

## **BLOUBERG BUDGET SPEECH 2015\16**

**29 MAY 2015**

Madam Speaker

Magoshi,

Chief Whip of the Council and other Whips

Representatives of the Auditor-General of South Africa

Representatives of the Audit Committee

Chairperson of the Municipal Public Accounts Committee

Members of the Executive Committee

Fellow Councillors

Representatives of political parties and civic organizations

Members of the ward committees and community development workers

Municipal Manager and Senior Managers

Officials from organs of state and sister municipalities

Members of the business community

Members of the interim Youth structure responsible for youth skills development and employment,

The media houses

Distinguished guests

Ladies and Gentlemen

Madame Speaker, we table this revised Integrated Development Plan and Budget during the month to celebrate our being African.

I am an African and I am proud that South Africa is a better place to live in today than it was before 1994.

I am an African and I am proud that, as we table this Integrated Development Plan and Budget 2015\16, we also celebrate the following important anniversaries:

- It has been over **one hundred and three** years since the formation of Africa's oldest liberation movement... the African National Congress, my voice
- It has been **one hundred and one** years since the delegation of our former leaders, Comrades John Langalibalele Dube, Sol Plaatjie and Walter Rubusana travelled to Great Britain to formally protest the Natives Land Act. Today we still suffer from the effect of this cruel act though Minister Nkwinti is currently redressing that anomaly.
- It has been **Ninety six** years since the formal protests against Pass Laws, firstly by women in the Free State and also anti-pass campaigns in the then Transvaal
- We celebrate **seventy one** years of uninterrupted youth struggles since the formation of the ANC Youth League, our preparatory school for future leaders
- We celebrate **twenty one** years of freedom, twenty one years of reconciliation and nation building, twenty one years of reconstruction, growth and development
- We celebrate **six** years of success in the implementation of the HIV and AIDS prevention and treatment programme introduced in 2009

The list of these historic anniversaries is endless

### **INDEED SOUTH AFRICA IS A BETTER PLACE TO LIVE IN TODAY THAN IT WAS BEFORE 1994!**

The revision of this Integrated Development plan marks another step in the on-going quest for continuous improvement and the provision of a better life for all our citizens in line with the principles and imperatives of the National Development Plan.

The IDP review process (2015\16) is built upon past work, our experience in governing the Blouberg Municipality, as well as the needs and advices of the community as derived from regular interactions with our constituencies through our stakeholders outreach programmes and other mechanisms of engaging with them in terms of the approved communications strategy.

Through our public participation on the revised draft IDP\Budget for the financial year 2015\16 our people have spoken and the IDP and Budget that we table in this august house here today responds to the issues raised by our people. Basically the architects of the IDP and Budget that we table here today are our

communities, while my fellow comrade councillors and our officials were putting technical work to actualize the dictates of makgowa a rena...our communities that put us in this office.

The five year IDP that we adopted in 2011, which effectively marked the beginning of the new term of office of this current political administration in this Municipality has, in effect and unequivocally, given a political mandate and direction of our medium term objectives. The process relating to this revision of the IDP marks the final review of those plans and objectives that we have collectively determined to form a social contract with our communities, stakeholders, principals and partners.

Madame Speaker, the revision of this IDP comes at a time when the Minister of Cooperative Governance and Traditional Affairs has recently developed a Back-to-Basics programme which compels local government to turn around and effectively and efficiently conduct its affairs in such a way that communities are put at the focal point of development, that local government is run as an efficient machinery with sound financial management been put in place to accelerate service delivery to communities. This will bring the much needed confidence and trust, as well as ownership of local government by all communities under the jurisdiction of such municipalities.

