

VIRTUAL ORDINARY COUNCIL REPORT PRESENTED BY HIS WORSHIP, MAYOR OF BLOUBERG LOCAL MUNICIPALITY, COUNCILOR MASEKA SOLOMON PHEEDI: 29th JUNE 2020 WITHIN THE MUNICIPALITY (SENWABARWANA).

Madam Speaker

Members of the Executive Committee

The Chief Whip of the majority party and other Whips

Chairperson of the Municipal Public Accounts Committee

Fellow Councillors

Kgoshi Makgato

Municipal Manager and senior managers

All municipal officials

1. INTRODUCTION

Madam Speaker, we are approaching the peak of the COVID-19 pandemic as earlier predicted by epidemiologists and the surge is really scary as it spreads like wildfire. Again, reality is starting to kick- in at our locality following the four positive reported cases at the weekend. We all have a responsibility of adhering to lockdown regulations by limiting movements , observing hygienic etiquette of washing hands regularly and maintaining social distance. Since the declaration of the state of disaster by the President of RSA in terms of Disaster Management Act, we have done our best to flatten the curve of the pandemic. The past two weeks have been declared the incubation period of the coronavirus pandemic. We are in a middle of war, let us not throw in the towel but forge ahead with the fight against this scourge. As of yesterday, the 28th of June 2020, South Africa had recorded 138, 134 positive cases with 2456 fatalities. Madam Speaker, it is not all doom and gloom as the country recovery number stands at 68, 925. On the other hand, our district, Capricorn has recorded 197 cases with 63 recoveries thus far. This does not require a rocket scientist to tell that, the after effects of these pandemic will remain with us for several years to come, however we are quite certain that we will emerge victorious. Let us not despair.

Madam Speaker, the coronavirus pandemic is a disaster that has severely disrupted the normal functioning of the people across the globe and will continue to proliferate indiscriminately. This pandemic threatens the health of everyone, but women are disproportionately affected. Sexual and gender based violence is no longer a hidden consequence of the Covid-19 pandemic. As communities around the world were forced to stay at home, women are at a heightened risk of domestic violence, intimate partner violence, child abuse, and other forms of sexual and gender based violence.

Statistics show that every three hours a woman is killed in South Africa. This is five times the world average. Half of all women murder victims are killed by men with whom they had a close relationship. On 17 June 2020, in his address on SA's response to the coronavirus pandemic, the President condemned in the strongest possible terms the recent barbaric acts of killing of women and children "It is with the heaviest hearts that I stand before the women and girls of South Africa to talk about another pandemic that is raging in our country- the killing of women and children in our country. I want to assure the women and children of South Africa that our criminal system will remain focused on gender-based violence cases and that we can expect more arrests and more prosecution against perpetrators to follow".

2. DRAFT 2020/2021 IDP/BUDGET (second document (pink in colour): page 1-744)

The report tables a draft IDP/ Budget as required by sections 23 (1), 26 and 34 of the Municipal Systems Act (MSA) for the financial year 2020/21. This draft strategic plan supports the municipality's ability to meet its constitutional obligations (Section 152 and 153) which include providing democratic and accountable government for communities; provision of basic services; promoting socio-economic development; promoting a safe and healthy environment; and encouraging the involvement of communities in matters of local government. The Draft Integrated Development Plan provides an integrated framework that ensures the municipality's resources are:

- utilised efficiently and effectively
- alleviate poverty and inequality,
- provide basic services and
- promote sustainable development.

The IDP/Budget 2020/2021 is tabled before Council with all the draft budget related policies. Approval of the IDP and Budget Process Plan by Council was done in July 2019 and the amendment was approved on the 15th May 2020. Community Consultation (Listening Sessions) was done between May and June 2020, and the delay was due to Covid 19 pandemic which resulted to a National Lockdown before the municipality could adopt its draft 2020/21 IDP/Budget. All internal departments were consulted through the steering committee meetings as from May 2020. A virtual meeting was held with the district as the coordinating structure for the convergence of sector departments for them to present on their planned projects, COGHSTA was consulted, Treasury engagement session was held through a virtual system, traditional leaders were consulted, farmers unions were consulted through the virtual systems and communities were consulted through radio stations (Thobela FM ON THE 11TH JUNE 2020, Mohodi FM on the 9th June 2020, Facebook and local newspapers on the 18th and 21 May 2020), distribution of copies to satellite offices for communities to comment and Councillors distributed copies to their

constituency, suggestion boxes were distributed at the Traditional leaders Councils. The comments were consolidated and attached to the main IDP document.

