

# **MAYORAL SPEECH**

**STATE OF THE MUNICIPALITY ADDRESS – IDP/BUDGET ADOPTION**

**MAYOR. CLLR M.Y. MMAKOLA**

**EPHRAIM MOGALE LOCAL MUNICIPALITY**

*DATE: 29 MAY 2014    VENUE: DICHOEUNG (WARD 14)    TIME: 14H00*

Honorable Speaker, Cllr. Kekana,

Honorable Chief Whip, Cllr. Ratau,

Members of the Executive Committee,

Chair of Chairs, Honorable Cllr. Ranoto,

Chairperson of MPAC, Honorable Cllr. Seono,

Chairpersons of Various Portfolio Committees,

Fellow Honorable Councilors,

Maaparankwe.

Acting Municipal Manager and HODs,

Representatives from Organized Labour (Unions),

Various Communities in the Ephraim Mogale Local Municipality,

All Stakeholders of the Municipality – [Traditional Leadership, Traditional Healers, Business, NGOs, CBOs and Various Faith Organizations, Community Members],

The Media Fraternity, Taxi Associations,

Distinguished Guests.

Dumelang, Lotshani, Goeie Middag, Good afternoon, Ladies and Gentlemen!

Thank you for joining us on this important occasion. It is with great honour to stand before this August Gathering, to account on our performance over the past financial year [2013/2014] and present the IDP, which is our strategic plan and the Budget, which is our financial plan, for the 2014- 2015 Financial year of the Ephraim Mogale Municipality.

Hon, Speaker, as we deliver this State of the Municipality's Address, South Africa celebrate its 20<sup>th</sup> anniversary of democracy since the first democratic election in 1994. In strengthening democracy, the country went into the fifth democratic elections as part of a commitment to create an enabling environment for the people of this country to work for, earn and live a better life and enjoy the fruits of a democratic society. We congratulate the Independent Electoral Commission (IEC) for delivering a peaceful and transparent 5<sup>th</sup> general election for our beloved country – South Africa.

As the first President of a democratic South Africa, Ntate Nelson Rolihlahla Mandela once said, "Never and never again shall it be that this beautiful land will again experience the oppression of one by another" and the ANC government commit never again for this country to experience apartheid which was declared by the United Nations as a crime against humanity. We, therefore, want to congratulate the African National Congress (ANC), for being accorded another 5- Year mandate by South Africans to once more lead government as we enter the second phase of South Africa's transition. This is clear evidence that, besides the many challenges that we still face as a country, the majority of South Africans, across the colour bar, class nor religious affiliation, still have confidence in the leadership and the government lead by the ANC.

We also congratulate Cde Stan Mathabatha as the Premier of Limpopo and others who have been mandated and deployed to lead various provinces together with their Executive Committees. We further congratulate the newly elected President and his Deputy, the Speaker and Deputy Speaker, all Ministers

and their deputies. As the Ephraim Mogale Municipal Council, a part of the local government sphere, we commit to improve on our service delivery and good governance record under the stewardship of Veteran, Minister Mr Pravin Gordan, who was recently appointed at the helm of the Department of Cooperative Governance and Traditional Affairs.

### **Mandela's death and others**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; please allow me to remind everyone that we present to you the IDP and budget for the first time, since the dawn of democracy, without the physical presence of the Father of the Nation, Ntate Rolihlala, Nelson Mandela. This country has, in him, lost a son, a father, a leader, an educator, a motivator and a veteran.

As Premier Mathabathe summed it up in his 2014/15 State of the Province Address [SOPA] "Mandela played pivotal role in rescuing our country from slippery slide into blood bath of a full blown civil war. He indeed was central, not only during the taxing times of our liberation struggle, but also in shaping our shared destiny. Ntate Mandela was an epitome of values that underpins our constitutional democracy. It is for this reason that our hearts could barely contain the news of his passing on. We are, however, comforted by the knowledge that there is no grave big enough to swallow this architect of our democracy, a giant of our liberation struggle. For as long as we live, the spirit of Nelson Mandela will never die".