Like we said last year, we need to reiterate proudly our twenty one years of democracy and fourteen years of existence of inclusive municipalities the attainment some of the following key milestones:

- Blouberg Municipality is the 1<sup>st</sup> Municipality in the province, if not in the country, with a license to electrify all rural areas and to date all settlements with **39 969** households electrified (Millennium Development Goal surpassed).
- 1<sup>st</sup> Municipality to implement the **Breaking New Ground housing** (inclusionary housing development) development in the province and over 5000 low cost housing units constructed.
- Over **35** kilometers of internal streets have been upgraded from gravel to tar or paving in settlements such as **Senwabarwana, Alldays, Taaibosch (Ga-Mamadi), Devrede, Witten, Dilaeneng, Indermark and Puraspan.**
- Over **116** kilometers of provincial and district new roads have been upgraded from gravel to tar with new 48 bus shelters along **D1200, D1598 and 3327**
- Decentralization plan developed and implemented and culminated in the establishment of new satellite offices at **Eldorado, Tolwe, Witten and Harriswhich alongside Alldays and Senwabarwana** bringing the total to **six**. New Multi-Purpose Community Centres are currently being implemented at Laanglagte and **Inveraan.**
- A standard and state of the art sports complex constructed at Eldorado and a second one is under implementation at Mampote.
- Economic growth and job creation were created and sustained by both the public and private sectors through the Community Work Programme, implementation of the Expanded Public Works Programme and municipal capital works programme, the construction of the Soutpan solar project, as well as the establishment and operation of two shopping centres in Senwabarwana bringing, in total, over **6000** job opportunities for our communities.
- About **40 early childhood daycare centres** preschools constructed

- On good governance and public participation the Municipality maintained its record of sound **community participation model** and such model received recognition from the national Department of Cooperative Governance and Traditional Affairs. All ward committees are fully functional.
- **The Municipality got two provincial excellence awards on the implementation of EPWP in the environment sector and also on its good community safety model.**
- **For the first time since our establishment the Municipality obtained a clean bill of health from the office of the Auditor-General...an unqualified audit opinion**

The list of this proud legacy is endless and we commit to continue with this journey to offer long lasting solutions to the triple challenges facing our municipality. Like we said last year, this IDP aims to radicalize and consolidate our approach to Economic Development and new cities development concepts which will culminate in the establishment of well planned and sustainable towns alongside the models used by our BRICS counterparts in the far eastern part of the world –China.

To make the best we must learn from the best.

We need to strengthen and consolidate our public participation model and also improve on our audit opinion from the baseline of an unqualified opinion for the previous financial year to a clean one for the 2014\15 AFS. We are proud of the clean audit opinion attained on the audit of predetermined objectives and we hope to sustain such-**FOUR YEARS IN SUCCESSION.**

The 2015\16 financial year will see the Municipality cascading PMS to all levels of the municipal labour force and this will ensure that efficiencies and total accountability are attained.

Our organic state should continue to grow through the implementation of the decentralization plan and we pride ourselves on the implementation of same with the establishment of the Harriswhich, Laanglagte and Inveraam MPCCs. This will go a long way in making services available to our communities within short distances thereby plugging the leaks of money out of their pockets while stimulating economic development in such villages hosting such service points. The inclusion of four wards from Aganang to Blouberg Municipality is one of the measures that the Minister is invoking to help streamline local government and it will bring with it the need to revise the Spatial Development Framework of the Municipality.

The implementation of all these good programmes cannot be realized if we do not have a strong municipal fiscus hence the revision of this IDP and Budget is also coupled with the revision of budget related policies and the creation of a credible municipal customer database. All these are aimed at ensuring that every cent owed to the Municipality is recovered.

Working together with the communities we can change the lives of our people. The journey continues!

The ANC, the same party that put us into office, said this which is still relevant even today in the 2009 election manifesto. We said: "In the period ahead South Africa will need a government with both experience and political will, a government that fully understands what needs to be done to address our apartheid past, a government that puts people first (batho pele) and builds a participatory democracy."

Indeed our municipality fully meets that description and we once more plead with our people to sustain such government and give the ruling party a fresh mandate in the coming 2016 local government elections.