Madam Speaker, the **PEOPLE HAVE SPOKEN**. People have raised issues on the Draft IDP/Budget that have sharpened our ideas and plans. These include amongst others the following;

- Hlokego ya meetse,
- Ditsela tše di kaone,
- Ditsha (ditene),
- Kgolo ya toropo
- Mathata a ditlakala,
- VIP toilets le improved sewerage system
- Dintlo,
- No Network coverage in certain areas
- Hlokego ya mešomo, bjalo bjalo

On the basis of our engagements with our communities and stakeholders, we had to rework the IDP/Budget in order to respond to issues raised by Communities. All sector issues raised during consultations will be referred to relevant sector departments and IGR Forums.

Madama Speaker, Today we are presenting the IDP/Budget 2020/21 for approval. Our report has been tabled in line with the Six Key Performance Areas, namely, Basic Service Delivery, Municipal Transformation and Organizational Development, Good Governance, Spatial Rationale and Financial viability.

2.1. BASIC SERVICE DELIVERY

Madam Speaker, during the consultation with our people, it was proven without doubt that our people cannot wait to see their access roads and internal streets upgraded and maintained, clean and user-friendly community facilities as well as the improved provision of water services. For the year 2020/21, the following projects will be implemented:

2.1.1. We have an allocation of R42,95 Million from Municipal Infrastructure Grant for the following projects:

- A by-pass road in Senwabarwana, upgrading to tar, which could reduce the traffic congestion during month-end and festive seasons at a cost of **R17,5 million**;
- Upgrading of the Witten Internal Streets and Storm water channel at a cost of **R6,2 million**.
- Construction of Senwabarwana Sports Phase 4 and 5, which includes the Construction of concrete grand stand, athletic tracks, boxing and gym building completed, at a cost of **R18, 8 million**.

2.1.2. We also have an allocation of R6 million from **Integrated National Energy Programme (INEP)** for the following projects:

PROJECTS	BUDGET
Electrification of 66 households Innes- at a cost of	R1,188 000.00
Extension 20 units Diepsloot	R360 000.00
Electrification of 248 Witten	R4,452 000.00

2.1.3. As well as the following projects to be implemented by **ESKOM**

PROJECT NAME	SETTLEMENT	NUMBER OF UNITS
2020/2021 PROJECTS		
ELECTRICITY POST CONNECTIONS	SLAAPHOEK	200
	DEIVILLIERSDALE	15
	KROMHOEK	150
	PAX	160
	PAPEGAAI	60
	WEGDRAAI	30
	MATSHOANA	20
	BERGNDAL	20
	DANTZIG	50
	BOSEHLA	08

2.1.4. Our Capricorn District Municipality will also be implementing the following projects in the 2020/21 financial year.

SETTLEMENTS
GROOTPAN SIAZ RAMASWIKANA LONGDEN MAMOLEKA
KROMHOEK DE VREDE TAAIBOISCH
BOSEHLA
NAIRN SEFIHLAMPYANA GA-TSHABALALA
INVERAAN
NAILANA

2.1.5. Internal streets and access roads

Madam Speaker, the state of our internal streets and access roads poses a serious challenge within our municipality. For the 2020/21 financial year, we have allocated an amount of R3 million rands for the upgrading of our internal streets and access roads, R650 000 for the maintenance of Internal Streets at Puraspan, Witten, Mamehlabe, Dilaeneng, Senwabwarwana, Alldays, De Vrede, Taaibosch, Kromhoek, Avon, and Indermark.

An amount of R450 000 has been set aside for the construction of culverts.

2.1.6. Environment and Waste Management

Madam Speaker, with regards to matters of Waste and Environment, it is anticipated that 210 EPWP casual workers will still be employed for the upcoming financial year. The referred to casual workers will come in handy with regards to the following: Litter picking, Waste

Collection, Park, Cemetery and Street Maintenance. Such endeavors have the capacity to reduce one of the most prevalent triple challenges being unemployment.

Madam Speaker, it should further be noted that even with our scarce resources, we still provide waste collection services in the following areas; Senwabarwana CBD and Township, Dilaeneng, Ga-Mareis , Avon, Indermark , Kromhoek ,Devrede, Burgreght , Motlana, Eldorado , Taaibosch , Longden, Grootpan and Alldays. We should also encourage our communities to group themselves for the **(RRR- Reuse, Reduce, Recycle) recycling cooperatives**, A budget has been set aside for the improved waste and environment management, as follows:

PROJECTS	BUDGET
Purchase of industrial bins, which will cover areas such as Taaibosch, Vivo and Ga-Kgobokang	R500 000
Purchase of street- sweeping machine	R500 000.00
Senwabarwana land-fill operation and management	R4 M
EPWP programme-	R4 M

2.2. MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

Madame Speaker, the COVID-19 pandemic puts a huge challenge to our municipality, in particular, the state of our buildings as well as the IT infrastructure. The 2020/21 budget has been allocated in conscious of the fact that there is a need to improve the above-mentioned areas.