We joined this movement, the African National Congress, with a commitment to redouble our effort to realize his vision - a better world for all people to realize their potential. We believe that Ntate Mandela will, as an ancestor, keep providing the necessary guidance to all of us on how to continue with the quest to improve the lives of our people.

Mr Speaker, during the financial year under review, the municipality also lost its own sons and daughters - *Leaders, Officials and Community Members* - who were bestrewn with a calling, a commitment and a responsibility to contribute in changing the life of people in this municipality. The municipality has lost Mpumalanga Party Councilor: Martin Tabane, Supply Chain Manager: the late Silas Mabothe, ANC Women League Chairperson: Cde Pollena "Staff" Aphane, Cde: Phillip Aphane and many more.

We have lost most of these noble and hard-working comrades through car accidents on our roads. We are, however, comforted that the Department of Roads and Transport has responded urgently to erect humps in Leeufontein, while the municipality is expecting that the department should build more humps as a measure to reduce road carnage within the municipality. May their souls rest in peace and let their spirit continue to guide us in our quest to create a non-racial, non-sexist, unitary, prosperous and democratic South Africa.

### **Abduction of Children in Nigeria and continuous Abuse of Women and Children**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; we recently learnt with shock and horror of the abduction of 276 school girls in Chikob, Nigeria on the 14<sup>th</sup> of April 2014 by Boko Haram. A further eight girls were abducted by the same group from the village in the North of Nigeria. The kidnapping of the girls is a serious human rights violation and a crime against humanity. More shocking are reports that the girls might be sold by their captors. This means that these, our, children will be exposed to enslavement, rape, sexual slavery and human trafficking. Then, during the 13<sup>th</sup> Special Council Sitting held on 19<sup>th</sup> May 2014, we, as the Ephraim Mogale Local Council, proclaimed that the girls abducted must be returned back to their families safe and with immediate effect.

The continental and world bodies, namely the African Union and the United Nations should ensure the safe return home of the girls. The two bodies should deal effectively with the terrorists who abducted the girls and ensure that no similar incident happen without an immediate intervention. The municipal Council condemns the actions and activities of Boko Haram and calls for both the United Nation and African Union to speedily save the children from these terrorists. We must all remember as a people and as parents the pain the parents of those girls are experiencing and we should always put them in our prayers.

Hon. Speaker, we further condemn the continuous abuse of women and children in this country. Despite the Constitution and laws that protect both children and women, the abuses and killing of both children and women continue unabated. Let us join hands in our fight against women and children abuse. Enough is Enough!

### **African Day**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; it is an honor and privilege for me to remind this august gathering about a remarkable day in our history as Africans – Africa Day. We have indeed come a long way since the Organization of African Unity (OAU) was established in 1963. We have achieved independence from colonialism. Africa is responding to the challenges and opportunities of the 21<sup>st</sup> century and has replaced the OAU with the African Union (AU).

- We have launched the AU and are in the process of establishing and/or operationalizing all relevant organs and institutions,
- A continental programme ( the New Partnership for Africa’s Development or NEPAD) which guides us in our efforts to bring about peace, stability,

security and sustainable development has been developed collectively by Africans and adopted by the AU,

- The launch of the African Peer Review Mechanism (APRM), which is a unique voluntary system of self-review by African member states to ensure conformity and commitment to democracy, respect of human rights, socio-economic development and good governance, and
- The launch of the Pan African Infrastructure Development Fund (PAIDF), to drive and sustain Africa's infrastructure development in the field of transport, energy, water, sanitation and telecommunications.

All countries in Africa should work toward continental unity, strengthen African Union (AU) under the leadership of Dr Nkosasana Dlamini-Zuma, as strategy of determining continental destiny by working toward peace, stability and development and leave aside the heinous activities (like those of Boko Haram) that damage our continental image and brand. As Mandela once said that "the conflict threatens not only the gains we have made, but also our collective future"

### **Acknowledgement of the Municipality Failures**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; it will be our collective failure as EXCO and as Council not to acknowledge the poor spending on Municipal Infrastructure Grant (MIG). As we speak, Hon. Speaker the municipality is standing the lowest in the province at just above 32%. We need to correct this with the administration in future because our failure to spend, simply mean we are failing to deliver the necessary services to our communities. The challenge here is worsened by high level of vacant positions, currently occupied by acting officials, which result in institutional instability. We look forward to filling all the critical posts which are key to ensuring improved service delivery during the next financial year commencing in July 2014.