Mass mobilization of our people and the establishment of a legitimate structure to drive socio-economic development is a recipe for our success. In two weeks time we will meet with all traditional authorities under our jurisdiction, the organized civic movement, Alldays Development Forum and leaders of the Machete CPA to establish a legal entity that will demand a stake in all economic opportunities of Blouberg. Using the same model in the acquisition of a 10% stake in the Ironveld mine equity shareholding of the communities of Harriswich, Aurora and Cracouw, the structure established will push for same in Venetia mine, Soutpan solar project, PGM and other related initiatives. The fight for the economic emancipation of our people cannot be done without our masses. This resonates well with what **Chairman Mao Tse Tung once said: "The revolutionary war is a war of the masses; only mobilizing the masses and relying on them can wage it."**

We must state that, despite all the good work that the ANC-led government has done, we acknowledge that challenges still lay ahead.

This is confirmed by President Jacob Zuma who once said: "We must also state that despite the progress made, the challenges of poverty, inequality and unemployment persist. Ours is to implement radical socio-economic transformation to meaningfully address this triple challenge giving effect to the realization of our number one priority: economic development, job creation and partnerships. While all priorities are equally important, the creation of jobs, especially for the youth remains critical."

As the leadership of this Municipality we acknowledge that working with our communities we will be able to deal with all the challenges that lay in front of us.

**However, South Africa, in general, and Blouberg Municipality, in particular, is a better place to live in now than it was before 1994, and that the past four years of our office have advanced positive change further.**

## **ECONOMIC DEVELOPMENT AND PARTNERSHIPS**

Madame Speaker, when we assumed office, as the third political administration of this municipality, in 2011 we channeled all our energy and efforts towards the realization of our number one IDP priority, viz, Economic Development and Partnerships.

The plan was to grow the local economy and create the much needed jobs, direct and indirect, for our communities. Today we are proud to report that the implementation of this IDP during this term of this administration has witnessed the construction and opening of the second retail service centre at

Senwabarwana by McCormick Property Development Pty Ltd, Selamo Trust and Dilala Trust, the further expansion of retail development by Flying Falcon cc, the expansion of Venetia mine through its underground operation to the tune of R20 billion, the construction of the first solar energy plant at Zuurbult and the granting of a mining licence for the extraction of pig iron, vanadium and other related minerals. This IDP has further put effect to the implementation of the Blouberg Decentralization Plan which has resulted in the construction of multi-purpose community centres in areas such as Harrietswish,

Madame Speaker, the IDP and Budget that we table here today have prioritized the following catalytic projects for required to trigger the Blouberg economy. Key amongst such programmes are:

- Alldays retail development by Gilfillan Trust; the shopping complex will include amongst its key tenants Spar supermarket and Build It Hardware.
- The production of ventilation pipes as one of the social and labour plan projects by Venetia mine; the establishment of this ventilation pipe company is in line with the industrialization policy of the government of the day. We will broaden the scope of the factory to also explore other alternatives such as water steel pipes and PVC pipes. The market for the ventilation pipes is huge and will not be confined to the Venetia mine as a primary market. The establishment will also cater for markets such as water and sanitation projects at a national level, other mining houses and related industries.
- The continuation of the expansion of the Venetia mine underground project;
- The operation of the Ironveld mine at Harrietswish, Cracouw and Aurora. We must tell this house that Ironveld has been formally granted a mining licence by the Department of Mineral Resources and there are still challenges that must be resolved in order to have successful operation of the mine. There is an impasse at Aurora and there is also the eminent relocation of some families at Harrietswish. We have approached the Limpopo Government Facilitation Team, under the office of the Premier, to help resolve the above matters.
- The exploration of platinum and other related minerals at villages such as Kgokonyane, Lewaneng, Kgatlu. This will turn Harrietswish into a formidable growth point on the same level as Alldays, Mokopane and other mining town
- The operationalization of the third Senwabarwana retail development by Flying Falcon. The building is practically completed and will become operational from June this year.