Madam Speaker, the IDP and Budget that we present today also reinforce the implementation of our **decentralization plan**. We remain proud that seven satellite offices and a multi-purpose community centres have been established in areas such as Alldays, Tolwe, Eldorado, Harrietswish, Witten, Laanglagte, Inveraan and Senwabarwana.

Through the organizational structure that is revised today, the management should continue to beef up other satellite offices by appointing staff. By so doing we will be giving full effect to the decentralization plan to ease access to our facilities.. The satellite offices that we establish must take the shape of Alldays and Eldorado in terms of their organizational structure.

For the 2020/21 financial year, a budget has been set aside for the face-lifting of **Tolwe Satellite** to cater for the **licensing and registration of vehicles**, as well as the renovation of other satellite offices.

We therefore bring to this council for the approval of the revised **Organogram** as well as the **Human Resource policies**. It should also be noted that the danger allowance policy is still engaged at the bargaining council level, and we shall deal with it upon completion at that level.

2.3. SPATIAL RATIONALLE

- Madam Speaker, in terms of spatial planning the municipality has appointed three service providers who are now at a final stage to complete township establishments on three farm portions namely BOCHEM 145 LS, BOCHUM 178 LS and portion 4 (remaining extent) of the farm ALLDAYS 295 MS. 500 sites will be demarcated from each farm portion wherein the total will be 1500.
- Madam Speaker, as much as we appreciate the appointment of town planners for township establishments project we still have a serious challenge in respect of land invasions by some of our community members. This is a world-wide phenomenon, as people migrate from rural areas to towns. This project will in one way or the other respond to the challenge and put an end to these illegal land grabs.

2.4. LOCAL ECONOMIC DEVELOPMENT

In terms of the constitution of the Republic of South Africa Act 108 of 1996 one of the objectives of the local government is to promote social and economic development. The Blouberg Municipality is not immune to this constitutional mandate and therefore the municipality must ensure that there are economic spinoffs to uplift the standard of living of the residents. As an approach towards economic development, which allows and encourages the communities to work together to achieve sustainable economic growth and development it therefore brings economic benefits and improved quality of life for all residents in a municipal local area. The Municipality developed the Blouberg Growth and Development Strategy which seeks to attract investors to grow the economy that could create more job opportunities and alleviate poverty in all forms. Madam Speaker, Blouberg Municipality on its own cannot make it. Partnering with private and Public Institutions in a new way to go.

The municipality forged partnerships with various stakeholders such as Venetia mine United Nations Women through the Accelerated Women Micro Enterprises to capacitate women who are in business. The program capacitated 257 women entrepreneurs since its inception from

2019/20 financial year. Notwithstanding that there are a number of programs that the municipality has to support SMME's.

2.5. PUBLIC PARTICIPATION AND GOOD GOVERNANCE

Madam Speaker, the introduction of the cost-containment regulations and policy, as well as the Covid-19 pandemic, had negatively impacted on the performance of our municipality in relation to the Imbizos, Special focus programmes as well as the support to sports activities. Let us adjust to this new normal, and we shall be used to, and finally concur the pandemic. We also acknowledge the role played by ward committees during this trying times.

We shall continue to hold virtual meetings as its also a cost-containment measure. This will also assist to channel the savings towards improving service delivery.

2.6. FINANCIAL VIABILITY (BUDGET)

In terms of section 16 (2) of the Municipal Finance Management Act, Act 56 of 2003, the mayor of the municipality must table the annual budget at a council meeting at least 30 days before the start of the budget year.

The budget of the municipality was prepared taking into consideration the Municipal Budget and reporting regulations, the National Treasury circulars (98 & 99) and the inputs from the provincial treasury made during budget benchmarking session held. The application of sound financial management principles for the compilation of the municipality's budget is essential and critical to ensure that the municipality remains financially sound and that the municipality is able to provide services to all communities in a sustainable manner.

This area remains one of the most critical as it deals with sustainability of the municipality. The revenue collection is the lifeline of the municipality and as the municipality do not have reliable sources of revenue. The revenue of the municipality is dependent on electricity, traffic services, assessment rates and grants from national treasury as the sources. The municipality however has challenges in the area of revenue collection. The Municipality has anticipated on implementing a variety of revenue collection strategies to optimize the collection of debt owed by consumers and also circulating its credit control and debt collection policy. The Revenue Management Committee has been established to deal with revenue collection issues and also taking into cognisance from Finance Minister during his budget speech in which he said "National Treasury will lead a process to encourage those, including government departments, who owe money to municipalities, to pay for services".