Still talking of failure, Hon. Speaker, the municipality performed very poor in relation to the audit outcome. We have regress from qualified audit report during the 2011/2012 Financial Year to poor audit report by the Auditor General of DISCLAIMER for the 2012/2013. As Council, we need to take responsibility and work with the administration to urgently correct this regress as we have committed to have clean audit by 2014.

### **The good story to tell**

During the 2013 State of the Municipality's Address, we made a number of commitments to our community. That is why we have convened you again today, so that we can report back to you on performance and progress made in implementing those priorities. I beg for your indulgence as I summarize progress made.

The Municipality budgeted just over R202 million during the ending financial year [of 2013/2014] to address the needs and services of our communities, guided by the manifesto of the Ruling Party [the ANC] as well as our municipal vision and mission which propels us to seek to become a: **“Viable and sustainable municipality that provides quality services and enhance economic growth”** and commit **“to involve all sectors of the community in the economic and social development whilst improving service delivery to become a prominent agricultural, business, and mega industrial growth point in Sekhukhune District for the benefit of the residents and province”**.

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; despite all the failure as mention above, the municipality has indeed a good story to tell as President Jacob Zuma has said about the track record of the ruling party in South Africa.

- **Electrification of Villages Extensions**

Mr. Speaker, as a municipality, we are proud of the fact that, a few years ago, we were able to achieve the millennium development goal on electrification as per our Electrification Program with Eskom. I simply mean that all villages under this municipality are electrified. At the same time the municipality is faced with challenges of electrifying the extension of villages. During the last financial year we committed to electrify some of the extensions in the villages.

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; the electrification program of Eskom within the Ephraim Mogale Municipality is in progress. Already electrification is finalized in Leeufontein (Mosongo) and Malebitsa with a total of 121 household connected. Eskom is busy with some of the villages as indicated in the 2013/2014 program. We have submitted a proposal for the electrification of more extensions in the villages to the Sekhukhune District Municipality and Eskom; and we are awaiting a response in this regard.

- **Water reticulation progress in Moutse West**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; water is still the main challenge and first priority of all communities within this municipality. During the last financial year, we committed that this municipality will work with Sekhukhune District Municipality (SDM) in improving the provision of water, mostly in Moutse West. Indeed, Mr. Speaker as I stand before this august house, the SDM is busy with water infrastructure in Moutse West which we believe will be completed within the coming financial year and solved the water crises in that area.



We will continue to all summon the courage to confront our current challenges of provision of water which stand out to be number one needs for our communities and we should do everything in our power to ensure that our communities have clean running water. As government we should have a consistent effort to enhance access to water because we cannot boldly claim progress on this subject when many of our people have access to water for 30 minutes a day and only on certain days. We will not only focus in Moutse West, we know that areas like Leeufontein, Elandskraal and many more within the municipal boundaries experience water shortage and our goals will always remain that all wards and villages within the municipality have access to clean water.

- **Community Centres (Theatres of Excellence)**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests, development is an ongoing process. After achieving one hierarchy of needs as Maslow state, you automatically move to the next layer or hierarchy. Indeed, Mr. Speaker this municipality has moved to the next hierarchy of needs as identified by our community. After building community centre at Ga-Mmakola, the municipality resolved to intensify the building of this kind of Community Centre that will be one stop centres that provide various government services to the community.

The municipality has open the Community Centres at Uitvlugh and the contractors are finalizing the last two, being Mabitsi and Morarela which will be handed over before the end of the financial year, meaning 30 June 2014. It would be ideal to, in the future, convert these halls into centres of artistic and cultural excellence.