Madame Speaker, this IDP and Budget that we table today also prioritize the development of towns at Senwabarwana, Alldays and Harrietswish using the Public Private Partnership model. This will result in the establishment of townships in the three areas with full engineering services installed. Private partners will be involved to fast track development. To date we have approached the National Treasury to assist the Municipality with the registration of the project on a **PPP** model and we believe that once all regulatory processes have been finalized a way will be paved for the activation of the three areas as towns. We will also push for the adoption of densification and upward growth of infrastructure in our identified towns. Land is a commodity which we do not have the luxury of owning in abundance. It is against this background that

the Municipality developed a master plan for the town of Senwabarwana to guide the growth and development of the Senwabarwana town.

The council will note the master plan and further be thoroughly workshoped on it for ownership.

This budget that we table also makes an allocation of **R1 million** for the development of Alldays town master plans.

Speaker, last year we held a youth Summit on youth employment and job skills development. The response we got from the young people who attended the summit was resounding. Today we can speak with confidence that the fruits of the summit are visible for everyone to see. We would like to thank the SETAs who heeded our call to impart skills to our young people. Special credit must go to the Construction SETA, Lovelife and LEDET who have responded to our call to train our youth.

We are positive that the mining houses will come into the picture and prepare our young people for skills required by the mining sector. The Mining Qualification Authority has been approached to facilitate skills development in the mining sector.

Today we can stand up tall and boast about these good stories that indicate that we are in the right direction towards the realization of the National Development Plan goals and the total economic emancipation of our people.

## **HUMAN RESOURCE DEVELOPMENT, INSTITUTIONAL DEVELOPMENT AND FINANCIAL SUSTAINABILITY**

Madame Speaker, equally related and also a pre-requisite for economic development is the aspect of Human resources development for our people.

The revolutionary struggle for economic emancipation cannot be achieved if we do not have a skilled nation. We are delighted that the Provincial Department of Education is doing its great to push back the frontiers of illiteracy. The construction of state of the art schools in areas such as Senwabarwana (Mathews Phosa High School), Mashamaite, Montz, as well as the prioritization of a number of schools in this IDP is a step in the right direction for skilling our people.

Madame Speaker, we have made enormous strides in the provision of early childhood development facilities. Over 40 ECD facilities have been constructed under this democratic dispensation. Our children are our future. Mahatma Gandhi once said: **"If we are to teach real peace in this world, and if we are to carry real war against war, we shall have to begin with the children."**

Blouberg Municipality is one of those municipalities that have seen it fit to prioritize the education of our young people. In this financial year we have successfully completed the construction of five preschools at Berseba, Motlana, Devilliersdale, Bogna farm and Slaaphoek. The sixth one was constructed at Grootpan by Venetia mine as one of its Social and Labour Plan projects. The IDP and Budget that we table today will culminate in the construction of six preschools at Thorpe, Kgatlu, Indermark Block B, Thalane, Ditatsu and Papegaai at a combined budget amount of **R9,1 million**. The latter two are funded from the additional funds of R5 million received from the National Treasury for our improved MIG spending patterns. The

seventh preschool will be constructed at Sias village...thanks to Venetia mine. A sod turning ceremony for the Sias preschool, coupled with the handing over of the Grootpan preschool, was conducted on the 26<sup>th</sup> May 2015.

## **GE RE FIHLELETSE THUTO E NTSI YA SETSHABA SA MA-AFRIKA RE TLA FOKOTSA SETSHABA SA RENA LENANEONG LA MPHIWA FELA**

Madame Speaker, the budget we table today also put aside an amount of **R1, 2 million** for IT upgrade. We believe that our IT challenges will be thoroughly addressed.

Madam Speaker, the IDP and Budget that we present today also reinforce the implementation of our decentralization plan. Today we are proud that six satellite offices and a multi-purpose community centre have been established in areas such as Alldays, Tolwe, Eldorado, Harrietswish, Witten and Laanglagte. It is against this background that we will second internal staff to key municipal points such as Ben Seraki Sports complex, Alldays sports complex, Inveraan Multi-Purpose Community Centre.

We expect the management to also beef up other satellite offices to look at low hanging fruits by transferring some staff members within its establishment to beef up existing satellite offices so that they do not become white elephants. By so doing we will be giving full effect to the decentralization plan of this municipality to better the lives of our people. The satellite offices that we establish must take the shape of Alldays in terms of their organizational structure.

