paying for services, the inability to bill those that must pay, the non-payment by those who should be paying, the inability to enforce management policy and lastly our inability to broaden the tax base.

Madam Speaker, we have had problems with residents of Senwabarwana for a very long time particularly on their non-payment for services. We must report to this Council for us to update our standpoint on the matter that the Capricorn District Municipality has written off all water related debts. This amounts to R3m of our books. In as much as this may be misconstrued and misinterpreted, we are glad with the arrangement because the impasse has been broken.

Madam Speaker, we shall start earnestly with the development of a municipal financial plan which will guide us in our endeavour towards sustainability.

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We believe that there will be sanity and harmony among residents who have in their majority appreciated the gestures and undertaken to honour their obligations in future.

### 3.6. SPATIAL ANALYSIS AND RATIONALE

Honourable Speaker, let me take this opportunity to remind this council that all the grand plans, interventions and strategies take place in space and as a result they must be properly directed and guided to make a huge positive impact on the lives of our communities. To that we are guided by Municipal Spatial Development Framework. As indicated in the IDP our SDF identifies Senwabarwana, Alldays, Eldorado, Tolwe, Ga-Raweshi, Puraspan-Avon-Indermark corridor as core nodes of the Blouberg Municipality. Without fear or favour, we will jealously guard against any deviation towards the growth of these strategically located areas.

The implementation of massive infrastructure projects and retail investments has been done in compliance with the principles of the National Spatial Development Perspective, the Limpopo Employment Growth Plan and the dictates of the municipal Spatial Development Framework. The two large retail investments are implemented in the two municipal primary nodes, Senwabarwana and Eldorado.

A large percentage of the municipal infrastructure grant is implemented in the municipal nodes and development corridors.

Honourable Speaker, it is clear that government and private sector spending is geared towards the nodal points identified. Township establishment, water and sanitation, electrification, upgrading of roads and cemeteries are all implemented in nodal points and population concentration points, while settlements in the periphery are provided with a basic level of services.

Honourable Speaker, we table our IDP\Budget of R147.5m for the 2011\12 financial year as follows:

**Operational expenditure** is R107, 793.200 of which R60, 654.77 goes towards employees and councilors costs. This puts us outside of the norm for apportionment of budget votes.

**Capital expenditure-** our capital expenditure for this financial year stands at R34, 4m (inclusive of job creation) out of a total of R147.5m. The biggest spending budget items are the paving of internal streets at Alldays and Puraspan, Senwabarwana traffic station, plus fencing of cemeteries for Alldays and Senwabarwana, the construction of a preschool in Alldays (courtesy of Venetia Mine), and the upgrading of the multi-purpose centre in Alldays. The electrification of Witten extensions and the provision of

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solar energy at Hananwa will see us completing the last village in terms of energy provision.

The Capricorn District share is R34m and it will see us rolling out water in ten villages which include, inter alia, Diepsloot, Tolwe, Indermark and Blackhill scheme. The figure includes sanitation project for Alldays RDP houses in phase 1.

The National Department of Human Settlements has allocated amounts of R7.5m which will target completion of Witten sanitation and phase 1 of Taaibosch village for the 2011\12. R16m and R25m have been allocated for the 2012\13 and 2013\14 outer years for further provision of sanitation facilities.

ESKOM will electrify a total of 4 villages which include, among others, Puraspan and Pax for the 2011\12 financial year. We have submitted the entire priority list for the completion of electrification for post connections (extensions) for the 2012\13 and 2014 financial years.

We have been allocated a total of 1080 housing units for the 2011\12 financial year and work has already commenced. The allocation of the houses will also target serious and unbearable housing conditions identified by Mr Ramaloko TT of Senwabarwana in his door-to-door work in settlements such as Indermark. Maoto William of Block B who lives with his wife and six siblings in a small tent, Thoka Daisy (also from Block B) who lives in one room with two elders plus four children among the fifteen identified so far will benefit from this current allocation of houses.

### **4. Performance Management System**

Madame Speaker, we reiterate our position on the full implementation of the PMS. In the 2010\11 budget speech we instructed that the system be implemented to the lowest level employee and this has not been attained. We have therefore created the position of PMS Officer to fully handle our monitoring and evaluation for all employees but phasing it to the level of officers in the first year (2011\12) and the subsequent year roll the system out to all employees. Council needs to have value for the money it spends on all its personnel. This is not a negotiable matter. This will be developed to include all our public representatives, as well.

Madam Speaker, we are confident that under the bold management of Ntate Machovani, our Acting Municipal Manager, the implementation of a full PMS is left in capable hands and our instructions will be carried out fully.

### **5. IDP\BUDGET 2011\12**

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Madame Speaker, I hereby table this budget speech and the following related policies for adoption:

- Draft IDP and Budget 2011\12 and outer years
- Draft Revised Municipal Institutional Plan
- Draft revised tariffs structure
- Draft tariffs policy
- Draft indigent policy

### **6. Appreciation**

The contribution of management, the executive committee and the council of this municipality is appreciated.

On behalf of this council we pass our sincere gratitude to the support rendered by our traditional authorities, chairpersons of bought farms, ward committees and the community at large.

### ***Special thanks to all who contributed to this Budget Speech.***

My family occupies some space in the accolades and we want to appreciate their continued support.

“Kodumela...le ge e le kgole re tla fihla.”

Amandla!