- **Access Roads and Bus Routes**

Hon. Speaker, ladies and gentlemen, during the last financial year, we committed to improve on access roads as part of our responsibilities to provide better road network services to our communities. This municipality has identified bus routes as part of our commitment to improve access roads to our communities. Hon. Mr Speaker, the contractors are on site in developing the following bus routes and access roads, Mmakgatle, Leeufontein and Rathoke. The municipality is also finalizing the design of Mogalatsane-Phetoane bus route which we will be working on during the coming financial year. We have also entered into partnership with the Provincial Department of Roads and Transport to jointly work together with regard to roads maintenance in the municipality.

- **High Mast Lights**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; the process of implement the High Mast Lights Project is on track. A contractor has been appointed and has committed to finish the work before the end of this financial year. The project will be implemented in the following villages, Dicheoung, Ga-Rakgoadi (Mohlalaotwane), Mohlotsi, Morarela-Mbuzini and Tshikanosi. The municipality will further engage Eskom to speed up the energization of high mast lights to provide the lighting in those villages. This intervention will, amongst others, contribute in curbing crime and enabling our people, particularly women, to reclaim the night. In other words, the high mast lights contribute to safety and security in our communities.

Talking of electricity, Hon. Speaker, the municipality is also busy with the Energy Efficiency Project in central Marble Hall. This project is the initiative of the National Department of Energy, as a strategy of saving

electricity in this country and contributes toward a save environment and minimizing climate change.

- **Job Creation**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; the municipality has contributed to the creation of 382 jobs through Extended Public Work Program (EPWP). EPWP plays an important role in the upliftment of the lives of our people as Premier Mathabathe said “the EPWP is one of government’s strategic initiatives aimed at addressing challenges of poverty, unemployment and shortage of skill”. These jobs where more created in the infrastructural programs such as the development of access road and building of the community halls, a fulfillment of a call made by President Zuma on infrastructural development.

- **Plant and Machinery to provide service to communities**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; during the last financial year, we identified the acquiring of plant and machinery as the major drive towards the provision of the service delivery. The municipality has acquired the following as part of the commitment in improving the provision of services to our communities: 1 x 3tone truck, 2 x Graders, 2 x TLB, 6 x LDV, 2 x Sedans and 3 x Dipper Trucks. We believe that this plant will contribute highly to the delivery of services to our communities.

- **Leeufontein Taxi Rank**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests, it is with great pleasure to inform the community that after a long

journey, the Leeufontein Taxi rank was handed over to the taxi association. This is milestone in making sure that this important sector of our economy, transport sector, is operating from a formal structure, not under trees anymore. We thank the taxi associations for their cooperation in this regard and look forward to working together in the future.

- **Fencing of Graveyards (Cemeteries)**

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; the municipality is busy with the fencing of graveyards which will all be completed before the end of this financial year, in the following villages: Disenyane, Moomane, Mamphokgo, Tskikanoshi, Rathoke, Moeding, Mooihoek (Tsimanyane) and Marble Hall. In some villages material has been delivered, others have started with fencing while in other villages the material will be delivered before the end of the week and work will start next week and completed in two weeks' time.

- **Community Bursaries**

Hon Speaker, education is a ladder out of poverty for millions of our people. And in this regard, as part of our commitment to assist young people to equip themselves with education, the municipality has allocated bursaries to 15 learners. Eleven (11) of them are continuing with their studies and there are three (3) newly enrolled students as well as a Top learner who is receiving a Special Mayoral Bursary from Special projects to further their education at various tertiary institutions. The municipality has introduced the Top-Ten Learners Awards which created a healthy competition amongst the learners, schools and the Education District and yielded good results that saw Moutse West District topping all others district with the municipality with 87.4%. The best performing learners who received the Special Bursary Award went to Nkoana Precious of Kgalatlou

School; we congratulate all the matric learners and wish them the best in their new endeavors.

Once again, this municipality wants to thank Mr Makofane for his continued commitment to community development as part of their social responsibility programme through Classy Funeral Broker. We also thank Focus Business Consulting for coming on board as part of the sponsor of the Top Ten Learners Awards of the municipality. We are calling more private sector organisations to commit in the education of the daughters and sons of the Ephraim Mogale Local Municipality, "leka moso".