We also table before this council the revised organizational structure. Key amongst changes proposed in the revised organogram are the following:

- The establishment of the position of Chief Risk Officer
- The establishment of the post of Community Safety Officer
- The establishment of the post of Facilities Manager to oversee municipal facilities such as stadia, community halls and other related municipal facilities.
- The activation of the traffic services and licensing, at Tolwe, Harrietswish and Laanglagte
- The provision for the position of sports hub coordinators in all hubs

The job evaluation process is underway and should be able to help us on future institutional development plans, especially with regard to the separation of the SCM and Assets unit.

The revision of the organogram and the job evaluation process does not affect positions already planned for and funded from the previous organogram. We will request the portfolio committee on /corporate Services to look into the current organogram to provide a detailed report to EXCO and subsequently the special council on staff establishment and

Madame Speaker, our financial sustainability status remains an issue of concern. Blouberg Municipality is still grant dependent and this situation cannot be allowed to continue in this current fashion. Out of the total budget of the municipality less than **30%** is own revenue generated from own sources. We need to strengthen our revenue generating capacity to be financially viable.



We also need to introduce a project on smart metering to deal with our billing system and also to address electricity distribution losses.

Madame Speaker, the budget we table today also makes provision for the compilation of the general valuation roll. We have committed an amount of **R3 million** to that effect and we stress that the project will be completed in the 2015\16 financial year, while financial commitments will be done on a multi-year basis.

## **PROVISION OF SUSTAINABLE WATER AND SANITATION TO OUR COMMUNITIES**

Madame Speaker, I must reiterate that our public consultation programmes have become fashionably predictable. Every time we visit communities we are definitely sure that there are standing community priorities that will always be raised by our people; (1) the provision of clean drinking water and sanitation facilities and (2) the provision of better roads infrastructure. We must state it categorically clear that the provision of the above socio-economic basic services does not lie in the powers and functions assigned to us. However, we will not keep quiet but continue to raise these matters with the District. We must appreciate the role that the Capricorn District Municipality has played, as the Water Services Authority, in the provision of potable water and sanitation to our communities. As we speak right now, there are projects that are either complete or are underway in settlements such as Juniorsloop, Arrie, Royston, Donkerhoek, Springfield, Edwinsdale, The Glade and Aurora in ward 1 and we believe that such projects will ensure sustainable water supply to our people.

This revised IDP continues to give hope to our people on the provision of potable water and sanitation in the fact that the CDM has prioritized and amount of **R4, 3 million** for total sanitation while **R7 million** has been put aside for the provision of water borne sewer.

Water supply received a lion's share from the District budget. Over **R70 million** rand was set aside by the District Municipality to provide water to settlements such as Alldays, Eussorinca, Indermark, Raweshi, Bogna Farm, Broadhill, Mongalo, Mampote, Dithabaneng and many villages whose details appear in the IDP document.

Indeed the frontiers of chronic water shortage are being pushed back.

Madame Speaker, we must reiterate that we will still engage the District Municipality, the Limpopo Provincial Government and the Municipal Demarcation Board to revisit the powers and functions on water and sanitation and have same devolved to the Blouberg Municipality. In that way we will be making sure that services are brought closer to our people.

## **SOUTH AFRICA IS A BETTER PLACE TO LIVE IN NOW THAN IT WAS BEFORE 1994.**

## **PROVISION OF RELIABLE, SUSTAINABLE AND EFFICIENT ENERGY SUPPLY**

Madame Speaker, in the previous budget speeches we have always blown our trumpets on the provision of grid energy to all households in Blouberg and the provision of post connections to expanding settlements. To date we are proud to indicate that the Soutpan solar project is complete and will be commissioned to feed its energy to our national grid. This will ease the pressure on the suffocating energy generation ESKOM plants. The result will be reduced or eliminated power load shedding in our communities.

Operation leswiswi o kotsing has provided electricity connections to settlements such as Grootpan, Arrie, Sias, Simpson, Mongalo.