The preparation of the 2020/2021 medium Term revenue and Expenditure Framework (MTREF) were an extremely challenging, with considerable potential impacts on core service delivery cost and revenue components, which influenced the outcomes of MTREF. Another challenge is lower revenue collection due to non-payment by residents and none cash item e.g. Depreciation.

The annual total Budget Revenue for the 2020/21 financial year amounts to **R 343.6 million**, make up with the own revenue of **R 91.9 million** and the grant of **R 251.7 million**. There is an increase as compared to last year budget of **R 77,8 million** and **R 241.2 million**. The annual Budget operating expenditure for the 2020/21 amounts to **R 335.9 million**. The operating expenditure has increased as compared to 2019/20 financial year due to annual increase on salaries and inflation rates. The operating expenditure for the outer years has also increased. The municipality has eliminated spending on non-priority items or activities to give way for service delivery priorities. The operating expenditure includes non- cash items of which causes a deficit as the municipality given the fact that it is rural it's unable to absorb these items through tariff setting considering the level of poverty and affordability.

The annual capital budget is at **R 60.8 million** for 2020/21 has decreased as compared to the last year budget of **R 61,6 million** . The most capital projects of the municipality are single-year projects which run for a period of one year but MIG funded projects are multi-year projects in a financial year. The capital projects of the municipality are funded by conditional grants and internally generated funds.

Operating Revenue and Expenditure Framework

Revenue:

The total Budget Revenue for 2020/21 is at **R 343.6 million** which is more than last year's budget (**R 329, 0 million**) , the main cause for increase is the grant allocation. The total grant revenue budget for Blouberg Local Municipality for the 2020/21 financial year is at **R 251.7 million** which is more than last year budget (**R 251.2 million**). The total Own revenue is at **R 91.9 million** which is more than last year's budget (**R77,8 million**).

Expenditure:

Further key parameters applied to the Blouberg Municipality's financial framework include the following for the 2020/2021 financial year:

The total Budget Expenditure for 2020/21 is at **R 334,3 million** excluding capital budget. Employee related cost including section 56 is at **R 128,1 million** and councilors is at **R 18,1 million** and in percentage is **38%** of the total budget. The increase in terms of the employee cost is **6.2%** for 20/21 as per employee collective agreement.

Repairs and Maintenance **R 4,1 million** and in percentage is **6.7%** of the total capital budget.

THE DRAFT BUDGET RELATED POLICIES

The report is here by tabled in terms of MFMA, which requires that the municipality should on an annual basis review their policies in line with the tabled IDP and budget for alignment. The policies concerned is the Rates Policy, Land disposal and acquisition policy, Asset Management Policy, Policy For Infrastructure Procurement, Supply Chain Management Policy, Cash Management Policy, Credit Control, Debt Collection, Customer Care Policy, Budget Policy, Investment Policy, Fund Reserve Policy, Indigent Policy, Cost Containment Policy, Virement Policy, Tariff Policy.

Madam Speaker, it is therefore recommended that Council approves the amendments on the above mentioned policies for implementation.

We further present to this Council the following items for approval and or noting.

Pages	ITEM	PROPOSED ACTION
	Draft 2020/21 Service delivery charter	For approval
2.	Delegation of powers, including financial powers	For approval
3	Appointment of Mr. Ranku M.F as the Acting Director: Community Services	For approval
4	Approval for the appointment of the shortlisting and interview panels for the vacant position of Director: Community Services.	For approval
5	Demarcation circular.	For noting
6	Review of the Integrated Waste Management Plan. Draft plan	Approval for public participation.
7	Rolled-over projects	Approveal of the application.
8	Municipal Exemption from the SPLUMA provisions	That EXCO recommend to Council to Approve the request for exemption and mandate CoGHSTA to submit the exemption request to Minister of DALRRD for consideration
9	Status on implementation of EXCO and Council resolutions	For noting
10	Covid 19 risk management report and work-place plan	For noting

IN CONCLUSION

Madam Speaker, let me take this opportunity to thank you for the opportunity to table the 2020/21 IDP/Budget. Like I said in the beginning. ***It is Thuma mina time. Let us all roll our sleeves and join hands to Grow Blouberg Municipality together.***

Quote from Nelson Mandela. It is always impossible it is done. Thuma mina campaign is still on. Is time for volunteerism.

Ke a leboga

CLLR MASEKA PHEEDI

MAYOR; BLOUBERG LOCAL MUNICIPALITY