### **Equity**

Hon. Speaker, in addressing the issue of equity and employment of people living with disabilities, the municipality is slowly moving towards the 2% national target with 0.95, and 16.66% % women employed to filling at management level. We are looking at improving gender quota at management level when the incoming Director of Budget and Treasury (CFO) resume her duties on the 1 June 2014.

### **Health**

Hon Speaker, as stated during the last State of the Municipality Address, HIV/AIDS remain the burning issue in the country and the Southern African Development Countries (SADC). We will continue working with both Aurum and the Department of Health as strategic partners in creating awareness, educating our communities and encouraging people to know their HIV/AIDS and chronic diseases status by undergoing testing.

## **Sports Arts and Culture**

Hon Speaker, fellow Councilors, Ladies and gentleman, the municipality has recently participated in the IMSSA Games played in Vhembe. The Ephraim Mogale soccer team won the Limpopo Municipal Tournament and will be representing the province in the interprovincial games in the Eastern Cape during the month of September, 2014. We congratulate the Soccer team for winning the trophy and for both the Golf and Netball Teams for advancing to such level. We need to ensure that we improve on the provision of sport, arts and culture facilities in the municipality so as to identify and nurture talent from the locality. In this regard, we commit ourselves to work with the relevant stakeholders to improve our performance in this area.

## **Local Economic Development**

Hon Speaker, fellow Councilors, Ladies and gentleman, the municipality continued to assist the community in creating project that create sustainable jobs. In partnership with DTI, nine (9) Corporative for organic farming have been established which created 127 permanent jobs. Another 47 beneficiaries benefited from the Phetwane Fish Ponds Project. Through the Community Work Program, 1145 benefited from the implementation of this program.

Going forward we need to start a conversation with all stakeholders on how can we revive and grow Marble Hall as a Provincial Growth Point and ensure the creation of jobs anchored on our competitive strength as an agricultural hub of the district. We need to review our LED Strategy and engage all parties key to this task, namely, DTI, IDC, Department of Economic Development, Environmental Affairs and Tourism, Coghsta, to mention but a few.

## **BUDGET**

Hon Speaker, we must always remind ourselves that our budget should strive towards contribution in creating sustainable jobs and service delivery through massive infrastructural commitment and economic development. In doing so, Mr. Speaker, the Ephraim Mogale Local Municipality stand firm on the commitment to deliver the service to the communities as stated in the 2011 ANC Local Election Manifesto of:

- Building Local Economies to create more employment and sustainable livelihood
- Improving local public service and broadening access to them;
- Building more united non-racial, integrated and safer communities;
- Promoting more active community participation; and
- More effective, accountable and clean local government, working together with provincial and national government.

Mr Speaker, we further commit to Local Government Turn-Around Strategy (LGTAS) commitment we made during 2009 of:

- Restoring the confidence for the majority for South African in municipalities as the primary delivery organ of the developmental state at local level; and
- Rebuilding and improving the basic requirements for a functional responsive, accountable, effective and efficient developmental local government.

## **Revenue Collection**

Hon Speaker, fellow Councilors, Ladies and gentleman we are still faced with great challenges with regard to revenue collection. We still collect revenue in

central town as the growth point. The municipality generally depends on grants received from other spheres of government to assist in funding the internal projects. The extension of revenue collection to other areas such as Leeufontein and Elandskraal is at an advanced stage and the administration is putting a database of legible service payers in the two areas. The collections in the two area will indeed, Mr. Speaker increase the revenue of the municipality which will enable us to improve on the delivery of services to our communities.

During 2013/2014 financial year the Property Rates, Refuse Removal Rates and Sundry will all increase by 6.8% each, which is the growth limits set by the National Treasury in line with inflation targets of the Reserve Bank. The electricity tariffs will increase by 7.39%, which is in line with the NERSA guideline.