This revised plan and budget will see the Municipality providing a total of **673** connections with a total budget of **R8,8** million.

Such settlements include Witten extension, Alldays extension and the remaining connections from the villages we are currently electrifying. ESKOM will electrify a total of **1058** settlements with a budget of **R16,7 million**. Settlements that will benefit from this intervention include, amongst others, Pappegaai, Grootdraai, Nairn, Berg-en-Dal, Slaaphoek, Royston etc.

Our submission to ESKOM for the 2015\16 financial year includes Tervision but the final approval from ESKOM does not contain the village. We have instructed our management to pursue the matter with ESKOM to have the village included in the new allocation.

For long term forward planning on the energy sector this administration is given food for thought to develop a credible energy master plan. The plan should also explore the feasibility of building own substation and also energy generating plants. The municipality should lead by example by establishing mini solar stations for its operations so that during load shedding periods services should be provided uninterrupted.

In this way we shall be mitigating against negative climate change and contributing towards energy efficiency.

Madame Speaker, now that we have adequately addressed the provision of energy to our households we need to put more emphasis and focus on the provision of street lights to our communities. We have earlier mentioned, in our accolades that we have developed the best community safety model in the province. Now we must talk about implementation of the model and this is how our refined energy implementation will assist the implementation of the community safety strategy. Our budget that we table for this initiative is R1,75 million and we plan to implement high mast solar street lights within our high crime areas starting with Senwabarwana-Dilaeneng-Witten cluster and Puraspan-Avon-Indermark cluster in the 2015\6 financial year while in the outer years we will focus on other clusters such as Kromhoek-Devrede-Taibosch, Inveraan, Letswatla, Eldorado and offices of traditional leaders who do not fall within any identified cluster.

## **ROADS AND PUBLIC TRANSPORT**

The state of our roads remains a sore in our eyes. When we were embarking on the current IDP\Budget public consultations, as well as the previous ones, our communities spoke seriously about the poor conditions of our road networks, especially provincial roads.

During the budget speech of last year at Kgwale, we indicated that the provincial government has prioritized the upgrading of road D1468 (Puraspan-Indermark) from gravel to tar. However, to our dismay such has not been implemented and current provincial roads do not include any roads in the Blouberg Municipality. The multi-stakeholders structure that we have committed to establish with magoshi and other key stakeholders will send a delegation to the office of the Premier to help fast track development in the area, especially water, sanitation and roads.

Roads infrastructure are critical to the economic development of our area. Without better roads investors will be shy to invest in nodal points such as Eldorado and Harrietswish...two of our key nodal points.

Madame Speaker, we have managed to upgrade internal streets and storm water facilities at Senwabarwana, Indermark and Dilaeneng.

The revised IDP and Budget will see a total of **R24, 6 million** upgrading internal streets and storm water control at Kromhoek, Avon, Indermark and Senwabarwana. We also commit a total of **R3, 5 million** for the purchase of plant and equipment on a lease basis to help improve the state of our roads.

As we will be meeting with our provincial counterparts we will emphasize the need to improve the efficiency of their road maintenance camps and the upgrading of key economic routes in Blouberg. We will not rest until the following roads have been upgraded from gravel to tar:

- D1468 (Puraspan to Indermark)
- D1589 (Devrede to Eldorado via, Taaibosch)
- P19 (Tibane to Senwabarwana via Harriswich)
- D1200 (Windhoek to Baltimore)
- D3332 (Inveraan to Mohlabeng wa Malokela)
- Eldorado to Windhoek road

As we handover the baton to the incoming political administration next year we will tell them that our people demand that the above roads be given the necessary attention they deserve

## **SPORTS AND RECREATIONAL FACILITIES**

Madame Speaker, we are proud of the legacy we have created on the sports and recreation front. To date the Eldorado sports complex is complete and is fully functional and has also hosted local sons of the soil like Tefu Mashamaite and Punch Masenamela. We are proud that our people do not have to travel to FNB stadium to see their local heroes.

The Mampote sports complex is nearing completion and will be opened during Youth month this year.

The Alldays sports complex and swimming pool are also being given a major boost...thanks to Basil Read... a company contracted to Venetia mine.

Madame Speaker, I must commend the leadership of Basil Read for the massive investment they put in the town of Alldays. They are a real patriotic partner. Amongst key developments the company provided bus shelters, renovated the Alldays school, renovated the Alldays swimming pool, and to put the cherry on top the company invested over R4,3 million to build a better sports facility at Alldays. The facility will have, amongst others, (1) a FIFA standard artificial soccer pitch; (2) dressing rooms and ablution facilities; (3) standard fence; (4) multi-purpose courts; and grand stands.

## **THIS PROVES THAT INDEED BLOUBERG IN PARTICULAR, AND SOUTH AFRICA, IN GENERAL, IS A BETTER PLACE TO LIVE IN THAN IT WAS BEFORE 1994**

### **ENVIRONMENT AND WASTE MANAGEMENT**

Despite our limited capacity as a rural municipality, we have made serious strides in our quest for a clean, healthy and habitable environment. We are proud to tell this august house that today eleven settlements benefit from our waste removal services. Such include, amongst others, Senwabarwana, Alldays, Witten, Indermark and Dilaeneng. Credit must be given to our Community Services Department for coming up with innovative methods to provide waste storage facilities in Alldays and Senwabarwana towns without impacting on the fiscus of the municipality. We appreciate that

Madame Speaker, we are proud to indicate that this revised IDP and Budget will expand the waste removal service to other needy settlements. We have witnessed gaps in our current serviced areas. It is against this background that we will consolidate waste removal service in areas of our operation while expanding to new areas such as Puraspan, Harrietswhich, Tolwe and Eldorado.

For this IDP and Budget that we table today there is provision for industrial bins and household bins. We will improve on our record keeping capacity to ensure that every household we provide a bin to uses the same for the purpose it is intended for.

### **HEALTH AND SOCIAL DEVELOPMENT**

Our communities clearly emphasized the needs for the upgrading of Ratshaatsha and Blouberg health facilities into fully-fledged hospitals, as well as the provision of clinics in areas such as Milbank, Puraspan, Simpson, Schoongezicht, Tolwe, Mamoleka;

However, the Department of Health had for this financial year, prioritized to build Schoongezicht Clinic and upgrade facilities at Ratshaatsha health facility and Helen Franz Hospital.

We shall continue with the engagements on the provision of health facilities and mobile clinics until such is achieved.

### **THE JOURNEY CONTINUES**

#### **THE 2015/2016 BUDGET**

For the 2015/2016 Medium Term Revenue and Expenditure Framework, as in the previous financial years a considerable effort has been put to align our strategic objectives with the budget and the IDP, as well as the maintenance of sound fiscal discipline for the attainment of efficiency, effectiveness and value for money.

Madam Speaker, I present to this council the 2015\16 budget which amounts to **R247, 406, 558**. This is an improvement from the previous budget of **R223, 152, 084** and represents an increase of **R24,254,474**. For the 2016\17 and 2017\18 financial years we present a budget of **R 249,447,198** and **R 269,458,90**

respectively. However, we must caution this august house that figures for the outer years may change as a result of the inclusion of new settlements from the soon to be disestablished Aganang Municipality.

## SUMMARY BUDGET

		Medium Term Revenue and Expenditure Framework		
		Budget	Budget	Budget
		2015/16	2016/17	2017/18
Revenue	Budget-14/15	Budget 2015/16	Budget 2016/17	Budget 2017/18
Grant Income	173,963,057	198,881,000	199,526,000	213,845,300
Own Income	43,929,027	48,525,558	49,921,198	55,613,609
<b>Total</b>	<b>217,892,084</b>	<b>247,406,558</b>	<b>249,447,198</b>	<b>269,458,909</b>
Expenditure				
Operational Budget	161,772,478	190,695,000	191,939,287	205,474,527
Capital Budget	56,119,606	56,711,557	57,507,911	63,984,382
<b>Total</b>	<b>217,892,084</b>	<b>247,406,558</b>	<b>249,447,198</b>	<b>269,458,909</b>
<b>DEFICIT/SURPLUS</b>	-	-	-	-



The main cause for increase comes from annual increase in the allocation of grants from the National Treasury as per DORA and comprises of equitable shares, Municipal Infrastructure Grant, Municipal Systems Improvement Grant, Financial Management Grant and Integrated National Electrification Programme.