The budget for 2014/2015 financial year is Two Hundred and Twenty Three Million, Four Hundred and Ninety Four Thousand, One Hundred Thirty Three and Ninety Three cent (R223 494 133.93) with a total expenditure of Two Hundred and Thirty Four Million, Nine hundred and Fourteen Thousand, Six Hundred and Seventy Nine Rands and Fifty Five Cents (R234 914 679.55) which will consist of: over R15m from the property rates, R46m from Service charges, R95m from Government Operation Grants, R31m from Government Capital, R3m from Investment Revenue and R31m from other revenue sources. This is an increase of 10.94% from total revenue of the previous financial of 2013/2014. Hon. Speaker, we believe that this amount will enable the municipality to fund all operational and capital expenditure projects we have planned for the coming financial year.

### **Salary Bill and Council Allowances**

The municipal salary bill remains within the limitations of the law of not more than 35% of our total operating budget allocation including the 6.9% increase. The



municipality has allocated R47 115m for employees related cost and R10 656m for Councillors allowance and Interns during the 2014/2015 financial year.

Hon Speaker, the municipality remains committed to provide infrastructural capital project from two main sources that is from its Internal Revenue Source and Municipal Infrastructural Grant (MIG). The 2014/2015 Infrastructural project will be implemented as follows:

### Internal Funded Projects

Infrastructural Projects	Amount	Ward
Upgrading Access Road – Rakgoadi (design and planning)	R1.5m	11
Leeufontein Extension Highmast	R1.2m	8
Driefontein Community Hall	R 3.2 m	1
Moomane Community Hall	R 3.45m	13
Elandskraal Highmast	R 2m	15
Upgrading Access Road – Dicheoung (design and Planning)	R 1.2m	14
Rehabilitation of M/Hall total Garage Road	R4.5m	7
Mogalatsane – Phetwane Road	R 9.5m	16
Rehabilitation of Leeufontein Internal Street	R7.5m	8
Mmakgatle A & B Phase 2 Road	R5.45m	10
Matlala- Ramoshebo Highmast lights	R1.3m	6
New LDV	R350 000.	
<b>TOTAL</b>	<b>R40 950 000</b>	

### Municipality Infrastructure Grant (MIG)

Projects	Amount	Wards
Upgrading of Road and Storm Water –	R9.5m	11

Mmatilu		
Upgrading of Road and Storm Water – Puleng	R9.5m	11
Upgrading of Road and Storm Water – Letebejane –Ditholong	R1.292m	16
Upgrading of Road and Storm Water Elandskraal Internal Streets	R10m	15
<b>TOTAL</b>	<b>R30 292 000</b>	

### **In conclusion**

Hon. Speaker, one still believe that this municipality has the potential to provide and deliver services to the communities provided we all commit to work together as Councilors, officials of the municipality, the labor movement and all municipal stakeholders.

Hon. Speaker, fellow Councilors, Ladies and gentleman, the municipality acknowledges that based on the municipality income and the fact that this municipality is more rural which has a lots of social service's needs, the budget is not enough and will never meet the challenges that communities have raised. We also agree Hon. Speaker that we will share the little we have as we all know that "Bana ba motho ba kgetlogana hloogo ya tsie" We will continue sharing the little budget of the municipality with all our communities. Unfortunately we cannot provide all services to all villages in one financial year.

Hon. Speaker, please allow me to pass my sincere thanks to Exco Members, Hon. Speaker and the Chief Whip for their support during this financial year as they always do, the Portfolio Committees, the Council and officials in general.

Sincere gratitude to communities in the municipality for their patience as they eagerly await the provision of basic and other services that should result in economic development and social cohesion. We also appreciate your acknowledgement and understanding of the limitations of the municipal budget. Thank you for your support during the IDP and Budget Consultation processes.

Special thanks to my family for all the support given to me to perform this task of leading the municipality in a responsible manner.

Hon. Speaker, allow me to conclude with the wise words of the first democratic President Dr. Mandela which we should always bear in mind, when said “there is nothing which makes people more appreciative for a government than that it should be able to deliver serves”

It is an honor for me to table the IDP, the Budget, budget related policies and tariffs before the Honorable Council, community members and various stakeholders for consideration.

I thank you.

Kea leboga.