From own revenue generated sources the municipality relies mainly on, assessment rates (which accounts for R15,5 million), development fund, sale of electricity (R18 million), waste management services (R1 million), traffic services (R6,487,200), and **other related revenue related sources**.

Our own revenue amounts to **R48, 525,558** which constitutes less than **30%** of the total municipal budget. Madame Speaker, this means that from a financial viability point of view a lot still needs to be done.

### THE BUDGET FOR THE 2016/17 WILL BE APPORTIONED AS FOLLOWS:

An amount of **R190, 695, 00** for 2015/16 has been budgeted for operating expenditure; the budget we present today has increased by 14% from the current budget and out of this amount **34%** will cover employees' costs and if we include councilors' costs the figure will grow to **39%**.

An amount of **R56, 711,557** will fund our capital budget programme; the percentage of our capital budget to the overall budget is 23%. We have already mentioned the capital projects for implementation in this speech.

We also table this budget speech and the following revised budget-related policies for adoption:

- Budget policy
- Credit control and debt management policy
- Asset management policy
- Property rates policy
- Supply chain management policy
- Indigent support policy
- Tariffs structure and policy
- Funding and reserve policy
- Investment policy
- Cash management policy
- Customer care policy
- Payroll policy
- Revenue enhancement strategy
- Financial plan
- Policy on fruitless, wasteful, and irregular expenditure
- Senwabarwana master plan

From the above policies we want to make an emphasis on the indigent policy and want council to resolve as follows:

- For the 2015\16 the indigent policy threshold will be revised from **R2800** per household per month to **R3000** per month. We need to emphasize that the indigent is not automatically granted but must be applied for. It depends upon an application by legible indigents with valid proof of their indigent status.

We once more emphasize the need to develop a credible customer service database which will be premised upon the mapping of all our households.

We also table for adoption the following:

- Performance Management Policy
- Revised organogram

Madame Speaker, we also table the following from the executive committee:

- Monthly SDBIP reports

Madame Speaker, I would like to thank all those who put their tireless efforts towards making this day possible. My sincere gratitude goes to:

- My family
- Municipal staff, in particular, Municipal Manager, Mr T.M.P Kgoale, CFO Raganya Conny, Director; Economic Development and Planning, Johnny Kgorane and the entire management team,
- The Executive Committee for giving the IDP\Budget processes the much needed political direction,
- Our magoshi for their continuous support to the municipality and its programmes,
- Ward committees and CDWs, and
- Our communities for their valuable inputs and their deepest understanding during the review processes.

## **TRIBUTES**

Madame Speaker, in conclusion allow us to pay tribute to our fallen heroes and heroines and in particular fellow colleagues attached to this Municipality as a PR Councillor and EXCO member chairing Special Focus Portfolio Committee, Comrade William Moshuhla (commonly known as Senior Counselor) and from Avon village and ward 13 councillor, Comrade Rosta Manetja who passed on this week after battling a long\short illness. Before becoming councillors the two comrades rose from the ranks of the Blouberg ward committee system.

Tributes to Collins Chabane, Minister of Public Services and Administration, who hails from this peaceful province of Limpopo

Tributes to Isthalandwe, Comrade Ruth Mompoti-our national icon who hails from the North-West Province

We also pay our tributes to headman Mafifi attached to Dilaeneng village, ward 8.

More tributes to our officials in the name of Morukhuladi Ngwakoana Meisie

Our tributes are also paid to our fallen ward committee member, Raswana Kobola, from ward 10 attached to Avon,

May their souls rest in peace!

**Let us pick their spears and continue with the journey towards the total emancipation of our people from the country's triple challenges.**

**The journey continues!**

**Amandla!**

